

SQUARE TEXTILES LIMITED

Consolidated Statement of Financial Position (Unaudited)

As of June 30, 2015

	June 30, 2015	December 31, 2014
NET ASSETS:		
Fixed Asset :	3,366,140,716	3,282,784,193
At Cost Less Depreciation	3,309,856,956	3,226,500,433
Goodwill	56,283,760	56,283,760
Current Assets :	5,537,282,943	5,410,980,772
Stocks	1,840,561,189	1,915,079,652
Trade Debtors	2,120,785,339	2,289,541,094
Short Term Loan	-	38,038,680
Advance , Deposit & Prepayments	580,450,608	459,251,846
Cash & Bank Balance	995,485,807	709,069,500
Current Liabilities :	2,076,990,868	1,981,967,552
Short Term Bank Loan	705,110,264	1,220,743,742
Sundry Creditors	128,864,162	87,346,341
Other Current Liabilities	581,110,044	283,935,815
Short Term Loan	206,271,149	-
Provision for Income Tax	455,635,249	389,941,654
Net Current Assets	3,460,292,075	3,429,013,220
Deferred Tax Liability	211,225,108	204,794,118
	6,615,207,683	6,507,003,295
FINANCED BY :		
Share Holders Equity :	6,600,305,034	6,494,290,664
Share Capital	1,626,485,270	1,478,622,980
General Reserve and Surplus	4,973,819,764	5,015,667,684
Non controlling Interest	14,902,649	12,712,631
	6,615,207,683	6,507,003,295
Net Asset Value Per Share	40.58	39.93

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 Half Year ended June 30, 2015

	Six Month Ended		2nd Quarter	
	January to June, 2015	January to June, 2014	April to June , 2015	April to June , 2014
Sales	4,037,152,489	4,226,828,749	2,069,437,510	2,118,802,723
Cost of Goods Sold	3,404,559,691	3,485,383,087	1,752,274,965	1,748,087,612
Gross Profit	632,592,798	741,445,662	317,162,545	370,715,111
Operating Expenses	119,395,288	120,018,170	65,611,009	62,798,094
Finance Cost	13,448,017	25,857,833	3,760,513	16,247,248
Operating Income	499,749,493	595,569,659	247,791,023	291,669,769
Other Income	106,755	3,408,730	100,988	703,683
Net Income before W.P.P.F & W.F	499,856,248	598,978,389	247,892,011	292,373,452
Allocation for W.P.P.F & W.F	23,802,679	28,522,780	11,804,381	13,922,545
Net Income before Tax	476,053,569	570,455,609	236,087,630	278,450,907
Provision for Tax (Current)	65,693,595	86,411,681	32,931,116	42,004,275
Provision for Tax (Deferred)	6,430,990	8,931,773	2,928,188	5,766,898
Net Profit after Tax	403,928,984	475,112,155	200,228,326	230,679,734
Non-Controlling Interest	2,190,018	2,260,173	1,115,132	1,120,558
Net Income for the Year	401,738,966	472,851,982	199,113,194	229,559,176
Earnings Per Share (EPS)	2.47	2.91	1.22	1.41

Sd/-
Samuel S Chowdhury
Chairman

Sd/-
Mrs. Ratna Patra
Vice Chirman

Sd/-
Tapan Chowdhury
Managing Director

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Md. Alamgir Hossain
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE TEXTILES LIMITED

Consolidated Statement of Changes in Equity (Unaudited) For the Half Year ended June 30, 2015

Particulars	Share Capital	General Reserve & Surplus	Total
As at December 31, 2014	1,478,622,980	5,015,667,684	6,494,290,664
Net Profit for Second Quarter Ended ,2015	-	401,738,966	401,738,966
Cash Dividend for 2014	-	(295,724,596)	(295,724,596)
Stock Dividend for 2014	147,862,290	(147,862,290)	-
Balance as at June 30, 2015	1,626,485,270	4,973,819,764	6,600,305,034

SQUARE TEXTILES LIMITED

Consolidated Statement of Changes in Equity (Unaudited) For the Half Year ended June 30, 2014

Particulars	Share Capital	General Reserve & Surplus	Total
As at December 31, 2013	1,344,202,710	4,613,509,201	5,957,711,911
Net Profit for Second Quarter Ended ,2014	-	472,851,982	472,851,982
Cash Dividend for 2013	-	(268,840,542)	(268,840,542)
Stock Dividend for 2013	134,420,270	(134,420,270)	-
Balance as at June 30, 2014	1,478,622,980	4,683,100,371	6,161,723,351

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SQUARE TEXTILES LIMITED

Statement of Consolidated Cash flows (Unaudited)

For the Half Year ended June 30, 2015

Particulars	Second Quarter Ended	
	June 30, 2015	June 30, 2014
Cash Flow From Operating Activities:		
Total Receipts	4,206,014,999	4,124,962,892
Collection from Sales Revenue	4,205,908,244	4,124,878,335
Collection from Other Income	106,755	84,557
Total Payments	(3,415,276,036)	(3,748,399,516)
Paid to Suppliers	(2,458,736,870)	(2,716,588,034)
Paid for Operating & Non-operating Expenses	(799,751,380)	(920,941,975)
Interest Expenses	(19,453,436)	(14,940,797)
Income Tax	(120,221,224)	(82,819,897)
Workers Profit Participation Fund	(17,113,126)	(13,108,813)
Net Cash Flow From (Used in) Operating Activities	790,738,963	376,563,376
Cash Flow From Investing Activities:		
Purchase of Fixed Assets	(231,582,336)	(208,255,511)
Net Cash Flow From (Used in) Investing Activities	(231,582,336)	(208,255,511)
Cash Flow From Financing Activities:		
Short Term Bank Loan Recived(Repaid)	(515,633,478)	51,700,749
Short Term Loan from (to) Inter Co.	242,893,158	60,856,079
Dividend Payment	-	(268,840,542)
Net Cash Flow From (Used in) Financing Activities	(272,740,320)	(156,283,714)
Net Cash Increased (Decreased)	286,416,307	12,024,151
Opening Cash & Cash Equivalent	709,069,500	506,220,558
Closing Cash & Cash Equivalent	995,485,807	518,244,709
Net Operating Cash Flow Per Share	4.86	2.32

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Chief Financial Officer

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Khandaker Habibuzzaman
Company Secretary

SQUARE TEXTILES LIMITED

Statement of Financial Position (Unaudited)

As of June 30, 2015

	June 30, 2015	December 31, 2014
NET ASSETS:		
Fixed Asset :	2,405,112,342	2,361,701,330
At Cost Less Depreciation	1,820,778,463	1,777,367,451
Investment-Long Term(At Cost)	160,783,760	160,783,760
Share Money Deposit	423,550,119	423,550,119
Current Assets :	4,117,764,599	3,903,435,804
Stocks	1,360,948,889	1,359,017,389
Trade Debtors	1,537,346,298	1,654,374,265
Short Term Loan	271,465,981	207,729,297
Advance , Deposit & Prepayments	428,848,335	347,790,133
Cash & Bank Balance	519,155,096	334,524,720
Current Liabilities :	1,285,991,102	993,109,727
Short Term Bank Loan	245,308,637	502,930,049
Short Term Loan	206,271,149	-
Sundry Creditors	65,695,682	47,276,186
Other Current Liabilities	513,474,937	231,264,172
Provision for Income Tax	255,240,697	211,639,320
Net Current Assets	2,831,773,497	2,910,326,077
Deferred Tax Liability	116,047,621	113,304,788
Tk.	<u>5,120,838,218</u>	<u>5,158,722,619</u>
FINANCED BY :		
Share Holders Equity :	5,120,838,218	5,158,722,619
Share Capital	1,626,485,270	1,478,622,980
General Reserve and Surplus	3,494,352,948	3,680,099,639
Tk.	<u>5,120,838,218</u>	<u>5,158,722,619</u>
Net Asset Value Per Share	31.48	31.72

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SQUARE TEXTILES LIMITED

Statement of Changes in Equity (Unaudited) For the Half Year ended June 30, 2015

Particulars	Share Capital	General Reserve & Surplus	Total
As at December 31, 2014	1,478,622,980	3,680,099,639	5,158,722,619
Net Profit for Second Quarter Ended ,2015	-	257,840,195	257,840,195
Cash Dividend for 2014	-	(295,724,596)	(295,724,596)
Stock Dividend for 2014	147,862,290	(147,862,290)	-
Balance as at June 30, 2015	1,626,485,270	3,494,352,948	5,120,838,218

SQUARE TEXTILES LIMITED

Statement of Changes in Equity (Unaudited) For the Half Year ended June 30, 2014

Particulars	Share Capital	General Reserve & Surplus	Total
As at December 31, 2013	1,344,202,710	3,542,168,733	4,886,371,443
Net Profit for Second Quarter Ended ,2014	-	303,330,950	303,330,950
Cash Dividend for 2013	-	(268,840,542)	(268,840,542)
Stock Dividend for 2013	134,420,270	(134,420,270)	-
Balance as at June 30, 2014	1,478,622,980	3,442,238,871	4,920,861,851

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SQUARE TEXTILES LIMITED

Statement of Cash flows (Unaudited) For the Half Year ended June 30, 2015

Particulars	Second Quarter Ended	
	June 30, 2015	June 30, 2014
Cash Flow From Operating Activities:		
Total Receipts	2,700,092,729	2,655,748,567
Collection from Sales Revenue	2,699,985,974	2,655,664,010
Collection from Other Income	106,755	84,557
Total Payments	(2,290,929,292)	(2,314,274,031)
Paid to Suppliers	(1,687,408,724)	(1,611,849,320)
Paid for Operating & Non-operating Expenses	(499,219,195)	(626,353,004)
Interest Expenses	(7,809,802)	(10,489,775)
Income Tax	(84,855,643)	(60,046,180)
Workers Profit Participation Fund	(11,635,928)	(5,535,752)
Net Cash Flow From (Used in) Operating Activities	409,163,437	341,474,536
Cash Flow From Investing Activities:		
Purchase of Fixed Assets	(115,071,748)	(43,230,933)
Net Cash Flow From (Used in) Investing Activities	(115,071,748)	(43,230,933)
Cash Flow From Financing Activities:		
Short Term Bank Loan Recived(Repaid)	(257,621,412)	(32,591,262)
Short Term Loan from (to) Inter Co.	148,160,099	50,918,848
Payment of Dividend	-	(268,840,542)
Net Cash Flow From (Used in) Financing Activities	(109,461,313)	(250,512,956)
Net Cash Increased (Decreased)	184,630,376	47,730,647
Opening Cash & Cash Equivalent	334,524,720	241,642,188
Closing Cash & Cash Equivalent	519,155,096	289,372,835
Net Operating Cash Flow Per Share	2.52	2.10

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SQUARE TEXTILES LIMITED AND ITS SUBSIDIARIES

Notes to the Interim Financial Statements For the period ended June 30, 2015

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 half year ended June 30, 2015 (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, 2014, 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 payment for the year ended December 31, 2013 is in process @ 20% cash and 10% stock (10 shares for every 100 shares) that approved by the shareholders in AGM held on June 16, 2015.

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.

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. 26.55 crore and Tk. 5.92 crore from / to Square Pharmaceuticals Ltd., Tk. 8.37 crore & Tk. 21.19 crore from / to Square Yarns Ltd. and Tk. 4.17 crore & Tk. 18.49 crore paid from / to Square Texcom Limited.

The contingent liabilities of the company as on June 30, 2015 are as follows;

For Sight and Deferred LCs for the group Tk. 43.95 crore only. Out of which Tk. 25.44 crore for Square Textiles Limited, Tk. 12.67 crore only for Square Yarns Limited and Tk. 5.84 crore only for Square Texcom Limited.

Provision for deferred tax newly created by TK 0.64 crore.