KDS Accessories Ltd.

BANGLADESH | CHINA | HONG KONG | UK

Financial Statements (Un-audited)
As at and for the period ended 30 September 2017

AMARSTOCK

CHITTAGONG OFFICE : 191-192 BAIZID BOSTAMI ROAD, NASIRABAD I/A, CHITTAGONG 4210, BANGLADESH
T + 880 31 681701-3, 685207 - 9 F + 880 31 682137

DHAKA OFFICE : ROAD 4, HOUSE 63, BLOCK C, BANANI, DHAKA 1213, BANGLADESH
T + 880 2 9821665, 9821667 F + 880 2 9821682

E ACCESSORIES@KDSGROUP.NET W KDSACCESSORIES.COM

BUREAU VERITAS Certification

1 stop trims & packaging solutions

KDS ACCESSORIES LIMITED
Statement of Financial Position
As at 30 September 2017

	30 Sep 2017 Taka	30 June 2017 Taka
ASSETS		
Non-current Assets		
Property, plant and equipment	1,308,060,237	1,295,466,955
Intangible assets	2,446,203	2,726,992
Capital work-in-progress	92,020,309	88,327,777
Investment in associate	48,345,215	48,297,694
Other investment	4,713,519	4,713,519
Total Non-current Assets	**1,455,585,483**	**1,439,532,938**
Current Assets		
Inventories	453,346,694	455,064,873
Trade receivables	838,297,105	845,978,918
Other receivables	2,582,236	2,125,996
Advances, deposits and prepayments	88,115,502	82,639,393
Due from affiliated companies	248,258,093	205,826,629
Short term investment	8,570,493	8,443,638
Cash and cash equivalents	3,311,832	5,609,269
Total Current Assets	**1,642,481,955**	**1,605,688,716**
Total Assets	**3,098,067,438**	**3,045,221,653**
EQUITY AND LIABILITIES		
Shareholders' Equity		
Share capital	572,000,000	572,000,000
Share premium	120,000,000	120,000,000
Revaluation reserve	214,391,703	214,391,703
Retained earnings	535,616,479	512,354,021
Total Shareholders' Equity	**1,442,008,182**	**1,418,745,724**
Non-current Liabilities		
Long term borrowings	163,743,669	178,540,034
Defined benefit obligation- gratuity	62,945,111	59,715,197
Deferred tax liability	40,479,136	40,424,331
Total Non-current Liabilities	**267,167,916**	**278,679,562**
Current Liabilities		
Trade and other payables	557,539,228	532,569,135
Current portion of long term borrowings	95,091,232	103,185,860
Current portion of lease finance	408,889	646,529
Current tax liability	34,709,799	32,093,217
Short term bank loan	637,191,469	617,937,369
Provision for WPPF and Welfare Fund	63,950,724	61,364,257
Total Current Liabilities	**1,388,891,341**	**1,347,796,367**
Total Equity and Liabilities	**3,098,067,438**	**3,045,221,653**
Net Assets Value Per Share	**25.21**	**24.80**

Chairman | Managing Director | Director | CFO | Company Secretary

SMARSTOCK

KDS ACCESSORIES LIMITED

Statement of Profit or Loss and Other Comprehensive Income

For the period from 01 July 2017 to 30 September 2017

	01 July 2017 to 30 Sep 2017 Taka	01 July 2016 to 30 Sep 2016 Taka
Revenue	406,438,334	344,142,609
Cost of goods sold	(321,817,873)	(268,504,098)
Gross Profit	**84,620,461**	**75,638,511**
Operating expenses	(25,443,040)	(19,835,288)
Selling and distribution expenses	(10,812,652)	(9,136,427)
Operating Profit	**48,364,769**	**46,666,796**
Finance cost	(21,107,450)	(22,087,472)
Finance income	1,022,891	2,243,584
Profit before Other Income	**28,280,211**	**26,822,908**
Other income	390,000	449,400
Income from associates	47,521	334,622
Profit before Income Tax and distribution of WPPF and Welfare Fund	**28,717,732**	**27,606,930**
Workers' Profit Participation and Welfare Fund	(1,435,887)	(1,380,346)
Profit before Income Tax	**27,281,845**	**26,226,584**
Provision for income tax:		
-Current tax	(3,964,582)	(3,412,849)
-Deferred tax	(54,805)	(746,583)
Profit after Income Tax	**23,262,458**	**22,067,152**
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	**23,262,458**	**22,067,152**
Earnings Per Share (Basic)	**0.41**	**0.39**

Chairman | Managing Director | Director | CFO | Company Secretary

KDS ACCESSORIES LIMITED

Statement of Changes in Equity

For the period from 01 July 2017 to 30 September 2017

Amount in Taka

Particulars	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
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 year	-	-	-	22,067,152	22,067,152
Balance as at 30 September 2016	**572,000,000**	**120,000,000**	**214,391,703**	**389,281,925**	**1,295,673,628**
Balance as on 01 July 2017	572,000,000	120,000,000	214,391,703	512,354,021	1,418,745,724
Net Profit after tax for the year	-	-	-	23,262,458	23,262,458
Balance as at 30 September 2017	**572,000,000**	**120,000,000**	**214,391,703**	**535,616,479**	**1,442,008,182**

Chairman | Managing Director | Director | CFO | Company Secretary

AMARSTOCK

KDS ACCESSORIES LIMITED

Statement of Cash Flows

For the period from 01 July 2017 to 30 September 2017

	01 July 2017 to 30 Sep 2017 Taka	01 July 2016 to 30 Sep 2016 Taka
A. Cash flows from operating activities		
Received from customers	414,120,147	266,540,860
Received from other sources	956,651	3,142,384
Paid to suppliers	(296,029,321)	(260,617,509)
Paid for operating expenses	(13,290,805)	(14,885,913)
Interest paid (net)	(21,107,450)	(22,087,472)
Income Tax Paid	(1,348,000)	(2,757,703)
Net cash inflow/(outflow) from operating activities	**83,301,223**	**(30,665,353)**
B. Cash flows from investing activities		
Acquisition of property, plant and equipment	(39,165,808)	(28,544,253)
Addition to intangible assets	-	(162,400)
Investments	(126,855)	13,645
Net cash inflow/(outflow) from investing activities	**(39,292,663)**	**(28,693,008)**
C. Cash flows from financing activities		
Dividend Paid	-	(7,475,577)
Receipt / (Repayment)of long term loans	(22,890,993)	(19,540,097)
Receipt / (Repayment) of lease finance	(237,640)	6,837,418
Receipt / (Repayment) of short term borrowings	19,254,100	104,722,820
Short term loan (paid to)/ received from affiliated companies	(42,431,464)	(16,347,817)
Net cash inflow/(outflow) from financing activities	**(46,305,997)**	**68,196,747**
D. Net increase of cash and cash equivalents (A+B+C)	(2,297,437)	8,838,385
E. Cash and cash equivalents at the beginning of the year	5,609,269	14,017,276
F. Cash and cash equivalents at the end of the year (D+E)	**3,311,832**	**22,855,659**
Net operating cash flows per share	**1.46**	**(0.54)**

Chairman | Managing Director | Director | CFO | Company Secretary

KDS ACCESSORIES LIMITED

Notes to the Interim Financial Statements

For the period from 01 July 2017 to 30 September 2017

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 quarterly 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 2017, 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 2017.

5 Earnings Per Share

Earnings Per Share (EPS) has been calculated based on the number of shares outstanding for the period ended 30 September 2017 and profit for the same period .

6 Subsequent events

The Board of Directors had recommended 10% cash and 5% stock dividend for the year ended 30 June 2017 which was approved by the shareholders in the AGM held on 31 October 2017 except this no other 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 Impairment of assets

With reference to the paragraph 9 of BAS-36, there was no such indication of impairment observed relating to capital-work-in-progress till the end of the 1st quarter ended on 30 september 2017.

8 Deferred tax liability

Deferred tax liability of Tk- 4,04,79,136 arises on the difference between the carrying value of property, plant and equipment and intangible assets as per financial statements and tax written down value for Tk- 4,42,48,777 and financial position liability method for gratuity obligation for Tk- (78,68,139) and on revalued assets of the associates investee for Tk- 40,98,498 .

9 GENERAL

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

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

9.3 Bracket figures denotes negative balance.

KDS ACCESSORIES LTD Bangladesh