

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

“Investment in capital market involves certain degree of risks. The investors are required to read the prospectus and risk factors carefully, assess their own financial conditions and risk-taking ability before making their investment decisions.”

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। বিনিয়োগকারীগণ প্রসপেক্টাস পড়ে এবং ঝুঁকির বিষয়গুলি সতর্কতার সাথে অনুধাবন করে নিজ নিজ আর্থিক অবস্থা ও ঝুঁকিগ্রহণ করার সক্ষমতা বিবেচনা করে বিনিয়োগ সিদ্ধান্ত গ্রহণ করবেন।”

**PROSPECTUS OF
Al-Madina Pharmaceuticals Limited**



Manager to the Issue



Qualified Investor Offer (QIO) for BDT 50,000,000

Offer Price BDT 10.00 each

Total Size of Fund to be Raised BDT 50,000,000

Opening date of subscription: May 07, 2023

Closing date of subscription: May 11, 2023

Names of the Underwriters:

Prime Bank Investment Limited & EC Securities Limited

ISSUE DATE OF THE PROSPECTUS: March 28, 2023

(a) PRELIMINARY INFORMATION AND DECLARATIONS

(i) Name(s), address(s), telephone number(s), web address(s), e- mail(s), FAX number(s) and contact persons of the issuer, issue manager(s), underwriter(s), auditors, credit rating company and valuer, where applicable:

ISSUER		
Name and Address	Contact Person	Telephone Number, FAX Number, E- Mail, Web Address
Al-Madina Pharmaceuticals Ltd. Registered & Corporate Office: 178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka-1215. Factory: 1/1, Tilargati, Kakil, Tongi-1711, Gazipur	Mr. Mohammad Anwar Hossain Company Secretary	Tel: +88-02-41010040, +88-02-22224514 Fax: +88-02-8712168 E-mail: anwar.cs.ampl@gmail.com Web: www.almadinapharma.com
ISSUE MANAGER		
Prime Bank Investment Ltd. Tajwar Centre (5 th Floor) House: 34, Road: 19/A, Block: E Banani, Dhaka-1213	Mr. Khandoker Raihan Ali FCA Managing Director & CEO (CC)	Phone: +88-02-48810315, +88-02-48810316 Fax: +88-02-48810314 Email: info@pbil.com.bd Web: www.pbil.com.bd
UNDERWRITER(S)		
Prime Bank Investment Ltd. Tajwar Centre (5 th Floor) House: 34, Road: 19/A, Block: E Banani, Dhaka-1213	Mr. A K M Maruf Siddique Issue Management Department	Phone: +88-02-48810315, +88-02-48810316 Fax: +88-02-48810314 Email: info@pbil.com.bd Web: www.pbil.com.bd
EC Securities Ltd. Kazi Tower (5 th Floor), 86, Naya Palton, Dhaka-1000	Md. Khurshid Alam Chief Executive Officer	Phone: +88-02-48313136 Fax: +88-02-48313638 Email: info@ecslbd.com Web: www.ecslbd.com
AUDITOR		
Shiraz Khan Basak & Co. Chartered Accountants R.K. Tower (Level-10), 86, Bir Uttam C.R. Datta Road (312, Sonargaon Road), Dhaka- 1205	Mr. Muhammed Abul Hashem FCA(Enroll.964), FCS Partner	Phone: +88-02-9635139, +88-02-9673597 Fax: N/A Email: shirazkhanbasak@yahoo.com Web: www.shirazkhanbasak.bd.com
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CREDIT RATING COMPANY		
Alpha Credit Rating Limited Sadharan Bima Bhaban-2 (8 th Floor), 139 C/A 1000, Dhaka	Mr. Sadek Hossain Analyst	Phone: +88-02-9569867, +88-02-9569740 Fax: +88-02-7175704 E-mail: info@alpharating.com.bd Web: www. alpharating.com.bd

(ii) Declaration:

A person interested to get a prospectus may obtain from the issuer, and the issue manager(s).

(iii) "If you have any query about this document, you may consult the issuer, issue manager and underwriter."

"এই প্রসপেক্টাসে বর্ণিত তথ্য সম্পর্কিত যে কোন জিজ্ঞাসা আপনি প্রতিষ্ঠানটির উল্লিখিত ইস্যুয়ার, ইস্যু ব্যবস্থাপক এবং অবলেখকের সাথে যোগাযোগ করে জেনে নিতে পারেন।"

(iv) "CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (QUALIFIED INVESTOR OFFER BY SMALL CAPITAL COMPANY) RULES, 2022. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER'S CHIEF EXECUTIVE OFFICER, UNDERWRITERS, AUDITOR(S) AND/OR VALUER (IF ANY)."

(v) '*Risks in relation to the First Issue*'

"This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the securities is BDT 10.00 (BDT Ten), and the issue price is BDT 10.00 (BDT Ten), i.e. of the face value. The issue price as determined should not be taken to be indicative of the market price of the securities after listing. No assurance can be given regarding an active or sustained trading of the securities or the price after listing."

(vi) '*General Risk*'

"Investment in securities involves a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before making an investment decision in this offer. For making an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. Given the emerging nature of small capital companies, there may be a higher investment risk attached to the securities being offered. The securities to be traded on the Small Capital (SME) Platform may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be an active market for trading of such securities. The securities have not been recommended by the Bangladesh Securities and Exchange Commission (BSEC) nor does BSEC guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'risk factors' given on page number(s) 10-12.

(vii) '*Al-Madina Pharmaceuticals Limited's Absolute Responsibility*'

"The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this prospectus contains all material information with regard to the issuer and the issue, that the information contained in the prospectus is true, fair and correct in all material aspects and are not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

(b) AVAILABILITY OF PROSPECTUS

(i) Website addresses and e-mail addresses and names of contact persons of the institutions where the prospectus is available in soft form;

Issuer	Contact Person	Website and E-mail Address
Al-Madina Pharmaceuticals Ltd.	Mr. Mohammad Anwar Hossain Company Secretary	Web: www.almadinapharma.com Email: anwar.cs.ampl@gmail.com
Issue Manager	Contact Person	Website and E-mail Address
Prime Bank Investment Ltd.	Mr. A K M Maruf Siddique Issue Management Department	Web: www.pbil.com.bd Email: info@pbil.com.bd
Stock Exchange(s)	Contact Person	Website and E-mail Address
Dhaka Stock Exchange Ltd.	Mr. Afzalur Rahaman Senior Manager	Web: www.dsebd.org Email: reasearch@dsebd.org
Chittagong Stock Exchange Ltd.	Mr. Mohammad Habib Ullah Deputy Manager	Web: www.cse.com.bd Email: habib.ullah@cse.com.bd

Prospectus would also be available on the website of the Bangladesh Securities and Exchange Commission (BSEC) (www.sec.gov.bd) and at the library room of the BSEC for reading and studying upon approval.

(ii) Definitions and Acronyms or Elaborations;

ACRONYMS/ELABORATIONS		
A		
AGM	:	Annual General Meeting
Allotment	:	Letter of Allotment of Shares
AMPL	:	Al-Madina Pharmaceuticals Limited
“Articles” or “Articles of Association” or “AoA”	:	The Articles of Association of Al-Madina Pharmaceuticals Limited
B		
BB	:	Bangladesh Bank
BDT	:	Bangladeshi Taka
BIDA	:	Bangladesh Investment Development Authority
BMRE	:	Balancing, Modernization, Rehabilitation & Expansion
BO Account	:	Beneficial Owners Account
BSEC	:	Bangladesh Securities and Exchange Commission
BOD	:	Board of Directors
C		
CDBL	:	Central Depository Bangladesh Limited
CIB	:	Credit Information Bureau
CFO	:	Chief Financial Officer
Commission	:	Bangladesh Securities and Exchange Commission
Company	:	Al-Madina Pharmaceuticals Limited
Companies Act	:	Companies Act, 1994
Corporate Office	:	Head Office of the Company
CSE	:	Chittagong Stock Exchange Limited
D		
DCT	:	Deputy Commissioner of Taxes
DSE	:	Dhaka Stock Exchange Limited
E		
E-mail	:	Electronic Mail
EPS	:	Earnings Per Share
EIs	:	Eligible Investors
EGM	:	Extraordinary General Meeting
F		
FC Account	:	Foreign Currency Account
FCA	:	Fellow Chartered Accountants
FDR	:	Fixed Deposit Receipt
FY	:	Financial Year
G		
GBP	:	Great Britain Pound
GDP	:	Gross Domestic Product
GP	:	General Public
I		
Issue	:	Qualified Investor Offer (QIO)
Issuer	:	Al-Madina Pharmaceuticals Limited
Issue Manager	:	Prime Bank Investment Limited
IFRS	:	International Financial Reporting Standards
IAS	:	International Accounting Standards

L		
L/C	:	Letter of Credit
M		
MD	:	Managing Director
MOA or Memorandum of Association	:	The Memorandum of Association of Al-Madina Pharmaceuticals Limited
N		
NBFI	:	Non-Bank Financial Institution
NAV	:	Net Asset Value
NBR	:	National Board of Revenue
NRB	:	Non-Resident Bangladeshi
NOC	:	No Objection Certificate
O		
Our Company	:	Al-Madina Pharmaceuticals Limited
Offer Price	:	Price of the share of Al-Madina Pharmaceuticals Limited being offered
P		
PBIL	:	Prime Bank Investment Limited
P/E	:	Price to Earnings Ratio
Q		
QIO	:	Qualified Investor Offer
R		
RJSC	:	Registrar of Joint Stock Companies and Firms
Rules	:	Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2022
S		
Sponsors	:	The sponsor shareholders of Al-Madina Pharmaceuticals Limited
Securities	:	Shares of Al-Madina Pharmaceuticals Limited
Securities Market	:	The Share Market of Bangladesh
SME	:	Small & Medium Enterprise
STD A/C	:	Short Term Deposit Account
Subscription	:	Application Money
T		
The Company / Issuer	:	Al-Madina Pharmaceuticals Limited
TIN	:	Tax Identification Number
Tk.	:	Bangladeshi Taka
U		
UK Pound	:	United Kingdom Pound
USD	:	United States Dollar
V		
VAT	:	The Value Added Tax
W		
WDV	:	Written Down Value
WPPF	:	Workers' Profit Participation Fund
Y		
Y-o-Y	:	Year on Year

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(b) A prospectus may be obtained from the issuer company, issue manager, underwriter and stock exchange(s);

(c) The address and telephone number of the company, the issue manager, the underwriters, the auditor and the stock exchange(s).

ISSUER		
Name	Address	Contact Details
Al-Madina Pharmaceuticals Ltd.	Registered & Corporate Office: 178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215. Factory: 1/1, Tilargati, Kakil, Tongi-1711, Gazipur	Tel: +88-02-41010040, +88-02-22224514 Fax: +88-02-8712168
ISSUE MANAGER		
Prime Bank Investment Ltd.	Tajwar Centre (5 th Floor) House: 34, Road: 19/A, Block: E Banani, Dhaka-1213	Tel: +88-02-48810315, +88-02-48810316 Fax: +88-02-48810314
UNDERWRITER(S)		
Prime Bank Investment Ltd.	Tajwar Centre (5 th Floor) House: 34, Road: 19/A, Block: E Banani, Dhaka-1213	Tel: +88-02-48810315, +88-02-48810316 Fax: +88-02-48810314
EC Securities Ltd.	Kazi Tower (5 th Floor), 86, Naya Palton, Dhaka-1000	Tel: +88-02-48313136 Fax: +88-02-48313638
AUDITOR		
Shiraz Khan Basak & Co. Chartered Accountants	R.K. Tower (Level-10), 86, Bir Uttam C.R. Datta Road, (312, Sonargaon Road), Dhaka- 1205	Tel: +88-02-9635139, +88-02-9673597 Fax: N/A
Stock Exchanges		
Dhaka Stock Exchange Ltd.	DSE Head Office: Dhaka Stock Exchange Ltd. Stock Exchange Building 9/F Motijheel C/A Dhaka-1000	Tel: 02223384601 - 07 Fax: 02223384727
Chittagong Stock Exchange Ltd.	Chittagong Stock Exchange PLC. CSE Building, 1080, Sk. Mujib Road Agrabad, Chittagong, Bangladesh	Tel: +880 2333314632-3, +880 2333320871-2, +880 2333326801-5 Fax: +880 2333314101, +880 2333326810

SECTION - I

RISK FACTORS AND MANAGEMENT'S PERCEPTION ABOUT THE RISKS

a) Interest rate risks:

Interest rate risk is associated with the fluctuations in market interest rates which cause a company's cost of debt to increase. Changes in the Government's monetary policy also tend to increase interest rates. A high rate of interest may adversely affect the operating results and financial performance of the Company with additional financial charges and squeezes the profit of the company.

Management perception:

Management of Al-Madina Pharmaceuticals Limited always emphasizes to manage its finance to an optimum capital structure of the company so that the cost of capital & debt remains minimum. The management always prefers to take loan with reasonable competitive rate. The company has loan in small scale. Hence, the company is not highly exposed to interest rate risk.

b) Exchange rate risks:

Foreign exchange risk also is known FX risk of currency is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency of the company. This risk arises when investment's value changed due to the changes in the currency exchange rate.

Management perception:

The company receives the entire export proceeds in foreign currency and makes the import payments in foreign currency as well. For a given depreciation of Taka against a particular foreign currency like US Dollar, the import payment and export proceeds will both be higher in terms of Taka. In case of an appreciation of Taka against the same currency, the opposite will occur. Hence, the company has a natural hedge against exchange rate risk.

c) Industry risks:

Industry risk is related to the factors affecting the company. The factors are the change in supply and demand of the product, changes of laws, government policy to the sector and competitor's rivalry.

Management Perception:

Al-Madina Pharmaceuticals Limited is aware of the above fact. Industry risk is inherent in any kind of business. At the moment industry is favoring for operating business.

d) Market and technology-related risks:

Market risk is the risk that any change in the market such as demand of the product, foreign exchange rates fluctuation, prices of the product, increase of competition, a squeeze of business through the cancellation of work order, shifting of the buyer to another market will affect the company's business. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Management perception:

Market risk dealt with efficiently by the experienced management of Al-Madina Pharmaceuticals Limited.

e) Potential or existing government regulations:

The Company operates under Companies Act, Taxation policy adopted by NBR, Bangladesh Securities and Exchange Commission (BSEC)'s Rules and Rules adopted by other regulatory bodies. Any abrupt changes in the policies formed by those bodies will impact the business of The Company adversely.

Management perception:

The economy of Bangladesh has been developing over the decades because of business-friendly Rules and Regulations adopted by the various regulatory bodies of the country. Unless any adverse policies are taken, which may materially affect the industry as a whole, the business of The Company will not be affected. The government emphasizes the growth of the local industry to meet the local need. our Government is encouraging the industry with investment-friendly policy measures.

f) Potential or existing changes in global or national policies:

Changes in the existing global or national policies can have either positive or negative impacts for the company. Any scarcity or price hike or global or national policy change may hamper the profitability.

Management perception:

Nowadays global and national policies do not change without prior notice. For potential changes in policies, local and global leaders consider different issues including industries opinion. We are optimistic that if any policies change unpredictably, we can improvise with new policies without hampering our smooth operation.

g) History of Non-Operation, if any:

Not Applicable.

h) Operational Risk

Operational risk is the possibility of suffering a financial setback due to internal procedures, personnel, and system failures or uncontrollable outside factors. Due to a lack of internal controls and compliance within the bank, operational risk can also result from mistakes and fraud.

Management's Perception

The operational risk management process at AMPL explains how the company controls its operational risk by identifying, assessing, monitoring, controlling, and mitigating the risk, addressing operational risk events, and putting in place any additional procedures necessary to comply with regulatory requirements. Different levels of management within the business operation are given the duty of operational risk management. Information systems are used to create suitable, frequent management reporting as well as to track the discovery and evaluation of operational risks. In order to track important developments, risk assessment includes a regular review of the risks that have been identified.

i) Risk Relating to Secondary Trading of Securities

The Secondary Market offers many opportunities for investing. However, secondary market exhibits a higher risk than the loans that would be seen in the Primary Market. The earnings and return expectations, the risk components of secondary market largely correspond to those of IPO. Secondary market can have liquidity risks. The liquidity risk recedes if a sufficiently solvent issuer guarantees repayment of the invested capital at any time. Due to the short maturity, the liquidity sensitivity of these instruments is lower than that of bank deposit.

Management's Perception

The Company understands the threat of a liquidity crisis. The company is operating using an effective working capital management strategy, which essentially is focused on the liquidity issue of the company. As a matter of fact, the company is maintaining the optimum level of liquid assets to avoid any sort of risks raised which may occur during trading in secondary market. The company is strictly controlling its inflows, outflows, and different use of liquid funds. So, the risk of the company is lowest.

SECTION - II

USE OF PROCEEDS

(a) The prospectus shall show how the net proceeds of the offering shall be used, indicating the amount to be used for each purpose:

Al-Madina Pharmaceuticals Limited will raise capital from qualified investor through Qualified Investor Offer (QIO). Details particulars of QIO fund is given in the following table:

Source of fund:

Particulars	Amount in BDT
Number of Shares Issue Under QIO	5,000,000
Issue Price	BDT 10.00
Total Amount	50,000,000

Proceeds from Qualified Investor Offer (QIO) are given below:

Sl. No.	Particulars	Amount (BDT)
1	Business Expansion	30,800,000
2	Loan Repayment	16,700,000
3	QIO Expenses	2,500,000
	Total	50,000,000

Breakdown of use of net QIO proceeds:

1. Business Expansion:

Sl. No.	Particulars	Amount (BDT)
i.	Liquid Section - Local Machineries & Accessories (Human Plant)	11,802,108
ii.	Building Construction Cost	12,700,000
iii.	LC Margin for importing machineries for human plant segment	4,100,000
iv.	Duty (Port)	2,197,892
	Total	30,800,000

i. Liquid Section - Local Machineries & Accessories list (Human Plant)

Sl. No.	Particulars	Quantity	Unit Price	Total Price
1	Cap sealing Machine (25mm & 28 mm) Roo & pp	2	100,000	200,000
2	Automatic Bottle wash Machine (30/60 per minuet)	1	220,000	220,000
3	Suspension (Antacid & other Liquid) Filling Machine with table (10 to 300 ml)	2	150,000	300,000
4	Double Cone Blender 100 kg	1	170,000	170,000
5	Centrifuge	1	85,000	85,000
6	Leak test Machine	1	350,000	350,000
7	Analytical Balance with printer up to 400gm	5	190,000	950,000
8	Viscometer	1	420,000	420,000
9	pH meter	2	90,000	180,000
10	Moisture Analyzer	1	200,000	200,000
11	Jet Printer (Markem Imaje Printer)	2	360,000	720,000
12	Transfer Pump	2	110,000	220,000
13	1000 Ltr mixing tank with stirrer (inverter)	1	165,000	165,000
14	100 Ltr Heating Vessel	1	120,000	120,000
15	S.S. Step over Bench	8	26,000	208,000
16	Coating Machine 80 kg Working capacity (Aqueous Coating)	1	3,200,000	3,200,000
17	500 Ltr reserve vessel with stirrer (inverter)	1	115,000	115,000
18	1000 Ltr Mixing tank with inline homogenizer	1	490,000	490,000
19	S.S. Trolley (2 feet /3 feet)	5	14,500	72,500

Sl. No.	Particulars	Quantity	Unit Price	Total Price
20	S.S. Tool	70	2,150	150,500
21	Conveyor Belt 20S'	2	190,000	380,000
22	HVAC Installation & Ducting	1	2,886,108	2,886,108
Total				11,802,108

ii. Building Construction Cost

Sl. No.	Particulars	Quantity (approx.)	Price(approx.)
1	Brick	60,000pcs	600,000
2	Cement	2000 bags	1,000,000
3	Sand	10 trucks (Big Size)	200,000
4	Ready Mix	24 trucks (Size 450 meters)	2,200,000
5	Rod	40 ton	3,000,000
6	Pipe and fitting	-	400,000
7	Electric Cables	-	3,000,000
8	Sanitary Fitting	-	300,000
9	Labor Cost	-	2,000,000
Total			12,700,000

2. Loan Re-Payments:

SL	Particulars	Required Amount in BDT
1	Loan Re-Payments to Shahajalal Islami Bank Limited	16,700,000
	Total	16,700,000

3. Estimated QIO Expense:

Sl.	Type of Fees	Nature of Expenditure	Amount in BDT
A.	Issue Management Fees		172,500
	Managers to the issue fees	Maximum Tk. 300,000	150,000
	VAT Against Issue management Fees	15% on issue management Fee	22,500
B.	Bangladesh Securities and Exchange Commission Fees		100,000
	Application fees	At actual	50,000
	BSEC Consent fees	0.10% of QIO amount	50,000
C.	Fees Related to Listing with the Stock Exchange(s)		424,800
	Dhaka Stock Exchange (DSE)		
	Prospectus Scrutiny fee for DSE	At actual	25,000
	Initial Listing Fee for DSE	Up to BDT 10 crore of paid-up capital @ 0.10% and above BDT 10 crore of paid-up capital @ 0.05%	152,000
	Annual Listing Fee for DSE	Up to BDT 10 crore of paid-up capital @ 0.025% and above BDT 10 crore of paid-up capital @ 0.01%	35,400
	Chittagong Stock Exchange (CSE)		
	Prospectus Scrutiny fee for CSE	At actual	25,000
	Initial Listing Fee for CSE	Up to BDT 10 crore of paid-up capital @ 0.10% and above BDT 10 crore of paid-up capital @ 0.05%	152,000
	Annual Listing Fee for CSE	Up to BDT 10 crore of paid-up capital @ 0.025% and above BDT 10 crore of paid-up capital @ 0.01%	35,400
D.	Underwriting Commission		57,500
	Underwriting Commission	0.25% on underwritten amount	50,000
	VAT Against Underwriting Commission	15% on underwriting commission	7,500
E.	CDBL Fees and Expenses		639,100
	Security Deposit	At actual	500,000
	Documentation Fee	At actual	2,500
	Annual Fee	At actual	100,000
	Connection Fee (Tk. 500 Per Month*12)	At actual	6,000

Sl.	Type of Fees	Nature of Expenditure	Amount in BDT
	Qualified Investor Offer Fee	@.015% of issue size+.015% of Pre-QIO paid up capital	30,600
F.	Post QIO Expenses		600,000
	Post Issue Management Fee	(Estimated; to be paid actual)	400,000
	Subscription Related Expenses	(Estimated; to be paid actual)	200,000
G.	Prospectus Publication & Others		200,000
	Publication of Prospectus	(Estimated; to be paid actual)	200,000
H.	Miscellaneous Expenses	(Estimated; to be paid actual)	306,100
	Total	A+B+C+D+E+F+G+H	2,500,000

N.B Actual costs may vary if above mentioned estimates differ and will be adjusted accordingly.

(b) The prospectus shall also include a schedule mentioning the stages of implementation and utilization of funds received through public offering, mentioning about the approximate date of completion of the project and the projected date of full commercial operation. The schedule shall be signed by the chief executive officer and the chief financial officer of the issuer:

A SCHEDULE MENTIONING THE STAGES OF IMPLEMENTATION AND UTILIZATION OF FUNDS RECEIVED

SL No.	Particulars	Progress made so far	Approximate date of Completion	Projected date of full commercial operation
1	Loan Re-Payments	The company will start the work after receipt of QIO fund.	Immediately after receiving QIO fund.	Immediately after receiving QIO fund.
2	Business Expansion	The company will start the work after receipt of QIO fund.	Within 24 months after receiving QIO fund.	Within 24 months after receiving QIO fund.

Sd/-
Md. Billal Hossain
Chairman

Sd/-
Md. Zakir Hossain Patwary
Managing Director

Sd/-
Mohammad Anichur Rahman
Chief Financial Officer

(c) If there are contracts covering any of the activities of the issuer for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the issuer shall disclose the terms of such contracts, and copies of the contracts shall be enclosed as annexure to the prospectus:

There is no such contract yet to be engaged by the company.

Terms of contract:

As per Annexure-E (B)(05)(C) of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules 2022 there is no contract covering any of the activities of the issuer company for which the proceeds of sale of securities from QIO is to be used.

Sd/-
Md. Billal Hossain
Chairman

Sd/-
Md. Zakir Hossain Patwary
Managing Director

Sd/-
Mohammad Anichur Rahman
Chief Financial Officer

SECTION - III

DESCRIPTION OF BUSINESS

Description of Business:

- (a) The date on which the issuer company was incorporated and the date on which it commenced operations and the nature of the business which the company and its subsidiaries are engaged in or propose to engage in:

Date of Incorporation	July 27, 2006
Date of Commercial Production	October 21, 2007
Nature of Business	<p>Al-Madina Pharmaceuticals Limited is one of the fastest growing Companies in Pharmaceuticals sector in Bangladesh. The company is engaged in the manufacturing, buying, selling, refinement, import, export or otherwise of pharmaceutical products and preparations, patent drugs and proprietary articles of all kinds, whether basic or derived and in all forms.</p> <p>At present, it is manufacturing 150 plus products of animal health product such as antibacterial drugs, nutritional products, poultry vaccines, aqua products, daily injectable products etc. and 70 plus important products of pharma product such as anti-bacterial drugs, anti-fungal drugs, gastro-intestinal drugs, analgesic & anti-inflammatory drugs, vitamins-minerals or supplements, drugs acting on urogenital system and drugs acting on respiratory system etc.</p>
Subsidiary Company	The company has no subsidiary company.

- (b) The prospectus shall contain the information in respect of its business operation, for example:

- (i) The principal products or services of the company and the markets for such products or services;

Principal Products of Al-Madina Pharmaceuticals Limited are:

Pharma Division: Zolat 20 Capsule, Alivio 10 Cream, Alivio 20 Cream, Amixon, Carbium, Claviator-CV 500, Claviator-CV 250, Anaprox, B3, Prex-3, Cipex 500, Rynofex 120, Miaz, Prex-3 200, Alovit, Cipex, Raceper20, Thoraz 35 ml, Thoraz 500 ml, Bonwell-D, Xiroket

Animal Health Division: NS Vet Powder, Almolin Vet Powder, Tylotrate- 20 Powder, Alenro-Vet Solution, Al-cipro Solution, Set-3 Powder, Tylva-Vet Powder, Altiguard Vet Powder, AL-Doxil Powder (Vet), Tilvet Liquid, AL-CTC Vet Powder, LV-Vet Powder, Amovet Powder, CS-Vet Oral Solution, AMPO-Vet Powder, Alcocci Powder (Vet), Anticocci-K Powder (Vet), T-Zuril Vet liquid.

Market of the Products:

At present, it is manufacturing 150 plus products of animal health product such as antibacterial drugs, nutritional products, poultry vaccines, aqua products, daily injectable products etc. and 70 plus important products of pharma product such as anti-bacterial drugs, anti-fungal drugs, gastro-intestinal drugs, analgesic & anti-inflammatory drugs, vitamins-minerals or supplements, drugs acting on urogenital system and drugs acting on respiratory system etc. A major portion of its revenue incurred by selling its products to the local market by establishing extensive distribution channels across the country and abroad.

Past Trend: Last 5 years' sales of the Al-Madina Pharmaceuticals Limited:

Particulars	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Revenue	668,965,108	556,164,433	371,565,576	228664,494	150,906,116	157,735,679

Future Prospects:

Pharmaceutical industry is one of the most promising sectors in Bangladesh. After the promulgation of local industry friendly Drug (Control) Ordinance in 1982 the scenario of pharmaceutical industries changed considerably. Now, after fulfilling the local demand, Bangladesh is exporting pharmaceutical products to over 100 countries of the world. There are still lots of space for Bangladesh to flourish in this sector. So, initiatives from the stakeholders are required to ensure the remarkable growth of pharmaceutical industries in Bangladesh. The pharmaceuticals industry of Bangladesh is driving to change by increase per capita income, population growth, changing disease profile, lifestyle change and rapid urbanization. Future prospects regarding exports and local market of Al-Madina Pharmaceuticals Limited are given below:

Particulars	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
Local Sales Revenue	751,520,000	830,060,000	920,240,000	1,022,300,000	1,153,046,000
Export	5,012,500	6,045,800	8,045,012	9,125,640	10,546,100
Total Revenue	756,532,500	836,105,800	928,285,012	1,031,425,640	1,163,592,100

(ii) If the company has more than one product or service, the relative contribution to sales and income of each product or service that accounts for more than 10% of the company's total revenues;

There is no product that account for more than 10% of the Company's total revenue.

(iii) Names of associates, subsidiary/related holding company and their core areas of business;

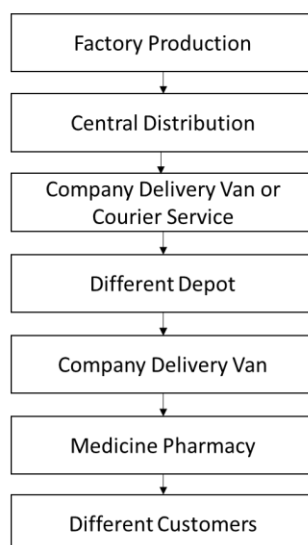
The company does not have any of associates, subsidiary/related holding company.

(iv) How the products or services are distributed;

Al-Madina has its own distribution network to distribute its products throughout the country. All products produced in the factory, are brought to the central distribution hub before delivery vehicles of the company distribute the products to different depots located across the country.

Company's product distribution systems are depicted below:

**Al-Madina Pharmaceuticals Ltd.
Distribution Flow Chart**



(v) Competitive conditions in the business;

Only 166 licensed pharmaceutical producers were operating in the nation in 1981. However, eight multinational corporations, which used to meet approximately 75% of local demand, dominated the local market and output. About 15% of the demand was previously satisfied by medium-sized local businesses, and the remaining 10% by smaller ones. The Drug Regulatory Committee imposed new rules on international corporations to limit their hegemony and to support local businesses.

Following the 1982 ordinance, the value of locally produced medicine rose from Tk 1.1 million in 1981 to Tk 19.23 billion in 2000. Nearly 95% of total domestic demand for medicines was met by local production.

Currently, Bangladesh has 257 pharmaceutical businesses with licenses, 150 of which are operational. 145 countries are now receiving medications from Bangladesh. The market share data in terms of value and percentage for the leaders is given below:

Market Competitors	Value (in BDT bn)	Market Share %	Position
Square Pharmaceuticals	41.7	17.00%	1
Incepta	28.4	11.60%	2
Beximco Pharmaceuticals	22.1	9.00%	3
Healthcare Pharmaceuticals	15.4	6.30%	4
Opsonin Pharma	13.0	5.30%	5

Source: www.thefinancialexpress.com.bd/trade/pharma-industry-growth-halves-in-2020-1610159516

(vi) Sources and availability of raw materials and the names of the principal suppliers;

Most of the raw materials and some primary packing materials of the Company are procured from abroad. The names of main suppliers are mentioned below:

SL	Supplier Name	Address	Active Ingredients/Materials
1	United Pharma and Chemical Co, Ltd.	Room No.514, No.939 Jinqiao Road Pudong New District, Shanghai P.R of China.	Tilmicosin, Neomycin, Gentamycin, Azithromycine Dihydrate Compected Ciprofloxacin HCL
2	Pharmagol Bio S.R.O	Murgasova 5,949 01 Nitra, Slovakia	Avipharm ND, Bronchipharm, Bursipharm, Pestipharm B1
3	Industrial Italiana Integretori Trei Spa	Spa Con Unico Socio Sede Egale 41100 Modena Via Corassori, 62, Italy.	Acidene IN, Aminosol, Hepaton, Immunity Stim, Layer premix
4	Zhejiang goubang Pharmaceuticals Ltd., China	6 Welwu Road-Hangzhou Gulf Shangyu Economic and Technological Development Zone Zhejin.	Azithromycine Dihydrate Compected Ciprofloxacin HCL
5	DIVIS Laboratory India.	Divis Tower Cyber Hills 1-72/23 (p) /Divis /303, Gachibowli Hyderabad-500032, India.	Naproxen BP, Coral Calcium Carbonate BP
6	Ningxia Taiyicin Biotech Co. Ltd.	Pacific Road No.1, Nuanquan Economic Zone, Helan County Yinchuan, Ningxia, China	Tylvalosin
7	Fipharm Co, Ltd.	No.22 Nd Floor, Tianying Square 22 Guoxing Avenue, Haikou City, Hainan Province, China	Gentamycin, Erythromycin, Sulphadiazine Sodium, Oxytetracycline, Calcium Gluconate

SL	Supplier Name	Address	Active Ingredients/Materials
8	Necter Lifescience India	10, Industrial Area, phase -1 Chandigarh-160002, India	Cifixime Trihydrate Com+mic, Cefuroxim Axetil Amophose
9	Metrochem API Pvt. Ltd., India	Plot-62/C/6, Pipe Line Road, 1, Ida, Jeedimetla, Hyderabad-5000055, Telangana, India	Omeprazole Pellets 8.5%, somirazole Pellets 8.5%, Montelukast Sodium, Raboprazole Sodium

Contingency plan in case of Disruption of supplier

AMPL is a manufacturer, promoter, distributor, and marketer of pharmaceutical products with final formulations that are vertically integrated. Its business is mostly brand- and product-driven. But maintaining a convoluted supply chain is a crucial component of its business plan. All elements must be made available with the proper quality, quantity, and sources in order for each brand to develop. Being a part of a highly regulated sector requires us to stay informed about at least three processes: first, if the information is originating from sources that have been verified; second, whether it is being processed properly; and third, how it is getting to the ultimate customers.

The Company always audits its vendors to ensure compliance with Good Manufacturing Practices (cGMP) and chooses a number of validated vendors, reducing the risk of supply shortages and preventing supply disruptions.

(vii) Sources of, and requirement for, power, gas and water; or any other utilities;

Utilities	Requirement	Source
Electricity	425 KVA	The company has REB connection of 450 KVA from DESCO Tongi West
Gas	N/A	N/A
Water	375 liter/hr	Water is drawn by own deep Tube well and stored in central storage tank (30,000-liter capacity) for Water Treatment Plan (WTP) and other regular usage. Area Gazipur City Corporation, Tongi West

Contingency Plan in case of any disruption:

To manage the disruption of utilities, The company has REB connection of 650*2=1300 KVA (Diesel Generator/Standby/Perking).

(viii) Names of the customers who purchase 10% or more of the company's products /services;

The Company has no such customer who contributes 10% or more of the total revenue.

(ix) Description of any contract which the company has with its principal suppliers or customers showing the total amount and quantity of transaction for which the contract is made and the duration of the contract;

The Company has no such contract with any supplier or customers.

(x) Description of any material patents, trademarks, licenses or royalty agreements;

The Company does not have any material patents, licenses or royalty agreements. It has several regulatory license and certificate in order to continue its operation.

(xi) Number of total employees and number of full-time employees;

AMPL currently employs 674 people overall, including those in the corporate, field force and factory offices.

590 of those are permanent employees (full-time), 84 Employee on a daily basis, and there are no employed on a contract basis. It should be noted that no employees were paid less than Tk. 8,500.00 (Eight thousand Five hundred) just per month.

(xii) Production or service rendering capacity and current utilization, where applicable.

Capacity or Facility Creation (Per Annum)				
Types of Machines	Unit	Installed Capacity Yearly	Actual Production	Percentage of Capacity Utilization
Tablet	Pcs	436,500,000	261,900,000	60%
Capsule	Pcs	167,616,000	92,188,800	55%
Liquid	Liter	291,000	203,700	70%
Liquid (External)	Bottle	2,328,000	232,800	10%
Powder	Kg	145,500	87,300	60%
Bolus	Pcs	29,100,000	14,550,000	50%
Cream, Gel, Ointment,	Tube	2,328,000	1,629,600	70%
PFS	Bottle	2,328,000	93,120	40%

SECTION - IV

DESCRIPTION OF PROPERTY

The written down value of property, plant & equipment's owned by the company as per audited accounts as on June 30, 2022 are stated below:

Sl. No.	Particulars	Written Down Value as at June 30, 2022
1	Land and land development	157,082,103
2	Factory building	46,877,787
3	Machinery	110,279,324
4	Generator	61,512
5	Air conditioner	129,210
6	Water pump	4,625
7	Gas line cost	105,516
8	Furniture & fixture	1,474,288
9	Office decoration	161,545
10	Television	913
11	Fridge	2,066
12	Electric fittings	183,160
13	Motorcycle	105,184
14	Computer	839,508
15	Computer printer	1,336
16	Photocopy machine	14,126
Total		317,322,205
17	Right-of-use - Covered Van	10,100,160
18	Right-of-use - Motor Bike	5,744,018
As on 30 June 2022		333,166,382

(a) Location of the principal plants and other property of the company and the condition thereof:

The entire above-mentioned assets are located at rented registered & corporate office: 178-179, Two Star Tower (6th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215 and factory: House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur. The above-mentioned plant & machinery was purchased in brand new condition. All the assets are in working condition.

The details of the location and area of the land are given in the following table-

Particulars	Location & Area	Condition of the Property
Land and land development	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Good condition
Factory building	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Good condition
Machinery	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition
Generator	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition
Air conditioner	178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215 and House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition
Water pump	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition
Gas line cost	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition
Furniture & fixture	178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215 and House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition

Particulars	Location & Area	Condition of the Property
Office decoration	178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215 and House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Good condition
Television	178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215 and House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition
Fridge	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition
Electric fittings	178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215 and House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition
Motorcycle	Field Force	Running
Computer	178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215 and House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition
Computer printer	178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215 and House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition
Photocopy machine	178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215 and House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur	Working in good condition
Right-of-use -Covered Van	Field Force	Running
Right-of-use -Motor Bike	Field Force	Running

(b) Whether the property is owned by the company or taken on lease:

All the above-mentioned assets of the Company are in its own name except rented registered & corporate office at 178-179, Two Star Tower (6th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215.

(c) If the property is owned by the company, whether there is a mortgage or other type of lien on the property, with name of the mortgagor;

86 decimals of land with 4 storied factory building are mortgaged to Shahajalal Islami Bank Limited against long term borrowings.

(d) If the property is taken on lease, the expiration date of the lease with name of the lessor:

No Property is taken by the Company under lease agreement except rented registered and corporate office at 178-179, Two Star Tower (6th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215.

Details of the Lease Agreement

Name of the Lessor	Agreement Date	Expiry Date	Total Area	Rent Per Sft. (BDT)	Monthly Rent (BDT)
<ul style="list-style-type: none"> • Md. Billal Hossain • Md. Kamrul Alam • Md. Zakir Hossain Patwary 	1 st March, 2021	28 th February, 2024	1,428 sft	35/-	50,000/-

SECTION - V

PLAN OF OPERATION AND DISCUSSION OF FINANCIAL CONDITION

- (i) If the issuer has not started its commercial operation, the company's plan of operations for the period which would be required to start commercial operation which shall, among others, include:

Al-Madina Pharmaceuticals Ltd. has started its commercial operation on October, 2007. Hence, such information would not be applicable to the company.

- (ii) If the issuer had been in operation, the issuer's revenue and results from operation, financial position and changes in financial position and cash flows for the last five years or from commercial operation, which is shorter, shall be furnished in tabular form which shall, among others, include the following information:

Revenue and results from operation:

Particulars	Amount in Taka				
	30.06.2022	30.06.2021	30.06.2020	30.06.2019	30.06.2018
Sales Revenue	668,965,108	556,164,433	371,565,576	228,664,494	150,906,116
Cost of Goods Sold	(398,296,705)	(350,825,289)	(260,240,946)	(181,035,094)	(119,444,948)
Gross Profit	270,668,403	205,339,144	111,324,630	47,629,400	31,461,168
Administrative & General Expenses	(35,512,458)	(29,353,052)	(18,144,030)	(13,616,162)	(32,222,031)
Marketing, Selling & Distribution Expenses	(188,954,187)	(132,404,722)	(63,562,187)	(28,882,358)	-
Operating Profit	46,201,758	43,581,370	29,618,413	5,130,880	(760,864)
Non-Operating Income/Expenditure	(12,321,155)	(12,808,039)	(14,985,262)	(4,798,974)	2,622
Other Income	-	-	2,355	2,830	2,622
Financial Expenses	(12,321,155)	(12,808,039)	(14,987,617)	(4,801,804)	-
Net Profit / (Loss) for the year Before WPPF	30,880,603	30,773,331	14,633,151	331,906	-
Workers' Profits Participation Funds	(1,613,362)	(1,465,397)	(696,817)	-	-
Net Profit / (Loss) before Tax	32,267,241	29,307,934	13,936,334	331,906	(758,242)
Current tax	(9,680,172)	(8,792,380)	(4,529,309)	(1,371,987)	-
Deferred tax Income/(Expenses)	(2,848,529)	2,672,783	1,069,403	-	-
Provision for Tax Expenses	-	-	-	-	(905,437)
Net Profit / (Loss) after Income Tax	19,738,540	23,188,337	10,476,429	(1,040,081)	(1,663,679)
Other Comprehensive Income:	-	138,967,050	-	-	-
Revaluation Reserve	-	143,265,000	-	-	-
Less: Deferred Tax Liabilities on Revaluation Reserve	-	(4,297,950)	-	-	-
Total Comprehensive Income	19,738,540	162,155,387	10,476,429	(1,040,081)	(1,663,679)
Earnings Per Share Basic	1.30	33.99	34.92	(3.47)	(5.55)

Statement of financial position:

Particulars	Amount in Taka				
	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
ASSETS					
Non-Current Assets	333,166,382	328,029,470	40,219,534	41,994,210	35,985,697
Property Plant and Equipment	317,322,205	315,447,070	40,219,534	41,994,210	35,985,697
Right-of- Use Asset (ROU)	15,844,178	12,582,400	-	-	-
Current Assets	214,101,090	144,709,219	126,150,719	45,393,168	37,498,256
Inventories	24,411,720	22,550,762	15,601,839	15,638,061	12,804,672
Inventory In Transit	3,133,256	1,592,498	6,577,781	2,463,692	3,049,532
Deferred Tax asset		3,742,186	1,069,403	-	-
Accounts and other Receivable	144,589,522	85,044,266	68,767,803	512,650	415,200
Advance Deposit & Pre-Payments	25,345,244	19,781,797	20,703,219	26,153,477	20,672,970
Cash and Bank Balances	16,621,348	11,997,710	13,430,674	625,288	555,881
TOTAL ASSETS	547,267,472	472,738,689	166,370,253	87,387,378	73,483,953
EQUITY AND LIABILITIES					
Equity attributable to the owners of the company	336,817,135	287,662,235	20,506,848	10,030,419	11,070,500
Share Capital	154,000,000	128,000,000	3,000,000	3,000,000	3,000,000
Retained Earnings	43,850,085	20,695,185	(2,493,152)	(12,969,581)	(11,929,500)
Share Money Deposit	-	-	20,000,000	20,000,000	20,000,000
Revaluation Reserve	138,967,050	138,967,050	-	-	-
Non-Current Liabilities	16,542,000	16,412,304	10,343,978	12,063,115	41,136,000
Long Term Loan from Bank & NBFİ	9,159,007	6,811,491	10,343,978	12,063,115	41,136,000
Deferred Tax Liabilities	3,404,293	4,297,950	-	-	-
Lease obligation (non-Current)	3,978,700	5,302,863	-	-	-
Current Liabilities & Provisions	197,324,698	168,664,150	135,519,427	65,293,844	21,277,453
Lease obligation (Current)	3,671,146	4,711,968	-	-	-
Short Term Loan	148,909,450	132,327,788	120,617,296	27,944,952	-
Accounts Payable	3,145,000	3,565,560	1,666,934	29,810,705	17,665,616
Liabilities for Expenses	21,754,562	17,894,467	7,333,902	6,166,200	2,706,400
Provision for income tax	19,844,539	10,164,367	5,901,296	1,371,987	905,437
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	547,267,472	472,738,689	166,370,253	87,387,378	73,483,953
Net Asset Value Per Share with Revaluation	21.65	22.47	-	-	-
Net Asset Value Per Share without Revaluation	12.63	11.62	68.36	33.43	36.90

Statement of cash flows:

Particular	Amounts in Taka				
	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
A. Cash Flow from Operating Activities	(8,401,604)	44,973,738	(75,065,338)	10,855,893	8,090,501
Cash from Customer	678,556,692	539,887,970	303,312,778	228,569,875	-
Cash paid to Supplier	(314,191,594)	(286,669,309)	(292,462,584)	(171,137,554)	-
Cash paid for Salary, Wages and other Expenses	(372,766,702)	(208,244,923)	(85,915,532)	(46,576,428)	-
B. Cash Flow from Investment Activities	(24,516,710)	(68,871,538)	(3,082,483)	(9,658,553)	(14,245,200)
Cash for Property, Plant and Equipment	(24,516,710)	(68,871,538)	(3,082,483)	(9,658,553)	(14,245,200)
Paid for Building Construction work in Progress	-	-	-	-	-
C. Cash Flow from Financing Activities	37,541,951	22,464,836	90,953,207	(1,127,933)	5,620,029
Cash for Long Term Liabilities	2,347,516	(3,532,487)	(1,719,137)	(1,127,933)	5,620,029
Lease obligation	(7,387,227)	(5,713,169)	-	-	-
Cash for Short Term Liabilities	16,581,662	11,710,492	92,672,344	-	-
Share Capital	26,000,000	40,000,000	-	-	-
Share Money	-	(20,000,000)	-	-	-
D. Net cash flow for the year (A+B+C)	4,623,638	(1,432,964)	12,805,386	69,407	(534,670)
E. Opening Cash and Cash Equivalents	11,997,710	13,430,674	625,288	555,881	1,090,551
F. Closing Cash and Cash Equivalents	16,621,348	11,997,710	13,430,674	625,288	555,881

(a) Internal and external source of cash:

Particulars	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18
Internal Sources of Cash					
Share Capital	154,000,000	128,000,000	3,000,000	3,000,000	3,000,000
Retained Earnings	43,850,085	20,695,185	(2,493,152)	(12,969,581)	(11,929,500)
Sub-Total	197,850,085	148,695,185	506,848	(9,969,581)	(8,929,500)
External Sources of Cash					
Long Term Loans	9,159,007	6,811,491	10,343,978	12,063,115	41,136,000
Short Term Loans	148,909,450	132,327,788	120,617,296	27,944,952	-
Share Money Deposit	-	-	20,000,000	20,000,000	20,000,000
Sub-Total	158,068,457	139,139,279	150,961,274	60,008,067	61,136,000
Grand Total	355,918,542	287,834,464	151,468,122	50,038,486	52,206,500

(b) Any material commitments for capital expenditure and expected sources of funds for such expenditure:

The Company has not yet made any material commitment for capital expenditure except for those that are mentioned in Chapter (XXII) under the head 'Use of Proceeds' from QIO fund.

(c) Causes for any material changes from period to period in revenues, cost of goods sold, other operating expenses and net income:

The Company's revenue and other income as well as operating expenses and net income have continued to change due to increasing business volume and increase in capacity utilization.

Particulars	Amount in Taka				
	30 June, 2022	30 June, 2021	30 June, 2020	30 June, 2019	30 June, 2018
Sales Revenue	668,965,108	556,164,433	371,565,576	228,664,494	150,906,116
Cost of Goods Sold	(398,296,705)	(350,825,289)	(260,240,946)	(181,035,094)	(119,444,948)
Operating Expenses	(227,466,645)	(161,757,774)	(81,706,217)	(42,498,520)	(32,222,031)
Net Profit / (Loss) after Income Tax	23,154,900	23,188,337	10,476,429	(1,040,081)	(1,663,679)

Causes for material changes from period to period:

▪ Sales Revenue

30 June, 2018: Sales revenue was decreased by 4.33% in 2018 from 2017 due to fluctuation in market demand.

30 June, 2019: Sales revenue was increased by 51.53% in 2019 from 2018 due to business expansion in terms of geographical footprint in sales.

30 June, 2020: Sales revenue was increased by 62.49% in 2020 from 2019 due to introducing pharma product in product line along with existing veterinary drugs.

30 June, 2021: Sales revenue was increased by 49.68% in 2021 from 2020 due to increase in production and introduction of new product line against business expansion.

30 June, 2022: Sales revenue was increased by 16.86% in 2022 from 2021 due to increase in production and introduction of new product line against business expansion.

• Cost of Goods Sold

30 June, 2018: Cost of goods sold was decreased by 4.32% in 2018 from 2017 due to fluctuation in market demand.

30 June, 2019: Cost of goods sold was increased by 51.56% in 2019 from 2018 due to business expansion in terms of geographical footprint in sales.

30 June, 2020: Cost of goods sold was increased by 43.75% in 2020 from 2019 due to introducing pharma product in product line along with existing veterinary drugs.

30 June, 2021: Cost of goods sold was increased by 34.81% in 2021 from 2020 due to increase in production and introduction of new product line against business expansion.

30 June, 2022: Cost of goods sold was increased by 11.92% in 2022 from 2021 due to increase in production and introduction of new product line against business expansion.

▪ Operating Expenses

The company has incurred business administrative and selling distribution expenses during the last five years which is regular and relevant with production and sales.

• Net Profit / (Loss) after Income Tax

30 June, 2018: Net profit after tax was decreased by 0.75% due to fluctuation in market demand.

30 June, 2019: Net profit after tax was decreased by 37.48% due to significant increase in cost of goods sold and operating expense compared to 51.53% sales growth

30 June, 2020: Net profit after tax was increased by 907.27% as the company came to profit after incurring loss in previous years due to introduction new product i.e. pharma product segment.

30 June, 2021: Net profit after tax was increased by 121.34% due to consistent sales growth.

30 June, 2022: Net profit after tax was decreased by 17.48% due to increase in dollar rate, import cost and transport cost.

(d) Any seasonal aspects of the issuer's business:

Al-Madina's business is not seasonal in nature.

(e) Any known trends, events or uncertainties that may have material effect on the issuer's future business:

There are no such known trends, events or uncertainties that may have a material effect on the issuer's future business except natural disasters and political unrest.

(f) Any assets of the company used to pay off any liabilities:

None of the assets of the company was used to pay off any liabilities of the company.

(g) Any loan taken from or given to any related party or connected person of the issuer with details of the same:

The company did not give or receive any loan to any related party or a connected person of the issuer.

(h) Any future contractual liabilities the issuer may enter into within next one year, and the impact, if any, on the financial fundamentals of the issuer:

The company does not have any contractual liabilities which would be exercised within next one year. Moreover, the company does not have any intention of entering into any contract for increasing its liabilities within the next year.

(i) The estimated amount, where applicable, of future capital expenditure:

A detail of future capital expenditure for the upcoming years is given in the "use of proceeds" section of this prospectus.

(j) Breakdown of all expenses related to the public issue:

Sl.	Type of Fees	Nature of Expenditure	Amount in BDT
A.	Issue Management Fees		172,500
	Managers to the issue fees	Maximum Tk. 300,000	150,000
	VAT Against Issue management Fees	15% on issue management Fee	22,500
B.	Bangladesh Securities and Exchange Commission Fees		100,000
	Application fees	At actual	50,000
	BSEC Consent fees	0.10% of QIO amount	50,000
C.	Fees Related to Listing with the Stock Exchange(s)		424,800
	Dhaka Stock Exchange (DSE)		
	Prospectus Scrutiny fee for DSE	At actual	25,000
	Initial Listing Fee for DSE	Up to BDT 10 crore of paid-up capital @ 0.10% and above BDT 10 crore of paid-up capital @ 0.05%	152,000
	Annual Listing Fee for DSE	Up to BDT 10 crore of paid-up capital @ 0.025% and above BDT 10 crore of paid-up capital @ 0.01%	35,400
	Chittagong Stock Exchange (CSE)		
	Prospectus Scrutiny fee for CSE	At actual	25,000
	Initial Listing Fee for CSE	Up to BDT 10 crore of paid-up capital @ 0.10% and above BDT 10 crore of paid-up capital @ 0.05%	152,000
	Annual Listing Fee for CSE	Up to BDT 10 crore of paid-up capital @ 0.025% and above BDT 10 crore of paid-up capital @ 0.01%	35,400
D.	Underwriting Commission		57,500
	Underwriting Commission	0.25% on underwritten amount	50,000
	VAT Against Underwriting Commission	15% on underwriting commission	7,500
E.	CDBL Fees and Expenses		639,100
	Security Deposit	At actual	500,000
	Documentation Fee	At actual	2,500
	Annual Fee	At actual	100,000
	Connection Fee (Tk. 500 Per Month*12)	At actual	6,000
	Qualified Investor Offer Fee	@.015% of issue size+.015% of Pre-QIO paid up capital	30,600
F.	Post QIO Expenses		600,000
	Post Issue Management Fee	(Estimated; to be paid actual)	400,000
	Subscription Related Expenses	(Estimated; to be paid actual)	200,000
G.	Prospectus Publication & Others		200,000
	Publication of Prospectus	(Estimated; to be paid actual)	200,000
H.	Miscellaneous Expenses		306,100
		(Estimated; to be paid actual)	
	Total	A+B+C+D+E+F+G+H	2,500,000

N.B Actual costs may vary if above mentioned estimates differ and will be adjusted accordingly.

(k) If the issuer has revalued any of its assets, the name, qualification and experiences of the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation separately for each asset revalued in a manner which shall facilitate comparison between the historical value and the amount after revaluation and giving a summary of the valuation report along with basis of pricing and certificates required under the revaluation guideline of the Commission:

The issuer revalued its asset in 20th June, 2021. Brief details of the valuation are as follows:

Name of the valuer	Qualification of the valuer	Experiences
Masih Muhith Haque & Co. Chartered Accountants	Chartered Accountants, Asset Appraiser and Consultants	Masih Muhith Haque & Co. has more than 30+ years of enriched experience

Reason of revaluation:

The purpose of the valuation is to determine the fair value of the land owned by the Company impact of which will be incorporated in the financial statements of the Company.

Particulars of the Property:

Sl. No.	Particulars	Details
1	Valuation property	Land
2	Present usage of land	Factory Purpose
3	Place of survey	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur
4	Demarcation of land	BB wall
5	Approach road	South side: About 20 feet wide road
6	Nature of road	Carpeting Road
7	Ownership of road	Govt. Road
8	Area of land as per deed	98.30 Decimal
9	Area of land as per mutation & land tax	95.00 Decimal

Details of the Land Valued:

Sl. No.	Title Deed	Khatian No.	Dag No.	Area of land as per deed (Decimal)
1	Deed No: 18319 Dated: 17.08.2011	C.S-262,264, S.A-505,508, R.S-508, 513 Mutation: 4078	C.S & S.A- 70, R.S- 147	9.00 Decimal
2	Deed No: 18206 Dated: 23.12.2018	C.S-163, S.A-337, R.S-406 Mutation: not provided.	C.S & S.A- 104, R.S- 150	3.30 Decimal
3	Deed No:3300 Dated: 17.08.2006	C.S-300, 262, 125, 301, S.A-508, 505, 535, R.S -513, 508,510 Mutation: 508, 513, 510	C.S & S.A-103, 110, R.S- 149, 157	86.00 Decimal
Total				98.30 Decimal

Note: As per BSEC rules, no upward revaluation of an asset shall be made within two years of its acquisition. That is why, a land with deed no.14926 was not considered in revaluation of asset as it was purchased on 27th December, 2020.

Summary of the Valuation:

Sl. No.	Deed Number	Decimal	Acquisition Date	Acquisition Value (Tk.) As Per Deed	Market Value (Tk.) for Land Properties (As Per Deed - 98.30 Decimal)	Market Value (Tk.) for Land Properties (As Per Mutation 95.00 Decimal)
1	18319	9.00	17.08.2011	2,000,000	13,500,000	13,500,000
2	18206	3.30	23.12.2018	185,000	4,950,000	-
3	3300	86.00	17.08.2006	2,000,000	129,000,000	129,000,000
Total				4,185,000	147,450,000	142,500,000

Basis of value

Market value is applied as a basis of value. As per international Valuation Standards, market value is the estimated amount for which an asset should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

- (l) Where the issuer is a holding or subsidiary company, full disclosure about the transactions, including its nature and amount, between the issuer and its subsidiary or holding company, including transactions which had taken place within the last five years of the issuance of the prospectus or since the date of incorporation of the issuer, whichever is later, clearly indicating whether the issuer is a debtor or a creditor:

The company does not have any holding or subsidiary company.

(m) Financial Information of Group Companies: following information for the last three years based on the audited financial statements, in respect of all the group companies of the issuer, wherever applicable, along with significant notes of auditors:

Particulars	Name of the Group Companies								
	Royal Footwear Limited			Smart Shoes Limited			Royal Toiletries Limited		
(1) Date of Incorporation	13.01.2014			09.10.2018			28.09.2017		
(2) Nature of Business	Manufacturer, Exporter, local seller of footwear product.			100% export-oriented footwear manufacturing company.			Manufacturer of consumer product, diaper and toiletries.		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
(3) Equity Capital	1,00,00,000	1,00,00,000	10,000,000	10,00,000	10,00,000	0	10,00,000	10,00,000	0
(4) Reserves	4,37,42,903	2,12,85,925	7,183,931	19,997	0	0	(654,638)	259,575	0
(5) Sales	100,15,04,596	85,92,18,150	429,695,206	38,57,915	0	0	86,19,729	92,95,105	0
(6) Profit after Tax	2,24,56,978	1,41,01,994	5,586,037	19997	0	0	(9,14,213)	2,59,575	0
(7) Earnings Per Share (EPS) and Diluted EPS	224.57	141.02	55.86	2.00	0	0	(91.42)	25.95	0
(8) Net Asset Value (NAV)	5,37,42,903	3,12,85,925	1,71,83,931	10,19,997	10,00,000	0	345,362	12,59,575	0
(9) The related business transactions within the group and their significance on the financial performance of the issuer	There are no related business transactions within the group and their significance on the financial performance of the issuer.								
(10) Sales or purchase between group companies or subsidiaries or associate companies when such sales or purchases exceed in value in the aggregate ten percent of the total sales or purchases of the issuer and also material items of income or expenditure arising out of such transactions	There are no sales or purchase between group companies or subsidiaries or associate companies when such sales or purchases exceed in value in the aggregate ten percent of the total sales or purchases of the issuer and also materials items of income or expenditure arising out of such transactions.								

11) Where the issuer is a banking company, insurance company, non-banking financial institution or any other company which is regulated and licensed by another primary regulator, a declaration by the board of directors shall be included in the prospectus stating that all requirements of the relevant laws and regulatory requirements of its primary regulator have been adhered to by the issuer;

Not applicable

(12) A report from the auditors regarding any allotment of shares to any person for any consideration otherwise than cash along with relationship of that person with the issuer and rationale of issue price of the shares;

Auditor's Report Regarding Any Allotment of Shares for Any Consideration Other Than Cash

This is to certify that the following shares have been allotted to the Directors of Al-Madina Pharmaceuticals Limited for any consideration other than cash along with relationship of that person with the issuer and rationale of issue price of the shares. Details are given below:

Date of Issued	Persons to whom those are issued	Relationship with the issuer	No. of Shares	Issue Price	Valuation thereof	Rationale of Issue Price of the Shares	Reasons for Issue
16 th June, 2021	Md. Billal Hossain	Chairman	4,530,000	10.00	45,300,000	Book Value of the machineries is considered.	Machineries transferred to the company
16 th June, 2021	Md. Zakir Hossain Patowary	Managing Director	3,970,000	10.00	39,700,000	Book Value of the machineries is considered.	Machineries transferred to the company

Note: The face value per share of the company has been converted from BDT 100 to BDT 10 as at 30 November 2021 and was approved in the Extra -Ordinary General meeting at the registered office of the Company at 178-179, Two-star tower, East Tejturi Bazar, Farmgate, Dhaka.

Place: Dhaka

Date: 20th February, 2022

Shiraz Khan Basak & Co.

Chartered Accountants

(13) Any material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the qualified investor offer;

There is no material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the qualified investor offer.

(n) Defaults or rescheduling of borrowings with financial institutions or banks, conversion of loans into equity along with reasons thereof, lock out, strikes and reasons for the same etc.

There is no history of defaults or rescheduling of borrowings with financial institutions or banks, conversion of loan into equity, lockout, strikes.

SECTION - VI

DIRECTORS AND OFFICERS

(a) Name, age, qualification, experience and position of each of the directors of the company and any person nominated to be a director, showing the period for which, the nomination has been made and the name of the organization which has nominated him;

Name	Father's Name	Age	Residential Address	Educational Qualification	Experience	Position
Md. Billal Hossain	Mawlana Sofi Ullah	44	Floor-5, House No.-158, Road-22, New DOHS, Mohakhali, Dhaka	B.Sc	20 years	Chairman
Md. Zakir Hossain Patwary	Md. Sofiullah Patwary	45	Floor-3, House-485, Road-32, New DOHS, Mohakhali, Dhaka	M.Sc	20 years	Managing Director
Md. Kamrul Alam	Md. Shofiqur Rahman	45	2nd Floor, House-3/7, Zakir Hossain Road, Block-F, Lalmatia Housing Society, Dhaka.	B.A	20 years	Director

No such person has been nominated to be a director.

(b) In the case of a director, the date on which he first became a director and the date on which his current term of office shall expire;

Name	Position	Date of Becoming Director For The First Time	Date of Expiration of Current Term
Md. Billal Hossain	Chairman	July 27, 2006	January 05, 2027
Md. Zakir Hossain Patwary	Managing Director	July 27, 2006	January 05, 2027
Md. Kamrul Alam	Director	July 27, 2006	December 31, 2022

(c) If any director is also a director of another company or owner or partner of any other concern, the names of such organizations;

Sl.	Name	Designation in Al-Madina Pharmaceuticals Company Limited	Directorship with Other Companies	
			Name of Companies	Position
01.	Md. Billal Hossain	Chairman	Royal Footwear Ltd.	Director
			Smart Shoes Ltd.	
			Royal Toiletries Ltd.	
02.	Md. Zakir Hossain Patwary	Managing Director	Royal Footwear Ltd.	Director
			Smart Shoes Ltd.	
			Royal Toiletries Ltd.	
03.	Md. Kamrul Alam	Director	Royal Footwear Ltd.	Director
			Smart Shoes Ltd.	

(d) Any family relationship among directors and top five officers;

There is no such family relationship.

(e) Short bio-data of each director;

Md Billal Hossain

Chairman

Mr. Billal Hossain was born in a prominent Muslim family living in Laximpur. He has completed his graduation in BSc. He has over 20 years experienced in Pharmaceuticals, Footwear, Toiletries, Agro, Construction and Developer industry. He is a key player in expanding his business. He has taken decision, business planning, designing, indicating and implementing in financing, investing and operating successfully. He is well organizer, dedicated and motivated, self-starter with years of experience in the various Sectors. He has been carrying out in vast rule both in principle and agent in different products. He is a creative and resourceful community service. Also, has interest in number of Companies (AL Madina Pharmaceuticals Ltd (Animal and Human Division), Royal Footwear Ltd (footwear), Smart shoes Ltd (Footwear), Royal Toiletries Ltd (Diaper and Toiletries), Marigold Real Estate Ltd (Construction and Development), Marigold Associate Ltd (Construction and Development), Tulip Super Agro Industries Ltd. and proprietor of 02 No. of units M/S Belal and Brother and M/S Sciencetech Corporation.

Md Zakir Hossain Patowary

Managing Director

Md Zakir Hossain Patowary was born in a prominent Muslim family living in Laximpur. He has completed his Post graduation in M.Sc. He has over 20 years experienced in Pharmaceuticals, Footwear, Toiletries, Agro, Construction and Developer industry. He is a key player in expanding his business. He has taken decision, business planning, designing, indicating and implementing in financing, investing and operating successfully. He is well organizer, dedicated and motivated, self-starter with years of experience in the various Sectors. He has been carrying out in vast rule both in principle and agent in different products. He is a creative and resourceful community service. He also has interest in number of Limited Companies (AL Madina Pharmaceuticals Ltd (Animal and Human Division), Royal Footwear Ltd (footwear), Smart shoes Ltd (Footwear), Royal Toiletries Ltd (Diaper and Toiletries), Marigold Real Estate Ltd (Construction and Development), Marigold Associate Ltd (Construction and Development), Tulip Super agro Industries Ltd. and proprietor of 06 No. of units Al Madina pharmaceuticals, Al Madina Traders, Al Madina Printing Press, Tech Squard, Royal Shoes and Royal Motors.

Md Kamrul Alam

Director

Md Kamrul Alam was born in a prominent Muslim family living in Laximpur. He has completed his graduation in B.A. He has over 20 years experienced in Pharmaceuticals, Footwear, Construction and Developer industry. He is a key player in expanding his business. He has taken decision, business planning, designing, indicating and implementing in financing, investing and operating successfully. He is well organizer, dedicated and motivated, self-starter with years of experience in the various Sectors. He has been carrying out in vast rule both in principle and agent in different products. He is a creative and resourceful community service. He was Director of 04 No. of Limited Company (AL Madina Pharmaceuticals Ltd (Animal and Human Division), Royal Footwear Ltd (footwear), Smart shoes Ltd (Footwear), Marigold Real Estate Ltd (Construction and Development) and proprietor of M/S Care International.

(f) Neither the company nor any of its directors of the issuer is loan defaulter in terms of the CIB report of the Bangladesh Bank;

Neither the company nor any of its directors or shareholders who hold 5% or more shares in the paid-up capital of the issuer is loan defaulter in terms of CIB report of Bangladesh Bank.

(g) Name with position, educational qualification, date of joining in the company, last five years' experience of the Chief Executive Officer, Chief Financial Officer, Company Secretary, Advisers, Consultants, Additional and Deputy Managing Directors and All Departmental Heads.

Sl. No.	Name	Designation	Qualification	Experience	Date of Joining
01	Md. Zakir Hossain Patwary	Managing Director	B.Sc	23 years (Business Operation)	1.01.2000
02	Mohammad Anichur Rahman	Chief Financial Officer	MBA (Major in Accounting)	22 years	1.05.2009
03	Mohammad Anwar Hossain	Company Secretary	MBA (Major in Accounting)	18 years (Sky Apparels Ltd)	14.09.2019
04	Md. Ashraf Ali Miah	Advisers	L.L.B	30 Years	1.04.2021
05	Md. Elias Hossain	Had of Operation	DVM	22 Years	09.01.2010
06	Md. Mostafa Kamal	Sales Manager	M.Com	18 years (Amulet Pharmaceuticals Ltd)	01.01.2022
07	Md. Rafiqul Islam	Deputy General Manager, Plant	M. Pharm (Dhaka University)	25 years (Ibn Sina, Drug International Ltd., Asiatic Laboratories)	20.09.2018
08	Sudhangshu Shekhar Biswas	Manager, Quality Assurance	M. Pharm (Khulna University)	14 years (Popular Pharma, Beximco Pharma, Labaid Pharma, GSK Bangladesh Ltd.)	09.03.2019
09	Kamruzzaman	Manager, Quality Control	M. Sc in Chemistry (National University)	11 years (Virgo Pharma, Renata, Sun Pharma, Getwell Pharma)	01.01.2020
10	Md. Nurul Islam	Manager, Production (Animal Health Division)	M. Sc in Chemistry (National University)	18 years (Globe Pharma)	26.12.2010
11	Md. Selim Reza	Deputy Manager, PD	M. Pharm (East West University)	10 years (Asiatic Laboratories)	02.12.2018
12	Eftakher Ahmed	Deputy Manager, Production	B. Pharm (Asia Pacific University)	09 years (Remedy Pharma, Drug International Ltd., Ziska Pharma)	19.02.2019
14	Ummey Nahor	Sr. Microbiologist	M.Sc in Microbiology	07 years (Doctor Teams, Drug International Ltd.)	15.09.2020
15	Nur-E-Jannatul Ferdous	Sr. Executive, PD	M. Pharm	05 years	01.04.2017
16	Md. Jasim Uddin	Sr. Executive, Quality Assurance	M. Pharm	04 years	02.03.2019

SECTION - VII

**INVOLVEMENT OF DIRECTORS AND OFFICERS IN CERTAIN LEGAL
PROCEEDINGS**

- (a) Any bankruptcy petition filed by or against any company of which any officer or director of the issuer company filing the prospectus was a director, officer or partner at the time of the bankruptcy;**

No such bankruptcy petition filed by or against the issuer.

- (b) Any conviction of director, officer in a criminal proceeding or any criminal proceeding pending against him;**

No such conviction of director, officer in a criminal proceeding or any criminal proceeding pending against him.

- (c) Any order, judgment or decree of any court of competent jurisdiction against any director, officer permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any director or officer in any type of business, securities or banking activities;**

No such order, judgement or decree of any court of competent jurisdiction against any director.

- (d) Any order of the Bangladesh Securities and Exchange Commission, or other regulatory authority or foreign financial regulatory authority, suspending or otherwise limiting the involvement of any director or officer director in any type of business, securities or banking activities.**

No such order.

SECTION - VIII

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The prospectus shall contain a description of any transaction during the last two years, or any proposed transactions, between the issuer and any of the following persons, giving the name of the persons involved in the transaction, their relationship with the issuer, the nature of their interest in the transaction and the amount of such interest, namely—

- (a) Any director or executive officer of the issuer;
- (b) Any director or officer;
- (c) Any person owning 5% or more of the outstanding shares of the issuer;
- (d) Any member of the immediate family (including spouse, parents, brothers, sisters, children, and in-laws) of any of the above persons;

This is to inform that the company has following transaction during the last two years, or any proposed transaction, between the issuer and any of the following persons:

1. Any director or sponsor or executive officer of the issuer;
2. Any person holding 5% or more of the outstanding shares of the issuer;
3. Any related party or connected person of any of the above persons;
4. Any member of the immediate family (including spouse, parents, brothers, sisters, children, and in-laws) of any of the above persons;

Except the following transaction:

A. Remuneration, Bonus and Board Meeting Fee

Name	Nature of Transaction	Amount in (BDT)			
		30 th Jun, 2022		30 th June, 2021	
		Total Amount	Accrued	Total Amount	Accrued
Md. Billal Hossain	Remuneration	1,200,000	-	-	-
	Board Meeting Fee	18,000	-	-	-
Md. Kamrul Alam	Remuneration	900,000	-	-	-
	Board Meeting Fee	18,000	-	-	-
Md. Zakir Hossain Patwary	Remuneration	1,800,000	-	-	-
	Board Meeting Fee	18,000	-	-	-

B. Machinery

Name	Nature of Transaction	Amount in (BDT)			
		30 th Jun, 2022		30 th June, 2021	
		Total Amount	Accrued	Total Amount	Accrued
Md. Billal Hossain	Other than cash	-	-	45,300,000	-
Md. Zakir Hossain Patwary	Other than cash	-	-	39,700,000	-

Note: The Directors and subscribers to the memorandum of association have received allotment of shares against machinery during the last two years.

C. Share Money Deposit

Name	Nature of Transaction	Amount in (BDT)			
		30 th Jun, 2022		30 th June, 2021	
		Total Amount	Accrued	Total Amount	Accrued
Md. Billal Hossain	Refund of Share Money Deposit	-	-	10,000,000	-
Md. Zakir Hossain Patwar	Refund of Share Money Deposit	-	-	10,000,000	-

(e) Any transaction or arrangement entered into by the issuer or its subsidiary for a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries/holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus;

There is no such transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries or holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus except transaction mentioned in section (a).

(f) Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan;

There are no such loans taken or given from or to any director or any person connected with the director of the company.

(g) Any director holding any position, apart from being a director in the issuer company, in any company, society, trust, organization, or proprietorship or partnership firm;

Sl.	Name	Designation in Al-Madina Pharmaceuticals Company Limited	Directorship with Other Companies	
			Name of Companies	Position
01.	Md. Billal Hossain	Chairman	Royal Footwear Ltd.	Director
			Smart Shoes Ltd.	
			Royal Toiletries Ltd.	
02.	Md. Zakir Hossain Patwary	Managing Director	Royal Footwear Ltd.	Director
			Smart Shoes Ltd.	
			Royal Toiletries Ltd.	
03.	Md. Kamrul Alam	Director	Royal Footwear Ltd.	Director
			Smart Shoes Ltd.	

(h) All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary.

There is no interest and facilities enjoyed by directors except the ones that are described in the Executive Compensation of this prospectus.

SECTION - IX

EXECUTIVE COMPENSATION

- (a) **The total amount of remuneration or salary or perquisites paid to the top five salaried officers of the issuer in the last accounting year and the name and designation of each such officer:**

Sl. No.	Name	Designation	Remuneration/salaries (Tk.)
			For the year ended 30-June-2022
01	Md. Habibur Rahman	Chief Operating Officer	33,00,000
02	Md. Anichur Rahman	Chief Financial Officer	30,00,000
03	Md. Elias Hussain	Head of Operation	25,20,000
04	Md. Abdul Mannan	General Manager, Operation, Marketing and Sales	25,20,000
05	Md. Rafiqul Islam	Deputy General Manager, Plant	12,00,000

- (b) **Aggregate amount of remuneration paid to all directors and officers as a group during the last accounting year:**

Sl. No.	Designation	Nature of Transaction	Amount (in Taka)
			For the year ended 30-June-2022
01	Chairman	Remuneration	-
		Board Meeting Fee	-
02	Managing Director	Remuneration	-
		Board Meeting Fee	-
03	Director	Remuneration	-
		Board Meeting Fee	-
04	Officers and staffs (admin & selling)	Salary and Allowance	191,618,861
05	Factory Workers and Staffs	Salary and Wages	46,863,262

- (c) **The amount of remuneration paid to any director who was not an officer during the last accounting year;**

No such remuneration paid to any director.

- (d) **Any contract with any director or officer providing for the payment of future compensation:**

There is no such contract between the Company and any of directors or officers regarding any future compensation to be made to them.

- (e) **If the issuer intends to substantially increase the remuneration paid to its directors and officers in the current year, appropriate information regarding thereto:**

The Company has no plan for substantially increasing remuneration to its directors and/or officers except for those that are paid as annual increment to their salaries.

SECTION - X

OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES

Al-Madina Pharmaceuticals Limited did not grant any options to its directors, officers and/or any other employees for the purpose of issuing shares.

SECTION - XI

TRANSACTION WITH THE DIRECTORS AND SUBSCRIBES TO THE MEMORANDUM

- (a) The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received by the issuer during the last five years or to be received by each of the above persons, directly or indirectly, from the issuer and the nature and amount of any assets, services or other consideration received or to be received by the issuer shall be stated in the prospectus;

The Directors and subscribers to the memorandum of association have received the following benefits directly or indirectly from the issuer during the last five years:

A. Remuneration, Bonus and Board Meeting Fee

Name	Nature of Transaction	Amount in (BDT)											
		30 th June, 2022		30 th June, 2021		30 th June, 2020		30 th June, 2019		30 th June, 2018		30 th June, 2017	
		Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued
Md. Billal Hossain	Remuneration	1,200,000	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	18,000	-	-	-	-	-	-	-	-	-	-	-
Md. Kamrul Alam	Remuneration	900,000	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	18,000	-	-	-	-	-	-	-	-	-	-	-
Md. Zakir Hossain Patwary	Remuneration	1,800,000	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	18,000	-	-	-	-	-	-	-	-	-	-	-

B. Machinery

Name	Nature of Transaction	Amount in (BDT)											
		31 st Dec, 2021		30 th June, 2021		30 th June, 2020		30 th June, 2019		30 th June, 2018		30 th June, 2017	
		Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued
Md. Billal Hossain	Other than cash	-	-	45,300,000	-	-	-	-	-	-	-	-	-
Md. Zakir Hossain Patwary	Other than cash	-	-	39,700,000	-	-	-	-	-	-	-	-	-

Note: The Directors and subscribers to the memorandum of association have received allotment of shares against machinery during the last five years.

C. Share Money Deposit

Name	Nature of Transaction	Amount in (BDT)											
		31 st Dec, 2021		30 th June, 2021		30 th June, 2020		30 th June, 2019		30 th June, 2018		30 th June, 2017	
		Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued
Md. Billal Hossain	Refund of Share Money Deposit	-	-	10,000,000	-	-	-	-	-	-	-	-	-
Md. Zakir Hossain Patwary	Refund of Share Money Deposit	-	-	10,000,000	-	-	-	-	-	-	-	-	-

(b) If any assets were acquired or are to be acquired from the aforesaid persons, the amount paid for such assets and the method used to determine the price shall be mentioned in the prospectus, and if the assets were acquired by the said persons within two years prior to their transfer to the issuer, the cost thereof paid to the subscribers to the memorandum shall also have to be shown therein:

Al-Madina Pharmaceuticals Limited has received machinery against allotment of shares from the Directors and subscribers to the memorandum of association during the last five years. Details are given below:

Transferor	Transferee	Relations	Date of acquisition	Cost of acquisition	Method used to determine the price
Md. Billal Hossain	Al- Madina Pharmaceuticals Limited	Chairman	16 June, 2021	45,300,000	Book Value of the machineries is considered.
Md. Zakir Hossain Patwary	Al- Madina Pharmaceuticals Limited	Managing Director	16 June, 2021	39,700,000	Book Value of the machineries is considered.

SECTION - XII

TANGIBLE ASSETS PER SHARE

The prospectus shall show the net tangible asset backing per unit of the securities being offered at the date of the latest statement of financial position contained or referred to in the prospectus.

Tangible Assets Per Share

<i>BDT in Taka</i>	
ASSETS	June 30, 2022
Non-Current Assets	
Property Plant and Equipment	317,322,205
Per Unit of the Securities Being Offered	5,000,000
Tangible Assets Per Share	63.46

SECTION - XIII

OWNERSHIP OF THE COMPANY'S SECURITIES

- (a) The prospectus shall disclose, in tabular form, the name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the number of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership:

Name	Position	Address	BO ID No.	Number of Shares	Pre QIO- of Securities (%)
Md. Billal Hossain	Chairman	Floor-5, House No.-158, Road-22, New DOHS, Mohakhali, Dhaka.	1204-090074507451	4,275,000	27.76%
Md. Kamrul Alam	Director	2nd Floor, House-3/7, Zakir Hossain Road, Block-F, Lalmatia Housing Society, Dhaka.	1204-090074508753	3,562,500	23.13%
Md. Zakir Hossain Patwary	Managing Director	Floor-3, House-485, Road-32, New DOHS, Mohakhali, Dhaka.	1204-090074507526	6,412,500	41.64%
Rowshan Ara Mukta	Shareholder	Floor-3, House-485, Road-32, New DOHS, Mohakhali, Dhaka.	1204-090074508828	270,000	1.75%
Saiful Islam Khan	Shareholder	121/1, Safiuddin Sarkar Academy Road, Middle House Para, Tongi, Gazipur.	1204-090074508919	67,500	0.44%
Hosne Ara	Shareholder	Floor-5, House No.-158, Road-22, New DOHS, Mohakhali, Dhaka.	1204-090074509046	225,000	1.46%
Sahela Nahid	Shareholder	2nd Floor, House-3/7, Zakir Hossain Road, Block-F, Lalmatia Housing Society, Dhaka.	1204-090074509137	187,500	1.22%
Md. Sazzad Hossain	Shareholder	376/1, (2 nd Floor), East Goran, Khilgaon, Dhaka-1219.	1202220074150344	50,000	0.32%
Md. Mahbub Ul Huq	Shareholder	House: 20/J, North Mothertech, Basabo. Dhaka-1214.	1203980066794501	50,000	0.32%
Farjana Islam	Shareholder	House:14, Road: Solimullah Road, Block: D, Mohammadpur, Dhaka- 1207.	1202220046904924	200,000	1.30%
Sweet Agrovet Ltd.	Shareholder	Flat 8/8, Plot:18, Block:B, Babor Road, Mohammadpur, Dhaka.	1201830072421609	100,000	0.65%
Total				15,400,000	100%

- (b) There shall also be a table in the prospectus showing the number of shares of the issuer's securities owned by each director, each of the top ten salaried officers, and all other officers as a group, indicating the percentage of outstanding shares represented by the shares owned:

Name	Age	Experience	Number of Shares	Pre QIO-Securities (%)
Name: Md. Billal Hossain Address: Floor-5, House No.-158, Road-22, New DOHS, Mohakhali, Dhaka. BO ID No.: 1204-090074507451 TIN No.: 6123-83546252	44 Years	20 Years	4,275,000	27.76%
Name: Md. Kamrul Alam Address: 2nd Floor, House-3/7, Zakir Hossain Road, Block-F, Lalmatia Housing Society, Dhaka. BO ID No.: 1204-090074508753 TIN No.: 4120-11788791	45 Years	20 Years	3,562,500	23.13%
Name: Md. Zakir Hossain Patwary Address: Floor-3, House-485, Road-32, New DOHS, Mohakhali, Dhaka. BO ID No.: 1204-090074507526 TIN No.: 1445-21524872	45 Years	20 Years	6,412,500	41.64%

No such share is hold by top ten salaried officers, and all other officers as a group.

(c) Provisions for lock-in as per these Rules:

All issued ordinary shares of the issuer at the time of according to consent to QIO shall be subject to a lock-in period from the date of issuance of prospectus or commercial operation, whichever comes later, in the following manner:

(a) ordinary shares held by sponsors, directors or shareholders who hold 10% (ten percent) or more, for 2 (two) years;

(b) ordinary shares held by alternative investment funds or by foreign investors or by others for 1 (one) year:

(d) Statement of securities to be locked in for each shareholder along with BO account number, lock-in period and number of securities to be locked-in:

Sl. No	Name of Shareholder	Position	BO ID	No. of Shares	Lock-in Period (Year)
1	Md. Billal Hossain	Chairman	1204090074507451	4,275,000	2 Year
2	Md. Kamrul Alam	Director	1204090074508753	3,562,500	2 Year
3	Md. Zakir Hossain Patwary	Managing Director	1204090074507526	6,412,500	2 Year
4	Rowshan Ara Mukta	Shareholder	1204090074508828	270,000	1 Year
5	Saiful Islam Khan	Shareholder	1204090074508919	67,500	1 Year
6	Hosne Ara	Shareholder	1204090074509046	225,000	1 Year
7	Sahela Nahid	Shareholder	1204090074509137	187,500	1 Year
8	Md. Sazzad Hossain	Shareholder	1202220074150344	50,000	1 Year
9	Md. Mahbub Ul Huq	Shareholder	1203980066794501	50,000	1 Year
10	Farjana Islam	Shareholder	1202220046904924	200,000	1 Year
11	Sweet Agrovet Ltd.	Shareholder	1201830072421609	100,000	1 Year
Total				15,400,000	

SECTION - XIV

DETERMINATION OF OFFERING PRICE

- (a) If ordinary shares are being offered, the factors to be considered in determining the offering price shall be set forth in the prospectus;**

The issue is offered at par.

- (b) If the issue price of the ordinary share is higher than the par value thereof, justification of the premium shall be stated with reference to all of the followings:—**

- (i) net asset value per share at historical or current costs;**
- (ii) earning-based-value per share calculated on the basis of weighted average of net profit after tax for immediately preceding five years or such shorter period during which the issuer was in commercial operation;**
- (iii) projected earnings-based- value per share calculated on the basis of weighted average of projected net profit after tax for the immediate next three accounting years as per the issuer's own assessment duly certified by the auditor of the issuer;**

The issue is offered at par.

SECTION - XV

DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED

All types of securities outstanding or being offered with the date or proposed date of such issue and to whom those are offered, number of securities and issue or offer price along with the following information:

(a) Dividend, voting and preemption rights:

The Share Capital of the company is divided into Ordinary Shares, carrying equal rights to vote and receive a dividend in terms of the relevant provisions of the Companies Act 1994 and the Articles of Association of the company. All Shareholders shall have the usual voting rights in person or by proxy in connection with, among others, the election of Directors & Auditors and other usual agenda of General Meeting – Ordinary or Extraordinary. On a show of hand, every shareholder presents in person and every duly authorized representative of a shareholder present at a General Meeting shall have one vote and, on a poll, every shareholder present or by proxy shall have one vote for every share held by him or her.

In case of any additional issue of shares for raising further capital, the existing shareholders shall be entitled to Right Issue of shares in terms of the guidelines issued by the BSEC from time to time.

(b) Conversion and liquidation rights:

In terms of provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are freely transferable. The Company shall not charge any fee for registering the transfer of shares. No transfer shall be made to a firm, an infant or person of unsound mind.

(c) Dividend policy:

- i. The profit of the Company, subject to any special right relating thereto created or authorized to be created by the Memorandum and subject to the provisions of the Articles of Association, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.
- ii. The dividend shall be recommended by the Board of Directors time to time for distributing the accumulated profit.
- iii. No dividend shall be payable except out of the profits of the Company or any other undistributed profits. The dividend shall not carry interest as against the Company.
- iv. The Directors may from time to time pay the members such interim dividend as in their judgment the financial position of the Company may justify.
- v. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
- vi. No limitation in payment of the dividend is stipulated in any debt instrument or otherwise.

(d) Other rights of the securities holders:

In terms of the provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are transferable. The Company shall not charge any fee, other than Government duties for registering transfer of shares. No transfer shall be made to a minor or person of unsound mind.

The Directors shall present the financial statements as required under the law & International Accounting Standard. Financial statements will be prepared in accordance with the International Accounting Standards consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosure as per law and International Accounting Standard to the shareholders regarding the financial and operational position of the company. The shareholders shall have the right to receive all periodical statement and reports, audited as well as un audited, published by the company from time to time.

The shareholder holding minimum of 10% shares of paid-up capital of the company shall have the right to requisition extra ordinary General Meeting of the company as provided for the section 84 of the Companies Act 1994.

SECTION - XVI

FINANCIAL STATEMENTS

(a) The financial statements prepared and audited in adherence to the provisions of the Securities and Exchange Rules, 2020:

**INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Al-Madina Pharmaceuticals Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the financial statements of Al-Madina Pharmaceuticals Limited (the Company), which comprise the Statement of Financial Position as at 30 June 2022, and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period then ended, and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as at 30 June 2022, and of its financial performance and its 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 Auditors' 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), and we have fulfilled our ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Risk	Our response to the risk
Revenue	
Revenue recognition has significant and wide influence on financial statements. The Company reported revenue for the amount of Taka 668,965,108 Revenue is recognized when the amounts and the related costs are reliably measured and the performance obligation is completed through passing of control to the customers. While the risk and rewards are being transferred for the performance obligations at the delivery point and control has passed, there is a risk that the Company might misstate or manipulate sales quantity or price in the financial statements. There is also a risk that revenue may be overstated or understated through various discounts and incentives. However, the management of the Company informed us that they do not have any policy that allows to give any such incentives to dealers.	<p>How our audit addressed the key audit matter</p> <ul style="list-style-type: none"> ➤ We assessed the reporting environment of the Company as well as other relevant systems supporting the accounting or revenue; ➤ We examined customer invoice (Mushak 6.3), sales account book (6.2), VAT submission form (Mushak 9.1) and receipts of payment on a test basis; ➤ We summarized of Mushak 9.1, and cross checked with financial statements booked as revenue; ➤ We obtained supporting documents for sales transactions recorded on a test basis; ➤ We enquired that the Company did not offer any discount to dealers during the period; ➤ We assessed whether the sufficient disclosure has been given; and ➤ We tested the timing of revenue recognition as well as cut off checked.
See note No. 22.00 to the Statement of Profit or Loss & Other Comprehensive Income.	

Valuation of Property, Plant and Equipment (PPE)	
<p>The carrying value of the PPE was Taka 333,166,382 as at 30 June 2022.</p> <p>Expenditures are capitalized if they create new assets 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 assets or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p>	<p>Our audit included the following procedure:</p> <ul style="list-style-type: none"> ➤ We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital work in progress to ready for use, with the date of the act of completion of the work. ➤ We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent. ➤ We inspected a sample of invoices to determine whether the classification between capital and revenue expenditure was appropriate. ➤ We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice.
See note No. 4.00 to the Financial Statements.	
Implementation of IFRS 16: Leases	
<p>The Company implemented IFRS 16 "Leases" on 01.07.2020. The Company reported the Right of Use (RoU) asset for the amount of Taka 15,844,178 and Lease obligation for the amount of Taka 7,649,846 at the period end.</p> <p>Given the first-time adoption of IFRS 16 "Leases", connections to other items to the financial statements including depreciation and interest, high level of management judgments required for identifying the lease, lease period, discount rate etc. We consider the lease as key audit area.</p>	<p>How our audit addressed the key audit matter</p> <ul style="list-style-type: none"> ➤ We reviewed appropriateness of management's application of IFRS 16 and assessment of the impact on the financial statements. Our audit procedures included testing classification and measurement of right-of-use of assets and lease obligation in accordance with IFRS 16; ➤ We checked the present value calculation for lease and also reviewed lease agreements and made calculation to ascertain the appropriateness of the incremental borrowing rate used; ➤ We also examined the accuracy and appropriateness of accounting adjustments in the financial statements arising from the adoption of IFRS 16; and ➤ We verified the sufficiency and appropriateness of disclosures in the financial statements.
See note no. 5.00 & 17.00 to the Financial Statements.	
Valuation of Inventory	
<p>The inventory of Taka 24,411,720 and Inventory in Transit of Taka 3,133,256 as at 30 June 2022 was held at different locations across the country. Inventories are carried at the lower of cost and net realizable value. As a result, the management apply judgment in determining the appropriate values for slow-moving or obsolete items.</p> <p>Since the value of Inventory is significant to the financial statements and there is significant measurement uncertainty involved in this valuation, the valuation of inventory was significant to our audit.</p>	<p>We verified the appropriateness of management's assumptions applied in calculating the value of the inventory by:</p> <ul style="list-style-type: none"> ➤ Evaluating the design and implementation of key inventory controls. ➤ Reviewing the requirement of inventory provisioning and action there upon by the management. ➤ Comparing the net realizable value obtained through a detailed review of sales subsequent to the period end, to the cost price of a sample of inventories.

See note No. 6.00 & 7.00 to the Financial Statements.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 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. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act, 1994, 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 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.

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 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 the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 evidence 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 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 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to 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 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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 2020, we also report the following:

- (a) 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 made due verification thereof;
- (b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- (c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and
- (d) the expenditure incurred was for the purposes of the Company's business.

Sd/-

Muhammed Abul Hashem, FCA (Enrol. 964)

Partner,

Shiraz Khan Basak & Co.,

Chartered Accountants

DVC: 2211220964AS528118

Dated: 22 November 2022

Dhaka

Al-Madina Pharmaceutical Ltd
Statement of Financial Position
As at 30 June 2022

Particulars	Notes	Amount in Taka	
		30 June 2022	30 June 2021
ASSETS			
Non-Current Assets			
Property Plant and Equipment	4	317,322,205	315,447,070
Right-of-Use Asset (ROU)	5	15,844,178	12,582,400
		333,166,382	328,029,470
Current Assets			
Inventories	6	24,411,720	22,550,762
Inventory In Transit	7	3,133,256	1,592,498
Trade Receivable	8	144,589,522	85,044,266
Deferred Tax Asset	9	-	3,742,186
Advance Deposit & Pre-Payments	10	25,345,244	19,781,797
Cash & Cash Equivalents	11	16,621,348	11,997,710
		214,101,090	144,709,219
TOTAL ASSETS		547,267,472	472,738,689
SHARHOLDER'S EQUITY AND LIABILITIES			
Equity attributable to the owners of the company			
Share Capital	12	154,000,000	128,000,000
Retained Earnings	13	40,433,725	20,695,185
Revaluation Reserve	14	138,967,050	138,967,050
		333,400,775	287,662,235
Non-Current Liabilities			
Deferred Tax Liabilities	15	3,404,293	4,297,950
Long Term Loan from Bank	16	9,159,007	6,811,491
Lease Obligation (Non-current portion)	17	3,978,700	5,302,863
		16,542,000	16,412,304
Current Liabilities & Provisions			
Lease Obligation (Current portion)	17	3,671,146	4,711,968
Short Term Loan	18	148,909,450	132,327,788
Accounts Payable	19	3,145,000	3,565,560
Liabilities for Expenses	20	21,754,562	17,894,467
Provision for income tax	21	19,844,539	10,164,367
		197,324,698	168,664,150
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		547,267,472	472,738,689
Net Asset Value Per Share (NAVPS) with revaluation	29	21.65	224.74
Net Asset Value Per Share (NAVPS) without revaluation	30	12.63	116.17

The annexed notes are an integral part of these financial statements.
Last year's figures have been rearranged.

Sd/-	Sd/-	Sd/-	Sd/-
Company Secretary	Chief Financial Officer	Managing Director	Chairman

"Signed in terms of our report of even date annexed."

Sd/-
Muhammed Abul Hashem, FCA (Enrol. 964)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2211220964AS528118

Place: Dhaka.
Date: 22 November 2022

Al-Madina Pharmaceutical Ltd
Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June 2022

Particulars	Notes	Amount in Taka	
		July 2021 to June 2022	July 2020 to June 2021
Sales Revenue	22	668,965,108	556,164,433
Less: Cost of Goods Sold	23	398,296,705	350,825,289
Gross Profit		270,668,403	205,339,144
Less: Administrative & General Expenses	24	35,512,458	29,353,052
Less: Marketing, Selling & Distribution Expenses	25	188,954,187	132,404,722
Operating Profit		46,201,758	43,581,370
Non Operating Income/Expenditure			
Less: Financial Expenses	26	12,321,155	12,808,039
Net Profit / (Loss) for the year before WPPF		33,880,603	30,773,331
Less: Workers' Profits Participation Funds		1,613,362	1,465,397
Net Profit / (Loss) before Tax		32,267,241	29,307,934
Less: Current tax	27	9,680,172	8,792,380
Deferred Tax Expenses	27	2,848,529	2,672,783
Total net profit after tax for the year		19,738,540	23,188,337
Other Comprehensive Income:			
Revaluation reserve	14		143,265,000
Less: Deferred Tax Liabilities on revaluation reserve	15		4,297,950
		-	138,967,050
Total Comprehensive Income for the year		19,738,540	162,155,387
Earning Per Share (EPS)	28	1.30	339.91

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

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Managing Director

Sd/-
Chairman

"Signed in terms of our report of even date annexed."

Place: Dhaka.
Date: 22 November 2022

Sd/-
Muhammed Abul Hashem, FCA (Enrol. 964)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2211220964AS528118

Al-Madina Pharmaceutical Ltd
Statement of Changes in Shareholder's Equity
For the year ended 30 June 2022

<u>Particulars</u>	Share Capital	Retained Earnings	Revaluation Reserve	Share Money Deposit	Total
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Balance as at 30 June, 2020	3,000,000	(2,493,152)	-	20,000,000	20,506,848
Addition during year	125,000,000	-	138,967,050	-	263,967,050
Refund of Share Money Deposit	-	-	-	(20,000,000)	(20,000,000)
Profit /Loss for the year	-	23,188,337	-	-	23,188,337
Balance as at 30 June, 2021	<u>128,000,000</u>	<u>20,695,185</u>	<u>138,967,050</u>	<u>-</u>	<u>287,662,235</u>
Balance as at 30 June, 2021	128,000,000	20,695,185	138,967,050	-	287,662,235
Addition during year	26,000,000	-	-	-	26,000,000
Profit / (Loss) for the Year	-	19,738,540	-	-	19,738,540
Balance as at 30 June, 2022	<u>154,000,000</u>	<u>40,433,725</u>	<u>138,967,050</u>	<u>-</u>	<u>333,400,775</u>

Last year's figures have been rearranged.

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Managing Director

Sd/-
Chairman

"Signed in terms of our report of even date annexed."

Place: Dhaka.
Date: 22 November 2022

Sd/-
Muhammed Abul Hashem, FCA (Enrol. 964)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2211220964AS528118

Al-Madina Pharmaceutical Ltd
Statement of Cash Flows
For the year ended 30th June, 2022

<u>Particulars</u>	Notes	Amount in Taka	
		July 2021 to June 2022	July 2020 to June 2021
A. Cash flows from Operating Activities:			
Cash received from customer		678,556,692	539,887,970
Cash paid to supplier		(314,191,594)	(286,669,309)
Cash paid for salary, wages and other expenses		(372,766,702)	(208,244,923)
Net cash generated from Operating Activities	32	(8,401,604)	44,973,738
B. Cash flows From Investing Activities:			
Cash for property, plant and equipment		(24,516,710)	(68,871,538)
Income from tax assessment		-	-
Net cash flows from/(used in) Investing Activities		(24,516,710)	(68,871,538)
C. Cash flows From Financing Activities:			
Proceed/Repayment of long term		2,347,516	(3,532,487)
Issuing of share capital		26,000,000	40,000,000
Refund share money deposit		-	(20,000,000)
Proceed/Repayment of lease rent		(7,387,227)	(5,713,169)
Proceed/Repayment of short-term loan		16,581,662	11,710,492
Net cash flows from Financing Activities		37,541,952	22,464,836
D. Increase/(Decrease) in cash and cash equivalents (A+B+C)		4,623,638	(1,432,964)
E. Cash and cash equivalents at the beginning of the year		11,997,710	13,430,674
F. Cash and cash equivalents at the end of the year (D+E)	11	16,621,348	11,997,710
Net Operating Cash Flow Per Share (NOCFPS)	31	(0.55)	659.25
Last year's figures have been rearranged.			

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Managing Director

Sd/-
Chairman

"Signed in terms of our report of even date annexed."

Place: Dhaka.
Date: 22 November 2022

Sd/-
Muhammed Abul Hashem, FCA (Enrol. 964)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC:
2211220964AS528118

Al-Madina Pharmaceutical Ltd
Notes to the Financial Statements
As at and for the year ended June 30 2022

1.00 Reporting entity

1.01 About the company

Al-Madina Pharmaceuticals Limited is a private limited company duly incorporated in Bangladesh on 27 July, 2006 under Companies Act 1994, vide Certificate of Incorporation No. C-62976, and its commercial operations commenced on 21 October, 2007.

The address of the company are as follows:

Registered and Factory Office: 1/1, Tilargati, Kakil, Tongi-1711, Gazipur.

Corporate Head Office: 178-179, Farmgate, Tejturi Bazar Road, Road-23, Ward-39, Tejgaon, Dhaka.

1.02 Nature of the business

The Company is engaged in the manufacturing, buying, selling, refinement, import, export or otherwise of pharmaceutical, medical and medicinal products, and preparations, patent drugs and proprietary articles of all kinds, whether basic or derived and in all forms. Al-Madina Pharmaceuticals Limited started its journey for veterinary drugs in 2006 and human drugs in 2019. At present, it is manufacturing 150 plus products of veterinary drugs such as antibacterial drugs, nutritional products, poultry vaccines, aqua products, daily injectable products etc. and 70 plus important products of human drugs such as anti-bacterial drugs, anti-fungal drugs, gastro-intestinal drugs, analgesic & anti-inflammatory drugs, vitamins-minerals or supplements, drugs acting on urogenital system and drugs acting on respiratory system etc.

2.00 Basis of preparation of Financial Statements

2.01 Basis of measurement

The financial statements have been prepared following on a going concern basis under the historical cost convention as modified to include revaluation of certain land properties. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous years.

2.02 Statement of compliance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1994, Securities and Exchange Rules, 2020 and other relevant local laws as applicable and in accordance with the International Financial Reporting Standard (IFRS) and International Accounting Standards (IAS).

2.03 Presentation of Financial Statements:

The presentation of these financial statements are in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements.

The financial statements comprise of:

- (a) a Statement of Financial Position as at June 30, 2022;
- (b) a Statement of Profit or Loss and other Comprehensive Income for the year July 1, 2020 to June 30, 2022;
- (c) a Statement of Changes in Shareholder's Equity for the year July 1, 2020 to June 30, 2022;
- (d) a Statement of Cash Flows for the year July 1, 2020 to June 30, 2022; and
- (e) a Statement of Notes, comprising a summary of significant accounting policies and explanatory information.

2.04 Reporting Period

The financial statements cover a year from July 01, 2021 to June 30, 2022.

2.05 Authorization for issue

The financial statements were approved by the Board of Directors and authorized for issue on 22 November 2022.

2.06 Functional and Presentation Currency

The financial statements are prepared and presented in Bangladesh Taka (Taka/BDT), which is the Company's functional currency.

2.07 Use of Estimates and Judgments

The preparation of financial statements in conformity with IFRSs and IASs require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on going basis. Any revision of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, the key areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, inventory valuation, accrued expenses and other payable.

2.08 Business Risk

In compliance with IFRS 7: Financial Statement has been prepared considering credit risk, liquidity risk and market risk.

Credit Risk: The Company has maintained credit policy for giving any credit. The Company is taking blank cheque from MIO and party as security during credit sales. Hence, credit risk is few in amount.

Liquidity Risk: Liquidity risk cerates from financial contracts. The sales team of the Company is always committed to collecting sales money in accordance with the plan. So, the liquidity risk of the company is minimum.

Market Risk: Market risk depends on supply of raw material, political stability, environmental stability etc. The Company has proper plan to avoid market risk.

2.09 Going Concern

These financial statements have been prepared on going concern basis. The company has adequate resources to continue its operation for the foreseeable future. For this reason, the directors continue to adopt going concern basis in preparing the financial statements. The current resources and credit facilities of the company are sufficient to meet the present requirement of its existing business.

2.10 Statement of cash flows

Statement of cash flows has been prepared in accordance with IAS 7: "Statement of cash flows" under direct method. A reconciliation of Net Operating Cash Flow from operating activities under the indirect method has also been prepared.

3.00 Significant Accounting Policies

The accounting principles and policies in respect of material items of financial statements set out below have been applied consistently to all periods presented in these financial statements.

3.01 Revenue Recognition

In compliance with the requirements of IFRS 15: "Revenue", revenue receipts from customers against sales are recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

3.02 Property, Plant and Equipment

(a) Recognition and Measurement

This has been stated at cost or revalued amount less accumulated depreciation in compliance with the requirements of IAS 16: "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

(b) Maintenance Activities

The Company incurs maintenance costs for all its major items of property, plant and equipment. Repair and maintenance costs are charged as expenses when incurred.

(c) Depreciation

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS 16: "Property, Plant and Equipment". Depreciation has been charged on reducing balance basis.

Category of Fixed Assets for Depreciation	Depreciation Rate
Land and land development	-
Factory building	5.00%
Machinery	15.00%
Generator	15.00%
Air conditioner	15.00%
Water pump	15.00%
Gas line cost	15.00%
Furniture & fixture	20.00%
Office decoration	15.00%
Television	15.00%
Fridge	15.00%
Electric fittings	15.00%
Motor cycle	15.00%
Computer	20.00%
Computer printer	15.00%
Photocopy machine	10.00%
Right-of-use - Covered Van	20.00%
Right-of-use - Motor Bike	20.00%

3.03 Significant changes in Accounting Policy IFRS 16: Lease

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payment. There are recognition exemptions for short term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating lease.

3.04 Inventories

Inventories are carried at the lower of cost and net realizable value as prescribed by IAS 2: "Inventories". Cost is determined on weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

3.05 Trade Receivable

Trade receivables are created at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollected it is written off, firstly against any provision available and then shown in the profit and loss account. Subsequent recoveries of amounts previously provided for are credited to the profit and loss account. The management consider the bills receivable for the current year as good and collectible.

3.06 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and with banks on current and deposit accounts, which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.07 Income Taxes:

Current Tax

Provision for income tax has been made as per requirement of Income Tax Act and Rules.

Deferred Tax

Deferred income tax is provided for all temporary timing differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements in accordance with the provisions of IAS 12: "Income Taxes". The tax rate prevailing at the balance sheet date is used to determine deferred income tax.

3.08 Status of Income Tax Assessment

The status of income tax assessment shown in details as under:

Income year	Assessment Year	Assessment completed under ITO 1984
2016-2017	2017-2018	Assessment completed
2017-2018	2018-2019	Tribunal order 30.09.2021 but order U/S 159 not yet completed
2018-2019	2019-2020	Tribunal order 30.09.2021 but order U/S 159 not yet completed
2019-2020	2020-2021	Submitted under Section 82BB
2020-2021	2021-2022	To be submitted

3.09 VAT (Value Added Tax):

The Company submitted the required return as per Value Added Tax and Supplementary Duty Act 2012. There was no balance in the current book (Mushok- 9.1) as on 30.06.2022.

3.10 Employees Benefit Plans

Workers Profit Participation Fund and Welfare Fund

The Company makes a regular allocation of 5% on net profit before tax to this fund as per provisions of the Bangladesh Labour Law 2006 amendment upto 2013. Beside we are proceeding the registration trustee as well as will pay the fund in accordance with Bangladesh Labour Law 2013.

3.11 Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

3.12 Interest Income and Borrowing Cost

Interest income is recognized on accrual basis. Borrowing costs are recognized as expenses in the period in which they are incurred unless capitalization of such is allowed under IAS 23: "Borrowing Costs".

3.13 Events after the reporting period

Since the reporting date there have been no material events affecting the financial statements that require disclosure or adjustment.

3.14 Earnings Per Share (EPS)

This has been calculated in compliance with the requirements of IAS 33: "Earnings Per Share" by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

3.15 Capital commitment

There is no capital commitment at statement of financial position date.

3.16 The following IAS/IFRS are applicable for the preparation of financial statements for the period under review:

Name of the IAS	IAS No	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Consolidated and Separate Financial Statements	27	N/A
Investment in Associates and Joint Ventures	28	Applied
Interest in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied
Earnings Per Share	33	Applied
Interim Financial Reporting	34	N/A
Impairment of Assets	36	Applied
Provision, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	N/A
Financial Instruments: Recognition and Measurement	39	N/A
Investment Property	40	N/A
Agriculture	41	N/A
Name of the IFRS	IFRS No	Status
First Time Adaption of IFRS	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosure	7	N/A
Operating Segments	8	Applied
Financial Instruments	9	N/A
Consolidated Financial Statements	10	N/A
Joint Arrangements	11	N/A
Disclosure of Interest in other Entities	12	N/A
Fair Value Measurement	13	Applied
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Applied
Leases	16	Applied
Insurance Contracts	17	N/A

3.17 General

Previous year's figures and account titles in the financial statements have been rearranged and reclassified, wherever necessary, for the purpose of comparison, without creating any impact on the profit and value of assets and liabilities as reported in the financial statements for the current and preceding year.

Al-Madina Pharmaceutical Ltd
Notes to the financial statement
As at and for the year ended 30 the June 2022

		Amount in Taka	
		30 June 2022	30 June 2021
4.00	Property, Plant And Equipment		
A	Cost:		
	Opening Balance	370,872,032	73,735,494
	Add: Addition during the year	24,516,710	153,871,538
	Add: Revaluation of Land	-	143,265,000
	Closing Balance	395,388,742	370,872,032
B	Accumulated Depreciation		
	Opening Balance	55,424,962	33,515,960
	Add: Depreciation charged during the year	22,641,575	21,909,002
		78,066,537	55,424,962
	Less: Adjustment during the year	-	-
	Closing Balance	78,066,537	55,424,962
C	Written Down Value (A-B)	317,322,205	315,447,070
	Property, Plant And Equipment is given in details in Schedule - I		
5.00	Right-of-Use Asset (ROU)		
A	Cost		
	Opening Balance	15,728,000	-
	Add: Additions made during the year	5,022,242	15,728,000
	Less: Adjustment during the year	-	-
	Closing Balance	20,750,242	15,728,000
B	Accumulated Depreciation		
	Opening Balance	3,145,600	-
	Add: Depreciation Charged during the year	1,760,464	3,145,600
	Less: Adjustment during the year	-	-
	Closing Balance	4,906,064	3,145,600
C	Written Down Value (A-B)	15,844,178	12,582,400
	Right-of-Use Asset is given in details in Schedule - I		
6.00	Inventories		
	Raw Material	8,015,420	7,044,698
	Packing Materials	2,145,100	1,661,282
	Finished Goods	14,251,200	13,844,782
		24,411,720	22,550,762
7.00	Inventory In Transit		
	Raw Material (Import)	3,133,256	1,592,498
		3,133,256	1,592,498
8.00	Trade Receivable		
	Trade receivables	145,281,543	85,169,368
	Less: Bad Debts	692,021	125,102
		144,589,522	85,044,266
8.01	Ageing of the Trade Receivables is as follows:		
	Receivable due up to one month	76,822,387	42,522,133
	Receivable due above (1) one month up to (3) three months	32,045,806	21,261,067
	Receivable due above (3) three month up to (6) six months	21,656,838	12,756,639
	Receivable due above (6) six months up to (1) one year	8,139,859	5,953,099
	Receivable due above (1) one year upto (2) two years	5,924,632	2,551,328
		144,589,522	85,044,266
	The classification of receivables as required by the Schedule XI of the Companies Act, 1994 are given below:		
	i) Receivable considered good in respect of which the company is fully secured.	106,398,587	59,530,986
	ii) Receivable considered good for which the company holds no security other than the debtor's personal security.	38,190,935	25,513,280
		144,589,522	85,044,266
9.00	Deferred Tax Asset		
	Opening Balance	3,742,186	1,069,403
	Add: Addition during the year	-	2,672,783
	Less: Adjustment during the year	3,742,186	-
		-	3,742,186

10.00 Advance Deposits & Prepayments

Advance against Office Rent (Head Office)		-	114,000
Security Deposit (DESCO)		42,000	42,000
Security Deposit (Gas Line)		237,300	237,300
Security Deposit (Brac Poultry)		105,700	-
Advance income tax	10.01	23,993,596	17,779,255
Export AIT		-	12,036
Salary and others		966,648	888,429
C & F party Advance		-	708,777
		25,345,244	19,781,797

10.01 Advance Income Tax

Opening Balance		17,779,255	17,183,432
Addition during the year		6,214,341	8,554,928
Less: Adjustment during the year		-	7,959,105
		23,993,596	17,779,255

11.00 Cash & Cash Equivalents

Cash in Hand	11.01	14,958,415	11,118,581
Cash at Bank	11.02	1,662,933	879,129
		16,621,348	11,997,710

11.01 Cash in Hand

Cash in Head Office		14,410,397	10,567,894
Cash in Factory		548,018	550,687
		14,958,415	11,118,581

11.02 Cash at Bank

Islami Bank Ltd., CA No.-280815		375,974	371,385
Shahjalal Islami Bank Ltd. CA No. 00751		265,194	82,890
Pubali Bank Ltd. A/C No-28873		426,565	79,289
Pubali Bank Ltd. A/C No-8118		7,738	246,233
IFIC Bank Ltd. A/C No-8041		205,854	-
Al-Arafah Islami Bank Ltd. A/C-8113		70,147	-
Dutch Bangla Bank Ltd A/C No-124169		275,710	86,991
Dutch Bangla Bank Ltd A/C No-1027		35,751	12,341
		1,662,933	879,129

12.00 Share Capital**12.01 Authorized:**

30,000,000 Ordinary Shares of Taka 10/- each		300,000,000	300,000,000
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12.02 Issued, Subscribed & Paid up Capital:

The face value per share of the Company has been converted from BDT 100 to 10 as at 30 November 2021 and was approved in the extra-Ordinary General Meeting at the registered office of the Company at 178-179, Two Star Tower, East Tejturi Bazar, Farmgate, Dhaka.

(a) By Cash:

6,900,000 Ordinary Shares of Taka 10/- each fully paid-up in cash	69,000,000	43,000,000
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(b) Other than Cash:

8,500,000 Ordinary Shares of Taka 10/- each fully paid-up for consideration other than cash	85,000,000	85,000,000
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154,000,000	128,000,000
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Issued, Subscribed and Paid-up

Name of shareholder	2021-2022			2020-2021		
	Number of share	% of Share	Taka	Number of share	% of Share	Taka
Mr. Mohammad Zakir Hossain Patwary	6,412,500	41.64%	64,125,000	510,500	39.88%	51,050,000
Mr. Billal Hossain	4,275,000	27.76%	42,750,000	762,000	59.53%	76,200,000
Mr. Md. Kamrul Alam	3,562,500	23.13%	35,625,000	7,500	0.59%	750,000
Rowshan Ara Mukta	270,000	1.75%	2,700,000			
Hosne Ara	225,000	1.46%	2,250,000			
Sahela Nahid	187,500	1.22%	1,875,000			
Saiful Islam Khan	67,500	0.44%	675,000			
Sweet Agrovvet Ltd	100,000	0.65%	1,000,000			
Md. Sazzad Hossain	50,000	0.32%	500,000			

Md. Mahbub Ul Haq	50,000	0.32%	500,000			
Farjana Islam	200,000	1.30%	2,000,000			
Total	15,400,000	100%	154,000,000	1,280,000	100%	128,000,000

		Amount in Taka	
		30 June 2022	30 June 2021
13.00	Retained Earnings		
	Opening Balance	20,695,185	(2,493,152)
	Profit/Loss for the year	19,738,540	23,188,337
	Closing Balance	40,433,725	20,695,185
14.00	Revaluation Reserve		
	Opening Balance	138,967,050	-
	Revaluation Reserve	-	143,265,000
	Less: Deferred tax liabilities on revaluation reserve	-	4,297,950
		138,967,050	138,967,050
15.00	Deferred Tax Liabilities		
	Opening Balance	4,297,950	
	Less Adjustment Deferred Tax Asset	3,742,186	
	Add: During the year increase	2,848,529	
	Revaluation Surplus		143,265,000
	Tax rate, as per section 53H of the Income Tax Ordinance 1984 read with Rule 17II	-	3%
		3,404,293	4,297,950
16.00	Long Term Loan		
	Shahjalal Islami Bank Ltd	9,159,007	6,811,491
		9,159,007	6,811,491
17.00	Lease Obligation		
	Covered Van -Ifad Autos Ltd	17.01 2,169,824	4,959,613
	Motor Bike-Shahjalal Islami Bank Ltd	17.02 5,480,022	5,055,218
		7,649,846	10,014,831
17.01	Covered Van -Ifad Autos Ltd		
	Opening Balance	4,959,613	-
	Addition during the year	2,800,000	10,528,000
	Less: Payment during the year	5,589,789	5,568,387
		2,169,824	4,959,613
17.02	Motor Bike-Shahjalal Islami Bank Ltd		
	Opening Balance	5,055,218	-
	Addition during the year	2,222,242	5,200,000
	Less: Payment during the year	1,797,438	144,782
		5,480,022	5,055,218
	Lease Obligation		
	Non-Current Portion-Ifad Autos Ltd	3,978,700	5,302,863
	Current Portion-Shahjalal Islami Bank Ltd	3,671,146	4,711,968
		7,649,846	10,014,831
18.00	Short Term Loan		
	Al-Arafah Islami Bank Ltd (Bai-Muazzal)	5,456,250	5,456,250
	Al-Arafah Islami Bank Ltd (MPI-TR)	22,031,219	23,610,929
	Shahjalal Islami Bank Ltd.(MPI-TR)	44,666,298	61,150,984
	Shahjalal Islami Bank Ltd. (Bai Muazzal)	76,755,683	42,109,625
		148,909,450	132,327,788

		Amount in Taka	
		30 June 2022	30 June 2021
19.00	Accounts Payable		
	Accounts Payable	<u>3,145,000</u>	<u>3,565,560</u>
20.00	Liabilities for Expenses		
	Audit Fees	172,500	172,500
	Salary & Wages	19,158,930	15,127,285
	Electric Bill (Factory)	809,770	432,468
	WPPF Payable	1,613,362	2,162,214
		<u>21,754,562</u>	<u>17,894,467</u>
20.01	WPPF Payable		
	Opening Balance	2,162,214	696,817
	Addition during the period	1,613,362	1,465,397
	Less: Payment during the year	2,162,214	-
	Closing Balance	<u>1,613,362</u>	<u>2,162,214</u>
21.00	Provision for Income Tax		
	Opening Balance	10,164,367	5,901,296
	Provision during this year	9,680,172	8,792,380
	Less: Adjustment during the year	-	4,529,309
		<u>19,844,539</u>	<u>10,164,367</u>

		Amount in Taka	
		July 2021 to June 2022	July 2020 to June 2021
24.00	Administrative & General Expenses		
	Salary & Allowance	21,676,914	20,394,765
	Office Rent	600,000	560,000
	Stationary	353,021	352,037
	Entertainment	344,461	450,370
	Audit Fees	172,500	172,500
	Electricity bill	352,602	163,992
	Donation/Gift	13,500	12,650
	Conveyance Allowance	951,400	728,125
	Bank charge	71,500	70,100
	GAS Bill	13,597	15,228
	Fuel	12,500	10,500
	Product development Expenses	80,120	87,650
	Water bill	90,781	15,168
	Postage	37,393	32,890
	Internet Bill	69,000	48,200
	Newspaper & periodicals	7,200	7,200
	Uniform	11,200	40,200
	Medical Expenses	80,000	115,200
	Misc. Expense	10,200	166,917
	Maintenance	150,541	150,050
	Depreciation Expenses	4,880,408	5,010,920
	Telephone	29,916	85,500
	Mobile bill	183,200	128,500
	Labour Bill	32,660	31,300
	Food Allowance	727,594	503,090
	Product Registration and Others Fee	554,250	-
	Attendance Fee of Board meeting	54,000	-
	Director Remuneration	3,900,000	-
	Credit Rating Fees	27,000	-
	Listing Fee	25,000	-
		35,512,458	29,353,052
25.00	Marketing, Selling and Distribution Expenses		
	Salary & Allowance	169,941,947	114,515,606
	Depot Rent	372,400	372,400
	Stationery	940,572	898,183
	Entertainment	395,377	315,268
	Electricity bill	188,944	127,423
	Donation	211,565	11,425
	Conveyance Allowance	7,240,000	4,000,338
	Bank charges	126,450	112,840
	GAS Bill	219,500	218,584
	Fuel	3,609,988	2,137,049
	Product development Expenses	16,100	150,210
	Water bill	26,357	12,544
	Postage	68,835	10,685
	Internet Bill	138,203	139,884
	Newspaper & periodicals	12,400	34,484
	Free sample	2,160,043	2,245,772
	Uniform	121,450	110,350
	Medical Expenses	280,120	215,450
	Miscellaneous Expenses	42,510	40,510
	Maintenance	196,156	179,926
	Business Promotional Expenses	581,998	47,552
	Mobile bill	431,856	326,450
	Loading /Unloading Expenses	876,145	242,513
	Bad Debts	692,021	125,102
	Lease Rent	-	5,713,169
	License renewal	63,250	101,005
		188,954,187	132,404,722

		Amount in Taka	
		July 2021 to June 2022	July 2020 to June 2021
26.00	Financial Expenses		
	Interest Expenses	12,321,155	12,808,039
		12,321,155	12,808,039
27.00	Income Tax for the Year		
	Current Tax	9,680,172	8,792,380
	Deferred Tax expenses/Income	3,404,293	2,672,783
		12,528,701	6,119,597
27.01	Current Tax Calculation		
	Profit from operation before tax	32,267,241	29,307,934
	Interest Income	-	-
	Sub total	32,267,241	29,307,934
	Add: Inadmissible Expenses		
	Accounting Depreciation for separate consideration	24,402,039	25,054,602
	Total	56,669,280	54,362,537
	Less: Admissible Expenses		
	Lease Payment	7,387,227	-
	Depreciation as per 3rd Schedule of ITO-1984	29,986,013	33,963,879
	Total Taxable Income from Business	19,296,040	20,398,658
	Current Tax on business income other than Export for the Year (Tax Base)		
	Current Tax on business income Export for the Year (Tax Base) (Sch.-6, Part A, para 28)		
	Tax on regular consideration (A)		
	Current Tax on business income for the Year (Accounting Base)		
	Normal tax: 30%		
	Book value of profit as per IS	32,267,241	29,307,934
	Tax Rate	30.00%	30.00%
	A) Income Tax	9,680,172	8,792,380
	B) Minimum Tax:		
	From Turnover:		
	Turnover	668,965,108	4,013,791
	Export Proceed	-	-
	Interest Income	-	-
		4,013,791	3,322,565
	Current Tax (whichever is higher between A & B)	9,680,172	8,792,380
27.02	Deferred Tax Calculation		
	Carrying Amount of All Asset & Liabilities	308,337,647	33,963,879
	Less: Tax Base of All Assets & Liabilities	296,990,005	25,054,602
	Temporary Difference for Calculating Deferred Tax	11,347,642	8,909,276
	Deferred Tax from Operation for the year	3,404,293	2,672,783
	Opening Deferred Tax Liabilities	555,764	-
	Increase During the year	2,848,529	-
	Closing Deferred Tax Liabilities	3,404,293	-

33.00 Information as per Companies Act, 1994**33.01 Attendance Status of Board Meeting of Directors**

During the year, 9 Board Meetings were held. The attendance status of the meetings are as follows:

Name of Directors	Duration	Position	Meeting Held	Attended	Total Fee
Billal Hossain	01.07.21to 30.06.22	Chairman	9	Attended	18,000
Mohammad Zakir Hossain Patowary	01.07.21to 30.06.22	Managing Director	9	Attended	18,000
Md. Kamrul Alam	01.07.21to 30.06.22	Director	9	Attended	18,000

33.02 Related Party Transaction

During the year under audit, the company carried out no transactions with related parties in the normal course of business and on arms, length basis in accordance with the provisions of Para 17 of IAS 24 "Related Party Disclosure":

(a) Short-term employee benefits:

Name	Designation	Monthly Remuneration	Remuneration	Board Meeting Fee
Billal Hossain	Chairman	100,000	1,200,000	18,000
Mohammad Zakir Hossain Patowary	Managing Director	150,000	1,800,000	18,000
Kamrul Alam	Director	75,000	900,000	18,000
Total			3,900,000	54,000

(b) post-employment benefits Nil

(c) other long-term benefits Nil

(d) termination benefits Nil

(e) share-based payment benefits Nil

33.03 Payments to Managing Director by the company during the year:

Sl. No.	Particulars	30 June, 2022
a	Managerial remuneration paid or payable during the year to the directors, a managing agent or manager.	3,900,000.00
b	Expenses reimbursed to the managing agent.	
c	Commission or other remuneration payable separately to managing agent or his associate.	
d	Commission or other remuneration payable separately to managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.	
e	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the managing agent or his associate during the financial year.	
f	Any other perquisites or benefits in cash or in kind.	
g	Other allowances and commission including guarantee commission.	
h	Pensions etc.	

33.04 Number of employee para 3 of schedule -XI Part II

Total number of employee are as follows:

Particulars	Officer and Executive	Workers	Total As on 30 June, 2022	Total As on 30 June, 2021
Salary below Taka 8,500 per month	-	23	23	23
Salary above Taka 8,500 per month	480	171	651	468
Total	480	164	674	491

33.05 Raw material and packing material para 8 of schedule -XI part-II

Particulars	Total consumption	Import Value BDT	%	Local Value BDT	
Raw material	305,560,162	166,530,884	54.50	138,029,278	45.17
Packing material	6,756,332	-	-	4,756,332	70.40
Total	312,316,494	166,530,884		142,785,610	

Al-Madina Pharmaceutical Ltd
Property, Plant and Equipment's Schedule
As at June 30, 2022

Schedule-I

SL No	Particulars	Cost				DISPOSAL/DEPRECIATION						Written Down Value
		As at 1st July, 2021	Addition	Revaluation Reserve	Disposal	As at 30 June, 2022	Rate	As at 1st July, 2021	For the Year	Disposal	As at 30 June, 2022	As at 30 June, 2022
1	Land and land development	157,082,103	-	-	-	157,082,103		-	-	-	-	157,082,103
2	Factory building	60,780,248	-	-	-	60,780,248	5.0%	11,435,209	2,467,252	-	13,902,461	46,877,787
3	Machinery	144,924,991	22,429,387	-	-	167,354,378	15.0%	37,613,996	19,461,057	-	57,075,054	110,279,324
4	Generator	662,548	-	-	-	662,548	15.0%	590,181	10,855	-	601,036	61,512
5	Air conditioner	1,391,713	-	-	-	1,391,713	15.0%	1,239,702	22,802	-	1,262,503	129,210
6	Water pump	46,459	-	-	-	46,459	15.0%	41,017	816	-	41,834	4,625
7	Gas line cost	1,136,507	-	-	-	1,136,507	15.0%	1,012,370	18,620	-	1,030,991	105,516
8	Furniture & fixture	1,208,083	1,264,798	-	-	2,472,881	20.0%	630,021	368,572	-	998,593	1,474,288
9	Office decoration	517,616	133,515	-	-	651,131	15.0%	461,078	28,508	-	489,586	161,545
10	Television	9,835	-	-	-	9,835	15.0%	8,761	161	-	8,922	913
11	Fridge	22,257	-	-	-	22,257	15.0%	19,826	365	-	20,191	2,066
12	Electric fittings	1,332,262	69,460	-	-	1,401,722	15.0%	1,186,240	32,322	-	1,218,562	183,160
13	Motor cycle	1,023,500	-	-	-	1,023,500	15.0%	899,754	18,562	-	918,316	105,184
14	Computer	659,160	619,550	-	-	1,278,710	20.0%	229,326	209,877	-	439,202	839,508
15	Computer printer	13,000	-	-	-	13,000	15.0%	11,428	236	-	11,664	1,336
16	Photocopy machine	61,750	-	-	-	61,750	10.0%	46,054	1,570	-	47,624	14,126
Total		370,872,032	24,516,710	-	-	395,388,742		55,424,962	22,641,575	-	78,066,537	317,322,205
17	Right-of-use - Covered Van	10,528,000	2,800,000	-	-	13,328,000	10.0%	2,105,600	1,122,240	-	3,227,840	10,100,160
18	Right-of-use - Motor Bike	5,200,000	2,222,242	-	-	7,422,242	10.0%	1,040,000	638,224	-	1,678,224	5,744,018
As on 30 June, 2022		386,600,032	29,538,952	-	-	416,138,984		58,570,562	24,402,039	-	82,972,602	333,166,382
As on 30 June, 2021		73,735,494	169,599,538	143,265,000	-	386,600,032		33,515,960	25,054,602	-	58,570,562	328,029,470

Depreciation Charged to :

Factory Overhead	80%	19,521,631
Administrative & General Expenses	20%	4,880,408
Total Taka:	100%	24,402,039

(b) Information as is required under section 186 of the Companies Act, 1994 relating to holding company:

This Information as is not required for Al-Madina Pharmaceuticals as it has no holding company.

(c) Selected ratios as specified in Annexure-D:

Al-Madina Pharmaceuticals Limited
Statement of Ratio Analysis

We have examined the following earnings per share (EPS) and other ratios of Al-Madina Pharmaceuticals Limited for the period ended June 30, 2022 and for the year ended June 30, 2021, 2020, 2019 and 2018 which have been produced by the management of the Company and provided to us. The preparation of the EPS and the other ratios is the responsibility of the Company's management. Our responsibility is to review them and certify as to whether they have been properly prepared using stated principle on the basis of previous audited financial statements. Based on the review, we certify that the Company has properly prepared the following EPS and other ratios using stated principles on the basis of previous audited financial statements. Ratios pertinent to the prospectus are as specified in rule 4 (1) (d) / Annexure D of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2022.

Name of ratio	Formula	Year					
		30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018	
Liquidity Ratios:							
(i)	Current Ratio	(Current Asset/Current Liability)	1.09	0.86	0.93	0.70	0.60
(ii)	Quick Ratio	(Current Asset-Inventory/Current Liability)	0.95	0.71	0.77	0.42	0.35
Operating Efficiency Ratios:							
(i)	Accounts Receivables Turnover Ratio	(Net Credit Revenue/Average Receivables)	5.83	7.23	10.73	492.89	477.82
(ii)	Inventory Turnover Ratio	(Cost of Goods Sold/ Average Inventory)	15.41	15.15	12.92	10.66	7.04
(iii)	Asset Turnover Ratio	(Revenue/ Average Total Assets)	1.31	1.74	2.93	2.84	2.25
Profitability Ratios:							
(i)	Gross Margin Ratio	(Gross Profit/ Revenue)	40.46%	36.92%	29.96%	20.83%	20.85%
(ii)	Operating Profit Ratio	(Operating Profit / Revenue)	6.91%	7.84%	7.97%	2.24%	-0.50%
(iii)	Net Profit Ratio	(Profit after Tax / Revenue)	2.95%	4.17%	2.82%	-0.45%	-1.10%
(iv)	Return on Assets Ratio	(Profit after Tax/Total assets)	3.87%	7.26%	8.26%	-1.29%	-2.48%
(v)	Return on Equity Ratio	(Profit after Tax /Shareholders' Equity)	5.92%	8.06%	51.09%	-10.37%	-15.03%
(vi)	Earnings Per Share (EPS) Basic	(Profit after Tax/ Weighted Average Number of Shares)	1.30	33.99	34.92	(3.47)	(5.55)
(vii)	Earnings before interest, taxes, depreciation and amortization (EBITDA) margin.	(EBIT / Revenue)	10.55%	12.34%	9.28%	3.84%	0.62%
Solvency Ratios:							
(i)	Debt to Total Assets Ratio	(Total Debt/ Total Assets)	0.28	0.29	0.79	0.46	0.56
(ii)	Debt to Equity Ratio	(Total Debt/ Total Shareholders' Equity)	0.46	0.48	6.39	3.99	3.72
(iii)	Times Interest Earned Ratio	(Operating Profit/ Net Interest Expenses)	3.75	3.40	1.98	1.07	0.00
(iv)	Debt Service Coverage Ratio	(EBITDA/ Total Debt Service)	0.50	0.45	0.24	0.20	0.02
Cash Flow Ratio:							
(i)	Net Operating Cash Flow Per Share (NOCFPS)	(Net Operating Cash Flow/ Weighted Average Number of Share)	-0.55	65.93	-250.22	36.19	26.97
(ii)	NOCFPS to EPS Ratio	(Net Operating Cash Flow per Share/ EPS)	-0.43	1.94	(7.17)	(10.44)	(4.86)

We have examined the calculation procedure of the above ratios of Al-Madina Pharmaceuticals Limited for the year ended 30 June 2017; 2018; 2019; 2020 and 2021 and no material deviation found in the result.

Place: Dhaka
Date: November 24, 2022

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

(d) The issuer shall include comparative income statements and balance sheet and aforementioned ratios for immediate preceding five accounting years of the issuer in the prospectus. If the company has been in existence for less than five years, the above-mentioned inclusion and submission will have to be made for the period of existence of the company

Comparison ratios with the industry average ratios of the same periods:

There are 32 listed Pharmaceuticals in the capital market. Among the listed Pharmaceuticals we have taken into consideration 4 (Four) pharmaceuticals considering having more or close to the net profit of Al-Madina Pharmaceuticals Limited. We have considered following companies for industry average calculation:

1. Advent Pharma Ltd.
2. Silco Pharmaceuticals Limited
3. Silva Pharmaceuticals Limited
4. Indo-Bangla Pharmaceuticals Limited

Name of Ratio		AMPL	Industry	Remark/ Explanation
		30 June 2021	30 June 2021	
Liquidity Ratios:				
(i)	Current Ratio	0.86	5.35	Al-Madina Pharmaceuticals Limited, a company having small capital size compared to pharmaceuticals industry listed in main board of exchanges, have lower current ratio compared to industry. There are no other pharmaceuticals company listed under SME Platform. However, the company is significantly improving its current ratio from previously years.
(ii)	Quick Ratio	0.71	3.19	The Quick Ratio of AMPL is lower than that of industry average. The company is able to manage its inventory efficiently and would result in improving its quick ratios in future business operations
Operating Efficiency Ratios:				
(i)	Accounts Receivables Turnover Ratio (Times)	7.23	2.88	AMPL's Accounts Receivables Turnover Ratio is higher than Industry Average. The company is continually working on improve its collection period through engaging efficient workforce to lower outstanding balances.
(ii)	Inventory Turnover Ratio (Times)	15.15	2.03	AMPL's Inventory Turnover Ratio is higher than Industry Average. The company is able to sell and restock its inventory every 1-2 months. This indicates a good balance between having enough inventory on hand and not having to reorder too frequently.
(iii)	Asset Turnover Ratio (Times)	1.74	0.33	AMPL's asset turnover ratio is higher than industry, which indicates company's efficiency in generating revenue from its assets.
Profitability Ratios:				
(i)	Gross Margin Ratio	36.92%	37.36%	AMPL's Gross Margin Ratio is satisfactory with industry Average which means Al-Madina Pharmaceuticals Limited can make a reasonable profit over its costs.

Name of Ratio		AMPL	Industry	Remark/ Explanation
		30 June 2021	30 June 2021	
(ii)	Operating Profit Ratio	7.84%	20.77%	AMPL's Operating Profit Ratio is lower than industry Average. However, the company is continually working on reducing its operating costs.
(iii)	Net Profit Ratio	4.17%	17.31%	AMPL's Net Profit Margin is lower than industry average. In comparison with the size of capital of the company, the net profit margin is in a satisfactory level which is expected to grow over the years.
(iv)	Return on Assets Ratio	7.26%	5.66%	AMPL's Return on Asset is higher than that of industry which means the company is able to generate return against investment. Moreover, it indicates how well the company is able to generate value, making it an important measure of productivity for its business.
(v)	Return on Equity Ratio	8.06%	6.63%	AMPL's Return on Equity is higher than Industry which relates to the company being able to efficiently manage its business operation by utilizing investment to grow their business. This also relates to AMPL being able to provide better returns to investors.
(vi)	Earnings Per Share (EPS) Basic	33.99	1.03	AMPL's EPS is higher than Average Industry.
(vii)	Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) Margin	12.34%	22.33%	AMPL's EBITDA margin is lower than that of industry. In comparison with the industry, AMPL's EBITDA margin is in a stable condition.
Solvency Ratios:				
(i)	Debt to Total Assets Ratio	0.29	0.02	AMPL's Debt to total Asset is higher than industry Average. However, AMPL is trying to reduce the debt ratio.
(ii)	Debt to Equity Ratio	0.48	0.04	AMPL's Debt to Equity is satisfactory with industry Average. However, AMPL is trying to reduce the debt portion.
(iii)	Times Interest Earned Ratio	3.40	17.82	AMPL's Time Interest Earned ratio is lower than industry Average.
(iv)	Debt Service Coverage Ratio	0.45	0.51	AMPL's Debt service coverage is satisfactory with Industry Average.
Cash Flow Ratio:				
(i)	Net Operating Cash Flow Per Share (NOCFPS)	65.93	1.74	AMPL's Net operating cash flow is higher than industry Average.
(ii)	NOCFPS to EPS Ratio	1.94	1.78	NOCFPS to EPS is satisfactory with industry Average.

Name of Ratio		AMPL	Industry Average	Remark/ Explanation
		30 June 2020	30 June 2020	
Liquidity Ratios:				
(i)	Current Ratio	0.93	4.69	AMPL's Current Ratio is Lower than Industry average.
(ii)	Quick Ratio	0.77	3.05	AMPL's Quick Ratio is Lower than Industry average.
Operating Efficiency Ratios:				
(i)	Accounts Receivables Turnover Ratio	10.73	3.53	AMPL's Accounts Receivables Turnover Ratio is higher than Industry Average.
(ii)	Inventory Turnover Ratio	12.92	2.36	AMPL's Inventory Turnover Ratio is higher than Industry Average.
(iii)	Asset Turnover Ratio	2.93	0.37	AMPL's Asset Turnover Ratio is higher than Industry Average.
Profitability Ratios:				
(i)	Gross Margin Ratio	29.96%	37.65%	AMPL's Gross Margin Ratio is satisfactory with industry Average
(ii)	Operating Profit Ratio	7.97%	22.48%	AMPL's Operating Profit Ratio is lower than industry Average.
(iii)	Net Profit Ratio	2.82%	16.70%	AMPL's Net profit is lower than industry Average.
(iv)	Return on Assets Ratio	8.26%	6.35%	AMPL's Return on Asset is higher than Average Industry
(v)	Return on Equity Ratio	51.09%	7.45%	AMPL's Return on Equity is higher than Average Industry
(vi)	Earnings Per Share (EPS) Basic	34.92	1.12	AMPL's EPS is satisfactory.
(vii)	Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) Margin	9.28%	27.40%	AMPL's EBITDA is lower than industry Average.
Solvency Ratios:				
(i)	Debt to Total Assets Ratio	0.79	0.01	AMPL's Debt to total Asset is higher than industry Average.
(ii)	Debt to Equity Ratio	6.39	0.03	AMPL's Debt to Equity is higher than industry Average.
(iii)	Times Interest Earned Ratio	1.98	57.80	AMPL's Times Interest Earned ratio is lower than industry average.
(iv)	Debt Service Coverage Ratio	0.24	2.81	AMPL's Debt service coverage is lower than Industry Average
Cash Flow Ratio				
(i)	Net Operating Cash Flow Per Share (NOCFPS)	(250.22)	1.53	AMPL's Net operating cash flow is lower than industry Average. It is negative due to business expansion plan
(ii)	NOCFPS to EPS Ratio	(7.17)	1.19	AMPL's NOCFPS to EPS is Lower with industry Average.

Name of Ratio		AMPL	Industry Average	Remark/ Explanation
		30 June 2019	30 June 2019	
Liquidity Ratios:				
(i)	Current Ratio	0.70	6.30	AMPL's Current Ratio is Lower than Industry average.
(ii)	Quick Ratio	0.42	4.27	AMPL's Quick Ratio is Lower than Industry average.
Operating Efficiency Ratios:				
(i)	Accounts Receivables Turnover Ratio	492.89	4.55	AMPL's Accounts Receivables Turnover Ratio is higher than Industry Average.
(ii)	Inventory Turnover Ratio	10.66	2.32	AMPL's Inventory Turnover Ratio is higher than Industry Average.
(iii)	Asset Turnover Ratio	2.84	0.41	AMPL's Asset Turnover Ratio is higher than Industry Average.
Profitability Ratios:				
(i)	Gross Margin Ratio	20.83%	39.35%	AMPL's Gross Margin Ratio is lower than industry Average
(ii)	Operating Profit Ratio	2.24%	24.45%	AMPL's Operating Profit Ratio is lower than industry Average.
(iii)	Net Profit Ratio	-0.45%	21.15%	AMPL's Net profit was negative due to higher expenses.
(iv)	Return on Assets Ratio	-1.29%	8.85%	AMPL's Return on Asset was Negative
(v)	Return on Equity Ratio	-10.37%	10.21%	AMPL's Return on Equity was Negative
(vi)	Earnings Per Share (EPS) Basic	-3.47	1.69	AMPL's EPS was Negative
(vii)	Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) Margin	3.84%	28.87%	AMPL's EBITDA is lower than industry Average
Solvency Ratios:				
(i)	Debt to Total Assets Ratio	0.46	0.00	AMPL's Debt to total Asset is higher than industry Average.
(ii)	Debt to Equity Ratio	3.99	0.02	AMPL's Debt to Equity is higher than industry Average.
(iii)	Times Interest Earned Ratio	1.07	73.91	AMPL's Times Interest Earned ratio is lower than industry average.
(iv)	Debt Service Coverage Ratio	0.20	1.40	AMPL's Debt service coverage is lower than Industry Average
Cash Flow Ratio:				
(i)	Net Operating Cash Flow Per Share (NOCFPS)	36.19	1.73	AMPL's Net operating cash flow is higher than industry Average.
(ii)	NOCFPS to EPS Ratio	-10.44	1.45	AMPL's NOCFPS to EPS is Lower is Negative due to negative earnings.

Name of Ratio		AMPL	Industry Average	Remark/ Explanation
		30 June 2018	30 June 2018	
Liquidity Ratios:				
(i)	Current Ratio	0.60	4.57	AMPL's Current Ratio is Lower than Industry average.
(ii)	Quick Ratio	0.35	3.02	AMPL's Quick Ratio is Lower than Industry average.
Operating Efficiency Ratios:				
(i)	Accounts Receivables Turnover Ratio	477.82	4.07	AMPL's Accounts Receivables Turnover Ratio is higher than Industry Average.
(ii)	Inventory Turnover Ratio	7.04	2.14	AMPL's Inventory Turnover Ratio is higher than Industry Average.
(iii)	Asset Turnover Ratio	2.25	0.43	AMPL's Asset Turnover Ratio is higher than Industry Average.
Profitability Ratios:				
(i)	Gross Margin Ratio	20.85%	38.82%	AMPL's Gross Margin Ratio is lower than industry Average
(ii)	Operating Profit Ratio	-0.50%	22.28%	AMPL's Operating Profit Ratio is lower than industry Average.
(iii)	Net Profit Ratio	-1.10%	15.47%	AMPL's Net profit was negative due to higher expenses.
(iv)	Return on Assets Ratio	-2.48%	6.37%	AMPL's Return on Asset was Negative
(v)	Return on Equity Ratio	-15.03%	7.72%	AMPL's Return on Equity was Negative
(vi)	Earnings Per Share (EPS) Basic	(5.55)	1.30	AMPL's EPS was Negative
(vii)	Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) Margin	0.62%	26.65%	AMPL's EBITDA is lower than industry Average
Solvency Ratios:				
(i)	Debt to Total Assets Ratio	0.56	0.02	AMPL's Debt to total Asset is higher than industry Average.
(ii)	Debt to Equity Ratio	3.72	0.05	AMPL's Debt to Equity is higher than industry Average.
(iii)	Times Interest Earned Ratio	-	48.29	AMPL's Times Interest Earned ratio is null.
(iv)	Debt Service Coverage Ratio	0.02	0.81	AMPL's Debt service coverage is lower than Industry Average
Cash Flow Ratio:				
(i)	Net Operating Cash Flow Per Share (NOCFPS)	26.97	1.31	AMPL's Net operating cash flow is higher than industry Average.
(ii)	NOCFPS to EPS Ratio	(4.86)	1.45	AMPL's NOCFPS to EPS is Lower is Negative due to negative earnings.

Name of Ratio		AMPL	Industry Average	Remark/ Explanation
		30 June 2017	30 June 2017	
Liquidity Ratios:				
(i)	Current Ratio	0.78	4.39	AMPL's Current Ratio is Lower than Industry average.
(ii)	Quick Ratio	0.40	2.37	AMPL's Quick Ratio is Lower than Industry average.
Operating Efficiency Ratios:				
(i)	Accounts Receivables Turnover Ratio	495.32	4.39	AMPL's Accounts Receivables Turnover Ratio is higher than Industry Average.
(ii)	Inventory Turnover Ratio	7.84	2.20	AMPL's Inventory Turnover Ratio is higher than Industry Average.
(iii)	Asset Turnover Ratio	2.84	0.49	AMPL's Asset Turnover Ratio is higher than Industry Average.
Profitability Ratios:				
(i)	Gross Margin Ratio	20.85%	38.63%	AMPL's Gross Margin Ratio is lower than industry Average
(ii)	Operating Profit Ratio	-0.46%	22.37%	AMPL's Operating Profit Ratio is lower than industry Average.
(iii)	Net Profit Ratio	-1.06%	14.02%	AMPL's Net profit was negative due to higher expenses.
(iv)	Return on Assets Ratio	-3.01%	6.19%	AMPL's Return on Asset was Negative
(v)	Return on Equity Ratio	-13.16%	7.46%	AMPL's Return on Equity was Negative
(vi)	Earnings Per Share (EPS) Basic	(5.59)	1.28	AMPL's EPS was Negative
(vii)	Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) Margin	0.50%	29.11%	AMPL's EBITDA is lower than industry Average
Solvency Ratios:				
(i)	Debt to Total Assets Ratio	0.59	0.03	AMPL's Debt to total Asset is higher than industry Average.
(ii)	Debt to Equity Ratio	2.79	0.06	AMPL's Debt to Equity is higher than industry Average.
(iii)	Times Interest Earned Ratio	-	93.46	AMPL's Times Interest Earned ratio is null.
(iv)	Debt Service Coverage Ratio	0.02	12.68	AMPL's Debt service coverage is lower than Industry Average
Cash Flow Ratio:				
(i)	Net Operating Cash Flow Per Share (NOCFPS)	10.75	1.68	AMPL's Net operating cash flow is higher than industry Average.
(ii)	NOCFPS to EPS Ratio	(1.92)	1.28	AMPL's NOCFPS to EPS is Lower is Negative due to negative earnings.

Comparative Income Statements and Balance Sheets for Five Accounting Years:

A) Balance Sheet of the company is as follows:

Particulars	Amount in Taka				
	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
ASSETS					
Non-Current Assets					
Property Plant and Equipment	317,322,205	315,447,070	40,219,534	41,994,210	35,985,697
Right-of-Use Asset (ROU)	15,844,178	12,582,400	-	-	-
	333,166,382	328,029,470	40,219,534	41,994,210	35,985,697
Current Assets					
Inventories	24,411,720	22,550,762	15,601,839	15,638,061	12,804,672
Inventory In Transit	3,133,256	1,592,498	6,577,781	2,463,692	3,049,532
Deferred Tax asset	-	3,742,186	1,069,403	-	-
Accounts and other Receivable	144,589,522	85,044,266	68,767,803	512,650	415,200
Advance Deposit & Pre-Payments	25,345,244	19,781,797	20,703,219	26,153,477	20,672,970
Cash and Bank Balances	16,621,348	11,997,710	13,430,674	625,288	555,881
	214,101,090	144,709,219	126,150,719	45,393,168	37,498,256
TOTAL ASSETS	547,267,472	472,738,689	166,370,253	87,387,378	73,483,953
	-	-			
EQUITY AND LIABILITIES					
Equity attributable to the owners of the company					
Share Capital	154,000,000	128,000,000	3,000,000	3,000,000	3,000,000
Retained Earnings	40,433,725	20,695,185	(2,493,152)	(12,969,581)	(11,929,500)
Share Money Deposit	-	-	20,000,000	20,000,000	20,000,000
Revaluation Reserve	138,967,050	138,967,050	-	-	-
	333,400,775	287,662,235	20,506,848	10,030,419	11,070,500
Non-Current Liabilities					
Deferred Tax Liabilities	3,404,293	4,297,950	-	-	-
Long Term Loan from Bank	9,159,007	6,811,491	10,343,978	12,063,115	41,136,000
Lease obligation (Non-current portion)	3,978,700	5,302,863	-	-	-
	16,542,000	16,412,304	10,343,978	12,063,115	41,136,000
Current Liabilities & Provisions					
Lease obligation (current portion)	3,671,146	4,711,968	-	-	-
Short Term Loan	148,909,450	132,327,788	120,617,296	27,944,952	-
Accounts Payable	3,145,000	3,565,560	1,666,934	29,810,705	17,665,616
Liabilities for Expenses	21,754,562	17,894,467	7,333,902	6,166,200	2,706,400
Provision for income tax	19,844,539	10,164,367	5,901,296	1,371,987	905,437
	197,324,698	168,664,150	135,519,427	65,293,844	21,277,453
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	547,267,472	472,738,689	166,370,253	87,387,378	73,483,953
Net Asset Value Per Share with Revaluation	21.65	22.47	-	-	-
Net Asset Value Per Share without Revaluation	12.63	11.62	68.36	33.43	36.90
Diluted Net Asset Value Per Share with Revaluation	21.65	18.68	-	-	-
Diluted Net Asset Value Per Share without Revaluation	12.63	9.66	1.33	0.65	0.72

B) The Profit and Loss Account of the company is as follows:

Particulars	Amount in Taka				
	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Sales Revenue	668,965,108	556,164,433	371,565,576	228,664,494	150,906,116
Less: Cost of Goods Sold	398,296,705	350,825,289	260,240,946	181,035,094	119,444,948
Gross Profit	270,668,403	205,339,144	111,324,630	47,629,400	31,461,168
Less: Administrative & General Expenses	35,512,458	29,353,052	18,144,030	13,616,162	32,222,031
Less: Marketing, Selling & Distribution Expenses	188,954,187	132,404,722	63,562,187	28,882,358	-
Operating Profit	46,201,758	43,581,370	29,618,413	5,130,880	(760,864)
Non-Operating Income/Expenditure	-	-	-	-	-
Add: Other Income	-	-	2,355	2,830	2,622
Less: Financial Expenses	12,321,155	12,808,039	14,987,617	4,801,804	-
Net Profit / (Loss) for the year Before WPPF	33,880,603	30,773,331	14,633,151	331,906	(758,242)
Less: Workers' Profits Participation Funds	1,613,362	1,465,397	696,817	-	-
Net Profit / (Loss) before Tax	32,267,241	29,307,934	13,936,334	331,906	(758,242)
Less: Current tax	9,680,172	8,792,380	4,529,309	1,371,987	-
Add: Deferred tax Income/Expenses	2,848,529	2,672,783	1,069,403	-	-
Less: Provision for Tax Expenses	-	-	-	-	905,437
Net Profit / (Loss) after Income Tax Attributable to Owners' Equity	19,738,540	23,188,337	10,476,429	(1,040,081)	(1,663,679)
Other Comprehensive Income:	-	-	-	-	-
Revaluation Reserve	-	143,265,000	-	-	-
Less: Deferred Tax Liabilities on revaluation reserve	-	4,297,950	-	-	-
	-	138,967,050	-	-	-
Total Comprehensive Income	19,738,540	162,155,387	10,476,429	(1,040,081)	(1,663,679)
Earnings Per Share Basic	1.30	33.99	34.92	(3.47)	(5.55)
Earnings Per Share Diluted	1.28	1.51	0.68	(0.07)	(0.11)

Financial spread sheet analysis for the latest audited financial statements:

Al-Madina Pharmaceutical Ltd
Statement of Financial Position
As at 30 June 2022

Particulars	Amount in Taka	Percentage on Total Asset	Grand Percentage
ASSETS			
Non-Current Assets			
Property Plant and Equipment	317,322,205	57.98%	
Right-of-Use Asset (ROU)	15,844,178	2.90%	
-	333,166,382		60.88%
Current Assets			
Inventories	24,411,720	4.46%	
Inventory In Transit	3,133,256	0.57%	
Trade Receivable	144,589,522	26.42%	
Deferred Tax Asset	-	0.00%	
Advance Deposit & Pre-Payments	25,345,244	4.63%	
Cash & Cash Equivalents	16,621,348	3.04%	
-	214,101,090		39.12%
TOTAL ASSETS	547,267,472		100.00%
-			
SHARHOLDER'S EQUITY AND LIABILITIES			
Equity attributable to the owners of the company			
Share Capital	154,000,000	28.14%	
Retained Earnings	40,433,725	7.39%	
Revaluation Reserve	138,967,050	25.39%	
-	333,400,775		60.92%
Non-Current Liabilities			
Deferred Tax Liabilities	3,404,293	0.62%	
Long Term Loan from Bank	9,159,007	1.67%	
Lease Obligation (Non-current portion)	3,978,700	0.73%	
-	16,542,000		3.02%
Current Liabilities & Provisions			
Lease Obligation (Current portion)	3,671,146	0.67%	
Short Term Loan	148,909,450	27.21%	
Accounts Payable	3,145,000	0.57%	
Liabilities for Expenses	21,754,562	3.98%	
Provision for income tax	19,844,539	3.63%	
-	197,324,698		36.06%
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	547,267,472		100.00%

Earnings per Share (EPS) on fully diluted basis (with the total existing number of shares) in addition to the weighted average number of shares basis. Future projected Net Income should not be considered while calculating the weighted average EPS:

Particulars	Amount on BDT As On June 30, 2022
Net profit after tax	19,738,540
Weighted average number of Share	15,160,000
Earnings per Share (EPS) considering existing no. of shares	1.30

Calculation of weighted average number of shares

Particulars	No. of Shares	Weight	Weighted Average No. of shares
Opening Share	12,800,000	1	12,800,000
Allotment dated 31.07.2021	2,200,000	0.84	1,841,304
Allotment dated 30.08.2021	400,000	0.67	269,565
Total as on 31 Dec.2021	15,400,000	-	14,910,870

All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings per Share:

Particulars	30.06.2022
Profit / (Loss) before Tax	32,267,241
Less: Income Tax Expenses:	12,528,701
Current tax	9,680,172
Deferred tax Income/(Expense)	2,848,529
Net profit after tax	19,738,540
Weighted average number of shares	15,160,000
Earnings Per Share (EPS)	1.30

Quarterly or half-yearly EPS should not be annualized while calculating the EPS:

The Company did not annualize quarterly or half yearly EPS.

Net asset value (with and without considering revaluation surplus or reserve) per unit of the securities being offered at the date of the latest audited statement of financial position:

Particulars	Amount in Taka
Share Capital	154,000,000
Retained Earnings	40,433,725
Revaluation Reserve	138,967,050
Total Shareholders' Equity	333,400,775
Number of ordinary shares	15,400,000
Net Asset Value Per Share (NAVPS) with revaluation	21.65
Net Asset Value Per Share (NAVPS) without revaluation	12.63

The Commission may require the issuer to re-audit the audited financial statements, if any deficiency or anomaly is found in the financial statements. In such a case, cost of audit should be borne by the concerned issuer:

If any circumstances arise as above respect, the Company shall follow the Commission guideline in due course

ADDITIONAL DISCLOSURES

ABOUT THE INDUSTRY

(a) About the Industry:

Bangladesh Pharmaceuticals Industry:

During the coronavirus pandemic, pharmaceutical industry of Bangladesh has experienced a positive growth. IMS plus published in a report at Q2, 2020 (July 2019-July 2020) that domestic market size of pharmaceuticals reached Tk. 23,310 crore. It also had a 4.28 percent growth rate compared to last year. Compound Annual Growth Rate for the last five years (2016-2020) stood at 10.49 percent.

98 percent of the total demand of medicines of the domestic market is being provided by the pharmaceutical companies. Their exports also spread over 147 countries. 90 percent of the total market share are held by the local pharmaceutical companies, whereas, rest of the 10 percent are supplied by multinational companies. In recent years, local pharmaceutical companies have emerged as a game changer in the industry by maintaining high quality control, having ever smooth supply chain and ensuring production of quality medicines.

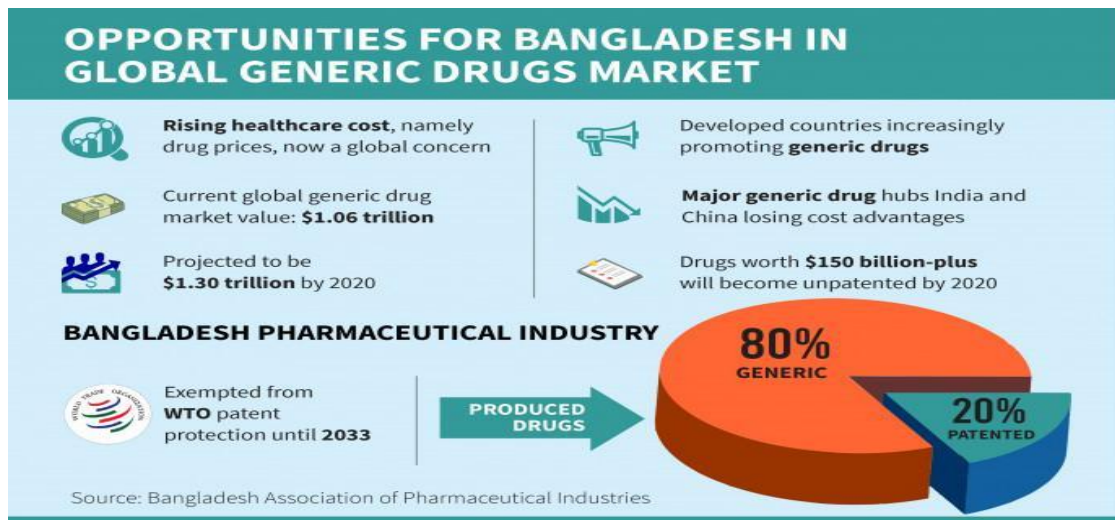


Local pharmaceutical companies still have immense potential in the healthcare sector. According to Bangladesh Investment Development Authority (BIDA), Bangladeshis spend around 2.04 U.S. billion dollar abroad annually, which is 1.94 percent of the country's GDP. In addition to this, BIDA forecasts that due to the increase in purchasing power of the growing middle and upper-middle classes, demand for healthcare services is growing at about 21 percent annually. Research and Markets, a Dublin based market insight and analyze firm stated that the pharmaceutical market of Bangladesh is expected to surpass 6 billion U.S. dollar by the year 2025 with an absolute growth rate of 114 percent from its 2019 levels.

The key drivers which are responsible for boosting the consumption of pharmaceutical industry are rise in life expectancy, growing per capita income, changing disease profile, population growth, increasing patient population and lifestyle changes.

The top 50 pharmaceutical companies are setting up their facilities at the Active Pharmaceutical Ingredient (API) Industrial Park in Munshiganj. This will help the production of patented and already opened active pharmaceutical ingredients. The government is focusing on reducing the country's dependency on the import of raw materials, establishment of an API park will act as a turning point for this purpose. It is also expected that the government will continue to play a vital role in the rapid growth of pharmaceutical

market by providing favorable policies such as easy drug approval and production and marketing of new products.



Global Pharmaceuticals Industry:

The global pharmaceutical market has experienced significant growth in recent years. As of end-2020, the total global pharmaceutical market was valued at about 1.27 trillion U.S. dollars. This is a significant increase from 2001 when the market was valued at just 390 billion U.S. dollars. The pharmaceutical market plays a key role in how people get medications and what people pay for medication. However, some markets are better for pharmaceutical companies than others. Globally, the United States has emerged as the leading market for pharmaceuticals, followed by the group of emerging markets. Emerging markets can include middle and low-income countries such as Brazil, India, Russia, Colombia and Egypt, to name a few. Despite increasing revenues globally, the Latin American region accounts for the lowest share of the global pharmaceutical market’s revenues.

The global pharmaceutical industry will worth USD 1.57 trillion by 2023. The growth in this market is predicted on the basis of various factors like market drivers, current and upcoming trends, current growth pattern, and market challenges. North America is expected to retain its leading position in the global pharmaceuticals market with market share of 45.33 percent in 2023 improving on its market share compared to 2017. Europe on the contrary is expected to see a decline in its market share compared to 2017 and be worth 20.24 percent of global pharmaceutical industry in 2023. Asia Pacific pharmaceuticals market is expected to retain its second position with a market share of 24.07 percent in 2023. Latin America and Middle East and Africa (MEA) are expected to retain 7.53 percent and 2.96 percent market share of global pharmaceuticals market in 2023.

This development is fueled by the developing and maturing populace in key markets. As per World Populace Prospects by Joined Together Countries, the around the world populace is likely to cross 9.3 billion by 2050 and around 21% of this populace is anticipated to be matured 60 and over. Separated from maturing and rising populace the enhancements in acquiring control and get to quality healthcare and pharmaceuticals to destitute and middle-class families around the world moreover is driving the development of worldwide pharmaceutical industry. Another angle which is driving this development is rising center of pharmaceuticals companies to tap the uncommon and claim to fame illnesses showcase. Developments in progressed biologics, nucleic corrosive therapeutics, cell treatments and bioelectronics & implantable has pulled in ventures within the industry by indeed non-pharm companies like Facebook, Qualcomm etc. which is additionally driving the worldwide pharmaceuticals industry development.

On the other hand, appropriation of taken a toll control approach alongside tightening of rules by governments in key markets are anticipated to affect the development prospect of the worldwide pharmaceuticals industry. Pharmaceuticals companies are constrained to diminish them investigate and

advancement (R&D) investing due to lull of development in final few a long time which is additionally anticipated to obstruct development of the worldwide pharmaceuticals advertise as modern drugs income frame huge portion of pharmaceuticals firm's income due to elatedness of the medicate. Separated from this, generics pharmaceuticals market is confronting diminishing return on investment due to cost disintegration in key markets which is constraining numerous firms to seek for other roads and markets to support development.

(b) About the Issuer:

Name	Al-Madina Pharmaceuticals Limited
Logo	
Incorporation	Incorporated as a private limited company bearing registration number C- 62976(467) with the Registrar of Joint Stock Companies and Firms (RJSC) on 27th July 2006 in Bangladesh under the Companies Act, 1994.
Date of Incorporation	July 27, 2006
Conversion to Public Limited Company	Al-Madina Pharmaceuticals Limited was converted to a public limited company on November 30, 2021.
Date of Commercial Production	October 21, 2007
Address of the Registered Office	178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215.
Factory	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur
Nature of Business	<p>Al-Madina Pharmaceuticals Limited is one of the fastest growing Companies in Pharmaceuticals sector in Bangladesh. The company is engaged in the manufacturing, buying, selling, refinement, import, export or otherwise of pharmaceutical and proprietary articles of all kinds, whether basic or derived and in all forms.</p> <p>At present, it is manufacturing 150 plus products of animal health product such as antibacterial drugs, nutritional products, poultry vaccines, aqua products, daily injectable products etc. and 70 plus important products of pharma product such as anti-bacterial drugs, anti-fungal drugs, gastro-intestinal drugs, analgesic & anti-inflammatory drugs, vitamins-minerals or supplements, drugs acting on urogenital system and drugs acting on respiratory system etc.</p>
Background of the Company	The Company was incorporated as a private limited company bearing registration number C- 62976(467) with the Registrar of Joint Stock Companies and Firms (RJSC), on 27th July 2006 in Bangladesh under the Companies Act, 1994. It was converted to a public limited company in 30 th November, 2021.

(c) Financial Information:

Major financial information of Al-Madina Pharmaceuticals Limited is given as follows:

Particulars	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Revenue	668,965,108	556,164,433	371,565,576	228,664,494	150,906,116
Gross Profit	270,668,403	205,339,144	111,324,630	47,629,400	31,461,168
Profit Before Tax	29,410,098	29,307,934	13,936,334	331,906	(758,242)
Net Profit After Tax	23,154,900	23,188,337	10,476,429	(1,040,081)	(1,663,679)
Total Assets	551,207,927	472,738,689	166,370,253	87,387,378	73,483,953
Paid-up Capital	154,000,000	128,000,000	3,000,000	3,000,000	3,000,000
Retained Earnings	43,850,085	20,695,185	(2,493,152)	(12,969,581)	(11,929,500)
NAV Per Share with Revaluation	21.65	22.47	-	-	-
NAV Per Share without Revaluation	12.63	11.62	68.36	33.43	36.90
Diluted EPS	1.30	33.99	34.92	(3.47)	(5.55)
Restated EPS	1.30	1.51	0.68	(0.07)	(0.11)

Calculation shown considering the issue price and face value of Tk. 10/-

Notes:

- Diluted EPS has been calculated considering the Weighted Average Number of Shares.
- To calculate restated EPS, the latest number of shares of 15,400,000 has been used.
- The company converted its share Tk. 10 from Tk. 100 each on November 30, 2021.

(d) Features of the issue and its objects:

Offer Price	BDT 10.00
Number of Shares To be offered	5,000,000
Total Issue Size	BDT 50,000,000
Issue Manager	Prime Bank Investment Limited
Underwriter(s)	Prime Bank Investment Limited EC Securities Limited
Purpose of Raising Fund	1) To expand the existing business 2) To adjust the existing bank loan 3) QIO Expenses
Date of Implementation	Within 24 months from receiving QIO fund

(e) Legal and other information:

Sl.	Description of Certificate/ License/Registration	License Issuer/Issuing Authority	Certificate/ License No.	Validity
1	Certificate of Incorporation	Registrar of Joint Stock Companies & Firms, Bangladesh (RJSC)	C-62976(467)/06	N/A
3	Trade License	Gazipur City Corporation	135/777	June 30, 2022
4	TIN Certificate	National Board of Revenue Taxes Circle-161, Taxes Zone- 8, Dhaka	241178499475	N/A
5	VAT Certificate	Custom, Excise and VAT Commissionerate, National Board of Revenue, Dhaka (North) Tangi Division	BIN: 000367404-0102	N/A
8	Import Registration Certificate (IRC)	Office of the Chief Controller of Imports and Exports	260326120280220	June 30, 2022
9	Export Registration Certificate (ERC)	Office of the Chief Controller of Imports and Exports	260326210512820	June 30, 2022
10	Fire Licence	Bangladesh Fire Service and Civil Defence, Dhaka	A.D Dhaka/11296/07	June 30, 2022
11	Environment Certificate- Vatinary Medicine (Formula)	Department of Environment, Gazipur	20-39955	July 11, 2021 (Applied for Renewal of Vatinary and Human Medicine)
12	Certificate for Licence Manufacture Drugs	Directorate General of Drug Administration & Licencing Authorities (Drugs)	License No. 440 (Biological) License No. 266 (Non-Biological)	November 10, 2021 (Applied for Renewal)
13	ISO Certification	QFS Management System LLP, India	ISO 9001:2015	June 16, 2024
14	Certificate of Good Manufacturing Practice (GMP) for Pharmaceutical Product(s)	Ministry of Health and Family Welfare	DA/6-198/2015/88	January 04, 2023
15	Export and Import Permit for Fisheries and Food Product	Department of Fisheries, Gazipur	030/2020	June 01, 2022
16	Livestock Food Product Export, Import and Marketing (Category 2) License	Department of Livestock Services, Dhaka	054	June 30, 2022

(f) Promoters' background:

At the time of incorporation following persons were the subscribers to the memorandum:

a) Md. Billal Hossain, Chairman

Mr. Md. Billal Hossain was born in a prominent Muslim family living in Laximpur. Mr. Md. Billal Hossain completed graduation in BSc. He has over 20 years experienced in Pharmaceuticals, Footwear, Toiletries, Agro, Construction and Developer industry.

b) Md. Kamrul Alam, Director

Mr. Md. Kamrul Alam was born in a prominent Muslim family living in Laximpur. He has completed his graduation in B.A. He has years of experience in the pharmaceutical, footwear, construction and development sectors etc.

c) Md. Zakir Hossain Patwary, Managing Director

Mr. Md. Zakir Hossain Patwary was born in a prominent Muslim family living in Laximpur. Mr. Md. Zakir Hossain Patwary completed his post-graduation in MSc. He has over 20 years of experience in business in the pharmaceutical, footwear, construction and development, agro, toiletries sectors etc.

(g) Capital structure and history of capital raising:

The summary of Capital Structure and history of capital raising are as follows:

CAPITAL STRUCTURE				
Particulars	Number of Securities	Face Value (Tk.)	Issue Price (Tk.)	Amount (Tk.)
Authorized Capital	30,000,000	10	10	300,000,000
Before QIO:				
Paid-Up Capital	15,400,000	10	10	154,000,000
After QIO:				
To be issued through QIO	5,000,000	10	10	50,000,000
Paid-Up Capital (Post QIO)	20,400,000	10	10	204,000,000

HISTORY OF CAPITAL RAISING						
Particulars of Allotment	Allotment Date	Mode of Allotment (No. of Shares)			Issue Price (Tk.)	Amount of Share Capital (Tk.)
		Cash	Other than Cash	Bonus Share		
1 st Allotment as per MOA & AOA	02.08.2006	300,000	-	-	10	3,000,000
2 nd Allotment	16.06.2021	-	8,500,000	-	10	85,000,000
3 rd Allotment	28.06.2021	4,000,000	-	-	10	40,000,000
4 th Allotment	31.07.2021	2,200,000	-	-	10	22,000,000
5 th Allotment	30.08.2021	400,000	-	-	10	4,000,000
Total			15,400,000		10	154,000,000

Notes: The face value per share of the company has been converted from BDT 100 to BDT 10 as at 30 November 2021 and was approved in the Extra -Ordinary General meeting at the registered office of the Company at 178-179, Two-star tower, East Tejturi Bazar, Farmgate, Dhaka and necessary amendments in capital clause of the Memorandum and Articles of Association were made accordingly.

(h) Summary of Valuation Report of Securities:

Valuation Method		Calculated Fair Value (BDT)
Method 1	A. Net Asset Value (NAV) per share with revaluation	21.65
	B. Net Asset Value (NAV) per share without revaluation	12.63
Method 2	A. Historical Earnings based valuation (Considering market P/E)	19.36
	B. Historical Earnings based valuation (Considering Pharmaceuticals sector P/E)	26.38
Method 3	Average market price of similar stock-based valuation	22.75

(i) Other;

a) Declaration by the issuer that it has not made any material change including raising of paid-up capital after the date of audited financial statements as included in the prospectus:

To Whom It May Concern

We, the Issuer, declare that we did not make any material changes including raising of paid-up capital after the date of audited financial statements as included in the prospectus.

Sd/-

Md. Zakir Hossain Patwary
Managing Director
Al- Madina Pharmaceuticals Limited

Date: November 24, 2022

b) Declaration by the issue manager that it or any of its connected persons is in no way connected with the issuer or any of its connected person nor does hold any securities thereof:

To Whom It May Concern

Prime Bank Investment Limited, the Issue Manager, declare that we do not have any connection with the Issuer, nor any connected persons of us are connected with the Issuer. Moreover, we do not have any connection with the connected persons of the Issuer nor hold any securities thereof.

Sd/-

Khandoker Raihan Ali FCA
Managing Director & CEO (CC)
Prime Bank Investment Limited

Date: November 24, 2022

c) Issuer declaration in connection with issue manager

To Whom It May Concern

We, the Issuer, declare that we do not have any connection with the Issue Manager, nor any connected persons of Issue Manager. Moreover, the Issue Manager do not hold any securities of us.

Sd/-

Md. Zakir Hossain Patwary
Managing Director
Al- Madina Pharmaceuticals Limited

Date: February 24, 2022

d) Disclosure regarding non-applicability of cost audit

To Whom It May Concern

This is to declare that Al-Madina Pharmaceuticals Limited did not make any cost audit as it is not applicable for this type of company as per the latest rules/regulations/directives in this regard.

Sd/-

Md. Zakir Hossain Patwary
Managing Director
Al- Madina Pharmaceuticals Limited

Date: February 24, 2022

CONDITIONS IMPOSED BY THE COMMISSION IN THE CONSENT LETTER

1. The Company shall follow all requirements of the Securities and Exchange Ordinance, 1969, the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2022, the Depository Act, 1999 and other securities Laws, Rules & Regulations for Qualified Investor Offer (QIO) regarding processing of application, subscription, refund, allotment, listing and trading;
2. Subscription period for qualified investor shall be opened within 15 (fifteen) working days from date of consent letter. After fixing subscription period, Issuer and Issue Manager shall inform to the Commission, Exchanges and Qualified Investors accordingly;
3. The issue manager shall carefully examine and compare the issued prospectus vetted by the Commission. If any discrepancy is found, both the issuer and the issue manager shall jointly communicate with the qualified investor immediately, simultaneously endorsing copies thereof to the Commission and the Exchanges concerned. The company shall submit 40 (Forty) copies of the printed prospectus to the Commission for official record within 5 (Five) working days from the date of consent letter;
4. The issuer company and the issue manager shall ensure transmission of the vetted prospectus for NRBS through email to the Bangladesh Embassies and Missions abroad within 5 (Five) working days from the date of consent letter. A compliance report shall be submitted in this respect to the Exchanges jointly by the Issuer and the Issue Manager within 02 (Two) working days from the date of said transmission of the prospectus;
5. Qualified investors shall submit an application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by exchange(s). The Issuer, issue manager and exchange(s) shall post the said subscription method on their websites;
6. **A qualified investor cannot submit more than one application. In case, an applicant submits more than one application, all applications shall be treated as invalid and shall not be considered for allotment purpose. The minimum application amount shall be Tk. 200,000/- (Taka two lac only) or its multiples;**
7. The stock exchanges shall complete the listing procedure and start of trading of securities **within 15 (fifteen) working days in case of over-subscription whereas within 25 (twenty-five) working days in case of under-subscription** from the closure of subscription period;
8. In case of over-subscription, the Exchange shall refund excess amount to the qualified investor and send final allotment list through e-mail to the allottees, issuer and issue manager within 3 (three) working days from the closure of subscription period;
9. The Issuer shall issue allotment letters in the names of allottees in electronic format with digital signatures and credit the allotted shares to the respective BO accounts on the basis of allotment data (BOID and number of securities) via their CDBL VeDAS Terminal within 5 (five) working days of receipt of the final allotment list from the exchange;
10. The exchange shall transfer the issue proceeds to the issuer bank account before starting trading of the securities;
11. As per provision of the Depository Act, 1999 & Regulations made there under, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the depository system of Central Depository Bangladesh Limited (CDBL) and any further issuance of shares (including rights/bonus) will be made in dematerialized form only;

12. The Issuer shall pay the costs related to process the Qualified Investors subscription and allotment, if claimed by the Exchange, concerned up to an amount of Tk. 200,000/- (Taka two lac only). Moreover Exchange(s) shall not claim any cost to qualified investors;
13. The QIO shall stand cancelled in case of under-subscription collectively above 25%, in such an event, the issuer and issue manager shall inform the Commission within 2 (two) working days and release the subscription money within 5 (five) working days after receiving verification report from CDBL and the information from exchanges regarding subscription;
14. **If any share of Sponsors/Directors/Promoters is in paper format, it shall be handed over to securities custodian registered with the Commission and shall remain held till completion of lock-in period and the name of the securities custodian shall be furnished to the Commission jointly by the issuer and issue manager, along with a confirmation thereof from the custodian, within one week of listing of the shares with the stock exchange(s). Otherwise, those shares (shares of Sponsors/ Directors/ Promoters) can be dematerialized and shall remain in lock-in under CDBL system and the issuer shall submit a dematerialization confirmation report generated by CDBL system and attested by Managing Director of the company along with the lock-in confirmation to the Commission within one week of listing of the shares with the stock exchange(s). In respect of shares other than Sponsors/Directors/Promoters, the issuer will ensure their lock-in of those shares and submit a statement to this effect to the Commission;**
15. **The company shall not declare any dividend (cash/ stocks) before listing with any Exchange from the date of this consent letter;**
16. **The company shall not also declare any stock dividend within 3 (three) years from the date of listing with stock exchange(s);**
17. In the event of arising issues concerning Price Sensitive Information as defined under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সুবিধাভোগী ব্যবসা নিষিদ্ধকরণ) বিধিমালা ১৯৯৫ after publication of the abridged version of prospectus and before listing of its securities with any Exchange, the company shall disseminate/transmit/submit the information as price sensitive in accordance with the Commission's Notification No. SEC/SRMI/200-953/1950 dated October 24, 2000;
18. All transactions, excluding petty cash expenses, shall be affected by crossed cheques or bank transfers. The proceeds shall not be used for any purpose other than those specified in the prospectus without any valid ground. Any deviation in this respect of purpose and time must have prior approval of at least 51% of the public shareholders, other than sponsors and directors, in a general meeting through a Board approved agenda thereon and due notification to the shareholders. Before the said general meeting, such deviation as recommended by the Board of Directors shall be published as price-sensitive information with detailed description and reasons for such deviation. If approved by the shareholders, the meeting resolution shall be submitted to the Commission along with reasonable explanations and the decision shall be published as price-sensitive information;
19. The utilization of fund collected through Qualified Investor Offer shall be effected through banking channel, i.e. through account payee cheque, pay order or bank drafts etc. **The company shall furnish status report on utilization of Public Offering proceeds audited by panel auditor of the Commission and authenticated by the board of directors to the Commission and the Exchanges within 15 (Fifteen) days of the closing of every quarter until such fund is fully utilized, as mentioned in the schedule contained in the prospectus. The issuer shall simultaneously post the status report in its website and Exchanges shall also post the same in company information contained in websites of the Exchanges. In the event of any irregularity or inconsistency, the Commission may employ or engage any person to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus;**
20. **The company shall not engage itself into any merger/amalgamation or acquisition activities without taking "No Objection" from the Commission, on the scheme of the said**

merger/amalgamation or acquisition, as recommended by the Board of Directors, before approval by the shareholders in General Meeting;

21. The concerned Exchanges are authorized to settle any complaints and take necessary actions against any violation of any provision of the qualified investor offer application process with intimation to the Commission;
22. The issuer and the issue manager shall ensure due compliance of all the above conditions, and the listing regulations of the Exchanges. Moreover, the Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the issuer company;
23. **Only the Qualified Investors are eligible to participate in trading of securities in SME trading platform. Individual Investors shall consider as Qualified Investors who allows to submit application through the Electronic Subscription System (ESS) of the exchange(s) shall maintain a minimum investment as determined from time to time by the Commission as per the updated notification in the listed securities at market price (the close price of both Exchanges whichever is higher) as on the end of a working day which is immediately preceded by 5 (five) working days from the first day of starting the subscription. Exchanges shall send the list of BO Accounts who have applied in the QIO to the Central Depository Bangladesh Limited (CDBL). CDBL shall verify the list of BO Accounts provided by the Exchange(s) regarding investment of general applicants in listed securities;**

PART- III

DECLARATION AND DUE DILIGENCE CERTIFICATES

Annexure- A

**Declaration about the responsibility of the directors, including the CEO of Al-Madina
Pharmaceuticals Limited in respect of the prospectus**

This prospectus has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this qualified investor offer and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this prospectus to enable the qualified investors to make a well-informed decision for investment.

Sd/-
Md. Billal Hossain
Chairman

Sd/-
Md. Kamrul Alam
Director

Sd/-
Md. Zakir Hossain Patwary
Managing Director

Date: February 24, 2022

**Due diligence certificate by Issue Manager
(Prime Bank Investment Limited)
[Rule 3(3)(e)]**

To

The Bangladesh Securities and Exchange Commission

Sub: Qualified Investor Offer of 5,000,000 Ordinary Shares of Tk. 50,000,000 by Al-Madina Pharmaceuticals Limited.

Dear Sir,

We, the issue manager to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above-mentioned qualified investor offer (QIO), visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

WE CONFIRM THAT:

- (a) The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notifications, guidelines, instructions, etc. framed or issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in the prospectus are true, fair and adequate to enable the investors to make a well-informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Company) Rules, 2022 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid interns of the object clause of its Memorandum of Association;
- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Company) Rules, 2022 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well-informed decision;

- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences, etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the QIO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Company) Rules, 2022 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the Rules has been complied with and our comments, if any;
- (k) We also declare that we have managed the qualified investor offers of the following issuers in the last 5 (five) years:

Sl. No.	Name of the Company	Issue Month/ Year	Issue Price	QIO Fund in Taka	Dividend Payment History
01	BD Paints Limited	November, 2021	10	120,000,000	Declared 10% cash dividend for the year ended June 30, 2022 which is yet to be distributed

For Prime Bank Investment Limited

Sd/-

Khandoker Raihan Ali FCA

Managing Director & CEO (CC)

Place : Dhaka

Date : November 24, 2022

Due Diligence Certificate by the Underwriter(s)
(Prime Bank Investment Ltd.)
[rule 3(3)(e)]

To
The Bangladesh Securities and Exchange Commission

Sub: Qualified Investor Offer of 5,000,000 Ordinary Shares of Tk. 50,000,000 by Al-Madina Pharmaceuticals Limited.

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

1. We, while underwriting the above-mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
2. On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 3,000,000,000.00 (Taka Three Hundred Crore Only) and we have the capacity to underwrite a total amount of Tk. 15,000,000,000 (Taka Fifteen Hundred Crore) as per relevant legal requirements. We have committed to underwrite for up to Tk. 12,500,000 (One Crore Twenty-Five Lac) only for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us:

Sl. No.	Clients	Amount Underwritten (in BDT)
1	Omera Petroleum Limited	41,726,036
2	Midland Bank Limited	20,000,000
3	Agrani Insurance Company Limited	2,000,000
Total		63,726,036

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:

Sd/-
Khandoker Raihan Ali FCA
Managing Director & CEO (CC)

Place : Dhaka
Date : November 24, 2022

Due Diligence Certificate by the Underwriter(s)
(EC Securities Limited)
[rule 3(3)(e)]

To
The Bangladesh Securities and Exchange Commission

Sub: Qualified Investor Offer of 5,000,000 Ordinary Shares of Tk. 50,000,000 by Al-Madina Pharmaceuticals Limited.

Dear Sir,

We, the under-noted Underwriter to the above-mentioned forthcoming issue, state individually and collectively as follows:

1. We, while underwriting the above-mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
2. On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk.251,100,000.00 (Taka Twenty-Five Crore Eleven Lac Only) and we have the capacity to underwrite a total amount of Tk.1,255,500,000.00 (Taka One Hundred Twenty-Five Crore Fifty-Five lac) as per relevant legal requirements. We have committed to underwrite for up to Tk. 12,500,000 (One Crore Twenty-Five Lac) only for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us:

Sl. No.	Clients	Amount Underwritten (In BDT)
1.	Glorious Crop Care Limited	14,375,000
2.	Debt securities of Mercantile Bank Limited	10,000,000
3.	Rights Offering of First Security Islami Bank Limited	80,991,050
4.	Islami Commercial Insurance Company Limited	20,000,000
Total		125,366,050

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.


For the Underwriter:

Sd/-
Md. Khurshid Alam
Chief Executive Officer

Place : Dhaka
Date : November 24, 2022

ABOUT THE ISSUER

(a) Name of the issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its registered office, other offices and plants, telephone number, FAX number, contact person, website address and e-mail address:

Particulars	Description
Name of the Issuer	Al- Madina Pharmaceuticals Limited
Date of Incorporation	July 27, 2006
Commencement of Commercial Production	October 21, 2007
Logo	
Address of the Registered Office	178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215.
Address of the Factory/ Plants	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur
Telephone Number	+88-02-41010040, +88-02-22224514
FAX Number	+88-02-8712168
Contact Person	Mohammad Anwar Hossain, Company Secretary
Website Address	www.almadinapharma.com
E-Mail Address	anwar.cs.ampl@gmail.com

(b) The names of the sponsors and directors of the issuer:

Sponsors:

SL. No.	Name of the Sponsors	Position
1	Md. Billal Hossain	Chairman
2	Md. Kamrul Alam	Director
3	Md. Zakir Hossain Patwary	Managing Director

Directors


SL. No.	Name of the Directors	Position
1	Md. Billal Hossain	Chairman
2	Md. Kamrul Alam	Director
3	Md. Zakir Hossain Patwary	Managing Director

(c) The name, logo and address of the auditors, along with their telephone numbers, FAX numbers, contact persons, website and e-mail addresses:

Name	Shiraj Khan Basak & Co. Chartered Accountants
Logo	
Address	R.K. Tower (Level-10) 86, Bir Uttam C.R. Datta Road (312, Sonargaon Road), Dhaka-1205
Telephone	+88-02-9635139, +88-02-9673597
Fax	N/A


Contact Person	Muhammed Abul Hashem FCA (Enroll.964), FCS Partner
Website	www.shirazkhanbasak.bd.com
E-Mail	shirazkhanbasak@yahoo.com

(d) The name(s) of the stock exchange(s) where the specified securities are proposed to be listed:

Stock Exchanges	Contact Addresses
<p>DHAKA STOCK EXCHANGE</p> 	<p>Dhaka Stock Exchange Limited Stock Exchange Building 9/F Motijheel C/A, Dhaka-1000 Phone: +88-02-9564601, +88-02- 9576210-18 Fax: +88-02-9564727, +88-02-9569755 Email: reasearch@dsebd.org Web: www.dsebd.org</p>
<p>CHITTAGONG STOCK EXCHANGE</p> 	<p>Chittagong Stock Exchange Limited CSE Building, 1080, Sk. Mujib Road Agrabad, Chittagong, Bangladesh Tel: +88-031-714632-3, +88-031-720871-3 Fax: +88-031-714101, +88-031-726810 E-mail: info@cse.com.bd Web: www.cse.com.bd</p>

PART - V

CORPORATE DIRECTORY OF THE ISSUER

Company Name	Al-Madina Pharmaceuticals Limited									
Company Logo										
Nature of Business	Al-Madina Pharmaceuticals Limited is one of the fastest growing Companies in Pharmaceuticals sector in Bangladesh. The company is engaged in the manufacturing, buying, selling, refinement, import, export or otherwise of pharmaceutical products and preparations, patent drugs and proprietary articles of all kinds, whether basic or derived and in all forms.									
Legal Position	Al-Madina Pharmaceuticals Limited is a public limited company by shares and is domiciled in Bangladesh. The Company was incorporated as a private limited company bearing registration number C- 62976(467) with the Registrar of Joint Stock Companies and Firms (RJSC), on 27th July 2006 in Bangladesh under the Companies Act, 1994. It was converted to a public limited company in 30 th November, 2021.									
Date of Incorporation	July 27, 2006									
Date of Commercial Production	October 21, 2007									
Address of the Registered Office	178-179, Two Star Tower (6 th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215.									
Address of the Factory	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur.									
Research and Development Location	3 rd Level, House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur.									
Authorized capital	BDT 300,000,000									
Paid Up Capital	BDT 154,000,000 dividend into 15,400,000 ordinary shares of BDT 10 each.									
Banker for QIO	Shahajalal Islami Bank Limited									
Banker (s) of the Company	Shahajalal Islami Bank Limited Al-Arafah Islami Bank Limited									
Auditor	Shiraz Khan Basak & Co. Chartered Accountants									
Issue Manager	Prime Bank Investment Limited									
Underwriter(s)	Prime Bank Investment Limited EC Securities Limited									
Credit Rating Company	Alpha Credit Rating Limited									
Legal Advisor	Md. Ashraf Ali Miah Advocate, Bangladesh Supreme Court									
Company Secretary	Mohammad Anwar Hossain									
Compliance Officer	Mohammad Anwar Hossain									
Board of Directors	<table border="0"> <thead> <tr> <th>Name</th> <th>Position</th> </tr> </thead> <tbody> <tr> <td>Md. Billal Hossain</td> <td>Chairman</td> </tr> <tr> <td>Md. Kamrul Alam</td> <td>Director</td> </tr> <tr> <td>Md. Zakir Hossain Patwary</td> <td>Managing Director</td> </tr> </tbody> </table>	Name	Position	Md. Billal Hossain	Chairman	Md. Kamrul Alam	Director	Md. Zakir Hossain Patwary	Managing Director	
Name	Position									
Md. Billal Hossain	Chairman									
Md. Kamrul Alam	Director									
Md. Zakir Hossain Patwary	Managing Director									

DESCRIPTION OF THE ISSUER

(a) Summary

(i) The summary of the industry and business environment of the issuer:

Bangladesh Pharmaceuticals Industry:

During the coronavirus pandemic, pharmaceutical industry of Bangladesh has experienced a positive growth. IMS plus published in a report at 2Q, 2020 (July 2019-July 2020) that domestic market size of pharmaceuticals reached Tk. 23,310 crore. It also had a 4.28 percent growth rate compared to last year. Compound Annual Growth Rate for the last five years (2016-2020) stood at 10.49 percent.

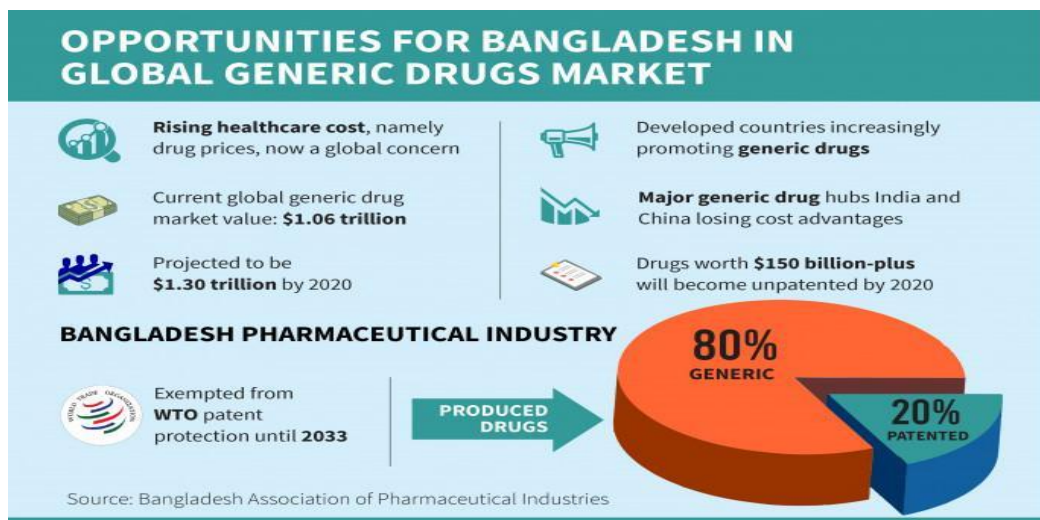
98 percent of the total demand of medicines of the domestic market is being provided by the pharmaceutical companies. Their exports also spread over 147 countries. 90 percent of the total market share are held by the local pharmaceutical companies, whereas, rest of the 10 percent are supplied by multinational companies. In recent years, local pharmaceutical companies have emerged as a game changer in the industry by maintaining high quality control, having ever smooth supply chain and ensuring production of quality medicines.



Local pharmaceutical companies still have immense potential in the healthcare sector. According to Bangladesh Investment Development Authority (BIDA), Bangladeshis spend around 2.04 U.S. billion dollar abroad annually, which is 1.94 percent of the country's GDP. In addition to this, BIDA forecasts that due to the increase in purchasing power of the growing middle and upper-middle classes, demand for healthcare services is growing at about 21 percent annually. Research and Markets, a Dublin based market insight and analyze firm stated that the pharmaceutical market of Bangladesh is expected to surpass 6 billion U.S. dollar by the year 2025 with an absolute growth rate of 114 percent from its 2019 levels.

The key drivers which are responsible for boosting the consumption of pharmaceutical industry are rise in life expectancy, growing per capita income, changing disease profile, population growth, increasing patient population and lifestyle changes.

The top 50 pharmaceutical companies are setting up their facilities at the Active Pharmaceutical Ingredient (API) Industrial Park in Munshiganj. This will help the production of patented and already opened active pharmaceutical ingredients. The government is focusing on reducing the country's dependency on the import of raw materials, establishment of an API park will act as a turning point for this purpose. It is also expected that the government will continue to play a vital role in the rapid growth of pharmaceutical market by providing favorable policies such as easy drug approval and production and marketing of new products.



Global Pharmaceuticals Industry:

The global pharmaceutical market has experienced significant growth in recent years. As of end-2020, the total global pharmaceutical market was valued at about 1.27 trillion U.S. dollars. This is a significant increase from 2001 when the market was valued at just 390 billion U.S. dollars. The pharmaceutical market plays a key role in how people get medications and what people pay for medication. However, some markets are better for pharmaceutical companies than others. Globally, the United States has emerged as the leading market for pharmaceuticals, followed by the group of emerging markets. Emerging markets can include middle and low-income countries such as Brazil, India, Russia, Colombia and Egypt, to name a few. Despite increasing revenues globally, the Latin American region accounts for the lowest share of the global pharmaceutical market's revenues.

The global pharmaceutical industry will worth USD 1.57 trillion by 2023. The growth in this market is predicted on the basis of various factors like market drivers, current and upcoming trends, current growth pattern, and market challenges. North America is expected to retain its leading position in the global pharmaceuticals market with market share of 45.33 percent in 2023 improving on its market share compared to 2017. Europe on the contrary is expected to see a decline in its market share compared to 2017 and be worth 20.24 percent of global pharmaceutical industry in 2023. Asia Pacific pharmaceuticals market is expected to retain its second position with a market share of 24.07 percent in 2023. Latin America and Middle East and Africa (MEA) are expected to retain 7.53 percent and 2.96 percent market share of global pharmaceuticals market in 2023.

This development is fueled by the developing and maturing populace in key markets. As per World Populace Prospects by Joined Together Countries, the around the world populace is likely to cross 9.3 billion by 2050 and around 21% of this populace is anticipated to be matured 60 and over. Separated from maturing and rising populace the enhancements in acquiring control and get to quality healthcare and pharmaceuticals to destitute and middle-class families around the world moreover is driving the development of worldwide pharmaceutical industry. Another angle which is driving this development is rising center of pharmaceuticals companies to tap the uncommon and claim to fame illnesses showcase. Developments in progressed biologics, nucleic corrosive therapeutics, cell treatments and bioelectronics & implantable has pulled in ventures within the industry by indeed non-pharm companies like Facebook, Qualcomm etc. which is additionally driving the worldwide pharmaceuticals industry development.

On the other hand, appropriation of taken a toll control approach alongside tightening of rules by governments in key markets are anticipated to affect the development prospect of the worldwide pharmaceuticals industry. Pharmaceuticals companies are constrained to diminish them investigate and advancement (R&D) investing due to lull of development in final few a long time which is additionally anticipated to obstruct development of the worldwide pharmaceuticals advertise as modern drugs income

frame huge portion of pharmaceuticals firm's income due to eliteness of the medicate. Separated from this, generics pharmaceuticals market is confronting diminishing return on investment due to cost disintegration in key markets which is constraining numerous firms to seek for other roads and markets to support development.

(ii) Summary of consolidated financial, operating and other information:

This information is not applicable for Al-Madina Pharmaceuticals Limited since the company has no subsidiary company.

(b) General Information

(i) The Board of Directors of the Issuer:

SL. No.	Name	Position
1	Md. Billal Hossain	Chairman
2	Md. Kamrul Alam	Director
3	Md. Zakir Hossain Patwary	Managing Director

(ii) Names, addresses, telephone numbers, FAX numbers and e-mail addresses of the chairman, managing director, whole time directors, etc. of the issuer:

1. Chairman	Name	:	Md. Billal Hossain
	Address	:	178-179, Two Star Tower (6 th floor) East Tejturi Bazar, Farmgate, Dhaka-1215
	Telephone	:	+88-02-41010040, +88-02-22224514
	FAX	:	+88-02-8712168
	E-mail	:	info@almadinapharma.com

2. Director	Name	:	Md. Kamrul Alam
	Address	:	178-179, Two Star Tower (6 th floor) East Tejturi Bazar, Farmgate, Dhaka-1215
	Telephone	:	+88-02-41010040, +88-02-22224514
	FAX	:	+88-02-8712168
	E-mail	:	info@almadinapharma.com

3. Managing Director	Name	:	Md. Zakir Hossain Patwary
	Address	:	178-179, Two Star Tower (6 th floor) East Tejturi Bazar, Farmgate, Dhaka-1215
	Telephone	:	+88-02-41010040, +88-02-22224514
	FAX	:	+88-02-8712168
	E-mail	:	zakir.ampl@gmail.com

(iii) Names, addresses, telephone numbers, FAX numbers and e-mail addresses of the CFO, company secretary, legal advisor, auditors and compliance officer;

1. CFO	Name	:	Mohammad Anichur Rahman
	Address	:	178-179, Two Star Tower (6 th floor) East Tejturi Bazar, Farmgate, Dhaka-1215
	Telephone	:	+88-02-41010040, +88-02-22224514
	FAX	:	+88-02-8712168
	E-mail	:	anis@almainapharma.com

2. Company Secretary	Name	:	Mohammad Anwar Hossain
	Address	:	178-179, Two Star Tower (6 th floor) East Tejturi Bazar, Farmgate, Dhaka-1215
	Telephone	:	+88-02-41010040, +88-02-22224514
	FAX	:	+88-02-8712168
	E-mail	:	anwar.cs.ampl@gmail.com

3. Legal Advisor	Name	:	Md. Ashraf Ali Miah Advocate, Bangladesh Supreme Court
	Address	:	178-179, Two Star Tower (6 th floor) East Tejturi Bazar, Farmgate, Dhaka-1215
	Telephone	:	+88-02-41010040, +88-02-22224514
	FAX	:	+88-02-8712168
	E-mail	:	advashrafalimiah@gmail.com

4. Auditor	Name	:	Shiraz Khan Basak & Co. Chartered Accountants
	Address	:	R.K. Tower (Level-10) 86, Bir Uttam C.R. Datta Road (312, Sonargaon Road), Dhaka-1205
	Telephone	:	+88-02-9635139, +88-02-9673597
	FAX	:	N/A
	E-mail	:	shirazkhanbasak@yahoo.com

5. Compliance Officer	Name	:	Mohammad Anwar Hossain
	Address	:	178-179, Two Star Tower (6 th floor) East Tejturi Bazar, Farmgate, Dhaka-1215
	Telephone	:	+88-02-41010040, +88-02-22224514
	FAX	:	+88-02-8712168
	E-mail	:	anwar.cs.ampl@gmail.com

(iv) Names, addresses, telephone numbers, FAX numbers, contact person, website addresses and e-mail addresses of the issue manager(s), etc.:

Issue Manager	Name	:	Prime Bank Investment Limited
	Address	:	Tajwar Centre (5 th Floor), House: 34, Road: 19/A, Block: E, Banani, Dhaka-1213
	Telephone	:	+88-02-48810315, +88-02-48810316
	Fax	:	+88-02-48810314
	Contact Person	:	Shahriar Rahman Rafi Issue Management Department
	Website	:	www.pbil.com.bd
	E-mail	:	info@pbil.com.bd

(v) Following details of Underwriting:

(a) The names, addresses, telephone numbers, FAX numbers, contact persons and e-mail addresses of the underwriters and the amount underwritten by them:

Underwriter(s)		Amount Underwritten (BDT)
Prime Bank Investment Limited Tajwar Centre (5 th Floor), House: 34, Road: 19/A, Block: E, Banani, Dhaka-1213	Contact Person: Shahriar Rahman Rafi Issue Management Department	12,500,000/-
	Tele: +88-02-48810315, +88-02-48810316	
	Fax: +88-02-48810314	
	Email: info@pbil.com.bd	
	Web: www.pbil.com.bd	
EC Securities Limited Kazi Tower (5 th Floor), 86, Naya Palton, Dhaka-1000	Contact Person: Md. Iteqar Islam Senior Reconciliation & Compliance Officer	12,500,000/-
	Tele: +88-02-48313136	
	Fax: +88-02-48313638	
	E-mail : info@ecslbd.com	
	Web: www.ecslbd.com	
Total		25,000,000/-

(b) Declaration by the underwriters that they have sufficient resources as per the regulatory requirements to discharge their respective obligations:

**Declaration by the Underwriter(s)
(Prime Bank Investment Limited)**

We are one of the underwriters of the Qualified Investor Offer (QIO) of Al- Madina Pharmaceuticals Limited, we will underwrite Tk. 12,500,000 (One Crore Twenty-Five Lac) for the upcoming issue on a firm commitment basis.

In this connection, we hereby declare that: we have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter

Place: Dhaka
Date: February 03, 2022

Sd/-
Khandoker Raihan Ali FCA
Managing Director & CEO (CC)
Prime Bank Investment Limited

**Declaration by the Underwriter(s)
(EC Securities Limited)**

We are one of the underwriters of the Qualified Investor Offer (QIO) of Al- Madina Pharmaceuticals Limited, we will underwrite Tk. 12,500,000 (One Crore Twenty-Five Lac) for the upcoming issue on a firm commitment basis.

In this connection, we hereby declare that: we have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter

Place: Dhaka
Date: February 03, 2022

Sd/-
Md. Khurshid Alam
Chief Executive Officer
EC Securities Limited

(c) Capital Structure:

(i) Authorized, issued, subscribed and paid-up capital (number and class of securities, allotment dates, nominal price, issue price and form of consideration):

CAPITAL STRUCTURE				
Particulars	Number of Securities	Face Value (Tk.)	Issue Price (Tk.)	Amount (Tk.)
Authorized Capital	30,000,000	10	10	300,000,000
Before QIO:				
Paid-Up Capital	15,400,000	10	10	154,000,000
After QIO:				
To be issued through QIO	5,000,000	10	10	50,000,000
Paid-Up Capital (Post QIO)	20,400,000	10	10	204,000,000

HISTORY OF CAPITAL RAISING						
Particulars of Allotment	Allotment Date	Mode of Allotment (No. of Shares)			Issue Price (Tk.)	Amount of Share Capital (Tk.)
		Cash	Other than Cash	Bonus Share		
1 st Allotment as per MOA & AOA	02.08.2006	300,000	-	-	10.00	3,000,000
2 nd Allotment	16.06.2021	-	8,500,000	-	10.00	85,000,000
3 rd Allotment	28.06.2021	4,000,000	-	-	10.00	40,000,000
4 th Allotment	31.07.2021	2,200,000	-	-	10.00	22,000,000
5 th Allotment	30.08.2021	400,000	-	-	10.00	4,000,000
Total			15,400,000		10.00	154,000,000

Note: The face value per share of the company has been converted from BDT 100 to BDT 10 as at 30 November 2021 and was approved in the Extra -Ordinary General meeting at the registered office of the Company at 178-179, Two-star tower, East Tejturi Bazar, Farmgate, Dhaka and necessary amendments in capital clause of the Memorandum and Articles of Association were made accordingly.

(ii) **Size of the present issue, with break-up (number of securities, description, nominal value and issue amount):**

Particulars	Securities to be Offered	Percentage %	Number of Securities	Types of Securities	Nominal Value (in Tk.)	Issue Amount (in Tk.)
Qualified Investor Offer through Fixed Price Method	Eligible Investors (EI)	100%	5,000,000	Ordinary Share	10	50,000,000

(iii) **Paid-up capital before and after the present issue, after conversion of convertible instruments (if any) and share premium account (before and after the issue):**

Particulars	Before the Present Issue	After the Present Issue
Paid-Up Capital	154,000,000	204,000,000
Convertible Instrument	N/A	N/A
Share Premium Account	Nil	N/A
Total	154,000,000	204,000,000

(iv) **Category wise shareholding structure with percentage before and after the present issue and after conversion of convertible instruments (if any):**

SL No.	Category of Shareholders	Pre- QIO		Post- QIO	
		Ordinary Shares	Percentage	Ordinary Shares	Percentage
1	Directors & Sponsors	14,250,000	92.53%	14,250,000	69.85%
2	Individual Shareholders	1,050,000	6.82%	1,050,000	5.15%
3	Institutional Shareholder	100,000	0.65%	100,000	0.49%
4	Qualified Investor (QI)	-	-	5,000,000	24.51%
	Total	15,400,000	100.00%	20,400,000	100%

*The Company has no convertible instruments

- (v) Where shares have been issued for consideration in other than cash at any point of time, details in a separate table, indicating the date of issue, persons to whom those are issued, relationship with the issuer, issue price, consideration and valuation thereof, reasons for the issue and whether any benefits have been accrued to the issuer out of the issue:**

The company issued 8,500,000 ordinary shares to its directors in exchange of machineries owned by the individual directors on 16th June, 2021 and the issue price was Tk. 10 per share. Details are given below:

Date of Issue	Persons to whom those are issued	Relationship with the issuer	No. of Shares	Issue Price*	Valuation thereof	Consideration	Reasons for Issue
16 th June, 2021	Md. Billal Hossain	Chairman	4,530,000	10.00	45,300,000	Book Value of the machineries is considered.	Machineries transferred to the company
16 th June, 2021	Md. Zakir Hossain Patwary	Managing Director	3,970,000	10.00	39,700,000	Book Value of the machineries is considered.	Machineries transferred to the company

* The face value per share of the company has been converted from BDT 100 to BDT 10 as at 30 November 2021.

- (vi) Where shares have been allotted in terms of any merger, amalgamation or acquisition scheme, details of such scheme and shares allotted:**

The company has not allotted any shares in terms of any merger, amalgamation or acquisition scheme.

- (vii) Where the issuer has issued equity shares under one or more employee stock option schemes, date-wise details of equity shares issued under the schemes, including the price at which such equity shares were issued:**

The issuer has not issued any equity shares under one or more employee stock option schemes.

- (viii) If the issuer has made any issue of specified securities at a price lower than the issue price during the preceding two years, specific details of the names of the persons to whom such specified securities have been issued, relation with the issuer, reasons for such issue and the price thereof:**

The issuer has not made any issue of specified securities at a price lower than the issue price during the preceding two years.

- (ix) The decision or intention, negotiation and consideration of the issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue:**

There is no such decision or intention, negotiation and consideration of the issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue.

- (x) The total shareholding of the sponsors and directors in a tabular form, clearly stating the names, nature of issue, date of allotment, number of shares, face value, issue price, consideration, date when the shares were made fully paid up, percentage of the total pre and post issue capital, the lock- in period and the number and percentage of pledged shares, if any, held by each of them:

Name	Md. Billal Hossain				Position	Chairman		Percentage	
Nature of Issue	Allotment Date	No. of Shares	Face Value	Issue Price	Consideration	Cumulative No. of Total Shares	Lock-In Period	Pre QIO	Post QIO
1 st Allotment as per MOA & AOA	02.08.2006	90,000	10.00	10.00	Cash	90,000	Two Year	27.76%	20.96%
2 nd Allotment	16.06.2021	4,530,000	10.00	10.00	Other than cash	4,620,000			
3 rd Allotment	28.06.2021	3,000,000	10.00	10.00	Cash	7,620,000			
Transfer	17.08.2021	(3,345,000)	10.00	10.00	Cash	4,275,000			

Name	Md. Kamrul Alam				Position	Director		Percentage	
Nature of Issue	Allotment Date	No. of Shares	Face Value	Issue Price	Consideration	Cumulative No. of Total Shares	Lock-In Period	Pre QIO	Post QIO
1 st Allotment as per MOA & AOA	02.08.2006	75,000	10.00	10.00	Cash	75,000	Two Year	23.13%	17.46%
4 th Allotment	31.07.2021	142,500	10.00	10.00	Cash	217,500			
Transfer	17.08.2021	3,345,000	10.00	10.00	Cash	3,562,500			

Name	Md. Zakir Hossain Patwary				Position	Managing Director		Percentage	
Nature of Issue	Allotment Date	No. of Shares	Face Value	Issue Price	Consideration	Cumulative No. of Total Shares	Lock-In Period	Pre QIO	Post QIO
1 st Allotment as per MOA & AOA	02.08.2006	135,000	10.00	10.00	Cash	135,000	Two Year	41.64%	31.43%
2 nd Allotment	16.06.2021	3,970,000	10.00	10.00	Other than cash	4,105,000			
3 rd Allotment	28.06.2021	1,000,000	10.00	10.00	Cash	5,105,000			
4 th Allotment	31.07.2021	1,307,500	10.00	10.00	Cash	6,412,500			

Notes:

- Directors' shares were made fully paid upon the date of allotment and there are no pledged shares.
- Calculation shown considering the issue price and face value of Tk. 10/-
- Lock-in period of shares starts from the 1st trading date of stock exchange(s).

(xi) The details of the aggregate shareholding of the sponsors and directors, the aggregate number of specified securities purchased or sold or otherwise transferred by the sponsor and/or by the directors of the issuer and their related parties within six months immediate preceding the date of filing the prospectus:

Aggregate shareholding of the Sponsors and Directors:

Name	Position	Date of Acquisition	Face Value and Issue Price	Number of Ordinary Share
Md. Billal Hossain	Chairman	19.07.2006	10.00	90,000
		01.06.2021	10.00	4,530,000
		28.06.2021	10.00	3,000,000
		17.08.2021	10.00	(3,345,000)
Total				4,275,000
Md. Kamrul Alam	Director	19.07.2006	10.00	75,000
		31.07.2021	10.00	142,500
		17.08.2021	10.00	3,345,000
Total				3,562,500
Md. Zakir Hossain Patwary	Managing Director	19.07.2006	10.00	135,000
		01.06.2021	10.00	3,970,000
		28.06.2021	10.00	1,000,000
		31.07.2021	10.00	1,307,500
Total				6,412,500

Transfer of specified securities by the sponsor or by the directors of the issuer:

No specific securities purchased or sold or otherwise transferred within six months immediate preceding the date of filing the prospectus by the sponsors and/or by the directors of the issuer and their related parties.

(xii) The name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the number of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership including number of equity shares which they would be entitled to upon exercise of warrant, option or right to convert any convertible instrument:

Sl. No.	Name of Shareholder	Position	Address	No. of Share Held	Total No. of Shares Recorded	Shareholding (%) Pre-QIO
01	Md. Billal Hossain	Chairman	Floor-5, House No-158, Road-22, New DOHS, Mohakhali, Dhaka.	4,275,000	4,275,000	27.76%
02	Md. Kamrul Alam	Director	2nd Floor, House-3/7, Zakir Hossain Road, Block-F, Lalmatia Housing Society, Dhaka.	3,562,500	3,562,500	23.13%
03	Md. Zakir Hossain Patwary	Managing Director	Floor-3, House-485, Road-32, New DOHS, Mohakhali, Dhaka.	6,412,500	6,412,500	41.64%

* The company does not have any existing warrant, option, or right to convert any convertible instrument

(xiii) The number of securities of the issuer owned by each of the top ten salaried officers, and all other officers or employees as group, indicating the percentage of outstanding shares represented by the securities owned:

Sl. No.	Name	Position	Number of Shares Held	Pre QIO %
01	Md. Zakir Hossain Patwary	Managing Director	6,412,500	41.64%

(d) Description of Business:

(i) Location of the project:

Registered & Corporate Office	178-179, Two Star Tower (6 th floor) East Tejturi Bazar, Farmget, Dhaka-1215.
Factory	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur.
Research and Development	House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur

(ii) Plant, machinery, technology, process, etc.

Plant:

Al-Madina Pharmaceuticals Limited's existing processing plant is located at House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur. Al-Madina Pharmaceuticals Limited has started its journey in July 27, 2006 and launched commercial operation in October 21, 2007. To meet the growing demand for its products NAL gradually enhanced the Capacity of its production plant.

Machinery:

Al-Madina Pharmaceuticals Limited has been using sophisticated machineries and modern technology imported from the USA, Germany, China, Poland, India to produce high quality of medicine.

Technology:

In its manufacturing process, Al-Madina Pharmaceuticals Limited has employed modern technology to produce high quality of medicine. High Technical and experienced persons had been hired to support the overall business.

Process:

Total process of production is fully organized. There is various process used in full production system. Manufacturing process and quality control are led by the trained professionals.

(iii) Details of the major events in the history of the issuer, including details of capacity or facility creation, launching of plant, products, marketing, change in ownership and/or key management personnel etc.:

Date of Incorporation	July 27, 2006
Conversion Private to Public Limited	November 30, 2021
launching of plant	October 21, 2007
Market of the Product	Major portion of the local market throughout the country.
Change in ownership and/or key management personnel	The following ownership/key management personnel has been appointed; 1) On 31 st July, 2021, Ms. Rowshan Ara Mukta, Mr. Saiful Islam Khan, Ms. Hosne Ara and Ms. Sahela Nahid joined as Shareholder. 2) On 30 th August, 2021, Md. Sazzad Hossain, Md. Mahbub Ul- Huq, Farzana Islam and Sweet Agrovet Ltd. joined as Shareholder.

Major products launch	
Pharma Division Zolat 20 Capsule- July, 2019 Alivio 10 Cream- September, 2020 Alivio 20 Cream- December, 2020 Alovit BZ- January, 2021 Amiphin 1 gm Injection- April, 2021 Anaprox Tablet- January, 2021 B3 Tablet- July, 2019 Bonwell-D- September, 2019 Carbium Capsul- January, 2020 Cipex 500 Tablet- July, 2019 Cipex PFS- August, 2019 Claviator-CV 250 Tablet- September, 2019 Claviator-CV 500 Tablet- September, 2019 Coralium-D Tablet- September, 2019 Miaz 10 Cream- Septemebr, 2020 Prex-3 200 Capsule- July, 2019 Prex-3 50 ml PFS- July, 2019 Raceper 20 Capsul- July, 2019 Rynofex 120 Tablet- July, 2019 Thoraz 500 Tablet- August, 2019 Thoraz PFS 35 ml- September, 2019 Xiroket IM/IV- December, 2019	Animal Health Division NS Vet Powder- May 2013 Almolin-VET Powder- January, 2008 Tylotrate -20 Powder- January, 2008 Alenro-Vet Solution- August, 2008 Al-cipro Solution- January, 2008 SET-3 Powder- July, 2010 Tilvet Liquid- February, 2016 AL-Doxil powder- September, 2015 Tylva-Vet Powder- August, 2019 Altiguard Vet Powder- September, 2020 Amovet Powder- September, 2020 AL-CTC vet Powder- March, 2018 LV-Vet Powder- March, 2018 CS-Vet Oral Solution- January,2020 AMPO-Vet Powder- March, 2018 Alcocci Powder- August, 2008 Anticocci-K PowderJuly, 2010

(e) Description of Property

(i) Dates of purchase, last payment date of current rent (খাজনা) and mutation date of lands, deed value and other costs including details of land development cost, if any and current use thereof:

Deed No	Date of Purchase	Date of Last Payment of Current Rent	Date of Mutation	Deed Value	Area (Decimal)	Land Development Cost	Current Use
3300	17/08/2006	01/09/2021	12/12/2006	20,00,000	86	56,32,103	Production and Warehouse
18319	17/08/2011	01/09/2021	25/03/2014	20,00,000	9		Production and Warehouse
14926	27/12/2020	Under Process	Under Process	40,00,000	8.25		Vacant
18206	23/12/2018	Under Process	Under Process	1,85,000	3.30		Production and Warehouse

(ii) A physical verification report by the issue manager(s) regarding the properties as submitted to the Commission:

**PHYSICAL VERIFICATION REPORT BY THE ISSUE MANAGER OF
AL-MADINA PHARMACEUTICALS LIMITED**

This is to clarify that we have visited the registered & Corporate Office and factory of Al-Madina Pharmaceuticals Limited several times and lastly, we visited on June 15, 2021 and we found the registered office and factory as details below:

Purpose of the visit:

As a part of issue manager's due diligence process in order to verify the operational status and assets of Al-Madina Pharmaceuticals Limited before Qualified Investor Offer of ordinary shares.

Visited and accompanied by:

Particulars	Name & Designation	Company
Visited by	Mr. Khandokar Raihan Ali FCA Chief Operating Officer	Prime Bank Investment Limited
	Mr. Shahriar Rahman Rafi Issue Management Department	Prime Bank Investment Limited
	Mr. H. A. Mamun Head of Issue Management	Prime Bank Investment Limited
	Mr. Rahat-ul-Amin Head of Research	Prime Bank Investment Limited
	Mr. Md. Khurshid Alam Chief Executive Officer	EC Securities Limited
Accompanied by	Mr. Mohammad Anwar Hossain Company Secretary	Al-Madina Pharmaceuticals Limited

Registered & Corporate Office:

178-179, Two Star Tower (6th Floor) East Tejturi Bazar, Farmgate, Dhaka- 1215.

Factory:

House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur.

Company Overview:

Al-Madina Pharmaceuticals Limited is one of the fastest growing Companies in Pharmaceuticals sector in Bangladesh. It is a sister concern of Al-Madina Group. Al-Madina Pharmaceuticals Limited started its journey in 2006 with animal health product and then it introduced pharma product in 2019. At present, it is manufacturing 150 plus products of animal health product such as antibacterial drugs, nutritional products, poultry vaccines, aqua products, daily injectable products etc. and 70 plus important products of pharma product in many therapeutic areas like Anti-bacterial drugs, Anti-fungal drugs, Gastro-intestinal drugs, Analgesic & Anti-inflammatory drugs, Vitamins-Minerals or Supplements, Drugs acting on Urogenital system and Drugs acting on Respiratory system etc. A major portion of its revenue incurred by selling its products to the local market by establishing extensive distribution channels across the country and abroad. Al-Madina Pharmaceuticals Limited has no subsidiary.

Type of Products Manufactured on Site:

Al-Madina Pharmaceuticals Limited is authorized for the manufacture of following dosage form-Tablets, Coated tablets, Chewable tablets, Bolus, Capsule, Powder for suspension, Cream, Ointment, Gels, Liquid (Oral and External), sterile products etc.

Description of Property

We have identified the properties of Al-Madina Pharmaceuticals Limited are as follows:

1. Land:

We have found the company owns land at House No-1/1, Tillar Gati, Kakil Sataish, Sataish, Tongi, Gazipur. Details are given below:

Sl. No.	Deed No	Area (Decimal)	Current Use
1	3300	86	Production and Warehouse
2	18319	9	Production and Warehouse
3	14926	8.25	Vacant
4	18206	3.30	Production and Warehouse

2. Building:

The details of the factory buildings are given below: -

Sl. No.	Building Description	Types of Building	Total Building Area
01	5 Storied Factory Building	Reinforced Concrete Column Structure	7500sq
02	8 Storied Factory Building	Reinforced Concrete Column Structure	6000sq

Description of the factory space are given below:

5 Storied Factory Building			
Sl. No.	Department	Location	Area in Sq. Ft.
1	Agrovet Medicine Production	Ground floor	7500sq
2	Human Medicine Production	1 st floor	7500sq
3	Quality Control, Microbiology, Injection Plant	2 nd floor	7500sq
4	External Liquid Section, PD Dept., Water Treatment, Engineer Dept. and Prayer Room	3 rd floor	7500sq

8 Storied Factory Building			
Sl. No.	Department	Location	Area in Sq. Ft.
1	Warehouse Agrovet Medicine	Ground floor	6000sq
2	Warehouse Human Medicine	1 st floor	6000sq
3	Liquid Plant	2 nd floor	6000sq
4	Technical Support	3 rd floor	6000sq

**Rest of the floors are under construction.

3. Plant & Machinery and Office Equipment:

In factory, we found all the machineries mentioned in the prospectus are in good condition and running.

4. Fire Fighting Equipments:

The company placed sufficient number of fire extinguisher, sand bucket, hose pipe and nozzles in various places to prevent accident from fire.

5. Signboard:

The sign board of the company is well displayed at the premises.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION

(a) Overview of business and strategies:

Overview of Business

Al-Madina Pharmaceuticals Limited is one of the fastest growing Companies in Pharmaceuticals sector in Bangladesh. It is a sister concern of Al-Madina Group. Al-Madina Pharmaceuticals Limited started its journey in 2006 with animal health product and then it introduced pharma product in 2019. At present, it is manufacturing 150 plus products of animal health product such as antibacterial drugs, nutritional products, poultry vaccines, aqua products, daily injectable products etc. and 70 plus important products of pharma product in many therapeutic areas like Anti-bacterial drugs, Anti-fungal drugs, Gastro-intestinal drugs, Analgesic & Anti-inflammatory drugs, Vitamins-Minerals or Supplements, Drugs acting on Urogenital system and Drugs acting on Respiratory system etc. A major portion of its revenue incurred by selling its products to the local market by establishing extensive distribution channels across the country and abroad.

Business Strategies:

- **Utilizing the government support:** The government usually tends to favor this industry. As a result, the government provides them with all of the assistance and support they require. It is also the reason why the sector is still thriving today. Laws and taxes frequently favor them.
- **Local market share:** Competitors always try to increase their percentage of market share. So, Al-Madina Pharmaceuticals Limited will concentrate more to increase its market share.
- **Inventory management system:** Al-Madina Pharmaceuticals Limited will improve the existing inventory management system.
- **Quality and control:** Al-Madina Pharmaceuticals Limited will maintain the quality of its products in accordance with international standards.
- **International market:** Al-Madina Pharmaceuticals Limited will focus on international market to expand in the future.

(b) Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis:

SWOT analysis is the acronym for strength, weakness, opportunities, and threats which are a structured planning method that evaluates those four elements of a project or business venture.

Strength

- We provide high tech, high quality and affordable medicine
- Lowest-cost medicine producers
- Excellent transport system
- Strong chemistry, qualified employees, and process reengineering capabilities
- High ethical standards and rules in order to contribute meaningfully to people's well-being.
- Capability of inventing medicine benchmark
- Skilled workers
- Large customer Base
- Highly skilled sales forces & very efficient & wide distribution channels.
- Good reputation with a strong brand image.

Weakness

- Low investments in innovative R&D
- Allocation of resources such as human resource, financial resource, technical resource, physical resources and informational resources can be hard sometimes.
- Time-consuming decision-making process
- the loss of late introduction of new products
- Rapidly increasing costs of skilled manpower such as scientists, regulatory compliance personnel, pharmaceutical lawyers, international business development personnel are pushing up the cost of innovation.

Opportunities

- Bangladesh is currently producing life-saving international-standard drugs, and the country is on the verge of achieving pharmaceutical self-sufficiency.
- Bangladesh presently exports medications to roughly 30 nations, with plans to expand further next year.
- Intensive Government support.
- Invention of new products.
- Gaining market share from the existing rivals by offering new innovative product.
- This industry is often favored by the government. The laws and taxes are often in their favor.

Threats

- Due to the Existing Companies, Supply is exceeding demand creating prices to fall to a lower equilibrium price and a higher equilibrium quantity of goods and services.
- The pharmaceutical industry is becoming increasingly competitive. As a result, businesses must compete in the market with the innovative products offered by other companies
- Increasing the cost of labor, particularly basic wages, has an impact on the total cost of manufacturing and, as a result, on the selling prices of medications.
- Mergers and acquisitions by other companies may completely change condition of the pharma market.

(c) Analysis of the financial statements of last five years or shorter period with reason(s) of fluctuating revenue or sales, other income, total income, cost of material, finance cost, depreciation and amortization expense, other expense, changes of inventories, net profit before & after tax, EPS etc.

Particulars	Amount in Taka				
	30 June, 2022	30 June, 2021	30 June, 2020	30 June, 2019	30 June, 2018
Sales Revenue	668,965,108	556,164,433	371,565,576	228,664,494	150,906,116
Other Income	-	-	2,355	2,830	2,622
Total Income	668,965,108	556,164,433	371,567,931	228,667,324	150,908,738
Cost of Goods Sold	(398,296,705)	(350,825,289)	(260,240,946)	(181,035,094)	(119,444,948)
Depreciation Expenses	(24,402,039)	(25,054,602)	(4,857,159)	(3,650,040)	(1,697,777)
Amortization Expenses	-	-	-	-	-
Other Expenses	(224,466,645)	(161,757,774)	(81,706,217)	(42,498,520)	(32,222,031)
Changes in Inventories	1,773,023	1,963,640	4,077,867	1,247,549	(2,213,449)
Net Profit / (Loss) before Tax	32,267,241	29,307,934	14,633,151	331,906	(758,242)
Net Profit / (Loss) after Tax	19,738,540	23,188,337	10,476,429	(1,040,081)	(1,663,679)
Earnings Per Share-Basic	1.30	33.99	34.92	(3.47)	(5.55)

Reason of Fluctuation:

▪ **Sales Revenue**

30 June, 2018: Sales revenue was decreased by 4.33% in 2018 from 2017 due to fluctuation in market demand.

30 June, 2019: Sales revenue was increased by 51.53% in 2019 from 2018 due to business expansion in terms of geographical footprint in sales.

30 June, 2020: Sales revenue was increased by 62.49% in 2020 from 2019 due to introducing pharma product in product line along with existing veterinary drugs.

30 June, 2021: Sales revenue was increased by 49.68% in 2021 from 2020 due to increase in production and introduction of new product line against business expansion.

30 June, 2022: Sales revenue was increased by 16.86% in 2022 from 2021 due to increase in production and introduction of new product line against business expansion.

- **Total Income**

Since revenue was increased so naturally total income was increased.

- **Cost of Goods Sold**

30 June, 2018: Cost of goods sold was decreased by 4.32% in 2018 from 2017 due to fluctuation in market demand.

30 June, 2019: Cost of goods sold was increased by 51.56% in 2019 from 2018 due to business expansion in terms of geographical footprint in sales.

30 June, 2020: Cost of goods sold was increased by 43.75% in 2020 from 2019 due to introducing pharma product in product line along with existing veterinary drugs.

30 June, 2021: Cost of goods sold was increased by 34.81% in 2021 from 2020 due to increase in production and introduction of new product line against business expansion.

30 June, 2022: Cost of goods sold was increased by 11.92% in 2022 from 2021 due to increase in production and introduction of new product line against business expansion.

- **Financial Expenses**

The Company has taken long term loan from bank for procure of plant and machinery to increase capacity and also taken short term loan from bank to support business working capital. This expense fluctuates due to fluctuation of interest rate and loan outstanding amount.

- **Depreciation Expenses**

The depreciation on property, plant and equipment has increased steady on the basis of addition.

- **Other Expenses**

The company have incurred business administrative and selling distribution expense during the last five years which in regulars and relevant with production and sales.

- **Charges of Inventory**

The inventory shows, Raw-materials, Packing materials, spare parts, work in process and finished goods. The company managed its inventory efficiently as a result, minimum inventory level was ensured while achieving satisfactory sales growth.

- **Net Profit Before Tax**

Net profit /Loss before Income Tax had changed due to change of sales volume, operational Expenses, Financial Expenses.

- **Net Profit / (Loss) after Tax**

30 June, 2018: Net profit after tax was decreased by 0.75% due to fluctuation in market demand.

30 June, 2019: Net profit after tax was decreased by 37.48% due to significant increase in cost of goods sold and operating expense compared to 51.53% sales growth

30 June, 2020: Net profit after tax was increased by 907.27% as the company came to profit after incurring loss in previous years due to introduction new product i.e. pharma product segment.

30 June, 2021: Net profit after tax was increased by 121.34% due to consistent sales growth.

30 June, 2022: Net profit after tax was decreased by 17.48% due to increase in dollar rate, raw materials and transport cost.

- **Earnings Per Share (EPS)**

EPS fluctuated due to change of net profit after tax and number of shares.

(d) Known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business:

There are no known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business. The business operations of the company may be affected by the following issues-

- Political unrest
- Natural disaster
- Technological change
- Increased Competition
- Government policy changes in the industry

(e) Trends or expected fluctuations in liquidity:

There are no trends or expected fluctuation in liquidity.

(f) Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition:

There are no off-balance sheet arrangements those have or likely to have a current or future effect on financial condition.

PART - VIII

VALUATION REPORT OF SECURITIES PREPARED BY THE ISSUE MANAGER

(a) The valuation report of securities to be offered shall be prepared and justified by the issue managers based on the financial and all other information pertinent to the issue:

The valuation report of securities offered is prepared and justified by the issue manager, Prime Bank Investment Limited on the basis of the financials and all other information pertinent to the Issue.

(b) To prepare the valuation report, the issue manager(s) may consider all qualitative and quantitative factors which shall be explained in details with a rationale to consider such factors, the valuation methods used, sources of information and authenticity of such information:

The issue manager considered the following all qualitative and quantitative factors to prepare the valuation report:

Qualitative Justification:

Some of the qualitative factors that help differentiate Al-Madina Pharmaceuticals Limited from their competitors and enable them to compete successfully in the industry are as follows:

- The company has skilled and experienced management, field force and workers.
- The company equipped with modern machineries to manufacture pharmaceuticals products.
- The company has ensured product quality as International Standard.
- The company has strong research and development department.
- The company has proper strategic planning to develop business.
- The company has sophisticated fundamental marketing techniques.
- The company has strong distribution channels through which they can smoothly supply their products.
- Good corporate governance is prevailed in the company.

Quantitative Justification:

The securities valuation of Al-Madina Pharmaceuticals Limited was conducted following the valuation methods as per Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2022. The following table represents a summary of the quantitative valuation of Al-Madina Pharmaceuticals Limited under different valuation methods:

(c) While preparing the valuation report, the issue manager shall avoid exaggeration and biasness and shall exercise independence and due diligence;

The Issue manager avoided exaggeration and biasness and exercised independence and due diligence in preparing valuation report. The valuation report of securities is prepared on the basis of the financial and all other information pertaining to the issue.

(d) The issue manager(s) shall, among others, consider the following methods for valuation of the securities:

The Issue price of BDT 10 each is justified as details below:

Method 1	A.Net Asset Value (NAV) per share with revaluation	21.65
	B.Net Asset Value (NAV) per share without revaluation	12.63
Method 2	A. Historical Earnings based valuation (Considering market P/E)	19.36
	B. Historical Earnings based valuation (Considering Pharmaceuticals sector P/E)	26.38
Method 3	Average market price of similar stock-based valuation	22.75

Method 1

The Net Asset Value (NAV) is calculated using the information from the most recently published audited financial statements on June 30, 2022. To calculate the NAV, the net assets of the company is divided by the total number of outstanding shares. Detail calculation of the valuation is given in the following table:

A. Net Asset Value (NAV) per share with revaluation

Particulars	Amount (in Tk.)
a) Paid -up capital	154,000,000
b) Retained earnings	40,433,725
c) Revaluation Reserve	138,967,050
Total Shareholders' Equity	333,400,775
Number of Share Outstanding as on 30 June, 2022	15,400,000
Net Asset Value per share with revaluation	21.65

Source: Audited financial statement of 30 June, 2022

B. Net Asset Value (NAV) per share without revaluation

Particulars	Amount (in Tk.)
a) Paid -up capital	154,000,000
b) Retained earnings	40,433,725
Total Shareholders' Equity	194,433,725
Number of Share Outstanding as on 30 June, 2022	15,400,000
Net Asset Value per share without revaluation	12.63

Source: Audited financial statement of 30 June, 2022

Method 2

A. Historical Earnings based valuation (Considering market P/E)

The Historical Earnings Based Valuation is based on the information from audited financial statements for the period from (2018 to 2022). The historical net income after tax was used along with the number of outstanding shares of the company in the respective year was used. The Monthly Market P/E from July 2022 to September 2022 are sourced from DSE Monthly review. The Earnings-based-value per share considering average market P/E has been calculated as follows:

Year	No. of Share	Weight (%)	Profit/(Loss) after Tax	Weighted Average Net Profit after Tax
31/06/2022	15,400,000	52.92%	19,738,540	10,445,825
31/06/2021	12,800,000	43.99%	23,188,337	10,199,681
31/06/2020	300,000	1.03%	10,476,429	108,004
31/06/2019	300,000	1.03%	(1,040,081)	(10,722)
31/06/2018	300,000	1.03%	(1,663,679)	(17,151)
Total	29,100,000	100.00%		20,725,637
A. Weighted Average Profit after Tax				20,725,637
B. No. of shares outstanding as on 30 June, 2022				15,400,000
C. EPS based on weighted Average of Net Profit after Tax				1.35
D. Overall Market P/E (Average of last 3-months)				14.39
Earnings based Value per share (C*D)				19.36

Calculation of Average

Particulars	July 2022	August 2022	September 2022	Average
Overall Market P/E	13.83	14.42	14.91	14.39

Source: DSE Monthly Review.

B. Historical Earnings based valuation (Considering Pharmaceuticals sector P/E)

The Historical Earnings Based Valuation is based information from audited financial statements for the period from (2018 to 2022). The historical net income after tax was used along with the number of outstanding shares of the company in the respective year was used. The Monthly Pharmaceuticals Sector P/E from July 2022 to September 2022 are sourced from DSE Monthly review. The Earnings-based-value per share considering average sectoral P/E has been calculated as follows:

Year	No. of Share	Weight (%)	Profit/(Loss) after Tax	Weighted Average
				Net Profit after Tax
31/06/2022	15,400,000	52.92%	19,738,540	10,445,825
31/06/2021	12,800,000	43.99%	23,188,337	10,199,681
31/06/2020	300,000	1.03%	10,476,429	108,004
31/06/2019	300,000	1.03%	(1,040,081)	(10,722)
31/06/2018	300,000	1.03%	(1,663,679)	(17,151)
Total	29,100,000	100%		20,725,637
A. Weighted Average Profit after Tax				20,725,637
B. No. of shares outstanding as on 30 June, 2022				15,400,000
C. EPS based on weighted Average of Net Profit after Tax				1.35
D. Overall Pharmaceuticals Sector P/E (Average of last 3-months)				19.60
Earnings based Value per share (C*D)				26.38

Calculation of Average

Particulars	July 2022	August 2022	September 2022	Average
Pharma Sector P/E	18.79	19.6	20.42	19.60

Source: DSE Monthly Review.

Method 3

Average market price of similar stock-based valuation

To calculate the average market price of similar stock, closing daily price data of 4 (four) pharmaceuticals companies are considered for comparison. The period from November 2021 to October 2022 was taken to compute the average market price of similar stocks. After computing the average of respective pharmaceuticals, the average of their calculated market price, namely BDT 22.75 per share is considered as fair value.

Month end close price					
Sl.	Date	Advent	IBP	SILCOPHL	SILVAPHL
1	30-Oct-22	22.60	18.40	23.40	21.60
2	29-Sep-22	28.40	21.30	24.20	21.70
3	31-Aug-22	28.40	20.70	27.70	24.40
4	31-Jul-22	23.10	17.20	23.80	21.70
5	30-Jun-22	25.10	17.90	26.40	24.10
6	31-May-22	25.60	17.90	29.00	25.10
7	28-Apr-22	26.70	17.60	25.50	20.80
8	30-Mar-22	30.10	18.20	26.40	21.50
9	28-Feb-22	25.80	17.90	23.90	19.20
10	30-Jan-22	24.90	17.60	24.70	18.50
11	30-Dec-21	26.10	17.60	24.10	17.90
12	30-Nov-21	25.20	18.70	24.80	18.50
Average Price		26.00	18.42	25.33	21.25
Average of all					22.75

Source: DSE Monthly Review.

Average market price of similar stock-based valuation (Assumption)

The average month end close price of pharmaceuticals from November 2021 to October 2022 is considered.

Reference and explanation of similarities:

There are 32 listed Pharmaceuticals in the capital market. Among the listed Pharmaceuticals we have taken into consideration 4 (Four) pharmaceuticals considering having more or close to the net profit of Al-Madina Pharmaceuticals Limited.

PART - IX

DEBT SECURITIES

- (a) The terms and conditions of any debt securities that the issuer company may have issued or is planning to issue within next six months, including their date of redemption or conversion, conversion or redemption features and sinking fund requirements, rate of interest payable, Yield to Maturity, encumbrance of any assets of the issuer against such securities and any other rights the holders of such securities may have:**

The company has not issued or is planning to issue any debt securities within next six months.

- (b) all other material provisions giving or limiting the rights of holders of each class of debt securities outstanding or being offered, for example: subordination provisions, limitations on the declaration of dividends, restrictions on the issuance of additional debt or maintenance of asset ratios:**

The company has not been issued any debt securities.

- (c) name of the trustee(s) designated by the indenture for each class of debt securities outstanding or being offered and describe the circumstances under which the trustee must act on behalf of the debt holders:**

The company has not issued any debt securities so there is no trustee.

- (d) repayment or redemption or conversion status of such securities:**

The company has not issued any debt securities so there is no repayment or conversion status of such securities.

PART - X

PARTIES INVOLVED AND THEIR RESPONSIBILITIES

SL	Parties Involved with the Issuer		Responsibilities
(a)	Issue Manager	Prime Bank Investment Ltd.	The issue manager will manage the issue for the Qualified Investor Offer of Al-Madina securities complying the Bangladesh Securities & Exchange Commission (Qualifies Investor Offer by Small Capital Companies) Rules, 2022 including preparation and disclosures made in the prospectus and other responsibilities as mentioned in the due diligence certificate.
(b)	Underwriter(s)	1) Prime Bank Investment Ltd. 2) EC Securities Ltd.	The Underwriter is responsible to underwrite the Qualified Investor Offer on a firm- commitment basis as per requirement of Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules 2022. In case of under- subscription by up to 25% of total Qualified Investor Offer, the unsubscribed portion of securities shall be taken up by the underwriter.
(c)	Statutory Auditor	Shiraz Khan Basak & Co. Chartered Accountant	Auditor's responsibility is to express an opinion on the financial statements based on their audit. An Auditor will conduct the audit in accordance with International Standards on Auditing (ISA) is responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud and error. Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs.
(d)	Cost and Management Accountants	N/A	N/A
(e)	Valuer	Masih Muhith Haque & Co. Chartered Accountants	Valuer's responsibility is to discover the fair value of the asset (Land) of the company.
(f)	Credit Rating Company	Alpha Credit Rating Limited	Examination, preparation, finalization, and issuance of credit rating report without compromising with the matters of any conflict of interest and compliance with all the requirements, policy procedures of the rules as prescribed by the Bangladesh Securities & Exchange Commission

PART - XI

MATERIAL CONTRACTS

(a) Major agreements entered into by the issuer:

The following are material agreements have been entered into by the Company:

- 1) Issue management agreement between the company and the manager to the issue:
 - (i) Prime Bank Investment Limited
- 2) Underwriting agreement between the company and the underwriter(s):
 - (i) Prime Bank Investment Limited
 - (ii) EC Securities Limited

(b) Material parts of the agreements:

Issue Management

Agreements	Material parts of the agreement	
Issue Management Agreement With Prime Bank Investment Limited	Signing Date	21 st December, 2020
	Tenure	This Agreement shall be valid until completion of subscription of shares and unless this Agreement is extended or earlier terminated in accordance with the terms of this Agreement.
	Principals Terms and Conditions	<p>I. According to Article 1.1; That the COMPANY shall raise capital by issuing shares through the Capital Market in accordance with the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018 under Book-Building Method and shall provide the MANAGER in due course.</p> <p>II. According to Article 2.1; Pre-Issue Management Services include</p> <p>2.1.1. Issue analysis</p> <ol style="list-style-type: none">a. Fixing the QIO strategy under Fixed Price method;b. Profitability and ratio analyses. <p>2.1.2. Regulatory guidance</p> <ol style="list-style-type: none">a. Documentation and preparation of related papers;b. Dealings with regulatory authorities and the stock exchanges;c. Ensure compliance of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018, Dhaka Stock Exchange (Listing of Small Capital Companies) Regulations, 2019, Companies Act 1994, Securities and Exchange Ordinance, 1969 and other relevant rules, regulations, practices, directives, guidelines etc. or any, which may time to time introduce by Bangladesh Securities and Exchange Commission. <p>III. According to Article 2.2; Issue Management Services include</p> <p>2.1.1. Regulatory compliance (All formalities to be done under the Fixed Price Method for QIO)</p> <ol style="list-style-type: none">a. Filing of application of the QIO Issue to BSEC;b. Preparation of Draft Prospectus;c. Filing of Draft Prospectus to BSEC;d. Incorporation of modification suggested by BSEC;e. Preparation of all necessary papers and deeds, agreements, declarations, certificates for submission to BSEC for making the QIO effective.

		<p>2.1.2. Underwriting Arrangement</p> <ul style="list-style-type: none"> a. Preparation of papers for underwriting arrangement; b. Documentation/preparation of underwriting agreement etc.; c. Placing of underwriting proposals. <p>2.1.3. Issue arrangements</p> <ul style="list-style-type: none"> a. Filing of application including Draft Prospectus with all required documents to the Commission and the Exchanges with prior information to the COMPANY; b. Documentation for listing & submission. <p>2.1.4. Issue Co-ordination</p> <ul style="list-style-type: none"> a. Fund collection and deposit; b. Allotment of shares for Pre-Issue of the fund; c. Guidance on RJSC formalities; d. Guidance and coordination in Tax related issues <p>IV. According to Article 2.3, Post Issue Supervision include advise and assist for Printing of Prospectus; advise and assist for Publication of Prospectus in a national daily as prescribed by Bangladesh Securities and Exchange Commission; distribution of prospectus to DSE, CSE and BSEC; monitoring for distribution mechanism of securities; monitoring of post issue and subscription procedure and compliances after subscription.</p> <p>V. According to Article 6.1, Without prejudicing the generality of this Contract, the services of MANAGER/S are restricted to the scope of Services specified in Clause 2.</p> <p>VI. According to Article 6.2, the COMPANY shall execute and follow the QUALIFIED INVESTOR OFFER Rule, Listing Rule of the Stock Exchanges, Company Act, Bangladesh Securities and Exchange Ordinance and Act and other relevant rules, regulations and practices in co-operation with and under the advice of the MANAGER/S to materialise Public Issue.</p> <p>VII. According to Article 6.3, the COMPANY shall ensure engagement of professional officers/persons to provide papers, documents, reports etc. as per the requirement of the MANAGER/S and to deal with the MANAGER/S with professional expertise.</p> <p>VIII. According to Article 6.4, That the COMPANY shall examine to execute a sole mandate to the MANAGER/S.</p>
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Underwriting

Agreements	Material parts of the agreement	
<p data-bbox="204 1055 411 1115">Underwriting Agreement With</p> <p data-bbox="204 1149 480 1267">(A) Prime Bank Investment Limited (B) EC Securities Limited</p>	Signing Date	3 rd February, 2022
	Tenure	This Agreement shall be valid until completion of subscription of shares and unless this Agreement is extended or earlier terminated in accordance with the terms of this Agreement.
	Principals Terms and Conditions	<p data-bbox="703 495 1417 696">I. As per guideline of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2018, 50% of the total Qualified Investor Offer i.e., BDT 25,000,000/- (Two Point Five crore) shall have to be underwritten by the underwriter.</p> <p data-bbox="703 707 1417 808">II. The Underwriter shall underwrite BDT 25,000,000/- on a firm commitment basis. This commitment is irrevocable and unequivocal.</p> <p data-bbox="703 819 1417 920">III. In case of under-subscription up to 50% in the Qualified Investor Offer, the undersubscribed portion of securities shall be taken up by the underwriter.</p> <p data-bbox="703 931 1417 1133">IV. The Company shall issue Ordinary Shares from highest price to lowest price, for Qualified Investor's subscription through publishing a prospectus in accordance with the consent of the Bangladesh Securities and Exchange Commission (BSEC) and the provision of this Agreement.</p> <p data-bbox="703 1144 1417 1424">V. Prior to publication of the prospectus the Company shall have to obtain a consent from the Bangladesh Securities and Exchange Commission permitting the issue as described in Article 2.01 and providing for payment of underwriting commission not exceeding 0.20% (zero-point two zero percent) on the amount underwritten and no additional commission will be paid on the amount of shares required to be subscribed by the Underwriter.</p> <p data-bbox="703 1435 1417 2033">VI. If and to the extent that the shares offered to the public by a prospectus authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Company shall within 10 (ten) days of the closure of subscription call upon the Underwriter in writing with a copy of the said writing to the Bangladesh Securities and Exchange Commission, to subscribe or procure subscriber to subscribe the shares not so subscribed within the closing date and to pay for in cash in full, inclusive of any premium if applicable, for such unsubscribed shares within 15 (fifteen) days after being called upon to do so. The amount so received shall be credited in the share subscription account of the Company within the said period. If payment is made by Cheque/Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled its obligation towards its underwriting commitment under this</p>

		<p>Agreement, until such time as the Cheque/Bank Draft has been encased and the Company's share subscription account credited. In any case within 7 (Seven) days after the expiry of the aforesaid 15 (fifteen) days, the Company shall send proof of subscription and payment by the underwriter, to the Commission.</p> <p>VII. In the case of failure by the Underwriter to pay for the shares under the terms mentioned above, the said underwriter will not be eligible to underwrite any issue, until such time as it fulfills its underwriting commitment under this Agreement and also other penalties as may be determined by the BSEC. In the case of failure by the Underwriter to pay for the shares within the stipulated time, the Company/Issuer will be under no obligation to pay any underwriting commission under this Agreement. In case of failure by the Company to call upon the underwriter for the aforementioned purpose within the stipulated time, the Company and its directors shall individually and collectively be held responsible for the consequences and/or penalties as determined by the Bangladesh Securities and Exchange Commission under the law.</p>
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(c) Fees payable to different parties:

Commission for Underwriter(s):

Sl. No.	Name of Parties	Underwriting Commission
01	Prime Bank Investment Limited	25,000
02	EC Securities Limited	25,000
Total		50,000

Fees for Issue Manager:

Sl. No.	Name of Parties	Issue Management Fees	Fees Payable
01	Prime Bank Investment Limited	150,000	150,000/-
Total		150,000	

PART - XII

OUTSTANDING LITIGATIONS, FINE OR PENALTY

(a) The following outstanding litigations against the issuer or any of its directors and fine or penalty imposed by any authority:

(i) Litigation involving Civil Laws:

There is no such litigation filed against the company or any of its directors by any authority.

(ii) Litigation involving Criminal Laws:

There is no such litigation filed against the company or any of its directors by any authority.

(iii) Litigation involving Securities, Finance and Corporate Laws:

There is no such litigation filed against the company or any of its directors by any authority.

(iv) Litigation involving Labor Laws:

There is no such litigation filed against the company or any of its directors by any authority.

(v) Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes/duties):

No case filed against the company or any of its directors. Tax assessment has been completed under Income Tax Ordinance 1984 by appeal to Commissioner (Appeal) and Tribunal.

Accounting Year	Assessment Year	Assessment Status
2016-2017	2017-2018	Assessment Completed
2017-2018	2018-2019	Assessment Completed
2018-2019	2019-2020	Assessment Completed
2019-2020	2020-2021	Submitted Under Section 82BB
2020-2021	2021-2022	Submitted Under Section 82BB

(vi) Litigation involving any other Laws:

There is no such litigation filed against the company or any of its directors by any authority.

(b) Outstanding cases filed by the Company or any of its directors:

(i) Litigation involving Civil Laws:

There is no such litigation filed against the company or any of its directors by any authority.

(ii) Litigation involving Criminal Laws:

There is no such litigation filed against the company or any of its directors by any authority.

(iii) Litigation involving Securities, Finance and Corporate Laws:

There is no such litigation filed against the company or any of its directors by any authority.

(iv) Litigation involving Labor Laws:

There is no such litigation filed against the company or any of its directors by any authority.

(v) Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes/duties):

There is no such litigation filed against the company or any of its directors by any authority.

(vi) Litigation involving any other Laws:

There is no such litigation filed against the company or any of its directors by any authority.

DESCRIPTION OF THE ISSUE

(a) Issue Size:

BDT 50,000,000/-

(b) Number of securities to be issued:

5,000,000 ordinary shares.

(c) Authorized capital and paid-up capital:

CAPITAL STRUCTURE				
Particulars	Number of Securities	Face Value (Tk.)	Issue Price (Tk.)	Amount (Tk.)
Authorized Capital	30,000,000	10	10	300,000,000
Before QIO:				
Paid-Up Capital	15,400,000	10	10	154,000,000
After QIO:				
To be issued through QIO	5,000,000	10	10	50,000,000
Paid-Up Capital (Post QIO)	20,400,000	10	10	204,000,000

(d) Face value, premium and offer price per unit of securities:

Face Value Per Share	BDT 10.00
Premium Per Share	N/A
Offer Price Per Share	BDT 10.00

(e) Holding structure of different classes of securities before and after the issue:

SL No.	Category of Shareholders	Pre- QIO		Post- QIO	
		Ordinary Shares	Percentage	Ordinary Shares	Percentage
1	Directors & Sponsors	14,250,000	92.53%	14,250,000	69.85%
2	Individual Shareholders	1,050,000	6.82%	1,050,000	5.15%
3	Institutional Shareholder	100,000	0.65%	100,000	0.49%
4	Qualified Investor (QI)	-	-	5,000,000	24.51%
Total		15,400,000	100.00%	20,400,000	100%

(f) Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital:

Net proceeds from QIO will be used for loan re-payment, business expansion and QIO expenses.

Sl. No.	Particulars	Amount (BDT)
1	Business Expansion	30,800,000
2	Loan Repayment	16,700,000
3	QIO Expenses	2,500,000
Total		50,000,000

PART - XIV

MARKETS FOR THE SECURITIES BEING OFFERED

Stock Exchanges:

The issuer shall apply to all the relevant exchanges in Bangladesh within seven working days from the date of consent for qualified investor offer accorded by the Commission.



Dhaka Stock Exchange
9/F Motijheel C/A, Dhaka-1000



Chittagoan Stock Exchange Ltd.
CSE Building, 1080, Sk. Mujib Road Agrabad,
Chittagong, Bangladesh

Declaration about Listing of Shares with Stock Exchanges:

None of the Stock Exchanges, if for any reason, grant listing within 75 days from the closure of subscription, any allotment in terms of this prospectus shall be void and the Company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchange, or from the date of expiry of the said 75 (seventy-five) days, as the case may be.

In case of non-refund of the subscription money within the aforesaid fifteen days, the Company directors, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.

The issue manager, in addition to the issuer Company, shall ensure due compliance of the above mentioned conditions and shall submit compliance report thereon to the Commission within seven days of expiry of the aforesaid fifteen days' time period allowed for refund of the subscription money.

Trading and Settlement;

Trading and Settlement Regulation of the stock exchanges will apply in respect of trading and settlement of the shares of the Company.

THE ISSUE SHALL BE PLACED IN "N" CATEGORY

DRAFT FINANCIAL STATEMENTS

Al-Madina Pharmaceuticals Limited
Statement of Financial Position
As at 30 September 2022

<u>Particulars</u>	<u>Notes</u>	30-Sep-22 Taka	30-Jun-22 Taka
ASSETS			
Non-Current Assets			
Property Plant and Equipment	4	313,319,287	317,322,205
Right-of-Use Asset (ROU)	5	15,448,074	15,844,178
		328,767,361	333,166,382
Current Assets			
Inventories	6	25,574,423	24,411,720
Inventory In Transit	7	3,019,790	3,133,256
Trade Receivable	8	121,138,247	144,589,522
Deferred Tax Asset	9	-	-
Advance Deposit & Pre-Payments	10	26,631,498	25,345,244
Cash & Cash Equivalents	11	22,895,580	16,621,348
		199,259,538	214,101,090
TOTAL ASSETS		528,026,899	547,267,472
EQUITY AND LIABILITIES			
Equity attributable to the owners of the company			
Share Capital	12	154,000,000	154,000,000
Retained Earnings	13	47,403,688	40,433,725
Revaluation Reserve	14	138,967,050	138,967,050
		340,370,738	333,400,775
Non-Current Liabilities			
Deferred Tax Liabilities	15	3,441,444	3,404,293
Long Term Loan from Bank	16	9,238,774	9,159,007
Lease Obligation (Non-current portion)	17	5,224,912	3,978,700
		17,905,130	16,542,000
Current Liabilities & Provisions			
Lease Obligation (Current portion)	17	1,344,132	3,671,146
Short Term Loan	18	119,228,467	148,909,450
Accounts Payable	19	4,472,055	3,145,000
Liabilities for Expenses	20	21,858,789	21,754,562
Provision for income tax	21	22,847,588	19,844,539
		169,751,031	197,324,698
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		528,026,899	547,267,472
Net Asset Value Per Share (NAVPS) with revaluation	30	22.10	21.65
Net Asset Value Per Share (NAVPS) without revaluation	31	13.08	12.63

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

Company Secretary

Managing Director

Chairman

Al-Madina Pharmaceuticals Limited
Statement of Profit or Loss and Other Comprehensive Income
For the period from 1st July 2022 to 30 September 2022

<u>Particulars</u>	<u>Notes</u>	July 01,2022 to Sept 30,2022 Taka	July 01,2021 to Sept 30,2021 Taka
Sales Revenue	22	161,256,617	172,589,126
Cost of Goods Sold	23	(95,197,041)	(108,801,735)
Gross Profit		66,059,576	63,787,391
Operating Expenses:		(52,984,830)	(44,252,436)
Administrative & General Expenses	24	(8,845,120)	(9,213,216)
Marketing, Selling & Distribution Expenses	25	(44,139,710)	(35,039,220)
Operating Profit		13,074,746	19,534,955
Non-Operating Expenses:		(2,564,075)	(2,171,304)
Financial Expenses	26	(2,564,075)	(2,171,304)
Profit / (Loss) before WPPF		10,510,671	17,363,651
Workers' Profits Participation Funds (WPPF)		(500,508)	(826,841)
Profit / (Loss) before Tax		10,010,163	16,536,810
Income Tax Expenses:		(3,040,199)	(5,047,512)
Current tax	27.01	(3,003,049)	(4,961,043)
Deferred tax Income/(Expense)	27.02	(37,151)	(86,469)
Net profit after tax		6,969,963	11,489,299
Other Comprehensive Income		-	-
Total Comprehensive Income		6,969,963	11,489,299
Earnings Per Share (EPS)	28	0.45	0.80

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

Company Secretary

Managing Director

Chairman

Al-Madina Pharmaceuticals Limited
Statement of Changes in Shareholder's Equity
For the period ended 30 September 2022

<u>Particulars</u>	<u>Share Capital</u> <u>Taka</u>	<u>Retained Earnings</u> <u>Taka</u>	<u>Revaluation Reserve</u> <u>Taka</u>	<u>Total</u> <u>Taka</u>
Balance as at 1st July, 2022	154,000,000	40,433,725	138,967,050	333,400,775
Issuance of Share during the period	-	-	-	-
Net Profit /(Loss) for the period	-	6,969,963	-	6,969,963
Balance As at 30 September, 2022	<u>154,000,000</u>	<u>47,403,688</u>	<u>138,967,050</u>	<u>340,370,738</u>

Al-Madina Pharmaceuticals Limited
Statement of Changes in Shareholder's Equity
For the period ended 30 June 2022

<u>Particulars</u>	<u>Share Capital</u> <u>Taka</u>	<u>Retained Earnings</u> <u>Taka</u>	<u>Revaluation Reserve</u> <u>Taka</u>	<u>Total</u> <u>Taka</u>
Balance as at 1st July, 2021	128,000,000	20,695,185	138,967,050	287,662,235
Addition During the year	26,000,000	-	-	26,000,000
Net Profit /(Loss) for the period	-	19,738,540	-	19,738,540
Balance As at 30 June 2022	<u>154,000,000</u>	<u>40,433,725</u>	<u>138,967,050</u>	<u>333,400,775</u>

"Signed in terms of our report of even date annexed."

Company Secretary

Managing Director

Chairman

Al-Madina Pharmaceuticals Limited
Statement of Cash Flows
For the period ended 30 September 2022

<u>Particulars</u>		30-Sep-22 <u>Taka</u>	30-Sep-21 <u>Taka</u>
A. Cash flows from Operating Activities:			
Cash receipts from customers		184,707,892	171,756,105
Cash paid to suppliers		(74,487,569)	(96,567,480)
Cash paid for salary, wages and other expenses		(72,367,568)	(64,042,462)
Net cash generated from Operating Activities	33	37,852,755	11,146,163
B. Cash flows From Investing Activities:			
Purchase of property, plant and equipment		(896,505)	(14,590,000)
Paid for Building Construction work in progress		-	
Net cash flows from/ (used in) Investing Activities		(896,505)	(14,590,000)
C. Cash flows From Financing Activities:			
Net receipt/(payment) of long-term loan		79,767	(2,611,479)
Receipt from Share capital			26,000,000
Lease Payment		(1,080,802)	(1,417,478)
Net receipt /(payment) of short-term loan		(29,680,983)	(14,837,894)
Net cash flows from Financing Activities		(30,682,018)	7,133,149
D. Increase/(Decrease) in cash and cash equivalents (A+B+C)		6,274,232	3,689,312
E. Cash and cash equivalents at the beginning period		16,621,348	11,997,710
F. Cash and cash equivalents at the end of the period (D+E)	11	22,895,580	15,687,022
Net Operating Cash Flows Per Share (NOCFPS)	32	2.46	0.77

Company Secretary

Managing Director

Chairman

"Signed in terms of our report of even date annexed."

Al-Madina Pharmaceuticals Limited
Notes to the Financial Statements
For the period ended 30 September 2022

1.00 Reporting entity

1.01 About the company

Al-Madina Pharmaceuticals Limited is a private limited company duly incorporated in Bangladesh on 27 July, 2006 under Companies Act 1994, vide Certificate of Incorporation No. 2187, and its commercial operations commenced on 21 October, 2007.

The address of the company are as follows:

Registered and Factory Office: 1/1, Tilargati, Kakil, Tongi-1711, Gazipur.

Corporate Head Office: 178-179, Farmgate, Tejturi Bazar Road, Road-23, Ward-39, Tejgaon, Dhaka, Bangladesh.

1.02 Nature of the business

The Company is engaged in the manufacturing, buying, selling, refinement, import, export or otherwise of pharmaceutical, medical and medicinal products, and preparations, patent drugs and proprietary articles of all kinds, whether basic or derived and in all forms. Al-Madina Pharmaceuticals Limited started its journey for veterinary drugs in 2006 and human drugs in 2019. At present, it is manufacturing 150 plus products of veterinary drugs such as antibacterial drugs, nutritional products, poultry vaccines, aqua products, daily injectable products etc. and 70 plus important products of human drugs such as anti-bacterial drugs, anti-fungal drugs, gastro-intestinal drugs, analgesic & anti-inflammatory drugs, vitamins-minerals or supplements, drugs acting on urogenital system and drugs acting on respiratory system etc.

2.00 Basis of preparation of Financial Statements

2.01 Basis of measurement

The financial statements have been prepared following on a going concern basis under the historical cost convention as modified to include revaluation of certain land properties. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous years.

2.02 Statement of compliance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1994, Securities and Exchange Rules, 2022 and other relevant local laws as applicable and in accordance with the International Financial Reporting Standard (IFRS) and International Accounting Standards (IAS).

2.03 Presentation of Financial Statements:

The presentation of these financial statements are in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements.

The financial statements comprise of:

- (a) a Statement of Financial Position as at 30 September 2022
- (b) a Statement of Profit or Loss and other Comprehensive Income for the period from 1st July 2022 to 30 September 2022
- (c) a Statement of Changes in Shareholder's Equity for the period ended 30 September 2022
- (d) a Statement of Cash Flows for the period ended 30 September 2022 and
- (e) a Statement of Notes, comprising a summary of significant accounting policies and explanatory information.

2.04 Reporting Period

The financial period of the Company management accounts covers three months from 1st July 2022 to 30 September 2022.

2.05 Functional and Presentation Currency

The financial statements are prepared and presented in Bangladesh Taka (Taka/BDT), which is the Company's functional currency.

2.06 Use of Estimates and Judgments

The preparation of financial statements in conformity with IFRSs and IASs require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, the key areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, inventory valuation, accrued expenses and other payable.

2.07 Business Risk

In compliance with IFRS 7: Financial Statement has been prepared considering credit risk, liquidity risk and market risk.

Credit Risk: The Company has maintained credit policy for giving any credit. The Company is taking blank cheque from MIO and party as security during credit sales. Hence, credit risk is few in amount.

Liquidity Risk: Liquidity risk cerates from financial contracts. The sales team of the Company is always committed to collecting sales money in accordance with the plan. So, the liquidity risk of the company is minimum.

Market Risk: Market risk depends on supply of raw material, political stability, environmental stability etc. The Company has proper plan to avoid market risk.

2.08 Going Concern

These financial statements have been prepared on going concern basis. The company has adequate resources to continue its operation for the foreseeable future. For this reason, the directors continue to adopt going concern basis in preparing the financial statements. The current resources and credit facilities of the company are sufficient to meet the present requirement of its existing business.

2.09 Statement of cash flows

Statement of cash flows has been prepared in accordance with IAS 7: "Statement of cash flows" under direct method. A reconciliation of Net Operating Cash Flow from operating activities under the indirect method has also been prepared.

2.10 Segmental Reporting

The Company Considers the operation on an aggregate basis and manages the operations as a single operating segment. Hence, it is left that such segment reporting is not required to be disclosed

3.00 Significant Accounting Policies

The accounting principles and policies in respect of material items of financial statements set out below have been applied consistently to all periods presented in these financial statements.

3.01 Revenue Recognition

In compliance with the requirements of IFRS 15: "Revenue", revenue receipts from customers against sales are recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

3.02 Property, Plant and Equipment

(a) Recognition and Measurement

This has been stated at cost or revalued amount less accumulated depreciation in compliance with the requirements of IAS 16: "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

(b) Maintenance Activities

The Company incurs maintenance costs for all its major items of property, plant and equipment. Repair and maintenance costs are charged as expenses when incurred.

(c) Depreciation

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS 16: "Property, Plant and Equipment". Depreciation has been charged on reducing balance basis.

Category of Fixed Assets for Depreciation	Depreciation Rate
Land and land development	-
Factory building	5.00%
Machinery	15.00%
Generator	15.00%
Air conditioner	15.00%
Water pump	15.00%
Gas line cost	15.00%
Furniture & fixture	20.00%
Office decoration	15.00%
Television	15.00%
Fridge	15.00%
Electric fittings	15.00%
Motor cycle	15.00%
Computer	20.00%
Computer printer	15.00%
Photocopy machine	10.00%
Right-of-use - Motor Bike	10.00%
Right-of-use -Coverd Van	10.00%

3.03 Significant changes in Accounting Policy IFRS 16: Lease

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payment. There are recognition exemptions for short term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating lease.

3.04 Inventories

Inventories are carried at the lower of cost and net realizable value as prescribed by IAS 2: "Inventories". Cost is determined on weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

3.05 Trade Receivable

Trade receivables are created at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollected it is written off, firstly against any provision available and then shown in the profit and loss account. Subsequent recoveries of amounts previously provided for are credited to the profit and loss account. The management consider the bills receivable for the current period as good and collectible.

3.06 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and with banks on current and deposit accounts, which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.07 Income Taxes:

Current Tax

Provision for income tax has been made as per requirement of Income Tax Act and Rules.

Deferred Tax

Deferred income tax is provided for all temporary timing differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements in accordance with the provisions of IAS 12: "Income Taxes". The tax rate prevailing at the balance sheet date is used to determine deferred income tax.

3.08 Status of Income Tax Assessment

The status of income tax assessment shown in details as under:

Income year	Assessment Year	Assessment completed under ITO 1984
2016-2017	2017-2018	Assessment completed
2017-2018	2018-2019	Tribunal order 30.09.2021 but order U/S 159 not yet completed
2018-2019	2019-2020	Tribunal order 30.09.2021 but order U/S 159 not yet completed
2019-2020	2020-2021	Submitted under Section 82BB
2020-2021	2021-2022	Submitted under Section 82BB

3.09 VAT (Value Added Tax):

The Company submitted the required return as per Value Added Tax and Supplementary Duty Act 2012. There was no balance in the current book (Mushok- 9.1) as on 30 Sept.2022.

3.10 Employees Benefit Plans

Workers Profit Participation Fund and Welfare Fund

The Company makes a regular allocation of 5% on net profit before tax to this fund as per provisions of the Bangladesh Labour Law 2006 amendment upto 2013.

3.11 Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

3.12 Interest Income and Borrowing Cost

Interest income is recognized on accrual basis. Borrowing costs are recognized as expenses in the period in which they are incurred unless capitalization of such is allowed under IAS 23: "Borrowing Costs".

3.13 Events after the reporting period

Since the reporting date there have been no material events affecting the financial statements that require disclosure or adjustment.

3.14 Earnings Per Share (EPS)

This has been calculated in compliance with the requirements of IAS 33: "Earnings Per Share" by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period.

3.15 Capital commitment

There is no capital commitment at statement of financial position date.

- 3.16** The following IAS/IFRS are applicable for the preparation of financial statements for the period under review:

Name of the IAS	IAS No	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Consolidated and Separate Financial Statements	27	N/A
Investment in Associates and Joint Ventures	28	Applied
Interest in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provision, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	N/A
Financial Instruments: Recognition and Measurement	39	N/A
Investment Property	40	N/A
Agriculture	41	N/A
Name of the IFRS	IFRS No	Status
First Time Adaption of IFRS	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosure	7	N/A
Operating Segments	8	Applied
Financial Instruments	9	N/A
Consolidated Financial Statements	10	N/A
Joint Arrangements	11	N/A
Disclosure of Interest in other Entities	12	N/A
Fair Value Measurement	13	Applied
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Applied
Leases	16	Applied
Insurance Contracts	17	N/A

3.17 General

- -
- -

Previous year's figures and account titles in the financial statements have been rearranged and reclassified, wherever necessary, for the purpose of comparison, without creating any impact on the profit and value of assets and liabilities as reported in the financial statements for the current and preceding year.

Al-Madina Pharmaceuticals Limited
Notes to the financial statement
For the period ended 30 September 2022

	30-Sep-22	30-Jun-22
	<u>Taka</u>	<u>Taka</u>
4.00 Property, Plant And Equipment		
A Cost:		
Opening Balance	395,388,742	370,872,032
Add: Addition during the period	896,505	24,516,710
Add: Revaluation of Land	-	-
Closing Balance	<u>396,285,247</u>	<u>395,388,742</u>
B Accumulated Depreciation		
Opening Balance	78,066,537	55,424,962
Add: Depreciation charged during the period	4,899,424	22,641,575
	<u>82,965,961</u>	<u>78,066,537</u>
Closing Balance	<u>82,965,961</u>	<u>78,066,537</u>
C Written Down Value (A-B)	<u>313,319,287</u>	<u>317,322,205</u>
Property, Plant And Equipment is given in details in Schedule -1		
5.00 Right-of-Use Asset (ROU)		
A Cost		
Opening Balance	20,750,242	15,728,000
Add: Additions made during the period	-	5,022,242
Closing Balance	<u>20,750,242</u>	<u>20,750,242</u>
B Accumulated Depreciation		
Opening Balance	4,906,064	3,145,600
Add: Depreciation Charged during the period	396,104	1,760,464
Closing Balance	<u>5,302,168</u>	<u>4,906,064</u>
C Written Down Value (A-B)	<u>15,448,074</u>	<u>15,844,178</u>
Right-of-Use Asset is given in details in Schedule -1		
6.00 Inventories		
Raw Material	8,681,452	8,015,420
Packing Materials	1,910,521	2,145,100
Finished Goods	14,982,450	14,251,200
Total	<u>25,574,423</u>	<u>24,411,720</u>
7.00 Inventory In Transit		
Raw Material (Import)	3,019,790	3,133,256
Total	<u>3,019,790</u>	<u>3,133,256</u>
8.00 Trade Receivable		
Trade receivables	121,138,247	145,281,543
Less: Bad Debts	-	692,021
Total	<u>121,138,247</u>	<u>144,589,522</u>
8.01 Ageing of the Trade Receivables is as follows:		
Receivable due up to one month	65,520,150	76,822,387
Receivable due above (1) one month up to (3) three months	24,561,200	32,045,806
Receivable due above (3) three month up to (6) six months	19,545,120	21,656,838
Receivable due above (6) six months up to (1) one year	5,514,260	8,139,859
Receivable due above (1) one year upto (2) two year	5,997,517	5,924,632
Total	<u>121,138,247</u>	<u>144,589,522</u>
	30-Sep-22	30-Jun-22
	<u>Taka</u>	<u>Taka</u>
9.00 Deferred Tax Asset		
Opening Balance	-	3,742,186
Addition during the period	-	-
Less Adjustment	-	3,742,186

	Balance as on 30 Sept 2022		-	-
10.00	Advance Deposits & Prepayments			
	Advance against Office Rent (Head Office)		-	-
	Security Deposit (DESCO)		42,000	42,000
	Security Deposit (Gas Line)		237,300	237,300
	Security Deposit (Brac Poultry)		105,700	105,700
	Advance income tax	10.01	25,502,348	23,993,596
	Export AIT		-	-
	Salary and others		744,150	966,648
	C & F party Advance		-	-
	Total		26,631,498	25,345,244
10.01	Advance Income Tax			
	Opening Balance		23,993,596	17,779,255
	Addition during the period		1,508,752	6,214,341
	Less: Adjustment during the period		-	-
	Balance as at 30 Sept 2021		25,502,348	23,993,596
11.00	Cash & Cash Equivalents			
	Cash in Hand	11.01	19,850,655	14,958,415
	Cash at Bank	11.02	3,044,925	1,662,933
	Total		22,895,580	16,621,348
11.01	Cash in Hand			
	Cash in Head Office		19,286,535	14,410,397
	Cash in Factory		564,120	548,018
	Total		19,850,655	14,958,415
	***During the year the company made Total To..... Dr Transaction and Tk..... Cr transaction in Cash above the ceiling of tk. 50,000.00 per transaction allowed under the relevant section of income tax ordinance 1984. The happened due to emergency cash purchase to meet urgent purchase for the factory and offices to ensure business continuity specially during the pandemic. We shall endeavor to minimize such transaction as much as predictable in the next year.			
11.02	Cash at Bank			
	Islami Bank Ltd., CA No.-280815		605,488	375,974
	Shahjalal Islami Bank Ltd. CA No. 00751		265,194	265,194
	Pubali Bank Ltd. A/C No-28873		497,640	426,565
	Pubali Bank Ltd. A/C No-8118		48,294	7,738
	IFIC Bank Ltd.A/C No-8041		156,445	205,854
	Al Arafah Islami Bank Ltd.A/C No-8113		854,384	70,147
	Dutch Bangla Bank Ltd A/C No-124169		130,179	275,710
	Dutch Bangla Bank Ltd A/C No-1027		487,301	35,751
	Total		3,044,925	1,662,933
12.00	Share Capital			
12.01	Authorized:			
	30,000,000 Ordinary Shares of Taka 10/- each		300,000,000	300,000,000
12.02	Issued, Subscribed & Paid up Capital:			
	The face value per share of the company has been converted from BDT 100 to BDT 10 during the period from 2020-2021 to 30 sept. 2021 and was approved in the Extra -Ordinary General meeting at the registered office of the Company at 178-179, Two star tower, East tejturi Bazar, Farmgate, Dhaka.			

(a) By Cash:

69,00,000 Ordinary Shares of Taka 10/- each fully paid-up in cash

69,000,000

69,000,000

(b) Other than Cash:

85,00,000 Ordinary Shares of Taka 10/- each fully paid-up for consideration other than cash

85,000,000

85,000,000

154,000,000**154,000,000****30-Sep-22
Taka****30-Jun-22
Taka****Issued, Subscribed and Paid-up**

Name of shareholder	30 Sept.2022			30 June.2022		
	Number of share	% of Share	Taka	Number of share	% of Share	Taka
Mr. Mohammad Zakir Hossain Patwary	6,412,500	41.64%	64,125,000	6,412,500	41.64%	64,125,000
Mr. Billal Hossain	4,275,000	27.76%	42,750,000	4,275,000	27.76%	42,750,000
Mr. Md. Kamrul Alam	3,562,500	23.13%	35,625,000	3,562,500	23.13%	35,625,000
Rowshan Ara Mukta	270,000	1.75%	2,700,000	270,000	1.75%	2,700,000
Hosne Ara	225,000	1.46%	2,250,000	225,000	1.46%	2,250,000
Sahela Nahid	187,500	1.22%	1,875,000	187,500	1.22%	1,875,000
Saiful Islam Khan	67,500	0.44%	675,000	67,500	0.44%	675,000
Sweet Agrovet Ltd	100,000	0.65%	1,000,000	100,000	0.65%	1,000,000
Md. Sazzad Hossain	50,000	0.32%	500,000	50,000	0.32%	500,000
Md. Mahbub Ul Haq	50,000	0.32%	500,000	50,000	0.32%	500,000
Farjana Islam	200,000	1.30%	2,000,000	200,000	1.30%	2,000,000
Total	15,400,000	100%	154,000,000	15,400,000	100%	154,000,000

13.00 Retained Earnings

Opening Balance

40,433,725

20,695,185

Net Profit/(Loss) for the period

6,969,963

19,738,540

Closing Balance**47,403,688****40,433,725****14.00 Revaluation Reserve**

Opening Balance

138,967,050**138,967,050.00**

Revaluation Reserve

-

-

Less: Deferred tax liabilities on revaluation reserve

-

-

138,967,050**138,967,050****15.00 Deferred Tax Liabilities**

Opening Balance

3,404,293

4,297,950.00

Less Adjustment

3,742,186.00

During the year increase/decrease

37150.6175

2,848,529.00

Tax rate, as per section 53H of the Income Tax Ordinance 1984 read with Rule 17II

3,441,444**3,404,293****16.00 Long Term Loan**

Shahjalal Islami Bank Ltd

9,238,774

9,159,007

9,238,774**9,159,007****17.00 Lease Obligation**

Covered Van -Ifad Autos Ltd

17.01

1,481,072

2,169,824

Motor Bike-Shahjalal Islami Bank Ltd

17.02

5,087,972

5,480,022

6,569,044**7,649,846****17.01 Covered Van -Ifad Autos Ltd**

Opening Balance

2,169,824.00**4,959,613.00**

Addition during the year

-

2,800,000.00

	Less Payment during the year	688,752.00	5,589,789.00
		<u>1,481,072.00</u>	<u>2,169,824.00</u>
17.02	Motor Bike Shahjalal Islami Bank Ltd:		
	Opening Balance	5,480,022.00	5,055,218.00
	Addition during the year	-	2,222,242.00
	Less Payment during the year	392,050.00	1,797,438.00
		<u>5,087,972.00</u>	<u>5,480,022.00</u>
	Lease Obligation		
	Non-Current Portion	5,224,912	3,978,700
	Current Portion	1,344,132	3,671,146
		<u>6,569,044</u>	<u>7,649,846</u>
		30-Sep-22	30-Jun-22
18.00	Short Term Loan		
	Al-Arafah Islami Bank Ltd (Bai-Muazzal-Gen.)	5,456,250	5,456,250
	Al-Arafah Islami Bank Ltd (MPI-TR)	17,588,053	22,031,219
	Shahjalal Islami Bank Ltd. (MPI-TR)	45,595,230	44,666,298
	Shahjalal Islami Bank Ltd. (Bai Muazzal)	50,588,934	76,755,683
		<u>119,228,467</u>	<u>148,909,450</u>
19.00	Accounts Payable		
	Accounts Payable	4,472,055	3,145,000
20.00	Liabilities for Expenses		
	Audit Fees	-	172,500
	Salary & Wages	19,010,520	19,158,930
	Electric Bill (Factory)	734,399	809,770
	WPPF Payable	2,113,870	1,613,362
	Directors Remuneration	-	-
		<u>21,858,789</u>	<u>21,754,562</u>
20.01	WPPF Payable		
	Opening Balance	1,613,362	2,162,214
	Addition during the period	500,508	1,613,362
	Less Payment during the year	-	2,162,214
	Closing Balance	<u>2,113,870</u>	<u>1,613,362</u>
21.00	Provision for Income Tax		
	Opening Balance	19,844,539	10,164,367
	Provision during this period	3,003,049	9,680,172
	Less: Adjustment during the period	-	-
		<u>22,847,588</u>	<u>19,844,539</u>

	Donation/Gift		55,000	60,500
	Conveyance Allowance		337,450	385,381
	Bank charge		17,452	30,000
	GAS Bill		18,247	15,120
	Fuel		4,125	5,500
	Product development Expenses		21,456	124,901
	Water bill		27,434	25,412
	Postage		11,451	9,770
	Internet Bill		15,263	18,900
	Newspaper & periodicals		2,050	1,800
	Uniform		4,120	5,120
	Medical Expenses		20,100	22,150
	Misc. Expense		2,620	2,100
	Maintenance		38,469	38,125
	Depreciation Expenses		1,059,106	1,205,442
	Telephone		7,100	1,038
	Mobile bill		45,600	48,500
	Labour Bill		7,100	2,500
	Food Allowance		161,750	244,335
	Attendance fee of Board Meeting		6,000	6,000
	Director Remuneration		975,000	975,000
			8,845,120	9,213,216
25.00	Marketing, Selling and Distribution Expenses			
	Salary & Allowance		38,575,518	28,421,906
	Depot Rent		93,100	93,010
	Stationery		232,100	328,802
	Entertainment		98,745	112,497
	Electricity bill		47,562	30,765
	Donation		41,250	3,500
	Conveyance Allowance		1,845,120	2,241,521
	Bank charges		31,456	21,008
	GAS Bill		40,135	19,219
	Fuel		836,100	571,455
	Product development Expenses		4,120	46,251
	Water bill		5,630	3,326
	Postage		22,150	4,510
	Internet Bill		37,120	22,760
	Newspaper & periodicals		3,000	8,620
	Free sample		526,451	907,972
	Uniform		19,451	-
	Medical Expenses		61,200	3,640
	Miscellaneous Expenses		9,102	4,120
	Maintenance		47,512	42,800
	Business Promotional Expenses		145,261	535,410
	Mobile bill		107,125	123,200
	Loading /Unloading Expenses		219,450	70,450
	License renewal		10,250	5,000
	Lease Rent		1,080,802	1,417,478
			44,139,710	35,039,220
26.00	Financial Expenses			
	Interest Expenses		2,564,075	2,171,304
			2,564,075	2,171,304
			July 01,2022	July 01,2021
			to Sept	to Sept
			30,2022	30,2021
			Taka	Taka
27.00	Income Tax for the period			
	Current Tax	27.01	3,003,049	4,961,043
	Deferred Tax income	27.02	37,151	86,469
			3,040,199	5,047,512
27.01	Current Tax Calculation			
	Profit before Tax		10,010,163	16,536,810
	Tax Rate 30%		30%	30%
	Current Tax		3,003,049	4,961,043

34.00 **Information as per Companies Act, 1994**

34.01 **Payments information of Directors by the company during the period as per requirement of schedule XI, part 2, para 4 :**

Sl. No.	Particulars
a	Managerial remuneration paid or payable during the period to the directors, a managing agent or manager.
b	Expenses reimbursed to the managing agent.
c	Commission or other remuneration payable separately to managing agent or his associate.
d	Commission or other remuneration payable separately to managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.
e	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the managing agent or his associate during the financial year.
f	Any other perquisites or benefits in cash or in kind.
g	Other allowances and commission including guarantee commission.
h	Pensions etc.

34.02 **Related Party Transaction**

During the period under audit, the company carried a number of transactions with related parties in the normal course of business and on arms-length basis in accordance with the provisions of Para 17 of IAS 24 "Related Party Disclosure":

(a) Short-term employee benefits:

Name	Designation	Monthly Remuneration	Total Remuneration
Billal Hossain	Chairman	100,000	300,000
Mohammad Zakir Hossain Patwary	Managing Director	150,000	450,000
Kamrul Alam	Director	75,000	225,000
Total		325,000	975,000

- (b) post-employment benefits Nil
- (c) other long-term benefits Nil
- (d) termination benefits Nil
- (e) share-based payment benefits Nil

34.03 **Attendance Status of Board Meeting of Directors**

During the period from 1.07.2022 to 30.09.2022 , there were 01(One) Board Meetings held. The attendance status of the meetings are as follows:

Name of Directors	Position	Number of Meetings Held	Number of Meetings Attended	Total Fees
Billal Hossain	Chairman	1	1	2,000
Mohammad Zakir Hossain Patwary	Managing Director	1	1	2,000
Md. Kamrul Alam	Director	1	1	2,000

Al-Madina Pharmaceuticals Limited
Property, Plant and Equipment's Schedule
For the period ended 30 September 2022

Schedule-1

SL No	Particulars	Cost					DISPOSAL/ DEPRECIATION					Written Down Value
		As at 1st July, 2022	Addition	Revaluation Reserve	Disposal	As at 30 Sep-22	Rate	As at 1st July, 2022	Change For the period	Disposal	As at 30 Sep-22	As at 30 Sep-22
1	Land and land development	157,082,103			-	157,082,103		-	-	-	-	157,082,103
2	Factory building	60,780,248			-	60,780,248	5.0%	13,902,460	585,972	-	14,488,432	46,291,816
3	Machinery	167,354,378	896,505		-	168,250,883	15.0%	57,075,053	4,169,094	-	61,244,147	107,006,736
4	Generator	662,548	-		-	662,548	15.0%	601,036	2,307	-	603,343	59,205
5	Air conditioner	1,391,713	-		-	1,391,713	15.0%	1,262,503	4,845	-	1,267,348	124,365
6	Water pump	46,459	-		-	46,459	15.0%	41,834	173	-	42,007	4,452
7	Gas line cost	1,136,507	-		-	1,136,507	15.0%	1,030,991	3,957	-	1,034,948	101,559
8	Furniture & fixture	2,472,881	-		-	2,472,881	20.0%	998,593	73,714	-	1,072,307	1,400,574
9	Office decoration	651,131			-	651,131	15.0%	489,586	6,058	-	495,644	155,487
10	Television	9,835	-		-	9,835	15.0%	8,922	34	-	8,956	879
11	Fridge	22,257	-		-	22,257	15.0%	20,191	77	-	20,268	1,989
12	Electric fittings	1,401,722			-	1,401,722	15.0%	1,218,562	6,869	-	1,225,431	176,292
13	Motor cycle	1,023,500			-	1,023,500	15.0%	918,316	3,944	-	922,260	101,240
14	Computer	1,278,710	-		-	1,278,710	20.0%	439,202	41,975	-	481,177	797,533
15	Computer printer	13,000	-		-	13,000	15.0%	11,664	50	-	11,714	1,286
16	Photocopy machine	61,750	-		-	61,750	10.0%	47,624	353	-	47,977	13,773
	Total	395,388,742	896,505		-	396,285,247		78,066,537	4,899,424	-	82,965,961	313,319,287
17	Right-of-use -Covered Van	13,328,000				13,328,000	10.0%	3,227,840	252,504		3,480,344	9,847,656
18	Right-of-use -Motor Bike	7,422,242			-	7,422,242	10.0%	1,678,224	143,600	-	1,821,824	5,600,418
	AS on 30 Sept.2022	416,138,984	896,505		-	417,035,489		82,972,601	5,295,528	-	84,787,785	328,767,361
	AS on 30 June.2022	73,735,494	169,599,538	143,265,000	-	386,600,032		33,515,960	25,054,602	-	58,570,562	328,029,470

Depreciation Charged to :

Factory Overhead	80%	4,236,423
Administrative & General Expenses	20%	1,059,106
Total Taka:	100%	5,295,528

PART - XVI

APPLICATION PROCEDURE

The QIO subscription money will be collected from qualified investors by the exchange and will be remitted to **Account No. 403013100000113 (CD A/C)** before starting trading of the securities in favor of Al-Madina Pharmaceuticals Limited Limited **with Shahjalal Islami Bank Limited, Tejgaon Branch**, Bangladesh for this purpose.

The QIO subscription money collected from nonresident Bangladeshi applicants in US Dollar or UK Pound Sterling or EURO shall be deposited to three FC accounts opened by the Company for QIO purpose are as follows:

S.L	Name of the A/C	Bank Account No.	Type of A/C	Currency	Bank & Branch
1.	Al-Madina Pharmaceuticals Limited	799917100000036	FC A/C	USD	Shahjalal Islami Bank Limited, Tejgaon Branch
2.		799917200000002		EURO	
3.		799917300000005		GBP	

In addition, qualified investors should follow the conditions imposed by the commission mentioned in **PART (II)** of the prospectus.