

SQUARE TEXTILES LIMITED

Consolidated Statement of Financial Position (Unaudited) As of March 31, 2014

Tk'000

	March 31, 2014	December 31, 2013
NET ASSETS:		
Fixed Asset :	3,201,720	3,201,947
At Cost Less Depreciation	3,145,436	3,145,663
Goodwill	56,284	56,284
Current Assets :	5,455,716	5,310,437
Stocks	1,741,998	1,799,600
Trade Debtors	2,568,055	2,512,022
Short Term Loan	228,828	158,345
Advance , Deposit & Prepayments	450,703	334,249
Cash & Bank Balance	466,132	506,221
Current Liabilities :	2,257,226	2,359,400
Short Term Bank Loan	53,027	59,196
Sundry Creditors	1,591,040	1,691,108
Other Current Liabilities	326,695	367,410
Provision for income Tax	286,464	241,686
Net Current Assets	3,198,490	2,951,037
Deferred Tax Liability	189,480	186,686
	6,210,730	5,966,298
FINANCED BY :		
Share Holders Equity :	6,201,005	5,957,712
Share Capital	1,344,203	1,344,203
General Reserve and Surplus	4,856,802	4,613,509
Non controlling Interest	9,725	8,586
	6,210,730	5,966,298
Net Asset Value Per Share	46.13	44.32

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Consolidated Statement of Comprehensive Income (Unaudited) For the 1st Quarter Ended March 31, 2014

	March 31 2014	Tk'000 March 31 2013
Sales	2,108,026	1,955,183
Cost of Goods Sold	1,737,295	1,621,923
Gross Profit	370,731	333,260
Operating Expenses	57,220	54,163
Finance Cost	9,611	14,650
Operating Income	303,900	264,447
Other Income	2,705	3,485
Net Income before W.P.P & W.F	306,605	267,932
Allocation for W.P.P & W.F	14,600	12,759
Net Income before Tax	292,005	255,173
Provision for Income Tax	44,407	38,276
Provision for Deferred Income Tax	3,165	-
Net Profit after Tax	244,433	216,897
Non-Controlling Interest	1,140	392
Net Income for the Year	243,293	216,505
(Transferred to the Statement of Changes in Equity)		
 Earning Per Share (EPS)	 1.81	 1.61

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Consolidated Statement of Changes in Equity (Unaudited) For the 1st Quarter ended on March 31, 2014

Tk'000

Particulars	Share Capital	Reserve & Surplus	Total
As at December 31,2013	1,344,203	4,613,509	5,957,712
Net Profit for First Quarter ,2014	-	243,293	243,293
Balance as at March 31,2014	1,344,203	4,856,802	6,201,005

Consolidated Statement of Changes in Equity (Unaudited) For the 1st Quarter ended on March 31, 2013

Tk'000

Particulars	Share Capital	Reserve & Surplus	Total
As at December 31,2012	1,168,872	4,162,344	5,331,216
Net Profit for First Quarter ,2013	-	216,505	216,505
Balance as at March 31,2013	1,168,872	4,378,849	5,547,721

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Statement of Consolidated Cash flows For the quarter ended March 31, 2014

	Tk'000	
	First Quarter Ended	
	March 31, 2014	March 31, 2013
Cash Flow From Operating Activities:		
Total Receipts	2,051,998	2,167,477
Cash from Sales Revenue	2,051,993	2,163,992
Cash from Other Income	5	3,485
Total Payments	(1,947,438)	(1,506,191)
Purchase for Raw & Packing Materials	(1,445,357)	(1,093,315)
Manufacturing and Operating Exp.	(430,886)	(351,908)
Interest Expenses	(6,958)	(10,946)
Income Tax	(50,428)	(27,810)
Workers Profit Participation Fund	(13,809)	(22,212)
Net Cash Flow From Operating Activities	104,560	661,286
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(70,697)	(275,818)
Net Cash Flow From Investing Activities	(70,697)	(275,818)
Cash Flow From Financing Activity		
Shor Term Bank Loan recived(Repaid)	(6,169)	(7,170)
Short Term loan from (to) Inter Co.	(67,783)	(289,759)
Net Cash Flow From Financing Activities	(73,952)	(296,929)
Net Cash Position	(40,089)	88,539
Opening Cash in Hand	506,221	473,076
Closing Cash in Hand	466,132	561,615
Net Operating Cash Flow Per Share	0.78	4.92

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Statement of Financial Position (Unaudited) As of March 31, 2014

Tk'000

	March 31, 2014	December 31, 2013
NET ASSETS:		
Fixed Asset :	2,243,111	2,262,854
At Cost Less Depreciation	1,658,777	1,678,520
Investment-Long Term(At Cost)	160,784	160,784
Share Money Deposit	423,550	423,550
Current Assets :	4,281,992	4,095,603
Stocks	1,184,275	1,243,944
Trade Debtors	1,946,285	1,879,244
Short Term Loan	517,370	459,681
Advance , Deposit & Prepayments	351,089	271,092
Cash & Bank Balance	282,973	241,642
Current Liabilities :	1,370,634	1,363,963
Short Term Bank Loan	38,083	42,334
Sundry Creditors	928,560	915,359
Other Current Liabilities	262,025	293,249
Provision for income Tax	141,966	113,021
Net Current Assets	2,911,358	2,731,640
Deferred Tax Liability	108,636	108,123
Tk.	5,045,833	4,886,371
FINANCED BY :		
Share Holders Equity :	5,045,833	4,886,371
Share Capital	1,344,203	1,344,203
General Reserve and Surplus	3,701,630	3,542,168
Tk.	5,045,833	4,886,371
Net Asset Value Per Share	37.54	36.35

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Statement of Comprehensive Income (Unaudited) For the 1st Quarter Ended March 31, 2014

	March 31 2014	Tk'000 March 31 2013
Sales	1,344,430	1,338,566
Cost of Goods Sold	1,099,076	1,103,552
Gross Profit	245,354	235,014
Operating Expenses	44,567	46,437
Finance Cost	7,277	6,273
Operating Income	193,510	182,304
Other Income	4,854	4,828
Net Income before W.P.P & W.F	198,364	187,132
Allocation for W.P.P & W.F	9,446	8,911
Net Income before Tax	188,918	178,221
Provision for Tax (Current)	28,944	26,733
Provision for Tax (Deferred)	513	-
Net Income for the Year	159,461	151,488

(Transferred to the Statement of Changes in Equity)

Earning Per Share (EPS)

1.19

1.13

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Statement of Changes in Equity (Unaudited) For the Quarter Ended on March 31, 2014

Tk'000

Particulars	Share Capital	Reserve & Surplus	Total
As at December 31,2013	1,344,203	3,542,169	4,886,372
Net Profit for First Quarter ,2014	-	159,461	159,461
Balance as at March 31,2014	1,344,203	3,701,630	5,045,833

Statement of Changes in Equity (Unaudited) For the Quarter Ended on March 31, 2013

Tk'000

Particulars	Share Capital	Reserve & Surplus	Total
As at December 31,2012	1,168,872	3,340,115	4,508,987
Net Profit for First Quarter ,2013	-	151,488	151,488
Balance as at March 31,2013	1,168,872	3,491,603	4,660,475

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Statement of Cash flows

For the Quarter Ended on March 31, 2014

Particulars	Tk'000	
	First Quarter Ended	
	March 31, 2014	March 31, 2013
Cash Flow From Operating Activities:		
Total Receipts	1,277,396	1,361,588
Cash From Sales Revenue	1,277,391	1,356,760
Cash from Other Income	5	4,828
Total Payments	(1,160,547)	(1,143,237)
Paid to Suppliers	(802,181)	(828,836)
Paid for Operating & No-operating Expenses	(301,641)	(269,109)
Interest Expenses	(4,765)	(4,363)
Income Tax	(46,649)	(22,422)
Workers Profit Participation Fund	(5,311)	(18,507)
Net Cash Received (Used) From Operating Activities	116,849	218,351
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(18,426)	(14,951)
Net Cash Received (Used) From Investing Activities	(18,426)	(14,951)
Cash Flow From Financing Activity		
Shor Term Bank Loan	(4,251)	(8,539)
Short Term Loan From (To) Sister Co.	(52,841)	(133,734)
Net Cash Received (Used) From Financing Activities	(57,092)	(142,273)
Net Cash Increased (Decreased)	41,331	61,127
Opening Cash in Hand	241,642	299,650
Closing Cash in Hand	282,973	360,777
Net Operating Cash Flow Per Share	0.87	1.62

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED AND ITS SUBSIDIARIES

Notes to the Interim Financial Statements for the period ended March 31, 2014

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 & Square Texcom Limited, Companies incorporated in Bangladesh under Companies Act 1994, for the 1st quarter ended March 31, 2014 (hereafter 'the interim period'). They are prepared in accordance with the International Accounting Standard (IAS 34) 'Interim Financial reporting'. These financial statements should read in conjunction with the Annual Financial Statements as of December 31, 2013, 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.

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 recommended for the year ended December 31, 2013 @ 20% cash and 10% stock by the Board of Directors in it's meeting held on 27th April 2014 subject to the approval of the shareholders in ensuing Annual General Meeting to be held on June 16, 2014.

The Company has no reportable operating segments as per requirement of IFRS 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.

SQUARE TEXTILES LIMITED AND ITS SUBSIDIARIES

The Company did not carry out any related party transaction other than Square Pharmaceuticals Limited, Square Yarns Limited & Square Texcom Limited. During the reporting period total received & total payment was Tk. 1.88 crore and Tk. 24.76 crore from / to Square Pharmaceuticals Ltd., Tk. 1.14 crore & Tk. 5.96 crore from / to Square Yarns Ltd. and Tk. 6.65 crore & Tk. 30.68 crore paid from / to Square Texcom Limited.

Figures have been rounded off to the nearest Tk.'000.

The contingent liabilities of the company as on March 31, 2014 is as follows;

For Sight and Deferred LCs for the group Tk. 73.19 crore only. Out of which Tk. 30.56 crore for Square Textiles Limited, Tk. 39.91 crore only for Square Yarns Limited and Tk. 2.72 crore only for Square Texcom Limited.

Provision for deferred tax is adjusted for Tk 0.32 crore for the adjustable temporary difference up to March 31, 2014 and newly created by TK 0.04 crore.