SONARGAON TEXTILES LTD.

1ST QUARTER (Q1)

UNAUDITED FINANCIAL STATEMENTS

(From 1st July, 2016 to 30th September, 2016)

Reg. office: Rupatali, Barisal.
Corporate office: Khansons Center (8th & 9th floor)
37, Kawran Bazar C/A, Dhaka-1215

SONARGAON TEXTILES LIMITED

Khansons Centre (8th & 9th Floor)
37, Kawran Bazar, Dhaka-1215
Tel : 55013501, 55013597,55013500, Fax: 880-2-55013498

1st Quarter Financial Statements

In compliance with listing regulation 2015 of Dhaka & Chittagong Stock Exchange as well as BSEC notification no. - SEC/CMRRCD/2008-183/Admin/03-34 dated : 27th Sept,2009,we are pleased to provide you below the un-audited financial statement of the Company for the 1st Quarter ended 30th September,2016 as considered by the Board of Directors meeting held on 09.11.2016 at 37, Kawran Bazar, Dhaka-1215.

On Behalf of the Board

Md. Monir Hossain
Company Secretary

Statement of Financial Position (Unaudited)

As at 30th September, 2016

Item	As at 30.9.2016 ('000' Taka)	As at 30.06.2016 ('000' Taka)
Fixed Assets		
Property, Plant and Equipment (WDV)	821,501	832,392
	-	-
	821,501	832,392
Current Assets :		
Inventories	672,369	678,925
Debtors	144,475	134,980
Advances, Deposits & Prepayments	22,032	21,399
Cash and Bank Balance	1,004	1,262
	839,880	836,566
Total Assets	**1,661,381**	**1,668,958**
Equity & Liabilities		
Shareholders' Equity :		
Share Capital	264,670	264,671
Share Premium	54,560	54,560
Capital Reserves	5,373	5,373
Revaluation Reserve	487,261	492,379
Retained Earning	(29,633)	(22,719)
Total Shareholders' Equity	**782,231**	**794,264**
Non Current Liabilities:		
Long Term Loan	296,892	349,547
Other Loan and Advance	16,413	17,320
Daffered Tax Liability	53,304	53,281
Total Non Current Liabilities	**366,609**	**420,148**
Current Liabilities:		
Short Term Loan	146,277	140,333
Current Portion of Long Term Loan	225,514	161,553
Creditors and Provisions	140,217	151,072
Workers Profit Participation and Welfare Fund	-	-
Provision for Income Tax	533	1,588
Total Current Liabilities	**512,541**	**454,546**
Total Liabilities & Equity	**1,661,381**	**1,668,958**
Net Asset Value Per Share	**29.55**	**30.01**

A.K.M. Azizur Rahman	Bazlur Rahman	Rosy Rahman	Md.Mostafa	Md. Monir Hossain
Chairman	Managing Director	Director	Chief Financial Officer	Company Secretery

SONARGAON TEXTILES LTD.
Statement of Comprehensive Income (Unaudited)
For the period of July to September 2016

Item	Current Period of July to Sept 2016. ('000' Taka)	Previous Period of July to Sept 2015. ('000' Taka)
Turnover and Other Income	**167,667**	**149,375**
Cost and Expenses :		
Cost of Goods Sold	149,591	125,933
Administrative Expenses	3,893	3,532
Selling and Distribution Expenses	1,190	998
Interest Expenses	17,000	24,625
Expenses Written Off	7,500	7,500
Total Costs and Expenses	179,174	162,588
Net profit before Income Tax	(11,507)	(13,213)
Provision for Income Tax	(503)	(448)
Deffered Tax	(23)	-
Net Profit / (Loss)	**(12,033)**	**(13,661)**

Earnings per Share (EPS)	**(0.45)**	**(0.52)**

Rosy Rahman

A.K.M. Azizur Rahman
Chairman

Bazlur Rahman
Managing Director

Rosy Rahman
Director

Md.Mostafa
Chief Financial Officer

Md. Monir Hossain
Company Secretery

SONARGAON TEXTILES LTD.

Statement of Changes in Equity(Unaudited)

For the 1st Quarter Ended on September 30, 2016

(Figure in '000' Taka)

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Capital Reserve	Revaluation Reserve	Retained Earnings	Total Taka
As at 1st July, 2016	264,670	54,560	-	5,373	492,379	(22,718)	794,264
Adjustment in Revaluation Reserve					(5,118)	5,118	-
Net profit/Loss- Jan,16 to June,16						(12,033)	(12,033)
As at 30th September ,2016	**264,670**	**54,560**	**-**	**5,373**	**487,261**	**(29,633)**	**782,231**

SONARGAON TEXTILES LTD.

Statement of Changes in Equity(Unaudited)

For the July,15 to Sept,15 Quarter Ended on September 30, 2015

(Figure in '000' Taka)

Particulars	Share Capital	Tax Holiday Reserve	Share Premium	Revaluation Reserve	Capital Reserve	Retained Earning	Total
As of July 01, 2016	264,670	-	54,560	525,428	5,373	(15,646)	834,385
Net profit for (July,16 to Sept., 16)	-	-	-		-	(40,586)	(40,586)
As of 30th Sept., 2016	**264,670**	**-**	**54,560**	**525,428**	**5,373**	**(56,232)**	**793,799**

A.K.M. Azizur Rahman
Chairman

Bazlur Rahman
Managing Director

Rosy Rahman
Director

Md. Mostafa
Chief Financial officer

Md. Monir Hossain
Company Secretary

SONARGAON TEXTILES LTD.
CASH FLOW STATEMENT
For the 1st Quarter ended (unaudited) 30th September. 2016.

Item	Current 1st Quarter July,16 to Sept,16 ('000' Taka)	Previous Year Quarter July,15 to Sept,15 ('000' Taka)
Cash Flows from Operating Activities		
Collection from Turnover and Other Income	158,172	528,392
Payments for Costs and Expenses	(173,776)	(513,334)
Interest Paid	-	(15,827)
Income Tax Paid and / or Deducted	(997)	(1,000)
	(16,601)	**(1,769)**
Cash flows from Investing Activities :		
Acquisition of Fixed Assets	-	-
Acquisition of Long-Term Assets	-	-
Sale proceeds of Long-Term Assets	-	-
	-	-
Cash flows from Financing Activities :		
Long term loan received	(52,655)	67,840
Other loans and Advances Received /(Paid)	(907)	-
Short term loan paid	69,905	(67,767)
	16,343	**73**
Net Cash Inflows/(outflows) for the period	(258)	(1,696)
Opening Cash and Bank Balance	1,262	11,113
Closing Cash and Bank Balance	**1,004**	**9,417**

Net operating Cash flow per Share	**(0.63)**	**(0.07)**

A.K.M. Azizur Rahman	**Bazlur Rahman**	**Rosy Rahman**	**Md. Mostafa**	**Md. Monir Hossain**
Chairman	Managing Director	Director	Chief Financial Officer	Company Secretery

Sonargaon Textiles Ltd.

Notes to the Interim Financial Statements for the 1st quarter ended 30th September, 2016

Basis of Preparation of the Interim Financial Statements:

These Financial Statements are the un audited interim financial statement (here after 'the Interim Financial Statements') of **Sonargaon Textiles Limited**, Companies incorporated in Bangladesh under companies act, for the 1st Quarter ended on 30th September, 2016 (here after' the interim period'). They are prepared in accordance with the Bangladesh Accounting Standard (BAS-34) 'Interim Financial Reporting'. These financial statements should read in conjunction with the 1st quarter Financial Statements as of 30th September, 2016, as they provide an update of previously reported information.

The accounting policies and presentation used are consistent with those used in the Annual Financials, except where noted below. Where necessary, the comparative figures have been reclassified or extended from the previously reported Interim Financial Statements to take into account any presentational changes made in the 1st quarter 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 Statement. 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.

Income Tax expense is recognized based on as minimum tax for the reporting period.

The company has no reportable operating segments as per BFRS-8. There is no significant event after the end of the interim period that has to be reflected in the financial statements for the interim period.

During the year-2015 and half year ended June,16 to accumulate the loss increased against slow moving raw materials the company has written off Tk.4.50 Crore as loss of value in the accounts. It has decided in the Board Meeting held on 15.12.2014 that total loss of Tk. 15.00 crore will be adjusted @ Tk.3.00 crore per year. It may be mentioned here that Tk.7.50 crore already been adjusted in the previous 2.5 Years and remaining balance Tk. 7.5 crore will be adjusted. Because of that the company has written of Tk. 0.75 Lac adjusted in the 1st Quarter ended on 30th September, 2016.

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

A.K.M. Azizur Rahman Chairman	Bazlur Rahman Managing Director	Rosy Rahman Director	Md. Mostafa CFO	Md. Monir Hossain Company Secretary

SONARGAON TEXTILES LTD.

SCHEDULE OF FIXED ASSETS

(Property, Plant & Equipment)

As at 30th Sept.' 2016.

UNIT - 1

SL. NO.	PARTICULARS	COST				RATE OF DEPR.	DEPRECIATION			Written Down Value as of 30.09.16
		Balance as of 01-07-2016	Addition during the year	Deletion during the year	Balance as of 30.09.2016		Balance as of 01-07-2016	During the year	Balance as of 30-09-2016	
1	Land & Land Development	103,803,963	-	-	103,803,963	-	-	-	-	103,803,963
2	Building & Construction	64,478,714	-	-	64,478,714	5%	15,981,497	609,528	16,591,025	47,887,689
3	Plant & Machinery	240,978,096	-	-	240,978,096	7%	96,027,897	2,550,490	98,578,387	142,399,709
4	Furniture & Fixture	1,152,613	-	-	1,152,613	15%	1,100,501	1,965	1,102,466	50,147
5	Motor Vehicles	5,019,620	-	-	5,019,620	20%	3,322,261	85,332	3,407,593	1,612,027
6	Sundry Assets	6,218,436	-	-	6,218,436	20%	5,900,434	15,987	5,916,421	302,015
	Total	**421,651,442**	**-**	**-**	**421,651,442**		**122,332,590**	**3,263,301**	**125,595,891**	**296,055,551**

SONARGAON TEXTILES LTD.

SCHEDULE OF FIXED ASSETS

(Property, Plant & Equipment)

As at 30th Sept.' 2016.

Unit- 2

SL. NO.	PARTICULARS	COST				RATE OF DEPR.	DEPRECIATION			Written Down Value as of 30.09.16
		Balance as of 01-07-2016	Addition during the year	Deletion during the year	Balance as of 30.09.2016		Balance as of 01-07-2016	During the year	Balance as of 30-09-2016	
2	Land & Land Development	29,806,774	-	-	29,806,774	0	-	-	-	29,806,774
2	Building & Construction	43,972,124	-	-	43,972,124	5%	11,129,563	412,775	11,542,338	32,429,786
3	Plant & Machinery	215,104,404	-	-	215,104,404	7%	90,040,329	2,200,581	92,240,910	122,863,494
5	Furniture & Fixture	5,377,188	-	-	5,377,188	15%	4,964,507	15,560	4,980,067	397,121
6	Motor Vehicles	12,813,366	-		12,813,366	20%	7,583,014	262,947	7,845,961	4,967,405
7	Sundry Assets	7,025,344	-	-	7,025,344	20%	6,659,706	18,382	6,678,088	347,256
	Total	**314,099,200**	**-**	**-**	**314,099,200**		**120,377,119**	**2,910,245**	**123,287,364**	**190,811,836**

SONARGAON TEXTILES LTD.
SCHEDULE OF FIXED ASSETS
(Property, Plant & Equipment)
As at 30th Sept.' 2016.

UNIT- 3

SL. NO.	PARTICULARS	COST				RATE OF DEPR.	DEPRECIATION			Written Down Value as of 30.09.16
		Balance as of 01-07-2016	Addition during the year	Deletion during the year	Balance as of 30.09.2016		Balance as of 01-07-2016	During the year	Balance as of 30-09-2016	
1	Land & Land Development	56,436,763	-	-	56,436,763	-	-	-	-	56,436,763
2	Building & Construction	77,717,462	-	-	77,717,462	5%	18,720,837	741,488	19,462,325	58,255,137
3	Plant & Machinery	384,562,189	-	-	384,562,189	7%	161,789,653	3,919,823	165,709,476	218,852,713
5	Furniture & Fixture	817,966		-	817,966	15%	661,275	5,908	667,183	150,783
6	Sundry Assets	7,117,349	-	-	7,117,349	20%	6,129,306	49,672	6,178,978	938,371
	Total	**526,651,729**	-	-	**526,651,729**		**187,301,071**	**4,716,891**	**192,017,962**	334,633,767

SONARGAON TEXTILES LTD.

CONSOLIDATED SCHEDULE OF FIXED ASSETS
(Property, Plant & Equipment)
As at 30th Sept.' 2016.

SL. NO.	PARTICULARS	COST				RATE OF DEPR.	DEPRECIATION			Written Down Value as of 30.09.16
		Balance as of 01-07-2016	Addition during the year	Deletion during the year	Balance as of 30.09.2016		Balance as of 01-07-2016	During the year	Balance as of 30-09-2016	
1	Unit 1 (Sch-1)	421,651,442			421,651,442		122,332,590	3,263,301	125,595,891	296,055,551
2	Unit 2 (Sch-2)	314,099,200	-		314,099,200		120,377,119	2,910,245	123,287,364	190,811,836
3	Unit 3 (Sch-3)	526,651,729	-		526,651,729		187,301,071	4,716,891	192,017,962	334,633,767
	Grand Total	**1,262,402,371**	-	-	**1,262,402,371**		**430,010,780**	**10,890,437**	**440,901,217**	**821,501,154**

821,501,154

Apportionment of Depreciation :

Schedule-4/A

Sl. No.	Unit/Division	Amount in Taka		
		Factory	Head Office	Total
1	Unit -1	3,002,237	261,064	3,263,301
2	Unit -2	2,677,426	232,820	2,910,245
3	Unit -3	4,339,539	377,351	4,716,891
		10,019,202	**871,235**	**10,890,437**

Schedule of Revaluation Reserve :

SL. NO.	PARTICULARS	Revaluation Reserve				RATE OF DEPR.	Adjustment			Caring Value as on 30.09.2016
		Balance as of 01-07-2016	Revaluation surplus during the year	Deletion during the year	Balance as of 30.09.2016		Balance as of 01-07-2016	During the year	Balance as of 30.09.2016	
1	Land & Land Development	178,869,655	-		178,869,655	-	-	-	-	178,869,655
2	Building & Construction	100,525,034	-		100,525,034	5%	21,353,422	995,053	22,348,475	78,176,559
3	Plant & Machinery	328,425,585	-		328,425,585	7%	94,087,603	4,123,324	98,210,927	230,214,658
	Total	**607,820,274**	**-**		**607,820,274**		**104,941,511**	**5,118,377**	**120,559,402**	**487,260,872**