

**BALANCE SHEET**

AS AT 31 DECEMBER 2005

		<i>Taka in thousand</i>	
	Notes	<b>Year Ended 31 Dec. 05</b>	Year Ended 31 Dec. 04
<b>Fixed Assets</b>	2	<b>243,817</b>	<b>245,754</b>
<b>Current Assets</b>			
Inventories	3	671,567	703,009
Trade debtors	4	170,051	126,550
Advance, deposits and prepayments	5	91,485	68,578
Investment CDBL		1,000	1,000
Cash & Bank balances	6	26,392	35,138
		<b>960,495</b>	<b>934,275</b>
<b>Less: Current Liabilities</b>			
Working capital loan	7	738,619	750,230
Sundry creditors	8	151,655	137,561
Provision for income-tax	17	24,307	15,811
Proposed dividend		16,500	15,000
		<b>931,081</b>	<b>918,602</b>
<b>Net Current Assets</b>		<b>29,414</b>	<b>15,673</b>
<b>Net Assets</b>		<b>273,231</b>	<b>261,427</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		63,574	34,627
Total Shareholders' Equity		<b>219,585</b>	<b>190,638</b>
<b>Loan Funds:</b>			
Term Loan (Secured)	10	53,646	70,789
		<b>273,231</b>	<b>261,427</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*  
March 21, 2006



# PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2005

*Taka in thousand*

	<u>Notes</u>	<b>Year Ended 31 Dec. 05</b>	Year Ended 31 Dec. 04
I	<b>Sales</b>	2,191,504	1,723,501
	Less: VAT and Duty	12,329	19,684
		<b>2,179,175</b>	<b>1,703,817</b>
II	<b>Cost of Sales</b>		
	Cost of Goods Sold	1,931,736	1,474,905
	Freight & Forwarding	31,307	38,618
		<b>1,963,043</b>	<b>1,513,523</b>
III	<b>Gross Profit</b>	<b>216,132</b>	<b>190,294</b>
IV	<b>Fixed Expenses</b>		
	Marketing & Administration	76,646	61,643
	Bank Interest & Charges	80,955	70,454
	Directors' Remuneration	1,200	960
	Commission	0	2,016
	Legal & Audit Fees	690	1,179
	<b>Total</b>	<b>159,491</b>	<b>136,252</b>
V	Profit before WP & WF	56,641	54,042
VI	Provision for Contribution to WP&WF	(2,697)	(2,573)
VII	Pre-tax Profit	53,944	51,469
VIII	Provision for Tax (Export Sales)	(7,687)	(7,044)
IX	Provision for Tax (Local Sales)	(809)	(1,353)
X	<b>Net Profit after Tax</b>	<b>45,448</b>	<b>43,072</b>
XI	<b>Appropriations</b>		
	Previous Year's Retained Earnings	34,626	8,055
	Dividend	(16,500)	(15,000)
	Dividend Distribution Tax	0	(1,500)
	<b>Total</b>	<b>18,126</b>	<b>(8,445)</b>
XII	<b>Retained Earnings</b>	63,574	34,626
XIII	<b>Earning per Share (Par value Tk. 100/-)</b>	60.60	57.43

Sd/-

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*Director*

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*Company Secretary*

Sd/-

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*Chartered Accountants*

March 21, 2006

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## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2005

	<i>Tk in thousand</i>	
	<b>Year Ended 31 Dec. 05</b>	Year Ended 31 Dec. 04
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Collections from turnover/bills receivable and other income	2,148,003	1,724,703
Payments for purchase of leather, accessories, components & Payments of creditors and other expenses	(2,084,124)	(1,685,420)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of fixed assets	(28,871)	(134,590)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Term loan received/(repaid)	(17,143)	(5,285)
Loan received/(repaid)	(11,611)	132,425
Dividend paid	(15,000)	(10,500)
<b>Net cash inflow/(outflow) for the period</b>	<b>(8,746)</b>	<b>21,333</b>
Opening cash and bank balances	35,138	13,805
Closing cash and bank balances	26,392	35,138

Sd/-  
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*Managing Director*

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**(Munize Manzur Khasru)**  
*Director*

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*Company Secretary*

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March 21, 2006



## STATEMENT OF CHANGES IN EQUITY

As at 31 December 2005

<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, 2005	75,000,000	68,804,919	12,206,339	34,625,786	190,637,044
Net Profit after tax this year	-	-	-	45,448,435	45,448,435
Proposed Dividend	-	-	-	(16,500,000)	(16,500,000)
As at December 31, 2005	<u>75,000,000</u>	<u>68,804,919</u>	<u>12,206,339</u>	<u>63,574,221</u>	<u>219,585,479</u>

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