

Bismillahir Rahmanir Rahim

|| The quality policy of Delta Pharma Limited is to prevent, mitigate and cure the human illness with quality pharmaceutical products at an affordable cost. ||



TRANSMITTAL LETTER

The
-The Shareholders,
-Registrar of Joint Stock Companies & Firms

Subject: Annual Report for the year ended 30 June 2022.

Dear Sir,

We are pleased to enclose a copy of the Annual Report together with the Directors' Report and Audited Financial Statements including Statement of Financial Position as on 30 June 2022, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flow for the year ended 30 June 2022 along with notes thereon for your record/necessary measures.

Yours sincerely



Mahnaj Azad
Company Secretary

Dated: 04 December, 2022

ABOUT THIS REPORT

Continuing Our Reporting Journey

Delta Pharma Limited (DPL) is aiming to be the leading pharma company in this country with ethics of transparency, ethics of commitment, ethics of trust, ethics of quality and all other ethical business standards. We continuously strive to improve our role to ensure that it is aligned with good practice of our pharma industry, economic goal of the country and that it gives our stakeholders a clear, and accurate picture of who we are. We also implement initiatives that drive greater disclosure quality and transparency in our marketplace.

Scope and Boundaries

Our Annual Report (AR) contains the trade-offs that we make between the resources we use in our value creation activities as well as the types and quantum of value that we create for our stakeholders. This AR also highlights the links between our past, present, future and global footprint initiatives to give our stakeholders a clear view of our operational, financial and non-financial performance, risks and prospects going forward.

This report provides insight into our strategy as well as our performance and outcomes from our value creation process. It also provides a view of performance of our pharma industry as well as DPL.

This report covers the period beginning July 1, 2021 to June 30, 2022 unless otherwise stated. Besides, some important information and events after June 30, 2022 have been incorporated in this report.

Reporting Principles and Framework

Our AR complies with the Companies Act, 1994, Income Tax Ordinance, 1984, Memorandum and Articles of Association of the Company, International Financial Reporting Standards (IFRS), International Accounting Standards, Labour Law-2006, our own set polices and other applicable Acts and practices. As a pharmaceutical company, our company has been governed by the Rules, regulations, policies and guidelines of cGMP, Directorate General of Drug Administration (DGDA), The Department of Narcotics Control, The Department of Environment and other regulatory authorities. This is the first time our AR is prepared in accordance with the Global Reporting Initiative (GRI) Standards.

Forward-Looking Statement and Disclaimer

This AR contains forward-looking statements that are subject to risks and uncertainties that could cause some variance between actual results and expectations. These statements should not be construed as guarantees or predictions of DPL's future performance. Readers of this AR are advised not to place undue reliance on them.

Board of Directors' (Board) Approval

The Board has applied its collective mind to present DPL's AR, as guided by the framework applicable to this report. The Board acknowledges its responsibility in ensuring the integrity of this AR, through good governance practices and approved in it's 114th. Board meeting held on 29 November, 2022.



Mrs. Ferdousi Akhter
Chairman



Dr. Md. Zakir Hossain
Managing Director

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SECTION I: GENERAL INFORMATION

ABOUT THE COMPANY

Delta Pharma Limited has been built brick by brick on the foundation motto of Better Care... Better Cure. We are driven by this purpose – a purpose that is 17 years young and it lies at the center of all our thoughts and plans, driving our actions. In being purpose inspired, we look at actions and solutions that are sustainable and lead to 'Quality Product @ affordable Price'. This humanitarian approach for healthcare makes us a partner of choice of all our national and global stakeholders.

Basically, Delta Pharma Limited has started its journey in 1964 in a remote area of Rangpur district. The present management has started the establishment of new plant in 2000 at Pakundia Upazilla of Kishorgonj district of Bangladesh. The company was formally relaunched on November 21, 2004 with its goal (Better Care... Better Cure...). From December 2007, the company was converted to a public limited company and is involved in providing the quality medicine at an affordable price for the ailing population of Bangladesh and globally.

A smiling face with a satisfied life is the most precious gift from the Almighty for a person. A sound health is one of the major components for that smile. Delta Pharma always concern to bring back the smile of ailing people by healing its quality medicine at an affordable price. We have tried to support the community for leading a healthy life by formulating, developing, commercializing and delivering affordable and accessible medicines that satisfy urgent medical needs.

From the beginning, Delta Pharma Limited thrived for something new and innovative. So, Delta Pharma Limited started its business operation in the pharma market of Bangladesh in 2005 through the launching of "Methotrax"- a "First time in Bangladesh" product in presence of a group of reputed doctors and some other professionals of the nation. Doctor-Patients-Medicine is the integrated part of pharma business. Delta Pharma takes the pride to tie these three components successfully as the majority shareholders are the renowned physicians of Bangladesh. Physicians first concern is their patients benefit. As they know the quality and price affordability of our product, they prescribe our medicines with confidence. They are one of the most important part of enhancing our company brand image by taking our medicine personal and family member use and by prescribing our quality products to the patients. We also valued their continued advice and support.

Delta Pharma always invest in manpower development of top to bottom as we believe a well-trained, motivated team plays an important role of business success. So, we develop a strong line-up of technical and business professionals in our company. They do the right thing, the right way – even if no one's watching. They place their integrity at the core of all their endeavors and take pride in the trust our stakeholders place in us and the trust we place in them. We believe that they will bring this company at the apex position of the pharma sector through its sustainable and continuous growth and development. Our innovation-driven mindset constantly encourages us to push the envelope and come up with breakthrough innovations in healthcare product that make a difference in the lives of patients. We take great pride in the success of our growing product line, some of which we are the First to introduce in Bangladesh like Baricit, Milcal, Empazin L. Now we are mainly focusing in some of the specialty of health care, like Rheumatology, Dermatology and Andrology, Cardiology and Endocrinology etc. and gradually take the market top position. In the last few years, the Company has diversified into newer therapies, capabilities, digitization, automation and analytics, technology

platforms, 'firsts' in combination drugs, dosage forms, geographies and strategies. We have always viewed ourselves as a conscious member of society so that every time, we introduce the time demanding medicines from our company with an affordable price, which become a corporate branding to the policy makers, regulators, prescribers and to our customers. We always maintain stringent ethical standard in our business operation and also ensure the benefit to the shareholders, stakeholders and the society at large.

Development, investment, innovation, new technology, new formulation, advanced machinery etc. are mingled pervasively with pharma business as precision is the ultimate goal this business. Delta Pharma's manufacturing facility also successfully cope with the continuous development process as per industry demand. Even during the pandemic and present economic recession, we continuing our investment at our manufacturing premises. Our highly sophisticated, modern and state-of-the-art manufacturing facility is at Pakundia Upazilla of Kishorgonj district. It is operated by qualified professionals. We have introduced the most modern and sophisticated production, QC and QA related equipment and machineries for the production of quality medicine at all time. We believe in providing superior quality products to our customers that's why we procure high quality raw materials from the reputed, accredited and approved sources across the globe. Our prime concern is to comply with the regulatory requirements, like, GMP, GLP, ISO quality standards and also the requirements of our regulatory authorities of Bangladesh and the certification authorities of our exporting countries. We are also gradually developing our plant facility and manpower to comply with the requirement of stringent authority like USFDA, WHO, UK MHRA, EU GMP, Health Canada, TGA Australia, ANVISA Brazil, GCC etc.

Delta Pharma tries to deliver the best quality pharmaceutical products to the all sections of the society of Bangladesh with a sales team comprising of around One thousand hardworking, dedicated, committed and skilled Sales professionals. The number is ever increasing with changes in time and situations. Delta Pharma has its own distribution network with well-equipped 22 depots all over the country, where we deliver our products to the chemist shops through our own manpower and our own delivery vans. Delta Pharma's dedicated employees work towards fulfilling our promises to all stakeholders through innovative thinking, persistence and a passion to make our nation and the world a healthier place.



VISION AND MISSION

Incorporated in 1964, Delta Pharma re-launched its operation in 2005 under the new management, with its mission to ensure the access to affordable medicines for all. The company is driven by its vision to be one of the most admired company in the country.

Our Vision

Our vision is to reach a level of excellence in pharmaceuticals through a sustained effort to quality assurance and to achieve a global standard through the indoctrination of a culture of excellence.

Our Mission

Our mission is to benefit the people and to improve their quality of life through our quality products. As a generic company, our growth is closely knitted to the satisfaction of our customers. We would like to ensure customer satisfaction through providing quality medicine at affordable cost, launching new molecules and expediting export to all possible avenues. We are committed to achieve our goal through skilled, creative and motivated employees of highest professional standard.

VALUES, OBJECTIVES AND QUALITY POLICY

Our Values

We are devoted to ensure quality in all our endeavors and to maintain the highest ethical standards in our business practices.

Our Object

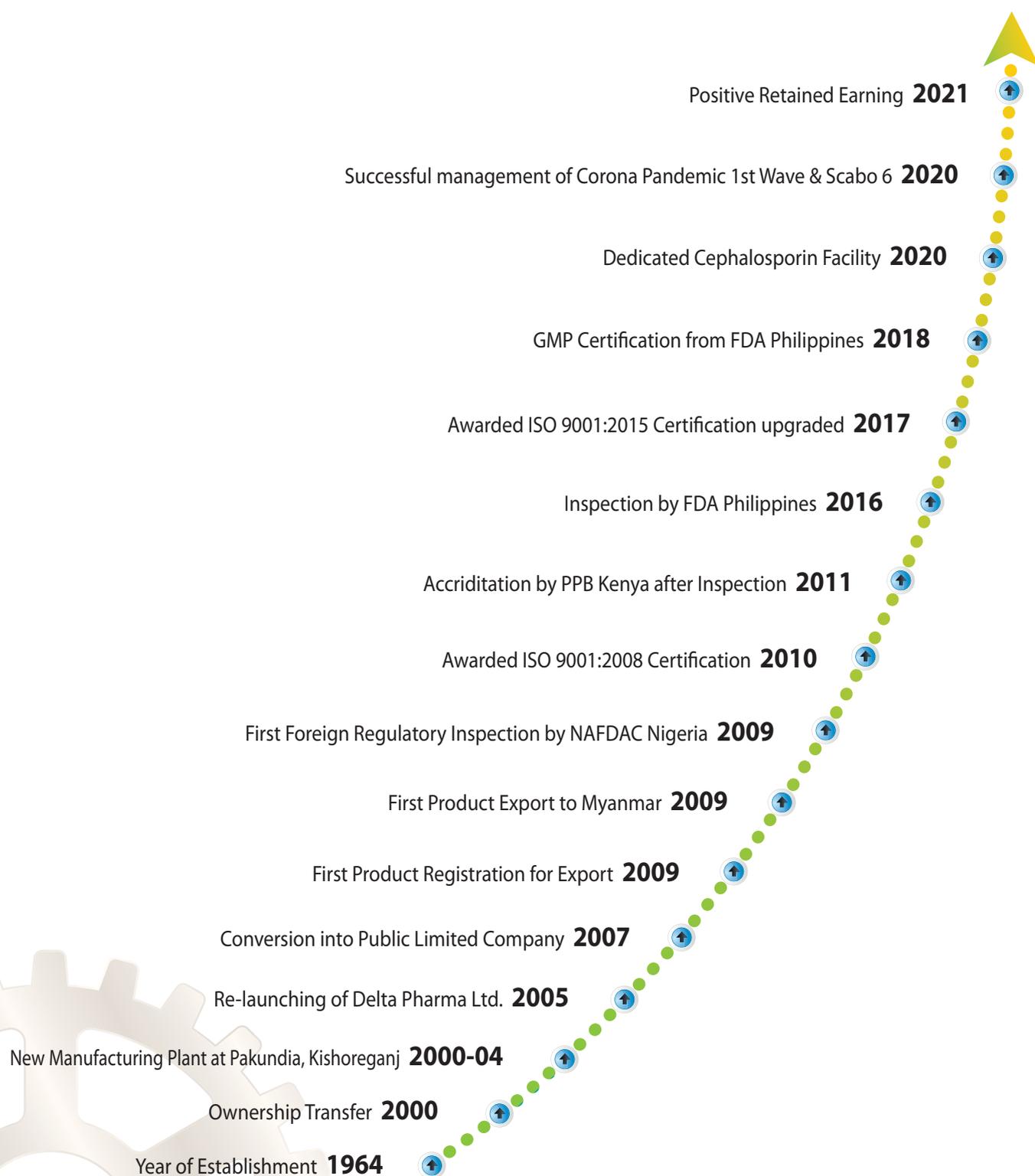
Our object is to conduct transparent business operation within the legal and social frame work in order to attain the declared vision.

Our Quality Policy

The quality policy of Delta Pharma Limited is to prevent, mitigate and cure the human illness with quality pharmaceutical products at an affordable cost.



MILESTONES OF DELTA PHARMA LIMITED



Corporate Information

Company Name	: Delta Pharma Limited
Company Registration No.	: C- 502/2172/233
Legal Status	: Presently, a public company (non-listed). The company was incorporated as private limited company on 17 June 1964 and re-launched under the present management in 2005 and subsequently converted to a public limited company on 14 December 2007.
Business Line	: Manufacturing and marketing of Pharmaceutical finished products local and abroad.
Authorized Share Capital	: BDT 1,000 Million
Paid-up Share Capital	: BDT 359.369 Million
Number of Shareholders	: 1,341 (at the book closure date 29-30 November, 2022)
Number of Employees	: 1,774 as on 30 June 2022 (Permanent-1,627, Casual-139 and Contractual - 08)

Board of Directors

Mrs. Ferdousi Akhter	Chairman
Professor Abdul Bayes Bhuiyan	Director
Mrs. Rifat Hossain	Director
Prof. Dr. Abdul Hannan	Director
Mrs. Nadira Begum	Director
Mr. Golam Farook	Director
Mrs. Nazneen Akhter	Director
Dr. Md. Zakir Hossain	Managing Director

Audit Committee

Professor Abdul Bayes Bhuiyan	Chairman
Mrs. Nadira Begum	Member
Mrs. Nazneen Akhter	Member
Mr. Golam Farook	Member
Mrs. Rifat Hossain	Member

Annual Business Plan Evaluation Committee

Professor Abdul Bayes Bhuiyan	Chairman
Mrs. Ferdousi Akhter	Member
Mrs. Nadira Begum	Member
Mrs. Nazneen Akhter	Member
Prof. Dr. Abdul Hannan	Member
Mr. Golam Farook	Member
Dr. Md. Zakir Hossain	Member Secretary

Executive Management

Dr. Md. Zakir Hossain
Md. Golam Rabbani
Ziaur Rahman
Muhammad Abul Kashem
Arup Ratan Chowdhury
Mahnaj Azad

Managing Director
Executive Director (Plant)
General Manager (Marketing)
General Manager (IBO)
Assistant General Manager (FandA)
Company Secretary

Auditor

Ahsan Manzur and Co.
Chartered Accountants

Legal Advisors

Dr. Naim Ahmed
S. Ahmed and Associates

Bankers

Islami Bank Bangladesh Ltd.
Prime Bank Ltd.
Dutch Bangla Bank Ltd.
AB Bank Ltd.
Shahjalal Islami Bank Ltd.
Exim Bank Ltd.
Social Islami Bank Ltd.
United Commercial Bank Limited
Commercial Bank of Ceylon

CERTIFICATION

ISO CERTIFICATION

Delta Pharma Limited is an ISO 9001:2015 Certified company since 19 February 2021, after meeting all the requirements of the standards of the quality management systems. Our first ISO 9001:2008 certification was in the year of 2010. This up gradation of ISO certification confirms the day-to-day improvement of quality standard in the area of management of the Delta Pharma Limited.



GMP RENEWAL FROM FDA, PHILIPPINES

On 28 June 2022, Delta Pharma Limited has achieved the Renewal Certification of GMP Clearance from FDA, Philippines after meeting all the requirements of the standards of the quality management systems of FDA, Philippines.



OBITUARY

During 2022, we have lost our beloved Shareholders & employees. They will always be our inspiration and we pray for their departed soul.



Dr. Md. Habibur Rahman

Folio: 186

MBBS (General Practitioner)

Anwara Memorial Clinic, Polash Pole, Satkhira

Date of Birth: 16 July 1955

Date of Death: 15 May 2022



Kashfiqur Rahman

Folio: 1410

(Son-In-Law of Prof. Dr. A.K.M. Fazlur Rahman)

Engineer

House- 294 (4th Floor), Lane-19/B, New DOHS, Mohakhali, Dhaka

Date of Birth: 18 August 1987

Date of Death: 01 October 2022



Dr. Md. Shawkat Ali Laskar

Folio: 244

MBBS (General Practitioner)

27, KDA Avenue, Khulna

Date of Birth: 01 October 1956

Date of Death: 02 November 2022

SECTION II: GOVERNANCE

BOARD OF DIRECTORS

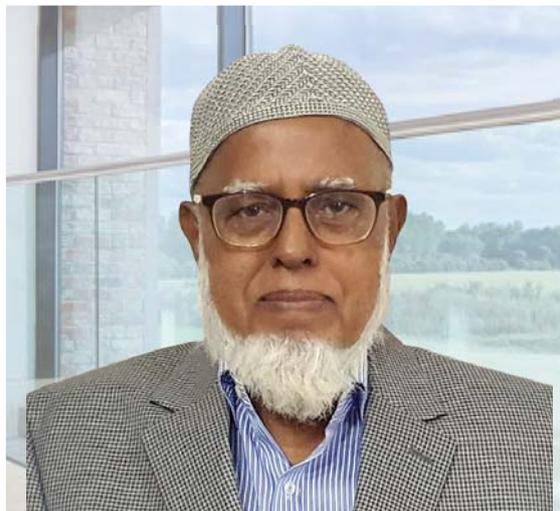


DIRECTORS' PROFILE



Mrs. Ferdousi Akhter
Chairman

Mrs. Ferdousi Akhter was born in 1st February, 1962 at Laxmipur. She Passed the S.S.C and H.S.C Examination under Dhaka Board. She completed her Graduation and Post-Graduation from Dhaka University. Her husband, Prof. Dr. Md. Shah Alam Talukder was the Head of the Department of Pediatric Surgery. After his retirement from the government job, he has joined as the Advisor, Medical Services and Head of the Department of Pediatric Surgery in the Japan East West Medical College and Hospital, Uttara, Dhaka. Mrs. Ferdousi Akhter is an entrepreneur and involved with the Delta Family from it's inception. Currently she is the Chairman of the company. She is a very vigilant to her job. She is very careful and committed to her professional life.



Professor Abdul Bayes Bhuiyan
Director

Professor Abdul Bayes Bhuiyan is a medical graduate (MBBS) and also obtains FCPS (Fellow of College of Physicians and Surgeons) on Obstetrics and Gynecology. He served as Professor and Head of the Department of Gynae and Obs. in most of the government Medical Colleges of the country and retired on 1995. He is very hard working and committed in his profession. He has an excellent track record in his service life. Currently he is engaged with the social works for the wellbeing of society at large. At present he is involved with some public and private limited companies. He has been diligently performing his duties as the Director of the organization all the time. He is a very religious person and also participates in different social works regularly.

DIRECTORS' PROFILE



Mrs. Rifat Hossain
Director

Mrs. Rifat Hossain is an entrepreneur and involved with the Delta Family from its inception. Currently she is the Director of the Company. She is also the Director of some other Public Limited Companies. She has also served as the Chairman of the Company and contributed for the growth and expansion of Delta Pharma and its other associate Companies. Her husband, Prof. Dr. AZM Zahid Hossain is a renowned Urologist of the country and was the Head of Department of Urology, Dhaka Medical College. They have three daughters, who are Physician, Financial Management Graduate and University Graduate student. She is a very vigilant to her job. She is utmost careful and committed to her professional life.



Prof. Dr. Abdul Hannan
Director

Prof. Dr. Abdul Hannan is a graduate in Medical Science in 1979 from Sylhet MAG Osmani Medical College under Chittagong University. He did post-graduation with FCPS in Pediatrics in 1987. He served in the government health Sector starting from the position of Assistant Surgeon to the level of Professor of Pediatrics from 1979 to September 2011. He worked in the field of teaching and training and research in Pediatrics. He received training from Bangladesh, India, Pakistan, Nepal and USA. He worked as an Executive Director of Institute of Child and Mother health, Dhaka and Director of Institute of Public Health. He was elected as the President of Bangladesh Pediatrics Association (BPA). He is blessed with a son Masrur Hannan.

DIRECTORS' PROFILE



Mrs. Nadira Begum
Director

Mrs. Nadira Begum has earned her BSS (Honors) and MSS degree in Sociology from Dhaka University. She started her career as a Research Officer for the Planning Commission of the Government of Bangladesh. From her very childhood, she had the dream of being an entrepreneur and in effort to make her dreams come true, she first initiated her own Printing and Publications business called 'Barnabinyash' and successfully published multiple books. In 1994, she started a Capital Market Consultancy business and established "SCL Securities Limited" along with a few others. SCL Securities Limited is currently among the best institutions in the capital market of Bangladesh. She has joined with Late Dr. Mohammad Omar Faruque as an Entrepreneur Director in establishing Delta Pharma. Since the beginning, she has been diligently performing her duties as the director of the organization. Her husband, M. Mahfuzur Rahman, is a successful Banker of Bangladesh Bank and famous popular author of juvenile literature and travel stories books. He is a regular column writer in the National Daily Newspaper. Mr. Rahman is very much popular in his locality for social, educational and Philanthropic activities. Her daughters are also very much involved with social and cultural activities.



Golam Farook
Director

Golam Farook was born at Pabna district. He passed his SSC examination from Govt. S. M High school, Ishurdi and HSC from Ishurdi College. He completed his B. Com (Hon's) and M. Com under Management department from University of Dhaka. Mr. Farook has a high academic career and commendable experience in the field of Industry, trade, stock market as well as capital market. He acts as a Director and member of the Audit committee in several companies such as Magura Paper Mills Limited, Niloy Cement Limited, Delta Pharma Limited, Rupali Investment Limited, Heidelberg Cement Ltd., Paper Processing and Packaging Mills Ltd., Monospull Paper Mills Ltd. and Meghna Energy Ltd. He also involves himself with various other business and industrial establishments in Bangladesh. He is also a member of Uttara Club Limited Dhaka, Dhaka Boat Club and Dhanmondi Club, Dhaka. He is very careful and committed to his professional life.

DIRECTORS' PROFILE



Mrs. Nazneen Akhter
Director

Mrs. Nazneen Akhter born at Noakhali district and passed the SSC examination in 1982 from Govt. Biddamoyi Girls High School and HSC in 1984 and BSC examination in 1986 from Eden Mahila College, Dhaka. She completed her Post Graduation degree (Botany) in 1990 from Dhaka University and she earned B.ED degree from Khulna B.ED College. She has worked as the teacher for Dipshikha pre-cadet and high school, Dhaka. Her husband Professor Dr. Rajibul Alam was the head of department of Medicine, Dhaka Medical College, Sir Salimullah Medical College and Mymensingh Medical College. After retirement, he has joined in Anwar Khan Modern Medical College Hospital, Dhanmondi as Professor of Medicine and Rheumatology. She is also involved with some Mosques and Madrasa and social work. She is very careful and committed to her professional life.



Dr. Md. Zakir Hossain
Managing Director

Dr. Md. Zakir Hossain is graduated from Mymensingh Medical College under the University of Dhaka. He has attained his Masters Degree in Public Health (MPH) from the Mahidol University, Thailand. Dr. Hossain has been conferred with Ph.D from the Cambridge University, UK. He has gained management and professional experience of around 17 years in the government Health Sector Bangladesh. He is a member of the Executive Committee of Bangladesh Aushad Shilpa Samity (Bangladesh Association of Pharmaceutical Industries-BAPI). His is leading the company distinctly ahead in this sector through his strong leadership and professional expertise. Apart from his responsibility of Delta Pharma Limited, he is also the Managing Director of Delta Limited and Delta API Limited, the subsidiary company of the Delta Pharma Limited.

CHAIRMAN'S STATEMENT

A WAR IN A PANDEMIC - upended the world's fragile recovery from covid 19; Implications on global governance, lives and livelihoods, lost and disrupted; Bangladesh isn't out of that.



Valued Shareholders,

As-Salamu-Alaikum.

It's my privilege to welcome everyone to the 15th Annual General Meeting of Delta Pharma Limited. At the beginning, I want to express my deep grief to our shareholders, employees and other stakeholders who have lost their closed ones due to Covid-19 pandemic. I also pray to Almighty Allah for speedy recovery of those, who are still suffering from Corona, Dengue and with some other ailments. I am pleased to report that at present 100% of our employees are vaccinated by three dosages. Like the previous year, our first priority is employee's health and wellbeing, second is the smooth operational activities in the field, at the plant, head office and depot office to continue the business growth. Our company also continues to help and support to the various local authorities, agencies, hospitals, doctors, shareholders by providing financial requirement, medicine, personal protective and sanitization products and services. All the activities during 3rd wave of pandemic helps Delta Pharma Limited to increase employee's confidence and motivation, people's acquaintance with our products and overall company's corporate image.

But we are very familiar with a proverb that "Danger never comes alone". When the people of the world just have stand back with the weapon of vaccine against the Corona pandemic; then from 24th February 2022, we have started to experience the devastating activities resulted from the Russia Ukraine war. This war is having an outsized impact on the global supply chain, impeding the flow of goods, increasing the fuel and gas cost, currency inflation and creating catastrophic food shortages around the world that may raising the global famine. As per Experts opinion, low- and middle-income countries will be affected mostly in this war because the basic items importation ratio is higher than exportation means the balance of payment of a country, lessening of central reserve, dollar inflation, global price hike of basic commodities, decreasing remittances from expatriates,

decreasing buying capacity of general people and climate change. And Bangladesh has already entered into this crisis. We mostly import our basic items like food, grains, fuel, medicine, fertilizer, raw materials of different industrial products by using the China and European transportation routes. As a pharmaceutical company, Delta Pharma is also importing pharma raw materials, chemicals, excipients, packaging materials, machinery and parts mostly from European, American, Russian and China sources. So, we are facing immense problem of supply chain management, price hike of most of the raw-packaging-chemical-excipient, higher freight charge, failing in shipments lead time and for all these negative combined causes hamper our production, national and international supply chain, profit margin and overall business growth. But we also know that every destruction gives a birth of new creation. Delta Pharma has already learn in pandemic that how to survive in an adverse situation. The experienced Board and operational management of Delta Pharma limited with the efficient employee team has worked together to find out the path to adopt the new uncertain and unpredictable situation with changing business model to deliver long-term growth and sustainable returns to all the stakeholders.

2021-2022 Overviews

Looking back at financial year 2021-22, it turned out to be another roller-coaster period with its uncertainty and volatility of pandemic and Russia-Ukraine war. In the first half of the financial year 2021-22, our challenges were to set our business in a regular trend and we were doing well but in the second half, we started to suffer for the war between Russia-Ukraine. Our main challenges were facing uncertain behavior of our clients of Doctor, Patient, chemist, availability of raw and packaging materials for smooth production, maintaining smooth supply chain, ensuring safety security of our employees, keeping the financial institute in our confidence for opening L/C, payment and retirement of L/C and other funding, negotiation with the vendor about the price hike essential pharma items, getting the renewal of drugs manufacturing license from DGDA with the certification of cGMP in the adverse situation. We also launched some time demanding products, campaigned our "Products quality at affordable price" as people's buying capacity is falling during this time that created better company image to our stakeholders. So, financial year 2021-22 was a busy year for the Company as it navigated these challenges to successfully strengthen the fundamentals of the business.

I'm delighted to report that after amidst pandemic and war-hit, economic and social onslaught, we ended the year with commendable operational and financial performance. The revenue of the company was growing by 16.90% and the earnings per share has increased by 9.61% compared to the previous financial year. The Board has approved and recommended a cash dividend of Taka 8.00 per share. The dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting of the Company.

Despite constraints and disruptions, we attained impressive sales growth in domestic and international markets, achieved remarkable profit growth and further reinforced our market position. I take this opportunity to praise the Board and the dynamic Managing Director for preparing "Firmly Rooted and Growing Responsibly" workplan to shape our future growth journey based on a powerful combination of experience and energy to win against this volatile situation.

Outlook

Our company business has positioned for growth and we are expecting low-double-digit to high-double-digit consolidated topline growth for financial year 2022-23. We are expecting that business operations will try to be normalize globally and it will increase the overall cost involvement to our business. So, we set some top priorities for financial year 2022-23 like,

- Sustainable and profitable business growth.
- Campaign on "Quality product at affordable price".

- Select some products to become Brand Leader in the Pharma market.
- Supply chain continuity along with focus on inventory optimization.
- Continued focus on cost and operational efficiency.
- Increased investment on manpower development and digital transformation.
- Focus on improving overall return ratios.

We hope, the above initiatives will bring indeed an appreciable achievement and manifest our strength to withstand challenges and uncertainties to achieve business goals.

Acknowledgements

On behalf of the Board and Management, I thank to our Shareholders, Management, Regulatory Authorities, Customers and Business Partners for their continued support in all our endeavors. I'm confident that with the actions we have outlined to continue driving our business growth, we will create long-term and sustainable value for our stakeholders.

Yours sincerely



Ferdousi Akhter

FROM THE DESK OF MANAGING DIRECTOR AND CEO



We consider our BUSINESS as a SERVICE to our ailing population by providing the Quality Pharmaceutical Products at an Affordable price

Honorable Chairman, Directors, Shareholders and the colleagues,

As-Salamu-Alaiqum.

It's my extreme pleasure and privilege to welcome you all in the 15th Annual General Meeting and also to present the Annual Report. This report contains the Directors' Report along with the Audited Accounts for the year ended 30 June 2022 and other various Statutory Reports, brief report of our operational performance as well as consolidated situation of the Company.

After experiencing the unprecedented and challenging time of Covid-19 pandemic since March 2020 until the first quarter of 2022, we were planning and organizing our activities for the new normal situation. But again, we were fallen into a devastating and challenging situation of Russia-Ukraine war, for which we were not at all prepared. During the period of 2021-2022 Financial year and also after that, we are experiencing serious economic crisis, both locally and globally, which has affected all the areas and avenues of our Pharma business.

The prices of all the active pharmaceutical ingredients (APIs) had shown a sharp rise during the pandemic due to the supply chain disruption and various importers and exporters stocking up. While the pharmaceutical industry is still reeling under the pandemic, the Russia-Ukraine conflict now poses another significant challenge to the industry. In addition to the impact imposed by the global pandemic, the pharmaceutical supply chains are now facing another serious setback due to Russia's invasion of Ukraine. Apart from the food and fuel crisis for the war, Ukraine is a prominent exporter of aluminum foil which is commonly used in the packaging of drugs. The increasing price of aluminum foil has added another pressure to the already tight supply chain of Pharma ingredients.

We have taken some initiative to face the challenges and to minimize the damage and loss due to this crisis. To overcome the challenges, we have prioritized on Ensuring continuous supply of medicines and maintaining continuity of the supply chain and also investing on our human resource to motivate them for better output. We have also prioritized on promoting our chronic care products for Diabetes, hypertension and Rheumatology. We are trying to consolidate our business through generating the prescription from qualified Physicians and trying to improve our corporate image through participating in the national and international conferences of major societies of the physicians of Bangladesh. We are also promoting the quality and affordability of our products through a campaign named "Quality products @ affordable price".

The Company had focused on developing organizational capability of product delivery system which has ensured the product distribution operations smoothly. We are now running our business operation through 25 Sales Region with nearly 1000 Field colleagues and also managing our product delivery system through 22 depot offices, equipped with our own delivery manpower and delivery vans.

The leading pharmaceutical companies of the country have experienced a drop in their profit margins, owing to a strong dollar and soaring freight costs. The substantial increase in costs due to macroeconomic factors, including a significant hike in import costs, caused the devaluation of the local currency against the US dollar, leading to a decline in consolidated profit compared to the same period of last year. Due to an increase in the value of the dollar, raw materials have to be imported at higher prices. But the price of medicine has not increased accordingly. The national currency lost its value by more than 20% against the greenback, hitting Taka 108 in September this year on the interbank exchange market against Taka 84.90 on the same day a year earlier. During the period, fuel price hikes caused an increase in production and transport costs. As such, the profit margin in the pharma sector has decreased. However, Big Pharma companies has not been affected by inflation due to their large size and product diversification but small and medium companies have largely been affected and also worried for the long lasting sufferings.

We are very much happy to inform you that, there is a positive growth in our total business turnover and Net profit after Tax. After facing the uncertainties of covid pandemic, we have reported a 16.90% growth in our overall revenues, which stood at BDT 1.71 Billion for 2021-2022. There is positive trend in our local and export business turn-over. The Retained Earning of the company has increased with better EPS. The Income Statement, similarly offers operational growth rate in almost all the parameters despite the highly devastating situation. The EPS of the company stands for BDT 18.92 and our Net Profit after Tax for the year grew by 9.61%. Our Net Assets Value per share has increased by 18.57% and stands at Taka 120.81 in this financial year, which was Taka 101.89 per share in the previous year. The Long-Term Liability of the company has decreased by 23.34% during this financial year, compared to the previous financial year. The benefit of which is visible in the reduction in finance cost by 9.82% from the previous financial year. Fixed asset of an amount of Taka 13.40 Crore has been increased during this financial year. Out of which, Taka 12.60 Crore was invested from the own financing of the company. It is to be noted here that, at present, the book value of the Total Fixed Assets of the company is Taka 113.53 Crore.

Over the past four decades, Bangladesh has leveraged its allowances as an LDC to build an incredible domestic pharmaceutical industry that now caters to nearly 98 percent of the country's domestic demand and exports to the global market. The domestic market is now dominated by Bangladeshi companies which was previously dominated by Multinational Corporations (MNCs). Currently, there are no foreign companies in the top 10 pharmaceutical companies list in the country. Bangladesh's pharmaceutical export has been growing at a tremendous pace making it one of the leading potential sectors for export diversification. Pharmaceutical export has grown by 269.8% from \$45.7 million in FY09 to \$169 million in FY21.

The LDC specific provisions have helped Bangladesh to become a trade-dependent country from an aid-dependent one. The pharmaceutical industry of Bangladesh has been one of the major beneficiaries of the patent waiver dedicated towards the LDCs. According to ITC, the global export of pharmaceutical products was worth \$818.4 billion in 2021 while the pharmaceutical product export for LDCs was worth \$168.2 million. Among the LDCs, Bangladesh exported the highest amount of pharma products, accounting for about 55.4% of the total LDC export of pharmaceutical products. The LDC waiver for pharmaceuticals allows Bangladesh to produce branded generic pharmaceuticals without complying with patent and license requirements. This makes medicines highly affordable compared to the patented versions sold elsewhere in the world.

When Bangladesh will graduate from LDC in 2026, it will no longer enjoy the benefits of the waiver and will be required to make changes to current laws and policies. However, revoking the patent waiver is believed to result in increased drug prices and will limit access to medicines by restricting competition and domestic production undermining the cause of making medications more affordable. We need to provide insight into this momentous shift by sketching the policy space landscape for Bangladesh and highlighting the unintended consequences of graduation, including potentially skyrocketing prices for essential medicines.

As our experts are predicting that this situation may remain unchanged or may worsen in the years ahead, we will look to find operational efficiency in the business, and maintain our commitment to growing our portfolio of products and delivering high-quality, affordable medicines in both the domestic and international markets. Most importantly, we have to adopt a wait-and-watch approach to get a good and feasible opportunity to overcome the crisis situation. We will need to register as many products as possible for the local market so that these products are exempted from patents. We need to not only produce dosage forms, but we also need to move into manufacturing biosimilar products for which the Directorate General of Drug Administration needs to revisit the guidelines, aligning with the UK's Medicines and Healthcare products Regulatory Agency and the World Health Organization. Good news is that stringent conditionalities for biosimilar products have been relaxed, and the EU and World Health Organization regulations and guidelines have been vastly simplified.

We strongly believe that the Company has focused on right elements, which will help us to continue to offer better quality products at an affordable price, ensure growth of the company and stand by the society through responsible business conducts. We also expect that the momentum for our export business will be excelled.

At the end, I want to extend heartfelt thanks and gratitude to our shareholders for their continuous co-operation and also for attending the AGM, which encourages us to work hard to face the challenge of the coming days and also strengthen our efforts to increase the assets value of their investment in the company. We are very much indebted to the Board of Directors for their wisdom, knowledge and experience, through which they have guided us to overcome this extraordinary period. We also want to thank our valued customers for keeping their trust on our products and for supporting us during the crisis period.

We are very much thankful to our entire Management Team and the employees for their commitment, loyalty, dedication and their attachment with the company during this corona pandemic and the economic crisis period.

We are eagerly waiting to welcoming you to the upcoming Annual General Meeting.

Allah Hafiz.



Dr. Md. Zakir Hossain

DELTA PHARMA MANAGEMENT

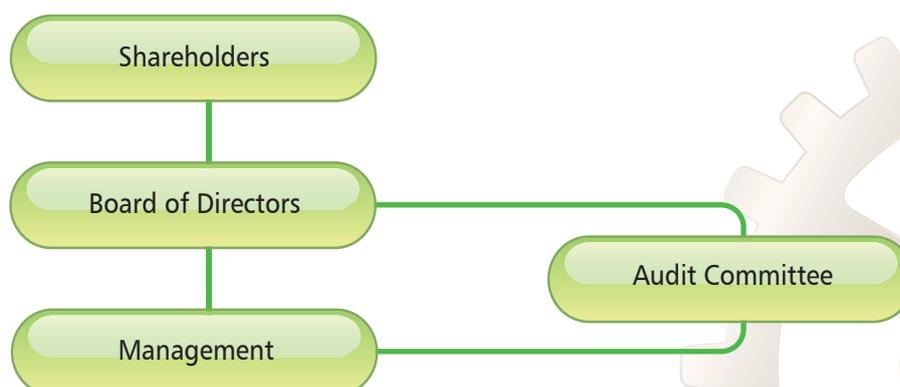
CORPORATE GOVERNANCE

Corporate governance is the collection of mechanisms, processes and relations used by various parties to control and to operate an organization. Shareholders, Board of Directors and the operational Management are the principal players in the corporate governance process. Besides, other stakeholders included in the process are employees, suppliers, customers, creditors, regulators, the environment and the community at large. The corporate governance structure specifies the rules and procedures for making decisions on corporate affairs. It also provides the structure through which the company objectives are set, as well as the means of attaining and monitoring the performance of those objectives. It is a system of structuring, operating and controlling a company with a view to achieve long term strategic goals to satisfy the shareholders, creditors, employees, customers and suppliers, and complying with the legal and regulatory requirements.

The practice of corporate governance (CG) in organizations has developed rapidly in recent times, and it's importance has been highlighted around the world. In Bangladesh, corporate governance has been practiced in some organizations but, weak governance has caused an increasing number of companies to fail on the other hand. So, knowledge of the governance mechanisms active in Bangladesh and how to improve their effectiveness is still limited. Establishment of a governance framework is based on the principles of "fairness, justice, and open access". Governance codes have been developed in many other emerging countries including Bangladesh.

Good governance is widely practiced in Delta Pharma Ltd. which is our fundamental instrument to achieve the sustainable and long-term business goal. Currently, Delta Pharma Ltd. is operating through nearly hundred written policies approved by the Board to run the company smoothly and fairly. These policies are also revised from time to time as per the requirement. The company management also regularly practices the delegation of administrative and financial authority for all types of business and management operation. The policy hand book is an open one and the newly joined employees receive the company policy book during their joining in the company. Sometimes, the company operational management organize some discussion meeting about some relevant company policy. The Board of Directors of Delta Pharma Limited is always committed to ensure the highest levels of quality and ethical standard as well as the core principles of corporate governance at all times despite a non-listed public limited company.

Structure of Delta Pharma's Corporate Governance



BOARD OF DIRECTORS:

Composition:

The Board of Directors are leading the overall management of the company and ensure that the company is run in the interests of shareholders complying the rules and regulations of the country. There are eight board of directors with high academic and professional attainments. The Board of Directors of Delta Pharma Ltd. take major role in decision making process by using their knowledge and experience and also with their professional and academic skills. The board has up to date, complete and clear understanding about the business operation of the company. They are responsible for establishing the strategic direction, values and corporate governance within the Company. The Board Members always encourage, guide and monitor the Operational Management Team to achieve it's desired goal. The Board combinedly accountable to the shareholders of the Company in achieving its long-term goal, vision and success.

Gender Diversity of the Board



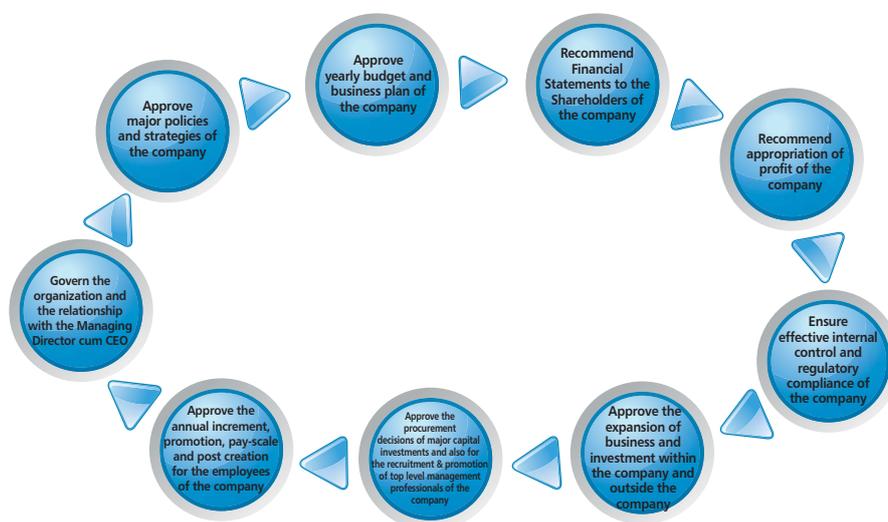
Principal Responsibilities of the Board are:

- Policy Framework: Analyzing, reviewing and finalizing the policy framework including short, medium and long term financial and business plan and monitor them on regular interval.
- Strategic: Set strategic guidelines and review them accordingly, set marketing and sales related goals, targets and strategies for the company. Monitor and evaluate the business target achievement regularly.
- Leadership: Provide the leadership necessary to achieve the business objectives and ensures that every activity are within the boundaries of internal controls.
- Motivation: Keep continuous motivation to the operational management to achieve their goal.
- Risk Assessment: Review the Company's risk response mechanisms and confirm implementation of the necessary systems to manage these risks. Regularly monitor through internal audit team.
- Manage and Resolve: Manage and resolve potential Conflicts of Interests and Related Transactions by reviewing significant transactions in order to ensure utmost benefit to the shareholders and stakeholders.

Key Responsibilities are:

- Approve major policies and strategies of the company
- Approve yearly budget and annual business plan of the company
- Recommend Financial Statements to the Shareholders of the company
- Recommend appropriation of profit of the company
- Ensure effective internal control and regulatory compliance of the company
- Approve the expansion of business and investment within the company and outside the company
- Approve the procurement decisions of major capital investments and also for the recruitment and promotion of top level management professionals of the company

- Approve the annual increment, promotion, pay-scale and post creation for the employees of the company
- Govern the organization and the relationship with the Managing Director cum CEO.



Board committees:

Though Delta Pharma Ltd. is not a listed company with any Stock Exchange but it believes in the best practices of Corporate Governance. Accordingly, the company has been practicing functionalities of Audit Committee since long. Besides, Annual Business Plan Evaluation Committee assists the Board to fix business goal and strategy of the company. The following two Committees are responsible for assisting the Board in some of the Board's responsibilities.

- Audit Committee
- Annual Business Plan Evaluation Committee

The Committee firmly follows the Board approved Terms of Reference (ToR). The ToR elaborates the roles, operating procedures and authorities which are reviewed frequently by the Board. These board committees regularly perform their responsibility and submit their report to the board.

Audit Committee

The Audit Committee comprises of 05 (five) members from the board. The Audit Committee met 02 times during the reporting year (1st July'2021 to 30th June'2022).

The committee have well-structured ToR and they perform their duty according to that ToR. Apart from the reviewing and evaluating the financial reports of the company, the audit committee also review the report on conflicts of interests; Suspected or presumed fraud or irregularity or material defect in the internal control system; Suspected infringement of laws, including securities related laws, rules and regulations. The internal audit team of the company prepare the working paper and the detail report on their regular internal audit function at the plant and depot offices of the company and submit those reports to the audit committee of the company.

Annual Business Plan Evaluation Committee

The Annual Business Plan Evaluation Committee comprises of 07 (seven) members from the board. The committee regularly review the Annual Business Plan and monitor and supervise the progress of

the business operation of the company. They have the responsibility of analyzing the productivity, profitability, marketing strategies, product inclusion and phase-out and also to monitor the other parameters of sales activities like, introducing new products, product availability, chemist coverage, relationship with the Prescribers, shelving status and doctor visit etc. The Executive committee of the company regularly prepare their report and presentation for the Annual Business Plan Evaluation Committee, which is then reviewed and accepted by the committee. This committee has met once during the reporting year (1st July'2021 to 30th June'2022).

Shareholders Rights and Communication

Shareholders are the major stakeholders of the company. The major rights of Shareholders are, ownership, voting power, the right to transfer ownership, dividends, the right to inspect corporate documents etc. The company has the dedicated share department with efficient professionals to provide correct and timely information to the shareholders. They also provide all types of support to the shareholders as per their requirement. The share department provide all sorts of support regarding the transfer and transmission of their shares, dividend and dividend certificate distribution, etc. The Managing Director, Company Secretary and other senior professionals of the company and especially the members of the sales team regularly communicate with the shareholders on different occasions.

Delegation of Authority

The total operational activities of the company are governed by the relevant law and regulations of the country, following the Memorandum and Articles of Association of the company. The operational activities are executed according to the Company's policies, strategies and decisions taken by the board from time to time.

The board of Directors usually delegate their powers to the Managing Director as the CEO and operational head of the company to run the management and the operational activities of the Company. They also have delegated the administrative and financial authorities to the MD and to the Divisional and Departmental heads for executing the different operational activities of the company. This delegation of authority always expedite the work flow within the organization and also helps in developing the professionalism among the employees.

Access to Information

Disclosure of publishable information is the best practice to gain the confidence of investors worldwide. Delta Pharma Ltd. always believe to disclose it's information and practice it on regular basis. Most of the important marketing, sales and operational information are published and disclosed in the company website on regular basis and it's open to all. Apart from that, we regularly communicate with our shareholders, prescribers, customers, employees and other stakeholders through digital media and also through formal written communication. The bord of directors are always updated about every information and business operations and the regulatory and industry specific information pertinent to the company and they have the full access to the company information at all time. The shareholders are also welcomed for getting any information about the company and also updated through the annual report on regular basis.

Financial Reporting

Financial reporting is the financial results of an organization that are released to its shareholders, stakeholders and the public. Delta Pharma has a sound financial reporting procedure, it's financial statements are made in accordance with the International/Bangladesh Financial Reporting Standard

(IFRS/BFRS), the Companies Act, 1994 and other applicable financial legislations. These financial statements are prepared by the accounts and finance department of the company and checked by the internal audit section of the company at the beginning. Then, these reports are reviewed initially by Head of Finance and finally by the Managing Director. The reports are then placed to the Audit Committee of the board for their critical analysis and review. From the Audit committee of the board, the financial reports are forwarded to the Statutory Auditor to examines the financial reports, whether the reports are in accordance with financial reporting policies and Company procedures. They make their report thereon to the board. Upon completion of internal scrutiny, these audited financial reports are placed before the Board for final review and approval. After that, these financial reports are send to the auditor for their report and signature and then finally the report of the Auditor and audited financial statements are placed before the shareholders for their approval in the Annual General Meeting.

Internal Control over Financial Reporting

Internal control system includes a set of rules, policies, and procedures of an organization which provides direction to the operational management, increase efficiency of the employees and also strengthen their adherence to the company policies. In Delta Pharma Ltd. an effective and structured internal control system has been set up which ensures an appropriate control structure with defined control activities at every business level. These include: Regular management level reviews; appropriate activity controls for different divisions or departments. The regular physical audit and checking by the internal audit department of the company ensures the compliance with exposure limits and identifies the non-compliance; verifies the system of approvals and authorizations; and confirms the system of verification and reconciliation.

Related Party Transactions

Disclosure of related party transaction is one of the major compliance of good governance. Our financial statement discloses the same if, any. Board of Directors of the company along with the Audit Committee examine and review the matter diligently and on regular basis. They have not observed any type of related party transactions during this reporting period that may have influence on the business activities of the company.

Risk and Internal Control

Risks are closely associated with the overall operation of the company, especially with the manufacturing process of a pharmaceutical industry, as cGMP guidelines are being practiced and followed strictly. Drug manufacturers commonly face the legal, regulatory and technology-related challenges in their day to day operation. The pharmaceutical industry is always under scrutiny from the regulators, prescribers and consumers. They are all concerned about the quality with affordability and calling for greater transparency and accountability within the business. An ongoing process for identifying, evaluating, monitoring and managing the significant risks are operational within our company. This process includes reviewing and updating the system of internal controls, starting from our manufacturing process to our end customers and also considering the changes in the regulatory, business and external environment. We mainly monitor the following major risks and try to mitigate those risks accordingly.

Risk Appetites are:

- Financial Risk
- Regulatory Compliance Risk
- Operational Risk
- Policy Change Risk

Risk Management Processes are:

- Identify
- Assess and Evaluate
- Manage
- Monitor
- Record keeping

Going Concern

Going concern is one of the fundamental assumptions in accounting system on the basis of which financial statements are prepared. Financial statements are prepared assuming that a business entity will continue to operate in the foreseeable future without the need or intention on the part of management to liquidate the entity or to significantly curtail its operational activities. Therefore, it is assumed that the entity will realize its assets and settle its obligations in the normal course of the business. The Directors are of the opinion that the Company has not any going concern issue. And accordingly, Financial Statements are prepared on a going concern basis.

MEETING ATTENDANCE OF BOARD AND BOARD COMMITTEES

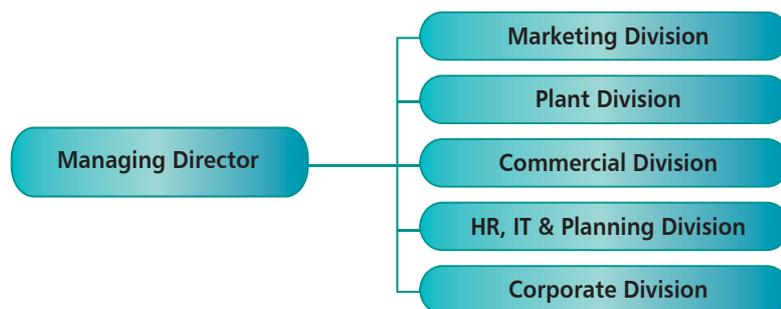
Total 07 meetings of the Board of Directors were held during the reporting year (1st July 2021 to 30th June 2022). Due to Corona pandemic and the lockdown, declared by the government of Bangladesh, we organized the board meeting both physical and virtually and the attendance record of the Directors at Board meeting as well as Committee meetings are as follows:

Sl	Name of Directors'	Board Meeting							Audit Committee			Annual Business Plan		
		29-07-2021 (104 th)	30-09-2021 (105 th)	24-11-2021 (106 th)	19-12-2021 (107 th)	15-01-2022 (108 th)	29-03-2022 (109 th)	14-05-2022 (110 th)	Total	30-09-2021 (20 th)	24-11-2021 (21 st)	Total	19-12-2021 (23 rd)	Total
1	Mrs. Ferdousi Akhter	P	P	P	P	P	P	P	7	NM	NM	NM	P	1
2	Dr. Md. Zakir Hossain	P	P	P	P	P	P	P	7	P	P	2	P	1
3	Professor Abdul Bayes Bhuiyan	P	P	P	P	P	P	P	7	P	P	2	P	1
4	Mrs. Nadira Begum	P	P	P	P	P	P	P	7	P	P	2	P	1
5	Mrs. Nazneen Akhter	P	P	P	P	P	P	P	7	P	P	2	P	1
6	Prof. Dr. Md. Abdul Hannan	P	P	P	P	P	P	P	7	NM	NM	NM	P	1
7	Mr. Golam Farook	P	P	P	P	P	P	P	7	P	P	2	P	1
8	Mrs. Rifat Hossain	P	P	P	P	P	P	P	7	P	P	2	P (Special Invited)	1

THE MANAGEMENT TEAM

Within the 18 years of journey, the Delta Pharma has developed a well-organized organogram to run the organization. All the Divisions and Departments are headed by competent, skilled and well experienced professionals. The operational apex body is the Executive Committee, headed by the Managing Director and supported by the major divisional and departmental heads of the company. The Managing Director is duly assisted by this Executive Management Team. They used to translate the board decisions into action plan. The senior management runs the respective divisions and departments as per the policies and guidelines, approved by the board of the company and the action plan provided by the Executive management. In achieving the target and goal of the annual business plan, they always follow the corporate governance guidelines, the company's code of

conduct, company's service rules and direction of the Managing Director. The divisions and departments are strongly led by the General Managers, Managers and the Executives with diversified qualities and experiences. Targeting the achievement of business goals of the company, set by the Board are the main responsibility of the operational management and these responsibilities and duties are carried out by the management team lead by the Managing Director. The divisional and departmental heads ensures that adequate internal controls and chain of command are in place and they are always supported through a strong internal control framework from the corporate management.



Environmental, Social and Governance (ESG):

In simple terms, ESG is an evaluation of a firm's seriousness in engaging itself with environmental, social and governance factors. Using ESG principles, investors can assess an entity's performance across a wide range of parameters, such as efficiency, labour relations and corporate governance.

Environmental concerns include waste production, pollution, climate change, etc. This concept focuses on how efficiently a company is managing its resources and how they are looking after the environment. Delta Pharma Limited is efficiently managing its industrial waste as per the environmental laws of the country. For solid waste disposing, we provide our solid waste to PRISM Bangladesh Foundation, a non-profit voluntary development organization. We are managing our liquid waste in our Plant ETP (Effluent Treatment Plant) by our qualified technical team. We regularly consult with the waste management experts of BUET and Department of Environment of Bangladesh Government for maintaining the standard of discharged liquid waste. We are going to establish the new and modern ETP in our Plant as per Environment guideline of ZLD. Apart from our ETP, we have the solar panel establishment as per govt. guidelines and also have huge tree plantation in the factory site as green initiatives.

Social issues involve how well a company treats its clients and workers and maintaining concerns around diversity, inclusion, human rights, etc. Delta Pharma Ltd. treats its client as partner and are careful enough about their payment, order and delivery. Clients' affordability and quality of medicine is the main concern in our product pricing and raw material sourcing strategy. The company does not have any child force labour and all workers and employees are paid their wages and salary fairly. The company has female and male combination of its total human resources, also has clear policy about the employees' provident fund, gratuity, benevolent fund and workers' profit participation fund (WPPF).

Governance issues involves how well the company is running in terms of its corporate structure. Our company follows strictly the provisions of the Companies Act, 1994, Income Tax Ordinance 1984, Drug act and other regulations of Directorate General of Drug Administration (DGDA), Bangladesh Securities and Exchange Commission act as far as applicable and also the other applicable laws of the land. We have the equal representation of board members in our corporate system. The company has also account risk management policy and maintain ethical standards strictly by nearly hundred internal written policy and guideline, which are approved by the Company Board to run the business operations smoothly.

SECTION III: ACTIVITIES OF DELTA PHARMA LIMITED

LOCAL BUSINESS OPERATIONS:

Pharma Business in Bangladesh: Situational Analysis

The global business situation as a whole is not in a good shape since the beginning of Covid-19 pandemic. The experts expressed concern about financial and commercial challenges alongside food and energy crisis facing the developing countries in the wake of the Covid-19 pandemic as well as Russia-Ukraine war.

The war in Ukraine has already catalyzed enormous disruption for businesses and economies around the globe. It's economic impact is well observed in the energy, commodity, and financial markets, as well as trade and supply chains management, which is already disrupted by the COVID-19 pandemic.

The consequences of Russia-Ukraine war have already shaken not just those nations but also the region and the world, and point to the importance of a global safety net and regional arrangements in place to buffer economies. Again, how might the war in Ukraine evolve over the next couple of years, and what could the near-term impacts of the conflict be for business leaders worldwide is still a big question for the economists and financial analysts.

For pharmaceutical companies, the increase in fuel price, transportation cost, labor wages, API and packaging material cost remain significant challenges and exacerbated now by the Russia-Ukraine war. Furthermore, the devaluation and volatility of the national currency against US dollar are worsening the situation once more.

The Bangladesh Pharma Market has experienced a negative growth for the last three quarters after many years (IMS data of 4th. Quarter-2021, 1st and 2nd. Quarter of 2022). Most of the leading companies were in a negative sales trend during this period. With some few exceptions, all major molecules were also negative in sales. The experts suspect that this negative trend may sustain in the coming days also.

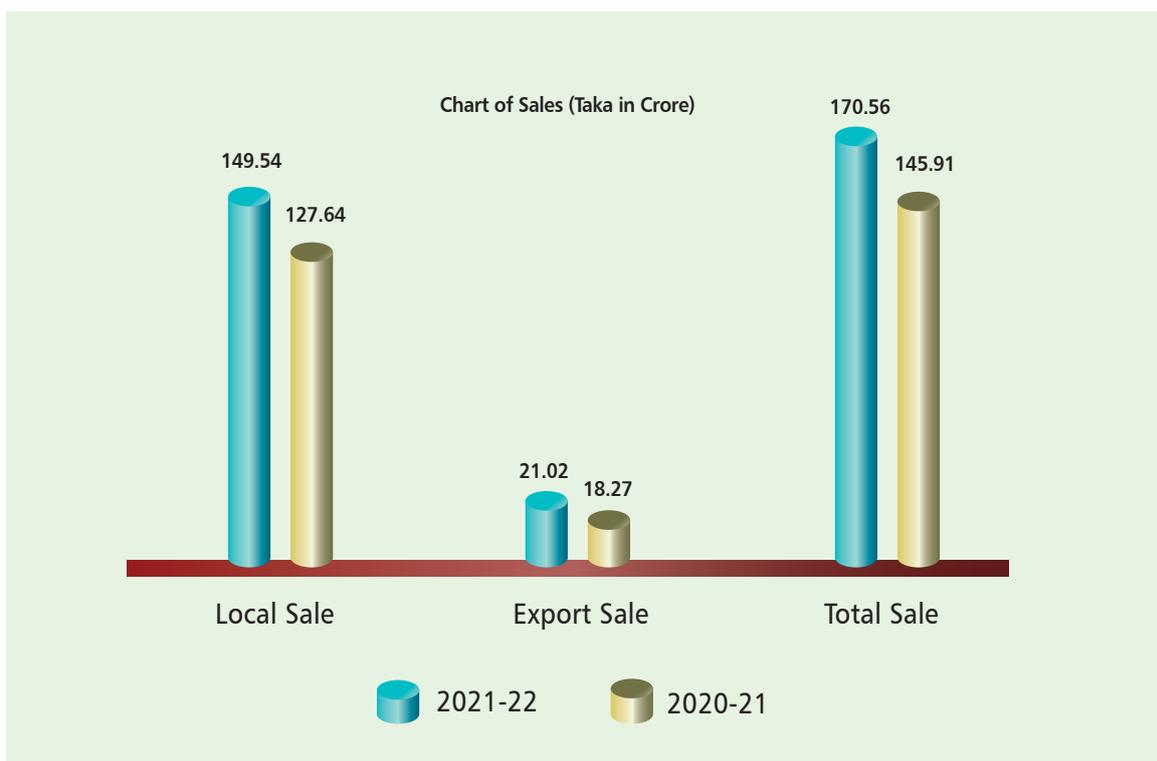
Sales Statistics

Despite the negative trend of local pharma market, Delta Pharma has achieved an overall sales growth of 16.90% during the fiscal year 2021-2022, whereas the Bangladesh Pharma market sales growth is (-)3.85% as per IMS 2nd Quarter 2022.

The Local Sales Contributed a bit better in this fiscal year with 17.16% growth, whereas the growth of Export sales is 15.04%. The Local sales contributed 87.67% of the total sales and the Export sales contributed the rest.

Sales Contribution (In Taka)

Sales	2021-22	Growth	2020-21	Growth
Local Sales	1,495,417,293/-	17.16%	1,276,362,595/-	12.58%
Export Sales	210,226,024/-	15.04%	182,736,794/-	8.36%
Total Sales	1,705,643,317/-	16.90%	1,459,099,389/-	12.03%

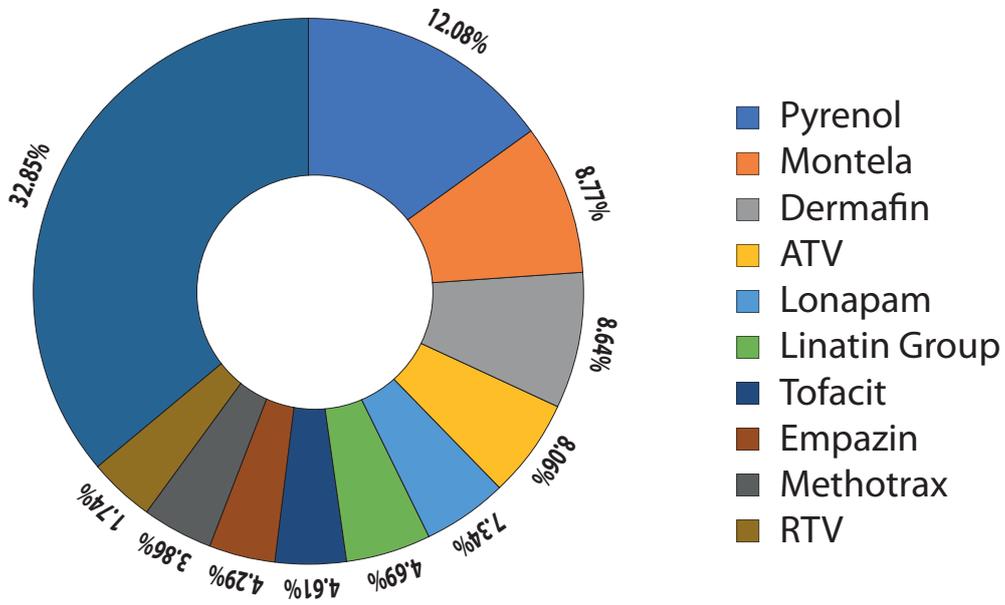


LEADING BRANDS

The good thing in the product mix of this fiscal year is that the sales contribution of prescription brands has been increased significantly, whereas the dependency of OTC has been decreased. Among the prescription brands ATV contributed 9.35%, followed by Montela (8.77%). The contribution of Dermafin has been increased significantly in this year (8.64%) compared to last year (3.85%).

SL	Brand	Contribution in 2021-22	Contribution in 2020-21
1	Pyrenol	12.08%	14.95%
2	ATV	9.35%	8.06%
3	Montela	8.77%	9.35%
4	Dermafin	8.64%	3.85%
5	Lonapam	7.34%	6.35%
6	Linatin Group	4.69%	3.85%
7	Tofacit	4.61%	2.86%
8	Empazin	4.29%	1.36%
9	Methotrax	3.86%	4.06%
10	RTV	3.52%	1.74%
11	Others Brands	32.85%	43.57%

Product Contribution in Total Sales



STRATEGIC PRIORITIES

Introducing differentiated products through Research and Development

As we look ahead, we are building a differentiated product portfolio that anticipates future health needs of the community. Our Research and Development and Business Development section of the Company, work hard with a focus to develop affordable products where there is a patient need.

Demographic changes especially Population growth and aging are fueling a spectacular rise in noncommunicable diseases, such as diabetes, respiratory and cardiovascular diseases, in LDC and developing countries. According to World Population Prospects 2019 (United Nations, 2019), by 2050, 1 in 6 people in the world will be over the age of 65, from 1 in 11 in 2019. As a result, deaths and disability from noncommunicable diseases rising faster in these nations. Keeping this fact in mind, we are continuously investing in our manufacturing sites to enable us to meet current and future needs of patients worldwide.

Pricing And Access to Treatment: A little CHANGE makes a big DIFFERENCE

The need for affordable medicine is always a priority in lower- and middle-income countries like us and this priority has been intensified during COVID-19 pandemic. We think that the necessity of affordable medicine will again raise in "Predicted economic crisis" in the coming years.

In pricing strategy, we just make a little change in our mindset that makes a big difference to the patients. We focus on the total treatment cost and affordability of the end users rather the profit margin of the company. We concern whether the patient could afford our products to complete the treatment. We focus on the completion of the treatment course by ensuring the affordability rather the amount of our profit per unit of the product. The product affordability also ensures the completion of the treatment for many patients in this period of global economic crisis.



Dear Sir,

Assalamu Alaikum.

How are you all? I am age: 54. Served in a private bank. Usually I used cardiac and Diabetic medicine for long time. But recent scarcity of budget I couldn't not afford the monthly medicine cost and consult with my doctor in this regard. The doctor suggested me to use Medicine of Delta pharma. Then I went to the medicine shop and bought your medicine. Now I used your medicine with happiness. It's very quality full, good efficacy and very low cost. Thanks very much for your philanthropy service not in very much commercial like others. Pray for your team. God bless you all.

Regards from

.....

Fig: A complement received from a patient

Responsible Marketing Practice

Delta Pharma endeavors to provide transparent and accurate information about its products and promotions. Delta Pharma is committed to ensure that all claimed information on product brochures

enables doctors to make perfect choices. The box warning in product carton also makes the end user alert about the probable adverse effects of the drugs.

By manufacturing high-quality medicines and making them accessible to those who need treatment, we are helping to shape a healthier world that enriches all our communities. As a company whose moto is to deliver Quality products at an affordable price, every day, we are committed to increasing patients' access to more affordable healthcare.

Communication with customers and Feedback

We're right there within reach, when our customers need us. We Listen to our customers and apply those insights to move the business forward in a better way. We do everything possible to serve and satisfy our customers. We treat our customers how they want to be treated. Our customers can truly lean on us for high quality medicines at an affordable price. We have received many appreciations and positive feedback from our customers for our excellent timely service during the time of global pandemic of COVID-19.

We have a large sales and indoor marketing team that dedicate their time to meet with doctors and clinicians to communicate our values and better understand their needs. By our Professionalism and responsiveness, we have created strong and lasting partnerships with the stakeholders that benefits all, especially the doctors, medical institutes, societies and patients who rely on our brands for a long time.

Managing our risks efficiently

A well-defined risk management framework is integral to any business, but is especially important during times of uncertainty. Effective risk management is core to our management practices that help deliver our strategy and our commitments to our customers, colleagues, community, and the planet. With the leadership of the Executive Committee under the advice and guidelines of the Board, we understand, prioritize, and manage our risks. This is the way we have confronted the odd and weird situation of COVID-19 Pandemic. We do believe that all odds derived externally or internally can be managed by our team efficiently in the coming days.

Academic Society Involvement

As a part of our knowledge based promotional activities, we have sponsored a number of International Conferences of different medical societies of Bangladesh. In most of the cases we were one of the major sponsors. We have sponsored the following societies for their conference as one of the major sponsors:

Sl.	Society
1	Bangladesh Society of Medicine
2	Bangladesh Rheumatology Society
3	Bangladesh Orthopedic Society
4	Bangladesh Society of Cardiovascular Intervention
5	Bangladesh Cardiovascular Research Foundation
6	Bangladesh Society of Echocardiography
7	Association of Clinical Endocrinologist and Diabetologist of Bangladesh
8	Maternal Fetal Medicine Society of Bangladesh
9	Bangladesh Spine Society
10	Bangladesh Society of Radiation Oncologists
11	Bangladesh Society of Physical Medicine and Rehab
12	The Obstetrical and Gynecological Society of Bangladesh (OGSB)

NEW PRODUCT INTRODUCTION

In the fiscal year 2021-2022, the company has launched 16 products, and 03 of them were first ever in Bangladesh.

“First Time in Bangladesh” Products

Empazin L Tablet

In April 2022, Delta Pharma Proudly launched an anti-diabetic combination brand **Empazin L**, for the first time in Bangladesh. It is a combination of two anti-diabetic molecules named Empagliflozin and Linagliptin. This is an FDA approved combination for the treatment of adults with type-2 diabetes. Empazin L is also used to lower the risk of death from heart attack, stroke, or heart failure in adults with type-2 diabetes who also have heart disease. Delta Pharma Launched this brand in two strengths; **Empazin L 10/5 Tablet** contains Empagliflozin INN 10 mg and Linagliptin INN 5 mg and **Empazin L 25/5 Tablet** contains Empagliflozin INN 25 mg and Linagliptin INN 5 mg. Like other products of Delta Pharma, it is also available with most affordable price.

Methotrax 15 Tablet

Methotrax, the Flagship Brand of Delta Pharma extended its' strength by launching **Methotrax 15** tablet. It contains 15 mg of Methotrexate BP and available at a price of 20 Tk. per tablet. Previously we have 10 mg and 2.5 mg strengths in the market and this brand is leading the DMARD market of Bangladesh since the time of its' launching on 2004 in the Bangladesh pharma market.

Rivadel 2.5 Tablet

Generic Name: Rivaroxaban INN
Strength: 2.5 mg
Dosage Form: Tablet
Pack Size: 30's
MRP: 5 Tk. per Tablet
Launching: August 2021

Rivadel 10 Tablet

Generic Name: Rivaroxaban INN
Strength: 10 mg
Dosage Form: Tablet
Pack Size: 20's
MRP: 15 Tk. Per Tablet
Launching: August 2021



Baricit 4 Tablet

Generic Name: Baricitinib INN
Strength: 4 mg
Dosage Form: Tablet
Pack Size: 10's
MRP: 30 Tk. per Tablet
Launching: August 2021

Elargen Tablet

Generic Name: Bilastin INN
Strength: 20 mg
Dosage Form: Tablet
Pack Size: 30's
MRP: 10 Tk. per Tablet
Launching: September 2021

Upacit XR Tablet

Generic Name: Upadacitinib INN
Strength: 15 mg XR
Dosage Form: Tablet
Pack Size: 10's
MRP: 200 Tk. per Tablet
Launching: October 2021

Olmenor Plus 5/20 Tablet

Generic Name: Amlodipine + Olmesartan
Strength: Amlodipine 5 mg + Olmesartan 20 mg
Dosage Form: Tablet
Pack Size: 30's
MRP: 5 Tk. per Tablet
Launching: November 2021

Olmenor Plus 5/40 Tablet

Generic Name: Amlodipine + Olmesartan
Strength: Amlodipine 5 mg + Olmesartan 40 mg
Dosage Form: Tablet
Pack Size: 30's
MRP: 8 Tk. per Tablet
Launching: November 2021

Delfex 180 Tablet

Generic Name: Fexofenadine HCl USP
Strength: 180 mg
Dosage Form: Tablet
Pack Size: 30's
MRP: 7 Tk. per Tablet
Launching: December 2021



Staxiclav 250 Tablet

Generic Name: Cefuroxime BP + Clavulanic Acid BP
Strength: Cefuroxime BP 250 mg + Clavulanic Acid BP 62.5 mg
Dosage Form: Tablet
Pack Size: 12's
MRP: 30 Tk. per Tablet
Launching: January 2022

Staxiclav 500 Tablet

Generic Name: Cefuroxime BP + Clavulanic Acid BP
Strength: 500 mg + 125 mg
Dosage Form: Tablet
Pack Size: 12's
MRP: 50 Tk. Per Tablet
Launching January 2022

Olmenor 20 Tablet

Generic Name: Olmesartan Medoxomil USP
Strength: 20 mg
Dosage Form: Tablet
Pack Size: 30's
MRP: 20 mg: 5 Tk. per Tablet
Launching: February 2022

Olmenor 40 Tablet

Generic Name: Olmesartan Medoxomil USP
Strength: 40 mg
Dosage Form: Tablet
Pack Size: 30's
MRP: 20 mg: 7 Tk. Per Tablet
Launching: February 2022

BOni LGX Tablet

Generic Name: Calcium Carbonate BP (Algae Source) + Vitamin D3 USP
Strength: Calcium BP 600 mg + Vitamin D3 USP 40000 IU
Dosage Form: Tablet
Pack Size: 30's
MRP: 12 Tk. per Tablet
Launching: March 2022



INTERNATIONAL BUSINESS OPERATION

Bangladesh Pharma Export in New Era

After the experience of COVID-19 pandemic, the new normal situation of business of Bangladesh pharmaceutical market has started to face the new challenges due to unexpected start of the RUSSIA-UKRAINE war. Crisis of fuel and power generation shortage, instability in the USD market has resulted in shortage of in and outflow of business throughout the world. In this volatile situation, the whole pharma market become unstable including the emerging and stable pharma markets also. It has been forecasted by the different agencies that due to these unavoidable circumstances, it will be very much difficult to assume, which direction the situation will turn during 2023 and 2024. Moreover, we are almost at the final stage of LDC Graduation and thus the challenge is higher for the Bangladesh Pharmaceutical Industries. Lot of waiver and flexibilities will be withdrawn from 2026 and due to current recession, we will not be able to invest at our best to avail the opportunity of LDC graduation. But we have to try to utilize the opportunity at the best.

Pharmaceutical Export Business at a Glance:

Pharmaceutical Export business is a prestigious and white-collar business whole over the world. Its not like the other business sector. Bangladesh had already established in the world that it can have the expertise to produce quality affordable generic medicine. There are around 10 Pharma companies of Bangladesh, who already got the accreditations of the SRA (Stringent Regulatory Authority). To survive and keep the present growing trend of the export business we also have to plan for such accreditations. Day by day the regulatory requirements are getting updated and we are facing the difficulties while we are applying for the product registration. More over, we need to increase the number of patented products in our product line within 2026 to get early birds benefit in the export markets where the patent protections rights are not in force.

Opportunities of Export Business for DELTA Pharma:

Opportunities for Pharma product export is always there for Bangladeshi companies, including the Delta Pharma. Pharma Export is always intermingled with regulatory compliances and it is specific to each country. We have started our journey of export since 2008 but it took some time to understand the rules and regulations of those country and also to develop manpower in this area. Till now, we have limited number of skilled manpower in our international business operation of Delta Pharma. With this limited resources, we have developed some good export market for our company in Philippines, Sri Lanka, Myanmar, Cambodia, Vietnam and some other countries. We started to get the benefit from those countries but unfortunately the onset of pandemic had delayed this endeavor to give it's dividend straight away. It may take another couple of years and hopefully by 2024 onwards, we may get the benefit of the investment that we had made on Bio-Equivalence (BE) Studies. Though we feel that due to the market gap for pandemic, we need to start aggressive initiative in our business strategies for maximizing the business outcome but that we can't do alone as we have to dependent on the Distributors and Agents and we have to visit and make them understand the importance of increasing the business for survival during 2023 and 2024.

Key challenges ahead for Pharmaceutical Market:

Despite sustained socioeconomic progress, Bangladesh will have to consider the challenges towards sustainable graduation from LDC due to some exogenous factors.

First, the uncertainty surrounding the post COVID-19 is showing great endurance across the world, especially in Europe and North America with a greater intensity, which have potential threats on export earnings and remittance inflows.

Second, the effect of the RUSSIA– UKRANE war related changed economic situation and crisis across the globe as well as dependency of APIs, especially from China and India.

Third, the loss of trade-related ISMs (International Support Measures) may pose a great challenge in the post-graduation phase unless timely appropriate policy measures with the support of Development and Trading Partners are not taken. After LDC graduation, Bangladesh may have to impose/follow the patent law as per WTO laws.

Export Business of Delta Pharma- Present and Future:

- We the Delta pharma were having a good steady and sustained growing business trend in the Export since last 4/ 5 years in spite of lot of challenges and hurdles. It was because of our slow and steady process of intelligent implementation of the strength that we possess. We had focused on the markets where we can comply with the business and have our own satisfaction of controlled investment for expansion. Our decision of consolidating in ASIAN was proved correct as we are getting maximum business output from these countries for last 3 to 4 years though that was not enough to fulfil our expectation and forecast. We are trying to going beyond this boundary and thus we had started limited exploration for the African region freshly, beginning from 2022 by attending Medic East Africa at Addis Ababa, Ethiopia, one of the biggest African hub of Pharmaceutical business, followed by Medic west Africa at Nigeria in 2022.
- We are also focusing on the increasing the number of registered products in the existing destinations after considering the financial feasibility of the products as well as the technical feasibility. We had expressed our determination and confidence in last years statement that we are in the right track to hit the 5 million USD business from Export in 2023 calendar year. But due to the uncertain business behavior of the markets during 2020, 2021 and 2022 we are lagging behind to reach that milestone of 5 million USD in 2023. We are still confident that it may delay the process but could not stop us to reach the destination at all. We hope and expect that (if there is no more uncertainty), we will reach the milestone of 5 million USD by 2024, Insha Allah.

DETAILS ON OUR COUNTRY OF EXPORT:

PHILIPPINES:

Philippines is our stable and fastest growing export market as we have established our business control over the market through our hard work, regular close monitoring of the market behavior and by registering product mix of many varieties. We are planning to register some new and potential products there to increase our business rapidly and to have a sustainable good footing in the Philippines Pharma Market in the days to come. In 2021-2022, we did not have good business in Philippines as we planned due to some market correction during the later part of the fiscal year after the COVID pandemic has its domination ends up. We are hoping that in 2022-2023 fiscal year, we will be able to overcome the situation, though there are still challenges of global economic crisis due to the RUSSIA - UKRAINE war and post COVID impacts.

VIETNAM:

Starting from the beginning 2022, some products registration has started to get extended and thus we are having some positive business in Vietnam, which was consistently becoming negative until December 2021. We had also submitted some promising products dossier recently and expecting to get that products registration during the 2Q of 2023. It will give us some positive business. After the post COVID situation, we are trying to revive the business back in track from VIETNAM. Visiting the Vietnam market within early part of 2023 and by registering some new products there are our adopted strategy to restore the market there and to gain a momentum in our business.

CAMBODIA:

During 2021-2022, we had improved the business in CAMBODIA. In 2022, the business momentum has gained some speed in CAMBODIA but we are expecting more as we have around 48 products registered in the market. We are in close monitoring with the Agent there to take the business up to the next level to achieve Half Million USD business by 2023-2024 fiscal year.

MYANMAR:

Myanmar is the biggest Export destination of the Bangladeshi Pharmaceutical Companies. Unfortunately, we can't reach up to our desired level of business. We have the highest products registration there and some good molecule are in the pipeline of registration. Apart from the Corona pandemic, the political instability of Myanmar since 2020, scarcity of foreign currency and its devaluation and uncertainty of the countries' economic condition, our business is not picking up according to its potentials. We are not being able to do Physical communication since 2019, due to the mentioned situations. Still we are doing a growing business with the Empagliflozine 10 and 25 mg tablets through Contract Manufacturing agreement since 2020. We hope that, by 2023 we will be able to cross 1 Million USD business in Myanmar.

SRI LANKA:

Due to the uncertain political and economic condition of Sri Lanka we are suffering in doing business for last couple of years. Though in between we had managed to do some business during the 2021-22 fiscal year with lot of difficulties and challenges. We are expecting that the situation will improve starting from the beginning of 2023 and things will become normal by 2Q of 2023. Though there are still lot of internal and external challenges to face, but we have some casualty plan as well as long term development plan to overcome the challenges. We hope that we will be able to put the business back in coming days from Sri Lanka.

Export Sales Last Two Fiscal Year of the Major Countries:

Country	2020-2021		2021-2022		Growth (%)
	USD	BDT	USD	BDT	
Cambodia	50,061.42	4,205,157.60	140,295.00	11,937,801.00	184%
Philippines	932,442.90	78,325,203.60	1,595,829.00	136,284,691.00	74%
Sri Lanka	323,280.00	27,154,680.00	146,580.00	12,493,315.00	-54%
Myanmar	489,226.00	41,090,914.00	390,564.00	33,297,109.00	-19%
Vietnam	173,532.99	14,576,771.16	87,031.00	7,911,552.00	-46%

THINGS TO FOCUS ON TO EXPAND THE INTERNATIONAL BUSINESS:

In the coming days, we should focus on the following areas which are potential to grow:

- Initiative to register more products considering the country specific market demand.
- During selecting the Molecules for International Market, we have to keep in mind that without having a product available in local market it is difficult to submit a quality document to register in international market and also challenging to supply the commercial products on time.

- Need to focus on registering newer molecules like Antiviral/anti-cancer and specialized products like Tofacitinib, Baricitinib, Upadacitinib, newer combination of anti-diabetic and anti-hypertensive products, as they have less competitors and have good ROI than the Ordinary products.
- Need continuous exploration of new business opportunity by the qualified and skilled professionals, who have the intention to develop themselves with the growth of the business.
- Strengthen the R and D facility along with the documentation and validation department at plant to register the products and the manufacturing site with the Stringent Regulatory Authorities (SRA).

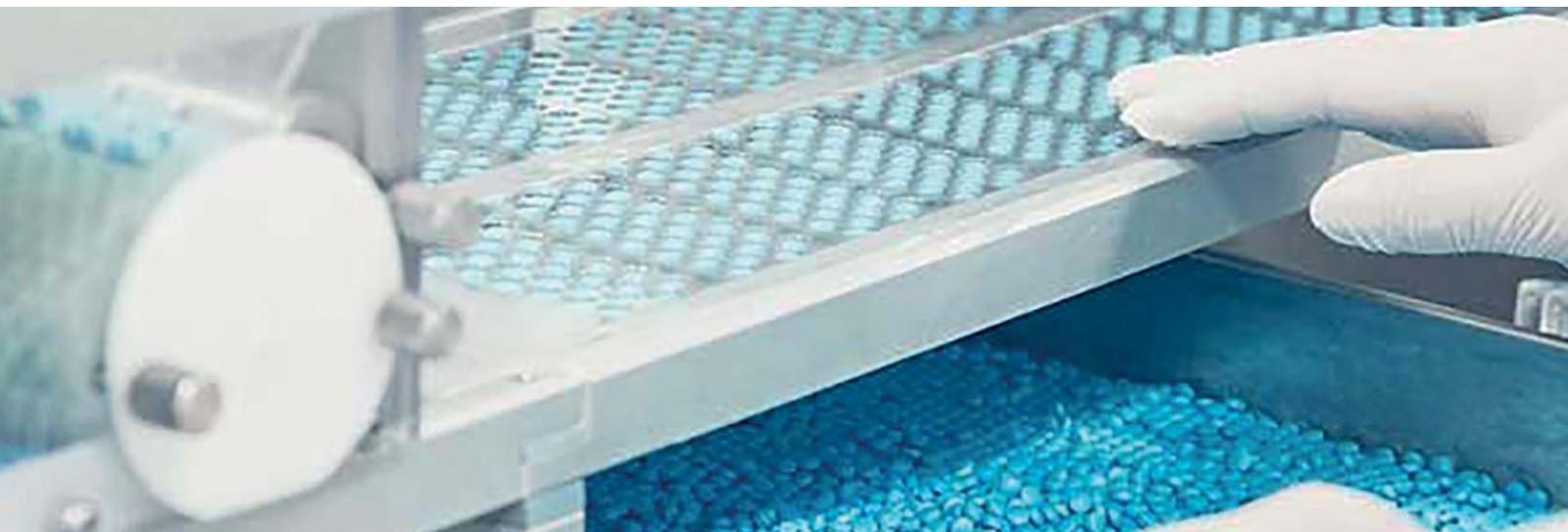
Bioequivalent
ATV
 Atorvastatin
 10 mg, 20 mg & 40 mg Tablet

Bioequivalent Atorvastatin in Bangladesh



Delta Pharma Limited





MANUFACTURING FACILITIES AT DELTA PHARMA

The manufacturing plant has been established, updated and developed with modern state of the art technology and equipped with high standard machinery and instruments for the production and quality control of various dosage forms of several therapeutic classes.

Delta Pharma improves the patient's health by consistently delivering high quality, safe and effective drugs with affordable price manufactured in full compliance with cGMP and global quality standards that meet the customer satisfaction. We are committed to provide a safe and healthy working environment through maintaining the Environmental, Health, and Safety Guidelines.

We give high priority on building the capabilities and efficiency of our employees through sufficient requisite training and empower them to utilize their full potentiality along with accountability and transparency. We are continuously increasing the capacity of our factory by expanding the infrastructure facilities, purchasing new modern machinery and equipment to fulfill the local and export market demand.

We are now producing more than 156 products with various types of dosage forms which includes Tablets, Capsules, Liquids, Dry syrup and Injectables, covering most of therapeutic classes. There are also numerous products manufacturing in our company for overseas markets in Asia, Africa and South America. We have a strategic focus on export with an ambition to achieve higher growth in the long term.

Delta Pharma achieves the global accreditations from following agencies;

- cGMP Certificate and Manufacturing License from DGDA, Bangladesh
- FDA Philippine
- FDA Cambodia
- MNHRA Afghanistan and
- ISOQAR registered by UKAS, UK

Quality Assurance Department

Quality Assurance is safeguarding the patient's well-being by assuring that all operations associated with the manufacture of medicinal products are of a standard that assures the patient's expectation of safety, efficacy, quality, strength, reliability and durability. The purpose of Quality Assurance is to ensure product quality as per guidelines of WHO cGMP, PIC/S GMP, and ISO 9001:2015 Quality Management System for customer satisfaction and continual improvement. By maintaining



the above guidelines, we have achieved the certificate of Current Good Manufacturing Practices (cGMP) from DGDA Bangladesh and FDA Philippines. We have also achieved the Pharmaceutical Manufacturer Registration License from Cambodia and Afghanistan.

Quality Assurance team of Delta Pharma plays the significant role of controlling, ensuring and maintaining the consistent quality of products and also plays an important role in the quality improvement of medicinal products. Technically qualified, experienced and competent QA personnel of Delta Pharma are continuously working to make the product suitable for the intended purpose, to eliminate mistakes and to fulfill the quality requirements. In all of our activities, we commit our energy and expertise to maintain the highest ethical and quality standards of medicinal products and safety for patients without compromise.

Quality Assurance Department conducts the training as per predefined schedule to make the skilled and competent manpower. Through this training we increase the awareness of our employees. As a result, we can ensure consistent quality of product and maintain our policy of continuous improvement. Quality Assurance department conducts self-inspection program by which we can find out the errors. Then the errors are eliminated by taking corrective and preventive actions. Furthermore, we operate in strict compliance with the most stringent international standards of quality and traceability. The quality of raw materials and items provided by our suppliers is ensured through inspection policies, periodic reviews, and quality performance indicators.

Quality Control Department

Quality Control departments are designed with Physical, Chemical, Instrumental and Microbiological laboratory. Quality Control department gives highest emphasis to ensure its product quality with a group of highly educated, well trained, dynamic and professionally competent personnel. Quality control department ensures the quality and safety of our products by performing the required QC tests of raw materials, finished products, comparative dissolution, ongoing stability study, residual solvent of raw materials, finished products, total organic carbon of purified water, impurities of raw and finished products, keeping the reference samples of raw materials and finished products, calibration of laboratory instrument/equipment are followed by the guideline of British Pharmacopoeia (BP), United States Pharmacopoeia (USP), WHO- cGMP and ISO 9001:2015.



Quality control department of general unit is well equipped with the most modern and highly sophisticated equipment like Atomic Absorption Spectrophotometer (AAS), Gas Chromatography (GC), High Performance Liquid Chromatography (HPLC), UV Spectrophotometer, Total Organic Carbon Analyzer (TOC Analyzer), Fourier Transform Infrared Spectrophotometer (FTIR), Karl Fischer Titrator, Potentiometric Titrator, Air Borne Particle Counter and many other latest analytical instruments to ensure the highest quality and safety of our products.

A dedicated QC lab is also established in the Cephalosporin unit with the most modern sophisticated equipment. This QC Lab is equipped with High Performance Liquid Chromatography (HPLC), UV-Spectrophotometer, Fourier Transform Infrared Spectrophotometer (FTIR), Karl Fischer Titrator,



Dissolution Tester, Disintegration Tester, Moisture Analyzer, Hardness Tester, Muffle Furnace, Viscometer, Polarimeter etc.

Quality Control department is equipped with a wide range of microbiology laboratory and perform microbiological tests like particle count, total aerobic microbial count, total yeast and mould count, growth promotion test, environmental monitoring test, pathogenic microorganism test and microbiological test of raw materials, excipients, finished products and also for the water. We confirm our product quality through performing the above microbiological tests carried out by our qualified microbiologist.

Product Development Section

Product Development section of our plant is established in a dedicated and isolated area where state-of-the-art formulation machinery and analytical equipment are fully available to develop new and quality products at affordable price and managed by a team of qualified personnel. They are responsible for designing formulation, developing the manufacturing process and validation and undertaking stability to develop products which meets high standards and consistent quality. The team works with creativity, innovative thinking and ability to analyze and formulate effective formulations to serve the patients worldwide.



Product development section develops new products in compliance with international guidelines, pharmacopoeia (BP/USP-NF) and regulatory authorities and ensures stability studies to predict shelf life as per ICH and WHO stability guidelines according to target climate zone.

Currently product development section has delivered various dosage forms like Solid formulation (e.g. multi-layer, chewable, immediate release, effervescent, sustained release and delayed release tablet), Capsule formulation (e.g. delayed release, sustained release and immediate release capsule), Powder formulation (e.g. powder for suspension) and Liquid formulation (e.g. syrup, suspension and solution) in different therapeutic segments by conforming the Quality and now we are working on dosage forms of Cream and Ointment in addition to the mentioned dosage forms.

Production Department

Delta Pharma Limited has a well-planned Physical structure with dedicated and segregated blocks for general products, methotrexate products and cephalosporin products. Its state-of-the-art manufacturing plant is equipped with modern and highly sophisticated machinery made by world-renowned manufacturer. Highly skilled and trained personnel perform every operation to manufacture quality medicine and improve the productivity by following lean productivity techniques. Modern HVAC system along with the sandwich panel made partition wall and ceiling and the SLE (Self-Leveling epoxy) flooring in the total production facility as per the cGMP requirement has made the plant a legendary facility in Bangladesh. Well defined standard operating procedures (SOP) in compliance with the procedures and instructions of ISO 9001:2015 guidelines are followed and documented in batch manufacturing records in compliance with the cGMP.

DPL is specialized in manufacturing branded generic pharmaceutical finished product for local and overseas market. We use our knowledge, our abilities, our capabilities to innovate our productivity and our ingenuity enable us to be fast. We believe not just in sales but in discovering the new needs of the market. We can successfully shorten the development process by using the most recent technology to develop and formulate various dosages form like Tablet, Capsule, Liquid and PFS covering broader therapeutic effect which include Antibiotic, Anti-hypertensive, Anti-ulcerants, Cardiovascular, Anti-diabetic, Lipid lowering agent and combination, Anti-psychotics, NSAIDs, DMARDs, Anxiolytic Drugs, Anti-pyretic, Anti-spasmodic, laxatives, Anti-histamines, Antiemetic, Anti-asthmatics, Anti PBH agent, Anti-neuropathic pain agent, Anti-impotence drug, Vitamins, Minerals and supplements etc.



Engineering Department

Pharmaceutical industries are continuously seeking out new strategies to improve their operations and gain a competitive advantage. This department focus on designing, building, operating,

maintaining and improving manufacturing facilities as per GMP (Good Manufacturing Practice) that produce quality medicines. Engineering Department is decorated with a good number of qualified and skilled professionals like- Engineers (Electrical, Mechanical and Civil) and well-trained Technicians of Electrical, Mechanical, Refrigeration, Air-conditioning and HVAC system.



This department has a well-equipped workshop with modern heavy duty machinery and Engineering store for spare parts and accessories. They are responsible to ensure smooth operation of plant machinery, equipment's and utility system. Preventive and corrective maintenance are the regular duties of this department. Routine operation of Substation, Generator, HVAC System, Boiler, DM plant, ETP, Portable Water and Sanitation system are done by this department properly. Engineering department is responsible to organize fire drill in every month for safety, security and regulatory purpose.

Warehouse Department

The warehouse of Delta Pharma is well established and well decorated racking system that holds the materials under controlled environment. The Warehouse Department ensures the availability of Raw materials Packaging materials and Finished goods as per market requirement and smooth support to production department following WHO cGMP guidelines and maintain the ISO 9001:2015 quality management system.

The warehouse has separate materials (RM, PM and FG) receiving area, quarantine, sampling and dispensing area, raw, primary and secondary packaging materials store and rejected area. Also have separate quarantine and storage area of narcotic materials which is strictly maintained under lock and key system. Separate primary packaging materials are kept in temperature controlled room. All labels are preserved in lockers which are under lock and key system.



Wide range of materials are stored in the warehouse of Delta Pharma Limited which require different temperature like i). 20C - 80C ii). 80C - 150C iii). 150C - 250C. Entire warehouse has well designed set of hygrometers to ensure the temperature accurately. Routine wise temperature mapping system is followed as per GMP guideline.

FUTURE PLAN

We have our dedicated general production facility, Cephalosporine production facility, Methotrax production facility, Liquid and PFS production facility in our plant. We have developed each of these production facilities following updated GMP standard and now concentrating on our documentation and validation process. The ongoing development activities at our plant is expected to be completed by June 2023 and that will enhance the production capacity along with the quality control activities, IPC activities and the Product Development and R and D activities of the plant enormously. We are still investing in our plant and that will make us capable for meeting the demand of the coming days for the existing and new products and will also fulfill the regulatory requirements for our export market. At this stage, we are confident to face the GMP inspection of moderately regulated export market. We are planning to purchase the hi-tech and high-speed machineries to increase the production capacity of our plant in the coming days. We are going to establish the new and modern ETP in our Plant as per Environment guideline of ZLD.

We were actively considering to introduce the topical items (Cream and Ointments) in our product line and we had already completed the product and financial feasibility of this segment and also have completed the primary drawing-design to construct the manufacturing facility at our existing plant site. But, due to the recent economic crisis, both globally and locally, we have differed our execution plan for a certain period to have a comfortable investment environment. We hope that, this plan will come into reality very soon.

Within next five years, we want to establish the second unit of general production facility at our present plant site for meeting the future demand of medicines in home and abroad. This unit will be designed and constructed and will be equipped with all modern and sophisticated modern machineries to meet the regulatory requirements of the stringent regulatory authorities (SRA). We have started an initiative with the USP-PQM for preparing our plant site for WHO pre-qualification. We have the plan to construct new warehouse building to accommodate the new demand and also to comply with the regulatory requirements.

The subsidiary company of Delta Pharma Limited, the Delta API limited is also moving forward. The final drawing design and layout of the Delta API plant has been submitted to BSCIC authority for their approval. The R and D lab at our existing plant at Pakundia have recently synthesized Metformin HCL. The QC result of the product is ok. We have also synthesized some QC related chemicals in our API R and D lab. We need to procure some equipment for smooth operation of R&D activities in the coming days.

Delta Pharma Ltd. has long awaited dreams for its own office in the Dhaka city. We were looking for a land/plot at a suitable place in Dhaka with affordable price. We were also working for long time to get a commercial plot for it's corporate office in the business district of Purbachal, Dhaka. But the circular for allotting the plot there has not yet been published from RAJUK. Recently, The RAJUK authority has published an advertisement in the newspaper about the Auction Tender of RAJUK for 99 years lease of commercial plot in Uttara 3rd Phase Residential area. The plots of sectors 16 and 18 are by the side of the Avenue-03 Road and have the future connectivity with Mirpur, Uttara, Tongi, Ashulia, and other places through road and Metrorail. Finally, we have participated in the Auction Tender and came to know that our proposal for Plot number-01 of Sector-16 become the highest bidder and the meeting of Auction committee and the General meeting of RAJUK authority has already been completed. We are waiting for the award letter from RAJUK authority for the commercial plot of RAJUK of 20 Katha land on 99 years lease in Uttara 3rd Phase Residential area with an approximate cost of Taka 55.00 to 60.00 Crore including the registration cost, AIT/VAT and other ancillary/legal expenses. The total payment needs to be done within 90 days of receiving the award letter. After getting the full payment of the plot, the RAJUK authority will organize to hand over the plot, which is ready to hand-over at this moment.

Appointment of Auditor

Ahsan Manzur and Co., Chartered Accountants, Auditor(s) of the Company will retire at this Annual General Meeting and they have conducted company's audit for the year 2021-2022. The Board of Director recommended the M/s Ahsan Manzur and Co. Chartered Accountants after getting the recommendation of Audit Committee for appointment as Auditor(s) for the year 2022-2023. This is placed for the consideration of the shareholders in the 15th AGM with re-fixation of their remuneration.

AGENDA AND PROPOSED SPECIAL RESOLUTION:

Raising paid-up share capital of BDT 12.00 (Twelve) Crore for the payment of commercial plot of RAJUK at Uttara 3rd Phase Residential area:

Delta Pharma Ltd. has long awaited dreams for its own office in the Dhaka city. We were looking for a land/plot at a suitable place in Dhaka with affordable price. We were also working for long time to get a commercial plot for its corporate office in the business district of Purbachal, Dhaka. But the circular for allotting the plot there has not yet been published from RAJUK.

Recently, The RAJUK authority has published an advertisement in the newspaper about the Auction Tender of RAJUK for 99 years lease of commercial plot in Uttara 3rd Phase Residential area. The plots are in Sector no 03, 06, 07, 11, 13, 16 and 18. The plots of 06 and 07 sectors are by the side of the highway of Dhaka-Mymensingh Road and the base price is Taka 06 Crore per katha. The plots of sectors 11 and 13 are by the side of the Sonargaon Janopath Road (Jam Jam tower road) and the base price is Taka 3.5 Crore per katha. The plots of sectors 16 and 18 are by the side of the Avenue-03 Road and the base price is Taka 1.5 Crore per katha. These plots have the future connectivity with Mirpur, Uttara, Tongi, Ashulia, and other places through road and Metrorail service.

As per the decision of the 113th Board meeting of the company, we have participated in the Auction Tender for a permanent office of Delta Pharma Ltd. We came to know that our proposal for Plot number-01 of Sector-16 become the highest bidder and the meeting of Auction committee and the General Meeting of RAJUK authority has already been completed. We are waiting for the award letter from RAJUK authority for the said plot of 20 Katha land of commercial plot of RAJUK on 99 years lease in Uttara 3rd Phase Residential area with an approximate cost of Taka 55.00 to 60.00 Crore including the land cost, registration cost, AIT/VAT and other ancillary/legal expenses. The actual size of the plot with land measurement and the total price of the plot will be determined by RAJUK authority during the handover of the plot to us. We have mentioned our offer price per Katha in our Auction Tender based on 20 Katha plot size, as per the instruction of the Auction Tender schedule. The total payment needs to be done within 90 days of getting the award letter. The total payment needs to be done within 90 days of receiving the award letter. After getting the full payment of the plot, the RAJUK authority will organize to hand over the plot, which is ready to hand-over at this moment.

In the 113th Board meeting of the company, the members discussed about the financial arrangement plan to take the plot. In that meeting, it was discussed that the money could be arranged through raising paid-up share capital and also by taking long term loan facility from the Bank, Leasing or Financial Institutions.

To organize the plot related payment, we may raise paid-up share capital of BDT 12,00,00,000.00 (Twelve Crore) through allotment of 12,00,000 fresh ordinary shares of BDT 100.00 (One Hundred) each. Rest of the plot related expenditure may be organized from Bank/Lease/Financial Institutions/Co-operative Society and/or other sources. The issue of raising paid-up capital has been approved by the Board in the 113th Board meeting of the company. Now the following special resolution is placed before the shareholders for their consideration and approval.



Dermafin

Terbinafine 250 mg Tablet

Care Tinea to Onychomycosis

- Most affordable Terbafine brand in Bangladesh
- COS grade Terbafine API

COS (Certificate Of Suitability)
Confirms Quality of API according to European Standard

COS grade authorized by  European Directorate for the Quality of Medicines & HealthCare



Only @
20Tk.
per tablet



Delta Pharma Limited



AUDITOR'S REPORT

Independent Auditors' Report To the Shareholders of **Delta Pharma Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Delta Pharma 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 year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, 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) as explained in notes 2-3.

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 other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Directors Report, but does not the financial statements and our auditors' 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. No Directors' Report issued by the management of Delta Pharma Limited at or before issuing this report and we have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as explained in notes 2-3, 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. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company.

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.
- 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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, 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 statements of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of accounts and returns;

Place: Dhaka
Date: 04 December, 2022

Ahsan Manzur Co

Ahsan Manzur & Co.
Chartered Accountants
Md. Raghیب Ahsan FCA
DVC: 2212040689AS349404

Delta Pharma Limited

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	4.00	781,429,280	699,153,633
Right of Use Assets	5.00	1,721,582	4,746,321
Capital work -in - progress	6.00	9,671,937	7,624,074
Intangible assets- development phase	7.00	-	11,049,050
Investment	8.00	224,250,000	167,500,000
Total non-current assets		1,017,072,799	890,073,078
Current Assets			
Inventories	9.00	256,818,972	241,938,478
Trade and other receivables	10.00	27,030,676	40,453,574
Advances, deposits and pre-payments	11.00	134,573,566	155,403,619
Cash and bank balances	12.00	11,410,005	29,657,021
Total current assets		429,833,219	467,452,692
Total assets		1,446,906,018	1,357,525,770
Equity and liabilities:			
Shareholders' equity			
Share capital	13.00	359,369,000	359,369,000
Retained earnings	14.00	74,774,866	6,790,137
Total shareholders' equity		434,143,866	366,159,137
Liabilities			
Non-current liabilities			
Long term loan & lease obligation	15.00	370,963,956	495,403,932
Deferred tax liabilities	16.00	46,833,858	47,510,795
Total non-current liabilities		417,797,814	542,914,727
Current Liabilities			
Accounts payables	17.00	154,154,588	86,366,837
Short term loan	18.00	17,200,000	18,400,000
Current portion of long term loan	19.00	20,194,545	14,878,416
Profit payable	20.00	18,895,046	14,414,709
Liabilities for expenses	21.00	356,627,380	271,799,119
Dividend payable	22.00	3,822,296	21,865,868
Provision for taxation	23.00	24,070,483	20,726,958
Total current liabilities		594,964,338	448,451,906
Total liabilities		1,012,762,152	991,366,633
Total equity and liabilities		1,446,906,018	1,357,525,770

The annexed notes from 01 to 33 form an integral part of these financial statements


Mrs. Ferdousi Akhter
Chairman


Dr. Md. Zakir Hossain
Managing Director


Mahnaj Azad
Company Secretary

Signed in terms of our separate report of even date.

Place: Dhaka
Date: 04 December, 2022


Ahsan Manzur & Co.

Chartered Accountants
Md. Raghیب Ahsan FCA

DVC: 2212040689AS349404

Delta Pharma Limited

Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2022

Particulars	Notes	Amount in Taka	
		30 June 2022	30 June 2021
Revenue	24.00	1,705,643,317	1,459,099,389
Cost of sales	25.00	(852,679,588)	(692,959,597)
Gross profit		852,963,729	766,139,792
Administrative, selling and distribution expenses	26.00	(717,690,798)	(619,601,758)
Profit from operation		135,272,932	146,538,034
Other Income	27.00	17,891,380	20,604,361
Finance costs	28.00	(50,822,460)	(56,355,960)
Profit before contribution to WPPF		102,341,852	110,786,434
Contribution to WPPF	29.00	4,873,422	5,275,544
Profit before tax		97,468,430	105,510,890
Income tax expense	30.00	(29,483,702)	(43,487,695)
Net profit/(loss) after tax		67,984,729	62,023,195
Earnings Per Share (EPS)	31.00	18.92	17.26

The annexed notes from 01 to 33 form an integral part of these financial statements

F. Akhter
Mrs. Ferdousi Akhter
Chairman

Dr. Md. Zakir Hossain
Dr. Md. Zakir Hossain
Managing Director

Mahnaz Azad
Mahnaj Azad
Company Secretary

Signed in terms of our separate report of even date.

Place: Dhaka
Date: 04 December, 2022

Ahsan Manzur & Co.
Ahsan Manzur & Co.
Chartered Accountants
Md. Raghیب Ahsan FCA
DVC: 2212040689AS349404

Delta Pharma Limited

Statement of Changes in Equity

For the year ended 30 June 2022

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total
Balance at 30 June 2020	359,369,000	(37,264,608)	322,104,392
Net profit for the year	-	62,023,195	62,023,195
5% Cash dividend	-	(17,968,450)	(17,968,450)
Balance at 30 June 2021	<u>359,369,000</u>	<u>6,790,137</u>	<u>366,159,137</u>
Balance at 30 June 2021	359,369,000	6,790,137	366,159,137
Net profit for the year	-	67,984,729	67,984,729
Balance at 30 June 2022	<u>359,369,000</u>	<u>74,774,866</u>	<u>434,143,866</u>


Mrs. Ferdousi Akhter
Chairman


Dr. Md. Zakir Hossain
Managing Director


Mahnaj Azad
Company Secretary

Delta Pharma Limited

Statement of Cash Flows For the year ended 30 June 2022

Particulars	Amount in Taka	
	30 June 2022	30 June 2021
<u>Cash flows from operating activities</u>		
Receipt from customers	1,719,066,215	1,494,930,426
Payment to suppliers	(747,361,323)	(659,673,216)
Payment to employees & others	(585,649,296)	(498,191,947)
Net cash generated from operating activities	386,055,597	337,065,263
Interest paid	(46,342,123)	(60,409,771)
Income tax paid	(26,817,113)	(24,888,124)
A. Net cash generated from operating activities	312,896,361	251,767,368
<u>Cash flows from investing activities</u>		
Acquisition of property, plant & equipment	(133,978,094)	(175,179,457)
Addition to Capital work-in-progress	(2,047,863)	362,654
Investment	(56,750,000)	(10,227,509)
B. Net cash used in investing activities	(192,775,957)	(185,044,313)
<u>Cash flows from financing activities</u>		
Receipt/(Re-payment) of long term loan	(119,123,847)	(20,596,443)
Receipt/(Re-payment) of short term loan	(1,200,000)	(10,279,184)
Dividend paid	(18,043,572)	(16,140,488)
C. Net cash (used in)/ Provided by financing activities	(138,367,420)	(47,016,116)
Net Increase/(decrease) in cash and cash equivalent (A+B+C)	(18,247,016)	19,706,939
Cash and cash equivalent at the beginning of the year	29,657,021	9,950,082
Cash and cash equivalent at the end of the year	11,410,005	29,657,021


Mrs. Ferdousi Akhter
Chairman


Dr. Md. Zakir Hossain
Managing Director


Mahnaj Azad
Company Secretary

Delta Pharma Limited

Notes to the Financial Statements

As at and for the year ended 30 June 2022

1.00 The reporting entity and its nature of business

Delta Pharma Limited (The Company) was incorporated on 17th June 1964, registration No: C/502 as a Private Limited Company under the Companies Act, VII of 1913. From 2007, the company is operating as a public limited company (non listed) registered under the Companies Act, 1994 and Authorized Share Capital is Tk. 1,000,000,000 divided into 10,000,000 ordinary shares of Tk. 100 each and Paid Up Capital is Tk. 359,369,000 divided into 3,593,690 ordinary shares of Tk. 100 each.

The company manufactures various drugs and medicines both allopathic & indigenous and sells these in the local and foreign markets.

The factory of the Company is situated at Pakundia, Kishorgonj on its own land.

2.00 Basis of preparation of the financial statements

2.01 Statement of compliance

The Financial Statements has been prepared in compliance with the requirements of the Companies Act, 1994 and other relevant local laws as applicable. Cash flows from operating activities are computed under Direct Method as prescribed by the Securities and Exchange Rules 1987.

2.02 Statement on Compliance of IAS & IFRS:

The Financial Statements has been prepared in accordance with the applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRS).

The following IASs & IFRSs are applicable for the financial statements for the year under review:

- IAS - 1 Presentation of Financial Statements
- IAS - 2 Inventories
- IAS - 7 Statement of Cash Flows
- IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS - 10 Events after the Reporting Period
- IAS - 12 Income Taxes
- IAS - 16 Property, Plant and Equipment
- IAS - 19 Employee Benefits
- IAS - 21 The Effects of Changes in foreign Exchange Rates
- IAS - 23 Borrowing Cost
- IAS - 24 Related Party Disclosures
- IAS - 27 Separate Financial Statements
- IAS - 32 Financial Instruments: Presentation
- IAS - 33 Earnings Per Share
- IAS - 36 Impairment of Assets
- IAS - 37 Provisions, Contingent Liabilities and Contingent Assets
- IAS - 38 Intangible Assets
- IAS - 39 Financial Instruments: Recognition and Measurement
- IFRS- 7 Financial Instrument: Disclosures
- IFRS- 9 Financial Instrument
- IFRS- 13 Fair Value Measurement
- IFRS - 15 Revenue from contracts with Customers
- IFRS- 16 Leases

2.03 Other regulatory compliances:

The company is required to comply with the following major laws and regulations along with the Companies Act 1994:

The Income Tax Ordinance, 1984
The Income Tax Rules, 1984
The Value Added Tax and Supplementary Duty Act, 2012.
The Value Added Tax and Supplementary Duty Rules, 2016.
The Customs Act, 1969
Bangladesh Labor Law, 2006 (as amended in 2015)

2.04 Date of authorization for issue of the financial statements

The board of directors in its meeting held on 29 November, 2022 reviewed the financial statements and authorized them for issue.

2.05 Basis of measurement

The financial statements have been prepared under the historical cost convention.

2.06 Functional and presentational (Reporting) currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented in Taka have been rounded off to the nearest Taka.

2.07 Use of estimates and judgments

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues and expenses, assets and liabilities at the date of the reporting period. Due to the inherent uncertainty involved in making estimates, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.08 Going concern

The company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business and operations.

3.00 Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

3.01 Foreign currency

Transactions in foreign currencies are translated to Bangladesh Taka at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities are converted at the rates prevailing at the balance sheet date. Non-monetary assets and liabilities are reported using the exchange rate at the date of transaction. Differences arising on conversion are charged or credited to the profit and loss account as per IAS-21.

3.02 Financial instrument

Non-derivative financial instrument comprising accounts and other receivables, cash and cash equivalent, loans and borrowings, and other payables are shown at transaction costs.

3.03 Property, plant and equipment

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is

normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

3.04 Rights Use of Assets

The Company has adopted 'IFRS 16 – Leases' which becomes effective for annual reporting beginning on or after 01 January 2019 which replaces the existing standard IAS 17. The Company decided to adopt the modified retrospective approach for the transition accounting.

On transition to IFRS 16, all types of contracts have been evaluated to assess whether a contract is or contains, a lease at the date of initial application.

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset. Under IFRS 16, right-of-use assets and lease liabilities have been recognized for all applicable leases, except for low value lease assets.

3.05 Depreciation of property, plant and equipment

No depreciation is charged on Land & Land development. Depreciation on all other fixed assets is computed using the reducing balance method so as to write off the assets over their expected useful lives. Half year's depreciation has been charged on additions irrespective of the date when the related assets are put into use.

After considering the useful life of assets as per IAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management:

Category of PPE	Rate of depreciation (%)
Factory building	5%
Plant & machinery	10%
Electric equipments	20%
Furniture & fixture	10%
Automobiles & vehicles	20%
Generator	20%
Office equipment	10%
Electric Installation	10%
Spares & accessories	20%

3.06 Capital work-in-progress

Property, plant and equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.07 Intangible assets - Development phase

An intangible assets arising from development shall be recognized if an entity can demonstrate the following:

- the technical feasibility of completing the intangible assets so that it will be available for use.
- its intention to complete the intangible assets and use or sell it.
- its ability to use or sell the intangible assets.
- how the intangible assets will generate probable future economic benefit.

- e) the ability of adequate technical financial and other resources to complete the developments and to use or sell the intangible assets.
- f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

3.08 Inventories

Stocks are valued at lower of cost and net realizable value except for goods in transit which are valued at cost as per IAS-2

Cost of raw materials and packing materials are valued by using FIFO formula.

Cost of work-in-progress and finished stocks are arrived at by using FIFO cost formula including allocation of manufacturing overheads related to bringing the inventories to their present condition. The company uses standard cost method for measurement of cost of finished goods.

3.09 Impairment of assets

All fixed assets have been reviewed and it was confirmed that no fixed assets have been impaired during the year and for this reason no provision has been made for impairment of assets as required by IAS-36.

3.10 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the profit and loss account except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity in accordance with the requirement of IAS 12: Income Tax.

3.10.1 Current tax

Current tax the expected tax payable on the taxable income for the year, using tax rate enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The company qualifies as a "Publicly Non-traded Company" and accordingly the rate of income tax applied for the year is 27.5%. Provision for tax has been made on the basis of Finance Act 2021-2022.

3.10.2 Deferred tax

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact of changes on the account in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12 "Income Taxes".

3.11 Cash and cash equivalents

Cash in hand and cash at banks have been considered as Cash and Cash Equivalents for the preparation of these financial statements, which were held and available for use by company without any restriction and there was insignificant risk of changes in value of the same.

3.12 Cash flow statement

Cash Flow Statement is prepared principally in accordance with IAS-7 "Cash Flow Statement" and the cash flows from the operating activities have been presented under direct method.

3.13 Provisions

In accordance with the guidelines as prescribed by IAS-37: Provisions, Contingent liabilities and Contingent assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

3.14 Revenue from contracts with Customers

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates as per IFRS-15

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership has been transferred to the buyer, the company has no managerial involvement of ownership of the goods, the amount of revenue and the cost of the transaction can be measured reliably and it is probable that the economic benefit associated with the transactions will flow to the company.

3.15 Financial expenses

Financial expenses (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with IAS-23: "Borrowing Cost".

3.16 Software

Software's are generally charged off as revenue expenditure. Purchase of software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

3.17 Comparative information and re-arrangement thereof

Relevant comparative information has been presented in the financial statements. Previous year's figures have been rearranged/reclassified and restated wherever possible and considered necessary to conform to current year's presentation.

3.18 Reporting period

The period of these financial statements covers one year from 1st July to 30th June consistently.

3.19 Components of the Financial Statements

According to the International Accounting Standard IAS-1 "Presentation of Financial Statements" the Complete set of Financial Statements includes the components are stated below:

- (I) Statement of Financial Position.
- (ii) Statement of Profit or Loss and Other Comprehensive Income.
- (iii) Statement of Changes in Equity,
- (iv) Statement of Cash Flows.
- (v) Notes to the financial statements.

3.20 Related party transactions

Related party transaction is a transfer of resources, services or obligations between related parties regardless of whether a price is charged

- a) Significant contracts where company is a party and where directors have interest --Nil
- b) Shares issued to directors and Executives without consideration or at discount -----Nil

3.21 Earning per share (EPS)

The company calculates earning per share (EPS) in accordance with IAS 33 "Earning Per Share" which has shown on the face of "Income Statement".

Basis of EPS

This has been calculated by dividing the basic earnings by the number of ordinary shares outstanding during the year. Previous years' EPS has been adjusted as per the requirement of IAS-33.

3.22 Provident fund

The company has introduced contributory provident fund scheme effective from January 2010 for its permanent employees. The provident fund is administered by a board of trustees and is funded by equal contribution from the employees and the company at 10% of basic pay. The process of taking recognition with NBR is going on.

3.23 Group insurance

The Company has also a group Insurance scheme for its permanent employees, premium for which is being charged to income statement annually as per the insurance policy.

3.24 Workers Profit Participation Fund and Welfare Fund

The company makes a regular allocation of 5% on Net Profit before tax to these funds and payment is made to the workers as per provisions of Labour Law 2006 (Revised 2018) Chapter-15.

4.00 Property, plant & equipment

A. Cost

Opening Balance
Add: Addition During the year

B. Depreciation

Opening
Add: Depreciation during the year

C. Written down value (A-B)

Amount in Taka	
30 June 2022	30 June 2021
1,001,298,307	827,129,973
133,978,094	174,168,334
1,135,276,401	1,001,298,306
302,144,674	259,704,530
51,702,447	42,440,143
353,847,121	302,144,674
781,429,280	699,153,633

(Schedule of property, plant and equipment are given in annexure -A)

5.00 Right of Use Assets

A. At cost

Opening Balance
Add: Addition during the year
Balance as at 30 June 2022

B. Accumulated depreciation

Opening Balance
Add: Charged during the year
Balance as at 30 June 2022

C. Written down value (A-B)

10,153,603	9,142,479
-	1,011,124
10,153,603	10,153,603
5,407,282	1,896,357
3,024,740	3,510,925
8,432,022	5,407,282
1,721,582	4,746,321

(Please refer to Annexure- B for details.)

6.00 Capital work-in progress

Building/Civil work (6.01)
Total

9,671,937	7,624,074
9,671,937	7,624,074

6.01 This is made up as follows:

Opening balance
Add: Addition during the year
Sub total
Less: Transferred to fixed assets during the year
Total

7,624,074	7,986,729
73,109,000	3,433,522
80,733,074	11,420,251
71,061,137	3,796,177
9,671,937	7,624,074

7.00 Intangible assets- development phase

This is made up as follows :
Govt. and other license fee
Product testing and design
Accessories QC
Research development and others
Product registration & others
Total

-	609,284
-	1,583,511
-	1,157,545
-	6,401,213
-	1,297,497
-	11,049,050

Amount in Taka	
30 June 2022	30 June 2021

Addition to development expenses will be amortized within 5 years starting from the next year as per the decision of the Board of Directors. During the year amortization expenses have been charged @ 33.33% of opening Intangible Assets (Development phase) as 5/5th has been amortized up to 2022. No addition during the year.

7.01 Movement of Intangible assets- development phase

This is made up as follows :

Opening balance	11,049,050	22,098,100
Less: Amortization during the year	(11,049,050)	(11,049,050)
Closing balance	(0)	11,049,050

8.00 Investment

Investment in Shares (8.01)
Investment as Share Money Deposit (8.02)
Total

Investment in Shares (8.01)	129,750,000	112,000,000
Investment as Share Money Deposit (8.02)	94,500,000	55,500,000
Total	224,250,000	167,500,000

8.01 Investment in Shares

Delta Health Care, Mirpur Ltd.
Delta Health Care, Chattogram Ltd.
Delta Limited
Delta Health Care, Rampura Ltd.
Delta Health Care, Mymensingh Ltd.
Delta Health Care, Jatrabari Ltd.
Delta API Ltd.
Total

Delta Health Care, Mirpur Ltd.	2,000,000	2,000,000
Delta Health Care, Chattogram Ltd.	4,000,000	4,000,000
Delta Limited	60,000,000	60,000,000
Delta Health Care, Rampura Ltd.	1,000,000	1,000,000
Delta Health Care, Mymensingh Ltd.	4,950,000	2,000,000
Delta Health Care, Jatrabari Ltd.	3,300,000	3,000,000
Delta API Ltd.	54,500,000	40,000,000
Total	129,750,000	112,000,000

8.02 Investment as Share Money Deposit

Delta Health Care, Mirpur Ltd.
Delta Health Care, Rampura Ltd.
Delta Health Care, Mymensingh Ltd.
Delta Health Care, Jatrabari Ltd.
Delta API Ltd.
Total

Delta Health Care, Mirpur Ltd.	10,500,000	10,500,000
Delta Health Care, Rampura Ltd.	9,000,000	9,000,000
Delta Health Care, Mymensingh Ltd.	41,000,000	13,000,000
Delta Health Care, Jatrabari Ltd.	8,500,000	8,500,000
Delta API Ltd.	25,500,000	14,500,000
Total	94,500,000	55,500,000

9.00 Inventories

This is made up as follows :

Raw materials	99,146,674	95,559,567
Packing materials	34,986,404	26,435,464
Work-in-process	26,227,136	12,331,610
Finished goods	72,061,843	72,143,935
Physician sample	-	570
Literature & printed materials	6,032,653	7,006,567
Material in transit	18,364,262	28,460,765
Total	256,818,972	241,938,478

10.00 Trade and other receivables

This is made up as follows :
Accounts receivable (trade) -Local (Note-10.01)
Accounts receivable (trade) -Foreign (Note-10.02)
Total

Accounts receivable (trade) -Local (Note-10.01)	15,431,526	14,824,273
Accounts receivable (trade) -Foreign (Note-10.02)	11,599,150	25,629,301
Total	27,030,676	40,453,574

15.00 Long term loan & lease obligation

This is made up as follows:

Islami Bank Bangladesh Ltd. Mouchak Br: (HPSM)

Uttara Finance & Investment Ltd.

IBBL Mouchak Br. Murabaha Trust Receipt (MTR)

IBBL Mouchak Br. (MPIT)

Sandhani Credit Co-operative Society

Industrial and Infrastructure Development

Finance Company Limited (IIDFC)

SIBL Dhanmondi Br. (Ijara & HPSM)

Lease obligation

Total

16.00 Deferred tax liabilities

Deferred tax liabilities recognized in accordance with the provisions of IAS 12: Income taxes, is arrived as follows:

Balance as at 1 July

Adjustment/Addition during the year

Balance as at 30 June

17.00 Accounts payables

This is made up as follows:

Suppliers & others

Total

18.00 Short term loan

Short Term others Loan

SIBL Dhanmondi Br. (Time Loan & LTR)

Total

19.00 Current portion of long term loan

This is made up as follows:

IPDC Finance Limited

Industrial and Infrastructure Development Finance

Company Limited (IIDFC)

Sandhani Credit Co-operative Society

SIBL Dhanmondi Br. (Ijara & HPSM)

Lease obligation

Total

20.00 Profit payable

This is made up as follows:

Islami Bank Bangladesh Ltd., Mouchak Br: Profit

on MPIT & MTR

Total

Amount in Taka	
30 June 2022	30 June 2021
91,437,807	114,223,946
44,196,237	125,834,858
90,791,182	39,741,530
107,768,757	159,366,766
36,769,973	45,000,000
-	8,619,066
-	635,036
-	1,982,730
370,963,956	495,403,932
47,510,795	40,865,454
(676,937)	6,645,341
46,833,858	47,510,795
154,154,588	86,366,837
154,154,588	86,366,837
17,200,000	13,400,000
-	5,000,000
17,200,000	18,400,000
8,364	8,056,695
9,193,110	784,077
8,233,722	-
728,198	2,824,739
2,031,151	3,212,905
20,194,545	14,878,416
18,895,046	14,414,709
18,895,046	14,414,709

		Amount in Taka	
		30 June 2022	30 June 2021
21.00 Liabilities for expenses			
	This is made up as follows:		
	Accrued expenses, suppliers & others	356,275,992	271,511,619
	Audit Fees	351,388	287,500
	Total	356,627,380	271,799,119
22.00 Dividend Payable			
	Opening Balance	21,865,868	20,037,906
	Provision during the year	-	17,968,450
		21,865,868	38,006,356
	Less: Paid during the year	18,043,572	16,140,488
	Closing balance	3,822,296	21,865,868
23.00 Provision for taxation			
	Opening balance	20,726,958	8,772,728
	Addition during the year	10,234,055	13,836,430
	Add: Under charged in previous years	19,926,583	23,005,924
		50,887,596	45,615,082
	Less: Adjustment during the year	26,817,113	24,888,124
	Closing balance	24,070,483	20,726,958
24.00 Revenue			
	This is made up as follows:		
	Local Sales	1,495,417,293	1,276,362,595
	Export Sales	210,226,024	182,736,794
	Total	1,705,643,317	1,459,099,389
25.00 Cost of sales			
	This is made up as follows:		
	Opening stock of finished goods	72,143,935	71,110,097
	Add : Cost of goods manufactured (Note-25.01)	852,597,496	694,945,490
	Finished goods available for sales	924,741,431	766,055,587
	Less : Closing stock of finished goods	72,061,843	72,143,935
	Cost of physician sample	-	952,055
	Cost of sales	852,679,588	692,959,597
25.01 Cost of goods manufactured			
	This is made up as follows:		
	Opening work-in-process	12,331,610	14,856,973
	Add: Cost of raw materials consumed (Note-25.02)	495,785,669	379,921,459
	Cost of packing materials consumed (Note-25.03)	160,303,964	134,875,502
		668,421,243	529,653,934
	Less : Closing work-in-process	26,227,136	12,331,610
	Total cost of materials	642,194,107	517,322,324
	Manufacturing overhead (Note-25.04)	210,403,389	177,623,166
	Total cost of goods manufactured	852,597,496	694,945,490

25.02 Cost of raw materials consumed

This is made up as follows:

Opening stock

Add: Purchase

Raw materials available for use

Less: Closing stock

Cost of raw materials consumed

25.03 Cost of packing materials consumed

This is made up as follows:

Opening stock

Add: Purchase

Packing materials available for use

Less: Closing stock

Cost of packing materials consumed

25.04 Manufacturing overhead

This is made up as follows:

Automobiles & vehicles expenses

Bank charge

Carriage Inwards

Casual wages

Computer expenses

Conveyance expenses

Depreciation expenses

Generator expenses

Insurance expenses

Laboratory chemicals supply

Internet Bill

Mobile bill

Non-Inventory product supply

Overtime premium

Printing & stationery

Repair & maintenance

Rent, rates & taxes

Salary & allowances expenses

Subs. books & periodicals

Training expenses

Renewal & registration

Toll Charge

Uniform & cleaning

Water, electricity & gas

Welfare & recreation

Development expenses written off (Amortization Exp.)

Total

Amount in Taka	
30 June 2022	30 June 2021
95,559,567	94,154,474
499,372,776	381,326,552
594,932,343	475,481,026
99,146,674	95,559,567
495,785,669	379,921,459
26,435,464	37,556,267
168,854,904	123,754,699
195,290,368	161,310,966
34,986,404	26,435,464
160,303,964	134,875,502
2,113,375	1,838,509
7,971	6,403
140,470	167,340
14,607,353	10,302,674
460,588	492,175
173,158	66,242
41,361,958	33,952,114
10,028,800	8,025,600
1,338,313	899,030
1,621,436	1,656,868
213,157	101,498
201,908	204,273
1,065,063	909,530
4,679,025	4,247,239
2,291,124	1,535,191
8,774,899	8,640,033
350,035	333,780
81,089,450	67,579,328
5,749	23,052
73,000	104,225
45,925	67,556
1,173,570	836,247
548,369	741,295
15,955,313	13,588,001
11,034,330	10,255,913
11,049,050	11,049,050
210,403,389	177,623,166

26.00 Administrative, selling and distribution expenses

This is made up as follows:

Amount in Taka		
30 June 2022	30 June 2021	
AGM expenses	699,413	606,290
Audit fees	351,388	287,500
Automobiles & vehicles exp.	20,138,393	13,842,228
Bank charge	1,182,419	1,094,349
Corporate affairs	808,467	780,651
Casual wages	7,903,948	5,279,191
Carriage outwards	33,473,140	27,283,158
Computer expenses	2,772,546	1,334,003
Conveyance expenses	8,424,897	5,789,839
Depreciation expenses	13,365,229	11,998,954
Export expenses	18,670,958	15,022,279
Generator expenses	147,196	151,778
Insurance premium	1,511,659	706,201
Internet bill	2,681,615	2,183,819
Legal & professional fees	191,125	466,425
Medical expenses	82,998	-
Mobile bill	10,268,884	7,916,937
Overtime premium	5,877,577	4,190,624
Pad, Brochure, Logo etc. expenses	43,116,178	34,751,799
Physician sample cost	15,687,091	14,742,036
Physician sample packing cost	1,736,393	1,485,376
Physician sample processing & delivery cost	1,425,430	1,219,367
Product development expenses	4,094,316	3,288,224
Postage, telephone & fax	12,785	14,809
Printing & stationery	9,718,990	7,819,295
Promotional expenses	8,528,379	7,284,666
Sales Bonus	30,235,065	22,557,235
Entertainment Expenses	701,395	600,000
Rent, rates & taxes	10,305,086	7,464,476
Renewal & registration	596,053	679,520
Repair & maintenance	2,712,334	1,895,906
Salary & allowances exp.	438,616,311	398,002,170
Subs. books & periodicals	9,140	264,165
Training expenses	1,753,132	1,710,332
Travelling expenses	3,101,634	1,829,496
Water, electricity & gas	2,749,545	3,408,744
Welfare & recreation	14,039,689	11,649,916
Total	717,690,798	619,601,758

27.00 Other Income

This is made up as follows:

Export cash Incentive	17,858,801	20,604,361
Foreign Exchange Fluctuation Gain /(Loss)	32,579	-
Total	17,891,380	20,604,361

Delta Pharma Limited
Schedule of Property, Plant and Equipment
As at 30 June 2022

Annexure-A

Amount in Taka

Particulars	Cost		Rate of Dep. (%)	Depreciation		Written down value as on 30 June 2022
	Balance as on 1 July 2021	Addition during the year		Balance as on 1 July 2021	Charged during the year	
Land & land development	172,908,089	28,740,655	0%	-	-	201,648,744
Factory building	254,642,445	59,245,311	5%	11,737,829	61,246,352	252,641,404
Plant & machinery	247,540,424	20,199,660	10%	15,459,738	118,502,608	149,237,476
Electric equipments	10,255,653	-	20%	522,412	8,166,004	2,089,649
Furniture & fixture	26,796,513	2,869,492	10%	1,786,665	12,151,277	17,514,728
Automobiles & vehicles	100,473,064	7,293,473	20%	7,837,329	72,770,487	34,996,051
Generator	18,077,755	26,910	20%	824,373	14,793,719	3,310,946
Office equipment	132,648,999	7,618,979	10%	9,387,118	51,974,423	88,293,555
Electric installation	24,205,443	4,606,225	10%	2,223,398	6,497,976	22,313,692
Spares & accessories	13,749,922	3,377,389	20%	1,923,585	7,744,275	9,383,036
Total as at 30 June 2022	1,001,298,307	133,978,094		51,702,447	353,847,120	781,429,280
Total as at 30 June 2021	827,129,973	174,168,334		42,440,143	302,144,673	699,153,633

***Depreciation charged during the year:**

Head	Percentage (%)	Amount (Tk.)
Manufacturing Overhead	0.80	41,361,958
Administrative expenses	0.20	10,340,489
Right of Use Asset		3,024,740
Total		54,727,187

Right of Use Assets

Amount in Taka

Particulars	Cost		Rate of Dep. (%)	Depreciation		Written down value as on 30 June 2022
	Balance as on 1 July 2021	Addition during the year		Balance as on 1 July 2021	Charged during the year	
Corporate Office	7,557,533	-		2,519,178	5,878,082	1,679,451
Distribution Office	2,596,071	-		505,562	2,553,940	42,131
Total as at 30 June 2022	10,153,604	-		3,024,740	8,432,022	1,721,582
Total as at 30 June 2021	9,142,480	1,011,124		3,510,925	5,407,282	4,746,322

Some remarkable moments in the year 2021-2022



14th Annual General Meeting 2021



14th Annual General Meeting 2021

Some remarkable moments in the year 2021-2022

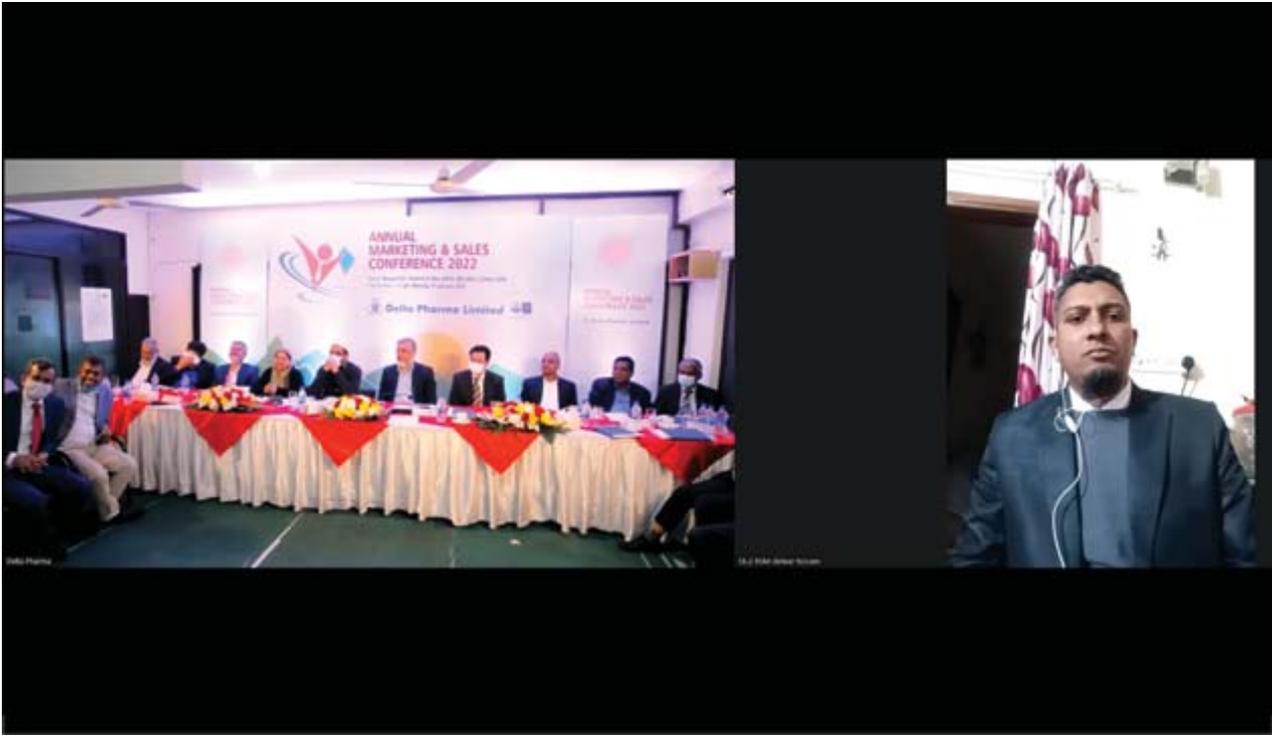


14th Annual General Meeting 2021

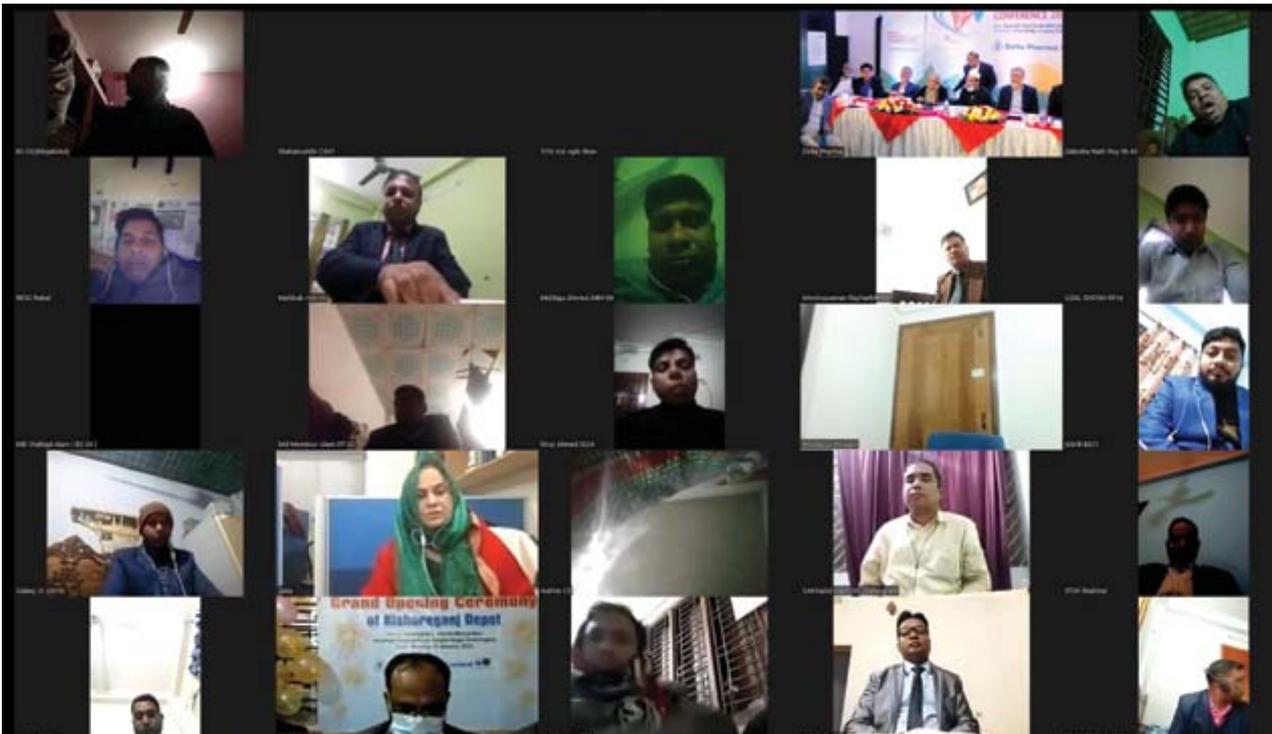


14th Annual General Meeting 2021

Some remarkable moments in the year 2021-2022



Virtual Annual Marketing & Sales Conference 2022



Virtual Participation in the Annual Marketing & Sales Conference 2022

Some remarkable moments in the year 2021-2022



Achievers Day Celebration



Delta's Partner-BIOMED Family at Philippines

Some remarkable moments in the year 2021-2022



Visitors at Our Stall at Ethiopian Health Fair



Drone View of Delta Pharma Plant Premises



Delta Pharma Limited

Registered Office : Tarakandi, Pakundia, Kishoreganj
Dhaka Office : House # 501, Road # 34, New DOHS
Mohakhali, Dhaka-1206. Phone: 02-222292192, 8711645-7

Proxy Form

I/We _____ of _____ being a member of

Delta Pharma Limited do hereby appoint Mr./Ms. _____ as my/our Proxy to attend and vote for me/us on my/our behalf at the **15th ANNUAL GENERAL MEETING (AGM)** of the shareholders of **Delta Pharma Limited** to be held on **25 December (Sunday) 2022, at 10:00 am** at **Multi-Purpose Hall, DSE (Dhaka Stock Exchange Limited) Tower**, Level-12, House-46, Road-21, Nikunja-2, Dhaka-1229, Bangladesh and at any adjournment thereof.

As witness my/our hand this _____ day of _____ 2022.

Signature of the Member

Signature of the Proxy

Register Folio No.
No of shares held:

Signature Verified



Authorized Signature

Note:

- Social distance will be strictly followed in the AGM venue.
- A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote on his/her behalf. The Proxy Form, duly stamped and completed, must be deposited at the Dhaka office address of the Company at House # 501, Road # 34, New DOHS, Mohakhali, Dhaka-1206 at least 48 hours before the time fixed for the Meeting.
- Physical admission into the meeting room will be allowed on production of the "Attendance Slip" attached with the Proxy Form.



Delta Pharma Limited

Registered Office : Tarakandi, Pakundia, Kishoreganj
Dhaka Office : House # 501, Road # 34, New DOHS
Mohakhali, Dhaka-1206. Phone: 02-222292192, 8711645-7

Attendance Slip

I/We hereby record my attendance at the **15th ANNUAL GENERAL MEETING (AGM)** of the shareholders of **Delta Pharma Limited** to be held on **25 December (Sunday) 2022, at 10:00 am** at **Multi-Purpose Hall, DSE (Dhaka Stock Exchange Limited) Tower**, Level-12, House-46, Road-21, Nikunja-2, Dhaka-1229, Bangladesh.

Name of the Member/Proxy _____

Register Folio No. _____ holding of _____ Ordinary Shares.

Signature of the Member/Proxy

Signature verified by

Note: Members are requested to present the Attendance Slip at the Registration Desk.

LOCATION MAP OF THE VENUE

