

SQUARE TEXTILES LIMITED

Consolidated Statement of Financial Position (Unaudited) As at September 30, 2016

	30-09-2016 Taka	30-06-2016 Taka
ASSETS:		
Non-Current Assets	4,422,492,655	4,119,628,602
Property, Plant & Equipment- Carrying Value	4,366,208,895	4,063,344,842
Goodwill	56,283,760	56,283,760
Current Assets	4,924,930,724	5,230,290,269
Inventories	1,791,186,888	1,737,965,686
Accounts Receivable	1,667,511,017	1,644,721,245
Advances, Deposits & Prepayments	627,395,457	568,831,880
Cash & Cash Equivalents	838,837,362	1,278,771,458
TOTAL ASSETS	9,347,423,379	9,349,918,871
SHAREHOLDERS' EQUITY & LIABILITIES:		
Shareholders' Equity	7,113,501,351	7,340,419,294
Share Capital	1,789,133,790	1,626,485,270
Retained Earnings	5,324,367,561	5,713,934,024
Non controlling Interest	19,856,621	19,159,898
Non-Current Liabilities		
Deferred Tax Liability	225,163,345	223,826,935
Current Liabilities & Provisions	1,988,902,062	1,766,512,744
Short Term Bank Loan (Secured)	855,848,186	1,091,534,090
Creditors & Others Payable	71,738,890	65,241,389
Liabilities for Other Finance	666,837,171	237,963,511
Short Term Loan	34,904,002	42,781,579
Provision for Income Tax	359,573,813	328,992,175
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	9,347,423,379	9,349,918,871
Net Asset Value Per Share (NAV)	39.76	41.03

Sd/-
Samuel S. Chowdhury
Chairman

Sd/-
Mrs. Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE TEXTILES LIMITED

Consolidated Statement of Comprehensive Income (Unaudited) For the 1st Quarter Ended September 30, 2016

Particulars	First Quarter Ended	
	July to September 2016	July to September 2015
Sales Revenue	1,840,504,149	1,929,867,735
Cost of Goods Sold	1,558,043,957	1,614,154,285
Gross Profit	282,460,192	315,713,450
Operating Expenses	55,556,244	57,319,332
Finance Cost	4,017,896	3,157,306
Profit from Operations	222,886,052	255,236,812
Other Income	48,009	56,281
Profit Before W.P.P.F & W.F	222,934,061	255,293,093
Allocation for W.P.P.F & W.F	10,615,908	12,156,814
Profit Before Tax	212,318,153	243,136,279
Provision for Tax (Current)	30,581,638	35,093,818
Provision for Tax (Deferred)	1,336,410	1,811,140
Profit After Tax for The Period	180,400,105	206,231,321
Non-Controlling Interest	696,723	898,693
Net Income for the Period	179,703,382	205,332,628

(Transferred to the Statement of Changes in Equity)

Earnings Per Share (EPS) **1.00** **1.15**

Sd/-
Samuel S. Chowdhury
Chairman

Sd/-
Mrs. Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE TEXTILES LIMITED

Consolidated Statement of Changes in Equity (Unaudited) For the 1st Quarter Ended September 30, 2016

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2016	1,626,485,270	5,713,934,024	7,340,419,294
Net Profit for 1st Quarter Ended September 30, 2016	-	179,703,382	179,703,382
Cash Dividend for 2015	-	- 406,621,325	- 406,621,325
Stock Dividend for 2015	162,648,520	- 162,648,520	-
Balance as at September 30, 2016	1,789,133,790	5,324,367,561	7,113,501,351

Consolidated Statement of Changes in Equity (Unaudited) For the 1st Quarter Ended September 30, 2015

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2015	1,626,485,270	4,973,241,525	6,599,726,795
Net Profit for 1st Quarter Ended September 30, 2015	-	205,332,628	205,332,628
Cash Dividend	-	-	-
Stock Dividend	-	-	-
Balance as at September 30, 2015	1,626,485,270	5,178,574,153	6,805,059,423

Sd/-
Samuel S. Chowdhury
Chairman

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Mrs. Ratna Patra
Vice Chairman

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Tapan Chowdhury
Managing Director

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Md. Alamgir Hossain
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE TEXTILES LIMITED

Statement of Consolidated Cash flows (Unaudited) For the 1st Quarter Ended September 30, 2016

Particulars	1st Quarter Ended	
	July-Sept' 2016	July-Sept' 2015
Cash Flows from Operating Activities:		
Receipts from Sales Revenue	1,817,714,377	2,162,694,941
Receipts from Other Income	48,009	56,281
Total Receipts	1,817,762,386	2,162,751,222
Payments to Suppliers	(1,113,212,737)	(1,231,453,267)
Paid for Operating & Non-operating Expenses	(475,715,981)	(439,053,462)
Interest Expenses Paid	(9,566,722)	(2,742,582)
Income Tax Paid	(31,242,883)	(38,364,034)
Paid for Workers Profit Participation & Welfare Fund	(4,236,078)	(9,530,151)
Total Payments	(1,633,974,401)	(1,721,143,496)
Net Cash Generated (Used in) from Operating Activities	183,787,985	441,607,726
Cash Flows from Investing Activities:		
Sales (Purchase) of Property, Plant & Equipment	(379,459,271)	(99,401,858)
Net Cash Generated (Used in) from Investing Activities	(379,459,271)	(99,401,858)
Cash Flows from Financing Activities:		
Short Term Bank Loan Received/ (Repaid)	(235,685,904)	295,891,459
Short Term Loan from/ (To) Sister Company	(8,576,906)	(347,218,571)
Payment of Dividend	-	(295,724,596)
Net Cash Generated (Used in) from Financing Activities	(244,262,810)	(347,051,708)
Increase/ (Decrease) in Cash & Cash Equivalents	(439,934,096)	(4,845,840)
Opening Cash & Cash Equivalents	1,278,771,458	1,005,999,421
Closing Cash & Cash Equivalents	838,837,362	1,001,153,581
Net Operating Cash Flows Per Share (NOCFPS)	1.03	2.47

Sd/-
Samuel S. Chowdhury
Chairman

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Mrs. Ratna Patra
Vice Chairman

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Tapan Chowdhury
Managing Director

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Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE TEXTILES LIMITED

Statement of Financial Position (Unaudited) As at September 30, 2016

	30-09-2016 Taka	30-06-2016 Taka
ASSETS:		
Non-Current Assets	3,488,198,768	3,147,296,521
Property, Plant & Equipment- Carrying Value	2,903,864,889	2,562,962,642
Investment - Long Term (At Cost)	160,783,760	160,783,760
Share Money Deposits	423,550,119	423,550,119
Current Assets	3,292,506,889	3,547,892,593
Inventories	1,242,107,683	1,181,000,058
Accounts Receivable	1,177,489,961	1,213,702,218
Advances, Deposits & Prepayments	401,781,099	399,240,261
Short Term Loan	60,452,628	104,042,349
Cash & Cash Equivalents	410,675,518	649,907,707
TOTAL ASSETS	6,780,705,657	6,695,189,114
SHAREHOLDERS' EQUITY & LIABILITIES:		
Shareholders' Equity	5,311,536,070	5,607,074,119
Share Capital	1,789,133,790	1,626,485,270
Retained Earnings	3,522,402,280	3,980,588,849
Non-Current Liabilities		
Deferred Tax Liability	123,163,216	122,571,004
Current Liabilities & Provisions	1,346,006,371	965,543,991
Short Term Bank Loan (Secured)	545,698,409	599,135,811
Creditors & Others Payable	52,256,955	49,999,072
Liabilities for Other Finance	569,244,283	148,818,262
Short Term Loan	34,904,002	42,781,579
Provision for Income Tax	143,902,722	124,809,267
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	6,780,705,657	6,695,189,114
 Net Asset Value Per Share (NAV)	29.69	31.34

Sd/-
Samuel S. Chowdhury
Chairman

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Mrs. Ratna Patra
Vice Chairman

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Tapan Chowdhury
Managing Director

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Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE TEXTILES LIMITED

Statement of Comprehensive Income (Unaudited) For the 1st Quarter Ended September 30, 2016

Particulars	First Quarter Ended	
	July to September 2016	July to September 2015
Sales Revenue	1,187,829,410	1,229,382,646
Cost of Goods Sold	1,005,839,057	1,030,172,967
Gross Profit	181,990,353	199,209,679
Operating Expenses	43,348,908	45,068,330
Finance Cost	2,037,306	2,742,650
Profit from Operations	136,604,139	151,398,699
Other Income	703,251	3,476,135
Profit Before W.P.P.F & W.F	137,307,390	154,874,834
Allocation for W.P.P.F & W.F	6,538,447	7,374,992
Profit Before Tax	130,768,943	147,499,842
Provision for Tax (Current)	19,093,455	21,729,638
Provision for Tax (Deferred)	592,212	829,855
Profit After Tax for The Period	111,083,276	124,940,349

(Transferred to the Statement of Changes in Equity)

Earnings Per Share (EPS) **0.62** **0.70**

Sd/-
Samuel S. Chowdhury
Chairman

Sd/-
Mrs. Ratna Patra
Vice Chairman

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Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE TEXTILES LIMITED

Statement of Changes in Equity (Unaudited) For the 1st Quarter Ended September 30, 2016

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2016	1,626,485,270	3,980,588,849	5,607,074,119
Net Profit for 1st Quarter Ended September 30, 2016	-	111,083,276	111,083,276
Cash Dividend for 2015	-	- 406,621,325	- 406,621,325
Stock Dividend for 2015	162,648,520	- 162,648,520	-
Balance as at September 30, 2016	1,789,133,790	3,522,402,280	5,311,536,070

Statement of Changes in Equity (Unaudited) For the 1st Quarter Ended September 30, 2015

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2015	1,626,485,270	3,494,352,948	5,120,838,218
Net Profit for 1st Quarter Ended September 30, 2015	-	124,940,349	124,940,349
Cash Dividend	-	-	-
Stock Dividend	-	-	-
Balance as at September 30, 2015	1,626,485,270	3,619,293,297	5,245,778,567

Sd/-
Samuel S. Chowdhury
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Vice Chairman

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Managing Director

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Chief Financial Officer

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Company Secretary

SQUARE TEXTILES LIMITED

Statement of Cash flows (Unaudited) For the 1st Quarter Ended September 30, 2016

Particulars	1st Quarter Ended	
	July-Sept' 2016	July-Sept' 2015
Cash Flows from Operating Activities:		
Receipts from Sales Revenue	1,224,041,667	1,474,961,595
Receipts from Other Income	48,009	56,281
Total Receipts	1,224,089,676	1,475,017,876
Payments to Suppliers	(741,647,245)	(807,403,846)
Paid for Operating & Non-operating Expenses	(292,355,823)	(307,916,135)
Interest Expenses Paid	(5,255,394)	(2,215,691)
Income Tax Paid	(28,437,568)	(21,860,939)
Paid for Workers Profit Participation & Welfare Fund	(2,872,988)	(7,271,944)
Total Payments	(1,070,569,018)	(1,146,668,555)
Net Cash Generated (Used in) from Operating Activities	153,520,658	328,349,321
Cash Flows from Investing Activities:		
Sales (Purchase) of Property, Plant & Equipment	(374,983,502)	(74,396,677)
Net Cash Generated (Used in) from Investing Activities	(374,983,502)	(74,396,677)
Cash Flows from Financing Activities:		
Short Term Bank Loan Received/ (Repaid)	(53,437,402)	166,623,487
Short Term Loan from/ (To) Sister Company	35,668,057	(239,800,667)
Payment of Dividend	-	(295,724,596)
Net Cash Generated (Used in) from Financing Activities	(17,769,345)	(368,901,776)
Increase/ (Decrease) in Cash & Cash Equivalents	(239,232,189)	(114,949,132)
Opening Cash & Cash Equivalents	649,907,707	519,155,096
Closing Cash & Cash Equivalents	410,675,518	404,205,964
 Net Operating Cash Flows Per Share (NOCFPS)	 0.86	 1.84

Sd/-
Samuel S. Chowdhury
Chairman

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Mrs. Ratna Patra
Vice Chairman

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Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE TEXTILES LIMITED

and its subsidiaries

Notes to the Interim Financial Statements For the First Quarter ended September 30, 2016

Basis of preparation of the Interim Financial Statements:

These Financial Statements (They) are the unaudited interim financial statements (hereafter "The Interim Financial Statements") of Square Textiles Limited, Square Yarns limited and Square Texcom Limited, Companies incorporated in Bangladesh under Companies Act 1913 & 1994, for the first quarter ended September 30, 2016 (hereafter "The Interim Period"). They are prepared in accordance with the International Accounting Standard (BAS 34) "Interim Financial Reporting". These financial statements should read in conjunction with the Annual Financial Statements as on June 30, 2016, as they provide an update of previously reported information.

The accounting policies and presentation used are consistent with those used in the Annual Financial Statements, except where noted below. Where necessary, the comparatives have been reclassified or extended from the previously reported Interim Financial Statements to take into account any presentational changes made in the Annual Financial Statements or in these Interim Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and disclosure of contingent 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 circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

During the period, the company made investments in the form of fixed assets are as follows: -

➤ Land	Tk. 01.58 crore
➤ Work In Progress	Tk. 30.15 crore
➤ Plant & Machinery	Tk. 01.35 crore
➤ Motor Vehicles	Tk. 00.51 crore
➤ Others	Tk. 01.36 crore

The company operates in industries where significant seasonal or cyclical variations in total sales are not experienced during the reporting period.

Income tax expense is recognized based upon the best estimate of the weighted average income tax rate expected for the reporting period.

Dividend payment for the 18 months period ended June 30, 2016 is in process @ 25% cash of par value of Share and 10% stock (10 shares for every 100 shares) that approved by the shareholders in AGM held on September 08, 2016.

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The Company has no reportable operating segments as per requirement of BFRS-8, "Operating Segment".

There is no significant event to the end of the interim period that has to be reflected in the financial statements for the interim period.

The Company did not carry out any related party transaction other than Square Pharmaceuticals Limited, Square Yarns Limited & Square Texcom Limited. Net balance of Receivable from/ (Payable to) as on reporting date is given below:

➤ Square Pharmaceuticals Ltd.	Tk. (03.49) crore
➤ Square Yarns Ltd.	Tk. 01.95 crore
➤ Square Texcom Ltd.	Tk. 04.09 crore
➤ Square InformatiX Ltd.	Tk. 0.00
➤ AEGIS Services Ltd.	Tk. 0.00

The contingent liabilities of the company as on September 30, 2016 were as follows;

For Sight and Deferred LCs for the group Tk. 39.71 crore only. Out of which Tk. 27.91 crore for Square Textiles Limited, Tk. 7.41 crore only for Square Yarns Limited and Tk. 4.39 crore only for Square Texcom Limited.

Deferred Income Tax Expense is raised for Tk. 13.36 Lac for the adjustable temporary difference upto September 30, 2016.

Impairment of Asset: Revenue and Profitability of the company is Consistent and net worth of the company is growing every year, that indicates our assets are performing at their highest as per our intended procurement and the summation of the discounted future cash flow from the operation of the assets would be positive if we dispose-off those assets at the date of financial reporting. But presently we have no intension to dispose off these assets; As such we did not consider to recording the impairment loss/gain.