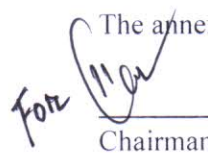
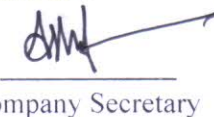


RING SHINE TEXTILES LIMITED
Statement of Financial Position (Un-Audited)
As at December 31, 2019

	Amount in Taka	
	31-12-2019	30-06-2019
ASSETS		
Non Current Assets		
Property, Plant & Equipment	5,878,048,249	5,959,103,314
Investment	77,865,803	75,260,470
Total Non-Current Assets	5,955,914,052	6,034,363,784
Current Assets		
Inventories	3,782,954,961	3,079,459,679
Accounts Receivable	3,824,089,564	3,197,542,944
Advance, Deposits and Prepayments	57,541,869	51,997,709
Advance Income Tax	139,202,252	111,287,795
IPO Fund	1,244,705,398	-
Cash and Cash Equivalents	89,041,669	87,735,764
Total Current Asset	9,137,535,713	6,528,023,891
Total Assets	15,093,449,765	12,562,387,675
EQUITY AND LIABILITIES		
Shareholder's Equity		
Share Capital	5,003,130,430	2,850,548,200
Retained Earnings	3,936,387,092	4,240,497,071
	8,939,517,522	7,091,045,271
Non-Current Liabilities		
Deferred Tax Liability	545,576,414	545,364,791
Total Non-Current Liabilities	545,576,414	545,364,791
Current Liabilities		
Accounts Payable	614,505,616	983,291,172
Short Term Bank Loan	4,680,648,151	3,695,583,842
Provision for Income Tax	203,530,537	139,654,015
Outstanding Liabilities	109,671,524	107,448,585
Total Current Liabilities	5,608,355,828	4,925,977,614
Total Liabilities	6,153,932,243	5,471,342,405
Total Equity and Liabilities	15,093,449,765	12,562,387,675
Net Asset Value (NAV) Per Share	17.87	24.88



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

 Chairman
  Managing Director
  Director
  Company Secretary
  Chief Financial Officer

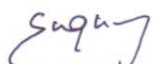
Dated: January 30, 2020
 Place: Dhaka

RING SHINE TEXTILES LIMITED
Statement of Profit or Loss and Other Comprehensive Income (Un-Audited)
For the period ended December 31, 2019

Particulars	Amount in Taka			
	1-07-2019 to 31-12-2019	1-07-2018 to 31-12-2018	1-10-2019 to 31-12-2019	1-10-2018 to 31-12-2018
Sales (Export)	5,196,774,869	5,080,219,998	2,549,191,744	2,581,384,526
Less: Cost of goods exported	4,529,269,261	4,515,215,540	2,231,854,163	2,298,325,518
Gross Profit	667,505,608	565,004,458	317,337,581	283,059,008
Less: Operating expenses	71,770,226	70,983,295	35,813,427	35,509,549
Operating Income	595,735,382	494,021,164	281,524,154	247,549,459
Foreign Exchange gain (loss)	1,562,929	1,694,210	791,834	754,163
Less: Financial expenses	166,614,090	167,748,320	85,692,480	85,781,227
Net operating Profit	430,684,221	327,967,054	196,623,508	162,522,395
Add: Other Income	11,020,433	3,842,171	9,652,801	1,543,545
Net profit before tax	441,704,654	331,809,224	206,276,309	164,065,940
Income Tax Expenses	68,459,785	50,539,817	32,872,007	24,918,600
Current Tax	68,248,161	49,037,209	32,811,793	24,186,908
Deferred Tax (Income)/ Expenses	211,623	1,502,608	60,214	731,692
Net Profit after tax for the period	373,244,869	281,269,407	173,404,302	139,147,340
Earnings per Share - EPS	0.96	0.99	0.45	0.49

for 

Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Dated: January 30, 2020
Place: Dhaka



RING SHINE TEXTILES LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended December 31, 2019

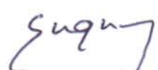
Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2019	2,850,548,200	4,240,497,071	7,091,045,271
Issue during the period- IPO	1,500,000,000	-	1,500,000,000
Issue during the period- Bonus	652,582,230	(652,582,230)	-
IPO Expenses	-	(29,144,257)	(29,144,257)
Tax benefit of IPO Expenses	-	4,371,639	4,371,639
Net Profit after Tax for the period	-	373,244,869	373,244,869
Total	5,003,130,430	3,936,387,092	8,939,517,522

RING SHINE TEXTILES LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended December 31, 2018

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2018	2,850,548,200	3,754,039,926	6,604,588,126
Net Profit after Tax for the period	-	281,269,407	281,269,407
Total	2,850,548,200	4,035,309,333	6,885,857,533

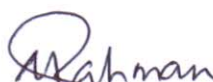
For

 Chairman


 Managing Director


 Director


 Company Secretary


 Chief Financial Officer

Dated: January 30, 2020
 Place: Dhaka



RING SHINE TEXTILES LIMITED
Statement of Cash Flows (Un-Audited)
For the period ended December 31, 2019

Particulars	Amount in Taka	
	1-07-2019 to 31-12-2019	1-07-2018 to 31-12-2018
A .Cash Flows From Operating Activities:		
Collection from customers	4,572,719,170	4,747,666,596
Collection from Other Income	11,020,433	3,842,171
Payment to supplier, employee and others	(5,388,288,954)	(4,287,080,049)
Payment for operating Expenses	(67,326,504)	(103,968,675)
Cash generated from operation	(871,875,856)	360,460,043
Income Tax paid	(27,914,457)	(27,393,674)
Payment for financial expenses	(166,614,090)	(167,748,320)
Net cash generated from operating activities	(1,066,404,403)	165,318,049
B. Cash Flows From Investing Activities:		
Investment	(2,605,333)	(154,218)
IPO Fund	(1,244,705,398)	-
Acquisition of Property, Plant & Equipment	(141,023,189)	(70,055,388)
Net cash used in investing activities	(1,388,333,920)	(70,209,606)
C. Cash Flows From Financing Activities:		
Receive/Paid in Short term loan from bank	985,064,309	(91,541,876)
Issue of Share Capital	1,500,000,000	-
IPO Expenses	(29,144,257)	-
Net Cash provided (Used) by financing activities	2,455,920,052	(91,541,876)
D.Increase/(Decrease) cash and cash equivalents	1,181,729	3,566,567
E.Opening cash and cash equivalents	87,735,764	24,360,738
F.Foreign Exchange gain/loss	124,176	74,961
F.Closing cash and cash equivalents	89,041,669	28,002,266
Net Operating Cash Flows Per Share (NOCFPS)	-2.13	0.58



For

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

Dated: January 30, 2020

Place: Dhaka

Ring Shine Textiles Limited
Notes to the Financial Statements
For the period ended December 31, 2019

SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION:

1. Status of the Reporting Entity

1.1. Legal Status:

Ring Shine Textiles Ltd. (the "Company") is a public company limited by shares. The Company was incorporated in Bangladesh on 28 December 1997 vide registration No. C-34597 as a private company limited by shares under the Companies Act, 1994. The Registered office of the Company is situated in Plot No: 224-260, DEPZ Extension area, Ganakbari, Savar, Dhaka. The factory of the Company is located at Dhaka Export Processing Zone (DPEZ), New Extension Area at Plot No.# 224-260. The company converted into public limited company on 8th June, 2017.

1.2. Nature of business

The Principal activity of this Company is engaged in manufacturing and marketing of gray and finished fleece fabrics of various qualities and Dyed yarn to Garment industry in Bangladesh and International market.

2. Basis of Preparation and presentation of Financial Statements:

2.1. Statement of Compliance

The financial statements of the company have been prepared in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh..

2.2. Other Regulatory Compliances

The company is also complies among others the following rules and regulations,

The Companies Act, 1994

The Income Tax Ordinance, 1984

The Income Tax Rules, 1984

The Value Added Tax Act, 1991

The Value Added Tax Rules, 1991

The Customs Act, 1969

Bangladesh Labor Law 2006 (Amended)

The Securities and Exchange Rules, 1987 and

Bangladesh EPZ related rules & regulations.



2.3. Measurement bases used in preparing the Financial Statements

The financial statements have been prepared on a Going Concern basis. The financial statements have been prepared on "Historical Cost" convention basis, which is one of the most commonly adopted base provided in "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standard Committee (IASC).

2.4. Going Concern

The company has adequate resources to continue in operation for foreseeable future. For this reason the directors continued to adopt going concern basis in preparing the Financial Statements. The current credit facilities and resources of the company provide sufficient fund to meet the present requirements of its existing businesses and operations.

2.5. Functional and presentational currency and level of precision

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

2.6. Change in Accounting Policy

During the period the company has not changed its policy to record at "Historical Cost" convention basis, which is one of the most commonly adopted base provided in "the framework for the preparation and presentation of financial statements" instead of measured at fair value. As no accounting policy has been in the current accounting period and had no other material impact on earnings per share for comprehensive income for earlier period.

3. Principal Accounting Policies:

The accounting policies set out below have been applied in preparations of these financial statements;

3.1. Property, Plant and Equipment

3.1.1. Recognition and Measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable inward freight, duties and non-refundable taxes. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the entity and the cost of the item can be measured reliably. All other costs are recognized in the income statement as an expense as incurred.

3.2. Leased Assets

Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as operating leases. Land Lease agreement with BEPZA executed to construct building on the land and operation thereof for the lease period 33 years as well as renewal of agreement after expired of agreement. Upon initial recognition these leased assets are measured at an amount equal to the Cost basis. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

3.3. Investment in FDR

Investment in FDR includes fixed deposits held with different bank. The fixed deposits are renewed upon maturity at the option of the company.

3.4. Inventories

Inventories are stated at the lower of cost and net realizable value in accordance with IAS 2 "Inventories". The cost of inventories is based on weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Adequate allowance is made for obsolete, damaged and slow moving inventories.

3.5. Accounts Receivables /Trade Debtors

Accounts receivable has been stated at its original invoiced amount supported by L/C. This is considered good and is falling due within one year. Related party transactions relating to sales/purchase are made on arm length basis. Rate of sale/purchase of related party transactions are fixed as applicable to other outsider parties. No amount was due by the Director (including Managing Director), Managing Agent, Manager & other Officers of the Company and any of them severally or jointly with any other person.



3.6. Advance, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE or inventory etc. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to profit and loss account.

3.7. Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the entity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. Amount of Cash and Cash Equivalent under USD has been reflected in BDT and exchange rate fluctuation has been recognized accordingly.

3.8. Trade Creditors and Accruals & Provision

Trade and other payables are stated at cost. A provision is recognized in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Trade Creditors under foreign currency has been presented in BDT.

3.9. Loans and Borrowing

Principal amounts of loans and borrowings are stated at their outstanding amount. Borrowings repayable after twelve months from the reporting date are classified as non-current liabilities whereas the portion payable within twelve months, unpaid interest and other charges are classified as current liabilities.

3.10. Revenue Recognition

Revenue is recognized to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services as provided in IFRS 15 "Revenue from contracts with customers".

The following five steps are applied to recognize revenue;

- Identification of the contract(s) with a customer;
- identify the performance obligations in the contract. Performance obligations are promises in a contract to transfer to a customer goods or services that are distinct.
- determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. If the consideration promised in a contract includes a variable amount, an entity must estimate the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer
- allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service promised in the contract.
- recognize revenue when a performance obligation is satisfied by transferring a promised good or service to a customer.

3.11. Foreign Exchange:

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Bangladesh Taka at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized in the income statement in accordance with IAS 21 "The effects of Changes in Foreign Exchange Rates."



3.12. Finance Income and Expenses

Finance income comprises interest income on funds invested. Interest income is recognized on maturity. Finance expenses comprise interest expenses on loan, overdraft and bank charges. All borrowing costs are recognized in the profit and loss account using effective interest method except to the extent that they are capitalized during constructions period of the plants in accordance with IAS 23 Borrowing cost.

3.13. Earnings per Share (EPS)

The Company calculates Earnings per Share (EPS) in accordance with IAS 33. Earnings per Share, which has been shown on the face of Statement of Comprehensive Income account, and the computation of EPS is stated in related notes.

3.14. Cash flows statement

Cash Flow Statement is prepared in accordance with IAS 7 "Statement of Cash Flows". The cash flow from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18(a) of IAS-7 which provides that "Enterprises are encouraged to report Cash Flow from Operating Activities using the Direct Method".

3.15. Comparative Amounts

Certain comparative amounts have been re-classified & rearranged to confirm with the current period's presentation.



4.00 Inventories

The balance is made up as follows:

Amount in Taka.		
	31-12-2019	30-06-2019
Raw Materials-Yarn	2,107,150,637	1,715,410,828
Raw Materials-Acrylic Tow	287,152,168	224,864,305
Raw Materials-Yarn for Polar fleece	568,240,168	478,196,427
Raw Materials-Chemicals	178,541,632	193,670,512
Raw Materials-Dye Stuff	110,715,243	118,547,961
Work in process	210,521,639	179,836,405
Packaging Materials	7,541,863	6,705,427
Stores and Spares	4,582,196	4,973,628
Finished goods	308,509,415	157,254,186
Total:	3,782,954,961	3,079,459,679

5.00 Accounts Receivables

This represents the amount of receivable

Bills Receivable	3,824,089,564	3,197,542,944
Total:	3,824,089,564	3,197,542,944

This is considered as fully secured and guaranteed payment by export letter of credit opening bank against export order and is considered good & realizable within the period as per the terms of export letter of credit. The classification of receivables as required by the Para-4, Part-I of Schedule XI of the Companies Act, 1994 are given below:

Particulars	Amount	Amount
	31-12-2019	30-06-2019
i. Receivables considered good and in respect of which the company is fully secured.	3,824,089,564	3,197,542,944
ii. Receivables considered good for which the company holds no security other than the debtor's personal security.	-	-
iii. Receivables considered doubtful or bad.	-	-
iv. Receivables due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member.	-	-
v. Receivables due by companies under same management.	-	-
vi. The maximum amount due by directors or other officers of the company at any time during the period.	-	-
Total	3,824,089,564	3,197,542,944

Ageing of the above Receivables is given below:

Particulars	Below 6 Months	Above 6 Months	Total
Customers	3,824,089,564	-	3,824,089,564



Amount in Taka.	
31-12-2019	30-06-2019

6.00 IPO Fund

This is made up as follows:

IPO Fund

	1,244,705,398	-
Total:	1,244,705,398	-

7.00 Share Capital:

7.01 Authorized Share Capital :

540,000,000 Ordinary Shares of Taka 10/= each.

	30-09-2019	30-06-2019
	5,400,000,000	4,400,000,000
Total:	5,400,000,000	4,400,000,000

7.02 Issued, subscribed and paid-up share capital:

500,313,043 ordinary shares of Tk 10/= each fully paid-up

	5,003,130,430	2,850,548,200
Total:	5,003,130,430	2,850,548,200

7.03 Issued, subscribed and paid-up share capital:

Opening Share

Issue during the period - IPO

Issue during the period - Bonus Issue

Total

2,850,548,200	2,850,548,200
1,500,000,000	-
652,582,230	-
5,003,130,430	2,850,548,200

8.00 Retained Earnings

This is made up as follows:

Opening balance

Less: IPO Expenses

Less: Bonus Issue

Add: Net profit after tax for the year

Add: Tax benefit on IPO Expenses

Add: Net profit after tax for the period

4,240,497,071	3,754,039,926
(29,144,257)	(6,150,000)
(652,582,230)	
-	491,684,645
4,371,639	922,500
373,244,869	-
Total: 3,936,387,092	4,240,497,071

9.00 Deferred tax liability

Opening Balance

Provision for Current period

13.01

545,364,791	532,885,033
211,623	12,479,758
Total: 545,576,414	545,364,791



		Amount in Taka			
		1-07-2019 to 31-12-2019	1-07-2018 to 31-12-2018	1-10-2019 to 31-12-2019	1-10-2018 to 31-12-2018
10.00 Sales (Export)					
This is made up as follows:					
Sales - Yarn		3,635,383,368	3,560,786,418	1,772,841,529	1,789,451,632
Sales - Polar Fleece		1,561,391,501	1,519,433,580	776,350,215	791,932,894
Total:		5,196,774,869	5,080,219,998	2,549,191,744	2,581,384,526
11.00 Cost of Goods Exported					
This is made up as follows:					
Cost of Goods Exported		4,529,269,261	4,515,215,540	2,231,854,163	2,298,325,518
Total:		4,529,269,261	4,515,215,540	2,231,854,163	2,298,325,518
12.00 Operating Expenses					
This is made up as follows:					
Distribution & Selling Expenses		23,901,743	23,479,770	12,108,241	11,973,502
Administrative Expenses		47,868,483	47,503,525	23,705,186	23,536,047
Total:		71,770,226	70,983,295	35,813,427	35,509,549
13.00 Income Tax Expenses	<u>Notes</u>				
This is made up as follows:					
Current tax		68,248,161	49,037,209	32,811,793	24,186,908
Deferred tax	13.01	211,623	1,502,608	60,214	731,692
Total:		68,459,785	50,539,817	32,872,007	24,918,600
13.01 Deferred tax					
This is made up as follows:					
Property, Plant & Equipment:					
Carrying amount as Accounting base		5,878,048,249	5,912,178,040	5,878,048,249	5,912,178,040
Carrying amount as Tax base		2,240,872,153	2,349,593,762	2,240,872,153	2,349,593,762
Difference		3,637,176,095	3,562,584,278	3,637,176,095	3,562,584,278
Tax rate		15%	15%	15%	15%
Total deferred tax liability at the end of period		545,576,414	534,387,642	545,576,414	534,387,642
Total deferred tax liability beginning of the period		545,364,791	532,885,033	545,516,201	533,655,950
Deferred tax for the period	Total:	211,623	1,502,609	60,214	731,692
14.00 IPO Expenses					
This is made up as follows:					
IPO Expenses		29,144,257	-	11,801,593	-
Total:		29,144,257	-	11,801,593	-
15.00 Earnings Per Share (EPS)					
The above balance is made up as follows:					
Net Profit after Tax (Numerator)		373,244,869	281,269,407	173,404,302	139,147,340
Weighted average No. of Shares (Denominator)		387,299,344	285,054,820	387,299,344	285,054,820
Earnings Per Share		0.96	0.99	0.45	0.49
Earnings Per Share (Adjusted based on latest weighted shares)		0.96	0.73	0.45	0.36
15.01 Weighted average No. of Shares					
Opening Share for the period		285,054,820	285,054,820	285,054,820	285,054,820
Multiply weight		1	1	1	1
a)Weighted average No. of share		285,054,820	285,054,820	285,054,820	285,054,820
Issued during the period - IPO		150,000,000	-	150,000,000	-
Multiply weight		90/365	-	90/365	-
b)Weighted average No. of share		36,986,301	-	36,986,301	-
Issued during the period - Bonus Issue		65,258,223	-	65,258,223	-
Multiply weight		1	-	1	-
c)Weighted average No. of share		65,258,223	-	65,258,223	-
d)Total Weighted average No. of share		387,299,344	285,054,820	387,299,344	285,054,820



16.00 Net Asset Value per Share (NAV)		31-12-2019	30-06-2019
The above balance is made up as follows:			
Net Asset Value		8,939,517,522	7,091,045,271
No. of Shares Outstanding		500,313,043	285,054,820
Net Asset Value per Share (NAV)	Total:	<u>17.87</u>	<u>24.88</u>
17.00 Net Operating Cash Flows per Share		31-12-2019	31-12-2018
The above balance is made up as follows:			
Net Operating Cash Flows		(1,066,404,403)	165,318,049
No. of Shares Outstanding		500,313,043	285,054,820
Net Operating Cash Flows per Share	Total:	<u>(2.13)</u>	<u>0.58</u>
18.00 Reconciliation of cash generated by operations		31-12-2019	31-12-2018
This is made up as follows:			
Profit before Income tax		441,704,654	331,809,224
Add: Depreciation charged		222,078,254	225,546,547
Add: Financial Expenses		166,614,090	167,748,320
Add(Less): Foreign Exchange gain or loss		(124,176)	(74,961)
Add(Less): Increase or decrease in trade payable		(368,785,556)	36,348,790
Add(Less): Increase or decrease in inventory		(703,495,282)	(26,344,411)
Add(Less): Increase or decrease in trade receivable		(626,546,620)	(334,598,589)
Add(Less): Increase or decrease in creditors and accrues		2,222,940	(35,240,846)
Add(Less): Increase or decrease in advance, deposit and pre		(5,544,160)	(4,734,031)
Total:		<u>(871,875,856)</u>	<u>360,460,043</u>

