

Reckitt Benckiser (Bangladesh) Limited

Interim Condensed Financial Statements
as at and for the period ended 30 September 2020
(Un-audited)

Reckitt Benckiser (Bangladesh) Limited
Condensed Statement of Financial Position
As at 30 September 2020

	30 Sept 2020 (Unaudited)	31 December 2019 (Audited)
	<u>BDT'000</u>	<u>BDT'000</u>
Assets		
Non-current assets		
Property, plant and equipment	593,929	484,557
Capital work-in-progress	79,185	24,787
Deferred tax assets	26,702	12,625
Total non-current assets	699,815	521,970
Current assets		
Inventories	451,006	451,118
Trade and other receivables	25,465	43,906
Advances, deposits and prepayments	85,158	26,496
Cash and cash equivalents	1,936,937	1,341,293
Total current assets	2,498,567	1,862,814
Total assets	3,198,382	2,384,784
Equity and liabilities		
Shareholders' equity		
Share capital	47,250	47,250
Retained earnings	468,144	626,714
Total equity	515,394	673,964
Non-current liabilities		
Employee benefits - gratuity	166,720	147,637
Lease liabilities	153,005	12,742
Total non-current liabilities	319,725	160,379
Current liabilities		
Trade and other payables	2,084,760	1,354,274
Lease liabilities	21,754	16,224
Provision for taxation	256,750	179,941
Total current liabilities	2,363,264	1,550,440
Total equity and liabilities	3,198,382	2,384,784


Salahuddin Mahmud
 Director


Sourav Mitra
 Director &
 Chief Financial Officer


Vishal Gupta
 Managing Director


Md. Nazmul Arefin
 Company Secretary



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Reckitt Benckiser (Bangladesh) Limited

**Condensed Statement of Profit or Loss and Other Comprehensive Income (Un-audited)
for the period ended 30 September 2020**

	1 January to 30 Sept 2020	1 January to 30 Sept 2019	1 July to 30 Sept 2020	1 July to 30 Sept 2019
	BDT'000	BDT'000	BDT'000	BDT'000
Revenue	4,037,985	3,337,116	1,452,274	1,179,720
Cost of sales	(1,810,387)	(1,436,046)	(672,586)	(504,547)
Gross profit	2,227,598	1,901,070	779,688	675,173
Other income/ (expenses)	(734)	983	(313)	(45)
Net operating expenses	(1,479,699)	(1,389,470)	(522,499)	(450,858)
Impairment loss reversal on trade receivables	(77)	573	(63)	197
	(1,480,509)	(1,387,914)	(522,875)	(450,706)
Profit from operation	747,089	513,156	256,813	224,467
Finance income	45,288	28,361	11,862	16,573
Finance cost	(8,331)	-	(3,023)	-
Profit before Contribution to WPPF	784,045	541,517	265,652	241,040
Contribution to WPPF	(37,335)	(25,787)	(12,650)	(11,479)
Profit before tax	746,710	515,730	253,002	229,561
Income tax expense	(314,656)	(194,627)	(92,684)	(84,600)
Profit after tax	432,055	321,102	160,318	144,961
Other comprehensive income	-	-	-	-
Total comprehensive income	432,055	321,102	160,318	144,961
Earnings per share				
Basic earnings per share (Taka)	91.44	67.96	33.93	30.68

Note:

1) Tax provision increased due to introduction of new finance act under Section 30(P) of ITO 1984

Salahuddin Mahmud
Director

Sourav Mitra
Director &
Chief Financial Officer

Vishal Gupta
Managing Director

Md. Nazmul Arefin
Company Secretary

Reckitt Benckiser (Bangladesh) Limited
Condensed Statement of changes in equity (Un-audited)
for the period ended 30 September 2020

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	BDT'000	BDT'000	BDT'000
Balance as at 1 January 2020	47,250	626,714	673,964
Final cash dividend for the year 2019	-	(590,625)	(590,625)
Total comprehensive income for the nine months period ended 30 September 2020:			
Profit for the period	-	432,055	432,055
Other comprehensive income	-	-	-
Balance as at 30 Sept 2020	47,250	468,144	515,394

Balance as at 1 January 2019	47,250	338,428	385,678
Final cash dividend for the year 2018	-	(330,750)	(330,750)
Total comprehensive income for the nine months period ended 30 September 2019:			
Profit for the period	-	321,102	321,102
Other comprehensive income	-	-	-
Balance as at 30 Sept 2019	47,250	328,781	376,031

Reckitt Benckiser (Bangladesh) Limited
Condensed Statement of cash flows (Un-audited)
for the period ended 30 September 2020

	1 January to 30 Sept 2020	1 January to 30 Sept 2019
	<u>BDT'000</u>	<u>BDT'000</u>
Cash Flows from operating activities		
Receipts from customers	4,683,712	3,496,143
Payment to suppliers, employees and others	(3,216,898)	(2,705,260)
Cash generated from operating activities	1,466,814	790,883
Income taxes paid	(237,847)	(175,644)
Net cash from operating activities	1,228,967	615,239
Cash flows from investing activities		
Purchase of property, plant and equipment	(66,676)	(54,505)
Proceeds from disposal of property, plant and equipment	6,313	1,130
Income from investment during the period	44,411	21,896
Net cash used in investing activities	(15,952)	(31,480)
Cash flows from financing activities		
Dividend paid	(590,625)	(330,750)
Payment of lease liabilities	(26,746)	
Net cash used in financing activities	(617,371)	(330,750)
Net (decrease)/increase in cash and cash equivalents	595,644	253,009
Cash and cash equivalents as at 1 January	1,341,293	949,871
Cash and cash equivalents as at 30 June	1,936,937	1,202,880

Reckitt Benckiser (Bangladesh) Limited
Notes to the interim condensed financial statements
as at and for the period ended 30 September 2020

1. Reporting entity

Reckitt Benckiser (Bangladesh) Limited (the 'Company') was incorporated on 15 April 1961 in erstwhile East Pakistan (became independent in 1971 as Bangladesh) under the Companies Act 1913 (as amended in 1994) as "Robinson's Foods (Pakistan) Limited". The name of the Company was changed to "Robinson's Foods (Bangladesh) Limited" under a special resolution on 24 August 1972. In 20 March 1986 in an extra-ordinary general meeting the name of the Company was again changed to Reckitt & Colman Bangladesh Limited. Finally, after the merger with Benckiser, in accordance with parent company, the name of the Company was again changed to Reckitt Benckiser (Bangladesh) Limited, under an extra-ordinary general meeting held on 9 November 2000. It is a public limited company and its shares are listed on Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

The address of the Company's registered office is 58/59 Nasirabad Industrial Area, Chittagong.

The Company is engaged in manufacturing and marketing of household and toiletries, pharmaceuticals and food products.

2. Basis of preparation

These condensed interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34: Interim Financial Reporting, the Companies Act 1994, the Securities and Exchange Rules 1987, relevant guidelines issued by the Bangladesh Securities and Exchange Commission and other applicable laws in Bangladesh.

These financial statements are authorised for issue by the Company's board of directors on 28 October 2020.

3. Functional and presentational currency

These condensed interim financial statements are presented in Taka/Tk./BDT, which is the Company's functional currency. The amounts in these condensed interim financial statements have been rounded off to the nearest BDT in thousand (BDT'000) except otherwise indicated.

4. Significant accounting policies

The same accounting policies and methods of computation have been followed in these condensed interim financial information as were applied in the preparation of the financial statements of Reckitt Benckiser (Bangladesh) Limited as at and for the year ended 31 December 2019.

5. Share capital

	As at	As at
	30 September 2020	31 December 2019
	BDT'000	BDT'000
130,000 ordinary shares of Taka 10 each fully paid up in cash	1,300	1,300
20,000 ordinary shares of Taka 10 each fully paid up in other than cash	200	200
4,575,000 ordinary shares of Taka 10 each fully paid bonus share	45,750	45,750
	47,250	47,250
Authorised		
25,000,000 ordinary shares of Taka 10 each	250,000	250,000

i. Position of shareholding

Name of the shareholders	Number of shares Unit	At 30 September 2020		At 31 December 2019	
		Face value Taka	Percentage of holding %	Face value Taka	Percentage of holding %
Parent company					
Reckitt Benckiser plc, UK	3,919,918	39,199	82.96	39,199	82.96
Bangladeshi shareholders:					
ICB Unit Fund	5,329	53	0.11	168	0.36
Investment Corporation of Bangladesh	15,774	158	0.33	158	0.33
ICB Mutual Funds	50	1	0.00	3	0.01
Individuals	292,870	2,929	6.20	3,225	6.83
Government of Bangladesh	178,339	1,783	3.77	1,783	3.77
Sadharan Bima Corporation (SBC)	79,059	791	1.67	791	1.67
Other institutions	233,661	2,337	4.95	1,923	4.07
	4,725,000	47,250	100.00	47,250	100

ii. Classification of shareholders by holdings

Holdings	At 30 September 2020		At 31 December 2019	
	Number of holders	Percentage of holdings	Number of holders	Percentage of holdings
Less than 500 shares	1,670	2.16	2434	3.12
500 to 5,000 shares	100	2.85	93	2.18
5,001 to 10,000 shares	5	0.80	6	0.94
10,001 to 20,000 shares	5	1.68	4	1.25
20,001 to 30,000 shares	0	0.00	0	0.00
30,001 to 40,000 shares	0	0.00	0	0.00
40,001 to 50,000 shares	0	0.00	0	0.00
50,001 to 100,000 shares	2	3.00	2	3.00
100,001 to 1,000,000 shares	2	6.55	2	6.55
Over 1,000,000 shares	1	82.96	1	82.96
	1785	100.00	2542	100.00

6. Net asset value per share

	As at 30 September 2020	As at 31 December 2019
Net Asset (BDT)	515,393,595	673,964,444
Weighted average number of ordinary shares outstanding during the period	4,725,000	4,725,000
Net asset value per share (par value BDT 10 each) (BDT)	109.08	142.64

7. Earnings per share

A. Basic earnings per share

	1 January to 30 September 2020	1 January to 30 September 2019
Profit attributable to ordinary shareholders (BDT)	432,054,595	321,102,330
Weighted-average number of ordinary shares outstanding	4,725,000	4,725,000
Basic earnings per share (par value BDT 10 each) (BDT)	91.44	67.96

B. Diluted earnings per share

No diluted earnings per share is required to be calculated for the period as there was no scope for dilution during the period.



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8. Net operating cash flow per share

	<u>1 January to 30 September 2020</u>	<u>1 January to 30 September 2019</u>
Net operating cash flow (BDT)	1,228,966,900	615,238,842
Weighted average number of ordinary shares outstanding during the period	4,725,000	4,725,000
Net operating cash flow per share (par value BDT 10 each) (BDT)	<u>260.10</u>	<u>130.21</u>

9. Reconciliation of net operating cash flow:

	<u>1 January to 30 September 2020 BDT'000</u>	<u>1 January to 30 September 2019 BDT'000</u>
Profit after tax	432,055	321,102
Income tax expense	314,656	194,627
Profit before tax	<u>746,710</u>	<u>515,730</u>
Adjustment for:		
Depreciation & Amortization	100,043	80,378
(Gain)/Loss on Sale of Fixed Assets	734	(983)
Other non-cash adjustment	77	(573)
Other non-operating adjustments	<u>(45,288)</u>	<u>(28,361)</u>
	<u>802,276</u>	<u>566,191</u>
Changes in:		
Inventories	112	(42,663)
Trade and other receivables	18,441	28,977
Trade and other payables	704,647	238,233
Increase in advances, deposits and prepayments	<u>(58,662)</u>	<u>145</u>
Cash generated from operating activities	<u>1,466,814</u>	<u>790,883</u>
Income tax paid	<u>(237,847)</u>	<u>(175,644)</u>
Net cash generated by operating activities	<u>1,228,967</u>	<u>615,239</u>

11 Comparative figures

To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged whenever considered necessary to conform to current period's presentation.