Bangladesh Building Systems Limited

Un-Audited Statement of Financial Position

As at December 31, 2016

	Notes	Amount in BDT	
		31-Dec-16	30-Jun-16
ASSETS			
Non-current assets		**1,244,074,417**	**1,154,699,094**
Property, plant and equipment	3	770,985,093	797,784,094
Leased assets	4	148,870,900	156,405,463
Capital Work in Progress		94,051,932	-
Intangible asset	5	484,060	509,537
Investment in Associate company	9	229,682,432	200,000,000
Current assets		**1,852,343,369**	**1,945,331,230**
Inventories		784,721,627	754,687,980
Advances, deposits and prepayments		221,351,804	434,306,852
Trade & other receivables		822,277,753	676,186,091
Cash and cash equivalents	6	23,992,185	80,150,306
TOTAL ASSETS		**3,096,417,786**	**3,100,030,324**
EQUITY AND LIABILITIES			
Shareholders' equity		**1,715,948,623**	**1,555,821,515**
Share capital		1,165,824,000	1,059,840,000
Retained earnings		550,124,623	495,981,515
Total equity		**1,715,948,623**	**1,555,821,515**
Non-current liabilities		**310,806,839**	**237,842,161**
Long term loan	7	62,923,001	22,125,000
Lease obligation	8	127,686,680	105,509,093
Deferred tax liability		120,197,158	110,208,068
Current liabilities		**1,069,662,324**	**1,306,366,648**
Accounts and other payables		23,115,729	52,882,707
Accruals and provisions		205,774,755	381,911,494
Short term loan	11	806,414,491	819,702,747
Current portion of long term loan	7	10,500,000	7,875,000
Current portion of lease obligation	8	23,857,350	43,994,700
TOTAL EQUITY AND LIABILITIES		**3,096,417,786**	**3,100,030,324**
Number of share used to calculate NAV		**116,582,400**	**116,582,400**
Net asset value per share		**14.72**	**13.35**

for and on behalf of the Board of Directors of Bangladesh Building Systems Ltd.

Chairman **Director** **Managing Director**

Chief Financial Officer **Company Secretary**

Bangladesh Bridging Systems Ltd. Banani Dhaka

Dated, Dhaka;
29 January, 2017

AMARSTOCK

Bangladesh Building Systems Limited

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

For the period ended December 31, 2016

Particulars	Notes	Amount in BDT		Amount in BDT	
		01/07/2016 to 31/12/2016 (06 Months)	01/07/2015 to 31/12/2015 (06 Months)	01/10/2016 to 31/12/2016 (03 Months)	01/10/2015 to 31/12/2015 (03 Months)
Revenue		1,190,145,330	1,163,677,309	562,885,798	589,986,052
Cost of goods sold		(886,255,550)	(870,243,871)	(428,356,092)	(441,840,554)
Gross profit		**303,889,780**	**293,433,438**	**134,529,706**	**148,145,498**
Operating expenses		**(54,877,195)**	**(61,438,357)**	**(20,880,468)**	**(21,272,186)**
Administrative expenses		(46,312,206)	(50,364,451)	(18,733,355)	(15,597,534)
Selling and distribution expenses		(8,564,989)	(11,073,906)	(2,147,113)	(5,674,652)
Other operating income		-	-	-	-
Profit from operation		**249,012,585**	**231,995,081**	**113,649,238**	**126,873,312**
Finance income		562,640	408,935	485,780	305,657
Finance cost	14	(52,967,952)	(44,256,807)	(27,459,039)	(23,023,882)
Net profit from operation		**196,607,273**	**188,147,209**	**86,675,979**	**104,155,087**
Provision for workers' profit participation fund		(9,362,252)	(8,959,391)	(4,127,428)	(4,959,766)
Share of profit of associate		29,682,432	-	16,423,309	-
Profit before tax		**216,927,453**	**179,187,818**	**98,971,860**	**99,195,321**
Income tax expenses	12	(56,800,345)	(51,191,337)	(25,948,101)	(28,326,296)
Net profit after tax		**160,127,108**	**127,996,481**	**73,023,758**	**70,869,025**
Other comprehensive income		-	-	-	-
Total comprehensive income		**160,127,108**	**127,996,481**	**73,023,758**	**70,869,025**
Number of share used to calculate EPS		**116,582,400**	**116,582,400**	**116,582,400**	**116,582,400**
Earning per share for the Period (Re-stated)	13	**1.37**	**1.10**	**0.63**	**0.61**

for and on behalf of the Board of Directors of Bangladesh Building Systems Ltd.

Chairman **Director** **Managing Director**

Chief Financial Officer **Company Secretary**

Dated, Dhaka:
29 January, 2017

Bangladesh Building Systems Ltd. Banani Dhaka

Bangladesh Building Systems Limited
Un- Audited Statement of Changes in Equity
For the period ended December 31, 2016

Amount in BDT

Particulars	Share capital	Retained earnings	Total
Balance as at 01.07.2015	883,200,000	422,515,748	1,305,715,748
Issuance of bonus shares	176,640,000	(176,640,000)	-
Net profit after tax	-	250,105,767	250,105,767
Balance as at 30.06.2016	**1,059,840,000**	**495,981,515**	**1,555,821,515**
Balance as at 01.07.2016	1,059,840,000	495,981,515	1,555,821,515
Issuance of bonus shares	105,984,000	(105,984,000)	-
Net profit after tax	-	160,127,108	160,127,108
Share of profit from associate company	-	-	-
Balance as at 31.12.2016	**1,165,824,000**	**550,124,623**	**1,715,948,623**

for and on behalf of the Board of Directors of Bangladesh Building Systems Ltd.

Chairman **Director** **Managing Director**

Chief Financial Officer **Company Secretary**

Dated, Dhaka;
29 January, 2017

Bangladesh Building Systems Ltd. Banani Dhaka

Bangladesh Building Systems Limited

Un-Audited Statement of Cash Flows

For the period ended December 31, 2016

	Amount in BDT	
	01/07/2016 to 31/12/2016 (06 Months)	01/07/2015 to 31/12/2015 (06 Months)
Cash flows from operating activities		
Collections from customers	1,044,616,308	1,062,865,426
Payments for operating costs & other expenses	(979,378,330)	(977,373,557)
Income Tax Paid and/or deducted at sources	(30,008,298)	(44,567,584)
Net cash generated from operating activities	**35,229,680**	**40,924,285**
Cash flows from investing activities		
Acquisitions of property, plant and equipment	-	(49,282,352)
Capital work in progress	(94,051,932)	-
Net cash used in investing activities	**(94,051,932)**	**(49,282,352)**
Cash flows from financing activities		
Loan against finance lease	-	63,945,740
Borrowings from/(Repayment) banks/financial institutions	43,423,001	-
Borrowings from/(Repayment) of Short Term Loan	(13,288,256)	(17,294,831)
Payment from IPO Proceeds		-
Payment of cash dividend	(11,575)	(9,500)
Finance cost paid	(27,459,039)	(44,256,807)
Net cash provided by financing activities	**2,664,131**	**2,384,602**
Net changes in cash and cash equivalents	(56,158,121)	(5,973,465)
Cash and cash equivalents at the beginning of the period	80,150,306	47,917,438
Cash and cash equivalents at the end of the period	**23,992,185**	**41,943,973**
Number of share used to calculate NOCFPS	**116,582,400**	**116,582,400**
Operating cash flow per share	**0.30**	**0.35**

for and on behalf of the Board of Directors of Bangladesh Building Systems Ltd.

Chairman **Director** **Managing Director**

Chief Financial Officer **Company Secretary**

Dated, Dhaka
29 January, 2017

Bangladesh Building Systems Ltd. Banani Dhaka

AMAR STOCK

Bangladesh Building Systems Ltd.
Notes to the Interim Financial Statements
for the period ended 31 December, 2016

1.00 Reporting Entity

The Company was incorporated in 19 July, 2003 as a 'Private' Company limited by shares and registered with the Registrar of Joint Stock Companies & Firms of Bangladesh under the Companies Act, 1994. It has started its commercial production in the year 2005. On 30 October, 2010 the Company registered itself as a Public Limited Company under the Companies Act, 1994. The Company is listed with both Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) at 03 October, 2013 and 30 September, 2013 respectively and trading of the share of the Company has been started from 08 October, 2013.

The registered office of the Company is located at Factory premises, Janina Bazar, Dhaka Mymensingh Highway, Telehate, Sreepur, Gazipur. and Corporate Office is situated at Ga/64, Middle Badda, Progati Swarani, Dhaka-1212 and the Investors Relation Department is situated at House# 09(6th Floor), Road#04, Block#F, Banani, Dhaka-1213.

The principal activities of the Company throughout the year continued to be manufacturing and marketing of Pre-Engineered Steel Building (PEB) in Bangladesh to meet-up the growing demand especially in the industrial sector.

Bangladesh Building System Ltd. (BBSL) always eager for managing and seeking expertise and obtaining state of art technology to provide engineering solutions with world class quality and best customer services. It holds two world class quality certifications like "ISO 9001-2000" and "UKAS 018" from international organizations. Usually, BBSL deals with pre-engineered steel buildings like factories, warehouses, hall rooms, workshops, aircraft hangers, office buildings, commercial showrooms, distribution centers, supermarkets, restaurants and residential buildings as well.

2.00 Basis of Preparation of the interim Financial Statements:

These financial statements are the un-audited interim financial statements (here after 'the interim financial statements') of Bangladesh Building Systems Ltd., Companies incorporated in Bangladesh under the Companies Act, 1994 for the 2nd quarter ended on 31 December, 2016 & Half Yearly (here after 'the interim period'). They are prepared in accordance with the Bangladesh Accounting Standard (BAS-34) 'Interim Financial Reporting'. These financial statements should read in conjunction with the Annual Financial Statements as of 30 June, 2016, as they provided an update of previously reported information.

The accounting policies and presentation used are consistent with those used in the Annual Financials, except where noted below. Where necessary, the comparative figures have been reclassified or extended from the previously reported Interim Financial Statements to take into account any presentational change made in the Annual Financial Statements or in these Interim Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the Interim Financial Statement. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

The company operates in industries where significant seasonal or cyclical variations in total sales are not experienced during the reporting period.

The management has decided that the depreciation on PPE is recognized in compliance with BAS-16, para-55 onward.

The company has no reportable operating segments as per IFRS-8

There is no significant event after the end of the interim period that has to be reflected in the financial statements for the interim period.

The financial statements have been prepared in compliance with the requirement of the Companies ACT 1994, Securities and Exchange Ordinance 1969, Securities and Exchange Rules 1987, Listing Regulations of Dhaka and Chittagong Stock Exchange and other relevant local laws as applicable.

	Amount in BDT	
	31-12-2016	30-06-2016
3.00 Property, Plant & Equipment: Tk.770,985,093		
Cost		
Balance as on	1,141,126,926	1,114,907,956
Add: Addition during the period	-	26,218,970
Balance as on 31 December	1,141,126,926	1,141,126,926

Bangladesh Building Systems Ltd. Banani Dhaka

Depreciation:		
Balance as on	343,342,832	285,384,400
Add: Addition during the period	26,799,001	57,958,432
Balance as on 31 December	370,141,833	343,342,832
Written down value as on 31 December	770,985,093	797,784,094

4.00 Leased Assets : Tk.148,870,900

Cost		
Balance as on	171,752,926	171,752,926
Add: Addition during the period	-	-
Balance as on 31 December	171,752,926	171,752,926
Depreciation:		
Balance as on	15,347,463	2,723,537
Add: Addition during the period	7,534,563	12,623,926
Balance as on 31 December	22,882,026	15,347,463
Written down value as on 31 December	148,870,900	156,405,463

5.00 Intangible Assets: Tk.484,060

Cost		
Balance as on	770,620	770,620
Add: Addition during the period	-	-
Balance as on 31 December	770,620	770,620
Amortization:		
Balance as on	261,083	204,468
Add: Addition during the period	25,477	56,615
Balance as on 31 December	286,560	261,083
Written down value as on 31 December	484,060	509,537

The cost incurred for the purpose of Intangible assets includes IT software which is used to maintain Company's accounts. It also includes Share Management Software and Website.

6.00 Cash & Cash Equivalents: Tk. 23,992,185

Cash in hand:	2,316,815	4,144,031
Balances with Bank:	21,675,370	76,006,275
Term Deposits (FDR)	6,835,652	6,584,228
Short Term Deposit (STD)	9,483,041	64,081,712
Current & Collection Accounts	593,909	597,284
IPO Deposits Accounts	4,762,768	4,743,051
Total	23,992,185	80,150,306

7.00 Long Term Loan: Tk. 62,923,001

Term Loan UCBL	73,423,001	30,000,000
	73,423,001	30,000,000
Less: Current Maturity of Long Term	10,500,000	7,875,000
	62,923,001	22,125,000

Bangladesh Building Systems Ltd. Banani Dhaka

8.00 Lease Obligations: Tk. 127,686,681

Lease Obligations from UCBL	150,186,825	147,739,348
Term Loan-IDLC	359,315	577,565
Term Loan-IIDFC	997,891	1,186,880
	151,544,031	**149,503,793**
Less: Current Maturity of Lease Obligation	**23,857,350**	43,994,700
Lease Loan-UCBL	23,329,200	42,938,400
Term Loan-IDLC	259,740	519,480
Term Loan-IIDFC	268,410	536,820
Total	**127,686,681**	**105,509,093**

9.00 Investment in Associate Company:

Opening balance	200,000,000	200,000,000
Share of net profit after tax of associate	29,682,432	-
Total	**229,682,432**	**200,000,000**

The company's investment in associates(BBSL has 20% equity interest in BBS Cables Ltd. i.e 20,000,000 Ordinary Shares of Tk. 10 each.) is accounted for the Financial Statements using the Equity Method in accordance with BAS 28: 'Investment in Associates & Joint Ventures'. Significant influence over an investee (associate) is presumed to exist in accordance with BAS 28.5-28.9. Investment in an associate is initially recognized at cost, 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. The investor's share of investee's profit or loss is recognized in the investor's profit or loss. Adjustment after the date of acquisition to the carrying amount has been made for changes in the investor's proportionate interest in the investee. The investor's share of those changes is recognized in other comprehensive income of the investor.

10.00 Provision for tax: Tk. 146,247,586

Opening balance	338,602,322	250,611,096
Provision for the period	46,811,255	87,991,226
	385,413,577	**338,602,322**
AIT adjustment	(239,165,992)	-
Total	**146,247,586**	**338,602,322**

As per our Tax Status up to the current perid with Tax Authority, The Management has decided to adjust Tk. 239,165,992.00 with provision for tax and also advance tax paid.

11.00 Short Term Loan: Tk. 806,414,489

UCBL-Import Loan	208,149,133	249,730,598
OD-Work Order	66,492,536	47,991,415
Deferred Acceptance-UCBL	78,022,612	70,533,024
CC-Hypo-Ucbl	153,750,208	151,447,710
Union Capital Ltd.	200,000,000	200,000,000
IIDFC	100,000,000	100,000,000
Total	**806,414,489**	**819,702,747**

Bangladesh Bridging Systems Ltd. Banani Dhaka

	Amount in BDT	
	31-12-2016	31-12-2015
12.00 Income Tax Expenses: Tk. 56,800,345		
Current tax expenses (Note - 28.1)	46,811,255	44,796,954
Deferred tax (Asset)	4,052,604	6,394,383
Deferred tax (Associate Income @ 20%)	5,936,486	
	56,800,345	**51,191,337**

13.00 Earnings per Share(EPS)- Basic: Tk.1.37

The Computation of EPS is given below:

Profit Before Tax	216,927,453	179,187,818
Income Tax Expenses	(56,800,345)	(51,191,337)
Total	**160,127,108**	**127,996,481**
Total number of Shares outstanding/weighted average for the period	116,582,400	116,582,400
Adjusted/ Basic Earnings per Share(per value Tk. 10)	1.37	1.10

In line with BSEC Notification (No.BSEC/CMRRCD/2009-193/188/Admin/69, dated: 07 September, 2015. Half yearly Earnings per Share (EPS) has stood Tk. 1.37 for the period ended 31st December, 2016 against Tk. 1.10 for the period ended 31 December, 2015. Because we have added associate net profit (net off tax) of Tk. 29,682,432.00 (BBS Cables Half yearly profit(net off tax) Tk. 148,412,161.00 @ 20% equity investment of BBSL.) for the period ended 31 December, 2016.

14.00 Finance Cost: Tk. 52,967,951

Overdraft Interest		725,097
Hypo Loan Interest	8,337,468	8,382,217
Import Loan Interest	8,813,031	22,527,817
Term Loan Interest	3,854,493	822,082
OD Work Order Interest	3,207,438	1,628,600
Interest on Union Capital Loan	12,199,630	-
Interest on HDFC Loan	5,688,395	83,092
Time Loan	2,016,515	1,457,471
Bill Negotiation Interest & Charges (LBPD)	-	172,455
Bank Commission, Lease Interest & Charges	8,850,981	8,457,976
	52,967,951	**44,256,807**

15.00 Net Operating Cash Flows per Share (NOCFPS): Tk. 0.30

The Computation of NOCFPS is given below:

Net Cash Generated from Operating Activities	35,229,680	40,924,285
Weighted avearge number of Shares Outstandi	116,582,400	116,582,400
	0.30	**0.35**

Bangladesh Bridding Systems Ltd. Banani Dhaka

16.00 Related Party Transaction:

As per the Paragraph 17 of BAS 24: Related Party Disclosures": The Executive compensation received by 05 Directors name in Engr. Md. Abu Noman Howlader, Engr. Hasan Morshed Chowdhury, Engr. Mohammad Badrul Hassan, Engr. Mohammad Ruhul Majid & Md. Ashraf Ali Khan as a Managing Director, Director Engineering, Director Sales, Director Implementation & Director Administration are working in the Company respectively and break-up of the Directors salaries during the period (01-07-2016 to 31-12-2016) are as follows:

Name	Designation	Salary	Bonus	Total
Engr. Md. Abu Noman Howlader	Managing Director	2,760,000	460,000	3,220,000
Engr. Hasan Morshed Chowdhury	Director- Engineering	2,430,000	405,000	2,835,000
Engr. Mohammad Badrul Hassan	Director- Sales	2,430,000	405,000	2,835,000
Engr. Mohammad Ruhul Majid	Director- Implementation	2,430,000	405,000	2,835,000
Md. Ashraf Ali Khan	Director- Administration	2,100,000	350,000	2,450,000
Total		**12,150,000**	**2,025,000**	**14,175,000**

The Company has also paid the remuneration to the Independent Directors during the Period as follows:

Name	Designation	Remuneration	Bonus	Total
A.S.M Ali Kabir	Independent Director	360,000	-	360,000
Md. Anowar Hossain	Independent Director	360,000	-	360,000
Total		**720,000**		**720,000**

The Company has entered into transactions with other entities as related party as follow:

Name of Company	Relationship	Nature of Transaction	Amount
BBS Cables Ltd.	Associate Company	Product Sale	150,000,000

Chairman | Director | Managing Director

Chief Financial Officer | Company Secretary

Dated: Dhaka
29 December, 2016

Bangladesh Bridging Systems Ltd. Banani Dhaka