

Berger Paints Bangladesh Limited
Statement of Financial Position (Unaudited)
As at 30 September 2019

	Notes	Taka in '000	
		30 Sep 2019	31 Mar 2019
Assets			
Non-current assets			
Property, plant and equipment	3	3,886,518	3,781,328
Capital work-in-progress		451,022	227,760
Intangible assets		64,758	78,123
		4,402,298	4,087,211
Investment - at cost		93,343	93,343
Total non-current assets		4,495,641	4,180,554
Current assets			
Inventories	4	2,455,861	2,025,209
Trade and other receivables	5	1,666,872	1,663,524
Advances, deposits and prepayments	6	230,866	429,540
Short term investment - FDR		601,237	401,237
Cash and cash equivalents	7	2,286,884	1,892,143
Inter - company receivables		103,598	126,818
Total current assets		7,345,318	6,538,471
Total assets		11,840,959	10,719,025
Equity and liabilities			
Share capital		463,779	463,779
Retained earnings		6,811,728	7,074,723
Equity attributable to the Company's equity holders	10	7,275,507	7,538,502
Non-current liabilities			
Deferred tax liabilities	8	238,986	242,259
Total non-current liabilities		238,986	242,259
Current liabilities			
Trade and other payables	9	2,356,459	2,011,274
Provision for royalty		356,782	309,863
Provision for current tax		199,864	180,851
Employees' retirement gratuity		15,399	30,699
Dividend payable		1,397,815	405,430
Liability for unclaimed IPO application money		147	147
Total current liabilities		4,326,466	2,938,264
Total liabilities		4,565,452	3,180,523
Total equity and liabilities		11,840,959	10,719,025
Net Asset Value Per Share (NAVPS) Tk.	10	156.87	162.55


Managing Director


Director


Chief Financial Officer


Company Secretary

Dhaka, 31 October 2019

Berger Paints Bangladesh Limited
Statement of Profit or Loss and Other Comprehensive Income (Unaudited)
For the period from 1 April 2019 to 30 September 2019

Notes	Taka in '000			
	Apr-Sep 2019	Apr-Sep 2018	July-Sep 2019	July-Sep 2018
Revenue-net	8,558,533	7,696,963	4,020,163	3,737,316
Cost of sales	(4,626,323)	(4,506,251)	(2,184,252)	(2,200,313)
Gross profit	3,932,210	3,190,712	1,835,911	1,537,003
Selling, distribution and warehousing expenses	(2,534,207)	(2,076,063)	(1,201,917)	(980,378)
Administrative and general expenses	(250,002)	(245,517)	(130,760)	(126,880)
Other operating expenses	(50,498)	(45,936)	(24,453)	(22,993)
Other operating income	94,549	96,994	47,177	51,708
	(2,740,158)	(2,270,522)	(1,309,953)	(1,078,543)
Operating income	1,192,052	920,190	525,958	458,460
Finance cost	(27)	(8,604)	(20)	(3,687)
Investment income	93,767	7,378	54,853	2,228
Net finance income	93,740	(1,226)	54,833	(1,459)
Other non-operating income	790	4,813	322	155
Income before WPPF and tax	1,286,582	923,777	581,113	457,156
Workers' profit participation and welfare fund (WPPF)	(64,290)	(45,950)	(29,040)	(22,851)
Income before tax	1,222,292	877,827	552,073	434,305
Current tax expenses	(329,113)	(236,988)	(152,187)	(118,316)
Deferred tax Income	3,273	1,660	3,193	6,660
	(325,840)	(235,328)	(148,994)	(111,656)
Net income	896,452	642,499	403,079	322,649
Basic earnings per share (EPS) Tk.	19.33	13.85	8.69	6.96


Managing Director


Director


Chief Financial Officer


Company Secretary

Dhaka, 31 October 2019

Berger Paints Bangladesh Limited
Statement of Changes in Equity (Unaudited)
For the period from 1 April 2019 to 30 September 2019

Taka in '000

Particulars	Share capital	General reserve	Share Premium	Retained earnings	Total equity
Balance as at 1 April 2018	231,889	10,000	115,068	5,694,178	6,051,135
Dividend declared during the period	-	-	-	(463,779)	(463,779)
Stock dividend paid during the period	231,890	(10,000)	(115,068)	(106,822)	-
Net income for the period	-	-	-	642,499	642,499
Balance as at 30 September 2018	463,779	-	-	5,766,076	6,229,855
Balance as at 1 April 2019	463,779	-	-	7,074,723	7,538,502
Dividend declared during the period	-	-	-	(1,159,447)	(1,159,447)
Net income for the period	-	-	-	896,452	896,452
Balance as at 30 September 2019	463,779	-	-	6,811,728	7,275,507


Managing Director


Director


Chief Financial Officer


Company Secretary

Dhaka, 31 October 2019

Berger Paints Bangladesh Limited
Statement of Cash Flows (Unaudited)
For the period from 1 April 2019 to 30 September 2019

	Taka in '000	
	Apr-Sep 2019	Apr- Sep 2018
Cash flows from operating activities (A)		
Cash received from customers	8,576,515	7,748,147
Cash received from other operating income	166,986	105,436
Cash paid to suppliers and employees	(7,103,853)	(7,392,652)
Interest paid	(27)	(8,604)
Income tax paid	(310,100)	(221,530)
Net cash flows from operating activities	11&12 1,329,521	230,797
Cash flows from investing activities (B)		
Investment in Fosroc	-	(4,043)
Capital expenditures	(571,279)	(728,363)
Proceeds from disposal of property, plant and equipment	3,561	8,762
Net cash used in investing activities	(567,718)	(723,644)
Cash flows from financing activities (C)		
Dividend paid	(167,062)	(66,966)
Net cash used in financing activities	(167,062)	(66,966)
Increase / (Decrease) in cash and cash equivalents (D) = (A+B+C)	594,741	(559,813)
Opening cash and cash equivalents (E)	2,293,380	1,115,230
Closing cash and cash equivalents (D+E)	2,888,121	555,417
Reconciliation of cash and cash equivalents:		
	As at	
	30 Sep 2019	30 Sep 2018
Short term deposit- FDR- more than three months	601,237	-
Cash and cash equivalents	2,286,884	555,417
Closing net cash and cash equivalents	2,888,121	555,417
Net Operating Cash Flows Per Share (NOCFPS) Tk.	11 28.67	4.98


Managing Director


Director


Chief Financial Officer


Company Secretary

Dhaka, 31 October 2019

Berger Paints Bangladesh Limited
Consolidated Statement of Financial Position (Unaudited)
As at 30 September 2019

	Notes	Taka in'000	
		30 Sep 2019	31 Mar 2019
Assets			
Non-current assets			
Property, plant and equipment	3a	4,468,336	4,215,898
Capital work-in-progress		476,397	368,886
Intangible assets		68,347	82,084
Investment in associates		221,967	201,993
Total non-current assets		5,235,047	4,868,861
Current assets			
Inventories	4a	2,598,710	2,163,423
Trade and other receivables	5a	1,729,233	1,704,502
Advances, deposits and prepayments	6a	235,202	437,054
Short term investment		601,237	401,237
Cash and cash equivalents	7a	2,296,425	1,904,547
Total current assets		7,460,807	6,610,763
Total assets		12,695,854	11,479,624
Equity and liabilities			
Share capital		463,779	463,779
Retained earnings		7,503,767	7,707,281
Equity attributable to the Company's equity holders	10a	7,967,546	8,171,060
Non-current liabilities			
Deferred tax liabilities	8a	322,622	316,388
Total non-current liabilities		322,622	316,388
Current liabilities			
Trade and other payables	9a	2,431,501	2,063,049
Provision for royalty		356,782	309,863
Provision for current tax		189,936	169,534
Provision for employees retirement gratuity		29,505	44,153
Dividend payable		1,397,815	405,430
Liability for unclaimed IPO application money		147	147
Total current liabilities		4,405,686	2,992,176
Total liabilities		4,728,308	3,308,564
Total equity and liabilities		12,695,854	11,479,624
Net Asset Value Per Share (NAVPS) Tk.	10a	171.80	176.18


Managing Director


Director


Chief Financial Officer


Company Secretary

Dhaka, 31 October 2019

Berger Paints Bangladesh Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited)
For the period from 1 April 2019 to 30 September 2019

	Taka in '000				
	Notes	Apr-Sep 2019	Apr-Sep 2018	Jul - Sep 2019	Jul - Sep 2018
Revenue-net		8,603,722	7,729,628	4,044,011	3,752,728
Cost of sales		(4,595,000)	(4,485,982)	(2,166,705)	(2,183,970)
Gross profit		4,008,722	3,243,646	1,877,306	1,568,758
Selling, distribution and warehousing expenses		(2,544,815)	(2,087,051)	(1,207,666)	(986,383)
Administrative and general expenses		(265,474)	(260,068)	(138,784)	(134,005)
Other operating expenses		(50,498)	(45,936)	(24,453)	(22,993)
Other operating income		110,112	111,776	56,052	58,341
Operating expenses		(2,750,675)	(2,281,279)	(1,314,851)	(1,085,040)
Operating income		1,258,047	962,367	562,455	483,718
Finance costs		(32)	(9,219)	(23)	(4,115)
Investment income		91,550	6,629	53,789	2,010
Net finance income		91,518	(2,590)	53,766	(2,105)
Other non-operating income		1,302	4,813	834	155
Share of profit of associates		19,974	15,273	14,986	6,435
		21,276	20,086	15,820	6,590
Income before WPPF and Tax		1,370,841	979,863	632,041	488,203
Workers' profit participation and welfare fund (WPPF)		(67,440)	(47,958)	(30,744)	(23,776)
Net income before tax		1,303,401	931,905	601,297	464,427
Current tax expenses		(341,234)	(248,136)	(152,930)	(127,121)
Deferred tax income/(expenses)	8a	(6,234)	(198)	(8,360)	3,522
		(347,468)	(248,334)	(161,290)	(123,599)
Net income	11a&12a	955,933	683,571	440,007	340,828
Basic earnings per share (EPS) Tk.	11a	20.61	14.74	9.49	7.35


Managing Director


Director


Chief Financial Officer


Company Secretary

Dhaka, 31 October 2019

Berger Paints Bangladesh Limited
Consolidated Statement of Changes in Equity (Unaudited)
For the period from 1 April 2019 to 30 September 2019

Taka. in '000

Particulars	Share capital	General reserve	Share premium	Retained earning	Total
Balance as at 01 April 2018	231,889	10,000	115,068	6,231,294	6,588,251
Dividend declared during the period	-	-	-	(463,779)	(463,779)
Stock dividend paid during the period	231,890	(10,000)	(115,068)	(106,822)	-
Net income for the period	-	-	-	683,571	683,571
Balance as at 30 September 2018	463,779	-	-	6,344,264	6,808,043
Balance as at 01 April 2019	463,779	-	-	7,707,281	8,171,060
Cash Dividend declared during the period	-	-	-	(1,159,447)	(1,159,447)
Net income for the period	-	-	-	955,933	955,933
Balance as at 30 September 2019	463,779	-	-	7,503,767	7,967,546



Managing Director



Director



Chief Financial Officer



Company Secretary

Dhaka, 31 October 2019

Berger Paints Bangladesh Limited
Consolidated Statement of cash flows (Unaudited)
For the period from 1 April 2019 to 30 September 2019

	Taka in '000	
	Apr-Sep 2019	Apr-Sep 2018
Cash flows from operating activities (A)		
Cash received from customers	8,598,204	7,769,857
Cash received from other operating income	182,449	117,427
Cash paid to suppliers and employees	(7,072,545)	(7,405,536)
Interest Paid	(32)	(9,219)
Income tax paid	(320,832)	(234,643)
Net cash flows from operating activities	11a&12a 1,387,244	237,886
Cash flows from investing activities (B)		
Capital expenditures	(632,377)	(745,998)
Investment in Berger Fosroc Ltd.	-	(4,043)
Proceeds from disposal of assets	4,073	8,762
Net cash used in investing activities	(628,304)	(741,279)
Cash flows from financing activities (C)		
Dividend paid	(167,062)	(66,966)
Net cash used in financing activities	(167,062)	(66,966)
Increase / (decrease) in cash and cash equivalents (D) = (A+B+C)	591,878	(570,359)
Opening cash and cash equivalents (E)	2,305,784	1,139,217
Closing net cash and cash equivalents (D+E)	2,897,662	568,858
Reconciliation of closing cash and cash equivalents:	As at	
	30 Sep 2019	30 Sep 2018
Short term deposit- more than three months	601,237	-
Cash and cash equivalents	2,296,425	568,858
Closing net cash and cash equivalents	2,897,662	568,858
Operating Cash Flows Per Share Tk.	11a 29.91	5.13


Managing Director


Director


Chief Financial Officer


Company Secretary

Dhaka, 31 October 2019

BERGER PAINTS BANGLADESH LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 Sep 2019

1 Status and nature of business

The Company was incorporated on 6 June 1973 under the Companies Act 1913. Company's shares are listed with Dhaka and Chittagong Stock Exchanges and are placed under "A" category. The principal activities of the Company are manufacturing and marketing of liquid, cement and powder paints & varnishes, emulsion and coating.

Berger Paints Bangladesh Limited holds 100% share of Jenson & Nicholson (Bangladesh) Limited - J&NBL. The principal activities of J&NBL are production and marketing of metal containers and printing of metal sheets.

Berger Paints Bangladesh Limited holds 49% share of Berger Becker Bangladesh Limited-BBBL. The principal activities of BBBL are manufacturing and marketing of coil coatings.

Berger Paints Bangladesh Limited has set up a joint venture company with Forsoc International Limited, United Kingdom in the name of "Berger Fosroc Limited" in Bangladesh, incorporated on 19 April 2018, for the purpose of carrying on the business to manufacture and sell construction chemicals. Berger Paints Bangladesh Limited has 50% share in the joint venture.

2 Basis of preparation

These financial statements have been prepared in accordance with the requirement of Bangladesh Accounting Standard 34 "Interim Financial Reporting" and the requirements of the Securities & Exchange Rules 1987.

	Taka in '000	
	30 Sep 2019	31 Mar 2019
3 Property, Plant and Equipment		
Property, Plant and Equipment - at cost	6,665,344	6,340,581
Accumulated depreciation	(2,778,826)	(2,559,253)
	<u>3,886,518</u>	<u>3,781,328</u>
3 a. Consolidated Property, Plant and Equipment		
Property, Plant and Equipment - at cost	7,564,526	7,064,965
Accumulated depreciation	(3,096,190)	(2,849,067)
	<u>4,468,336</u>	<u>4,215,898</u>
4 Inventories		
Raw materials	988,765	737,143
Semi-processed and bulk products	107,336	141,726
Packing materials	40,133	41,194
Finished goods	651,507	727,208
Stores & Promotional items	81,908	84,492
Stocks in transit	586,212	293,446
	<u>2,455,861</u>	<u>2,025,209</u>
4 a. Consolidated Inventories		
Raw materials	1,048,583	786,403
Semi-processed and bulk products	156,595	195,778
Packing materials	33,647	41,194
Finished goods	659,500	732,368
Stores & Promotional items	88,182	90,718
Stocks in transit	612,203	316,962
	<u>2,598,710</u>	<u>2,163,423</u>
5 Trade & other receivables		
Trade debtors -unsecured	1,694,114	1,706,709
General provision for bad & doubtful debts	(61,287)	(55,900)
	1,632,827	1,650,809
Other receivables	34,045	12,715
Considered to be good	<u>1,666,872</u>	<u>1,663,524</u>

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		Taka in '000	
		30 Sep 2019	31 Mar 2019
5 a. Consolidated Trade & other receivables			
Trade debtors -unsecured		1,719,216	1,722,878
General provision for bad & doubtful debts		(61,287)	(55,900)
		1,657,929	1,666,978
Intercompany receivables with Berger Becker Bangladesh Limited		14,259	20,480
Intercompany receivables with Berger Fosroc Limited		23,000	-
Other receivables		34,045	17,044
Considered to be good		<u>1,729,233</u>	<u>1,704,502</u>
6 Advances, deposits and prepayments			
Advance to employees		78,767	78,578
Advance to suppliers & others		202,507	187,703
VAT & Other deposit		(72,304)	148,230
Prepaid expenses		21,896	15,029
		<u>230,866</u>	<u>429,540</u>
6 a. Consolidated Advances, deposits and prepayments			
Advance to employees		80,753	80,283
Advance to suppliers & others		204,431	187,892
VAT & Other deposit		(72,128)	152,893
Prepaid expenses		22,146	15,986
		<u>235,202</u>	<u>437,054</u>
7 Cash and cash equivalents			
Term deposit accounts(FDR)-Three Months		1,650,000	800,000
Current and collection accounts		314,723	838,392
Operational account		263,365	225,880
Dividend account		12,242	11,068
Foreign currency accounts		41,215	11,664
IPO Fund with scheduled bank		395	392
In hand - cash		4,944	4,747
		<u>2,286,884</u>	<u>1,892,143</u>
7 a. Consolidated Cash and cash equivalents			
Term deposit accounts(FDR)-Three Months		1,650,000	800,000
Current and collection accounts		314,723	839,126
Short term deposit accounts		272,603	237,279
Dividend account		12,242	11,068
Foreign currency accounts		41,215	11,725
IPO Fund with scheduled bank		395	392
In hand - cash		5,247	4,957
		<u>2,296,425</u>	<u>1,904,547</u>
8 Deferred tax liabilities			
	<u>Carrying amount</u>	<u>Tax base</u>	<u>Taxable/(deductible)</u>
			<u>temporary difference</u>
Property, plant and equipment	2,885,090	1,852,458	1,032,632
Provision for employees' benefit plan	(15,399)		(15,399)
Provision for bad debts	(61,287)		(61,287)
Net temporary difference			<u>955,946</u>
Effective tax rate			25%
Deferred tax liabilities			<u>238,986</u>
Opening balance			242,259
Closing balance			238,986
Deferred tax expenses			<u>(3,273)</u>
8 a. Consolidated Deferred tax liabilities			
	<u>Carrying amount</u>	<u>Tax base</u>	<u>Taxable/(deductible)</u>
			<u>temporary difference</u>
Property, plant and equipment	3,452,558	2,166,950	1,285,608
Provision for employees' benefit plan	(29,415)		(29,415)
Provision for bad debts	(61,287)		(61,287)
Net temporary difference			<u>1,194,906</u>
Deferred tax liabilities			<u>322,622</u>
Opening balance			316,388
Closing balance			322,622
Deferred tax expenses			<u>6,234</u>

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Taka in '000	
Apr- Sep 2019	Apr- Sep 2018

12 Reconciliation of net income with cash flows from operating activities

Cash flows from operating activities under indirect method

Net income	896,452	642,499
Adjustment for non-cash items and others:		
Depreciation and Amortization	253,421	240,178
Other non-operating income	(790)	(4,813)
Deferred expenses	(3,273)	(1,660)
Changes in operating assets and liabilities		
(Increase)/Decrease in trade and other receivables	(3,348)	52,248
(Increase)/ Decrease in inventories	(430,652)	(472,259)
Increase/(Decrease) in trade and other payables	345,185	(299,831)
(Increase)/Decrease in inter-company receivable	23,220	2,036
(Increase)/Decrease advance, deposits and prepayments	198,674	28,954
Increase/(Decrease) in provision for royalty	46,919	41,177
Increase/(Decrease) in provision for gratuity	(15,300)	(13,190)
Increase/(Decrease) in provision for current tax	19,013	15,458
	<u>433,069</u>	<u>(411,702)</u>
Net cash flows from operating activities	<u>1,329,521</u>	<u>230,797</u>

12 a. Reconciliation of consolidated net income with consolidated cash flows from operating activities

Cash flows from operating activities under indirect method

Net income	955,933	683,571
Adjustment for non-cash items and others:		
Depreciation and Amortization	283,394	266,922
Other non-operating income	(1,302)	(4,813)
Share of profit of associates	(19,974)	(15,273)
Deferred tax expenses	6,234	198
Changes in operating assets and liabilities		
(Increase)/Decrease in trade and other receivables	(24,731)	39,251
(Increase)/ Decrease in inventories	(435,287)	(491,641)
Increase/(Decrease) in trade and other payables	368,452	(309,959)
(Increase)/Decrease advance, deposits and prepayments	201,852	27,772
Increase/(Decrease) in provision for royalty	46,919	41,177
Increase/(Decrease) in provision for gratuity	(14,648)	(12,812)
Increase/(Decrease) in provision for current tax	20,402	13,493
	<u>431,311</u>	<u>(445,685)</u>
Net cash flows from operating activities	<u>1,387,244</u>	<u>237,886</u>

13 Significant Deviation

The earnings per share (EPS) for second quarter ended 30 September 2019 increased significantly from same period of previous year as a result of decline in price of key raw materials and increase in net financial income.

The net operating cash flow per share (NOCFPS) increased significantly from same period of previous year mainly because of improvement in working capital management.

14 General

Figures appearing in these financial statements have been rounded off to the nearest thousand Taka.


Managing Director


Director


Chief Financial Officer


Company Secretary