

Linde Bangladesh Limited

Half Year Results 2014

Financial Statements as at and for the half year  
ended 30 June 2014 (Unaudited)

## Linde Bangladesh Limited

Statement of Financial Position (Unaudited)  
As at 30 June 2014

		30 June 2014 <u>'000 Taka</u>	31 December 2013 <u>'000 Taka</u>
	<u>Note</u>		
<b>Assets</b>			
<b>Non-current assets:</b>			
Property, plant and equipment	2	1,475,461	1,508,991
Intangible assets	3	40,218	43,781
Investment in subsidiaries	4	40	40
<b>Total non-current assets</b>		<u>1,515,719</u>	<u>1,552,812</u>
<b>Current assets:</b>			
Inventories	5	839,743	668,098
Trade debtors	6	368,662	380,830
Advances, deposits and prepayments	7	207,385	197,861
Cash and cash equivalents	8	729,800	708,272
<b>Total current assets</b>		<u>2,145,590</u>	<u>1,955,061</u>
<b>Total assets</b>		<u>3,661,309</u>	<u>3,507,873</u>
<b>Equity and Liabilities</b>			
<b>Shareholders' equity:</b>			
Share capital		152,183	152,183
Revaluation reserve		20,174	20,174
General reserve		2,413,683	2,286,138
<b>Total equity</b>		<u>2,586,040</u>	<u>2,458,495</u>
<b>Non-current liabilities:</b>			
Employee benefits	9	101,688	100,711
Deferred tax liabilities	10	123,425	127,531
Other non-current liabilities	11	194,951	186,794
<b>Total non-current liabilities</b>		<u>420,064</u>	<u>415,036</u>
<b>Current liabilities:</b>			
Trade creditors	12	43,472	70,602
Expense creditors and accruals	13	344,610	323,277
Sundry creditors	14	142,957	138,045
Provision for taxation (net of advance tax payment)		124,166	102,418
<b>Total current liabilities</b>		<u>655,205</u>	<u>634,342</u>
<b>Total liabilities</b>		<u>1,075,269</u>	<u>1,049,378</u>
<b>Total equity and liabilities</b>		<u>3,661,309</u>	<u>3,507,873</u>

The annexed notes 1 to 16 form an integral part of these financial statements.



Erphan Shehabul Matin  
Managing Director



M Nazmul Hossain  
Finance Director

## Linde Bangladesh Limited

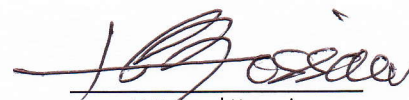
Statement of Profit or Loss and other Comprehensive Income (Unaudited)  
For the half year ended 30 June 2014

		January to 30 June 2014 <u>'000 Taka</u>	January to 30 June 2013 <u>'000 Taka</u>	April to 30 June 2014 <u>'000 Taka</u>	April to 30 June 2013 <u>'000 Taka</u>
	<u>Note</u>				
Revenue		1,913,690	2,045,464	992,737	1,009,125
Cost of sales		<u>(1,150,678)</u>	<u>(1,322,340)</u>	<u>(593,922)</u>	<u>(651,792)</u>
Gross profit		763,012	723,124	398,815	357,333
Operating expenses		<u>(375,367)</u>	<u>(333,199)</u>	<u>(192,098)</u>	<u>(159,346)</u>
Profit from operations		<u>387,645</u>	<u>389,925</u>	<u>206,717</u>	<u>197,987</u>
Loss/(Gain) on disposal of property, plant and equipment		(47)	77,888	(203)	(54)
Interest income, net		<u>16,672</u>	<u>6,944</u>	<u>8,547</u>	<u>6,803</u>
Profit before taxation		404,270	474,757	215,061	204,736
Taxation	16	<u>(109,324)</u>	<u>(131,419)</u>	<u>(57,770)</u>	<u>(57,787)</u>
Net profit for the period		<u>294,946</u>	<u>343,338</u>	<u>157,291</u>	<u>146,949</u>
Earnings per share:					
Basic earnings per share (par value Tk10)		19.38	22.56	10.34	9.66

The annexed notes 1 to 16 form an integral part of these financial statements.



Erphan Shehabul Matin  
Managing Director



M Nazmul Hossain  
Finance Director



## Linde Bangladesh Limited

Statement of Changes in Equity (Unaudited)  
For the half year ended on 30 June 2014

	Share capital '000 Taka	Revaluation reserve '000 Taka	General reserve '000 Taka	Total '000 Taka
Balance as at 1 January 2013	152,183	20,174	2,019,010	2,191,367
Payment of final dividend for 2012			(167,401)	(167,401)
Profit earned during the period	-	-	343,337	343,337
Balance as at 30 June 2013	<u>152,183</u>	<u>20,174</u>	<u>2,194,946</u>	<u>2,367,303</u>
Balance as at 1 January 2014	152,183	20,174	2,286,138	2,458,495
Payment of final dividend for 2013			(167,401)	(167,401)
Profit earned during the period	-	-	294,946	294,946
Balance as at 30 June 2014	<u>152,183</u>	<u>20,174</u>	<u>2,413,683</u>	<u>2,586,040</u>

## Linde Bangladesh Limited

Statement of Cash Flow (Unaudited)  
For the half year ended 30 June 2014

	January to 30 Jun 2014 '000 Taka	January to 30 Jun 2013 '000 Taka
<b>Cash flow from operating activities</b>		
Receipts from sales	1,925,858	2,017,957
Other receipts	14,600	(15,349)
Payments for supply of goods and services	(1,634,119)	(1,536,192)
Net interest received	17,150	5,265
Income tax paid	(91,682)	(64,711)
	<u>231,807</u>	<u>406,970</u>
<b>Cash flow from investing activities</b>		
Payment for acquisition property, plant and equipment	(56,104)	(74,200)
Proceeds from sale of property, plant and equipment	580	106,000
	<u>(55,524)</u>	<u>31,800</u>
<b>Cash flow from financing activities</b>		
Dividend paid	(154,755)	(167,401)
	<u>(154,755)</u>	<u>(167,401)</u>
Net increase in cash during the period	21,528	271,369
Opening cash and cash equivalents	708,272	411,930
Closing cash and cash equivalents	<u>729,800</u>	<u>683,299</u>



## Linde Bangladesh Limited

## Notes to the Accounts for the half year ended 30 June 2014 (Unaudited)

## 1. Selected explanatory note:

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

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

	As at 30 June 2014 000 Taka	As at 31 December 2013 000 Taka
<b>2. Property plant and equipment</b>		
Opening balance	1,508,991	1,474,836
Addition during the period/year	50,374	661,673
Disposal during the period/year	(2,120)	(470,093)
Depreciation during the period/year	(81,784)	(157,425)
	<u>1,475,461</u>	<u>1,508,991</u>
<b>3. Intangible assets</b>		
At 1 January	43,781	48,238
Addition during the period/year	-	2,936
Amortization during the period/year	(3,563)	(7,393)
Closing balance	<u>40,218</u>	<u>43,781</u>

Intangible assets represent application software related to information services. Application software have been recognised as intangible assets as per provisions of Bangladesh Accounting Standard 38.

## 4. Investment in subsidiaries

Investment in Bangladesh Oxygen Limited and BOC Bangladesh Limited	<u>40</u>	<u>40</u>
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This represents the Company's holding of 199 ordinary shares (out of 200 issued ordinary shares) of Tk 100 each in Bangladesh Oxygen Limited and 1999 ordinary shares (out of 2000 issued ordinary shares) of Tk 10 each in BOC Bangladesh Limited.

## 5. Inventories

Raw materials	388,640	356,466
Finished goods	323,600	214,598
Goods in transit	35,252	403
Maintenance spares	92,251	96,631
	<u>839,743</u>	<u>668,098</u>

In view of innumerable items of inventory and diversified units of measurement, it is not feasible to disclose quantities against each item.

## Notes to the Accounts for the half year ended 30 June 2014 (Unaudited)

	As at 30 June 2014 000 Taka	As at 31 December 2013 000 Taka
<b>6. Trade debtors</b>		
Debts exceeding six months	118,301	126,146
Debts below six months	285,825	281,308
	404,126	407,454
Provision for debts considered doubtful	(35,464)	(26,624)
	<u>368,662</u>	<u>380,830</u>

As per policy of the Company where a debt, other than Healthcare business, is overdue by 90 days or 180 days, provision for doubtful debts is made at the rates of 50% and 100% respectively. For Healthcare, loss rate is applied on gross debtors to arrive at debtors provision.

**7. Advances, deposits and prepayments**

Loans and advances to employees	85,334	84,959
Advances to suppliers	1,491	11,911
Loan to Rajbari Enterprise Limited	5,254	5,254
Accrued interest on fixed deposit	808	1,286
Deposits and prepayments	43,921	28,417
VAT Current Account	70,577	66,034
	<u>207,385</u>	<u>197,861</u>

Above amounts are unsecured and considered good, of the total advances, deposits and prepayments Tk. 121,856 thousand (2013: Tk 103,553 thousand) is receivable within 12 months from the date of reporting.

**8. Cash and cash equivalents**

Cash in hand	1,073	2,036
Cash at bank	258,586	249,873
Fixed deposits with bank	470,141	456,363
	<u>729,800</u>	<u>708,272</u>

**9. Employee benefits**

Gratuity scheme:

Gratuity payable at 1 January	100,711	87,892
Provision during the period/year	7,026	16,031
	107,737	103,923
Payment during the period/year	(6,049)	(3,212)
	<u>101,688</u>	<u>100,711</u>

Gratuity payable represents total liabilities of the Company on account of employee Gratuity Scheme.

**10. Deferred Tax**

At 1 January	127,531	90,383
Charged/(released) during the period/year	(4,106)	37,148
	<u>123,425</u>	<u>127,531</u>

Deferred tax has been calculated in full in all temporary timing differences using effective tax rate for the company.



## Notes to the Accounts for the half year ended 30 June 2014 (Unaudited)

	As at 30 June 2014 000 Taka	As at 31 December 2013 000 Taka
<b>11. Other non current liability</b>		
Cylinder security deposit	194,951	186,794
Cylinder security deposit from customers is a liability of continuing nature.		
<b>12. Trade creditors</b>		
Payable to vendors	43,472	70,602
Trade creditors are unsecured and payable within 1-2 months.		
<b>13. Expense creditors and accruals</b>		
Salaries, wages and retirement benefits	45,982	49,762
Technical assistance fee	78,384	67,319
Accrued expenses	8,720	9,431
Other creditors	190,305	144,050
Workers' profit participation fund	21,219	52,715
	344,610	323,277
<b>14. Sundry creditors</b>		
Capital items	700	9,539
Deposit and advance from customers	58,937	52,494
Unpaid dividends	68,549	55,903
Others	14,771	20,109
	142,957	138,045
<b>15. Bank guarantees and commitments</b>		
(a) Bank guarantees provided to customers, utility services and disputed VAT	49,784	55,477
(b) Outstanding letter of credits	313,262	515,603
	363,046	571,080
	01/Jan/2014 to 30/Jun/2014 000 Taka	01/Jan/2013 to 30/Jun/2013 000 Taka
<b>16. Taxation</b>		
Current tax expenses	(113,430)	(138,265)
Deferred tax expenses ( Note - 10)	4,106	6,846
	(109,324)	(131,419)