



Deshbandhu Polymer Limited

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Share Department: House # 18 (3rd Floor), Road # 22, Block # K, Banani, Dhaka - 1213.

SECOND QUARTER FINANCIAL STATEMENTS as at 31 December, 2023 (Unaudited)

Statement of Financial Position As at 31 December, 2023 (Unaudited)

Notes	Amount in BDT		
	31 Dec 2023	30 Jun 2023	
Assets			
Non-Current Assets			
Property, Plant & Equipment	4.00	1,742,058,677	1,022,430,978
Investment in share	5.00	787,062	787,062
		<u>1,742,845,738</u>	<u>1,023,218,039</u>
Current Assets:			
Inventories	6.00	386,244,983	358,512,435
Inventory in Transit		227,707,954	237,671,136
Accounts Receivable	7.00	312,838,383	288,167,625
Advance, Deposit and Prepayments		147,689,916	158,772,839
Advance Income Tax		432,044,463	424,072,603
Cash and Cash Equivalents	8.00	19,914,267	29,426,088
		<u>1,526,439,966</u>	<u>1,496,622,726</u>
Total Assets		<u>3,269,285,705</u>	<u>2,519,840,766</u>
Equity and Liabilities			
Shareholders' Equity			
Share Capital		613,651,500	613,651,500
Revaluation Surplus		1,241,661,575	505,880,048
Retained Earnings		72,009,321	58,742,901
		<u>1,927,322,397</u>	<u>1,178,274,449</u>
Non-Current Liabilities			
Deferred Tax Liability		108,727,054	110,708,300
Long Term Loan		536,568,813	530,020,625
		<u>645,295,867</u>	<u>640,728,925</u>
Current Liabilities			
Bank Overdraft		217,225,055	218,104,325
Current portion of Long Term Loan		287,878,170	304,560,243
Short Term Loan	9.00	79,306,816	84,900,957
Accounts Payable		5,187,045	1,734,577
Other Payables and Provisions	10.00	70,632,528	64,459,572
Share Money Refundable		14,914,500	14,924,500
Unclaimed/Undistributed Dividend Account		17,185,838	8,482,404
Worker's Profit Participation Fund		4,337,489	3,670,813
		<u>696,667,441</u>	<u>700,837,390</u>
Total Current and Non Current Liabilities		<u>1,341,963,308</u>	<u>1,341,566,315</u>
Total Equity and Liabilities		<u>3,269,285,705</u>	<u>2,519,840,764</u>
Net Asset Value (NAV) per share			
14.00	31.41	19.20	

Dated : Dhaka
29 January 2024

Statement of Profit or Loss and Other Comprehensive Income For the period ended 31 December 2023 (Unaudited)

	Notes	Amount BDT			
		Jul to Dec 23	Jul to Dec 22	Oct -Dec-23	Oct -Dec-22
Revenue		504,460,691	654,895,792	243,110,131	323,105,661
Cost of Goods Sold		(448,907,198)	(584,178,234)	(215,039,513)	(286,669,720)
Gross profit		55,553,493	70,717,559	28,070,618	36,435,941
Operating Expenses					
Administrative Expenses		(5,986,670)	(7,745,082)	(2,665,630)	(3,657,651)
Selling & Distribution Expenses		(2,944,893)	(3,348,283)	(462,243)	(702,663)
Total Operating Expenses		(8,931,563)	(11,093,364)	(3,127,873)	(4,360,314)
Operating profit		46,621,930	59,624,194	24,942,745	32,075,626
Financing Cost		(32,895,869)	(42,462,717)	(18,320,742)	(21,582,647)
Other Income		274,140	135,978	67,390	68,588
		(32,621,729)	(42,326,739)	(18,253,352)	(21,514,059)
Profit/(loss) before WPPF and Income Tax		14,000,201	17,297,455	6,689,393	10,561,567
Provision for Contribution to WPPF		(666,676)	(823,688)	(318,543)	(502,932)
Profit/(loss) before Tax		13,333,525	16,473,767	6,370,851	10,058,635
Income Tax (Expenses)/Income					
Current Tax	11.00	(4,647,950)	(3,930,191)	(2,274,193)	(1,939,045)
Deferred Tax	12.00	1,331,346	(1,328,371)	676,515	(1,816,011)
		(3,316,605)	(5,258,562)	(1,597,678)	(3,755,056)
Profit after tax for the year		10,016,920	11,215,205	4,773,173	6,303,579
Other Comprehensive income/(Loss)		228,991	127,366	228,991	(101,626)
Foreign Currency Fluctuation (Loss)/Gain		-	-	-	-
Total Comprehensive income for the year		10,245,911	11,342,570	5,002,164	6,201,953
Earning per share of Tk. 10.00 each	15.00	0.17	0.18	0.08	0.10

Dated : Dhaka
29 January 2024

Statement of Changes in Equity For the period ended 31 Dec 2023

Particulars	Share Capital	Retained earnings	Revaluation Surplus	Total
Opening Balance as at 01 July 2023	613,651,500	58,742,901	505,880,048	1,178,274,449
Net profit after tax for the year	-	10,016,920	-	10,016,920
Depreciation on Revaluation Surplus	-	2,599,600	(2,599,600)	-
Deferred tax impact on depreciation charge relating to revalued surplus	-	649,900	-	649,900
Balance as at 31 December 2023	<u>613,651,500</u>	<u>72,009,321</u>	<u>503,280,448</u>	<u>1,188,941,269</u>
Sd/- Chief Financial Officer	Sd/- Company Secretary	Sd/- Director	Sd/- Managing Director	Sd/- Chairman

Dated : Dhaka
29 January 2024

Statement of Cash Flows For the period ended 31 Dec 2023

	Note	Amount in BDT	
		Jul to Dec 23	Jul to Dec 22
A. Cash flows from operating activities:			
Cash received from customer		479,789,934	639,981,625
Cash paid to suppliers, employees and others		(434,503,026)	(575,090,482)
Cash generated/used in operations		<u>45,286,907</u>	<u>64,891,143</u>
Cash received from Other income		274,140	301,184
Financing Cost Paid		(23,929,615)	(42,462,717)
Income Tax Paid		<u>(1,871,860)</u>	<u>(29,157,131)</u>
Net cash used in operating activities	13.00	<u>19,759,572</u>	<u>(6,427,521)</u>
B. Cash flow from investing activities:			
Purchase of property, plant and equipment		(976,650)	(300,000)
Disposal of shares		-	-
Net cash used in investing activities		<u>(976,650)</u>	<u>(300,000)</u>
C. Cash flow from financing activities:			
Long Term Loan		6,548,188	235,199,549
Short Term Loan		(22,276,214)	(221,638,530)
Bank Overdraft		(879,270)	(2,065,269)
Unclaimed Dividend		(11,687,447)	(1,825,008)
Net cash from financing activities		<u>(28,294,743)</u>	<u>9,670,742</u>
Net cash inflow / (outflow) (A+B+C)		<u>(9,511,821)</u>	<u>2,943,222</u>
Cash and cash equivalent at the beginning		<u>29,426,088</u>	<u>13,964,956</u>
Cash and cash equivalent at the closing		<u><u>19,914,267</u></u>	<u><u>16,908,178</u></u>
Cash and cash equivalent at the closing:			
Cash in Hand		8,510,960	1,001,411
Cash at Banks		11,403,307	15,906,767
		<u><u>19,914,267</u></u>	<u><u>16,908,178</u></u>
Net Operating Cash Flow Per Share	16.00	<u>0.32</u>	<u>(0.10)</u>

Dated : Dhaka
29 January 2024

Notes to the Financial Position For the 2nd quarter ended 31 December 2023

1.00 Selected explanatory notes

These financial statements have been prepared in line with accounting policies for the period ended 31 December 2023 as adopted in the preparation of financial statements. This interim financial report includes those selected explanatory notes as were deemed appropriate for better understanding of unaudited financial statements.

2.00 Presentation of financial statements and basis of accounting

The financial statements have been prepared in accordance with generally accepted accounting principles under 'historical cost convention' and after compliance with International Financial Reporting Standards (IFRS) & International Accounting Standards (IAS) as adopted in Bangladesh, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

3.00 Stock & spares

Raw materials & packing materials are valued at the lower of cost and net realizable value (NRV). Cost determined on average cost basis. The cost of stock comprises of expenditure incurred in the normal course of business in bringing the stock to their present location and condition. Finished goods and work in process are valued at material cost plus proportionate labor & overhead

	Taka	Taka
	31-Dec-23	31-Dec-22
4.00 Property, plant & equipment:		
Fixed asset at Cost/Revaluation Opening	1,344,513,372	1,298,341,659
Addition during the interim period	739,357,777	300,000
Cost/Revaluation of Fixed Assets	2,083,871,149	1,298,641,659
Less: Accumulated depreciation		
Accumulated depreciation Opening	(325,564,974)	(282,831,986)
Charged during the interim period	-	(16,347,556)
Charged for Revaluation	(16,247,499)	(3,249,500)
Total Accumulated depreciation	<u>(341,812,473)</u>	<u>(302,429,042)</u>
Written down value as at 31.12.2023	<u>1,742,058,677</u>	<u>996,212,617</u>

5.00 Investment in share

Opening Balance on 01.07.2023	787,062	824,901
(Decrease)/Increase of Share price	-	(37,839)
Closing balance as at 31.12.2023	<u>787,062</u>	<u>787,062</u>

5.10 EXIM Bank Ltd.

No of Shares	Cost per share	Market Price per share	Total Market price (Tk.)	Total Market price (Tk.)
75,679	9.47	10.40	787,062	787,062

6.00 Inventory

Raw materials	225,739,991	251,878,306
Work in process (WIP)	83,851,173	87,844,086
Finished goods	39,327,556	45,882,149
Spare parts	37,326,263	39,161,093
Total	<u>386,244,983</u>	<u>424,765,634</u>

7.00 Accounts Receivable

First Party	65,040,014	81,858,893
Third party	45,315,086	93,486,918
Inhouse Party	21,368,836	37,837,836
Corporate Party	68,954,309	100,013,858
RM & others sales	112,160,138	-
Total	<u>312,838,383</u>	<u>313,197,505</u>

7.10 The company has Accounts receivable transactions with its following related party:

Company Name	Amount (Tk.)	Amount (Tk.)
Commodities Trading Company	1,650,032	1,742,652
Deshbandhu Sugar Mills Ltd.	5,514,271	8,054,076
Deshbandhu Consumer & Agro Products Ltd.	786,029	801,750
Deshbandhu Cement Mills Ltd	9,052,095	8,964,761
Deshbandhu Food & Beverage	157,680	601,473
Deshbandhu Packaging Ltd.	-	14,257,329
M.R.Trading	1,393,700	1,421,574
Sahera Auto Rice Mills Ltd.	2,815,029	1,994,221
Total	<u>21,368,836</u>	<u>37,837,836</u>

8.00 Cash and Cash Equivalents

Cash in Hand FO	5,484,484	-
Cash in Hand HO	3,026,476	1,001,411
Cash at Banks (Local Currency)	2,133,567	11,256,057
Cash at Banks (Foreign Currency)	1,296,856	1,300,005
Fixed Deposit Receipts	7,962,678	3,350,706
Cash at Port Folio Account	10,206	-
Total	<u>19,914,267</u>	<u>16,908,179</u>

9.00 Short Term Loan

Acceptance liabilities under letter of credit	42,662,276	552,345,251
Bills Payables - Dhaka Bank Ltd.	36,644,540	(221,638,530)
Closing balance	<u>79,306,816</u>	<u>330,706,721</u>

10.00 Others Payable and Provisions

Other Payables	3,261,672	411,472
Provisions	67,370,856	53,355,665
Closing Balance	<u>70,632,528</u>	<u>53,767,137</u>

11.00 Current Tax Calculation

Profit before Tax	13,333,525	16,473,767
Add: Accounting Depreciation	19,730,078	19,597,056
Less: Tax Depreciation	9,823,850	9,823,850
Taxable income	<u>23,239,752</u>	<u>26,246,972</u>

Tax Charge @20 % (A)	<u>4,647,95</u>	<u>5,249,394</u>
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Gross Receipts

Revenue	504,460,691	654,895,792
Financing Income	274,140	135,978
	504,734,831	655,031,770
Tax Charge @ 0.60% (B)	<u>3,028,409</u>	<u>3,930,191</u>
Whichever is higher (A/B)	<u>4,647,950</u>	<u>3,930,191</u>

12.00 Deferred Tax Calculation

Carrying WDV as per financial accounts	329,755,068	355,041,137
Carrying WDV as per tax base	(88,476,277)	(92,026,107)
Temporary difference at the end of the period	241,278,791	263,015,030
Tax Rate	20.00%	20.00%
Deferred tax liability (For Carrying)	48,255,758	52,603,006
Adjusted for Revaluation	-	-
Closing Deferred Tax liability 31 December , 2023	48,255,758	52,603,006
Deferred Tax liability 30 June, 2023	49,587,104	51,274,635
(Increase)/Decrease in deferred tax liability	<u>(1,331,346)</u>	<u>1,328,371</u>

13.00 Cash Flows from Operating Activities under indirect method

Profit before WPPF and Tax	14,000,201	17,297,455
Add Expenses Not Requiring Cash:		
Depreciation	19,730,078	19,597,056
Foreign Currency Translation Loss/(Gain)	-	165,205
Other Adjustments:		
(Increase)/Decrease in Accounts Receivable	(24,670,758)	(14,914,166)
(Increase)/Decrease in Inventory	(18,756,293)	(23,352,706)
(Increase)/Decrease in Advances, Deposits and Prepayments	11,082,922	11,5