

Ambee Pharmaceuticals Limited
2nd Quarter Accounts(Un-Audited)
October to December-2019

Ambee Pharmaceuticals Limited

Statement of Financial Position (Un-audited)

As at 31st December 2019

Taka '000

	Notes	31st Dec. 2019	30 June.2019
ASSETS			
Non-Current Assets:			
Property, Plant & Equipment -Carrying Value	3	105,880	109,131
		105,880	109,131
Current Assets:			
Inventories	4	303,378	293,864
Trade Receivable		146,095	144,528
Advances, Deposits and Pre-payments	5	68,008	65,053
Cash and Cash Equivalents	6	84,230	78,715
		5,045	5,568
Total Assets		409,258	402,995
EQUITY AND LIABILITIES			
Capital and Reserves:			
Share Capital		54,526	57,810
Tax-Holiday Reserve		24,000	24,000
Retained Earnings- As per statement of changes in equity		5,134	5,134
		25,392	28,676
Non-Current Liabilities:			
Deferred Tax Liabilities	19	8,561	9,462
Lease Finance (Non-Current Portion)	7 (A)	7,516	7,662
		1,045	1,800
Current Liabilities and Provisions:			
Short Term Credit Facility		346,171	335,723
Lease Finance (Current Portion)	7 (B)	102,627	96,841
Liabilities for Goods and Others		2,900	4,303
Liabilities for expenses	8	12,232	11,078
Liabilities for Other Finance	9	11,326	11,252
Provision for Income Tax	10	160,902	165,151
Workers Profit Participation Fund	11	37,001	35,785
Unclaim Dividend		8,460	7,778
		10,723	3,535
Total Equity And Liabilities		409,258	402,995
Net Asset Value per share (NAV)		22.72	24.09

Sd/-
(Serajul Islam)
Director

Sd/-
(Sakina Miraly)
Director

Sd/-
(Nurjehan Hudda)
Director

Sd/-
(A.K.M. Khairul Aziz)
Chief Financial Officer

Sd/-
(Jahangir Alam)
Company Secretary

Dhaka
January 29, 2020

Ambee Pharmaceuticals Limited
Statement of Comprehensive Income
For the 2nd Quarter ended 31st December 2019
(Unaudited)

Taka '000

	<u>Note</u>	<u>July-Dec 19</u>	<u>July-Dec 18</u>	<u>Oct-Dec 19</u>	<u>Oct-Dec 18</u>
Revenue (Turnover) from Net Sales		167,651	173,095	89,423	87,050
Cost of Goods Sold	12	(82,951)	(85,350)	(46,996)	(46,022)
Gross Profit		84,700	87,744	42,427	41,027
Operating Expenses :		(76,142)	(78,723)	(37,967)	(36,540)
Administrative Expenses	13	(12,936)	(12,692)	(8,981)	(8,489)
Marketing and Selling Expenses	14	(63,206)	(66,031)	(28,986)	(28,051)
Profit for Operation		8,558	9,021	4,460	4,487
Financial Expenses		(3,438)	(3,572)	(1,698)	(1,743)
Profit Before Contribution to WPPF		5,120	5,449	2,762	2,744
Contribution to WPPF		(256)	(272)	(138)	(137)
Net Profit before income-tax		4,864	5,177	2,624	2,607
Provision for income -tax		(948)	(1,118)	(510)	(570)
Current Tax		(1,216)	(1,294)	(656)	(652)
Deferred Tax Income/ (Expenses)		268	176	146	82
Net Profit after income-tax		3,916	4,059	2,114	2,037
Number of Shares		2,400	2,400	2,400	2,400
Earnings Per Share (EPS)	15	1.63	1.69	0.88	0.85

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Company Secretary

Dhaka
January 29, 2020

Ambee Pharmaceuticals Limited
Statement of Changes in Equity
For the 2nd quarter ended 31st December, 2019
(Unaudited)

As at 31st December, 2019

Taka '000

	Share Capital	Tax Holiday Reserve	Retained Earning	Total
At 1st July 2019	24,000	5,134	28,676	57,810
Dividend for the year 2018-19			(7,200)	(7,200)
Net Profit after income-tax July to December 2019	-	-	3,916	3,916
At 31st December 2019	24,000	5,134	25,392	54,526
At 30th June 2019	24,000	5,134	28,676	57,810

As at 31st December , 2018

Taka '000

	Share Capital	Tax Holiday Reserve	Retained Earning	Total
At 1st July 2018	24,000	5,134	32,509	61,643
Dividend for the year 2017-18			(7,200)	(7,200)
Net Profit after income-tax July to December 2018	-	-	4,059	4,059
At 31st December 2018	24,000	5,134	29,368	58,502
At 30th June 2018	24,000	5,134	32,509	61,643

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Dhaka
January 29, 2020

Ambee Pharmaceuticals Limited
Statement of Cash Flows (Un-audited)
For the period from 01 July 2019 to 31st December 2019
(Unaudited)

Taka '000

	<i>2nd Quarter 2019-20</i> <i>July-Dec. 2019</i>	<i>2nd Quarter 2018-19</i> <i>July-Dec. 2018</i>
Cash Flows from Operating Activities :		
Collection from turnover	164,696	174,024
Payments for cost and expenses	(157,638)	(154,560)
Finance Expenses	(3,438)	(3,572)
Income-tax paid/deducted at source	(3,459)	(2,314)
Cash Generated from Operating Activities :	161	13,578
Cash Flows from Investing Activities :		
Acquisition of Fixed Assets	(51)	(358)
Cash Generated From Investment Activities	(51)	(358)
Cash Flows from Financing Activities :		
Short Term Credit Facility	5,786	-
Other Finance	(4,249)	(6,624)
GSP Finance	(2,158)	-
Payment to Bank	-	-
Dividend paid	(12)	(7,215)
Cash Generated From Financial Activities	(633)	(13,839)
Increase/(Decrease) in cash and cash equivalents	(523)	(619)
Opening cash and cash equivalents	5,568	12,659
Closing Cash and Bank balances	5,045	12,040
Net Operating cash flow per share	0.07	5.66
Components of Cash and Cash Equivalents		
Cash and Cash Equivalents	5,045	12,040
Total Cash and Cash Equivalents	5,045	12,040

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Company Secretary

Dhaka
January 29, 2020

3.00 PROPERTY, PLANT & EQUIPMENT :

Particulars	C O S T				Rate %	D E P R E C I A T I O N				Net Book Value as on 31.12.2019
	As on 01.07.2019	Addition during the period	Adjustment during the Period	As on 31.12.2019		As on 01.07.2019	Adjustment during the period	For the period	As on 30.12.2019	
Existing Units -1										
Land	49,033,738	-	-	49,033,738	-	-	-	-	-	49,033,738
Leasehold Land	1,215,803	-	-	1,215,803	-	-	-	-	-	1,215,803
Factory Building	25,453,974	-	-	25,453,974	2.5	13,955,963	-	143,725	14,099,689	11,354,286
Plant and Machinery	61,668,702	-	-	61,668,702	7	46,378,818	-	535,146	46,913,964	14,754,738
Deep Tube Well	1,368,000	-	-	1,368,000	15	1,102,066	-	19,945	1,122,011	245,989
Diesel Generating Set	446,500	-	-	446,500	15	348,415	-	7,356	355,772	90,728
Loose Tools	98,001	-	-	98,001	15	94,179	-	287	94,466	3,535
Laboratory Equipment	3,200,156	-	-	3,200,156	10	2,275,411	-	46,237	2,321,648	878,508
Electrical Installation	556,455	-	-	556,455	10	226,304	-	16,508	242,812	313,643
Laboratory Glass Ware	41,626	-	-	41,626	15	41,486	-	11	41,497	130
Production Equipment	1,220,541	-	-	1,220,541	10	804,565	-	20,799	825,364	395,177
Transport and Vehicles	12,530,135	-	-	12,530,135	20	9,168,261	-	336,187	9,504,448	3,025,687
Motorcycle	38,662,774	-	-	38,662,774	20	20,855,116	-	1,780,766	22,635,882	16,026,892
Furniture and Fixtures	3,510,681	-	-	3,510,681	10	2,599,894	-	45,539	2,645,433	865,248
Office Equipment	12,403,336	51,500	-	12,454,836	15	9,537,314	-	218,814	9,756,128	2,698,708
Office By-cycles	15,962	-	-	15,962	20	15,670	-	29	15,699	263
Books	98,060	-	-	98,060	15	89,937	-	609	90,546	7,514
Sub Total	211,524,444	51,500	-	211,575,944		107,493,401	-	3,171,959	110,665,361	100,910,584
Injectable (Ampoule) Unit -2										
Factory Building	3,627,409	-	-	3,627,409	2.5	1,248,468	-	29,737	1,278,205	2,349,204
Plant and Machinery	9,221,953	-	-	9,221,953	7	6,721,229	-	87,525	6,808,754	2,413,199
Production Equipment	80,500	-	-	80,500	10	64,491	-	800	65,291	15,209
Transport and Vehicles	2,235,000	-	-	2,235,000	20	2,186,032	-	4,897	2,190,929	44,071
Furniture and Fixture	930,903	-	-	930,903	10	775,749	-	7,758	783,507	147,396
Sub Total	16,095,765	-	-	16,095,765		10,995,969	-	130,717	11,126,686	4,969,079
December 31, 2019 Tk.	227,620,209	51,500	-	227,671,709		118,489,370	-	3,302,676	121,792,046	105,879,662
June 30, 2019 Tk.	227,253,359	366,850	-	227,620,209		110,634,097	-	7,855,272	118,489,370	109,130,839

Note : Depreciation Charged to :

Cost of Goods Sold (Note - 12)
Administrative Expenses (Note - 13)

Tk.

	31-12-2019	30-06-2019
Cost of Goods Sold (Note - 12)	920,730	1,976,748
Administrative Expenses (Note - 13)	2,381,946	5,878,525
	3,302,675	7,855,273

Ambee Pharmaceuticals Limited

Selected Notes to the Financial Statement (Un-audited)
For the 2nd Quarter ended 31st December, 2019

1.00 About the Company

The Ambee Pharmaceuticals Limited (the “Company”) was incorporated in Bangladesh as a Public Company on 4th February, 1976. It commenced commercial operation in 1978 and went for public issue of shares in 1986. The shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges of Bangladesh.

The registered office of the Company is located at 184/1, Tejgaon I/A, Dhaka – 1208 and the manufacturing plant is located at same place at 184/1, Tejgaon I/A, Dhaka – 1208.

The principal activities of the Company were manufacturing of pharmaceuticals drugs and medicines and sales thereof.

The Company has 09 Sales depots in all over the Bangladesh in different districts to keep the Company's Sales, marketing, distribution and financial activities vibrant and dynamic.

2.00 Basis of preparation of Financial Statements

These Financial Statements should be read in conjunction with the Annual Financial Statements as on 30 June 2019, as they provide an update of previously reported information .

The accounting policies and presentation used are consistent with those used in the Annual Financial Statements. The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs). Where necessary, the comparative figures have been reclassified or extended from the previously reported interim Financial Statements to take into account any presentational changes made in the Annual Financial Statements or in these Interim Financial Statements.

The presentation of the Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of Interim Financial statements, deviate from the actual, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

The company has no reportable operating segments as per IFRS-8. The company operates in a single product segment as such no segment reporting is felt necessary.

Figures have been rounded off to the nearest Taka.

Tk' 000

4.00 Inventories

Raw & Packing materials
(including Work in Process, Promotional Materials & Materials in Transit)
Finished goods

As at 31st Dec, 2019	As at June 30, 2019
79,860	78,053
66,235	66,475
146,095	144,528

5.00 Advances, Deposits and Pre-payments

a) Advances
b) Deposit and Prepayments

81,342	75,211
2,888	3,503
84,230	78,714

a) Advances

Advances to staff
Advance Rent
Income tax
Against purchases and expenses
Associated Undertaking

1,226	1,701
341	341
47,817	44,358
12,050	9,555
19,908	19,256
81,342	75,211

Sub total**b) Deposit and Prepayments**

VAT deposit
L/C Margin
Guarantee Margin
Other Deposits
Pre-payments

-	1,334
1,551	832
21	21
1,291	1,291
25	25
2,888	3,503

Sub total**6.00 Cash & Cash Equivalents**

In hand
At banks:
In current account
In in-operative account

4,020	3,940
1,025	1,628
944	1,547
81	81
5,045	5,568

7.00 Lease Finance

A. Non-Current Portion

1,045	1,800
1,045	1,800

B. Current Position

2,900	4,303
2,900	4,303

Lease Finance

Loan from GSP Finance
Less: Current Portion of long term loan being payable within one year

3,945	6,103
(2,900)	(4,303)
1,045	1,800

Gross Finance Lease- minimum lease liability

Within one year
After one year
Total

3,216	4,878
1,141	2,010
4,357	6,888

Less: Future finance charges on finance lease liability
Present Value of Finance Lease liability

412	785
3,945	6,103

This consist of as follows:

Within one year
Within two to five years
Total Present Value of Finance Lease liability

2,900	4,303
1,045	1,800
3,945	6,103

08.00 Liabilities for Expenses

Details of above balance are given below:

Accrued Expenses	10,923	10,849
Audit Fees	403	403
	<u>11,326</u>	<u>11,252</u>

09.00 Liabilities for other Finance

Details of above balance are given below:

Employees Income Tax	701	701
Refund Warrant Payable	13	13
Share Application Money	1	1
Vat Payable	21,937	24,437
Income Tax deduction from Supplier	431	431
Provident Fund Payable	1,916	1,916
Loan from Mr. Aziz Mohammad Bhai	115,901	117,650
Interest Payable	20,002	20,002
	<u>160,902</u>	<u>165,151</u>

10.00 Provision for Income Tax

Opening Balance	35,785	37,525
Provision for the Period	1,216	3,846
Adjustment for the year 2012 and 2014	-	(5,586)
	<u>37,001</u>	<u>35,785</u>

11.00 Workers Profit Participation Fund (WPPF)

Opening Balance	7,778	6,719
Provision for the Period	138	690
Interest during the Period	544	940
Less: Adjustment/ payment during the Period	-	(571)
	<u>8,460</u>	<u>7,778</u>

	Tk' 000	
	2nd Quarter ended 31st Dec, 2019	2nd Quarter ended 31st Dec, 2018
12.00 Cost of Goods Sold		
Materials	68,220	70,020
Factory Overhead	13,810	14,342
Depreciation	921	988
	82,951	85,350

13.00 Administrative Expenses.

Salary and allowances	7,860	7,421
Travelling & Conveyance	480	456
Electricity, Gas and Water	895	892
Repairs and maintenance	448	405
Legal and professional & AGM expenses	255	250
Depreciation	2,382	2,948
Other Expenses	616	320
	12,936	12,692

14.00 Selling, Distribution & Marketing Expenses.

Salary and allowances	43,435	45,949
Rent, rates and taxes	2,368	2,360
Conveyance	3,875	3,950
Repairs and maintenance	772	756
Electricity, Gas and Water	940	936
Delivery expenses	9,065	9,260
Free Sample	1,778	1,870
Other Expenses	973	950
	63,206	66,031

15.00 Earning Per Share (EPS).

This is made up as follows:

Earning attributable to the Ordinary Shareholders (Net profit after tax)	3,916	4,059
Weighted average number of Ordinary shares outstanding during the period	2,400	2,400
	1.63	1.69

Earning Per Share (EPS) decreased due to decrease of Sales in this 6 months.

16.00 Net Operating Cash Flow Per Share (NOCFPS).

Cash flows from net operating activities as per Statement of Cash flows	161	13,578
Weighted average number of Ordinary shares outstanding during the period	2,400	2,400
	0.07	5.66

Net Operating Cash Flow Per Share (NOCFPS) decrease due to decrease of collection from turnover & increase of payment for cost and expenses for the 2nd quarter ended 31st December 2019 than comparative period.

17.00 Key Management Personnel Compensation.

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

Short Term Employee Benefits	7,862	7,791
Post- Employment Benefits		-
Other Long-Term Benefits		-
Termination Benefits		-
Others		-
	<u>7,862</u>	<u>7,791</u>

There is no other benefits provided by the company to it's employees other than a contributory Provident Fund Scheme.

18.00 Related Party Transactions - Disclosure under IAS 24 "Related Party Disclosure"

The Company has entered into transactions with other entities that fall within the definition of related party as contained in IAS-24 "Related Party Disclosures". The Company opines that terms of related party transactions do not significantly differ from those that could have been obtained from third parties. Total transactions of the significant related parties as at 31 December 2019 were as follows:

Name of the Party	Relationship	Nature of Transaction	Opening Balance	Addition during the Period	Adjustment during the Period	Closing Balance
Aziz Mohammad Bhai	Chairman	Inter company Loan/ Receivable	117,650		1,749	115,901
Olympic Industries Limited	Group Concern	Inter company Loan/ Receivable	1,086			1,086
Bengal Steel Works Limited	Group Concern	Inter company Loan/ Receivable	19,159	652		19,811
Ambee Films Limited	Group Concern	Inter company Loan/ Receivable	98	-	-	98
Total			137,993	652	1,749	136,896

19.00 Computation of Deferred Tax

Particulars	As at 31st Dec,2019	As at 31st Dec,2018
Carrying value of depreciable fixed assets	56,846	64,006
Tax base Value	(26,783)	(34,916)
Net taxable temporary difference- Liabilities	30,063	29,090
Tax Rate	25%	25%
Deferred Tax Liability - Closing	7,516	7,272
Deferred Tax Liability- Opening	7,662	7,354
Deferred Tax Assets for the Period	(146)	(82)

20.00 Reconciliation of Cash Flows from Operating Activities (Indirect Method)

PARTICULARS	AMOUNT(Tk.)
<u>CASH FLOW FROM OPERATING ACTIVITIES:</u>	
Net profit / (loss) before income tax during the period	4,864
Depreciation	3,303
Provision for tax	(948)
	7,219
<u>CHANGE IN WORKING CAPITAL:</u>	
	(7,058)
(Increase) / Decrease Advance, deosit & prepayments	(5,515)
(Increase) / Decrease Trade Receivable	(2,955)
(Increase) / Decrease Inventories	(1,567)
(Increase)/ Decrease Creditors and other payables	1,154
(Increase) / Decrease in Accrued Expenses	74
(Increase) / Decrease in Provision for Income Tax	1,216
(Increase) / Decrease in Wrokers Profit Participation Fund	682
Increase / (Decrease) in Deferred Tax	(146)
Net cash flows from operating activities	<u>161</u>
Net oerating cash flows per share	<u><u>0.07</u></u>

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