R. N. SPINNING MILLS LIMITED
Statement of Financial Position (Un-Audited)
As at December 31, 2018

Particulars	Amount in Taka	
	31-12-2018	30-06-2018
ASSETS		
Non-Current Assets:		
Property, Plant & Equipment	4,887,121,894	4,978,191,373
Security Deposits	23,881,928	23,881,928
Total Non-Current Assets:	**4,911,003,822**	**5,002,073,301**
Current Assets:		
Inventories	1,311,222,710	1,395,802,380
Bills Receivables	965,109,142	951,981,994
Advances, Deposits and Prepayments	119,251,757	75,860,655
Cash and Cash Equivalents	74,959,087	58,684,527
STD Account (IPO)	1,750,000	1,750,000
Total Current Assets	**2,472,292,696**	**2,484,079,556**
Total Assets	**7,383,296,518**	**7,486,152,857**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Capital and Reserves:		
Ordinary Shares	3,925,448,340	3,568,589,400
Share Premium	599,780,490	599,780,490
Retained Earnings	2,131,529,414	2,375,926,760
Total Capital & Reserves	**6,656,758,244**	**6,544,296,650**
Non-Current Liabilities:		
Deferred Tax	31,979,490	20,460,584
Total Non-Current Liabilities	**31,979,490**	**20,460,584**
Current Liabilities:		
Creditors and Accrues	23,615,279	22,198,131
Bills Payables	187,398,965	147,832,007
Short Term Loan - Unsecured	234,692,720	512,147,720
Short Term Loan - Secured	222,354,176	221,169,407
Income Tax Payable	24,747,644	16,298,358
Share Money Deposit (IPO)	1,750,000	1,750,000
Total Current Laibilities	**694,558,784**	**921,395,623**
Total Liabilities	**7,383,296,518**	**7,486,152,857**
Net Asset Value (NAV) per Share	**16.96**	**18.34**

Chairman | Managing Director | Director

Company Secretary | Chief Financial Officer

R.N. SPINNING MILLS LTD. Bangladesh

Dated: Dhaka, January 29, 2019

R. N. SPINNING MILLS LTD.

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

For the period ended December 31, 2018

Particulars	Amount in Taka		Amount in Taka	
	July-Dec. 2018	July-Dec. 2017	Oct-Dec. 2018	Oct-Dec. 2017
Export	1,311,460,313	1,168,130,594	641,823,151	497,978,472
Less: Cost of goods sold	1,117,052,312	963,280,696	565,136,044	415,394,776
Gross Profit/(Loss)	**194,408,001**	**204,849,898**	**76,687,107**	**82,583,696**
Less: Operating Expenses	41,935,839	41,095,382	20,976,322	20,869,364
Operating income/(Loss)	**152,472,162**	**163,754,516**	**55,710,785**	**61,714,332**
Less: Other operating expenses:	453,833	450,607	226,415	224,185
Welfare Expenses	453,833	450,607	226,415	224,185
Net operating Income/(Loss)	**152,018,329**	**163,303,909**	**55,484,370**	**61,490,147**
Less: Financial expenses	20,165,724	7,720,255	9,749,586	4,742,818
Add/(Less): Foreign Exchange Gain/(loss)	58,561	44,057	21,437	24,624
Net operating profit/(loss)	**131,911,166**	**155,627,711**	**45,756,221**	**56,771,953**
Add: Other non-operation income	518,620	198,878	105,744	102,011
Net profit/(loss) before tax	**132,429,786**	**155,826,589**	**45,861,965**	**56,873,964**
Provision for taxation	19,968,192	14,041,839	6,900,444	8,556,422
Profit/(loss) after tax	**112,461,594**	**141,784,750**	**38,961,521**	**48,317,542**
Profit/(loss) for Ordinary Shareholder	**112,461,594**	**141,784,750**	**38,961,521**	**48,317,542**
Earnings per Share (EPS)	**0.29**	**0.36**	**0.10**	**0.12**

Chairman | Managing Director | Director | Chief Financial Officer

Company Secretary

Dated: Dhaka, January 29, 2019

R.N. SPINNING MILLS Ltd. Bangladesh

R. N. SPINNING MILLS LTD.
Statement of Cash Flows (Un-Audited)
For the period ended December 31, 2018

Particulars	Amount in Taka	
	July-Dec. 2018	July-Dec. 2017
A. Cash Flow From Operating Activities:		
Collection from Export	1,298,333,165	1,268,743,640
Collection from other income	555,253	225,540
Payment for Cost of Expenses	(827,642,407)	(728,659,012)
Payment for Operating Expenses	(42,131,376)	(41,673,120)
Payment for other operating activities	(453,833)	(450,607)
Payment for Financial Expenses	(20,165,724)	(7,720,255)
Net cash flow from operating activities	**408,495,078**	**490,466,186**
B. Cash Flow From Investing Activities:		
Purchase of Fixed Assets	(115,972,215)	(85,805,407)
Increase in Security Deposit	-	(746,663)
Net cash flow from investing activities	**(115,972,215)**	**(86,552,070)**
C. Cash Flow From Financing Activities:		
Increase / (Decrease) in Short term loan -Secured	1,184,769	(249,784,239)
Increase / (Decrease) in Short term loan -Un-Secured	(277,455,000)	(141,938,000)
Dividend paid on Preference shares	-	(19,643,715)
Net Cash flow from financing activities	**(276,270,231)**	**(411,365,954)**
D. Increase/(Decrease) in cash and cash equivalents (A+B+C)	16,252,632	(7,451,838)
E. Opening cash and cash equivalents	58,684,527	26,567,639
F. Foreign Exchange Gain/(Loss)	21,928	17,395
G. Closing cash and cash equivalents (E + D)	**74,959,087**	**19,133,196**
Net Operating Cash Flow per Share (NOCFPS)	**1.04**	**1.25**

Chairman | Managing Director | Director | Chief Financial Officer

Company Secretary

R.N. SPINNING Mills Ltd. Bangladesh

Dated: Dhaka, January 29, 2019

R. N. SPINNING MILLS LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended December 31, 2018

Particulars	Ordinary Share Capital	Share Premium	Preference Share	Retained Earnings	Total
As at July 01, 2018	3,568,589,400	599,780,490	-	2,375,926,760	**6,544,296,650**
Bonus Issue	356,858,940			(356,858,940)	-
Addition during the period	-	-	-	112,461,594	**112,461,594**
Total	**3,925,448,340**	**599,780,490**	**-**	**2,131,529,414**	**6,656,758,244**

R. N. SPINNING MILLS LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended December 31, 2017

Particulars	Ordinary Share Capital	Share Premium	Preference Share	Retained Earnings	Total
As at July 01, 2017	2,973,824,500	599,780,490	-	2,764,424,506	**6,338,029,496**
Bonus Issue	594,764,900			(594,764,900)	-
Addition during the period	-	-	-	141,784,750	**141,784,750**
Total	**3,568,589,400**	**599,780,490**	**-**	**2,311,444,356**	**6,479,814,246**

Chairman | Managing Director | Director

R.N. SPINNING MILLS LTD. Bangladesh

Company Secretary | Chief Financial Officer

Dated: Dhaka, January 29, 2019

R. N. SPINNING MILLS LIMITED
Notes to the Interim Financial Statements
For the period of 2nd quarter ended December 31, 2018

1.00 Reporting Entity

R.N. Spinning Mills Limited was incorporated on November 4, 2004 as a 'Private' Limited Company by Shares registered under the Companies Act 1994 vide certificate of incorporation No.C-54808 (1493)/04. The company was converted to 'Public' Limited Company on February 20, 2007 and started commercial production on August 28, 2007. The registered office is located at Plot # 100-107 & 127-134, Comilla Export Processing Zone, Comilla, Bangladesh. The Corporate office of the company is located at House # 11, (5th Floor), Unit # 5B, Road # 12, Block # F, Niketon, Gulshan-1, Dhaka-1212, Bangladesh. The principal activities of the Company are to carry on the business of Textile Spinning Mills to produce 100% Synthetic Yarn / Acrylic Yarn and Cotton Yarn for 100% export oriented dyeing / Textiles industries and export thereof.

Production unit of the company is situated at Comilla Export Processing Zone, Comilla and its status is category 'B'.

2.00 Basis of preparation of the Interim Financial Statement

The financial statements have been prepared in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987 and International Accounting Standard (IAS), International Financial Reporting Standard (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and as far as applicable for the company. The Interim Financial Statements for the first quarter ended September 30, 2018 have been prepared according to IAS 34 'Interim Financial Reporting'. These financial statements should read in conjunction with the Annual Financial Statements as on June 30, 2018. The accounting policies and presentation used are in consistent with those of the annual financial statements.

There were no significant changes in the accounting policies and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item.

2.01 Property, Plant and Equipment

Tangible fixed assets are accounted for according to IAS -16 Property, Plant and Equipment at Historical cost less accumulated depreciation and the Capital work-in-progress is stated at cost. Both tangible and intangible assets are depreciated/ amortized according to the Written Down Value method.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non operating income and reflected in the Statement of Profit or Loss and Other Comprehensive Income.

R.N. SPINNING MILLS LTD. Bangladesh

2.02 Depreciation of Fixed Assets

Depreciation is provided on written down value method except Leasehold Land and Land Development (Comilla EPZ).

Depreciation is provided on Leasehold Land and Land Development (Comilla EPZ) on straight-line method at which the asset is carried on the cost in the books of account over the lease term of 30 years.

Depreciation has been charged on additions respective to the date of starting utilization.

2.02.1 Accelerated Depreciation Allowance

The Company entitled to Accelerated depreciation vide order Ref: no. # 269-L/86, dated July 01, 1986 on capital machinery as per section 10 of the Bangladesh Export Processing Zones Authority Act 1980 (XXXVI of 1980), have been charged to the extent of hundred percent of the historical cost of the plant & machinery within the tax exemption period.

2.03 Valuation of Stocks

Inventories are stated at the lower of cost or net realizable value in compliance with the requirements of Para 21 and 25 of IAS - 2.

Category of stocks		Basis of valuation
Raw & packing materials including w-i-p	:	Moving average (Weighted) Cost
Finished Goods at Factory	:	At lower of cost or estimated net realizable value
At warehouses	:	At cost
Stores Items	:	At cost
Materials in-transit	:	Book value i.e. cost so far incurred

Cost comprises of the value of materials and all other distributable direct labor & production overheads including depreciation.

2.04 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, cash at banks, term deposits etc. which are available for use by the company without any restrictions. There is an insignificant risk of change in value of the same.

2.05 Foreign Currency Transaction

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date in accordance with IAS 21 (the Effects of changes in Foreign Exchange Rates). Foreign currency transactions translated at the financial position date are charged/credited to the statement of Profit or Loss and Other Comprehensive Income whenever arise.

2.06 Employees' Provident Fund

The company has already established and maintaining Contributory Provident Fund in compliance to the requirement of Provident Fund Act 1925 and BEPZA rules. The organization is administrated by the 6 members' board of trustee of which 3 members are nominated from employer's side and remaining 3 members fulfilled from the representative from Workers Welfare Association. All members of trustee shall hold their position for three years. The member of the trustee board within the limit of the policy shall together hold absolute measure to take any decision for the implementation of the provident fund.

R.N. SPINNING MILLS LTD. Bangladesh

2.07 Workers Welfare Fund

The Company has been participating in establishing worker's welfare fund since February 01, 2013 in compliance to the requirement of BEPZA rules. The management of the fund is maintained by BEPZA according to the rules & guidelines imposed under the style of 'Constitution and Operation Procedure of EPZ Worker's Welfare Fund 2012'.

2.08 Taxation:

Income tax expense is recognized based on enacted income tax for the reporting period as per Income Tax Ordinance 1984 u/s 82C. Deferred tax assets / liabilities calculated and recognized by the management in compliance with IAS 12 "Income Taxes".

2.09 Lease Arrangements

The company has 2 lease arrangements of 30 years with Bangladesh Export Processing Zone Authority (BEPZA) for industrial plot # 100-107 & 127-134. The lease is classified as an operating lease as it does not transfer substantial risks and rewards incidental to the ownership consistent with the view laid down in IAS - 17 Leases. The total area is 32,000 Sq. meter. Lease payments (excluding cost for services such as insurance and maintenance) are recognized as expense in the income statement.

2.10 Statement of cash flows

Statement of Cash Flows is prepared principally in accordance with IAS-7 Statements of Cash Flows and the cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Rules 1987 and considering the provisions that 'Enterprises are Encouraged to Report Cash Flows from Operating Activities using the Direct Method".

2.11 Earning Per Shares

The Management calculates Earnings per Share (EPS) in accordance with IAS - 33, Earnings per share, which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income; the same has been calculated dividing surplus available for ordinary shareholders by weighted average number of ordinary shares outstanding at the end of the reporting period.

2.12 Basic Earnings Per Shares

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

2.13 Related Party Disclosure

During the period, the Company do not have any related party transaction other than Director Remuneration & Fees as well as sales of finished goods to sister concern as a normal course of business.

2.14 Segment Reporting

No segmental reporting is applicable for the company as required by "IFRS 08: Operating Segments" as the company operates in a single industry segment and within as geographical segment.

R.N. SPINNING MILLS LTD. Bangladesh

2.15 Comparative Information

Comparative figures have been re-arranged where considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.16 Presentation Currency

The annexed financial statements are presented in Bangladeshi currency (Taka), which have been rounded off to the nearest Taka.

2.17 Events after the reporting period

There is no significant event to the end of the reporting period that has to be reflected in the financial statements for the interim period.

AMARSTOCK

		Amount in Taka	
3.00	**Share Capital**	**31 Dec 2018**	**30 June 2018**
3.01	**Authorized Capital**		
	50,00,00,000 ordinary shares of Taka 10/= each.	**5,000,000,000**	**5,000,000,000**
3.02	**Issued, subscribed, called-up and paid-up capital**		
	392,544,834 Ordinary Shares of Tk 10/= each fully paid-up	3,925,448,340	3,568,589,400
		3,925,448,340	**3,568,589,400**

The shareholding position of the company are as under:

Name	*No. of shares*	*Percentage (%)*	Taka
Al-Haj Mustafizur Rahman	31,937	0.008%	319,370
Md. Abdul Kader Faruk	7,854,256	2.001%	78,542,560
Abdul Quayum Mammun	987,135	0.251%	9,871,350
Mrs. Shirin Faruk	58,227,840	14.833%	582,278,400
Mr. Abid Mostafizur Rahaman	568,030	0.145%	5,680,300
Mr. Kim Jung Suk	42,376,424	10.795%	423,764,240
M.L. Dyeing Limited	34,589,966	8.812%	345,899,660
General Shareholders	247,909,246	63.154%	2,479,092,460
	392,544,834	**100.00%**	**3,925,448,340**

4.00	**Retained Earnings**		
	Opening balance	2,375,926,760	2,764,424,506
	Less: Stock Dividend	(356,858,940)	(594,764,900)
	Add: Current period profit/(loss)	112,461,594	206,267,154
	Closing balance	**2,131,529,414**	**2,375,926,760**
5.00	**Deferred Tax**		
	Opening balance	20,460,584	-
	Add: Current period charged	11,518,906	20,460,584
		31,979,490	**20,460,584**
6.00	**Income Tax Payable**		
	Income Tax Payable -Opening	16,298,358	-
	Add: Charge for the period	8,449,286	16,298,358
		24,747,644	**16,298,358**
	Less: Adjustment during the period	-	-
		24,747,644	**16,298,358**
7.00	**Net Asset Value (NAV) per Share**		
	A. Net Asset Value	6,656,758,244	6,544,296,650
	B. Number of Ordinary Share Outstanding	392,544,834	356,858,940
	Net Asset Value (NAV) per Share (A/B)	**16.96**	**18.34**

R.N. SPINNING MILLS Ltd. Bangladesh

		Amount in Taka		Amount in Taka	
		01-07-2018 to 31-12-2018	01-07-2017 to 31-12-2017	01-10-2018 to 31-12-2018	01-10-2017 to 31-12-2017
8.00 Cost of Goods Sold					
Cost of Goods Sold		1,117,052,312	963,280,696	565,136,044	415,394,776
		1,117,052,312	**963,280,696**	**565,136,044**	**415,394,776**
9.00 Operating Expenses					
Warehouse, Distribution & Selling Exp.		14,671,237	14,356,625	7,381,074	7,342,368
Administrative Expenses		27,264,602	26,738,757	13,595,248	13,526,996
		41,935,839	**41,095,382**	**20,976,322**	**20,869,364**
10.00 Income tax expenses					
Current tax	10.01	8,449,286	8,916,909	3,827,078	3,857,412
Deferred tax	10.02	11,518,906	5,124,930	3,073,366	4,699,010
		19,968,192	**14,041,839**	**6,900,444**	**8,556,422**
10.01 Current tax					
This has been arrived as under;					
Current tax on operating income		8,267,769	8,847,301	3,790,067	3,821,708
Current tax on other income		181,517	69,607	37,010	35,704
		8,449,286	**8,916,909**	**3,827,078**	**3,857,412**
10.02 Deferred tax					
Total income tax during the period		19,968,192	14,041,839	6,900,444	8,556,422
Less: Current tax		8,449,286	8,916,909	3,827,078	3,857,412
Deferred tax		**11,518,906**	**5,124,930**	**3,073,366**	**4,699,010**
Deferred tax accounts for the period		**11,518,906**	**5,124,930**	**3,073,366**	**4,699,010**
11.00 Earnings per Share (EPS)					
Earnings during the period		112,461,594	141,784,750	38,961,521	48,317,542
Number of weighted average ordinary shares		392,544,834	392,544,834	392,544,834	392,544,834
Earnings Per Share		**0.29**	**0.36**	**0.10**	**0.12**
12.00 Net operating cash flow per share (NOCFPS)					
Net operating cash flows		408,495,078	490,466,186		
No. of outstanding share at the end of period		392,544,834	392,544,834		
Net operating cash flows per share		**1.04**	**1.25**		
13.00 Reconciliation of cash generated by operations					
Net Profit/(Loss) Before Tax		132,429,786	155,826,589		
Add: Depreciation		207,041,695	219,616,014		
Increase/Decrease in inventory		84,579,670	144,344,980		
Increase/Decrease in bills receivables		(13,127,148)	100,613,045		
Increase/Decrease in advance, deposits & prepayments		(43,391,102)	(45,444,209)		
Increase/Decrease in bills payables		39,566,958	(81,259,708)		
Increase/Decrease in creditors & accrues excluding pref. dividend		1,417,147	(3,213,130)		
Foreign currency gain		(21,928)	(17,395)		
		408,495,078	**490,466,186**		

R.N. SPINNING Mills Ltd. Bangladesh