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, 2017, 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 31,2017.

Managing Director

January 30,2018

SINOBANGLA INDUSTRIES LTD.
STATEMENT OF FINANCIAL POSITION
As on December 31,2017
(Unaudited)

	Notes	31-Dec-17	30-Jun-17
		Tk. In '000'	
ASSETS:			
Non Current Assets			
Property, Plant & Equipment	3	599,657	571,699
(At Cost less accumulated depreciation)			
Capital Expenditure-in-Progress		795	-
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		**881,555**	**852,802**
Current Assets, Loans & Advances:			
Inventories	4	262,003	150,499
Trade Debtors	5	180,925	201,084
Other Receivables		58,970	58,516
Advance, Deposits & Pre-payments	6	146,469	157,606
Inter transfer to Unit-II		26,461	43,781
Cash & Cash Equivalents	7	12,967	11,895
		687,795	**623,381**
TOTAL ASSETS	**TK.**	**1,569,350**	**1,476,183**
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		3,954	4,162
Retained Earnings		189,960	177,141
		537,059	**524,448**
Non-Current Liabilities:			
Investment from Unit-I		245,304	245,304
Deferred Tax Liability/(Assets)		17,618	15,078
Long Term Loan	8	165,149	131,397
		428,071	**391,779**
Current Liabilities and Provisions:			
Long Term Loan - Current Portion	9	34,447	32,550
Short Term Loan - Secured	10	172,710	199,630
Sundry Creditors & Liability for Expenses		292,353	208,936
Inter transfer from Unit-I		26,461	43,781
Provision for WPPF		5,610	3,795
Provision for Income Tax		58,608	54,070
Advance Against Sales		1,469	4,510
Unclaimed Dividend		12,562	12,684
		604,220	**559,956**
TOTAL EQUITY & LIABILITIES	**TK.**	**1,569,350**	**1,476,183**
Net Assets Value (NAV) Per Share		**26.86**	**26.23**

(Abdur Rashid)	(Enamul Hoq)	(Abul Hasnat Khan)	(Md. Habibur Rahman)	(Md. Shariful Mowla, FCMA)
Managing Director	Director	Director	DGM & Company Secretary	Chief Financial Officer

January 30, 2018

SINOBANGLA INDUSTRIES LTD. DHAKA

SINOBANGLA INDUSTRIES LTD.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the 2nd quarter ended December 31,2017
(Unaudited)

Tk. In '000'

	Notes	Six Months Ended		Second Quarter Results	
		1-July-17 to 31-Dec-17	1-July-16 to 31-Dec-16	1-Oct-17 to 31-Dec-17	1-Oct-16 to 31-Dec-16
Turnover	11	793,758	643,012	410,296	377,462
Cost of Goods Sold	12	(710,935)	(563,417)	(364,619)	(332,844)
Gross Profit		**82,823**	**79,595**	**45,677**	**44,618**
Operating Expenses:					
Administrative & Selling Expenses	13	(41,534)	(37,593)	(22,214)	(18,464)
Operating Profit		**41,289**	**42,002**	**23,463**	**26,154**
Other Income		97	127	60	63
Financial Expenses	14	(19,882)	(22,242)	(11,502)	(13,529)
		(19,785)	(22,115)	(11,442)	(13,466)
Profit before WPPF		**21,504**	**19,887**	**12,021**	**12,688**
Contribution to WPPF		(1,815)	(1,490)	(841)	(915)
Profit before Tax		**19,689**	**18,397**	**11,180**	**11,773**
Provision for Income Tax					
Current Tax		(4,538)	(3,725)	(2,104)	(2,288)
Deferred Tax		(2,540)	(2,527)	(1,298)	(1,274)
		(7,078)	(6,252)	(3,402)	(3,562)
Profit/(Loss) After Tax		**12,611**	**12,145**	**7,778**	**8,211**
Earning Per Share (EPS)		0.63	0.61	0.39	0.41

(Abdur Rashid)	(Enamul Hoq)	(Abul Hasnat Khan)	(Md. Habibur Rahman)	(Md. Shariful Mowla, FCMA)
Managing Director	Director	Director	DGM & Company Secretary	Chief Financial Officer

January 30, 2018

SINOBANGLA INDUSTRIES LTD. DHAKA

SINOBANGLA INDUSTRIES LTD.
STATEMENT OF CASH FLOWS
For the 2nd quarter ended December 31,2017
(Unaudited)

	1-July-17 to 31-Dec-17	Tk. In '000' 1-July-16 to 31-Dec-16
Cash flows from operating activities :		
Collection from customers and other income	810,519	616,745
Paid to suppliers, employees and others	(747,701)	(588,996)
Cash flows from operating activities	**62,818**	**27,749**
Cash flows from investing activities :		
Acquisition of fixed assets	(42,438)	(2,924)
Capital Expenditure-in-progress	(8,033)	(500)
Cash flows from investing activities	**(50,471)**	**(3,424)**
Cash flows from financing activities :		
Increase in long term loan	33,753	(15,794)
Decrease in short term loan	(25,024)	11,947
Financial Expenses	(19,882)	(22,242)
Dividend paid	(122)	(6,922)
Cash flows from financing activities	**(11,275)**	**(33,011)**
Net Cash inflow/(outflow)	**1,072**	**(8,686)**
Opening cash and bank balance	**11,895**	**14,904**
Closing cash and bank balance	**12,967**	**6,218**
Net Operating Cash Flows Per Share (NOCFPS)	**3.14**	**1.39**

(Abdur Rashid) Managing Director | (Enamul Hoq) Director | (Abul Hasnat Khan) Director | (Md Habibur Rahman) DGM & Company Secretary | (Md. Shariful Mowla, FCMA) Chief Financial Officer

January 30, 2018

SINOBANGLA INDUSTRIES LTD. DHAKA

SINOBANGLA INDUSTRIES LTD.
STATEMENT OF CHANGES IN EQUITY

For the 2nd quarter ended December 31,2017
(Unaudited)

Tk. In '000

Particulars	Share Capital	Share Premium	General Reserve	Reserve for Revaluation	Retained Earnings	Total
As at 1 July, 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 December, 2017	**199,966**	**99,983**	**43,196**	**3,954**	**189,960**	**537,059**
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**

(Abdur Rashid) Managing Director | (Enamul Hoq) Director | (Abul Hasnat Khan) Director | (Md. Habibur Rahman) DGM & Company Secretary | (Md. Shariful Mowla, FCMA) Chief Financial Officer

January 30, 2018

SINOBANGLA INDUSTRIES LTD. DHAKA

Sinobangla Industries Ltd.
Selected Notes to the Un-audited Financial Statements
For the second quarter ended December 31, 2017

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 June 30, 2017 (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.

SINOBANGLA INDUSTRIES LTD. DHAKA

3. PROPERTY, PLANT & EQUIPMENT: Tk. 599,657

Taka '000

	As at 31.12.17	As at 30.06.17
Land & Land Development	49,023	49,023
Building & Civil Construction	272,398	264,961
Office Building	91,516	91,516
Plant & Machinery-Imported	530,638	489,769
Plant & Machinery-Local	14,326	14,232
Funriture & Fixture	17,806	17,757
Office & Factory Equipment	28,906	28,072
Motor Vehicles	35,789	35,788
Office Decoration	7,689	7,311
Electrical Equipment	3,959	3,945
Total Assets	**1,052,050**	**1,002,374**
Less Accumulated Depreciation	(452,393)	(430,675)
Written Down Value Tk.	**599,657**	**571,699**

4. INVENTORIES: Tk. 262,003

	31.12.17	30.06.17
Raw Materials	169,683	65,146
Work-in-Process	58,734	50,133
Finished Goods	11,266	11,188
Spares & Others	22,320	24,032
Tk.	**262,003**	**150,499**

5. TRADE DEBTORS: Tk. 180,925

	31.12.17	30.06.17
Local Debtors	39,816	44,666
Overseas Debtors	141,109	156,418
Tk.	**180,925**	**201,084**

6. ADVANCE, DEPOSITS & PREPAYMENTS: Tk. 146,469

	31.12.17	30.06.17
L/C. Margin for Raw Materials & Others	12,313	25,005
Advance to verious parties	7,783	11,288
Advance against Income Tax	121,470	116,002
Security deposit to verious parties	3,008	2,974
Pre Paid Insurance Premium	1,895	2,337
Tk.	**146,469**	**157,606**

7. CASH & CASH EQUIVALENTS: Tk. 12,967

	31.12.17	30.06.17
Cash in Hand	1,089	608
Cash at Bank	11,878	11,287
Tk.	**12,967**	**11,895**

8. LONG TERM LOAN: Tk. 165,149

	31.12.17	30.06.17
EBL Term Loan	15,925	17,685
Loan from Mr. Tsui Ki Lam, Director	57,218	57,218
Bangladesh Bank LTFF (FSSP) through EBL	46,417	1,705
United Finance Ltd.	640	859
IPDC of Bangladesh Ltd.	44,949	53,930
Tk.	**165,149**	**131,397**

9. LONG TERM LOAN - CURRENT PORTION: Tk. 34,447

	31.12.17	30.06.17
Eastern Bank Ltd.	10,745	13,893
Bangladesh Bank LTFF (FSSP) through EBL	5,266	212
Union Capital Ltd.	497	1,433
United Finance Ltd.	426	405
IPDC of Bangladesh Ltd.	17,513	16,607
Tk.	**34,447**	**32,550**

SINOBANGLA INDUSTRIES LTD. DHAKA

10. SHORT TERM LOAN - SECURED: Tk. 172,710

	31.12.17	30.06.17
Eastern Bank Ltd.	142,184	151,803
The HSBC Ltd.	30,526	47,827
Tk.	**172,710**	**199,630**

11. TURNOVER: Tk. 793,758

	Second Quarter Ended	
	31.12.17	31.12.16
Local sale	39,338	51,825
Export Sale	759,551	597,946
Less: VAT Adjustment	(5,131)	(6,759)
Tk.	**793,758**	**643,012**

12. COST OF GOODS SOLD: Tk. 710,935

	31.12.17	31.12.16
Materials consumed	530,104	399,482
Factory Overhead	162,482	147,211
Depreciation	18,349	16,724
Tk.	**710,935**	**563,417**

13. ADMINISTRATIVE AND SELLING EXPENSES: Tk. 41,534

	31.12.17	31.12.16
Salaries and Remuneration	15,038	13,963
Utility Bill	264	278
Printing & Postage	2,511	1,874
Entertainment & Conveyance	936	1,117
Recreation for Employees & AGM Expenses	378	95
Fees, Forms & Others	902	3
Overseas Travels	344	490
Depreciation	3,370	3,490
Selling Expenses	13,119	12,909
Other Expenses	4,672	3,374
Tk.	**41,534**	**37,593**

14. FINANCIAL EXPENSES: Tk. 19,882

	31.12.17	31.12.16
Interest on Loan	18,512	20,766
Interest on Lease Finance	145	301
Bank charges	1,225	1,175
Tk.	**19,882**	**22,242**

15. INCOME TAX EXPENSES: Tk. 7,078

	31.12.17	31.12.16
Current Tax	4,538	3,725
Deffered Tax	2,540	2,527
Tk.	**7,078**	**6,252**

16. DIVIDEND FOR 2017:

The Shareholders of the company has approved 10% cash dividend for the year ended 30 June, 2017 in the Annual General Meeting held on 22 January, 2018.

(Abdur Rashid)	(Enamul Hoq)	(Abul Hasnat Khan)	(Md. Habibur Rahman)	(Md. Shariful Mowla, FCMA)
Managing Director	Director	Director	DGM & Company Secretary	Chief Financial Officer

January 30, 2018

SINOBANGLA INDUSTRIES LTD. DHAKA