RENATA LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD
JULY to SEPTEMBER 2018

AMARSTOCK

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

Dear Shareholders,

Subject: Financial Statements for the first quarter ended 30 September 2018

We are pleased to present the unaudited first quarter financial statements of Renata Limited containing the Statement of Financial Position as at 30 September 2018, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the first quarter ended 30 September 2018.
The details of the published first quarter financial statements are available in the website of the Company. The address of the website is **www.renata-ltd.com**

Yours Sincerely

for RENATA LIMITED

Syed S. Kaiser Kabir
CEO and Managing Director

Renata Limited
Statement of Financial Position as at 30 September 2018
(Unaudited)

	Notes	30 September 2018 Taka in 000's	30 June 2018 Taka in 000's
ASSETS			
Non-current assets			
Property, plant and equipment (WDV)	1	9,636,179	9,578,543
Capital work-in-progress	2	1,229,596	1,168,164
Long term investment	3	143,069	143,069
Total non-current assets		11,008,844	10,889,776
Current assets			
Inventories	4	4,043,828	3,757,762
Trade and other receivables	5	2,941,372	3,136,225
Advances, deposits and prepayments	6	479,470	461,386
Investment in shares and others		2,101,736	1,509,178
Cash and cash equivalents	7	1,121,265	1,057,352
Total current assets		10,687,671	9,921,903
Total assets		**21,696,515**	**20,811,679**
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	8	700,310	700,310
Revaluation surplus		154,689	154,808
Available for sale reserve		20,472	25,223
Retained earnings		15,120,360	14,246,823
Total shareholders' equity		15,995,831	15,127,164
Non-current liabilities			
Deferred tax liabilities		1,207,039	1,209,209
Total non-current liabilities		1,207,039	1,209,209
Current liabilities			
Short term bank loans and overdrafts	9	1,867,470	2,389,429
Long term loans-current portion		57,789	99,662
Trade and other payables	10	2,568,386	1,986,215
Total current liabilities		4,493,645	4,475,306
Total equity and liabilities		**21,696,515**	**20,811,679**
Net asset value per share (NAV)	14	**228.41**	**216.01**

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Renata Limited

Statement of Profit or Loss and Other Comprehensive Income for the period from 01 July to 30 September 2018

(Unaudited)

	Notes	2018 (July-September) Taka in 000's	2017 (July-September) Taka in 000's
Turnover and other income	11	5,058,872	4,569,418
Cost and expenses:			
Cost of goods sold	12	2,369,584	2,147,404
Administrative, selling & distribution expenses		1,398,890	1,192,315
Finance costs		29,718	64,739
Total cost and expenses		3,798,192	3,404,458
Profit before contribution to workers' participation fund		1,260,680	1,164,960
Contribution to workers' participation fund		60,033	55,474
Profit before tax		**1,200,647**	**1,109,486**
Provision for income tax		327,269	356,566
Net profit after tax for the period		**873,378**	**752,920**
Other comprehensive income			
Net profit after tax for the period		873,378	752,920
Item that may be reclassified to profit or loss			
Unrealized gain/ (loss) on quoted shares, net of tax		(4,751)	2,436
Total comprehensive income for the period		**868,627**	**755,356**
Basic earnings per share i.e. EPS (par value of Tk 10)	15	**12.47**	**10.75**

Renata Limited

Statement of Cash Flows for the period from 01 July to 30 September 2018

(Unaudited)

		Notes	2018 (July-September) Taka in 000's	2017 (July-September) Taka in 000's
A.	**Cash flows from operating activities:**			
	Collection from customers and other income		6,240,460	5,370,015
	Payment for cost and expenses		(4,503,679)	(3,780,480)
	Income tax paid		(197,098)	(181,431)
	Net cash generated from operating activities	16	**1,539,683**	**1,408,104**
B.	**Cash flows from investing activities:**			
	Acquisition of fixed assets		(312,982)	(196,998)
	Investment in shares and others		(597,838)	(598,411)
	Sale proceeds of property, plant and equipment		800	-
	Net cash used in investing activities		**(910,020)**	**(795,409)**
C.	**Cash flows from financing activities:**			
	Loans repaid		(563,831)	(453,410)
	Dividend paid		(1,919)	(1,297)
	Net cash used in financing activities		**(565,750)**	**(454,707)**
D.	**Net cash inflow for the period (A+B+C)**		**63,913**	**157,988**
E.	Opening cash and cash equivalents		1,057,352	617,236
F.	**Closing cash and cash equivalents (D+E)**		**1,121,265**	**775,224**
	Net operating cash flow per share	17	**21.99**	**20.11**

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 30 September 2018

(Unaudited)

	Notes	30 September 2018 Taka in 000's	30 June 2018 Taka in 000's
ASSETS			
Non-current assets			
Property, plant and equipment (WDV)	1(a)	10,255,601	10,202,591
Capital work-in-progress	2(a)	1,444,988	1,376,630
Long term investment	3(a)	11,222	11,222
Total non-current assets		11,711,811	11,590,443
Current assets			
Inventories	4(a)	4,213,374	3,926,676
Trade & other receivables	5(a)	2,417,546	2,614,279
Advances, deposits and prepayments	6(a)	514,216	501,118
Investment in shares and others		2,171,617	1,642,611
Cash and cash equivalents	7(a)	1,181,058	1,083,732
Total current assets		10,497,811	9,768,416
Total assets		**22,209,622**	**21,358,859**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of Renata Limited			
Share capital	8	700,310	700,310
Revaluation reserve		154,689	154,808
Available for sale reserve		48,438	56,743
Retained earnings		15,438,463	14,596,267
Total equity attributable to equity holders of Renata Limited		16,341,900	15,508,128
Non-controlling interests		65	69
Total equity		16,341,965	15,508,197
Non-current liabilities			
Deferred tax liabilities		1,243,405	1,244,684
Total non-current liabilities		1,243,405	1,244,684
Current liabilities			
Short term bank loans and overdrafts	9(a)	1,871,571	2,405,242
Long term loans-current portion		57,789	99,662
Trade and other payables	10(a)	2,694,892	2,101,074
Total current liabilities		4,624,252	4,605,978
Total equity and liabilities		**22,209,622**	**21,358,859**
Net asset value per share (NAV)	14(a)	**233.35**	**221.45**

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**

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Renata Limited
and its subsidiaries

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period from 01 July to 30 September 2018

(Unaudited)

	Notes	2018 (July-September) Taka in 000's	2017 (July-September) Taka in 000's
Turnover and other income	11(a)	5,172,513	4,657,021
Cost and expenses:			
Cost of goods sold	12(a)	2,472,896	2,238,715
Administrative, selling & distribution expenses	13(a)	1,438,323	1,232,219
Finance costs		30,548	65,433
Total cost and expenses		3,941,767	3,536,367
Profit before contribution to workers' participation fund		1,230,746	1,120,654
Contribution to workers' participation fund		60,033	55,474
Profit before tax		**1,170,713**	**1,065,180**
Provision for income tax		328,680	357,857
Net profit after tax for the period		**842,033**	**707,323**
Attributable to:			
Equity holders of Renata Limited		842,037	707,327
Non-controlling interests		(4)	(4)
Total profit after tax for the period		**842,033**	**707,323**
Other comprehensive income			
Net profit after tax for the period		842,033	707,323
Item that may be reclassified to profit or loss			
Unrealized gain/ (loss) on quoted shares, net of tax		(8,305)	5,083
Total comprehensive income for the period		**833,728**	**712,406**
Attributable to:			
Equity holders of Renata Limited		833,732	712,410
Non-controlling interests		(4)	(4)
Total comprehensive income for the period		**833,728**	**712,406**
Basic earnings per share i.e. EPS (par value of Tk 10)	15(a)	**12.02**	**10.10**

Renata Limited
and its subsidiaries

Consolidated Statement of Cash Flows for the period from 01 July to 30 September 2018

(Unaudited)

		Notes	2018 (July-September) Taka in 000's	2017 (July-September) Taka in 000's
A.	**Cash flows from operating activities:**			
	Collection from customers and other income		6,409,732	5,499,158
	Payment for cost and expenses		(4,675,817)	(3,920,618)
	Income tax paid		(197,678)	(181,509)
	Net cash generated from operating activities	16(a)	**1,536,237**	**1,397,031**
B.	**Cash flows from investing activities:**			
	Acquisition of fixed assets		(327,025)	(204,748)
	Investment in shares and others		(537,838)	(598,411)
	Income from investment		2,614	1,806
	Sale proceeds of property, plant and equipment		800	-
	Net cash used in investing activities		**(861,449)**	**(801,353)**
C.	**Cash flows from financing activities:**			
	Loans repaid		(575,543)	(429,153)
	Dividend paid		(1,919)	(1,297)
	Net cash used in financing activities		**(577,462)**	**(430,450)**
D.	**Net cash inflow for the period (A+B+C)**		**97,326**	**165,228**
E.	Opening cash and cash equivalents		1,083,732	651,934
F.	**Closing cash and cash equivalents (D+E)**		**1,181,058**	**817,162**
	Net operating cash flow per share	17(a)	**21.94**	**19.95**

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 to 30 September 2018

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 2018	700,310	154,808	25,223	14,246,823	15,127,164
Stock dividend issued	-	-	-	-	-
Cash dividend paid	-	-	-	-	-
Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve	-	40	-	-	40
Depreciation adjustment on revalued assets	-	(159)	-	159	-
Net profit after tax for the period	-	-	-	873,378	873,378
Unrealized gain/ (loss) on quoted shares	-	-	(4,751)	-	(4,751)
Balance at 30 September 2018	**700,310**	**154,689**	**20,472**	**15,120,360**	**15,995,831**

Renata Limited
and its subsidiaries
Consolidated statement of changes in equity for the period from 01 July to 30 September 2018

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 2018	700,310	154,808	56,743	14,596,267	15,508,128	69	15,508,197
Stock dividend issued	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-
Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve	-	40	-	-	40	-	40
Depreciation adjustment on revalued assets	-	(159)	-	159	-	-	-
Net profit after tax for the period	-	-	-	842,037	842,037	(4)	842,033
Unrealized gain/ (loss) on quoted shares	-	-	(8,305)	-	(8,305)	(0.4)	(8,305)
Balance at 30 September 2018	**700,310**	**154,689**	**48,438**	**15,438,463**	**16,341,900**	**65**	**16,341,965**

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 first quarter financial statements
for the quarter ended 30 September 2018
(Unaudited)

These first 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 2018. Selected explanatory notes that deemed appropriate for better understanding are incorporated below.

	30 September 2018 Taka in 000's	30 June 2018 Taka in 000's
1. Property, plant and equipment (WDV)		
Fixed assets at cost/revaluation at beginning of the period	13,480,375	12,380,969
Additions during the period	251,550	1,106,429
Disposal/adjustment during the period	(1,270)	(7,023)
Closing Accumulated Depreciation	(4,094,476)	(3,901,832)
Closing Balance	**9,636,179**	**9,578,543**
1 (a). Consolidated property, plant and equipment (WDV)		
Fixed assets at cost/revaluation at beginning of the period	14,415,935	13,272,139
Additions during the period	258,668	1,150,818
Disposal/adjustment during the period	(1,270)	(7,023)
Closing Accumulated Depreciation	(4,417,732)	(4,213,343)
Closing Balance	**10,255,601**	**10,202,591**
2. Capital work-in-progress		
Opening balance	1,168,164	1,072,205
Additions during the period	238,779	1,033,232
Capitalized as property, plant & equipment during the period	(177,347)	(937,273)
Closing Balance	**1,229,596**	**1,168,164**
2 (a). Consolidated capital work-in-progress		
Opening balance	1,376,630	1,258,756
Additions during the period	245,705	1,093,362
Capitalized as property, plant & equipment during the period	(177,347)	(975,488)
Closing Balance	**1,444,988**	**1,376,630**
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
Renata (UK) Limited	0.110	0.110
	143,069	**143,069**
3 (a). Consolidated long term investment		
Investment in savings certificate	650	650
Investment in Govt. bonds	10,572	10,572
	11,222	**11,222**
4. Inventories		
Finished goods	1,165,514	1,194,757
Work-in-process	193,655	227,932
Raw and packing materials	2,034,773	1,884,576
Cosumable stores, spares and reagent	237,545	153,857
Stock in transit	563,202	447,501
Less: Provision for obsolete inventories	(150,861)	(150,861)
Closing Balance	**4,043,828**	**3,757,762**
4 (a). Consolidated inventories		
Finished goods	1,277,348	1,318,377
Work-in-process	193,655	227,932
Raw and packing materials	2,089,927	1,928,170
Cosumable stores, spares and reagent	239,941	155,547
Stock in transit	563,364	447,511
Less: Provision for obsolete inventories	(150,861)	(150,861)
Closing Balance	**4,213,374**	**3,926,676**

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	30 September 2018 Taka in 000's	30 June 2018 Taka in 000's
5. Trade and other receivables		
Trade receivables	2,087,349	2,323,377
Sundry receivables	946,401	903,726
Less: Allowance for doubtful receivables	(92,378)	(90,878)
Closing Balance	**2,941,372**	**3,136,225**
5 (a). Consolidated trade and other receivables		
Trade receivables	2,102,248	2,356,308
Sundry receivables	411,102	352,275
Less: Allowance for doubtful receivables	(95,804)	(94,304)
Closing Balance	**2,417,546**	**2,614,279**
6. Advances, deposits and prepayments		
Loans and advances	345,802	334,546
Security and other deposits	130,777	123,835
Prepayments	2,891	3,005
Closing Balance	**479,470**	**461,386**
6 (a). Consolidated advances, deposits and prepayments		
Loans and advances	375,707	367,036
Security and other deposits	130,777	123,835
Prepayments	7,732	10,247
Closing Balance	**514,216**	**501,118**
7. Cash and cash equivalents		
Cash in hand	2,625	2,325
Cash at bank	1,092,164	1,028,681
Balance with City Bank Capital Resources Limited	26,469	26,339
Balance with ICB Securities Trading Company Limited	7	7
Closing Balance	**1,121,265**	**1,057,352**
7(a). Consolidated cash and cash equivalents		
Cash in hand	5,879	5,499
Cash at bank	1,148,703	1,051,887
Balance with City Bank Capital Resources Limited	26,469	26,339
Balance with ICB Securities Trading Company Limited	7	7
Closing Balance	**1,181,058**	**1,083,732**
8. Share capital		
Authorized share capital		
100,000,000 ordinary shares of Tk.10 each	**1,000,000**	**1,000,000**
Issued, subscribed and paid up capital		
1,294,260 ordinary shares of Tk.10 each issued for cash	12,942	12,942
1,724,490 ordinary shares of Tk.10 each issued for consideration other than cash	17,245	17,245
67,012,272 ordinary shares of Tk.10 each issued as bonus shares	670,123	670,123
	700,310	**700,310**
9. Short term bank loans and overdrafts		
Standard Chartered Bank	261,457	446,171
Citibank N. A.	362,199	307,940
Commercial Bank of Ceylon	654,630	835,117
Bank Asia	211,949	297,324
Eastern Bank	145,298	189,277
The City Bank	231,937	313,600
Closing Balance	**1,867,470**	**2,389,429**
9 (a). Consolidated short term bank loans and overdrafts		
Standard Chartered Bank	261,457	446,171
Citibank N. A.	362,199	307,940
Commercial Bank of Ceylon	654,630	835,117
Bank Asia	216,050	302,257
Eastern Bank	145,298	200,157
The City Bank	231,937	313,600
Closing Balance	**1,871,571**	**2,405,242**

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	30 September 2018 Taka in 000's	30 June 2018 Taka in 000's
10. Trade and other payables		
Trade payables	513,884	222,346
Other payables	2,054,502	1,763,869
Closing Balance	**2,568,386**	**1,986,215**
10 (a). Consolidated trade and other payables		
Trade payables	516,124	243,664
Other payables	2,178,768	1,857,410
Closing Balance	**2,694,892**	**2,101,074**

	2018 (July-September) Taka in 000's	2017 (July-September) Taka in 000's
11. Turnover & other income		
Pharmaceuticals	4,294,263	3,695,329
Animal health	974,187	988,554
Contract manufacturing & exports	553,564	567,468
VAT	(772,431)	(685,868)
Other income	9,289	3,935
Total	**5,058,872**	**4,569,418**
11 (a). Consolidated turnover & other income		
Renata Limited	5,021,232	4,537,102
Renata Agro Industries Limited	72,249	60,415
Purnava Limited	79,032	59,504
Renata Oncology Limited	-	-
Total	**5,172,513**	**4,657,021**
12. Cost of goods sold		
Pharmaceuticals	1,398,183	1,232,294
Animal health	639,438	612,102
Contract manufacturing & exports	331,963	303,008
Total	**2,369,584**	**2,147,404**
12 (a). Consolidated cost of goods sold		
Renata Limited	2,361,852	2,147,404
Renata Agro Industries Limited	92,518	82,840
Purnava Limited	10,794	5,834
Renata Oncology Limited	7,732	2,637
Total	**2,472,896**	**2,238,715**
13 (a).Consolidated administrative, selling and distribution expenses		
Renata Limited	1,398,890	1,192,315
Renata Agro Industries Limited	10,787	12,196
Purnava Limited	28,112	27,212
Renata Oncology Limited	534	496
Total	**1,438,323**	**1,232,219**

	30 September 2018 Taka in 000's	30 June 2018 Taka in 000's
14. Net asset value per share (NAV)		
The computation of NAV is given below:		
Equity attributable to the ordinary shareholders	15,995,831	15,127,164
Weighted average number of ordinary shares outstanding during the period (Note-14.1)	70,031	70,031
Net asset value per share (NAV)	**228.41**	**216.01**
14.1 Weighted average number of ordinary shares outstanding during the period		
Opening number of shares		60,897
Bonus shares issued in December 2017		9,134
		70,031
14 (a). Net asset value per share (NAV)		
The computation of NAV is given below:		
Equity attributable to the ordinary shareholders	16,341,900	15,508,128
Weighted average number of ordinary shares outstanding during the period (Note-14.1)	70,031	70,031
Net asset value per share (NAV)	**233.35**	**221.45**

	2018 (July-September) Taka in 000's	2017 (July-September) Taka in 000's
15. Basic earnings per share (EPS)		
The computation of EPS is given below:		
Earnings attributable to the ordinary shareholders (net profit after tax for the period)	873,378	752,920
Weighted average number of ordinary shares outstanding during the period (Note-14.1)	70,031	70,031
Basic earnings per share (EPS)	**12.47**	**10.75**
15 (a). Basic earnings per share (EPS)		
The computation of EPS is given below:		
Earnings attributable to the ordinary shareholders (net profit after tax for the period)	842,037	707,327
Weighted average number of ordinary shares outstanding during the period (Note-14.1)	70,031	70,031
Basic earnings per share (EPS)	**12.02**	**10.10**
16. Net cash generated from operating activities		
Profit before tax	1,200,647	
Adjustments for:		
Depreciation and amortization expenses	193,915	
Provision for bad debts & others	1,500	
Finance costs	29,718	
Gain on disposal of property, plant and equipment	(800)	
Cash generated from operations before changes in working capital	**1,424,980**	
Adjustments for:		
(Increase)/ decrease in inventories	(286,066)	
(Increase)/ decrease in trade and other receivables	193,354	
(Increase)/ decrease in advances, deposits and prepayments	(18,084)	
Increase/ (decrease) in trade and other payables	452,315	
Cash generated by operations	**1,766,499**	
Finance costs	(29,718)	
Payment of tax	(197,098)	
Net cash generated from operating activities	**1,539,683**	
16 (a). Net cash generated from operating activities		
Profit before tax	1,170,713	
Adjustments for:		
Depreciation and amortization expenses	205,658	
Provision for bad debts & others	1,500	
Finance costs	30,548	
Gain on disposal of property, plant and equipment	(800)	
Income from investment	(2,614)	
Cash generated from operations before working capital changes	**1,405,005**	
Adjustments for:		
(Increase)/ decrease in inventories	(286,698)	
(Increase)/ decrease in trade and other receivables	195,232	
(Increase)/ decrease in advances, deposits and prepayments	(12,518)	
Increase/ (decrease) in trade and other payables	463,442	
Cash generated by operations	**1,764,463**	
Finance costs	(30,548)	
Payment of tax	(197,678)	
Net cash generated from operating activities	**1,536,237**	
17. Net operating cash flow per share		
The computation of net operating cash flow per share is given below:		
Net cash generated from operating activities	1,539,683	1,408,104
Weighted average number of ordinary shares outstanding during the period (Note-14.1)	70,031	70,031
Net operating cash flow per share	**21.99**	**20.11**

	2018 (July-September) Taka in 000's	2017 (July-September) Taka in 000's
17 (a). Net operating cash flow per share		
The computation of net operating cash flow per share is given below:		
Net cash generated from operating activities	1,536,237	1,397,031
Weighted average number of ordinary shares outstanding during the period (Note-14.1)	70,031	70,031
Net operating cash flow per share	**21.94**	**19.95**

18. Figures have been rounded off to the nearest '000 Taka.

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

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