

RIGHTS SHARE OFFER DOCUMENT



SUMMIT ALLIANCE PORT LIMITED
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January 25, 2016

Rights Offer of 34,352,466 Ordinary Shares of Tk. 10.00 each issuing at Tk. 15.00 each, including a premium of Tk. 5.00 per share, totaling of Tk. 515,286,990.00 offered on the basis of 1 (one) rights share for 5 (five) existing shares held on the record date.

Record Date for Entitlement of Rights Offer

February 15, 2016

Subscription	Opens On: March 30, 2016
	Closes On: April 21, 2016

Within Banking Hours Both Days Inclusive

MANAGER TO THE ISSUE



LANKABANGLA INVESTMENTS LIMITED

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 Website: www.lankabangla-investments.com

FULLY UNDERWRITTEN BY

LANKABANGLA INVESTMENTS LIMITED Eunoos Trade Center (Level-21), 52-53, Dilkusha C/A, Dhaka-1000	PRIME FINANCE CAPITAL MANAGEMENT LIMITED PFI Tower (6th Floor), 56-57, Dilkusha C/A, Dhaka-1000
COSMOPOLITAN FINANCE LIMITED Summit Centre, 18 Kawran Bazar C/A, Dhaka-1215	BANCO FINANCE AND INVESTMENT LIMITED Baitul View Tower (11th floor) 56/1, Purana Paltan, Dhaka-1000

BANKERS TO THE ISSUE

NATIONAL BANK LIMITED 18 Dilkusha C/A (4 th Floor), Dhaka-1000	MUTUAL TRUST BANK LIMITED MTB Centre, 26 Gulshan Avenue, Plot 5, Block SE(D), Gulshan-1, Dhaka-1212
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CREDIT RATING STATUS

	Long Term	Short Term
Entity Rating	A ₁	ST-3
Date of Rating	February 26, 2015	
Validity	February 28, 2016	
Outlook	Stable	
Rated by	Credit Rating Agency of Bangladesh Limited (CRAB)	

As per provision of the Depository Act, 1999 and regulations made there under, Rights Share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights share mentioning his/her Beneficiary Owner (BO) Account number in the application form.

Table of Contents

Particulars	Page No.
Issue of Rights shares	4
The Rights Offer	5
Risk Factors and Management's Perception for Reduction of Such Risk	7
Date of Opening and Closing of Subscription Lists	9
Utilization of Initial Public Offering Fund	9
Purpose of Raising Fund through Rights Issue	9
Implementation Schedule [Rule-8(K)]	10
AGM Held and Dividend Declared Last Five Years	10
Existing Product & services rendered by its subsidiaries	11
Justification for the issue price of Rights Share	13
Details of ,Directors, Managing Director, & Company Secretary	15
Details of Managers	17
Bankers to the issue of rights shares	18
Length of Time during Which the Issuer Has Carried on Business	18
Quantity of Shares Held by Each Director and Beneficiary Owners Holding Shares 5% or Above	19
Composition of Share Holding Position of the Company	20
Public Listed Company under Common Management	20
Classified Information & Underwriters [Rule-8(O)]	20
Underwriters' Obligation	21
Directors' Take-Up in the Rights Offer [Rule-8(Q)]	22
Terms and Conditions of the Rights Issue	23
Lock in on Rights Shares	24
Others	25
Material Contracts	25
Form-A	26
Form-B	26
Form-C	27
Form-D	28
Corporate Governance Guidelines	29
Independent Auditors' Report to the Shareholders of Summit Alliance Port Limited	38
Report as per section 135 (1) of the Companies Act, 1994	65
Auditor's Discloser Regarding De-Recognition of Revaluation of Fixed Assets	68
Management's Disclosure Regarding Increase of Authorized Share Capital	69
Credit Rating Report	70
Validity Extension of Credit Rating	85
Letter of Offer for Rights Issue	87
Form of Acceptance and Application for Shares	88
Form of Renunciation	90
Application by Renouncee(s)	91

Definition and Elaboration of the abbreviated words and Technical Terms used in the Rights Share Offer Document

A

AGM	Annual General Meeting
Allotment	Allotment of Shares

B

BAS	Bangladesh Accounting Standards
BDT	Bangladeshi Taka
BSEC	Bangladesh Securities and Exchange Commission
BO Account	Beneficiary Owners Account

C

CDBL	Central Depository Bangladesh Limited
CIB	Credit Information Bureau
CEO	Chief Executive Officer
Commission	Bangladesh Securities and Exchange Commission
Company / Issuer	Summit Alliance Port Limited
Companies Act	The Companies Act, 1994 (Act. No. XVIII of 1994)
Corporate Office	Head office of the Company
CSE	Chittagong Stock Exchange

D

DSE	Dhaka Stock Exchange
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E

EGM	Extra Ordinary General Meeting
EPS	Earnings Per Share

F

FC Account	Foreign Currency Account
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G

GBP	Great Britain Pound
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I

IPO	Initial Public Offering
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L

LC	Letter of Credit
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N

NAV	Net Asset Value
NRB	Non-Resident Bangladeshi

P

PER	Price-Earnings Ratio
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R

RJSC	Registrar of Joint Stock Companies and Firms
RULES	Bangladesh Securities and Exchange Commission (Rights Issue) Rules, 2006

S

STD Account	Short Term Deposit Account
SAPL	Summit Alliance Port Limited
Subscription	Application Money

T

Tk.	Taka
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U

USD	United States Dollar
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SUMMIT ALLIANCE PORT LIMITED

Corporate Office: Summit Centre,
18, Kawran Bazar C/A, Dhaka-1215

ISSUE OF RIGHTS SHARES

July 30, 2015

Dear Shareholder(s),

We are pleased to inform you that the shareholders of the Company in the Extraordinary General Meeting (EGM) held on dated 30.07.2015 approved Rights Shares issue proposal of 34,352,466 to be offered in the ratio of 1(R):5 (i.e. one rights share for five existing share held) based on the outstanding 171,762,330 shares including 5% Stock dividend for the year 2014 as approved by the shareholders in the EGM at Tk.15/- per share, with a premium of Tk.5/- each, to raise a fund totaling Tk. 515,286,990.00. The purpose of issuance of Rights Share is to raise fund by further increase of paid up capital for purchase of land, expansion of the facilities and pay off part of existing loan of the company.

Having satisfactory operation, the Company has earned Net Profit (after Tax) of Tk. 78,265,001.00 for the period from 01 January, 2015 to 30 June, 2015 and this success could have been possible due to continuous support of our valued clients acknowledging our quality of services. Besides, efficient direction of the Board of Directors and patronization and active participation of our shareholders also made it possible to achieve what we are today.

Honorable shareholders in order to maintain the growth and take the company forward, your continued support and assistance is our source of inspiration and sincerely hope that you would come forward to make this rights offer a success.

A self-explanatory Rights Share Offer Document prepared according to the Bangladesh Securities and Exchange Commission (Rights Issue) Rules, 2006 is enclosed herewith for your kind information and evaluation.

On behalf of the Board of Directors,

Sd/-
Syed Ali Jowher Rizvi
Managing Director

The Rights Offer

THE COMPANY

Summit Alliance Port Limited (hereinafter referred to as the "The Company or SAPL"), initially incorporated as a private limited company under the Companies Act, 1994 on December 06, 2003, was converted into a Public Limited Company on March 06, 2008. The Company's Registered office is at Katghar, South Patenga, Chittagong-4204 with Corporate Office at Summit Centre, 18 Kawran Bazar Commercial Area, Dhaka-1215. With the permission of Bangladesh Securities and Exchange Commission (BSEC) vide its letter SEC/CI/IPO-101/08/343 dated July 01, 2008, the company went public and made Initial Public Offer (IPO) of its shares to Public on 1st August 2008 and after completing all the required formalities, the Company commenced trading of its shares through both the bourses of the Country effective from October 16, 2008.

Subsequently pursuant to an application made by the Company along with its subsidiary, Ocean Containers Limited (OCL), under Section 229 read in conjunction with Section 228 of the Companies Act 1994 the High Court Division of the Supreme Court of Bangladesh passed order dated 19th December 2012 in the Company Matter No.225 of 2012, approving amalgamation of OCL with Summit Alliance Port Limited effective from 1st October 2012, the Appointed date of the merger. In compliance with the honorable High Court decision, required formalities were complied with and finally OCL was dissolved and ceased to exist and its undertaking was merged and being continued under the name and title of Summit Alliance Port Limited.

Besides, the Company in its drive for expansion has taken up project for establishment of a River Terminal on its 15 acres of freehold land on the bank of river Dhaleswary in Mukhterpur under Munshigonj district. The River Terminal will have all the off-dock facilities besides transportation of export/import cargo by river to/from Chittagong Port and for the purpose procurement of container vessels is in the pipeline.

Profiles of the subsidiaries of SAPL are as follows:

Cemcor Limited (Cemcor) is a private limited company incorporated in Bangladesh under the Companies Act, 1994. Cemcor, in turn acquired 100% shares of Wahid Spinning Mills Limited (WSML) from its promoters on 19th September 1999. WSML was incorporated in Bangladesh as a private limited company on 6th September 1999 under the Companies Act, 1994. SAPL acquired Cemcor on 24th August 2009 in order to build a riverine port. Initially at the initiative of SAPL, the parent company, establishment of a River Terminal was taken in hand by Cemcor on the 14 acres of contiguous land, owned by Cemcor and WSML, on the bank of river Dhaleswary in Mukhterpur under Munshigonj district but subsequently the land with the structures so far built was acquired by SAPL at mutually agreed price. The two subsidiaries are non-operative.

The Company also formed another 100% owned Subsidiary under the name of "Container Transportation Services Limited (CTSL)" for transportation of containers (empty/ladden) from/to depot. CTSL was incorporated as private limited company on 25th November 2013 under the Companies Act 1994 and started its commercial operation from July 2014.

NATURE OF BUSINESS

The principal activity of the Company is to provide Off-Dock services as Inland Container Depot (ICD) with facilities for Empty Container Storage and Container Freight Station (CFS) for handling both import and export cargo.

THE RIGHTS ISSUE

Summit Alliance Port Limited, in its 4th meeting of 2015 held on 29th June 2015, decided to increase paid-up capital of the company by Tk. 343,524,660 through issuance of 34,352,466 Rights shares of Tk. 10 each issuing at Tk. 15 each, including a premium of Tk. 5 per share to totaling Tk. 515,286,990.00 to be offered on the basis of 01 (one) new share for 05 (five) existing shares held on the record date based on the outstanding 171,762,330 shares including 5% Stock Dividend for the year 2014 as approved in the EGM held on July 30, 2015.

Issue Price

At Extraordinary General Meeting (EGM) held on July 30, 2015, the honorable shareholders of the Company approved rights offer of 34,352,466 Ordinary Shares of Tk. 10 each issuing at Tk. 15 each, including a premium of Tk. 5 per share, subject to approval of the Bangladesh Securities and Exchange Commission (BSEC), to be offered on the basis of 1 (one) rights share for 5 (five) existing shares held on the record date.

RISK FACTORS AND MANAGEMENT'S PERCEPTION FOR REDUCTION OF SUCH RISK

Every equity investment is associated with risks. Some of these risks can be mitigated, while others may be beyond control. Before making any investment decision, Investors should take the risk factors into consideration. Some of the risks related to this offering include:

Interest Rate Risks

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 has been repaying borrowed funds on a continuous basis to reduce such interest risk.

Exchange Rate Risks

Risk Exchange rate risk occurs due to changes in exchange rates. As the Company imports equipment from abroad unfavorable volatility or currency fluctuation may affect the profitability of the Company. If exchange rate is increased against local currency opportunity will be created for generating more profit.

Management Perception:

Summit Alliance Port Limited changes the price of their services in accordance with the change in exchange rate to mitigate the effect of unfavorable volatility in exchange rate on the company's earnings.

Debt Financing Risks

Debt financing risk is the risk that the company is highly dependent on debt financing and amount of debt is increased gradually.

Management Perception:

The company is aware of the financial risks exposure. Our borrowings are at fixed interest basis. A considerably high leverage ratio shown in our financial statements does not necessarily imply the authenticity of interest rate risks. The company has been repaying borrowed funds on a continuous basis and if we look in the debt equity ratio of the company which has been reduced. Additionally, the management of the company emphasizes on equity base financing to reduce the dependency on borrowing, suggesting the management perception for interest rate risk to have a minimum impact on the company's profitability and viability.

Industry Risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market share etc which could have an adverse impact on the business, financial condition and results of operation.

Management Perception:

The Company continuously carries out innovation and improvements to the methods for cargo handling to keep pace with the customer choices. As a local company, Summit Alliance Port Limited has a unique understanding of the requirements of its clients and customers and as such, shall continuously position itself as the first choice to its domestic market. Foreign companies wishing to enter the Bangladesh market will seek Summit Alliance Port Limited as its potential partner.

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:

The needs for power, construction and infrastructure support services will continue to grow much faster in a developing country than other developed markets in the world. Strong management, timely and quality service has enabled the company to capture significant market share in the sector. And the company is continuously penetrating the market and upgrading the quality of their service to minimize the risk.

Technology Related Risks

Technology always plays a vital role for each and every type of business. Better technology can increase productivity and reduce costs of production. Firms are exposed to technology risks when there are better technologies available in the market than the one used by the company which may cause technological obsolescence and negative operational efficiency.

Management Perception:

The Company is aware of technological changes and has adopted new technology according to its needs. Furthermore, routine and proper maintenance of the equipment carried out by the Company ensures longer service life for the existing equipment and facilities.

Risk associated with Potential or Existing Government Regulations

The Company operates under The Companies Act, 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991 and other laws of the land as applicable. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the Company.

Management Perception:

Since the Company operates in the vital Port sector the Government regulations are mostly investment-friendly. However, unless any policy change that may negatively and materially affect the industry as a whole, the business of the Company is expected not to be affected. As it is a thrust sector, it is highly unlikely that the Government will frustrate the growth of the industry with adverse policy measures.

Risk associated with Potential Changes in Global or National Policies

The performance of the Company may be affected due to unavoidable circumstances both in Bangladesh and worldwide, such as war, tourism, political unrest in the country or customer countries. Changes in global or national policies may also adversely affect the economy in general.

Management Perception:

The risk due to changes in global or national policies is beyond control of any company. The management of the company is always concerned about the prevailing and future changes in the global and national policy and shall respond appropriately and timely to safeguard its interest. The company's strong brand image and diverse customer base will enable it to withstand any such potential threats.

History of Non-Operation, if any

There is no history of non-operation in the case of The Company.

Management Perception:

To overcome these uncertainties, the Company has its own power backup, extra container handling equipment to provide redundancy options and multiple physical locations, which reduce the non-operating risk.

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, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management Perception:

The company's equipments and warehouses are under insurance coverage in order to get reasonable compensation for any damages. Apart from these, routine security check and proper maintenance of the equipments also reduce/eliminate the operational risk.

Date of Opening and Closing of Subscription Lists

Subscription opens for the Rights Share Offer on [●] and subscription closes for the rights share offer on [●].

Utilization of Initial Public Offering Fund

Summit Alliance Port Limited went for Public Issue in the year 2008 by issuing 10,000,000 Ordinary Shares of Tk. 10 each at par and raised gross proceeds of Tk. 100,000,000.00. The entire fund was utilized in the following manner:

Utilization of Fund	Amount in BDT
Land Purchase	41,269,000
Land Registration Cost	7,737,926
Land Development	36,057,720
Building & Other Construction	10,233,547
Civil work & Construction of Prefabricated Shades	12,639,822
Total	107,938,015.00

Sd/-
Syed Ali Jowher Rizvi
 Managing Director

Sd/-
Syed Fazlul Haque, FCA
 Chief Financial Officer

Purpose of Raising Fund through Rights Issue [Rule-8(e)]

The Rights Issue of the company will be of 34,352,466 ordinary shares of Tk. 10.00 each at an Issue Price of Tk. 15.00 each including a premium of Tk. 5.00 each and raise fund totaling Tk. 515,286,990.00. The Utilization of Rights Issue Fund in the following manner:

Use of Rights Share Proceeds	Amount in BDT
1. Purchase of Land:	
At Mukterpur, Munshiganj (1,167.00 Decimals of Land @ BDT 419,880.04)*	345,286,990.00
2. Repayment of Term Loan:	
Industrial and Infrastructure Development Finance Company Ltd. (IIDFC)	170,000,000.00
Total	515,286,990.00

*Remaining amount related to acquisition of land will be financed by company's operating cash flows and bank financing (if required).

Sd/-
Syed Ali Jowher Rizvi
 Managing Director

Sd/-
Syed Fazlul Haque, FCA
 Chief Financial Officer

Implementation Schedule [Rule-8(K)]

The Company will utilize the Rights Issue Proceeds of BDT 515,286,990.00 as per following schedule:

Use of Rights Share Proceeds	Amount in Taka	Implementation Schedule
Purchase of Land	345,286,990.00	Within 6 (six) months of receiving the Rights share proceed
Repayment of Term Loan	170,000,000.00	Within 3 (three) months of receiving the Rights share proceed
Total	515,286,990.00	

Sd/-
Syed Ali Jowher Rizvi
 Managing Director

Sd/-
Syed Fazlul Haque, FCA
 Chief Financial Officer

AGM Held and Dividend Declared in Last Five Years

Accounting year	Date of AGM	Declared Dividend
2010	25.05.2011	25% Stock Dividend & 50% Cash
2011	03.05.2012	10% Stock Dividend & 10% Cash
2012	19.05.2013	10% Stock Dividend & 10% Cash
2013	11.05.2014	15% Cash
2014	14.03.2015	5% Stock Dividend & 10% Cash

Sd/-
Syed Ali Jowher Rizvi
 Managing Director

Sd/-
Syed Fazlul Haque, FCA
 Chief Financial Officer

EXISTING PRODUCT & SERVICES RENDERED BY THE COMPANY AND ITS SUBSIDIARIES

Principal activities of the company are to provide Off-Dock services to its valued clients that include as under:

1. Inland Container Depot comprising transportation and storage of empty containers in the Yard and redelivery of the containers to various locations as per client's advice.
2. Container Freight Station: Comprising activities related to Export cargo handling as well as Import cargo handling and the services include:
 - Receiving of export cargo, storage of the same in bonded warehouse, documentation to complete formalities related to export, stuffing of the cargo in the container and transportation of the same after due customs formalities to the Port Container Yard or Vessel Hook as per Client's advice.
 - Receiving import cargo from port yard, documentation, unstuffing of the same after due customs formalities and handing over to clients.
 - Company also provides some customized services to its clients, such as Container condition survey, its repair and maintenance; Fumigation; etc.

Besides, work for establishment of a River Terminal is in full swing on 15 acres of Company's freehold land on the bank of river Dholeswary in Mukterpur under Munshigonj district. The River Terminal shall have the bonded warehouse facilities with required handling equipment for Container Freight Station to handle export and import cargos as well as for storage of empty containers besides container vessels for transportation of cargo to and from Chittagong port. Once in operation, the River Terminal will, on the one hand, help the exporters/importers to be competitive by transporting cargo by less costly river transportation and on the other will ease the pressure on the already overburdened Dhaka-Chittagong highway.

The company has three bonded depots on around **45 acres** of company's freehold land in Patenga, between 6 and 6.5 km away from the multipurpose container vessel berths of Chittagong Port, with facilities to provide both ICD and CFS services as detailed below:

- *Warehouse facility for storage of export cargo before stuffing and transportation of the same after completing customs and other formalities: Total space of **471,366 sft including 7,020 sft** for specialized Garments on Hanger (GOH), with 11 Warehouses in our three depots.*
- **One Import Shed of 19,500sft** in SAPL (East) depot to handle import cargo.
- *ICD facility for storage of empty container and reefer facility: **1,161,858 sft**.*
- **One Jute Shed measuring 8,430 sft**
- Fleet of heavy and light equipment's including, amongst others, Laden Reach Stacker, Crane, High & Low Mast Forklifts of various capacities, Reach Stackers, Cargo Lift Elevator, Trailers, Prime Movers and other handling equipment's like Empty Container Handlers, Side Stackers etc.
- *Three Standby generators of **550 KVA, 220 KVA and 320 KVA** capacities for supplying power to the entire yard and warehouses.*

The company has received the Global Security Verification (GSV) certification which is the leading international business network for supporting the development and implementation of measures for enhancing global supply chain security. With this GSV certificate the company was determined by an independent 3rd party expert as having the appropriate security measures in place, as published by the U.S. Bureau of Customs and Border Protection

Considering the immense opportunities in the sector, SAPL is striving to expand its infrastructure and facilities in order to set the standards and always remain ahead of the industry competitors. The company's continuous investments in equipment and infrastructural development, including purchase of land coupled with the most professional management team in the industry has enabled SAPL to provide high standard of service to clients and gain a significant competitive edge. With the goodwill earned for the quality service of international standard over the years which was possible for the dedicated services provided by qualified and experienced management team and work force, SAPL enjoys an esteemed clientele list including, among others, DAMCO,

Kuehne+Nagel Limited, APL Bangladesh Limited, DSV Air & Sea Limited, Maersk Bangladesh Limited and several other prestigious Freight Forwarders and Mainline Operators.

SAPL HAS TWO SUBSIDIARY COMPANIES AS UNDER

CEMCOR LIMITED

Cemcor Limited (Cemcor) is a private limited company incorporated in Bangladesh under the Companies Act, 1994. Cemcor, in turn acquired 100% shares of Wahid Spinning Mills Limited (WSML) from its promoters on 19th September 1999. WSML was incorporated in Bangladesh as a private limited company on 6th September 1999 under the Companies Act, 1994. SAPL acquired Cemcor on 24th August 2009 in order to build a riverine port. Initially at the initiative of SAPL, the parent company, establishment of a River Terminal was taken in hand by Cemcor on the 14 acres of contiguous land, owned by Cemcor and WSML, on the bank of river Dholeswary in Mukterpur under Munshigonj district but subsequently the land with the structures so far built was acquired by SAPL at mutually agreed price. The two subsidiaries are non-operative.

CONTAINER TRANSPORTATION SERVICES LIMITED

The Company also formed another 100% owned Subsidiary under the name of “Container Transportation Services Limited (CTSL)” for transportation of containers (empty/12 laden) from/to depot. CTSL was incorporated as private limited company on 25th November 2013 under the Companies Act 1994 and started its commercial operation from July 2014.

JUSTIFICATION FOR THE ISSUE PRICE OF RIGHTS SHARE

The rights issue price of Tk. 10 each issuing at Tk. 15 each, including a premium of Tk. 5 per share is justified as per the guidelines of the Bangladesh Securities and Exchange Commission (BSEC) as detailed below:

Method 1: Net Asset Value (NAV) per share

The Net Assets Value per share of the Company stands at **BDT 28.00** that has been derived by dividing the net assets at the end of the period by the number of outstanding shares before Rights Offering as shown in the table below:

Particulars	Amount in BDT
Paid-up Capital (as on June 30, 2015)	1,717,623,300
Revaluation Surplus	2,866,568,649
Retained Earnings (as on June 30, 2015)	225,532,247
Total Shareholders' Equity [A]	4,809,724,196
No. of Ordinary Shares outstanding [B]	171,762,330
Net Asset Value (NAV) per share at current costs [A/B]	28.00

Method 2: Earning-based-value per share

Earning-based-value per share based on historical information sourced from audited financial statements and statistics from Dhaka Stock Exchange Limited (DSE). The value was calculated by considering weighted net profit after tax for last 5.5 (five and a half) years as per audited financial statements and market earnings multiple. The weighted average Earnings per share (EPS) is **BDT 1.44 and BDT 0.79 without extra-ordinary income** and the three months average DSE Market P/E is **16.50**. Therefore, Earning-based-value per share has been derived as **BDT 23.80 and BDT 13.09 without extra-ordinary income**.

Accounting Year (January - December)	No. of Shares	Weight of No. of Shares	Net Profit After Tax (BDT)	Weighted Net Profit After Tax (BDT)
2010	96,691,600	0.11	1,109,047,593	126,243,320
2011	120,864,500	0.14	186,804,504	26,580,037
2012	132,950,950	0.16	179,844,647	28,148,706
2013	163,583,172	0.19	129,840,064	25,004,422
2014	163,583,172	0.19	134,535,198	25,908,605
2015 (01 January, 2015 to 30 June, 2015)	171,762,330	0.20	78,265,001	15,825,775
Weighted Net Profit After Tax during the period 2010 to 2015 ((01 January, 2015 to 30 June, 2015)) [C]				247,710,866
No. of shares outstanding [D]				171,762,330
Weighted Average Earnings per Share (EPS) [E = C/D]				1.44
Average DSE Market P/E [F]				16.50
Earning-based-value per share (BDT) [E × F]				23.80

Earning-based-value per share without Considering Extra-Ordinary Income (in the FY 2010):

Accounting Year (January - December)	No. of Shares	Weight of No. of Shares	Net Profit After Tax (BDT)	Weighted Net Profit After Tax (BDT)
2010	96,691,600	0.11	129,951,474	14,792,427
2011	120,864,500	0.14	186,804,504	26,580,037
2012	132,950,950	0.16	179,844,647	28,148,706
2013	163,583,172	0.19	129,840,064	25,004,422
2014	163,583,172	0.19	134,535,198	25,908,605
2015 (01 January, 2015 to 30 June, 2015)	171,762,330	0.20	78,265,001	15,825,775
Weighted Net Profit After Tax during the period 2010 to 2015 (01 January, 2015 to 30 June, 2015) [G]				136,259,973
No. of shares outstanding [H]				171,762,330
Weighted Average Earnings per Share (EPS) [I = G/H]				0.79
Average DSE Market P/E [J]				16.50
Earning-based-value per share (BDT) [I × J]				13.09

Calculation of Relevant P/E Multiple:

Month	Services & Real Estate Sector P/E	Market P/E
July 2015	37.49	16.71
August 2015	37.03	16.44
September 2015	40.27	16.36
Average P/E Multiple	38.26	16.50
Relevant P/E Multiple: Lower value of last three months average P/E of Services & Real Estate Sector and Market		16.50

Source: DSE Monthly Review, July 2015, August 2015 and September 2015

Method 3: Average Market Price per share for the last Six (6) Months

Sl. No.	Date	Market Performance	
		Face Value (BDT)	Closing Price (BDT)
1.	Market Price at May 31, 2015	10.00	68.00
2.	Market Price at June 30, 2015	10.00	60.40
3.	Market Price at July 30, 2015	10.00	55.50
4.	Market Price at August 31, 2015	10.00	53.90
5.	Market Price at September 30, 2015	10.00	60.00
6.	Market Price at October 30, 2015	10.00	55.10
Average Market Price		10.00	58.82

Source: DSE website

Offer Price:

Based on the above-mentioned valuation methodologies as per Securities and Exchange Commission (Rights Issue) Rules, 2006, it appears that the offer price of BDT 10.00 each issuing at BDT 15.00 each including a premium of BDT 5.00 per share by the Company is quite justified and reasonable and also attractive to the shareholders.

DETAILS OF DIRECTORS, MANAGING DIRECTOR & COMPANY SECRETARY [Rule-8(m)]

Sl. No.	Name of Directors	Position	Education Qualification	Age	Address	Occupation
1.	Mr. Muhammed Aziz Khan	Chairman	MBA From IBA, Dhaka University	60	14/A Shaheed Sharani Road, Dhaka Cantonment, Dhaka	Business
2.	Mrs. Anjuman Aziz Khan	Director	Bachelors of Arts	61	14/A ShaheedSharani Road, Dhaka Cantonment, Dhaka	Business
3.	Syed Ali Jowher Rizvi	Managing Director	MBA From Indiana University, USA	60	House# A/15, Road# 117, Gulshan, Dhaka.	Business
4.	Syed Yasser Haider Rizvi	Additional Managing Director	Bachelor Degree with Honors in Economics from University College London (UCL)	34	House# A/15, Road# 117, Gulshan, Dhaka.	Business
5.	Syed Nasser Haider Rizvi	Deputy Managing Director	BSc. In Management from Bentley University, Boston, USA	30	House# A/15, Road# 117, Gulshan, Dhaka.	Business
6.	Mr. Latif Khan	Director	BA in Public Administration at Dhaka University	56	14/A ShaheedSharani Road, Dhaka Cantonment, Dhaka	Business
7.	Ms. Ayesha Aziz Khan	Director	Economics and Business from the University College London, London, United Kingdom and MBA from Columbia University, New York, USA	33	14/A ShaheedSharani Road, Dhaka Cantonment, Dhaka	Business
8.	Mr. Faisal Karim Khan	Director	Mechanical Engineering with Business Finance Degree from University College London and London School of Economics	30	14/A ShaheedSharani Road, Dhaka Cantonment, Dhaka	Business
9.	Ms. Azeeza Aziz Khan	Director	Bachelors in Economics and Business from University College London in the UK	28	14/A ShaheedSharani Road, Dhaka Cantonment, Dhaka	Business
10.	Syed Fazlul Haque, FCA	Director	Chartered Accountant	69	Apt.- A3, House- 8B Road- 90, Gulshan, Dhaka-1212	Service
11.	Mr. Captain Asif Mahmood	Director	Professional certificates on class 3 in 1985 from Liverpool (UK), class 2 in 1989 from Cardiff (UK) & Class 1 Master's in 1995 from South Shields (UK)	55	House-31, Block- A, Road- 18, Banani, Dhaka-1213	Service
12.	Mr. Abdul-Muyeed Chowdhury	Independent Director	M.A in History from D.U. and studied Public Administration	71	Room#605, Rob Super Market, Gulshan Circle 2,	Business

			at the University of Tennessee, Knoxville USA		Dhaka.	
13.	Mr. Lutfе M. Ayub	Independent Director	B.A. (Hons)	61	House#3, Road#2 Khulshi Residential Area Chittagong	Business
14.	Mr. Imtiaz Mahmood	Independent Director	LLB (Hons) from University of London, UK	50	Apartment # C5, House # 20, Road # 16, Block # B, Banani, Dhaka	Service

COMPANY SECRETARY

Name	Education Qualification	Age	Address	Occupation
Syed Fazlul Haque, FCA	Chartered Accountant	69	Apt.- A3, House- 8B, Road # 90, Gulshan, Dhaka-1212	Service

DETAILS OF MANAGERS OF THE COMPANY

Sl. No.	Name	Designation	Address
1.	Engr. Anisur Rahman	Sr. Manager- River Terminal	Maa Baba Bhaban, Bibirhat, P.O: Amin Jute Mills, P.S: Panchlaish, Dist: Chittagong.
2.	Mr. Mohd. Shahadat Hussain Chowdhury	Sr. Manager- CTSL	House No:705 (1st Floor),Road # 24, CDA R/A, Agrabad, Chittagong
3.	Mr. Md. Belal Hossain	Manager- AFD	Vill: Muradnagar, P.O: Elliatgonj, P.S: Chandina, Dist: Comilla.
4.	Mr. Md. Abdullah Osman Sajid	Manager- AFD	H# 182 , R# 04, Mohammadia Housing Society, Mohammadpur , Dhaka -1207
5.	Mr. Tofayel Ahmed	Manager- Admin	Vill: DeilPara, P.O: Middle Patenga, P.S: Patenga, Dist: Chittagong.
6.	Mr. Ashfaq Mazhar	Manager- Logistics	South Halisahar, Bandar , Chittagong.
7.	Mr. Mohammed Mohsin	Manager - ICD	Saleh Mansion, 2680, Beparipara, C.D.A Bye Lane, Chiittagong
8.	Mr. Masud Parvez	Manager - ICD	Vill:Akalia,P.O :Kharanwip, Boalkhali,Chittagong

DETAILS OF MANAGEMENT & EXECUTIVES OF THE COMPANY

Sl. No.	Name	Address	Educational Qualification	Designation	Occupation	Place of posting
1.	Syed Ali Jowher Rizvi	House# A/15, Road# 117 Gulshan, Dhaka	MBA From Indiana University, USA	Managing Director	Service	Head Office
2.	Syed Yasser Haider Rizvi	House# A/15, Road# 117 Gulshan, Dhaka	Bachelor degree with Honors in Economics from University College London	Addl. Managing Director	Service	Head Office
3.	Syed Nasser Haider Rizvi	House# A/15, Road# 117 Gulshan, Dhaka.	BSc. In Management from Bentley University, Boston, USA	Deputy Managing Director	Service	Head Office
4.	Ms. Azeeza Aziz Khan	14/A ShaheedSharani Road, Dhaka Cantonment, Dhaka	Bachelors in Economics and Business from University College London in the UK	Director	Service	Head Office
5.	Syed Fazlul Haque, FCA	Apt.- A3, House- 8B Road- 90, Gulshan, Dhaka-1212	Chartered Accountant	Director & Company Secretary	Service	Head Office
6.	Mr. Captain Asif Mahmood	House-31, Block- A, Road- 18, Banani, Dhaka-1213	professional certificates on class 3 in 1985 from Liverpool (UK), class 2 in 1989 from Cardiff (UK) & Class 1 Master's in 1995 from South Shields UK	Director (Project & Procurement)	Service	Head Office
7.	Mr. Captain Kamrul Islam Mazumder	Nongor 4/A, Road # 1, Block # C, Lane # 3, South Khulshi, P.O: Pahartoli, Ctg. City Corporation, Chittagong-4202	Master Mariner from Liverpool, England	Executive Director & COO	Service	Head Office
8.	Mr. Md. Abdul Hakim	27/3 Jitu Villa , C-5 , Khanpur Main Road , Khanpur , Narayangonj , Dhaka	M.Com, University of Rajshahi	Chief Operating Officer (COO)-RT	Service	Head Office
9.	Mr. Md. Mahinul Hoque	C/O: Meherunnesa, 76/3 # A Shymoly R/A, Shantibug, North Agrabad, Chittagong	B.Com(Hons) & Masters from Chittagong University	General Manager (Operation)	Service	Head Office
10.	Mr. Ratan Kumar Nath, FCMA	East Thana Mohira, P.O: Colorpool, P.S: Mohira, Potia, Chittagong- 4371	Cost & Management Accountant	Addl. General Manager (Finance & Accounts)	Service	Head Office
11.	Mr. Aman Ullah Al Kader	I.H. Khulshi Tower , Flat # 2B , Road # 8 , Green view residential area , Khulshi , Chittagong	B.Com(Hons), Chittagong University	Asst. General Manager (Operations)	Service	Head Office
12.	Mr. Jainul Abedin	392 / B Chowdhury Mansion , Canmari Road , Lalkhan Bazar , Chittagong	Masters from Chittagong University	Assistant General Manager (Legal Affairs)	Service	Head Office
13.	Mr. Pankoj Kumar Dey	Flat No-E/8, 8 th Floor, Mishmak Morrigann 1585/1586 Amir Hossain Dovash Road, Rashid Building, Agrabad, Chittagong.	Chartered Accountancy study	Sr. Manager (Head of Internal Audit)	Service	Head Office

14.	Ms. Rumi Sen Gupta	84, Iqbal Road, Rahim Haji Masion, Patherghata , Chittagong	Post-graduation, Chittagong University	Sr. Manager, (HR Department)	Service	Head Office
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BANKERS TO THE ISSUE OF RIGHTS ISSUE OF SUMMIT ALLIANCE PORT LIMITED

Mutual Trust Bank Limited		National Bank Limited	
1	Babu Bazar Branch, Dhaka	1	Banani Branch, Dhaka
2	Banani Branch, Dhaka	2	Dhanmondi Branch, Dhaka
3	Dhanmondi Branch, Dhaka	3	Elephant Road Branch, Dhaka
4	Dholaikhal Branch, Dhaka	4	Foreign Ex. Branch, Dhaka
5	Dilkusha Branch, Dhaka	5	Gulshan Branch, Dhaka
6	Elephant Road Branch, Dhaka	6	Islampur Branch, Dhaka
7	Fullbaria Branch, Dhaka	7	Jatrabari Branch, Dhaka
8	Gulshan Branch, Dhaka	8	Kawran Bazar Branch, Dhaka
9	Mohammadpur Branch, Dhaka	9	Malibagh Branch, Dhaka
10	MTB Corporate Center Branch, Dhaka	10	Mirpur Branch, Dhaka
11	Pallabi Branch, Dhaka	11	Mohakhali Branch, Dhaka
12	Panthapath Branch, Dhaka	12	Mohammadpur Branch, Dhaka
13	Principal Branch, Dhaka	13	Motijheel Branch, Dhaka
14	ProgatiSarani Branch, Dhaka	14	Mymensing Br, Mymensing
15	Savar Branch, Dhaka	15	Narayangonj Branch, N'gonj
16	Dania Branch, Dhaka	16	North Brook Hall Branch, Dhaka
17	Tongi Branch, Dhaka	17	Rajshahi Br, Rajshahi
18	Uttara Model Town Branch, Dhaka	18	RokeyaSarani Branch, Dhaka
19	Baridhara Branch, Dhaka	19	Savar Bazar Branch, Savar
20	Narayangonj Branch, Narayangonj	20	Uttara Branch, Dhaka
21	Tejgaon Branch, Dhaka	21	Z. H. Sikder M.C. Br. Dhaka
22	Agrabad Branch, Chittagong	22	Sylhet Br, Sylhet
23	AlankarMour Branch, Chittagong	23	Agrabad Br. Chittagong
24	C D A Avenue Branch, Chittagong	24	Barisal Br, Barisal
25	Jubilee Road Branch, Chittagong	25	Chawk Bazar Br. Chittagong
26	Khatungonj Branch, Chittagong	26	GazipurBr,GaziPur
27	Feni Branch, Feni	27	Khatungong Br. Chittagong
28	Rajshahi Branch, Rajshahi	28	Khulna Br, Khulna
29	Rangpur Branch, Rangpur		
30	Bogra Branch, Bogra		
31	Pabna Branch, Pabna		
32	Kushtia Branch, Kushtia		
33	Sylhet Branch, Sylhet		
34	Moulvi Bazar Branch, Sylhet		
35	Jessore Branch, Jessore		
36	Habigonj Branch, Habigonj		

LENGTH OF TIME DURING WHICH THE ISSUER HAS CARRIED ON BUSINESS [RULE-8(J)]

Summit Alliance Port Limited is a public limited Company and have been carrying on its commercial operation for the last 12 (twelve) years. The company has started its commercial operation in 2003.

QUANTITY OF SHARES HELD BY EACH DIRECTOR AND BENEFICIARY OWNERS HOLDING SHARES 5% OR ABOVE AS ON 31.10.2015 [RULE-8(I)]

Sl. No.	Name	Status	Number of Shares held	% of Shareholding
1.	Mr. Muhammed Aziz Khan	Chairman	12,080,511	7.0333
2.	Mrs. Anjuman Aziz Khan	Director	8,896,474	5.1795
3.	Syed Ali Jowher Rizvi	Managing Director	8,854,360	5.1550
4.	Syed Yasser Haider Rizvi	Additional Managing Director (Nominated Director representing Alliance Holdings Ltd.)	2,040,274	1.1878
5.	Syed Nasser Haider Rizvi	Deputy Managing Director (Nominated Director representing Alliance Holdings Ltd.)	2,040,274	1.1878
6.	Mr. Latif Khan	Director (Nominated Director representing Summit Holdings Ltd.)	-	-
7.	Ms. Ayesha Aziz Khan	Director	6,323,789	3.6817
8.	Mr. Faisal Karim Khan	Director (Nominated Director representing Summit Holdings Ltd.)	-	-
9.	Ms. Azeeza Aziz Khan	Director	6,323,789	3.6817
10.	Syed Fazlul Haque, FCA	Director (Nominated Director representing Alliance Holdings Ltd.)	1,189	0.0007
11.	Captain Asif Mahmood	Director (Nominated Director representing Alliance Holdings Ltd.)	-	-
12.	Mr. Abdul-Muyeed Chowdhury	Independent Director	-	-
13.	Mr. Lutfe M. Ayub	Independent Director	-	-
14.	Mr. Imtiaz Mahmood	Independent Director	-	-
15.	Alliance Holdings Limited	Sponsor Shareholder	40,330,244	23.3875
16.	Summit Holdings Ltd.	Sponsor Shareholder	13,877,898	8.0797

BENEFICIAL OWNERS HOLDING SHARES 5% OR ABOVE AS ON 31.10.2015 [Rule-8(I)]

Sl. No.	Name	Status	Number of Shares held	% of Shareholding
1.	Mr. Muhammed Aziz Khan	Chairman	12,080,511	7.0333
2.	Syed Ali Jowher Rizvi	Managing Director	8,854,360	5.1550
3.	Mrs. Anjuman Aziz Khan	Director	8,896,474	5.1795
4.	Alliance Holdings Limited	Sponsor Share Holder	40,330,244	23.3875
5.	Summit Holdings Ltd.	Sponsor Share Holder	13,877,898	8.0797

Sd/-

Syed Ali Jowher Rizvi
Managing Director

COMPOSITION OF SHARE HOLDING POSITION OF THE COMPANY AS ON 31.10.2015

Sl. No.	Particulars	No. of Shares	Amount in BDT	% of Total Shares
1.	Sponsors and Directors	107,091,402	1,070,914,020	62.35
2.	Institutions	26,250,397	262,503,970	15.28
3.	Non Residents	102,968	1,029,680	0.06
4.	General Public	38,185,190	381,851,900	22.23
5.	Foreign (company)	132,373	1,323,730	0.08
Total		171,762,330	1,717,623,300	100%

Sd/-
Syed Ali Jowher Rizvi
 Managing Director

Sd/-
Syed Fazlul Haque, FCA
 Chief Financial Officer

PUBLIC LISTED COMPANY UNDER COMMON MANAGEMENT [RULE-8(N)]

As per the Bangladesh Securities and Exchange Commission (Rights Issue) Rules, 2006; there is no Public Listed Company under the common Management of Summit Alliance Port Limited.

CLASSIFIED INFORMATION & UNDERWRITERS [RULE-8(O)]

Issue Manager:	LankaBangla Investments Limited Eunoos Trade Center, Level-21,52-53, Dilkusha C/A, Dhaka-1000
Auditors:	A. Qasem & Co. Chartered Accountants Suites No. 01-03, Level 7, Pink City, 15 Gulshan Ave, Dhaka 1212, Bangladesh, Phone: +880-2-8881824-6, , Fax: +880-2-8881822, E-mail: aqasem@aqcbd.com
Legal Advisor:	Mahmood Jabbar Khan Barristers & Advocates Summit centre,18 Kawran Bazar C/A, Dhaka-1215
Underwriter(s):	<ul style="list-style-type: none"> ▪ LankaBangla Investments Limited Eunoos Trade Center, Level-21,52-53, Dilkusha C/A, Dhaka-1000 ▪ Prime Finance Capital Management Limited PFI Tower (6th Floor), 56-57, Dilkusha C/A, Dhaka-1000 ▪ Cosmopolitan Finance Limited Summit Centre,18 Karwan Bazar C/A, Dhaka-1215 ▪ Banco Finance and Investment Limited Baitul View Tower (11th floor) 56/1, Purana Paltan, Dhaka-1000
Bankers to the Issue:	<ul style="list-style-type: none"> ▪ Mutual Trust Bank Limited MTB Centre, 26 Gulshan Avenue, Plot 5, Block SE(D), Gulshan-1,Dhaka-1212 ▪ National Bank Limited 18 Dilkusha C/A (4th Floor), Dhaka-1000

NAME OF UNDERWRITERS

Summit Alliance Port Limited is going to offer rights share of 34,352,466 Ordinary Shares of Tk. 10.00 each issuing at Tk. 15.00 each, including a premium of Tk. 5.00 per share, totaling of Tk. 515,286,990.00 offered on the basis of 1 (one) rights shares for 5 (five) existing shares held. As per Bangladesh Securities and Exchange Commission's guideline, the issuer of a listed security making rights issue shall appoint one or more underwriters licensed under Bangladesh Securities and Exchange Commission (Merchant Bankers & Portfolio manager) Acts, 1996 to fully underwrite the rights issue on a firm commitment basis. Underwriting commission will be @ 0.35% on the underwritten amount and there will be no additional commission to take up unsubscribe portion of shares if any.

Name of Underwriters	Number of Shares Underwritten	Offer Price	Total Underwritten Amount in BDT	% of total Underwriting
LankaBangla Investments Limited	10,305,740	15.00	154,586,100.00	30.00%
Cosmopolitan Finance Limited	10,305,740	15.00	154,586,100.00	30.00%
Prime Finance Capital Management Limited	6,870,493	15.00	103,057,395.00	20.00%
Banco Finance and Investments Limited	6,870,493	15.00	103,057,395.00	20.00%
Total	34,352,466		515,286,990.00	

Underwriter(s) Obligation:

If and to the extent that the shares offered to the existing shareholders by the Rights Share Offer document authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Company shall within **10 (ten)** days of the closure of subscription call upon the underwriters (**for full unsubscribed amount**) in writing with a copy of said writing to the Bangladesh Securities and Exchange Commission, to subscribe for 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 his obligation towards his commitments under this agreement, until such time as the cheque/bank draft has been encashed and the company's account has been 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.

DIRECTORS' TAKE-UP IN THE RIGHTS OFFER [RULE-8(Q)]

Directors are expected to exercise in full their portion of Rights Share Offer:

Sl. No.	Name	Status	Number of Share held (including 5% stock dividend as approved in AGM on 14-03-15)	Nos. of Shares to be taken	Nos. of Shares to be renounced
1.	Mr. Muhammed Aziz Khan	Chairman	12,080,511	2,416,102	Nil
2.	Mrs. Anjuman Aziz Khan	Director	8,896,474	1,779,295	Nil
3.	Syed Ali Jowher Rizvi	Managing Director	8,854,360	1,770,872	Nil
4.	Syed Yasser Haider Rizvi	Additional Managing Director (Nominated Director representing Alliance Holdings Ltd.)	2,040,274	408,054	Nil
5.	Syed Nasser Haider Rizvi	Deputy Managing Director (Nominated Director representing Alliance Holdings Ltd.)	2,040,274	408,054	Nil
6.	Mr. Latif Khan	Director (Nominated Director representing Summit Holdings Ltd.)	-	-	-
7.	Ms. Ayesha Aziz Khan	Director	6,323,789	1,264,758	Nil
8.	Mr. Faisal Karim Khan	Director (Nominated Director representing Summit Holdings Ltd.)	-	-	-
9.	Ms. Azeeza Aziz Khan	Director	6,323,789	1,264,758	Nil
10.	Syed Fazlul Haque, FCA	Director (Nominated Director representing Alliance Holdings Ltd.)	1,189	238	Nil
11.	Captain Asif Mahmood	Director (Nominated Director representing Alliance Holdings Ltd.)	-	-	-
12.	Mr. Abdul-Muyeed Chowdhury	Independent Director	-	-	-
13.	Mr. Lutfe M. Ayub	Independent Director	-	-	-
14.	Mr. Imtiaz Mahmood	Independent Director	-	-	-
15.	Alliance Holdings Limited	Sponsor Shareholder	40,330,244	8,066,049	Nil
16.	Summit Holdings Ltd.	Sponsor Shareholder	13,877,898	2,775,580	Nil

AUDIT COMMITTEE

Name	Status
Mr. Abdul-Muyeed Chowdhury	Chairman
Mr. Lutfe M. Ayub	Member
Syed Yasser Haider Rizvi	Member
Ms. Ayesha Aziz Khan	Member
Captain Asif Mahmood	Member
Ms. Azeeza Aziz Khan	Member

TERMS AND CONDITIONS OF THE RIGHTS ISSUE

Basis of the Offer

The Company records its share register of members on **February 15, 2016** for determining the shareholders who are eligible to receive this offer of shares on rights basis. The ordinary shares of Tk.10.00 each are now being offered on a rights basis to the shareholders holding shares on the record date, to be disseminated within three days of receipt of the consent letter of BSEC, at Tk. 15.00 each, including a premium of Tk. 5.00 per share, in the ratio of 1(R):5, i.e., 1(one) rights share for 5(five) existing share held on the record date.

Entitlement

As a shareholder of the Company on the record date on **February 15, 2016**, the shareholders are entitled to this Rights Offer. Only the holder(s) of a minimum of one fully paid ordinary share is entitled to receive the Rights Offer.

Acceptance of the Offer

A shareholder may accept and apply for the shares hereby offered, wholly or in part by filing in Application Form- A and submitting the same along with the application money to the Banker to the Issue on or before the Closing Date of subscription on **April 21, 2016**.

Renunciation

A shareholder may renounce all or part of the shares he/she is entitled to in favor of any other person(s) other than an infant or person of unsound mind. He/she can renounce his/her rights/entitlement of shares by signing Renunciation Form–B. Renounce(s) shall fill in Form–C appropriately.

General

All applications should be made on the printed form provided by the Company in this Rights Share Offer Documents only and should be completed in all respects. Applications which are not completed in all respects or are made otherwise than as herein provided or are not accompanied by the proper application amount of deposit are liable to be rejected and the application money in respect thereof shall be refunded.

All communications in connection with the application for the Rights Share should be addressed to the Company quoting the registered folio number/BO ID number in the form.

Condition of Subscription

1 (one) Rights Share of Tk.10.00 each issuing at Tk. 15.00 each, including a premium of Tk. 5.00 per share is offered against 5 (five) existing share held by existing shareholder(s) whose name(s) appeared in the Company's register at the record date as on **February 15, 2016**.

Payment of Share Price

Payments for the full value of shares applied for shall be made with designated branches of Banker to the Issue by Cash/Pay Order/Demand Draft payable to "Mutual Trust Bank Limited" and crossed. The Pay Order/Demand Draft for payment of share price must be drawn on a Bank in the same town to which the application form has been submitted.

Subscription

Opens on: **March 30, 2016**

Closes on: **April 21, 2016**

(Within banking hours)

Any change or extension regarding subscription period will be notified through national dailies.

LOCK-IN ON RIGHTS SHARES

The Rights Shares of Directors and other shareholders holding 5% or more shares shall be subject to lock-in for a period of three years from the date of closure of the Rights share subscription. In the event of renunciation of rights shares by aforesaid persons, the renounced shares shall also be subject to lock-in for the same period shall be operative.

Sl. No	Name of Directors	Status	Rights Share portion	Percentage of shareholders	Date of Subscription Close	Expiry date of Lock-in
1.	Mr. Muhammed Aziz Khan	Chairman	2,416,102	7.0333	April 21, 2016	<i>3 (three) years from the closing date of Subscription</i>
2.	Mrs. Anjuman Aziz Khan	Director	1,779,295	5.1795		
3.	Syed Ali Jowher Rizvi	Managing Director	1,770,872	5.1550		
4.	Syed Yasser Haider Rizvi	Additional Managing Director (Nominated Director representing Alliance Holdings Ltd.)	408,054	1.1878		
5.	Syed Nasser Haider Rizvi	Deputy Managing Director (Nominated Director representing Alliance Holdings Ltd.)	408,054	1.1878		
6.	Ms. Ayesha Aziz Khan	Director	1,264,758	3.6817		
7.	Ms. Azeeza Aziz Khan	Director	1,264,758	3.6817		
8.	Syed Fazlul Haque, FCA	Director (Nominated Director representing Alliance Holdings Ltd.)	238	0.0007		
9.	Alliance Holdings Limited	Sponsor Shareholder	8,066,049	23.3875		
11.	Summit Holdings Ltd.	Sponsor Shareholder	2,775,580	8.0797		

Sd/-

Syed Ali Jowher Rizvi
Managing Director

OTHERS

The application not properly filled in shall be treated as cancelled and deposited money will be refunded. For any reason, no profit/compensation will be paid on the refunded amount.

The offer will be deemed to have been declined if completed Application Form-A with necessary payments have not been received by **April 21, 2016** or by such later date as may be notified through national dailies to that effect.

MATERIAL CONTRACTS

Bankers to the Issue

Mutual Trust Bank Limited and National Bank Limited are Bankers to the Issue who will collect the subscription money of the Rights Offer. Commission @ of 0.10 % of the amount collected will be paid to the Bankers to the Issue for the services to be rendered by them. The Rights Issue subscription money collected from the shareholders by the Bankers to the Issue will be remitted to the Company's **SND Bank Account No.0012-0320001669 with Mutual Trust Bank Limited, Dilkusha Branch, Dhaka.**

Underwriters

Full amount of Rights Offer of Summit Alliance Port Limited has been underwritten by LankaBangla Investments Limited, Cosmopolitan Finance Limited, Banco Finance and Investment Limited and Prime Finance Capital Management Limited as shown in the classified information part of the Rights Offer Document. The underwriter will be paid **underwriting commission @0.35%** of the nominal value of shares underwritten by the Underwriter out of the Rights Issue. Simultaneously, with the calling upon the underwriter to subscribe and pay for any number of shares, the Company will pay no additional commission to that underwriter on the nominal value of shares required to be subscribed by them.

Manager to the Issue

LankaBangla Investments Limited has been appointed as Manager to the Issue of Rights Issue of the Company. Accordingly, an agreement was made with the Issue Manager and the Company. The Company will pay **BDT 3.50 Million** of the total issue size to the Issue Manager as issue management fee.

Vendors' Agreement

Summit Alliance Port Limited has not entered into any vendors' Agreement.

Acquisition of Property

Summit Alliance port Limited acquired no property or made any agreement with any party for acquisition of property other than as specified in 'Use of Rights Share Proceeds' of this Rights Offer Document.

Form - A
[Rule 5 and rule 8(t)]

**DECLARATION (DUE DILIGENCE CERTIFICATE) ABOUT RESPONSIBILITY OF THE ISSUE
MANAGER IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT OF
SUMMIT ALLIANCE PORT LIMITED**

This rights share offer document has been reviewed by us; and we confirm after due examination that the rights share offer document constitutes full and fair disclosures about the rights issue and issuer, and complies with the requirements of the Securities and Exchange Commission (Rights Issue) Rules, 2006; and that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006.

For Manager to the Issue,

Sd/-

Khandakar Kayes Hasan, CFA
Chief Executive Officer
LankaBangla Investments Limited

Place: Dhaka

Dated: August 02, 2015

Form - B
[Rule 6 and rule 8(t)]

**DECLARATION (DUE DILIGENCE CERTIFICATE) ABOUT RESPONSIBILITY OF THE
UNDERWRITER(S) IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT OF
SUMMIT ALLIANCE PORT LIMITED**

This rights shares offer document has been reviewed by us; and we confirm after due examination that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006, and also that we shall subscribe for or procure subscription for any under-subscribed rights shares within fifteen days of calling thereof by the issuer. The issuer shall call upon us for such subscription within ten days of closure of the subscription lists for the rights issue.

For Underwrites(s),

Sd/-

Khandakar Kayes Hasan, CFA
Chief Executive Officer
LankaBangla Investments Limited

Sd/-

Mohammad Shahriar Kabir
Managing Director and CEO
Cosmopolitan Finance Limited

Sd/-

Mohammad Hamdul Islam
Managing Director and CEO
Banco Finance and Investment Limited

Sd/-

M. Mosharraf Hossain, PhD, FCA
Managing Director and CEO
Prime Finance Capital Management Limited

Place: Dhaka

Date: August 03, 2015

FORM - C
[Rule 8(h), 8(i) and rule 8(t)]

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the accompanying financial statements for the period from 01 January, 2015 to 30 June, 2015 of Summit Alliance Port Limited in accordance with the International Standards of Auditing as applicable in Bangladesh, and we state that we have obtained all the information and explanations which we have required, and after due verification thereof, we report that, in our opinion:

- a) These financial statements have been drawn up in accordance with the requirements of the Securities and Exchange Rules, 1987, as amended the Companies Act, 1994 and other relevant laws where applicable; and the International Accounting Standards as applicable in Bangladesh;
- b) These financial statements which are in agreement with the books of Account of the Company give a true and fair view of the state of its affairs as at December 30 June, 2015 and of the result of its operations and cash flows for the period/year then ended;
- c) Proper Books of Account have been kept by the Company as required by the relevant laws;
- d) The expenditure incurred was for the purposes of the Issuer Company's business.

We also certify that the above company has declared the following dividend for each of the following five years immediately preceding the issue of rights share offer document under the Securities and Exchange Commission (Rights Issue) Rules, 2006, and that the company has duly paid off the following amounts of the declared dividend mentioned against respective year-

Financial Year	Date of Dividend Declaration	Declared Dividend			
		Rate (%)		Total Amount (Tk.)	Total Paid (Tk.)
		Stock	Cash		
2010	25.05.2011	25%	50%	48,34,58,000.00	46,78,58,810.34
2011	03.05.2012	10%	10%	12,10,33,409.51	11,53,68,074.25
2012	19.05.2013	10%	10%	14,90,09,760.00	13,76,26,777.94
2013	11.05.2014	N/A	15%	24,53,74,758.00	15,51,55,274.96
2014	14.03.2015	5%	10%	Payment under Process	

Place: Dhaka
Date: August 04, 2015

Sd/-
A. Qasem & Co
Chartered Accountants

FORM-D
[Rule 8 (t)]

**DUE DILIGENCE CERTIFICATE BY THE DIRECTORS ABOUT THEIR PERSONAL
RESPONSIBILITY IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT OF SUMMIT
ALLIANCE PORT LIMITED**

This rights share offer document has been prepared, seen, reviewed and approved by us; and we collectively and individually accept full responsibility for the accuracy of the information given in the rights share offer document; relevant documents and financial statements submitted to the Commission and others concerned under the Securities and Exchange Commission (Rights Issue) Rules, 2006.

We confirm, after making all reasonable enquiries that all conditions concerning this rights issue and rights share offer document have been met. We further confirm that we have not concealed any information or statement which might have any bearing on the information already made.

In case of any default or failure on our part, civil, criminal or administrative action may be taken against us.

Sd/-
Muhammed Aziz Khan
Chairman

Sd/-
Anjuman Aziz Khan
Director

Sd/-
Syed Ali Jowher Rizvi
Managing Director

Sd/-
Syed Yasser Haider Rizvi
Addl. Managing Director

Sd/-
Syed Nasser Haider Rizvi
Dy. Managing Director

Sd/-
Latif Khan
Director

Sd/-
Ayesha Aziz Khan
Director

Sd/-
Faisal Karim Khan
Director

Sd/-
Azeeza Aziz Khan
Director

Sd/-
Syed Fazlul Haque, FCA
Director

Sd/-
Captain Asif Mahmood
Director

Sd/-
Abdul-Muyeed Chowdhury
Independent Director

Sd/-
Lutf M. Ayub
Independent Director

Sd/-
Imtiaz Mahmood
Independent Director

Place: Dhaka
Dated: March 14, 2015

Certificate on Compliance of Conditions of Corporate Governance Guidelines of Bangladesh Securities & Exchange Commission to the Shareholders of Summit Alliance Port Limited

We have examined the statement of Compliance of Corporate Governance Guidelines issued by Bangladesh Securities & Exchange Commission dated 7th August 2012 through Notification # SEC/CMRRCD/2006-158/134/Admin/44, appended to the Directors' Report (as Annexure No. 1) of Summit Alliance Port Limited for the year ended 31st December 2014, as has been produced before us for our examination.

The Compliance of conditions of Corporate Governance Guidelines is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance Guidelines. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with conditions of the afore-stated Corporate Governance Guidelines of Bangladesh Securities & Exchange Commission.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or efficacy with which the management has conducted the affairs of the Company.

Sd/-

For: Basu Banerjee Nath & Co.

Chartered Accountants

Signed by: Gobinda Chandra Paul, FCA, Partner

Membership No. 282 of the Institute of Chartered Accountants of Bangladesh

Date: February 8, 2015

COMPLIANCE REPORT OF SUMMIT ALLIANCE PORT LIMITED

Annexure-1

Status of Compliance with the conditions imposed by the Commissions Notification No- SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012.

Condition No. and Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
	Complied	Not complied	
1. BOARD OF DIRECTORS :			
1.1 Board's Size			
The number of the board members of the company shall not be less than 5(five) and more than 20 (twenty) : Provided, however, that in case of banks and non-bank financial institutions, insurance companies and statutory bodies for which separate primary regulators like Bangladesh Bank, Insurance Development and Regulatory Authority, etc, exist, the Boards of those companies shall be constituted as may be prescribed by such primary regulators in so far as those prescriptions are not inconsistent with the aforesaid condition.	✓		
1.2 Independent Directors			
All companies shall encourage effective representation of independent directors on their Board of Directors so that the Board, as a group, includes core competencies considered relevant in the context of each company. For this purpose, the companies shall comply with the following :	✓		
(i) At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	✓		
(ii) For the purpose of this clause "independent director" means a director			
(a) Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
(b) who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company : Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		
(c) Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/ associated companies;	✓		
(d) Who is not a member, director or officer of any stock exchange;	✓		

Condition No. and Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
	Complied	Not complied	
(e) Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	✓		
(f) Who is not a partner or an executive or was not a Partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	✓		
(g) Who shall not be an independent director in more than 3 (three) listed companies;	✓		
(h) Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	✓		
(i) Who has not been convicted for a criminal offence involving moral turpitude.	✓		
(iii) The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓		
(iv) The post of independent director(s) cannot remain vacant for more than 90(ninety) days.	✓		
(v) The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓		
(vi) The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only.	✓		
1.3 Qualification of Independent Director (ID)			
(i) Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
(ii) The person should be a Business Leader/Corporate Leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have a least 12(twelve) years of corporate management /professional experiences.	✓		
(iii) In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	✓		
1.4 Chairman of the Board and Chief Executive Officer			
The positions of the Chairman of the Board and the Chief executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	✓		
1.5 The Director's Report to shareholders			
	✓		

Condition No. and Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
	Complied	Not complied	
The directors of the companies shall include the following additional statements in the Director's Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994) :			
(i) Industry outlook and possible future developments in the industry.	✓		
(ii) Segment-wise or product-wise performance.	✓		
(iii) Risks and concerns.	✓		
(iv) A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		
(v) Discussion on continuity of any Extra-Ordinary gain or loss.	✓		
(vi) Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report.	✓		
(vii) Utilization of proceeds from public issues, rights issues and/or through any others instruments.			N/A
(viii) An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO). Rights Offer, Direct Listing, etc.			N/A
(ix) If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	✓		
(x) Remuneration to directors including independent directors.	✓		Only the executive Directors are paid monthly remuneration ; others are paid meeting fee and related expenses
(xi) The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	✓		
(xii) Proper books of account of the issuer company have been maintained.	✓		
(xiii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	✓		
(xiv) International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standard (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	✓		

Condition No. and Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
	Complied	Not complied	
(xv) The system of internal control is sound in design and has been effectively implemented and monitored.	✓		
(xvi) There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	✓		
(xvii) Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	✓		
(xviii) Key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		
(xix) If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.			N/A
(xx) The number of Board meetings held during the year and attendance by each director shall be disclosed.	✓		
(xxi) The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by :	✓		
(a) Parent/Subsidiary/Associated Companies and other related parties (name wise details);	✓		
(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	✓		
(c) Executives;	✓		
(d) Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	✓		
Explanation : For the purpose of this clause, the expression "Executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit.			
(xxii) In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders :	✓		
(a) a brief resume of the director;	✓		
(b) nature of his/her expertise in specific functional areas;	✓		
(c) Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		
2. CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS) :			
2.1 Appointment			

Condition No. and Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
	Complied	Not complied	
The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	✓		
2.2 Requirement to attend the Board Meetings			
The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	✓		
3. AUDIT COMMITTEE :	✓		
(i) The company shall have an Audit Committee as a sub-committee of the Board of Directors.	✓		
(ii) The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	✓		
(iii) The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		
3.1 Constitution of the Audit Committee :			
(i) The Audit Committee shall be composed of at least 3 (three) members.	✓		
(ii) The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	✓		
(iii) All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	✓		
Explanation : The term "financially literate" means the ability to read and understand the financial statements like Balance Sheet, Income Statement and Cash Flow Statement and a person will be considered to have accounting or related financial management expertise if (s)he possesses professional qualification or Accounting/Finance graduate with at least 12 (twelve) years of corporate management/professional experiences.			
(iv) When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.	✓		

Condition No. and Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
	Complied	Not complied	
(v) The company secretary shall act as the secretary of the Committee.	✓		
(vi) The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
3.2 Chairman of the Audit Committee :			
(i) The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	✓		
(ii) Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	✓		
3.3 Role of the Audit Committee :			
Role of audit committee shall include the following :☐			
(i) Oversee the financial reporting process.	✓		
(ii) Monitor choice of accounting policies and principles.	✓		
(iii) Monitor Internal Control Risk management process.	✓		
(iv) Oversee hiring and performance of external auditors.	✓		
(v) Review along with the management, the annual financial statements before submission to the board for approval.	✓		
(vi) Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	✓		
(vii) Review the adequacy of internal audit function.	✓		
(viii) Review statement of significant related party transactions submitted by the management.	✓		
(ix) Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.	✓		
(x) When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.			N/A
3.4 Reporting of the Audit Committee			
3.4.1 Reporting to the Board of Directors	✓		
(i) The Audit Committee shall report on its activities to the Board of Directors.	✓		
(ii) The Audit Committee shall immediately report to the Board of Directors on the following findings, if any :☐	✓		
(a) report on conflicts of interests;			No Such incident arose
(b) suspected or presumed fraud or irregularity or material defect in the internal control system;			No Such incident arose

Condition No. and Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
	Complied	Not complied	
(c) suspected infringement of laws, including securities related laws, rules and regulations;			No Such incident arose
(d) any other matter which shall be disclosed to the Board of Directors immediately.			No Such incident arose
3.4.2 Reporting to the Authorities			
If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.			No Such incident arose
3.5 Reporting to the Shareholders and General Investors			
Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.			N/A
4. EXTERNAL/STATUTORY AUDITORS :			
The issuer company should not engage its external/statutory auditors to perform the following services of the company; namely:			
(i) Appraisal or valuation services or fairness opinions.	✓		
(ii) Financial information systems design and implementation.	✓		
(iii) Book-keeping or other services related to the accounting records or financial statements.	✓		
(iv) Broker-dealer services.	✓		
(v) Actuarial services.	✓		
(vi) Internal audit services.	✓		
(vii) Any other service that the Audit Committee determines.	✓		
(viii) No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	✓		
5. SUBSIDIARY COMPANY:			
(i) Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	✓		The Company's subsidiary is not listed and hence considered N/A.
(ii) At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	✓		
(iii) The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	✓		

Condition No. and Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
	Complied	Not complied	
(iv) The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	✓		
(v) The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
6. DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) :			
The CEO and CFO shall certify to the Board that :	✓		
(i) They have reviewed financial statements for the year and that to the best of their knowledge and belief :	✓		
(a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		
(b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		
(ii) There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓		
7. REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE :			
(i) The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	✓		Certificate obtained and enclosed with Annual Report
Explanation: Chartered Accountant means Chartered Accountant as defined in the Chartered Accountants Act, 1949 (Act No. XXXVIII of 1949); Cost and Management Accountant means Cost and Management Accountant as defined in the Cost and Management Accountants Ordinance, 1977 (Ordinance No. LIII of 1977); Chartered Secretary means Chartered Secretary as defined in the চার্টার্ড সেক্রেটারীজআইন, ২০১০ (২০১০ সনের ২৫ নংআইন).			
(ii) The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	✓		Reported in the Directors' Report

Auditors' Report

To the Shareholders of Summit Alliance Port Ltd.

We have audited the accompanying consolidated financial statements of Summit Alliance Port Ltd., which comprise the consolidated statement of financial position as at 30 June 2015, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period from 01 January 2015 to 30 June 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Summit Alliance Port Ltd. as at 30 June 2015 and its financial performance and its cash flows for the period from 01 January 2015 to 30 June 2015 in accordance with Bangladesh Financial Reporting Standards (BFRS), and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Other matter

The financial figures of the subsidiaries included in the consolidated financial statements are unaudited. However, in our opinion, the information and explanations given to us by the management, these financial figures are not material to the Group and hence an unmodified opinion is expressed.

We also report that:

- a. 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.
- b. 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.
- c. The financial statements dealt with by the report are in agreement with the books of account and returns.
- d. The expenditure incurred and payments made were for the purposes of the Companies' business.

Dated, Dhaka
02 August 2015

Sd/-
A. Qasem & Co..
Chartered Accountants

SUMMIT ALLIANCE PORT LIMITED
Chittagong, Bangladesh
Consolidated Statement of Financial Position as at 30th June 2015

	Notes	Amount in Taka As at 30.6.2015		Amount in Taka As at 31.12.2014	
		Consolidated	Separate	Consolidated	Separate
Assets:					
Non Current Assets:					
Property, Plant and Equipment	4	5,187,447,661	5,130,465,986	5,206,645,545	5,146,660,433
River Terminal Work-in-progress	5	1,874,174,833	1,874,174,833	3,494,505,335	3,494,505,335
Intangible Asset: Goodwill		999,975	-	999,975	-
Investment in Subsidiaries	6	-	190,367,050	-	190,367,050
		7,062,622,469	7,195,007,869	8,702,150,855	8,831,532,818
Current Assets:					
Accounts Receivable	7	127,908,165	127,908,165	109,712,101	109,712,101
Intercompany Account - CTSL	24	-	1,722,178	-	32,168
Financial Assets Available for Sale	8	23,643,301	23,643,301	78,048,209	78,048,209
Other Receivable	9	1,784,519	1,784,519	30,868,655	30,868,655
Advances, Deposits & Prepayments	10	309,023,704	308,334,397	299,553,722	299,549,137
Inventories	11	5,821,362	4,434,536	4,602,094	3,076,119
Cash & Cash Equivalents	12	43,132,275	41,869,475	96,386,960	95,614,092
		511,313,326	509,696,571	619,171,741	616,900,481
Total Assets:		7,573,935,795	7,704,704,440	9,321,322,597	9,448,433,300
Equity and Liabilities:					
Shareholders' Equity:					
Issued, Subscribed and Paid Up-Capital	13	1,717,623,300	1,717,623,300	1,635,831,720	1,635,831,720
Revaluation Surplus	14	2,866,568,649	2,866,568,649	4,891,458,469	4,891,458,469
Capital Reserve		-	-	84,755,887	97,313,337
Retained Earnings	15	225,532,247	236,786,801	305,297,296	306,362,309
		4,809,724,196	4,820,978,750	6,917,343,372	6,930,965,835
Minority Interest	16	33,661	-	9,742	-
		4,809,757,856	4,820,978,750	6,917,353,114	6,930,965,835
Liabilities:					
Non Current Liabilities:					
Deferred Liability for Gratuity	17	34,165,170	34,165,170	30,666,910	30,666,910
Deferred Tax Liability	18	119,345,268	119,345,268	78,711,281	78,711,281
Long Term Loan	19	218,022,117	177,443,307	220,904,930	180,442,326
		371,532,555	330,953,745	330,283,121	289,820,517
Current Liabilities and Provisions:					
Short Term Loan and Overdraft:	20	1,941,350,321	1,928,605,071	1,699,522,141	1,679,136,541
Accounts Payable	21	24,124,294	24,124,294	57,452,459	57,452,459
Un-claimed Dividend	22	234,837,733	234,837,733	132,941,280	132,941,280
Provision for Income Tax	23	63,519,136	62,801,229	61,305,266	61,305,266
Intercompany Account -Cemcor Ltd	24	-	174,702,135	-	174,702,135
Beneficiaries' Profit Participation Fund	25	14,798,974	14,798,974	9,848,425	9,848,425
Other Payables	26	114,014,925	112,902,509	112,616,792	112,260,843
		2,392,645,383	2,552,771,945	2,073,686,363	2,227,646,949
Total Shareholders Equity and Liabilities		7,573,935,795	7,704,704,440	9,321,322,597	9,448,433,300
Net Asset Value (NAV) per share		28	28	42	42
Restated Net Asset Value (NAV) per share				40	40
Contingent Liabilities	36	114,293,040	114,293,040	114,293,040	114,293,040

The annexed notes 1 to 37 form an integral part of these financial statements.

For and on behalf of the Board of Directors of SUMMIT ALLIANCE PORT LIMITED

Sd/-
(Managing Director)

Sd/-
(Director)

Sd/-
(Director & Company Secretary)

Dated: Dhaka
02 August 2015

Sd/-
(A. Qasem & Co.)
Chartered Accountants

SUMMIT ALLIANCE PORT LTD
Chittagong , Bangladesh
Statement of Profit or Loss and Other Comprehensive Income
For the period from 01 January 2015 to 30 June 2015

	<u>Note</u>	<u>Amount in Taka</u>			
		<u>January to June - 2015</u>		<u>January to June - 2014</u>	
		<u>Consolidated</u>	<u>Separate</u>	<u>Consolidated</u>	<u>Separate</u>
Revenue	27	493,885,092	468,898,847	433,969,364	433,969,364
Operating Expenses	28	314,787,117	296,580,946	274,048,140	274,048,140
Gross Profit		179,097,975	172,317,901	159,921,224	159,921,224
General and Administrative Expenses	30	53,913,670	53,544,018	54,559,411	54,559,411
Advertisement & Sales Promotion Expenses	31	50,435	50,435	126,200	126,200
Operating Profit		125,133,869	118,723,447	105,235,613	105,235,613
Other Income	29	1,035,313	1,035,313	620,004	620,004
Loss on sale of Financial Assets available for sale		12,847,652	12,847,652	-	-
Finance Expenses	32	10,530,816	7,800,128	4,507,597	4,507,597
Profit Before BPPF		102,790,714	99,110,980	101,348,020	101,348,020
Beneficiaries' Profit Participation Fund		4,955,549	4,955,549	5,067,401	5,067,401
Profit before Income Tax		97,835,165	94,155,431	96,280,619	96,280,619
Less: Provision for Income Tax	23.1	19,570,165	18,282,258	26,450,528	26,450,528
Profit after Income Tax		78,265,001	75,873,174	69,830,091	69,830,091
Other Comprehensive Income					
Net Change in Fair Value of Financial Assets Available-for-Sale	8	(6,018,153)	(6,018,153)	(6,081,709)	(6,081,709)
Total Comprehensive Income for the period		72,246,848	69,855,020	63,748,382	63,748,382
Profit Attributable to:					
Equity Holders of the Company		78,231,340	75,873,174	69,830,091	69,830,091
Minority Interest-CTSL (Note 16.1)		33,661	-	-	-
Net Profit after Tax		78,265,001	75,873,174	69,830,091	69,830,091
Earnings per Share (EPS)		0.46	0.44	0.43	0.43
Restated Earning per Share (EPS)		-	-	0.41	0.41

The annexed notes 1 to 37 form an integral part of these financial statements.

For and on behalf of the Board of Directors of SUMMIT ALLIANCE PORT LIMITED

Sd/-
(Managing Director)

Sd/-
(Director)

Sd/-
(Director & Company Secretary)

Dated: Dhaka
02 August 2015

Sd/-
A. Qasem & Co.
Chartered Accountants

SUMMIT ALLIANCE PORT LIMITED
Chittagong, Bangladesh
Consolidated Statement of Cash Flows
For the period from 01 January 2015 to 30 June 2015

	2015		2014	
	Consolidated	Separate	Consolidated	Separate
<u>A. Cash Flow from Operating Activities</u>				
Cash received from Customers and Others	504,773,164	479,786,919	428,582,756	428,582,756
Cash paid to Suppliers and Employees	(370,809,984)	(356,133,214)	(248,027,093)	(248,027,093)
Dividend Income	411,620	411,620	487,619	487,619
Other Income	623,693	623,693	132,385	132,385
Advance, Deposits and Prepayments	(9,469,981)	(8,785,260)	63,255,652	63,141,139
Income Tax paid	(17,356,295)	(16,786,295)	(20,760,727)	(20,760,727)
Financial Expenses	(10,530,816)	(7,800,128)	(4,507,597)	(4,507,597)
Net Cash generated from Operating Activities	97,641,401	91,317,335	219,162,995	219,048,482
<u>B. Cash Flow from Investing Activities:</u>				
Acquisition of Property, Plant and Equipments	(172,533,428)	(172,533,428)	(86,245,933)	(18,712,385)
Proceeds on Sale of Fixed Assets (Equipment & Vehicle)	-	-	6,150,000	6,150,000
River Terminal Project	(207,011,627)	(207,011,627)	(219,043,899)	(219,043,899)
Sale of financial assets	51,390,327	51,390,327	-	-
Net Cash used in Investing Activities	(328,154,728)	(328,154,728)	(299,139,832)	(231,606,284)
<u>C. Cash Flow from Financing Activities:</u>				
Proceeds from Finance Lease - CTSL	-	-	65,937,971	-
Bridge Loan	420,625,330	420,625,330	-	-
Short Term Loan	(178,680,944)	(171,156,800)	-	-
Long Term Loan	(2,999,019)	(2,999,019)	139,799,714	139,799,714
Inter Company Transaction-CTSL	-	(1,690,010)	-	543,996
Dividend and Dividend Tax Paid	(61,686,725)	(61,686,725)	(123,454,722)	(123,454,722)
Net Cash (used)/generated from Financing Activities	177,258,642	183,092,776	82,282,963	16,888,988
Increase/(Decrease) in Cash and Cash Equivalent	(53,254,685)	(53,744,617)	2,306,126	4,331,186
Cash and Cash Equivalents at the beginning of the year	96,386,960	95,614,092	22,468,414	17,641,329
Cash and Cash Equivalent at the end of the period	43,132,275	41,869,475	24,774,540	21,972,515
Net Operating Cash Flow per share	0.57	0.53	1.34	1.34
Net Operating Cash Flow per share-Restated			1.28	1.28

For and on behalf of the Board of Directors of SUMMIT ALLIANCE PORT LIMITED

Sd/-
(Managing Director)

Sd/-
(Director)

Sd/-
(Director & Company Secretary)

Dated: Dhaka
02 August 2015

Sd/-
(A. Qasem & Co.)
Chartered Accountants

SUMMIT ALLIANCE PORT LIMITED
Chittagong, Bangladesh
Statement of Changes in Equity
For the period from 01 January 2015 to 30 June 2015

<u>Separate</u>	<u>Share Capital</u> <small>স্বত্বাধিকার</small>	<u>Revaluation Surplus</u> <small>সমন্বিত</small>	<u>Amount in Taka</u> <u>Capital Reserve</u>	<u>Retained Earnings</u> <small>সমন্বিত</small>	<u>Total</u>
Balance as on January 01, 2015	1,635,831,720	4,891,458,469	-	306,362,309	6,833,652,498
Net Profit after Tax for the period	-	-	-	75,873,174	75,873,174
Cash Dividend @ 10% for 2014	-	-	-	(163,583,178)	(163,583,178)
Stock Dividend @ 5% for 2014	81,791,580	-	-	(81,791,580)	-
De-recognition of Asset Valuation-2014	-	(2,001,160,860)	-	-	(2,001,160,860)
Adjustment for depreciation for decrease in revaluation of building	-	9,684,695	-	-	-
Provision for changes in Financial Assets (Investment)	-	2,214,960	-	2,612,739	-
Depreciation on Revalued amount (Note - 4)	-	(2,612,739)	-	97,313,337	-
Capital Reserve Transferred	-	13,636,264	-	-	110,949,601
Provision for Deferred Tax Liability	-	(40,633,987)	-	-	(40,633,987)
Net Change in fair value of financial Assets on 30.6.2015	-	(6,018,153)	-	-	(6,018,153)
available-for-sale (Note -8)	-	-	-	-	-
Balance as on June 30, 2015	1,717,623,300	2,866,568,649	97,313,337	236,786,801	4,820,978,750

<u>Separate</u>	<u>Share Capital</u> <small>স্বত্বাধিকার</small>	<u>Revaluation Surplus</u> <small>সমন্বিত</small>	<u>Capital Reserve</u>	<u>Retained Earnings</u> <small>সমন্বিত</small>	<u>Total</u>
Balance as on January 01, 2014	1,635,831,720	2,505,361,373	97,313,337	395,927,450	4,634,433,880
Net Profit after Tax for the Period	-	-	-	79,275,426	79,275,426
Cash Dividend 15% for 2013	-	-	-	(245,374,758)	(245,374,758)
Share issued to Minority Share Holders due to amalgamation	-	(8,199,017)	-	-	(8,199,017)
Depreciation on Revalued amount	-	(6,468,177)	-	-	(6,468,177)
Adjustment for sale of Assets	-	(6,081,709)	-	-	(6,081,709)
Net Change in fair value of available-for-sale financial Assets on 30.6.2014	-	-	-	-	-
Balance as on June 30, 2014	1,635,831,720	2,484,612,471	97,313,337	229,828,118	4,447,585,645

The annexed notes 1 to 37 form an integral part of these financial statements.

For and on behalf of the Board of Directors of SUMMIT ALLIANCE PORT LIMITED

Sd/-
(Managing Director)

Sd/-
(Director & Company Secretary)

Dated: Dhaka
02 August 2015

Sd/-
(A. Qasem & Co.)
Chartered Accountants

SUMMIT ALLIANCE PORT LIMITED

Chittagong, Bangladesh

Consolidated Statement of Changes in Equity

For the period from 01 January 2015 to 30 June 2015

	<u>Share Capital</u>	<u>Revaluation Surplus</u>	<u>Retained Earnings</u>	<u>Capital Reserve</u>	<u>Minority Interest</u>	<u>Total</u>
Company Position as on 30th June, 2015	1,717,623,300	2,866,568,649	236,786,801	-	-	4,820,978,750
Minority Interest in Wahid Spinning Mills Ltd.	-	-	-	-	100	100
Minority Interest in Cemcor Ltd.	-	-	-	-	400	400
Minority Interest in Container Transportation Services Ltd.	-	-	-	-	33,161	33,161
Majority Interest in Profit/Loss in CTSL (Note-16.2)	-	-	1,302,895	-	-	1,302,895
Excess payment over face value of Cemcor Ltd's Share	-	-	(12,557,450)	-	-	(12,557,450)
Balance as on 30th June 2015	1,717,623,300	2,866,568,649	225,532,246	-	33,661	4,809,757,856

Consolidated

	<u>Share Capital</u>	<u>Revaluation Surplus</u>	<u>Retained Earnings</u>	<u>Capital Reserve</u>	<u>Minority Interest</u>	<u>Total</u>
Company Position as on 30th June, 2014	1,635,831,720	2,484,612,471	229,828,118	97,313,337	-	4,447,585,646
Minority Interest in Wahid Spinning Mills Ltd	-	-	-	-	100	100
Minority Interest in Cemcor Ltd	-	-	-	-	400	400
Minority Interest in Container Transportation Services Ltd.	-	-	-	-	20,000	20,000
Excess payment over face value of Cemcor Ltd's Share	-	-	-	(12,557,450)	-	(12,557,450)
Balance as on 30th June 2014	1,635,831,720	2,484,612,471	229,828,118	84,755,887	20,500	4,435,048,696

Consolidated

The annexed notes 1 to 37 form an integral part of these financial statements.

For and on behalf of the Board of Directors of SUMMIT ALLIANCE PORT LIMITED

Sd/-
(Managing Director)

Sd/-
(Director)

Sd/-
(Director & Company Secretary)

Dated: Dhaka
02 August 2015

Sd/-
(A. Qasem & Co.)
Chartered Accountants

SUMMIT ALLIANCE PORT LIMITED
Chittagong, Bangladesh
Notes to the Financial Statements
For the period from 01 January 2015 to 30 June 2015

1. Reporting Entity:

1.1 Company Profile:

Summit Alliance Port Limited (hereinafter referred to as the "Company/SAPL"), initially incorporated as a private limited company under the Companies Act, 1994 on December 06, 2003, was converted into a Public Limited Company on March 06, 2008. The Company's Registered office is at Katghar, South Patenga, Chittagong-4204 with Corporate Office at Summit Centre, 18 Kawran Bazar Commercial Area, Dhaka-1215. With the permission of Securities & Exchange Commission (SEC) vide its letter SEC/CI/IPO-101/08/343 dated July 01, 2008, the company went public and made Initial Public Offer (IPO) of its shares to Public on 1st August 2008 and after completing all the required formalities, the Company commenced trading of its shares through both the bourses of the Country effective from

Subsequently pursuant to an application made by the Company along with its subsidiary, Ocean Containers Limited (OCL), under Section 229 read in conjunction with Section 228 of the Companies Act 1994 the High Court Division of the Supreme Court of Bangladesh passed order dated 19th December 2012 in the Company Matter No.225 of 2012, approving amalgamation of OCL with Summit Alliance Port Limited effective from 1st October 2012, the Appointed date of the merger. In compliance with the honorable High Court decision, required formalities were complied with and finally OCL was dissolved and ceased to exist and its undertaking was merged and being continued under the name and title of Summit Alliance

The principal activity of the Company/Group is to provide Off-Dock services as Inland Container Depot (ICD) with facilities for Empty Container Storage and Container Freight Station (CFS) for handling both import and export cargo.

Besides, company in its drive for expansion has taken up project for establishment of a River Terminal on its 15 acres of freehold land on the bank of river Dhaleswary in Mukhterpur under Munshigonj district which is in its final stage and expected to commence operation by early 3rd quarter of 2015. The River Terminal will have all the off-dock facilities besides transportation of export/import cargo by river to/from Chittagong Port and for the purpose procurement of container vessels is in the pipeline.

Profiles of the subsidiaries of the Company are as follows:

Cemcor Limited (Cemcor) is a private limited company incorporated in Bangladesh under the Companies Act, 1994. Cemcor, in turn acquired 100% shares of Wahid Spinning Mills Limited (WSML) from its promoters on 19th September 1999. WSML was incorporated in Bangladesh as a private limited company on 6th September 1999 under the Companies Act, 1994. SAPL acquired Cemcor on 24th August 2009 in order to build a riverine port. Initially at the initiative of SAPL, the parent company, establishment of a River Terminal was taken in hand by Cemcor on the 14 acres of contiguous land, owned by Cemcor and WSML, on the bank of river Sitolakkha in Mukhterpur under Munshigonj district but subsequently the land with the structures so far built was acquired by SAPL at mutually agreed price. The two subsidiaries are

The Company also formed another 100% owned Subsidiary under the name of "Container Transportation Services Limited (CTSL)" for transportation of containers (empty/ladden) from/to depot. CTSL was incorporated as private limited company on 25th November 2013 under the Companies Act 1994 and started its commercial operation from July 2014.

2. Basis of Preparation:

2.1 Statement of Compliance:

These financial statements (including consolidations) have been prepared in accordance with the International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs), so far adopted by the Institute of Chartered Accountants of Bangladesh as Bangladesh Accounting Standards (BASs)/Bangladesh Financial Reporting Standards (BFRSs), Companies Act 1994, the Securities & Exchange Rules 1987, Income Tax Ordinance 1984 and other applicable laws in force.

The following Bangladesh Financial Reporting Standards/Bangladesh Accounting Standards adopted recently, have been considered while preparing these financial statements:

Title of BAS/BFRS, Effective Date-

BAS 1: Presentation of Financial Statements (Revised on 1 January, 2010)

BAS 23: Borrowing Costs (Revised on 1 January, 2010)

BAS 32: Financial Instruments: Presentation, 1 January, 2010

BAS 39: Financial Instruments Recognition and Measurement, 1 January,

BFRS 7: Financial Instrument Disclosure, 1 January 2010

BFRS 10: Consolidated Financial Statements

2.2 Basis of Measurement:

The financial statements have been prepared on historical cost basis, except lands, buildings and other constructions and container handling equipment which have been valued at current cost. Financial assets and financial liabilities have been stated at "fair value".

2.3 Use of estimates and judgments :

The preparation of financial statements in conformity with BAS/BFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, the use of estimates and judgments have most significant effect on the amounts recognized in Notes on Property, Plant and Equipment, Prepayments, Revaluation Surplus, Provision for Gratuity and Provision for Income Tax.

The financial statements are presented in Bangladesh Taka which is the Company's functional and presentational currency.

2.4 Comparative information and General:

2.4.1 Comparative information:

Comparative information has been disclosed in respect of the year 2014 for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

2.4.2 General:

Figures for the period 2015 have been rearranged, wherever considered necessary, to ensure comparability with the current year.

2.5 Going concern:

The Company has adequate resources to continue its operations in the foreseeable future. The Directors therefore continue to adopt going concern basis in preparing the financial statements. Resources of the Company and its ready access to credit facilities ensure sufficient fund to meet the present requirements of its existing business and operations.

2.6 Level of precision :

All financial figures expressed in Taka have been rounded off to its nearest value/integer.

2.7 Reporting period :

The financial period of the Company under this reporting covers the period from 1 January to 30th June,

3. Significant Accounting Policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Basis of Consolidation:

Subsidiaries are entities controlled by the parent Company and their accounts are fully consolidated.

The Accounting policies of Subsidiaries have been changed where necessary to align with the policies adopted by the Group. The financial statements of the subsidiaries have been consolidated with those of Summit Alliance Port Limited in accordance with **BFRS 10: Consolidated Financial Statements**. Intra-group balances and transactions as well as any unrealized income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements.

3.2 Property, Plant & Equipment:

Items of Property, Plant and Equipment (PPE) are initially measured at cost. After initial recognition, items of PPE are carried at cost less accumulated depreciation and impairment loss. Cost includes expenditures that are directly attributable to the acquisition of an item of PPE. Borrowing costs directly attributable to the construction of plants are included in the cost of those plants.

Following the current cost accounting method, Company's Land, Civil Works & Structures are revalued at periodical interval in compliance with BAS-16: Property, Plant & Equipment. After 2011 last of such exercise was carried out and recognized in our Financial Statements as at 31st December 2014 along with those of its subsidiaries. The revaluation, conducted by Shafiq Basak & Co. Chartered Accountants, resulted in cumulative revaluation surplus net after depreciation and other adjustments amounted to Tk. 4,891.5m- as on 31st December 2014 including River Terminal Asset). However BSEC vide Notification No. SEC/CMRRCD/2009-193/150/Admin, dated 18th August 2013 has barred upward revaluation of an asset within two years of its acquisition even if the fair value of the asset materially differs from its carrying amount. Accordingly revaluation effect of several assets that did not meet the criteria of the BSEC notification under reference as on 31st December 2014, have been de-recognized in preparation of the Financial Statements as on 30th June 2015. This adjustment has resulted in reduction in revaluation

Depreciation is recognized in the Statement of Comprehensive Income on the reducing balance method over the estimated useful life of each PPE. It has been observed that under certain categories of Assets, depreciation has been charged at a rate substantially higher than what it should be based on estimated useful life of the same. Accounting depreciation rates of PPEs are as follows:

<u>Name of Assets</u>	<u>Rates (%)</u>
Furniture and Fixture	15
1st Class Construction	3
Other than 1st class construction	10
Vehicle	20
Steel Structures	2.5
Office Equipment	20
Electrical Equipment	20
Container Handling Equipment	10

3.2.1 Subsequent costs:

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognized in Comprehensive Income Statement as and when incurred.

3.3 Intangible Asset: Goodwill

Intangible Asset has been recognized in compliance with BAS 38: Intangible Asset. The intangible asset as booked is the excess of cost of investments over value of assets acquired.

3.4 Lease Assets:

All the lease transactions are classified based on the extent to which risks and rewards incidental to ownership of the assets lie with the lessor or lessee. According to this classification, the lease transactions are identified as finance/operating lease as per the **Bangladesh Accounting Standards No:17 Leases** based on the substance of the transactions, not merely the legal form. However presently the company does not have any leased asset in its possession.

3.5 Inventories :

Inventories are valued at the lower of cost and estimated net realizable value. The cost of inventories is valued at first-in-first-out (FIFO) method and includes expenditures for acquiring the inventories and bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and selling expenses. When inventories are used, the carrying amount of those inventories are recognized in the period in which the related revenue is recognized.

3.5.1 Foreign currency transactions:

Foreign currency transactions are translated into Bangladesh Taka at the rate prevailing on the relevant date of such transactions in accordance with **BAS-21/IFRS-22 (the effects of changes in foreign currency rates)**. Assets and Liabilities in foreign currencies as at 30th June 2015 have been converted into Taka at the prevailing rate at the Statement of Financial Position date.

3.6 Retirement benefits :

The Company operates a contributory provident fund for all its permanent employees duly recognized by Commissioner of Taxes, Taxes Zone-2, Chittagong vide its memo A:S/5P-1/PF/Chitt-2/2008 dated December 12, 2008 to which both the employees and the employer equally contribute 10% of the basic pay each, which is invested outside the Group.

The Company also operates an unfunded Gratuity Scheme for its permanent employees, provision for which is made on the basis of latest applicable basic multiplied by length of service with the Company as per the Gratuity Rule. Though no valuation was done to quantify actuarial liabilities as per the **Bangladesh Accounting Standard 19: Employee Benefits**, such valuation is not likely to yield a result significantly different from the current provision.

3.7 Revenue Recognition Policy:

Revenue from service is measured at the fair value of the consideration received or receivable, net of allowances, discounts and rebates, if any. Revenue is recognized, in compliance with the requirements of **BAS - 18/IFRS - 7 (revenue)**, when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably and there is no continuing management involvement with the service.

3.8 Taxation :

Provision for income Tax has been made in the Accounts at the ruling rate prescribed in the Income Tax Ordinance. Consistently Company does not make provision for deferred tax due to its immateriality; however recognizing the material effect that will arise for revaluation of fixed assets and financial assets, adequate provision for deferred tax on revaluation has been made in the accounts of the year under report with due adjustment/restatement of the effect in the accounts of the previous years as required under BAS 12: Income Tax.

3.9 Provisions:

A provision is recognized on the date of Statement of Financial Position if, as a result of past events, the Company has a present legal and constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation.

3.10 Financial Income & Expenses:

Finance Income comprises interest income and dividend income on funds invested. Interest income is recognized on maturity.

Finance Expense comprises interest expenses on loan, overdraft and bank charges. All borrowing costs are recognized in the Statement of Comprehensive Income using effective interest method except to the extent that are directly attributable to the construction of plants which is capitalized in accordance with **BAS 23: Borrowing Cost**

3.11 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of an entity and financial liability or equity instrument of another entity.

3.11.1 Financial Assets:

Financial assets carried in the statement of financial position include cash and cash equivalents, trade and other receivable and deposits.

The Group initially recognises receivables and deposits on the date they are originated. All other financial assets are recognized initially on the date at which the Group becomes a party to the contractual provisions of the transaction.

The Group derecognises a financial asset when the contractual rights or probabilities of receiving cash flows from the asset expires or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

a Cash and Cash Equivalent:

This comprises cash in hand and at banks which are available for use of the Company without any restrictions. For the purpose of cash flow statement, cash and cash equivalent comprise cash in hand, deposits held at financial institutions and short term highly liquid investments. Bank overdrafts that are repayable on demand and form integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of Cash Flow Statement. Cash flows from operating activities have been presented under direct method.

b Trade Receivables:

Trade receivable consists of unpaid bill by the receivers of off-dock services and are initially recognized at original invoice amount. However, receivables are subsequently measured at the remaining amount less allowances for doubtful debts, discount, if any, at the period end.

c Available-for-sale of financial assets :

Available-for-sale of financial assets that are non-derivative financial assets are designed as available for sale by the Company. Subsequent to initial recognition at cost, the assets are measured at fair value and changes therein, other than impairment losses, are recognized in other comprehensive income and presented in the fair value reserve under "*Revaluation Reserve*" in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified as profit or loss.

3.11.2 Financial Liabilities:

Other than debt securities and subordinated liabilities those are recognized on the date they originate, the company recognizes all other financial liabilities initially 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, cancelled or expired.

Financial liabilities include loans & borrowings, finance lease obligation, accounts payables and other payables.

3.12 Earnings per Share :

Basic earning per share is calculated by dividing the net profit/loss for the year attributable to ordinary shareholders by the applicable number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit/loss for the year attributable to ordinary shareholders by the applicable number of ordinary shares outstanding during the year after adjustment for the effects of all dilutive potential ordinary shares.

3.13 Events after the reporting period:

Events after the reporting period that provide additional material information about the Company's position at the date of Statement of Financial Position are reflected in the financial statements. The events after the reporting period that are not adjusting events are disclosed in the notes, if considered material.

3.14 Contingencies:

Contingencies arising from claim, litigation, assessment, fines, penalties and similar items are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured. Details of contingencies as on Statement of Financial Position date are shown separately under note no. 36.

3.15 Change of Accounting Estimates and Policy:

During the period no change of accounting policy or Change of Accounting estimate incurred in respect of any income and expense recognition.

3.16 Dividend Policy:

Company has not yet formulated any specific dividend policy but maintaining a sustainable distribution of

<u>Years</u>	Cash Dividend	Stock Dividend
2009	20%	10%
2010	50%	25%
2011	10%	10%
2012	10%	10%
2013	15%	Nil
2014	10%	5%

4. **PROPERTY, PLANT AND EQUIPMENT**

Separate:

	Amount in Taka								Total
	Land	Buildings and Other Constructions	Electrical Equipment	Container Handling Equipment	Furniture and Fixtures	Office Equipment	Motor Vehicles	Other Assets	
Cost as on 01.01.2015	738,826,062	1,162,623,467	59,163,259	413,349,221	25,222,024	30,476,807	35,391,078	1,141,754	2,466,193,672
Additions during the period	139,793,570	20,259,215	-	3,080,534	662,738	1,103,074	7,634,297	-	172,533,428
Adjustment of cost made during the year with RT Land	(122,057,430)	-	-	-	-	-	-	-	(122,057,430)
Revaluation as on 1.1.2014	2,287,558,234	358,898,644	379,743	79,193,818	-	844,000	2,675,549	-	2,779,549,988
Increase/(Decrease) of Revaluation during-2014	746,914,204	(295,855,791)	-	-	-	-	-	-	451,058,413
De-recognition of Valuation during the period	(26,261,301)	-	-	-	-	-	-	-	(26,261,301)
Adjustment of revaluation made during the year with RT La	-	-	-	-	-	-	-	-	-
Adjustment of Revaluation-2014	(25,500,000)	-	-	-	-	-	-	-	(25,500,000)
Balance at 30.6.2015	3,739,273,339	1,245,925,535	59,543,002	495,623,573	25,884,762	32,423,881	45,700,924	1,141,754	5,645,516,770
Depreciation at 01.01.2015	-	192,770,622	34,612,623	217,034,557	12,118,767	19,862,540	22,829,480	913,052	500,141,641
Adjustment for revaluation during the period (Note-4.1)	-	(9,684,695)	-	-	-	-	-	-	(9,684,695)
Charged during the period	-	4,671,773	2,493,038	13,751,276	982,744	1,145,827	1,527,403	21,778	24,593,838
Charged during the period on Historical Cost	-	4,671,773	2,477,092	11,326,603	982,744	1,132,133	1,368,976	21,778	21,981,099
Charged during the period on Revalued Amount	-	-	15,946	2,424,673	-	13,694	158,427	-	2,612,739
Add: Leased Assets	-	187,757,700	37,105,661	230,785,833	13,101,511	21,008,367	24,356,883	934,830	515,050,784
Balance at 30.6.2015	3,739,273,339	1,058,167,835	22,437,341	264,837,740	12,783,251	11,415,514	21,344,041	206,925	5,130,465,986

Balance at 30.6.2014

2,989,708,997	1,242,060,533	28,656,920	274,342,690	13,464,983	11,692,569	17,123,137	1,376,256	4,578,426,085
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Depreciation-January-June-2015		Total
On Cost	On Revaluation	

Depreciation Charged to Statement of Comprehensive income:

Operating Expenses	19,844,444	2,599,046	22,443,489
Administrative Expenses	2,136,655	13,694	2,150,348
	21,981,099	2,612,739	24,593,838

Note-4.1 There has been decrease in revaluation of building of Tk.295,855,791 and consequently proportionate depreciation on revaluation has been effected through other comprehensive income.

Consolidated

	Amount in Taka								Total
	Land	Buildings and Other Constructions	Electric Equipment	Container Handling Equipment	Furniture and Fixtures	Office Equipment	Motor Vehicles	Other Assets	
Cost as on 01.01.2015	738,826,062	1,162,623,467	59,163,259	476,431,344	25,237,319	30,518,607	35,391,078	1,141,754	2,529,332,890
Additions during the period	139,793,570	20,259,215	-	3,080,534	662,738	1,103,074	7,634,297	-	172,533,428
Adjustment of cost made during the year with RT Land	(122,057,430)	-	-	-	-	-	-	-	(122,057,430)
Revaluation as on 1.1.2014	2,287,558,234	358,898,644	379,743	79,193,818	-	844,000	2,675,549	-	2,729,549,988
Increase/(Decrease) of Revaluation during-2014	746,914,204	(295,855,791)	-	-	-	-	-	-	451,058,413
De-recognition of Valuation during the period(Note-3.2)	(26,261,301)	-	-	-	-	-	-	-	(26,261,301)
Adjustment of revaluation made during the year with RT La	-	-	-	-	-	-	-	-	-
Adjustment of Revaluation-2014	(25,500,000)	-	-	-	-	-	-	-	(25,500,000)
Balance at 30.6.2015	3,739,273,339	1,245,925,535	59,543,002	558,705,696	25,900,057	32,465,681	45,700,924	1,141,754	5,708,655,988
Depreciation at 01.01.2015	-	192,770,622	34,612,623	220,188,664	12,118,767	19,862,540	22,829,480	913,052	503,295,748
Adjustment for revaluation during the period (Note-4.1)	-	(9,684,695)	-	-	-	-	-	-	(9,684,695)
Charged during the period	-	4,671,773	2,493,038	16,747,677	983,509	1,152,097	1,527,403	21,778	27,597,274
Charged on Historical Cost	-	4,671,773	2,477,092	14,323,004	983,509	1,138,403	1,368,976	21,778	24,984,535
Charged During the period on Revalued Amount	-	-	15,946	2,424,673	-	13,694	158,427	-	2,612,739
Depreciation at 30.6.2015	-	187,757,700	37,105,661	236,936,341	13,102,276	21,014,637	24,356,883	934,830	521,208,327
Add Leased Assets	-	-	-	-	-	-	-	-	-
Balance at 30.6.2015	3,739,273,339	1,058,167,835	22,437,341	321,769,355	12,797,781	11,451,044	21,344,041	206,925	5,187,447,661
Balance at 30.6.2014	2,989,708,997	1,242,060,533	28,656,920	364,465,458	13,464,983	11,718,569	17,123,137	1,376,257	4,668,574,854

Note: Rate of depreciation charged for every fixed assets has been stated in Note no-3.2 of this Financial Statements

	Amount in Taka			
	Consolidated	Separate	Consolidated	Separate
5 River Terminal Work-in-progress				
Opening Balance	3,494,505,335	3,494,505,335	777,872,603	777,872,603
Addition during the period	207,011,627	207,011,627	767,233,173	767,233,173
Adjustment of cost of Land from SAPL Account	122,057,430	122,057,430		
Asset Revaluation-2014	-	-	1,949,399,559	1,949,399,559
Adjustment with revaluation of 2014 with SAPL Land	-	-		
Adjustment of additional revaluation-2014	-	-		
De-recognition of Asset Valuation-2014 (Refer Note-3.2)	(1,949,399,559)	(1,949,399,559)	-	-
Closing Balance	1,874,174,833	1,874,174,833	3,494,505,335	3,494,505,335

6 Investment in Subsidiaries:

Investment in Cemcor Ltd.	-	188,387,050	-	188,387,050
Investment in Container Transportation Services Ltd.(Note-6.1)	-	1,980,000	-	1,980,000
	-	190,367,050	-	190,367,050

6.1 Investment in Container Transportation Services Ltd

Container Transportation Services Limited is a subsidiary of Summit Alliance Port Limited (SAPL). Its total no of shares is 200,000 @ Tk.10 each.SAPL owns 98% of its total paid up shares.

7 Accounts Receivable:

APL Bangladesh Pvt. Ltd.	3,834,248	3,834,248	2,778,674	2,778,674
APL Logistics Ltd	10,459,906	10,459,906	14,685,506	14,685,506
APM Global Logistics Ltd	13,026,838	13,026,838	6,386,226	6,386,226
BS Cargo Agency	3,619,245	3,619,245	3,357,760	3,357,760
BIRDS Bangladesh Agencies Ltd	4,065,312	4,065,312	2,519,122	2,519,122
CMA CGM (BD) Shipping Ltd	3,173,945	3,173,945	3,027,466	3,027,466
Columbia Enterprise Ltd	462,419	462,419	1,477,685	1,477,685
Cosco BD Ltd.	2,835,518	2,835,518	795,776	795,776
GP Shipping Lines Ltd	2,016,645	2,016,645	2,832,162	2,832,162
GBX Logistics Ltd	3,075,318	3,075,318	4,194,139	4,194,139
Global Freight Ltd	2,635,503	2,635,503	1,620,873	1,620,873
Hanjin Shipping BD Ltd	1,501,044	1,501,044	1,648,126	1,648,126
JBS Associates	3,720,967	3,720,967	2,636,451	2,636,451
K-Line Bangladesh Ltd	926,524	926,524	2,140,344	2,140,344
Kuehne + Nagel Ltd.	8,677,075	8,677,075	8,001,976	8,001,976
PIL BD Ltd.	382,531	382,531	980,739	980,739
MB Steam Ship Solution	1,391,865	1,391,865	2,131,018	2,131,018
NYK Line BD Ltd	6,459,720	6,459,720	3,342,405	3,342,405
Maersk Bangladesh Ltd.	16,488,254	16,488,254	14,944,930	14,944,930
Marco Shipping Lines Limited	4,924,350	4,924,350	5,191,294	5,191,294
Continental Traders BD Ltd	2,547,655	2,547,655	5,329,575	5,329,575
Intermodal Pvt Ltd	144,942	144,942	116,947	116,947
Transmarine Logistics Ltd.	2,354,479	2,354,479	4,560,780	4,560,780
Others	29,183,862	29,183,862	15,012,127	15,012,127
		-		
Total:	127,908,165	127,908,165	109,712,101	109,712,101

Receivables are unsecured but considered good and represent dues from various clients against services rendered.

7.1 Aging of Accounts Receivable:

	As on 30.6.2015	Age	
		Within 3 months	With in 6 months
APL Bangladesh Pvt. Ltd.	3,834,248	3,834,248	-
APL Logistics Ltd	10,459,906	10,371,163	88,743
APM Global Logistics Ltd	13,026,838	13,026,838	-
BS Cargo Agency	3,619,245	3,619,245	-
BIRDS Bangladesh Agencies Ltd	4,065,312	3,190,446	874,866
CMA CGM (BD) Shipping Ltd	3,173,945	3,166,378	7,567
Columbia Enterprise Ltd	462,419	462,419	-
Cosco BD Ltd.	2,835,518	2,835,518	-
GP Shipping Lines Ltd	2,016,645	1,793,976	222,669
GBX Logistics Ltd	3,075,318	3,075,318	-
Global Freight Ltd	2,635,503	2,635,503	-
Hanjin Shipping BD Ltd	1,501,044	1,501,044	-
JBS Associates	3,720,967	1,384,520	2,336,447
K-Line Bangladesh Ltd	926,524	926,524	-
Kuehne + Nagel Ltd.	8,677,075	8,677,075	-
PIL BD Ltd.	382,531	248,027	134,504
MB Steam Ship Solution	1,391,865	1,391,865	-
NYK Line BD Ltd	6,459,720	6,459,720	-
Maersk Bangladesh Ltd.	16,488,254	16,454,697	33,557
Marco Shipping Lines Limited	4,924,350	4,924,350	-
Continental Traders BD Ltd	2,547,655	2,547,655	-
Intermodal Pvt Ltd	144,942	130,646	14,296
Transmarine Logistics Ltd.	2,354,479	2,354,479	-
Others	29,183,862	27,923,111	1,260,751
	127,908,165	122,934,765	4,973,400

8 Financial Assets Available for Sale:

Investment	Investments	Market Price	Fair value	Fair value	Change in fair	
in Shares	in Shares	of Investment	of Investment	of Investment	value on 30-6-2015	
(Number)	(Cost)	As on 30.6.2015	on 30-6-2015	on 31-12-2014		
on 30-6-2015	on 30-6-2015					
Summit Power Limited	882,214	46,525,406	38.30	-	33,788,796	-
Padma Oil Company Ltd.	66,824	19,927,532	251.60	-	16,812,918	-
Summit Power Limited	44,110	2,214,960	40.50	1,786,455	-	(428,505)
United Insurance Limited	6,133	764,605	22.70	139,219	207,909	(68,690)
United Finance Limited	140,262	9,049,791	19.00	2,664,978	3,787,106	(1,122,128)
People Leasing Limited	617,216	30,999,945	14.50	8,949,632	12,961,549	(4,011,917)
IFIC Bank Limited	57,733	2,885,188	18.90	1,091,154	1,310,298	(219,144)
S Alam Cold Roll Mills Limited	44,000	3,378,038	29.40	1,293,600	1,518,000	(224,400)
Exim Bank Limited	62,008	2,053,440	9.00	558,072	625,729	(67,657)
Powergrid Limited	25,300	2,274,425	38.10	963,930	1,022,120	(58,190)
Bank Asia Limited	97,828	2,860,327	14.80	1,447,854	1,485,215	(37,361)
One Bank Limited	114,703	3,584,940	13.10	1,502,609	1,610,952	(108,343)
Trust Bank Limited	62,609	2,383,945	22.20	1,389,920	1,109,901	280,019
Baximco Limited	57,030	6,453,197	32.50	1,853,475	1,805,149	48,326
PHP First Mutual Fund	546	5,000	4.40	2,402	2,566	(164)
Total:	1,329,478	68,907,801		23,643,301	78,048,208	(6,018,153)

Amount in Taka
Amount in Taka
9 Other Receivables

Alliance Holdings Ltd.	-	-	29,607,000	29,607,000
Others	1,784,519	1,784,519	1,261,655	1,261,655
	1,784,519	1,784,519	30,868,655	30,868,655

10 Advances, Deposits & Prepayments:
Advances:

For Software development	1,990,000	1,990,000	1,990,000	1,990,000
For Civil work	3,291,090	3,291,090	1,916,172	1,916,172
For Land Purchase (Note-10A)	196,437,960	196,437,960	227,659,960	227,659,960
Against Salary	4,969,179	4,969,179	1,871,662	1,871,662
For VAT (Appeal and Tribunal)	9,728,990	9,728,990	9,728,990	9,728,990
Miscellaneous Advance	8,155,318	8,155,318	2,843,249	2,843,249
For Car Loan Facility	440,625	440,625	496,875	496,875
For Project Work-River Terminal	13,898,235	13,898,235	12,740,137	12,740,137
For Pre-fabricated Steel Works	30,454,936	30,454,936	8,865,180	8,865,180
For Gazipur Project	1,048,224	1,048,224	1,275,528	1,275,528
Against Expenses	16,454,812	16,275,812	3,306,302	3,301,717
	286,869,369	286,690,369	272,694,055	272,689,470

Deposits:

VAT Current Account	6,610,658	6,610,658	7,996,546	7,996,546
Security Deposit with CDBL	400,000	400,000	400,000	400,000
Security Deposit for Bond License	4,028,546	4,028,546	4,028,546	4,028,546
Security Deposit with T&T	321,767	321,767	321,767	321,767
Security Depositi for Land -Auction	-	-	7,019,803	7,019,803
LC Margin Deposit	5,168,167	5,168,167	1,330,903	1,330,903
Miscellaneous Deposits	1,888,900	1,888,900	1,247,100	1,247,100
Security Deposit with PDB & DPDC	981,610	981,610	2,821,610	2,821,610
Security Deposit with Ansar VDP	1,454,253	1,454,253	254,253	254,253
	20,853,901	20,853,901	25,420,528	25,420,528

Prepayments:

Pre-paid Insurance	421,354	254,477	466,041	466,041
Pre-paid Renewal of License	879,080	535,650	806,298	806,298
Pre-paid Office Rent	-	-	166,800	166,800
	1,300,434	790,127	1,439,139	1,439,139

Grand Total	309,023,704	308,334,397	299,553,722	299,549,137
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10A Advance for Land Purchase include the following major payment:

Tk.150 million has been paid to one Mr. Shahjan & others against Baina for purchase of 11.67 acres of Land in Mukhtarpur adjacent to our River Terminal Project.

11 Inventories:

Stock of Fuel	5,552,203	4,165,377	3,926,756	2,400,781
Electrical Goods and others	269,159	269,159	675,338	675,338
	5,821,362	4,434,536	4,602,094	3,076,119

12 Cash and Cash Equivalents:

Cash in hand	1,126,633	335,424	3,408,055	3,373,843
Cash at Bank:				
Standard Bank Ltd	4,698,102	4,698,102	2,961,658	2,961,658
Trust Bank Ltd	131,433	131,433	49,116	49,116
Jamuna Bank Ltd	31,152,377	30,985,123	1,827,944	1,532,302
HSBC Bangladesh	256,102	256,102	782,660	782,660
Dutch Bangla Bank Ltd	1,362,204	1,362,204	1,199,362	1,199,362
Islami Bank Ltd	1,125	1,125	1,125	1,125
Brac Bank Limited	12,280	12,280	12,280	12,280
Southeast Bank Ltd	34,210	34,210	34,210	34,210
Standard Chartered Bank Ltd	273,513	273,513	68,877,728	68,877,728
Uttara Bank Ltd	3,650,510	3,650,510	2,373,530	2,373,530
IFIC Bank Limited	84,390	84,390	1,251,499	1,251,322
Sonali Bank Limited	10,000	10,000		
Premier Bank Ltd.	304,337	-	442,837	-
Eastern Bank Limited	35,059	35,059	13,164,956	13,164,956
Total	42,005,642	41,534,051	92,978,905	92,240,249
Grand Total	43,132,275	41,869,475	96,386,960	95,614,092

13. Share Capital:
Authorised Capital:

300,000,000 Ordinary shares of Tk 10 each

Amount in Taka	
30.06.2015	31.12.2014
3,000,000,000	2,000,000,000

Issued, Subscribed and Paid-Up Capital:

163,583,172 Ordinary shares of Tk. 10 each

171,762,330 Ordinary shares of Tk. 10 each

1,717,623,300	1,635,831,720
1,717,623,300	1,635,831,720

Shareholding position was as follows:

Name of the shareholders	Percentage of shareholdings		Face Value of shares	
	30.06.2015	2014	30.06.2015	2014
Mr. Muhammed Aziz Khan	7.03	7.03	120,805,110	11,505,2490
Mrs. Anjuman Aziz Khan	5.18	5.18	88,964,740	84,728,330
Mr. Syed Ali Jowher Rizvi	5.16	5.16	88,543,600	84,327,240
Mrs. Sobera Ahmed Rizvi	Nil	2.05	Nil	33,562,880
Ms. Ayesha Aziz Khan	3.68	3.68	63,237,890	60,226,570
Ms. Adeeba Aziz Khan	3.68	3.68	63,237,890	60,226,570
Ms. Azeeza Aziz Khan	3.68	3.68	63,237,890	60,226,570
Mr. Syed Yasser Haider Rizvi	1.19	0.16	20,402,740	2,649,750
Mr. Syed Nasser Haider Rizvi	1.19	0.16	20,402,740	2,649,750
Alliance Holdings Limited	23.48	25.70	403,302,440	420,466,470
Summit Industrial & Mercantile Cor. (Pvt) Ltd.	Nil	5.18	Nil	84,728,330
Cosmopolitan Traders (Pvt) Ltd.	8.08	5.18	138,778,980	84,728,330
Others	37.62	33.15	646,709,280	657,310,930
	100.00	100.00	1,717,623,300	1,635,831,720

Clarification of Shareholders by Holding:

Holdings	30.06.2015		2014	
	Number of shareholders	Number of Shares	Number of shareholders	Number of Shares
Less than 500 shares	14,395	2,156,017	15,765	2,236,500
500 to 5,000 shares	8,892	13,762,360	6,726	10,165,084
5,001 to 10,000 shares	761	5,564,229	534	3,894,895
10,001 to 20,000 shares	330	4,568,157	251	3,564,376
20,001 to 30,000 shares	125	3,115,245	112	2,818,539
30,001 to 40,000 shares	52	1,821,062	65	2,257,754
40,001 to 50,000 shares	36	1,603,880	28	1,271,799
50,001 to 100,000 shares	57	4,067,838	61	4,243,910
100,001 to 1,000,000 shares	55	14,823,726	51	14,332,557
1,000,001 to above	20	120,279,816	17	118,797,758
	24,723	171,762,330	23,610	163,583,172

	<u>Consolidated</u>	<u>Separate</u>	<u>Consolidated</u>	<u>Separate</u>
14. Revaluation Surplus				
Opening Balance	4,891,458,469	4,891,458,469	2,505,361,373	2,505,361,373
Provision for changes in Financial Assets (Investment)	2,214,960	2,214,960	-	-
De-recognition of Asset Valuation-2014	(2,001,160,860)	(2,001,160,860)	-	-
Depreciation for the period	(2,612,739)	(2,612,739)	(15,047,977)	(15,047,977)
Assets Revaluation-2014	-	-	2,400,457,972	2,400,457,972
Adjustment for sale of Financial Assets	13,636,264	13,636,264	(5,659,911)	(5,659,911)
Adjustment for depreciation for decrease in revaluation of building	9,684,695	9,684,695	-	-
Provision for Deferred Tax Liability	(40,633,987)	(40,633,987)	2,615,910	2,615,910
Change in Fair Value of Financial Assets Available for Sale (Note - 8)	(6,018,153)	(6,018,153)	3,731,102	3,731,102
	2,866,568,649	2,866,568,649	4,891,458,469	4,891,458,469

Several fixed assets of Off-Dock in Chittagong and River Terminal Project at Mukhterpur, Munshigonj amounting to Tk.2.400billion being revalued amount were recognized in the financial statements for the year ended 31st December 2014 following the provision in clause 31 read in conjunction with clause 34 of BAS 16: Property, Plant & Equipment. However Bangladesh Securities and Exchange Commission prohibits any upward valuation within two years of procurement. Therefore financial statements for the half year ended 30th June 2015. The make-up of de-recognition is as under:

1. On account of river terminal	1,949m
2. On account of Off-Dock, Chittagong	52m

15. Retained Earnings

Net Profit after Tax for the year	78,241,083	75,873,174	134,545,956	135,610,969
Stock Dividend - 5%	(81,791,580)	(81,791,580)	-	-
Cash Dividend-10%	(163,583,178)	(163,583,178)	(245,374,758)	(245,374,758)
Capital Reserve transferred (Note - 15.1)	84,755,887	97,313,337	-	-
Depreciation on Revaluation Surplus (Note -4)	2,612,739	2,612,739	15,047,977	15,047,977
Balance transferred from last years accounts	305,297,296	306,362,309	401,078,121	401,078,121
	225,532,247	236,786,801	305,297,296	306,362,309

15.1 Capital Reserve being 'Deddered Credit ' on amalgamation of Ocean Containers Ltd, now transferred to Retained Earnings in terms of Clause 69 (e) of BFRS-3

16. Minority Interest

In Wahid Spinning Mills Ltd	100	100
In Cemcor Ltd	400	400
In Container Transportation Services Ltd (Note-16.1)	33,161	20,000
	33,661	20,500
16 Portion of Share Capital	20,000	
Portion of Retained Earnings (Note - 16.2)	13,161	
	33,161	

16 Majority Interest of Profit/Loss in CTSL

Total Profit of CTSL	1,316,056
Less: Minority Portion	13,161
Total	1,302,895

17 Deferred Liability for Gratuity	34,165,170	34,165,170	30,666,910	30,666,910
Opening Balance	30,666,910	30,666,910	24,022,940	24,022,940
Add: Provision for the period/year	4,350,000	4,350,000	8,500,500	8,500,500
	35,016,910	35,016,910	32,523,440	32,523,440
Less: Paid during the period/year	851,740	851,740	1,856,530	1,856,530
Closing Balance	34,165,170	34,165,170	30,666,910	30,666,910
18 Deferred Tax Liability on Revaluation Surplus (Note 18.1)	119,345,268	119,345,268	78,711,281	78,711,281

The amount has been recognized on revaluation of fixed and financial assets.

18.1 Opening Balance	78,711,281	78,711,281	81,327,191	81,327,191
Add: Adjustment for depreciation, change in fair value of financial assets available for sale & change in Revaluation Reserve	40,633,987	40,633,987	(2,615,910)	(2,615,910)
	119,345,268	119,345,268	78,711,281	78,711,281

19 Long Term Loan	177,443,307	177,443,307	220,904,930	180,442,326
Long Term Loan	288,316,547	234,992,487	318,366,530	257,518,326
Less: Current portion	70,294,430	57,549,180	97,461,600	77,076,000
	218,022,117	177,443,307	220,904,930	180,442,326

i) Jamuna Bank Ltd - Term Loan

This Term Loan has been taken from Jamuna Bank Ltd, Sonargaon Road Branch, Dhaka to be repaid in sixty monthly installments. Up to June 2015, 11 installments paid.

ii) Jamuna Bank Ltd-Term Loan (For Trailer Import)

This Term Loan has been taken from Jamuna Bank Ltd, Sonargaon Road Branch, Dhaka for import of Trailer for Container Transportation Services Ltd and to be repaid in 40 equal monthly installments. Up to June 2015 we have paid 15 installments.

iii) Premier Bank Ltd -Term Loan(For Prime Mover Import)

This Term Loan has been taken from Premier Bank Ltd, Karwan Bazar Branch, Dhaka for import of Prime Mover for Container Transportation Services Ltd and to be repaid in 60 monthly installments. Up to June 2015 repayment made for 8 installments.

20 Short Term Loan and Overdraft:	1,941,350,321	1,928,605,071	1,699,522,141	1,679,136,541
Overdraft from Jamuna Bank Ltd, Sonargaon Road Branch, Dhaka	312,945,690	312,945,690	307,817,011	307,817,011
Overdraft from Standard Bank Ltd, Agrabad Branch, Chittagong	827,449,888	827,449,888	827,344,387	827,344,387
Jamuna Bank Limited -Time Loan	53,596,372	53,596,372	50,257,792	50,257,792
IIDFCL-Time Loan	256,438,611	256,438,611	205,079,445	205,079,445
Eastern Bank Limited - For Shore Crane import	-	-	102,874,812	102,874,812
Jamuna Bank Limited-For Reach Stacker import	-	-	65,609,594	65,609,594
Standard Bank Limited-For Vessel (SAPL-1) import	-	-	43,077,500	43,077,500
Current Portion of Long Term Loan (Note-19.1)	70,294,430	57,549,180	97,461,600	77,076,000
Bridge Loan (Note-20.1)	420,625,330	420,625,330	-	-
	1,941,350,321	1,928,605,071	1,699,522,141	1,679,136,541

20.1 Bridge Loan:

Alliance Holdings Limited	190,123,899	190,123,899
Summit Industrial and Mercantile Corporation Ltd	230,501,431	230,501,431
	420,625,330	420,625,330

	<u>As at 30.6.2015</u>		<u>As at 31.12.2014</u>	
	<u>Consolidated</u>	<u>Separate</u>	<u>Consolidated</u>	<u>Separate</u>
21. Accounts Payable:				
Dolphin Container Service	610,870	610,870	901,831	901,831
Iqbal & Brothers	469,253	469,253	1,147,495	1,147,495
Khaza Container Paribahan	192,704	192,704	732,289	732,289
Priota Containers Transport	81,560	81,560	1,296,557	1,296,557
Amanat Motors	33,770	33,770	951,733	951,733
Falcon Security Ltd	503,964	503,964	390,421	390,421
Jashim & Brothers	214,644	214,644	375,250	375,250
Sea Land Carrier Services	484,385	484,385	575,673	575,673
Beehive Engineers Limited	-	-	27,321,062	27,321,062
Sinthea Traders	7,250	7,250	1,519,045	1,519,045
Others	21,525,894	21,525,894	22,241,103	22,241,103
	24,124,294	24,124,294	57,452,459	57,452,459
22 Un-claimed Dividend				
For-2014	102,778,236	102,778,236	-	-
For-2013	91,152,805	91,152,805	91,611,155	91,611,155
Before-2013	40,906,692	40,906,692	41,330,125	41,330,125
	234,837,733	234,837,733	132,941,280	132,941,280
23 Provision for Income Tax				
Opening Balance	61,305,266	61,305,266	62,471,642	62,471,642
Add: Provision for the period (Note - 23.1)	19,570,165	18,282,258	51,509,102	51,509,102
	80,875,431	79,587,524	113,980,744	113,980,744
Less: Paid during the period	17,356,295	16,786,295	52,675,478	52,675,478
	63,519,136	62,801,229	61,305,266	61,305,266
23.1 Taxable Profit for the period				
Net operating profit for the period(after finance cost & contribution to BP)	109,647,504	105,967,770	185,463,732	185,463,732
Add: Dividend on investment	411,620	411,620	487,619	487,619
Add: Other Income	623,693	623,693	1,168,720	1,168,720
Loss on sale of Financial Assets available for sale	-	-	-	-
Add: Capital Gain from Sale of Investment	-	-	-	-
Total Taxable profit	110,682,817	107,003,083	187,120,071	187,120,071
Provision for income Tax:				
On taxable operating profit	22,481,461	21,193,554	51,002,526	51,002,526
Loss on sale of Financial Assets available for sale	(3,211,913)	(3,211,913)	-	-
On other income	218,293	218,293	409,052	409,052
On dividend income	82,324	82,324	97,524	97,524
Total Income Tax Provision for the period	19,570,165	18,282,258	51,509,102	51,509,102
24 Intercompany Account: Payable/(Receivable)				
a. Cemcor & Wahid Spinning Mills	-	174,702,135	-	174,702,135
Balance as on 30-06-2015 after adjustment of cost of land and structures purchased				
b. Container Transportation Services Limited:	-	(1,722,178)	-	32,168
25 Beneficiaries' Profit Participation Fund (5%)	14,798,974	14,798,974	9,848,425	9,848,425
Provision for "Beneficiaries' Profit Participation Fund" has been made as per provisions stated in the Bangladesh Labor Act 2006 (as amended in July, 2013)				
26 Other Payables	<u>Consolidated</u>	<u>Separate</u>	<u>Consolidated</u>	<u>Separate</u>
Trustee A/C.	2,640,438	2,640,438	1,661,956	1,661,956
AIT Deduction at Source-Party & Staff	4,147,771	4,147,771	11,194,664	11,194,664
Dividend Tax Payable	15,240,320	15,240,320	-	-
Salary and Holiday and Night Allowance Payable	4,053,452	3,109,199	1,080,652	814,575
Unpaid Salary and Bonus	89,631	89,631	70,897	70,897
Security Deposit Received	58,872,230	58,872,230	61,846,829	61,846,829
Miscellaneous Payable	1,019,568	1,019,568	3,365,339	3,275,467
Refund Payable-IPO	3,595,000	3,595,000	3,595,000	3,595,000
Provision for Expenses	16,177,163	16,009,000	86,241	86,241
VAT Account	8,179,352	8,179,352	29,715,214	29,715,214
	114,014,925	112,902,509	112,616,792	112,260,843

	<u>Amount in Taka</u>		<u>Amount in Taka</u>	
	<u>January to June-2015</u>		<u>January to June-2014</u>	
	<u>Consolidated</u>	<u>Separate</u>	<u>Consolidated</u>	<u>Separate</u>
27	<u>Revenue</u>			
Ground Rent-Import	16,715,094	16,715,094	15,662,782	15,662,782
Cargo Handling-Import	44,256,452	44,256,452	35,120,566	35,120,566
Movement-Import	2,058,715	2,058,715	1,322,518	1,322,518
Survey Charges	1,363,453	1,363,453	1,198,050	1,198,050
Exit Entry Fee-Import	387,711	387,711	312,001	312,001
Weighment Bridge Charges	1,053,003	1,053,003	1,116,139	1,116,139
License Measurement Charges-Import	763,709	763,709	806,636	806,636
	66,598,137	66,598,137	55,538,692	55,538,692
	<u>Export Income:</u>			
Laden Container Stuffing & Transportation	100,340,173	100,340,173	95,851,876	95,851,876
Labour Charges	105,911,405	105,911,405	104,074,928	104,074,928
Stand-by-Labour	54,989,512	54,989,512	50,448,505	50,448,505
Laden Holding, Doc. & Palletize cargo Charges	309,251	309,251	574,829	574,829
Entry and Exit Charges	11,100	11,100	21,200	21,200
Reefer Plug Electricity Charges	2,877,801	2,877,801	7,065,576	7,065,576
Laden Lift on off	94,125	94,125	59,750	59,750
	264,533,367	264,533,367	258,096,664	258,096,664
	<u>ICD Income:</u>			
Ground Rent-Empty Container	70,317,769	70,317,769	58,918,919	58,918,919
Documentation-Empty Container	8,862,480	8,862,480	8,138,680	8,138,680
Transportation-Empty Container	44,797,505	44,797,505	41,295,621	41,295,621
Lift on/off-Empty Container	13,695,589	13,695,589	11,922,888	11,922,888
Entry and Exit Charges	94,000	94,000	57,900	57,900
	137,767,343	137,767,343	120,334,008	120,334,008
	<u>Container Haulage Revenue-CTSL</u>			
Export Container Haulage	9,803,688	-	-	-
Import Container Haulage	5,572,141	-	-	-
Empty Container Haulage	9,610,416	-	-	-
	24,986,245	-	-	-
	493,885,092	468,898,847	433,969,364	433,969,364
28	<u>Operating Expenses</u>			
Salary and Allowances	60,180,917	55,763,459	50,435,448	50,435,448
Custom Documentation-Expenses	722,460	722,460	740,700	740,700
Employer's Contribution to P.F.	2,432,965	2,432,965	2,268,201	2,268,201
Holiday and Night Allowances	6,460,135	4,344,866	3,798,685	3,798,685
Festival Bonus	5,064,562	4,900,000	4,664,268	4,664,268
Electricity and Water Bill	10,488,818	10,488,818	16,717,840	16,717,840
Repair and Maintenance including Yard	19,550,845	19,009,192	9,703,802	9,703,802
Maintenance of Electrical Works	1,507,974	1,507,974	2,019,776	2,019,776
Container Transportation-Expenses	95,659,363	95,604,763	83,446,493	83,446,493
Insurance Premium	720,527	553,661	774,896	774,896
Renewal Fee	675,948	342,797	744,035	744,035
Depreciation	25,446,925	22,443,489	28,441,688	28,441,688
Container Entrance Fee - Ctg. Port	1,780,550	1,780,550	1,757,000	1,757,000
Security Charges	8,906,276	8,906,276	7,984,913	7,984,913
Truck Parking Yard Rent	1,706,367	1,706,367	1,600,224	1,600,224
Cargo handling Labour Charges	40,853,020	40,853,020	32,827,769	32,827,769
Fuel Consumption	27,488,046	20,078,870	22,081,299	22,081,299
Uniform Expenses	99,460	99,460	68,250	68,250
Leave Encashment	691,959	691,959	639,253	639,253
Gratuity Expenses	4,350,000	4,350,000	3,333,600	3,333,600
Total	314,787,117	296,580,946	274,048,140	274,048,140

29 Other Income	1,035,313	1,035,313	620,004	620,004
29.1 Miscellaneous Income				
Miscellaneous Received	55,881	55,881	83,651	83,651
Interest on FDR	214,160	214,160	-	-
Interest on STD	353,652	353,652	48,734	48,734
	623,693	623,693	132,385	132,385
29.2 Dividend on Investment				
<i>Details are given below:</i>				
Padma Oil Company Limited	267,296	267,296	273,375	273,375
Powergrid Limited	12,650	12,650	38,130	38,130
United Leasing Limited	31,889	31,889	64,093	64,093
One Bank Ltd	-	-	83,421	83,421
Bank Asia Limited	45,701	45,701	-	-
Trust Bank Limited	22,778	22,778	-	-
United Insurance Co Limited	4,906	4,906	-	-
S Alam Cold Roll Mills Limited	26,400	26,400	28,600	28,600
Total:	411,620	411,620	487,619	487,619
30 General & Administrative Expenses				
Salary and Allowances	11,392,947	11,392,947	10,633,675	10,633,675
Directors' Remuneration (Note 30.1)	16,908,000	16,908,000	16,140,000	16,140,000
Conveyance	744,840	730,025	886,748	886,748
Printing & Stationery	2,594,532	2,594,247	1,955,966	1,955,966
Traveling Expenses	629,064	629,064	530,754	530,754
Entertainment	1,992,642	1,978,379	2,413,142	2,413,142
Donation and Gift	32,665	32,665	55,000	55,000
Telephone & Cell Phone	987,719	953,666	1,015,183	1,015,183
Communication expenses	249,669	249,669	291,550	291,550
Audit and Professional Fee	1,463,155	1,434,405	1,044,110	1,044,110
Newspaper, Books and Periodicals	38,709	38,709	47,920	47,920
Postage	76,607	76,013	64,452	64,452
Medical Expenses	37,658	35,960	17,866	17,866
Bank Charges	123,754	121,349	121,424	121,424
Rent, Revenue and Taxes	1,377,104	1,377,104	3,440,113	3,440,113
Listing and other Fee	1,045,706	1,045,706	676,082	676,082
Holiday and Night Allowances	69,969	69,969	81,721	81,721
Employer's Contribution to PF	507,252	507,252	483,078	483,078
HR Development Cost	22,000	22,000	56,355	56,355
Leave encashment	227,166	227,166	273,677	273,677
Meeting Expenses including AGM	1,791,470	1,791,470	2,925,137	2,925,137
Office Rent	1,388,930	1,388,930	897,567	897,567
Board Meeting attendance fees	396,400	396,400	350,000	350,000
Festival Bonus	3,000,000	3,000,000	2,932,800	2,932,800
Quality Certification-ISO/ C:TPAT	35,000	35,000	35,000	35,000
Subscription to BICDA & Club	433,306	433,306	408,878	408,878
Vehicle Running Expenses	3,114,900	2,967,311	3,642,053	3,642,053
Depreciation	2,150,348	2,150,348	2,336,839	2,336,839
General Expenses	1,082,158	956,958	802,321	802,321
	53,913,670	53,544,018	54,559,411	54,559,411

3.5

30.1 Directors' Remuneration

SL Name of Directors	<u>Remuneration</u>	<u>Remuneration</u>
	<u>Per month</u>	<u>Jan to June -2015</u>
1 Mr.Muhammed Aziz Khan	450,000	2,700,000
2 Mr.SAJ Rizvi	550,000	3,300,000
3 Mr.Syed Fazul Haque	380,000	2,280,000
4 Mr.Syed Yasser Haider Rizvi	593,000	3,558,000
5 Mr.Syed Nasser Haider Rizvi	422,500	2,535,000
6 Ms.Azeeza Aziz Khan	422,500	2,535,000
	2,818,000	16,908,000

31 Advertisement and Sales Promotion Expenses

Advertisement and Sales Promotion	50,435	50,435	126,200	126,200
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32 Finance Expenses (Note - 32.1)

	10,530,816	7,800,128	4,507,597	4,507,597
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32.1 Finance Expenses**Financial Expenses for 2nd quarter 2015**

	<u>Consolidated</u>	<u>Separate</u>
Interest on Bank Overdraft, Term Loan and lease finan	108,704,610	105,973,922
Interest charged by AHL (Sponsor)	16,326,206	16,326,206
Interest charged by SIMCL (Sponsor)	-	-
	125,030,816	122,300,128
Less: Interest on River Terminal Project Finance capit	114,500,000	114,500,000
	10,530,816	7,800,128

33 Related Party Transactions:

The following related party transactions have been made by the company during the period in the normal course of business. In this regard, the disclosure as per BAS-24 Related Party Disclosures are given below:

Cemcor Limited (Payable)	Subsidiary	For purchase of land and other assets	NIL	174,702,135
Alliance Holdings Ltd (Payable)	Sponsor	Bridge Loan	190,123,899	190,123,899
Summit Industrial and Mercantile Corporation Ltd.(Payable)	Sponsor	Bridge Loan	230,501,431	230,501,431
Container Transportation Services Ltd.(Receivable)	Subsidiary	Short term Loan for regular transaction	1,690,010	(1,722,178)

34 Consolidated Basic Earning per share (EPS)

	<u>Amount in Taka</u>		
	SAPL (Standalone) 30.6.2015	Consolidated 30.6.2015	Consolidated 30.6.2014
Basic earnings per share			
The computation of EPS is given below:			
a) Profit attributable to Equity holders	75,873,173.71	78,231,340.25	69,830,091.00
b) Number of shares outstanding	171,762,330.00	171,762,330.00	163,583,172.00
Earnings per share (EPS) (a/b)	0.44	0.46	0.43
Restated Earning per Share (EPS)	-	-	0.41

35 Risk Management

The company continuously evaluates all risk that affect the company affairs including following Financial Risk.

1. Credit Risk
2. Liquidity Risk
3. Market Risk

In this respect, both Audit Committee and internal audit department assist the Board by submitting periodic report.

35.1 Credit Risk:

Credit risk is the risk of financial loss of the company if a client fails to meet its contractual obligation and arises principally from client and investment securities. The main clients of the company are well reputed international companies, such as, Maersk Bangladesh Limited, APM Global Logistics Ltd., APL (Bangladesh) Pvt. Ltd., APL Logistics Limited, Kuehne & Nagel Ltd, Continental Traders (Bangladesh) Ltd., Birds Bangladesh Agencies Limited, PIL (Bangladesh) Limited, NYK Line (Bangladesh) Limited, K Line (Bangladesh) Limited etc.

All claims of the company are settled on regular basis as per terms of Agreement. We consider that receivables of the company are good, though unsecured and the risk of bad debts is minimum.

35.2 Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The approach of the company 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 condition, without incurring unacceptable losses or risking damage to the Company's reputation. In this connection, company exercises cash forecast based on sufficient information on regular basis and accordingly arrange for sufficient liquidity to make the expected payment within due date.

35.3 Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holding of financial instruments. The objectives of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The company considers this type of risk when evaluating risk management.

Contingent Liability	As at 30.6.2015		As at 30.6.2014	
	Consolidated	Separate	Consolidated	Separate
Summit Alliance Port Limited	-	-	-	-
Ocean Containers Limited (erstwhile)				
1. Claim raised Chittagong City Corporation on account of Municipal Tax, Holding Tax & other Levies.	10,134,215.00	10,134,215.00	10,134,215.00	10,134,215.00
2. Claim of VAT Authority challenged before the Higher Authority:				
i. Case No. 54/musak/aniom/2000 dated 27.07.02 challenged by writ petition before High Court vide No. 6214 of 2005	16,768,340.00	16,768,340.00	16,768,340.00	16,768,340.00
ii. Case No. 4th/A(12)/39/musak/OCL/2002/1181 dated 09-04-06 pending before High Court against Writ No.8442 of 2006	5,397,670.00	5,397,670.00	5,397,670.00	5,397,670.00
iii. Case No. 156/musak/aniom/05 dated 29-12-05 pending before Customs, Excise & VAT Appellate Tribunal, Dhaka	19,882,591.00	19,882,591.00	19,882,591.00	19,882,591.00
iv. Case No.4th/A(12)/39/musak/OCL/2002/1845 dated 22-01-07 pending hearing in Appeal	62,110,224.00	62,110,224.00	62,110,224.00	62,110,224.00
	114,293,040.00	114,293,040.00	114,293,040.00	114,293,040.00

Container Handling Capacity in TUES

	<u>Quantity</u>	
Empty Container	8,000.00	(at any given time)
Export Container	150,000.00	
Import Container	40,000.00	

General

All the 667 regular employees of the Company as on 30th June 2015 have been receiving annual salary in excess of Tk. 63,600/-.

**Auditors' Report in pursuance of section 135 (1) under paragraph 24 (1) of part - ii of the Third Schedule
of The Companies Act, 1994**

[As per Rule-8 (i) of Securities and Exchange Commission (Rights Issue) Rules, 2006]

As required under section 135 (1), Para 24 (1) of part-II of Schedule III of the The Companies Act, 1994 and as per Rule-8 (i) of Securities and Exchange Commission (Rights Issue) Rules, 2006, Summit Alliance Port Limited prepared the following statements of its assets and liabilities, operating results and cash flows as at and for the year ended on 31 December 2014, 2013, 2012, 2011 and 2010 and submitted those to us for our verification and issuance of our confirmation thereon. The financial statements for the year 2012, 2013 and 2014 were audited by S. F. Ahmed & Co., Chartered Accountants.

We accordingly have reviewed the relevant audited financial statements and hereby confirm that the following information has been correctly extracted from those audited consolidated financial statements of Summit Alliance Port Limited (the "Issuer Company") and its subsidiaries Cemcor Limited, Wahid Spinning Mills Limited and Container Transportation Services Limited (25.11.13) as well as separate financial statements of the Issuer Company.

A. Consolidated Statement of Financial Position

<u>Subject Matter</u>	<u>31.06.2015</u>	<u>31.12.2014</u>	<u>31.12.2013</u>	<u>31.12.2012</u>	<u>31.12.2011</u>	<u>31.12.2010</u>
	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>
<u>Assets:</u>						
<u>Non Current Assets:</u>						
Property, Plant and Equipment	5,187,447,661	5,206,645,545	4,601,436,667	5,622,471,439	5,582,293,885	3,288,444,652
Assets in Transit	-	-	22,729,733	-	-	162,080,692
Capital Work-in-Progress	-	-	-	432,963,292	314,563,338	-
River Terminal Work-in-progress	1,874,174,833	3,494,505,335	777,872,603	-	-	-
Preliminary Expenses	-	-	105,400	-	-	-
Intangible Asset: Goodwill	999,975	999,975	999,975	999,975	24,853,013	72,694,163
	7,062,622,469	8,702,150,855	5,403,144,378	6,056,434,706	5,921,710,236	3,523,219,507
<u>Current Assets:</u>						
Accounts Receivable	127,908,165	109,712,101	98,880,671	89,430,489	129,320,886	80,328,171
Financial Assets Available for Sale	23,643,301	78,048,209	74,317,107	79,102,915	138,383,220	-
Short-Term Investment	-	-	-	-	-	222,235,260
Other Receivable	1,784,519	30,868,655	203,156,322	184,606,792	132,635,201	1,214,100
Advances, Deposits & Prepayments	309,023,704	299,553,722	121,865,158	231,144,501	138,252,145	135,583,549
Inventories	5,821,362	4,602,094	2,378,914	1,829,717	5,520,880	3,814,182
Cash & Cash Equivalents	43,132,275	96,386,960	22,468,414	11,192,356	42,029,524	249,555,381
	511,313,326	619,171,741	523,066,586	597,306,770	586,141,856	692,730,643
Total Assets:	7,573,935,795	9,321,322,597	5,926,210,964	6,653,741,476	6,507,852,092	4,215,950,150
<u>Equity and Liabilities:</u>						
<u>Shareholders' Equity:</u>						
Issued, Subscribed and Paid Up-Capital	1,717,623,300	1,635,831,720	1,635,831,720	1,329,509,500	1,208,645,000	966,916,000
Revaluation Surplus	2,866,568,649	4,891,458,469	2,505,361,374	3,607,886,371	3,487,840,392	1,404,548,677
Tax-holiday Reserve	-	-	-	-	156,222,215	148,202,121
Capital Reserve	-	84,755,887	84,755,887	84,755,887	-	-
Retained Earnings	225,532,247	305,297,295	401,078,121	549,932,290	524,705,183	773,267,626
	4,809,724,196	6,917,343,371	4,627,027,102	5,572,084,048	5,377,412,790	3,292,934,423
Minority Interest	33,661	9,742	20,500	700	429,952,986	348,696,476
	4,809,757,857	6,917,353,114	4,627,047,602	5,572,084,748	5,807,365,776	3,641,630,899
<u>Liabilities:</u>						
<u>Non Current Liabilities:</u>						
Deferred Liability for Gratuity	34,165,170	30,666,910	24,022,940	19,381,630	15,182,655	11,933,180
Deferred Tax Liability	119,345,268	78,711,281	81,327,191	116,280,274	-	-
Long Term Loan	218,022,117	220,904,930	94,977,606	-	1,994,750	8,458,551
	371,532,555	330,283,121	200,327,737	135,661,904	17,177,405	20,391,731
<u>Current Liabilities and Provisions:</u>						
Short Term Loan and Overdraft	1,941,350,321	1,699,522,141	773,948,395	657,187,530	521,382,335	166,348,258
Accounts Payable	24,124,294	57,452,459	34,659,408	30,311,003	38,936,484	46,714,622
Consideration Payable	-	-	-	157,610,250	-	-
Un-claimed Dividend	234,837,733	132,941,280	78,202,430	29,625,395	23,438,778	23,118,453
Provision for Income Tax	63,519,136	61,305,266	62,471,642	42,370,115	57,102,811	30,276,151
Beneficiaries' Profit Participation Fund	14,798,974	9,848,425	-	-	-	-
Other Payables	114,014,925	112,616,792	149,553,750	28,890,530	42,448,504	287,470,036
	2,392,645,384	2,073,686,363	1,098,835,625	945,994,823	683,308,912	553,927,520
Total Shareholders Equity and Liabilities	7,573,935,795	9,321,322,597	5,926,210,964	6,653,741,476	6,507,852,092	4,215,950,150
Net Asset Value (NAV) per share	28.00	42.29	28.29	41.91	44.49	38.00
Restated Net Asset Value	-	-	-	34.06	40.45	-
Contingent Liabilities	114,293,040	114,293,040	131,212,815	133,280,197	133,280,197	133,280,197

B. Consolidated Statement of Comprehensive Income

Particulars	<u>January to June 2015</u>	<u>January to December 2014</u>	<u>January to December 2013</u>	<u>January to December 2012</u>	<u>January to December 2011</u>	<u>January to December 2010</u>
	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>
Revenue	493,885,092	881,718,289	812,246,235	662,616,141	711,610,382	562,117,956
Operating Expenses	314,787,117	562,884,520	512,153,816	420,617,008	364,081,333	313,689,590
Gross Profit	179,097,975	318,833,769	300,092,419	241,999,133	347,529,049	248,428,366
General and Administrative Expenses	53,913,670	109,680,859	106,116,149	103,619,894	95,206,754	85,639,540
Advertisement & Sales Promotion Expenses	50,435	358,531	845,553	11,049,723	4,220,874	9,029,668
Operating Profit	125,133,870	208,794,379	193,130,717	127,329,516	248,101,421	153,759,158
Other Income	1,035,313	1,656,339	2,411,656	113,023,656	30,677,649	1,024,893,383
Loss on sale of Financial Assets available for sale	12,847,652					
Finance Expenses	10,530,816	14,557,993	16,745,807	19,229,877	18,252,482	9,504,021
Profit Before BPPF	102,790,715	195,892,725	178,796,566	221,123,295	260,526,588	1,169,148,520
Beneficiaries' Profit Participation Fund	4,955,549	9,848,425	-	-	-	-
Profit before Income Tax	97,835,166	186,044,300	178,796,566	221,123,295	260,526,588	1,169,148,520
Less: Provision for Income Tax	19,570,165	51,509,102	48,956,502	41,278,648	65,701,990	35,577,206
Profit after Income Tax	78,265,001	134,535,198	129,840,064	179,844,647	194,824,598	1,133,571,314
Less: Tax Holiday Reserve	-	-	-	-	8,020,094	24,523,721
Profit after Tax & Tax Holiday Reserve	78,265,001	134,535,198	129,840,064	179,844,647	186,804,504	1,109,047,593
Net Change in Fair Value of Financial Assets Available-for-Sale	(6,018,153)	3,731,102	451,631	(59,280,304)	-	-
Total Comprehensive Income for the year	72,246,848	138,266,300	130,291,695	120,564,343	186,804,504	1,109,047,593
Profit Attributable to:						
Equity Holders of the Company	78,231,340	134,545,956	129,840,064	179,844,647	165,471,195	1,090,143,367
Minority Interest	33,661	(10,758)	-	-	21,333,309	18,904,226
Net Profit after Tax & Tax Holiday Reserve	78,265,001	134,535,198	129,840,064	179,844,647	186,804,504	1,109,047,593
Earnings per Share (EPS)	0.46	0.82	0.79	1.35	1.44	11.53
Restated Earnings per Share (EPS)	-	-	-	1.10	1.30	-

C. Consolidated Statement of Cash Flows

<u>Particulars</u>	<u>January to</u>					
	<u>June 2015</u>	<u>December 2014</u>	<u>December 2013</u>	<u>December 2012</u>	<u>December 2011</u>	<u>December 2010</u>
	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>
<u>A. Cash Flow from Operating Activities</u>						
Cash received from Customers and Others	504,773,164	850,240,590	814,764,238	721,900,932	697,634,975	666,403,194
Cash paid to Suppliers and Employees	(370,809,984)	(473,177,921)	(556,133,860)	(520,621,405)	(441,369,929)	(388,942,329)
Dividend on Investment	411,620	487,619	476,416	724,225	17,527,620	4,472,500
Other Income	623,693					
Advance, Deposits and Prepayments	(9,469,981)					
Income Tax paid	(17,356,295)	(52,675,478)	(28,788,159)	(56,011,343)	(38,875,330)	(44,342,220)
Financial Expenses	(10,530,816)	(12,873,919)	(16,745,807)	(19,229,877)	(18,252,482)	(10,713,347)
Net Cash generated from Operating Activities	97,641,401	312,000,891	213,572,828	126,762,532	216,664,854	226,877,798
<u>B. Cash Flow from Investing Activities:</u>						
Acquisition of Property, Plant and Equipments	(172,533,428)	(211,969,159)	(173,024,650)	(107,030,490)	(359,050,317)	(362,911,397)
Assets in Transit	-	-	(22,729,733)	-	-	-
Advance, Deposits and Prepayments	-	(177,574,051)	(19,979,269)	(144,863,947)	(222,668,596)	219,034,712
Short Term Investment	-	-	-	-	-	(222,235,260)
Capital Work-in-Progress	-	-	-	(72,964,180)	-	-
River Terminal Project	(207,011,627)	(555,671,267)	(111,617,946)	-	-	-
Proceeds on Sale of Fixed Assets (Equipment & Vehicle)	-	9,300,000	-	-	-	-
Sale of financial assets	51,390,327	-	6,584,153	-	83,852,040	-
Net Cash used in Investing Activities	(328,154,728)	(935,914,477)	(320,767,445)	(324,858,617)	(497,866,873)	(366,111,945)
<u>C. Cash Flow from Financing Activities:</u>						
Proceeds from Long Term Loan		40,462,604	-	-	-	(5,390,162)
Bridge Loan	420,625,330					
Short Term Loan	(178,680,944)					
Long Term Loan	(2,999,019)					
Term Loan Received		85,464,720	94,977,606	(1,994,750)	(6,463,801)	(13,607,161)
Loan and Overdraft		714,011,840	116,760,865	135,805,195	355,034,077	(217,565,385)
Sales Proceeds of OCL Share			-	148,439,365	-	986,090,284
Payment to Client against advance rental			-	-	-	(13,476,907)
Inter Company Transaction		48,528,876	6,867,144	-	16,637,135	48,298,927
Cash Dividend and Dividend Tax Paid	(61,686,725)	(190,635,908)	(100,134,940)	(114,990,893)	(291,531,249)	(410,122,152)
Net Cash (used)/generated from Financing Activities	177,258,642	697,832,132	118,470,675	167,258,917	73,676,162	374,227,444
Increase/(Decrease) in Cash and Cash Equivalent	(53,254,685)	73,918,546	11,276,058	(30,837,168)	(207,525,857)	234,993,297
Cash and Cash Equivalents at the beginning of the year	96,386,960	22,468,414	11,192,356	42,029,524	249,555,381	14,562,084
Cash and Cash Equivalent at the end of the year	43,132,275	96,386,960	22,468,414	11,192,356	42,029,524	249,555,381
Net Operating Cash Flow per share	0.57	1.91	1.31	0.95	1.79	2.35
Restated Net Operating Cash Flow per share	-	-	-	0.78	1.63	-

As per annexed report of same date

D. YEAR Wise Declaration of Dividend

Stock Dividend	Not declared yet	5%	-	10%	10%	25%
Cash Dividend		10%	15%	10%	10%	50%

Sd/-

A. Qasem & Co.

Chartered Accountants.

Gulshan Pink City

Level # 7, Plot # 15, Road # 103

Gulshan Avenue, Dhaka-1212

Bangladesh

Auditor's Discloser Regarding De-Recognition of Revaluation of Fixed Assets

To whom it may concern

This is to certify that **Summit Alliance Port Limited** revalued fixed assets of OFF-Dock in Chittagong and River Terminal Project Mukhterpur, Munshigonj amounting to Taka 2.4 billion and recognized in the financial statements for the year ended 31 December 2014 in accordance with para 31 and 34 of BAS 16: Property, Plant & Equipment. However, Bangladesh Securities and exchange Commission prohibits any upward valuation within two years of procurement. Therefore, an amount of Taka 2.001 billion (Taka 1.949 billion for River Terminal and taka .052 billion for Off-Dock, Chittagong) has been de-recognized in the financial statements for the half year ended 30 June 2015.

Place: Dhaka
Date: 2 November, 2015

Sd/-
A. Qasem & Co
Chartered Accountants

Management's Disclosure Regarding Increase of Authorized Share Capital

This is to confirm that, Authorized Share Capital was raised from Taka 2.00 billion to Taka 3.00 billion pursuant to shareholders' approval vide Extra-ordinary Resolution at the 11th Annual General Meeting held on 14 March 2015. This was duly verified by the auditors with Board resolution, AGM minutes and copy of our submission to RJSC, but inadvertently this change was not incorporated in the Note- 13: Share Capital of the audited financial statements for the half year ended on 30th June 2015.

However, we now enclose relevant page of the audited financials under reference with corrected 'Note- 13: Share Capital' duly authenticated by the Auditors (A. Qasem & Co., Chartered Accountants) by putting its official seal. We sincerely regret for this inadvertent omission.

Sd/-

Syed Ali Jowher Rizvi
Managing Director

Credit Rating Report on Summit Alliance Port Limited



Credit Rating Report (Surveillance) Summit Alliance Port Limited

Particulars	Ratings	Remarks
Summit Alliance Port Limited	A ₁	Entity
BDT 251.00 million Long Term Outstanding	A ₁ (Lr)	Please see Appendix-1 for details
BDT 1100.00 million Cash Credit and Overdraft Limit	A ₁ (Lr)	
BDT 250.00 million Funded limit	ST-3	
Rating Outlook	Stable	-

Lr-Loan Rating; ST-Short Term

Note: Due to revolving nature, CRAB considers Cash Credit and Overdraft in the long term

Particulars of previous rating	Previous Ratings	Remarks
Summit Alliance Port Limited	A ₁	Entity
BDT 293.50million Long Term Outstanding	A ₁ (Lr)	Please see Appendix-1 for details
BDT 700.00 million Cash Credit and Overdraft Limit	A ₁ (Lr)	
Rating Outlook	Stable	-

Date of Rating: 26 February 2015

Validity: The Entity and loan ratings are valid up to 30 December 2015 and the Short Term rating is valid up to limit expiry date of respective credit facilities or 30 December 2015 whichever is earlier.

Rating Based on: Audited financial statement up to 31 December 2014, Bank Liability position as on 31 January 2015 other relevant quantitative as well as qualitative information up to the date of rating declaration.

Auditor: S F Ahmed & Co.

Methodology: CRAB's Corporate Rating Methodology (www.crab.com.bd)

Analysts:

Mavin Ahmed
mavin@crab.com.bd

Razib Ahmed
razib.ahmed@crabrating.com

Financial Highlights

	Year Ended December 31				
	Months	(12)	(12)	(12)	(12)
	2014	2013	2012	2011	
Revenue (Mil. BDT)	881.72	812.25	662.62	711.61	
EBITDA (Mil. BDT)	273.96	244.63	305.61	332.42	
Net Profit After Tax (Mil. BDT)	134.54	129.85	179.85	194.83	
Cost of Service as % of Revenue	63.8%	63.1%	63.5%	51.2%	
EBITDA Margin (%)	31.1%	30.1%	46.1%	46.7%	
Net Profit Margin (%)	15.3%	16.0%	27.1%	27.4%	
Return on Avg. Asset (%)	1.8%	2.1%	2.7%	3.6%	
Current Ratio (x)	0.30	0.48	0.63	0.86	
Quick Ratio (x)	0.30	0.47	0.63	0.85	
Total Assets (Mil. BDT)	9,321.31	5,926.21	6,652.74	6,507.85	
Current Assets as % of Total Assets	6.6%	8.8%	9.0%	9.0%	
Total Shareholders' Equity (Mil. BDT)	6,917.34	4,627.02	5,687.36	5,807.36	
Adjusted Equity (Mil. BDT)	2,025.88	2,121.66	1,964.20	2,319.52	
Total Debt/Total Assets	0.26	0.22	0.15	0.11	
Borrowed Fund/Shareholders' Equity (x)	0.29	0.21	0.12	0.09	
Borrowed Fund/Adjusted Equity (x)	1.00	0.46	0.34	0.23	
Borrowed Fund/EBITDA (x)	7.41	3.98	2.21	1.62	
Cash Flow From Operation (Mil. BDT)	(6.85)	242.47	334.36	(57.70)	
Free Cash Flow (Mil. BDT)	(403.04)	(19.25)	106.47	(453.29)	
EBIT/Interest (x)	14.46	11.68	12.50	15.27	

Note: Amount in around numbers

PROFILE

Summit Alliance Port Limited (hereinafter also referred as "SAPL" or "the Company") is a public limited company engaged in operating as an inland container depot and container freight station (i.e. off-dock operator) at South Patenga, six and half kilometers away from Chittagong Port.

RATIONALE

Credit Rating Agency of Bangladesh Limited (CRAB) has reaffirmed A₁ (Pronounced as Single A One) rating in the long term to Summit Alliance Port Limited. CRAB has also assigned A₁ (Lr) rating to BDT 251.00 million aggregate long term outstanding as well as BDT 1100.00 million Cash Credit/Over Draft limit of the Company. CRAB has also assigned ST-3 Rating to BDT 250.00 million Funded limit of the Company.

The ratings affirmation considers stable revenue generation ability of the entity as well as future consideration of projected revenue as new subsidiary will commence its operation in 2015, comfortable coverage position, established relationship with clients and healthy revenue mix and effective information system and strong equity base at present. However, the rating is constrained by the increasing competition among the ICDs that gives scope to the clients to exercise their bargaining power, high leverage position (limit and outstanding) compared to revenue and EBITDA position and ongoing political instability and sluggish macroeconomic indicators of the Country.



Summit Alliance Port Limited

SAPL is a joint venture between "Alliance Holdings Limited" and "Summit Group". The principal activity of the Company is to provide Off-Dock services with Inland Container Depot (ICD) and Container freight station (CFS) having facilities for handling of both import and export cargo. Besides, work for establishment of a River Terminal is in full swing on 15 acres of Company's freehold land on the bank of river Dholeswary in Mukterpur under Munshigonj district which is expected to commence operation by the 2nd quarter of 2015. Once in operation, the River Terminal will, on the one hand, help the exporters/importers to be competitive by transporting cargo by less costly river transportation.

Increased competition from the 16-17 ICDs fuels price cut and inflates the bargaining power of the customers therefore impacting the profit margin of the operators. Moreover, political turmoil, blockade and strikes stressed the prospect of the sector as well as the international trading scenario which hike the commodity price and choked the profitability of the exporters also.

Main customers of the Company include Main Line Operators (MLO), Shipping Agencies, Freight Forwarders, C&F Agents, Importers and Exporters. The company provides its services from its depots located in Chittagong. Marketing activities are provided from both the Chittagong Registered office and Dhaka Corporate office. Major clients include APM Global Logistics, APL Bangladesh Pvt. Ltd, Maersk Line, Hapag-Lloyd, Kuehne+Nagel Limited, Shipping Corporation of India, Yang Ming Line, China Shipping, Norasia, DAMCO, DSV, Danzas etc as well as several prestigious Main Line Operators and Freight Forwarders operating in the country. The Company has already established a track record by virtue of its facility, equipment support, IT backbone and personnel in the initial stages that have set the platform for a full strategy.

SAPL reported stable revenue in last two years characterized by moderate profitability margins. However, in the year of 2012, its revenue earnings declined substantially compared to 2011, but moved back to stable level in 2013 and 2014. The main reason of the decline of revenue in 2012 was the corporate restructuring and competitive position. The Company reported BDT 881.72 million revenue for the year ended on 31 December 2014 which was BDT 812.25 million a year ago. Despite political instability and series of blockade, SAPL's business performed well in line with country's export/import growth. However, the political instability affected its cost structure as the container transportation expenses was increased by around 14% in 2014 from the previous year. SAPL's major revenue comes from export business which consistently generated 54% of its total consolidated revenue. Revenue from import business is comparatively competitive to SAPL, therefore its import business hurt in 2014 and revenue contribution from the segment fell to 14% from 18% in the previous year. ICD income also saw an increment for 1% but income from its subsidiary - Container Transportation Services Limited contributed around 2% of its total consolidated revenue in 2014. Sub-segment wise largest revenue contribution comes from labor charge and laden container stuffing & transportation in the export business and highest drop in revenue comes from ground rent of import business sub-segment. SAPL's EBITDA margin also improved in 2014 in both relative and absolute figures; however, Net Profit Margin after tax was slightly decreased in 2014 due to the deduction to Beneficiaries' Profit Participation Fund. Financial expenses remain in lower level from 2013 which provided strong coverage position as expressed by EBIT/Financial Expenses ratio of 14.56 times in 2014 (2013: 11.68 times).

SAPL's liquidity index and Cash Conversion Cycle remained stable in 2014; however its payable days increased from 106 days (2013) to 130 days in 2014. Ageing of receivable also showed that ~94% of its receivable amount dated on 31 December 2014 will be collected within 31 March 2015 and rest amount will be collected by June 2015. Nonetheless, its cash flow from operation is affected by additional advance amount paid for acquiring land for the River Terminal Project as well as for expansion of off-dock facilities in Chittagong. SAPL's adjusted equity¹ was BDT 2025.88 million as on 31 December 2014 and Borrowed Fund to Adjusted Equity ratio was 1.0 times in 2014 which was 0.46 times in a year ago. Since 2010, SAPL's Borrowed Fund to Adjusted Equity showed gradual increment which implied its incremental debt dependency and revaluation reserve amount. However, compared its EBITDA position, its Borrowed Fund was 7.41 times in 2014 which was 3.98 times in a year ago which suggested high operating leverage. The Company is investing into the River Terminal Project in the last two years which raised its Capex. The revenue from the project will be booked in 2015.

However, favorable changes in financial matrix along with consistency in operation and business profile may have impact on future rating consideration, and vice versa.

¹ Adjusting the revaluation reserve of BDT 4891.46 million from the total shareholding value



■ KEY RATING DRIVERS:

RATING POSITIVES

- Experience of the Promoters
- Established relationship with clients
- Strong Equity base and ability to generate internal fund
- Healthy revenue mix and effective information system

RATING CHALLENGES

- Increasing competition among the ICDs gives scopes for the clients to exercise their bargaining power
- High leverage position (limit and outstanding) compared to revenue and EBITDA position

■ BACKGROUND

Summit Alliance Port Limited is a public limited company, engaged in operating as an inland container depot and container freight station (i.e. off-dock operator) at South Patenga, six and half kilometers away from Chittagong Port. Initially the Company concentrated in handling of empty container and then as a Container Freight Station ("CFS"). SAPL has two subsidiary companies – Cemcor Limited² and Container Transportation Services Limited³.

Table 1

Major Milestones of SAPL

2003	Incorporated
2007	Commercial operation started in Chittagong Bonded Warehouse License
2008	Converted into Public Limited Company Listed with both Stock Exchanges
2009	Acquires 100% stocks of Ocean Containers Limited Acquires 100% stocks of Cemcor Limited
2010	Approval of denomination of Share Value of BDT 10.0 and 100 shares from BSEC
2011	Global Verification Certificate (GVC) Received from US Bureau of Customs and Border Protection
2012	Merger with Ocean Container Limited completed

Principal activities of the Company are to provide Off-Dock services to its valued clients that include Inland Container Depot (ICD) and Container freight Station (CFS) services. ICD services comprise transportation and storage of empty containers in the Yard and redelivery of the containers to various locations as per client's advice and CFS service comprises activities related to Export cargo handling as well as Import cargo handling and other services.

Besides, work for establishment of a River Terminal is in full swing on 15 acres of Company's freehold land on the bank of river Dholeswary in Mukterpur under Munshigonj district which is expected to commence operation by early 2nd quarter of 2015. The River Terminal shall have the bonded warehouse facilities with required handling equipment for Container Freight Station to handle export and import cargos as well as for storage of empty containers besides container vessels for transportation of cargo to and from Chittagong port. Once in operation, the River Terminal will, on the one hand, help the exporters/importers to be competitive by transporting cargo by less costly river transportation and on the other will ease the pressure on the already overburdened Dhaka-Chittagong highway.

² Cemcor Limited is a private limited company incorporated under the Company's Act 1994. SAPL holds all but 4 shares of the company's 1,758,300 ordinary shares of Tk.10/- each. Cemcor, in turn, owns 100% shares of Wahid Spinning Mills Limited (WSML) which was purchased from its promoters on 19th September 1999. WSML is incorporated as private limited company on 6th September 1999 under the Companies' Act 1994. Neither Cemcor nor its subsidiary (WSML) is operative.

³ Container Transportation Services Limited has been formed as a private limited company on 25th November 2013 under Companies Act 1994 and with main objective to transport containerized export/import to and from Chittagong Port and other Depots. Company has, in its fleet, 20 number Prime Movers with similar number of trailers and commenced operation from July 2014.


Group Profile and Financial Highlights

Summit Group has already been recognized for its premier role in implementing large infrastructure projects successfully in power, gas, port and others sectors. Alliance Holdings Limited is also a successful business house with diversified investment in Container Yard (off dock), Carbonated Beverage, Textiles, Financial Institutions, Real Estate Development, IT and Dairy Segments. The holding company has also plans to expand its business in the Pharmaceuticals, Power Generation, Shipbuilders and Food segment.

Table 2

Group Financial Highlights of Summit Group (as on 31 December 2013)								
Name of the Companies	Revenue	CoGS as % of Revenue	Net Profit After Tax	Total Assets	Equity	Borrowed Fund	B/TA (x)	B/E (x)
Summit Power Limited	6,191.92	38%	2,829.83	22,035.18	13,875.26	4,225.72	0.19	0.30
Summit Purbanchol Power Company Limited	1,332.47	44%	722.61	4,885.63	3,893.16	942.79	0.19	0.24
Summit Industrial & Mercantile Corporation (Pvt) Ltd.	2,415.87	19%	1,918.30	27,936.26	21,327.43	4,343.71	0.16	0.20
Summit Uttaranchol Power Company Limited	877.12	45%	359.66	2,126.00	155.23	553.54	0.26	3.57
Summit Narayangonj Power Limited	1,652.81	27%	855.19	6,512.47	4,432.41	2,053.43	0.32	0.46
Summit Oil & Shipping Co. Ltd.	1,125.87	96%	19.80	3,501.15	1,161.44	326.60	0.09	0.28
United Summit Coastal Oil Ltd.	112.09	87%	8.95	167.34	11.85	-	-	-
Summit Communication Limited	409.10	27%	144.25	1,449.31	600.61	737.67	0.51	1.23
Cosmopolitan Finance Limited	-	n.a	(13.18)	85.06	81.45	-	-	-
Khulna Power Company Ltd.	10,249.77	77%	1,966.78	13,542.10	7,009.97	3,371.28	0.25	0.48
Khulna Power Company Unit II Ltd.	1,927.88	23%	550.41	6,073.75	3,455.54	2,444.10	0.40	0.71
Khanjahan Ali Power Company Ltd.	624.71	34%	314.57	2,128.73	1,163.20	803.34	0.38	0.69
Cosmopolitan Traders (Pvt.) Ltd.	8.17	3%	36.04	3,797.60	3,077.58	685.12	0.18	0.22
Summit Alliance Port Limited	881.72	64%	134.54	9,321.31	6,917.34	2,029.80	0.22	0.29
Total in 2013	27,809.49	-	9,847.73	103,561.87	67,162.46	22,517.11	-	-
Average in 2013	-	45%	-	-	-	-	0.22	0.62
Total in 2012	23,934.92	-	7,249.59	71,635.72	39,511.74	22,564.82	-	-
Average in 2012	-	60%	-	-	-	-	0.29x	0.60x

Overall performance of the group has increased in terms of revenue growth, profitability, and leverage position in 2013 compared to 2012.


Table 3: Financial Indicators of AHL's Subsidiaries, Associates and Affiliated Companies (31 Dec 2013)

Investment in Subsidiary	Area	Revenue/ Sales	CoGS as % Sales	EBITDA	EBITDA Margin	EBIT/ Interest (x)	Net Profit After Tax	Shareholders' Equity	Borrowed Fund	Total Assets	Borrowed Fund/Equity (x)	Borrowed Fund/ EBITDA (x)	FFO	CFO
1 Alliance Properties Ltd.	Real Estate	233.83	80.5%	54.37	23.3%	2.40	23.42	218.46	634.37	1,205.30	2.90	11.67	24.36	72.74
2 Ejab Alliance Ltd	Livestock	6.38	77.3%	1.73	27.1%	-	1.36	30.67	0.28	31.22	0.01	0.16	1.87	-
3 Nekan Alliance PEB Ltd.	Steel & Engr.	-	0.0%	(0.31)	0.0%	(0.16)	(7.49)	34.66	43.27	113.09	1.25	(139.58)	(6.80)	(65.52)
4 TAsia Alliance Communication Ltd.	IT	48.67	73.1%	9.03	18.6%	84.46	1.46	15.34	58.99	102.59	3.85	6.53	8.12	11.59
Total		288.88		64.82	0.69		18.75	299.13	736.91	1,452.20	8.01	(121.22)	27.55	18.81
Investment in Associates														
1 Summit Alliance Port Ltd	Off Dock	823.61	59.9%	279.72	34.0%	12.80	143.42	4,634.43	1,298.41	6,113.32	0.28	4.64	208.87	158.37
2 PEB Steel Alliance Ltd.	Steel & Engr.	1,268.69	78.9%	99.02	7.8%	1.13	4.60	374.98	674.09	1,324.52	1.80	6.81	40.89	38.83
3 Alliance Knit Composite Ltd.	RMG & Allied	276.20	81.5%	71.89	26.0%	1.08	1.70	(70.69)	390.89	541.69	(5.53)	5.44	32.04	83.05
4 Union Accessories Ltd.	RMG & Allied	91.75	64.1%	22.14	24.1%	1.21	1.92	33.17	39.66	99.08	1.20	1.79	6.44	13.49
5 Ispahani Summit Alliance Terminal Ltd.	Off Dock	15.50	65.5%	19.44	125.4%	262.74	19.37	7,088.72	-	7,116.71	-	-	19.37	15.62
6 Alliance Resource Development Ltd.	Real Estate	-	0.0%	(0.02)	-	(0.17)	(5.57)	(26.56)	109.28	83.45	(4.11)	(5,464.00)	(4.77)	(4.06)
7 Ace Alliance Power Ltd.	Energy	-	0.0%	(0.77)	-	-	(0.77)	(3.99)	18.88	18.87	(4.73)	(24.52)	(0.77)	(0.84)
8 Fountain Garments Manufacturing Ltd.	RMG & Allied	1,233.08	83.7%	145.92	11.8%	2.31	72.89	93.07	602.54	715.37	6.47	4.13	72.89	(14.87)
9 Oriental Oil Company Limited		288.71	69.4%	61.03	21.1%	1.04	1.25	94.23	465.79	563.15	4.94	7.63	6.36	1.60
10 Fountain Garments Washing Ltd.	RMG & Allied	-	0.0%	-	-	-	-	39.00	120.10	159.10	3.08	-	-	1.82
11 Alliance Spence Power Limited	Power	-	0	(1.02)	-	-	(1.02)	(1.86)	2.14	0.41	(1.15)	(2.10)	(1.02)	(1.53)
Total		3,997.54	45.7%	697.35	-	31.35	237.79	12,254.50	3,721.78	16,735.67	0.20	(5,460.18)	380.30	291.48
Investment in other companies														
1 Global Beverage Co. Ltd	Beverage	198.90	53.0%	(140.17)	-70.5%	(3.13)	(226.23)	(15.19)	751.64	1,059.44	(49.48)	(5.36)	(194.95)	15.67
2 Rabab Fashion Industry Ltd.	RMG & Allied	1,219.43	89.6%	70.76	5.8%	3.29	30.96	152.17	86.45	574.49	0.57	1.22	42.36	72.91
3 Rabab Washing Industry Ltd.	RMG & Allied	62.54	77.6%	5.60	9.0%	2.10	2.09	14.91	-	20.69	-	-	2.42	(0.18)
4 Ispahani Alliance Pharmaceuticals Ltd.	Pharma			(6.85)	-		(6.87)	2.82	-	4.38	-	-	(6.86)	(6.86)
5 Panigram Resort Ltd.	Tourism	0.19	23.0%	(14.73)	-7752.6%	(8.95)	(17.62)	147.06	64.20	215.96	0.44	(4.36)	(16.51)	(20.38)
Total		1,481.06	2.43	(85.39)	n.a.	(6.69)	(217.67)	301.77	902.29	1,874.96	(48.48)	(8.50)	(173.54)	61.16
Grand Total		5,767.48	2.89	676.78	n.a.	24.66	38.87	12,855.40	5,360.98	20,062.83	(40.27)	(5,589.89)	234.31	371.45


OPERATION, BUSINESS & FINANCIAL RISK PROFILE

Operation	Industry/Market
Management	Financial
Credit Facility	Collateral

Healthy revenue mix and wide range of services support SAPL to generate stable business performance; however, major challenges come from increasing competition among the ICDs and growing bargaining power of the large clients, recent political instability, volume of international trade

SAPL, being one of the oldest private off-dock operators in Bangladesh, has been continuously striving to expand facilities and improve performance standard to accommodate the increased demand from the customers. Currently it has approx. The company has three bonded depots on around 45 acres of company's freehold land in Patenga, having warehouse facilities of over 471,366 sft including 7,020 sft for specialized Garments on Hanger (GOH), with 11 Warehouses in our three depots. The Company also has One Import Shed of 19,500sft in SAPL (East) depot to handle import cargo. It has ICD facility for storage of empty container and reefer facility: 1,161,858 sft. and One Jute Shed measuring 8,430 sft. SAPL also possesses a fleet of heavy and light equipments including, amongst others, Laden Reach Stacker, Crane, High & Low Mast Forklifts of various capacities, Reach Stackers, Cargo Lift Elevator, Trailers, Prime Movers and other handling equipments like Empty Container Handlers, Side Stackers etc. Three Standby generators of 550 KVA, 220 KVA and 320 KVA capacities for supplying power to the entire yard and warehouses.

The principal activity of the Company is to provide Off-Dock services with Inland Container Depot (ICD) and Container freight station (CFS) having facilities for handling of both import and export cargo. Its service mix can be divided into three broad sections - Import, Export and ICD whereas Export section generates ~54% of its total revenue and ICD section comprised ~29% of total revenue of SAPL. Laden Container stuffing & Transportation services and Labor Charge received are the two biggest part of Export Income of SAPL resulting ~42-43% of total revenue. On the other hand, Ground Rent on Empty Container generates highest ICD Income for SAPL resulting ~15% of total revenue.

The Company has increased its capacity in 2012 mostly in the Export Container area which also fetches more revenue to SAPL. Currently is capacity utilization is around 90% in Export and Import services and ~75% in Empty Container handling.

Table 4

Capacity of SAPL				
Particulars	2014	2013	2012	2011
Empty Container	6,300	6,300	6,300	4,500
Export Container	145,000	130,000	130,000	50,000
Import Container	40,000	40,000	40,000	30,000

SAPL, after taking over the River Terminal (RT), continued development of land, construction of jetty and other infrastructural facilities and the project is in its final stage of completion. The Company also procured required handling equipment including Reach Stackers, Fixed Cargo Cranes, and Fork Lifts. SAPL is negotiating with Netherlands based financier - FMO and local financier IDCOL for sourcing an external borrowed fund of US\$30.51 million (FMO: \$20.51 million and IDCOL: \$10.0 million) and due diligence process for the loan is in the final stage. SAPL plans to commence operation of the RT within 1st quarter 2015. The



infrastructural facilities are almost complete and required handling equipments, including one Container-carrying Vessel (named SAPL-1) have been procured and process is underway to purchase a further two Containerized Vessels. Once operational, this river terminal not only will substantially expand our business activities thereby improving revenue and profitability of the company but also offer an attractive alternative for the Dhaka based importers and exporters who are presently fully dependent on the congested Dhaka-Chittagong highway.

SAPL also provides some customized services to its clients, such as Container condition survey, its repair and maintenance; Fumigation; etc. With the acquisition of erstwhile OCL, the company has now around 60 acres of custom bonded freehold land with three depots developed with facilities to provide both ICD and CFS services. It provides warehouse facility for storage of export cargo before stuffing and transportation of the same after completing customs and other formalities.

Wide range of customer diversified customer concentration risk to some extent

Main customers of the company include Main Line Operators (MLO), Shipping Agencies, Freight Forwarders, C&F Agents, Importers and Exporters. The company provides its services from its depots located in Chittagong. Marketing activities are provided from both the Chittagong Registered office and Dhaka Corporate office. Major clients include APM Global Logistics, APL Bangladesh Pvt. Ltd, Maersk Line, Hapag-Lloyd, Kuehne+Nagel Limited, Shipping Corporation of India, Yang Ming Line, China Shipping, Norasia, DAMCO, DSV, Danzas etc as well as several prestigious Main Line Operators and Freight Forwarders operating in the country. With SAPL's large client base, coupled with the consistent volume growth, it has signed a long-term contract with Expo Freight Limited, one of the Top 5 Freight Forwarders of the country. Furthermore, contracts with existing top clients Damco and APL Logistics were also renewed at favorable terms whereby your company is committed to handle their business growth for the coming year.

SAPL focuses on sales based public relation which is complimented by the state of the art facility, a price effective service package beneficial to both customers and the company itself, an array of added services and last but not the least a commitment to fast and prompt service rendering. Its marketing strategy also puts due emphasis on competitors' activities and insists on altering and adapting to any specific requirement of the market forces. Previously its CFS function was totally dedicated to APL (Bangladesh) PTE. Ltd. which is performed in the west wing of SAPL for handling of Export Cargo container upto 700 Ties on a monthly fixed rental basis.

Contemporary setup with automated IT facilities and MIS

The Company has already established a track record by virtue of its facility, equipment support, IT backbone and personnel in the initial stages that have set the platform for a full strategy. SAPL's corporate philosophy in continuing service excellence without any exception is duly supplemented by the management's effort to improve at every section thus setting a bench mark of its own with the aim to negate any prospect of competition from others. The Company also uses different software "Vista GL" for Accounts and "Container Management Software" and "CFS Cargo Management Software."

It has warehouse of 400,112sqft including 3,260 sq.ft. for specialized Garments on Hanger (GOH)Room. It has Import Shed to handle import cargo: 19,500sqft.andICD facility for storage of empty container and reefer facility: 1,095,540sqft. A fleet of heavy and light equipment including, amongst others, Laden Reach Stacker,



Crane, High & Low Mast Forklifts of various capacities, Reach Stackers, Cargo Lift Elevator, Trailers, Prime Movers and other handling equipment like Empty Container Handlers, Side Stackers etc. of EU and Asian origin. Moreover, it has standby generators of 500 KVA, 105 KVA and 300 KVA for supplying power to the entire yard and warehouses.

The Company has received the Global Security Verification (GSV) certification which is the leading international business network for supporting the development and implementation of measures for enhancing global supply chain security. With this GSV certificate the Company was determined by an independent 3rd party expert as having the appropriate security measures in place, as published by the U.S. Bureau of Customs and Border Protection. Considering the immense opportunities in the sector, SAPL is striving to expand its infrastructure and facilities in order to set the standards and always remain ahead of the industry competitors. The Company's continuous investments in equipment and infrastructural development, including purchase of land coupled with the most professional management team in the industry has enabled SAPL to provide high standard of service to clients and gain a significant competitive edge.

Operation	Industry/Market
Management	Financial
Credit Facility	Collateral

Private ICD industry is characterized by high capital intensity

The Off-Dock Industry, being directly tied to the Country's trade performance, continued to show strong resilience and in 2014 experienced growth of over 11% in the handling of Export & Import Cargo. While this was lower than the 23% growth rate in the corresponding period of 2013 it should be noted that the growth in 2014 was achieved without further import items being released from Chittagong Port. Currently there are around 16-17 ICDs working in the Country which were only 9 in 2007. Aggregately private ICDs provided around 35%-40% of total container handling compared to Chittagong Port Authority. Increased competition from the ICDs fuels price cut and inflates the bargaining power of the customers therefore impacting the profit margin of the operators. Moreover, political turmoil, blockade and strikes stressed the prospect of the sector as well as the international trading scenario which hike the commodity price and choked the profitability of the exporters also. Before 2009, import tariff for ICDs was fixed but after that increased competition let the ICDs to charge customized tariff rate which affected some ICDs' business performance in import section.

Off-Dock operation is highly dependent on the efficiency of handling exports and imports by Chittagong Port that generate from International trade of the Country. Therefore any disruption in Chittagong Port operation will have adverse impact on the trade volume of the Country and have consequential effect on the business of the Company. Besides the dependency on Chittagong Port, the project is close to the Bay of Bengal and there by risking the possibility of being affected by sea driven natural calamities. Esack Brothers Ind. Ltd. container Yard was the largest individual ICD in Bangladesh, but after the amalgamation of SAPL and Ocean Container Limited, SAPL becomes the largest ICD. Other major ICDs are Incontrade, KDS, BM container Depot and Portlink etc. However the recently constructed protection embankment by the Bangladesh Water Development Board has reduced this risk greatly. Furthermore the same embankment has been earmarked to be part of the Asian Super Highway which should lead to further strengthening of the structure and thereby minimizing any potential risk from sea driven calamities. Finally, all Off-Dock Companies are dependent on renewing permission/clearance from Chittagong Custom House (NBR), Chittagong Port Authority and various other relevant Government Agencies. Delay at any stage can have consequential effect in smooth continuation of the operation.



Nonetheless, the industry is observing improvement from the regulators part i.e., National Board of Revenue and Chittagong Port authority became stricter on giving licenses, and has not issued new licenses which may provide operators with established track record to grab opportunities in the increasing volumes of trade as the government allowing imports to be handled more at Off- Dock Facilities combined with the opening up of transit trade between Bangladesh and India, Nepal & Bhutan. Increase in export via Shah Amanat International Airport in Chittagong is also likely to fetch more demand to the industry. For stabilizing the competition, Bangladesh Inland Container Depot Association (BICDA) attempts to rationalize sustainable rates in view of the increasing fuel and labor related costs. There is also an increasing trend towards "just in time shipment" where Buyers will look at avoiding high storage costs at destination countries and instead have the goods ready at the Off-Dock which can be sent at short notice.

While the Chittagong based Off-Docks will continue to be a vital part of the country's trade supply chain, the management of SAPL envisaged that the riverine container handling facilities being constructed near Dhaka shall also gain prominence in future. The Govt. owned Pangaon Inland Container Terminal has recently commenced operations and SAPL's River Terminal at Muktarpur, Munshiganj is also scheduled to start trial operations shortly, within Q1 2015. Considering that a large portion of the Export & Import trade is based in the Dhaka & Greater Dhaka area the mentioned facilities will offer a geographic advantage to the end clients.

Operation	Industry/Market
Management	Financial
Credit Facility	Collateral

SAPL is a joint venture of Summit Group and Alliance Holdings Limited and therefore its Board Members are affiliated with both groups. Mr. Syed Ali J. Rizvi, the Managing Director of the company, is also a renowned industrialist having both local and international exposures in Banking job. SAPL's Chairman Mr. Muhammad Aziz Khan is also the Chairman of Summit Group who has vast experience in power sector, infrastructure and ICT industry.

Table 5

Composition of Board & Shareholding Position		
Name	Designation	Shareholding
Mr. Muhammad Aziz Khan	Chairman	7.03%
Mrs. Anjuman Aziz Khan	Director	5.18%
Mr. Syed Ali Jowher Rizvi	Managing Director	5.16%
Mrs. Sobera Ahmed Rizvi	Director	2.05%
Ms. Ayesha Aziz Khan	Director	3.68%
Ms. Adeeba Aziz Khan	Director	3.68%
Ms. Azeza Aziz Khan	Director	3.68%
Mr. Syed Yasser Haider Rizvi	Director	0.16%
Mr. Syed Nasser Haider Rizvi	Director	0.16%
Alliance Holdings Limited	Director	25.70%
Summit Industrial & Mercantile Corp. (Pvt) Ltd.	Director	5.18%
Cosmopolitan Traders (Pvt.) Ltd.	Director	5.18%
Others	Director	33.15%
	Total	100%

**As on 31 December 2014*

The Board has delegated full operational and Financial power to the operating management which has Independent Directors, General Managers, DGMs and AGMs of the Company. Mid and senior level management executives are assigned and authorized to verify and approve the transaction of the company based on the



specific delegation of power. Although the departmental functions are guided by the generally accepted principles of Internal Control, the Company is yet to formulate necessary Operating manual defining and specifying the function of each department. The top management of the Company provides different orders and directives from time to time for effective control of operations. SAPL has an internal audit department which verifies and follows-up the activities of the internal control procedures, however, the department is yet to introduce reporting procedure to the Board or top management. In the yard the Company uses 20-30 third party provides of daily labors which supports container handling and other manual workload. The human resource turnover of the company has been found insignificant. In order to improve the human resources and their quality in line with the modern business need, SAPL has established its policy for training of its employees. It arranges in-house training program to adjust the employees with modern off- doc operation. SAPL developed internal chain of command and control mechanism for recording and approving payments, receipts and procurement.

The Paid up capital of the Company is BDT 1487.12 million divided into 148,711,975 ordinary shares of BDT 10.0 each.

Operation	Industry/Market
Management	Financial
Credit Facility	Collateral

SAPL has observed stable revenue over the last two years with moderate bottom line profitability margin

SAPL reported stable revenue in last two years characterized by moderate profitability margins. However, in the year of 2012, its revenue earnings declined substantially compared to 2011, but moved back to stable level in 2013 and 2014. The main reason of the decline in 2012 revenue was the corporate restructuring and competitive position. The Company reported BDT 881.72 million revenue for the years ended on 31 December 2014 which was BDT 812.25 million in a year ago. Despite political instability and series of blockade SAPL's business performed well in line with country's export/import growth. However, the political instability affected its cost structure as the container transportation expenses was increased by around 14% in 2014 from the previous year. Moreover, SAPL's salary and allowance expense was also increased by 15% in 2014. Such increment of cost allows aggregate Cost of Revenue to inflate by around 10% in the year ended on 31 December 2014. SAPL's EBITDA margin also improved in 2014 in both relative and absolute figures; however, Net Profit Margin after tax was slightly decreased in 2014 due to the deduction to Beneficiaries' Profit Participation Fund. Financial expenses remain in lower level from 2013 which provided strong coverage position as expressed by EBIT/Financial Expenses ratio of 14.56 times in 2014 (2013: 11.68 times).

Table 6

Revenue Mix of SAPL				
Particulars	2014	%	2013	%
Import Income	126.55	14%	147.91	18%
Export Income	477.65	54%	440.43	54%
ICD Income	255.71	29%	223.91	28%
Container Haulage Revenue - CTSL	21.81	2%	-	0%
Total	881.72	100%	812.24	100%

SAPL's major revenue comes from export business which consistently generated 54% of its total consolidated revenue. Revenue from import business is comparatively competitive to SAPL, therefore its import business hurt in 2014 and revenue contribution from the segment fell to 14% from 18% in the previous year. ICD income also saw an increment for 1% but income from its subsidiary - Container Transportation Services Limited contributed around 2% of its total



consolidated revenue in 2014. Sub-segment wise largest revenue contribution comes from labor charge and laden container stuffing & transportation in the export business and highest drop in revenue comes from ground rent of import business sub-segment.

SAPL's liquidity index and Cash Conversion Cycle remained stable in 2014; however its payable days increased from 106 days (2013) to 130 days in 2014. Ageing of receivable also showed that ~94% of its receivable amount dated on 31 December 2014 will be collected with 31 March 2015 and rest amount will be collected by June 2015. Nonetheless, its cash flow from operation is affected by additional advance amount paid for acquiring land for the River Terminal Project as well as for expansion of off-dock facilities in Chittagong. In 2014, BDT 150.00 million has been paid to one Mr. Shajahan and Others against Baina for purchasing 11.677 acres of land in Mukterpur adjacent to SAPL's River Terminal Project. Management projects that sale of the land would take effect in June 2015. Moreover, BDT 40.00 million is also paid against 151.25 decimal lands in Patenga, adjacent to its SAPL-West Depot which has been sold in January 2015. SAPL also has salable investment in stock which has a fair value of BDT 74.05 million (cost of investment was BDT 133.15 million).

SAPL's adjusted equity⁴ was BDT 2025.88 million as on 31 December 2014 and Borrowed Fund to Adjusted Equity ratio was 1.0 times in 2014 which was 0.46 times in a year ago. Since 2010, SAPL's Borrowed Fund to Adjusted Equity showed gradual increment which implied its incremental debt dependency and revaluation reserve amount. However, compared its EBITDA position, its Borrowed Fund was 7.41 times in 2014 which was 3.98 times in a year ago which suggested high operating leverage. The Company is investing into the River Terminal Project in the last two years which raised its Capex. The revenue from the project will be booked in 2015.

Operation	Industry/Market
Management	Financial
Credit Facility	Collateral

SAPL enjoys credit facilities from Jamuna Bank Limited, Sonargaon Road Branch, Standard Bank Limited, Agrabad Branch and from IIDFC. Loan repayment with Jamuna Bank is satisfactory according to the bank; however, according to Standard Bank, a delay of 15-30 days is observed in case of SAPL. It has adjusted the credit facilities with Eastern Bank Limited. Currently SAPL is negotiating a term loan financing agreement with FMO, Netherlands and IDCOL, Bangladesh for financing its river terminal project which is in the final stage of disbursement.

Major collaterals:

- Registered mortgage of 1516.59 decimal land along with all kinds of structure and construction at Katghar, South Patenga, Chittagong
- Registered mortgage of 1381.20 decimal land along with building having market value of BDT 1405.70 million

Details of Bank Facilities are mentioned in Appendix-1.

⁴ Adjusting the revaluation reserve of BDT 4891.46 million from the total shareholding value


APPENDIX 1 : DETAILS OF CREDIT FACILITIES OF SCPL

Loan Type	Bank	Nature of Facility	Limit	Outstanding ⁵	Limit Expiry	
Long Term	Funded	Jamuna Bank Ltd	Term Loan	270.00	251.10	19-Apr-19
			Total Long Term Outstanding	270.00	251.10	
Revolving	Funded	Standard Bank Ltd	Cash Credit*	800.00	827.10	30-Jun-15
		Jamuna Bank Ltd	Secured Overdraft**	300.00	307.81	31-Aug-15
			Total Cash Credit Limit	1100.00	1134.91	
Short Term	Funded	Jamuna Bank Ltd.	Time Loan	50.00	50.26	18-Mar-15
		IIDFC	Short Term Loan	200.00	200.00	30-Mar-15
			Funded Limit	250.00	250.26	

*Dr. Sum = BDT 1128.90 million and Cr. Sum = BDT 301.80 million in the last year

**Dr. Sum = BDT 859.24 million and Cr. Sum = BDT 787.44 million in the last year

Date of outstanding figures: 31 January 2015

Details of Previous Credit facilities

Loan Type	Bank	Nature of Facility	Limit	Outstanding ⁶	Limit Expiry	
Long Term	Funded	Jamuna Bank Ltd	Term Loan	300.00	293.50	30-Jun-14
			Total Long Term Outstanding	300.00	293.50	
Revolving	Funded	Standard Bank Ltd	Cash Credit*	400.00	385.17	30-Jun-14
		Jamuna Bank Ltd	Overdraft**	300.00	207.60	31-Aug-14
			Total Cash Credit Limit	700.00	592.77	

*Dr. Sum = BDT 350.32 million and Cr. Sum = BDT 194.48 million in the last year

**Dr. Sum = BDT 539.13 million and Cr. Sum = BDT 537.35 million in the last year

Date of outstanding figures: 10 December 2013

⁵As on 10 December 2013

⁶As on 10 December 2013


APPENDIX 2: KEY FINANCIAL VARIABLES OF SCPL

		Year Ended December 31				
		Months	(12)	(12)	(12)	(12)
Consolidated		2014	2013	2012	2011	2010
Earning, Growth & Stability	Sales (Mill. BDT)	881.72	812.25	662.62	711.61	562.12
	Sales Growth (%)	8.6%	22.6%	-6.9%	26.6%	-5.6%
	Borrowed Fund Outstanding (Mill. BDT)	2,029.80	974.27	676.57	538.56	186.74
	CoGS as % of Sales	63.8%	63.1%	63.5%	51.2%	53.8%
	EBITDA (Mill. BDT)	273.96	244.63	305.61	332.42	1,247.48
	EBITDA Margin (%)	31.1%	30.1%	46.1%	46.7%	221.9%
	Net Profit After Tax (Mill. BDT)	134.54	129.85	179.85	194.83	1,133.57
	Net Profit Margin (%)	15.3%	16.0%	27.1%	27.4%	201.7%
	Return on Avg. Assets (%)	1.8%	2.1%	2.7%	3.6%	29.4%
	Return of Avg. Equity (%)	2.3%	2.5%	3.1%	4.1%	34.2%
Liquidity & Asset Utilization	Current ratio (x)	0.30	0.48	0.63	0.86	1.25
	Quick Ratio (x)	0.30	0.47	0.63	0.85	1.24
	Liquidity Index (days)	42	41	58	52	50
	NWC/OI (x)	(0.16)	(0.10)	(0.05)	(0.01)	0.03
	Avg. Collection Period (days)	43	42	60	54	52
	Avg. Payment Period (days)	130	106	180	201	61
	Avg. Inventory Processing Period (days)	2	1	3	5	5
	Cash Conversion Cycle (days)	(84.58)	(62.45)	(116.87)	(142.71)	(3.56)
	Avg. FA turnover (x)	0.13	0.15	0.12	0.16	0.18
Avg. TA turnover (x)	0.12	0.13	0.10	0.13	0.15	
Coverage (x)	Financial Expenses (Mill. BDT)	14.56	16.75	19.23	18.25	9.50
	Times Interest Earned	14.46	11.68	12.50	15.27	124.02
	Asset Coverage Ratio	3.72	4.31	6.59	9.02	6.54
	(EBITDA-CAPEX)/Interest Expense	4.70	4.96	10.33	7.13	92.87
	Cash Flow Coverage	13.60	10.69	12.75	13.61	126.52
Capital Structure, Leverage & Cash Flow	Total Shareholder Equity (Mill. BDT)	6,917.34	4,627.02	5,687.36	5,807.36	3,641.63
	Adjusted Equity (Mill. BDT)	2,025.88	2,121.66	1,964.20	2,319.52	2,237.08
	Total Asset (Mill. BDT)	9,321.31	5,926.21	6,652.74	6,507.85	4,215.94
	Capital Expenditure (Mill. BDT)	205.56	161.59	107.03	202.22	364.84
	Total Liabilities (Mill. BDT)	2,403.97	1,299.16	965.37	700.48	574.32
	Cash & Equivalents as % of Current Liabilities	4.6%	2.0%	1.5%	6.2%	45.1%
	Fund Flow from Operation (Mill. BDT)	198.04	178.93	245.10	248.47	1,202.40
	Cash Flow from Operation (Mill. BDT)	(6.85)	242.47	334.36	(57.70)	1,526.01
	Free Cash Flow (Mill. BDT)	(403.04)	(19.25)	106.47	(453.29)	1,161.17
	Total Debt/Total Assets (x)	0.26	0.22	0.15	0.11	0.14
	Borrowed Fund/Shareholders' Equity (x)	0.29	0.21	0.12	0.09	0.05
	Borrowed Fund/Adjusted Equity (x)	-	0.46	0.34	0.23	0.08
	Borrowed Fund/Total Assets (x)	0.22	0.16	0.10	0.08	0.04
Borrowed Fund/EBITDA (x)	7.41	3.98	2.21	1.62	0.15	
FFO/Debt (x)	0.10	0.18	0.36	0.46	6.44	
CFO/Debt (x)	(0.00)	0.25	0.49	(0.11)	8.17	


Appendix 3: Market Share of ICDS
Market Share of Inland Container Depots in 2014

SL	ICDs	Export (TEUs)	Import (TEUs)	Total	Market Share
1	Summit Alliance Port Limited (SAPL)	94,489.00	20,339.00	114,828.00	17.5%
2	Esack Brothers Industries Limited-Container Yard (ESACK)	59,425.00	27,352.00	86,777.00	13.2%
3	Portlink Logistics Centre Limited (PLCL)	38,211.00	24,457.00	62,668.00	9.6%
4	KDS Logistics Limited (KDS)	44,521.00	18,026.00	62,547.00	9.5%
5	Incontrade Limited (ICL)	59,548.00	23,549.00	83,097.00	12.7%
6	K&T Logistics Limited (K&T)	22,283.00	8,683.00	30,966.00	4.7%
7	Golden Containers Limited (GCL)	30,518.00	5,143.00	35,661.00	5.4%
8	Shafi Motors Limited (SML)	27,526.00	8,708.00	36,234.00	5.5%
9	BM Container Depot Limited (BM)	44,306.00	17,508.00	61,814.00	9.4%
10	QNS Container Services Limited (QNS)	16,666.00	6,774.00	23,440.00	3.6%
11	Vertex Off-Dock Logistics Services Limited (VLSL)	14,385.00	6,390.00	20,775.00	3.2%
12	Chittagong Container Transportation Company Limited (CCTCL)	-	14,356.00	14,356.00	2.2%
13	Iqbal Enterprise Limited (IQBAL)	-	-	-	0.0%
14	Eastern Logistics Limited (ELL)	7,951.00	2,424.00	10,375.00	1.6%
15	Nemsan Containers Limited (NEMSAN)	4,507.00	7,570.00	12,077.00	1.8%
16	Haji Saber Ahmed Timber Company Limited-Container Yard (HSAT)	-	10.00	10.00	0.0%
Total		464,336.00	191,289.00	655,625.00	100.0%

Note: Summit Alliance Port Limited's performance includes SAPL and Ocean Containers Limited's consolidated performance. SAPL's acquisition on OCL took place on 1 October 2012.


CRAB RATING SCALES AND DEFINITIONS -Long Term (Corporate)

Long Term Rating	Definition
AAA Triple A	Companies rated in this category have extremely strong capacity to meet financial commitments. These companies are judged to be of the highest quality, with minimal credit risk.
AA ₁ , AA ₂ , AA ₃ * Double A	Companies rated in this category have very strong capacity to meet financial commitments. These companies are judged to be of very high quality, subject to very low credit risk.
A ₁ , A ₂ , A ₃ Single A	Companies rated in this category have strong capacity to meet financial commitments, but are susceptible to the adverse effects of changes in circumstances and economic conditions. These companies are judged to be of high quality, subject to low credit risk.
BBB ₁ , BBB ₂ , BBB ₃ Triple B	Companies rated in this category have adequate capacity to meet financial commitments but more susceptible to adverse economic conditions or changing circumstances. These companies are subject to moderate credit risk. Such companies possess certain speculative characteristics.
BB ₁ , BB ₂ , BB ₃ Double B	Companies rated in this category have inadequate capacity to meet financial commitments. Have major ongoing uncertainties and exposure to adverse business, financial, or economic conditions. These companies have speculative elements, subject to substantial credit risk.
B ₁ , B ₂ , B ₃ Single B	Companies rated in this category have weak capacity to meet financial commitments. These companies have speculative elements, subject to high credit risk.
CCC ₁ , CCC ₂ , CCC ₃ Triple C	Companies rated in this category have very weak capacity to meet financial obligations. These companies have very weak standing and are subject to very high credit risk.
CC Double C	Companies rated in this category have extremely weak capacity to meet financial obligations. These companies are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
C Single C	Companies rated in this category are highly vulnerable to non-payment, have payment arrearages allowed by the terms of the documents, or subject of bankruptcy petition, but have not experienced a payment default. Payments may have been suspended in accordance with the instrument's terms. These companies are typically in default, with little prospect for recovery of principal or interest.
D (Default)	D rating will also be used upon the filing of a bankruptcy petition or similar action if payments on an obligation are jeopardized.

*Note: CRAB appends numerical modifiers 1, 2, and 3 to each generic rating classification from AA through CCC. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

LONG-TERM RATING: LOANS/FACILITIES FROM BANKS/FIS

(All loans/facilities with original maturity exceeding one year)

RATINGS	DEFINITION
AAA (Lr) (Triple A) Highest Safety	Loans/facilities rated AAA (Lr) are judged to offer the highest degree of safety, with regard to timely payment of financial obligations. Any adverse changes in circumstances are unlikely to affect the payments on the loan facility.
AA (Lr)* (Double A) High Safety	Loans/facilities rated AA (Lr) are judged to offer a high degree of safety, with regard to timely payment of financial obligations. They differ only marginally in safety from AAA (Lr) rated facilities.
A (Lr) Adequate Safety	Loans/facilities rated A (Lr) are judged to offer an adequate degree of safety, with regard to timely payment of financial obligations. However, changes in circumstances can adversely affect such issues more than those in the higher rating categories.
BBB (Lr) (Triple B) Moderate Safety	Loans/facilities rated BBB (Lr) are judged to offer moderate safety, with regard to timely payment of financial obligations for the present; however, changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal than for issues in higher rating categories.
BB (Lr) (Double B) Inadequate Safety	Loans/facilities rated BB (Lr) are judged to carry inadequate safety, with regard to timely payment of financial obligations; they are less likely to default in the immediate future than instruments in lower rating categories, but an adverse change in circumstances could lead to inadequate capacity to make payment on financial obligations.
B (Lr) High Risk	Loans/facilities rated B (Lr) are judged to have high risk of default; while currently financial obligations are met, adverse business or economic conditions would lead to lack of ability or willingness to pay interest or principal.
CCC (Lr) Very High Risk	Loans/facilities rated CCC (Lr) are judged to have factors present that make them very highly vulnerable to default; timely payment of financial obligations is possible only if favorable circumstances continue.
CC (Lr) Extremely High Risk	Loans/facilities rated CC (Lr) are judged to be extremely vulnerable to default; timely payment of financial obligations is possible only through external support.
C (Lr) Near to Default	Loans/facilities rated C (Lr) are currently highly vulnerable to non-payment, having obligations with payment arrearages allowed by the terms of the documents, or obligations that are subject of a bankruptcy petition or similar action but have not experienced a payment default. C (Lr) is typically in default, with little prospect for recovery of principal or interest. C (Lr) are typically in default, with little prospect for recovery of principal or interest.
D (Lr) Default	Loans/facilities rated D (Lr) are in default or are expected to default on scheduled payment dates.

*Note: CRAB appends numerical modifiers 1, 2, and 3 to each generic rating classification from AA through CCC. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

SHORT-TERM CREDIT RATING: LOANS/FACILITIES OF BANKS/FIS

(All loans/facilities with original maturity within one year)

	DEFINITION
ST-1 Highest Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is very strong.
ST-2 High Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is strong; however, the relative degree of safety is lower than that for issues rated higher.
ST-3 Adequate Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is adequate; however, the issues are more vulnerable to the adverse effects of changing circumstances than issues rated in the two higher categories.
ST-4 Marginal	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is marginal; and the issues are quite vulnerable to the adverse effects of changing circumstances.
ST-5 Inadequate Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is minimal, and it is likely to be adversely affected by short-term adversity or less favorable conditions.
ST-6 Lowest Grade	This rating indicates that the loans/facilities are expected to be in default on maturity or is in default.

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Validity Extension of Credit Rating

Credit Rating Agency of Bangladesh Limited

Ref: AGL (01)/RCM/150205/Validity Ext. /2015- 7083

23 December 2015

Mr. Syed Ali Jowher Rizvi
Managing Director
Summit Alliance Port Limited
Summit Center, 18 Kawran Bazar C/A, Dhaka-1215

Subject: Validity Extension of Credit Rating – Summit Alliance Port Limited

Dear Sir,

We are pleased to inform you that Credit Rating Agency of Bangladesh Ltd. (CRAB) has extended the validity of the following ratings to Summit Alliance Port Limited up to 28 February 2016:

Particulars	Ratings	Remarks
Summit Alliance Port Limited	A ₁	Entity
BDT 251.00 million Long Term Outstanding	A ₁ (Lr)	Please see Appendix-1 for details
BDT 1100.00 million Cash Credit and Overdraft Limit	A ₁ (Lr)	
BDT 250.00 million Funded limit	ST-3	
Rating Outlook	Stable	-

Lr-Loan Rating; ST-Short Term

Note: Due to revolving nature, CRAB considers Cash Credit and Overdraft in the long term

Surveillance credit rating of the Firm for the period of 2015-2016 is under process of completion. The ratings may be changed or revised prior to expiry, if warranted.

Yours Sincerely,



Hamidul Huq
Managing Director

Appendix: Details of Credit Facilities

Credit Rating Agency of Bangladesh Limited

Appendix 1: Details of Bank Facilities of Summit Alliance Port Limited

Loan Type	Funded	Bank	Nature of Facility	Limit	Outstanding	Limit Expiry
Long Term	Funded	Jamuna Bank Ltd	Term Loan	270.00	251.10	19-Apr-19
			Total Long Term Outstanding	270.00	251.10	
Revolving	Funded	Standard Bank Ltd	Cash Credit*	800.00	827.10	30-Jun-15
		Jamuna Bank Ltd	Secured Overdraft**	300.00	307.81	31-Aug-15
			Total Cash Credit Limit	1100.00	1134.91	
Short Term	Funded	Jamuna Bank Ltd.	Time Loan	50.00	50.26	18-Mar-15
		IIDFC	Short Term Loan	200.00	200.00	30-Mar-15
			Funded Limit	250.00	250.26	

*Dr. Sum = BDT 1128.90 million and Cr. Sum = BDT 301.80 million in the last year

**Dr. Sum = BDT 859.24 million and Cr. Sum = BDT 787.44 million in the last year

Note: Loan outstanding as of 31 January 2015



Analyst contact
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Co Head (SME Ratings)
mavin@crab.com.bd

Summit Alliance Port Limited
Corporate Office : Summit Centre,
18 Karwan Bazar C/A, Dhaka-1215

Folio/BO Account No:

Date:

Name:

Address:

Letter of Offer for Rights Issue

Dear shareholder(s),

We are pleased to inform you that the 4th meeting of the Board of Directors of 2015 of the Company held on 29th June 2015 recommended for issuance of Rights @ 1R:5 i.e.1 (one rights share for 5 (five) existing share held, which was approved by the shareholders in the Extraordinary General Meeting (EGM) held on dated 30.07.2015. As a registered Shareholder as on **February 15, 2016** (record date for entitlement), you are entitled to subscribe your rights share.

If you wish to accept the above Rights Share in full or in part, you are required to submit completed Application Form-A annexed hereto with necessary payments. You may, however, renounce your rights in respect of all or part of your entitlement in favor of others in which case, the renunciation Form-B and Form-C annexed here to be submitted duly filled-in by you and the Renounce(s) along with necessary payments.

The rights cannot be exercised for a fraction of share i.e. below full unit of share.

All the payments for accepted shares are to be made in cash or by PO/DD/Cheque @ Tk.15.00 each, including a premium of Tk. 5.00 per share and to be deposited with any of the Branches of Bankers to the Issue during Companying hours from **March 30, 2016** to **April 21, 2016** (both days inclusive). Any extension of time will be notified through national dailies. Payments through PO/DD/Cheque must be payable to "**Summit Alliance Port Limited**" and must be drawn on a bank in the same town where the branch of Bankers to the issue in which the application form has been submitted is situated. It is to be noted that all transactions above TK 1.00 Lac must be effected through Demand Draft/ Crossed Cheque/Pay Orders.

The offer will be deemed to have been declined if completed application **Form-A** and / or Renunciation **Form-B** and **Form-C** with necessary payments have not been received by **April 21, 2016** or by such later date as may be notified through National Dailies to that effect.

A self-explanatory rights share offer document is attached for you kind information and evaluation.

Thanking You.

By the order of the Board

Sd/-

Syed Ali Jowher Rizvi
Managing Director

BANKERS TO THE ISSUE OF RIGHTS ISSUE OF SUMMIT ALLIANCE PORT LIMITED

Mutual Trust Bank Limited	
1	Babu Bazar Branch, Dhaka
2	Banani Branch, Dhaka
3	Dhanmondi Branch, Dhaka
4	Dholaikhal Branch, Dhaka
5	Dilkusha Branch, Dhaka
6	Elephant Road Branch, Dhaka
7	Fulbaria Branch, Dhaka
8	Gulshan Branch, Dhaka
9	Mohammadpur Branch, Dhaka
10	MTB Corporate Center Branch, Dhaka
11	Pallabi Branch, Dhaka
12	Panthapath Branch, Dhaka
13	Principal Branch, Dhaka
14	ProgatiSarani Branch, Dhaka
15	Savar Branch, Dhaka
16	Dania Branch, Dhaka
17	Tongi Branch, Dhaka
18	Uttara Model Town Branch, Dhaka
19	Baridhara Branch, Dhaka
20	Narayangonj Branch, Narayangonj
21	Tejgaon Branch, Dhaka
22	Agrabad Branch, Chittagong
23	AlankarMour Branch, Chittagong
24	C D A Avenue Branch, Chittagong
25	Jubilee Road Branch, Chittagong
26	Khatungonj Branch, Chittagong
27	Feni Branch, Feni
28	Rajshahi Branch, Rajshahi
29	Rangpur Branch, Rangpur
30	Bogra Branch, Bogra
31	Pabna Branch, Pabna
32	Kushtia Branch, Kushtia
33	Sylhet Branch, Sylhet
34	Moulvi Bazar Branch, Sylhet
35	Jessore Branch, Jessore
36	Habigonj Branch, Habigonj

National Bank Limited	
1	Banani Branch, Dhaka
2	Dhanmondi Branch, Dhaka
3	Elephant Road Branch, Dhaka
4	Foreign Ex. Branch, Dhaka
5	Gulshan Branch, Dhaka
6	Islampur Branch, Dhaka
7	Jatrabari Branch, Dhaka
8	Kawran Bazar Branch, Dhaka
9	Malibagh Branch, Dhaka
10	Mirpur Branch, Dhaka
11	Mohakhali Branch, Dhaka
12	Mohammadpur Branch, Dhaka
13	Motijheel Branch, Dhaka
14	Mymensing Br, Mymensing
15	Narayangonj Branch, N'gonj
16	North Brook Hall Branch, Dhaka
17	Rajshahi Br, Rajshahi
18	RokeyaSarani Branch, Dhaka
19	Savar Bazar Branch, Savar
20	Uttara Branch, Dhaka
21	Z. H. Sikder M.C. Br. Dhaka
22	Sylhet Br, Sylhet
23	Agrabad Br. Chittagong
24	Barisal Br, Barisal
25	Chawk Bazar Br. Chittagong
26	GazipurBr,GaziPur
27	Khatungong Br. Chittagong
28	Khulna Br, Khulna

