THE UN-AUDITED ACCOUNTS

OF

ENVOY TEXTILES LIMITED

FOR THE THIRD QUARTER ENDED 31ST MARCH, 2017

AMARSTOCK

ENVOY TEXTILES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2017

Particulars	TAKA 31 Mar, 2017	TAKA 30 June, 2016
ASSETS		
Non Current Assets	**10,646,684,870**	**10,189,314,866**
Property, Plant & Equipments, net of depreciation	8,867,743,897	7,077,813,371
Capital work in Process	1,778,940,972	3,111,501,495
Current Assets	**5,107,118,591**	**4,024,174,209**
Inventories & Stores	1,982,517,780	1,327,900,307
Materials in Transit	202,175,545	146,538,006
Trade and Others Receivable	2,634,901,952	2,286,854,741
Advance , Deposits & Prepayments	192,581,179	150,446,676
Investment	45,205,407	44,141,400
Cash and Cash Equivalents	49,736,727	68,293,079
Total Assets	**15,753,803,460**	**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	**5,930,571,345**	**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	1,713,984,174	1,721,432,002
Retained Earnings	1,202,514,022	1,202,295,300
Tax Holiday Reserve	327,922,190	327,922,190
Non-Current Liabilities	**4,568,374,115**	**3,780,824,192**
Secured Loan	4,504,728,334	3,705,873,517
Provision for Deferred Tax	63,645,780	74,950,675
Current Liabilities	**5,254,858,000**	**4,540,480,471**
Secured Loan (Current Portion)	170,985,450	677,628,523
Short Term Liabilities	3,885,211,890	3,254,962,172
Accounts Payable	986,487,788	442,509,169
Provision for Expenses	125,963,547	111,735,455
Provision for Current Tax	86,209,326	53,645,152
Total Liabilities & Shareholders' Equity	**15,753,803,460**	**14,213,489,075**
NAV Per Share	37.87	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: April 26, 2017
Dhaka

ENVOY TEXTILES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED MARCH 31 2017

Particulars	Nine Months Ended		Three Months Ended	
	TAKA 31 Mar, 2017	**TAKA 31 Mar, 2016**	**TAKA 31 Mar, 2017**	**TAKA 31 Mar, 2016**
Revenue	4,481,679,635	4,433,928,480	1,695,180,555	1,580,668,373
Less: Cost of Goods Sold	3,686,816,776	3,570,836,740	1,398,818,791	1,265,635,239
Gross Profit	**794,862,859**	**863,091,739**	**296,361,764**	**315,033,134**
Less: Operating Expenses	**222,277,075**	**199,919,944**	**83,367,635**	**76,115,642**
Administrative & General Expenses	172,692,842	153,049,747	65,546,501	58,854,579
Selling & Distribution Expenses	49,584,233	46,870,197	17,821,134	17,261,063
Profit/ (Loss) from Operation	**572,585,784**	**663,171,795**	**212,994,129**	**238,917,492**
Less: Financial Expenses	319,049,522	227,629,768	116,345,906	73,036,888
Profit/ (Loss) after Financial Expenses	**253,536,263**	**435,542,027**	**96,648,223**	**165,880,604**
Add: Other Income / (Expenses)	679,661	1,981,084	5,779	545,904
Net Profit/ (Loss) before WPPF	**254,215,923**	**437,523,111**	**96,654,002**	**166,426,508**
Less: Provision for Workers Profit Participation Fund	12,105,520	20,834,434	4,602,572	7,925,072
Net Profit before Tax	**242,110,403**	**416,688,677**	**92,051,430**	**158,501,436**
Less: Provision for Current Tax	32,564,174	6,026,748	12,042,063	1,279,904
Less: Provision for Deferred Tax	(11,304,895)	47,570,359	(2,675,117)	15,114,457
Profit after Tax	**220,851,124**	**363,091,570**	**82,684,485**	**142,107,075**
Earning Per Share (EPS)	1.41	2.39	0.53	0.93
Restated Earning Per Share (REPS)	-	2.32	-	0.91

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: April 26, 2017
Dhaka

ENVOY TEXTILES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE THIRD QUARTER ENDED MARCH 31 2017

Particulars	Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Reserve	Retained Earnings	Total (Tk.)
Balance as at 01.07.2016	**1,520,534,920**	**1,120,000,000**	**1,721,432,002**	**327,922,190**	**1,202,295,295**	**5,892,184,412**
Add: Issuence of Bonus Share	45,616,040					**45,616,040**
Add: Net Profit During the Period					220,851,124	**220,851,124**
Less: Decleration of Dividend- 2016					(228,080,230)	**(228,080,230)**
Depreciation on Revluation Surplus			(7,447,828)		7,447,828	-
Balance as at 31.03.2017	**1,566,150,960**	**1,120,000,000**	**1,713,984,174**	**327,922,190**	**1,202,514,017**	**5,930,571,345**

STATEMENT OF CHANGES IN EQUITY

FOR THE THIRD QUARTER ENDED MARCH 31 2016

Particulars	Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Reserve	Retained Earnings	Total (Tk.)
Balance as at 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					363,091,570	**363,091,570**
Less: Decleration of Dividend- 2015					(318,588,265)	**(318,588,265)**
Depreciation on Revluation Surplus			(7,674,779)		7,674,779	-
Balance as at 31.03.2016	**1,520,534,920**	**1,120,000,000**	**1,723,901,795**	**327,922,190**	**1,152,632,482**	**5,844,991,387**

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: April 26, 2017
Dhaka

ENVOY TEXTILES LIMITED

STATEMENT OF CASH FLOW

FOR THE THIRD QUARTER ENDED MARCH 31 2017

Particulars	TAKA 31 Mar, 2017	TAKA 31 Mar, 2016
Cash Flow From Operating Activities: (A)		
Collection from Ternover and Others	4,134,312,085	4,362,211,428
Cash Payment to Creditors	(3,476,510,538)	(3,317,354,246)
Cash Payment for Operating Expenses	(226,742,445)	(303,618,762)
Income Tax Paid and Deducted at Source	(32,564,174)	(28,786,667)
Financial Expenses	(322,628,443)	(222,042,268)
Net Cash Provided by Operation activities	**75,866,484**	**490,409,484**
Net operating cash flow per share	**0.48**	**3.27**
Restated (NOCFPS)	**-**	**3.13**
Cash Flows From Investing Activities: (B)		
Purchase of Fixed Assets	(2,166,399,680)	(2,128,918,712)
Investment	(1,064,007)	(1,207,883)
Capital work in Process	1,332,447,046	233,768,827
Net Cash Used in Investing Activities	**(835,016,641)**	**(1,896,357,769)**
Cash Flows From Financing Activities: (C)		
Long Term Liabilities	798,854,817	988,097,471
Long Term Liabilities (Current Portion)	(506,643,073)	4,977,179
Short Term Liabilities	630,249,718	646,474,591
Payment of cash Dividend	(181,867,656)	(244,705,744)
Net Cash Provided by Financing Activities	**740,593,806**	**1,394,843,497**
Net Increase in Cash [A+B+C]	**(18,556,351)**	**(11,104,788)**
Add: Cash at the Opening	68,293,079	41,546,287
Cash at end year	**49,736,727**	**30,441,499**

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: April 26, 2017
Dhaka

AMARSTOCK

Envoy Textiles Limited

Notes to the Interim Financial Statements
For the Third Quarter ended March 31, 2017

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 and related yarn 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 Third Quarter ended March 31, 2017, 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 June 30, 2016. 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:

During 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 Third Quarter ended March 31, 2017.