Linde Bangladesh Limited

3rd Quarter 2017

Financial Statements as at and for the nine months ended 30 September 2017 (Unaudited)

AMAR STOCK

Linde Bangladesh Limited (Formerly BOC Bangladesh Limited)
Corporate Office
285 Tejgaon Industrial Area

Telephone PABX +880.2.8870322-7
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Linde Bangladesh Limited

Statement of financial position (Unaudited)
As at 30 September 2017

	Note	30 September 2017 '000 Taka	31 December 2016 '000 Taka
Assets			
Property, plant and equipment	2	3,164,216	2,543,935
Intangible assets	3	19,712	26,412
Investment in subsidiaries	4	40	40
Advances, deposits and prepayments	5	88,170	74,390
Non-current assets		3,272,138	2,644,777
Inventories	6	886,194	728,622
Trade and other receivables	7	521,823	487,824
Advances, deposits and prepayments	5	199,529	217,181
Investment	8	10,299	10,299
Cash and cash equivalents	9	722,560	1,391,203
Current assets		2,340,405	2,835,129
Total assets		5,612,543	5,479,906
Equity			
Share capital		152,183	152,183
General reserve/ Retained Earnings		3,191,824	3,032,750
Total equity		3,344,007	3,184,933
Liabilities			
Employee benefits	10	168,942	139,007
Deferred tax liabilities	11	239,819	115,776
Other non-current liabilities	12	228,119	215,861
Non-current liabilities		636,880	470,644
Trade and other payables	13	1,547,633	1,469,690
Provision for expenses	14	124,531	136,055
Current tax liabilities	15	(40,508)	218,584
Current liabilities		1,631,656	1,824,329
Total liabilities		2,268,536	2,294,973
Total equity and liabilities		5,612,543	5,479,906

The annexed notes 1 to 17 form an integral part of these financial statements.

Chairman | Managing Director | Director | Chief Financial Officer & Company Secretary

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Statement of profit or loss and other comprehensive income (Unaudited)
For nine months ended 30 September 2017

	Note	January to 30-Sep 2017 '000 Taka	January to 30-Sep 2016 '000 Taka	July to 30-Sep 2017 '000 Taka	July to 30-Sep 2016 '000 Taka
Revenue		3,496,919	3,064,149	1,140,569	912,414
Cost of sales		(1,896,774)	(1,628,001)	(646,405)	(518,701)
Gross profit		1,600,145	1,436,148	494,164	393,713
Other income/(loss)		(16,573)	(12,397)	(7,828)	(5,364)
Operating expenses		(709,821)	(550,562)	(217,064)	(190,512)
Profit from operations		873,751	873,189	269,272	197,837
Net finance income		12,011	13,672	4,526	4,715
Profit before WPPF Provision		885,762	886,861	273,798	202,552
Provision for WPPF		(44,320)	(44,343)	(13,722)	(10,128)
Profit before tax		841,442	842,518	260,077	192,424
Income tax expenses	17	(220,516)	(211,570)	(69,299)	(46,702)
Profit		620,926	630,948	190,777	145,722
Other comprehensive income/(loss)		9,915	(13,223)	-	831
Total comprehensive income for the period		630,841	617,725	190,777	146,553
Earnings per share:					
Basic and diluted earnings per share (par value Tk 10) in Taka		40.80	41.46	12.54	9.58

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Statement of changes in equity (Unaudited)
For nine months ended 30 September 2017

	Share Capital '000 Taka	Revaluation Reserve '000 Taka	General Reserve/ Retained Earnings '000 Taka	Total Equity '000 Taka
Balance as at 1 January 2017	152,183	-	3,032,750	3,184,933
payment of final dividend for 2016			(167,401)	(167,401)
Interim Dividend for 2017			(304,366)	(304,366)
Profit for the period	-	-	620,926	620,926
Recognised during the period	-	-	9,915	9,915
Balance as at 30 September 2017	152,183	-	3,191,824	3,344,007
Balance as at 1 January 2016	152,183	20,174	2,613,207	2,785,564
payment of final dividend for 2015			(167,401)	(167,401)
Interim Dividend for 2016			(304,366)	(304,366)
Profit for the period	-	-	630,948	630,948
Recognised during the period	-	-	(13,223)	(13,223)
Balance as at 30 September 2016	152,183	20,174	2,759,165	2,931,522

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Linde Bangladesh Limited

Statement of cash flow (Unaudited)
For the nine months ended 30 September 2017

	Note	30-Sep 2017 '000 Taka	30-Sep 2016 '000 Taka
Cash flow from operating activities			
Cash receipts from customers		3,487,895	3,089,796
Cash paid to suppliers and employees		(2,475,328)	(2,192,927)
Cash generated from operating activities		1,012,567	896,869
Income tax paid		(358,870)	(156,882)
Net cash from operating activities		653,697	739,987
Cash flow from investing activities			
Payment for acquisition of property, plant and equipment		(871,804)	(523,293)
Payment for acquisition of intangible assets		-	(728)
Proceeds from sale of property, plant and equipment		1,176	664,479
Investment matured in fixed deposit receipts		-	50,000
Interest received		13,578	10,845
Net cash used in investing activities		(857,050)	201,303
Cash flow from financing activities			
Dividend paid		(465,290)	(465,290)
Net cash used in financing activities		(465,290)	(465,290)
Net (decrease)/increase in cash and cash equivalents		(668,643)	476,000
Cash and cash equivalents as at 1 January		1,391,203	785,167
Cash and cash equivalents as at 30 September		722,560	1,261,167

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Linde Bangladesh Limited
Notes to the Accounts as at and for the nine months ended 30 September 2017 (Unaudited)

1. Selected explanatory note:

Linde Bangladesh Limited (the "Company") is a listed Company limited by shares and was incorporated in Bangladesh in 1973 under the Companies Act 1913. The Company became a listed entity in the year 1976 & 1996 in Dhaka Stock Exchange and Chittagong Stock Exchange respectively. The address of the registered office is 285 Tejgaon I/A, Dhaka 1208, Bangladesh. It is a direct subsidiary of The BOC Group Limited of United Kingdom. The entire shares of the BOC Group Limited is fully owned by Linde AG, a German Company.

The Company's principal activities are the manufacturing and supplying of industrial and medical gases, welding equipment and products, anesthesia and ancillary equipments. The Company also earns rentals from cylinders used by the customers and from vacuum insulated evaporators installed at customers premises.

	As at 30 September 2017 '000 Taka	As at 31 December 2016 '000 Taka
2. Property plant and equipment		
Opening balance	2,543,935	1,914,405
Addition during the quarter/period	771,848	1,010,581
Disposal during the quarter/period	(235)	(179,188)
Depreciation during the quarter/period	(151,332)	(201,863)
	3,164,216	2,543,935
3. Intangible assets		
Opening balance	26,412	34,618
Addition during the quarter/period	-	1,456
Disposal during the quarter/period	-	(728)
Depreciation during the quarter/period	(6,700)	(8,934)
	19,712	26,412

Intangible assets represent application software related to information services. Application software have been recognised as intangible assets as per provisions of Bangladesh Accounting Standard 38. Intangible assets are amortised on a straight line basis over the estimated useful lives. ERP software is amortised @ 12.5% & other software is amortised @ 25%.

4. Investment in subsidiaries		
Bangladesh Oxygen Limited	20	20
BOC Bangladesh Limited	20	20
	40	40

This represents the Company's holding of 199 ordinary shares (out of 200 issued ordinary shares) of Tk 100 each in Bangladesh Oxygen Limited and 1999 ordinary shares (out of 2000 issued ordinary shares) of Tk 10 each in BOC Bangladesh Limited. The above noted subsidiaries suffered net loss amounted to Tk 55,000 each for the year ended 31 December 2016.

5. Advances, deposits and prepayments		
Loans and advances to employees	62,375	60,385
Advances to suppliers	3,219	4,737
Deposits and prepayments	114,449	103,936
VAT current account	107,656	120,589
Advances to Rajbari Enterprise	-	1,914
	287,699	291,561
Non-current	88,170	74,390
Current	199,529	217,181
	287,699	291,571

Above amounts are unsecured, but considered good.

		As at 30 September 2017 '000 Taka	As at 31 December 2016 '000 Taka
6.	**Inventories**		
	Raw materials	538,982	406,290
	Finished goods	246,326	229,380
	Goods in transit	-	26,245
	Maintenance spares	164,470	158,108
	Provision for inventory obsolescence	(63,584)	(91,401)
		886,194	728,622

In view of innumerable items of inventory and diversified units of measurement, it is not feasible to disclose quantities against each item.

7.	**Trade and other receivables**		
	Trade receivables	432,739	402,976
	Inter company receivable	49,413	46,639
	Interest receivable	2,282	3,849
	Other receivables	37,389	34,360
		521,823	487,824
8.	**Investment**		
	Investment in fixed deposit receipts	10,299	10,299
9.	**Cash and cash equivalents**		
	Cash in hand	2,580	3,025
	Cash at bank	138,322	421,835
	Fixed deposits with banks	581,658	966,343
		722,560	1,391,203
10.	**Employee benefits**		
	Gratuity scheme	126,530	134,254
	Other employee benefits	42,412	4,753
		168,942	139,007
11.	**Deferred Tax**		
	At 1 January	115,776	133,561
	Charge/(Release) during the quarter	120,738	(14,480)
	Deferred tax on other comprehensive income/(loss)	3,305	(3,305)
		239,819	115,776
12.	**Other non-current liabilities**		
	Cylinder security deposit	228,119	215,861

Cylinder security deposit from customers is a liability of a continuing nature.

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13. Trade and other payables

	As at 30 September 2017 '000 Taka	As at 31 December 2016 '000 Taka
Trade payables	254,293	229,320
Inter company payables	425,629	276,604
Payables for capital items	27,660	127,616
Advances from customers	79,378	68,123
Unpaid dividends	81,592	74,782
Current account with subsidiaries	165	291
Others	678,916	692,954
	1,547,633	1,469,690

14. Provision for expenses

Accrued expenses	48,196	28,766
Accrued employee benefits	32,015	44,600
Workers' profit participation fund	44,320	62,689
	124,531	136,055

15. Current tax liabilities

Provision for tax	434,487	334,709
Advance income tax	(474,995)	(116,125)
	(40,508)	218,584

16. Bank guarantees and commitments

(a) Bank guarantees provided to customers, utility services and disputed VAT	114,126	62,041
(b) Outstanding letter of credits	637,404	1,056,620
(C) Disputed tax other VAT related issues	12,996	12,996
	764,526	1,131,657

17. Taxation

	1 January to 30 September 2017	1 January to 30 September 2016
Current tax expenses	(99,778)	(89,867)
Deferred tax (expenses)/reversal	(120,738)	3,485
	(220,516)	(86,382)