



KDS Accessories Ltd.

BANGLADESH | CHINA | HONG KONG | UK

Financial Statements (Un-audited) As at and for the period ended 31 March, 2022

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KDS ACCESSORIES LIMITED
Statement of Financial Position (Un-audited)
As at 31 March 2022

| | | 31 Mar 2022 | 30 June 2021 |
|---|----------------|----------------------|----------------------|
| | | Taka | Taka |
| ASSETS | Note(s) | | |
| Non-current Assets | | | |
| Property, plant and equipment | 11 | 1,233,492,376 | 1,134,828,380 |
| Intangible assets | 12 | 141,849 | 381,561 |
| Capital work-in-progress | 13 | 5,456,618 | 137,973,878 |
| Investment in SKYS Securities Limited | 14 | 30,377,066 | 30,377,066 |
| Other investment | 15 | 8,430,122 | 4,614,503 |
| Total Non-current Assets | | 1,277,898,031 | 1,308,175,388 |
| Current Assets | | | |
| Inventories | 16 | 980,879,733 | 697,376,716 |
| Trade receivables | 17 | 1,360,235,803 | 1,057,580,923 |
| Other receivables | 18 | 1,351,626 | 412,087 |
| Advances, deposits and prepayments | 19 | 69,616,249 | 66,483,490 |
| Due from affiliated company | 20 | 507,288,418 | 394,075,968 |
| Short term investment | 21 | 3,486,546 | 5,050,918 |
| Cash and cash equivalents | 22 | 431,783,381 | 232,483,367 |
| Total Current Assets | | 3,354,641,755 | 2,453,463,469 |
| Total Assets | | 4,632,539,786 | 3,761,638,857 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' Equity | | | |
| Share capital | 23 | 711,823,610 | 711,823,610 |
| Share premium | | 120,000,000 | 120,000,000 |
| Revaluation reserve | | 214,391,703 | 214,391,703 |
| Retained earnings | | 738,503,988 | 715,594,868 |
| Total Shareholders' Equity | | 1,784,719,301 | 1,761,810,181 |
| Non-current Liabilities | | | |
| Long term borrowings | 24 | 44,771,584 | 46,313,895 |
| Defined benefit obligation- gratuity | 25 | 108,341,846 | 103,342,964 |
| Deferred tax liability | 26 | 27,804,468 | 29,610,661 |
| Total Non-current Liabilities | | 180,917,898 | 179,267,520 |
| Current Liabilities | | | |
| Trade and other payables | 27 | 2,223,365,360 | 1,260,020,069 |
| Unclaimed Dividend | 28 | 911,463 | 870,788 |
| Current portion of long term borrowings | 24 | 8,307,568 | 17,163,975 |
| Current tax liability | 29 | 34,742,870 | 40,205,635 |
| Due to affiliated company | 30 | - | 185,241 |
| Short term bank loan | 31 | 329,722,103 | 444,672,467 |
| Provision for WPPF and Welfare Fund | 32 | 69,853,221 | 57,442,981 |
| Total Current Liabilities | | 2,666,902,585 | 1,820,561,156 |
| Total Equity and Liabilities | | 4,632,539,786 | 3,761,638,857 |
| Net Assets Value Per Share | 33 | 25.07 | 24.75 |


 Chairman


 Managing Director


 Director


 CFO


 Company Secretary





KDS ACCESSORIES LIMITED

Statement of Profit or Loss and Other Comprehensive Income (Un-audited)

For the period from 01 July 2021 to 31 March 2022

| Note(s) | Nine Months Results | | Quarterly Results | |
|---|--------------------------------|--------------------------------|-------------------------------|-------------------------------|
| | 01 July 2021 to 31 Mar 2022 | 01 July 2020 to 31 Mar 2021 | 01 Jan 2022 to 31 Mar 2022 | 01 Jan 2021 to 31 Mar 2021 |
| | Taka | Taka | Taka | Taka |
| Revenue | 2,375,864,284 | 1,551,869,369 | 849,982,235 | 518,748,996 |
| Cost of goods sold | (2,013,664,709) | (1,240,169,892) | (738,945,667) | (420,678,132) |
| Gross Profit | 362,199,575 | 311,699,477 | 111,036,568 | 98,070,864 |
| Operating expenses | | | | |
| Administrative expenses | (128,607,332) | (97,594,646) | (39,252,520) | (32,076,723) |
| Selling and distribution expenses | (59,610,194) | (37,205,240) | (16,338,528) | (10,185,602) |
| Operating Profit | 173,982,049 | 176,899,591 | 55,445,520 | 55,808,539 |
| Finance cost | (49,603,703) | (55,821,186) | (13,397,590) | (14,967,499) |
| Finance income | 38,639,214 | 30,119,280 | 17,004,703 | 12,065,727 |
| Profit before other income | 163,017,559 | 151,197,685 | 59,052,633 | 52,906,767 |
| Other income | 2,373,756 | 1,983,922 | 1,079,473 | 624,995 |
| Profit/(loss) from investment in SKYS Securities Limited | - | (186,797) | - | 49,180 |
| Profit before income tax and distribution of WPPF and WF | 165,391,315 | 152,994,810 | 60,132,106 | 53,580,942 |
| Workers' Profit Participation and Welfare Fund | (8,269,566) | (7,649,740) | (3,006,605) | (2,679,047) |
| Profit before income tax | 157,121,749 | 145,345,070 | 57,125,501 | 50,901,895 |
| Provision for income tax: | | | | |
| -Current tax | (25,632,894) | (26,324,438) | (8,575,339) | (9,411,297) |
| -Deferred tax | (1,806,193) | 2,471,979 | (2,982,580) | 884,128 |
| Profit after Income Tax | 129,682,662 | 121,492,611 | 45,567,582 | 42,374,726 |
| Total Comprehensive Income | 129,682,662 | 121,492,611 | 45,567,582 | 42,374,726 |
| Earnings Per Share (Basic) | Note-34 1.82 | 1.71 | 0.64 | 0.60 |


Chairman


Managing Director


Director


CFO


Company Secretary



KDS ACCESSORIES LIMITED
Statement of Changes in Equity (Un-audited)
For the period from 01 July 2021 to 31 March 2022

| Particulars | Amount in Taka | | | | |
|--------------------------------------|--------------------------|--------------------|---------------------|--------------------|----------------------|
| | Share Capital | Share Premium | Revaluation Reserve | Retained Earnings | Total Equity |
| Balance as on 01 July 2020 | 662,161,500 | 120,000,000 | 214,391,703 | 657,973,945 | 1,654,527,148 |
| Bonus share for the year 2019-2020 | 49,662,110 | - | - | (49,662,110) | - |
| Cash dividend for the year 2019-2020 | - | - | - | (49,662,115) | (49,662,115) |
| Net Profit after tax for the period | - | - | - | 121,492,611 | 121,492,611 |
| Balance as at 31 March 2021 | Taka: 711,823,610 | 120,000,000 | 214,391,703 | 680,142,331 | 1,726,357,644 |
| Balance as on 01 July 2021 | 711,823,610 | 120,000,000 | 214,391,703 | 715,594,868 | 1,761,810,181 |
| Cash dividend for the year 2020-2021 | - | - | - | (106,773,542) | (106,773,542) |
| Net Profit after tax for the period | - | - | - | 129,682,662 | 129,682,662 |
| Balance as at 31 March 2022 | Taka: 711,823,610 | 120,000,000 | 214,391,703 | 738,503,988 | 1,784,719,301 |

Chairman

Managing Director

Director

CFO

Company Secretary





KDS ACCESSORIES LIMITED
Statement of Cash Flows (Un-audited)
For the period from 01 July 2021 to 31 March 2022

| | 01 July 2021 to 31 Mar 2022 | 01 July 2020 to 31 Mar 2021 |
|---|--------------------------------|--------------------------------|
| | Taka | Taka |
| A. Operating activities | | |
| Received from customers | 2,101,369,432 | 1,483,305,079 |
| Received from other sources | 876,445 | 1,446,143 |
| Paid to suppliers | (1,301,011,362) | (1,007,213,980) |
| Paid for operating expenses | (173,668,923) | (99,805,090) |
| Cash generated by operations | 627,565,593 | 377,732,151 |
| Interest paid (net) | (16,299,951) | (25,465,620) |
| Income Tax Paid | (23,487,209) | (10,917,619) |
| Net cash flows from operating activities | 587,778,434 | 341,348,912 |
| B. Investing activities | | |
| Acquisition of property, plant and equipment | (42,625,223) | (131,286,374) |
| Proceed from sale of non-current assets | 1,330,164 | 28,618 |
| Increase in investments | (2,251,246) | 5,817,787 |
| Net cash flows from investing activities | (43,546,305) | (125,439,969) |
| C. Financing activities | | |
| Dividend Paid | (106,732,867) | (49,599,116) |
| Receipt / (Repayment) of long term borrowings | (10,398,718) | (3,572,640) |
| Receipt/(Repayment) of short term borrowings | (114,950,364) | (55,833,450) |
| Short term loan Receipt/ (Repayment) from/to affiliated companies | (113,397,690) | (5,425,193) |
| Net cash flows from financing activities | (345,479,639) | (114,430,399) |
| D. Net changes of cash and cash equivalents (A+B+C) | 198,752,490 | 101,478,544 |
| E. Cash and cash equivalents at the beginning of the period | 232,483,367 | 189,998,491 |
| F. Effect of foreign exchange rate changes on cash and cash equivalents | 547,523 | 225,698 |
| G. Cash and cash equivalents at the end of the period (D+E+F) | 431,783,381 | 291,702,736 |
| Net Operating Cash Flows Per Share (NOCFPS) | 8.26 | 4.80 |

Note-35


Chairman


Managing Director


Director


CFO


Company Secretary





Selected Explanatory Notes to the Interim Financial Statements (Un-audited) As at and for the period ended 31 March 2022

1 Formation and Legal Status

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 which was amended in 2020) 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, hanger, 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 International Accounting Standard (IAS) - 34 "Interim Financial Reporting". This interim financial statements should be read in conjunction with the audited financial statement for the year ended 30 June 2021, 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 2021.

5 Statement of compliance

The financial statements of the company under reporting have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh.

6 Application of Accounting Standards

The financial statements have been prepared in compliance with requirement of IASs (International Accounting Standards) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh. The following IASs and IFRSs are applied to preparation of the financial statements for the year under report:

Accounting Standards

| | |
|--------|---|
| IAS-1 | Presentation of Financial Statements |
| IAS-2 | Inventories |
| IAS-7 | Statement of Cash Flows |
| IAS-8 | Accounting Policies, Changes in Accounting Estimates and Errors |
| IAS-10 | Events after the Reporting Period |
| IAS-12 | Income Taxes |
| IAS-16 | Property, Plant and Equipment |
| IAS-19 | Employee Benefits |
| IAS-21 | The Effects of Changes in Foreign Exchange Rate |





| | |
|----------|--|
| IAS-23 | Borrowing Costs |
| IAS-24 | Related Party Disclosures |
| IAS-26 | Accounting and Reporting by Retirement Benefit Plans |
| IAS-28 | Investments in Associates and Joint Ventures |
| IAS-33 | Earnings Per Share |
| IAS-34 | Interim Financial Reporting |
| IAS-36 | Impairment of Assets |
| IAS-37 | Provisions, Contingent Liabilities and Contingent Assets |
| IAS-38 | Intangible Assets |
| IFRS-7 | Financial Instruments: Disclosures |
| IFRS-9 | Financial Instruments |
| IFRS- 13 | Fair Value Measurement |
| IFRS- 15 | Revenue from Contract with Customers |
| IFRS- 16 | Leases |

7 Earnings Per Share

Earnings Per Share (EPS) has been calculated based on number of shares outstanding for the period ended 31 March 2022 and profit for the same period. The number of shares outstanding for the period was 71,182,361. Earnings per share for the same period of preceding year has also been calculated based on same number of shares.

8 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.

9 Impairment of assets

With reference to the paragraph 9 of BAS-36, there was no such indication of impairment observed relating to property plant and equipment till the end of 31 March 2022.

10 General

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

10.02 The amounts in these financial statements have been rounded off to the nearest taka.

10.03 Bracket figures denotes negative balance.





| | 31 Mar 2022 | 30 June 2021 |
|--|----------------------|----------------------|
| | Taka | Taka |
| 11.00 Property, plant & equipment (at cost less accumulated depreciation) | | |
| Land and Land Development | 431,214,704 | 431,214,704 |
| Plant and Machinerics | 451,922,331 | 383,995,770 |
| Administrative Building | 27,889,998 | 29,140,951 |
| Factory Building | 275,339,294 | 242,623,060 |
| Office Equipment | 4,628,792 | 5,116,747 |
| Electric Installation | 29,414,945 | 30,140,874 |
| Furniture & Fixture | 1,923,857 | 1,209,214 |
| Computer Equipment | 3,688,497 | 1,252,951 |
| Motor Vehicle | 7,469,958 | 10,134,109 |
| | 1,233,492,376 | 1,134,828,380 |
| 12.00 Intangible assets (at cost less accumulated amortization) | | |
| Software | 141,849 | 381,561 |
| | 141,849 | 381,561 |
| 13.00 Capital Work In Progress | | |
| Factory building | 3,699,398 | 43,951,229 |
| Plant & machinery | - | 93,760,849 |
| Electric equipment and installations | 1,757,220 | 261,800 |
| | 5,456,618 | 137,973,878 |
| 14.00 Investment in SKYS Securities Limited | 30,377,066 | 30,377,066 |
| <p>KDS Accessories Limited ("KDSAL") currently hold only 15.59% shares in SKYS Securities Limited and "KDSAL" has no representation in the Board of Directors of SKYS Securities Limited ("SKYS"). As per IAS-28, Investments in Associates and Joint Ventures has to be treated as associate, if it has got significant influence over the investee i.e. SKYS Securities Limited. On the other hand, an investor is considered to have significant influence, if it has 20% or more voting power, representation in Board, participation in policy making, material transactions between the investor and investee etc. As criteria for considering an investment as "Investment in Associate" no longer exists, investment in SKYS Securities Limited is no longer required to report as investment in associate under IAS-28. Hence, as stipulated in IAS-28, recognition of investment under equity method is discontinued and the fair value of the investment in "SKYS" is recognized on initial recognition as a financial asset in accordance with IFRS 9.</p> | | |
| 15.00 Other investment | | |
| Investment in Fixed Deposit (1 to 3 years) | 8,430,122 | 4,614,503 |
| | 8,430,122 | 4,614,503 |
| 16.00 Inventories | | |
| Raw materials | 807,413,013 | 431,858,790 |
| Work-in-process | 32,129,048 | 23,120,967 |
| Finished goods | 12,373,458 | 11,984,400 |
| Stores & spares | 81,227,941 | 68,352,805 |
| Goods in transit | 47,736,273 | 162,059,754 |
| | 980,879,733 | 697,376,716 |
| 17.00 Trade receivables | 1,360,235,803 | 1,057,580,923 |
| 18.00 Other receivables | | |
| Rent receivable | 1,170,000 | - |
| Accrued interest income on FDR | 181,626 | 302,794 |
| Interest Receivable | - | 109,293 |
| | 1,351,626 | 412,087 |
| 19.00 Advances, deposits and prepayments | | |
| Advances | 51,584,700 | 50,101,611 |
| Security deposits | 12,863,249 | 12,863,249 |
| Prepayments | 5,168,300 | 3,518,630 |
| | 69,616,249 | 66,483,490 |
| 20.00 Due from affiliated companies | | |
| KDS Poly Industries Limited | 206,989,420 | - |
| KDS Thread Limited | 300,298,997 | 394,075,968 |
| | 507,288,418 | 394,075,968 |
| 21.00 Short term investment | | |
| Investment in Fixed Deposit (less than 1 year) | 3,486,546 | 5,050,918 |
| | 3,486,546 | 5,050,918 |
| 22.00 Cash and cash equivalents | | |
| Cash in hand | 811,200 | 934,104 |
| Cash at bank | 430,972,181 | 231,549,263 |
| | 431,783,381 | 232,483,367 |





**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 31 March 2022**

| | <u>31 Mar 2022</u> | <u>30 June 2021</u> |
|--|----------------------|----------------------|
| | Taka | Taka |
| 23.00 Share capital | | |
| Authorized Capital | | |
| 200,000,000 Ordinary Shares of Tk. 10 each | 2,000,000,000 | 2,000,000,000 |
| | <u>2,000,000,000</u> | <u>2,000,000,000</u> |
| Issued, subscribed and paid-up Capital | | |
| 1,000 Ordinary Shares of Tk. 10 each as at 21 April 1991 | 10,000 | 10,000 |
| 2,100,000 Ordinary Shares of Tk. 10 each as at 17 June 2004 | 21,000,000 | 21,000,000 |
| 10,505,000 Ordinary Shares of Tk. 10 each as at 30 June 2010 | 105,050,000 | 105,050,000 |
| 17,522,340 Ordinary Shares of Tk. 10 each as at 6 March 2012 | 175,223,400 | 175,223,400 |
| 9,871,660 Ordinary Shares of Tk. 10 each as at 8 June 2013 | 98,716,600 | 98,716,600 |
| 12,000,000 Ordinary Shares of Tk.10 each issued through IPO 10 September 2015 | 120,000,000 | 120,000,000 |
| 5,200,000 Ordinary Shares of Tk. 10 each as at 01 September 2016 (Bonus share) | 52,000,000 | 52,000,000 |
| 2,860,000 Ordinary Shares of Tk. 10 each as at 07 November 2017 (Bonus share) | 28,600,000 | 28,600,000 |
| 3,003,000 Ordinary Shares of Tk. 10 each as at 04 November 2018 (Bonus share) | 30,030,000 | 30,030,000 |
| 3,153,150 Ordinary Shares of Tk. 10 each as at 13 November 2019 (Bonus share) | 31,531,500 | 31,531,500 |
| 4,966,211 Ordinary Shares of Tk. 10 each as at 30 November 2020 (Bonus share) | 49,662,110 | 49,662,110 |
| <u>71,182,361</u> Ordinary Shares of Tk. 10 each | <u>711,823,610</u> | <u>711,823,610</u> |
| 24.00 Long term borrowings | | |
| Due within one year | 8,307,568 | 17,163,975 |
| Due after one year | 44,771,584 | 46,313,895 |
| | <u>53,079,152</u> | <u>63,477,870</u> |
| 25.00 Defined benefit obligation- gratuity | <u>108,341,846</u> | <u>103,342,964</u> |

26.00 Deferred tax liability

Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of property, plant and equipment and intangible assets as per financial statements and tax written down value and financial position method for gratuity obligation and investment in SKYS Securities Limited.

| | <u>31 Mar 2022</u> | <u>30 June 2021</u> |
|--|--------------------|---------------------|
| | Taka | Taka |
| Opening balance | 29,610,661 | 40,716,180 |
| Provided during the year | | |
| Taxable/(deductible) temporary difference of PPE and intangible asset (excluding land) | (1,243,819) | (8,321,808) |
| Provision for Gratuity | (562,374) | (276,158) |
| Investments in SKYS Securities Limited | - | (2,507,553) |
| | (1,806,193) | (11,105,519) |
| Closing balance | <u>27,804,468</u> | <u>29,610,661</u> |

Reconciliation of deferred tax liabilities /(assets) are as follows :

| | Carrying Amount | Tax Base | Tax Rate | Taxable /(Deductible) Temporary Difference | Deferred tax liabilities/ (assets) |
|---|-----------------|-------------|------------|---|--|
| | Taka | Taka | Percentage | Taka | Taka |
| Property, plant & equipment (excluding land) | 802,419,521 | 456,694,544 | 11.25% | 345,724,977 | 38,894,060 |
| Gratuity | (108,341,846) | - | 11.25% | (108,341,846) | (12,188,458) |
| Investment in associates | 30,377,066 | 30,377,066 | 15% - 20% | - | 1,098,865 |
| Net taxable temporary difference | | | | <u>237,383,131</u> | <u>27,804,468</u> |



Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 31 March 2022

| | 31 Mar 2022 | 30 June 2021 |
|---|----------------------|----------------------|
| | Taka | Taka |
| 27.00 Trade and other payables | | |
| Trade payable | 2,031,945,635 | 1,073,028,147 |
| For revenue expenses | 189,166,081 | 184,915,413 |
| For other finance | 2,253,645 | 2,076,509 |
| | 2,223,365,360 | 1,260,020,069 |
| 28.00 Unclaimed Dividend | | |
| Opening Balance | 870,788 | 535,680 |
| Add: Cash dividend declared during the year | 106,773,542 | 49,662,115 |
| Less: Paid/adjusted during the year | (106,732,867) | (49,327,007) |
| | 911,463 | 870,788 |
| 29.00 Current tax liability | 34,742,870 | 40,205,635 |
| 30.00 Due to affiliated company | | |
| KDS Poly Industries Limited | - | 185,241 |
| | - | 185,241 |
| 31.00 Short term bank loan | | |
| Bank Overdraft | - | 11,948,284 |
| Local Documentary Bill Purchase (LDBP) | 177,108,617 | 249,638,436 |
| Demand and Time Loan | 152,613,486 | 1,271,399 |
| Stimulus Fund | - | 181,814,348 |
| | 329,722,103 | 444,672,467 |
| 32.00 Provision for WPPF and Welfare Fund | 69,853,221 | 57,442,981 |
| 33.00 Calculation of Net Asset Value (NAV) per ordinary share of Tk 10 each: | | |
| A. Total equity of the company | 1,784,719,301 | 1,761,810,181 |
| B. Total number of outstanding ordinary shares at the end of the period | 71,182,361 | 71,182,361 |
| C. Net Asset Value (NAV) per ordinary share (A/B) rounded off upto two decimal places | 25.07 | 24.75 |





**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 31 March 2022**

| | 01 July 2021 to 31 Mar 2022 | 01 July 2020 to 31 Mar 2021 |
|---|--------------------------------|--------------------------------|
| | Taka | Taka |
| 34.00 Calculation of first quarterly Earnings Per Share (EPS) per ordinary share of Tk 10 each: | | |
| A. Net profit after tax | 129,682,663 | 121,492,611 |
| B. Total number of outstanding ordinary shares at the end of the period | 71,182,361 | 71,182,361 |
| C. Basic Earnings Per Share (EPS) | 1.82 | 1.71 |
| | | |
| | 01 July 2021 to 31 Mar 2022 | 01 July 2020 to 31 Mar 2021 |
| | Taka | Taka |
| 35.00 Calculation of Net Operating Cash Flows Per Share (NOCFPS) per ordinary share of Tk 10 each: | | |
| A. Net cash (used in)/generated from operating activities | 587,778,434 | 341,348,912 |
| B. Total number of outstanding ordinary shares at the end of the period | 71,182,361 | 71,182,361 |
| C. Net Operating Cash Flows Per Share (NOCFPS) | 8.26 | 4.80 |
| | | |
| 36.00 Reconciliation of cash (used in)/generated from operations-Indirect Method | | |
| Profit before income tax | 157,121,749 | 145,345,070 |
| Depreciation charged | 75,475,634 | 73,393,184 |
| Amortization charged | 239,712 | 391,899 |
| (Gain)/loss on sale of property, plant and equipment | (327,311) | (4,932) |
| (Profit)/loss from investment in SKYS Securities Limited | - | 186,797 |
| Finance Income | (38,639,214) | (30,119,280) |
| Finance Cost | 49,603,703 | 55,821,186 |
| Increase/(Decrease) in Inventory | (283,503,017) | 74,496,963 |
| (Increase)/ Decrease in Trade Receivables (after adjusting foreign currency fluctuation gain) | (274,494,852) | (68,564,290) |
| (Increase)/ Decrease in other receivables | (1,170,000) | (532,847) |
| (Increase) / Decrease in Advances, Deposits and Pre-payments | (14,353,595) | (8,606,889) |
| Increase/ (Decrease) in Trade and Other payables (after adjusting foreign currency fluctuation loss) | 940,203,660 | 118,207,124 |
| Increase in provision of WPPF and WF | 12,410,240 | 13,483,474 |
| Increase in provision of gratuity | 4,998,882 | 4,234,693 |
| Cash (used in)/generated from operations | 627,565,592 | 377,732,151 |
| Interest paid (net) | (16,299,951) | (25,465,620) |
| Income tax paid (net) | (23,487,209) | (10,917,619) |
| Reconciled net income | 587,778,434 | 341,348,912 |
| Net cash (used in)/generated from operating activities as per direct method | 587,778,434 | 341,348,912 |





**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 31 March 2022**

37.00 Reconciliation of effective tax rate

| | 01 Jul 2021 to 31 Mar 2022 | | 01 Jul 2020 to 31 Mar 2021 | |
|---|-------------------------------|-------------------|-------------------------------|-------------------|
| Profit before tax | 157,121,749 | | 145,345,070 | |
| Total income tax expense | (25,632,894) | | (26,324,438) | |
| | Rate | Taka | Rate | Taka |
| Factors affecting the tax charge: | | | | |
| Tax using the applicable rate | 22.50% | 35,352,394 | 25.00% | 36,336,267 |
| Difference between accounting and fiscal depreciation | 1.76% | 2,768,424 | 2.62% | 3,810,565 |
| Inadmissible expenses | 0.59% | 931,652 | 1.00% | 1,458,434 |
| Difference between WPPF & WF provision and payment | 1.18% | 1,860,652 | 1.32% | 1,912,435 |
| Difference between gratuity provision and payment | 0.72% | 1,124,748 | 0.73% | 1,058,673 |
| Rebate on income generated from export sales | -10.44% | (16,404,976) | -12.59% | (18,298,637) |
| Unrealised profit/(loss) from investment in SKYS Securities Limited | 0.00% | - | 0.03% | 46,699 |
| | 16.31% | 25,632,894 | 18.11% | 26,324,436 |

38.00 Note on increase of Earnings Per Share (EPS):

1) Total financial cost has also been decreased by 11.14% in amount due to decrease of bank liability and average bank interest rate than last year.

39.00 Note on increase of Net Operating Cash Flows Per Share (NOCFPS):

The reasons of increase of Net Operating Cash Flows Per Share (NOCFPS) are as follows:

- 1) Due to increase of collection from customers.
- 2) Due to decrease of financial cost than last year.

40.00 Note on increase of Net Asset Value (NAV):

- 1) Due to increase of net profit .

41.00 Note on increase of revenue:

During the reporting period total revenue was increased as compared to the same period of last year due to overall uptrend of export from Bangladesh to the global market.

