

Achia Sea Foods Limited

Producer, Processor & Exporter



E-mail : info@achia-seafoods.com

achiasf@gmail.com

Web-Site : www.achia-seafoods.com

NOTICE FOR QUALIFIED INVESTORS (QIs) TO SUBMIT THEIR APPLICATION(S) THROUGH THE ELECTRONIC SUBSCRIPTION SYSTEM OF THE STOCK EXCHANGES FOR THE SHARES OF ACHIA SEA FOODS LIMITED.

This is for the kind information to all the concerns that Bangladesh Securities and Exchange Commission (BSEC) has accorded consent vide their letter no.: **BSEC/CI/QIO/SC-23/2021/839, dated June 1, 2022** for raising capital through Qualified Investors Offer (QIO) of ordinary shares of ACHIA SEA FOODS LIMITED under fixed price method. All the Eligible Investors/Qualified Investors (EIs/QIs) are hereby requested to visit website www.essbangladesh.com to participate in the QIO subscription process through the Electronic Subscription System. The summary of the QIO subscription for the EIs/QIs are as follows –

A. QIO SUMMARY:

Issuer Name	:	ACHIA SEA FOODS LIMITED
Issuer Code	:	ACHIASF
Total Fund to be raised through QIO	:	BDT 150,000,000/-
Total Number of Shares to be Offloaded	:	15,000,000
Face value	:	BDT 10/- each share
Manager to the Issue	:	AAA Finance & Investment Limited

B. DETAILS OF SUBSCRIPTION FOR QUALIFIED INVESTORS (QIs):

Eligibility of QIs subscription	:	Registered EI/QI has to maintain a minimum investment of BDT 2,000,000/- (Taka twenty lac) in the listed securities (matured) as on June 9, 2022 (day end).
Period of Subscription	:	Starts at 10:00 a.m. on June 19, 2022
	:	Closes at 5:00 p.m. on June 23, 2022
Deposit of collateral amount	:	Starts at 10:00 a.m. on June 19, 2022
	:	Closes at 2:00 p.m. on June 23, 2022
Total Fund to be raised from EIs/QIs	:	BDT 150,000,000/-
Total number of shares to be offered for EIs/QIs	:	15,000,000
Minimum amount of subscription	:	BDT 200,000 or its multiple
Maximum amount allowed for subscription by any EI/QI	:	BDT 15,000,000/- (10% of total issue)
Maximum number of shares to be offered for any EI/QI	:	1,500,000 shares (10% of total issue)
Maximum number of Subscription can be placed by any EI/QI	:	1 (One)
Minimum Investment by any EI/QI (at Market price)	:	BDT 2,000,000/-
Cut-off date for Minimum Investment	:	June 9, 2022 (day end)
Collateral amount for any EI/QI	:	100% of subscription amount
Mode of Payment	:	Pay Order/Demand Draft/B.B. Cheque/cash
*As per condition no. 6 of aforementioned consent letter "A qualified investor cannot submit more than one application. In case, an applicant submits more than one application, all applications shall be treated as invalid and shall not be considered for allotment purpose. The minimum application amount shall be Tk.2,00,000/- (Taka two lac only) or its multiples".		

C. BANK DETAILS FOR DEPOSITING QIs SUBSCRIPTION MONEY:

Account Name	:	will be notified later
Bank Name	:	
Account Number	:	
Branch Name	:	

Head Office & Factory

50/7, Shipyard Road, Labanchara, Khulna, Bangladesh
Tel: +88 041 813837, 722648, Fax: +88 041 813836



Achia Sea Foods Limited

Producer, Processor & Exporter



E-mail : info@achia-seafoods.com

achiasf@gmail.com

Web-Site : www.achia-seafoods.com

All the Qualified Investors (QIs) are requested to submit their application in accordance to the Bangladesh Securities and Exchange Commission (Qualified Investors Offer by Small Capital Companies) Rules 2018 as well as other relevant rules and regulations through the Electronic Subscription System of the Stock Exchange(s) for the ordinary shares of ACHIA SEA FOODS LIMITED.

Prospectus of ACHIA SEA FOODS LIMITED is available in the website(s) of the Issuer Company (www.achia-seafoods.com), Manager to the Issue (www.aaafinancebd.com), Dhaka Stock Exchange Limited (www.dsebd.org) and Chittagong Stock Exchange Limited (www.cse.com.bd).

With sincere regards,

For and on behalf of ACHIA SEA FOODS LIMITED,

Md. Tariqul Islam Zaheer

Managing Director

Head Office & Factory

50/7, Shipyard Road, Labanchara, Khulna, Bangladesh
Tel: +88 041 813837, 722648, Fax: +88 041 813836

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।”

“Investment in capital market involves certain degree of risks. The investors are required to read the prospectus and risk factors carefully, assess their own financial conditions and risk taking ability before making their investment decisions.”

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। বিনিয়োগকারীগণ প্রোসপেক্টাস পড়ে এবং ঝুঁকির বিষয়গুলি সতর্কতার সাথে অনুধাবন করে নিম্ন নিম্ন আর্থিক ও ঝুঁকি গ্রহণ করার সক্ষমতা বিবেচনা করে বিনিয়োগ সিদ্ধান্ত গ্রহণ করবেন।”

Qualified Investor Offer of 15,000,000 Ordinary Shares

Issue date of the Prospectus: June 07, 2022

OFFER PRICE: TK. 10.00 each at par

TOTAL SIZE OF FUND: TK. 150,000,000.00

Opening Date of Subscription	:	June 19, 2022
Closing Date of Subscription	:	June 23, 2022



Prospectus of

Achia Sea Foods Limited

50/7, Shipyard Road, Labanchara, Khulna,
Bangladesh

Manager to The Issue



Amin Court, 4th Floor (Suite # 403-405),
31, Bir Uttam Shahid Ashfaqus Samad
Road (Previous 62-63, Motijheel C/A),
Dhaka-1000

(B)(2)(a) PRELIMINARY INFORMATION AND DECLARATIONS

(i) Name(s), address(s), telephone number(s), web address(s), e- mail(s), FAX number(s) and contact persons of the issuer, issue manager(s), underwriter(s), auditors, credit rating company and valuer:

ISSUER		
Name and Address	Contact Person	Contact Address
Achia Sea Foods Limited 50/7, Shipyard Road, Labanchara, Khulna, Bangladesh	Md. Tariqul Islam Zaheer Managing Director	Tel: +88-04-1 813837 Fax: +88-04-1 913836 Email: info@achia-seafoods.com Web: www.achia-seafoods.com
MANAGER TO THE ISSUE		
Name and Address	Contact Person	Contact Address
AAA Finance & Investment Ltd. Amin Court, 4th Floor (Suite # 403-405), 31, Bir Uttam Shahid Ashfaqus Samad Road (Previous 62-63, Motijheel C/A), Dhaka-1000	Mohammad Obaydur Rahman FCS, FCGA Managing Director	Tel: +8802223389602 Fax: +8802-9558330 Email: info@aaafinancebd.com Web: www.aaafinancebd.com

UNDERWRITERS		
Name and Address	Contact Person	Contact Address
AAA Finance & Investment Ltd. Amin Court, 4th Floor (Suite # 403-405), 31, Bir Uttam Shahid Ashfaqus Samad Road (Previous 62-63, Motijheel C/A), Dhaka-1000	Mohammad Obaydur Rahman FCS, FCGA Managing Director & CEO	Tel: +8802223389602 Fax: +8802-9558330 Email: info@aaafinancebd.com Web: www.aaafinancebd.com
IIDFC Capital Limited PFI Tower, 3 rd Floor, 56-57 Dilkusha C/A, Dhaka-1000	Mohammed Saleh Ahmed Chief Executive Officer	Tel: +88029514637-8 Fax: +8802-9514641 Email: icl@iidfc.com
Sandhani Life Finance Limited 16, Motijheel Commercial Area, (2nd floor), Dhaka-1000	Muhammad Nazrul Islam FCMA Managing Director & CEO	Tel: 02-9515249, 47118505 Web: www.slflbd.com Email: info@slflbd.com
Islami Bank Capital Management Limited Miah Amanullah Bhaban (5 th Floor), 63 Dilkusha C/A, Dhaka 1000.	Mohammad Abdur Rahim, FCA Managing Director & CEO	Te+88 02 47120625 Fax: +88 01313084373 E-mail: info@ibcmld.com www.ibcmld.com

Trust Bank Investment Ltd 12th Floor, Peoples Insurance Bhaban, 36, Dilkusha C/A, Dhaka-1000	Mohammad Shahadat Hossain Managing Director & CEO	Phone Number: +8801730328689 Fax: +8802-9552725 E-mail: mohammad.shahadat@tblbd.com
BD Finance Capital Holdings Ltd 64, Motijheel Commercial Area	Barun Prasad Paul Managing Director & CEO(CC)	Tel: +8809588186 Fax: +8802-95588185 Email: info@bdcapital.com.bd Web: www.bdcapital.com.bd
Southeast Capital Services Ltd Rupayan Trade Center (10 th floor), 114 Kazi Nazrul Islam Avenue, Bangalmotor, Dhaka	Air Cdre (Retd) Md Abu Bakar, FCA Managing Director	Phone Number :41032196-97 E-mail :bakar830@gmail.com

AUDITORS		
Name and Address	Contact Person	Contact Address
Islam Quazi Shafique & Co Chartered Accountants Al-Haj Shamsuddin Mansion (4th Floor) 17, New Eskaton Road, Maghbazar, Dhaka-1000	Quazi Shafiqul Islam, FCA	Tel: +880 1717 322693 Fax: +8802- 9560922 Email: info@qsibd.com Web: www.qsibd.com

The Company has no involvement with Valuer; Credit rating is not applicable for the issuer.

- (ii) Any person interested to get a prospectus may obtain from the issuer, and the issue manager(s).
- (iii) "If you have any query about this document, you may consult the issuer, issue manager and underwriter."

(iv) "CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (QUALIFIED INVESTOR OFFER BY SMALL CAPITAL COMPANIES) RULES, 2018. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER'S CHIEF EXECUTIVE OFFICER, UNDERWRITERS, AUDITOR(S) AND/OR VALUER (IF ANY)."

(v) 'Risks in relation to the First Issue'

"This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the securities is Tk. 10.00 (ten) and the issue price is Tk 10.00 (ten) which is the face value. The issue price has been determined and justified at par value as stated under the paragraph on "Justification of Issue Price" should not be taken to be indicative of the market price of the securities after listing. No assurance can be given regarding an active or sustained trading of the securities or the price after listing."

(vi) 'General Risk'

"Investment in securities involves a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before making an investment decision in this offer. For making an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. Given the emerging nature of small capital companies, there may be a higher investment risk attached to the securities being offered. The securities to be traded on the Small Capital Platform may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be an active market for trading of such securities. The securities have not been recommended by the Bangladesh Securities and Exchange Commission (BSEC) nor does BSEC guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'risk factors' given on page number(s) "123-132"

(vii) 'Achia Sea Foods Ltd. Absolute Responsibility'

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this red-herring prospectus or prospectus or information memorandum contains all material information with regard to the issuer and the issue, that the information contained in the red- herring prospectus or prospectus or information memorandum is true, fair and correct in all material aspects and are not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

(B)(2)(b) AVAILABILITY OF PROSPECTUS

(i) Website addresses and e-mail addresses and names of contact persons of the institutions where the prospectus are available in soft form;

Institution	Website Address	Email Address	Contact Person
Issuer			
Achia Sea Foods Ltd.	www.achia-seafoods.com	info@achia-seafoods.com	Md. Tariqul Islam Zaheer Managing Director
Issue Manager			
AAA Finance & Investment Ltd.	www.aaafinancebd.com	info@aaafinancebd.com	Mohammad Obaydur Rahman FCS, FCGA Managing Director & CEO
Securities & Exchange Commission			
Prospectus would also be available at the library Room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and studying upon approval.			
Stock Exchanges			
Dhaka Stock Exchange Limited (DSE)	www.dsebd.org	foysal.abdullah@dse.com.bd	Syed Foysal Abdullah Manager Head of SME, ATB, OTC Market
Chittagong Stock Exchange Limited (CSE)	www.cse.com.bd	info@cse.com.bd	Mr. Md. Ghulam Faruque Managing Director (Acting)
Underwriters			
AAA Finance & Investment Ltd.	www.aaafinancebd.com	info@aaafinancebd.com	Mohammad Obaydur Rahman FCS, FCGA

IIDFC Capital Limited	www.iidfccapitaltd.com	icl@iidfc.com	Mohammed Saleh Ahmed Chief Executive Officer
Sandhani Life Finance Limited	www.slflbd.com	info@slflbd.com	Muhammad Nazrul Islam FCMA Managing Director & CEO
Islami Bank Capital Management Limited	www.ibcmlbd.com	info@ibcmlbd.com	Mohammad Abdur Rahim, FCA Managing Director & CEO
BD Finance Capital Holdings Ltd	www.bdcapital.com.bd	info@bdcapital.c0m.bd	Barun Prasad Paul Managing Director & CEO(CC)
Southeast Capital Services Ltd	www.southeastbank.com.bd	bakar830@gmail.com	Air Cdre (Retd) Md Abu Bakar, FCA Managing Director
Trust Bank Investment Ltd	www.trustbank.com.bd	mohammad.shahadat@tblbd.com	Mohammad Shahadat Hossain Managing Director & CEO

(ii) Definitions and Acronyms/Elaborations of the abbreviated words and technical terms used in the prospectus:

A		
AAAFIL	:	AAA Finance and Investment Ltd.
AGM	:	Annual General Meeting
Allotment	:	Allotment of Shares to respective B/O A/C
ASFL	:	Achia Sea Foods Ltd.
B		

BAS	:	Bangladesh Accounting Standards
BB	:	Bangladesh Bank
BDT	:	Bangladeshi Taka
BMRE	:	Balancing, Modernization, Rehabilitation & Expansion
BO Account	:	Beneficial Owners Account
BSEC	:	Bangladesh Securities and Exchange Commission
BSA	:	Bangladesh Standards on Auditing
C		
CDBL	:	Central Depository Bangladesh Limited
CIB	:	Credit Information Bureau
CFO	:	Chief Financial Officer
Commission	:	Bangladesh Securities and Exchange Commission
Company / Issuer	:	Achia Sea Foods Limited
Companies Act	:	Companies Act, 1994 (Act. No. XVIII of 1994)
Corporate Office	:	Head Office of the Company
CSE	:	Chittagong Stock Exchange Ltd.
D		
DSE	:	Dhaka Stock Exchange Ltd.
E		
EPS	:	Earnings Per Share
Ei's	:	Eligible Investors
EGM	:	Extraordinary General Meeting
F		
FC Account	:	Foreign Currency Account
FY	:	Financial Year
G		
GBP	:	Great Britain Pound
GDP	:	Gross Domestic Product
I		
Issuer	:	Achia Sea Foods Limited
Issue Manager	:	AAA Finance & Investment Ltd.
IFRS	:	International Financial Reporting Standards
IAS	:	International Accounting Standards
N		
NAV	:	Net Asset Value
NBR	:	National Board of Revenue
NRB	:	Non-Resident Bangladeshi
NOC	:	No Objection Certificate
P		
P/E	:	Price Earnings Ratio
Q		
QIO	:	Qualified Investor Offer
R		
RJSC	:	Registrar of Joint Stock Companies and Firms
Rules	:	Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018

S		
STD A/C	:	Short Term Deposit Account
SME	:	Small & Medium Enterprise
U		
USD	:	United States Dollar

(B)(2)(c) TABLE OF CONTENTS		
	Particulars	Page No.
SECTION (I) (B)(2)(d)	EXECUTIVE SUMMARY	1-11
	(i) About the Industry	2
	(ii) About the Issuer	3
	(iii) Financial Information	4
	(iv) Features of the issue and its objects	4
	(v) Legal and other information	5
	(vi) Promoters' background	6
	(vii) Capital structure and history of capital raising	7
	(viii) Summary of the Valuation Report of securities	7-8
	(ix) Others	8-11
SECTION (II) (B)(2)(e)	CONDITIONS IMPOSED BY THE COMMISSION	12-16
SECTION (III) (B)(2)(f)	DECLARATION AND DUE DILIGENCE CERTIFICATES	17-30
	Annexure-A	18
	Annexure-B	19-20
	Annexure-C	21-30
SECTION (IV) (B)(3)	ABOUT THE ISSUER	31-33
	(a) Name of the issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its registered office, other offices and plants, telephone number, Fax number, contact person, website address and e-mail address	32
	(b) The names of the sponsors and directors of the issuer	32
	(c) The name, logo and address of the auditors, along with their telephone numbers, Fax numbers, contact persons, website and e-mail addresses	33
	(d) The name(s) of the stock exchange(s) where the specified securities are proposed to be listed	33
SECTION (V) (B)(4)	CORPORATE DIRECTORY OF THE ISSUER	34
SECTION (VI) (B)(5)	DESCRIPTION OF THE ISSUER	35-66
	(a) Summary	36-37
	(b) General Information	37-43
	(c) Capital Structure	44-50
	(d) Description of Business	50-52
	(e) Description of Property	52-58
	(f) Plan of Operation and Discussion of Financial Condition	59-66
SECTION (VII) (B)(6)	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS:	67-72
	(a) Overview of business and strategies	68
	(b) Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis	69
	(c) Analysis of the financial statements of last five years	70-72

	(d)	Known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business	72
	(e)	Trends or expected fluctuations in liquidity	72
	(f)	Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition	72
	DIRECTORS AND OFFICERS		73-82
	(a)	Name, father's name, age, residential address, educational qualification, experience and position of each of the directors of the company and any person nominated or represented to be a director	75
	(b)	The date on which he first became a director and the date on which his current term of office shall expire	76
	(c)	Directors having any type of interest in other businesses, names and types of business of such organizations	76
	(d)	Statement of the directors of the issuer if any of them are associated with the securities market in any manner.	76
	(e)	Any Family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse's sister) among the directors and top five officers	76-77
	(f)	A very brief description of other businesses of the directors	77
	(g)	Loan status of the issuer, its directors and shareholders who hold 5% or more shares in the paid-up capital of the issuer in terms of the CIB Report of Bangladesh Bank	77-78
	(h)	The Chairman or any director or any shareholder who receives any monthly salary	78
	(i)	A profile of the sponsors including their names, father's names, age, personal addresses, educational qualifications, and experiences in the business, positions or posts held in the past, directorship held, other ventures of each sponsor and present position	78-79
	(j)	If the present directors are not the sponsors and control of the issuer was acquired within five years immediately preceding the date of filing prospectus details regarding the acquisition of control, date of acquisition, terms of acquisition, consideration paid for such acquisition etc.	79
	(k)	If the sponsors or directors do not have experience in the proposed line of business, the fact explaining how the proposed activities would be carried out or managed	79-80
	(l)	Interest of the key management persons	80
	(m)	All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary	80
	(n)	Number of shares held and percentage of shareholding (pre issue)	81
	(o)	Change in board of directors during last three years	81-82
	(p)	Director's engagement with similar business	82
SECTION (VIII) (B)(7)	CERTAIN RELATIONSHIP AND RELATED TRANSACTIONS		83-86
SECTION (IX) (B)(8)			

	(a)	Description of any transaction during the last five years, or any proposed transactions certified by the auditors	84-85
	(b)	Any transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries or holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus	86
	(c)	Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan, and present outstanding of such loan.	86
SECTION (X) (B)(2)(c)(x)		EXECUTIVE COMPENSATION	87-89
SECTION (XI) (B)(2)(c)(xi)		OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES	90
		TRANSACTIONS WITH THE DIRECTORS AND SUBSCRIBERS TO THE MEMORANDUM	91-93
SECTION (XII) (B)(9)	(a)	The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received or to be received by the issuer from the above persons, or by the said persons, directly or indirectly, from the issuer during the last five years along with the description of assets, services or other consideration received or to be received	92
	(b)	Any assets which were acquired or to be acquired from the aforesaid persons, the amount paid for such assets and the method used to determine the price	93
		OWNERSHIP OF THE COMPANY'S SECURITIES	94-101
SECTION (XIII) (B)(10)	(a)	The names, addresses, BO ID Number of all shareholders of the company before QIO, indicating the amount of securities owned and the percentage of the securities represented by such ownership, in tabular form	95-97
	(b)	Table showing the name and address, age, experience, BO ID Number, TIN number, numbers of shares held including percentage, position held in other companies of all the directors before the public issue	98
	(c)	The average cost of acquisition of equity shares by the directors certified by the auditors	99-101
SECTION (XIV) (B)(11)		VALUATION REPORT OF SECURITIES PREPARED BY THE ISSUE MANAGER	102-107
SECTION (XV) (B)(12)		DEBT SECURITIES	108-109

SECTION (XVI) (B)(13)	PARTIES INVOLVED AND THEIR RESPONSIBILITIES	110-111
SECTION (XVII) (B)(14)	MATERIAL CONTRACTS	112-120
SECTION (XVIII) (B)(15)	OUTSTANDING LITIGATIONS, FINE OR PENALTY	121-122
SECTION (XIX) (B)(16)	RISK FACTORS AND MANAGEMENT PERCEPTIONS ABOUT THE RISKS	123-132
SECTION (XX) (B)(17)	DESCRIPTION OF THE ISSUE	133-134
SECTION (XXI) (B)(18)	USE OF PROCEEDS	135-141
SECTION (XXII) (B)(19)	LOCK-IN	142-144
SECTION (XXIII) (B)(20)	MARKETS FOR THE SECURITIES BEING OFFERED	145-146
SECTION (XXIV) (B)(21)	DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED	147-148
SECTION (XXV) (B)(22)	FINANCIAL STATEMENTS	149-215
SECTION (XXVI) (B)(23)	APPLICATION PROCEDURE	216-217
SECTION (XXVII) (B)(24)	OTHERS	218-219

SECTION - I

(B)(2)(d)

Executive Summary

Section Contents

- | | |
|--------|--|
| (i) | About the Industry |
| (ii) | About the Issuer |
| (iii) | Financial Information |
| (iv) | Features of the issue and its objects |
| (v) | Legal and other information |
| (vi) | Promoters' background |
| (vii) | Capital structure and history of capital raising |
| (viii) | Summary of the Valuation Report of securities |
| (ix) | Others |
-

(i) About the Industry

Global Market Scenario

Frozen food is a valued commodity in today's times. With lifestyles getting more hectic by the day and the time required to cook traditional meals in short supply, frozen foods have become a lifesaver for a large part of the global population. The increasing working population of women and the increasingly long working hours in the corporate sector are the major factors driving the global frozen food market. Freezing food reduces the chances of microbes invading it, since most pathogens can't survive at sub-zero temperatures. As a result, frozen food can be stored for long periods and consumed at the convenience of the user upon short notice. On the basis of product type, the global frozen food market is segmented into frozen ready meals, frozen fruits and vegetables, frozen potatoes, frozen soup, frozen meat, and frozen fish and other seafood.

The increasing sophistication of freezing techniques allow vendors to keep frozen production fresh for a longer time, which significantly drive the demand from the global frozen food market. Geographically, Europe held the largest share in the global frozen food market in 2012, with Germany emerging as the dominant national market. However, many researchers have predicted that the frozen food market will soon be dominated by emerging regions such as Asia Pacific, the Middle East, and Latin America in the coming years. The rampant urbanization in these regions, particularly in dynamic economies such as China, Bangladesh, India, Brazil, and Mexico, has led to a growth in the demand for food that can be prepared with minimal prep. The growing middle class and the increasing trend of families consisting of two working spouses have also spurred the Asia Pacific market for frozen food.

In 2012 Transparency Market Research valued the global frozen food market to be US\$ 224.7 billion, which is expected to grow to US\$293.7 billion showing an average growth rate (CAGR) of 3.9%. Many other published reports are also suggesting an average growth 4%-5% in the global frozen food market.

Source: <http://www.marketwired.com/press-release/frozen-food-market-reach-us-29375-billion-will-register-cagr-39-between-2016-2022-transparency-2023000.htm>

Bangladesh Market Scenario

Bangladesh frozen foods industry is one of the most significant components of the country's economy. The country earns a significant amount of foreign currency from the exporting of frozen foods to European and American Market. The Public Sector Corporation and the Private Organizations have setup about 145 numbers of shore-based export-oriented fish processing plants at Dhaka, Chittagong, Khulna, Jessore, Satkhira, Bagerhat, Cox's Bazar, Chandpur, Kishoregonj, Sylhet and Patuakhali. These plants produce Shrimp products under the most hygienic and sanitary condition under the supervision, control and guidance of foreign trained handling & processing experts.

The country usually exports different types of shrimps and prawns among them Fresh water headless, shell on tail on (FWSO), Sea Water headless shell on tail on (SWSO), Peeled and Deveined (P&D), Peeled and Undeveined (PUD) and Broken Products (BP) of Prawns and Shrimps in Block Frozen, Cooked, Semi Cooked, IQF, Semi IQF etc. The country also exports frozen sea water and Fresh Water Fish in many varieties and the demand for these products are increasing. Among the sea water fish Bangladesh usually exports Pomfrets, Jewfish,

Indian Salmon, Shad, Catfish, Ribbonfish, Mullet, Tena, Mackerel, Cockup, Red Snapper etc. are processed in whole, headless, belly clean (IQF) state or sliced/fillets/steak in Block Frozen state. As for the fresh water fish Carps, Common Carps, Snake-Heads, Barbs Shad, Eel, Mulllets etc. The large fishes are processed in whole headless, belly clean (IQF) state of sliced/fillets/steaks and small fishes and processed in whole block frozen state.

Source: <https://www.bffea.net/product.php>

(ii) About the Issuer

Achia Sea Foods Limited is one of the rising food processing companies, which has started its journey from the year 1993 in Khulna, Bangladesh. The company mainly processes seafood and fishes, and the ultimate sources of the firm's revenue comes from exporting of its products. The company was incorporated in December 27, 1993 as a Private Limited Company registered in Bangladesh vide-registration no. Khulna 178. Its registered office is situated at 50/7, Shipyard Road, Labanchara, Khulna, Bangladesh. The factory is operational in Khulna city as the surrounding areas are the significant place for shrimp's production. Most of the exported sea foods are processed in these areas and its surrounding. The factory adopted HACCP (Hazard analysis and critical control points) systems in its operations, and earned BRC (BRC Certificate No. 411A 13070001). Achia Sea Foods Limited is an export-oriented company. Producing hazard free marine food products for human consumption, and exporting it to the global market are the principal objectives of the company. As a matter of fact, the company has been successfully running its production and exporting operations for more than two decades. Since its establishment Achia Sea Foods Limited has been processing and exporting of the finest quality seafood products "Shrimps & Fish". The quality products and services of the company have earned the approval of European Union approval, and have received KLN-57 from the EU.

Incorporation of top-notch food processing technology and innovative methodology to produce quality food products has helped Achia Sea Foods Limited to gain immense appreciation from its clients. As a result, to that, the company could establish its products as leading food products producer in the global seafood industry. OCEAN PEARL and SITARA are the name of its two products which are recognized globally. This is manifested in the enviable reputation of its brand in the seafood markets of European Union, United Kingdom, Cyprus, Japan, Korea, Taiwan, Egypt, UAE & other far Eastern countries of Asia. Achia Sea Foods Limited is an honorable member of Bangladesh Frozen Foods Exporters Association (BFFEA), which is established in 1984; and working to promote and protect the interest of Frozen Food processors, Packers and Exporters in the Country.

The company produces a number of products which include but are not limited to Sea Water Black Tiger Head Less Shell on Block Frozen, Sea Water Black Tiger Head on Shell on Semi IQF, Sea Water Black Tiger PUD/P&D Block Frozen, Fresh Water Prawn Head-Less Shell-on Block Frozen, Fresh Water Prawn Head on Shell on Semi IQF, Fresh Water Prawn PUD /P&D Block Frozen, Sea Water Harina PUD Shrimps Block Frozen, Sea Water White PUD Shrimps Block Frozen, Sea Water Red Tiger PUD Shrimps Block Frozen, and Sea Water & Sweet Water Fishes Block Frozen & Semi IQF.

(iii) Financial Information

The following table would provide a summary of the financial information of the firm for the last five financial years: -

Particulars	30.06.2021	30.06.2020	30.06.2019	30.06.2018	30.06.2017
Authorized Capital	1,00,00,00,000	1,00,00,00,000	1,00,00,00,000	1,00,00,00,000	1,00,00,00,000
Total Assets	1,007,428,994	68,76,31,241	66,82,00,504	63,76,12,672	65,91,94,843
Retained Earnings	158,143,037	13,64,85,784	12,16,73,816	11,01,54,115	8,50,53,558
Long Term Bank Loan	4,386,423	78,03,771	1,28,20,156	2,31,38,320	-
Short Term Bank Loan	392,027,421	29,59,28,132	29,54,86,229	27,03,72,943	33,64,92,617
Revenue	1,377,263,080	F44,02,02,330	35,80,83,309	93,73,26,012	69,47,42,004
Gross Profit	116,903,027	4,60,48,298	3,83,97,052	4,96,70,151	6,22,22,707
Profit before Tax	52,417,930	2,18,69,048	2,01,59,999	3,87,59,790	2,55,95,086
Profit after tax	41,981,194	1,48,11,968	1,15,19,701	2,51,00,557	2,21,28,993
EPS	1.88	0.73	0.57	1.24	1.09
NAV	17.07	16.72	15.99	15.42	14.18

(iv) Features of the issue and its object

Public Offering Price	:	BDT 10.00 (Ten)
Number of Shares to be offered	:	15,000,000
Total Issue Size	:	BDT 150,000,000
Issue Manager	:	AAA Finance & Investment Ltd.
Objective of the Issue	:	<ol style="list-style-type: none"> 1. BMRE (Balancing, Modernization, Rehabilitation, and Expansion) 2. Repayment of Bank Loan 3. QIO Expenses

(v) Legal and other information

Particulars	License Issuer/Issuing Authority	Certificate/ License No.	Issue Date	Renewal Date	Expiry Date
Trade License	Khulna City Corporation	31/127	31.07.2017	29.08.2021	30.06.2022
Certificate of Incorporation	Register of Joint Stock Companies & Firms(RJSC)	3-178A (Khulna 178)	December 27,1993	N/A	N/A
Factory License	Factory and Establishment Inspector	321/Khulna	16.06.1996	30.06.2021	30.06.2022
TIN Certificate	National Board of Revenue	184052143055	24.12.2013	N/A	N/A
VAT Registration	Customs, Excise and VAT Commissionerate,Khulna	15011019469	03.03.2013	N/A	N/A
Import Registration Certificate(IRC)	Controller of Import & Export, Government of Bangladesh	260347110093519	01.02.2018	11.08.2021	30.06.2022
Fire License	Bangladesh Fire Services and Civil Defense	3438/04-05	06.06.10	29.08.2021	30.06.2022
Export Registration Certificate(ERC)	Controller of Import & Export, Government of Bangladesh	260347210031219	05.07.1994	11.08.2021	30.06.2022

(vi) Promoters background

Md Tariqul Islam Zaheer:

Md Tariqul Islam Zaheer is the Managing Director of Achia Sea Foods Limited. He is also the Managing Director of Sundarban Shrimps Private Limited. Mr. Tariqul Islam Zaheer completed his Bachelor of Arts (BA) from Khulna and then he started working in the food processing industry. He has 21 years' experience of managing the food processing and exporting business altogether. He is highly experienced in supply chain controlling and managing the business operations. He is a Director of the Bangladesh Frozen Foods Exporter Association.

In addition to the business activities, Mr. Tariqul is actively engaged in different social activities. He holds important positions in many social service organizations that strive to improve the social conditions of the country. He is the Director Service Project of the Rotary Club of Rupsha Rotary District 3281, Life-time Member of Khulna Metropolitan Shooting Club, Life Member of Khulna Shishu Foundation, and Member of Khulna Club Limited.

Md Ali Azgar Nasir:

Md Ali Azgar Nasir is the Chairman of Achia Sea Foods Limited. He is also a shareholder of Sundarban Shrimps Private Limited. Mr. Nasir completed his Bachelor of Arts (BA) from Khulna and then he started working in the food processing industry. He has 15 years' experience of managing the food processing and exporting business altogether. Mr. Nasir is highly experienced in supply chain controlling and managing the business operations. In addition to the business activities, Mr. Ali Azgar Nasir is actively engaged in different social activities. He holds important positions in many social service organizations that strive to improve the social conditions of the country.

Md Nadirul Islam Babu:

Md Nadirul Islam is the Director of Achia Sea Foods Limited. He is also a shareholder of Sundarban Shrimps Private Limited. Mr. Nadirul Islam completed his Bachelor of Arts (BA) and then he started working in the food processing industry. He has 6 years' experience of managing the food processing and exporting business altogether.

Mr. Nadirul Islam is experienced in managing factory production of sea foods as well as he is experienced in procurement of finished products. He has been managing the operations of Achia Sea Foods Limited for the last six years. Apart from that, Mr. Nadirul Islam is involved in different social activities for the greater good of the society.

(vii) Capital Structure and history of capital raising

The summary of Capital Structure and history of capital raising are as follows:

CAPITAL STRUCTURE			
Particulars	Types of Securities	Number of Securities	Amount in Taka
Authorized Capital	Ordinary	100,000,000	1,000,000,000
Issued, Subscribed and Paid-up Capital	Ordinary	22,356,334	223,563,340
Total Paid-Up Capital Before QIO [A]	Ordinary	22,356,334	223,563,340
Proposed Qualified Investor Offering (QIO) through fixed price method [B]	Ordinary	15,000,000	150,000,000
Total Paid-Up Capital After QIO [A+B]	Ordinary	37,356,334	373,563,340

ALLOTMENT HISTORY OF SECURITIES					
Allotment Date	Form of Consideration			Issue Price (BDT)	Amount of Share Capital (BDT)
	Cash	Other Than Cash	Bonus Issue		
As per MoA 27.12.1993	20,000	-	-	10	200,000
05.09.1999	6,680	-	-	10	66,800
26.01.2005	2,473,320	-	-	10	24,733,200
18.07.2005	4,980	-	-	10	49,800
05.01.2006	1,062,120	-	-	10	10,621,200
08.03.2014	-	5,950,000	-	10	59,500,000
22.11.2015	-	-	3,806,840	10	38,068,400
09.01.2016	7,000,000	-	-	10	70,000,000
28.12.2020			2,032,394	10	20,323,940
Total					223,563,340
*** All the shares are shown in the face value of TK 10					
*** The company sub-divided its shares from TK 100 to TK 10 on 20 th February 2014 by passing a special resolution.					

(viii) Summary of Valuation reporting of securities;

Reference	Valuation Method	Calculated Fair Value (BDT)
Method- 1	Net Asset Value (NAV) Per Share	17.07
Method- 2	Earning Based Value Per Share (Considering Market P/E)	18.56

Method- 3	Projected earnings for the next three accounting year with rationales of the projection	-
Method- 4	Average Market Price of Similar Stocks	101.89

(ix) Others;

(a) Declarations regarding no way connection between the issuer and the issue manager;

Rule: 3(2)(b)

**DECLARATION ABOUT NOT HOLDING SECURITIES OF THE ISSUER BY THE
MANAGER TO THE ISSUE**

This is to declare that **AAA Finance & Investment Limited**, Manager to the Issue for upcoming QIO of **Achia Sea Foods Ltd.**; is in no way connected with the issuer and does not hold any of its securities.

Sd/-

Md. Tariqul Islam Zaheer
Managing Director
Achia Sea Foods Ltd.

Date: 05/10/2021

Place: Khulna

**DECLARATION ABOUT NOT HOLDING SECURITIES OF THE ISSUER BY THE
MANAGER TO THE ISSUE**

This is to declare that **AAA Finance & Investment Limited**, Manager to the Issue for upcoming QIO of **Achia Sea Foods Ltd.**; is in no way connected with the issuer and does not hold any of its securities.

Sd/-

Mohammad Obaydur Rahman FCS, FCGA
Managing Director & CEO
AAA Finance & Investment Ltd.

Date: 05/10/2021

Place: Khulna

(b) Declaration regarding material change;

Rule: 3(2)(c)

DECLARATION REGARDING MATERIAL CHANGE

This is to declare that Achia Sea Foods Ltd. has not made any material change including raising of paid-up capital after the date of audited financial statements as included in the prospectus.

Sd/-
Md. Tariqul Islam Zaheer
Managing Director
Achia Sea Foods Ltd

Date: 05/10/2021

Place: Khulna

(c) Declaration regarding Cost Audit by the Issuer as required by Rule 3 (2) (e) of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018.

Rule 3 (2) (e)

STATEMENT REGARDING COST AUDIT

This is to certify that, as per provision of the Companies Act 1994, Cost Audit by the Professional Accountant is not applicable for “**Achia Sea Foods Ltd**”.

Sd/-
Md. Tariqul Islam Zaheer
Managing Director
Achia Sea Foods Ltd

Date: 05/10/2021

Place: Khulna

(d) Declaration regarding holding regular AGM by the Issuer as required by Rule 3 (2) (j) of the Bangladesh Securities & Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018.

Rule 3 (2) (j)

MANAGEMENT DECLARATION

We the management of “**Achia Sea Foods Ltd.**” declared that our company is regular in holding of Annual general meeting (AGM).

Sd/-
Md. Tariqul Islam Zaheer
Managing Director
Achia Sea Foods Ltd

Date: 05/10/2021

Place: Khulna

(e) Declaration by the issuer as required by Rule 3 (2) (g) of the Bangladesh Securities & Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018.

Rule 3 (2) (g)

MANAGEMENT DECLARATION

We the management of “**Achia Sea Foods Ltd.**” declared that our company has complied with the Bangladesh Securities & Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018. while preparing prospectus

Sd/-
Md. Tariqul Islam Zaheer
Managing Director
Achia Sea Foods Ltd

Date: 05/10/2021

Place: Khulna

(f) Declaration by the issuer as required by Rule 3 (2) (d) of the Bangladesh Securities & Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018.

Rule 3 (2) (d)

MANAGEMENT DECLARATION

We the management of “**Achia Sea Foods Ltd.**” declared that our company has complied with the provisions of IFRS or IAS (as applicable for small and medium sized entities) and audited the same as per International Standards on Auditing (ISA) as well as the Companies Act, 1994 and other applicable legal requirements

Sd/-

Md. Tariqul Islam Zaheer
Managing Director
Achia Sea Foods Ltd

Date: 05/10/2021

Place: Khulna

SECTION - II
(B)(2)(e)

Condition imposed by the Commission in the Consent Letter

(i) Disclosure in respect of issuance of security in Dematerialized Form

As per provision of the Depository Act, 1999 & Regulations made thereunder, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the depository system of Central Depository Bangladesh Limited (CDBL) and any further issuance of shares (including rights/bonus) will be made in dematerialized form only;

(ii) Condition imposed by Commission

1. The Company shall follow all requirements of the Securities and Exchange Ordinance, 1969, the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018, the Depository Act, 1999 and other securities Laws, Rules & Regulations for Qualified Investor Offer (QIO) regarding processing of application, subscription, refund, allotment, listing and trading;

2. Subscription period for qualified investor shall be opened within 15 (fifteen) working days from date of consent letter. After fixing subscription period, Issuer and Issue Manager shall inform to the Commission, Exchanges and Qualified Investors accordingly;

3. The issue manager(s) shall carefully examine and compare the issued prospectus vetted by the Commission. If any discrepancy is found, both the issuer and the issue manager shall jointly communicate with the qualified investor immediately, simultaneously endorsing copies thereof to the Commission and the Exchanges concerned. The company shall submit 40 (Forty) copies of the printed prospectus to the Commission for official record within 5 (Five) working days from the date of consent letter;

4. The issuer company and the issue manager shall ensure transmission of the vetted prospectus for NRBs through email to the Bangladesh Embassies and Missions abroad within 5 (Five) working days from the date of consent letter. A compliance report shall be submitted in this respect to the Exchanges jointly by the Issuer and the Issue Manager within 02 (Two) working days from the date of said transmission of the prospectus;

5. Qualified investors shall submit an application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by exchange(s). The Issuer, issue manager and exchange(s) shall post the said subscription method on their websites;

6. A qualified investor cannot submit more than one application. In case, an applicant submits more than one application, all applications shall be treated

as invalid and shall not be considered for allotment purpose. The minimum application amount shall be Tk. 200,000/- (Taka two lac only) or its multiples;

7. The stock exchanges shall complete the listing procedure and start of trading of securities **within 15 (fifteen) working days in case of over-subscription whereas within 25 (twenty-five) working days in case of under-subscription from the closure of subscription period;**

8. In case of over-subscription, the Exchange shall refund excess amount to the qualified investor and send final allotment list through e-mail to the allottees, issuer and issue manager within 3 (three) working days from the closure of subscription period;

9. The Issuer shall issue allotment letters in the names of allottees in electronic format with digital signatures and credit the allotted shares to the respective BO accounts on the basis of allotment data (BOID and number of securities) via their CDBL VeDAS Terminal within 5 (five) working days of receipt of the final allotment list from the exchange;

10. The exchange shall transfer the issue proceeds to the issuer bank account before starting trading of the securities;

11. As per provision of the Depository Act, 1999 & Regulations made thereunder, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the depository system of Central Depository Bangladesh Limited (CDBL) and any further issuance of shares (including rights/bonus) will be made in dematerialized form only;

12. The Issuer shall pay the costs related to process the Qualified Investors subscription and allotment, if claimed by the Exchange, concerned up to an amount of Tk. 200,000/- (Taka two lac only). Moreover, Exchange(s) shall not claim any cost to qualified investors;

13. The QIO shall stand cancelled in case of under-subscription collectively above 50%, in such an event, the issuer and issue manager shall inform the Commission within 2 (two) working days and release the subscription money within 5 (five) working days after receiving verification report from CDBL and the information from exchanges regarding subscription;

14. **If any share of Sponsors/Directors/Promoters is in paper format, it shall be handed over to securities custodian registered with the Commission and shall remain held till completion of lock-in period and the name of the securities custodian shall be furnished to the Commission jointly by the issuer and issue manager, along with a confirmation thereof from the custodian, within one**

week of listing of the shares with the stock exchange(s). Otherwise, those shares (shares of Sponsors/ Directors/ Promoters) can be dematerialized and shall remain in lock-in under CDBL system and the issuer shall submit a dematerialization confirmation report generated by CDBL system and attested by Managing Director of the company along with the lock-in confirmation to the Commission within one week of listing of the shares with the stock exchange(s). In respect of shares other than Sponsors/Directors/Promoters, the issuer will ensure their lock-in of those shares and submit a statement to this effect to the Commission;

15. The company shall not declare any dividend (cash/ stocks) before listing with any Exchange from the date of this consent letter.

16. The company shall not also have declared any stock dividend within 3 (three) years from the date of listing with stock exchange(s);

17. In the event of arising issues concerning Price Sensitive Information as defined under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সুবিধাভোগী ব্যবসা নিষিদ্ধকরণ) বিধিমালা ১৯৯৫ after publication of the abridged version of prospectus and before listing of its securities with any Exchange, the company shall disseminate/transmit/submit the information as price sensitive in accordance with the Commission's Notification No. SEC/SRMI/200-953/1950 dated October 24, 2000;

18. All transactions, excluding petty cash expenses, shall be effected by crossed cheques or bank transfers. The proceeds shall not be used for any purpose other than those specified in the prospectus without any valid ground. Any deviation in this respect of purpose and time must have prior approval of at least 51% of the public shareholders, other than sponsors and directors, in a general meeting through a Board approved agenda thereon and due notification to the shareholders. Before the said general meeting, such deviation as recommended by the Board of Directors shall be published as price-sensitive information with detailed description and reasons for such deviation. If approved by the shareholders, the meeting resolution shall be submitted to the Commission along with reasonable explanations and the decision shall be published as price- sensitive information;

19. The utilization of fund collected through Qualified Investor Offer shall be effected through banking channel, i.e. through account payee cheque, pay order or bank drafts etc. **The company shall furnish status report on utilization of Public Offering proceeds audited by panel auditor of the Commission and authenticated by the board of directors to the Commission and the Exchanges within 15 (Fifteen) days of the closing of each half year until such fund is fully utilized, as mentioned in the schedule contained in the prospectus. The issuer shall simultaneously post the status report in its website and Exchanges shall**

also post the same in company information contained in websites of the Exchanges. In the event of any irregularity or inconsistency, the Commission may employ or engage any person to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus;

20. The company shall not engage itself into any merger/amalgamation or acquisition activities without taking "No Objection" from the Commission, on the scheme of the said merger/amalgamation or acquisition, as recommended by the Board of Directors, before approval by the shareholders in General Meeting;

21. The concerned Exchanges are authorized to settle any complaints and take necessary actions against any violation of any provision of the qualified investor offer application process with intimation to the Commission;

22. The issuer and the issue manager shall ensure due compliance of all the above conditions, and the listing regulations of the Exchanges. Moreover, the Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the issuer company;

23. Only the Qualified investors are eligible to participate in trading of securities in SME trading platform. individual investors shall consider as Qualified investors who allows to submit application through the Electronic Subscription System (ESS) of the exchange(s) shall maintain a minimum investment as determined from time to time by the Commission as per the updated notification in the listed securities at market price (the close price of both Exchanges whichever is higher) as on the end of a working day which is immediately preceded by 5 (five) working days from the first day of starting the subscription. Exchanges shall send the list of BO Accounts who have applied in the QIO to the Central Depository Bangladesh Limited (CDBL). CDBL shall verify the list of BO Accounts provided by the Exchange(s) regarding investment of general applicants in listed securities;

SECTION - III
(B)(2)(f)

Declaration and Due Diligence Certificates

Section Contents

Annexure-A

Annexure-B

Annexure-C

Annexure- A

**Declaration about the responsibility of the directors, including the CEO of
the issuer in respect of the red-herring prospectus or prospectus or
information memorandum**

[Rule 4 (1)(d)]

This red-herring prospectus or prospectus or information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this qualified investor offer and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this red-herring prospectus or prospectus or information memorandum to enable the qualified investors to make a well informed decision for investment.

Md. Ali Azgar Nasir
Chairman
Achia Sea Foods Limited

Md. Tariqul Islam
Zaheer
Managing Director
Achia Sea Foods
Limited

Md. Nadirul Islam Babu
Director
Achia Sea Foods Limited

Md. Yousha Zaheer
Director
Achia Sea Foods Limited

Md. Arfin Ali
**Independent
Director**
Achia Sea Foods Limited

Place: Khulna

Date: 24.10. 2021

Annexure- B

**Due diligence certificate to be furnished by issue manager(s) in the red herring
Prospectus or prospectus or information memorandum**

[Rule 4 (1)(d)]

To

The Bangladesh Securities and Exchange Commission

**Sub: Qualified Investor Offer of 15,000,000 Ordinary Shares of Tk. 150,000,000 by Achia
Sea Foods Ltd.**

Dear Sir,

We, the issue manager(s) to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above-mentioned public issue, visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the red-herring prospectus or prospectus or information memorandum pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

WE CONFIRM THAT:

- (a) The red-herring prospectus or prospectus or information memorandum filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the Rules, notifications, guidelines, instructions, etc. framed or issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in the red-herring prospectus or prospectus or information memorandum are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018 and other applicable laws;

- (d) Besides ourselves, all the intermediaries named in the red-herring prospectus or prospectus or information memorandum are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid interns of the object clause of its Memorandum of Association;
- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the red-herring prospectus or prospectus or information memorandum;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences, etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the QIO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018 containing details such as the rule number, its text, the status of compliance, page numbers of the red-herring prospectus or prospectus or information memorandum where the Rules has been complied with and our comments, if any;
- (k) We also declare that we have not managed any qualified investor offers in the last 5 (five) years.

Place: Dhaka

Date: April 15, 2021

**Mohammad Obaydur Rahman FCS,
FCGA**

Managing Director & CEO
AAA Finance & Investment Limited

Annexure- C

Due diligence certificate by the underwriter(s)
[See rule 4 (1)(d)]

To

The Bangladesh Securities and Exchange Commission

**Sub: Qualified Investor Offer of 15,000,000 Ordinary Shares of BDT. 150,000,000/- of
 Achia Sea Foods Limited**

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

(a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and qualified to carry out the underwriting activities. Our present paid-up capital stands at Tk 250,000,000.00 (Twenty-five crore) and we have the capacity to underwrite a total amount of Tk. 1,250,000,000.00 (One hundred twenty-five crores) as per relevant legal requirements. We have committed to underwrite for up to Tk. 10,000,000.00 (one crores fifty lac) for the upcoming issue.

(b) At present, the following underwriting obligations are pending for us:

Sl.	Name of the Company	Amount Underwritten (in Tk.)
1	AB Bank Limited	250,000,000.00
2	Star Adhesives Limited	12,500,000.00
	Total	262,500,000.00

- (c) information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.

For AAA Finance & Investment Ltd.

Sd/-

Mohammad Obaydur Rahman FCS, FCGA
Managing Director & CEO

Place: Dhaka

Date: October 27,2021

Due diligence certificate by the underwriter(s)
[See rule 4 (1)(d)]

To

The Bangladesh Securities and Exchange Commission

**Sub: Qualified Investor Offer of 15,000,000 Ordinary Shares of BDT. 150,000,000/- of
 Achia Sea Foods Limited**

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and qualified to carry out the underwriting activities. Our present paid-up capital stands at Tk 250,000,000.00 (Twenty-five crore) and we have the capacity to underwrite a total amount of Tk. 1,250,000,000.00 (One hundred twenty-five crores) as per relevant legal requirements. We have committed to underwrite for up to Tk. 10,000,000.00 (one crores fifty lac) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of the Company	Underwritten amount in BDT
01	Shamsul Alamin Real Estate Limited	100,000,000
02	Ratanpur Steel Re-Rolling Mills Limited	75,000,000
03	Three Angel Marine Limited	62,000,000
04	Krishibid Seed Limited	30,000,000
05	Chartered Life Insurance Company Limited	13,125,000
06	Oryza Agro Industries Ltd.	15,000,000
Total		295,125,000

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and

- (e) This underwriting commitment is unequivocal and irrevocable.

For Sandhani Life Finance Limited

Sd/-

Muhammad Nazrul Islam FCMA

Managing Director & CEO

Place: Dhaka

Date: April 22, 2021

Annexure- C

Due diligence certificate by the underwriter(s)
[See rule 4 (1)(d)]

To

The Bangladesh Securities and Exchange Commission

**Sub: Qualified Investor Offer of 15,000,000 Ordinary Shares of BDT. 150,000,000/- of
Achia Sea Foods Limited**

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and qualified to carry out the underwriting activities. Our present paid-up capital stands at Tk 250,000,000.00 (Twenty-five crore) and we have the capacity to underwrite a total amount of Tk. 1,250,000,000.00 (One hundred twenty-five crores) as per relevant legal requirements. We have committed to underwrite for up to Tk. 10,000,000.00 (one crores fifty lac) for the upcoming issue.

- (b) At present, the following underwriting obligations are pending for us:

Sl.	Name of the Company	Amount Underwritten (in Tk.)
1	Chartered Life Insurance Company Ltd	13,125,000.00
2	Ananda Shipyard and Slipways Limited	18,180,000.00
3	Alliance Holding Limited	42,350,000.00

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:

Managing Director & CEO

Trust Bank Investment Limited
 12th Floor, Peoples Insurance Bhaban,
 36, Dilkusha C/A,
 Dhaka-1000
 Date: 22 April, 2021

Annexure- C

Due diligence certificate by the underwriter(s)
[See rule 4 (1)(d)]

To

The Bangladesh Securities and Exchange Commission

**Sub: Qualified Investor Offer of 15,000,000 Ordinary Shares of BDT. 150,000,000/- of
 Achia Sea Foods Limited**

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and qualified to carry out the underwriting activities. Our present paid-up capital stands at Tk 250,000,000.00 (Twenty-five crore) and we have the capacity to underwrite a total amount of Tk. 1,250,000,000.00 (One hundred twenty-five crores) as per relevant legal requirements. We have committed to underwrite for up to Tk. 10,000,000.00 (one crores fifty lac) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of the Company	Amount Underwritten (in BDT)
01	Master Feed Agrotec Ltd.	12,500,000.00
02	Subra Systems Ltd.	20,000,000.00
Total		32,500,000.00

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter(s):

Sd/-

Barun Prasad Poul

Managing Director & CEO(CC)

BD Finance Capital Holdings Ltd

Place: Dhaka;

Date: April 25, 2021

Annexure- C

Due diligence certificate by the underwriter(s)
[See rule 4 (1)(d)]

To

The Bangladesh Securities and Exchange Commission

**Sub: Qualified Investor Offer of 15,000,000 Ordinary Shares of BDT. 150,000,000/- of
 Achia Sea Foods Limited**

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and qualified to carry out the underwriting activities. Our present paid-up capital stands at Tk 600,000,000 (Sixty crore only) and we have the capacity to underwrite a total amount of Tk. 3,000,000,000.00 (Three hundred crore only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 10,000,000.00 (one crore) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of the Company	Underwritten amount in BDT
01	Identify Technology International Limited	35,000,000
02	Ratanpur Steel Re-Rolling Mills Limited	11390880
03	Onetex Limited	20,000,000
04	MedRex Life Science Ltd	10,000,000
05	Sena Kalyan Insurance Company Limited	14,000,000
06	Master Feed Agrotec Ltd.	12,500,000
07	Subra Systems Limited	30,000,000
Total		132,890,880

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;

- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.

For Underwriter

Sd/-

Mohammad Saleh Ahmed
Chief Executive Officer
IIDFC Capital Limited
Place: Dhaka
Date: April 22, 2021

Annexure- C

Due diligence certificate by the underwriter(s)

[See rule 4 (1)(d)]

To

The Bangladesh Securities and Exchange Commission

**Sub: Qualified Investor Offer of 15,000,000 Ordinary Shares of BDT. 150,000,000/- of
Achia Sea Foods Limited**

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and qualified to carry out the underwriting activities. Our present paid-up capital stands at Tk 250,000,000.00 (Twenty-five crore) and we have the capacity to underwrite a total amount of Tk. 1,250,000,000.00 (One hundred twenty-five crores) as per relevant legal requirements. We have committed to underwrite for up to Tk. 15,000,000.00 (one crores fifty lac) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of the Company	Underwritten amount in BDT
01	Dragon Sweater & Spinning Ltd	20,000,000
02	Three Angle Mariner Limited	20,000,000
03	Onetex Limited	10,000,000
04	Mohammad Elias Brothers POY Manufacturing Ltd	35,00,000
05	Sena Kalyan Insurance Company Limited	14,000,000
Total		67,500,000

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.

For Underwriters

Sd/-

Air Cdre (Retd) Md. Abu Bakar, FCA
 Managing Director
 Southeast Bank Capital Services Ltd
 Place: Dhaka
 Date: April 22, 2021

Annexure- C

Due diligence certificate by the underwriter(s) [See rule 4 (1)(d)]

To

The Bangladesh Securities and Exchange Commission

**Sub: Qualified Investor Offer of 15,000,000 Ordinary Shares of BDT. 150,000,000/- of
 Achia Sea Foods Limited**

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and

- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and qualified to carry out the underwriting activities. Our present paid-up capital stands at Tk 250,000,000.00 (Twenty-five crore) and we have the capacity to underwrite a total amount of Tk. 1,250,000,000.00 (One hundred twenty-five crores) as per relevant legal requirements. We have committed to underwrite for up to Tk. 10,000,000.00 (one crores fifty lac) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us:

Sl.	Name of the Company	Amount Underwritten (in Tk.)
1	Master Feed Agrotec Ltd	12,500,000.00
2	Subra Systems Ltd.	20,000,000.00
	Total	325,00,000.00

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter

Sd/-

Mohammad Abdur Rahim FCA,
Islami Bank Capital Management Limited
Managing Director & CEO
Place: Dhaka
Date: April 22, 2021


SECTION - IV
(B) (3)

About the Issuer

Section Contents

- | | |
|------------|--|
| (a) | Name of the issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its registered office, other offices and plants, telephone number, FAX number, contact person, website address and e-mail address |
| (b) | The names of the sponsors and directors of the issuer |
| (c) | The name, logo and address of the auditors, along with their telephone numbers, FAX numbers, contact persons, website and e-mail addresses |
| (d) | The name(s) of the stock exchange(s) where the specified securities are proposed to be listed |
-

(a) Name of the issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its registered office, other offices and plants, telephone number, FAX number, contact person, website address and e-mail address

Particulars		Description
Name of the Issuer	:	Achia Sea Foods Limited
Date of Incorporation	:	December 27, 1993
Commencement of Commercial Operations	:	February 15, 1998
Logo	:	 Achia Sea Foods Ltd.
Address of the Registered Office	:	50/7, Shipyard Road, Labanchara, Khulna, Bangladesh.
Other Offices	:	Corporate Office(Dhaka) Rahman Lucid Tower Flat No: D-5, 19/3 Kakrail Dhaka-1000, Bangladesh
Telephone Number	:	+88 041 722648
Fax Number	:	+88 041 813836
Contact Person	:	Md. Tariqul Islam Zaheer
Website Address	:	www.achia-seafoods.com
E-Mail Address	:	info@achia-seafoods.com

(b) The names of the sponsors and directors of the issuer

SL. No.	Name of the Sponsors	Permanent Address
Sponsors		
1.	Md. Ali Azgar Nasir	52, South Central Road, Khulna
2.	Md. Tariqul Islam Zaheer	52, South Central Road, Khulna
3.	Md. Nadirul Islam Babu	52, South Central Road, Khulna

Directors (Shareholding)		
Sl.	Name of the Directors	Permanent Address
1.	Md. Ali Azgar Nasir	52, South Central Road, Khulna
2.	Md. Tariqul Islam Zaheer	52, South Central Road, Khulna
3.	Md. Yousha Zaheer	52, South Central Road, Khulna
4.	Md. Nadirul Islam Babu	52, South Central Road, Khulna
5.	Md. Arfin Ali (Independent Director)	176/2, Sher-e-Bangla Road, (1st Floor), Power House More, Khulna,

- (c) The name, logo and address of the auditors, along with their telephone numbers, fax numbers, contact persons, website and e-mail addresses

Auditor		
Name	:	Islam Quazi Shafique & Co. Chartered Accountants
Logo	:	 ISLAM QUAZI SHAFIQUE & CO. Chartered Accountants
Address	:	Al-Haj Shamsuddin Mansion (4th Floor) 17, New Eskaton Road, Maghbazar, Dhaka-1000
Telephone	:	+880 1717 322693
Fax	:	+8802-9560922
Contact Person	:	Quazi Shafiqul Islam, FCA
Website	:	www.qsibd.com
E-Mail	:	info@qsibd.com

- (d) The name(s) of the stock exchanges where the specified securities are proposed to be listed.

Stock Exchanges	Contact Addresses
DHAKA STOCK EXCHANGE 	Dhaka Stock Exchange Ltd. DSE Tower, House No. 46 (level 3), Road No. 21, Nikunja, Dhaka- 1229 Phone: 02-9564601, 9576210-18 Fax: Fax: +88-02-41040096, 41040097 Email: dse@bol-online.com Web: www.dsebd.org
CHITAGONG STOCK EXCHANGE 	Chittagong Stock Exchange Ltd. CSE Building, Sk. Mujib Road, Agrabad C/A, Chittagong. Phone: +88-031-714632-3, 9513911-15 Fax: +88-031-714101 Email: habib.ullah@cse.com.bd Web: www.cse.com.bd.

SECTION - V
(B)(4)

Corporate directory the Issuer

Company Name	:	Achia Sea Foods Limited
Company Logo	:	 Achia Sea Foods Ltd.
Registered Office	:	50/7 Shipyard Road, Labanchara
Manufacturing Plant	:	50/7 Shipyard Road, Labanchara
Date of Incorporation	:	December 27, 1993
Commercial Production	:	February 15, 1998
Incorporation & Registration No	:	Khulna-3-178A
Date of Conversion to Public Limited Company	:	September 27, 2014
Auditors	:	Islam Quazi Shafique & Co.
Manager to the Issue	:	AAA Finance & Investment Limited
Lead Banker for QIO	:	Mercantile Bank Limited
Company Secretary	:	Md. Elias
Compliance Officer	:	BM Feroj Ahmed
Board of Directors	:	5 directors

SECTION - VI
(B)(5)

Description of the issuer

Section Contents

- | | |
|------------|---|
| (a) | Summary |
| (b) | General Information |
| (c) | Capital Structure |
| (d) | Description of Business |
| (e) | Description of Property |
| (f) | Plan of Operation and Discussion of Financial Condition |

(a) Summary

(i) The summary of the industry and business environment of the issuer

Global Market Scenario

Frozen food is a valued commodity in today's times. With lifestyles getting more hectic by the day and the time required to cook traditional meals in short supply, frozen foods have become a lifesaver for a large part of the global population. The increasing working population of women and the increasingly long working hours in the corporate sector are the major factors driving the global frozen food market. Freezing food reduces the chances of microbes invading it, since most pathogens can't survive at sub-zero temperatures. As a result, frozen food can be stored for long periods and consumed at the convenience of the user upon short notice. On the basis of product type, the global frozen food market is segmented into frozen ready meals, frozen fruits and vegetables, frozen potatoes, frozen soup, frozen meat, and frozen fish and other seafood.

The increasing sophistication of freezing techniques allow vendors to keep frozen production fresh for a longer time, which significantly drive the demand from the global frozen food market. Geographically, Europe held the largest share in the global frozen food market in 2012, with Germany emerging as the dominant national market. However, many researchers have predicted that the frozen food market will soon be dominated by emerging regions such as Asia Pacific, the Middle East, and Latin America in the coming years. The rampant urbanization in these regions, particularly in dynamic economies such as China, Bangladesh, India, Brazil, and Mexico, has led to a growth in the demand for food that can be prepared with minimal prep. The growing middle class and the increasing trend of families consisting of two working spouses have also spurred the Asia Pacific market for frozen food.

In 2012 Transparency Market Research valued the global frozen food market to be US\$ 224.7 billion, which is expected to grow to US\$293.7 billion showing an average growth rate (CAGR) of 3.9%. Many other published reports are also suggesting an average growth 4%-5% in the global frozen food market.

Source: <http://www.marketwired.com/press-release/frozen-food-market-reach-us-29375-billion-will-register-cagr-39-between-2016-2022-transparency-2023000.htm>

Bangladesh Market Scenario

Bangladesh frozen foods industry is one of the most significant components of the country's economy. The country earns a significant amount of foreign currency from the exporting of frozen foods to European and American Market. The Public Sector Corporation and the Private Organizations have setup about 145 numbers of shore-based export-oriented fish processing plants at Dhaka, Chittagong, Khulna, Jessore, Satkhira, Bagerhat, Cox's Bazar, Chandpur, Kishoregonj, Sylhet and Patuakhali. These plants produce Shrimp products under the most hygienic and sanitary condition under the supervision, control and guidance of foreign trained handling & processing experts.

The country usually exports different types of shrimps and prawns among them Fresh water headless, shell on tail on (FWSO), Sea Water headless shell on tail on (SWSO), Peeled and Deveined (P&D), Peeled and Undeveined (PUD) and Broken Products (BP) of Prawns and Shrimps in Block Frozen, Cooked, Semi Cooked, IQF, Semi IQF etc. The country also exports frozen sea water and Fresh Water Fish in many varieties and the demand for these products are increasing. Among the sea water fish Bangladesh usually exports Pomfrets, Jewfish, Indian Salmon, Shad, Catfish, Ribbonfish, Mullet, Tena, Mackerel, Cockup, Red Snapper etc. are processed in whole, headless, belly clean (IQF) state or sliced/fillets/steak in Block Frozen

state. As for the fresh water fish Carps, Common Carps, Snake-Heads, Barbs Shad, Eel, Mulletts etc. The large fishes are processed in whole headless, belly clean (IQF) state of sliced/fillets/steaks and small fishes and processed in whole block frozen state.

(ii) Summary of consolidated financial, operating and other information:

This information is not applicable for Achia Sea Foods Limited. Since the Company has no associates, subsidiary or holding company.

(b) General Information

i. The Board of Directors of the issuer

SL No.	Name	Position
1	Md. Ali Azgar Nasir	Chairman
2	Md. Tariqul Islam Zaheer	Managing Director & Director
3	Md. Yousha Zaheer	Director
4	Md. Nadirul Islam Babu	Director
5	Md. Arfin Ali	Independent Director

ii. Names, addresses, telephone numbers, fax numbers and e-mail addresses of the chairman, managing director, whole time directors, etc. of the issuer

1. Chairman	Name	:	Md. Ali Azgar Nasir
	Address	:	50/7 Shipyard Road, Labanchara, Khulna
	Telephone	:	+88 041 813837
	Fax	:	+88 041 813836
	E-mail	:	azgar_nasir1232@gmail.com

2. Managing Director & Director	Name	:	Md. Tariqul Islam Zaheer
	Address	:	50/7 Shipyard Road, Labanchara, Khulna
	Telephone	:	+88 041 813837
	Fax	:	+88 041 813836
	E-Mail	:	zaheer.kln@gmail.com

3. Whole Time Director	Name	:	Md. Yousha Zaheer
	Address	:	50/7 Shipyard Road, Labanchara, Khulna
	Telephone	:	+88 041 813837
	Fax	:	+88 041 813836
	E-Mail	:	zaheeryousha@gmail.com

4. Whole Time Director	Name	:	Md. Nadirul Islam Babu
	Address	:	50/7 Shipyard Road, Labanchara, Khulna
	Telephone	:	+88 041 813837
	Fax	:	+88 041 813836

	E-Mail	:	nidarul_babu2015@yahoo.com
--	--------	---	----------------------------

iii. Names, addresses, telephone numbers, fax numbers and e-mail addresses of the CFO, company secretary, legal advisor, auditors and compliance officer.

1. CFO	Name	:	Mr. Swapan kumar Saha
	Address	:	50/7 Shipyard Road, Labanchara, Khulna
	Telephone	:	+88 01850 500022
	Fax	:	+88 041 813836
	E-mail	:	sid575saha@yahoo.com/ cfo.achiasf@gmail.com

2. Company Secretary	Name	:	Md. Elias
	Address	:	50/7 Shipyard Road, Labanchara, Khulna
	Telephone	:	+88 041 813837
	Fax	:	+88 041 813836
	E-mail	:	mdelias6767@gmail.com

3. Legal Advisor	Name	:	Advocate Shaikh Sharafat Hossain
	Address	:	60, Samsur Rahman Road, Khulna
	Cell	:	+88-01711970950
	Fax	:	N/A
	E-mail	:	adv.sharafat@gmail.com

4. Auditor	Name	:	Quazi Shafiqul Islam, FCA
	Address	:	Al-Haj Shamsuddin Mansion (4th Floor) 17, New Eskaton Road, Maghbazar, Dhaka-1000
	Telephone	:	+880 1717 322693
	Fax	:	+8802-9560922
	E-mail	:	info@qsibd.com

5. Compliance Officer	Name	:	BM Feroj Ahmed
	Address	:	50/7 Shipyard Road, Labanchara, Khulna
	Telephone	:	+88 041 813837
	Fax	:	+88 041 813836
	E-mail	:	bmferojahmed@gmail.com

iv. Names, addresses, telephone numbers, fax numbers, contact person, website addresses and e-mail addresses of the issue manager(s), etc.

Issue Manager		
Name	:	AAA Finance and Investment
Address	:	Suite 403- 405, Amin Court (4 th floor), 62-63, Motijheel C/A, Dhaka-1000, Bangladesh.
Telephone	:	+8802223389602, +8809567726
Fax	:	+8802-9558330
Contact Person	:	Mohammad Obaydur Rahman FCS, FCGA Managing Director & CEO
Website	:	www.aaafinancebd.com
E-mail	:	info@aaafinancebd.com

v. Following details of Underwriting

(a) The names, addresses, telephone numbers, fax numbers, contact persons and e-mail addresses of the underwriters and the amount underwritten by them

Underwriter's		Amount Underwritten (BDT)
AAA Finance & Investment Ltd. Amin Court, 4 th Floor (Suite # 403-405) 31, Bir Uttam Shahid Ashfaqus Samad Road, Dhaka-1000	Contact Person: Mohammad Obaydur Rahman FCS, FCGA Managing Director & CEO Tel: 9559602, 9567726, 9564304 Fax: +88 02 9558330 Email: info@aaafinancebd.com Web: www.aaafinancebd.com	10,000,000
BD Finance Capital Holdings Ltd 64, Motijheel Commercial Area 2nd Floor, Dhaka-1000	Barun Prasad Paul Managing Director & CEO(CC) Tel: +8809588186 Fax: +8802-95588185 Email: info@bdcapital.com.bd Web: www.bdcapital.com.bd	10,000,000
Trust Bank Investment Limited 12th Floor, Peoples Insurance Bhaban, 36, Dilkusha C/A, Dhaka-1000	Mohammad shahadat Hossain Managing Director & CEO Phone Number: +8801730328689 Fax: +8802-9552725 E-mail:	10,000,000

IIDFC Capital Limited PFI Tower, 3 rd Floor, 56-57 Dilkusha C/A, Dhaka-1000	Mohammed Saleh Ahmed Chief Executive Officer Tel: +88029514637-8 Fax: +8802-9514641 Email: icl@iidfc.com	10,000,000
Sandhani Life Finance Limited 16, Motijheel Commercial Area, (2nd floor), Dhaka-1000	Muhammad Nazrul Islam FCMA Managing Director & CEO Tel: 02-9515249, 47118505 Web: www.slflbd.com Email: info@slflbd.com	10,000,000
Southeast Capital Services Ltd Rupayan Trade Center (10 th floor), 114 Kazi Nazrul Islam Avenue, Bangalmotor, Dhaka	Air Cdre (Retd) Md Abu Bakar, FCA Managing Director Phone Number :41032196-97 E-mail: bakar830@gmail.com	15,000,000
Islami Bank Capital Management Limited Miah Amanullah Bhaban (5 th Floor), 63 Dilkusha C/A, Dhaka 1000.	Mohammad Abdur Rahim, FCA Managing Director & CEO Te+88 02 47120625 Fax: +88 01313084373 E-mail: info@ibcmlbd.com www.ibcmlbd.com	10,000,000

a. Declaration by the underwriters that they have sufficient resources as per the regulatory requirements to discharge their respective obligations.

DECLARATION BY AAA FINANCE & INVESTMENT LTD.

We are one of the underwriters of the Qualified Investor Offer (QIO) of Achia Sea Foods Ltd., we will underwrite Tk. 10,000,000 (one crore taka) for the upcoming issue on a firm commitment basis.

In this connection, we hereby declare that: we have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter

Place: Dhaka

Date: October 27, 2021

Sd/-
Mohammad Obaydur Rahman FCS,
FCGA
Managing Director & CEO
AAA Finance & Investment Ltd.

DECLARATION BY BD FINANCE CAPITAL HOLDINGS LTD

We are one of the underwriters of the Qualified Investor Offer (QIO) of Achia Sea Foods Ltd., we will underwrite Tk. 10,000,000 (one crore taka) for the upcoming issue on a firm commitment basis.

In this connection, we hereby declare that: we have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter

Sd/-

Mr. Barun Prasad Poul

Managing Director & CEO

BD Finance Capital Holdings Ltd

Place: Dhaka

Date: April 25, 2021

DECLARATION BY THE UNDERWRITER THAT WE HAVE SUFFICIENT RESOURCES AS PER THE REGULATORY REQUIREMENTS TO DISCHARGE OUR RESPECTIVE OBLIGATIONS

We are one of the underwriters of the Qualified Investor Offer (QIO) of Achia Sea Foods Limited We will underwrite BDT 10,000,000 for the upcoming issue on a firm commitment basis.

In this connection, we hereby declare that: We have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter(s):

Sd/-

Muhammad Nazrul Islam FCMA

Managing Director & CEO

Sandhani Life Finance Limited

Place: Dhaka;

Date: April 22,2021

**DECLARATION BY THE UNDERWRITER THAT WE HAVE SUFFICIENT RESOURCES
AS PER THE REGULATORY REQUIREMENTS TO DISCHARGE OUR RESPECTIVE
OBLIGATIONS**

We are one of the underwriters of the Qualified Investor Offer (QIO) of **Achia Sea Foods Limited**. We will underwrite BDT 10,000,000 for the upcoming issue on a firm commitment basis.

In this connection, we hereby declare that: We have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter(s):

Sd/-

Mohammad Shahadat Hossain
Managing Director & CEO
Trust Bank Investment Limited

Place: Dhaka;

Date: April 22, 2021

**DECLARATION BY THE UNDERWRITER THAT WE HAVE SUFFICIENT RESOURCES
AS PER THE REGULATORY REQUIREMENTS TO DISCHARGE OUR RESPECTIVE
OBLIGATIONS**

We are one of the underwriters of the Qualified Investor Offer (QIO) of **Achia Sea Foods Limited**. We will underwrite BDT. 15,000,000.00 of total Qualified Investor Offer of BDT 150,000,000.00 for the upcoming issue on a firm commitment basis. In this connection, we hereby declare that:

We have sufficient resources as per the regulatory requirements to discharge our respective obligation.

For Underwriter

Sd/-

Air Cdre (Retd) Md Abu Bakar, FCA
Managing Director

Southeast Capital Services Ltd

Place: Dhaka

Date: April 22, 2021

DECLARATION BY THE UNDERWRITER THAT WE HAVE SUFFICIENT RESOURCES AS PER THE REGULATORY REQUIREMENTS TO DISCHARGE OUR RESPECTIVE OBLIGATIONS

We are one of the underwriters of the Qualified Investor Offer (QIO) of Achia Sea Foods Limited We will underwrite BDT 10,000,000 (One Crore only) for the upcoming issue on a firm commitment basis.

In this connection, we hereby declare that: We have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter(s):

Sd/-

Mohammad Abdur Rahim, FCA
Managing Director & CEO
Islami Bank Capital Management Limited

Place: Dhaka;
Date: April 22,2021

DECLARATION BY THE UNDERWRITER THAT WE HAVE SUFFICIENT RESOURCES AS PER THE REGULATORY REQUIREMENTS TO DISCHARGE OUR RESPECTIVE OBLIGATIONS

We are one of the underwriters of the Qualified Investor Offer (QIO) of Achia Sea Foods Limited We will underwrite BDT 10,000,000 (One Crore Fifty lac only) for the upcoming issue on a firm commitment basis.

In this connection, we hereby declare that: We have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter(s):

Sd/-

Mohammad Saleh Ahmad
CEO
IIDFC Capital Limited
Place: Dhaka;
Date: April 22,2021

(c) Capital Structure**i. Authorized, issued, subscribed and paid up capital (number and class of securities, allotment dates, nominal price, issue price and form of consideration);**

Particulars	Class of securities	Number of Securities	Nominal Price	Amount in Taka
Authorized Capital	Ordinary	100,000,000	10	1,000,000,000
Issued & Subscribed Capital	Ordinary	223,563,34	10	223,563,340
Paid-up-capital before QIO	Ordinary	223,563,34	10	223,563,340
Proposed Qualified Investors Offering	Ordinary	15,000,000	10	150,000,000
Total paid-up-capital after QIO	Ordinary	37,356,334	10	373,563,340

ALLOTMENT HISTORY OF SECURITIES					
Allotment Date	Form of Consideration			Issue Price (BDT)	Amount of Share Capital
	In Cash	Other Than Cash	Bonus Issue		
27.12.1993	20,000	-	-	10	200,000
05.09.1999	6,680	-	-	10	66,800
26.01.2005	2,473,320	-	-	10	24,733,200
18.07.2005	4,980	-	-	10	49,800
05.01.2006	1,062,120	-	-	10	10,621,200
08.03.2014	-	5,950,000	-	10	59,500,000
22.11.2015	-	-	3,806,840	10	38,068,400
09.01.2016	7,000,000	-	-	10	70,000,000
28.12.2020			20,323,94		20,323,940
Total					223,563,340
*** All the stocks are shown in the face value of TK 10					
*** The company sub-divided its shares from TK 100 to TK 10 on 20 th February 2014 by passing a special resolution.					

ii. Size of the present issue, with break-up (number of securities, description, nominal value and issue amount);

Particulars		Percentage %	Number of securities	Description	Nominal Value	Issue Amount
Eligible Investors (EI)	Qualified Investors	100%	15,000,000	Ordinary Share	10	150,000,000

iii. Paid up capital before and after the present issue, after conversion of convertible instruments (if any) and share premium account (before and after the issue);

Particulars	Before the Present Issue	After the Present Issue
Paid-Up Capital	223,563,340	373,563,340
Convertible Instrument	N/A	N/A
Share Premium Account	Nil	Nil

iv. Category wise shareholding structure with percentage before and after the present issue and after conversion of convertible instruments (if any);

SL No.	Category of Shareholders	Before Present Issue		After Present Issue	
		Ordinary Shares	Percentage	Ordinary shares	Percentage
1	Directors & Sponsors	11,464,029	51.28%	11,464,029	30.69%
2	Other Investors/Shareholders	10,892,305	48.72%	10,892,305	29.16%
3	Qualified Investor Offer (QIO)	-	-	15,000,000	40.15%
Total		22,356,334	100.00%	37,356,334	100.00%

*The Company has no convertible instruments

v. Where shares have been issued for consideration in other than cash at any point of time, details in a separate table, indicating the date of issue, persons to whom those are issued, relationship with the issuer, issue price, consideration and valuation thereof, reasons for the issue and whether any benefits have been accrued to the issuer out of the issue;

Persons to whom shares are issued	Relationship with the issuer	No. of Stocks	Date	Issue Price	Consideration & Valuation
Arifur Rahman Sagir	Shareholder	402,000	8/03/2014	10	

Tariqul Islam Zaheer	Managing Director	2,912,960	8/03/2014	10	1.96 Acre land assets for company business expansion. Market value of the land is taken as basis of valuation conducted by independent professional.
Ali Azgar Nasir	Chairman	427,840	8/03/2014	10	
Nadirul Islam Babu	Director	424,000	8/03/2014	10	
Md. Riyad Mahmood	Shareholder	608,000	8/03/2014	10	
Jonayed Ahsan Subro	Shareholder	495,200	8/03/2014	10	
Md. Mashfiqul Islam	Shareholder	680,000	8/03/2014	10	
Reasons of the Issue	Expansion of Business.				
Benefits from the Issue	The company has received 1.96 acre land for expanding its business operations.				

vi. Where shares have been allotted in terms of any merger, amalgamation or acquisition scheme, details of such scheme and shares allotted;

No shares have been allotted in terms of any merger, amalgamation or acquisition scheme, details of such scheme and shares allotted.

vii. Where the issuer has issued equity shares under one or more employee stock option schemes, date-wise details of equity shares issued under the schemes, including the price at which such equity shares were issued;

The issuer has not issued any equity shares under one or more employee stock option schemes.

viii. If the issuer has made any issue of specified securities at a price lower than the issue price during the preceding two years, specific details of the names of the persons to whom such specified securities have been issued, relation with the issuer, reasons for such issue and the price thereof;

The issuer has not made any issue of specified securities at a price lower than the issue price during the preceding two years.

ix. The decision or intention, negotiation and consideration of the issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue;

There is no such decision or intention, negotiation and consideration of the issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue.

x. The total shareholding of the sponsors and directors in a tabular form, clearly stating the names, nature of issue, date of allotment, number of shares, face value, issue price, consideration, date when the shares were made fully paid up, percentage of the total pre and post issue capital, the lock in period and the number and percentage of pledged shares, if any, held by each of them;

Name	Md. Yousha Zaheer				Position	Director		Percentage	
Nature of Issue	Allotment date	No. of Shares	Face value	Issue Price	Consideration	Total Shares	Lock In period	Pre QIO	Post QIO
Transfer	03.10.2021	1,173,708	10	10	Cash	1,173,708		5.25%	3.14%

Name	Md. Tariqul Islam Zaheer				Position	Managing Director		Percentage	
Nature of Issue	Allotment date	No. of Shares	Face value	Issue Price	Consideration	Total Shares	Lock In period	Pre QIO	Post QIO
Fresh Allotment	18.07.2005	4980	10	10	Cash	4980	1(one) Year	32.82%	19.64%
Fresh Allotment	05.01.2006	862,120	10	10	Cash	867,100			
Transfer	25.05.2008	178,090	10	10	Cash	1,045,190			
Transfer	12.08.2010	213,300	10	10	Cash`	1,258,490			
Transfer	22.03.2011	127,030	10	10	Cash	1,385,520			
Transfer	11.02.2014	6,120	10	10	Cash	1,391,640			
Fresh Allotment	08.03.2014	2,912,960	10	10	Cash	4,304,600			
Bonus Issue	22.11.2015	1,721,840	10	10	Other Than Cash	6,026,440			
Conversion	09.01.2016	1,710,000	10	10	Other Than Cash	7,736,440			
Bonus Issue	28.12.2020	773,644	10	10	Other Than Cash	8,510,084			
Transfer	03.10.2021	(1,173,708)	10	10	Transfer	7,336,376			

Name	Md. Ali Azgar Nasir				Position	Chairman		Percentage	
Nature of Issue	Allotment date	No. of Shares	Face value	Issue Price	Consideration	Total Shares	Lock In period	Pre QIO	Post QIO
Transfer	25.05.2008	177,850	10	10	Cash	177,850	1(one) Year	6.52%	3.90%
Transfer	12.08.2010	71,120	10	10	Cash	248,970			
Transfer	22.03.2011	127,040	10	10	Cash	376,010			
Fresh Allotment	08.03.2014	427,840	10	10	Cash	803,850			
Bonus Issue	22.11.2015	321,540	10	10	Other Than Cash	1,125,390			
Conversion	09.01.2016	200,000	10	10	Other Than Cash	1,325,390			
Bonus Issue	28.12.2020	1,32,539	10	10	Other Than Cash	1,457,929			

Name	Nadirul Islam Babu				Position	Director		Percentage	
Nature of Issue	Allotment date	No. of Shares	Face value	Issue Price	Consideration	Total Shares	Lock In period	Pre QIO	Post QIO
Transfer	25.05.2008	177,850	10	10	Cash	177,850	1(one) Year	6.69%	4.00%
Transfer	12.08.2010	71,120	10	10	Cash	248,970			
Transfer	22.03.2011	127,040	10	10	Cash	376,010			
Fresh Allotment	08.03.2014	424,000	10	10	Cash	800,010			
Bonus Issue	22.11.2015	320,004	10	10	Other Than Cash	1,120,014			
Conversion	09.01.2016	240,000	10	10	Other Than Cash	1,360,014			
Bonus Issue	28.12.2020	136,002	10	10	Other Than Cash	1,496,016			

The Company has changed the face value of its ordinary share from Tk. 100.00 to Tk. 10.00 by passing a special resolution in its extraordinary general meeting held on February 20, 2014 and necessary amendments in capital clause of the Memorandum and Articles of Association were made accordingly. [*From the first trading day of the securities]

xi The details of the aggregate shareholding of the sponsors and directors, the aggregate number of specified securities purchased or sold or otherwise transferred by the sponsor and/or by the directors of the issuer and their related parties within six months immediate preceding the date of filing the red-herring prospectus or prospectus or information memorandum;

Name	Position	No. of Shares	Pre QIO %	Amount (Tk.)
Md. Tariqul Islam Zaheer	Managing Director	7,336,376	32.82%	73,363,760
Md. Ali Azgar Nasir	Chairman	1,457,929	6.52%	14,579,290
Nadirul Islam Babu	Director	1,496,016	6.69%	14,960,160
Md. Yousha Zaheer	Director	1,173,708	5.25%	11,737,080
Md. Arfin Ali	Independent Director	-	-	-
Directors and Sponsors		11,464,029	51.28%	114,640,290

SL	Transferor	Transferee	Transferred share	Transfer/Acquire date
1.	Md. Tariqul Islam Zaheer	Md. Yousha Zaheer	1,173,708	03.10.2021

xii. The name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the amount of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership including number of equity shares which they would be entitled to upon exercise of warrant, option or right to convert any convertible instrument;

SL. No.	Name of Shareholder	Address	No of Share Owned or beneficially	Total No. of Shares Recorded	Shareholding (%) before QIO
1.	Md. Tariqul Islam Zaheer	52, South Central Road Khulna	7,336,376	7,336,376	32.82%
2.	Arifur Rahman Sagir	52, South Central Road Khulna	1,397,246	1,397,246	6.25%
3.	Md. Riyad Mahmood	52, South Central Road Khulna	1,460,316	1,460,316	6.53%
4.	Ali Azgar Nasir	52, South Central Road Khulna	1,457,929	1,457,929	6.52%
5.	Nadirul Islam Babu	52, South Central Road Khulna	1,496,016	1,496,016	6.69%

6.	Mashfiqul Islam	52, South Central Road Khulna	1,248,940	1,248,940	5.59%
7.	Zunaid Ahsan Bin Kabir Shuvro	52, South Central Road Khulna	1,232,092	1,232,092	5.51%
8.	Md. Yousha Zaheer	52, South Central Road Khulna	1,173,708	1,173,708	5.25%

xiii. The number of securities of the issuer owned by each of the top ten salaried officers, and all other officers or employees as group, indicating the percentage of outstanding shares represented by the securities owned.

SL. No.	Name of Shareholder	Position	No of Shareholding	Shareholding (%) before QIO	Shareholding (%) after QIO
1	Md. Tariqul Islam Zaheer	Managing Director	7,336,376	32.82%	19.64%

(d) Description of Business

(i) The date on which the issuer company was incorporated and the date on which it commenced operations and the nature of the business which the company and its subsidiaries are engaged in or propose to engage in;

Achia Sea Foods Limited is one of the shrimp's processor in the frozen food processing industry in Bangladesh. The company was incorporated in December 27th, 1993 as a private limited company vide registration no Khulna-3-178A/93 under the companies Act 1913 (VII of 1913). Having its factory and head office in Khulna, Bangladesh and a branch office in Dhaka, Bangladesh, the company has been successfully operating its business since its commencement of operations. The company has commenced its operations on February 15, 1998.

The Company is engaged in the processing & exporting of the finest quality Sea Food products "Shrimps & Fish" in the foreign market.

Achia Sea Foods Limited does not have any subsidiary or holding company.

(ii) Location of the project;

Sea Foods Processing Factory: 50/7, Labanchara, Khulna, Bangladesh.

(iii) Plant, machinery, technology, process, etc.

Achia Sea Foods Limited is supported by advanced food processing machineries to ensure international standard of exporting frozen foods. The company has efficient leadership to manage its business operations.

The company has an automated fish processing system that processes the raw sea foods into eatable sea foods.

(iv) Details of the major events in the history of the issuer, including details of capacity or facility creation, launching of plant, products, marketing, change in ownership and/or key management personnel etc.;

Date of Incorporation	:	December 27, 1993
Private to Public Conversion	:	September 27, 2014
Date of Commercial operation	:	February 15, 1998
Started Exporting	:	1998
Increase of Paid-Up-Capital	:	1999, 2016, 2020
Capacity/Facility Creation	:	1998
ISO Quality Certificate	:	2017
Changes in Ownership	:	2008
Changes in Key Management	:	Mr. Swapan Kumar Saha, took over the charge of CFO after leaving Mr. Rajon Poddar. Mr. Elias has been appointed as Company Secretary.

(v) Principal products or services of the issuer and markets for such products or services. Past trends and future prospects regarding exports (if applicable) and local market, demand and supply forecasts for the sector in which the product is included with the source of data;

The principal products of Achia Sea Foods Limited (ASFL) are as follows:

- ▽ Sea Water Black Tiger Headless Shell on Block Frozen
- ▽ Sea Water Black Tiger Head on Shell on Semi IQF
- ▽ Sea Water Black Tiger PUD/P&D Block Frozen
- ▽ Fresh Water Prawn Headless Shell-on Block Frozen
- ▽ Fresh Water Prawn PUD/P&D Block Frozen
- ▽ Sea Water Harina PUD Shrimps Block Frozen
- ▽ Sea Water White PUD Shrimps Block Frozen
- ▽ Sea Water Red Tiger PUD Shrimps Block Frozen
- ▽ Sea Water & Sweet Water Fishes Block Frozen & Semi IQF

Market of the Products:

The market of the above-mentioned products is usually European Countries as well as some American states, Canada, India etc.

Upcoming Product:

There is no upcoming product of Achia Sea Foods Limited.

Past Trend Regarding Exports and Local Market:

Particulars	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Export Sales(BDT)	1,377,263,080	440,202,330	358,083,309	937,326,012	694,742,004	202,379,849

Future Prospects:

The company has pleasant prospect in the frozen foods processing industry, the export income of the company has been gradually increasing. The production capacity of the current facilities is almost saturated. Hence, company is considering an expansion of operations.

Demand Forecast:

There is no available data source to forecast the demand and supply of the industry, but it was found in different articles the industry is growing at a rate of 5% per year.

(e) Description of Property

(i) Location and area of the land, building, principal plants and other property of the company and the condition thereof;

Location of building and principal plant of ASFL are same, the company plant is at 90 Labanchara Mouza, 31 no. ward, Khulna Sadar.

Particulars	Written Down Value as at June 30, 2021(BDT)
Land and Land Development	69,646,009
Factory Building	86,001,649
Plant & Machinery	24,070,460
IQF Machinery	11,926,161
Cold Storage Compressor Unit	3,079,111
Fleck Ice Machinery	2,564,625
Factory Equipment	24,331,883
Tools & Equipment	2,212,935
Transformer	84,462
I Phone & I Pad	98,631
Processing Equipment	2,804,260
Laboratory Equipment	419,589
Electric Equipment	2,348,564
Refrigeration Van	141,517
Office Equipment	1,444,698
Furniture & Fixture	1,612,011
Jetty	275,476
Crockery's & Cutleries	54,296
Tube well & waterline	640,532
Vacuums Machine	453,398

Metal Detector Machine	860,260
Boundary Wall	7,486,516
Vehicles	634,752
Total	243,191,798

Summary of Land Property		
Particulars		Land Area (Acre)
Own Land	Factory Area & Others	2.85775 acre

Details of Land Property					
SL. No.	Location	Deed No.	Date of Purchase	Area (Acre)	Deed Value
1	90 Labanchara Mouza, 31 no. ward, Khulna Sadar	592	20.2.1995	.84	300,000 Tk.
2	06 Labanchara Mouza, 31 no. ward, Khulna Sadar	2045	21.04.2010	.05775	545,000 Tk.
3	50 Joriya Maitkomra, Khulna	2126	22.12.2013	1.84	45,500,000 Tk.
4	06 Labanchara Mouza, 31 no. ward, Khulna Sadar	8926	26.12.2013	.12	18,000,000 Tk.

(ii) Whether the property is owned by the company or taken on lease;

All the assets that are described are the owned by the company.

(iii) Dates of purchase, last payment date of current rent (খাজনা) and mutation date of lands, deed value and other costs including details of land development cost, if any and current use thereof;

SL No	Deed No.	Date of purchase	Area (Acre)	Deed Value	Cost of Acquisition	Mutation Date	Last Payment Date of Current rent	Current Use
1	592	20.2.1995	0.84	300,000	300,000	28.4.2009	08/08/2019 bengali year up to 1428	Factory
2	2045	21.04.2010	0.05775	545,000	545,000	30.12.2013	16.06.2020 bengali year up to 1427	Factory Warehouse

3	2126	22.12.2013	1.84	45,500,000	45,500,000	01.05.2014	28.08.2019 for bengali year up to 1428	Under process for Packaging Factory
4	8926	26.12.2013	0.12	18,000,000	18,000,000	24.03.2014	27.08.2019 for bengali year up to 1428	Factory Warehouse

(iv) If the property is owned by the issuer, whether there is a mortgage or other type of charge on the property, with name of the mortgagee;

All the property of the Company is in its own name. However, a total of 275.81 decimal land are given as mortgaged to Mercantile Bank Limited, Khulna Branch against loan facilities. Details of mortgaged land areas under:

SL No	Deed no	Date	Mouza	District	Area of Land (Decimal)
1	592	June 05,2017	Labonchora	Khulna	74.04
2	2045	June 05,2017	Labonchora	Khulna	5.77
3	8926	June 05,2017	Labonchora	Khulna	12.00
4	2126	June 05,2017	Zariamaitkumra	Khulna	184.00

(v) If the property is taken on lease, the expiration dates of the lease with name of the lessor, principal terms and conditions of the lease agreements and details of payment;

There are no such properties that were taken on lease by the issuer.

(vi) A physical verification report by the issue manager(s) regarding the properties as submitted to the Commission;

**PHYSICAL VERIFICATION REPORT BY THE ISSUE MANAGERS
OF
ACHIA SEA FOODS LIMITED**

This is to certify that we have visited the Factory, and Registered office of **Achia Sea Foods Limited** on March 15, 2021.

Process of the Verification:

AAA Finance & Investment Limited (AAA) has been working with Achia Sea Foods Limited (ASFL) for about five years. During the period, different teams of AAA have visited the Company and its factory on several times. The process comprises of five different teams in the verification process for the QIO for small capital companies of ASFL as under:

Particular	Members of the Team
Strategic Management Team	Mohammad Obaydur Rahman FCS, FCGA Managing Director
	Mohammad Ferdous Mazid Chief Operating Officer
Corporate Compliance Review Team	Md. Oliur Rahman ACS Company Secretary
Prospectus Preparation and Design Team	Md. Samsul Haque ACMA Manager
	Md. Al-Mamun Azad Officer
	Raihanul Haque Bhuiyan Assistant Manager
Prospectus Review Team	Md. Khalid Hossain Deputy General Manager

The teams examined all the necessary documents provided by Achia Sea Foods Limited. This verification is done as per the regulations of Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018. Such compliance with BSEC Qualified Investor Rules, 2018 is the responsibility of the Company. AAA's examination was limited to the procedures and implementation thereof, as adopted by the Management in ensuring compliance with the conditions of the BSEC Qualified Investor Rules, 2018.

In the process of the verification of compliance of Qualified Investor Rules, 2018. AAA Finance & Investment Ltd. has visited the factory and registered office of Achia Sea Foods Limited as the issue manager on March 15, 2021.

The sole purpose of the visit was to see the production plants of ASFL for preparing this verification report.

Visiting Team:

Particulars		Representative
Visited by	AAA Finance & Investment Ltd.	Mohammad Obaydur Rahman FCS,FCGA Managing Director
		Mohammad Ferdous Mazid Chief Operating Officer
		Md. Samsul Haque ACMA Manager
Accompanied by	Achia Sea Foods Limited	Md. Tariqul Islam Zaheer Managing Director & CEO
		Mr. Swapan Kumar Saha Chief Financial Officer

Nature of Business:

Achia Sea Foods Limited (ASFL), one of the leading seafood processing companies in Bangladesh, has started its journey in the year 1993 in Khulna. The company mainly processes seafood and fishes. The company adopted HACCP (Hazard analysis and critical control points) systems in its operations and earned BRC (The British Retail Consortium) Certificate for its immense quality. For the quality of its products, the company have earned the approval of European Union approval from the EU. OCEAN PEARL and SITARA are the name of its two brand which are recognized globally. This is manifested in the enviable reputation of its brand in the seafood markets of European Union, United Kingdom, Cyprus, Japan, Korea, Taiwan, Egypt, UAE, India & other far Eastern countries of Asia.

Location of Factories:

The team found all the production plants and office of Achia Sea Foods Limited are at the same location. The factory location is at 50/7 Shipyard Road, Labanchara, Khulna near about the Rupsha Bridge of Khulna.

Registered & Corporate Office:

Visiting team has found the Registered Office of Achia at 50/7 Shipyard Road, Labanchara, Khulna.

Sign Board:

The team found that the company has placed a clear and vivid sign board at the entry gate of its office building as well as of the entry gate of its factory area. There are no other sign board of any other company in the said premises.

Nature of production:

The designated personnel's of ASFL, received AAA's team at the factory. They guided the map of the factory area and explained the whole production process of Individually Quick Frozen (IQF) unit. Later, the team observed production plants to verify if the described process is in line. It was found approximately 100 workers were working in the factory. AAA team visited different parts of the plant which include but not limited to fish collection unit at the riverside, fish sorting unit, fish washing unit, individually quick-frozen unit, packaging unit etc. Team evaluation also includes the quality testing process of ASFL. In brief, the AAA team concluded a satisfactory result of visiting to the Achia Sea Foods Limited production process and factory.

Description of Property:

As per the team's observation, the factory of Achia is located at 50/7 Shipyard Road, Labanchara, Khulna as well as the Registered & Corporate Office of Achia at the same location.

1. Buildings:

Summary of Building Property		
Location of Buildings	Area in Square Feet	Current Use
50/7 Shipyard Road, Labanchara, Khulna	20,377.11	Fish Processing Unit
50/7 Shipyard Road, Labanchara, Khulna	6,645.90	Office Space
Total:	2,7023.01	

We found a two storied building at the factory premises. The fish processing plant is situated at the ground floor and the office located at the first floor. The open roof of the building is also used for different types of freezing equipment. Besides a tin shed building along with a jetty ghat situated at the back side of the factory building. It should be also mentioned that proper approval has been taken from Khulna Development Authority (KDA) pertaining to the use of the land where facilities are located.

2. Lands:

The total land of the company is the factory area and others. Achia has around 2.85775 acre of land and most of the mentioned lands are developed through factory building, factory shed, landfill to be used in the production process of the company.

Sl.No	Location	Area (Decimal)	Current Use
1	90 Labanchara Mouza, Khulna Sadar	0.84	Factory
2	06 Labanchara Mouza, Khulna Sadar	0.05775	Factory Warehouse
3	06 Labanchara Mouza, Khulna Sadar	1.84	Factory Warehouse
4	50 Joriya Maitkomra, Bagerhat, Khulna	0.12	Under process for Packaging Factory
Total:		2.85775	

3. Major Plant and Machineries: It was found that Achia Sea Foods Limited has numerous numbers of machineries in the different areas of its production plants. In the property's details of the company a list of major machineries is included. AAA team has physically verified the machineries as disclosed in the prospectus.

Details of the Machinery of ASFL is given in the “Details of Property” section of the prospectus. In short, ASFL has got the following production plants-

Sl. No.	Name of the Machine	No. of Unit	Current Use
1	IQF Machineries of Shrimp & Fish Processing Line	1 set	For Shrimp Freezing
2	NHDD4-20 Cold Storage Equipment & Evaporator Dj -140	3 sets	For Storing of Frozen Cargo
3	Water Treatment Plant	2 sets	For Filtering & Purifying of Water
4	650 KVA Electric Generator	1 set	For Alternative Power Generation
5	500 Kg/hour Boiler & Auxiliary Plants	1 set	For Creating Steam for Cooking Plant
6	Amonia Liquid Pump	1 set	For Supporting Freezing Line
7	Flake ICE Machine Model : F200WF	1 set	Ice Making
8	Copeland Parallel Compressor Unit NHDD4-20	1 set	For Supporting Freezing Line

Other Assets:

Apart from the above-mentioned machineries, they have buildings, generators, raw material storage, finished goods storages, furniture & fixtures, Computers, kitchen appliances and many other assets as well. The inventory and production logs at the factory are found quite satisfactory.

Conclusion:

The team of AAA Finance & Investment Ltd., upon thorough verification has concluded a satisfactory opinion after visiting Achia Sea Foods Limited. It is clear from our physical verification that ASFL is engaged in value adding activity in its factory and registered office. AAA’s examination, however, was limited to the procedures and implementation thereof, as adopted by the Management in ensuring compliance with the conditions of the BSEC Qualified Investor Rules, 2018.

Sd/-

Mohammad Obaydur Rahman FCS, FCGA
Managing Director & CEO
AAA Finance & Investment Ltd

Sd/-

Khalid Hossain
Deputy General Manager
AAA Finance & Investment Ltd

Place: Dhaka

Date: August 17, 2021

(f) Plan of Operation and Discussion of Financial Condition:

(i) If the issuer has not started its commercial operation, the company's plan of operations for the period which would be required to start commercial operation which shall, among others, include: -

ASFL has started its commercial production from February 15, 1998; therefore, such information is not applicable for this company.

(ii) If the issuer had been in operation, the issuer's revenue and results from operation, financial position and changes in financial position and cash flows for the last five years or from commercial operation, which is shorter, shall be furnished in tabular form which shall, among others, include the following information:

The revenue of the company, results from the last five years, the financial position of the last five years, and the cash flow of the last five years is given in the following tables:

Summary of Balance Sheet					
Assets & Properties	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Non- Current Assets	243,191,798	255,636,668	257,726,407	250,402,804	240,483,160
Property, Plant & Equipment	243,191,798	255,636,668	257,726,407	250,402,804	240,483,160
Current Assets	764,237,196	431,994,573	410,474,097	387,209,868	418,711,683
Inventories	192,441,708	261,199,534	206,665,746	205,176,037	237,995,495
Accounts Receivable	515,167,117	11,142,822	13,991,864	16,378,784	9,117,752
Advances, Deposits & Pre-Payments	56,371,708	148,180,593	187,174,711	164,663,097	170,698,006
Cash & Cash Equivalents	256,663	11,471,624	2,641,776	991,950	900,430
Total	<u>1,007,428,994</u>	<u>687,631,241</u>	<u>668,200,504</u>	<u>637,612,672</u>	<u>659,194,843</u>
Shareholders Equity & Liabilities					
Shareholders' Equity	381,706,377	339,725,184	324,913,216	313,393,515	288,292,958
Share Capital	223,563,340	203,239,400	203,239,400	203,239,400	203,239,400
Retained Earnings	158,143,037	136,485,784	121,673,816	110,154,115	85,053,558
Non- Current Liabilities	26,200,427	29,439,651	33,163,046	38,579,894	10,434,597

Long Term Bank Loan	4,386,423	7,803,771	12,820,156	23,138,320	-
Deferred Tax Liabilities	21,814,004	21,635,880	20,342,890	15,441,574	10,434,597
Liabilities and Provisions	599,522,190	318,466,407	310,124,242	285,639,263	360,467,289
Accounts payable	187,377,616	7,774,523	5,307,260	6,614,065	14,273,161
Short Term Bank Loan	392,027,421	295,928,132	295,486,229	270,372,943	336,492,617
Long Term Loan- Current Portion	9,858,541	8,999,662	5,591,771	-	-
Others payable	-	-	-	-	4,024,000
Provision for Income Tax	10,258,612	5,764,090	3,738,981	8,652,255	5,677,511
Total	<u>1,007,428,994</u>	<u>687,631,241</u>	<u>668,200,504</u>	<u>637,612,672</u>	<u>659,194,843</u>
Net Assets Value per Share(NAV)	17.07	16.72	15.99	15.42	14.18

Summary of Revenue and Operations					
Particular	June 20-2021	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Revenue	1,377,263,080	440,202,330	358,083,309	937,326,012	694,742,004
Gross Profit	116,903,027	46,048,298	38,397,052	49,670,151	36,812,217
Financial Expenses	30,701,073	31,683,968	27,541,127	31,427,504	-
Profit Before Tax	52,417,930	21,869,048	20,159,999	38,759,790	25,595,086
Net Profit after Tax	41,981,194	14,811,968	11,519,701	25,100,557	22,128,993

Summary of Changes in Equity					
Particulars	30- Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Share Capital	223,563,340	203,239,400	203,239,400	203,239,400	203,239,400
Retained Earning	158,143,037	136,485,784	121,673,816	110,154,115	85,053,558
Reserve & Surplus	-	-	-	-	-
Total Equity	381,706,377	339,725,184	324,913,216	313,393,515	288,292,958

Summary of Cash flow statement:					
Particulars	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Net Cash (used in)/ generated by Operating Activities	(98,931,002)	26,870,751	6,752,187	73,760,627	(54,454,426)
Net Cash (used in)/ generated by Investing Activities	(5,824,779)	(16,874,312)	(25,489,254)	(26,663,753)	(46,444,775)
Net Cash (used in)/ generated by Financing Activities	93,540,820	(1,166,592)	20,386,893	(47,005,354)	100,969,986
D. Net Cash Inflow during the year (A+B+C)	(11,214,961)	8,829,848	1,649,826	91520	70,785
E. Cash and Cash Equivalents at the Beginning of the Year	11,471,624	2,641,776	991,950	900,430	829,646
F. Cash and Cash Equivalents at the End of the Year (D+E)	256,663	11,471,624	2,641,776	991,950	900,431
Net Operating Cash Flow per Share-reported	(4.43)	1.32	0.33	3.63	(2.68)

(a) Internal and external source of cash;

Internal Sources of Cash					
Particulars	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Share Capital	223,563,340	203,239,400	203,239,400	203,239,400	203,239,400
Share Premium	-	-	-	-	-
Cash Received From Customers and Other Income	223,563,340	495,465,560	406,150,889	1,018,421,105	747,128,796
Sub-Total	1,160,129,932	698,704,960	609,390,289	1,221,660,505	950,368,196

Long Term Loans	4,386,423	7,803,771	12,820,156	23,138,320	-
Short Term Loans	392,027,421	295,928,132	295,486,229	270,372,943	336,482,617

(b) Any material commitments for capital expenditure and expected sources of funds for such expenditure;

The company has no Material commitment for capital expenditure except normal causes of business. However, the proceeds of (QIO) will be utilized to finance the expansion of the project and loan repayment. Detail information under the head use of proceed & Implementation schedule.

(c) Causes for any material changes from period to period in revenues, cost of goods sold, other operating expenses and net income;

Particulars	30.06.2021	30.06.2020	30.06.2019	30.06.2018	30.06.2017
Sales	1,377,263,080	440,202,330	358,083,309	937,326,012	694,742,004
Cost of Sales	1,260,360,053	394,154,032	319,686,257	887,655,861	632,519,297
Operating Expense	97,111,832	44,909,470	36,376,586	67,838,982	61,519,085
Net Income	41,981,194	14,811,968	11,519,701	25,100,557	22,128,993

Revenue:

The sales trend is suggesting that the firm has been performing well in terms of increasing its sales revenue except the year of 2019-2020 due to Covid-19. The demand for processed sea foods products such as shrimps and fishes has been increasing in the country, and ASFL has been successfully increasing its production to meet the increasing market demand. The principal reason for the increasing sales seems to be the company's strong management and efficient sales team.

Cost of Goods Sold:

The cost of goods sold history is suggesting that there were no material changes in the COGS accounts of ASFL. It has been proportionately increasing with the increase of sales with the changes of year. A slight increase in the cost of goods sold might have been caused by the yearly inflation, apart from that nothing significant were found in the COGS account.

Finance Cost:

There is no significant change found in the cost of finance of ASFL for the last five years period. However, interest payment has increased over the years as the company has been

increasing its reliance on external financing. The amount of Long-term loan has increased over the years, which essentially had increased the cost of finance.

Depreciation and Amortization:

There are some changes in the depreciation and amortization can be seen in the past five years but no material changes were found. Depreciation increased in some years as the company had purchased additional assets. Hence, additional depreciation was added to the yearly depreciation, which has increased the total depreciation expense.

Other Expenses:

No significant changes were found in other expenses of Achia Sea Foods Limited. Other expenses have increased according to the increase in the price of different materials and services. In short, only the impact of inflation is reflecting on “other expenses” of Achia Sea Foods Limited.

Changes in Inventory:

There are no significant changes in inventory over the last five years. Although there was some seasonal impact on the inventory, the company has increased its finished goods inventory during the time when seasonal demands increase in the European market.

Net Profit Before & After Tax:

The net profit before tax and after tax of ASFL has been fluctuating over the last five years. As the sales revenue of the company has been increasing so the cost of goods sold, which has been affecting the income of the company over the years. There were no changes in the imposed tax on the company, which implies the profit after tax showed the similar trend over the last five years.

(d) Seasonal aspects of the issuer’s business;

There are no significant seasonal aspects. However, the company increases its finished goods inventory during the time when seasonal demands increase in the European market.

(e) Any known trends, events or uncertainties that may have material effect on the issuer’s future business;

Though there are no known trends, events and/or uncertainties that shall have material impacts on the company’s future business, the operation of the company may be affected by the following events.

- a. Political unrest
- b. Entrance of new technology
- c. Natural disaster
- d. Increased competition

(f) Any assets of the company used to pay off any liabilities;

None of the operating assets of the company has been disposed of to liquidate any liabilities of the company.

(g) Any loan taken from or given to any related party or connected person of the issuer with details of the same;

There are no such loans taken or given to the related parties or connected person with ASFL, therefore this information is not applicable to ASFL.

(h) Any future contractual liabilities the issuer may enter into within next one year, and the impact, if any, on the financial fundamentals of the issuer;

The company has no plan to enter into any contract creating future liabilities for the company for those which are created in the normal course of business activities.

(i) The estimated amount, where applicable, of future capital expenditure

The Company has no plan for capital expenditure except for those mentioned in the 'Use of Proceeds' from QIO fund.

(j) Break down of all expenses related to the public issue;

Break Down of all Expenses Related to the qualified investor offer (QIO):

Size of QIO	150,000,000		
Pre-QIO Paid-up Capital	223,563,340		
Post-QIO Paid-up Capital	373,563,340		
Number of Exchange/s	2		
Particulars	Basis of Calculation	Amount in BDT	
<u>A. Bangladesh Securities & Exchange Commission (BSEC) Fees:</u>			15,000
Application Fee	Fixed	5,000	
Consent Fee	Fixed	10,000	
<u>B. Fees related to listing with the Stock Exchanges:</u>			815,058
Draft prospectus scrutiny fee for DSE & CSE	BDT 25,000 each	50,000	
Initial Listing Fee to DSE & CSE	0.125% on BDT 10 Crore and 0.075% on the rest amount of paid up capital range;	660,345	
Annual Listing Fee for DSE & CSE	@ 0.025% on Tk. 10 Crore of paid-up capital and 0.01% on the rest amount of paid-up capital;	104,713	

C. CDBL Fees and Expenses:			671,241
Security Deposit	Fixed	500,000	
Documentation Fee	Fixed	2,500	
Annual Fee	Fixed	100,000	
Connection Fee (1 year)	BDT 500 Per Month	6,000	
Demat Fee	0.0030% of Pre-QIO Paid-up Capital	6,707	
Qualified Investor Offer fee	0.015% of issue size + 0.015% of Pre-QIO paid up capital	56,035	
D. Manager to the Issue Fees:			345,000
Issue Management Fee	Lump-Sum	300,000	
VAT on Issue Management Fee	15% on the total Issue Management Fee	45,000	
E. QIO related Fees:			390,713
Underwriting Commission	Commission 0.20% on underwritten amount	150,000	
VAT on Underwriting Commission	15% on the total Underwriting Commission	22,500	
Auditor Certification Fee	At Actual	189,750	
15% VAT on Auditor Certification	15% on the auditor certification fee	28,463	
F. Printing & Post-QIO Expenses:			410,000
Publication of Prospectus	Estimated 500+ copies (To be paid at actual)	160,000	
Electronic Subscription System (ESS)	(Estimated; to be paid at actual)	200,000	
Stationery and Other Expenses	(Estimated; to be paid at actual)	50,000	
Grand Total			2,647,012
NB: Actual costs will vary if above mentioned estimates differ and will be adjusted accordingly.			

(k) If the issuer has revalued any of its assets, the name, qualification and experiences of the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation separately for each asset revalued in a manner which shall facilitate comparison between the historical value and the amount after revaluation and giving a

summary of the valuation report along with basis of pricing and certificates required under the revaluation guideline of the Commission;

The Company has not revalued any of its assets.

(l) Where the issuer is a holding/subsidiary company, full disclosure about the transactions, including its nature and amount, between the issuer and its subsidiary or holding company, including transactions which had taken place within the last five years of the issuance of the prospectus or since the date of incorporation of the issuer, whichever is later, clearly indicating whether the issuer is a debtor or a creditor;

The company does not have any holding/subsidiary company.

(m) Financial Information of Group Companies following information for the last three years based on the audited financial statements, in respect of all the group companies of the issuer, wherever applicable, along with significant notes of auditors:

The company does not any group companies.

(n) Defaults or rescheduling of borrowings with financial institutions/ banks, conversion of loans into equity along with reasons thereof, lock out, strikes and reasons for the same etc.

There is no history of the conversion of loan into equity, lockout, and strikes.

SECTION - VII
(B)(6)

Management's discussion and analysis of financial condition and results of operation

Section Contents

- | | |
|------------|--|
| (a) | Overview of business and strategies |
| (b) | Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis |
| (c) | Analysis of the financial statements of last five years |
| (d) | Known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business |
| (e) | Trends or expected fluctuations in liquidity |
| (f) | Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition |

(a) Overview of business and strategies;

Company Business

Achia Sea Foods Limited is one of the rising food processing companies, which has started its journey from the year 1993 in Khulna, Bangladesh. The company mainly process seafood and fishes and the ultimate sources of the firm's revenue comes from exporting of its products. The company was incorporated in December 27, 1993 as a Private Limited Company registered in Bangladesh vide-registration no. Khulna 178. Its registered office is situated at 50/7, Shipyard Road, Labanchara, Khulna, Bangladesh. The factory is operational in Khulna city as the surrounding areas are the significant place for shrimp's production. Most of the exported sea foods are processed in these areas and its surrounding. The factory adopted HACCP (Hazard analysis and critical control points) systems in its operations, and earned BRC (BRC Certificate No. 411A 13070001).

Achia Sea Foods Limited is an export-oriented company. Producing hazard free marine food products for human consumption, and exporting it to the global market are the principal objectives of the company. As a matter of fact, the company has been successfully running its production and exporting operations for more than two decades. Since its establishment Achia Sea Foods Limited has been processing and exporting of the finest quality seafood products "Shrimps & Fish". The quality products and services of the company have earned the approval of European Union approval, and have received KLN-57 from the EU.

Incorporation of top-notch food processing technology and innovative methodology to produce quality food products has helped Achia Sea Foods Limited to gain immense appreciation from its clients. As a result, to that, the company could establish its products as leading food products producer in the global seafood industry. OCEAN PEARL and SITARA are the name of its two products which are recognized globally. This is manifested in the enviable reputation of its brand in the seafood markets of European Union, United Kingdom, Cyprus, Japan, Korea, Taiwan, Egypt, UAE & other far Eastern countries of Asia. Achia Sea Foods Limited is an honorable member of Bangladesh Frozen Foods Exporters Association (BFFEA), which is established in 1984; and working to promote and protect the interest of Frozen Food processors, Packers and Exporters in the Country.

The company produces a number of products which include but are not limited to Sea Water Black Tiger Head Less Shell on Block Frozen, Sea Water Black Tiger Head on Shell on Semi IQF, Sea Water Black Tiger PUD/P&D Block Frozen, Fresh Water Prawn Head-Less Shell-on Block Frozen, Fresh Water Prawn Head on Shell on Semi IQF, Fresh Water Prawn PUD /P&D Block Frozen, Sea Water Harina PUD Shrimps Block Frozen, Sea Water White PUD Shrimps Block Frozen, Sea Water Red Tiger PUD Shrimps Block Frozen, and Sea Water & Sweet Water Fishes Block Frozen & Semi IQF.

Strategies

- To become one of the most efficient frozen food suppliers in Bangladesh.
- To improve the production quality beyond the threshold of European standard.
- To utilize the full production capacity.
- To expand the manufacturing capacity of the business.
- To capture new markets in the European zone.

(b) Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis;

SWOT analysis is an acronym for strength, weaknesses, opportunities, and threats and is a structure planning method that evaluates those four elements of a project or business venture where,

Strength: Characteristics of the business that aid the business to gain advantage over the competitors.

Weaknesses: Characteristics of the business that place the business or project at a disadvantage in the competitive environment.

Opportunity: Macro environmental stimulus that a business entity can explore to enhance its performance in the market.

Threats: Stimulus of external environment that could create problem for the business performance.

The SWOT analysis of ASFL is as follows:

Strength	Weaknesses
<ul style="list-style-type: none"> • Quality food production facility • Strong supply chain • Highly competent management personnel • Trained workforce • If the capacity is increased the production strength will increase. 	<ul style="list-style-type: none"> • Cost of production is highly fluctuating • Full production capacity is not being used • Comparatively higher management cost • The business is a price taker. Which means it does not have pricing power.
Opportunities	Threats
<ul style="list-style-type: none"> • The demand for Black Tiger Shrimp is growing in the European zone. • Use of information technology • Technological advancement • Capacity can be increased • Resource for raw materials can be easily obtainable 	<ul style="list-style-type: none"> • Economic crisis • Changes in exporting and importing regulations in the European area. • Political unrest may hamper production • Natural disasters can impact the business.

(c) Analysis of the financial statements of last five years or shorter period with reason(s) of fluctuating revenue or sales, other income, total income, cost of material, finance cost, depreciation and amortization expense, other expense; changes of inventories, net profit before and after taxes, EPS etc.;

Particulars	30-Jun-21	% chang es	30-Jun-20	% chang es	30-Jun-19	% chang es	30-Jun-18	% chang es	30-Jun-17
Revenue	1,377,263,080	213%	440,202,330	23%	358,083,309	-62%	937,326,012	35%	694,742,004
Other Income	63,327,807	21%	52,414,188	15%	45,680,660	-48%	88,356,125	76%	50,301,954
Total Income	1,440,590,887	192%	492,616,518	22%	403,763,969	-61%	1,025,682,137	38%	745,043,958
Cost of Materials	(1,260,360,053)	220%	(394,154,032)	23%	(319,686,257)	-64%	(887,655,861)	40%	(632,519,297)
Financial Expenses	(30,701,073)	-3%	(31,683,968)	15%	(27,541,127)	-12%	(31,427,504)	24%	(25,410,490)
Depreciation Expense	18,269,649	-4%	18,964,051	4%	18,165,651	8%	16,744,108	9%	15,292,554
Amortization Expense	-		-		-		-		-
Other Expenses	-		-		-		-		-
Changes of Inventories	192,441,708	-26%	261,199,534	26%	206,665,746	1%	205,176,037	-14%	237,995,495
Net Profit before Tax	52,417,930	140%	21,869,048	8%	20,159,999	-48%	38,759,790	51%	25,595,086
Net profit after tax	41,981,194	183%	14,811,968	29%	11,519,701	-54%	25,100,557	13%	22,128,993
Earnings Per Share (EPS)	1.88	284%	0.66	27%	0.52	-46%	1.12	13.1%	.99

Reason of Fluctuation:**Revenue**

The sales trend is suggesting that the firm has been performing well in terms of increasing its sales revenue consistently. The demand for fish products has been increasing, and Achia Sea Foods Limited has been successfully increasing its production to meet the increasing market demand. The average growth in the sales of Achia Sea Foods Limited is quite satisfactory. The principal reason for the increasing sales seems to be the company's strong management and efficient sales team. However, in the year June 30, 2020 sales decreases due to Covid-19 affected the whole world as the international shipment was closed for 2.5 months. Sales during the year 2020-2021 has been reached about 137.7 crore through expansion of market in our neighboring country India for exporting white fishes in bulk amount.

Total Income

Along with the increase in sales the total income of the company has been increasing proportionately. Although in some years the increase is noticeable which has happened due to increase of COGS was significantly lower than the increase in sales.

Cost of Materials:

The cost of goods sold history is suggesting that there were no material changes in the COGS accounts of Achia Sea Foods Limited. It has been proportionately increasing with the increase of sales with the changes of year. A slight increase in the cost of goods sold might have been caused by the yearly inflation, apart from that nothing significant were found in the COGS account.

Finance Cost:

However, interest payment for the year 2020 was shown due to external financing.

Depreciation and Amortization:

There are some changes in the depreciation and amortization has checked and review, seen in the past five years but no material changes were found. Depreciation increased in some years as the company had purchased additional assets. Hence, additional depreciation was added to the yearly depreciation, which has increased the total depreciation expense.

Other Expenses:

The company has reported that it has no expenses under the account head called "other expenses" during the last five years.

Other Income:

The company has been generating significant income from different non-operating sources, therefore a fluctuation in the other income is visible. The other income seems to be the main driver of the positive profit for the company. Although the company has been successfully reducing its dependency on the income from non-operating sources.

Changes in Inventory:

There are no significant changes in inventory over the last five years. Although there was some seasonal impact on the inventory, the company has increased its finished goods inventory during the time when seasonal demands increase in the Bangladeshi market.

Net Profit Before & After Tax:

The net profit before tax and after tax of Achia Sea Foods Limited has been increasing consistently after the year 2017. As the sales revenue of the company has been increasing so the net profit before tax has increased. There were no changes in the imposed tax on the company, which implies the profit after tax showed the similar increasing trend.

(d) Known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business;

There are no known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business. The business operations of the company may be affected by the following issues-

- Political unrest
- Natural disaster
- Technological advancement

(e) Trends or expected fluctuations in liquidity;

Over the last five years a slight fluctuation in the current ratio can be observed from the following table. Although, the current ratio has decreased a little bit but it has never gone below 1, which is suggesting that the company has been maintaining its liquidity efficiently. The quick ratio provides more clarity on the liquidity management, during the last five years the quick ratio was below 1. The quick ratio suggests that the company might be having some issues with the liquidity management. Analyzing the quick ratio, it is found that the changes in current ratio is due to the changes in inventory reserve, the company has been changing its inventory reserve to make the operations more efficient and profitable. The following table is representing last five years' liquidity ratios of ASFL: -

Ratio	30 June, 2021	30 June, 2020	30 June, 2019	30 June, 2018	30 June, 2017
Current Ratio	1.27	1.36	1.32	1.36	1.16
Quick Ratio	.86	.07	.05	.06	.50

(f) Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition;

There are no off-balance sheet arrangements those have or likely to have a current or future effect on financial condition.

SECTION - VIII

(B)(7)

Directors and officers

Section Contents	
(a)	Name, father's name, age, residential address, educational qualification, experience and position of each of the directors of the company and any person nominated or represented to be a director
(b)	The date on which he first became a director and the date on which his current term of office shall expire
(c)	Directors having any type of interest in other businesses, names and types of business of such organizations
(d)	Statement of the directors of the issuer if any of them are associated with the securities market in any manner.
(e)	Family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse's sister) among the directors and top five officers
(f)	A very brief description of other businesses of the directors
(g)	Loan status of the issuer, its directors and shareholders who hold 5% or more shares in the paid-up capital of the issuer in terms of the CIB Report of Bangladesh Bank
(h)	The Chairman or any director or any shareholder who receives any monthly salary
(i)	A profile of the sponsors including their names, father's names, age, personal addresses, educational qualifications, and experiences in the business, positions or posts held in the past, directorship held, other ventures of each sponsor and present position
(j)	If the present directors are not the sponsors and control of the issuer was acquired within five years immediately preceding the date of filing prospectus details regarding the acquisition of control, date of acquisition, terms of acquisition, consideration paid for such acquisition etc.
(k)	If the sponsors or directors do not have experience in the proposed line of business, the fact explaining how the proposed activities would be carried out or managed
(l)	Interest of the key management persons

(m)	All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary
(n)	Number of shares held and percentage of shareholding (pre issue)
(o)	Change in board of directors during last three years
(p)	Director's engagement with similar business

(a) Name, father's name, age, residential address, educational qualification, experience and position of each of the directors of the company and any person nominated or represented to be a director, showing the period for which the nomination has been made and the name of the organization which has nominated him;

Name	Fathers Name	Age	Residential Address	Education Qualification	Experience	Position
Md. Yousha Zaheer	Md.Tariqul Islam Zaheer	32 year	52, South Central Road, Khulna	B.B.A. (Environment Management)	7 years' experience in this trade	Director
Md.Tariqul Islam Zaheer	Late M.A. Wahed	49	52, South Central Road, Khulna	Bachelor of Arts	20 Year experience in fishing business	Managing Director
Md.Ali Azgar Nasir	Late M.A. Wahed	54	06, Fire Brigade Road Khulna	Bachelor of Arts	14 Year experience in fishing business	Chairman
Md. Nadirul Islam Babu	Late M.A. Wahed	46	43/1, Miapara Main Road Khulna	Bachelor of Arts	5 Year experience in fishing business	Director
Md. Arfin Ali	Md. Ershad Ali	42	176/2,Sher -e-Bangla Road ,(1 st floor) Power House More,Khulna	FCA	10 years of experience in the corporate house	Independent Director

(b) The date on which he first became a director and the date on which his current term of office shall expire;

Name	Position	Date of Becoming Director For The First Time	Date of Expiration of Current Term
Md. Yousha Zaheer	Director	3.10.2021	Continuing
Md. Tariqul Islam Zaher	Managing Director	18.07.2005	Continuing
Md Ali Azgar Nasir	Chairman	25.05.2008	Continuing
Md Nadirul Islam Babu	Director	25.05.2008	Continuing
Md. Arfin Ali	Independent Director	01.06.2018	Continuing

(c) If any director has any type of interest in other businesses, names and types of business of such organizations. If any director is also a director of another company or owner or partner of any other concern, the names of such organizations;

Following directors of Achia Sea Foods Limited have ownership in Sundarban Shrimps Pvt. Limited, details of ownership is given in the following table-

Name of the Company	Name of the Directors Interested in other business				
	Business Type	Md. Yousha Zaheer	Md. Tariqul Islam Zaheer	Md. Ali Azgar Nasir	Md. Nadirul Islam
Sundarban Shrimps Pvt Limited	Agro	810 shares	48.39 % (15000 share)	7 % (2170 share)	7 % (2170 share)

(d) A statement, if any of the directors of the issuer are associated with the securities market in any manner. If any director of the issuer company is also a director of any issuer of other listed securities during last three years then dividend payment history and market performance of that issuer;

There are no director/directors of ASFL who are associated with the securities market in any manner.

(e) Any family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse's sister) among the directors and top five officers;

Name	Position	Relationship
Md. Yousha Zaheer	Director	Son of Md. Tariqual Islam Zaheer
Md. Tariqual Islam Zaheer	Managing Director	Brother of Md.Arifur Rahman Sagir, Md Ali Azgar Nasir, Md Nadirul Islam
Md Ali Azgar Nasir	Chairman	Brother of Md.Arifur Rahman Sagir, Md. Tariqual Islam Zaheer, Md Nadirul Islam
Md Nadirul Islam	Director	Brother of Md. Arifur Rahman Sagi, Md. Tariqual Islam Zaheer, Md Ali Azgar Nasir

(f) A very brief description of other businesses of the directors;

Sundarban Shrimps Limited is an agro based company that is based in Khulna. The company mainly cultivates shrimps and others fishes. The main products of the company are fresh water fishes like, rui, katla and others. The company has got around 12 big sized ponds suitable for shrimp cultivation as well as fresh water fish cultivation.

(g) Loan status of the issuer, its directors and shareholders who hold 5% or more shares in the paid-up capital of the issuer in terms of the CIB Report of Bangladesh Bank;

SL. No.	Name of Shareholder	Position	No of Share Owned or beneficially	Shareholding (%)	Status
1.	Md. Tariqul Islam Zaheer	Managing Director and Director	7,336,376	32.82%	Will be updated after having CIB report from BB
2.	Md. Yousha Zaheer	Director	1,173,708	5.25%	Will be updated after having CIB report from BB
3.	Md. Riyad Mahmood	Shareholder	1,460,316	6.53%	Will be updated after having CIB report from BB
4.	Ali Azgar Nasir	Chairman	1,457,929	6.52%	Will be updated after having CIB report from BB
5.	Nadirul Islam Babu	Director	1,496,016	6.69%	Will be updated after having CIB

					report from BB
6.	Mashfiqul Islam	Shareholder	1,248,940	5.59%	Will be updated after having CIB report from BB
7.	Zunaid Ahsan Bin Kabir Shuvro	Shareholder	1,232,092	5.51%	Will be updated after having CIB report from BB
8.	Md. Arifur Rahman Sagir	Shareholder	1,397,246	6.25%	Will be updated after having CIB report from BB
9.	Md. Arfin Ali	Independent Director	-	0.00%	Will be updated after having CIB report from BB

(h) If the Chairman or any director or any shareholder receives any monthly salary then this information should also be included;

No shareholder does not receive any monthly salary except the Chairman or the directors

SL. No	Name of person/party	Nature of transections	30 June ,2021
1	Md. Arifur Rahman Sagir	Remuneration	720,000
2	Md. Tariqul Islam Zaheer	Remuneration	960,000
3	Md. Ali Azgar Nasir	Remuneration	360,000
4	Md. Nadirul Islam Babu	Remuneration	180,000

(i) A profile of the sponsors including their names, father's names, age, personal addresses, educational qualifications, and experiences in the business, positions or posts held in the past, directorship held, other ventures of each sponsor and present position;

Name	Father's Name	Age	Personal Addresses	Educational qualification	Experience	Position
Md. Ali Azgar Nasir	M. A. Wahed	57	52, South Central Road, Khulna	B.A (Pass)	18	Chairman
Md. Tariqul Islam Zaheer	M. A. Wahed	52	52, South Central Road, Khulna	B.A (Pass)	20	Managing Director
Md. Nadirul Islam Babu	M. A. Wahed	49	52, South Central Road, Khulna	B.A (Pass)	11	Director

(j) If the present directors are not the sponsors and control of the issuer was acquired within five years immediately preceding the date of filing prospectus details regarding the acquisition of control, date of acquisition, terms of acquisition, consideration paid for such acquisition etc.;

The following directors are not the sponsors of the Company and control of the issuer was acquired in following manner:

Name	Acquisition of Control	Date of Acquisition	Terms of Acquisition	Consideration paid for such Acquisition
Md. Ali Azgar Nasir	3.10.2021	3.10.2021	n/a	Cash and Other than Cash
Md. Tariqul Islam Zaheer	31.12.2020	31.12.2020	n/a	Cash and Other than Cash
Nadirul Islam Babu	14.11.2018	14.11.2018	n/a	Cash and Other than Cash
Md. Yousha Zaheer	3.10.2021	3.10.2021	n/a	Cash
Md. Arfin Ali	01.06.2018	-	-	Appoint as an Independent Director

(k) If the sponsors or directors do not have experience in the proposed line of business, the fact explaining how the proposed activities would be carried out or managed;

The directors of ASFL are highly experienced in managing the frozen foods processing and distributing business.

(l) Interest of the key management persons;

There is no Interest of key management persons.

(m) All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary;

There are no interests and facilities enjoyed by the directors except dividend and the salary of the managing director.

(n) Number of shares held and percentage of shareholding (pre issue);

Name	Position	No. of Shares	Pre QIO %
Md. Tariqul Islam Zaheer	Managing Director	7,336,376	32.82%
Md. Ali Azgar Nasir	Chairman	1,457,929	6.52%
Nadirul Islam Babu	Director	1,496,016	6.69%
Md. Yousha Zaheer	Director	1,173,708	5.25%
Md. Arfin Ali	Independent Director	-	-
Sub-total for Directors and Sponsors		11,464,029	51.28%
Md. Arifur Rahman Sagir	Shareholder	1,397,246	6.25%
Md. Riyaad Mahmood	Shareholder	1,460,316	6.53%
A.K.M Mostagawsul Hoque	Shareholder	18,018	0.08%
Mashfiqul Islam	Shareholder	1,248,940	5.59%
Zunaid Ahsan Bin Kabir Shuvro	Shareholder	1,232,092	5.51%
Naznin Nahar	Shareholder	262,139	1.17%
Ahmed Rosafi Mamood	Shareholder	303,996	1.36%
Nahid Farhana	Shareholder	19,558	0.09%
FAS Finance & Investment Ltd	Shareholder	1,100,000	4.92%
Grameen One	Shareholder	550,000	2.46%
Reliance One	Shareholder	550,000	2.46%
Popular life insurance	Shareholder	550,000	2.46%
Captain M. Moajjem Hossain	Shareholder	1,100,000	4.92%
Md. Shamsul Alam	Shareholder	110,000	0.49%
Md. Saiful Islam	Shareholder	55,000	0.25%
Md. Shamsuddoha Tapos	Shareholder	110,000	0.49%
Md. Omar SadekMollah	Shareholder	66,000	0.30%
Mr. Mohammad Helal Miah	Shareholder	429,000	1.92%
BD Finance Securities Ltd	Shareholder	330,000	1.48%
Sub-total for Shareholders		10,892,305	48.72%
Grand Total		22,356,334	-
Existing shareholder and directors % :			100%

(o) Change in board of directors during last three years;

In the last three years two of the director of ASFL retired. Details of their joining and retirement is given in the following table-

Name of the Directors	Date of retirement	Reappointment		Present status as on 31.12.2020
Md.Tariqul Islam Zaheer	28-12-2020	28-12-2020		Director & Managing Director
Md. Ali Azgar Nasir	28-12-2020	28-12-2020		Chairman
Md. Arifur Rahman Sagir	30-11-2019	28-12-2020	Resigned in 3.10.2021	Shareholder
Md. Nadirul Islam Babu	14.12.2018	14.12.2018		Director
Md. Yousha Zaheer	Newly appointed in 3.10.2021			Director

(p) Director's engagement with similar business.

The directors are not engaged in any sort of similar business, other than having ownership in the subsidiary- Sundarban Shrimps Limited which is not similar to the nature of business of ASFL.

SECTION - IX
(B)(8)

Certain Relationships and Related Transactions

Section Contents

- (a) The prospectus shall contain a description of any transaction during the last five years, or any proposed transactions certified by the auditors, between the issuer and any of the following persons, giving the name of the persons involved in the transaction, their relationship with the issuer, the nature of their interest in the transaction and the amount of such interest, namely:
- (b) Any transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries or holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus
- (c) Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan, and present outstanding of such loan.

(a) The prospectus shall contain a description of any transaction during the last five years, or any proposed transactions certified by the auditors, between the issuer and any of the following persons, giving the name of the persons involved in the transaction, their relationship with the issuer, the nature of their interest in the transaction and the amount of such interest, namely:

This is to certify that the financial statements of the **Achia Sea Foods Limited** has transactions during the last five years, or any proposed transactions, between the issuer and any of the following persons :

- i) Any directors or sponsor or executive officer of the issuer
- ii) Any person holding 5% or more of the outstanding shares of issuer
- iii) Any related party or connected person of any of the above person

Except the transactions described in the following table:

SL. No	Name of person/party	Nature of transections	Amount in Taka				
			30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
01	Md. Arifur Rahman Sagir	Remuneration	720,000	720,000	720,000	420,000	420,000
02	Md. Tariqul Islam Zaheer	Remuneration	960,000	960,000	960,000	720,000	720,000
03	Md. Ali Azgar Nasir	Remuneration	360,000	360,000	360,000	240,000	240,000
04	Md. Nadirul Islam Babu	Remuneration	180,000	180,000	180,000	240,000	240,000
05	A.K.M. Mostagawsul Haque	Remuneration	-	-	-	120,000	120,000
06	Md. Riyad Mahmood	Remuneration	-	-	-	480,000	480,000
7		Advance for Supplies	24,125,353	24,889,489	143,855,202	-	-

Sundarban Shrimps (PVt.) Ltd	Purchases	44,336,144	82,502,493	275,647,797	-	-
	Short Term Loan	-	-	-	12,494,595	-

Place: Dhaka

Date: October 03, 2021

Sd/-
Islam Quazi Shafique & Co.
Chartered Accountants

(b) Any transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries or holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus;

Achia Sea Foods Limited does not have any associates, subsidiary and holding company. So, there is no transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries or holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus except the transaction mentioned under “Related Party Transaction” section IX (a).

(c) Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan, and present outstanding of such loan.

No such loan was taken or given from or to Directors or any person connected with the Directors of Achia Sea Foods Limited.

SECTION - X
(B)(2)(c)(x)

Executive Compensation

Section Contents

- | | |
|------------|---|
| (a) | The total amount of remuneration/salary/perquisites paid to the top five salaried officers of the issuer in the last accounting year and the name and designation of each such officer |
| (b) | Aggregate amount of remuneration paid to all Directors and officers as a group during the last accounting year |
| (c) | If any shareholder Director received any monthly salary/perquisite/benefit it must be mentioned along with date of approval in AGM/EGM, terms thereof and payments made during the last accounting year |
| (d) | The board meeting attendance fees received by the director including the managing director along with date of approval in AGM/EGM |
| (e) | Any contract with any Director or officer providing for the payment of future compensation |
| (f) | If the issuer intends to substantially increase the remuneration paid to its Directors and officers in the current year, appropriate information regarding thereto |
| (g) | Any other benefit/facility provided to the above persons during the last accounting year |

(a) The total amount of remuneration/salary/perquisites paid to the top five salaried officers of the issuer in the last accounting year and the name and designation of each such officer;

SL No.	Name	Designation	Remuneration
1	Mr. Prodip Kumer Dey	Head of Business	1,375,000
2	Amit Kumar Saha	Commercial In charge	493,750
3	Rajan Poddar	Chief Financial Officer	237,500
4	Md. Golap Hossain	Head of Plant	400,000
5	Md. Elias	Company Secretary	250,000
*** The amount representing the salary paid from 1 st July 2020 to 30 June 2021			

(b) Aggregate amount of remuneration paid to all Directors and officers as a group during the last accounting year;

SL No.	Particulars	Remuneration
1	Directors Remuneration	2,270,000
2	Salary Paid to Executives and Employees	11,451,380
*** The amount representing the salary paid from 1 st July 2010 to 30 June 2021		

(c) If any shareholder Director received any monthly salary/perquisite/benefit it must be mentioned along with date of approval in AGM/EGM, terms thereof and payments made during the last accounting year

The board of director of ASFL has received monthly salary as stated in the table. This is approved in the board meeting of ASFL held on 1st July 2013

SL. No	Name of person/party	Nature of transections	30 June ,2021
1	Md. Arifur Rahman Sagir	Remuneration	720,000
2	Md. Tariqul Islam Zaheer	Remuneration	960,000
3	Md. Ali Azgar Nasir	Remuneration	360,000
4	Md. Nadirul Islam Babu	Remuneration	180,000

(d) The board meeting attendance fees received by the director including the managing director along with date of approval in AGM/EGM;

Name of the Party	Relationship with the Company	Nature of Transaction	June 30,2021
Md. Arifur Rahman Sagir	EX Chairman	Board Meeting Fees	10,000
Md. Tariqul Islam Zaheer	Managing Director	Board Meeting Fees	10,000
Md. Ali Asgar Nasir	Chairman	Board Meeting Fees	10,000
Md. Nadirul Islam Babu	Nominee Director	Board Meeting Fees	10,000
Md. Arfin Ali, FCA	Independent Director	Board Meeting Fees	10,000
Md. Yousha Zaheer	Director	Board Meeting Fees	-

(e) Any contract with any Director or officer providing for the payment of future compensation;

There is no available contract between the company and any director or officer to provide any future compensation to be made to them.

(f) If the issuer intends to substantially increase the remuneration paid to its Directors and officers in the current year, appropriate information regarding thereto;

The company has no such intention to substantially increase the remuneration paid to its directors and officers in the current year. But the company would provide annual increment to the employees considering company's profitability, its business growth, rate of inflation and performance of the individual.

(g) Any other benefit/facility provided to the above persons during the last accounting year.

No other benefits or facility were provided to any of the directors or officers during the last accounting year except the ones that were disclosed above.

SECTION - XI
(B)(2)(c)(xi)

Options granted to Directors, Officers and Employees

Achia Sea Foods Limited did not grant any options to its directors, officers and/or any other employees for the purpose of issuing shares.

SECTION - XII
(B)(9)

Transaction with the Directors and Subscribers to the Memorandum

Section Contents

- | | |
|------------|--|
| (a) | The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received or to be received by the issuer from the above persons, or by the said persons, directly or indirectly, from the issuer during the last five years along with the description of assets, services or other consideration received or to be received; |
| (b) | If any assets were acquired or to be acquired from the aforesaid persons, the amount paid for such assets and the method used to determine the price shall be mentioned in the prospectus, and if the assets were acquired by the said persons within five years prior to transfer those to the issuer, the acquisition cost thereof paid by them. |
-

(a) The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received or to be received by the issuer from the above persons, or by the said persons, directly or indirectly, from the issuer during the last five years along with the description of assets, services or other consideration received or to be received;

The directors and subscriber to the memorandum have not received any benefit except remuneration directly or indirectly during the last five years, details of which is given below. The issuer has received or to be received any assets, services, or other considerations from its directors and subscriber to the memorandum except fund against allotment of shares and land.

SL.	Name of person/party	Nature of transactions	Financial Year				
			30 June, 21	30 June, 20	30 June, 19	30 June, 18	30 June, 17
1	Md. Arifur Rahman Sagir	Remuneration	720,000	720,000	720,000	720,000	720,000
2	Md. Yousha Zaheer	Remuneration	-	-	-	-	-
3	Md. Tariqul Islam Zaheer	Remuneration	960,000	960,000	960,000	720,000	720,000
4	Md. Ali Azgar Nasir	Remuneration	360,000	360,000	360,000	240,000	240,000
5	Md. Nadirul Islam Babu	Remuneration	180,000	180,000	180,000	240,000	240,000

Subscribers to the memorandum of association have not received any benefits except remuneration by the Board of Directors and board meeting fees by all directors

(b) If any assets were acquired or to be acquired from the onboard, the amount paid for such assets and the method used to determine the price shall be mentioned in the prospectus, and if the assets were acquired by the said persons within five years prior to transfer those to the issuer, the acquisition cost thereof paid by them

No assets were acquired within five years prior or to be acquired within next two financial years by the Company from its director or subscribers to the memorandum other than following transactions:

SL No.	Name of Seller	Relation of seller with Issuer	Deed No	Date of Purchase	Area (Acre)	Cost of Acquisition
1	Tariqul Islam Zaheer	Managing Director	8926	26.12.2013	0.12	18,000,000
2	Md. Ali Azgar Nasir	Chairman	2126	22.12.2013	1.84	45,500,000
3	Tariqul Islam Zaheer	Managing Director				
Total						63,500,000
Consideration & Valuation		1.96 Acre land assets for company business expansion. Market value of the land is taken as basis of valuation.				
Benefits from the Issue		The company has received 1.96 acre land for expanding its business operations.				

SECTION - XIII
(B) (10)

Ownership of the Company's Securities

Section Contents

- | | |
|------------|--|
| (a) | The names, addresses, BO ID Number of all shareholders of the company before QIO, indicating the amount of securities owned and the percentage of the securities represented by such ownership, in tabular form; |
| (b) | There shall also be a table showing the name and address, age, experience, BO ID Number, TIN number, numbers of shares held including percentage, position held in other companies of all the directors before the public issue; |
| (c) | The average cost of acquisition of equity shares by the directors certified by the auditors. |
-

(a) The names, addresses, BO ID Number of all shareholders of the company before QIO, indicating the amount of securities owned and the percentage of the securities represented by such ownership, in tabular form;

Name	Position	Address	BO ID No.	Total no. of Shares	Pre QIO-Percentage (%)
Md. Tariqul Islam Zaheer	Managing Director	52,South Central Road, Khulna	1602170068077295	7,336,376	32.82%
Md. Yousha Zaheer	Director	52,South Central Road, Khulna	1602170074464407	1,173,708	5.25%
Md. Ali Azgar Nasir	Chairman	52,South Central Road, Khulna	1602170075243587	1,457,929	6.52%
Md. Nadirul Islam Babu	Director	52,South Central Road, Khulna	1602170067221181	1,496,016	6.69%
Md. Riyaad Mahmood	Shareholder	19, Hazi Mohsin Road, 1 st Lane, Khulna	1602170067223494	1,460,316	6.53%
A.K.M Mostagawsul Hoque	Shareholder	19, Hazi Mohsin Road, 1 st Lane, Khulna	1602170067224581	18,018	.08%
Mashfiqul Islam	Shareholder	52,South Central Road, Khulna, Bangladesh	1602170075243346	1,248,940	5.59%
Junayed Ahsan Shuvro	Shareholder	52,South Central Road, Khulna, Bangladesh	1602170067221883	1,232,092	5.51%
Naznin Nahar	Shareholder	54, Sarkerpara, Tootapara, Khulna	1602170067224167	262,139	1.17%

Ahmed Rosafi Mamood	Shareholder	19, Hazi Mohsin Road, 1 st Lane, Khulna, Bangladesh	1602170067366945	303,996	1.36%
Nahid Farhana	Shareholder	52, South Central Road, Khulna, Bangladesh	1602170067222721	19,558	.09%
FAS Finance & Investment	Shareholder	Suvastu Imam Square(4 th Floor) 65 gulshan avenue, Dhaka-1212	1604630019840113	1,100,000	4.92%
Grameen One: Scheme Two	Shareholder	AIMS of Bangladesh Limited Unique Trade Center (UTC), Level 6(SW), 8 Panthopath, Karwan Bazar, Dhaka-1215.6,	1604620016329737	550,000	2.46%
Reliance One	Shareholder	AIMS of Bangladesh Limited, Unique Trade Centre (UTC), Level-6 (SW), 8 Panthopath, Karwan Bazar, Dhaka-1215.	1604620041309123	550,000	2.46%
Popular life insurance	Shareholder	36, Dilkusha C/A, Peoples Insurance Bhaban (17 th Floor) Dhaka -1000	1204680000045409	550,000	2.46%
Captain M. Moazzam Hossain	Shareholder	H #271, Eastern Road, DOHS	1202880072395580	1,100,000	4.92%

		Baridhara, Dhaka-1206			
Md. Shamsul Alam	Shareholder	1816 KM DAS Lane, Dhaka-	1203880025907560	110,000	.49%
Md. Saiful Islam	Shareholder	H-149, R-01, Plot A2, Mirpur DOHS, Dhaka	1203060012359790	55,000	.25%
Md. Shamsuddoha Tapos	Shareholder	16/10 Kalichoran Saha Road, Faridabad, Dhaka	1204240016889929	110,000	.49%
Md. Omar Sadek Mollah	Shareholder	617 Dhonia Road Shyampur, Dhaka-1236	1202950056525143	66,000	.29%
Mr. Mohammad Helal Miah	Shareholder	Amanat Shah Group, City Centre, L-24, Motijheel, Dhaka-1000	1204570003635981	429,000	1.92%
BD Finance Securities Ltd	Shareholder	64, Motijheel C/A 2 nd Block, Dhaka-1000	1205150043284418	330,000	1.48%
Md. Arifur Rahman Sagir	Shareholder	52, South Central Road, Khulna	1602170067222331	1,397,246	6.25%
Total				223,563,34	100.00%

(b) There shall also be a table showing the name and address, age, experience, BO ID Number, TIN number, numbers of shares held including percentage, position held in other companies of all the directors before the public issue;

Name	Address	Age	Experience	BO ID No.	TIN number	Total no. of Shares	Pre-QIO Percentage	Position held in other companies
Md. Tariqul Islam Zaheer	52, South Central Road, Khulna	49	20 Year experience in fishing business	1602170068077295	614479302379	7,336,376	32.82%	Managing Director Sundarban Shrimps Private Limited
Md. Yousha Zaheer	52, South Central Road, Khulna	32	7 years' experience in this trade	1602170074464407	731437455641	1,173,708	5.25%	Shareholder of Sundarban Shrimps (Pvt.) Ltd.
Md. Ali Azgar Nasir	06, Fire Brigade Road Khulna	54	14 Year experience in fishing business	1602170075243587	437009296815	1,457,929	6.52%	Shareholder Sundarban Shrimps Private Limited
Md. Nadirul Islam	43/1, Miapara Main Road Khulna	46	5 Year experience in fishing business	1602170067221181	428533898762	1,496,016	6.69%	Shareholder Sundarban Shrimps Private Limited

(c) The average cost of acquisition of equity shares by the directors certified by the auditors.

This is to certify that the equity shares of Achia Sea Foods Limited have been allotted at face of Tk. 10.00 each and the average cost of acquisition of equity by the directors is Tk. 10.00 each. Name wise shareholdings position, allotment date and consideration are given below:													
Sl. No .	Name	Position	Allotment			Transfer/Acquire			Total shares	Face Value	Total Amount in TK.	Consideration	Average cost of acquisition per share
			Date	No. of shares		Date	No. of shares						
1	Md. Ali Azgar Nasir	Chairman	-			25.05.2008	17,785			100	1,778,500	Cash	100
			-			12.08.2010	7,112			100	711,200	Cash	100
			-			22.03.2011	12,704			100	1,270,400	Cash	100
						Converted Share	37,601	376,010					
			08.03.2014		427,840	-	-			10	4,278,400	Cash	10
			22.11.2015		321,540	-	-			10	3,215,400	Other Than Cash	10
			09.01.2016		200,000	-	-			10	2,000,000	Other Than Cash	10
			28.12.2020		132,539					10	1,325,390	Bonus Share	10

Total					1,081,919			376,010	1,457,929		14,579,290		
2	Md. Tariqul Islam Zaheer	Managing Director	18.07.2005	498			-			100	49,800	Cash	100
			05.01.2006	86,212			-			100	8,621,200	Cash	100
				-		25.05.2008	17,809			100	1,780,900	Cash	100
				-		12.08.2010	21,330			100	2,133,000	Cash`	100
				-		22.03.2011	12,703			100	1,270,300	Cash	100
				-		11.02.2014	612			100	61,200	Cash	100
			Converted Share	86,710	867,100	Converted Share		524,540					
			08.03.2014		2,912,960	-	-			10	29,129,600	Cash	10
			22.11.2015		1,721,840	-	-			10	17,218,400	Other Than Cash	10
			09.01.2016		1,710,000	-	-			10	17,100,000	Other Than Cash	10
			28.12.2020		773,644	-	-			10	7,736,440	Bonus Share	10
						03.10.2021		(1,173,708)		10	(11,737,080)	Transfer	10
Total					7,985,544			(649,168)	7,336,376		73,363,760		

3	Nadir ul Islam Babu	Director				25.05.2008	17,785			100	1,778,500	Cash	100
						12.08.2010	7,112			100	711,200	Cash	100
						22.03.2011	12,704			100	1,270,400	Cash	100
						Converted Share	37,601	376,010					
			08.03.2014		424,000		-			10	4,240,000	Cash	10
			22.11.2015		320,004		-			10	3,200,040	Other Than Cash	10
			09.01.2016		240,000		-			10	2,400,000	Other Than Cash	10
			28.12.2020		136,002					10	1,360,020	Bonus Share	10
Total					1,120,006		376,010	1,496,016		14,960,160			
4	Md. Yousha Zaheer	Director				03.10.2021		1,173,708	1,173,708	10	1,173,708	Other Than Cash	10
Total							1,173,708	1,173,708		1,173,708			

Sd/-

Place: Dhaka

Date: 10 October , 2021

Islam Quazi Shafique & Co.
Chartered Accountants

SECTION - XIV
(B) (11)

Valuation Report of Securities Prepared by the Issue Manager

Section Contents

- | | |
|------------|--|
| (a) | The valuation report of securities to be offered shall be prepared and justified by the issue manager on the basis of the financial and all other information pertinent to the issue |
| (b) | To prepare the valuation report, the issue manager may consider all qualitative and quantitative factors which shall be explained in details with rationale to consider such factors, the valuation methods used, sources of information and authenticity of such information; |
| (c) | While preparing the valuation report, the issue manager shall avoid exaggeration and biasness and shall exercise independence and due diligence; |
| (d) | <p>(i) net asset value at historical or current costs;</p> <p>(ii) earning-based-value calculated on the basis of weighted average of net profit after tax for immediate preceding five years or such shorter period during which the issuer was in commercial operation;</p> <p>(iii) projected earnings for the next three accounting year with rationales of the projection, if not in commercial operation;</p> <p>(iv) Average market price per share of similar stocks for the last one year immediately prior to the offer for common stocks with reference and explanation of the similarities or in case of repeat qualified investor offer, market price per share of common stock of the issuer for the aforesaid period.</p> |

(a) The valuation report of securities to be offered shall be prepared and justified by the issue manager on the basis of the financial and all other information pertinent to the issue;

The valuation report is prepared analyzing relevant financial information as well as the information directly or indirectly associated to the issue of securities. Incorporating the guided Rule, no 4(2) (a) (i) and Annexure- E (11) of Bangladesh Securities and Exchange Commission (Qualified investor offer by Small Capital Companies) Rules, 2018, this valuation report is prepared.

(b) To prepare the valuation report, the issue manager may consider all qualitative and quantitative factors which shall be explained in details with rationale to consider such factors, the valuation methods used, sources of information and authenticity of such information;

While preparing the valuation report, a number of qualitative factors are measured to ensure the optimum fair value of the securities. Apart from that, the probable impact of these mentioned qualitative factors is reflected in the valuation.

Qualitative Factors:

1. The management body of the company are highly experienced in managing the operations of the company. Additionally, the financial management history reveals that the firm has an impressive track record of earnings management.
2. The company produces processed foods, and the major product is shrimp based products. Hence, there is a low possibility of product line stretching or diversification.
3. The market trend is suggesting a steady growth in the demands for shrimps and sea foods, which indicates the company will experience growth in future.
4. The company has potential for grabbing more market shares through the expansion of its production facilities. As a Matter of fact, the company is currently realizing the need of a capacity expansion.

Quantitative Valuation:

The guided principles of Rule No 4(2) (a) (i) and Annexure- E (B) (14) suggest that the valuation of a company stock should be duly done under four (4) different methods. Hence, the quantitate valuation of the company stock is done as per the prescribed Rules. The following table represents a summary of the quantitative valuation.

Reference	Valuation Method	Calculated Fair Value (BDT)
Method- 1	Net Asset value (NAV) per share at historical cost (without Revaluation)	17.07
Method- 2	Earning Based Value Per Share (Considering Market P/E)	18.56

Method- 3	Average Market price of similar stock Based Valuation	101.89
------------------	---	--------

(c) While preparing the valuation report, the issue manager shall avoid exaggeration and biasness and shall exercise independence and due diligence;

The valuation report is prepared solely based on the qualitative and quantitative information of the company; and is free from exaggeration and biasness. Also, reasonable independence and due diligence were excused during the valuation.

(d) The issue manager(s) shall, among others, consider the following methods for valuation of the securities:

- i. **net asset value at historical or current costs;**

METHOD - 1 VALUATION USING NET ASSET VALUE (NAV) PER SHARE

The Net Asset Value (NAV) is calculated using the information from the most recently published audited financial statements on June 30, 2021. To calculate the NAV the net assets of the company is divided by the total number of outstanding shares. The company didn't have any revaluation surplus in the reported year. Therefore, the NAV of the company without revaluation reserve is found to be 17.07 Taka per share. Details calculation of the valuation is given in the following table:

Method 1: Net Asset value (NAV) per share at historical cost (without revaluation) as on 30 June, 2021	
Total Asset	1,007,428,994
Total Liabilities	625,722,617
Net Asset : (A)	381,706,377
Number of Share Outstanding as on 30 June, 2021 (B)	22,356,334
Net Asset value (NAV) per share (A/B)	17.07

- ii. **earning-based-value calculated on the basis of weighted average of net profit after tax for immediate preceding five years or such shorter period during which the issuer was in commercial operation;**

METHOD - 2

EARNING BASED VALUATION PER SHARE USING MARKET P/E

The base of earning based valuation is the historical financial information. To calculate the fair value per share, last five years' financial statements were used. Especially the historical net

income after tax of last five years were used along with the number of outstanding shares of the company in the respective year. Using the cumulative shares, a weighted average earning per year is calculated, which is then used to calculate weighted average net profit after tax. The weighted average EPS is calculated to be BDT 1.05

. The average market P/E is calculated assuming the “Food & Allied” sector as the ideal match to the company. It is found that the average market P/E is 17.67, which is multiplied with the weighted average EPS 1.05 to find the fair value of the share of BDT 18.56 per share. Detailed calculation is given in the following table:

Method 2: Earning-Based-Value Per Share (Considering Overall Market P/E)				
Year	No. of Shares	Net Profit after tax	Weight (%)	Weighted Net Profit After Tax
30 June, 2021	22,356,334	41,981,194	0.2157	9,054,767
30 June, 2020	20,323,940	14,811,968	0.1961	2,904,307
30 June, 2019	20,323,940	11,519,701	0.1961	2,258,765
30 June, 2018	20,323,940	25,100,557	0.1961	4,921,678
30 June, 2017	20,323,940	22,128,993	0.1961	4,339,018
Total	103,652,094	115,542,414	1	23,478,536
Weighted Average Net Profit after Tax[C]				23,478,536
Number of shares before QIO as on 30 June, 2021 [D]				22,356,334
Weighted Average Earnings per share(EPS)[E=C/D]				1.05
Overall Market P/E (Considering Lesser P/E of 17.67 & 27.24 is 17.67) (F)				17.67
Earning Based Value per share (BDT) [G = E × F]				18.56

THE MARKET P/E CALCULATION:

Achia Sea Foods Limited could be categorized as a company under “Food & Allied” category according to the analysis on the Nature of the business. The monthly P/E of the market of last twelve months were collected from the monthly review of DSE, and then the average P/E of the market is calculated, which is 17.67. The details of the market P/E calculation are given in following table:

Calculation of P/E:							
Particulars	June, 2021	May, 2021	April, 2021	March, 2021	February, 2021	January, 2021	Average
Overall Market P/E	18.5	18.31	16.91	16.89	17.41	18	17.67

Food & Allied sector P/E	27.08	27.19	26.01	25.53	28.67	28.94	27.24
<i>Source : DSE monthly review</i>							

(iii) Projected earnings for the next three accounting year with rationales of the projection, if not in commercial operation:

Achia Sea Food Limited incorporated on December 27, 1993 and started its commercial production from February 15, 1998. So for this company Projected earnings for the next three accounting year with rationales of the projection is not required.

(iv) Average market price per share of similar stocks for the last one year immediately prior to the offer for common stocks with reference and explanation of the similarities or in case of repeat qualified investor offer, market price per share of common stock of the issuer for the aforesaid period.

Last One Year (Month ended) Closing Share Price of Similar Stocks:

Method 3: Average market price of similar stock based valuation			
Date	Gemini sea Foods Ltd	Apex Foods Ltd	Beach Hatchery Ltd
September,2021	218.4	164.7	24.8
August,2021	217.9	152.4	29.5
July, 2021	170.2	138.5	20.8
June , 2021	148.1	124.4	17.2
May , 2021	144.3	121.3	12.6
April , 2021	144.3	120.1	11.8
March , 2021	144.3	120.1	13.6
February , 2021	144.3	120.1	13.6
January , 2021	144.3	120.1	13.6
December, 2020	144.5	125.4	13.8
November, 2020	144.3	132.4	13.6
October, 2020	144.8	120.1	13.8
Average	159.14	129.97	16.56
Average Price of these 3 (Three) Stocks			101.89
<i>Source: DSE website</i>			

The average month end close price of the peer Company from October 2020 to September 2021 is considered.

Rationale for choosing these 3 Companies:

There are twenty Food & Allied companies listed in the capital market. Among the twenty, ASFL has taken three companies because ASFL's product mix matches to these three companies.

Sources of Information:

- 1. Annual Report of Issuer Company*
- 2. Monthly review published by Dhaka Stock Exchange Ltd.*

Offer Price:

Based on the above-mentioned valuation methodologies as per Bangladesh Securities and Exchange Commission (Qualified investor offer by small capital companies) Rules, 2018, the management of the company in consultation with the Issue Managers has set the issue price at BDT 10.00 each at par value.

Conclusion:

Therefore, the issue managers and management of the company believes that the offering price of Tk.10.00 per share is justified.

Sd/-

Mohammad Obaydur Rahman, FCS
Managing Director & CEO
AAA Finance & Investment Limited

SECTION - XV
(B) (12)

Debt Securities

Section Contents

- | | |
|-----|--|
| (a) | The terms and conditions of any debt securities that the issuer company may have issued or is planning to issue within next six months, including their date of redemption or conversion, conversion or redemption features and sinking fund requirements, rate of interest payable, Yield to Maturity, encumbrance of any assets of the issuer against such securities and any other rights the holders of such securities may have |
| (b) | All other material provisions giving or limiting the rights of holders of each class of debt securities outstanding or being offered, for example: subordination provisions, limitations on the declaration of dividends, restrictions on the issuance of additional debt or maintenance of asset ratios |
| (c) | Name of the trustee(s) designated by the indenture for each class of debt securities outstanding or being offered and describe the circumstances under which the trustee must act on behalf of the debt holders |
| (d) | Repayment or redemption or conversion status of such securities. |
-

(a) The terms and conditions of any debt securities that the issuer company may have issued or is planning to issue within next six months, including their date of redemption or conversion, conversion or redemption features and sinking fund requirements, rate of interest payable, Yield to Maturity, encumbrance of any assets of the issuer against such securities and any other rights the holders of such securities may have;

The Company has not issued or planning to any debt securities within Six months.

(b) All other material provisions giving or limiting the rights of holders of each class of debt securities outstanding or being offered, for example: subordination provisions, limitations on the declaration of dividends, restrictions on the issuance of additional debt or maintenance of asset ratios;

The company has not been issued any debt securities.

(c) Name of the trustee(s) designated by the indenture for each class of debt securities outstanding or being offered and describe the circumstances under which the trustee must act on behalf of the debt holders;

The company has not been issued any debt securities so there is no trustee in this issue.

(d) Repayment or redemption or conversion status of such securities.

The company has not been issued any debt securities so there is no repayment or conversion status of such securities.

SECTION - XVI
(B) (13)

Parties Involved and Their Responsibilities, as Applicable

Section Contents

(a) Issue manager(s)

(b) Underwriter(s)

(c) Auditors

(d) Cost and Management Accountants

(c) Valuer

SL	Parties Involved with the Issuer		Responsibilities
(a)	Issue Manager	AAA Finance & Investment Ltd.	The issue manager will manage the public issue of ASFL securities complying the Bangladesh Securities & Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018.
(b)	Underwriters	AAA Finance & Investment Ltd.	The underwriters are responsible for underwriting the mentioned amount of stocks of ASFL. Furthermore, the underwriters shall carry out all the activities specified in the Bangladesh Securities & Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018
		IIDFC Capital Limited	
		Sandhani Life Finance Ltd	
		Islami Bank Capital Management Ltd	
		Trust Bank Investment Ltd	
		BD Finance Capital Holdings Ltd	
		Southeast Capital Services Ltd	
(c)	Statutory Auditors	Islam quazi shafique & CO Chartered Accountant	To express an opinion on the financial statements based on their audit. The auditor will conduct the audit in accordance with International Standards on Auditing (ISA).
(d)	Cost Auditor	N/A	N/A
(e)	Valuers	N/A	N/A
(f)	Credit Rating Company	N/A	N/A

SECTION - XVII
(B) (14)

Material Contracts

Section Contents

-
- | | |
|------------|---|
| (a) | Major agreements entered into by the issuer |
| (b) | Material parts of the agreements |
| (c) | Fees payable to different parties |
-

The following are material contracts in the ordinary course of business, which have been entered into by the Company:

(a)	Major agreements entered into by the issuer	<p>i. Issue Management Agreement: Achia Sea Foods Limited is desirous of raising fund through QIO under Fixed Price Method amounting Tk. 150,000,000 (Fifteen crores) by issuing shares to the Qualified Investors through the market mechanism of Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018 and appointed AAA Finance and Investment Limited as the manager to the issue.</p> <p>ii. Underwriting Agreement: Achia Sea Foods Limited is desirous of raising fund through QIO under Fixed Price Method amounting Tk. 150,000,000 (Fifteen crores) by issuing shares to the Qualified Investors through the market mechanism of Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018 and AAA Finance and Investment Limited has committed to underwrite 13.33% of the total QIO amount as per regulatory requirement</p>	
(b)	Material parts of the agreements	Issue Management Agreement	<p>1. MANAGER TO ISSUE</p> <p>1.1. That the COMPANY shall raise capital by issuing shares through the Capital Market in accordance with the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018 under Fixed Price Method and shall provide the MANAGER in due course.</p> <p>1.2. That the MANAGER shall act as the Manager to the Issue and render financial advisory services to the QUALIFIED INVESTOR OFFER UNDER FIXED-PRICE METHOD as described hereunder in Clause-2.</p> <p>2. SCOPE OF SERVICES</p> <p>The scope of services to be rendered by the MANAGER to the COMPANY of the QUALIFIED INVESTOR OFFER UNDER</p>

		<p>FIXED-PRICE METHOD shall be as follows (including and not limited to the compilation and preparation of the documents, papers, studies hereunder).</p> <p>2.1. <u>PRE-ISSUE MANAGEMENT SERVICES</u></p> <p>2.1.1. Issue analysis</p> <ol style="list-style-type: none"> Fixing QIO strategy under Fixed-Price method. Profitability and ratio analyses. <p>2.1.2. Regulatory guidance</p> <ol style="list-style-type: none"> Documentation and preparation of related papers. Dealings with regulatory authorities and the stock exchanges. Ensure compliance of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018, Corporate Governance Code, Listing of Small Capital Companies) Regulations, 2019 of the Stock Exchanges, Companies Act 1994, Securities and Exchange Ordinance, 1969 and other relevant rules, regulations, practices, directives, guidelines etc. or any, which may time to time introduce by Bangladesh Securities and Exchange Commission. <p>2.2. <u>ISSUE MANAGEMENT SERVICES</u></p> <p>2.2.1. Regulatory compliance (All formalities to be done under the Fixed-Price Method for QIO)</p> <ol style="list-style-type: none"> Filing of application of the QIO Issue to BSEC. Preparation of Draft Prospectus. Filing of Draft Prospectus to BSEC. Incorporation of modification suggested by BSEC. Preparation of all necessary papers and deeds, agreements, declarations, certificates for submission to BSEC for making the QIO effective. <p>2.2.2. Underwriting Arrangement</p>
--	--	--

		<ul style="list-style-type: none"> a. Preparation of papers for underwriting arrangement. b. Documentation/preparation of underwriting agreement etc. c. Placing of underwriting proposals. <p>2.2.3 Issue arrangements</p> <ul style="list-style-type: none"> a. Filing of application including Draft Prospectus with all required documents to the Commission and the Exchanges with prior information to the COMPANY. b. Documentation for listing & submission. <p>2.2.4. Issue Co-ordination</p> <ul style="list-style-type: none"> a. Fund collection and deposit. b. Allotment of shares for Pre-Issue of the fund. c. Guidance on RJSC formalities. d. Guidance and coordination in Tax related issues <p>2.3. <u>POST ISSUE SUPERVISION</u></p> <p>2.3.1. Arrangement of-</p> <ul style="list-style-type: none"> a. Advise and assist for Printing of Prospectus. b. Advise and assist for Publication of Prospectus in a national daily as prescribed by Bangladesh Securities and Exchange Commission. c. Distribution of prospectus to DSE, CSE and BSEC. d. Monitoring for distribution mechanism of securities. e. Monitoring of post issue and subscription procedure. f. Compliances after subscription.
		<p>Underwriting Agreement</p> <p style="text-align: center;">ARTICLE -I UNDERWRITING</p> <p>1.01 The Company shall raise fund around Tk. 150,000,000 (Fifteen crore) through Qualified Investor Offer (QIO) as provided in this Agreement.</p>

	<p>1.02 The Underwriter shall underwrite Tk. 7500, 00,000 (Seven crore fifty lacs) out of the total amount raised on a firm commitment basis. This commitment is irrevocable and unequivocal.</p> <p>1.03 In case of under-subscription by up to 50% in a Qualified Investor Offer, the undersubscribed portion of securities shall be taken up by the underwriter.</p> <p style="text-align: center;">ARTICLE-II THE QUALIFIED INVESTOR OFFER</p> <p>2.01 The Company shall raise around Tk. 150,000,000 (Fifteen crore) through Qualified Investor Offer (QIO) over publishing a prospectus in accordance with the consent of the Bangladesh Securities and Exchange Commission (BSEC) and the provision of this Agreement.</p> <p>2.02 Prior to the publication of the Prospectus, the Company shall obtain a consent from the Bangladesh Securities and Exchange Commission permitting the issue as described in Article 2.01 and provide for payment of Initial underwriting commission not exceeding 0.25% (Zero point two five percent) on the amount underwritten.</p> <p>2.03 The Company shall make media campaign and publicity of the offer for subscription to the extent as may be reasonably requested by the Issue Manager prior to opening and during offer period of subscription list with publicity material as approved by the BSEC.</p> <p>2.04 The Company shall comply with any other formalities required under law of the land, for</p> <p>2.05 If and to the extent that the shares offered to the Qualified Investor by a prospectus authorized hereunder have not been subscribed and paid for in cash in full by the</p>
--	--

	<p>closing Date of subscription, the Company shall within 10 (ten) days of the closure of subscription call upon the Underwriter in writing with a copy of the said writing to the Bangladesh Securities and Exchange Commission, to subscribe the shares not subscribed by the closing date and to pay for in cash in full, inclusive of any premium if applicable, for such unsubscribed shares within 15 (fifteen) days after being called upon to do so. If payment is made by Cheque/Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled its obligation towards its underwriting commitment under this Agreement, until such time as the Cheque/Bank Draft has been encashed and the Company's account credited. In any case, within 7 (Seven) days after the expiry of the aforesaid 15 (fifteen) days, the Company shall send proof of subscription and payment by the underwriter to the Commission.</p> <p>In case of failure by the underwriter to pay for the shares under the terms mentioned above, the said underwriter will not be eligible to underwrite any issue, until such time as he fulfils his underwriting commitment under this Agreement and also other penalties as may be determined by the Commission may be imposed.</p> <p>In case of failure by the underwriter to pay for the shares within the stipulated time, the Company/issuer will be under no obligation to pay any underwriting commission under this Agreement.</p> <p>In the case of failure by the Company to call upon the underwriter for the aforementioned purpose within the stipulated time, the Company and its Directors shall individually and collectively be held responsible for the consequences and/or penalties as determined by the Bangladesh Securities and Exchange Commission under the law.</p>
--	---

	<p>2.06 That the signatories to this Agreement have duly been authorized by the Board of Directors of both the Company and the underwriter to execute and give effect to this Agreement from the date written herein above.</p> <p>2.07 The liability of the underwriter under this clause shall be in proportion to but not exceeding the shares agreed to be underwritten by it; provided that the aforementioned request of the Company shall be supported by official certificates and other documents of subscription obtained from the Bankers to the Issue and a declaration of the Company as to the final result of the QIO subscription.</p> <p>2.08 The Company shall pay to the Underwriter as underwriting commission at the rate of 0.25% (Zero point two five percent) of the amount underwritten hereby agreed to be underwritten by it.</p> <p style="text-align: center;">ARTICLE-III DISCLOSURE</p> <p>3.01. The Company shall furnish to the underwriter such data as the underwriter may reasonably request.</p> <p>3.02. The Company shall: (a) not change its financial plan or take steps to increase or decrease its paid up capital to the disadvantage of the Underwriter.</p> <p>(b) Promptly advise the Underwriter of all amendments and changes required to be made in the Prospectus by the Bangladesh Securities and Exchange Commission and/or the Stock Exchanges and furnish amended copies of prospectus to the Underwriter and continue to inform of all materials facts relating to QIO;</p> <p style="text-align: center;">ARTICLE-IV MISCELLANEOUS</p> <p>4.01. Any notice or request required or permitted to be given or made under this</p>
--	---

	<p>agreement to the Underwriter or to the Company shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand or sent by registered post in a prepaid letter to the party to which it is required or permitted to be given or made at such party's registered address or at such other address as such notice or making such request are to be made. Such notice shall be deemed to have been delivered in the ordinary course of post.</p> <p>4.02. This Agreement shall bind and inure to the benefit of the respective successors of the parties hereto.</p> <p>4.03 This Agreement shall be valid until completion of subscription of shares in accordance with section 2.05.</p> <p>4.04 All questions or differences whatsoever which may at any time hereinafter arise between the parties hereto or their respective representatives touching these presents or the subject matter hereof or arising out of or in connection thereto respectively and whether as to construction or otherwise shall be referred to a single arbitrator in case the parties agree upon one Arbitrator, otherwise to two umpires in accordance with and subject to the provisions of the Arbitration Act, 2001 or any statutory modification thereof.</p> <p>4.05 The rights and responsibilities of either party shall terminate in the event of full subscription of QIO shares.</p> <p>4.06 Notwithstanding anything contained in this Agreement, in case of any inconsistency between the provision of this Agreement and the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018, shall prevail.</p> <p>4.07 The underwriter warrants and represents that it has certificate of registration from the Bangladesh Securities and Exchange</p>
--	--

			Commission to fully underwrite or place primary securities in a firm commitment basis.
(c)	Fees payable to different parties	Issue Manager - AAA Finance and Investment Limited	<p>The COMPANY shall pay for an Issue Management fee of Tk. 3,00,000/- (Taka three lac) only, net of any charges excluding TAX and VAT to the MANAGER in 2 (two) phases:</p> <p>a. 50% of the total fee, i.e.- 1,50,000/- (one lac fifty thousand taka) is payable at the time of submission of the application to BSEC for QIO.</p> <p>b. 50% of the total fee, i.e.- 1,50,000/- (one lac fifty thousand taka) will be payable after getting approval from BSEC for QIO.</p>
		Underwriter - AAA Finance and Investment Limited, IIDFC Capital Limited, Sandhani Life Finance Ltd, Islami Bank Capital Management Ltd, Trust Bank Investment Ltd BD Finance Capital Holdings Ltd,	<p>The COMPANY shall provide for payment of Initial underwriting commission not exceeding 0.25% (Zero point two five percent) on the amount underwritten fee as per deed .20% i.e. Tk.150,000 /- (one lac fifty thousand taka) only.</p>

SECTION- XVIII
(B) (15)

Outstanding Litigations, Fine or Penalty

Section Contents

- | | |
|------------|---|
| (a) | The following outstanding litigations against the issuer or any of its directors and fine or penalty imposed by any authority |
| (b) | Outstanding cases filed by the Company or any of its directors |
-

(a) The following outstanding litigations against the issuer or any of its directors and fine or penalty imposed by any authority:

(i) Litigation involving Civil Laws;

There is no such litigation filed against the company or any of its directors by any authority.

(ii) Litigation involving Criminal Laws;

There is no such litigation filed against the company or any of its directors by any authority.

(iii) Litigation involving Securities, Finance and Corporate Laws;

There is no such litigation filed against the company or any of its directors by any authority.

(iv) Litigation involving Labor Laws;

There is no such litigation filed against the company or any of its directors by any authority.

(v) Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes/duties);

There is no such litigation filed against the company or any of its directors by any authority.

(vi) Litigation involving any other Laws;

There is no such litigation filed against the company or any of its directors by any authority.

(b) Outstanding cases filed by the Company or any of its directors:

(i) Litigation involving Civil Laws; N/A

(ii) Litigation involving Criminal Laws; N/A

(iii) Litigation involving Securities, Finance and Corporate Laws; N/A

(iv) Litigation involving Labor Laws; N/A

(v) Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes/duties); N/A

(vi) Litigation involving any other Laws; N/A

SECTION - XIX
(B) (16)

Risk Factors and Management's Perceptions about the Risks

Section Contents

(I) Internal risk factors

(II) External risk factors may include among others

An investment in shares involves a high degree of risk. The company operates in the field of technology, which is dynamic and exposed to internal and external risk factors. Among these risks some are manageable and some are not, which may become cause of loss for the company. Investors should carefully consider all the information disclosed in this prospectus, including the risks and uncertainties described in this section of the prospectus prior to make any decision regarding the purchase of the company shares. The management of Achia Sea Foods Limited perceives the following risks:

(I) Internal risk factors

a. Credit Risk;

Credit risk is the probable risk of loss resulting from a borrower's failure to repay a loan or meet contractual obligations. Traditionally, it refers to the risk that a lender may not receive the owed principal and interest, which results in an interruption of cash flows and increased costs for collection.

Management Perception:

Although ASFL is exposed to the credit risk due to the trading activities of the company, but the company has been working with its dealers, distributors, and other trade related parties for a long time now. The experience of ASFL is quite good any there were hardly some cases of default. Considering these facts, it can be asserted that ASFL's profitability will not be affected due to credit risk. Moreover, the company risk management policies are quite effective in terms of managing credit risks arisen from daily transactions.

b. Liquidity Risk;

Liquidity risk is the risk that the company may be unable to meet its short-term financial demands. This usually occurs due to the inability to convert a security or hard asset to cash without a loss of capital and/or income in the process.

Management Perception:

Achia Sea Foods Limited understands the threat of liquidity crisis within the company. The company is operating using an effective working capital management strategy, which essentially is focused on the liquidity issue of the company. As a matter of fact, the company is maintaining the optimum level of liquid assets to avoid any sort of risks raised due to insufficient liquidity. The company is strictly controlling its inflows, outflows, and different use of liquid funds.

c. Risk associated with the issuer's interest in subsidiaries, joint ventures and associates;

Management Perception:

Achia Sea Foods Limited does not have any interest in subsidiaries, joint ventures and associates. So the risk is not significant.

d. Significant revenue generated from limited number of customers, losing any one or more of which would have a material adverse effect on the issuer;

- e. **Management Perception:** The Company does not generate revenue from limited number of customers. Hence, the company is not exposed to any risk due to the trading with a limited number of customers.

- f. **Dependency on a single or few suppliers of raw materials, failure of which may affect production adversely;**

Management Perception: The Company does not depend on a single or few raw materials suppliers. Considering the dependency on fewer suppliers a potential risk, the company is continuously developing relations with new suppliers. Therefore, limited number of raw materials suppliers should not be considered as a significant risk for ASFL.

- g. **More than 20% revenue of the issuer comes from sister concern or associate or subsidiary;**

Management Perception: ASFL does not have any sister concern or associate or subsidiary, therefore it is not applicable for ASFL.

- h. **Negative earnings, negative cash flows from operating activities, declining turnover or profitability, during last five years, if any;**

Management Perception: The Company did not have any negative earnings, and the turnover has been increasing over the period. The profitability of the company has declined due to increased cost of production. The Company has been experiencing negative cash flow from operating activities due to the nature of the business. ASFL is an export-oriented Company that receives revenue from foreign customers which involves collection of money through LC. Due to the process involved in collection of sales revenues the cash collection cycle is longer than that the cash disbursement cycle, which is the principal reason for some times the negative cash flow from operating activities.

- i. **Loss making associate or subsidiary or group companies of the issuer;**

Management Perception: ASFL does not have any loss making associate or subsidiary or group companies.

- j. **Financial weakness and poor performance of the issuer or any of its subsidiary or associates;**

Management Perception: ASFL does not have any financial weakness. ASFL do not have any subsidiary or associates.

- k. **Decline in value of any investment;**

Management Perception: ASFL does not have any investment; therefore, there is no decline in value of any investment to report.

- l. **Risk associated with useful economic life of plant and machinery, if purchased in second hand or reconditioned;**

Management Perception: Some of the machineries of ASFL were purchased second hand that is being used in the production. There are some underlying risks associated with the use of second hand machineries. The company has a contingency plan in case of machine failure or any kind of emergency rose from the broken machines.

- m. **Adverse effect on future cash flow if interest free loan given to related party or such loans taken from directors may recalled;**

Management Perception: Not applicable for ASFL.

- n. **Potential conflict of interest, if the sponsors or directors of the issuer are involved with one or more ventures which are in the same line of activity or business as that of the issuer and if any supplier of raw materials or major customer is related to the same sponsors or directors;**

Management Perception: There is no potential conflict of Interest as we do not have any venture which is in the same line of activity.

- o. **Related party transactions entered into by the company those may adversely affect competitive edge;**

Sometimes it is experienced that if the issuer company enters in to related party transaction conflict of interest is created which reduces the competitive advantage of the issuer and ultimately affects the shareholders.

Management Perception: The Company has made some related party transactions in the normal course of business and on an arms' length basis and transactions with related parties were carried out on commercial terms and conditions. These transactions are managed and accounted efficiently by the management of the Company. From the previous years' experience management of the Company believes that related party transactions will not affect competitive edge of the Company.

- p. **Any restrictive covenants in any shareholders' agreement, sponsors' agreement or any agreement for debt or preference shares or any restrictive covenants of banks in respect of the loan or credit limit and other banking facilities;**

Management Perception: ASFL is always aware of terms and conditions including any type of restrictive **covenants** before entering in to and signing agreements. There are no restrictive covenants in any shareholders' agreement, sponsors' agreement or any agreement relating to debt or preference shares or any restrictive covenants of banks in respect of loan or credit limit and other banking facilities.

- q. **Business operations may be adversely affected by strikes, work stoppages or increase in wage demands by employees;**

Management Perception: The management of the Company always believes that employees are the main strength of a concern and if employees have job satisfaction then

they will give their best effort to perform their respective duties. ASFL is a profitable entity and the management of The Company provides competitive package to employees and offer them different benefits. However, employee unrest like **strikes, work stoppages or increase in wage demands** is part of business and ASFL is always well aware of managing labor unrest efficiently. The Company has different incentive packages for employees so that they can be beneficial to such package.

r. Seasonality of the business of the issuer;

Management Perception:

There are no significant seasonal aspects. However, the company increases its finished goods inventory during the time when seasonal demands increase in the European market.

s. Expiry of any revenue generating contract that may adversely affect the business;

Management perception:

The Company has not entered into any such contract to its customers and suppliers. Besides, there is demand of the products of ASFL round the year. Therefore, no such risk associated that may adversely affect the business of ASFL.

t. Excessive dependence on debt financing which may adversely affect the cash flow;

Excessive dependence on debt causes huge interest burden of the company and high risk of insolvency that may result in bankruptcy.

Management Perception: We have short-term bank loan for working capital. We don't have any long-term debt.

u. Excessive dependence on any key management personnel absence of whom may have adverse effect on the issuer's business performance;

Management Perception: The Company is operated under a well-organized organogram where each position holder's scope of job and responsibility are well described. As a big and well performed organization ASFL has many qualified professionals in the team of operation, management marketing and other areas. As a result, absence or change of any head of a team does not affect the business performance significantly as other team members of his nearer position capable of taking his responsibility. Besides, the Company is aware of contingency plans in case of the key individuals being absent as this is a critical and crucial aspect of business continuity.

v. Enforcement of contingent liabilities which may adversely affect financial condition;

Management Perception: Contingent liabilities may reduce the assets or create obligation to pay the liabilities. Hence, the Company does not have any contingent liabilities which may adversely affect its financial condition.

w. Insurance coverage not adequately protect against certain risks of damages;

Management Perception: The Company has different insurance coverage for all the relating issues that are risky to operating the business.

x. Absence of assurance that directors will continue its engagement with Company after expiry of lock in period;

Management Perception: The sponsors of the Company are directors from the inception of this venture and it is a growing and profitable business and now going to be listed which will increase the image, compliance issues and overall business of the Company. So, the management thinks sponsor directors and other directors will remain with ASFL and will continue the business after expiry of lock-in period after QIO.

y. Ability to pay any dividends in future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditure;

Management Perception: ASFL is a profitable entity over long period which is in uptrend and it has sufficient profit in present capacity to pay dividend. After going to QIO it will repay debt of good amount and fulfill requirement of capital expenditure requirement and expand its business to meet increased market demand of its product which will decrease financial expenses and increase the profitability. As a result, extra cash will be generated to pay more dividend in future.

z. History of non-operation, if any and short operational history of the issuer and lack of adequate background and experience of the sponsors;

History of non-operation indicates weak operational management of the company. Non-operation leads to negative cash flow, incurring of losses and bankruptcy in worst case scenario.

Management Perception: We know if operation is closed for one day it can hamper supply of product to our valued customers. In any situation, we do not compromise with non-operation. Our company started commercial operation from February 15, 1998 and the Company has never been non-operative till date. Considering the frozen foods industry at world perspective, our sponsors have adequate background and experience. We have own power supply back up with generator and other required support for uninterrupted smooth operation.

aa. Risks related to engagement in new type of business, if any;

Management perception: ASFL is engaged in sea foods processing industry since long with profitability and reputation. So, the company has no plan to be engaged in new type of business as there is risk associated with starting it for different reasons. As such there is no such type of risk.

bb. Risk in investing the securities being offered with comparison to other available investment options;

Management perception: ASFL is a growing and profitable Company. The demand of its product is increasing extensively day by day abroad. It has efficient management and manpower with adequate experience and knowledge of its product and business. So, it is not risky in investing securities in ASFL with comparison to other available investment options.

cc. Any penalty or action taken by any regulatory authorities for non-compliance with provisions of any law;

Management Perception: No penalty or action has been taken against the Company by any regulatory authority for noncompliance with provisions of any law. The Company is well aware of fulfillment of all types of regulatory compliances and issues.

dd. Litigations against the issuer for Tax and VAT related matters and other government claims, along with the disclosures of amount, period for which such demands or claims are outstanding, financial implications and the status of the case;

Management perception: There is no litigation relating to Tax, VAT or other government claims against of our company.

ee. Registered office or factory building or place of operation is not owned by the issuer;

Management Perception: Our factory building or registered office is owned by us.

ff. Lack of renewal of existing regulatory permissions or licenses;

Management Perception: All of the regulatory permission and licenses are up to date and duly renewed time to time for smooth operation.

gg. Failure in holding AGM or declaring dividend or payment of interest by any listed securities of the issuer or any of its subsidiaries or associates;

Management perception: The Company does not have any listed securities of the issuer or any of its subsidiaries or associates.

hh. Issuances of securities at lower than the QIO offer price within one year;

Management perception: ASFL never have issued any of its securities at lower than the QIO offer price within one year.

ii. Refusal of application for public issue of any securities of the issuer or any of its subsidiaries or associates at any time by the Commission.

Management Perception: Such cases did not happen for our company or holding or sister concerns at any time by the Commission. We expect it will not be happened in future.

(II) EXTERNAL RISK FACTORS MAY INCLUDE AMONG OTHERS:

a) Interest rate risks;

Interest rate risk is associated with the fluctuations in market interest rates which cause a company's cost of debt to increase. Changes in the Government's monetary policy also tend to increase the interest rates. High rate of interest may adversely affect the operating results and financial performance of The Company with additional financial charges and squeezes the profit of the company.

Management perception:

The management of The Company is always aware of the interest rates at which the debts of The Company are being financed. Management finances both long-term & short-term funds at competitive rates. The Company has been repaying borrowed funds on a continuous basis to reduce such interest rate risk. The present trend of interest rate is negative which is favorable for the company.

b) Exchange rate risks;

Foreign exchange risk also known FX risk of currency is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency of the company. This risk arises when investment's value changed due to the changes in currency exchange rate.

Management perception:

The amount of exchange gains or loss arisen from foreign currency transaction is mostly related to a minor portion of revenue. It should be noted that ASFL has Foreign Document Bill Purchase (FDBP) arrangements with banks and the company recognizes major portion (98 percent) of export bills as per invoice rate through FDBP from the banks. Within the rest trivial amount; includes bank's charge, bank's margin and a nominal amount of exchange gain or loss which is returned to ASFL. Thus, the exchange rate risk is insignificant to ASFL.

c) Industry risks;

Industry risk is related with the factors affecting the company. The factors are change in supply and demand of the product, changes of laws, government policy to the sector and competitor's rivalry.

Management Perception:

There are no significant industry risks. Although there was some seasonal impact on the inventory, the company has increased its finished goods inventory during the time when seasonal demands increase in the European market.

d) Economic and political risks;

Economic risks:

The growth of The Company could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, commodity and energy prices and various other factors. Any significant changes may adversely affect our business and financials.

Management perception:

Bangladesh economy is booming for last few years. Consistent industrial growth along with increased agricultural production has made the per capita income higher than that of recent years. In addition, favorable government policies and industry friendly policies by other regulatory bodies have proved to be congenial to the economy of the country. The management of The Company is aware of such risks.

Political risks:

Bangladesh is prone to serious unrest in the political condition which produces strikes, road-block and many other barriers to the business. This could also push the cost of the product upwards.

Management perception:

During the last forty years of post-independence period, Bangladesh has gone through a variety of political situations. But recently, a stable political atmosphere is prevailing in the country. Both the ruling and opposition parties are committed to the betterment of the country. Political parties are thinking for growth of the country.

e) Market and technology-related risks;

Market risks refer to the risk of adverse market conditions affecting the sales and profitability of the company. Such as, shortage in raw material supplies, inefficient labor supplies, fall in product demand, etc. which signifies the adverse external and internal business environment. Those types of risks may hamper the success of the business. Technological development may make the old machineries obsolete which may hamper the profitability of The Company overall business.

Management perception:

f) Potential or existing government regulations;

The Company operates under Companies Act, Taxation policy adopted by NBR, Bangladesh Securities and Exchange Commission (BSEC)'s Rules and Rules adopted by other regulatory bodies. Any abrupt changes of the policies formed by those bodies will impact the business of The Company adversely.

Management perception:

Economy of Bangladesh has been developing over the decades because of business-friendly Rules and Regulations adopted by the various regulatory bodies of the country. Unless any adverse policies are taken, which may materially affect the industry as a whole, the business of The Company will not be affected.

Government emphasizes on the growth of local industry to meet the local need. Yet the promoters and the sponsors have endeavor to convince the policy makers for adopting

favorable terms and conditions, which will eventually help the industry to compete with the low-cost locations in the global arena and to save foreign currency.

g) Potential or existing changes in global or national policies;

Changes in the existing global or national policies can have either positive or negative impacts for the company. Any scarcity or price hike or global or national policy change may hamper the profitability.

Management perception:

Political turmoil and the disturbance are bad for the economy and so for the company. The Company can prosper in situation of political stability and a congenial business environment. The management of BPML is always concerned about the prevailing and upcoming future changes in the global or national policy and shall response appropriately and timely to safeguard its interest.

h) Statutory clearances and approvals those are yet to be received by the issuer;

Management perception:

We have collected all the statutory clearance to operate our business smoothly and we expect to maintain it in future

i) Competitive condition of the business;

ASFL is operating in a free market economy regime. The Company might have to face hard competition from its competitors. Availability of global products in the local markets adds to the competition, challenging the profitability of the business.

Management perception:

Bangladesh is the prime source of cheapest labor in the world, gaining comparative advantages for its industries over their global competitors. Other overhead costs are also low in Bangladesh. As a result, The Company has been able to maintain its cost of products most competitive. Moreover, over the last few years the Company has built a trustworthy relationship with its customers and we expect in future it will help the Company to almost avoid or to lower the competition with others.

j) Complementary and supplementary products or services which may have an impact on business of the issuer.

Management perception:

The Company has not faced any challenges relating to supplementary and complementary products till now, though the modern world going to paperless communication day by day. The Management are concerned and well aware of the issue. In future, if necessary, management may go to more diversifications of the product to be competitive over the competitors though at present the Company produces diversified paper products. This is not a significant risk for the Company.

SECTION - XX
(B) (17)

Description of the Issue

Section Contents

-
- | | |
|------------|---|
| (a) | Issue Size |
| (b) | Number of securities to be issued |
| (c) | Authorized capital and Paid-Up capital |
| (d) | Face value, premium and offer price per unit of securities |
| (e) | Holding structure of different classes of securities before and after the issue |
| (f) | Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital. |
-

(a) Issue Size:

Total Fund To Be Raised	:	BDT 15 Crore
--------------------------------	----------	---------------------

(b) Number of securities to be issued;

Public Issue of Ordinary Shares	:	15,000,000 Nos.
--	----------	------------------------

(c) Authorized capital and paid-up capital;

Authorized Capital of	:	BDT 100.00 Crore
Paid-up Capital of	:	BDT 223,563,340 Crore

(d) Face value, premium and offer price per unit of securities;

Face Value	:	BDT 10.00
Offer Price	:	BDT 10.00

(e) Holding structure of different classes of securities before and after the issue;

SL No.	Category of Shareholders	Before Present Issue		After Present Issue	
		Ordinary Shares	Percentage	Ordinary shares	Percentage
1	Directors & Sponsors	11,464,029	51.28%	11,464,029	30.69%
2	Other Investors/Shareholders	10,892,305	48.72%	10,892,305	29.16%
3	Qualified Investor Offer (QIO)	-	-	15,000,000	40.15%
Total		22,356,334	100.00%	37,356,334	100.00%

(f) Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital.

The objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital is given under the head "Use of Proceeds" of this prospectus.

SECTION - XXI
(B) (18)

Use of Proceeds

Section Contents

- | | |
|------------|---|
| (a) | Use of net proceeds of the offer indicating the amount to be used for each purpose with head-wise break-up; |
| (b) | Where the sponsors' contribution or privately placed fund has been brought prior to the qualified investor offer and has already been deployed by the issuer, indication of use of such funds in the cash flow statement |
| (c) | If one of the objects is an investment in a joint venture, a subsidiary, an associate or any acquisition, details of the form of investment, nature of benefit expected to accrue to the issuer as a result of the investment, brief description of business and financials of such venture; |
| (d) | If QIO proceeds are not sufficient to complete the project, then source of additional fund must be mentioned. In this connection, copies of contract to meet the additional funds are required to be submitted to the Commission. The means and source of financing, including details of bridge loan or other financial arrangement, which may be repaid from the proceeds of the issue along with utilization of such funds; |
| (e) | A schedule mentioning the stages of implementation and utilization of funds received through qualified investors' offer in a tabular form, progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, the approximate date of completion of the project and the projected date of full commercial operation etc. The schedule shall be signed by the Chief Executive Officer or Managing Director, Chief Financial Officer and Chairman on behalf of Board of Directors of the issuer; |
| (f) | If there are contracts covering any of the activities of the issuer for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the issuer shall disclose the terms of such contracts, and copies of the contracts shall be enclosed as annexure to the prospectus; |
| (g) | If one of the objects of the issue is utilization of the issue proceeds for working capital, basis of estimation of working capital requirement along with the relevant assumptions, reasons for raising additional working capital |

	substantiating the same with relevant facts and figures and also the reasons for financing short with long term investments and an item wise break-up of last three years working capital and next two years projection
(h)	Where the issuer proposes to undertake one or more activities like diversification, modernization, expansion, etc., the total project cost activity wise or project wise, as the case may be
(i)	Where the issuer is implementing the project in a phased manner, the cost of each phase, including the phases, if any, which have already been implemented;
(j)	The details of all existing or anticipated material transactions in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies;
(K)	Summary of the project appraisal or feasibility report by the relevant professional people with cost of the project and means of finance, weaknesses and threats, if any, as given in the appraisal or feasibility report.

(a) Use of net proceeds of the offer indicating the amount to be used for each purpose with head-wise break-up;

Issue Size	Issue Price	Amount in BDT
15,000,000 ordinary shares	BDT 10 Per Share	150,000,000
Less: Estimated Qualified Investment Offering Expenses		2,647,012
Net SME Proceeds		147,352,988

Use of net proceeds of the amount indicating the amount to be used for each purpose with head-wise break up;

SL No.	Particulars	Amount in BDT
1	Repayment of Bank Loan	79,300,000
2	BMRE (Balancing, Modernization, Rehabilitation, and Expansion)	68,052,988
Total		147,352,988

1. Repayment of Bank Loan:

SL. No.	Bank Name & Account No.	Type of Account	Outstanding Balance (June 30,2021)	Repayment Amount
1	Mercantile Bank Ltd- 1719005308	Term Loan	7,576,755	5,000,000
2	Mercantile Bank Ltd. 112172921646834	CC HYPO	260,891,041	54,300,000
3	Mercantile Bank Ltd. 112172131775488	W.C	22,251,035	20,000,000
Total			290,718,031	79,300,000

2. Details BMRE (Balancing, Modernization, Rehabilitation & Expansion):

The following table would provide a summary of the machineries that are proposed to be installed as addition to the current production facilities. The objective of this machineries installation would be to enhance the production capacity of the company. For this purpose, we need to increase machineries in each areas of production, a brief summary of the proposed machineries is given as follows-

Types of Machines	Amount Required in Yen	Amount in BDT
Compressor, Circulation Pump, Motor, Vassal, Receiver , Electric Cable & Panel Board	(¥)2,000,000	15,600,000 7,350,000
Parking Generator & Panel Board	-	10,700,000
Flack Ice Machine	-	8,500,000
Blast Chiller- Freezer	-	8,365,238
Auto Chiller	-	8,250,000
Water Treatment & RO	-	9,287,750
Total	(¥)20,000,000	68,052,988

*The exchange of Yen is estimated to be 1Yen = 0.78 BDT. There could be little fluctuations in the price of the machineries due to exchange rate fluctuation, inflation etc.

(b) Where the sponsors' contribution or privately placed fund has been brought prior to the qualified investor offer and has already been deployed by the issuer, indication of use of such fund in cash flow statement;

Accounting Year	Items	Consideration	Amount in BDT	Reflected in Cash Flows
1993-1994	Preliminary Expenses	Cash	200,000	In the statement of Cash Flows, this figure is included as cash paid to suppliers, employees and others under the head of Operating Activities.
1999-2000	Working Capital	Cash	66,800	In the statement of Cash Flows, this figure is included as Payment to creditors, suppliers and for expenses under the head of Operating Activities.
2004-2005	Plant & Equipment	Cash	24,733,200	In the statement of Cash Flows, the figure is included in total amount of fixed assets acquisition under the head of Investing Activities.
2005-2006	Working Capital	Cash	49,800	In the statement of Cash Flows, this figure is included as Payment to creditors, suppliers and for expenses under the head of Operating Activities.
2005-2006	Plant & Equipment	Cash	10,621,200	In the statement of Cash Flows, the figure is included in total amount of fixed assets acquisition under the head of Investing Activities.
2013-2014	Plant & Equipment	other than cash	59,500,000	N/A
2014-2015		Bonus	38,068,400	N/A
2015-2016	Plant & Equipment	Cash	70,000,000	In the statement of Cash Flows, the figure is included in total amount of fixed assets acquisition under the head of Investing Activities.

Funds in the cash flow statement;

No sponsors' contribution or privately placed fund has been brought prior to the qualified investor offer or has already been deployed by ASFL.

(c) If one of the objects is an investment in a joint venture, a subsidiary, an associate or any acquisition, details of the form of investment, nature of benefit expected to accrue to the issuer as a result of the investment, brief description of business and financials of such venture;

The Company has no such objects to investment in such type of ventures by using Use of QIO proceeds.

(d) If QIO proceeds are not sufficient to complete the project, then source of additional fund must be mentioned. In this connection, copies of contract to meet the additional funds are required to be submitted to the Commission. The means and source of financing, including details of bridge loan or other financial arrangement, which may be repaid from the proceeds of the issue along with utilization of such funds;

QIO proceeds are sufficient to complete the projects. Hence, the above-mentioned information is not required for ASFL

(e) A schedule mentioning the stages of implementation and utilization of funds received through qualified investors' offer in a tabular form, progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, the approximate date of completion of the project and the projected date of full commercial operation etc. The schedule shall be signed by the Chief Executive Officer or Managing Director, Chief Financial Officer and Chairman on behalf of Board of Directors of the issuer

Achia Sea Foods Limited will utilize the total proceeds from issuance of 15,000,000 ordinary share of TK 10 each totaling Tk 150,000,000 as per the following schedule:

SL No.	Utilization of Fund	Amount to Utilized	Progress So Far Made	Schedule of Implementation	
				Approximate date of Completion	Projected Date of full Commercial Operation
1.	Repayment of Bank Loan	79,300,000	Will be started after receiving after QIO Fund	Within 3 months of receiving the QIO fund	N/A
2.	BMRE (Balancing, Modernization, Rehabilitation, and Expansion)	68,052,988		Within 2 year of receiving the QIO Fund/proceeds	After Completion of BMRE work
3.	QIO Expenses	2,647,012		Within 30 days of receiving the QIO fund	N/A
Total		150,000,000			

Sd/-
Md. Ali Azgar Nasir
Chairman

Sd/-
Md. Tariqul Islam Zaheer
Managing Director

Sd/-
Rajan Poddar
Chief Financial Officer

Date: 24/10/2021

Place: Khulna

(f) If there are contracts covering any of the activities of the issuer for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the issuer shall disclose the terms of such contracts, and copies of the contracts shall be enclosed as annexure to the prospectus;

There is no such contract yet to be engaged by the company.

(g) If one of the objects of the issue is utilization of the issue proceeds for working capital, basis of estimation of working capital requirement along with the relevant assumptions, reasons for raising additional working capital substantiating the same with relevant facts and figures and also the reasons for financing short with long term investments and an item wise break-up of last three years working capital and next two years' projection;

No objects of the issue are utilization of the issue proceeds for working capital.

(h) Where the issuer proposes to undertake one or more activities like diversification, modernization, expansion, etc., the total project cost activity wise or project wise, as the case may be;

The cost of the expansion and modernization is given in the clause (a) of this section "Use of Proceeds".

(i) Where the issuer is implementing the project in a phased manner, the cost of each phase, including the phases, if any, which have already been implemented;

The company has planned to implement to the existing projects by using QIO proceeds after receiving the funds, which have been mentioned in 'Use of QIO Proceeds' and projects implementation schedule.

(j) The details of all existing or anticipated material transactions in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies;

There is no such transaction occurred or shall be occurred in terms of utilization of QIO proceeds with sponsor, directors, Key management personnel, associate and Group companies.

(k) Summary of the project appraisal or feasibility report by the relevant professional people with cost of the project and means of finance, weaknesses and threats, if any, as given in the appraisal or feasibility report.

The company will use the net proceed from QIO to existing project expansion. Therefore, summery of the project appraisal or feasibility report is not applicable.

SECTION - XXII
(B) (19)

Lock-In

Section Contents

-
- | | |
|------------|--|
| (a) | Provisions for lock-in as per these Rules |
| (b) | Statement of securities to be locked in for each shareholder along with BO account number, lock-in period and number of securities to be locked-in |
-

(a) Provisions for lock-in as per these Rules;

All ordinary shares of the issuer at the time of according consent shall be subject to lock-in for 1 (one) year. Provided that ordinary shares converted from any other type of securities shall also be subject to lock-in for 1 (one) year.

(b) Statement of securities to be locked in for each shareholder along with BO account number, lock-in period and number of securities to be locked-in.

Name	Position	BO ID No.	Total no. of Shares	Pre-QIO Percentage	Post QIO Shareholding	Lock-in Period (Year)
Md. Tariqul Islam Zaheer	Managing Director	1602170068077295	7,336,376	32.82%	19.64%	1 Years
Md. Yousha Zaheer	Director	1602170074464407	1,173,708	5.25%	3.14%	1 Years
Md. Ali Azgar Nasir	Chairman	1602170075243587	1,457,929	6.52%	3.90%	1 Years
Md. Nadirul Islam Babu	Director	1602170067221181	1,496,016	6.69%	4.00%	1 Years
Md. Arifur Rahman Sagir	Shareholder	1602170067222331	1,397,246	6.25%	3.74%	1 Years
Md. Riyad Mahmood	Shareholder	1602170067223494	1,460,316	6.53%	3.91%	1 Years
A.K.M Mostagawsul Hoque	Shareholder	1602170067224581	18,018	0.08%	0.05%	1 Year
Mashfiqul Islam	Shareholder	1602170075243346	1,248,940	5.59%	3.34%	1 Year
Zunaid Ahsan Bin Kabir Shuvro	Shareholder	1602170067221883	1,232,092	5.51%	3.30%	1 Year
Naznin Nahar	Shareholder	1602170067224167	262,139	1.17%	0.70%	1 Year
Ahmed Rosafi Mamood	Shareholder	1602170067366945	303,996	1.36%	0.81%	1 Year
Nahid Farhana	Shareholder	1602170067222721	19,558	0.09%	0.05%	1 Year



FAS Finance & Investment Ltd	Shareholder	1604630019840113	1,100,000	4.92%	2.94%	1 Year
Grameen One	Shareholder	1604620016329737	550,000	2.46%	1.47%	1 Year
Reliance One	Shareholder	1604620041309123	550,000	2.46%	1.47%	1 Year
Popular life insurance	Shareholder	1204680000045409	550,000	2.46%	1.47%	1 Year
Captain M. Moajjem Hossain	Shareholder	1202880072395580	1,100,000	4.92%	2.94%	1 Year
Md. Shamsul Alam	Shareholder	1203880025907560	110,000	0.49%	0.29%	1 Year
Md. Saiful Islam	Shareholder	1203060012359790	55,000	0.25%	0.15%	1 Year
Md. Shamsuddoha Tapos	Shareholder	1204240016889929	110,000	0.49%	0.29%	1 Year
Md. Omar Sadek Mollah	Shareholder	1202950056525143	66,000	0.30%	0.18%	1 Year
Mr. Mohammad Helal Miah	Shareholder	1204570003635981	429,000	1.92%	1.15%	1 Year
BD Finance Securities Ltd	Shareholder	1205150043284418	330,000	1.48%	0.88%	1 Year

SECTION - XXIII
(B) (20)

Markets for the Securities being offered

Stock Exchanges:

The issuer shall apply to the following bourses for listing shares within 7 (seven) working days from the date of consent accorded by the Commission to issue the prospectus:

	Dhaka Stock Exchange Limited (DSE) DSE Tower, Road: 21, House: 46 Nikunja, Dhaka-1229
	Chittagong Stock Exchange Limited (CSE) CSE Building, 1080 Sk. Mojib Road, Agrabad, Chittagong

Declaration about Listing of Shares with Stock Exchanges:

None of the Stock Exchanges, if for any reason, grant listing within 75 days from the closure of subscription, any allotment in terms of this prospectus shall be void and the Company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchange, or from the date of expiry of the said 75 (seventy-five) days, as the case may be.

In case of non-refund of the subscription money within the aforesaid fifteen days, the Company directors, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.

The issue managers, in addition to the issuer Company, shall ensure due compliance of the above mentioned conditions and shall submit compliance report thereon to the Commission within seven days of expiry of the aforesaid fifteen days' time period allowed for refund of the subscription money.

Trading and Settlement:

Trading and Settlement Regulation of the stock exchanges will apply in respect of trading and settlement of the shares of the Company.

SECTION - XXIV
(B) (21)

Description of Securities Outstanding or being offered

Section Contents

-
- | | |
|------------|---|
| (a) | Dividend, voting and pre-emption rights |
| (b) | Conversion and liquidation rights |
| (c) | Dividend policy |
| (d) | Other rights of the securities holders |
-

All types of securities outstanding or being offered with the date or proposed date of such issue and to whom those are offered, number of securities and issue or offer price along with the following information:

(a) Dividend, voting and preemption rights;

The Share Capital of the company is divided into Ordinary Shares, carrying equal rights to vote and receive a dividend in terms of the relevant provisions of the Companies Act 1994 and the Articles of Association of the company. All Shareholders shall have the usual voting rights in person or by proxy in connection with, among others, the election of Directors & Auditors and other usual agenda of General Meeting – Ordinary or Extra-ordinary. On a show of hand, every shareholder presents in person and every duly authorized representative of a shareholder present at a General Meeting shall have one vote and on a poll, every shareholder present or by proxy shall have one vote for every share held by him or her.

In case of any additional issue of shares for raising further capital, the existing shareholders shall be entitled to Right Issue of shares in terms of the guidelines issued by the BSEC from time to time.

(b) Conversion and liquidation rights;

In terms of provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are freely transferable. The Company shall not charge any fee for registering the transfer of shares. No transfer shall be made to a firm, an infant or person of unsound mind.

(c) Dividend policy;

- i. The profit of the Company, subject to any special right relating thereto created or authorized to be created by the Memorandum and subject to the provisions of the Articles of Association, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.
- ii. The dividend shall be recommended by the Board of Directors time to time for distributing the accumulated profit.
- iii. No dividend shall be payable except out of the profits of the Company or any other undistributed profits. The dividend shall not carry interest as against the Company.
- iv. The Directors may from time to time pay the members such interim dividend as in their judgment the financial position of the Company may justify.
- v. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
- vi. No limitation in payment of the dividend is stipulated in any debt instrument or otherwise.

(d) Other rights of the securities holders;

In terms of the provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are transferable. The Company shall not charge any fee, other than Government duties for registering the transfer of shares. No transfer shall be made to a minor or person of unsound mind.

SECTION - XXV
(B) (22)

Financial Statements

Section Contents

- | | |
|------------|---|
| (a) | The latest financial statements prepared and audited by the Commission's panel auditors in adherence to the provisions of the Companies Act, 1994, International Financial Reporting Standards (IFRS) for small and medium sized entities |
| (b) | Information as is required under section 186 of the Companies Act, 1994 relating to holding company |
| (c) | Selected ratios as specified in Annexure-D |
| (d) | Auditors report under section 135(1), Paragraph 24(1) of Part II of Schedule III of the Companies Act, 1994. The report shall include comparative income statements and balance sheet and aforementioned ratios for immediate preceding five accounting years of the issuer. If the issuer has been in commercial operation for less than five years, the abovementioned inclusion and submission shall have to be made for the period since commercial operation |
| (e) | Financial spread sheet analysis for the latest audited financial statements |
| (f) | Earnings per Share (EPS) on fully diluted basis (with the total existing number of shares) in addition to the weighted average number of shares basis. Future projected Net Income should not be considered while calculating the weighted average EPS |
| (g) | All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings Per Share; |
| (h) | Quarterly or half-yearly EPS should not be annualized while calculating the EPS |
| (i) | Net asset value (with and without considering revaluation surplus or reserve) per unit of the securities being offered at the date of the latest audited statement of financial position |
| (j) | The Commission may require the issuer to re-audit the audited financial statements, if any deficiency or anomaly is found in the financial statements |

(a) The latest financial statements prepared and audited by the Commission's panel auditors in adherence to the provisions of the Companies Act, 1994, International Financial Reporting Standards (IFRS) for small and medium sized entities;

Independent Auditor's Report

To the Shareholders of

ACHIA SEA FOODS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Achia Sea Foods Limited** which comprise the Statement of Financial Position as at 30 June 2021 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended 30 June 2021, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended 30 June 2021 in accordance with International Financial Reporting Standards (IFRSs).

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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S.L.	Key Audit Report	How our audit addressed the key audit matter
1.	Valuation of Inventories	<ul style="list-style-type: none"> Tested the operating effectiveness of key controls over Inventories; including observing the process of

	<p>Refer to note 05 to the financial statements.</p> <p>Inventories represent BDT 192,441,708 of the Company; inventories are thus a material item to the Financial statements.</p> <p>As described in the accounting policy note 2.14 to the financial statements, inventors are valued at the lower of cost or net realizable values. As such, management is required to make judgments in determining whether inventories are being appropriately valued. Volume of inventories being held by the company at the reporting date and the complexities involved in the accounting and presentation thereof, Inventories has been considered as a key audit matter.</p>	<p>management's Year-end inventory count.</p> <ul style="list-style-type: none"> • Verified a sample basis the net realizable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items. • Performed cut-off tests to determine that the purchases and sales of the inventories have been captured in the correct accounting period. • Reviewed the historical accuracy of inventory provisions and the level of write-downs.
2.	<p>Appropriateness of revenue recognition and disclosures on the impact of the initial application of IFRS 15.</p> <p>Refer to note 18 to the financial statements.</p> <p>As described in accounting policy note 2.11 to the financial statements, the Company recognizes revenue upon transfer of control as per the newly adopted IFRS 15: Revenue from Contracts with Customers. The Company has reported total revenue of BDT 1,377,263,080.</p> <p>The Company's primary customers are its corporate customer and dealers who are also entitled to get wholesale rate of goods invoiced.</p> <p>Given the significance and complexities involved in the accounting of Revenue, appropriate recognition of revenue has been considered as a key audit matter.</p>	<ul style="list-style-type: none"> • Assessed the environment of the measurement as well as other relevant systems supporting the accounting or revenue. • Assessed manual as well as application controls supporting revenue recognition. • Assessed the invoicing and measurement systems up to entries in the general ledger. • Examined customer invoices and receipts of payment on a test basis. • Assessed the design of the processes set up to account for the transactions in accordance with the new standard. • Assessed whether the sufficiency of disclosures as required by the new standard have been met. • Assessed whether the sufficiency of disclosures as required to be made to opening balances due to the adoption of the new standard.

Reporting on other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional 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.
- 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (iii) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (iv) the expenditures incurred were for the purpose of the Company's business;

Dated: 30.sep.2021

Place : Dhaka

DVC: 2110020165AS414152

Sd/-

Quazi Shafiqul Islam, FCA
Enrolment No. 0165
Islam Quazi Shafique & Co.
Chartered Accountants

Achia Sea Foods Limited
Statement of Financial Position


As at June 30, 2021

Particulars	Notes	Amount in Taka	
		June 30, 2021	June 30, 2020
Assets			
Non-Current Assets		243,191,798	255,636,668
Property, Plant & Equipment	4.00	243,191,798	255,636,668
Current Assets		764,237,196	431,994,573
Inventories	5.00	192,441,708	261,199,534
Accounts Receivable	6.00	515,167,117	11,142,822
Advances, Deposits & Pre-Payments	7.00	56,371,708	148,180,593
Cash & Cash Equivalents	8.00	256,663	11,471,624
Total Assets		1,007,428,994	687,631,241
Shareholders Equity & Liabilities			
Shareholders Equity		381,706,377	339,725,184
Share Capital	9.00	223,563,340	203,239,400
Retained Earnings	10.00	158,143,037	136,485,784
Non-Current Liabilities		26,200,427	29,439,650
Long Term Loan	11.00	4,386,423	7,803,771
Deferred Tax liabilities	13.00	21,814,004	21,635,880
Current Liabilities		599,522,190	318,466,407
Accounts Payable	14.00	187,377,616	7,774,523
Long Term Loan - Current Portion	12.00	9,858,541	8,999,662
Short Term Loan	15.00	392,027,421	295,928,132
Provision for Income Tax	16.00	10,258,612	5,764,090
Total Equity & Liabilities		1,007,428,994	687,631,241
Net Asset Value (NAV) per share	17.00	17.07	16.72

The accompanying notes form an integral part of this financial statements are to be read in conjunction therewith.


Chairman


Managing Director



Director


CFO


Company Secretary

Signed in terms of our separate report on the same date

Dated: Dhaka
September 30, 2021
DVC:2110020165A5414152


Quazi Shafique Islam, FCA
Enrolment No. 0165
Islam Quazi Shafique & Co.
Chartered Accountants



Achia Sea Foods Limited
Statement of Profit or Loss and other Comprehensive Income
For the year ended June 30, 2021

Particulars	Notes	Amount in Taka	
		2020-2021	2019-2020
Revenue	18.00	1,377,263,080	440,202,330
Cost of goods sold	19.00	(1,260,360,053)	(394,154,032)
Gross Profit		116,903,027	46,048,298
Operating Expenses		(127,812,905)	(76,593,438)
General and Administrative Expenses	20.00	(27,805,146)	(18,155,100)
Selling and Distribution Expenses	21.00	(69,306,686)	(26,754,370)
Financial Expenses	22.00	(30,701,073)	(31,683,968)
Operating Loss after Financial Expense		(10,909,877)	(30,545,140)
Non-Operating Income		63,327,807	52,414,188
Other Income	23.00	63,327,807	52,414,188
Profit before Tax		52,417,930	21,869,048
Tax Expense		(10,436,736)	(7,057,080)
Current income Tax	24.00	(10,258,612)	(5,764,090)
Deferred Tax	25.00	(178,124)	(1,292,990)
Net profit after tax		41,981,194	14,811,968
Basic Earning Per Share	26.00	1.88	0.66
Diluted Earning Per Share	26.00	1.88	0.66

The accompanying notes form an integral part of this financial statements are to be read in conjunction therewith.


Chairman


Managing Director


Director


CFO


Company Secretary

Signed in terms of our separate report on the same date

Dated: Dhaka
September 30, 2021
DVC:2110020165A5414152


Quazi Shafiqul Islam, FCA
Enrolment No. 0165
Islam Quazi Shafique & Co.
Chartered Accountants





Achia Sea Foods Limited
Statement of Changes in Equity
For the year ended June 30, 2021

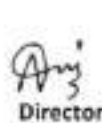
Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total Amount
Balance as at July 01, 2020	203,239,400	136,485,784	339,725,184
Stock Dividend	20,323,940	(20,323,940)	-
Net profit after tax for the year	-	41,981,194	41,981,194
Balance as at December 31, 2020	223,563,340	158,143,037	381,706,377

Statement of Changes in Equity
For the year ended June 30, 2020

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total Amount
Balance as at July 01, 2019	203,239,400	121,673,816	324,913,216
Net profit after tax for the year	-	14,811,968	14,811,968
Balance as at December 31, 2020	203,239,400	136,485,784	339,725,184


Chairman


Managing Director


Director


CFO


Company Secretary

Signed in terms of our separate report on the same date

Dated: Dhaka
September 30, 2021
DVC:2110020165AS414152


Quazi Shafique Islam, FCA
Enrolment No. 0165
Islam Quazi Shafique & Co.
Chartered Accountants



Achia Sea Foods Limited
Statement of Cash Flows
For the year ended June 30, 2021

Particulars	Notes	Amount in Taka	
		2020-2021	2019-2020
Cash flows from operating activities			
Cash received from customer & others	27.00	936,566,592	495,465,560
Payment to creditors, suppliers & others	28.00	(999,032,431)	(433,171,860)
Financial expenses		(30,701,073)	(31,683,968)
Income tax paid		(5,764,090)	(3,738,981)
Net cash from operating activities		(98,931,002)	26,870,751
Cash flows from investing activities			
Acquisition of property, plant and Equipment		(5,824,779)	(16,874,312)
Net cash used in investing activities		(5,824,779)	(16,874,312)
Cash flows from financing activities			
Long term bank loan (paid)/received		(3,417,348)	(5,016,385)
Long term bank loan - Current portion		858,879	3,407,891
Short term bank loan (paid)/received		96,099,289	441,903
Net cash from financing Activities		93,540,820	(1,166,591)
Net increase in cash and cash equivalents		(11,214,961)	8,829,848
Cash and cash equivalents at the beginning of the year		11,471,624	2,641,776
Cash and cash equivalents at the end of the year		256,663	11,471,624
Net Operating Cash Flows per share	29.00	(4.43)	1.20

The accompanying notes form an integral part of this financial statements are to be read in conjunction therewith.



Chairman



Managing Director



Director



CFO



Company Secretary



Achia Sea Foods Limited
Notes to the Financial Statements
 As at and for the year ended June 30, 2021

1.0 Status and Legal Form of the Company

Achia Sea Foods Limited was registered as a private limited company with the Registrar of Joint Stock Companies and Firms (RJSC) vide registration no. Khulna-178 dated December 27, 1993 under the Companies Act-1913. Subsequently the company was converted into a public limited company under companies act 1994 effective from September 27, 2014.

The registered office of the company is located 50/7 Shipyard Road, Labonchara, Khulna.

1.01 Nature and Place of Business Activities

The Company is engaged in the processing & exporting of the finest quality Sea Food products "Shrimps & Fish" in the foreign market.

2.00 Basis of preparation and significant accounting policies

The financial statements of the company are prepared on going concern basis under historical cost convention and in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other laws & regulations applicable for the company.

2.01 Accounting Standards

The financial statements of the company have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

The following International Accounting Standards were applied for the preparation of the financial statements for the year ended June 30, 2021.

The Company as per Para-12 of Securities & Exchange Rule-1987, with the following International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements.

Sl. No.	IAS No.	IAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied
2	2	Inventories	Complied
3	7	Statement of Cash Flows	Complied
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	12	Income Taxes	Complied
7	16	Property, Plant & Equipment	Complied
8	17	Leases	Complied
9	19	Employee Benefits	Complied



Sl. No.	IAS No.	IAS Title	Compliance Status
10	20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
11	21	The Effects of Changes in Foreign Exchange Rates	Complied
12	23	Borrowing Cost	Complied
13	24	Related Party Disclosures	Complied
14	26	Accounting and Reporting by Retirement Benefit Plans	Complied
15	27	Separate Financial Statements	Not Applicable
16	28	Investments in Associates and Joint ventures	Not Applicable
17	29	Financial Reporting in Hyper Inflationary Economics	Not Applicable
18	31	Interest in Joint Ventures	Not Applicable
19	32	Financial Instruments: Presentation	Complied
20	33	Earnings per Share	Complied
21	34	Interim Financial Reporting	Complied
22	36	Impairment of Assets	Complied
23	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
24	38	Intangible Assets	Not Applicable
25	39	Financial Instruments: Recognition and Measurement	Not Applicable
26	41	Agriculture	Not Applicable

Sl. No.	IFRS No.	IFRS Title	Compliance Status
1	1	First-time adoption of International Financial Reporting Standards	Complied
2	2	Share-based Payment	Not Applicable
3	3	Business Combinations	Not Applicable
4	4	Insurance Contracts	Not Applicable
5	5	Non-current Assets Held for Sale and Discontinued Operations	Not Applicable
6	6	Exploration for and Evaluation of Mineral Resources	Not Applicable
7	7	Financial Instruments: Disclosures	Complied
8	9	Financial Instruments	Complied
9	8	Operating Segments	Not Applicable
10	10	Consolidated Financial Statements	Not Applicable
11	11	Joint Arrangements	Not Applicable
12	12	Disclosure of Interests in other Entities	Not Applicable
13	13	Fair Value Measurement	Complied
14	14	Regulatory Deferral Accounts	Not Applicable
15	15	Revenue from Contracts with Customers	Complied
16	16	Leases	Not Applicable
17	17	Insurance Contracts	Not Applicable



2.02 Legal Compliance

The financial statements have been prepared on a going concern basis following accrual basis of accounting except for the statement of cash flows. The disclosures of information made in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules of 1987, and IASs and IFRSs adopted by the ICAB. On the basis of these regulations, International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) were applied with the applicable standards at the financial position date. As required, **Achia Sea Foods Limited** complies with the following major legal provisions and other applicable laws and regulations:

2.03 Other Regulatory Compliances

The Company is also required to comply with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations in Bangladesh:

- The Income Tax Ordinance, 1984
- The Income Tax Rules, 1984
- The Value Added Tax Act, 1991
- The Value Added Tax Rules, 1991
- The Value Added Tax (Amendment) Act, 2012
- The Value Added Tax (Amendment) Rules, 2012
- The Customs Act, 1969
- The Stamp Act, 1899
- The Bangladesh Securities and Exchange Commission Act, 1993
- The Bangladesh Securities and Exchange Commission Rules, 1987
- DSE/CSE Rules
- DSE Listing Regulations, 2015
- Bangladesh Labor Act, 2006 (as amended to 2013)
- Bangladesh Labor Rules, 2015.

2.04 Going Concern Basis

The company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the going concern basis in preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.05 Accrual Basis

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

2.06 Structure, Content and Presentation of Financial Statements

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

- (a) Statement of Financial Position as at 30 June, 2021;
- (b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2021;
- (c) Statement of Changes in Equity for the year ended 30 June 2021;
- (d) Statement of Cash Flow for the year ended 30 June 2021;
- (e) Notes, comprising summary of significant accounting policies and other explanatory information.



2.07 Accounting Convention and basis

The Company's Accounts have been prepared under the historical cost convention in accordance with the International Accounting Standards.

2.08 Comparative Information

Comparative information has been disclosed in respect of 2019-2020 in accordance with **IAS 1: Presentation of Financial Statements** for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year figure may have been re-arranged if considered necessary to ensure comparability with the current year.

2.09 Reporting Currency

The Financial Statements are prepared and presented in Bangladeshi currency (Taka), which is the functional currency of the company. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

2.10 Reporting Period

The Financial year of the company under audit covers for a period of 1(One) year effective from July 01, 2020 to June 30, 2021.

2.11 Revenue from contracts with customers

The Company recognizes 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
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised goods to a customer. Goods are considered as transferred when (or as) the customer obtains control of those 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.

(i) Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer when the buyer's provide assurance by giving acceptance on the delivery of goods. Revenue represents the invoice value of goods supplied to the customers measured at the fair value of the consideration received or receivable.

(ii) Interest income

Interest on bank deposits has been accounted for on accrual basis.

2.12 Property, Plant and Equipment**2.12.01 Initial Recognition and measurement**

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

2.12.02 Depreciation on Fixed Assets

In accordance with the provisions of IAS-16: Property, Plant and Equipment of depreciation on all fixed assets are computed consistently using the reducing balance method on monthly basis so as to written off the assets over their expected useful life from the date when the corresponding assets are ready for use as per management intention. Total depreciation Charge has been estimated for General & Administrative Expenses 26% and Factory Overhead 74% respectively by the management..The Rate of depreciation for this period as below:

SL No.	Particulars	Rate of Depreciation
01	Land and Land Development	0%
02	Factory Building	5%
03	Plant & Machinery	10%
04	IQF Machinery	10%
05	Cold Storage Compressor Unit	10%
06	Fleck Ice Machinery	10%
07	Factory Equipment	15%
08	Tools & Equipment	20%
09	Transformer	15%
10	I Phone & I Pad	15%
11	Processing Equipment	20%
12	Laboratory Equipment	20%
13	Electric Equipment	20%
14	Refrigeration Van	20%
15	Office Equipment	20%
16	Furniture & Fixture	10%
17	Jetty	20%
18	Crockery's & Cutleries	20%
19	Tube well & waterline	20%
20	Vacuums Machine	20%
21	Metal Detector Machine	20%
22	Boundary Wall	20%
23	Vehicles	20%

2.12.03 Impairment

All Fixed Assets have been reviewed as per IAS 36 and it was confirmed that no such fixed assets have been impaired during the period and for this reason no provision has been made for impairment of assets.

2.13 Cash and Cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits and short-term deposit, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.14 Inventories

Inventories comprise Raw Materials, Packaging Material, and Finished Goods. Inventories are carried at the lower of cost and net realizable value as prescribed by IAS 2: Inventories. Cost is determined on weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

2.15 Events after the Reporting Period

In compliance with the requirements of IAS-10: Events after the reporting period, post balance sheet events that provide additional information about the Company's position at the reporting date are reflected in the financial statements and events after the balance sheet date that are not adjusting events.

2.16 Statement of Cash Flows

The Statement of Cash Flows is prepared in accordance with International Accounting Standards IAS-7 Statement of Cash Flows and cash flows from the operating activities have been presented under direct method considering the provision of paragraph 19 of IAS-7 which provides that "Entities are encouraged to report cash flows from operating activities using the direct method".

2.17 Related Party Disclosures

Related party considered if the party is related to the company and exerts significant influence over the day-to-day transactions of the subject gain as per IAS-24. The following related party transactions have been appeared during the year.

Serial No.	Name	Position	Type of Transaction	Amount in Taka
01	Md. ArifurRahamanSagir	Chairman	Director Remuneration	720,000
02	Md. Tariqul Islam Zaheer	Managing Director	Director Remuneration	960,000
03	Md. Ali AzgarNasir	Director	Director Remuneration	360,000

04	Md. Nadirul Islam Babu	Director	Director Remuneration	180,000
05	Sundarban Shrimps (Pvt.) Ltd.	Sister Concern	Advance for supplies	24,125,353
			Purchase	44,336,144

2.18 Authorization Date Issuing Financial statements:

The Financial Statements were authorized by the Board of Directors on 30 September, 2021.

2.19 Borrowing Cost

Borrowing costs are not directly attributable to the acquisition, construction or production of qualifying assets is recognized in profit or loss using effective interest method. Borrowing cost incurred against bank loan has been capitalized under effective interest rate method.

2.20 Impairment of Assets**I) Financial Assets**

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc. No Financial assets are impaired during the period.

II) Non-Financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset treated as a revaluation decrease. No non-financial assets are impaired during the period.

2.21 Financial Instruments

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

2.22 Financial Assets

Financial assets of the company include cash and cash equivalents, equity instrument of another equity, trade receivable and other receivables. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date which the company becomes a part to the contractual obligation of the transaction. The company derecognizes a financial asset when and only when contractual rights or probabilities of receiving the cash flows from the assets expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and reward of ownership of the financial assets are transferred.

2.23 Initial Recognition

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

2.24 Trade Receivables

These are carried at original invoice amount. Trade receivables are accrued in the ordinary course of business. All receivable has been considered as good and realizable and therefore, no amount was written off as bad debt was considered doubtful of recovery.

2.25 Financial Liabilities

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include loan and borrowing trade creditors, Liabilities for expenses and liabilities for other finance.

2.26 Provisions

In accordance with the guidelines as prescribed by IAS-37 Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a) when the company has an obligation (legal or constructive) as a result of past events;
- b) when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) When reliable estimates can be made of the amount of the obligation.

2.27 Income Tax**Current Tax**

Current tax has been made at the rate of **30% on operating income** as prescribed in the Income Tax Ordinance-1984 on the accounting profit made by the company in compliance with IAS-12 "Income Taxes".

Deferred Tax

Deferred Tax arises due to temporary/deductible difference between accounting and Tax base depreciation, Deferred Assets/Liabilities is recognized as per International Accounting Standard (IAS-12)

2.28 VAT

The company is registered with VAT authority vide registration number 15011019469 is subject to 0% VAT as the company is export oriented. The company is yet to submit VAT return.

2.29 Foreign Currency Transaction:

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date. At the end of each reporting period, in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under:

- (a) Foreign currency monetary items are translated using the closing rate.
- (b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- (c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

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

2.30 Creditors and Accrued Expenses

Liabilities are recognized for accounts to be paid in future for goods and services received from suppliers/ service providers.

2.31 Earnings per Share (EPS)

This has been calculated in compliance with the requirement of IAS-33: Earnings per share by dividing the net earnings after tax by the weighted average number of ordinary shares outstanding during the period.

Basic Earnings per share (Numerator /Denominator)
Earnings (Numerator)

EPS represents weighted average number of ordinary share outstanding during the year.

3.00 Risk Exposure

Interest rate risk

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

Management perception

The Company maintains low debt/ equity ratio and accordingly, adverse impact of interest rate fluctuation is insignificant. Considering the global economy and inflection of overseas financing, financial institutions in Bangladesh reducing lending rate creating an opportunity for saving in financial cost.

Exchange rate risk

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

Management perception

The company purchase raw materials and sells finished product mostly in US\$ currency and the transaction would settle within very short period. Therefore, volatility of exchange rate will have no impact on profitability of the Company.

Industry risks

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

Management perception

Management is optimistic about growth opportunity in sea food products sector in Bangladesh. Furthermore, there is untapped international market.

Market risks

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

Management perception

Management is fully aware of the market risk and act accordingly. Market for sea food products is decent. Moreover, the company has a strong marketing and brand management to increase the customer base and customer loyalty.

Operational risks

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

Management perception

The company perceives that allocation of its resources properly can reduce this risk factor to great extent. The Company hedges such risks and also takes preventive measures therefor.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

Management perception

The Company's approach to managing liquidity 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. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.



Note No	Particulars	Amount in Taka		
		June 30, 2021	June 30, 2020	
4.00	Property, Plant & Equipment			
	A. Cost			
	Opening balance	392,463,091	375,588,779	
	Add: Addition during the year	5,824,779	16,874,312	
	Closing balance	398,287,870	392,463,091	
	B. Depreciation			
	Opening balance	136,826,423	117,862,372	
	Charge during the year	18,269,649	18,964,051	
	Closing balance	155,096,072	136,826,423	
	Written Down Value (A-B)	243,191,798	255,636,668	
	* The details have been shown in Annexure: A			
5.00	Inventories			
	Particulars			
	Finished Goods:			
	BT HOSO	12,505,650	46,318,100	
	BT HLSO	88,903,656	118,642,845	
	BT PND	28,215,210	59,659,800	
	Fresh Water Shrimps-HOSO	19,152,336	21,083,500	
	Fresh Water Shrimps-HLSO	13,425,678	13,622,140	
	White Fish	27,687,793	-	
	Closing Stock of Finished Goods	189,890,322	259,326,385	
	Packing Materials	1,989,880	1,765,345	
	Raw Materials	561,506	107,804	
	Total	192,441,708	261,199,534	
	Details are shown in Annexure-B			
6.00	Accounts Receivable			
	Particulars			
	Cash subsidy receivable (As per Auditors' Certificate)	14,219,807	9,559,930	
	Receivable against Export (Mercantile & Sonali Bank Ltd.)	500,947,310	1,582,892	
	Total	515,167,117	11,142,822	
7.00	Advances, Deposits and Pre-payments			
	Advances	56,355,708	148,164,593	
	Advance against salary	Note - 7.01	182,800	350,800
	Advance income tax	Note - 7.02	10,359,120	5,864,598
	Other advance	Note - 7.03	45,813,788	141,949,195
	Deposits	16,000	16,000	
	Security deposits	16,000	16,000	
	Total:	56,371,708	148,180,593	
7.01	Advance against Salary			
	Opening balance	350,800	300,000	
	Addition during the year	7,500	265,800	
		358,300	565,800	
	Adjustment during the year	(175,500)	(215,000)	
	Closing Balance	182,800	350,800	
7.02	Advance Income Tax			
	Opening balance	5,864,598	3,839,489	
	Deduction against export	4,391,911	2,291,928	
	Deduction against cash subsidy	5,866,701	3,472,162	
	Total	16,123,210	9,603,579	
	Less: Adjustment during the year	(5,764,090)	(3,738,981)	
	Closing Balance	10,359,120	5,864,598	

Note No	Particulars	Amount in Taka	
		June 30, 2021	June 30, 2020
7.03 Other Advance			
Advance for expenses		5,161,824	29,164,020
Advance to suppliers		40,651,964	112,785,176
Total		45,813,788	141,949,195
* All advances and deposits amount are considered good and recoverable.			
8.00 Cash & Cash Equivalents			
Cash in hand	Note - 8.01	202,065	357,571
Cash at banks	Note - 8.02	54,598	11,114,053
Total		256,663	11,471,624
8.01 Cash in Hand			
Head Office		165,265	267,571
Factory		36,800	95,000
Total		202,065	357,571

This balance represents as per cash folio of the Company.

8.02 Cash at Bank

Name of the Bank	A/C Type	Branch Name	Account Number	Taka	Taka
Sonali Bank Ltd.	Current	Corporate	2715133009694	15,435	1,971
Social Islami Bank Ltd.	Current	Khulna	0051330015943	-	-
Islami Bank BD Ltd.	Current	Khulna	205010701458517	2,659	3,665
Dutch Bangla Bank Ltd.	Current	Khulna	1201100025606	31,301	35,451
Southeast Bank Ltd.	Current	Khulna	0011-1110020151	5,122	5,812
Mercantile Bank Ltd.	ERQ	Main	110115024384408	81	841,171
Mercantile Bank Ltd.	Current	Khulna	112111119395118	-	10,225,983
Total:				54,598	11,114,053

All the Bank balances were confirmed by the respective Bank and its reconciliation statement.

9.00 Share Capital

Authorized Capital

100,000,000 ordinary shares of tk. 10/- each

1,000,000,000 **1,000,000,000**

Issued and Paid-up Capital

22,356,334 Ordinary shares of tk. 10/- each

223,563,340 **203,239,400**

The aforesaid share capital is subscribed as under

Name	No. of Shares	Amount (Tk.)	Amount (Tk.)
Md. Arifur Rahman Sagir	1,397,246	13,972,460	12,702,240
Md. Tariqul Islam Zaheer	8,510,084	85,100,840	77,364,400
Md. Ali Azgar Nasir	1,457,929	14,579,290	13,253,900
Md. Nadirul Islam Babu	1,496,016	14,960,160	13,600,140
A.K.M. Mostagawsul Haque	18,018	180,180	163,800
Md. Riyad Mahmood	1,460,316	14,603,160	13,275,600
Md. Mashfiqul Islam	1,248,940	12,489,400	11,354,000
Md. Jonayed Ahsan Subro	1,232,092	12,320,920	11,200,840
Mrs. Naznin Nahar	262,139	2,621,390	2,383,080
Md. Ahmed Rosafi Mahmood	303,996	3,039,960	2,763,600
Mrs. Nahid Farhana	19,558	195,580	177,800
FAS Finance & Investment Ltd.	1,100,000	11,000,000	10,000,000
Grameen One	550,000	5,500,000	5,000,000
Reliance One	550,000	5,500,000	5,000,000
Popular Life Insurance	550,000	5,500,000	5,000,000
M Moezzam Hossain	1,100,000	11,000,000	10,000,000

Note No	Particulars	Amount in Taka	
		June 30, 2021	June 30, 2020
	Md Shamsul Alam	110,000	1,100,000
	Md Saiful Islam	55,000	550,000
	Md. Shamsuddoha Tapos	110,000	1,100,000
	Md Omar Sadek Mollah	66,000	660,000
	Mr. Mohammad Helal Miah	429,000	4,290,000
	BD Finance Securities Ltd.	330,000	3,000,000
	Total:	22,356,334	223,563,340
10.00	Retained Earnings		
	Opening balance	136,485,784	121,673,816
	Less: Stock Dividend	20,323,940	-
	Add: Net Profit/(Loss) after tax for the year	41,981,194	14,811,968
	Closing Balance	158,143,037	136,485,784
11.00	Long Term Loan		
	Mercantile Bank Ltd- A/C No. 1719005308	2,872,755	5,919,409
	Mercantile Bank Ltd- A/C No. LD2022215361	258,576	-
	Mercantile Bank Ltd- A/C No. LD2013900073	1,255,092	1,884,362
	Closing Balance	4,386,423	7,803,771
	Loan details are shown in Annexure-C		
12.00	Long Term Loan - Current Portion		
	Mercantile Bank Ltd- A/C No. 1719005308	4,704,000	7,117,024
	Mercantile Bank Ltd- A/C No. LD2022215361	1,386,679	-
	Mercantile Bank Ltd- A/C No. LD2013900073	3,767,862	1,882,638
	Closing Balance	9,858,541	8,999,662
13.00	Deferred Tax liabilities		
	Book Value of Depreciable Asset	243,191,798	255,636,668
	Less: Tax base value of depreciable assets	170,478,450	189,064,730
	Taxable Temporary Difference	72,713,347	66,571,938
	Effective Tax Rate	30.0%	32.5%
	Deferred Tax Liability on original cost of assets	21,814,004	21,635,880
14.00	Accounts Payable		
	Trade creditors	Note - 14.01	184,652,451
	Sundry creditors	Note - 14.02	2,725,165
	Total		187,377,616
14.01	Trade Creditors		
	Liabilities for goods Purchased	Annexure-D	184,652,451
	Total		184,652,451
	* All creditors are good and regular.		
14.02	Sundry Creditors		
	Liabilities for expenses	Annexure-E	2,495,165
	Provision for audit fee		230,000
	Total		2,725,165

Note No	Particulars	Amount in Taka	
		June 30, 2021	June 30, 2020

15.00 Short Term Loan

Bank Name	A/C Type	Br. Name	Account Number	June 30, 2021	June 30, 2020
Mercantile Bank Ltd.	CC Hypo	Khulna	112172921646834	260,891,041	256,155,593
Mercantile Bank Ltd.	Working Capital	Khulna	112172131775488	21,995,273	-
Mercantile Bank Ltd.	Time Loan	Khulna	LD2027449302	51,110,759	-
Mercantile Bank Ltd.	Time Loan	Khulna	LD 1936322009	-	31,144,589
Mercantile Bank Ltd.	Time Loan	Khulna	LD 2016906979	-	8,627,950
Mercantile Bank Ltd.	Term Loan	Khulna	LD 2116192918	7,658,100	-
Mercantile Bank Ltd.	Working Capital	Khulna	112172133858448	50,372,248	-
Total				392,027,421	295,928,132

Loan details are shown in Annexure-C

16.00 Provision for Income Tax

Opening Balance	5,764,090	3,738,981
Addition during the year	10,258,612	5,764,090
Total	16,022,702	9,503,071
Less: Adjustment during the year	(5,764,090)	(3,738,981)
Closing Balance	10,258,612	5,764,090

17.00 Basic Net Asset Value (NAV) Per Share

Basic Net Asset value		
Total Assets	1,007,428,994	687,631,241
Less: Total Liabilities	625,722,617	347,906,057
Net Asset Value	381,706,377	339,725,184
Weighted Average Number of Ordinary Shares	22,356,334	20,323,940
Basic Net Asset value (NAV) Per Share	17.07	16.72



Note No	Particulars	Amount in Taka	
		2020-2021	2019-2020
18.00	Revenue		
	Sales	Note - 18.01	
	Total	<u>1,377,263,080</u>	<u>440,202,330</u>
		<u>1,377,263,080</u>	<u>440,202,330</u>
18.01	Sales		
	Sales (BT, Fresh Water & White Fish)	<u>1,377,263,080</u>	<u>440,202,330</u>
	Total	<u>1,377,263,080</u>	<u>440,202,330</u>
	** Since it is 100% export oriented company so sales amount is certified according to bank certificate		
19.00	Cost of Goods Sold		
	Raw material consumed	Note - 19.01	
	Packing material consumed	Note - 19.02	
	Manufacturing expenses	Note - 19.03	
	Cost of Production	<u>1,190,923,990</u>	<u>449,287,568</u>
	Add: Opening stock of finished goods	<u>259,326,385</u>	<u>204,192,849</u>
	Cost of Goods available for Sale	<u>1,450,250,375</u>	<u>653,480,417</u>
	Less: Closing stock of finished Goods	<u>189,890,322</u>	<u>259,326,385</u>
	Cost of Goods Sold	<u>1,260,360,053</u>	<u>394,154,032</u>
19.01	Raw Material Consumed		
	Opening Stock	<u>107,804</u>	<u>974,117</u>
	Add: Purchase during the year	Note - 19.01.01	
	Less: Closing stock	<u>561,506</u>	<u>107,804</u>
	Total	<u>1,084,272,045</u>	<u>396,606,636</u>
19.01.01	Raw Material Purchase		
	Purchase of BT, Fresh Water & White Fish	<u>1,084,272,045</u>	<u>396,606,636</u>
	Total:	<u>1,084,272,045</u>	<u>396,606,636</u>
19.02	Packing Material Consumed		
	Opening Stock	<u>1,765,345</u>	<u>1,498,780</u>
	Add: Purchase during the year	<u>50,093,880</u>	<u>12,112,536</u>
	Less: Closing stock	<u>1,989,880</u>	<u>1,765,345</u>
	Total	<u>49,869,345</u>	<u>11,845,971</u>
19.03	Manufacturing Expenses		
	Salary & allowances	<u>7,604,224</u>	<u>8,451,241</u>
	Causal wages	<u>948,825</u>	<u>303,915</u>
	Depreciation	<u>13,519,541</u>	<u>14,033,398</u>
	Gas & Chemical	<u>1,255,958</u>	<u>401,067</u>
	Ice Purchase	<u>6,016,996</u>	<u>1,479,418</u>
	Oil & Lubricant	<u>1,317,350</u>	<u>651,986</u>
	Power & Fuel (Diesel)	<u>2,977,676</u>	<u>1,587,425</u>
	Power & Fuel (Electricity)	<u>9,509,171</u>	<u>9,265,484</u>
	Processing expenses	<u>11,059,438</u>	<u>3,425,408</u>
	Production expenses	<u>975,295</u>	<u>289,852</u>
	Repair & Maintenance (Machinery)	<u>1,598,126</u>	<u>945,768</u>
	Total	<u>56,782,600</u>	<u>40,834,961</u>

Note No	Particulars	Amount in Taka	
		2020-2021	2019-2020
20.00	General and Administrative Expenses		
	Advertisement	64,500	20,000
	Salary & Allowance	3,847,156	3,065,800
	Audit Fees	379,500	230,000
	Professional Fees	154,101	165,000
	Bank Charges ,Commission & Others	999,361	592,187
	Business Tour	538,159	429,680
	Business promotion Expenses	686,280	404,918
	Carriage	562,442	190,800
	Ceremonial Expenses	260,457	45,450
	Cleaning & Sanitation	491,342	231,232
	Computer Expenses	20,000	-
	Conveyance	643,998	142,685
	Courier Service	163,535	30,187
	Credit Rating Expenses	61,546	20,000
	Director Remuneration	2,220,000	2,220,000
	Dish Bill	5,108	5,250
	Donation & Subscriptions	1,831,659	279,980
	Electric Expenses	570,431	324,917
	Entertainment Expenses	555,975	268,146
	General Expenses	848,418	457,789
	Gift & Charity	164,860	65,820
	Office Rent	320,000	-
	Insurance Premium	683,721	-
	IT, Mobile & Telephone Expenses	495,620	426,755
	Legal Fees	136,200	63,836
	Board Meeting Fees	57,500	-
	Medical Expenses	385,800	265,500
	Miscellaneous Expenses	539,612	115,500
	News paper & Periodical	12,375	7,580
	Petrol, Octen & Oil	311,832	145,480
	Printing & Stationery	619,209	232,849
	Renewal, Enhance & Registration Fees	366,804	356,506
	Repair & Maintenance (Vehicles)	601,651	396,510
	Repair & Maintenance (Factory)	1,108,391	642,970
	Repair & Maintenance (Others)	907,502	478,070
	Stamp Fees	42,200	23,930
	VAT & Others	194,850	152,860
	Traveling Expenses	436,434	338,371
	Water bill	85,450	80,215
	Uniform Expenses	252,068	139,714
	Website Development Expense	428,990	167,960
	Depreciation	4,750,109	4,930,653
	Total	27,805,146	18,155,100
21.00	Selling & Distribution Expenses		
	Ocean freight	11,234,504	12,606,720
	Freight expenses	22,113,200	-
	Quality control expenses	11,878,335	3,457,030
	Survey fees	935,400	413,450

Note No	Particulars	Amount in Taka	
		2020-2021	2019-2020
	Toll expenses	425,219	76,175
	Clearing & Forwarding expenses	3,925,966	1,140,850
	Sales commission (Buyers)	10,446,260	3,110,876
	Forigen sales expense*	1,203,787	1,195,323
	Shipment expenses	7,144,015	4,753,946
	Total	69,306,686	26,754,370

*Foreign currency gain or (loss) is adjusted/included in 'Foreign sales expenses' under the head of 'Selling and Distribution Expenses' (Note #21.00). The effect from foreign currency transaction is insignificant, is shown as above.

22.00 Financial Expenses

Marcentile Bank , Term Loan	1,023,531	1,810,786
Marcentile Bank , CC HYPO	23,554,567	25,896,150
Marcentile Bank , Time Loan	4,476,570	3,724,032
Marcentile Bank ,Working Capital	1,313,405	-
Cash incentive handling charge	333,000	253,000
Total	30,701,073	31,683,968

*As per BRPD Circular No: 7 Date:02.04.2020 & Circular No: 8 Date:12.04.2020 Bangladesh Bank will be Subsidize 4.5% Interest against working capital under Stimulus & Salary-Wages Packages for Covid-19 Pandemic situation.In the Context of rest expenses on interest of Loan Shown on the head of Financial Expenses(Note # 22.00)

23.00 Other Income (Cash Subsidy)

Bank Name	A/C Type	Br. Name	June 30, 2021	June 30, 2020
Marcentile Bank Ltd.	CC Hypo	Khulna	40,579,914	52,414,188
Sonali Bank Ltd.	STL	Corporate	22,747,893	-
			63,327,807	52,414,188

24.00 Current Income Tax

Minimum Tax on Revenue (Export Proceeds)	24.01	10,258,612	5,764,090
Regular Tax	24.02	5,866,701	3,472,162
Higher one		10,258,612	5,764,090

24.01 Minimum Tax on Revenue

Revenue	1,377,263,080	440,202,330
Non Operating Income (Cash Subsidy)	63,327,807	52,414,188
Total	1,440,590,887	492,616,518
Minimum Tax	8,643,545	2,955,699
Deducted Tax at Source		
AIT on Export	4,391,911	2,291,928
AIT on Cash Subsidy	5,866,701	3,472,162
Total	10,258,612	5,764,090

Note No	Particulars	Amount in Taka	
		2020-2021	2019-2020
24.02 Regular Tax			
	Net profit before tax	52,417,930	21,869,048
	Add: Accounting Depreciation	18,269,649	18,964,051
		70,687,579	40,833,099
	Less: Tax Depreciation	24,411,059	27,413,445
		46,276,520	13,419,654
	Less: Cash subsidy income	58,667,000	34,721,620
		(12,390,480)	(21,301,966)
	Effective tax rate	30.0%	32.5%
	A/T On Cash Subsidy	5,866,701	3,472,162
	Total	5,866,701	3,472,162

During the year, tax amounting taka 10,258,612 has been deducted at source from export proceeds and cash subsidy which is higher than the regular tax liability of Tk. 5,866,701 calculated above based on business income. For this reason the minimum tax has been accounted for as provision for income tax for the year.

25.00 Deferred Tax (Income)/Expenses

Closing deferred tax liability	21,814,004	21,635,880
Less: Opening deferred tax liability	21,635,880	20,342,890
Deferred Tax (Income)/Expenses	178,124	1,292,990

Details are shown in Annexure- F

26.00 Basic Earnings Per Share

Basic Earnings per Share

Earning attributable to the shareholders (Net profit after tax)	41,981,194	14,811,968
Weighted Average Number of Ordinary Shares	22,356,334	22,356,334
Basic Earning Per Share	1.88	0.66

Diluted EPS

Net profit after tax	41,981,194	14,811,968
Number of shares	22,356,334	22,356,334
Diluted EPS	1.88	0.66

Weighted Average Number of Ordinary Shares outstanding

No. of Shares	Days	Factor	Weighted Average No. of Shares
20,323,940	365	1.000	20,323,940
2,032,394	365	1.000	2,032,394
Total			22,356,334

27.00 Cash Received From Customer

Net Revenue	1,440,590,887	492,616,518
Less: Increase in A/R	504,024,295	-
Add: Decrease in A/R	-	2,849,042
Cash Received From Customer	936,566,592	495,465,560



Note No	Particulars	Amount in Taka	
		2020-2021	2019-2020
28.00	Cash Payment To Suppliers		
	Cost of Goods Sold /Stock Used/Direct Expense	1,260,360,053	394,154,032
	Add: Increase Inventory	-	54,533,788
	Less: Decrease Inventory	68,757,826	-
	Less: Increase A/P	179,603,093	2,467,263
	Cash Payment To Suppliers	1,011,999,134	446,220,558
	Cash Payment To operating Expense		
	Operating Expense	97,111,832	44,909,470
	Less: Decrease In Prepaid Expense	91,808,885	38,994,117
	Less: Depreciation Expense	18,269,649	18,964,051
	Cash Payment To operating Expense	(12,966,703)	(13,048,698)
	Cash Payment for Income Tax		
	Income Tax Expense	10,258,612	5,764,090
	Add: Decrease In Income Tax	-	-
	Less: Increase In Income Tax	4,494,522	2,025,109
	Cash Payment for Income Tax	5,764,090	3,738,981
29.00	Basic Cash Flow Operating Activities per share		
	Basic Cash Flow Operating Activities per share		
	Cash flow from operating Activities	(98,931,002)	26,870,751
	Weighted Average Number of Ordinary Shares	22,356,334	22,356,334
	Cash Flow Operating Activities per share	(4.43)	1.20
30.00	Statement of Cash Flows:		
	Statement of Cash Flows have been prepared in accordance with IAS 7 "Statement of Cash Flows" and the cash flow from the operating activities are shown under direct method as prescribed. Reconciliation of net profit with cash flows from operating activities is as follows:		
	Net Profit/ (Loss) during the year	41,981,194	14,811,968
	Add: Adjustment of Tax Holiday Reserve	-	-
	Add: Adjustment for Depreciation	18,269,649	18,964,051
		60,250,843	33,776,019
	Increase / (Decrease) in		
	Inventories	68,757,826	(54,533,788)
	Trade Receivable	(504,024,295)	2,849,042
	Advance Deposit and Pre-Payments	91,808,885	38,994,118
	Trade Payable	179,603,093	2,467,263
	Income tax Provision	4,494,522	2,025,109
	Deferred Tax Provision	178,124	1,292,990
		(159,181,845)	(6,905,268)
	Net Cash Provided by/(used in) Operating Activities	(98,931,002)	26,870,751



Note No	Particulars	Amount in Taka	
		2020-2021	2019-2020

31.00 Related Party Disclosure:

The party is related to the company if the party cast significant influence over the subject matters and also holding the controlling power of the management affairs of the company and any transaction made during the year with the party related therewith each term as related party transaction as per IAS: 24 "Related Party Disclosure". During the year under audit related party transactions were made that which has influenced the company's business. The details of related party transactions during the year along with the relationship is illustrated below in accordance of IAS 24:

Name of the Party	Relationship with the Company	Nature of Transaction	June 30, 2021	June 30, 2020
Md. Arifur Rahman Sagir	Sponsor/Chairman	Board Meeting Fees	10,000	-
Md. Tariqul Islam Zaheer	Sponsor/ Managing Director	Board Meeting Fees	10,000	-
Md. Ali Asgar Nasir	Nominee Director	Board Meeting Fees	10,000	-
Md. Nadirul Islam Babu	Nominee Director	Board Meeting Fees	10,000	-
Md. Arfin Ali, FCA	Independent Director	Board Meeting Fees	10,000	-
Sundarban Shrimps Pvt. Ltd	Sister Concern	Advance for Supplies	24,125,353	24,889,489
Sundarban Shrimps Pvt. Ltd	Sister Concern	Purchase	44,336,144	82,502,493

32.00 Discloser of Managerial Remuneration**32.01 Total amount of remuneration paid to directors during the year is as follows:**

Particulars			June 30, 2021	June 30, 2020
Name	Designation	Nature of Transaction		
Md. Arifur Rahman Sagir	Chairman	Cash	720,000	720,000
Md. Tariqul Islam Zaheer	Managing Director	Cash	960,000	960,000
Md. Ali Asgar Nasir	Director	Cash	360,000	360,000
Md. Nadirul Islam Babu	Director	Cash	180,000	180,000
Total			2,220,000	2,220,000

32.02 Total amount of remuneration paid to the top five salaried officers of the company in the accounting year is as follows:

Name	Designation	June 30, 2021	June 30, 2020
Mr. Prodip Kumer Dey	Head of Business	1,375,000	770,000
Ahsan Jamil	ED	-	600,000
Masuma yasmin		-	332,258
Rajan Poddar	Chief Financial Officer	237,500	-
Md. Elias	Company Secretary	250,000	230,516
Md. Golap Hossain	Head of Plant	400,000	376,871
Mr. Amit Kumer Saha	Commercial Incharge	493,750	469,855



Note No	Particulars	Amount in Taka	
		2020-2021	2019-2020

32.03 Aggregate amount of remuneration paid to all directors and officers during the financial year is as follows:

Particulars	Nature of payment	June 30, 2021	June 30, 2020
Directors	Board Meeting Fees	50,000	-
Directors	Remuneration	2,220,000	2,220,000
Officer's & Executive s	Salary, Bonus & Others Allowances	11,451,380	11,517,041

33.00 Employee long term benefit:

The company has no Gratuity Fund, PF and WPPF scheme as yet as such no provision has been made in the financial statement.

34.00 Events After the Reporting Period:

Events after the reporting period are those events, favourable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorised for issues. There is no such type of event during the year 2020-2021.

35.00 Disclosure as per requirement of Schedule XI, Part II para 8 of the Companies Act, 1994:

Disclosure as per requirement of Schedule XI, Part II, para 8 of company Act 1994:

Particulars	Local purchase	Import	Total	Consumed	% of Consumed
Raw Materials	1,084,725,747	-	1,084,725,747	1,084,272,045	79%
Packing Materials	50,093,880	-	50,093,880	49,869,345	4%

36.00 Employee position of the company as at 30 June, 2021:

Salary (Monthly)	Factory	Head Office	Sales & Marketing	Total Employees
Below BDT 6,000	10	-	-	10
Above BDT 6,000	90	1	-	91

37.00 Production Capacity and Utilization

Major Products	Production Capacity	Actual Production(AVG)	Capacity Utilization(%)
Raw Materials & Chemical (In MT)	33	15	45%



Achia Sea Foods Limited
Schedule of Property, Plant & Equipment
For the year ended June 30, 2021

Particulars	Cost			Dep. Rate	Depreciation			Annexure: A
	Balance as at July 01, 2020	Addition during the year	Balance as at June 30, 2021		Balance as at July 01, 2020	Charged during the year	Balance as at June 30, 2021	Written Down Value as at June 30, 2021
Land and Land Development	69,646,009	-	69,646,009	0%	-	-	-	69,646,009
Factory Building	119,702,464	1,136,217	120,838,681	5%	30,331,723	4,505,309	34,837,032	86,001,649
Plant & Machinery	54,802,532	-	54,802,532	10%	28,057,576	2,674,496	30,732,072	24,070,460
IQF Machinery	22,931,703	-	22,931,703	10%	9,680,412	1,325,130	11,005,542	11,926,161
Cold Storage Compressor Unit	5,011,806	515,000	5,526,806	10%	2,119,878	327,817	2,447,695	3,079,111
Fleck Ice Machinery	5,164,994	-	5,164,994	10%	2,315,411	284,958	2,600,369	2,564,625
Factory Equipment	72,257,980	1,285,050	73,543,030	15%	44,973,979	4,237,168	49,211,147	24,331,883
Tools & Equipment	3,507,857	631,495	4,139,352	20%	1,435,852	490,565	1,926,417	2,212,935
Transformer	364,530	-	364,530	15%	265,162	14,906	280,068	84,462
I Phone & I Pad	290,516	-	290,516	15%	174,479	17,406	191,885	98,631
Processing Equipment	4,533,672	1,343,325	5,876,997	20%	2,471,324	601,413	3,072,737	2,804,260
Laboratory Equipment	1,148,089	-	1,148,089	20%	623,602	104,898	728,500	419,589
Electric Equipment	4,756,767	456,382	5,213,149	20%	2,314,556	550,029	2,864,585	2,348,564
Refrigeration Van	1,035,103	-	1,035,103	20%	858,206	35,380	893,586	141,517
Office Equipment	2,983,023	340,280	3,323,303	20%	1,548,535	330,070	1,878,605	1,444,698
Furniture & Fixture	2,398,572	78,000	2,476,572	10%	691,949	172,612	864,561	1,612,011
Jetty	693,376	-	693,376	20%	349,032	68,868	417,900	275,476
Crockery's & Cutlery	92,402	11,000	103,402	20%	37,594	11,512	49,106	54,296
Tube well & waterline	1,650,943	-	1,650,943	20%	850,278	160,134	1,010,412	640,532
Vacuums Machine	1,382,515	-	1,382,515	20%	815,767	113,350	929,117	453,398
Metal Detector Machine	2,409,011	-	2,409,011	20%	1,333,685	215,066	1,548,751	860,260
Boundary Wall	14,021,727	28,030	14,049,757	20%	4,693,364	1,869,877	6,563,241	7,486,516
Vehicles	1,677,500	-	1,677,500	20%	884,060	158,688	1,042,748	634,752
Balance as at June 30, 2021	392,463,091	5,824,779	398,287,870		136,826,423	18,269,649	155,096,073	243,191,798
Balance as at June 30, 2020	375,588,779	16,874,312	392,463,091		117,862,372	18,964,051	136,826,423	255,636,668

Depreciation Charged To-	30.06.2021	30.06.2020
General & Administrative Expenses	4,750,109	4,930,653
Manufacturing Expenses	13,519,541	14,033,398
Total:	18,269,649	18,964,051

- i) Depreciation has been charged on addition of assets during the year when it is put in to available for use.
 ii) Total depreciation Charge has been estimated for General & Administrative Expenses 26% and Factory Overhead 74% respectively.



Schedule of Property, Plant & Equipment
For the year ended June 30, 2020

Particulars	Cost			Dep. Rate	Depreciation			Annexure: A
	Balance as at July 01, 2020	Addition during the year	Balance as at December 31, 2020		Balance as at July 01, 2020	Charged during the year	Balance as at December 31, 2020	Written Down Value as at December 31, 2020
Land and Land Development	69,607,774	38,235	69,646,009	0%	-	-	-	69,646,009
Factory Building	115,876,945	3,825,519	119,702,464	5%	25,728,672	4,603,052	27,993,663	91,708,801
Plant & Machinery	51,698,250	3,104,282	54,802,532	10%	25,258,374	2,799,202	26,580,368	28,222,164
IQF Machinery	22,931,703		22,931,703	10%	8,208,047	1,472,366	8,944,230	13,987,473
Cold Storage Compressor Unit	5,011,806		5,011,806	10%	1,798,553	321,325	1,972,091	3,039,715
Fleck Ice Machinery	5,164,994		5,164,994	10%	1,998,790	316,620	2,157,100	3,007,894
Factory Equipment	67,169,205	5,088,775	72,257,980	15%	40,608,164	4,365,814	42,648,431	29,609,549
Tools & Equipment	2,762,505	745,352	3,507,857	20%	1,011,019	424,832	1,208,462	2,299,395
Transformer	364,530		364,530	15%	247,627	17,535	256,395	108,135
I Phone & I Pad	290,516		290,516	15%	154,002	20,477	164,241	126,275
Processing Equipment	3,857,972	675,700	4,533,672	20%	2,040,199	431,125	2,282,865	2,250,807
Laboratory Equipment	926,639	221,450	1,148,089	20%	520,161	103,441	560,809	587,280
Electric Equipment	3,683,488	1,073,279	4,756,767	20%	1,838,164	476,393	2,042,081	2,714,687
Refrigeration Van	1,035,103		1,035,103	20%	813,981	44,224	836,093	199,010
Office Equipment	2,517,993	465,030	2,983,023	20%	1,248,042	300,493	1,388,116	1,594,907
Furniture & Fixture	1,805,445	593,127	2,398,572	10%	535,276	156,673	598,784	1,799,788
Jetty	486,618	206,758	693,376	20%	288,791	60,241	308,574	384,802
Crockery's & Cutleries	68,277	24,125	92,402	20%	26,908	10,686	31,045	61,357
Tube well & waterline	1,650,943		1,650,943	20%	650,112	200,166	750,195	900,748
Vacuums Machine	1,382,515		1,382,515	20%	674,080	141,687	744,924	637,592
Metal Detector Machine	2,409,011		2,409,011	20%	1,064,853	268,832	1,199,269	1,209,742
Boundary Wall	13,209,047	812,680	14,021,727	20%	2,462,858	2,230,506	3,538,878	10,482,849
Vehicles	1,677,500		1,677,500	20%	685,700	198,360	784,880	892,620
Balance as at June 30, 2020	375,588,779	16,874,312	392,463,091		117,862,372	18,964,051	136,826,423	255,636,668



Depreciation Charged To-		30.06.2020
General & Administrative Expenses		4,930,653
Manufacturing Expenses		14,033,398
Total:		18,964,051

- i) Depreciation has been charged on addition of assets during the year when it is put in to available for use.
 ii) Total depreciation Charge has been estimated for General & Administrative Expenses 26% and Factory Overhead 74% respectively.



ACHIA SEA FOODS LIMITED**Inventory Report**

As on 30 June 2021

Annexure-B

SL	Particular	Carton/Box	Quantity	Total Amount
1.BT HLSO				
a	BT HLSO 11.00 KG	1,023	11,253	16,411,542
b	BT HLSO 10.00 KG	3,006	30,056	34,446,232
c	BT HLSO 6.00 KG	2,160	12,959	13,141,457
d	BT HLSO Easy Peel 10.00 KG	2,662	26,622	24,904,425
	Sub-Total	8,851	80,891	88,903,656
2.BT HOSO				
a	BT HOSO 10.00 KG	1,725	17,254	12,505,650
	Sub-Total	1,725	17,254	12,505,650
3.BT PND				
a.	BT PND 10.00 KG	2,834	28,335	28,215,210
	Sub-Total	2,834	28,335	28,215,210
4.Fresh Water HOSO				
a.	Fresh Water HOSO 10.00 KG	1,252	12,518	19,152,336
	Sub-Total	1,252	12,518	19,152,336
5.Fresh Water HLSO				
a.	Fresh Water HLSO 6.00 KG	1,127	6,764	13,425,678
	Sub-Total	1,127	6,764	13,425,678
	White Fish	4,351		27,687,793
	Packing Materials			1,989,880
	Raw Materials			561,506
	Grand Total	15,789	145,762	192,441,708



Achia Sea Foods Limited

Loan Details

Annexure- C

Nature of Security of Loans:

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	LD1719005308
Category	Term Loan-Corp.
Limit	BDT 50,000,000.00
Repayment	Monthly
Interest Rate	9.00%
Period of Loan	60 months
Expiry Date	28/Mar/2023
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To purchase 03 (Three) Refrigerated Van Vehicles , Civil Construction & finishing works to set up /building a cold storage with the capacity of 1000 M.T.



Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	LD 2022215361
Category	Term Loan(FSF)-Corp.
Limit	BDT 1,883,500.00
Repayment	Monthly
Interest Rate	4.50%
Period of Loan	18 months
Expiry Date	28/Feb/2023
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To pay salary & wages of the Staff & workers for the months of July ,2020.

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	LD 2013900073
Category	Term Loan(F5F)-Corp.
Limit	BDT 5,650,500.00
Repayment	Monthly
Interest Rate	0.00%
Period of Loan	18 months
Expiry Date	28/Feb/2023
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To pay salary & wages of the Staff & workers for the months of April, May, June, 2020

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	LD 2116192918
Category	Term Loan-Corp.
Limit	BDT 7,620,000.00
Repayment	Quarterly
Interest Rate	9.00%
Period of Loan	12 months
Expiry Date	30/Jun/2022
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To meet up working capital requirement of the business.

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	112172133858448
Category	Working Capital Under Stim Package
Limit	BDT 50,000,000.00
Repayment	01(One) Time payment
Interest Rate	4.50%
Expiry Date	13/Apr/2022
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md. Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	For meet up day to day working capital requirement of the business.

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	112172131775488
Category	Working Capital Under Stim Package
Limit	BDT 22,000,000.00
Repayment	01(One) Time payment
Interest Rate	4.50%
Expiry Date	13/Jul/2021
Renewal Status	Applicable at 9% Interest
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	For continue normal business operation.

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	112172921646834
Category	Cash Credit Hypo-Corp.
Limit	BDT 250,000,000.00
Repayment	1(One) Time Payment
Interest Rate	9.00%
Expiry Date	30/Jun/2022
Renewal Status	10/Jun/2021
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries,</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To meet up working capital requirement of the business.

Particulars	Details
Name of Bank & Financial Institute	Mercantile Bank Limited
Account Number	LD2027449302
Category	Time Loan(Non-revolving)-Corp.
Limit	BDT 50,000,000.00
Repayment	1(One) Time Payment
Interest Rate	9.00%
Expiry Date	30/Jun/2021
Renewal Status	N/A
Securities	<p>i. Hypothecation of stocks in trade, Equipment & Machineries.</p> <p>ii. Registered Mortgage/ Additional Charge on the following Properties:</p> <p>a. 74.04 Decimal Land with factory Building.</p> <p>b. 5.77 Decimal land Mr. Md.Tariqul Islam Zaheer on behalf of Achia Sea Foods Limited</p> <p>c. 12 Decimal Land owned by Mr. Md. Tariqul Islam Zaheer Managing Director of Achia sea foods Limited</p> <p>d. 116 Decimal Land owned by Mr. Tariqul Islam Zaheer Managing Director of the company & 68 Decimal owned by Mr. Ali Asgar Nasir Director of the Company.</p> <p>iii. Personal Guarantee of the mortgagor(s) of the schedule properties.</p> <p>iv. Personal Guarantee of all the Directors of the Company.</p>
Purpose	To Meet up working capital requirements as to procure additional stocks of Golda, Freshwater, Cat tiger, Black Tiger or Bagda Shrimps in the peak season(January to March for Golda or Freshwater, Cat tiger & March to December for black tiger or Bagda) for the meeting off Seasonal demand of foreign buyers.

Achia Sea Foods Limited
Trade Creditors
As on 30 June 2021

Annexure-D

Particulars	Amounts in BDT	
	June 30, 2021	June 30, 2020
Alia Fish(Akbor)	36,841	-
ADJ Electric System	21,930	-
Ad Line Limited	10,000	-
Alcumas	250	-
Bangal lcc & Cold Storage	30	-
Bangladesh Prawns	245,000	-
Bangladesh Telecommunication Co.	4,498	-
Bappi Fish	136,481	-
Borrak Sea Food Trade Int.	(135,940)	-
Chadni Fish	611,785	-
Confidence Salt	30,400	-
Crown Sea Foods Trading	(35,000)	-
Electro Power & Engineering	36,200	-
First Rate Enterprise	490,113	-
Fishnet Global Sea Foods	35,424	-
Fouress Foods	(15,000)	-
Faysal Traders	500	-
Fresh Trade	68,500	-
Grand Deceo	308,450	-
Hira Auto Machineries	32,500	-
ICFA Aquatech Limited	16,250	-
Jahirul Islam Enterprise	112,513	-
Jalalbad Frozen Foods Ltd(Cover Van)	(15,000)	-
Jahanabad Sea Foods	9,700	-
Janota Engineers Workshop	1,000	-
J.B Enterprise	11,245	-
Joyti International	165,000	-
Kazi in Solition & Packaging	36,000	-
Kazi Suppliers	21,384	-
Khatoons Sons(Pvt) Ltd	20,965	-
Kemp Transport	3,000	-
Mercantile Insurance Company Ltd	72,579	-
Mayer Doa Enterprise	5,453,747	-
Mayer Doa Fish-Moni	57,920	-
Mayer Doa Enterprise-Ice	970,838	-
Modhaumoti Mudranalay	567,288	-
Modina Sheet Metal	(1,070,750)	-
Modern Sea Foods Ltd-Track	(6,700)	-
Nalta Ahsaania Fish	18,083	-
Nela International	37,394	-

Islam Quazi Shafique & Co.
Chartered Accountants

New Kazi Gas Company	14,000	-
New Light House	8,094	-
New Sonali Store	90,000	-
Next Trip	3,400	-
Nirab Enterprise	21,605	-
Niloy International	(50,000)	-
Noor Enterprise	33,660	-
Haque Fish	87,540	-
Pionner & CO.	336,113	-
Primus Frozen Ltd(Cover Van)	(3,000)	-
Prince Fish	351,049	-
Rupsha Mill Store	32,000	-
Rupsha Scientific Store	2,500	-
R & M Suppliers	47,472	-
Royal Inspaction	39,147	-
Sabbir Enterprise(White Fish)	164,243,126	-
Sabbir Enterprise(Rent-A-Car)	263,200	-
Safe Gard	2,500	-
Sagor Fish	2,398,258	-
Saifa Internation	14,125	-
Sanwer Enterprise	37,371	-
Sea frost ltd	1,660,343	-
Sharifa Printer & Packagers Pvt. Ltd.	1,055,330	-
Saint-martin Logistic	42,000	-
Sitara Begum Hafizia Madrasa	(232,047)	-
Sumi Fish(Bakal Babu)	3,758,689	-
SGS Bangladesh Ltd	7,475	-
South Asian Printing & Packagers Ltd	409,195	-
South Filed	(37,897)	-
Tech Vision BD	20	-
Tiklu Machanical Eng. Work	-	-
To. Do Foil Pack Industries	148,750	-
Zico Fish	1,503,015	-
Trade Creditors	184,652,451	-



Islam Quazi Shafique & Co.
Chartered Accountants

Achia Sea Foods Limited
Liabilities for Expenses
As on 30 June 2021

Annexure-E

Particulars	Amounts in BDT	
	June 30,2021	June 30,2020
West Zone Power Distribution Co. Ltd.	1,329,835	-
Mrs. Suraiya Quadir	40,000	-
Md. Arifur Rahman Sagir(D/C/A)	57,000	-
Md. Tariqul Islam Zaheer(D/C/A)	76,000	-
Md. Ali Asgar Nasir(D/C/A)	28,500	-
Md. Nadirul Islam Zaheer(D/C/A)	14,250	-
Board Meeting Fees	57,500	-
Accrued Salary	892,080	-
Liabilities for Expenses	2,495,165	-



Islam Quazi Shafique & Co.
Chartered Accountants

Achia Sea Foods Limited
Calculation of Deferred Tax
For the year ended June 30, 2021

Annexure-F

Particulars	Amount in Taka	
	30-Jun-2021	30-Jun-2020
A Deferred Tax (income)/expenses recognized in profit and loss:		
Cost:		
Carrying amount except land		
Property Plant and Equipment	243,191,798	255,636,668
	<u>243,191,798</u>	<u>255,636,668</u>
Tax base:		
Property Plant and Equipment	170,478,450	189,064,730
	<u>170,478,450</u>	<u>189,064,730</u>
Taxable/(Deductable) temporary difference	<u>72,713,347</u>	<u>66,571,938</u>
Income tax rate	30.00%	32.50%
Deferred tax liability at the end of the period	<u>21,814,004</u>	<u>21,635,880</u>
Closing Deferred Tax Liabilities/(Assets)	21,814,004	21,635,880
Opening Deferred Tax Liabilities/(Assets)	21,635,880	20,342,890
Deferred Tax (income)/expenses recognized in profit and loss	<u>178,124</u>	<u>1,292,990</u>



(b) Information as is required under section 186 of the Company Act, 1994 relating to holding company;

The Company has no holding Company. So this is not applicable for the issuer

(c) Selected ratios as specified in Annexure-D

Achia Sea Foods Ltd
Statement of Ratio Analysis
For the year ended 30 June 2021,2020,2019,2018 and 2017 respectively

S L N o	Particulars	30/Jun/21		30/Jun/20		30/Jun/19		30/Jun/18		30/Jun/17	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
1)	Liquidity Ratios :										
i	Current Ratio (Times) = (Current Assets / Current liability)	764,237,196	1.27	431,994,573	1.36	410,474,097	1.32	387,209,868	1.36	418,711,684	1.16
		599,522,190		318,466,407		310,124,241		285,639,263		360,467,288	
ii	Quick Ratio (Times) = (Current Assets- Inventory- Adv payment) / (Current liability- Bank O/D)	515,423,780	0.86	22,614,446	0.07	16,633,640	0.05	17,370,734	0.06	10,018,183	0.03
		599,522,190		318,466,407		310,124,241		285,639,263		360,467,288	
2)	Operating Efficiency Ratios :										
i	Accounts Receivable turnover Ratio (Times) = (Total Sales/ Accounts Receivable)	1,377,263,080	2.67	440,202,330	39.51	358,083,309	25.59	937,326,012	57.23	694,742,004	76.20
		515,167,117		11,142,822		13,991,864		16,378,784		9,117,752	

ii	Inventory Turnover Ratio= (Cost of Sales/ Average inventory)	1,260,360,053	5.56	394,154,032	1.68	319,686,257	1.55	887,655,861	4.01	657,929,787	3.02
		226,820,621		233,932,640		205,920,892		221,585,766		217,702,797	
iii	Assets turnover Ratio= (Net sales/ Average Total Assets)	1,377,263,080	1.63	440,202,330	0.65	358,083,309	0.55	937,326,012	1.45	694,742,004	1.17
		847,530,118		677,915,872		652,906,588		648,403,758		595,368,376	

3) Profitability Ratios :

i	Gross Margin Ratio (%) = (Gross profit/Net Sales)	116,903,027	8.49 %	46,048,298	10.46 %	38,397,052	10.72 %	49,670,151	5.30%	36,812,217	5.30%
		1,377,263,080		440,202,330		358,083,309		937,326,012		694,742,004	
ii	Operating Income Ratio (%) = (Operating profit/Net Sales)	19,791,195	1.44 %	1,138,828	0.26 %	2,020,466	0.56 %	(18,168,831)	- 1.94%	(24,706,868)	- 3.56%
		1,377,263,080		440,202,330		358,083,309		937,326,012		694,742,004	
iii	Net Profit Ratio (%) = (Profit after tax/Net Sales)	41,981,194	3.0 %	14,811,968	3.4 %	11,519,701	3.2%	25,100,557	2.7%	22,128,993	3.2%
		1,377,263,080		440,202,330		358,083,309		937,326,012		694,742,004	
iv	Return on Assets Ratio (%) = (Profit after tax/ Average Total Assets)	41,981,194	4.95 %	14,811,968	2.18 %	11,519,701	1.76 %	25,100,557	3.87%	22,128,993	3.72%
		847,530,118		677,915,872		652,906,588		648,403,758		595,368,376	
v	Return on Equity Ratio (%) = (Profit after tax/Shareholders equity)	41,981,194	11.0 0%	14,811,968	4.36 %	11,519,701	3.55 %	25,100,557	8.01%	22,128,993	7.68%
		381,706,377		339,725,184		324,913,216		313,393,515		288,292,958	
vi	Earnings per share (Taka) =	41,981,194	1.88	14,811,968	0.66	11,519,701	0.52	25,100,557	1.12	22,128,993	0.99

	(Profit after tax/No of Share)	22,356,334		22,356,334		22,356,334		22,356,334		22,356,334	
vi	Earnings before interest, taxes, depreciation and amortization (EBITDA) Margin = (EBITDA/Net Sales)	72,517,067	5.27 %	65,866,776	14.96 %	86,931,401	24.28 %	66,298,130	7.07%	66,298,130	9.54%
		1,377,263,080		440,202,330		358,083,309		937,326,012		694,742,004	
S	Particulars	30/Jun/21		30/Jun/20		30/Jun/19		30/Jun/18		30/Jun/17	
L		Amount	Rati o	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
N											
o											

4) Solvency Ratios :

i	Debt to Total Assets (Times) = (Total Debt/Total Assets)	625,722,617	0.62	347,906,057	0.51	343,287,287	0.51	324,219,157	0.51	370,901,885	0.56
		1,007,428,994		687,631,241		668,200,504		637,612,672		659,194,843	
ii	Debt to Equity Ratio (Times) = (Total Debt/Total Shareholders' Equity)	625,722,617	1.64	347,906,057	1.02	343,287,287	1.06	324,219,157	1.03	370,901,885	1.29
		381,706,377		339,725,184		324,913,216		313,393,515		288,292,958	
iii	Time Interest Earned Ratio (Times) = (Operating Profit/Net Interest Expenses)	19,791,195	0.64	1,138,828	0.04	2,020,466	0.07	(18,168,831)	(0.58)	(24,706,868)	(0.97)
		30,701,073		31,683,968		27,541,127		31,427,504		25,410,490	
iv	Debt service Coverage Ratio = (EBITDA/Total Debt Service)	72,517,067	0.12	65,866,776	0.19	86,931,401	0.25	66,298,130	0.20	66,298,130	0.18
		625,722,617		347,906,057		343,287,287		324,219,157		370,901,885	

5) Cash Flow Ratios :

i	Net Operating Cash Flows Per Share= (Net Operating cash flow/No. Ordinary Shares)	(98,931,002)	(4.43)	26,870,751	1.20	6,752,187	0.30	73,760,627	3.30	(54,454,426)	(2.44)
		22,356,334		22,356,334		22,356,334		22,356,334		22,356,334	
ii	Net Operating Cash Flows Per Share/EPS =(Net Operating cash flow per Share/EPS)	(4.43)	(2.35)	1.20	1.81	0.30	0.59	3.30	2.94	(2.44)	(2.46)
		1.88		0.66		0.52		1.12		0.99	

Dated: 10 Oct, 2021

Place : Dhaka

Sd/-

Quazi Shafiqul Islam, FCA

Enrolment No. 0165

Islam Quazi Shafique & Co.

Chartered Accountants

30-Jun-20			
<u>Financial ratios</u>	<u>ASFL</u>	<u>Industry Average</u>	<u>Remark/Explanation</u>
<u>Liquidity Ratios:</u>			
Current Ratio	1.36	2.10	Achia's Current Ratio is lower than the industry average current ratio because of relatively higher current liabilities.
Quick Ratio	0.07	1.58	Achia's Ratio is lower than the industry average ratio as quick assets are relatively lower.
<u>Operating Efficiency Ratios:</u>			
Accounts Receivable Turnover Ratio(In times)	39.51	9.26	Achia's Ratio is higher as collection period is shorter than the average industry.
Inventory Turnover Ratio (In times)	1.68	1.29	Achia's Ratio is higher because of relatively high inventory level.
Asset Turnover Ratio (In times)	0.65	0.68	Achia's Ratio is lower than the industry average ratio as Achia generating sales with a relatively much amount of fixed assets.
<u>Profitability Ratios:</u>			
Gross Margin Ratio %	10.46%	5.10%	Achia's Ratio is better than the industry average ratio as lower overhead cost
Operating Profit Ratio %	0.26%	1.30%	Achia's Ratio is lower than the industry average ratio as lower operating profit
Net Profit Ratio %	3.40%	0.49%	Achia's Ratio is higher than the industry average ratio as higher net profit.
Return on Assets Ratio (ROA) %	2.18%	-0.04%	Achia's Ratio is higher than the industry average ratio as higher net profit.
Return on Equity Ratio(ROE) %	4.36%	15.84%	Achia's Ratio is lower than the industry average ratio as lower net profit.
Earning Per Share Ratio (EPS)	0.66	(2.76)	Achia's EPS is better than the industry average EPS as higher net profit.
EBITDA Margin	14.96%	-6.90%	Achia'S Ratio is higher than the industry average ratio because of higher operating profit.

Solvency Ratios:

Debt to total Assets Ratio	0.51	20.34	Achia's Ratio higher due to higher debt than industry average.
Debt Equity Ratio (In times)	1.02	135.09	Achia's Ratio is better as debt burden is higher than industry average.
Times Interest Earned Ratio	0.04	(0.14)	Achia's Ratio is higher than the industry average ratio as operating profit is relatively higher to pay financial expense.
Debt Service Coverage Ratio	0.19	(1.27)	Achia's Ratio is higher than the industry average ratio as operating profit is relatively higher to pay financial expense.

Cash Flow Ratios:

Net Operating Cash Flows Per Share	1.20	2.14	Achia's Ratio is lower than the industry average ratio as net operating cash flow is relatively lower.
Net Operating Cash Flows Per Share/EPS	1.81	(0.78)	Achia's Ratio is lower than the industry average ratio as net operating cash flow is relatively lower.

30-Jun-19

<u>Financial ratios</u>	<u>ASFL</u>	<u>Indust ry Averag e</u>	<u>Remark/Explanation</u>
<u>Liquidity Ratios:</u>			
Current Ratio	1.32	2.29	Achia's Current Ratio is lower than the industry average current ratio because of relatively higher current liabilities.
Quick Ratio	0.05	1.78	Achia's Ratio is lower than the industry average ratio as quick assets are relatively lower

<u>Operating Efficiency Ratios:</u>			
Accounts Receivable Turnover Ratio(In times)	25.59	2.28	Achia's Ratio is higher as collection period is shorter than the average industry
Inventory Turnover Ratio (In times)	1.55	1.39	Achia's Ratio is higher because of relatively lower inventory level.
Asset Turnover Ratio (In times)	0.55	0.81	Achia's Ratio is lower than the industry average ratio as Achia generating sales with a relatively much amount of fixed assets.
<u>Profitability Ratios:</u>			
Gross Margin Ratio %	10.72%	31.00%	Achia's Ratio is lower than the industry average ratio as higher overhead cost
Operating Profit Ratio %	0.56%	25.20%	Achia's Ratio is lower than the industry average ratio as lower operating profit
Net Profit Ratio %	3.20%	0.24%	Achia's Ratio is higher than the industry average ratio as higher net profit
Return on Assets Ratio (ROA) %	1.76%	-0.70%	Achia's Ratio is higher than the industry average ratio as higher net profit.
Return on Equity Ratio(ROE) %	3.55%	0.55%	Achia's Ratio is better than the industry average ratio as higher net profit.
Earnings Per Share Ratio (EPS)	0.57	0.68	Achia's EPS is lower than the industry average EPS as lower net profit.
EBITDA Margin	24.28%	4.67%	Achia'S Ratio is higher than the industry average ratio because of higher operating profit.
<u>Solvency Ratios:</u>			
Debt to total Assets Ratio	0.51	0.54	Achia's Ratio higher due to higher debt than industry average
Debt Equity Ratio (In times)	1.06	3.26	Achia's Ratio is better as debt burden is lower than equity.
Times Interest Earned Ratio	0.07	0.36	Achia's Ratio is higher than the industry average ratio as operating profit is higher to pay financial expense.
Debt Service Coverage Ratio	0.25	0.51	Achia's Ratio is lower than the industry average ratio as operating profit is relatively lower to pay financial expense.

Cash Flow Ratios:

Net Operating Cash Flows Per Share	0.33	11.92	Achia's Ratio is lower than the industry average ratio as net operating cash flow is relatively lower.
Net Operating Cash Flows Per Share/EPS	0.59	17.45	Achia's Ratio is lower than the industry average ratio as net operating cash flow is relatively lower.

<u>30-Jun-18</u>			
<u>Financial ratios</u>	<u>ASFL</u>	<u>Industry Average</u>	<u>Remark/Explanation</u>
<u>Liquidity Ratios:</u>			
Current Ratio	1.36	2.13	Achia's Current Ratio is lower than the industry average current ratio because of relatively higher current liabilities.
Quick Ratio	0.06	1.78	Achia's Ratio is lower than the industry average ratio as quick assets are relatively lower
<u>Operating Efficiency Ratios:</u>			
Accounts Receivable Turnover Ratio(In times)	57.23	29.93	Achia's Ratio is higher as collection period is shorter than the average industry
Inventory Turnover Ratio (In times)	4.01	1.32	Achia's Ratio is higher because of relatively lower inventory level.
Asset Turnover Ratio (In times)	1.45	1.24	Achia's Ratio is higher than the industry average ratio as Achia generating sales with a relatively lesser amount of fixed assets.
<u>Profitability Ratios:</u>			
Gross Margin Ratio %	5.30%	7.10%	Achia's Ratio is lower than the industry average ratio as higher overhead cost

Operating Profit Ratio %	-1.94%	3.80%	Achia's Ratio is lower than the industry average ratio as lower operating profit
Net Profit Ratio %	2.70%	0.20%	Achia's Ratio is higher than the industry average ratio as higher net profit
Return on Assets Ratio (ROA) %	3.87%	-0.60%	Achia's Ratio is higher than the industry average ratio as higher net profit.
Return on Equity Ratio(ROE) %	8.01%	0.80%	Achia's Ratio is better than the industry average ratio as higher net profit.
Earning Per Share Ratio (EPS)	1.24	0.80	Achia's EPS is better than the industry average EPS as higher net profit.
EBITDA Margin	7.07%	4.36%	Achia'S Ratio is higher than the industry average ratio because of higher operating profit.
<u>Solvency Ratios:</u>			
Debt to total Assets Ratio	0.51	0.49	Achia's Ratio higher due to higher debt than industry average
Debt Equity Ratio (In times)	1.03	0.64	Achia's Ratio is better as debt burden is lower than equity.
Times Interest Earned Ratio	(0.58)	(4.98)	Achia's Ratio is higher than the industry average ratio as operating profit is relatively higher to pay financial expense.
Debt Service Coverage Ratio	0.20	(31.90)	Achia's Ratio is lower than the industry average ratio as operating profit is relatively lower to pay financial expense.
<u>Cash Flow Ratios:</u>			
Net Operating Cash Flows Per Share	3.63	5.45	Achia's Ratio is lower than the industry average ratio as net operating cash flow is relatively lower.
Net Operating Cash Flows Per Share/EPS	2.94	6.81	Achia's Ratio is lower than the industry average ratio as net operating cash flow is relatively lower.

<u>30-Jun-17</u>			
<u>Financial ratios</u>	<u>ASFL</u>	<u>Industry Average</u>	<u>Remark/Explanation</u>
<u>Liquidity Ratios:</u>			
Current Ratio	1.16	2.72	Achia's Current Ratio is lower than the industry average current ratio because of relatively higher current liabilities.
Quick Ratio	0.03	2.29	Achia's Ratio is lower than the industry average ratio as quick assets are relatively lower
<u>Operating Efficiency Ratios:</u>			
Accounts Receivable Turnover Ratio(In times)	76.20	15.13	Achia's Ratio is higher as collection period is shorter than the average industry
Inventory Turnover Ratio (In times)	3.02	1.90	Achia's Ratio is higher because of relatively lower inventory level.
Asset Turnover Ratio (In times)	1.17	0.95	Achia's Ratio is higher than the industry average ratio as Achia generating sales with a relatively lesser amount of fixed assets.
<u>Profitability Ratios:</u>			
Gross Margin Ratio %	5.30%	6.00%	Achia's Ratio is lower than the industry average ratio as higher overhead cost
Operating Profit Ratio %	-3.56%	3.00%	Achia's Ratio is lower than the industry average ratio as lower operating profit
Net Profit Ratio %	3.20%	0.20%	Achia's Ratio is higher than the industry average ratio as higher net profit
Return on Assets Ratio (ROA) %	3.72%	1.50%	Achia's Ratio is lower than the industry average ratio as lower net profit.
Return on Equity Ratio(ROE) %	7.68%	33.00%	Achia's Ratio is lower than the industry average ratio as lower net profit.
Earning Per Share Ratio (EPS)	1.09	0.63	Achia's EPS is better than the industry average EPS as higher net profit.
EBITDA Margin	9.54%	3.70%	Achia'S Ratio is higher than the industry average ratio because of higher operating profit.
<u>Solvency Ratios:</u>			

Debt to total Assets Ratio	0.56	1.23	Achia's Ratio hgher due to higher debt than industry average
Debt Equity Ratio (In times)	1.29	4.73	Achia's Ratio is better as debt burden is lower than equity.
Times Interest Earned Ratio	(0.97)	0.15	Achia's Ratio is higher than the industry average ratio as operating profit is relatively higher to pay financial expense.
Debt Service Coverage Ratio	0.18	0.01	Achia's Ratio is lower than the industry average ratio as operating profit is relatively lower to pay financial expense.
<u>Cash Flow Ratios:</u>			
Net Operating Cash Flows Per Share	(2.68)	24.50	Achia's Ratio is lower than the industry average ratio as net operating cash flow is relatively lower.
Net Operating Cash Flows Per Share/EPS	(2.46)	38.89	Achia's Ratio is lower than the industry average ratio as net operating cash flow is relatively lower.

(d) Auditors report under section 135(1), Paragraph 24(1) of Part II of Schedule III of the Companies Act, 1994. The report shall include comparative income statements and balance sheet and aforementioned ratios for immediate preceding five accounting years of the issuer. If the issuer has been in commercial operation for less than five years, the abovementioned inclusion and submission shall have to be made for the period since commercial operation

Auditors' report Under Section-135 (1) and Para-24(1) of Part-II of Schedule-III of the Companies Act 1994

We have examined the Financial Statements of Achia Sea Foods Limited for the year ended June 30, 2021 were audited by Quazi Shafique & Co. and 2020,2019,2018,2017 were audited by Mahfel Huq & Co. In pursuance of Section-135 (1) and Para-24(1) of Part-II of Schedule-III of the Companies Act 1994, our report is as under:

A) Statements of Assets and Liabilities of the Company is as under

Assets & Properties	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16
Assets						
Non- Current Assets	243,191,798	255,636,668	257,726,407	250,402,804	240,483,160	209,330,938
Property, Plant & Equipment	243,191,798	255,636,668	257,726,407	250,402,804	240,483,160	209,330,938
Current Assets	764,237,196	431,994,573	410,474,097	387,209,868	418,711,683	322,210,971
Inventories	192,441,708	261,199,534	206,665,746	205,176,037	237,995,495	197,410,098
Accounts Receivable	515,167,117	11,142,822	13,991,864	16,378,784	9,117,752	11,202,590
Advances, Deposits & Pre-Payments	56,371,708	148,180,593	187,174,711	164,663,097	170,698,006	112,768,637
Cash & Cash Equivalents	256,663	11,471,624	2,641,776	991,950	900,430	829,646

Total	1,007,428,994	687,631,241	668,200,504	637,612,672	659,194,843	531,541,909
Shareholders Equity & Liabilities						
Shareholders' Equity	381,706,377	339,725,184	324,913,216	313,393,515	288,292,958	266,163,965
Share Capital	223,563,340	203,239,400	203,239,400	203,239,400	203,239,400	203,239,400
Retained Earnings	158,143,037	136,485,784	121,673,816	110,154,115	85,053,558	62,613,879
Non- Current Liabilities	26,200,427	29,439,651	33,163,046	38,579,894	10,434,597	12,646,015
Long Term Bank Loan	4,386,423	7,803,771	12,820,156	23,138,320	-	-
Deferred Tax Liabilities	21,814,004	21,635,880	20,342,890	15,441,574	10,434,597	12,646,015
Liabilities and Provisions	599,522,190	318,466,407	310,124,242	285,639,263	360,467,289	252,731,929
Accounts payable	187,377,616	7,774,523	5,307,260	6,614,065	14,273,161	13,209,298
Short Term Bank Loan	392,027,421	295,928,132	295,486,229	270,372,943	336,492,617	235,522,631
Long Term Loan- Current Portion	9,858,541	8,999,662	5,591,771	-	-	-
Others payable	-	-	-	-	4,024,000	4,000,000
Provision for Income Tax	10,258,612	5,764,090	3,738,981	8,652,255	5,677,511	-

Total	<u>1,007,428,994</u>	<u>687,631,241</u>	<u>668,200,504</u>	<u>637,612,672</u>	<u>659,194,843</u>	<u>531,541,909</u>
Net Assets Value per Share(NAV)	17.07	16.72	15.99	15.42	14.18	13.10
B) The statements of operating results of the Company is as follow:						
Particulars	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16
Gross Profit	116,903,027	46,048,298	38,397,052	49,670,151	62,222,707	46,413,374
Revenue	1,377,263,080	440,202,330	358,083,309	937,326,012	694,742,004	202,379,849
Cost of goods sold	(1,260,360,053)	(394,154,032)	(319,686,257)	(887,655,861)	(632,519,297)	(155,966,475)
Operating Expenses	(97,111,832)	(44,909,470)	(36,376,586)	(67,838,982)	(61,519,085)	(17,976,849)
General and Administrative Expenses	(27,805,146)	(18,155,100)	(16,118,515)	(23,294,142)	(27,480,924)	(12,215,737)
Selling and Distribution Expenses	(69,306,686)	(26,754,370)	(20,258,071)	(44,544,840)	(34,038,160)	(5,761,112)
Operating Profit	19,791,195	1,138,828	2,020,466	(18,168,831)	703,622	28,436,524
Financial Expenses	(30,701,073)	(31,683,968)	(27,541,127)	(31,427,504)	(25,410,490)	(25,338,530)

Non - Operating Income	63,327,807	52,414,188	45,680,660	88,356,125	50,301,954	15,209,866
Other Income	63,327,807	52,414,188	45,680,660	88,356,125	50,301,954	15,209,866
Profit before Tax	52,417,930	21,869,048	20,159,999	38,759,790	25,595,086	18,307,860
Tax Expense	(10,436,736)	(7,057,080)	(8,640,297)	(13,659,232)	(3,466,093)	(2,593,082)
Current income Tax	(10,258,612)	(5,764,090)	(3,738,981)	(8,652,255)	(5,677,511)	(1,436,117)
Deferred Tax	(178,124)	(1,292,990)	(4,901,316)	(5,006,977)	2,211,418	(1,156,965)
Net profit after tax	41,981,194	14,811,968	11,519,701	25,100,557	22,128,993	15,714,778
Earning Per Share (EPS)	1.88	0.66	0.52	1.12	0.99	0.94
C) Dividend declared:						
Particulars	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16
Cash Dividend	-	-	-	-	-	-
Stock Dividend (Bonus Share)	20,323,940	-	-	-	-	-

D) Achia Sea Foods Limited was registered as a private limited company with the Registrar of Joint Stock Companies and Firms (RJSC) vide registration no. Khulna-178 dated December 27, 1993 under the Companies Act-1994. Subsequently the company was converted into a public limited company effective from September 27, 2014.

E) The Company has no subsidiary as on the balance sheet date.

F) No proceeds or part of the proceeds of the issue of shares would be applied directly by the company in the purchase of any business.

G) The Company did not prepare any statement of accounts for the year ended subsequent to June 30, 2021.

H) Figures related to previous years have been re-arranged whenever considered necessary.

Place: Dhaka

Date: 10 October, 2021

Sd/-

Islam Quazi Shafique & Co.
Chartered Accountants

(e) Financial spread sheet analysis for the latest audited financial statements

Achia Sea Foods Ltd			
Statement of Financial Position			
As at June 30, 2021			
Particulars	Amount as at June 30, 2021	% on Total Asset	Grand Total(%)
Non-Current Assets	243,191,798		24.14%
Property, Plant & Equipment	243,191,798	24.14%	
Current Assets	764,237,196		75.86%
Inventories	192,441,708	19.10%	
Accounts Receivable	515,167,117	51.14%	
Advances, Deposits & Pre-Payments	56,371,708	5.60%	
Cash & Cash Equivalents	256,663	0.03%	
TOTAL ASSETS	<u>1,007,428,994</u>		100%
SHAREHOLDER'S EQUITY AND LIABILITIES			
Shareholders' Equity	381,706,377		38%
Share Capital	223,563,340	22.19%	
Retained Earnings	158,143,037	15.70%	
Non-Current Liabilities	26,200,427		2.60%
Long Term Loan	4,386,423	0.44%	
Deferred Tax liabilities	21,814,004	2.17%	
Current Liabilities	599,522,190		59.51%
Short Term Loan	392,027,421	38.91%	
Accounts Payable	187,377,616	18.60%	
Provision for Income Tax	10,258,612		
Long Term Loan - Current Portion	9,858,541		
Total Equity & Liabilities	<u>1,007,428,994</u>		100%

Achia Sea Foods Ltd			
Statement of profit or loss & other comprehensive income			
For the period ended June 30, 2021			
Particulars	Amount for the year ended June 30, 2021	% on Total Turnover	Grand Total(%)
Revenue	1,377,263,080		100.00%
Less: Cost of Goods Sold	(1,260,360,053)		91.51%
Gross Profit	116,903,027		8.49%
Less: Operating Expenses	(127,812,905)		9.28%
General and Administrative Expenses	(27,805,146)	2.02%	
Selling and Distribution Expenses	(69,306,686)	5.03%	
Financial Expenses	(30,701,073)		
Operating Loss after Financial Expense	(10,909,877)		-0.79%
Add: Non-Operating Income	63,327,807	4.60%	
Other Income	63,327,807		
Profit before Tax	52,417,930		3.81%
Tax Expense	(10,436,736)		
Current income Tax	(10,258,612)	-1%	
Deferred Tax	(178,124)	0%	
Net profit after tax	41,981,194		3.05%

(f) Earnings Per Share (EPS) on fully diluted basis (with the total existing number of shares) in addition to the weighted average number of shares basis. Future projected Net Income should not be considered while calculating the weighted average EPS;

Particulars	Figure
Net profit after tax	41,981,194
No. of Shares	22,356,334
Earnings per Share (EPS)-Fully Diluted Basis	1.88
Weighted average no. of shares	22,356,334
Earnings per Share (EPS)-Weighted average no. of Share basis	1.88
Based on Audited Financial Statement for the year ended June 30, 2021	

(g) All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings per Share;

Particulars	Amount in BDT
Profit Before Tax	52,417,930
Less: Other income	63,327,807
Net Profit Excluding Other Income	(10,90,9877)
No. of Shares	22,356,334
Earnings Per Share (EPS)	(.49)

(h) Quarterly or half-yearly EPS should not be annualized while calculating the EPS;

This information is not applicable for us.

(i) Net asset value (with and without considering revaluation surplus or reserve) per unit of the securities being offered at the date of the latest audited statement of financial position.

Particulars	Amount in BDT
Share Capital	223,563,340
Revaluation Surplus	-
Retained Earnings	158,143,037
Total Shareholders' Equity (with revaluation reserve)	381,706,377
Total Shareholders' Equity (without revaluation reserve)	381,706,377
Number of Shares	22,356,334
Net Asset Value Per Share (with revaluation reserve) as per Audited Report as on June 30, 2021	17.07
Net Asset Value Per Share (without revaluation reserve) as per Audited Report as on June 30, 2021	17.07

(j) The Commission may require the issuer to re-audit the audited financial statements, if any deficiency or anomaly is found in the financial statements. In such a case, cost of audit should be borne by the concerned issuer.

This information is not applicable for us.

SECTION - XXVI
(B) (23)

Qualified Investor Offer (QIO) Application Procedure

ACHIA SEA FOODS LIMITED
APPLICATION FOR QUALIFIED INVESTOR OFFER

The QIO subscription money will be collected from qualified investors by the exchange and will be remitted to **Account No. 110111133963571 (CD A/C)** before starting trading of the securities in favor of Achia Sea Foods Limited **with Mercantile Bank Limited, Khulna Branch**, Bangladesh for this purpose.

The QIO subscription money collected from nonresident Bangladeshi applicants in US Dollar or UK Pound Sterling or EURO shall be deposited to three FC accounts opened by the Company for QIO purpose are as follows:

S.L	Name of the A/C	Bank Account No.	Type of A/C	Currency	Bank & Branch
1.	ACHIA SEA FOODS LIMITED	110115133960314	FC A/C	USD	MBL, Khulna Branch
2.		110115133960446		EURO	
3.		110115133960478		GBP	

In addition, qualified investors should follow the conditions imposed by the commission mentioned in **SECTION (II)** of the prospectus.

SECTION - XXVII
(B) (24)

Others

Undertaking by the directors to declare dividend

We, the Board of directors of Achia Sea Foods Limited declare that after raising of paid up capital of our company through Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018 under fixed price method we shall declare 10(Ten) to 15(Fifteen) percent cash dividend for next 3(three) years since our listing to the exchanges.

We also declare that in future we shall be obliged to comply with the rules and regulations of the Commission concerned time to time.

Dated: Khulna

14 March, 2022

NAME	DESIGNATION	SIGNATURE
MD. ALI AZGAR NASIR	CHAIRMAN	Sd/-
MD. TARIQUL ISLAM ZAHEER	MANAGING DIRECTOR	Sd/-
MD. YOUSHA ZAHEER	DIRECTOR	Sd/-
MD. NADIRUL ISLAM BABU	DIRECTOR	Sd/-
MR. ARIFIN ALI, FCA	INDEPENDENT DIRECTOR	Sd/-