


Dear Shareholders


We are pleased to present the unaudited 2nd quarter financial statements of the company containing Statement of Financial Position as at December 31, 2016, Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and selected notes to the financial statements for the 2nd quarter ended December 31, 2016.

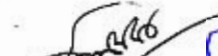

Managing Director
January 30, 2017

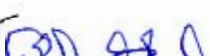
SINOBANGLA INDUSTRIES LTD.
STATEMENT OF FINANCIAL POSITION

As on December 31, 2016
(Unaudited)

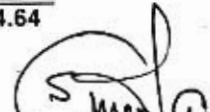
	Notes	31-Dec-16	30-Jun-16
ASSETS:			
Non Current Assets			
Property, Plant & Equipment (At Cost less accumulated depreciation)	3	559,544	576,335
Capital Expenditure-in-Progress		1,299	1,299
Investment in Unit-II		245,304	245,304
Investment in Dutch Bangla Pack Ltd.		34,318	34,318
Investment in FDR		1,481	1,481
Total Non Current Assets		841,946	858,737
Current Assets, Loans & Advances:			
Inventories	4	134,023	146,604
Trade Debtors	5	217,944	194,440
Other Receivables		55,335	52,839
Advance, Deposits & Pre-payments	6	159,234	148,049
Inter transfer to Unit-II		65,449	46,632
Cash & Cash Equivalents	7	6,218	14,904
		638,203	603,468
TOTAL ASSETS	TK.	1,480,149	1,462,205
EQUITY & LIABILITIES			
Shareholder's Equity			
Share Capital		199,966	199,966
Share Premium		99,983	99,983
General Reserve		43,196	43,196
Reserve for revaluation of Fixed Assets		4,393	4,624
Retained Earnings		157,300	144,924
		504,838	492,693
Non-Current Liabilities:			
Investment from Unit-I		245,304	245,304
Deferred Tax Liability/(Assets)		11,068	8,541
Long Term Loan	8	148,081	163,875
		404,453	417,720
Current Liabilities and Provisions:			
Long Term Loan - Current Portion	9	32,501	33,361
Short Term Loan - Secured	10	216,295	203,489
Sundry Creditors & Liability for Expenses		186,623	196,220
Inter transfer from Unit-I		65,449	46,632
Provision for WPPF		3,825	2,334
Provision for Income Tax		48,309	44,584
Advance Against Sales		670	1,064
Unclaimed Dividend		17,186	24,108
		570,858	551,792
TOTAL EQUITY & LIABILITIES	TK.	1,480,149	1,462,205
Net Assets Value (NAV) Per Share		25.25	24.64


(Abdur Rashid)
Managing Director


(Enamul Hoq)
Director


(Abdul Ahad)
Director


(Md. Habibur-Rahman)
DGM & Company Secretary


(Md. Shariful Mowla, FCMA)
Chief Financial Officer

January 30, 2017




SINOBANGLA INDUSTRIES LTD.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the 2nd quarter ended December 31, 2016

(Unaudited)

Tk. In '000'


	Notes	Six Months Ended		Second Quarter Results	
		1-July-16 to 31-Dec-16	1-July-15 to 31-Dec-15	1-Oct-16 to 31-Dec-16	1-Oct-15 to 31-Dec-15
Turnover	11	643,012	517,416	377,462	221,864
Cost of Goods Sold	12	(563,417)	(452,379)	(332,844)	(193,307)
Gross Profit		79,595	65,037	44,618	28,557
Operating Expenses:					
Administrative & Selling Expenses	13	(37,593)	(30,547)	(18,464)	(10,810)
Operating Profit		42,002	34,490	26,154	17,747
Other Income		127	232	63	136
Financial Expenses	14	(22,242)	(20,724)	(13,529)	(11,549)
		(22,115)	(20,492)	(13,466)	(11,413)
Profit before WPPF		19,887	13,998	12,688	6,334
Contribution to WPPF		(1,490)	(1,145)	(915)	(440)
Profit before Tax		18,397	12,853	11,773	5,894
Provision for Income Tax					
Current Tax		(3,725)	(2,862)	(2,288)	(1,100)
Deferred Tax		(2,527)	639	(1,274)	(847)
		(6,252)	(2,223)	(3,562)	(1,947)
Profit/(Loss) After Tax		12,145	10,630	8,211	3,947
Earning Per Share (EPS)		0.61	0.53	0.41	0.20


(Abdur Rashid)
Managing Director


(Enamul Hoq)
Director


(Abdul Ahad)
Director


(Md. Habibur Rahman)
DGM & Company Secretary

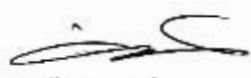
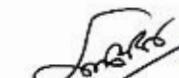

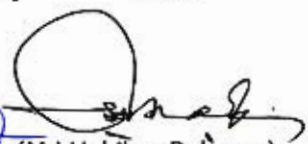


(Md. Shariful Mowla, FCMA)
Chief Financial Officer

January 30, 2017



SINOBANGLA INDUSTRIES LTD.
STATEMENT OF CASH FLOWS
For the 2nd quarter ended December 31,2016
(Unaudited)

	1-July-16 to 31-Dec-16	Tk. In '000' 1-July-15 to 31-Dec-15
Cash flows from operating activities :		
Collection from customers and other income	616,745	501,346
Paid to suppliers, employees and others	(588,996)	(465,366)
Cash flows from operating activities	27,749	35,980
Cash flows from investing activities :		
Acquisition of fixed assets	(2,924)	(1,347)
Capital Expenditure-in-progress	(500)	(2,684)
Cash flows from investing activities	(3,424)	(4,031)
Cash flows from financing activities :		
Decrease in long term loan	(15,794)	8,873
Increase in short term loan	11,947	(23,045)
Financial Expenses	(22,242)	(20,724)
Dividend paid	(6,922)	(8,085)
Cash flows from financing activities	(33,011)	(42,981)
Net Cash inflow/(outflow)	(8,686)	(11,032)
Opening cash and bank balance	14,904	22,743
Closing cash and bank balance	6,218	11,711
Net Operating Cash Flows Per Share (NOCFPS)	1.39	1.80

 (Abdur Rashid) Managing Director	 (Enamul Hoq) Director	 (Abdul Anad) Director	 (Md Habibur Rahman) DGM & Company Secretary	 (Md. Shariful Mowla, FCMA) Chief Financial Officer
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January 30, 2017




**SINOBANGLA INDUSTRIES LTD.
STATEMENT OF CHANGES IN EQUITY**

For the 2nd quarter ended December 31, 2016
(Unaudited)

Tk. In '000

Particulars	Share Capital	Share Premium	General Reserve	Reserve for Revaluation	Retained Earnings	Total
As at 1 July, 2016	199,966	99,983	43,196	4,624	144,924	492,693
Net Profit after Tax	-	-	-	-	12,145	12,145
Revaluation Reserve	-	-	-	(231)	231	-
Balance as on 31 December, 2016	199,966	99,983	43,196	4,393	157,300	504,838
As at 1 July, 2015	199,966	99,983	43,196	5,138	136,736	485,019
Net Profit after Tax	-	-	-	-	10,630	10,630
Revaluation Reserve	-	-	-	(257)	257	-
Balance as on 31 December, 2015	199,966	99,983	43,196	4,881	147,623	495,649


(Abdur Rashid)
Managing Director


(Enamul Hoq)
Director


(Abdul Ahad)
Director


(Md. Habibur Rahman)
DGM & Company Secretary


(Md. Shariful Mowla, FCMA)
Chief Financial Officer



January 30, 2017

Sinobangla Industries Ltd.

Selected Notes to the Un-audited Financial Statements

For the second quarter ended December 31, 2016

1. Reporting Entity:

Sinobangla Industries Ltd. (SBIL), founded in 1996 as a China-Bangladesh joint-venture company, has grown to become the largest manufacturer and exporter of FIBCs and woven polypropylene (WPP) bags in Bangladesh. It is a stock listed company and its shares are traded in both Dhaka Stock Exchange and Chittagong Stock Exchange. Sinobangla is a member of the Dhaka Chamber of Commerce and Industry. It is also an affiliate member of the European Flexible Intermediate Bulk Container Association (EFIBCA) & Flexible Intermediate Bulk Container Association (FIBCA), USA.

The company has a vertically integrated production system starting from polymer extrusion to weaving, coating, printing and sewing. This system provides the needed flexibility to meet varied requirements of the customers. It has a daily production capacity of over 40 tons.

The company has the capability to produce various types of FIBCs including Four loop bags with open/spout/skirt top and closed/spout bottom, single and two loop bags, cross corner loop bag 'Q' bag, dust seam bag, industrial clean bags, tunnel bags, etc. and WPP tubular bags with width up to 210 CM., up to four color flexographic printing on both sides, bags with coating inside or outside of the bag, bags with or without gusset, valve bags, sandwiched bags with Kraft paper lining etc.

The factory is located on the Dhaka-Chittagong highway, about 30 kilometers from Dhaka city. It takes four hours by road to reach Chittagong, the main sea port of Bangladesh. Head Office of the company is located at Dhaka and accessible through phone, fax and E-mail.

The aim of the Company has always been, and still remains, to produce quality products meeting complete customer satisfaction. At every stage of production, stringent quality control measures are adopted to ensure delivery of only quality products. SINOBANGLA's unyielding Quality Control policy has further consolidated the reputation of the company both at home and abroad

2. Basis of Preparation of Interim Financial Statements:

These interim financial statements should be read in conjunction with the Financial Statements for the period ended June 30, 2016 (hereafter referred to as the "Annual Financial Statements"), as they provide an update to previously reported information.

The accounting policies used are consistent with those used in the Annual Financial Statements. The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs). The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. The preparation of the Interim Financial Statements requires management to make estimates and assumptions 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 judgment 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. PROPERTY, PLANT & EQUIPMENT: Tk. 559,544

Taka '000

	As at 31.12.16	As at 30.06.16
Land & Land Development	49,023	49,023
Building & Civil Construction	260,747	260,380
Office Building	91,516	91,516
Plant & Machinery-Imported	463,005	460,893
Plant & Machinery-Local	13,542	13,542
Furniture & Fixture	17,751	17,399
Office & Factory Equipment	26,851	26,262
Motor Vehicles	35,788	35,788
Office Decoration	7,311	7,311
Electrical Equipment	3,945	3,941
Total Assets	969,479	966,055
Less Accumulated Depreciation	(409,935)	(389,720)
Written Down Value	559,544	576,335
Tk.	559,544	576,335

4. INVENTORIES: Tk. 134,023

	31.12.16	30.06.16
Raw Materials	50,441	77,390
Work-in-Process	43,825	37,876
Finished Goods	16,171	6,972
Spares & Others	23,586	24,366
Tk.	134,023	146,604

5. TRADE DEBTORS: Tk. 217,944

	31.12.16	30.06.16
Local Debtors	49,765	59,759
Overseas Debtors	168,179	134,681
Tk.	217,944	194,440

6. ADVANCE, DEPOSITS & PREPAYMENTS: Tk. 159,234

	31.12.16	30.06.16
L/C. Margin for Raw Materials & Others	20,990	11,913
Advance to various parties	22,874	24,023
Advance against Income Tax	110,720	106,018
Security deposit to various parties	3,091	3,841
Pre Paid Insurance Premium	1,559	2,254
Tk.	159,234	148,049

7. CASH & CASH EQUIVALENTS: Tk. 6,218

	31.12.16	30.06.16
Cash in Hand	782	157
Cash at Bank	5,436	14,747
Tk.	6,218	14,904

8. LONG TERM LOAN: Tk. 148,081

	31.12.16	30.06.16
EBL Term Loan	26,573	33,423
Loan from Mr. Tsui Ki Lam, Director	57,218	57,218
Union Capital Ltd.	761	1,433
United Finance Ltd.	1,067	1,264
IPDC of Bangladesh Ltd.	62,462	70,537
Tk.	148,081	163,875

9. LONG TERM LOAN - CURRENT PORTION: Tk. 32,501

	31.12.16	30.06.16
Eastern Bank Ltd.	14,828	16,394
Union Capital Ltd.	1,536	1,664
United Finance Ltd.	385	366
IPDC of Bangladesh Ltd.	15,752	14,937
Tk.	32,501	33,361



10. SHORT TERM LOAN - SECURED: Tk. 216,295

	<u>31.12.16</u>	<u>30.06.16</u>
Eastern Bank Ltd.	135,434	137,576
The Hongkong and Shanghai Banking Corp. Ltd.	80,861	65,913
Tk.	<u>216,295</u>	<u>203,489</u>

11. TURNOVER: Tk. 643,012

	Second Quarter Ended	
	<u>31.12.16</u>	<u>31.12.15</u>
Local sale	51,825	57,434
Export Sale	597,946	467,473
Less: VAT Adjustment	(6,759)	(7,491)
Tk.	<u>643,012</u>	<u>517,416</u>

12. COST OF GOODS SOLD: Tk. 563,417

	<u>31.12.16</u>	<u>31.12.15</u>
Materials consumed	399,482	302,046
Factory Overhead	147,211	132,450
Depreciation	16,724	17,883
Tk.	<u>563,417</u>	<u>452,379</u>

13. ADMINISTRATIVE AND SELLING EXPENSES: Tk. 37,593

	<u>31.12.16</u>	<u>31.12.15</u>
Salaries and Remuneration	13,963	9,880
Utility Bill	278	229
Printing & Postage	1,874	1,525
Entertainment & Conveyance	1,117	1,592
Recreation for Employees & AGM Expenses	95	175
Fees, Forms & Others	3	1
Overseas Travels	490	222
Depreciation	3,490	1,204
Selling Expenses	12,909	8,713
Other Expenses	3,374	7,006
Tk.	<u>37,593</u>	<u>30,547</u>

14. FINANCIAL EXPENSES: Tk. 22,242


	<u>31.12.16</u>	<u>31.12.15</u>
Interest on Loan	20,766	17,900
Interest on Lease Finance	301	341
Bank charges	1,175	2,483
Tk.	<u>22,242</u>	<u>20,724</u>

15. INCOME TAX EXPENSES: Tk. 6,252

	<u>31.12.16</u>	<u>31.12.15</u>
Current Tax	3,725	2,862
Deffered Tax	2,527	(639)
Tk.	<u>6,252</u>	<u>2,223</u>


16. DIVIDEND FOR 2016 :

The Shareholders of the company has approved no dividend for the eight months ended 30 June, 2016 in the Annual General Meeting held on 19 January, 2017.


(Abdur Rashid)
Managing Director


(Enamul Hoq)
Director


(Abdul Ahad)
Director


(Md. Habibur Rahman)
DGM & Company Secretary


(Md. Shariful Mowla, FCMA)
Chief Financial Officer

January 30, 2017

