RENATA LIMITED

QUARTERLY FINANCIAL STATEMENTS

JULY 2017 to DECEMBER 2017

AMAR STOCK

RENATA LIMITED
Plot-1, Milk Vita Road, Section-7
Mirpur, Dhaka-1216

Dear Shareholders,

Subject: Financial Statements for the second quarter ended 31 December 2017

We are pleased to present the unaudited second quarter financial statements of Renata Limited containing the Statement of Financial Position as at 31 December 2017, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the second quarter ended 31 December 2017.

Yours Sincerely

for RENATA LIMITED



Syed S. Kaiser Kabir
CEO and Managing Director

Renata Limited
Statement of Financial Position as at 31 December 2017
(Unaudited)

	Notes	31 December 2017 Taka in 000's	30 June 2017 Taka in 000's
ASSETS			
Non-current assets			
Property, plant and equipment (WDV)	1	9,124,655	9,172,889
Capital work-in-progress	2	1,210,832	1,072,205
Long term investment	3	143,069	143,069
Total non-current assets		10,478,556	10,388,163
Current assets			
Inventories	4	3,397,896	3,229,223
Trade and other receivables	5	2,958,391	2,788,876
Advance, deposits and prepayments	6	370,580	295,949
Investment in shares and others		2,117,525	804,899
Cash and cash equivalents	7	757,499	617,236
Total current assets		9,601,891	7,736,183
Total assets		**20,080,447**	**18,124,346**
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		700,310	608,965
Revaluation surplus		155,046	155,285
Available for sale reserve		30,246	21,635
Retained earnings		12,527,948	11,688,650
Total shareholders' equity		13,413,550	12,474,535
Non-current liabilities			
Deferred tax liability		1,144,925	1,137,328
Long term loans-net off current portion		15,192	95,911
Total non-current liabilities		1,160,117	1,233,239
Current liabilities			
Short term bank loans and overdrafts	8	1,793,844	1,968,852
Long term loans-current portion		159,902	161,200
Creditors and accruals	9	3,045,258	2,259,935
Unclaimed dividend		507,776	26,585
Total current liabilities		5,506,780	4,416,572
Total equity and liabilities		**20,080,447**	**18,124,346**
Net asset value per share (NAV)		**191.54**	**178.13**

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Renata Limited

Statement of Profit or Loss and Other Comprehensive Income for the period from 01 July 2017 to 31 December 2017

(Unaudited)

	Notes	2017 (July-December) Taka in 000's	2016 (July-December) Taka in 000's	2017 (October-December) Taka in 000's	2016 (October-December) Taka in 000's
Turnover and other income	10	9,131,741	7,432,998	4,562,323	4,077,751
Cost and expenses:					
Cost of goods sold	11	4,204,701	3,421,455	2,057,297	1,871,363
Administrative, selling & distribution expenses		2,417,466	2,011,914	1,225,151	1,127,505
Finance costs		115,681	85,529	50,942	29,405
Total cost and expenses		6,737,848	5,518,898	3,333,390	3,028,273
Profit before contribution to WPPF		2,393,893	1,914,100	1,228,933	1,049,478
Contribution to WPPF		113,998	91,148	58,524	49,976
Profit before tax		**2,279,895**	**1,822,952**	**1,170,409**	**999,502**
Provision for income tax		801,501	635,039	444,935	362,107
Net profit after tax for the period		**1,478,394**	**1,187,913**	**725,474**	**637,395**
Other comprehensive income					
Net profit after tax for the period		1,478,394	1,187,913	725,474	637,395
Item that may be reclassified to profit or loss					
Unrealized gain/ (loss) on quoted shares, net of tax		8,611	(308)	6,175	329
Total comprehensive income for the period		**1,487,005**	**1,187,605**	**731,649**	**637,724**
Basic earnings per share i.e. EPS (par value of Tk 10)		**21.11**	**16.96**	**10.36**	**9.10**

Renata Limited

Statement of Cash Flows for the period from 01 July 2017 to 31 December 2017

(Unaudited)

		2017 (July-December) Taka in 000's	2016 (July-December) Taka in 000's
A.	**Cash flows from operating activities:**		
	Collection from customers and other income	10,697,200	9,117,479
	Payment for cost and expenses	(8,166,684)	(6,389,913)
	Income tax paid	(323,782)	(432,792)
	Cash generated from operation	**2,206,734**	**2,294,774**
B.	**Cash flows from investing activities:**		
	Acquisition of fixed assets	(429,941)	(591,425)
	Investment in shares and others	(1,312,625)	25,976
	Net cash used in investing activities	**(1,742,566)**	**(565,449)**
C.	**Cash flows from financing activities:**		
	Loans repaid	(257,027)	(1,158,243)
	Dividend paid	(66,878)	(441,809)
	Net cash used in financing activities	**(323,905)**	**(1,600,052)**
D.	**Net cash inflow for the period (A+B+C)**	**140,263**	**129,273**
E.	Opening cash and cash equivalents	617,236	450,611
F.	**Closing cash and cash equivalents (D+E)**	**757,499**	**579,884**
	Net operating cash flow per share	**31.51**	**32.77**

Dr. Sarwar Ali	**Syed S. Kaiser Kabir**	**Manzoor Hasan**	**Md. Jubayer Alam**	**Khokan Chandra Das**
Chairman	**CEO and Managing Director**	**Independent Director**	**Company Secretary**	**Head of Finance**

Renata Limited
and its subsidiaries
Consolidated Statement of Financial Position as at 31 December 2017
(Unaudited)

	Notes	31 December 2017 Taka in 000's	30 June 2017 Taka in 000's
ASSETS			
Non-current assets			
Property, plant and equipment (WDV)	1(a)	9,733,755	9,799,446
Capital work-in-progress	2(a)	1,409,823	1,258,756
Long term investment	3(a)	11,795	11,795
Total non-current assets		11,155,373	11,069,997
Current assets			
Inventories	4(a)	3,573,625	3,396,071
Trade & other receivables	5(a)	2,441,625	2,326,869
Advance, deposits and prepayments	6(a)	408,811	339,784
Investment in shares and others		2,252,838	934,670
Cash and cash equivalents	7(a)	789,619	651,934
Total current assets		9,466,518	7,649,328
Total assets		**20,621,891**	**18,719,325**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of Renata Limited			
Share capital		700,310	608,965
Revaluation reserve		155,046	155,285
Available for sale reserve		64,012	49,859
Retained earnings		12,896,262	12,128,857
Total equity attributable to equity holders of Renata Limited		13,815,630	12,942,966
Non-controlling interests		69	75
Total Equity		13,815,699	12,943,041
Non-current liabilities			
Long term loans-net off current portion		15,192	95,911
Deferred tax liability		1,180,643	1,170,470
Total non-current liabilities		1,195,835	1,266,381
Current liabilities			
Short term bank loans and overdrafts	8(a)	1,793,844	1,972,454
Long term loans-current portion		159,902	161,200
Creditors and accruals	9(a)	3,148,835	2,349,664
Unclaimed dividend		507,776	26,585
Total current liabilities		5,610,357	4,509,903
Total equity and liabilities		**20,621,891**	**18,719,325**
Net asset value per share (NAV)		**197.28**	**184.82**

Dr. Sarwar Ali	**Syed S. Kaiser Kabir**	**Manzoor Hasan**	**Md. Jubayer Alam**	**Khokan Chandra Das**
Chairman	**CEO and Managing Director**	**Independent Director**	**Company Secretary**	**Head of Finance**

Renata Limited
and its subsidiaries
Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period from 01 July 2017 to 31 December 2017
(Unaudited)

	Notes	2017 (July-December) Taka in 000's	2016 (July-December) Taka in 000's	2017 (October-December) Taka in 000's	2016 (October-December) Taka in 000's
Turnover and other income	10(a)	9,338,432	7,745,567	4,681,411	4,226,741
Cost and expenses:					
Cost of goods sold	11(a)	4,398,298	3,616,775	2,159,583	1,954,518
Administrative, selling & distribution expenses	12(a)	2,498,379	2,077,967	1,266,160	1,166,844
Finance costs		117,175	87,132	51,742	29,943
Total cost and expenses		7,013,852	5,781,874	3,477,485	3,151,305
Profit before contribution to WPPF		2,324,580	1,963,693	1,203,926	1,075,436
Contribution to WPPF		113,998	94,986	58,524	52,122
Profit before tax		**2,210,582**	**1,868,707**	**1,145,402**	**1,023,314**
Provision for income tax		804,087	650,898	446,230	373,368
Net profit after tax for the period		**1,406,495**	**1,217,809**	**699,172**	**649,946**
Attributable to:					
Equity holders of Renata Limited		1,406,501	1,217,802	699,174	649,942
Non-controlling interests		(6)	7	(2)	4
Total profit after tax for the period		**1,406,495**	**1,217,809**	**699,172**	**649,946**
Other comprehensive income					
Net profit after tax for the period		1,406,495	1,217,809	699,172	649,946
Item that may be reclassified to profit or loss					
Unrealized gain/ (loss) on quoted shares, net of tax		14,153	973	9,070	1,776
Total comprehensive income for the period		**1,420,648**	**1,218,782**	**708,242**	**651,722**
Attributable to:					
Equity holders of Renata Limited		1,420,654	1,218,775	708,244	651,718
Non-controlling interests		(6)	7	(2)	4
Total comprehensive income for the period		**1,420,648**	**1,218,782**	**708,242**	**651,722**
Basic earnings per share i.e. EPS (par value of Tk 10)		**20.08**	**17.39**	**9.98**	**9.28**

Renata Limited
and its subsidiaries
Consolidated Statement of Cash Flows for the period from 01 July 2017 to 31 December 2017
(Unaudited)

		2017 (July-December) Taka in 000's	2016 (July-December) Taka in 000's
A.	**Cash flows from operating activities:**		
	Collection from customers and other income	10,987,636	9,524,396
	Payment for cost and expenses	(8,479,523)	(6,655,944)
	Income tax paid	(324,321)	(440,559)
	Cash generated from operation	**2,183,792**	**2,427,893**
B.	**Cash flows from investing activities:**		
	Acquisition of fixed assets	(446,825)	(618,310)
	Investment in shares and others	(1,312,625)	39,076
	Net cash used in investing activities	**(1,759,450)**	**(579,234)**
C.	**Cash flows from financing activities:**		
	Loans repaid	(219,779)	(1,161,343)
	Dividend paid	(66,878)	(441,809)
	Net cash used in financing activities	**(286,657)**	**(1,603,152)**
D.	**Net cash inflow for the period (A+B+C)**	**137,685**	**245,507**
E.	Opening cash and cash equivalents	651,934	474,401
F.	**Closing cash and cash equivalents (D+E)**	**789,619**	**719,908**
	Net operating cash flow per share	**31.18**	**34.67**

Dr. Sarwar Ali	Syed S. Kaiser Kabir	Manzoor Hasan	Md. Jubayer Alam	Khokan Chandra Das
Chairman	CEO and Managing Director	Independent Director	Company Secretary	Head of Finance

Renata Limited
Statement of changes in equity for the period from 01 July 2017 to 31 December 2017

Taka in 000's

Particulars	Share capital	Revaluation surplus	Available for sale reserve	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka
Balance at 01 July 2017	608,965	155,285	21,635	11,688,650	12,474,535
Stock dividend issued	91,345	-	-	(91,345)	-
Cash dividend paid	-	-	-	(548,069)	(548,069)
Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve	-	79	-	-	79
Depreciation adjustment on revalued assets	-	(318)	-	318	-
Net profit after tax for the period	-	-	-	1,478,394	1,478,394
Unrealized gain/ (loss) on quoted shares	-	-	8,611	-	8,611
Balance at 31 December 2017	**700,310**	**155,046**	**30,246**	**12,527,948**	**13,413,550**

Renata Limited
and its subsidiaries
Consolidated statement of changes in equity for the period from 01 July 2017 to 31 December 2017

Taka in 000's

Particulars	Attributable to equity holders of Renata Limited					Non-controlling interests	Total equity
	Share capital	Revaluation surplus	Available for sale reserve	Retained earnings	Equity for Renata Limited		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance at 01 July 2017	608,965	155,285	49,859	12,128,857	12,942,966	75	12,943,041
Stock dividend issued	91,345	-	-	(91,345)	-	-	-
Cash dividend paid	-	-	-	(548,069)	(548,069)	-	(548,069)
Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve	-	79	-	-	79	-	79
Depreciation adjustment on revalued assets	-	(318)	-	318	-	-	-
Net profit after tax for the period	-	-	-	1,406,501	1,406,501	(6)	1,406,495
Unrealized gain/ (loss) on quoted shares	-	-	14,153	-	14,153	0	14,153
Balance at 31 December 2017	**700,310**	**155,046**	**64,012**	**12,896,262**	**13,815,630**	**69**	**13,815,699**

Dr. Sarwar Ali	Syed S. Kaiser Kabir	Manzoor Hasan	Md. Jubayer Alam	Khokan Chandra Das
Chairman	CEO and Managing Director	Independent Director	Company Secretary	Head of Finance

Renata Limited
Notes to the second quarter financial statements
for the quarter ended 31 December 2017
(Unaudited)

These second quarter unaudited financial statements have been prepared in accordance with Accounting Policies as adopted in the preparation of the financial statements for the period ended 30 June 2017. Selected explanatory notes that deemed appropriate for better understanding are incorporated below.

	31 December 2017 Taka in 000's	30 June 2017 Taka in 000's
1. Property, plant and equipment (WDV)		
Fixed assets at cost/revaluation at beginning of the period	12,380,969	11,580,038
Additions during the period	291,314	835,740
Disposal/adjustment during the period	-	(34,809)
Closing Accumulated Depreciation	(3,547,628)	(3,208,080)
Closing Balance	**9,124,655**	**9,172,889**
1 (a). Consolidated property, plant and equipment (WDV)		
Fixed assets at cost/revaluation at beginning of the period	13,272,139	12,390,078
Additions during the period	295,758	924,334
Disposal/adjustment during the period	-	(42,273)
Closing Accumulated Depreciation	(3,834,142)	(3,472,693)
Closing Balance	**9,733,755**	**9,799,446**
2. Capital work-in-progress		
Opening balance	1,072,205	702,997
Additions during the period	368,115	888,522
Capitalized as property, plant & equipment during the period	(229,488)	(519,314)
Closing Balance	**1,210,832**	**1,072,205**
2 (a). Consolidated capital work-in-progress		
Opening balance	1,258,756	903,725
Additions during the period	380,555	942,775
Capitalized as property, plant & equipment during the period	(229,488)	(587,744)
Closing Balance	**1,409,823**	**1,258,756**
3. Long term investment		
Investment in subsidiaries:		
Renata Agro Industries Limited	60,570	60,570
Purnava Limited	2,500	2,500
Renata Oncology Limited	79,999	79,999
	143,069	**143,069**
3 (a). Consolidated long term investment		
Investment in savings certificate	650	650
Investment in Govt. bonds	11,145	11,145
	11,795	**11,795**
4. Inventories		
Finished goods	1,430,191	1,135,501
Work-in-process	222,393	182,802
Raw and packing materials	1,310,221	1,469,991
Cosumable stores, spares and reagent	149,399	166,739
Stock in transit	598,580	412,992
Less: Provision for obsolete inventories	(312,888)	(138,802)
Closing Balance	**3,397,896**	**3,229,223**
4 (a). Consolidated inventories		
Finished goods	1,553,771	1,251,253
Work-in-process	222,393	182,802
Raw and packing materials	1,359,737	1,519,371
Cosumable stores, spares and reagent	151,839	168,455
Stock in transit	598,773	412,992
Less: Provision for obsolete inventories	(312,888)	(138,802)
Closing Balance	**3,573,625**	**3,396,071**

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	31 December 2017 Taka in 000's	30 June 2017 Taka in 000's
5. Trade and other receivables		
Trade receivables	2,192,641	2,066,970
Sundry receivables	856,962	793,118
Less: Allowance for doubtful receivables	(91,212)	(71,212)
Closing Balance	**2,958,391**	**2,788,876**
5 (a). Consolidated trade and other receivables		
Trade receivables	2,218,900	2,101,509
Sundry receivables	316,975	299,610
Less: Allowance for doubtful receivables	(94,250)	(74,250)
Closing Balance	**2,441,625**	**2,326,869**
6. Advance, deposits and prepayments		
Loans and advances	324,019	249,687
Security and other deposits	45,486	41,920
Prepayments	1,075	4,342
Closing Balance	**370,580**	**295,949**
6 (a). Consolidated advance, deposits and prepayments		
Loans and advances	351,938	277,345
Security and other deposits	45,486	41,920
Prepayments	11,387	20,519
Closing Balance	**408,811**	**339,784**
7. Cash and cash equivalents		
Cash in hand	2,325	2,075
Cash at bank	724,045	602,932
Balance with City Bank Capital Resources Limited	31,122	12,221
Balance with ICB Securities Trading Company Limited	7	8
Closing Balance	**757,499**	**617,236**
7(a). Consolidated cash and cash equivalents		
Cash in hand	5,900	5,129
Cash at bank	752,590	634,576
Balance with City Bank Capital Resources Limited	31,122	12,221
Balance with ICB Securities Trading Company Limited	7	8
Closing Balance	**789,619**	**651,934**
8. Short term bank loans and overdrafts		
Standard Chartered Bank	386,558	529,563
Citibank N. A.	394,432	531,479
Commercial Bank of Ceylon	309,949	362,414
Bank Asia	252,359	316,523
Eastern Bank	239,473	210,689
The City Bank	211,073	18,184
Closing Balance	**1,793,844**	**1,968,852**
8 (a). Consolidated short term bank loans and overdrafts		
Standard Chartered Bank	386,558	529,563
Citibank N. A.	394,432	531,479
Commercial Bank of Ceylon	309,949	362,414
Bank Asia	252,359	320,125
Eastern Bank	239,473	210,689
The City Bank	211,073	18,184
Closing Balance	**1,793,844**	**1,972,454**
9. Creditors and accruals		
Trade creditors	250,410	180,071
Accruals	951,161	681,271
Other liabilities	1,843,687	1,398,593
Closing Balance	**3,045,258**	**2,259,935**
9 (a). Consolidated creditors and accruals		
Trade creditors	251,388	202,413
Accruals	1,003,405	695,223
Other liabilities	1,894,042	1,452,028
Closing Balance	**3,148,835**	**2,349,664**

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	2017 (July-December) Taka in 000's	2016 (July-December) Taka in 000's
10. Turnover & other income		
Pharmaceuticals	7,722,573	5,991,496
Animal health	1,924,554	1,609,721
Contract manufacturing & exports	832,408	937,998
VAT	(1,369,262)	(1,107,298)
Other income	21,468	1,081
Total	**9,131,741**	**7,432,998**
10 (a). Consolidated turnover & other income		
Renata Limited	9,076,663	7,389,703
Renata Agro Industries Limited	143,402	276,061
Purnava Limited	118,367	79,803
Total	**9,338,432**	**7,745,567**
11. Cost of goods sold		
Pharmaceuticals	2,737,060	2,099,715
Animal health	1,057,122	942,580
Contract manufacturing & exports	410,519	379,160
Total	**4,204,701**	**3,421,455**
11 (a). Consolidated cost of goods sold		
Renata Limited	4,194,220	3,405,213
Renata Agro Industries Limited	168,207	176,999
Purnava Limited	20,307	18,322
Renata Oncology Limited	15,564	16,241
Total	**4,398,298**	**3,616,775**
12 (a).Consolidated administrative, selling and distribution expenses		
Renata Limited	2,417,465	2,011,914
Renata Agro Industries Limited	24,037	21,335
Purnava Limited	55,986	44,059
Renata Oncology Limited	891	659
Total	**2,498,379**	**2,077,967**

13. Figures have been rounded off to the nearest '000 Taka and previous period's figures have been rearranged to conform to current period's presentation.

Dr. Sarwar Ali	**Syed S. Kaiser Kabir**	**Manzoor Hasan**	**Md. Jubayer Alam**	**Khokan Chandra Das**
Chairman	**CEO and Managing Director**	**Independent Director**	**Company Secretary**	**Head of Finance**