ORION INFUSION LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
AS AT AND FOR SIX MONTH PERIOD ENDED 31ST DECEMBER 2018
(HALF YEARLY)

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ORION INFUSION LIMITED

CONDENSED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT 31ST DECEMBER 2018

Particulars	Amount in Taka	
	31-Dec-18	30-Jun-18
ASSETS		
Non-Current Assets:	**310,891,802**	**316,283,713**
Property, Plant & Equipment	288,462,228	293,958,171
Investments	22,429,573	22,325,542
Current Assets:	**346,306,855**	**399,237,424**
Inventories	84,744,561	101,265,827
Accounts & Other Receivables	171,782,555	202,676,686
Advances, Deposits & Prepayments	83,675,154	86,137,312
Cash and Cash Equivalents	6,104,585	9,157,599
TOTAL ASSETS	**657,198,657**	**715,521,137**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' Equity:	**244,342,795**	**255,083,168**
Share Capital	203,597,600	203,597,600
Retained Earnings	(98,319,027)	(87,848,163)
Reserves	139,064,222	139,333,731
Non-Current Liabilities:	**10,735,754**	**9,990,599**
Liabilities for Lease and Other Finance	7,902,955	4,692,477
Deferred Tax Liabilities	2,832,799	5,298,122
Current Liabilities:	**402,120,108**	**450,447,371**
Provision for Current tax	33,522,263	36,315,007
Short Term Borrowings	297,504,688	340,215,281
Trade Creditors	36,976,401	41,365,511
Accrued Expenses	34,116,756	32,551,572
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**657,198,657**	**715,521,137**
Net Asset Value (NAV)	**12.00**	**12.53**
Number of Shares used to compute NAV	**20,359,760**	**20,359,760**
Off Balance Sheet Item		
Contingent Liabilities	37,798,752	37,798,752

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
Chairman	**Managing Director**	**Director**	**Chief Financial Officer**	**Company Secretary**

ORION INFUSION LIMITED

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED 31ST DECEMBER 2018 (HALF YEARLY)

Particulars	Amount in Taka			
	01 July to 31 December 2018	01 July to 31 December 2017	01 October to 31 December 2018	01 October to 31 December 2017
Revenue	**402,293,692**	**349,219,476**	**193,197,888**	**181,320,592**
Cost of Goods Sold	(245,278,464)	(212,604,817)	(118,942,779)	(110,925,253)
Gross Profit	**157,015,228**	**136,614,659**	**74,255,109**	**70,395,339**
Operating Expenses	**(112,656,137)**	**(94,568,634)**	**(55,083,013)**	**(48,749,028)**
Administrative Expenses	(16,186,110)	(13,864,013)	(8,273,239)	(7,500,645)
Selling & Distribution Expenses	(96,470,027)	(80,704,621)	(46,809,774)	(41,248,383)
Profit from Operation	**44,359,091**	**42,046,025**	**19,172,096**	**21,646,311**
Financial Expenses	(16,440,260)	(21,131,536)	(7,374,203)	(10,320,405)
Non Operating Income / (Loss)	127,710	56,558	6,743	(60,978)
Net Profit from Operation	**28,046,541**	**20,971,046**	**11,804,636**	**11,264,928**
Workers' Profit Participation Fund	(1,335,550)	(998,621)	(562,126)	(536,425)
Net Profit Before Tax	**26,710,991**	**19,972,425**	**11,242,510**	**10,728,503**
Income Tax expense	**(4,026,699)**	**(3,895,777)**	**(965,749)**	**(2,114,999)**
Current Tax	(6,369,623)	(5,032,111)	(2,506,745)	(2,682,231)
Deferred Tax Income/(Expenses)	2,342,924	1,136,334	1,540,996	567,232
Net Profit After Tax	**22,684,292**	**16,076,648**	**10,276,762**	**8,613,504**
Add: Other Comprehensive Income	**220,084**	**23,934**	**258,551**	**46,471**
Fair Value Adjustment of Marketable Securities	97,686	23,934	197,351	46,471
Deferred Tax Income/(Expense) on Revaluation Surplus on PPE	122,398	-	61,199	-
Total Comprehensive Income	**22,904,376**	**16,100,582**	**10,535,312**	**8,659,975**
Earning Per Share	**1.11**	**0.79**	**0.50**	**0.42**

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Chairman	**Managing Director**	**Director**	**Chief Financial Officer**	**Company Secretary**

ORION INFUSION LIMITED

CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-ADITED)

FOR THE SIX MONTHS PERIOD ENDED 31ST DECEMBER 2018 (HALF YEARLY)

Amount in Taka

Particulars	Ordinary Share Capital	Retained Earnings	Reserves	Total
Balance at July 01, 2018	**203,597,600**	**(87,848,163)**	**139,333,731**	**255,083,168**
Net Profit during the Period	-	22,684,292	-	**22,684,292**
Cash Dividend for the year (2017- 2018)	-	(28,503,664)	-	**(28,503,664)**
Adjustment for Tax Assessment year 2017-2018	-	(5,141,086)	-	**(5,141,086)**
Transfer between Reserve & Retained earnings for depreciation on Revaluation surplus.	-	489,594	(489,594)	-
Fair Value Un-realised Gain/(Loss) on Marketable Securities	-	-	97,686	**97,686**
Adjustment for deferred tax on Revaluation Surplus of PPE	-	-	122,398	**122,398**
Balance at December 31, 2018	**203,597,600**	**(98,319,027)**	**139,064,222**	**244,342,794**

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2017 (HALF YEARLY)

Amount in Taka

Particulars	Ordinary Share Capital	Retained Earnings	Reserves	Total
Balance at July 01, 2017	**203,597,600**	**(93,368,597)**	**145,602,454**	**255,831,458**
Net Profit during the Period	-	16,076,648	-	**16,076,648**
Cash Dividend for the year (2016 - 2017)	-	(28,503,664)	-	**(28,503,664)**
Transfer between Reserve & Retained earnings for depreciation on Revaluation surplus.	-	489,594	(489,594)	-
Fair Value Gain/(Loss) on Marketable Securities	-	-	23,934	**23,934**
Adjustment for deferred tax on Revaluation Surplus	-	-	122,398	**122,398**
Balance at December 31, 2017	**203,597,600**	**(105,306,019)**	**145,259,194**	**243,550,775**

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

ORION INFUSION LIMITED

CONDENSED STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE SIX MONTH PERIOD ENDED 31ST DECEMBER 2018 (HALF YEARLY)

	Amount in Taka	
	01 July to 31 December 2018	01 July to 31 December 2017
Cash Flows from Operating Activities :		
Receipts :		
Cash received from Customers	433,187,823	386,919,127
Other Income/(Loss)	16,429	56,558
Cash paid to Suppliers	(222,617,167)	(253,111,218)
Cash paid for operating Expenses	(119,281,455)	(97,423,409)
Cash Generated from Operation	**91,305,630**	**36,441,057**
Interest Paid	(16,440,260)	(21,131,536)
Income Tax paid and Deducted at Source	(9,127,089)	(8,639,921)
	(25,567,349)	**(29,771,457)**
Net Cash Received from / (Used in) Operating Activities	**65,738,281**	**6,669,600**
Cash Flows from Investing Activities :		
Acquisition of Property, Plant & Equipments	(7,479,741)	(1,967,992)
Investment on FDR & Others	(6,345)	(28,898)
Intrerest & Dividend Received	111,281	-
Net Cash Received from/ (Used in) Investing Activities	**(7,374,805)**	**(1,996,890)**
Cash Flows from Financing Activities :		
Increase/ (Decrease) in Liabilities for Other Finance	3,210,478	(9,506,098)
Dividend Paid	(21,916,377)	(22,008,647)
Bank Loans Received / (Repaid)	(42,710,592)	27,496,015
Net Cash Received from/ (Used in) Financing Activities	**(61,416,491)**	**(4,018,730)**
Net Increase /(Decrease) in Cash & Cash Equivalents	**(3,053,014)**	**653,979**
Cash & Cash Equivalents at the beginning of the period	9,157,599	6,439,214
Cash & Cash Equivalents at the End of the Period	**6,104,585**	**7,093,193**
Net Operating Cash Flow Per Share	**3.23**	**0.33**
Number of Shares used to compute NOCFPS	**20,359,760**	**20,359,760**

Sd/- **Sd/-** **Sd/-** **Sd/-** **Sd/-**

Chairman **Managing Director** **Director** **Chief Financial Officer** **Company Secretary**

ORION INFUSION LIMITED
Selected Explanatory Notes to the Condensed Financial Statements
For Six Month Period Ended 31ST December 2018 (Half Yearly)

1 Reporting Entity

1.1 Background of the Entity

Orion Infusion Limited is a public limited company incorporated in Bangladesh on 05 May 1983 and is now operating under the banner of Orion Group. The Company was converted into a public limited company on 05 October 1994. The registered office of the company "Orion House" is situated at 153-154 Tejgaon Industrial Area, Dhaka-1208, Bangladesh. Production plant of the company is situated at Maikuli, P.S.-Rupganj, and District- Naraynganj, Bangladesh.

The Company was listed with Dhaka Stock Exchange Limited (DSE) on 05 October 1994 and Chittagong Stock Exchange Limited (CSE) on 22 September 1996.

1.2 Nature of Business

Orion Infusion Limited is devoted in producing Large Volume Parenteral (LVP) & other lifesaving injectable products. The company has the manufacturing facilities for the production of I.V. Rehydration Solutions, Electrolyte Solutions, and Solution for Acidosis, Ranitidine I.V. infusion, Anti-Microbial products viz. Ciprofloxacin I.V., Metronidazole I.V. etc. To meet the tremendous increment of the demand of its products, Orion Infusion Ltd. is now set to expand its production capacity further by installing modern and sophisticated technologies which will certainly rich its core competence. The company is now producing pure steam generated fluids, required by GMP instead of Black steam generated fluids. Innovative product like Amino acids solution was introduced by Orion Infusion Ltd., which was the first ever manufactured in Bangladesh and this has given Orion Infusion Ltd. a competitive advantage over others. Orion Infusion Ltd. Quality Manual describes the quality policies & company wide control structure of the quality management system (QMS), which is leading towards achieving its corporate vision and mission.

2 Basis of Preparation

2.1 Statement of Compliance

These Condensed Interim Financial Statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), in particular International Accounting Standard *(IAS) 34: Interim Financial Reporting* , the Companies Act 1994, Securities and Exchange Rules 1987 and other applicable local laws and regulations.

2.2 Components of the Condensed Financial Statements

According to IAS-34 " Interim Financial Reporting,", these interim financial statements include the following components-

i. Condensed Statement of Financial Position
ii. Condensed Statement of Profit or Loss and other Comprehensive Income
iii. Condensed Statement of Changes in Equity
iv. Condensed Statement of Cash Flows
v. Selected Explanatory Notes to the Condensed Financial Statements

2.3 Basis of Measurement

The financial statements have been prepared on historical cost basis except for certain assets which are stated either at revalued amount or fair market value.

2.4 Functional and Presentation Currency

The financial statements are prepared and presented in Bangladesh Taka (Taka/Tk./BDT), which is the company's functional and presentation currency. All amounts have been rounded off to the nearest integer.

2.5 Reporting Period

These Condensed Interim Financial Statements of the company cover three month period from 1 July 2018 to 31 December 2018.

3 Accounting Policies and Methods of Computations

The accounting policies and methods of computations followed in preparing these financial statements are same as those used in the annual financial statements prepared and published for the year ended 30 June 2018.

4 Events after the Reporting Period

Tax assessment for income year 2016-2017 was completed by Income Tax Authority. It has been considered as an adjusting event after the reporting period as it has a material impact in the financial statements for this six month period. Except this no other material event occurred after the reporting date, non-disclosure of which could affect the ability of the users of the financial statements to make proper evaluation and decision.

5 Acquisition of Property Plant & Equipments during the period

SL. NO.	Particulars	Addition during the period (Tk.)
1	Plant & Machinery	6,604,578
2	Furniture & Fixture	86,382
2	Office Equipment	786,780
3	Vehicles	2,000
Total		**7,479,741**

6 Deferred Tax Assets / Liabilities :

Opening Balance	5,298,122
Addition/Adjustment during the year charged to Income tax expenses	(2,342,924)
Adjustment with revaluation Surplus on PPE	(122,398)
Closing Balance	**2,832,799**

Allocation of deferred tax between Income Tax Expenses & Other Comprehensive Income:

Income Tax Expenses:

Opening Balance	(8,279,207)
Closing Balance	(10,622,131)
Deferred Tax Income/(Expense)	**2,342,924**

Other Comprehensive Income:

Opening Balance	13,577,329
Closing Balance	13,454,931
Deferred Tax Income/(Expense)	**122,398**

Reconciliation of Deferred tax liabilities/ (assets):

Amount in Tk.

Particulars	Carrying amount on the date of statement of financial position	Tax base	Taxable/ (Deductible) temporary difference
As at 31 December 2018			
At Historical Cost			
Property, plant and equipment	119,305,141	87,246,208	32,058,932
Unabsorbed depreciation	-	74,547,457	(74,547,457)
Net taxable temporary difference			(42,488,525)
Deferred tax liabilities/ (asset) @ 25%			**(10,622,131)**

Amount in Tk.

Particulars	Carrying amount on the date of statement of financial position	Tax base	Taxable/ (Deductible) temporary difference
At Revaluation			
Land & Land Development	118,021,954	-	118,021,954
Property, plant and equipment	39,657,088	-	39,657,088
Net taxable temporary difference			157,679,042
Deferred tax liabilities/(asset)			**13,454,931**
			2,832,799

The deferred tax liability includes deferred tax implications on revaluation surplus of Non Current Assets. The company has unabsorbed tax depreciation balances and the management believes that the company will be able to utilize these in near future.

Disclosures as per BSEC NOTIFICATION No. BSEC/CMRRCD/2006-158 / 208 / ADMIN / 81 Dated 20 June, 2018

7 Share Capital :

a) Authorized Capital :

100,000,000 Ordinary Shares of Taka 10/- each	**1,000,000,000**	**1,000,000,000**

b) Issued, Subscribed and Paid-up Capital:

20,359,760 Ordinary Shares of Taka 10/- each	**203,597,600**	**203,597,600**

c) Shareholding Position as on 30 September 2018 is as follows:

Range of holding in number of shares	No. of Share holders	Number of Shares held	Percentage of Shareholding 31.12.2018	Percentage of Shareholding 30.06.2018
Up to 500 shares	2,327	990,923	4.87%	5.00%
501 to 5,000 shares	2,155	2,061,081	10.12%	10.26%
5,001 to 10,000 shares	367	2,412,332	11.85%	10.46%
10,001 to 20,000 shares	111	1,446,455	7.10%	6.59%
20,001 to above	104	13,448,969	66.06%	67.68%
Total	**5,064**	**20,359,760**	**100%**	**100%**

Composition of Shareholding	No. of Share holders	Number of Shares held	Percentage of Shareholding 31.12.2018	Percentage of Shareholding 30.06.2018
Sponsors	4	8,268,400	40.61%	40.61%
Foreign Investors	15	56,492	0.28%	0.14%
Institutional	181	5,307,890	26.07%	26.02%
General Public	4,864	6,726,978	33.04%	33.23%
Total	**5,064**	**20,359,760**	**100%**	**100%**

8 Reserves:

Revaluation surplus on PPE (Note-8.01)	143,122,524
Fair value changes in investment (Note: 8.02)	(4,058,303)
	139,064,222

8.01 Revaluation surplus on Property, plant and equipment

Opening Balance	143,489,720
Depreciation on revalued asset	(489,594)
Adjustment for deferred tax on Revaluation Surplus	122,398
Closing Balance	**143,122,524**

8.02 Fair value changes in investment

Balance as on 1st July 2018 (Opening Balance)	(4,155,988)
Adjustment for sale of markeatable securities (Realized Loss)	-
Adjusted Opening Balance	(4,155,988)
Fair Value Unrealised Gain / (Loss) on Marketable Securities	97,686
Closing Balance of Unrealized Gain/ (Loss)	**(4,058,303)**

9 Calculation of Net Asset Value Per Share

Total Assets	657,198,657
Total Liabilities	412,855,863
Net Assets	**244,342,794**
No. of Share	20,359,760
Net Asset Value (NAV) Per Share	**12.00**

ORION INFUSION LIMITED
Selected Explanatory Notes to the Condensed Financial Statements
For Six Month Period Ended 31ST December 2018 (Half Yearly)

10 Earning Per Share (EPS):

Net Profit After Tax	22,684,292
Ordinary shares outstanding during the period	20,359,760
Basic Earning Per Share	**1.11**

11 Calculation of Net Operating Cash Flow per Share (NOCFPS)

Net Cash flow from operating activities	65,738,281
Ordinary shares outstanding during the period	20,359,760
Net Operating Cash Flow per Share (NOCFPS)	**3.23**

12 Reconciliation of net profit with cash flows from operating activities

Profit/ (Loss) before Tax	**26,710,991**
Add: Financial Expenses	16,440,260
Less: Other Income	(127,710)
Add: Depreciation Charge	12,975,683
(Increase)/Decrease in Inventory	16,521,266
(Increase)/Decrease in Accounts Receivable	30,894,131
(Increase)/Decrease in Advance, Deposit & Prepayments	(2,714,206)
Increase/(Decrease) in Trade Creditors	(4,389,111)
Increase/(Decrease) in Accrued Expenses	(5,022,104)
Cash Generated from operations	**91,289,201**
Interest Paid	(16,440,260)
Other Income	16,429
Income Tax paid	(9,127,089)
Net cash received from operating activities	**65,738,281**
Number of Ordinary Shares used to compute NOCFPS	**20,359,760**
Net Operating Cash Flow Per Share	**3.23**

13 Explanations of Significant Deviations of Different Parameters

Issue (i): Earning per Share (EPS)

EPS is 1.11 for the period ended on 31 December 2018 whereas it was 0.79 for the corresponding comparative period. The increase of EPS is 41.10%. The reasons behind the variance are the increase of export sales and introduction of trading of veterinary products. The trend in increase of sales continued till the end of Half Year ended on 31 December 2018 which affected EPS to increase.

Issue (ii): Net Profit after Tax (NPAT)

NPAT is Tk. 22,684,292 for the period ended on 31 December 2018 whereas it was Tk. 16,076,648 for the corresponding comparative period. The increase of NPAT is 41.10%.The reasons behind the variance are the increase of net sales by 15.20% and decrease of financial expenses by 22.20%.

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Issue (iii): Net Operating Cash Flow per Share (NOCFPS)

NOCFPS is 3.23 for the period ended on 31 December 2018 whereas it was 0.33 for the corresponding comparative period. The increase of NOCFPS is Tk. 2.90. The reasons behind the variance are the increase of export sales and introduction of trading of veterinary products. Total increase of revenue is Tk. 53,074,216.

Moreover trade receivables decreased by Tk. 30,894,131 during the period due to proper control over it which resulted increase in cash collection from customers.

Again total loan amount decreased by Tk. 39,500,114 resulting decrease of financial expenses by Tk. 4,691,276.

Together these factors led to the increase of NOCFPS.

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
Chairman	**Managing Director**	**Director**	**Chief Financial Officer**	**Company Secretary**

AMAR STOCK