

# 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 Bangladesh Securities and Exchange Commission, we are pleased to forward herewith the un-audited Third Quarterly (Q3) Financial Statements for the period ended on 31st March 2013 of the Company.

## STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 31ST MARCH, 2013

## STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2013

	Value in Taka '000'		
	As on 31.03.2013	As on 30.06.2012	Growth %
<b>ASSETS</b>			
<b>Non-Current Assets:</b>			
Property, Plant and Equipment	145,294	147,409	(1)
Investment	189,187	189,187	0
Immovable Properties	12,040	12,040	0
Deferred Tax Assets	410	410	0
	<b>346,931</b>	<b>349,046</b>	(1)
<b>Current Assets:</b>			
Inventories	664,826	715,872	(7)
Trade Debtors	56,715	82,036	(31)
Advances, Deposits & Pre- Payments	111,274	37,914	193
Other Receivables	91,328	54,530	67
Cash & Cash Equivalents	320,606	332,017	(3)
	<b>1,244,749</b>	<b>1,222,369</b>	2
<b>TOTAL ASSETS</b>	<b>1,591,680</b>	<b>1,571,415</b>	
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity:</b>			
Share Capital	57,024	57,024	0
Share Premium	209,088	209,088	0
Reserve and Surplus	143,675	141,392	2
Fair Valuation Surplus	143,937	143,937	0
	<b>553,724</b>	<b>551,441</b>	0
<b>Non-Current Liabilities:</b>			
Long Term Loan	120,000	142,500	(16)
	<b>120,000</b>	<b>142,500</b>	(16)
<b>Current Liabilities:</b>			
Working Capital Loan (Secured)	751,774	766,024	(2)
Long Term Loan-Current Maturity	48,617	14,186	243
Short Term Loan	5,086	-	100
Trade Creditors	22,564	39,504	(43)
Sundry Creditors	15,562	23,260	(33)
Income Tax Payable	69,553	31,164	123
Other Liabilities	4,800	3,336	44
	<b>917,956</b>	<b>877,474</b>	5
<b>Total Liabilities</b>	<b>1,037,956</b>	<b>1,019,974</b>	2
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,591,680</b>	<b>1,571,415</b>	
<b>Net Asset Value Per Share</b>	<b>97.10</b>	<b>96.70</b>	

	Value in Taka '000'					
	01.07.2012 to 31.03.2013		01.07.2011 to 31.03.2012		Growth %	
<b>ASSETS</b>						
<b>Non-Current Assets:</b>						
Property, Plant and Equipment	145,294	147,409	(1)			
Investment	189,187	189,187	0			
Immovable Properties	12,040	12,040	0			
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	<b>346,931</b>	<b>349,046</b>	(1)			
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<b>Total Liabilities</b>	<b>1,037,956</b>	<b>1,019,974</b>	2			
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,591,680</b>	<b>1,571,415</b>				
<b>Net Asset Value Per Share</b>	<b>97.10</b>	<b>96.70</b>				

## STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 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 2012	57,024	209,088	51,163	89,622	607	143,937	551,441
Net Profit for the nine months ended on 31st March 2013	-	-	-	12,547	-	-	12,547
Dividend for the year 2011-12	-	-	-	(10,264)	-	-	(10,264)
As at 31st March 2013	57,024	209,088	51,163	91,905	607	143,937	553,724

## STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 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 2011	57,024	209,088	51,163	87,309	607	-	405,191
Net Profit for the nine months ended on 31st March 2012	-	-	-	11,513	-	-	11,513
Dividend for the year 2010-11	-	-	-	(7,983)	-	-	(7,983)
As at 31st March 2012	57,024	209,088	51,163	90,839	607	-	408,721

## STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2013

Value in Taka '000'

	01.07.2012 to 31.03.2013	01.07.2011 to 31.03.2012	Growth %
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Collection from turnover	2,485,355	3,094,700	(20)
Other Income	41,364	24,063	72
Interest and other financial charges paid	(110,061)	(85,962)	28
Income tax paid	(28,887)	(23,158)	25
Payment for costs and expenses	(2,370,670)	(2,883,535)	(18)
<b>Net cash generated from operating activities (a)</b>	<b>17,101</b>	<b>126,108</b>	(86)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Property, Plant and Equipment acquired	(22,479)	(11,356)	98
Investment	-	2,847	(100)
<b>Net cash used in investing activities (b)</b>	<b>(22,479)</b>	<b>(8,509)</b>	164
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Working Capital Loan received/(repaid)	(14,250)	(34,002)	(58)
Long Term loan received/(repaid)	11,931	(11,081)	(208)
Short Term Loan received/(repaid)	5,086	(50,030)	(110)
Dividend paid	(8,800)	(7,426)	19
<b>Net cash generated from financing activities (c)</b>	<b>(6,033)</b>	<b>(102,539)</b>	(94)
<b>Net increase/(decrease) in cash and cash equivalents(a+b+c)</b>	<b>(11,411)</b>	<b>15,060</b>	(176)
Cash & cash equivalents on opening	332,017	277,168	20
<b>Cash &amp; cash equivalents on closing</b>	<b>320,606</b>	<b>292,228</b>	10
<b>Net Operating Cash Flow Per Share</b>	<b>3.00</b>	<b>22.11</b>	

### 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 31st March 2013.
- (3) Last years nine month's figures were rearranged where considered necessary to conform to current nine months presentation.
- (4) Figures were rounded-off to the nearest thousand Taka.
- (5) Notes to the financial statements are given where considered necessary.
- (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 nine months financial statements can be available in the web-site of the Company . The address of the web-site is [www.apexfoods.com](http://www.apexfoods.com)

Sd/-  
Zafar Ahmed  
Managing Director

Sd/-  
Ashim Kumar Barua  
Director

Sd/-  
S. K. Halder  
Chief Financial Officer

**NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED ON 31.03.2013**

	Value in Taka '000'	
	As on	As on
	31.03.2013	30.06.2012

**1. PROPERTY, PLANT & EQUIPMENT:** 145,294 147,409  
 During the period an amount of Tk. 2,02,32,514 has been invested in machinery and Tk. 22,46,115 has been invested for factory building.

**2. INVENTORIES:**

Shrimps	645,747	696,035
Stock of Packing Materials	<u>19,079</u>	<u>19,837</u>
	<u>664,826</u>	<u>715,872</u>

**3. TRADE DEBTORS** 56,715 82,036  
 Trade debtors are considered good and subsequently realized in full.

**4. ADVANCES, DEPOSITS AND PREPAYMENTS:**

Advance against Raw Materials	39,565	367
Advance to Employees	-	111
Deposits & Prepayments	5,587	6,095
Advance Income Tax	<u>66,122</u>	<u>31,341</u>
	<u>111,274</u>	<u>37,914</u>

The growth of 193% in Advance, deposits and pre-payments mainly due to advance to the raw suppliers and increase in tax deduction at Source. The rate TDS was 0.60% on realised value of export, now the rate has been increased to 0.80%.

**5. OTHER RECEIVABLES:**

Insurance Claim Receivable	16,255	16,255
Cash incentive Receivable	<u>75,073</u>	<u>38,275</u>
	<u>91,328</u>	<u>54,530</u>

The growth of 67% 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:**

<b>Cash in Hand:</b>		
Head Office	82	61
Factory Office	<u>211</u>	<u>61</u>
	<u>293</u>	<u>122</u>

<b>Cash at Bank with:</b>		
Agrani Bank, Agrabad Corporate Br. Chittagong.	22,262	22,800
Arab Bangladesh Bank Ltd. Principal Br. Dhaka.	633	641
Eastern Bank Ltd., Principal Branch, Dhaka	25	73
The Hongkong & Shanghai Banking Corporation, Dhaka	1,207	1,141
Dhaka Bank Ltd., Foreign Exchange Branch, Dhaka	11	1,331
FDR with HSBC, Dhaka	82,554	55,000
FDR with Eastern Bank Limited, Dhaka	52,009	76,911
FDR with Dhaka Bank Limited, Dhaka	<u>161,612</u>	<u>173,998</u>
	<u>320,313</u>	<u>331,895</u>
	<u>320,606</u>	<u>332,017</u>

**7. WORKING CAPITAL LOAN:**

Against Hypothecation	124,531	152,253
Against Pledge of Finished Goods	<u>627,243</u>	<u>613,771</u>
	<u>751,774</u>	<u>766,024</u>

The Working Capital loan was taken from Agrani Bank Ltd., Agrabad Corporate Br., Chittagong.

**8. LONG TERM LOAN-CURRENT MATURITY:** 48,617 14,186  
 The growth of 243% is due to term loan instalments and Interest payable in next twelve months as per schedule of re-payment.

**9. SHORT TERM LOAN:**

Dhaka Bank Limited	<u>5,086</u>	-
	<u>5,086</u>	-

The growth of 100% is due to utilization of limit for procurement of Raw Materials.

**10. TRADE CREDITORS:** 22,564 39,504  
 Trade creditors represents the amount payable to 8 parties against procurement of raw materials during the period.

**11. OTHER LIABILITIES:**

Unclaimed Dividend	<u>4,800</u>	<u>3,336</u>
	<u>4,800</u>	<u>3,336</u>

The growth of 44% due to dividend payable for 2011-12 which were not presented to the bank within 31.03.13 by Shareholders'.

Sd/-  
**Zafar Ahmed**  
 Managing Director

Sd/-  
**Ashim Kumar Barua**  
 Director

Sd/-  
**S. K. Halder**  
 Chief Financial Officer

**12. TURNOVER:** 2,460,034 3,120,388  
 Turnover has been decreased 21% ( i.e.from 3,120.39 million to 2,460.03 million) as compared to the turnover of same period of 2011-12 because of price fall in international markets due to prolonged financial crisis in Euro Zone and economic slowdown in USA, Canada, Australia and Russia, which are the main destination of Frozen Shrimp from Bangladesh.

**13. COST OF GOODS SOLD:**

Opening Stock of Finished Goods	696,035	899,966
Add: Cost of Production-Note 14	<u>2,141,521</u>	<u>2,721,144</u>
	<u>2,837,556</u>	<u>3,621,110</u>
Less: Closing Stock of Finished Goods	<u>645,747</u>	<u>734,735</u>
	<u>2,191,809</u>	<u>2,886,375</u>

The decrease of 24% in Cost of Goods Sold mainly due to the decrease of Turnover.

**14. COST OF PRODUCTION:**

Raw Materials	1,971,448	2,551,972
Packing Material & Chemicals	78,514	83,550
Direct Labour	35,193	32,597
Factory Overhead	32,873	29,922
Depreciation	<u>23,493</u>	<u>23,103</u>
	<u>2,141,521</u>	<u>2,721,144</u>

**15. FINANCIAL EXPENSES:**

Interest	97,915	73,050
Charges	<u>12,146</u>	<u>12,912</u>
	<u>110,061</u>	<u>85,962</u>

The growth of 28% in interest is mainly due to the increase of interest rate by Agrani Bank Limited.

**16. OTHER INCOME:**

Dividend income	5,787	3,852
Interest earned	<u>35,577</u>	<u>20,211</u>
	<u>41,364</u>	<u>24,063</u>

The growth of 72% is mainly due to more earnings of interest on FDRs as the FDR rate was higher as compared to the same period of 2011-12.

**17. PROVISION FOR TAX:** 38,389 24,444  
 The growth of 57% is mainly due to the rate of tax deduction at source on realised value of export which is presently 0.80% but it was 0.60% in 2011-12.

**18. RELATED PARTY TRANSACTIONS:**  
 There was no transaction with the Associated Companies during the period.