

**BALANCE SHEET**

AS AT 31 DECEMBER 2004

	Notes	<i>Tk. in thousand</i>	
		<b>31 Dec. 04</b>	31 Dec. 03
<b>Fixed Assets</b>	2	<b>245,754</b>	<b>126,774</b>
<b>Current Assets</b>			
Inventories	3	703,009	589,757
Trade debtors	4	126,550	127,752
Advance, deposits and prepayments	5	68,578	51,323
Investment CDBL		1,000	1,000
Cash & Bank balances	6	35,138	13,805
		<b>934,275</b>	<b>783,637</b>
<b>Less: Current Liabilities</b>			
Working capital loan	7	750,230	617,805
Sundry creditors	8	137,561	34,552
Provision for income-tax	18	15,811	7,414
Proposed dividend		15,000	10,500
		<b>918,602</b>	<b>670,271</b>
<b>Net Current Assets</b>		<b>15,673</b>	<b>113,366</b>
<b>Net Assets</b>		<b>261,427</b>	<b>240,140</b>
<b>Financed by:</b>			
<b>Shareholders' equity:</b>			
Share Capital	9	75,000	75,000
Share Premium		68,805	68,805
Tax Holiday Reserve		12,206	12,206
Retained Earnings		34,627	8,055
Total Shareholders' Equity		<b>190,638</b>	<b>164,066</b>
<b>Loan Funds:</b>			
Term Loan (Secured)	10	70,789	76,074
		<b>261,427</b>	<b>240,140</b>

Sd/-  
**(Syed Nasim Manzur)**  
Managing Director

Sd/-  
**(Munize Manzur Khasru)**  
Director

Sd/-  
**(S.M. Shahjahan)**  
Company Secretary

*This is the Balance Sheet referred to in our report of same date.  
The annexed notes form part of these accounts.*

Sd/-  
**(Haque Shahalam Mansur & Co.)**  
Chartered Accountants  
May 10, 2005



# PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2004

Tk. In thousand

	<u>Notes</u>	<b>Year Ended 31 Dec. 04</b>	Year Ended 31 Dec. 03
I	<b>Sales</b>	1,723,501	915,853
	Less: VAT and Duty	19,684	18,804
		<b>1,703,817</b>	<b>897,049</b>
II	<b>Cost of Sales</b>		
	Cost of Goods Sold	1,474,905	750,172
	Freight & Forwarding	38,618	20,521
		<b>1,513,523</b>	<b>770,693</b>
III	<b>Gross Profit</b>	<b>190,294</b>	<b>126,356</b>
IV	<b>Fixed Expenses</b>		
	Marketing & Administration	61,643	41,575
	Bank Interest & Charges	70,454	59,531
	Directors' Remuneration	960	960
	Commission	2,016	3,864
	Legal & Audit Fees	1,179	2,671
	<b>Total</b>	<b>136,252</b>	<b>108,601</b>
V	Profit before WP & WF	54,042	17,755
VI	Provision for Contribution to WP&WF	(2,573)	(845)
VII	Pre-tax Profit	51,469	16,910
VIII	Provision for Tax (Export Sales)	(7,044)	(2,283)
IX	Provision for Tax (Local Sales)	(1,353)	(507)
X	<b>Net Profit after Tax</b>	<b>43,072</b>	<b>14,120</b>
XI	<b>Appropriations</b>		
	Previous Year's Retained Earnings	8,055	5,485
	Dividend	(15,000)	(10,500)
	Dividend Distribution Tax	(1,500)	(1,050)
	<b>Total</b>	<b>(8,445)</b>	<b>(6,065)</b>
XII	<b>Retained Earnings</b>	34,627	8,055
XIII	<b>Earning per Share (Par value Tk. 100/-)</b>	57.43	18.83

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Managing Director

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Director

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Company Secretary

This is the Profit & Loss Account referred to in our report of same date.  
The annexed notes form part of these accounts.

Sd/-  
**(Haque Shahalam Mansur & Co.)**  
Chartered Accountants  
May 10, 2005



## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2004

	<i>Tk in thousand</i>	
	<b>Year Ended 31 Dec. 04</b>	Year Ended 31 Dec. 03
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Collections from turnover/bills receivable and other income	1,724,703	852,928
Payments for purchase of leather, accessories, components & Payments of creditors and other expenses	(1,685,420)	(904,354)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of fixed assets	(134,590)	(19,740)
CDBL Share	0	(1,000)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Term loan received/(repaid)	(5,285)	(14,281)
Loan received/(repaid)	132,425	102,198
Dividend paid	(10,500)	(7,500)
<b>Net cash inflow/(outflow) for the period</b>	<b>21,333</b>	<b>8,251</b>
Opening cash and bank balances	13,805	5,554
Closing cash and bank balances	35,138	13,805

Sd/-  
**(Syed Nasim Manzur)**  
*Managing Director*

Sd/-  
**(Munize Manzur Khasru)**  
*Director*

Sd/-  
**(S.M. Shahjahan)**  
*Company Secretary*

Sd/-  
**(Haque Shahalam Mansur & Co.)**  
*Chartered Accountants*  
May 10, 2005



## STATEMENT OF CHANGES IN EQUITY

As at 31 December 2004

<u>Particulars</u>	<u>Share Capital</u> Taka	<u>Share Premium</u> Taka	<u>Reserve for Re-investment</u> Taka	<u>Retained Earnings</u> Taka	<u>Total</u> Taka
As at January 01, 2004	75,000,000	68,804,919	12,206,339	8,054,526	164,065,784
Net Profit after tax this year	-	-	-	43,071,260	43,071,260
Proposed Dividend	-	-	-	(15,000,000)	(15,000,000)
Dividend Distribution Tax	-	-	-	(1,500,000)	(1,500,000)
As at December 31, 2004	<u>75,000,000</u>	<u>68,804,919</u>	<u>12,206,339</u>	<u>34,625,786</u>	<u>190,637,044</u>

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*Managing Director*

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*Director*

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May 10, 2005

