

H.R. Textile Mills Limited

An Enterprise of  Group

Business Office & Factory:

4, Karnapara, Savar, Dhaka
Bangladesh

Phone : (88 02) 774 7952-5
(88 02) 774 8694-7
Fax : (88 02) 774 5819
E-mail : pride@pride-grp.com

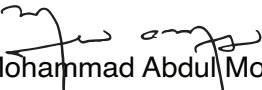
Dhaka Office:

Mirandel (2nd Floor), House # 3, Road # 5
Block # J, Baridhara, Dhaka-1212
www.pride-grp.com

Phone : (88 02) 989 9147
(88 02) 989 9149
(88 02) 989 9159

Dear Shareholders
Assalamu Alaikum,

We forward herewith of the Third Quarter (Q3) Financial Statements (Un-audited) performances of the company, for the 9 (nine) months period (July 2018 to March 2019) ended 31st March 2019 of H.R. Textile Mills Limited as per Regulation of the Stock Exchange (Listing) Regulations, 2015 under LR 17(3).


Mohammad Abdul Moyeed
Managing Director



Third Quarter (Q3) Financial Statements (Un-Audited)
for the 9 (nine) months period ended 31st March 2019

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

H.R. TEXTILE MILLS LIMITED
Statement of Financial Position (Un-audited)
As at March 31, 2019

	Third quarter ended March 31, 2019 Taka	Year ended June 30, 2018 (Audited) Taka
CAPITAL EMPLOYED IN NON-CURRENT ASSETS:		
Property, Plant and Equipment	1,513,089,450	742,807,641
Total Non-Current Assets	<u>1,513,089,450</u>	<u>742,807,641</u>
CURRENT ASSETS:		
Stocks and Stores	397,458,745	333,256,421
Trade and Other Debtors	435,054,005	371,222,914
Export Incentive Receivables	56,940,661	75,406,776
Advance, Deposits and Prepayments	58,249,996	53,229,531
Cash and Cash Equivalents	86,826,190	48,281,991
Total Current Assets	<u>1,034,529,597</u>	<u>881,397,633</u>
Total Assets	<u><u>2,547,619,047</u></u>	<u><u>1,624,205,274</u></u>
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
Revaluation Surplus	686,195,360	-
Unappropriated Profit	105,695,211	96,374,242
TOTAL SHAREHOLDERS' EQUITY	<u>1,084,226,311</u>	<u>388,709,982</u>
LONG-TERM LIABILITIES:		
Long-Term Loans-Secured Future Maturity	231,643,233	128,042,025
Provision for Gratuity	26,622,822	27,852,964
Deferred Tax Liabilities	40,405,835	39,128,378
	<u>298,671,890</u>	<u>195,023,367</u>
CURRENT LIABILITIES:		
Bank Overdrafts-Secured	104,327,736	80,578,522
Time Loan- Secured	262,477,008	123,733,987
Trade Creditors	609,822,873	643,380,910
Accrued Expenses	30,528,230	22,533,807
Provision for Taxation	30,284,765	32,518,992
Bills Receivable Discounted	39,004,917	37,667,941
Workers' Participation /Welfare Funds	17,428,982	20,910,081
Current Maturity of Long-term Loans	70,846,335	79,147,685
Total Current Liabilities	<u>1,164,720,846</u>	<u>1,040,471,925</u>
Total Liabilities	<u>1,463,392,736</u>	<u>1,235,495,292</u>
Total Equity and Liabilities	<u><u>2,547,619,047</u></u>	<u><u>1,624,205,274</u></u>
Net Assets value per share of Tk.10	<u>42.85</u>	<u>15.36</u>



Chairman



Managing Director



Director



CFO/IF&A



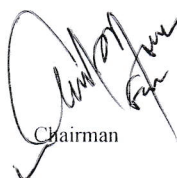
Company Secretary

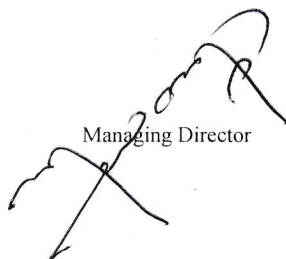
H.R. TEXTILE MILLS LIMITED
Statement of Profit or Loss and other Comprehensive Income (Un-Audited)
Nine months and Third Quarter (Q3) period ended March 31, 2019

Particulars	9 months ended	9 months ended	Third Quarter (Q3)	Third Quarter (Q3)
	1 July'18 to 31 March'19 Taka	1 July'17 to 31 March'18 Taka	1 Jan to 31 March'19 Taka	1 Jan to 31 March'18 Taka
Sales	1,662,498,150	1,469,108,606	526,765,059	570,162,767
Export Incentives	17,542,145	15,146,771	3,708,537	5,441,743
Turnover	1,680,040,295	1,484,255,377	530,473,596	575,604,510
Less: Cost of Goods Sold	1,458,882,542	1,289,203,452	471,391,463	518,760,889
Gross Profit	221,157,753	195,051,925	59,082,133	56,843,621
Less: Administrative and General Expen	172,348,754	153,323,541	44,102,259	41,262,021
Operating Profit	48,808,999	41,728,384	14,979,874	15,581,600
Add: Other Income	1,324,756	274,050	345,471	91,350
Profit before Workers' Participation/	50,133,755	42,002,434	15,325,345	15,672,950
Less: Contribution to Workers' Participa	2,387,322	2,000,116	729,778	746,331
Net Profit/(Loss) before Tax	47,746,433	40,002,318	14,595,567	14,926,619
Income Tax Charge	13,125,464	6,000,347	1,018,504	1,532,606
Current Tax	11,848,007	7,585,295	910,797	1,875,113
Deferred Tax	1,277,457	(1,584,948)	107,707	(342,507)
Net Profit/(Loss) after Tax	34,620,969	34,001,971	13,577,063	13,394,013
(Transferred to the statement of Changes in Equity)				
Earning Per Share (EPS) of Tk.10 (ba	1.37	1.34	0.54	0.53

Cash Flow Statement (Un-Audited)
Third Quarter (Q3) period ended March 31, 2019

Particulars	Third quarter (Q3)	Third quarter (Q3)
	ended 31st March 2019 Taka	ended 31st March 2018 Taka
Cash flows from Operating Activities:		
Cash received from customers and export incentives	1,636,000,075	1,375,192,716
Cash paid for goods and services	(1,604,433,535)	(1,110,714,238)
Cash from operation	31,566,540	264,478,478
Interest paid	(88,832,186)	(48,481,609)
Income tax paid/deducted at sources	(9,545,424)	(11,026,895)
Cash inflows from operating activities	(66,811,070)	204,969,974
Cash flows from Investing Activities:		
Acquisition of fixed assets	(142,153,046)	(41,256,571)
Cash flows from Financing Activities:		
Bank Overdraft received/(Paid)	23,749,214	(26,239,907)
Long Term loan received/(Paid)	95,299,858	(66,132,677)
Time Loan Received/(Paid)	138,743,021	-
Bills Receivable Discounted Received/(Paid)	1,336,976	48,479,926
Dividend paid	(11,620,754)	(58,315,252)
Cash inflow (outflow) from financing activities	247,508,315	(102,207,910)
Net increase/(decrease) in cash and bank balances	38,544,199	61,505,493
Cash and bank balances on opening	48,281,991	78,579,347
Net increase/(decrease) in cash and bank balances	38,544,199	61,505,493
Cash and bank balances at closing	86,826,190	140,084,840
Net operating cash flow per share (NOCFPS)	(2.64)	8.10


Chairman


Managing Director


Director


CFO/HF&A


Company Secretary

H.R. TEXTILE MILLS LIMITED

Statement of Changes in Shareholders' Equity (Un-Audited)

For the Third Quarter (Q3) period ended March 31, 2019

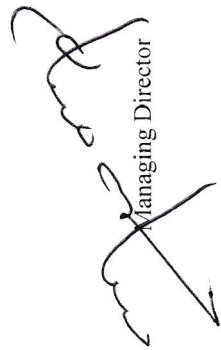
Particulars	Share Capital	General Reserve	Tax Holiday Reserve	Revaluation Surplus	Dividend Equalisation Reserve	Retained Earnings	Total Taka
Balance as at 30 June 2018	253,000,000	6,956,752	22,378,988	-	10,000,000	96,374,242	388,709,982
Revaluation Surplus as on December 31, 2018				686,195,360		-	686,195,360
Net profit after tax						34,620,969	34,620,969
Cash Dividend declared						(25,300,000)	(25,300,000)
Balance as at 31 March 2019	253,000,000	6,956,752	22,378,988	686,195,360	10,000,000	105,695,211	1,084,226,311

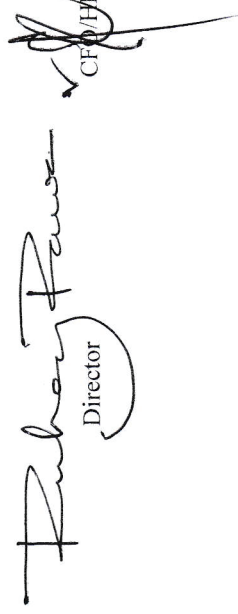
Statement of Changes in Shareholders' Equity (Un-Audited)

For the Third Quarter (Q3) period ended March 31, 2018

Particulars	Share Capital	General Reserve	Tax Holiday Reserve	Revaluation Surplus	Dividend Equalisation Reserve	Retained Earnings	Total Taka
Balance as at 30 June 2017	253,000,000	6,956,752	22,378,988	-	10,000,000	78,579,347	370,915,087
Net profit after tax						34,001,971	34,001,971
Cash Dividend declared						(25,300,000)	(25,300,000)
Balance as at 31 March 2018	253,000,000	6,956,752	22,378,988		10,000,000	87,281,318	379,617,058


Chairman


Managing Director


Director

CFP/HF&A


Company Secretary

H.R. Textile Mills Limited
Notes to the Interim Financial Statements (Un-audited)
For the 9 (nine) months and Third Quarter (Q3) period ended 31st March 2019

1. Accounting policies and methods used for preparation and presentation of Financial Statements:
 - i. These Financial Statements are the un-audited Interim Financial Statements of H.R. Textile Mills Limited, for the 9 (nine) months and Third Quarter (Q3) ended 31st March 2019 (here after 'the Interim Period') which 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 9 (nine) months and third 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 March 31, 2019 stood at Tk.1.37 and Tk. (2.64) respectively, compared to previous period EPS Tk.1.34 & NOCFPS Tk. 8.10.

The rise in EPS was mainly due to increase in sales while the decline NOCFPS was due to slow collection from customers.

The NAV per share in current period stood at Tk. 42.85 against Tk. 15.00 of the corresponding previous period.
 - iii. There was no exceptional item to be disclosed under the head related party transaction.
 - iv. Effect of Exchange rates changes on cash and cash equivalent's was not separately reflected in the Statement of cash flows. It was included in the cash collected from customers and export incentives.
2. Seasonability/Cyclicity of Interim Operation:
HRTM is a fabric and Readymade Garments (RMG) exporter and there was no significant seasonality /Cyclicity affect in operation during the period
3. Changes in Non-Currents Assets:
During the period Non-Current Assets has increased by Tk. 770.28 million due to revaluation of land and factory building of Non-Current Assets.
4. Changes in Current Assets:
The total Current Assets have increased by Tk. 153.13 million during the period due to increase in Stock and Stores, Trade and Other Debtors and Cash and Bank Balances with June 30, 2018 and changes in Export Incentive Receivables, Advance, Deposits and Prepayments.
5. Changes in Shareholder's Equity:
Shareholder's Equity has increased by Tk. 695.52 million due to Revaluation surplus and additional retained earning arisen from net profit.
6. Changes in Current Liabilities:
The total Current liabilities have increased by Tk. 124.25 million mainly due to increase in Bank Overdrafts, Time loan, back to back L/c liabilities and bills discounted. Time loan has increased for factory retrofitting purpose.
7. Changes in Long Term Liabilities:
The total amount of long-term liabilities has increased by Tk. 103.65 million due to additional machinery and equipment purchase.
8. Change in Export Incentive :
Export Incentive has increased by Tk. 2.40 million during the period from July 01, 2018 to March 31, 2019 compared with the previous period. Export Incentive mainly related to use of raw materials (local or foreign) hence not directly related to sales.
9. Change in Bill Discounting:
Bill Discounting was increased by Tk. 1.34 million as on 31 March 2019 compared with June 30, 2018 this was mainly due to more bill discounting during the period to meet cash requirement .
10. Changes in Operating Income and Expenses:
 - i. The turnover for the period has increased by Tk. 195.78 million compared to same period in the previous years. The overall cost of goods sold has increased by Tk. 169.68 million from previous period. Turnover has increased by 13.19% and the gross profit has increased by 13.38%. As a result gross profit amount has increased.
 - ii. The operating expense has increased by 12.41% to the previous period. As a result operating profit stood at Tk. 48.81 million during the current period against Tk. 41.73 million compared with the previous period.
 - iii. During this period Net Profit after tax stood at Tk. 34.62 million compared to Tk. 34.00 million against the previous period of July 01, 2017 to March 31, 2018.

