FINANCIAL STATEMENTS (Un-Audited)

For the 1st quarter ended 30th September, 2018

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

Tanin Center, 3 Asad Gate, Mirpur Road, Mohammadpur,

Dhaka-1207, Bangladesh.

AMAR STOCK

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
Tanin Center, 3 Asad Gate, Mirpur Road, Mohammadpur, Dhaka-1207

As per requirements of the Securitties & Exchange commission's (SEC) Notification No.SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009, The IBN SINA Pharmaceutical Industry Ltd. is pleased to submit the un-audited Statement of Financial Position for the three months period ended 30th September, 2018.

STATEMENT OF FINANCIAL POSITION (Un-Audited)
As at 30th September, 2018

Amount in Taka

	Notes	As at 30.09.2018	As at 30.06.2018
ASSETS:			
Non-Current Assets:		**1,671,680,921**	**1,581,974,696**
Property,Plant and Equipment	02	1,479,288,478	1,409,800,123
Capital work-in-progress		173,281,598	152,905,372
Investment in Marketable Securities (AFS)	03	4,257,225	4,415,580
Investment in associate	03.1	14,853,620	14,853,620
Current Assets :		**889,046,769**	**859,761,961**
Inventories	04	486,770,468	465,017,832
Accounts Receivable		19,527,366	18,050,445
Advances, Deposits & Prepayments	05	210,192,993	206,679,519
Cash & Cash Equivalents	06	172,555,943	170,014,165
TOTAL ASSETS		**2,560,727,690**	**2,441,736,657**
SHAREHOLDERS' EQUITY AND LIABILITIES:			
Shareholders' Equity:		**1,303,216,735**	**1,227,208,578**
Share Capital		284,032,980	284,032,980
Net Gain on Marketable Securities (AFS)	03	(299,497)	(156,978)
Tax Holiday Reserve		4,392,110	4,392,110
Retained Earnings	07	1,015,091,142	938,940,466
Non-Current Liabilities	08	**106,427,433**	**98,498,291**
Deferred Tax Liability	09	**54,367,409**	**53,493,557**
Current Liabilities:		**1,096,716,113**	**1,062,536,232**
Bank Finance	10	559,878,552	566,809,243
Accounts and Other Payables	11	536,837,561	495,726,989
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**2,560,727,690**	**2,441,736,657**
Net Asset Value (NAV) per share		**45.88**	**43.21**

Chief Financial Officer | **Company Secretary** | **Director, Finance**

Dated, Dhaka
November 6, 2018

Managing Director | **Chairman**

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Un-Audited)
For the 1st quarter ended 30th September, 2018

	Notes	Amount in Taka	
		From 1st Jul'18 to 30th Sept'18	From 1st Jul'17 to 30th Sept'17
Revenue		1,325,315,796	1,235,411,188
Cost of goods sold	12.	(778,489,840)	(733,815,468)
Gross Profit		**546,825,956**	**501,595,720**
Operating Expenses:			
Administrative expenses	13.	(29,786,319)	(29,137,124)
Selling & Distribution expenses	14.	(406,859,796)	(379,464,755)
		(436,646,114)	(408,601,879)
Operating Profit		**110,179,842**	**92,993,841**
Finance Charges		(3,352,460)	(7,509,749)
		106,827,382	**85,484,092**
Other Income		50,760	50,151
		106,878,142	**85,534,243**
Workers' P.P. Fund & Welfare Fund		(5,343,907)	(4,276,712)
Net Profit before tax		**101,534,235**	**81,257,531**
Income tax expenses			
Current tax		(24,493,871)	(19,622,547)
Deferred tax	09.1	(889,688)	128,912
		(25,383,559)	(19,493,635)
Net Profit after tax		**76,150,676**	**61,763,896**
Other Comprehensive Income:			
Change in fair value of Marketable Securities (AFS)	03	(158,355)	25,318,410
Deferred tax		15,835	(2,531,841)
Total other comprehensive income for the period, net of tax		(142,519)	22,786,569
Total other comprehensive income for the period		**76,008,157**	**84,550,465**
Earnings per share-basic (Adjusted EPS of 2017-2018)		**2.68**	**2.17**

Chief Financial Officer | **Company Secretary** | **Director, Finance**

Managing Director | **Chairman**

Dated, Dhaka
November 6, 2018

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF CHANGES IN EQUITY (Un-Audited)
For the 1st quarter ended 30th September, 2018

Amount in Taka

Particulars	Paid up Capital	Tax Holiday Reserve	Gain on Marketable Securities (unreatized)	Retained Earnings	Total
Balance as at 1st July, 2017	**258,211,800**	**4,392,110**	**289,485,578**	**552,873,744**	**1,104,963,232**
Reclassification adjustment			**(289,485,578)**	**24,144,138**	(265,341,440)
Statement of profit or loss and other comprehensive Income			(156,978)	452,296,714	452,139,736
Dividend for the year 30 June, 2016-17 (Cash-25%)				(64,552,950)	(64,552,950)
Dividend for the year 30 June, 2016-17 (Stock-10%)	25,821,180			(25,821,180)	-
Balance as at 1st July, 2018	**284,032,980**	**4,392,110**	**(156,978)**	**938,940,466**	**1,227,208,578**
Statement of profit or loss and other Comprehensive Income for period ended 30th September, 2018			(142,519)	76,150,676	76,008,157
Balance as at 30th September, 2018	**284,032,980**	**4,392,110**	**(299,497)**	**1,015,091,142**	**1,303,216,735**

Chief Financial Officer | **Company Secretary** | **Director, Finance**

Managing Director | **Chairman**

Dated, Dhaka
November 6, 2018

AMAR STOCK

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF CASH FLOWS (Un-Audited)
For the 1st quarter ended 30th September, 2018

	Amount in Taka	
	From 1st Jul'18 to 30th Sept'18	**From 1st Jul'17 to 30th Sept'17**
Cash Flow From Operating Activities:		
Collection from customers & others	1,323,788,115	1,235,146,851
Payment for cost & expenses	(1,176,559,126)	(1,089,494,406)
Income tax paid	(14,224,952)	(9,666,764)
Financial charges	(3,352,460)	(7,509,749)
Miscellaneous income	50,760	50,151
Net cash flows from operating activities	**129,702,337**	**128,526,083**
Cash Flow From Investing Activities:		
Purchase of fixed assets	(119,144,655)	(183,057,139)
Net cash used in investing activities	**(119,144,655)**	**(183,057,139)**
Cash Flow From Financing Activities:		
Dividend received/(paid)	(409,470)	(507,043)
Long term finance received/(paid) from bank (net)	118,444	111,407,826
Short term finance received/(paid) from bank (net)	(6,930,691)	(77,463,872)
Net cash flow from financing activities	**(7,221,716)**	**33,436,911**
Increase/(decrease) in cash and cash equivalents	3,335,966	(21,094,145)
Cash and cash equivalents at the opening	170,014,165	197,423,176
Effect of movements in exchange rates on cash held	(794,189)	(253,210)
Cash and cash equivalents at the closing	**172,555,943**	**176,075,821**
Net Operating cash flow per share (NOCFPS) (adjusted-2017-18)	**4.57**	**4.53**

Chief Financial Officer **Company Secretary** **Director, Finance**

Managing Director **Chairman**

Dated, Dhaka
November 6, 2018

The details of the published 1st quarter financial statements is available in our web-side.
www.ibnsinapharma.com

Selected Explanatory Notes:

01. (a) Basis of Preparation of Financial Statements:

These financial Statements have been prepared in line with the accounting policies and methods of computations of the periodic financial statements prepared and published for the year ended 30th June 2018. These interim financial statements includes only selected explanatory notes as deemed appropriate for understanding of these un-audited financial statements.

01. (b) Reporting:

This 1st quarterly fianacial report has been prepared based on International Accounting Statement (IAS)-34 "Interim Financial Reporting".

01. (c) Earnings Per Share (EPS):

Earnings per share has been calculated based on number of shares outstanding for the period ended September 30, 2018 and profit for the same period. The number of shares outstanding for the period was 28.40 million. Earnings per share for the corresponding period of 2017 has also been calculated based on 28.40 million shares. No diluted earnings per share is required to be calculated as there was no scope for dilution during the period under review.

01. (d) Subsequent events:

No Material events occured after the reporting date, non disclosure of which could affect the stakeholders to make proper valuation and decision.

01.(e) Finance charge:

Long term loan balance was Tk.92,453,870.00 and 548,788,853.00 on 30 September 2018 and 30 September 2017 respectively. Finance charge during the reporting period decreased due to decrease of long term loan.

01.(f) Cash Flow From Investing Activities:

Cash flow from investing activities decreased during the reporting period due to less payment made for purchases of fixed assets than the same period of last year.

Previous period figures have been re-arranged to conform to current period's presentation, where considered necessary.

	Amount in Taka	
	As at 30.09.2018	**As at 30.06.2018**
02. PROPERTY, PLAND AND EQUIPMENT		
Cost/Revaluation		
Opening balance	2,006,554,755	1,606,348,997
Addition during the period/year	98,768,429	406,328,044
Disposal/Adjustment during the period/ year	-	(6,122,286)
	2,105,323,185	2,006,554,756
Accumulated Depreciation		
Opening balance	596,754,632	490,016,499
Charged during the period/year	29,280,075	112,239,130
Disposal/Adjustment during the period/ year	-	(5,500,997)
	626,034,707	596,754,632
Written Down Value (WDV)	**1,479,288,478**	**1,409,800,123**
02.1 Capital work-in-progress		
Opening balance	152,905,372	26,614,186
Add: Addition during the year		
Building-Construction work in progress	6,319,085	18,162,372
Machinery in transit	14,057,141	108,128,815
	173,281,598	**152,905,372**

03. INVESTMENT OF MARKETABLE SECURITIES (FAIR VALUE): 30.09.2018

Sl. No.	Name of Company Bond	No. of Bond Held	Face Value Per Bond	Cost of Holding	Average Cost	Quoted Rate Per Bond as on 30.09.18	Total Market value of Bond as on 30.09.18	Unrealized Gain/(Loss)
1	(IBBL)-in Mudaraba Perpetual Bond (MPB)	4,590	1,000	4,590,000	1,000	927.50	4,257,225	(332,775)
	Total Tk.			**4,590,000**			**4,257,225**	**(332,775)**

	Amount in Taka	
	As at 30.09.2018	As at 30.06.2018
3.a. Net Gain/(Loss) on Marketable Securities (AFS):		
Unrealized Gain/(Loss) Position (Closing)	(332,775)	(174,420)
Defered tax on gain on marketable securities (AFS)	33,278	17,442
	(299,498)	**(156,978)**
3.b. Change in fair value of Marketable Securities (AFS):		
Unrealized Gain/(Loss) Position (Closing)	(332,775)	(174,420)
Unrealized Gain/(Loss) Position (Opening)	(174,420)	321,650,642
	(158,355)	**(321,825,062)**
03.1 INVESTMENT IN ASSOCIATE		
Opening balance	17,750,000	9,750,000
Add: Addition during the year	-	8,000,000
	17,750,000	17,750,000
Add/(less): Share of Associate profit/(loss)	(2,896,380)	(626,853)
Less: Share of associate profit/(loss)	-	(2,269,527)
IBN SINA Consumer Products Ltd.	**14,853,620**	**14,853,620**
04. INVENTORIES		
Raw materials	121,828,398	116,704,856
Packing materials	90,849,604	88,525,184
Work-in-process	55,267,094	53,384,884
Finished goods	103,516,060	97,791,850
Physicians' samples	3,004,684	2,012,359
Pad & literature	2,193,875	1,282,397
Spares & stores	199,647	104,937
Indirect materials	332,539	173,749
Printing & stationery	314,392	166,982
Laboratory chemicals	233,811	143,811
Mateial in Transit	109,030,364	104,726,823
	486,770,468	**465,017,832**
05. ADVANCES, DEPOSITS & PRE-PAYMENTS :		
This is recoverable in cash or for value to be received and consists of as follows :		
a. Advances against-		
Salary	3,595,298	3,354,298
Expenses/Works	5,992,144	5,778,044
Head office	11,661,000	11,661,000
Sales centre rent	7,863,375	8,476,125
Motor cycles - To employees	8,045,114	7,440,710
Income Tax	154,786,181	140,561,229
Others	310,124	318,874
	192,253,236	**177,590,280**
b. Deposits -		
Security money	**12,916,603**	**12,691,203**
c. Pre-payments -		
Value Added Tax (VAT)	4,839,883	16,114,765
Insurance premium	183,271	283,271
	5,023,154	**16,398,036**
	210,192,993	**206,679,519**

	Amount in Taka	
	As at 30.09.2018	As at 30.06.2018
06. CASH & CASH EQUIVALENTS:		
Cash in hand & Bank Balance	165,373,803	163,111,392
Imprest Cash	7,182,140	6,902,773
	172,555,943	**170,014,165**
07. RETAINED EARNINGS :		
Retained Earnings	938,940,466	486,643,752
Add : Surplus during the period/year	76,150,676	452,296,714
	1,015,091,142	**938,940,466**
08. NON-CURRENT LIABILITIES:		
Long Term Finance-Net off current maturity	81,364,171	81,245,727
RETIREMENT BENEFIT OBLIGATIONS	25,063,262	17,252,564
	106,427,433	**98,498,291**

09. DEFERRED TAX LIABILITY

Deferred tax assets and liabilities have been recognised and measured in accordance with the provisions of IAS/BAS 12 Income Taxes. Related deferred tax (expense)/income have been disclosed in note 9.1. The components of deferred tax assets and liabilities are given below:

Particulars	Carrying amount	Tax base value	Taxable (deductable) temporary difference	Applicable tax rate	Deferred tax liability
Property, plant and equipment	1,479,288,478	1,230,781,079	248,507,399	25%	62,126,850
Gratuity	35,970,701	5,066,048	(30,904,653)	25%	(7,726,163)
Unrealised gain on marketable securities	(332,775)	-	(332,775)	10%	(33,278)
As on 30.09.2018	**1,514,926,403**	**1,235,847,127**	**217,269,971**		**54,367,409**

Deferred Tax Calculation As on 30.06.2018

Particulars	Carrying amount	Tax base value	Taxable (deductable) temporary difference	Applicable tax rate	Deferred tax liability
Property, plant and equipment	1,409,800,123	1,172,662,174	237,137,949	25%	59,284,487
Gratuity	60,337,648	37,243,693	(23,093,955)	25%	(5,773,489)
Unrealised gain on marketable securities	(174,420)		(174,420)	10%	(17,442)
For the year 2017-18	**1,469,963,351**	**1,209,905,867**	**213,869,575**		**53,493,557**

09.1 Deferred tax (expenses)/income		
Closing balance of deferred tax liability	54,367,409	53,493,557
Opening balance of deferred tax liabilities	53,493,557	80,513,227
Total deferred tax expenses	**873,852**	**(27,019,670)**
Less: Deferred tax expenses related to other comprehensive income	(15,835)	(32,182,506)
	889,688	**5,162,836**
10. BANK FINANCE:		
Short Term Finance	548,788,853	552,022,978
Long Term Finance-Current maturity	11,089,699	14,786,265
	559,878,552	**566,809,243**
11. ACCOUNTS AND OTHER PAYABLES:		
Payable for Suppliers	179,863,201	171,872,571
Accrued Expenses	105,474,100	99,222,546
Deposits	9,741,210	8,753,025
Other Finance	68,474,100	67,087,768
Income Tax Liability	173,284,950	148,791,079
	536,837,561	**495,726,989**

	Amount in Taka	
	From 1st July'18 to 30th September'18	From 1st July'17 to 30th September'17

12. COST OF GOODS SOLD :

Materials	633,888,972	592,598,789
Factory Overhead	119,881,065	120,612,806
Depreciation	24,719,802	20,603,873
	778,489,840	**733,815,468**

i) Depreciation expense during the reporting period increased due to addition of fixed assets .

13. ADMINISTRATIVE EXPENSES :

Salary, wages & Allowances	17,674,815	16,902,108
Repairs & Maintenance	806,195	1,504,455
Travelling & Conveyance	696,781	592,613
AGM, Fees and Others	1,500	1,200
Depreciation	1,712,223	1,290,312
Other Expenses	8,894,805	8,846,436
	29,786,319	**29,137,124**

i) R & M decrease due to disposal of old vehicle which incurred high R & M expense and increasing monitoring and surpervision.
ii) Depreciation expense during the reporting period increased due to addition of fixed assets .

14. SELLING & DISTRIBUTION EXPENSES :

Salary, wages & Allowances	223,901,708	213,128,843
Travelling & Conveyance	813,111	702,097
Market Survey & Research and Product development	811,348	686,606
Field personnel expenses	53,796,883	49,082,490
Sample, Literature & Promotional Expenses	45,039,470	42,944,778
Delivery Expenses	40,478,117	35,101,755
Depreciation	2,848,050	2,129,958
Other Expenses	39,171,110	35,688,229
	406,859,796	**379,464,755**

i) Delivery expense during the reporting period increased due to increase in fuel and gas cost and vechicles rent cost.
ii) Field personnel expense increase due to increase of field personnel movement in order to increase sales.
iii) Depreciation expense during the reporting period increased due to addition of fixed assets .

Chief Financial Officer | Company Secretary | Director Finance

Managing Director | Chairman

Dated, Dhaka
November 6, 2018