

Financial Statement 2022-2023
First Quarter
(Unaudited)



SQUARE PHARMACEUTICALS LTD.
(Consolidated and Separate)

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited)

As at 30 September 2022

Particulars	Notes	30-Sep-22	30-Jun-22
		Taka	Taka
ASSETS			
Non-Current Assets		48,618,474,358	47,641,000,829
Property, Plant and Equipment	2	27,790,719,775	27,182,672,428
Investment in Associates	3	11,599,885,560	11,105,181,456
Investment in Marketable Securities	4	4,365,897,694	4,346,770,865
Long Term Investment - Others	5	4,861,971,329	5,006,376,080
Current Assets		68,151,879,421	62,347,727,888
Inventories	6	8,379,171,891	8,214,111,144
Trade and Other Receivables	7	3,843,230,820	3,395,080,462
Advances, Deposits and Prepayments	8	1,516,108,350	1,776,037,947
Cash and Cash Equivalents	9	54,413,368,359	48,962,498,336
TOTAL ASSETS		116,770,353,778	109,988,728,717
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		108,889,901,888	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	713,181,536	830,615,740
Translation Reserve	11	63,037,837	8,998,071
Retained Earnings	12	97,107,829,214	91,607,512,639
Non Controlling Interests	13	446,238	469,632
TOTAL SHAREHOLDERS' EQUITY		108,890,348,125	103,453,449,383
Non-Current Liabilities		2,830,494,849	2,873,450,552
Long Term Loan	14	1,685,955,773	1,694,710,262
Deferred Tax Liabilities	15	1,144,539,076	1,178,740,290
Current Liabilities:		5,049,510,804	3,661,828,783
Long Term Loan - Current Portion	16	300,000,000	200,000,000
Trade Payables		880,078,005	636,003,309
Other Payables	17	2,245,393,148	1,603,882,464
Income Tax Payable	18	1,452,942,223	911,504,873
Accrued Expenses	19	43,847,371	180,802,107
Unclaimed Dividend		127,250,057	129,636,029
TOTAL LIABILITIES		7,880,005,653	6,535,279,335
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		116,770,353,778	109,988,728,717
Net Assets Value (NAV) per Share	29	122.84	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/-
Md. 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 1st Quarter Ended 30 September 2022

Particulars	Notes	July'22 - Sept'22 Taka	July'21 - Sept'21 Taka
Gross Revenue	20	18,813,280,078	17,417,537,149
Less: Value Added Tax		<u>2,743,651,781</u>	<u>2,540,676,024</u>
Net Revenue		16,069,628,297	14,876,861,125
Cost of Goods Sold	21	<u>(7,782,604,676)</u>	<u>(7,263,066,871)</u>
Gross Profit		8,287,023,621	7,613,794,254
Operating Expenses:		(2,953,997,986)	(2,492,482,323)
Selling and Distribution Expenses	22	<u>(2,609,458,904)</u>	<u>(2,227,930,097)</u>
Administrative Expenses	23	<u>(344,539,082)</u>	<u>(264,530,012)</u>
Finance Cost		<u>-</u>	<u>(22,214)</u>
Other Operating Income	24	<u>455,401,465</u>	<u>50,626,126</u>
Profit from Operations		5,788,427,100	5,171,938,056
Other Income	25	<u>965,067,629</u>	<u>951,534,352</u>
Profit before WPPF & WF		6,753,494,729	6,123,472,409
Allocation for WPPF & WF		<u>(324,256,049)</u>	<u>(291,962,599)</u>
Profit before Tax		6,429,238,680	5,831,509,810
Income Tax Expenses:	26	(1,423,649,602)	(1,255,621,179)
Current Tax (Expense)		<u>(1,444,802,572)</u>	<u>(1,264,897,161)</u>
Deferred Tax (Expense) / Income		<u>21,152,969</u>	<u>9,275,982</u>
Profit after Tax		5,005,589,077	4,575,888,631
Profit from Associate Undertakings	27	<u>494,704,104</u>	<u>420,757,631</u>
Net Profit after Tax		5,500,293,181	4,996,646,262
Other Comprehensive Income:			
Unrealised Gain/(Loss) on FVOCI Financial Assets (Net of Tax)	28	<u>(117,434,204)</u>	<u>485,330,697</u>
Foreign Operation Translation Gain/(Loss)	11	<u>54,039,766</u>	<u>(14,212,212)</u>
Other Comprehensive Income (Net of Tax)		(63,394,438)	471,118,485
Total Comprehensive Income for the Period		5,436,898,743	5,467,764,747
Net Profit Attributable to:			
Equity Holders of the Company		<u>5,500,316,576</u>	<u>4,996,672,152</u>
Non Controlling Interest		<u>(23,395)</u>	<u>(25,890)</u>
		5,500,293,181	4,996,646,262
Total Comprehensive Income Attributable to:			
Equity Holders of the Company		<u>5,436,922,138</u>	<u>5,467,790,637</u>
Non Controlling Interest		<u>(23,395)</u>	<u>(25,890)</u>
		5,436,898,743	5,467,764,747
Earnings Per Share (EPS)	30	6.20	5.64

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Chief Financial Officer

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Company Secretary

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)

For the 1st Quarter Ended 30 September 2022

Particulars	Share Capital Taka	Share Premium Taka	General Reserve Taka	Fair Value Reserve Taka	Translation Reserve Taka	Retained Earnings Taka	Non Controlling Interests Taka	Total Taka
As At 30 June 2022	8,864,510,100	2,035,465,000	105,878,200	830,615,740	8,998,071	91,607,512,639	469,632	103,453,449,383
Net Profit after Tax	-	-	-	-	-	5,500,316,576	(23,395)	5,500,293,181
Other Comprehensive Income (Net of Tax)				(117,434,204)	54,039,766			(63,394,438)
As At 30 September 2022	8,864,510,100	2,035,465,000	105,878,200	713,181,536	63,037,837	97,107,829,214	446,238	108,890,348,125

For the 1st Quarter Ended 30 September 2021

Particulars	Share Capital Taka	Share Premium Taka	General Reserve Taka	Fair Value Reserve Taka	Translation Reserve Taka	Retained Earnings Taka	Non Controlling Interests Taka	Total 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	-	-	-	-	-	4,996,672,152	(25,890)	4,996,646,262
Other Comprehensive Income (Net of Tax)	-	-	-	485,330,697	(14,212,212)			471,118,485
As At 30 September 2021	8,864,510,100	2,035,465,000	105,878,200	1,624,956,841	(14,497,267)	83,746,120,931	474,110	96,362,907,915

The annexed notes form an integral part of these financial statements

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Chief Financial Officer

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Company Secretary

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

For the 1st Quarter Ended 30 September 2022

Particulars	Notes	July'22 - Sept'22	July'21 - Sept'21
		Taka	Taka
Cash Flows Generated from/(Used in) Operating Activities:			
Receipts from Customers		18,909,220,948	17,903,683,367
Receipts from Others		94,566,130	20,054,692
Payments to Suppliers		(5,923,349,361)	(4,737,585,402)
Payments for Manufacturing and Operating Expenses		(4,416,980,626)	(3,925,247,812)
Payment of Value Added Tax		(2,743,651,781)	(2,540,676,024)
Cash Generated from Operating Activities		5,919,805,308	6,720,228,821
Interest Paid		-	(22,214)
Payment of Income Tax		(724,687,346)	(869,226,307)
Others		9,459,264	6,175,684
Net Cash Generated from Operating Activities		5,204,577,227	5,857,155,984
Cash Flows from/(Used in) Investing Activities:			
Acquisition of Property, Plant and Equipment		(1,063,691,396)	(1,883,985,333)
Long Term Investment		144,404,751	7,272,728
Investment in Marketable Securities		(65,230,962)	464,849,962
Interest Received		702,838,782	685,194,952
Dividend Received		24,236,982	25,855,922
Net Cash Used in Investing Activities		(257,441,843)	(700,811,769)
Cash Flows from/(Used in) Financing Activities:			
Payment of Dividend		(2,385,973)	(271,760,074)
Term Loan Received		91,245,511	47,115,992
Net Cash Used in Financing Activities		88,859,538	(224,644,082)
Net Increase/(Decrease) in Cash and Cash Equivalents		5,035,994,922	4,931,700,133
Net Effect of Foreign Exchange Fluctuation on Cash and Cash Equivalent		414,875,101	16,716,657
Cash and Cash Equivalents as at 30 June 2021		48,962,498,336	43,364,039,004
Cash and Cash Equivalents as at 30 June 2022		54,413,368,359	48,312,455,794
Net Operating Cash Flow (NOCF) per Share	31	5.87	6.61

The annexed notes form an integral part of these financial statements

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Md. Zahangir Alam
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

Notes to the Consolidated Interim Financial Statements (Unaudited)

For the 1st Quarter Ended 30 September 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 1st Quarter Ended on September 30, 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 KHS =BDT 0.838.

2. Consolidated Property, Plant and Equipment: Tk. 27,790,719,775

Cost:

Opening Balance	43,719,669,981	41,570,311,740
Addition during the Period/Year	520,938,957	2,408,952,601
	<u>44,240,608,937</u>	<u>43,979,264,341</u>
Sales/Transfer during the Period/Year	-	(259,594,360)
Closing Balance	Tk. 44,240,608,937	43,719,669,981

Accumulated Depreciation:

Opening balance	23,446,178,095	21,793,391,083
Charged during the Period/Year	450,643,627	1,835,173,760
	<u>23,896,821,723</u>	<u>23,628,564,843</u>
Sales/Transfer during the Period/Year	-	(182,386,748)
Closing Balance	Tk. 23,896,821,723	23,446,178,095

Net Book Value as at 30 September 2022

Consolidated Property, Plant and Equipment in Transit (Note - 2.1)	564,364,805	521,564,753
Consolidated Building under Construction (Note - 2.2)	2,319,606,779	2,066,237,283
Consolidated Capital Work in Progress (Note - 2.3)	4,562,960,977	4,321,378,506
Written Down Value	Tk. 27,790,719,775	27,182,672,428

	30-Sep-22	30-Jun-22
2.1 Consolidated Property, Plant and Equipment in Transit: Tk. 564,364,805		
Opening Balance	521,564,753	646,809,312
Addition during the Period/Year	413,860,486	1,271,900,734
	<u>935,425,238</u>	<u>1,918,710,046</u>
Transfer during the Period/Year	(371,060,434)	(1,397,145,293)
Closing Balance	Tk. 564,364,805	521,564,753
2.2 Consolidated Building under Construction: Tk. 2,319,606,779		
Opening Balance	2,066,237,283	1,345,864,835
Addition during the Period/Year	253,369,497	1,280,219,869
	<u>2,319,606,779</u>	<u>2,626,084,704</u>
Transfer during the Period/Year	-	(559,847,421)
Closing Balance	Tk. 2,319,606,779	2,066,237,283
Opening Balance	4,321,378,506	1,114,508,832
Addition during the Period/Year	207,511,723	3,158,712,287
Interest during Construction Period	34,070,748	48,157,387
	<u>4,562,960,977</u>	<u>4,321,378,506</u>
Transfer during the Period/Year	-	-
Closing Balance	Tk. 4,562,960,977	4,321,378,506
3. Consolidated Investment in Associates: Tk. 11,599,885,560		
Opening Balance	11,105,181,456	9,277,247,222
Add: Profit/(Loss) during the Period/Year (Note - 27)	494,704,104	2,010,807,588
Less: Dividend received during the Period/Year	-	(182,873,354)
Closing Balance	Tk. 11,599,885,560	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. 4,365,897,694

Particulars	2022-2023 (Jul'22-Sept'22)		2021-2022 (Jul'21-Jun'22)	
	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	197,651,528	151,547,395	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. 3,573,473,765	4,365,897,694	3,423,864,487	4,346,770,865

5. Consolidated Long Term Investment - Others: Tk. 4,861,971,329

(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
(c) 8 Non-Convertible Zero Coupon Bonds in Envoy Textiles Ltd.	10,907,299	10,907,299
(d) 400 Non-Convertible Zero Coupon Bonds in Brac Bank Ltd.	402,509,850	402,509,850
(e) 415 Non-Convertible Zero Coupon Bonds in LankaBangla Finance Ltd.	360,363,204	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
(h) 200 Non-Convertible Subordinated Bonds in Mutual Trust Bank Ltd.	2,000,000,000	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
	Tk. 4,861,971,329	5,006,376,080

6. Consolidated Inventories: Tk. 8,379,171,891

Raw Materials	3,004,749,067	2,733,109,087
Packing Materials	928,927,013	861,675,938
Work-in-Process	450,365,440	446,012,445
Finished Goods	2,474,271,798	2,549,985,110
Spares & Accessories	879,101,396	853,585,219
Goods- in-Transit	641,757,179	769,743,345
	Tk. 8,379,171,891	8,214,111,144

	<u>30-Sep-22</u>	<u>30-Jun-22</u>
7. Consolidated Trade and Other Receivables: Tk. 3,843,230,820		
Trade Receivables	2,158,510,373	2,159,066,716
Other Receivables (Note - 7.1)	1,684,720,447	1,236,013,746
Tk.	<u>3,843,230,820</u>	<u>3,395,080,462</u>
7.1 Consolidated Other Receivables: Tk. 1,684,720,447		
Interest Receivable from Fixed Deposit Receipts	1,460,345,956	1,132,982,469
Interest Receivable from Short Notice Deposit	104,933,738	-
Gain against Zero Coupon Bonds (Receivable)	71,534,722	52,752,862
Interest Receivable from Subordinated Bonds	47,906,031	50,278,415
Tk.	<u>1,684,720,447</u>	<u>1,236,013,746</u>
8. Consolidated Advances, Deposits and Prepayments: Tk. 1,516,108,350		
Advances:	616,577,574	772,908,102
Employees	278,785,974	304,433,010
Land Purchase	28,215,677	14,204,677
Suppliers	271,619,571	237,636,189
Advance Income Tax	37,956,351	216,634,226
Deposits:	855,071,720	945,571,753
Value Added Tax	466,478,770	561,863,297
Earnest Money & Security Deposit	364,607,644	374,066,908
Others	23,985,307	9,641,548
Prepayments:	44,459,056	57,558,092
Office Rent	5,761,002	6,132,743
Insurance Premium	38,698,054	51,425,349
Tk.	<u>1,516,108,350</u>	<u>1,776,037,947</u>
9. Consolidated Cash and Cash Equivalents: Tk. 54,413,368,359		
(a) Cash in Hand	120,863,838	5,886,632
(b) Cash at Bank:	54,292,504,521	48,956,611,704
* Current Accounts	476,007,991	752,173,262
* STD Accounts	4,133,559,662	1,811,898,567
* Fixed Deposit Accounts	46,814,358,059	41,528,858,059
* Fixed Deposit Accounts (held in USD)	2,519,302,636	4,543,883,326
* Export Retention Quota Accounts (held in USD)	274,274,075	249,682,906
* Margin Held Accounts (held in USD)	21,175,604	14,162,725
* Dividend Account	53,826,495	55,952,858
Tk.	<u>54,413,368,359</u>	<u>48,962,498,336</u>
10. Consolidated Fair Value Reserve: Tk. 713,181,536		
Opening Balance (Restated)	830,615,740	1,139,626,144
Add: Unrealised Gain/(Loss) on Marketable Securities for the Period/Year (Note - 28)	(130,482,449)	(393,636,776)
Less: Deferred Tax (Expense)/Income	13,048,245	84,626,372
Closing Balance	<u>713,181,536</u>	<u>830,615,740</u>
11. Translation Reserve: Tk. 63,037,837		
Foreign Operation Translation Gain/(Loss):		
Opening Translation Gain/(Loss)	8,998,071	(285,055)
Translation Gain/(Loss) for the Period/Year	54,039,766	9,283,126
Closing Translation Gain/(Loss)	<u>63,037,837</u>	<u>8,998,071</u>
12. Consolidated Retained Earnings: Tk. 97,107,829,214		
Opening Balance	91,607,512,639	78,749,448,779
Add: Net Profit/(Loss) attributable to Equity holders	5,500,316,576	18,176,769,919
Less: Cash Dividend	-	(5,318,706,060)
Closing Balance	<u>97,107,829,215</u>	<u>91,607,512,639</u>
13. Non Controlling Interests: Tk. 446,238		
Opening Balance	469,632	500,000
Add: Net Profit/(Loss) attributable to Non Controlling Interest	(23,395)	(30,368)
Tk.	<u>446,238</u>	<u>469,632</u>

	<u>30-Sep-22</u>	<u>30-Jun-22</u>
14 Consolidated Long Term Loan: Tk. 1,685,955,773		
a) Standard Chartered Bank, Kenya	385,955,773	294,710,262
b) Standard Chartered Bank, Bangladesh	<u>1,300,000,000</u>	<u>1,400,000,000</u>
Tk.	<u>1,685,955,773</u>	<u>1,694,710,262</u>
15. Consolidated Deferred Tax Liabilities: Tk. 1,144,539,076		
Deferred Tax - Property, Plant and Equipment (Note-15.1)	1,065,296,683	1,086,449,652
Deferred Tax - FVOCI Financial Assets (Note-15.2)	<u>79,242,393</u>	<u>92,290,638</u>
Tk.	<u>1,144,539,076</u>	<u>1,178,740,290</u>
15.1 Deferred Tax - Property, Plant and Equipment: Tk. 1,065,296,683		
A. Property, plant and equipment excluding cost of Land (Carrying Amount)	13,833,556,581	13,902,912,754
B. Property, plant and equipment excluding cost of Land (Tax Base)	<u>9,098,904,656</u>	<u>9,074,247,632</u>
C. Taxable/(Deductible) Temporary Difference (A-B)	4,734,651,925	4,828,665,122
D. Tax Rate	22.50%	22.50%
E. Deferred Tax Liabilities as on September 30, 2022 (C*D)	1,065,296,683	1,086,449,652
F. Deferred Tax Liabilities as on June 30, 2022	<u>1,086,449,652</u>	<u>1,097,936,007</u>
Current Period's Deferred Tax Expense/(Income) (E-F)	<u>Tk. (21,152,969)</u>	<u>(11,486,354)</u>
15.2 Deferred Tax - FVOCI Financial Assets: Tk. 79,242,393		
A. FVOCI Financial Assets - Carrying Amount	4,365,897,694	4,346,770,865
B. FVOCI Financial Assets - Tax Base	<u>3,573,473,765</u>	<u>3,423,864,487</u>
C. Taxable/(Deductible) Temporary Difference (A-B)	792,423,929	922,906,378
D. Tax Rate	10%	10%
E. Deferred Tax Liabilities as on September 30, 2022 (C*D)	79,242,393	92,290,638
F. Deferred Tax Liabilities as on June 30, 2022	<u>92,290,638</u>	<u>176,917,010</u>
Current Period's Deferred Tax Expense/(Income) (E-F)	<u>Tk. (13,048,245)</u>	<u>(84,626,372)</u>
16. Consolidated Long Term Loan - Current Portion: Tk. 300,000,000		
Standard Chartered Bank, Bangladesh	300,000,000	200,000,000
Tk.	<u>300,000,000</u>	<u>200,000,000</u>
17. Consolidated Other Payables: Tk. 2,245,393,148		
Sundry Creditors	519,147,897	501,619,259
Income Tax (Deduction at Source)	14,042,994	16,825,193
Retention Money	7,154,315	8,749,849
Unearned Revenue	295,093,151	-
Workers' Profit Participation Fund and Welfare Fund	1,375,484,043	1,051,227,994
Interest Payable	<u>34,470,748</u>	<u>25,460,168</u>
Tk.	<u>2,245,393,148</u>	<u>1,603,882,463</u>
18. Consolidated Income Tax Payable: Tk. 1,452,942,223		
Opening balance	911,504,873	572,675,072
Provision made for the Period/Year	1,444,802,572	4,618,549,626
Tax Paid (Including Advance Income Tax) during the Period	<u>(903,365,221)</u>	<u>(4,279,719,825)</u>
Tk.	<u>1,452,942,223</u>	<u>911,504,873</u>
19. Consolidated Accrued Expenses: Tk. 43,847,371		
Accrued Expenses	43,025,605	179,997,107
Audit Fees	<u>821,766</u>	<u>805,000</u>
Tk.	<u>43,847,371</u>	<u>180,802,107</u>
	<u>2022-2023</u>	<u>2021-2022</u>
	<u>(July'22-Sept'22)</u>	<u>(July'21-Sept'21)</u>
20. Consolidated Gross Revenue: Tk. 18,813,280,078		
Segregation of Revenue from Contracts with Customers is shown below:		
Revenue from Local Sales	18,355,268,028	16,986,416,289
Revenue from Export Sales - Equivalent to US \$ 4,899,116 (Jul'21-Sept'21: US \$ 5,129,338)	<u>458,012,051</u>	<u>431,120,860</u>
Tk.	<u>18,813,280,078</u>	<u>17,417,537,149</u>
21. Consolidated Cost of Goods Sold: Tk. 7,782,604,676		
Materials	6,013,535,728	5,576,637,296
Factory Overhead (Note - 21.1)	<u>1,769,068,948</u>	<u>1,686,429,575</u>
Tk.	<u>7,782,604,676</u>	<u>7,263,066,871</u>

	2022-2023 (July'22-Sept'22)	2021-2022 (July'21-Sept'21)
21.1 Consolidated Factory Overhead: Tk. 1,769,068,948		
Salaries, Allowances and Wages	653,061,156	610,927,695
Factory Employees Free Lunch	36,520,508	33,481,668
Factory Staff Uniform	21,114,032	20,011,782
Travelling & Conveyance	13,334,933	12,477,323
Printing & Stationery	15,929,700	14,311,925
Postage, Telephone & Fax	2,143,865	1,735,189
Repairs & Maintenance	268,108,172	265,730,730
Laboratory Consumable Stores	104,985,504	96,081,144
Fuel, Petrol, Light Diesel etc.	17,867,267	16,850,375
Electricity, Gas & Water	148,711,497	138,660,556
Rental Expense	519,725	334,584
Municipal & Other Tax	1,852,246	3,820,887
Insurance Premium	5,909,640	5,440,088
Factory Sanitation Expenses	21,555,057	25,015,675
Depreciation	372,908,821	368,892,736
Security Services	13,254,954	15,953,703
Research & Development	45,469,394	37,882,843
Software & Hardware Support Services	16,988,250	11,279,733
Toll Charges	8,458,101	6,834,225
Other Expenses	376,126	706,714
Tk.	1,769,068,948	1,686,429,575
22. Consolidated Selling and Distribution Expenses: Tk. 2,609,458,904		
Salaries and Allowances	366,425,451	338,605,417
Travelling and Conveyance	32,008,853	29,453,662
Printing and Stationery	20,159,367	18,860,421
Postage, Telephone, Fax & Telex	14,411,323	13,148,204
Electricity, Gas and Water	7,876,881	7,891,764
Office and Godown Rent	6,946,568	6,391,147
Repairs and Maintenance including car maintenance	113,169,453	104,415,855
Govt. Taxes and License Fees	14,636,915	9,233,187
Field Staff Salaries, Allowances, TA and DA	700,234,912	638,696,297
Marketing and Sales Promotional Expenses	506,638,147	317,133,574
Event, Programs and Conference	19,490,558	14,898,711
Delivery and Packing Expenses	41,573,209	44,850,215
Literature and Publications	13,921,162	10,815,278
Export Expenses	51,764,072	35,377,107
Special Discount	493,056,429	456,305,651
Security Services	22,564,164	21,134,017
Depreciation	54,381,585	48,692,668
Research and Product Development	3,096,799	2,356,875
Other Expenses	127,103,056	109,670,047
	2,609,458,904	2,227,930,097
23. Consolidated Administrative Expenses: Tk. 344,539,083		
Salaries and Allowances	142,255,585	117,185,013
Directors' Remuneration	21,245,000	17,096,667
Travelling and Conveyance	16,909,740	9,598,974
Printing and Stationery	1,764,383	1,517,942
Postage, Telephone & Internet	2,525,963	2,043,628
Electricity, Gas & Water	25,248,259	4,574,760
Tiffin and Refreshment	13,059,811	11,833,244
Repairs and Maintenance	52,315,358	39,572,085
Bank Charges	2,385,831	3,759,548
Insurance Premium	7,856,163	5,608,790
Govt. Taxes, Stamp Duty & License Fee	3,560,042	3,505,143
Security Services	11,309,580	10,082,525
Legal Charges	453,277	309,250
Depreciation	23,353,221	24,845,613
Software & Hardware Support Services	2,105,373	33,024
Other Expenses	18,191,496	12,963,806
	344,539,083	264,530,012
24. Consolidated Other Operating Income: Tk. 455,401,465		
Rental Income	844,690	29,999
Sale of Scrap	25,493,677	17,072,683
Foreign Exchange Gain*	399,056,598	30,850,444
Cash Incentive Received against Export	25,254,000	2,673,000
Technology Transfer fees	4,752,500	-
	455,401,465	50,626,126

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

	2022-2023 (July'22-Sept'22)	2021-2022 (July'21-Sept'21)
25. Consolidated Other Income: Tk. 965,067,629		
Interest from Deposits	659,097,431	659,886,225
Interest from Short Notice Deposits	104,933,738	-
Interest from Subordinated Bonds	65,569,607	58,495,383
Dividend Income	24,236,982	25,855,922
Gain on Redemption of Zero Coupon Bond	26,851,556	790,117
Gain on Marketable Securities (Realized)	84,378,316	206,506,705
	965,067,629	951,534,352
26. Consolidated Income Tax Expense: Tk. 1,423,649,602		
Current Tax Expense	1,444,802,572	1,264,897,161
Deferred Tax Expense / (Income)	(21,152,969)	(9,275,982)
	1,423,649,602	1,255,621,179
27. Profit from Associate Undertakings: Tk. 494,704,104		
Square Textiles Ltd.	163,852,338	195,478,313
Square Fashions Ltd.	281,712,209	175,306,510
Square Hospitals Ltd.	49,139,557	49,972,808
	494,704,104	420,757,631
28. Consolidated Unrealised Gain/(Loss) on FVOCI Financial Assets: Tk. (117,434,204)		
Closing Unrealised Gain/(Loss)	792,423,929	1,805,507,601
Less: Opening Unrealised Gain/(Loss)	922,906,378	1,316,543,154
	(130,482,449)	488,964,447
Related Tax	13,048,245	(3,633,750)
Net Unrealised Gain/(Loss) on FVOCI Financial Assets	Tk. (117,434,204)	485,330,697
29. Consolidated Net Asset Value (NAV) per Share: Tk. 122.84		
Equity attributable to the Ordinary Shareholders	108,889,901,888	103,452,979,750
Number of Shares outstanding during the Period/Year	886,451,010	886,451,010
Net Asset Value (NAV) per Share	122.84	116.70
30. Consolidated Earnings per Share (EPS): Tk. 6.20		
Net Profit after Tax attributable to Shareholders	5,500,293,181	4,996,646,262
Number of Shares outstanding during the Period	886,451,010	886,451,010
Earnings per Share (EPS)	6.20	5.64
** 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. 5.87		
Net Cash Generated from Operating Activities	5,204,577,227	5,857,155,984
Number of Shares outstanding during the Period	886,451,010	886,451,010
Net Operating Cash Flow (NOCF) per Share	5.87	6.61
** The growth in our business volume and efficient utilization of working capital resulted in increased Net Operating Cash Flows Per Share.		
31.1 Consolidated Reconciliation of Net Profit with Cash Flows Generated from Operating Activities:		
Net Profit after Tax	5,500,293,181	4,996,646,262
Adjustments for Reconciling Net Profit with Net Cash Generated by Operating Activities:		
Non-Cash Income/Expenses:	(426,048,781)	(18,531,465)
Depreciation	450,643,627	442,431,017
Exchange Rate Fluctuation	(414,875,101)	(16,716,657)
Profit / (Loss) from Associate Undertakings	(494,704,104)	(420,757,631)
Cumulative Translation Adjustment	54,039,766	(14,212,212)
Deferred Tax	(21,152,969)	(9,275,982)
Non-Operating Items:	(965,067,629)	(951,534,352)
Interest from Deposits	(659,097,431)	(659,886,225)
Interest from Short Notice Deposits	(104,933,738)	-
Interest from Subordinated Bonds	(65,569,607)	(58,495,383)
Dividend Income	(24,236,982)	(25,855,922)
Gain on Redemption of Zero Coupon Bond	(26,851,556)	(790,117)
Gain on Marketable Securities (Realized)	(84,378,316)	(206,506,705)
Changes in Working Capital:	1,095,400,456	1,830,218,103
(Increase)/Decrease in Inventories	(165,060,748)	724,462,440
(Increase)/Decrease in Trade Receivables	556,343	43,452,515
(Increase)/Decrease in Advances, Deposits and Prepayments	273,940,597	393,281,849
Increase/(Decrease) in Trade Payables	244,074,696	38,833,765
Increase/(Decrease) in Other Payables	337,406,954	322,957,435
Increase/(Decrease) in Provision for Income Tax	541,437,351	402,554,902
Increase/(Decrease) in Accrued Expenses	(136,954,736)	(95,324,803)
Net Cash Generated from Operating Activities	5,204,577,227	5,856,798,548

	2022-2023 (July'22-Sept'22)	2021-2022 (July'21-Sept'21)
32. CONSOLIDATED CONTINGENT LIABILITIES:		
1. Sight Letter of Credits as of 30 September 2022:		
a) Square Pharmaceuticals Ltd.: Tk. Tk. 4,557,284,721.		
b) Square Lifesciences Ltd.: Tk. 491,799,696.		
33. Related Party Transactions:		
A. Associates:		
Square Fashions Ltd. (48.63% share):		
Opening Balance	-	-
Paid during the Period	-	129,205,534
Realized during the Period	-	(129,205,534)
Closing Balance	-	-
Square Hospitals Ltd. (49.94% Shares):		
Opening Balance	-	-
Paid during the Period	-	40,110,217
Realized during the Period	(18,324,264)	(40,110,217)
Closing Balance (Payable)	(18,324,264)	-
B. Others:		
Square InformatiX Ltd. (Service Provider):		
Opening Balance	-	-
Paid during the Period	-	25,854,333
Realized during the Period	-	(25,854,333)
Closing Balance (Receivable)	-	-
Square Securities Management Ltd. (Port Folio Management):		
Opening Balance	373,879,860	160,545,334
Paid during the Period	132,420,566	517,850,469
Realized during the Period	(197,654,766)	(53,005,777)
Closing Balance (Receivable)	308,645,660	625,390,026
Pharma Packages (Pvt.) Ltd. (Supplier):		
Opening Balance	13,692,778	52,600,036
Paid during the Period	84,064,983	174,741,991
Realized during the Period	(100,000,000)	(118,144,891)
Closing Balance (Receivable)	(2,242,239)	109,197,136
AEGIS Services Ltd. (Service Provider):		
Opening Balance	-	-
Paid during the Period	-	11,824,401
Realized during the Period	-	(11,824,401)
Closing Balance (Receivable)	-	-

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF FINANCIAL POSITION (Unaudited)

As at 30 September 2022

Particulars	Notes	30-Sep-22	30-Jun-22
		Taka	Taka
ASSETS			
Non-Current Assets			
		35,027,950,304	34,786,763,350
Property, Plant and Equipment	2	23,227,758,798	22,861,293,922
Investment in Subsidiaries and Associates	3	2,572,322,483	2,572,322,483
Investment in Marketable Securities	4	4,365,897,694	4,346,770,865
Long Term Investment - Others	5	4,861,971,329	5,006,376,080
Current Assets			
		68,658,724,229	62,748,423,516
Inventories	6	7,906,163,567	8,176,775,798
Trade and Other Receivables	7	3,843,230,820	3,395,080,462
Advances, Deposits and Prepayments	8	2,580,365,419	2,272,165,190
Cash and Cash Equivalents	9	54,328,964,423	48,904,402,066
TOTAL ASSETS		103,686,674,533	97,535,186,866
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
		97,951,392,268	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	713,181,536	830,615,740
Retained Earnings	11	86,232,357,432	81,170,886,049
Non-Current Liabilities			
		1,144,539,076	1,178,740,290
Deferred Tax Liabilities	12	1,144,539,076	1,178,740,290
Current Liabilities			
		4,590,743,190	3,349,091,486
Trade Payables		838,994,361	636,003,309
Other Payables	13	2,129,182,680	1,491,412,802
Income Tax Payable	14	1,452,942,223	911,504,873
Accrued Expenses	15	42,373,869	180,534,472
Unclaimed Dividend		127,250,057	129,636,029
TOTAL LIABILITIES		5,735,282,266	4,527,831,776
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		103,686,674,533	97,535,186,866
Net Assets Value (NAV) per Share	24	110.50	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/-
Md. 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 1st Quarter Ended 30 September 2022

Particulars	Notes	July'22 - Sept'22	July'21 - Sept'21
		Taka	Taka
Gross Revenue	16	18,813,280,078	17,417,537,149
Less: Value Added Tax		2,743,651,781	2,540,676,024
Net Revenue		16,069,628,297	14,876,861,125
Cost of Goods Sold	17	(7,782,604,676)	(7,263,066,871)
Gross Profit		8,287,023,621	7,613,794,254
Operating Expenses:		(2,900,063,905)	(2,484,382,722)
Selling and Distribution Expenses	18	(2,609,458,904)	(2,227,930,097)
Administrative Expenses	19	(290,605,001)	(256,430,411)
Finance Cost		-	(22,214)
Other Operating Income	20	457,349,689	50,268,691
Profit from Operations		5,844,309,404	5,179,680,223
Other Income	21	965,067,629	951,534,352
Profit before WPPF & WF		6,809,377,034	6,131,214,575
Allocation for WPPF & WF		(324,256,049)	(291,962,599)
Profit before Tax		6,485,120,985	5,839,251,976
Income Tax Expenses:	22	(1,423,649,602)	(1,255,621,179)
Current Tax (Expense)		(1,444,802,572)	(1,264,897,161)
Deferred Tax (Expense)/Income		21,152,969	9,275,982
Net Profit after Tax		5,061,471,382	4,583,630,797
Other Comprehensive Income:			
Unrealised Gain/(Loss) on FVOCI Financial Assets		(117,434,204)	485,330,697
Unrealised Gain/(Loss) during the Period	23	(130,482,449)	488,964,447
Deferred Tax (Expense)/Income	12.2	13,048,245	(3,633,750)
Total Comprehensive Income for the Period		4,944,037,178	5,068,961,494
Earnings Per Share (EPS)	25	5.71	5.17

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/-
Md. Zahangir Alam
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF CHANGES IN EQUITY (Unaudited)

For the 1st Quarter Ended 30 September 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	-	-	-	-	5,061,471,382	5,061,471,382
Other Comprehensive Income (Net of Tax)	-	-	-	(117,434,204)	-	(117,434,204)
As At 30 September 2022	8,864,510,100	2,035,465,000	105,878,200	713,181,536	86,232,357,432	97,951,392,268

For the 1st Quarter Ended 30 September 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	-	-	-	-	4,583,630,797	4,583,630,797
Other Comprehensive Income (Net of Tax)	-	-	-	485,330,697	-	485,330,697
As At 30 September 2021	8,864,510,100	2,035,465,000	105,878,200	1,624,956,841	74,655,726,303	87,286,536,444

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/-
Md. Zahangir Alam
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF CASH FLOWS (Unaudited)

For the 1st Quarter Ended 30 September 2022

Particulars	Notes	July'22 - Sept'22	July'21 - Sept'21
		Taka	Taka
Cash Flows Generated from/(Used in) Operating Activities:			
Receipts from Customers		19,010,992,309	17,942,029,629
Receipts from Others		96,966,130	20,054,692
Payments to Suppliers		(5,530,504,498)	(4,742,087,648)
Payments for Manufacturing and Operating Expenses		(5,048,520,319)	(3,849,653,482)
Payment of Value Added Tax		(2,743,651,781)	(2,540,676,024)
Cash Generated from Operating Activities		5,785,281,840	6,829,667,167
Interest Paid		-	(22,214)
Payment of Income Tax		(703,365,221)	(862,342,259)
Others		9,518,102	7,160,396
Net Cash Generated from Operating Activities		5,091,434,721	5,974,463,090
Cash Flows from/(Used in) Investing Activities:			
Acquisition of Property, Plant and Equipment		(831,119,505)	(1,071,905,598)
Long Term Investment		144,404,751	(892,727,273)
Investment in Marketable Securities		(65,230,962)	464,849,963
Interest Received		702,838,783	685,194,952
Dividend Received		24,236,982	25,855,922
Net Cash Used in Investing Activities		(24,869,951)	(788,732,035)
Cash Flows from/(Used in) Financing Activities:			
Payment of Dividend		(2,385,972)	(271,760,074)
Net Cash Used in Financing Activities		(2,385,972)	(271,760,074)
Net Increase/(Decrease) in Cash and Cash Equivalents		5,064,178,798	4,913,970,981
Net Effect of Foreign Exchange Fluctuation on Cash and Cash Equivalent		360,383,559	30,213,999
Cash and Cash Equivalents at Beginning		48,904,402,066	43,354,969,418
Cash and Cash Equivalents at Closing		54,328,964,423	48,299,154,398
Net Operating Cash Flow (NOCF) per Share	26	6.53	6.74

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/-
Md. Zahangir Alam
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE PHARMACEUTICALS LTD.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (Unaudited)

For the 1st Quarter Ended 30 September 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 1st Quarter ended on September 30, 2022 (here after 'the interim period'). These are prepared in accordance with International Accounting Standard (IAS) 34 - 'Interim Financial Reporting'. These financial statements should be read in conjunction with the 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 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 expenses, assets, liabilities and disclosure of contingent liabilities at the date of the Interim Financial Statements. If in the future such estimates 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 disposed at the date of financial reporting. But at present, the management has no intention to dispose these assets. Therefore, it is not 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.

2. Property, Plant and Equipment: Tk. 23,227,758,798

	<u>30-Sep-22</u>	<u>30-Jun-22</u>
Cost:		
Opening Balance	43,719,669,981	41,570,311,740
Addition during the Period	520,938,957	2,408,952,601
	<u>44,240,608,937</u>	<u>43,979,264,341</u>
Sale/Transfer during the Period	-	(259,594,360)
Closing Balance	Tk. 44,240,608,937	43,719,669,981
Accumulated Depreciation:		
Opening Balance	23,446,178,095	21,793,391,083
Charged during the Period	450,643,627	1,835,173,760
	<u>23,896,821,723</u>	<u>23,628,564,843</u>
Sale/Transfer during the Period	-	(182,386,748)
Closing Balance	Tk. 23,896,821,723	23,446,178,095
Net Book Value as at 30 September 2022	20,343,787,214	20,273,491,886
Property, Plant and Equipment in Transit (Note - 2.1)	564,364,805	521,564,753
Building under Construction (Note - 2.2)	2,319,606,779	2,066,237,283
Written Down Value	Tk. 23,227,758,798	22,861,293,922

2.1 Property, Plant and Equipment in Transit: Tk. 564,364,805

Opening Balance	521,564,753	646,809,312
Addition during the Year	413,860,486	1,271,900,734
	<u>935,425,238</u>	<u>1,918,710,046</u>
Transfer during the Year	(371,060,434)	(1,397,145,293)
Closing Balance	Tk. 564,364,805	521,564,753

2.2 Building under Construction: Tk. 2,319,606,779

Opening Balance	2,066,237,283	1,345,864,835
Addition during the Year	253,369,497	1,280,219,869
	<u>2,319,606,779</u>	<u>2,626,084,704</u>
Transfer during the Year	-	(559,847,421)
Closing Balance	Tk. 2,319,606,779	2,066,237,283

	<u>30-Sep-22</u>	<u>30-Jun-22</u>		
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		
Tk.	<u>1,985,242,688</u>	<u>1,985,242,688</u>		
Associates:				
(a) Square Textiles Ltd. (91,436,679 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		
Tk.	<u>587,079,795</u>	<u>587,079,795</u>		
Tk.	<u>2,572,322,483</u>	<u>2,572,322,483</u>		
4. Investment in Marketable Securities: Tk. 4,365,897,694				
	2022-2023 (Jul'22-Sept'22)	2021-2022 (Jul'21-Jun'22)		
Particulars	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	197,651,528	151,547,395	627,115,212	562,894,183
Sold during the Period	(48,042,250)	(132,420,566)	(511,039,277)	(840,455,024)
Closing Balance Tk.	<u>3,573,473,765</u>	<u>4,365,897,694</u>	<u>3,423,864,487</u>	<u>4,346,770,865</u>
5. Long Term Investment - Others: Tk. 4,861,971,329				
(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		
(c) 8 Non-Convertible Zero Coupon Bonds in Envoy Textiles Ltd.	10,907,299	10,907,299		
(d) 400 Non-Convertible Zero Coupon Bonds in Brac Bank Ltd.	402,509,850	402,509,850		
(e) 415 Non-Convertible Zero Coupon Bonds in LankaBangla Finance Ltd.	360,363,204	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		
(h) 200 Non-Convertible Subordinated Bonds in Mutual Trust Bank Ltd.	2,000,000,000	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		
Tk.	<u>4,861,971,329</u>	<u>5,006,376,080</u>		
6. Inventories: Tk. 7,906,163,567				
Raw Materials	2,624,379,108	2,707,894,958		
Packing Materials	868,491,965	856,951,586		
Work-in-Process	450,365,440	446,012,445		
Finished Goods	2,474,271,798	2,549,985,110		
Spares & Accessories	869,960,061	846,188,354		
Goods- in-Transit	618,695,196	769,743,345		
Tk.	<u>7,906,163,567</u>	<u>8,176,775,798</u>		
7. Trade and Other Receivables: Tk. 3,843,230,820				
Trade Receivables	2,158,510,373	2,159,066,716		
Other Receivables (Note-7.1)	1,684,720,447	1,236,013,746		
Tk.	<u>3,843,230,820</u>	<u>3,395,080,462</u>		
7.1 Other Receivables: Tk. 1,684,720,447				
Interest Receivable from Fixed Deposit Receipts	1,460,345,956	1,132,982,469		
Interest Receivable from Short Notice Deposit	104,933,738	-		
Gain against Zero Coupon Bonds (Receivable)	71,534,722	50,278,415		
Interest Receivable from Subordinated Bonds	47,906,031	52,752,862		
Tk.	<u>1,684,720,447</u>	<u>1,236,013,746</u>		
8. Advances, Deposits and Prepayments: Tk. 2,580,365,419				
Advances:	1,877,516,178	1,365,021,194		
Employees	278,785,974	304,433,010		
Land Purchase	28,215,677	14,204,677		
Advance Income Tax	-	200,000,000		
Suppliers	1,570,514,527	846,383,507		
Deposits:	661,793,719	854,123,950		
Value Added Tax	276,315,237	473,471,125		
Earnest Money & Security Deposit	361,493,175	371,011,277		
Others	23,985,307	9,641,548		
Prepayments:	41,055,522	53,020,046		
Office Rent	5,761,002	6,132,743		
Insurance Premium	35,294,520	46,887,303		
Tk.	<u>2,580,365,419</u>	<u>2,272,165,190</u>		

	<u>30-Sep-22</u>	<u>30-Jun-22</u>
9. Cash and Cash Equivalents: Tk. 54,328,964,423		
(a) Cash in Hand	119,979,110	5,686,111
(b) Cash at Bank:	54,208,985,313	48,898,715,955
* Current Accounts	392,488,782	693,577,697
* STD Accounts	4,133,559,662	1,812,598,384
* Fixed Deposit Accounts (BDT)	46,814,358,059	41,528,858,059
* Fixed Deposit Accounts (held in USD)	2,519,302,636	4,543,883,326
* Export Retention Quota Accounts (held in USD)	274,274,075	249,682,906
* Margin Held Accounts (held in USD)	21,175,604	14,162,725
* Dividend Account	53,826,495	55,952,858
Tk.	54,328,964,423	48,904,402,066
10. Fair Value Reserve: Tk. 713,181,536		
Opening Balance	830,615,740	1,139,626,144
Add: Unrealised Gain/(Loss) on Marketable Securities for the Period (Note - 23)	(130,482,449)	(393,636,776)
Less: Deferred tax (Expense)/Income (Note - 12.2)	13,048,245	84,626,372
Closing Balance	713,181,536	830,615,740
11. Retained Earnings: Tk. 86,232,357,432		
Opening Balance	81,170,886,049	70,072,095,506
Add: Net Profit/(Loss) for the Period	5,061,471,382	16,417,496,603
Less: Cash Dividend	-	(5,318,706,060)
Closing Balance	86,232,357,432	81,170,886,049
12. Deferred Tax Liabilities: Tk. 1,144,539,076		
Deferred Tax - Property, Plant and Equipment (Note - 12.1)	1,065,296,683	1,086,449,652
Deferred Tax - FVOCI Financial Assets (Note - 12.2)	79,242,393	92,290,638
Tk.	1,144,539,076	1,178,740,290
12.1 Deferred Tax - Property, Plant and Equipment: Tk. 1,065,296,683		
A. Property, plant and equipment excluding cost of Land (Carrying Amount)	13,833,556,581	13,902,912,754
B. Property, plant and equipment excluding cost of Land (Tax Base)	9,098,904,656	9,074,247,632
C. Taxable/(Deductible) Temporary Difference (A-B)	4,734,651,925	4,828,665,122
D. Tax Rate	22.50%	22.50%
E. Deferred Tax Liabilities as on September 30, 2022 (C*D)	1,065,296,683	1,086,449,652
F. Deferred Tax Liabilities as on June 30, 2022	1,086,449,652	1,097,936,007
Current Period's Deferred Tax Expense/(Income) (E-F)	(21,152,969)	(11,486,354)
12.2 Deferred Tax - FVOCI Financial Assets: Tk. 79,242,393		
A. FVOCI Financial Assets - Carrying Amount	4,365,897,694	4,346,770,865
B. FVOCI Financial Assets - Tax Base	3,573,473,765	3,423,864,487
C. Taxable/(Deductible) Temporary Difference (A-B)	792,423,929	922,906,378
D. Tax Rate	10%	10%
E. Deferred Tax Liabilities as on September 30, 2022 (C*D)	79,242,393	92,290,638
F. Deferred Tax Liabilities as on June 30, 2022	92,290,638	176,917,010
Current Period's Deferred Tax Expense/(Income) (E-F)	(13,048,245)	(84,626,372)
13. Other Payables: Tk. 2,129,182,680		
Sundry Creditors	437,408,177	414,609,766
Income Tax (Deduction at Source)	14,042,994	16,825,193
Retention Money	7,154,315	8,749,849
Unearned Revenue	295,093,151	-
Workers' Profit Participation Fund and Welfare Fund	1,375,484,043	1,051,227,994
Tk.	2,129,182,680	1,491,412,802
14. Income Tax Payable: Tk. 1,452,942,223		
Opening balance	911,504,873	572,675,072
Provision made for the Period	1,444,802,572	4,618,549,626
Tax Paid (Including Advance Income Tax) during the Period	(903,365,221)	(4,279,719,825)
Tk.	1,452,942,223	911,504,873
15. Accrued Expenses: Tk. 42,373,869		
Accrued Expenses	41,683,869	179,844,472
Audit Fees	690,000	690,000
Tk.	42,373,869	180,534,472

	2022-2023 (July'22-Sept'22)	2021-2022 (July'21-Sept'21)
16. Gross Revenue: Tk. 18,813,280,078		
Revenue from Local Sales	18,355,268,028	16,986,416,289
Revenue from Export Sales - Equivalent to US \$ 4,899,116 (Jul'21-Sept'21: US \$ 5,129,338)	458,012,051	431,120,860
Tk.	18,813,280,078	17,417,537,149
17. Cost of Goods Sold: Tk. 7,782,604,676		
Materials	6,013,535,728	5,576,637,296
Factory Overhead (Note - 17.1)	1,769,068,948	1,686,429,575
Tk.	7,782,604,676	7,263,066,871
17.1 Factory Overhead: Tk. 1,769,068,948		
Salaries, Allowances and Wages	653,061,156	610,927,695
Factory Employees Free Lunch	36,520,508	33,481,668
Factory Staff Uniform	21,114,032	20,011,782
Travelling & Conveyance	13,334,933	12,477,323
Printing & Stationery	15,929,700	14,311,925
Postage, Telephone & Fax	2,143,865	1,735,189
Repairs & Maintenance	268,108,172	265,730,730
Laboratory Consumable Stores	104,985,504	96,081,144
Fuel, Petrol, Light Diesel etc.	17,867,267	16,850,375
Electricity, Gas & Water	148,711,497	138,660,556
Rental Expense	519,725	334,584
Municipal & Other Tax	1,852,246	3,820,887
Insurance Premium	5,909,640	5,440,088
Factory Sanitation Expenses	21,555,057	25,015,675
Depreciation	372,908,821	368,892,736
Security Services	13,254,954	15,953,703
Research & Development	45,469,394	37,882,843
Software & Hardware Support Services	16,988,250	11,279,733
Toll Charges	8,458,101	6,834,225
Other Expenses	376,126	706,714
Tk.	1,769,068,948	1,686,429,575
18. Selling and Distribution Expenses: Tk. 2,609,458,904		
Salaries and Allowances	366,425,451	338,605,417
Travelling and Conveyance	32,008,853	29,453,662
Printing and Stationery	20,159,367	18,860,421
Postage, Telephone, Fax & Telex	14,411,323	13,148,204
Electricity, Gas and Water	7,876,881	7,891,764
Office and Godown Rent	6,946,568	6,391,147
Repairs and Maintenance including car maintenance	113,169,453	104,415,855
Govt. Taxes and License Fees	14,636,915	9,233,187
Field Staff Salaries, Allowances, TA and DA	700,234,912	638,696,297
Marketing and Sales Promotional Expenses	506,638,147	317,133,574
Event, Programs and Conference	19,490,558	14,898,711
Delivery and Packing Expenses	41,573,209	44,850,215
Literature and Publications	13,921,162	10,815,278
Export Expenses	51,764,072	35,377,107
Special Discount	493,056,429	456,305,651
Security Services	22,564,164	21,134,017
Depreciation	54,381,585	48,692,668
Research and Product Development	3,096,799	2,356,875
Other Expenses	127,103,056	109,670,047
Tk.	2,609,458,904	2,227,930,097
19. Administrative Expenses: Tk. 290,605,001		
Salaries and Allowances	124,805,364	115,189,551
Directors' Remuneration	21,245,000	17,096,667
Travelling and Conveyance	16,909,740	9,598,974
Printing and Stationery	1,695,983	1,517,942
Postage, Telephone & Internet	2,525,963	2,043,628
Electricity, Gas & Water	5,919,077	4,574,760
Tiffin and Refreshment	13,059,811	11,830,576
Repairs and Maintenance	45,226,644	39,572,085
Bank Charges	2,097,207	2,414,635
Insurance Premium	5,222,415	4,551,188
Govt. Taxes, Stamp Duty & License Fee	2,906,092	3,453,168
Security Services	11,309,580	10,082,525
Legal Charges	335,750	309,250
Depreciation	23,353,221	24,845,613
Software & Hardware Support Services	2,105,373	33,024
Other Expenses	11,887,781	9,316,825
Tk.	290,605,001	256,430,411

	2022-2023 (July'22-Sept'22)	2021-2022 (July'21-Sept'21)
20. Other Operating Income: Tk. 457,349,689		
Rental Income	3,244,690	29,999
Sale of Scrap	25,493,677	17,072,683
Foreign Exchange Gain*	398,604,822	30,493,008
Cash Incentive Received against Export	25,254,000	2,673,000
Technology Transfer fees	4,752,500	-
Tk.	457,349,689	50,268,691

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

21. Other Income: Tk. 965,067,629		
Interest from Deposits	659,097,431	659,886,225
Interest from Short Notice Deposits	104,933,738	-
Interest from Subordinated Bonds	65,569,607	58,495,383
Dividend Income	24,236,982	25,855,922
Gain on Redemption of Zero Coupon Bond	26,851,556	790,117
Gain on Marketable Securities (Realized)	84,378,316	206,506,705
Tk.	965,067,629	951,534,352
22. Income Tax Expenses: Tk. 1,423,649,602		
Current Tax Expense	1,444,802,572	1,264,897,161
Deferred Tax Expense / (Income)	(21,152,969)	(9,275,982)
Tk.	1,423,649,602	1,255,621,179

22.1 Reconciliation of Effective Tax Rate:

Particulars	July'22-Sept'22		July'21-Sept'21	
	%	Taka	%	Taka
Profit before Tax		6,485,120,985		5,839,251,976
Income Tax using Corporate Tax Rate	22.50%	1,459,152,222	22.50%	1,313,831,695
Effect of Tax Exempted Income	-0.09%	(6,041,600)	-0.38%	(22,140,672)
Effect of Lower Tax Rate	-0.45%	(29,461,019)	-0.46%	(26,793,861)
	21.95%	1,423,649,602	21.66%	1,264,897,161
Effect of Deferred Tax	0.00%	-	-0.16%	(9,275,982)
	21.95%	1,423,649,602	21.50%	1,255,621,179

23. Unrealised Gain/(Loss) on FVOCI Financial Assets: Tk. (130,482,449)		
Closing Unrealised Gain/(Loss)	792,423,929	1,805,507,601
Less: Opening Unrealised Gain/(Loss)	922,906,378	1,316,543,154
Tk.	(130,482,449)	488,964,447
24. Net Asset Value (NAV) per Share: Tk. 110.50		
Equity attributable to the Ordinary Shareholders	97,951,392,268	93,007,355,089
Number of Shares outstanding during the Period	886,451,010	886,451,010
Net Asset Value (NAV) per Share	110.50	104.92
25. Earnings per Share (EPS): Tk. 5.71		
Net Profit after Tax attributable to Shareholders	5,061,471,382	4,583,630,797
Number of Shares outstanding during the Period	886,451,010	886,451,010
Earnings per Share (EPS)	5.71	5.17

** 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.

26. Net Operating Cash Flow (NOCF) per Share: Tk. 6.53		
Net Cash Generated from Operating Activities	5,785,281,840	5,974,463,090
Number of Shares outstanding during the Period	886,451,010	886,451,010
Net Operating Cash Flow (NOCF) per Share	6.53	6.74

** The growth in our business volume and efficient utilization of working capital resulted in increased Net Operating Cash Flows Per Share.

	2022-2023 (July'22-Sept'22)	2021-2022 (July'21-Sept'21)
26.1 Reconciliation of Net Profit with Cash Flows Generated from Operating Activities:		
Profit before Tax	5,061,471,382	4,583,630,797
Adjustments for:		
Non-Cash Income/Expenses:	69,107,099	402,941,036
Depreciation	450,643,627	442,431,017
Exchange Rate Fluctuation	(360,383,559)	(30,213,999)
Deferred Tax	(21,152,969)	(9,275,982)
Non-Operating Items:	(965,067,629)	(951,534,352)
Interest from Deposits	(659,097,431)	(659,886,225)
Interest from Short Notice Deposits	(104,933,738)	-
Interest from Subordinated Bonds	(65,569,607)	(58,495,383)
Dividend Income	(24,236,982)	(25,855,922)
Gain on Redemption of Zero Coupon Bond	(26,851,556)	(790,117)
Gain on Marketable Securities (Realized)	(84,378,316)	(206,506,705)
Changes in Working Capital:	925,923,869	1,939,425,609
(Increase)/Decrease in Inventories	270,612,231	768,105,175
(Increase)/Decrease in Trade Receivables	556,343	43,452,515
(Increase)/Decrease in Advances, Deposits and Prepayments	(294,189,229)	462,294,278
Increase/(Decrease) in Trade Payables	202,991,051	34,331,519
Increase/(Decrease) in Other Payables	342,676,726	322,698,891
Increase/(Decrease) in Provision for Income Tax	541,437,351	402,554,902
Increase/(Decrease) in Accrued Expenses	(138,160,603)	(94,011,671)
Net Cash Generated from Operating Activities	Tk. 5,091,434,721	5,974,463,090

27. CONTINGENT LIABILITIES:

- Liabilities for at Sight Letter of Credits as of 30 September 2022 was Tk. 4,557,284,721.
- 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. 99,224,808	103,257,420
Post-Employment Benefits	Tk. 7,144,600	2,740,220
Other Long-Term Benefits		-
Termination Benefits		-
Share-Based Payment		-

28.2 Transaction with Other Related parties:

A. Associates:

Square Fashions Ltd. (48.63% share):

Opening Balance	-	-
Paid during the Period	-	129,205,534
Realized during the Period	-	(129,205,534)
Closing Balance	Tk. -	-

Square Hospitals Ltd. (49.94% share):

Opening Balance	-	-
Paid during the Period	-	40,110,217
Realized during the Period	(18,324,264)	(40,110,217)
Closing Balance	Tk. (18,324,264)	-

B. Subsidiaries:

Square Lifesciences Ltd. (99.95% share):

Opening Balance	653,757,206	-
Paid during the Period	684,736,329	-
Realized during the Period	-	-
Closing Balance (Receivable)	Tk. 1,338,493,535	-

	2022-2023 (July'22-Sept'22)	2021-2022 (July'21-Sept'21)
C. Others:		
Square InformatiX Ltd. (Service Provider):		
Opening Balance	-	-
Paid during the Period	-	25,854,333
Realized during the Period	-	(25,854,333)
Closing Balance	-	-
Tk.	-	-
Square Securities Management Ltd. (Portfolio Manager):		
Opening Balance	373,879,860	160,545,334
Paid during the Period	132,420,566	517,850,469
Realized during the Period	(197,654,766)	(53,005,777)
Closing Balance (Receivable)	308,645,660	625,390,026
Tk.	308,645,660	625,390,026
Pharma Packages (Pvt.) Ltd. (Supplier):		
Opening Balance	13,692,778	52,600,036
Paid during the Period	84,064,983	174,741,991
Realized during the Period	(100,000,000)	(118,144,891)
Closing Balance (Receivable)	(2,242,239)	109,197,136
Tk.	(2,242,239)	109,197,136
AEGIS Services Ltd. (Service Provider):		
Opening Balance	-	-
Paid during the Period	-	11,824,401
Realized during the Period	-	(11,824,401)
Closing Balance (Receivable)	-	-
Tk.	-	-