

Since 1958

2022-2023

ANNUAL REPORT

Year Ended June 2023



SQUARE PHARMACEUTICALS PLC.

Performance

Key Highlights

2022-2023

Standalone

Revenue **4.77%** ↑

2022-23: BDT **69.57** Billion
2021-22: BDT **66.41** Billion

Domestic Revenue **4.50%** ↑

2022-23: BDT **67.62** Billion
2021-22: BDT **64.71** Billion

Export Revenue **15.06%** ↑

2022-23: BDT **1.96** Billion
2021-22: BDT **1.70** Billion

Profit (After Tax) **0.32%** ↑

2022-23: BDT **16.47** Billion
2021-22: BDT **16.42** Billion

Dividend Payout **5.00%** ↑

2022-23: BDT **9.31** Billion
2021-22: BDT **8.86** Billion

EPS Earning Per Share **0.32%** ↑

2022-23: BDT **18.58**
2021-22: BDT **18.52**

NAV Net Asset Value **8.07%** ↑

2022-23: BDT **100.52** Billion
2021-22: BDT **93.01** Billion

NOCF Net Operating Cash Flow **34.14%** ↓

2022-23: BDT **8.13** Billion
2021-22: BDT **12.35** Billion

Market Leader

Since 1985

In Pharmaceuticals Industry

Bank Loan **Zero**
From the FY 2018-19

Dividend **NonStop**
Since 1995 listing

Credit Rating **AAA**
By CRISL



SQUARE PHARMACEUTICALS PLC.



ABOUT US

Since 1958



www.squarepharma.com.bd

SQUARE Pharma, the largest pharmaceuticals company in the Country, is a trusted name in the pharmaceuticals sector of Bangladesh. Like most indigenous concerns it made its debut in a humble way in 1958 as a Partnership Firm under the leadership of the Late Samson H Chowdhury. The next year, 12 workers inhabited a 3,000 sq. ft. facility, produced the first EASTON'S syrup, and made a turnover of Tk. 55,000.

In 1964, the Partnership Firm converted into a Private Limited Company, then in 1991, converted into a Public Limited Company and became Publicly Listed Company in 1995.

SQUARE today symbolizes a name - a state of mind. From its inception in 1958, it has today burgeon into one of the top line conglomerates in Bangladesh.

SQUARE Pharma, the flagship company, is holding a strong leadership position (#1) in the pharmaceutical industry of Bangladesh since 1985.

It has extended its range of services towards the highway of the global market. It pioneered exports of medicines from Bangladesh in 1987 and has been exporting antibiotics and other pharmaceutical products. This extension in business and services has manifested the credibility of **SQUARE** Pharma.

SQUARE Pharma emphasizes the quality of products, processes, and services leading to the growth of the company imbued with good governance practices.

SQUARE Pharma's turnover during the year 2022-2023 was BDT 69.57 billion (US\$ 695.26 million) with about 17.63% market share and a growth rate of about 4.77% and having around 12,503 employees across the country and abroad.

The market capitalization of **SQUARE** Pharma is around BDT 186.33 billion (US \$1.86 billion), which places it 1st in ranking in the pharmaceuticals sector.

ANNUAL REPORT

Year ended 30 June 2023

2022-2023



SQUARE PHARMACEUTICALS PLC.

Square Centre
48 Mohakhali Commercial Area
Dhaka, Bangladesh

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SQUARE
PHARMACEUTICALS PLC.

Square Centre
48 Mohakhali Commercial Area
Dhaka, Bangladesh

Transmittal
Letter

To
The Members
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange PLC.

Annual Report for the year ended June 30, 2023

Dear Sir(s)

We are pleased to enclose a copy of the Annual Report containing the Directors' Report and Auditors' Report along with Audited Financial Statements including the Statement of Financial Position as at June 30, 2023, Statement of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows for the year ended June 30, 2023 along with notes thereon and all related Consolidated and Subsidiary Financial Statements for your record and necessary measures.

With best regards.

Khandaker Habibuzzaman
Company Secretary

Dated: 21 November, 2023

The Ten Principles of UN Global Compact



WE SUPPORT

The ten principles of Global Compact initiated by the UN Secretary General as have been adopted by Square Pharmaceuticals PLC. are as follows:

✿ HUMAN RIGHTS

Principle 1

Business should support and respect the protection of internationally proclaimed human rights within their sphere of influence; and

Principle 2

Make sure that they are not complicit in human rights abuses.

✿ LABOR STANDARDS

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4

The elimination of all forms of forced and compulsory labor.

Principle 5

The effective abolition of child labor and

Principle 6

Eliminate discrimination in respect of employment and occupation.

✿ ENVIRONMENT

Principle 7

Business should support a precautionary approach to environmental challenges.

Principle 8

Undertake initiatives to promote greater environmental responsibility; and

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

✿ ETHICAL STANDARDS

Principle 10

Business should work against corruption in all its forms, including extortion and bribery.





SQUARE
PHARMACEUTICALS PLC.

Square Centre
48 Mohakhali Commercial Area
Dhaka, Bangladesh

Notice to the Members

57th Annual General Meeting 2023

Notice is hereby given that the 57th Annual General Meeting of the Members of Square Pharmaceuticals PLC. will be held on Thursday the 14th December, 2023 at 10:00 a.m. under the virtual platform through the link <https://agmbd.live/squarepharma2023> to transact the following business:

- Agenda-1: To receive, consider and adopt the Audited Financial Statements for the year ended 30th June, 2023 together with the reports of the Directors' and the Auditors' thereon.
- Agenda-2: To declare a dividend for the year ended 30th June, 2023.
- Agenda-3: To elect Directors in terms of the relevant provision of Articles of Association.
- Agenda-4: To confirm the appointment of the Independent Director.
- Agenda-5: To appoint Statutory Auditors for the year 2023-2024 and fix the remuneration.
- Agenda-6: To appoint Compliance Auditor for the year 2023-2024 and fix the remuneration.

By order of the Board

Khandaker Habibuzzaman
Company Secretary

21 November, 2023

Notes:

- i) The proxy form must be affixed with requisite revenue stamp and be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
- ii) Members are requested to submit to the Company's Share Office on or before 10th December 2023, their written option to receive dividend. In case of non-submission of such option with the stipulated time, the dividend will be paid off as deemed appropriate by the Company.
- iii) The Annual Report is available in the Company's web site at www.squarepharma.com.bd

Vision

We view business as a means to the material and social wellbeing of the investors, employees and the society at large, leading to accretion of wealth through financial and moral gains as a part of the process of the human civilization.

Mission

Our Mission is to produce and provide quality & innovative healthcare relief for people, maintain stringently ethical standard in business operation also ensuring benefit to the shareholders, Stakeholders and the society at large.

Objectives

Our objectives are to conduct transparent business operation based on market mechanism within the legal & social framework with aims to attain the mission reflected by our vision.

Corporate Focus

Our vision, our mission and our objectives are to emphasize on the quality of product, process and services leading to grow of the company imbued with good governance practices.

The Founder



Samson H Chowdhury
1925-2012

*Work hard and bring success that would
be the biggest respect to me.*

The Authority

Square Pharmaceuticals PLC.



The Board of Directors is made up of the following honorable Members:

Mr. Samuel S Chowdhury
Chairman

Mrs. Ratna Patra
Vice Chairman

Mr. Tapan Chowdhury
Managing Director

Mr. Anjan Chowdhury
Director

Mr. Kazi Iqbal Harun
Director

Mr. Syed Afzal Hasan Uddin
Independent Director

Mr. Abul Kalam Azad
Independent Director



Chairman

Mr. Samuel S Chowdhury

Non-Executive Director.

Appointed to the Board in the year 1990.

Appointed as Chairman in the year 2012.

MBA from the Trinity University, USA.

Eldest Son of Late Samson H Chowdhury (Founder Chairman).

Chairman of Square Pharmaceuticals Kenya EPZ Ltd., Square Lifesciences Ltd., Square Hospitals Ltd., Square Toiletries Ltd., Square Food & Beverages Ltd.,

Square Fashions Ltd., Square Denims Ltd., Square Apparels Ltd., Square Air Ltd., Mediacom Ltd., Maasranga Communications Ltd. (Maasranga TV), and other 13 companies under Square Group.

Managing Director of Square Textiles PLC. (Listed).



Vice Chairman

Mrs. Ratna Patra

Executive Director.

Appointed to the Board in the year 2007.

Appointed as Vice Chairman in the year 2012.

Arts Graduate from the University of Dhaka.

Only Daughter of Late Samson H Chowdhury (Founder Chairman)

Vice Chairman of Square Pharmaceuticals Kenya EPZ Ltd., Square Lifesciences Ltd., Square Hospitals Ltd.,

Square Textiles PLC. (Listed), Square Toiletries Ltd., Square Fashions Ltd., Square Denims Ltd., Square Apparels Ltd., Square Air Ltd., Mediacom Ltd., Maasranga Communications Ltd. (Maasranga TV), and other 8 companies under Square Group.



Managing Director

Mr. Tapan Chowdhury

Executive Director.

Appointed to the Board in the year 1980.

Appointed as Managing Director in the year 1995.

Science Graduate from the University of Dhaka.

Diploma in Marketing & Management, UK.

2nd son of Late Samson H Chowdhury (Founder Chairman).

Chairman of Square Textiles PLC. (Listed) and Square Health Ltd.

Director of Square Pharmaceuticals Kenya EPZ Ltd., Square Lifesciences Ltd., Square Hospitals Ltd., Square Toiletries Ltd., Square Food & Beverages Ltd., Square Fashions Ltd., Square Denims Ltd., Square Apparels Ltd., Square Air Ltd., Mediacom Ltd., Maasranga Communications Ltd. (Maasranga TV) and other 15 companies under Square Group.

Director

Mr. Anjan Chowdhury

Non-Executive Director.

Appointed to the Board in the year 1990.
BBA from the University of South Florida, USA.

Youngest son of Late Samson H Chowdhury
(Founder Chairman).



Managing Director of Square Toiletries Ltd., Square Food & Beverages Ltd., Square Texcom Ltd., Square Air Ltd., Mediacom Ltd., Maasranga Communications Ltd. (Maasranga TV) and Square Securities Management Ltd.

Director of Square Pharmaceuticals Kenya EPZ Ltd., Square Hospitals Ltd., Square Lifesciences Ltd., Square Textiles PLC. (Listed), Square Fashions Ltd., Square Denims Ltd., Square Apparels Ltd., and other 8 companies under Square Group.

Director

Mr. Kazi Iqbal Harun

Non-Executive Director.

Appointed to the Board in the year 1990.
M.Sc. in Applied Chemistry, Rajshahi University
Son of late Dr. Kazi Harunar Rashid,
(One of the Founder Director)



Director of Square Toiletries Ltd.

Independent Director

Mr. Syed Afzal Hasan Uddin

Appointed to the Board in the year 2018.

A Graduate from King's College, UK.

Bar-at-Law from Lincoln's Inn, UK.

Advocate of Supreme Court of Bangladesh.
Managing Partner of Syed Ishtiaq Ahmed & Associates.

Legal Advisor of leading national, multinational and foreign organizations of various sectors in Bangladesh.



Independent Director

Mr. Abul Kalam Azad

Appointed to the Board in the year July, 2023.

Commerce Graduate from the University of Chittagong.

Fellow Member (FCA) of Institute of Chartered

Accountants of Bangladesh.

Founding Principal and Sole Practitioner of Azad Abul Kalam & Co., Chartered Accountants, since 2008 and Founding Partner and Sole Practitioner of Azad Zamir & Co., Chartered Accountants, since 1984.

Former Independent Director, Envoy Textiles Ltd.



Board of Directors
status in accordance
with the Constitution
and Law:

Constitution

Not less than 3 or more than 11

Type of Mandate

Unitary Board of 7 (seven)
Directors

Female Member

1 (one)

Male Member

6 (six)

Non-Executive Director

5 (Five)

Executive Director

2 (two)

Independent Director

2 (two)

**Board Meeting during the
year 2022-2023**

10 (Ten)

The Authority

We Strive For

We in SQUARE, strive, above all, for top quality health care products at the least cost reaching the lowest rungs of the economic class of people in the country. We value our social obligations.

We owe our shareholders and strive for protection of their capital as well as ensure highest return and growth of their assets.

We strive for best compensation to all the employees who constitute the back-bone of the management and operational strength of the company through a pay-package composing salary/wages, allowances, bonuses, profit participation, leave salary and superannuation & retirement benefits.

We strive for the best co-operation of the creditors & debtors the banks & Financial Institutions who provide Financial support when we need them, the suppliers of raw materials & suppliers who offer them at the best prices at the opportune moments, the providers of utilities-power, gas & water etc. and the customers who buy our products & services by redeeming their claim in time by making prompt payment and by distributing proper product on due dates to our customers.

We strive for fulfillment of our responsibility to the government through payment of entire range of due taxes, duties and claims by various public agencies like municipalities etc.

We strive, as responsible citizen, for a social order devoid of malpractices, anti-environmental behaviors, unethical and immoral activities and corruptive dealings.

We strive for equality between sexes, races, religions and regions in all spheres of our operation without any discriminatory treatment.



Square Pharmaceuticals PLC.

SQUARE

We strive for practicing good-governance in every sphere of activities covering inter alia not being limited to, disclosure & reporting to share-holders, holding AGM in time, distribution of dividends and other benefits to shareholders, reporting/dissemination of price sensitive information, acquisition of shares by insiders, recruitment & promotion of staff, procurement & supplies, sale of assets etc. all that directly and indirectly affect the interest of concerned groups - the shareholders, the creditors, suppliers, employees, government and the public in general.

We strive for an environment free from pollution and poisoning.

We strive for the achievement of millennium development goals for the human civilization.



Chairman's Message

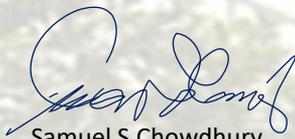
Dear Shareholders,
Ladies and Gentlemen

While I attempt to convey the message of our thoughts and understanding of what we intended to achieve and what we could or could not, may lead us to intrude into a multifaceted debate on factors and facets of doing business in the arena of national socio-economic as well as international/cross-borders environmental storming crises affecting every nook and corner creating confusion not only amongst the Entrepreneurs and investors but also the world political leaders who are mostly on so called "Two-Tier" Dialogue on the deck of "Peace" that float in the air and tires the ears of nearly 800 billion humans struggling to survive on the poor "Mother-Earth" whose children have little hope of life under the current political orders of living together.

Under such a situation, as prevailing, among others, in the areas of economic disorders, financial & monetary crises, political competition for controlling world system for critically required natural resources held by various countries leading to wars and skirmishes, ignoring their own created law and orders required for so-called PEACE through the auspices of United Nations, WTO, IMF, IBRD, WHO and so forth, the business climate in our country offers a melancholy contrast.

As the country succeeded in over-coming the disorders of life created by COVID-19, Dengu seems to have taken over it with a plunging fall in our golden "Reserve Figure of 48B", our pride of graduation from poor to power status. The days ahead should be carefully scanned by all of us and make moves with caution and care.

With best wishes for a bright and healthful life.


Samuel S Chowdhury
Chairman



Corporate Operational Results

Square Pharmaceuticals PLC. (Standalone)

SQUARE
Market Share
17.63%

Figures in '000

Business Results:	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Gross Revenue	69,573,803	66,406,960	58,346,258	52,926,219	44,595,486
Value Added Tax	9,185,007	8,809,019	7,643,229	7,049,770	5,909,831
Net Revenue	60,388,796	57,597,941	50,703,029	45,876,449	38,685,656
Gross Profit	29,874,382	29,639,914	25,902,993	23,339,779	18,974,590
Net Profit (Before Tax)	21,097,122	21,024,560	18,755,933	17,185,382	13,965,289
Net Profit (After Tax)	16,470,228	16,417,497	14,743,265	12,955,974	10,562,864
Net Assets Value (NAV)	100,516,964	93,007,355	82,217,575	69,909,802	60,806,055
Total Assets	104,755,128	97,535,187	86,602,384	74,350,804	65,061,673
Bank Borrowings	-	-	-	-	-
Current Assets	70,169,515	62,748,424	54,945,934	46,886,758	38,291,545
Current Liabilities	3,212,078	3,349,091	3,109,956	3,228,073	2,961,271
Current Ratio	21.85	18.74	17.67	14.52	12.93
Net Assets Value (NAV) per Share	113.39	104.92	92.75	78.86	68.59
Net Operating Cash Flow per Share	9.17	13.93	12.27	12.29	14.20
EPS-Earnings per Share (SPL)	18.58	18.52	16.63	14.62	11.92
EPS-Earnings per Share (Consolidated)	21.41	20.48	17.99	15.06	14.27
EPS at Original Capital at IPO	1,647.02	1,641.75	1,474.33	1,295.60	1,056.29
Quoted Price per Share - DSE	210.20	216.70	215.50	172.50	264.30
Quoted Price per Share - CSE	209.80	216.90	215.60	172.50	264.90
Price Earnings Ratio-DSE (Time)	11.31	11.70	12.96	11.24	21.13
Price Earnings Ratio-CSE (Time)	11.29	11.71	12.96	11.24	21.18
Market Capitalization-DSE (in billion)	186.33	192.09	191.03	145.63	208.53
Market Capitalization-CSE (in billion)	185.98	192.27	191.12	145.63	209.00
No. of Shares Outstanding	886,451,010	886,451,010	886,451,010	844,239,058	789,008,466
Face Value per Share	10.00	10.00	10.00	10.00	10.00
Dividend (Cash)	105%	100%	60%	47%	42%
Dividend (Stock)	0%	0%	0%	5%	7%
Dividend Payout (in '000)	9,307,736	8,864,510	5,318,706	4,390,043	3,866,141
Shareholders:	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Sponsors/Directors	5	5	5	5	5
Financial & Other Institution	1,141	1,126	1,211	916	927
Foreign Investors	67	70	90	91	118
General Public	84,464	75,363	75,233	60,251	56,570
Total -	85,677	76,564	76,539	61,263	57,620
Employees:	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Executives	6,191	5,747	5,205	4,644	4,350
Non Executives	2,746	2,514	2,746	2,612	2,099
Workers	3,566	2,938	2,559	2,570	2,785
Total -	12,503	11,199	10,510	9,826	9,234

Managing Director's Report

Respected Shareholders,
Ladies and Gentlemen

I am pleased to welcome you all at this 57th Annual General Meeting of the Company and submit the Directors' Report containing, as required by Laws and Regulations, Financial Statements for the year 2022-2023 and other allied/related statements of the Company as Standalone position as well as Consolidated one.

A review would reveal that despite the socio-politico-economic disturbing situation, mostly due to COVID-19, Dengu in the Health Sector and wars and skirmishes in the international arena, followed by so called "Sanctions" and counter-sanctions in the World Trade and Financial as well as movement of people through the "VISA" drone, the company could succeed in retaining its market positions as Number One in the country as well as maintain Net Profit (AT) and others strategic parameters almost unchanged.

The Management Team headed by the Managing Director along with workers, operators, officers, and all associated parties, have had prime contributions in sustaining and holding high the operational results of the company. It is expected that under the current situation of world disorder in the national and international arena, the Shareholders and Stakeholders would not be unhappy with the results we have achieved in the wind of wildfires.

With the best wishes.


Tapan Chowdhury
Managing Director

2022-2023

69.57 Billion
Revenue



Together we are Stronger

“ Management Committee

Mr. Tapan Chowdhury Managing Director	Chairman
Mr. Md. Kabir Reza Head of Accounts & Finance	Member
Mr. Md. Mizanur Rahman Head of Operations	Member
Mr. Md. Atiquzzaman Head of Marketing	Member
Mr. Anjan Kumar Paul Head of Human Resource	Member

“ Audit Committee

Mr. Syed Afzal Hasan Uddin Independent Director	Chairman
Mr. Anjan Chowdhury Director	Member
Mr. Kazi Iqbal Harun Director	Member
Mr. Khandaker Habibuzzaman Company Secretary	Secretary

“ Nomination and Remuneration Committee

Mr. Syed Afzal Hasan Uddin Independent Director	Chairman
Mr. Anjan Chowdhury Director	Member
Mr. Kazi Iqbal Harun Director	Member
Mr. Khandaker Habibuzzaman Company Secretary	Secretary

“ Operational Management Team

Ms. Sanchia Chowdhury	Head of Business Strategy
Mr. Eris S Chowdhury	Head of TSD and SCM
Ms. Anika Chowdhury	Head of Business Development
Mr. Md. Kabir Reza	Head of A&F
Mr. Md. Mizanur Rahman	Head of Operations
Mr. M. Nawabur Rahman	Head of Production (Dhaka Unit)
Mr. Md. Atiquzzaman	Head of Marketing
Mr. Santosh Sadashiv Chothe	Head of R&D
Mr. Anjan Kumar Paul	Head of HR
Mr. Md. Mizanur Rahman	Head of Production (Pabna Unit)
Mr. Rajasekar Shunmugam	Head of Quality Assurance

Square Pharmaceuticals PLC.





Established in 1958



“ CFO, Company Secretary and HIAC

Mr. Muhammad Zahangir Alam	Chief Financial Officer
ACA, FCMA	
Mr. Khandaker Habibuzzaman	Company Secretary
FCS	
Mr. Sanjit Kumar Nath	Head of Internal Audit & Compliance
ACA	

“ Statutory Auditors

M/s. Ahmed Zaker & Co.
Chartered Accountants
Green City Edge (10th floor), 89 Kakrail
Dhaka-1000

“ Compliance Auditors

M/s Chowdhury Bhattacharjee & Co.
Chartered Accountants
47/8, Indira Road, Ground Floor
Dhaka

“ Legal Advisor

Mr. Rokanuddin Mahmud, Bar-at-Law
Ms. Nazia Kabir, Bar-at-Law

“ Bankers

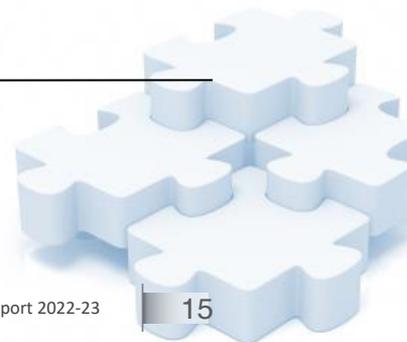
Janata Bank PLC.	Standard Chartered Bank
HSBC Ltd.	Citibank N.A
Mercantile Bank PLC.	Prime Bank Ltd.
Bank Asia Ltd.	Shahjalal Islami Bank Ltd.
Eastern Bank Ltd.	Commercial Bank of Ceylon PLC.
BRAC Bank Ltd.	

“ Insurers

Guardian Life Insurance Ltd.
Pioneer Insurance Co. Ltd.
Pragati Insurance Co. Ltd.

“ Listing

Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange PLC.



1995

- Production of pharmaceuticals bulk (API) product by Chemical Division.
- Listing with Dhaka and Chittagong Stock Exchange.

1994

Initial Public Offer (IPO) of Ordinary Shares

1991

Converted into Public Limited Company.

1987

Pioneer in pharmaceutical export from Bangladesh

1985

Market leadership in the pharma market of Bangladesh among all national and multinational companies.

1974

Technical Collaboration with Janssen Pharmaceuticals of Belgium, a subsidiary of Johnson & Johnson Int'l Ltd., USA.

1964

Incorporated as a Private Limited Company.

1958

Year of Establishment (As Partnership Firm)

2016

- Received MCC, South Africa and PIC/S approval.
- Won the HSBC Export Excellence Award.
- Won the ICMAB Best Corporate Award.

2015

Received USFDA's approval.

2013

"Samson H Chowdhury Centre of Excellence" starts its journey.

2012

Dhaka Unit got the 'Therapeutic Goods Administration' (TGA) of Australia approval.

2009

Starts manufacturing of insulin, hormone & steroid maintaining quality standard of US FDA & UK MHRA complying with cGMP of WHO.

2007

Dhaka Unit got the UK MHRA approval.

2006

Received Bankers' Forum Award for ethical and socially responsible business practices and smooth operations with bankers.

2002

Enlisted as UNICEF's global suppliers.

2001

US FDA/UK MHRA standard pharma factory goes into operation built under supervision of Bovis, UK.

1997

Awarded National Export Trophy for exporting pharmaceuticals.

Milestone of Excellence

1958-2023

2021

- Received special recognition from the Large Taxpayer Unit (LTU) of the National Board of Revenue (NBR) as one of the Top Taxpayers in the Country.
- Received the Bangabandhu Sheikh Mujib Industrial Award 2020 in the category of the country's best largest industries.
- Awarded National Export Trophy (Gold).
- Won the ICMAB Best Corporate Award.
- Won Green Factory Award.

2019

- Won the "President's Award for Industrial Development" as a successful Enterprise in the category of Large Scale Industry.
- Won the Occupational Health and Safety Good Practice Award.
- Awarded National Export Trophy (Gold).

2018

- Awarded National Export Trophy (Gold).
- Won the ICMAB Best Corporate Award.
- Received approval of ANDA of Valsartan for US market.
- Received GMP approval of manufacturing facilities from NPRA, Malaysia.
- Won the National Productivity & Quality Excellence Award.

2017

- Received GMP certification from MOH Azerbaijan.
- Won the National Environment Award.

2022-2023

- Honored as Top Taxpayer with Tax Card in the Pharmaceuticals Sector by the National Board of Revenue (NBR).
- Won The National Productivity & Quality Excellence Award conferred by the Ministry of Industries.
- Won the ICMAB Best Corporate Award.
- Received ICSB National Award for Corporate Governance Excellence.

Since 1985, Square Pharma has been uninterruptedly holding the top position in the Bangladesh Pharmaceuticals Sector.

Statement of Value Addition

Square Pharmaceuticals PLC.

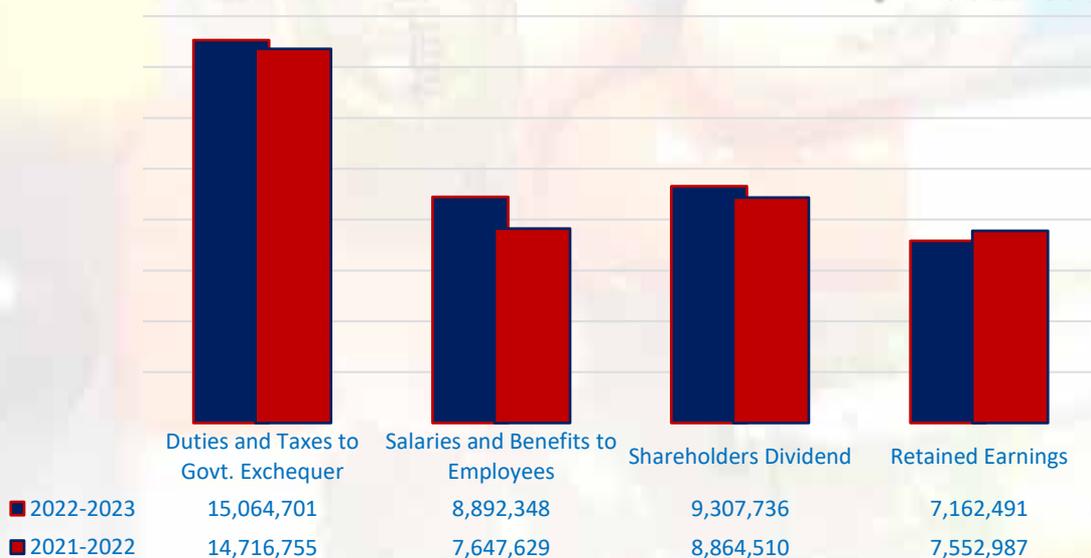
Year Ended
June 2023

Figures in thousand Taka

	2022-2023		2021-2022	
	(Jul'2022-Jun'2023)		(Jul'2021-Jun'2022)	
	Amount	%	Amount	%
Value Added:				
Turnover, Other Operating Income & Other Income.	75,079,509		70,614,603	
Less: Bought in Materials & Services	34,652,233		31,832,722	
	40,427,276	100.00	38,781,881	100.00
Application:				
Duties and Taxes to Govt. Exchequer	15,064,701	37.26	14,716,755	37.95
Salaries and Benefits to Employees	8,892,348	22.00	7,647,629	19.72
Shareholders Dividend	9,307,736	23.02	8,864,510	22.86
Retained Earnings	7,162,491	17.72	7,552,987	19.47
	40,427,276	100.00	38,781,881	100.00



Value Added
+ 4.24%



The Board of Directors of the Company is delighted to present its Report for the financial year ended 30 June 2023 before the honorable Members (Shareholders).

The Directors' Report is presented in accordance with the provisions of Section 184 of the Companies Act 1994, Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchange Rules 2020, Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission and International Accounting Standard-1 as adopted by The Financial Reporting Council, Bangladesh.

33
New Products Added
In 2022-2023



Operations and the State of Affairs

Financial Results Overview

Consolidated

- > **Revenue:** The Consolidated Revenue from operations increased by 8.93% to Tk. 72.34 billion against Tk. 66.41 billion of the previous year.
- > **Net Profit & EPS:** Net Profit after tax grew by 4.53% to Tk. 18.98 billion as compared to Tk. 18.16 billion (restated) of the previous year. EPS (Earnings per Share) stood at Tk. 21.41 as against Tk. 20.48 (restated) of the previous year.
- > **Retained Earnings:** Retained Earnings stood at Tk. 103.34 billion in 2022-2023 against Tk. 93.36 billion (restated) in 2021-2022

Standalone

- > **Revenue:** The Standalone Revenue from operations reached Tk. 69.57 billion with a growth of 4.77% for the year ended June 30, 2023, as against Tk. 66.41 billion of the previous year.
- > **Net Profit & EPS:** Net Profit after tax increased by 0.32% to Tk. 16.47 billion as compared to Tk. 16.42 billion for the previous year. EPS stood at Tk. 18.58 for 2022-2023 as against Tk. 18.52 for the previous year.
- > **Retained Earnings:** Retained Earnings stood at Tk. 88.78 billion in 2022-2023 against Tk. 81.17 billion in 2021-2022

Sectoral Growth

In the 1950s, certain multinational companies (MNCs) and local companies began developing the pharmaceutical industry in Bangladesh (erstwhile East Pakistan).

Following its independence in 1971, Bangladesh, classified as a least-developed country, was granted a patent exemption within the pharmaceutical sector in accordance with the British Patents and Designs Act of 1911.

As a result, the production of generic medicine in the country began to increase. However, the growth of the pharmaceutical industry began in the 1980s. In 1981, there were 166 licensed pharmaceutical factories in Bangladesh. The country's pharmaceutical production was then dominated by 8 MNCs and they supplied 75% of the country's medicine and the remaining 25% by the 158 domestic companies.

The Government of Bangladesh recognized the potential of the pharmaceutical sector and provided support through policies and incentives to encourage its growth.

This support included tax benefits, reduced import duties on raw materials, and other incentives.

Therefore, Bangladesh gained a reputation as a producer of high-quality generic medicines. This led to the sector's gradual expansion, both domestically and internationally and the industry focused on producing affordable alternatives to expensive branded drugs, particularly in the form of generics and branded generics.

Bangladesh's pharmaceutical sector also gained recognition in the global market for producing low-cost, high-quality medicines, and exports the pharmaceutical products to various countries, especially in Asia and Africa, increased significantly.

At present, in the pharmaceutical industry in Bangladesh, 98% of the country's total demand for medicine is met by domestic companies, including exports to about 160 countries, including those in the EU, Africa, and Latin America, as well as the US. Bangladesh's pharmaceutical export revenue was US\$ 188.78 million, whereas the domestic market is about US\$ 3.5 billion, from July to June of the current fiscal year 2022-2023. Registered a growth at an average rate of 15.6% per annum.

Bangladesh can become a global player by targeting the pharmerging market which is expected to grow up by 3-6% Compound Annual Growth Rate (CAGR) for the next 5 years. But, we have to adopt modern technologies like ML (Machine Learning), AI (Artificial Intelligence) & Biopharma to compete with developed markets. However, upgraded pharmaceutical policy support is very essential to stay and compete in the global market.

According to IQVIA 2Q, 2023 (July 2022 to June 2023), the Domestic Market Size of pharmaceuticals had a growth of 15.29% over the last year whereas the same period of the

previous year experienced a negative growth of 3.85%. After the COVID pandemic, the pharma market has been normalizing for days going.

OTC pharmaceuticals provide affordable medical opportunities, not only for the healthcare system but also for consumers in order to meet their everyday healthcare needs. The COVID-19 pandemic had various impacts on OTC business. The rising awareness of self-care drove the growth in some prescription oriented markets having OTC potentiality also; such as PPI (8.55%), Antihistamine (16.84%), Calcium (17.84%) and Antileukotriene-Antiasthma (16.84%). However, growing cautiousness and hygiene regulations led to a reduction in demand for cough and cold products (-5.11%) & expectorants (-5.57%).

In a broader line market of chronic disease medicines is attaining good growth. To name a few, antidiabetics, anti-epileptics, antihypertensive, lipid lowering agents are doing well. The molecules with the highest growths are Empagliflozin (76.70%), Linagliptin (45.34%), Pregabalin (41.31%), Rosuvastatin (33.71%). Antihypertensive Bisoprolol (26.67%) and Olmesartan are doing good (16.74%). The growth of these molecules indicates the patient's concern about chronic illness.

However, the Compound Annual Growth Rate (CAGR) for the last five years (2019-2023), National Market Growth Rate, and Square Pharma's Growth Rate were 8.22%, 15.29% and 8.43% respectively.



14 Brands
are TOP
Out of the 50 brands
of Pharma Sector

The rate of inflation and increase in the price of daily necessities as well as medicinal products are resulting a number of challenges towards the desired growth of the pharmaceuticals business. One of the major reasons is the disruption of the supply chain related to the current global economic and political unrest including the Ukraine war. Above all the challenges, still pharma market is in good shape having business opportunities.

Top Position

Square Pharmaceuticals PLC. has consistently demonstrated notable growth in operational, financial, and profitability metrics, which has enabled the company to maintain its leading position (Number # 1) in the pharmaceutical industry of the country for a several decades on continuous basis.

Pharma Plant

The Management of Square Pharma is always very careful regarding the improvement of operational efficiency in both qualitative and quantitative terms by updating and enhancing technological procedures, research, and training at each level of production facilities.

The Company made substantive investments at both of the plants during the year as detailed below:

	Taka in million	
Assets	2022-23	2021-22
Land	123.32	210.44
Building	1,654.43	495.66
Plant & Machinery	430.34	652.59
Laboratory Equipment	83.84	134.46
Others	194.42	351.68
Total -	2,486.35	1,844.83

These investments were financed entirely from internally generated funds.

Chemical Plant

The comparative position of operations of the chemical plant of Square Pharma (at Pabna) for the last two years is presented hereunder:

Particulars	2022-23	2021-22
No. of Products	23	22
Production (MT)	806	777
Own use (MT)	579.75	782.53
Sales (MT)	39.34	20.02
Own use (%)	71.93	100.71
Revenue (Million Tk.)	142.78	58.61

(MT-Metric Ton)

The change in own-use tonnage is due to variations in product mix according to marketing and value-addition strategies.

Quality Control

Square Pharma's management focuses a high priority on preserving and enhancing the quality of its goods as 'life-science' biology, according to WHO GMP standards at every stage of manufacturing and handling.

Following up on all expiry-dated product withdrawals from the market is done on a regular basis through careful inspection and monitoring.

The quality control facilities include a high-grade standard laboratory facility, computerized equipment and tools, and a team of highly experienced and well-trained research workers dedicated to achieving ethical and moral goals without compromise. Square and the Nation are really proud of them.

Technology

Square is always striving to strengthen and integrate new technologies in the areas of production, quality control, distribution, and patient administration.

During the year 2022-2023 an amount of Tk. 83.84 million invested in improving its laboratory facilities in line with new inventions of process/production.

Financial Results at a Glance

The Company's standalone financial results for the year ended June 30, 2023, as compared to the previous year, are summarized below:

Particulars	2022-2023 Taka	2021-2022 Taka	% ↑↓
Gross Revenue	69,573,802,661	66,406,959,950	4.77 ↗
Net Revenue	60,388,796,117	57,597,941,359	4.85 ↗
Cost of Goods Sold	30,514,414,228	27,958,026,980	9.14 ↗
Gross Profit	29,874,381,889	29,639,914,379	0.79 ↗
Net Profit (Before Tax)	21,097,122,423	21,024,559,874	0.35 ↗
Income Tax Expenses	4,626,894,910	4,607,063,271	0.43 ↗
Net Profit (After Tax)	16,470,227,513	16,417,496,603	0.32 ↗
Gross Profit Margin	49.47%	51.46%	3.87 ↘
Net Profit Margin (Before Tax)	34.94%	36.50%	4.29 ↘
Net Profit Margin (After Tax)	27.27%	28.50%	4.32 ↘
EPS (Earning Per Share)	Tk. 18.58	18.52	0.32 ↗
EPS Consolidated	Tk. 21.41	20.48	4.53 ↗
EPS on IPO Paid-up Capital	Tk. 1,647.02	1,641.75	0.32 ↗

During the financial year 2022-2023, Gross Revenue, Net Profit (BT) and Net Profit (AT) rose by 4.77%, 0.35% and 0.32% respectively, over the previous year.

The Company had earned "Other Operating Income" of Tk. 1,228 million and "Other Income" of Tk. 4,277 million (as depicted in Note 25 & 26 of the standalone accounts) and the Net Profit Margin (After Tax) declined by 4.32% compared to the previous year.

The standalone EPS stood at Tk. 18.58 from Tk. 18.52 in 2021-2022, representing a 0.32% increase over the previous year, and the consolidated EPS rose by 4.53% to Tk. 21.41 in 2022-2023, increased from Tk. 20.48 in 2021-2022. The EPS is computed by using the current outstanding 886,451,010 ordinary shares of Tk. 10/- each.

Export

Square Pharma's export market covers over 45 countries and has undertaken all sorts of possible thrusts for increasing the export within the current capacity which is expected to rise more in the coming years.

During the year under review, the exports amounted to Tk. 1,956.40 million as against Tk. 1,700.27 million, an increase of 15.06% over the previous year.

Square Pharma has received approval of 1 ANDA from USFDA during this period.

A milestone achievement has been realized after obtaining regulatory approval on our manufacturing site from the National Health Surveillance Agency, Brazil. This will pave the way for entering our footsteps in Latin markets.

+1,27,880

Pharmacies associated with Square Pharma.

Contribution to the National Exchequer

Square Pharma contributed a total sum of Tk. 15,142,873,182 to the National Exchequer. This includes Tk. 78,172,285 as contribution as duty/taxes towards machinery & spare parts imports.

The contribution constitutes 25.08% of the sales revenue (net) in 2022-2023.

Product Development

33 new products have been added over the time period under consideration, all of which have received positive feedback from medical experts and consumers, 5 items have been discarded owing to superior generic alternatives, limited market size, and regulatory compliance and 18 products have been transferred to Square Lifesciences Ltd. (SLL) as a strategies movement.

The product development status of the Company as of 30th June, 2023 along with the addition and deletion position of the products are attached on page number 29.

Output/Capacity Utilization

The overall capacity utilization of the plant operation during the year 2022-2023 has been presented in page number 29.

86.07%

Doctors have referred **SQUARE** Products.

33,961 doctors prescribed **SQUARE's** products out of 39,459.

Subsidiary & Associate Companies

Square Pharmaceuticals PLC. has, at present, 3 (three) subsidiaries and 3 (three) associate companies, which are as follows:

Subsidiaries

- Square Pharmaceuticals Kenya EPZ Ltd. (SPL Kenya)

SPL Kenya is to manufacture and sell generic pharmaceutical medicine in Kenya and the East African Community. It is a fully owned subsidiary of Square Pharmaceuticals PLC.

The paid up capital of SPL Kenya in BDT is Tk. 332,000,000 while Tk. 653,742,688 has been advanced as a Share Money Deposit.

The Directors' Report for the year ended 30 June, 2023 of SPL Kenya, together with Audited Financial Statements containing a Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Cash Flow and Auditor's Report thereon, are included in this Annual Report.

- Square Lifesciences Ltd. (SLL)

Square Lifesciences Ltd., incorporated as a pharmaceuticals manufacturing company under the Companies Act, 1994 on 13th February, 2020 is a subsidiary of Square Pharmaceuticals PLC.

Square Pharma holds 9,995,000 ordinary shares of Tk. 100.00 each of SLL out of its paid-up 10,000,000 ordinary shares.

The Directors' Report for the year ended 30 June, 2023 of SLL together with Audited Financial Statements are included in this Annual Report.

□ Samson Pharma Inc, Philippines

Samson Pharma Inc., Philippines, incorporated as a pharmaceuticals manufacturing company under the Corporation Code of the Philippines on 20th September, 2023 is a subsidiary of Square Pharmaceuticals PLC.

An amount of Tk. 52,530,000 has been advanced as Share Money Deposit to the Company as of 30 June, 2023.

Associates

□ Square Textiles PLC. (STxL)

Square Textile PLC. is a 100% export-oriented yarn manufacturer, fully operational and profitable concern, and a publicly listed a company.

Square Pharma holds 91,436,677 ordinary shares (46.35%) of Tk. 10/- each including bonus shares. An investment of Tk. 225,129,795.00 was made for the above-mentioned shares, the cost per share stood at Tk. 2.46 per share (considering cost free Bonus Shares).

The market value of the said shares as on 30 June, 2023 was Tk. 6,171,975,697.50 @ Tk. 67.50 per share. STxL recommended a cash dividend of @30% for the year 2022-2023.

□ Square Hospitals Ltd. (SHL)

Square Hospitals Ltd. is a tertiary care hospital and the leading contributor of private healthcare services in Bangladesh, a private limited company in full operation, and a sister concern of Square Group.

Square Pharma holds 199,750 ordinary shares of Tk. 1,000.00 each, 49.94% of the capital of SHL. The Investment for the said shares was Tk. 210,750,000.00 @ 1,055.07 per share.

SHL earned a Revenue and Net Profit of Tk. 5,333.69 million and 376.47 million respectively for the year ended 30 June, 2023

and it didn't recommend any dividend due to the new expansion plan, upgradation and replacement of existing hospital equipment with modern ones.

□ Square Fashions Ltd. (SFL)

SFL is a 100% export-oriented ready-made garment manufacturer, a private company limited by shares and fully in operation, and a sister concern of Square Group.

Square Pharma holds 462,000 ordinary shares of Tk. 100.00 each and 48.63% of the capital of SFL. The investment cost for the said shares was Tk. 151.20 million @ Tk. 327.27 (average) per share.

SFL earned a Net Profit of Tk. 3,779.14 million during the year 2022-2023, NAV per share stood at Tk. 20,885 and EPS Tk. 3,978 as on 30 June 2023.

SFL didn't recommend dividends in the reviewed financial year to support its future expansion and diversification.

Investment in Marketable Securities & Other Long Term Assets

Square Pharma invested Tk. 4,589.87 million in the Marketable Securities which is depicted in the Note # 6 of the standalone financial statement.

The portfolio registered an unrealized capital gain of Tk. 816.12 million in the year under review.

Apart from that, Square Pharma has an investment of Tk. 5,603.69 million in Equity Shares, Subordinate Bonds and Zero Coupon Bonds as of 30 June, 2023.

Square Pharma analyzes each investment opportunity diligently and invests with utmost priority toward an optimized return.

Detailed on the investment is available in Note # 7 of the standalone financial statement.

Risk and Concern

The management of Square Pharma is always sincere and careful to identify the key business risks and ensure the mitigation plans are in place. They are aware that risk monitoring is a continuous process and, accordingly, the Company keeps an eye on any socio-economic incohesive situations, strategic investment policies, product pricing policies, long-term planning, international trade barriers, etc. that might impose a regressive impact on the business of the Company.

Extraordinary Activities

The Company did not undertake or continue any extraordinary or adventurous activities during the year under review.

Consolidation of Financial Statement

Square Pharma, being the parent of 3 (Three) subsidiaries, in pursuant to the regulations of the Bangladesh Securities and Exchange Commission (BSEC), prepares consolidated financial statements as per IFRS-10 in order to reflect shareholders' aggregated benefits and the value of the investment.

The consolidated financial statements are included in this Annual Report.

Minority Shareholders interest

In compliance with Condition No. 1(5) (xvi) of the Corporate Governance Code 2018 of BSEC, the Board hereby confirms that the interests of the minority shareholders have been duly protected by the Company.

Related Party Transaction

Detail on related parties with whom Square Pharma had transactions during the reporting period is disclosed in Note # 36 of the standalone financial statement.

Credit Rating Report

The Credit Rating Information and Services Ltd. (CRISL) reaffirmed the highest credit rating to Square Pharma on the basis of financial and other relevant quantitative and qualitative information on 15 December, 2022.

The reaffirmed ratings are:

Long Term Rating = "AAA", which indicates the Highest Safety and Highest Credit Quality.

Short Term Rating = "ST-1", which indicates the Highest Certainty of Timely Repayment.

Environmental Role

The Company maintains a high standard of pollution-free environment as per GMP Regulations/WHO standards/ Government laws.

Human Resources Welfare and Development

In order to improve the productivity of human input, Square Pharma continuously provides formal and informal training to its employees at every echelon of operation and management.

During the year 2022-23, 8,176 persons received in-house/in-operation/on the job training at home and abroad which will ultimately make a great contribution to the company's profitability as well their own remuneration in due course.

Top in Pharma Sector

In BDT
+186 billion
Market Capitalization
Square Pharma

Appropriation of Profit

The Board of Directors in its meeting held on 22th October, 2023 has recommended a cash dividend @ 105% of the paid-up capital and appropriated the Net Profit earned during the year 2022-2023 in the following manner:

	In Taka
Net Profit for the year of 2022-2023	16,470,227,513
Less: Recommended for Appropriation :	
- Cash Dividend @ 105% (Tk. 10.50 per share)	9,307,735,605
Un-appropriated profit carried forward	7,162,491,908

The recommended dividend is 5% higher and Tk. 443 million more than the previous year. The cash dividend declared and paid in the year 2021-2022 was in cash @ 100%, amounting to Tk. 8.86 billion.

Bank Guarantees

Guarantees given during the year under review are depicted in Note # 35.1 to the standalone financial statement.

Unclaimed/Unsettled Dividends

Unclaimed/unsettled dividends are taken care of according to directives of the Bangladesh Securities and Exchange Commission and other regulatory authorities from time to time.

Details of unclaimed/unsettled dividends for the years from 1995 to 2022 are presented on page 65 of this report.

Election of Directors

Mr. Samuel S Chowdhury and Mr. Kazi Iqbal Harun, as per Article-99 and 100 of the Articles of Association, have retired and, being eligible, have offered themselves for re-election.

A brief resume and other information about the above-mentioned directors are depicted in Annexure-II.

Appointment of Independent Director

The Board of Directors has appointed Mr. Abul Kalam Azad, FCA as Independent Director on 12th July, 2023 in place of Mr. S. M. Rezaur

Rahman who has been relieved from the office of Independent Director of Square Pharma on 12th July 2023, as he had expressed his inability to continue his responsibilities due to unavoidable personal reasons.

A brief resume and other information of the above-mentioned directors is depicted in Annexure-II.

Appointment of Statutory Auditor

M/s Ahmed Zaker & Co., Chartered Accountants, an Independent Member Firm of Geneva Group International (GGI), was the Statutory Auditor for the year 2022-2023 and submitted an Unqualified Report on Financial Statements of Square Pharmaceuticals PLC. for the year ended 30 June, 2023.

M/s Ahmed Zaker & Co. is not eligible for reappointment as they are delisted from the panel list of BSEC.

M/s Mahfel Huq & Co., Chartered Accountants, BGIC Tower, 4th Floor, 34 Topkhana, Dhaka expressed their interest to be appointed as auditors of the Company for the year 2023-2024.

The Board of Directors, in its meeting held on October 22, 2023, recommended their appointment.

Appointment of Compliance Auditors

M/s Chowdhury Bhattacharjee & Co., Chartered Accountants, was the Compliance Auditors for the year 2022-2023 and presented a Certificate of Compliance for the year ended 30 June, 2023 under the conditions of the Corporate Governance Code 2018 of the Bangladesh Securities Exchange Commission.

M/s Chowdhury Bhattacharjee & Co., who is retiring at this Annual General Meeting and being eligible, have offered themselves for reappointment as Compliance Auditors of Square Pharmaceuticals PLC. for the year 2023-2024.

The Board of Directors recommended their reappointment at its meeting on October 22, 2023.



Management's Discussion and Analysis

Management's Discussion and Analysis signed by the Managing Director presents a detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements and other requirements of the Corporate Governance Code is disclosed in Annexure-III of this report.

Directors' Declaration on the Financial Statements

As a part of corporate good governance, the Board is accountable for providing a true and fair view of the company's financial performance and status. To that end, the Directors affirm to the best of their knowledge that:

- The Financial Statements of the Company present a true and fair view of the Company's state of affairs, a result of its operation, cash flows, and changes in equity.
- Proper books of accounts as required by the prevailing laws have been maintained.
- Appropriate accounting policies have been constantly applied in the preparation of the financial statements and the accounting estimates are based on reasonable and prudent.
- The financial statements were prepared in accordance with IAS/IFRS as applicable in Bangladesh.
- The internal control system is sound in design and is effectively implemented and monitored.
- There is no significant doubt about the company's ability to continue as a going concern.
- There is no significant deviation from the operating result of the last year.
- Remuneration paid to Mrs. Ratna Patra, Vice Chairman, and Mr. Tapan Chowdhury, Managing Director has been shown in Note # 24 in the notes of accounts.
- Key operating and financial data of the last 5 (five) years have been presented in a summarized form on Page No. 12.

Compliance with Corporate Governance

Square Pharma, in accordance with the requirements of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission has complied with the conditions. An additional statement in pursuance of Clause 1 (5), resume of the directors who shall be reappointed, Management Discussion Analysis, Certificate from the CEO and CFO to the Board, Certificate on Compliance of the Conditions of the Corporate Governance Code 2018 by the Compliance Auditors and Status of Compliance are depicted in the Annexure – I, II, III, IV, V, and VI respectively.

The Audit Committee Report, the Nomination and Remuneration Policy, and the Dividend Distribution Policy are also presented in the Annual Report.

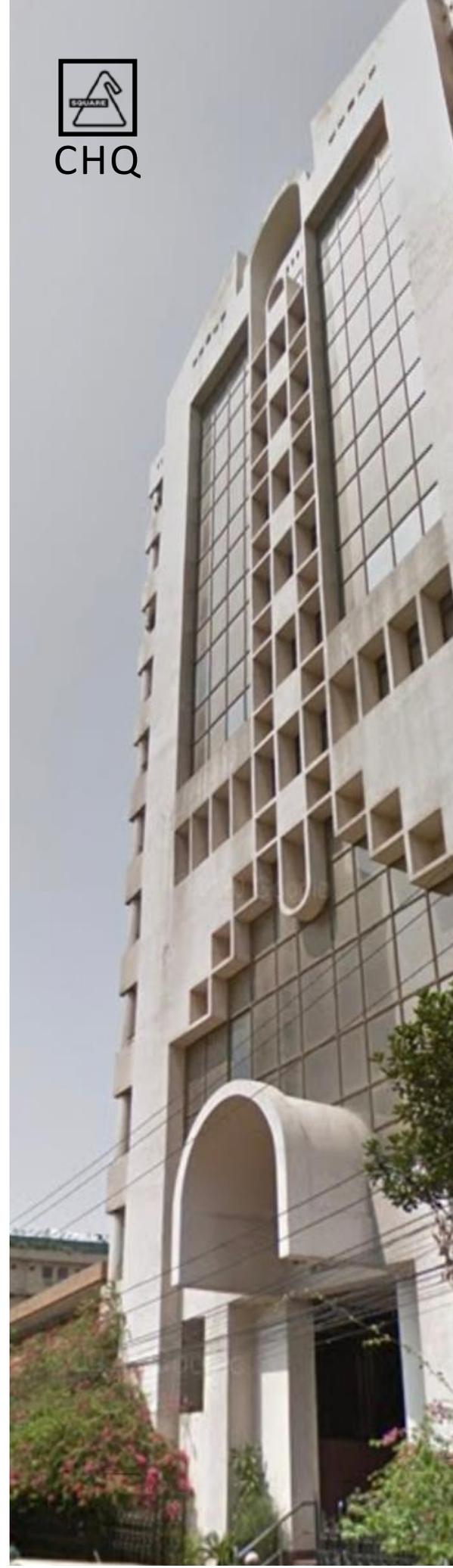
Management Appreciation

The Board of Directors records with a deep appreciation of the contribution made and support & cooperation given by the Officers, Staff, Workers, Customers, Creditors, Banks, Insurance Companies, Utility Providers, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange PLC., Central Depository Bangladesh Ltd. and the Government in particular and look forward to the global role of the Company.



Samuel S Chowdhury
Chairman

- In the event of conflict between English text and Bangla text of this report, English text shall prevail.



Product Development



The product development status of Square Pharma as on 30th June, 2023 along with addition and deletion position of the products are hereby presented hereunder:

Sl. No.	Products Categories	Position 01-07-22	Added During the period 2022-23	Discarded	Trans to SLL	Position 30-06-23
01	Tablet	299	12	2	14	295
02	Capsule	60	2	2	4	56
03	Liquid	85	2	-	-	87
04	Injectable (Vial & Ampoule)	52	-	1	-	51
05	Infusion	17	-	-	-	17
06	ENT, Opthal Preparation	29	2	-	-	31
07	Cream, Ointment, Spray, Gel & others	65	1	-	-	66
08	Powder for Suspension	18	-	-	-	18
09	Tropical Powder	1	-	-	-	1
10	Suppository	6	-	-	-	6
11	Inhaler & Nebulizer	10	-	-	-	10
12	Insulin	9	-	-	-	9
13	Basic Chemical & Pellet	22	1	-	-	23
14	Tablet, Powder, Liquid, Injection and Granular - AgroVet Local and Imported	157	10	-	-	167
15	Powder, Liquid & Granular - Crop Care	38	1	-	-	39
16	Capsule, Liquid, Powder and Cream - Herbal & Neutraceuticals Products	42	2	-	-	44
	Total -	910	33	5	18	920

SLL= Square Lifesciences Ltd.

33 new products have been added over the time period under consideration, all of which have received positive feedback from medical experts and consumers, 5 items have been discarded owing to superior generic alternatives, limited market size, and regulatory compliance and 18 products have been transferred to Square Lifesciences Ltd. (SLL) as a strategies movement.

Square Pharmaceuticals PLC.

Output/Capacity Utilization

The overall capacity utilization of the plant operation during the year 2022-2023 has been presented hereunder:

Sl. #	Product Categories	Unit	Production in thousand		Production ↑↓ in %	Capacity Utilization	
			2021-22	2022-23		2021-22	2022-23
1	Tablet	Piece	7,686,865	7,438,780	3.23 ↘	72%	68%
2	Capsule	Piece	1,759,799	1,771,017	0.64 ↗	48%	42%
3	Liquid	Bottle	167,830	152,479	9.15 ↘	55%	48%
4	Injectable (Vial & Ampoule)	Piece	43,348	45,349	4.62 ↗	52%	69%
5	Infusion (LVPO)	Bag	2,600	48	98.15 ↘	25%	1%
6	ENT & Opthal Preparation	Phial	27,018	35,051	29.73 ↗	56%	80%
7	Cream, Ointment, Spray, Gel	Phial	46,877	50,453	7.63 ↗	53%	53%
8	Powder for Suspension	Bottle	27,418	31,172	13.69 ↗	60%	65%
9	Powder	Phial	22,627	23,773	5.06 ↗	46%	44%
10	Suppository	Piece	78,757	87,670	11.32 ↗	38%	45%
11	Inhaler	Can	43,032	43,266	0.54 ↗	34%	37%
12	Insulin & Insulin Cartridge	Piece	2,226	2,007	9.84 ↘	20%	17%
13	Sachet and Others	Piece	87,366	21,025	75.93 ↘	72%	19%
14	Basic Chemical & Pellet	Kg	777	806	3.73 ↗	72%	68%

Board Meeting and Attendance 2022-2023

Under Condition # 1(5)(xxii) of CGC

Annexure I
to the Directors' Report

Corporate
Governance



Name of the Directors	Position	Meeting held	Attended
Mr. Samuel S Chowdhury	Chairman	10	10
Mrs. Ratna Patra	Vice Chairman	10	10
Mr. Tapan Chowdhury	Managing Director	10	10
Mr. Anjan Chowdhury	Director	10	10
Mr. Kazi Iqbal Harun	Director	10	10
Mr. Syed Afzal Hasan Uddin	Independent Director	10	10
Mr. S M Rezaur Rahman	Independent Director	10	10

Pattern of Shareholding as on 30 June 2023

Under Condition # 1(5)(xxii) of CGC

Name of the Shareholders	Status	Shares held	%
i. Parent or Subsidiary or Associated Companies and other related parties.			
- -			
ii. Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children:			
Mr. Samuel S Chowdhury	Chairman	63,150,017	7.12
Mrs. Ratna Patra	Vice Chairman	60,454,972	6.83
Mr. Tapan Chowdhury	Managing Director	64,513,190	7.28
Mr. Anjan Chowdhury	Director	65,323,210	7.37
Mr. Kazi Iqbal Harun	Director	53,810,562	6.07
Mr. Syed Afzal Hasan Uddin	Independent Director	-	-
Mr. S M Rezaur Rahman	Independent Director	-	-
Mr. Muhammad Zahangir Alam	Chief Financial Officer	22,000	0.0025
Mr. Khandaker Habibuzzaman	Company Secretary	458	0.00005
Mr. Sanjit Kumar Nath	Head of Internal Audit & Compliance	2,030	0.00023
Mrs. Bula Chowdhury	W/o Tapan Chowdhury	2,233,406	0.25
Mr. Charles C R Patra	H/o Mrs. Ratna Patra	2,258,988	0.25
iii. Executives:			
Mr. Md. Kabir Reza	Head of Accounts & Finance	40,253	0.0045
Mr. Md. Mizanur Rahman	Head of Operations	-	-
Mr. M Nawabur Rahman	Head of Production - Dhaka Unit	-	-
Mr. Md. Atiquzzaman	Head of Marketing	4,000	0.00045
Mr. Md. Mohsin Hassan	Head of Tax and Vat	-	-
vi. Shareholders Holding 10% or more voting interest in the company.			
- -			

Directors Profile

who are seeking appointment
Under Condition # 1(5)(xxiv)(a) of CGC

Annexure II
to the Directors' Report

Corporate
Governance



RE-APPOINTMENT OF DIRECTORS

Mr. Samuel S Chowdhury

Mr. Samuel S Chowdhury is a Director of the Company since 1990 and has been appointed as Chairman in the year 2012. He is the son of late Samson H Chowdhury, Founder Chairman of the Company.

Mr. Chowdhury obtained a Bachelor's degree from Rajshahi University and Masters in Business Administration from



Trinity University, USA, and has a rich experience of more than 37 years in the pharmaceuticals, textiles, toiletries, media & communication sectors including

capital market operations.

Mr. Chowdhury is also a sponsor director of Square Textiles PLC. (Listed Company) designated as Managing Director.

He is also Chairman of 34 other private limited Companies namely Square Hospitals Ltd., Square Toiletries Ltd., Square Fashions Ltd., Square Food and Beverages Ltd., Square Denims Ltd. Square Apparels Ltd., Square Securities Management Ltd., Square Air Ltd., Sabazpur Tea Company Ltd. and Maasranga Television under the Square Group.

Mr. Chowdhury has been awarded several times as a highest individual Taxpayer in the Country.

Mr. Kazi Iqbal Harun

Mr. Kazi Iqbal Harun is a Director of the Company since 1991, son of late Dr. Kazi Harunar Rashid, one of the Founder/ Sponsor Director of the Company.

Mr. Iqbal obtained Master's degree in Applied Chemistry from the Rajshahi University, Bangladesh and has an experience of more than 24 years in the pharmaceuticals and textiles sector.



Mr. Iqbal is a sponsor shareholder of Square Textiles PLC. (listed company) and he is a Director in Square Toiletries Ltd., a private limited company under the Square Group.

He is also a member of the Audit Committee of the Company.

APPOINTMENT OF INDEPENDENT DIRECTOR

Mr. Abul Kalam Azad

Mr. Abul Kalam Azad, a Commerce Graduate from the University of Chittagong, and a Fellow Member (FCA) of the Institute of Chartered Accountants of Bangladesh.

Mr. Azad has been the Founding Principal and Sole Practitioner of Azad Abul Kalam &



Co., Chartered Accountants, since 2008 and also the Founding Partner and Sole Practitioner of Azad Zamir & Co., Chartered Accountants, since 1984.

Mr. Azad was the Independent Director as well as the Chairman of the Audit Committee of Envoy Textiles Ltd.

Management's Discussion & Analysis

Under Condition # 1(5)(xxv) of CGC

Annexure III
to the Directors' Report



Square Pharma is leading the country's pharmaceutical industry with due dominance for more than 37 years. A highly trained and efficient workforce, world-class manufacturing facilities, and tireless efforts from the management were behind this remarkable achievement.

Pursuant to the Corporate Governance Code 2018 [Condition # 1 (5) (xxv)] of the Bangladesh Securities and Exchange Commission, the Management's Discussion & Analysis for the year ended 30 June 2023 has been depicted hereunder:

Accounting Policies and Estimations for Preparation of Financial Statements:

Square Pharmaceuticals PLC. complies with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as applicable in Bangladesh, as well as any relevant local norms and regulations while preparing financial statements.

Detail descriptions of accounting policies and estimations used for the preparation of the

financial statements are disclosed in the Notes to the Consolidated and Standalone Financial Statements.

Changes in Accounting Policies and Estimations:

Square Pharma has been following consistent policies and estimations and there have been no such changes in accounting policies or estimations that have had a material impact on financial statements.

Comparative Analysis of Financial and Operational Performance:

The Directors' Report provides an analysis of financial performance and position during the year under review and a detailed comparison of financial performance and position, as well as cash flows, are presented as part of the financial statements, including notes.

However, the major areas of financial performance, financial position, as well as cash flows for the immediate preceding 5 (five) years are presented as follows:

Figures Tk. in '000

Particulars	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
Financial Performance						
Gross Revenue	69,573,803	66,406,960	58,346,258	52,926,219	44,595,486	34,573,391
Net Revenue	60,388,796	57,597,941	50,703,029	45,876,449	38,685,656	30,004,975
Gross Profit	29,874,382	29,639,914	25,902,993	23,339,779	18,974,590	14,406,366
Net Profit (Before Tax)	21,097,122	21,024,560	18,755,933	17,185,382	13,965,289	10,825,055
Net Profit (After Tax)	16,470,228	16,417,497	14,743,265	12,955,974	10,562,864	8,219,526
Financial Performance (Inflation Adjusted)						
Gross Revenue	49,874,553	52,241,042	49,369,876	47,309,492	42,262,591	34,573,391
Net Revenue	43,290,205	45,311,161	42,902,533	41,007,870	36,661,918	30,004,975
Gross Profit	21,415,697	23,317,134	21,917,902	20,862,875	17,981,984	14,406,366
Net Profit (Before Tax)	15,123,646	16,539,605	15,870,394	15,361,605	13,234,732	10,825,055
Net Profit (After Tax)	11,806,818	12,915,320	12,475,062	11,581,038	10,010,296	8,219,526

Figures Tk. in '000

Particulars	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
Financial Position						
Shares Outstanding	8,864,510	8,864,510	8,864,510	8,442,391	7,890,085	7,373,911
Shareholders' Equity	100,516,964	93,007,355	82,217,575	69,909,802	60,806,055	46,662,876
Total Assets	104,755,128	97,535,187	86,602,384	74,350,804	65,061,673	53,329,313
Total Liabilities	4,238,164	4,527,832	4,384,809	4,441,002	4,255,618	6,666,437
Current Assets	70,169,515	62,748,424	54,945,934	46,886,758	38,291,545	27,196,589
Current Liabilities	3,212,078	3,349,091	3,109,956	3,228,073	2,961,271	5,539,791
Financial Position (Inflation Adjusted)						
						Base Year
Shares Outstanding	6,354,597	6,973,535	7,500,734	7,546,453	7,477,336	7,373,911
Shareholders' Equity	72,056,413	73,167,047	69,568,668	62,490,714	57,625,147	46,662,876
Total Assets	75,094,576	76,729,002	73,278,888	66,460,421	61,658,143	53,329,313
Total Liabilities	3,038,163	3,561,956	3,710,220	3,969,706	4,032,996	6,666,437
Current Assets	50,301,594	49,362,944	46,492,681	41,910,961	36,288,424	27,196,589
Current Liabilities	2,302,604	2,634,664	2,631,499	2,885,498	2,806,360	5,539,791
Cash Flow						
Net Cash Generated from Operating	8,130,573	12,345,634	10,879,848	10,891,697	12,590,714	9,486,298
Net Cash Used in Investing	1,254,555	(1,688,245)	4,156,128	(2,272,762)	38,936	(6,147,315)
Net Cash Used in Financing	(8,835,148)	(5,564,236)	(3,923,190)	(3,313,836)	(2,654,608)	(2,400,808)
Cash Flow (Inflation)						
Net Cash Generated from Operating	5,828,468	9,712,066	9,206,019	9,735,830	11,932,064	9,486,298
Net Cash Used in Investing	899,338	(1,328,109)	3,516,721	(2,031,568)	36,899	(6,147,315)
Net Cash Used in Financing	(6,333,549)	(4,377,274)	(3,319,620)	(2,962,159)	(2,515,739)	(2,400,808)
Financial Ratio						
Current Ratio	21.85	18.74	17.67	14.52	12.93	4.91
Debt to Equity	0.04	0.05	0.05	0.06	0.07	0.14
Gross Profit Margin	49.47%	51.46%	51.09%	50.88%	49.05%	48.01%
Net Profit Margin	27.27%	28.50%	29.08%	28.24%	27.30%	27.39%
Return on Equity	17.02%	18.74%	19.38%	19.82%	19.66%	18.71%
Return on Assets	16.28%	17.83%	18.32%	18.59%	17.84%	16.59%
Ordinary Shares Information						
Shares Outstanding (in	886,451,010	886,451,010	886,451,010	844,239,058	789,008,466	737,391,090
Face Value per Share	10	10	10	10	10	10
Dividend-Cash (In %)	105%	100%	60%	47%	42%	36%
Dividend-Stock (In %)	0%	0%	0%	5%	7%	7%
Dividend Payout (Cash+Stock)	9,307,736	8,864,510	5,318,706	4,390,043	3,866,141	3,170,782
Net Asset Value per Share	113.39	104.92	92.75	78.86	68.59	52.64
Net Operating Cash Flow per	9.17	13.93	12.27	12.29	14.20	10.70
EPS-Earnings per Share	18.58	18.52	16.63	14.62	11.92	9.27
EPS-Earnings per Share	21.41	20.48	17.99	15.06	14.27	13.09
EPS at Original Capital at	1,647.02	1,641.75	1,474.33	1,295.60	1,056.29	821.95
Inflation Rate (In %)	9.74%	7.56%	5.64%	6.02%	5.52%	Base Year

Inflation Rate Source: Bangladesh Bank

Comparison of Financial Performances with Peer Industry Scenario:

A comparison of Financial Performances, Financial Position as well as Cash Flows for the year ended 30 June, 2022 of 5 (five) pharmaceutical companies are presented below in order of market capitalization:

Figures Tk. in '000

Particulars	SQUARE	RENATA	BEXIMCO	BEACON	RECKIT
Market Capitalization (in million)	186,332.00	139,688.86	65,221.59	58,212.00	23,028.23
Financial Performance:					
Revenue (Net)	57,597,941	31,070,555	30,220,732	8,022,736	4,969,365
Gross Profit	29,639,914	14,725,972	13,712,766	4,416,945	2,237,494
Net Profit (Before Tax)	16,024,560	6,122,668	6,736,544	1,292,968	892,861
Net Profit (After Tax)	16,417,497	5,110,957	5,161,344	935,036	659,140
Financial Position:					
Shares Outstanding (actual)	886,451,010	107,192,982	446,112,089	231,000,000	4,725,000
Shareholders' Equity	93,007,355	29,412,303	40,315,738	5,943,850	835,390
Total Assets	97,535,187	42,015,576	59,694,627	10,815,897	3,395,895
Total Liabilities	4,527,832	12,603,273	19,378,889	4,872,047	2,560,505
Current Assets	62,748,424	15,505,401	15,533,009	6,444,215	2,650,135
Current Liabilities	3,349,091	11,197,843	11,067,296	4,674,133	2,405,032
Cash Flow:					
Net Cash Generated from Operating Activities	12,345,634	3,009,340	5,027,965	1,082,175	1,283,587
Net Cash Used in Investing Activities	(1,688,245)	(6,080,221)	(7,517,904)	(1,837,765)	(122,445)
Net Cash Used in Financing Activities	(5,564,236)	2,418,710	2,612,896	956,247	(811,979)
Market Share (in %)	17.63	4.89	9.52	2.62	1.62

Financial and Economic Scenario of Bangladesh and the Global (in brief):

Bangladesh:

Bangladesh has a proven robust history of development and progress, particularly during times of increased international volatility. Over the past 20 years, fast economic expansion has been backed by a large demographic dividend, trustworthy ready-made garment (RMG) exports, sustained remittance inflows, and stable macroeconomic circumstances.

Bangladesh's story of reducing poverty and growing is truly inspiring. In 1971, Bangladesh was one of the poorest countries in the world. By 2015, it was among the lower-middle income. In 2026, it ought to be off the UN's ranking of the Least Developed Countries (LDCs). Using the world poverty line of \$2.15 a day as a direction, the percentage of poor people fell from 41.9

percent in 1991 to 13.50 percent in 2016.

Furthermore, there were notable enhancements in human development outcomes across several dimensions.

While the Bangladeshi economy has been slowly recovering from the effects of COVID-19 and the current Russia-Ukraine conflict, the recent downturn in global economic development has been weighing on the country's progress.

Prior to the COVID-19 period, GDP growth in Bangladesh was 7.88 percent in FY 2018-19. The growth rate during the COVID-19 slowed to 3.45 percent in FY 2019-20 before picking up speed to 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. The Bangladesh Bureau of Statistics (BBS) reported that in the current FY 2022-23, the GDP growth rate reached 6.03 percent, as well as the per capita national income reached US\$ 2,765.

The inflation averaged 6.15 percent in the fiscal year 2021-22, up 0.59 percentage points from the fiscal year 2020-21. In the first 10 months of the current fiscal year (July-April, 2023), the average inflation rate is 8.85 percent, compared to 5.88 percent in the same time of the previous fiscal year. The annualized rate of inflation was 9.24 percent in April 2023, compared to 6.29 percent in April 2022. This is a significant increase in the rate of inflation. The government has implemented a number of measures as part of both its fiscal and monetary policies in order to keep inflation at a level that is manageable.

To improve the circumstances in the future, we need to get more investment, fix infrastructure problems that slow things down, make sure of availability of the gas and electricity, get rid of corruption from all sectors, keep the political climate stable, and create more jobs for skilled workers.

However, the government is working assiduously towards the goals of becoming an upper-middle-income country by 2031 and a knowledge-based, lively, and prosperous developed nation by 2041.

The Global:

The Ukraine's war has caused an enormous catastrophe for humanity, which ought to be resolved peacefully. At the same time, economic damage from the conflict is contributing to a significant slowdown in global growth and adding to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest.

As per the International Monetary Fund (IMF), Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term.

War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies-1.8 and 2.8 percentage points higher than projected last January.

Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance aligned with monetary policy.

The implementation of structural reforms has the potential to provide further assistance in reducing inflation by enhancing productivity and alleviating limitations in the supply chain. Moreover, the promotion of multilateral cooperation is crucial in expediting the transition towards green energy and mitigating the risk of fragmentation.

Risks and Concerns issues related to the financial statements:

Square Pharma's financial statements expose it to counterpart risk, financial risk, credit risk, liquidity risk, and market risk. Note 42 to the standalone financial statements provides a thorough description of risks and concerns. Square Pharma has adequate and effective risk-mitigation measures/controls in place.

Future plan projection or forecast:

The Management of Square Pharma is extremely cautious in adopting necessary, feasible plans and strategies to ensure the company's long-term performance and financial position and it has all the necessary plans and promises to continue operations in the near future.


Tapan Chowdhury
Managing Director

SQUARE

Declaration by CEO and CFO

Under Condition # 1(5)(xxvi) of CGC

Annexure IV
to the Directors' Report

Corporate
Governance



The Board of Directors
Square Pharmaceuticals PLC.
Square Centre, 48 Mohakhali C.A.
Dhaka.

11 October, 2023

Declaration on Financial Statements for the year ended on 30th June, 2023.

Dear Sirs,

Pursuant to condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/ CMRRCD/ 2006-158/207/Admin/80 Dated 3 June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Square Pharmaceuticals PLC. for the year ended on 30th June, 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure therefrom has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure the above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 30th June, 2023 and to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal, or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,


Tapan Chowdhury
Managing Director


Muhammad Zahangir Alam
Chief Financial Officer



Report to the Shareholders of Square Pharmaceuticals PLC. on compliance with the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Square Pharmaceuticals PLC. for the year ended on 30th June, 2023. This Code relates to the Notification No. BSEC/ CMRRCD/2006 -158/207/Admin/80 Dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

The Company is accountable for ensuring such conformity with the Corporate Governance Code. To that end, we looked only at the policies and practices put in place by the Management to guarantee adherence to the Corporate Governance Code's requirements.

This is a scrutiny and verification and an independent audit on compliance with the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission.
- (b) The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code.
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws, and other relevant laws and
- (d) The governance of the company is satisfactory.

Place : Dhaka
Dated : 31 October, 2023



Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants

Status of Compliance

Under Condition # 1(5)(xxvii) of CGC

Annexure VI
to the Directors' Report

Corporate
Governance



Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
1.00	Board of Directors			
1.1(1)	Board Size (minimum - 5 and maximum - 20)	√		
1.2(2)	Independent Director			
1.2(a)	1/5th of the total as Independent Director (ID)	√		
1.2(b)(i)	Does not hold any share of less than 1% shares in the Company	√		
1.2(b)(ii)	Not a Sponsor of the Company	√		
1.2(b)(iii)	Who has not been an executive of the company	√		
1.2(b)(iv)	Does not have other relationship	√		
1.2(b)(v)	Not a Member or TREC, Director or Officer of any Stock Exchange	√		
1.2(b)(vi)	Not a Shareholder/Director/Officer of any Member/TREC holder of Stock Exchange	√		
1.2(b)(vii)	Not a partner or an Executive or was not a partner or an Executive during the preceding 3 (Three) years of the concerned Company's statutory audit	√		
1.2(b)(viii)	Not an Independent Director in more than five listed Companies.	√		
1.2(b)(ix)	Not Convicted by a court of competent jurisdiction as a defaulter in payment of any loan/advance to a Bank or a Non-Bank Financial Institution.	√		
1.2(b)(x)	Not convicted for a Criminal Offence	√		
1.2(c)	Appointed by the Board and approved by the shareholders in AGM.	√		
1.2(d)	Post cannot remain vacant for more than 90 days.	√		
1.2(e)	Tenure of the Independent Director.	√		
1.3	Qualification of Independent Director			
1.3(a)	Independent Director shall be a knowledgeable individual.	√		
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted	√		
1.3(b)(ii)	Should be a Corporate Leader/Business Leader.	√		
1.3(b)(iii)	A former official of the government.	√		
1.3(b)(iv)	University Teacher who has an educational background in Economics or Commerce or Business Studies or Law.	√		
1.3(b)(v)	Professional Chartered Accountant/ Secretary or equivalent qualification.	√		
1.3(c)	The independent director shall have at least 10(ten) years of experience.	√		
1.3(d)	Relaxation in special cases.			N/A
1.4	Quality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1.4(a)	The posts of Chairperson of the board and CEO are different individuals.	√		
1.4(b)	MD and/or CEO of a listed Company shall not hold the same position in another listed Company.	√		
1.4(c)	The Chairperson shall be elected from among the non-executive directors.	√		
1.4(d)	The Board shall clearly define the respective roles and responsibilities of the Chairperson and the Managing Director and/or CEO.	√		
1.4(e)	In absence of the Chairperson of the Board etc.	√		
1.5	The Directors' Report to Shareholders :			
1.5(i)	Industry outlook and possible future developments in the industry	√		
1.5(ii)	Segment-wise or product-wise performance	√		
1.5(iii)	Risks and concerns include internal and external risk factors.	√		
1.5(iv)	Discussion on Cost of Goods sold Gross profit Margin and Net Profit Margin.	√		
1.5(v)	Discussion on continuity of any extraordinary activities and implications.	√		
1.5(vi)	Detailed discussion and statement on related party transactions.	√		
1.5(vii)	Utilization of proceeds from public/rights issues and/or through any others.			N/A
1.5(viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.			N/A
1.5(ix)	Explanation by the Management if significant variance occurs between Quarterly Financial Performance and Annual Financial Statements.			N/A
1.5(x)	Remuneration to Directors including Independent Director.	√		
1.5(xi)	Statement that financial statements prepared by the management of the issuer present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5(xii)	Proper books of account of the issuer company have been maintained.	√		
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation for the financial statements and the accounting estimates are based on reasonable and prudent judgment.	√		
1.5(xiv)	International Accounting Statement (IAS) Bangladesh Accounting Standard (BAS) /International Financial Reporting Standard (BFRS), as applicable in Bangladesh, has been followed in the preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.	√		

Condition No.	Title			Remarks (If any)
		Compiled	Not Compiled	
1(5)(xviii)	Significant deviations from the last year's operation results of the issuer company shall be highlighted and the reasons thereof should be explained.	√		
1(5)(xix)	Key operating and financial data of at least the preceding 5 (Five) years shall be summarized.	√		
1(5)(xx)	If the issuer company has not declared a dividend (cash or stock) for the year, the reasons thereof shall be given.			N/A
1(5)(xxi)	Board's statement to the effect that no bonus shares or stock dividends paid as interim dividends.			N/A
1(5)(xxii)	The number of Board meetings held during the year and attendance by each Director shall be disclosed.	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate (name-wise details).	√		
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name-wise details).	√		
1(5)(xxiii)(b)	Directors, CEO, Company Secretary, CFO, HIAC, and their spouses and minor children (name-wise details).	√		
1(5)(xxiii)(c)	Executives	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).	√		
1(5)(xxiv)(a)	A brief resume of the director in case of appointment or reappointment.	√		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas.	√		
1(5)(xxiv)(c)	Names of the companies in which the person also holds the directorship and	√		
1(5)(xxv)	Management discussion and analysis signed by CEO/MD presenting detail analysis of the company's position and operations.			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements.	√		
1(5)(xxv)(b)	Changes in accounting policies and estimation as well as cash flows on the absolute figure for such changes	√		
1(5)(xxv)(c)	Comparative analysis and financial position, as well as cash flow for current financial year with immediate preceding five years explaining reasons	√		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario.	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and globe.	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements.	√		
1(5)(xxv)(g)	Future plans or projections or forecasts for the company's operation shall be explained to the shareholders in the next AGM	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(30) shall be disclosed as per Annexure-A	√		
1(5)(xxvii)	The report as well as the certificate regarding the compliance of conditions of this Code as required under condition No. 9 shall be disclosed.	√		
1(6)	Meeting of the Board of Directors			
1(6)	Compliance under Bangladesh Secretarial Standards (BSS).	√		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee(NRC)	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and	√		
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary.	√		
2(b)	Independent Director of holding company also in the subsidiary company.	√		
2(c)	Minutes of subsidiary to be placed in the meeting of holding company.	√		
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company.	√		
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company.	√		
3	Managing Director (MD) or Chief Executive Officer, Chief Financial Officer (CFO), Head of Internal Audit and			
3.1	Appointment			
3(1)(a)	Board shall appoint a MD or CEO, Company Secretary, CFO, and HIAC.	√		
3(1)(b)	The MD, CEO, CS, CFO & HIAC shall be filled by different individuals.	√		
3(1)(c)	The MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other company at the same time.	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	√		
3(1)(e)	MD or CEO, CS, CFO, and HIAC shall not be removed without approval of the Board and be disseminated to the commission and exchange.	√		
3.2	Requirement to attend Board of Directors' Meetings			
3(2)	The MD or CEO, CS, CFO and HIAC shall attend the meetings of the Board.	√		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)(i)	The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
3(3)(a)(ii)	The statements together present a true and fair view of the company's affairs and are in compliance	√		
3(3)(b)	The MD or CEO and CFO to certify on due diligence in the Report.	√		

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
3(3)(c)	The certification from MD and CFO shall be disclosed in the Annual Report.	√		
4	Board of Directors' Committee			
4 (i)	Audit Committee	√		
4 (ii)	Nomination and Remuneration Committee	√		
5	Audit Committee			
5.1	Responsibility to the Board of Directors			
5(1)(a)	Company shall have an Audit Committee as a sub-committee of the Board.	√		
5(1)(b)	Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company.	√		
5(1)(c)	Audit Committee shall report on its activities to the Board of Directors.	√		
5.2	Constitution of the Audit committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members.	√		
5(2)(b)	Board shall appoint members of the Audit Committee who shall be non-executive director.	√		
5(2)(c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial.	√		
5(2)(d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold	√		
5(2)(e)	The Company Secretary shall act as the Secretary of the Audit Committee.	√		
5(2)(f)	Quorum of Audit Committee meeting, at least One independent director.	√		
5.3	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select Chairperson of the Audit Committee who will be ID.	√		
5(3)(b)	Absence of the Chairperson of the Audit Committee members to elect one.	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the AGM.	√		
5.4	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least 4 meetings in a financial year.	√		
5(4)(b)	Quorum of Audit Committee, presence of 2 or 2/3 members whichever is higher.	√		
5.5	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process.	√		
5(5)(b)	Monitor choice of accounting policies and principles.	√		
5(5)(c)	Internal Audit and Compliance process to ensure that it is adequately resourced.	√		
5(5)(d)	Performance of external auditors.	√		
5(5)(e)	Hold meetings with the auditors, and review the annual financial statements before submission to the Board for approval or adoption.	√		
5(5)(f)	Review with the management, the annual financial statements before submission to the Board for approval.	√		
5(5)(g)	Review with the management, the Quarterly and half yearly financial statements before submission to the Board for approval.	√		
5(5)(h)	The review adequacy of the internal audit function.	√		
5(5)(i)	Review the management's discussion and analysis before disclosing in the Annual Report.	√		
5(5)(j)	Review statement of all related party transactions submitted by the Mgt.	√		
5(5)(k)	Review management letters or letter of Internal Control weakness issued by statutory auditors.	√		
5(5)(l)	Oversee determination of audit fees based on scope and magnitude.	√		
5(5)(m)	Oversee whether IPO proceeds utilized as per the published Prospectus.			N/A
5.6	Reporting of the Audit Committee			
5.6 (a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)(a)	Report on conflicts of interests.	√		
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process.	√		
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, relies and regulation.	√		
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.	√		
5.6 (b)	Reporting to the Authorities			
5.7	Reporting to the Shareholders and General Investors			
5(7)	Reporting to the Shareholders and General Investors	√		
6	Nomination and Remuneration Committee (NRC)			
6.1	Responsibility to the Board of Directors			
6(1)(a)	The company shall have an NRC as a sub-committee of the Board.	√		
6(1)(b)	NRC shall assist the Board in the formulation of the nomination criteria or policy for determining qualifications	√		
6(1)(c)	The Terms of Reference of the NRC shall be clearly set forth in writing.	√		
6.2	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an ID.	√		
6(2)(b)	All members of the Committee shall be non-executive directors.	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board.	√		

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
6(2)(d)	Board have authority to remove and appoint any member of the committee.	√		
6(2)(e)	Board shall fill the vacancy within 180 days of such vacancy in the Committee.	√		
6(2)(f)	The Chairperson of the Committee may appoint/co-opt any external expert.	√		
6(2)(g)	The company secretary shall act as the secretary of the committee.	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director.	√		
6(2)(i)	No member of the NRC shall receive any remuneration/advisory, other than Director's fees or honorarium from the company.	√		
6.3	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 member of the NRC to be Chairperson of the Committee	√		
6(3)(b)	Absence of chairperson, the remaining members may elect one of them.	√		
6(3)(c)	Chairperson of the NRC shall attend the AGM.	√		
6.4	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year.	√		
6(4)(b)	The Chairperson of the NRC, may convene any emergency meeting.	√		
6(4)(c)	Quorum of NRC meeting, presence of 2 or 2/3 members whichever is higher.	√		
6(4)(d)	Proceedings of NRC meeting shall be recorded in the minutes and such minutes shall be confirmed in the next meeting.	√		
6.5	Role of NRC			
6(5)(a)	NRC shall be independent and responsible/accountable to the Board and to the shareholders.	√		
6(5)(b)(i)(a)	The Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.	√		
6(5)(b)(i)(b)	The Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.	√		
6(5)(b)(i)(c)	Remuneration to directors, top-level executive involves a balance between fixed and incentive pay reflecting short and long term performance.	√		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, experience etc.	√		
6(5)(b)(iii)	Identifying persons who are qualified the criteria laid down and recommend their appointment and removal to the Board.	√		
6(5)(b)(iv)	Formulating criteria for evaluation of performance of independent directors and the Board.	√		
6(5)(b)(v)	Identifying company's needs for employees at different levels and determine their selection, transfer or replacement.	√		
6(5)(b)(vi)	Developing recommending and reviewing annually the company's human resources and training policies.	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC at a glance in its annual report.	√		
7	External or Statutory Auditors			
7(1)	Issuer company shall not engage its external auditors to perform the following:			
7(1)(i)	Appraisal or valuation services or fairness opinions.	√		
7(1)(ii)	Financial information systems design and implementation.	√		
7(1)(iii)	Book keeping or other service related to the account ion records.	√		
7(1)(iv)	Broker-dealer services	√		
7(1)(v)	Actuarial services	√		
7(1)(vi)	Internal/special audit services.	√		
7(1)(vii)	Any services that the Audit Committee may determine.	√		
7(1)(viii)	Certification services on compliance of corporate governance.	√		
7(1)(ix)	Any other service that may create conflict of interest.	√		
7(2)	No partner or employees of the External/Statutory Auditors audit firms shall possess any share of the company they audit at least during the tenure.	√		
7(3)	Representative of External Auditors shall remain present in the AGM.	√		
8	Maintaining a website by the company			
8(1)	The company shall have an official website linked with that of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchanges.	√		
9	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing professional firm on yearly basis regarding the compliance of conditions of Corporate.	√		
9(2)	The professional who will provide the certificate on compliance of Corporate Governance shall be appointed by the Shareholders in the AGM.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions.	√		

কোম্পানির পরিচালনা পর্ষদ সম্মানিত শেয়ারহোল্ডারদের সামনে ৩০ জুন, ২০২৩ সমাপ্ত আর্থিক বছরের জন্য তাদের প্রতিবেদন উপস্থাপন করতে পেরে আনন্দিত।

পরিচালকদের প্রতিবেদন কোম্পানি আইন ১৯৯৪ এর ধারা ১৮৪, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ বিধিমালা ২০২০ এর বিধি ১২ (এবং এর অধীনস্থ তফসিল), বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের কর্পোরেট গভর্নেন্স কোড ২০১৮ এবং দ্য ফিন্যান্সিয়াল রিপোর্টিং কাউন্সিল, বাংলাদেশ কর্তৃক গৃহীত ইন্টারন্যাশনাল অ্যাকাউন্টিং স্ট্যান্ডার্ড-১ এর বিধান অনুসারে উপস্থাপন করা হয়েছে।



নতুন পণ্য যুক্ত হয়েছে
২০২২-২০২৩

স্কয়ার ফার্মার কার্যক্রম এবং সার্বিক অবস্থা

আর্থিক ফলাফল - সমন্বিত

- > **বিক্রয়:** আলোচ্য বছরে কোম্পানির সমন্বিত মোট বিক্রয় ৮.৯৩% বৃদ্ধি পেয়ে ৭২.৩৪ বিলিয়ন টাকা হয়েছে যা বিগত বছরে ছিল ৬৬.৪১ বিলিয়ন টাকা।
- > **নিট মুনাফা ও ইপিএস:** কর পরবর্তী নিট মুনাফা ৪.৫৩% বৃদ্ধি পেয়ে ১৮.৯৮ বিলিয়ন টাকা হয়েছে যা গত বছরে ১৮.১৬ বিলিয়ন টাকা (পুনর্নির্ধারিত) ছিল। ইপিএস (শেয়ার প্রতি আয়) ২১.৪১ টাকায় দাঁড়িয়েছে যা গত বছরে ২০.৪৮ টাকা ছিল।
- > **সংরক্ষিত মুনাফা:** ২০২১-২০২২ সালের সংরক্ষিত মুনাফা ৯৩.৩৬ বিলিয়ন টাকার বিপরীতে ২০২২-২০২৩ সালে ১০৩.৩৪ বিলিয়ন টাকায় দাঁড়িয়েছে।

আর্থিক ফলাফল - একক

- > **বিক্রয়:** আলোচ্য ৩০ জুন, ২০২৩-এ সমাপ্ত আর্থিক বছরে কোম্পানির একক ভাবে মোট বিক্রয় ৪.৭৭% বৃদ্ধি পেয়ে ৬৯.৫৭ বিলিয়ন টাকা হয়েছে যা বিগত বছরে ছিল ৬৬.৪১ বিলিয়ন টাকা।
- > **নিট মুনাফা ও ইপিএস:** কর পরবর্তী নিট মুনাফা ০.৩২% বৃদ্ধি পেয়ে ১৬.৪৭ বিলিয়ন টাকা হয়েছে যা গত বছরে ১৬.৪২ বিলিয়ন টাকা ছিল। ইপিএস (শেয়ার প্রতি আয়) ১৮.৫৮ টাকায় দাঁড়িয়েছে যা গত বছরে ১৮.৫২ টাকা ছিল।
- > **সংরক্ষিত মুনাফা:** ২০২১-২০২২ সালের সংরক্ষিত মুনাফা ৮১.১৭ বিলিয়ন টাকার বিপরীতে ২০২২-২০২৩ সালে ৮৮.৭৮ বিলিয়ন টাকায় দাঁড়িয়েছে।

ঔষুধ খাতে প্রবৃদ্ধি

১৯৫০-এর দশকে, কিছু বহুজাতিক কোম্পানি (এমএনসি) এবং স্থানীয় কোম্পানি বাংলাদেশে (তৎকালীন পূর্ব পাকিস্তান) ঔষুধ শিল্পের বিকাশ শুরু করে।

১৯৭১ সালে স্বাধীনতার পর, বাংলাদেশ একটি স্বল্প-উন্নত দেশ হিসাবে ১৯১১ সালের ব্রিটিশ পেটেন্ট এবং ডিজাইন আইন অনুসারে পেটেন্ট অব্যাহতি পেয়েছিল।

ফলশ্রুতিতে, ১৯৮০ এর দশক থেকে দেশে ফার্মাসিউটিক্যাল শিল্পের বিকাশ ঘটে এবং জেনেরিক ঔষুধের উৎপাদন বাড়তে থাকে। ১৯৮১ সালে, বাংলাদেশে ১৬৬টি লাইসেন্সপ্রাপ্ত ঔষুধ কারখানা ছিল। সে সময় দেশে ঔষুধ উৎপাদনে ৮টি বহুজাতিক কোম্পানির আধিপত্য ছিল এবং তারা দেশীয় ঔষুধ বাজারের ৭৫% দখল করে ছিল। অবশিষ্ট ২৫% দেশীয় কোম্পানির আয়ত্তে ছিল।

বাংলাদেশ সরকার ফার্মাসিউটিক্যাল শিল্পখাতের অপার সম্ভাবনা পর্যবেক্ষণ করে এই খাতে দেশীয় প্রতিষ্ঠানগুলোর উন্নতি বৃদ্ধি করার লক্ষ্যে প্রয়োজনীয় নীতি প্রণয়নসহ বিভিন্ন প্রকার প্রণোদনা প্রদান করে।

এই সহায়তার মধ্যে কর সুবিধা, কাঁচামালের আমদানি শুল্ক হ্রাস এবং অন্যান্য প্রণোদনা অস্বতর্ভূত ছিল।

ফলে বাংলাদেশ একটি উচ্চমানের জেনেরিক ওষুধ উৎপাদনকারী দেশ হিসেবে সুনাম অর্জন করে। এই অর্জন দেশীয় এবং আন্তর্জাতিক উভয় বাজারে ওষুধখাতের ক্রমাগত সম্প্রসারণের ভূমিকা রাখার পাশাপাশি ব্যয়বহুল ব্রান্ডেড ওষুধের বিকল্প হিসেবে সাশ্রয়ী মূল্যে জেনেরিক এবং ব্রান্ডেড জেনেরিক ওষুধ উৎপাদনে মনোনিবেশ করতে ভূমিকা রাখে।

বাংলাদেশের ফার্মাসিউটিক্যাল সেক্টর স্বল্পমূল্যে উচ্চমানের ওষুধ উৎপাদনের জন্য বিশ্ববাজারে পরিচিতি লাভ করেছে এবং বিভিন্ন দেশে, বিশেষ করে এশিয়া ও আফ্রিকায় ওষুধের রপ্তানি উল্লেখযোগ্যভাবে বৃদ্ধি পেয়েছে।

বর্তমানে, বাংলাদেশের অভ্যন্তরীণ ওষুধের বাজারের ৯৮% চাহিদা দেশীয় প্রতিষ্ঠানগুলি পূরণ করে এবং মধ্যে ইউরোপীয় ইউনিয়ন, আফ্রিকা এবং ল্যাটিন আমেরিকার পাশাপাশি মার্কিন যুক্তরাষ্ট্র সহ প্রায় ১৬০টি দেশে রপ্তানি করা হয়। চলতি ২০২২-২০২৩ অর্থবছরের জুলাই থেকে জুন পর্যন্ত বাংলাদেশের ওষুধ রপ্তানি আয় ছিল ১৮৮.৭৮ মিলিয়ন ডলার, যেখানে অভ্যন্তরীণ বাজার ৩.৫ বিলিয়ন ডলার। বার্ষিক ১৫.৬% গড় হারে প্রবৃদ্ধি পরিলক্ষিত হয়।

বৈশ্বিক ফার্মাসিউটিক্যালসখাতে আগামি ৫ বছরের জন্য ৩-৬% চক্রবৃদ্ধি বার্ষিক অগ্রগতি হওয়ার ধারণা করা হচ্ছে। যেখানে বাংলাদেশ বিশ্বমানের প্রতিযোগিতা হিসেবে ভূমিকা রাখতে পারে। কিন্তু, উন্নত বাজারের সঙ্গে প্রতিযোগিতা করার জন্য আমাদের মেশিন লার্নিং, কৃত্রিম বুদ্ধিমত্তা এবং বায়োফার্মার মতো আধুনিক প্রযুক্তি গ্রহণ করতে হবে। পাশাপাশি বিশ্ববাজারে প্রতিদ্বন্দ্বিতা করে প্রতিযোগিতায় টিকে থাকার জন্যে পরিমার্জিত শিল্পনীতি প্রণয়ন অত্যাৱশ্যক।

আই.কিউ.ভি.আই.এ. ২০২৩ সালের দ্বিতীয় প্রান্তিকের প্রতিবেদন অনুসারে (জুলাই ২০২২ থেকে জুন ২০২৩), ফার্মাসিউটিক্যালসের দেশীয় বাজারের আকার গত বছরের তুলনায় ১৫.২৯% বৃদ্ধি পেয়েছে যেখানে আগের বছরের একই সময়ে ৩.৮৫% নেতিবাচক প্রবৃদ্ধি হয়েছিল। কোভিড মহামারীর পরে, ওষুধের বাজার ধীরে ধীরে স্বাভাবিক হয়ে আসছে।

স্বাস্থ্যসেবা ব্যবস্থার পাশাপাশি সাধারণ ভোক্তাদের দৈনন্দিন স্বাস্থ্যসেবার চাহিদা মেটাতে সাশ্রয়ী মূল্যের ওটিসি ফার্মাসিউটিক্যালস সুলভ চিকিৎসা নিশ্চিত ভূমিকা রাখে।

কোভিড-১৯ মহামারী ওটিসি ব্যবসায় নানাবিধ প্রভাব ফেলেছে। স্ব-যত্ন সম্পর্কে ক্রমবর্ধমান সচেতনতা, প্রেসক্রিপশন ভিত্তিক বাজারের বৃদ্ধিকে কিছুটা চালিত করেছে যাতে ওটিসি ব্যবসার সম্ভাবনা রয়েছে, যেমন পিপিআই (৮.৫৫%), অ্যান্টিহিস্টামিন (১৬.৮৪%), ক্যালসিয়াম (১৭.৮৪%) এবং অ্যান্টিলিউকোট্রিনি-অ্যান্টিএ্যাসমা (১৬.৮৪%)। তথাপি, ক্রমবর্ধমান স্বাস্থ্যসতর্কতা এবং পরিচ্ছন্নতা বিধি নিষেধ, কাশি এবং ঠাণ্ডাজনিত (-৫.১১%) এবং এক্সপেক্টোরেন্ট (-৫.৫৭%) জাতীয় ঔষধ এর চাহিদা হ্রাস করেছে।

দীর্ঘস্থায়ী রোগের ওষুধের বাজার বেশি বৃদ্ধি পাচ্ছে। তার মধ্যে কয়েকটি উল্লেখযোগ্য যেমন, অ্যান্টিডায়াবেটিক, অ্যান্টি-এপিলেপ্টিক, অ্যান্টিহাইপারটেনসিভ, লিপিড কমানোর এজেন্টগুলি ভাল করছে। সর্বাধিক বৃদ্ধি সহ অণুগুলি হল এম্পাগলিফ্লজিন (৭৬.৭০%), লিনাগলিস্টিন (৪৫.৩৪%), প্রিগাবালিন (৪১.৩১%), রসুভাস্টাটিন (৩৩.৭১%), অ্যান্টিহাইপারটেনসিভ বিসোলপ্রলোল (২৬.৬৭%) এবং ওলমেসারটান (১৬.৭৪%) ভাল করছে। এই অণুগুলির বিক্রয় বৃদ্ধি দীর্ঘস্থায়ী অসুস্থতা সম্পর্কে রোগীর সচেতনতার নির্দেশ করে।

যাইহোক, গত পাঁচ বছরের জন্য চক্রবৃদ্ধি বার্ষিক বৃদ্ধির হার (সিএজিআর), জাতীয় বাজার বৃদ্ধির হার এবং স্কয়ার ফার্মার বৃদ্ধির হার ছিল যথাক্রমে ৮.২২%, ১৫.২৯% এবং ৮.৪৩%।

মূল্যস্ফীতির হার এবং নিত্যপ্রয়োজনীয় দ্রব্যের মূল্যবৃদ্ধির ফলে ওষুধ ব্যবসার কাঙ্ক্ষিত প্রবৃদ্ধির পথে বাধা হয়ে দাঁড়িয়েছে। ইউক্রেন যুদ্ধ সহ বর্তমান বৈশ্বিক অর্থনৈতিক ও রাজনৈতিক অস্থিরতা কাঁচামাল সরবরাহে ব্যাঘাতের একটি বড় কারণ। এত প্রতিবন্ধকতা সত্ত্বেও ফার্মার বাজার ব্যবসা করার জন্যে এখনও ভাল অবস্থানে রয়েছে।

১৪ টি ব্র্যান্ড
স্কয়ার ফার্মা

ফার্মা সেক্টরের শীর্ষ ৫০ ব্র্যান্ডের
মধ্যে রয়েছে

শীর্ষাবস্থান

সকল ধরনের অর্থনৈতিক এবং কর্মদক্ষতার মাপকাঠিতে অবিরাম ও ক্রমাগত অগ্রগতি স্কয়ার ফার্মাকে বিগত কয়েক দশক ধরে দেশীয় ওযুধশিল্পের শীর্ষস্থান (নম্বর # ১) ধরে রাখতে সহায়তা করেছে।

+১,২৭,৮৮০
ফার্মেসি স্কয়ার ফার্মার সাথে যুক্ত

ফার্মা প্লান্ট

স্কয়ার ফার্মার কতৃপক্ষ, কোম্পানীর উৎপাদনকেন্দ্র গুলোতে প্রযুক্তিগত উন্নয়ন, গবেষণা এবং উন্নত ও পরিমার্জিত প্রশিক্ষণ নিশ্চিতকরণের মাধ্যমে গুণগত এবং পরিমাণগত উভয় ধরনের দক্ষতার ক্রমাগত উন্নয়ন সম্পর্কে অত্যন্ত সতর্ক।

আলোচ্য বছরে, কোম্পানী উভয় কারখানায় উল্লেখযোগ্য পরিমাণ বিনিয়োগ করেছে। এর বিবরণ নিম্নে দেয়া হলোঃ

সম্পদের বিবরণ	২০২২-২৩	২০২১-২২
জমি	১২৩.৩২	২১০.৪৪
ভবন	১,৬৫৪.৪৩	৪৯৫.৬৬
প্লান্ট এবং যন্ত্রপাতি	৪৩০.৩৪	৬৫২.৫৯
গবেষণার যন্ত্রপাতি	৮৩.৮৪	১৩৪.৪৬
অন্যান্য যন্ত্রপাতি/সম্পদ	১৯৪.৪২	৩৫১.৬৮
মোট টাকা -	২,৪৮৬.৩৫	১,৮৪৪.৮৩

মূলধনী ব্যয়ের সকল অর্থ আভ্যন্তরীণ উৎস হতে নির্বাহ করা হয়েছে।

৮৬.০৭%

চিকিৎসক স্কয়ারের ঔষধ দিয়েছেন.

৩৯,৪৫৯ এর মধ্যে ৩৩,৯৬১ জন চিকিৎসক স্কয়ারের ঔষধ তাদের ব্যবস্থাপত্রে লিখেছেন।

কেমিক্যাল প্লান্ট

স্কয়ার ফার্মার (পাবনাস্থ) রাসায়নিক প্লান্টের কার্যক্রমের গত ২ (দুই) বছরের তুলনামূলক অবস্থান নিচে উপস্থাপন করা হলোঃ

বিবরণ	২০২২-২৩	২০২১-২২
পণ্যের সংখ্যা	২৩	২২
উৎপাদনের পরিমাণ (মেঃ টন)	৮০৬	৭৭৭
নিজস্ব ব্যবহার (মেঃ টন)	৫৭৯.৭৫	৭৮২.৫৩
বিক্রয় (মেঃ টন)	৩৯.৩৪	২০.০২
নিজস্ব ব্যবহার (%)	৭১.৯৩	১০০.৭১
বাৎসরিক বিক্রয় (মিলিয়ন টাকা)	১৪২.৭৮	৫৮.৬১

বিপণন এবং মূল্য সংযোজন কৌশল অনুযায়ী প্রোডাক্ট মিক্সের তারতম্যের দরুন নিজস্ব ব্যবহারের পরিমাণ পরিবর্তন হয়েছে।

মান নিয়ন্ত্রণ

ফার্মাসিউটিক্যালস্ পণ্যের অপর নাম জীবন রক্ষাকারী পণ্য। তাই এই পণ্যের সর্বোচ্চ মান নিশ্চিত করতে এবং উন্নয়ন সাধনে পণ্যের উৎপাদন সহ সকল স্তরে বিশ্ব স্বাস্থ্য সংস্থা প্রদত্ত গুড ম্যানুফ্যাকচারিং প্রাক্টিস এর নীতিমালা কঠোরভাবে অনুসরণে কোম্পানী প্রয়োজনীয় গুরুত্ব আরোপ করেছে।

পুংখানুপুংখরূপে অনুসন্ধান এর মাধ্যমে মেয়াদোত্তীর্ণ ঔষধ মার্কেট হতে ফেরত নেয়ার ক্ষেত্রে কোম্পানী প্রতিনিয়ত যত্নশীল। কোম্পানীর মান নিয়ন্ত্রণ সুবিধাদীর মধ্যে রয়েছে অত্যাধুনিক মান সম্পন্ন ল্যাবরেটরী, কম্পিউটারাইজড যন্ত্রপাতি এবং উচ্চশিক্ষিত এবং আধুনিক প্রশিক্ষণপ্রাপ্ত কর্মচারী ও কর্মকর্তা যারা পণ্যের সর্বোচ্চ মান নিয়ন্ত্রণকে তাদের নৈতিক দায়িত্ব হিসাবে গ্রহন করে গবেষণা কার্যক্রমে ব্রতী হয়েছেন। আমরা তাঁদের জন্য গর্বিত।

প্রযুক্তি

পণ্য উৎপাদন, মান নিয়ন্ত্রণ, বিতরণ এবং সর্বোপরি রোগীর কাছে এই পণ্য পৌছানো পর্যন্ত সকল স্তরে আধুনিক প্রযুক্তি প্রয়োগে কোম্পানী অগ্রণী ভূমিকা পালন করছে। এই লক্ষ্যে ২০২২-২০২৩ অর্থ বছরে কোম্পানী ল্যাবরেটরী আধুনিকায়নে ৮৩.৮৪ মিলিয়ন টাকা বিনিয়োগ করেছে।

আর্থিক ফলাফল

পূর্ববর্তী বছরের সাথে তুলনা করে ৩০শে জুন ২০২৩ সালের আর্থিক ফলাফল নিম্নে উপস্থাপন করা হলো:

বিবরণ	২০২২-২০২৩ (টাকায়)	২০২১-২০২২ (টাকায়)	↑↓ %
মোট বিক্রয়	৬৯,৫৭৩,৮০২,৬৬১	৬৬,৪০৬,৯৫৯,৯৫০	৪.৭৭%
নীট বিক্রয়	৬০,৩৮৮,৭৯৬,১১৭	৫৭,৫৯৭,৯৪১,৩৫৯	৪.৮৫%
বিক্রিত পণ্যের ব্যয়	৩০,৫১৪,৪১৪,২২৮	২৭,৯৫৮,০২৬,৯৮০	৯.১৪%
মোট মুনাফা	২৯,৮৭৪,৩৮১,৮৮৯	২৯,৬৩৯,৯১৪,৩৭৯	০.৭৯%
নীট মুনাফা (করপূর্ব)	২১,০৯৭,১২২,৪২৩	২১,০২৪,৫৫৯,৮৭৪	০.৩৫%
আয়কর	৪,৬২৬,৮৯৪,৯১০	৪,৬০৭,০৬৩,২৭১	০.৪৩%
নীট মুনাফা (কর পরবর্তী)	১৬,৪৭০,২২৭,৫১৩	১৬,৪১৭,৪৯৬,৬০৩	০.৩২%
মোট আয়ের হার	৪৯.৪৭%	৫১.৪৬%	৩.৮৭%
নীট আয়ের হার (কর পূর্ব)	৩৪.৯৪%	৩৬.৫০%	৪.২৯%
নীট আয়ের হার (কর পরবর্তী)	২৭.২৭%	২৮.৫০%	৪.৩২%
শেয়ার প্রতি আয় (টাকা) - একক	১৮.৫৮	১৮.৫২	০.৩২%
শেয়ার প্রতি আয় (টাকা) - সমন্বিত	২১.৪১	২০.৪৮	৪.৫৩%
শেয়ার প্রতি আয় (আইপিও পরিশোধিত মূলধন অনুসারে)	১,৬৪৭.০২	১,৬৪১.৭৫	০.৩২%

গত বছরের তুলনায়, আলোচ্য ২০২২-২০২৩ অর্থবছরে মোট বিক্রয়, নীট মুনাফা (আয়কর পূর্ববর্তী) এবং নীট মুনাফা (আয়কর পরবর্তী) আগের বছরের তুলনায় যথাক্রমে ৪.৭৭%, ০.৩৫% এবং ০.৩২% বৃদ্ধি পেয়েছে।

কোম্পানি "অন্যান্য পরিচালন আয়" বাবদ ১,২২৮ মিলিয়ন টাকা এবং "অন্যান্য আয়" বাবদ ৪,২৭৭ মিলিয়ন টাকা আয় করেছে (একক আর্থিক বিবরণীর নোট ২৫ এবং ২৬-এ দেখা আছে) এবং নীট লাভের মার্জিন (কর পরবর্তী) আগের বছরের তুলনায় ৪.৩২% হ্রাস পেয়েছে।

পর্যালোচনাধীন ২০২২-২০২৩ বছরের একক হিসাবে ইপিএস দাঁড়িয়েছে ১৮.৫৮ টাকায়। যা ২০২১-২০২২ সালে ছিল ১৮.৫২ টাকা, গত বছরের তুলনায় ০.৩২% বৃদ্ধি হয়েছে এবং সমন্বিত হিসাবে ইপিএস ৪.৫৩% বেড়ে ২০২২-২০২৩ সালে ২১.৪১ টাকা হয়েছে। ২০২১-২০২২ সালে ছিল ২০.৪৮ টাকা।

প্রতি শেয়ার ১০/- টাকা মূল্যমানের মোট ৮৮৬,৪৫১,০১০ টি সাধারণ শেয়ারের ভিত্তিতে ইপিএস গণনা করা হয়েছে।

রপ্তানি

স্কয়ার ফার্মার রপ্তানি বাজার ৪৫ টিরও বেশি দেশে বিস্তার লাভ করেছে এবং বর্তমান উৎপাদন ক্ষমতার মধ্যে রপ্তানির পরিমাণ বাড়ানোর জন্য সমস্ত ধরনের সম্ভাব্য প্রচেষ্টা করছে যা আগামী বছরগুলিতে রপ্তানির পরিমাণ আরও বাড়াবে বলে আশা করা হচ্ছে।

পর্যালোচনাধীন বছরে রপ্তানির পরিমাণ ছিল ১,৯৫৬.৪০ মিলিয়ন টাকা যা গত বছরের তুলনায় ১৫.০৬% বৃদ্ধি পেয়েছে, গত বছরে রপ্তানির পরিমাণ ছিল ১,৭০০.২৭ মিলিয়ন টাকা।

স্কয়ার ফার্মা এই সময়ের মধ্যে ইউ.এস.এফ.ডি. থেকে ১টি এ.এন.ডি.এ-এর অনুমোদন পেয়েছে।

ন্যাশনাল হেলথ সার্ভিসেস এজেন্সি, ব্রাজিল থেকে আমাদের উৎপাদন সাইটে নিয়ন্ত্রক অনুমোদন পাওয়ায় একটি মাইলফলক অর্জন হয়েছে। এই অনুমোদন ল্যাটিন বাজারে আমাদের প্রবেশের পথকে প্রসারিত করবে।

জাতীয় কোষাগারে অবদান

স্কয়ার ফার্মার, জাতীয় কোষাগারে এ বছরের অবদান ১৫,১৪২,৮৭৩,১৮২ টাকা (যন্ত্রপাতি ও খুচরা যন্ত্রাংশের আমদানী শুল্ক ৭৮,১৭২,২৮৫ টাকা সহ)। এই অবদান ২০২২-২০২৩ সালের বিক্রয়ের শতকরা ২৫.০৮ ভাগ।

নতুন ঔষধ সংযোজন

আলোচ্য ২০২২-২০২৩ সালে ৩৩টি নতুন পণ্য যুক্ত করা হয়েছে, যার সবকটিই বিশেষজ্ঞ চিকিৎসক এবং ভোক্তাদের কাছ থেকে ইতিবাচক প্রতিক্রিয়া পেয়েছে। উচ্চতর জেনেরিক বিকল্প, সীমিত বাজারের আকার এবং নিয়ন্ত্রকের আদেশ প্রতিপালনের নিমিত্তে ৫টি পণ্যের উৎপাদন রহিত করা হয়েছে এবং ১৮টি পণ্য কৌশলগত সিদ্ধান্তের আলোকে স্কয়ার লাইফসাইন্সেস লিঃ (এসএলএল)- এ স্থানান্তর করা হয়েছে।

বিগত ৩০ জুন, ২০২৩ - এ সমাপ্ত বছরে নতুন ঔষধ সংযোজন এবং বাতিলকৃত ঔষধের বিবরণ ২৯ নম্বর পৃষ্ঠায় কোম্পানির প্রোডাক্ট ডেভেলপমেন্ট শিরোনামে সংযুক্ত করা হয়েছে।

উৎপাদন/উৎপাদন ক্ষমতা ব্যবহার

সার্বিকভাবে প্ল্যান্টের উৎপাদন ক্ষমতার উন্নয়ন এ বছরও ধারাবাহিক ভাবে অব্যাহত আছে যা ২৯ নম্বর পৃষ্ঠায় কোম্পানির আউটপুট/ক্যাপাসিটি ইউটিলাইজেশন শিরোনামে সংযুক্ত করা হয়েছে।

সাবসিডিয়ারি ও সহযোগি প্রতিষ্ঠান

স্কয়ার ফার্মাসিউটিক্যালস পিএলসি'র বর্তমানে ৩ (তিন) টি সাবসিডিয়ারি কোম্পানি এবং ৩ (তিন) টি সহযোগী কোম্পানি রয়েছে, যা নিচে দেখানো হয়েছে:

সাবসিডিয়ারি

- স্কয়ার ফার্মাসিউটিক্যালস কেনিয়া ইপিজেড লিঃ (এসপিএল কেনিয়া)

এসপিএল কেনিয়া প্রতিষ্ঠিত হয়েছে কেনিয়া এবং পূর্ব আফ্রিকান কমিউনিটিতে জেনেরিক মেডিসিন তৈরি ও বিক্রি

করার উদ্দেশ্যে। স্কয়ার ফার্মা কার্যত এসপিএল কেনিয়ার সম্পূর্ণ শেয়ারের মালিক, তাই, এসপিএল কেনিয়া স্কয়ার ফার্মার একটি সাবসিডিয়ারি কোম্পানী।

এসপিএল কেনিয়ার পরিশোধিত মূলধন ৩৩২,০০০,০০০ টাকা। এ ছাড়াও, ৬৫৩,৭৪২,৬৮৮ টাকা শেয়ার মানি ডিপোজিট হিসাবে অগ্রিম জমা দেয়া আছে।

এসপিএল কেনিয়ার ৩০ জুন, ২০২৩-এ শেষ হওয়া বছরের পরিচালকদের প্রতিবেদন-এর সাথে নিরীক্ষিত আর্থিক বিবরণী যার সাথে নিরীক্ষকের প্রতিবেদন, আর্থিক অবস্থার বিবরণী, লাভ বা ক্ষতি বিবরণী, ইকুইটি এবং নগদ প্রবাহের পরিবর্তনের বিবরণী এই বার্ষিক প্রতিবেদনের সাথে সন্নিবেশিত করা হয়েছে।

□ স্কয়ার লাইফসাইন্সেস লিমিটেড (এস.এল.এল)

স্কয়ার লাইফসাইন্সেস লিমিটেড, কোম্পানি আইন, ১৯৯৪ এর অধীনে ১৩ ফেব্রুয়ারী, ২০২০ -এ একটি ফার্মাসিউটিক্যালস ম্যানুফ্যাকচারিং কোম্পানি হিসাবে নিগমিত এবং স্কয়ার ফার্মাসিউটিক্যালস পিএলসি এর একটি সাবসিডিয়ারি কোম্পানী।

স্কয়ার ফার্মা, ১০০.০০ টাকা মূল্যমানের মোট পরিশোধিত ১০,০০০,০০০ সাধারণ শেয়ারের মধ্যে ৯,৯৯৫,০০০ টি শেয়ারের মালিক।

স্কয়ার লাইফসাইন্সেস এর ৩০ জুন, ২০২৩-এ শেষ হওয়া বছরের পরিচালকদের প্রতিবেদন-এর সাথে নিরীক্ষিত আর্থিক বিবরণী যার সাথে নিরীক্ষকের প্রতিবেদন, আর্থিক অবস্থার বিবরণী, লাভ বা ক্ষতি বিবরণী, ইকুইটি এবং নগদ প্রবাহের পরিবর্তনের বিবরণী এই বার্ষিক প্রতিবেদনের সাথে সন্নিবেশিত করা হয়েছে।

□ স্যামসন ফার্মা আইএনসি, ফিলিপাইনস

স্যামসন ফার্মা আইএনসি, ফিলিপাইনস, ২০ সেপ্টেম্বর, ২০২৩ সালে ফিলিপাইনের কর্পোরেশন কোডের অধীনে একটি ফার্মাসিউটিক্যালস ম্যানুফ্যাকচারিং কোম্পানি এবং স্কয়ার ফার্মাসিউটিক্যালস পিএলসি এর একটি সহায়ক সংস্থা হিসাবে অন্তর্ভুক্ত হয়।

৩০ জুন, ২০২৩ পর্যন্ত শেয়ার মানি ডিপোজিট হিসেবে ৫২,৫৩০,০০০ টাকা অগ্রিম প্রদান করা হয়েছে।

সহযোগী প্রতিষ্ঠান

□ স্কয়ার টেক্সটাইলস্ পিএলসি.

স্কয়ার টেক্সটাইলস্ পিএলসি, একটি ১০০% রপ্তানিমুখী সুতা প্রস্তুতকারক, এটি পুরোদমে উৎপাদনে নিয়োজিত লাভজনক প্রতিষ্ঠান এবং পাবলিকলি লিস্টেড কোম্পানি।

স্কয়ার ফার্মার বোনাস শেয়ার সহ ১০ টাকা অভিহিত মূল্যের ৯১,৪৩৬,৬৭৭ টি সাধারণ শেয়ার রয়েছে। উপরে উল্লেখিত শেয়ারগুলির জন্য ২২৫,১২৯,৭৯৫.০০ টাকা বিনিয়োগ করা হয়েছিল, শেয়ার প্রতি ব্যয় দাঁড়ায় ২.৪৬ টাকা (বিনামূল্যের বোনাস শেয়ার বিবেচনা করে)।

৩০ জুন, ২০২৩ তারিখে উল্লেখিত শেয়ারগুলির বাজার মূল্য ছিল ৬,১৭১,৯৭৫,৬৯৭.৫০ টাকা, শেয়ার প্রতি ৬৭.৫০ টাকা হিসেবে।

স্কয়ার টেক্সটাইলস্ লিঃ ২০২২-২০২৩ সালের জন্য ৩০% নগদ লভ্যাংশ প্রস্তাব করেছে।

□ স্কয়ার হসপিটালস্ লিঃ

স্কয়ার হসপিটালস্ একটি বহুমুখী চিকিৎসা সেবা ব্যবস্থা সম্পন্ন সর্বাধুনিক হাসপাতাল যা বাংলাদেশে বেসরকারী স্বাস্থ্যসেবা খাতে পুরোদমে সক্রিয় শীর্ষস্থানীয় একটি প্রাইভেট লিমিটেড কোম্পানি।

স্কয়ার ফার্মা প্রতিটি ১,০০০ টাকা মূল্যমানের ১৯৯,৭৫০টি সাধারণ শেয়ারের মালিক, যা স্কয়ার হাসপাতাল এর শেয়ার-মূলধনের ৪৯.৯৪%। উল্লেখিত শেয়ারের জন্য বিনিয়োগের ব্যয় ছিল ২১০,৭৫০,০০০.০০ টাকা, যার শেয়ার প্রতি মূল্য হয় ১,০৫৫.০৭ টাকা।

স্কয়ার হসপিটালস্ জুন ২০২৩ সালে সমাপ্ত বছরে মোট ব্যবসা করেছে ৫,৩৩৩.৬৯ মিলিয়ন টাকা এবং নীট মুনাফা হয়েছে ৩৭৬.৪৭ মিলিয়ন টাকা। স্কয়ার হসপিটালস্, নতুন সম্প্রসারণ পরিকল্পনা, হাসপাতালের বর্তমান সরঞ্জামাদি আধুনিকায়ন এবং প্রতিস্থাপনের লক্ষ্যে কোনও লভ্যাংশ প্রস্তাব করেনি।

□ স্কয়ার ফ্যাশনস্ লিঃ

স্কয়ার ফ্যাশনস্ লিঃ, ১০০% রফতানিমুখী তৈরি পোশাক প্রস্তুতকারক একটি প্রাইভেট লিমিটেড কোম্পানি যার কার্যক্রমে পুরোদমে সক্রিয় আছে।

স্কয়ার ফার্মা প্রতিটি ১০০ টাকা মূল্যমানের ৪৬২,০০০ সাধারণ শেয়ারের মালিক যা এর শেয়ার মূলধনের ৪৮.৬৩%। এই শেয়ারে বিনিয়োগের জন্য ব্যয় হয়েছে ১৫১.২০ মিলিয়ন টাকা যার গড় মূল্য শেয়ার প্রতি ৩২৭.২৭ টাকা।

স্কয়ার ফ্যাশনস্ এর ২০২২-২০২৩ আর্থিক বছরে নীট মুনাফা অর্জিত হয়েছে ৩,৭৭৯.১৪ মিলিয়ন টাকা, শেয়ার প্রতি এন.এ.ভি. দাঁড়িয়েছে ২০,৮৮৫ টাকা এবং ইপিএস ৩,৯৭৮ টাকা। ভবিষ্যত সম্প্রসারণ এবং ভিন্ন বিনিয়োগ পরিকল্পনার কারণে পর্যালোচনাধীন বছরে কোনও লভ্যাংশ প্রস্তাব করেনি।

শেয়ারবাজার এবং অন্যান্য দীর্ঘমেয়াদী সম্পদে বিনিয়োগ

স্কয়ার ফার্মা ৪,৫৮৯.৮৭ মিলিয়ন টাকা শেয়ারবাজারে বিনিয়োগ করেছে যা একক আর্থিক বিবরণীর নোট # ৬ এ বিস্তারিত দেখানো হয়েছে।

পর্যালোচনাধীন বছরে পোর্টফোলিও টি মোট ৮১৬.১২ মিলিয়ন টাকা অনাদায়ী মূলধনী লাভ অর্জন করেছে।

তা ছাড়াও স্কয়ার ফার্মার গত ৩০ জুন, ২০২৩ পর্যন্ত বিভিন্ন ইকুইটি শেয়ার, সাবঅরডিনেট বন্ড এবং জিরো কুপন বন্ড মোট ৫,৬০৩.৬৯ মিলিয়ন টাকা বিনিয়োগ রয়েছে।

স্কয়ার ফার্মা প্রতিটি বিনিয়োগের সুবিধা/প্রাপ্তি সযত্নে বিশ্লেষণ করে এবং একটি আশানুরূপ প্রাপ্তির দিকে সর্বোচ্চ অধিকার দিয়ে বিনিয়োগ করে।

বিনিয়োগের বিশদ বিবরণ একক আর্থিক বিবৃতির নোট # ৭-এ দেখানো হয়েছে।

ঝুঁকি এবং উদ্বেগ

স্কয়ার ফার্মার ম্যানেজমেন্ট ব্যবসায়ের প্রধান ঝুঁকি সমূহ শনাক্ত করতে সদা সর্বদা সতর্ক থাকে এবং তা নিরসন করতে যথাযথ পরিকল্পনা ও ব্যবস্থাপনা গ্রহণে অত্যন্ত আন্তরিক।

তারা ঝুঁকি পর্যবেক্ষণকে একটি ক্রমাগত প্রক্রিয়া হিসেবে বিবেচনা করে এবং সেই অনুযায়ী, কোম্পানি যেকোনো আর্থ-সামাজিক অসঙ্গতিপূর্ণ পরিস্থিতি, কৌশলগত বিনিয়োগ নীতি, পণ্যের মূল্য নির্ধারণ নীতি, দীর্ঘমেয়াদী পরিকল্পনা, আন্তর্জাতিক বাণিজ্য বাধা ইত্যাদির উপর নজর রাখে যাতে কোম্পানির ব্যবসার উপর কোন প্রকার নেতিবাচক প্রভাব না পড়ে।

ব্যতিক্রমধর্মী কার্যক্রম

কোম্পানীটি কোনও ব্যতিক্রমধর্মী কার্যক্রম গ্রহণ করেনি বা চালিয়ে যায়নি।

হিসাবের একত্রীকরণ

স্কার ফার্মা ৩টি সাবসিডিয়ারি কোম্পানীর মালিক বিধায় বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের এর বিধিমালা এবং আইএফআরএস-১০ এর নিয়মাবলী অনুসরণ করে আর্থিক বিবরণী সমূহ একত্রীকৃত করা হয়েছে যাতে শেয়ারহোল্ডারবৃন্দের মোট সুবিধা/বিনিয়োগ মূল্য প্রদর্শন করা যায়।

উল্লেখিত একীভূত আর্থিক বিবরণী এই বার্ষিক প্রতিবেদনের সাথে উপস্থাপন করা হয়েছে।

সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ

স্কার ফার্মা, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের কর্পোরেট গভর্নেন্স কোড ২০১৮ শর্ত নম্বর ১(৫)(xvi) এর পরিশ্রেক্ষিতে, পরিচালনা পর্ষদ এর মাধ্যমে নিশ্চিত করে যে সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ যথাযথভাবে সুরক্ষিত হয়েছে।

রিলেটেড পার্টি লেনদেন

স্কার ফার্মা আলোচ্য বছরে যে সকল রিলেটেড পার্টিদের সাথে লেনদেন করেছে তাদের বিশদ বিবরণ একক আর্থিক বিবরণীর নোট # ৩৬-এ প্রকাশ করা হয়েছে।

ক্রেডিট রেটিং

ক্রেডিট রেটিং ইনফরমেশন অ্যান্ড সার্ভিসেস লিমিটেড বিগত ১৫ ডিসেম্বর, ২০২২ তারিখে স্কার ফার্মার আর্থিক এবং অন্যান্য প্রাসঙ্গিক পরিমাণগত এবং গুণগত তথ্যের ভিত্তিতে স্কার ফার্মাকে সর্বোচ্চ ক্রেডিট রেটিং প্রদান করেছে।

পুনঃনিশ্চিত রেটিংঃ

দীর্ঘমেয়াদী রেটিং = "এএএ", যা সর্বোচ্চ নিরাপত্তা এবং সর্বোচ্চ ক্রেডিট গুণমান নির্দেশ করে।

স্বল্পমেয়াদী রেটিং = "এস.টি.-১", যা সময়মত পরিশোধের সর্বোচ্চ নিশ্চয়তা নির্দেশ করে।

পরিবেশগত ভূমিকা

জিএমপি/ডব্লিউএইচও স্ট্যান্ডার্ডস ও সরকারী নিয়মাবলী অনুযায়ী কোম্পানী সর্বোচ্চ দূষণমুক্ত পরিবেশ বজায় রেখেছে।

মানব সম্পদ উন্নয়ন

মানব সম্পদ উন্নয়নের জন্য, স্কার ফার্মা তার প্রতিটি স্তরের নির্বাহী ও কর্মচারীদের ক্রমাগত আনুষ্ঠানিক এবং অনানুষ্ঠানিক প্রশিক্ষণ প্রদান করে যাচ্ছে।

২০২২-২০২৩ বছরে, ৮,১৭৬ জন দেশে এবং বিদেশে প্রশিক্ষণ পেয়েছে। ফলে প্রশিক্ষণ প্রাপ্তরা কোম্পানীকে লাভজনক অবস্থায় রাখতে অবদান রেখেছে।

ব্যাক গ্যারান্টি

পর্যালোচনাধীন বছরের মধ্যে প্রদত্ত গ্যারান্টিগুলি একক আর্থিক বিবরণীতে নোট # ৩৫.১ এ চিত্রিত হয়েছে।

দাবিহীন/ অমীমাংসিত লভ্যাংশ

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন এবং অন্যান্য নিয়ন্ত্রক কর্তৃপক্ষের নির্দেশনা অনুসারে দাবিহীন/ অমীমাংসিত লভ্যাংশের হিসাব যত্ন সহকারে রাখা হয়।

১৯৯৫ থেকে ২০২২ সাল পর্যন্ত দাবিহীন/অমীমাংসিত লভ্যাংশের বিশদ বিবরণ এই প্রতিবেদনের ৬৫ পৃষ্ঠায় উপস্থাপন করা হয়েছে।

ফার্মা সেক্টরে শীর্ষস্থান

টাকায়

+ - ১৮৬ বিলিয়ন

শেয়ার বাজার মূলধন
স্কার ফার্মা

মুনাফা বন্টন

পরিচালনা পর্ষদ তার ২২শে অক্টোবর, ২০২৩-এ অনুষ্ঠিত সভায় পরিশোধিত মূলধনের ১০৫% হারে নগদ লভ্যাংশ সুপারিশ করেছে এবং ২০২২-২০২৩ বছরে অর্জিত নিট মুনাফা নিম্নলিখিত ভাবে বন্টন করেছেন:

টাকায়

২০২২-২০২৩ সালের নিট মুনাফা	১৬,৪৭০,২২৭,৫১৩
বাদ : প্রস্তাবিত বন্টনঃ নগদ লভ্যাংশ ১০৫% (শেয়ার প্রতি ১০.৫০ টাকা)	৯,৩০৭,৭৩৫,৬০৫
অবন্টনকৃত মুনাফা পরবর্তী বছরে স্থানান্তরঃ	৭,১৬২,৪৯১,৯০৮

প্রস্তাবিত লভ্যাংশ আগের বছরের তুলনায় ৫.০০% এবং ৪৪৩ মিলিয়ন টাকা বেশি। ২০২১-২০২২ সালে ঘোষিত এবং প্রদত্ত নগদ লভ্যাংশ ৩ ১০০% ছিল, যার পরিমাণ ছিল ৮.৮৬ বিলিয়ন টাকা।

পরিচালক নির্বাচন

কোম্পানীর সংঘবিধির ৯৯ অনুচ্ছেদ অনুযায়ী জনাব স্যামুয়েল এস চৌধুরী এবং জনাব কাজি ইকবাল হারুন অবসর গ্রহণ করছেন এবং অনুচ্ছেদ ১০০ অনুসারে তাঁরা পুনঃ নির্বাচিত হওয়ার যোগ্য বিধায় পুনঃ নির্বাচিত হওয়ার ইচ্ছা পোষণ করেছেন।

উল্লিখিত পরিচালকবৃন্দের সংক্ষিপ্ত জীবনবৃত্তান্ত এবং অন্যান্য তথ্য সংযুক্তি - ii তে বর্ণিত করা হয়েছে।

স্বতন্ত্র পরিচালকের নিয়োগ

কোম্পানীর পরিচালনা পর্ষদ ১২ই জুলাই, ২০২৩ তারিখে জনাব আবুল কালাম আজাদ, এফসিএকে স্বতন্ত্র পরিচালক হিসেবে জনাব এস.এম. রেজাউর রহমানের জায়গায় নিয়োগ দিয়েছে, যিনি ১২ই জুলাই ২০২৩ তারিখে স্কয়ার ফার্মাসিউটিক্যালস পিএলসি'র স্বাধীন পরিচালকের অফিস থেকে অব্যাহতি পেয়েছেন, কারণ তিনি অনিবার্য ব্যক্তিগত কারণে তার দায়িত্ব চালায়ে যেতে অপারগতা প্রকাশ করেছিলেন।

উপরে উল্লিখিত পরিচালকের একটি সংক্ষিপ্ত জীবনবৃত্তান্ত এবং অন্যান্য তথ্য সংযুক্তি - ii এ বর্ণিত করা হয়েছে

সংঘবিধিবদ্ধ নিরীক্ষক নিয়োগ

মেসার্স আহমেদ যাকের অ্যান্ড কোং, চার্টার্ড একাউন্ট্যান্টস, জেনেভা গ্রুপ ইন্টারন্যাশনালের (জিজিআই) একটি স্বাধীন সদস্য সংস্থা, ২০২২-২০২৩ সালের জন্য সংঘবিধিবদ্ধ অডিটর ছিলেন এবং স্কয়ার ফার্মাসিউটিক্যালস পিএলসি-এর ৩০ জুন, ২০২৩ সমাপ্ত

বছরের আর্থিক বিবৃতিগুলির উপর আনকোয়ালিফাইড প্রতিবেদন জমা দিয়েছেন।।

মেসার্স আহমেদ যাকের অ্যান্ড কোং, বিএসইসি এর প্যানেল তালিকা থেকে বাদ পড়েছে বিধায় পুনঃনিয়োগের জন্য যোগ্য নয়।

মেসার্স মাহফেল হক অ্যান্ড কোং, চার্টার্ড একাউন্ট্যান্টস, বিজিআইসি টাওয়ার, ৪র্থ তলা, ৩৪ তোপখানা, ঢাকা ২০২৩-২০২৪ সালের জন্য কোম্পানির নিরীক্ষক হিসেবে নিয়োগের আগ্রহ প্রকাশ করেছেন।

পরিচালনা পর্ষদ ২২ অক্টোবর, ২০২৩ তারিখের সভায় তাদের নিয়োগের সুপারিশ করেছেন।

কমপ্লায়েন্স নিরীক্ষক নিয়োগ

মেসার্স চৌধুরী ভট্টাচার্য অ্যান্ড কোং, চার্টার্ড একাউন্ট্যান্টস, ২০২২-২০২৩ সালের জন্য কমপ্লায়েন্স নিরীক্ষক ছিলেন এবং বাংলাদেশ সিকিউরিটিজ এক্সচেঞ্জের কমিশন-এর কর্পোরেট গভর্নেন্স কোড ২০১৮ এর শর্তানুসারে ৩০ জুন, ২০২৩ তারিখে সমাপ্ত বছরের জন্য সার্টিফিকেট অব কমপ্লায়েন্স উপস্থাপন করেছেন।

কোম্পানির কমপ্লায়েন্স নিরীক্ষক মেসার্স চৌধুরী ভট্টাচার্য অ্যান্ড কোং, চার্টার্ড একাউন্ট্যান্টস এই বার্ষিক সাধারণ সভায় অবসর গ্রহণ করেছেন এবং যোগ্য হওয়ার কারণে, ২০২৩-২০২৪ সালের জন্য কমপ্লায়েন্স নিরীক্ষক হিসাবে পুনরায় নিয়োগের জন্য ইচ্ছা প্রকাশ করেছেন।

২২শে অক্টোবর, ২০২৩ তারিখে অনুষ্ঠিত সভায় পরিচালনা পর্ষদ তাদের নিয়োগের সুপারিশ করেছেন।



ম্যানেজমেন্ট ডিসকাশন এন্ড আনালাইসিস

কোম্পানির পরিচালন অবস্থান, ত্রি-মাসিকলাপ, আর্থিক বিবরণী এবং অন্যান্য প্রয়োজনীয় পরিবর্তনের সংক্ষিপ্ত আলোচনা ব্যবস্থাপনা পরিচালক কর্তৃক স্বাক্ষরিত ম্যানেজমেন্ট ডিসকাশন এন্ড আনালাইসিস এই প্রতিবেদনের সংযোজন-iii এ প্রকাশিত হয়েছে।

আর্থিক বিবরণী উপর পরিচালকদের ঘোষণা

কর্পোরেট সুশাসনের একটি অংশ হিসাবে, পরিচালনা পর্ষদ কোম্পানির আর্থিক অবদান এবং অবস্থা-এর একটি সত্যতা এবং গ্রহণযোগ্যতা প্রদানের জন্য দায়বদ্ধ। সেই লক্ষ্যে, পরিচালকগণ তাদের সর্বোত্তম জ্ঞানে নিশ্চিত করেছেন যে:

- কোম্পানির আর্থিক বিবরণী, কোম্পানির কার্যক্রমের ফলাফল, নগদ প্রবাহ এবং ইকুইটি পরিবর্তনের একটি সত্য এবং ন্যায্য দৃষ্টিভঙ্গি উপস্থাপন করে।
- প্রচলিত আইন অনুসারে হিসাবের প্রয়োজনীয় সঠিক নথি রক্ষণাবেক্ষণ করা হয়েছে।
- আর্থিক বিবরণী তৈরিতে অ্যাকাউন্টিং অনুমানগুলো যুক্তিসঙ্গত এবং বিচক্ষণতার উপর ভিত্তি করে এবং যথাযথ অ্যাকাউন্টিং নীতিগুলো ক্রমাগত প্রয়োগ করা হয়েছে।
- বাংলাদেশে প্রযোজ্য আই.এ.এস/ আই.এফ.আর. এস অনুযায়ী আর্থিক বিবরণী প্রস্তুত করা হয়েছে।
- অভ্যন্তরীণ কন্ট্রোল সিস্টেমটি কাঠামোগত দিক থেকে খুবই কার্যকরী এবং সঠিকভাবে এর প্রয়োগ ও পর্যবেক্ষণ করা হয়।
- একটি ব্যবসায়-প্রতিষ্ঠান হিসাবে সকল ব্যবসায়িক কার্যক্রম চালিয়ে যাওয়ার ক্ষমতা সম্পর্কে কোন উল্লেখযোগ্য সংশয় নেই।

- গত বছরের পরিচালন ফলাফল থেকে কোন উল্লেখযোগ্য বিচ্যুতি নেই।
- জনাবা রত্না পাত্র, ভাইস চেয়ারম্যান এবং জনাব তপন চৌধুরী ব্যবস্থাপনা পরিচালক-কে দেওয়া পারিশ্রমিক নোটস অফ একাউন্টস-এর নোট # ২৪ এ দেখানো হয়েছে।
- বিগত ৫ (পাঁচ) বছরের মূল পরিচালন এবং আর্থিক তথ্য পৃষ্ঠা নং ১২ এ সংক্ষিপ্ত আকারে উপস্থাপন করা হয়েছে।

কর্পোরেট গভর্নেন্স কমপ্লায়েন্স প্রতিবেদন

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের কর্পোরেট গভর্নেন্স কোড ২০১৮-এর বিধি অনুসারে, একটি অতিরিক্ত বিবৃতি, যে পরিচালকদের পুনরায় নিয়োগ করা হবে তাদের জীবনব্যুত্তান্ত, ব্যবস্থাপনার আলোচনা বিশ্লেষণ, সিইও এবং সিএফওর কাছ থেকে বোর্ডের উদ্দেশ্যে সনদ, কোম্পানির কমপ্লায়েন্স অডিটরদের সনদ এবং কর্পোরেট গভর্ন্যান্স কোড ২০১৮ প্রতিপালনের অবস্থা যথাক্রমে সংযুক্তি - i, ii, iii, iv, v ও vi তে উল্লেখ করা হয়েছে।

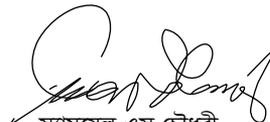
অডিট কমিটির রিপোর্ট, মনোনয়ন ও পারিশ্রমিক নীতি এবং লভ্যাংশ বন্টন নীতিও এই বার্ষিক প্রতিবেদনে উপস্থাপন করা হয়েছে।

ব্যবস্থাপনা কর্তৃক্ষের স্বীকৃতি

পরিচালনা পর্ষদ ব্যবসায়িক কার্যক্রমে আন্তরিকভাবে অবদান রাখার জন্য ব্যবস্থাপনা কর্মকর্তা, কর্মচারী, শ্রমিক এবং ক্রেতা সবাইকে আন্তরিক ধন্যবাদ জ্ঞাপন করেছেন।

তা ছাড়াও ব্যাংক, বিএসইসি, ডিএসই, সিএসই, সিডিবিএল এবং বিশেষ ভাবে সরকারকে কোম্পানীর প্রতিটি কার্যক্রমে সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাচ্ছেন।

পরিচালনা পর্ষদ আশা করে যে, এই কোম্পানী দেশের সীমানা ছাড়িয়ে বিদেশের মাটিতেও অবদান রাখবে।


স্যামুয়েল এস চৌধুরী
চেয়ারম্যান



Corporate Governance refers to the procedures through which any corporate entity makes decisions as a going concern for the benefit of all parties involved, both present and future. These decisions may be classified into four categories, namely policy and strategy, operations and execution, performance and assessment, and asset sharing between current and future generations.

The entrepreneur's engagement in all of these areas necessitates constant decision-making governance, with the degree of involvement varying according to the level of delegation of authority top-down and reporting for accountability bottom up in the Management echelon. These aspects of governance are shared by the Board of Directors, Executive Management, operational participants and workers, and others in fulfillment of the common goals that converge in increasing the benefits of all stakeholders.

To this end, entire corporate governance efforts are blended with "Good Governance Practices" as ethically and morally acceptable standards under a given socio-political environmental phenomenon of the society in which we work, live, and exist.

Corporate Governance functions are carried out by the organisms mentioned hereafter:

BOARD OF DIRECTORS

❖ Constitution

The Board of Directors, the top Management echelon, consisting of the founding successors/entrepreneurs and Independent Directors, provides the policy and strategic support and direction for the entire range of corporate activities.

The Board of Directors consists of 7 (seven) members including 2 (Two) Independent Directors with varied education and experience provide a balancing character in the decision-making process.

The members of the Board of Directors are as follows:

Mr. Samuel S Chowdhury	Chairman
Mrs. Ratna Patra	Vice Chairman
Mr. Tapan Chowdhury	Managing Director
Mr. Anjan Chowdhury	Director
Mr. Kazi Iqbal Harun	Director
Mr. Syed Afzal Hasan Uddin	Independent Director
Mr. Abul Kalam Azad	Independent Director

During the year under review, the board held 10 (ten) meetings to transact various agendas.

The Board is reconstituted every year at its Annual General Meeting by the rotation and re-election of one-third of the directors in order to meet the requirements of the Companies Act 1994 and the Articles of Association of the Company.

Directors are liable to comply with the provisions of the Companies Act 1994, the rules of the Articles of Association of the Company, Rules & Regulations of the Bangladesh Securities and Exchange Commission, and the listing regulations of the stock exchanges.

❖ Role & Responsibilities

The main role of the Board of Directors, which is the highest level of authority, is to provide general superintendence, oversee the operations, and control the affairs of the company through appropriate delegation and accountability processes via the lines of command.



However, the Board of Directors holds the ultimate responsibility and accountability with due diligence for conducting the activities of the company as per provisions of the law in the interest of the shareholders, the stakeholders, the state, and society.

The Board of Directors, in fulfillment of its responsibility, holds periodic meetings, at least once a quarter, and provides appropriate decisions/directions to the Executive Management. Such meetings usually consider operational performance, financial results, review of budgets, capital expenditure proposals for BMRE or new projects/divisions/product lines, procurement of funds by issue of shares or borrowing, procurement of raw materials, plant & machinery, pricing of products/discounts, recruitment, training, and promotion of officers, approval of audited accounts and distribution of dividends and other interest of the stakeholders including the employees and workers.

The Board of Directors takes special care in designing and articulating productivity and compensation plans for employees and workers and rewarding them appropriately on the basis of quality and quantity of performance as an incentive.

The Board also remains responsible for the removal of operational hazards to the life and health of workers, friendly environmental work conditions, and social relationships as demanded of good citizens in a country.

❖ Relationship with Shareholders & Public

The shareholders as owners, are required to be provided with material information on the company's operation every quarter and annually, the latter at the Annual General Meeting. They are also provided routine services by the Company Affairs Division in matters of their various queries, shares transfer, dematerialize-

ation, rematerialization of shares, payment of dividends etc.

The Board is however responsible to the public for the publication of any price-sensitive information as per BSEC regulation and a qualified Chartered Secretary is in charge of all these responsibilities as Company Secretary.

❖ Relationship with Government

In its role of accountability to the government, the Board of Directors ensures payment of all dues to the government in the form of import duty, custom duty and port charges, VAT, Corporate Taxes, and other levies as and when they become due on the basis of actual operations and make sure to avoid corruption. This has enabled the Company to enhance its contribution to the National Exchequer at a progressive rate year after year.

❖ Relationship with Financers/Bankers

The Board oversees the financial transactions and ensures to meet the company's commitments to the lenders without default. This has resulted in securing lower interest rates from them.

❖ Relationship with Suppliers

As the company has to import plant and machinery and almost all the raw materials from abroad, it maintains cordial and mutually beneficial interests with its international as well as local suppliers. This has enabled the company to avoid any legal disputes in international/local courts and enhanced the company's image as a good customer.

❖ Corporate Social Responsibilities (CSR)

The Board of Directors is also awoken of the Corporate Social Responsibilities (CSR), especially in the areas of gender equality, race-religion-regional equality, non-employment of child labor, human rights, environmental pollution, social marketing,



social activities (promotion of sports and culture, health care and population control programs, elimination of corruption programs, participation in charitable activities etc. in a non-partisan manner) right to form and participate in Union under ILO convention, employment of disabled's etc.

BOARD COMMITTEE

❖ Audit Committee

The Board of Directors has constituted an Audit Committee of the Board, which is comprised of the following Non-Executive Directors:

Mr. Syed Afzal Hasan Uddin - Chairman
Independent Director
Mr. Anjan Chowdhury - Member
Director
Mr. Kazi Iqbal Harun - Member
Director

The Committee carries out its responsibilities as defined in the provision of laws through convening meetings and submitting its report to the Board of Directors as and when required. The Committee met 4 (four) times during the year under review.

The Audit Committee shall also coordinate with the Internal and External Auditors as and when required, ensuring that adequate internal checks & balances supported by adequate MIS are in place for the detection of errors fraud, and other deficiencies.

The other responsibilities include inter alia, not be limited to, the prevention of conflict of interest between the company and its Directors officials, customers, suppliers, government, and any other interest groups and detecting or removing any scope of insider trading in the company's stock.

The Audit Committee also ensures compliance with the requirements of BSEC and other agencies.

❖ Nomination and Remuneration Committee

The Board of Directors has formed a Nomination and Remuneration Committee (NRC) of the Board, which is comprised of the following Non-Executive Directors:

Mr. Syed Afzal Hasan Uddin - Chairman
Independent Director
Mr. Anjan Chowdhury - Member
Director
Mr. Kazi Iqbal Harun - Member
Director

The terms of reference of the NRC inter alia include determining the Company's policy on specific remuneration packages for executive directors, reviewing, recommending and/or approving remuneration to whole-time Directors, reviewing and approving the Remuneration Policy of the Company, formulating criteria for evaluation of Independent Directors and the Board, to devise a policy on Board Diversity, to identify persons who are qualified to become directors and who may appoint senior management in accordance with the criteria laid down and recommend to the Board the appointment or removal of such persons and to discharge such other functions and exercise such other powers as may be delegated/directed by the Board of Directors from time to time. The NRC met 2 (two) times during the year under review.

SEPARATE ROLE OF THE CHAIRMAN AND MANAGING DIRECTOR

The positions of the Chairman and Managing Director of Square Pharmaceuticals PLC. are held by the following separate directors:

The Chairman

Mr. Samuel S Chowdhury is the Non-Executive Chairman of the Company and is responsible for the functions of the Board.



The Managing Director

Mr. Tapan Chowdhury is the Managing Director and leads as the Chief Executive Officer of the Company.

CFO, CS AND HIAC

The following three qualified professionals have been appointed as CFO, CS, and HIAC of the Company as per the requirement of the Corporate Governance Code of Bangladesh Securities and Exchange Commission:

- CFO** Mr. Muhammad Zahangir Alam, an Associate Chartered Accountant (ACA) and Fellow Cost Management Accountant (FCMA) is delegated to the responsibility of Chief Financial Officer.
- CS** Mr. Khandaker Habibuzzaman, a Fellow Chartered Secretary (FCS) is responsible for the office of the Company Secretary.
- HIAC** Mr. Sanjit Kumar Nath, an Associate Chartered Accountant (ACA) is executing the responsibility of Head of Internal Audit and Compliance.

EXECUTIVE MANAGEMENT

The Executive Management is led by the Managing Director (CEO) who is appointed by the Board of Directors for a term of 5 years (renewable) with the approval of shareholders in the Annual General Meeting.

The CEO is supported by a professional, well-educated, trained, and experienced team consisting of Executive Directors, Directors, General Managers, and a host of Senior Executives in the hierarchy of management.

The Board has approved an organogram with modern features ensuring clear lines of delegation of authority and reporting for accountability for effective decision-making evaluation of performance on merit for both rewarding and disciplinary action.

The Executive Management is responsible for the preparation of budgetary segment plans/ sub-segment plans for every cost/profit center and is held accountable for performance.

The Executive Management is aided by committee(s)/ sub-committee(s) in carrying out its functions.

OTHER GOVERNANCE APPARATUS

The Company, in its efforts for Corporate Good Governance Practices, uses a series of top-ranking professional service providers including Legal experts, Bankers, Insurers, and Technical experts who continuously assist the Board of Directors and the Executive Management in properly discharging their duties to all the shareholders, stakeholders, the Government and the public as highlighted below:

❖ Independent Director

In compliance with the BSEC Regulations on Good Governance, the Board of Directors, as empowered by the Regulations, appointed the following persons as non-shareholding Independent Directors with the expectation that their expertise would help contribute to the further disclosure and protect the interests of the stakeholders, investors in general and smaller investors in particular:

Mr. Syed Afzal Hasan Uddin, Barrister-at-Law, an Advocate of the Supreme Court of Bangladesh and the Managing Partner of Syed Ishtiaq Ahmed & Associates, a firm of legal consultants and practitioners in Bangladesh and

Mr. Abul Kalam Azad, a Fellow Member (FCA) of the Institute of Chartered Accountants of Bangladesh. Founding Principal and Sole Practitioner of Azad Abul Kalam & Co., Chartered Accountants, since 2008 and Founding Partner and Sole Practitioner of Azad Zamir & Co., Chartered Accountants, since 1984.



❖ Statutory Auditors

The involvement of statutory auditors in the certification process of financial statements has paramount importance within the realm of Corporate Governance, as it serves to safeguard the interests of the investors and many stakeholders associated with the company.

As evident from the Annual Reports, the company rigidly follows the requirements of the Companies Act, Rules of the Bangladesh Securities and Exchange Commission, Listing Regulation, Code of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and International Standard of Auditing (ISA) with legally required disclosures of Accounts and Financial Statements.

All this has been possible due to the high level of capability, integrity, and devotion of the Statutory Auditor, whose unchallenging performance has played a very trustworthy role in the protection of the interests of the stakeholders.

M/s. Ahmed Zaker & Co., Chartered Accountants is the Statutory Auditor appointed by its Shareholders in the Annual General Meeting.

❖ Compliance Auditors

The compliance auditors is responsible for certification on compliance of conditions of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission as well as the provisions of relevant Bangladesh Secretarial Standards of the Institute of Chartered Secretaries of Bangladesh (ICSB).

M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants is the Compliance Auditor appointed by its Shareholders in the Annual General Meeting.

❖ Legal Advisers

The company has empaneled the following top-ranking legal professionals in order to avail of the best legal support for Good Corporate Governance practice.

- Mr. Rokonuddin Mahmud, Bar-at-Law
- Ms. Nazia Kabir, Bar-at-Law

The expertise of the above-named professionals has had long-term fundamental support to the company's Good Governance efforts.

❖ Bankers

The degree of efficient business operation largely depends on the quality of efficiency of banking services received by the company.

An efficient banking service reduces the cost of operations. On the other hand, the cost of financial services and interest on lending by the banks are also required to be the minimum. With this end of view, the company has established long-term business relationships with banks namely Janata Bank PLC., Standard Chartered Bank, HSBC Ltd., Citibank N.A, Mercantile Bank PLC., Prime Bank Ltd., Bank Asia Ltd., Shahjalal Islami Bank Ltd., Eastern Bank Ltd., Commercial Bank of Ceylon Ltd., and BRAC Bank Ltd. who provide most efficient service at minimum cost/interest that benefits the shareholders and investors.

The Company has neither ever defaulted on any commitment with its Bankers nor did get entangled in a legal dispute at any court premises.

❖ Insurer

Insurance services cover certain operational risks that are required by law/business practices to be covered by legitimate insurance service providers for the protection of the interest of the company and the investors.



To this end, the company has to select, an insurer with the most efficient, reputed, and financially sound history so that claims, if any, are settled promptly and the premium rates are market competitive. The company, based on these considerations, is maintaining insurance business relationships with highly reputed insurance companies namely Guardian Life Insurance Ltd., Pragati Insurance Ltd. and Pioneer Insurance Co. Ltd. The company has not yet faced any dispute over any claims and the company enjoys special premium rates which protect the interest of the investors.

SHAREHOLDERS' RELATIONSHIP

Corporate Governance issues include how major policy decisions are made in business corporations, how various stakeholders can influence the process, who is held accountable for performance and what performance standards are applied. In a nutshell, in corporate governance, power and influence are crucial. The ownership structure has an impact on the balance of power among shareholders since shareholders are the most significant stakeholder.

The position of shareholders as of 30th June 2023 is depicted here on this page aside indicates that the Sponsors & Directors of the Company do not hold major shareholdings that can be influenced for passing any resolutions.

The position allows the general shareholders (individuals & institutions) to play an effective role in protecting their legal corporate rights.

The Company holds regularly as per law the Annual General Meeting with adequate notice and disclosures in the Directors' Report and the Auditors' Report on Accounts/Notes and resolutions are passed with consensus and unanimity. All reasonable and practicable suggestions are implemented with good grace.

All inquiries of the honorable Shareholders are attended by the Company Secretary. Where necessary, Internal Audit Committee investigates matters of significant merit for consideration by the Management Committee/ Managing Director/Audit Committee of Board/ Board of Directors as the case may be.

Shareholding as on
30 June 2023

Total Owners

85,677

886,451,010
shares

General
Public

36.96%

327,593,224
shares

Sponsor &
Director

34.67%

307,342,951
shares

Foreigners

13.18%

116,833,548
shares

Institutions

15.19%

134,681,287
shares





The Shareholders as owners are provided with material information on the Company's operation quarterly and annually. They are also provided routine services by the Company Secretary in any company matters which are permissible.

The Board is however responsible to the Shareholders as well as the investors for the publication of price sensitive information as per regulations of the Bangladesh Securities and Exchange Commission.

A qualified Chartered Secretary is in charge of all these responsibilities as Company Secretary.

The Company has also a website to provide permissible information/notices/ price sensitive information/financial reports/disclosures and others for the Shareholders and interested investors.

DIVIDEND POLICY

Ethics is an ingredient of Good Governance and involves a determination of what is right and what is wrong and deals with things to be sought and things to be avoided with a way of life and the end of life. Ethics invokes the management of the environment within which we function from a perspective broader than, but obviously inclusive of, the current cohort. Since the corporate environment is in theory an infinitely lived entity owned by finitely lived shareholders, a governance ethic must represent a system that serves the needs of the current owners while preserving the ability of the corporation to sustain itself and benefit future cohorts.

The corporate ethic must necessarily promote efficiency in coexisting with the environment to generate the quality of life for a current cohort and yet also provide equity that does not disadvantage a future cohort by the decisions of a current cohort.

As an environmental ethic analogy, those living today naturally believe in dividend payouts today with less regard for the consequence tomorrow and those living tomorrow would prefer dividend payouts tomorrow without regard for the sacrifices we make today to allow their greater consumption tomorrow.

Based on the above concept, the company is committed to showing a stable policy of distribution (cash outlay) of the accretional wealth (profits) between the current and future generations of shareholders. This would enable the company to enhance its capital wealth and sustain for the perpetuity of existence, benefiting both the present cohorts and the progeny.

CORPORATE SOCIALIZATION

In order to play a model role for Good Governance characteristics in the corporate sector, the company has become a member of the country's leading stock exchanges, chambers, and associations namely:

- a. Metropolitan Chamber of Commerce & Industries (MCCI)
- b. Bangladesh Employers' Federation (BEF)
- c. Dhaka Stock Exchange Ltd. (DSE)
- d. Chittagong Stock Exchange PLC. (CSE)
- e. Bangladesh Association of Publicly Listed Companies (BAPLC)
- f. International Chamber of Commerce Bangladesh (ICCB)
- g. Central Depository Bangladesh Limited (CDBL).

These memberships have provided scope to the company for the improvement of Corporate Governance Practices for the benefit of the shareholders/stakeholders.



BEYOND THE BORDER

Corporate social responsibility, an element of Good Corporate Governance, extends to the society to the government and beyond the borders of the country for social good as well as for the contribution of Foreign Exchange Resources to the National Exchequer.

To this end, the company is making entries into foreign markets and making efforts to register its products in USA/EU countries for which it has already set up a modern state-of-art production facility at Kaliakoir, Gazipur.

The company has already secured permission to market its products in UK/EU countries.

RESEARCH AND PRODUCTS DEVELOPMENT

As a part of Corporate Social Responsibility for Good Governance, the company maintains a team of scientific pharmaceutical experts who continuously conduct research & development programs for improving the quality of products, reduction of cost, and adaptation of products that are free of intellectual property rights and innovative products.

These efforts have enabled the company to add new products to its product lines every year to the benefit of the common men of the country and the Shareholders.

The success in this field has secured the leading position for the company in the pharmaceutical sector.

SEGMENT REPORT

The company's chief operating decision-maker review the profit and loss of the company on an aggregate basis and manage the operations of the company as a single operating segment. Accordingly, the company operates in one segment, which is the business of developing, manufacturing, and marketing drugs for health care for all live species.

RISK PERCEPTION

Company management perceives investment risks within the national and international economic situation in relation to legal requirements involving intellectual property rights, scientific invention, WTO regulations and monetary & fiscal investment policies and has prepared its production & marketing strategy to meet the challenges from these risks.

SECRETARIAL STANDARD

Square tries its best to maintain the Secretarial Standard on meetings of the Board of Directors, Members (shareholders), Minutes, and Dividend issued by the Institute of Chartered Secretaries of Bangladesh (ICSB).

A qualified Chartered Secretary is in charge maintaining of the Secretarial Standard prescribed by ICSB.

COMPLIANCES

Square has established procedures to ensure compliance with all applicable statutory and regulatory requirements.

Respective executives have been assigned and conferred responsibility to ensure proper compliance with applicable laws and regulations.

SQUARE is committed to delivering accurate, high-quality and timely information to all stakeholders with the utmost integrity and efficiency.

Audit Committee Report 2022-2023

Under Condition # 5(7) of CGC



The Audit Committee acts as a sub-committee of the Board of Directors of Square Pharmaceuticals PLC. assisting in assuring and performing its oversight responsibilities.

Member of the Committee

Mr. Syed Afzal Hasan Uddin, Independent Director	- Chairman
Mr. Anjan Chowdhury, Non-Executive Director	- Member
Mr. Kazi Iqbal Harun, Non-Executive Director	- Member

Mr. Khandaker Habibuzzaman, Company Secretary of Square Pharma, acts as the Secretary to the Committee.

Key Responsibilities of the Committee

- Review of the quarterly and annual financial statements of the company and its subsidiaries prepared for statutory purposes and recommend them to the Board for consideration.
- Oversee and monitor the accounting policies and principles, the risk management process, internal control, auditing issues, and the hiring and performance of external auditors.
- Review the Management's Discussion & Analysis and statement of all Related-Party Transactions to confirm that they comply with all applicable statutory laws and regulations.
- Review the adequacy of the internal audit function and oversee the process of financial reporting.
- Carry on a supervisory role to safeguard the systems of governance and independence of statutory auditors and
- Review and consider the report of internal auditors and statutory auditors' observations on internal control.

Major activities carried out during the year 2022-2023:

- ✓ The quarterly and yearly financial statements were examined and verified to ensure compliance with contemporary standards and legislation regarding their preparation and presentation.
- ✓ The observations offered by the statutory auditors were carefully considered and included in the annual financial statements prior to their submission for consideration by the Board.
- ✓ The procedure and task of the internal audit were overseen, evaluated, and authorized.
- ✓ The appointment and remuneration of the statutory auditors were properly reviewed, and a recommendation was provided to the Board.
- ✓ Reviewed and examined the procedure and performance of the internal audit, as well as the outcomes reported by the internal audit team and the corresponding remedial measures taken.

The Committee found that appropriate measures were in place to ensure an accurate and unbiased representation of the organization's activities and financial position. Furthermore, no substantial or noteworthy deviations, inconsistencies, or adverse findings were found in relation to the reporting aspect.

A handwritten signature in black ink, appearing to be "Syed Afzal Hasan Uddin".

Syed Afzal Hasan Uddin
Chairman, Audit Committee

11th October, 2023



A. NOMINATION AND REMUNERATION POLICY

1.00 Introduction

The Nomination and Remuneration Policy is prepared and adopted in compliance with the Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission in view to formulate and recommend proper, fair, transparent and non-discriminatory nomination and remuneration for the Directors and Top Level Executives of Square Pharmaceuticals PLC.

The Nomination and Remuneration Policy of Directors and Top Level Executives has been formulated by the Nomination and Remuneration Committee and has been approved by the Board of Directors of Square Pharmaceuticals PLC.

2.00 Definitions

“NRC or the Committee” means Nomination and Remuneration Committee

“the Company” means Square Pharmaceuticals PLC.

“Board” means Board of Directors of Square Pharmaceuticals PLC.

“Director” means Member of the Board.

“Top Level Executive” means the Managing Director or Chief Executive Officer, Additional or Deputy Managing Director, Chief Operating Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and Compliance, Head of Administration and Human Resources or equivalent positions and same level or ranked or salaried officials of the company.

3.00 Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Board of Directors of the Company as a subcommittee to assist the Board under Condition No. 6 of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission.

NRC is independent and responsible or accountable to the Board of Directors and to the Shareholders of the Company.

The NRC consists of the following Non-Executive Director of the Board:

Name of the Members	Position in the Committee
Mr. Syed Afzal Hasan Uddin Independent Director	- Chairman
Mr. Anjan Chowdhury Director	- Member
Mr. Kazi Iqbal Harun Director	- Member

The Terms of Reference of the NRC have been defined and adopted by the Board of Directors of the Company.

4.00 Objective

The objective of the NRC is to oversee, assist, and guide the Board of Directors:-

- To formulate the criteria for determining qualifications, positive attributes, and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors and Top Level Executives.
- To devise a policy on the Board's diversity taking into consideration age, gender, experience, ethnicity, educational background, and nationality.
- To the appointment, fixation of remuneration and removal of Directors and Top Level Executives.
- To formulate the criteria with respect to evaluating the performance of the Independent Director and the Board.
- To identify the company's needs for employees at different levels and determine their selection, transfer or replacement, and promotion criteria.

- To develop, recommend and review the company's human resources and training policies.
- To retain, motivate and promote talent and to ensure the long-term sustainability of talented Top Level Executives and create competitive advantage.
- To recommend a Code of Conduct for the Chairman and other Members of the Board and Managing Director.
- To Implement and monitor policies and processes regarding principles of corporate governance.

5.00 Nomination and Appointment of Directors and Top Level Executives

The committee is responsible for ensuring that the procedures for nomination and appointment of Directors and Top Level Executives take place in a transparent, non-discriminatory, and rigorous way. The committee is also responsible for identifying and ascertaining the combination of age, gender, educational background, experience, knowledge, ethnicity, diversity, nationality, and other relevant personal values and attributes for nomination and appointment of Director and Top Level Executives.

6.00 Remuneration for Directors and Top Level Executives

The committee shall oversee, review, and make a report with recommendations to the Board on the level and composition of remuneration that is reasonable and sufficient to attract, motivate, and retain suitable, dependable, and skilled Directors and Top Level Executives. They also consider and review the relationship of remuneration to performance is clear and meets appropriate performance benchmarks, remuneration to Director and Top Level Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

7.00 Validation of the Policy

This policy on Nomination and Remuneration of Directors and Top Level Executives of the Company has been formulated by the Nomination and Remuneration Committee and has been approved by the Board of Directors of Square Pharmaceuticals PLC.

8.00 Amendments to the Policy

The Board reserves the right to amend and review from time to time the provisions of the policy depending on the legal and other requirements or for a bona fide purpose.

B. EVALUATION OF PERFORMANCE

Evaluation of the performance of Directors is carried out through the completion of a preset confidential questionnaire and/or collective feedback or any other effective criteria adopted by the Board yearly or at such intervals of its work, function, and performance as may be considered necessary in order to ascertain the effectiveness and to measure the contribution of the Directors as well as the Top Level Executives of the Company.

C. ACTIVITIES OF THE NRC CARRIED OUT DURING THE REPORTING PERIOD

The NRC carried out the following activities in line with the Committee's Terms of Reference during the reporting period:

- i. Reviewed and recommended the Code of Conduct for the Chairman, other Members of the Board, and the Managing Director.
- ii. Reviewed the Company's existing policy relating to the remuneration of Directors and Top Level Executives.
- iii. Discussed and decided in regard to formulating the criteria of evaluation of performance of the Board and Independent Directors.
- iv. Reviewed the Company's existing Human Resource and Training policies.

Dividend Distribution Policy

Square Pharmaceuticals PLC.



1.00 Introduction

The Dividend Distribution Policy is prepared and adopted in compliance with the provisions of the Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC) about dividend declaration, payoff, disbursement and compliance.

The Board of Directors (the Board) will consider the directive while declaring/recommending dividends on behalf of the Company. The Policy is not an alternative to the decision of the Board for declaring/recommending dividend, which takes into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board.

2.00 Definitions

“the Act” means Companies Act 1994

“the Company” means Square Pharmaceuticals PLC.

“AGM” means Annual General Meeting

“Board” means Board of Directors of Square Pharmaceuticals PLC.

“Shareholders” means Members whose name is registered in the Member Register of the Company.

“Shares” means Ordinary Equity Shares.

3.00 Concept of Dividend

The Dividend is the share of the profit that a Company decides to distribute among its Shareholders in proportion to the amount paid-up on shares they hold in the form of Cash and/or Stock (Bonus). The profits earned by the Company can either be retained in the business or can be distributed among the Shareholders as dividends.

4.00 Types of Dividend

The Act deals with two types of dividends - Interim and Final.

- **Interim** dividend is the dividend declared by the Board between two AGMs as and when considered appropriate. The Act authorizes the Board to declare an interim dividend during any financial year out of the profits for the financial year in which the dividend is sought to be declared and/or out of the surplus in the profit and loss account.
- **Final** dividend is recommended for the financial year at the time of approval of the annual financial statements as well as appropriation of profit. The Board shall have the power to recommend the final dividend to the shareholders for their approval at the AGM of the Company. Dividends recommended by the Board of Directors cannot be changed prior to holding of the AGM.

5.00 Declaration of Dividend

Subject to the provisions of the Act, dividend shall be declared and paid out of:

- a. Profits of the Company for the year for which the dividend is to be paid after setting off carried-over previous losses and depreciation not provided in the previous year(s);
- b. Undistributed profits of the previous financial years after providing for depreciation in accordance with law and remaining undistributed.
- c. Out of a & b both.

Before the declaration of the dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board at its discretion.

In the event of inadequacy or absence of profits in any financial year, the Company may declare dividends out of free reserves subject to compliance with the Act and Rules.

6.00 Factors Governing Declaration of Dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among the shareholders and the amount of profit to be retained in the business.

The circumstances for dividend pay-out decision depend on various external and internal factors that the Board of Directors shall consider while recommending/declaring dividends including the following:

6.01 External Factors:

- The Board shall endeavor to retain a larger portion of profits to build up reserves, in case of an Adverse Economic Scenario.
- The Board shall evaluate the market trends in terms of technological changes mandating investments, competition impacting profits, etc., which may require the Company to conserve resources.
- The Board shall consider the restrictions, if any, imposed by the Act and other applicable laws with regard to the declaration of dividends in order to ensure compliance with the applicable laws.
- Dividend distribution tax or any tax deduction at source as required by tax regulations, applicable at the time of declaration of dividend may impact the decision with regard to dividend declaration.
- Other factors beyond the control of the Management like natural calamities, fire, etc. affecting the operations of the Company may impact the decision with regard to dividend declaration.

6.02 Internal Factors:

- Profitability
- Availability and Liquidity of Funds
- Capital Expenditure needs for the existing businesses
- Expansion/Modernization of the business
- Additional investments in subsidiaries/associates of the Company
- Cost of raising funds from alternate sources
- Cost of servicing outstanding debts
- Funds for meeting contingent liabilities
- Mergers and Acquisitions
- Any other factor as deemed appropriate by the Board.

Apart from the above factors, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividends in special circumstances.

7.00 Financial Parameters for Declaring Dividend

The Company is committed to delivering sustainable value to its stakeholders. The Company shall strive to distribute an optimal and appropriate level of profits among the shareholders in the form of dividends.

To keep investment attractive and to ensure capital appreciation for the shareholders, the Company shall also endeavor to provide consistent returns over a period of time. While deciding on the dividend, micro and macroeconomic parameters for the country in general and the Company in particular shall also be considered.

Taking into consideration the aforementioned factors, the Board shall endeavor to maintain a dividend payout.

8.00 Utilization of Retained Earnings

Subject to the provisions of the Act and other applicable laws, retained earnings may be utilized as under:

- Issue of fully paid-up bonus shares
- Declaration of dividend-Interim or Final
- Augmenting internal resources
- Funding for capital expenditure/expansion plans/acquisition;
- Repayment of debt
- Any other permitted use as may be decided by the Board.

9.00 Parameters for Various Classes of Shares

Currently, the Company has only one class of shares - Equity Shares. There is no privilege amongst Equity Shareholders of the Company with respect to dividend distribution.

10.00 Circumstances Impacting Dividend Payment

The Company has been paying dividends to its shareholders for around three decades and shall endeavor to continue with the dividend payment.

Given herein below are some of the circumstances in which shareholders of the Company may or may not expect dividend pay-out:

10.01 May Expect Dividend:

- Adequate profits and liquidity
- Accumulated profits not warranted for immediate business needs.

10.02 May Not Expect Dividend:

- Non-availability of profits for dividend distribution

- Funds available for dividend but need to be conserved due to:
 - Business needs;
 - Adverse economic /market scenario expected in the near future;
 - Augmenting internal resources.

11.00 Disclosure

This Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and on the Company's website www.squarepharma.com.bd.

If the Company proposes to declare dividend on the basis of any additional parameters apart from those mentioned in the Policy or proposes to change the parameters contained in this Policy, it shall disclose such changes along with the rationale for the same in the Annual Report and on the website.

12.00 Effective Date

This Policy has been approved by the Board of Directors of the Company at its meeting held on 1st February, 2021 and shall be effective and applicable for dividends, if any, declared for the Financial Year 2020-21 onwards.

13.00 Review/Amendment

The Board may amend, abrogate, modify, or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

Unclaimed/unsettled dividend 1995-2022

Under the Directives # BSEC/SRMIC/2021-198/254
dated 19/10/2021 of BSEC

Corporate
Governance



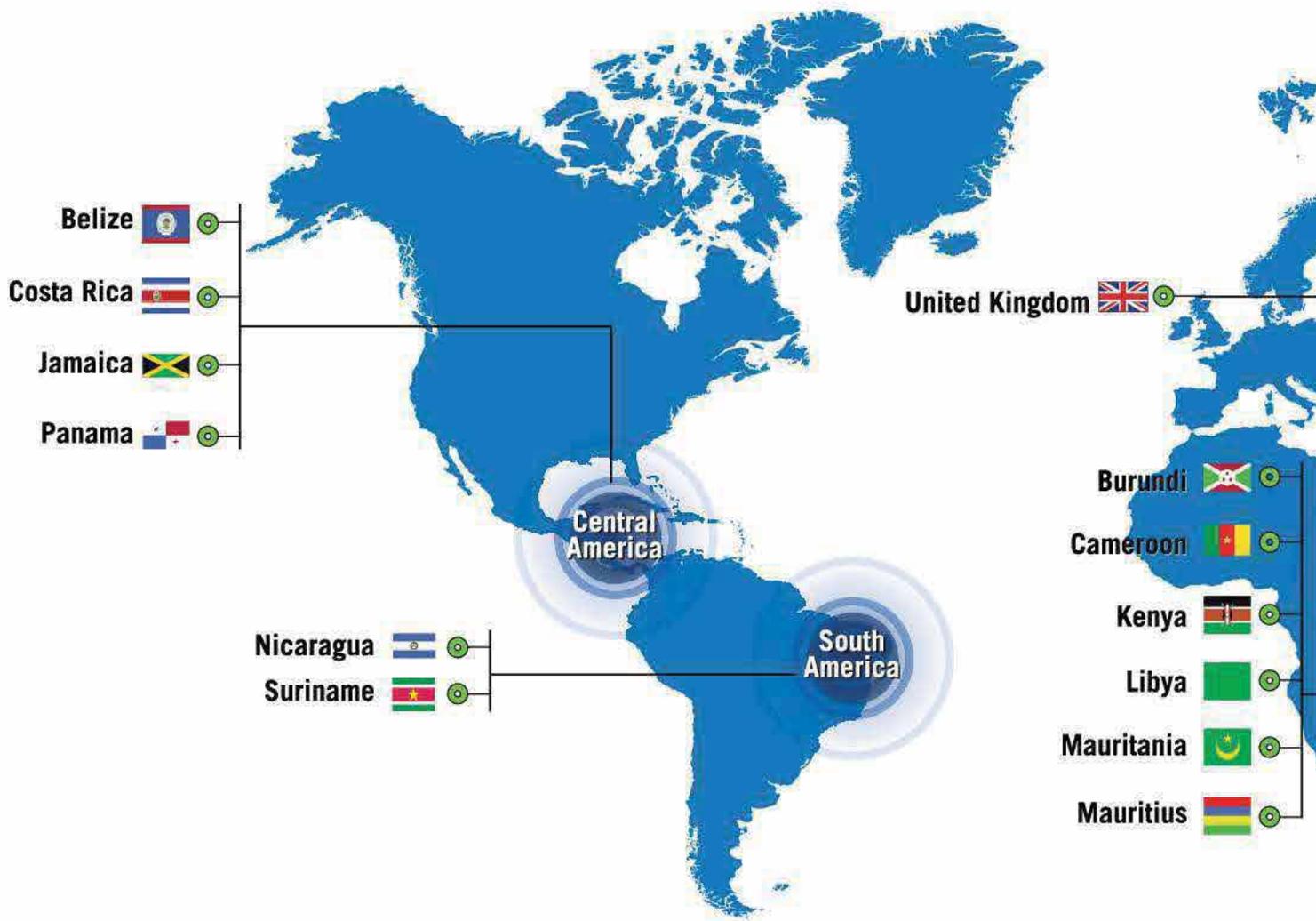
The unclaimed/unsettled cash dividend for the year from 1995 to 2019 has been deposited to the Capital Market Stabilization (CMS) Fund as instructed by the Bangladesh Securities and Exchange Commission.

Summary of unclaimed/unsettled cash dividend year-wise:

Deposited to CMS Fund:	Amount in Taka
1994-1995	34,624.00
1995-1996	48,490.00
1996-1997	173,495.00
1997-1998	1,026,033.75
1998-1999	662,640.00
1999-2000	749,580.00
2000-2001	594,455.00
2001-2002	1,701,675.00
2002-2003	735,210.00
2003-2004	1,535,834.55
2004-2005	1,694,586.17
2005-2006	2,895,237.93
2006-2007	2,250,065.00
2007-2008	7,160,156.95
2008-2009	10,177,521.55
2009-2010	5,985,621.27
2010-2011	7,991,400.50
2011-2012	5,307,850.75
2012-2013	12,442,557.14
2013-2014	16,406,991.45
2014-2015	10,845,551.22
2015-2016	8,993,482.35
2016-2017	8,069,292.27
2017-2018	13,296,080.16
2018-2019	15,200,884.68
Unspecified - not returned/not been cashed for 1995-2019.	158,753,891.57
Total	294,733,208.29
Dividends for the last 3 years lying with the Company:	
2019-2020 (Dividend Returned)	22,745,591.08
2020-2021 (Dividend Returned)	28,509,781.30
2021-2022 (Dividend Returned)	40,904,828.00
Unspecified - not returned/not been cashed for 2020-2022.	66,837,589.62
Total	158,997,790.00

Square Pharmaceuticals PLC.

We Export to





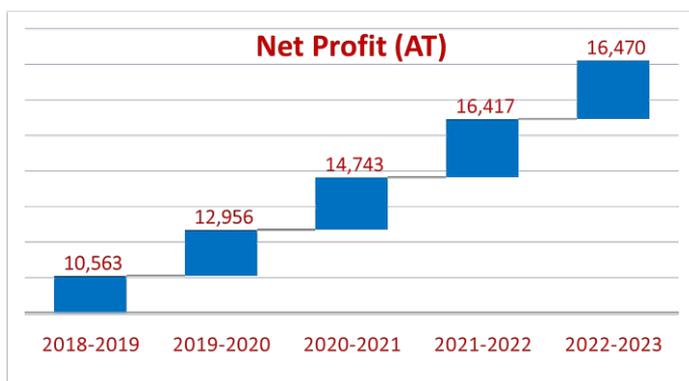
SQUARE
PHARMACEUTICALS PLC.

Square Centre, 48 Mohakhali Commercial Area
 Dhaka, Bangladesh

ANNUAL REPORT

Year ended 30 June 2023

2022-2023



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SQUARE PHARMACEUTICALS PLC.

Square Centre
48 Mohakhali Commercial Area
Dhaka, Bangladesh

Independent Auditor's Report

To the Shareholders of Square Pharmaceuticals PLC.
and its Subsidiaries

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of **Square Pharmaceuticals PLC.** and its subsidiaries (the "Group") as well as the separate financial statements of Square Pharmaceuticals PLC. (the "Company"), which comprise the consolidated and separate statements of financial position as at 30 June 2023 and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Company present fairly, in all material respects, the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2023, and of its consolidated and separate profit or loss and other comprehensive income and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act-1994, the Securities and Exchange Rules-2020 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we want to draw attention to Note-3.27, Note-5 and Note-15 of the consolidated financial statements, wherein the Group revised its retained earnings by increasing Tk. 176.9 crore to account for earnings arising from mergers & acquisitions and other adjustments by its associates in the associates' previous financial statements. The Group restated the opening balances of assets, liabilities and equity for the earliest period for which retrospective restatement was practicable i.e., financial year 2020-21.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide opinion on these matters.

Independent Auditor's Report To the Shareholders

Risk	Our response to the risk
Revenue Recognition	
<p>The Group reported total revenue of Tk. 72,335,373,485 (including VAT) for the year ended 30 June 2023 which is 9% (Tk. 5,928,413,535) higher than prior year revenue. Revenue consists of Local sales and Export sales.</p> <p>Revenue recognition has significant and wide influence on financial statements. Revenue is recognized when the amounts and the related costs are reliably measured and the performance obligation is satisfied through passing of control to the customers. Revenue from local sale (Pharmaceutical Drugs and Medicines, AgroVet Products, Crop care Products and Herbal & Nutraceutical Products) is recognized at the time of delivery from the depot and Exports (Pharmaceuticals Drugs and Medicines) at the time of delivery from Factory Godown. The sales price is determined considering the effect of rebate, discounts and incentives.</p> <p>We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Group and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>We focused on the proper cutoff of sales to the company's customers. There is a risk of differences between the timing of invoicing of products and the dispatch of the products.</p>	<p>Our audit procedures included the following to assess the identified risk:</p> <ul style="list-style-type: none"> ➤ We assessed the appropriateness of revenue recognition accounting policy in line with IFRS-15: Revenue from contracts with customers; ➤ Performed walkthroughs to understand the adequacy and the design of the revenue cycle; ➤ Tested the internal control over financial reporting, we also assessed the existence and accuracy of the sales recorded; ➤ Performed sample tests of individual sales transactions and traced to sales invoices and other related document; ➤ Sent balance confirmations to debtors on sample basis to confirm the accuracy, valuation and existence of balances; ➤ Reconciled between sales report and VAT return (Mushak-9.1). VAT has been paid on Trade Price; ➤ Finally assessed the appropriateness and presentation of disclosures as per IFRS-15.
See note no- 3.15 & 24 to the consolidated financial statements	
Property, Plant and Equipment	
<p>At the reporting date, the carrying value of the Group's property, plant and equipment amounted to Tk. 26,058,821,899 of which Net Book Value of PPE Tk. 24,260,886,819; PPE in Transit Tk. 715,369,536; Building under Construction Tk. 1,081,705,847 and Capital Work in Progress Tk. 859,697.</p> <p>The valuation of property, plant and equipment was identified as a key audit matter due to the significance of this balance to the financial statements.</p>	<p>Our audit included the following procedure:</p> <ul style="list-style-type: none"> ➤ We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IAS-16 and found them to be consistent; ➤ We evaluated the assumptions made by management in the determination of useful lives to ensure that these are consistent with the principles of IAS- 16: Property, Plant and Equipment;

Independent Auditor's Report To the Shareholders

Risk	Our response to the risk
<p>Expenditures are capitalized if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experience.</p> <p>Impairment of PPE</p> <p>At the end of each reporting period, management assesses whether there is any indication that an asset may be impaired as per IAS-36.</p> <p>If any such indication exists, management estimates the recoverable amount of the asset. If the recoverable amount of an asset becomes lower than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount by charging Impairment loss.</p>	<ul style="list-style-type: none"> ➤ We compared the useful lives of each class of asset in the current year to the prior year to determine whether there are any significant changes in the useful life of assets and considered the reasonableness of changes based on our knowledge of the business and the industry; ➤ We obtained a listing of capital expenditures incurred during the year and on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible personnel; ➤ We assessed whether there are circumstances that indicate a possible impairment of PPE and if such circumstances exist, how the same have been dealt with by the entity; ➤ We inspected a sample of invoices and LC documents to determine whether the classification between capital and revenue expenditure was appropriate; ➤ We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital in progress to ready for use, with the date of the act of completion of the work; and ➤ Assessed the relevant disclosures made within the financial statements as per IAS-16
<p>See note no-3.3 to 3.8, 4 & 4.10 to 4.30 to the consolidated financial statements</p>	

Cash and Cash Equivalent	
<p>Cash and cash equivalent held by the Group at year end amounted to Tk. 50,094,321,854 which make up 41% of its total assets. We do not consider these cash balances to be at high risk of significant misstatement. However, due to their materiality in the context of the financial statements as a whole, these were one of the areas which was of most significance of resources in planning and completing our audit.</p>	<p>We obtained an understanding of the group and its environment to consider risk related to cash and cash equivalent.</p> <p>Our audit procedures amongst others included following:</p> <ul style="list-style-type: none"> ➤ Agreement of cash balances to independent confirmations obtained from the banks and financial institutions at which the Company maintains accounts;

Independent Auditor's Report To the Shareholders

Risk	Our response to the risk
<p>Risks associated with Cash and cash equivalent:</p> <ul style="list-style-type: none"> ➤ The Group may not disclose all bank and deposit accounts owned by them. ➤ Reconciliation differences between bank balance and cash book balance being misstated. <p>Material cash floats being omitted or misstated.</p>	<ul style="list-style-type: none"> ➤ Recalculation of the translation of balances held in foreign currencies; and ➤ Confirming reconciling differences calculated by the entity are reasonable. <p>No material misstatements were noted as part of our testing.</p>
See note no-3.10.1 & 11 to the consolidated financial statements	

Measurement of Deferred Tax Liability	
<p>The Group reported deferred tax liability of Tk. 1,022,153,780 as at 30 June 2023.</p> <p>Deferred Tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.</p> <p>Significant judgement is required in relation to deferred tax liability as it is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding of the Company's key controls over the recognition and measurement of deferred tax assets and liabilities and the assumptions used in estimating the future taxable expense of the Company. Our audit included the following procedure:</p> <ul style="list-style-type: none"> ➤ We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of deferred tax liability; ➤ We assessed the adequacy of the Company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved; ➤ Performed the mathematical accuracy of the deferred tax computation; ➤ We also evaluated the potential tax implications as per ITA-2023, the reasonableness of estimates and calculations determined by management; and ➤ Finally assessed the appropriateness and presentation of disclosures as per IAS-12: Income Taxes.
See note no-3.19 & 18 to the consolidated financial statements	

Independent Auditor's Report To the Shareholders

Risk	Our response to the risk
Valuation of inventory	
<p>The inventory of Tk. 12,227,198,105 at 30 June 2023 held in warehouses, depots, sales centres and factory premises of the Group.</p> <p>In order to carry inventory at the lower of cost and net realizable value, management has identified slow moving, obsolete and damaged inventories and made adjustments to the carrying value of these items, the calculation of which requires certain estimates and assumptions.</p> <p>Inventory value is calculated in entity's accounting system using an automated process. Manual process requires interfaces and inputs, there is a risk of inappropriate management override and chances of error exist.</p>	<p>Our procedures included the following to assess inventory Valuation:</p> <ul style="list-style-type: none"> ➤ Evaluating the design and implementation of key inventory controls operating across the factory, warehouse and sales centre; ➤ Attending inventory counts and reconciling the count results to the inventory listing to test the completeness of data; ➤ Testing, on a sample basis, the stock aging profile and the market price used in assessing the net realizable values of inventories to the related supporting documents; ➤ Comparing the net realizable value obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories; and ➤ Finally assessed the appropriateness and presentation of disclosures as per IAS-2.
See note no- 3.11 & 8 to the consolidated financial statements	

Related Party Transactions and Disclosures	
<p>The group has related party transactions and we identified the accuracy and completeness of disclosures of related party transactions as set out in the respective notes to the consolidated and separate financial statements in accordance with IAS-24: Related Party Disclosures.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ➤ Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions; ➤ Evaluated the transactions among the related parties and tested material account balances; ➤ Evaluated the Board of Director's approval for related parties' transactions; ➤ Sent and obtain balance confirmations to the related parties to confirm the accuracy and existence of receivables/payable balances; and ➤ Assessed the appropriateness and presentation of disclosures as per IAS-24.
See note no- 3.14 & 40 to the consolidated financial statements	

Independent Auditor's Report To the Shareholders

Risk	Our response to the risk
Carrying Value of investment in subsidiaries and associates	
<p>Square Pharmaceuticals PLC. has invested in equity shares of its three subsidiaries and three associates as at 30 June 2023. Subsidiaries are Square Lifesciences Ltd. (SLL), Square Pharmaceuticals Kenya EPZ Ltd. (SPKEL) and Samson Pharma Inc., The Philippines whereas associates are Square Textiles PLC., Square Fashions Ltd. and Square Hospital Ltd. The carrying value of the investments in subsidiaries and associates as at reporting date amounted to TK. 2,624,852,483.</p> <p>We identified the investment in subsidiaries balances as a key audit matter because of the significance of these balances to the company's financial position.</p> <p>At the time of audit of our separate financial statements of the company, we have considered the recoverable value of the company's investment in subsidiaries and associates.</p>	<p>We have reviewed management's analysis of impairment assessment and recoverable value of subsidiaries in accordance with IAS-36.</p> <ul style="list-style-type: none"> ➤ In particular, our discussions with management were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation. The balance of the investment in subsidiaries is eliminated in the consolidation; ➤ We also checked the mathematical accuracy of the valuation model, discount rate used within the model, inputs used in the determination of assumptions within the model and corroborating information was obtained in reference to third party sources. We carefully checked the elimination of the investment in subsidiaries and found correct; ➤ We evaluated the current level of trading, including identification any indications of a downturn in activity considering our knowledge of the Group; and ➤ Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards.
See note no- 3.1 & 5 to the company's financial statements	

Other Matter

The accounting year of the subsidiary companies- Square Pharmaceuticals Kenya EPZ Limited and Square Lifesciences Limited, ends on the same date as of the Company. Moreover, the company invested in Samson Pharma Inc. The Philippines Tk. 5.25 crore as share money deposit as at reporting date. The Financial Statements of Square Pharmaceuticals Kenya EPZ Limited was audited by another auditor and expressed unmodified opinion on those statements. The Financial Statements of Square Lifesciences Limited was audited by another auditor and also expressed unmodified opinion on those statements.

Independent Auditor's Report To the Shareholders



Other Information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements,



Independent Auditor's Report To the Shareholders



whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statement we are responsible for the direction, supervision and performance of the audit. We solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Independent Auditor's Report To the Shareholders



Report on other Legal and Regulatory Requirements

In accordance with the Companies Act-1994, and the Securities and Exchange Rules-2020 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the company so far as it appeared from our examinations of those books;
- c) the Consolidated and separate statements of Financial Position, statement of profit or loss & other comprehensive income and statement of changes in equity and statement of cash flows of the Group and the Company dealt with by the report are in agreement with the books of account and returns and
- d) the expenditure was incurred for the purpose of the Company's business.

Date: 23 October 2023
Place: Dhaka
DVC: 2310230719AS492444

AKM Rahmat Ullah, FCA, CPFA
Enrolment number: 0719
Partner
Ahmed Zaker & Co.
Chartered Accountants



SQUARE PHARMACEUTICALS PLC.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

Particulars	Notes	Amount in Taka		
		30 June 2023	30 June 2022 (Restated)	01 July 2021 (Restated)
ASSETS				
Non-Current Assets:		51,329,188,612	49,410,141,379	42,145,023,425
Property, Plant and Equipment	4	26,058,821,899	27,182,672,428	22,884,103,636
Investment in Associates	5	15,076,807,755	12,874,322,006	11,046,387,772
Investment in Marketable Securities	6	4,589,867,031	4,346,770,865	4,624,331,706
Long Term Investment - Others	7	5,603,691,927	5,006,376,080	3,590,200,311
Current Assets:		70,487,116,554	62,347,727,888	55,076,379,705
Inventories	8	12,227,198,105	8,214,111,145	7,245,396,928
Trade and Other Receivables	9	6,122,294,097	3,395,080,462	2,916,178,759
Advances, Deposits and Prepayments	10	2,043,302,498	1,776,037,947	1,550,765,014
Cash and Cash Equivalents	11	50,094,321,854	48,962,498,334	43,364,039,004
TOTAL ASSETS		121,816,305,166	111,757,869,267	97,221,403,130
EQUITY AND LIABILITIES				
Shareholders' Equity:		115,195,939,389	105,202,560,398	92,663,783,718
Share Capital		8,864,510,100	8,864,510,100	8,864,510,100
Share Premium		2,035,465,000	2,035,465,000	2,035,465,000
General Reserve		105,878,200	105,878,200	105,878,200
Fair Value Reserve	12	734,507,296	830,615,740	1,139,626,144
Tax Holiday Reserve	13	133,398,880	-	-
Translation Reserve	14	(16,905,546)	8,998,071	(285,055)
Retained Earnings	15	103,339,085,459	93,357,093,287	80,518,589,329
Non Controlling Interests	16	709,376	469,632	500,000
TOTAL EQUITY		115,196,648,765	105,203,030,030	92,664,283,718
Non-Current Liabilities:		2,390,510,685	2,893,010,454	1,378,560,486
Long Term Loan	17.1	1,368,356,905	1,714,270,164	103,707,469
Deferred Tax Liabilities	18	1,022,153,780	1,178,740,290	1,274,853,017
Current Liabilities:		4,229,145,716	3,661,828,783	3,178,558,926
Long Term Loan - Current Portion	17.2	618,609,472	200,000,000	-
Trade Payables	19	1,001,758,842	625,984,907	654,373,877
Other Payables	20	1,877,962,326	1,613,900,866	1,393,295,159
Current Tax Liabilities	21	356,095,553	911,504,873	572,675,072
Accrued Expenses	22	215,721,733	180,802,108	183,049,079
Unclaimed Dividend	23	158,997,790	129,636,029	375,165,739
TOTAL LIABILITIES		6,619,656,401	6,554,839,237	4,557,119,412
TOTAL EQUITY AND LIABILITIES		121,816,305,166	111,757,869,267	97,221,403,130
Net Assets Value (NAV) per Share	36	129.95	118.68	104.53

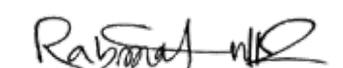
The annexed notes form an integral part of these financial statements.


Samuel S Chowdhury
Chairman


Tapan Chowdhury
Managing Director


Khandaker Habibuzzaman
Company Secretary

Signed in terms of our separate
report of even date annexed


AKM RAHMAT ULLAH, FCA, CPFA
Partner

Ahmed Zaker & CO.
Chartered Accountants
Enrollment No-0719

23 October 2023, Dhaka
DVC: 2310230719AS492444

SQUARE PHARMACEUTICALS PLC.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022 (Restated)
Gross Revenue	24	72,335,373,485	66,406,959,950
Less: Value Added Tax	25	9,587,690,621	8,809,018,591
Net Revenue		62,747,682,864	57,597,941,359
Cost of Goods Sold	26	(31,772,093,300)	(27,958,026,980)
Gross Profit		30,975,589,564	29,639,914,379
Operating Expenses:		(13,469,246,061)	(11,841,554,391)
Selling and Distribution Expenses	27	(11,814,288,167)	(10,439,270,466)
Administrative Expenses	28	(1,535,991,115)	(1,402,254,167)
Finance Cost	29	(118,966,779)	(29,757)
Other Operating Income	30	715,324,751	618,117,149
Profit from Operations		18,221,668,254	18,416,477,137
Other Income	31	3,957,254,921	3,388,186,190
Profit before WPPF & WF		22,178,923,175	21,804,663,327
Allocation for WPPF & WF	32	(1,079,571,975)	(1,051,227,994)
Profit before Tax		21,099,351,200	20,753,435,333
Income Tax Expenses:	33	(4,641,724,423)	(4,607,063,271)
Current Tax (Expense)		(4,787,632,217)	(4,618,549,626)
Deferred Tax (Expense) / Income		145,907,794	11,486,354
Profit after Tax		16,457,626,777	16,146,372,062
Profit from Associate Undertakings	34	2,522,514,119	2,010,807,588
Net Profit after Tax		18,980,140,896	18,157,179,650
Other Comprehensive Income:		(122,012,061)	(299,727,278)
Unrealised Gain/(Loss) on FVOCI Financial Assets (Net of Tax)	35	(96,108,444)	(309,010,404)
Gain/(Loss) on Translation of Foreign Operation	14.1	(25,903,617)	9,283,126
Total Comprehensive Income for the Year		18,858,128,835	17,857,452,372
Net Profit Attributable to:			
Equity Holders of the Company		18,979,901,152	18,157,210,018
Non Controlling Interest		239,744	(30,368)
		18,980,140,896	18,157,179,650
Total Comprehensive Income Attributable to:			
Equity Holders of the Company		18,857,889,091	17,857,482,740
Non Controlling Interest		239,744	(30,368)
		18,858,128,835	17,857,452,372
Earnings Per Share (EPS)	37	21.41	20.48

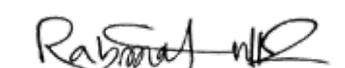
The annexed notes form an integral part of these financial statements.


Samuel S Chowdhury
Chairman


Tapan Chowdhury
Managing Director


Khandaker Habibuzzaman
Company Secretary

Signed in terms of our separate
report of even date annexed


AKM RAHMAT ULLAH, FCA, CPFA
Partner
Ahmed Zaker & CO.
Chartered Accountants
Enrollment No-0719

23 October 2023, Dhaka
DVC: 2310230719AS492444

SQUARE PHARMACEUTICALS PLC.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Share Capital	Share Premium	General Reserve	Fair Value Reserve	Tax Holiday Reserve	Translation Reserve	Retained Earnings	Non Controlling Interests	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
As At 01 July 2022	8,864,510,100	2,035,465,000	105,878,200	830,615,740	-	8,998,071	93,357,093,287	469,632	105,203,030,030
Net Profit after Tax	-	-	-	-	-	-	18,979,901,152	239,744	18,980,140,896
Other Comprehensive Income (Net of Tax)	-	-	-	(96,108,444)	-	(25,903,617)	-	-	(122,012,061)
Transferred to Tax Exemption Reserve	-	-	-	-	133,398,880	-	(133,398,880)	-	-
Cash Dividend for the year 2021-2022	-	-	-	-	-	-	(8,864,510,100)	-	(8,864,510,100)
As At 30 June 2023	8,864,510,100	2,035,465,000	105,878,200	734,507,296	133,398,880	(16,905,546)	103,339,085,459	709,376	115,196,648,765

FOR THE YEAR ENDED 30 JUNE 2022

Particulars	Share Capital	Share Premium	General Reserve	Fair Value Reserve	Tax Holiday Reserve	Translation Reserve	Retained Earnings	Non Controlling Interests	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
As At 01 July 2021	8,864,510,100	2,035,465,000	105,878,200	1,139,626,144	-	(285,055)	78,749,448,779	500,000	90,895,143,168
Adjustment for Revised Retained Earnings of Associates	-	-	-	-	-	-	1,769,140,550	-	1,769,140,550
As At 01 July 2021 (Restated)	8,864,510,100	2,035,465,000	105,878,200	1,139,626,144	-	(285,055)	80,518,589,329	500,000	92,664,283,718
Net Profit after Tax (Restated)	-	-	-	-	-	-	18,157,210,018	(30,368)	18,157,179,650
Other Comprehensive Income (Net of Tax)	-	-	-	(309,010,404)	-	9,283,126	-	-	(299,727,278)
Cash Dividend for the year 2020-2021	-	-	-	-	-	-	(5,318,706,060)	-	(5,318,706,060)
As At 30 June 2022	8,864,510,100	2,035,465,000	105,878,200	830,615,740	-	8,998,071	93,357,093,287	469,632	105,203,030,030

The annexed notes form an integral part of these financial statements.



Samuel S Chowdhury
Chairman



Tapan Chowdhury
Managing Director



Khandaker Habibuazzaman
Company Secretary

23 October 2023, Dhaka
DVC: 2310230719AS492444

SQUARE PHARMACEUTICALS PLC.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Cash Flows from Operating Activities:			
Receipts from Customers		70,842,209,194	65,932,103,942
Receipts from Others		142,960,770	126,812,094
Payments to Suppliers		(26,415,231,420)	(21,572,392,736)
Payments for Manufacturing and Operating Expenses		(20,119,425,524)	(17,310,612,343)
Payment of Value Added Tax		(9,587,690,621)	(8,809,018,591)
Cash Generated from Operations		14,862,822,399	18,366,892,366
Interest Paid		(87,677,976)	(29,757)
Payment of Income Tax		(5,126,801,672)	(4,494,255,593)
Payment to WPPF & WF		(1,051,227,994)	(937,796,627)
Others		(51,500,430)	(60,118,819)
Net Cash Generated from Operating Activities		8,545,614,327	12,874,691,570
Cash Flows from Investing Activities:			
Acquisition of Property, Plant and Equipment		(2,824,248,019)	(6,183,191,295)
Proceeds from Sale of Property, Plant and Equipment		78,331,531	130,700,166
Long Term Investment - Others		(597,315,847)	(1,416,175,769)
Investment in Marketable Securities		(260,698,045)	213,339,812
Interest Received		3,874,913,010	2,890,660,506
Dividend Received		552,966,126	395,011,790
Net Cash from/(Used) in Investing Activities		823,948,756	(3,969,654,790)
Cash Flows from Financing Activities:			
Payment of Dividend		(8,802,918,480)	(5,301,732,420)
Transfer of Unclaimed Dividend to Capital Market Stabilisation Fund		(32,229,859)	(262,503,350)
Term Loan Received		72,696,213	1,810,562,694
Net Cash Used in Financing Activities		(8,762,452,126)	(3,753,673,076)
Net Increase/(Decrease) in Cash and Cash Equivalents		607,110,957	5,151,363,704
Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents		524,712,563	447,095,626
Cash and Cash Equivalents at 01 July		48,962,498,334	43,364,039,004
Cash and Cash Equivalents at 30 June		50,094,321,854	48,962,498,334
Net Operating Cash Flow (NOCF) per Share	38	9.64	14.52

The annexed notes form an integral part of these financial statements


Samuel S Chowdhury
Chairman


Tapan Chowdhury
Managing Director


Khandaker Habibuzzaman
Company Secretary

23 October 2023, Dhaka
DVC: 2310230719AS492444

SQUARE PHARMACEUTICALS PLC.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2023

1. Corporate Profile

1.1 The Group

Square Pharmaceuticals PLC. ('SPL'/'the Company') is registered as a pharmaceuticals manufacturer under the Companies Act, 1913. It is the parent of a group of four companies. The three subsidiaries in the group are Square Lifesciences Ltd. ('SLL'), Square Pharmaceuticals Kenya EPZ Ltd. ('SPKEL') and Samson Pharma Inc., Philippines.

The Company and its subsidiaries ('The Group') are engaged in the pharmaceuticals industry covering cross-border markets across the globe while the Company's associate companies are primarily in various sectors such as yarn manufacturing, knitting, dyeing, manufacturing of garments, hospitals, diagnostic and pathological laboratories, etc.

1.2 Address of Registered Office and Factories

The Company's registered office is situated at 'Square Centre', 48 Mohakhali Commercial Area, Dhaka-1212, Bangladesh. Address of the Company and its subsidiary's factories are as follows:

Square Pharmaceuticals PLC.	1. Pabna Site: Square Road, Salgaria, Pabna, Bangladesh.
	2. Dhaka Site: Kaliakoir, Gazipur, Bangladesh.
Square Pharmaceuticals Kenya EPZ Ltd.	Athi River EPZ, Ketengala, Machakos Country, Nairobi.
Square Lifesciences Ltd.	Patikabari, Hemayetpur, Pabna Sadar, Pabna, Bangladesh.
Samson Pharma Inc., Philippines	Quezon City, Second District, National Capital Region (NCR), Philippines

1.3 Nature of Business

Reporting Entity

The main activities of the Company are to manufacture and market generic pharmaceutical products, basic chemical products and animal health products. Additionally, the Company is engaged in the marketing of crop care products.

Subsidiaries

Square Pharmaceuticals Kenya EPZ Ltd.

The company is registered for the manufacturing and marketing of pharmaceuticals products.

Square Lifesciences Ltd.

The company is engaged in manufacturing and marketing generic pharmaceutical products.

Samson Pharma Inc., Philippines

The company is registered for the manufacturing and marketing of pharmaceuticals products.

2. Basis of Preparation of Financial Statements

2.1 Statement of Compliance

These consolidated financial statements as at and for the year ended 30th June 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the Financial Reporting Council (FRC), the Companies Act, 1994, the Bangladesh Securities and Exchange Rules, 2020 and the Financial Reporting Act, 2015. These consolidated financial statements have been prepared on accrual basis.

The consolidated financial statements for the year ended 30th June 2023 were approved by the Board of Directors and authorized for issue on 22nd October 2023.

2.2 Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis except for inventories (measured at lower of cost or net realizable value), investment in marketable securities (measured at fair value), investment in associates (measured using Equity method) and trade receivables which have been measured at net realizable value.

2.3 Functional and Presentation Currency

The financial statements are presented in Bangladeshi Taka (Taka/Tk/BDT), being both the functional and presentation currency of the Company, Square Pharmaceuticals PLC., unless specifically mentioned otherwise. Monetary values in the financial statements have been rounded off to the nearest Taka.

2.4 Estimates and Judgments

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively. The Company also evaluates its control over its subsidiaries and associates based on De-facto control.

2.5 Going Concern

The Group reviews the available resources periodically to assess whether there exists any going concern threat. As of the end of the reporting period on 30th June 2023, the Group assessed that the existing resources of the Group are adequate and the Group has no going concern threat in the foreseeable future. As such, these financial statements have been prepared on a going concern basis.

3. Significant Accounting Policies

Accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Basis of Consolidation

a) Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The consolidated financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by grouping together similar items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profits or losses, unless cost cannot be recovered.

Percentage of Holding Share on Subsidiary Companies is as follows:

Subsidiaries	No. of Shares	% Holding	Year End
Square Pharmaceuticals Kenya EPZ Ltd.	4,000,000	100.00%	30 June
Square Lifesciences Ltd.	9,995,000	99.95%	30 June
Samson Pharma Inc., Philippines	139,998	99.998%	30 June

b) Non-Controlling Interests

Non-Controlling Interests (NCI) are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Movements in NCI are shown in Note-16 of the Notes to the Consolidated Financial Statements.

Subsidiaries	No. of Shares	% Holding	Year End
Square Pharmaceuticals Kenya EPZ Ltd.	-	-	30 June
Square Lifesciences Ltd.	5,000	0.05%	30 June
Samson Pharma Inc., Philippines	2	0.002%	30 June

c) Equity-Accounted Investees

The Group's interests in equity accounted investees comprise interests in associates. An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of total comprehensive income of equity accounted investees until the date on which significant influence or joint control ceases. Summarized financial information of the associates are presented in Note-5 of the Notes to the Consolidated Financial Statements.

Percentage of Holding Share on Associate Companies is as follows:

Associates	No. of Shares	% Holding	Year End
Square Textiles PLC.	91,436,677	46.36%	30 June
Square Fashions Ltd.	462,000	48.63%	30 June
Square Hospitals Ltd.	199,750	49.94%	30 June

d) Elimination on Consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated while consolidating. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3.2 Current versus Non-Current Classification

The classification of assets and liabilities as current and non-current has been made as per the Group's conventional operating cycle and other criteria as prescribed by IAS 1– Presentation of Financial Statements.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended to be sold or consumed in, the companies' normal operating cycle;
- it is held primarily for the purpose of trading;
- it is expected to be realized within twelve months after the reporting period; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the companies' normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting period; or
- the companies do not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets and liabilities include the current portion of non-current assets and liabilities respectively. All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

3.3 Property, Plant and Equipment

Initial Recognition and Measurement

Property, plant and equipment (PPE) are initially recorded at cost of purchase or construction. Cost includes directly attributable expenses related to the acquisition of the assets including import duties,

non-refundable VAT/taxes, duties and any cost incurred in preparing the asset for intended use by the Group. In case of self-constructed assets, the cost includes cost of material, direct labor and other directly attributable costs to complete the assets and make them ready for the intended use.

Subsequent Measurements

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses (if any). Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. The carrying amount of the replaced part is derecognized. Cost of day-to-day servicing of PPE is recognized in statement of profit or loss as incurred.

Depreciation

Depreciation of an asset begins when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations and the date that the asset is derecognized. Freehold land is not depreciated as it is deemed to have an infinite useful life.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Depreciation on additions/disposals is provided on a pro-rata basis i.e., from/up to the date on which asset is ready for use/disposal.

The Group has adopted the reducing balance method to charge depreciation on all of its Depreciable Assets. Rates at which various classes of Depreciable Assets are depreciated are given below:

Asset Category	Rate	Asset Category	Rate
Building and Other Constructions	10%	Electrical Installation	15%
Boundary Wall	10%	Gas Line Installation	15%
Plant & Machinery	15%	Books and Periodicals	30%
Laboratory Equipment	10%	Electro-Mechanical Equipment	15%
Office Equipment	10%	Software	20%-50%
Furniture & Fixture	10%	Computer and VSAT	10%
Motor Vehicle	20%	Motor Cycle	20%

Derecognition

Assets are derecognized at the time of disposal or when no further economic benefits are expected. On disposal, the cost and related accumulated depreciation and impairments are removed from the financial statements and the net amount, less any proceeds, is taken to the statement of profit or loss.

3.4 Intangible Assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss if any. Intangible assets are recognized when all the conditions for recognition as per IAS 38 – Intangible Assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. There were no internally developed intangible assets during the year.

3.5 Property, Plant and Equipment in Transit

These represent property, plant and equipment that are yet to become available for the intended use by the Group as of the reporting date. These assets are mostly imported equipment that has already been dispatched by the provider but has not been received by the companies as of the reporting date.

3.6 Capital Work-in-Progress

Capital work-in-progress consists of cost incurred for the acquisition and/or construction of items of property, plant and equipment that are yet to become available for use. Spare Parts that are expected to be used for more than one year are treated as capital work-in-progress. In the case of import of components, capital work-in-progress is recognized when risks and rewards associated with such assets are transferred to the Group.

3.7 Impairment

Assessment for any indication of impairment of any of the assets is conducted annually to evaluate whether that asset is impaired or not. If any such indication exists, the asset's recoverable amount is estimated and compared to its carrying value.

When the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, an impairment loss is recognized immediately in the consolidated statement of profit or loss. During the reporting year, no indication of impairment of any assets was found.

3.8 Investment Property

Investment property comprises non-owner occupied property (lands and/or buildings) held with the intention of earning rental income or capital appreciation or both. An investment property is measured initially at cost. For subsequent measurement, the Group uses the cost model as its accounting policy for all investment properties. Under the cost model, investment property is measured at cost less accumulated depreciation and any accumulated impairment losses. However, fair value is disclosed as per the requirement of IAS 40 – Investment Property.

Investment property is derecognized when disposed of or when no future economic benefits are expected from the disposal. Any gain or loss arising from derecognition of the property is recognized in the statement of profit or loss in the period in which the property is derecognized.

3.9 Foreign Currency Transactions

Transactions in foreign currencies are recorded in the Company's functional currency at the exchange rates prevailing on the respective date of such transactions as suggested by IAS 21 – The Effects of Changes in Foreign Exchange Rates. Monetary assets and liabilities in foreign currencies are converted into Taka at the spot exchange rate at the reporting date. Gains or Losses from foreign currency transactions are reported on a net basis within other operating income or selling and distribution expenses. These primarily include exchange differences arising from the settlement or translation of monetary items.

Foreign Operations:

The assets and liabilities of the Group's foreign operations are translated to BDT using exchange rates at period end. Income and Expenses are translated at the average exchange rate for the period unless exchange rate fluctuated significantly during that period, in which case the exchange rate on the transaction date is used. Exchange rate differences are recognized through Other Comprehensive Income and accumulated in a separate category of equity - 'Translation Reserve'. This accumulated amount will be recognized in Statement of Profit or Loss at the time of the disposal of the foreign operation.

The financials of Square Pharmaceuticals Kenya EPZ Ltd. have been drawn in KES (Kenyan Shilling) as reporting currency in Kenya. These financials, later, are converted in BDT to consolidate with the Financials of Square Pharmaceuticals PLC., Bangladesh (parent company). Conversion rates used:

1 USD = BDT 107.50 (Closing); BDT 100.00 (Average)
1 KES = BDT 0.770540 (Closing); BDT 0.782286 (Average)

3.10 Financial Instruments

3.10.1 Financial Assets

a) Investments in Marketable Securities

Investments in Marketable Securities are measured at fair value. Unrealized gains or losses on these financial assets are recognized in 'Other Comprehensive Income'. At the time of derecognition, related gains or losses are reclassified to 'Profit or Loss' from 'Other Comprehensive Income'.

b) Long Term Investment - Others

Investment in other long-term financial assets includes investment in various types of assets like Unquoted Shares, Zero Coupon Bonds, and Subordinated Bonds, etc. These investments are initially recognized at cost plus any directly attributable transaction costs and subsequently at amortized cost. Gains or Interest income on these assets are recognized in the Statement of Profit or Loss. In case of any impairment of such assets, the amortized cost is adjusted to the extent of impairment and the loss is charged in the Statement of Profit or Loss for the relevant financial year.

c) Trade and Other Receivables

Trade receivables represent the amount due from customers arising from transactions in the ordinary course of business. Other receivables consist of interest and gains that are yet to be received from investments. The aging calculation is prepared to assess the probability of non-recovery of any receivables.

Receivables are initially recognized at face value and subsequently assessed for recoverability, and are reported accordingly. The Group regularly assesses whether provision for bad debt is required and if needed, accounts for it.

d) Advances, Deposits and Prepayments

- Advances are recognized initially at actual cost and deductions or adjustments are accounted for in a timely and suitable manner.
- Deposits are payments made for specific purposes which are expected to be realized or recovered in the ordinary course of the businesses.
- After initial recognition at cost, prepayments are carried at cost less the amount charged for respective periods.

e) Cash & Cash Equivalents

Cash and cash equivalents comprise cash in hand, in transit and at banks on current and deposit accounts which are readily convertible to a known amount of cash, subject to an insignificant risk of changes in value, and used by the Group without any restrictions except for the 'Dividend Account'. Bank overdrafts that are repayable on demand are treated as cash and cash equivalents.

3.10.2 Financial Liabilities

a) Long Term Loans – Secured

Square Lifesciences Ltd. and Square Pharmaceuticals Kenya EPZ Ltd. took loans from Standard Chartered Bank, Bangladesh and Standard Chartered Bank, Kenya respectively as part of their long-term financial plan. The particulars of the loans are mentioned in Note–17 of the Notes to the Consolidated Financial Statements.

b) Trade and Other Payables

Trade payables include amounts due to suppliers and other relevant parties in relation to the operating activities while other payables consist of amounts payable to all the other parties not directly related to the operation of the Group. These payables are recognized initially at fair value less any directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method.

3.11 Inventories

Except for Goods-in-Transit, which is measured at cost, all other components of inventories are measured at lower of cost and net realizable value. Net realizable value is derived by deducting any expenses incurred to make the sale from the estimated selling price in the ordinary course of business. Any obsolete stock or abnormal loss incurred are recognized as expenses in the respective period.

Cost of raw materials and consumable spare parts are determined based on the weighted average method. Work-in-process is stated at cost to complete of respective products. Cost comprises purchase costs, conversion costs and other costs incurred in bringing them to their existing location and condition. Conversion costs include systematically allocated production overheads that are incurred in converting raw materials into finished goods.

Goods-in-Transit represents the cost incurred till the reporting date for the items of inventories that are yet to be received.

Spare goods consist of spare and replacement parts and supplies used in or to facilitate the production of finished goods in the ordinary course of business but do not include raw materials, work-in-process or packaging materials.

3.12 Employee Benefits

a) Short-term Benefits

Short-term benefits consist of wages, salaries, allowances and bonuses. These obligations are recognized and expended in the respective periods when the related services are obtained. Any amount not paid is recognized as a liability (undiscounted) at the end of the year.

b) Gratuity Fund

The Company has established a gratuity fund as a defined benefit plan for its permanent employees that is approved by the National Board of Revenue (NBR). The Company contributes a reliably estimated amount to the fund annually.

c) Recognized Provident Fund

The Company maintains a provident fund recognized by NBR for its permanent employees. This fund is managed by a Board of Trustees. Upon confirmation, each of the employees is required to become a member of the fund by contributing 10% of their basic salary. The Company makes a similar contribution. The total contribution is invested separately from the Company's assets by the Board of Trustees following the rules and regulations of the Bangladesh Labor Act, 2006 (amended in 2018).

The Company recognizes the contribution as an expense when the conditions are met. The legal and constructive obligation is limited to the amount the Company agrees to contribute to the fund.

d) Group Insurance Policy

The employees are insured under a group insurance policy. The premium of the insurance is fully paid by the respective concerns of the Group and the amount is charged to the statement of profit or loss.

e) Workers Profit Participation Fund and Workers Welfare Fund

The Company allocates 5% of net profit before tax after charging such expenses as Allocation to Workers Profit Participation Fund and Welfare Fund in accordance with the Bangladesh Labor Act, 2006 (amended in 2018).

3.13 Provisions & Contingencies

Provisions are made considering risks and uncertainties at reliable estimates of the probable outflow of resources that would be required to settle current obligations. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities and assets are current or possible obligations on liabilities or assets, arising from past events and the existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company. No contingent liabilities were recognized in the consolidated financial statements.

3.14 Related Party Disclosures

As per IAS 24 – Related Party Disclosures, parties are considered to be related if one of the parties can control the other party or exercise significant influence over the other party in making financial and operating decisions. The Group carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note-40 of the Notes to the Consolidated Financial Statements.

3.15 Operating Income

a) Revenue from Contracts with Customers:

Sales of Goods

Revenue is recognized for local sales of Pharmaceutical Drugs and Medicines, AgroVet Products, Crop Care Products and Herbal & Nutraceutical Products at the time of delivery from the depot and Exports

of Pharmaceuticals Drugs and Medicines at the time of delivery from Factory Godown. Local sales of Basic Chemical Products are recognized at the time of delivery from Factory Godown. Revenue is recognized when goods are supplied to external customers against orders received, title and risk of loss are transferred to the customer, and reliable estimates can be made that relevant obligations have been fulfilled, such that the earnings process is regarded as being completed.

b) Export Incentives

Export entitlements from government authorities are recognized in the statement of profit or loss as other operating income when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

3.16 Other Income

a) Interest Income

Interest income comprises interest on financial instruments maintained with financial institutions and others. The amount of interest income is recognized on an accrual basis with reference to the effective interest rate method as per IFRS 9 – Financial Instruments.

b) Dividend Income

Dividend income arises from marketable securities and equity investments in other entities. Dividend income is recognized when the right to receive the dividend is established.

c) Others

Gains or losses from various investments like Zero Coupon Bonds, Marketable Securities are included in Other Income. The associated cash flows are classified as investing activities in the statement of cash flows.

3.17 Leases

The Group entered rental (lease) agreements with lessors to use floor spaces for business purposes. It does not include any machinery, software, vehicles etc. These rental agreements are one-year cancellable contracts (by both parties with three months' notice period). The contracts do not offer any buying option, commitment to buy or any assurance of post-use minimum market price for the used floor spaces. Payments associated with these (short-term) leases are recognized on a straight-line basis as an expense in the statement of profit or loss.

IFRS 16 – Leases dictates that leases with shorter contract tenor and an immaterial amount of rental expenses with respect to total revenue shall not be considered as a finance lease. As such, the lease agreements the Group entered are not treated as finance leases.

Contract Period	Amount of Rental Expenses	% of Total Revenue
01 Year	BDT 52,210,788	0.07218%

3.18 Borrowing Cost:

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred. The capitalization of borrowing cost is suspended when the activities necessary to prepare the qualifying asset are deferred /interrupted for significant period of time.

3.19 Income Tax

Current Tax

Current tax for the period is the expected tax payable based on the taxable income and relevant tax rate for the year. Taxable income differs from accounting income for several reasons like items that may never be taxable or deductible for tax purposes and other items which may be deductible or taxable in different periods. Being a publicly traded pharmaceuticals company, the applicable tax rate for SPL is 22.5% for the reporting period. The applicable tax rate for Square Lifesciences Ltd. for the reporting period is 3% (as it is enjoying Tax Holiday). SPKEL is enjoying 100% tax exemption for the reporting year.

Deferred Tax

Deferred tax arises due to the temporary differences between the carrying amounts and tax bases of assets and liabilities. The amount of deferred tax provided is based on the expected manner of recovery or settlement of the carrying amount of assets and liabilities using tax rates as applicable at the reporting period.

3.20 Earnings per Share (EPS)

Earnings per Share (Basic) is derived by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. When a bonus issue takes place after the reporting date but before the financial statements are authorized for issue, the number of shares in the EPS calculation is adjusted for the current and prior periods as though the bonus issue took place during the current year.

Weighted Average Number of Ordinary Shares

The number of shares is determined by relating the portion of time within a reporting period that a particular number of shares has been outstanding to the total time in that period. The Company issued no bonus shares for the financial year. As such, the weighted average number of shares remained the same as the previous year.

3.21 Statement of Cash Flows

Cash Flow Statement has been prepared using 'Direct Method' as recommended by IAS 7–Statement of Cash Flows. A reconciliation of 'Direct Method' vs 'Indirect Method' has been presented in Note–38 as per the direction of the Bangladesh Securities and Exchange Commission (BSEC/CMRRCD/2006-158/208/Admin/81; dated: 20 June 2018).

3.22 Materiality and Aggregation

Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function. The Group presents each material class of similar items separately in the financial statements while items of dissimilar nature or function are presented separately unless they are immaterial.

Net Profit before Tax for the year was not materially affected by:

- transaction of a nature not usually undertaken by the Group;
- circumstances of an exceptional or non-recurring nature;
- charges or credits relating to prior years; and
- changes in accounting policies.

3.23 Offsetting

No assets and liabilities or income and expenses are being offset that may contradict the requirements of any IFRS or IAS.

3.24 Concentration of Counterparty Risk

As of the reporting date, the Group does not have any significant concentration of business transacted with a particular customer, supplier or lender that could, if suddenly eliminated, have severely impacted the Group's operations. The Group also does not have any concentration of available sources of labor, service or licenses or other rights that could, if suddenly eliminated, have a severe impact on the operations of the Group.

3.25 Unrealized Gain/(Loss) on FVOCI Financial Assets

It derives mainly due to the changes in the market price of the Marketable Securities. The Group has reported unrealized gain/(loss) from Marketable Securities as Other Comprehensive Income in the Statement of Profit or Loss and Other Comprehensive Income and in the Statement of Changes in Equity

in conformity with IAS 12– Income Taxes and IFRS 9–Financial Instruments. As per SRO no.: 196-Act/income tax/2015, any Capital gain arising from Marketable Securities (Stocks/Debentures listed with Stock Exchanges) is subject to Tax @ 10%. Gains that are realized during the year have been accounted for accordingly through the statement of profit or loss.

3.26 Research, Development and Experimental Costs

In compliance with the requirements of IAS 38–Intangible Assets, research, development and experimental costs are usually absorbed as revenue expenses as and when incurred due to the development portion of the expense not being that much material in the Group’s context.

3.27 Comparative Information

The comparative figures have been regrouped, reclassified or modified from previously published interim and annual Financial Statements to facilitate any necessary presentational changes to conform to the current year’s presentation.

Comparative information has been disclosed in respect of the previous year for all numerical information in the current financial statement. Narrative and descriptive information for comparative information has also been disclosed whenever it is relevant for the understanding of the current year’s financial statements.

Restatement of Investment in Associates:

During the current financial year, it was found that associates of the Group revised their retained earnings to account for earnings arising from mergers & acquisitions and other adjustments in the associates’ past financial statements. Therefore, the Group has restated investment in associates to reflect those changes. However, as it was impracticable to determine the period-specific effects of such revision, the Group restated the opening balances of assets, liabilities, and equity for the earliest period for which retrospective restatement was practicable i.e., financial year 2020-21. A three-column statement of financial position has been presented to reflect the restatement while the consolidated statement of changes in equity and notes to the consolidated financial statements have been updated accordingly.

Restatement of Loss of Square Pharmaceuticals Kenya EPZ Ltd.

Last year’s reported loss of Square Pharmaceuticals Kenya EPZ Ltd. was restated during the current financial year. It was due to foreign exchange rate fluctuations which indicated that the long-term loan reported in the last year’s financial statements of SPKEL needs to be adjusted to reflect the foreign exchange loss in the financial year 2021-22. As such, SPKEL has restated the loan balance, and the Group incorporated the same.

3.28 Events After Reporting Period

Events after the reporting period that provide additional information about the Group’s position at the reporting date are reflected in the financial statements. Material events after the reporting period that are not adjusting events are disclosed by way of note. There is no significant event other than normal activities between the Financial Year end and Financial Statements approval date.

Update on Fire Incident at Large Volume Parenteral (LVP) Plant of SPL:

On 23rd May 2022, the Large Volume Parenteral (LVP) plant at the factory premises in Gazipur was heavily damaged by a fire that left the plant in a dilapidated condition with zero casualties. The total insured value of the plant including its building, machinery and plant was Tk. 1,710,953,808. As of the approval date of these financial statements, the insurers have completed their assessment and approved Tk. 1,603,792,370 (shown as Other Receivables in Note–9 of the Financial Statements) of which Tk. 910,818,474 has been received.

Particulars	Amount in Taka	
	30 June 2023	30 June 2022
4. Consolidated Property, Plant and Equipment: Tk. 26,058,821,899		
Details of consolidated property, plant and equipment are shown in the annexed Schedule - C1.		
Cost:		
Opening Balance	43,719,669,981	41,570,311,740
Addition during the Year	7,744,458,216	2,408,952,601
	51,464,128,197	43,979,264,341
Disposal/Transfer during the Year	(3,626,392,523)	(259,594,360)
Closing Balance	47,837,735,674	43,719,669,981
Accumulated Depreciation:		
Opening Balance	23,446,178,095	21,793,391,083
Charged for the Year	2,309,899,446	1,835,173,760
	25,756,077,541	23,628,564,843
Disposal/Transfer during the Year	(2,179,228,686)	(182,386,748)
Closing Balance	23,576,848,855	23,446,178,095
Net Book Value	24,260,886,819	20,273,491,886
Consolidated Property, Plant and Equipment in Transit (Note - 4.1)	715,369,536	521,564,753
Consolidated Building under Construction (Note - 4.2)	1,081,705,847	2,066,237,283
Consolidated Capital Work-in-Progress (Note - 4.3)	859,697	4,321,378,506
Written Down Value	26,058,821,899	27,182,672,428
Allocation of Depreciation Charged for the year:		
Manufacturing Overhead (Note - 26.3)	1,971,964,923	1,514,022,727
Selling and Distribution Expenses (Note - 27)	238,351,175	219,764,727
Administrative Expenses (Note - 28)	99,583,348	101,386,306
	2,309,899,446	1,835,173,760
4.1 Consolidated Property, Plant and Equipment in Transit: Tk. 715,369,536		
Opening Balance	521,564,753	646,809,312
Addition during the Year	832,310,716	1,271,900,734
	1,353,875,469	1,918,710,046
Transfer during the Year	(638,505,933)	(1,397,145,293)
Closing Balance	715,369,536	521,564,753
4.2 Consolidated Building under Construction: Tk. 1,081,705,847		
Opening Balance	2,066,237,283	1,345,864,835
Addition during the Year	580,259,733	1,280,219,869
	2,646,497,016	2,626,084,704
Transfer during the Year	(1,564,791,169)	(559,847,421)
Closing Balance	1,081,705,847	2,066,237,283
4.3 Consolidated Capital Work-in-Progress: Tk. 859,697		
Opening Balance	4,321,378,506	1,114,508,832
Addition during the Year	457,676,202	3,158,712,287
Interest during Construction Period	-	48,157,387
	4,779,054,708	4,321,378,506
Transfer during the Year	(4,778,195,012)	-
Closing Balance	859,697	4,321,378,506

Particulars	Amount in Taka		
	30 June 2023	30 June 2022	01 July 2021
5. Consolidated Investment in Associates: Tk. 15,076,807,755	30 June 2023	30 June 2022	01 July 2021
Opening Balance	12,874,322,006	11,046,387,772	8,077,472,192
Adjustment for Revised Retained Earnings of Associates	-	-	1,769,140,550
Opening Balance (Restated)	12,874,322,006	11,046,387,772	9,846,612,742
Add: Profit/(Loss) during the Year (Note - 34)	2,522,514,119	2,010,807,588	1,291,211,707
Less: Dividend received during the Year	(320,028,370)	(182,873,354)	(91,436,677)
Closing Balance	15,076,807,755	12,874,322,006	11,046,387,772

List of Associate Undertakings:

Name of Associates	Country of Incorporation	Proportion of Ownership Interest
Square Textiles PLC.	Bangladesh	46.36%
Square Fashions Ltd.	Bangladesh	48.63%
Square Hospitals Ltd.	Bangladesh	49.94%

Voting power is not different with proportion of ownership interest.

Summarised Financial Information for Associate Undertakings as per Paragraph B14 and B15 of IFRS 12:

Square Textiles PLC.:

Current Assets	8,269,586,259	7,413,707,605
Non-Current Assets	9,315,269,810	7,615,873,593
Current Liabilities	8,203,190,615	5,732,487,875
Non-Current Liabilities	283,163,333	579,630,811
Gross Revenue	14,967,962,444	15,624,302,486
Profit from Operations	1,573,122,058	2,424,545,170
Profit after Tax	1,071,421,609	1,806,304,596
Total Comprehensive Income	1,071,421,609	1,806,304,596

Square Fashions Ltd.:

Current Assets	17,503,699,041	15,639,848,362
Non-Current Assets	7,230,637,153	6,972,027,949
Current Liabilities	4,643,137,022	6,543,845,681
Non-Current Liabilities	250,022,375	5,994,459
Gross Revenue	25,754,432,116	22,535,186,900
Profit from Operations	3,747,815,457	2,147,690,399
Profit after Tax	3,779,140,626	2,073,288,251
Total Comprehensive Income	3,779,140,626	2,073,288,251

Square Hospitals Ltd.:

Current Assets	544,839,456	562,149,210
Non-Current Assets	3,787,028,342	3,588,641,340
Current Liabilities	1,152,620,615	1,049,157,663
Non-Current Liabilities	756,026,350	1,054,878,822
Gross Revenue	5,333,668,720	5,023,576,081
Profit from Operations	590,221,668	533,530,066
Profit after Tax	376,466,768	330,848,698
Total Comprehensive Income	376,466,768	330,848,698

6 Consolidated Investment in Marketable Securities: Tk. 4,589,867,031

Particulars	2022-2023 (Jul'22-Jun'23)		2021-2022 (Jul'21-Jun'22)	
	Cost	Market Value	Cost	Market Value
Opening Balance	3,423,864,487	4,346,770,865	3,307,788,552	4,624,331,706
Addition during the Year	416,887,430	399,285,550	627,115,212	562,894,183
Sold during the Year	(67,004,104)	(156,189,384)	(511,039,277)	(840,455,024)
Closing Balance	3,773,747,813	4,589,867,031	3,423,864,487	4,346,770,865

Particulars	Amount in Taka	
	30 June 2023	30 June 2022
7 Consolidated Long Term Investment - Others: Tk. 5,603,691,927		
Ordinary Shares (Unquoted):	27,694,430	27,694,430
(a) United Hospital Ltd. (120,000 Ordinary Shares of Tk.100/- each)	12,000,000	12,000,000
(b) Central Depository Bangladesh Limited (5,711,804 Ordinary Shares of Tk. 10/- each)	15,694,430	15,694,430
Non-Convertible Zero Coupon Bonds:	975,997,497	1,478,681,650
(c) Envoy Textiles Ltd.	-	10,907,299
(d) LankaBangla Finance Ltd. (249 Bonds)	208,477,968	402,509,850
(e) Brac Bank Ltd. (350 Bonds)	346,041,600	360,363,204
(f) Sajida Foundation Ltd. (200 Bonds)	174,380,055	362,989,522
(g) IDLC Finance Ltd. (480 Bonds)	247,097,874	341,911,775
Non-Convertible Subordinated Bonds:	4,600,000,000	3,500,000,000
(h) Mutual Trust Bank Ltd. (260 Bonds)	2,600,000,000	2,000,000,000
(i) Southeast Bank Ltd. (5,000 Bonds)	500,000,000	500,000,000
(j) Islami Bank Bangladesh Ltd. (50 Bonds)	500,000,000	500,000,000
(k) Trust Bank Ltd. (50 Bonds)	500,000,000	500,000,000
(l) Eastern Bank Ltd. (50 Bonds)	500,000,000	-
	5,603,691,927	5,006,376,080
8 Consolidated Inventories: Tk. 12,227,198,105		
Raw Materials	4,784,438,787	2,733,109,087
Packing Materials	1,437,690,908	861,675,938
Work-in-Process	643,978,545	446,012,445
Finished Goods	3,596,262,767	2,549,985,110
Spares & Accessories	948,429,583	853,585,220
Goods- in-Transit	816,397,516	769,743,345
	12,227,198,105	8,214,111,145
9 Consolidated Trade and Other Receivables: Tk. 6,122,294,097		
Trade Receivables (Note - 9.1)	3,420,722,992	2,159,066,716
Other Receivables (Note - 9.2)	2,701,571,105	1,236,013,746
	6,122,294,097	3,395,080,462
9.1 Consolidated Trade Receivables: Tk. 3,420,722,992		
(a) Trade receivables occurred in the ordinary course of business are unsecured but considered good. Ageing of the Trade Debtors is as follows:		
Below 30 days	2,459,965,480	1,794,658,433
Within 31-60 days	247,717,545	100,142,561
Within 61-90 days	109,945,444	91,454,150
Above 90 days	603,094,523	172,811,572
	3,420,722,992	2,159,066,716
9.2 Consolidated Other Receivables: Tk. 2,701,571,105		
Interest Receivable from Fixed Deposit Receipts	803,553,263	1,132,982,469
Interest Receivable from Short Notice Deposits	11,655,648	-
Gain against Zero Coupon Bonds (Receivable)	107,963,299	50,278,415
Interest Receivable from Subordinated Bonds	73,060,411	52,752,862
Accrued Income	101,546,114	-
Insurance Claim Receivable	1,603,792,370	-
	2,701,571,105	1,236,013,746

Particulars	Amount in Taka	
	30 June 2023	30 June 2022
10. Consolidated Advances, Deposits and Prepayments: Tk. 2,043,302,498		
Advances:	709,091,493	772,908,102
Employees	361,960,283	304,433,010
Land Purchase	28,617,600	14,204,677
Suppliers	318,119,249	237,636,189
Advance Income Tax	394,361	216,634,226
Deposits:	1,252,592,200	945,571,753
Value Added Tax	826,738,793	561,863,297
Earnest Money & Security Deposit	425,567,338	374,066,908
Others	286,070	9,641,548
Prepayments:	81,618,804	57,558,092
Office Rent	10,303,999	6,132,743
Insurance Premium	71,314,805	51,425,349
	2,043,302,498	1,776,037,947
11. Consolidated Cash and Cash Equivalents: Tk. 50,094,321,854		
(a) Cash in Hand	11,900,860	5,886,632
(b) Cash at Banks:	16,521,886,063	2,883,870,318
* Current Accounts	494,559,432	752,173,261
* STD & SND Accounts	14,906,548,891	1,811,898,567
* Export Retention Quota Accounts (held in USD)	429,895,379	249,682,906
* Margin Held Accounts (held in USD)	531,884,571	14,162,725
* Dividend Accounts	158,997,790	55,952,858
(c) Fixed Deposit Receipts (FDRs):	33,560,534,932	46,072,741,385
* FDRs held in BDT	30,808,367,726	41,528,858,059
* FDRs held in USD	2,752,167,206	4,543,883,326
	50,094,321,854	48,962,498,334
12. Consolidated Fair Value Reserve: Tk. 734,507,296		
Opening Balance	830,615,740	1,139,626,144
Add: Unrealised Gain/(Loss) on FVOCI Financial Assets for the Year (Note - 35)	(106,787,160)	(393,636,776)
Less: Current Year's Deferred Tax (Expense)/Income (Note - 18.2)	10,678,716	84,626,372
Closing Balance	734,507,296	830,615,740
13. Consolidated Tax Holiday Reserve:	133,398,880	-
This represents exempted tax of Square Lifesciences Ltd. arising from tax holiday benefit as per Section-46BB (1)(ii) of ITO-1984 as replaced by 6th schedule, Part-4 of ITA-2023.		
14. Translation Reserve: Tk. (16,905,546)		
Opening Balance	8,998,071	(285,055)
Translation Adjustment for the Year (Note - 14.1)	(25,903,617)	9,283,126
Closing Balance	(16,905,546)	8,998,071
14.1 Current Year's Translation Adjustment: Tk. (25,903,617)		
Square Pharmaceuticals Kenya EPZ Ltd.:		
Opening Net Assets	(954,411,676)	(973,966,638)
Add: (Profit)/Loss for the Year	172,059,938	28,838,088
Less: Closing Net Assets	756,448,121	954,411,676
Translation Adjustment for the Year	(25,903,617)	9,283,126

Particulars	Amount in Taka		
	30 June 2023	30 June 2022	01 July 2021
15. Consolidated Retained Earnings: Tk. 103,339,085,459			
Opening Balance	93,357,093,287	80,518,589,329	64,980,297,214
Adjustment for Revised Retained Earnings of Associates	-	-	1,769,140,550
Opening Balance (Restated)	93,357,093,287	80,518,589,329	66,749,437,764
Add: Net Profit/(Loss) attributable to Equity Holders	18,979,901,152	18,157,210,018	15,947,450,722
Less: Transferred from/(to) Tax Holiday Reserve (Note - 13)	(133,398,880)	-	2,211,743,936
Less: Cash Dividend	(8,864,510,100)	(5,318,706,060)	(3,967,923,573)
Less: Stock Dividend	-	-	(422,119,520)
Closing Balance	103,339,085,459	93,357,093,287	80,518,589,329
16. Non Controlling Interest: Tk. 709,376			
Opening Balance	469,632	500,000	
Add: Net Profit/(Loss) attributable to Non Controlling Interest	239,744	(30,368)	
Closing Balance	709,376	469,632	
Non Controlling Interests of Subsidiaries:			
Name of Company	Country of Incorporation	Proportion of Ownership Interest	
Square Lifesciences Ltd.	Bangladesh	0.05%	
Square Pharmaceuticals Kenya EPZ Ltd.	Kenya	-	
17. Consolidated Loans and Borrowings: Tk. 1,986,966,377			
Term Loan - Non Current Portion (Note - 17.1)	1,368,356,905	1,714,270,164	
Term Loan - Current Portion (Note - 17.2)	618,609,472	200,000,000	
	1,986,966,377	1,914,270,164	
17.1 Term Loan - Non Current Portion: Tk. 1,368,356,905			
a) Standard Chartered Bank, Kenya	368,356,905	314,270,164	
b) Standard Chartered Bank, Bangladesh	1,000,000,000	1,400,000,000	
Due after one year	1,368,356,905	1,714,270,164	
17.2 Term Loan - Current Portion: Tk. 618,609,472			
a) Standard Chartered Bank, Kenya	118,609,472	-	
b) Standard Chartered Bank, Bangladesh	500,000,000	200,000,000	
Due within one year	618,609,472	200,000,000	
a) Standard Chartered Bank, Kenya sanctioned US \$5 million at floating interest rate to Square Pharmaceuticals Kenya EPZ Ltd. in Kenya of which US \$4.50 million has been disbursed by 30th June 2023. The loan is secured by a corporate guarantee by SPL, issued in favor of the company with due permission of Bangladesh Bank. Repayment of the loan is scheduled to be started from October 2023.			
b) The loan has been disbursed by Standard Chartered Bank, Bangladesh for Square Lifesciences Ltd., Bangladesh at floating interest rate with a floor rate of 5.25% per annum. Repayment of the loan has been started from 30th March 2023.			
18. Consolidated Deferred Tax Liabilities: Tk. 1,022,153,780			
Deferred Tax - Property, Plant and Equipment: (Note-18.1)	940,541,858	1,086,449,652	
a) Square Pharmaceuticals PLC.	944,474,683	1,086,449,652	
b) Square Lifesciences Ltd.	(3,932,825)	-	
Deferred Tax - FVOCI Financial Assets (Note-18.2)	81,611,922	92,290,638	
	1,022,153,780	1,178,740,290	

Particulars	Amount in Taka	
	30 June 2023	30 June 2022
18.1 Deferred Tax - Property, Plant and Equipment:		
a) Square Pharmaceuticals PLC.: Tk. 944,474,683		
Property, plant and equipment (Carrying Amount)	14,781,663,185	13,902,912,754
Property, plant and equipment (Tax Base)	10,583,997,926	9,074,247,632
Taxable/(Deductible) Temporary Difference	4,197,665,259	4,828,665,122
Tax Rate	22.50%	22.50%
Closing Deferred Tax Liabilities	944,474,683	1,086,449,652
Opening Deferred Tax Liabilities	1,086,449,652	1,097,936,007
Current Year's Deferred Tax Expense/(Income)	(141,974,969)	(11,486,354)
b) Square Lifesciences Ltd.: Tk. (3,932,825)		
Property, plant and equipment (Carrying Amount)	3,035,322,013	-
Property, plant and equipment (Tax Base)	3,166,416,195	-
Taxable/(Deductible) Temporary Difference	(131,094,182)	-
Tax Rate	3.00%	-
Closing Deferred Tax Liabilities	(3,932,825)	-
Opening Deferred Tax Liabilities	-	-
Current Year's Deferred Tax Expense/(Income)	(3,932,825)	-
* Property, plant and equipment exclude Lands, PPE in transit and assets under construction.		
18.2 Deferred Tax - FVOCI Financial Assets: Tk. 81,611,922		
FVOCI Financial Assets - Carrying Amount	4,589,867,031	4,346,770,865
FVOCI Financial Assets - Tax Base	3,773,747,813	3,423,864,487
Taxable/(Deductible) Temporary Difference	816,119,218	922,906,378
Tax Rate	10.00%	10.00%
Closing Deferred Tax Liabilities	81,611,922	92,290,638
Opening Deferred Tax Liabilities	92,290,638	176,917,010
Current Year's Deferred Tax Expense/(Income)	(10,678,716)	(84,626,372)
19. Consolidated Trade Payables:	1,001,758,842	625,984,907
This represents amount payable to regular suppliers of raw materials, packing materials, promotional materials etc. All suppliers were paid on a regular basis.		
20. Consolidated Other Payables: Tk. 1,877,962,326		
Sundry Creditors	681,091,577	511,637,662
Income Tax (Deduction at Source)	59,076,245	16,825,193
Retention Money	26,933,726	8,749,849
Workers' Profit Participation Fund and Welfare Fund	1,079,571,975	1,051,227,994
Interest Payable	31,288,803	25,460,168
	1,877,962,326	1,613,900,866
21. Consolidated Current Tax Liabilities: Tk. 356,095,553		
Opening balance	911,504,873	572,675,072
Provision for the Year	4,787,632,217	4,618,549,626
Tax Paid (Including Advance Income Tax) during the Year	(5,343,041,537)	(4,279,719,825)
	356,095,553	911,504,873
22. Consolidated Accrued Expenses: Tk. 215,721,733		
Accrued Expenses	214,521,733	179,997,108
Audit Fees	1,200,000	805,000
	215,721,733	180,802,108

Particulars	Amount in Taka	
	30 June 2023	30 June 2022
23. Consolidated Unclaimed Dividend: Tk. 158,997,790		
Opening balance	129,636,029	375,165,739
Addition during the Year	68,298,111	55,942,663
Paid during the Year	(6,706,491)	(38,969,023)
Transferred to Capital Market Stabilisation Fund	(32,229,859)	(262,503,350)
	158,997,790	129,636,029
23.1 Summary of Unclaimed Dividend:		
Financial Year: 2018-19	-	15,406,277
Financial Year: 2019-21 (Unspecified)	-	59,607,250
Financial Year: 2019-20	39,051,584	24,407,570
Financial Year: 2020-21	51,648,095	30,214,932
Financial Year: 2021-22	68,298,111	-
	158,997,790	129,636,029
	2022-2023	2021-2022
24. Consolidated Gross Revenue: Tk. 72,335,373,485		
Square Pharmaceuticals PLC.	69,573,802,661	66,406,959,950
Square Lifesciences Ltd.	2,717,066,940	-
Square Pharmaceuticals Kenya EPZ Ltd.	44,503,884	-
	72,335,373,485	66,406,959,950
25. Consolidated Value Added Tax: Tk. 9,587,690,621		
Square Pharmaceuticals PLC.	9,185,006,544	8,809,018,591
Square Lifesciences Ltd.	402,684,077	-
	9,587,690,621	8,809,018,591
26. Consolidated Cost of Goods Sold: Tk. 31,772,093,300		
Raw Materials Consumed (Note - 26.1)	14,636,345,863	12,665,124,944
Packing Materials Consumed (Note - 26.2)	6,835,822,051	6,385,408,111
	21,472,167,914	19,050,533,055
Add: Opening Work-in-Process	446,012,445	415,013,847
Less: Closing Work-in-Process	(641,707,131)	(446,012,445)
Total Consumption	21,276,473,228	19,019,534,457
Add: Manufacturing Overhead (Note - 26.3)	9,053,571,267	7,374,304,792
Cost Of Production	30,330,044,495	26,393,839,249
Add: Opening Finished Goods	2,549,985,110	2,118,362,474
Add: Purchase of Finished Goods	2,833,212,050	2,298,259,394
Less: Closing Finished Goods	(3,592,467,574)	(2,549,985,110)
	32,120,774,081	28,260,476,007
Less: Cost of Physician Sample	(348,680,781)	(302,449,027)
	31,772,093,300	27,958,026,980
26.1 Consolidated Raw Materials Consumed: Tk. 14,636,345,863		
Opening Stock	2,707,894,958	2,647,266,800
Purchase during the year	16,733,285,689	12,725,753,102
Closing Stock	(4,804,834,784)	(2,707,894,958)
	14,636,345,863	12,665,124,944
26.2 Consolidated Packing Materials Consumed: Tk. 6,835,822,051		
Opening Stock	856,951,586	829,398,759
Purchase during the year	7,510,377,192	6,412,960,938
Closing Stock	(1,531,506,727)	(856,951,586)
	6,835,822,051	6,385,408,111

Particulars	Amount in Taka	
	2022-2023	2021-2022
26.3 Consolidated Manufacturing Overhead: Tk. 9,053,571,267		
Salaries, Allowances and Wages	2,756,335,178	2,370,522,433
Contribution to Provident Fund	59,694,223	51,122,094
Contribution to Gratuity Fund	227,502,173	161,781,772
Factory Employees Free Lunch	161,231,674	155,644,172
Factory Staff Uniform	106,757,670	97,752,877
Traveling & Conveyance	57,231,048	50,587,271
Printing & Stationery	85,785,180	78,137,099
Postage, Telephone & Fax	9,457,332	9,035,297
Repairs & Maintenance	1,192,592,195	1,059,159,894
Laboratory Consumable Stores	595,310,795	469,235,606
Fuel, Petrol, Light Diesel etc.	155,695,859	131,190,211
Electricity, Gas & Water	1,089,013,810	771,258,513
Rental Expense	4,077,710	1,260,965
Municipal & Other Tax	21,796,904	14,300,737
Insurance Premium	28,211,590	22,066,849
Factory Sanitation Expenses	92,426,865	72,963,100
Depreciation	1,971,964,923	1,514,022,727
Security Services	70,104,291	65,665,456
Research and Product Development	219,162,545	193,978,194
Software & Hardware Support Services	73,962,974	61,082,059
Toll Charges	72,671,052	21,568,568
Other Expenses	2,585,277	1,968,898
	9,053,571,267	7,374,304,792
27. Consolidated Selling and Distribution Expenses: Tk. 11,814,288,167		
Salaries and Allowances	1,456,316,499	1,286,934,030
Contribution to Provident Fund	110,187,268	92,806,109
Contribution to Gratuity Fund	526,292,133	385,072,427
Traveling and Conveyance	161,964,137	150,498,538
Training Expenses	6,565,059	4,757,614
Printing and Stationery	92,890,627	87,348,392
Postage, Telephone, Fax & Telex	88,768,665	77,116,075
Electricity, Gas and Water	35,498,643	30,386,230
Tiffin and Refreshment	39,006,698	34,092,475
Staff Uniform	13,639,956	10,468,717
Sanitation Expenses	15,163,573	13,630,629
Office and Godown Rent	27,994,518	25,952,680
Lease Rent	2,649,600	2,649,600
Bank Charges	11,140,432	10,460,958
Repairs and Maintenance including car maintenance	576,802,979	543,910,794
Govt. Taxes and License Fees	37,349,084	45,772,456
Field Staff Salaries, Allowances, TA and DA	3,292,450,861	2,780,471,147
Target Incentive to Field Staff	257,457,522	242,761,691
Marketing and Sales Promotional Expenses	1,288,875,362	1,231,398,574
Advertisement	1,613,683	1,211,692
Event, Programs and Conference	309,235,241	275,812,532
Delivery and Packing Expenses	218,321,379	190,098,007
Literature and Publications	103,247,913	116,194,362
Export Expenses	211,547,449	203,377,595
Special Discount	2,039,790,580	1,799,758,289
Sample Expenses	368,248,142	365,359,046
Security Services	91,088,056	85,762,828
Depreciation	238,351,175	219,764,727
Software, hardware Support & VSAT Services	69,072,270	59,858,587
Insurance Premium	5,950,719	3,913,194
Faulty & Obsolete Goods	99,799,446	45,441,084
Market Research and Survey Expenses	16,730,282	16,049,995
Other Expenses	278,216	179,392
	11,814,288,167	10,439,270,466

Particulars	Amount in Taka	
	2022-2023	2021-2022
28. Consolidated Administrative Expenses: Tk. 1,535,991,115		
Salaries and Allowances	512,669,365	474,999,033
Contribution to Provident Fund	11,839,856	11,823,436
Contribution to Gratuity Fund	71,650,022	57,647,116
Directors' Remuneration	87,901,250	76,344,167
Independent Directors' Honorarium	600,000	600,000
Traveling and Conveyance	135,368,992	116,572,603
Training Expenses	8,692,257	8,045,239
Printing and Stationery	22,041,258	20,260,208
Postage, Telephone, Internet	10,647,232	10,992,522
Electricity, Gas & Water	25,036,810	47,106,649
Tiffin and Refreshment	84,410,528	72,274,464
Staff Uniform	1,326,217	3,058,006
Office Rent	20,138,560	18,759,480
Sanitation Expenses	10,614,250	8,452,575
Books and Periodicals	357,354	369,407
Subscription and Donation	7,600,346	7,129,146
Advertisement	3,347,428	2,394,911
Repairs and Maintenance	254,485,737	231,203,600
Bank Charges	10,532,764	11,922,379
Insurance Premium	16,066,620	22,552,561
Govt. Taxes, Stamp Duty & License Fee	17,054,346	11,917,133
Security Services	50,253,325	40,736,544
Management Consultant Fees	2,384,750	2,338,750
Legal Charges	2,369,692	2,181,375
Audit Fees	1,418,500	1,062,305
Depreciation	99,583,348	101,386,306
Annual General Meeting Expenses	448,683	393,280
Software & Hardware Support Services	56,188,921	34,035,291
Share Demat, Remat & Transfer Fees	4,544	5,286
Other Expenses	10,958,160	5,690,395
	1,535,991,115	1,402,254,167
29. Consolidated Finance Cost: Tk. 118,966,779		
Square Pharmaceuticals PLC.	21,966	29,491
Square Lifesciences Ltd.	97,995,486	-
Square Pharmaceuticals Kenya EPZ Ltd.	20,949,327	266
	118,966,779	29,757
30. Consolidated Other Operating Income: Tk. 715,324,751		
Rental Income	1,846,640	1,154,941
Sale of Scrap	54,768,479	44,525,074
Foreign Exchange Gain	650,103,929	451,340,345
Cash Incentive Received against Export	83,034,900	62,977,000
P.F Forfeiture Amount	616,616	715,235
Technology Transfer fees	4,752,500	3,512,000
Industrial Awards	-	400,000
Gain/(Loss) on Disposal of Property, Plant and Equipment	(79,798,314)	53,492,555
	715,324,751	618,117,149

Particulars	Amount in Taka	
	2022-2023	2021-2022
31. Consolidated Other Income: Tk. 3,957,254,921		
Interest from Deposits	2,672,328,278	2,281,651,937
Interest from Short Notice Deposits	543,895,327	261,033,327
Gain on Redemption of Zero Coupon Bond	95,500,731	55,169,863
Interest from Subordinate Bonds	323,407,549	248,776,880
Dividend Income	232,937,756	212,138,436
Gain on Marketable Securities (Realized)	89,185,281	329,415,747
	3,957,254,921	3,388,186,190
32. Consolidated Allocation for WPPF & WF: Tk. 1,079,571,975		
Square Pharmaceuticals PLC.	1,054,856,121	1,051,227,994
Square Lifesciences Ltd.	24,715,854	-
	1,079,571,975	1,051,227,994
33. Consolidated Income Tax Expense: Tk. 4,641,724,423		
Current Tax Expense:	4,787,632,217	4,618,549,626
Square Pharmaceuticals PLC.	4,768,869,879	4,618,549,626
Square Lifesciences Ltd.	18,762,338	-
Deferred Tax Expense / (Income):	(145,907,794)	(11,486,354)
Square Pharmaceuticals PLC.	(141,974,969)	(11,486,354)
Square Lifesciences Ltd.	(3,932,825)	-
	4,641,724,423	4,607,063,271
34. Profit from Associate Undertakings: Tk. 2,522,514,119		
Square Textiles PLC.	496,660,270	837,317,206
Square Fashions Ltd.	1,837,855,757	1,008,272,813
Square Hospitals Ltd.	187,998,092	165,217,569
	2,522,514,119	2,010,807,588
35. Consolidated Unrealised Gain/(Loss) on FVOCI Financial Assets: Tk. (96,108,444)		
Closing Unrealised Gain/(Loss)	816,119,218	922,906,378
Less: Opening Unrealised Gain/(Loss)	922,906,378	1,316,543,154
	(106,787,160)	(393,636,776)
Less: Related Tax	10,678,716	84,626,372
	(96,108,444)	(309,010,404)
36. Consolidated Net Asset Value (NAV) per Share: Tk. 129.95		
Net Asset attributable to the Ordinary Shareholders	115,195,939,389	105,202,560,398
Number of Shares outstanding during the year	886,451,010	886,451,010
	129.95	118.68
37. Consolidated Earnings per Share (EPS): Tk. 21.41		
Net Profit after Tax	18,980,140,896	18,157,179,650
Number of Shares outstanding during the year	886,451,010	886,451,010
	21.41	20.48
38. Consolidated Net Operating Cash Flow (NOCF) per Share: Tk. 9.64		
Net Cash Generated from Operating Activities	8,545,614,327	12,874,691,570
Number of Shares outstanding during the year	886,451,010	886,451,010
	9.64	14.52

Particulars	Amount in Taka	
	2022-2023	2021-2022
38.1 Consolidated Reconciliation of Net Profit with Net Cash Generated from Operating Activities:		
Net Profit after Tax	18,980,140,896	18,157,179,650
Adjustments for:		
Non-Cash Income/Expenses:	(909,138,647)	(624,932,682)
Depreciation	2,309,899,446	1,835,173,760
Exchange Rate Fluctuation	(524,712,563)	(447,095,626)
Profit / (Loss) from Associate Undertakings	(2,522,514,119)	(2,010,807,588)
Cumulative Translation Adjustment	(25,903,617)	9,283,126
Deferred Tax	(145,907,794)	(11,486,354)
Non-Operating Items:	(3,877,456,607)	(3,441,678,745)
Other Income (Note - 31)	(3,957,254,921)	(3,388,186,190)
(Gain)/Loss on Disposal of Property, Plant and Equipment (Note - 39)	79,798,314	(53,492,555)
Changes in Working Capital:	(5,647,931,314)	(1,215,876,653)
(Increase)/Decrease in Inventories	(4,176,683,163)	(968,714,217)
(Increase)/Decrease in Receivables	(1,363,202,391)	(522,930,202)
(Increase)/Decrease in Advances, Deposits and Prepayments	(252,851,628)	(227,571,633)
Increase/(Decrease) in Trade Payables	375,773,935	(40,182,297)
Increase/(Decrease) in Other Payables	289,521,628	206,938,866
Increase/(Decrease) in Current Tax Liabilities	(555,409,320)	338,829,801
Increase/(Decrease) in Accrued Expenses	34,919,625	(2,246,971)
Net Cash Generated from Operating Activities	8,545,614,327	12,874,691,570

39. Consolidated Disposal of Property, Plant and Equipment:

Particulars of Assets	Cost	Acc. Depreciation	Written Down Value	Sales Price	Gain / (Loss)
Plant and Machinery	19,488,582	17,635,011	1,853,571	-	(1,853,571)
Motor Vehicle	102,699,954	73,220,041	29,479,913	50,068,154	20,588,241
Motor Cycle	46,917,090	30,978,066	15,939,024	27,498,377	11,559,353
Office Equipment	5,735,362	4,007,141	1,728,221	765,000	(963,221)
Computer	612,753	423,136	189,617	-	(189,617)
Furniture and Fixture	594,671	462,841	131,830	-	(131,830)
Laboratory Equipment	5,443,357	3,797,126	1,646,231	-	(1,646,231)
Disposal of LVP Unit	3,596,062,930	2,048,705,325	1,547,357,605	1,440,196,167	(107,161,438)
	3,777,554,699	2,179,228,687	1,598,326,012	1,518,527,698	(79,798,314)

40. Related Party Transactions:

A. Associates:

Square Textiles PLC. (46.36% share):

Opening Balance	-	-
Addition during the Year	4,035,238,300	-
Realized during the Year	(4,035,238,300)	-
Closing Balance	-	-

Square Fashions Ltd. (48.63% share):

Opening Balance	-	-
Addition during the Year	5,790,492,559	135,560,551
Realized during the Year	(5,790,492,559)	(135,560,551)
Closing Balance	-	-

Particulars	Amount in Taka	
	2022-2023	2021-2022
Square Hospitals Ltd. (49.94% Shares):		
Opening Balance	-	-
Addition during the Year	33,153,788	107,229,837
Realized during the Year	(33,153,788)	(107,229,837)
Closing Balance	-	-
B. Subsidiaries of Associates:		
Square Denims Ltd. (Subsidiary of Square Fashions Ltd.):		
Opening Balance	-	-
Addition during the Year	600,276,689	-
Realized during the Year	(600,276,689)	-
Closing Balance	-	-
Square Apparels Ltd. (Subsidiary of Square Fashions Ltd.):		
Opening Balance	-	-
Addition during the Year	738,039,604	-
Realized during the Year	(738,039,604)	-
Closing Balance	-	-
C. Others:		
Square Toiletries Ltd. (Supplier):		
Opening Balance	-	-
Addition during the Year	57,517,682	70,874,662
Realized during the Year	(57,412,739)	(70,874,662)
Closing Balance	104,943	-
Square Food & Beverage Ltd. (Supplier):		
Opening Balance	-	-
Addition during the Year	96,108,831	110,684,362
Realized during the Year	(96,108,831)	(110,684,362)
Closing Balance	-	-
Square InformatiX Ltd. (Service Provider):		
Opening Balance	-	-
Addition during the Year	178,527,012	44,156,427
Realized during the Year	(178,527,012)	(44,156,427)
Closing Balance	-	-
Square Securities Management Ltd. (Port Folio Management):		
Opening Balance	373,879,860	160,545,334
Addition during the Year	164,120,873	840,476,544
Realized during the Year	(416,891,975)	(627,142,018)
Closing Balance	121,108,758	373,879,860
Pharma Packages (Pvt.) Ltd. (Supplier):		
Opening Balance	13,692,778	52,600,036
Addition during the Year	682,882,899	362,455,899
Realized during the Year	(673,254,240)	(401,363,157)
Closing Balance	23,321,437	13,692,778
AEGIS Services Ltd. (Service Provider):		
Opening Balance	-	-
Addition during the Year	298,267,657	32,794,095
Realized during the Year	(297,170,112)	(32,794,095)
Closing Balance	1,097,545	-

SQUARE PHARMACEUTICALS PLC.

Consolidated Property, Plant and Equipment - Carrying Value: Tk. 26,058,821,899

As at 30 June 2023

Schedule-C1

PARTICULARS	C O S T			ACCUMULATED DEPRECIATION			Written Down Value as at 30 June 2023	Rate of Dep.	
	At 01 July 2022	During the Year		At 01 July 2022	For the Year				At 30 June 2023
		Additions	Disposals/Transfer		Charged	Disposals/Transfer			
FACTORIES:									
Land	4,240,889,431	123,316,435	3,720,617	4,360,485,249	-	-	4,360,485,249	-	
Building	9,357,973,683	2,173,022,498	785,599,988	10,745,396,193	518,721,048	423,204,597	5,325,384,899	10%	
Boundary Wall	593,903	-	428,528	593,903	16,538	-	148,837	10%	
Plant & Machinery	16,606,833,941	2,537,544,024	2,372,087,968	16,772,289,997	931,425,319	1,487,997,999	5,690,332,318	15%	
Laboratory Equipment	2,464,309,361	496,419,248	109,358,926	2,851,369,683	155,298,670	58,090,521	1,458,565,210	10%	
Furniture & Fixture	1,258,328,935	856,272,020	68,397,122	2,046,203,833	98,161,592	31,970,302	1,407,637,666	10%	
Office Equipment	881,647,653	88,111,881	64,499,267	905,260,267	52,101,370	27,871,863	486,992,234	10%	
Computer	245,342,706	38,605,830	6,292,169	277,656,367	15,405,275	2,974,356	152,097,302	10%	
Motor Vehicles	531,861,402	82,725,126	13,140,000	601,446,528	48,498,860	9,164,934	239,709,853	20%	
Motor Vehicles - Lease	2,085,000	-	-	2,085,000	7,136	-	28,546	20%	
Electro-Mechanical Equipment	1,099,746,687	717,292,685	36,080,208	1,780,959,164	120,567,799	25,258,789	740,650,350	15%	
Electrical Installation	227,628,710	151,035,172	16,022,000	362,641,882	29,144,733	11,231,433	176,739,744	15%	
Gas Line Installation	66,893,990	-	8,000,975	58,893,015	2,524,254	1,646,350	14,304,105	15%	
Sub-Total	36,984,135,402	7,264,344,919	3,483,199,240	40,765,281,081	1,971,872,594	2,079,411,144	20,712,204,768		
HEAD OFFICE:									
Land	2,205,274,470	66,147,039	-	2,271,421,509	-	-	2,271,421,509	-	
Building	958,737,801	11,428,601	-	970,166,402	502,715,322	-	420,815,756	10%	
Boundary Wall	19,360,321	42,900	-	19,403,221	8,341,199	-	9,956,680	10%	
Furniture & Fixture	186,282,495	5,849,430	514,379	191,617,546	1,105,342	419,324	83,057,698	10%	
Office Equipment	113,215,227	4,417,920	5,735,362	111,897,785	4,418,228	4,007,141	40,495,153	10%	
Computer	413,958,524	78,750,897	466,498	492,242,923	27,224,976	357,904	262,809,629	10%	
Motor Vehicles	1,983,970,056	211,945,000	87,474,954	2,108,440,102	1,187,062,224	62,002,725	802,710,297	20%	
Motor Vehicles - Lease	118,472,040	-	2,085,000	116,387,040	113,431,228	2,052,382	4,003,485	20%	
Motor Cycle	563,792,072	101,331,510	46,917,090	618,206,492	1,004,709	30,978,066	308,212,106	20%	
Books & Periodicals	528,794	-	-	528,794	10	-	22	30%	
SAP Software	148,024,164	200,000	-	148,024,164	92,329	-	107,671	20%	
VSAT	7,559,700	-	-	7,559,700	251,228	-	2,261,049	10%	
Electrical Installation	16,358,915	-	-	16,358,915	345,786	-	1,959,451	15%	
Sub-Total	6,735,534,579	480,113,297	143,193,283	7,072,454,593	338,026,852	99,817,542	4,207,810,506		
Total	43,719,669,981	7,744,458,216	3,626,392,523	47,837,735,674	2,309,899,446	2,179,228,686	23,576,848,855		
Property, Plant & Equipment in Transit	521,564,753	832,310,716	638,505,933	715,369,536	-	-	715,369,536	-	
Building under Construction	2,066,237,283	580,259,733	1,564,791,169	1,081,705,847	-	-	1,081,705,847	-	
Capital Work in Progress	4,321,378,506	457,676,202	4,778,195,012	859,697	-	-	859,697	-	
Carrying Value as on 30 June 2023	50,628,850,523	9,614,704,867	10,607,884,637	49,635,670,754	23,446,178,095	2,309,899,446	23,576,848,855		

SQUARE PHARMACEUTICALS PLC.

Consolidated Property, Plant and Equipment - Carrying Value: Tk. 27,182,672,428

As at 30 June 2022

Schedule - C1.a

PARTICULARS	COST			ACCUMULATED DEPRECIATION			Written Down Value as at 30 June 2022	Rate of Dep.
	At 01 July 2021	During the Year		At 01 July 2021	For the Year			
		Additions	Disposals/Transfer		Charged	Disposals/Transfer		
FACTORIES:								
Land	4,032,073,679	210,438,595	1,622,843	4,240,889,431	-	-	4,240,889,431	-
Building	8,862,310,077	495,663,606	-	9,357,973,683	403,247,736	-	4,033,478,840	10%
Boundary Wall	593,903	-	-	593,903	18,375	-	165,375	10%
Plant & Machinery	15,954,717,610	652,585,025	468,694	16,606,833,941	778,523,705	431,190	4,968,303,582	15%
Laboratory Equipment	2,329,849,223	134,460,138	-	2,464,309,361	120,421,131	-	1,168,713,037	10%
Furniture & Fixture	1,148,229,982	110,294,494	195,541	1,258,328,935	69,156,464	106,428	685,954,058	10%
Office Equipment	758,526,995	123,120,658	-	881,647,653	347,045,819	-	487,609,127	10%
Computer	225,474,994	19,915,112	47,400	245,342,706	99,523,805	24,391	132,214,560	10%
Motor Vehicles	497,093,902	90,177,500	55,410,000	531,861,402	318,708,038	37,831,356	209,458,653	20%
Motor Vehicles - Lease	2,085,000	-	-	2,085,000	8,920	-	35,682	20%
Electro-Mechanical Equipment	1,099,746,687	-	-	1,099,746,687	27,072,663	-	154,746,883	15%
Electrical Installation	227,599,619	29,091	-	227,628,710	10,416,203	-	167,988,838	15%
Gas Line Installation	58,743,939	8,150,051	-	66,893,990	3,010,024	-	23,182,984	15%
Sub-Total	35,197,045,610	1,844,834,270	57,744,478	36,984,135,402	1,514,022,727	38,393,365	16,164,392,084	
HEAD OFFICE:								
Land	2,103,999,973	101,274,497	-	2,205,274,470	-	-	2,205,274,470	-
Building	894,073,847	64,663,954	-	958,737,801	48,595,965	-	456,022,479	10%
Boundary Wall	18,781,674	578,647	-	19,360,321	1,204,978	-	11,019,122	10%
Furniture & Fixture	175,596,416	10,855,319	169,240	186,282,495	9,184,887	128,739	86,236,505	10%
Office Equipment	111,500,462	1,744,825	30,060	113,215,227	4,605,815	25,155	42,223,682	10%
Computer	399,499,100	14,716,394	256,970	413,958,524	22,512,760	134,062	211,392,302	10%
Motor Vehicles	1,831,425,825	272,190,000	119,645,769	1,983,970,056	1,102,182,219	83,324,175	796,907,132	20%
Motor Vehicles - Lease	118,472,040	-	-	118,472,040	1,260,203	-	5,040,812	20%
Motor Cycle	547,445,220	98,094,695	81,747,843	563,792,072	269,111,990	60,381,252	290,165,752	20%
Books & Periodicals	528,794	-	-	528,794	14	-	32	30%
SAP Software	148,024,164	-	-	148,024,164	279,142	-	2,512,277	10%
VSAT	7,559,700	-	-	7,559,700	4,768,281	-	2,305,237	15%
Electrical Installation	16,358,915	-	-	16,358,915	406,807	-	2,305,237	15%
Sub-Total	6,373,266,130	564,118,331	201,849,882	6,735,534,519	321,151,033	143,993,383	4,109,099,802	
Total	41,570,311,740	2,408,952,601	259,594,360	43,719,669,981	1,835,173,760	182,386,748	20,273,491,886	
Property, Plant & Equipment in Transit	646,809,312	1,271,900,734	1,397,145,293	521,564,753	-	-	521,564,753	-
Building under Construction	1,345,864,835	1,280,219,869	559,847,421	2,066,237,283	-	-	2,066,237,283	-
Capital Work in Progress	1,114,508,832	3,206,869,674	-	4,321,378,506	-	-	4,321,378,506	-
Carrying Value as on 30 June 2022	44,677,494,719	8,167,942,878	2,216,587,074	50,628,850,523	1,835,173,760	182,386,748	27,182,672,428	

SQUARE PHARMACEUTICALS PLC.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

Particulars	Notes	Amount in Taka	
		30 June 2023	30 June 2022
ASSETS			
Non-Current Assets:			
		34,585,613,547	34,786,763,350
Property, Plant and Equipment	4	21,767,202,106	22,861,293,922
Investment in Subsidiaries and Associates	5	2,624,852,483	2,572,322,483
Investment in Marketable Securities	6	4,589,867,031	4,346,770,865
Long Term Investment - Others	7	5,603,691,927	5,006,376,080
Current Assets:			
		70,169,514,926	62,748,423,516
Inventories	8	10,051,709,290	8,176,775,798
Trade and Other Receivables	9	6,461,221,914	3,395,080,462
Advances, Deposits and Prepayments	10	3,577,391,473	2,272,165,190
Cash and Cash Equivalents	11	50,079,192,249	48,904,402,066
TOTAL ASSETS		104,755,128,473	97,535,186,866
EQUITY AND LIABILITIES			
Shareholders' Equity:			
		100,516,964,058	93,007,355,089
Share Capital	12	8,864,510,100	8,864,510,100
Share Premium		2,035,465,000	2,035,465,000
General Reserve		105,878,200	105,878,200
Fair Value Reserve	13	734,507,296	830,615,740
Retained Earnings	14	88,776,603,462	81,170,886,049
Non-Current Liabilities:			
		1,026,086,605	1,178,740,290
Deferred Tax Liabilities	15	1,026,086,605	1,178,740,290
Current Liabilities:			
		3,212,077,810	3,349,091,487
Trade Payables	16	799,397,133	625,984,907
Other Payables	17	1,682,969,880	1,501,431,206
Current Tax Liabilities	18	356,095,553	911,504,873
Accrued Expenses	19	214,617,454	180,534,472
Unclaimed Dividend	20	158,997,790	129,636,029
TOTAL LIABILITIES		4,238,164,415	4,527,831,777
TOTAL EQUITY AND LIABILITIES		104,755,128,473	97,535,186,866
Net Assets Value (NAV) per Share	29	113.39	104.92

The annexed notes form an integral part of these financial statements.



Samuel S Chowdhury
Chairman

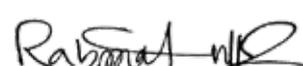


Tapan Chowdhury
Managing Director



Khandaker Habibuzzaman
Company Secretary

Signed in terms of our separate
report of even date annexed



AKM RAHMAT ULLAH, FCA, CPFA
Partner

Ahmed Zaker & CO.
Chartered Accountants
Enrollment No-0719

23 October 2023, Dhaka
DVC: 2310230719AS492444

SQUARE PHARMACEUTICALS PLC.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Gross Revenue	21	69,573,802,661	66,406,959,950
Less: Value Added Tax		9,185,006,544	8,809,018,591
Net Revenue		60,388,796,117	57,597,941,359
Cost of Goods Sold	22	(30,514,414,228)	(27,958,026,980)
Gross Profit		29,874,381,889	29,639,914,379
Operating Expenses:		(13,228,109,690)	(11,771,769,958)
Selling and Distribution Expenses	23	(11,710,765,244)	(10,439,270,466)
Administrative Expenses	24	(1,517,322,480)	(1,332,470,001)
Finance Cost		(21,966)	(29,491)
Other Operating Income	25	1,228,423,054	636,583,904
Profit from Operations		17,874,695,253	18,504,728,325
Other Income	26	4,277,283,291	3,571,059,544
Profit before WPPF & WF		22,151,978,544	22,075,787,868
Allocation for WPPF & WF		(1,054,856,121)	(1,051,227,994)
Profit before Tax		21,097,122,423	21,024,559,874
Income Tax Expenses:	27	(4,626,894,910)	(4,607,063,271)
Current Tax (Expense)		(4,768,869,879)	(4,618,549,626)
Deferred Tax (Expense)/Income		141,974,969	11,486,354
Net Profit after Tax		16,470,227,513	16,417,496,603
Other Comprehensive Income:			
Unrealised Gain/(Loss) on FVOCI Financial Assets:		(96,108,444)	(309,010,404)
Unrealised Gain/(Loss) for the Period	28	(106,787,160)	(393,636,776)
Deferred Tax (Expense)/Income	15.2	10,678,716	84,626,372
Total Comprehensive Income for the Year		16,374,119,069	16,108,486,199
Earnings per Share (EPS)	30	18.58	18.52

The annexed notes form an integral part of these financial statements.



Samuel S Chowdhury
Chairman

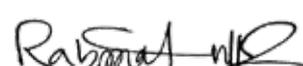


Tapan Chowdhury
Managing Director



Khandaker Habibuzzaman
Company Secretary

Signed in terms of our separate
report of even date annexed



AKM RAHMAT ULLAH, FCA, CPFA
Partner

Ahmed Zaker & CO.
Chartered Accountants
Enrollment No-0719

23 October 2023, Dhaka
DVC: 2310230719AS492444

SQUARE PHARMACEUTICALS PLC.

STATEMENT OF CHANGES IN EQUITY For the Year Ended 30 June 2023

Particulars	Share Capital	Share Premium	General Reserve	Fair Value Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka
As At 01 July 2022	8,864,510,100	2,035,465,000	105,878,200	830,615,740	81,170,886,049	93,007,355,089
Net Profit after Tax	-	-	-	-	16,470,227,513	16,470,227,513
Other Comprehensive Income (Net of Tax)	-	-	-	(96,108,444)	-	(96,108,444)
Cash Dividend for the year 2021-2022	-	-	-	-	(8,864,510,100)	(8,864,510,100)
As At 30 June 2023	8,864,510,100	2,035,465,000	105,878,200	734,507,296	88,776,603,462	100,516,964,058
Proposed Dividend (Cash @ 105%)						9,307,735,605

For the Year Ended 30 June 2022

Particulars	Share Capital	Share Premium	General Reserve	Fair Value Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka
As At 01 July 2021	8,864,510,100	2,035,465,000	105,878,200	1,139,626,144	70,072,095,506	82,217,574,950
Net Profit after Tax	-	-	-	-	16,417,496,603	16,417,496,603
Other Comprehensive Income (Net of Tax)	-	-	-	(309,010,404)	-	(309,010,404)
Cash Dividend for the year 2020-2021	-	-	-	-	(5,318,706,060)	(5,318,706,060)
As At 30 June 2022	8,864,510,100	2,035,465,000	105,878,200	830,615,740	81,170,886,049	93,007,355,089
Dividend (Cash @ 100%)						8,864,510,100

The annexed notes form an integral part of these financial statements.


Samuel S Chowdhury
Chairman


Tapan Chowdhury
Managing Director


Khandaker Habibuzzaman
Company Secretary

23 October 2023, Dhaka
DVC: 2310230719AS492444

SQUARE PHARMACEUTICALS PLC.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Cash Flows from Operating Activities:			
Receipts from Customers		68,238,621,872	66,008,198,046
Receipts from Others		215,159,055	126,812,094
Payments to Suppliers		(24,080,940,983)	(21,490,566,384)
Payments for Manufacturing and Operating Expenses		(20,832,205,578)	(18,014,135,969)
Payment of Value Added Tax		(9,185,006,544)	(8,809,018,591)
Cash Generated from Operations		14,355,627,823	17,821,289,195
Interest Paid		(21,966)	(29,491)
Payment of Income Tax		(5,124,279,199)	(4,479,719,825)
Payment to WPPF & WF	17	(1,051,227,994)	(937,796,627)
Others		(49,525,453)	(58,108,805)
Net Cash Generated from Operating Activities		8,130,573,211	12,345,634,446
Cash Flows from Investing Activities:			
Acquisition of Property, Plant and Equipment		(2,341,111,651)	(3,001,781,789)
Proceeds from Sale of Property, Plant and Equipment		78,331,531	130,700,166
Investment in Subsidiaries and Associates		(52,530,000)	(900,000,000)
Long Term Investment - Others		(597,315,847)	(1,416,175,769)
Investment in Marketable Securities		(260,698,045)	213,339,812
Interest Received		3,874,913,010	2,890,660,506
Dividend Received	26	552,966,126	395,011,790
Net Cash from/(used) in Investing Activities		1,254,555,124	(1,688,245,284)
Cash Flows from Financing Activities:			
Payment of Dividend		(8,802,918,480)	(5,301,732,420)
Transfer of Unclaimed Dividend to Capital Market Stabilisation Fund		(32,229,859)	(262,503,350)
Net Cash Used in Financing Activities		(8,835,148,339)	(5,564,235,770)
Net Increase/(Decrease) in Cash and Cash Equivalents		549,979,996	5,093,153,392
Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents		624,810,186	456,279,255
Cash and Cash Equivalents at 01 July		48,904,402,066	43,354,969,418
Cash and Cash Equivalents at 30 June		50,079,192,249	48,904,402,066
Net Operating Cash Flow (NOCF) per Share	31	9.17	13.93

The annexed notes form an integral part of these financial statements.


Samuel S Chowdhury
Chairman


Tapan Chowdhury
Managing Director


Khandaker Habibuzzaman
Company Secretary

23 October 2023, Dhaka
DVC: 2310230719AS492444

SQUARE PHARMACEUTICALS PLC.

Notes to the Financial Statements
For the Year Ended 30 June 2023

1. Corporate Profile

1.1 The Company

Square Pharmaceuticals PLC. ('SPL'/'the Company') is a Bangladeshi multinational pharmaceuticals company leading the local market since 1985. The Company was initially incorporated as a private limited company on November 10, 1964, under the Companies Act, 1913 and later converted into a public limited company in 1991. The Company made its shares available to the public through Initial Public Offering in December 1994. The Company's shares are being traded on the Dhaka Stock Exchanges and Chittagong Stock Exchanges.

1.2 Address of Registered Office and Factories

Headquartered in Dhaka, the Company has its registered address at 'Square Centre', 48 Mohakhali C.A, Dhaka-1212, Bangladesh. Its two principal manufacturing facilities are located in Pabna (Salgaria, Pabna, Bangladesh) and Dhaka (Kaliakoir, Gazipur, Bangladesh).

1.3 Nature of Business

The main activities of the Company are to manufacture and market generic pharmaceutical products, basic chemical products and animal health products. Additionally, the Company is engaged in the marketing of crop care products.

2. Basis of Preparation of Financial Statements

2.1 Statement of Compliance

These financial statements as at and for the year ended 30 June 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the Financial Reporting Council (FRC), the Companies Act, 1994, the Bangladesh Securities and Exchange Rules, 2020 and the Financial Reporting Act, 2015. These standalone financial statements have been prepared on accrual basis.

The standalone financial statements for the year ended 30th June 2023 were approved by the Board of Directors and authorized for issue on 22nd October 2023.

2.2 Basis of Measurement

These financial statements have been prepared on the historical cost convention and by following accrual basis except for inventories (measured at lower of cost or net realizable value), investment in marketable securities (measured at fair value) and trade receivables which have been measured at net realizable value.

2.3 Functional and Presentation Currency

The financial statements are presented in Bangladeshi Taka (Taka/Tk/BDT), being both the functional and presentation currency of the Company, unless specifically mentioned otherwise. Monetary values in the financial statements have been rounded off to the nearest Taka.

2.4 Estimates and Judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Historical experience, along with other factors like expectations pave the way for such judgment and estimates. Therefore, these estimates may not be the same as the actual results.

The underlying assumptions and estimates are reviewed at regular intervals. In the event of any revisions to accounting estimates, the changes are recognized prospectively in the concerned periods.

2.5 Going Concern

The Company reviews the available resources periodically to assess whether there exists any going concern threat. As at the end of the reporting period on 30th June 2023, the Company assessed that the

existing resources of the Company are adequate and the Company has no going concern threat in the foreseeable future. As such, these financial statements have been prepared on a going concern basis.

3. Significant Accounting Policies

Accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Current versus Non-Current Classification

The classification of assets and liabilities as current and non-current has been made as per the Company's conventional operating cycle and other criteria as prescribed by IAS 1—Presentation of Financial Statements.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended to be sold or consumed in, the Company's normal operating cycle;
- it is held primarily for the purpose of trading;
- it is expected to be realized within twelve months after the reporting period; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting period; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets and liabilities include the current portion of non-current assets and liabilities respectively. All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

3.2 Property, Plant and Equipment

Initial Recognition and Measurement

Property, plant and equipment (PPE) are initially recorded at cost of purchase or construction. Cost includes directly attributable expenses related to the acquisition of the assets including import duties, non-refundable VAT/taxes, duties and any cost incurred in preparing the asset for intended use by the Company. In case of self-constructed assets, the cost includes cost of material, direct labor and other directly attributable costs to complete the assets and make them ready for the intended use.

Subsequent Measurements

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses (if any). Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. The carrying amount of the replaced part is derecognized. Cost of day-to-day servicing of PPE is recognized in statement of profit or loss as incurred.

Depreciation

Depreciation of an asset begins when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal

group that is classified as held for sale) in accordance with IFRS 5–Non-current Assets Held for Sale and Discontinued Operations and the date that the asset is derecognized. Freehold land is not depreciated as it is deemed to have an infinite useful life.

The Company has adopted the reducing balance method to charge depreciation on all of its Depreciable Assets. Rates at which various classes of Depreciable Assets are depreciated are given below:

Asset Category	Rate	Asset Category	Rate
Building and Other Constructions	10%	Electrical Installation	15%
Boundary Wall	10%	Gas Line Installation	15%
Plant & Machinery	15%	Books and Periodicals	30%
Laboratory Equipment	10%	Electro-Mechanical Equipment	15%
Office Equipment	10%	Software	20%
Furniture & Fixture	10%	Computer and VSAT	10%
Motor Vehicle	20%	Motor Cycle	20%

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Depreciation on additions/disposals is provided on a pro-rata basis i.e., from/up to the date on which asset is ready for use/disposal.

Derecognition

Assets are derecognized at the time of disposal or when no further economic benefits are expected. On disposal, the cost and related accumulated depreciation and impairments are removed from the financial statements and the net amount, less any proceeds, is taken to the statement of profit or loss.

3.3 Intangible Assets

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognized when all the conditions for recognition as per IAS 38–Intangible Assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. There were no internally developed intangible assets during the year.

3.4 Property, Plant and Equipment in Transit

These represent property, plant and equipment that are yet to become available for the intended use by the Company as of the reporting date. These assets are mostly imported equipment that has already been dispatched by the provider but has not been received by the company as of the reporting date.

3.5 Capital Work-in-Progress

Capital work-in-progress consists of cost incurred for the acquisition and/or construction of items of property, plant and equipment that are yet to become available for use. Spare Parts that are expected to be used for more than one year are treated as capital work-in-progress. In the case of import of components, capital work in progress is recognized when risks and rewards associated with such assets are transferred to the Company.

3.6 Impairment

Assessment for any indication of impairment of any of the assets is conducted annually to evaluate whether that asset is impaired or not. If any such indication exists, the asset's recoverable amount is estimated and compared to its carrying value.

When the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, an impairment loss is recognized immediately in the statement of profit or loss. During the reporting year, no indication of impairment of any assets was found.

3.7 Investment Property

Investment property comprises non-owner occupied property (lands and/or buildings) held with the intention of earning rental income or for capital appreciation or both. An investment property is measured initially at cost. For subsequent measurement, the Company uses the cost model as its accounting

policy for all investment properties. Under the cost model, investment property is measured at cost less accumulated depreciation and any accumulated impairment losses. However, fair value is disclosed as per the requirement of IAS 40—Investment Property.

Investment property is derecognized when disposed of or when no future economic benefits are expected from the disposal. Any gain or loss arising from derecognition of the property is recognized in the statement of profit or loss in the period in which the property is derecognized.

3.8 Foreign Currency Transactions

Transactions in foreign currencies are recorded in the Company's functional currency at the exchange rates prevailing on the respective date of such transactions as suggested by IAS 21—The Effects of Changes in Foreign Exchange Rates. Monetary assets and liabilities in foreign currencies are converted into functional currency at the spot exchange rate at the reporting date. Gains or Losses from foreign currency transactions are reported on a net basis. These primarily include exchange differences arising from the settlement or translation of monetary items.

3.9 Financial Instruments

3.9.1 Financial Assets

a) Investments in Subsidiaries & Associates

Investments in subsidiaries & associates are recognized initially at cost plus any directly attributable transaction costs. Subsequent to initial recognition, investment in subsidiaries as well as in associates are measured at cost less impairment loss if any.

b) Investments in Marketable Securities

Investments in Marketable Securities are measured at fair value. Unrealized gains or losses on these financial assets are recognized in 'Other Comprehensive Income'. At the time of derecognition, related gains or losses are transferred to 'Profit or Loss' from 'Other Comprehensive Income'.

c) Long Term Investment - Others

Investment in other long-term financial assets includes investment in various types of assets like Unquoted Shares, Zero Coupon Bonds, and Subordinated Bonds, etc. These investments are initially recognized at cost plus any directly attributable transaction costs and subsequently at amortized cost. Gains or Interest income on these assets are recognized in the Statement of Profit or Loss. In case of any impairment of such assets, the amortized cost is adjusted to the extent of impairment and the loss is charged in the Statement of Profit or Loss for the relevant financial year.

d) Trade and Other Receivables

Trade receivables represent the amount due from customers arising from transactions in the ordinary course of business. Other receivables consist of interest or gains from investments, rental income and commission income that are yet to be received. Aging calculation is prepared to assess the probability of non-recovery of any receivables.

Receivables are initially recognized at face value, and subsequently assessed for recoverability and are reported accordingly. The Company regularly assesses whether provision for bad debt is required and if needed, accounts for it.

e) Advances, Deposits and Prepayments

- Advances are recognized initially at actual cost and deductions or adjustments are accounted for in a timely and suitable manner.
- Deposits are payments made for specific purposes which are expected to be realized or recovered in the ordinary course of the business.
- After initial recognition at cost, prepayments are carried at cost less the amount charged for respective periods.

f) Cash & Cash Equivalents

Cash and cash equivalents comprise cash in hand, in transit and at banks on current and deposit accounts which are readily convertible to a known amount of cash, subject to an insignificant risk of changes in value, and used by the Company without any restrictions except for the 'Dividend Account'.

3.9.2 Financial Liabilities**Trade and Other Payables**

Trade payables include amounts due to suppliers and other relevant parties in relation to the operating activities while other payables consist of amounts payable to all the other parties not directly related to the operation of the Company. These payables are recognized initially at fair value less any directly attributable transaction costs and subsequently measured at amortized cost.

3.10 Inventories

Except for Goods-in-Transit, which is measured at cost, all other components of inventories are measured at lower of cost and net realizable value. Net realizable value is derived by deducting any expenses incurred to make the sale from the estimated selling price in the ordinary course of business.

Cost of raw materials and consumable spare parts are determined based on the weighted average method. Work-in-process is stated at cost to complete of respective products. Cost comprises purchase costs, conversion costs and other costs incurred in bringing them to their existing location and condition. Conversion costs include systematically allocated production overheads that are incurred in converting raw materials into finished goods.

Goods-in-Transit represents the cost incurred till the reporting date for the items of inventories that are yet to be received.

Spare goods consist of spare and replacement parts and supplies used in or to facilitate the production of finished goods in the ordinary course of business but do not include raw materials, work-in-process or packaging materials.

Any obsolete stock or abnormal loss incurred are recognized as expenses in the respective period.

3.11 Employee Benefits**a) Short-term Benefits**

Short-term benefits consist of wages, salaries, allowances and bonuses. These obligations are recognized and expended in the respective periods when the related services are obtained. Any amount not paid is recognized as a liability (undiscounted) at the end of the year.

Minimum Wages

The company has complied with the Minimum Wages Gazette Notification: SRO No. 39/Law/2017, dated: 23 February 2017 and there are no employees to receive below the prescribed minimum wages during the reporting year.

b) Gratuity Fund

The Company has established a gratuity fund as a defined benefit plan for its permanent employees that is approved by the National Board of Revenue (NBR). The Company contributes a reliably estimated amount to the fund annually.

c) Recognized Provident Fund

The Company maintains a provident fund recognized by NBR for its permanent employees. This fund is managed by a Board of Trustees. Upon confirmation, each of the employees is required to become a member of the fund by contributing 10% of their basic salary. The Company makes a similar contribution. The total contribution is invested separately from the Company's assets by the Board of Trustees following the rules and regulations of the Bangladesh Labor Act, 2006 (amended in 2018).

The Company recognizes the contribution as an expense when the conditions are met. The legal and constructive obligation is limited to the amount the Company agrees to contribute to the fund.

d) Group Insurance Policy

The employees are insured under a group insurance policy. The premium of the insurance is fully paid by the Company and the amount is charged to the Statement of Profit or Loss.

e) Workers Profit Participation Fund and Workers Welfare Fund

The Company allocates and transfers 5% of net profit before tax after charging such expenses to Workers Profit Participation Fund and Workers Welfare Fund in accordance with the Bangladesh Labor Act, 2006 (amended in 2018).

3.12 Provisions & Contingencies

Provisions are made considering risks and uncertainties at reliable estimates of the probable outflow of resources that would be required to settle current obligations. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities and assets are current or possible obligations on liabilities or assets, arising from past events and the existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company. No contingent liabilities were recognized in the standalone financial statements.

3.13 Related Party Disclosures

As per IAS 24—Related Party Disclosures, parties are considered to be related if one of the parties can control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note—36 of the Financial Statements.

3.14 Operating Income

a) Revenue from Contracts with Customers:

Sales of Goods:

Revenue is recognized for local sales of Pharmaceuticals Drugs and Medicines, AgroVet Products, Crop Care Products and Herbal & Nutraceuticals Products at the time of delivery from the depot and Exports of Pharmaceuticals Drugs and Medicines at the time of delivery from Factory Godown. Local sales of Basic Chemical Products are recognized at the time of delivery from Factory Godown. Revenue is recognized when goods are supplied to external customers against orders received, title and risk of loss are transferred to the customer, and reliable estimates can be made that relevant obligations have been fulfilled, such that the earnings process is regarded as being completed.

b) Export Incentives

Export entitlements from government authorities are recognized in the Statement of Profit or Loss as Other Operating Income when the right to receive credit as per terms of the respective schemes is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

3.15 Other Income

a) Interest Income

Interest income comprises interest on financial instruments maintained with financial institutions and others. The amount of interest income is recognized on an accrual basis with reference to the effective interest rate method as per IFRS 9 – Financial Instruments.

b) Dividend Income

Dividend income arises from marketable securities and equity investments in other entities. Dividend income is recognized when the right to receive the dividend is established.

c) Others

Gains or losses from various investments like Zero Coupon Bonds, Marketable Securities are included in Other Income. The associated cash flows are classified as investing activities in the statement of cash flows.

3.16 Leases

The Company entered rental (lease) agreements with lessors to use floor spaces for business purposes. It does not include any machinery, software, vehicles etc. These rental agreements are one-year cancellable contracts (by both parties with three months' notice period). The contracts do not offer any buying option, commitment to buy or any assurance of post-use minimum market price for the used floor spaces.

IFRS 16—Leases dictates that leases with shorter contract tenor and an immaterial amount of rental expenses with respect to total revenue shall not be considered as a finance lease. As such, the lease agreements the Company entered are not treated as finance leases. Payments associated with these (short-term) leases are recognized on a straight-line basis as an expense in the Statement of Profit or Loss.

Contract Period	Amount of Rental Expenses	% of Total Revenue
01 Year	BDT 52,203,288	0.0750%

3.17 Income Tax**Current Tax**

Current tax for the period is the expected tax payable based on the taxable income and relevant tax rate for the year. Taxable income differs from accounting income for several reasons like items that may never be taxable or deductible for tax purposes and other items which may be deductible or taxable in different periods. Being a publicly traded pharmaceuticals company, the applicable tax rate for SPL is 22.5% the reporting period.

Deferred Tax

Deferred tax arises due to the temporary differences between the carrying amounts and tax bases of assets and liabilities. The amount of deferred tax provided is based on the expected manner of recovery or settlement of the carrying amount of assets and liabilities using tax rates as applicable at the reporting period.

3.18 Earnings per Share (EPS)

Earnings per Share (Basic) is derived by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. When a bonus issue takes place after the reporting date but before the financial statements are authorized for issue, the number of shares in the EPS calculation is adjusted for the current and prior periods as though the bonus issue took place during the current year.

Weighted Average Number of Ordinary Shares

The number of shares is determined by relating the portion of time within a reporting period that a particular number of shares has been outstanding to the total time in that period. The Company issued no bonus shares for the financial year. As such, the weighted average number of shares remained the same as the previous year.

3.19 Statement of Cash Flows

Cash Flow Statement has been prepared using 'Direct Method' as recommended by IAS 7 – Statement of Cash Flows. A reconciliation of 'Direct Method' vs 'Indirect Method' has been presented in Note–31 as per the direction of the Bangladesh Securities and Exchange Commission (BSEC/CMRRCD/2006-158/208/ Admin/81; dated: 20 June 2018).

3.20 Materiality and Aggregation

Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function. The Company presents each material class of similar items separately in the financial statements while items of dissimilar nature or function are presented separately unless they are immaterial.

Net Profit before Tax for the year was not materially affected by:

- transaction of a nature not usually undertaken by the Company;
- circumstances of an exceptional or non-recurring nature;
- charges or credits relating to prior years; and
- changes in accounting policies.

3.21 Offsetting

No assets and liabilities or income and expenses are being offset that may contradict the requirements of any IFRS or IAS.

3.22 Concentration of Counterparty Risk

As of the reporting date, the Company does not have any significant concentration of business transacted with a particular customer, supplier or lender that could, if suddenly eliminated, have severely impacted the Company's operations. The Company also does not have any concentration of available sources of labor, service or licenses or other rights that could, if suddenly eliminated, have a severe impact on the operations of the Company.

3.23 Operating Segments

As there is a single business segment within which the Company operates, no operating segment reporting was felt necessary.

3.24 Unrealized Gain/(Loss) on FVOCI Financial Assets

It derives mainly due to the changes in the market price of the Marketable Securities. The Company has reported unrealized gain/(loss) from Marketable Securities as Other Comprehensive Income in the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Changes in Equity in conformity with IAS 12 – Income Taxes and IFRS 9 – Financial Instruments. As per SRO no.: 196-Act/Income tax/2015, any Capital gain arising from Marketable Securities (Stocks/Debentures listed with Stock Exchanges) is subject to Tax @ 10%.

3.25 Research, Development and Experimental Costs

In compliance with the requirements of IAS 38 – Intangible Assets, research, development and experimental costs are usually absorbed as revenue expenses as and when incurred, not being that much material in the Company's context.

3.26 Comparative Information

The comparative figures have been regrouped, reclassified or modified from previously published interim and annual Financial Statements to facilitate any necessary presentational changes to conform to the current year's presentation.

Comparative information has been disclosed in respect of the previous year for all numerical information in the current financial statement. Narrative and descriptive information for comparative information has also been disclosed whenever it is relevant for the understanding of the current year's financial statements.

3.27 Events After Reporting Period

Events after the reporting period that provide additional information about the Company's position at the reporting date are reflected in the financial statements. Material events after the reporting period that are not adjusting events are disclosed by way of note. There is no significant event other than normal activities between the Financial Year end and Financial Statements approval date.

Update on Fire Incident at Large Volume Parenteral (LVP) Plant of SPL:

On 23rd May 2022, the Large Volume Parenteral (LVP) plant at the factory premises in Gazipur was heavily damaged by a fire that left the plant in a dilapidated condition with zero casualties. The total insured value of the plant including its building, machinery and plant was Tk. 1,710,953,808. As of the approval date of these financial statements, the insurers have completed their assessment and approved Tk. 1,603,792,370 (shown as Other Receivables in Note-9 of the Financial Statements) of which Tk. 910,818,474 has been received.

Particulars	Amount in Taka	
	30 June 2023	30 June 2022
4. Property, Plant and Equipment: Tk. 21,767,202,106		
Cost:		
Opening Balance	43,719,669,981	41,570,311,740
Addition during the Year	2,966,263,204	2,408,952,601
	46,685,933,185	43,979,264,341
Disposal/Transfer during the Year	(3,626,392,523)	(259,594,360)
Closing Balance	43,059,540,662	43,719,669,981
Accumulated Depreciation:		
Opening Balance	23,446,178,095	21,793,391,083
Charged for the Year	1,822,464,530	1,835,173,760
	25,268,642,625	23,628,564,843
Disposal/Transfer during the Year	(2,179,228,686)	(182,386,748)
Closing Balance	23,089,413,939	23,446,178,095
Net Book Value	19,970,126,723	20,273,491,886
Property, Plant and Equipment in Transit (Note - 4.1)	715,369,536	521,564,753
Building under Construction (Note - 4.2)	1,081,705,847	2,066,237,283
Written Down Value	21,767,202,106	22,861,293,922
Details of property, plant and equipment are shown in the annexed Schedule - 1.		
Allocation of Depreciation Charged for the Year:		
Manufacturing Overhead (Note - 22.4)	1,484,530,007	1,514,022,727
Selling and Distribution Expenses (Note - 23)	238,351,175	219,764,727
Administrative Expenses (Note - 24)	99,583,348	101,386,306
	1,822,464,530	1,835,173,760
4.1 Property, Plant and Equipment in Transit: Tk. 715,369,536		
Opening Balance	521,564,753	646,809,312
Addition during the Year	832,310,716	1,271,900,734
	1,353,875,469	1,918,710,046
Transfer during the Year	(638,505,933)	(1,397,145,293)
Closing Balance	715,369,536	521,564,753
4.2 Building under Construction: Tk. 1,081,705,847		
Opening Balance	2,066,237,283	1,345,864,835
Addition during the Year	580,259,733	1,280,219,869
	2,646,497,016	2,626,084,704
Transfer during the Year	(1,564,791,169)	(559,847,421)
Closing Balance	1,081,705,847	2,066,237,283
5. Investment in Subsidiaries and Associates: Tk. 2,624,852,483		
Subsidiaries:	2,037,772,688	1,985,242,688
(a) 4,000,000 Ordinary Shares in Square Pharmaceuticals Kenya EPZ Ltd.	332,000,000	332,000,000
(b) Share Money Deposit in Square Pharmaceuticals Kenya EPZ Ltd.	653,742,688	653,742,688
(c) 9,995,000 Ordinary Shares of Tk. 100/- each in Square Lifesciences Ltd., Bangladesh	999,500,000	999,500,000
(d) Share Money Deposit in Samson Pharma Inc., The Philippines	52,530,000	-
Associates:	587,079,795	587,079,795
(a) Square Textiles PLC. (91,436,677 Ordinary Shares of Tk. 10/- each including Bonus Shares)	225,129,795	225,129,795
(b) Square Hospitals Ltd. (199,750 Ordinary Shares of Tk. 1,000/- each plus Share Premium)	210,750,000	210,750,000
(c) Square Fashions Ltd. (462,000 Ordinary Shares of Tk. 100/- each plus Share Premium)	151,200,000	151,200,000
	2,624,852,483	2,572,322,483

Particulars	Amount in Taka			
	30 June 2023		30 June 2022	
6. Investment in Marketable Securities: Tk. 4,589,867,031				
Particulars	2022-2023 (Jul'22-Jun'23)		2021-2022 (Jul'21-Jun'22)	
	Cost	Market Value	Cost	Market Value
Opening Balance	3,423,864,487	4,346,770,865	3,307,788,552	4,624,331,706
Addition during the Year	416,887,430	399,285,550	627,115,212	562,894,183
Sold during the Year	(67,004,104)	(156,189,384)	(511,039,277)	(840,455,024)
Closing Balance	3,773,747,813	4,589,867,031	3,423,864,487	4,346,770,865
7. Long Term Investment - Others: Tk. 5,603,691,927				
Ordinary Shares (Unquoted):			27,694,430	27,694,430
(a) United Hospital Ltd. (120,000 Ordinary Shares of Tk.100/- each)			12,000,000	12,000,000
(b) Central Depository Bangladesh Ltd. (5,711,804 Ordinary Shares of Tk. 10/- each)			15,694,430	15,694,430
Non-Convertible Zero Coupon Bonds:			975,997,497	1,478,681,650
(c) Envoy Textiles Ltd.			-	10,907,299
(d) LankaBangla Finance Ltd. (249 Bonds)			208,477,968	360,363,204
(e) Brac Bank Ltd. (350 Bonds)			346,041,600	402,509,850
(f) Sajida Foundation Ltd. (200 Bonds)			174,380,055	362,989,522
(g) IDLC Finance Ltd. (480 Bonds)			247,097,874	341,911,775
Non-Convertible Subordinated Bonds:			4,600,000,000	3,500,000,000
(h) Mutual Trust Bank Ltd. (260 Bonds)			2,600,000,000	2,000,000,000
(i) Southeast Bank Ltd. (5,000 Bonds)			500,000,000	500,000,000
(j) Islami Bank Bangladesh Ltd. (50 Bonds)			500,000,000	500,000,000
(k) Trust Bank Ltd. (50 Bonds)			500,000,000	500,000,000
(l) Eastern Bank Ltd. (50 Bonds)			500,000,000	-
			5,603,691,927	5,006,376,080
8. Inventories: Tk. 10,051,709,290				
Raw Materials:			3,389,777,254	2,707,894,958
Packing Materials			1,059,984,113	856,951,586
Work-in-Process			534,754,619	446,012,445
Finished Goods			3,322,480,192	2,549,985,110
Spares & Accessories			928,315,596	846,188,354
Goods- in-Transit			816,397,516	769,743,345
			10,051,709,290	8,176,775,798
9. Trade and Other Receivables: Tk. 6,461,221,914				
Trade Receivables (Note-9.1)			3,392,944,797	2,159,066,716
Other Receivables (Note-9.2)			3,068,277,117	1,236,013,746
			6,461,221,914	3,395,080,462
9.1 Trade Receivables: Tk. 3,392,944,797				
(a) Trade receivables occurred in the ordinary course of business are unsecured but considered good.				
Ageing of the Trade Receivables:				
Below 30 days			2,432,187,285	1,794,658,433
Within 31-60 days			247,717,545	100,142,561
Within 61-90 days			109,945,444	91,454,150
Above 90 days			603,094,523	172,811,572
			3,392,944,797	2,159,066,716

Particulars	Amount in Taka	
	30 June 2023	30 June 2022
(b) Above receivables include Tk. 461,233,704 due from export sales of which Tk. 306,717,269 has since been realised.		
(c) No amount was due by the Directors (incl. MD), Managing Agent of the company and any of them severally or jointly with any other person.		
(d) There was also no other amount due by associate undertakings.		
9.2 Other Receivables: Tk. 3,068,277,117		
Interest Receivable from Fixed Deposit Receipts	803,553,263	1,132,982,469
Interest Receivable from Short Notice Deposits	11,655,648	-
Gain against Zero Coupon Bonds (Receivable)	107,963,299	50,278,415
Interest Receivable from Subordinated Bonds	73,060,411	52,752,862
Accrued Income	468,252,126	-
Insurance Claim Receivable	1,603,792,370	-
	3,068,277,117	1,236,013,746
10. Advances, Deposits and Prepayments: Tk. 3,577,391,473		
Advances:	2,524,499,710	1,364,983,194
Employees	361,960,283	304,395,010
Land Purchase	28,617,600	14,204,677
Advance Income Tax	-	200,000,000
Suppliers	2,133,921,827	846,383,507
Deposits:	978,259,346	856,130,159
Value Added Tax	555,430,337	473,471,125
Earnest Money & Security Deposit	422,542,939	373,017,486
Others	286,070	9,641,548
Prepayments:	74,632,417	51,051,837
Office Rent	10,303,999	6,170,743
Insurance Premium	64,328,418	44,881,094
	3,577,391,473	2,272,165,190
(a) Advance to employees includes advance given to officers of Tk. 361,667,300.		
(b) No amount was due by the Directors (including Managing Director) and Managing Agents of the company and any of them severally or jointly with any other person except as stated in (a) above.		
(c) No amount was due by the associate undertakings.		
11. Cash and Cash Equivalents: Tk. 50,079,192,249		
(a) Cash in Hand	11,755,178	5,686,111
(b) Cash at Bank:	16,506,902,139	2,825,974,570
* Current Accounts	479,575,508	693,577,697
* STD & SND Accounts	14,906,548,891	1,812,598,384
* Export Retention Quota Accounts (held in USD)	429,895,379	249,682,906
* Margin Held Accounts (held in USD)	531,884,571	14,162,725
* Dividend Accounts	158,997,790	55,952,858
(c) Fixed Deposit Receipts (FDRs):	33,560,534,932	46,072,741,385
* FDRs held in BDT	30,808,367,726	41,528,858,059
* FDRs held in USD	2,752,167,206	4,543,883,326
	50,079,192,249	48,904,402,066

Particulars	Amount in Taka	
	30 June 2023	30 June 2022
12. Share Capital: Tk. 8,864,510,100		
Authorised:		
1,000,000,000 Ordinary Shares of Tk. 10/- each	<u>10,000,000,000</u>	<u>10,000,000,000</u>
Paid-up:		
a) Issued for Cash:		
10,092,300 Ordinary Shares of Tk. 10/- each fully paid-up in cash	100,923,000	100,923,000
b) Issued for Consideration other than Cash:		
40,020 Ordinary Shares of Tk. 10/- each fully paid-up for consideration other than cash	400,200	400,200
c) Issued as Bonus Share:		
876,318,690 Ordinary Shares of Tk. 10/- each fully paid-up as Bonus Shares	8,763,186,900	8,763,186,900
	<u>8,864,510,100</u>	<u>8,864,510,100</u>
Composition & Classification of Share Capital is shown in the annexed Schedule-2.		
13. Fair Value Reserve: Tk. 734,507,296		
Opening Balance	830,615,740	1,139,626,144
Add: Unrealised Gain/(Loss) on FVOCI Financial Assets for the Year (Note-28)	(106,787,160)	(393,636,776)
Less: Current Year's Deferred Tax (Expense)/Income (Note-15.2)	10,678,716	84,626,372
Closing Balance	<u>734,507,296</u>	<u>830,615,740</u>
14. Retained Earnings: Tk. 88,776,603,462		
Opening Balance	81,170,886,049	70,072,095,506
Add: Net Profit/(Loss) for the Year	16,470,227,513	16,417,496,603
Less: Cash Dividend	(8,864,510,100)	(5,318,706,060)
Closing Balance	<u>88,776,603,462</u>	<u>81,170,886,049</u>
15. Deferred Tax Liabilities: Tk. 1,026,086,605		
Deferred Tax-Property, Plant and Equipment (Note-15.1)	944,474,683	1,086,449,652
Deferred Tax-FVOCI Financial Assets (Note-15.2)	81,611,922	92,290,638
	<u>1,026,086,605</u>	<u>1,178,740,290</u>
15.1 Deferred Tax - Property, Plant and Equipment: Tk. 944,474,683		
Property, plant and equipment (Carrying Amount)	14,781,663,185	13,902,912,754
Property, plant and equipment (Tax Base)	<u>10,583,997,926</u>	<u>9,074,247,632</u>
Taxable/(Deductible) Temporary Difference	4,197,665,259	4,828,665,122
Tax Rate	22.50%	22.50%
Closing Deferred Tax Liabilities	944,474,683	1,086,449,652
Opening Deferred Tax Liabilities	1,086,449,652	1,097,936,007
Current Year's Deferred Tax Expense/(Income)	<u>(141,974,969)</u>	<u>(11,486,354)</u>
* Property, plant and equipment exclude Lands, PPE in transit and assets under construction.		
15.2 Deferred Tax - FVOCI Financial Assets: Tk. 81,611,922		
FVOCI Financial Assets-Carrying Amount	4,589,867,031	4,346,770,865
FVOCI Financial Assets-Tax Base	<u>3,773,747,813</u>	<u>3,423,864,487</u>
Taxable/(Deductible) Temporary Difference	816,119,218	922,906,378
Tax Rate	10.00%	10.00%
Closing Deferred Tax Liabilities	81,611,922	92,290,638
Opening Deferred Tax Liabilities	92,290,638	176,917,010
Current Year's Deferred Tax Expense/(Income)	<u>(10,678,716)</u>	<u>(84,626,372)</u>

Particulars	Amount in Taka	
	30 June 2023	30 June 2022
16. Trade Payables	799,397,133	625,984,907
This represents amount payable to regular suppliers of raw materials, packing materials, promotional materials etc. All suppliers were paid on a regular basis.		
17. Other Payables: Tk. 1,682,969,880		
Sundry Creditors	590,342,852	424,628,169
Income Tax (Deduction at Source)	17,586,331	16,825,193
Retention Money	20,184,576	8,749,849
Workers' Profit Participation Fund and Welfare Fund (Note-17.1)	1,054,856,121	1,051,227,994
	1,682,969,880	1,501,431,206
17.1 Workers' Profit Participation Fund and Welfare Fund: Tk. 1,054,856,121		
Opening Balance	1,051,227,994	937,796,627
Add: Allocation for the Year	1,054,856,121	1,051,227,994
Less: Payment made during the Year	(1,051,227,994)	(937,796,627)
Closing Balance	1,054,856,121	1,051,227,994
18. Current Tax Liabilities: Tk. 356,095,553		
Opening balance	911,504,873	572,675,072
Provision for the Year	4,768,869,879	4,618,549,626
Tax Paid (including Advance Income Tax) during the Year	(5,324,279,199)	(4,279,719,825)
	356,095,553	911,504,873
19. Accrued Expenses: Tk. 214,617,454		
Accrued Expenses	213,517,454	179,844,472
Audit Fees	1,100,000	690,000
	214,617,454	180,534,472
20. Unclaimed Dividend: Tk. 158,997,790		
Opening balance	129,636,029	375,165,739
Addition during the Year	68,298,111	55,942,663
Paid during the Year	(6,706,491)	(38,969,023)
Transferred to Capital Market Stabilisation Fund	(32,229,859)	(262,503,350)
	158,997,790	129,636,029
20.1 Summary of Unclaimed Dividend:		
Financial Year: 2018-19	-	15,406,277
Financial Year: 2019-21 (Unspecified)	-	59,607,250
Financial Year: 2019-20	39,051,584	24,407,570
Financial Year: 2020-21	51,648,095	30,214,932
Financial Year: 2021-22	68,298,111	-
	158,997,790	129,636,029
	2022-2023	2021-2022
21. Gross Revenue: Tk. 69,573,802,661		
Revenue was recognized at a point of time. Segregation of Revenue from Customers is shown below:		
Revenue from Local Sales	67,617,404,495	64,706,688,984
Revenue from Export Sales	1,956,398,166	1,700,270,966
Equivalent to US \$ 19,550,405 (Jul'21-Jun'22: US \$ 19,977,543)		
	69,573,802,661	66,406,959,950

(i) Revenue was generated from 647 Pharmaceuticals Products, 23 Basic Chemicals & Pellet Products, 167 Locally Produced & Imported AgroVet Products, 39 Crop Care Products and 44 Herbal & Nutraceuticals Products. The summarized quantities are as under:

Particulars	Amount in Taka				
	2022-2023		2021-2022		
					(Quantity in Thousand)
Category	Unit	Opening 30.06.2022	Purchase/ Production	Sales/ Transfer	Closing 30.06.2023
Tablet	Pcs	761,521	7,508,349	7,125,649	1,144,221
Capsule	Pcs	305,163	1,771,017	1,781,847	294,333
Liquid	Bottles	19,986	163,559	168,007	15,538
Injectable (Vial & Ampoule)	Pcs	9,102	45,349	49,529	4,922
Infusion	Bags	561	48	590	19
ENT & Opthal Preparation	Phials	2,282	35,051	32,618	4,715
Cream, Ointment, Spray, Gel	Phials	3,889	59,486	59,594	3,781
Powder for Suspension	Bottles	3,343	33,725	33,711	3,357
Powder	Phials	2,194	23,773	22,271	3,696
Suppository	Pcs	11,849	87,670	85,511	14,008
Inhaler	Pcs	5,751	43,266	41,953	7,064
Insulin	Pcs	474	2,007	2,167	314
Sachet & Others	Pcs	1,162	21,025	21,057	1,130
Basic Chemical & Pellet	Kg	81	806	782	105

(ii) Toll Production & Import during the Year: 69,569 pcs tablets, 11,080 bottles of liquid products, 9,033 phials of Cream, Ointment, Spray & Gel and 2,553 bottles of Powder for Suspension

(iii) The basic chemicals and pellets have been transferred from chemical plant to pharma formulation plants of the company which has not been included in the revenue shown above.

Breakup of Stock Transfer is as under:

Particulars	Jul'22 - Jun'23		Jul'21 - Jun'22	
	Metric Ton	Taka	Metric Ton	Taka
1) Basic Chemicals	348	613,718,400	520	650,194,595
2) Pellet	231	326,781,009	262	405,670,813
		940,499,409		1,055,865,408

22. Cost of Goods Sold: Tk. 30,514,414,228

Raw Materials Consumed (Note - 22.1)	14,028,556,628	12,665,124,944
Packing Materials Consumed (Note - 22.2)	6,654,908,938	6,385,408,111
	20,683,465,566	19,050,533,055
Add: Opening Work-in-Process (Note - 22.3)	446,012,445	415,013,847
Less: Closing Work-in-Process (Note - 22.3)	(536,163,249)	(446,012,445)
TOTAL CONSUMPTION	20,593,314,762	19,019,534,457
Add: Manufacturing Overhead (Note - 22.4)	8,207,107,994	7,374,304,792
COST OF PRODUCTION	28,800,422,755	26,393,839,249
Finished Goods Consumed (Note - 22.5)	2,054,188,163	1,866,636,758
	30,854,610,919	28,260,476,007
Less: Cost of Physician Sample	(340,196,691)	(302,449,027)
	30,514,414,228	27,958,026,980

22.1 Raw Materials Consumed: Tk. 14,028,556,628

Opening Stock	2,707,894,958	2,647,266,800
Purchased during the year	14,765,633,648	12,725,753,102
Consumed during the year	(14,028,556,628)	(12,665,124,944)
Closing Stock	3,444,971,978	2,707,894,958
Loss by Fire - LVP Unit	(55,194,724)	-
Net Closing Raw Materials	3,389,777,254	2,707,894,958

Particulars	Amount in Taka	
	2022-2023	2021-2022

Movements in quantity and total value of raw materials during the year are stated below:

Particulars	PCs Cap-shell	Quantity (kgs)			Total Value (Taka)
		Active + Excipients	Colour, Coating + Flavour	Total	
	Opening	660,157,330	7,009,619	229,026	7,238,645
Purchase	1,826,882,937	43,297,564	675,448	43,973,012	14,765,633,648
Available for use	2,487,040,267	50,307,183	904,474	51,211,657	17,473,528,606
Closing	623,574,156	8,002,424	241,324	8,243,748	(3,444,971,978)
Consumption	1,863,466,111	42,304,759	663,150	42,967,909	14,028,556,628

Raw materials consists of 1,469 items of which 93.44% (in value) are imported.

22.2 Packing Materials Consumed: Tk. 6,654,908,938

Opening Stock	856,951,586	829,398,759
Purchased during the year	6,958,405,509	6,412,960,938
Consumed during the year	(6,654,908,938)	(6,385,408,111)
Closing Stock	1,160,448,157	856,951,586
Loss by Fire - LVP Unit	(100,464,044)	-
Net Closing Packing Materials	1,059,984,113	856,951,586

Movements in quantity and total value of packing materials during the year are stated below:

(Quantity in Thousand)

Category	Unit	Opening 30.06.2022	Purchase/ Production	Consumption	Closing 30.06.2023
Inner Carton	Pcs	52,231	322,166	293,045	81,352
Shipper's Carton	Pcs	2,387	12,446	12,754	2,079
Label	Pcs	68,803	321,503	316,321	73,985
Direction Slip	Pcs	45,511	269,508	252,201	62,818
Container	Pcs	5,686	48,528	50,033	4,181
Blister Foil/Alu Lid Foil	Kg	154	353	380	127
Strip Foil	Kg	72	423	417	78
PVC/PVDC/PE Film	Kg	419	1,055	1,083	391
Auto Bottom Foil	Kg	291	674	787	178
Bottle (PET/HDPE/Glass)	Pcs	16,147	233,446	234,137	15,456
Ampoule	Pcs	8,596	41,457	41,705	8,348
Vial	Pcs	6,939	18,153	17,270	7,822
HDPE/LDPE Bag	Pcs	1,425	2,698	3,244	879
Flip Off Seal & Tear off Seal	Pcs	5,476	24,274	20,988	8,762
P.P Cap/Plastic Closures & Others	Pcs	33,436	426,693	414,228	45,901
Tube	Pcs	11,440	58,845	59,955	10,330
Can	Pcs	828	4,901	4,921	808
Actuator	Pcs	1,878	2,950	3,432	1,396
Metered Valves	Pcs	3,363	8,870	9,574	2,659
Sachet	Kg	317	245	453	109
Syringe, Needle & Infusion Set	Pcs	2,055	4,913	4,857	2,111
Water for Injection	Pcs	4,881	12,266	14,207	2,940
Shrink Wrapping	Kg	728	9,920	8,363	2,285
Silica Gel, Gum Tape & Adhesive Tape	Pcs	9,653	29,097	28,311	10,439
Cup, Spoon, Dropper & Rubber Stopper	Pcs	24,697	181,312	181,190	24,819
Honey Comb	Pcs	198	263	391	70
Plastic Applicator	Pcs	1,195	4,870	4,848	1,217
Neck Lock & Zip Lock Bag	Pcs	892	6,262	6,346	808
Poly Pack, Poly Bag & Pouch Pack	Pcs	5,456	18,546	17,776	6,226
Consumables	Pcs	785	5,450	5,460	775

Packing materials consists of 8,874 items of which 27.57% (in value) are imported.

Particulars	Amount in Taka	
	2022-2023	2021-2022
22.3 Work-in-Process: Tk. 90,150,804		
Opening Stock	446,012,445	415,013,847
Processed during the year	90,150,804	30,998,598
Closing Stock	536,163,249	446,012,445
Loss by Fire - LVP Unit	(1,408,630)	-
Net Closing Work-in-Process	534,754,619	446,012,445
22.4 Manufacturing Overhead: Tk. 8,207,107,994		
Salaries & Wages / Salaries & Allowances	2,656,312,205	2,370,522,433
Contribution to Provident Fund	59,694,223	51,122,094
Contribution to Gratuity Fund	227,502,173	161,781,772
Employee Benefits & Welfare	159,682,597	155,644,172
Factory Staff Uniform	102,245,364	97,752,877
Traveling & Conveyance	55,380,010	50,587,271
Printing & Stationery	81,245,901	78,137,099
Postage, Telephone & Fax	9,456,332	9,035,297
Repairs & Maintenance	1,146,130,585	1,059,159,894
Laboratory Consumables	559,701,398	469,235,606
Fuel & Lubricants	146,813,995	131,190,211
Utilities Expense	949,943,588	771,258,513
Rent	4,070,210	1,260,965
Municipal & Other Taxes	19,562,699	14,300,737
Insurance Premium	23,587,989	22,066,849
Sanitation Expenses	90,204,657	72,963,100
Depreciation	1,484,530,007	1,514,022,727
Security Services	67,867,070	65,665,456
Research and Product Development	214,864,601	193,978,194
Software & Hardware Support & VSAT Services	73,866,561	61,082,059
Toll Charges	72,671,052	21,568,568
Other Expenses	1,774,777	1,968,898
	8,207,107,994	7,374,304,792
22.5 Finished Goods Consumed: Tk. 2,054,188,163		
Opening Stock	2,549,985,110	2,118,362,474
Purchased during the year	2,833,212,050	2,298,259,394
Consumed during the year	(2,054,188,163)	(1,866,636,758)
Closing Stock	3,329,008,997	2,549,985,110
Loss by Fire - LVP Unit	(6,528,805)	-
Net Closing Finished Goods	3,322,480,192	2,549,985,110

Particulars	Amount in Taka	
	2022-2023	2021-2022
23. Selling and Distribution Expenses: Tk. 11,710,765,244		
Salaries and Allowances	1,456,316,499	1,286,934,030
Contribution to Provident Fund	110,187,268	92,806,109
Contribution to Gratuity Fund	526,292,133	385,072,427
Traveling and Conveyance	161,964,137	150,498,538
Training Expenses	6,565,059	4,757,614
Printing and Stationery	92,890,627	87,348,392
Postage, Telephone, Fax & Telex	88,768,665	77,116,075
Electricity, Gas & Water	35,498,643	30,386,230
Tiffin and Refreshment	39,006,698	34,092,475
Staff Uniform	13,639,956	10,468,717
Sanitation Expenses	15,163,573	13,630,629
Office and Godown Rent	27,994,518	25,952,680
Lease Rent	2,649,600	2,649,600
Bank Charges	11,140,432	10,460,958
Repairs and Maintenance	576,802,979	543,910,794
Govt. Taxes and License Fees	37,349,084	45,772,456
Field Staff Salaries, Allowances, TA & DA	3,277,522,761	2,780,471,147
Target Incentive to Field Staff	255,076,657	242,761,691
Marketing and Sales Promotional Expenses	1,288,875,362	1,231,398,574
Advertisement	1,613,683	1,211,692
Event, Programs and Conference	309,235,241	275,812,532
Carriage/Freight Outward	213,260,832	190,098,007
Literature and Publications	103,247,913	116,194,362
Export Expenses	211,547,449	203,377,595
Special Discount	1,969,711,139	1,799,758,289
Sample Expenses	357,174,172	365,359,046
Security Services	91,088,056	85,762,828
Depreciation	238,351,175	219,764,727
Software, hardware Support & VSAT Services	69,072,270	59,858,587
Insurance Premium	5,950,719	3,913,194
Faulty & Obsolete Goods	99,799,446	45,441,084
Research and Product Development	16,730,282	16,049,995
Other Expenses	278,216	179,392
	11,710,765,244	10,439,270,466
24. Administrative Expenses: Tk. 1,517,322,480		
Salaries and Allowances	495,030,531	449,448,460
Contribution to Provident Fund	11,839,856	11,823,436
Contribution to Gratuity Fund	71,650,022	57,647,116
Directors' Remuneration	87,901,250	76,344,167
Independent Directors' Honorarium	600,000	600,000
Traveling and Conveyance	135,368,992	116,572,603
Training Expenses	8,692,257	8,045,239
Printing and Stationery	21,972,858	20,260,208
Postage, Telephone & Internet	10,647,232	10,992,522
Electricity, Gas & Water	25,036,810	22,472,977
Tiffin and Refreshment	84,410,528	72,187,846
Staff Uniform	3,326,217	3,048,256
Office Rent	20,138,560	18,759,480
Sanitation Expenses	8,614,250	7,572,575
Books and Periodicals	357,354	369,407
Subscription and Donation	7,600,346	7,129,146

Particulars	Amount in Taka	
	2022-2023	2021-2022
Advertisement	3,347,428	2,394,911
Repairs and Maintenance	254,485,737	224,163,126
Bank Charges	9,728,863	11,140,124
Insurance Premium	16,066,620	17,506,241
Govt. Taxes, Stamp Duty & License Fee	17,054,346	10,105,793
Security Services	50,253,325	40,736,544
Management Consultant Fees	2,384,750	2,338,750
Legal & Professional	2,369,692	2,181,375
Audit Fees	1,261,000	931,500
Depreciation	99,583,348	101,386,306
Annual General Meeting Expenses	448,683	393,280
Software & Hardware Support Services	56,188,921	33,809,041
Share Demat, Remat & Transfer Fees	4,544	5,286
Other Expenses	10,958,160	2,104,286
	1,517,322,480	1,332,470,001
25. Other Operating Income: Tk. 1,228,423,054		
Rental Income	15,046,640	1,154,941
Sale of Scrap	54,768,479	44,525,074
Foreign Exchange Gain	724,297,936	469,807,099
Cash Incentive Received against Export	83,034,900	62,977,000
Commission Received	425,704,297	-
P.F Forfeiture Amount	616,616	715,235
Tech Transfer fees	4,752,500	3,512,000
Industrial Awards	-	400,000
Gain/(Loss) on Disposal of Property, Plant and Equipment (Note - 33)	(79,798,314)	53,492,555
	1,228,423,054	636,583,904
26. Other Income: Tk. 4,277,283,291		
Interest from Deposits	2,672,328,278	2,281,651,937
Interest from Short Notice Deposits	543,895,327	261,033,327
Gain on Redemption of Zero Coupon Bond	95,500,731	55,169,863
Interest from Subordinate Bonds	323,407,549	248,776,880
Dividend Income	552,966,126	395,011,790
Gain on Sale of Marketable Securities (Realized)	89,185,281	329,415,747
	4,277,283,291	3,571,059,544
27. Income Tax Expenses: Tk. 4,626,894,910		
Current Tax Expense	4,768,869,879	4,618,549,626
Deferred Tax Expense / (Income)	(141,974,969)	(11,486,354)
	4,626,894,910	4,607,063,271

27.1 Reconciliation of Effective Tax Rate:

	Jul'22-Jun'23		Jul'21-Jun'22	
	%	Taka	%	Taka
Profit before Tax		21,097,122,423		21,024,559,874
Income Tax using Corporate Tax Rate	22.50%	4,746,852,545	22.50%	4,730,525,972
Effects of:				
Income Exempted from Tax	-0.10%	(21,487,664)	-0.06%	(12,413,219)
Income Taxed at Reduced Rate	-0.47%	(98,469,971)	-0.53%	(111,049,481)
Effective Income Tax	21.93%	4,626,894,910	21.91%	4,607,063,271
Effect of Deferred Tax	0.67%	141,974,969	0.05%	11,486,354
Effective Current Tax	22.60%	4,768,869,879	21.97%	4,618,549,626

Particulars	Amount in Taka	
	2022-2023	2021-2022
28. Unrealised Gain/(Loss) on FVOCI Financial Assets: Tk. (106,787,160)		
Closing Unrealised Gain/(Loss)	816,119,218	922,906,378
Less: Opening Unrealised Gain/(Loss)	922,906,378	1,316,543,154
	(106,787,160)	(393,636,776)
29. Net Asset Value (NAV) per Share: Tk. 113.39		
Net Asset attributable to the Ordinary Shareholders	100,516,964,058	93,007,355,089
Number of Shares outstanding during the Year	886,451,010	886,451,010
	113.39	104.92
30. Earnings per Share (EPS): Tk. 18.58		
Net Profit after Tax	16,470,227,513	16,417,496,603
Number of Shares outstanding during the Year	886,451,010	886,451,010
	18.58	18.52
31. Net Operating Cash Flow (NOCF) per Share: Tk. 9.17		
Net Cash Generated from Operating Activities (Note - 31.1)	8,130,573,211	12,345,634,446
Number of Shares outstanding during the Year	886,451,010	886,451,010
	9.17	13.93
31.1 Reconciliation of Net Profit with Net Cash Generated from Operating Activities:		
Net Profit after Tax	16,470,227,513	16,417,496,603
Adjustments for:		
Non-Cash Income/Expenses:	1,055,679,375	1,367,408,150
Depreciation	1,822,464,530	1,835,173,760
Exchange Rate Fluctuation	(624,810,186)	(456,279,255)
Deferred Tax	(141,974,969)	(11,486,354)
Non-Operating Items:	(4,197,484,977)	(3,624,552,098)
Other Income (Note - 26)	(4,277,283,291)	(3,571,059,544)
(Gain)/Loss on Disposal of Property, Plant and Equipment	79,798,314	(53,492,555)
Changes in Working Capital:	(5,197,848,700)	(1,814,718,209)
(Increase)/Decrease in Inventories	(2,038,529,695)	(931,378,870)
(Increase)/Decrease in Receivables	(1,702,130,207)	(522,930,202)
(Increase)/Decrease in Advances, Deposits and Prepayments	(1,290,813,360)	(845,074,604)
Increase/(Decrease) in Trade Payables	173,412,226	11,705,574
Increase/(Decrease) in Other Payables	181,538,674	135,308,567
Increase/(Decrease) in Current Tax Liabilities	(555,409,320)	338,829,801
Increase/(Decrease) in Accrued Expenses	34,082,982	(1,178,475)
Net Cash Generated from Operating Activities	8,130,573,211	12,345,634,446

32. Appropriation during the Period:

In accordance with IAS-1 Presentation of Financial Statements, the appropriations for the year have been reflected in the 'Statement of Changes in Equity'.

The Board of Directors proposed dividend @ Tk. 10.5 per share for 2022-23 which will be recognised as liability in the financial statements after the Shareholders approve the same in the Annual General Meeting. The total amount of Proposed Cash Dividend for the year is Tk. 9,307,735,605.

During the year under review total cash dividend for 2021-22 amounting to Tk. 8,864,510,100 has been distributed to the shareholders. Dividend were paid in local currency to the local custodian bank of the shareholders as such no dividend was remitted in foreign currency.

Particulars	Amount in Taka	
	2022-2023	2021-2022

33. Disposal of Property, Plant and Equipment:

Particulars of Assets	Cost	Accumulated Depreciation	Written Down Value	Sales Price	Gain / (Loss)
Plant and Machinery	19,488,582	17,635,011	1,853,571	-	(1,853,571)
Motor Vehicle	102,699,954	73,220,041	29,479,913	50,068,154	20,588,241
Motor Cycle	46,917,090	30,978,066	15,939,024	27,498,377	11,559,353
Office Equipment	5,735,362	4,007,141	1,728,221	765,000	(963,221)
Computer	612,753	423,136	189,617	-	(189,617)
Furniture and Fixture	594,671	462,841	131,830	-	(131,830)
Laboratory Equipment	5,443,357	3,797,126	1,646,231	-	(1,646,231)
Disposal of LVP Unit	3,596,062,930	2,048,705,325	1,547,357,605	1,440,196,167	(107,161,438)
	3,777,554,699	2,179,228,687	1,598,326,012	1,518,527,698	(79,798,314)

34. Production Capacity and Utilization:

(Quantity in Thousand)

Category	Unit	Rated Capacity	Actual Production	Capacity Utilization
		2022-2023		
Tablet	Piece	10,985,320	7,438,780	68%
Capsule	Piece	4,265,149	1,771,017	42%
Liquid	Bottle	320,410	152,479	48%
Injectable (Vial & Ampoule)	Piece	65,732	45,349	69%
Infusion (LVPO)	Bag	4,816	48	1%
ENT & Opthal Preparation	Phial	44,053	35,051	80%
Cream, Ointment, Spray, Gel	Phial	94,959	50,453	53%
Powder for Suspension	Bottle	47,895	31,172	65%
Powder	Phial	53,894	23,773	44%
Suppository	Piece	195,426	87,670	45%
Inhaler	Can	116,731	43,266	37%
Insulin & Insulin Cartridge	Piece	12,000	2,007	17%
Sachet & Others	Piece	108,838	21,025	19%
Basic Chemical & Pellet	Kg	1,180	806	68%

35. Contingent Liabilities:

Bank Guarantee (Note - 35.1)	479,806,138	190,748,850
Letter of Credit (L.C) Liabilities (Note - 35.2)	4,453,258,655	4,640,755,572
	4,933,064,793	4,831,504,422

35.1 Bank Guarantee:

Shahjalal Islami Bank Ltd.	87,592,035	85,737,672
Standard Chartered Bank	105,159,698	94,045,294
Prime Bank Ltd.	1,631,832	1,631,832
Mercantile Bank Ltd.	285,422,573	9,334,052
	479,806,138	190,748,850

Particulars	Amount in Taka	
	2022-2023	2021-2022
35.2 Letter of Credit (L.C) Liabilities:		
Standard Chartered Bank	1,127,818,969	853,184,309
HSBC Ltd.	231,590,700	-
Citibank N.A	60,031,664	252,178,614
Commercial Bank of Ceylon PLC	2,068,000	-
Prime Bank Ltd.	296,928,906	297,920,068
Mercantile Bank Ltd.	1,918,156,059	2,837,617,497
Bank Asia Ltd.	298,951,737	381,143,482
Eastern Bank Ltd.	147,028,043	-
Brac Bank Ltd.	370,684,578	-
Shahjalal Islami Bank Ltd.	-	18,711,601
	4,453,258,655	4,640,755,572
35.3 There were no claims legal or otherwise, not acknowledged as debt, outstanding as of the end of the reporting period. There was no unprovided committed expenditure as at June 30, 2023.		
36. Related Party Transactions:		
36.1 Transaction with Key Management Personnel:		
Short-Term Employee Benefits	488,742,064	421,368,058
Post-Employment Benefits	48,639,820	83,159,150
Other Long-Term Benefits	-	-
Termination Benefits	-	-
Share-Based Payment	-	-
36.2 Transaction with Related parties:		
A. Associates:		
Square Textiles PLC. (46.36% share):		
Opening Balance	-	-
Addition during the Year	4,035,238,300	-
Realized during the Year	(4,035,238,300)	-
Closing Balance	-	-
Square Fashions Ltd. (48.63% share):		
Opening Balance	-	-
Addition during the Year	5,691,799,999	135,560,551
Realized during the Year	(5,691,799,999)	(135,560,551)
Closing Balance	-	-
Square Hospitals Ltd. (49.94% share):		
Opening Balance	-	-
Addition during the Year	33,137,454	107,229,837
Realized during the Year	(33,137,454)	(107,229,837)
Closing Balance	-	-
B. Subsidiaries:		
Square Lifesciences Ltd. (99.95% share):		
Opening Balance	653,757,205	-
Addition during the Year	4,634,598,681	3,131,785,755
Realized during the Year	(2,858,664,600)	(2,478,028,550)
Closing Balance (Receivable)	2,429,691,285	653,757,205

Particulars	Amount in Taka	
	2022-2023	2021-2022
C. Subsidiaries of Associates:		
Square Denims Ltd. (Subsidiary of Square Fashions Ltd.):		
Opening Balance	-	-
Addition during the Year	552,470,159	-
Realized during the Year	(552,470,159)	-
Closing Balance	-	-
Square Apparels Ltd. (Subsidiary of Square Fashions Ltd.):		
Opening Balance	-	-
Addition during the Year	738,039,604	-
Realized during the Year	(738,039,604)	-
Closing Balance	-	-
D. Others:		
Square InformatiX Ltd. (Service Provider):		
Opening Balance	-	-
Addition during the Year	178,501,064	44,156,427
Realized during the Year	(178,501,064)	(44,156,427)
Closing Balance	-	-
Square Securities Management Ltd. (Portfolio Manager):		
Opening Balance	373,879,860	160,545,334
Addition during the Year	164,120,873	840,476,544
Realized during the Year	(416,891,975)	(627,142,018)
Closing Balance (Advance)	121,108,758	373,879,860
Pharma Packages (Pvt.) Ltd. (Supplier):		
Opening Balance	13,692,778	52,600,036
Addition during the Year	648,128,744	362,455,899
Realized during the Year	(656,074,680)	(401,363,157)
Closing Balance (Receivable)	5,746,842	13,692,778
AEGIS Services Ltd. (Service Provider):		
Opening Balance	-	-
Addition during the Year	296,193,113	32,794,095
Realized during the Year	(296,193,113)	(32,794,095)
Closing Balance	-	-
Square Toiletries Ltd. (Supplier):		
Opening Balance	-	-
Addition during the Year	57,391,239	70,874,662
Realized during the Year	(57,391,239)	(70,874,662)
Closing Balance	-	-
Square Food & Beverage Ltd. (Supplier):		
Opening Balance	-	-
Addition during the Year	96,108,831	110,684,362
Realized during the Year	(96,108,831)	(110,684,362)
Closing Balance	-	-

37. Financial Risk Management:

International Financial Reporting Standard (IFRS) 7 - Financial instruments: Disclosures - requires disclosure of information relating to: both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the Company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The company has exposure to the following risks from its use of financial instruments:

- a) Credit Risk
- b) Liquidity Risk
- c) Market Risk

37.1 Credit Risk:

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from institutional and export customers etc.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of generic pharmaceuticals products, basic chemical products, animal health products and crop care products. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

	<u>30 June 2023</u>	<u>30 June 2022</u>
a) Exposure of Credit Risk		
The maximum exposure to credit risk at the reporting date was:		
Trade and Other Receivables	6,461,221,914	3,395,080,462
Advances, Deposits and Prepayments	3,577,391,473	2,272,165,190
Cash and Cash Equivalents	50,079,192,249	48,904,402,066
Tk.	<u>60,117,805,636</u>	<u>54,571,647,718</u>

b) Ageing of Receivables is provided in Note-9.1

Particulars	Credit Rating	Amount in Taka	
		30 June 2023	30 June 2022
c) Credit Exposure by Credit Rating			
Trade and Other Receivables		6,461,221,914	3,395,080,462
Advances, Deposits and Prepayments		3,577,391,473	2,272,165,190
Cash and Cash Equivalents:			
- Cash in Hand		11,755,178	5,686,111
- Cash at Bank:		50,067,437,071	48,898,715,955
Agrani Bank Ltd.	A+	-	2,000,000,000
Bank Alfalah Ltd.	AA+	1,002,479,111	2,482,801
Bank Asia Ltd.	AA1	42,896,726	1,054,331,906
Brac Bank Ltd.	AAA	3,526,981,371	3,500,183,581
Citibank N.A		28,070,739	18,052,340
Commercial Bank of Ceylon Ltd.	AAA	1,014,589,510	2,011,358,698
DBH Finance Corp Ltd	AAA	-	1,000,000,000
Dutch-Bangla Bank Ltd.	AAA	21,753	24,513
Eastern Bank Ltd.	AAA	83,520,261	3,479,123
Global Islami Bank Ltd.	A+	498,410	499,480
HSBC Ltd.	AAA	99,379,554	755,839
IDLC Finance Ltd.	AAA	2,112,000,000	2,000,000,000
IPDC Finance Ltd.	AA1	2,056,000,000	2,500,000,000
Janata Bank Ltd.	AAA	4,183,418,051	6,239,448,424
LankaBangla Finance Ltd.	AA3	500,000,000	2,000,000,000
Lankan Alliance Finance Ltd.	AA-	500,000,000	500,000,000
Mercantile Bank Ltd.	AA	15,623,974,614	7,193,750,133
Mutual Trust Bank Ltd.	AA+	8,062,622,882	2,519,330,509
National Housing Finance and Investments Ltd.	AA-	3,640,000,000	3,500,000,000
Prime Bank Ltd.	AA+	4,943,042,751	5,899,158,809
Shahjalal Islami Bank Ltd.	AA+	9,698,845	14,160,140
Shimanto Bank Ltd.	A	495,315	497,835
Sonali Bank Ltd.	A+	6,269,475	2,048,413,789
Southeast Bank Ltd.	AA	2,000,000,000	3,000,000,000
Square Securities Management Ltd.	-	121,108,758	373,879,860
The Standard Chartered Bank	AAA	508,084,977	516,648,656
The City Bank Ltd.	AA1	2,268,965	1,002,243,134
Trust Bank Ltd.	AA1	15,003	16,383

37.2 Liquidity Risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or jeopardizing to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates.

The following are the contractual maturities of financial liabilities:

Balance as at 30 June 2023	Carrying Amount	Contractual Cash Flows			
		Less than 6 Months	6-12 Months	1-5 Years	More than 5 Years
Trade Payables (Note - 16):					
Payable to Local Suppliers	799,397,133	799,397,133	-	-	-
	799,397,133	799,397,133	-	-	-
Other Payables (Note - 17):					
Sundry Creditors	506,219,133	-	506,219,133	-	-
Income Tax (Deduction at Source)	17,586,331	17,586,331	-	-	-
Retention Money	20,184,576	20,184,576	-	-	-
WPPF & WF	1,054,856,121	580,170,867	474,685,254	-	-
Insurance Claim	84,123,719	84,123,719	-	-	-
	1,682,969,880	702,065,493	980,904,387	-	-
Current Tax Liabilities (Note - 18):	356,095,553	-	356,095,553	-	-
Accrued Expenses (Note - 19):					
Accrued Expenses	213,517,454	213,517,454	-	-	-
Audit Fees	1,100,000	1,100,000	-	-	-
	214,617,454	214,617,454	-	-	-
Unclaimed Dividend (Note - 20):	158,997,790	-	-	-	-
Balance as at 30 June 2022					
Balance as at 30 June 2022	Carrying Amount	Contractual Cash Flows			
		Less than 6 Months	6-12 Months	1-5 Years	More than 5 Years
Trade Payables (Note - 16):					
Payable to Local Suppliers	625,984,907	625,984,907	-	-	-
	625,984,907	625,984,907	-	-	-
Other Payables (Note - 17):					
Sundry Creditors	423,583,163	-	423,583,163	-	-
Income Tax (Deduction at Source)	16,825,193	16,825,193	-	-	-
Retention Money	8,749,849	8,749,849	-	-	-
WPPF & WF	1,051,227,994	560,654,930	490,573,064	-	-
Insurance Claim	1,045,007	1,045,007	-	-	-
	1,501,431,206	587,274,979	914,156,227	-	-
Current Tax Liabilities (Note - 18):	911,504,873	-	911,504,873	-	-
Accrued Expenses (Note - 19):					
Accrued Expenses	179,844,472	179,844,472	-	-	-
Audit Fees	690,000	690,000	-	-	-
	180,534,472	180,534,472	-	-	-
Unclaimed Dividend (Note - 20):	129,636,029	-	30,214,932	99,421,097	-

37.3 Market Risk:

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments.

a) Currency Risk

The company is exposed to currency risk on certain revenues and purchases such as raw material, packing material, spare parts and acquisition of machineries & equipment. Majority of the company's foreign currency transactions are denominated in USD.

(i) Exposure to Currency Risk

The company have the foreign currency asset at the year end for which an exchange gain/(loss) are being accounted for during the year. As such the company have no significant exposure to currency risk. The following significant exchange rates are applied at the year end:

	30 June 2023	30 June 2022
Exchange Rate of US Dollar	107.50	92.50

(ii) Foreign Exchange Rate Sensitivity Analysis for Foreign Currency Expenditures:

There being no current risk exposure, sensitivity analysis has not been presented.

b) Interest Rate Risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. short term bank borrowings are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

(i) Risk Profile	Carrying Amount	
	30 June 2023	30 June 2022
Fixed Rate Instrument		
Financial Asset	34,564,226,859	47,579,117,465
Financial Liability	-	-
Variable Rate Instrument		
Financial Asset	4,600,000,000	3,500,000,000
Financial Liability	-	-

(ii) Cash Flow Sensitivity Analysis for Variable Rate Instruments

There being no variable rate instruments as such sensitivity analysis is not required.

37.4 Accounting Classification and Fair Value:

Fair value of financial assets and liabilities together with carrying amount shown in the statement of financial are as follows:

Particulars	Amount in Taka			
	30 June 2023		30 June 2022	
	Book Value	Fair Value	Book Value	Fair Value
FVOCI Financial Assets				
Investment in Marketable Securities	3,773,747,813	4,589,867,031	3,423,864,487	4,346,770,865
Financial Assets - Held to Maturity				
FDR with Banks and Financial Institutions	33,560,534,932	33,560,534,932	46,072,741,385	46,072,741,385
Non-Convertible Zero Coupon Bonds	975,997,497	975,997,497	1,478,681,650	1,478,681,650
Non-Convertible Subordinated Bonds	4,600,000,000	4,600,000,000	3,500,000,000	3,500,000,000
Trade and Other Receivables				
Trade Receivables	3,392,944,797	3,392,944,797	2,159,066,716	2,159,066,716
Other Receivables	3,068,277,117	3,068,277,117	1,236,013,746	1,236,013,746
Deposits				
Earnest Money & Security Deposit	422,542,939	422,542,939	373,017,486	373,017,486
Cash and Cash Equivalents				
Cash and Bank Balances	15,556,877,367	15,556,877,367	2,567,815,050	2,567,815,050
Financial Assets - Available for Sale	961,779,950	961,779,950	263,845,631	263,845,631

* As per the requirements of IFRS 7 (ref: Para 29), determination of fair value is not required for instruments for which fair value is not likely to be significantly different from the carrying amounts.

SQUARE PHARMACEUTICALS PLC.

Property, Plant and Equipment - Carrying Value: Tk. 21,767,202,106

As at 30 June 2023

Schedule-1

PARTICULARS	C O S T			ACCUMULATED DEPRECIATION				Written Down Value as at 30 June 2023	Rate of Dep.
	At 01 July 2022	During the Year		At 01 July 2022	For the Year		At 30 June 2023		
		Additions	Disposals/Transfer		Charged	Disposals/Transfer			
FACTORIES:									
Land	4,240,889,431	123,316,435	3,720,617	-	505,563,713	-	423,204,597	4,360,485,249	-
Building	9,357,973,683	1,654,433,811	785,599,988	5,324,494,843	16,538	-	-	4,819,953,547	10%
Boundary Wall	593,903	-	-	428,528	-	-	-	148,837	10%
Plant & Machinery	16,606,833,941	430,336,576	2,372,087,968	11,638,530,359	651,292,878	1,487,997,999	10,801,825,238	3,863,257,311	15%
Laboratory Equipment	2,464,309,361	83,842,130	109,358,926	1,295,596,324	117,205,933	58,090,521	1,354,711,736	1,084,080,829	10%
Furniture & Fixture	1,258,328,935	54,410,095	68,397,122	572,374,877	68,726,311	31,970,302	609,130,886	635,211,022	10%
Office Equipment	881,647,653	25,732,666	64,499,267	394,038,526	46,341,974	27,871,863	412,508,637	430,372,415	10%
Computer	245,342,706	28,450,315	6,292,169	113,128,146	14,467,629	2,974,356	124,621,419	142,879,433	10%
Motor Vehicles	531,861,402	82,725,126	13,140,000	322,402,749	48,498,860	9,164,934	361,736,675	239,709,853	20%
Motor Vehicles - Lease	2,085,000	-	-	2,049,318	7,136	-	2,056,454	28,546	20%
Electromechanical Equipment	1,099,746,687	3,102,753	36,080,208	944,999,804	21,657,385	25,258,789	941,398,400	125,370,832	15%
Electrical Installation	227,628,710	-	16,022,000	167,988,838	8,227,396	11,231,433	164,984,801	46,621,909	15%
Gas Line Installation	66,893,990	-	8,000,975	43,711,006	2,524,254	1,646,350	44,588,910	14,304,105	15%
Sub-Total	36,984,135,402	2,486,349,907	3,483,199,240	20,819,743,318	1,484,530,007	2,079,411,144	20,224,862,181	15,762,423,888	
HEAD OFFICE:									
Land	2,205,274,470	66,147,039	-	-	46,635,324	-	-	2,271,421,509	-
Building	958,737,801	11,428,601	-	502,715,322	1,105,342	-	-	420,815,756	10%
Boundary Wall	19,360,321	42,900	-	8,341,199	-	-	-	9,956,680	10%
Furniture & Fixture	186,282,495	5,849,430	514,379	100,045,990	8,933,182	419,324	108,559,848	83,057,698	10%
Office Equipment	113,215,227	4,417,920	5,735,362	70,991,545	4,418,228	4,007,141	71,402,632	40,495,153	10%
Computer	413,958,524	78,750,897	466,498	202,566,222	27,224,976	357,904	229,433,294	262,809,629	10%
Motor Vehicles	1,983,970,056	211,945,000	87,474,954	1,187,062,924	180,669,606	62,002,725	1,305,729,805	802,710,297	20%
Motor Vehicles - Lease	118,472,040	-	2,085,000	113,431,228	1,004,709	2,052,382	112,383,555	4,003,485	20%
Motor Cycle	563,792,072	101,331,510	46,917,090	273,626,320	67,346,132	30,978,066	309,994,386	308,212,106	20%
Books & Periodicals	528,794	-	-	528,762	10	-	528,772	22	30%
SAP Software	148,024,164	-	-	148,024,164	-	-	148,024,164	-	20%
VSAT	7,559,700	-	-	5,047,423	251,228	-	5,298,651	2,261,049	10%
Electrical Installation	16,358,915	-	-	14,053,678	345,786	-	14,399,464	1,959,451	15%
Sub-Total	6,735,534,579	479,913,297	143,193,283	2,626,434,777	337,964,523	99,817,542	2,864,551,758	4,207,702,835	
Total	43,719,669,981	2,966,263,204	3,626,392,523	23,446,178,095	1,822,464,530	2,179,228,686	23,089,413,939	19,970,126,723	
Property, Plant & Equipment in Transit	521,564,753	832,310,716	638,505,933	-	-	-	-	715,369,536	-
Building under Construction	2,066,237,283	580,259,733	1,564,791,169	-	-	-	-	1,081,705,847	-
Carrying Value as on 30 June 2023	46,307,472,017	4,378,833,653	5,829,689,625	23,446,178,095	1,822,464,530	2,179,228,686	23,089,413,939	21,767,202,106	

SQUARE PHARMACEUTICALS PLC.

Property, Plant and Equipment - Carrying Value: Tk. 22,861,293,922

As at 30 June 2022

Schedule-1.a

PARTICULARS	C O S T			ACCUMULATED DEPRECIATION				Written Down Value as at 30 June 2022	Rate of Dep.
	At 01 July 2021	During the Year		At 01 July 2021	For the Year		At 30 June 2022		
		Additions	Disposals/Transfer		Charged	Disposals/Transfer			
FACTORIES:									
Land	4,032,073,679	210,438,595	1,622,843	4,240,889,431	-	-	-	4,240,889,431	-
Building	8,862,310,077	495,663,606	-	9,357,973,683	4,921,247,107	403,247,736	5,324,494,843	4,033,478,840	10%
Boundary Wall	593,903	-	-	593,903	410,153	18,375	428,528	165,375	10%
Plant & Machinery	15,954,717,610	652,585,025	468,694	16,606,833,941	10,860,437,844	778,523,705	11,638,530,359	4,968,303,582	15%
Laboratory Equipment	2,329,849,223	134,460,138	-	2,464,309,361	1,175,175,193	120,421,131	1,295,596,324	1,168,713,037	10%
Furniture & Fixture	1,148,229,982	110,294,494	195,541	1,258,328,935	503,324,841	69,156,464	572,374,877	685,954,058	10%
Office Equipment	758,526,995	123,120,658	-	881,647,653	347,045,819	46,992,707	394,038,526	487,609,127	10%
Computer	225,474,994	19,915,112	47,400	245,342,706	99,523,805	13,628,732	113,128,146	132,214,560	10%
Motor Vehicles	497,093,902	90,177,500	55,410,000	531,861,402	318,708,038	41,526,067	322,402,749	209,458,653	20%
Motor Vehicles - Lease	2,085,000	-	-	2,085,000	2,040,398	8,920	2,049,318	35,682	20%
Electromechanical Equipment	1,099,746,687	-	-	1,099,746,687	917,927,141	27,072,663	944,999,804	154,746,883	15%
Electrical Installation	227,599,619	29,091	-	227,628,710	157,572,635	10,416,203	167,988,838	59,639,872	15%
Gas Line Installation	58,743,939	8,150,051	-	66,893,990	40,700,982	3,010,024	43,711,006	23,182,984	15%
Sub-Total	35,197,045,610	1,844,834,270	57,744,478	36,984,135,402	19,344,113,956	1,514,022,727	20,819,743,318	16,164,392,084	
HEAD OFFICE:									
Land	2,103,999,973	101,274,497	-	2,205,274,470	-	-	-	2,205,274,470	-
Building	894,073,847	64,663,954	-	958,737,801	454,119,357	48,595,965	502,715,322	456,022,479	10%
Boundary Wall	18,781,674	578,647	-	19,360,321	7,136,221	1,204,978	8,341,199	11,019,122	10%
Furniture & Fixture	175,596,416	10,855,319	169,240	186,282,495	90,989,842	9,184,887	100,045,990	86,236,505	10%
Office Equipment	111,500,462	1,744,825	30,060	113,215,227	66,410,885	4,605,815	70,991,545	42,223,682	10%
Computer	399,499,100	14,716,394	256,970	413,958,524	180,187,524	22,512,760	202,566,222	211,392,302	10%
Motor Vehicles	1,831,425,825	272,190,000	119,645,769	1,983,970,056	1,102,182,219	168,204,880	1,187,062,924	796,907,132	20%
Motor Vehicles - Lease	118,472,040	-	-	118,472,040	112,171,025	1,260,203	113,431,228	5,040,812	20%
Motor Cycle	547,445,220	98,094,695	81,747,843	563,792,072	269,111,990	64,895,582	273,626,320	290,165,752	20%
Books & Periodicals	148,024,164	528,794	-	148,024,164	528,748	14	148,024,164	32	30%
SAP Software	7,559,700	-	-	7,559,700	4,768,281	279,142	5,047,423	2,512,277	20%
VSAT	16,358,915	-	-	16,358,915	13,646,871	406,807	14,053,678	2,305,237	15%
Electrical Installation	6,373,266,130	564,118,331	201,849,882	6,735,534,579	2,449,277,127	321,151,033	2,626,434,777	4,109,099,802	
Sub-Total	41,570,311,740	2,408,952,601	259,594,360	43,719,669,981	21,793,391,083	1,835,173,760	23,446,178,095	20,273,491,886	
Total	76,767,357,350	4,253,786,871	287,338,838	80,741,446,963	41,137,505,039	3,349,196,487	44,265,921,413	36,437,883,970	
Property, Plant & Equipment in Transit	646,809,312	1,271,900,734	1,397,145,293	521,564,753	-	-	-	521,564,753	-
Building under Construction	1,345,864,835	1,280,219,869	559,847,421	2,066,237,283	-	-	-	2,066,237,283	-
Carrying Value as on 30 June 2022	43,562,985,887	4,961,073,204	2,216,587,074	46,307,472,017	21,793,391,083	1,835,173,760	23,446,178,095	22,861,293,922	

SQUARE PHARMACEUTICALS PLC.

Schedule - 2

COMPOSITION & CLASSIFICATION OF SHARE CAPITAL
AS AT 30 JUNE 2023

Composition of Shareholding:

Particulars	30-Jun-23		30-Jun-22	
	No. of Shares	%	No. of Shares	%
Sponsors & Directors	307,342,951	34.67	307,342,951	34.67
Foreign Investors	116,833,548	13.18	123,325,567	13.91
Financial and Other Institutions	134,681,287	15.19	131,661,548	14.85
General Public	327,593,224	36.96	324,120,944	36.56
Total -	886,451,010	100.00	886,451,010	100.00

Classification of Shareholders by Holding (As per Folio & BOID):

Range of Share Holdings	30-Jun-23			30-Jun-22		
	No. of Holders	Holdings	%	No. of Holders	Holdings	%
Less than 500	60,250	8,125,497	0.92	52,342	6,022,416	0.68
501 to 5,000	19,849	32,515,454	3.67	18,718	31,194,607	3.52
5,001 to 10,000	2,654	19,054,458	2.15	2,618	18,786,046	2.12
10,001 to 20,000	1,325	18,857,616	2.13	1,322	18,743,476	2.11
20,001 to 30,000	487	12,059,440	1.36	459	11,377,236	1.28
30,001 to 40,000	245	8,619,384	0.97	245	8,611,713	0.97
40,001 to 50,000	167	7,617,006	0.86	148	6,734,127	0.76
50,001 to 100,000	311	21,750,539	2.45	314	21,955,654	2.48
100,001 to 1,000,000	325	92,938,277	10.48	325	93,955,523	10.60
Over 1,000,000	64	664,913,339	75.01	73	669,070,212	75.48
Total -	85,677	886,451,010	100.00	76,564	886,451,010	100.00

ANNUAL REPORT

Year ended 30 June 2023

2022-2023

Subsidiary Profile

- 140: Directors Report
- 143: Auditors' Report
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- 145: Statement of Profit or Loss and Other Comprehensive Income
- 146: Statement of Changes in Equity
- 147: Statement of Cash Flows



SQUARE
Pharmaceuticals Kenya
EPZ Ltd.

Square Pharmaceuticals Kenya EPZ Ltd.

Directors' Report

Year ended June 2023

To the Honorable
Shareholders

It is a pleasure of the Board of Directors of Square Pharmaceuticals Kenya EPZ Ltd. ('the Board') to present the Directors' Report, along with the audit report and the audited financial statements of the Company for the year ended 30 June 2023. The report has been prepared as per the provision of section 653 of the Companies Act, 2015 of Kenya.

Company Overview

Incorporated on 7th June 2017, Square Pharmaceuticals Kenya EPZ Ltd. ('SPKEL'/'the Company') embarked on its journey with a clear vision and a strong commitment to success. The company has its own state-of-the-art manufacturing plant at Athi River EPZ, Ketengala, Machakos County.

Parent Company

Square Pharmaceuticals PLC. (Bangladesh) holds 100% nominal share capital of SPKEL. The registered office of the parent company is situated at "Square Centre", 48, Mohakhali Commercial Area, Dhaka-1212, Bangladesh.

The parent company is engaged in the manufacturing & marketing of pharmaceutical products, basic chemical products and animal health products.

Board of Directors

The following persons are the Members of the Board of Directors of the Company:

Mr. Samuel S Chowdhury	Chairman
Mrs. Ratna Patra	Vice Chairman
Mr. Tapan Chowdhury	Director
Mr. Anjan Chowdhury	Director
Dr. Iruki Mwithali Kailemia	Director
Mr. Syed Afzal Hasan Uddin	Director
(Nominee of Square Pharmaceuticals PLC.)	

Except for Dr. Iruki Mwithali Kailemia, a Kenyan citizen by nationality, all are nominees of Square Pharmaceuticals PLC., Bangladesh.

Mr. Syed Afzal Hasan Uddin, Independent Director of Square Pharmaceuticals PLC. represents as nominee director in the Board of SPKEL in compliance with condition No. 2 of the Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission.

Principal Business Activities

The Company's core business activities are the manufacturing & marketing of generic pharmaceutical products in Kenya and the majority of the East African Community (EAC).

Industry Outlook and Future Developments

The generic drug market in East Africa reached \$2.1 billion in 2022 and is projected to expand to \$3.2 billion by 2028, experiencing a compound annual growth rate (CAGR) of 6.9% during the period from 2023 to 2028. Factors contributing to this growth include the escalating healthcare expenses, a growing prevalence of diseases necessitating cost-effective treatments, the expiry of several patented brand-name drugs, and government initiatives aimed at supporting the market's expansion.



To the Honorable
Shareholders

Square Pharmaceuticals Kenya EPZ Ltd.
Directors' Report

Having a relatively advanced pharmaceutical manufacturing sector compared to other East African nations, Kenya exhibits a clear dominance, accounting for the largest East African generic drug market share.

This progress, along with substantial foreign and domestic investments, is enabling the production of a wide variety of generic drugs locally.

The Government of Kenya has shown a strong commitment to promoting the use of generic drugs, through regulatory reforms, public awareness campaigns, and healthcare system improvements. The authorities have streamlined the process for registering generic drugs, which has fostered a conducive environment for market growth.

President's Visit to Our Factory

Kenya is progressively acknowledging the role of generic drugs in achieving healthcare affordability and accessibility. There is an increase in governmental efforts to boost public awareness about the efficacy and affordability of generic drugs. Through awareness campaigns and educational initiatives, governments aim to promote the understanding that generics offer the same therapeutic benefits as branded drugs.



As a testament to the Government's support for local industries and the promotion of international relations, His Excellency William Samoei Ruto, PhD, C.G.H., the President of the Republic of Kenya and Commander-in-Chief of the Defense Forces, paid a visit to our factory very recently.



Ms. Susan Wafula Nakhumicha, CS Health; Ms. Rebecca Miano, CS Industry, Trade, and Investment; Mr. Harry Kimtai, PS Ministry of Medical Services; Ms. Elizabeth Kailemia, MP; and Mr. Tareque Muhammad, the Ambassador to Kenya from Bangladesh were also present along with other distinguished guests. The tour offered the guests a firsthand look at the cutting-edge facilities and advanced technology employed by us. The President appreciated and encouraged Square Pharmaceuticals for their setup to serve 400 million people in Eastern Africa. It has been an honor for us to be able to host the Honorable President and represent our country on another continent.

Strategic Outlook

Despite the challenges posed by the initial stages of establishment, we have made significant strides in a relatively short time. As we move into our second year of commercial operation and beyond, we remain steadfast in our commitment to growth and success.

To the Honorable
Shareholders

Square Pharmaceuticals Kenya EPZ Ltd.
Directors' Report

We are confident about the company's prospects as we continue to seek opportunities to expand and cover a broader customer base.

Meanwhile, we are diligent in managing costs and improving operational efficiency to ensure profitability and sustainability.

Financial Performance

Over the last few years, we have diligently laid the groundwork for a sustainable manufacturing plant.

We started our commercial operation on January 2023 and the products became available to customers from March 2023. During this short period, we generated a modest revenue of KES 56,889,532 (USD 425,400). This is primarily because the company is in its initial stages of operation and has yet to utilize maximum potentials of its resources.

The company has incurred a net loss of KES 220,269,691 (USD 1,646,940) for the financial year ended 30 June 2023 as compared to the restated net loss of KES 36,374,170 (USD 308,517) in the previous year. Moreover, administrative expenses and foreign exchange losses have further increased the net loss.

However, the management is confident that the company is soon going to generate the planned profit as the Kenyan market has accepted the company's product positively and the near future growth shows promising returns.

Exchange rates as of:

30 June 2023: 1 USD = 140.33 KES

30 June 2022: 1 USD = 117.90 KES

Restated Financials of Last Year

Last year's reported loss was restated during the current financial year. It was due to foreign

exchange rate fluctuations which indicated that the long-term loan reported in last year's financial statements needs to be adjusted to reflect the foreign exchange loss in the financial year 2021-22. As such, the company has restated last year's loan balance and reported loss to provide a truer and fairer view of the financial statements.

Statutory Auditors

M/s Shariff and Associates, Certified Public Accountant, Kenya was the statutory auditor for the year 2022-23. They have given an unqualified report on the financial statements of the Company for the year ended 30 June 2023. M/s Shariff and Associates, being eligible, have expressed willingness to continue in office and do so in accordance with Section 159(2) of the Companies Act 2015 of Kenya.

The Board has recommended their appointment.

Acknowledgment

In conclusion, we are optimistic about the future and believe that our strategic direction will lead us to sustainable growth and success.

I extend my heartfelt appreciation to our Board of Directors, our dedicated team, and our supportive shareholders for their unwavering belief in our vision and commitment to our company's success. It is their collective effort and support that have laid the foundation for our journey.



Samuel S Chowdhury
Chairman

SHARIFF & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS (KENYA)

3rd Floor, East End Plaza - Nairobi West
Muthaiti Ave/Bukani Road, Nairobi

AUDITOR'S REPORT

To the Members of Square Pharmaceuticals Kenya EPZ Ltd.

We have audited the financial statements set out on pages 4 to 7 which have been prepared on the basis of accounting policies set out on pages 8 to 13. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and to provide a reasonable basis for the opinion. The financial statements are in agreement with the books of account.

Respective responsibilities of the Directors and Auditor

As stated at page (2), the directors are responsible for the preparation of financial statements which give a true and fair view of the Company's state of affairs and its operating results. Our responsibility is to express an independent opinion on the Financial Statements based on our audit.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform our audit to obtain reasonable assurance that the Financial Statements are free from material misstatement. An audit includes an examination on a test basis of evidence supporting the amounts and disclosures in the accounts. It also includes an assessment of the accounting policies used and significant estimates made by the directors as well as an evaluation of the overall presentation of the accounts.

Opinion

In our opinion, proper books of account have been kept and the financial statements give a true and fair view of the state of the Company's financial affairs as at 30th June 2023 and of the loss and cash flows for the year then ended and comply with International Accounting Standards and the Companies Act (Cap 486).

Dated: Nairobi
9th October 2023



Shariff and Associates
Certified Public Accountants (K)

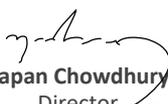
SQUARE PHARMACEUTICALS KENYA EPZ LTD.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

Particulars	Amount in KES	
	30 June 2023	30 June 2022 (Restated)
ASSETS:		
Non-current Assets	1,629,296,445	1,564,177,541
Property, Plant & Equipment	1,629,296,445	1,564,177,541
Current Assets	119,212,145	66,427,322
Inventories	71,963,808	37,704,376
Trade and Other Receivables	36,050,296	-
Advances, Deposits & Prepayments	9,432,070	1,357,606
Cash & Cash Equivalents	1,765,970	27,365,340
Total Assets	1,748,508,590	1,630,604,863
EQUITY AND LIABILITIES		
Shareholder's Equity	981,711,685	1,201,981,376
Share Capital	400,000,000	400,000,000
Share Money Deposits	852,028,330	852,028,330
Retained Earnings	(270,316,645)	(50,046,954)
Non-Current liabilities	478,050,335	395,790,300
Term Loan	478,050,335	395,790,300
Current Liabilities	288,746,571	32,833,187
Term Loan	153,930,324	-
Bank Overdraft	99,178,559	881,346
Trade & Other Payables	34,334,343	31,759,613
Accrued Expenses	1,303,345	192,228
Total Non-current & Current Liabilities	766,796,906	428,623,487
Total Equity and Liabilities	1,748,508,590	1,630,604,863

Approved and authorized for issue by the Board of Directors on 9th October 2023 and signed for and on behalf of the Board:


Samuel S Chowdhury
Chairman


Tapan Chowdhury
Director


Anjan Chowdhury
Director

As per our even date annexed.


Sharif and Associates
Certified Public Accountants (K)

Nairobi, 9th October 2023

SQUARE PHARMACEUTICALS KENYA EPZ LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Amount in KES	
	2022-2023	2021-2022 (Restated)
Revenue	56,889,532	-
Cost of Goods Sold	(132,874,356)	-
Gross Profit/(Loss)	(75,984,824)	-
Operating expenses	(49,327,434)	(13,123,785)
Administrative Expenses	(22,547,807)	(13,123,448)
Finance Expenses	(26,779,627)	(337)
Profit /(Loss) from Operations	(125,312,258)	(13,123,785)
Exchange Loss on Term Loan	(96,690,322)	(24,633,643)
Foreign Exchange (Loss)/Gain, net	1,732,889	1,383,258
Profit / (Loss) before tax	(220,269,691)	(36,374,170)
Income Tax Expense	-	-
Profit after tax for the year	(220,269,691)	(36,374,170)
Other Comprehensive Income	-	-
Total Comprehensive Income	(220,269,691)	(36,374,170)

Approved and authorized for issue by the Board of Directors on 9th October 2023 and signed for and on behalf of the Board:


Samuel S Chowdhury
Chairman


Tapan Chowdhury
Director


Anjan Chowdhury
Director

As per our even date annexed.


Sharif and Associates
Certified Public Accountants (K)

Nairobi, 9th October 2023

SQUARE PHARMACEUTICALS KENYA EPZ LTD.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total
	KES	KES	KES	KES
Balance as at 01 July 2022	400,000,000	852,028,330	(50,046,954)	1,201,981,376
Net profit after tax	-	-	(220,269,691)	(220,269,691)
Other comprehensive income	-	-	-	-
Balance as at 30 June 2023	400,000,000	852,028,330	(270,316,645)	981,711,685

For the period ended on 30 June 2022

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total
	KES	KES	KES	KES
Balance as at 01 July 2021	400,000,000	852,028,330	(13,672,783)	1,238,355,547
Net profit after tax (Restated)	-	-	(36,374,170)	(36,374,170)
Other comprehensive income	-	-	-	-
Balance as at 30 June 2022 (Restated)	400,000,000	852,028,330	(50,046,954)	1,201,981,376

Approved and authorized for issue by the Board of Directors on 9th October 2023 and signed for and on behalf of the Board:


Samuel S Chowdhury
Chairman


Tapan Chowdhury
Director


Anjan Chowdhury
Director

As per our even date annexed.


Sharif and Associates
Certified Public Accountants (K)

Nairobi, 9th October 2023

SQUARE PHARMACEUTICALS KENYA EPZ LTD.

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED ON 30 JUNE 2023

Particulars	Amount in KES	
	2022-2023	2021-2022
Cash Flows from Operating Activities:		
Cash receipts from customers and others	20,839,235	-
Cash (paid)/adjusted to suppliers and employees	(152,293,380)	48,835,876
Cash Generated from Operations	(131,454,145)	48,835,876
Bank interest Paid	(26,779,627)	(46,438)
Net Cash from/(used in) Operating Activities	(158,233,772)	48,789,438
Cash Flows from Investing Activities:		
Purchase of property, plant and equipment	(106,895,736)	(270,246,888)
Net Cash used in Investing Activities	(106,895,736)	(270,246,888)
Cash Flows from Financing Activities:		
Proceeds from term loan and Bank Overdraft	237,797,249	240,178,537
Net Cash from Financing Activities	237,797,249	240,178,537
Net Changes in Cash & Cash Equivalents	(27,332,259)	18,721,087
Effects of foreign exchange rate changes on equivalents	1,732,889	1,383,258
Opening Cash & Cash Equivalents	27,365,340	7,260,995
Closing Cash & Cash Equivalents	1,765,970	27,365,340

Approved and authorized for issue by the Board of Directors on 9th October 2023 and signed for and on behalf of the Board:



Samuel S Chowdhury
Chairman



Tapan Chowdhury
Director



Anjan Chowdhury
Director

As per our even date annexed.



Sharif and Associates
Certified Public Accountants (K)

Nairobi, 9th October 2023

ANNUAL REPORT

Year ended 30 June 2023

2022-2023

Subsidiary Profile



- 149: Directors Report
- 151: Auditors' Report
- 153: Statement of Financial Position
- 154: Statement of Profit or Loss and Other Comprehensive Income
- 155: Statement of Changes in Equity
- 156: Statement of Cash Flows



SQUARE
Lifesciences Ltd.

Square Lifesciences Ltd.
Directors' Report
 Year ended June 2023

To the Honorable
 Shareholders

The Board of Directors is pleased to present its Report for the financial year ended June 30, 2023, along with Audited Financial Statements and the Auditor's Report thereon in accordance with the Companies Act, 1994.

Company Overview

The Company, Square Lifesciences Ltd. started its journey in February 2020. Since its inception, it has faced several challenges, most notably the effects of the global epidemic known as COVID-19.

However, with the unwavering dedication and tireless efforts of our workforce, we have been able to start production at the company's state-of-the-art manufacturing plant in Pabna, Bangladesh.

Core Business Activities

The company is engaged in the business of manufacturing generic pharmaceutical products.

Equity Structure

Square Lifesciences Ltd. (SLL) is a virtually wholly owned subsidiary of Square Pharmaceuticals PLC. (SPL), Bangladesh.

SPL holds 99.95% of the total paid-up capital of SLL and SPL is engaged in the business of manufacturing, marketing & distribution of pharmaceutical products, basic chemical products, and animal health products.

Board of Directors

The following persons are the Members of the Board of Directors of the Company:

Mr. Samuel S Chowdhury	Chairman
Mrs. Ratna Patra	Vice Chairman
Mr. Tapan Chowdhury	Director
Mr. Anjan Chowdhury	Director
Mr. Syed Afzal Hasan Uddin	Director
(Nominee of Square Pharmaceuticals PLC.)	

Mr. Syed Afzal Hasan Uddin, Independent Director of Square Pharmaceuticals PLC. (holding company) represents as Nominee Director in compliance with condition No. 2 of the Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission, Bangladesh.

Operation & State of Affairs

We have successfully established a state-of-the-art manufacturing facility, equipped with the latest technology to ensure high-quality production.

Despite the hurdles encountered during its initial stages of establishment, it has made noticeable progress within a relatively brief period.

As we embark on the second year of commercial operation, the dedication to growth and success remains unwavering.

Financial Performance

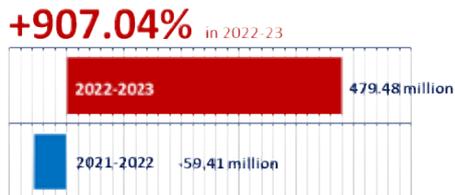
Amidst the challenges posed by the global economic environment, it has been extremely difficult to control production cost.

To the Honorable
 Shareholders

Moreover, the burden of finance costs further lowered the company's net profit.

However, during the first year of operations, we achieved Revenues of Tk. 272 crore, recorded a Gross Profit of Tk. 115 crore resultant rose the Net Profit to Tk. 48 crore from last year's loss of Tk. 6 crore.

Net Profit or Loss (A1)



Statutory Auditor

M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants, auditors of the Company, retire at this Annual General Meeting and being eligible have offered to be reappointed as Auditor for the year 2023-2024.

Acknowledgement

The Board would like to express its gratitude to its dedicated team, supportive shareholders, and loyal customers who have kept their trust in us. Your trust in our company has been our driving force.

Samuel S Chowdhury
 Chairman



SQUARE LIFESCIENCES LTD.

চৌধুরী ভট্টাচার্য্য এন্ড কোং

CHOWDHURY BHATTACHARJEE & CO.

CHARTERED ACCOUNTANTS

DHAKA OFFICE : 47/2, Indira Road, Dhaka-1215

Ph : 9123236, Fax : 8802-8120187

CTG. OFFICE : 922, Jubilee Road, Ctg.-4000

Ph : 031-614907 (O) 624228 (R)

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS' OF SQUARE LIFESCIENCES LTD.

Opinion

We have audited the accompanying Financial Statements of "Square Lifesciences Ltd.", which comprises the Statement of Financial Position as at 30 June 2023 Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS), give a true and fair view of the state of the company's affairs as at 30 June 2023 and of the results of its operations and its Cash Flows for the year then ended and comply with the Companies Act, 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our Responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994 and other applicable laws and regulations. This responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to Going Concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

চৌধুরী ভট্টাচার্য্য এন্ড কোং
CHOWDHURY BHATTACHARJEE & CO.
CHARTERED ACCOUNTANTS

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 Ph : 9123236, Fax : 8802-8120187
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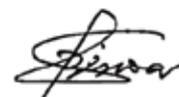
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidences that is sufficient and appropriate to provide a basis for audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidences obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Further to our opinion in the above paragraph, we state that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) In our opinion, proper books of account as required by law have been kept by "Square Lifesciences Ltd." so far as it appeared from our examination of those books;
- (iii) The Company's Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and its Statement of Cash Flows dealt with by the report are in agreement with the books of account; and
- (iv) The expenditure incurred was for the purpose of the Company's business.



Saptam Biswas, FCA
 Partner
 Enrollment No: 1615

Chowdhury Bhattacharjee & Co.
 (Chartered Accountants)
 DVC: 2310181615AS164115

18 October 2023
 Dhaka

SQUARE LIFESCIENCES LTD.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

Particulars	Amount in BDT	
	30 June 2023	30 June 2022
ASSETS		
Non-Current Assets:	3,040,114,535	3,079,371,485
Property, Plant and Equipment	3,036,181,710	3,079,371,485
Deferred Tax Asset	3,932,825	-
Current Assets:	2,441,862,781	201,015,976
Inventories	2,120,037,822	7,396,866
Advances, Deposits and Prepayments	284,165,057	156,551,980
Cash and Cash Equivalents	37,659,902	37,067,130
TOTAL ASSETS	5,481,977,316	3,280,387,461
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' Equity:	1,418,751,314	939,263,743
Share Capital	1,000,000,000	1,000,000,000
Retained Earnings	285,285,701	(60,736,257)
Tax Exemption Reserve	133,465,613	-
Non Current Liabilities:	1,000,000,000	1,400,000,000
Loans and Borrowings	1,000,000,000	1,400,000,000
Current Liabilities:	3,063,226,002	941,123,718
Loans and Borrowings	500,000,000	200,000,000
Trade Payables	203,250,142	-
Other Payables	2,359,875,860	741,008,718
Accrued Expenses	100,000	115,000
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	5,481,977,316	3,280,387,461

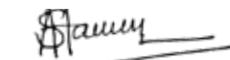
As per our even date annexed.



Samuel S Chowdhury
Chairman



Tapan Chowdhury
Director



Md. Ashrafur Rahman
Company Secretary



Saptam Biswas, FCA
Partner

Enrollment No: 1615

Chowdhury Bhattacharjee & Co.
(Chartered Accountants)

Dhaka, 18 October 2023
DVC: 2310181615AS164115

SQUARE LIFESCIENCES LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Amount in BDT	
	2022-2023	2021-2022
Gross Revenue	2,717,066,940	-
Less: Value Added Tax	402,684,077	-
Net Revenue	2,314,382,863	-
Less: Cost of Goods Sold	1,166,933,324	-
Gross Profit	1,147,449,539	-
Operating Expenses:	(628,252,507)	(59,413,099)
Selling and Distribution Expenses	(529,227,220)	-
Administrative Expenses	(1,029,801)	(59,413,099)
Finance Cost	(97,995,486)	-
Profit/(Loss) from Operations	519,197,032	(59,413,099)
Foreign Exchange (Loss)/Gain	(164,094)	-
Profit/(Loss) before WPPF & WF	519,032,938	(59,413,099)
Allocation for WPPF & WF	(24,715,854)	-
Profit/(Loss) before Tax	494,317,084	(59,413,099)
Income Tax Expenses-Current	(14,829,513)	-
Net Profit/(Loss) after Tax	479,487,571	(59,413,099)

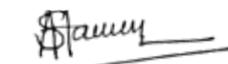
As per our even date annexed.



Samuel S Chowdhury
Chairman



Tapan Chowdhury
Director



Md. Ashrafur Rahman
Company Secretary



Saptam Biswas, FCA
Partner

Enrollment No: 1615

Chowdhury Bhattacharjee & Co.
(Chartered Accountants)

Dhaka, 18 October 2023
DVC: 2310181615AS164115

SQUARE LIFESCIENCES LTD.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Share Capital	Tax Exemption Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka
Balance as at 01 July 2022	1,000,000,000	-	(60,736,257)	939,263,743
Net Profit after Tax	-	-	479,487,571	479,487,571
Tax Exemption Reserve	-	133,465,613	(133,465,613)	-
Balance as at 30 June 2023	1,000,000,000	133,465,613	285,285,701	1,418,751,314

FOR THE YEAR ENDED 30 JUNE 2022

Particulars	Share Capital	Tax Exemption Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka
Balance as at 01 July 2021	100,000,000	-	(1,323,158)	98,676,842
Share Issued	900,000,000	-	-	900,000,000
Net Loss for Jul'2021-Jun'2022	-	-	(59,413,099)	(59,413,099)
Balance as at 30 June 2022	1,000,000,000	-	(60,736,257)	939,263,743

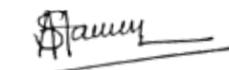
As per our even date annexed.



Samuel S Chowdhury
Chairman



Tapan Chowdhury
Director



Md. Ashrafur Rahman
Company Secretary



Saptam Biswas, FCA
Partner

Enrollment No: 1615

Chowdhury Bhattacharjee & Co.
(Chartered Accountants)

Dhaka, 18 October 2023
DVC: 2310181615AS164115

SQUARE LIFESCIENCES LTD.

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED ON 30 JUNE 2023

Particulars	Amount in BDT	
	2022-2023	2021-2022
Cash Flows from Operating Activities:		
Receipts from Customers	3,826,151,776	-
Payments to Suppliers	(2,308,812,139)	(22,922,448)
Payments for Manufacturing and Operating Expenses	(324,893,470)	(59,413,099)
Payment of Value Added Tax	(585,600,361)	(76,094,104)
Cash Generated from/(used in) Operating Activities	606,845,806	(158,429,651)
Payment of Income Tax	(2,522,473)	(14,535,768)
Interest Paid	(92,166,851)	-
Net Cash from/(used in) Operating Activities	512,156,482	(172,965,419)
Cash Flows from Investing Activities:		
Acquisition of Property, Plant and Equipment	(411,563,710)	(2,293,326,264)
Net Cash used in Investing Activities	(411,563,710)	(2,293,326,264)
Cash Flows from Financing Activities:		
Issue of Share Capital	-	900,000,000
Payment of Long Term Loan	(100,000,000)	1,600,000,000
Cash Flows from/(used in) Financing Activities	(100,000,000)	2,500,000,000
Increase in Cash and Cash Equivalents	592,772	33,708,317
Cash and Cash Equivalents at 01 July	37,067,130	3,358,813
Cash and Cash Equivalents at 30 June	37,659,902	37,067,130

As per our even date annexed.



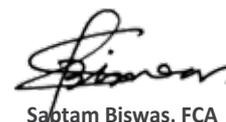
Samuel S Chowdhury
Chairman



Tapan Chowdhury
Director



Md. Ashrafur Rahman
Company Secretary



Saptam Biswas, FCA
Partner

Enrollment No: 1615

Chowdhury Bhattacharjee & Co.
(Chartered Accountants)

Dhaka, 18 October 2023
DVC: 2310181615AS164115



SQUARE
PHARMACEUTICALS PLC.

Date of Incorporation

10 November 1964

Authorized Capital

BDT 10,000 million

Paid-up Capital

BDT 8,864.51 million

Registered Office

Square Centre
48, Mohakhali C.A.
Dhaka-1212
Bangladesh

Factories

Pabna Unit

Square Road, Salgaria, Pabna
Bangladesh

Dhaka Unit

Board Ghar Bazar, Kaliakoir
Gazipur, Bangladesh

Listing

Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange PLC.

Subsidiary Companies

Square Pharmaceuticals Kenya EPZ Ltd.
Square Lifesciences Ltd.
Samson Pharma Inc., Philippines

Associate Companies

Square Textiles PLC.
Square Fashions Ltd.
Square Hospitals Ltd.

Phone

880-2-8833047-56, 02222295007-16
Ext-229, 585 (Company Affairs)

Website

www.squarepharma.com.bd

Email

cs@squaregroup.com

Corporate
Information

Corporate
Compliance

✓ **For the Financial Year 2021-2022**

Dividend Recommended

20 October 2022

Record Date for 56th AGM

28 November 2022

56th Annual General Meeting

24 December 2022

Dividend Issued

10 January 2023

✓ **For the Financial Year 2022-2023**

Publication of 1st Qtr. Financial Report

14 November 2022

Publication of 2nd Qtr. Financial Report

30 January 2023

Publication of 3rd Qtr. Financial Report

30 April 2023

Transfer of Unclaimed/Unsettled

Cash Dividend 2019 to CMS Fund

16 April 2023

Dividend Recommended

22 October 2023

Audited Financial Report to

BSEC, DSE and CSE

08 November 2023

Record Date for 57th AGM

16 November 2023

Notice of 57th AGM

21 November 2023

57th Annual General Meeting

14 December 2023

Dividend Payable

By 13 January 2024





Registered Address

Corporate Headquarters
Square Centre
48 Mohakhali Commercial Area,
Dhaka, Bangladesh
Phone: +88-02-9859007, 8833047-56
www.squarepharma.com.bd

SQUARE PHARMACEUTICALS PLC.