

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited) As At 31 December 2012

	31-12-2012 Taka	31-03-2012 Taka
ASSETS:		
Non-Current Assets:	18,664,411,038	16,128,144,622
Property, Plant and Equipment-Carrying Value	9,539,420,562	9,171,791,457
Capital Work-in-Progress	3,548,508,595	1,274,390,572
Investment - Long Term (at Cost)	157,694,430	167,694,430
Investment - Associates Undertaking	4,693,653,460	4,709,080,125
Investment in Marketable Securities (Fair Value)	718,387,421	804,638,100
Pre-Operating/Preliminary Expenses	6,746,570	549,938
Current Assets:	7,433,783,336	8,248,571,022
Inventories	3,573,436,886	3,178,672,614
Trade Debtors	969,218,574	819,002,633
Advances, Deposits and Prepayments	971,979,314	694,844,720
Short Term Loan	850,767,219	1,717,273,322
Margin against BTB Letter of Credit	-	1,091,148,736
Cash and Cash Equivalents	1,068,381,343	747,628,997
TOTAL ASSETS	26,098,194,374	24,376,715,644
SHAREHOLDERS' EQUITY AND LIABILITIES:		
Shareholders' Equity:	21,513,332,577	19,120,019,851
Share Capital	3,707,686,640	2,648,347,600
Share Premium	2,035,465,000	2,035,465,000
General Reserve	105,878,200	105,878,200
Tax Holiday Reserve	406,231,702	449,870,449
Gain on Marketable Securities (Unrealized)	339,284,555	420,437,468
Retained Earnings	14,918,786,480	13,460,021,134
Non Controlling Interest	7,076,240	7,339,774
Non-Current Liabilities:	1,069,071,109	933,965,662
Long Term Loans - Secured	643,883,507	508,778,060
Deffered Tax Liability	425,187,602	425,187,602
Current Liabilities:	3,508,714,448	4,315,390,357
Short Term Bank Loans	1,483,292,303	2,237,495,956
Long Term Loans-Current Portion	488,872,702	477,141,480
Trade Creditors	27,757,371	531,295,427
Liabilities for Expenses	109,561,611	114,515,510
Liabilities for Other Finance	1,399,230,461	954,941,984
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	26,098,194,374	24,376,715,644

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 2012

	Nine Months Ended		Third Quarter Ended	
	April-December 2012 Taka	April-December 2011 Taka	October-December 2012 Taka	October-December 2011 Taka
GROSS TURNOVER	16,954,856,854	16,183,665,627	6,136,706,226	5,358,629,674
Less: Value Added Tax	2,293,822,988	2,108,427,501	824,948,476	732,636,080
NET TURNOVER	14,661,033,866	14,075,238,126	5,311,757,750	4,625,993,594
Cost of Goods Sold	(7,738,910,281)	(7,794,501,456)	(2,878,314,309)	(2,558,653,064)
GROSS PROFIT	6,922,123,585	6,280,736,670	2,433,443,441	2,067,340,530
OPERATING EXPENSES:	(3,158,205,172)	(2,889,979,504)	(1,074,600,422)	(992,701,928)
Selling & Distribution Expenses	(2,301,016,212)	(1,943,517,133)	(791,633,645)	(661,705,274)
Administrative Expenses	(577,504,244)	(562,615,211)	(210,766,719)	(183,531,168)
Financial Expenses	(279,684,716)	(383,847,160)	(72,200,058)	(147,465,486)
PROFIT FROM OPERATIONS	3,763,918,413	3,390,757,166	1,358,843,019	1,074,638,602
Other Income	299,516,904	327,697,487	153,931,582	106,034,883
PROFIT BEFORE WPPF	4,063,435,317	3,718,454,653	1,512,774,601	1,180,673,485
Allocation for WPPF	(196,898,277)	(179,903,735)	(72,036,664)	(56,222,547)
PROFIT BEFORE TAX	3,866,537,040	3,538,550,918	1,440,737,937	1,124,450,938
Provision for Income Tax	(976,553,010)	(900,806,676)	(357,641,442)	(289,399,632)
PROFIT AFTER TAX	2,889,984,030	2,637,744,242	1,083,096,495	835,051,306
Profit/(Loss) from Associate Undertakings	356,001,842	331,835,291	111,572,664	110,835,612
PROFIT AFTER TAX	3,245,985,872	2,969,579,533	1,194,669,159	945,886,918
Other Comprehensive Income:				
Gain/(Loss) on Marketable Securities (Unrealized)	(81,421,710)	165,998,160	(88,741,245)	143,712,421
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,164,564,162	3,135,577,693	1,105,927,914	1,089,599,339
Profit Attributable to:				
Owners of the Company	3,245,103,921	2,968,636,771	1,194,340,755	945,519,512
Non Controlling Interest	881,951	942,762	328,404	367,406
	3,245,985,872	2,969,579,533	1,194,669,159	945,886,918
Total Comprehensive Income Attributable to:				
Owners of the Company	3,163,682,211	3,134,634,931	1,105,599,510	1,089,231,933
Non Controlling Interest	881,951	942,762	328,404	367,406
	3,164,564,162	3,135,577,693	1,105,927,914	1,089,599,339
Earnings Per Share (EPS)	8.75	8.01	3.22	2.55
Number of Shares used to compute EPS	370,768,664	370,768,664	370,768,664	370,768,664

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 2012

	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 2012	2,648,347,600	2,035,465,000	105,878,200	449,870,449	420,437,468	13,460,021,134	7,339,774	19,127,359,625
Total Comprehensive Income (Apr'12-Dec'12)	-	-	-	-	(81,421,710)	3,245,103,921	881,951	3,164,564,162
Net Controlling Interest (Net)	-	-	-	-	-	-	(100,000)	(100,000)
Adjustment for Business Combination of SMFL with SFL	-	-	-	(43,638,747)	268,797	(64,912,635)	(1,045,485)	(109,328,070)
Cash Dividend (2011-2012)	-	-	-	-	-	(662,086,900)	-	(662,086,900)
Stock Dividend (2011-2012)	1,059,339,040	-	-	-	-	(1,059,339,040)	-	-
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
At 31 December 2011	2,648,347,650	2,035,465,000	105,878,200	1,538,494,137	460,177,836	11,721,463,192	6,791,895	18,516,617,910

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 2012

	April-December 2012 Taka	April-December 2011 Taka
Cash Flows From Operating Activities:		
RECEIPTS:		
Collections from Sales	16,735,803,185	16,995,343,381
Others	61,203,301	132,547,141
	16,797,006,486	17,127,890,522
PAYMENTS:		
Purchase of Raw and Packing Materials	5,508,817,077	6,348,460,603
Manufacturing and Operating Expenses	4,042,978,324	3,613,226,018
Value Added Tax	2,293,822,988	2,108,427,501
Financial Expenses	279,684,716	383,847,160
Income Tax	782,282,178	699,151,661
Workers Profit Participation Fund	133,887,098	60,615,528
Others	7,317,625	150,662
	13,048,790,006	13,213,879,133
Net cash provided by operating activities	3,748,216,480	3,914,011,389
Cash Flows From Investing Activities:		
Purchase of Fixed Assets	(1,260,856,086)	(1,809,089,578)
Capital Work-in-Progress	(2,274,118,023)	(379,583,809)
Preoperating Expenses	(6,196,632)	(30,000)
Investment	314,812,639	(4,705,434)
Short Term Loan	866,506,103	465,856,362
Interest Received	129,038,470	171,144,762
Dividend Received	72,803,279	83,529,372
Net cash used in investing activities	(2,158,010,250)	(1,472,878,325)
Cash Flows From Financing Activities:		
Long Term Loan Received	458,242,049	418,138,371
Long Term Loan Repaid	(311,405,380)	(360,564,622)
Short Term Bank Loan Increase/(Decrease)	(754,203,653)	(1,389,457,547)
Dividend Paid	(662,086,900)	(588,521,700)
Net cash provided by financing activities	(1,269,453,884)	(1,920,405,498)
Increase in Cash and Cash Equivalents	320,752,346	520,727,566
Cash and Cash Equivalents at the Opening	747,628,997	429,307,393
Cash and Cash Equivalents at the Closing	1,068,381,343	950,034,959

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF FINANCIAL POSITION (Unaudited)

As At 31 December 2012

	31-12-2012 Taka	31-03-2012 Taka
ASSETS:		
Non-Current Assets:	16,672,486,048	14,708,277,754
Property, Plant and Equipment-Carrying Value	9,227,834,097	8,767,827,062
Capital Work-in-Progress	3,199,190,178	1,274,390,572
Investment - Long Term (at Cost)	3,628,121,331	3,971,022,723
Investment in Marketable Securities (Fair Value)	617,340,442	695,037,397
Current Assets:	6,667,057,622	6,745,507,008
Inventories	3,185,870,553	2,687,818,472
Trade Debtors	958,664,364	808,311,714
Advances, Deposits and Prepayments	648,112,669	577,156,445
Short Term Loan	850,968,308	2,085,300,110
Cash and Cash Equivalents	1,023,441,728	586,920,267
TOTAL ASSETS	23,339,543,670	21,453,784,762
SHAREHOLDERS' EQUITY AND LIABILITIES:		
Shareholders' Equity:	18,318,658,488	16,266,884,255
Share Capital	3,707,686,640	2,648,347,600
Share Premium	2,035,465,000	2,035,465,000
General Reserve	105,878,200	105,878,200
Gain on Marketable Securities (Unrealized)	320,322,726	399,421,439
Retained Earnings	12,149,305,922	11,077,772,016
Non-Current Liabilities:	852,119,703	933,965,662
Long Term Loans - Secured	426,932,101	508,778,060
Deffered Tax Liability	425,187,602	425,187,602
Current Liabilities:	4,168,765,479	4,252,934,845
Short Term Bank Loans	1,301,715,873	2,016,551,125
Long Term Loans - Current Portion	480,687,013	477,141,480
Trade Creditors	1,131,883,923	875,431,555
Liabilities for Expenses	109,561,611	95,361,435
Liabilities for Other Finance	1,144,917,059	788,449,250
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	23,339,543,670	21,453,784,762

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 2012

	Nine Months Ended		Third Quarter Ended	
	April-December 2012 Taka	April-December 2011 Taka	October-December 2012 Taka	October-December 2011 Taka
GROSS TURNOVER	15,237,219,255	13,748,965,352	5,557,810,038	4,648,129,535
Less: Value Added Tax	2,047,564,897	1,880,419,096	741,183,631	651,564,732
NET TURNOVER	13,189,654,358	11,868,546,256	4,816,626,407	3,996,564,803
COST OF GOODS SOLD	(6,936,564,253)	(6,276,633,747)	(2,616,476,758)	(2,180,030,870)
GROSS PROFIT	6,253,090,105	5,591,912,509	2,200,149,649	1,816,533,933
OPERATING EXPENSES:	(3,037,202,671)	(2,763,054,022)	(1,037,216,356)	(950,412,359)
Selling & Distribution Expenses	(2,208,970,515)	(1,861,004,865)	(761,250,736)	(633,196,403)
Administrative Expenses	(573,620,476)	(545,453,947)	(209,629,157)	(179,342,787)
Financial Expenses	(254,611,680)	(356,595,210)	(66,336,463)	(137,873,169)
PROFIT FROM OPERATIONS	3,215,887,434	2,828,858,487	1,162,933,293	866,121,574
Other Income	635,975,870	654,283,940	244,465,616	196,998,245
PROFIT BEFORE WPPF	3,851,863,304	3,483,142,427	1,407,398,909	1,063,119,819
Allocation for WPPF	(183,422,062)	(165,863,925)	(67,018,996)	(50,624,753)
PROFIT BEFORE TAX	3,668,441,242	3,317,278,502	1,340,379,913	1,012,495,066
Provision for Income Tax	(875,481,396)	(800,701,111)	(320,008,927)	(247,645,877)
PROFIT AFTER TAX	2,792,959,846	2,516,577,391	1,020,370,986	764,849,189
Other Comprehensive Income:				
Gain/(Loss) on Marketable Securities (Unrealized)	(79,098,713)	187,911,909	(90,180,152)	169,150,303
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,713,861,133	2,704,489,300	930,190,834	933,999,492
Earnings Per Share (EPS)	7.53	6.79	2.75	2.06
Number of Shares used to compute EPS	370,768,664	370,768,664	370,768,664	370,768,664

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 2012

	Share Capital Taka	Share Premium Taka	General Reserve Taka	Tax Holiday Reserve Taka	Gain on Marketable Securities (Unrealized) Taka	Retained Earnings Taka	Total Taka
At 31 March 2012	2,648,347,600	2,035,465,000	105,878,200	-	399,421,439	11,077,772,016	16,266,884,255
Total Comprehensive Income (Apr'12-Dec'12)	-	-	-	-	(79,098,713)	2,792,959,846	2,713,861,133
Cash Dividend (2011-2012)	-	-	-	-	-	(662,086,900)	(662,086,900)
Stock Dividend (2011-2012)	1,059,339,040	-	-	-	-	(1,059,339,040)	-
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
At 31 December 2011	2,648,347,650	2,035,465,000	105,878,200	1,101,935,237	447,347,024	9,594,703,479	15,933,676,590

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 2012

	April-December 2012 Taka	April-December 2011 Taka
Cash Flows From Operating Activities:		
RECEIPTS:		
Collections from Sales	15,065,108,813	13,988,834,781
Others	327,309,292	378,039,528
	15,392,418,105	14,366,874,309
PAYMENTS:		
Purchase of Raw and Packing Materials	5,354,593,958	4,589,072,976
Manufacturing and Operating Expenses	3,708,620,109	3,344,059,962
Value Added Tax	2,047,564,897	1,880,419,096
Financial Expenses	254,611,680	356,595,210
Income Tax	742,344,138	678,565,506
Workers Profit Participation Fund	133,408,448	59,681,788
Others	7,417,625	150,662
	12,248,560,855	10,908,545,200
Net cash provided by operating activities	3,143,857,250	3,458,329,109
Cash Flows From Investing Activities:		
Purchase of Fixed Assets	(1,211,811,619)	(1,768,400,980)
Capital Work-in-Progress	(1,924,799,606)	(379,583,809)
Investment	341,499,634	23,472,150
Short Term Loan	1,234,331,802	646,034,371
Interest Received	129,038,470	192,715,040
Dividend Received	179,628,108	83,529,372
Net cash used in investing activities	(1,252,113,211)	(1,202,233,856)
Cash Flows From Financing Activities:		
Long Term Loan Received	233,104,954	418,138,371
Long Term Loan Repaid	(311,405,380)	(340,564,622)
Short Term Bank Loan Decrease	(714,835,252)	(1,270,287,455)
Dividend Paid	(662,086,900)	(588,521,700)
Net cash used by financing activities	(1,455,222,578)	(1,781,235,406)
Increase in Cash and Cash Equivalents	436,521,461	474,859,847
Cash and Cash Equivalents at the Opening	586,920,267	370,301,755
Cash and Cash Equivalents at the Closing	<u>1,023,441,728</u>	<u>845,161,602</u>

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Kabir Reza
Chief Financial Officer