

Interim Financial Statements
Half Year Ended
June 30, 2014



BEXIMCO PHARMACEUTICALS LIMITED

Beximco Pharmaceuticals Limited

Statement of the Managing Director

Dear Shareholders,

We are pleased to present the un-audited financial results for the half year ended June 30, 2014.

The Company posted net sales of Tk. 5,322.2 million, up 7.2% over the corresponding period of 2013. The pre-tax profit stood at Tk. 1,018.5 million as compared to Tk. 955.6 million earned in the same period of prior year. During this half, we achieved 10.0% growth in sales in the domestic market and successfully introduced 19 new products, three of which were first-time launch in Bangladesh.

We continued expanding our export product portfolio and in the first half we successfully registered 38 products in 11 overseas markets. This includes registration of Atorvastatin in six European markets namely Latvia, Lithuania, Estonia, Romania, Czech Republic and Netherland. Moreover, in June we have commenced export of Pantoprazole to Germany.

During the reporting period, we have received GMP approval from Taiwan Food and Drug Authority (TFDA) for our OSD, MDI and Vision units. This is for the first time a Bangladeshi company achieved this prestigious accreditation which would allow us to find opportunities in the value-added generics market of Asia Pacific.

Although our export sales in this half decreased compared to export sales of the same period of the previous year, we are hopeful of achieving our expected sales for the full year in view of the orders in our pipeline.

We are confident that the Company will continue to perform well during the remaining period to achieve its operational and financial targets for the year 2014.

Thank you for your continued support.



Nazmul Hassan
Managing Director

Beximco Pharmaceuticals Limited
Statement of Financial Position (Un-audited)
As at June 30, 2014

Taka'000

	Notes	As at June 30, 2014	As at December 31, 2013
ASSETS			
Non-Current Assets		18,919,972	18,567,329
Property, Plant and Equipment- Carrying Value	3	18,682,959	18,364,313
Intangible Assets		231,725	198,223
Investment in Shares		5,288	4,793
Current Assets		9,340,357	8,903,422
Inventories	4	2,464,910	2,411,882
Spares & Supplies		445,673	433,352
Accounts Receivable		1,410,431	1,249,435
Loans, Advances and Deposits	5	1,218,171	1,186,637
Short Term Investment		3,536,867	3,026,383
Cash and Cash Equivalents	6	264,305	595,733
TOTAL ASSETS		28,260,329	27,470,751
EQUITY AND LIABILITIES			
Shareholders' Equity		20,113,481	19,775,552
Issued Share Capital		3,678,516	3,503,349
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		1,305,043	1,349,579
Fair Value Gain on Investment		1,836	1,341
Retained Earnings		7,874,023	7,667,220
Non-Current Liabilities		3,478,374	3,312,618
Long Term Borrowings-Net off Current Maturity (Secured)	7 A	1,046,890	1,151,401
Liability for Gratuity and WPPF & Welfare Funds		757,263	610,628
Deferred Tax Liability		1,674,221	1,550,589
Current Liabilities and Provisions		4,668,474	4,382,581
Short Term Borrowings (Secured)		2,887,448	2,776,266
Long Term Borrowings-Current Maturity (Secured)	7 B	807,605	754,904
Creditors and Other Payables		240,126	383,171
Accrued Expenses		79,269	141,582
Dividend Payable		351,223	973
Income Tax Payable		302,803	325,685
TOTAL EQUITY AND LIABILITIES		28,260,329	27,470,751

Nazmul Hassan

Nazmul Hassan
 Managing Director

Ali Nawaz

Ali Nawaz
 Chief Financial Officer

Beximco Pharmaceuticals Limited
Statement of Comprehensive Income (Un-audited)
For the Half Year Ended June 30, 2014

Taka'000

	Notes	Half-Year ended June 30, 2014	Half-Year ended June 30, 2013	2nd Quarter (April - June) 2014	2nd Quarter (April - June) 2013
Net Sales Revenue		5,322,272	4,966,358	2,746,012	2,703,345
Cost of Goods Sold	8	(2,905,268)	(2,728,766)	(1,466,103)	(1,464,384)
Gross Profit		2,417,004	2,237,592	1,279,909	1,238,961
Operating Expenses		(1,284,256)	(1,189,495)	(647,248)	(619,698)
Administrative Expenses	9	(214,478)	(196,164)	(110,677)	(104,614)
Selling, Marketing and Distribution Expenses	10	(1,069,778)	(993,331)	(536,571)	(515,084)
Profit from Operations		1,132,748	1,048,097	632,661	619,263
Other Income	11	259,863	247,518	159,467	125,075
Finance Cost		(323,170)	(292,218)	(147,810)	(143,573)
Profit Before Contribution to WPPF & Welfare Funds		1,069,441	1,003,397	644,318	600,765
Contribution to WPPF & Welfare Funds		(50,926)	(47,781)	(30,682)	(28,608)
Profit Before Tax		1,018,515	955,616	613,636	572,157
Income Tax Expenses		(294,242)	(297,112)	(219,147)	(196,580)
Current Tax		(207,115)	(203,516)	(130,370)	(134,872)
Deferred Tax		(87,127)	(93,596)	(88,777)	(61,708)
Profit After Tax		724,273	658,504	394,489	375,577
Other Comprehensive Income - Fair Value Gain on Investment in Listed Shares		495	—	725	—
Total Comprehensive Income		724,768	658,504	395,214	375,577
Earnings Per Share (EPS) / Adjusted EPS		1.97	1.79	1.07	1.02
Number of Shares used to compute EPS	12	367,851,652	367,851,652	367,851,652	367,851,652

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, 2014

Taka'000

Half Year ended June 30, 2014								
	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
Balance as on January 01, 2014	3,503,349	5,269,475	1,689,637	294,951	1,349,579	1,341	7,667,220	19,775,552
Total Comprehensive Income for the Period :								
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	175,167	-	-	-	-	-	(175,167)	-
Adjustment for Depreciation on Revalued Assets	-	-	-	-	(8,031)	-	8,031	-
Adjustment for Deferred Tax on Revalued Assets	-	-	-	-	(36,505)	-	-	(36,505)
As on June 30, 2014	3,678,516	5,269,475	1,689,637	294,951	1,305,043	1,836	7,874,023	20,113,481
Number of Shares on June 30, 2014								367,851,652
Net Asset Value (NAV) Per Share							Tk.	54.68
Half Year ended June 30, 2013								
	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
Balance as on January 01, 2013	3,046,390	5,269,475	1,689,637	294,951	1,406,528	-	6,701,181	18,408,162
Total Comprehensive Income	-	-	-	-	-	-	658,504	658,504
Stock Dividend for 2012	456,959	-	-	-	-	-	(456,959)	-
Adjustment for Depreciation on Revalued Assets	-	-	-	-	(9,118)	-	9,118	-
Adjustment for Deferred Tax on Revalued Assets	-	-	-	-	(41,221)	-	-	(41,221)
As on June 30, 2013	3,503,349	5,269,475	1,689,637	294,951	1,356,189	-	6,911,844	19,025,445
Number of Shares on June 30, 2013								350,334,907
Net Asset Value (NAV) Per Share							Tk.	54.31

Nazmul Hassan

Nazmul Hassan
 Managing Director

Ali Nawaz

Ali Nawaz
 Chief Financial Officer

Beximco Pharmaceuticals Limited
Statement of Cash Flows (Un-audited)
For the Half-Year Ended June 30, 2014

Taka'000

	Half-Year ended June 30, 2014	Half-Year ended June 30, 2013
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Cash Flows from Operating Activities :

Receipts from Customers and Others	5,161,317	4,917,071
Payments to Suppliers and Employees	(4,015,158)	(3,924,666)

Cash Generated from Operations

	1,146,159	992,405
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Interest Paid	(323,170)	(292,218)
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Interest Received	256,173	248,664
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Income Tax Paid	(229,997)	(115,816)
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Net Cash Generated from Operating Activities

	849,165	833,035
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Cash Flows from Investing Activities :

Acquisition of Property, Plant and Equipment	(694,356)	(212,249)
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Intangible Assets	(41,495)	(21,571)
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Disposal of Property, Plant and Equipment	4,454	60
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Short Term Investment	(510,484)	(110,820)
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Net Cash Used in Investing Activities

	(1,241,881)	(344,580)
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Cash Flows from Financing Activities :

Net Increase / (Decrease) in Long Term Borrowings	(51,810)	(83,164)
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Net Increase / (Decrease) in Short Term Borrowings	113,182	(359,646)
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Dividend Paid	(84)	(22)
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Net Cash Generated from Financing Activities

	61,288	(442,832)
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Increase / (Decrease) in Cash and Cash Equivalents

	(331,428)	45,623
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Cash and Cash Equivalents at Beginning of Period	595,733	552,979
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Cash and Cash Equivalents at End of Period

	264,305	598,602
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Net Operating Cash Flow Per Share

	Tk. 2.31	2.38
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Number of Shares used to compute Net Operating Cash Flow Per Share

	367,851,652	350,334,907
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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, 2014

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, 2013 (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 June 30, 2014	As at December 31, 2013
		Taka '000
3. Property, Plant & Equipment		
Cost / Revaluation		
Land	3,302,883	3,302,883
Building and Other Constructions	6,373,716	6,370,759
Plant & Machinery	10,470,899	10,034,644
Furniture & Fixture	178,399	173,334
Transport & Vehicle	552,208	548,077
Office Equipment	377,482	358,363
	21,255,587	20,788,060
Less :Accumulated Depreciation	(5,056,453)	(4,686,815)
Net Book Value	16,199,134	16,101,245
Capital Work in Progress	2,483,825	2,263,068
Carrying Value	<u>18,682,959</u>	<u>18,364,313</u>

Taka'000

As at June 30, 2014 **As at December 31, 2013**

4. Inventories

Finished Goods	596,341	644,006
Raw and Packing Material (Including Work in Process and Transit)	1,768,608	1,675,642
Physician Sample	99,961	92,234
	<u>2,464,910</u>	<u>2,411,882</u>

5. Loans, Advances and Deposits

Clearing & Forwarding	40,267	43,789
VAT	211,933	224,272
Security Deposit and Earnest Money	22,329	21,814
Capital Expenditure / Project	29,734	39,234
Advance against Salary	48,139	51,306
Motor Cycle	139,004	156,329
Raw & Packing Material	431,840	409,578
Overseas Liaison Office	13,085	9,969
Expenses	135,020	85,456
Bank Guarantee Margin	40,517	39,940
Others	106,303	104,950
	<u>1,218,171</u>	<u>1,186,637</u>

6. Cash and Cash Equivalents

(a) Cash In Hand (Including Imprest Cash)	2,026	3,475
(b) Cash at Bank:		
i) Current & FC Account	234,965	85,680
ii) FDR Account	27,314	506,578
	<u>264,305</u>	<u>595,733</u>

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

Project Loan	726,653	1,001,325
Obligation Under Finance leases	320,237	150,076
	<u>1,046,890</u>	<u>1,151,401</u>

B. Current Maturity (Secured)

Project Loan	674,677	652,690
Obligation Under Finance leases	132,928	102,214
	<u>807,605</u>	<u>754,904</u>

Taka'000

Half Year ended June 30, 2014	Half Year ended June 30, 2013
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8. Cost of Goods Sold

Materials	2,054,991	1,987,741
Factory Overhead	512,798	480,474
Depreciation	337,479	260,551
	<u>2,905,268</u>	<u>2,728,766</u>

9. Administrative Expenses

Salary & Allowances	97,913	81,937
Repairs & Maintenance	16,575	15,142
Travelling & Conveyance	9,148	8,546
AGM, Company Secretarial Expenses and Regulatory Fees	22,314	25,295
Depreciation	13,052	10,077
Other Expenses	55,476	55,167
	<u>214,478</u>	<u>196,164</u>

10. Selling, Marketing and Distribution Expenses

Salary & Allowances	349,470	316,063
Travelling & Conveyance	142,290	132,043
Market Research & New Products	18,205	19,036
Sample, Literature & Promotional Expenses	309,623	288,885
Delivery Expense	159,996	146,901
Depreciation and Amortization	30,368	24,338
Other Expenses	59,826	66,065
	<u>1,069,778</u>	<u>993,331</u>

11. Other Income

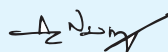
This includes gain of Taka 2,000,000 (Taka two million) arising from conversion of foreign currency loan at prevailing exchange rate on the date of Statement of Financial Position.

12. Dividend for 2013

The Shareholders of the company has approved 10% Cash and 5% stock dividend for the year 2013 in the annual general meeting held on June 21, 2014. The company consistently follows the policy of recognising proposed dividend after its approval by the shareholders in the annual general meeting. Hence, the dividend for 2013 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
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Corporate Headquarters

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Dhaka- 1205, Bangladesh
Phone : +880-2-8611891
Fax : +880-2-8613470
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

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Rafique-ul Huq
Barrister-at-Law
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Dhaka-1000, Bangladesh

Auditors

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Chartered Accountants
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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 & Broker

Daniel Stewart and Company PLC
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Custodian

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Dhaka- 1205, Bangladesh

Depository Bank

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



BEXIMCO PHARMACEUTICALS LIMITED



Winner



Certified

