

**Interim Financial Statements  
Half Year Ended  
June 30, 2015**



**BEXIMCO PHARMACEUTICALS LIMITED**

## **Beximco Pharmaceuticals Limited**

### **Statement from the Managing Director**

*Dear Shareholders,*

We are pleased to present our un-audited financial results for the six months ended 30 June, 2015, in compliance with Rule 13 of the Bangladesh Securities and Exchange Commission Rules 1987.

During the first half of the year, Beximco Pharma delivered a solid performance across all financial and operational areas of the business. In our domestic market, we achieved 15.4% sales growth, successfully introduced 11 new products, two of which were launched for the first time in Bangladesh, and launched a generic version of the breakthrough Hepatitis C drug, Sofosbuvir, at a price of \$6.6 per tablet. Our export business has also seen an impressive 64% sales growth over the corresponding period last year to BDT 366.7m. During the period, we entered five new countries and completed 21 registrations for 19 products across 10 markets. Our pre-tax profit increased 7.4% to BDT 1,093.6m. The post-tax profit has increased by 39.3%, mainly due to a reduction in the corporate tax rate applicable for the Company from 27.5% to 25%, as declared in the recent budget.

In addition, Beximco Pharma achieved a major milestone by becoming the first Bangladeshi pharma company to be approved by the U.S. Food and Drug Administration (US FDA) following a successful inspection of its oral solid dosage facility at Tongi, during 19-22 January, 2015. We received the Establishment Inspection Report (EIR) from the US FDA on 22 June, 2015 without any 483 observations. A 483 form is issued when the US FDA has observations of non-compliance or deviation from Good Manufacturing Practices (GMP). This is a major milestone for the Company, as well as for the entire pharmaceutical industry. The approval is based on a comprehensive audit encompassing all the systems of drug manufacturing, which include quality, facilities and equipment, materials, production, packaging and labeling, and laboratory controls. The Company has already submitted several Abbreviated New Drug Applications (ANDAs) to the US FDA, which are currently under review.

We expect Beximco Pharma to continue to deliver strong results in the second half of the year to fulfil our targets for the full year.

Thank you for your continued support.



**Nazmul Hassan**  
Managing Director

**Beximco Pharmaceuticals Limited**  
**Statement of Financial Position (Un-audited)**  
**As at June 30, 2015**

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	Notes	As at June 30, 2015	As at December 31, 2014
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
		<b>21,385,859</b>	<b>20,634,247</b>
Property, Plant and Equipment- Carrying Value	3	21,129,499	20,393,279
Intangible Assets		250,488	235,208
Investment in Shares		5,872	5,760
<b>Current Assets</b>			
		<b>8,712,799</b>	<b>8,366,279</b>
Inventories	4	2,798,038	2,493,657
Spares & Supplies		538,411	554,184
Accounts Receivable		1,555,886	1,397,499
Loans, Advances and Deposits	5	1,444,573	1,223,673
Short Term Investment		2,180,939	2,475,027
Cash and Cash Equivalents	6	194,952	222,239
<b>TOTAL ASSETS</b>		<b><u>30,098,658</u></b>	<b><u>29,000,526</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>			
		<b>21,532,197</b>	<b>20,920,186</b>
Issued Share Capital		3,862,442	3,678,517
Share Premium		5,269,475	5,269,475
Excess of Issue Price over Face Value of GDRs		1,689,637	1,689,637
Capital Reserve on Merger		294,951	294,951
Revaluation Surplus		1,262,732	1,299,220
Fair Value Gain on Investment		2,421	2,309
Retained Earnings		9,150,539	8,686,077
<b>Non-Current Liabilities</b>			
		<b>3,171,409</b>	<b>3,372,593</b>
Long Term Borrowings-Net off Current Maturity (Secured)	7 A	653,958	901,709
Liability for Gratuity and WPPF & Welfare Funds		896,067	741,523
Deferred Tax Liability		1,621,384	1,729,361
<b>Current Liabilities and Provisions</b>			
		<b>5,395,052</b>	<b>4,707,747</b>
Short Term Borrowings (Secured)		3,666,946	3,153,121
Long Term Borrowings-Current Maturity (Secured)	7 B	638,381	663,838
Creditors and Other Payables		183,992	357,711
Accrued Expenses		116,421	164,283
Dividend Payable		368,061	455
Income Tax Payable		421,251	368,339
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>30,098,658</u></b>	<b><u>29,000,526</u></b>

*Nazmul Hassan*

**Nazmul Hassan**  
Managing Director

*Ali Nawaz*

**Ali Nawaz**  
Chief Financial Officer

**Beximco Pharmaceuticals Limited**  
**Statement of Profit or Loss and Other Comprehensive Income (Un-audited)**  
**For the Half Year Ended June 30, 2015**

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	Notes	Half-Year ended June 30, 2015	Half-Year ended June 30, 2014	2nd Quarter (April-June) 2015	2nd Quarter (April-June) 2014
<b>Net Sales Revenue</b>		<b>6,249,178</b>	<b>5,322,272</b>	<b>3,251,789</b>	<b>2,746,012</b>
Cost of Goods Sold	8	(3,423,850)	(2,905,268)	(1,768,749)	(1,466,103)
<b>Gross Profit</b>		<b>2,825,328</b>	<b>2,417,004</b>	<b>1,483,040</b>	<b>1,279,909</b>
<b>Operating Expenses</b>		<b>(1,481,229)</b>	<b>(1,284,256)</b>	<b>(774,435)</b>	<b>(647,248)</b>
Administrative Expenses	9	(218,985)	(214,478)	(113,155)	(110,677)
Selling, Marketing and Distribution Expenses	10	(1,262,244)	(1,069,778)	(661,280)	(536,571)
<b>Profit from Operations</b>		<b>1,344,099</b>	<b>1,132,748</b>	<b>708,605</b>	<b>632,661</b>
Other Income		185,435	259,863	90,934	159,467
Finance Cost		(381,286)	(323,170)	(190,116)	(147,810)
<b>Profit Before Contribution to WPPF &amp; Welfare Funds</b>		<b>1,148,248</b>	<b>1,069,441</b>	<b>609,423</b>	<b>644,318</b>
Contribution to WPPF & Welfare Funds		(54,678)	(50,926)	(29,020)	(30,682)
<b>Profit Before Tax</b>		<b>1,093,570</b>	<b>1,018,515</b>	<b>580,403</b>	<b>613,636</b>
<b>Income Tax Expenses</b>		<b>(84,411)</b>	<b>(294,242)</b>	<b>22,048</b>	<b>(219,147)</b>
Current Tax		(221,797)	(207,115)	(106,928)	(130,370)
Deferred Tax		137,386	(87,127)	128,976	(88,777)
<b>Profit After Tax</b>		<b>1,009,159</b>	<b>724,273</b>	<b>602,451</b>	<b>394,489</b>
Other Comprehensive Income- Fair Value Gain on Investment in Listed Shares		112	495	584	725
<b>Total Comprehensive Income</b>		<b>1,009,271</b>	<b>724,768</b>	<b>603,035</b>	<b>395,214</b>
Earnings Per Share (EPS) / Adjusted EPS		Tk. 2.61	1.88	1.56	1.02
Number of Shares used to compute EPS	11	386,244,234	386,244,234	386,244,234	386,244,234

*Nazmul Hassan*

**Nazmul Hassan**  
Managing Director

*Ali Nawaz*

**Ali Nawaz**  
Chief Financial Officer

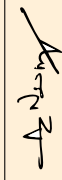
**Beximco Pharmaceuticals Limited**  
**Statement of Changes in Equity (Un-audited)**  
**For the Period Ended June 30, 2015**

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Half Year ended June 30, 2015	Share Capital	Share Premium	Excess of Issue Price over Face Value of GDRs	Capital Reserve on Merger	Revaluation Surplus	Fair Value Gain on Investment	Retained Earnings	Total
<b>Balance as on January 01, 2015</b>	3,678,517	5,269,475	1,689,637	294,951	1,299,220	2,309	8,686,077	20,920,186
<b>Total Comprehensive Income for the period :</b>								
Profit for the Period	—	—	—	—	—	—	1,009,159	1,009,159
Other Comprehensive Income	—	—	—	—	—	112	—	112
Cash Dividend for 2014	—	—	—	—	—	—	(367,851)	(367,851)
Stock Dividend for 2014	183,925	—	—	—	—	—	(183,925)	—
Adjustment for Depreciation on Revalued Assets	—	—	—	—	(7,079)	—	7,079	—
Adjustment for Deferred Tax on Revalued Assets	—	—	—	—	(29,409)	—	—	(29,409)
<b>Balance as on June 30, 2015</b>	<b>3,862,442</b>	<b>5,269,475</b>	<b>1,689,637</b>	<b>294,951</b>	<b>1,262,732</b>	<b>2,421</b>	<b>9,150,539</b>	<b>21,532,197</b>
Number of Shares on June 30, 2015								386,244,234
<b>Net Asset Value (NAV) Per Share on June 30, 2015</b>								<b>Tk. 55.75</b>
Half Year ended June 30, 2014								
<b>Balance as on January 01, 2014</b>	3,503,349	5,269,475	1,689,637	294,951	1,349,579	1,341	7,667,220	19,775,552
<b>Total Comprehensive Income for the period :</b>								
Profit for the Period	—	—	—	—	—	—	724,273	724,273
Other Comprehensive Income	—	—	—	—	—	495	—	495
Cash Dividend for 2013	—	—	—	—	—	—	(350,334)	(350,334)
Stock Dividend for 2013	175,168	—	—	—	—	—	(175,168)	—
Adjustment for Depreciation on Revalued Assets	—	—	—	—	(8,031)	—	8,031	—
Adjustment for Deferred Tax on Revalued Assets	—	—	—	—	(36,505)	—	—	(36,505)
<b>Balance as on June 30, 2014</b>	<b>3,678,517</b>	<b>5,269,475</b>	<b>1,689,637</b>	<b>294,951</b>	<b>1,305,043</b>	<b>1,836</b>	<b>7,874,022</b>	<b>20,113,481</b>
Number of Shares on June 30, 2014								367,851,652
<b>Net Asset Value (NAV) Per Share on June 30, 2014</b>								<b>Tk. 54.68</b>

*Naymul Hassan*

**Nazmul Hassan**  
Managing Director



**Ali Nawaz**  
Chief Financial Officer

**Beximco Pharmaceuticals Limited**  
**Statement of Cash Flows (Un-audited)**  
**For the Half Year Ended June 30, 2015**

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	<b>Half-Year ended June 30, 2015</b>	<b>Half-Year ended June 30, 2014</b>
<b>Cash Flows from Operating Activities :</b>		
Receipts from Customers and Others	6,099,402	5,161,317
Payments to Suppliers and Employees	(5,157,513)	(4,015,158)
<b>Cash Generated from Operations</b>	<b>941,889</b>	<b>1,146,159</b>
Interest Paid	(381,286)	(323,170)
Interest Received	176,875	256,173
Income Tax Paid	(168,885)	(229,997)
<b>Net Cash Generated from Operating Activities</b>	<b>568,593</b>	<b>849,165</b>
<b>Cash Flows from Investing Activities :</b>		
Acquisition of Property, Plant and Equipment	(1,109,011)	(694,356)
Intangible Assets	(22,479)	(41,495)
Disposal of Property, Plant and Equipment	1,150	4,454
Decrease/(Increase) in Short Term Investment	294,088	(510,484)
<b>Net Cash Used in Investing Activities</b>	<b>(836,252)</b>	<b>(1,241,881)</b>
<b>Cash Flows from Financing Activities :</b>		
Net Decrease in Long Term Borrowings	(273,208)	(51,810)
Net Increase in Short Term Borrowings	513,825	113,182
Dividend Paid	(245)	(84)
<b>Net Cash Generated from Financing Activities</b>	<b>240,372</b>	<b>61,288</b>
<b>Decrease in Cash and Cash Equivalents</b>	<b>(27,287)</b>	<b>(331,428)</b>
Cash and Cash Equivalents at Beginning of Period	222,239	595,733
<b>Cash and Cash Equivalents at End of Period</b>	<b>194,952</b>	<b>264,305</b>
<b>Net Operating Cash Flow Per Share</b>	<b>Tk. 1.47</b>	<b>2.31</b>
<b>Number of Shares used to compute Net Operating Cash Flow Per Share</b>	<b>386,244,234</b>	<b>367,851,652</b>

*Nazmul Hassan*

**Nazmul Hassan**  
 Managing Director

*Ali Nawaz*

**Ali Nawaz**  
 Chief Financial Officer

**Beximco Pharmaceuticals Limited**  
**Selected Notes to the Financial Statements (Un-audited)**  
**For the Period Ended June 30, 2015**

**1. Reporting Entity**

Beximco Pharmaceuticals Limited (BPL/the Company) is a public company incorporated in Bangladesh in 1976. It commenced its manufacturing operation in 1980. The company is listed on Dhaka and Chittagong Stock Exchanges of Bangladesh and AIM of London Stock Exchange. The company is engaged in manufacturing and marketing of Pharmaceuticals Finished Formulation Products, Active Pharmaceutical Ingredients (APIs) and life saving Intravenous Fluids which it sells in the local as well as international markets. The registered office of the Company is located at House No. 17, Road No. 2, Dhanmondi R/A, Dhaka. The industrial units are located at Tongi and Kaliakoir of Gazipur District-Vicinities close to the capital city Dhaka.

**2. Basis of Preparation of Financial Statements**

These interim financial statements should be read in conjunction with the Financial Statements for the year ended December 31, 2014 (hereafter referred to as the "Annual Financial Statements"), as they provide an update to previously reported information.

The accounting policies used are consistent with those used in the Annual Financial Statements. The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs). The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, the comparatives have been reclassified or extended to take into account any presentational changes made in the Annual Financial Statements. The preparation of the Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

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**As at June 30, 2015**      **As at December 31, 2014**

**3. Property, Plant & Equipment**

**Cost/Revaluation**

Land	3,343,741	3,343,741
Building and Other Constructions	6,414,581	6,410,090
Plant and Machinery	10,687,046	10,573,116
Furniture and Fixtures	205,783	197,001
Transport and Vehicle	647,560	596,846
Office Equipment	397,179	390,014
	<b>21,695,890</b>	<b>21,510,808</b>
Less :Accumulated Depreciation	(5,795,856)	(5,425,449)
<b>Net Book Value</b>	<b>15,900,034</b>	<b>16,085,359</b>
Capital Work in Progress	5,229,465	4,307,920
<b>Carrying Value</b>	<b><u>21,129,499</u></b>	<b><u>20,393,279</u></b>

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**As at June 30, 2015**      **As at December 31, 2014**

**4. Inventories**

Finished Goods	676,000	633,692
Raw and Packing Materials (Including Work in Process and Transit)	1,958,434	1,710,090
Physician Sample	163,604	149,875
	<u><b>2,798,038</b></u>	<u><b>2,493,657</b></u>

**5. Loans, Advances and Deposits**

Clearing & Forwarding	72,141	54,354
VAT	267,026	217,516
Security Deposit and Earnest Money	29,787	27,653
Capital Expenditure / Project	99,030	50,030
Advance against Salary	72,597	55,699
Motor Cycle	109,430	124,010
Raw & Packing Material	411,360	422,210
Overseas Liaison Office	15,033	15,033
Others	368,169	257,168
	<u><b>1,444,573</b></u>	<u><b>1,223,673</b></u>

**6. Cash and Cash Equivalents**

(a) Cash in Hand (Including Imprest Cash)	2,291	3,218
(b) Cash at Bank:		
(i) Current and FC Account	163,105	190,574
(ii) FDR Account	29,556	28,447
	<u><b>194,952</b></u>	<u><b>222,239</b></u>

**7. Long Term Borrowings:****A. Net off Current Maturity (Secured)**

Project Loan	377,174	608,901
Obligation Under Finance Leases	276,784	292,808
	<u><b>653,958</b></u>	<u><b>901,709</b></u>

**B. Current Maturity (Secured)**

Project Loan	520,193	536,347
Obligation Under Finance Leases	118,188	127,491
	<u><b>638,381</b></u>	<u><b>663,838</b></u>



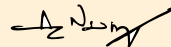
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	<b>Half-Year ended June 30, 2015</b>	<b>Half-Year ended June 30, 2014</b>
<b>8. Cost of Goods Sold</b>		
Materials	2,494,112	2,054,991
Factory Overhead	593,450	512,798
Depreciation	336,288	337,479
	<u><b>3,423,850</b></u>	<u><b>2,905,268</b></u>
<b>9. Administrative Expenses</b>		
Salary & Allowances	101,689	97,913
Repairs & Maintenance	17,183	16,575
Travelling & Conveyance	11,229	9,148
AGM, Company Secretarial and Regulatory Expense	20,546	22,314
Depreciation	13,006	13,052
Other Expenses	55,332	55,476
	<u><b>218,985</b></u>	<u><b>214,478</b></u>
<b>10. Selling, Marketing and Distribution Expenses</b>		
Salary & Allowances	398,691	349,470
Travelling & Conveyance	173,945	142,290
Market Research & New Products	23,971	18,205
Sample, Literature & Promotional Expenses	346,606	309,623
Delivery Expense	189,548	159,996
Depreciation and Amortization	29,494	30,368
Other Expenses	99,989	59,826
	<u><b>1,262,244</b></u>	<u><b>1,069,778</b></u>
<b>11. Dividend for 2014</b>		

The Shareholders of the Company has approved 10% cash and 5% stock dividend for the year 2014 in the annual general meeting held on June 13, 2015. The company consistently follows the policy of recognising proposed dividend after its approval by shareholders in the annual general meeting. Hence the dividend for 2014 has been accounted for in this interim financial statements. EPS has been computed taking into account the additional number of shares issued.



**Nazmul Hassan**  
Managing Director



**Ali Nawaz**  
Chief Financial Officer

# Corporate Information

## Operational Headquarters

19 Dhanmondi R/A, Road # 7  
Dhaka- 1205, Bangladesh  
Phone : +880-2-58611001  
Fax : +880-2-58614601  
E-mail : info@bpl.net  
Website : www.beximcopharma.com

## Corporate Headquarters

17 Dhanmondi R/A, Road # 2  
Dhaka- 1205, Bangladesh  
Phone : +880-2-58611891  
Fax : +880-2-58613470  
E-mail : beximchq@bol-online.com

## Factory

### Tongi Unit

126 Kathaldia, Tongi, Gazipur  
Bangladesh

### Kaliakoir Unit

Plot No. 1070/1083, Mouchak  
Kaliakoir, Gazipur  
Bangladesh

## Stock Exchange Listing

Dhaka Stock Exchange Ltd.  
Chittagong Stock Exchange Ltd.  
AIM of London Stock Exchange plc (GDRs)

## Public Relations

IMPACT PR  
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Road # 4, Gulshan-1,  
Dhaka-1212, Bangladesh

FTI Consulting LLP  
200 Aldersgate  
Aldersgate Street, London EC1A 4HD  
United Kingdom

## Legal Advisor

Rafique-ul Huq  
Barrister-at-Law  
47/1 Purana Palta  
Dhaka-1000, Bangladesh

## Auditors

M. J. Abedin & Co.  
Chartered Accountants  
National Plaza (3rd Floor)  
109, Bir Uttam C. R. Datta Road  
Dhaka- 1205, Bangladesh

## Banker

Janata Bank Ltd.  
Local office  
1 Dilkusha C/A  
Dhaka- 1000, Bangladesh

## For GDRs

### Nominated Advisor

SPARK Advisory Partners Limited  
5 St. John's Lane, EC1M 4BH,  
LONDON, UK  
2 Wellington Place, LS1 4AP, LEEDS, UK

### Broker

Daniel Stewart & Company PLC  
Becket House, 36 Old Jewry,  
London EC2R 8DD, UK

### Custodian

HSBC  
Anchor Tower, 1/1-B, Sonargaon Road  
Dhaka- 1205, Bangladesh

### Depository Bank

The Bank of New York Mellon  
101 Barclay Street  
New York, NY 10286

[www.beximcopharma.com](http://www.beximcopharma.com)



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