



Khulna Power Company Ltd.

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30 January 2017

The Chairman
Bangladesh Securities and Exchange Commission
Dhaka

The Chief Regulatory Officer
Dhaka Stock Exchange Ltd
Dhaka

The Chief Regulatory Officer
Chittagong Stock Exchange Ltd
Chittagong

Subject: Second quarter financial statements (unaudited) for the period ended 31 December 2016.

Dear Sir,

This is for your kind information that the Board of Directors of Khulna Power Company Ltd (KPCL) in its 101st meeting held today, the 30 January 2017 at 6.00 pm, considered the un-audited Financial Statements of the Company for the second quarter ended 31 December 2016 and in compliance with SEC letter No. SEC/CFD/Misc./233/2004/615 dated 02 February 2010 and Regulation 17 of Dhaka and Chittagong Stock Exchange (Listing) Regulations 2015, we are pleased to enclose the relevant Financial Statements duly approved by the Board for your kind perusal.

Thanking you,

By order of the Board of Directors,


Md. Shoharab Ali Khan, FCMA
Company Secretary

Encl: Second Quarterly Financial Statements (Un-audited) for the period ended 31 Dec 2016.

Khulna Power Company Ltd.

Financial statements
as at and for the period ended 31 December 2016
(Unaudited)

Khulna Power Company Ltd.
Statement of financial position (Unaudited)

<i>In Taka</i>	31 December 2016	30 June 2016
Assets		
Property, plant and equipment	7,900,177,131	8,066,468,690
Non-current assets	7,900,177,131	8,066,468,690
Inventories	1,465,949,063	1,412,512,087
Trade and other receivables	2,723,487,203	2,571,838,589
Advances, deposits and prepayments	351,985,004	320,710,509
Cash and cash equivalents	1,910,821,166	1,706,533,141
Current assets	6,452,242,436	6,011,594,326
Total assets	14,352,419,567	14,078,063,016
Equity		
Share capital	3,612,847,090	3,612,847,090
Capital redemption reserve	325,647,810	325,647,810
Retained earnings	5,870,012,518	4,959,773,972
Total equity	9,808,507,418	8,898,268,872
Liabilities		
Loans and borrowings	-	-
Deferred tax liability	241,073,673	221,073,673
Employee benefits	21,110,383	25,246,834
Asset retirement obligation (ARO)	30,170,359	30,170,359
Non-current liabilities	292,354,415	276,490,866
Loans and borrowings	3,606,489,394	3,353,470,736
Trade and other payables	155,942,396	1,038,673,326
Unclaimed dividend	28,125,944	112,659,216
Provision for income tax	461,000,000	398,500,000
Current liabilities	4,251,557,734	4,903,303,278
Total liabilities	4,543,912,149	5,179,794,144
Total equity and liabilities	14,352,419,567	14,078,063,016
Net asset value per share (NAVPS)	27.15	24.63
Restated net asset value per share (NAVPS)		24.63


Chairman


Managing Director



Director


Chief Financial Officer &
Company Secretary

Dhaka, 30 January 2017

Khulna Power Company Ltd.
Statement of profit or loss and other comprehensive income (Unaudited)

<i>In Taka</i>	Half-year ended		Quarter ended	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
Revenue	4,396,821,633	5,452,402,430	1,840,286,887	2,205,628,288
Cost of sales	(3,320,944,022)	(3,834,018,313)	(1,357,894,924)	(1,415,459,694)
Gross profit	1,075,877,611	1,618,384,117	482,391,963	790,168,594
Other income/(expense)	3,039,928	20,513,186	2,002,694	20,972,431
General and administrative expenses	(52,938,875)	(279,754,245)	(29,890,822)	(254,936,975)
Operating profit	1,025,978,664	1,359,143,058	454,503,835	556,204,050
Foreign exchange gain/(loss)	(11,907,591)	(8,867,820)	(14,636,139)	(25,164,570)
Finance income	47,662,164	59,341,265	28,722,169	45,877,156
Finance costs	(68,994,691)	(95,406,598)	(34,179,684)	(85,194,536)
Profit before tax	992,738,546	1,314,209,905	434,410,181	491,722,100
Income tax expense	(82,500,000)	(303,114,318)	(37,500,000)	(235,114,318)
Profit for the period	910,238,546	1,011,095,587	396,910,181	256,607,782
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	910,238,546	1,011,095,587	396,910,181	256,607,782
Earnings per share (EPS)	2.52	2.80	1.10	0.71
Restated earnings per share (EPS)		2.80		0.71


Chairman
Dhaka, 30 January 2017


Managing Director


Director


Chief Financial Officer &
Company Secretary

Khulna Power Company Ltd.
Statement of changes in equity

<i>In Taka</i>	For the half-year ended 31 December 2016			
	Share capital	Capital redemption reserve	Retained earnings	Total
Balance at 1 July 2016	3,612,847,090	325,647,810	4,959,773,972	8,898,268,872
Total comprehensive income/(loss) for the period				
Profit for the period	-	-	910,238,546	910,238,546
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income for the period	-	-	910,238,546	910,238,546
Transaction with owners of the Company				
Contributions and distributions				
Dividend	-	-	-	-
Total contributions and distributions	-	-	-	-
Total transaction with owners of the Company	-	-	-	-
Balance at 31 December 2016	3,612,847,090	325,647,810	5,870,012,518	9,808,507,418
	For the six-month period ended 30 June 2016			
<i>In Taka</i>	Share capital	Capital redemption reserve	Retained earnings	Total
Balance at 1 January 2016	3,612,847,090	325,647,810	5,262,136,974	9,200,631,874
Total comprehensive income/(loss) for the period				
Profit for the period	-	-	1,142,775,834	1,142,775,834
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income for the period	-	-	1,142,775,834	1,142,775,834
Transaction with owners of the Company				
Contributions and distributions				
Dividend	-	-	(1,445,138,836)	(1,445,138,836)
Total contributions and distributions	-	-	(1,445,138,836)	(1,445,138,836)
Total transaction with owners of the Company	-	-	(1,445,138,836)	(1,445,138,836)
Balance at 30 June 2016	3,612,847,090	325,647,810	4,959,773,972	8,898,268,872
	For the year ended 31 December 2015			
<i>In Taka</i>	Share capital	Capital redemption reserve	Retained earnings	Total
Balance at 1 January 2015	3,612,847,090	325,647,810	4,301,901,778	8,240,396,678
Total comprehensive income/(loss) for the year				
Profit for the year	-	-	2,405,374,032	2,405,374,032
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income for the year	-	-	2,405,374,032	2,405,374,032
Transaction with owners of the Company				
Contributions and distributions				
Dividend	-	-	(1,445,138,836)	(1,445,138,836)
Total contributions and distributions	-	-	(1,445,138,836)	(1,445,138,836)
Total transaction with owners of the Company	-	-	(1,445,138,836)	(1,445,138,836)
Balance at 31 December 2015	3,612,847,090	325,647,810	5,262,136,974	9,200,631,874

Khulna Power Company Ltd.
Statement of cash flows

<i>In Taka</i>	Half-year ended	
	31 December 2016	31 December 2015
Cash flows from operating activities		
Cash received from customer (BPDB)	3,862,922,975	6,445,631,055
Cash paid to suppliers	(702,138,528)	(2,799,845,349)
Received from other sources	17,688,392	(16,863,316)
Interest and other financial charges paid	(64,428,645)	(95,356,216)
Income tax paid	(3,154,437)	(96,871,853)
Net cash from operating activities	3,110,889,757	3,436,694,321
Cash flows from investing activities		
Payment for property, plant and equipment	(3,360,194)	(312,296,231)
Proceeds from disposal of fixed assets	-	66,252,608
Interest received	-	91,158,111
Net cash from/(used) in investing activities	(3,360,194)	(154,885,512)
Cash flows from financing activities		
Repayment of term loan	-	(174,189,159)
Working capital/short term loan received	2,510,000,000	8,870,058,614
Repayment of working capital/short term loan	(5,328,708,266)	(10,982,298,422)
Consideration payment	-	(73,898,400)
Dividend paid to ordinary shareholders	(84,533,272)	(1,204,444,285)
Net cash from/(used in) financing activities	(2,903,241,538)	(3,564,771,652)
Net increase/(decrease) in cash and cash equivalents	204,288,025	(282,962,843)
Opening cash and cash equivalents	1,706,533,141	1,949,465,830
Closing cash and cash equivalents	1,910,821,166	1,666,502,987
Net operating cash flow per share (NOCFPS)	8.61	9.51
Restated net operating cash flow per share (NOCFPS)		9.51