

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited)

As At 31 December 2013

	31-12-2013	31-03-2013
	Taka	Taka
ASSETS:		
Non-Current Assets:	22,771,079,492	20,310,355,617
Property, Plant and Equipment-Carrying Value	11,421,474,170	9,613,059,761
Capital Work-in-Progress	4,991,584,879	4,907,039,756
Investment - Long Term (at Cost)	147,694,430	157,694,430
Investment - Associates Undertaking	5,196,317,176	4,914,958,933
Investment in Marketable Securities (Fair Value)	801,052,222	686,985,768
Pre-Operating/Preliminary Expenses	212,956,615	30,616,969
Current Assets:	8,051,825,616	6,946,361,767
Inventories	2,835,972,419	3,091,263,712
Trade Debtors	804,622,484	812,741,029
Advances, Deposits and Prepayments	954,488,796	952,411,276
Short Term Loan	1,240,677,992	1,108,757,914
Cash and Cash Equivalents	2,216,063,925	981,187,836
TOTAL ASSETS	30,822,905,108	27,256,717,384
SHAREHOLDERS' EQUITY AND LIABILITIES:		
Shareholders' Equity:	25,636,179,542	22,370,264,441
Share Capital	4,819,992,630	3,707,686,640
Share Premium	2,035,465,000	2,035,465,000
General Reserve	105,878,200	105,878,200
Tax Holiday Reserve	406,231,702	406,231,702
Gain on Marketable Securities (Unrealized)	401,546,024	313,532,224
Retained Earnings	17,867,065,986	15,801,470,675
Non Controlling Interest	8,647,807	7,678,418
Non-Current Liabilities:	1,895,193,371	1,603,367,092
Long Term Loans - Secured	1,289,807,593	1,106,327,183
Deffered Tax Liability	605,385,778	497,039,909
Current Liabilities:	3,282,884,388	3,275,407,433
Short Term Bank Loans	374,423,119	1,302,048,378
Long Term Loans-Current Portion	579,662,825	540,421,336
Trade Creditors	62,569,319	7,034,724
Liabilities for Expenses	43,330,838	173,261,777
Liabilities for Other Finance	2,222,898,287	1,252,641,218
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	30,822,905,108	27,256,717,384

Sd/-

Tapan Chowdhury
Managing Director

Sd/-

Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Unaudited) For the 3rd Quarter Ended 31 December 2013

	<i>Nine Months Ended</i>		<i>Third Quarter Ended</i>	
	April-December 2013 Taka	April-December 2012 Taka	October-December 2013 Taka	October-December 2012 Taka
GROSS TURNOVER	20,210,306,746	16,954,856,854	6,946,968,912	6,136,706,226
Less: Value Added Tax	2,733,689,424	2,293,822,988	921,873,261	824,948,476
NET TURNOVER	17,476,617,322	14,661,033,866	6,025,095,651	5,311,757,750
Cost of Goods Sold	(8,936,180,994)	(7,738,910,281)	(3,082,425,660)	(2,878,314,309)
GROSS PROFIT	8,540,436,328	6,922,123,585	2,942,669,991	2,433,443,441
OPERATING EXPENSES:	(3,530,221,248)	(3,158,205,172)	(1,068,082,853)	(1,074,600,422)
Selling & Distribution Expenses	(2,728,596,914)	(2,301,016,212)	(842,150,476)	(791,633,645)
Administrative Expenses	(656,948,862)	(577,504,244)	(196,886,059)	(210,766,719)
Financial Expenses	(144,675,472)	(279,684,716)	(29,046,318)	(72,200,058)
PROFIT FROM OPERATIONS	5,010,215,080	3,763,918,413	1,874,587,138	1,358,843,019
Other Income	182,386,335	299,516,904	63,004,266	153,931,582
PROFIT BEFORE WPPF	5,192,601,415	4,063,435,317	1,937,591,404	1,512,774,601
Allocation for WPPF	(252,101,425)	(196,898,277)	(92,509,114)	(72,036,664)
PROFIT BEFORE TAX	4,940,499,990	3,866,537,040	1,845,082,290	1,440,737,937
Provision for Income Tax	(1,254,148,538)	(976,553,010)	(460,526,715)	(357,641,442)
Provision for Deferred Income Tax	(108,345,869)	-	(99,102,644)	-
PROFIT AFTER TAX	3,578,005,583	2,889,984,030	1,285,452,931	1,083,096,495
Profit/(Loss) from Associate Undertakings	527,786,767	356,001,842	304,210,005	111,572,664
PROFIT AFTER TAX	4,105,792,350	3,245,985,872	1,589,662,936	1,194,669,159
Other Comprehensive Income:				
Gain/(Loss) on Marketable Securities (Unrealized)	88,013,800	(81,421,710)	64,060,956	(88,741,245)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	4,193,806,150	3,164,564,162	1,653,723,892	1,105,927,914
Profit Attributable to:				
Owners of the Company	4,104,822,961	3,245,103,921	1,589,335,953	1,194,340,755
Non Controlling Interest	969,389	881,951	326,983	328,404
	4,105,792,350	3,245,985,872	1,589,662,936	1,194,669,159
Total Comprehensive Income Attributable to:				
Owners of the Company	4,192,836,761	3,163,682,211	1,653,396,909	1,105,599,510
Non Controlling Interest	969,389	881,951	326,983	328,404
	4,193,806,150	3,164,564,162	1,653,723,892	1,105,927,914
Earnings Per Share (EPS)	8.52	6.73	3.30	2.48
Number of Shares used to compute EPS	481,999,263	481,999,263	481,999,263	481,999,263

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.**AND ITS SUBSIDIARIES****CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)
For the 3rd Quarter Ended 31 December 2013**

	Share Capital (Taka)	Share Premium (Taka)	General Reserve (Taka)	Tax Holiday Reserve (Taka)	Gain on Marketable Securities (Unrealized) (Taka)	Retained Earnings (Taka)	Non Controlling Interest (Taka)	Total (Taka)
At 31 March 2013	3,707,686,640	2,035,465,000	105,878,200	406,231,702	313,532,224	15,801,470,675	7,678,418	22,377,942,859
Total Comprehensive Income (Apr'13-De	-	-	-	-	88,013,800	4,104,822,961	969,389	4,193,806,150
Cash Dividend (2012-2013)	-	-	-	-	-	(926,921,660)	-	(926,921,660)
Stock Dividend (2012-2013)	1,112,305,990	-	-	-	-	(1,112,305,990)	-	-
At 31 December 2013	4,819,992,630	2,035,465,000	105,878,200	406,231,702	401,546,024	17,867,065,986	8,647,807	25,644,827,349
At 31 December 2012	3,707,686,640	2,035,465,000	105,878,200	406,231,702	339,284,555	14,918,786,480	7,076,240	21,520,408,817

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited) For the 3rd Quarter Ended 31 December 2013

	April-December 2013 Taka	April-December 2012 Taka
Cash Flows From Operating Activities:		
RECEIPTS:		
Collections from Sales	20,198,795,496	16,735,803,185
Others	46,473,260	61,203,301
	20,245,268,756	16,797,006,486
PAYMENTS:		
Purchase of Raw and Packing Materials	6,552,303,425	5,508,817,077
Manufacturing and Operating Expenses	4,094,383,847	4,042,978,324
Value Added Tax	2,733,689,424	2,293,822,988
Financial Expenses	144,675,472	279,684,716
Income Tax	932,535,941	782,282,178
Workers Profit Participation Fund	121,875,843	133,887,098
Others	-	7,317,625
	14,579,463,952	13,048,790,006
Net cash provided by operating activities	5,665,804,804	3,748,216,480
Cash Flows From Investing Activities:		
Purchase of Fixed Assets	(908,085,450)	(1,260,856,086)
Capital Work-in-Progress	(1,858,140,373)	(2,274,118,023)
Preoperating Expenses	(182,339,646)	(6,196,632)
Investment	140,546,117	314,812,639
Short Term Loan	(131,920,078)	866,506,103
Interest Received	116,893,299	129,038,470
Dividend Received	123,942,435	72,803,279
Net cash used in investing activities	(2,699,103,696)	(2,158,010,250)
Cash Flows From Financing Activities:		
Long Term Loan Received	566,524,160	458,242,049
Long Term Loan Repaid	(343,802,260)	(311,405,380)
Short Term Bank Loan Increase/(Decrease)	(927,625,259)	(754,203,653)
Dividend Paid	(926,921,660)	(662,086,900)
Net cash provided by financing activities	(1,631,825,019)	(1,269,453,884)
Increase in Cash and Cash Equivalents	1,334,876,089	320,752,346
Cash and Cash Equivalents at the Opening	981,187,836	747,628,997
Cash and Cash Equivalents at the Closing	2,316,063,925	1,068,381,343

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF FINANCIAL POSITION (Unaudited)

As at 31 December 2013

	31-12-2013 Taka	31-03-2013 Taka
ASSETS:		
Non-Current Assets:	18,614,642,625	17,450,947,962
Property, Plant and Equipment-Carrying Value	11,216,010,849	9,322,186,497
Capital Work-in-Progress	3,037,142,163	3,718,326,254
Investment - Long Term (at Cost)	3,661,121,331	3,821,121,331
Investment in Marketable Securities (Fair Value)	700,368,282	589,313,880
Current Assets:	7,780,332,467	5,996,697,544
Inventories	2,432,201,837	2,503,683,240
Trade Debtors	787,626,427	800,974,912
Advances, Deposits and Prepayments	577,563,884	650,380,369
Short Term Loan	1,848,943,476	1,109,251,152
Cash and Cash Equivalents	2,133,996,843	932,407,871
TOTAL ASSETS	26,394,975,092	23,447,645,506
SHAREHOLDERS' EQUITY AND LIABILITIES:		
Shareholders' Equity:	21,497,206,999	18,844,746,184
Share Capital	4,819,992,630	3,707,686,640
Share Premium	2,035,465,000	2,035,465,000
General Reserve	105,878,200	105,878,200
Gain on Marketable Securities (Unrealized)	382,947,233	297,945,485
Retained Earnings	14,152,923,936	12,697,770,859
Non-Current Liabilities:	778,808,006	810,461,067
Long Term Loans - Secured	173,422,228	313,421,158
Deffered Tax Liability	605,385,778	497,039,909
Current Liabilities:	4,118,960,087	3,792,438,255
Short Term Bank Loans	283,366,889	1,112,694,131
Long Term Loans - Current Portion	326,335,234	511,504,034
Trade Creditors	1,526,187,149	1,086,097,881
Liabilities for Expenses	43,330,838	109,604,834
Liabilities for Other Finance	1,939,739,977	972,537,375
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	26,394,975,092	23,447,645,506

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

For the 3rd Quarter Ended 31 December 2013

	<i>Nine Months Ended</i>		<i>Third Quarter Ended</i>	
	April-December 2013 Taka	April-December 2012 Taka	October-December 2013 Taka	October-December 2012 Taka
GROSS TURNOVER	18,283,475,572	15,237,219,255	6,258,073,216	5,557,810,038
Less: Value Added Tax	2,458,527,635	2,047,564,897	823,163,646	741,183,631
NET TURNOVER	15,824,947,937	13,189,654,358	5,434,909,570	4,816,626,407
COST OF GOODS SOLD	(8,047,115,585)	(6,936,564,253)	(2,740,641,591)	(2,616,476,758)
GROSS PROFIT	7,777,832,352	6,253,090,105	2,694,267,979	2,200,149,649
OPERATING EXPENSES:	(3,374,088,386)	(3,037,202,671)	(1,032,151,372)	(1,037,216,356)
Selling & Distribution Expenses	(2,619,197,111)	(2,208,970,515)	(809,782,754)	(761,250,736)
Administrative Expenses	(617,791,883)	(573,620,476)	(194,893,415)	(209,629,157)
Financial Expenses	(137,099,392)	(254,611,680)	(27,475,203)	(66,336,463)
PROFIT FROM OPERATIONS	4,403,743,966	3,215,887,434	1,662,116,607	1,162,933,293
Other Income	579,328,295	635,975,870	175,652,360	244,465,616
PROFIT BEFORE WPPF	4,983,072,261	3,851,863,304	1,837,768,967	1,407,398,909
Allocation for WPPF	(237,289,155)	(183,422,062)	(87,512,808)	(67,018,996)
PROFIT BEFORE TAX	4,745,783,106	3,668,441,242	1,750,256,159	1,340,379,913
Provision for Income Tax	(1,143,056,510)	(875,481,396)	(423,054,416)	(320,008,927)
Provision for Deferred Income Tax	(108,345,869)	-	(99,102,644)	-
PROFIT AFTER TAX	3,494,380,727	2,792,959,846	1,228,099,099	1,020,370,986
Other Comprehensive Income:				
Gain/(Loss) on Marketable Securities (Unrealized)	85,001,748	(79,098,713)	65,184,698	(90,180,152)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,579,382,475	2,713,861,133	1,293,283,797	930,190,834
Earnings Per Share (EPS)	7.25	5.79	2.55	2.12
Number of Shares used to compute EPS	481,999,263	481,999,263	481,999,263	481,999,263

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF CHANGES IN EQUITY (Unaudited)

For the 3rd Quarter Ended 31 December 2013

	Share Capital (Taka)	Share Premium (Taka)	General Reserve (Taka)	Gain on Marketable Securities (Unrealized) (Taka)	Retained Earnings (Taka)	Total (Taka)
At 31 March 2013	3,707,686,640	2,035,465,000	105,878,200	297,945,485	12,697,770,859	18,844,746,184
Total Comprehensive Income (Apr'13-Dec'13)	-	-	-	85,001,748	3,494,380,727	3,579,382,475
Cash Dividend (2012-2013)	-	-	-	-	(926,921,660)	(926,921,660)
Stock Dividend (2012-2013)	1,112,305,990	-	-	-	(1,112,305,990)	-
At 31 December 2013	4,819,992,630	2,035,465,000	105,878,200	382,947,233	14,152,923,936	21,497,206,999
At 31 December 2012	3,707,686,640	2,035,465,000	105,878,200	320,322,726	12,149,305,922	18,318,658,488

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF CASH FLOWS (Unaudited)

For the 3rd Quarter Ended 31 December 2013

	April-December 2013 Taka	April-December 2012 Taka
Cash Flows From Operating Activities:		
RECEIPTS:		
Collections from Sales	18,286,696,260	15,065,108,813
Others	344,137,254	327,309,292
	18,630,833,514	15,392,418,105
PAYMENTS:		
Purchase of Raw and Packing Materials	5,713,461,334	5,354,593,958
Manufacturing and Operating Expenses	3,771,632,695	3,708,620,109
Value Added Tax	2,458,527,635	2,047,564,897
Financial Expenses	137,099,392	254,611,680
Income Tax	787,909,533	742,344,138
Workers Profit Participation Fund	121,359,743	133,408,448
Others	-	7,417,625
	12,989,990,332	12,248,560,855
Net cash provided by operating activities	5,640,843,182	3,143,857,250
Cash Flows From Investing Activities:		
Purchase of Fixed Assets	(905,157,810)	(1,211,811,619)
Capital Work-in-Progress	(1,092,411,159)	(1,924,799,606)
Investment	140,546,117	341,499,634
Short Term Loan	(739,692,324)	1,234,331,802
Interest Received	116,893,299	129,038,470
Dividend Received	121,984,299	179,628,108
Net cash used in investing activities	(2,357,837,578)	(1,252,113,211)
Cash Flows From Financing Activities:		
Long Term Loan Received	7,514,001	233,104,954
Long Term Loan Repaid	(332,681,731)	(311,405,380)
Short Term Bank Loan Decrease	(829,327,242)	(714,835,252)
Dividend Paid	(926,921,660)	(662,086,900)
Net cash used by financing activities	(2,081,416,632)	(1,455,222,578)
Increase in Cash and Cash Equivalents	1,201,588,972	436,521,461
Cash and Cash Equivalents at the Opening	932,407,871	586,920,267
Cash and Cash Equivalents at the Closing	2,133,996,843	1,023,441,728

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer