

OLYMPIC INDUSTRIES LIMITED

Statement of Financial Position as at 30 September 2019

Particulars	Notes	Amount in Taka		
		30 September 2019	30 June 2019	
		Taka	Taka	
ASSETS				
Non-current Assets:				
Property, Plant & Equipment (at cost less accumulated depreciation)	03	2,701,061,402	2,754,848,741	(1.95)
Intangible Assets		1	1	-
Capital Work-in-progress		1,187,600,358	1,144,215,357	3.79
Current Assets:				
Inventories	04	1,241,582,497	1,253,065,390	(0.92)
Trade & Other Receivables	05	225,707,484	211,109,972	6.91
Advances, Deposits & Pre-payments		935,762,144	970,952,183	(3.62)
Investments	06	4,062,349,340	4,014,955,674	1.18
Cash & Cash Equivalents	07	804,260,075	608,038,640	32.27
		7,269,661,540	7,058,121,859	3.00
Total Assets		11,158,323,301	10,957,185,958	1.84
EQUITY & LIABILITIES				
Shareholders' Equity:				
Share Capital		1,999,388,860	1,999,388,860	-
Retained Earnings (As per Statement of Changes in Shareholders' Equity)		5,774,500,805	5,216,919,766	10.69
		7,773,889,665	7,216,308,626	7.73
Non-current Liabilities:				
Long-term Loan - Non- Current Portion		383,406,103	415,266,729	(7.67)
Deferred Tax Liability	08	141,187,732	143,975,785	(1.94)
		524,593,835	559,242,514	(6.20)
Total Equity & Non - current Liabilities		8,298,483,500	7,775,551,140	6.73
Current Liabilities & Provisions:				
Short-term Loans and Overdraft		820,993,054	1,411,757,914	(41.85)
Long-term Loans-Current Portion		251,035,767	240,191,007	4.52
Lease Finance-Current Portion		2,701,587	4,949,584	(45.42)
Interest Payable		490,033	367,531	33.33
Creditors for Goods		527,504,597	463,198,318	13.88
Creditors for Services		10,673,084	2,856,018	273.71
Accrued Expenses		155,508,752	129,827,919	19.78
Advance against Sales		241,732,325	246,596,537	(1.97)
Liabilities for Other Finance		138,501,893	74,502,706	85.90
Provision for Taxation		232,079,826	175,086,506	32.55
Unclaimed Dividend		205,576,988	205,720,139	(0.07)
Employee Benefit Obligations		273,041,895	226,580,639	20.51
		2,859,839,801	3,181,634,818	(10.11)
Total Liabilities		3,384,433,636	3,740,877,332	(9.53)
Total Equity & Liabilities		11,158,323,301	10,957,185,958	1.84

Dated, Dhaka
14 November 2019

OLYMPIC INDUSTRIES LIMITED

Statement of Profit or Loss and Other Comprehensive Income
for the 1st quarter ended 30 September 2019

		30 September 2019	30 September 2018	
		Taka	Taka	
Revenue	09	3,963,314,164	3,518,832,615	12.63
Cost of Sales	10	(2,644,903,536)	(2,371,124,121)	11.55
Gross Profit		1,318,410,628	1,147,708,494	14.87
Operating Expenses		(581,034,109)	(497,040,011)	16.90
Administrative Expenses		(79,065,323)	(88,595,146)	(10.76)
Selling Expenses		(501,968,786)	(408,444,865)	22.90
Profit from Operations		737,376,519	650,668,483	13.33
Finance Cost	11	(42,645,755)	(47,714,244)	(10.62)
		694,730,764	602,954,239	15.22
Other Income	12	92,029,557	74,114,212	24.17
Profit / (Loss) for the Period		786,760,321	677,068,451	16.20
Net changes in Fair Value of Investment in shares of listed companies	06.01	(896,868)	(662,037)	35.47
		785,863,453	676,406,414	16.18
Contribution to Workers' Profit Participation & Welfare Funds		(37,422,069)	(32,209,829)	16.18
Profit before Tax		748,441,384	644,196,585	16.18
Current Tax		(193,648,399)	(167,000,139)	15.96
Deferred Tax	08	2,788,054	2,050,547	35.97
		(190,860,345)	(164,949,592)	15.71
Profit after Taxation		557,581,039	479,246,993	16.35
Other Comprehensive Income		-	-	
Total Comprehensive Income		557,581,039	479,246,993	
Basic & Diluted Earnings Per Share (Par value Tk 10.00)	14	2.79	2.40	
Number of shares used to compute EPS		199,938,886	199,938,886	

Dated, Dhaka
14 November 2019

OLYMPIC INDUSTRIES LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2019

	Amount in Taka		
	Share Capital	Retained Earnings	Total
	Taka	Taka	Taka
Balance as on 01 July 2018	1,999,388,860	4,304,804,859	6,304,193,719
Net Profit for the 1st quarter ended 30 September 2018	-	479,246,993	479,246,993
Balance as on 30 September 2018	Tk. 1,999,388,860	4,784,051,852	6,783,440,712
Number of shares			199,938,886
Net Asset Value (NAV) Per Share			33.93
Balance as on 01 July 2019	1,999,388,860	5,216,919,766	7,216,308,626
Net Profit for the 1st quarter ended 30 September 2019	-	557,581,039	557,581,039
Balance as on 30 September 2019	Tk. 1,999,388,860	5,774,500,805	7,773,889,665
Number of shares at Balance Sheet Date			199,938,886
Net Asset Value (NAV) Per Share			38.88

Dated, Dhaka
14 November 2019

OLYMPIC INDUSTRIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019 Taka	30 September 2018 Taka	Changes(%)
A. Cash Flows from Operating Activities :			
Cash received from Customers & Others	3,947,722,105	3,638,042,341	8.51
Cash paid to Suppliers & Employees	(2,976,194,920)	(2,841,076,366)	4.76
Cash Generated from Operation	971,527,185	796,965,975	21.90
Bank Charges	(1,063,880)	(1,328,361)	(19.91)
Income Taxes paid	(136,655,079)	(106,079,261)	28.82
Net Cash flows from Operating Activities -(Note 15.i)	833,808,226	689,558,353	20.92
B. Cash Flows from Investing Activities :			
Acquisition of Capital Assets	(85,075,590)	(193,096,846)	(55.94)
Investments	(48,290,533)	(3,622,364)	1,233.12
Interest Received	87,411,392	49,828,906	75.42
Net Cash Used in Investing Activities	(45,954,731)	(146,890,304)	(68.71)
C. Cash Flows from Financing Activities:			
Short-term Loans	(590,764,860)	(407,835,096)	44.85
Long-term Loans	(21,015,866)	30,904,400	(168.00)
Lease Finance	(2,247,997)	(2,340,365)	(3.95)
Liabilities for Other Finance	63,999,187	(24,841,191)	(357.63)
Interest Paid	(41,459,373)	(46,144,523)	(10.15)
Dividend Paid	(143,151)	(1,115,427)	(87.17)
Net Cash used in financing activities	(591,632,060)	(451,372,202)	31.07
Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	196,221,435	91,295,847	114.93
Cash & Cash Equivalents at Opening	608,038,640	461,316,250	31.81
Cash & Cash Equivalents at Closing	804,260,075	552,612,097	45.54
Net Cash Flows from Operating Activities	833,808,226	689,558,353	
Number of shares used to compute Net Operating Cash Flow per share	199,938,886	199,938,886	
Net Operating Cash Flow per share	4.17	3.45	

OLYMPIC INDUSTRIES LIMITED
Notes to the financial statements
for the period from 01 July 2019 to 30 September 2019.

01. Company information

a) Legal form of the enterprise

Olympic Industries Limited (here-in-after referred to as 'Company') is a company incorporated and domiciled as a public limited company. The company was originally incorporated in Bangladesh in the name of 'Bengal Carbide Limited' on 26 June 1979, bearing registration number C-7096/826 of 1978-1979.

Subsequently in June 1996, the company's name was changed to 'Olympic Industries Limited'.

It commenced commercial operation in 1982 and went for public issue of shares in 1984. The shares of the company are now listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. in Bangladesh.

b) Nature of business activities and significant events

The company is engaged in manufacturing and marketing of dry cell batteries, biscuits, candies, confectionery items, carton and plastic products. The products are sold in local market as well as in abroad.

Plastic products and cartons are produced mainly for the company's own consumption and plastic products are also sold in the market to a limited scale.

c) Address of Registered Office, Corporate Office and Factories.

The Registered Office of the company is at Lolati, Kanchpur, P.S. Sonargaon in the district of Narayanganj.

The Corporate Office of the Company is at 62-63 Motijheel Commercial Area, Dhaka-1000.

The factories of the company are located at Kanchpur and Lolati respectively under P.S. Sonargaon & Bondar both in the district of Narayanganj.

02. Reporting and accounting policies & methods of computation

These financial statements cover the period from 1 July 2019 to 30 September 2019 and these have been prepared based on International Accounting Standards IAS 34: 'Interim Financial Reporting' and the same accounting policies and methods of computation as were adopted for the financial statements for the year ended 30 June 2019, have been followed for the same for the period under review.

03. Non-current assets :

	30 September 2019	30 June 2019
A) Tangible fixed assets at 30 September 2019 (Book Value)		
Land & Land development	250,869,087	250,869,087
Factory buildings & civil constructions	660,893,667	682,249,699
Plant & machinery	1,652,521,226	1,693,787,714
Office equipment	9,438,218	9,644,878
Furniture & fixtures	19,015,992	18,803,645
Transport & vehicles	108,323,212	99,493,718
	<u>2,701,061,402</u>	<u>2,754,848,741</u>
Capital Work-in-progress	1,187,600,358	1,144,215,357
Total of tangible fixed assets (note 03.01)	<u>3,888,661,760</u>	<u>3,899,064,098</u>
B) Intangible assets		
Represents Software (ERP) and arrived at as follows:		
Cost at 01 July 2016	32,264,325	32,264,325
Accumulated amortization (considering life to be 5 years) upto 30 June 2018	<u>(32,264,324)</u>	<u>(32,264,324)</u>
	<u>1</u>	<u>1</u>
Total of A + B	<u>3,888,661,761</u>	<u>3,899,064,099</u>

	30 September 2019	30 June 2019
03.0: Tangible fixed assets of Tk.3,888,661,760 (30 June 2019 Tk.3,899,064,098) as stated above has been arrived at as follow		
Book value at 01 July 2019 (including Capital-work-in-progress)	3,899,064,098	3,174,161,954
Acquisition during the period	85,075,590	1,058,249,807
	<u>3,984,139,688</u>	<u>4,232,411,761</u>
Disposal during the year (book value)	-	(6)
	<u>3,984,139,688</u>	<u>4,232,411,755</u>
Less : Depreciation for the period	(95,477,928)	(333,347,656)
Book value at 30 September 2019 (including Capital-work-in-progress)	<u>3,888,661,760</u>	<u>3,899,064,099</u>

03.0: Intangible assets represent Software (ERP) and were acquired in 2016 at a total cost of Tk.32,264,325. Those were amortized taking their life to be 5 (five) years. Amortization to the assets upto 30 June 2018 was Tk.32,264,324, thus leaving a book value of Tk.1.

04. Inventories :

(Value at lower of cost and net realisable value)

Materials	794,350,868	858,544,221
In-transit	205,565,604	136,485,212
Work-in-process	15,014,597	13,248,636
Finished goods	94,872,998	129,303,442
Stores & spares	131,778,430	115,483,879
	<u>1,241,582,497</u>	<u>1,253,065,390</u>

05. Trade & other receivables :

Trade debtors (note 05.01) 49,824,971 38,703,370

Other receivables being accrued interest on :

Fixed and Short-term deposits	161,460,642	158,700,635
Zero Coupon Bonds	14,421,871	13,705,967
	<u>175,882,513</u>	<u>172,406,602</u>
	<u>225,707,484</u>	<u>211,109,972</u>

05.0: Trade debtors include Tk.23,005,532 (equivalent US\$ 276,083.10) being the amount receivable from overseas customers.

Trade debtors also include Tk.1,085,671 being the amount receivable from Ambee Pharmaceuticals Ltd., an associated undertaking of the company.

06. Investments :

(i) Investment in fixed deposits with banks & other financial institution	3,970,236,494	3,907,371,201
(ii) Shares of Listed Companies & Mutual Funds - at fair value through Profit or Loss account (under IFRS 13:Fair Value Measurement)-note	13,731,353	14,628,220
(iii) Current account balance with Brokerage house (City Bank Capital Resources)	1,786,834	1,786,834
(iv) Zero Coupon Bonds issued by IPDC Finance Ltd.	76,594,659	91,169,419
	<u>4,062,349,340</u>	<u>4,014,955,674</u>

06.0: Shares of Listed Companies & Mutual Fund - at fair value

Particulars	Qty. of shares	Book Value	Fair Value	Fair Value (Loss)
Confidence Cement Ltd.	20,959	3,261,220	2,963,603	(297,617)
Dhaka Bank Ltd	682,500	9,282,000	8,667,750	(614,250)
Summit Power Ltd.	50,000	2,085,000	2,100,000	15,000
Total	<u>753,459</u>	<u>14,628,220</u>	<u>13,731,353</u>	<u>(896,867)</u>

Fair Value represents quoted price on 30 September 2019 of Dhaka Stock Exchange Ltd.

07. Cash & cash equivalents :

- (i) Cash in hand
(ii) Cash at banks in Current & STD accounts
(iii) Fixed deposits of maturity period 3 months or less periods

	30 September 2019	30 June 2019
	28,359,809	11,585,618
	666,415,907	481,968,663
	109,484,359	114,484,359
	<u>804,260,075</u>	<u>608,038,640</u>

08. Deferred tax liabilities

This has been calculated as under, based on the deductible/taxable temporary difference arising from the difference between the carrying amounts of the assets or liabilities and their tax bases in accordance with the provision of IAS 12 : Income Taxes

	30 September 2019			30 June 2019		
	Carrying amount on reporting date	Tax Base	Taxable temporary difference /(Deductible temporary difference)	Carrying amount on reporting date	Tax Base	Taxable temporary difference /(Deductible temporary difference)
Deferred tax relating to items of profit or loss						
Property, plant & equipment (Depreciable items)	2,450,192,317	1,777,810,328	672,381,989	2,503,979,654	1,829,445,944	674,533,710
Provision for gratuity	(107,631,063)	-	(107,631,063)	(98,630,570)	-	(98,630,570)
Net taxable temporary difference	Tk. 2,342,561,254	1,777,810,328	564,750,926	2,405,349,084	1,829,445,944	575,903,140
Applicable tax rate			25%			25%
Deferred tax liability relating items of profit or loss at the end of the period (a)			141,187,732			143,975,785
Deferred tax liability relating items of profit or loss at the beginning of the period (b)			143,975,785			123,429,925
Deferred tax income/(expense) recognized in profit or loss account			2,788,053			(20,545,860)

	30 September 2019	30 September 2018
09. Turnover :		
This comprises :		
Domestic sales (net of VAT Tk.370,701,317)	3,917,357,496	3,475,349,162
Export sales (Equivalent US\$ 551,505.40)	45,956,668	43,483,453
	<u>3,963,314,164</u>	<u>3,518,832,615</u>
10. Cost of goods sold :		
This has been arrived at as follows:		
Work-in-process (Opening)	13,248,636	13,549,153
Materials consumed	2,178,286,742	1,973,794,399
Stores consumed	32,409,732	33,475,759
Factory overhead	306,064,651	239,719,820
Depreciation	95,477,928	79,817,651
Work-in-process (Closing)	(15,014,597)	(12,768,018)
Cost of goods manufactured	2,610,473,092	2,327,588,764
Finished goods (Opening)	129,303,442	102,254,862
Finished goods (Closing)	(94,872,998)	(58,719,505)
	<u>2,644,903,536</u>	<u>2,371,124,121</u>
11. Finance cost :		
Bank charges	1,063,880	1,328,361
Interest expenses	41,581,875	46,385,883
	<u>42,645,755</u>	<u>47,714,244</u>

12. Other income :

Interest on fixed & short-term deposits	87,746,158	69,729,802
Interest on Zero Coupon Bonds issued by IPDC Finance Ltd.	3,141,145	2,435,391
Exchange Gain / (Loss) (arriving from offshore banking transaction)	(315,410)	(395,796)
Income/(Loss) on investment on portfolio management account maintained with City Bank Capital Resources Ltd.	0	1,290,761
Sale of by-products (net of VAT Tk.159,586)	1,063,910	894,054
Rental income & others	393,754	160,000
	<u>92,029,557</u>	<u>74,114,212</u>

13. Disclosure on Related Party Transactions (under IAS 24)

The nature of related party transactions and their values are as under:

Name of the related party	Nature of transactions	Opening Balance at 1 July 2018 Debit/(Credit)	Transactions during the period		Closing Balance at 30 September 2018 (Debit)/(Credit)
			Debit	(Credit)	
(i) Ambee Pharmaceutical Ltd.	Receivables & sales	1,085,671	-	-	1,085,671
(ii) Directors' (meeting fees)	Board meeting fees	(1,588,950)	-	(390,000)	(1,978,950)
(iii) Directors (Loan)	Loan from Directors	(1,967,088)	-	-	(1,967,088)

(iv) Short-term benefits to the Directors during the period.

Name of Director		Remuneration	Accommodation	Total
Mr. Mubarak Ali	Managing Director	3,000,000	2,250,000	5,250,000
Begum Sakwat Banu	Independent Director	600,000	-	600,000
		<u>3,600,000</u>	<u>2,250,000</u>	<u>5,850,000</u>

(v) Board meeting attendance fee of Tk.390,000 paid during the period to the Directors was as under :

Mr. Mubarak Ali,	Managing Director	130,000
Mrs. Noor Banu Virji,	Independent Director	130,000
Begum Sakwat Banu	Independent Director	130,000
		<u>390,000</u>

14. Earnings Per Share (EPS)

Basic Earnings per Share & Diluted Earnings Per Share are the same as there was no potential dilutive claims outstanding during the periods.

15.(i)

Reconciliation of Net Profit with Cash Flows from Operating Activities
making adjustments for Non-cash items, for Non-operating items
and for the Net changes in Operating Activities
during the 1st quarter ended 30 September 2019.

	30 September 2019	30 September 2018
Net Profit for the period before tax as per Profit or Loss and Other Comprehensive In	748,441,384	644,196,585
Adjustments for Non-cash items		
Depreciation & amortisation	95,477,928	79,817,651
	<u>843,919,312</u>	<u>724,014,236</u>
Bank charges	(1,063,880)	(1,328,361)
Income taxes paid	(136,655,079)	(106,079,261)
	<u>706,200,353</u>	<u>616,606,614</u>
Adjustments for Non-operating items :		
Finance cost	42,645,755	47,714,244
Changes in fair value of Investment in shares	896,867	662,037
Interest received & other adjustments	(90,887,302)	(73,455,954)
	<u>(47,344,680)</u>	<u>(25,079,673)</u>
Adjustments for Net changes in Operating Activities :		
(Increase) / Decrease in :		
Inventories	11,482,893	31,378,485
Advances to employees, suppliers & contracto	416,837	(51,584,074)
Deposits	30,695,661	10,316,320
Prepayments	4,077,541	(5,525,507)
Trade debtors	(11,121,601)	(8,001,113)
	<u>35,551,331</u>	<u>(23,415,889)</u>
Increase / (Decrease) in :		
Creditors for goods	64,306,279	(41,201,754)
Creditors for services	7,817,066	1,567,526
Accrued expenses	25,680,833	14,176,562
Advance against sales	(4,864,212)	126,552,581
Obligation against employee benefits	46,461,256	20,352,386
	<u>139,401,222</u>	<u>121,447,301</u>
Net Cash Flows from Operating Activities	Tk. 833,808,226	689,558,353

15.(ii) Effect of exchange rate changes on Cash & Cash Equivalents

There was no existence of any item for which 'Effect of Exchange Rate changes' on Cash & Cash Equivalents, be reported in terms of provision under paragraph 28 of IAS 7.

16. Post Balance Sheet Events - Disclosure under IAS - 10 : Events after Reporting Period :

Neither any 'Non-adjusting Events' nor any "Adjusting Events' took place after the reporting period.

17. Reasons for major variances of items in financial statements :

- (i) Advance against sales represents advances received from the company's distributors during the month of September 2019, against order placed by them, which liability has subsequently been liquidated.
- (ii) Decrease in loan & Lease liability is due to timely repayments to the banks and other financial institutions in terms of the repayment schedule of the agreement executed between them and the company.
- (iii) Changes in fair value of investments and Deferred tax liability have been disclosed in respective notes to the accounts (note - 06.01 & 08).
- (iv) Liabilities for Creditors for Services represent outstanding utility bills for September 2019, which have subsequently been paid.
- (v) Operating expenses have increased due to higher amount of turnover during the period under review.