THE UNAUDITED ACCOUNTS

OF

ENVOY TEXTILES LIMITED

FOR THE HALF YEAR ENDED 31ST DECEMBER, 2016

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ENVOY TEXTILES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2016

Particulars	TAKA 31st Dec 16	TAKA 30th June 16
ASSETS		
Non Current Assets	**10,441,025,526**	**10,189,314,866**
Property, Plant & Equipments, net of depreciation	8,954,357,381	7,077,813,371
Capital work in Process	1,486,668,145	3,111,501,495
Current Assets	**4,110,818,789**	**4,024,174,209**
Inventories & Stores	1,477,579,397	1,327,900,307
Material in Transit	103,281,091	146,538,006
Trade and Other Receivable	2,293,012,885	2,286,854,741
Advance , Deposits & Prepayments	157,795,625	150,446,676
Investment	44,999,873	44,141,400
Cash and Cash Equivalents	34,149,919	68,293,079
Total Assets	**14,551,844,315**	**14,213,489,075**
EQUITY & LIABILITIES		
Authorised Capital	**4,000,000,000**	**4,000,000,000**
275,000,000 Ordinary Shares of Tk.10/= each.	2,750,000,000	2,750,000,000
125,000,000 Redeemable Preference Shares of Tk.10/= each.	1,250,000,000	1,250,000,000
Shareholders Equity	**5,847,886,853**	**5,892,184,412**
Paid up Share Capital	1,566,150,960	1,520,534,920
Share Premium	1,120,000,000	1,120,000,000
Revaluation Surplus	1,716,386,256	1,721,432,002
Retained Earnings	1,117,427,446	1,202,295,300
Tax Holiday Reserve	327,922,190	327,922,190
Non-Current Liabilities	**3,992,593,809**	**3,780,824,192**
Secured Loan	3,926,272,912	3,705,873,517
Provision for Deferred Tax	66,320,897	74,950,675
Current Liabilities	**4,711,363,653**	**4,540,480,471**
Secured Loan (Current Portion)	338,814,261	677,628,523
Short Term Liabilities	3,442,988,010	3,254,962,172
Accounts Payable	574,200,506	442,509,169
Provision for Expenses	281,193,612	111,735,455
Provision for Current Tax	74,167,264	53,645,152
Total Liabilities & Shareholders' Equity	**14,551,844,315**	**14,213,489,075**
NAV Per Share	37.34	38.75
Restated NAV Per Share	-	37.62

sd/-	sd/-	sd/-	**sd/-**	**sd/-**
Saiful Islam, FCMA	M.Saiful Islam Chowdhury FCS	Tanvir Ahmed	Abdus Salam Murshedy	Kutubuddin Ahmed
CFO	Company Secretary	Director	Managing Director	Chairman

The annexed notes form an integral part of this financial statements.

Dated: 29 January 2017
Dhaka

ENVOY TEXTILES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31ST DECEMBER 2016

Particulars	Six Months Ended		Three Months Ended	
	TAKA 31st Dec 16	**TAKA 31st Dec 15**	**TAKA 31st Dec 16**	**TAKA 31st Dec 15**
Revenue	2,786,499,080	2,853,260,106	1,499,388,525	1,654,407,315
Less: Cost of Goods Sold	2,287,997,985	2,305,201,501	1,232,220,378	1,316,835,618
Gross Profit	**498,501,095**	**548,058,605**	**267,168,146**	**337,571,698**
Less: Operating Expenses	**138,909,440**	**123,804,302**	**66,992,245**	**65,801,033**
Administrative & General Expenses	107,146,341	94,195,168	51,536,042	50,916,206
Selling & Distribution Expenses	31,763,099	29,609,134	15,456,203	14,884,827
Profit/ (Loss) from Operation	**359,591,655**	**424,254,303**	**200,175,901**	**271,770,665**
Less: Financial Expenses	202,703,615	154,592,880	104,990,228	78,274,586
Profit/ (Loss) after Financial Expenses	**156,888,039**	**269,661,423**	**95,185,673**	**193,496,079**
Add: Other Income / Expenses	673,882	1,435,179	679,032	1,394,296
Net Profit/ (Loss) before WPPF	**157,561,921**	**271,096,603**	**95,864,704**	**194,890,375**
Less: Provision for Workers Profit Participation Fund	7,502,949	12,909,362	4,564,986	9,280,494
Net Profit before Tax	**150,058,973**	**258,187,241**	**91,299,718**	**185,609,881**
Less: Provision for Current Tax	20,522,112	4,746,844	10,575,969	6,536,363
Less: Provision for Deferred Tax	(8,629,778)	32,455,902	(6,683,093)	14,910,791
Profit after Tax	**138,166,639**	**220,984,495**	**87,406,842**	**164,162,728**
Earnings Per Share (EPS)	0.88	1.45	0.56	1.08
Restated Earnings Per Share (REPS)	-	1.41	-	1.05

sd/-	sd/-	**sd/-**	sd/-	sd/-
Saiful Islam, FCMA	M.Saiful Islam Chowdhury FCS	Tanvir Ahmed	Abdus Salam Murshedy	Kutubuddin Ahmed
CFO	Company Secretary	Director	Managing Director	Chairman

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Dated: 29 January 2017
Dhaka

ENVOY TEXTILES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31ST DECEMBER 2016

Particulars	Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Reserve	Retained Earnings	Total (Tk.)
Beginning of the period 01.07.2016	**1,520,534,920**	**1,120,000,000**	**1,721,432,002**	**327,922,190**	**1,202,295,300**	**5,892,184,412**
Add: Issuence of Bonus Share	45,616,040					**45,616,040**
Add: Net Profit During the Period					138,166,639	**138,166,639**
Less: Decleration of Dividend- 2015					(228,080,238)	**(228,080,238)**
Depreciation on Revluation Surplus			(5,045,746)		5,045,746	-
Balance as at 31.12.2016	**1,566,150,960**	**1,120,000,000**	**1,716,386,256**	**327,922,190**	**1,117,427,446**	**5,847,886,853**

ENVOY TEXTILES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31 2015

Particulars	Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Reserve	Retained Earnings	Total (Tk.)
Beginning of the period 01.07.2015	**1,448,128,500**	**1,120,000,000**	**1,731,576,574**	**327,922,190**	**1,120,611,512**	**5,748,238,777**
Less: Prior year adjustment					(20,157,114)	(20,157,114)
Add: Issuence of Bonus Share	72,406,420					72,406,420
Add: Net Profit During the Period					220,984,495	220,984,495
Less: Decleration of Dividend- 2015					(318,588,265)	(318,588,265)
Depreciation on Revluation Surplus			(5,098,826)		5,098,826	-
Balance as at 31.12.2015	**1,520,534,920**	**1,120,000,000**	**1,726,477,748**	**327,922,190**	**1,007,949,454**	**5,702,884,312**

sd/-	sd/-	sd/-	sd/-	sd/-
Saiful Islam, FCMA	M.Saiful Islam Chowdhury FCS	Tanvir Ahmed	Abdus Salam Murshedy	Kutubuddin Ahmed
CFO	Company Secretary	Director	Managing Director	Chairman

The annexed notes form an integral part of this financial statements.

Dated: 29 January 2017
Dhaka

ENVOY TEXTILES LIMITED

STATEMENT OF CASH FLOW
FOR THE HALF YEAR ENDED 31ST DECEMBER 2016

Particulars	Six Months Ended TAKA 31st Dec 16	 TAKA 31st Dec 15
Cash Flow From Operating Activities: (A)		
Collection from Turnover and Others	2,781,014,818	2,819,138,637
Cash Payment to Creditors	(2,012,859,306)	(2,285,188,683)
Cash Payment for Operating Expenses	(155,280,058)	(127,409,469)
Income Tax Paid and Deducted at Source	(20,522,112)	(17,181,514)
Financial Expenses	(200,479,205)	(144,659,880)
		-
Net Cash Provided by Operation activities	**391,874,138**	**244,699,091**
Net operating cash flow per share	**2.50**	**1.61**
Restated (NOCFPS)	**-**	**1.56**
Cash Flows From Investing Activities: (B)		
Purchase of Fixed Assets	(2,118,844,907)	(2,040,714,142)
Investment	(858,473)	(1,063,329)
Capital work in Process	1,624,833,350	874,158,264
Net Cash Used in Investing Activities	**(494,870,030)**	**(1,167,619,208)**
Cash Flows From Financing Activities: (C)		-
Long Term Liabilities	220,399,394	953,088,556
Long Term Liabilities (Current Portion)	(338,814,261)	140,199,803
Short Term Liabilities	188,025,838	(122,667,100)
Payment of cash Dividend	(758,238)	(41,212,886)
Net Cash Provided by Financing Activities	**68,852,733**	**929,408,374**
Net Increase /(Decrease) in Cash [A+B+C]	**(34,143,160)**	**6,488,257**
Add: Cash at the Opening	68,293,079	41,546,287
Cash at end of Period	**34,149,919**	**48,034,544**

sd/-	sd/-	sd/-	sd/-	sd/-
Saiful Islam, FCMA	M.Saiful Islam Chowdhury FCS	Tanvir Ahmed	Abdus Salam Murshedy	Kutubuddin Ahmed
CFO	Company Secretary	Director	Managing Director	Chairman

The annexed notes form an integral part of this financial statements.

Dated: 29 January 2017
Dhaka

Envoy Textiles Limited

Notes to the Interim Financial Statements
For the Half Year ended December 31, 2016

1. Activities of the Company

Envoy Textiles Limited, publicly listed company, incorporated in Bangladesh under the Companies Act, 1994 is a 100% Export Oriented Denims Fabric Manufacturer. It is the first Rope Denims Plant in Bangladesh with highly sophisticated machineries of USA and Japan and went into commercial operation on 01 March 2008.

2. Basis of preparation of the Interim Financial Statement

These are Interim Financial Statements of Envoy Textiles Limited for the Half year ended March 31, 2015, prepared in accordance with International Accounting Standard (IAS), Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, Securities and Exchange Commission Rules 1987 and other applicable rules and regulations.

These financial statements should read in conjunction with the Annual Financial Statements as of September 30, 2014. The accounting policies and presentation used are in consistent with those of the annual financial statements.

Fixed assets are stated at their historical cost / revalued amount less accumulated depreciation. Depreciation on fixed assets is charged on reducing balance method.

Inventories and stores are comprised of raw materials, packing materials, work in progress and finished goods. Inventories are valued at the lower of cost and net realizable value.

Transactions in foreign currencies are translated into Bangladeshi Taka (BDT) at the rate of exchange ruling on date of transaction. Monetary assets and liabilities in foreign currencies are translated into BDT at the rate of exchange ruling at the balance sheet date. Gains or losses resulting from foreign currency transactions are taken to the income statement.

3. Significant Events:

In the reporting period a significant variation of net operating profit has taken place compared to the corresponding period of the last year, because of the following excessive cost burden in operation:

1. Electricity and GAS unit price increased significantly and gone up more than double in compared to last period.
2. Short fall on production target due to interruption in power supply and breakdown of machineries.

4.1 Taxation

Income tax provision is made as per applicable rate of the Income Tax Ordinance 1984 and related SRO. Proper deferred tax assets / liabilities are calculated by the management in compliance with BAS-12.

4.2 Related Party Transactions

During the period the Company does not have any related party transaction with its sister concern.

4.3 Cash Flow Statement

Statement of Cash Flows is prepared in accordance with IAS-7. Cash Flow Statement and the cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Commissions Rules 1987.

4.4 Earnings per Share

Basic Earnings per Share (EPS) has been computed dividing the earnings attributable to the number of the ordinary shares outstanding as at balance sheet date. This has been calculated in compliance with the requirements of BAS-33: Earnings per share by dividing the basic earnings by the number of ordinary shares outstanding end of the period.

4.5 Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. As there were no preference dividends, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

4.6 Workers' Profit Participation Fund

The company has charged @ 5.00% of net profit before income Tax to the workers profit participation fund for the half year ended December 31, 2016.