

APEX FOODS LIMITED

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

In compliance with the Notification No:SEC/CMRCD/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 2014 of the Company.

STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 31ST MARCH, 2014

	Value in Taka '000'		
	As on	As on	Growth %
	31.03.2014	30.06.2013	
ASSETS			
Non-Current Assets:			
Property, Plant and Equipment	175,145	154,421	13
Machinery in Transit	-	32,033	(100)
Investment	151,280	151,280	0
Immovable Properties	12,040	12,040	0
Deferred Tax Assets	326	326	0
	338,791	350,100	(3)
Current Assets:			
Inventories	576,994	875,860	(34)
Trade Debtors	-	98,150	(100)
Advances, Deposits & Pre- Payments	93,790	55,735	68
Other Receivables	187,128	77,357	142
Cash & Cash Equivalents	286,782	301,451	(5)
	1,144,694	1,408,553	(19)
TOTAL ASSETS	1,483,485	1,758,653	
EQUITY AND LIABILITIES			
Shareholders' Equity:			
Share Capital	57,024	57,024	0
Share Premium	209,088	209,088	0
Reserve and Surplus	148,365	145,717	2
Fair Valuation Surplus	106,030	106,030	0
	520,507	517,859	1
Non-Current Liabilities:			
Long Term Loan	97,500	112,500	(13)
	97,500	112,500	(13)
Current Liabilities:			
Working Capital Loan (Secured)	652,133	778,328	(16)
Long Term Loan-Current Maturity	31,523	65,817	(52)
Short Term Loan	57,382	124,377	(54)
Trade Creditors	17,899	54,259	(67)
Sundry Creditors	14,667	53,741	(73)
Income Tax Payable	87,279	47,789	83
Other Liabilities	4,595	3,983	15
	865,478	1,128,294	(23)
Total Liabilities	962,978	1,240,794	(22)
TOTAL EQUITY & LIABILITIES	1,483,485	1,758,653	
Net Asset Value Per Share	91.28	90.81	

STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2014

	Value in Taka '000'		
	01.07.2013 to 31.03.2014	01.07.2012 to 31.03.2013	Growth %
CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection from turnover	3,138,289	2,485,355	26
Other Income	35,376	41,364	(14)
Interest and other financial charges paid	(80,324)	(110,061)	(27)
Income tax paid	(39,393)	(28,887)	36
Payment for costs and expenses	(2,767,179)	(2,370,670)	17
Net cash generated from operating activities (a)	286,769	17,101	1,577
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property, Plant and Equipment acquired	(49,302)	(22,479)	119
Net cash used in investing activities (b)	(49,302)	(22,479)	119
CASH FLOWS FROM FINANCING ACTIVITIES:			
Working Capital Loan received/(repaid)	(126,195)	(14,250)	786
Long Term loan received/(repaid)	(49,294)	11,931	(513)
Short Term Loan received/(repaid)	(66,995)	5,086	(1,417)
Dividend paid	(9,652)	(8,800)	10
Net cash generated from financing activities (c)	(252,136)	(6,033)	4,079
Net increase/(decrease) in cash and cash equivalents(a+b+c)	(14,669)	(11,411)	29
Cash & cash equivalents on opening	301,451	332,017	(9)
Cash & cash equivalents on closing	286,782	320,606	(11)
Net Operating Cash Flow Per Share	50.29	3.00	

Sd/-
Zafar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S. K. Halder
Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2014

	Value in Taka '000'					
	01.07.2013 to 31.03.2014	01.07.2012 to 31.03.2013	Growth %	01.01.2014 to 31.03.2014	01.01.2013 to 31.03.2013	Growth %
TURNOVER	3,040,139	2,460,034	24	627,154	643,657	(3)
Cost of Goods Sold	2,818,011	2,191,809	29	570,190	539,026	6
GROSS PROFIT	222,128	268,225	(17)	56,964	104,631	(46)
OPERATING EXPENSES:	202,344	255,972	(21)	51,436	97,262	(47)
Administrative & Selling Overhead	122,020	145,911	(16)	26,851	41,706	(36)
Financial Expenses	80,324	110,061	(27)	24,585	55,556	(56)
OPERATING PROFIT	19,784	12,253	61	5,528	7,369	(25)
Other Income	35,376	41,364	(14)	8,671	11,432	(24)
PROFIT BEFORE PPF & WF	55,160	53,617	3	14,199	18,801	(24)
Provision for Contribution to PPF & WF	2,758	2,681	3	710	940	(24)
PROFIT BEFORE TAX	52,402	50,936	3	13,489	17,861	(24)
Provision for tax	39,490	38,389	3	10,728	15,314	(30)
NET PROFIT AFTER TAX	12,912	12,547	3	2,761	2,547	8
Other comprehensive income	-	-		-	-	
TOTAL COMPREHENSIVE INCOME	12,912	12,547	3	2,761	2,547	8
Basic earning per share	2.26	2.20	3	0.48	0.45	8

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2014

Particulars	Value in Taka '000'						
	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 nine months ended on 31st March 2014	-	-	-	12,912	-	-	12,912
Dividend for the year 2012-13	-	-	-	(10,264)	-	-	(10,264)
As at 31st March 2014	57,024	209,088	51,163	96,595	607	106,030	520,507

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2013

Particulars	Value in Taka '000'						
	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

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 2014.
- (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

SELECTIVE NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED ON 31.03.2014

	Value in Taka '000'	
	As on	As on
	31.03.2014	30.06.2013

1. PROPERTY, PLANT & EQUIPMENT: 175,145 154,421

During the period an amount of Tk. 4,34,01,366 has been invested in machinery mainly for one Gas and Diesel Generator and Tk.46,13,281 has been invested for factory building.

2. INVENTORIES:

Shrimps	557,500	860,755
Stock of Packing Materials	14,898	10,036
Stock of Chemical & Ingredients	4,596	5,069
	<u>576,994</u>	<u>875,860</u>

3. TRADE DEBTORS: 0 98,150
The decrease of 100% is due to there was no export bill receivable as on 31.03.2014.

4. ADVANCES, DEPOSITS AND PREPAYMENTS:

Advance Against Expenses	4,435	1,473
Deposits & Prepayments	4,374	7,341
Advance Income Tax	84,981	46,689
L/C Margin with Agrani Bank	-	232
	<u>93,790</u>	<u>55,735</u>

The growth of 68% in Advance, Deposits and Pre-payments mainly due to advance against expenses and increase in tax deduction at Source @ 0.80% on realised value of export as the export has been increased during the period.

5. OTHER RECEIVABLES:

Insurance Claim Receivable	16,255	16,255
Cash incentive Receivable	170,873	61,102
	<u>187,128</u>	<u>77,357</u>

The growth of 142% 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	107	88
Factory Office	228	106
	<u>335</u>	<u>194</u>

Cash at Bank with:

Agrani Bank, Agrabad Corporate Br. Chittagong.	22,416	22,003
Arab Bangladesh Bank Ltd. Principal Br, Dhaka.	629	631
Eastern Bank Ltd., Principal Branch, Dhaka	43	30
The Hongkong & Shanghai Banking Corporation, Dhaka	1,518	1,175
Dhaka Bank Ltd., Foreign Exchange Branch, Dhaka	8	10
FDR with HSBC, Dhaka	90,943	82,555
FDR with Eastern Bank Limited, Dhaka	-	52,837
FDR with Dhaka Bank Limited, Dhaka	170,890	142,016
	<u>286,447</u>	<u>301,257</u>
	<u>286,782</u>	<u>301,451</u>

7. WORKING CAPITAL LOAN:

Against Hypothecation	36,286	161,887
Against Pledge of Finished Goods	615,847	616,441
	<u>652,133</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: 31,523 65,817

Decrease of 52% is due to less amount of term loan payable in next twelve months as per schedule of re-payment.

9. SHORT TERM LOAN:

Dhaka Bank Limited	27,496	92,978
Liability for Machinery with HSBC	29,886	31,399
	<u>57,382</u>	<u>124,377</u>

The decrease of 54% is due to less utilization of limit for procurement of Raw Materials as the inflow of fund was good.

10. TRADE CREDITORS: 17,899 54,259

Trade creditors represents the amount payable to owner of the Ghers and price are fixed after bargaining on the respective day of the purchase.

11. SUNDRY CREDITORS: 14,667 53,741

The decrease of 73% in Sundry Creditors is mainly due to payment of the Parties of 2012-13 and new provision has been made for this financial statements.

12. OTHER LIABILITIES:

Unclaimed Dividend	4,595	3,983
	<u>4,595</u>	<u>3,983</u>

The growth of 15% due to dividend payable up to 2012-13 which were not presented to the bank within 31.03.14 by Shareholders'.

Sd/-
Zafar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S. K. Halder
Chief Financial Officer

Value in Taka '000'	
01.07.2013	01.07.2012
to	to
31.03.2014	31.03.2013

13. TURNOVER: 3,040,139 2,460,034

Turnover has been increased 24% (i.e.from 2,460.03 million to 3,040.14 million) as compared to the turnover of same period of 2012-13 due to extensive marketing.

14. COST OF GOODS SOLD:

Opening Stock of Finished Goods	860,755	696,035
Add. Cost of Production-Note 15	<u>2,514,756</u>	<u>2,141,521</u>
	<u>3,375,511</u>	<u>2,837,556</u>
Less: Closing Stock of Finished Goods	<u>557,500</u>	<u>645,747</u>
	<u>2,818,011</u>	<u>2,191,809</u>

The increase of 29% in Cost of Goods Sold mainly due to the increase of Turnover.

15. COST OF PRODUCTION:

Raw Materials	2,350,278	1,971,448
Packing Material & Chemicals	66,608	78,514
Direct Labour	25,891	35,193
Factory Overhead	44,442	32,873
Depreciation	27,537	23,493
	<u>2,514,756</u>	<u>2,141,521</u>

16. FINANCIAL EXPENSES:

Interest	68,343	97,915
Charges	11,981	12,146
	<u>80,324</u>	<u>110,061</u>

The decrease of 30% in interest is mainly due to well management of utilization of fund.

17. OTHER INCOME:

Dividend income	5,502	5,787
Interest earned	29,874	35,577
	<u>35,376</u>	<u>41,364</u>

The decrease of 14% is mainly due to less earnings of interest on FDRs as the FDR interest rate was lower as compared to the same period of 2012-13.

18. PROVISION FOR TAX: 39,490 38,389

The growth of 3% is mainly due to tax deduction at source on realised value of export as the export was more as compared to the same period of 2012-13.

19. RELATED PARTY TRANSACTIONS:

There was no transaction with the Associated Companies during the period.