

SINOBANGLA INDUSTRIES LIMITED

Registered Office : Boro Baluakandi, Gazaria, Munshiganj. Head Office: Navana DH Tower, Suite-901 902 (9th Floor), 6 Panthapath, Dhaka-1215


We are pleased to present the unaudited 2nd quarter financial statements of the company containing Statement of Financial Position as at December 31, 2018, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and selected notes to the financial statements for the 2nd quarter ended December 31, 2018.


Managing Director
January 29, 2019

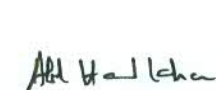
STATEMENT OF FINANCIAL POSITION

As at December 31, 2018
(Unaudited)

ASSETS:	Notes	31-Dec-18	30-Jun-18
		Tk. In '000'	Tk. In '000'
Non Current Assets			
Property, Plant & Equipment (At cost less accumulated depreciation)	3	635,370	627,682
Capital Work in Progress		15,010	6,916
Investment in Unit-II		245,304	245,304
Investment in Dutch Bangla Pack Ltd.		34,318	34,318
Investment on FDR		2,242	1,481
Total Non Current Assets		932,244	915,701
Current Assets, Loans & Advances:			
Inventories	4	246,360	238,565
Trade Debtors	5	200,252	170,319
Others Receivable		61,381	60,291
Advance, Deposits & Prepayments	6	177,996	169,447
Inter transfer to Unit-II		76,848	68,856
Cash & Cash Equivalents	7	9,505	49,211
		772,342	756,689
TOTAL ASSETS	TK.	1,704,586	1,672,390
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		3,559	3,746
Retained Earnings		205,720	191,685
		552,424	538,576
Non-Current Liabilities:			
Investment from Unit-I		245,304	245,304
Dererred Tax Liability/(Assets)		25,989	22,165
Long Term Loan	8	164,156	153,509
		435,449	420,978
Current Liabilities and Provisions:			
Long Term Loan - Current Portion	9	49,068	43,582
Short Term Loan - Secured	10	107,169	169,936
Sundry Creditors & Liability for Expenses		390,877	340,693
Advance Against Sales		1,787	5,744
Inter transfer from Unit-I		76,848	68,856
Provision for WPPF		6,130	4,073
Provision for Income Tax		69,396	64,253
Unclaimed Dividend		15,438	15,699
		716,713	712,836
TOTAL EQUITY & LIABILITIES	TK.	1,704,586	1,672,390
Net Assets Value Per Share		27.63	26.93


(Enamul Hoq)
Vice Chairman


(Abdur Rashid)
Managing Director


(Abul Hasnat Khan)
Director


(Md. Habibur-Rahman)
DGM & Company Secretary


(Foyed Ahmed, ACA)
Chief Financial Officer

Dated: Dhaka, January 29, 2019



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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the 2nd quarter ended December 31,2018
(Unaudited)

Tk. In '000'

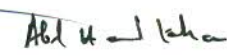
	Notes	Six Months Ended		Second Quarter Results	
		1-July-18 to 31-Dec-18	1-July-17 to 31-Dec-17	1-Oct-18 to 31-Dec-18	1-Oct-17 to 31-Dec-17
Turnover	11	982,690	793,758	507,613	410,296
Cost of Goods Sold	12	(891,177)	(710,935)	(459,684)	(364,619)
Gross Profit		91,513	82,823	47,929	45,677
Operating Expenses:					
Administrative & Selling Expenses	13	(46,779)	(41,534)	(22,173)	(22,214)
Operating Profit		44,734	41,289	25,756	23,463
Other Income		131	97	81	60
Financial Expenses	14	(19,994)	(19,882)	(9,974)	(11,502)
		(19,863)	(19,785)	(9,893)	(11,442)
Profit before WPPF		24,871	21,504	15,863	12,021
Contribution to WPPF		(2,057)	(1,815)	(1,199)	(841)
Profit before Tax		22,814	19,689	14,664	11,180
Income Tax Expenses:					
Current Tax		(5,142)	(4,538)	(2,997)	(2,104)
Deffered Tax		(3,824)	(2,540)	(4,911)	(1,298)
		(8,966)	(7,078)	(7,908)	(3,402)
Profit/(Loss) After Tax		13,848	12,611	6,756	7,778
Earning Per Share (EPS)		0.69	0.63	0.34	0.39



(Enamul Hoq)
Vice Chairman



(Abdur Rashid)
Managing Director



(Abul Hasnat Khan)
Director



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STATEMENT OF CHANGES IN EQUITY

For the 2nd quarter ended December 31,2018
(Unaudited)

Tk. In '000

Particulars	Share Capital	Share Premium	Reserve for Reinvestment	Reserve for Revaluation	Retained Earnings	Total
As at July 01,2018	199,966	99,983	43,196	3,746	191,685	538,576
Net Profit after Tax	-	-	-	-	13,848	13,848
Revaluation Reserve	-	-	-	(187)	187	-
Balance as on 31-12-18	199,966	99,983	43,196	3,559	205,720	552,424
As at July 01,2017	199,966	99,983	43,196	4,162	177,141	524,448
Net Profit after Tax	-	-	-	-	12,611	12,611
Revaluation Reserve	-	-	-	(208)	208	-
Balance as on 31-12-17	199,966	99,983	43,196	3,954	189,960	537,059



(Enamul Hoq)
Vice Chairman

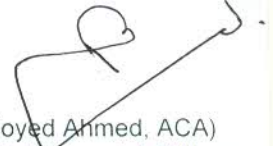
(Abdur Rašhid)
Managing Director



(Abul Hasnat Khan)
Director



(Md. Habibur Rahman)
DGM & Company Secretary



(Foyed Ahmed, ACA)
Chief Financial Officer

Dated: Dhaka, January 29, 2019



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STATEMENT OF CASH FLOWS

For the 2nd quarter ended December 31,2018
(Unaudited)

	1-Jul-18 to 31-Dec-18 Tk. In '000'	1-Jul-17 to 31- Dec-17 Tk. In '000'
Cash flows from operating activities :		
Collection from turnover and other income	947,841	810,519
Paid to suppliers, employees and others	(880,343)	(747,701)
Cash flows from operating activities	67,498	62,818
Cash flows from investing activities :		
Investment in FDR	(761)	-
Acquisition of fixed assets	(8,684)	(42,438)
Capital Expenditure-in-progress	(30,870)	(8,033)
Cash flows from investing activities	(40,315)	(50,471)
Cash flows from financing activities :		
Increase in long term loan	10,647	33,753
Decrease in short term loan	(57,281)	(25,024)
Financial Expenses	(19,994)	(19,882)
Dividend paid	(261)	(122)
Cash flows from financing activities	(66,889)	(11,275)
Net Cash inflow/(outflow)	(39,706)	1,072
Opening Cash and Cash Equivalents	49,211	11,895
Closing Cash and Cash Equivalents	9,505	12,967
Net Operating Cash Flows Per Share (NOCFPS)	3.38	3.14

Disclosure as per BAS-7(28)

USD 22,571.83 is held in the closing cash and equivalents which is recorded at an average rate of Tk 83.19. An exchange loss of Tk. 5,460 would have been incurred had those foreign currencies been converted at the end of period exchange rate of Tk. 82.95.

				
(Enamul Hoq) Vice Chairman	(Abdur Rashid) Managing Director	(Abul Hasnat Khan) Director	(Md. Habibur Rahman) DGM & Company Secretary	(Foyed Ahmed, ACA) Chief Financial Officer

Dated: Dhaka, January 29, 2019



Sinobangla Industries Ltd.

Selected Notes to the Un-audited Financial Statements

For the Second quarter ended December 31, 2018

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:

This interim financial statements should be read in conjunction with the Financial Statements for the year ended June 30, 2018 (hereafter referred to as the "Annual Financial Statements"), as it provides 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) as applicable in Bangladesh. 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.



