

**Financial Statements
Of
Bengal Windsor Thermoplastics Ltd.**

For the period from 01 July to 31 December 2019

Second Quarter Financial Statements- (Un-audited)

Bengal Windsor Thermoplastics Limited
Statement of Financial Position (Un-audited)
as at 31 December 2019

	Notes	Amount in Taka	
		31-Dec-19	30-Jun-19
ASSETS			
Non-current assets			
Property, plant and equipment at cost less accumulated depreciation	3	657,183,134	670,528,464
Intangible assets	4	3,611,739	3,893,892
Investment in shares		138,754,000	138,754,000
Total non-current assets		799,548,873	813,176,356
Current assets			
Inventories	5	395,628,221	390,953,341
Advances and deposits		607,812,883	586,063,324
Advance against share purchase		128,800,000	128,800,000
Trade and other receivables	6	390,998,999	399,909,113
Cash and cash equivalents		195,615,444	187,991,744
Total current assets		1,718,855,547	1,693,717,522
Total assets		2,518,404,420	2,506,893,878
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	8	914,760,000	914,760,000
Share premium	9	465,600,000	465,600,000
Retained earnings		827,001,058	830,463,686
Fair value adjustment	10	55,578,600	55,578,600
Total equity		2,262,939,658	2,266,402,286
Non-current liabilities			
Gratuity		15,711,552	14,488,929
Deferred tax liability		22,896,216	23,452,530
Total non-current liabilities		38,607,768	37,941,459
Current liabilities			
Bank overdraft		10,187,838	18,720,734
Short term loan		76,809,941	84,202,358
Long term loan - current portion		19,637,632	39,275,265
Provision for taxation		32,720,828	27,161,105
Trade and other payables	7	72,667,897	28,367,043
Payable to IPO applicants		4,832,857	4,823,628
Total current liabilities		216,856,994	202,550,133
Total equity and liabilities		2,518,404,420	2,506,893,878
Net asset value per share (NAVPS)	12	24.74	24.78

For

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

Chairman



Director

Chief Financial Officer

Managing Director



Company Secretary

Bengal Windsor Thermoplastics Limited
Statement of Changes in Equity (un-audited)
For the period from 01 July to 31 December 2019

	Amount in Taka				
Particulars	Share capital	Share premium	Fair value adjustment	Retained earnings	Total
Balance at 01 July 2018	914,760,000	465,600,000	-	779,487,968	2,159,847,968
Total comprehensive income for the period	-	-	-	59,550,207	59,550,207
Cash dividend	-	-	-	(45,738,000)	(45,738,000)
Balance at 31 December 2018	914,760,000	465,600,000	-	793,300,176	2,173,660,176
Balance at 01 July 2019	914,760,000	465,600,000	55,578,600	830,463,686	2,266,402,286
Total comprehensive income for the period	-	-	-	42,275,371	42,275,371
Cash dividend	-	-	-	(45,738,000)	(45,738,000)
Balance at 31 December 2019	914,760,000	465,600,000	55,578,600	827,001,058	2,262,939,658

For



Chairman



Managing Director



Director



Chief Financial Officer



Company Secretary

Bengal Windsor Thermoplastics Limited
Statement of Cash Flows (Un-audited)
For the period from 01 July to 31 December 2019

Notes	Amount in Taka	
	July 19 - Dec. 19	July 18 - Dec. 18
A. Cash flows from operating activities		
Collection from customers	312,829,070	363,414,421
Payment for goods and services	(217,103,699)	(266,288,929)
Other operating expenses	(23,090,791)	(22,516,650)
Interest income from FDR and IPO	14,884,435	10,836,194
Cash generated from operation	87,519,015	85,445,036
Payment of tax	(4,468,179)	(2,584,847)
WPPF paid	(5,552,103)	(7,359,009)
Net cash generated from operating activities	77,498,733	75,501,180
B. Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(23,742,431)	(8,867,455)
Advance against land purchase	-	(50,000,000)
Net cash used in investing activities	(23,742,431)	(58,867,455)
C. Cash flows from financing activities		
Bank overdraft received/paid (net)	(8,532,896)	14,557,721
Short term loan received	(7,392,417)	(703,900)
Long term loan received	(19,637,633)	(13,817,352)
Dividend Paid	(23,517)	(21,763)
Finance costs paid	(11,857,325)	(12,345,658)
Net cash used in financing activities	(47,443,788)	(12,330,953)
D. Net effect of foreign currency transaction on cash and cash equivalents	1,311,186	3,153,693
E. Net cash inflow during the period (A+B+C+D)	7,623,700	7,456,465
Cash and cash equivalents at 01 July	187,991,744	190,192,179
Cash and cash equivalents at 31 December	195,615,444	197,648,644
Net operating cash flow per share (NOCFPS)	16	0.85
		0.83

Complying with notification No. **BSEC/CMRRCD/2006-158/208/Admin/81** dated 08 August 2018, of Bangladesh Securities and Exchange Commission (BSEC) a reconciliation of net income or net profit with cash flows from operating activities is given note no 15.

Chairman

Managing Director

Director

Chief Financial Officer

Company Secretary

BENGAL WINDSOR THERMOPLASTICS LTD.

Notes to the Financial Statements

For the period from 01 July 2019 to 31 December 2019

1. Background of the Company

Bengal Windsor Thermoplastics Limited (the "Company" or "Bengal Windsor") was incorporated on 02 January 2002 as a private limited company in Bangladesh under the Companies Act, 1994 with the name of Bengal Build-up Bangladesh Ltd. and subsequently changed its name to Windsor Plastics (BD) Ltd. on 17 May 2005. Further, on 14 December 2010 Windsor Plastics (BD) Ltd. has been renamed as Bengal Windsor Thermoplastics Limited and converted from private to public limited company. Shares of Bengal Windsor are quoted in the Dhaka and Chittagong Stock Exchanges since 16 April 2013. The Company's registered office is situated at Dhaka, Bangladesh.

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2. Nature of the business

The Company manufactures and exports mainly hanger and related garment accessories which facilitates the export of garments to the world's largest retailers including Wal-Mart, K-Mart, Kohl's, J C Penny, C&A, Auchan, H&M etc. in the USA, Canada as well as in Europe. The Company's manufacturing units are situated at Dhaka Export Processing Zone (DEPZ).

Summary of significant accounting policies

The interim financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". These interim financial statements should be read in conjunction with the Financial Statements for the Year ended June 30, 2019 (hereafter referred to as the "Annual Financial Statements"), as they provide an update to previously reported information.

The accounting policies used are consistent with those used in the Annual Financial Statements. The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs). The presentation of the Interim Financial Statements is consistent

with the Annual Financial Statements. Where necessary, the comparatives have been reclassified or extended to take into account any presentational changes made in the Annual Financial Statements. The preparation of the Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

Notes	Amount in Taka	
	31-Dec-19	30-Jun-19
3 Property, plant and equipment at cost less accumulated depreciation		
Plant and machinery	325,121,956	325,121,956
Factory building	229,908,384	229,908,383
Office equipment	6,589,745	5,546,903
Furniture and fixture	1,921,306	1,897,115
Motor vehicles	39,891,953	39,891,953
Mould	427,022,013	407,022,011
Electric equipment	55,495,334	54,845,335
IT equipment	11,506,028	11,487,728
Factory equipment	64,735,704	62,728,606
	<u>1,162,192,422</u>	<u>1,138,449,990</u>
Less: Accumulated depreciation	<u>(505,009,288)</u>	<u>(467,921,526)</u>
	<u>657,183,134</u>	<u>670,528,464</u>
4 Intangible assets		
Cost		
Balance as at 01 July	5,643,060	5,643,060
Addition during the period	-	-
Balance as at 31 December	<u>5,643,060</u>	<u>5,643,060</u>
Accumulated amortization		
Balance as at 01 July	1,749,168	1,184,862
Amortization for the period @ 10%	282,153	564,306
Balance as at 31 December	<u>2,031,321</u>	<u>1,749,168</u>
Written-down value	<u>3,611,739</u>	<u>3,893,892</u>
5 Inventories		
Raw materials	95,603,098	95,387,861
Work-in-process	29,469,939	25,012,785
Finished goods	81,496,868	81,187,879
Goods in transit	32,344,763.88	34,779,316
Packing materials, spares parts, accessories and consumables	156,713,552	154,585,500
	<u>395,628,221</u>	<u>390,953,341</u>
6 Trade and other receivables		
Trade receivables	383,487,342	386,579,982
FDR interest receivable	7,511,656	13,329,131
	<u>390,998,999</u>	<u>399,909,113</u>

Notes	Amount in Taka	
	31-Dec-19	30-Jun-19
7 Trade and other payables		
Accounts payable - service	4,300,943	5,085,698
Dividend payable	48,692,905	2,978,422
Sales commission	647,766	641,352
Salary and wages	6,353,570	5,633,378
Utilities payable	4,159,274	2,744,970
Medical expenses payable	50,546	50,278
Provident fund	495,061	455,717
Audit fee	-	373,750
Accrued interest	2,123,565	1,071,687
TDS payable	564,469	947,558
Provision for WPPF	2,488,357	5,552,103
Workers' Welfare Fund (DEPZ)	21,235	21,125
Other payables	2,770,206	2,811,005
	72,667,897	28,367,043
8 Share capital (Ordinary shares)		
Authorized capital		
100,000,000 ordinary shares of BDT 10 each	1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital		
Opening paid up capital: (54,000,000 ordinary shares of BDT 10 each)	540,000,000	540,000,000
Increased through IPO: (16,000,000 ordinary shares of BDT 10 each)	160,000,000	160,000,000
Increased through bonus stock issue of 8% fiscal year 2012-2013: (5,600,000 ordinary shares of BDT 10 each)	56,000,000	56,000,000
Increased through bonus stock issue of 10% fiscal year 2014-2015: (75,60,000 ordinary shares of BDT 10 each)	75,600,000	75,600,000
Increased through bonus stock issue of 10% fiscal year 2016-2017: (83,16,000 ordinary shares of BDT 10 each)	83,160,000	83,160,000
	914,760,000	914,760,000
9 Share premium	465,600,000	465,600,000
The Company received Tk. 30 and Tk. 15 through private placement and Initial public offering (IPO) respectively as premium on each issued share.		
10 Fair value adjustment		
Increase in fair value - Unrealized gain on investment on shares of Bengal Poly And Paper Sack Ltd.	61,754,000	61,754,000
Less: Tax @ 10%	6,175,400	6,175,400
	55,578,600	55,578,600

Notes	Amount in Taka	
	31-Dec-19	30-Jun-19

11 Basic and diluted earnings per share

The computation of basic earnings per share for the period ended from 31 December is as follows:

Numerator

Income for the period (Taka)

42,275,371 59,550,206

Denominator

Weighted average number of shares outstanding

91,476,000 91,476,000

Basic and diluted earnings per share (Taka)

0.46 0.65

12 Net asset value per share (NAVPS)

Net assets (Taka)

2,262,939,658 2,266,402,286

Number of shares

91,476,000 91,476,000

24.74 24.78

Notes	Amount in Taka					
	July 19 - December 19			July 18 - December 18		
	Taxable Unit	Tax Exempted Unit	Total	Taxable Unit	Tax Exempted Unit	Total
13 Cost of goods sold						
Raw materials consumed	47,573,109	68,658,757	116,231,866	72,808,263	89,741,266	162,549,529
Packing materials consumed	5,041,489	11,429,709	16,471,198	4,356,823	12,253,613	16,610,436
Other direct expenses	7,519,377	1,525,964	9,045,341	5,703,513	2,351,577	8,055,091
Factory overhead	64,408,650	31,882,558	96,291,208	58,808,279	28,592,216	87,400,495
Manufacturing cost	124,542,626	113,496,987	238,039,613	141,676,879	132,938,673	274,615,551
Add: Opening work-in-progress	15,233,414	9,779,371	25,012,785	15,830,846	10,318,500	26,149,346
	139,776,040	123,276,358	263,052,398	157,507,725	143,257,173	300,764,897
Less: Closing work-in-progress	(16,756,756)	(12,713,183)	(29,469,939)	(17,413,931)	(13,414,050)	(30,827,981)
Cost of production	123,019,284	110,563,175	233,582,459	140,093,794	129,843,123	269,936,916
Opening stock of finished goods	33,525,965	47,661,914	81,187,879	34,992,874	40,898,689	75,891,563
Cost of goods available for sale	156,545,249	158,225,089	314,770,338	175,086,668	170,741,812	345,828,479
Less: Closing stock of finished goods	(33,358,335)	(48,138,533)	(81,496,868)	(34,293,017)	(41,307,676)	(75,600,692)
	123,186,914	110,086,556	233,273,470	140,793,651	129,434,136	270,227,786
13.1 Raw materials consumed						
Opening stock	51,054,391	44,333,470	95,387,861	55,552,401	57,387,181	112,939,582
Add: Purchase during the period	60,422,426	56,024,676	116,447,102	115,089,979	104,261,008	219,350,988
Raw materials available	111,476,817	100,358,146	211,834,963	170,642,381	161,648,189	332,290,570
Less: Closing stock	(63,903,709)	(31,699,389)	(95,603,098)	(97,834,118)	(71,906,923)	(169,741,041)
	47,573,109	68,658,757	116,231,865	72,808,263	89,741,266	162,549,529
13.2 Packing materials consumed						
Opening stock	99,185,567	7,298,130	106,483,697	102,794,742	6,631,748	109,426,490
Add: Purchase during the period	3,057,778	16,315,171	19,372,949	2,300,928	5,959,700	8,260,628
Packing materials available	102,243,345	23,613,301	125,856,646	105,095,670	12,591,448	117,687,118
Less: Closing stock	(97,201,856)	(12,183,592)	(109,385,448)	(100,738,847)	(337,835)	(101,076,682)
	5,041,489	11,429,709	16,471,198	4,356,823	12,253,613	16,610,436

14 Basic and diluted earnings per share

The computation of basic earnings per share for the period ended from 31 December is as follows:

Numerator

Income for the period (Taka)

Denominator

Weighted average number of shares outstanding

Basic and diluted earnings per share (Taka)

	31-Dec-19	31-Dec-18
Income for the period (Taka)	42,275,371	59,550,206
Weighted average number of shares outstanding	91,476,000	91,476,000
Basic and diluted earnings per share (Taka)	0.46	0.65

15 Reconciliation of net operating cash flow

Profit before tax

Adjustments for:

Finance costs (considered under financing activities)

Exchange fluctuation gain

Depreciation charges

Amortization charge

Changes in working capital:

Increase/ (decrease) in inventories

Increase/ (decrease) in advances and deposits

Decrease in trade and other receivables

Increase in gratuity

Decrease in trade and other payables

Income tax paid

Net cash flow from operating activities

	Amount in Taka	
	July 19 - Dec. 19	July 18 - Dec. 18
Profit before tax	47,278,779	64,714,685
Finance costs (considered under financing activities)	12,909,203	15,180,480
Exchange fluctuation gain	(1,311,186)	(3,153,693)
Depreciation charges	37,087,758	30,148,773
Amortization charge	282,153	282,153
	96,246,708	107,172,399
Increase/ (decrease) in inventories	(4,674,880)	(28,495,667)
Increase/ (decrease) in advances and deposits	(17,281,380)	620,600
Decrease in trade and other receivables	8,910,114	685,459
Increase in gratuity	1,222,623	1,771,892
Decrease in trade and other payables	(2,456,273)	(3,668,656)
	(14,279,795)	(29,086,372)
Income tax paid	(4,468,179)	(2,584,847)
Net cash flow from operating activities	77,498,733	75,501,180

16 Net Operating Cash flows per Share (NOCFPS)

Net cash generated from operating activities (Taka)

Number of Ordinary shares

Net cash generated from operating activities (Taka)	77,498,733	75,501,180
Number of Ordinary shares	91,476,000	91,476,000
	0.85	0.83