

Dear Shareholders

We are pleased to present the unaudited 2nd quarter financial statements of the company containing Statement of Financial Position as at April 30, 2016, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and selected notes to the financial statements for the 2nd quarter ended April 30, 2016.

Managing Director

May 29, 2016

SINOBANGLA INDUSTRIES LTD.
STATEMENT OF FINANCIAL POSITION

As on April 30, 2016
(Unaudited)

		Tk. In '000'	
	Notes	30-Apr-16	31-Oct-15
ASSETS:			
Non Current Assets			
Fixed Assets less accumulated depreciation	3	578,646	501,197
Capital Work-in-Progress		17,974	17,574
Investment in Unit-II		245,304	245,304
Investment to Dutch Bangla Pack Ltd.		34,318	34,318
Investment on FDR		1,481	1,481
Total Non Current Assets		877,723	799,874
Current Assets, Loans & Advances:			
Inventories	4	136,239	135,868
Trade Debtors	5	168,427	174,890
Bills Receivable		52,433	44,349
Advance, Deposits & Prepayments	6	133,335	208,661
Inter transfer to Unit-II		24,817	23,934
Cash & Bank Balances	7	11,978	9,701
		527,229	597,403
TOTAL ASSETS	TK.	1,404,952	1,397,277
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		4,707	4,955
Retained Earnings		163,616	150,413
		511,468	498,513
Non-Current Liabilities:			
Investment from Unit-I		245,304	245,304
Deferred Tax Liability/(Assets)		8,915	7,761
Long Term Loan	8	166,594	99,864
		420,813	352,929
Current Liabilities and Provisions:			
Long Term Loan - Current Portion	9	35,951	21,327
Short Term Loan - Secured	10	152,235	176,703
Sundry Creditors & Liability for Expenses		199,511	238,469
Inter transfer from Unit-I		24,817	23,934
Provision for WPPF		3,905	2,028
Provision for Income Tax		43,440	38,748
Advance Against Sales		2,920	29,074
Unclaimed Dividend		9,892	15,552
		472,671	545,835
TOTAL EQUITY & LIABILITIES	TK.	1,404,952	1,397,277
Net Assets Value (NAV) Per Share		25.58	24.93

(Abdur Rashid)
Managing Director

(Abdul Anad)
Director

(Abul Hasnat Khan)
Director

(Mohammad Saif Uddin)
Executive Director &
Company Secretary

(Mohammed Shariful Mowla)
Chief Financial Officer

May 29, 2016



SINOBANGLA INDUSTRIES LTD.
STATEMENT OF COMPREHENSIVE INCOME

For the 2nd quarter ended April 30, 2016
(Unaudited)

Tk. In '000'

	Notes	Six Months Ended		Second Quarter Results	
		1-Nov-15 to 30-Apr-16	1-Nov-14 to 30-Apr-15	1-Feb-16 to 30-Apr-16	1-Feb-15 to 30-Apr-15
Turnover	11	612,893	631,865	284,493	310,216
Cost of Goods Sold	12	(533,774)	(546,808)	(240,454)	(268,325)
Gross Profit		79,119	85,057	44,039	41,891
Operating Expenses:					
Administrative & Selling Expenses	13	(38,759)	(45,577)	(20,248)	(23,562)
Operating Profit		40,360	39,480	23,791	18,329
Other Income		210	318	63	1
Financial Expenses	14	(19,891)	(29,084)	(9,591)	(14,933)
		(19,681)	(28,766)	(9,528)	(14,932)
Profit before WPPF		20,679	10,714	14,263	3,397
Contribution to WPPF		(1,877)	(536)	(1,326)	(188)
Profit before Tax		18,802	10,178	12,937	3,209
Provision for Income Tax					
Current Tax		(4,692)	(1,467)	(3,315)	(363)
Deferred Tax		(1,155)	(2,549)	(2,798)	(1,286)
		(5,847)	(4,016)	(6,113)	(1,649)
Profit/(Loss) After Tax		12,955	6,162	6,824	1,560
Earning Per Share (EPS)		0.65	0.31	0.34	0.08

(Abdur Rashid)
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(Abdul Anad) Director

(Abul Hasnat Khan)
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May 29, 2016



**SINOBANGLA INDUSTRIES LTD.
STATEMENT OF CASH FLOWS**

For the 2nd quarter ended April 30,2016
(Unaudited)

	1-Nov-15 to 30-Apr-16	Tk. In '000' 1-Nov-14 to 30-Apr-15
Cash flows from operating activities :		
Collection from customers and other income	585,328	631,308
Paid to suppliers, employees and others	(517,060)	(521,753)
Cash flows from operating activities	68,268	109,555
Cash flows from investing activities :		
Investment on FDR	-	10,576
Acquisition of fixed assets	(94,890)	(4,449)
Capital Expenditure-in-progress	(2,435)	(2,390)
Cash flows from investing activities	(97,325)	3,737
Cash flows from financing activities :		
Increase in long term loan	66,729	(6,458)
Decrease in short term loan	(9,844)	(71,421)
Financial Expenses	(19,891)	(29,084)
Dividend paid	(5,660)	(396)
Cash flows from financing activities	31,334	(107,359)
Net Cash inflow/(outflow)	2,277	5,933
Opening cash and bank balance	9,701	9,972
Closing cash and bank balance	11,978	15,905
Net Operating Cash Flows Per Share (NOCFPS)	3.41	5.48

 (Abdur Rashid) Managing Director
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 (Abul Hasnat Khan) Director


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May 29, 2016




SINOBANGLA INDUSTRIES LTD.
STATEMENT OF CHANGES IN EQUITY

For the 2nd quarter ended April 30,2016
(Unaudited)

Tk. In '000

Particulars	Share Capital	Share Premium	General Reserve	Reserve for Revaluation	Retained Earnings	Total
As at 1 November, 2015	199,966	99,983	43,196	4,955	150,413	498,513
Net Profit after Tax	-	-	-	-	12,955	12,955
Revaluation Reserve	-	-	-	(248)	248	-
Balance as on 30 April, 2016	199,966	99,983	43,196	4,707	163,616	511,468
As at 1 November, 2014	199,966	99,983	43,196	5,505	138,080	486,730
Net Profit after Tax	-	-	-	-	6,162	6,162
Revaluation Reserve	-	-	-	(275)	275	-
Balance as on 30 April, 2015	199,966	99,983	43,196	5,230	144,517	492,892


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(Abdul Ahad)
Director


(Abul Hasnat Khan)
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Company Secretary


(Mohammed Shariful Mowla)
Chief Financial Officer

May 29,2016



Sinobangla Industries Ltd.

Selected Notes to the Financial Statements (Un-audited)

For the second quarter ended April 30, 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 year ended October 31, 2015 (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. FIXED ASSETS: Tk. 578,646

Taka '000

	As at 30.04.16	As at 31.10.15
Land & Land Development	49,022	49,023
Building & Civil Construction	260,074	258,917
Office Building	91,516	-
Plant & Machinery-Imported	458,235	456,850
Plant & Machinery-Local	13,542	13,542
Furniture & Fixture	17,328	17,053
Office & Factory Equipment	24,405	23,605
Motor Vehicles	35,788	33,995
Office Decoration	7,311	7,311
Electrical Equipment	3,941	3,941
Total Assets	961,162	864,237
Less Accumulated Depreciation	(382,516)	(363,040)
Written Down Value	578,646	501,197

4. INVENTORIES: Tk. 136,239

	30.04.16	31.10.15
Raw Materials	45,551	44,568
Work-in-Process	37,313	49,693
Finished Goods	27,938	18,402
Spares & Others	25,437	23,205
Tk.	136,239	135,868

5. TRADE DEBTORS: Tk. 168,427

	30.04.16	31.10.15
Local Debtors	63,208	74,428
Overseas Debtors	105,219	100,462
Tk.	168,427	174,890

6. ADVANCE, DEPOSITS & PREPAYMENTS: Tk. 133,335

	30.04.16	31.10.15
L/C. Margin for Raw Materials	15,169	12,897
Advance to various parties	8,394	90,915
Advance against Income Tax	104,507	99,335
Security deposit to various parties	2,785	3,162
Pre Paid Insurance Premium	2,480	2,352
Tk.	133,335	208,661

7. CASH & BANK BALANCE: Tk. 11,978

	30.04.16	31.10.15
Cash in Hand	353	437
Cash at Bank	11,625	9,264
Tk.	11,978	9,701

8. LONG TERM LOAN: Tk. 166,594

	30.04.16	31.10.15
EBL Term Loan	33,185	40,075
Loan from Mr. Tsui Ki Lam, Director	57,218	57,218
Union Capital Ltd.	1,729	2,571
United Finance Ltd.	1,327	-
IPDC of Bangladesh Ltd.	73,135	-
Tk.	166,594	99,864

9. LONG TERM LOAN - CURRENT PORTION: Tk. 35,951

	30.04.16	31.10.15
Eastern Bank Ltd.	19,297	19,831
Union Capital Ltd.	1,620	1,496
United Finance Ltd.	359	-
IPDC of Bangladesh Ltd.	14,675	-
Tk.	35,951	21,327



10. SHORT TERM LOAN - SECURED: Tk. 152,235

Eastern Bank Ltd.
The Hongkong and Shanghai Banking Corp. Ltd.

	<u>30.04.16</u>	<u>31.10.15</u>
	120,708	90,928
	31,527	85,775
Tk.	152,235	176,703

11. TURNOVER: Tk. 612,893

Local sale
Export Sale
Less: VAT Adjustment

	Second Quarter Ended	
	<u>30.04.16</u>	<u>30.04.15</u>
	62,707	75,884
	558,365	560,731
	(8,179)	(4,750)
Tk.	612,893	631,865

12. COST OF GOODS SOLD: Tk. 533,774

Materials consumed
Factory Overhead
Depreciation

	<u>30.04.16</u>	<u>30.04.15</u>
	373,361	406,201
	142,889	121,644
	17,524	18,963
Tk.	533,774	546,808

13. ADMINISTRATIVE AND SELLING EXPENSES: Tk. 38,759

Salaries and Remuneration
Utility Bill
Printing & Postage
Entertainment & Conveyance
Recreation for Employees & AGM Expenses
Fees, Forms & Others
Overseas Travels
Depreciation
Selling Expenses
Other Expenses

	<u>30.04.16</u>	<u>30.04.15</u>
	13,447	13,059
	216	156
	2,049	2,848
	829	1,273
	878	807
	292	320
	472	279
	1,952	1,239
	12,484	19,383
	6,140	6,213
Tk.	38,759	45,577

14. FINANCIAL EXPENSES: Tk. 19,891

Interest on Loan
Interest on Lease Finance
Bank charges

	<u>30.04.16</u>	<u>30.04.15</u>
	17,565	27,138
	302	520
	2,024	1,426
Tk.	19,891	29,084

15. INCOME TAX EXPENSES: Tk. 5,847

Current Tax
Deferred Tax

	<u>30.04.16</u>	<u>30.04.15</u>
	4,692	1,467
	1,155	2,549
Tk.	5,847	4,016

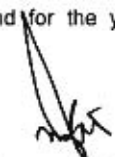
16. DIVIDEND FOR 2015 : Tk. 19,997

The Shareholders of the company has approved 10% cash dividend for the year ended 31 October, 2015 in the Annual General Meeting held on 15 May, 2016.


(Abdur Rashid) Managing Director


(Abdul Ahad) Director


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May 29, 2016

