

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED

AND

ITS SUBSIDIARIES

AUDITED FINANCIAL STATEMENTS

For the financial period ended 30 September 2021

FAMAT GROUP

Certified Public Accountants

No. 635 (A-1), Room No.B (3),

Yoma Yeiktha, Pyay Road, Kamayut Township,

Yangon, Myanmar.

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EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

(Incorporated in the Republic of the Union of Myanmar under Myanmar Companies Law 2017)

(Registration No 114922617 dated. 10.04.2014)

AUDITED FINANCIAL STATEMENTS

For the financial period ended 30th September 2021.

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EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AUDITED FINANCIAL STATEMENTS

For the financial period ended 30 September 2021.

(Incorporated in the Republic of the Union of Myanmar under Myanmar Companies Law 2017)
 (Registration No 114922617 dated 10.04.2014)

DIRECTORS' REPORT

For the financial year ended 30th September 2021.

The directors present their report to the shareholders together with the audited financial statements for the financial period ended 30th September 2021.

Directors

The directors in office at the date of this report are:

1. U Kyaw Lwin Oo	Managing Director
2. U Aung Min Han	Director
3. Daw Saw Sanda	Director
4. U Maung Maung Oo	Director
5. Daw Khin Sone	Director
6. Daw Wut Hmone	Director
7. U Than Aung @ Bemay Barua	Director
8. U Kyaw Kyaw Thein	Director
9. Daw Hin Yee Mon	Director
10. Daw Lae Lae Mu	Director
11. Daw Zin Nyein Htwe	Director

Principal Activities

The principal activities of the Company are as follows.

1. Business of international standard warehouse and distribution
2. Container wharfs and port services
3. Business of inland water transport

Dividend

The Company has no paid dividend to Shareholders of the Company during the financial year ended 30th September 2021.

Share options

There were no options granted during the financial year to subscribe for unissued for shares of the Company. No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

Directors' contractual benefits

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The financial statements have been audited by Independent Auditor "FAMAT GROUP".


.....
Managing Director


.....
Director

Director
Ever Flow River Group Public Company Limited.

Director
Ever Flow River Group Public Company Limited.





EVER FLOW RIVER GROUP PUBLIC CO., LTD.

No.62, Room (1104), 11th Floor, Mahabandoola Housing Complex (B), Corner of Mahabandoola Road & Tarwataintha Street, Pazundaung Township, Yangon, Myanmar.

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STATEMENT BY DIRECTORS

For the financial period ended 30th September 2021.

In the opinion of the authorised officer,

- (a) The financial statements are drawn up so as a true and fair view of the state of affairs of the Company at 30th September 2021 and the results of the business, changes in equity and cash flows of the Company for the financial year then ended; and
- (b) We the undersigned Directors state that, in the opinion and to the best of my knowledge, the Statement of Financial Position and Statement of Comprehensive Income together with supporting Schedules and Notes thereto, have been drawn up according to Section 258 & 264 of the Myanmar Companies Law so as to give a true and fair view of the state of affairs and of the operating results of the company relating to the financial year ending 30th, September 2021. I also believe that the Company will be able to pay its debts as and when they fall due.


.....
Managing Director

Director
Ever Flow River Group Public Company Limited.


.....

Director

Director
Ever Flow River Group Public Company Limited.



Dated : 29.12.2021

FAMAT GROUP**CERTIFIED PUBLIC AUDITORS**

No.635 (A-1), Room B-3, Yoma Yeiktha, Pyi Road, Kamayut Township, Yangon, Myanmar

Tel: 951-523327, 951-230 4349

Email famataudit@gmail.com, famatco@gmail.com**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS**

We have audited the accompanying financial statements of **EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED** which comprise the statement of financial position as at 30.9.2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flow for the financial period ended 30.9.2021, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the Financial Statements

Management is responsible for the fair presentation of these financial statements in accordance with the provisions of the Myanmar Companies Law, and Myanmar Financial Reporting Standards, and for devising, and maintaining a system of internal accounting controls, sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair statement of comprehensive income and statement of financial position and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion financial statement based on our audit. We conducted our audit in accordance with Myanmar Financial Reporting Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements as free from material misstatement.

An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 financial statements.

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

Opinion

In our opinion, the financial statements are properly drawn up in accordance with section 280 (a) and (b) of the Myanmar Companies Law and Myanmar Financial Reporting Standard so as to give a true and fair view of the state of affairs of the Branch as at 30th September 2021 and the results, changes in equity and cash flows of the Company for the financial year ended 30th September 2021.

Report on other legal and regulatory requirements.

In our opinion, the accounting and other records required by the Law to be kept by the Company have been properly kept in accordance with the provisions of the Myanmar Companies Law.



Daw Tin Win Yu (PAPP-43)
B.Com, A:A, C.P.A
Certified Public Accountants
Auditors & Consultant
Date... 29.12.2021



EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION AS AT 30.9.2021

2019-2020 1.10.2019-30.9.2020 Kyat	Particular	Note	2020-2021 1.10.2020-30.9.2021 Kyat
	ASSETS		
	Non-Current Assets	4.0	
565,534,994.00	Property, Plant & Equipment	4.1	486,437,542.61
36,683,739.00	Intangible Assets	4.2	52,957,525.10
1,885,566,414.00	Investment in Associates	4.3	1,541,696,179.86
2,977,158,547.00	Project under Development	4.4	3,176,182,146.86
5,464,943,694.00			5,257,273,394.43
	Current Assets	5.0	
447,954,165.00	Inventories	5.1	74,817,200.49
831,222,382.00	Account Receivable	5.2	3,058,748,896.74
8,903,066,220.00	Other Receivable	5.3	10,886,653,176.10
2,680,670,938.00	Cash and Cash Equivalents	5.4	3,138,584,471.81
12,862,913,705.00			17,158,803,745.15
18,327,857,399.00	Total Assets		22,416,077,139.57
	EQUITY AND LIABILITIES		
	Equity		
13,638,599,000.00	Share Capital	3.0	13,638,599,000.00
	RETAINED EARNINGS	6.0	
1,280,971,503.00	Retained Earnings	6.1	1,706,960,746.21
	RESERVE	7.0	
287,468,991.00	Foreign Currency Translation Reserve	7.1	749,237,383.39
135,185,794.00	Non-Controlling Interests	8.0	161,402,898.63
15,342,225,288.00	Total Equity		16,256,200,028.23
	CURRENT LIABILITIES	9.0	
983,599,073.00	Account Payable	9.1	2,462,213,177.11
2,002,033,038.00	Other Payable	9.2	3,697,663,934.24
2,985,632,111.00	Total Liabilities		6,159,877,111.35
18,327,857,399.00	Total Equity and Liabilities		22,416,077,139.57

[Signature]
 Director
 Ever Flow River Group Public Company Limited



[Signature]
 Director
 Ever Flow River Group Public Company Limited.

[Signature]
DAW TIN WIN YU
B.Com. A;A., C.P.A (PA-43)
CERTIFIED PUBLIC ACCOUNTANT
AUDITOR & CONSULTANT

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AUDITED FINANCIAL STATEMENTS

For the financial year ended 2020-2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	2020-2021 Kyats	2019-2020 Kyats
(a) Basic Earning per Share		
Profit / (Loss) Attributable to Shareholders of the Company	425,989,243.21	(616,529,300.00)
Weighted average number of ordinary share in issue (shares)	19,977,223.00	19,977,223.00
Basic Earning per Share	<u>21.32</u>	<u>(30.86)</u>
(b) Diluted Earning per Share		
Profit / (Loss) Attributable to Shareholders of the Company	425,989,243.21	(616,529,300.00)
Interest on convertible loan note	-	-
Profit / (Loss) used to determine diluted earning per share	<u>425,989,243.21</u>	<u>(616,529,300.00)</u>
Weighted average number of ordinary share in issue (shares)	19,977,223.00	19,977,223.00
<u>Adjustment</u>		
- Convertible loan notes	-	-
- Share options	-	-
	<u>19,977,223.00</u>	<u>19,977,223.00</u>
Diluted Earnings per Share	<u>21.32</u>	<u>(30.86)</u>

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED
30th, SEPTEMBER 2021

2019-2020 1.10.2019-30.9.2020 Kyat	Particular	Note	2020-2021 1.10.2020-30.9.2021 Kyat
	Income		
12,832,503,595.00	Revenue	10.0	23,457,058,457.77
351,479,430.00	Other Income	11.0	131,727,143.60
13,183,983,025.00	Total Income		23,588,785,601.37
10,692,069,949.00	Less: Cost of Services / Cost of Sales	12.0	20,334,783,239.54
2,491,913,076.00	Gross Profit		3,254,002,361.84
	Less: General and Administrative Expenses		
1,486,742,401.00	Staff Expenses	13.0	1,432,951,281.43
1,087,312,854.00	Administrative Expenses	14.0	433,861,419.33
15,900,000.00	Finance Cost		-
133,940,054.00	Depreciation and Amortisation Expenses	4.0	147,641,893.22
326,392,080.00	Loss from Share of Associates	4.3	442,270,234.14
3,050,287,389.00	Net Profit before Tax		2,456,724,828.12
(558,374,313.00)	Less: Income Tax Expense	15.0	797,277,533.72
60,101,870.00			345,071,185.88
(618,476,183.00)	Net Profit after Tax		452,206,347.84
	Add: Other Comprehensive Income		
(114,479,353.00)	Foreign Currency Translation		461,768,392.91
(732,955,536.00)	Total Comprehensive income		913,974,740.75


 Director
 Ever Flow River Group Public Company Limited.


 Director
 Ever Flow River Group Public Company Limited.



EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AUDITED FINANCIAL STATEMENTS

For the financial year ended 2020-2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	2020-2021 Kyats	2019-2020 Kyats
<u>Profit / (Loss) attributable to:</u>		
Controlling Interest	425,989,243.21	(616,529,300.00)
Non-controlling Interests	26,217,104.63	(1,946,883.00)
	<u>452,206,347.84</u>	<u>(618,476,183.00)</u>
<u>Total comprehensive income / (expense) attributable to:</u>		
Controlling Interest	887,757,636.12	(731,008,653.00)
Non-controlling Interests	26,217,104.63	(1,946,883.00)
	<u>913,974,740.75</u>	<u>(732,955,536.00)</u>

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOW

For the financial year ended 30th September 2021

	2020-2021 1.10.2020-30.9.2021	2019-2020 1.10.2019 - 30.9.2020
1 Cash flows from operating activities		
Profit / (Loss) for the year	452,206,347.84	(618,476,183.00)
Adjustment for		
Depreciation and Amortisation expenses	147,641,893.22	133,940,054.00
(Gain) / Loss on disposal of PPE	(33,042.33)	190,233.00
Write Off PPE	-	5,710,044.00
Share of Associate Loss	442,270,234.14	326,392,080.00
Income Tax expenses	345,071,185.88	60,101,870.00
Foreign Currency Translation	439,822,579.24	(120,738,688.00)
Unrealized Exchange Gain	-	-
	<u>1,826,979,197.98</u>	<u>(212,880,590.00)</u>
Change in operating assets and liabilities		
Increase (+) / Decrease (-) in Inventories	373,136,964.51	129,204,861.00
Increase (+) / Decrease (-) in Account Receivables	(2,227,526,514.74)	(4,762,014,425.00)
Increase (+) / Decrease (-) in Other Receivables	(1,983,586,956.10)	
Increase (+) / Decrease (-) in Account Payables	1,478,614,104.11	163,217,871.00
Increase (+) / Decrease (-) in Other Payables	1,350,559,710.36	
Income Tax paid	-	(76,314,381.00)
Net Cash from Operating Activities	<u>818,176,506.12</u>	<u>(4,758,786,664.00)</u>
2 Cash flows from investing activities		
Acquisition of Subsidiary	(98,400,000.00)	-
Purchase of Property ,Plant & Equipment	(47,519,832.00)	(76,051,574.00)
Purchase of Intangible Assets	(15,664,540.45)	(8,357,694.00)
Sale proceed from PPE	345,000.00	12,478,142.00
Cash paid for Project under Development	(199,023,599.86)	(195,699,061.00)
	<u>(360,262,972.31)</u>	<u>(267,630,187.00)</u>
3 Cash flows from financing activities		
Contribution from Shareholders	-	-
Contribution from Non-controlling Interest in Subsidiaries	-	6,360,272,166.00
Dividend Paid	-	40,000,000.00
	<u>-</u>	<u>6,400,272,166.00</u>
Net increase / (Decrease) in cash	457,913,533.81	1,373,855,315.00
Cash at beginning of the financial year	<u>2,680,670,938.00</u>	<u>1,306,815,623.00</u>
Cash at end of the financial year	<u>3,138,584,471.81</u>	<u>2,680,670,938.00</u>

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY

For the period ended 30th September, 2021

Particular	Share Capital	Reserves	Retained Earnings	Non-Controlling Interest	Total Equity
	Amount in kyat	Amount in kyat	Amount in kyat	Amount in kyat	Amount in kyat
Balance as at October 1, 2020	13,638,599,000.00	287,468,991.00	1,280,971,503.00	135,185,794.00	15,342,225,288.00
Retained Adjustment					
Addition for the year					
Total Comprehensive Income / (Expense) for the year			425,989,243.21	26,217,104.63	452,206,347.84
Foreign Currency Translation		461,768,392.91			461,768,392.91
Balance as at September 30, 2021	13,638,599,000.00	749,237,383.91	1,706,960,746.21	161,402,898.63	16,256,200,028.75

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY

For the period ended 30th September, 2021

Particular	Share Capital	Reserves	Retained Earnings	Non-Controlling Interest	Total Equity
	Amount in kyat	Amount in kyat	Amount in kyat	Amount in kyat	Amount in kyat
Balance as at October 1, 2019	13,638,599,000.00	401,948,344.00	1,897,500,803.00	97,132,677.00	16,035,180,824.00
Retained Adjustment					
Addition for the year					
Total Comprehensive Income / (Expense) for the year			(616,529,300.00)	(1,946,883.00)	(618,476,183.00)
Foreign Currency Translation		(114,479,353.00)			(114,479,353.00)
Contribution by NCI in Subsidiaries				40,000,000.00	40,000,000.00
Balance as at September 30, 2020	13,638,599,000.00	287,468,991.00	1,280,971,503.00	135,185,794.00	15,342,225,288.00

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AUDITED FINANCIAL STATEMENT

For the financial year ended 30th September 2021.

(Incorporated in the Republic of the Union of Myanmar under Myanmar Companies Law 2017)
 (Registration No 114922617 dated 10.04.2014)

NOTES TO THE FINANCIAL STATEMENT

For the financial year ended 30th September 2021.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1.00 General

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED is incorporated in the Republic of the Union of Myanmar under the Myanmar Companies Law 2017. The address of the registered office is as follows:

Registered office is:

Tawatath Street, No. 62, Room (1104), (11) Floor,

Mahabandoola Housing, Complex (B),

Pazundaung Township, Yangon Region, Myanmar.

Website: www.efrgroupmyanmar.com

Contact Phone No. +959 8899 48890, +951 8203 715, +951 8201 001

2.00 Significant Accounting Policies

Unless otherwise stated, the following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

2.01 Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Myanmar Companies Law 2017 and Myanmar Financial Reporting Standards ('MFRS'). The financial statements have been prepared under the historical cost convention unless otherwise indicated in the summary of significant accounting policy.

The preparation of these financial statements in conformity with "MFRS" requires management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of certain accounting estimates and assumptions.

2.02 Interpretations and amendments to published standards effective in 2020-2021.

The Company's accounting policies have been made as requires, in accordance with the relevant transitional provisions in the respective MFRS and IFRS. The adoption of the MFRS did not result in any substantial changes to the Company's accounting policies and no material effect on the amounts reported for the current or prior financial years.

2.03 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services, net of service tax, rebates and discount.

The group recognized revenue and the related cost can be reliable measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

**EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AUDITED FINANCIAL STATEMENT**

For the financial year ended 30th September 2021.

(Incorporated in the Republic of the Union of Myanmar under Myanmar Companies Law 2017)
(Registration No 114922617 dated 10.04.2014)

NOTES TO THE FINANCIAL STATEMENT

For the financial year ended 30th September 2021.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

2.00 Significant accounting policies (continued)

2.03 Revenue recognition (continued)

(a) Sale of Goods

Revenue from sale of goods is recognized when the customers have accepted the performance obligations.

(b) Rendering of Service - Logistics Services

Revenue from logistics services is recognized using the percentage of completion method based on the actual services provided as a proportion of the total services to be performed.

(c) Rendering of Service- Inspection Services

Revenue from inspection services is recognized when the goods inspected are delivered.

(d) Interest Income

Interest income is recognized when the interest is deposited into the bank account.

2.04 Group Accounting

(a) Subsidiaries

(i). Consolidation

Subsidiaries are all entities over which the Group has control. The Group controls the entity when the group is exposed to, or has rights to and has the ability to affect its power to direct the activities of the entity. Subsidiaries fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

In preparing the Consolidated Financial Statements, intercompany transactions and balances and unrealized gains on transactions between group entities are eliminated. Unrealized losses are also eliminated unless the transactions provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and statement of financial position.

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AUDITED FINANCIAL STATEMENT

For the financial year ended 30th September 2021.

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 (Registration No 114922617 dated 10.04.2014)

NOTES TO THE FINANCIAL STATEMENT

For the financial year ended 30th September 2021.

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2.00 Significant accounting policies (continued)

2.04 Group Accounting (continued)

(a) Subsidiaries

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

(iii) Disposals

When the change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognized.

Any retained equity interest in the equity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognized in Profit and Loss.

(b) Transactions with Non-controlling Interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognized within equity attributable to the equity holders of the Company.

(c) Associated Companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Investments in associated companies are accounted for in the Consolidated Financial Statements using the equity method of accounting less impairment losses, if any.

**EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AUDITED FINANCIAL STATEMENT**

For the financial year ended 30th September 2021.

(Incorporated in the Republic of the Union of Myanmar under Myanmar Companies Law 2017)

(Registration No 114922617 dated 10.04.2014)

NOTES TO THE FINANCIAL STATEMENT

For the financial year ended 30th September 2021.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

2.00 Significant accounting policies (continued)

2.04 Group Accounting (continued)

(c) Associated Companies

(i) Acquisitions

Investments in associated companies are initially recognized at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

(ii) Equity Accounting Method

Under the equity method of accounting, the investments are initially recognized at cost and recognize Group's share of its associated companies' profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividend received or receivable from the associated companies are recognized as a reduction of the carrying amount of the investments.

(iii) Disposals

Investments in associated companies are derecognized when the Group loses significant influence.

2.05 Currency translation

(a) Functional currency

Functional currency is the currency of the primary economic environment in which an entity operates. The financial statement of the Company is measured using the respective functional currency of **Ever Flow River Group Public Company Limited is Myanmar Kyat.**

In the case of presenting in Myanmar kyat, which is the functional currency of the Company, transactions in foreign currencies are translated into the functional currency at the rate of exchange ruling at the dates of the transactions.

**EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AUDITED FINANCIAL STATEMENT**

For the financial year ended 30th September 2021.

(Incorporated in the Republic of the Union of Myanmar under Myanmar Companies Law 2017)

(Registration No 114922617 dated 10.04.2014)

NOTES TO THE FINANCIAL STATEMENT

For the financial year ended 30th September 2021.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

2.00 Significant accounting policies (continued)

2.05 Currency translation (continued)

(b) Transactions in Foreign Currency

Monetary items denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rates ruling at that date.

Non- monetary items which are measured in terms of historical costs denominated in foreign currencies are translated at the foreign exchange rate ruling at that date of transaction.

(c) Exchange Rate Differences

Exchange differences arising on the settlement of monetary items and the transactions of monetary items are included in the income statement for the year. When a gain or loss on a non-monetary item is recognized directly in income statement, any corresponding exchange gain or loss is recognize directly in income statement. When a gain or loss on a non-monetary item is recognized in the income statement, any corresponding exchange gain or loss is recognized in income statement.

2.06 Income taxes

Income tax Payable is calculated where Taxpayers assess themselves on the income they have received or have accrued and to pay the Tax which they calculate on this Income. A system where the taxpayer is given the responsibility to compute their own tax liability with limited or no intervention by Tax Officials. The responsibility is shifted to the Taxpayer for proper accounting, assessment and payment of their Tax Liability.

2.07 Trade and Other receivables

Trade and other receivables are initially recognized at fair value plus transaction cost and subsequently carried at amortized cost using the effective interest method, less accumulated impairment losses.

The company assesses at each statement of financial position data whether there is objective evidence that these financial assets are impaired and recognizes an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that enter bankruptcy and default or delay significant delay in payments are objective evidence that these financial assets are impaired. The carrying amount of these assets is reduce through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows discount at the original effective interest rate.

**EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AUDITED FINANCIAL STATEMENT**

For the financial year ended 30th September 2021.

(Incorporated in the Republic of the Union of Myanmar under Myanmar Companies Law 2017)
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NOTES TO THE FINANCIAL STATEMENT

For the financial year ended 30th September 2021.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

2.00 Significant accounting policies (continued)

2.08 Property, plant and equipment

Land and buildings are initially recognized at cost. Freehold land is subsequently carried at the revalued amount less accumulated impairment losses. Building and leasehold land are subsequently carried at the revalued amounts less accumulated depreciation and accumulated impairment losses.

Other Property and equipment are stated at cost less accumulated depreciation. Depreciation is calculated the straight-line method over the estimated useful lives of the assets. Depreciation on assets is calculated beginning from the date on which the asset has been acquired. The rates as fixed by Management. Freehold land is not depreciated. Depreciation rate are as follows:

Furniture & Fixtures	5 – 10 years
Office Equipment	5 – 10 years
Motor Vehicle	5 – 10 years
Computer Equipment	5 – 10 years
Other Fixed Assets	5 – 10 years

Subsequent maintenance expenditure relating to property, plant and equipment that has already been recognized is added to the carrying amount of the assets only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair expenses are recognized in profit or loss when incurred.

Disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognized in profit or loss within 'other gains and losses'.

2.09 Intangible assets

(a) Goodwill

Goodwill on subsidiaries is recognized separately as intangible assets and carried at cost less accumulated impairment losses. Goodwill on associated companies and joint ventures is included in the carrying amount of the investments. Gains and losses on the disposal of subsidiaries, joint ventures and associated companies include the carrying amount of goodwill relating to the entity sold.

(b) Other intangible assets

Intangible assets are initially measured at cost. Intangible assets should be carried at cost less accumulated amortization and impairment losses. The Company must choose either the cost model or the revaluation model for each class of intangible asset.

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2.00 Significant accounting policies (continued)

2.10 Impairment of non-financial assets

Property, plant and equipment are reviewed for impairment whenever there is any indication to do so. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the amount and recoverable amount is recognized as an impairment loss in the statement of comprehensive income.

2.11 Investment in subsidiaries and associated companies

Investments in subsidiaries are recognized at cost less accumulated impairment losses in the Company's statement of Financial Position.

Investment in associates are initially recognized at cost under the equity method and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition.

2.12 Cash and cash equivalents

For the purpose of presentation in the cash flow statement, cash and cash equivalents include cash in hand, bank balance, bank overdraft, deposits with financial institutions which are subject to an insignificant risk of change in value.

2.13 Provisions

Provisions for other liabilities and charges are recognized when the Company has a legal or constructive obligation as a result of events, it is more likely than not that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

2.14 Trade and other payables

Payables are initially measured at fair value, and subsequently carried at amortized cost, using the effective interest method.

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2.00 Significant accounting policies (continued)

2.15 Related Parties and Related Parties Transactions

Related parties are persons or entities that are related to the entity that is preparing its financial statements. A person has control or joint control over the reporting entity has significant influence over the reporting entity is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. A related party transaction is a transfer of resources, services, or obligations between related parties. Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors of the entity.

If there have been transactions between related parties, disclose the nature of the related party relationship as well as information about the transactions and outstanding balances necessary for an understanding of the potential effect of the relationship on the financial statements. These disclosures would be made separately for each category of related parties and would include the amount of the transactions the amount of outstanding balances, including terms and conditions.

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3.00 Paid-up Share capital

The 100% issued and paid-up share capital has been allotted to Kyats 13,638,599,000, share no. is 19,977,223 and represented persons are as follows:-

Name of Shareholder / Directors

1. U Kyaw Lwin Oo	Managing Director
2. U Aung Min Han	Director
3. U Maung Maung Oo	Director
4. Daw Khin Sone	Director
5. Daw Hin Yee Mon	Director
6. Daw Lae Lae Mu	Director
7. Daw Zin Nyein Htwe	Director

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NOTES TO THE FINANCIAL STATEMENT

NOTE 4.0 NON-CURRENT ASSETS

NOTE 4.1 PROPERTY , PLANT & EQUIPMENT

Property , Plant & Equipment are shown schedule (1) .

	2020-2021 Kyats	2019-2020 Kyats
NOTE 4.2 INTANGIBLE ASSETS	<u>52,957,525.10</u>	<u>36,683,739.00</u>
Goodwill	25,192,689.00	25,192,689.00
Software	27,764,836.10	11,491,050.00
Intangible Assets - Software are shown schedule (2) .		
	<u><u>52,957,525.10</u></u>	<u><u>36,683,739.00</u></u>

GOODWILL

Cost

Beginning Balance of financial year	25,192,689.00	25,192,689.00
Addition	-	-
End Balance of financial year	<u><u>25,192,689.00</u></u>	<u><u>25,192,689.00</u></u>

Accumulated Impairment

Beginning Balance of financial year	-	-
Impairment	-	-
End Balance of financial year	<u><u>-</u></u>	<u><u>-</u></u>
Net Book Value of Goodwill	<u><u>25,192,689.00</u></u>	<u><u>25,192,689.00</u></u>

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NOTES TO THE FINANCIAL STATEMENT

NOTE 4.0 NON-CURRENT ASSETS

	2020-2021 Kyats	2019-2020 Kyats	
NOTE: 4.3 INVESTMENT IN ASSOCIATES	<u>1,541,696,179.86</u>	<u>1,885,566,414.00</u>	
Beginning of financial year	1,885,566,414.00	2,211,958,494.00	
<u>Acquisition of a Subsidiary</u>			
- EFR LDC	98,400,000.00		
Share of Loss	(442,270,234.14)	(326,392,080.00)	
End of financial year	<u><u>1,541,696,179.86</u></u>	<u><u>1,885,566,414.00</u></u>	
	2020-2021 Kyats	2020-2021 Kyats	2020-2021 Kyats
<u>Assets</u>	<u>2,216,228,594.30</u>	<u>7,912,071,886.57</u>	<u>3,571,375,759.18</u>
<u>Liabilities</u>	<u>2,207,816,802.80</u>	<u>6,204,101,306.80</u>	<u>32,162,990.66</u>
<u>Revenue</u>	<u>338,794,164.00</u>	<u>-</u>	<u>1,414,847,753.60</u>
<u>Loss for the year</u>	<u>(275,951,869.20)</u>	<u>(77,530,610.86)</u>	<u>(979,664,957.12)</u>
<u>Equity Interest</u>	<u>40%</u>	<u>49%</u>	<u>30%</u>
	2019-2020 Kyats	2019-2020 Kyats	2019-2020 Kyats
<u>Assets</u>	<u>1,661,606,576.00</u>	<u>7,867,462,184.00</u>	<u>3,339,349,043.00</u>
<u>Liabilities</u>	<u>1,413,534,604.00</u>	<u>6,081,961,003.00</u>	<u>39,585,716.00</u>
<u>Revenue</u>	<u>865,760,392.00</u>	<u>-</u>	<u>3,283,301,237.00</u>
<u>Loss for the year</u>	<u>(284,337,589.00)</u>	<u>(144,162,782.00)</u>	<u>(431,235,491.00)</u>
<u>Equity Interest</u>	<u>40%</u>	<u>49%</u>	<u>30%</u>

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NOTES TO THE FINANCIAL STATEMENT

NOTE 4.0

NON-CURRENT ASSETS

NOTE: 4.3

INVESTMENT IN ASSOCIATES (Continued)

Kamigumi-EFR Logistics Company Limited (KEFR JV)	Providing trucking (domestics and cross border) service, inland container depot operation and relative logistics service, forwarding and custom clearance service, inspection, quarantine and inland water transportation service	Myanmar	30.00%	30.00%
UTOC Multipack Myanmar Company Limited (UTOC MES)	Providing repair and installation of machinery and equipment, construction of building, civil engineering, specialized construction activities, land transport and transport via pipelines, water transport, air transport, warehouse and support activities for transportation, rental and leasing activities	Myanmar	40.00%	40.00%
Hlaing Inland Terminal And Logistics Company Limited (HITLC)	For good supply and transport, container services, marine container transport, inland terminal and logistics center, export value added services, bonded warehouse service, inland container depot services and cold chain services.	Myanmar	49.00%	49.00%

On 24 April 2018, MES subsidiary of the Group, has contributed USD 400,000 into UTOC Multipack Myanmar Company Limited (UTOC MES). Joint Venture Company to obtain 40% equity interest in UTOC MES. Accordingly, the Group held 40% equity interest in UTOC MES indirectly through MES.

The associated companies of the Group as at 30 September 2020 and 31 March 2019 respectively. The associated as listed above have capital consisting solely of ordinary shares, which are held directly and indirectly by the group. The Group held 14.19% equity interest in KEFR JV directly and 15.81% equity interest in KEFR JV indirectly through EFR Trading.

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NOTES TO THE FINANCIAL STATEMENT

NOTE 4.0 NON-CURRENT ASSETS

	2020-2021 Kyats	2019-2020 Kyats
NOTE: 4.4 PROJECT UNDER DEVELOPMENT	<u>3,176,182,146.86</u>	<u>2,977,158,547.00</u>
Beginning of financial year	2,977,158,547.00	2,781,459,486.00
Additions:		
- Construction costs	196,835,600.00	190,237,662.00
- Others	2,187,999.86	5,461,399.00
End of financial year	<u><u>3,176,182,146.86</u></u>	<u><u>2,977,158,547.00</u></u>

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NOTES TO THE FINANCIAL STATEMENT

NOTE 4.5

INVESTMENT IN SUBSIDIARIES

	2020-2021 Kyats	2019-2020 Kyats
Beginning balance of financial year	5,567,973,943.00	5,507,973,943.00
Acquisition of subsidiaries during the year	-	60,000,000.00
Additional capital contribution into subsidiaries during the year	98,400,000.00	-
	5,666,373,943.00	5,567,973,943.00

The Group had the following subsidiaries as respectively:

Name	Principal activities	Country of Incorporation	Proportion of Ordinary shares directly held by the Group	
			2020-2021	2019-2020
Gold Shipping Agency Services Limited (GSASL)	Acting as an agent for HMM Co, Ltd	Myanmar	100.00%	100.00%
EFR G Link Express Services Limited (G Link)	Providing freight forwarding services for total logistics package including inland, sea, air and warehouse service	Myanmar	100.00%	100.00%
Myanmar Round The World Logistics Limited (MRTW)	Providing freight forwarding services especially for air cargo	Myanmar	100.00%	100.00%

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For the financial year ended 2020-2021

NOTES TO THE FINANCIAL STATEMENT

NOTE 4.5 INVESTMENT IN SUBSIDIARIES

The Group had the following subsidiaries as respectively:

Name	Principal activities	Country of Incorporation	Proportion of Ordinary shares directly held by the Group 2020-2021	2019-2020
MRTW Manufacturing & Inspection Company Limited (MRTW ECHO)	Providing garments, shoes and bags inspection services especially for Japanese Buyer's cargo	Myanmar	100.00%	100.00%
Multipack Engineering Services Limited (MES)	Providing engineering services for logistics sectors such as installation for garment on hanging in containers, handling turnkey project cargo, construction of container house, installation and construction of telecommunication tower	Myanmar	100.00%	100.00%
Ever Flow River Trading Company Limited (EFR Trading)	Selling electronic goods, importation and distribution of rice roller and exporting rubber trade	Myanmar	100.00%	100.00%
Unison Choice Services Limited (UC)	Providing freight forwarding service especially for handling sea Cargo and named account nomination cargo	Myanmar	100.00%	100.00%

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NOTES TO THE FINANCIAL STATEMENT

NOTE 4.5

INVESTMENT IN SUBSIDIARIES

<p>Ever Flow River Logistics & Distribution Center (Mandalay) Company Limited (EFRLDC)</p>	<p>Erecting a dry port and a container yard and running container-related services. Apart from empty container depot, container freight station, inland container depot and container transportation services, value-added services such as packaging / assembling services for re-transportation, customs bonded warehouse services that have connection with jetties / wharfs and broader container services.</p>	<p>Myanmar</p>	<p>95.00%</p>	<p>92.55%</p>
<p>A Logistics Company Limited (A Log)</p>	<p>Providing trucking, custom clearance, insurance and freight forwarding service and full operational management for AIPP Logistic Center</p>	<p>Myanmar</p>	<p>60.00%</p>	<p>60.00%</p>

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
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NOTES TO THE FINANCIAL STATEMENT

NOTE 5.0 CURRENT ASSETS

	2020-2021 Kyats	2019-2020 Kyats
NOTE 5.1 INVENTORIES	<u>74,817,200.49</u>	<u>447,954,165.00</u>
<u>Inventories for resale:</u>		
- Rice Roller	13,494,494.48	385,714,038.00
- Air Conditioner	61,322,706.01	62,240,127.00
	<u>74,817,200.49</u>	<u>447,954,165.00</u>
NOTE 5.2 ACCOUNT RECEIVABLE	<u>3,058,748,896.74</u>	<u>831,222,382.00</u>
<u>Trade Receivable</u>		
- Non related parties	3,058,748,896.74	831,222,382.00
	<u>3,058,748,896.74</u>	<u>831,222,382.00</u>
NOTE 5.3 OTHER RECEIVABLE	<u>10,886,653,176.10</u>	<u>8,903,066,220.00</u>
<u>Other Receivable</u>		
- Associated Companies	6,735,012,470.00	6,069,995,470.00
- Due from Directors		-
- Non related parties	1,825,110,965.87	664,655,390.00
Deposit	406,628,592.12	268,470,235.00
Prepayments	99,004,777.65	102,325,818.00
<u>Advance Tax</u>		
- Withholding Tax	24,799,535.31	24,799,535.00
- Commercial Tax	180,013,477.00	445,801,789.00
- Income Tax	186,676,985.21	379,513,425.00
Advance	1,037,788,372.94	555,886,558.00
Others	391,618,000.00	391,618,000.00
	<u>10,886,653,176.10</u>	<u>8,903,066,220.00</u>
NOTE 5.4 CASH AND CASH EQUIVALENTS	<u>3,138,584,471.81</u>	<u>2,680,670,938.00</u>
Cash in Hand	2,360,456,189.87	2,115,890,547.00
Cash at Bank	778,128,281.94	564,780,391.00
	<u>3,138,584,471.81</u>	<u>2,680,670,938.00</u>

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NOTES TO THE FINANCIAL STATEMENT

	2020-2021	2019-2020
	Kyats	Kyats
NOTE 6.0 RETAINED EARNINGS		
NOTE 6.1 Retained Earnings	1,706,960,746.21	1,280,971,503.00
Beginning Balance of Financial Year	1,280,971,503.00	1,897,500,803.00
Controlling Interest Profit	425,989,243.21	(616,529,300.00)
End Balance of Financial Year	1,706,960,746.21	1,280,971,503.00
NOTE 7.0 RESERVE		
NOTE 7.1 FOREIGN CURRENCY TRANSLATION	749,237,383.39	287,468,991.00
Beginning Balance of Financial Year	287,468,990.48	401,948,344.00
<u>During the year Movement:</u>		
- UCS	197,360,547.33	(114,479,353.00)
- GSASL	264,407,845.58	
End Balance of Financial Year	749,237,383.39	287,468,991.00
NOTE 8.0 NON-CONTROLLING INTERESTS	161,402,898.63	135,185,794.00
<u>Non-controlling Interests</u>		
- EFRLDC	101,194,582.08	98,821,472.00
- AL	60,208,316.55	36,364,322.00
	161,402,898.63	135,185,794.00
<u>Movement</u>		
<u>- EFRLDC</u>		
Beginning of financial year	98,821,472.00	97,132,677.00
Share of Profit for the year	2,373,110.08	1,688,795.00
End of financial year	101,194,582.08	98,821,472.00
<u>- AL</u>		
Beginning of financial year	36,364,322.00	-
Share Contribution	-	40,000,000.00
Share of Profit for the year	23,843,994.55	(3,635,678.00)
End of financial year	60,208,316.55	36,364,322.00

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NOTES TO THE FINANCIAL STATEMENT

	2020-2021	2019-2020
	Kyats	Kyats
NOTE 9.0 CURRENT LIABILITIES		
NOTE 9.1 ACCOUNT PAYABLE	2,462,213,177.11	983,599,073.00
<u>Trade Payable</u>		
- Non related parties	2,462,213,177.11	983,599,073.00
	2,462,213,177.11	983,599,073.00
NOTE 9.2 OTHER PAYABLE	3,697,663,934.24	2,002,033,038.00
<u>Other Payables</u>		
- Due to Directors	-	4,656,753.00
- Non-related Parties	1,193,907,389.37	205,710,389.00
<u>Tax Provisions</u>		
- Income Tax	866,059,718.59	219,962,451.00
- Commercial Tax	243,287,562.15	629,472,253.00
- Capital Gain Tax	148,182,518.83	148,182,519.00
Advance Received	980,739,779.35	619,642,212.00
Accruals	265,486,965.96	174,406,461.00
	3,697,663,934.24	2,002,033,038.00

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NOTES TO THE FINANCIAL STATEMENT

NOTE: 10.0 REVENUE

No	Description	Amount	
		2020-2021	2019-2020
1	Sale of Goods (Note - 10.1)	8,199,281,858.38	6,358,618,834.00
2	Rendering of Services - Logistics Services (Note - 10.2)	14,295,784,084.31	5,342,971,745.00
3	Rendering of Services - Inspection Services (Note - 10.3)	876,096,876.30	1,130,913,016.00
4	Other (Not - 16.0)	85,895,638.78	-
		23,457,058,457.77	12,832,503,595.00

NOTE: 10.1 SALE OF GOODS

No	Description	Amount (Kyat)	
		2020-2021	2019-2020
1	Rice Roller	164,373,333.32	255,317,143.00
2	Air Conditioner	627,079,927.06	3,030,020,468.00
3	Rubber	7,407,828,598.00	3,073,281,223.00
	Total Revenue	8,199,281,858.38	6,358,618,834.00

NOTE: 10.2 RENDERING OF SERVICES - LOGISTICS SERVICES

No	Description	Amount	
		2020-2021	2019-2020
1	Commission Income	1,130,433,823.76	233,544,077.00
2	Freight Forwarding Income	12,797,388,151.98	2,436,460,017.00
3	Others	367,962,108.56	2,672,967,651.00
		14,295,784,084.31	5,342,971,745.00

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NOTES TO THE FINANCIAL STATEMENT

NOTE: 10.0 REVENUE

NOTE: 10.3 RENDERING OF SERVICES - INSPECTION SERVICES

No	Description	Amount	
		2020-2021	2019-2020
1	Inspection	876,096,876.30	1,126,937,006.00
2	Others	-	3,976,010.00
		876,096,876.30	1,130,913,016.00

NOTE: 11.0 OTHER INCOME

No	Description	Amount	
		2020-2021	2019-2020
1	Interest Income		
	- Bank Deposits	8,899,161.04	7,043,833.00
2	Service Income		
	- Logistics	-	343,651,596.00
	- Trading	122,827,982.56	-
3	Others	-	784,001.00
		131,727,143.60	351,479,430.00

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NOTES TO THE FINANCIAL STATEMENT

NOTE:12.0 TOTAL COST OF SERVICES

No	Description	Amount	
		2020-2021	2019-2020
	<u>Cost of Services</u>		
1	- Logistics Services (Note - 12.1)	11,579,445,271.09	3,910,287,361.00
2	- Inspection Services (Note - 12.2)	657,004,743.75	690,046,303.00
		12,236,450,014.84	4,600,333,664.00

NOTE: 12.0 COST OF SALES - TRADING

No	Description	Amount	
		2020-2021	2019-2020
1	Opening Inventory	447,954,165.53	577,159,026.00
2	<u>Purchase</u>		
	- Rice Roller	72,455,276.88	5,962,531,424.00
	- Air Conditioner	250,612,456.71	
	- Rubber	7,378,769,248.00	
3	Closing Inventory	(74,817,200.49)	(447,954,165.00)
4	<u>Direct Expense of Cost of Sales</u>		
	- Warehouse and Handling Cost	13,552,540.50	-
	- Sales Disount	9,806,737.57	-
		8,098,333,224.70	6,091,736,285.00

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NOTES TO THE FINANCIAL STATEMENT

NOTE: 12.1 COST OF SERVICES - LOGISTICS SERVICES

No	Description	Amount	
		2020-2021	2019-2020
1	Detention Charges	475,851,853.19	322,162,734.00
2	Freight Cost	10,637,757,301.34	2,715,260,303.00
3	Handling fees	1,397,904.00	(9,175,586.00)
4	Others	113,490,653.90	119,916,196.00
5	Project Cost	21,993,800.00	36,489,500.00
6	Repair and Maintenance	294,098.36	1,887,447.00
7	RO fees	90,165.50	142,172,187.00
8	Transportation Charges	186,130,720.89	371,474,289.00
9	Trucking Charges	41,572,200.00	27,589,137.00
10	Warehouse Cost	100,866,573.91	182,511,154.00
		11,579,445,271.09	3,910,287,361.00

NOTE: 12.2 COST OF SERVICES - INSPECTION SERVICES

No	Description	Amount	
		2020-2021	2019-2020
1	Direct Expenses	24,320,704.57	(133,989,749.00)
2	Operation Cost	42,619,219.01	37,649,292.00
3	Inspector Salary	511,765,951.73	755,711,660.00
4	Others	78,298,868.44	30,675,100.00
		657,004,743.75	690,046,303.00

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NOTES TO THE FINANCIAL STATEMENT

NOTE: 13.0 STAFF EXPENSES

No	Description	Amount	
		2020-2021	2019-2020
1	Wages and Salaries	1,432,951,281.43	1,336,465,771.00
2	Other short-term benefits	-	150,276,630.00
		1,432,951,281.43	1,486,742,401.00

NOTE: 14.0 ADMINISTRATIVE EXPENSES

No	Description	Amount	
		2020-2021	2019-2020
1	Advertising	1,659,041.70	1,050,850.00
2	Bad Debt	-	47,457,615.00
3	Commercial Tax expenses	32,610,127.86	(4,227,850.00)
4	Insurance premium	17,444,002.35	38,834,146.00
5	License & Registration fees	15,753,988.13	34,100,863.00
7	Loss from Disposal of PPE	(33,042.33)	190,233.00
8	Office expenses	114,594,097.34	14,972,355.00
9	Other expense	(208,543,496.47)	71,936,875.00
10	Present, Donation and Entertainment	27,609,496.94	56,922,575.00
11	Professional fees	85,364,801.00	166,626,320.00
12	Realized Exchange (gain) / loss	(30,576,243.34)	113,461,248.00
15	Rental cost	199,768,817.06	218,972,159.00
16	Repair and Maintenance	44,555,171.58	62,544,315.00
17	Travelling expenses	77,890,462.74	146,917,025.00
18	Utilities, Electricity and Communication	55,764,194.77	111,844,081.00
19	Write Off PPE	-	5,710,044.00
		433,861,419.33	1,087,312,854.00

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AUDITED FINANCIAL STATEMENTS

For the financial year ended 2020-2021

NOTES TO THE FINANCIAL STATEMENT

NOTE: 15.0 INCOME TAX EXPENSES

No	Description	Amount	
		2020-2021	2019-2020
1	Current Income Tax	354,824,292.17	59,469,627.00
2	(Over) / Under provision for previous financial year	(10,840,513.29)	(8,546,311.00)
3	Tax Penalty	1,087,407.00	9,178,554.00
		345,071,185.88	60,101,870.00

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 AUDITED FINANCIAL STATEMENTS

For the financial year ended 2020-2021

NOTES TO THE FINANCIAL STATEMENT

NOTE 16.0 Related Party Transactions

	2020-2021 Kyats	2019-2020 Kyats
(a) Sales and purchases of goods and services		
Sales of goods and services to		
- associated companies	85,895,638.78	60,000,000.00
- other related parties	-	-
	<u>85,895,638.78</u>	<u>60,000,000.00</u>
Purchases of goods and services from		
- associated companies	-	-
- other related parties	-	-
	<u>-</u>	<u>-</u>
Management fees paid to other related parties	<u>-</u>	<u>-</u>
(b) Key management personnel allowance		
Salaries and benefits	<u>335,936,333.00</u>	<u>356,464,128.00</u>

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AUDITED FINANCIAL STATEMENTS

For the financial year ended 2020-2021

NOTES TO THE FINANCIAL STATEMENT

NOTE 17.0 Comparative Figures - subsidiaries of the Group

	2020-2021	2020-2021	2019-2020	2019-2020
	Kyats	Kyats	Kyats	Kyats
	<u>Revenue</u>	<u>Profit / (Loss) for the year</u>	<u>Revenue</u>	<u>Profit / (Loss) for the year</u>
EFR G Link	7,021,585,834.93	453,260,023.04	2,361,465,754.00	5,764,829.00
MRTW	3,453,330,933.37	254,788,387.62	1,027,630,915.00	(125,184,391.00)
UC	1,982,492,176.16	176,907,236.56	950,258,027.00	(18,023,886.00)
GSASL	1,315,550,998.56	292,967,921.27	813,343,499.00	118,947,667.00
A Log	1,440,909,783.81	59,609,986.37	130,273,550.00	(9,089,196.00)
EFR LDC	536,451,578.11	48,198,777.81	-	22,668,397.00
EFR TRADING	8,199,281,858.38	(216,281,613.46)	6,358,618,834.00	37,594,409.00
ECHO	876,096,876.30	(91,264,222.00)	1,130,913,016.00	(52,660,475.00)
MES	-	(109,916,958.35)	-	(162,553,151.00)
	<u>24,825,700,039.63</u>	<u>868,269,538.85</u>	<u>12,772,503,595.00</u>	<u>(182,535,797.00)</u>

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AUDITED FINANCIAL STATEMENTS

For the financial year ended 2020-2021

NOTES TO THE FINANCIAL STATEMENT

NOTE 18.0 Segment Information

	2020-2021 Kyats	2019-2020 Kyats
(a) Segment revenue, cost of revenue and gross profit		
<u>Segment revenue</u>		
Sales of Goods	8,199,281,858.38	6,358,618,834.00
Logistics	15,750,321,304.95	5,342,971,745.00
Inspection	876,096,876.30	1,130,913,016.00
Other	198,000,000.00	192,000,000.00
Total segment revenue	<u>25,023,700,039.63</u>	<u>13,024,503,595.00</u>
Intersegment elimination		
- Management Fees	(112,104,361.22)	(192,000,000.00)
- Related Party Transactions	(1,454,537,220.64)	-
Segment revenue - non-related parties	<u>23,457,058,457.77</u>	<u>12,832,503,595.00</u>
<u>Segment cost of revenue</u>		
Sales of Goods	(8,098,333,224.70)	(6,091,736,285.00)
Logistics	(13,033,982,491.73)	(3,910,287,361.00)
Inspection	(657,004,743.75)	(690,046,303.00)
Other	-	-
Total segment cost of revenue	<u>(21,789,320,460.18)</u>	<u>(10,692,069,949.00)</u>
Intersegment elimination		
- Related Party Transactions	1,454,537,220.64	-
Segment cost of revenue - non-related parties	<u>(20,334,783,239.54)</u>	<u>(10,692,069,949.00)</u>

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AUDITED FINANCIAL STATEMENTS

For the financial year ended 2020-2021

NOTES TO THE FINANCIAL STATEMENT

NOTE 18.0 Segment Information

	2020-2021 Kyats	2019-2020 Kyats
<u>Segment gross profit</u>		
Sales of Goods	223,776,616.24	266,882,549.00
Logistics	2,720,802,795.13	1,432,684,384.00
Inspection	219,092,132.55	440,866,713.00
Other	202,435,179.14	192,000,000.00
Total segment gross profit	<u>3,366,106,723.06</u>	<u>2,332,433,646.00</u>
Intersegment elimination	(112,104,361.22)	(192,000,000.00)
Segment gross profit - non-related parties	<u>3,254,002,361.84</u>	<u>2,140,433,646.00</u>
(b) Segment assets		
Sales of Goods	2,232,010,545.81	2,215,552,905.00
Logistics	11,581,658,488.40	7,710,275,975.00
Inspection	559,360,331.94	595,661,616.00
Other	8,907,883,278.73	8,263,648,430.00
Total segment assets	<u>23,280,912,644.88</u>	<u>18,785,138,926.00</u>
Intersegment elimination	(890,028,194.31)	(482,474,216.00)
Goodwill	25,192,689.00	25,192,689.00
Total assets as per statement of financial position	<u>22,416,077,139.57</u>	<u>18,327,857,399.00</u>

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**AUDITED FINANCIAL STATEMENTS***For the financial year ended 2020-2021***NOTES TO THE FINANCIAL STATEMENT****NOTE 18.0 Segment Information**

	2020-2021	2019-2020
	Kyats	Kyats
(c) Segment liabilities		
Sales of Goods	1,275,849,167.24	1,587,556,143.00
Logistics	4,866,432,398.37	962,374,687.00
Inspection	615,684,049.86	560,721,113.00
Other	291,939,690.19	279,454,384.00
Total segment assets	<u>7,049,905,305.66</u>	<u>3,390,106,327.00</u>
Intersegment elimination	(890,028,194.31)	(404,474,216.00)
Total assets as per statement of financial position	<u>6,159,877,111.35</u>	<u>2,985,632,111.00</u>

**EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES AND ITS ASSOCIATES
PROPERTY, PLANT & EQUIPMENT AND DEPRECIATION SCHEDULE FOR THE YEAR ENDED 2020-2021**

Method - Straight Line Method

Schedule (1)

No	Particulars	Original Cost				Total Value	Depreciation				Book value 30.9.2021	
		Original Value	Additional 2020-2021	Disposal 2020-2021	Foreign Currency Translation		Up to 1.10.2020	For the Year 2020-2021	Disposal 2020-2021	Foreign Currency Translation		Up to 30.9.2021
1	Office Equipment	98,533,587.51	4,690,285.00	-	6,665,153.46	109,889,025.97	49,822,241.25	17,991,106.13	-	2,950,859.01	70,764,206.39	39,124,819.58
2	Furniture & Fittings	49,651,532.75	5,079,500.00	167,210.00	5,734,315.30	60,298,138.05	21,865,199.94	9,028,370.02	109,652.33	4,449,011.01	35,232,928.63	25,065,209.42
3	Computer & Accessories	110,372,608.78	16,070,047.00	318,000.00	14,274,106.86	140,398,762.65	34,671,884.07	17,639,913.75	63,600.00	5,030,423.83	57,278,621.64	83,120,141.00
4	Motor Vehicle	340,110,600.74	21,680,000.00	-	7,708,446.48	369,499,047.21	74,191,843.82	42,911,156.63	-	3,146,742.41	120,249,742.85	249,249,304.36
5	Machinery	134,385,142.61	-	-	-	134,385,142.61	87,515,500.25	26,877,028.52	-	-	114,392,528.78	19,992,613.84
6	Office Renovation	153,320,903.05	-	-	-	153,320,903.05	52,771,268.03	30,664,180.61	-	-	83,435,448.64	69,885,454.41
	TOTAL	886,374,375.45	47,519,832.00	485,210.00	34,382,022.10	967,791,019.55	320,837,937.36	145,111,755.66	173,252.33	15,577,036.26	481,353,476.94	486,437,542.61

" CERTIFICATE FOR EXISTENCE OF NON- CURRENT ASSETS "

We do hereby certify that the above non current assets are owned by the Company and purchase of non current assets have to be approved by Board of Director as at September 30, 2021. Details list of non current assets have been produced and Rate of Depreciation are adopted in accordance with Board of Director resolution's rates Details of non current assets have been maintained and produced.

Managing Director

Director



Ever Flow River Group Public Company Limited.

Director
Ever Flow River Group Public Company Limited.

EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES AND ITS ASSOCIATES
 INTANGIBLE ASSETS AND AMORTISATION SCHEDULE FOR THE YEAR ENDED 2020-2021

Method - Straight Line Method

Schedule (2)

No	Particulars	Original Cost			Total Value	Depreciation			Book value 30.9.2021	
		Original Value	Additional 2020 2021	Foreign Currency Translation		Up to 1.10.2020	For the Year 2020-2021	Foreign Currency Translation		Up to 30.9.2021
1	<u>Intangible Assets</u> Software	14,214,369.03	15,664,540.45	3,649,740.00	33,528,649.47	2,723,318.72	2,530,186.33	510,308.32	5,763,813.38	27,764,836.10
		14,214,369.03	15,664,540.45	3,649,740.00	33,528,649.47	2,723,318.72	2,530,186.33	510,308.32	5,763,813.38	27,764,836.10

" CERTIFICATE FOR EXISTENCE OF INTANGIBLE ASSETS "

We do hereby certify that the above intangible assets are owned by the Company and purchase of intangible assets have to be approved by Board of Director as at September 30, 2021. Details list of intangible have been produced and Rate of Amortisation are adopted in accordance with Board of

Director resolution's rates. Details of intangible assets have been maintained and produced.

.....
 Managing Director

.....
 Director

Ever Flow River Group Public Company Limited.

Ever Flow River Group Public Company Limited.



