

FOR IMMEDIATE RELEASE – 24TH APRIL 2024, DHAKA
SINGER IMPROVED PROFIT IN Q1, 2024

Singer Bangladesh Limited announced its unaudited results for the 1st quarter ended March 31, 2024. The highlights are:

- Q1, 2024 turnover increased to Tk 4 billion compared to the previous year's Tk. 3.7 billion, a growth of 7.3%. Overall electronic home appliances industry had declined due to different global and local challenges. Nonetheless, the company persisted in implementing several marketing strategies throughout the quarter to boost sales.
- Q1, 2024 Gross profit increased 1.7% than the previous year. This was driven by an increase in gross profit margin in major product category.
- Operating expenses increased by 18.59% vs 19.7% mainly due to higher shop operating expenses, inflationary salary increment, lease depreciation and increase in insurance cost.
- Financial Expenses are higher than last year mainly for the utilization of borrowing at higher interest rates. The average interest rate has increased more than 1% compared to last year.
- Profit (loss) after tax decreased from Tk. 112 million to Tk. 21 million in 2023, with earnings per share increasing from Tk. 0.91 to Tk. 1.13.
- The effective Tax Rate is lower than last year due to lower contribution from sales of CBU against which the advance income tax was paid at the port as the minimum tax liability.
- Net operating cash flow per share stands (Tk. 10.11) which was (Tk. 13.14) in the previous year.

Board Comments

Throughout the year, the cost of sales experienced a significant increase, driven by rising raw material and freight prices, as well as the devaluation of Taka against the US dollar and the ongoing crisis in Ukraine. Despite these challenges, Singer's strategy was to maintain competitiveness in the market, considering the price sensitivity of both consumers and competitors. To achieve this, Singer managed to offset some of the cost increases by adjusting sales prices, resulting in comparatively higher profit during Q1 of 2024.

Singer is strongly present in the appliances market and will further accelerate its operation in the medium to long term. By leveraging its global expertise, scale, and knowledge, Singer will work to enhance its already strong market position with its strong brand image.

About Singer Bangladesh

Singer is the largest retailer of consumer durables in Bangladesh, with company owned stores. Singer commenced operations in the region in 1905, being famous for sewing machines and hire purchase finance. Today Singer sells all categories of consumer durables under the Singer and third-party brands. The Company also has more than 1,000 wholesale dealers.

Singer Bangladesh is 57.0% owned by Retail Holdings Bhold B.V. in the Netherlands, a subsidiary of Arcelik A.S. in Turkey. Arcelik, a global leader in consumer durables, manages 14 brands, operates in 53 countries and has a presence in 147 countries. With 30 R&D centers globally employing over 2,300 researchers, Arcelik's flagship brand is BEKO, holds Number 1 position in Europe. Arcelik is a subsidiary of Koc Holding, the only Fortune 500 company in Turkey.