Aftab Automobiles Limited

2nd Quarter (Half-yearly) Report

2017-2018

Dear Shareholders,

We are pleased to forward herewith the un-audited Consolidated Statement of Profit or Loss and other Comprehensive Income for the 2nd Quarter (Half-yearly) ended December 31,2017. Consolidated Statement of Financial Position as at December 31,2017. Consolidated statement of cash flows , Consolidated statement of Changes in Equity and consolidated notes to the financial statements of the company for the period ended on that date.

Sd/-
Chairman

Dated, Dhaka.
January 30, 2018

Aftab Automobiles Limited and its Subsidiary

Un-Audited consolidated Statement of Profit or Loss and other Comprehensive Income

For the 2nd Quarter ended December 31, 2017

(Amount in "000" Tk.)

Particulars	Notes	July ' 2017 to December' 2017	July ' 2016 to December' 2016	3-Months ended 1/10/17 to 31/12/17	3-Months ended 1/10/16 to 31/12/16
Revenues		**2,451,606**	**1,814,072**	**1,203,304**	**893,571**
Less : Cost of sales	**3**	1,948,181	1,379,467	1,025,254	686,421
Gross profit		**503,425**	**434,605**	**178,050**	**207,150**
Less: Operating expenses		**282,197**	**249,190**	**120,099**	**136,263**
Administrative expenses		50,008	49,803	21,068	26,865
Selling and distribution expenses		62,137	59,967	28,836	34,781
Financial charges		170,052	139,420	70,195	74,617
Operating profit		**221,228**	**185,415**	**57,951**	**70,887**
Add : Other income		1,065	2,040	573	713
Profit before contribution to WPPF		**222,293**	**187,455**	**58,524**	**71,600**
Less : Contribution to WPPF		10,585	8,926	2,787	3,410
Net profit before tax		**211,708**	**178,529**	**55,738**	**68,190**
Add : Share of profit from associate company		19,557	7,666	19,557	7,666
Profit before tax		**231,265**	**186,195**	**75,294**	**75,856**
Less : Provision for Income tax		**(69,982)**	**(50,543)**	**(14,975)**	**(20,399)**
Current tax		(62,873)	(48,292)	(22,303)	(16,818)
Deferred tax		(7,109)	(2,251)	7,328	(3,581)
Net income for the Period		**161,283**	**135,652**	**60,320**	**55,457**
Other comprehensive Income for the year :					
Investment Valuation surplus in share		**(493)**	**2,534**	**275**	**2,563**
Revaluation Gain/(Loss) on investment in share		(548)	2,815	306	2,330
Deferred tax		55	(282)	(31)	233
Total comprehensive income for the Period		**160,790**	**138,185**	**60,595**	**58,020**
Consolidated earnings per share		**1.68**	**1.42**	**0.63**	**0.58**

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
Chairman	**Managing Director**	**Director**	**C F O**	**Company Secretary**

Aftab Automobiles Limited and its Subsidiary

Un-Audited consolidated Statement of Financial Position

As at December 31, 2017

	Notes	Amount in '000' Tk 31/12/17	30/06/17
Assets :			
Non-current assets			
Property, plant and equipment	4	1,965,633	1,742,323
Capital work-in-progress	5	95,635	289,002
Investments		38,044	38,592
Investments in associate		321,563	297,117
Receivables -Non-Current Maturity	6	1,987,426	2,041,737
Total non-current assets		**4,408,301**	**4,408,771**
Current assets			
Receivables -Current Maturity	6	1,837,236	1,647,745
Stock and stores	7	1,918,549	2,131,144
Current account with Navana Group Companies		1,010,690	1,066,437
Advances, deposits and prepayments	8	2,531,032	2,158,585
Cash and bank balances	9	572,790	481,144
Total current assets :		**7,870,297**	**7,485,055**
Total Assets		**12,278,598**	**11,893,826**
Equity and Liabilities :			
Capital & reserve			
Share capital		957,324	957,324
Share premium		1,925,858	1,925,858
Reserve		67,338	67,338
Retained earnings		2,795,191	2,722,946
Equity attributable to equity holders		**5,745,711**	**5,673,466**
Non-controlling interest		**411**	**395**
Total equity		**5,746,122**	**5,673,861**
Non-current liabilities			
Loan and deferred liabilities (unsecured)		25,310	25,310
Long Term loan-Net of current maturity	10	2,375,190	2,020,724
Deferred tax liability	11	133,538	121,595
Total non-current liabilities		**2,534,038**	**2,167,629**
Current liabilities :			
Long Term loan-Current maturity	10	791,730	673,575
Short-term loan	12	2,160,726	2,265,616
Accrued and other current liabilities	13	1,045,982	1,113,145
Total current liabilities :		**3,998,438**	**4,052,336**
Total liabilities		**6,532,476**	**6,219,965**
Total Equity and Liabilities		**12,278,598**	**11,893,826**
Consolidated net assets value per share (NAVPS)		**60.02**	**59.26**

Sd/- **Chairman** | **Sd/-** **Managing Director** | **Sd/-** **Director** | **Sd/-** **C F O** | **Sd/-** **Company Secretary**

AMARSTOCK

Aftab Automobiles Limited and its Subsidiary

Un-audited consolidated Statement of Cash Flows

For the 2nd Quarter ended December 31, 2017

(Amount in "000" Tk.)

Particulars	July ' 2017 to December' 2017	July ' 2016 to December' 2016
A. Cash flows from operating activities		
Receipts from customers	2,316,426	1,715,592
Receipts as other income	1,065	2,040
Payments to suppliers and employees	(2,121,111)	(1,536,497)
Cash generated from operations	**196,380**	**181,135**
Income tax paid	(83,257)	(90,894)
Net cash generated by operating activities	**113,123**	**90,241**
B. Cash flows from investing activities		
Acquisition of property, plant & equipment	(35,317)	(232,873)
Capital work in progress	(39,563)	(135,020)
Inter company transaction	(55,747)	-
Net cash used investing activities	**(130,627)**	**(367,893)**
C. Cash flows from financing activities		
Received of bank loan	367,731	47,877
Financial charges paid	(170,052)	(139,420)
Dividend paid	(88,529)	(82,952)
Net cash used in financing activities	**109,150**	**(174,495)**
D. Net changes in cash & cash equivalents for the period (A+B+C)	**91,646**	**(452,147)**
E. Cash & cash equivalents at beginning of the period	481,144	932,642
F. Cash & cash equivalents at end of the period (D+E)	**572,790**	**480,495**
Consolidated net operating cash flows per share (NOCFPS)	**1.18**	**0.94**

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
C F O

Sd/-
Company Secretary

AMARSTOCK

Aftab Automobiles Limited and its Subsidiary

Un-audited consolidated Statement of Changes in Equity

For the 2nd Quarter ended December 31, 2017

(Amount in "000" Tk.)

Purticulars	Share capital	Share premium	Reserves	Retained earnings	Attributable to equity holders of the company	Non-controlling interest	Total
Balance as on July 01, 2016	**957,324**	**1,925,858**	**67,338**	**2,417,698**	**5,368,218**	**352**	**5,368,570**
Cash Dividend paid	-	-	-	(102,786)	(102,786)	-	**(102,786)**
Comprehensive income for the period		-	-	138,465	138,465	2	**138,467**
Balance at December 31, 2016	**957,324**	**1,925,858**	**67,338**	**2,453,377**	**5,403,897**	**354**	**5,404,251**
Balance as on July 01, 2017	**957,324**	**1,925,858**	**67,338**	**2,722,946**	**5,673,466**	**395**	**5,673,861**
Cash Dividend paid	-	-	-	(88,529)	(88,529)	-	**(88,529)**
Comprehensive income for the period		-	-	160,774	160,774	16	**160,790**
Balance at December 31, 2017	**957,324**	**1,925,858**	**67,338**	**2,795,191**	**5,745,711**	**411**	**5,746,122**

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
C F O

Sd/-
Company Secretary

AMARSTOCK

Aftab Automobiles Limited and its Subsidiary

Consolidated notes to the Financial Statements

As at and for the 2nd Quarter ended December 31, 2017

1. Corporate Information and Mode of Business

Aftab Automobiles Limited (the company), was incorporated in Bangladesh in 1967 as a Private Limited Company. In 1981 the company registered itself as a Public Limited Company which is one of the largest automobile assembling plants in the private sector. The Registered Office of the Company is located at 125/A, Motijheel Commercial Area,Dhaka-1000. The Company was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in the year 1987 and 1996 respectively.

The principal activities of the Company throughout the period were assembling of Toyota Land Cruiser soft top / Pick-up, Land Cruiser Prado, Hino Bus, Hino Mini Bus / Truck Chassis with a production Capacity of 2400 units of vehicles in 3 shifts in Assembling Unit.At present the plant is running single shift .The Company has recently setup a Motor Cycle Unit with a capacity of 10,000 units of Motor Cycle per year. Sales of Motor Cycle shall be start in the year 2013-2014. The Company has one subsidiary company namely Navana Batteries Ltd, that produce and market Batteries .

2 . Significant Accounting Policies and basis of preparation of the financial statements

2.1 . Statement of Compliance

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS)- 34 Interim Financial Reporting Standards

2.3 . Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirement of BAS 1- “Presentation of Financial Statements”.

2.4. Reporting Period

These financial statements cover 2nd Quarter of accounting year of the company for the period from July 01, 2017 to December 31, 2017

Amount in '000' Tk

3. Cost of sales

	July ' 2017 to December' 2017	July ' 2016 to December' 2016
Materials	1,839,140	1,281,222
Factory Overhead	64,104	58,391
Depreciation	44,937	39,854
	1,948,181	**1,379,467**

AMAR STOCK

	Amount in '000' Tk	
	31/12/17	**30/06/17**
4 Property, plant and equipment, net		
Opening Balance	**1,742,323**	**1,265,524**
Add : Addition for the Period	35,317	491,035
Add : Transferred from Capital W-I-P	232,930	73,862
	2,010,570	**1,830,421**
Less : Depreciation	44,937	88,098
Closing Balance	**1,965,633**	**1,742,323**
5 Capital work-in-progress		
Opening balance	**289,002**	**103,416**
Add : Addition during the Period	39,563	369,419
	328,565	472,835
Less: Transfer to property, plant & equipment	232,930	183,833
Closing balance	**95,635**	**289,002**
6 Receivables		
Receivables -Non-Current Maturity	1,987,426	2,041,737
Receivables -Current Maturity	1,837,236	1,647,745
	3,824,662	**3,689,482**
7 Stock and stores		
Finished products	1,114,658	1,393,323
Raw materials	357,421	385,463
Work-in-process	92,057	77,094
Stores and spares	20,541	2,046
Goods in transit	333,872	273,218
	1,918,549	**2,131,144**
8 Advances, deposits and prepayments		
Advance to suppliers	752,032	638,320
Advance to employees	40,812	34,954
Deposits for motor Cycle Unit	69,476	69,476
Advance to others	235,913	119,198
Current Account with VAT	114,819	81,263
Deposits	352,961	333,612
Advance Income tax (note-8.1)	965,019	881,762
	2,531,032	**2,158,585**
8.1 Advance Income tax		
Opening balance	**881,762**	**662,760**
Add : Addition during the Period	**83,257**	219,002
	965,019	881,762
Less : Adjustment made during the period	-	-
Closing Balance	**965,019**	**881,762**
9 Cash and bank balances		
Cash in hand	**45,065**	**27,954**
Cash at bank :		
Current & STD Accounts	419,492	344,228
FDR AC	108,233	108,962
	572,790	**481,144**

AMARSTOCK

		Amount in '000' Tk	
		31/12/17	30/06/17
10	**Long Term loan-Net of current portion**		
	Agrani Bank Ltd.	309,365	309,656
	Meghna bank Ltd AC 631-4	86,952	92,255
	South-bangla Agricultural & commerce Ltd.	73,552	78,668
	Standard bank ltd.	99,610	94,628
	Mutual trust bank ltd.	146,274	137,679
	Bank Asia Ltd.	160,654	153,057
	City bank Ltd.STL	216,667	105,453
	Uttara Finance & investment Ltd.	97,960	37,023
	Prime bank Ltd. HP loan	79,600	107,667
	Midland Bank Ltd.	50,405	53,345
	Peoples Leasing & Financial services Ltd.	79,716	109,325
	Mercantile bank Ltd. Term loan	134,272	85,864
	One Bank Ltd. Lease Loan	388,113	149,696
	Al-Arafah Islami Bank Ltd.	18,112	30,344
	Trust Bank Ltd.	388,510	357,037
	Dutch-Bangla Bank Ltd	188,426	103,065
	NCC Bank Ltd TL AC	164,092	126,117
	Bay Leasing and investment Ltd.	90,703	97,454
	GSP Finance co.(Bd) Ltd.	166,456	191,949
	Midas financing Ltd.	34,839	39,962
	Union Capital Ltd.	134,981	150,912
	Modhumoti bank Ltd.	7,022	83,143
	Brac Bank Ltd.	50,639	-
		3,166,920	**2,694,299**
	less: Long Term loan-Current portion	**791,730**	**673,575**
	Long Term loan-Net of current portion	**2,375,190**	**2,020,724**
11	**Deferred tax liability**		
	Opening Balance	**121,595**	**107,293**
	Add : Addition for the Period	7,054	12,386
	Add : For Associate Company	4,889	1,916
	Closing Balance	**133,538**	**121,595**
12	**Short-term loan**		
	Bank Asia Ltd.SOD A/C	463,206	493,993
	Standard Bank Ltd CC A/C	41,277	40,849
	NRB Commercial Ltd. OD A/C	212,978	210,979
	NCC Bank Ltd CC A/C	50,765	66,560
	Dhaka Bank Ltd.OD A/C	54,082	51,084
	Mercantile Bank Ltd CC A/C	55,755	73,124
	The City Bank Ltd OD A/C	30,767	30,632
	Midland Bank Ltd. OD A/C	20,640	21,238
	Prime bank Ltd. SOD A/C	51,426	49,706
	SBAC Bank Ltd. CC A/C	32,148	31,108
	Mutual trust bank ltd.CC A/C	53,756	51,554
	Southeast Bank Ltd. CC A/C	294,769	335,271
	Modhumoti Bank Ltd. CC A/C	82,642	122,227
	Dutch-Bangla Bank Ltd. SOD A/C	599,909	600,956
	Al-Arafah Islami Bank Ltd. CC A/C	60,043	33,171
	Social Islami Bank Ltd. CC A/C	56,563	53,164
		2,160,726	**2,265,616**
13	**Accrued and other current liabilities**		
	For goods supplied	71,396	73,348
	For expenses	104,292	101,171
	For Income tax	670,645	733,518
	For gratuity	47,657	45,157
	For Workers' P.P.F. and W.F.	62,632	52,047
	For other finance	39,671	57,632
	Unclaimed dividend	49,688	50,271
		1,045,982	**1,113,144**

AMARSTOCK