

FINANCIAL STATEMENTS (Un-Audited)
For the period from 01.01.2015 to 30.09.2015



THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

House No. 41, Road No. 10/A, Dhanmondi ,

Dhaka-1209, Bangladesh.

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

House # 41, Road # 10/A, Dhanmondi, Dhaka-1209

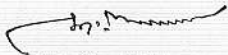
As per requirement of the Bangladesh Securities & Exchange Commission's (BSEC) Notification No. SEC/CMRRC/2008-183/Admin/03-34 dated September 27, 2009, The IBN SINA Pharmaceutical Industry Ltd. is pleased to submit the un-audited Financial Statements for the nine months period ended 30th September, 2015.

STATEMENT OF FINANCIAL POSITION (Un-Audited)

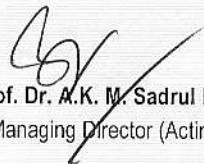
As at 30th September, 2015

| | | Amount in Taka | | |
|---|---------------------|----------------------|----------------------|--|
| Notes | As at 30.09.2015 | As at 31.12.2014 | | |
| ASSETS: | | | | |
| Non-Current Assets: | | | | |
| Property, Plant and Equipment | 02 | 882,192,017 | 782,494,963 | |
| | | 540,686,347 | 515,907,382 | |
| Investment in Marketable Securities (AFS) | 03 | 341,505,670 | 266,587,581 | |
| Current Assets : | | | | |
| Inventories | 04 | 438,837,534 | 412,684,597 | |
| | | 162,364,259 | 150,047,338 | |
| Sundry Debtors | | 5,230,395 | 4,783,652 | |
| Advances, Deposits & Prepayments | 05 | 112,056,309 | 99,815,239 | |
| Cash & Cash Equivalents | 06 | 159,186,571 | 158,038,368 | |
| TOTAL ASSETS | | 1,321,029,551 | 1,195,179,560 | |
| SHAREHOLDERS' EQUITY AND LIABILITIES: | | | | |
| Shareholders' Equity: | | | | |
| Share Capital | | 763,286,227 | 679,344,704 | |
| | | 224,532,000 | 213,840,000 | |
| Net Gain on Marketable Securities (AFS) | 03 | 273,644,021 | 206,217,741 | |
| Tax Holiday Reserve | | 4,392,110 | 4,392,110 | |
| Retained Earnings | 07 | 260,718,096 | 254,894,853 | |
| Non-Current Liabilities | | | | |
| Deferred Tax Liability | 08 | 192,387,486 | 84,044,694 | |
| | 09 | 43,868,458 | 30,841,557 | |
| Current Liabilities: | | | | |
| Bank Finance & Other Credits | 10 | 321,487,380 | 400,948,605 | |
| | | 122,735,738 | 200,200,957 | |
| Accounts and Other Payables | 11 | 198,751,642 | 200,747,648 | |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | | 1,321,029,551 | 1,195,179,560 | |


(Md. Jasim Uddin, FCA)
Chief Financial Officer


(Md. Shahid Farooqui, FCS)
Company Secretary

Dated, Dhaka
October 25, 2015


(Prof. Dr. A.K.M. Sadrul Islam)
Managing Director (Acting)


(Shah Abdul Hannan)
Chairman

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Un-Audited)
For the period from 1st January to September 30, 2015

| Amount in Taka | | | | |
|---|-----------------------------------|---|------------------------------------|--|
| Notes | 1st Jan 2015 to 30th Sept 2015 | 1st Jan 2014 to 30th Sept 2014 (Restated) | 1st July 2015 to 30th Sept 2015 | 1st July 2014 to 30th Sept 2014 (Restated) |
| Turnover and Other income | 2,223,378,458 | 1,970,236,676 | 734,746,540 | 725,826,012 |
| Cost of goods sold | <u>(1,334,406,746)</u> | <u>1,187,726,972)</u> | <u>(438,971,376)</u> | <u>(436,103,575)</u> |
| Gross Profit | 888,971,712 | 782,509,704 | 295,775,164 | 289,722,437 |
| Operating Expenses: | | | | |
| Administrative expenses | 13 (56,942,828) | (45,884,652) | (19,012,597) | (9,988,288) |
| Selling & Distribution expenses | 14 <u>(713,595,083)</u> | <u>(650,419,354)</u> | <u>(232,407,031)</u> | <u>(248,517,850)</u> |
| | <u>(770,537,911)</u> | <u>(696,304,006)</u> | <u>(251,419,628)</u> | <u>(258,506,138)</u> |
| Operating Profit | 118,433,801 | 86,205,698 | 44,355,536 | 31,216,299 |
| Finance Charges | <u>(3,423,764)</u> | <u>(3,355,413)</u> | <u>(1,272,591)</u> | <u>(2,100,746)</u> |
| Workers' P.P. Fund & Welfare Fund | 115,010,037 | 82,850,285 | 43,082,945 | 29,115,553 |
| | <u>(5,476,668)</u> | <u>(3,945,252)</u> | <u>(2,051,569)</u> | <u>(1,386,455)</u> |
| Net Profit before tax | 109,533,369 | 78,905,033 | 41,031,376 | 27,729,098 |
| Less: Income tax expenses | | | | |
| Current tax | 09 23,331,034 | 21,698,884 | 10,257,844 | 7,625,502 |
| Deferred tax | 5,535,092 | <u>(3,361,682)</u> | 5,418,572 | <u>(3,155,599)</u> |
| | 28,866,126 | 18,337,202 | 15,676,416 | 4,469,903 |
| Net Profit after tax | 80,667,243 | 60,567,831 | 25,354,960 | 23,259,195 |
| Other Comprehensive Income: | | | | |
| Change in fair value of Marketable Securities (AFS) | 03 74,918,089 | <u>(69,314,895)</u> | 147,777,965 | <u>(4,327,092)</u> |
| Deferred tax | <u>(7,491,809)</u> | 6,931,490 | <u>(14,777,796)</u> | 432,709 |
| Total other comprehensive income for the period, net of tax | <u>67,426,280</u> | <u>(62,383,405)</u> | 133,000,169 | <u>(3,894,383)</u> |
| Total other comprehensive income for the period 30th September, 2015 | <u>148,093,523</u> | <u>(1,815,574)</u> | <u>158,355,129</u> | <u>19,364,812</u> |
| Earnings per share-basic (restated-2014) | <u>3.59</u> | <u>2.70</u> | <u>1.13</u> | <u>1.04</u> |
| Net Asset Value (NAV) per share | <u>33.99</u> | <u>30.27</u> | | |


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Managing Director (Acting)


(Shah Abdul Hannan)
Chairman

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

STATEMENT OF CHANGES IN EQUITY (Un-Audited)

For the period from 1st January to September 30, 2015

Amount in Taka

| Particulars | Paid up Capital | Tax Holiday Reserve | Gain on Marketable Securities (Unrealized) | Retained Earnings | Total |
|---|--------------------|---------------------|--|--------------------|--------------------|
| Balance as at 1st January, 2014 | 194,400,000 | 4,392,110 | 279,141,244 | 195,656,433 | 673,589,787 |
| Dividend for the year, 2013 | 19,440,000 | - | | (68,040,000) | (48,600,000) |
| Total Comprehensive Income/(Loss)-2014 | - | - | (72,923,503) | 127,278,420 | 54,354,917 |
| Balance as at 1st January, 2015 | 213,840,000 | 4,392,110 | 206,217,741 | 254,894,853 | 679,344,704 |
| Total Comprehensive Income/(Loss) for the period ended 30th September, 2015 | | | 67,426,280 | 80,667,243 | 148,093,523 |
| Dividend for the year, 2014 (Cash-30%) | | | | (64,152,000) | (64,152,000) |
| Dividend for the year, 2014 (Stock-05%) | 10,692,000 | | | (10,692,000) | - |
| Balance as at 30th September, 2015 | 224,532,000 | 4,392,110 | 273,644,021 | 260,718,096 | 763,286,227 |

STATEMENT OF CHANGES IN EQUITY (Un-Audited)

For the period from 1st January to September 30, 2014

Restated

Amount in Taka

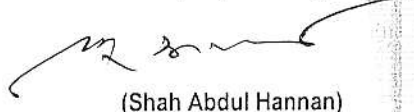
| Particulars | Paid up Capital | Tax Holiday Reserve | Gain on Marketable Securities (Unrealized) | Retained Earnings | Total |
|--|--------------------|---------------------|--|--------------------|--------------------|
| Balance as at 1st January, 2013 | 162,000,000 | 4,392,110 | 296,770,285 | 165,179,622 | 628,342,017 |
| Dividend for the year, 2012 | 32,400,000 | - | | (56,700,000) | (24,300,000) |
| Statement of profit or loss and other comprehensive Income, 2013 | | | (17,629,041) | 87,176,811 | 69,547,770 |
| Balance as at 1st January, 2014 | 194,400,000 | 4,392,110 | 279,141,244 | 195,656,433 | 673,589,787 |
| Dividend for the year, 2013 (Cash-25%) | | | | (48,600,000) | (48,600,000) |
| Dividend for the year, 2013 (Stock-10%) | 19,440,000 | | | (19,440,000) | - |
| Statement of profit or loss and other Comprehensive Income for the period ended 30th September, 2014 | | | (62,383,405) | 60,567,831 | (1,815,574) |
| Balance as at 30th September, 2014 | 213,840,000 | 4,392,110 | 216,757,839 | 188,184,264 | 623,174,213 |


 (Md. Jasim Uddin, FCA)
 Chief Financial Officer


 (Md. Shahid Farooqui, FCS)
 Company Secretary

Dated, Dhaka
October 25, 2015


 (Prof. Dr. A.K. M. Sadrul Islam)
 Managing Director (Acting)


 (Shah Abdul Hannan)
 Chairman

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

STATEMENT OF CASH FLOWS (Un-Audited)

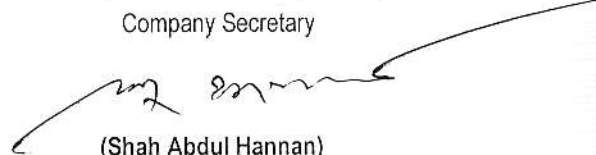
For the period from 1st January to September 30, 2015

| | Amount in Taka | |
|--|-----------------------------------|-----------------------------------|
| | 1st Jan 2015 to 30th Sept 2015 | 1st Jan 2014 to 30th Sept 2014 |
| Cash Flow From Operating Activities: | | |
| Collection from customers & others | 2,208,767,711 | 1,959,999,982 |
| Payment for cost & expenses | (2,091,828,600) | (1,843,248,110) |
| Other income | 595,841 | 553,800 |
| Cash generated from operations | 117,534,952 | 117,305,672 |
| Income tax paid | (20,532,256) | (21,308,233) |
| Financial charges | (3,423,764) | (3,355,413) |
| Net cash provided by operating activities | 93,578,932 | 92,642,026 |
| Cash Flow From Investing Activities: | | |
| Purchase of fixed assets | (60,407,521) | (63,066,323) |
| Investment | 0.00 | (12,565,133) |
| Dividend income | 13,216,789 | 7,659,649 |
| Profit from bank deposits & investment | 351,375 | 1,657,324 |
| Net cash used in investing activities | (46,839,357) | (66,314,483) |
| Cash Flow From Financing Activities: | | |
| Payment of dividend | (50,319,701) | (33,843,762) |
| Long term finance received/(paid) from bank (net) | 97,743,192 | 8,316,257 |
| Short term finance received/(paid) from bank (net) | (86,002,538) | (4,490,693) |
| Changes in other finance | (7,012,325) | (9,608,659) |
| Net cash flow from financing activities | (45,591,372) | (39,626,857) |
| Increase/(decrease) in cash and cash equivalents | 1,148,203 | (13,299,314) |
| Cash and cash equivalents at the opening | 158,038,368 | 119,698,358 |
| Cash and cash equivalents at the closing | <u>159,186,571</u> | <u>106,399,044</u> |
| Net Operating cash flow per share (NOCFPS) | <u>4.17</u> | <u>4.33</u> |


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Managing Director (Acting)


(Shah Abdul Hannan)
Chairman

Dated, Dhaka
October 25, 2015

The Ibn Sina Pharmaceutical Industry Ltd.
Selected Notes to the Financial Statements (Un-Audited)
For the period ended September 30,2015

Selected Explanatory Notes

01 (a). Basis of Preparation of Financial Statements

These financial statements have been prepared in line with the accounting policies and methods of computations of the annual financial statements prepared and published for the year ended 31st December, 2014. These interim financial statements includes only selected explanatory notes as deemed appropriate for understanding of these un-audited financial statements.

01 (b). Reporting

This 3rd Quarter financial report has been prepared based on Bangladesh Accounting Standard (BAS)-34 "Interim Financial Reporting".

01 (c) Earnings Per Share (EPS)

Earnings per share has been calculated based on number of shares outstanding for the period ended September 30, 2015 and profit for the same period. The number of shares outstanding for the period was 22.4532 million. Earnings per share for the corresponding period of 2014 has also been calculated based on 22.4532 million shares. No diluted earnings per share is required to be calculated as there was no scope for dilution during the period under review.

01. (d) Restatement of Financial Statement:

Statement of profit or loss and other comprehensive income and statement of changes in equity for the 3rd quarter ended on 30th September 2014 has been restated for more compliance with accounting standard by recognising deferred tax on gain/(loss) of marketable securities (available for sales, AFS).

01 (e). Subsequent events

No Material events occurred after the reporting date, non disclosure of which could affect the stakeholders to make proper valuation and decision.

Previous period figures have been re-arranged to conform to current period's presentation, where considered necessary.

02. PROPERTY, PLANT AND EQUIPMENT:

Cost/Revaluation

Balance as at 1st January

Addition during the year

Disposal/Adjustment during the year

Accumulated Depreciation

Balance as at 1st January

Charged during the year

Disposal/Adjustment during the year

Written Down Value (WDV)

| Amount in Taka | |
|---------------------|---------------------|
| As at 30.09.2015 | As at 31.12.2014 |

| | |
|--------------------|--------------------|
| 834,827,102 | 668,062,064 |
| 60,407,521 | 167,600,458 |
| - | (835,420) |
| 895,234,623 | 834,827,102 |

| | |
|--------------------|--------------------|
| 318,919,720 | 284,415,581 |
| 35,628,556 | 35,164,359 |
| - | (660,220) |
| 354,548,276 | 318,919,720 |

| | |
|--------------------|--------------------|
| 540,686,347 | 515,907,382 |
|--------------------|--------------------|

03. INVESTMENT IN MARKETABLE SECURITIES (FAIR VALUE):

| SI No. | Name of Company Share/Bond | No. of Shares /Bond Held | Face Value Per Share /Bond | Cost of Holding | Average Cost | Quoted Rate Per Share/ Bond as on 30.09.15 | Total Market value of shares/ Bond as on 30.09.15 | Unrealized Gain/(Loss) |
|--------|--|-----------------------------|----------------------------------|-------------------|-----------------|--|---|---------------------------|
| 1 | Islami Bank Bangladesh Ltd. (IBBL)- in shares | 11,013,991 | 10 | 32,866,758 | 2.98 | 30.60 | 337,028,125 | 304,161,367 |
| 2 | Islami Bank Bangladesh Ltd. (IBBL)-in Mudaraba Perpetual Bond (MPB) | 4,590 | 1,000 | 4,590,000 | 1,000 | 975.50 | 4,477,545 | (112,455) |
| | Total Taka | | | 37,456,758 | | | 341,505,670 | 304,048,912 |

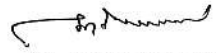
| | | Amount in Taka | |
|---|--|---------------------|---------------------|
| | | As at 30.09.2015 | As at 31.12.2014 |
| a) NET GAIN/(LOSS) ON MARKETABLE SECURITIES (AFS) : | | | |
| Unrealized Gain/(Loss) Position (Closing) | | 304,048,912 | 229,130,823 |
| Deferred tax on gain on marketable securities (AFS) | | (30,404,891) | (22,913,082) |
| | | 273,644,021 | 206,217,741 |
| b) CHANGE IN FAIR VALUE OF MARKETABLE SECURITIES (AFS) : | | | |
| Unrealized Gain/(Loss) Position (Closing) | | 304,048,912 | 229,130,823 |
| Unrealized Gain/(Loss) Position (Opening) | | 229,130,823 | 310,156,936 |
| | | 74,918,089 | (81,026,113) |
| 04. INVENTORIES: | | | |
| Raw materials | | 53,261,707 | 48,139,256 |
| Packing materials | | 46,671,705 | 40,546,705 |
| Work-in-process | | 21,094,621 | 20,559,600 |
| Finished goods | | 40,389,460 | 40,039,010 |
| Physicians' samples & others | | 946,766 | 762,767 |
| | | 162,364,259 | 150,047,338 |
| 05. ADVANCES, DEPOSITS & PRE-PAYMENTS : | | | |
| <i>This is recoverable in cash or for value to be received and consists of as follows :</i> | | | |
| a. Advances against- | | | |
| Salary | | 791,025 | 1,610,401 |
| Expenses/Works | | 14,588,431 | 19,310,512 |
| Sales centre rent | | 2,666,275 | 2,110,000 |
| Motor cycles - to employees | | 6,877,210 | 6,508,928 |
| Income Tax | | 76,239,259 | 55,698,743 |
| Others | | 313,181 | 173,169 |
| | | 101,475,381 | 85,411,753 |
| b. Deposits - | | | |
| Security money | | 5,744,681 | 4,517,746 |
| c. Pre-payments - | | | |
| Value Added Tax (VAT) | | 4,426,974 | 9,490,769 |
| Insurance premium | | 409,273 | 394,971 |
| | | 4,836,247 | 9,885,740 |
| (a+b+c) | | 112,056,309 | 99,815,239 |
| 06. CASH & CASH EQUIVALENTS: | | | |
| Cash in hand & Bank Balance | | 152,925,221 | 151,682,368 |
| Imprest Cash | | 6,261,350 | 6,356,000 |
| | | 159,186,571 | 158,038,368 |
| 07. RETAINED EARNINGS : | | | |
| Retained Earnings | | 254,894,853 | 195,656,433 |
| Dividend Paid | | (74,844,000) | (68,040,000) |
| Add : Surplus during the period/year | | 80,667,243 | 127,278,420 |
| | | 260,718,096 | 254,894,853 |
| 08. NON-CURRENT LIABILITIES: | | | |
| Long Term Finance-Net off current maturity | | 130,860,158 | 33,116,966 |
| Retirement Benefit Obligation | | 61,527,328 | 50,927,728 |
| | | 192,387,486 | 84,044,694 |
| 09. DEFERRED TAX ASSET/LIABILITY : | | | |
| Deferred Tax Asset/Liability represents deferred tax recognized as asset/liability the movement of which is as below: | | | |
| a) Deferred tax liability on net temporary differences: | | | |
| Balance as at 1st January | | 7,928,475 | 5,243,267 |
| Deferred tax expenses/(income) | | 5,535,092 | 2,685,208 |
| | | 13,463,567 | 7,928,475 |

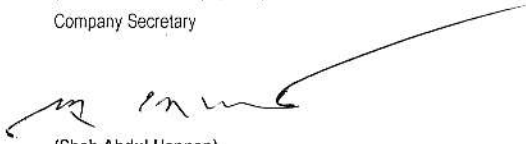
| | | | |
|--|--|---|---|
| b) Deferred tax liability on change in AFS : | | | |
| Balance as at 1st January | | 22,913,082 | 31,015,694 |
| Addition/(Less) during the year | | 7,491,809 | (8,102,612) |
| | | 30,404,891 | 22,913,082 |
| Deferred tax liability at closing balance (a+b) | | 43,868,458 | 30,841,557 |
| 10. BANK FINANCE & OTHER CREDITS : | | | |
| Short Term Finance | | 44,166,421 | 135,592,500 |
| Long Term Finance-Current maturity | | 16,137,406 | 10,713,865 |
| Deposits | | 14,647,192 | 12,929,848 |
| Other Finance | | 47,784,719 | 40,964,744 |
| | | 122,735,738 | 200,200,957 |
| 11. ACCOUNTS AND OTHER PAYABLES: | | | |
| Payable for Suppliers | | 71,522,109 | 88,850,633 |
| Accrued Expenses | | 60,583,795 | 68,590,571 |
| Income Tax Liability | | 66,645,738 | 43,306,444 |
| | | 198,751,642 | 200,747,648 |
| Amount in Taka | | | |
| | | 1st Jan 2015 to 30th Sept 2015 | 1st Jan 2014 to 30th Sept 2014 |
| 12. COST OF GOODS SOLD : | | | |
| Materials | | 1,115,474,988 | 1,003,251,793 |
| Factory Overhead | | 190,734,401 | 159,421,652 |
| Depreciation | | 28,197,357 | 19,553,527 |
| | | 1,334,406,746 | 1,182,226,972 |
| 13. ADMINISTRATIVE EXPENSES : | | | |
| Salary, wages & Allowances | | 34,010,678 | 27,724,884 |
| Repairs & Maintenance | | 3,229,622 | 3,646,129 |
| Travelling & Conveyance | | 1,322,068 | 500,074 |
| AGM, Fees and Others | | 1,774,068 | 2,123,424 |
| Depreciation | | 2,553,908 | 2,270,206 |
| Other Expenses | | 14,052,484 | 9,619,936 |
| | | 56,942,828 | 45,884,652 |
| 14. SELLING & DISTRIBUTION EXPENSES : | | | |
| Salary, wages & Allowances | | 388,103,925 | 346,971,003 |
| Travelling & Conveyance | | 1,122,382 | 1,220,256 |
| Market Survey & Research and Product development | | 1,554,286 | 1,868,134 |
| Field personnel expenses | | 87,258,188 | 83,565,920 |
| Sample, Literature & Promotional Expenses | | 81,291,717 | 68,211,126 |
| Delivery Expenses | | 77,810,081 | 75,287,112 |
| Depreciation | | 4,877,290 | 4,171,860 |
| Other Expenses | | 71,577,214 | 69,123,943 |
| | | 713,595,083 | 650,419,354 |

Dated, Dhaka
October 25, 2015


(Md. Jasim Uddin, FCA)
Chief Financial Officer


(Prof. Dr. A. K. M. Sadrul Islam)
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