

Financial Statement 2022-2023
Second Quarter
(Unaudited)



SQUARE Pharmaceuticals Ltd.
(Consolidated and Standalone)



SQUARE Pharmaceuticals Ltd.

And its subsidiaries

Consolidated Statement of Financial Position (Unaudited) As at December 31, 2022

Particulars	Notes	31-12-2022	30-06-2022
		Taka	Taka
ASSETS			
Non-Current Assets:		50,674,102,229	47,641,000,829
Property, Plant and Equipment	2	27,941,527,200	27,182,672,428
Investment in Associates	3	12,116,002,138	11,105,181,456
Investment in Marketable Securities	4	4,337,363,357	4,346,770,865
Long Term Investment - Others	5	6,279,209,534	5,006,376,080
Current Assets:		71,663,036,850	62,347,727,888
Inventories	6	9,439,033,110	8,214,111,144
Trade and Other Receivables	7	3,991,919,634	3,395,080,462
Advances, Deposits and Prepayments	8	2,607,690,339	1,776,037,947
Cash and Cash Equivalents	9	55,624,393,767	48,962,498,336
TOTAL ASSETS		122,337,139,079	109,988,728,717
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity:		105,073,037,392	103,452,979,750
Share Capital		8,864,510,100	8,864,510,100
Share Premium		2,035,465,000	2,035,465,000
General Reserve		105,878,200	105,878,200
Fair Value Reserve	10	606,439,982	830,615,740
Translation Reserve	11	91,248,398	8,998,071
Retained Earnings	12	93,369,495,713	91,607,512,639
Non Controlling Interests	13	420,483	469,632
TOTAL SHAREHOLDERS' EQUITY		105,073,457,876	103,453,449,382
Non-Current Liabilities:		2,694,084,532	2,873,450,552
Long Term Loan	14	1,553,039,124	1,694,710,262
Deferred Tax Liabilities	15	1,141,045,408	1,178,740,290
Current Liabilities:		14,569,596,671	3,661,828,783
Long Term Loan - Current Portion	16	443,634,049	200,000,000
Trade Payables		1,279,431,069	636,003,309
Other Payables	17	10,851,284,023	1,603,882,464
Income Tax Payable	18	1,762,746,530	911,504,873
Accrued Expenses	19	106,671,324	180,802,107
Unclaimed Dividend		125,829,677	129,636,029
TOTAL LIABILITIES		17,263,681,203	6,535,279,335
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		122,337,139,079	109,988,728,717
Net Assets Value (NAV) per Share	29	118.53	116.70

The annexed notes form an integral part of these financial statements.

Sd/-
Samuel S Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Muhammad Zahangir Alam
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary



SQUARE Pharmaceuticals Ltd.

And its subsidiaries

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited) For the 2nd Quarter Ended December 31, 2022

Particulars	Notes	Six Months Results		2nd Quarter Results	
		July-Dec 2022	July-Dec 2021	Oct-Dec 2022	Oct-Dec 2021
		Taka	Taka	Taka	Taka
Gross Revenue	20	37,528,422,921	33,849,842,101	18,715,142,842	16,432,304,952
Less: Value Added Tax		5,271,715,718	4,777,604,285	2,528,063,937	2,236,928,261
Net Revenue		32,256,707,202	29,072,237,816	16,187,078,905	14,195,376,691
Cost of Goods Sold	21	(15,390,429,971)	(13,872,746,372)	(7,607,825,295)	(6,609,679,501)
Gross Profit		16,866,277,231	15,199,491,444	8,579,253,610	7,585,697,190
Operating Expenses:		(6,321,401,282)	(5,323,354,014)	(3,367,403,296)	(2,830,871,691)
Selling and Distribution Expenses	22	(5,561,642,679)	(4,720,430,087)	(2,952,183,775)	(2,492,499,990)
Administrative Expenses	23	(726,000,345)	(602,901,018)	(381,461,263)	(338,371,006)
Finance Cost		(33,758,257)	(22,909)	(33,758,257)	(695)
Other Operating Income	24	546,904,132	89,347,158	91,502,667	38,721,032
Profit from Operations		11,091,780,081	9,965,484,588	5,303,352,982	4,793,546,532
Other Income	25	1,891,631,312	1,684,066,560	926,563,683	732,532,208
Profit before WPPF & WF		12,983,411,393	11,649,551,148	6,229,916,664	5,526,078,739
Allocation for WPPF & WF		(623,626,295)	(555,278,173)	(299,370,246)	(263,315,574)
Profit before Tax		12,359,785,098	11,094,272,975	5,930,546,418	5,262,763,165
Income Tax Expenses:	26	(2,744,161,755)	(2,408,047,597)	(1,320,512,153)	(1,152,426,418)
Current Tax (Expense)		(2,756,948,219)	(2,435,737,779)	(1,312,145,648)	(1,170,840,618)
Deferred Tax (Expense) / Income		12,786,464	27,690,182	(8,366,505)	18,414,200
Profit after Tax		9,615,623,343	8,686,225,378	4,610,034,265	4,110,336,747
Profit from Associate Undertakings	27	1,010,820,682	954,774,504	516,116,578	534,016,873
Net Profit after Tax		10,626,444,025	9,640,999,882	5,126,150,844	4,644,353,620
Other Comprehensive Income:					
Unrealised Gain/(Loss) on FVOCI Financial Assets (Net of Tax)	28	(224,175,758)	(15,937,523)	(106,741,554)	(501,268,220)
Foreign Operation Translation Gain/(Loss)	11	82,250,327	(35,213,049)	28,210,561	(21,000,837)
Other Comprehensive Income (Net of Tax)		(141,925,432)	(51,150,572)	(78,530,994)	(522,269,057)
Total Comprehensive Income for the Period		10,484,518,593	9,589,849,310	5,047,619,850	4,122,084,563
Net Profit Attributable to:					
Equity Holders of the Company		10,626,493,174	9,641,004,026	5,126,176,598	4,644,331,874
Non Controlling Interest		(49,149)	(4,144)	(25,755)	21,746
		10,626,444,025	9,640,999,882	5,126,150,844	4,644,353,620
Total Comprehensive Income Attributable to:					
Equity Holders of the Company		10,484,567,743	9,589,853,453	5,047,645,605	4,122,062,817
Non Controlling Interest		(49,149)	(4,144)	(25,755)	21,746
		10,484,518,593	9,589,849,310	5,047,619,850	4,122,084,563
Earnings Per Share (EPS)	30	11.99	10.88	5.78	5.24

The annexed notes form an integral part of these financial statements.

Sd/-
Samuel S Chowdhury
Chairman

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Ratna Patra
Vice Chairman

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Tapan Chowdhury
Managing Director

Sd/-
Muhammad Zahangir Alam
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary



SQUARE Pharmaceuticals Ltd.

And its subsidiaries

Consolidated Statement of Changes in Equity (Unaudited) For the 2nd Quarter Ended December 31, 2022

Particulars	Share Capital	Share Premium	General Reserve	Fair Value Reserve	Translation Reserve	Retained Earnings	Non Controlling Interests	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
As at 30 June 2022	8,864,510,100	2,035,465,000	105,878,200	830,615,740	8,998,071	91,607,512,638	469,632	103,453,449,382
Net Profit after Tax	-	-	-	-	-	10,626,493,174	(49,149)	10,626,444,025
Other Comprehensive Income (Net of Tax)	-	-	-	(224,175,758)	82,250,327	-	-	(141,925,432)
Cash Dividend (2021-2022)	-	-	-	-	-	(8,864,510,100)	-	(8,864,510,100)
As at 31 December 2022	8,864,510,100	2,035,465,000	105,878,200	606,439,982	91,248,398	93,369,495,713	420,483	105,073,457,876

Consolidated Statement of Changes in Equity (Unaudited) For the 2nd Quarter Ended December 31, 2021

Particulars	Share Capital	Share Premium	General Reserve	Fair Value Reserve	Translation Reserve	Retained Earnings	Non Controlling Interests	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
As at 30 June 2021	8,864,510,100	2,035,465,000	105,878,200	1,139,626,144	(285,055)	78,749,448,779	500,000	90,895,143,168
Net Profit after Tax	-	-	-	-	-	9,641,004,026	(4,144)	9,640,999,882
Other Comprehensive Income (Net of Tax)	-	-	-	(15,937,523)	(35,213,049)	-	-	(51,150,572)
Cash Dividend (2020-2021)	-	-	-	-	-	(5,318,706,060)	-	(5,318,706,060)
As at 31 December 2021	8,864,510,100	2,035,465,000	105,878,200	1,123,688,621	(35,498,104)	83,071,746,745	495,856	95,166,286,418

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SQUARE Pharmaceuticals Ltd.

And its subsidiaries

Consolidated Statement of Cash flows (Unaudited) For the 2nd Quarter Ended December 31, 2022

Particulars	Notes	July-Dec 2022	July-Dec 2021
		Taka	Taka
Cash Flows Generated from/(Used in) Operating Activities:			
Receipts from Customers		37,125,691,103	34,200,473,481
Receipts from Others		123,438,489	39,776,803
Payments to Suppliers		(11,991,833,414)	(9,369,387,692)
Payments for Manufacturing and Operating Expenses		(10,435,413,826)	(7,929,166,303)
Payment of Value Added Tax		(5,271,715,718)	(4,777,604,285)
Cash Generated from Operating Activities		9,550,166,633	12,164,092,004
Interest Paid		(9,125)	(22,909)
Payment of Income Tax		(1,697,753,965)	(1,933,325,350)
Payment of WPPF		(526,613,583)	(601,118,783)
Others		49,302,508	26,183,330
Net Cash Generated from Operating Activities		7,375,092,467	9,655,808,292
Cash Flows from/(Used in) Investing Activities:			
Acquisition of Property, Plant and Equipment		(1,856,522,127)	(3,698,122,303)
Long Term Investment		(1,272,833,454)	(816,824,154)
Investment in Marketable Securities		(155,298,352)	534,483,757
Interest Received		1,919,426,638	1,654,471,097
Dividend Received		48,157,732	35,835,709
Net Cash Used in Investing Activities		(1,317,069,563)	(2,290,155,894)
Cash Flows from/(Used in) Financing Activities:			
Payment of Dividend		(3,806,353)	(275,757,523)
Term Loan Received		101,962,911	1,357,309,075
Net Cash Used in Financing Activities		98,156,558	1,081,551,552
Net Increase/(Decrease) in Cash and Cash Equivalents		6,156,179,463	8,447,203,950
Net Effect of Foreign Exchange Fluctuation on Cash and Cash Equivalent		505,715,969	14,357,306
Cash and Cash Equivalents as at 30 June 2022		48,962,498,336	43,364,039,004
Cash and Cash Equivalents as at 31 December 2022		55,624,393,767	51,825,600,260
Net Operating Cash Flow (NOCF) per Share	31	8.32	10.89

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Company Secretary

Notes to the Consolidated Interim Financial Statements (Unaudited)
For the 2nd Quarter Ended 31 December 2022

1. Basis of Preparation of the Consolidated Interim Financial Statements:

These Financial Statements ('They') are the unaudited consolidated Interim Financial Statements (here after 'the Interim Financial Statements') of Square Pharmaceuticals Ltd., a company incorporated in Bangladesh under Companies Act, 1994; Square Pharmaceuticals Kenya EPZ Ltd., incorporated in Kenya under Companies Act, 2015, Kenya, and Square Lifesciences Ltd., incorporated in Bangladesh under Companies Act, 1994 for the 2nd Quarter Ended on December 31, 2022 (here after the interim period). They are prepared in accordance with the International Accounting Standard (IAS-34) 'Interim Financial Reporting'. These financial statements should be read in conjunction with the Annual Financial Statements as of June 30, 2022, 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 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 Statement. If in the future such estimates and assumptions, which are based on management's best judgement 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.

We understand that our business is growing every year that means our assets are performing according to the intention of procurement and the discounted future cash flow from the operation of the assets would be positive if we disposed those assets at the date of financial reporting. But at present, we have no intention to dispose these assets. Therefore, it is not required to record the impairment gain as provisions of IAS-36.

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

The company has no reportable operating segments as per IFRS-8.

Figures have been rounded off to the nearest Taka.

Foreign Currency Translation:

The Financials of Square Pharmaceuticals Kenya EPZ Ltd. have been drawn in KHS (Kenyan Shilling) as reporting currency in Kenya. These Financials are converted in BDT to Consolidate with the Financials of Square Pharmaceuticals Ltd. as the parent company.

1 KES = BDT 0.862

2. Consolidated Property, Plant and Equipment: Tk. 27,941,527,200

Cost:

	<u>31-12-2022</u>	<u>30-06-2022</u>
Opening Balance	43,719,669,981	41,570,311,740
Addition during the Period/Year	5,475,335,437	2,408,952,601
	<u>49,195,005,418</u>	<u>43,979,264,341</u>
Sales/Transfer during the Period/Year	-	(259,594,360)
Closing Balance	Tk. 49,195,005,418	43,719,669,981

Accumulated Depreciation:

Opening Balance	23,446,178,095	21,793,391,083
Charged during the Period/Year	1,075,840,187	1,835,173,760
	<u>24,522,018,282</u>	<u>23,628,564,843</u>
Sales/Transfer during the Period/Year	-	(182,386,748)
Closing Balance	Tk. 24,522,018,282	23,446,178,095

Net Book Value as at 31 December 2022

Consolidated Property, Plant and Equipment in Transit (Note - 2.1)	472,496,855	521,564,753
Consolidated Building under Construction (Note - 2.2)	1,202,004,978	2,066,237,283
Consolidated Capital Work in Progress (Note - 2.3)	1,594,038,231	4,321,378,506
Written Down Value	Tk. 27,941,527,200	27,182,672,428

	31-12-2022	30-06-2022
2.1 Consolidated Property, Plant and Equipment in Transit: Tk. 472,496,855		
Opening Balance	521,564,753	646,809,312
Addition during the Period/Year	464,650,837	1,271,900,734
	986,215,590	1,918,710,046
Transfer during the Period/Year	(513,718,735)	(1,397,145,293)
Closing Balance	Tk. 472,496,855	521,564,753
2.2 Consolidated Building under Construction: Tk. 1,202,004,978		
Opening Balance	2,066,237,283	1,345,864,835
Addition during the Period/Year	390,090,047	1,280,219,869
	2,456,327,330	2,626,084,704
Transfer during the Period/Year	(1,254,322,353)	(559,847,421)
Closing Balance	Tk. 1,202,004,978	2,066,237,283
2.3 Consolidated Capital Work in Progress: Tk. 1,594,038,231		
Opening Balance	4,321,378,506	1,114,508,832
Addition during the Period/Year	532,888,433	3,158,712,287
Interest during Construction Period	-	48,157,387
	4,854,266,939	4,321,378,506
Transfer during the Period/Year	(3,260,228,708)	-
Closing Balance	Tk. 1,594,038,231	4,321,378,506
3. Consolidated Investment in Associates: Tk. 12,116,002,138		
Opening Balance	11,105,181,456	9,277,247,222
Add: Profit/(Loss) during the Period/Year (Note - 27)	1,010,820,682	2,010,807,588
Less: Dividend received during the Period/Year	-	(182,873,354)
Closing Balance	Tk. 12,116,002,138	11,105,181,456

List of Associate Undertakings (As per IAS-28):

Name of Associates	Country of Incorporation	Proportion of Ownership Interest
Square Textiles Ltd.	Bangladesh	46.36%
Square Fashions Ltd.	Bangladesh	48.63%
Square Hospitals Ltd.	Bangladesh	49.94%

Voting power is not different with proportion of ownership interest. The group is using equity method of accounting for investment in associates while preparing consolidated financial statements.

4. Consolidated Investment in Marketable Securities: Tk. 4,337,363,357

Particulars	2022-2023 (Jul'2022-Dec'2022)		2021-2022 (Jul'2021-Dec'2021)	
	Cost	Market Value	Cost	Market Value
Opening Balance	3,423,864,487	4,346,770,865	3,307,788,552	4,624,331,706
Addition during the Period/Year	287,718,918	123,013,058	627,115,212	562,894,183
Sold during the Period/Year	(48,042,250)	(132,420,566)	(511,039,277)	(840,455,024)
Closing Balance	3,663,541,155	4,337,363,357	3,423,864,487	4,346,770,865

5. Consolidated Long Term Investment - Others: Tk. 6,279,209,534

(a) 120,000 Ordinary Shares of Tk.100/- each in United Hospital Ltd.	12,000,000	12,000,000
(b) 5,711,804 Ordinary Shares of Tk. 10/- each including Bonus Shares in CDBL	15,694,430	15,694,430

Zero Coupon Bonds:

(c) 4 Non-Convertible Zero Coupon Bonds in Envoy Textiles Ltd.	5,440,078	10,907,299
(d) 400 Non-Convertible Zero Coupon Bonds in Brac Bank Ltd.	402,509,850	402,509,850
(e) 332 Non-Convertible Zero Coupon Bonds in LankaBangla Finance Ltd.	283,068,630	360,363,204
(f) 300 Non-Convertible Zero Coupon Bonds in Sajida Foundation Ltd.	266,835,676	362,989,522
(g) 560 Non-Convertible Zero Coupon Bonds in IDLC Finance Ltd.	293,660,870	341,911,775

Subordinated Bonds:

(h) 300 Non-Convertible Subordinated Bonds in Mutual Trust Bank Ltd.	3,000,000,000	2,000,000,000
(i) 5,000 Non-Convertible Subordinated Bonds in Southeast Bank Ltd.	500,000,000	500,000,000
(j) 50 Non-Convertible Subordinated Bonds in Islami Bank Bangladesh Ltd.	500,000,000	500,000,000
(k) 50 Non-Convertible Subordinated Bonds in Trust Bank Ltd.	500,000,000	500,000,000
(l) 50 Non-Convertible Subordinated Bonds in Eastern Bank Ltd.	500,000,000	-

Tk. 6,279,209,534 **5,006,376,080**

	<u>31-12-2022</u>	<u>30-06-2022</u>
6. Consolidated Inventories: Tk. 9,439,033,110		
Raw Materials	3,778,793,000	2,733,109,087
Packing Materials	1,113,258,798	861,675,938
Work-in-Process	471,622,395	446,012,445
Finished Goods	2,867,218,131	2,549,985,110
Spares & Accessories	928,350,917	853,585,219
Goods- in-Transit	279,789,869	769,743,345
Tk.	<u>9,439,033,110</u>	<u>8,214,111,144</u>
7. Consolidated Trade and Other Receivables: Tk. 3,991,919,634		
Trade Receivables	2,698,776,988	2,159,066,716
Other Receivables (Note - 7.1)	1,293,142,646	1,236,013,746
Tk.	<u>3,991,919,634</u>	<u>3,395,080,462</u>
7.1 Consolidated Other Receivables: Tk. 1,293,142,646		
Interest Receivable from Fixed Deposit Receipts	1,144,059,214	1,132,982,469
Gain against Zero Coupon Bonds (Receivable)	58,659,346	52,752,862
Interest Receivable from Subordinated Bonds	90,424,086	50,278,415
Tk.	<u>1,293,142,646</u>	<u>1,236,013,746</u>
8. Consolidated Advances, Deposits and Prepayments: Tk. 2,607,690,339		
Advances:	1,793,391,109	772,908,102
Employees	329,600,929	304,433,010
Land Purchase	10,571,677	14,204,677
Advance Income Tax	8,681,629	216,634,226
Suppliers	1,444,536,874	237,636,189
Deposits:	784,391,082	945,571,753
Value Added Tax	424,884,842	561,863,297
Earnest Money & Security Deposit	324,764,400	374,066,908
Others	34,741,840	9,641,548
Prepayments:	29,908,148	57,558,092
Office Rent	5,046,001	6,132,743
Insurance Premium	24,862,147	51,425,349
Tk.	<u>2,607,690,339</u>	<u>1,776,037,947</u>
9. Consolidated Cash and Cash Equivalents: Tk. 55,624,393,767		
(a) Cash in Hand	7,010,922	5,886,632
(b) Cash at Bank:	13,235,295,996	2,883,870,319
* Current Accounts	878,491,277	752,173,262
* STD Accounts	3,144,500,235	1,811,898,567
* Export Retention Quota Accounts (held in USD)	237,480,687	249,682,906
* Margin Held Accounts (held in USD)	57,793,793	14,162,725
* Dividend Account	8,917,030,004	55,952,858
(c) Fixed Deposit Receipts (FDRs):	42,382,086,850	46,072,741,385
* Fixed Deposit Accounts	39,808,358,059	41,528,858,059
* Fixed Deposit Accounts (held in USD)	2,573,728,791	4,543,883,326
Tk.	<u>55,624,393,767</u>	<u>48,962,498,336</u>
10. Consolidated Fair Value Reserve: Tk. 606,439,982		
Opening Balance (Restated)	830,615,740	1,139,626,144
Add: Unrealised Gain/(Loss) on Marketable Securities for the Period/Year (Note - 28)	(249,084,176)	(393,636,776)
Less: Deferred Tax (Expense)/Income	24,908,418	84,626,372
Closing Balance	<u>606,439,982</u>	<u>830,615,740</u>
11. Translation Reserve: Tk. 91,248,398		
Foreign Operation Translation Gain/(Loss):		
Opening Translation Gain/(Loss)	8,998,071	(285,055)
Translation Gain/(Loss) for the Period/Year	82,250,327	9,283,126
Closing Translation Gain/(Loss)	<u>91,248,398</u>	<u>8,998,071</u>

	<u>31-12-2022</u>	<u>30-06-2022</u>
12. Consolidated Retained Earnings: Tk. 93,369,495,713		
Opening Balance	91,607,512,639	78,749,448,779
Add: Net Profit/(Loss) attributable to Equity holders	10,626,493,174	18,176,769,919
Less: Cash Dividend	(8,864,510,100)	(5,318,706,060)
Closing Balance	Tk. 93,369,495,713	91,607,512,639
13. Non Controlling Interests: Tk. 420,483		
Opening Balance	469,632	500,000
Add: Net Profit/(Loss) attributable to Non Controlling Interest	(49,149)	(30,368)
	Tk. 420,483	469,632
14 Consolidated Long Term Loan: Tk. 1,553,039,124		
a) Standard Chartered Bank, Kenya	353,039,124	294,710,262
b) Standard Chartered Bank, Bangladesh	1,200,000,000	1,400,000,000
	Tk. 1,553,039,124	1,694,710,262
15. Consolidated Deferred Tax Liabilities: Tk. 1,141,045,408		
Deferred Tax - Property, Plant and Equipment (Note-15.1)	1,073,663,188	1,086,449,652
Deferred Tax - FVOCI Financial Assets (Note-15.2)	67,382,220	92,290,638
	Tk. 1,141,045,408	1,178,740,290
15.1 Deferred Tax - Property, Plant and Equipment: Tk. 1,073,663,188		
Property, plant and equipment excluding cost of Land (Carrying Amount)	15,071,934,854	13,902,912,754
Property, plant and equipment excluding cost of Land (Tax Base)	10,300,098,463	9,074,247,632
Taxable/(Deductible) Temporary Difference	4,771,836,392	4,828,665,122
Tax Rate	22.50%	22.50%
Deferred Tax Liabilities as on December 31, 2022	1,073,663,188	1,086,449,652
Deferred Tax Liabilities as on June 30, 2022	1,086,449,652	1,097,936,007
Current Period's Deferred Tax Expense/(Income)	Tk. (12,786,464)	(11,486,354)
15.2 Deferred Tax - FVOCI Financial Assets: Tk. 67,382,220		
FVOCI Financial Assets - Carrying Amount	4,337,363,357	4,346,770,865
FVOCI Financial Assets - Tax Base	3,663,541,155	3,423,864,487
Taxable/(Deductible) Temporary Difference	673,822,202	922,906,378
Tax Rate	10.00%	10.00%
Deferred Tax Liabilities as on December 31, 2022	67,382,220	92,290,638
Deferred Tax Liabilities as on June 30, 2022	92,290,638	176,917,010
Current Period's Deferred Tax Expense/(Income)	Tk. (24,908,418)	(84,626,372)
16. Consolidated Long Term Loan - Current Portion: Tk. 443,634,049		
a) Standard Chartered Bank, Kenya	43,634,049	-
b) Standard Chartered Bank, Bangladesh	400,000,000	200,000,000
	Tk. 443,634,049	200,000,000
17. Consolidated Other Payables: Tk. 10,851,284,023		
Sundry Creditors	560,519,898	501,619,259
Income Tax (Deduction at Source)	19,409,941	16,825,193
Retention Money	7,393,972	8,749,849
Unearned Revenue	217,460,274	-
Dividend Payable	8,864,510,100	-
Workers' Profit Participation Fund and Welfare Fund	1,148,240,706	1,051,227,994
Interest Payable	33,749,132	25,460,168
	Tk. 10,851,284,023	1,603,882,464
18. Consolidated Income Tax Payable: Tk. 1,762,746,530		
Opening balance	911,504,873	572,675,072
Provision made for the Period/Year	2,756,948,219	4,618,549,626
Tax Paid (Including Advance Income Tax) during the Period	(1,905,706,563)	(4,279,719,825)
	Tk. 1,762,746,530	911,504,873
19. Consolidated Accrued Expenses: Tk. 106,671,324		
Accrued Expenses	106,671,324	179,997,107
Audit Fees	-	805,000
	Tk. 106,671,324	180,802,107

	2022-2023 <small>(Jul'2022-Dec'2022)</small>	2021-2022 <small>(Jul'2021-Dec'2021)</small>
20. Consolidated Gross Revenue: Tk. 37,528,422,921		
Revenue from Local Sales	36,461,324,311	33,026,645,613
Revenue from Export Sales - Equivalent to US \$11,013,900 (Jul'21-Dec'21: US \$9,755,878)	1,067,098,610	823,196,488
Tk.	37,528,422,921	33,849,842,101
21. Consolidated Cost of Goods Sold: Tk. 15,390,429,971		
Raw Materials Consumed (Note - 21.1)	6,945,863,899	6,124,286,052
Packing Materials Consumed (Note - 21.2)	3,407,481,314	3,000,166,025
	10,353,345,213	9,124,452,077
Add: Opening Work-in-Process	446,012,445	415,013,847
Less: Closing Work-in-Process	(471,622,395)	(420,141,908)
TOTAL CONSUMPTION	10,327,735,263	9,119,324,016
Add: Factory Overhead (Note - 21.3)	3,930,425,357	3,452,052,514
COST OF PRODUCTION	14,258,160,620	12,571,376,530
Add: Opening Finished Goods	2,549,985,110	1,120,195,513
Add: Purchase of Finished Goods	1,562,337,809	2,118,362,474
Less: Closing Finished Goods	(2,867,218,131)	(1,835,505,313)
	15,503,265,408	13,974,429,204
Less: Cost of Physician Sample	(112,835,437)	(101,682,832)
Tk.	15,390,429,971	13,872,746,372
21.1 Consolidated Raw Materials Consumed: Tk. 6,945,863,899		
Opening Stock as at 01 July 2022	2,707,894,958	2,647,266,800
Purchase during the period	7,985,410,759	5,815,222,066
Closing Stock as at 31 December 2022	(3,747,441,818)	(2,338,202,814)
Tk.	6,945,863,899	6,124,286,052
21.2 Consolidated Packing Materials Consumed: Tk. 3,407,481,314		
Opening Stock as at 01 July 2022	856,951,586	829,398,759
Purchase during the period	3,658,662,352	2,969,440,700
Closing Stock as at 31 December 2022	(1,108,132,624)	(798,673,434)
Tk.	3,407,481,314	3,000,166,025
21.3 Consolidated Factory Overhead: Tk. 3,930,425,357		
Salaries, Allowances & Wages	1,283,178,108	1,161,001,815
Factory Employee Free Lunch	65,812,235	59,558,473
Factory Staff Uniform	62,448,580	54,693,508
Travelling & Conveyance	23,505,158	21,402,803
Printing & Stationery	38,861,829	37,978,041
Postage, Telephone & Fax	4,188,219	4,004,651
Repairs & Maintenance	516,363,489	489,897,081
Laboratory Consumable Stores	239,769,379	214,093,357
Fuel, Petrol, Light Diesel etc.	81,673,480	78,978,134
Electricity, Gas & Water	377,514,731	333,921,569
Rental Expenses	815,050	658,115
Municipal & Other Taxes	14,108,488	10,363,706
Insurance Premium	13,022,489	10,932,903
Factory Sanitation Expenses	56,732,218	55,625,665
Depreciation	914,349,806	748,171,108
Security Services	34,416,603	35,324,716
Research and Development	134,757,657	95,983,750
Software & Hardware Support & VSAT Services	33,587,653	28,731,303
Toll Charges	34,523,059	9,795,642
Other Expenses	797,126	936,174
Tk.	3,930,425,357	3,452,052,514

	2022-2023 (Jul'2022-Dec'2022)	2021-2022 (Jul'2021-Dec'2021)
22. Consolidated Selling and Distribution Expenses: Tk. 5,561,642,679		
Salaries & Allowances	802,656,290	730,691,500
Travelling & Conveyance	75,732,639	68,004,808
Printing & Stationery	42,213,378	36,554,929
Postage, Telephone, Fax & Telex	35,886,856	31,693,725
Electricity, Gas & Water	18,282,400	16,097,784
Office & Godown Rent	13,972,653	12,615,881
Repairs & Maintenance including Car Maintenance	280,866,188	250,694,128
Govt Taxes & Licence Fees	20,816,870	21,391,363
Field Staff Salaries, Allowances, TA/DA	1,587,893,052	1,343,080,136
Marketing and Sales Promotional Expenses	688,415,424	506,588,548
Event, Programs and Conference	130,288,601	95,811,511
Delivery & Packing Expenses	118,011,239	100,766,053
Literature and Publications	80,533,416	57,434,926
Export Expenses	111,097,777	96,482,484
Research and Product Development	8,804,534	6,095,854
Target Incentive to Field Staff	199,664,967	149,188,314
Special Discount	1,003,620,831	892,034,761
Security Services	44,995,803	42,138,812
Depreciation	113,095,303	101,383,494
Software & Hardware Support & VSAT Services	30,373,858	25,090,218
Other Expenses	154,420,600	136,590,858
	5,561,642,679	4,720,430,087
23. Consolidated Administrative Expenses: Tk. 726,000,345		
Salaries & Allowances	269,615,263	240,496,485
Directors' Remuneration	43,463,750	34,361,667
Travelling & Conveyance	69,233,684	61,083,881
Printing & Stationery	9,108,721	8,511,209
Postage, Telephone & Internet	4,695,396	4,590,398
Electricity, Gas & Water	33,134,722	11,468,468
Tiffin & Refreshment	30,825,684	23,324,423
Repairs & Maintenance	123,763,034	101,688,146
Bank Charges	7,855,091	6,306,740
Insurance Premium	13,257,525	9,150,617
Govt Taxes & Licence Fees	7,305,408	10,571,781
Security Services	24,379,684	18,568,938
Legal Charges	2,264,867	981,669
Depreciation	48,395,078	50,239,393
Software & Hardware Support Services	6,890,479	1,280,024
Other Expenses	31,811,959	20,277,179
	726,000,345	602,901,018
24. Consolidated Other Operating Income: Tk. 546,904,132		
Rental Income	1,220,421	875,030
Sale of Scrap	24,789,153	22,279,746
Foreign Exchange Gain*	485,195,058	51,552,382
Cash Incentive Received against Export	30,947,000	14,340,000
Technology Transfer fees	4,752,500	-
Industrial Awards	-	300,000
	546,904,132	89,347,158
* Unprecedented fluctuation in the forex rate during the reporting quarter resulted in unusual foreign exchange gain in the reporting quarter.		
25. Consolidated Other Income: Tk. 1,891,631,312		
Interest from Deposits	1,374,817,851	1,188,154,141
Interest from Short Notice Deposits	196,763,584	93,673,521
Interest from Subordinated Bonds	135,534,704	127,216,864
Gain on Redemption of Zero Coupon Bond	51,979,125	6,979,944
Dividend Income	48,157,732	35,835,709
Gain on Marketable Securities (Realized)	84,378,316	232,206,381
	1,891,631,312	1,684,066,560

	2022-2023 (Jul'2022-Dec'2022)	2021-2022 (Jul'2021-Dec'2021)
26. Consolidated Income Tax Expense: Tk. 2,744,161,755		
Current Tax Expense	2,756,948,219	2,435,737,779
Deferred Tax Expense / (Income)	(12,786,464)	(27,690,182)
	2,744,161,755	2,408,047,597
27. Profit from Associate Undertakings: Tk. 1,010,820,682		
Square Textiles Ltd.	242,705,650	404,126,226
Square Fashions Ltd.	668,973,609	452,950,018
Square Hospitals Ltd.	99,141,423	97,698,260
	1,010,820,682	954,774,504
28. Consolidated Unrealised Gain/(Loss) on FVOCI Financial Assets: Tk. (224,175,758)		
Closing Unrealised Gain/(Loss)	673,822,202	1,248,542,912
Less: Opening Unrealised Gain/(Loss)	922,906,378	1,316,543,154
	(249,084,176)	(68,000,242)
Related Tax	24,908,418	52,062,719
Net Unrealised Gain/(Loss) on FVOCI Financial Assets	Tk. (224,175,758)	(15,937,523)
29. Consolidated Net Asset Value (NAV) per Share: Tk. 118.53		
Equity attributable to the Ordinary Shareholders	105,073,037,392	103,452,979,750
Number of Shares outstanding during the Period/Year	886,451,010	886,451,010
Net Asset Value (NAV) per Share	118.53	116.70
	2022-2023 (Jul'2022-Dec'2022)	2021-2022 (Jul'2021-Dec'2021)
30. Consolidated Earnings per Share (EPS): Tk. 11.99		
Net Profit after Tax attributable to Shareholders	10,626,444,025	9,640,999,882
Number of Shares outstanding during the Period	886,451,010	886,451,010
Earnings per Share (EPS)	11.99	10.88
** Increase in Sales Revenue and proficient usages of materials led to increased gross profit for the reporting period. Prudent investment decisions aided further increase in Net Operating Profit.		
31. Consolidated Net Operating Cash Flow (NOCF) per Share: Tk. 8.32		
Net Cash Generated from Operating Activities	7,375,092,467	9,655,808,292
Number of Shares outstanding during the Period	886,451,010	886,451,010
Net Operating Cash Flow (NOCF) per Share	8.32	10.89
** Amidst the ongoing complexity in the procurement of raw materials and protracted lead time, the Company has paid its regular		
31.1 Consolidated Reconciliation of Net Profit with Cash Flows Generated from Operating Activities:		
Net Profit after Tax	10,626,444,025	9,640,999,882
Adjustments for:		
Non-Cash Income/Expenses:	(371,232,602)	(132,241,048)
Depreciation	1,075,840,187	899,793,995
Exchange Rate Fluctuation	(505,715,969)	(14,357,306)
Profit / (Loss) from Associate Undertakings	(1,010,820,682)	(954,774,504)
Cumulative Translation Adjustment	82,250,327	(35,213,051)
Deferred Tax	(12,786,464)	(27,690,182)
Non-Operating Items:	(1,891,631,312)	(1,684,066,560)
Interest from Deposits	(1,374,817,851)	(1,188,154,141)
Interest from Short Notice Deposits	(196,763,584)	(93,673,521)
Interest from Subordinated Bonds	(135,534,704)	(127,216,864)
Dividend Income	(48,157,732)	(35,835,709)
Gain on Redemption of Zero Coupon Bond	(51,979,125)	(6,979,944)
Gain on Marketable Securities (Realized)	(84,378,316)	(232,206,381)

	2022-2023 (Jul'2022-Dec'2022)	2021-2022 (Jul'2021-Dec'2021)
Changes in Working Capital:	(988,487,644)	1,831,116,017
(Increase)/Decrease in Inventories	(1,224,921,966)	773,540,261
(Increase)/Decrease in Trade Receivables	(539,710,272)	(106,874,639)
(Increase)/Decrease in Advances, Deposits and Prepayments	(835,285,392)	605,868,833
Increase/(Decrease) in Trade Payables	643,427,760	107,429,486
Increase/(Decrease) in Other Payables	190,891,353	13,769,320
Increase/(Decrease) in Provision for Income Tax	851,241,657	512,589,452
Increase/(Decrease) in Accrued Expenses	(74,130,783)	(75,206,696)
Net Cash Generated from Operating Activities	7,375,092,467	9,655,808,292
32. CONSOLIDATED CONTINGENT LIABILITIES:		
1. Sight Letter of Credits as of 31 December 2022:		
a) Square Pharmaceuticals Ltd.: Tk. 6,039,761,182.		
b) Square Lifesciences Ltd.: Tk. 314,420,995.		
33. Related Party Transactions:		
A. Associates:		
1. Square Fashions Ltd. (48.63% share):		
Opening Balance	-	-
Advance Paid for Dollar Purchase during the Period	1,200,000,000	135,560,551
Realized during the Period	(180,993,900)	(135,560,551)
Closing Balance (Receivable)	1,019,006,100	-
2. Square Hospitals Ltd. (49.94% Shares):		
Opening Balance	-	-
Paid during the Period	-	107,229,837
Received/Realized during the Period	(18,324,264)	(107,229,837)
Closing Balance (Payable)	(18,324,264)	-
B. Others:		
3. Square InformatiX Ltd. (Service Provider):		
Opening Balance	-	-
Paid during the Period	71,255,189	44,089,296
Received/Realized during the Period	(71,255,189)	(44,089,296)
Closing Balance	-	-
4. Square Securities Management Ltd. (Port Folio Management):		
Opening Balance	373,879,860	160,545,334
Paid during the Period	132,420,566	593,305,717
Received/Realized during the Period	(287,722,156)	(58,827,246)
Closing Balance (Receivable)	218,578,271	695,023,805
5. Pharma Packages (Pvt.) Ltd. (Supplier):		
Opening Balance	13,692,778	52,600,036
Paid during the Period	150,405,246	218,130,373
Received/Realized during the Period	(126,055,798)	(206,237,938)
Closing Balance (Receivable)	38,042,226	64,492,471
6. AEGIS Services Ltd. (Service Provider):		
Opening Balance	-	-
Paid during the Period	151,172,836	21,866,191
Received/Realized during the Period	(151,172,836)	(21,866,191)
Closing Balance	-	-



SQUARE Pharmaceuticals Ltd.

Statement of Financial Position (Unaudited) As at December 31, 2022

Particulars	Notes	31-12-2022	30-06-2022
		Taka	Taka
ASSETS			
Non-Current Assets:		36,470,955,556	34,786,763,350
Property, Plant and Equipment	2	23,282,060,182	22,861,293,922
Investment in Subsidiaries and Associates	3	2,572,322,483	2,572,322,483
Investment in Marketable Securities	4	4,337,363,357	4,346,770,865
Long Term Investment - Others	5	6,279,209,534	5,006,376,080
Current Assets:		72,021,811,806	62,748,423,516
Inventories	6	8,084,944,433	8,176,775,798
Trade and Other Receivables	7	3,991,919,634	3,395,080,462
Advances, Deposits and Prepayments	8	4,354,835,344	2,272,165,190
Cash and Cash Equivalents	9	55,590,112,395	48,904,402,066
TOTAL ASSETS		108,492,767,362	97,535,186,866
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity:		93,647,033,381	93,007,355,089
Share Capital		8,864,510,100	8,864,510,100
Share Premium		2,035,465,000	2,035,465,000
General Reserve		105,878,200	105,878,200
Fair Value Reserve	10	606,439,982	830,615,740
Retained Earnings	11	82,034,740,099	81,170,886,049
Non-Current Liabilities:		1,141,045,408	1,178,740,290
Deferred Tax Liabilities	12	1,141,045,408	1,178,740,290
Current Liabilities:		13,704,688,573	3,349,091,486
Trade Payables		976,682,440	636,003,309
Other Payables	13	10,732,974,634	1,491,412,802
Income Tax Payable	14	1,762,746,530	911,504,873
Accrued Expenses	15	106,455,292	180,534,472
Unclaimed Dividend		125,829,677	129,636,029
TOTAL LIABILITIES		14,845,733,981	4,527,831,777
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		108,492,767,362	97,535,186,866
Net Assets Value (NAV) per Share	24	105.64	104.92

The annexed notes form an integral part of these financial statements.

Sd/-
Samuel S Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Muhammad Zahangir Alam
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary



SQUARE Pharmaceuticals Ltd.

Statement of Profit or Loss and Other Comprehensive Income (Unaudited) For the 2nd Quarter Ended December 31, 2022

Particulars	Notes	Six Months Results		2nd Quarter Results	
		July-Dec 2022	July-Dec 2021	Oct-Dec 2022	Oct-Dec 2021
		Taka	Taka	Taka	Taka
Gross Revenue	16	37,507,278,137	33,849,842,101	18,693,998,058	16,432,304,952
Less: Value Added Tax		5,268,581,823	4,777,604,285	2,524,930,042	2,236,928,261
Net Revenue		32,238,696,313	29,072,237,816	16,169,068,016	14,195,376,691
Cost of Goods Sold	17	(15,363,822,134)	(13,872,746,372)	(7,581,217,458)	(6,609,679,501)
Gross Profit		16,874,874,179	15,199,491,444	8,587,850,558	7,585,697,190
Operating Expenses:		(6,226,291,577)	(5,311,510,882)	(3,326,227,672)	(2,827,128,160)
Selling and Distribution Expenses	18	(5,560,241,479)	(4,720,430,087)	(2,950,782,575)	(2,492,499,990)
Administrative Expenses	19	(666,040,973)	(591,057,886)	(375,435,972)	(334,627,475)
Finance Cost		(9,125)	(22,909)	(9,125)	(695)
Other Operating Income	20	555,938,287	88,794,504	98,588,598	38,525,813
Profit from Operations		11,204,520,889	9,976,775,066	5,360,211,484	4,797,094,843
Other Income	21	1,891,631,312	1,684,066,560	926,563,682	732,532,207
Profit before WPPF & WF		13,096,152,201	11,660,841,626	6,286,775,167	5,529,627,051
Allocation for WPPF & WF		(623,626,295)	(555,278,173)	(299,370,246)	(263,315,574)
Profit before Tax		12,472,525,905	11,105,563,453	5,987,404,921	5,266,311,477
Income Tax Expenses:	22	(2,744,161,755)	(2,408,047,597)	(1,320,512,153)	(1,152,426,418)
Current Tax (Expense)		(2,756,948,219)	(2,435,737,779)	(1,312,145,648)	(1,170,840,618)
Deferred Tax (Expense)/Income		12,786,464	27,690,182	(8,366,505)	18,414,200
Net Profit after Tax		9,728,364,150	8,697,515,856	4,666,892,768	4,113,885,059
Other Comprehensive Income:					
Unrealised Gain/(Loss) on FVOCI Financial Assets:		(224,175,758)	(15,937,523)	(106,741,554)	(501,268,220)
Unrealised Gain/(Loss) during the Period	23	(249,084,176)	(68,000,242)	(118,601,727)	(556,964,689)
Deferred Tax (Expense)/Income	12.2	24,908,418	52,062,719	11,860,173	55,696,469
Total Comprehensive Income for the Period		9,504,188,392	8,681,578,333	4,560,151,214	3,612,616,839
Earnings Per Share (EPS)	25	10.97	9.81	5.26	4.64

The annexed notes form an integral part of these financial statements.

Sd/-
Samuel S Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Muhammad Zahangir Alam
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary



SQUARE Pharmaceuticals Ltd.

Statement of Changes in Equity (Unaudited) For the 2nd Quarter Ended December 31, 2022

Particulars	Share Capital	Share Premium	General Reserve	Fair Value Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka
As At 30 June 2022	8,864,510,100	2,035,465,000	105,878,200	830,615,740	81,170,886,049	93,007,355,089
Net Profit after Tax	-	-	-	-	9,728,364,150	9,728,364,150
Other Comprehensive Income (Net of Tax)	-	-	-	(224,175,758)	-	(224,175,758)
Cash Dividend for the year 2021-2022	-	-	-	-	(8,864,510,100)	(8,864,510,100)
As At 31 December 2022	8,864,510,100	2,035,465,000	105,878,200	606,439,982	82,034,740,099	93,647,033,381

Statement of Changes in Equity (Unaudited) For the 2nd Quarter Ended December 31, 2021

Particulars	Share Capital	Share Premium	General Reserve	Fair Value Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka
As At 30 June 2021	8,864,510,100	2,035,465,000	105,878,200	1,139,626,144	70,072,095,506	82,217,574,950
Net Profit after Tax	-	-	-	-	8,697,515,856	8,697,515,856
Other Comprehensive Income (Net of Tax)	-	-	-	(15,937,523)	-	(15,937,523)
Cash Dividend for the year 2020-2021	-	-	-	-	(5,318,706,060)	(5,318,706,060)
As At 31 December 2021	8,864,510,100	2,035,465,000	105,878,200	1,123,688,621	73,450,905,302	85,580,447,223

Sd/-
Samuel S Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Muhammad Zahangir Alam
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary



SQUARE Pharmaceuticals Ltd.

Statement of Cash flows (Unaudited) For the 2nd Quarter Ended December 31, 2022

Particulars	Notes	July-Dec 2022	July-Dec 2021
		Taka	Taka
Cash Flows Generated from/(Used in) Operating Activities:			
Receipts from Customers		37,336,085,707	34,257,628,532
Receipts from Others		129,438,489	39,776,803
Payments to Suppliers		(11,217,798,463)	(9,424,814,507)
Payments for Manufacturing and Operating Expenses		(11,770,578,444)	(7,789,305,340)
Payment of Value Added Tax		(5,268,581,823)	(4,777,604,285)
Cash Generated from Operating Activities		9,208,565,465	12,305,681,203
Interest Paid		(9,125)	(22,909)
Payment of Income Tax		(1,705,706,563)	(1,923,148,327)
Payment to WPPF & WF		(526,613,583)	(601,118,783)
Others		49,392,291	27,145,440
Net Cash Generated from Operating Activities		7,025,628,485	9,808,536,624
Cash Flows from/(Used in) Investing Activities:			
Acquisition of Property, Plant and Equipment		(1,298,173,526)	(1,674,842,116)
Long Term Investment		(1,272,833,454)	(1,716,824,154)
Investment in Marketable Securities		(155,298,352)	534,483,757
Interest Received		1,919,426,639	1,654,471,096
Dividend Received		48,157,732	35,835,709
Net Cash Used in Investing Activities		(758,720,961)	(1,166,875,708)
Cash Flows from/(Used in) Financing Activities:			
Payment of Dividend		(3,806,352)	(275,757,523)
Net Cash Used in Financing Activities		(3,806,352)	(275,757,523)
Net Increase/(Decrease) in Cash and Cash Equivalents		6,263,101,171	8,365,903,393
Net Effect of Foreign Exchange Fluctuation on Cash and Cash Equivalent		422,609,158	49,017,701
Cash and Cash Equivalents as at 30 June 2022		48,904,402,066	43,354,969,418
Cash and Cash Equivalents as at 31 December 2022		55,590,112,395	51,769,890,513
Net Operating Cash Flow (NOCF) per Share	26	7.93	11.06

The annexed notes form an integral part of these financial statements

Sd/-
Samuel S Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Muhammad Zahangir Alam
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

NOTES TO THE INTERIM FINANCIAL STATEMENTS (Unaudited)
For the 2nd Quarter Ended 31 December 2022

1. Basis of Preparation of the Interim Financial Statements:

These Financial Statements ('They') are the Unaudited Interim Financial Statements (here after 'the Interim Financial Statements') of Square Pharmaceuticals Ltd. for the 2nd Quarter ended on December 31, 2022 (here after 'the interim period'). These are prepared in accordance with the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting'. These financial statements should be read in conjunction with the Annual Financial Statements as of June 30, 2022, as these 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 mentioned otherwise. Where necessary, the comparative figures have been reclassified or extended from 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 judgement 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 management understands that the business is growing every year which reflects that the assets are performing according to the intention of procurement. The management also assess that the discounted future cash flow from the operation of the assets would be positive if the assets are disposed at the date of financial reporting. But at present, the management has no intention to dispose these assets. Therefore, it is not necessary to record any impairment for the period as per the provisions of IAS-36.

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

The company has no reportable operating segments as per IFRS-8.

Figures have been rounded off to the nearest Taka.

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

	<u>31-12-2022</u>	<u>30-06-2022</u>
2. Property, Plant and Equipment: Tk. 23,282,060,182		
Cost:		
Opening Balance	43,719,669,981	41,570,311,740
Addition during the Period/Year	2,215,106,729	2,408,952,601
	<u>45,934,776,710</u>	<u>43,979,264,341</u>
Sale/Transfer during the Period/Year	-	(259,594,360)
Closing Balance	Tk. 45,934,776,710	43,719,669,981
Accumulated Depreciation:		
Opening Balance	23,446,178,095	21,793,391,083
Charged during the Period/Year	881,040,266	1,835,173,760
	<u>24,327,218,361</u>	<u>23,628,564,843</u>
Sale/Transfer during the Period/Year	-	(182,386,748)
Closing Balance	Tk. 24,327,218,361	23,446,178,095
Net Book Value as at 31 December 2022	21,607,558,349	20,273,491,886
Property, Plant and Equipment in Transit (Note - 2.1)	472,496,855	521,564,753
Building under Construction (Note - 2.2)	1,202,004,978	2,066,237,283
Written Down Value	Tk. 23,282,060,182	22,861,293,922
2.1 Property, Plant and Equipment in Transit: Tk. 472,496,855		
Opening Balance	521,564,753	646,809,312
Addition during the Period/Year	464,650,837	1,271,900,734
	<u>986,215,590</u>	<u>1,918,710,046</u>
Transfer during the Period/Year	(513,718,735)	(1,397,145,293)
Closing Balance	Tk. 472,496,855	521,564,753

	31-12-2022	30-06-2022		
2.2 Building under Construction: Tk. 1,202,004,978				
Opening Balance	2,066,237,283	1,345,864,835		
Addition during the Period/Year	390,090,047	1,280,219,869		
	<u>2,456,327,330</u>	<u>2,626,084,704</u>		
Transfer during the Period/Year	(1,254,322,353)	(559,847,421)		
Closing Balance	Tk. 1,202,004,978	2,066,237,283		
3. Investment in Subsidiaries and Associates: Tk. 2,572,322,483				
Subsidiaries:				
(a) 4,000,000 Ordinary Shares in Square Pharmaceuticals Kenya EPZ Ltd.	332,000,000	332,000,000		
(b) Share Money Deposit in Square Pharmaceuticals Kenya EPZ Ltd.	653,742,688	653,742,688		
(c) 9,995,000 Ordinary Shares of Tk. 100/- each in Square Lifesciences Ltd.	999,500,000	999,500,000		
	<u>1,985,242,688</u>	<u>1,985,242,688</u>		
Associates:				
(a) Square Textiles Ltd. (91,436,677 Ordinary Shares of Tk. 10/- each including Bonus Shares)	225,129,795	225,129,795		
(b) Square Hospitals Ltd. (199,750 Ordinary Shares of Tk. 1,000/- each plus Share Premium)	210,750,000	210,750,000		
(c) Square Fashions Ltd. (462,000 Ordinary Shares of Tk. 100/- each plus Share Premium)	151,200,000	151,200,000		
	<u>587,079,795</u>	<u>587,079,795</u>		
	Tk. 2,572,322,483	2,572,322,483		
4. Investment in Marketable Securities: Tk. 4,337,363,357				
Particulars	2022-2023 (Jul'2022-Dec'2022)		2021-2022 (Jul'2021-Dec'2021)	
	Cost	Market Value	Cost	Market Value
Opening Balance	3,423,864,487	4,346,770,865	3,307,788,552	4,624,331,706
Addition during the Period/Year	287,718,918	123,013,058	627,115,212	562,894,183
Sold during the Period/Year	(48,042,250)	(132,420,566)	(511,039,277)	(840,455,024)
Closing Balance	Tk. 3,663,541,155	4,337,363,357	3,423,864,487	4,346,770,865
5. Long Term Investment - Others: Tk. 6,279,209,534				
(a) 120,000 Ordinary Shares of Tk.100/- each in United Hospital Ltd.	12,000,000	12,000,000		
(b) 5,711,804 Ordinary Shares of Tk. 10/- each including Bonus Shares in CDBL	15,694,430	15,694,430		
Zero Coupon Bonds:				
(c) 4 Non-Convertible Zero Coupon Bonds in Envoy Textiles Ltd.	5,440,078	10,907,299		
(d) 400 Non-Convertible Zero Coupon Bonds in Brac Bank Ltd.	402,509,850	402,509,850		
(e) 332 Non-Convertible Zero Coupon Bonds in LankaBangla Finance Ltd.	283,068,630	360,363,204		
(f) 300 Non-Convertible Zero Coupon Bonds in Sajida Foundation Ltd.	266,835,676	362,989,522		
(g) 560 Non-Convertible Zero Coupon Bonds in IDLC Finance Ltd.	293,660,870	341,911,775		
Subordinated Bonds:				
(h) 300 Non-Convertible Subordinated Bonds in Mutual Trust Bank Ltd.	3,000,000,000	2,000,000,000		
(i) 5,000 Non-Convertible Subordinated Bonds in Southeast Bank Ltd.	500,000,000	500,000,000		
(j) 50 Non-Convertible Subordinated Bonds in Islami Bank Bangladesh Ltd.	500,000,000	500,000,000		
(k) 50 Non-Convertible Subordinated Bonds in Trust Bank Ltd.	500,000,000	500,000,000		
(l) 50 Non-Convertible Subordinated Bonds in Eastern Bank Ltd.	500,000,000	-		
	Tk. 6,279,209,534	5,006,376,080		
6. Inventories: Tk. 8,084,944,433				
Raw Materials	2,889,007,305	2,707,894,958		
Packing Materials	902,925,717	856,951,586		
Work-in-Process	450,258,593	446,012,445		
Finished Goods	2,648,593,756	2,549,985,110		
Spares & Accessories	914,369,193	846,188,354		
Goods- in-Transit	279,789,869	769,743,345		
	Tk. 8,084,944,433	8,176,775,798		
7. Trade and Other Receivables: Tk. 3,991,919,634				
Trade Receivables	2,698,776,988	2,159,066,716		
Other Receivables (Note-7.1)	1,293,142,646	1,236,013,746		
	Tk. 3,991,919,634	3,395,080,462		
7.1 Other Receivables: Tk. 1,293,142,646				
Interest Receivable from Fixed Deposit Receipts	1,144,059,214	1,132,982,469		
Interest Receivable from Subordinated Bonds	58,659,346	52,752,862		
Gain against Zero Coupon Bonds (Receivable)	90,424,086	50,278,415		
	Tk. 1,293,142,646	1,236,013,746		

	31-12-2022	30-06-2022
8. Advances, Deposits and Prepayments: Tk. 4,354,835,344		
Advances:	3,865,882,112	1,365,021,194
Employees	329,600,929	304,433,010
Land Purchase	10,571,677	14,204,677
Advance Income Tax	-	200,000,000
Suppliers	3,525,709,506	846,383,507
Deposits:	461,314,106	854,123,950
Value Added Tax	104,953,282	473,471,125
Earnest Money & Security Deposit	321,618,985	371,011,277
Others	34,741,840	9,641,548
Prepayments:	27,639,125	53,020,046
Office Rent	5,046,001	6,132,743
Insurance Premium	22,593,124	46,887,303
Tk.	4,354,835,344	2,272,165,190
9. Cash and Cash Equivalents: Tk. 55,590,112,395		
(a) Cash in Hand	6,882,019	5,686,111
(b) Cash at Bank:	13,201,143,527	2,825,974,570
* Current Accounts	844,338,808	693,577,697
* STD Accounts	3,144,500,235	1,812,598,384
* Export Retention Quota Accounts (held in USD)	237,480,687	249,682,906
* Margin Held Accounts (held in USD)	57,793,793	14,162,725
* Dividend Account	8,917,030,004	55,952,858
(c) Fixed Deposit Receipts (FDRs):	42,382,086,850	46,072,741,385
* FDRs held in BDT	39,808,358,059	41,528,858,059
* FDRs held in USD	2,573,728,791	4,543,883,326
Tk.	55,590,112,395	48,904,402,066
10. Fair Value Reserve: Tk. 606,439,982		
Opening Balance	830,615,740	1,139,626,144
Add: Unrealised Gain/(Loss) on Marketable Securities for the Period/Year (Note - 23)	(249,084,176)	(393,636,776)
Less: Deferred tax (Expense)/Income (Note - 12.2)	24,908,418	84,626,372
Closing Balance	606,439,982	830,615,740
11. Retained Earnings: Tk. 82,034,740,099		
Opening Balance	81,170,886,049	70,072,095,506
Add: Net Profit/(Loss) for the Period/Year	9,728,364,150	16,417,496,603
Less: Cash Dividend	(8,864,510,100)	(5,318,706,060)
Closing Balance	82,034,740,099	81,170,886,049
12. Deferred Tax Liabilities: Tk. 1,141,045,408		
Deferred Tax - Property, Plant and Equipment (Note - 12.1)	1,073,663,188	1,086,449,652
Deferred Tax - FVOCI Financial Assets (Note - 12.2)	67,382,220	92,290,638
Tk.	1,141,045,408	1,178,740,290
12.1 Deferred Tax - Property, Plant and Equipment: Tk. 1,073,663,188		
Property, plant and equipment excluding cost of Land (Carrying Amount)	15,071,934,854	13,902,912,754
Property, plant and equipment excluding cost of Land (Tax Base)	10,300,098,463	9,074,247,632
Taxable/(Deductible) Temporary Difference	4,771,836,392	4,828,665,122
Tax Rate	22.50%	22.50%
Deferred Tax Liabilities as on December 31, 2022	1,073,663,188	1,086,449,652
Deferred Tax Liabilities as on June 30, 2022	1,086,449,652	1,097,936,007
Current Period's Deferred Tax Expense/(Income)	(12,786,464)	(11,486,354)
12.2 Deferred Tax - FVOCI Financial Assets: Tk. 67,382,220		
FVOCI Financial Assets - Carrying Amount	4,337,363,357	4,346,770,865
FVOCI Financial Assets - Tax Base	3,663,541,155	3,423,864,487
Taxable/(Deductible) Temporary Difference	673,822,202	922,906,378
Tax Rate	10.00%	10.00%
Deferred Tax Liabilities as on December 31, 2022	67,382,220	92,290,638
Deferred Tax Liabilities as on June 30, 2022	92,290,638	176,917,010
Current Period's Deferred Tax Expense/(Income)	(24,908,418)	(84,626,372)

	<u>31-12-2022</u>	<u>30-06-2022</u>
13. Other Payables: Tk. 10,732,974,634		
Sundry Creditors	475,959,641	414,609,766
Income Tax (Deduction at Source)	19,409,941	16,825,193
Retention Money	7,393,972	8,749,849
Unearned Revenue	217,460,274	-
Dividend Payable	8,864,510,100	-
Workers' Profit Participation Fund and Welfare Fund (Note - 13.1)	1,148,240,706	1,051,227,994
Tk.	<u>10,732,974,634</u>	<u>1,491,412,802</u>
13.1 Workers' Profit Participation Fund and Welfare Fund: Tk. 1,148,240,706		
Opening balance	1,051,227,994	937,796,627
Add: Allocation for the Period/Year	623,626,295	1,051,227,994
Less: Payment made during the Period/Year	(526,613,583)	(937,796,627)
Closing balance	<u>1,148,240,706</u>	<u>1,051,227,994</u>
14. Income Tax Payable: Tk. 1,762,746,530		
Opening balance	911,504,873	572,675,072
Provision made for the Period/Year	2,756,948,219	4,618,549,626
Tax Paid (Including Advance Income Tax) during the Period/Year	(1,905,706,563)	(4,279,719,825)
Tk.	<u>1,762,746,530</u>	<u>911,504,873</u>
15. Accrued Expenses: Tk. 106,455,292		
Accrued Expenses	106,455,292	179,844,472
Audit Fees	-	690,000
Tk.	<u>106,455,292</u>	<u>180,534,472</u>
	<u>2022-2023</u>	<u>2021-2022</u>
	(Jul'2022-Dec'2022)	(Jul'2021-Dec'2021)
16. Gross Revenue: Tk. 37,507,278,137		
Revenue from Local Sales	36,440,179,527	33,026,645,613
Revenue from Export Sales - Equivalent to US \$11,013,900 (Jul'21-Dec'21: US \$9,755,878)	1,067,098,610	823,196,488
Tk.	<u>37,507,278,137</u>	<u>33,849,842,101</u>
17. Cost of Goods Sold: Tk. 15,363,822,134		
Raw Materials Consumed (Note - 17.1)	6,940,939,177	6,124,286,052
Packing Materials Consumed (Note - 17.2)	3,405,802,752	3,000,166,025
	<u>10,346,741,929</u>	<u>9,124,452,077</u>
Add: Opening Work-in-Process	446,012,445	415,013,847
Less: Closing Work-in-Process	(450,258,593)	(420,141,908)
TOTAL CONSUMPTION	<u>10,342,495,781</u>	<u>9,119,324,016</u>
Add: Factory Overhead (Note - 17.3)	3,670,432,627	3,452,052,514
COST OF PRODUCTION	<u>14,012,928,408</u>	<u>12,571,376,530</u>
Add: Opening Finished Goods	2,549,985,110	1,120,195,513
Add: Purchase of Finished Goods	1,562,337,809	2,118,362,474
Less: Closing Finished Goods	(2,648,593,756)	(1,835,505,313)
	<u>15,476,657,571</u>	<u>13,974,429,204</u>
Less: Cost of Physician Sample	(112,835,437)	(101,682,832)
Tk.	<u>15,363,822,134</u>	<u>13,872,746,372</u>
17.1 Raw Materials Consumed: Tk. 6,940,939,177		
Opening Stock as at 01 July 2022	2,707,894,958	2,647,266,800
Purchase during the period	7,122,051,524	5,815,222,066
Closing Stock as at 31 December 2022	(2,889,007,305)	(2,338,202,814)
Tk.	<u>6,940,939,177</u>	<u>6,124,286,052</u>
17.2 Packing Materials Consumed: Tk. 3,405,802,752		
Opening Stock as at 01 July 2022	856,951,586	829,398,759
Purchase during the period	3,451,776,883	2,969,440,700
Closing Stock as at 31 December 2022	(902,925,717)	(798,673,434)
Tk.	<u>3,405,802,752</u>	<u>3,000,166,025</u>

	2022-2023 (Jul'2022-Dec'2022)	2021-2022 (Jul'2021-Dec'2021)
17.3 Factory Overhead: Tk. 3,670,432,627		
Salaries, Allowances & Wages	1,264,829,123	1,161,001,815
Factory Employee Free Lunch	65,812,235	59,558,473
Factory Staff Uniform	60,762,182	54,693,508
Travelling & Conveyance	22,772,729	21,402,803
Printing & Stationery	37,997,438	37,978,041
Postage, Telephone & Fax	4,188,219	4,004,651
Repairs & Maintenance	508,804,787	489,897,081
Laboratory Consumable Stores	233,412,629	214,093,357
Fuel, Petrol, Light Diesel etc.	81,320,098	78,978,134
Electricity, Gas & Water	351,088,513	333,921,569
Rental Expenses	815,050	658,115
Municipal & Other Taxes	14,095,488	10,363,706
Insurance Premium	11,802,423	10,932,903
Factory Sanitation Expenses	56,265,255	55,625,665
Depreciation	719,549,885	748,171,108
Security Services	34,082,801	35,324,716
Research and Development	133,925,934	95,983,750
Software & Hardware Support & VSAT Services	33,587,653	28,731,303
Toll Charges	34,523,059	9,795,642
Other Expenses	797,126	936,174
Tk.	3,670,432,627	3,452,052,514
18. Selling and Distribution Expenses: Tk. 5,560,241,479		
Salaries & Allowances	802,656,290	730,691,500
Travelling & Conveyance	75,732,639	68,004,808
Printing & Stationery	42,213,378	36,554,929
Postage, Telephone, Fax & Telex	35,886,856	31,693,725
Electricity, Gas & Water	18,282,400	16,097,784
Office & Godown Rent	13,972,653	12,615,881
Repairs & Maintenance including Car Maintenance	280,866,188	250,694,128
Govt Taxes & Licence Fees	20,816,870	21,391,363
Field Staff Salaries, Allowances, TA/DA	1,587,893,052	1,343,080,136
Marketing and Sales Promotional Expenses	688,415,424	506,588,548
Event, Programs and Conference	130,288,601	95,811,511
Delivery & Packing Expenses	116,610,039	100,766,053
Literature and Publications	80,533,416	57,434,926
Export Expenses	111,097,777	96,482,484
Research and Product Development	8,804,534	6,095,854
Target Incentive to Field Staff	199,664,967	149,188,314
Special Discount	1,003,620,831	892,034,761
Security Services	44,995,803	42,138,812
Depreciation	113,095,303	101,383,494
Software & Hardware Support & VSAT Services	30,373,858	25,090,218
Other Expenses	154,420,600	136,590,858
Tk.	5,560,241,479	4,720,430,087
19. Administrative Expenses: Tk. 666,040,973		
Salaries & Allowances	248,194,256	233,914,373
Directors' Remuneration	43,463,750	34,361,667
Travelling & Conveyance	69,233,684	61,083,881
Printing & Stationery	9,040,321	8,511,209
Postage, Telephone & Internet	4,695,396	4,590,398
Electricity, Gas & Water	13,805,540	11,242,934
Tiffin & Refreshment	30,825,684	23,321,755
Repairs & Maintenance	116,674,320	101,616,255
Bank Charges	7,396,518	5,784,081
Insurance Premium	10,602,397	9,119,839
Govt Taxes & Licence Fees	6,362,402	6,187,460
Security Services	24,379,684	18,568,938
Legal Charges	626,580	958,500
Depreciation	48,395,078	50,239,393
Software & Hardware Support Services	6,890,479	1,280,024
Other Expenses	25,454,884	20,277,179
Tk.	666,040,973	591,057,886

	2022-2023 (Jul'2022-Dec'2022)	2021-2022 (Jul'2021-Dec'2021)
20. Other Operating Income: Tk. 555,938,287		
Rental Income	7,220,421	875,030
Sale of Scrap	24,789,153	22,279,746
Foreign Exchange Gain*	484,338,573	50,999,728
Cash Incentive Received against Export	30,947,000	14,340,000
Commission Received	3,890,640	-
Technology Transfer fees	4,752,500	-
Industrial Awards	-	300,000
Tk.	555,938,287	88,794,504

* Unprecedented fluctuation in the forex rate during the reporting quarter resulted in unusual foreign exchange gain in the reporting quarter.

21. Other Income: Tk. 1,891,631,312		
Interest from Deposits	1,374,817,851	1,188,154,141
Interest from Short Notice Deposits	196,763,584	93,673,521
Interest from Subordinate Bonds	135,534,704	127,216,864
Gain on Redemption of Zero Coupon Bond	51,979,125	6,979,944
Dividend Income	48,157,732	35,835,709
Gain on Marketable Securities (Realized)	84,378,316	232,206,381
Tk.	1,891,631,312	1,684,066,560

22. Income Tax Expenses: Tk. 2,744,161,755		
Current Tax Expense	2,756,948,219	2,435,737,779
Deferred Tax Expense / (Income)	(12,786,464)	(27,690,182)
Tk.	2,744,161,755	2,408,047,597

22.1 Reconciliation of Effective Tax Rate:

Particulars	Jul'22-Dec'22		Jul'21-Dec'21	
	%	Taka	%	Taka
Profit before Tax		12,472,525,905		11,105,563,453
Income Tax using Corporate Tax Rate	22.50%	2,806,318,329	22.50%	2,498,751,777
Effect of Tax Exempted Income	-0.09%	(11,695,303)	-0.28%	(31,299,807)
Effect of Lower Tax Rate	-0.40%	(50,461,270)	-0.29%	(31,714,191)
	22.01%	2,744,161,755	21.93%	2,435,737,779
Effect of Deferred Tax	-	-	-0.25%	(27,690,182)
	22.01%	2,744,161,755	21.68%	2,408,047,597

23. Unrealised Gain/(Loss) on FVOCI Financial Assets: Tk. (249,084,176)		
Closing Unrealised Gain/(Loss)	673,822,202	1,248,542,912
Less: Opening Unrealised Gain/(Loss)	922,906,378	1,316,543,154
Tk.	(249,084,176)	(68,000,242)

24. Net Asset Value (NAV) per Share: Tk. 105.64		
Equity attributable to the Ordinary Shareholders	93,647,033,381	93,007,355,089
Number of Shares outstanding during the Period/Year	886,451,010	886,451,010
Net Asset Value (NAV) per Share	105.64	104.92

25. Earnings per Share (EPS): Tk. 10.97		
Net Profit after Tax attributable to Shareholders	9,728,364,150	8,697,515,856
Number of Shares outstanding during the Period	886,451,010	886,451,010
Earnings per Share (EPS)	10.97	9.81

** Increase in Sales Revenue and proficient usages of materials led to increased gross profit for the reporting period. Prudent investment decisions aided further in increased Net Operating Profit.

26. Net Operating Cash Flow (NOCF) per Share: Tk. 7.93		
Net Cash Generated from Operating Activities	7,025,628,485	9,808,536,624
Number of Shares outstanding during the Period	886,451,010	886,451,010
Net Operating Cash Flow (NOCF) per Share	7.93	11.06

** Amidst the ongoing complexity in the procurement of raw materials and protracted lead time, the Company has paid its regular suppliers in advance to ensure that the supply chain does not face any disruption. This precautionary measure has resulted in a reduced net operating cash flow during the reporting period as against the preceding period.

	2022-2023 (Jul'2022-Dec'2022)	2021-2022 (Jul'2021-Dec'2021)
26.1 Reconciliation of Net Profit with Cash Flows Generated from Operating Activities:		
Net Profit after Tax	9,728,364,150	8,697,515,856
Adjustments for:		
Non-Cash Income/Expenses:	445,644,644	823,086,111
Depreciation	881,040,266	899,793,995
Exchange Rate Fluctuation	(422,609,158)	(49,017,702)
Deferred Tax	(12,786,464)	(27,690,182)
Non-Operating Items:	(1,891,631,312)	(1,684,066,560)
Interest from Deposits	(1,374,817,851)	(1,188,154,141)
Interest from Short Notice Deposits	(196,763,584)	(93,673,521)
Interest from Subordinated Bonds	(135,534,704)	(127,216,864)
Gain on Redemption of Zero Coupon Bond	(51,979,125)	(6,979,944)
Dividend Income	(48,157,732)	(35,835,709)
Gain on Marketable Securities (Realized)	(84,378,316)	(232,206,381)
Changes in Working Capital:	(1,256,748,997)	1,972,001,216
(Increase)/Decrease in Inventories	91,831,365	868,680,235
(Increase)/Decrease in Trade Receivables	(539,710,272)	(106,874,639)
(Increase)/Decrease in Advances, Deposits and Prepayments	(2,086,303,154)	706,656,564
Increase/(Decrease) in Trade Payables	340,679,131	52,002,671
Increase/(Decrease) in Other Payables	159,591,458	12,817,497
Increase/(Decrease) in Income Tax Payables	851,241,657	512,589,452
Increase/(Decrease) in Accrued Expenses	(74,079,180)	(73,870,564)
Net Cash Generated from Operating Activities	Tk. 7,025,628,485	9,808,536,624
	-	-
27. CONTINGENT LIABILITIES:		
1. Liabilities for at Sight Letter of Credits as of 31 December 2022 was Tk. 6,039,761,182.		
2. The Company issued a Corporate Guarantee in favour of Square Pharmaceuticals Kenya EPZ Ltd. for USD 8.00 Million with due approval of Bangladesh Bank.		
28. Related Party Transactions:		
28.1 Transaction with Key Management Personnel:		
Amount of compensation paid to Key Management Personnel including Board of Directors during the Period:		
Short-Term Employee Benefits	Tk. 242,698,790	194,846,057
Post-Employment Benefits	Tk. 9,196,870	17,408,915
Other Long-Term Benefits		-
Termination Benefits		-
Share-Based Payment		-
28.2 Transaction with Other Related parties:		
A. Associates:		
1. Square Fashions Ltd. (48.63% share):		
Opening Balance	-	-
Advance Paid for Dollar Purchase during the Period	1,200,000,000	135,560,551
Realized during the Period	(180,993,900)	(135,560,551)
Closing Balance (Receivable)	Tk. 1,019,006,100	-
2. Square Hospitals Ltd. (49.94% share):		
Opening Balance	-	-
Paid during the Period	-	107,229,837
Realized during the Period	(18,324,264)	(107,229,837)
Closing Balance (Payable)	Tk. (18,324,264)	-
B. Subsidiaries:		
3. Square Lifesciences Ltd. (99.95% share):		
Opening Balance	653,757,206	-
Paid during the Period	1,590,687,910	2,120,004,050
Realized during the Period	(19,923,207)	(2,120,004,050)
Closing Balance (Receivable)	Tk. 2,224,521,908	-

	2022-2023 (Jul'2022-Dec'2022)	2021-2022 (Jul'2021-Dec'2021)
C. Others:		
4. Square InformatiX Ltd. (Service Provider):		
Opening Balance	-	-
Paid during the Period	71,255,189	44,089,296
Realized during the Period	(71,255,189)	(44,089,296)
Closing Balance	<u>-</u>	<u>-</u>
Tk.	<u>-</u>	<u>-</u>
5. Square Securities Management Ltd. (Portfolio Manager):		
Opening Balance	373,879,860	160,545,334
Paid during the Period	132,420,566	593,305,717
Realized during the Period	(287,722,156)	(58,827,246)
Closing Balance (Receivable)	<u>218,578,271</u>	<u>695,023,805</u>
Tk.	<u>218,578,271</u>	<u>695,023,805</u>
6. Pharma Packages (Pvt.) Ltd. (Supplier):		
Opening Balance	13,692,778	52,600,036
Paid during the Period	150,405,246	218,130,373
Realized during the Period	(126,055,798)	(206,237,938)
Closing Balance (Receivable)	<u>38,042,226</u>	<u>64,492,471</u>
Tk.	<u>38,042,226</u>	<u>64,492,471</u>
7. AEGIS Services Ltd. (Service Provider):		
Opening Balance	-	-
Paid during the Period	151,172,836	21,866,191
Realized during the Period	(151,172,836)	(21,866,191)
Closing Balance	<u>-</u>	<u>-</u>
Tk.	<u>-</u>	<u>-</u>