THE UN-AUDITED ACCOUNTS

OF

ENVOY TEXTILES LIMITED

FOR THE HALF YEAR ENDED 31ST DECEMBER 2018

AMAR STOCK

ENVOY TEXTILES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

Particulars	TAKA 31st Dec 2018	TAKA 30th June 2018
ASSETS:		
Non Current Assets	**11,001,959,880**	**11,165,178,556**
Property, Plant & Equipments, net of depreciation	11,001,959,880	9,607,848,564
Capital work in Process	-	1,557,329,992
Current Assets	**6,738,388,275**	**6,299,459,090**
Inventories & Stores	2,877,395,694	2,645,507,118
Materials in Transit	381,567,019	207,265,197
Trade and Others Receivable	3,203,107,991	3,147,123,680
Advance , Deposits & Prepayments	198,309,185	145,641,186
Investment	12,778,053	54,907,662
Cash and Cash Equivalents	65,230,334	99,014,247
Total Assets	**17,740,348,156**	**17,464,637,646**
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
Shareholder's Equity	**6,370,654,064**	**6,251,205,269**
Paid up Share Capital	1,677,347,670	1,644,458,500
Share Premium	1,120,000,000	1,120,000,000
Revaluation Surplus	1,707,818,100	1,713,134,427
Retained Earnings	1,537,566,104	1,445,690,152
Tax Holiday Reserve	327,922,190	327,922,190
Non-Current Liabilities	**4,648,444,775**	**4,703,544,148**
Long Term Loan	4,236,515,471	3,893,868,051
Long Term Loan (Current Portion)	373,212,071	787,576,054
Provision for Deferred Tax	38,717,233	22,100,044
Current Liabilities	**6,721,249,317**	**6,509,888,229**
Short Term Liabilities	5,752,729,248	5,712,381,266
Accounts Payable	600,037,632	650,082,956
Provision for Expenses	301,541,691	93,842,416
Provision for Current Tax	66,940,746	53,581,591
Total Liabilities & Shareholders' Equity	**17,740,348,156**	**17,464,637,646**
NAV Per Share	37.98	38.01
Restated NAV Per Share	-	37.27

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

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

Dated: January 30, 2019
Dhaka

ENVOY TEXTILES LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED DECEMBER 31 2018

Particulars	Six Months Ended		Three Months Ended	
	TAKA 31st Dec- 18	**TAKA 31st Dec- 17**	**TAKA 31st Dec- 18**	**TAKA 31st Dec- 17**
Revenue	4,518,395,562	3,666,308,786	2,153,420,416	1,845,873,609
Less: Cost of Goods Sold	3,637,118,958	3,035,608,131	1,747,635,893	1,535,029,291
Gross Profit	**881,276,604**	**630,700,655**	**405,784,524**	**310,844,319**
Less: Operating Expenses	**152,025,946**	**142,599,905**	**74,028,813**	**67,058,735**
Administrative & General Expenses	114,930,982	110,794,388	55,189,631	52,122,609
Selling & Distribution Expenses	37,094,964	31,805,517	18,839,182	14,936,126
Profit/ (Loss) from Operation	**729,250,658**	**488,100,750**	**331,755,711**	**243,785,583**
Less: Financial Expenses	395,000,521	310,125,584	198,474,921	161,665,568
Profit/ (Loss) after Financial Expenses	**334,250,137**	**177,975,166**	**133,280,790**	**82,120,015**
Add: Other Income / (Expenses)	896,546	702,120	94,419	324,670
Net Profit/ (Loss) before WPPF	**335,146,682**	**178,677,286**	**133,375,209**	**82,444,685**
Less: Workers Profit Participation Fund Expenses	15,959,366	8,508,442	6,351,200	3,925,937
Net Profit before Tax	**319,187,317**	**170,168,844**	**127,024,009**	**78,518,748**
Less: Provision for Current Tax	13,359,155	27,786,517	(7,137,230)	14,959,878
Less: Provision for Deferred Tax	16,617,189	(14,737,796)	17,324,027	(12,852,355)
Profit after Tax	**289,210,972**	**157,120,123**	**116,837,212**	**76,411,224**
Earning Per Share (EPS)	1.72	0.96	0.70	0.46
Restated Earning Per Share	-	0.94	-	0.45

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: January 30, 2019
Dhaka

ENVOY TEXTILES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED DECEMBER 31 2018

Particulars		Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Reserve	Retained Earnings	Total Amount BDT
Balance as at 01.07.2018		**1,644,458,500**	**1,120,000,000**	**1,713,134,427**	**327,922,190**	**1,445,690,152**	**6,251,205,269**
Add: Issuance of Bonus Share		32,889,170					**32,889,170**
Add: Net Profit During the Period						289,210,972	**289,210,972**
Less: Decleration of Dividend- 2018						(197,335,020)	**(197,335,020)**
Depreciation on Revluation Surplus				(5,316,327)			**(5,316,327)**
Balance as at 31.12.2018		**1,677,347,670**	**1,120,000,000**	**1,707,818,100**	**327,922,190**	**1,537,566,104**	**6,370,654,064**

STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED DECEMBER 31 2017

Particulars		Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Reserve	Retained Earnings	Total Amount BDT
Balance as at 01.07.2017		**1,566,150,960**	**1,120,000,000**	**1,724,109,852**	**327,922,190**	**1,292,713,845**	**6,030,896,848**
Add: Issuance of Bonus Share		78,307,540					**78,307,540**
Add: Net Profit During the Period						157,120,123	**157,120,123**
Less: Decleration of Dividend- 2017						(187,938,107)	**(187,938,107)**
Depreciation on Revluation Surplus				(5,487,713)		5,487,713	-
Balance as at 31.12.2017		**1,644,458,500**	**1,120,000,000**	**1,718,622,140**	**327,922,190**	**1,267,383,574**	**6,078,386,403**

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: January 30, 2019
Dhaka

ENVOY TEXTILES LIMITED

STATEMENT OF CASH FLOW

FOR THE HALF YEAR ENDED DECEMBER 31 2018

Particulars	TAKA 31st Dec, 18	TAKA 31st Dec, 17
Cash Flow From Operating Activities: (A)		
Collection from Turnover and Others	4,463,307,797	3,754,443,877
Cash Payment to Creditors	(3,753,832,458)	(3,118,600,777)
Cash Payment for Operating Expenses	(152,024,148)	(135,174,884)
Income Tax Paid and Deducted at Source	(28,944,148)	(27,786,518)
Financial Expenses	(391,410,573)	(301,751,612)
Net Cash Provided by Operating activities	**137,096,470**	**171,130,087**
Net Operating Cash Flow Per Share	0.82	1.04
Restated (NOCFPS)		1.02
Cash Flows From Investing Activities: (B)		
Purchase of Fixed Assets	(1,738,312,289)	(707,390,579)
Investment	42,129,609	(12,049,336)
Capital Work in Process	1,556,692,415	358,559,670
Net Cash Used in Investing Activities	**(139,490,265)**	**(360,880,244)**
Cash Flows From Financing Activities: (C)		
Long Term Liabilities	342,647,420	2,154,396
Long Term Liabilities (Current Portion)	(414,363,983)	(362,088,297)
Short Term Liabilities	40,347,983	492,897,571
Payment of Cash Dividend	(21,538)	(275,362)
Net Cash Used in / Provided by Financing Activities	**(31,390,118)**	**132,688,308**
Net Decrease in Cash [A+B+C]	**(33,783,913)**	**(57,061,849)**
Add: Cash at the Opening	99,014,247	82,204,684
Cash at end of the year	**65,230,334**	**25,142,835**

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: January 30, 2019
Dhaka

Envoy Textiles Limited

Notes to the Interim Financial Statements
For the period of half year ended December 31, 2018

1. Activities of the Company

Envoy Textiles Limited 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 December 31, 2018 prepared in accordance with International Accounting Standard (IAS 34). These financial statements should read in conjunction with the Annual Financial Statements as of June 30, 2018. The accounting policies and presentation used are in consistent with those of the annual financial statements.

The financial statements are prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, Securities and Exchange Commission Rules 1987 and other applicable laws and regulations.

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 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 Event:

During the reporting period there has been increase of both revenue and net profit due to improvement of production capacity utilization in both the denim and spinning unit.

4.1 Taxation

Income tax provision is made as per rate prevailing during that period specified by the Income Tax Ordinance 1984. Deferred Income Tax expenses and liabilities is arise BDT 1.66 crore for the

adjustable temporary difference during the period from 01 July 2018 to 31st December 2018 in compliance with BAS-12.

4.2 Related Party Transactions

During the reporting period from July 01, 2018 to December 31, 2018 following transactions incurred with related party as per BAS-24 Para- 21 in the form of Sales of Finished goods against export LC.

Particulars	Opening	Addition	Adjustment/ Realized	Balance
M/S Armour Garments Ltd	-	*30,083,511*	*27,881,355*	2,202,156
M/S Envoy Fashion Ltd.	26,461,015	*19,957,204*	*33,416,638*	13,001,581
M/S Epoch Garments Ltd.	7,534,206	*35,515,823*	*12,407,620*	30,642,409
M/s Manta Apparels Ltd.	1,696,339	*8,939,803*	*5,573,390*	5,062,752
M/S Olio Apparles Ltd.	2,715,388	*15,473,068*	*17,963,068*	225,388
Total-	**38,406,948**	**109,969,409**	**97,242,071**	**51,134,286**

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 period 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 as expenses @ 5.00% of net profit to workers profit participation fund for the half year ended December 31 2018 and presenting the outstanding balance of the same in the note No. 23.01 of the annual audited financial statements.