

BEXIMCO SYNTHETICS LIMITED

Statement of Financial Positions (Un-audited)
As at 30 June 2014

| | | Taka in '000 | |
|--|-------|----------------------|----------------------|
| | Notes | As at 30 Jun-2014 | As at 31 Dec-2013 |
| ASSETS | | | |
| Non-Current Assets | | 1,413,231 | 1,427,694 |
| Property, Plant and Equipment - Carrying Value | 3 | 1,404,116 | 1,418,579 |
| Long Term Security Deposits | 4 | 5,107 | 5,107 |
| Deferred Tax Assets | | 4,008 | 4,008 |
| Current Assets | | 1,966,187 | 1,890,964 |
| Inventories | 5 | 979,153 | 954,267 |
| Accounts & Other Receivables | | 968,974 | 920,054 |
| Advances, Deposits & Prepayments | 6 | 14,188 | 13,711 |
| Cash and Cash Equivalents | 7 | 3,871 | 2,932 |
| TOTAL ASSETS | | 3,379,418 | 3,318,658 |
| EQUITY & LIABILITIES | | | |
| Shareholders' Equity | | 2,198,804 | 2,170,329 |
| Issued Share Capital | | 867,124 | 867,124 |
| Capital Reserve | | 1,329,336 | 1,329,336 |
| Retained Earnings | | 2,344 | (26,131) |
| Current Liabilities | | 1,153,094 | 1,120,809 |
| Debentures-Current Maturity (Secured) | | 40,160 | 43,572 |
| Short Term Loan from Banks (Secured) | 8 | 767,941 | 767,941 |
| Interest Free Block A/c-Current Maturity | | 42,401 | 42,401 |
| Accounts & Other Payables | 9 | 56,608 | 71,625 |
| Accrued Expenses | 10 | 245,984 | 195,270 |
| Non-Current Liabilities | | 27,520 | 27,520 |
| Lease Obligation for Finance Lease | | 27,520 | 27,520 |
| TOTAL SHAREHOLDERS EQUITY & LIABILITIES | | 3,379,418 | 3,318,658 |

X. R. F. Rahman

A S F Rahman
Chairman

Md. Rafiqul Islam

Sr. General Manager

BEXIMCO SYNTHETICS LIMITED

Statement of Comprehensive Income (Un-audited)
For the half year ended 30 June 2014

| | | Taka in '000 | | | |
|---|-------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | Notes | Half- Year ended 30 Jun-2014 | Half- Year ended 30 Jun-2013 | Quarter ended Apr- June 2014 | Quarter ended Apr- June 2013 |
| Revenue | 14 | 674,758 | 657,932 | 316,909 | 309,525 |
| Cost of revenue | 15 | (561,625) | (564,014) | (262,520) | (268,757) |
| Gross Profit | | 113,133 | 93,918 | 54,390 | 40,768 |
| Operating Expenses | | (10,270) | (9,535) | (5,401) | (4,629) |
| Administrative Expenses | 19 | (7,304) | (6,920) | (3,809) | (3,363) |
| Selling Expenses | 20 | (2,966) | (2,615) | (1,592) | (1,266) |
| Profit from Operations | | 102,863 | 84,383 | 48,988 | 36,139 |
| Finance Cost | 21 | (67,688) | (66,148) | (33,937) | (33,119) |
| Profit before contribution to WPPF | | 35,175 | 18,235 | 15,052 | 3,020 |
| Contribution to Worker's Profit Participation/ Welfare Fund | | (1,675) | (868) | (717) | (143) |
| Net Profit Before Tax | | 33,500 | 17,366 | 14,335 | 2,877 |
| Income Tax Expenses | 22 | (5,025) | (2,605) | (2,150) | (431) |
| Net Profit After Tax transferred to Statement of Changes in Equity | | 28,475 | 14,762 | 12,185 | 2,446 |
| Earnings Per Share (EPS) Adjusted | | 0.33 | 0.17 | 0.14 | 0.03 |

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Sr. General Manager

BEXIMCO SYNTHETICS LIMITED

Statement of Cash Flows (Un-audited)
For the half year ended 30 June 2014

| | Taka in '000 | |
|---|------------------------------------|------------------------------------|
| | Half Year ended 30 June 2014 | Half Year ended 30 June 2013 |
| Cash Flows From Operating Activities | | |
| Collections from Turnover- net | 625,838 | 642,902 |
| Cash Paid to Suppliers & Employees | (588,368) | (591,834) |
| Cash Generated from Operations | 37,470 | 51,068 |
| Interest Paid | (29,107) | (37,648) |
| Income tax paid | (1,149) | (833) |
| Net Cash Generated from Operating Activities | 7,214 | 12,587 |
| Cash Flows From Investing Activities | | |
| Acquisition of tangible fixed assets | (2,863) | (2,689) |
| Net Cash Used By Investing Activities | (2,863) | (2,689) |
| Cash Flows From Financing Activities | | |
| Payment of Debentures | (3,412) | - |
| Short term loan (paid to)/received from bank | - | (8,592) |
| Net Cash Used By Financing Activities | (3,412) | (8,592) |
| Increase in Cash & Cash Equivalents | 939 | 1,307 |
| Cash & Cash Equivalents at the beginning of the Year | 2,932 | 3,278 |
| Cash & Cash Equivalents at End of the period | 3,871 | 4,585 |

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Chairman

Md. Rafiqul Islam

Sr. General Manager

BEXIMCO SYNTHETICS LIMITED

Statement of Changes In Equity (Un-audited)
For the half year ended 30 June 2014

| | Taka in '000 | | | |
|--|------------------|------------------------|---------------------|------------------|
| Particulars | Share Capital | Revaluation Surplus | Retained Earning | Total |
| Balance on 01-01-2013 | 788,294 | 1,329,336 | 86,300 | 2,203,930 |
| Net profit after tax transferred from Profit & Loss Account | - | - | 14,762 | 14,762 |
| 10% Stock Dividend for Prior year (2012) | 78,829 | - | (78,829) | - |
| Balance as on 30-06-2013 | 867,123 | 1,329,336 | 22,233 | 2,218,692 |

| | | | | |
|--|----------------|------------------|-----------------|------------------|
| Balance on 01-01-2014 | 867,124 | 1,329,336 | (26,131) | 2,170,329 |
| Net profit after tax transferred from Profit & Loss Account | - | - | 28,475 | 28,475 |
| Balance as on 30-06-2014 | 867,124 | 1,329,336 | 2,344 | 2,198,804 |

Total numbers of share
Shareholders equity per share

86,712,360
25.36

X. R. F. Rahman

A S F Rahman
Chairman

Md. Rafiqul Islam

Sr. General Manager

BEXIMCO SYNTHETICS LIMITED

Selected Notes to the Financial Statements (Un-audited)

For the period ended 30 June 2014

1. Status and Activities

Beximco synthetics Ltd. (the company) came into existence in 1990 by incorporating as a public limited company under the companies law of Bangladesh. The shares of the company are listed both in Dhaka and Chittagong Stock Exchanges of Bangladesh and the debentures of the company are listed with Dhaka Stock Exchanges of Bangladesh. The principal activities of the company were manufacturing of Polyester Filament Yarn namely, Partially Oriented Yarn (POY) and Drawn Texturized Yarn (DTY) and sales thereof.

2. Principal Accounting Policies

Basic of Preparation of Financial Statements

These Financial Statements are in accordance with BAS 34 "Interim Financial Reporting"; and the Securities and Exchange Rules 1987. These interim financial statements should be read in conjunction with the Financial Statements for the year ended December 31, 2013 (hereafter referred to as the "Annual Financial Statements", as they provided an update to previously reported information.

The accounting policies used are consistent with those used in the Annual Financial Statements. The company followed principal accounting policies (including International Accounting Standards as adopted in Bangladesh, commonly known as BAS) consistently except that it has not yet adopted BAS 21- "Effects of changes in Foreign Exchange Rates" as that conflicts with the provisions of the Companies Act, 1994. The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, the comparatives have been reclassified, extended or consized from the previously reported half yearly report of 2013 to take into account any presentational changes made in the Annual Financial Statements or the half yearly report 2014.

The preparation of the Interim Financial Statements requires management to make estimates and assumptions that effect 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.

(Taka '000)

| | As at 30 June 2014 | As at 31 Dec. 2013 |
|---|-----------------------|-----------------------|
| 3. Property, plant and equipment cost or Valuation | | |
| Land & Land Development | 575,826 | 573,600 |
| Factory Building & other Construction | 462,413 | 462,262 |
| Plant & Machinery | 1,280,447 | 1,280,447 |
| Factory Equipment | 35,563 | 35,298 |
| Furniture & Office Equipment | 20,950 | 20,729 |
| Motor Vehicle | 4,369 | 4,369 |
| | 2,379,568 | 2,376,705 |
| Less: Accumulated Depreciation | 975,452 | 958,126 |
| Carrying Value | 1,404,116 | 1,418,579 |

| | As at 30 June 2014 | As at 31 Dec. 2013 |
|---|-----------------------|-----------------------|
| 4. Long Term Security Deposits | | |
| Bangladesh Telegraph & Telephone Board for Telephone | 864 | 864 |
| Titas Gas Transmission & Distribution Co. Ltd. Gas Connection | 4,243 | 4,243 |
| | 5,107 | 5,107 |
| 5. Inventories | | |
| Raw Materials | 211,612 | 223,578 |
| Work-in-Process | 6,988 | 6,610 |
| Finished Goods | 490,651 | 447,932 |
| Packing Material | 729 | 1,255 |
| Stores & Spares | 230,279 | 236,425 |
| Stock-in-Transit | 38,894 | 38,465 |
| | 979,153 | 954,267 |
| 6. Advance, Deposits and Prepayments | | |
| Advances : | | |
| Duty, taxes & clearing charges | 3,194 | 3,969 |
| Advance Income Tax | 3,368 | 2,218 |
| Advance VAT | 794 | 596 |
| Suppliers | 1,760 | 2,246 |
| Mill Expenses | 822 | 431 |
| | 9,937 | 9,460 |
| Deposits | 1,693 | 1,693 |
| Prepayments | 2,559 | 2,559 |
| | 14,188 | 13,711 |
| 7. Cash and Cash Equivalents | | |
| Cash in Hand | 734 | 392 |
| Cash at Banks | 3,137 | 2,540 |
| | 3,871 | 2,932 |
| 8. Short Term Loan from Banks (Secured) | | |
| Sonali Bank Limited | 450,000 | 450,000 |
| IPDC of Bangladesh Ltd. | 17,941 | 300,000 |
| Phoenix Finance & Investments Ltd. | 300,000 | 17,941 |
| | 767,941 | 767,941 |
| 9. Accounts & Others Payables | | |
| Goods Supplied | 10,760 | 13,808 |
| Gas and Services | 18,969 | 30,458 |
| Insurance | 11,297 | 11,839 |
| Others | 15,582 | 15,520 |
| | 56,608 | 71,625 |
| 10. Accrued Expenses | | |
| Accruals | 39,278 | 30,827 |
| Provision for Taxation | 43,287 | 38,262 |
| Workers' Profit Participation & Welfare Fund | 20,964 | 19,289 |
| Interest Payable-Cash Credit | 37,677 | 19,097 |
| Interest Payable-Finance Lease | 4,191 | 4,191 |
| Interest Payable-Short Term Loan (Phoenix) | 100,587 | 80,587 |
| Interest Payable-Short Term Loan (IPDC) | 3,018 | 3,018 |
| | 245,984 | 195,270 |

| | Half year ended 30 Jun 2014 | Half year ended 30 Jun 2013 |
|--------------------------------------|-----------------------------------|-----------------------------------|
| 11. Cost of Revenue | | |
| Raw Material | 462,692 | 458,970 |
| Manufacturing Overhead | 81,607 | 88,033 |
| Depreciation | 17,326 | 17,011 |
| | 561,625 | 564,014 |
| 12. Manufacturing Overhead | | |
| Salaries and wages | 27,191 | 22,141 |
| Power & Gas | 24,404 | 33,040 |
| Indirect Materials (Stores & Spares) | 25,992 | 25,049 |
| Insurance | 1,127 | 1,246 |
| Other Manufacturing Overhead | 2,892 | 6,557 |
| | 81,607 | 88,033 |
| 13. Administrative Overheads | | |
| Salaries | 4,056 | 3,780 |
| Entertainment | 257 | 274 |
| Printing & Stationery | 157 | 215 |
| Medical Expenses | 126 | 118 |
| Renewals, Rates & Registrations | 38 | 67 |
| Membership & Listing Fees | 305 | 225 |
| Transport Expenses | 692 | 447 |
| Telephone, Telex and Fax | 101 | 84 |
| Group Insurance Premium | 273 | 212 |
| AGM Expenses | 720 | 990 |
| Travelling and Conveyance | 238 | 201 |
| Other Expenses | 342 | 309 |
| | 7,304 | 6,920 |
| 14. Selling Expenses | | |
| Transport | 2,642 | 2,580 |
| Market research | 324 | 35 |
| | 2,966 | 2,615 |
| 15. Financial Expenses | | |
| Interest on Cash Credit | 37,688 | 37,648 |
| Interest on Short Term Loan | 30,000 | 28,500 |
| | 67,688 | 66,148 |

A. S. F. Rahman

A S F Rahman
Chairman

Md. Rafiqul Islam

Md. Rafiqul Islam
Sr. General Manager

HALF YEARLY REPORT

2014

Dear Shareholders,

We forward herewith the un-audited Financial Statements of the Company for the half-year ended at June 30, 2014 as per Rule 13 of the Bangladesh Securities & Exchange Rules, 1987 as amended todote.

A. S. F. Rahman

A S F Rahman
Chairman

BEXIMCO SYNTHETICS LIMITED

17 DHANMONDI R/A, ROAD NO. 2, DHAKA 1205

www.beximcosynthetics.com