First Quarter

Financial Statement 2018-2019

(Unaudited)



SQUARE PHARMACEUTICALS LTD.

(Consolidated and Separate)

AMARSTOCK

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited)
As at 30 September 2018

Particulars	30-09-2018 Taka	30-06-2018 Taka
ASSETS:		
Non-Current Assets:	**33,198,813,668**	**32,831,465,294**
Property, Plant and Equipment-Carrying Value	20,588,732,824	20,545,437,633
Investment - Long Term (at Cost)	914,284,270	940,754,391
Investment - Associates Undertaking	8,672,983,866	8,454,064,733
Investment in Marketable Securities (Fair Value)	3,022,812,708	2,891,208,537
Current Assets:	**31,880,030,623**	**28,441,536,241**
Inventories	4,603,832,412	4,432,935,118
Trade Debtors	1,693,858,403	1,615,544,248
Advances,Deposits and Prepayments	2,538,354,686	2,280,668,747
Short Term Loan	3,372,635,370	3,131,975,363
Cash and Cash Equivalents	19,671,349,752	16,980,412,765
TOTAL ASSETS	**65,078,844,291**	**61,273,001,535**
SHAREHOLDERS' EQUITY AND LIABILITIES:		
Shareholders' Equity:	**61,069,620,521**	**57,816,566,831**
Share Capital	7,373,910,900	7,373,910,900
Share Premium	2,035,465,000	2,035,465,000
General Reserve	105,878,200	105,878,200
Tax Exemption Reserve	2,088,207,344	1,949,557,722
Gain on Marketable Securities (Unrealized)	276,462,548	192,272,252
Retained Earnings	49,189,696,529	46,159,482,757
Non Controlling Interest	28,418,498	24,901,060
Non-Current Liabilities:	1,240,436,022	1,231,133,152
Deferred Tax Liability	1,240,436,022	1,231,133,152
Current Liabilities:	**2,740,369,250**	**2,200,400,492**
Trade Creditors	708,925,767	524,676,136
Liabilities for Expenses	61,093,554	89,665,092
Liabilities for Other Finance	1,970,349,929	1,586,059,264
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**65,078,844,291**	**61,273,001,535**
Net Assets Value per Share	82.82	78.41
Number of Shares used to compute NAV	737,391,090	737,391,090

Sd/-
Samuel S. Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
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 2018

Particulars	**July-September** 2018 Taka	**July-September** 2017 Taka
GROSS TURNOVER	12,210,554,313	11,438,191,515
Less: Value Added Tax	1,668,476,381	1,570,241,018
NET TURNOVER	**10,542,077,932**	**9,867,950,497**
Cost of Goods Sold	(5,115,810,187)	(4,884,326,533)
GROSS PROFIT	**5,426,267,745**	**4,983,623,964**
OPERATING EXPENSES:	**(1,783,342,111)**	**(1,566,326,073)**
Selling & Distribution Expenses	(1,522,611,142)	(1,341,519,729)
Administrative Expenses	(260,726,377)	(224,805,873)
Finance Cost	(4,592)	(471)
PROFIT FROM OPERATIONS	**3,642,925,634**	**3,417,297,891**
Other Income	448,482,546	429,591,646
PROFIT BEFORE WPPF	4,091,408,180	3,846,889,537
Allocation for WPPF	(195,027,527)	(183,185,216)
PROFIT BEFORE TAX	3,896,380,653	3,663,704,321
Income Tax Expenses-Current	(933,616,084)	(857,743,344)
Income Tax Assets/(Expenses)-Deferred	(9,302,870)	4,986,516
PROFIT AFTER TAX	**2,953,461,699**	**2,810,947,493**
Profit/(Loss) from Associates Undertaking	218,919,133	200,821,332
PROFIT FOR THE PERIOD	**3,172,380,832**	**3,011,768,825**
Other Comprehensive Income:		
Gain/(Loss) on Marketable Securities (Unrealized)	84,190,296	246,565,525
Total Comprehensive Income for the Period	**3,256,571,128**	**3,258,334,350**
Profit Attibutable to:		
Owners of the Company	3,168,863,394	3,008,432,180
Non Controlling Interest	3,517,438	3,336,645
	3,172,380,832	**3,011,768,825**
Total Comprehensive Income Attributable to:		
Owners of the Company	**3,253,133,642**	**3,254,770,123**
Non Controlling Interest	**3,437,486**	**3,564,227**
	3,256,571,128	**3,258,334,350**
Earnings Per Share (EPS)	4.30	4.08
Number of Shares used to compute EPS	737,391,090	737,391,090

Sd/-
Samuel S. Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

AMARSTOCK

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)
For the 1st Quarter Ended 30 September 2018

Particulars	Share Capital Taka	Share Premium Taka	General Reserve Taka	Tax Exemption Reserve Taka	Gain on Marketable Securities (Unrealized) Taka	Retained Earnings Taka	Non Controlling Interest Taka	Total Taka
At 30 June 2018	7,373,910,900	2,035,465,000	105,878,200	1,949,557,722	192,272,252	46,159,482,757	24,901,060	57,841,467,891
Transfer to Tax Exemption Reserve	-	-	-	138,649,622	-	(138,649,622)	-	-
Total Comprehensive Income (Jul'18-Sep'18)	-	-	-	-	84,190,296	3,168,863,394	3,517,438	3,256,571,128
At 30 September 2018	**7,373,910,900**	**2,035,465,000**	**105,878,200**	**2,088,207,344**	**276,462,548**	**49,189,696,529**	**28,418,498**	**61,098,039,019**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)
For the 1st Quarter Ended 30 September 2017

Particulars	Share Capital Taka	Share Premium Taka	General Reserve Taka	Tax Exemption Reserve Taka	Gain on Marketable Securities (Unrealized) Taka	Retained Earnings Taka	Non Controlling Interest Taka	Total Taka
At 30 June 2017	6,859,452,000	2,035,465,000	105,878,200	852,508,043	596,561,713	38,577,835,254	12,674,141	49,040,374,351
Transfer to Tax Exemption Reserve	-	-	-	135,484,824	-	(135,484,824)	-	-
Total Comprehensive Income (Jul'17-Sep'17)	-	-	-	-	246,565,525	3,008,432,180	3,336,645	3,258,334,350
At 30 September 2017	**6,859,452,000**	**2,035,465,000**	**105,878,200**	**987,992,867**	**843,127,238**	**41,450,782,610**	**16,010,786**	**52,298,708,701**

Sd/-
Samuel S. Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

AMARSTOCK

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

For the 1st Quarter Ended 30 September 2018

Particulars	2018 (Jul'2018-Sep'2018) Taka	2017 (Jul'2017-Sep'2017) Taka
Cash Flows From Operating Activities:		
RECEIPTS:		
Collection from Sales	12,222,032,284	12,071,314,495
Exchange Fluctuation Gain	896,581	23,824,855
Others	43,717,653	39,673,382
	12,266,646,518	12,134,812,732
PAYMENTS:		
Purchase of Raw and Packing Materials	3,538,418,917	3,377,169,152
Manufacturing and Operating Expenses	2,977,960,856	2,581,951,076
Value Added Tax	1,668,476,381	1,570,241,018
Finance Cost	4,592	471
Income Tax Expenses	775,295,975	862,928,752
Workers Profit Participation Fund	24,487,430	23,166,357
Others	81,174,351	5,477,820
	9,065,818,502	8,420,934,646
Net cash provided by operating activities	3,200,828,016	3,713,878,086
Cash Flows From Investing Activities:		
Purchase of Fixed Assets	(694,389,145)	(644,288,475)
Preoperating Expenses	-	(14,104,907)
Investment	(20,943,747)	(482,572,684)
Short Term Loan	(240,660,007)	109,645,616
Gain on Sale of Marketable Securities	9,550,645	94,117,313
Interest Received	413,251,508	205,640,193
Dividend Received	23,299,717	6,214,536
Net cash used in investing activities	(509,891,029)	(725,348,408)
Cash Flows From Financing Activities	-	-
Increase in Cash and Cash Equivalents	2,690,936,987	2,988,529,678
Cash and Cash Equivalents at the Opening	16,980,412,765	15,768,683,854
Cash and Cash Equivalents at the Closing	19,671,349,752	18,757,213,532
Net Operating Cash Flow per Share (NOCF)	**4.34**	**5.04**
Number of Shares used to compute NOCF	737,391,090	737,391,090

Sd/-
Samuel S. Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

AMARSTOCK

SQUARE PHARMACEUTICALS LTD.

Notes to the Consolidated Interim Financial Statements
For the 1st Quarter Ended September 30 2018

1. Basis of Preparation of the Interim Financial Statements:

These Financial Statements (They) are the unaudited interim Financial statement (here after 'the Interim Financial Statements') of Square Pharmaceuticals Ltd. And Square Formulations Ltd., Companies incorporated in Bangladesh under companies act and Square Pharmaceuticals Kenya EPZ Limited incorporated in Kenya under companies act 2015, Kenya, for the 1st Quarter Ended on September 30, 2018 (here after the interim period). They are prepared in accordance with the Bangladesh Accounting Standard (BAS-34) 'Interim Financial Reporting'. These financial statement should read in conjunction with the Annual Financial Statements as of June 30, 2018, as they provide an update of previous 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 figues 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 intension of procurement and in sum up the discounted future cash flow from the operation of the assets would be positive if we dispose those assets at the date of financial reporting. But presently we have on intension to dispose these assets, so it is not required to record the impairment gain as provisions of BAS-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 BFRS-8.

Figures have been rounded off to the nearest Taka.

The company has no reportable operating segments as per BFRS-8.

There is no significant even after the end of the interim period that has to be reflected in the financial statements for the interim period except "The Hon'ble High Court Division of the Supreme Court of Bangladesh has sanctioned the Scheme of Amalgation of Square Formulations Ltd. and Square Herbal & Neutraceuticals Ltd. with Square Pharmaceuticals Ltd. on 29th October, 2018."

		30-09-2018	30-06-2017
2. CONSOLIDATED PROPERTY, PLANT AND EQUIPMENT: Tk. 20,588,732,824			
Details of Property, Plant and Equipment and Depreciation as at 30 September 2018 are as follows:			
This is arrived at as follows:			
Fixed Assets at Cost:			
Opening Balance		36,634,171,899	33,470,077,571
Net Addition during the Period/Year		524,706,845	4,863,597,930
		37,158,878,744	38,333,675,501
Sales/Transfer during the Period/Year		-	(1,699,503,602)
Closing Balance		37,158,878,744	36,634,171,899
Accumulated Depreciation:			
Opening Balance		16,088,734,266	14,146,509,407
Charged during the Period/ Year		481,411,654	1,997,935,652
		16,570,145,920	16,144,445,059
Sales/Transfer during the Period/Year		-	(55,710,793)
		16,570,145,920	16,088,734,266
Carrying Value	Tk.	**20,588,732,824**	**20,545,437,633**
3. CONSOLIDATED INVENTORIES: Tk. 4,603,832,412			
The break-up is as under:			
Raw Materials		1,617,344,460	1,389,487,814
Packing Materials		654,206,288	548,723,855
Work-in-Process		293,642,320	258,840,704
Finished Goods		1,357,428,660	1,195,194,484
Spares & Accessories		487,216,925	535,109,509
Goods- in-Transit		193,993,759	505,578,752
	Tk.	**4,603,832,412**	**4,432,935,118**

		30-09-2018	30-06-2017
4. CONSOLIDATED ADVANCES, DEPOSITS & PREPAYMENTS : Tk. 2,538,354,686			
This consists of as follows:			
Advances:		**1,358,724,699**	**1,037,087,589**
Employees		187,909,698	190,480,656
Land Purchase		284,487,055	114,804,755
Suppliers		686,327,946	531,802,178
Income Tax		200,000,000	200,000,000
Deposits:		**1,140,187,500**	**1,200,845,735**
Value Added Tax		454,235,133	544,027,259
Earnest Money & Security Deposit		239,944,927	158,770,575
Interest on Fixed Deposit Receipts		446,007,440	488,240,998
Others		-	9,806,903
Prepayments:		**39,442,487**	**42,735,423**
Office Rent		11,932,563	6,385,565
Insurance Premium		27,509,924	36,349,858
	Tk.	**2,538,354,686**	**2,280,668,747**
5. CONSOLIDATED SHORT TERM LOAN (Unsecured): Tk. 3,372,635,370			
This consists of as follows:			
(a) Square Textiles Ltd.		168,035,358	1,385,741
(b) Square Fashions Ltd.		-	79,314
(c) Square Denims Ltd.		2,132,118,292	2,168,142,032
(d) Square Apparels Ltd.		890,577,673	780,464,229
(e) Square Herbal & Nutraceuticals Ltd.		181,904,047	181,904,047
	Tk.	**3,372,635,370**	**3,131,975,363**
6. CONSOLIDATED CASH AND CASH EQUIVALENTS: Tk. 19,671,349,752			
This is made up as follows:			
(a) Cash in Hand		11,263,352	5,939,209
(b) Cash at Bank:		**19,660,086,400**	**16,974,473,556**
* Current Account		3,076,019,498	1,683,199,425
* STD Account		328,248,849	214,854,684
* Fixed Deposit Account (BD Taka)		13,733,791,517	12,713,244,578
* Fixed Deposit Account (USD)		2,253,119,378	1,936,582,928
* Export Retention Quota Account (USD)		249,630,662	399,067,138
* Margin Held Account (USD)		19,276,496	27,524,803
	Tk.	**19,671,349,752**	**16,980,412,765**
7. NON CONTROLLING INTEREST: Tk. 28,418,498			
This represents non controlling interest of Square Formulations Ltd as follows:			
Paid-up Capital (Investment)		500,000	500,000
Retained Earnings		27,918,498	24,401,060
	Tk.	**28,418,498**	**24,901,060**
8. CONSOLIDATED DEFERRED TAX LIABILITY: Tk. 1,240,436,022			
This represents provision is made for deferred income tax to pay future income tax liability for temporary differences which is arrived at as follows:			
Opening Balance		1,231,133,152	1,129,233,846
Addition during the Period		9,302,870	101,899,306
Closing Balance	Tk.	**1,240,436,022**	**1,231,133,152**
9. CONSOLIDATED LIABILITIES FOR EXPENSES: Tk. 61,093,554			
This consists of as follows:			
Accrued Expenses		60,763,004	89,334,542
Audit Fees		330,550	330,550
	Tk.	**61,093,554**	**89,665,092**
10. CONSOLIDATED LIABILITIES FOR OTHER FINANCE: Tk. 1,970,349,929			
This consists of as follows:			
Sundry Creditors		465,910,190	446,877,055
Income Tax (Deduction at Source)		68,603,054	56,596,629
Retention Money		4,447,729	3,619,330
Workers' Profit Participation Fund and Welfare Fund		1,057,369,087	863,266,490
Income Tax Payable (Note-10.1)		374,019,869	215,699,760
	Tk.	**1,970,349,929**	**1,586,059,264**
10.1 INCOME TAX PAYABLE: Tk. 374,019,869			
This is arrived at as follows:			
Opening balance		215,699,760	241,126,028
Provision made for the Period		933,616,084	3,255,148,172
Tax Paid (Including Advance Income Tax during the Period)		(775,295,975)	(3,280,574,440)
	Tk.	**374,019,869**	**215,699,760**

		2018 (Jul'2018-Sep'2018)	2017 (Jul'2017-Sep'2017)
11. CONSOLIDATED GROSS REVENUE: Tk. 12,210,554,313			
This consists of as follows:			
Square Pharmaceuticals Ltd.		9,195,090,702	8,602,416,905
Square Formulations Ltd.		3,015,463,611	2,835,774,610
	Tk.	**12,210,554,313**	**11,438,191,515**
12. CONSOLIDATED COST OF GOODS SOLD: Tk. 5,115,810,187			
Materials		3,513,685,573	3,389,297,004
Factory Overhead		1,602,124,614	1,495,029,529
	Tk.	**5,115,810,187**	**4,884,326,533**
13. CONSOLIDATED SELLING & DISTRIBUTION EXPENSES: Tk. 1,522,611,142			
This consists of as follows:			
Salaries and Allowances		271,153,022	258,672,510
Travelling and Conveyance		22,656,080	18,185,537
Printing and Stationery		14,065,099	12,567,554
Postage, Telephone, Fax & Telex		7,584,771	7,524,303
Electricity, Gas and Water		5,573,969	5,385,924
Office and Godown Rent		5,223,134	5,706,253
Repairs and Maintenance including car maintenance		97,864,152	80,172,902
Govt. Taxes and Licence Fees		5,596,904	6,827,097
Field Staff Salaries, Allowances, TA and DA		385,415,360	343,615,081
Marketing and Promotional Expenses		278,204,002	224,375,049
Delivery and Packing Expenses		28,350,878	26,528,358
Export Expenses		27,051,595	23,937,750
Special Discount		246,541,097	219,202,591
Security Services		18,108,437	16,538,158
Depreciation		44,870,657	36,609,895
Other Expenses		64,351,985	55,670,767
	Tk.	**1,522,611,142**	**1,341,519,729**
14. CONSOLIDATED ADMINISTRATIVE EXPENSES: Tk. 260,726,377			
This consists of as follows:			
Salaries and Allowances		83,689,121	80,255,698
Directors' Remuneration		20,464,987	17,738,107
Travelling and Conveyance		21,407,239	23,814,972
Printing and Stationery		1,566,821	1,510,968
Postage, Telephone, Internet		2,276,543	2,157,505
Electricity, Gas & Water		6,906,831	5,620,619
Tiffin and Refreshment		16,890,031	15,228,128
Repairs and Maintenance		28,458,739	29,370,298
Bank Charges		4,674,995	3,747,455
Insurance Premium		3,166,819	2,778,630
Govt. Taxes, Stamp Duty & Licence Fee		3,145,330	2,247,954
Security Services		12,621,182	9,591,458
Legal Charges		488,080	196,750
Depreciation		25,764,194	19,848,543
Software & Hardware Support Services		**16,656,314**	**3,571,930**
Other Expenses		12,549,151	7,126,858
	Tk.	**260,726,377**	**224,805,873**
15. CONSOLIDATED OTHER INCOME: Tk. 448,482,546			
This is arrived at as follows:			
Bank Interest		323,355,940	264,598,116
Interest on Loan to Sister Concern		47,662,010	1,163,444
Dividend		23,299,717	6,214,536
Commission Received		22,754,378	20,676,520
Gain on Marketable Securities (Realized)		9,550,645	94,117,313
Others		21,859,856	42,821,717
	Tk.	**448,482,546**	**429,591,646**

AMARSTOCK

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF FINANCIAL POSITION (Unaudited)
As at 30 September 2018

Particulars	30-09-2018 Taka	30-06-2018 Taka
ASSETS:		
Non-Current Assets:	**26,352,535,451**	**26,132,724,160**
Property, Plant and Equipment-Carrying Value	18,383,229,391	18,271,557,962
Investment - Long Term (at Cost)	5,354,627,952	5,381,098,073
Investment in Marketable Securities (Fair Value)	2,614,678,108	2,480,068,125
Current Assets:	**30,544,662,409**	**27,196,589,272**
Inventories	3,736,606,395	3,642,090,783
Trade Debtors	1,653,107,703	1,587,211,300
Advances,Deposits and Prepayments	2,374,790,643	2,131,347,122
Short Term Loan	3,372,635,370	3,131,975,363
Cash and Cash Equivalents	19,407,522,298	16,703,964,704
TOTAL ASSETS	**56,897,197,860**	**53,329,313,432**
SHAREHOLDERS' EQUITY AND LIABILITIES:		
Shareholders' Equity:	**49,017,201,086**	**46,662,876,378**
Share Capital	7,373,910,900	7,373,910,900
Share Premium	2,035,465,000	2,035,465,000
General Reserve	105,878,200	105,878,200
Gain on Marketable Securities (Unrealized)	315,911,756	215,730,933
Retained Earnings	39,186,035,230	36,931,891,345
Non-Current Liabilities:	**1,127,175,447**	**1,126,645,973**
Deferred Tax Liability	1,127,175,447	1,126,645,973
Current Liabilities:	**6,752,821,327**	**5,539,791,081**
Trade Creditors	5,368,596,410	4,414,979,709
Liabilities for Expenses	56,399,310	89,622,042
Liabilities for Other Finance	1,327,825,607	1,035,189,330
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**56,897,197,860**	**53,329,313,432**
Net Assets Value Per Share (NAV)	**66.47**	**63.28**
Number of Shares used to compute NAV	737,391,090	737,391,090

Sd/-
Samuel S. Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

AMARSTOCK

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Unaudited)

For the 1st Quarter Ended 30 September 2018

Particulars	July-September 2018 Taka	July-September 2017 Taka
GROSS TURNOVER	9,195,090,702	8,602,416,905
Less: Value Added Tax	1,224,266,799	1,152,787,801
NET TURNOVER	**7,970,823,903**	**7,449,629,104**
Cost of Goods Sold	(3,998,690,502)	(3,817,015,940)
GROSS PROFIT	**3,972,133,401**	**3,632,613,164**
OPERATING EXPENSES:	**(1,753,192,137)**	**(1,545,701,629)**
Selling & Distribution Expenses	(1,498,250,958)	(1,321,379,556)
Administrative Expenses	(254,941,179)	(224,321,602)
Finance Cost	-	(471)
PROFIT FROM OPERATIONS	**2,218,941,264**	**2,086,911,535**
Other Income	910,081,155	868,758,842
PROFIT BEFORE WPPF & WF	3,129,022,419	2,955,670,377
Allocation for WPPF & WF	(149,001,068)	(140,746,208)
PROFIT BEFORE TAX	**2,980,021,351**	**2,814,924,169**
Income Tax Exepenses-Current	(725,347,992)	(679,519,512)
Income Tax Expenses/Assets-Deferred	(529,474)	8,213,813
PROFIT AFTER TAX FOR THE PERIOD	**2,254,143,885**	**2,143,618,470**
Other Comprehensive Income :		
Gain/(Loss) on Marketable Securities (Unrealized)	100,180,823	201,049,094
Total Comprehensive Income for the Period	**2,354,324,708**	**2,344,667,564**
Earnings Per Share (EPS)	3.06	2.91
Number of Shares used to compute EPS	737,391,090	737,391,090

Sd/-
Samuel S. Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

AMARSTOCK

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF CHANGES IN EQUITY (Unaudited)
For the 1st Quarter Ended 30 September 2018

Particulars	Share Capital Taka	Share Premium Taka	General Reserve Taka	Gain on Marketable Securities (Unrealized) Taka	Retained Earnings Taka	Total Taka
At 30 June 2018	**7,373,910,900**	**2,035,465,000**	**105,878,200**	**215,730,933**	**36,931,891,345**	**46,662,876,378**
Total Comprehensive Income (Jul'2018-Sep'2018)	-	-	-	100,180,823	2,254,143,885	2,354,324,708
At 30 September 2018	**7,373,910,900**	**2,035,465,000**	**105,878,200**	**315,911,756**	**39,186,035,230**	**49,017,201,086**

STATEMENT OF CHANGES IN EQUITY (Unaudited)
For the 1st Quarter Ended 30 September 2017

Particulars	Share Capital Taka	Share Premium Taka	General Reserve Taka	Gain on Marketable Securities (Unrealized) Taka	Retained Earnings Taka	Total Taka
At 30 June 2017	**6,859,452,000**	**2,035,465,000**	**105,878,200**	**573,534,470**	**31,627,632,641**	**41,201,962,311**
Total Comprehensive Income (Jul'2017-Sep'2017)	-	-	-	201,049,094	2,143,618,470	2,344,667,564
At 30 September 2017	**6,859,452,000**	**2,035,465,000**	**105,878,200**	**774,583,564**	**33,771,251,111**	**43,546,629,875**

Sd/-
Samuel S. Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

AMARSTOCK

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF CASH FLOWS (Unaudited)
For the 1st Quarter Ended 30 September 2018

Particulars	2018 (Jul'2018-Sep'2018) Taka	2017 (Jul'2017-Sep'2017) Taka
Cash Flows From Operating Activities:		
RECEIPTS:		
Collection from Sales	9,231,330,338	9,264,056,035
Exchange Fluctuation Gain	909,832	23,824,855
Others	515,542,589	480,840,578
	9,747,782,759	9,768,721,468
PAYMENTS:		
Purchase of Raw and Packing Materials	1,732,444,947	1,752,310,435
Manufacturing and Operating Expenses	2,875,325,071	2,419,642,697
Value Added Tax	1,224,266,799	1,152,787,801
Finance Cost	-	471
Income Tax Expenses	607,312,960	598,748,890
Workers Profit Participation Fund	24,237,650	23,166,357
Others	81,199,519	4,484,040
	6,544,786,946	5,951,140,691
Net cash provided by operating activities	3,202,995,813	3,817,580,777
Cash Flows From Investing Activities:		
Purchase of Fixed Assets	(686,681,464)	(642,018,721)
Investment	(7,959,040)	(529,050,465)
Short Term Loan	(240,660,007)	(196,747,928)
Gain on Sale of Marketable Securities	843,567	94,117,313
Interest Received	413,251,508	205,640,193
Dividend Received	21,767,217	4,214,536
Net cash used in investing activities	(499,438,219)	(1,063,845,072)
Cash Flows From Financing Activities:	-	-
Increase in Cash and Cash Equivalents	2,703,557,594	2,753,735,705
Cash and Cash Equivalents at the Opening	16,703,964,704	15,689,575,448
Cash and Cash Equivalents at the Closing	19,407,522,298	18,443,311,153
Net Operating Cash Flow per Share (NOCF)	**4.34**	**5.18**
Number of Shares used to compute NOCF	737,391,090	737,391,090

Sd/-
Samuel S. Chowdhury
Chairman

Sd/-
Ratna Patra
Vice Chairman

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

Sd/-
Khandaker Habibuzzaman
Company Secretary

SQUARE PHARMACEUTICALS LTD.

Notes to the Interim Financial Statements
For the 1st Quarter Ended September 30 2018

1. Basis of Preparation of the Interim Financial Statements:

These Financial Statements (They) are the unaudited interim Financial statement (here after 'the Interim Financial Statements') of Square Pharmaceuticals Ltd. , for the 1st Quarter Ended on September 30, 2018 (here after the interim period). They are prepared in accordance with the Bangladesh Accounting Standard (BAS-34) 'Interim Financial Reporting'. These financial statement should read in conjunction with the Annual Financial Statements as of June 30, 2018, as they provide an update of previous 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 figues 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 intension of procurement and in sum up the discounted future cash flow from the operation of the assets would be positive if we dispose those assets at the date of financial reporting. Bur presently we have on intension to dispose these assets, so it is not required to record the impairment gain as provisions of BAS-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 BFRS-8.

Figures have been rounded off to the nearest Taka.

The company has no reportable operating segments as per BFRS-8.

There is no significant even after the end of the interim period that has to be reflected in the financial statements for the interim period except "The Hon'ble High Court Division of the Supreme Court of Bangladesh has sanctioned the Scheme of Amalgation of Square Formulations Ltd. and Square Herbal & Neutraceuticals Ltd. with Square Pharmaceuticals Ltd. on 29th October, 2018."

	30-09-2018	30-06-2018
2. PROPERTY, PLANT AND EQUIPMENT: Tk. 18,383,229,391		
Details of Property, Plant and Equipment and Depreciation as at 30 September 2018 are as follows:		
This is arrived at as follows:		
Fixed Assets at Cost:		
Opening Balance	32,894,007,480	29,863,871,981
Net Addition during the Period/Year	516,999,164	4,729,639,101
	33,411,006,644	34,593,511,082
Sales/Transfer during the Period/Year	-	(1,699,503,602)
Closing Balance	33,411,006,644	32,894,007,480
Accumulated Depreciation:		
Opening Balance	14,622,449,518	13,017,303,686
Charged during the Period/ Year	405,327,735	1,660,856,625
	15,027,777,253	14,678,160,311
Sales/Transfer during the Period/Year	-	(55,710,793)
	15,027,777,253	14,622,449,518
Carrying Value	**18,383,229,391**	**18,271,557,962**
3. INVENTORIES: Tk. 3,736,606,395		
The break-up is as under:		
Raw Materials	1,304,334,191	1,121,094,686
Packing Materials	552,918,547	469,946,615
Work-in-Process	234,185,700	204,086,317
Finished Goods	1,047,437,923	941,732,136
Spares & Accessories	457,000,185	444,000,926
Goods- in-Transit	140,729,849	461,230,103
	3,736,606,395	**3,642,090,783**

	30-09-2018	30-06-2018
4. ADVANCES, DEPOSITS & PREPAYMENTS : Tk. 2,374,790,643		
This consists of as follows:		
Advances:	**1,342,442,282**	**1,023,773,655**
Employees	171,627,281	177,166,722
Land Purchase	284,487,055	114,804,755
Suppliers	686,327,946	531,802,178
Income Tax	200,000,000	200,000,000
Deposits:	**996,040,308**	**1,069,017,289**
Value Added Tax	327,001,083	429,137,122
Earnest Money & Security Deposit	223,031,785	141,832,266
Interest on Fixed Deposit Receipts	446,007,440	488,240,998
Others	-	9,806,903
Prepayments:	**36,308,053**	**38,556,178**
Office Rent	11,932,563	6,385,565
Insurance Premium	24,375,490	32,170,613
	2,374,790,643	**2,131,347,122**
5. SHORT TERM LOAN (Unsecured): Tk. 3,372,635,370		
This consists of as follows:		
(a) Square Textiles Ltd.	168,035,358	1,385,741
(b) Square Fashions Ltd.	-	79,314
(c) Square Denims Ltd.	2,132,118,292	2,168,142,032
(d) Square Apparels Ltd.	890,577,673	780,464,229
(e) Square Herbal & Nutraceuticals Ltd.	181,904,047	181,904,047
	3,372,635,370	**3,131,975,363**
6. CASH AND CASH EQUIVALENTS: Tk. 19,407,522,298		
This is made up as follows:		
(a) Cash in Hand	8,190,622	4,347,122
(b) Cash at Bank:	**19,399,331,676**	**16,699,617,582**
* Current Account	2,825,591,801	1,413,887,145
* STD Account	328,248,849	214,854,684
* Fixed Deposit Account (BD Taka)	13,733,791,517	12,713,244,578
* Fixed Deposit Account (USD)	2,253,119,378	1,936,582,928
* Export Retention Quota Account (USD)	239,303,635	393,523,444
* Margin Held Account (USD)	19,276,496	27,524,803
	19,407,522,298	**16,703,964,704**
7. DEFERRED TAX LIABILITY: Tk. 1,127,175,447		
This represents provision is made for deferred income tax to pay future income tax liability for temporary differences which is arrived at as follows:		
Opening Balance	1,126,645,973	1,055,679,469
Addition during the Period	529,474	70,966,504
Closing Balance	**1,127,175,447**	**1,126,645,973**
8. LIABILITIES FOR EXPENSES: Tk. 56,399,310		
This consists of as follows:		
Accrued Expenses	56,111,810	89,334,542
Audit Fees	287,500	287,500
	56,399,310	**89,622,042**
9. LIABILITIES FOR OTHER FINANCE: Tk. 1,327,825,607		
This consists of as follows:		
Sundry Creditors	462,113,162	442,013,565
Income Tax (Deduction at Source)	16,804,496	11,457,165
Retention Money	4,147,729	3,319,330
Workers' Profit Participation Fund and Welfare Fund	689,578,654	541,252,736
Income Tax Payable (Note-9.1)	155,181,566	37,146,534
	1,327,825,607	**1,035,189,330**
9.1 INCOME TAX PAYABLE: Tk. 155,181,566		
This is arrived at as follows:		
Opening balance	37,146,534	30,717,014
Provision made for the Period	725,347,992	2,534,562,419
Tax Paid (Including Advance Income Tax during the Period)	(607,312,960)	(2,528,132,899)
	155,181,566	**37,146,534**

	2018 (Jul'2018-Sep'2018)	2017 (Jul'2017-Sep'2017)
10. GROSS REVENUE: Tk. 9,195,090,702		
This is made-up as follows:		
Local Sales	8,839,438,356	8,245,123,000
Export Sales Equivalent in US $ 4,124,476 (Jul'17-Sep'17 US $ 4,331,308)	355,652,346	357,293,905
	9,195,090,702	**8,602,416,905**
11. COST OF GOODS SOLD: Tk. 3,998,690,502		
Materials	2,614,352,198	2,559,879,695
Factory Overhead	1,384,338,304	1,257,136,245
	3,998,690,502	**3,817,015,940**
12. SELLING & DISTRIBUTION EXPENSES: Tk. 1,498,250,958		
This consists of as follows:		
Salaries and Allowances	271,153,022	258,672,510
Travelling and Conveyance	22,656,080	18,185,537
Printing and Stationery	14,065,099	12,567,554
Postage, Telephone, Fax & Telex	7,584,771	7,524,303
Electricity, Gas and Water	5,573,969	5,385,924
Office and Godown Rent	5,223,134	5,706,253
Repairs and Maintenance including car maintenance	97,864,152	80,172,902
Govt. Taxes and Licence Fees	5,596,904	6,827,097
Field Staff Salaries, Allowances, TA and DA	376,386,544	337,388,164
Marketing and Promotional Expenses	278,204,002	224,375,049
Delivery and Packing Expenses	27,356,018	24,371,764
Export Expenses	26,571,357	23,882,031
Special Discount	246,541,097	219,202,591
Security Services	18,108,437	16,538,158
Depreciation	44,870,657	36,609,895
Other Expenses	50,495,715	43,969,824
	1,498,250,958	**1,321,379,556**
13. ADMINISTRATIVE EXPENSES: Tk. 254,941,179		
This consists of as follows:		
Salaries and Allowances	83,689,121	80,255,698
Directors' Remuneration	20,464,987	17,738,107
Travelling and Conveyance	21,407,239	23,814,972
Printing and Stationery	1,566,821	1,510,968
Postage, Telephone, Internet	2,276,543	2,157,505
Electricity, Gas & Water	6,906,831	5,620,619
Tiffin and Refreshment	16,890,031	15,228,128
Repairs and Maintenance	28,458,739	29,370,298
Bank Charges	3,428,910	3,510,438
Insurance Premium	3,166,819	2,778,630
Govt. Taxes, Stamp Duty & Licence Fee	3,007,290	2,058,200
Security Services	12,621,182	9,591,458
Legal Charges	404,250	196,750
Depreciation	25,764,194	19,848,543
Software & Hardware Support Services	16,656,314	3,571,930
Other Expenses	8,231,908	7,069,358
	254,941,179	**224,321,602**
14. OTHER INCOME: Tk. 910,081,155		
This is arrived at as follows:		
Bank Interest	323,355,940	264,598,116
Interest on Loan to Sister Concern	47,662,010	1,163,444
Dividend	21,767,217	4,214,536
Commission Received	488,879,314	456,143,716
Gain on Marketable Securities (Realized)	843,567	94,117,313
Others	27,573,107	48,521,717
	910,081,155	**868,758,842**

AMARSTOCK

	2018 (Jul'2018-Sep'2018)	2017 (Jul'2017-Sep'2017)

15. RELATED PARTY TRANSACTIONS:

The company did not do any related transactions with it's sister concern other than its subsidiary/associates undertaking viz Square Textiles Ltd., Square Fashions Ltd., Square Hospitals Ltd., Square InformatiX Ltd., Square Denims Ltd., Square Apparels Ltd., Square Herbal & Nutraceuticals Ltd.,Square Securities Manament Ltd., Pharma Packages (Pvt) Ltd., Square Formulations Ltd. and AEGIS Services Ltd. during the year reporting. The summary is as follows:

	Receivable/(Payable)	Receivable/(Payable)
Square Textiles Ltd.	168,035,358	21,807,192
Square Fashions Ltd.	-	4,608,950
Square Hospitals Ltd.	3,549,417	18,771,241
Square InformatiX Ltd.	(2,779,136)	8,403,597
Square Denims Ltd.	2,132,118,292	85,991,534
Square Apparels Ltd.	890,577,673	78,551,704
Square Herbal & Nutraceuticals Ltd.	181,904,047	-
Square Securities Management Ltd.	42,651	248,196,492
Pharma Packeges (Pvt.) Ltd.	238,530,000	-
Square Formulations Ltd.	(4,727,053,069)	(2,507,913,248)
AEGIS Servicee Ltd.	(138,882)	233,887

16. KEY MANAGEMENT PERSONNEL COMPENSATION:

During the period, the amount of compensation paid to Key Management Personnel including Board of Directors is as under (As Para 17 of IAS 24):

Short-Term Employee Benefits	94,082,512	80,387,500
Post-Employment Benefits	6,399,893	-
Other Long-Term Benefits	-	-
Termination Benefits	-	-
Share-Based Payment	-	-

17. The Contingent Liabilities of the companies as of September 30, 2018 were as follows:

For Sight LC for the Group Tk. 186.89 crore only, out of which Tk. 156.15 crore for Square Pharmaceuticals Ltd. And Tk. 30.74 crore for Square Formulations Ltd., There is no contingent liability of the Square Pharmaceuticals Kenya EPZ Limited.