Dear Shareholders

We forward herewith the first quarter (Q1) financial statements un-audited of H.R. Textile Mills Limited for the first quarter period from 1st July to 30th September 2018 as per the Stock Exchange (Listing) Regulations, 2015 under LR 16(2).

Mohammad Abdul Moyeed
Managing Director

First Quarter (Q1) Financial Report 2018 (Un-Audited)
for the first quarter ended 30th September 2018

H.R. Textile Mills Limited
Mirandel (2nd Floor), House # 3
Road # 5, Block # J, Baridhara
Dhaka-1212, Bangladesh
Tel: 9899147 Share Department
Fax: (8802) 9899147
E-mail: hrtex_cs@pride-grp.com
www.pride-grp.com/hrt

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H.R TEXTILE MILLS LIMITED
Statement of Financial Position (Q1) Un-Audited
As at September 30, 2018

Particulars	As at September 30, 2018 Taka	As at June 30,2018 Taka
NON-CURRENT ASSETS:		
Property,Plant and Equipment	784,727,160	742,807,641
Total Non-Current Assets	**784,727,160**	**742,807,641**
CURRENT ASSETS:		
Stocks and Stores	354,745,625	333,256,421
Trade and others Debtors	392,389,404	371,222,914
Export Incentive Receivables	80,752,408	75,406,776
Advance, Deposits and Prepayments	52,914,725	53,229,531
Cash and Bank Balances	37,217,966	48,281,991
Total Current Assets	**918,020,128**	**881,397,633**
TOTAL ASSETS	**1,702,747,288**	**1,624,205,274**
SHAREHOLDERS' EQUITY		
Share Capital	253,000,000	253,000,000
General Reserve	6,956,752	6,956,752
Tax Holiday Reserve	22,378,988	22,378,988
Dividend Equalisation Reserve	10,000,000	10,000,000
Unappropriated Profit	106,026,308	96,374,242
Total Shareholders' Equity	**398,362,048**	**388,709,982**
LONG -TERM LIABILITIES:		
Long Term Loan-Secured Future Maturity	147,170,161	128,042,025
Provision for Gratuity	27,388,862	27,852,964
Deferred Tax Liabilities	39,162,995	39,128,378
	213,722,018	**195,023,367**
CURRENT LIABILITIES:		
Bank Overdraft -Secured	97,809,099	80,578,522
Term loan	218,010,458	123,733,987
Trade Creditors	560,660,497	643,380,910
Accrued Expenses	31,284,994	22,533,807
Provision for Taxation	34,187,681	32,518,992
Bills Recevable Discounted	33,746,542	37,667,941
Workers' Participation /Welfare Funds	18,929,308	20,910,081
Current Maturity of Long -term Loans	96,034,643	79,147,685
Total Current Liabilities	**1,090,663,222**	**1,040,471,925**
Total Liabilities	**1,304,385,240**	**1,235,495,292**
Total Equity and Liabilities	**1,702,747,288**	**1,624,205,274**
Net Assets Value (NAV) per share of Tk.10	**15.75**	**15.36**

Chairman | Managing Director | Director | CFO/HF&A | Company Secretary

H.R. TEXTILE MILLS LIMITED DHAKA

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H.R TEXTILE MILLS LIMITED

Statement of Profit or Loss and other Comprehensive Income (Q1) Un-Audited

For the period from July 01, 2018 to September 30, 2018

Particulars	First Qtr Ended July, 18 to Sept, 18 Taka	First Qtr Ended July, 17 to Sept, 17 Taka
Sales	465,934,418	378,292,110
Export Incentives	5,345,632	4,836,542
Turnover	471,280,050	383,128,652
Less: Cost of Goods Sold	401,462,350	324,810,542
Gross Profit	**69,817,700**	**58,318,110**
Less: Administrative,Selling and General Expenses	58,254,654	49,088,756
Operating Profit	**11,563,046**	**9,229,354**
Add: Other Income	360,095	91,350
Net Profit before WPP & WF	**11,923,141**	**9,320,704**
Less: Provision Contribution to WPP & WF	567,769	443,843
Net Profit/before Tax	**11,355,372**	**8,876,861**
Income Tax Expenses	1,703,306	1,317,827
Provision for Income Tax (Current)	1,668,689	1,695,692
Provision for Income Tax (Deferred)	34,617	(377,865)
Net Profit after tax	**9,652,066**	**7,559,034**
(Transferred to the Statement of Changes in Equity)	-	-
Earning Per Share (EPS) of Tk.10 (basic and diluted)	**0.38**	**0.30**

Cash Flows Statement (Q1) Un-Audited

For the period from July 01, 2018 to September 30, 2018

Particulars	First Qtr Ended July, 18 to Sept, 18 Taka	First Qtr Ended July, 17 to Sept, 17 Taka
Cash flows from Operating Activities:		
Cash received from customers and export incentives	445,128,023	311,884,706
Cash paid for goods and services	(502,790,944)	(276,376,176)
Cash from operation	(57,662,921)	35,508,530
Interest paid	(31,792,973)	(12,493,669)
Income tax paid/deducted at sources	(4,311,312)	(2,989,016)
Net Cash inflows from operating activities	**(93,767,206)**	**20,025,845**
Cash flows from Investing Activities:		
Acquisition of fixed assets	(60,769,902)	(2,903,860)
Net Cash Outflows from Investing Activities	**(60,769,902)**	**(2,903,860)**
Cash flows from Financing Activities:		
Bank Overdraft Received/(Paid)	17,230,577	(7,666,983)
Long Term Loan Received/(Paid)	36,015,094	(30,439,331)
Term Loan Received/(Paid)	94,276,471	(14,483,306)
Bill Receivable Discounted (Paid)/Received	(3,921,399)	(543,297)
Payment of Dividend	(127,660)	(3,215,634)
Net Cash inflow (outflow) from financing activities	143,473,083	(56,348,551)
Net increase/(decrease) in cash and bank balances	**(11,064,025)**	**(39,226,566)**
Cash and bank balances on opening	48,281,991	82,080,927
Net increase/(decrease) in cash and bank balances	(11,064,025)	(39,226,566)
Cash and bank balances at closing	**37,217,966**	**42,854,361**
Net operating cash flow per share (NOCFPS) of Tk. 10	**(3.71)**	**0.79**

Chairman | Managing Director | Director | CFO/HF&A | Company Secretary

H.R. TEXTILE MILLS LIMITED DHAKA

H.R. TEXTILE MILLS LIMITED
Statement of Changes in Equity (Un-Audited)
For the 1st Quarter (Q1) ended 30th September 2018

Particulars	Share Capital	General Reserve	Tax Holiday Reserve	Dividend Equalisation Reserve	Retained Earnings	Total Taka
Balance as at June 30, 2018	253,000,000	6,956,752	22,378,988	10,000,000	96,374,242	388,709,982
Net profit after tax					9,652,066	9,652,066
Balance as at September 30, 2018	**253,000,000**	**6,956,752**	**22,378,988**	**10,000,000**	**106,026,308**	**398,362,048**

Statement of Changes in Equity (Un-Audited)
For the 1st Quarter ended 30th September 2017

Particulars	Share Capital	General Reserve	Tax Holiday Reserve	Dividend Equalisation Reserve	Retained Earnings	Total Taka
Balance as at June 30, 2017	253,000,000	6,956,752	22,378,988	10,000,000	78,579,347	370,915,087
Net profit after tax					7,559,034	7,559,034
Balance as at September 30, 2017	**253,000,000**	**6,956,752**	**22,378,988**	**10,000,000**	**86,138,381**	**378,474,121**

Chairman | Managing Director | Director | CFO/HF&A | Company Secretary

H.R. TEXTILE MILLS LIMITED DHAKA

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H.R. Textile Mills Limited
Notes to the Interim Financial Statements (Un-audited)
For the 1st Quarter (Q1) 3 (Three) months from July 1, 2018 to September 30, 2018

1. Accounting policies and methods used for preparation and presentation of Financial Statements:

   i. These Financial Statements are the unaudited Interim Financial Statements of H.R. Textile Mills Limited, for the 1st Quarter (Q1) ended 30 September 2018 (here after 'the Interim Period'). These are prepared in accordance with the Bangladesh Accounting Standard (BAS 34) 'Interim Financial Reporting'. H.R Textile Mills Limited has been consistently following the same accounting policies and methods for the preparation and presentation of the 1st quarter Financial Statements of the Company as it was followed in the previous period.

   ii. The Earning Per Share (EPS) and Net Operating Cash Flow Per Share (NOCFPS) as on September 30, 2018 stood at Tk. 0.38 and Tk. (3.71) respectively compared to previous periods EPS Tk. 0.30 & NOCFPS Tk. 0.79.

   The rise in EPS was mainly due to increase in Sales which has the similar impact on NOCFPS along with collection from customers.

   iii. The Net Assets Value (NAV) per share in current period stood at Tk. 15.75 against Tk. 14.96 of the corresponding previous period. The NAV increased from additional Profit.

   iv. There was no exceptional item to be disclosed under the head related party transaction.

2. Season ability/Cyclicality of Interim Operation:

   H.R. Textile Mills Ltd is a fabric and Readymade Garments (RMG) exporter and there was no significant seasonality/Cyclicality affecting operation during the period.

3. Changes in Non-Currents Assets:

   During the period, a sum of Tk. 60.77 million was added to Non-Current Assets mainly in the Plant & Machinery.

4. Changes in Current Assets:

   The total Current Assets has increased by Tk. 36.62 million during the period mainly due to increase in Trade and Other Debtors and Stock and Stores with September 30, 2018.

5. Changes in Shareholder's Equity:

   Shareholder's Equity has increased by Tk. 9.65 million due to retained earning.

6. Changes in Current Liabilities:

   The total Current liability has increased by Tk. 50.19 million mainly due to increase in Current Maturity of Term Loans.

7. Changes in Long term Liabilities:

   The total amount of long-term liabilities has increased by Tk. 18.70 million due to bank loan against purchase of Plant and Machinery.

8. Changes in Operating Income and Expenses:

   i. The turnover for the period has increased by Tk. 88.15 million compared to same period in the previous year; where as the overall cost of goods sold has increased by Tk. 76.65 million from previous period. Turnover has increased by 23.00 % and the gross profit has increased by 19.72% due to additional export Sales.

   ii. The operating expense has increased by 18.67% over the previous period. Operating profit stood at Tk. 11.92 million during the current period against Tk. 9.32 million compared with the previous period, i.e., an increase of 25.29%.

   iii. During this period, Net Profit after tax stood at Tk. 9.65 million compared to Tk. 7.56 million against the previous period of July 01, 2017 to September 30, 2017, i.e., an increase of 27.69%.

TEXTILE MILLS DHAKA