

Linde Bangladesh Limited

3rd Quarter 2012

Financial Statements as at and for the Quarter  
ended 30 September 2012 (unaudited)

## Linde Bangladesh Limited

## Financial Statements

## 3rd Quarter 2012

## Statement of Financial Position as at 30 September 2012 (unaudited)

		30 September 2012 '000 Taka	31 December 2011 '000 Taka
	Note		
<b>Assets</b>			
<b>Non-current assets:</b>			
Property, plant and equipment	2	1,399,504	1,238,834
Intangible assets	3	45,625	3,676
Investment in subsidiary	4	20	20
<b>Total non-current assets</b>		<b>1,445,149</b>	<b>1,242,530</b>
<b>Current assets:</b>			
Inventories	5	904,534	657,315
Trade debtors	6	227,785	186,593
Advances, deposits and prepayments	7	156,204	134,486
Cash and cash equivalents	8	162,002	779,306
<b>Total current assets</b>		<b>1,450,525</b>	<b>1,757,700</b>
<b>Total assets</b>		<b>2,895,674</b>	<b>3,000,230</b>
<b>Equity and Liabilities</b>			
<b>Shareholders' equity:</b>			
Share capital		152,183	152,183
Revaluation reserve		20,174	20,174
General reserve		1,896,013	1,993,048
<b>Total equity</b>		<b>2,068,370</b>	<b>2,165,405</b>
<b>Non-current liabilities:</b>			
Employee benefits	9	81,690	85,538
Deferred tax liabilities	10	90,556	92,976
Other non-current liabilities	11	179,434	173,364
<b>Total non-current liabilities</b>		<b>351,680</b>	<b>351,878</b>
<b>Current liabilities:</b>			
Trade creditors	12	47,348	68,790
Expense creditors and accruals	13	244,412	210,157
Sundry creditors	14	111,845	115,111
Provision for taxation (net of advance tax payment)		72,019	88,889
<b>Total current liabilities</b>		<b>475,624</b>	<b>482,947</b>
<b>Total liabilities</b>		<b>827,304</b>	<b>834,825</b>
<b>Total equity and liabilities</b>		<b>2,895,674</b>	<b>3,000,230</b>

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



Ayub Quadri  
Chairman



Erphan Shehabul Matin  
Managing Director



M Nazmul Hossain  
Finance Director

Linde Bangladesh Limited  
Statement of Comprehensive Income  
for the period ended 30 September 2012 (unaudited)

		January to 30 September <u>2012</u>	January to 30 September <u>2011</u>	July to 30 September <u>2012</u>	July to 30 September <u>2011</u>
	Note	'000 Taka	'000 Taka	'000 Taka	'000 Taka
Revenue		2,811,059	2,735,444	882,383	879,267
Cost of sales		(1,859,697)	(1,637,609)	(591,108)	(540,486)
Gross profit		951,362	1,097,835	291,275	338,781
Operating expenses		(493,626)	(461,392)	(191,868)	(145,217)
Profit from operations		457,736	636,443	99,407	193,564
(Loss)/Gain on disposal of property, plant and equipment		(241)	2,117	(16)	(344)
Interest income, net		35,153	54,234	4,710	16,584
Profit before taxation		492,648	692,794	104,101	209,804
Taxation	16	(133,134)	(184,949)	(28,478)	(59,934)
Net profit for the period		359,514	507,845	75,623	149,870
Earnings per share:					
Basic earnings per share (par value Tk10)		23.62	33.37	4.97	9.85

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



Ayub Quadri  
Chairman



Erphan Shehabul Matin  
Managing Director



M Nazmul Hossain  
Finance Director

Linde Bangladesh Limited  
Statement of Changes in Equity  
for the period ended 30 September 2012 (unaudited)

	Share capital '000 Taka	Revaluation reserve '000 Taka	General reserve '000 Taka	Total '000 Taka
Balance as at 1 January 2011	152,183	20,174	1,823,141	1,995,498
Other comprehensive income	-	-	21,033	21,033
Payment of final dividend for 2010			(152,183)	(152,183)
Payment of interim dividend for 2011			(380,457)	(380,457)
Profit earned during the period	-	-	507,845	507,845
Balance as at 30 September 2011	152,183	20,174	1,819,379	1,991,736
Balance as at 1 January 2012	152,183	20,174	1,993,048	2,165,405
Payment of final dividend for 2011			(152,183)	(152,183)
Payment of interim dividend for 2012			(304,366)	(304,366)
Profit earned during the period	-	-	359,514	359,514
Balance as at 30 September 2012	152,183	20,174	1,896,013	2,068,370



Linde Bangladesh Limited  
Statement of Cash Flow  
for the period ended 30 September 2012 (unaudited)

	January to 30 September 2012 <u>'000 Taka</u>	January to 30 September 2011 <u>'000 Taka</u>
<b>Cash flow from operating activities</b>		
Receipts from sales	2,769,868	2,757,657
Other receipts	2,804	20,227
Payments for supply of goods and services	(2,592,910)	(2,306,782)
Net interest received	54,103	60,308
Income tax paid	<u>(152,423)</u>	<u>(231,930)</u>
	<u>81,442</u>	<u>299,480</u>
<b>Cash flow from investing activities</b>		
Payment for acquisition property, plant and equipment	(269,575)	(268,808)
Proceeds from sale of property, plant and equipment	154	4,346
	<u>(269,421)</u>	<u>(264,462)</u>
<b>Cash flow from financing activities</b>		
Dividend paid	<u>(429,325)</u>	<u>(500,879)</u>
	<u>(429,325)</u>	<u>(500,879)</u>
Net increase in cash during the period	(617,304)	(465,861)
Opening cash and cash equivalents	<u>779,306</u>	<u>1,074,414</u>
Closing cash and cash equivalents	<u>162,002</u>	<u>608,553</u>

Linde Bangladesh Limited  
Notes to the Accounts  
for the period ended 30 September 2012 (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 Exchange respectively. The address of the registered office is 285 Tejgaon I/A, Dhaka-1208, Bangladesh. It is a direct subsidiary of The BOC Group Limited of United Kingdom. The entire shares of the BOC Group Limited is fully owned by Linde AG, a German company.

The company changed its name from "BOC Bangladesh Limited" to "Linde Bangladesh Limited" with effect from November 20, 2011 as part of global program to unite the Linde companies under Linde brand. The changed name was duly registered with the Registrar of Joint Stock Companies and Firms.

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 2012 '000 Taka	As at 31 December 2011 '000 Taka
2. Property plant and equipment		
Opening balance	1,238,834	1,043,552
Addition during the period/year	269,575	329,625
Disposal during the period/year	(395)	(2,429)
Depreciation during the period/year	(108,510)	(131,915)
	<u>1,399,504</u>	<u>1,238,834</u>

3. Intangible assets

At 1 January	3,676	4,766
Addition during the period/year	43,889	521
Amortization during the period/year	(1,940)	(1,611)
Closing balance	<u>45,625</u>	<u>3,676</u>

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

4. Investment in subsidiary

Investment in Bangladesh Oxygen Limited	<u>20</u>	<u>20</u>
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This represents the Company's holding of 199 ordinary shares of Tk 100 each in Bangladesh Oxygen Limited.

5. Inventories

Raw materials	559,322	433,200
Finished goods	194,868	116,284
Goods in transit	59,623	35,532
Maintenance spares	90,721	72,299
	<u>904,534</u>	<u>657,315</u>

Inventories except goods in transit are valued at lower of cost and estimated net realisable value and weighted average cost formula is used for inventory valuations.

	As at 30 September 2012 '000 Taka	As at 31 December 2011 '000 Taka
6. Trade debtors		
Debts exceeding six months	86,220	81,972
Debts below six months	163,611	122,757
	249,831	204,729
Provision for debts considered doubtful	(22,046)	(18,136)
	227,785	186,593

As per policy of the Company where a debt is overdue by 90 days or 180 days, provision for doubtful debts is made at the rates of 50% and 100% respectively.

7. Advances, deposits and prepayments

Loans and advances to employees	59,448	39,052
Advances to suppliers	16,388	12,723
Accrued interest on fixed deposit	-	18,950
Deposits and prepayments	33,664	29,130
VAT Current Account	46,704	34,631
	156,204	134,486

Above amounts are unsecured and considered good. Of the total advances, deposits and prepayments Tk. 100,571 thousand (2011: Tk 97,675 thousand) is receivable within 12 months from the date of reporting period.

8. Cash and cash equivalents

Cash in hand	1,165	1,044
Cash at bank	160,837	228,262
Fixed deposits with bank	-	550,000
	162,002	779,306

9. Employee benefits

Gratuity scheme:

Gratuity payable at 1 January	85,538	86,854
Provision during the period/year	12,724	24,061
	98,262	110,915
Payment during the period/year	(16,572)	(25,377)
	81,690	85,538

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

10. Deferred Tax

At 1 January	92,976	64,939
Charged during the period/year	(2,420)	28,037
	90,556	92,976

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

11. Other non current liability

Cylinder security deposit	179,434	173,364
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Cylinder security deposit from customers is a liability of continuing nature.



	As at 30 September 2012 '000 Taka	As at 31 December 2011 '000 Taka
12. Trade creditors		
Payable to vendors	47,348	68,790
Trade creditors are unsecured and payable within 1-2 months.		
13. Expense creditors and accruals		
Salaries, wages and retirement benefits	43,834	39,968
Technical assistance fee	43,735	48,188
Accrued expenses	50,222	43,769
Other creditors	81,118	28,740
Workers' profit participation fund	25,503	49,492
	244,412	210,157
14. Sundry creditors		
Capital items	700	9,730
Deposit and advance from customers	49,637	55,476
Unpaid dividends	45,861	46,101
Others	15,647	3,804
	111,845	115,111
15. Bank guarantees and commitments		
(a) Bank guarantees provided to customers, utility services and disputed VAT	38,912	48,081
(b) Outstanding letter of credits	450,799	383,216
	489,711	431,297
	01/Jan/2012 to 30/Sep/2012 '000 Taka	01/Jan/2011 to 30/Sep/2011 '000 Taka
16. Taxation		
Current tax expenses	(135,554)	(170,051)
Deferred tax expenses ( Note - 10)	2,420	(14,898)
	(133,134)	(184,949)