

Interim Financial Statements (Un-audited)
For the 1st Quarter Ended September 30, 2019



Beximco Pharmaceuticals Limited

Financial Statements- Consolidated

Beximco Pharmaceuticals Limited and its Subsidiaries
Consolidated Statement of Financial Position (Un-audited)
As at September 30, 2019

Taka '000

	Notes	As at September 30, 2019	As at June 30, 2019
ASSETS			
Non-Current Assets		35,965,394	35,949,931
Property, Plant and Equipment- Carrying Value	4	34,094,660	34,056,667
Intangible Assets		1,319,385	1,334,922
Goodwill		546,691	546,691
Other Investment	5	4,658	5,329
Other Non-current Assets		-	6,322
Current Assets		12,746,861	13,264,161
Inventories	6	5,520,492	5,924,031
Spares & Supplies		741,328	726,127
Accounts Receivable		3,379,063	3,334,959
Loans, Advances and Deposits	7	2,274,721	2,309,504
Advance Income Tax		11,369	35,681
Short Term Investment		331,494	323,365
Cash and Cash Equivalents	8 A	488,394	610,494
TOTAL ASSETS		48,712,255	49,214,092
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity Attributable to the Owners of the Company		30,452,406	29,588,317
Issued Share Capital		4,055,564	4,055,564
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		1,129,824	1,131,853
Unrealized Gain/(Loss)		1,833	2,504
Retained Earnings		18,011,122	17,144,333
Non-Controlling Interest		281,122	276,007
TOTAL EQUITY		30,733,528	29,864,324
Non-Current Liabilities		6,080,928	6,603,936
Long Term Borrowings-Net of Current Maturity	9 A	2,030,184	2,595,608
Liability for Gratuity and WPPF & Welfare Funds		1,911,387	1,860,905
Deferred Tax Liability		2,139,357	2,147,423
Current Liabilities and Provisions		11,897,799	12,745,832
Short Term Borrowings		8,164,438	9,272,501
Long Term Borrowings-Current Maturity	9 B	1,608,895	1,616,671
Creditors and Other Payables		1,037,252	1,091,810
Accrued Expenses		757,987	590,317
Dividend Payable		7,202	7,235
Income Tax Payable		322,025	167,298
TOTAL EQUITY AND LIABILITIES		48,712,255	49,214,092



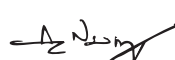
A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Nazmul Hassan
Managing Director



Mohammad Ali Nawaz
Chief Financial Officer



Mohammad Asad Ullah, FCS
Executive Director & Company Secretary

Beximco Pharmaceuticals Limited and its Subsidiaries
Consolidated Statement of Profit or Loss and Other Comprehensive Income (Un-audited)
For the 1st Quarter Ended September 30, 2019

		Taka '000	
	Notes	July - September 2019	July - September 2018
Net Revenue		6,303,335	5,385,126
Cost of Goods Sold	10	(3,361,681)	(2,855,143)
Gross Profit		2,941,654	2,529,983
Operating Expenses		(1,508,118)	(1,299,777)
Administrative Expenses	11	(188,477)	(164,302)
Selling, Marketing and Distribution Expenses	12	(1,319,641)	(1,135,475)
Profit from Operations		1,433,536	1,230,206
Other Income	13	60,120	20,520
Finance Cost		(304,038)	(228,817)
Profit Before Contribution to WPPF & Welfare Funds		1,189,618	1,021,909
Contribution to WPPF & Welfare Funds		(57,151)	(49,165)
Profit Before Tax		1,132,467	972,744
Income Tax Expenses		(262,592)	(219,028)
Current Tax		(270,658)	(252,828)
Deferred Tax Income/(Expense)	14	8,066	33,800
Profit After Tax		869,875	753,716
Profit/(Loss) Attributable to:			
Owners of the Company		864,760	754,931
Non-controlling interest		5,115	(1,215)
		869,875	753,716
Other Comprehensive Income-Unrealized Gain/(Loss)		(671)	(1,085)
Total Comprehensive Income for the Period		869,204	752,631
Total Comprehensive Income Attributable to:			
Owners of the Company		864,089	753,846
Non-controlling interest		5,115	(1,215)
		869,204	752,631
Earnings Per Share (EPS)	Tk.	2.13	1.86
Number of Shares Used to Compute EPS	Nos.	405,556,445	405,556,445

 A S F Rahman Chairman	 Salman F Rahman Vice Chairman	 Nazmul Hassan Managing Director	 Mohammad Ali Nawaz Chief Financial Officer	 Mohammad Asad Ullah, FCS Executive Director & Company Secretary
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Beximco Pharmaceuticals Limited and its Subsidiaries
Consolidated Statement of Changes in Equity (Un-audited)
For the 1st Quarter Ended September 30, 2019

As at September 30, 2019

Taka' 000

	Share Capital	Share Premium	Excess of Issue Price over Face Value of GDRs	Capital Reserve on Merger	Revaluation Surplus	Unrealized Gain/(Loss)	Retained Earnings	Equity attributable to the Owners of the Company	Non-Controlling Interests	Total Equity	
Balance as on July 01, 2019	4,055,564	5,269,475	1,689,637	294,951	1,131,853	2,504	17,144,333	29,588,317	276,007	29,864,324	
Total Comprehensive Income:											
Profit/(Loss) for the Period	-	-	-	-	-	-	864,760	864,760	5,115	869,875	
Other Comprehensive Income/(Loss)	-	-	-	-	-	(671)	-	(671)	-	(671)	
Transactions with the Shareholders:											
Adjustment for Depreciation on Revalued Assets	-	-	-	-	(2,029)	-	2,029	-	-	-	
Balance as on September 30, 2019	4,055,564	5,269,475	1,689,637	294,951	1,129,824	1,833	18,011,122	30,452,406	281,122	30,733,528	
Number of Shares								405,556,445			
Net Asset Value (NAV) Per Share Tk.								75.09			

As at September 30, 2018

Taka' 000

	Share Capital	Share Premium	Excess of Issue Price over Face Value of GDRs	Capital Reserve on Merger	Revaluation Surplus	Unrealized Gain/(Loss)	Retained Earnings	Equity attributable to the Owners of the Company	Non-Controlling Interests	Total Equity	
Balance as on July 01, 2018	4,055,564	5,269,475	1,689,637	294,951	1,159,278	4,357	14,608,701	27,081,963	269,874	27,351,837	
Total Comprehensive Income:											
Profit/(Loss) for the Period	-	-	-	-	-	-	754,931	754,931	(1,215)	753,716	
Other Comprehensive Income/(Loss)	-	-	-	-	-	(1,085)	-	(1,085)	-	(1,085)	
Transactions with the Shareholders:											
Adjustment for Depreciation on Revalued Assets	-	-	-	-	(2,294)	-	2,294	-	-	-	
Adjustment for Deferred Tax on Revalued Assets	-	-	-	-	(19,970)	-	-	(19,970)	-	(19,970)	
Balance as on Sep 30, 2018	4,055,564	5,269,475	1,689,637	294,951	1,137,014	3,272	15,365,926	27,815,839	268,659	28,084,498	
Number of Shares								405,556,445			
Net Asset Value (NAV) Per Share Tk.								68.59			


A S F Rahman

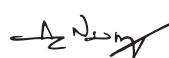
Chairman


Salman F Rahman

Vice Chairman


Nazmul Hassan

Managing Director


Mohammad Ali Nawaz

Chief Financial Officer



Mohammad Asad Ullah, FCS
Executive Director & Company Secretary

Beximco Pharmaceuticals Limited and its Subsidiaries
Consolidated Statement of Cash Flows (Un-audited)
For the 1st Quarter Ended September 30, 2019

	Notes	July -September 2019	Taka '000 July-September 2018
Cash Flows from Operating Activities :			
Receipts from Customers and Others		6,358,420	5,340,845
Payments to Suppliers and Employees		(4,107,888)	(4,576,038)
Cash Generated from Operations		2,250,532	764,807
Interest Paid		(304,038)	(228,817)
Interest Received		8,435	8,839
Income Tax Paid		(91,620)	(118,384)
Net Cash Generated from Operating Activities	15	1,863,309	426,445
Cash Flows from Investing Activities :			
Acquisition of Property, Plant and Equipment		(297,330)	(327,887)
Intangible Assets		(3,062)	(7,013)
Disposal of Property, Plant and Equipment		3,342	-
(Increase)/Decrease in Short Term Investment		(8,129)	(8,462)
Net Cash Used in Investing Activities		(305,179)	(343,362)
Cash Flows from Financing Activities :			
Net Increase /(Decrease) in Long Term Borrowings		(572,134)	(553,630)
Net Increase/(Decrease) in Short Term Borrowings		(1,108,064)	344,259
Dividend Paid		(33)	(154)
Net Cash Generated from Financing Activities		(1,680,231)	(209,525)
Increase/(Decrease) in Cash and Cash Equivalents		(122,101)	(126,442)
Cash and Cash Equivalents at Beginning of Period		610,495	393,736
Cash and Cash Equivalents at End of Period	8. A	488,394	267,294
Net Operating Cash Flow Per Share Tk.		4.59	1.05
Number of Shares used to compute Net Operating Cash Flow Per Share		405,556,445	405,556,445



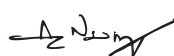
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Vice Chairman



Nazmul Hassan
Managing Director



Mohammad Ali Nawaz
Chief Financial Officer



Mohammad Asad Ullah, FCS
Executive Director & Company Secretary

Beximco Pharmaceuticals Limited and its Subsidiaries
Selected Notes to the Financial Statements (Un-audited)
For the 1st Quarter Ended September 30, 2019

1 Reporting Entity

1.1 About the Company

Beximco Pharmaceuticals Limited (BPL/ the Company) was incorporated as a public limited company in Bangladesh in 1976 and commenced its manufacturing operation in 1980. It is a leading manufacturer of pharmaceutical formulations and Active Pharmaceutical Ingredients (APIs). The Company was listed with Dhaka Stock Exchange in 1985 and with Chittagong Stock Exchange on its debut in 1995. In 2005, BPL took over Beximco Infusions Ltd., a listed company engaged in manufacturing and marketing of intravenous fluids and got enlisted with the Alternative Investment Market (AIM) of the London Stock Exchange through issuance of Global Depository Receipts (GDRs). In 2018, BPL acquired 85.22% shares of Nuvista Pharma Limited – a non-listed pharmaceutical company in Bangladesh specializing in hormones and steroid drugs and took over control of its management. Shares of the Company are traded in Dhaka and Chittagong Stock Exchanges of Bangladesh and its GDRs in AIM of the London Stock Exchange.

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. The manufacturing facilities of the Company are certified by leading global regulatory authorities including United States Food and Drug Administration (USFDA).

1.2 The Subsidiaries

Nuvista Pharma Limited (NPL)

Nuvista Pharma, formerly Organon (Bangladesh) Ltd., was a subsidiary of Netherlands based Organon International. It was originally incorporated as a private limited company. In 2006 the foreign holding of the company was sold out to Bangladeshi management and was renamed as Nuvista Pharma Limited. The Company through amendments to its memorandum of association in 2011 converted it into a public limited company. In April 2018, Beximco Pharmaceuticals Limited acquired majority shareholdings in Nuvista Pharma Limited (NPL) and through this acquisition BPL has become the immediate and ultimate parent of the company.

Beximco Pharma API Limited

Beximco Pharma API Limited was formed as a private limited company in December 2017 with a paid up capital of Taka 20 million divided into 2 million shares of Taka 10 each, fully held by BPL. The company intends to set up a facility at API Industrial Park to manufacture Active Pharmaceutical Ingredients (APIs) for domestic and international markets. The company is still in the initial phase of establishment.

1.3 Nature of Business

BPL is engaged in manufacturing and marketing of generic pharmaceuticals formulation products covering a wide range of therapeutic categories. It offers products in different dosage forms including Solid, Liquid, Cream and Ointment, Suppositories, Metered Dose Inhaler, Dry Powder Inhaler, Nasal Spray, Sterile, Lyophilized Injectable, Large Volume Intravenous Fluids. Besides formulation products BPL also manufactures Active Pharmaceutical Ingredients (APIs) and renders contract manufacturing services to other companies. Products of the company are sold in domestic and international markets.

NPL produces various pharmaceutical products including oral contraceptives, hormone, steroid, anti-histamine, anti-fibrinolytic, anti-infective, cardiac, gastrointestinal, musculoskeletal, respiratory, vitamin & mineral supplement and women's health products which are sold in the local market.

Both BPL and NPL provides contract manufacturing services.

2. Basis of Preparation of Financial Statements

These interim financial statements should be read in conjunction with the Financial Statements for the Year ended June 30, 2019 (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.

3. Significant Accounting Policies

3.1 Basis of Consolidation

The financial statements of the subsidiaries-Nuvista Pharma Limited and Beximco Pharma API Limited, have been consolidated with those of Beximco Pharmaceuticals Limited in accordance with IFRS 10: Consolidated Financial Statements.

The Company acquired 85.22% shares of the issued paid up capital of Nuvista Pharma Limited. This ownership interest is adequate enough to establish control over NPL and thus BPL meets the conditions as stated in IFRS 10: Consolidated Financial Statements to consider NPL as a subsidiary.

Beximco Pharma API Limited (BPAL) was formed with a paid up capital of Tk.20,000,000 divided into 2,000,000 shares of Tk.10 each, all of which excepting 10 shares are held by Beximco Pharmaceuticals Ltd (BPL). Beximco Pharma API Ltd thus meets the conditions stated in IFRS 10: Consolidated Financial Statements to consider it as a subsidiary.

3.2. Inter-Company Transactions

Assets, Liabilities, Equity, Income, Expenses and Cash Flows arising out of transactions between the company and the subsidiaries have been eliminated in full in the Consolidated Financial Statements.

3.3. Investment in Associates

Investment in Associates has been accounted for using the Equity method as per *IAS 28: Investment in Associates and Joint Ventures*

4. Property, Plant & Equipment - Carrying Value

	As at September 30, 2019	Taka '000 As at June 30, 2019
Land	4,067,830	4,067,830
Building and Other Constructions	7,822,270	7,820,306
Plant and Machinery	15,805,807	15,758,505
Furniture and Fixtures	318,489	314,395
Transport and Vehicle	1,136,515	1,144,902
Office Equipment	599,824	594,975
	29,750,735	29,700,913
Less :Accumulated Depreciation	(9,643,934)	(9,397,360)
Net Book Value	20,106,801	20,303,553
Capital Work in Progress	13,987,859	13,753,114
Carrying Value	34,094,660	34,056,667

	As at September 30, 2019	Taka '000 As at June 30, 2019
5. Other Investment		
Bangladesh Export Import Co. Ltd.	3,089	3,760
Central Depository Bangladesh Ltd. (CDBL)	1,569	1,569
	<u>4,658</u>	<u>5,329</u>
6. Inventories		
Finished Goods	1,195,797	1,255,182
Raw and Packing Materials (Including Work in Process, Laboratory Chemicals, R & D Materials and Material in Transit)	4,242,518	4,583,713
Physician Sample	82,177	85,136
	<u>5,520,492</u>	<u>5,924,031</u>
7. Loans, Advances and Deposits		
Clearing & Forwarding	190,130	159,119
VAT	89,023	329,322
Claims Receivable	1,906	6,320
Security Deposit and Earnest Money	98,108	67,972
Lease Deposit	10,822	10,822
Capital Expenditure / Project	212,223	224,723
Bank Guarantee Margin	38,739	37,774
Advance against Salary	160,784	155,891
Motor Cycle	188,931	199,756
Raw & Packing Material	598,944	592,000
Overseas Liaison Office	35,607	35,318
Others	649,503	490,487
	<u>2,274,721</u>	<u>2,309,504</u>
8. A. Cash and Cash Equivalents		
(a) Cash in Hand (Including Imprest Cash)	247,366	235,293
(b) Cash at Bank:		
(i) Current and FC Account	204,140	338,805
(ii) FDR Account	36,888	36,396
	<u>488,394</u>	<u>610,494</u>
B. There has been no change in exchange rate used as on June 30, and September 30.		
9. Long Term Borrowings		
A. Net of Current Maturity		
Project Loan - ODDO BHF Aktiengesellschaft, Frankfurt, Germany	1,550,859	1,974,612
Obligation Under Finance Leases	217,035	247,375
AB Bank	239,762	330,410
Dhaka Bank Limited	22,528	43,211
	<u>2,030,184</u>	<u>2,595,608</u>
B. Current Maturity		
Project Loan - ODDO BHF Aktiengesellschaft, Frankfurt, Germany	860,105	860,105
Obligation Under Finance Leases	156,093	165,766
AB Bank	474,567	462,992
Dhaka Bank Limited	118,130	127,808
	<u>1,608,895</u>	<u>1,616,671</u>
C. A transactional gain of Tk. 1,066,451 was incurred in payment of outstanding foreign currency loan.		

	July-September 2019	Taka '000 July-September 2018
10. Cost of Goods Sold		
Materials	2,479,136	2,119,404
Factory Overhead	653,963	546,562
Depreciation	228,582	189,177
	<u>3,361,681</u>	<u>2,855,143</u>
11. Administrative Expenses		
Salary & Allowances	104,138	96,771
Repairs & Maintenance	14,192	9,109
Travelling & Conveyance	6,882	4,590
Company Secretarial, Regulatory Fee and AGM Expense	8,366	3,351
Depreciation	8,780	7,456
Security Expenses	2,788	2,509
Other Expenses	43,331	40,516
	<u>188,477</u>	<u>164,302</u>
12. Selling, Marketing and Distribution Expenses		
Salary & Allowances	505,695	403,058
Travelling & Conveyance	151,671	125,962
Market Research & New Products	17,453	14,044
Sample, Literature & News Letter	157,256	142,725
Sales & Market Promotion Expenses	102,791	92,763
Distribution Commission	99,026	86,518
Delivery Expense	60,563	56,097
Depreciation and Amortization	37,231	35,860
Export Insurance, Freight and C & F Expenses	70,665	65,703
Security Expenses	4,464	4,017
Bad Debts	750	-
Other Expenses	112,076	108,728
	<u>1,319,641</u>	<u>1,135,475</u>
13. Other Income		
Interest Income	8,733	8,891
Royalty	50,250	11,926
Exchange Rate Fluctuation Gain/(loss)	1,137	-
Profit/(Loss) on Sale of Fixed Assets	-	(297)
	<u>60,120</u>	<u>20,520</u>
14. Deferred Tax Income/(Expense)		
Deferred Tax is arrived at as follows :		
Property, Plant & Equipment (Difference in book value & Tax base)	9,456,337	8,676,715
Deferred Liability (Gratuity)	(1,073,675)	(861,289)
Temporary Difference	8,382,662	7,815,426
Tax Rate		
Deferred Tax Liability at end of the period	2,157,099	1,984,794
Deferred Tax Liability at beginning of the period	2,147,423	1,998,624
Change in Deferred Tax Liability	9,676	(13,830)
Deferred Tax on Revaluation Surplus	(17,742)	(19,970)
Deferred Tax Income/(Expense)	<u>8,066</u>	<u>33,800</u>

July-September
2019

July-September
2018

15. Reconciliation of Net Profit with Cash Flows from Operating Activities

Profit after Tax	869,875	753,716
Adjustment to reconcile net profit to net cash Generated from Operating Activities :		
Non-cash Expenses :	317,009	485,433
Depreciation	255,994	216,899
Amortization	18,599	18,598
Gratuity & WPPF	50,482	283,736
Deferred tax	(8,066)	(33,800)
Non-operating items:	(1,066)	297
Loss on sale of Fixed Assets	-	297
Exchange rate fluctuation gain on Foreign Currency Bank Loan	(1,066)	-
Changes in working Capital	677,490	(813,001)
(Increase)/Decrease in Inventories	403,540	(688,283)
(Increase)/Decrease in Spares & Supplies	(15,201)	(33,524)
(Increase)/Decrease in Accounts Receivable	(44,104)	(55,939)
(Increase)/Decrease in Loans, Advances & Deposits	41,104	(384,469)
(Increase)/Decrease in Advance Income Tax	24,312	-
Increase/(Decrease) in Creditors and Other Payables	(54,558)	365,807
Increase/(Decrease) in Accrued Expenses	167,670	(150,135)
Increase/(Decrease) in Income Tax Payable	154,727	133,542
Net Cash Generated from Operating Activities	1,863,309	426,445

16 Proposed Dividend for 2018-2019

A. Directors while considering the annual accounts for the year ended June 30, 2019, proposed Cash dividend @ 15% i.e. Tk. 1.50 per share in their Board meeting held on October 28, 2019. The Dividend are subject to approval of the shareholders' in the annual general meeting of the Company scheduled on December 21, 2019. This has not been accounted for in this interim financial statements.

B. Board of Directors of BPL's Subsidiary, Nuvista Pharma Limited has declared Cash dividend @ 20%, i.e. Tk. 2 per share for the financial year ended on June 30, 2019. The proposed dividend are subject to approval of the shareholders of NPL in the annual general meeting scheduled on November 28, 2019. This has not been accounted for in this interim financial statements.



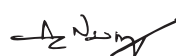
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Vice Chairman



Nazmul Hassan
Managing Director



Mohammad Ali Nawaz
Chief Financial Officer



Mohammad Asad Ullah, FCS
Executive Director & Company Secretary

Financial Statements
Beximco Pharmaceuticals Stand-alone

Beximco Pharmaceuticals Limited
Statement of Financial Position (Un-audited)
As at September 30, 2019

Taka '000

	Notes	As at September 30, 2019	As at June 30, 2019
ASSETS			
Non-Current Assets			
		35,051,810	34,999,403
Property, Plant and Equipment- Carrying Value	3	32,270,505	32,209,440
Intangible Assets		602,135	610,122
Investment in Subsidiaries		2,145,186	2,145,186
Investment In Associates		29,326	29,326
Other Investment	4	4,658	5,329
Current Assets			
		12,277,890	12,793,493
Inventories	5	5,173,363	5,573,549
Spares & Supplies		730,094	715,341
Accounts Receivable		3,347,644	3,325,891
Loans, Advances and Deposits	6	2,230,125	2,273,041
Short Term Investment		331,494	323,365
Cash and Cash Equivalents	7 A	465,170	582,306
TOTAL ASSETS		<u>47,329,700</u>	<u>47,792,896</u>
EQUITY AND LIABILITIES			
Shareholders' Equity			
		30,435,439	29,600,843
Issued Share Capital		4,055,564	4,055,564
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		1,129,824	1,131,853
Unrealised Gain/(Loss)		1,833	2,504
Retained Earnings		17,994,155	17,156,859
Non-Current Liabilities			
		5,783,984	6,296,205
Long Term Borrowings-Net of Current Maturity	8 A	2,000,424	2,544,733
Liability for Gratuity and WPPF & Welfare Funds		1,787,602	1,748,901
Deferred Tax Liability		1,995,958	2,002,571
Current Liabilities and Provisions			
		11,110,277	11,895,848
Short Term Borrowings		7,690,091	8,701,025
Long Term Borrowings-Current Maturity	8 B	1,489,108	1,487,255
Creditors and Other Payables		980,313	1,037,089
Accrued Expenses		621,770	496,178
Dividend Payable		6,970	7,003
Income Tax Payable		322,025	167,298
TOTAL EQUITY AND LIABILITIES		<u>47,329,700</u>	<u>47,792,896</u>



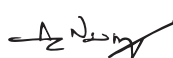
A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Nazmul Hassan
Managing Director



Mohammad Ali Nawaz
Chief Financial Officer



Mohammad Asad Ullah, FCS
Executive Director & Company Secretary

Beximco Pharmaceuticals Limited
Statement of Profit or Loss and Other Comprehensive Income (Un-audited)
For the 1st Quarter Ended September 30, 2019

Taka '000

	Notes	July-September 2019	July-September 2018
Net Sales Revenue		5,814,842	4,986,172
Cost of Goods Sold	9	(3,130,243)	(2,646,720)
Gross Profit		2,684,599	2,339,452
Operating Expenses		(1,366,109)	(1,152,623)
Administrative Expenses	10	(173,128)	(150,523)
Selling, Marketing and Distribution Expenses	11	(1,192,981)	(1,002,100)
Profit from Operations		1,318,490	1,186,829
Other Income	12	91,555	42,644
Finance Cost		(285,775)	(202,592)
Profit Before Contribution to WPPF & Welfare Funds		1,124,270	1,026,881
Contribution to WPPF & Welfare Funds		(53,537)	(48,899)
Profit Before Tax		1,070,733	977,982
Income Tax Expenses		(235,466)	(216,044)
Current Tax		(242,079)	(249,324)
Deferred Tax Income/(Expense)	13	6,613	33,280
Profit After Tax		835,267	761,938
Other Comprehensive Income-Unrealized Gain/(Loss)		(671)	(1,085)
Total Comprehensive Income		834,596	760,853

Earnings Per Share (EPS)	Tk.	2.06	1.88
Number of Shares Used to Compute EPS	Nos.	405,556,445	405,556,445



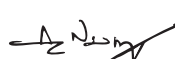
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Chief Financial Officer



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Beximco Pharmaceuticals Limited
Statement of Changes in Equity (Un-audited)
For the 1st Quarter Ended September 30, 2019

As at September 30, 2019

Taka '000

	Share Capital	Share Premium	Excess of Issue Price over Face Value of GDRs	Capital Reserve on Merger	Revaluation Surplus	Unrealised Gain / (Loss)	Retained Earnings	Total	
Balance as on July 01, 2019	4,055,564	5,269,475	1,689,637	294,951	1,131,853	2,504	17,156,859	29,600,843	
Total Comprehensive Income :									
Profit for the Period	-	-	-	-	-	-	835,267	835,267	
Other Comprehensive Income / (Loss)	-	-	-	-	-	(671)	-	(671)	
Transaction with the Shareholders :									
Adjustment for Depreciation on Revalued Assets	-	-	-	-	(2,029)	-	2,029	-	
Balance as on September 30, 2019	4,055,564	5,269,475	1,689,637	294,951	1,129,824	1,833	17,994,155	30,435,439	
Net Asset Value (NAV) Per Share								Tk.	75.05

As at September 30, 2018

Taka '000

	Share Capital	Share Premium	Excess of Issue Price over Face Value of GDRs	Capital Reserve on Merger	Revaluation Surplus	Unrealised Gain / (Loss)	Retained Earnings	Total	
Balance as on July 01, 2018	4,055,564	5,269,475	1,689,637	294,951	1,159,278	4,357	14,631,128	27,104,390	
Total Comprehensive Income for the period :									
Profit for the Period	-	-	-	-	-	-	761,938	761,938	
Other Comprehensive Income / (Loss)	-	-	-	-	-	(1,085)	-	(1,085)	
Transaction with the Shareholders :									
Adjustment for Depreciation on Revalued Assets	-	-	-	-	(2,294)	-	2,294	-	
Adjustment for Deferred Tax on Revalued Assets	-	-	-	-	(19,970)	-	-	(19,970)	
Balance as on September 30, 2018	4,055,564	5,269,475	1,689,637	294,951	1,137,014	3,272	15,395,360	27,845,273	
Net Asset Value (NAV) Per Share								Tk.	68.66



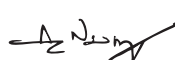
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Beximco Pharmaceuticals Limited
Statement of Cash Flows (Un-audited)
For the 1st Quarter Ended September 30, 2019

Taka '000

	Notes	July-September 2019	July-September 2018
Cash Flows from Operating Activities :			
Receipts from Customers and Others		5,875,142	4,944,739
Payments to Suppliers and Employees		(3,773,624)	(4,268,537)
Cash Generated from Operations		2,101,518	676,202
Interest Paid		(285,775)	(202,592)
Interest Received		8,435	8,839
Income Tax Paid		(87,353)	(115,782)
Net Cash Generated from Operating Activities	14	1,736,825	366,667
Cash Flows from Investing Activities :			
Acquisition of Property, Plant and Equipment		(293,755)	(316,783)
Intangible Assets		(3,062)	(7,013)
Disposal of Property, Plant and Equipment		3,342	-
(Increase)/Decrease in Short Term Investment		(8,129)	(8,462)
Net Cash Used in Investing Activities		(301,604)	(332,258)
Cash Flows from Financing Activities :			
Net Increase/(Decrease) in Long Term Borrowings		(541,390)	(526,249)
Net Increase/(Decrease) in Short Term Borrowings		(1,010,934)	365,693
Dividend Paid		(33)	(154)
Net Cash Generated from Financing Activities		(1,552,357)	(160,710)
Increase / (Decrease) in Cash and Cash Equivalents		(117,136)	(126,301)
Cash and Cash Equivalents at Beginning of Period		582,306	369,109
Cash and Cash Equivalents at End of Period	7.B	<u>465,170</u>	<u>242,808</u>
Net Operating Cash Flow Per Share		Tk. 4.28	0.90



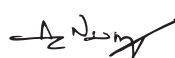
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Mohammad Asad Ullah, FCS
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Beximco Pharmaceuticals Limited
Selected Notes to the Financial Statements (Un-audited)
For the 1st Quarter Ended September 30, 2019

1. Reporting Entity

1.1 About the company

Beximco Pharmaceuticals Limited (BPL/ the Company) was incorporated as a public limited company in Bangladesh in 1976 and commenced its manufacturing operation in 1980. It is a leading manufacturer of pharmaceutical formulations and Active Pharmaceutical Ingredients (APIs). The Company was listed with Dhaka Stock Exchange in 1985 and with Chittagong Stock Exchange on its debut in 1995. In 2005, BPL took over Beximco Infusions Ltd., a listed company engaged in manufacturing and marketing of intravenous fluids and got enlisted with the Alternative Investment Market (AIM) of the London Stock Exchange through issuance of Global Depository Receipts (GDRs). In 2018, BPL acquired 85.22% shares of Nuvista Pharma Limited – a non-listed pharmaceutical company in Bangladesh specializing in hormones and steroid drugs and took over control of its management. Shares of the Company are traded in Dhaka and Chittagong Stock Exchanges of Bangladesh and its GDRs in AIM of the London Stock Exchange.

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. The manufacturing facilities of the Company are certified by leading global regulatory authorities including United States Food and Drug Administration (USFDA).

1.2 Nature of Business

The company is engaged in manufacturing and marketing of generic pharmaceuticals formulation products covering a wide range of therapeutic categories. It offers products in different dosage forms including Solid, Liquid, Cream and Ointment, Suppositories, Metered Dose Inhaler, Dry Powder Inhaler, Nasal Spray, Sterile, Lyophilized Injectable, Large Volume Intravenous Fluids. Besides formulation products BPL also manufactures Active Pharmaceutical Ingredients (APIs) and renders contract manufacturing services to other companies. Products of the company are sold in domestic and international markets.

2. Basis of Preparation of Financial Statements

These interim financial statements should be read in conjunction with the Financial Statements for the Year ended June 30, 2019 (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.

	As at September 30, 2019	Taka '000 As at June 30, 2019
3. Property, Plant & Equipment - Carrying Value		
Land	3,343,741	3,343,741
Building and Other Constructions	7,499,762	7,497,797
Plant and Machinery	14,552,473	14,503,959
Furniture and Fixtures	271,522	267,441
Transport and Vehicle	990,827	998,626
Office Equipment	572,594	568,772
	27,230,919	27,180,336
Less :Accumulated Depreciation	(8,919,350)	(8,695,830)
Net Book Value	18,311,569	18,484,506
Capital Work in Progress	13,958,936	13,724,934
Carrying Value	32,270,505	32,209,440
4. Other Investment		
Bangladesh Export Import Co. Ltd.	3,089	3,760
Central Depository Bangladesh Ltd. (CDBL)	1,569	1,569
	4,658	5,329
5. Inventories		
Finished Goods	1,097,317	1,155,804
Raw and Packing Materials (Including Work in Process, Laboratory Chemicals, R & D Materials and Material in Transit)	3,993,869	4,332,609
Physician Sample	82,177	85,136
	5,173,363	5,573,549
6. Loans, Advances and Deposits		
Clearing & Forwarding	190,130	159,119
VAT	66,132	306,316
Claims Receivable	1,906	6,320
Security Deposit and Earnest Money	92,206	62,559
Lease Deposit	10,822	10,822
Capital Expenditure / Project	212,223	224,723
Bank Guarantee Margin	38,739	37,774
Advance against Salary	151,981	152,574
Motor Cycle	188,931	199,756
Raw & Packing Material	598,944	592,000
Overseas Liaison Office	35,607	35,318
Others	642,504	485,760
	2,230,125	2,273,041
7. A. Cash and Cash Equivalent		
(a) Cash in Hand (Including Imprest Cash)	247,005	235,176
(b) Cash at Bank:		
(i) Current and FC Account	181,277	310,734
(ii) FDR Account	36,888	36,396
	465,170	582,306

B. There has been no change in exchange rate used as on June 30, and September 30.

	As at September 30, 2019	Taka '000 As at June 30, 2019
8. Long Term Borrowings		
A. Net of Current Maturity		
Project Loan - ODDO BHF Aktiengesellschaft, Frankfurt, Germany	1,550,859	1,974,612
Obligation Under Finance Leases	209,803	239,711
AB Bank	239,762	330,410
	<u>2,000,424</u>	<u>2,544,733</u>
B. Current Maturity		
Project Loan - ODDO BHF Aktiengesellschaft, Frankfurt, Germany	860,105	860,105
Obligation Under Finance Leases	154,436	164,158
AB Bank	474,567	462,992
	<u>1,489,108</u>	<u>1,487,255</u>
C. A transactional Gain of Tk. 1,066,451 was incurred in payment of outstanding foreign currency loan.		
	July-September 2019	July-September 2018
9. Cost of Goods Sold		
Materials	2,364,594	1,997,356
Factory Overhead	558,089	477,840
Depreciation	207,560	171,524
	<u>3,130,243</u>	<u>2,646,720</u>
10. Administrative Expenses		
Salary & Allowances	93,705	87,326
Repairs & Maintenance	13,310	8,490
Travelling & Conveyance	6,775	4,505
Company Secretarial, Regulatory Fee and AGM Expense	8,238	3,193
Depreciation	8,027	6,634
Security Expenses	2,788	2,509
Other Expenses	40,285	37,866
	<u>173,128</u>	<u>150,523</u>
11. Selling, Marketing and Distribution Expenses		
Salary & Allowances	447,418	350,136
Travelling & Conveyance	132,540	107,649
Market Research & New Products	17,453	14,044
Sample, Literature & News Letter	147,823	124,410
Sales & Market Promotion Expenses	75,481	66,311
Distribution Commission	99,026	86,518
Delivery Expense	60,563	56,097
Depreciation and Amortization	24,810	22,420
Export Insurance, Freight and C & F Expenses	70,665	65,703
Security Expenses	4,464	4,017
Bad Debts	750	-
Other Expenses	111,988	104,795
	<u>1,192,981</u>	<u>1,002,100</u>

	July-September 2019	July-September 2018
12. Other Income		
Interest Income	8,435	8,839
Distribution Commission	26,398	22,177
Royalty	55,585	11,926
Exchange Rate Fluctuation Gain/(loss)	1,137	
Profit/(Loss) on Sale of Fixed Assets	-	(298)
	91,555	42,644
13. Deferred Tax Income/(Expense)		
Deferred Tax is arrived at as follows :		
Property, Plant & Equipment (Difference in book value & Tax base)	9,016,430	8,261,974
Deferred Liability (Gratuity)	(961,628)	(755,921)
Temporary Difference	8,054,802	7,506,053
Tax Rate	25%	25%
Deferred Tax Liability at end of the period	2,013,700	1,876,513
Deferred Tax Liability at beginning of the period	2,002,571	1,889,823
Change in Deferred Tax Liability	11,129	(13,310)
Deferred Tax on Revaluation Surplus	(17,742)	(19,970)
Deferred Tax Income/(Expense)	6,613	33,280
14. Reconciliation of Net Profit with Cash Flows from Operating Activities		
Profit after Tax	835,267	761,938
Adjustment to reconcile net profit to net cash Generated from Operating Activities :		
Non-cash Expenses :	272,485	443,350
Depreciation	229,348	189,531
Amortization	11,049	11,048
Gratuity & WPPF	38,701	276,051
Deferred Tax	(6,613)	(33,280)
Non-operating items:	(1,066)	297
Exchange rate fluctuation gain on Foreign Currency Bank Loan	(1,066)	-
Loss /(Gain)on sale of Fixed Assets	-	297
Changes in Working Capital	630,139	(838,919)
(Increase)/Decrease in Inventories	400,186	(713,109)
(Increase)/Decrease in Spares & Supplies	(14,753)	(35,538)
(Increase)/Decrease in Accounts Receivable	(21,753)	(75,535)
(Increase)/Decrease in Loans, Advances & Deposits	42,916	(363,317)
Increase/(Decrease) in Creditors and Other Payables	(56,776)	380,015
Increase/(Decrease) in Accrued Expenses	125,592	(164,976)
Increase/(Decrease) in Income Tax Payable	154,727	133,542
Net cash Generated from Operating Activities	1,736,825	366,667

15 Proposed Dividend for 2018-2019

A. Directors while considering the annual accounts for the year ended June 30, 2019, proposed Cash dividend @ 15% i.e. Tk. 1.5 per share in their Board meeting held on October 28, 2019. The Dividend are subject to approval of the shareholders' in the annual general meeting of the Company scheduled on December 21, 2019. This has not been accounted for in this interim financial statements.

B. Board of Directors of BPL's Subsidiary, Nuvista Pharma Limited has declared dividend @ 20%, i.e. Tk. 2 per share for the financial year ended on June 30, 2019. The proposed dividend are subject to approval of the shareholders of NPL in the Annual General meeting scheduled on November 28, 2019. This has not been accounted for in this interim financial statements.



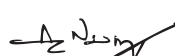
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