

Half Yearly Report 2010



BEXIMCO PHARMACEUTICALS LTD.

Our Mission

Each of our activities must benefit and add value to the common wealth of our society. We firmly believe that, in the final analysis we are accountable to each of the constituents with whom we interact, namely: our employees, our customers, our business associates, our fellow citizens and our shareholders.

BEXIMCO PHARMACEUTICALS LTD.
Statement of the Managing Director

Dear Shareholders,

We are pleased to announce the un-audited financial results for the half year ended 30th June 2010.

The company performed strongly during the first half of the year and achieved net domestic sales of Tk. 2825.94 million with impressive 28% growth over the corresponding period of 2009. This performance was largely driven by strong growth of key brands, as well as the excellent response to our 28 new products launched during the period.

Export turnover was Tk. 142.71 million which is 33.61 % higher on comparable basis. During the first half, the company entered into 5 new markets and registered 35 products overseas. .

The company earned a pre-tax profit of Tk. 697.35 million with EPS of Tk. 2.52 (diluted) against Tk. 381.51 million and Tk. 2.06 respectively, in the previous year.

BPL continues to invest in expanding capacities to capitalize on the opportunities in global generic markets. The remaining three lines of our new Oral Solid Dosage (OSD) facility are being commissioned and the new MDI facility is also nearing completion. The progress of additional expansion projects are also on track.

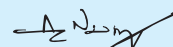
We are pleased with the progress achieved in the first half of 2010 and our achievement during the period reinforces our focus on different strategic priorities which will enable us to deliver a broader range of medicines to our patients and greater value to shareholders.

Nazmul Hassan
Nazmul Hassan
Managing Director

BEXIMCO PHARMACEUTICALS LTD.
Balance Sheet (Unaudited)
As at June 30, 2010

	Notes	As at June 30, 2010	Taka '000 As at December 31, 2009
ASSETS			
Non-Current Assets			
Property, Plant and Equipment- Carrying Value	3	13,608,207	12,975,195
Intangible Assets		13,585,636	12,966,587
		19,689	5,726
Investment in Shares		2,882	2,882
Current Assets			
Inventories	4	7,127,497	6,916,738
Spares & Supplies		1,908,778	1,722,953
Accounts Receivable		271,386	242,035
Loans, Advances and Deposits	5	823,794	694,112
Short Term Investment		844,842	699,204
Cash and Cash Equivalents	6	1,805,516	2,500,000
		1,473,181	1,058,434
TOTAL ASSETS	Tk.	20,735,704	19,891,933
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Issued Share Capital		15,513,980	10,885,707
Share Premium		2,098,065	1,511,493
Excess of Issue Price over Face Value of GDRs		5,276,839	1,489,750
Capital Reserve on Merger		1,689,63	1,689,637
Revaluation Surplus		294,951	294,951
Retained Earnings		1,603,957	1,617,362
		4,550,531	4,282,514
Non-Current Liabilities			
Long Term Borrowing-Net of Current Maturity (Secured)	7 A	2,672,844	6,684,775
Fully Convertible, 5% Dividend, Preference Share		1,925,172	1,924,933
Liability for Gratuity & WPPF		-	4,100,000
Deferred Tax Liability		305,784	307,426
		441,888	352,416
Current Liabilities and Provisions			
Short Term Borrowing		2,548,881	2,321,451
Long Term Borrowing-Current Maturity	7 B	1,681,943	1,451,326
Creditors and other Payables		335,672	308,820
Accrued Expenses		365,685	409,898
Dividend Payable		118,614	79,095
Income Tax Payable		1,278	1,728
		45,690	70,584
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	Tk.	20,735,704	19,891,933

Nazmul Hassan
Nazmul Hassan
 Managing Director


Ali Nawaz
 Chief Financial Officer

BEXIMCO PHARMACEUTICALS LTD.
Profit and Loss Account (Unaudited)
For the Half-year ended June 30, 2010

					<i>Taka '000</i>
	Notes	Half-Year ended June 30, 2010	Half-Year ended June 30, 2009	2nd Quarter (April-June) 2010	2nd Quarter (April-June) 2009
Net Sales Revenue		2,968,654	2,314,712	1,642,053	1,225,907
Cost of Goods Sold	8	(1,484,263)	(1,228,278)	(789,784)	(659,792)
Gross Profit		<u>1,484,391</u>	<u>1,086,434</u>	<u>852,269</u>	<u>566,115</u>
Operating Expenses :		<u>(702,569)</u>	<u>(660,348)</u>	<u>(404,610)</u>	<u>(361,304)</u>
Administrative Expenses	9	(102,846)	(97,949)	(59,739)	(50,113)
Selling and Distribution Expenses	10	(599,723)	(562,399)	(344,871)	(311,191)
Profit from Operations		781,822	426,086	447,659	204,811
Other Income		314,314	113,392	119,398	108,342
Finance Cost		(210,173)	(138,888)	(117,571)	(71,441)
Preference Share Dividend		(153,750)	-	(51,250)	-
Profit before Contribution to WPPF		<u>732,213</u>	<u>400,590</u>	<u>398,236</u>	<u>241,712</u>
Contribution to Workers' Profit Participation/ Welfare Funds		(34,867)	(19,076)	(18,963)	(11,510)
Profit before Tax		<u>697,346</u>	<u>381,514</u>	<u>379,273</u>	<u>230,202</u>
Income Tax		(169,073)	(70,490)	(68,962)	(43,254)
Profit after Tax		<u><u>528,273</u></u>	<u><u>311,024</u></u>	<u><u>310,311</u></u>	<u><u>186,948</u></u>

Earnings Per Share (EPS)	2.52	2.06	1.48	1.24
Number of shares used to compute EPS	209,806,509	151,149,296	209,806,509	151,149,296

Nazmul Hassan
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 Managing Director

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 Chief Financial Officer

BEXIMCO PHARMACEUTICALS LTD.
Statement of Changes in Equity (Unaudited)
For the period ended June 30, 2010

Taka '000

	Half Year ended June 30, 2009						
	Share Capital	Share Premium	Excess of Issue Price over Face Value of GDRs	Capital Reserve	Revaluation Surplus	Retained Earnings	Total
Opening Balance on 01.01.2009	1,259,577	1,489,750	1,689,637	294,951	1,711,175	4,005,112	10,450,202
Net Profit for the Period	-	-	-	-	-	311,024	311,024
Cash Dividend of Previous year (2008)	-	-	-	-	-	(125,958)	(125,958)
Bonus Share	251,916	-	-	-	-	(251,916)	-
At the end of June 2009	1,511,493	1,489,750	1,689,637	294,951	1,711,175	3,938,262	10,635,268
	Half Year ended June 30, 2010						
	Share Capital	Share Premium	Excess of Issue Price over Face Value of GDRs	Capital Reserve	Revaluation Surplus	Retained Earnings	Total
Opening Balance on 01.01.2010	1,511,493	1,489,750	1,689,637	294,951	1,617,362	4,282,514	10,885,707
Net Profit for the Period	-	-	-	-	-	528,273	528,273
Preference Share Converted into Ordinary Share	312,911	-	-	-	-	-	312,911
Premium on Conversion of Preference Share	-	3,787,089	-	-	-	-	3,787,089
Bonus Share	273,661	-	-	-	-	(273,661)	-
Adjustment for Depreciation on Revalued Assets	-	-	-	-	(13,405)	13,405	-
At the end of June 2010	2,098,065	5,276,839	1,689,637	294,951	1,603,957	4,550,531	15,513,980

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 Managing Director


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 Chief Financial Officer

BEXIMCO PHARMACEUTICALS LTD.
Cash Flow Statement (Unaudited)
For the Half-year ended June 30, 2010

	Notes	Half-Year ended June 30, 2010	Taka '000 Half-Year ended June 30, 2009
Cash Flows from Operating Activities :			
Cash Receipts from Customers and Others		3,153,285	2,167,530
Cash Paid to Suppliers and Employees		(2,400,045)	(1,969,896)
Cash Generated from Operations		753,240	197,634
Interest Paid		(210,173)	(138,888)
Income Tax Paid		(104,495)	(33,160)
Net cash Generated from Operating Activities		438,572	25,586
Cash Flows from Investing Activities :			
Acquisition of Property, Plant and Equipment (net of IDCP)		(807,854)	(236,890)
Sale of Shares		-	124,000
Intangible Assets		(13,963)	-
Short Term Investment		694,484	-
Disposal of Property, Plant and Equipment		-	62
Net Cash used in Investing Activities		(127,333)	(112,828)
Cash Flows from Financing Activities :			
Net (Decrease)/Increase in Long Term Borrowings		27,092	(90,623)
Net (Decrease) /Increase in Short Term Borrowings		230,617	167,104
Preference Share Dividend		(153,750)	-
Ordinary Share Dividend		(450)	(1,198)
Net Cash Generated from Financing Activities		103,509	75,283
Increase/(Decrease) in Cash and Cash Equivalents		414,748	(11,959)
Cash and Cash Equivalents at Beginning of Period		1,058,433	73,648
Cash and Cash Equivalents at End of Period	Tk.	1,473,181	61,689

Nazmul Hassan
Nazmul Hassan
 Managing Director

Ali Nawaz
Ali Nawaz
 Chief Financial Officer

BEXIMCO PHARMACEUTICALS LTD.
Selected Notes to the Financial Statements (Unaudited)
For the Period ended June 30, 2010

1 Status and Activities

Beximco Pharmaceuticals Limited (BPL/the Company) is a Public Limited Company incorporated in Bangladesh in 1976. The company is listed with 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 and life saving intravenous Fluids which it sells in the local as well as international markets.

2 Principal Accounting Policies

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, 2009 (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) including International Accounting Standards (IASs). The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, the comparatives have been reclassified or extended from the Half Yearly Report of 2009 to take into account any presentational changes made in the Annual Financial Statements or in the Half Yearly Report 2010. 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.

	Taka '000	
	As at June 30, 2010	As at Dec 31, 2009
3 Property, Plant and Equipment		
Cost / Revaluation		
Land	3,277,506	3,277,506
Building and Other Constructions	5,509,496	5,504,513
Plant & Machinery	5,735,159	4,960,206
Furniture & Fixture	105,937	101,631
Transport & Vehicle	203,176	150,535
Office & Lab Equipment	355,915	278,030
	15,187,189	14,272,421
Less : Accumulated Depreciation	(2,843,584)	(2,654,779)
Written Down Value	12,343,605	11,617,642
Capital Work in Progress	1,242,031	1,348,945
Carrying Value	Tk. 13,585,636	12,966,587

	Taka '000	
	As at June 30, 2010	As at Dec. 31, 2009
4 Inventories		
Finished Goods	469,538	554,393
Materials (Including Work in Process and Transit)	1,400,434	1,141,666
Sample & Others	38,806	26,894
Tk.	<u>1,908,778</u>	<u>1,722,953</u>
5 Loans, Advances and Deposits		
Motor Cycle Loan	123,205	124,549
Security and Other Deposits	39,435	34,832
Prepaid VAT	196,741	193,432
Advance for Capital Expenditure	95,043	65,305
Advance for Expense	62,202	29,695
Salary Advance	63,711	58,797
Advance to Suppliers including C & F Agents	234,054	175,489
Others	30,451	17,105
Tk.	<u>844,842</u>	<u>699,204</u>
6 Cash and Cash Equivalents		
Cash in Hand , Transit & Bank	72,090	57,342
Imprest Cash	1,091	1,091
FDR	1,400,000	1,000,000
Tk.	<u>1,473,181</u>	<u>1,058,433</u>
7 Long Term Borrowing		
A Non Current Maturity		
Project Loan	1,697,391	1,723,033
Interest and PAD Block	61,189	81,384
Obligation under Finance Lease	166,592	120,516
Tk.	<u>1,925,172</u>	<u>1,924,933</u>
B Current Maturity		
Project Loan	250,000	187,500
Interest and PAD Block	47,700	77,899
Obligation under Finance Lease	37,972	43,421
Tk.	<u>335,672</u>	<u>308,820</u>

		Taka '000	
		Half-Year ended June 30, 2010	Half-Year ended June 30, 2009
8	Cost of Goods Sold		
	Materials	1,094,559	946,153
	Factory Overhead	225,518	176,183
	Depreciation	164,186	105,942
	Tk.	<u>1,484,263</u>	<u>1,228,278</u>
9	Administrative Expenses		
	Salary & Allowances	50,088	48,711
	Fuel, Repairs & Office Maintenance	7,056	6,670
	Travelling & Conveyance	6,636	3,546
	AGM and Company Secretarial Expenses	15,176	17,927
	Other Expenses	14,938	16,334
	Depreciation	8,952	4,761
	Tk.	<u>102,846</u>	<u>97,949</u>
10	Selling and Distribution Expenses		
	Salary & Allowances	177,994	164,630
	Travelling & Conveyance	85,950	84,976
	Market Research & New Products	10,542	9,066
	Sample, Literature & Promotional Expenses	185,711	177,060
	Delivery Commission	78,194	63,391
	Depreciation	15,666	8,333
	Other Expenses	45,666	54,943
	Tk.	<u>599,723</u>	<u>562,399</u>

11 Dividend for 2009

The Board of Directors of the company approved 15% stock dividend for the year 2009 in the Annual General Meeting held on June 15, 2010. The company consistently follows the policy of recognising proposed dividend after its approval by the shareholders.

Nazmul Hassan

Nazmul Hassan
Managing Director

Ali Nawaz

Ali Nawaz
Chief Financial Officer

Corporate Information

Operational Headquarters

19 Dhanmondi R/A, Road # 7
Dhaka 1205, Bangladesh
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E-mail : info@bpl.net
Website : www.beximcopharma.com

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

Kaliakoir Unit :
Plot No. 1070/1083, Mouchak
Kaliakoir, Gazipur

Stock Exchange Listing

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

Public Relations

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Legal Advisor :

Huq and Company
47/1 Purana Paltan
Dhaka-1000

Auditors :

M. J. Abedin & Co.
Chartered Accountants
National Plaza
109 Bir Uttam C. R. Datta Road
Dhaka-1205

Banker :

Janata Bank
Local Office
1 Dilkusha C/A
Dhaka-1000

For GDRs

Nominated Advisor and Broker
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Custodian

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Depository Bank

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New York, NY 10286



BEXIMCO PHARMACEUTICALS LTD.

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