

APEX FOODS LIMITED

Rupayan Golden Age (5th & 6th Floor), 99 Gulshan Avenue, Gulshan, Dhaka-1212.

In compliance with the Notification No: SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009 of the Securities and Exchange Commission, we are pleased to forward herewith the un-audited First Quarterly (Q1) Financial Statements for the period ended on 30th September 2013 of the Company.

STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 30TH SEPTEMBER, 2013

STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE FIRST QUARTER ENDED ON 30TH SEPTEMBER, 2013

	Value in Taka '000'		
	As on 30.09.2013	As on 30.06.2013	Growth %
ASSETS			
Non-Current Assets:			
Property, Plant and Equipment	184,695	154,421	20
Machinery in Transit	-	32,033	
Investment	151,280	151,280	0
Immovable Property (At Cost)	12,040	12,040	0
Deferred Tax Assets	326	326	0
	348,341	350,100	(1)
Current Assets:			
Inventories	730,743	875,860	(17)
Trade Debtors	43,508	98,150	(56)
Advances, Deposits & Pre- Payments	67,627	55,735	21
Other Receivables	157,552	77,357	104
Cash & Cash Equivalents	278,259	301,451	(8)
	1,277,689	1,408,553	(9)
TOTAL ASSETS	1,626,030	1,758,653	(8)
EQUITY AND LIABILITIES			
Shareholder's Equity:			
Share Capital	57,024	57,024	0
Share Premium	209,088	209,088	0
Reserve and Surplus	141,084	145,717	(3)
Fair Valuation Surplus of Investments	106,030	106,030	0
	513,226	517,859	(1)
Non-Current Liabilities:			
Long Term Loan	112,500	112,500	0
	112,500	112,500	0
Current Liabilities:			
Working Capital Loan (Secured)	722,615	778,328	(7)
Long Term Loan-Current Maturity	31,523	65,817	(52)
Short Term Loan	86,490	124,377	(30)
Trade Creditors	66,774	54,259	23
Sundry Creditors	15,641	53,741	(71)
Income Tax Payable	63,033	47,789	32
Other Liabilities	14,228	3,983	257
	1,000,304	1,128,294	(11)
Total Liabilities	1,112,804	1,240,794	(10)
TOTAL EQUITY & LIABILITIES	1,626,030	1,758,653	
Net Asset Value Per Share	90.00	90.81	

	Value in Taka '000'		
	01.07.2013 to 30.09.2013	01.07.2012 to 30.09.2012	Growth %
TURNOVER	1,231,944	879,226	40
Cost of Goods Sold	1,151,784	803,259	43
GROSS PROFIT	80,160	75,967	6
OPERATING EXPENSES:	78,667	75,263	5
Administrative & Selling Overhead	50,201	50,307	(0)
Financial Expenses	28,466	24,956	14
OPERATING PROFIT	1,493	704	112
Other Income	20,481	17,018	20
PROFIT BEFORE PPF & WF	21,974	17,722	24
Provision for Contribution to PPF & WF	1,099	886	24
PROFIT BEFORE TAX	20,875	16,836	24
Provision for tax	15,244	11,847	29
NET PROFIT AFTER TAX	5,631	4,989	13
Other comprehensive income	-	-	-
TOTAL COMPREHENSIVE INCOME	5,631	4,989	13
Basic earning per share	0.99	0.87	13

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED ON 30TH SEPTEMBER, 2013

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 1st July 2013	57,024	209,088	51,163	93,947	607	106,030	517,859
Net Profit for the first quarter ended on 30th September 2013	-	-	-	5,631	-	-	5,631
Final dividend for the year 2012-13	-	-	-	(10,264)	-	-	(10,264)
As at 30th September 2013	57,024	209,088	51,163	89,314	607	106,030	513,226

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED ON 30TH SEPTEMBER, 2012

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 1st July 2012	57,024	209,088	51,163	89,622	607	143,937	551,441
Net Profit for the first quarter ended on 30th September 2012	-	-	-	4,989	-	-	4,989
Final dividend for the year 2011-12	-	-	-	(10,264)	-	-	(10,264)
As at 30th September 2012	57,024	209,088	51,163	84,347	607	143,937	546,166

STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE FIRST QUARTER ENDED ON 30TH SEPTEMBER, 2013

Value in Taka '000'

	Value in Taka '000'		
	01.07.2013 to 30.09.2013	01.07.2012 to 30.09.2012	Growth %
CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection from turnover	1,286,586	889,461	45
Other Income	20,481	17,018	20
Interest and other financial charges paid	(28,466)	(24,956)	14
Income tax paid	(11,661)	(9,169)	27
Payment for costs and expenses	(1,122,537)	(834,371)	35
Net cash generated from operating activities (a)	144,403	37,983	280
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property, Plant and Equipment acquired	(39,682)	(5,110)	677
Net cash used in investing activities (b)	(39,682)	(5,110)	677
CASH FLOWS FROM FINANCING ACTIVITIES:			
Working Capital Loan received/(repaid)	(55,713)	11,508	(584)
Long Term loan received/(repaid)	(34,294)	4,005	(956)
Short Term loan received/(repaid)	(37,887)	24,475	(255)
Dividend paid	(19)	(6)	217
Net cash generated from financing activities (c)	(127,913)	39,982	(420)
Net increase/(decrease) in cash and cash equivalents(a+b+c)	(23,192)	72,855	(132)
Cash & cash equivalents on opening	301,451	332,017	(9)
Cash & cash equivalents on closing	278,259	404,872	(31)
Net Operating Cash Flow Per Share	25.32	6.66	

Explanatory Notes:

- (1) These financial statements have been prepared under the historical cost convention and going concern basis.
- (2) No interim dividend paid during the interim period ended on 30th September 2013.
- (3) No diluted EPS is required to be calculated as there was no dilution during this period.
- (4) Last year's first quarterly figures have been re-arranged where considered necessary to conform to current quarter's presentation.
- (5) Figures were rounded-off to the nearest thousand Taka.
- (6) Revaluation surplus/(deficit) of investments and deferred tax have not been considered because it will be calculated and shown in the yearly financial statements.

Note: The details with selected notes of the published first quarterly financial statements can be available in the web-site of the Company. The address of the web-site is www.apexfoods.com

Sd/-
Zafar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S.K. Halder
Chief Financial Officer

SELECTIVE NOTES TO THE FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED ON 30.09.2013

	Value in Taka '000'		Value in Taka '000'	
	As on	As on	01.07.2013	01.07.2012
	<u>30.09.2013</u>	<u>30.06.2013</u>	to <u>30.09.2013</u>	to <u>30.09.2012</u>
1. PROPERTY, PLANT & EQUIPMENT:	<u>184,695</u>	<u>154,421</u>		
During the period machinery in transit has been installed and running smoothly.				
2. INVENTORIES:				
Shrimps	711,180	860,755		
Packing Materials, Chemical & Ingredients	<u>19,563</u>	<u>15,105</u>		
	<u>730,743</u>	<u>875,860</u>		
3. TRADE DEBTORS	<u>43,508</u>	<u>98,150</u>		
Trade debtors are considered good and subsequently realized in full.				
4. ADVANCES, DEPOSITS AND PREPAYMENTS:				
Advance against expenses	-	1,474		
Deposits & Prepayments	9,278	7,573		
Advance Income Tax	<u>58,349</u>	<u>46,689</u>		
	<u>67,627</u>	<u>55,735</u>		
The growth of 21% in Advance, deposits and pre-payments mainly due to advance tax deduction at Source on realised value of export, the rate is now 0.80%.				
5. OTHER RECEIVABLES:				
Insurance Claim Receivable	16,255	16,255		
Cash incentive Receivable	<u>141,297</u>	<u>61,102</u>		
	<u>157,552</u>	<u>77,357</u>		
The growth of 104% in Other receivables due to increase in cash incentive receivable from the Bank which will be received from bank time to time depending on their availability of fund from Bangladesh Bank.				
6. CASH AND CASH EQUIVALENTS:				
Cash in Hand:				
Head Office	103	88		
Factory Office	818	106		
	<u>921</u>	<u>194</u>		
Cash at Bank with:				
Agrani Bank, Agrabad Corporate Br. Chittagong.	22,043	22,003		
Arab Bangladesh Bank Ltd. Principal Br, Dhaka.	631	631		
Eastern Bank Ltd., Principal Branch, Dhaka	59	30		
The Hongkong & Shanghai Banking Corporation, Dhaka	1,204	1,175		
Dhaka Bank Ltd., Foreign Exchange Branch, Dhaka	10	10		
FDR with HSBC, Dhaka	86,944	82,555		
FDR with Eastern Bank Limited, Dhaka	11,431	52,837		
FDR with Dhaka Bank Limited, Dhaka	155,016	142,016		
	<u>277,338</u>	<u>301,257</u>		
	<u>278,259</u>	<u>301,451</u>		
7. WORKING CAPITAL LOAN:				
Against Hypothecation	106,467	161,887		
Against Pledge of Finished Goods	<u>616,148</u>	<u>616,441</u>		
	<u>722,615</u>	<u>778,328</u>		
The Working Capital loan was taken from Agrani Bank Ltd., Agrabad Corporate Br., Chittagong.				
8. LONG TERM LOAN-CURRENT MATURITY:	<u>31,523</u>	<u>65,817</u>		
This represents the term loan and Interest payable in next twelve months as per schedule of re-payment.				
9. SHORT TERM LOAN:				
Dhaka Bank Limited	86,490	92,978		
Liability for machinery with HSBC	-	31,399		
	<u>86,490</u>	<u>124,377</u>		
Short term loan with Dhaka Bank Limited represents the utilization of limit for procurement of Raw Materials. The Limit is 100 million.				
10. TRADE CREDITORS:	<u>66,774</u>	<u>54,259</u>		
Trade creditors represents the amount payable to the gher owners of Shrimps from whom we procure the shrimps.				
11. OTHER LIABILITIES:				
Unclaimed Dividend	14,228	3,983		
	<u>14,228</u>	<u>3,983</u>		
The growth of 257% due to dividend payable for 2012-13 which has been approved in AGM but not paid within this period.				
12. TURNOVER:			<u>1,231,944</u>	<u>879,226</u>
Turnover has been increased 40% as compared to the turnover of same period of last year due to our marketing strategy.				
13. COST OF GOODS SOLD:				
Opening Stock of Finished Goods			860,755	696,035
Add. Cost of Production-Note 14			<u>1,002,209</u>	<u>763,293</u>
			<u>1,862,964</u>	<u>1,459,328</u>
Less: Closing Stock of Finished Goods			<u>711,180</u>	<u>656,069</u>
			<u>1,151,784</u>	<u>803,259</u>
The increase of 43% in Cost of Goods Sold mainly due to the increase of Turnover.				
14. COST OF PRODUCTION:				
Raw Materials			944,158	717,932
Packing Material & Chemicals			21,746	16,904
Direct Labour			10,837	12,351
Factory Overhead			16,408	9,143
Depreciation			<u>9,060</u>	<u>6,963</u>
			<u>1,002,209</u>	<u>763,293</u>
The increase of 31% in Cost of production mainly due to the increase of Turnover.				
15. FINANCIAL EXPENSES:				
Interest			25,388	21,478
Charges			<u>3,078</u>	<u>3,478</u>
			<u>28,466</u>	<u>24,956</u>
The growth of 14% in interest is mainly due to the increase of utilization of more working capital.				
16. OTHER INCOME:			<u>20,481</u>	<u>17,018</u>
The growth of 20% is mainly due to more earnings of interest on FDRs.				
17. PROVISION FOR TAX:			<u>15,244</u>	<u>11,847</u>
The increase of 29% in provision for tax mainly due to the increase of tax deduction at source on realized value of export as our export growth is 40%.				
18. RELATED PARTY TRANSACTIONS:				
There was no transaction with the Associated Companies during the period.				

Sd/-
Zafar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S. K. Halder
Chief Financial Officer