



KDS Accessories Ltd.

BANGLADESH | CHINA | HONG KONG | UK

Financial Statements (Un-Audited) as at and for the period ended 30 September 2024

CHITTAGONG OFFICE : 191-192 BAZID BOSTAMI ROAD, NASIRABAD I/A, CHITTAGONG 4210, BANGLADESH
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KDS ACCESSORIES LIMITED
Statement of Financial Position (Un-audited)
As at 30 September 2024

		30 Sep 2024	30 June 2024
	Note(s)	Taka	Taka
ASSETS			
Non-current Assets			
Property, plant and equipment	11	1,067,399,191	1,086,803,946
Intangible assets	12	245,058	283,750
Capital work-in-progress	13	-	31,400
Investment in SKYS Securities Limited	14	30,377,066	30,377,066
Other investment	15	5,262,552	5,182,233
Total Non-current Assets		1,103,283,867	1,122,678,395
Current Assets			
Inventories	16	898,513,201	571,558,128
Trade receivables	17	1,499,811,075	1,381,908,079
Other receivables	18	219,791	438,324
Advances, deposits and prepayments	19	85,641,170	76,827,477
Due from affiliated company	20	949,896,728	818,378,469
Cash and cash equivalents	21	46,161,083	60,847,460
Total Current Assets		3,480,243,047	2,909,957,937
Total Assets		4,583,526,914	4,032,636,332
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital	22	711,823,610	711,823,610
Share premium		120,000,000	120,000,000
Revaluation reserve		214,391,703	214,391,703
Retained earnings		938,055,322	896,484,823
Total Shareholders' Equity		1,984,270,635	1,942,700,136
Non-current Liabilities			
Long term borrowings	23	48,786,549	53,773,284
Defined benefit obligation- gratuity	24	152,489,915	145,062,096
Deferred tax liability	25	17,368,518	19,346,450
Total Non-current Liabilities		218,644,982	218,181,830
Current Liabilities			
Trade and other payables	26	1,815,121,818	1,436,346,441
Unclaimed Dividend	27	1,178,180	1,179,379
Current portion of long term borrowings	23	35,304,903	37,150,404
Current tax liability	28	72,040,563	61,953,667
Short term bank loan	29	361,659,893	243,441,484
Provision for WPPF and Welfare Fund	30	95,305,940	91,682,991
Total Current Liabilities		2,380,611,297	1,871,754,366
Total Equity and Liabilities		4,583,526,915	4,032,636,332
Net Assets Value Per Share	31	27.88	27.29


Chairman


Managing Director


Director


CFO


Company Secretary

Page 1

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KDS ACCESSORIES LIMITED

**Statement of Profit or Loss and Other Comprehensive Income (Un-audited)
For the period from 01 July 2024 to 30 September 2024**

	Note(s)	01 July 2024	01 July 2023
		to 30 Sept 2024	to 30 Sept 2023
		Taka	Taka
Revenue		727,711,722	589,774,843
Cost of goods sold		(602,547,478)	(489,087,507)
Gross Profit		125,164,244	100,687,336
Operating expenses			
Administrative expenses		(43,438,417)	(36,689,712)
Selling and distribution expenses		(20,942,134)	(23,759,240)
Operating Profit		60,783,693	40,238,384
Finance cost		(29,121,020)	(30,905,907)
Finance income		19,848,779	34,792,931
Profit before other income		51,511,452	44,125,408
Other income		782,720	1,299,965
Profit before income tax and distribution of WPPF and WF		52,294,172	45,425,373
Workers' Profit Participation and Welfare Fund		(2,614,709)	(2,271,269)
Profit before income tax		49,679,463	43,154,104
Provision for income tax:			
-Current tax		(10,086,896)	(8,953,640)
-Deferred tax		1,977,932	1,279,471
Profit after Income Tax		41,570,499	35,479,935
Total Comprehensive Income		41,570,499	35,479,935
Earnings Per Share (Basic)	Note-32	0.58	0.50


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 30 September 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
Net Profit after tax for the period	-	-	-	35,479,935	35,479,935
Balance as at 30 September 2023	711,823,610	120,000,000	214,391,703	849,387,432	1,895,602,745
Balance as on 01 July 2024	711,823,610	120,000,000	214,391,703	896,484,823	1,942,700,136
Net Profit after tax for the period	-	-	-	41,570,499	41,570,499
Balance as at 30 September 2024	711,823,610	120,000,000	214,391,703	938,055,322	1,984,270,635


 Chairman


 Managing Director


 Director


 CFO


 Company Secretary



KDS ACCESSORIES LIMITED
Statement of Cash Flows (Un-audited)
For the period from 01 July 2024 to 30 September 2024

Note(s)	01 July 2024 to 30 Sept 2024 Taka	01 July 2023 to 30 Sept 2023 Taka
A. Operating activities		
Received from customers	688,184,597	793,824,029
Received from other sources	780,720	409,965
Paid to suppliers	(622,899,309)	(394,447,455)
Paid for operating expenses	(48,921,042)	(49,576,522)
Cash generated by operations	17,144,967	350,210,017
Interest paid (net)	(2,778,262)	(9,170,335)
Income Tax Paid	(6,014,481)	(7,344,781)
Net cash flows from operating activities	8,352,224	333,694,901
B. Investing activities		
Acquisition of property, plant and equipment	(3,826,997)	(3,640,186)
Proceed from sale of non-current assets	2,000	500,001
Increase in investments	(80,319)	2,389,040
Net cash flows from investing activities	(3,905,316)	(751,145)
C. Financing activities		
Dividend Paid	(1,199)	-
Receipt / (Repayment) of long term borrowings	(6,832,236)	(6,808,764)
Receipt/(Repayment) of short term borrowings	118,218,409	(294,541,065)
Short term loan Receipt/ (Repayment) from/to affiliated companies	(131,518,259)	3,578,779
Net cash flows from financing activities	(20,133,285)	(297,771,050)
D. Net changes of cash and cash equivalents (A+B+C)	(15,686,377)	35,172,706
E. Cash and cash equivalents at the beginning of the period	60,847,459	18,840,442
F. Effect of foreign exchange rate changes on cash and cash equivalents	1,000,000	2,821,236
G. Cash and cash equivalents at the end of the period (D+E+F)	46,161,083	56,834,384
Net Operating Cash Flows Per Share (NOCFPS)	0.12	4.69


 Chairman Managing Director


 Director CFO


 Company Secretary



Selected Explanatory Notes to the Interim Financial Statements (Un-audited) As at and for the period ended 30 September 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 30 September 2024 and profit for the same period. The number of shares outstanding for the period was 71,182,361. 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 30 September 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 30 September 2024

	30 Sep 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	360,958,520	372,313,786
Administrative Building	23,922,439	24,342,073
Factory Building	221,623,515	227,666,395
Office Equipment	2,802,056	2,953,724
Electric Installation	18,097,072	19,112,830
Furniture & Fixture	687,454	814,497
Computer Equipment	3,473,084	3,411,025
Motor Vehicle	4,620,347	4,974,912
	1,067,399,191	1,086,803,946
12.00 Intangible assets (at cost less accumulated amortization)		
Software	245,058	283,750
	245,058	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)	5,262,552	5,182,233
	5,262,552	5,182,233
16.00 Inventories		
Raw materials	586,152,564	365,350,950
Work-in-process	17,750,973	13,777,608
Finished goods	12,895,628	7,649,654
Stores & spares	88,468,781	89,610,577
Goods in transit	193,245,255	95,169,339
	898,513,201	571,558,128
17.00 Trade receivables	1,499,811,075	1,381,908,079
18.00 Other receivables		
Accrued interest income on FDR	219,791	438,324
	219,791	438,324
19.00 Advances, deposits and prepayments		
Advances	69,552,419	59,533,237
Security deposits	14,772,554	14,757,554
Prepayments	1,316,197	2,536,686
	85,641,170	76,827,477
20.00 Due from affiliated companies		
KDS Poly Industries Limited	34,552,767	46,330,556
KDS Thread Limited	915,343,961	772,047,913
	949,896,728	818,378,469
21.00 Cash and cash equivalents		
Cash in hand	1,230,203	986,009
Cash at bank	44,930,880	59,861,451
	46,161,083	60,847,460



**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 30 September 2024**

	30 Sep 2024	30 June 2024
	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
<u>71,182,361</u> Ordinary Shares of Tk. 10 each	<u>711,823,610</u>	<u>711,823,610</u>
23.00 Long term borrowings		
Due within one year	35,304,903	33,913,224
Due after one year	48,786,549	75,257,447
	<u>84,091,452</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.

	30 Sep 2024	30 June 2024
	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)	(1,086,594)	(3,450,181)
Provision for Gratuity	(891,338)	(931,760)
	<u>(1,977,932)</u>	<u>(4,381,941)</u>
Closing balance	<u>17,368,518</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)	636,429,545	348,359,190	12.00%	288,070,356	34,568,443
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>142,552,507</u>	<u>17,368,518</u>



**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 30 September 2024**

	<u>30 Sep 2024</u>	<u>30 June 2024</u>
	<u>Taka</u>	<u>Taka</u>
26.00 Trade and other payables		
Trade payable	1,611,465,820	1,237,821,783
For revenue expenses	202,430,223	197,195,152
For other finance	1,225,775	1,329,506
	<u>1,815,121,818</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	-	71,182,361
Less: Paid/adjusted during the year	(1,199)	(70,823,441)
	<u>1,178,180</u>	<u>1,179,379</u>
28.00 Current tax liability	<u>72,040,563</u>	<u>61,953,667</u>
29.00 Short term bank loan		
Bank Overdraft	23,496,058	67,261,086
Local Documentary Bill Purchase (LDBP)	33,025,727	-
Demand and Time Loan	305,138,108	176,180,398
	<u>361,659,893</u>	<u>243,441,484</u>
30.00 Provision for WPPF and Welfare Fund	<u>95,305,940</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	1,984,270,635	1,942,700,136
B. Total number of outstanding ordinary shares at the end of the period	71,182,361	71,182,361
C. Net Asset Value (NAV) per ordinary share (A/B) rounded off upto two decimal places	<u>27.88</u>	<u>27.29</u>



**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 30 September 2024**

	<u>01 July 2024 to 30 Sep 2024</u>	<u>01 July 2023 to 30 Sep 2023</u>
	<u>Taka</u>	<u>Taka</u>
32.00 Calculation of first quarterly Earnings Per Share (EPS) per ordinary share of Tk 10 each:		
A. Net profit after tax	41,570,499	35,479,935
B. Total number of outstanding ordinary shares at the end of the period	71,182,361	71,182,361
C. Basic Earnings Per Share (EPS)	<u>0.58</u>	<u>0.50</u>
	<u>01 July 2024 to 30 Sep 2024</u>	<u>01 July 2023 to 30 Sep 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	8,352,224	333,694,902
B. Total number of outstanding ordinary shares at the end of the period	71,182,361	71,182,361
C. Net Operating Cash Flows Per Share (NOCFPS)	<u>0.12</u>	<u>4.69</u>
34.00 Reconciliation of cash (used in)/generated from operations-Indirect Method		
Profit before income tax	49,679,463	43,154,104
Depreciation charged	23,263,152	24,452,919
Amortization charged	38,692	38,692
(Gain)/loss on sale of property, plant and equipment	(2,000)	(500,000)
(Profit)/loss from investment in SKYS Securities Limited	-	-
Finance Income	(19,848,779)	(34,792,931)
Finance Cost	29,121,020	30,905,907
Increase/(Decrease) in Inventory	(326,955,073)	148,062,968
(Increase)/ Decrease in Trade Receivables (after adjusting foreign currency fluctuation gain)	(39,527,125)	204,049,186
(Increase)/ Decrease in other receivables	-	(390,000)
(Increase) / Decrease in Advances, Deposits and Pre-payments	(2,799,212)	(6,463,813)
Increase/ (Decrease) in Trade and Other payables (after adjusting foreign currency fluctuation loss)	293,124,060	(65,912,056)
Increase in provision of WPPF and WF	3,622,949	4,809,718
Increase in provision of gratuity	7,427,819	2,795,322
Cash (used in)/generated from operations	<u>17,144,966</u>	<u>350,210,017</u>
Interest paid (net)	(2,778,262)	(9,170,335)
Income tax paid (net)	(6,014,481)	(7,344,781)
Reconciled net income	<u>8,352,224</u>	<u>333,694,902</u>
Net cash (used in)/generated from operating activities as per direct method	<u>8,352,224</u>	<u>333,694,902</u>
Difference		



**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)
As at and for the period ended 30 September 2024**

35.00 Reconciliation of effective tax rate

	<u>01 Jul 2024</u> <u>to 30 Sep 2024</u>		<u>01 Jul 2023</u> <u>to 30 Sep 2023</u>	
Profit before tax	49,679,463		43,154,104	
Total income tax expense	(10,086,896)		(8,953,640)	
	Rate	Taka	Rate	Taka
Factors affecting the tax charge:				
Tax using the applicable rate	20.00%	9,935,893	22.50%	8,630,821
Difference between accounting and fiscal depreciation	3.65%	1,810,991	5.12%	1,573,386
Inadmissible expenses	0.41%	201,648	0.70%	507,690
Difference between WPPF & WF provision and payment	1.05%	522,942	1.18%	454,254
Difference between gratuity provision and payment	2.99%	1,485,564	0.75%	559,064
Rebate on income generated from export sales	-5.58%	(2,771,575)	-14.47%	(2,771,575)
Adjustment for reduced rated taxable income	0.00%	-	0.00%	-
	22.52%	11,185,463	15.79%	8,953,641

36.00 Note on increase of Earnings Per Share (EPS):

- 1) Sale was increased by 23.39% from last year and profitability increased by 17.17% due to increase of Sales revenue

37.00 Note on decrease of Net Operating Cash Flows Per Share (NOCFPS):

The reason of decrease of Net Operating Cash Flows Per Share (NOCFPS) is as follows:

- 1) Due to increase of Suppliers Payment & Decrease of collection from customers.

38.00 Note on increase of Net Asset Value (NAV):

- 1) Due to increase of net profit .