

Linde Bangladesh Limited

3rd Quarter 2016

Financial Statements as at and for the nine months  
ended 30 September 2016 (Unaudited)

## Linde Bangladesh Limited

## Statement of financial position (Unaudited)

As at 30 September 2016

	Note	30 September 2016 '000 Taka	31 December 2015 '000 Taka
<b>Assets</b>			
Property, plant and equipment	2	2,230,691	1,914,405
Intangible assets	3	28,648	34,618
Investment in subsidiaries	4	40	40
Advances, deposits and prepayments	5	70,324	49,094
<b>Non-current assets</b>		<b>2,329,703</b>	<b>1,998,157</b>
Inventories	6	909,697	652,561
Trade and other receivables	7	447,962	435,235
Advances, deposits and prepayments	5	242,405	193,001
Investment	8	10,000	60,000
Cash and cash equivalents	9	1,261,167	785,167
<b>Current assets</b>		<b>2,871,231</b>	<b>2,125,964</b>
<b>Total assets</b>		<b>5,200,934</b>	<b>4,124,121</b>
<b>Equity</b>			
Share capital		152,183	152,183
Revaluation reserve		20,174	20,174
General reserve		2,772,388	2,613,207
Other comprehensive income/(loss)		(13,223)	-
<b>Total equity</b>		<b>2,931,522</b>	<b>2,785,564</b>
<b>Liabilities</b>			
Employee benefits	10	129,633	121,962
Deferred tax liabilities	11	115,089	133,561
Other non-current liabilities	12	218,161	211,423
<b>Non-current liabilities</b>		<b>462,883</b>	<b>466,946</b>
Trade and other payables	13	1,527,344	719,398
Provision for expenses	14	128,189	69,968
Current tax liabilities	15	150,996	82,245
<b>Current liabilities</b>		<b>1,806,529</b>	<b>871,611</b>
<b>Total liabilities</b>		<b>2,269,412</b>	<b>1,338,557</b>
<b>Total equity and liabilities</b>		<b>5,200,934</b>	<b>4,124,121</b>

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

 Chairman  
 Managing Director

 Director

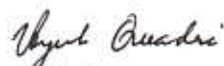
  
 Chief Financial Officer  
 & Company Secretary

Linde Bangladesh Limited

Statement of profit or loss and other comprehensive income (Unaudited)  
For the quarter and nine months ended 30 September 2016

	Note	January to 30 September 2016 '000 Taka	January to 30 September 2015 '000 Taka	July to 30 September 2016 '000 Taka	July to 30 September 2015 '000 Taka
Revenue		3,064,149	2,824,252	912,414	889,092
Cost of sales		(1,628,001)	(1,627,870)	(518,701)	(494,609)
Gross profit		1,436,148	1,196,382	393,713	394,483
Other income/(loss)		(12,397)	13,988	(5,364)	(285)
Operating expenses		(550,562)	(659,879)	(190,512)	(162,837)
Profit from operations		873,189	550,491	197,837	231,361
Net finance income		13,672	14,892	4,715	5,290
Profit before WPPF Provision		886,861	565,383	202,552	236,651
Provision for WPPF		(44,343)	(28,269)	(10,128)	(11,833)
Profit before tax		842,518	537,114	192,424	224,818
Income tax expenses	17	(211,570)	(149,174)	(46,702)	(80,358)
Profit		630,948	387,940	145,722	144,460
Other comprehensive income/(loss)		(13,223)	-	831	-
Total comprehensive income for the period		617,725	387,940	146,553	144,460
Earnings per share:					
Basic and diluted earnings per share (par value Tk 10) in Taka		41.46	25.49	9.58	9.49

The annexed notes 1 to 17 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 nine months ended 30 September 2016

	Share capital '000 Taka	Revaluation reserve '000 Taka	Other comp. income/(loss) '000 Taka	General reserve '000 Taka	Total equity '000 Taka
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)
<b>Balance as at 30 September 2016</b>	<b>152,183</b>	<b>20,174</b>	<b>(13,223)</b>	<b>2,772,388</b>	<b>2,931,522</b>
Balance as at 1 January 2015	152,183	20,174	-	2,434,503	2,606,860
payment of final dividend for 2014				(167,401)	(167,401)
Interim dividend for 2015				(304,366)	(304,366)
Profit for the period	-	-	-	387,940	387,940
<b>Balance as at 30 September 2015</b>	<b>152,183</b>	<b>20,174</b>	<b>-</b>	<b>2,350,676</b>	<b>2,523,033</b>

## Linde Bangladesh Limited

Statement of cash flow (Unaudited)  
For the nine months ended 30 September 2016

	30 September 2016	30 September 2015
<i>Note</i>	'000 Taka	'000 Taka
<b>Cash flow from operating activities</b>		
Cash receipts from customers	3,089,796	2,869,096
Cash paid to suppliers and employees	(2,192,927)	(2,029,958)
Cash generated from operating activities	896,869	839,138
Income tax paid	(156,882)	(168,936)
<b>Net cash from operating activities</b>	<b>739,987</b>	<b>670,202</b>
<b>Cash flow from investing activities</b>		
Payment for acquisition of property, plant and equipment	(523,293)	(234,728)
Payment for acquisition of intangible assets	(728)	-
Proceeds from sale of property, plant and equipment	664,479	3,186
Investment matured in fixed deposit receipts	50,000	-
Interest received	10,845	14,892
<b>Net cash used in investing activities</b>	<b>201,303</b>	<b>(216,650)</b>
<b>Cash flow from financing activities</b>		
Dividend paid	(465,290)	(471,767)
<b>Net cash used in financing activities</b>	<b>(465,290)</b>	<b>(471,767)</b>
Net (decrease)/increase in cash and cash equivalents	476,000	(18,215)
Cash and cash equivalents as at 1 January	785,167	813,758
<b>Cash and cash equivalents as at 30 September</b>	<b>1,261,167</b>	<b>795,543</b>

## Linde Bangladesh Limited

## Notes to the Accounts as at and for the nine months ended 30 September 2016 (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 2016 '000 Taka	As at 31 December 2015 '000 Taka
<b>2. Property plant and equipment</b>		
Opening balance	1,914,405	1,535,145
Addition during the quarter/period	474,891	725,142
Disposal during the quarter/period	(4,116)	(183,263)
Depreciation during the quarter/period	(154,489)	(162,619)
	<u>2,230,691</u>	<u>1,914,405</u>

## 3. Intangible assets

Opening balance	34,618	43,207
Addition during the quarter/period	728	472
Disposal during the quarter/period	-	(236)
Depreciation during the quarter/period	(6,698)	(8,825)
	<u>28,648</u>	<u>34,618</u>

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.

## 4. Investment in subsidiaries

Bangladesh Oxygen Limited	20	20
BOC Bangladesh Limited	20	20
	<u>40</u>	<u>40</u>

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.

## 5. Advances, deposits and prepayments

Loans and advances to employees	56,177	57,172
Advances to suppliers	4,782	2,212
Deposits and prepayments	76,848	49,853
VAT current account	174,922	132,858
	<u>312,729</u>	<u>242,095</u>
Non-current	70,324	49,094
Current	<u>242,405</u>	<u>193,001</u>
	<u>312,729</u>	<u>242,095</u>

Above amounts are unsecured, but considered good.

	As at 30 September 2016 '000 Taka	As at 31 December 2015 '000 Taka
<b>6. Inventories</b>		
Raw materials	536,406	291,101
Finished goods	299,636	286,466
Goods in transit	-	-
Maintenance spares	164,733	155,061
Provision for inventory obsolescence	(91,078)	(80,067)
	<b>909,697</b>	<b>652,561</b>
In view of innumerable items of inventory and diversified units of measurement, it is not feasible to disclose quantities against each item.		
<b>7. Trade and other receivables</b>		
Trade receivables	365,350	373,909
Inter company receivable	43,753	33,216
Interest receivable	5,802	2,975
Other receivables	33,057	25,135
	<b>447,962</b>	<b>435,235</b>
<b>8. Investment</b>		
Investment in fixed deposit receipts	10,000	60,000
<b>9. Cash and cash equivalents</b>		
Cash in hand	3,877	2,319
Cash at bank	261,190	430,890
Fixed deposits with banks	996,100	351,958
	<b>1,261,167</b>	<b>785,167</b>
<b>10. Employee benefits</b>		
Gratuity scheme	124,880	116,104
Other employee benefits	4,753	5,858
	<b>129,633</b>	<b>121,962</b>
<b>11. Deferred Tax</b>		
At 1 January	133,561	115,775
Charge/(Release) during the quarter	(14,064)	17,786
Deferred tax on other comprehensive income/(loss)	(4,408)	-
	<b>115,089</b>	<b>133,561</b>
<b>12. Other non-current liabilities</b>		
Cylinder security deposit	218,161	211,423

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

	As at 30 September 2016 '000 Taka	As at 31 December 2015 '000 Taka
<b>13. Trade and other payables</b>		
Trade payables	427,102	186,563
Inter company payables	223,892	320,080
Payables for capital items	21,513	69,915
Advances from customers	82,041	61,154
Unpaid dividends	76,462	69,985
Current account with subsidiaries	392	392
Others	678,311	11,309
Forward contract	17,631	-
	<b>1,527,344</b>	<b>719,398</b>
<b>14. Provision for expenses</b>		
Accrued expenses	24,486	15,775
Accrued employee benefits	69,059	53,807
Workers' profit participation fund	34,644	386
	<b>128,189</b>	<b>69,968</b>
<b>15. Current tax liabilities</b>		
Provision for tax	442,504	216,871
Advance income tax	(291,508)	(134,626)
	<b>150,996</b>	<b>82,245</b>
<b>16. Bank guarantees and commitments</b>		
(a) Bank guarantees provided to customers, utility services and disputed VAT	130,625	88,336
(b) Outstanding letter of credits	1,247,312	346,022
	<b>1,377,937</b>	<b>434,358</b>
<b>17. Taxation</b>	1 January to 30 September 2016	1 January to 30 September 2015
Current tax expenses	(225,633)	(135,824)
Deferred tax (expenses)/reversal	14,064	(13,350)
	<b>(211,569)</b>	<b>(149,174)</b>