

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



For the Half Year (2nd Quarter) Ended December 31, 2024

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Head Office:

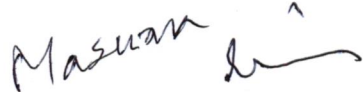
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GLOBAL HEAVY CHEMICALS LTD.
Statement of Financial Position (Un-audited)
As at 31 December 2024

		(Amount in Taka)	
	Notes	31-Dec-24	30-Jun-24
ASSETS			
Non-Current Assets			
Property, Plant and Equipment -Carrying Value	3.00	7,084,784,350	7,127,228,033
Current Assets			
Advances, Deposits and Prepayments	4.00	75,583,516	98,838,406
Inventories	5.00	36,644,645	84,757,592
Trade Receivable		18,830,960	30,238,710
Cash and cash equivalents	6.00	26,207,576	37,219,286
TOTAL ASSETS		7,242,051,047	7,378,282,027
EQUITY AND LIABILITIES			
Shareholders equity			
Share Capital		720,000,000	720,000,000
Share Premium		1,083,400,000	1,083,400,000
Revaluation Reserve		3,898,965,574	3,898,965,574
Retained Earnings		(448,243,674)	(368,306,520)
Non-Current Liabilities			
Long Term Loan		-	-
Deferred Tax (Assets)/Liabilities	8.00	655,196,753	657,116,878
Current Liabilities & Provisions			
Trade Payable		196,148,307	207,848,176
Provision & Liabilities for Expenses		59,795,703	119,447,289
Unclaimed Dividend	9.00	3,269,700	3,269,700
Advance against Sales		68,875,463	35,318,130
Current portion of long term loan		5,569,052	21,715,389
Inter-Company Liabilities		306,438,495	306,438,495
Short term Bank Loan		660,254,611	662,212,708
Provision for Income Tax		32,381,063	30,856,209
TOTAL EQUITY AND LIABILITIES		7,242,051,047	7,378,282,027
Net Asset Value per share		72.97	74.08


Company Secretary


Chief Financial Officer

 Masuan
Director


Managing Director


Chairman

Date: January 30, 2025
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 2024


Particulars	Notes	July 2023 to			October 2024 to		(Amount in Taka)
		December 2024	December 2023	December 2023	December 2024	December 2023	
Net Sales		232,901,473	286,232,322	61,635,769	151,221,950		
Cost of Goods Sold	11.00	(245,178,374)	(482,767,310)	(29,379,144)	(242,879,462)		
Gross Profit		(12,276,900)	(196,534,988)	32,256,626	(91,657,512)		
Operating Expenses		(24,567,803)	(23,959,580)	(10,166,137)	(11,233,776)		
Office & administrative Expenses	12.00	(14,838,515)	(16,446,433)	(7,111,374)	(8,730,069)		
Selling & Distribution Expenses	13.00	(9,729,287)	(7,513,146)	(3,054,762)	(2,503,706)		
Operating Income		(36,844,703)	(220,494,565)	22,090,489	(102,891,285)		
Financial Expenses		(44,054,144)	(64,317,955)	(23,939,630)	(43,517,555)		
Other Income		566,422	428,021	255,417	214,975		
Profit before WPPF & Tax		(80,332,425)	(284,384,500)	(1,593,724)	(146,193,866)		
Provision For WPPF		-	-	-	-		
Profit before Tax		(80,332,425)	(284,384,500)	(1,593,724)	(146,193,866)		
Income Tax Expenses		395,271	(3,308,395)	532,779	1,967,072		
Provision for Current Tax		(1,524,854)	(5,838,773)	(427,284)	(2,670,744)		
Provision for Deferred Tax	16.00	1,920,125	2,530,379	960,063	4,637,817		
Profit after tax		(79,937,154)	(287,692,895)	(1,060,945)	(144,226,794)		
Basic Earnings Per Share		(1.11)	(4.00)	(0.01)	(2.00)		
Diluted Earnings Per Share		(1.11)	(4.00)	(0.01)	(2.00)		


 Company Secretary


 Chief Financial Officer


 Director


 Managing Director


 Chairman



Date: January 30, 2025
 Dhaka

GLOBAL HEAVY CHEMICALS LTD.
Statement of Changes in Equity (Un-Audited)
For the Half Year (2nd Quarter) ended 31 December 2024

(Amount in Taka)

Particulars	Share Capital	Share premium	Retained Earnings	Revaluation Surplus	Total Shareholders Equity
Balance as at July 01, 2024	720,000,000	1,083,400,000	(368,306,520)	3,898,965,575	5,334,059,055
Net profit during the Period	-	-	(79,937,154)	-	(79,937,154)
Balance as at December 31, 2024	720,000,000	1,083,400,000	(448,243,674)	3,898,965,575	5,254,121,901

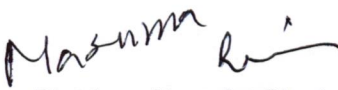
For the Half Year (2nd Quarter) ended 31 December 2023

(Amount in Taka)


Particulars	Share Capital	Share premium	Retained Earnings	Revaluation Surplus	Total Shareholders Equity
Balance as at July 01, 2023	720,000,000	1,083,400,000	177,228,146	1,464,644,749	3,445,272,895
Net profit during the Period	-	-	(287,692,893)	-	(287,692,893)
Balance as at December 31, 2023	720,000,000	1,083,400,000	(110,464,747)	1,464,644,749	3,157,580,002


Company Secretary


Chief Financial Officer


Director


Managing Director


Chairman

Date: January 30, 2025
Dhaka

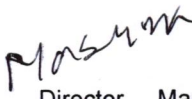


GLOBAL HEAVY CHEMICALS LTD.
Statement of Cash Flow (Un-Audited)
For the Half Year (2nd Quarter) ended 31 December 2024

PARTICULARS	July 2024 to December 2024	July 2023 to December 2023
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Cash Receipts:	278,432,979	437,129,307
Cash Receipts from Customers	277,866,556	436,701,286
Cash Receipts from Others Income	566,422	428,021
Cash Payments:	271,340,256	281,649,578
Cash paid to suppliers, employees & others	226,520,804	211,492,850
Income Tax	765,307	5,838,773
Financial Expenses	44,054,144	64,317,955
Net Cash Provided by Operating Activities:	7,092,723	155,479,729
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Fixed Assets Addition	-	(30,199,268)
Net Cash Used in Investing Activities:	-	(30,199,268)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Bank loan	(18,104,433)	(125,406,650)
Dividend Paid	-	-
Net Cash provided by Financing Activities:	(18,104,433)	(125,406,650)
D. Net Cash Inflow (A+B+C):	(11,011,710)	(126,189)
E. Opening Cash & Cash Equivalent	37,219,286	24,305,640
F. Closing Cash & Cash Equivalent (D+E):	26,207,575	24,179,449
Net Operating Cash flow per share:	0.10	2.16


Company Secretary


Chief Financial Officer


Director


Managing Director


Chairman

Date: January 30, 2025
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 2024

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 2024 should be read in conjunction with the Financial Statements for the year ended 30 June 2024 (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 2024.

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.



	<u>31-Dec-24</u>	<u>30-Jun-24</u>
3.00 Property, Plant & Equipment -Carrying Value		
Opening balance	8,105,990,285	5,502,168,284
Add: Addition during the Period	-	41,379,027
Add: Revaluation Surplus	-	2,562,442,974
	<u>8,105,990,285</u>	<u>8,105,990,285</u>
Less: Accumulated depreciation up to last account	<u>978,762,252</u>	<u>890,746,524</u>
	7,127,228,033	7,215,243,761
Less: Depreciation charged during the Period	<u>42,443,683</u>	<u>88,015,728</u>
Written Down Value	<u>7,084,784,350</u>	<u>7,127,228,033</u>
4.00 Advances, Deposits and Prepayments		
Security Deposits	22,556,803	22,556,803
Advance Tax	47,663,244	46,897,937
Advance VAT	4,561,839	28,339,096
Other Advance & Deposit (Note: 4.01)	<u>801,630</u>	<u>1,044,570</u>
Total:	<u>75,583,516</u>	<u>98,838,406</u>
4.01 Other Advance & Deposit		
Advance to supplier	275,600	328,640
Advance to employee	265,000	378,827
Other advance expenses and deposited	<u>261,030</u>	<u>337,103</u>
Total:	<u>801,630</u>	<u>1,044,570</u>
5.00 Inventories		
Raw Materials	20,206,520	41,652,352
Packing Materials	1,556,240	4,852,365
Finished Goods	13,056,245	35,426,523
Others	<u>1,825,640</u>	<u>2,826,352</u>
Total:	<u>36,644,645</u>	<u>84,757,592</u>
6.00 Cash and Cash Equivalents		
Cash in hand	708,204	1,512,050
Cash at bank	<u>25,499,372</u>	<u>35,707,236</u>
Total	<u>26,207,576</u>	<u>37,219,286</u>
8.00 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	657,116,878	470,816,507
Provision made for the current Period	<u>(1,920,125)</u>	<u>(2,848,642)</u>
Total	<u>655,196,753</u>	<u>467,967,865</u>
Calculation:		
Written Down Value excluding Land (Account Base)	2,715,609,349	2,758,053,033
Written Down Value excluding Land (Tax Base)	<u>644,286,066</u>	<u>678,195,859</u>
Temporary Difference	2,071,323,283	2,079,857,174
Tax Rate	22.5%	22.5%
Deferred Tax (Assets)/Liabilities	<u>466,047,739</u>	<u>467,967,864</u>
Deffered Tax on Land revaluation Surplus	<u>189,149,014</u>	<u>189,149,014</u>
	<u>655,196,753</u>	<u>657,116,878</u>
9.00 Unclaimed Dividend		
2018-2019	1,545,820	1,545,820
2019-2020	882,480	882,480
2020-2021	575,480	575,480
2021-2022	<u>265,920</u>	<u>265,920</u>
Total	<u>3,269,700</u>	<u>3,269,700</u>



	July 2024 to December 2024	July 2023 to December 2023
11.00 Cost of Goods Sold		
Materials Consumed (Note-11.01)	58,520,003	111,518,823
Direct Labour	24,232,724	33,924,335
Manufacturing Overhead (Note-11.02)	140,055,368	331,259,439
Cost of Production	222,808,096	476,702,597
Add: Opening Stock of Finished Goods	35,426,523	127,750,625
	258,234,619	604,453,222
Less: Closing Stock of Finished Goods	(13,056,245)	(121,685,912)
Cost of Goods Sold:	245,178,374	482,767,310
11.01 Materials Consumed		
Opening Stock of Raw Materials	41,652,352	141,842,965
Opening Stock of Packing Materials	4,852,365	16,364,063
Add: Raw Materials Purchase	30,396,472	72,537,985
Add: Packing Materials Purchases	3,381,574	7,982,886
	80,282,763	238,727,899
Less: Closing Stock of Raw Materials	(20,206,520)	(111,847,502)
Less: Closing Stock of Packing Materials	(1,556,240)	(15,361,575)
Materials Consumed:	58,520,003	111,518,823
11.02 Manufacturing Overhead		
Carriages	7,371,278	3,741,277
Gas Expenses	14,909,374	44,389,833
Electricity Expenses	70,572,419	247,234,872
Fuel and Lubricants	2,461,381	1,533,553
Depreciation	31,832,762	32,896,353
Rrepair & Maintenance	12,908,154	1,463,551
Manufacturing Overhead:	140,055,368	331,259,439
12.00 Office & Administrative Expenses		
Salary & Allowances	1,249,260	2,194,889
Managing Director's Salary	720,000	720,000
Director remuneration	420,000	420,000
Office rent	228,000	192,000
Telephone & Internet	71,159	50,190
Printing & Stationery	49,208	71,075
Electricity	26,312	124,368
Postage	257,640	185,569
Entertainment	168,490	267,884
AGM Expenses	-	180,000
Computer Repairs and Accessories	51,000	115,000
Conveyance	30,399	55,368
Annual Subscription and Professional fees	264,903	485,885
Books, Papers & Periodicals	4,121	10,782
Advertisement	302,400	143,957
Vehicles Maintenance	384,703	264,015
Depreciation	10,610,921	10,965,451
Total	14,838,515	16,446,433
13.00 Selling & Distribution Expenses		
Salary & Allowances	9,254,674	7,039,531
Delivery Expenses	89,910	38,150
Carton Expenses	-	171,450
Vehicles Maintenance	384,703	264,015
Total	9,729,287	7,513,146



	July 2024 to December 2024	July 2023 to December 2023
14.00 Reconciliation of Cash flows from operating activities (Indirect Method):		
Profit before Tax	(80,332,425)	(284,384,500)
Adjustments for Expenses Not Requiring Cash:		
Depreciation	42,443,683	43,861,804
Provision For WPPF	-	-
Working capital changes:		
(Increase) / Decrease In Trade Receivables	11,407,750	86,932,501
(Increase) / Decrease In Inventories	48,112,947	40,672,210
(Increase) / Decrease In Advances, Deposits and Prepayments	24,020,197	(17,594,021)
Increase / (Decrease) In Trade Payables	(11,699,869)	205,218,618
Increase / (Decrease) In Advance Receipt Against Sales	33,557,333	63,536,463
Increase / (Decrease) In Provision & Liabilities For Expenses	(59,651,586)	23,075,426
WPPF Paid	-	-
Income Tax Paid	(765,307)	(5,838,773)
Net Cash From Operating Activities	7,092,723	155,479,729

15.00 Significant Deviation:

The Company has been experiencing a significant increase in the Cost of Goods Sold due to the combined effect of rising prices of raw materials, spare parts, and freight charges in the international market, along with the frequent depreciation of the local currency against the US dollar. Additionally, there has been an unusual increase in gas and electricity costs due to tariff hikes.

We would also like to inform you that during the reporting period from July 1, 2024, to December 31, 2024, our sales declined due to a temporary factory shutdown in October. Operations resumed on a limited scale, which prevented us from fully recovering our fixed operating costs, such as depreciation, labor costs, and finance expenses. As a result, net profit after tax and earnings per share (EPS) remained negative, leading to a reduction in net asset value (NAV).

However, the Cost of Goods Sold decreased during the period from October 1, 2024, to December 31, 2024, due to lower consumption of gas and electricity and a reduction in labor costs. Consequently, net loss for the quarter was reduced.

Net Operating Cash Flow per Share (NOCFPS) has decreased during the reporting period compared to the same period of the previous year due to a decline in sales and financial expenses.

16.00 Calculation of Provision for Current Tax

Minimum Tax Note: 16.01	1,524,854	5,913,974
Regular Tax	-	-
Provision for Current Tax is the Higher One	1,524,854	5,913,974

16.01 Minimum Tax

Turnover Base

0.60% on Sales	1,397,409	1,347,415
Tax on other income	127,445	58,578
Minimum Tax on Turnover and others Income	1,524,854	1,405,993
Deducted Tax at source	765,307	5,913,974
Minimum Tax is the Higher One	1,524,854	5,913,974

17.00 Earnings Per Share

Particulars

Surplus for the Period attributable to the shareholders	(79,937,154)	(287,692,895)
Number of outstanding share at the end of the year	72,000,000	72,000,000
Basic Earnings Per Share	(1.11)	(4.00)

18.00 Net Operating Cash Flows per share(NOCFPS)

Particulars

Net Cash Provided by Operating Activities	7,092,723	5,334,059,054
Number of outstanding share at the end of the year	72,000,000	72,000,000
Net Operating Cash Flows per share (NOCFPS)	0.10	74.08



19.00 Net Asset Value Per Share	31-Dec-24	30-Jun-24
Particulars		
Net Asset Value at the end of the Year	5,254,121,900	3,795,320,305
Number of outstanding share at the end of the year	72,000,000	72,000,000
Net Asset Value (NAV) Per Share	72.97	52.71

20.00 Related Parties Transactions

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

SL No.	Name of Related Party Companies	Nature of Transaction	Amount		Head of A/C
			Outstanding as on		
			31-Dec-24	30-Jun-24	
1	Opsonin Pharma Ltd.	Sales	4,395,232	-	Accounts Receivables
2	OLS Pharma Ltd.	Sales	3,067,363	30,167,363	Accounts Receivables
3	Global Capsules Ltd.	Sales	2,665,185	-	Accounts Receivables
4	Crescent Chemicals Ltd.	Purchases	66,702,361	78,473,366	Accounts Payables

SL No.	Name of Related Party	Nature of Transaction	Amount		Head of A/C
			July 2024 to December 2024	July 2023 to December 2024	
1	Abdur Rouf Khan	Remuneration	420,000	420,000	Operating Expense
2	Abdur Rakib Khan	Remuneration	720,000	720,000	Operating Expense



GLOBAL HEAVY CHEMICALS LTD.

Schedule of Property, Plant & Equipments

For the Half Year (2nd Quarter) ended 31 December 2024

SI.No	Particulars	Balance as on July 01, 2024	Addition	Balance as on December 31, 2024	Rate	Depreciation		W.D.V as on December 31, 2024
						Opening	Charged during the Period	
1	Land & Developments	4,369,175,000		4,369,175,000	0%	-	-	4,369,175,000
2	Building & Other Civil Const.	373,389,331		373,389,331	2.5%	91,317,505	3,525,898	278,545,928
3	Plant & Machinery	2,393,919,201	-	2,393,919,201	2.5%	514,690,429	23,490,360	1,855,738,412
4	Generator	468,075,384		468,075,384	5%	169,000,289	7,476,877	291,598,218
5	Pipe, Pipe Rack & Electrical	302,822,549		302,822,549	5%	103,783,407	4,975,979	194,063,163
6	Furniture and Fixture	26,679,974		26,679,974	10%	18,956,221	386,188	7,337,565
7	Tools & Equipments	132,684,501	-	132,684,501	5%	54,390,878	1,957,341	76,336,282
8	Motor Vehicles	39,244,345	-	39,244,345	10%	26,623,524	631,041	11,989,780
	Balance as at 30.09.2023	8,105,990,285	-	8,105,990,285		978,762,252	42,443,683	7,084,784,349

Allocation of Depreciation:

Manufacturing Overhead
Office & administrative Expenses

July-Dec 2024

31,832,762
10,610,921
42,443,683

July-Dec 2023

32,896,353
10,965,451
43,861,804



GLOBAL HEAVY CHEMICALS LTD.
Schedule of Fixed Assets (Tax Base)
For the Half Year (2nd Quarter) ended 31 December 2024

Annexure-B

Sl. No	Name of the Assets	Balance as on 01/07/2023	Addition	Total as on 30/09/2023	Rate	Charged during the Period	Written down Value 31.12.2023
1	Land & Developments	-	-	-	-	-	-
2	Building & Other Civil Const.	87,204,133	-	87,204,133	10%	4,360,207	82,843,926
3	Plant & Machinery	364,324,432	-	364,324,432	10%	18,216,222	346,108,210
4	Generator	101,883,108	-	101,883,108	10%	5,094,155	96,788,953
5	Pipe, Pipe Rack & Electrical	89,329,649	-	89,329,649	10%	4,466,482	84,863,167
6	Furniture and Fixture	5,884,777	-	5,884,777	10%	294,239	5,590,538
7	Tools & Equipments	24,365,039	-	24,365,039	10%	1,218,252	23,146,787
8	Motor Vehicles	5,204,721	-	5,204,721	10%	260,236	4,944,485
		678,195,859	-	678,195,859		33,909,793	644,286,066

Account Base	2,715,609,349
Tax Base	644,286,066
Temp. Dif	2,071,323,283
Rate	22.5%
Deffered Tax Liabilities	466,047,739
Opening Balance	467,967,864
Deffered Tax (Liabilities/Assets)	(1,920,125)
Closing Balance	<u>466,047,739</u>

