

**Linde Bangladesh Limited**

**3rd Quarter 2020**

**Financial Statements as at and for the nine months  
ended 30 September 2020 (Unaudited)**



## Linde Bangladesh Limited

## Statement of financial position (Unaudited)

As at 30 September 2020

		30 September 2020	31 December 2019
	Note	'000 Taka	'000 Taka
<b>Assets</b>			
Property, plant and equipment	2	3,453,885	3,617,639
Intangible assets	3	795	5,295
Investment in subsidiaries	4	40	40
Advances, deposits and prepayments	5	104,688	109,752
<b>Non-current assets</b>		<b>3,559,408</b>	<b>3,732,726</b>
Inventories	6	914,926	831,800
Trade and other receivables	7	747,937	714,085
Advances, deposits and prepayments	5	80,924	123,967
Investment	8	11,087	1,244,619
Cash and cash equivalents	9	2,279,507	1,004,626
<b>Current assets</b>		<b>4,034,381</b>	<b>3,919,097</b>
<b>Total assets</b>		<b>7,593,789</b>	<b>7,651,823</b>
<b>Equity</b>			
Share capital		152,183	152,183
Other Component of Equity		(28,912)	(28,912)
General reserve/ Retained Earnings		4,952,280	4,985,438
<b>Total equity</b>		<b>5,075,551</b>	<b>5,108,709</b>
<b>Liabilities</b>			
Employee benefits	10	167,445	166,963
Deferred tax liabilities	11	402,267	374,931
Other non-current liabilities	12	264,575	253,782
<b>Non-current liabilities</b>		<b>834,287</b>	<b>795,676</b>
Trade and other payables	13	1,415,402	1,364,788
Provision for expenses	14	157,407	215,929
Current tax liabilities	15	111,142	166,721
<b>Current liabilities</b>		<b>1,683,951</b>	<b>1,747,438</b>
<b>Total liabilities</b>		<b>2,518,238</b>	<b>2,543,114</b>
<b>Total equity and liabilities</b>		<b>7,593,789</b>	<b>7,651,823</b>

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

333.52

258.52

Chairman

Managing Director

Chief Financial Officer

Company Secretary



## Linde Bangladesh Limited

Statement of profit or loss and other comprehensive income (Unaudited)  
For the quarter ended 30 September 2020

		January to 30 Sep 2020 '000 Taka	January to 30 Sep 2019 '000 Taka	July to 30 Sep 2020 '000 Taka	July to 30 Sep 2019 '000 Taka
	Note				
Revenue		3,360,282	4,226,716	1,352,320	1,391,748
Cost of sales		(1,785,488)	(2,387,875)	(697,417)	(778,761)
<b>Gross profit</b>		<b>1,574,794</b>	<b>1,838,841</b>	<b>654,903</b>	<b>612,987</b>
Operating expenses		(582,387)	(646,131)	(177,195)	(220,233)
Other income/(loss)		(6,724)	(4,583)	(1,006)	1,220
<b>Profit from operations</b>		<b>985,683</b>	<b>1,188,127</b>	<b>476,702</b>	<b>393,974</b>
Net finance income		50,991	44,411	11,979	25,256
<b>Profit before WPPF Provision</b>		<b>1,036,674</b>	<b>1,232,538</b>	<b>488,681</b>	<b>419,230</b>
Provision for WPPF		(51,834)	(61,627)	(24,434)	(20,962)
<b>Profit before tax</b>		<b>984,840</b>	<b>1,170,911</b>	<b>464,247</b>	<b>398,268</b>
Income tax expenses	17	(257,084)	(318,569)	(119,313)	(105,294)
<b>Profit</b>		<b>727,756</b>	<b>852,342</b>	<b>344,934</b>	<b>292,974</b>
Other comprehensive income/(loss)		-	2,138	-	(653)
<b>Total comprehensive income for the period</b>		<b>727,756</b>	<b>854,480</b>	<b>344,934</b>	<b>292,321</b>
<b>Earnings per share:</b>					
Basic and diluted earnings per share (par value Tk 10) in Taka		<b>47.82</b>	<b>56.01</b>	<b>22.67</b>	<b>19.25</b>

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



## Linde Bangladesh Limited

Statement of changes in equity (Unaudited)  
For the Quarter end 30 September 2020

	Share Capital '000 Taka	Other Component of Equity '000 Taka	General Reserve/ Retained Earnings '000 Taka	Total Equity '000 Taka
Balance as at 1 January 2020	152,183	(28,912)	4,985,438	5,108,709
Payment of final dividend for 2019			(760,914)	(760,914)
Profit for the period	-		727,756	727,756
<b>Balance as at 30 September 2020</b>	<b>152,183</b>	<b>(28,912)</b>	<b>4,952,280</b>	<b>5,075,551</b>
Balance as at 1 January 2019	152,183	(2,283)	4,322,791	4,472,691
Payment of final dividend for 2018			(570,085)	(570,085)
Profit for the period	-		852,342	852,342
Other Comprehensive income	-	2,138		2,138
<b>Balance as at 30 September 2019</b>	<b>152,183</b>	<b>(145)</b>	<b>4,605,048</b>	<b>4,757,086</b>

## Linde Bangladesh Limited

Statement of cash flow (Unaudited)  
For the quarter ended 30 September 2020

	30-Sep 2020 '000 Taka	30-Sep 2019 '000 Taka
<i>Note</i>		
<b>Cash flow from operating activities</b>		
Cash receipts from customers	3,349,070	4,181,072
Cash paid to suppliers and employees	(2,204,206)	(2,888,503)
<b>Cash generated from operating activities</b>	<b>1,144,864</b>	<b>1,292,569</b>
Income tax paid	(312,663)	(167,653)
<b>Net cash from operating activities</b>	<b>832,200</b>	<b>1,124,916</b>
<b>Cash flow from investing activities</b>		
Payment for acquisition of property, plant and equipment	(90,416)	(379,031)
Payment for acquisition of intangible assets	(129)	-
Proceeds from sale of property, plant and equipment	4,136	240
Investment matured in fixed deposit receipts	1,233,532	(959,718)
Interest received	56,471	20,539
<b>Net cash used in investing activities</b>	<b>1,203,594</b>	<b>(1,317,970)</b>
<b>Cash flow from financing activities</b>		
Dividend paid	(760,914)	(570,685)
<b>Net cash used in financing activities</b>	<b>(760,914)</b>	<b>(570,685)</b>
	<b>(760,914)</b>	<b>(570,685)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>1,274,881</b>	<b>(763,739)</b>
Cash and cash equivalents as at 1 January	1,004,626	1,604,201
<b>Cash and cash equivalents as at 30 September</b>	<b>2,279,507</b>	<b>840,462</b>



## Linde Bangladesh Limited

## Notes to the Accounts as at and for the Quarter ended 30 September 2020 (Unaudited)

## 1. Selected explanatory note:

Linde Bangladesh Limited ("the Company") is a public limited and listed Company, limited by shares and was incorporated in Bangladesh in 1973 under the Companies Act 1913 (replaced by the Companies Act 1994). The Company became a listed entity in the year 1976 & 1996 in Dhaka Stock Exchange and Chittagong Stock Exchange respectively. The address of the registered office is 285 Tejgaon I/A, Dhaka-1208, Bangladesh. The Company is a subsidiary of The BOC Group Limited of United Kingdom which is fully owned by Linde AG of Germany.

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

The Company's principal activities are the manufacturing and supplying of industrial and medical gases, welding equipment and products, anesthesia and ancillary equipments. The Company also earns rentals from cylinders used by the customers and from vacuum insulated evaporators installed at customers premises.

	As at 30 September 2020 '000 Taka	As at 31 December 2019 '000 Taka
<b>2. Property plant and equipment</b>		
Opening balance	3,617,639	3,463,428
Addition during the quarter/period	69,890	1,000,189
Disposal during the quarter/period	(4,652)	(553,892)
Depreciation during the quarter/period	(228,992)	(292,086)
	<b>3,453,885</b>	<b>3,617,639</b>

## 3. Intangible assets

Opening balance	5,295	11,755
Addition during the quarter/period	129	264
Disposal during the quarter/period	-	-
Depreciation during the quarter/period	(4,628)	(6,724)
	<b>795</b>	<b>5,295</b>

Intangible assets represent application software related to information services. Application software have been recognised as intangible assets as per provisions of Bangladesh Accounting Standard 38. Intangible assets are amortised on a straight line basis over the estimated useful lives. ERP software is amortised @ 12.5% & other software is amortised @ 25%.

## 4. Investment in subsidiaries

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

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. Both the Companies are dormant. 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.

## 5. Advances, deposits and prepayments

Loans and advances to employees	68,947	76,288
Advances to suppliers	353	496
Deposits and prepayments	116,312	134,596
VAT current account	-	22,240
Current Account with subsidiaries	-	99
	<b>185,612</b>	<b>233,719</b>
Non-current	104,688	109,752
Current	80,924	123,967
	<b>185,612</b>	<b>233,719</b>

Above amounts are unsecured, but considered good.



	As at 30 September 2020 '000 Taka	As at 31 December 2019 '000 Taka
<b>6. Inventories</b>		
Raw materials	384,411	400,724
Finished goods	395,419	288,465
Goods in transit	54,730	53,039
Maintenance spares	148,693	151,484
Provision for inventory obsolescence	(68,327)	(61,912)
	<b>914,926</b>	<b>831,800</b>
In view of innumerable items of inventory and diversified units of measurement, it is not feasible to disclose quantities against each item.		
<b>7. Trade and other receivables</b>		
Trade receivables	692,901	656,945
Inter company receivable	13,327	14,402
Interest receivable	6,700	12,180
Other receivables	35,009	30,558
	<b>747,937</b>	<b>714,085</b>
<b>8. Investment</b>		
Investment in fixed deposit receipts	11,087	1,244,619
<b>9. Cash and cash equivalents</b>		
Cash in hand	262	453
Cash at bank	487,784	469,564
Fixed deposits with banks	1,791,461	534,609
	<b>2,279,507</b>	<b>1,004,626</b>
<b>10. Employee benefits</b>		
Gratuity scheme	167,445	166,963
	<b>167,445</b>	<b>166,963</b>
<b>11. Deferred Tax</b>		
At 1 January	374,931	327,328
Charge/(Release) during the quarter	27,336	53,283
Others adjustments	-	(5,680)
	<b>402,267</b>	<b>374,931</b>
<b>12. Other non-current liabilities</b>		
Cylinder security deposit	260,301	248,839
Lease Obligation-Long Term	4,274	4,943
	<b>264,575</b>	<b>253,782</b>

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



	As at 30 September 2020 '000 Taka	As at 31 December 2019 '000 Taka
<b>13. Trade and other payables</b>		
Trade payables	294,991	187,803
Inter company payables	223,748	310,136
Payables for capital items	15,431	35,957
Advances from customers	76,768	63,892
Unpaid dividends	105,757	88,602
Lease Obligations - Short Term	2,808	5,200
Others*	695,899	673,199
	<b>1,415,402</b>	<b>1,364,788</b>
* The Board of Directors of Linde Bangladesh Limited, at a meeting held on 27 April 2016, 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.		
<b>14. Provision for expenses</b>		
Accrued expenses	77,914	67,080
Accrued employee benefits	27,659	61,415
Workers' profit participation fund	51,834	87,434
	<b>157,407</b>	<b>215,929</b>
<b>15. Current tax liabilities</b>		
Provision for tax	622,402	392,654
Advance income tax	(511,260)	(225,933)
	<b>111,142</b>	<b>166,721</b>
<b>16. Bank guarantees, commitments and contingencies</b>		
(a) Bank guarantees provided to customers, utility services and disputed VAT	79,081	69,470
(b) Outstanding letter of credits	671,532	647,187
(c) Disputed tax and other VAT related issues	52,599	12,996
	<b>803,212</b>	<b>729,653</b>
	1 January to 30 Sep 2020	1 January to 30 Sep 2019
<b>17. Taxation</b>		
Current tax expenses	(229,748)	(275,100)
Deferred tax (expenses)/reversal	(27,336)	(43,469)
	<b>(257,084)</b>	<b>(318,569)</b>