

Making our world more productive



Aiming high

Linde Bangladesh Limited
Annual Report 2019



Our Vision

We are committed to fulfilling our vision to be the best performing global industrial gases and engineering company, where our people deliver innovative and sustainable solutions for our customers in a connected world.

Our Mission

We live our mission of making our world more productive every day. Through our high-quality solutions, technologies and services we are making our customers more successful and helping to sustain and protect our planet.

Our Strategic Direction

We will work as One Linde to build on our individual and collective strengths across a larger global footprint. We will increase network density in core industrial gas geographies and will execute our robust backlog. We are fully committed to capturing the full value of the merger.

Our Core Values

Safety

We put safety first. We believe all incidents are preventable, and our goal is no harm to people, communities or the environment. We continuously work to improve our safety culture and performance worldwide.

Integrity

We always strive to achieve our goals ethically, and with the highest integrity. We expect transparent and respectful interactions between management, employees and our business partners, consistent with our Code of Business Integrity.

Community

We are committed to improving the communities where we live and work. Our charitable contributions, along with employee volunteerism, support initiatives that make important and sustainable contributions to our world.

Inclusion

We embrace diversity and inclusion in order to attract, develop and retain the best talent and build high-performing teams. By hearing all voices and benefiting from diverse opinions, thoughts and perspectives, we achieve our full promise and potential.

Accountability

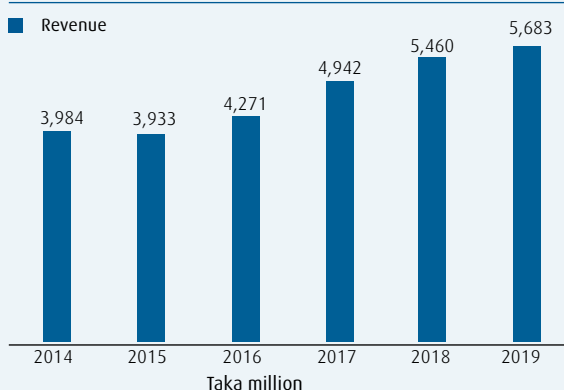
We hold ourselves accountable for our performance, individually and collectively. We focus both on what we accomplish and how we accomplish it, and we are committed to delivering on individual and company goals.



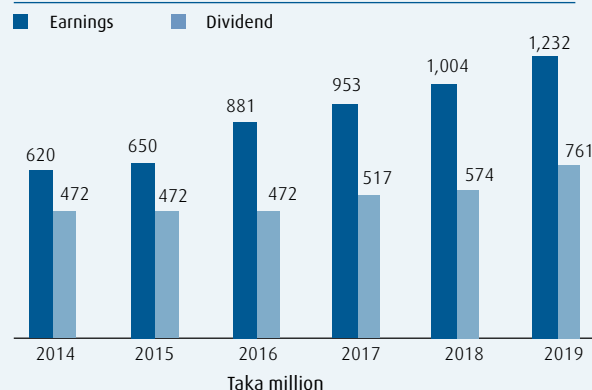
Financial History.

		2014	2015	2016	2017	2018	2019
Revenue	'000 Taka	3,984,482	3,933,185	4,270,585	4,941,799	5,460,190	5,683,441
Profit before tax	"	851,035	881,343	1,190,832	1,304,260	1,364,474	1,660,989
EBITDA	"	994,095	1,031,201	1,381,796	1,516,448	1,622,148	1,887,324
Taxation	"	242,659	213,086	324,114	171,432	360,700	429,401
Deferred tax	"	(11,756)	17,786	(14,480)	180,090	29,302	53,283
Earnings	"	620,132	650,471	881,198	952,738	1,003,774	1,231,588
Final dividend proposed	"	167,401	167,401	167,401	213,056	570,686	760,914
Interim dividend paid	"	304,366	304,366	304,366	304,366	-	-
General reserve*	"	2,434,503	2,613,207	3,032,750	3,523,636	4,320,508	4,956,527
Share capital	"	152,183	152,183	152,183	152,183	152,183	152,183
Revaluation reserve	"	20,174	20,174	-	-	-	-
Shareholder's equity*	"	2,606,860	2,785,564	3,184,933	3,675,819	4,472,691	5,108,710
Net fixed assets	"	1,535,145	1,914,405	2,543,935	3,218,638	3,445,462	3,617,639
Depreciation	"	164,531	162,617	201,863	219,651	280,065	292,086
Earnings per share	Taka	40.75	42.74	57.90	62.60	65.96	80.93
Price earnings ratio-times		22	27	22	21	18	16
Return on Capital Employed	%	24	24	28	26	22	24
Gross profit ratio	%	40	43	46	47	42	44
Debt equity ratio-times		-	-	-	-	-	-
Current ratio-times		3.11	2.44	1.55	1.67	2.01	2.3
Dividend per share	Taka	31.00	31.00	31.00	34.00	37.50	50.00
Dividend percentage	%	310	310	310	340	375	500
Net assets per share*	Taka	171.30	183.04	209.28	241.54	293.90	335.7
Operating cashflow per share	"	50.89	67.14	73.18	76.13	76.87	102.8

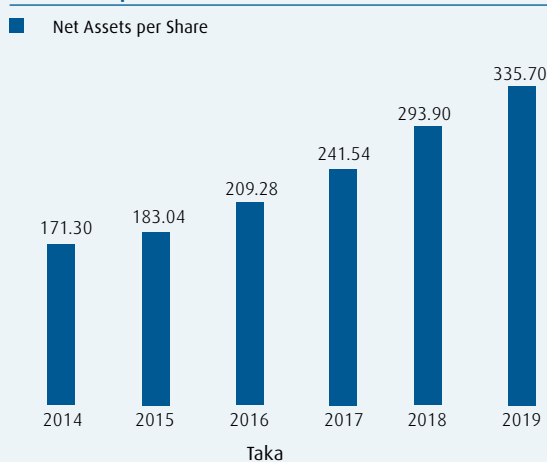
Revenue



Earnings & dividend



Net assets per share



Price earning ratio*

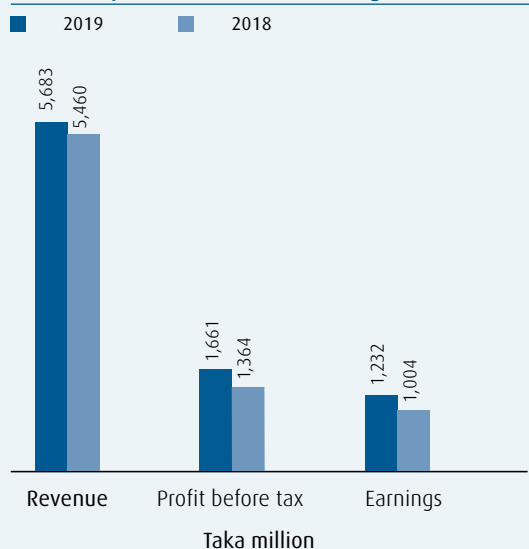


* Adjusted for change in presentation of proposed dividends and includes other component of equity.

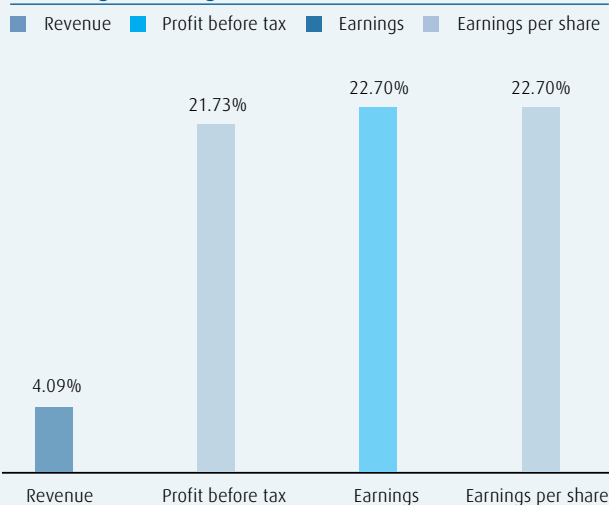
The Year at a Glance.

		2019	2018	Change over 2018
Revenue	'000 Taka	5,683,441	5,460,190	4.09%
Profit before tax	"	1,660,989	1,364,474	21.73%
Earnings	"	1,231,588	1,003,774	22.70%
Earnings per share	Taka	80.93	65.96	22.70%

Revenue, profit before tax & earnings



Percentage of change over 2018



Statement of Value Added.

	Year ended 31 December			
	'000 Taka	2019 %	'000 Taka	2018 %
Value Added				
Turnover (Including VAT)	6,548,684		6,312,601	
Bought in materials and services	(3,210,427)		(3,286,773)	
	3,338,257		3,025,828	
Other income including interest on bank deposits	71,199		60,810	
Available for distribution	3,409,456	100	3,086,638	100
Distributions				
To Employees in remuneration and benefits	582,736	17%	581,808	19%
To Provider of capital in :				
(a) Interest on borrowings	1,679	0%	936	0%
(b) Dividend	760,915	22%	570,686	18%
To Government in taxes, VAT, duties and surcharges	1,294,644	38%	1,213,111	39%
Retained for reinvestment and future growth:				
(a) Depreciation	298,810	9%	287,009	9%
(b) Reserve and surplus	470,673	14%	433,088	14%
	3,409,456	100	3,086,638	100

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Corporate History.

Linde is a leading global industrial gases and engineering company with 2019 sales of \$28 billion (€25 billion). Formed by the merger of Praxair Inc. and Linde AG, the company represents the collective strengths that unite 80,000 employees across more than 100 countries.

Linde lives our mission of making our world more productive every day by providing high-quality solutions, technologies and services which are making our customers more successful and helping to sustain and protect our planet.

Our bequest in Bangladesh

Linde Bangladesh Limited, a member of Linde, has been contributing towards the development of the nation as a silent partner. A strong in-built culture with solid work values developed and strengthened Linde Bangladesh over the years which are reflected in the performance of its employees for more than 60 years with continuous expansion in operations and business.

We sell our products to more than 35000 customers from a wide spectrum of industries running from chemicals and petrochemicals to steel. Our team of around 300 trained, motivated and professional members manage 24 hour operations at three major locations across the country to support our customers.

In Linde Bangladesh Limited we are committed to the quality of our products and services. Our motto is to ensure optimum conditions in health, safety and the environment for employees, customers and stakeholders.

Our milestones at a glance

- 1953 Chittagong Oxygen plant was commissioned.
- 1973 Bangladesh Oxygen Limited (BOL) Incorporated in the joint stock companies and received government approval as the first full-fledged "Company" of the newly formed country.
- 1976 First CO2 plant was introduced.
- 1979 Welding Training Centre started its journey.
- 1995 The Company changed its name from "Bangladesh Oxygen Limited" to "BOC Bangladesh Limited."
- 1995 The Company has commissioned a 30TPD ASU Plant and 1st Welding Production line at Rupganj.
- 1998 2nd Welding production line at Rupganj was commissioned.
- 1999 20 TPD Shitalpur plant was acquired.
- 2000 ASPEN at shitalpur and LPG Bottling plant at Bogra commissioned.
- 2004 Moved into newly built Corporate Office.
- 2006 The BOC Bangladesh Limited acquired by the Linde Group, Germany.
- 2010 Achieved BDT 100 Crore EBITDA.
- 2011 3rd Welding production line at Rupganj was commissioned.
- 2011 The Company changed its name from "BOC Bangladesh Limited" to "Linde Bangladesh Limited."
- 2012 4th Welding production line at Rupganj was commissioned.
- 2013 LPG Plant at Bogra decommissioned.
- 2017 Rupganj 100 TPD ASU plant was commissioned.
- 2019 36 TPD CO2 plant was commissioned at Rupganj

Corporate Directory.

Chairman

Mr. Ayub Quadri

Independent Directors

Ms. Rupali H Chowdhury
Mr. Tanjib- Ul Alam (Joined 2 May 2019)

Directors

Mr. Moloy Banerjee
Mr. Md Abul Hossain (Joined 22 October 2019 & resign 26 February 2020)
Mr. Pavan Mysore Vijay Kumar (Joined 22 October 2019)

Audit Committee

Ms. Rupali H Chowdhury
Mr. Moloy Banerjee
Mr. Tanjib-Ul Alam (Joined 2 May 2019)

Nomination & Remuneration Committee

Ms. Rupali H Chowdhury
Mr. Moloy Banerjee
Mr. Tanjib-Ul Alam (Joined 2 May 2019)

Managing Director

Mr. Sujeet Kumar Pai

Chief Financial Officer

Mr. Md. Anisuzzaman

Company Secretary

Mr. Abu Mohammad Nisar

Head of Internal Audit

Ms. Sanchita Chakraborty Das

Bankers

The Hong Kong Shanghai Banking Corporation Limited
Standard Chartered Bank Limited

Legal Advisors

Huq & Company

Auditors

Statutory Auditors
Hoda Vasi Chowdhury & Co.
Chartered Accountants

Compliance Auditors
Rahman Rahman Huq
Chartered Accountants

Factories

Rupganj
Dhuptara, Rupganj
Narayanganj

Shitalpur
Sitakund
Chattogram

Registered Office

Corporate Office
285 Tejgaon I/A
Dhaka 1208

Our Recognition.

Best Presented Annual Report/Corporate Governance Award



Mr. Abu Mohammad Nisar, Company Secretary received the trophy and certificate for the Silver Award from Mr. A B M Md. Azizul Islam (Former Adviser, Caretaker Govt.) & Mr. Md. Abdul Karim (Former Pr. Secretary, Govt. of People's Republic of Bangladesh), at the Radisson Blu hotel in Dhaka on 21 December 2019.



Mr. Abu Mohammad Nisar, Company Secretary and Mr. Md Asaduzzaman, Manager, Accounting & Treasury received the trophy and certificate for the Third position Award from ICMA Best Corporate Award 2018 from M A Mannan, Planning Minister at a ceremony held at the InterContinental Dhaka on 15 December 2019.



Mr. Abu Mohammad Nisar, Company Secretary and Mr. Md Asaduzzaman, Manager, Accounting & Treasury received the Certificate of Merit from Commerce Minister Tipu Munshi of 19th ICAB National Award for Best Presented Annual Reports 2018 at an event at the Pan Pacific Sonargaon Hotel in Dhaka.



Notice of Annual General Meeting.

Notice is hereby given that the 47th Annual General Meeting of Linde Bangladesh Limited will be held virtually by using digital platform. through the following link https://bit.ly/Linde_AGM_2020, on Tuesday 16 June 2020 (rescheduled) at 11:30 am to transact the following business:

- 1 To receive and adopt the accounts for the year ended 31 December 2019 and the reports of the Auditors and Directors thereon.
- 2 To declare a Dividend for the year ended 31 December 2019.
- 3 To elect Directors.
- 4 To appoint Auditors and to fix their remuneration.
- 5 To appoint Compliance Auditors and to fix their remuneration.

By order of the Board



Abu Mohammad Nisar
Company Secretary
20 February 2020

Registered Office
Corporate Office
285 Tejgaon I/A
Dhaka 1208

Notes:

- 1 Shareholders whose names will appear in the share register of the Company or in the depository register as on Record Date i.e. 12 March 2020 will be eligible to attend the Annual General Meeting and receive dividend approved.
- 2 Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/04-231/932 dated 24 March 2020, the AGM will be virtual meeting of the Members, which will be conducted via live webcast by using digital platform.
- 3 The Members will be able to submit their questions/comments and vote electronically 1 hour before commencement of the AGM and during the AGM. For logging in to the system, the Members need to put their 16-digit Beneficial Owner (BO) ID/Folio number and other credential as proof of their identity by visiting the link https://bit.ly/Linde_AGM_2020.
- 4 We encourage the Members to log in to the system prior to the meeting. Please allow ample time to login and establish your connectivity. The webcast will start at 10:30 am. Please contact 8802-8870322-7 for any technical difficulties in accessing the virtual meeting.
- 5 A member eligible to attend the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf. No person shall act as proxy unless he/she is entitled to be present and vote in his/her own right. The "Proxy Form", duly filled, signed and stamped at BDT 20 must be sent through email to Linde Bangladesh Limited Share Office at info.bd@linde.com no later than 72 hours before commencement of the AGM.

Company in the Capital Market.

Linde Bangladesh Limited plays a vital role in the capital market with a sustainable economic growth. The Company also continues to have regular communication with Shareholders through the websites updates and media publications. The Company conducts Annual General Meeting and publication of Annual Report, Quarterly updates on financial performance. The top practices are monitored by the Company which supports investors to hold up their belief and confidence in the Company.

DSEX, the key index of the DSE, ended at 4453 points on the last trading day of 2019, down by 18.52% from 5465 points from beginning of the year. DSE-30, the key index of the DSE, ended at 1513 points on the last trading day of 2019, down by 20.69% from 1908 points from beginning of the year.

Capital market-based figures

		For the year ended 31 December	
		2019	2018
Number of shares with dividend entitlement for the financial year	No.	152,18,280	152,18,280
Year-end closing price	Tk	1,299.00	1,198.40
Year high	Tk	1,387.00	1,336.00
Year low	Tk	1,007.30	1,160.00
Volume	No.	2,223,979	1,001,994
Total dividend for the financial year	Tk million	760.91	570.69
Market capitalisation	Tk million	19,769	18,238
Information per share			
Cash dividend	Tk	50.00	37.50
Dividend yield	%	3.85	3.13
Operating cash flow per share	Tk	102.84	76.87
EPS	Tk	80.93	65.96

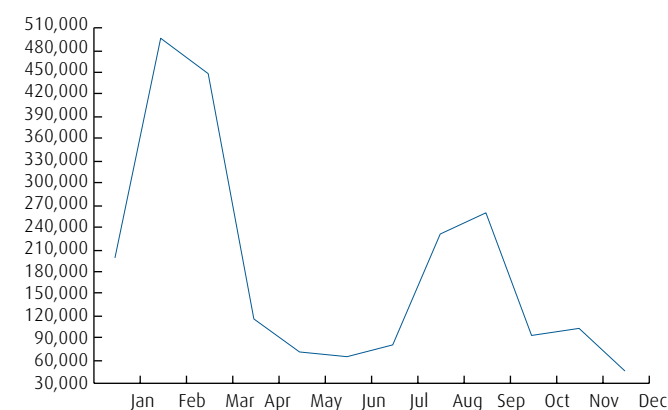
Company high & low share price month wise

■ High Share price ■ Low Share price



Company share volume traded month wise

■ Volume of Share



Glimpses from 46th Annual General Meeting.



At the 46th Annual General Meeting held on 30 April 2019



Shareholders at the 46th Annual General Meeting held on 30 April 2019



Registration at the 46th Annual General Meeting held on 30 April 2019

Board of Directors.



Ayub Quadri

Chairman since 2011

Mr. Ayub Quadri received his M.A. in English from Dhaka University and Masters in Public Affairs from the University of Connecticut, USA. Apart from extensive training in the administrative academies in Pakistan and Bangladesh, Mr. Quadri has received training in many international institutions including Singapore University, ILO Institute Geneva, United Nations Institute Japan, South East Asia Regional Centre the Philippines and Institute of Public Service USA.

Beginning his career in the Civil Service of Pakistan in 1969, Mr. Quadri held various positions in the Government of Bangladesh, including those of permanent secretaries in the ministries of Industries, Water Resources, Economic Relations, Food, Fisheries and Livestock, Agriculture and Rural Development. He was also Chairman of the Bangladesh Chemical Industries Corporation (BCIC) and Director General of the Bangladesh Rural Development Board (BRDB).

Mr. Quadri retired from Government service in 2005. He was an Advisor of the Caretaker Government that assumed responsibility in January 2007. He had responsibility for the ministries of Education and Culture. He resigned in December of the same year.

Mr. Ayub Quadri has been on the board of numerous public, private and joint venture entities. Among others, he has been Chairman of the board of Basic Bank Ltd, Karnafuli Fertilizer Company (KAFCO), Industrial Promotion and Development Company (IPDC), Bangladesh Institute of Management (BIM) and Small & Medium Enterprise (SME) Foundation. He joined the Board of Linde Bangladesh Limited in 2008.



Sujeet Kumar Pai

Managing Director since January 2020

Mr. Sujeet Kumar Pai joined the Board of Directors in July 2019 and was appointed as the Managing Director of Linde Bangladesh Limited in January 2020. Prior to joining Linde Bangladesh Limited he worked as the VP (Sales, Marketing & CSCM) of Linde India Limited from 2014 at Mumbai. He was a part of the Country Leadership Team leading the Sales, Marketing & Cylinder Supply Chain Management function of Merchant Gases Space. He also had an overarching responsibility for the Healthcare Business. He won the Regional Sales Executive Award for the Linde India Country Sales Team in 2017 and 2018. This apart he was a member of the CSR & POSH committee at Linde India Limited.

He also worked in the Multinational Emerson Group from 2003 to 2014 in various capacities in Sales & Marketing. From being a Regional Sales Manager at ASCO INDIA Limited in Western India to leading as the Director - Sales & Marketing for the Organization based out of Chennai in Southern India. Mr. Pai has been a part of the coveted Asian Leadership Team as well as in the India Junior Board at Emerson.

Mr. Pai worked as Senior Executive Marketing with Larsen & Toubro Limited in Heavy Engineering Division (Specialty Valves, Nuclear & Projects) from 1996 to 2003. During his tenure he was honored as "Very Good Performing" employee for Highest Order Booking four times consecutively as well as awarded the Best Money Manager for outstanding management of working capital. He was also instrumental in winning breakthrough orders for Critical Isolation Dampers and Pneumatic Actuators in the Nuclear Power Sector.

Mr. Pai started his career with HINDALCO Industries Limited as a Sales Engineer in 1994. He was responsible for market development for Concast Aluminum rolled products and creating new applications of Capacitor Cans, Eyelets and Lithographic Plates.

Mr. Sujeet Kumar Pai is a Post-Graduation in Business Management from NMIMS, Mumbai and completed his graduation in Metallurgical Engineering from Visvesaraya National Institute of Technology (VNIT) from the University of Nagpur, India.



Moloy Banerjee

Director since 2015

Mr. Moloy Banerjee was appointed the Managing Director of Linde India Limited and a member of the Board of Directors of the Company with effect from 30 July 2013. Linde India Limited is a member of The Linde plc, a world-leading gases and engineering Company with around 80,000 employees in more than 100 countries worldwide.

Besides his position as the Managing Director of Linde India Ltd., Mr Banerjee is also Head of Country Cluster South Asia (covering Bangladesh, India and Sri Lanka), for the Linde Gases Division. He has additional responsibilities as Director of Linde Bangladesh Limited and Ceylon Oxygen Limited, a member of The Linde Group.

Earlier, in 2011, Mr. Banerjee relocated to Singapore as the Head of Tonnage Account Management for The Linde Group's South & East Asia and South Pacific regional business units. He returned to India as the Deputy Country Head of Linde India, effective 1 January 2013.

Mr. Banerjee started his career with Linde India as a Trainee in 1987 and has worked in various roles in the engineering division and the gases division of the Company, including project engineering and management as well as business development. He was appointed the Head of Marketing in 2007 and, in 2009, assumed the role of Vice President - Gases for Linde India.

Mr. Moloy Banerjee holds a bachelor's degree in mechanical engineering from the Indian Institute of Technology, Kanpur.



Rupali H Chowdhury

Director since 2018

Ms. Rupali Chowdhury is an MBA from IBA, University of Dhaka, and completed her Graduation with Honours in Chemistry from the University of Chittagong.

She started her career with Multinational Pharmaceutical & Chemical Company, 'Ciba Geigy (Bangladesh) Limited', in 1984 in the department of Planning Information and Control and worked there for about six and a half years. She was the Brand Manager while leaving Ciba Geigy (Bangladesh) Limited in 1990.

Ms. Rupali Chowdhury joined Berger Paints Bangladesh Limited in 1990 as Planning Manager and during her tenure she worked for various departments such as Marketing, Sales, Distribution, Planning and Systems under different supervisory capacities.

Ms. Chowdhury was promoted to the position of Managing Director of the Company on 1 January 2008. She is also the Managing Director of Jenson & Nicholson (Bangladesh) Limited, a 100% subsidiary of Berger Paints Bangladesh Limited and Director of Berger Becker Bangladesh Limited, a joint venture between Berger Paints Bangladesh Limited and Becker Industrial Coatings Holding AB Sweden and Berger Fosroc Limited (a joint venture between Berger Paints Bangladesh Limited and Fosroc International Limited, UK) which was formed during her tenure as Managing Director. Ms. Chowdhury has been appointed as an Independent Director of Bata Shoe Company (Bangladesh) Limited effective April 2018.

Ms. Chowdhury has been selected as a Commercially Important Person (CIP) for her outstanding performance in the Industrial sector.



Tanjib-ul Alam

Joined the Board of Directors in May 2019

Mr. Tanjib-ul Alam, barrister-at-law, has been practicing in Bangladesh since 1997 and in the Appellate Division of the Supreme Court of Bangladesh since 2005. He completed LL.B. Hons. from the University of London in 1996 and was called to the Bar of England from the Lincoln's Inn, UK, in 1997. His area of practice includes arbitration, corporate, cross-border investment, energy, oil and gas, merger and acquisition, project finance, securities and telecommunication. In corporate sector, he has been involved in number of ground-breaking project finance and IPOs in Bangladesh. He has substantial experience in representing energy companies in innumerable arbitrations and litigations, including mergers of energy companies and acted as lead counsel in many syndicated transactions involving rental power projects, and advised many clients during establishment of gas based and coal based power projects.

As legal consultant, Mr. Alam was actively involved in drafting the Bangladesh Energy Regulatory Commission Act, Bangladesh Telecommunication Act, and Information and Communication Technology Act for Bangladesh. He was the Lead Consultant for International Finance Corporation ("IFC") in drafting new Companies Act for Bangladesh. Besides, Mr. Alam has extensive experience of consultancy for Institutional Reform International Inc. (IRIS), USA, World Bank, UNDP and other reputed international organizations on diversified areas of law. Mr. Alam has also been involved as a lawyer in number of leading constitutional law cases during the past decade which have far reaching impact in the rule of law and constitutionalism in the legal history of Bangladesh. Mr. Alam heads the renowned law firm, Tanjib Alam and Associates, based in Dhaka. His law firm, Tanjib Alam and Associates, has acquired the reputation of being one of the most talented team of professionals in Bangladesh having experience of working with world's leading international law firms. Mr. Alam has been serving as a Member of the Board of Directors of Biman Bangladesh Airlines, the national flag carrier airline.



MV Pavan

Joined the Board of Directors in July 2019

Mr. MV Pavan is a Director at Linde Bangladesh Limited. He is the Vice President of Praxair India Pvt Limited, Bengaluru, India and heads Finance, IT & Procurement divisions. He also has additional responsibility as Director of Praxair India.

Mr. Pavan joined Praxair India Private Limited in July 2018. Prior to 2018, he was the Finance Director of Praxair Gulf Industrial Gases, Abu Dhabi, UAE, responsible for finance function for Middle East businesses, between 2013 & 2018. He was also holding various roles in finance and business development between 2004 to 2012 at Praxair India Private Limited, Bengaluru, India. Prior to Praxair India, he worked as an Associate with KPMG Risk Advisory Services at Bengaluru, India.

Mr. Pavan is a qualified Chartered Accountant, passed out in the year 2001 from Institute of Chartered Accountants of India. He also holds a Bachelor of Commerce degree from Bangalore University.

Chairman's Statement.



Dear Shareholders,

It is my privilege and pleasure to welcome you to the 47th Annual General Meeting of your Company, Linde Bangladesh Limited, and present to you the results for the year 2019.

You would recall that 2018 was an excellent year for your Company, the best up to that point in time, in terms of revenue and earnings. I am delighted to report that Linde Bangladesh Limited has delivered another year of record revenue and profits in 2019.

Compared to 2018:

- Profit before taxation rose 21.7 percent to BDT 1,661 million
- Income increased 22.7 percent to BDT 1,232 million
- Earnings per share climbed 22.7 percent to BDT 80.93

While achieving these excellent business results, your Company was also able to maintain impeccable safety record throughout the year.

We can take satisfaction from the fact that policy decisions over the past several years, particularly with regard to new investment and rationalization of operations, have helped yield these excellent results. As in previous years the management of Linde Bangladesh Limited did an excellent job in sourcing raw materials at competitive prices, ensuring timely import of raw materials and distribution of products and taking full advantage of investment for capacity enhancement in production and distribution.

I invite you to join me in applauding the management of Linde Bangladesh Limited on their dedicated hard work resulting in continued business growth in a challenging environment. Praise is also due for the Company's outstanding safety record.

I would like to take this opportunity to recognize the work of your former Managing Director, Mr. Mohsin Uddin Ahmed. Mr. Ahmed left the Company at the end of 2019 after about three and a half years service to the Company. Our best wishes to him. I would also like to take this opportunity to introduce to you Mr. Ahmed's successor, Mr. Sujeet Kumar Pai. Mr. Pai joined as Managing Director of Linde Bangladesh Limited in January this year. We have great expectations of Mr. Pai and wish him the best.

As I mentioned earlier, 2019 was the best year for your Company so far, with significant growth in all segments and record revenue and profit. Compared to the previous year, ASU product sales grew by 30 percent, which also included a 15 percent increase in liquid CO₂. Bulk business grew by 26 percent over the previous year. More importantly, with product availability from the new ASU and CO₂ plants and the elimination of import and trucking cost for gases, profits increased. The Company secured new contracts in the beverage industry for the supply of liquid CO₂. The healthcare business grew by 3.4 percent over the previous year. Hardgoods sales recorded a growth of 2 percent in 2019 over 2018 with major contribution from the shipbuilding industry, growing 8 percent over the previous year and contributing 50 percent of the total revenue of the hardgoods segment.

Business Environment and Financial Performance

The country experienced relative political calm throughout the year. GDP growth continued to be robust at about 8 percent. The Government-led major projects continued to accelerate the production enhancement in the steel industry, providing your Company opportunities in the bulk gases segment. The steady growth in the shipbuilding industry provided your Company opportunities in the electrode business. The growth in the healthcare sector resulted in expansion of public and private hospitals, a competitive industry where your Company excels in offering comprehensive products and services. All these provided a conducive business environment for your Company in 2019.

The turnover of the Company registered a net increase of 4.1 percent in 2019 compared to the previous year. On the other hand, earnings increased by 22.7 percent. You would recall that in 2018, turnover of your Company increased by 10.5 percent over 2017, but earnings by a modest 5.4 percent. Achieving earnings increase of 22.7 percent from a turnover increase of 4.1 percent is remarkable and speaks of good management. Incremental sales, cost containment measures adopted by the Company, sourcing of raw materials at competitive price from international market through e-auctions and other measures contributed to the improvement of earnings. Interest income for the year was higher than the previous year as the Company was able to secure higher interest rate.



Celebration of "Women's day" at Corporate Office.



The Corporate Office Annual Picnic held on Saturday, 21 December 2019.

The Directors of your Company have recommended a dividend of BDT 50.00 per share or 500 percent for the year ended 31 December 2019. This would require a payout of 760.9 million BDT. If our you accept the recommendation, it will be the highest ever dividend payment by Linde Bangladesh Limited.

I remember, in the Annual General Meeting in 2019, a shareholder expressed the hope that your Company would be able to provide a dividend of 400 percent the following year. We are happy to be able to recommend a dividend exceeding that expectation.

Supply

Since the commissioning of the ASU plant in 2017, Linde Bangladesh Limited has adequate production of air gases to meet current demand and maintain emergency reserve. This has enabled the Company to serve its customers better without resorting to import. Discontinuation of imports increased profit.

A 36 TPD CO₂ plant was commissioned in June 2019 at Rupganj. Increased product availability enabled retention of existing customers and acquisition of new and large accounts. CO₂ saw significant improvement with 15 percent increase in liquid and 40 percent growth in gaseous CO₂ sales. Production of hardgoods was also consistent with year-on-year growth in 2019.

The 2x5 MW generator, set up to optimize power cost and ensure uninterrupted production, went on stream from January 2020. This has improved the power situation of the entire Rupganj site and increased cost effectiveness which is expected to result in higher profitability.

Product distribution

Linde Bangladesh Limited Deliver has crossed a new milestone of 1400+ days free of major recordable incidents MIR is an internal term and the journey is still on. This excellent performance was recognized at home and abroad. It was achieved through precise safety initiatives, like defensive driving training, pre delivery check, drivers' health monitoring, competency based online driver trainings & engagements, route risk analysis, roller brake testing, high risk driver management, driver reward programs, external certification for supervisors, etc. Fatigue monitoring

system was introduced to monitor on-road drivers remotely. Drivers motivational program was arranged including external transport safety focused organizations & law enforcing authorities.

Linde Bangladesh achieved 60 MBDT in productivity savings in our Distribution operations in 2019 through source optimization, drop size improvement, increasing capacity utilization, fleet rationalization, etc. There was no disruption in distribution supply throughout the year. Decantation loss was maintained at lowest ever level. In-country integrated Bulk scheduling and delivery notification system was developed with competitive and synergistic features. This was the first ever venture of this type at Linde part of this region. ISO 9001 & 14001, MED50 were also in practice. Vehicle and VITT maintenance were conducted through online SAP PM system. Contractor management process was improved through rate contracts and quarterly review on safety, operational and business performance.

Altogether, 2019 was another successful year for Linde's Deliver in terms of safety, efficiency, reliability, cost savings & performance.

Health, Safety and Environment matters

Following the merger of Linde and Praxair, the Health, Safety and Environment (HSE) values, commitments and principles of both companies have been aligned. In 2019, a new HSE & Quality policy was defined and approved by the Linde Management Committee.

At Linde, health, safety and environmental responsibility are part of our core values, which mean always acting and operating in a way that prevents harm to people, the environment and the communities in which it operates.

Safety continues to remain a priority and this was further reinforced with the new Life-saving Rules. The LSR reinforce those critical areas of the management system that, if not followed, present a high risk of fatality.

The Company achieved numerous milestones in safety. There was zero major reported events and zero fatality potential event in 2019. As on 31 December 2019, Linde Bangladesh Limited passed 1412 days without any major recordable event, with about 13.5 million kilometers in commercial vehicle operations. There was only one recordable injury case in 2019. In 2019, Company also achieved 100 percent of the



Celebration of "Phohela Falgun" at Corporate Office.



Handed over the Scholarship to the family members of the LBL Re-sellers shop at the 'Re-seller Scholarship Program 2019'.

predicting and planning for safe Deliver operations through our internal safety initiatives..

The Company got the recertification of Environmental Management System, ISO-14001:2015 and also completed 2nd surveillance audit of Quality Management System, ISO-9001:2015 for Rupganj Site. Rupganj operations has taken environmental initiative through various water saving project of rainwater harvesting & process water utilization. As part of community engagement, Company conducted session on Defensive Driving & Behavioral Safety program for another organization & also undertook safety awareness training for nearby primary school students beside Rupganj site. The Linde Safety Commitment day was celebrated on 19 June 2019 to grow the safety awareness among employees and contractors.

Human Resources

The vision of the Company's Human Resources function is to foster an organization that enables high performance and profitable growth by shaping a unique culture of execution, passion and empowerment. Company has put emphasis on learning and development programs, initiated multiple employee engagement events and has put in place a talent sourcing strategy keeping in mind Linde's commitment in ensuring gender diversity. Throughout the year the Company maintained harmonious industrial relations with the workforce and there was no production loss due to union activities, thus maximizing production and contributing towards the growth of the Company. Company also successfully managed the Linde and Praxair integration related activities by keeping its employees updated about the process changes in different areas.

Information Technology

In 2019, Information Technology department of Linde Bangladesh Limited took numerous initiatives to bring the business process up to a consistent global standard. Expected Time of Arrival (ETA) SMS Delivery Notification system for Bulk Customers went live on 1 October 2019. The system has enabled notification to bulk customers when delivery vehicle leaves Linde premises to ensure the better customer experience. Linde Bangladesh Limited implemented secure print solution to gain control and optimize its printing, which helps save money and enables

the organization to print more efficiently. To comply with country Govt. taxation rules, IT has taken initiative for implementing online VAT processes to cover input and output VAT processes. The project went live on 1 August 2019.

Community Engagement

Our mission of "Making our world more productive" reflects our deep commitment to Linde's Sustainable Development program. This includes resource efficiency-making more with less-and being a responsible steward of our environment in the communities. The Linde's global Corporate Responsibility guideline focuses on the sustainability and impact of the Corporate Social Responsibility (CSR) projects. In line with the CSR activities of previous years, Company continued to provide safe driving training among drivers, helpers and drivers of employee-owned vehicles to raise safety awareness and avoid road accidents. A unique new initiative named "Safety Awareness Program" for the students of primary and secondary schools, was launched in 2019. The first program was conducted at the Mahona Govt. Primary School, situated just beside the Rupganj site. Throughout the year, the Company engaged fresh graduates from public and private universities as interns and in industrial attachments in various departments. A total of 12 students from different private and public universities completed their internship and 15 students completed their industrial attachment in Linde. The Company also awarded scholarships among the bright and meritorious children of non-management staffs and hardgoods resellers to support them to continue their studies at higher secondary and graduate levels.

Prospects

Dear Shareholders

The mission, vision and values of Linde Bangladesh Limited are aligned to those of Linde. As you know, your Company strives to be the leader in all the business segments in which it operates in Bangladesh. Aided by significant and judicious investment in production facilities, distribution systems and improvement in operating process, the Company's business growth in the past several years has been remarkable. But ours is not a single minded pursuit of business growth alone. While business growth is important, and desired by all stakeholders, upholding our principles and values are equally important. Our important values include safety,

diversity and inclusion, accountability, integrity and community. These values are in consideration in all activities the Company undertakes.

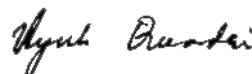
2019 was a great year for Linde Bangladesh Limited, the best so far in terms of revenue, earnings and almost every other criterion. Since 2015, each year has seen an improved performance over the preceding year. Because of investments and improvements made in the past several years, I believe this trend will continue. Today, Linde Bangladesh Limited is an efficient organization, with new and well functioning production facilities and a sound distribution system. The availability of products, the superior product quality of Linde, price competitiveness and safety record in handling hazardous products will lead to healthy revenue growth in the years to come. I feel tempted to say that the best is yet to be. But for the future to be good, we must remain ever vigilant. We have to innovate constantly, increase operational efficiency and cost effectiveness. And we must continue to make necessary and timely investments, in people and in products and processes.

I express gratitude to all who helped us in achieving our 2019 results. I am grateful to the members of the Board for their counsel and guidance. I am grateful to the shareholders for their support. Above all, I thank the

employees of the Company. They are our most valuable assets. We are grateful to our customers, suppliers, banks, Government authorities and agencies for their cooperation and help.

Thank you ladies and gentlemen.

Thank you,



Ayub Quadri
Dhaka, 20 February 2020

Report of the Board of Directors.

The Board of Directors of Linde Bangladesh Limited is pleased to present the Directors' Report and Auditors' Report together with the Financial Statements of the Company for the year ended 31 December 2019. The Directors' report highlights the key business activities that drove the performance of the Company and presents the necessary disclosures in relation to good corporate governance.

Industry Outlook and Possible Future Developments

Bangladesh achieved an estimated GDP growth of about 8 percent in 2019, in the face of a global slow down. Bangladesh also rose a spot, to 135 among 189 countries, in the 2019 Human Development Index, according to the United Nations Development Program.

Robust economic growth, remittances from expatriates, boost in exports and the vision of the leadership were the major factors behind the good performance of the economy during the year. This was underpinned by stable political environment, strong domestic demand and continuous infrastructural development including increase in electricity generation.

In 2019, Linde Bangladesh Limited continued to be the market leader in Bulk and Medical gases, Welding Electrodes and Compressed gases, leveraging from Linde's technological support in establishing new plants, distribution capacity enhancement and superior and innovative product offerings to its customers at competitive price.

The Government-led mega projects accelerated the production enhancement in the steel sector, which provided the Company opportunities in Bulk Gases, resulting in substantial growth. The firm growth in the boat building industry enabled the Company to increase business in electrodes. Growth in the energy sector also provided the Company opportunities through process improvement. The growth in healthcare sector resulted in expansion of public and private hospitals, a competitive industry where Linde thrives by offering comprehensive products and services. The Company's growth was achieved through sustained efforts to maintain the current customer base and acquisition of new customers in manufacturing, ship breaking, livestock and food and beverage segments.

Through sustained efforts, Linde Bangladesh Limited succeeded in sourcing raw materials at reasonable prices, investing in capital expenditure for capacity improvement in production and distribution and ensuring timely import, production and distribution of products. The year

2019 saw a decline in imported raw material cost, contributing to a sharp rise in profitability and excellent financial results.

Today, Linde Bangladesh Limited possesses a diverse product base with integrated production facilities and offices across the country. In addition, it is equipped to provide a wide range of services including purging jobs at oil fields, installation of medical oxygen pipelines and supply of special gases in various industrial sectors. The Company continues to invest in its people, helping them build and improve their capabilities. The aim is improved financial performance, but also includes Safety, Diversity and Inclusion, Accountability, Integrity, and Community - important values which define what the Company stands for.

Linde Bangladesh Limited focuses on accomplishing profitable growth to add value for the Company and its stakeholders. The investment in recent years in distribution fleet, 100 TPD ASU plant, 36 TPD Carbon dioxide plant and 2x5 MW power generators are examples of the Board's commitment to maintain the Company as the most preferred supplier to its customers. These capabilities are supported by a sound capital structure that enables the Company to pursue quality growth and increase dividends to shareholders. Ultimately, these efforts are driven by the Company's innovative employees, dedicated to the success of the Company.

The Company's unique operational excellence is an important cornerstone for delivery to its customers cost efficient products and services, safely and reliably. The Company faces competition in a highly competitive business environment, where formal and informal competitors pursue market shares with various activities including price reduction, quality revision and other incentives. The Company has managed to sustain the existing customer base, and attract new customers, by offering superior quality products at competitive prices. Product quality continued to be improved by taking feedback from customers and end users. Over the years, Linde Bangladesh Limited has partnered in the country's economic growth, backed by investment in process and developed own brands where lower cost was subsequently passed on to customers.

Business performance

The Company continued its sustainable growth in terms of business performance. The revenue of the Company for the year 2019 was Tk.



South Asia Women's day celebration on Thursday, 12 March 2020



A "Safety Awareness Program" at the Mahona Govt. Primary School, Rupganj in 2019.

5,684 m as against Tk. 5,460 m of 2018. The revenue is derived from following segments:

Segments	2019 MBDT	2018 MBDT
Bulk Gases	727	577
Packaged Gas and Products (PG&P)	4,240	4,190
Healthcare	717	693
	5,684	5,460

Bulk gases comprise of liquid industrial oxygen, liquid nitrogen, liquid argon and liquid carbon dioxide. PG&P business is comprised of mild steel electrodes and compressed industrial gases. Healthcare business is comprised of medical gases, medical equipment and medical pipeline.

For better understanding of the performance of the business, details are discussed by business segment i.e. Bulk, Packaged Gas and Products and Healthcare.

Bulk

In 2019, the overall performance of this segment was significantly better than the prior year, both in terms of volume and value. All ASU product sales increased, with more than 30 percent volume growth. Increase in liquid CO₂ was 15 percent. Overall increase in Bulk business was 26 percent over the prior year. This growth was achieved through increased sales from new customer acquisition and maintaining current customer base in manufacturing, ship breaking, livestock and food and beverage.

PG&P (Packaged gas and Products)

Overall revenue of PG&P segment increased in 2019 for both industrial and special products. Industrial products sales increased by 2 percent and special products by 15 percent over prior year. The major products contributing to growth were compressed Nitrogen, Argon, Corgon, Hydrogen and Helium. There were several large customer acquisitions in Corgon, Argon and CO₂.

Revenue growth in hardgoods was 2 percent in 2019 over 2018. Shipbuilding was the biggest contributor in the hardgoods segment, growing 8 percent over the prior year and contributing 50 percent of the total revenue of the segment. Light fabrication sales continued to struggle because of low cost electrodes of local competitors and imports from China. Company's initiative through new product introduction in light fabrication improved market share marginally.

Healthcare

The Healthcare segment includes all services related to the supply of Medical Gases such as Medical Oxygen, Nitrous Oxide, Medical Air, Medical Carbon Dioxide, Entonox, Gas Cylinders and Accessories and supply & installation of Medical Gas Pipeline Systems. The year 2019 was a good year for Healthcare Business, with improved revenue, new business wins and some renewal of contracts. The growth was 3.40 percent over prior year mainly due to growth in major products, retention of major customers and maintaining the Compressed Medical Oxygen and Nitrous Oxide growth momentum. Costs were managed well through efficiency and productivity efforts. Continuing growth is anticipated in the Healthcare segment.

Financial Results

The Company recorded a 4.09 percent growth in sales in 2019 compared to the previous year, contributed mostly by higher sales in the Bulk business. Ship building was the biggest contributor in the Hardgoods segment.

The growth in Real Estate business and the increased activities in ship breaking/ship building industries contributed to higher sales.

Gross profit climbed by 10.05 percent in 2019 compared to that in previous year mainly due to impact of incremental sales and new customer acquisition. The lower cost of electrode raw material achieved through e-auctions and benefits from own Flux blending facility and fixed cost containment initiatives also contributed to higher gross profit.

All the above resulted into a higher operating profit in 2019 compared to previous year:

Particulars	2019 MBDT	2018 MBDT
Revenue	5,684	5,460
Cost of Sales	(3,171)	(3,177)
Gross Profit	2,513	2,283
Other Income	(3)	31
Operating Expenses	(834)	(907)
Profit from operations	1,676	1,407
Net finance income	72	29
Profit before contribution to WPPF	1,748	1,436
Contribution to WPPF	(87)	(72)
Profit before taxation	1,661	1,364



Driver Training Session held on Saturday, 21 September 2019



An exclusive training program at Kazi Farms Group on Transport Safety.

Working Capital Management

Working Capital position was strengthened over previous year mainly due to contribution from better operating cash management. A continuous monitoring on Inventory, Debtors and Payables helped generating substantial cash flow with positive impact on Working Capital.

Risks and Concerns

The Company has a defined business risk assessment process which has been illustrated under Corporate Governance Chapter and the notes to the Financial Statements.

Related Party Transactions

Transactions with related parties are made on arm's length basis and are in the ordinary course of business. Detailed transactions with related parties are described at notes 41 of the Financial Statements in the [page # 76](#) of this Annual Report.

Internal Control

The Company maintains a sound internal control system that gives reasonable assurance that the Company's resources are safeguarded, and the financial position of the Company is well managed. The internal control framework is regularly reviewed by the Audit Committee in each meeting and reported to the Board of Directors. Group Internal Audit team conducts audit to evaluate appropriateness of internal control. The findings and subsequent follow up with remedial status are reported to the Audit Committee and are escalated to the Group Internal Audit. This report further encloses a detailed discussion on the Corporate Governance.

Going Concern

The Directors are of the opinion that the Company is a going concern and there are no significant doubts upon the Company's ability to continue as a going concern. Accordingly, Financial Statements are prepared on a going concern basis.

Future Plan

Linde Bangladesh Limited maintains a strong focus on profitable business growth, steadily enhancing its offerings to add value for its customers. A very significant event for the Company was the commissioning in 2017 of the new ASU in Rupganj. In 2018 the board approved an investment BDT 582.43 million for a new Merchant Carbon-dioxide plant at Rupganj, Bangladesh with the total production capacity of around 36 ton per day, which was commissioned in early 2019. To optimize the power cost, an investment of BDT 299 million is being made to set up 2X5 MW captive generator and its expected date of commissioning is early 2020. With these investments, it is expected that financial strength of the Company will be enhanced, giving it a solid financial foundation and high cash flows to enable it to invest in future profitable and sustainable growth.

Praxair Inc and Linde AG, two world class companies with nearly 140 years of combined history and successful achievements, merged in October 2018. Today, the Company operates as one Company with the Linde name. It represents the collective strengths that unite 80,000 employees in more than 100 countries to leverage the extensive footprint and capabilities to capture the value of the merger fully. The newly formed Linde plc is the leading industrial gases and engineering Company in the world.

Remuneration to Directors

Independent and Non-Executive Directors other than Directors who are in the employment of the Linde group Companies are paid as agreed by the country management.

The remuneration, performance and related bonus of Executive Directors are reviewed and approved by the concerned management. The details of the remuneration paid to the Executive Directors during the year are given in notes at [notes no. 13, page # 60](#) of the Financial Statements.

Dividends

The Directors recommended a final dividend of Taka 50.00 per share for the year, involving a payout of Taka 760.91 m subject to approval at the Annual General Meeting. The dividend percentage for the year would be 500 percent and total dividend payout for the year would amount to Taka 760.91 m (Taka 570.69 m in 2018).

Additional statements on regulatory disclosure

The Directors of the Company have included the other following disclosures:

- The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- Proper books of accounts of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- All deviations from the last year's operating results of the Company have been highlighted under the above Financial Results;
- The summarized key operating and financial data of at least preceding five years (2014-2019) is set out in page # 20.
- All transactions with related parties have been made on a commercial basis and the basis was the principle of "Arm's Length Transactions". Related party transactions have been presented in notes to the Financial Statements;
- There is no extra-ordinary gain or loss during the year;
- Utilization of proceeds from public issues is not applicable;
- Explanation of financial results after IPO is not applicable;
- An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;
- During the year, the Company has paid a total of Tk 275,000 as Board meeting attendance fees. The remuneration of Directors has been mentioned in the Notes to the Financial Statements;


The Directors also report that:

- The Managing Director and Chief Financial Officer have certified to the Board that they have reviewed the financial statements for the year and to the best of their knowledge believe that these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
- The Managing Director and Chief Financial Officer have certified to the Board that they have reviewed the financial statements for the year and to the best of their knowledge believe that these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;
- The Managing Director and Chief Financial Officer have further certified to the Board that there are to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's Code of Conduct.

Reserves

The Directors propose to transfer net profit for the year Taka 1,205.00 m to General Reserve.

On behalf of the Board of Directors,
Dhaka, 20 February 2020



Ayub Quadri
Director and Chairman

Directors

The present directors are named on ➡ pages 8 to 10 of this report.

Mr. Ayub Quadri and Mr. Moloy Banerjee shall retire from the Board by rotation at the 47 Annual General Meeting under Article 81 of the Articles of Association of the Company. All the retiring Directors are proposed for re-election at the 47 Annual General Meeting.

Following members were appointed to the Board as a Director of the Company since last Annual General Meeting under the provision of Article 87:

- Mr. Tanjib-Ul Alam in place of Ms. Parveen Mahmud on 2 May 2019
- Mr. Sujeet Kumar Pai in place of Ms. Desiree Bacher on 30 July 2019
- Mr. Pavan Mysore Vijaykumar in place of Mr. Indranil Bagchi on 30 July 2019 and
- Mr. Md Abul Hossain in place of Mr. Kazi Sanaul Hoq on 22 October 2019

All having been appointed to the Board since the last Annual General Meeting under the provision of Article 87 also retire and being eligible, offer themselves for re-election.

Contribution to National Exchequer

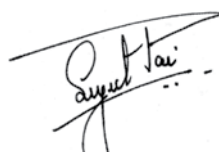
Total payment of duty and taxes to National Exchequer in 2019 was Tk 1,623 m as against Tk. 1,571 m for 2018.

Statutory Auditors

Hoda Vasi Chowdhury & Co., Chartered Accountants, being eligible, offer themselves for reappointment.

Compliance Auditors

The Compliance Auditor of the Company, Rahman Rahman Huq, Chartered Accountants, have audited for the year ended 31 December 2019. As per BSEC new code the professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting. In compliance with BSEC order # BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, it is necessary to appoint Compliance auditors for the Company. Rahman Rahman Huq, Chartered Accountants have expressed their willingness to be appointed as Compliance Auditors of Linde Bangladesh Limited. The Board recommends appointment of Rahman Rahman Huq, Chartered Accountants, as Compliance Auditors of the Company for the year 2020 subject to approval of the shareholders in the 47 Annual General Meeting.



Sujeet Kumar Pai
Managing Director

Committees.

Audit Committee

The Board has constituted an Audit Committee for the Company according to the conditions of BSEC guidelines. The composition of Audit Committee as at 31 December 2019 is as follows:

Chairperson	Ms. Rupali H. Chowdhury	Independent Director
Member	Mr. Moloy Banerjee	Director
Member	Mr. Tanjib-Ul Alam	Independent Director
Secretary	Mr. Abu Mohammad Nisar	Company Secretary
In Attendance	Ms. Sanchita Chakraborty Das	Head of Internal Audit

Nomination and Remuneration (NRC) Committee

The Board has constituted Nomination and Remuneration (NRC) Committee for the Company according to the conditions of BSEC guidelines. The composition of NRC Committee as at 31 December 2019 is as follows:

Chairperson	Ms. Rupali H. Chowdhury	Independent Director
Member	Mr. Moloy Banerjee	Director
Member	Mr. Tanjib-Ul Alam	Independent Director
Secretary	Mr. Abu Mohammad Nisar	Company Secretary

Country Leadership Team

The Board of Directors is duly assisted by the senior management of the Company, namely the Country Leadership Team (CLT). The Managing Director leads the CLT which comprises of the following head of functions:

Chairman	Mr. Sujeet Kumar Pai	Managing Director
Member	Mr. Md Anisuzzaman	Chief Financial Officer
Member	Ms. Saiqa Mazed	Head of Human Resources
Member	Mr. A K M Tareq	Head of Sales & Marketing, Hardgoods
Member	Mr. Syed Asgar Ali	Head of Procurement
Member	Mr. Nurur Rahman	Head of Sales & Marketing, PG & Bulk
Member	Mr. Mushfique Akhter	Head of Healthcare

Safety Council Team

Safety Council Team, this forum works to support safety related programs and try to improve the safety performance and culture. The objective of the team is to monitor the country leading and lagging indicator of safety and also other safety related issues. The Managing Director leads the Safety Council Team which comprises of 19 members as follows:

Head of Safety, Health, Environment and Quality (SHEQ)	On site Plant Manager
Country leadership team	Operation Manager
Head of all Functions	Customer Engineer Service Manager
Transport Safety Manager	

Country leadership team.



From left to right: Mr. Syed Asgar Ali, Head of Procurement, Mr. Mushfique Akhter, Head of Healthcare, Mr. Md Anisuzzaman, CFO, Mr. A K M Tareq, Head of Sales & Marketing, Hardgoods, Mr. Sujeet Kumar Pai, MD, Ms. Saiqa Mazed, Head of Human Resource, Mr. Nurur Rahman, Head of Sales & Marketing, PG & Bulk.

Key Financial History.

Key Operating and Financial data of five years preceding the year ended 31 December 2019.

		2014	2015	2016	2017	2018	2019
Revenue	'000 Taka	3,984,482	3,933,185	4,270,585	4,941,799	5,460,190	5,683,441
Profit before tax	"	851,035	881,343	1,190,832	1,304,260	1,364,474	1,660,989
EBITDA	"	994,095	1,031,104	1,381,796	1,516,448	1,622,148	1,887,324
Taxation	"	242,659	213,086	324,114	171,432	360,700	429,401
Deferred tax	"	(11,756)	17,786	(14,480)	180,090	29,302	53,283
Earnings	"	620,132	650,471	881,198	952,738	1,003,774	1,231,588
Final dividend proposed	"	167,401	167,401	167,401	213,056	570,686	760,914
Interim dividend paid	"	304,366	304,366	304,366	304,366	-	-
General reserve	"	2,434,503	2,613,207	3,032,750	3,523,636	4,320,508	4,956,527
Share capital	"	152,183	152,183	152,183	152,183	152,183	152,183
Revaluation reserve	"	20,174	20,174	-	-	-	-
Shareholder's equity	"	2,606,860	2,785,564	3,184,933	3,675,819	4,472,691	5,108,710
Net fixed assets	"	1,535,145	1,914,405	2,543,935	3,218,638	3,445,462	3,617,639
Depreciation	"	164,531	162,617	201,863	219,651	280,065	292,086
Earnings per share	Taka	40.75	42.74	57.90	62.60	65.96	80.93
Price earnings ratio-times		22	27	22	21	18	16
Return on Capital Employed	%	24	24	28	26	22	24
Gross profit ratio	%	40	43	46	47	42	44
Debt equity ratio-times		-	-	-	-	-	-
Current ratio-times		3.11	2.44	1.55	1.67	2.01	2.3
Dividend per share	Taka	31.00	31.00	31.00	34.00	37.50	50.00
Dividend percentage	%	310	310	310	340	375	500
Net assets per share	Taka	171.30	183.04	209.28	241.54	293.90	335.7
Operating cashflow per share	"	50.89	67.14	73.18	76.13	76.87	102.8

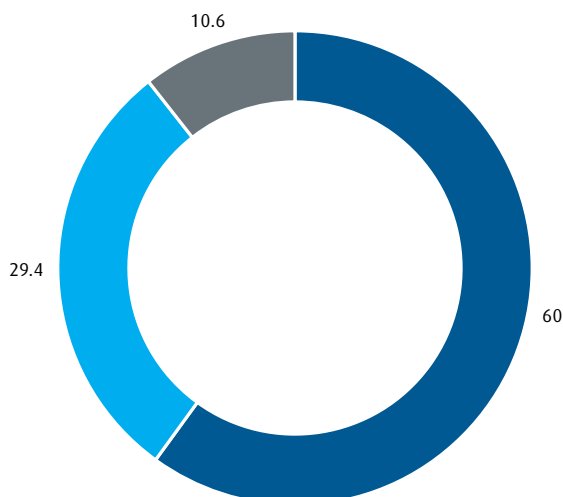
Shareholding Pattern and Percentage.

Shareholding Pattern

Director's Name	No. of shares		
	2017	2018	2019
Mr Ayub Quadri (Chairman)	10	10	10
Ms Parveen Mahmud (Independent Director - resigned on 19 April 2019)	50	50	50
Executive Name			
Mr. Syed Asgar Ali (Head of Procurement)	50	50	50
Mr. Abu Mohammad Nisar (Company Secretary)	28	28	28
CFO, HIAC and other executives (none of spouse and minor children hold any shares)	0	0	0
10% or above shareholding : Name			
The BOC Group Limited, UK, which is fully owned by Linde AG, Germany	9,130,968	9,130,968	9,130,968
ICB Unit Fund	1,068,289	1,061,615	1,061,615
Parent, Subsidiary, Associated Companies			
Linde plc, incorporated in Ireland, a new ultimate holding Company			
BOC Group Limited of United Kingdom (UK) and Linde AG of Germany, both are fellow subsidiaries			
Bangladesh Oxygen Limited, winding up process on going, Subsidiary Company			
BOC Bangladesh Limited, Subsidiary Company			

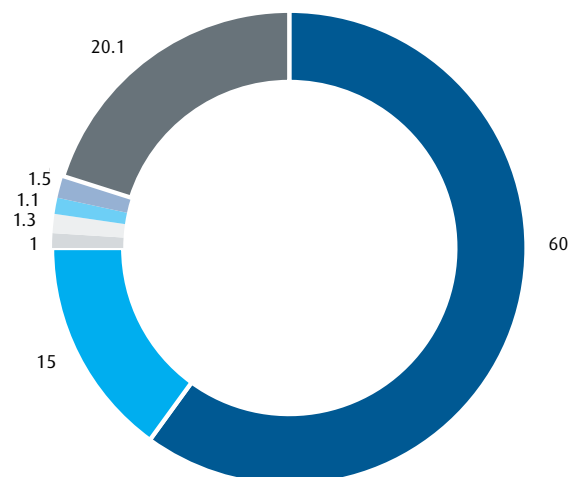
Percentage of shareholdings – institutes & publics

- The BOC Group Limited (60.0)
- Various Institutes (29.4)
- Public (10.6)



Percentage of shareholdings – various companies & others

- The BOC Group Limited (60)
- Investment Corporation of Bangladesh (15)
- LANKABANGLA Securities Ltd. (1.0)
- Sadharan Bima Corporation (1.3)
- Pubali Bank Limited (1.1)
- Pubali Bank Securities Limited (1.5)
- Other Shareholders (20.1)



Meetings.

Board Meetings

During the period the Board met five times.

	Name of the Directors	No. of Attendance
1	Mr. Ayub Quadri-Chairman	5
2	Mr. Mohsin Uddin Ahmed (Resigned on 31 December 2019)	4
3	Mr. Moloy Banerjee	5
4	Ms. Desiree Bacher (Resigned on 25 July 2019)	1
5	Ms. Parveen Mahmud (Independent Director- resigned on 19 April 2019)	1
6	Mr. Indranil Bagchi (Resigned on 25 July 2019)	2
7	Mr. Kazi Sanaul Hoq (Resigned on 22 August 2019)	0
8	Ms. Rupali H Chowdhury	4
9	Mr. Tanjib-Ul Alam (Joined 2 May 2019 in place of Ms. Parveen Mahmud)	1
10	Mr. Sujeet Kumar Pai -CEO (Joined 30 July 2019 in place of Ms. Desiree Bacher)	3
11	Mr. Pavan Mysore Vijaykumar (Joined 30 July 2019 in place of Mr. Indranil Bagchi)	3
12	Mr. Md Abul Hossain (Joined 22 October 2019 in place of Mr. Kazi Sanaul Hoq & Resigned on 26 February 2020)	1

Audit Committee Meetings

There were four meetings during the period.

	Name of the Members	No. of Attendance
1	Ms. Rupali H Chowdhury- Chairperson	3
2	Mr. Moloy Banerjee- Director- Corporate Investor nominated	4
3	Ms. Desiree Bacher (Resigned on 25 July 2019)- Director- Corporate Investor nominated	1
4	Ms. Parveen Mahmud- (Independent Director- resigned on 19 April 2019)	1
5	Mr. Tanjib-Ul Alam- Independent Director (Joined 2 May 2019)	0

Nomination and Remuneration Committee Meetings

There were three meetings during the period.

	Name of the Members	No. of Attendance
1	Ms. Rupali H Chowdhury- Chairperson (Independent Director)	3
2	Mr. Moloy Banerjee (Resigned on 25 July 2019)- Non-Executive Director- Corporate Investor nominated	3
3	Ms. Desiree Bacher (Resigned on 25 July 2019)- Non-Executive Director- Corporate Investor nominated	0
4	Mr. Tanjib-Ul Alam- Independent Director (Joined 2 May 2019)	0

Annexure A.

[As per condition No. 1(5)(xxvi)]

Declaration by CEO and CFO

20 February 2020

The Board of Directors

Linde Bangladesh Limited
Corporate Office
285 Tejgaon Industrial Area
Dhaka-1208, Bangladesh

Subject: Declaration on Financial Statements for the year ended on 31 December 2019

Dear Sirs,


Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Linde Bangladesh Limited for the year ended on 31 December 2019 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i. We have reviewed the financial statements for the year ended on 31 December 2019 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,



Sujeet Kumar Pai
Managing Director



Md Anisuzzaman
Chief Financial Officer (CFO)

Annexure B.



Rahman Rahman Huq
Chartered Accountants
9 & 5 Mohakhali C/A
Dhaka 1212
Bangladesh

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Internet: www.kpmg.com/bd

[Certificate as per condition No. 1(5)(xxvii)]

Report to the Shareholders of Linde Bangladesh Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Linde Bangladesh Limited for the year ended on 31 December 2019. This Code relates to the Notification No BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the Company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The governance of the Company is highly satisfactory.

Dhaka, 20 February 2020

M. Mehedi Hasan

Partner
Rahman Rahman Huq
Chartered Accountants

Rahman Rahman Huq, a partnership firm registered in Bangladesh and a member firm of the KPMG network of independent member firms affiliated with KPMG International cooperative ("KPMG International"), a Swiss entity.

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Annexure C.

[As per condition No.1 (5) (xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9).

Condition No.	Title	Compliance Status Put (✓) in the appropriate column		Remarks (if any)
		Complied	Not Complied	
1.00	Board of Directors.			
1.1	Board's Size: Board members should not be less than 5(five) and more than 20 (twenty).	✓		
1.2	Independent Directors.			
1.2 (a)	At least one fifth (1/5) of the total number of directors in the Company's board shall be independent directors.	✓		
1.2 (b) (i)	Who either does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company.	✓		
1.2 (b) (ii)	Who is not a sponsor of the Company and is not connected with the Company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the Company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		
1.2 (b) (iii)	who has not been an executive of the Company in immediately preceding 2 (two) financial years;	✓		
1.2 (b) (iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary/associated companies.	✓		
1.2 (b) (v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1.2 (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1.2 (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned Company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1.2 (b) (viii)	Not an Independent Director in more than five listed companies	✓		
1.2 (b) (ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	✓		
1.2 (b) (x)	Who has not been convicted for a criminal offence involving moral turpitude.	✓		
1.2 (c)	The independent director (s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓		
1.2 (d)	The post of independent director (s) cannot remain vacant for more than 90 (ninety) days.			No such matter
1.2 (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only. Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per of under section 18 of the Companies Act, 1994.	✓		
1.3	Qualification of Independent Director.			
1.3 (a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
1.3 (b)	Independent director shall have following qualifications			
1.3 (b) (i)	Business Leader who is or was a promoter or director of an unlisted Company having minimum paid-up capital of Tk. 100.00 million or any listed Company or a member of any national or international chamber of commerce or business association; or	✓		
1.3 (b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid up capital of Tk. 100.00 million or of a listed Company; or	✓		

Condition No.	Title	Compliance Status Put (✓) in the appropriate column		Remarks (if any)
		Complied	Not Complied	
1.3 (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	✓		
1.3 (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		
1.3 (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1.3 (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1.3 (d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			No such matter
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the Company shall be filled by different individuals;	✓		
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company;	✓		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the Company;	✓		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such matter
1.5	The Directors' Report to Shareholders.			
1.5 (i)	Industry outlook and possible future developments in the industry;	✓		
1.5 (ii)	Segment-wise or product-wise performance;	✓		
1.5 (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1.5 (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss).	✓		
1.5 (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1.5 (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			No such matter
1.5 (viii)	An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.			No such matter
1.5 (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		
1.5 (x)	A statement of remuneration paid to the directors including independent directors;	✓		
1.5 (xi)	A statement that the financial statements prepared by the management of the issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1.5 (xii)	A statement that proper books of account of the issuer Company have been maintained;	✓		
1.5 (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1.5 (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1.5 (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		

Condition No.	Title	Compliance Status Put (✓) in the appropriate column		Remarks (if any)
		Complied	Not Complied	
1.5 (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1.5 (xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1.5 (xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained;	✓		
1.5 (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1.5 (xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year;	✓		
1.5 (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		
1.5 (xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1.5 (xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1.5 (xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1.5 (xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1.5 (xxiii) (c)	Executives; and	✓		
1.5 (xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name wise details)	✓		
1.5 (xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1.5 (xxiv) (a)	A brief resume of the director;	✓		
1.5 (xxiv) (b)	Nature of his/her expertise in specific functional areas; and	✓		
1.5 (xxiv) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1.5 (xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1.5 (xxv) (a)	Accounting policies and estimation for preparation of financial statements;	✓		
1.5 (xxv) (b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1.5 (xxv) (c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1.5 (xxv) (d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1.5 (xxv) (e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1.5 (xxv) (f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and	✓		
1.5 (xxv) (g)	Future plan or projection or forecast for Company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1.5 (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
1.5 (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1.6	Meeting of the Board of Directors.			
	The Company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		

Condition No.	Title	Compliance Status Put (✓) in the appropriate column		Remarks (if any)
		Complied	Not Complied	
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer.			
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the Company;	✓		
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behaviour; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
2	Governance of Board of Directors of Subsidiary Company.			
2 (a)	Provisions relating to the composition of the Board of the holding Company shall be made applicable to the composition of the Board of the subsidiary Company;	✓		
2 (b)	At least 1 (one) independent director on the Board of the holding Company shall be a director on the Board of the subsidiary Company;	✓		
2 (c)	The minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the holding Company;	✓		
2 (d)	The minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the subsidiary Company also;	✓		
2 (e)	The Audit Committee of the holding Company shall also review the financial statements, in particular the investments made by the subsidiary Company.	✓		
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).			
3.1	Appointment.			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other Company at the same time;	✓		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3.2	Requirement to attend Board of Directors' Meeting.			
	The MD or CEO, CS, CFO and HIAC of the Company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)	✓		
3.3 (a) (i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3.3 (a) (ii)	These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3.3 (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board or its members;	✓		
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee.			
4 (i)	Audit Committee; and	✓		
4 (ii)	Nomination and Remuneration Committee	✓		
5	Audit Committee.			
5 (1)	Responsibility to the Board of Directors.			
5 (1) (a)	The Company shall have an Audit Committee as a sub-committee of the Board;	✓		

Condition No.	Title	Compliance Status Put (✓) in the appropriate column		Remarks (if any)
		Complied	Not Complied	
5 (1) (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	✓		
5 (1) (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5.2	Constitution of the Audit committee.			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5.2 (b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the Company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5.2 (c)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		
5.2 (e)	The Company secretary shall act as the secretary of the Committee;	✓		
5.2 (f)	The quorum of Audit Committee meeting shall not constitute without at least 1 (One) independent director.	✓		
5.3	Chairperson of the Audit Committee.			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such matter
5.3 (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
5.4	Meeting of the Audit Committee.			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5.5	Role of Audit Committee.			
5.5 (a)	Oversee the financial reporting process;	✓		
5.5 (b)	Monitor choice of accounting policies and principles;	✓		
5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5.5 (d)	oversee hiring and performance of external auditors;	✓		
5.5 (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5.5 (f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5.5 (h)	Review the adequacy of internal audit function;	✓		
5.5 (i)	Review the Management’s Discussion and Analysis before disclosing in the Annual Report;	✓		

Condition No.	Title	Compliance Status Put (✓) in the appropriate column		Remarks (if any)
		Complied	Not Complied	
5.5 (j)	Review statement of all related party transactions submitted by the management;	✓		
5.5 (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5.5 (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5.5 (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the Company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee			No such matter
5.6	Reporting of the Audit Committee.			
5.6 (a)	Reporting the Board of Directors.			
5.6 (a) (i)	The Audit Committee shall report on it activates to the Board;	✓		
5.6 (a) (ii) (a)	Report on conflicts of interest;			No such matter was identified during the year
5.6 (a) (ii) (b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			
5.6 (a) (ii) (c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			
5.6 (a) (ii) (d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			
5.6 (b)	Reporting to the Authorities.			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such matter was identified during the year
5.7	Reporting to the Shareholders and General Investors.			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer Company.	✓		
6	Nomination and Remuneration Committee (NRC).			
6.1	Responsibility to the Board of Directors.			
6.1 (a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓		
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6.5 (b).	✓		
6.2	Constitution of the NRC.			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	✓		
6.2 (b)	All members of the Committee shall be non-executive directors;	✓		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		

Condition No.	Title	Compliance Status Put (✓) in the appropriate column		Remarks (if any)
		Complied	Not Complied	
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such matter
6.2 (g)	The Company secretary shall act as the secretary of the Committee;	✓		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.	✓		
6.3	Chairperson of the NRC.			
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such matter
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		
6.4	Meeting of the NRC.			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6.4 (b)	The chairperson of the NRC may convene any emergency meeting;	✓		
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting.	✓		
6.5	Role of NRC.			
6.5 (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6.5 (b) (i) (a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully	✓		
6.5 (b) (i) (b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6.5 (b) (i) (c)	The remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;	✓		
6.5 (b) (ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6.5 (b) (iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6.5 (b) (iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6.5 (b) (v)	Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6.5 (b) (vi)	Developing, recommending and reviewing annually the Company's human resources and training policies;	✓		
6.5 (c)	The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7	External or Statutory auditors:			
7.1	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:			

Condition No.	Title	Compliance Status Put (✓) in the appropriate column		Remarks (if any)
		Complied	Not Complied	
7.1 (i)	Appraisal or valuation services or fairness opinions;	✓		
7.1 (ii)	Financial information systems design and implementation;	✓		
7.1 (iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7.1 (iv)	Broker-dealer services;	✓		
7.1 (v)	Actuarial services;	✓		
7.1 (vi)	Internal audit services or special audit services;	✓		
7.1 (vii)	Any service that the Audit Committee determines;	✓		
7.1 (viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7.1 (ix)	Any other service that creates conflict of interest;	✓		
7.2	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company.			
8.1	The Company shall have an official website linked with the website of the stock exchange.	✓		
8.2	The Company shall keep the website functional from the date of listing.	✓		
8.3	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance.			
9.1	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9.3	The directors of the Company shall state, in accordance with the Annexure-C attached, in the directors' report whether the Company has complied with these conditions or not.	✓		

Corporate Governance.

Corporate governance practices

Sound corporate governance is fundamental to a Company's long-term success. The Board of Directors of Linde Bangladesh Limited is firmly committed to upholding principles of sound corporate governance. The Board's Management and supervision of actions are always guided by a strong sense of responsibility. Board of Directors continues to follow developments in this area and adapt corporate governance practices as appropriate and beneficial for the Company. The main objective of corporate governance is creation of lasting value for stakeholders. Linde's success has always been built on close and effective cooperation between Board of Directors ability to serve shareholder interest, open communication with in the Company, proper accounting and auditing and responsible approach to risk, statutory regulations and internal control practices.

Linde Bangladesh Limited follows the Corporate Governance Code promulgated by the Bangladesh Securities and Exchange Commission vide Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018.

Role of the Board of Directors

The Board of Linde Bangladesh Limited is responsible for managing the Company and overseeing its general business activities. Its action and decisions are made in the best interests of the Company, which includes the interests of shareholders, employees, customers and other stakeholder groups. Its aim is to create lasting value for stakeholders. Responsibilities of the Board is steered by the regulations contained in the Memorandum and Articles of Association of the Company, the Companies Act 1994, relevant valid regulations, Codes of Corporate Governance of BSEC, Listing Regulations of Exchanges, corporate best practices of the Country and Company's Codes of Conduct. The Board of Linde Bangladesh Limited comprises of 7 members of whom 2 members are independent directors, 1 member is executive director, 2 are Linde nominated directors, 1 ICB nominated director and rest 1 is non-executive director. The Board members include persons of high caliber with professional and academic qualification having experience in private and public sector operations. The Board of Directors reviews business performance in each meeting and approves periodical and annual financial results for publication. Board approves annual plan, capital expenditure for the year and passes resolution at meetings held on a regular basis.

Board meeting

The Board of Linde Bangladesh Limited met five times in 2019. In the Board Meeting the actions and decisions are geared towards the best interests of the Company taking into account the concern of shareholders, employees, customers and other stakeholders. Board meetings were held under section # 96 of Companies Act 1994 and Bangladesh Securities and Exchange Commission (BSEC) regulations regarding Board meeting were complied with. The Company conducts

its Board meetings and records the minutes of the meetings as well as keeps required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB). Director's attendance in the Board meeting is shown in ➔ [page # 22](#) of the Report of the Board of Directors.

Audit Committee

Linde Bangladesh Limited has an Audit Committee as a sub-Committee of the Board of Directors. The aims of the establishment of an Audit Committee is to create efficiency in the operations and to add value to the organization.

The Audit Committee is appointed by the Board of Directors to assist the Board in discharging its oversight responsibilities by reviewing:

- the financial reporting process to ensure the balance, transparency and integrity of published financial information so that the financial statements reflect true and fair view of the state of affairs of the Company;
- the effectiveness of the Company's internal financial control and risk management system as well as the effectiveness of the internal audit and compliance function to ensure sound monitoring system within the business;
- the independent audit process including recommending the appointment and assessing the performance of the external auditor.

In performing its duties, the Committee maintains effective working relationships with the Board of Directors, management, and the external and internal auditors. The Audit Committee is responsible to the Board of Directors according to the duties and responsibilities assigned by the Board of Directors. To perform his or her role effectively, each Committee member needs to develop and maintain his or her skills and knowledge, including an understanding of the committee's responsibilities and of the Company's business, operations and risks. A separate report on activities of the Audit Committee is attached at ➔ [page # 39](#) of this report pursuant to condition # 5(7) of the Corporate Governance Code of 3 June 2018.

Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee of Linde Bangladesh Limited is appointed by the Board of Directors, as required by the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) notification. The NRC consist of three members, of whom two are independent directors, and one is the nominated director.

The Nomination & Remuneration Committee (NRC) was set up with clear terms of reference. The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive. The Nomination and

Remuneration (NRC) Committee shall, at least once a year, consider its own act and terms of reference to ensure that it is functioning at maximum usefulness and recommend any updates necessary to the Board for consent. The policy of NRC is attached at [⇒ page # 40](#) of this report pursuant to condition # 6.5(c) of the Corporate Governance Code of 3 June 2018.

Chairperson and Managing Director/CEO of the Company are different persons

To reinforce compliance of the Corporate Governance Code of 1(4), Chairperson of the Board and Managing Director/CEO of the Company are different individuals with different roles and responsibilities as defined by the Board. The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company. The Chairperson and Managing Director of the Board is to be balanced to ensure that its members collectively possess the knowledge, skills and professional experience necessary to enable them to discharge their duties in a fit and proper manner. The Chairperson is a Non-Executive Director while the Managing Director/CEO is an Executive Director. The Chairperson and Managing Director/CEO ensures that the Board is functioning in accordance with the Memorandum and Articles of Association of the Company as well as other applicable laws.

Role of the Chairperson

The Chairperson of the Board shall be elected by the Board of Directors from among the non-executive directors of the Company. In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes. The purpose of the role is to make the board excellent and to take personal responsibility for the level of quality in the boardroom, to improve and maximize the governance process, thus protecting the shareholders assets and ensuring decent return on their investment. A brief of the roles and responsibilities of the Chairperson is as follows:

- The Chairperson's responsibility is defined by the Board as directed by BSEC Corporate Governance code.
- Responsible for overseeing the board meetings as well as the executive sessions of independent directors, organizing and coordinating the board's activities.
- The Chairperson confirms that the Board is functioning in harmony with the Memorandum and Articles of Association of the Company as well as other pertinent laws.
- Reviewing and evaluating the performance of the Managing Director and the other board members.
- Ensure that all statutory and legal compliance is strictly adhered.
- Ensure internal Linde compliance in all aspects of the business.
- Work closely with the Board of Directors, Global, Regional, Cluster and Country Leadership Team, Regional Partners; in country teams; external organizations including industry and legislative bodies.

Role of the Managing Director and CEO

The directors shall appoint Managing Director and CEO for such period and upon such terms as they think fit. The purpose of the role is to drive profitable growth in Linde's business, identify new business opportunities, align the organisation internally and implement the industry best practices within the Company as per approved objective. The Managing Director works closely with the Board of Directors, Global, Regional, Cluster and Country Leadership Team, Functional Heads, Regional Partners; in country teams; external organizations including industry and legislative bodies. A brief of the roles and responsibilities of the Managing Director and CEO is as follows:

- Delivering Company's over-all financial and non-financial targets (profit and loss management, safety, quality, regulatory compliance, customer service KPI's, DSO, etc.).
- Provide over-all leadership and management in business in terms of sales, marketing, local product management, pricing, trademark, branding and regulatory compliance.
- Reporting of key business qualitative and quantitative performance indicators across relevant departments and management levels.
- Develop in-depth understanding of the existing trend of local market, value chain, customer segments and competitors within the market sector and incorporate those into Company's business strategies.
- Review organization and succession planning to ensure business continuity within the team.
- Ensure internal Linde compliance in all aspects of the business.

Role of the Chief Financial Officer (CFO)

The Chief Financial Officer (CFO) shall be appointed by the directors for such time, at such remuneration and upon such conditions as they may think fit, and any Chief Financial Officer so appointed may be removed by them. The Corporate Governance Code # 3 issued by BSEC requires a listed Company to appoint a Chief Financial Officer who shall not hold any executive position in any other Company at the same time. The Chief Financial Officer of a Company has overall responsibility for the strategic planning, implementation, managing and running of all the finance activities of the Company, including business planning, budgeting, forecasting, risk and governance as well as negotiations. The CFO job description should also implement Company's overall financial policy to achieve Company's short and long term financial goals. A brief of the roles and responsibilities of the Chief Financial Officer is as follows:

- Formulates and administers financial policy and develops best financial practices in the Company.
- Draws strategy to maintain smooth cash flow throughout the year.
- Ensures that all rules and regulations of the Company, the Statutory/Regulatory bodies, the Company laws, Security and Exchange Rules are fully in compliance.
- Supports and monitors activities of Share and Finance Departments and provide shareholders' appropriate services.
- Assists and advises the Managing Director of the Company in matters of financial decisions and briefs the Board members with finance related information.

- Leads the budget preparation process and finalises it.
- Establishes standardised systems and processes for various financial operations and ensures development of standard operating procedures.
- Creates a culture of financial discipline by ensuring the implementation of management and financial management systems and processes across the organization.
- Present the financials to the Board and Country Leadership team.
- Manages key financial risks including that of Treasury and Insurance and update the Board time to time.
- Formulates and administers financial policy and accounting practices and reporting system in the Company.
- Strives to achieve cost control through judicious control over the commercial planning, contracts and taxation matters.
- Implementing procedural/administrative systems as directed.
- Handling correspondence before and after meetings.
- Ensuring policies are kept current, are approved, and that Company members are aware of their implications.
- Prepare various management reports for Board Directors.
- Collating information and report accordingly as directed on Company matters.
- Providing legal/financial advice during and outside of meetings.
- Ensure that all regulatory requirements and reporting are strictly adhered.
- Maintaining current awareness about Company law.
- Keeping the register of shareholders updated and liaising with them on behalf of the Company.

Role of the Company Secretary

The Secretary shall be appointed by the directors for such time, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. The purpose of this position is to guide Company directors about the operation of the Company, including compliance with legal and statutory requirements to achieve Company's short and long-term goals. The Corporate Governance Code # 3 issued by BSEC requires a listed Company to appoint a full-fledged Company Secretary who shall not hold any executive position in any other Company at the same time. Company Secretary should work closely with Board of Directors, different committee members, shareholders, regulatory authorities and all functional heads of the Company. The Company Secretary plays an important role in ensuring that a Company and its directors both comply with Company law. The Company Secretary shall organise Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of these Code and guided by the regulations contained in the Memorandum and Articles of Association of the Company, the Companies Act, 1994, relevant applicable regulations, BSEC Codes of Corporate Governance, Listing Regulations of the exchanges and other generally accepted corporate best practices.

Being a governance official, the Company Secretary drives for corporate compliance and provides support to the Chairman, other members of the Board and the Managing Director to ensure effective functioning of the Board. The Company Secretary organises and attends all Board and Committee meetings and ensures that deliberations on all issues are properly minuted decisions recorded and are duly communicated across the respective authority lines for necessary information and actions. A brief of the roles and responsibilities of the Company Secretary is as follows:

- Convening and servicing annual general meeting (AGM), extra-ordinary general meetings (EGM) including producing agendas, taking minutes; conveying decisions etc.
- Providing support to committees and working parties such as the Board of Directors, Audit Committee etc.

Role of the Head of Internal Audit & Compliance (HIAC)

The internal audit function of Linde, Region of South and East Asia (RSE) conducts at regular intervals efficiency and effectiveness of the risk management and internal control on all activities of the Company. They also carryout internal audit on all functions of the Company like, Operations, Distributions, Sales and Marketing, Finance, Treasury system, Information Service. Internal Auditors submit their observation on weaknesses and non compliance of Company's practices and statutory provisions. The Head of Internal Audit and Compliance is responsible for the internal control system and reporting to the Audit Committee regarding deviations from accounting and internal control system. The internal auditors embark on a comprehensive audit of all functional areas and operations and their findings are referred to the Audit Committee of the Board for due appraisal with the BSEC guideline.

The Head of Internal Audit and Compliance (HIAC), performs group-wide independent, objective assurance and consulting activities in order to add value and improve the organisation's operations. Fulfils the country level Audit Committee requirements in the role of Country Head of Internal Audit which is a statutory requirement of the local country Companies Act. LBL has made relevant mandatory disclosures in its financial statements under the regulatory framework, including compliance with the provisions of International Financial Reporting Standards (IFRS) as adopted in Bangladesh. Besides that, it submits all the reports/statements regularly which are required to be sent to the regulators as well as the other stakeholders of the Company. A brief of the roles and responsibilities of the Head of Internal Audit and Compliance (HIAC) is as follows:

- Present project status updates to members of the Audit Committee.
- Convey key issues identified, the risks associated, the recommendations required and the management comments.
- Describe the severity of findings and how it impacts the respective country financial performance.
- Present feedback on investigations and outcomes.
- Handle all queries regarding Internal Audit as raised in the Audit Committee meeting or requested by the chairperson.
- Ensure stakeholder appreciation for the work done by Internal Audit.
- Achieve good understanding of the country operations and business models.

- Engage with the country leadership to build good working relations.
- Interact with the External Auditors as required to understand their challenges and risks identified in the Company.
- Conduct annual risk assessments and feedback to the Head of Audit to incorporate in the risk based audit plans.
- Ensure the agreed audit plans are delivered for the respective country/ies.

Annual General Meeting

The shareholders assert their rights as conferred by the articles of association during the Annual General Meeting by exercising their right to vote. Each share entitles the shareholder to one vote.

The Annual General Meeting takes place within the first six months after end of the accounting year. Notice of Annual General Meeting together with the annual reports and documents as required by Companies Act is sent to the shareholders, fourteen days, prior to the meeting.

Shareholders who cannot attend the Annual General Meeting have the option to exercise their vote through a proxy to another member of the Company. The proxy form duly filled in to be submitted to the Corporate Office of the Company within 72 hours before the meeting.

Corporate Governance Compliance Report

In accordance of the requirement of Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018. Corporate Governance Compliance Report is attached in Annexure C.

Corporate and financial reporting framework

- The financial statements prepared by the management of the Company present fairly, its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements.
- The Company has implemented a sound system of internal control which ensures reasonable assurance to restrict material misstatement in financial statement. The internal control system is reviewed by the Group Internal auditor help updates Management and Audit Committee on the status of internal control.

Internal control

Sound internal control process is defined and practiced for all activities of the Company.

Group Internal Audit team conducts audit to evaluate appropriateness of internal control. The findings and subsequent remedial status are reported to the Audit Committee. Migration of data processing at Linde Global Services, Manila (LGSM -Share service) has strengthened internal control on accounting and data processing. Under the share service arrangement, Country Finance is responsible for preparing source data for Financial and Treasury Accounting and bill processing. On the other hand LGSM is responsible for data editing, verifying and processing and uploading in online banking network. After uploading processed file in HSBC network by LGMS, signatories of the bank, authorise the cheques electronically per delegation of authority (DOA). However, depending on the situations in urgent cases, payments are made by in-house cheques after it being processed by LGSM. Under share service arrangement data ownership remained with country finance. LGSM is also responsible for reconciliation of General Ledger Accounts, Accounts Receivable, Accounts Payable and Bank reconciliation etc. The schedule and reconciliation are vetted by country finance. Country Finance and controlling functions are responsible for providing information for management discussion.

Internal audit

The internal audit function of Linde, Region of South and East Asia (RSE) conducts at regular intervals efficiency and effectiveness of the risk management and internal control on all activities of the Company. They also carryout internal audit on all functions of the Company like, Operations, Distributions, Sales and Marketing, Finance, Treasury system, Information Service. Internal Auditor submits their observation on weaknesses and non-compliance of Company's practices and statutory provisions. Each observation states the facts, weaknesses and recommendations for improvement. A direct responsible individual (DRI) is made for each observation and followed up by the Group internal auditor till recommendations are implemented. Internal audit activity is reviewed by the Audit Committee.

Risk management

Linde Bangladesh Limited has risk management systems in place. These are continually being updated and adapted by the Company under guidance of Linde Group. The effectiveness of these systems is reviewed by group internal auditor and statutory auditor and the Board of Directors. The management of the Company made risk assessment on business and made risk mitigation plan to eliminate risks. The audit committee supports the Board in monitoring activities of management and deals with risk management issues.

Statutory Audit

The Company prepares and publishes its annual financial statements and interim financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). The annual and periodical financial statements are prepared by the management and reviewed by the Audit Committee. Financial statements are audited by the statutory auditor in accordance with Bangladesh Audit Standard as promulgated by the ICAB.

As per these regulations, auditors are appointed by Shareholders at each Annual General Meeting (AGM) and their remuneration is also fixed by the Shareholders at the same AGM. Appropriate structure is in place as per corporate governance best practices to ensure independence of statutory auditors. Statutory auditors are changed every three years in compliance with the Bangladesh Securities and Exchange Commission (BSEC) regulations.

The audit procedures include a review of the system for early identification of risks. The Audit Committee Updates Board on annual and periodical financial statement in detail prior to its publications.

Compliance Audit

Compliance audit of the Company is ruled by the Corporate Governance Code # 9(1) issued by BSEC on 3 June 2018 that the professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting. The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and such certificate shall be disclosed in the Annual Report. To ensure good governance a Compliance Certificate is obtained from licensed practicing professionals who certify that the Company has duly complied with all the regulatory requirements as stipulated by the Bangladesh Securities and Exchange Commission (BSEC). The Compliance Certificate is available at ➡ [page # 24](#) in this Report.

Declaration of CEO and the CFO regarding Financial Statements

A separate statement pertaining to due diligence of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) as required under Corporate Governance Code of BSEC is presented in Annexure-A at ➡ [page # 23](#) of this report.

Employee

Total number of employees in the Linde Bangladesh Limited at 31 December 2019 was 296 (31 December 2018: 305). The Company paid salary and wages Taka 495 million (31 December 2018 Taka 510 million) during the year under review. The strategy of Company is to attract, develop and promote the best employee, build long term loyalty to the Company which is the most important prerequisite for long term success of the Company. Training arrangements were made throughout the year

for people development. Through occupational safety and health protection measures, Linde Bangladesh Limited help its employee to stay healthy and protects them from risks that might arise from the work they perform for the Company.

Compliance with laws

Company respects the provisions of the law and complies with those in business practices. Each employee of the Company must learn provisions of the law that applies to their job. The Board of the Company ensures that all provisions of the law are complied with in a timely manner. Any non-compliance is immediately addressed.

Code of Ethics

The Code of Ethics is structured to reflect the expectation of all stakeholders of the Company. Each employee of the Company must learn and comply with the standards and laws that applies to their job. Company actively monitors standards set out in the code. Code of Ethics covers:

- Making ethical decision.
- Dealing with customers, suppliers and markets.
- Dealing with shareholders.
- Dealing with employees.
- Dealing with the public.

Corporate website

The Company developed an information website under corporate governance responsibility, where public information related to the Company is placed for interested group like shareholders, employees, customers and other stakeholders.

Information which are hosted in Company Website are shown below:

- Annual Financial Statements.
- Periodical Financial Statements.
- Price Sensitive information
- Notifications etc.

The link of Company website is www.linde.com.bd.

Statement of Directors' Responsibilities.

Financial statements and accounting records

Linde Bangladesh Limited Directors are responsible for approving the Annual Report and its financial statements for the year ended 31 December 2019 in accordance with applicable law and regulations.

The Management is required to prepare the financial statements in accordance with the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and the regulations of the Dhaka, Chittagong Stock Exchanges. Under Company Law the Directors must not approve the accounts unless they are satisfied that financial statement reflects a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the year.

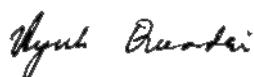
The Directors are legally responsible for ensuring fair presentation of financial statements, which comprises of the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes and related consolidated financial statements of Linde Bangladesh Limited and its subsidiaries.

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements including consolidated financial statements have been prepared and presented to ensure that:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- These statements together, present a true and fair view of the Company's state of affairs and are in compliance with existing accounting standards and applicable laws.
- No transactions entered into by the Company during the year, which are fraudulent, illegal, or violation of the Company's code of ethics.

The Auditors of the Company have examined financial statements made available by the Board of Directors together with all relevant financial records and express their opinion in their report in [page # 41-46](#) of the Annual Report.

On behalf of the Board of Directors,
Dhaka, 20 February 2020



Ayub Quadri
Director & Chairman



Sujeet Kumar Pai
Managing Director

Audit Committee Report.

The Audit Committee of Linde Bangladesh Limited is appointed by the Board of Directors, as recommended by Bangladesh Securities and Exchange Commission (BSEC) notification. The Audit Committee ensuring good governance of the Company and it is a sub-committee of the Board. The Audit Committee consist of four members, of which two are independent directors. Meetings of the Committee were attended by the Managing Director, Chief Financial Officer of the Company on invitation.

The Composition of the Audit Committee

The terms of reference of Audit Committee has been set up by the Board of Directors in accordance with BSEC notification. The existing members of the committee are:

Ms. Rupali H Chowdhury	Chairperson, Independent Director
Mr. Moloy Banerjee	Member, Non-Executive Director
Mr. Tanjib-Ul Alam	Member, Independent Director
Mr. Abu Mohammad Nisar	Secretary

Four (4) meetings of Audit Committee were held during the year under review. In all meetings internal auditor gave presentation to the committee which covered internal audit plan, number of audit carried out during the year, audit observations, audit recommendations and status of its implementation. Audit Committee also met external auditor to discuss their observations on statutory audit and their recommendations for improvement. The Committee also reviewed the Financial Statements of both the subsidiary companies i) BOC Bangladesh Limited and ii) Bangladesh Oxygen Limited.

Role of Audit Committee

The Audit Committee is empowered with Boards oversight responsibility to investigate any activity within its terms of reference. The Committee reports to Board of Directors as per terms of reference, on the activities assigned. The role of the committee includes:

- Review the financial statement with respect to presentation, disclosure and accuracy of data.
- Monitor and review effectiveness of internal and external audit.
- Review effectiveness of the financial internal control of the Company.
- Review effectiveness of risk management system of the Company.
- Review ethical standard and procedures to ensure compliance with regulatory and financial reporting requirements.
- Any other activities as per audit committee charter.

Meeting

There were four meetings during the period. The quorum shall be not less than two directors, one of whom, at least, shall be independent director.

The audit committee may invite such other person (e.g., the CEO, CFO, internal auditor) to its meetings, as it deems necessary. The external auditor shall normally attend the meetings of the committee at which it communicates audit risks and planning and the full year results. Company Secretary shall act as the secretary of the committee.

Activities carried out by the Audit Committee:

Audit Committee acted as per guideline mentioned in the charter of the Committee. The Committee reviewed effectiveness of internal control and external audit procedures and reports thereon and regularly updates the Board of Directors on their observations and status of control environment. The members of Committee were apprised duly by:

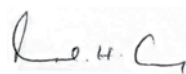
- The external auditor on accounting policies, internal controls, compliance of statutory provisions of law and other regulatory authorities, Compliance of Bangladesh Accounting Standards and appropriateness of disclosure in the Financial Statements. The committee reviewed the audit findings and management responses.
- The Chief Financial Officer on financial performance of the Company for the period under review.

Reporting

Pursuant to condition # 5(6)(a) of the Corporate Governance Code-2018 issued by BSEC, the Committee reports that it did not find any conflict of interest, any fraud, irregularity or material defect in the internal control system. There also are no infringement of laws rules and regulations.

After due verification Audit Committee formed the opinion that adequate financial control and procedures are in place to provide reasonable assurance that the Company's resources are safeguarded and the financial position of the Company is well managed.

On behalf of the Audit Committee.



Rupali H Chowdhury
Chairperson, Audit Committee
Dhaka, 20 February 2020

Report on the Nomination & Remuneration Committee (NRC).

The Nomination & Remuneration Committee of Linde Bangladesh Limited is appointed by the Board of Directors, as required by Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) notification. The NRC consist of three members, of whom two are independent directors, and one is nominated director.

Pursuant to code 6.5(c) of the codes of corporate governance, the Nomination & Remuneration Policy of the Company is presented hereunder at a glance:

Nomination & Remuneration Committee (NRC)

The Nomination & Remuneration Committee (NRC) was set up with clear terms of reference. The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive. The Nomination and Remuneration Committee (NRC) shall conduct at least one meeting a year, consider its own act and terms of reference to ensure that it is functioning at maximum usefulness and recommend any updates necessary to the Board for consent.

During the year, NRC recommended all Directors including Independent Directors and Managing director to the Board as required to identify individuals who are qualified to become Directors in accordance with the nomination criteria laid down, and recommend their appointment/re-appointment and removal to the Board.

The Composition of the NRC

The Board of Directors has appointed the Nomination & Remuneration Committee comprising three members including two Independent Directors and other member of the Committee is Non-Executive Director. The following members of the Committee are:

Ms. Rupali H Chowdhury	Chairperson, Independent Director
Mr. Moloy Banerjee	Member, Non-Executive Director
Mr. Tanjib-Ul Alam	Member, Independent Director
Mr. Abu Mohammad Nisar	Secretary

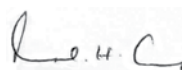
The Responsibilities of the Nomination Committee

The Committee shall be independent and responsible or accountable to the Board and to the Shareholders. The responsibilities of the Committee are as follows:

- Review and recommend the size and composition of the Board, including review of Board succession plans and the succession of the Chairman.
- Review and recommend a policy to the Board relating to the nomination criteria for determining qualifications, positive attributes, experiences and Independence of Directors and top level executives.

- Assist the Board as required to identify individuals who are qualified to become Directors and who may be appointed in top level executive position in accordance with the nomination criteria laid down, and recommend their appointment/re-appointment and removal to the Board.
- Review and recommend to the Board the policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.
- Review the Code of Conduct of Board on a periodic basis, and recommend any amendments for Board consideration.
- Ensure that an effective induction process is in place for any newly appointed Director and regularly review its effectiveness.
- Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.
- Developing, recommending and reviewing annually the Company's human resources and training policies.
- Review and recommend a policy to Board relating to the remuneration of the Directors and top level executive, considering the following:
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the Company successfully,
 - The relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
 - Remuneration to Directors and top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- Assist the Board to formulate the criteria for evaluation of performance of the Board including Independent Director.
- Review and recommend to the Board the meeting attendance fees for the Non-Executive Directors of the Board.
- Recommend a report to the Board on activities of the Committee during the financial year.
- Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provisions of the Country's Laws, Rules and Regulations.

On behalf of the Nomination & Remuneration Committee



Rupali H Chowdhury
Chairperson

Nomination & Remuneration Committee (NRC)
Dhaka, 20 February 2020

Consolidated Independent Auditors' Report to the Shareholders.

Report of the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Linde Bangladesh Limited (hereinafter referred to as "the Group"), which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements give true and fair view of the financial position of the Group as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for Opinion

We have conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

At the year end the Group reported total revenue of Tk. 5,683.44 million.

Revenue arising from sale of goods

(i) Goods sold

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances

and trade discounts. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer as well as performance obligations are met, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. This usually occurs at the time of delivery of goods along with invoice.

(ii) Cash on delivery sales

Revenue is recognised when delivery is made and cash is received by the seller.

This is one of the significant areas that influence the financial statements.

How the scope of our audit responded to the key audit matter:

We have tested the design and operating effectiveness of key controls focusing on segregation of duties in invoice creation and authorization, checking credit notes and the reasons for issue of such credit notes, timing of revenue recognition and checking credit limit of customers.

Our substantive procedures in relation to the revenue recognition comprised of observing and evaluating whether proper segregation of duties put in place, examining samples of sales orders for evidence of proper credit approval by the appropriate personnel concerned and application controls for credit limits, obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period, assessing the appropriateness of the Group's revenue recognition accounting policies, including those relating to discounts by comparing with applicable accounting standard, critically assessing manual journals made to revenue to identify unusual or irregular items and finally, assessing the appropriateness and presentation of disclosures against relevant accounting standards.

Implementation of IFRS 16: Leases

The Group implemented IFRS 16 "Leases" on 01 January 2019 following the transition under modified retrospective method under which the cumulative impact of applying IFRS 16 is accounted for as an adjustment to equity at the start of the current accounting period. The Group reported the Right of Use (RoU) asset for the amount of BDT 11.136 million and Lease Obligation BDT 10.143 million at the year end.

Given the first time adoption of IFRS 16 "Leases", connections to other items to the financial statements including depreciation and interest, high level of management judgments required for identifying the lease, lease period, discount rate etc. we consider the lease as key audit area.

How the scope of our audit responded to the key audit matter:

We reviewed appropriateness of management's application of IFRS 16 and assessment of the impact on the financial statements. Our audit procedures included testing classification and measurement of right-of-use of assets and lease liabilities in accordance with IFRS 16 and checked the present value calculation for lease and also reviewed lease agreements and made calculation to ascertain the appropriateness of the incremental borrowing rate used.

We also examined the accuracy and appropriateness of accounting adjustments in the financial statements arising from the adoption of IFRS 16 as well as verified the sufficiency and appropriateness of disclosures in the financial statements.

Defined Employee Benefits

The Group operates a number of defined benefit schemes which in total are significant in the context of the overall balance sheet. At the year end, the Company reported a net defined benefit liability of BDT 166.96 million (2018: BDT 127.44 million), a result of actuarial valuation there was an under provision of BDT 36.03 million in 2018 which was charged to Other Comprehensive Income in the Statement of Profit or Loss and Other Comprehensive Income.

The valuations of the retirement benefit liabilities are calculated with reference to a number of actuarial assumptions and inputs including discount rate, rate of inflation and mortality rates. The net defined benefit liability is sensitive to changes in the assumptions.

How the scope of our audit responded to the key audit matter:

We have obtained an understanding over the recognition and measurement of net defined benefit liability and obtained the report of Management Gratuity Scheme for the year ending 31 December 2019 issued by Willis Towers Watson India Private Limited to assess key assumptions, controls recognition and measurement of net defined benefit liability. We have also assessed the appropriateness of presentation of disclosures against IAS 19: Employee Benefits and checked the relevant disclosures.

Other Information

Management is responsible for the other information. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We have not come across any key audit issue for the year under audit, and as such nothing is reportable.

Report on Other Legal and Regulatory Requirements:

In accordance with the Companies Act, 1994 and International Standards on Auditing (ISAs), we also report the following:

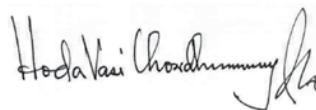
we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

in our opinion, proper books of account as required by law have been kept by the Group so far as it appeared from our examination of those books;

the Group's consolidated statement of financial position and the consolidated statement of profit or loss and other comprehensive income along with the annexed notes 1 to 43 dealt with by the report are in agreement with the books of account; and

the expenditure incurred was for the purposes of the Group's business.

Dhaka, 20 February 2020



A F Nesaruddin
Senior Partner
Hoda Vasi Chowdhury & Co.
Chartered Accountants

Independent Auditors' Report to the Shareholders.

Report of the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Linde Bangladesh Limited (hereinafter referred to as "the Company"), which comprise the statement of financial position as at 31 December 2019, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for Opinion

We have conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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This is one of the significant areas that influence the financial statements.

How the scope of our audit responded to the key audit matter

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How the scope of our audit responded to the key audit matter:

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We also examined the accuracy and appropriateness of accounting adjustments in the financial statements arising from the adoption of IFRS 16 as well as verified the sufficiency and appropriateness of disclosures in the financial statements.

Defined Employee Benefits

The Company operates a number of defined benefit schemes which in total are significant in the context of the overall balance sheet. At the year end, the Company reported a net defined benefit liability of BDT 166.96 million (2018: BDT 127.44 million), a result of actuarial valuation there was an under provision of BDT 36.03 million in 2018 which was charged to Other Comprehensive Income in the Statement of Profit or Loss and Other Comprehensive Income.

The valuations of the retirement benefit liabilities are calculated with reference to a number of actuarial assumptions and inputs including discount rate, rate of inflation and mortality rates. The net defined benefit liability is sensitive to changes in the assumptions.

How the scope of our audit responded to the key audit matter:

We have obtained an understanding over the recognition and measurement of net defined benefit liability and obtained the report of Management Gratuity Scheme for the year ending 31 December 2019 issued by Willis Towers Watson India Private Limited to assess key assumptions, controls recognition and measurement of net defined benefit liability. We have also assessed the appropriateness of presentation of disclosures against IAS 19: Employee Benefits and checked the relevant disclosures.

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Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

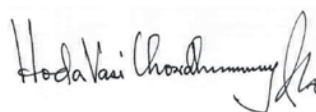
We have not come across any key audit issue for the year under audit, and as such nothing is reportable.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and International Standards on Auditing (ISAs), we also report the following:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c. the Company's statement of financial position and the statement of profit or loss and other comprehensive income along with the annexed notes 01 to 43 dealt with by the report are in agreement with the books of account; and
- d. the expenditure incurred was for the purposes of the Company's business.

Dhaka, 20 February 2020



A F Nesaruddin
Senior Partner
Hoda Vasi Chowdhury & Co.
Chartered Accountants

Consolidated Statement of Financial Position.

	Notes	As at 31 December	
		2019	2018
		'000 Taka	'000 Taka
Assets			
Property, plant and equipment	21	3,617,639	3,445,462
Intangible assets	22	5,295	11,755
Advances, deposits and prepayments	17	109,752	90,757
Non-current assets		3,732,686	3,547,974
Inventories	15	831,800	842,895
Trade and other receivables	16	714,085	618,969
Advances, deposits and prepayments	17	123,868	224,415
Investment	18	1,244,619	10,753
Cash and cash equivalents	19(a)	1,004,646	1,604,221
Current assets		3,919,018	3,301,253
Total assets		7,651,704	6,849,227
Equity and Liabilities			
Shareholders' equity			
Share capital	23	152,183	152,183
Other component of equity		(28,911)	(2,282)
General reserve/retained earnings		4,984,999	4,322,503
Equity attributable to owners of the Company		5,108,271	4,472,404
Non-controlling interest	40	(0.03)	0.38
Total shareholders' equity		5,108,271	4,472,404
Employee benefits	24	166,963	155,465
Deferred tax liabilities	14.2	374,931	327,328
Other non-current liabilities	25	253,782	248,235
Non-current liabilities		795,676	731,028
Trade and other payables	26(a)	1,364,789	1,413,511
Provision for expenses	27(a)	216,242	146,017
Current tax liabilities	28(a)	166,726	86,267
Current liabilities		1,747,757	1,645,795
Total equity and liabilities		7,651,704	6,849,227
Net Assets Value (NAV) Per Share	39.1	335.67	293.88

These financial statements should be read in conjunction with annexed notes.

Dhaka, 20 February 2020

As per our report of same date



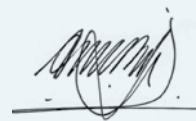
Ayub Quadri
Chairman



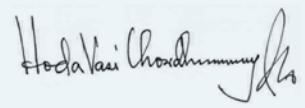
Sujeet Kumar Pai
Managing Director



Md Anisuzzaman
Chief Financial Officer



Abu Mohammad Nisar
Company Secretary



A F Nesaruddin
Senior Partner
Hoda Vasi Chowdhury & Co.
Chartered Accountants

Consolidated Statement of Profit or Loss and other Comprehensive Income.

	Notes	For the year ended 31 December	
		2019	2018
		'000 Taka	'000 Taka
Revenue	6	5,683,441	5,460,190
Cost of sales	7	(3,170,929)	(3,177,097)
Gross profit		2,512,512	2,283,093
Other income/(loss)	9	(2,954)	30,539
Operating expenses	8(a)	(833,774)	(906,805)
Profit from operations		1,675,784	1,406,827
Net finance income	10	72,474	29,335
Profit before contribution to WPPF		1,748,259	1,436,162
Contribution to WPPF	12	(87,420)	(71,814)
Profit before tax		1,660,839	1,364,348
Income tax expenses	14	(429,401)	(360,700)
Profit after tax		1,231,438	1,003,648
Other comprehensive income/(loss)		(26,629)	(393)
Total comprehensive income		1,204,809	1,003,255
Profit attributable to:			
Owners of the Company		1,231,438	1,003,648
Non-controlling interests	40	-	-
		1,231,438	1,003,648
Total comprehensive income attributable to:			
Owners of the Company		1,204,809	1,003,255
Non-controlling interests	40	-	-
		1,204,809	1,003,255
Earnings per share (EPS):			
Basic and diluted earnings per share (par value Tk 10) in Taka	11(a)	80.92	65.95

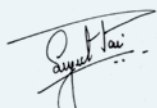
These financial statements should be read in conjunction with annexed notes.

Dhaka, 20 February 2020

As per our report of same date



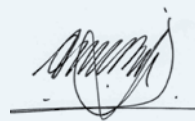
Ayub Quadri
Chairman



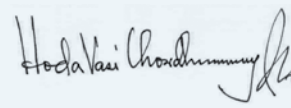
Sujeet Kumar Pai
Managing Director



Md Anisuzzaman
Chief Financial Officer



Abu Mohammad Nisar
Company Secretary



A F Nesaruddin
Senior Partner
Hoda Vasi Chowdhury & Co.
Chartered Accountants

Consolidated Statement of Changes in Equity.

	Share capital	Attributable to owners of the Company			Non-controlling interests	Total equity
		Other component of equity	General reserve/retained earnings	Total		
	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka
Balance as at 1 January 2019	152,183	(2,282)	4,322,503	4,472,404	0.38	4,472,404
Profit for the year	-	-	1,231,438	1,231,438	(0.41)	1,231,437
Gain on application of IFRS 16	-	-	1,745	1,745	-	1,745
Other comprehensive income/(loss) for the year	-	(26,629)	-	(26,629)	-	(26,629)
Final dividend for the year 2018	-	-	(570,686)	(570,686)	-	(570,686)
Balance as at 31 December 2019	152,183	(28,911)	4,984,999	5,108,271	(0.03)	5,108,271
Balance as at 1 January 2018	152,183	(1,889)	3,531,911	3,682,205	0.73	3,682,206
Profit for the year	-	-	1,003,648	1,003,648	(0.35)	1,003,647
Other comprehensive income/(loss) for the year	-	(393)	-	(393)	-	(393)
Final dividend for the year 2017	-	-	(213,056)	(213,056)	-	(213,056)
Balance as at 31 December 2018	152,183	(2,282)	4,322,503	4,472,404	0.38	4,472,404

These financial statements should be read in conjunction with annexed notes.

Dhaka, 20 February 2020



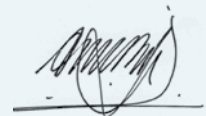
Ayub Quadri
Chairman



Sujeet Kumar Pai
Managing Director



Md Anisuzzaman
Chief Financial Officer



Abu Mohammad Nisar
Company Secretary

Consolidated Statement of Cash Flow.

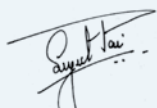
	For the year ended 31 December	
	2019	2018
	'000 Taka	'000 Taka
A. Cash flows from operating activities		
Cash receipts from customers	5,608,578	5,394,635
Other receipts	74,562	16,341
Cash paid to suppliers and employees	(3,820,938)	(4,006,372)
Cash generated from operating activities	1,862,202	1,404,604
Income tax paid	(295,659)	(234,018)
Interest paid	(1,679)	(936)
Net cash from operating activities	1,564,865	1,169,650
B. Cash flows from investing activities		
Payment for acquisition of property, plant and equipment	(438,802)	(551,615)
Payment for acquisition of intangible assets	(264)	-
Proceeds from sale of property, plant and equipment	6,585	37,105
Investment in fixed deposit receipts	(1,233,866)	(218)
Interest received	66,338	27,971
Net cash used in investing activities	(1,600,009)	(486,757)
C. Cash flows from financing activities		
Dividend paid	(564,432)	(211,027)
Net cash used in financing activities	(564,432)	(211,027)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(599,576)	471,866
Cash and cash equivalents as at 1 January	1,604,221	1,132,356
Cash and cash equivalents as at 31 December	1,004,646	1,604,221
Net Operating Cash Flows Per Share (NOCFPS)	102.83	76.86

These financial statements should be read in conjunction with annexed notes.

Dhaka, 20 February 2020



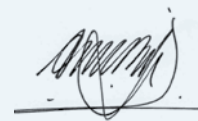
Ayub Quadri
Chairman



Sujeet Kumar Pai
Managing Director



Md Anisuzzaman
Chief Financial Officer



Abu Mohammad Nisar
Company Secretary

Statement of Financial Position.

	Notes	As at 31 December	
		2019	2018
		'000 Taka	'000 Taka
Assets			
Property, plant and equipment	21	3,617,639	3,445,462
Intangible assets	22	5,295	11,755
Investment in subsidiaries	20	40	40
Advances, deposits and prepayments	17	109,752	90,757
Non-current assets		3,732,726	3,548,014
Inventories	15	831,800	842,895
Trade and other receivables	16	714,085	618,969
Advances, deposits and prepayments	17	123,967	224,415
Investment	18	1,244,619	10,753
Cash and cash equivalents	19	1,004,626	1,604,201
Current assets		3,919,097	3,301,233
Total assets		7,651,824	6,849,247
Equity and Liabilities			
Shareholders' equity			
Share capital	23	152,183	152,183
Other component of equity		(28,912)	(2,282)
General reserve/retained earnings		4,985,438	4,322,791
Total Shareholders' equity		5,108,709	4,472,692
Employee benefits	24	166,963	155,465
Deferred tax liabilities	14.2	374,931	327,328
Other non-current liabilities	25	253,782	248,235
Non-current liabilities		795,676	731,028
Trade and other payables	26	1,364,789	1,413,550
Provision for expenses	27	215,929	145,717
Current tax liabilities	28	166,721	86,262
Current liabilities		1,747,439	1,645,529
Total equity and liabilities		7,651,824	6,849,248
Net Assets Value (NAV) Per Share	39	335.70	293.90


These financial statements should be read in conjunction with annexed notes.

Dhaka, 20 February 2020

As per our report of same date



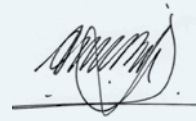
Ayub Quadri
Chairman



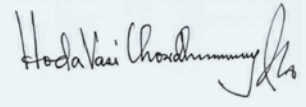
Sujeet Kumar Pai
Managing Director



Md Anisuzzaman
Chief Financial Officer



Abu Mohammad Nisar
Company Secretary



A F Nesaruddin
Senior Partner
Hoda Vasi Chowdhury & Co.
Chartered Accountants

Statement of Profit or Loss and other Comprehensive Income.

	Notes	For the year ended 31 December	
		2019	2018
		'000 Taka	'000 Taka
Revenue	6	5,683,441	5,460,190
Cost of sales	7	(3,170,929)	(3,177,097)
Gross profit		2,512,512	2,283,093
Other income	9	(2,954)	30,539
Operating expenses	8	(833,624)	(906,679)
Profit from Operations		1,675,934	1,406,953
Net finance income	10	72,474	29,335
Profit before contribution to WPPF		1,748,409	1,436,288
Contribution to WPPF	12	(87,420)	(71,814)
Profit before tax		1,660,989	1,364,474
Income tax expenses	14	(429,401)	(360,700)
Profit after tax		1,231,588	1,003,774
Other comprehensive income/(loss)		(26,629)	(393)
Total comprehensive income for the year		1,204,959	1,003,381
Earnings per share (EPS)			
Basic and diluted earnings per share (par value Tk 10) in Taka	11.1	80.93	65.96


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Dhaka, 20 February 2020

As per our report of same date



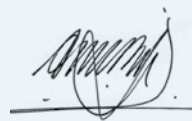
Ayub Quadri
Chairman



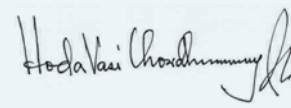
Sujeet Kumar Pai
Managing Director



Md Anisuzzaman
Chief Financial Officer



Abu Mohammad Nisar
Company Secretary



A F Nesaruddin
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Statement of Changes in Equity.

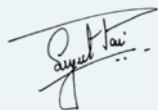
	Share capital	Other component of equity	General reserve/ retained earnings	Total equity
	'000 Taka	'000 Taka	'000 Taka	'000 Taka
Balance as at 1 January 2019	152,183	(2,283)	4,322,791	4,472,691
Other comprehensive income/(loss) for the year	-	(26,629)	-	(26,629)
Gain on application of IFRS 16	-	-	1,745	1,745
Profit for the year	-	-	1,231,588	1,231,588
Final dividend for the year 2018	-	-	(570,686)	(570,686)
Balance as at 31 December 2019	152,183	(28,912)	4,985,438	5,108,709
Balance as at 1 January 2018	152,183	(1,889)	3,532,073	3,682,367
Other comprehensive income/(loss) for the year	-	(393)	-	(393)
Profit for the year	-	-	1,003,774	1,003,774
Interim dividend for the year 2017	-	-	(213,056)	(213,056)
Balance as at 31 December 2018	152,183	(2,282)	4,322,791	4,472,692

These financial statements should be read in conjunction with annexed notes.

Dhaka, 20 February 2020



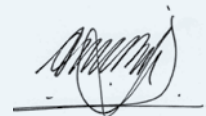
Ayub Quadri
Chairman



Sujeet Kumar Pai
Managing Director



Md Anisuzzaman
Chief Financial Officer



Abu Mohammad Nisar
Company Secretary

Statement of Cash Flow.

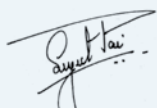
	For the year ended 31 December	
	2019	2018
	'000 Taka	'000 Taka
A. Cash flows from operating activities		
Cash receipts from customers	5,608,578	5,394,634
Other receipts	74,562	16,341
Cash paid to suppliers and employees	(3,820,799)	(4,006,246)
Cash generated from operating activities	1,862,341	1,404,730
Income tax paid	(295,659)	(234,018)
Interest paid	(1,679)	(936)
Net cash from operating activities	1,565,004	1,169,776
B. Cash flows from investing activities		
Payment for acquisition of property, plant and equipment	(438,802)	(551,615)
Payment for acquisition of intangible assets	(264)	-
Proceeds from sale of property, plant and equipment	6,585	37,105
Investment in fixed deposit receipts	(1,233,866)	(218)
Interest received	66,338	27,971
Net cash used in investing activities	(1,600,009)	(486,757)
C. Cash flows from financing activities		
Paid to subsidiary	(138)	(126)
Dividend paid	(564,432)	(211,027)
Net cash used in financing activities	(564,570)	(211,153)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(599,576)	471,866
Cash and cash equivalents as at 1 January	1,604,201	1,132,336
Cash and cash equivalents as at 31 December	1,004,626	1,604,201
Net Operating Cash Flow Per Share (NOCFPS)	102.84	76.87

These financial statements should be read in conjunction with annexed notes.

Dhaka, 20 February 2020




Ayub Quadri
Chairman



Sujeet Kumar Pai
Managing Director



Md Anisuzzaman
Chief Financial Officer



Abu Mohammad Nisar
Company Secretary

Notes to the Financial Statements.

For the year ended 31 December 2019

1. Reporting entity

1.1 Company profile

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.

Bangladesh Oxygen Limited ("BOL") and BOC Bangladesh Limited ("BOC") are wholly owned subsidiaries of Linde Bangladesh Limited. These subsidiaries are entities controlled by the Company. Both of the subsidiaries are not in operation.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as "the Group").

1.2 Nature of business

The Company's principal activities are manufacturing and supply of industrial and medical gases, welding products and equipments and ancillary equipments. The Company also earns rental from cylinders used by the customers and from Vacuum Insulated Evaporators (VIE) installed at customers' premises.

2. Basis of accounting

"These financial statements (including consolidated financial statements) have been prepared on going concern basis in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws in Bangladesh.

Financial statements were authorised for issue by the Company's board of directors on 20 February 2020.

Details of the Company's accounting policies, including changes during the year, if any, are included in Note 44.

3. Functional and presentational currency

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is both functional currency and presentation currency of the Company. The figures of financial statements have been rounded to the nearest thousand, unless otherwise indicated.

4. Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively.

(a) Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following note:

Note 38: Lease Obligation – leases as lessee

(b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 December 2019 is included in the following notes:

Note 14.2: Deferred tax liabilities

Note 16.1.1: Provision for trade receivables

Note 21: Useful life and residual value of property, plant and equipment

Note 24.1: Provision for gratuity

Note 28 : Current tax liabilities

5. Operating segments

(a) Basis for segmentation

The Company has following three strategic division, which are its reportable segments. These divisions offer different products and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations of each reportable segment.

Reportable segments	Operations
Bulk gases	Manufacturing and supply of industrial liquid gases, oxygen, nitrogen, argon and Carbon dioxide.
Package gases and products (PG&P)	Manufacturing and supply of industrial compressed packaged gases and welding goods which includes compressed industrial oxygen, dissolved acetylene, nitrogen, argon, carbon dioxide and electrodes.
Healthcare	The Healthcare segments includes all services related to supply of medical gas such as medical oxygen & nitrous oxide, cylinders and accessories, supply and installation of medical gas pipeline system and maintenance of medical equipment.

These three reportable segments are the strategic business units of the Company and are managed separately based on the Company's management and internal reporting structure. For each of the strategic

business units, the management reviews internal management report on at least quarterly basis. Performance is measured based on segment profit from operation, as included in the internal management reports. Segment revenue and operating profit is used to measure performance

as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

(b) Information about reportable segments

Information related to each reportable segment is set out below. Segment profit from operation is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

	Reportable segments			Total '000 Taka
	Bulk gases '000 Taka	PG&P '000 Taka	Healthcare '000 Taka	
2019				
Revenue	727,330	4,239,533	716,578	5,683,441
Profit from operations	234,379	1,464,818	299,981	1,999,178
2018				
Revenue	577,343	4,189,818	693,029	5,460,190
Profit from operations	100,929	1,327,580	256,335	1,684,844

(c) Reconciliation of information on reportable segments to IFRS measures

	Note	2019 '000 Taka	2018 '000 Taka
i. Revenue			
Total revenue for reportable segments	5 (B)	5,683,441	5,460,190
Revenue for other segments		-	-
Elimination of inter-segment revenue		-	-
Total revenue		5,683,441	5,460,190
ii. Profit before tax			
Total profit before tax for reportable segments	5 (B)	1,999,178	1,684,844
Profit before tax for other segments		-	-
Elimination of inter-segment profit		-	-
Amount not related to reported segments		(331,301)	(301,277)
Total profit before tax		1,667,877	1,383,567
iii. Amount not related to reportable segments			
Other income/(loss)	9	(2,954)	30,539
Royalties & Technical assistance fees	8	(37,150)	(32,178)
Finance income	10	72,474	29,335
Contribution to Workers' Profit Participation Fund	12	(87,420)	(71,814)
Unallocated corporate overheads		(276,251)	(257,159)
		(331,301)	(301,277)

Considering the current size and operations of the Company, segmental assets and liabilities are not considered to be critical for regular review by the management. Accordingly no disclosure is made regarding the segmental assets and liabilities.

6. Revenue

See accounting policies in Note 44(m).

	Unit	2019		2018	
		Quantity '000	Amount '000 Taka	Quantity '000	Amount '000 Taka
ASU gases	M ³	25,775	1,156,680	20,931	948,730
Dissolved acetylene	M ³	175	98,869	205	118,216
Electrodes	M. Ton	26	3,767,929	26	3,657,350
Others			659,964		735,893
			5,683,441		5,460,190

	Note	2019	2018
		'000 Taka	'000 Taka
7. Cost of sales			
Opening inventories of manufactured products		157,939	124,146
Cost of goods manufactured	7.1	3,049,292	3,104,537
Closing inventories of manufactured products		(144,685)	(157,939)
Cost of sales of manufactured products		3,062,546	3,070,744
Cost of trading products		108,383	106,353
		3,170,929	3,177,097
7.1 Cost of goods manufactured			
Raw and packing materials consumed	7.1.1	2,213,571	2,273,972
Fuel and power		304,337	284,675
		2,517,908	2,558,647
Manufacturing overhead:			
Salaries, wages and staff welfare		207,559	204,552
Depreciation		200,622	194,658
Repairs to machinery		80,204	87,549
Repairs to building		11,292	5,111
Maintenance		3,446	4,193
Insurance		3,409	3,986
Rent, rates and taxes		520	466
Travelling and conveyance		694	815
Training expenses		331	155
Vehicle running expenses		5,784	4,185
Telephone, telex and fax		784	939
Printing, postage, stationery and office supplies		2,403	3,426
Consultancy fees		2,532	1,574
Inventory written off		7,490	21,004
Provision for inventory obsolescence		(4,390)	4,509
Sundry factory expenses		8,704	8,768
		531,384	545,890
		3,049,292	3,104,537

7.1.1 Raw and packing materials consumed

	Unit of measurement	Opening stock		Purchase		Closing stock		Consumption		% of total consumption
		Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost	
			'000 Taka		'000 Taka		'000 Taka		'000 Taka	
Calcium carbide	M. Ton	63	4,791	649	50,866	90	7,717	622	47,940	2.17
Wire	M. Ton	344	23,141	20,719	1,254,642	605	33,277	20,458	1,244,506	56.22
Blended powder	M. Ton	1,771	170,419	3,182	397,886	1,252	156,461	3,701	411,844	18.61
Others*			162,811		549,739		203,269		509,281	23.01
2019			361,162		2,253,133		400,724		2,213,571	100.00
2018			306,267		2,328,867		361,162		2,273,972	100.00

*Others include imported liquids, different types of chemicals, lubricants and packing materials purchased from local market and abroad.

		2019	2018
	Note	'000 Taka	'000 Taka
8. Operating expenses			
Salaries, wages and staff welfare		287,757	305,442
Depreciation		91,464	85,407
Amortisation of intangible assets		6,724	6,944
Fuel and power		806	1,581
Repairs to building		1,610	2,126
Maintenance		6,544	6,577
Insurance		184	112
Delivery expenses		246,546	287,624
Rent, rates and taxes		2,844	13,292
Travelling and conveyance		5,559	8,239
Training expenses		617	623
Telephone, telex and fax		5,380	10,689
Global information service		40,375	45,376
Outsourcing service charge		16,033	13,014
Printing, postage, stationery and office supplies		7,919	8,342
Advertising and promotion		19,448	14,898
Provision for trade receivable		3,715	1,963
Bad debts written off		2,393	9,513
Legal and professional charge		24,934	27,289
Royalties & Technical assistance fees		37,150	32,178
Audit fees	8.1	800	890
Bank charges		5,439	6,516
Entertainment		263	684
Sundry office expenses		19,120	17,360
		833,624	906,679
8(a) Operating expenses (Consolidated)			
Salaries, wages and staff welfare		287,757	305,442
Depreciation		91,464	85,407
Amortisation of intangible assets		6,724	6,944
Fuel and power		806	1,581
Repairs to building		1,610	2,126
Maintenance, others		6,544	6,577
Insurance		184	112
Delivery expenses		246,546	287,624
Rent, rates and taxes		2,844	13,292
Travelling and conveyance		5,559	8,239
Training expenses		617	623
Telephone, telex and fax		5,380	10,689
Global information service		40,375	45,376
Outsourcing service charge		16,033	13,014
Printing, postage, stationery and office supplies		7,919	8,342
Advertising and promotion		19,448	14,898
Provision for trade receivable		3,715	1,963
Bad debts written off		2,393	9,513
Legal and professional charge		24,934	27,289
Royalties and Technical assistance fees		37,150	32,178
Audit fees		950	1,016
Bank charges		5,439	6,516
Entertainment		263	684
Sundry office expenses		19,120	17,360
		833,774	906,805

		2019	2018
	Note	'000 Taka	'000 Taka
8.1 Audit fees			
Statutory audit		600	690
Other audit		200	200
		800	890
9. Other income/(loss)			
Gain/(loss) on disposal of property, plant and equipment	9.1	4,517	24,390
Net foreign exchange gain/(loss)		(7,831)	6,149
Rental Income from House Property		360	-
		(2,954)	30,539
9.1 Gain/(loss) on disposal of property, plant and equipment			
Proceeds from sales of property, plant and equipment	31	6,585	37,105
Less: Carrying amount:			
Cost of the property, plant and equipment	31	25,675	431,640
Less: Accumulated depreciation	31	23,607	418,925
Carrying amount		2,068	12,715
Gain/(loss) on disposal of property, plant and equipment		4,517	24,390
10. Net finance income			
See accounting policies in Note 44(n).			
Finance income		74,153	30,271
Finance cost		(589)	(936)
Interest expenses for Lease		(1,090)	-
		72,474	29,335
11. Earnings per share			
See accounting policies in Note 44(p).			
11.1 Basic earnings per share			
The computation of earnings per share is given below:			
Earnings attributable to the ordinary shareholders (in thousand)		1,231,588	1,003,774
Number of ordinary shares outstanding during the year (in thousand)		15,218	15,218
Basic earnings per share (EPS) (Taka)		80.93	65.95
11.2 Diluted earnings per share			
No diluted earnings per share is required to be calculated for the year as there was no potentially dilutive ordinary shares during the year. So both basic and diluted earning per share are same.			
11(a) Consolidated earnings per share			
Earnings attributable to the ordinary shareholders (in thousand)		1,231,438	1,003,648
Number of ordinary shares outstanding during the year (in thousand)		15,218	15,218
Basic earnings per share (EPS) (Taka)		80.92	65.95
12. Contribution to workers profit participation fund (WPPF)			
See accounting policies in Note 44(k).			
Contribution to WPPF	12.1	87,420	71,814
12.1 Computation of contribution to WPPF			
Profit before contribution to WPPF		1,748,409	1,436,288
Applicable contribution rate		5%	5%
Amount of contribution to WPPF		87,420	71,814

		2019	2018
	Note	'000 Taka	'000 Taka
13. Directors' remuneration			
Fees		275	260
Salaries and benefits		17,067	16,733
Accommodation		1,200	1,200
Provident fund contribution		768	753
Retirement benefits		483	465
		19,793	19,411

Directors' remuneration is included in salaries, wages and staff welfare.

14. Income tax expense

See accounting policies in Note 44(j).

Amounts recognised in profit or loss

Current tax expense		376,118	331,398
Current year		376,118	331,398
Deferred tax (income)/expense	14.2	53,283	29,302
Income tax expense		429,401	360,700

14.1 Reconciliation of effective tax rate

Profit before income tax		1,660,989	1,364,474
Applicable tax rate		25%	25%
Income tax		415,247	341,119
Factors affecting the tax charge for current period:			
(Excess)/ short of fiscal depreciation over accounting depreciation		(57,435)	(31,679)
(Excess)/ short of fiscal amortisation over accounting depreciation		931	910
Provision for stock obsolescence		1,420	1,618
Excess of gratuity provision over payment of gratuity		872	(151)
Provision for trade receivable charge/(written back)		929	-
Inadmissible expenses		14,154	19,581
Movement of temporary differences: (credit)/charge as above		53,283	29,302
Total income tax expense		429,401	360,700
Effective Tax Rate (ETR)		25.85%	26.44%

14.2 Movement in deferred tax balances

	Net balance	Recognised	Recognised in other	Balance as at 31 December		
	at 1 January	in profit	comprehensive	Net	Deferred tax	Deferred tax
	'000 Taka	or loss	income or loss		assets	liabilities
2019						
	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka
Property, plant and equipment	(384,885)	(57,435)	-	(442,320)	-	(442,320)
Intangible assets	4,922	931	-	5,853	5,853	-
Inventories	12,346	1,420	-	13,766	13,766	-
Trade receivable	7,283	929	-	8,212	8,212	-
Employee benefits	31,861	872	-	32,733	32,733	-
Deferred tax on OCI	1,145	-	5,680	6,825	6,825	-
Net deferred tax assets (liabilities)	(327,328)	(53,283)	5,680	(374,931)	67,389	(442,320)
2018						
Property, plant and equipment	(353,206)	(31,679)	-	(384,885)	-	(384,885)
Intangible assets	4,012	910	-	4,922	4,922	-
Inventories	10,728	1,618	-	12,346	12,346	-
Trade receivable	7,283	-	-	7,283	7,283	-
Employee benefits	32,012	(151)	-	31,861	31,861	-
Deferred tax on OCI	-	-	1,145	1,145	1,145	-
Net deferred tax assets (liabilities)	(299,171)	(29,302)	1,145	(327,328)	57,557	(384,885)

		2019	2018
	Note	'000 Taka	'000 Taka
15. Inventories			
See accounting policies in Note 44(f)			
Raw materials		400,724	361,162
Finished goods		288,465	356,084
Goods in transit		53,039	34,532
Maintenance spares		151,484	157,419
Provision for inventory obsolescence	15.1	(61,912)	(66,302)
		831,800	842,895
15.1 Provision for Inventory obsolescence			
Balance as at 1 January		66,302	61,793
Provision made/reversed during the year		(4,390)	4,509
Balance as at 31 December		61,912	66,302
In view of innumerable items of inventory and diversified units of measurement, it is not feasible to disclose quantities against each item.			
16. Trade and other receivables			
See accounting policies in Note 44(e) (ii)			
Trade receivables	16.1	656,945	582,082
Inter Company receivable		14,402	8,121
Interest receivable		12,180	4,365
Other receivables		30,558	24,401
		714,085	618,969
16.1 Trade receivables			
Gases		193,819	190,397
Welding		128,512	69,201
Healthcare		360,690	344,846
		683,021	604,444
Provision for trade receivable	16.1.1	(26,077)	(22,362)
		656,945	582,082
16.1.1 Provision for trade receivable			
Balance as at 1 January		22,362	20,399
Provision (reversal)/ made for trade receivable		3,715	1,963
Balance as at 31 December		26,077	22,362
17. Advances, deposits and prepayments			
Loans and advances to employees		76,288	68,993
Advances to suppliers		496	427
Deposits and prepayments		134,596	154,051
VAT current account		22,240	91,701
Current account with subsidiaries		99	-
		233,719	315,172
Non-current		109,752	90,757
Current		123,967	224,415
		233,719	315,172
Non-current (Consolidated)		109,752	90,757
Current (Consolidated)		123,868	224,415
		233,620	315,172
Above amounts are unsecured, but considered good.			
18. Investment			
See accounting policies in Note 44(e) (iii)			
Investment in fixed deposit receipts		1,244,619	10,753

	Note	2019 ‘000 Taka	2018 ‘000 Taka
19. Cash and cash equivalents			
See accounting policies in Note 44(e)(i)			
Cash in hand		453	357
Cash at bank		469,564	403,188
Fixed deposits with banks		534,609	1,200,656
		1,004,626	1,604,201
19.1 Reconciliation of net operating Cash flows			
Net profit before tax		1,660,989	1,364,474
Add: Items not involving movement of cash			
Depreciation on property, plant and equipment		285,257	280,065
Amortization on intangible assets		6,724	6,944
Gain on disposal of property, plant and equipment		(4,517)	(24,390)
Finance Cost		589	936
Interest income		(74,153)	(30,271)
Provision for WPPF		87,420	71,814
Provision for Gratuity		18,200	8,950
		319,520	314,048
A. Cash generated from operations before changes in working capital		1,980,508	1,678,522
Changes in working capital			
(Increase)/decrease in inventories		11,095	(159,320)
Decrease/ (increase) in trade and other receivables		(95,116)	566
(Increase)/ decrease in advances, deposits and prepayments		81,453	(53,786)
Increase in other non current liability		604	12,736
(Decrease)/increase in other employee benefit		(28,022)	(5,271)
Increase/ (decrease) in trade and other payables		(72,960)	34,654
(Decrease)/increase in provision for expenses		70,212	(18,965)
B. Total changes in working capital		(32,734)	(189,386)
C. Cash generated from operating activities (A+B)		1,947,774	1,489,136
Less:			
Tax paid		(295,659)	(234,018)
Interest paid		(589)	(936)
WPPF paid		(71,814)	(68,645)
Gratuity paid		(14,710)	(15,760)
D.		(382,772)	(319,359)
Net cash inflows from operating activities (C+D)		1,565,003	1,169,776
19(a). Cash and cash equivalents (Consolidated)			
Linde Bangladesh Limited		1,004,626	1,604,201
Bangladesh Oxygen Limited		-	-
BOC Bangladesh Limited		20	20
		1,004,646	1,604,221
19(a).1 Reconciliation of net operating Cash flows (Consolidated)			
Net profit before tax		1,660,839	1,364,348
Add: Items not involving movement of cash			
Depreciation on property, plant and equipment		285,257	280,064
Amortization on intangible assets		6,724	6,944
Gain on disposal of property, plant and equipment		(4,517)	(24,390)

	Note	2019 ‘000 Taka	2018 ‘000 Taka
Finance Cost		589	936
Interest income		(74,153)	(30,271)
Provision for WPPF		87,420	71,814
Provision for Gratuity		18,200	19,023
		319,520	324,120
A. Cash generated from operations before changes in working capital		1,980,359	1,688,468
Changes in working capital:			
(Increase)/ decrease in inventories		11,095	(159,320)
Decrease/ (increase) in trade and other receivables		(95,116)	566
(Increase)/ decrease in advances, deposits and prepayments		81,453	(53,786)
Increase in other non current liability		604	12,736
(Decrease)/ increase in other employee benefit		(28,022)	(5,271)
Increase in trade and other payables		(72,948)	28,451
(Decrease)/ increase in provision for expenses		70,212	(18,966)
B. Total changes in working capital:		(32,722)	(195,590)
C. Cash generated from operating activities (A+B)		1,947,637	1,492,878
Less:			
Tax paid		(295,659)	(234,018)
Interest paid		(589)	(936)
WPPF paid		(71,814)	(68,645)
Gratuity paid		(14,710)	(19,629)
D.		(382,772)	(323,228)
Net cash inflows from operating activities (C+D)		1,564,865	1,169,650
20. Investment in subsidiaries			
Bangladesh Oxygen Limited		20	20
BOC Bangladesh Limited		20	20
		40	40

This represents the Company's investments 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 74,750 each for the year ended 31 December 2019. The shareholders of Bangladesh Oxygen Limited have decided to wind-up this Company in an Extra-Ordinary General Meeting dated 14 November 2019. The winding-up is under process.

21. Property, plant and equipment

See accounting policies in Note 44(b,c,d)

Reconciliation of carrying amount:

Particulars	Freehold land	Freehold Buildings	Buildings on leasehold land	Plant machinery and cylinders	Motor vehicles	Furniture fixtures and equipment	Computers hardware	Right of Use Asset (Lease)	Capital work in progress	Total
	‘000 Taka	‘000 Taka	‘000 Taka	‘000 Taka	‘000 Taka	‘000 Taka	‘000 Taka	‘000 Taka	‘000 Taka	‘000 Taka
(a) Cost										
Balance as at 1 January 2019	75,080	717,607	106,426	4,072,619	154,794	89,754	60,599	37,171	409,996	5,724,046
Addition	-	19,324	-	520,575	3,829	2,355	531	-	453,575	1,000,189
Disposal/transfer	-	-	-	(23,607)	-	(1,928)	(140)	-	(551,824)	(577,499)
Balance as at 31 December 2019	75,080	736,931	106,426	4,569,587	158,623	90,181	60,990	37,171	311,747	6,146,736
Balance as at 1 January 2018	75,080	699,156	108,027	4,286,569	163,234	92,685	59,994	-	114,166	5,598,911
Addition	-	19,130	-	185,751	4,128	5,092	9,672	-	519,603	743,376
Disposal/transfer	-	(679)	(1,601)	(399,701)	(12,568)	(8,023)	(9,067)	-	(223,773)	(655,412)
Balance as at 31 December 2018	75,080	717,607	106,426	4,072,619	154,794	89,754	60,599	-	409,996	5,686,875

Particulars	Freehold land	Freehold Buildings	Buildings on leasehold land	Plant machinery and cylinders	Motor vehicles	Furniture fixtures and equipment	Computers hardware	Right of Use Asset (Lease)	Capital work in progress	Total
	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka
B. Accumulated depreciation										
Balance as at 1 January 2019	-	129,099	64,614	1,834,216	108,963	66,435	38,085	19,206	-	2,260,618
Charged during the year	-	23,863	1,832	226,404	18,854	4,704	9,600	6,829	-	292,086
Disposal/transfer during the year	-	-	-	(21,551)	-	(1,916)	(140)	-	-	(23,607)
Balance as at 31 December 2019	-	152,962	66,446	2,039,069	127,817	69,223	47,545	26,035	-	2,529,097
Balance as at 1 January 2018	-	106,397	63,447	2,012,245	91,996	68,965	37,223	-	-	2,380,273
Charged during the year	-	23,380	1,949	218,455	21,994	4,645	9,642	-	-	280,064
Disposal/transfer during the year	-	(679)	(781)	(396,483)	(5,027)	(7,174)	(8,780)	-	-	(418,924)
Balance as at 31 December 2018	-	129,099	64,614	1,834,216	108,963	66,435	38,085	-	-	2,241,413
Carrying amounts (A-B)										
Balance as at 1 January 2018	75,080	592,759	44,580	2,274,324	71,238	23,720	22,771	-	114,166	3,218,638
Balance as at 31 December 2018	75,080	588,509	41,811	2,238,403	45,831	23,318	22,514	-	409,996	3,445,462
Balance as at 31 December 2019	75,080	583,969	39,980	2,530,518	30,806	20,958	13,445	11,136	311,747	3,617,639
21.1 Allocation of depreciation during the year										
Cost of sales	-	-	-	-	-	-	-	-	200,622	194,658
Operating expense	-	-	-	-	-	-	-	-	91,464	85,407
									292,086	280,065

22. Intangible assets

See accounting policies in Note 44(c)

	Software	Capital work in progress	Total
	'000 Taka	'000 Taka	'000 Taka
A. Cost			
Balance at 1 January 2019	68,100	-	68,100
Addition (Note- 22.1)	264	264	528
Adjustment	-	(264)	(264)
Balance at 31 December 2019	68,364	-	68,364
Balance as at 01 January 2018	68,100	-	68,100
Addition	-	-	-
Balance as at 31 December 2018	68,100	-	68,100
B. Accumulated amortisation			
Balance at 1 January 2019	56,345	-	56,345
Amortisation	6,724	-	6,724
Balance at 31 December 2019	63,069	-	63,069
Balance at 1 January 2018	49,401	-	49,401
Amortisation	6,944	-	6,944
Balance at 31 December 2018	56,345	-	56,345
Carrying amounts (A-B)			
Balance as at 1 January 2018	18,699	-	18,699
Balance as at 31 December 2018	11,755	-	11,755
Balance as at 31 December 2019	5,295	-	5,295

22.1 An AutoCAD software purchased during the year 2019.

	2019	2018
	'000 Taka	'000 Taka
23. Equity attributable to owners of the Company/Share capital		
Authorised:		
20,000,000 ordinary shares of Tk 10 each	200,000	200,000
Issued, subscribed and paid up:		
3,616,902 ordinary shares of Tk 10 each issued for cash	36,169	36,169
999,498 ordinary shares of Tk 10 each issued for consideration other than cash	9,995	9,995
10,601,880 bonus shares of Tk 10 each	106,019	106,019
	152,183	152,183

Percentage of shareholdings:	%		Value ('000 Taka)	
	2019	2018	2019	2018
The BOC Group Ltd.	60.0	60.0	91,310	91,310
Investment Corporation of Bangladesh (ICB)	15.0	14.8	22,826	22,518
Pubali Bank Securities Limited	1.5	1.3	2,269	1,954
Sadharan Bima Corporation (SBC)	1.3	1.3	2,047	2,047
Pubali Bank Limited	1.1	1.1	1,633	1,633
LANKABANGLA Securities Ltd.	1.0	1.7	1,544	2,544
Other shareholders	20.1	19.8	30,554	30,177
	100	100	152,183	152,183

Classification of shareholders by holding:	Number of holders		Total holding (%)	
Holdings	2019	2018	2019	2018
Less than 500 shares	6,107	6,435	3.2	3.3
500 to 5,000 shares	437	486	4.0	4.5
5,001 to 10,000 shares	45	40	2.2	1.8
10,001 to 20,000 shares	34	33	3.4	3.2
20,001 to 30,000 shares	16	22	2.5	3.5
30,001 to 40,000 shares	4	5	0.8	1.1
40,001 to 50,000 shares	4	2	1.3	0.6
50,001 to 100,000 shares	7	7	3.1	3.3
100,001 to 1,000,000 shares	7	5	12.6	11.7
Over 1,000,000 shares	2	2	67.0	67.0
	6,663	7,037	100	100

	Note	2019	2018
		'000 Taka	'000 Taka
24. Employee benefits			
See accounting policies in Note 44(I)			
Gratuity scheme	24.1	166,963	127,443
Other employee benefits		-	28,022
		166,963	155,465

24.1 Gratuity scheme

Amount recognised in the statement of financial positions			
Defined benefit obligation (note 24.1a)		166,963	127,443
Fair value of plan assets		-	-
		166,963	127,443

		2019	2018
	Note	’000 Taka	’000 Taka
24.1(a) Change in benefit obligation			
Net defined benefit liability at the end of prior period		127,443	134,253
Service cost		8,640	4,750
Interest cost		9,560	4,200
Amount recognised in the Other Comprehensive Income		36,030	-
Benefit paid during the year		(14,710)	(15,760)
Net defined benefit liability at the end of this period		166,963	127,443
24.2 Significant Actuarial assumptions			
Discount rate %		7.5%	9.0%
Salary escalation rate		6.0%	6.0%
Withdrawal rate %		7.5%	7.5%
Mortality Rate	* Indian	Assured Lives Mortality (2006-2008) Ultimate	
* Actuary considered this table as no such table is available for Bangladesh.			
24.3 Expected cash flow for following year			
	’000 Taka		
Expected employer's contribution for 2020	9,300		
Expected benefit payments for the year ended:			
2020	24,730		
2021	24,660		
2022	20,340		
2023	31,390		
2024	25,170		
2025 to 2029	122,010		
24.4 Sensitivity analysis			
A change of 0.5% in discount rate or future salary escalation rate will result a variation in Defined Benefit Obligation by BDT 4m.			
24.5 Summary of principal rules of the plan			
Plan Sponsor	Linde Bangladesh Limited		
Nature of benefit	Defined benefit plan		
Applicable Salary	Last drawn monthly basic salary		
Vesting schedule	6 months		
Normal retiremnet age	60 years		
Maximum limit	Not Applicable		
Benefit formula	Service length:		
More than 6 months and Less than 10 years:		30 days basic for each year	
10 years and above:		45 days basic for each year	
In case an employee completes 11 year of serives and attains 57 years of age, he/she will be entitled to 2 basic x no of year in services:		45 days basic for each year	
		2019	2018
		’000 Taka	’000 Taka
25. Other non-current liabilities			
See accounting policies in Note 44(e)			
Cylinder security deposit		248,839	248,235
Lease Obligation-Long Term		4,943	-
		253,782	248,235
Cylinder security from customers is a liability of a continuing nature.			

		2019	2018
	Note	'000 Taka	'000 Taka
26. Trade and other payables			
See accounting policies in Note 44(e)			
Trade payables		187,803	81,549
Inter Company payables		310,136	486,403
Payables for capital items		35,957	21,184
Advances from customers		63,892	58,406
Unpaid dividend		88,602	82,349
Current account with subsidiaries	26.1	-	39
Lease obligation	38	5,200	-
Others		673,199	683,620
		1,364,789	1,413,550

* The Board of Directors of Linde Bangladesh Limited, at a meeting held on 27 April 2017, approved the sale of a portion of land at Tejgaon site, Dhaka measuring 2.31 acres. The money has already been received and now waiting for transfer through execution of sale deed which is in process.

26.1 Current account with subsidiaries

Bangladesh Oxygen limited		(248)	(317)
BOC Bangladesh Limited		347	278
		99	(39)

26.(a) Trade and other payables (consolidated)

See accounting policies in Note 44(e)			
Trade payables		187,803	81,549
Inter Company payables		310,136	486,403
Payables for capital items		35,957	21,184
Advances from customers		63,892	58,406
Unpaid dividend		88,602	82,349
Lease rental		5,200	-
Others		673,199	683,620
		1,364,789	1,413,511

27. Provision for expenses

See accounting policies in Note 44(h)			
Accrued expenses		67,080	41,591
Accrued employee benefits		61,415	32,298
Workers' profit participation fund	27.1	87,434	71,828
		215,929	145,717

27.(a) Provision for expenses (consolidated)

Accrued expenses		67,393	41,891
Accrued employee benefits		61,415	32,298
Workers' profit participation fund	27.1	87,434	71,828
		216,242	146,017

27.1 Workers' profit participation fund

Balance as at 1 January		71,828	68,659
Provision made during the year		87,420	71,814
		159,248	140,473
Paid during the year		(71,814)	(68,645)
Balance as at 31 December		87,434	71,828

		2019	2018
	Note	'000 Taka	'000 Taka
28. Current tax liabilities			
Provision for tax	28.1	392,654	518,081
Advance income tax	28.2	(225,933)	(431,819)
		166,721	86,262
28.(a) Current tax liabilities (consolidated)			
Provision for tax	28.1	392,659	518,081
Advance income tax	28.2	(225,933)	(431,819)
		166,726	86,267
28.1 Provision for tax			
Balance as at 1 January		518,081	506,141
Tax Expenses			
Current year	14	376,118	331,398
Prior year	14	(501,545)	(319,458)
Balance as at 31 December		392,654	518,081
28.2 Advance income tax			
Balance as at 1 January		431,819	517,259
Payment made u/s- 64 and 74		130,508	46,177
Withholding tax		165,151	187,841
Tax adjusted for prior years		(501,545)	(319,458)
Balance as at 31 December		225,933	431,819

29. Financial instruments – Fair values and risk management

29.1. Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

		Carrying amount							
	Note	Held-for trading	Designated at fair value	Fair value hedging instruments	Held to maturity	Loans and receivables	Available for sale	Other financial liabilities	Total amount
		'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka
31 December 2019									
Financial assets not measured at fair value									
Trade and other receivables	16	-	-	-	-	714,085	-	-	714,085
Investment	18	-	-	-	1,244,619	-	-	-	1,244,619
Cash and cash equivalents	19	-	-	-	-	1,004,626	-	-	1,004,626
Investment in subsidiaries	20	-	-	-	-	-	40	-	40
		-	-	-	1,244,619	1,718,711	40	-	2,963,370
Financial liabilities not measured at fair value									
Trade and other payables*	26	-	-	-	-	-	-	1,300,897	1,300,897
Other non-current liabilities	25	-	-	-	-	-	-	248,839	248,839
		-	-	-	-	-	-	1,549,736	1,549,736

	Note	Carrying amount							Total amount
		Held-for trading	Designated at fair value	Fair value hedging instruments	Held to maturity	Loans and receivables	Available for sale	Other financial liabilities	
		'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka
31 December 2018									
Financial assets not measured at fair value									
Trade and other receivables	16	-	-	-	-	618,969	-	-	618,969
Investment	18	-	-	-	10,753	-	-	-	10,753
Cash and cash equivalents	19	-	-	-	-	1,604,201	-	-	1,604,201
Investment in subsidiaries	20	-	-	-	-	-	40	-	40
		-	-	-	10,753	2,223,170	40	-	2,233,963
Financial liabilities not measured at fair value									
Trade and other payables*	26	-	-	-	-	-	-	1,355,144	1,355,144
Other non-current liabilities	25	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	1,355,144	1,355,144

* Advances from customer are not financial liabilities (amount of Taka 63,892 thousand in 2019 and Taka 58,406 thousand in 2018) are not included.

The Company has not disclosed the fair values for financial instruments such as trade and other receivables, cash and cash equivalents, investment in subsidiaries, trade and other payables, and other non-current liabilities because their carrying amounts are a reasonable approximation of fair values.

29.2 Financial risk management

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and control, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

29.2.1. Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of customer, including the default risk of the industry and financial strength of the customer, as these factors may

have an influence on credit risk. Geographically there is no concentration of credit risk.

The Debtors Management Review Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's payment and delivery terms and conditions are offered. Credit limits are established for each customer, which represents the maximum outstanding amount of credit sale without requiring approval from the Committee; these limits are reviewed as per HPO guideline of Linde Group in each quarter. Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a cash/deposit scheme basis.

The Company has established a provision policy for doubtful debts. This represents the Company's estimate of incurred losses of trade receivables. The Company provides for 50% of trade receivables which are 90 days overdue but less than 180 days and 100% of trade receivables which are 180 days overdue for gas and welding product customers. Loss rate for healthcare customers is applied on gross trade receivable to work out provisions.

The Company held cash and cash equivalents of Taka 1,004,626 thousand at 31 December 2019 (2018: Taka 1,604,201 thousand), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with different banks which are rated from AA3 to AAA, based on ratings by Credit Rating Agency of Bangladesh (CRAB) and Credit Rating Information and Services Limited (CRISL).

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Note	2019 ‘000 Taka	2018 ‘000 Taka
Trade receivables	16	683,021	604,444
Provision for trade receivable	16.1.1	(26,077)	(22,362)
		656,944	582,082
Cash and cash equivalents	19	1,004,173	1,603,844
		1,661,117	2,185,926

The maximum exposure to credit risk for trade receivables at the reporting date by product category was:

Gases		193,819	190,397
Welding		128,512	69,201
Healthcare		360,690	344,846
		683,021	604,444

b) Ageing of trade receivables

The ageing of gross trade receivables at the reporting date was:

Invoiced 0-30 days		516,299	503,325
Invoiced 31-60 days		15,841	17,627
Invoiced 61-90 days		5,334	18,846
Invoiced 91-180 days		26,380	24,028
Invoiced 181-365 days		79,127	18,670
Invoiced and above 365 days		40,040	21,948
		683,021	604,444

Movement in the provision for doubtful debts during the year was as follows:

Opening balance		22,362	20,399
Provision (reversed)/made during the year		3,715	1,963
Closing balance		26,077	22,362

29.2.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (cash and cash equivalents) to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses for periods which the Company thinks appropriate; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted such as natural disasters. Moreover, the group seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The following are the contractual maturities of financial liabilities:

	Contractual cash flows						
	Carrying amount	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	‘000 Taka	‘000 Taka	‘000 Taka	‘000 Taka	‘000 Taka	‘000 Taka	‘000 Taka
31 December 2019							
Non-derivative financial liabilities:							
Trade payables	187,803	187,803	187,803	-	-	-	-
Inter Company payables	310,136	310,136	310,136	-	-	-	-
Payables for capital items	35,957	35,957	35,957	-	-	-	-
	533,896	533,896	533,896	-	-	-	-
Derivative financial liabilities	-	-	-	-	-	-	-
	533,896	533,896	533,896	-	-	-	-

	Contractual cash flows						
	Carrying amount	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka	'000 Taka
31 December 2018							
Non-derivative financial liabilities:							
Trade payables	81,549	81,549	81,549	-	-	-	-
Inter Company payables	486,403	486,403	486,403	-	-	-	-
Payables for capital items	21,184	21,184	21,184	-	-	-	-
	589,136	589,136	589,136	-	-	-	-
Derivative financial liabilities	-	-	-	-	-	-	-
	589,136	589,136	589,136	-	-	-	-

29.2.3 Market risk

Market risk is the risk that any change in market conditions, such as foreign exchange rates, interest rates and commodity prices that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The Company is exposed to currency risk on certain revenues and purchases that are denominated in foreign currencies. Majority of the company's foreign currency transactions are denominated in USD, Euro, SGD and GBP and relate to procurement of raw materials, capital items from abroad. The Company also has exposure in foreign currencies relating to some services. The Company also earns foreign currencies from export and deemed export of goods and services.

As at 31 December, the Company was exposed to foreign currency risk in respect of financial liabilities denominated in the following currencies:

i) Exposure to currency risk	'000 BDT	'000 USD	'000 PHP	'000 INR	'000 THB	'000 GBP	'000 EUR	'000 SGD
As at 31 December 2019								
Foreign currency denominated assets								
Trade receivable	656,945	-	-	-	-	-	-	-
Intercompany receivable	12,070	5	47	-	-	-	20	-
	669,015	5	47	-	-	-	20	-
Foreign currency denominated liabilities								
Trade payables	-	-	-	-	-	-	-	-
Intercompany payables	(211,791)	(840)	(88)	(3,232)	(41)	(3)	(182)	(6)
	(211,791)	(840)	(88)	(3,232)	(41)	(3)	(182)	(6)
Net exposure	457,224	(835)	(41)	(3,232)	(41)	(3)	(162)	(6)
As at 31 December 2018								
Foreign currency denominated assets								
Trade receivable	582,082	-	-	-	-	-	-	-
InterCompany receivable	8,121	-	47	-	-	-	20	-
	590,203	-	47	-	-	-	20	-
Foreign currency denominated liabilities								
Trade payables	81,549	-	-	-	-	-	-	-
Inter Company payables	(174,017)	(1,613)	(88)	(3,232)	(41)	(3)	(1,797)	(13)
	(92,468)	(1,613)	(88)	(3,232)	(41)	(3)	(1,797)	(13)
Net exposure	497,735	(1,613)	(41)	(3,232)	(41)	(3)	(1,777)	(13)

The following significant exchange rates have been applied during the year:

Exchange rate at taka	Average rate		Year end spot rate	
	2019	2018	2019	2018
US Dollar 1	84.88	83.77	84.88	83.61
Great Britain Pound (GBP) 1	111.20	111.82	112.52	106.68
EURO (EUR) 1	94.28	98.22	95.17	95.90
Singapore Dollar (SGD) 1	63.83	62.11	63.06	61.34

ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures

A reasonably possible (assume 5%) strengthening/(weakening) of foreign currencies against functional currency as at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effects in thousands of taka	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
	'000 Taka	'000 Taka	'000 Taka	'000 Taka
31 December 2019				
USD	(3,541)	3,541	2,656	(2,656)
EURO	(771)	771	578	(578)
GBP	(15)	15	11	(11)
INR	(192)	192	144	(144)
PHP	(3)	3	2	(2)
SGD	(19)	19	14	(14)
THB	(6)	6	5	(5)
31 December 2018				
USD	(6,756)	6,756	5,067	(5,067)
EURO	(8,727)	8,727	6,545	(6,545)
GBP	(15)	15	11	(11)
INR	(191)	191	143	(143)
PHP	(3)	3	2	(2)
SGD	(40)	40	30	(30)
THB	(5)	5	4	(4)
			2019	2018
			'000 Taka	'000 Taka
iii) Foreign exchange gain/(loss)				
Foreign exchange gain/(loss)			(7,831)	6,149

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates. Foreign currency liabilities of the Company are not significantly affected by fluctuations in interest rates. The Company has not entered into any agreement involving derivative instrument at the reporting date.

As at 31 December, the interest rate profile of the Company's interest bearing financial instruments was:

	Carrying amount	
Fixed rate instruments		
Financial assets		
Fixed deposits with banks	534,609	1,200,656
Investment	1,244,619	10,753
	1,779,228	1,211,409
Financial liabilities		
	-	-
	1,779,228	1,211,409
Floating rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	1,779,228	1,211,409

c) Commodity risk

Commodity risk refers to the uncertainties of future market values and of the size of the future income, caused by the fluctuation in the prices of commodities. As the Company purchases MS wire, blended power, calcium carbide and other raw materials, it is exposed to risks arising from the purchase of these materials for use in production. Commodity price risk is managed by supply contracts with suppliers.

29.3 Capital management

Capital management refers to implementing policies and measures to maintain sufficient capital, assessing Company's internal capital adequacy to ensure Company's operation as a going concern. Capital consists of share capital, general reserve and revaluation reserve. All major investment and operational decisions with exposure to certain amount are evaluated and approved by the board. The Board of Directors monitors the level of dividends to ordinary shareholders.

	2019	2018
	'000 Taka	'000 Taka
30. Capital expenditure commitment		
Contracted but not provided for in these accounts	59,089	214,949

31. Proceeds from disposals sale of property, plant and equipment	Cost	Accumulated depreciation	Carrying amount	Sales proceeds
	'000 Taka	'000 Taka	'000 Taka	'000 Taka
Computers	140	140	-	-
Furniture/Fixture	1,928	1,916	12	-
Cylinders: Sold	8,474	8,169	305	6,585
Cylinders: Condemned	15,133	13,382	1,751	-
2019	25,675	23,607	2,068	6,585
2018	431,640	418,925	12,715	37,105

32. Number of employees

The number of employees engaged for the whole year or part thereof who received a total remuneration of Tk 36,000 and above were 296 (Year 2018: 305).

33. Production capacity	Unit of measurement	Normal capacity for the year	Production for the year	Remarks
Major products				
ASU Gases	000 M ³	35,018	25,269	Additional capacity to meet future demand
Carbon-dioxide	M. Ton	10,585	4,626	Additional capacity to meet future demand
Dissolved Acetylene	000 M ³	300	174	Due to lower market demand
Electrodes	M. Ton	31	25	Additional capacity to meet future demand

34. Remittance made in foreign currency	2019		2018	
	'000 FC	'000 Taka	'000 FC	'000 Taka
Dividend paid to The BOC Group, UK (GBP)	2,859	308,170	1,011	115,050
Service Chg Linde Gas Asia Pte Ltd- ROHQ, Philippines (USD)	210	17,739	129	10,771
Gas analysis, Atlantic Analytical Lab. Inc USA (USD)	-	-	6	463
EFRAC, India (USD)	6	521	-	-
Linde Engineering India Pvt Ltd, India (EUR)	-	-	3	321
Linde India Ltd, India (USD)	-	-	120	10,074
Linde Treasury Asia Pacific PTE LTD, Singapore (SGD)	11	712	4	219
Linde AG, Germany (EUR)	2,058	195,375	-	-
Safety Hitech, Italy (EUR)	30	2,815	-	-
UL AG, USA (USD)	3.8	324.9	7	573
Praxair (Thailand) Co., Ltd. (USD)	5	404	6	511
M Junction, India (USD)	6	523	-	-
R.V.Briggs & Co.Pvt.Ltd, India (USD)	0.1	10	-	-
LINDE ROC SDN BHD, Malaysia (USD)	75	6,291	-	-
SHELL-N-TUBE PVT. LTD., India (USD)	5	396	-	-
Linde Gas Asia Pte. Ltd.,Singapore (SGD)	140	9,020	-	-
Total	5,410	542,301	1,285	137,981

The BOC Group Ltd., UK is a non-resident shareholder which holds 9,130,968 shares in this Company. Dividend paid to The BOC Group Ltd., UK in 2019 includes final dividend of GBP 2,859 thousand for the year 2018.

35. Receipt in foreign currency

Name of customer/vendor	Nature of receipt	2019		2018	
		'000 FC	'000 Taka	'000 FC	'000 Taka
Uniglory Cycle Component Ltd.(USD)	Deemed export	93	7,849	120	9,925
Uniglory Cycle Industries Ltd. (USD)	Deemed export	133	11,256	181	14,980
Steris Corporation, USA (USD)	Sales commission	-	-	8	645
MEGHNA ALLOYTECH LTD. (USD)	Deemed export	75	6,330	-	-
Linde Gas Asia PTE Ltd (Singapore) (USD)	IS cost recharge	32	2,728	769	63,645
APR energy (USD)	Product export	-	-	29	23,579
ZTE Corporation (USD)	Service charge	332	28,059	1,009	96,109
Karnafuly Ship Builders (USD)	Deemed export	448	37,854	46	3,810
Total		1,113	94,077	2,161	212,692

	2019	2018
	'000 Taka	'000 Taka
36. Value of imports calculated on CIF basis		
Raw materials	1,933,975	2,064,231
Components and spare parts	23,275	103,703
Capital goods	358,725	308,736
	2,315,975	2,476,670

37. Contingent liabilities

These includes bank guarantees to third parties, shipping guarantees, others guarantee, utility guarantee, performance bond, security bond, import bill, import receivables and bank acceptance.	102,318	69,470
Outstanding letters of credit	600,476	647,187
Writ petition No. 2226 of 2015 filed by the Company against the Government of Bangladesh and others challenging demand as tax (VAT) and is pending for hearing.	12,996	12,996

37.1 Credit facilities available as at 31 December

Standard Chartered Bank (SCB)	1,200,000	1,200,000
The Hong Kong & Shanghai Banking Corporation Ltd. (HSBC)	610,250	610,250
	1,810,250	1,810,250

Agreement with HSBC (Credit facility)

As per renewed agreement executed on 28 July 2019 between Linde Bangladesh Limited and HSBC, the Company has been availing credit facilities. The terms and conditions are as follows:

Facility limit: EUR 6.0 million (six million) in equivalent local currency.

Purpose: Working capital

Overdraft Interest Rate: 9.5%

Security: Demand promissory note, letter of continuation for BDT 610.25 million and letter of comfort from Linde AG.

Agreement with Standard Chartered Bank Bangladesh (Credit facility)

As per agreement executed on 12 November 2019 between Linde Bangladesh Limited and Standard Chartered Bank Bangladesh, the company has been availing credit facility. The terms and conditions are as follows:

Facility limit: BDT 1,200 million (BDT twelve hundred million)

Purpose: Working capital

Overdraft Interest Rate: 9.00%

Security: Demand promissory note and letter of continuation for BDT 1,200 million.

38. Lease Obligation- Leases as lessee

Non-cancellable operating lease rentals are payable as follows:		
No later than one year	5,200	-
Between two and five years	3,982	-
More than five years	962	-
	10,143	-

The Company leases a number of sales centre and office facilities under operating leases. The leases typically run for a period of 4–15 years, with an option to renew the lease after its expiry.

	2019	2018
	'000 Taka	'000 Taka
39. Net Asset Value (NAV)		
Total Assets	7,651,824	6,849,247
Non-Current Liabilities	(795,676)	(731,028)
Current Liabilities	(1,747,439)	(1,645,529)
	5,108,708	4,472,690
Number of ordinary Shares of Taka 10 each as at 31 December	15,218	15,218
Net Asset Value per Share	335.70	293.91
39.1 Net Asset Value (NAV) Consolidated		
Total Assets	7,651,704	6,849,227
Non-Current Liabilities	(795,676)	(731,028)
Current Liabilities	(1,747,757)	(1,645,795)
	5,108,271	4,472,404
Number of ordinary Shares of Taka 10 each as at 31 December	15,218	15,218
Net Asset Value per Share	335.67	293.89

40. Non-controlling interest (NCI)

The following table summarises the information relating to each of the Group's subsidiaries:

	BOC	BOL	Intra-group eliminations	Total	'000 Taka
31 December 2019					
NCI percentage	0.05%	0.50%	-	-	-
Non-current assets	-	-	-	-	-
Current assets	20,000	247,848	-	-	-
Non-current liabilities	-	-	-	-	-
Current liabilities	(454,250)	(209,750)	-	-	-
Net assets	(434,250)	38,098	-	-	-
Net assets attributable to NCI	(217)	190	-	(27)	(0.03)
Revenue	-	-	-	-	-
Loss	(74,750)	(74,750)	-	(149,500)	(149.50)
OCI	-	-	-	-	-
Total comprehensive income					
Loss allocated to NCI	(37)	(374)	-	(411)	(0.41)
OCI allocated to NCI	-	-	-	-	-
Cash flows from operating activities	-	-	-	-	-
Cash flows from investing activities	-	-	-	-	-
Cash flows from financing activities	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	-	-	-	-	-

	BOC	BOL	Intra-group eliminations	Total	'000 Taka
31 December 2018					
NCI percentage	0.05%	0.50%	-	-	-
Non-current assets	-	-	-	-	-
Current assets	20,000	316,848	-	-	-
Non-current liabilities	-	-	-	-	-
Current liabilities	(379,500)	(204,000)	-	-	-
Net assets	(359,500)	112,848	-	-	-
Net assets attributable to NCI	(180)	564	-	384	0.38
Revenue	-	-	-	-	-
Loss	(63,250)	(63,250)	-	-	-
OCI	-	-	-	-	-
Total comprehensive income	(63,250)	(63,250)	-	-	-
Loss allocated to NCI	(32)	(316)	-	(348)	(0.35)
OCI allocated to NCI	-	-	-	-	-
Cash flows from operating activities	-	-	-	-	-
Cash flows from investing activities	-	-	-	-	-
Cash flows from financing activities	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	-	-	-	-	-

41. Events after the reporting date

The Board of Directors of Linde Bangladesh Limited has recommended a final dividend of Tk 50 per share amounting to Tk 761,900 thousand at the board meeting held on 20 February 2020 for the year end 31 December 2019. This dividend represents 500% of the paid up capital and is subject to approval by the shareholders at the Annual General Meeting of the Company.

42. Related party transaction

42.1 Parent and ultimate controlling party

BOC Group Limited of United Kingdom (UK) has 60% shareholding of the Company which is fully owned by Linde AG of Germany. In 2018, Linde AG of Germany has been merged with Praxair, Inc. USA and a new company Linde plc has been incorporated in Ireland and as such Linde plc is the new ultimate holding company of Linde Bangladesh Limited.

	Note	2019 '000 Taka	2018 '000 Taka
42.2 Transaction with key management personnel			
Key management personnel compensation:			
Directors' remuneration		19,793	19,411

			31 December		31 December	
			2019	2018	2019	2018
			Transaction for the year		Balance outstanding as at	
Name of party	Nature of relationship	Nature of transactions	'000 Taka	'000 Taka	'000 Taka	'000 Taka
InterCompany payables						
BOC Gases, Technical Supply Centre	Fellow Subsidiary	Purchase of goods	1,556	(2,208)	296	-
BOC Group Ltd.	Holding Company	Technical Assistance Fee	37,150	32,178	211,825	174,676
BOC Group Ltd.	Holding Company	Dividend	308,170	115,050	-	-
Linde AG, Linde Gas Headquarters	Holding Company of BOC Group Ltd.	Global IS fee	41,858	42,215	17,304	172,341
Linde Gas Asia Pte. Ltd.	Fellow Subsidiary	Recharges cost received	8,578	312	1,327	1,330
Linde Gas Asia Pte. Ltd.- ROHQ	Fellow Subsidiary	Service fee	10,308	10,746	3,604	10,902
Linde Gas Singapore Pte. Ltd.	Fellow Subsidiary	Purchase of goods	2,145	20,380	(589)	(624)
Linde India Ltd.	Fellow Subsidiary	Purchase of goods and assets	256,358	78,928	44,770	103,801
Linde Malaysia Sdn Bhd	Fellow Subsidiary	Purchase of goods and assets	17,913	10,776	30,896	19,471
Linde Treasury Asia Pacific Pte. Ltd.	Fellow Subsidiary	Service fee	288	744	-	416
Thai Industrial Gases PLC	Fellow Subsidiary	Recharges cost received	-	-	103	105
Linde Engineering India Pvt Ltd	Fellow Subsidiary	Service fee	1,002	1,214	85	-
LINDE ROC SDN BHD	Fellow Subsidiary	Service fee	3,074	3,695	515	3,694
Bangladesh Oxygen limited	Subsidiary	Payment of expenses	69	63	248.00	317

			31 December		31 December	
			2019	2018	2019	2018
			Transaction for the year		Balance outstanding as at	
InterCompany receivables			'000 Taka	'000 Taka	'000 Taka	'000 Taka
BOC HOLDINGS	Parent company	Recovery of expenses	1,251	-	1,251	-
Linde Gas Asia Pte. Ltd.- ROHQ	Fellow Subsidiary	Recovery of expenses	-	-	203	203
Linde Gas Asia Pte. Ltd.	Fellow Subsidiary	Recovery of expenses	8,094	19,701	10,943	5,577
Linde Korea Co. Limited	Fellow Subsidiary	Recovery of expenses	-	-	-	454
BOC India Limited	Fellow Subsidiary	Recovery of expenses	118	-	206	88
Linde Ecuador S.A.	Fellow Subsidiary	Sale of Product	-	1,360	-	-
Linde AG, Linde Gas Headquarters	Holding Company of BOC Group Ltd.	Recovery of expenses	-	123	1,798	1,798
BOC Bangladesh Limited	Subsidiary	Payment of expenses	69	63	347	278

43. Basis of measurement

These financial statements have been prepared under the historical cost convention except for some land and buildings which are measured on revaluation model.

44. Significant accounting policies

The Company has consistently applied the following accounting policies to all years presented in these financial statements.

Certain comparative amounts in the statement of financial position and statement of profit or loss and other comprehensive income have been reclassified for better presentation purpose, where necessary.

Set out below is an index of the significant accounting policies, the details of which are available on the following pages:

- Foreign currency
- Property, plant and equipment
- Intangible assets
- Leased assets
- Financial instruments
- Inventories
- Impairment
- Provisions
- Contingencies
- Income tax
- Workers' profit participation fund (WPPF)
- Employee benefit
- Revenue recognition
- Finance income and expenses
- Basis of consolidation
- Earnings per share
- General reserve/retained earnings
- Events after the reporting date
- General

a) Foreign currency

Foreign currencies are translated into Taka at the rates ruling on the transaction dates. Monetary assets and liabilities are reconverted at

the rates prevailing at the reporting date. Non-monetary assets and liabilities are reported using the historical exchange rate. Differences arising on conversion are charged or credited to the Statement of profit or loss and other comprehensive income.

b) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment, excluding freehold land, freehold building and leasehold building, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at cost. Freehold buildings and leasehold buildings are measured at cost or revalued amounts less accumulated depreciation, where applicable. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes (after deducting trade discount and rebates) and any costs directly attributable to bring the assets to the location and condition necessary for it to be capable of operating in the intended manner.

Subsequent costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognised in the carrying amount of the item, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Linde Bangladesh Limited uses the month placed in service depreciation convention for all property, plant and equipment. Using this convention, depreciation begins in the month the asset is placed in service regardless of which day within the month the asset is placed in service. All purchased items are placed in service and being depreciated from the month of capitalisation. In case of disposals, depreciation is charged up to the immediate previous month of disposal.

No depreciation is charged on freehold land and capital work in progress. Depreciation is charged on all other items of property, plant and equipment on straight line method. The rates of depreciation vary according to the estimated useful lives of the items of property, plant

and equipment. The estimated useful lives for depreciation are as follows:

	Year
Freehold buildings	40
Plant, machinery and cylinders (including storage tank and vacuum insulated evaporator)	10-20
Motor vehicles	5
Furniture, fixtures and equipment	5-10
Computer hardware	5

Building on leasehold lands below 40 years are depreciated over the available duration of the land leases.

Gains or losses on disposal

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amounts and are recognised on net basis.

c) Intangible assets

Recognition and measurement

Intangible assets are measured at cost less accumulated amortisation and accumulated impairment loss, if any. Intangible asset is recognised when all the conditions for recognition as per IAS 38: Intangible assets are met. The cost of the intangible assets comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other expenditures are recognised in profit or loss, when incurred.

Amortisation

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of the intangible assets, from the month they are available for use. Enterprise Resource Plan (ERP) software and other softwares are amortised at the rate of 12.50% and 25% respectively.

d) Leased assets

In the context of the application of IFRS 16, right-of-use assets and lease liabilities were recognised as at 1 January 2019. The Company transitioned to IFRS 16 in accordance with the modified retrospective approach and therefore prior years figures were not adjusted. In addition, the Company has decided not to apply the new guidance to leases whose term will end within twelve months of the date of initial application.

e) Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The Company initially recognises receivables on the date that they are originated. All other financial assets are recognised initially on the date at which the Company becomes a party to the contractual provisions of the transaction.

The Company derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include cash and cash equivalents, trade and other receivables and investment in subsidiaries.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank and fixed deposits having maturity of three months or less which are available for use by the Company without any restriction.

(ii) Trade and other receivables

Trade receivables represent the amounts due from customers for delivering goods or rendering services. Trade and other receivables are initially recognised at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to non-collectability of any amount so recognised.

(iii) Investment

Investment comprise of fixed deposit maturity of more than three months which are available for use by the company without any restriction. The Company has positive intent and ability to hold FDR investment to maturity, and such financial assets are classified as held to maturity. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using effective interest method.

(iv) Investment in subsidiaries

Investment in subsidiaries represent investment in the equity of Bangladesh Oxygen Limited and BOC Bangladesh Limited.

Financial liabilities

A financial liability is recognised when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits. The Company initially recognises financial liabilities on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include trade and other payables, and other non-current liabilities.

f) Inventories

Inventories, except goods in transit are measured at lower of cost and estimated net realisable value (NRV). The cost of inventories is measured by using weighted average cost formula and includes expenditure incurred for acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. Inventories consist of raw materials, finished goods, goods in transit and maintenance spares.

g) Impairment

The carrying amounts of the Company's assets, other than inventories are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in profit or loss.

h) Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

i) Contingencies

Contingencies arising from claim, lawsuit, etc. are recorded when it is possible that a liability has been incurred and the amount can reasonably be measured.

j) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. The Company qualifies as a "Publicly Traded Company". The effective rate of taxation is 25%. Provision for taxation has been made on the basis of Finance Act 2019.

As per the applicable tax law, the Company has to pay tax at the rate applicable to the Company subject to a minimum tax at the rate of 0.6% of the amount representing such Company's gross receipts from all sources for that year. Since the subsidiary Company had no receipts from any sources during the year, no tax was provided for the subsidiaries Company.

Deferred tax

Deferred tax is recognised in compliance with IAS 12: Income Taxes, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used

for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

k) Workers' profit participation fund (WPPF)

The Company provides 5% of its profit before charging such expense as WPPF.

l) Employee benefit

The Company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds as approved by the National Board of Revenue (NBR), where applicable.

Defined contribution plan (provident fund)

Defined contribution plan is a post employment benefit plan under which the Company provides benefits for its all permanent employees. The recognised Employees' Provident Fund is being considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 13.5% of their basic salary to the provident fund and the Company also makes equal contribution.

The Company recognises contribution to defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

Defined benefit plans**(i) Gratuity scheme**

The Company operates an unfunded gratuity scheme for its permanent employees, under which an employee is entitled to the benefits depending on the length of services and last drawn basic salary. The Company calculated the provisions for maximum exposures as at the reporting date for all eligible employees. However, since there are no significant uncertainties/estimations with respect to gratuity payments, management considers, if actuarial valuation was made, the resulting difference, if any, would not be material in respect of amount and related disclosure as per IAS 19: Employee benefits.

(ii) Short-term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. Provision is made for leave accrued during the year but not availed by employees. The amount is arrived at with reference to the latest basic salary of each employee and unutilised leave.

m) Revenue recognition

Until 31 December 2018, the Company was following IAS-18: 'Revenue' for recognizing its sales revenue, interest income and others. However, the management has completed its assessment of IFRS-15: 'Revenue from contracts with customers', effective from 01 July 2018 for the Company and concluded that adoption and application of this new standard does not have any impact on the timing of revenue recognition based on the Company's current revenue streams. Hence, no restatement in this respect is required in the year of initial adoption. As a result, the comparative information provided will continue to be accounted for in accordance with the Company's accounting policy.

Revenue arising from sale of goods**(i) Goods sold**

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances and trade discounts. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. This usually occurs at the time of delivery of goods along with invoice.

(ii) Cash on delivery sales

Revenue is recognised when delivery is made and cash is received by the seller.

Services

Revenue from services rendered is recognised in the statement of profit or loss in proportion to the stage of completion of the transaction at the reporting date. Cylinder and VIE rent is largely recognised on accrual basis.

Commission

When the Company acts in the capacity of an agent, rather than as the principal, in a transaction, revenue is recognised as the net amount of commission receivable by the Company.

n) Finance income and expenses

Finance income comprises of interest income on funds placed in fixed deposit. Interest income is recognised on accrual basis.

Finance expenses comprise of interest expense on overdraft and bank charges. All finance expenses are recognised in Statement of Profit or Loss and Other Comprehensive Income.

o) Basis of consolidation**i. Subsidiaries**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Non-controlling interests

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

iv. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

p) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares.

Basic earnings per share

Basic EPS is calculated by dividing the net profit or loss (after tax) for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

q) General reserve/retained earnings

Traditionally the Company transfers all of its profit to general reserve which can be used for any purpose (e.g. distribution of dividend etc.).

r) Events after the reporting date

Events after the reporting date that provide additional information about the Company's position at the reporting date are reflected in the financial statements. Material events after the reporting date that are not adjusting events are disclosed in the note 41.

s) General

Prior year's figures have been restated/rearranged in order to confirm to current year's presentation.

Range of Products and Services.



Industrial gases

- Liquid oxygen
- Liquid nitrogen
- Liquid argon
- Liquid carbon dioxide
- Compressed oxygen
- Compressed nitrogen
- Compressed argon
- CORGON (Shielding Gas)
- Lamp gas
- Dissolved acetylene
- Carbon dioxide
- Dry ice
- Hydrogen
- Compressed air
- Refrigerant gases
- Fire suppression gas & system
- Helium
- Sulphur hexafluoride
- Sulphur dioxide
- Special gases & gas mixtures
- Any other gas on request

Hardgoods Filler Materials & Equipment

- Mild steel electrodes
- Low hydrogen/low alloy electrodes
- Cast iron electrodes
- Hard surfacing electrodes
- Stainless steel electrodes
- AC Arc welding equipment & accessories
- DC Arc welding equipment & accessories
- Gas welding and cutting equipment & accessories
- MIG welding equipment & accessories
- TIG welding equipment & accessories
- Gas welding rod & flux
- Gas welding and cutting equipment & accessories

Medical gases & equipment

- Medical oxygen liquid
- Medical oxygen compressed
- Nitrous oxide
- Entonox
- Sterilizing gases
- Medical Carbon-di-Oxide
- Medical Compressed Air
- Medical Gases Cylinders
- Oxytherapy Set
- Oxygen Concentrator
- Humidifier
- Medical Gases Pipeline Items
- Other Medical Gases on Request







Linde Bangladesh Limited: Form of Proxy.

I/We (name)

of (address)

being a shareholder of Linde Bangladesh Limited hereby appoint, another member of the Company.

* Mr/Mrs/Miss (name)

of (address)

as my proxy, to attend on my/our behalf at the 47th Annual General Meeting (Virtual) of the Company to be held on Tuesday 16 June 2020 (rescheduled) at 11:30 am and at any adjournment of the meeting or any poll that may be taken in consequence thereof and to vote on my behalf as he/she thinks fit on all Resolutions.

As witness my/our hand this day of 2020.

.....
Signed (shareholder/s)

.....
Folio/BO ID #

.....
Signed (Proxy)

.....
Folio BO ID #

Affix revenue stamp Tk.20.00
(Also see notes on reverse)

Linde Bangladesh Limited

Shareholder's attendance slip

I hereby record my presence at the 47th Annual General Meeting (Virtual) of Linde Bangladesh Limited on Tuesday 16 June 2020 (rescheduled).

.....
Name

.....
Folio/BO ID #

.....
Signature

Notes

- 1 A member eligible to attend the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf. No person shall act as proxy unless he/she is entitled to be present and vote in his/her own right. The "Proxy Form", duly filled, signed and stamped at BDT 20 must be sent through email to Linde Bangladesh Limited Share Office at info.bd@linde.com no later than 72 hours before commencement of the AGM.

