



## **BEXIMCO PHARMACEUTICALS LTD.**

### **News Release**

**OCTOBER, 21, 2005**

### **Beximco makes buoyant debut on London bourse British minister calls it a milestone event, great day for Bangladesh**



LONDON, Oct 21: In a major breakthrough in the private sector, Beximco Pharma today made its debut on the London Stock Exchange as trading started at 8 am making Beximco the first Bangladeshi company to be listed in the world's most prestigious bourse.

British Minister for Pension Reforms Stephen Timms who pressed an electronic button to signal the beginning of trading of Beximco Pharma shares called it a milestone event. " It is a great day for London and it is a great day for Beximco as well as for Bangladesh," said the UK minister while addressing the inaugural ceremony at the London Stock Exchange building. British government welcomes "this milestone event," he added.

Before launch the price of the issue was set at 60 pence, but just after the inauguration the price jumped to 67.5 pence marking a buoyant debut of the issue.

Among others, Beximco Group Chairman A S F Rahman, Vice Chairman Salman F Rahman, Group Director OK Chowdhury, CEO of Beximco Pharma Nazmul Hassan and top officials of the London Stock Exchange were present during the occasion.

The UK minister said that the listing of the Beximco Pharma in the LSE would also boost the image of Bangladesh. "It is the reflection of the country's impressive performance in the economic sector over the last few years; and companies like Beximco contributed to the growth," he observed.

This move will also strengthen the UK-Bangladesh relationship, he said hoping that other companies would be encouraged to come to London.

Addressing the ceremony Beximco Group Vice Chairman Salman F Rahman said that the entry of Beximco 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.

"Our country is suffering from an image crisis, but this event would reflect the true image of Bangladesh. We are the most populous country in the world and our country has the capacity to feed its nearly 150 million people. We are self sufficient in food production and we have a vibrant private sector that led the economic growth. We have success stories in micro-credit and in controlling population growth," Salman told the posh London audience.

"When I was approached by the LSE issue managers to be listed here, I laughed wondering how a Bangladeshi company would be listed in LSE. But when the issue managers visited our manufacturing plants in Bangladesh they certified those as a world class company," he said while narrating the background of the listing.

Later talking to newsmen Salman said that the Group was planning to list its textile division in the LSE . "It will take around one year to complete the procedure and I hope that the listing of Textiles would be more prospective," he added.

The books for subscription of the GDRs closed in London on October 6, 2005. A total of two crore GDRs were issued to raise around Tk 142 crore from international institutional investors to be utilised to add new manufacturing lines, new processes and repay foreign currency debt.

In addition, the company is expected to raise approximately another Tk 57 crore by issuing 6.6 lakh GDR warrants.

UNB adds: The listing of the company in the LSE would have a significant role to encourage other companies from Bangladesh to come here, the British Minister said.

He also recognised the contribution of Bangladeshi community in London for their significant role in the trade and economic growth of the two countries.

Salman F Rahman said the successful event reflected the private sector capacity of Bangladesh that could pass the stringent rules of listing a company in a stock exchange like LSE.

"There are success stories in Bangladesh, including a vibrant private sector, besides bad images portrayed by the natural disaster," he said.

He termed the event as the beginning of a long-term relationship between Beximco and the LSE and announced that the Bangladeshi corporate giant would soon bring their textile industry to the stock exchange.

Salman Rahman told the journalists after the meeting that the fund they raised through listing their stocks here would provide jobs for around 500 people in the country.

Replying to a question, he said the prices of Beximco shares both in the stock exchanges in Bangladesh as well as in the LSE would have co-relation as happened in the DSE and the CSE.

He urged the investors to keep confidence in the company so that it could offer "good dividends" to them.

Joining Alternative Investment Market (Aim) of the London Stock Exchange is expected to give the company extra visibility, improve the image of Bangladesh and shore up the confidence of foreign investors.

The money will be used to start producing for export to the least developed countries a range of innovative drugs developed by other pharmaceutical groups that are still protected by patents, including antiretrovirals to treat HIV, said the company.

Beximco, which reported a net income of around Tk 330 million on sales of Tk 2.77 billion last year, plans to invest in research and development so that it can begin by 2016, to innovate its own new drugs.

BDNEWS adds: Beximco Pharma CEO Nazmul Hasan said one of the main objectives of expanding its processes is to exploit the world market under the WTO regime where India and China have lost rights to patent copying.

Among the LDCs (least developed countries) allowed to copy the patent until 2015, only Bangladesh has vast experience in the pharmaceuticals and there is a huge prospect, he added.

BBC adds: Salman F Rahman noted, "international investors have seen our projections and they think the price of Beximco share will further rise in future. We have convinced the investors that not only this company is of good standard but Bangladesh now follows international standard. I think it is really a milestone for Beximco Pharma as well as for Bangladesh."

He added, "we are carrying out expansion work of our company. We have purchased machinery for our new factory. We will expand our capacity." "At present five per cent of our total sales is exported. We hope to export 30 per cent of our total sales in the next five years," Salman F Rahman said.

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