



KDS Accessories Ltd.

BANGLADESH | CHINA | HONG KONG | UK

**Financial Statements (Un-Audited)
as at and for the period ended 31st December 2024**

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KDS ACCESSORIES LIMITED

Statement of Financial Position (Un-audited)

As at 31 December 2024

	Note(s)	31 Dec 2024	30 June 2024
		Taka	Taka
ASSETS			
Non-current Assets			
Property, plant and equipment	11	1,046,412,176	1,086,803,946
Intangible assets	12	206,368	283,750
Capital work-in-progress	13	-	31,400
Investment in SKYS Securities Limited	14	30,377,066	30,377,066
Other investment	15	5,374,724	5,182,233
Total Non-current Assets		1,082,370,334	1,122,678,395
Current Assets			
Inventories	16	992,259,375	571,558,128
Trade receivables	17	1,593,414,191	1,381,908,079
Other receivables	18	999,791	438,324
Advances, deposits and prepayments	19	94,748,966	76,827,477
Due from affiliated company	20	984,602,884	818,378,469
Cash and cash equivalents	21	86,208,271	60,847,460
Total Current Assets		3,752,233,477	2,909,957,937
Total Assets		4,834,603,811	4,032,636,332
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital	22	747,414,791	711,823,610
Share premium		120,000,000	120,000,000
Revaluation reserve		214,391,703	214,391,703
Retained earnings		903,796,905	896,484,823
Total Shareholders' Equity		1,985,603,398	1,942,700,136
Non-current Liabilities			
Long term borrowings	23	26,132,367	53,773,284
Defined benefit obligation- gratuity	24	152,489,915	145,062,096
Deferred tax liability	25	15,216,658	19,346,450
Total Non-current Liabilities		193,838,940	218,181,830
Current Liabilities			
Trade and other payables	26	2,106,596,669	1,436,346,441
Unclaimed Dividend	27	36,236,850	1,179,379
Current portion of long term borrowings	23	35,973,483	37,150,404
Current tax liability	28	82,431,753	61,953,667
Short term bank loan	29	294,172,066	243,441,484
Provision for WPPF and Welfare Fund	30	99,750,651	91,682,991
Total Current Liabilities		2,655,161,472	1,871,754,366
Total Equity and Liabilities		4,834,603,811	4,032,636,332
Net Assets Value Per Share	31	26.57	27.29


Chairman


Managing Director


Director


CFO


Company Secretary



KDS ACCESSORIES LIMITED

**Statement of Profit or Loss and Other Comprehensive Income (Un-audited)
For the period from 01 July 2024 to 31 December 2024**

Note(s)	Half yearly results		Quarterly results	
	01 July 2024 to 31 Dec 2024	01 July 2023 to 31 Dec 2023	01 Oct 2024 to 31 Dec 2024	01 Oct 2023 to 31 Dec 2023
	Taka	Taka	Taka	Taka
Revenue	1,500,839,510	1,231,826,247	773,127,788	642,051,404
Cost of goods sold	(1,251,260,043)	(1,027,922,966)	(648,712,565)	(538,835,459)
Gross Profit	249,579,467	203,903,281	124,415,223	103,215,945
Operating expenses				
Administrative expenses	(96,987,270)	(78,750,652)	(53,548,853)	(42,060,940)
Selling and distribution expenses	(35,590,650)	(35,093,019)	(14,648,516)	(11,333,779)
Operating Profit	117,001,547	90,059,610	56,217,854	49,821,226
Finance cost	(66,378,226)	(53,499,729)	(37,257,206)	(22,593,823)
Finance income	46,634,986	48,341,599	26,786,207	13,548,668
Profit before other income	97,258,307	84,901,480	45,746,855	40,776,071
Other income	2,576,153	2,481,239	1,793,433	1,181,274
Profit before income tax and WPPF and WF	99,834,460	87,382,719	47,540,288	41,957,345
Workers' Profit Participation and Welfare Fund	(4,991,723)	(4,369,136)	(2,377,014)	(2,097,867)
Profit before income tax	94,842,737	83,013,583	45,163,274	39,859,478
Provision for income tax:				
-Current tax	(20,478,086)	(17,164,007)	(10,391,190)	(8,210,367)
-Deferred tax	4,129,792	2,415,750	2,151,860	1,136,279
Profit after Income Tax	78,494,443	68,265,327	36,923,944	32,785,390
Total Comprehensive Income	78,494,443	68,265,327	36,923,944	32,785,390
Earnings Per Share (Basic)	Note-32 1.05	0.91	0.49	0.44


Chairman


Managing Director


Director


CFO


Company Secretary



KDS ACCESSORIES LIMITED
Statement of Changes in Equity (Un-audited)
For the period from 01 July 2024 to 31 December 2024

Particulars	Amount in Taka				
	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
Balance as on 01 July 2023	711,823,610	120,000,000	214,391,703	813,907,497	1,860,122,810
Cash dividend for the year 2022-2023	-	-	-	(71,182,361)	(71,182,361)
Net Profit after tax for the period	-	-	-	68,265,327	68,265,327
Balance as at 31 December 2023	711,823,610	120,000,000	214,391,703	810,990,463	1,857,205,776
Balance as on 01 July 2024	711,823,610	120,000,000	214,391,703	896,484,823	1,942,700,136
Bonus share for the year 2023-2024	35,591,181	-	-	(35,591,181)	-
Cash dividend for the year 2023-2024	-	-	-	(35,591,181)	(35,591,181)
Net Profit after tax for the period	-	-	-	78,494,443	78,494,443
Balance as at 31 December 2024	747,414,791	120,000,000	214,391,703	903,796,905	1,985,603,398

 Chairman
  Managing Director
  Director
  CFO
  Company Secretary





KDS ACCESSORIES LIMITED
Statement of Cash Flows (Un-audited)
For the period from 01 July 2024 to 31 December 2024

Note(s)	01 July 2024 to 31 Dec 2024 Taka	01 July 2023 to 31 Dec 2023 Taka
A. Operating activities		
Received from customers	1,363,999,997	1,446,426,345
Received from other sources	982,953	1,192,243
Paid to suppliers	(1,081,667,121)	(778,037,745)
Paid for operating expenses	(100,864,009)	(92,887,594)
Cash generated by operations	182,451,820	576,693,249
Interest paid (net)	3,577,182	(12,817,596)
Income Tax Paid	(12,617,080)	(11,478,081)
Net cash flows from operating activities	173,411,922	552,397,572
B. Investing activities		
Acquisition of property, plant and equipment	(5,718,078)	(5,083,560)
Proceed from sale of non-current assets	813,213	517,889
Increase in investments	(192,491)	2,375,156
Net cash flows from investing activities	(5,097,356)	(2,190,515)
C. Financing activities		
Dividend Paid	(533,710)	(115,840)
Receipt / (Repayment) of long term borrowings	(28,817,838)	(14,551,923)
Receipt/(Repayment) of short term borrowings	50,730,582	(498,878,453)
Short term loan Receipt/ (Repayment) from/to affiliated companies	(166,224,415)	(23,243,359)
Net cash flows from financing activities	(144,845,380)	(536,789,575)
D. Net changes of cash and cash equivalents (A+B+C)	23,469,187	13,417,482
E. Cash and cash equivalents at the beginning of the period	60,847,459	18,840,443
F. Effect of foreign exchange rate changes on cash and cash equivalents	1,891,624	2,821,238
G. Cash and cash equivalents at the end of the period (D+E+F)	86,208,271	35,079,163
Net Operating Cash Flows Per Share (NOCFPS)	2.32	7.76


Chairman


Managing Director


Director


CFO


Company Secretary



Selected Explanatory Notes to the Interim Financial Statements (Un-audited) As at and for the period ended 31 December 2024

1 Formation and Legal Status

KDS Accessories Limited was incorporated on 21 April 1991 as a private limited company by shares (Registration no- C-H-C-862/154 of 1991) under Companies Act 1913 (since replaced and substituted by the Companies Act 1994 which was amended in 2020) with the Registrar of Joint Stock Companies & Firms. The company was converted from Private Limited Company to Public Limited Company through an Extra-Ordinary General Meeting held on 17 April 2012 and was subsequently approved by RJSC on 26 November 2012. The Company commenced its commercial production on 01 July 1991. Its Registered Office is located at 255, Nasirabad I/A, Chittagong and factory & corporate office is located at 191-192 Baizid Bostami Road, Nasirabad I/A, Chittagong and the Company established its 2nd unit at Mirzapur, Gazipur at Dhaka in the year 2009.

The company refixed the face value of its shares from Tk 100 to Tk 10 each and enhanced its Authorized Share Capital from Tk 200,000,000 to Tk 2,000,000,000 with approval of the shareholders through an Extra-Ordinary General Meeting held on 10 August 2010.

2 Nature of Business

The principal activities of the Company are producing different types of standard cartons & display cartons, woven & smart labels, hanger, offset, silk screen, web, thermal printing, button and cold peel, hot peel, puff, glitter, image & sublimation transfers and marketing thereof.

3 Reporting

The half yearly financial report has been prepared based on International Accounting Standard (IAS) - 34 "Interim Financial Reporting". This interim financial statements should be read in conjunction with the audited financial statement for the year ended 30 June 2024, as they provide an update to previously reported information.

4 Accounting policies and method of computations

The accounting policies and presentation used are consistent with those used in the Audited Financial Statements for the period ended 30 June 2024.

5 Statement of compliance

The financial statements of the company under reporting have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh.

6 Application of Accounting Standards

The financial statements have been prepared in compliance with requirement of IASs (International Accounting Standards) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh. The following IASs and IFRSs are applied to preparation of the financial statements for the year under report:

Accounting Standards

IAS-1	Presentation of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS -19	Employee Benefits
IAS-21	The Effects of Changes in Foreign Exchange Rate



IAS-23	Borrowing Costs
IAS-24	Related Party Disclosures
IAS-26	Accounting and Reporting by Retirement Benefit Plans
IAS-28	Investments in Associates and Joint Ventures
IAS-33	Earnings Per Share
IAS-34	Interim Financial Reporting
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IAS-38	Intangible Assets
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS-13	Fair Value Measurement
IFRS-15	Revenue from Contract with Customers
IFRS-16	Leases

7 Earnings Per Share

Earnings Per Share (EPS) has been calculated based on number of shares outstanding for the period ended 31 December 2024 and profit for the same period. The number of shares outstanding for the period was 74,741,479. Earnings per share for the same period of preceding year has also been calculated based on same number of shares.

8 Subsequent events

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of this financial statement to make proper evaluation and decision.

9 Impairment of assets

With reference to the paragraph 9 of IAS-36, there was no such indication of impairment observed relating to property plant and equipment till the end of 31 December 2024.

10 General

10.01 Wherever considered necessary, prior period's figures and phrases have been re-arranged to conform to this period's presentation.

10.02 The amounts in these financial statements have been rounded off to the nearest taka.

10.03 Bracket figures denotes negative balance.



**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 31 December 2024**

	31 Dec 2024	30 June 2024
	Taka	Taka
11.00 Property, plant & equipment (at cost less accumulated depreciation)		
Land and Land Development	431,214,704	431,214,704
Plant and Machineries	346,824,895	372,313,786
Administrative Building	23,502,805	24,342,073
Factory Building	215,625,147	227,666,395
Office Equipment	2,845,843	2,953,724
Electric Installation	17,906,143	19,112,830
Furniture & Fixture	800,022	814,497
Computer Equipment	3,426,835	3,411,025
Motor Vehicle	4,265,782	4,974,912
	1,046,412,176	1,086,803,946
12.00 Intangible assets (at cost less accumulated amortization)		
Software	206,368	283,750
	206,368	283,750
13.00 Capital Work In Progress		
Factory building	-	31,400
	-	31,400
14.00 Investment in SKYS Securities Limited	30,377,066	30,377,066
15.00 Other investment		
Investment in Fixed Deposit (1 to 3 years)	5,374,724	5,182,233
	5,374,724	5,182,233
16.00 Inventories		
Raw materials	793,282,207	365,350,950
Work-in-process	22,350,056	13,777,608
Finished goods	18,649,979	7,649,654
Stores & spares	89,706,359	89,610,577
Goods in transit	68,270,774	95,169,339
	992,259,375	571,558,128
17.00 Trade receivables	1,593,414,191	1,381,908,079
18.00 Other receivables		
Rent receivable	780,000	-
Accrued interest income on FDR	219,791	438,324
	999,791	438,324
19.00 Advances, deposits and prepayments		
Advances	79,750,314	59,533,237
Security deposits	14,498,054	14,757,554
Prepayments	500,598	2,536,686
	94,748,966	76,827,477
20.00 Due from affiliated companies		
KDS Poly Industries Limited	67,794,568	46,330,556
KDS Thread Limited	916,808,315	772,047,913
	984,602,884	818,378,469
21.00 Cash and cash equivalents		
Cash in hand	989,614	986,009
Cash at bank	85,218,657	59,861,451
	86,208,271	60,847,460



**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 31 December 2024**

	<u>31 Dec 2024</u>	<u>30 June 2024</u>
	Taka	Taka
22.00 Share capital		
Authorized Capital		
200,000,000 Ordinary Shares of Tk. 10 each	2,000,000,000	2,000,000,000
	<u>2,000,000,000</u>	<u>2,000,000,000</u>
Issued, subscribed and paid-up Capital		
1,000 Ordinary Shares of Tk. 10 each as at 21 April 1991	10,000	10,000
2,100,000 Ordinary Shares of Tk. 10 each as at 17 June 2004	21,000,000	21,000,000
10,505,000 Ordinary Shares of Tk. 10 each as at 30 June 2010	105,050,000	105,050,000
17,522,340 Ordinary Shares of Tk. 10 each as at 6 March 2012	175,223,400	175,223,400
9,871,660 Ordinary Shares of Tk. 10 each as at 8 June 2013	98,716,600	98,716,600
12,000,000 Ordinary Shares of Tk.10 each issued through IPO 10 September 2015	120,000,000	120,000,000
5,200,000 Ordinary Shares of Tk. 10 each as at 01 September 2016 (Bonus share)	52,000,000	52,000,000
2,860,000 Ordinary Shares of Tk. 10 each as at 07 November 2017 (Bonus share)	28,600,000	28,600,000
3,003,000 Ordinary Shares of Tk. 10 each as at 04 November 2018 (Bonus share)	30,030,000	30,030,000
3,153,150 Ordinary Shares of Tk. 10 each as at 13 November 2019 (Bonus share)	31,531,500	31,531,500
4,966,211 Ordinary Shares of Tk. 10 each as at 30 November 2020 (Bonus share)	49,662,110	49,662,110
3,559,118 Ordinary Shares of Tk. 10 each as at 30 December 2024 (Bonus share)	35,591,181	-
<u>74,741,479</u> Ordinary Shares of Tk. 10 each	<u>747,414,791</u>	<u>711,823,610</u>
23.00 Long term borrowings		
Due within one year	35,973,483	33,913,224
Due after one year	26,132,367	75,257,447
	<u>62,105,850</u>	<u>109,170,671</u>
24.00 Defined benefit obligation- gratuity	<u>152,489,915</u>	<u>145,062,096</u>

25.00 Deferred tax liability

Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of property, plant and equipment and intangible assets as per financial statements and tax written down value and financial position method for gratuity obligation and investment in SKYS Securities Limited.

	<u>31 Dec 2024</u>	<u>30 June 2024</u>
	Taka	Taka
Opening balance	19,346,450	23,728,391
Provided during the year		
Taxable/(deductible) temporary difference of PPE and intangible asset (excluding land)	(3,238,454)	(3,450,181)
Provision for Gratuity	(891,338)	(931,760)
	(4,129,792)	(4,381,941)
Closing balance	<u>15,216,658</u>	<u>19,346,450</u>

Reconciliation of deferred tax liabilities /(assets) are as follows :

	Carrying Amount	Tax Base	Tax Rate	Taxable /(Deductible) Temporary Difference	Deferred tax liabilities/ (assets)
	Taka	Taka	Percentage	Taka	Taka
Property, plant & equipment (excluding land)	615,403,840	345,265,649	12.00%	270,138,191	32,416,583
Gratuity	(152,489,915)		12.00%	(152,489,915)	(18,298,790)
Investment in associates	30,377,066		15% - 20%	6,972,066	1,098,865
Net taxable temporary difference				<u>124,620,342</u>	<u>15,216,658</u>



**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 31 December 2024**

	<u>31 Dec 2024</u>	<u>30 June 2024</u>
	<u>Taka</u>	<u>Taka</u>
26.00 Trade and other payables		
Trade payable	1,890,863,076	1,237,821,783
For revenue expenses	214,675,241	197,195,152
For other finance	1,058,353	1,329,506
	<u>2,106,596,669</u>	<u>1,436,346,441</u>
27.00 Unclaimed Dividend		
Opening Balance	1,179,379	820,459
Add: Cash dividend declared during the year	35,591,181	71,182,361
Less: Paid/adjusted during the year	(533,710)	(70,823,441)
	<u>36,236,850</u>	<u>1,179,379</u>
28.00 Current tax liability	<u>82,431,753</u>	<u>61,953,667</u>
29.00 Short term bank loan		
Bank Overdraft	15,110,715	67,261,086
Demand and Time Loan	279,061,351	176,180,398
	<u>294,172,066</u>	<u>243,441,484</u>
30.00 Provision for WPPF and Welfare Fund	<u>99,750,651</u>	<u>91,682,991</u>
31.00 Calculation of Net Asset Value (NAV) per ordinary share of Tk 10 each:		
A. Total equity of the company	1,985,603,398	1,942,700,136
B. Total number of outstanding ordinary shares at the end of the period	74,741,479	71,182,361
C. Net Asset Value (NAV) per ordinary share (A/B) rounded off upto two decimal places	<u>26.57</u>	<u>27.29</u>

Net Asset Value (NAV) was decrease due to Increase of number of shares though Retained Earning has increased than last year.



**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 31 December 2024**

	<u>01 July 2024 to 31 Dec 2024</u>	<u>01 July 2023 to 31 Dec 2023</u>
	<u>Taka</u>	<u>Taka</u>
32.00 Calculation of Six Month Earnings Per Share (EPS) per ordinary share of Tk 10 each:		
A. Net profit after tax	78,494,443	68,265,326
B. Total number of outstanding ordinary shares at the end of the period	74,741,479	74,741,479
C. Basic Earnings Per Share (EPS)	1.05	0.91

The basic earnings per share for six month ended on 31st December 2024 stood Tk. 1.05 against Tk. 0.91 for the same period of previous year. As net profit after tax increased due to Sales increased, EPS for the period also increased in same direction.

	<u>01 July 2024 to 31 Dec 2024</u>	<u>01 July 2023 to 31 Dec 2023</u>
	<u>Taka</u>	<u>Taka</u>
33.00 Calculation of Net Operating Cash Flows Per Share (NOCFPS) per ordinary share of Tk 10 each:		
A. Net cash (used in)/generated from operating activities	173,411,922	552,397,573
B. Total number of outstanding ordinary shares at the end of the period	74,741,479	71,182,361
C. Net Operating Cash Flows Per Share (NOCFPS)	2.32	7.76

Net Operating Cash Flows Per Share (NOCFPS) stood Tk. 2.32 compared to the previous period Tk. 7.76 due to increase of Suppliers Payment & decrease of collection from customers than last year.

34.00 Reconciliation of cash (used in)/generated from operations-Indirect Method		
Profit before income tax	94,842,737	83,013,583
Depreciation charged	46,141,235	48,985,321
Amortization charged	77,382	77,385
(Gain)/loss on sale of property, plant and equipment	(813,200)	(508,996)
(Profit)/loss from investment in SKYS Securities Limited	-	-
Finance Income	(46,634,986)	(48,341,599)
Finance Cost	66,378,226	53,499,729
Increase/(Decrease) in Inventory	(420,701,247)	226,158,531
(Increase)/ Decrease in Trade Receivables (after adjusting foreign currency fluctuation gain)	(136,839,513)	214,600,098
(Increase)/ Decrease in other receivables	(780,000)	(780,000)
(Increase) / Decrease in Advances, Deposits and Pre-payments	(5,304,409)	(8,302,873)
Increase/ (Decrease) in Trade and Other payables (after adjusting foreign currency fluctuation lo:	570,590,117	(6,374,986)
Increase in provision of WPPF and WF	8,067,660	9,446,033
Increase in provision of gratuity	7,427,819	5,221,024
Cash (used in)/generated from operations	182,451,820	576,693,250
Interest paid (net)	3,577,182	(12,817,596)
Income tax paid (net)	(12,617,080)	(11,478,081)
Reconciled net income	173,411,922	552,397,573
Net cash (used in)/generated from operating activities as per direct method	173,411,922	552,397,573
Difference		



**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 31 December 2024**

35.00 Reconciliation of effective tax rate

	<u>01 Jul 2024</u> <u>to 31 Dec 2024</u>	<u>01 Jul 2023</u> <u>to 31 Dec 2023</u>		
Profit before tax	94,842,737	83,013,583		
Total income tax expense	20,478,086	17,237,479		
	<u>Rate</u>	<u>Taka</u>	<u>Rate</u>	<u>Taka</u>
Factors affecting the tax charge:				
Tax using the applicable rate	20.00%	18,968,547	20.00%	16,602,717
Difference between accounting and fiscal depreciation	5.69%	5,397,424	3.74%	3,104,499
Inadmissible expenses	0.78%	739,663	1.22%	1,015,379
Difference between WPPF & WF provision and payment	1.70%	1,613,532	1.05%	873,827
Difference between gratuity provision and payment	1.68%	1,589,154	1.26%	1,044,205
Rebate on income generated from export sales	-8.26%	(7,830,234)	-6.51%	(5,403,148)
	21.59%	20,478,087	20.76%	17,237,479