



KDS Accessories Ltd.

BANGLADESH | CHINA | HONG KONG | UK

Financial Statements (Un-audited) As at and for the period ended 31 March 2018

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KDS ACCESSORIES LIMITED
Statement of Financial Position
As at 31 March 2018

| | <u>31 Mar 2018</u> | <u>30 June 2017</u> |
|---|----------------------------|----------------------|
| | <u>Taka</u> | <u>Taka</u> |
| ASSETS | | |
| Non-current Assets | | |
| Property, plant and equipment | 1,285,793,027 | 1,295,466,955 |
| Intangible assets | 1,913,959 | 2,726,992 |
| Capital work-in-progress | 104,131,313 | 88,327,777 |
| Investment in associate | 48,437,921 | 48,297,694 |
| Other investment | 4,757,338 | 4,713,519 |
| Total Non-current Assets | 1,445,033,558 | 1,439,532,937 |
| Current Assets | | |
| Inventories | 600,216,853 | 455,064,873 |
| Trade receivables | 1,038,782,624 | 845,978,918 |
| Other receivables | 3,999,948 | 2,125,996 |
| Advances, deposits and prepayments | 66,781,251 | 82,639,393 |
| Due from affiliated company | 488,231,778 | 205,826,629 |
| Short term investment | 8,604,622 | 8,443,638 |
| Cash and cash equivalents | 3,515,114 | 5,609,269 |
| Total Current Assets | 2,210,132,190 | 1,605,688,716 |
| Total Assets | Taka: 3,655,165,748 | 3,045,221,653 |
| EQUITY AND LIABILITIES | | |
| Shareholders' Equity | | |
| Share capital | 600,600,000 | 572,000,000 |
| Share premium | 120,000,000 | 120,000,000 |
| Revaluation reserve | 214,391,703 | 214,391,703 |
| Retained earnings | 535,010,860 | 512,354,021 |
| Total Shareholders' Equity | 1,470,002,563 | 1,418,745,724 |
| Non-current Liabilities | | |
| Long term borrowings | 129,140,524 | 178,540,034 |
| Defined benefit obligation- gratuity | 65,709,979 | 59,715,197 |
| Deferred tax liability | 41,248,051 | 40,424,331 |
| Total Non-current Liabilities | 236,098,554 | 278,679,562 |
| Current Liabilities | | |
| Trade and other payables | 807,499,973 | 532,569,135 |
| Current portion of long term borrowings | 91,980,872 | 103,185,860 |
| Current portion of lease finance | - | 646,529 |
| Current tax liability | 33,298,724 | 32,093,217 |
| Short term bank loan | 944,625,681 | 617,937,369 |
| Provision for WPPF and Welfare Fund | 71,659,381 | 61,364,257 |
| Total Current Liabilities | 1,949,064,631 | 1,347,796,367 |
| Total Equity and Liabilities | Taka: 3,655,165,748 | 3,045,221,653 |
| Net Assets Value Per Share | 24.48 | 24.80 |

 CHAIRMAN

 MANAGING DIRECTOR

 DIRECTOR

 CFO


 COMPANY SECRETARY






KDS ACCESSORIES LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the period from 01 July 2017 to 31 March 2018

| | Nine Months Results | | Quarterly Results | |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | 01 Jul 2017 to 31 Mar 2018 | 01 Jul 2016 to 31 Mar 2017 | 01 Jan 2018 to 31 Mar 2018 | 01 Jan 2017 to 31 Mar 2017 |
| | Taka | Taka | Taka | Taka |
| Revenue | 1,443,468,915 | 1,160,870,465 | 531,767,977 | 388,422,655 |
| Cost of goods sold | (1,149,525,260) | (892,093,301) | (425,361,204) | (295,117,292) |
| Gross Profit | 293,943,655 | 268,777,165 | 106,406,772 | 93,305,364 |
| Operating expenses | (90,657,660) | (64,333,344) | (33,554,559) | (22,466,611) |
| Selling and distribution expenses | (32,318,658) | (29,842,770) | (10,529,006) | (13,112,508) |
| Operating Profit | 170,967,336 | 174,601,051 | 62,323,207 | 57,726,245 |
| Finance cost | (64,496,134) | (62,119,477) | (24,601,151) | (22,673,918) |
| Finance income | 29,086,260 | 18,867,170 | 2,475,469 | 6,606,146 |
| Profit before Other Income | 135,557,463 | 131,348,744 | 40,197,525 | 41,658,473 |
| Other income | 1,170,000 | 1,170,000 | 390,000 | 390,000 |
| Income from associates | 140,227 | 1,014,441 | 46,353 | 217,565 |
| Profit before Income Tax and distribution of WPPF and WF | 136,867,690 | 133,533,185 | 40,633,879 | 42,266,038 |
| Workers' Profit Participation and Welfare Fund | (6,843,385) | (6,676,659) | (2,031,694) | (2,113,302) |
| Profit before Income Tax | 130,024,306 | 126,856,526 | 38,602,185 | 40,152,736 |
| Provision for income tax: | | | | |
| -Current tax | (20,743,747) | (18,188,663) | (5,176,682) | (5,769,967) |
| -Deferred tax | (823,720) | (1,480,505) | (460,342) | (457,119) |
| Profit after Income Tax | 108,456,839 | 107,187,358 | 32,965,161 | 33,925,650 |
| 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 | 108,456,839 | 107,187,358 | 32,965,161 | 33,925,650 |
| Earnings Per Share (EPS)-Restated | 1.86 | 1.84 | 0.56 | 0.58 |
| Weighted average no. of shares used to compute EPS | 58,383,178 | 58,383,178 | 58,383,178 | 58,383,178 |


CHAIRMAN


MANAGING DIRECTOR


DIRECTOR


CFO



COMPANY SECRETARY





KDS ACCESSORIES LIMITED
Statement of Changes in Equity
For the period from 01 July 2017 to 31 March 2018

| Particulars | Amount in Taka | | | | |
|--------------------------------------|--------------------------|--------------------|---------------------|--------------------|----------------------|
| | 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 period | - | - | - | 107,187,358 | 107,187,358 |
| Balance as at 31 March 2017 | Taka: 572,000,000 | 120,000,000 | 214,391,703 | 474,402,131 | 1,380,793,834 |
| Balance as on 01 July 2017 | 572,000,000 | 120,000,000 | 214,391,703 | 512,354,021 | 1,418,745,724 |
| Bonus share for the year 2016-2017 | 28,600,000 | - | - | (28,600,000) | - |
| Cash dividend for the year 2016-2017 | - | - | - | (57,200,000) | (57,200,000) |
| Net Profit after tax for the period | - | - | - | 108,456,839 | 108,456,839 |
| Balance as at 31 March 2018 | Taka: 600,600,000 | 120,000,000 | 214,391,703 | 535,010,860 | 1,470,002,563 |


 CHAIRMAN

MANAGING DIRECTOR


 DIRECTOR

CFO


 COMPANY SECRETARY



KDS ACCESSORIES LIMITED

Statement of Cash Flows

For the period from 01 July 2017 to 31 March 2018

| | <u>01 July 2017 to 31 Mar 2018</u> | <u>01 July 2016 to 31 Mar 2017</u> |
|--|--|--|
| | <u>Taka</u> | <u>Taka</u> |
| A. Cash flows from operating activities | | |
| Cash received from customers | 1,250,665,209 | 1,005,271,800 |
| Cash received from other sources | 28,385,344 | 19,478,668 |
| Cash paid to suppliers | (1,005,292,751) | (720,838,586) |
| Cash paid for operating expenses | (40,528,068) | (65,883,559) |
| Cash paid for financial expenses | (64,496,134) | (62,119,477) |
| Income tax paid | (19,538,240) | (5,150,631) |
| Net cash inflow/(outflow) from operating activities | 149,195,360 | 170,758,216 |
| B. Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (76,973,948) | (101,857,246) |
| Addition to intangible assets | - | (162,400) |
| Investment | (204,803) | (216,440) |
| Short term loan (paid to)/ received from affiliated companies | (282,405,149) | (74,713,265) |
| Net cash inflow/(outflow) from investing activities | (359,583,900) | (176,949,351) |
| C. Cash flows from financing activities | | |
| Receipt / (repayment) of long term borrowings | (60,604,498) | 67,223,590 |
| Receipt / (repayment) of lease finance | (646,529) | 1,813,519 |
| Receipt / (repayment) of short term borrowings | 326,688,312 | 92,351,600 |
| Dividend paid | (57,142,900) | (25,826,133) |
| Loan receipt from affiliated companies | - | (137,025,490) |
| Net cash inflow/(outflow) from financing activities | 208,294,385 | (1,462,914) |
| D. Net increase of cash and cash equivalents for the period (A+B+C) | (2,094,155) | (7,654,049) |
| E. Cash and cash equivalents at the beginning of the period | 5,609,269 | 14,017,276 |
| F. Cash and cash equivalents at the end of the period (D+E) | 3,515,114 | 6,363,227 |
| Net operating cash flow per share | 2.48 | 2.99 |


CHAIRMAN


MANAGING DIRECTOR


DIRECTOR


CFO


COMPANY SECRETARY



KDS ACCESSORIES LIMITED

Notes to the Interim Financial Statements

For the period from 01 July 2017 to 31 March 2018

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 weighted average number of shares outstanding for the period ended 31 March 2018 and profit for the same period.

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 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 31 March 2018.

8 Deferred tax liability

Deferred tax liability of Tk- 4,12,48,051 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- 4,53,54,644 and financial position liability method for gratuity obligation for Tk- (82,13,747) and on revalued assets of the associates investee for Tk- 41,07,154.

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.

