

PARAMOUNT TEXTILE LIMITED

FIRST QUARTER FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

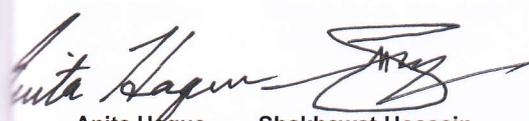


Paramount Textile Ltd.

Chaklader House (Level -2, 5,6 & 7) ,House # 22,
Road #113/A, Gulshan -02, Dhaka-1212
Bangladesh

PARAMOUNT TEXTILE LIMITED
STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at 30th September, 2018

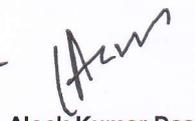
Particulars	Notes	Amount in Taka	
		30-09-2018	30-06-2018
ASSETS			
Non-current assets			
		4,512,850,022	4,416,973,115
Property, plant and equipment	3.00	3,548,198,188	3,249,956,796
Capital work in progress		345,763,659	656,514,138
Investment in Property		504,338,176	505,602,181
Investment in Associates		114,550,000	4,900,000
Current assets			
		3,406,250,999	2,931,904,117
Inventories	4.00	2,525,701,327	2,126,884,443
Trade receivables		488,221,592	407,831,276
Other receivables		2,068,000	-
Advance, deposits & prepayments	5.00	330,933,879	346,126,527
Investments		39,016,867	38,868,591
Cash & bank balances	6.00	20,309,334	12,193,280
TOTAL ASSETS		7,919,101,021	7,348,877,232
EQUITY AND LIABILITIES			
Capital and Reserves			
		2,762,253,260	2,681,784,622
Ordinary share capital		1,290,474,570	1,290,474,570
Share premium		540,000,000	540,000,000
Retained earnings		740,822,931	660,502,568
Tax holiday reserve		203,617,141	203,617,141
Holding gain reserve		(12,661,381)	(12,809,657)
Deferred tax liability	7.00	3,670,474	3,888,778
Non-current liabilities			
		2,043,693,775	1,974,122,762
Long term loan		2,043,693,775	1,974,122,762
Current liabilities			
		3,109,483,511	2,689,081,070
Trade and other payables	8.00	135,282,800	113,908,645
Liability for expenses		121,320,654	101,055,429
Short term loan	9.00	2,446,881,530	2,190,294,344
Current maturity of long term loan		370,338,394	262,870,886
Income tax provision		35,660,133	20,951,765
TOTAL EQUITY AND LIABILITIES		7,919,101,021	7,348,877,232
Net asset value (NAV) per share	10.00	21.40	20.78



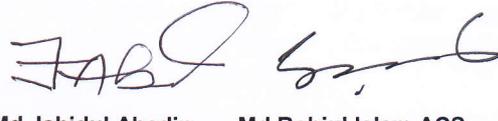
Anita Haque
Chairman



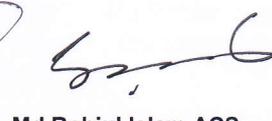
Shakhawat Hossain
Managing Director



Alock Kumar Das
Director



Md. Jahidul Abedin
Chief Financial officer

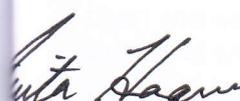


Md. Robiul Islam, ACS
Company Secretary

Dhaka, 14 November 2018

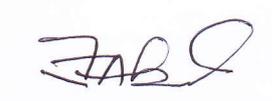
PARAMOUNT TEXTILE LIMITED
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
For 1st quarter ended 30th September, 2018

Particulars	Note	Amount in Taka	
		01-07-2018 To 30-09-2018	01-07-2017 To 30-09-2017
Revenue	13.00	1,434,871,020	879,382,715
Cost of sales		(1,191,911,916)	(730,450,993)
Gross Profit		242,959,104	148,931,721
Administrative expenses		(61,452,634)	(51,142,573)
Distribution costs		(11,015,576)	(9,579,306)
		(72,468,210)	(60,721,879)
Profit from operations		170,490,894	88,209,843
Finance costs		(80,244,499)	(36,455,019)
Other income		540,170	1,051,375
Income from house rent		3,711,456	2,661,456
Exchange gain/ (loss)		718,750	452,999
Profit/(loss) before WPPF & WF		95,216,771	55,920,655
Provision for contribution to WPPF & WF		(406,344)	(259,060)
Profit before tax		94,810,427	55,661,595
Tax expenses		(14,490,064)	(6,839,343)
Income tax		(14,708,368)	(8,610,257)
Deferred tax benefit/ (expense)		218,304	1,770,914
Net profit/ (loss) after tax		80,320,363	48,822,251
Unrealized gain / (loss) on investment in shares		148,276	(496,403)
Total comprehensive income		80,468,638	48,325,849
Basic earnings per share (EPS)		0.62	0.42
Basic earnings per share (EPS) (Restated)	14.00		0.38


Anita Haque
Chairman


Shakhawat Hossain
Managing Director


Alock Kumar Das
Director


Md. Jahidul Abedin
Chief Financial officer


Md. Robiul Islam, ACS
Company Secretary

Dhaka, 14 November 2018

PARAMOUNT TEXTILE LIMITED
STATEMENT OF CASH FLOWS (UNAUDITED)
For the 1st quarter ended 30th September, 2018

Particulars	Amount in Taka	
	01-07-2018 To 30-09-2018	01-07-2017 To 30-09-2017
A) Cash flows from operating activities		
Cash received from operating activities		
Cash received from customer	1,354,480,704	811,271,151
Cash received from house rent	3,234,080	3,802,080
Cash received from other income	540,170	18,743
	1,358,254,954	815,091,974
Cash paid for operating activities:		
Cash paid to suppliers	884,590,432	391,960,796
Wages & salaries	169,365,645	129,525,304
Factory overhead	102,316,652	92,380,101
Administrative overhead	66,201,728	56,941,700
Distribution costs	11,015,576	9,579,306
Financial costs	80,244,499	36,455,019
Advance & security deposit receipt	(463,280)	636,640
Advance , deposits & pre-payments	(8,737,419)	26,684,629
Exchange loss/ (gain)	(718,750)	(452,999)
Income tax paid/ advance income tax paid	8,975,671	8,491,333
	1,312,790,754	752,201,829
Net cash flows from operating activities (Note-15)	45,464,200	62,890,145
B) Cash flows from investing activities		
Payment of investment in Associates	(109,650,000)	-
Payment against investment property	-	-
Payment against property, Plant, equipment and CWIP	(61,944,770)	(1,064,842,927)
Net cash increase from investing activities	(171,594,770)	(1,064,842,927)
C) Cash flows from financing activities		
Dividend payment	(1,737)	(127,887)
Proceeds from bank overdraft	92,348,869	229,136,101
Proceeds from loan against trust receipts (LATR)	(75,740,775)	-
Proceed from term loan	117,640,267	750,995,098
Net cash flows used in financing activities	134,246,624	980,003,312
Net increase in cash and cash equivalents	8,116,054	(21,949,470)
Cash and cash equivalents, beginning of the period	12,193,280	43,941,183
Cash and cash equivalents, end of the 1st quarter	20,309,334	21,991,712
Net operating cash flows per share (NOCFPS) (Note- 16.00)	0.35	0.49 (Restated)


Anita Haque
 Chairman


Shakhawat Hossain
 Managing Director


Alok Kumar Das
 Director


Md. Jahidul Abedin
 Chief Financial officer


Md. Robiul Islam, ACS
 Company Secretary

Dhaka, 14 November 2018

PARAMOUNT TEXTILE LIMITED
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the 1st quarter ended 30th September, 2018

Particulars	Amount in Taka					
	Share capital	Share premium	Retained earnings	Tax holiday reserve	Holding gain reserve	Total
Balance as at 1 July 2018	1,290,474,570	540,000,000	660,502,568	203,617,141	(12,809,657)	2,681,784,622
Current period	-	-	80,320,363	-	148,276	80,468,638
Total equity as at 30-09-2018	1,290,474,570	540,000,000	740,822,931	203,617,141	(12,661,381)	2,762,253,260

PARAMOUNT TEXTILE LIMITED
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the 1st quarter ended 30th September, 2017

Particulars	Amount in Taka					
	Share capital	Share premium	Retained earnings	Tax holiday reserve	Holding gain reserve	Total
Balance as at 1 July 2017	1,173,158,700	540,000,000	558,950,664	203,617,141	(6,577,639)	2,469,148,866
Current period	-	-	48,822,251	-	(496,403)	48,325,849
Total equity as at 30-09-2017	1,173,158,700	540,000,000	607,772,915	203,617,141	(7,074,042)	2,517,474,715


Anita Haque
Chairman


Shakhawat Hossain
Managing Director


Alok Kumar Das
Director


Md. Jahidul Abedin
Chief Financial Officer


Md. Robiul Islam, ACS
Company Secretary

Dhaka, 14 November 2018

PARAMOUNT TEXTILE LIMITED
SELECTED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

For the 1st quarter ended 30th September, 2018.

1.00 Status and nature of business

The company was incorporated in Bangladesh on June 12, 2006 under the Companies Act 1994. Company's shares are listed with Dhaka and Chittagong stock Exchanges and are placed under "A" category. The principal activities of the company are manufacturing high quality woven fabrics that are consumed by export oriented garments industries in Bangladesh and abroad.

2.00 Basis of preparation

These financial statements have been prepared in accordance with the requirement of Bangladesh Accounting Standards 34 " Interim Financial Reporting" and the requirements of the Securities & Exchange rules 1987.

2.01 Basis of preparation

The same accounting policies and methods of computation have been followed in these condensed interim financial information as were applied in preparation of the financial statements of Paramount Textile Limited as at and for the year ended June 30, 2018.

Notes	Particulars	Amount in Taka	
		30-09-2018	30-06-2018
3.00 Property, plant and equipment			
	Opening balance of property, plant and equipment	3,249,956,796	1,945,398,902
	Add : Addition during the period	446,898,295	1,932,433,696
		3,696,855,091	3,877,832,598
	Less : depreciation charged during the period	148,656,902	627,875,802
	Closing balance of property, plant and equipment	3,548,198,188	3,249,956,796
4.00 Inventories			
	Chemicals	263,105,001	245,087,617
	Finished goods	526,051,424	601,958,888
	Yarn	1,277,899,859	889,599,328
	Work in process	453,844,980	386,496,585
	Packing & sub material	4,800,063	3,742,025
		2,525,701,327	2,126,884,443
5.00 Advance, deposits & prepayments			
	Advance against salary	12,434,475	13,640,050
	Advance against suppliers	193,409,346	268,238,500
	Advance income tax	8,975,671	-
	Advance office/house Rent	2,950,235	3,168,635
	Bank guarantee	5,619,265	5,508,927
	Security deposit-CDBL	500,000	500,000
	Imprest fund	1,117,183	1,146,891
	L/C margin deposit	7,137,476	7,747,166
	Pre-paid Expense	477,819	3,170,703
	Discount on Zero Coupon Bond	74,575,849	15,177,595
	Security deposits for Internet	7,000	7,000
	Security deposit-PBEL	-	4,091,500
	Security deposits for titas gas	23,716,560	23,716,560
	Telephone line deposit	13,000	13,000
		330,933,879	346,126,527
6.00 Cash and bank balances			
	Cash in hand	5,791,248	3,865,515
	Cash at bank	6,183,179	5,991,295
	Cash at bank (foreign currency)	8,334,907	2,336,470
		20,309,334	12,193,280
7.00 Deferred tax (assets) / liability			
	Opening balance	3,888,778	3,362,468
	Current period	(218,304)	526,310
		3,670,474	3,888,778
8.00 Trade and other payables			
	Trade payables	135,282,800	113,301,437
	Other payables	-	607,208
		135,282,800	113,908,645
9.00 Short term loan			
	UPAS (Pubali Bank Ltd.)	932,157,432	694,518,114
	LATR & PAD (Pubali Bank Ltd & HSBC)	-	75,740,775
	EDF (Eastern Bank Ltd & HSBC)	448,620,252	446,280,478
	Bank overdraft/STL (PBL, HSBC, EBL & Woori Bank)	1,066,103,846	973,754,977
		2,446,881,530	2,190,294,344
10.00 Net Assets value (NAV) per share			
	Net assets	2,762,253,260	2,681,784,622
	Number of shares	129,047,457	129,047,457
		21.40	20.78

11.00 Related party disclosures

During the period ended September 30, 2018 the company entered into a number of transactions with related party in the normal course of business. All these transaction takes place in an arm length basis. Name of the related party, nature of these transactions and amount thereof been set out below in accordance with the provisions of BAS 24: Related party disclosure.

Name of related parties	Nature of transaction	Transaction during the period	Balance/ outstanding as on September 30, 2018	Balance/ outstanding as on June 30, 2018
Paramount Insurance Co. Ltd.	Insurance	3,520,182	3,834,163	3,834,163
Paramount Insurance Co. Ltd.	Investment	-	10,887,548	10,887,548

12.00 Workers profit participation fund & welfare funds (WPPF & WF)

Provision has been made on WPPF & WF at 0.03% on revenue collection in accordance with the Bangladesh Labour Act,2006 (Amendment 2013) & rule 214 of the Bangladesh Labour rule,2015

Amount in Taka

Notes	Particulars	Amount in Taka	
		01-07-2018 to 30-09-2018	01-07-2017 to 30-09-2017
13.00 Revenue			
	Yarn dyed fabric	1,268,969,438	802,213,191
	Knit yarn dyeing	77,782,317	76,306,719
	Sweater yarn dyeing	142,532	862,805
	Printing	87,976,733	
		<u>1,434,871,020</u>	<u>879,382,715</u>
14.00 Basic earnings per share (EPS)			
	Net profit after tax	80,320,363	48,822,251
	Number of share (Note-14.01)	129,047,457	129,047,457
		<u>0.62</u>	<u>0.38</u>
			(Restated)
	i) Earnings per share has been calculated in accordance with BAS-33		
	ii) At present we are enhancing production capacity as well as export volume has been increased significantly. In this regard net profit also increased, which is positively influence to enhance current earnings per share (EPS)		
14.01 Number of shares			
	Number of shares at the beginning of the year	129,047,457	117,315,870
	Add. Bonus shares issued during the year	-	11,731,587
	Closing number of shares	<u>129,047,457</u>	<u>129,047,457</u>
15.00 Reconciliation of net income with cash flows from operating activities			
	Net Profit (As per Statement of Profit or Loss and Other Comprehensive Income)	<u>80,320,363</u>	<u>48,822,251</u>
	Adjustments to Reconciled with non cash items, non-operating items and net changes of the operating accruals :		
	Non-Cash Items :	<u>155,860,545</u>	<u>91,244,909</u>
	Depreciation	149,939,808	93,670,471
	Income Tax provision	5,514,393	(1,651,990)
	WPPF & WF Provision	406,344	259,060
	Profit on sale of share	-	(1,032,632)
	Changes in operating accruals :	<u>(190,716,707)</u>	<u>(77,177,015)</u>
	Increase/ Decrease in Trade receivables	(82,458,316)	(67,412,204)
	Increase/ Decrease in Inventory	(398,816,884)	(134,042,020)
	Increase/ Decrease trade payables and others	261,960,455	149,604,508
	Increase/ Decrease in Liability for Expenses	19,397,339	1,993,970
	Increase/Decrease in Advance & Prepayment	8,737,419	(26,684,629)
	Increase/ Decrease in Security deposit	463,280	(636,640)
	Net Cash flows from operating activities	<u>45,464,200</u>	<u>62,890,145</u>
16.00 Net operating cash flows per share (NOCFPS)			
	Net cash flows from operating activities	45,464,200	62,890,145
	Number of shares	129,047,457	129,047,457
		<u>0.35</u>	<u>0.49</u>
			(Restated)
17.00 Discussion about significant variance			
	A significant growth on turnover and inventory has been occurred in the 1st quarter 2018-19 due to effect of BMRE and capacity enhancement.		