

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
ASSETS			
Non-Current Assets			
		21,385,859	20,634,247
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
Current Assets			
		8,712,799	8,366,279
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
TOTAL ASSETS		<u>30,098,658</u>	<u>29,000,526</u>
EQUITY AND LIABILITIES			
Shareholders' Equity			
		21,532,197	20,920,186
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
Non-Current Liabilities			
		3,171,409	3,372,593
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
Current Liabilities and Provisions			
		5,395,052	4,707,747
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
TOTAL EQUITY AND LIABILITIES		<u>30,098,658</u>	<u>29,000,526</u>

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
Net Sales Revenue		6,249,178	5,322,272	3,251,789	2,746,012
Cost of Goods Sold	8	(3,423,850)	(2,905,268)	(1,768,749)	(1,466,103)
Gross Profit		2,825,328	2,417,004	1,483,040	1,279,909
Operating Expenses		(1,481,229)	(1,284,256)	(774,435)	(647,248)
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)
Profit from Operations		1,344,099	1,132,748	708,605	632,661
Other Income		185,435	259,863	90,934	159,467
Finance Cost		(381,286)	(323,170)	(190,116)	(147,810)
Profit Before Contribution to WPPF & Welfare Funds		1,148,248	1,069,441	609,423	644,318
Contribution to WPPF & Welfare Funds		(54,678)	(50,926)	(29,020)	(30,682)
Profit Before Tax		1,093,570	1,018,515	580,403	613,636
Income Tax Expenses		(84,411)	(294,242)	22,048	(219,147)
Current Tax		(221,797)	(207,115)	(106,928)	(130,370)
Deferred Tax		137,386	(87,127)	128,976	(88,777)
Profit After Tax		1,009,159	724,273	602,451	394,489
Other Comprehensive Income- Fair Value Gain on Investment in Listed Shares		112	495	584	725
Total Comprehensive Income		1,009,271	724,768	603,035	395,214
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

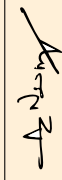
Beximco Pharmaceuticals Limited
Statement of Changes in Equity (Un-audited)
For the Period Ended June 30, 2015

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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
Balance as on January 01, 2015	3,678,517	5,269,475	1,689,637	294,951	1,299,220	2,309	8,686,077	20,920,186
Total Comprehensive Income for the period :								
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)
Balance as on June 30, 2015	3,862,442	5,269,475	1,689,637	294,951	1,262,732	2,421	9,150,539	21,532,197
Number of Shares on June 30, 2015								386,244,234
Net Asset Value (NAV) Per Share on June 30, 2015								Tk. 55.75
Half Year ended June 30, 2014								
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	175,168	—	—	—	—	—	(175,168)	—
Adjustment for Depreciation on Revalued Assets	—	—	—	—	(8,031)	—	8,031	—
Adjustment for Deferred Tax on Revalued Assets	—	—	—	—	(36,505)	—	—	(36,505)
Balance as on June 30, 2014	3,678,517	5,269,475	1,689,637	294,951	1,305,043	1,836	7,874,022	20,113,481
Number of Shares on June 30, 2014								367,851,652
Net Asset Value (NAV) Per Share on June 30, 2014								Tk. 54.68

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

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
	21,695,890	21,510,808
Less :Accumulated Depreciation	(5,795,856)	(5,425,449)
Net Book Value	15,900,034	16,085,359
Capital Work in Progress	5,229,465	4,307,920
Carrying Value	<u>21,129,499</u>	<u>20,393,279</u>

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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>2,798,038</u>	<u>2,493,657</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>1,444,573</u>	<u>1,223,673</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>194,952</u>	<u>222,239</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>653,958</u>	<u>901,709</u>

B. Current Maturity (Secured)

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

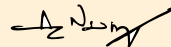
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	Half-Year ended June 30, 2015	Half-Year ended June 30, 2014
8. Cost of Goods Sold		
Materials	2,494,112	2,054,991
Factory Overhead	593,450	512,798
Depreciation	336,288	337,479
	<u>3,423,850</u>	<u>2,905,268</u>
9. Administrative Expenses		
Salary & 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>218,985</u>	<u>214,478</u>
10. Selling, Marketing and Distribution Expenses		
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>1,262,244</u>	<u>1,069,778</u>
11. Dividend for 2014		

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
Apartment # A-1, House # 17,
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 Paltan
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



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