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more productive



Linde Bangladesh Limited

3rd Quarter 2023

Financial Statements as at and for the nine months
ended 30 September 2023
(Unaudited)

Linde Bangladesh Limited

Statement of financial position (Unaudited)

As at 30 Sep 2023

		30 September 2023	31 December 2022
	Note	'000 Taka	'000 Taka
Assets			
Property, plant and equipment	2	3,141,199	3,262,872
Intangible assets	3	-	32
Right-of-use (ROU) asset	4	27,481	35,349
Investment in subsidiaries	5	20	20
Advances, deposits and prepayments	6	95,104	105,320
Non-current assets		3,263,804	3,403,593
Inventories	7	1,201,293	1,124,890
Trade and other receivables	8	996,314	1,046,157
Advances, deposits and prepayments	6	534,268	315,640
Cash and cash equivalents	9	2,626,244	2,520,475
Advance Income Tax	17	49,319	-
Current assets		5,407,438	5,007,162
Total assets		8,671,242	8,410,755
Equity			
Share capital		152,183	152,183
Other Component of Equity		(65,338)	(65,338)
General reserve/ Retained Earnings		5,807,662	5,961,468
Total equity		5,894,507	6,048,313
Liabilities			
Employee benefits non-current portion	10	128,326	165,485
Deferred tax liabilities	11	340,437	354,948
Lease liability-non current portion	12	11,009	15,773
Other non-current liabilities	13	244,585	236,972
Non-current liabilities		724,357	773,178
Lease liability-current portion	14	5,590	4,771
Employee benefits-current portion	10	33,964	40,210
Trade and other payables	15	1,530,450	1,342,700
Provision for expenses	16	75,447	132,753
Current tax liabilities	17	-	42,573
Unclaimed dividend	18	406,926	26,257
Current liabilities		2,052,377	1,589,264
Total liabilities		2,776,734	2,362,442
Total equity and liabilities		8,671,242	8,410,755

The annexed notes 1 to 21 form an integral part of these financial statements.

			387.33	397.44
				
Chairman	Managing Director	Director	Chief Financial Officer	Company Secretary

Linde Bangladesh Limited

Statement of profit or loss and other comprehensive income (Unaudited)

For the quarter ended 30 September 2023

	January to 30 Sep 2023	January to 30 Sep 2022	July to 30 Sep 2023	July to 30 Sep 2022
Note	'000 Taka	'000 Taka	'000 Taka	'000 Taka
Revenue	3,618,638	3,724,181	1,243,141	1,206,130
Cost of sales	(2,324,955)	(2,169,400)	(758,992)	(727,873)
Gross profit	1,293,683	1,554,781	484,149	478,257
Operating expenses	(646,260)	(537,598)	(205,474)	(191,037)
Profit from operations	647,423	1,017,183	278,675	287,220
Net Foreign Exchange gain/loss	(13,494)	(30,495)	(11,561)	(24,830)
Other income/(loss)	11,099	16,859	9,628	16,215
Net finance income	29,356	12,973	9,166	5,612
Profit before WPPF Provision	674,384	1,016,520	285,908	284,217
Provision for WPPF	(33,719)	(50,826)	(14,295)	(14,211)
Profit before tax	640,665	965,694	271,613	270,006
Income tax expenses	20 (155,303)	(223,277)	(66,408)	(59,461)
Profit	485,362	742,417	205,205	210,545
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income for the period	485,362	742,417	205,205	210,545
Earnings per share:				
Basic and diluted earnings per share (par value Tk 10) in Taka	31.89	48.78	13.48	13.83

16.89

The annexed notes 1 to 21 form an integral part of these financial statements.

Chairman

Managing Director

Director

Chief Financial Officer

Company Secretary

Linde Bangladesh Limited

Statement of changes in equity (Unaudited)
For the quarter ended 30 September 2023

	Share Capital '000 Taka	Other Component of Equity '000 Taka	General Reserve/ Retained Earnings '000 Taka	Total Equity '000 Taka
Balance as at 1 January 2023	152,183	(65,338)	5,961,468	6,048,313
Profit for the period			485,362	485,362
Payment of Final Dividend for the year 2022			(639,168)	(639,168)
Balance as at 30 September 2023	152,183	(65,338)	5,807,662	5,894,507
Balance as at 1 January 2022	152,183	(47,699)	5,915,178	6,019,662
Profit for the period	-		742,417	742,417
Payment of Final Dividend for the year 2021			(837,005)	(837,005)
Balance as at 30 September 2022	152,183	(47,699)	5,820,590	5,925,074

Linde Bangladesh Limited

Statement of cash flow (Unaudited)
For the quarter ended 30 September 2023

	30-Sep 2023	30-Sep 2022
<i>Note</i>	'000 Taka	'000 Taka
Cash flow from operating activities		
Cash receipts from customers	3,670,506	3,512,445
Cash paid to suppliers and employees	(2,950,197)	(2,727,845)
Cash generated from operating activities	720,309	784,600
Income tax paid	(261,705)	(224,858)
<i>Net cash from operating activities</i>	458,604	559,742
Cash flow from investing activities		
Payment for acquisition of property, plant and equipment	(122,473)	(134,999)
Payment for acquisition of intangible assets	-	-
Proceeds from sale of property, plant and equipment	96	144
Investment matured in fixed deposit receipts	-	-
Interest received	28,041	12,040
<i>Net cash used in investing activities</i>	(94,336)	(122,815)
Cash flow from financing activities		
Dividend paid	(258,499)	(827,007)
<i>Net cash used in financing activities</i>	(258,499)	(827,007)
Net (decrease)/increase in cash and cash equivalents	105,769	(390,080)
Cash and cash equivalents as at 1 January	2,520,475	2,998,826
Cash and cash equivalents as at 30 Sep	2,626,244	2,608,746

Linde Bangladesh Limited

Notes to the Accounts as at and for the Quarter ended 30 Sep 2023 (Unaudited)

1. Selected explanatory note:

Linde Bangladesh Limited ("the Company") is a public limited and listed Company, limited by shares and was incorporated in Bangladesh in 1973 under the Companies Act 1913 (replaced by the Companies Act 1994). 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. The Company is a subsidiary of The BOC Group Limited of United Kingdom which is fully owned by Linde AG of Germany.

A global merger of Linde AG, Germany and Praxair, Inc. USA has taken place on 31 October 2018. In this respect, Linde plc, a company incorporated in Ireland has become the new holding company of both Linde AG and Praxair, Inc. and as such Linde plc is now the new ultimate holding company of Linde Bangladesh Limited.

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.

Linde Bangladesh received the favorable order from the High Court Division of Bangladesh Supreme Court for demerger of its Hardgoods Business into a new entity named Linde Industries Pvt. Ltd. The commercial activities of the new Company are expected to commence from 1st of November 2023, however, the effective date of demerger is 1st of January 2023 as per the scheme of the demerger as approved by the Court.

	As at 30 September 2023 '000 Taka	As at 31 December 2022 '000 Taka
2. Property plant and equipment		
Opening balance	3,262,872	3,345,486
Addition during the quarter/period	112,698	215,990
Disposal during the quarter/period	(171)	(1,620)
Depreciation during the quarter/period	(234,200)	(296,984)
	3,141,199	3,262,872
3. Intangible assets		
Opening balance	32	181
Addition during the quarter/period	-	-
Depreciation during the quarter/period	(32)	(149)
	-	32
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. Right-of-use (ROU) asset		
Opening balance	35,349	34,061
Addition during the quarter/period	-	6,110
Depreciation during the quarter/period	(7,868)	(4,822)
	27,481	35,349
5. Investment in subsidiaries		
BOC Bangladesh Limited	20	20
	20	20

This represents the Company's investments holding 1999 ordinary shares (out of 2000 issued ordinary shares) of Tk 10 each. The above noted subsidiary suffered net loss amounted to Tk 34,500 for the period ended 30 June 2022.

	As at 30 September 2023 '000 Taka	As at 31 December 2022 '000 Taka
6. Advances, deposits and prepayments		
Loans and advances to employees	49,856	63,101
Advances to suppliers	457	422
Deposits and prepayments	531,594	324,726
VAT current account	46,911	32,174
Current Account with subsidiaries	554	537
	629,372	420,960
Non-current	95,104	105,320
Current	534,268	315,640
	629,372	420,960
Above amounts are unsecured, but considered good.		
7. Inventories		
Raw materials	517,093	476,984
Finished goods	398,973	478,750
Goods in transit	141,185	30,951
Maintenance spares	203,410	200,727
Provision for inventory obsolescence	(59,368)	(62,522)
	1,201,293	1,124,890
In view of innumerable items of inventory and diversified units of measurement, it is not feasible to disclose quantities against each item.		
8. Trade and other receivables		
Trade receivables	945,252	996,549
Inter company receivable	-	1,378
Interest receivable	2,702	1,387
Other receivables	48,360	46,843
	996,314	1,046,157
9. Cash and cash equivalents		
Cash in hand	360	16
Cash at bank	825,884	420,459
Fixed deposits with banks	1,800,000	2,100,000
	2,626,244	2,520,475
10. Employee benefits		
Employee benefits non-current portion	128,326	165,485
Employee benefits current portion	37,829	40,210
Other employee benefits	(3,865)	-
	162,290	205,695
11. Deferred Tax		
At 1 January	354,948	356,465
Charge/(Release) during the quarter	(14,511)	(1,517)
	340,437	354,948
12. Lease liability-non current portion		
Lease liability-non current portion	11,009	15,773
13. Other non-current liabilities		
Cylinder security deposit	244,585	236,972

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

	As at 30 September 2023 '000 Taka	As at 31 December 2022 '000 Taka
14. Lease liability- current portion		
Lease liability- current portion	5,590	4,771
15. Trade and other payables		
Trade payables	506,209	316,011
Inter company payables	246,729	235,847
Payables for capital items	25,263	35,038
Advances from customers	84,754	85,561
Others	667,495	670,243
	1,530,450	1,342,700
16. Provision for expenses		
Accrued expenses	20,214	25,015
Accrued employee benefits	21,514	47,983
Workers' profit participation fund	33,719	59,755
	75,447	132,753
17. Current tax liabilities/(Asset)		
Provision for tax	211,408	275,535
Advance income tax	(260,727)	(232,962)
	(49,319)	42,573
18. Unclaimed dividend		
Unclaimed dividend	406,926	26,257
19. Bank guarantees and commitments		
(a) Bank guarantees provided to customers, utility services and disputed VAT	143,455	105,878
(b) Outstanding letter of credits	298,382	809,616
(C) Disputed tax other VAT related issues	122,266	122,266
	564,102	1,037,760
	1 January to 30 June 2023	1 January to 30 June 2022
20. Taxation		
Current tax expenses	(169,813)	(156,620)
Deferred tax (expenses)/reversal	14,511	(7,197)
	(155,303)	(163,816)
21. Explanations for significant deviations		
21.1 EPS decreased by BDT 16.89 mainly for higher cost of imported materials and services.		