KDS Accessories Ltd.

BANGLADESH | CHINA | HONG KONG | UK

Financial Statements (Un-audited)
As at and for the period ended 31 December 2016

AMARSTOCK

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BUREAU VERITAS Certification

1 stop trims & packaging solutions

KDS ACCESSORIES LIMITED

Statement of Financial Position

As at 31 December 2016

		31 Dec 2016	30 June 2016
		Taka	Taka
ASSETS			
Non-current Assets			
Property, plant and equipment		1,181,226,134	1,100,247,638
Intangible assets		2,306,614	2,603,560
Capital work-in-progress		143,278,451	191,195,601
Investment in associate		25,294,936	24,498,060
Other investment		4,526,722	4,504,950
Total Non-current Assets		**1,356,632,856**	**1,323,049,809**
Current Assets			
Inventories		458,545,362	372,552,778
Trade receivables		854,653,131	718,558,677
Other receivables		1,424,908	1,314,796
Advances, deposits and prepayments		78,826,382	66,330,297
Due from affiliated company		-	25,299,855
Short term investment		8,239,705	8,045,037
Cash and cash equivalents		4,771,531	14,017,276
Total Current Assets		**1,406,461,019**	**1,206,118,716**
Total Assets	Taka:	**2,763,093,876**	**2,529,168,525**
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital		572,000,000	520,000,000
Share premium		120,000,000	120,000,000
Revaluation reserve		214,391,703	214,391,703
Retained earnings		440,476,482	445,214,773
Total Shareholders' Equity		**1,346,868,185**	**1,299,606,476**
Non-current Liabilities			
Long term borrowings		66,620,266	99,081,534
Lease finance		1,048,867	1,622,770
Defined benefit obligation- gratuity		53,995,656	49,199,971
Deferred tax liability		31,914,088	30,890,702
Total Non-current Liabilities		**153,578,876**	**180,794,977**
Current Liabilities			
Trade and other payables		494,456,572	363,068,522
Current portion of long term borrowings		68,048,972	77,809,882
Current portion of lease finance		7,984,992	2,698,524
Current tax liability		48,191,941	40,923,876
Due to affiliated company		187,006,602	191,197,758
Short term bank loan		400,737,514	323,293,548
Provision for WPPF and Welfare Fund		56,220,221	49,774,962
Total Current Liabilities		**1,262,646,814**	**1,048,767,072**
Total Equity and Liabilities	Taka:	**2,763,093,876**	**2,529,168,525**
Net Assets Value Per Share		**23.55**	**24.99**

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KDS ACCESSORIES LIMITED

Statement of Profit or Loss and Other Comprehensive Income

For the period from 01 July 2016 to 31 December 2016

	Note(s)	Half Yearly Results		Quarterly Results	
		01 Jul 2016 to 31 Dec 2016	01 Jul 2015 to 31 Dec 2015	01 Oct 2016 to 31 Dec 2016	01 Oct 2015 to 31 Dec 2015
		Taka	Taka	Taka	Taka
Revenue		772,447,810	812,827,587	428,305,201	460,759,741
Cost of goods sold		(596,976,009)	(637,893,538)	(328,471,911)	(367,699,669)
Gross Profit		**175,471,801**	**174,934,049**	**99,833,290**	**93,060,072**
Operating expenses		(41,866,733)	(48,965,692)	(22,031,445)	(23,313,495)
Selling and distribution expenses		(16,730,262)	(13,319,318)	(7,593,835)	(8,571,930)
Operating Profit		**116,874,807**	**112,649,039**	**70,208,011**	**61,174,646**
Financial expenses		(39,445,559)	(50,682,512)	(17,358,087)	(22,539,218)
Profit before Other Income		**77,429,248**	**61,966,527**	**52,849,924**	**38,635,428**
Other income		13,041,024	12,621,741	10,348,040	12,289,545
Income from associates		796,876	671,199	462,254	569,118
Profit before Income Tax and distribution of WPPF and WF		**91,267,148**	**75,259,467**	**63,660,219**	**51,494,091**
Workers' Profit Participation and Welfare Fund		(4,563,357)	(3,762,973)	(3,183,011)	(2,574,705)
Profit before Income Tax		**86,703,791**	**71,496,494**	**60,477,208**	**48,919,386**
Provision for income tax:					
-Current tax		(12,418,696)	(10,659,356)	(9,005,847)	(8,646,976)
-Deferred tax		(1,023,386)	(985,062	(276,803)	1,888,869
Profit after Income Tax		**73,261,709**	**61,822,200**	**51,194,558**	**42,161,279**
Other Comprehensive Income					
Items that will never be reclassified to profit or loss		-	-	-	-
Items that are or may be reclassified to profit or loss		-	-	-	-
Other Comprehensive Income - net of tax		-	-	-	-
Total Comprehensive Income	Taka:	**73,261,709**	**61,822,200**	**51,194,558**	**42,161,279**
Earnings Per Share (EPS)-Restated		**1.28**	**1.08**	**0.90**	**0.74**
No. of Shares used to compute EPS		**57,200,000**	**57,200,000**	**57,200,000**	**57,200,000**

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KDS ACCESSORIES LIMITED

Statement of Changes in Equity

For the period from 01 July 2016 to 31 December 2016

Amount in Taka

Particulars		Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
Balance as on 01 July 2015		400,000,000	-	214,391,703	322,587,097	936,978,800
Ordinary share issued through Initial Public Offering		120,000,000	-	-	-	120,000,000
Share premium		-	120,000,000	-	-	120,000,000
Net Profit after tax for the period		-	-	-	61,822,200	61,822,200
Balance as at 31 December 2015	**Taka:**	**520,000,000**	**120,000,000**	**214,391,703**	**384,409,296**	**1,238,800,999**
Balance as on 01 July 2016		520,000,000	120,000,000	214,391,703	445,214,773	1,299,606,476
Bonus share for the year 2015		52,000,000	-	-	(52,000,000)	-
Cash dividend for the year 2015		-	-	-	(26,000,000)	(26,000,000)
Net Profit after tax for the period		-	-	-	73,261,709	73,261,709
Balance as at 31 December 2016	**Taka:**	**572,000,000**	**120,000,000**	**214,391,703**	**440,476,482**	**1,346,868,185**

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KDS ACCESSORIES LIMITED

Statement of Cash Flows

For the period from 01 July 2016 to 31 December 2016

	01 July 2016 to 31 Dec 2016 Taka	01 July 2015 to 31 Dec 2015 Taka
A. Cash flows from operating activities		
Cash received from customers	634,353,356	831,064,094
Cash received from other sources	12,930,912	14,145,030
Cash paid to suppliers	(543,261,614)	(946,336,019)
Cash paid for operating expenses	(29,752,175)	(65,713,029)
Cash paid for financial expenses	(39,445,559)	(50,682,512)
Income tax paid	(10,571,686)	(21,448,937)
Net cash inflow/(outflow) from operating activities	**24,253,235**	**(238,971,373)**
B. Cash flows from investing activities		
Acquisition of property, plant and equipment	(68,337,938)	(44,232,007)
Addition to intangible assets	(162,400)	(350,000)
Investment	(216,440)	(239,270)
Short term loan (paid to)/ received from affiliated companies	25,299,855	(14,567,686)
Net cash inflow/(outflow) from investing activities	**(43,416,923)**	**(59,388,963)**
C. Cash flows from financing activities		
Receipt / (repayment)of long term borrowings	(42,222,178)	(1,351,646)
Receipt / (repayment) of lease finance	4,712,565	480,485
Receipt / (repayment) of short term borrowings	77,443,966	87,408,894
Share Issued through IPO	-	120,000,000
Share premium	-	120,000,000
Share money deposit	-	245,424,794
Dividend paid	(25,825,253)	-
Loan receipt from affiliated companies	(4,191,156)	(4,166,622)
Net cash inflow/(outflow) from financing activities	**9,917,944**	**567,795,905**
D. Net increase of cash and cash equivalents for the period (A+B+C)	(9,245,744)	269,435,569
E. Cash and cash equivalents at the beginning of the period	14,017,276	8,496,397
F. Cash and cash equivalents at the end of the period (D+E)	**4,771,531**	**277,931,967**
Net operating cash flow per share	**0.42**	**(4.60)**

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KDS ACCESSORIES LIMITED

Notes to the Interim Financial Statements

For the period from 01 July 2016 to 31 December 2016

1 Legal Form of Company

KDS Accessories Limited was incorporated on 21 April 1991 as a private limited company by shares (Registration no- C-H-C-862/154 of 1991) under Companies Act 1913 (since replaced and substituted by the Companies Act 1994) with the Registrar of Joint Stock Companies & Firms. The company was converted from Private Limited Company to Public Limited Company through an Extra-Ordinary General Meeting held on 17 April 2012 and was subsequently approved by RJSC on 26 November 2012. The Company commenced its commercial production on 01 July 1991. Its Registered Office is located at 255, Nasirabad I/A, Chittagong and factory & corporate office is located at 191-192 Baizid Bostami Road, Nasirabad I/A, Chittagong and the Company established its 2nd unit at Mirzapur, Gazipur at Dhaka in the year 2009.

The company refixed the face value of its shares from Tk 100 to Tk 10 each and enhanced its Authorized Share Capital from Tk 200,000,000 to Tk 2,000,000,000 with approval of the shareholders through an Extra-Ordinary General Meeting held on 10 August 2010.

2 Nature of Business

The principal activities of the Company are producing different types of standard cartons & display cartons, woven & smart labels , offset, silk screen, web, thermal printing, button and cold peel, hot peel, puff, glitter, image & sublimation transfers and marketing thereof.

3 Reporting

The half yearly financial report has been prepared based on Bangladesh Accounting Standard (BAS) - 34 "Interim Financial Reporting". This interim financial statements should be read in conjunction with the audited financial statement for the year ended 30 June 2016, as they provide an update to previously reported information.

4 Accounting policies and method of computations

The accounting policies and presentation used are consistent with those used in the Audited Financial Statements for the period ended 30 June 2016.

5 Earnings Per Share

Earnings Per Share (EPS) has been calculated based on weighted average number of shares outstanding for the period ended 31 December 2016 and profit for the same period .The weighted average number of shares outstanding for the period was 5,72,00,000 and restated for the same period of last year accordingly.

6 Subsequent events

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of this financial statement to make proper evaluation and decision.

7 GENERAL

7.1 Wherever considered necessary, prior period's figures and phrases have been re-arranged to conform to this period's

7.2 The amounts in these financial statements have been rounded off to the nearest Taka.

7.3 Bracket figures denotes negative balance.

KDS ACCESSORIES LTD Bangladesh