

ATLAS BANGLADESH LIMITED

265-267, TONGI INDUSTRIAL AREA, TONGI, GAZIPUR

Half Year Un-Audited Financial Statements as at 31 December 2019

Please find below the provisional & un-audited Half Year Financial Statements for the period ended 31 December 2019 as per SEC Notification No.BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03,2018 & BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018.

Statement of Financial Position as at 31 December 2019 (Un-Audited)

Particulars	(Amount in Taka)	
	31 Dec. 2019	30 June 2019
ASSETS		
Non Current Assets (A)		
Property, Plant and Equipment (At cost less depreciation)		
Other Assets	3,801,484,148	3,801,931,087
Total		
CURRENT ASSETS (B)	3,801,484,148	3,801,931,087
Inventories		
Trade and Other Receivables	251,586,978	155,384,117
Advance, Deposit & Prepayments	78,837,571	168,722,034
Cash & Cash Equivalents	704,608,650	662,013,189
Total Current Assets	351,008,472	432,456,660
Total Assets (A+B)	1,386,041,671	1,416,576,009
	5,187,525,819	5,218,507,096
EQUITY & LIABILITIES		
SHARE HOLDERS EQUITY (A)		
Share Capital		
Share Premium	331,271,080	331,271,080
General Reserve	158,182,500	158,182,500
Revaluation reserve	18,000,000	18,000,000
Capital Reserve	3,634,259,600	3,634,544,670
Retained Earnings	5,215,219	5,215,219
Total Shareholders Equity	237,559,637	263,474,926
NON CURRENT LIABILITY (B)	4,384,488,035	4,410,688,395
Long Term Loan		
Obligatory Employee Retirement Benefit (Gratuity)	2,184,296	2,184,296
Deferred Tax Liability	97,508,995	102,215,390
Total Non Current Liabilities	153,210,271	153,254,558
CURRENT LIABILITIES (C)	262,903,662	257,654,244
Trade and Other Payables		
Unpaid Dividend	177,021,023	177,700,635
Provision for Taxation	56,959,001	57,019,150
Total Current Liabilities	316,154,198	315,444,672
TOTAL EQUITY & LIABILITIES (A+B+C)	550,134,222	550,164,467
Net Assets Value (NAV) (Tk.)	5,187,525,819	5,218,507,096
Net Assets Value (NAV) per share	4,384,488,035	4,410,688,395
	132	133

Statement of Profit or Loss and other Comprehensive Income (Un-Audited) for the period ended 31 December 2019

Particulars	(Amount in Taka)			
	For the period July 19 to December 19	Comparative period July 18 to Dec. 18	For the Period October 19 to December 19	Comparative Period October 18 to December 18
Net Sales				
Less: Cost of Sales	104,627,911	99,050,676	88,617,028	83,008,986
Gross Profit/(Loss)	(114,514,726)	(108,038,565)	(70,893,179)	(64,620,988)
Less: Admin, Selling & Distribution & Financial Exp.	(9,886,816)	(8,987,889)	(4,246,151)	(11,612,003)
Operating Income/(Loss)	(29,212,893)	(28,129,591)	(15,144,279)	(13,865,412)
Add: Non-Operating Income	(39,099,698)	(37,117,480)	(19,390,430)	(25,477,415)
Less: Profit cont. to W.P.P.F.	13,626,399	14,702,217	6,317,373	8,757,720
Net profit/(Loss) before Tax	(25,473,299)	(22,415,263)	(13,073,057)	(16,719,695)
Less: Income Tax Expenses	(705,963)	(677,971)	(435,246)	(368,327)
Current	709,526	692,517	437,606	370,600
Deferred	(3,563)	(4,546)	(2,360)	(2,273)
Net Profit/(Loss) after tax for the period	(26,179,262)	(23,093,234)	(13,508,303)	(17,088,022)
Earning per Share (EPS)	(0.79)	(0.70)	(0.41)	(0.52)

Statement of Cash Flows (Un-Audited) for the period ended 31 December 2019

Particulars	(Amount in Taka)	
	31-Dec-19	31-Dec-18
CASH FLOW FROM OPERATING ACTIVITIES		
Collection from Turnover and other Income		
Payment for Costs & Expenses	201,711,924	211,271,018
Income Tax paid and deducted at Source	(246,257,481)	(218,849,534)
Net cash used by operating activities	(36,250,972)	(4,937,478)
CASH FLOW FROM INVESTING ACTIVITIES	(80,796,529)	(12,515,984)
Acquisition of Fixed Assets		
Disposal of Fixed Assets	(591,520)	-
Net cash used by investing activities	(591,520)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Loan Repaid		
Dividend Paid		
Net cash used by financing activities	(60,148)	(537,644)
Net Cash inflows/(outflows) for the period	(60,148)	(537,644)
Opening Cash and Bank Balances	(81,448,197)	(13,053,638)
Closing Cash and Bank Balances	432,456,669	491,119,765
Net Operating Cash Flow Per Share (NOCFPS) (Tk.)	351,008,472	478,066,127
	(2.44)	(0.38)

Statement of changes in Equity (Un-Audited) for the period ended 31 December 2019

Particulars	(Amount in Taka)						
	Share Capital	Capital Reserve	General Reserve	Share Premium	Revaluation Reserve	Retained Earnings	Total
Balance at 1st July, 2019	331,271,080	5,215,219	18,000,000	158,182,500	3,634,544,670	263,474,926	4,410,688,395
Net profit/(Loss) after Tax for the period						(26,179,262)	(26,179,262)
Revaluation reserve transfer for dep.					(325,795)	325,795	0
Adjustment for deferred tax					40,725	-	40,725
Less/Add: Prior year's Exp./Income					-	(61,822)	(61,822)
Bonus Share (2016-2019)						-	-
Cash Dividend (2018-2019)						-	-
Balance as at 31 December 2019	331,271,080	5,215,219	18,000,000	158,182,500	3,634,259,600	237,559,637	4,384,488,035

Statement of changes in Equity (Un-Audited) for the comparative period ended 31 December 2018

Particulars	(Amount in Taka)						
	Share Capital	Capital Reserve	General Reserve	Share Premium	Revaluation Reserve	Retained Earnings	Total
Balance at 1st July, 2018	301,155,530	5,215,219	18,000,000	158,182,500	3,635,128,504	349,989,684	4,467,669,437
Net profit/(Loss) after Tax for the period						(23,093,234)	(23,093,234)
Revaluation reserve transfer for dep.					(387,890)	387,890	0
Adjustment for deferred tax					96,973	-	96,973
Less/Add: Prior year's Exp./Income					-	(2,558,070)	(2,558,070)
Bonus Share (2017-2018)	30,115,550					(30,115,550)	-
Cash Dividend (2017-2018)						-	-
Balance as at 31 December 2018	331,271,080	5,215,219	18,000,000	158,182,500	3,634,935,397	264,610,720	4,442,115,105

(Mohammad Mustakim Akanda)
CFO

(Sanjay Kumar Datta)
Company Secretary

(A N M Kamrul Islam)
Managing Director

(Md. Abdul Wahid)
Director

(Abul Kashem)
Director

ATLAS BANGLADESH LIMITED
Notes to the Half year un-audited & provisional Financial Statements
For the period ended 31 December 2019

1.00 (a) ABOUT THE COMPANY

Atlas Bangladesh Limited was incorporated as a private Limited Company in 1966 and thereafter as per Government's decision it was converted into a public limited company in 1987. The Company assembles motor cycle and imports spare parts. It also manufactures and markets some of those parts locally. In Bangladesh, Atlas Bangladesh Limited was the sole distributor of Honda Motor Company Limited, Japan, Hero Honda Motors Limited India, HMSI India and Atlas Honda Limited, Pakistan. After separation of business relation with Hero Honda Motors Ltd. ABL engage Distribution and Technical Assistance Agreement with Chongqing Zongshen Group I/E Crop, China. The assembled Motorcycle under this agreement, ABL is marketing under the trade mark of ZONGSHEN-ATLAS ABL also engaged a Memorandum of Understanding (MoU) on 24th May 2018, after that sign an agreement for five years on 11th February 2019 with TVS AUTO BANGLADESH LIMITED as a "Corporate Partner". Now ABL is engage in assembling and marketing TVS brand Motorcycles to the Corporate sector beside ZONGSHEN-ATLAS brand.

The shares of the Company are listed in the Dhaka Stock Exchange Limited, Bangladesh. The registered office of the Company is situated at 265-267 Tongi Industrial Area, Tongi, Gazipur.

(b) Components of the Financial Statements:

- (i) Statement of Financial Position
- (ii) Statement of Profit or Loss and other Comprehensive Income
- (iii) Statement of Changes in Equity
- (iv) Statement of Cash Flows
- (v) Accounting Policies and Explanatory Notes to the Financial Statements.

2.00 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

(a) Fundamental Accounting Concepts/ Assumption

The Half year un-audited & provisional financial statements have been prepared under historical cost convention on accrual basis and such other convention as required by IAS-1 & IAS-34 "Interim financial reporting" and IFRS for fair presentation of financial statements.

(b) Comparative Information:

Comparative information have been disclosed in respect of the Half year for the year 2019-2020 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period financial statement.

(c) Compliance with Local Laws:

The Half year un-audited & provisional financial statements have been prepared in compliance with requirements of the Companies Act, 1994, Securities and Exchange Ordinance 1993, Securities and Exchange Rules 1987, Listing regulations of Dhaka Stock Exchange Limited (DSE) and other relevant local laws and regulations.

(d) Reporting currency and Level of Precision:

The figures in the financial statements have been presented in Bangladesh taka (BDT/Tk.) currency and have been rounded off to the nearest taka where it found necessary.

(e) Reporting period:

Half year un-audited & provisional financial statements have been prepared covering half year from 1 July 2019 to 31 December 2019.

(f) Inventories:

The stocks of spares and raw materials have been valued at average prices and the stock of finished goods have been valued at cost or net realizable value whichever is lower.

Work-in-process have been valued at prices which include cost of materials plus all conversion costs.

(g) Income Tax Expenses

Current Tax:

Provision for Taxation has been made during the period applying the applicable rate as per Income Tax Ordinance 1984.

Deferred Tax:

Deferred Tax have been considered half year un-audited financial statements as per IAS 12.

(h) Cash and cash equivalents:

According to IAS 7 "Statement of Cash Flows" cash comprises of cash in hand, demand deposits and cash equivalents which are short term highly liquid investments that are readily convertible to cash and which are subject to an insignificant risk of changes in value. IAS 1 "Presentation of Financial Statements" provides that Cash and cash equivalents are not restricted in use. Considering the provision of IAS 7 & IAS 1, Cash in Hand & Bank Balances including FDR have been treated as Cash & cash equivalents. ABL has no foreign currency Bank Account. So, there was no unrealised gains or losses arising from changes in foreign currency exchange rates.

(i) Related Party Disclosures

There is no transactions with related parties carried out in the normal course of business in accordance with the requirements of IAS 24: Related Party Disclosures.

(j) Employee Benefit Plan

(i) Short Term Employee Benefits

Short-term employee benefits include salaries, bonuses etc.

(ii) Post-employment benefits:

The Company operates a contributory provident fund scheme, an unfunded gratuity scheme and a group insurance scheme for its permanent employees. Provisions have been made as per rules. The provident fund is administered by Board of Trustees. The gratuity is calculated based on 2 (two) months of last basic pay multiplied by the number of years served. Separate fund created for the gratuity. Separate pension scheme is administered by Bangladesh Steel and Engineering Corporation for Central Cadre Officer (Grad-9 & above) who are entitle for pension and the company contribute monthly 35% of basic salary of central cadre officer for this fund.

(iii) Workers' profit participation fund and workers welfare fund:

Allocation to workers' profit participation fund has been made at 5% on net profit before tax in terms of chapter-15 of the labor Law-2006. Of which 80% relates to Workers' Profit Participation Fund and 20% relates to Welfare Funds & workers welfare foundation Fund.

(k) Key Management Personnel Compensation:

i) Atlas Bangladesh limited is offloaded State own national organization and the Companies compensation packages has been provided as per the National Pay Scale approved by the Government.

ii) no amount was spent by the company for compensating any member of the Board of Directors except Managing Director.

iii) management personnel's compensation included in the Admin, Selling & Distribution & Financial Expenses.

(l) Disclosure regarding significant deviation in EPS and NOCFPS:

Due to higher purchase (local purchase) price of CKD (raw material) of TVS brand from TVS Auto Bangladesh Ltd. in comparison with Zongshen brand (import from China) during the period cost of sales is increase from previous period and gross profit margin is decreased from previous period. As a result negative significant deviation has occurred in EPS. Payment of trade payable, advance, Gratuity & inventories increased in comparison to previous period for this reason negative significant deviation has occurred in NOCFPS.

(m) There is no current portion of long-term loan.

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AMOUNT (IN TAKA)	
31.12.2019	30.06.2019

3.00 PROPERTY, PLANT AND EQUIPMENT : TK. 3,801,484,148

This is made up as follows:

At cost (A)

Opening balance

Addition during the period

3,933,621,792 3,931,991,141

591,520 1,830,651

3,934,213,312 3,933,621,792

Accumulated depreciation (B)

Opening balance

Charge during the period

131,690,705 129,215,672

1,038,459 2,475,033

132,729,164 131,690,705

Balance (A-B)

3,801,484,148 3,801,931,087

4.00 INVENTORIES : TK. 251,586,978

This is made up as follows:

Raw materials

Work-in progress

Finished goods

Store & spares

Store -in-transit

39,959,109 36,527,947

208,255,000 114,560,033

3,372,869 4,296,137

251,586,978 155,384,117

5.00 CASH AND CASH EQUIVALENTS : TK. 351,008,472

This is made up as follows:

Cash in hand

Cash at bank

246,622 112,409

350,761,850 432,344,260

351,008,472 432,456,669

6.00 DEFERRED TAX LIABILITY: TK. 153,210,271

Calculation of Deferred Tax :

A. Temporary difference:

Carrying value other than land

Tax base

Taxable temporary difference

9,058,241 9,203,552

7,784,224 7,915,284

1,274,017 1,288,268

Income Tax rate

25% 25%

Deferred Tax Liabilities at the end of the year

318,504 322,067

Closing Deferred Tax Liabilities

Opening Deferred Tax Liabilities

D. Tax (income) / expenses:

318,504 322,067

(322,067) (331,819)

(3,563) (9,752)

B. Revaluation:

Carrying Value

Land

Other than land

Tax rate:

Land

Other than land

Deferred Tax Liabilities at the end of the year:

Land

Other than land

3,788,005,000 3,788,005,000

5,486,285 5,649,163

4% 4%

25% 25%

151,520,200 151,520,200

1,371,566 1,412,291

152,891,766 152,932,491

152,891,766 152,932,491

(152,932,491) (153,126,436)

(40,725) (193,945)

153,210,271 153,254,558

Closing Deferred Tax Liabilities

Opening Deferred Tax Liabilities

D. Tax (income) / expense:

Deferred Tax Liabilities at the end of the year (A+B)

AMOUNT (IN TAKA)

31.12.2019	31.12.2018
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7.00 SALES (NET) : TK. 104,627,911

This is made up as follows:

Motor cycle

Spare parts

Gross sales

Less: VAT

Net Sales

118,216,886 113,301,060

1,778,190 2,052,111

119,995,076 115,353,171

15,367,165 16,302,495

104,627,911 99,050,676

8.00 RECONCILIATION OF NET (LOSS) WITH CASH FLOWS FROM OPERATING ACTIVITIES: TK. (80,796,529)

Profit/(Loss) before Tax

Adjustment for:

Add: Depr. on Property, Plant and Equipment

Add / (Less): (Incr.) / Decr. in Inventories

Add / (Less): (Incr.) / Decr. in Trade and Other Receivables

Add / (Less): (Incr.) / Decr. Adv. Deposits & Prepayment

Add / (Less): (Incr.) / (Decr.) in Trade and Other Payables/Liab./Prov.

Cash Provided/(used) by Operations

Less: Gratuity & others

Net Cash Provided/(used) by Operating Activities

(25,473,299) (22,415,263)

1,038,459 1,086,315

(96,202,861) 11,062,694

87,884,463 90,426,202

(42,595,461) (14,367,968)

29,914 (73,494,615)


(75,318,785) (7,702,635)

(5,477,744) (4,813,359)


(80,796,529) (12,515,994)


(Mohammad Mustakim Akanda)
CFO


(Sanjay Kumar Datta)
Company Secretary


(A N M Kamrul Islam)
Managing Director


(Md. Abdul Wahad)
Director


(Abul Kashem)
Director

ATLAS BANGLADESH LIMITED

265-267, Tongi Industrial area

Tongi, Gazipur-1710

UN-AUDITED FINANCIAL POSITION FOR THE 2ND QUARTER (HALF YEARLY) ENDED 31 DECEMBER 2019.

In compliance with the notification no. BSEC/CMRRCD/2006-158/207/admin/80 dated June 03, 2018 & BSEC/CMRRCD/2006-158/208/admin/81 dated 20 June, 2018 of the Bangladesh Securities and Exchange Commission. The Board approved the un-audited financial statements for the 2nd quarter (Half yearly) ended 31 December 2019.

Financial Performance	For the period from 01 July 2019 to 31 December 2019	For the period from 01 July 2018 to 31 December 2018	For the period from 01 October 2019 to 31 December 2019	For the period from 01 October 2018 to 31 December 2018
Net Sales (Tk)	104,627,911	99,050,676	66,617,028	53,008,985
Gross Profit/(Loss) (Tk)	(9,886,815)	(8,987,889)	(4,246,151)	(11,612,003)
Net Profit/(Loss) after tax (Tk)	(26,179,262)	(23,093,234)	(13,508,303)	(17,088,022)
Earnings per share (Tk)	(0.79)	(0.70)	(0.41)	(0.52)

Cash Flow Position	For the period from 01 July 2019 to 31 December 2019	For the period from 01 July 2018 to 31 December 2018
Net Operating cash flow (NOCFPS) per share (Tk)	(2.44)	(0.38)

Financial Position	As at 31 Dec. 2019	As at 30 June 2019
Net assets value (NAV) (Tk)	4,384,488,035	4,410,688,395
Net assets value (NAV) per share (Tk)	132	133

Note:

The details of the published Half Year financial statements are available in the website of the company. The address of the website is www.atlas.gov.bd

Date: 30-01-2020

By Order of the Board

Sd /-

(Sanjay Kumar Datta)

Company Secretary