

**BEXIMCO
PHARMA**



Annual Report
2005

Beximco Pharma is a leading edge pharmaceutical company based in Dhaka, Bangladesh, and is acclaimed for its outstanding product quality, world-class manufacturing facilities, product development capabilities and outstanding professional services.



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.

Key Data

Figures in Million Taka

	2005	2004	% Change
Net Sales	3,327.02	2,402.70	38.47
Domestic	3,238.16	2,323.21	39.38
Export	88.86	79.49	11.79
Gross Profit	1,558.50	1,023.77	52.23
Net Profit	489.26	329.38	48.54
Net Profit on Sales (%)	14.71	13.71	7.27
Total Assets (Gross)	10,945.48	8,658.50	26.41
Total Equity	6,820.93	4,836.01	41.04
Equity Ratio	62.32	55.85	11.57
Earnings per Share (Taka)	6.36	4.71	35.03

Year of Establishment: 1976

Commercial Production: 1980

Status: Public Limited Company

Business Lines: Manufacturing and marketing of pharmaceutical Finished Formulation Products, Large Volume Parenterals and Active Pharmaceutical Ingredients (APIs)

Overseas Offices & Associates: UK, USA, Pakistan, Myanmar, Singapore, Kenya, Yemen, Nepal, Vietnam, Cambodia and Sri Lanka

Current Export Markets : Cambodia, Kenya, Mozambique, Myanmar, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Vietnam and Yemen

Authorized Capital (Taka): 2,000 million

Paid-up Capital (Taka): 959.22 million

Number of Shareholders: Over 50,000

Stock Exchange Listings: Dhaka, Chittagong and London Stock Exchanges

Number of Employees: 1,981

Operational Highlights

Products

- 49 products launched across a range of therapeutic classes
- 55 new products registered in export markets
- Sri Lanka has become a new export market

Corporate

- Successfully integrated Beximco Infusions Limited
- Successfully raised £12 million and admitted GDRs to trading on AIM in October 2005
- Completed construction of new Oral Solid Dosage (OSD) plant built to USFDA standards and two out of five new OSD lines are currently being installed
- Commenced conversion of Metered Dose Inhaler (MDI) plant to manufacture HFA based MDI. Conversion is scheduled to be completed during Q3 2006

Financial*

- Net Sales increased by 38% to Tk.3,327.02 million (20% increase on a pro-forma basis)
- Profit before tax** increased by 37.9% to Tk.509.6 million (21.4% increase on a pro-forma basis)
- EPS increased by 35% to Tk. 6.36
- Declared cash dividend of 15% par value (representing Tk.1.5 per share)

* Financial figures on a pro-forma basis include the result of Beximco Pharmaceuticals Limited and Beximco Infusions Limited which was effectively integrated into Beximco Pharmaceuticals Ltd.

** Profit before tax and contribution to Workers' Profit Participation Fund

Post Year-End Highlights

- Introduced Oseflu® (Oseltamivir) to the Bangladesh market which aims to combat the growing threat of Bird Flu
- Launched 14 new products in the first quarter of 2006
- Signed agreement with a world's leading API manufacturer to set up an API plant in Bangladesh
- Commenced manufacturing of Penicillin API

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Management of the Company





Beximco Pharmaceuticals Ltd. is managed by the Board of Directors, an Executive Committee and a Management Committee.

Board of Directors is responsible for the corporate governance.

The Executive Committee is accountable for both operational and financial performance of the company. This Committee is also responsible for budget approval, policy adoption or changes, new project review, compliance audit etc.

The Management Committee reviews and manages day-to-day business operation and recommends strategy options to the Executive Committee.

The Chief Executive Officer (CEO) is responsible for the overall management of the business.

Board of



A S F Rahman
Chairman

Mr. Sohail Rahman is the founder of the Company. He graduated with a degree in Physics from the University of Dhaka in 1966 and also studied in the United Kingdom. Throughout his career he has held positions in many companies, including Chairman of IFIC Bank Limited; Director of Industrial Promotion & Development Company; Director of Arab Bangladesh Bank Limited; Director of Pubali Bank Limited and Director of the Investment Corporation of Bangladesh. He is currently a member of the Board of Governors of North South University Foundation, which is the first private sector University in Bangladesh.



Salman F Rahman
Vice Chairman

Mr. Salman Rahman, brother of Sohail Rahman, is also one of the founders of the Company. He graduated from Karachi University in 1971. Mr. Rahman has held a number of positions including: President of the Federation of Chamber of Commerce and Industries from 1994 to 1996; Chairman of the Bangladesh Enterprise Institute, a Bangladeshi institute for private sector advocacy and free market development; Chairman of the Board of Editors of "The Independent", an English daily newspaper in Bangladesh; Chairman of Abahoni Limited, a prominent sporting club in Bangladesh; President of SAARC Chamber of Commerce & Industry from 1996 to 1998; President of the Metropolitan Chamber of Commerce & Industry; President of the Bangladesh Textile Mills Association; and President of the Bangladesh Pharmaceutical Manufacturers Association.

Directors



Iqbal Ahmed
Director



Mohammad Abul Qasem
Director



Osman Kaiser Chowdhury
Director



Dr. Abdul Alim Khan
Director



Abu Bakar Siddiqur Rahman
Director



Dr. Farida Huq
Director



Chowdhury Hafizur Rahman
Director



Faheemul Huq
Director



Ahsanul Karim
Director

The Executive Committee



**Osman Kaiser
Chowdhury**

Member of the Board of Directors

The Executive Committee is headed by Mr. Osman Kaiser Chowdhury. Mr. Chowdhury has been with the Company for 14 years and holds senior positions within the Beximco group of companies. He is a member of the Institute of Chartered Accountants of England and Wales and a Fellow of the Institute of Chartered Accountants of Bangladesh. He has over 13 years' experience working abroad, including the United Kingdom.



Chowdhury Hafizur Rahman

Member of the Board of Directors



Nazmul Hassan

Chief Executive Officer



Ali Nawaz

Chief Financial Officer



Afsar Uddin Ahmed

Director, Commercial

The Management Committee



Nazmul Hassan
Chief Executive Officer

The Management Committee is headed by Mr. Nazmul Hassan. Mr. Hassan graduated from the Department of Public Administration, University of Dhaka. He obtained an MBA degree from the Institute of Business Administration (IBA), University of Dhaka, with major in marketing. In 1997 and 2000, he took training on 'Medical Marketing Program' from University of California Los Angeles, USA and 'Changing Strategic Direction Program' from Kellogg School of Management, Chicago, USA. He has also been the Secretary General of the Bangladesh Association of Pharmaceutical Industries for three consecutive terms, and has received several awards for his contribution to the pharmaceuticals sector, particularly in relation to exports and marketing. Mr. Hassan joined Beximco Pharma in 1987 and has held various positions in the company since that time. He also worked as a consultant for Commonwealth Secretariat in Geneva. He was appointed Chief Executive Officer of the company in 2003.



Osman Kaiser Chowdhury
Member of the Executive Committee
and the Board of Directors



Ali Nawaz
Member of the Executive Committee



Rabbur Reza
Director, Marketing



Lutfur Rahman
Director, Works



Afsar Uddin Ahmed
Member of the Executive Committee



Zakaria Seraj Chowdhury
Director, Sales



Mohd. Tahir Siddique
General Manager, Quality Assurance



A R M Zahidur Rahman
General Manager, Production



Jamal Ahmed Choudhury
Senior Manager, Accounts & Finance

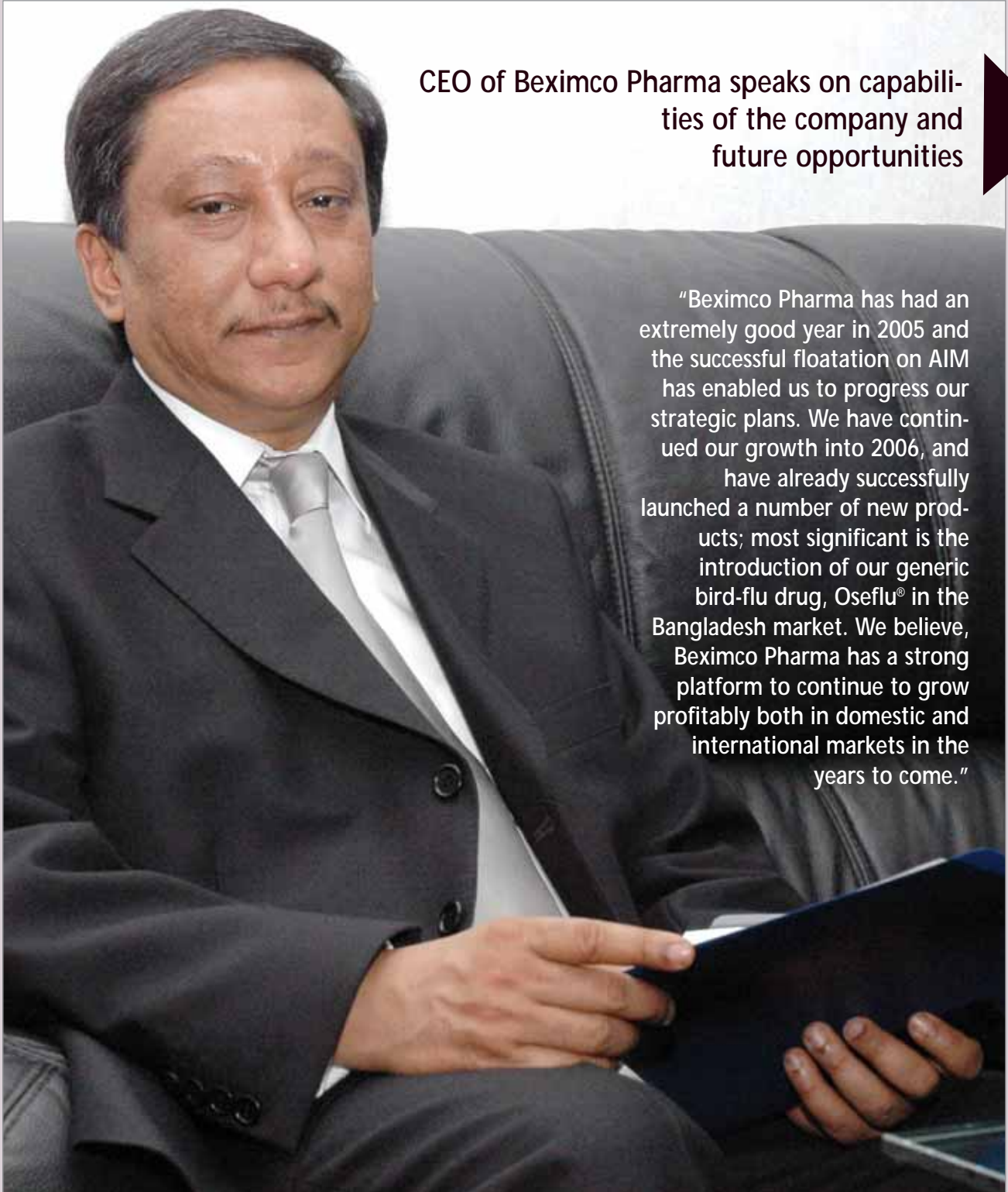
A brief history of the Company



The history of pharmaceutical business of the company dates back to the early 70s, when it started to import, market and distribute medicines from world renowned companies like Upjohn Inc. of USA and Bayer AG of Germany. Since the very beginning, the company was highly successful in generating increased demand for its products which eventually justified local production. Accordingly, a pharmaceutical manufacturing facility was designed and constructed in 1980 under the technical supervision of Upjohn Inc. of USA, to manufacture their products under license. Products made under license of Bayer AG of Germany followed. After its initial years of struggle, Beximco Pharma broke ground with the launching of its own products in 1983.

This was the beginning of a company with a vision to go a long way.

- 1976 : Registration of the company
- 1980 : Started manufacturing and marketing of licensee products of Bayer AG of Germany and Upjohn Inc. of USA
- 1983 : Launching of BPL's own brands
- 1985 : Listing in the Dhaka Stock Exchange (DSE) as a Public Limited Company (PLC)
- 1990 : Commissioning of Basic Chemical (APIs) unit
- 1992 : Started export operation with Active Pharmaceutical Ingredients (APIs)
- 1993 : First export market operation with finished formulations
- 1996 : Introduction of Sustained Release Dosage form
- 1997 : Introduction of Suppository Dosage form; Commissioning of Metered Dose Inhaler (MDI) plant; Introduction of Metered Dose Nasal Spray
- 1998 : First pharmaceutical company of the country achieving 'National Export Trophy (Gold)' for 1994-95
- 1999 : UNICEF approval of BPL as an enlisted supplier
- 2000 : Agreement to manufacture Metered Dose Inhaler (MDI) for GlaxoSmithKline
- 2001 : Introduction of Small Volume Parenteral (SVP) products; establishment of Analgesic-Anti-inflammatory bulk drug plant
- 2002 : Won the first prize of ICAB National Awards 2000 for 'Best Published Accounts and Reports' in Non-Financial Sector Category
The first Bangladeshi company to supply pharmaceuticals to Raffles Hospital- the most prestigious hospital in Singapore
- 2003 : Received "National Export Trophy (Gold)" for consecutive 2 years (1998-99, 1999-2000)
Won the Silver prize of ICAB National Awards 2003 for 'Best Published Accounts and Reports' in Non-Financial Sector Category
Won a tender to supply Neoeptin R and Neofloxin to Raffles Hospital of Singapore for the whole year's consumption
Introduced Anti-HIV drugs for the first time in Bangladesh
Diversification into Anti-Cancer therapeutic class
- 2004 : Signed contract with Novartis to manufacture their liquid, cream, ointment and suppository products under "Toll Manufacturing" agreement
Visit of Saudi delegates headed by Hon'ble Health Minister, Kingdom of Saudi Arabia
- 2005 : Merger of Beximco Infusions Ltd. with Beximco Pharmaceuticals Ltd.
Admission to Alternative Investment Market (AIM) of London Stock Exchange (LSE)



CEO of Beximco Pharma speaks on capabilities of the company and future opportunities

“Beximco Pharma has had an extremely good year in 2005 and the successful floatation on AIM has enabled us to progress our strategic plans. We have continued our growth into 2006, and have already successfully launched a number of new products; most significant is the introduction of our generic bird-flu drug, Oseflu® in the Bangladesh market. We believe, Beximco Pharma has a strong platform to continue to grow profitably both in domestic and international markets in the years to come.”

Beximco Pharma: 25 years in Healthcare business: A journey of excellence

"Beximco Pharma has long enjoyed the reputation of being a leader in setting the trends in Bangladesh Pharmaceutical Industry. 25 years have passed since we started our own operation. In the last 25 years we have led the domestic Pharmaceutical market in several dimensions. Now we have undertaken further strategic expansions to position Beximco Pharma among the top players in the global generic pharmaceutical industry."

Distinguished operational capability

In 1980 we were small in operation but big in dreams and passionate with our vision - building a healthier tomorrow where our fellow citizens will live longer, healthier and happier. Our activities have always been centered around developing core competencies to deliver the best in the industry ensuring superior value and return to our customers.

Consistently delivering high quality products

"We don't have any doubt on the quality of your products, but tell me how this product is clinically superior to other molecules." This is the recognition that our sales & marketing people receive most when they interact with our valued doctors.

In 25 years of operation in healthcare business, the trust and reliability on our products has emerged as one of our core competencies. Today, the name "Beximco Pharma" has become synonymous with 'trust' and 'reliability'. Quality is our relentless passion. Quality is ingrained in our values and in all that we do. Our business processes and practices are designed to achieve quality results that would meet the expectations of patients and physicians by getting the highest quality products, and of shareholders and stakeholders through achieving returns.

Today, our Neoeptin-R and Napa are top two brands by value in Bangladesh Pharmaceutical Market. Other brands in various therapeutic categories like Azmasol, Bexitrol-F, Amdocal, Atova, Bextrum Gold, Neofloxin, and Omastin are also acclaimed by the doctors and patients both at home and abroad, due to consistent superior performance.

"We are the leader in domestic market to deliver the best when it comes to the quality of the products. Adhering to the highest possible standards to deliver the best quality products is one of the critical success factors for Beximco Pharma."

Professional Management Capability

Beximco Pharma is the pioneer in implementing corporate governance to professionally run a company in Bangladesh. We believe that people invest their ideas and work in Beximco Pharma; so it is our responsibility to make it easier and convenient for them by providing an environment which fosters creativity, innovation, self-development and entrepreneurship.

Our human capital comprises of over 900 young and highly motivated executives who reflect a diversity of background, experience and perspective. They have shown their skills to guide our company to achieve our business goal to transform this company into a truly international one.

"Many of the pharmaceutical companies operating in Bangladesh are being led by people who had their first professional experience in Beximco Pharma."





Adopting innovation in manufacturing process

Capability to manufacture technology driven products

Beximco Pharma has always been the pioneer in adopting innovative technologies that introduced both sophistication and scale in our business processes.

Our focus on technology is intended to take our company to a standard which would match with other top global generic pharma companies.

We have shown our capability in the past by installing our state-of-the-art MDI plant and IV fluid plant in collaboration with Pamasol, Switzerland and Pharmaplan, Germany, a sister concern of Fresenius AG, Germany.

We also focus on improving manufacturing efficiency to meet the challenge of maintaining the bottom line of the business in an ever-changing competitive market place.

“We are the pioneer in adopting innovative technologies in our operations.”



R&D capability in both formulation and API

R&D is another area where we have already shown our capability and led the Bangladesh Pharmaceutical Market in both formulation R&D and API R&D. Our formulation R&D capability is proven not only by the consistent quality of our products but also by our ability to introduce hi-tech, specialized products and dosage forms. The reverse engineering capability of the R&D team has enabled us to introduce innovative new products to serve the ailing people at home and abroad.

We believe, the investment in R&D unit to enhance our capability to reverse engineer and manufacture APIs will ensure one of our major competitive edges in the coming years. We have also signed agreements for collaborative research with leading international API manufacturers to strengthen our API pipeline in order to fully capitalize the WTO patent opportunity.





Sales & Marketing capability focused on brand building

Our major strength is our sales and marketing team. Our marketing team is composed of innovative people from diverse discipline. Because of the innovative & creative approach adopted by our marketing team, we have been able to create many vibrant brands like Napa, Neoeptin-R, Amdocal, Neofloxin, Tycil, Omastin, Azmasol, Bexitrol-F, Atova, Bextrum Gold etc. Infact, the ability of our sales & marketing team to differentiate our brands even in a crowded generic market is our major competitive advantage.

Experience in foreign markets

Beximco Pharma always took the leading, proactive and pioneering role in exporting pharmaceuticals from Bangladesh. We are pioneer in exporting APIs, IV Fluids and hi-tech specialized products. We are the first pharmaceutical company in Bangladesh to enter CIS countries. We are also pioneer to enter African markets. Beximco Pharma is the only pharmaceutical company in Bangladesh having its operation in Singapore - one of the most stringently regulated market in Asia. We are the only company in Bangladesh to supply medicines to Raffles Hospital and KK Women & Children Hospital of Singapore. Beximco Pharma is the only company in Bangladesh to receive highest national accolade -National Export Trophy (Gold) for record three times for its outstanding contribution to pharmaceutical export.

With our exposure, expertise and skills in overseas markets, we aim to further facilitate our market expansion strategies in coming years.

Well established partnership with world's leading pharmaceutical companies

Beximco Pharma has well established partnerships with some of world's leading pharmaceutical companies. We started our journey partnering with **Bayer AG** of Germany and **Upjohn Inc.** of USA. We have also partnered with **Roche** of Switzerland and **Pharma Italia Carlo Erba** of Italy. Today, we contract manufacture world's number one inhaler brand Ventolin for **GlaxoSmithKline**, and will soon commence to contract manufacture liquid, cream, ointment and suppository products for **Novartis**. On the other hand, we have outsourced two of our injectable products from **Sanofi Aventis**. These partnerships with world's leading pharmaceutical companies have enabled us to acquire expertise and skills of global standard.

Future growth potential

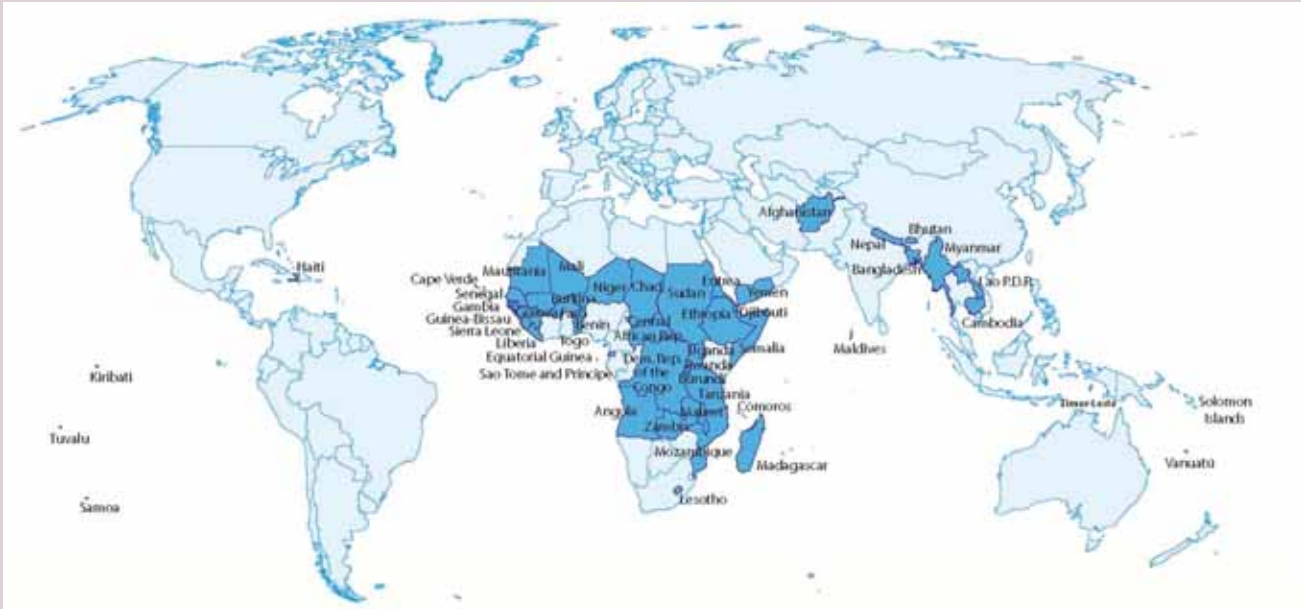
Domestic and existing export markets

Our past and present performances clearly suggest that we have ample scope to grow even in the domestic as well as in our existing export markets. We have successfully continued our effort in registering products in the overseas markets despite the fact that we do not have the capacity at present. We would also like to explore all segments of the domestic market where our major competitors are presently enjoying free-hold due to our absence in those areas. Moreover, we have already identified some attractive niche markets where the investment is negligible as compared to its expected returns in terms of profitability. Once the new OSD plant is operational and we have the capacity, we are confident, we will be able to capitalize on these opportunities and increase our market share in the domestic market as well as in other existing export markets.

New export markets

Each year patents on pharmaceutical products expire with annual sales worth billions of dollars. *Datamonitor* estimates that there are blockbuster drugs coming off-patent by 2007 which have sales in excess of US \$82 billion. This will be one of the key factors which will help drive generic pharmaceutical growth over the next decade. We seek to position Beximco Pharma to take advantage of this growing generic market by regularly introducing new products in our existing and new markets. We believe our low manufacturing cost will provide a competitive edge over our global competitors in any international generic pharmaceutical market. Infact, export of off-patented products in the developed and developing countries will probably remain as our single largest opportunity to grow exponentially.

As per TRIPS guidelines, Bangladesh as an LDC is now legally allowed to reverse engineer, manufacture and sell generic versions of on-patent pharmaceutical products for domestic consumption as well as for export to other LDCs. The 50 LDC countries represent a large market for pharmaceutical products with a total population of over 700 million and with an increasing demand for quality healthcare.



Map showing Least Developed Countries (LDCs)

Contract Manufacturing

Cost of medication is becoming a major concern even in the developed countries. This particular issue coupled with severe price competition from the generic manufacturers has prompted a number of giant multinational companies to shift or outsource their production from developed to developing and less developed countries, because of huge cost advantage. It is believed that the world pharmaceutical market will continue to see more consolidation than ever across the entire value chain of the pharmaceutical business. Big companies will continue to look for suitable partners in their supply chain management in order to reduce their cost of production.

Beximco Pharma has always operated like a 'multinational' in terms of professionalism and infrastructure so as to build the platform to become a global player. Management has adhered to international regulatory standards which is more preferable to our international partners.

Today, we have already established ourselves as a reliable partner for a number of world's leading pharmaceutical companies. These partnerships have given us expertise and know-how to contract manufacture products for reputed MNCs for the developed markets like UK, USA and Europe as soon as our new OSD plant gets certified by their respective agencies.

Nazmul Hassan

Nazmul Hassan
Chief Executive Officer



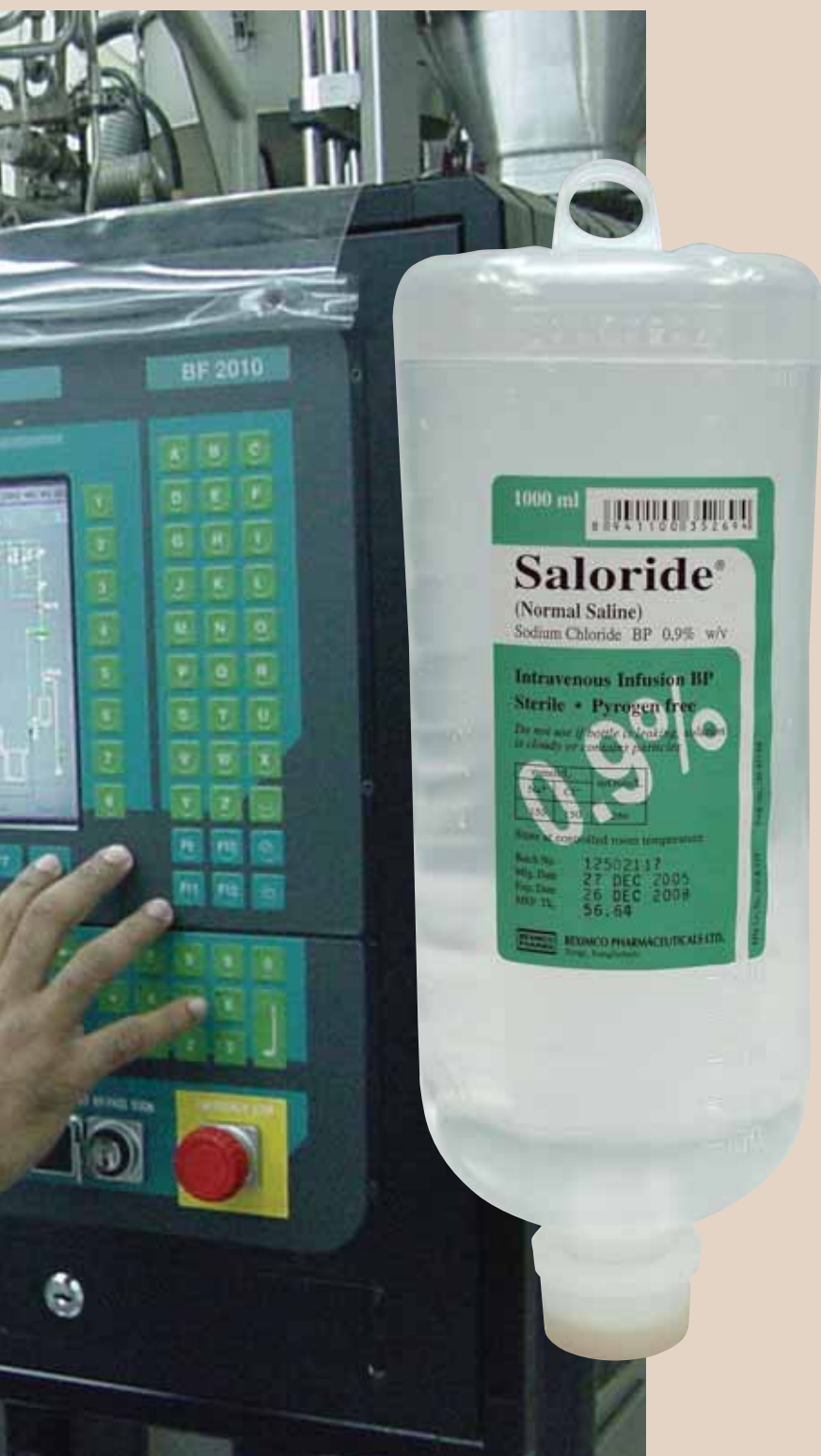
Highlights 2005

Strategic merger of Beximco Infusions Ltd.

One of the major events that significantly contributed to the company's progress in 2005 was the successful merger of Beximco Infusions Ltd. with Beximco Pharmaceuticals Ltd. Both the companies belong to the Beximco group.

Before merger with Beximco Pharmaceuticals Ltd. Beximco Infusions Ltd. was the leading local player in large volume Intravenous fluid (IV) market, supplying about 48% of country's total IV needs.

This merger has provided synergies across the business - improved organisational capability, ensured 'value for money' by reducing cost & improving efficiency, and increased sales productivity resulting in increased shareholders' return.





Beximco Pharma...thinking big, thinking impossible and making it happen!!

Listing in AIM of London Stock Exchange

October 21, 2005. The clock rang at 8:00 am and the honorable British Minister for Pension Reforms Mr. Stephen Timms pressed the electronic button at the London Stock Exchange (LSE) building and Beximco Pharma opened a new chapter in the corporate business history of Bangladesh by starting trading of its shares in the Alternative Investment Market (AIM) of London Stock Exchange.

Beximco Pharma became the first and the only company from Bangladesh to get listed in the LSE. Commenting on this listing on that ceremonial opening the British Minister for Pension Reforms said, "It is a great day for London and it is a great day for Beximco as well as for Bangladesh". The British government welcomes "this milestone event," he added further.

Addressing the ceremony Beximco Group Vice Chairman Salman F Rahman said that the entry of Beximco Pharma shares in the LSE would boost the confidence of the investors in the company. "It is a day of excitement and pride for us," he said while expressing his reaction.



Aiming to build the most robust product portfolio in the market

The company aims to build the most robust product portfolio in the domestic market. In 2005, forty nine (49) new products were launched in the domestic market. Some major new products are:

Amdopril®

(Amlodipine 2.5/5/10 mg and Benazepril 10/20 mg capsule)

This product is a fixed-dose combination drug containing amlodipine and benazepril in a single capsule. It is used to treat high blood pressure when monotherapy with either agent fails to achieve goal blood pressure. In the world market, amlodipine/benazepril fixed-dose combination drug is marketed by Novartis under the brand name Lotrel™.



Atralin®

(Sertraline 50 mg tablet)

Atralin® is indicated for the treatment of mixed anxiety and depression, major depressive illness, obsessive-compulsive disorder, post-traumatic stress disorder, panic disorder, social anxiety disorder and premenstrual dysphoric disorder. Sertraline is available from Pfizer under the brand name Zoloft™ in the US market and in the UK market under the brand name Lustral™.



Cefida®

(Cefdinir 300 mg capsule and 125 mg/5 ml suspension)

Cefida® is a third generation cephalosporin antibiotic. It has a broad spectrum bactericidal activity against a wide range of common pathogens, including beta lactamase producing strains. Cefida® is indicated for the treatment of community acquired pneumonia, acute exacerbation of chronic bronchitis, acute maxillary sinusitis, pharyngitis, tonsillitis, uncomplicated skin and skin structure infections. Cefdinir is available in the US market under the brand name Omnicef™ from Abbott Laboratories.





Iprazol®

(Salbutamol 100 mcg & Ipratropium Bromide 20 mcg per actuation)

Iprazol® is a combination inhaler of salbutamol & ipratropium bromide. Iprazol® provides the simultaneous release of ipratropium bromide and salbutamol allowing the synergistic efficacy on the muscarinic and beta-2 adrenergic receptors in the airways to cause bronchodilation which is superior to that provided by each single agent. This combination inhaler is patented and marketed by Boehringer Ingelheim under the brand name Combivent™.



Odrel® Plus

(Clopidogrel 75 mg and Aspirin 75 mg tablet)

Odrel® plus is indicated for the prevention of ischemic events, MI, stroke and cardiovascular death in patients with acute coronary syndrome and patients at high risk who need management by both aspirin and clopidogrel for strong antiplatelet activity.



Pantobex®

(Pantoprazole 20 mg & 40 mg delayed release tablet)

Pantobex® contains pantoprazole in delayed release tablet form. Pantobex® is indicated in peptic and duodenal ulcer diseases, gastroesophageal reflux diseases (GERD) and ulcers induced by the long term therapy with NSAIDs. This molecule is an original research product of Wyeth and marketed by Wyeth in the US market under the brand name Protonix™.

Valcap®

(Valsartan 80 mg & 160 mg capsule)

Valcap® is a preparation of valsartan which is an angiotensin-II receptor antagonist. Valcap® is indicated in high blood pressure as monotherapy and with other antihypertensive agents as well. This molecule is available in the US and UK market from Novartis under the brand name Diovan™.



Vivis®

(Antioxidants and minerals capsule)

Vivis® capsule is indicated for age-related eye diseases. This is an advanced new antioxidant supplement formulated to provide nutritional support for the eye and to reduce the progression of age-related macular degeneration (AMD).



Vomec®

(Meclizine Hydrochloride 50 mg tablet)

Vomec® is indicated for prevention and treatment of nausea, vomiting, motion sickness, radiation sickness and vertigo. The antiemetic and antivertigo action of Vomec® is sustained up to 24 hours. This drug is proved to be safe even in pregnancy. Meclizine is marketed by Pfizer in the US market under the brand name Antivert™.





Zolmit®

(Zolmitriptan 2.5 mg tablet)

Zolmit® is indicated for the treatment of acute migraine with or without aura in adults. Zolmitriptan is available in the US market under the brand name Zomig™ from AstraZeneca.



Zybex® SR

(Bupropion Hydrochloride 150 mg sustained release tablet)

Zybex® SR is a preparation of bupropion hydrochloride. Zybex® SR is indicated for the short term treatment to help quit smoking provided patients take appropriate counseling. Zybex® SR reduces withdrawal symptoms and the urge to smoke. Bupropion hydrochloride is marketed as smoking cessation therapy under the brand name Zyban™ by GlaxoSmithKline.





Life Made Easy

Life Made Easy

Our activities contribute to the humanity in its quest for longer, healthier, and happier life. We produce and market 'branded generics' for almost all diseases from AIDS to cancer, from infection to asthma, from hypertension to diabetes, for both national and international markets.

**We make life easy when
it is challenged.**



"Now I can stand before camera without
any fear of getting out of breath"

Ridhika



"Hello, I am Ridhika. I love playing with my friends at school. And I love to act in drama, advertisement and music videos.

But, you know, I have asthma. My mother, who is also an actress, told me the story of the first few days of my brief career as an artist and how I was diagnosed with asthma.

'You were then only 18 months old. I took you to the shooting spot and asked you to come and stand for a while before camera and smile. You were so smart! You did what you were asked to do. Some men then took your video though they had to try a couple of times for a good video. But, suddenly after the shooting was complete, you started sneezing frequently with watery discharge through your nose. In your second day of shooting, you experienced the same symptoms and your symptoms worsened day by day. Then I took you to a doctor. We came to know that intense light during shooting caused the problem. The dust outside also aggravated the symptoms.'

Then I knew I had asthma.

But, asthma could not control my life. My doctor says, 'little kid...well done. You have full control on your asthma.'

I know how to control my asthma. I take Bexitrol®-F regularly twice a day. Sometimes I use Azmasol® also but very occasionally. So far, I have acted in 8 advertisement, 9 dramas and 2 music videos, all without getting out of breath.

Thanks to those inhalers. They make it possible. Now, I have no fear of getting out of breath."

Bexitrol®-F

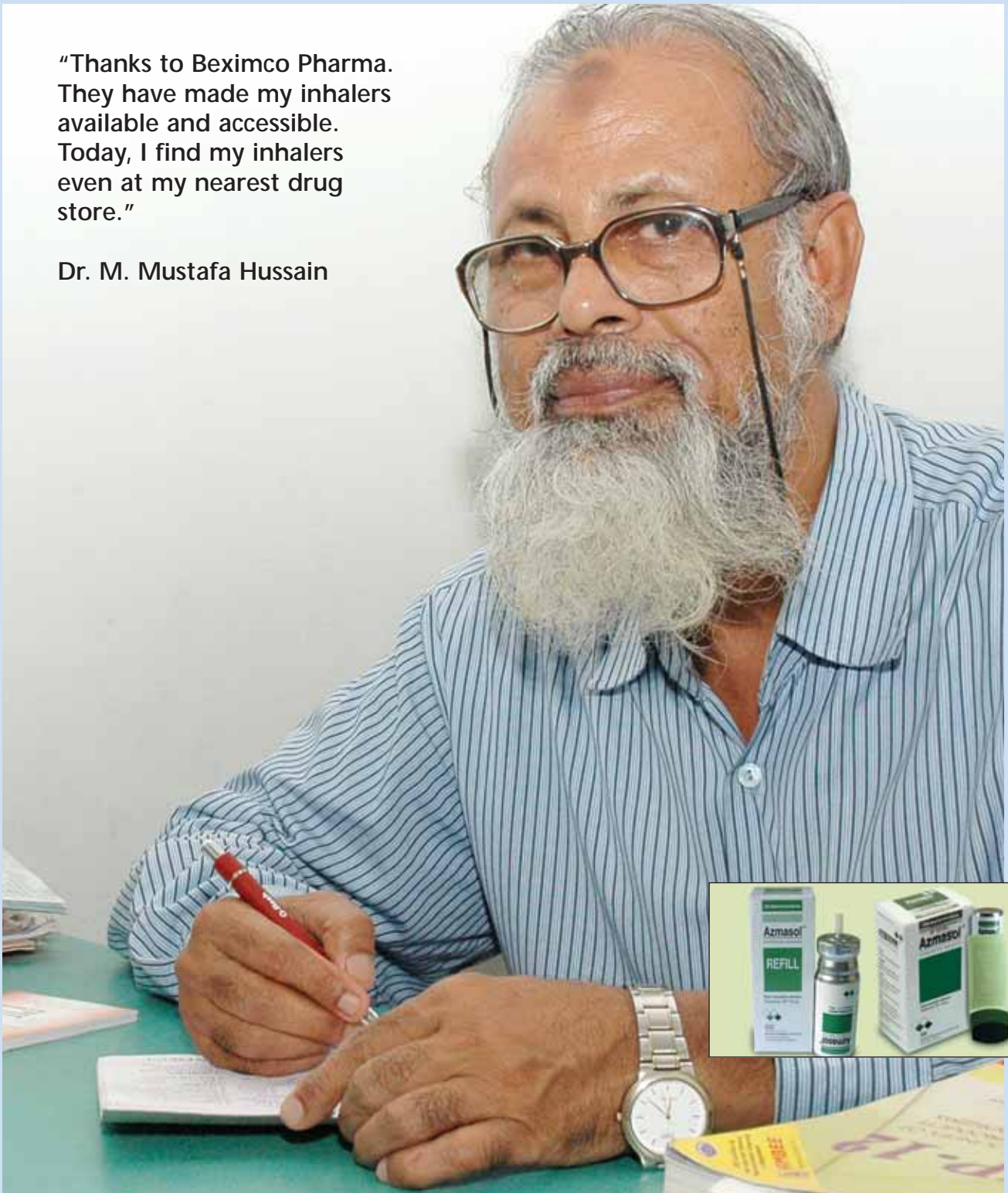
The simple solution to ensure total control of asthma

Bexitrol®-F is a combination inhaler containing fluticasone and salmeterol in a single canister. This ensures greater compliance to the patients because it reduces the number of inhalers used by the patients at a time. This is the fastest growing medicines in the global asthma and COPD market. Beximco Pharma has strong focus in this fast growing market with Bexitrol®-F.

Bexitrol®-F is a prescription only medicine. Before relying on any statement to take a medicine, all should obtain relevant professional and medical advice from a registered doctor. We do not advocate to take any medicine of your own decision.

"Thanks to Beximco Pharma. They have made my inhalers available and accessible. Today, I find my inhalers even at my nearest drug store."

Dr. M. Mustafa Hussain



"I've had asthma for a very long time. I used to keep a blue inhaler all the time with me. But one day....Oh no! I just want to forget that day.

I can still feel the shivers going down my spine. I suddenly got an asthma attack. I knew what I had to take but unfortunately my blue inhaler was out of drugs. I asked my friend to buy a blue inhaler immediately. He left at once but I kept waiting and waiting and my condition was fast deteriorating. After about an hour my friend came back with one blue inhaler, but it could do nothing to improve my condition. I was then hospitalized in the emergency department, and it took 3-4 hours to make me stable.

I returned to my residence, and tried to sleep but I couldn't. I still remember that day. I had to go with these types of asthma attacks and fears of death until the inhalers were locally available and accessible.

Today, there is nothing to worry about my asthma problem. I live normally as other non-asthmatics do. I take Azmasol® and Bexitrol®-F, the two best medicines available in Bangladesh, manufactured by Beximco Pharma. Thanks to Beximco Pharma. They make my inhalers affordable and accessible. Now, I find my inhalers even at my nearest drug store."

Azmasol®

The number one asthma reliever brand in Bangladesh

Beximco Pharma entered the Metered Dose Inhaler market with the landmark introduction of Azmasol® in 1997. Azmasol® is the short acting beta-2 agonist which is considered to be the first line therapy in the treatment of asthma and COPD to get immediate relief. Today, Azmasol® is the number 1 asthma reliever brand in Bangladesh.

Azmasol® is a prescription only medicine. Before relying on any statement to take a medicine, all should obtain relevant professional and medical advice from a registered doctor. We do not advocate to take any medicine of your own decision.

Asthma is a global health problem; Bangladesh is not an exception

Asthma is a serious global health problem. People of all ages in countries throughout the world are affected by this chronic airway disorder that can be severe and sometimes fatal. The prevalence of asthma is increasing everywhere, especially among children. Asthma is a significant burden, not only in terms of healthcare costs but also of lost productivity and reduced participation in family and social life.

According to the first National Asthma Prevalence Study in Bangladesh which was carried out in 1999, Dr. Mustafa was not alone suffering from asthma. The study predicted that there were approximately 7 million asthma patients including four million children during the study period. From 1999 to date, the population grew by 1.48% and number of asthma patients might be much more than it was in 1999. There are more children like Ridhika who are diagnosed with asthma or have come under asthma treatment.

To help patients like Dr. Mustafa and Ridhika, Beximco Pharma launched the essential Metered Dose Inhalers (MDIs) for the first time in Bangladesh which required sophisticated technology and a significant investment.

Worldwide Metered Dose Inhalers (MDIs) are considered the first line of treatment for asthma & COPD. MDIs form one of the most widely used pulmonary drug delivery technologies in the world, accounting for over 80% of drugs used.

Before 1997, the supply of these essential MDIs were controlled by a single multinational company. Due to the very nature of monopoly business, millions of asthma patients had to suffer for not having their best asthma treatment affordable and accessible. The launching of Beximco Pharma's MDIs is considered to be a huge leap forward in the treatment of asthma and COPD in Bangladesh making it affordable and accessible.

Millions trust us.

We are the leader in supplying essential MDIs in Bangladesh

Since the commissioning of the MDI plant in 1997, Beximco Pharma has acquired over 8 years of excellence in manufacturing MDI products in Bangladesh and has emerged as one of the leading pharmaceutical companies in the asthma and COPD market in South Asia region with a broad portfolio of MDI products. The company's sophisticated manufacturing process maintaining global standard of quality has earned the trust of millions of asthma and COPD patients and their doctors. Currently Beximco Pharma supplies more than 52% of MDIs produced locally in Bangladesh.

Besides meeting the local demand, Beximco Pharma is also exporting its MDI products to various regional markets such as Pakistan, Nepal, Myanmar and other markets principally in East Africa (including Kenya) and South East Asia (including Singapore).

The Company also undertakes contract manufacturing for the leading reliever MDI brand of GlaxoSmithKline in Bangladesh, which meets about 23% of country's total MDI demand. That means, around 75% of total MDI demand of Bangladesh is met by our MDI plant.

Protecting the Environment

Due to the potential risk to the environment posed by CFCs, the technology shift in MDI industry is currently towards using hydrofluoroalkane (HFA) as propellants. Considering this changing trend in pulmonary drug delivery technologies, the company has signed a collaborative agreement with a leading developer of innovative drug delivery technologies to develop the HFA based MDIs. This collaboration will ensure essential MDIs for millions of asthma and COPD patients in Bangladesh when there will be no CFC based MDIs available.

A brief description on the MDI plant is given in 'our facility' chapter.



"Napa® has become a part of our family. My wife, me and my daughter get excellent results with Napa®. Now, my new born granddaughter also takes Napa® considering its reliable safety profile. My family relies on Napa® in pain and fever. My close friends call my family a "Napa family".

Eng. Tajul Islam with his wife, daughter and granddaughter



Napa®



The #1 choice in pain & fever

Napa® has gained millions of physicians' trust and confidence and thereby became the number one selling brand by volume in the Bangladesh pharma market (according to IMS 4th Quarter, 2005). Napa® is highly effective in relieving pain and fever. It has an excellent safety and efficacy profile. Napa® is now available in 12 different forms. It is one of the most successful brands in this decade in Bangladesh.

Napa® is a prescription only medicine. Before relying on any statement to take a medicine, all should obtain relevant professional and medical advice from a registered doctor. We do not advocate to take any medicine of your own decision.

"I have been using Neoeptin® R for around 20 years. Before trying Neoeptin® R, I took several antiulcerant brands but no drug gave me as good results as Neoeptin® R. I fully rely on this trusted antiulcerant brand."

Mr. Shamsul Huda



Neoeptin® R

The #1 brand in
Bangladesh Pharmaceutical Market

Neoeptin® R is the number 1 brand in the Bangladesh pharmaceutical market for more than a decade. The leadership continued in 2005 as well. This brand is an icon of Beximco Pharma's proven sales and marketing capability. Today, Neoeptin® R is the most tested and trusted antiulcerant brand in Bangladesh. It has gained millions of doctors' and patients' trust and confidence in acid related disorders. Neoeptin® R is also exported to many countries across the continents including the prestigious Raffles Hospital of Singapore for their whole year's consumption.

Neoeptin® R is a prescription only medicine. Before relying on any statement to take a medicine, all should obtain relevant professional and medical advice from a registered doctor. We do not advocate to take any medicine of your own decision.

"As a kid I missed my grandfather. He died before I was born. When my friends were playing, kidding with their grandfathers, I felt very lonely. Now, I am a doctor. I guess my grandfather died of stroke due to hypertension. My father is also suffering from hypertension. But, I make it sure that he takes Amdocal® regularly. I don't want my next generation to miss their grandfather.

Thanks to Beximco Pharma. They have provided me with such a wonderful drug for my father who lives normally even with hypertension."

Dr. Md. Iqbal Hossain

Amdocal®

The #1 antihypertensive brand in Bangladesh

Beximco Pharma launched the amlodipine molecule with the brand name Amdocal® in 1995. Over 10 years this brand has remained as the #1 antihypertensive brand in Bangladesh due to its outstanding efficacy, tolerability and safety. Amdocal® delivers precise control of both diastolic and systolic blood pressure. Amdocal® represents Beximco Pharma's strong presence in cardiovascular market in Bangladesh.

Amdocal® is a prescription only medicine. Before relying on any statement to take a medicine, all should obtain relevant professional and medical advice from a registered doctor. We do not advocate to take any medicine of your own decision.



"I suffered a major heart attack 4 years ago. Only then I came to know that my total cholesterol and LDL was very high. During discharge my doctor prescribed me Atova®. It worked like magic in reducing my cholesterol numbers. My total cholesterol reached below 150 and LDL below 100 in just three months time. I really believe your product has helped me. In the first few months after my heart attack, I had to restrain myself from taking my favorite dishes in social gathering. But now-a-days, I take my favorite dishes occasionally in ceremonial gatherings. My Atova® gave me this confidence."

R. A. M. Obaidul Muktadir Chowdhury



Atova®

The number one lipid lowering brand in Bangladesh

Atova® (atorvastatin calcium) is used in patients with multiple risk factors for heart disease such as familial history, high blood pressure, age, low HDL or smoking to lower cholesterol and to reduce the risk of heart attack and stroke. It is also used in patients with type-2 diabetes and at least one other risk factor for heart disease to reduce the risk of heart attack and stroke. Atorvastatin is the highest selling molecule in the world pharmaceutical market. Beximco Pharma's Atova® demonstrates growing presence in this generic market with millions of patients like Mr. Chowdhury having their trust on Atova®.

Atova® is a prescription only medicine. Before relying on any statement to take a medicine, all should obtain relevant professional and medical advice from a registered doctor. We do not advocate to take any medicine of your own decision.



"I have had diabetes for last 26 years. But, my diabetes could not keep me away from my daily activities....walking in the park early in the morning, taking breakfast as usual, shopping in the market, seeing my granddaughter walking one km away from my residence and so on.

I live a normal life even with diabetes. Antidiabetic drug Diapro® made my life easy."

Dr. Moshtaque Ahmed Chowdhury

Diapro®

Diapro® (Gliclazide) is an oral blood glucose lowering drug. Diapro® is used to treat patients with type-2 diabetes mellitus or non-insulin dependent diabetes mellitus (NIDDM) when dietary modification fails. Type-2 diabetes mellitus is a condition in which the body does not make enough insulin or where the insulin that the body produces does not work as good as it should. Beximco Pharma has a strong focus in the oral antidiabetic market with wider product portfolio including Gliclazide, Glipizide, Glimepiride, and Metformin.



Diapro® is a prescription only medicine. Before relying on any statement to take a medicine, all should obtain relevant professional and medical advice from a registered doctor. We do not advocate to take any medicine of your own decision.

"Now everything seems different to me - I had never had a major disease, even though no one would ever tell I was healthy. I could not participate in any outdoor games ever. But now - I am looking healthier, feeling healthier and even better - doing healthier. I am now more vibrant in both my professional and family life - exploring new dimensions, putting on extra pressure in the office and still be able to give some extra effort for my family. If it was not Bextrum® Gold, I would never know how much of life I was missing - Bextrum® Gold enabled me living a complete and healthy life. I feel great with Bextrum® Gold."

Mahbulul Arefin Shuvo



Bextrum® Gold

Bextrum® Gold is a special formulation comprising of high potency multivitamins and multiminerals. Each film-coated tablet contains 32 vitamins and minerals. Bextrum® Gold is indicated for all as a nutritional supplement. Bextrum® Gold has been manufactured employing hi-tech formulation engineering, sophisticated manufacturing machinery and state-of-the-art testing facilities to ensure the best outcome of therapy.

Bextrum® Gold is a prescription only medicine. Before relying on any statement to take a medicine, all should obtain relevant professional and medical advice from a registered doctor. We do not advocate to take any medicine of your own decision.





"As a child I saw my grandmother suffering from ankle pain - she could hardly move. In my youth I saw my mother suffering due to her bone loss, especially her knee. Now I am 35, and those symptoms of bone loss which I saw in my mother and grandmother are slowly beginning to surface with me. But this time, I am taking no chance - I am taking Aristocal® D regularly as advised by my doctor."

Mrs. Jasmin Khan

Aristocal® D

Vitamin D is as important as calcium for building good bones. Adequate supplementation of vitamin D significantly increases the absorption of calcium. Aristocal® D fulfills the demand of both calcium and vitamin D to ensure optimum bone health for the body.



Aristocal® D is a prescription only medicine. Before relying on any statement to take a medicine, all should obtain relevant professional and medical advice from a registered doctor. We do not advocate to take any medicine of your own decision.

"I was a chain smoker and I had a chronic cough. It was so debilitating that I had to avoid my friends and relatives. I knew I had to quit smoking but I failed to quit after taking several attempts. Then I saw my doctor. My doctor advised me Zybex® SR. Zybex® SR came as a miracle cure to my addiction to smoking. I was able to quit smoking within 12 weeks time."

Md. Talha Bin Abaed Chowdhury



Zybex® SR

A simple solution to quit smoking

Zybex® SR is a preparation of Bupropion Hydrochloride. It is a non-nicotine aid for smoking cessation and is the most prescribed smoking cessation therapy worldwide. Smoking may cause a number of diseases including cancer, heart diseases and COPD. Moreover, most diseased conditions including CVD, diabetes etc. are aggravated if the patients continue to smoke during the treatment period which ultimately leads to treatment failure.

Zybex® SR is a prescription only medicine. Before relying on any statement to take a medicine, all should obtain relevant professional and medical advice from a registered doctor. We do not advocate to take any medicine of your own decision.





Our facility



Our facility

Highlights 2005

In 2005, we have completed the two lines of new OSD plant while 3 new lines are underway. Each line in this plant has the capacity to produce 1.8 billion tablets per annum, using only a single shift.

We have also initiated the conversion of our CFC based MDI plant to manufacture HFA MDIs with the technical collaboration of a Europe based leading company in pulmonary drug delivery technology market. Once the conversion work is completed we will be ready to enter developed markets with our MDI products.

Our manufacturing facilities are spread across a 20 acres site located in and around Dhaka, Bangladesh. They comprise of a number of purpose built plants, including the new Oral Solid Dosage (OSD) plant. The land and buildings are wholly owned by the company and approximately 13 of the 20 acres of land are currently in use. The site includes facilities for manufacturing intravenous fluids, liquids, creams, ointments, suppositories, metered dose inhalers, active pharmaceutical ingredients as well as the existing and new OSD plants for tablets and capsules, the research laboratory and a number of warehouses.

The plant and machinery throughout the site has been designed, procured and installed by partners from Germany, Switzerland, Sweden, Italy and the United Kingdom, amongst others.

The site has its own utility infrastructure to ensure the adequate generation and distribution of pure water at all times. The current installed electrical capacity is 4 MW and this will be increased to 8 MW soon. There are also water purifying and liquid nitrogen generation facilities on site. The entire site is at least 10 meters above sea level and is approximately 250 kilometres from the nearest sea - the Bay of Bengal.



New OSD Plant

Beximco Pharma has invested over US \$ 50 million on this new Oral Solid Dosage (OSD) plant complying with guidelines of highly regulated markets (for example, USFDA, UKMHRA, TGA Australia etc.). This state-of-the-art facility incorporates modern technological advancements.

The building of the plant was completed in 2005 and process equipment is now being procured from Germany, Switzerland and Italy for two OSD lines, which is expected to be operational in second half of 2006.

The building finishes have been made to comply with our design standards which has been prepared with the global standards (e.g. non shedding materials, resistant to cleaning agents, flush fitting etc.). Same is the case for HVAC system which has been installed to meet the global standards for air classification, air changes etc.

The manufacturing and packaging facilities have been designed to minimize generation and maximize containment of dust particles using closed transfer system and clean in place facility.

All practicable measures have been taken to ensure that members of the staff are not exposed to unacceptable concentrations of dust particles. Process area, cubicles, storage area have been connected to vacuum dust cleaning.

The design of the plant ensures automated materials handling systems and multilevel designs to enable gravity feed between processing stages. The building design has also allowed maximum engineering maintenance access without entering into the production areas.

Precise selection of equipment is also critical to improve process capability and ensure process robustness. A wide range of equipment has been procured from world renowned companies like Glatt, Romaco, Noack, Korsch and Nicomac.

A state-of-the-art chemical laboratory and dedicated microbiological laboratory equipped with a wide range of equipment have been set up to facilitate the quality control activities. The major equipment include HPLCs, UV spectrophotometer, FTIR spectrophotometer, AA Spectrophotometer, Karl Fischer titrator etc.

This plant provides greater capacity and a strong platform to launch Beximco Pharma's products into highly regulated developed markets including Europe and the USA.





"In our ten years of experience in the consulting business in Pharmaceutical Industry, we could find only a few companies like Beximco Pharma with so much dedication to achieve a dream. The dream is to build a plant that would meet all the requirements for getting approved by USFDA, UKMHRA and TGA Australia.

It has been a nice and wonderful experience for us to be a part of team "Beximco Pharma" in building this fabulous new OSD plant. We wish all the best to Beximco Pharma."



Dr. A. K. Singal
Managing Director
Pharmaplan (India) Ltd.



Foreign nationals working in new OSD facility



“We heard a lot about Beximco Pharma's multi million dollar investments in new OSD facility while working in Indian pharmaceutical companies. We were then skeptical whether it could get the approval of USFDA, UKMHRA, EMEA or TGA Australia. Now, we are a part of the Beximco Pharma team in getting all the necessary formalities done to get the approval by USFDA, UKMHRA, EMEA and TGA Australia. From our experience in Indian pharmaceutical companies, and what we have observed so far in Beximco Pharma, we can say this new OSD plant incorporates much more than the manufacturing plants we worked for in India which are approved by such regulatory bodies.

We are proud to be part of Beximco Pharma where people invest their ideas and capability in building a healthier tomorrow.”

Subrata Kumar Bala
Product Development Manager

Pradip Devidas Chaudhari
Manager, Validation

Govind Doulatrao Bhagnure
Executive Director, Quality

Vasant Pandit Jagtap
Head of Engineering

Shashank Vyapari
Head of Production





"In last 25 years, Bangladesh has achieved a significant advancement in pharmaceutical industry. Once import dependent, today more than 95% of its demand is met by the local companies. Not only that, our capability to manufacture quality medicine is endorsed by our proven track record of exporting medicines in many countries across the continents.

Now, I am sensing a new wave of development in Bangladesh Pharmaceutical Industry, the development which will take place in getting our manufacturing plant in Bangladesh being approved by the regulatory bodies in the USA and Europe. Company like Beximco Pharma is one step ahead in this run with their new OSD plant incorporating modern technological advancements.

I wish them the best."

Professor Dr. Md. Habibur Rahman
Director,
Directorate of Drug Administration,
Ministry of Health and Family Welfare
Government of the Peoples' Republic of
Bangladesh



State-of-the-art MDI Plant



The Metered Dose Inhaler (MDI) manufacturing plant of Beximco Pharma is one of the finest facilities in the world to produce MDI products. The plant was designed and installed under the technical collaboration of Pamasol, Switzerland.

The facility has dedicated areas for dispensing, manufacturing, canister and valve cleaning, canister filling, quarantine storage area, spray testing, packaging, propellant storage and in process control. As the inhaler manufacturing operation requires stringent control of humidity and temperature, automatic monitoring equipment are in use to continuously record temperature and relative humidity in areas like dispensing room, suspension manufacturing room, filling room, quarantine room etc.

The manufacturing equipment like manufacturing vessel, filling machine, weight checker, spray checking have been procured from Pamasol, Switzerland, a world renowned equipment supplier for Inhaler product manufacturing. The state-of-the-art Quality Control laboratory has been equipped with equipment like HPLC, Karl Fischer Titrator, Andersen Cascade Impactor etc.

Our MDI facility is the only approved outsourced facility of GlaxoSmithKline for their Ventolin inhaler. We are happy to make our production and technical facilities open to inspection by existing and potential customers.



Our MDI plant has been audited by many local and overseas auditors and was acclaimed by them.

As the largest manufacturer of MDI products in Bangladesh, Beximco Pharma recognizes that its operations have an impact upon local and global environment. The company is committed to achieve corporate environmental goals. To comply with both national and international environmental legislations, it has already undertaken a large scale investment program to convert its CFC based MDIs into HFA based MDIs which involves major changes in manufacturing lines, process control and packaging facility.





IV Fluid Manufacturing Plant



Beximco Pharma's IV fluid manufacturing plant may be regarded as one of the most technologically advanced plants in the world. The plant was designed and installed in collaboration with Pharmaplan of Germany, a sister concern of Fresenius AG of Germany.

In designing the whole process, special care has been taken by providing absolute sterile manufacturing conditions. The prime feature of the process is that there is no human physical contact with the product at any given time. This has been ensured by way of a series of fully automated manufacturing procedures including robotics.

The bottle pack aseptic system (Form-Fill-Seal or FFS) is a unique and innovative manufacturing technology. Plastic bottles are blow moulded, filled with the solution and sealed under sterile conditions, in a single working cycle where there is no environmental exposure or human contact during manufacturing. The IV fluids are presented in a scientifically designed bottle where there is an extra protective eurohead cap and a resealable rubber disk. The whole process is performed in a class 100 clean room. The air inside this room is cleaned upto 100 particles per cubic feet passing it through HEPA (High Efficiency Particulate Air) filters.



Thus, an advanced sterile environment is maintained in manufacturing the IV fluids in order to avoid the entry of bacteria, pyrogen and inert particles into products. This ensures the highest standards of quality and purity in order to ensure the highest level of safety.

The plant is ISO 9001: 2000 certified.





R&D: Investing for the secured future



Research and Development (R&D) has been our core focus to transform our company into a truly international one. This is another area where we have already shown our capability. In proprietary research, we have collaborative research agreement with Ciba Specialty Chemicals of Switzerland for a joint research initiative.

In formulation R&D, our Research and Development (R&D) team focuses principally on developing new formulations, predominantly through reverse engineering techniques and on simplifying manufacturing processes and improving cost efficiency. Over the last few years, the team successfully developed a number of hi-tech formulations that include Ultrafen® Plus - a multi-layer formulation for relief from pain and inflammation, Pretin®-D - a 24-hour acting formulation for relief from allergic rhinitis with congestion, and Deflux® DT- a dispersible tablet formulation for prompt relief from nausea and vomiting. These formulations are now commercially available in Bangladesh following regulatory registrations. In addition, we are also developing a number of Active Pharmaceutical Ingredients (APIs) to ensure availability of raw materials across the range of therapeutic classes.

Until now, Beximco Pharma is the only company in Bangladesh to manufacture anti-retroviral drugs complying with the WHO recommended treatment guidelines. More recently, we have added an anti-cancer product in our product portfolio.

We also have over eight years of R&D and manufacturing experience in producing highly sophisticated Metered Dose Inhaler (MDI) products, including salbutamol (albuterol), beclomethasone, salmeterol, salmeterol plus fluticasone, budesonide, ipratropium, tiotropium inhalers and have emerged as one of the leading pharmaceutical companies in asthma & COPD market in South Asia region.

The reverse engineering capability of the R&D team and the drive towards new product development and innovation are central to building a proprietary research operation within Beximco Pharma.



Going Global

Going Global

Highlights 2005

Sri Lanka has become a new export market in 2005
55 products are newly registered in various export markets

We are the largest exporter of pharmaceutical products from Bangladesh and received National Export Trophy (Gold), the highest national accolade for export, for record three times. We commenced international market operations with the export of Active Pharmaceutical Ingredients (APIs) to Hong Kong in 1992 and finished formulation products in 1993. We first exported intravenous fluids in 1995 to Russia and Vietnam. Beximco Pharma is the only pharmaceutical company in Bangladesh having its operation in Singapore.

Along with selling products to regular retail outlets, we also supply products to renowned hospitals and institutions in many countries, including Raffles Hospital, and K K Women & Children Hospital in Singapore, MEDS and Kenyatta National Hospital (KNH) in Kenya, Jinnah Hospital, and Agha Khan Hospital in Pakistan.

Another important business activity of Beximco Pharma is the contract manufacturing for major international brands of leading multinational companies.



National Export Trophy
GOLD 1994-1995



National Export Trophy
GOLD 1998-1999



National Export Trophy
GOLD 1999-2000

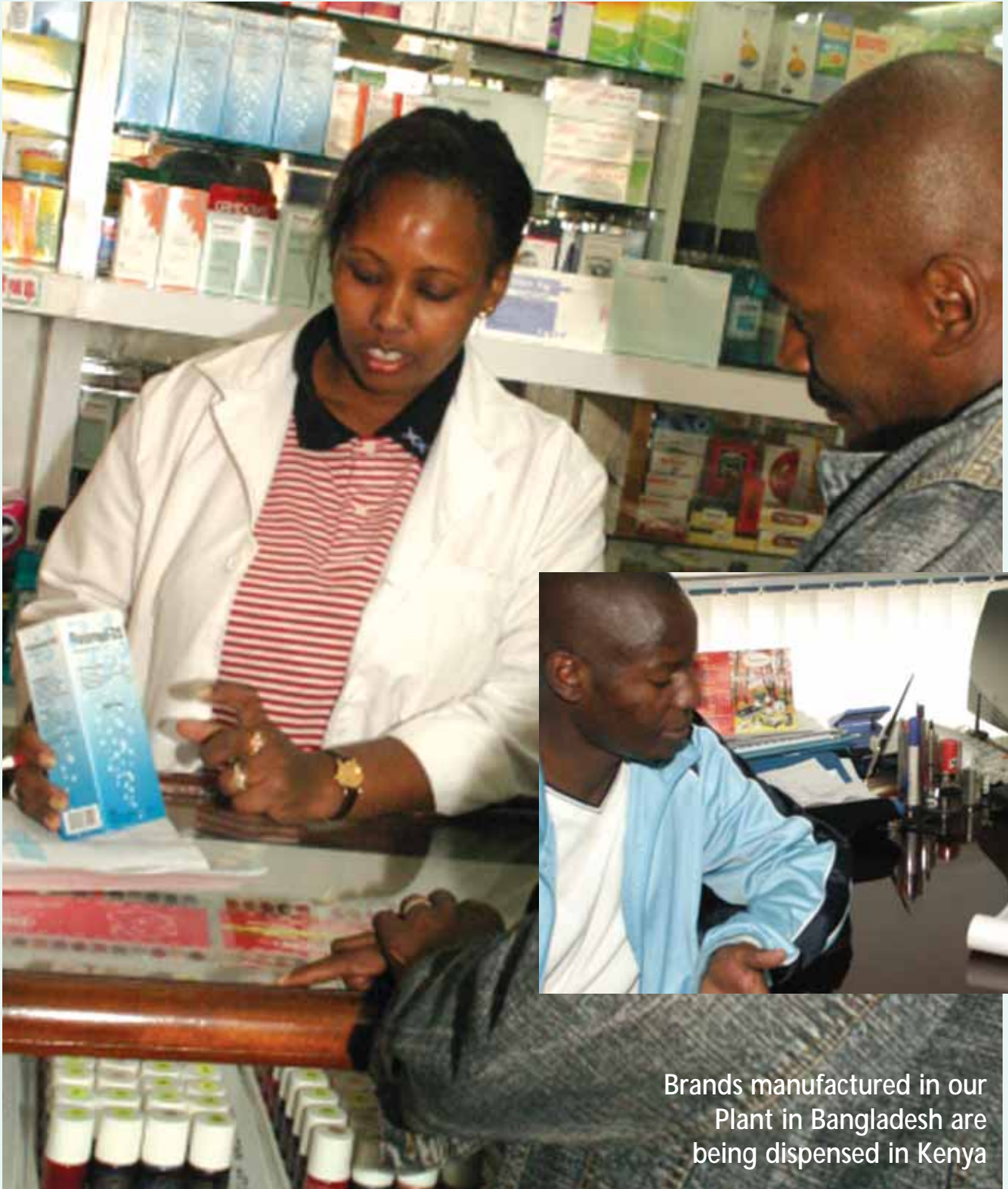
Products registered in / exported to:

Iran	South Korea
Malaysia	Taiwan
Hong Kong	Russia
Ukraine	Georgia
Pakistan	Myanmar
Singapore	Nepal
Yemen	Vietnam
Sri Lanka	Cambodia
Kenya	Philippines
Mozambique	



We aim to build Beximco Pharma as a world-class manufacturer of pharmaceutical products for operating in domestic and international markets, including Least Developed Countries (LDCs), developing and developed countries like USA and UK. We believe that entry into developed markets in particular will lead to significant sales and profit growth.





Brands manufactured in our Plant in Bangladesh are being dispensed in Kenya

Dr. Stephen J. Ndombi is a Consultant Physician practicing in Kenya for over 21 years. He holds an MB CHB, MMED and FCCP. He is an Admitting Specialist in the major hospitals in Nairobi and Senior Lecturer at the University of Nairobi, Faculty of Medicine, Department of Medicine. His major area of interest is Cardiovascular Medicine.

Dr. Ndombi received a patient with a chronic headache, neck and shoulder pain for three weeks. She was 40, a mother of two children and had family history of hypertension. Her BP was measured to be 140/90 mm of Hg. Initially Dr. Ndombi prescribed her a tranquilizer for a week with some change in life style and food habit and suggested her to monitor BP twice a day and keep the records. After seven days there was no change in her average blood pressure. Dr. Ndombi suggested her to make some laboratory investigations such as blood for CBC, Hb%, ECG, ETT, Urine for RME etc. There was no abnormality found in her renal, cardiovascular or any other system. Finally she was diagnosed to have developed essential hypertension. Dr. Ndombi prescribed her Amdocal®.

“Considering her condition and medical reports, I decided to give her a calcium channel blocker”, Dr. Ndombi said, “as she is only 40, she has to use an antihypertensive as a monotherapy for a long time and in that case diuretics and beta-blockers would be a burden because of their side effects. Nifedipine is not safe for long term use as it may cause end organ damage. Moreover, considering her overall condition I was looking for a calcium channel blocker which is safe in long term use, excellent in quality, has the convenience of once-daily dose and mostly, affordable. In view of all these factors the best option for me was Amdocal® of Beximco Pharmaceuticals Ltd. Amdocal® is good in quality, nice in presentation, convenient once-daily in dosing and affordable. All my patients are highly satisfied with Amdocal®. I am very much happy with Beximco Pharma for their up-to-date knowledge based support and looking forward to see them become a company of global distinction and carry the hallmark of their quality to a wider horizon.”



Dr. Stephen J. Ndombi
Consultant Cardiologist
Nairobi, Kenya



Our product is being dispensed in Myanmar

Dr. Thein Aung is presently a Professor and Head of Department of Child Health, Institute of Medicine, Yangon Children Hospital, Yangon, Myanmar. Professor Aung is also the Programme Manager of IMMCI/WCHD, Vice-President of Myanmar Medical Association and President of Paediatric Society of Myanmar.

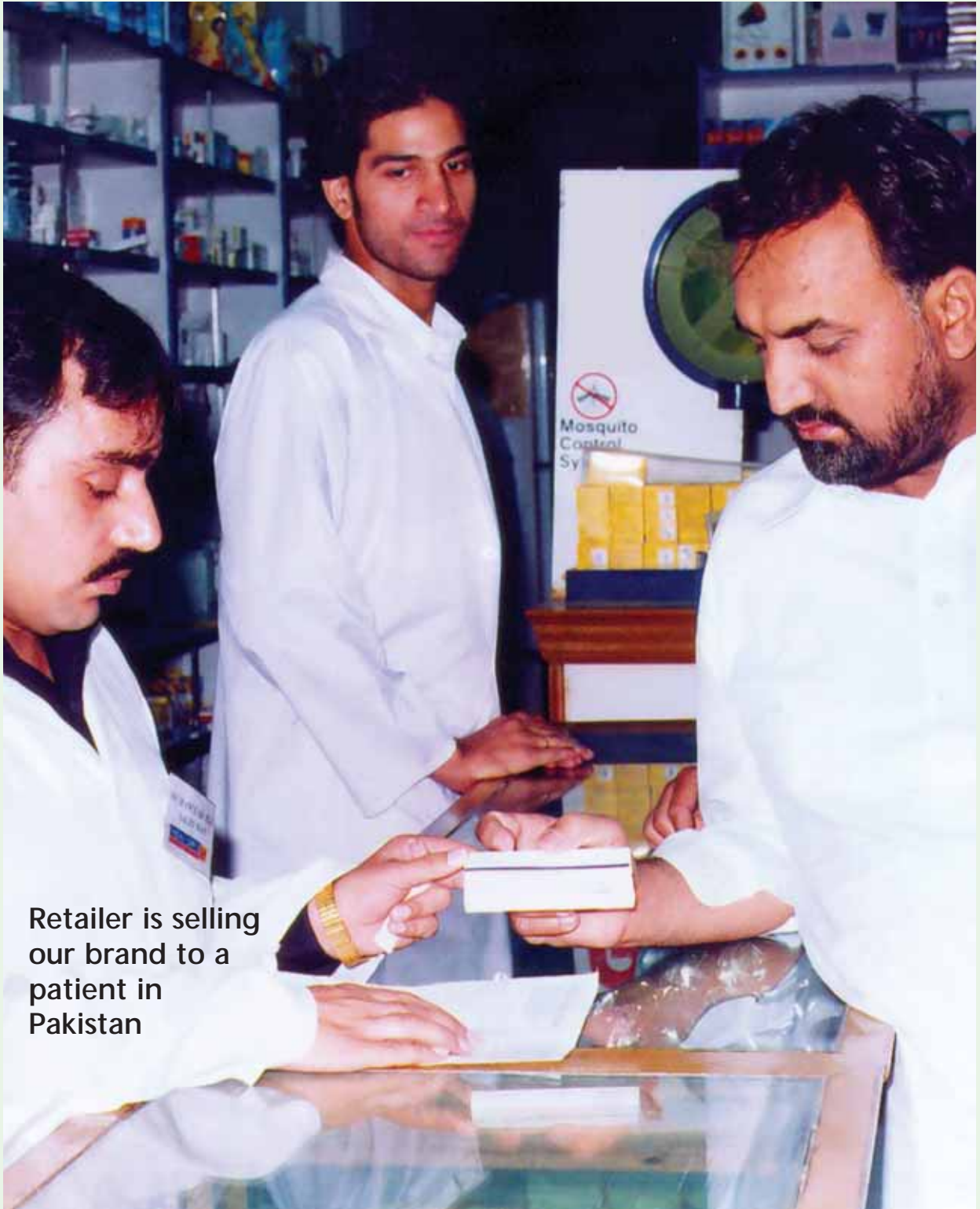
At 1:00 am on February 20, 2006 Prof. Aung received a patient, a female child aged 4 years with severe febrile convulsion. She caught fever in the afternoon of February 19 and her temperature rose to 102°F abruptly at about 8:00 pm. She was tried with paracetamol syrup, but immediately vomited out the medicine. However, her temperature fell slightly afterwards. But at 11.30 pm her temperature rose again and this time it went high up to 104°F. At 12:30 noon, she developed severe convulsion and was taken to the emergency department of Yangon Children Hospital. Prof. Aung immediately applied diazepam to stop the convulsion and after the convulsion subsided he applied Napa® Suppository to control the temperature. Within half an hour her temperature came down to normal.

“During my long career as a paediatrician, I saw many cases of acute febrile illness, sometimes associated with convulsions in young children, especially under 5 years of age. This is an emergency situation and an urgent control of hyperpyrexia is one of the important goals of management. With introduction of paracetamol suppository (Napa® suppository) my job became very easy and effective. I have been using Napa® suppository for the past 5 years.”



Professor Thein Aung
MBBS, FRCP(Edin.), DCH(London), FRCPCH,
Dr. Med.Sc.

Professor and Head of Department,
Department of Child Health,
Institute of Medicine,
Yangon Children Hospital,
Yangon, Myanmar.



Retailer is selling our brand to a patient in Pakistan

“Acute respiratory tract infection (ARTI) is a leading cause of morbidity and mortality in today's practice. Recently, a patient named Mr. Ahmed Imtiaz, age 12, came to my chamber with serious laryngitis of recurrent infection. Earlier he was prescribed with Co-amoxiclav and my clinical finding was relapsed due to poor coverage of atypical pathogens in upper respiratory tract infection. So, I prescribed him with Azithrocin® capsule; just 2 capsules OD for 3 days and got satisfactory clinical response even before the completion of the course.

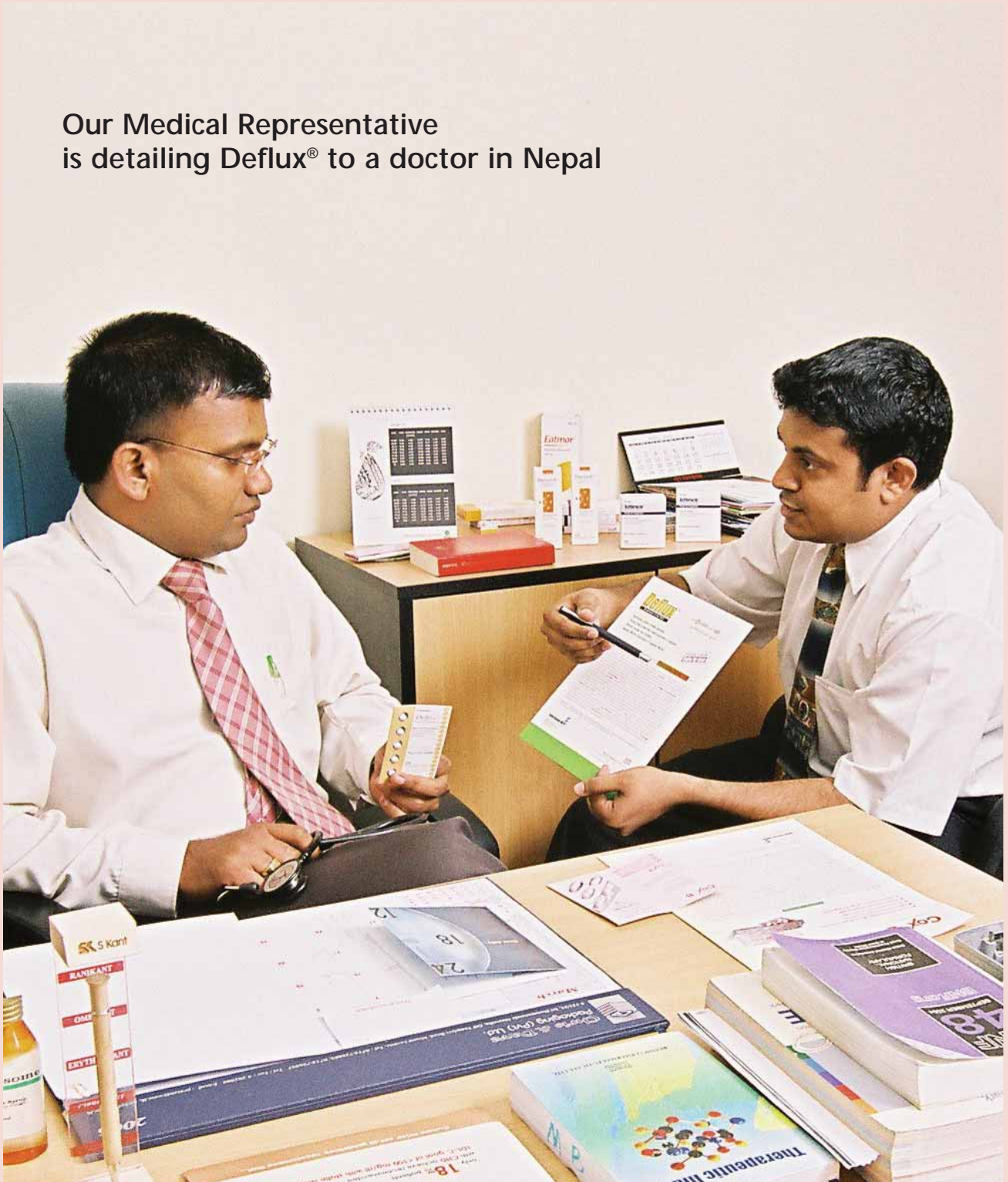
Two of the major reasons for the growing problem of resistance to antibiotics are indiscriminate use of antibiotics and poor patient compliance. Shorter duration of treatment and single daily dosing are associated with better patient compliance. I have found Azithrocin® (Azithromycin) to be effective in the treatment of respiratory tract infections in a single daily dosing regimen of three days duration.”



Dr. Zawar Khan

MBBS, KEMC (Lahore), RMP, PMDC, MD (Paediatrics)
Child Specialist and General Physician
Lahore, Pakistan

Our Medical Representative
is detailing Deflux® to a doctor in Nepal



Prof. Dr. Tara Man Amatya is the founder Chairman of "Asthma Society of Nepal", General Secretary of "Nepal Association of TB and Chest Physicians (NATCP)" and is a Professor at T. U. Teaching Hospital, Kathmandu, Nepal.

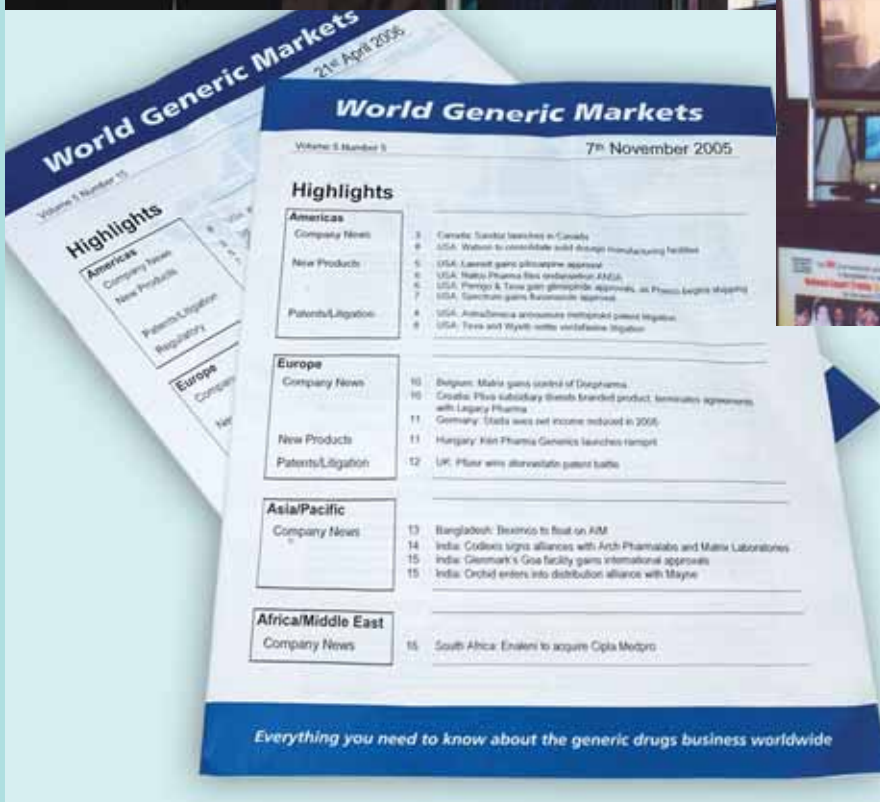
Prof. Dr. Amatya received a patient, Mrs. Laxmi Jha, age 54 years, who was admitted into Hardic Lifestyle Clinic due to severe attack of asthma in September 2005. This patient had been suffering from asthma for years and her attacks were getting acute day by day. Though she was on medication for a long time, nothing helped in relieving her symptoms during attacks. She had to trim her lifestyle and daily work to the extreme. Dr. Amatya prescribed her Azmasol® as a bronchodilator. In March 2006 Mrs. Jha came to him in a scheduled visit. She was looking much healthier and happier. All her agony due to asthma had disappeared; using Azmasol® she got very quick relief from bronchospasm every single time she had an attack. "This medicine works like magic, I am getting much better relief at a very affordable cost. My life is on full swing now, I don't have to constantly remind myself that I have asthma, I just have to remind myself my Azmasol®", she told Dr. Amatya and thanked him for all this.

"It has been three years since we started using Azmasol®.", as Dr. Amatya puts it, "This has been the scenario in most of the cases - patients were delighted with Azmasol®, for its unsurpassable quality, elegant presentation, unprecedented service - all these at a very affordable price. I first came to know about Azmasol® from a representative of Beximco Pharmaceuticals Ltd. Whenever he visited me I had up-to-date scientific information regarding respiratory medicine. I am very thankful to Beximco Pharma for providing me with a product like Azmasol®. I am eagerly looking forward to see the same patient satisfaction from all Beximco Pharma products in future."



Dr. T. M. Amatya

MBBS(PU), DTCD(DU), MD(AIIMS, New Delhi)
 PGT, Chest Diseases (Italy and Switzerland)
 PGT, Neurosciences (Japan)
 PGT, Lifestyle Medicine (USA)
 General Physician and Chest Specialist
 Hardic Lifestyle Clinic
 Kathmandu, Nepal



Corporate Communication

Corporate communication at Beximco Pharma continues to work towards building and enhancing Beximco Pharma's local and global brand equity.

Media relations

During the year 2005 global and local media relations were further extended with targeted interventions in the local market, UK market and other export markets. The company's activities are regularly covered in the World Generic Markets Report and also in www.lankabusinessonline and www.reuters.com etc.

Corporate Identity

An ongoing initiative to increase our corporate identity was further enhanced in 2005. Unified corporate presentation was exposed to audiences in meeting with high officials of Government of Bangladesh, Government of other export markets and potential investors in various fairs in export markets.

The company participated in many single country or multi country fairs in the existing export markets or potential markets where the company is planning to enter with its products.

To best capitalize on the alliance opportunity with our new OSD plant nearing inauguration, the plant was exposed to various delegations comprising of high officials of the government of various countries including USA, Sri Lanka, Japan, Bahrain, Maldives, Yemen, key customers from many countries and the journalists.





Corporate Social Responsibility

At Beximco Pharma, we are in the business which deals with human health and this makes us more responsible to keep the highest standards of our products. Through our products we try to deliver clear benefits to the patients.

Good products, however are only one side of our expression of commitment. We believe our responsibility lies even more in ensuring that our society gets benefited while we continue to grow.

Corporate social responsibility is an integral part of our business strategy which is reflected in our mission statement. Every employee of our company knows that the company does not view its success and achievements in financial terms only, but also in terms of its deep relationship with the society.

Each year, an increasing amount of contribution is ploughed back into social causes, demonstrating Beximco Pharma's commitment to the nation. More importantly the company's contribution extends beyond one-time donation to ongoing participation as reflected in our partnership with NGOs working for AIDS patients, in supporting sports, and in raising disease awareness among the people.

We donated medicines worth millions of taka to victims in national and international calamities. Donation of medicines to victims of earthquake in Pakistan and victims of tsunami in Sri Lanka are worth mentioning.



When the last hope is gone, We still stand by the distressed

We are the first and only company to offer anti-AIDS medicines in Bangladesh



Beximco Pharmaceuticals Ltd. is the first and only company in Bangladesh to introduce anti-retroviral (ARV) drugs despite knowing the fact that it will not increase our sales value significantly. We just wanted to be a proud partner of doctors and people of this country who have been serving the HIV/AIDS patients.

As a part of that commitment, Beximco Pharma and Dutch Bangla Bank Ltd. (DBBL) signed an agreement in April 2005 under which BPL would supply ARV drugs to DBBL for AIDS patients of Bangladesh. These ARV drugs will be distributed through Ashar Alo and Mukto Akash, two NGOs working for the treatment of HIV/AIDS patients of Bangladesh. We are giving these medicines at a very discounted price.

“Anti-retroviral (ARV) treatment interferes in the way the HIV virus reproduces in the body. ARVs do not destroy HIV but they can reduce its effects and help a person to live a longer life. HIV is not only a health issue; it is also a development issue world-wide. Beximco Pharmaceuticals Ltd., a leading pharmaceutical company of Bangladesh is producing ARV drugs for the first time in Bangladesh. Beximco Pharma is helping to prolong the life of HIV positive persons. We hope that Beximco Pharma will produce more affordable ARVs that will be helpful for poor AIDS patients.”



A.K.M Anisuzzaman
Program Manager
Mukto Akash Bangladesh

"Prevention is better than cure": Disease Awareness Campaign by Beximco Pharma

Probably everyone remembers one sentence from our primary school days: "Prevention is better than cure". But, how many of us do really apply this maxim in real life?

Beximco Pharma believes a drug can cure a disease only when the patient is aware of that disease and sees the doctor. Keeping this in mind Beximco Pharma has always worked closely with the doctors, various associations and NGOs in mass awareness campaigns on smoking, AIDS and asthma.



Bird Flu! - Don't panic

Dos

- Eat chicken and eggs without worry.
- Eat full boiled eggs.
- Cook meat above 70°C so that all the germs are killed.
- Wash your hands with soap and warm water before taking food.
- Always take warm food.
- Wash eggs with hot water before preserving in refrigerator.
- Keep all poultries in cages.
- Use mask, gown, rubber shoes and gloves during work in poultry firm; If these are not available then at least cover the mouth with clothes and hands & legs with plastic bags.
- Clean the dress and shoes (those used at poultry) outside the house.
- Consult your physician if sudden fever, cough, sore throat, muscle pain and conjunctivitis etc. are observed.

Courtesy : World Health Organization

We launched Oseltamivir (Oseflu®) as a part of the preparedness to stockpiling to fight against Bird Flu

In March 2006, we launched Oseltamivir capsule under the brand name Oseflu®, for the prevention and treatment of human cases of Avian Influenza. This was to prepare ourselves in the event of any flu pandemic.

We have also donated Oseflu® to the government of Bangladesh and Myanmar as a part of our corporate social responsibility initiatives.



“Introduction of Oseflu® is a major breakthrough in the generic business of Beximco Pharma”

ic - Be alert

Don'ts

- Don't kill and eat migratory birds.
- Avoid tinned and preserved poultry food for few days.
- Never use unwashed knife, utensils etc. during processing the chicken.
- Never buy the chicken other than processed ones.
- Don't restart your refrigerator without washing properly.
- Don't buy the chicken at unexpected low price.
- Keep your children away from poultry.
- If any symptom of disease (dizziness, unnecessary circular movement, anorexia, black beak etc.) is seen in the chicken, avoid eating those.

Never listen to rumors-consult your physician

BEXIMCO PHARMA & BEXIMCO PHARMACEUTICALS LTD.

Supporting Sports

Sports has always been a vital component in the development of society throughout human history. Infact, a nation's capability in sports reflects its progress towards human development. Beximco Pharma has always been one of the leading patrons of Bangladesh's sports among the corporate houses. We sponsored different sporting events like SAAF Games, regularly participated in the Corporate Cricket League, employed a number of national cricketers in our company. We feel great pride to state that we are the present champion of the Corporate Cricket League. We wish to be continuously involved in Bangladesh sports also in the future.

As a part of the commitment to the spirit of sports, we rewarded all the members of the winning Bangladesh National Cricket Team after defeating Australia.



Bangladesh National Cricket Team including the coach with the high officials of Beximco Pharma

Mr. Dave Whatmore , Coach of Bangladesh National Cricket Team is receiving cheque from Mr. Salman F Rahman, Vice Chairman of the company



Raising a national hero



Cricket is one of the very few sectors in Bangladesh which brought pride to the nation. Our victories against the giant Sri Lanka and the number one team in the Cricket World - Australia were stupendous achievements. The single most important player of our National Cricket Team who has the largest share in those victories is, no doubt, Mohammad Ashraful. He is perhaps the brightest cricketer in the Bangladesh squad and a national hero to be followed in the sports arena.

To Beximco Pharma he is more than a superstar. He has been with the company as an employee since he was in the squad of Bangladesh Under-19 cricket team. We take pride in having a share in the making of one Mohammad Ashraful. When he needed to concentrate more on cricket, we made it convenient for him. Today, he is also a key member of the Beximco Pharma Cricket Team, the defending champion of Corporate Cricket League in Bangladesh.



Beximco Pharma Cricket Team after winning the Corporate Cricket League in Bangladesh

Twenty Ninth Annual General Meeting

The 29th Annual General Meeting (AGM) of the shareholders of BPL was held on 2nd June 2005. Around 8,000 shareholders attended the meeting. Mr. A S F Rahman, Chairman of the Board of Directors presided over the meeting. The chairman thanked the shareholders for their interest and confidence upon the company. The shareholders were informed about the performance of the company in 2004. Strategies and future vision of the company were also briefed at the AGM.

The meeting approved 5% cash dividend and 25% stock dividend (Bonus Shares) for the year 2004.



Extra-Ordinary General Meetings



Two Extra-Ordinary General Meetings were held in 2005. First one was held on Thursday, the 2nd June, 2005 to deal with the agenda of amalgamation of Beximco Infusions Limited with Beximco Pharmaceuticals Limited. Shareholders attending the meeting unanimously approved the Amalgamation Scheme.

Another Extra-Ordinary General Meeting was held on 9th July, 2005. The agenda of the meeting were the amendment of Clause-V and Article-4 of the memorandum and Articles of Association of the Company respectively to increase the Authorized Capital of the Company from Tk. 1,000 (one thousand million) to Tk. 2,000 (two thousand million) and also issuance of Global Depository Receipts (GDRs) up to GBP 30 (thirty) million . The meeting approved the same unanimously.

Mr. A S F Rahman, Chairman of the Board of Directors presided over both the meetings.

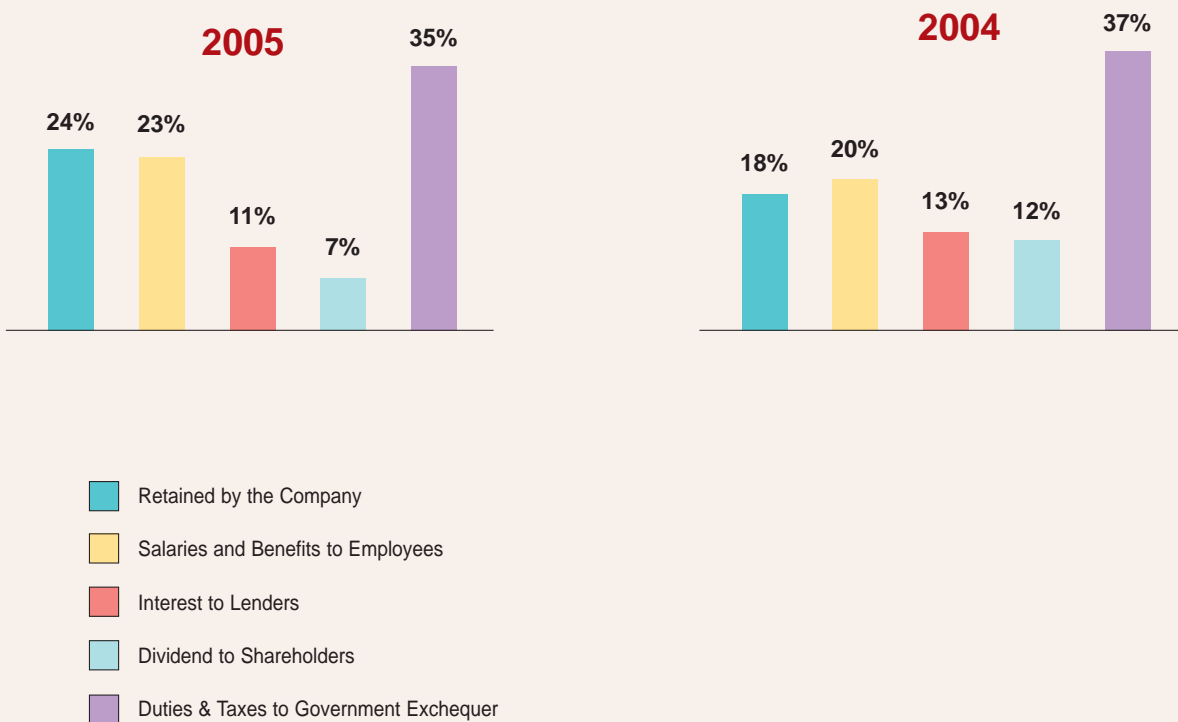


Value Added Statement

For the year ended 31 December 2005

Figures in Taka

	2005	%	2004	%
Turnover & Other Income	3,879,420,007		2,795,655,796	
Brought-in-Materials & Services	(1,895,584,603)		(1,348,020,468)	
	1,983,835,404	100	1,447,635,328	100
APPLICATIONS:				
Retained by the Company	473,037,848	24	262,837,380	18
Salaries and Benefits to Employees	448,555,707	23	291,976,823	20
Interest to Lenders	221,949,324	11	190,578,415	13
Dividend to Shareholders	143,882,343	7	167,928,750	12
Duties & Taxes to Government Exchequer	696,410,182	35	534,313,960	37
	1,983,835,404	100	1,447,635,328	100



BEXIMCO PHARMACEUTICALS LIMITED

17, Dhanmondi R/A, Road No. 2, Dhaka-1205

Notice of the Thirtieth Annual General Meeting

Notice is hereby given that the THIRTIETH ANNUAL GENERAL MEETING of the Shareholders of Beximco Pharmaceuticals Limited will be held on Thursday, the 22nd June, 2006 at 10.30 a.m. at 1, Shahbag C/A, Dhaka to transact the following business:

AGENDA

1. To confirm the proceedings of the Extra-Ordinary General Meetings of the Company held on 2nd June, 2005 and 9th July, 2005.
2. To confirm the proceedings of the Twenty-Ninth Annual General Meeting of the Company held on 2nd June, 2005.
3. To receive, consider and adopt the Audited Accounts as of 31st December, 2005 together with reports of the Auditors and the Directors thereon.
4. To elect Directors.
5. To declare 15% cash dividend.
6. To appoint Auditors for the year 2006 and to fix their remuneration.
7. To transact any other business of the Company with the permission of the Chair.

By order of the Board,



(MD. ASAD ULLAH, FCS)
Company Secretary

Dated: April 30, 2006

NOTES :

- (1) The Record Date in lieu of Book Closure shall be on 1st June, 2006. The Shareholders whose names will appear in the Share Register of the Company on the Record Date will be entitled to the dividend.
- (2) A member entitled to attend and vote at the General Meeting may appoint a Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
- (3) Members are requested to notify change of address, if any, to the Company.
- (4) Admission to the meeting room will be strictly on production of the attendance slip sent with the Notice.

চেয়ারম্যানের প্রতিবেদন



সম্মানিত শেয়ারহোল্ডারগন,

২০০৫ সালেও বেক্সিমকো ফার্মাসিউটিক্যালস্ লিমিটেড সাফল্যের ধারাবাহিকতা বজায় রেখেছে। আমি আনন্দের সাথে জানাচ্ছি, বিগত বছরগুলোর ন্যায় এ বছরও আমরা আমাদের কোম্পানীর সার্বিক প্রবৃদ্ধির পূর্ব পরিকল্পিত লক্ষ্য মাত্রা অর্জনে সক্ষম হয়েছি। ফলে শেয়ারহোল্ডারদের সম্পদ বৃদ্ধি ও তা সুসংহত করার যে কৌশলগত লক্ষ্য তা প্রত্যাশা অনুযায়ী অর্জিত হয়েছে। এ প্রেক্ষিতে আমি ২০০৫ সালের কোম্পানীর সার্বিক কার্যক্রমের একটি চিত্র আপনাদের মূল্যায়নের জন্য উপস্থাপন করছি।

বেক্সিমকো ইনফিউশনস্কে একীভূতকরণঃ

গত বছর আপনারা বেক্সিমকো ইনফিউশনস্কে বেক্সিমকো ফার্মাসিউটিক্যালসের সাথে একীভূতকরণের কৌশলগত সিদ্ধান্তের পক্ষে রায় দিয়েছিলেন। বাংলাদেশের ঔষধ শিল্পে এ ধরনের ঘটনা বিরল এবং এটা ছিল আমাদের জন্য একটা বড় চ্যালেঞ্জ। আমরা গর্বের সাথে জানাচ্ছি যে, আপনাদের সক্রিয় সহযোগিতা এবং সমর্থনে কোম্পানীর ব্যবস্থাপনা এই চ্যালেঞ্জ সাফল্যের সাথে মোকাবেলা করেছে। দুটি কোম্পানীর এই একীভূত শক্তি আমাদের ব্যবসার বুনিনাদ মজবুত করেছে এবং ব্যবসা পরিচালন কার্যক্রম সহজতর করার পাশাপাশি সার্বিক দক্ষতা বৃদ্ধি করেছে।

লন্ডন ষ্টক এক্সচেঞ্জে অন্তর্ভুক্তিঃ

আলোচ্য বছরে আমরা বেক্সিমকো ফার্মাসিউটিক্যালস্কে একটি আন্তর্জাতিক ঔষধ প্রস্তুতকারী প্রতিষ্ঠানে পরিণত করার লক্ষ্য বাস্তবায়নে উল্লেখযোগ্য অগ্রগতি অর্জন করেছি। আপনাদের এই প্রতিষ্ঠান ২০০৫ এর অক্টোবরে বিকল্প বিনিয়োগ বাজার AIM - এ প্রবেশের মাধ্যমে লন্ডন ষ্টক এক্সচেঞ্জে সাফল্যের সাথে নিবন্ধিত হয়েছে। বেক্সিমকো ফার্মাসিউটিক্যালস্ই বাংলাদেশে প্রথম এবং একমাত্র কোম্পানী যা দেশের বাইরের কোন ষ্টক এক্সচেঞ্জে নিবন্ধিত হতে পেরেছে। এ অর্জন শুধুমাত্র কোম্পানীরই সাফল্য নয় বরং দেশের জন্যও বিরাট গৌরবের ব্যাপার।

কোম্পানীর ক্রম বর্ধমান উন্নয়ন কার্যক্রম এবং দীর্ঘ মেয়াদী বিনিয়োগ প্রকল্পসমূহের অর্থায়নের জন্য সন্তোষজনক মূল্যে Global Depository Receipt (GDR) ইস্যুর মাধ্যমে আমরা ১২ মিলিয়ন পাউন্ড সংগ্রহ করতে সক্ষম হয়েছি। GDR এর মূল্যায়ন এবং বিদেশী বিনিয়োগকারীদের আশাতীত সাড়া কোম্পানীর ব্যবসায়িক সম্ভাবনা ও ব্যবস্থাপনা দক্ষতার প্রতি তাঁদের দৃঢ় আস্থারই বহিঃপ্রকাশ।

সার্বিক ব্যবসায়িক কর্মকাণ্ড :

বিক্রয় প্রবৃদ্ধি শিল্প গড়কেও ছাড়িয়ে গেছে :

আপনারা নিরীক্ষিত প্রতিবেদনে দেখতে পাবেন কোম্পানী ব্যবসার প্রতিটি ক্ষেত্রে প্রবৃদ্ধি ধরে রাখতে সক্ষম হয়েছে। আলোচ্য বছরে আমাদের বিক্রয় ছিল ৩,৩২৭.০২ মিলিয়ন টাকা যা গত বছরে ছিল ২,৪০২.৭০ মিলিয়ন টাকা। বিক্রয় প্রবৃদ্ধির হার ৩৮%। ২০০৪ সালের বেক্সিমকো ফার্মাসিউটিক্যালস্ লি: এবং বেক্সিমকো ইনফিউশনস্ লি: এই দুটি কোম্পানীর সম্মিলিত বিক্রয়ের সাথে তুলনায় প্রবৃদ্ধি দাঁড়ায় ২০% যা শিল্প গড় ১৭.৫% এর চেয়েও অধিক। আমাদের ব্যবসায়ের মূল শাখা ফর্মুলেশন পণ্যের বিক্রয় প্রবৃদ্ধির হার ২৩.৪% এবং তা ইনফিউশনস্ পণ্যের ক্ষেত্রে হয়েছে ৭.৭%। এখানে উল্লেখ্য যে ইনফিউশনস্ কারখানাটি বিগত কয়েক বছর ধরেই পূর্ণ ক্ষমতায় চলছে। বিক্রয় প্রবৃদ্ধির এই অর্জনের মূলে ছিল সঠিক কৌশলগত পরিকল্পনা এবং এর সুদক্ষ বাস্তবায়ন।

আমাদের রপ্তানী ৮৮.৮৬ মিলিয়ন টাকায় পৌঁছেছে যা গত বছর ছিল ৭৯.৪৯ মিলিয়ন টাকা। ধীরে হলেও ক্রমশ: আমরা আমাদের আন্তর্জাতিক উপস্থিতি বৃদ্ধি করছি। ২০০৫ সালে আমাদের রপ্তানী বাজারে শ্রীলংকা সংযোজিত হয়েছে। আলোচ্য বছরে রপ্তানী বাজারে নতুন ৫৫টি পণ্য নিবন্ধিত হয়েছে এবং আরও বেশ কিছু পণ্য নিবন্ধনের অপেক্ষায় আছে। আমাদের USFDA মানসম্পন্ন নতুন Oral Solid Dosage (OSD) প্রকল্পটি চালু হলে রপ্তানী নতুন মাত্রা পাবে বলে আমরা খুবই আশাবাদী।

ব্যবসা পরিচালন ব্যয় :

আমাদের দীর্ঘমেয়াদী ভবিষ্যত পরিকল্পনার আলোকে আমরা দেশে এবং আন্তর্জাতিক অঙ্গনে আমাদের বিক্রয় কর্মী বাহিনী বৃদ্ধি করেছি, বিক্রয় কৌশল টেলে সাজিয়েছি, বিপণন কর্মকাণ্ড উল্লেখযোগ্যভাবে বৃদ্ধি করেছি এবং সরবরাহ অবকাঠামোর পরিধিও সম্প্রসারিত করেছি। উপরোল্লিখিত কারণে আলোচ্য বছরে আমাদের বিক্রয়, বিপণন ও সরবরাহ ব্যয় উল্লেখযোগ্য পরিমাণে বৃদ্ধি পেয়েছে। বিক্রয় বিপণন এবং সরবরাহ খাতে এই বিনিয়োগের সুফল আমরা এ বছরেই পাওয়া শুরু করেছি, যা ভবিষ্যতেও সমৃদ্ধ থাকবে বলে আমরা দৃঢ়ভাবে আশাবাদী।

মুনাফা:

কোম্পানী বরাবরের মত মুনাফা বৃদ্ধির ধারা বজায় রেখেছে। ডলারের বিপরীতে দেশীয় মুদ্রার তীব্র দরপতন সত্ত্বেও আমরা আমাদের গ্রস মুনাফার হার বৃদ্ধি করতে সক্ষম হয়েছি। কর ও WPPF পূর্ব মুনাফার পরিমাণ ৩৭.৯% বেড়ে ৫০৯.৬ মিলিয়ন টাকায় পৌঁছেছে (২০০৪ এ বেক্সিমকো ফার্মাসিউটিক্যালস্ লি: এবং বেক্সিমকো ইনফিউশনস্ লি: এর সম্মিলিত মুনাফার তুলনায় এই বৃদ্ধি ২১.৪%)। আলোচ্য বছরে শেয়ার প্রতি আয় হয়েছে ৬.৩৬ টাকা যা গত বছরে ছিল ৪.৭১ টাকা।

নতুন পণ্য:

স্বাস্থ্য খাতের চাহিদা পূরণে আমাদের অঙ্গীকারের ধারাবাহিকতায় আলোচ্য বছরেও বেশকিছু থেরাপিউটিক্ শ্রেণীতে বিভিন্ন Dosages Form ও মাত্রার ৪৯টি নতুন পণ্য আমাদের বর্তমান পণ্য সম্ভারে সংযোজিত হয়েছে। এ সকল নতুন ঔষধ চিকিৎসক মহলে ব্যাপক প্রশংসা এবং গ্রহণযোগ্যতা অর্জন করেছে।

জনসম্পদ:

জনসম্পদ সমৃদ্ধশালী করার জন্য আমরা ঔষধ শিল্পের মেধাবী ও প্রগতিশীল পেশাদারদের আমাদের জনসম্পদে সংযোজন করে যাচ্ছি। এই ধারায় GlaxoSmithkline বাংলাদেশ থেকে উৎপাদন পরিচালক হিসাবে জনাব আবুল হাসনাত মো: জাকের; Quality Assurance প্রধান হিসাবে Ranbaxy Laboratories Ltd., India থেকে Mr. Govind Doulatrao Bhagnure; General Manager, Quality Assurance হিসাবে স্কয়ার ফার্মাসিউটিক্যালস্ থেকে জনাব প্রবীর ঘোষ; Sigma Laboratories Ltd., India থেকে Sr. Manager, Engineering হিসাবে Mr. Vasant Pandit Jagtap; Validation Manager হিসাবে Matrix Lab Ltd., India থেকে Mr. P D Chaudhari; Manager, Production হিসাবে Nicholas Piramal, India থেকে Mr. Shahsank Vyapari এবং Mr. Subrata Kumar Bala, Product Development Manager হিসাবে Dr. Reddy's Laboratories Ltd., India থেকে আমাদের USFDA মানসম্পন্ন Oral Solid Dosage প্রকল্পে যোগ দিয়েছেন। এদের মধ্যে India থেকে আগত সবাই USFDA ও UK MHRA অনুমোদিত ঔষধ প্রস্তুতকারী প্রতিষ্ঠানের কাজ করায় দীর্ঘ অভিজ্ঞ। এ ছাড়াও আন্তর্জাতিক ঔষধ বিপণনে অভিজ্ঞ জনাব রাকবুর রেজা আমাদের বিপণন পরিচালক হিসাবে যোগ দিয়েছেন। এর পূর্বে তিনি Milton Pharmaceuticals, AGENIX Group, Australia তে কর্মরত ছিলেন।

ভবিষ্যত পরিকল্পনা:

গত বার্ষিক সাধারণ সভায় আমি আপনাদের জানিয়েছিলাম যে, স্বল্পোন্নত দেশগুলোর মধ্যে বাংলাদেশই একমাত্র দেশ যেখানে ঔষধ শিল্পের জন্য প্রয়োজনীয় সুদৃঢ় অবকাঠামো আছে। এ কারণে WTO - TRIPS পরবর্তী বিশ্ব পরিস্থিতিতে স্বল্পোন্নত দেশগুলোর জন্য যে অভাবনীয় সুযোগ সৃষ্টি হয়েছে সে ক্ষেত্রে বাংলাদেশ সুদৃঢ় অবস্থানে আছে। আমরা এ সুযোগ পুরোপুরি কাজে লাগানোর জন্য সকল প্রস্তুতি প্রায় সম্পন্ন করে এনেছি। আমাদের USFDA মানসম্পন্ন প্রকল্পটি এখন সমাপ্তিলগ্নে। এ বছরের শেষ নাগাদ আমরা কারখানাটির USFDA সনদ প্রাপ্তির জন্য প্রক্রিয়া শুরু করব। যদিও আমরা এই প্রকল্পটিকে সর্বাধিক গুরুত্ব দিচ্ছি কিন্তু অন্যান্য যে সব ক্ষেত্রে আমাদের সুযোগ রয়েছে সেগুলোর পূর্ণ সদ্ব্যবহারেও আমরা সজাগ রয়েছি। এ প্রেক্ষিতে আমরা বেশ কিছু লাভজনক প্রকল্প গ্রহণ করছি যার মধ্যে কাঁচামাল উৎপাদন প্রকল্পও রয়েছে। এ সকল প্রকল্প বাস্তবায়িত হলে আমাদের উৎপাদন ক্ষমতার উল্লেখযোগ্য বৃদ্ধি ঘটবে এবং ব্যবসাতে নতুন মাত্রা সংযোজিত হবে। এর ফলে আপনাদের কোম্পানীর ভিত্তি যেমন দৃঢ় হবে তেমনি আপনাদের শেয়ারের অর্ন্তনিহিত মূল্য বহুগুন বৃদ্ধি পাবে বলে আমার বিশ্বাস।

উপসংহার :

পরিশেষে আমি শেয়ারহোল্ডারদের ধন্যবাদ জানাই আমাদের প্রতি তাঁদের আস্থা এবং বিশ্বাসের জন্য। আপনাদের সক্রিয় পৃষ্ঠপোষকতাই আমাদের সাফল্যের মূল চালিকাশক্তি। ধন্যবাদ জানাই আমাদের দক্ষ কর্মী বাহিনীকে - যাদের দক্ষতা, পরিশ্রম, দায়িত্বশীলতা এবং নিষ্ঠা আমাদের ব্যবসায়ের সাফল্যের মূল চাবিকাঠি। আমি এই সুযোগে আমাদের ব্যাংকার, সরবরাহকারী, ক্রেতা সাধারণ, সরকারী বিভাগ ও নিয়ন্ত্রণকারী সংস্থাসমূহ এবং অন্যান্য সংশ্লিষ্ট সকলের সহযোগিতা এবং সমর্থনের কথা কৃতজ্ঞতার সাথে স্মরণ করছি। ইনশাআল্লাহ আমরা সবাই মিলে একটি স্বাস্থ্যোজ্জ্বল উন্নত ভবিষ্যত রচনা করব।

আপনাদের সকলকে অসংখ্য ধন্যবাদ।

X. K. P. Kalanda.

এ এস এফ রহমান

চেয়ারম্যান

৩০ এপ্রিল ২০০৬

Chairman's Statement

Dear Shareholders

2005 was yet another year of continued success of Beximco Pharma. I am pleased to inform that during the year we progressed as per plan towards successful accomplishment of our strategic goals to grow the company and strengthen the shareholders value. I am pleased to place before you some of the highlights of our business operations in 2005 for your valued judgment and consideration.

Successful Integration of Beximco Infusions Limited with BPL

Last year you gave your valuable mandate towards our strategic decision to integrate Beximco Infusions limited with Beximco Pharma. This being a unique case in the pharmaceutical industry of Bangladesh was a great challenge for us. We take pride to say that with your active support and co-operation management has met this challenge with smooth and ease. Merger of the two companies have effectively reinforced our business base, helped enhanced operational efficiency and synergy.

Listing with Alternative Investment Market (AIM) under London Stock Exchange

In this past year we made remarkable progress to extend our horizon in line with our vision to make your company a global pharmaceutical company. In October 2005 Beximco Pharma was enlisted in the Alternative Investment Market (AIM) under London Stock Exchange and thus became the proud claimant of the only Bangladeshi Company to be enlisted with any Stock Exchange outside Bangladesh. This not only has raised the international profile of the company but the image of Bangladesh as well.

We raised GBP 12 million through issue of Global Depository Receipts (GDRs) at a considerable premium pricing to finance the current growth phase of the company as well as our long term investment projects. The pricing of the GDRs and the amount of responses of the overseas investors is clearly indicative of their trust on the business potentials as well as management capability of Beximco Pharma.

Operating Results

Sales growth Outperforms Industry Average

As you will find in the detailed audited financial statements, your company continued to retain its growth in all key areas. During the year, the company attained net sales of Tk. 3,327.02 million as against Tk. 2,402.70 representing significant 38% overall growth. Even a pro-forma analysis including Beximco Infusion's sales in the comparative, shows impressive 20% growth in sales as against the industry average of 17.5%. The sales of the formulation products-our core business, however, grew by 23.4%. We also managed to achieve 7.7% growth in sales of infusions products given the fact that the plant is operating at full capacity. Our extremely focused strategies have produced this result & helped us to achieve this growth.

Our exports reached Tk. 88.86 million as compared to Tk. 79.49 million of prior year. Slowly but gradually we are expanding our global presence. In 2005 Sri Lanka has been added to the list of our export markets. 55 new products have been registered in different international markets during this period while a number of other products are in the pipeline. We are hopeful that once our new Oral Solid Dosage (OSD) plant comes into operation, our export sales will take a different dimension.

Operating Expenses

In line with our long term plan we strengthened our sales force domestically and internationally, re-designed and re-aligned the sales strategies, revitalized our marketing efforts and extended the distribution network. All these combined together have resulted significant increase in selling and distribution expenses during the period. However, our investment has paid off as reflected in impressive sales growth achieved in 2005 and we believe this will continue to give results in the future days as well.

Profitability

The Company continued to maintain its profit growth. Despite sharp decline in local currency against dollar, we managed to improve our gross margin ratio. Profit before tax and contribution to Workers' Profit Participation fund increased by 37.9% to Tk. 509.63 million (21.4% increase on a pro-forma basis¹). Earnings per share stood at Tk. 6.36 as against Tk. 4.71 of previous year.

Product

Consistent to our committed efforts to cater to the health care needs of the country, 49 new products including dosage forms and strength across wide range of therapeutic classes have been added to the existing product portfolio during the year under review. The products have got appreciations of the medical community.

Human Resource

We continued to draw talented and dynamic professional of the industry to further strengthen our pool of human resources. The joining of Mr. Abul Hasnat Md Zaker as Director, Manufacturing from GlaxoSmithKline, Bangladesh, Mr. Govind Doulatrao Bhagnure as Head of Quality Assurance from Ranbaxy Laboratories Limited, India, Mr. Prabir Ghose as General Manager, Quality Assurance from Square Pharmaceuticals, Bangladesh, Mr. Vasant Pandit Jagtap as Sr. Manager, Engineering from Sigma Laboratories Limited, India, Mr. P D Chaudhari as Validation Manager from Matrix Lab. Ltd., India, Mr. Shahsank Vyapari as Manager, Production, from Nicholas Piramal, India, Mr. Subrata Kumar Bala as Product Development Manager, from Dr. Reddy's Laboratories Ltd., India in our US FDA approvable Oral Solid Dosage Plant were valuable additions during the year. Their highly recognized expertise and wide working experience in US FDA, UK MHRA certified plant is an added impetus. Besides, Mr. S M Rabbur Reza a well experienced pharmaceutical executive with international marketing exposure has joined as Director Marketing. Prior to that he was working with Milton Pharmaceuticals, Agenix Group, Australia.

Looking Ahead

As I told you in last AGM, Bangladesh being the only LDC with strong pharmaceutical base has got some competitive edge in the post-TRIPS era. We are mindful of the opportunities ahead and confident of our capabilities to make use of these advantages. Our strategic investment project- US FDA approvable Oral Solid Dosage Plant is now in its final stage of completion. Two out of five lines have been installed. We plan to go for certification of the plant by end of 2006. While we are extremely focused on this project, we at the same time are going for certain other profitable projects including APIs, as well. These projects will help build our capacities and would add significant value to the business. We believe all combined will enable us to leverage our success to build a stronger Beximco Pharma with higher shareholders' value.

Finally, we are thankful to you, dear shareholders, for your trust and confidence on us. Your continued support is the driving force behind the growth and development of our business. Thanks to the commitment, dedication and hard work of the Beximco Pharma employees who are core to our success. I also take this opportunity to recall with appreciation the support and co-operation we have received from our bankers, suppliers, customers, government agencies, regulatory bodies and everyone the company interacted with in conducting its business. Together we will build a healthier tomorrow.

Thank you all.



A S F RAHMAN
Chairman

Dhaka
30 April, 2006

¹Financial figures on a pro-forma basis includes results of Beximco Pharma and Beximco Infusions Limited which was effectively integrated with Beximco Pharma

Report of the Directors to the Shareholders

For the year ended 31 December 2005

The Directors are pleased to present their report to the shareholders together with the audited accounts for the year ended 31st December, 2005

Financial Results and Profit Appropriations

	Figure in '000 Taka	
	2005	2004
Net Profit Before Providing Income Tax	485,367	353,661
Less : Provision for Income Tax	3,895	(24,285)
Net Profit After Tax	489,262	329,376
Add : Profit brought forward from previous year	2,173,216	1,367,072
Profit Available for Appropriation	2,662,478	1,696,448
Recommended for Appropriations:		
Transfer to Tax-holiday reserve	(117,824)	(99,575)
Proposed Dividend	(143,882)	(167,929)
Tax-Holiday Reserve no longer required	148,630	744,272
Un-appropriated Profit Carried Forward	2,549,402	2,173,216

Dividend

The Board of Directors has recommended 15% cash dividend for your approval for the year ended 31st December, 2005.

Directors

Mr. A S F Rahman, Director of the Company retires by rotation as per Articles 126 and 127 of the Articles of Association of the Company and being eligible offer himself for re-election.

Mr. A. B. Siddiqur Rahman and Barrister Faheemul Huq (Nominees of Beximco Holdings Limited), Advocate Ahsanul Karim (Nominee of Bangladesh Export Import Company Limited) Directors of the Company retire by rotation as per Articles 126 and 127 of the Articles of Association of the Company and being eligible offer themselves for re-election.

Auditors

The Directors hereby report that the existing Auditors, M/S M. J. Abedin & Co., Chartered Accountants, National Plaza (6th Floor), 1/G Free School Street, Sonargoan Road, Dhaka-1205 who were appointed as Auditors of the Company in the Twenty-ninth Annual General Meeting of the Company has carried out the audit for the year ended 31st December 2005.

M/S. M. J. Abedin & Co., Chartered Accountants, National Plaza (6th Floor), 1/G Free School Street, Sonargoan Road, Dhaka-1205, the Auditors of the Company retire at this meeting and have expressed their willingness to continue in office for the year 2006.

Board Meetings and Attendance

During the year 26 Board Meetings were held. The attendance record of the Directors is as follows:

Name of Directors	Meetings attended
Mr. A S F Rahman	26
Mr. Salman F Rahman	23
Mr. Iqbal Ahmed	26
Mr. M. A. Qasem	26
Mr. O. K. Chowdhury	24
Mr. A. B. Siddiqur Rahman	26
Dr. Farida Huq	21
Mr. C. H. Rahman	25
Barrister Faheemul Huq	25
Advocate Ahsanul Karim	25
Dr. Abdul Alim Khan	26

Statement of Directors on Financial Reports

- The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994 and Securities and Exchanges Rules, 1987. These statements present fairly the Company's statement of affairs, the result of its operation, cash flow and statement of changes in equity.
- Proper books of accounts of the company have been maintained.
- Appropriate Accounting Policies have been consistently applied in preparation of the financial statements except those referred to in the financial statements and that the accounting estimates are based on reasonable and prudent judgement.
- The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.
- Internal Control System is sound in design and has been effectively implemented and monitored.
- There is no significant doubts about the ability of the Company to continue as a going concern.

Pattern of Shareholding

Name-wise details	No. of Shares held
(i) Parent/Subsidiary/Associate companies and other related parties :	
Beximco Holdings Ltd.	11,820,561
Bangladesh Export Import Company Ltd.	6,259,523

(ii) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children :	
Mr. A S F Rahman, Chairman	1,653,132
Mr. Salman F Rahman, Vice Chairman	1,209,949
Dr. Abdul Alim Khan, Director	525,694
Dr. Farida Huq, Director	3,111
Mr. Nazmul Hassan, Chief Executive Officer	4,737
Mr. Afsar Uddin Ahmed, Director Commercial	2,885
Chief Financial Officer, Company Secretary and Head of Internal Audit and their spouse and minor children	Nil
(iii) Executives	Nil
(iv) Shareholders holding ten percent (10%) or more voting interest in the company:	
Beximco Holdings Ltd. (mentioned in Sl. No. (i))	11,820,561
The Bank of New York International Nominees	20,000,000

Key Operating and Financial Data

The summarised key operating and financial data of last four preceding years is annexed.

Corporate Governance Compliance Report

In accordance with the requirement of the Securities and Exchange Commission, "Corporate Governance Compliance Report" is annexed.

Thank you all.

On behalf of the Board



A S F RAHMAN
Chairman

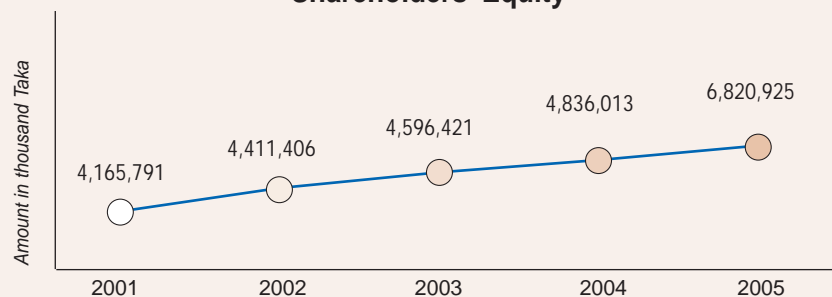
Dhaka
30 April, 2006

Key Operating and Financial Data

Amounts in thousand Taka

Particulars	2005	2004	2003	2002	2001
Authorized Capital	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Paid up Capital	959,216	559,763	508,875	442,500	442,500
Turnover (Net)	3,327,023	2,402,701	2,183,830	2,508,788	2,401,241
Turnover (Export)	88,858	79,485	59,594	50,284	47,325
Gross Margin	1,558,500	1,023,772	828,081	888,295	942,133
Profit Before Tax	485,367	353,661	263,619	362,232	430,420
Net Profit	489,262	329,376	207,140	341,680	401,780
Tangible Assets (Gross)	8,623,969	6,822,860	6,669,824	5,512,974	5,141,780
Shareholders' Equity	6,820,925	4,836,013	4,596,421	4,411,406	4,165,791
Dividend	15%	30%	20%	20%	15%
Return on Paid up Capital	51%	63%	52%	82%	97%
Shareholders' Equity Per Share	71	86	90	100	94
Earnings Per Share (EPS)	6.36	4.71	2.96	4.88	5.74
Market Price Per Share (at end of the year)	57.80	92.10	39.72	41.83	49.50
Price Earning Ratio (Time)	9.09	19.55	13.42	8.57	8.62
Number of Shareholders	50,591	50,750	47,811	49,960	50,367
Sponsors, General Public & Other Institutions	48,429	41,882	35,568	37,317	37,568
Foreign Investors	55	49	42	43	43
ICB including ICB Investors Account	2,107	8,819	12,201	12,600	12,756
HUMAN RESOURCES					
Number of employees	1,981	1,385	1,328	1,218	1,151
Officers	1,505	964	862	747	695
Staff	476	421	466	471	456

Shareholders' Equity



Corporate Governance Compliance Report

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/ Admin/02-08 dated 20th February 2006 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

(Report under Condition No. 5.00)

Condition No.	Title	Compliance status		Explanation for non-compliance with the condition
		Complied	Not complied	
1.1	Boards Size	√		
1.2(i)	Independent Directors	√		
1.2(ii)	Independent Directors Appointment	√		
1.3	Chairman & Chief Executive	√		
1.4(a)	Directors' Report on financial statements	√		
1.4(b)	Books of Accounts	√		
1.4(c)	Accounting Policies	√		
1.4(d)	IAS Applicable in Bangladesh	√		
1.4(e)	System of Internal Control	√		
1.4(f)	Going Concern	√		
1.4(g)	Deviation in Operating Results	√		
1.4(h)	Key operating and Financial Data	√		
1.4(i)	Declaration of Dividend	√		
1.4(j)	Number of Board Meetings	√		
1.4(k)	Pattern of Shareholdings	√		
2.1	CFO, HIA & CS Appointment	√		
2.2	Board Meeting Attendance	√		
3.00	Audit Committee	√		
3.1(i)	Composition of Audit Committee	√		
3.1(ii)	Audit Committee Members Appointment	√		
3.1(iii)	Terms of service of Audit Committee	√		
3.2(I)	Chairman of Audit Committee	√		
3.2(ii)	Audit Committee Chairman's Qualification	√		
3.3.1(I)	Reporting to the Board of Directors	√		
3.3.1(ii)(a)	Report of Conflicts of Interest	√		
3.3.1(ii)(b)	Defect in the Internal Control System	√		
3.3.1(ii)(c)	Suspected infringement of Laws	√		
3.3.1(ii)(d)	Any other matter	√		
3.3.2	Reporting to the Authorities	√		
3.4	Reporting to the Shareholders	√		
4.00 (I)	Appraisal or Valuation Services	√		
4.00 (ii)	Financial information system	√		
4.00 (iii)	Book keeping or other services	√		
4.00 (iv)	Broker dealer services	√		
4.00 (v)	Actuarial services	√		
4.00 (vi)	Internal Audit services	√		
4.00 (vii)	Any other services	√		

Explanatory Statement on Corporate Governance

In Beximco Pharma, we always nurture and nourish good corporate governance. Board of Beximco Pharma places the greatest emphasis on maintaining the highest standard of corporate governance. As trustee of all the stakeholders of the company, the board is fully aware of its responsibilities and therefore, endeavors to safeguard the interest of all concerned. The statement below describes how the principles of good governance are applied in Beximco Pharma.

Size, Composition and Functioning of the Board

The board of directors is the highest level of authority in the organization structure of Beximco Pharma. The board is responsible for the overall direction and is ultimately accountable to the shareholders for the activities, strategies and performance of the company. Currently, it comprises of 11 members with Mr. A S F Rahman as Chairman and Mr. Salman F Rahman as Vice Chairman. A director, Dr. Abdul Alim Khan, a general public shareholder of the company, is an independent director in terms of the Corporate Governance Principles set out by the Securities and Exchange Commission.

The prime concern of the board is to ensure that the overall activities of the business are conducted responsibly and with focus on long – term value creation. The board meets periodically to transact matters placed before them that require board's approval and/or direction. Board reviews the overall activities of the business and where necessary, strategic guidelines are given for onward implementation.

Executive Committee

Next to the board, there is a five-member Executive Committee (EC) for closer monitoring of business performance and to provide operational guidance. The scope of work of the committee includes but not limited to, review of business performance, approval of budget, evaluation of capital expenditure proposals, appraisal of senior level managers etc. The review, evaluation and recommendations of the Executive Committee provide significant input to enable the board to take well-informed decisions.

Management Committee

The responsibility to implement EC decisions and supervision of day to day business affairs of the company lies with the management committee. They are also responsible for achieving the business plan. The committee consists of functional heads of different operating/business segments and is headed by CEO. Chairman EC is also a member of this Committee.

Audit Committee

The company had no Audit Committee on 31 December 2005. In conformity with the Corporate Governance Principles set out by the Securities and Exchange Commission, the board constituted an Audit Committee with Dr. Abdul Alim Khan as its Chairman, and Barrister Faheemul Huq and Mr. Chowdhury Hafizur Rahman FCMA as its Members on 30 April 2006.

Key Officers

Mr. Nazmul Hassan, Mr. Ali Nawaz, Mr. Md. Asad Ullah and Ms. Rokhsana Hassan are the Chief Executive Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit of the company respectively in terms of the Corporate Governance Principles set out by the Securities and Exchange Commission.

Internal Control

Beximco Pharma employs a sound system of internal control including internal financial control to ensure compliance of its activities with the desired objectives. Over the years we have successfully implemented a well designed corporate management structure with clearly defined responsibility, delegation of authority and proper accountability. Beximco Pharma has an appropriate organization structure manned with qualified professionals for properly carrying out planning, executing, controlling and monitoring functions of each of the business subunits.

The company has a specially assigned team to carry out internal audits of different segments of the business. The team is headed by a manager who reports to the CEO. After appropriate review of the reports, necessary corrective actions are undertaken.

Going Concern

Directors are convinced after making appropriate enquires at the time of approving the financial statements that the company has adequate resources to carry out its operational existence for the foreseeable future. It is therefore appropriate to adopt going concern basis in preparing the financial statements.

Shareholder Relations

The Company has about fifty thousand shareholders. The directors place high importance on maintaining good relationships with the shareholders and ensure to keep them informed of significant company developments. The company formally reports twice a year-summarized half yearly report and detailed annual report. Annual general meeting is an important opportunity to meet and communicate with shareholders. Every Shareholder or his/her duly authorized representative has the right to attend such meeting. It provides the forum for discussion of the business, its future prospects and other matters of interest and concern to the shareholders. In addition, the Company has a full fledged corporate affairs secretarial department who addresses different shareholders' issues like dividend payment enquiries, share transfer, loss of share certificate/dividend warrants etc.

BEXIMCO PHARMACEUTICALS LIMITED

Report of Auditors to the Shareholders

We have audited the accompanying Financial Statements of Beximco Pharmaceuticals Limited consisting of Balance Sheet, Profit and Loss Account and the Statement of Changes in Equity and Cash Flow as well as the Notes to the financial statements for the year from January 1 to December 31, 2005.

The company law requires the directors to prepare financial statements which give a true and fair view. In preparing financial statements which give a true and fair view, it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you, in accordance with section 213 of the Companies Act, 1994.

We conducted our audit in accordance with Bangladesh Standards on Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Evidence supporting the amounts and disclosures in the financial statements is examined on a test basis within the framework of the audit. An audit also includes assessing the accounting principles used and significant estimates made by the board of directors, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit, the financial statements referred to above give a true and fair view of the financial position, the results of operations and cash flows of the company, in all material respects, for the year referred to above, in accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and the Bangladesh Accounting Standards.

We also report that :

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) in our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books ;
- (c) the Company's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts ; and
- (d) the expenditure incurred were for the purpose of the Company's business.

National Plaza (6th Floor)
1/G, Sonargaon Road
Dhaka - 1205
30 April, 2006



M. J. ABEDIN & CO.
Chartered Accountants

BEXIMCO PHARMACEUTICALS LIMITED

Balance Sheet

As at 31 December 2005

	Notes	2005	2004
ASSETS			
<i>Non-Current Assets</i>			
Property, Plant and Equipment- Carrying Value	7	7,449,630,817	6,186,983,049
Investment in Shares	8	7,412,474,567	6,149,826,799
		37,156,250	37,156,250
<i>Current Assets</i>			
Inventories	9	3,495,849,163	2,471,513,225
Accounts Receivable	10	1,683,722,059	1,394,794,907
Loans, Advances and Deposits	11	779,798,943	600,028,183
Cash and Cash Equivalents	12	603,764,931	468,680,833
		428,563,230	8,009,302
TOTAL ASSETS		Tk. 10,945,479,980	8,658,496,274
SHAREHOLDERS' EQUITY AND LIABILITIES			
<i>Shareholders' Equity</i>			
Issued Share Capital	13	6,820,925,052	4,836,012,658
Share Premium	14	959,215,620	559,762,500
Excess of Issue Price over Face Value of GDRs	15	1,489,750,000	1,489,750,000
Capital Reserve	16	969,175,305	-
Tax-Holiday Reserve	17	294,950,950	-
Retained Earnings		414,548,999	445,355,048
		2,693,284,178	2,341,145,110
<i>Non-Current Liabilities</i>			
Long Term Borrowing-Net off Current Maturity (Secured)	18	1,622,730,360	2,120,954,071
Liability for Gratuity & WPPF	19	1,387,455,909	1,919,349,651
Deferred Tax Liability	6 (j) & 20	190,053,550	158,595,611
		45,220,901	43,008,809
<i>Current Liabilities and Provisions</i>			
Short Term Borrowing from Banks	21	2,501,824,568	1,701,529,545
Long Term Borrowing-Current Maturity	22	1,062,011,192	1,121,910,904
Creditors and other Payables	23	1,066,030,957	298,448,322
Accrued Expenses	24	216,660,743	206,448,378
Dividend Payable		101,859,834	46,716,287
Income Tax Payable	25	830,440	1,065,437
		54,431,402	26,940,217
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		Tk. 10,945,479,980	8,658,496,274

The Notes are integral part of the Financial Statements.

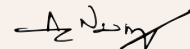
Approved and authorised for issue by the board of directors on 30 April 2006 and signed for and on behalf of the Board :



Salman F Rahman
Vice Chairman



O. K. Chowdhury
Director



Ali Nawaz
Chief Finance Officer

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

BEXIMCO PHARMACEUTICALS LIMITED
Profit and Loss Account
For the year ended 31 December 2005

	Notes	2005	2004
Net Sales Revenue	26	3,327,022,574	2,402,700,962
Cost of Goods Sold	27	(1,768,522,363)	(1,378,929,381)
Gross Profit		1,558,500,211	1,023,771,581
Operating Expenses :		(834,148,493)	(467,453,733)
Administrative Expenses	32	(119,006,535)	(86,698,334)
Selling and Distribution Expenses	33	(715,141,958)	(380,755,399)
Profit from Operations		724,351,718	556,317,848
Other Income	34	7,232,609	3,851,006
Finance Cost	35	(221,949,324)	(190,578,415)
Net Profit Before Contribution to WPPF		509,635,003	369,590,439
Contribution to Workers' Profit Participation/ Welfare Funds	36	(24,268,333)	(15,929,409)
Net Profit Before Tax		485,366,670	353,661,030
Income Tax Income/(Expense)	6 (j), 20 & 37	3,895,094	(24,285,250)
Current Tax		(46,169,026)	(28,469,983)
Deferred Tax Income		50,064,120	4,184,733
Net Profit After Tax Transferred to Statement of Changes in Equity		Tk. 489,261,764	329,375,780
Earnings Per Share (of Tk. 10 /- each)	38	Tk. 6.36	4.71
Number of shares used to compute EPS		76,878,446	69,970,312

The Notes are integral part of the Financial Statements.

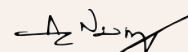
Approved and authorised for issue by the board of directors on 30 April 2006 and signed for and on behalf of the Board :



Salman F Rahman
Vice Chairman



O. K. Chowdhury
Director



Ali Nawaz
Chief Finance Officer

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

BEXIMCO PHARMACEUTICALS LIMITED

Statement of Changes in Equity

For the year ended 31 December 2005

	Share Capital	Share Premium	Excess of Issue Price over Face Value of GDRs	Tax Holiday Reserve	Capital Reserve	Retained Earnings	Total
At 01.01.2004	508,875,000	1,489,750,000		1,090,052,509		1,507,743,468	4,596,420,977
Net Profit After Tax for 2004						329,375,780	329,375,780
Tax Holiday Reserve provided for 2004				99,574,755		(99,574,755)	-
Tax Holiday reserve no longer required				(744,272,216)		744,272,216	-
Issue of Bonus Shares for Prior Period (2003)	50,887,500					(50,887,500)	-
Cash Dividend of Prior Period (2003)						(50,887,500)	(50,887,500)
Dividend Distribution Tax of Prior Period (2003)						(5,088,750)	(5,088,750)
Effect of Changes in Accounting Policies						(33,807,849)	(33,807,849)
Restated Balance on 01.01.2005	559,762,500	1,489,750,000	-	445,355,048	-	2,341,145,110	4,836,012,658
Net Profit After Tax for 2005						489,261,764	489,261,764
Tax Holiday Reserve provided for 2005 (Note : 39)				117,823,763		(117,823,763)	-
Capital Reserve on amalgamation of BIL with BPL (Note : 16)					294,950,950		294,950,950
Tax Holiday Reserve no longer required				(148,629,812)		148,629,812	-
Exchange of BPL shares for BIL shares in 2005	59,512,500						59,512,500
Issue of Bonus Shares for Prior Period (2004)	139,940,620					(139,940,620)	-
Cash Dividend of Prior Period (2004)						(27,988,125)	(27,988,125)
Shares issued against GDR in 2005	200,000,000		969,175,305				1,169,175,305
At the end of year 2005	Tk. 959,215,620	1,489,750,000	969,175,305	414,548,999	294,950,950	2,693,284,178	6,820,925,052

Total Number of shares	95,921,562
Shareholders' Equity per share	Tk. 71.11

The Notes are integral part of the Financial Statements.

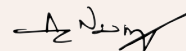
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Salman F Rahman
Vice Chairman



O. K. Chowdhury
Director



Ali Nawaz
Chief Finance Officer

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

Dhaka
30 April, 2006

BEXIMCO PHARMACEUTICALS LIMITED
Cash Flow Statement
For the year ended 31 December 2005

	2005	2004
Cash Flows from Operating Activities :		
Cash Receipts from Customers and Others	3,303,531,937	2,372,385,819
Cash Paid to Suppliers and Employees	(2,754,388,271)	(2,103,959,720)
Cash Generated from Operations	549,143,666	268,426,099
Interest Paid	(202,541,434)	(157,393,995)
Income Tax Paid	(34,977,184)	(28,079,483)
Net cash Generated from Operating Activities	311,625,048	82,952,621
Cash Flows from Investing Activities :		
Acquisition of Property, Plant and Equipment	(908,660,504)	(290,232,620)
Amalgamation Expenditures (Note: 16)	(8,311,848)	-
Disposal of Property, Plant and Equipment	3,844,428	1,155,218
Net cash Used in Investing Activities	(913,127,924)	(289,077,402)
Cash Flows from Financing Activities :		
Net Increase in Long Term Borrowings	65,200,780	78,212,767
Issue of Shares against GDR	200,000,000	-
Net Excess of Issue Price over Face Value of GDRs (Note : 15)	969,175,305	-
Net (Decrease)/Increase in Short Term Borrowing from Banks	(180,510,567)	182,038,263
Dividend Paid	(34,318,673)	(51,028,814)
Net Cash Generated from Financing Activities	1,019,546,845	209,222,216
Increase in Cash and Cash Equivalents	418,043,969	3,097,435
Cash and Cash Equivalents at Beginning of Year	8,009,302	4,911,867
Cash and Cash Equivalents of BIL obtained on amalgamation	2,509,959	-
Cash and Cash Equivalents at end of Year	Tk. 428,563,230	8,009,302

The Notes are integral part of the Financial Statements.

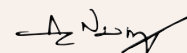
Approved and authorised for issue by the board of directors on 30 April 2006 and signed for and on behalf of the Board :



Salman F Rahman
Vice Chairman



O. K. Chowdhury
Director



Ali Nawaz
Chief Finance Officer

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

Dhaka
30 April, 2006

BEXIMCO PHARMACEUTICALS LIMITED

Notes to the Financial Statements

31 December, 2005

1. Incorporation and Background

Beximco Pharmaceuticals Limited (BPL/ the Company) was incorporated in Bangladesh as a Public Limited Company in the year 1976. It commenced its manufacturing operation in 1980. In 1985, the company went for public issue of shares in Bangladesh.

In 2005, BPL becomes a global company by issuing and listing its shares in the form of Global Depository Receipts (GDRs) on the Alternative Investment Market (AIM) of the London Stock Exchange.

Also during the year under review, the company took over, under a scheme of Amalgamation Beximco Infusions Ltd., a listed company of the Beximco Group engaged in manufacturing and marketing of intravenous fluids.

The shares of the Company are traded in Dhaka and Chittagong Stock Exchanges of Bangladesh and also in 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 Kathaldia, Auspara, Tongi, Gazipur.

2. Nature of Business Operations

The Company operates in a single industry segment. It is engaged in manufacturing and marketing of pharmaceuticals finished Formulation Products, Active Pharmaceutical Ingredients (APIs) and life saving Intravenous (I.V.) Fluids which it sells in the local as well as international markets. The company also provides contract manufacturing services.

3. Financial Statements - Its Preparation, Presentation and Disclosures

"Historical Cost" is the basis of preparation of Financial Statements while the presentation and disclosures of information are based on the relevant and applicable requirements of the "Companies Act 1994; Securities and Exchange Rules 1987; Listing Regulations of Dhaka and Chittagong Stock Exchanges; and Bangladesh Accounting Standards (BASs)" adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Financial Reporting Standards.

4. Reporting Currency and Level of Precision

The financial statements are presented in Bangladesh currency (Taka), which have been rounded off to the nearest Taka except where indicated otherwise.

5. Comparative Amounts

Wherever necessary, figures of the prior year has been re-arranged to conform to the current year's presentation.

6. Significant Accounting Policies And Valuation Principles

(a) The Accounting policies and methods of computation used in preparation of the financial statements for the year ended 31st December 2005 are consistent with those adopted in the financial statements for the year ended 31 December 2004, except for changes in accounting policies as explained in (b) below.

(b) Changes in Accounting Policies

The Company has changed its accounting policies in the case of leases from "Operating Lease" to "Finance Lease" and in the case of stock dividend from "inclusion to" to "exclusion from" income. Had these policies been not changed, the net profit before tax for the year would have been under by Tk.32,092,224.

(c) Revenue Recognition

Sales are recorded at the time of delivery of products along with issue of invoices.

In conformity with the requirements of provisions of BAS 18 "Revenue", VAT as included in sales price and collected on behalf of customers is not considered as "Revenue".

Dividend income on investment in shares has been recognized on approval of said dividend in the annual general meeting of relevant company.

(d) Property, Plant and Equipment

All property, plant and equipment is initially recorded at cost and depreciated over their expected useful life. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes. In respect of major projects involving construction, related pre-operational expenses form part of the value of asset capitalized. Expenses capitalized also include applicable borrowing cost. Expenditure incurred after the assets have been put into operation, such as repairs & maintenance, is normally charged off as revenue expenditure in the period in which it is incurred. In situation, where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

Software are generally charged off as revenue expenditure.

Fixed Assets include cost of assets (including exchange loss) acquired under finance lease.

On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and, any gain or loss on such disposal is reflected in the profit and loss account which is determined with reference to the net book value of the assets and the net sales proceeds.

(e) Depreciation on Property, Plant and Equipment

No depreciation is charged on land. In respect of all other fixed assets, depreciation is provided to amortize the cost of the assets after commissioning, over their expected useful economic lives. Depreciation is computed using the reducing balance method. Full year's depreciation is charged on additions and no depreciation is provided on retirement, irrespective of date of addition or retirement respectively.

The annual depreciation rates applicable to the principal categories of assets are:

Building and Other Construction	5% to 10%
Plant and Machinery	7.5% to 15%
Furniture & Fixtures	10%
Transport & Vehicle	20%
Office Equipment	10% to 50%

(f) Investment in Shares

This is valued at cost.

(g) Borrowing Costs

Borrowing costs relating to projects already in commercial operation are charged as expenses for the year under review. In respect of projects that have not yet commenced commercial production, borrowing costs are debited to capital work in progress.

(h) Inventories

Inventories are carried at the lower of cost and net realizable value. Cost is determined on weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

(i) Cash and Cash Equivalents

This comprises cash in hand and at banks.

(j) Income Taxes**Current Tax**

Current tax has been provided on the estimated taxable profit for the year under review @ 30%, being the tax rate applicable for publicly traded company. It also includes adjustments for earlier year's short/excess provision.

Deferred Tax

The company has adopted deferred tax in compliance with the provisions of Bangladesh Accounting Standard (BAS)-12 "Income Taxes". The Company's policy of recognition of deferred tax assets/liabilities is based on temporary differences (Taxable or deductible) between the carrying amount (Book value) of assets and liabilities for financial reporting purposes and its tax base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax and earnings per share (EPS).

(k) Leases

In compliance with the BAS 17 "Leases", cost of assets acquired under finance lease along with obligation there against have been accounted for as assets and liabilities respectively of the company, and the interest element has been charged as expenses.

(l) Cost of Post Employment Benefits

The Company's post employment benefits to eligible employees comprise of recognized contributory provident fund, unfunded gratuity and group insurance scheme. Assets of provident fund are held in a separate trustee administered fund as per the relevant rules and is funded by contributions from the employees and the company at pre-determined rates. Employees are entitled to gratuity benefit after completion of minimum five years of service in the company. The gratuity is calculated on the last basic pay and is payable at the rate of one month basic pay for every completed year of service. The company's contributions to the provident fund, gratuity and group insurance are charged off as revenue expenditure in the period to which the contributions relate.

(m) Share Premium

The balance in Share Premium Account shall be utilized in accordance with provisions of the Companies Act 1994 and as directed by the Securities and Exchange Commission in this respect.

The Section 57 of the Companies Act 1994 provides that the share premium account may be applied by the company :

- (a) in paying up unissued shares of the company to be issued to members of the company as fully paid bonus shares ;
- (b) in writing off the preliminary expenses of the company ;
- (c) in writing off the expenses of or the commission paid or discount allowed on any issue of shares or debentures of the company ; and
- (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debenture of the company.

In this respect, a statutory notification was issued in 1992 by the Controller of Capital Issues (now the Securities and Exchange Commission), allowing the above stated utilization of share premium including one additional purpose in adjusting or amortizing of intangible assets, subject to prior approval. The said notification also provides that the fund of the premium account is to be utilized in order of priority.

(n) Tax Holiday Reserve

This is being created out of tax holiday profit to invest in the same undertaking or in any new industrial undertaking or in stocks and shares of listed companies or in government bonds or securities or for other purposes as required by the Income Tax Ordinance 1984.

(o) Proposed Dividend

Dividend if any proposed by the board of directors for the year under review shall be accounted for after approval by the shareholders in the annual general meeting.

(p) Earnings Per Share (EPS)

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Weighted Average Number of Ordinary Shares Outstanding during the year

Basis of Computation

The basis of computation of number of shares is in line with the provisions of BAS 33 "Earnings Per Share". The logic behind this basis is, that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings. In contrast, other shares were issued against consideration in cash or in kind, and accordingly there is an increase in resources generating new earnings. Therefore, the total number of shares issued in 2005 has been multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the period.

(q) Foreign Currencies

The financial records of the company are maintained and the financial statements are stated in Bangladesh Taka. Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date.

Other monetary assets and liabilities, if any, denominated in foreign currencies at the balance sheet date are translated at the applicable rates of exchange ruling at that date. Exchange differences are charged off as revenue expenditure except exchange loss relating to obligation under lease which has been capitalized to relevant fixed assets being procured under the said obligation, as a requirement of the Companies Act 1994.

The rates of relevant foreign exchanges at year end are :

		2005	2004
1 US Dollar (\$)	=	Tk. 67.2500	59.6250
1 EURO ()	=	Tk. 78.9381	81.5374

7. Property, Plant and Equipment - Tk. 7,412,474,567

Particulars	Land	Building and Other Constructions	Plant and Machinery	Furniture and Fixtures	Transport and Vehicle	Office Equipment	Total
Cost							
At 01.01.2005	1,089,985,327	501,296,222	638,654,224	40,023,039	41,408,687	118,895,079	2,430,262,578
Additions out of BIL's amalgamation	14,961,444	86,445,073	472,067,695	8,499,879	25,700,483	44,334,360	652,008,934
Effect of changes in accounting policy for Leases	-	-	145,887,587	-	14,743,300	-	160,630,887
Additions during the year	-	8,543,035	10,659,015	5,774,302	25,292,952	13,978,581	64,247,885
Exchange Loss	94,366,839	-	13,048,609	-	-	310,766	107,726,214
Disposal during the year	-	-	(47,044,952)	(1,062,759)	(1,346,710)	(555,000)	(50,009,421)
Cost at 31 December, 2005	1,199,313,610	596,284,330	1,233,272,178	53,234,461	105,798,712	176,963,786	3,364,867,077
Accumulated Depreciation							
At 31 December, 2004	-	266,174,675	385,849,489	17,998,799	28,203,707	81,390,533	779,617,203
Additions out of BIL's amalgamation	-	30,919,948	228,187,004	3,457,096	10,067,341	23,616,203	296,247,592
Effect of changes in accounting policy for Leases	-	-	47,018,211	-	7,028,964	-	54,047,175
Depreciation during the year	-	27,086,312	74,184,469	3,199,325	12,334,425	10,853,896	127,658,427
Adjustment for assets disposed off	-	-	(44,285,999)	(214,684)	(1,173,423)	(402,254)	(46,076,360)
Accumulated Depreciation at 31 December, 2005	-	324,180,935	690,953,174	24,440,536	56,461,014	115,458,378	1,211,494,037
Net Book Value at 31 December, 2005	Tk. 1,199,313,610	272,103,395	542,319,004	28,793,925	49,337,698	61,505,408	2,153,373,040
Capital Work in Progress	Tk.						5,259,101,527
Carrying Value as on 31 December, 2005	Tk. 1,199,313,610	272,103,395	542,319,004	28,793,925	49,337,698	61,505,408	7,412,474,567

Assets includes lease hold assets of Tk. 1,336,389,964 at cost and Tk. 1,014,737,573 at written down value.

Capital Work in Progress is arrived at as follows :

	2005	2004
Opening Balance	4,392,597,712	4,135,897,148
Addition during the year	844,412,619	255,592,338
Exchange Loss	22,091,196	1,108,226
Tk.	<u>5,259,101,527</u>	<u>4,392,597,712</u>

8. Investment in Shares - Tk. 37,156,250

This Consists of :

a) 3,800,671 Shares of Tk. 10 Each of Padma Textile Mills Ltd.	36,156,250	36,156,250
b) 1 Share of Tk.1,000,000 Each of Central Depository Bangladesh Ltd. (CDBL)	1,000,000	1,000,000
	<u>Tk. 37,156,250</u>	<u>37,156,250</u>

The shares of the Padma Textile Mills Ltd. are listed in the Dhaka and Chittagong Stock Exchanges.

The market value of each share of Padma Textile Mills Ltd. as on 29th December, 2005 was Tk. 21.90 (on 31-12-04 Tk. 39.50) in the Dhaka Stock Exchange Ltd. and Tk. 22.10 (on 31-12-04 Tk. 40.40) in the Chittagong Stock Exchange Ltd.

The investment in 3,800,671 shares represents 6.25% of total 60,810,750 issued, subscribed and paid-up shares of Padma Textile Mills Ltd.

9. Inventories - Tk. 1,683,722,059

This consists of as follows :

Finished Goods	378,744,903	294,831,219
Work in Process	156,374,814	113,067,980
Raw Material	695,165,382	631,820,233
Packing Material	229,060,186	212,162,685
Laboratory Chemical	2,145,268	465,253
Literature & Promotional Material	18,745,269	9,456,983
Physician Sample	12,998,593	8,236,593
Raw & Packing Material in Transit	107,063,860	64,806,398
Stock of Stationery	1,874,526	1,569,863
Spares & Accessories	81,549,258	58,377,700
	<u>Tk. 1,683,722,059</u>	<u>1,394,794,907</u>

10. Accounts Receivable - Tk. 779,798,943

This is unsecured, considered good and is falling due within one year.

This includes receivable of Tk. 48,424,050 equivalent to US\$ 826,785 (on 31-12-2004 Tk. 45,146,352 equivalent to US \$ 795,717) against export sales.

This also includes Tk. 683,362,096 (on 31-12-2004 Tk. 487,675,820) due from I & I Services Ltd., the local distributor of the pharmaceutical products of the company and a "Related Party". The maximum amount due from that company during the year was Tk. 693,297,037 on 28-11-2005 (on 27-10-2004 Tk. 489,724,178).

This further includes Tk. 46,740,428 (2004 : Tk. 66,740,428) due against sale of plant & machinery.

No amount was due by the directors, managing agent, managers and other officers of the company and any of them severally or jointly with any other person.

11. Loans, Advances and Deposits - Tk. 603,764,931

This is unsecured, considered good and consists of as follows :

	2005	2004
Clearing & Forwarding	41,109,112	18,657,163
VAT	128,957,135	93,702,643
Claim Receivable	14,705,569	7,882,871
Security Deposit	10,231,066	8,948,772
Lease Deposit	23,635,890	25,242,790
Earnest Money	3,033,844	1,582,993
Bank Guarantee Margin	1,539,813	1,310,813
Employees	28,039,033	12,982,787
Rent Advance	1,627,297	1,169,260
Motor Cycle	68,811,816	30,581,337
Raw & Packing Material	233,898,656	212,153,433
Others	48,175,700	54,465,971
Tk.	<u>603,764,931</u>	<u>468,680,833</u>

(a) The maximum amount due from the officers during the year was Tk. 28,345,169 on 17.10.2005 (on 29.11.04 Tk. 13,042,512).

(b) No amount was due by the directors, managing agent, managers and other officers of the company and any of them severally or jointly with any other person, except as stated above.

(c) No amount was due by any related party.

12. Cash and Cash Equivalents - Tk. 428,563,230

This consists of as follows :

(a) Cash in Hand	529,884	771,836
(b) Imprest Cash	780,965	337,027
(c) Cash at Banks :		
(i) In Current Accounts	16,520,973	906,299
(ii) In FDR Accounts	402,301,370	-
(iii) In F.C. Accounts (Equivalent US\$ 125,353.72) (on 31-12-2004 US\$ 100,531)	8,430,038	5,994,140
	<u>427,252,381</u>	<u>6,900,439</u>
Tk.	<u>428,563,230</u>	<u>8,009,302</u>

13. Issued Share Capital - Tk. 959,215,620

This represents :

Authorized :

200,000,000 Ordinary Shares of Tk. 10/- each

Issued, Subscribed and Paid-up :

43,600,000 Ordinary Shares (2004: 23,600,000) of Tk. 10/- each fully paid-up in cash

46,370,312 Bonus Shares (2004: 32,376,250) of Tk. 10/- each

5,951,250 Shares of Tk. 10/- each issued in Exchange of Shares of Beximco Infusions Ltd.

95,921,562 Shares

Tk.	<u>2,000,000,000</u>	<u>1,000,000,000</u>
	436,000,000	236,000,000
	463,703,120	323,762,500
	59,512,500	-
Tk.	<u>959,215,620</u>	<u>559,762,500</u>

The movement of issued shares during the year 2005 is as follows :

	Number of Shares	Amount in Taka
(a) As on 01.01.2005	55,976,250	559,762,500
Issued in 2005 against :		
Bonus for 2004	13,994,062	139,940,620
Exchange of Shares of Beximco Infusions Ltd's Underlying Shares against GDRs	5,951,250 20,000,000	59,512,500 200,000,000
	<u>39,945,312</u>	<u>399,453,120</u>
Closing as at 31.12.2005	<u>95,921,562</u>	<u>959,215,620</u>

(b) Composition of Shareholding :

	2005		2004	
	No. of shares	%	No. of shares	%
Sponsors	21,471,970	22.38	15,082,122	26.94
Foreign Investors	20,870,436	21.76	763,808	1.36
ICB including ICB Investors Account	14,191,356	14.79	12,073,243	21.57
General Public and Institutions	39,387,800	41.07	28,057,077	50.13
	<u>95,921,562</u>	<u>100.00</u>	<u>55,976,250</u>	<u>100.00</u>

(c) Distribution Schedule :

Range of Holdings In number of shares	No. of Shareholders		% of Shareholders		No. of Shares		% of Share Capital	
	2005	2004	2005	2004	2005	2004	2005	2004
1 to 499	40,419	42,259	79.89%	83.27%	5,268,754	5,296,489	5.49%	9.46%
500 to 5,000	9,122	7,705	18.03%	15.18%	12,783,259	10,087,931	13.33%	18.02%
5,001 to 10,000	563	380	1.11%	0.75%	3,966,045	2,684,555	4.13%	4.80%
10,001 to 20,000	278	220	0.55%	0.43%	3,973,112	3,095,361	4.14%	5.53%
20,001 to 30,000	76	66	0.15%	0.13%	1,867,586	1,590,746	1.95%	2.84%
30,001 to 40,000	31	26	0.06%	0.05%	1,067,595	907,814	1.11%	1.62%
40,001 to 50,000	23	20	0.05%	0.04%	1,001,725	864,500	1.04%	1.54%
50,001 to 100,000	40	40	0.08%	0.08%	2,835,678	2,684,561	2.96%	4.80%
100,001 to 1,000,000	29	28	0.06%	0.06%	8,980,367	5,749,746	9.36%	10.27%
Over 1,000,000	10	6	0.02%	0.01%	54,177,441	23,014,547	56.49%	41.12%
Total	50,591	50,750	100.00%	100.00%	95,921,562	55,976,250	100.00%	100.00%

(d) Market Price :

The shares are listed in the Dhaka, Chittagong and London Stock Exchanges. On 29.12. 2005, each share was quoted at Tk. 57.80 (on 31.12.04 Tk. 92.10) in the Dhaka Stock Exchange Ltd. and Tk. 58.00 (on 31.12.04 Tk. 93.00) in the Chittagong Stock Exchange Ltd., and in London Stock Exchange at Tk. 74.88 equivalent to GBP 0.655 at 31.12.2005

(e) Option on unissued shares :

There is option regarding authorized capital not yet issued but can be used to increase the issued, subscribed and paid-up capital through the issuance of new shares against GDRs in the number of 6,666,667 (2004 : none).

14. Share Premium - Tk. 1,489,750,000

This is made-up as follows :

- (a) 590,000 shares issued in 1992 at the premium of Tk. 325/- per share
 (b) 1,180,000 shares issued in 1994 at the premium of Tk. 1,100/- per share

	2005	2004
	191,750,000	191,750,000
	<u>1,298,000,000</u>	<u>1,298,000,000</u>
Tk.	<u>1,489,750,000</u>	<u>1,489,750,000</u>

15. Excess of Issue Price over Face Value of GDRs - Tk. 969,175,305

This represents the issue price of 20,000,000 GDRs at Tk. 1,397,400,000 net of face value of underlying shares against GDRs and GDR expenses.

16. Capital Reserve - Tk. 294,950,950

This is created out of amalgamation of Beximco Infusions Ltd. (BIL) with the company and is arrived as follows :

Shareholders' Equity of BIL as on 1 January 2005	336,941,728
Prior years adjustment for changes in accounting policy	31,583,570
Cash Dividend	(5,750,000)
Shares of BPL issued in exchange of shares of BIL at 4.5 BPL shares for 1 BIL share	(59,512,500)
Amalgamation Expenses	(8,311,848)
Tk.	<u>294,950,950</u>

Pursuant to a Scheme of amalgamation of Beximco Infusions Limited (BIL) with the Company approved by the High Court Division of the Supreme Court of Bangladesh on 14 June 2005, the assets, liabilities, rights, benefits and obligations of BIL as of 1 January 2005 were deemed to have been transferred to the company on 1 July 2005. The shares of the Company were issued on 10 July 2005 in exchange for the shares of BIL after approval by SEC and the shareholders of the Company and BIL. On 11 July 2005, the BIL ceased to exist; and the listing of BIL shares with DSE and CSE were cancelled. The excess of the assets over liabilities of BIL and amalgamation expenses thereof were transferred to Capital Reserve on amalgamation.

17. Tax-Holiday Reserve - Tk. 414,548,999

This has been provided for as per provisions of the Income Tax Ordinance, 1984 which is arrived at as follows :

Opening Balance	445,355,048	1,090,052,509
Add: Provided during the year (Note : 39)	117,823,763	99,574,755
Less : Tax Holiday Reserve no longer required	(148,629,812)	(744,272,216)
Tk.	<u>414,548,999</u>	<u>445,355,048</u>

18. Long Term Borrowing (Secured) - Tk. 1,387,455,909

This Consists of :

- (a) Project Loan
- (b) Interest and PAD
- (c) Obligation to Shamil Bank under Lease
- (d) Obligation Under other Finance Lease

	2005	2004
	1,182,785,716	750,486,906
	148,209,229	200,627,709
	-	913,653,134
	56,460,964	54,581,902
Tk.	<u>1,387,455,909</u>	<u>1,919,349,651</u>

(a) Project Loan

This loan was sanctioned under the consortium arrangement of Janata Bank, Sonali Bank, Agrani Bank, Rupali Bank and United Commercial Bank Ltd. for the US FDA standard oral solid dosages facility of the company. Janata Bank was the lead bank to the consortium.

This Loan is secured against :

- (i) First (registered mortgage) charge on paripassu basis with the participating banks on 1,112.82 decimals of land along with the building and other construction to be built thereon at Kathaldia and Aushpara of Gazipur; and
- (ii) First paripassu charge by way of hypothecation on all assets of the company both present and future.
- (iii) This Loan, carrying interest at 11% to 13% per annum, is repayable in half-yearly installments by 2012. The first installment date is yet to be fixed.

(b) Interest and PAD

This represents PAD and blocked interest of Janata Bank to be paid in quarterly installments over a period of 7(seven) years ending by 30.04.2011.

19. Liability for Gratuity & WPPF - Tk. 190,053,550

This consists of payable to the permanent employees at the time of separation from the company and Loan from Workers' Profit Participation/Welfare Funds as detailed below :

(a) Gratuity Payable

Opening Balance	67,963,396	59,454,204
Additions out of BIL amalgamation	5,175,566	-
Provided during the year	16,030,813	11,049,142
	89,169,775	70,503,346
Paid during the year	(5,571,721)	(2,539,950)

Tk.	<u>83,598,054</u>	<u>67,963,396</u>
	106,455,496	90,632,215
Tk.	<u>190,053,550</u>	<u>158,595,611</u>

(b) Loan from Workers' Profit Participation/Welfare Funds

20. Deferred Tax Liability - Tk. 45,220,901

This is arrived at as follows:

	2005	2004
Opening Balance	43,008,809	47,193,542
Additions out of BIL amalgamation	52,276,212	-
Deferred Tax Income for the year (Note : 37)	(50,064,120)	(4,184,733)
	<u>Tk. 45,220,901</u>	<u>43,008,809</u>

21. Short Term Borrowing from Banks - Tk. 1,062,011,192

This represents :

(a) Janata Bank :		
Cash Credit-Pledge	152,305,681	158,595,289
Cash Credit-Hypothecation	582,349,567	639,130,578
LIM	218,200,735	237,836,094
(b) Citibank NA	40,853,947	55,993,037
(c) Standard Chartered Bank	18,301,262	30,355,906
(d) IPDC	50,000,000	-
	<u>Tk. 1,062,011,192</u>	<u>1,121,910,904</u>

22. Long Term Borrowing-Current Maturity - Tk. 1,066,030,957

This consists of as follows and is payable within next twelve months from the Balance Sheet date :

Interest & PAD	92,679,968	69,772,113
Obligation to Shamil Bank under Lease	921,329,543	-
Project Loan	-	186,407,266
Obligation under Finance Lease	52,021,446	42,268,943
	<u>Tk. 1,066,030,957</u>	<u>298,448,322</u>

Obligation to Shamil Bank under Lease

Pursuant to a Settlement Agreement dated 20 June 2005, a sum of US\$ 13,500,000 is due to Shamil Bank of Bahrain EC of Bahrain, payable in two installments by December 2006. This lease finance represents assets acquired for various expansion projects of the company.

23. Creditors and other Payables - Tk. 216,660,743

This consists of :

Trade Creditors	103,097,124	80,912,808
Provident Fund	88,291,329	70,651,017
Customs Debenture	-	1,758,387
Others	25,272,290	53,126,166
	<u>Tk. 216,660,743</u>	<u>206,448,378</u>

These are unsecured, and falling due within one year.

24. Accrued Expenses - Tk. 101,859,834

This is falling due within one year and consists of as follows :

For expenses - Unsecured

Workers' Profit Participation/ Welfare Funds (current year's provision)

	2005	2004
	77,591,501	30,786,878
	24,268,333	15,929,409
Tk.	<u>101,859,834</u>	<u>46,716,287</u>

25. Income Tax Payable - Tk. 54,431,402

This is arrived at as follows :

Opening Balance

Additions out of BIL amalgamation

Tax provided in 2005 (Note : 37)

Shortfall in tax provision of earlier years

Tax paid (including advance tax) during the year

	26,940,217	26,549,717
	16,299,343	-
	43,217,283	28,469,983
	2,951,743	-
	89,408,586	55,019,700
	<u>(34,977,184)</u>	<u>(28,079,483)</u>
Tk.	<u>54,431,402</u>	<u>26,940,217</u>

26. Net Sales Revenue - Tk. 3,327,022,574

This represents net sales and consists of as follows :

Local Sales

Export Sales - US \$ 1,395,584 (in 2004 US\$ 1,346,319)

Sales represent :

Tablet & Capsules

Pcs

Bottles & Tubes

Pcs

Basic Chemicals

Kg.

IV Fluids

Bottles

	3,238,165,045	2,323,215,567
	88,857,529	79,485,395
Tk.	<u>3,327,022,574</u>	<u>2,402,700,962</u>
	1,559,743,959	1,379,534,655
	25,760,260	24,936,127
	-	350
	8,993,424	-

27. Cost of Goods Sold - Tk. 1,768,522,363

	Notes	2005	2004
This is made-up as follows :			
Work-in-Process (Opening)		113,067,980	90,349,959
Additions out of BIL amalgamation		11,302,636	-
Raw Material Consumed	28	997,493,949	787,768,299
Packing Material Consumed	29	528,516,245	332,424,935
Laboratory Chemical Consumed	30	8,169,985	5,962,199
		1,658,550,795	1,216,505,392
Work-in-Process (Closing)		(156,374,814)	(113,067,980)
TOTAL CONSUMPTION		1,502,175,981	1,103,437,412
Factory Overhead	31	338,892,462	260,322,163
COST OF PRODUCTION		1,841,068,443	1,363,759,575
Finished Goods (Opening)		294,831,219	387,269,598
Additions out of BIL amalgamation		26,412,684	-
Finished Goods Purchase		3,200,254	-
Finished Goods Available		2,165,512,600	1,751,029,173
Transfer of Bulk Chemicals to Formulation Raw Material Inventory		-	(66,424,989)
Finished Goods (Closing)		(378,744,903)	(294,831,219)
		1,786,767,697	1,389,772,965
Cost of Physician Sample		(18,245,334)	(10,843,584)
	Tk.	<u>1,768,522,363</u>	<u>1,378,929,381</u>

Item wise quantity and value of Finished Goods Stock are as follows :

Item	Unit	Quantity	Value
Stock as on 01-01-05			
Tablet & Capsule	Pcs	299,836,507	210,437,857
Bottle & Tube	Pcs	4,284,995	81,926,173
Basic Chemicals	Kg.	2,372	2,467,189
			Tk. <u>294,831,219</u>
Stock as on 31-12-05			
Tablet & Capsule	Pcs	302,731,794	235,154,176
Bottle & Tube	Pcs	6,997,074	111,789,537
Basic Chemicals	Kg.	2,372	2,467,189
IV Fluids	Bottles	2,580,489	29,334,001
			Tk. <u>378,744,903</u>

28. Raw Material Consumed - Tk. 997,493,949

This is made-up as follows :

Opening Stock		631,820,233	400,129,288
Additions out of BIL amalgamation		6,331,275	-
Purchase (including transferred Bulk Chemicals)		1,054,507,823	1,019,459,244
Closing Stock		(695,165,382)	(631,820,233)
	Tk.	<u>997,493,949</u>	<u>787,768,299</u>

Item wise quantity and value :

		2005	2004
		TOTAL(Qnty)	TOTAL(Value)
Opening Stock	Kg	1,183,477	616,557,513
	Ltr.	3,761	3,775,925
	Unit	70,456,902	11,486,795
			631,820,233
Additions out of BIL amalgamation	Kg	46,053	6,331,275
Add : Purchase	Kg	3,385,414	1,031,029,459
	Ltr.	2,046	1,364,484
	Unit	125,013,798	22,113,880
			1,054,507,823
Less : Closing Stock	Kg	1,474,913	677,434,382
	Ltr.	3,711	3,838,111
	Unit	81,104,142	13,892,889
			695,165,382
Consumption	Kg	3,140,031	976,483,865
	Ltr.	2,096	1,302,298
	Unit	114,366,558	19,707,786
			997,493,949

Raw material consumed is approximately 78% imported.

29. Packing Material Consumed - Tk. 528,516,245

This is made-up as follows :

Opening Stock		212,162,685	118,233,247
Additions out of BIL amalgamation		19,520,501	-
Purchase		525,893,245	426,354,373
Closing Stock		(229,060,186)	(212,162,685)
	Tk.	<u>528,516,245</u>	<u>332,424,935</u>

Packing material consumed is approximately 46% imported.

Particulars in respect of quantity of each packing material as well as value of each class of packing material are not given as the number of items as well as classes of items are numerous.

30. Laboratory Chemical Consumed - Tk. 8,169,985

This is made-up as follows :

	2005	2004
Opening Stock	465,253	395,921
Additions out of BIL amalgamation	1,193,992	-
Purchase	8,656,008	6,031,531
Closing Stock	<u>(2,145,268)</u>	<u>(465,253)</u>
	Tk. 8,169,985	5,962,199

Particulars in respect of quantity of each laboratory chemical as well as value of each class of laboratory chemical are not given as the number of items as well as classes of items are numerous.

31. Factory Overhead - Tk. 338,892,462

This consists of as follows :

Salary & Allowances (including welfare expenses, retiral benefit and contract labour)	134,469,797	101,417,546
Repairs & Maintenance	39,456,949	27,632,150
Insurance Premium	6,498,801	4,320,384
Municipal Tax & Land Revenue	620,390	410,228
Advertisement & Subscription	175,410	172,297
Traveling & Conveyance	1,310,215	1,311,389
Entertainment	507,828	198,437
Research and Development	16,710,265	15,092,887
Printing & Stationary	3,171,742	2,871,120
Telephone & Postage	1,738,720	1,455,375
Toll Charge/ (income) - Net	3,917,000	(3,647,292)
Electricity, Gas & Water	16,901,507	9,406,726
Other Expenses	5,938,553	7,691,541
Depreciation	<u>107,475,285</u>	<u>91,989,375</u>
	Tk. 338,892,462	260,322,163

- Salary and allowances include Company's Contribution to provident fund of Tk. 2,169,838 (in 2004 Tk. 1,809,995).
- In 2005, all the 603 factory employees received annual salary and allowances of Tk. 36,000 and above.
- The value of imported stores and spares consumed is Tk. 5,136,590 (in 2004 Tk. 4,035,791) which is 42% (46% in 2004) of total stores and spares consumed as included in repairs & maintenance.
- Other expenses does not include any item exceeding 1% of total revenue.

32. Administrative Expenses - Tk. 119,006,535

This consists of as follows :

	2005	2004
Salary & Allowances (including welfare expenses and retiral benefit)	60,096,658	43,191,044
Rent Expenses	5,062,150	4,241,545
Repairs & Maintenance	8,141,534	6,359,844
Donation & Subscription	1,522,742	842,035
Traveling & Conveyance	7,074,211	4,884,470
Entertainment	1,805,972	1,148,491
Printing & Stationary	1,099,500	767,733
Auditors' Remuneration	300,000	200,000
Telephone & Postage	3,273,840	2,781,576
Electricity, Gas & Water	3,552,365	3,122,254
Legal & Consultancy Fee	3,350,442	1,439,358
AGM and Company Secretarial Expenses	13,759,040	9,941,472
Other Expenses	1,678,042	1,511,700
Depreciation	8,290,039	6,266,812
Tk.	<u>119,006,535</u>	<u>86,698,334</u>

- (a) Salary and allowances include provident fund contribution of Tk. 1,222,163 (in 2004 Tk. 919,146).
- (b) In 2005, all the 88 employees of head office (excluding employees relating to selling and distribution) received annual salary and allowances of Tk. 36,000 and above.
- (c) Auditors' remuneration represents audit fee for auditing the accounts for the year 2005.

33. Selling and Distribution Expenses - Tk. 715,141,958

This consists of as follows :

	2005	2004
Salary & Allowances (including welfare expenses and retiral benefit)	229,720,919	131,438,824
Rent Expenses	14,174,590	12,026,348
Repairs & Maintenance	12,531,386	11,281,416
Traveling & Conveyance	112,894,909	56,870,392
Entertainment	1,769,800	1,499,916
Printing & Stationary	9,179,084	6,018,420
Telephone & Postage	8,177,292	7,794,438
Electricity, Gas & Water	3,012,474	2,748,366
Market Research & New Products	31,002,585	12,807,376
Training & Conference	18,679,751	7,956,113
Sample Expenses	34,687,667	14,232,342
Promotional Expenses	67,568,237	28,383,518
Literature/News Letter	43,429,760	24,718,107
Export Expenses	7,922,655	4,850,415
Distribution Commission	99,483,680	47,212,748
Depreciation	11,893,102	3,134,163
Other Expenses	9,014,067	7,782,497
Tk.	<u>715,141,958</u>	<u>380,755,399</u>

- (a) Salary and allowances include provident fund contribution of Tk. 5,357,062 (in 2004 Tk. 4,218,457).

- (b) In 2005, all the 1,266 employees relates to selling and distribution received annual salary and allowances of Tk. 36,000 and above.
- (c) Distribution commission represents 3% of sales other than export sales which has been paid to the I & I Services Ltd., the local distributor of the company and a related party.

34. Other Income - Tk. 7,232,609

This is arrived at as follows :

	2005	2004
Interest Income	2,873,370	-
Cash Dividend received on investment in shares of Padma Textile Mills Ltd.	1,520,269	2,895,750
Exchange gain on retention quota (F.C.) accounts	1,169,216	399,385
Liability against Customs Debenture Written off	1,758,387	-
(Loss)/Profit on sale of Fixed Assets	(88,633)	555,871
Tk.	<u>7,232,609</u>	<u>3,851,006</u>

35. Finance Cost - Tk. 221,949,324

This is made-up as follows :

Interest on Cash Credit and others	202,541,434	175,918,104
Interest on loan from PF and WPP & Welfare Fund	19,407,890	14,660,311
Tk.	<u>221,949,324</u>	<u>190,578,415</u>

36. Contribution To Workers' Profit Participation / Welfare Funds - Tk. 24,268,333

This represents 5% of net profit before tax after charging the contribution as per provisions of the Companies Profit (Workers' Participation) Act, 1968 and is payable to workers as defined in the said Act.

37. Income Tax (Income)/Expenses - Tk. (3,895,094)

This consists of as follows :

(a) Current Tax		46,169,026	28,469,983
(b) Deferred Tax Income	Note 6 (j) & 20	(50,064,120)	(4,184,733)
		<u>(3,895,094)</u>	<u>24,285,250</u>
Current Tax consists of as Follows :			
Tax for the year under review		43,217,283	28,469,983
Short provision of Tax relating to earlier years		2,951,743	-
Tk.		<u>46,169,026</u>	<u>28,469,983</u>

38. Earnings Per Share (EPS) :

	2005	2004
(a) Earnings attributable to the Ordinary Shareholders (Net profit after Tax)	Tk. 489,261,764	329,375,780
(b) Weighted average number of Ordinary Shares outstanding during the year	76,878,446	69,970,312
Earning Per Share (EPS)	Tk. <u>6.36</u>	<u>4.71</u>

The definition of numerator (Earnings) and denominator (Weighted average number of shares) is stated in Note-6 (p).

39. Tax-Holiday Reserve - Tk. 117,823,763

This represents 40% of net profit of the Tax-Holiday units.

40. Related Party Transactions :

The Company carried out a number of transactions with related parties in the normal course of business and on arms length basis. The nature of transactions and their total value is shown below :

Name of Related Parties	Nature of Transactions	Value of Transaction in 2005	Balance at year end
(a) I & I Services Ltd.	(a) Local Distribution	3,777,772,309	683,362,096
(b) I & I Services Ltd.	(b) Distribution Commission	99,483,680	-
(c) Padma Textile Mills Ltd.	(c) Dividend Income	1,520,269	-

41. Particulars of Disposal of Property, Plant and Equipment

The following assets were disposed off :
During The Year Ended 31-12-05 :

PARTICULARS OF ASSETS	COST	DEP.UPTO 31-12-04	W.D.V. AS ON 31-12-04	SALES PRICE	PROFIT/ (LOSS)	NAME OF PARTIES	MODE OF DIS- POSAL
Motor Cycle RX-100 C.C.	44,570	16,045	28,525	41,700	13,175	Anwar Motor Bike & Engg.	Tender
Hero Motor Cycle 100 C.C.	55,035	43,893	11,142	33,000	21,858	Mr. Gulam Rosul	Tender
Motor Cycle	13,333	12,187	1,145	17,100	15,955	Anwar Motor Bike & Engg.	Tender
Motor Cycle	22,528	20,109	2,419	5,100	2,681	Anwar Motor Bike & Engg.	Tender
Toyota Corolla TX	485,414	433,293	52,121	210,000	157,879	Mr. Faisal Khair Chow.	Tender
Toyota Corolla Station Wagon	365,416	326,180	39,236	170,500	131,264	Mr. Sabbir Hossain Khan	Tender
Toyota EL 30 Tarses	360,414	321,715	38,699	125,300	86,601	Jamal Automobile	Tender
Photocopy Machine	140,000	77,881	62,119	15,000	(47,119)	Ramjan Ali Auto Center	Tender
Photocopy Machine	140,000	77,881	62,119	15,000	(47,119)	Ramjan Ali Auto Center	Tender
Machinery	47,044,952	44,285,999	2,758,954	2,530,000	(228,954)	Hasan Enterprise	Tender
Furniture	246,510	43,982	202,528	202,528	-	Mr. Mohd. Akhter Hussain	Negotiation
Furniture	100,000	10,000	90,000	90,000	-	Mr. Md. Nurul Islam	Negotiation
Furniture	445,199	61,620	383,579	350,000	(33,579)	Dr. M.A. Malek Chowdhury	Negotiation
Furniture	220,000	75,658	144,342	25,000	(119,342)	Faisal Tyre Store	Tender
Furniture	20,650	9,676	10,974	8,000	(2,974)	Faisal Tyre Store	Tender
Office Equipment	140,000	120,086	19,914	2,250	(17,664)	Faisal Tyre Store	Tender
Office Equipment	135,000	126,406	8,594	2,250	(6,344)	Faisal Tyre Store	Tender
Furniture	24,000	9,828	14,172	1,000	(13,172)	Faisal Tyre Store	Tender
Furniture	6,400	3,921	2,479	700	(1,779)	Faisal Tyre Store	Tender
Total:	Tk. 50,009,421	46,076,360	3,933,061	3,844,428	(88,633)		

42. Payment/Perquisites to Directors and Officers :

(a) The aggregate amounts paid to/ provided for the officers of the company as defined in the Securities and Exchange Rules 1987 are disclosed below :

	2005	2004
Managerial Remuneration	20,240,480	18,581,349
Gratuity	1,668,706	1,229,911
Company's Contribution to Provident Fund	1,779,048	1,211,458
Bonus	2,995,580	2,301,273
Perquisites :		
Housing	6,881,638	5,789,341
Transport	5,977,451	4,447,985
Medical	2,165,891	1,540,149
Telephone	2,501,781	1,770,752
Electricity, Gas & Water	1,746,468	1,252,839
Total	Tk. 45,957,043	38,125,057

(b) No compensation was allowed by the company to the Directors of the company.

(c) No amount of money was expended by the company for compensating any member of the board for special services rendered.

(d) No board meeting attendance fee was paid to the directors of the company.

43. Production Capacity, Actual Production in 2005 :

	Unit	Production Capacity		Actual Production		Excess/(Shortfall)	
		2005	2004	2005	2004	2005	2004
Solid Section	Tablet & Capsule (in million pcs)	1,336	1,336	1,789	1,542	453	206
Liquid Section	Bottle & Tube (in million pcs)	26	26	29	24	3	(2)
IV Fluid (Addition through BIL amalgamation)	Bottle	14	-	15	-	1	-

44. Capital Expenditure Commitment

The company has capital expenditure amounting US \$ 3,458,930 contracted but not incurred or provided for at 31 December 2005.

45. Finance Lease Commitment

At 31 December 2005, the company had annual commitment under finance leases as set out below :

Leases expire within 1 year	72,544,698
Leases expire within 2-5 years (inclusive)	79,066,900
Leases expire after five years	-
	Tk. <u>151,611,598</u>

46. Claim not Acknowledged as Debt

There was no claim against the company not acknowledged as debt as on 31.12.2005.

47. Un-availed Credit Facilities

The company has no credit facilities available to the company under any contract, other than trade credit available in the ordinary course of business and not availed of as on 31.12.2005.

48. Payments Made in Foreign Currency :

	Foreign Currency (Equivalent US\$)	Taka
Import of Machinery	3,285,590	212,117,678
Import of Raw & Packing Material and Spares	14,795,389	955,190,284

No other expense including royalty, technical expert and professional advisory fee, interest, etc. was incurred or paid in foreign currencies except as stated above.

49. Dividend Paid to the Non-resident Shareholders in 2005 :

- (a) Dividend for 2004 was declared on 02-06-2005 and therefore, dividend for 2004 was paid in 2005.
- (b) Dividend of Tk. 264,655 relating to the year 2004 was paid to 6 non-resident shareholders against 529,309 shares held by them.
- (c) No dividend was remitted in foreign currency but paid in local currency to their local custodian banks.

50. Foreign Exchange Earned :

- (a) Export Sales of US\$ 1,395,584 (in 2004 US\$ 1,346,319).
- (b) No other income including royalty, technical assistance and professional advisory fee, interest and dividend was earned or received in foreign currency.

51. Commission/Brokerage to selling agent :

No commission was incurred or paid to any sales agent nor any brokerage or discount other than conventional trade discount was incurred or paid against sales.

52. Post Closing Events :

Following events have occurred since the Balance Sheet date:

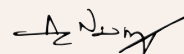
- (a) The company paid an amount of US\$ 800,000 equivalent to Tk. 56,285,000 against obligation to Shamil Bank under lease.
- (b) The directors recommended 15% cash dividend. The dividend proposal is subject to shareholders' approval at the forthcoming annual general meeting.
- (c) Company's short term borrowing to Shandard Chartered Bank has been fully settled after payment of last outstanding balance of Tk. 18,301,262.
- (d) Except the fact stated above, no circumstances have arisen since the balance sheet date which would require adjustment to, or disclosure in, the financial statements or notes thereto.



Salman F Rahman
Vice Chairman



O. K. Chowdhury
Director



Ali Nawaz
Chief Finance Officer



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