

VFS THREAD DYEING LIMITED
Statement of Financial Position (Un-Audited)
As at 30 September 2018 (1st Quarter)

Particulars	Note	Amount in Taka	
		30 September 2018	30 June 2018
Assets			
Non-Current Assets		828,062,817	835,247,193
Property, Plant & Equipment	3.00	815,352,327	825,881,043
Capital Work in Progress	4.00	9,253,540	5,909,200
Security Deposit	5.00	3,456,950	3,456,950
Current Assets		951,909,189	723,740,296
Inventories	6.00	257,974,330	254,121,793
Trade Receivables	7.00	418,253,605	387,634,173
Advance, Deposits and Prepayments	8.00	64,354,994	57,572,042
Cash and Cash Equivalents	9.00	211,326,260	24,412,288
Total Assets		1,779,972,006	1,558,987,490
Shareholders Equity and Liabilities			
Shareholders Equity		1,636,832,150	1,391,038,556
Share Capital	10.00	847,148,000	627,148,000
Retained Earnings	11.00	789,684,150	763,890,556
Non-Current Liabilities		39,648,317	41,551,679
Long Term Borrowings Net off Current Portion	12.00	3,776,432	6,928,173
Deferred Tax Liabilities		35,871,885	34,623,506
Current Liabilities		103,491,539	126,397,255
Trade Payables	13.00	1,291,630	1,377,694
Current Portion of Long Term Borrowings		3,265,000	30,592,728
Share Money (Refundable)		2,600,007	-
Short Term Borrowings	14.00	7,889,710	15,441,975
Provision & Accruals	15.00	15,306,371	12,681,920
Provision for Income Tax		73,138,821	66,302,938
Total Shareholders Equity and Liabilities		1,779,972,006	1,558,987,490
Net Asset Value (NAV) Per Share	21.00	19.32	22.18

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

Sd/-
Chairman

Sd/-
Director

Sd/-
Managing Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dated: November 13, 2018

Place: Dhaka

VFS THREAD DYEING LIMITED
Statement of Profit or Loss and other Comprehensive Income (Un-Audited)
For the period ended 30 September 2018 (1st Quarter)

Particulars	Notes	(Amount in Taka)	
		01 July 2018 to 30 September 18	01 July 2017 to 30 September 17
Sales Revenue	16.00	287,244,560	205,708,390
Less: Cost of Goods Sold	17.00	225,486,583	170,038,255
Gross Profit		61,757,977	35,670,135
Less: Operating Expenses	18.00	5,908,266	4,732,031
Operating Income		55,849,711	30,938,104
Less: Financial Expenses		1,961,150	3,543,631
Net Operating Income		53,888,562	27,394,473
Add: Other Non-Operating Income		2,793	50,303
Profit before Tax & WPPF		53,891,355	27,444,776
Less: Workers profit Participation Fund Expenses		2,566,255	1,306,894
Profit before Tax		51,325,100	26,137,882
Less: Provision for Taxation		8,084,262	4,126,777
Current Tax		6,835,883	2,507,663
Deferred Tax		1,248,379	1,619,114
Net Profit after Tax		43,240,838	22,011,105
Basic Earnings Per Share (EPS)	19.00	0.54	0.35
Diluted Earnings Per Share (EPS)	20.00	0.51	0.26

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

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Chief Financial Officer

Sd/-
Company Secretary

Dated: November 13, 2018
Place: Dhaka

VFS THREAD DYEING LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended 30 September 2018 (1st Quarter)

(Amount in Taka)

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2018	627,148,000	763,890,556	1,391,038,556
Net Profit during the period	-	43,240,838	43,240,838
Share capital issued	220,000,000	-	220,000,000
IPO Expenses	-	(17,447,244)	(17,447,244)
Balance as on 30 September 2018	847,148,000	789,684,150	1,636,832,150

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

(Amount in Taka)

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2017	627,148,000	620,639,185	1,247,787,185
Net Profit during the period	-	22,011,105	22,011,105
Balance as on 30 September 2017	627,148,000	642,650,289	1,269,798,289

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Chief Financial Officer

Sd/-
Company Secretary

Dated: November 13, 2018

VFS THREAD DYEING LIMITED
Statement of Cash Flows (Un-Audited)
For the period ended 30 September 2018 (1st Quarter)

Particulars	(Amount in Taka)	
	01 July 2018 to 30 September 2018	01 July 2017 to 30 September 2017
A. Cash Flows from Operating Activities		
Receipts from customers & others	256,627,921	206,707,923
Payment to suppliers, employee & others	(225,254,874)	(170,888,926)
Payment for interest on short term loan	(1,329,881)	(1,972,960)
Payment for income tax	(1,539,768)	(1,446,603)
Net Cash Flows from Operating Activities	23.00	28,503,399
B. Cash Flows from Investing Activities		
Payments for acquisition of fixed assets	(2,134,840)	(675,000)
Payment for capital work in process	(3,344,340)	-
Net Cash Flows from Investing Activities		(5,479,180)
C. Cash Flows from Financing Activities		
Receipts/Payment from short term loan	(7,552,265)	(20,380,990)
Receipt from Initial Public Offering (IPO)	220,000,000	-
Receipts/Payment from long term loan	(30,479,469)	(4,359,329)
Payment of interest on long term loan	(631,269)	(1,570,671)
Payment of IPO Expenses	(17,447,244)	-
Net Cash Flows from Financing Activities		163,889,753
D. Increase/(Decrease) of Cash and Cash Equivalents (A+B+C)		186,913,972
E. Opening Cash and Cash Equivalents		24,412,288
F. Closing Cash and Cash Equivalents (D+E)		1,200,734
		211,326,260
Net Operating Cash Flows per Share (NOCFPS)	22.00	0.35
		0.40

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

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Chief Financial Officer

Sd/-
Company Secretary

Dated: November 13, 2018

Place: Dhaka

VFS THREAD DYEING LIMITED
Notes to the Financial Statements (Un-Audited)
For the 1st Quarter ended 30 September 2018

1.00 Reporting Entity

The company namely VFS Thread Dyeing Limited was incorporated as private limited company with the issuance of certificate of incorporation bearing no.C-84051/10 dated April 20, 2010 by the Registrar of Joint Stock Companies & Firms. Subsequently the company has been converted into Public Limited Company dated January 10, 2013. Its Authorized Capital is BDT 1,000 Million and present Paid-up Capital BDT 847.148 Million. The Company went for Initial Public Offering of shares in May 2018 which was fully subscribed and issued. The Company was listed with Dhaka Stock Exchange Limited (DSE) on August 08, 2018 and Chittagong Stock Exchanges (CSE) on 05 August 2018. Registered Office of the Company is located at House # 257 (3rd Floor), Road # 03, Baridhara DOHS, Dhaka-1206.

The principal activities of the Company are to carry on the business of dyeing and finising of sewing thread of different types for 100% export oriented ready-made garments industries in Bangladesh.

2.00 Basis of Preparation of Financial Statements

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and International Accounting Standards (IAS) in compliance with other relevant local laws including Securities and Exchange Rules 1987. The presentation of the interim financial statements and the accounting policies used in preparing them are consistent with those of the Annual Financial Statements. Where necessary, the comparatives have been reclassified or extended to take into account any presentational changes made in the Annual Financial Statements. The preparation of the interim Financial Statements requires management to make estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions which are based on management's best judgement at the date of the Interim Financial Statements, deviate from the actual, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

3.00 Property, Plant and Equipment

Balance as on July 01, 2018

Add: Addition during the period

Less: Accumulated Depreciation

Written down value as on 30 September 2018

30 September 2018	30 June 2018
Taka	Taka
1,131,535,708	1,051,389,791
4,134,840	80,145,917
1,135,670,548	1,131,535,708
320,318,221	305,654,665
815,352,327	825,881,043

4.00 Capital work in Progress

Opening Balance

Add: Addition during the period

Less: Capitalize to Building & Civil Construction

5,909,200	-
3,344,340	5,909,200
9,253,540	5,909,200
-	-
9,253,540	5,909,200

5.00 Security Deposit

	30 September 2018	30 June 2018
	Taka	Taka
Bangladesh Telecommunication Company Ltd. (BTCL)	6,500	6,500
Titas Gas Transmission & Distribution Co. Ltd. (Demand Note)	2,685,450	2,685,450
Rural Electrification Board (REB)	765,000	765,000
	3,456,950	3,456,950
6.00 Inventories		
Raw Materials-Yarn	187,713,255	183,244,560
Raw Materials-Chemicals	11,266,750	16,087,571
Work in Process	3,211,320	4,011,230
Packing Materials	1,633,210	1,633,240
Finished Goods	41,233,544	38,099,780
Store Items	1,877,133	2,433,122
Material in Transit	11,039,118	8,612,290
	257,974,330	254,121,793
7.00 Trade Receivables		
Bill Receivables		
Opening Balance	387,634,173	369,467,815
Add: Addition during the period	287,244,560	916,202,051
Available for received	674,878,733	1,285,669,866
Less: Realized during the period	256,625,128	898,035,693
	418,253,605	387,634,173
8.00 Advance, Deposits & Prepayments		
Advance deposit & Prepayment	64,354,994	57,572,042
9.00 Cash and Bank Balance		
Cash in hand	3,009,760	1,344,560
Cash at Sonali Bank Limited	18,847,501	18,911,643
FDR-Islami Bank Bangladesh Limited	55,000,000	-
FDR-NCC Bank Limited	50,000,000	-
FDR-United Commercial Bank Limited	50,000,000	-
BRAC Bank Limited BDT (1501203089179001)	22,403,338	-
BRAC Bank Limited USD (1501203089179002)	2,433,351	-
BRAC Bank Limited EUR(1501203089179003)	156,744	-
BRAC Bank Limited GBP (1501203089179004)	9,912	-
Cash at Bangladesh Development Bank Ltd.	8,161	8,161
Cash at Mercantile Bank Ltd.	71,660	1,062,758
Cash at Islami Bank Bangladesh Limited	3,847,219	931,528
Cash at Dutch Bangla Bank Limited	436,536	437,233
Cash at Southeast Bank Limited	29,815	29,815
Cash at NCC Bank Limited	4,710	-
Cash at Jamuna Bank Limited	28,265	28,265
Cash at United Commercial Bank Limited	5,039,289	1,658,326
	211,326,260	24,412,288
10.00 Share Capital		

	30 September 2018	30 June 2018		
	Taka	Taka		
Authorized Share Capital				
100,000,000 ordinary shares of Taka 10/= each.	1,000,000,000	1,000,000,000		
Issued, subscribed and paid-up share capital				
84,714,800 ordinary shares of Taka 10/= each.	847,148,000	627,148,000		
Detailed Break-up or Composition of Shareholders' equity				
Particulars	Issue Date	Face Value	No. of Share	Paid up Capital
At the time of Incorporation	20-Apr-10	100	30,000	3,000,000
1st Allotment	25-Sep-11	100	265,400	26,540,000
2nd Allotment	26-Dec-11	100	700,000	70,000,000
3rd Allotment	28-Nov-12	100	5,276,080	527,608,000
Issuance of Share (IPO)	19-Jul-18	10	22,000,000	220,000,000
Total				847,148,000
11.00 Retained Earnings				
Opening Balance			763,890,556	620,639,185
Add: Profit during the period			43,240,838	143,251,372
Less: IPO Expenses			(17,447,244)	-
			789,684,150	763,890,556
12.00 Long Term Borrowings				
This represent amount of term loan sanctioned by the Sonali Bank Limited under the following:				
Project Loan (Sonali Bank Ltd)			-	12,021,740
BMRE Loan (Sonali Bank Ltd)			7,041,432	25,499,161
			7,041,432	37,520,901
Less: Current portion of Long term borrowings			3,265,000	30,592,728
			3,776,432	6,928,173
13.00 Trade Payables			1,291,630	1,377,694
14.00 Short Term Borrowings				
C.C (Hypo)-Sonali Bank Ltd.			1,566,340	1,432,840
LTR Liability-Sonali Bank Ltd.			4,746,140	8,821,378
C.C (Hypo)-Bangladesh Development Bank Ltd.			1,577,230	5,187,757
			7,889,710	15,441,975
15.00 Provision & Accruals				
Utilities			1,131,250.00	1,123,450
Rent			80,000.00	80,000
Salary & Wages			2,653,069.00	2,602,673
Director Remuneration and Fees			118,750.00	118,750
Workers Profit Participation Fund			11,073,302	8,507,047
Audit Fees			250,000.00	250,000
			15,306,371	12,681,920

	01 July 2018 to 30 September 2018	01 July 2017 to 30 September 2017
	Taka	Taka
16.00 Sales Revenue		
Sales of Finished Goods	287,244,560	205,708,390
	287,244,560	205,708,390
17.00 Cost of Goods Sold		
Raw materials consumed-Yarn	161,454,795	118,156,838
Raw materials consumed-Chemicals	31,754,031	23,234,969
Packing materials consumed	2,016,500	1,478,679
Total raw materials consumed	195,225,326	142,870,486
Add: Manufacturing Overhead	32,788,401	29,517,021
Prime Cost	228,013,727	172,387,507
Add: Work in Process- Opening	4,011,230	3,823,455
	232,024,957	176,210,962
Less: Work in Process- Closing	3,211,320	3,340,579
Cost of goods manufactures	228,813,637	172,870,383
Add: Finished goods - Opening	38,099,780	39,357,141
	266,913,417	212,227,524
Less: Finished goods - Closing	41,233,544	42,024,589
Less: Sample Expenses	193,290	164,680
Cost of goods sold during the period	225,486,583	170,038,255
18.00 Operating Expenses		
Warehouse, Distribution & Selling Exp. (Note-18.10)	3,117,780	2,511,450
Administrative Expenses (Note-18.20)	2,790,486	2,220,582
	5,908,266	4,732,031
18.10 Warehouse, Distribution & Selling Expenses		
Salary & Welfare	1,614,569	1,285,360
Advertising	13,200	-
Transportation and Handling	644,320	530,580
Repair and Maintenance	108,655	96,740
Rent	4,000	4,000
Utilities	8,544	8,350
Sales promotion	11,213	10,470
Traveling & Conveyance	251,420	199,560
Entertainment	173,210	141,200
Miscellaneous	21,230	4,290
Sample, Test & Analysis	21,340	15,940
Sample Expenses	193,290	164,680
Depreciation (Annex-A)	52,789	50,280
	3,117,780	2,511,450
18.20 Administrative Expenses		
Salary & Welfare	1,711,430	1,173,330
Director Remuneration	56,250	56,250
Postage & Courier	69,840	67,810

	01 July 2018 to 30 September 2018	01 July 2017 to 30 September 2017
	Taka	Taka
Traveling & Conveyance	193,249	181,880
Repair & Maintenance	9,322	7,800
Utilities	68,953	65,680
Printing and Stationery	105,329	104,090
Rent, Rates and Taxes	277,546	276,630
Subscription & Donation	12,320	6,570
Entertainment	71,230	47,710
Legal & Professional Charge	15,000	57,500
Group Insurance Premium	4,566	3,823
Miscellaneous Expenses	15,430	26,990
Bank Charges	41,525	22,550
News paper & periodical	5,322	4,650
Board Meeting attendance Fees	10,000	-
Depreciation (Annex-A)	123,174	117,319
	<u>2,790,486</u>	<u>2,220,582</u>
19.00 Basic Earnings Per Share (EPS)		
Net Profit after Tax	43,240,838	22,011,105
Weighted average no of Shares	80,410,452	62,714,800
Earnings Per Share (EPS)	<u>0.54</u>	<u>0.35</u>
20.00 Diluted Earnings Per Share (EPS)		
Net Profit after Tax	43,240,838	22,011,105
Total Number of Share outstanding	84,714,800	84,714,800
Diluted Earnings Per Share (EPS)	<u>0.51</u>	<u>0.26</u>
21.00 Net Asset Value (NAV) Per Share		
Total Assets	1,779,972,006	1,436,825,179
Less: Total Liabilities	143,139,856	167,026,889
A. Net Asset Value (NAV)	<u>1,636,832,150</u>	<u>1,269,798,289</u>
B. Total Number of Share outstanding	84,714,800	62,714,800
Net Asset Value (NAV) Per Share (A/B)	<u>19.32</u>	<u>20.25</u>
22.00 Net Operating Cash Flows Per Share (NOCFPS)		
Net Operating Cash Flows	28,503,399	32,399,434
Number of Ordinary Shares	80,410,452	80,410,452
Net Operating Cash Flow Per Share (NOCFPS)	<u>0.35</u>	<u>0.40</u>

01 July 2018 to 30 September 2018	01 July 2017 to 30 September 2017
Taka	Taka

23.00 Cash Flows from Operating Activities

A reconciliation of net income or net profit with

Net Profit before tax	51,325,100	26,137,882
Adjustment to reconcile net income to net cash		
Depreciation on Fixed Assets	14,663,557	13,966,535
Share Money Refundable	2,600,007	
Interest on Long Term Loan	631,269	1,570,671
Payment for Income Tax	(1,539,768)	(1,446,603)
Increase/Decrease in Current Assets:		
Inventory (Increase)/Decrease	(3,852,537)	1,115,644
Accounts Receivable (Increase)/Decrease	(30,619,432)	949,230
Advance Deposit & Prepayment (Increase)	(7,243,184)	(5,583,424)
Increase/Decrease in current Liabilities:		
Accounts Payable (Decrease)	(86,064)	(5,296,649)
Provision & Accruals (Increase)	2,624,451	986,149
Cash flow from operating activities	28,503,399	32,399,434