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NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the THIRTY FIRST ANNUAL GENERAL MEETING of APEX FOODS LIMITED will be held at the Trust Milonayaton, 545 Puraton Biman Bandar Sarak (Adjacent to Shahid Bir Shresta Jahangir Gate), Dhaka Cantonment, Dhaka-1206 on Saturday the September 25, 2010 at 11.30 A.M. to transact the following business:

AGENDA

1. To receive and adopt the Accounts for the year ended June 30, 2010 and report of the Auditors and Directors thereon.
2. To declare Dividend @ 12% for the year 2009-10 as recommended by the Board of Directors.
3. To elect Directors.
4. To appoint Auditors for the year 2010-11 and fix their remuneration.

Dated: Dhaka
August 10, 2010.

By Order of the Board

Sd/-
Serazul Hoq
Company Secretary

NOTES:

1. The record date shall be on **Wednesday, August 25, 2010**.
2. The Shareholders whose name will appear in the Register of Members of the Company or in the Depository on the "Record Date" will be eligible to attend the Annual General Meeting and be entitled to the Dividend.
3. A member entitled to attend and vote at the Annual General Meeting may appoint only another member as proxy to attend and vote in his/her stead as per Para 104 of the Articles of Association of the Company. The Proxy Form must be affixed with "Revenue Stamp" of Tk. 10/- only must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the Meeting.
4. Members are requested to inform change of address, if any.
5. In pursuance of SEC's Notification No. SEC/SRMI/2000-953/1950 dated October 24, 2000 gazetted on November 07, 2000, the Company shall hold discussions in the Annual General Meeting strictly in conformity with the provisions of the Companies Act, 1994 and no benefit in cash or kind, other than in the form of Cash dividend or Stock dividend, shall be paid to the holders of equity securities.
6. For the sake of convenience, Shareholders are requested to submit their queries on the Directors' Report and the Audited Accounts for the year 2009-10, if any, at the Registered Office of the Company preferably 3 days before the day of the Annual General Meeting.
7. Admittance to the meeting venue will be strictly on production of the Attendance Slip sent with the Notice.

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Chairman & Managing Director	:	Mr. Zafar Ahmed
Vice Chairman & Deputy Managing Director	:	Mr. Zahur Ahmed PhD
Director	:	Mrs. Shawkat Ara Ahmed
Director	:	Mr. Shahriar Ahmed
Director	:	Mr. Ashim Kumar Barua
Independent Director	:	Mr. Kazi Faruq Kader

AUDIT COMMITTEE

Chairman	:	Mr. Shahriar Ahmed, Director
Member	:	Mr. Ashim Kumar Barua, Director
Member	:	Mr. Kazi Faruq Kader, Independent Director

SENIOR CORPORATE OFFICIALS

Chief Financial Officer	:	Mr. S. K. Halder
Company Secretary	:	Mr. Serazul Hoq
Head of Internal Audit	:	Mr. M. Kamruzzaman ACA
Executive Director	:	Mr. Mominuddin Ahmed Khan

LEGAL ADVISORS

K. Fazlul Quadir
Abdur Razzaque & Associates
Md. Shahjahan Khan

AUDITORS

Howladar Yunus & Co.
Chartered Accountants

BANKER

Agrani Bank Limited
Agrabad Corporate Branch, Jahan Building
Agrabad C/A, Chittagong

REGISTERED OFFICE

Biman Bhaban, 5th floor
100 Motijheel C/A, Dhaka-1000
Bangladesh

FACTORY

51-B Shagarika Road,
Fouzderhat Industrial Estate, Pahartali,
Chittagong-4219, Bangladesh

FIVE YEARS STATISTICS

Figure in Thousand Taka

Particulars	2009-10	2008-09	2007-08	2006-07	2005-06
Results of Operations:					
Turnover	2,205,550	1,824,824	2,291,194	2,414,669	1,650,891
Gross Profit	217,573	170,735	225,591	211,181	174,812
Operating Profit/(Loss)	1,163	(14,876)	28,850	24,992	15,138
Net Profit before Tax	19,257	1,898	44,510	32,654	21,188
Net Profit/(Loss) after Tax	8,559	(8,931)	23,673	21,439	12,411
Basic Earning Per Share	15.01	(15.66)	36.68	37.60	21.76
*Dividend Per Share	12.00	12.00	20.00	18.00	16.00
Financial Positions:					
Total Assets	1,136,281	1,012,365	1,001,696	932,231	923,389
Fixed Assets-Gross	458,659	444,682	410,982	354,236	346,572
Fixed Assets- Net	119,579	134,163	132,737	107,887	125,871
Gross Working Capital	959,332	821,482	812,239	761,954	735,128
Net Working Capital	390,037	241,702	259,832	242,396	223,790
Working Capital Loan	509,714	448,489	440,576	444,598	415,837
Share Capital	57,024	57,024	57,024	57,024	57,024
Share Premium	209,088	209,088	209,088	209,088	209,088
Reserve and Surplus	135,127	130,675	139,605	127,337	116,163
Share Holders Equity	401,239	396,787	417,122	403,714	391,399
Term Loan	191,211	42,242	34,798	15,700	81,736
Key Financial Ratios:					
Current Ratio	1.69	1.42	1.47	1.47	1.44
Debt to Total Assets	64.69	60.81	58.36	56.69	57.61
Return on Equity (%)	2.13	(2.25)	5.68	5.31	3.17
Net Asset Value Per Share	704	696	731	708	686
Payout Ratio	79.95	(76.62)	48.18	47.88	73.51
Interest Service Coverage Ratio	1.02	0.74	1.58	1.52	1.32
Others:					
Market Price Per Share (30 th June)	1,016	1,012	1,225	571	349
Price Earning Multiple	67.69	(64.62)	33.38	15.19	16.04
Number of Employees (Including contract labor)	633	636	674	680	654
Capacity Utilization (%)	60.35	48.04	49.74	57.90	40.46

- The Board of Directors recommended Cash Dividend @ Tk. 12.00 per Share for the year 2009-10.

Corporate Governance Compliance Status Report

Status of compliance with the conditions imposed by the Securities and Exchange Commission's notification No. SEC/CMRRCD/2006-158/Admin/02-08 dated February 20, 2006

Condition No.	Title	Compliance Status	Explanation for non compliance with the condition
1.1	Board's Size: Board members should not be less than 5 (Five) and more than 20 (Twenty)	Complied	
1.2 (i)	Independent Director: At least 1/10 th	Complied	
1.2 (ii)	Appointment of Independent Director by elected Directors	Complied	
1.3	Individual Chairman of the Board, Chief Executive, clearly defined roles and responsibilities	Not Complied	Our Company (Sea Food Processing & Export Industry) requires unique expertise. We are looking for a competent person but we could not yet find eligible individual for the purpose. However, in the mean time the Chairman has been entrusted with both the responsibilities.
1.4	The Directors report to Shareholders on:		
1.4 (a)	Fairness of Financial Statements	Complied	
1.4 (b)	Maintenance of proper books of account	Complied	
1.4 (c)	Adaptation of appropriate Accounting policies and estimates	Complied	
1.4 (d)	Compliance with International Accounting Standard	Complied	
1.4 (e)	Soundness of Internal Control System	Complied	
1.4 (f)	Ability to Continue as Going Concern	Complied	
1.4 (g)	Significant deviation from last year	Complied	
1.4 (h)	Presentation of last three years data	Complied	
1.4 (i)	Declaration of Dividend	Complied	
1.4 (j)	Details of Board Meeting	Complied	
1.4 (k)	Shareholding Pattern	Complied	
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary and defining of their respective roles, responsibilities and duties.	Complied	
2.2	Attendance of CFO and the Company Secretary at Board of Directors meeting	Complied	

3.00	Audit Committee	Complied	
3.1 (i)	Constitution of Committee	Complied	
3.1 (ii)	Constitution of Committee with Board members including one Independent Director	Complied	
3.1 (iii)	Filling of Casual Vacancy in Committee	Not applicable	
3.2 (i)	Chairman of the Committee	Complied	
3.2 (ii)	Professional Qualification and experience of the Chairman of the committee	Complied	
3.3.1 (i)	Reporting to the Board of Directors	Complied	
3.3.1(ii)(a)	Reporting of Conflict of Interest to the Board of Directors	Not applicable	There was no such event to report
3.3.1(ii)(b)	Reporting of any fraud or irregularity to the Board of Directors	Not applicable	There was no such event to report
3.3.1(ii)(c)	Reporting of violation of laws to the Board of Directors	Not applicable	There was no such event to report
3.3.1(ii)(d)	Reporting of any other matter to the Board of Directors	Not applicable	There was no such event to report
3.3.2	Reporting of Qualified point to Commission	Not applicable	There was no such event to report
3.4	Reporting of activities to the Shareholders and General Investors	Not applicable	There was no such event to report
4.00	External/Statutory Auditors:		
4.00 (i)	Non-engagement in appraisal or valuation	Complied	
4.00 (ii)	Non-engagement in designing of Financial Information System	Complied	
4.00 (iii)	Non-engagement in Book-Keeping	Complied	
4.00 (iv)	Non-engagement in Broker-dealer service	Complied	
4.00 (v)	Non-engagement in Actuarial Services	Complied	
4.00 (vi)	Non-engagement in Internal Audit	Complied	
4.00 (vii)	Non-engagement in any other services	Complied	

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

It is an honor and pleasure for me to welcome you all to the Thirty First Annual General Meeting of your Company and to present the Annual Report for the year ended 30th June 2010.

The contagion effects of the global economic crisis, which originated from the collapse of the U.S. sub-prime mortgage market and the subsequent global crisis, has now deepened and broadened its adverse impacts across countries and in different forms. An economic downturn has now degenerated into recession and while developed countries were the first to feel the heat, developing and least developed countries (LDCs) have also now started to suffer from the consequences of the crisis in various degrees.

The performance of the Bangladesh economy continues to bear the negative effects of the global financial crisis. Actually Bangladesh economy started being affected in the first half (July–December) of FY2009-10. Investment became sluggish, and exports – one of the key drivers of growth – performed poorly. While remittances, the other major growth driver held up well, its growth rate slowed down because of contraction of job opportunities abroad.

In the FY of 2009-10 the increasingly globalizing economy of Bangladesh had to address the adverse impacts and implications of the global economic crisis by putting in place counter-cyclical measures, coming up with stimulus packages and taking measures to revive the domestic demand.

As is known, FY2009-10 ended with a 5.9 percent GDP growth performance; the year was also able to record stellar performance in the agriculture sector and ended with historically highest record level of Forex reserves. However, the year 2009-10 also experienced significant volatility in export earnings, less job opportunities in the overseas market, inflationary trends gaining steam and depressed investment trends.

Manufacturing activities are expected to pick up during the second half of 2010, buoyed by rising investment and trade activities. Uncertainties about availability of electricity and the looming gas rationing have discouraged investors to go for large-scale expansion, stalling decisions about adding new capacities or building new enterprises. In particular, the present acute power and gas shortages are key constraints to growth.

Managing the economy of Bangladesh does pose formidable challenges, on a continuing basis, with problems carried over from the past years, and new challenges emerging over the subsequent years. No one year is less challenging than the other. By any measure 2010-11 is going to be yet another challenging year for Bangladesh from the perspective of macroeconomic management. As global growth and trade recover, Bangladesh's growth should edge up as well, to around 6 percent per annum, building on increasing trade integration with countries in the region and the rest of the world, and growth momentum in the agriculture, services, and construction sectors.

I sincerely thank all respectable Shareholders for extending their continuous support and confidence in the Board of Directors of your Company. I also like to put on record my sincere appreciation to the Banks, Financial Institutions and Regulatory Agencies, Suppliers, Customers, various people with whom we have interacted in the course of business, management staff and members of the Company at all levels for their cooperation and sincere efforts in the growth of your Company.

Dhaka
10th August, 2010

Sd/-
Zafar Ahmed
Chairman

REPORT OF THE DIRECTORS

Dear Shareholders,

The Directors are pleased to submit to you the Annual Report together with the Auditors' Report and Audited Financial Statements of the Company for the year ended 30th June 2010.

Statement of Directors on Financial Reports:

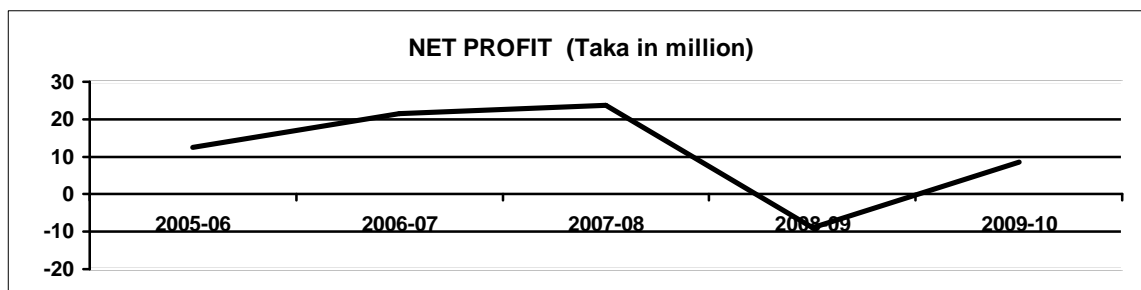
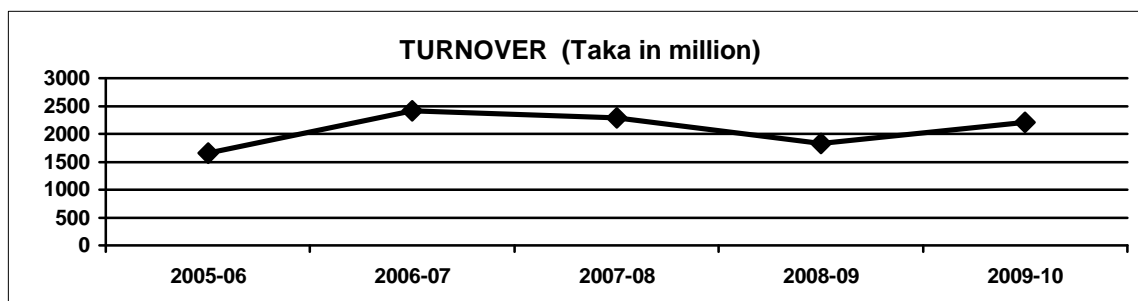
- The financial statements prepared by the management of the company fairly present its state of affairs, operational results, cash flows and changes in equity.
- Proper books of account of the company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the company's ability to continue as a going concern.

Operating results of the company:

Economy & Operation:

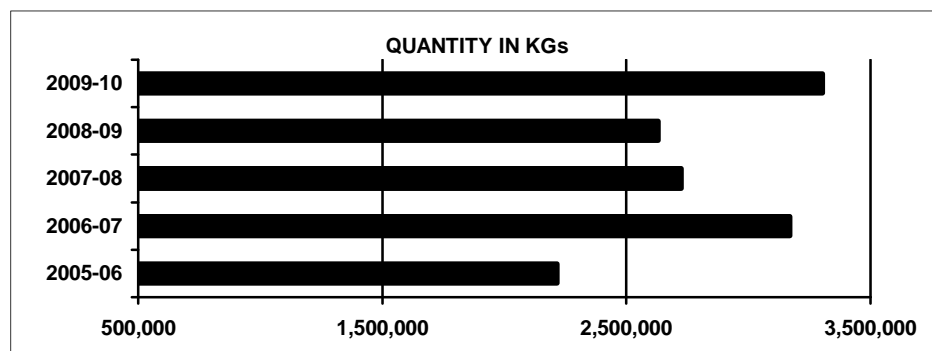
During the year ended 30th June 2010 your Company achieved a total turnover of Taka 2.20 billion as against last year's turnover of Taka 1.82 billion. The increase in turnover is 20.86% with a 914.40% increase in profit (before tax). Net profit (after tax) earned during the year was Taka 8.56 million. The growth in turnover is due to the fact that last year there was a ban on export of Freshwater Shrimp to EU Countries for six months but during the year there were no such incidences. As a result we were able to export round the year.

KEY FINANCIAL DATA:

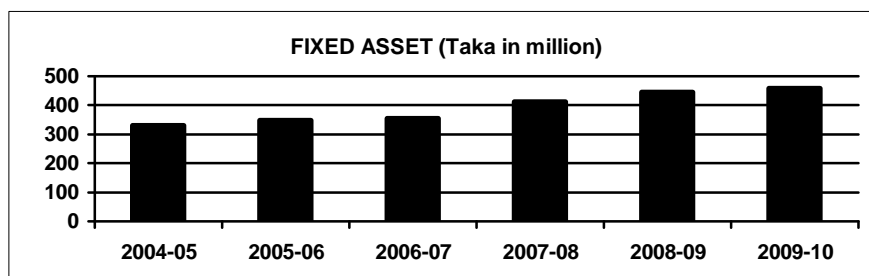


Productivity:

During the year, your Company produced 3,304 M/Ton, an increase of 25.62% over that of last year. Production capacity utilized during the year was 60.35% as against last year's production capacity of 48.04%. The following graph reflects your Company's productivity.



Considering the current global market scenario, during the year, your Company invested Tk. 13.97 million in fixed assets. Out of the total investment, Tk. 10.52 million was invested in the Plant & Machinery and Factory Equipment. The Management of your Company believes that the investment in Fixed Assets will enable your Company to be more cost effective and competitive. The continuity of investment in the fixed assets is reflected in the following graphs.

**Key operating and financial data:**

	Value in thousand Taka		
	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>
Profit Before PPF & Tax	20,220	1,993	46,736
Provision for PPF & Tax	(11,661)	(10,924)	(23,063)
Net Profit/(Loss) For The Year	8,559	(8,931)	23,673
Profit Brought Forward	72,062	87,836	75,567
Profit Available For Appropriations	80,621	78,905	99,240
The Directors recommended the following appropriations			
Proposed Dividend	6,843	6,843	11,404
Profit Carried Forward	73,778	72,062	87,836
	80,621	78,905	99,240

Dividend:

Your Board of Directors has recommended Cash Dividend of Tk. 12.00 per Share of Tk. 100.00 each for the year 2009-10. Upon your approval in this General Meeting, the dividend will be paid to the Shareholders whose names appear in the Share Registers of the Company or in the Depository Register as on 25th August 2010, at the close of office.

Board meetings:

During the year 11 Board Meetings were held. The attendance record of the Directors is as follows:

<i>Name of Directors</i>	<i>Meeting attended</i>
Mr. Zafar Ahmed	11
Mr. Zahur Ahmed PhD	10
Mrs. Shawkat Ara Ahmed	11
Mr. Shahriar Ahmed	11
Mr. Ashim Kumar Barua	09
Mr. Kazi Faruq Kader	08

Pattern of shareholdings:

Name wise details	No. Shares
I. Parent/subsidiary/Associated companies and other related parties	
Apex Spinning & Knitting Mills Limited	16,475
Apex Lingerie Limited	1,080
II. Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit:	
Mr. Zafar Ahmed – Director	132,053
Mr. Zahur Ahmed PhD – Director	16,074
Mrs. Shawkat Ara Ahmed – Director	82,300
Mr. Shahriar Ahmed – Director	56,343
Mr. Ashim Kumar Barua – Director	750
Mr. Kazi Faruk Kader – Independent Director	NIL
Mr. Serazul Hoq – Company Secretary	5
Mr. S.K. Halder – Chief Financial Officer	NIL
Mr. M. Kamruzzaman ACA – Head of Internal Audit	NIL

Name wise details	No. Shares
III. Senior Corporate Executives	NIL
IV. Shareholders holding ten percent (10%) or more voting interest in the Company	
Mr. Zafar Ahmed	132,053
Mrs. Shawkat Ara Ahmed	82,300

Director:

Mrs. Shawkat Ara Ahmed and Mr. Ashim Kumar Barua are retiring from the Board in terms of the Articles of Association of the Company and being eligible, offer themselves for re-election.

Auditors:

As per Order of the Securities & Exchange Commission, existing auditors M/s. Howladar Yunus & Co., Chartered Accountants, retires being the auditors of the Company for three consecutive years. Being eligible, M/s. M.A.Malek Siddique Wali & Co., Chartered Accountants offer themselves for appointment as Auditors of the Company for the year 2010 -2011.

Corporate Governance Compliance Report:

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

Dhaka
10th August, 2010

On behalf of the Board

Sd/-
Zafar Ahmed
Chairman

পরিচালকগণের প্রতিবেদন

প্রিয় শেয়ারহোল্ডারগণ,

আপনাদের কোম্পানীর পরিচালকগণ ২০১০ সালের ৩০শে জুন তারিখে সমাপ্ত হিসাব বৎসরের বার্ষিক প্রতিবেদন এর সাথে নিরীক্ষকের প্রতিবেদন ও কোম্পানীর নিরীক্ষিত আর্থিক বিবরণী আপনাদের সম্মুখে উপস্থাপন করে আনন্দিত।

আর্থিক প্রতিবেদনের উপর পরিচালকগণের বিবৃতি:

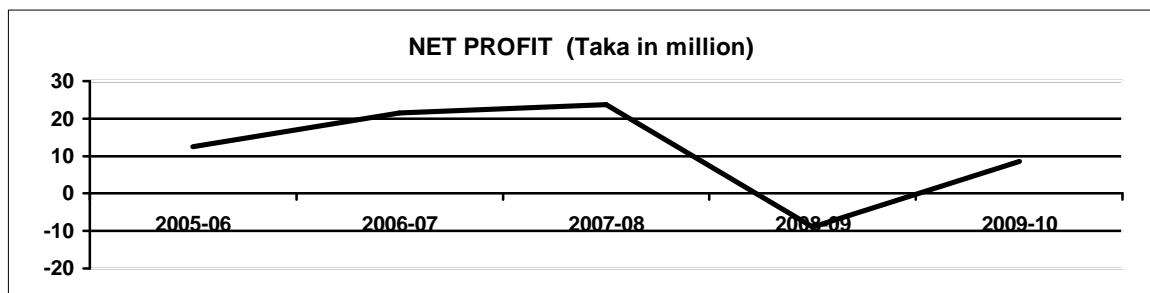
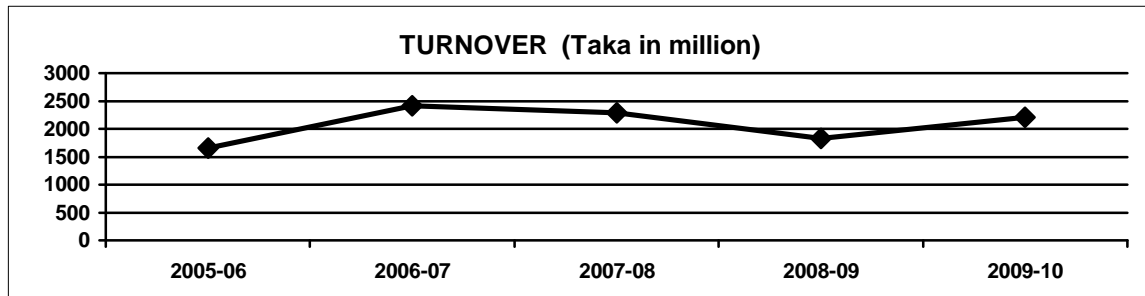
- (ক) কোম্পানীর ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীতে কোম্পানীর আর্থিক অবস্থা, কার্যক্রমের ফলাফল, নগদ প্রবাহ, মূলধনের পরিবর্তন সঠিক ভাবে উপস্থাপন করা হয়েছে।
- (খ) কোম্পানীর হিসাব বহি সমূহ যথাযথ ভাবে সংরক্ষণ করা হয়েছে।
- (গ) আর্থিক বিবরণী প্রস্তুতিতে যথোপযুক্ত হিসাবনীতি সমূহ ধারাবাহিকভাবে প্রয়োগ করা হয়েছে এবং হিসাবগত পরিমাপক যুক্তিযুক্ত ও বিচক্ষণ সিদ্ধান্তের উপর প্রতিষ্ঠিত।
- (ঘ) আর্থিক বিবরণী প্রস্তুতিতে বাংলাদেশে প্রযোজ্য আন্তর্জাতিক হিসাব মান অনুসৃত হয়েছে এবং যেকোন ব্যত্যয় যথাযথভাবে ব্যক্ত করা হয়েছে।
- (ঙ) অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা সুসংহত ও কার্যকরভাবে বাস্তবায়ন ও পর্যবেক্ষণ করা হয়েছে।
- (চ) কোম্পানীর চলমান অস্তিত্বের সামর্থ্যের ক্ষেত্রে কোনরূপ তাৎপর্যপূর্ণ সন্দেহের অবকাশ নাই।

কোম্পানীর কার্যক্রমগত ফলাফল:

অর্থনীতি ও কার্যক্রম:

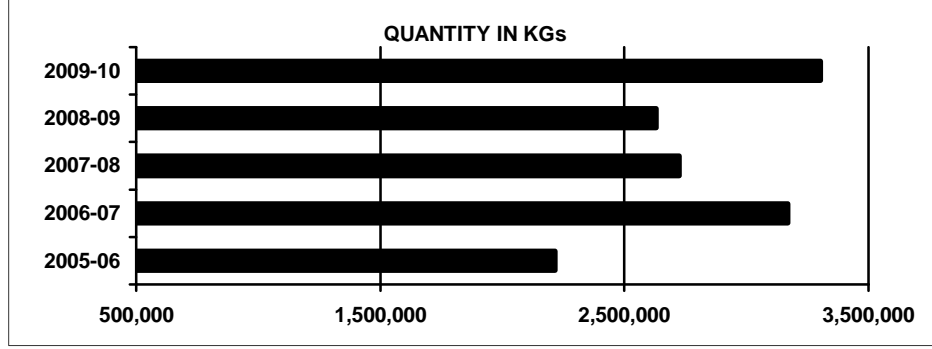
২০১০ সালের ৩০শে জুন সমাপ্ত হিসাব বৎসরে আপনাদের কোম্পানীর মোট বিক্রয় ছিল ২.২০ বিলিয়ন টাকা, যা গত বৎসরে ছিল ১.৮২ বিলিয়ন টাকা। বিক্রয়ে বৃদ্ধি ২০.৮৬ শতাংশ এবং করপূর্ব মুনাফায় বৃদ্ধি ৯১৪.৪০ শতাংশ। করপূর্ব মুনাফা নীট লাভ ৮.৫৬ মিলিয়ন টাকা। বিক্রয় বৃদ্ধি হওয়ার কারণে বিক্রয়ে এবার কোন নিষেধাজ্ঞা ছিল না যেমন গত বৎসর ৬ মাসের জন্য ইউরোপিয়ান ইউনিয়নভুক্ত দেশসমূহে মিঠা পানির গলদা চিহ্নিত রপ্তানীতে নিষেধাজ্ঞা ছিল। যার ফলে, আমরা সারা বৎসর রফতানী করতে সমর্থ হয়েছি।

মূল আর্থিক উপাত্ত:

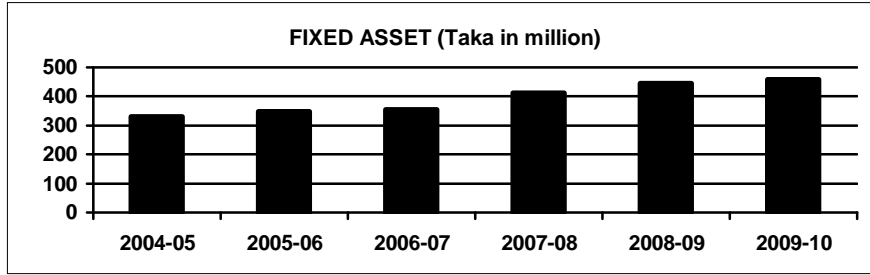


উৎপাদনশীলতা :

এ বৎসর আপনাদের কোম্পানী ৩,৩০৪ মে: টন পণ্য উৎপাদন করেছে, যা গত বৎসর থেকে ২৫.৬২ শতাংশ বেশী । এ বৎসর উৎপাদন ক্ষমতার ৬০.৩৫ শতাংশ ব্যবহৃত হয়েছে যা গত বৎসরে ছিল ৪৮.০৪ শতাংশ । নিম্নোক্ত রেখা চিত্রে কোম্পানীর উৎপাদনশীলতা প্রতিফলিত হয়েছে ।



বিশ্ববাজারের চলতি অবস্থা বিবেচনা করে আপনাদের কোম্পানী এ বৎসর ১৩.৯৭ মিলিয়ন টাকা স্থায়ী সম্পত্তিতে বিনিয়োগ করেছে । মোট বিনিয়োগের ১০.৫২ মিলিয়ন টাকা প্লান্ট ও মেশিনারীজ এবং কারখানার যন্ত্রপাতিতে বিনিয়োগ করেছে । আপনাদের কোম্পানীর ব্যবস্থাপনা পর্যদ বিশ্বাস করেন যে, স্থায়ী সম্পদে বিনিয়োগ আপনাদের কোম্পানীকে আরো ব্যয়-সাশ্রয়ী ও প্রতিযোগী করবে । স্থায়ী সম্পদের নিরবিচ্ছিন্ন বিনিয়োগের প্রতিফলন নিম্নোক্ত চিত্রে রয়েছে ।

**মুখ্য পরিচালন ও আর্থিক উপাত্ত:**

	(টাকা সহস্র মূল্যে)		
	২০০৯-১০	২০০৮-০৯	২০০৭-০৮
পিপিএফ ও করপূর্ব মুনাফা	২০,২২০	১,৯৯৩	৪৬,৭৩৬
পিপিএফ ও কর সঞ্চিত	(১১,৬৬১)	(১০,৯২৪)	(২৩,০৬৩)
নেট মুনাফা/(ক্ষতি)	৮,৫৫৯	(৮,৯৩১)	২৩,৬৭৩
পূর্ববর্তী বৎসরের মুনাফার জের	৭২,০৬২	৮৭,৮৩৬	৭৫,৫৬৭
বন্টনযোগ্য মুনাফা	৮০,৬২১	৭৮,৯০৫	৯৯,২৪০
পরিচালকগণের সুপারিশকৃত বন্টন			
প্রস্তাবিত লাভাংশ	৬,৮৪৩	৬,৮৪৩	১১,৪০৪
পরবর্তী বৎসরের জন্য স্থানান্তর	৭৩,৭৭৮	৭২,০৬২	৮৭,৮৩৬
	৮০,৬২১	৭৮,৯০৫	৯৯,২৪০

লভ্যাংশ:

আপনাদের কোম্পানীর পরিচালকমন্ডলী ২০০৯-১০ হিসাব বৎসরে প্রতি ১০০/- (একশত) টাকার শেয়ারের জন্য ১২.০০ টাকা হারে নগদ লভ্যাংশ প্রদানের সুপারিশ করছেন। এই বার্ষিক সাধারণ সভায় আপনাদের অনুমোদন সাপেক্ষে সেই সমস্ত শেয়ারহোল্ডারদের লভ্যাংশ প্রদান করা হবে যাদের নাম কোম্পানীর সদস্য বহিতে অথবা ডিপোজিটরি রেজিস্টারে ২৫ আগস্ট ২০১০ ইং তারিখে অন্তর্ভুক্ত থাকবে।

বোর্ডের সভা

এ বৎসর বোর্ডের ১১টি সভা অনুষ্ঠিত হয়েছে। পরিচালকদের উপস্থিতির তালিকা নিম্নে প্রদত্ত হল:

পরিচালকবৃন্দের নাম	সভায় উপস্থিতি
জনাব জাফর আহমেদ	১১
জনাব জহুর আহমেদ পিএইচডি	১০
জনাবা শওকত আরা আহমেদ	১১
জনাব শাহরিয়ার আহমেদ	১১
জনাব অসীম কুমার বড়ুয়া	০৯
জনাব কাজী ফারুক কাদের	০৮

শেয়ারহোল্ডিংস সংক্রান্ত বিবরণ:**নাম অনুসারে বিবরণ****শেয়ার সংখ্যা**

১. প্যারেন্ট/ সাবসিডিয়ারী/ এসোসিয়েটেড কোম্পানী এবং অন্যান্য সম্পর্কিত পার্টিসমূহ:

এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড	১৬,৪৭৫
এপেক্স ল্যানজারী লিমিটেড	১,০৮০

২. পরিচালকবৃন্দ, প্রধান নির্বাহী কর্মকর্তা, কোম্পানী সচিব, প্রধান অর্থ কর্মকর্তা, অভ্যন্তরীণ নিরীক্ষা প্রধান:

জনাব জাফর আহমেদ	পরিচালক	১৩২,০৫৩
জনাব জহুর আহমেদ পিএইচডি	পরিচালক	১৬,০৭৪
জনাবা শওকত আরা আহমেদ	পরিচালক	৮২,৩০০
জনাব শাহরিয়ার আহমেদ	পরিচালক	৫৬,৩৪৩
জনাব অসীম কুমার বড়ুয়া	পরিচালক	৭৫০
জনাব কাজী ফারুক কাদের	ইনডিপেন্ডেন্ট ডাইরেক্টর	-
জনাব সিরাজুল হক	কোম্পানী সচিব	৫
জনাব এস. কে. হালদার	প্রধান অর্থ কর্মকর্তা	-
জনাব এম কামরুজ্জামান, এসিএ	অভ্যন্তরীণ নিরীক্ষা প্রধান	-

৩. উর্ধ্বতন করপোরেট নির্বাহীগণ

-

<u>নাম অনুসারে বিবরণ</u>	<u>শেয়ার সংখ্যা</u>
8. কোম্পানীতে ১০ শতাংশ অথবা তার চেয়ে বেশী ভোটের অধিকারী শেয়ারহোল্ডার:	
জনাব জাফর আহমেদ	১,৩২,০৫৩
জনাবা শওকত আরা আহমেদ	৮২,৩০০

পরিচালক:

মিসেস শওকত আরা আহমেদ ও জনাব অসীম কুমার বড়ুয়া কোম্পানীর সংঘ বিধি মোতাবেক বোর্ড থেকে পদত্যাগ ও যোগ্য বিধায় পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন।

নিরীক্ষক:

দি সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর আদেশ অনুযায়ী বর্তমান নিরীক্ষক মেসার্স হাওলাদার ইউনুস এন্ড কোম্পানী, চার্টার্ড একাউন্ট্যান্টস পরপর তিন বৎসর নিরীক্ষা কার্য সম্পাদন করেছে। যোগ্য বিধায় ২০১০-১১ হিসাব বৎসরের জন্য মেসার্স এম,এ, মালেক সিদ্দিকী ওয়ালী এন্ড কোম্পানী, চার্টার্ড একাউন্ট্যান্টস তাহদেরকে নিরীক্ষক নিয়োগের জন্য আবেদন করেছেন।

করপোর্টেট গভর্নেন্স প্রতিবেদন:

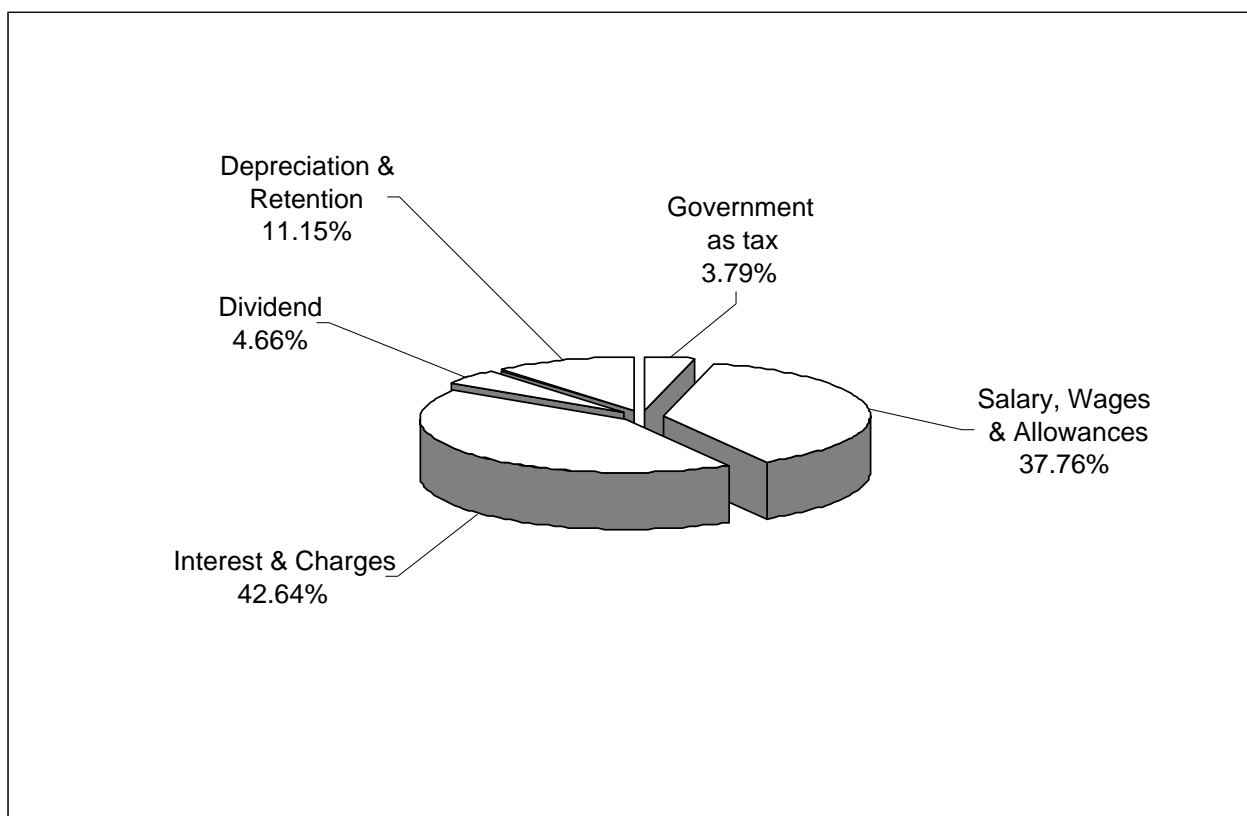
সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের চাহিদা অনুযায়ী করপোর্টেট গভর্নেন্স প্রতিবেদন সংযুক্ত করা হল।

ঢাকা
১০ আগষ্ট, ২০১০

বোর্ডের পক্ষে
স্ব/-
জাফর আহমেদ
সভাপতি

VALUE ADDED STATEMENT

PARTICULARS	2009-10	%	2008-09	%
VALUE ADDED				
Turnover	2,205,549,551		1,824,823,719	
Less: Bought in Materials & Services	2,058,812,897		1,704,223,621	
	-----		-----	
	146,736,654		120,600,098	
	=====		=====	
APPLICATIONS				
Government as Tax	5,552,716	3.79	6,945,719	5.76
Employees as Salary Wages & Allowances	55,410,641	37.76	45,655,780	37.86
Providers of Loan as Interest & Charges	62,564,954	42.64	57,642,113	47.80
Providers of Capital as Dividend	6,842,880	4.66	6,842,880	5.67
Depreciation & Retention	16,365,463	11.15	3,513,606	2.91
	-----	-----	-----	-----
	146,736,654	100.00	120,600,098	100.00
	=====	=====	=====	=====



AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the annexed Balance Sheet of the Apex Foods Limited as at 30th June, 2010 and its Profit and Loss Account for the year ended as on that date together with the accompanying Cash Flow Statement, Statement of Changes in Equity and Notes thereto as prepared by the Company in due conformance with generally accepted accounting principles, procedures and also the applicable Bangladesh Accounting Standards (BAS) and produced to us by it for our examination in due conformance with the applicable Bangladesh Standards on Auditing and we report that;

- (i) we have conducted the audit as per applicable Bangladesh Standards on Auditing (BSA);
- (ii) our examination and checking of records, relevant books of account, registers, schedules and financial statements were sufficient to enable us to form an informed and assessed opinion on the authenticity and accuracy of the accounts and financial statements;
- (iii) we have obtained all the information, explanations and documents as required by us;
- (iv) the Company management has followed relevant provisions of law and rules in managing the affairs of the Company and that proper books of account, records and other statutory books have been properly maintained;
- (v) the Balance Sheet, Profit and Loss Account are in agreement with the said books of account maintained by the company and examined by us while the Cash Flow Statement conforms with the presentation laid out in the relevant Bangladesh Accounting Standard ; and
- (vi) the expenditure incurred and payments made were for the purpose of the company's business for the year.

And in our opinion the annexed Balance Sheet, Profit and Loss Account represent a true and fair view of the state of the Company's affairs as at 30th June, 2010 and of the profit earned for the year ended on that date and that these financial statements have been drawn up in accordance with the requirement of applicable laws and rules containing all the information in the manner required by relevant laws and rules and the Bangladesh Accounting Standards (BAS) as applicable in Bangladesh including BAS 24.

Sd/-
Howladar Yunus & Co.
Chartered Accountants

Dated; Dhaka
August 10, 2010

BALANCE SHEET

AS AT 30TH JUNE, 2010

	NOTES	30.06.2010	Value in Taka 30.06.2009
APPLICATION OF FUNDS:			
Fixed Assets:			
Gross Block	2	458,658,636	444,681,723
Less: Accumulated Depreciation		339,079,761	310,518,910
Net Block		119,578,875	134,162,813
Investment (At Cost)	3	56,720,190	56,720,190
Current Assets:			
Inventories	4	573,384,439	531,786,340
Trade Debtors	5	20,169,720	9,627,220
Advance, Deposits & Prepayments	6	21,684,194	57,404,919
Other Receivable	7	41,858,012	84,212,591
Cash & Bank Balances	8	302,235,767	138,451,205
		959,332,132	821,482,275
Less: Current Liabilities			
Working Capital Loan (Secured)	9	509,713,653	448,488,702
Long Term loan-Current Maturity	10	25,464,923	11,319,137
Short Term Loan		-	72,089,663
Trade Creditors	11	4,323,203	3,208,970
Sundry Creditors	12	16,877,551	17,087,189
Income Tax Payable		10,531,215	25,417,432
Other Liabilities	13	2,384,839	2,169,574
		569,295,384	579,780,667
Net Current Assets		390,036,748	241,701,608
Deferred Tax Assets/(Liability)		649,409	(4,875,219)
TOTAL ASSETS		566,985,222	427,709,392
SOURCES OF FUNDS:			
Shareholders' Fund:			
Share Capital	14	57,024,000	57,024,000
Share Premium	15	209,088,000	209,088,000
Reserve and Surplus	16	135,126,767	130,674,522
		401,238,767	396,786,522
Loan Fund (Secured):			
Long Term Loan	17	165,746,455	30,922,870
TOTAL LIABILITIES		566,985,222	427,709,392
Net Asset Value per Share		704	696

Sd/-
Zafar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Serazul Hoq
Company Secretary

Note: Annexed notes form part of these Accounts.

This is the Balance Sheet referred to in our report to the Shareholders of even date.

Dated; Dhaka
August 10, 2010

Sd/-
Howladar Yunus & Co.
Chartered Accountants

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 2010

	Notes	2009-10	Value in Taka 2008-09
TURNOVER	18	2,205,549,551	1,824,823,719
Cost of goods sold	19	1,987,976,139	1,654,088,396
GROSS PROFIT		217,573,412	170,735,323
OPERATING EXPENSES:		216,410,356	185,611,329
Administrative & selling overhead	23	153,845,402	127,969,216
Financial expenses	24	62,564,954	57,642,113
OPERATING PROFIT/(LOSS)		1,163,056	(14,876,006)
Other income	25	19,056,758	16,869,268
PROFIT BEFORE PPF & WF		20,219,814	1,993,262
Provision for contribution to PPF & WF	26	962,848	94,917
PROFIT BEFORE TAX		19,256,966	1,898,345
Provision for tax:	27		
Current tax		10,531,215	11,226,538
Deferred tax expenses/(income)		166,476	(397,286)
NET PROFIT/(LOSS) AFTER TAX		8,559,275	(8,930,907)
Retained earnings transferred to reserve & surplus		8,559,275	(8,930,907)
Basic Earning per share	29	<u>15.01</u>	<u>(15.66)</u>

Sd/-
Zafar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Serazul Hoq
Company Secretary

Note: Annexed notes form part of these Accounts.

This is the Profit and Loss Account referred to in our report to the Shareholders of even date.

Dated; Dhaka
August 10, 2010

Sd/-
Howladar Yunus & Co.
Chartered Accountants

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30TH JUNE, 2010

	2009-10	Value in Taka 2008-09
CASH FLOWS FROM OPERATING ACTIVITIES:		
Collection from turnover	2,195,007,051	1,904,448,977
Payment for costs and expenses	(2,167,779,378)	(1,993,797,837)
Other income	19,056,758	16,869,268
Net cash generated from operating activities (a)	46,284,431	(72,479,592)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property, Plant and Equipment acquired	(13,976,913)	(33,699,432)
Net cash used in investing activities (b)	(13,976,913)	(33,699,432)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Working capital loan received/(repaid)	61,224,951	7,912,480
Term loan received/(repaid)	76,879,708	51,889,594
Dividend Paid	(6,627,615)	(11,024,885)
Net cash generated from financing activities (c)	131,477,044	48,777,189
Net increase/(decrease) in cash and cash equivalents(a+b+c)	163,784,562	(57,401,835)
Cash and cash equivalents on opening	138,451,205	195,853,040
Cash and cash equivalents on closing	302,235,767	138,451,205
Net Operating Cash Flow per Share	81	(127)

Sd/-
Zafar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Serazul Hoq
Company Secretary

Note: Annexed notes form part of these Accounts.

This is the Cash Flow Statement referred to in our report to the Shareholders of even date.

Dated; Dhaka
August 10, 2010

Sd/-
Howladar Yunus & Co.
Chartered Accountants

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE, 2010

Value in Taka

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Total
As at 30th June 2009	57,024,000	209,088,000	51,162,905	78,904,617	607,000	396,786,522
Net profit after tax of 2009-10	-	-	-	8,559,275	-	8,559,275
Dividend paid during the year	-	-	-	(6,842,880)	-	(6,842,880)
Prior years adjustment *	-	-	-	2,735,850	-	2,735,850
As at 30th June 2010	57,024,000	209,088,000	51,162,905	83,356,862	607,000	401,238,767

* Please refer to note No. 28 for prior years' adjustment.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE, 2009

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Total
As at 30th June 2008	57,024,000	209,088,000	51,162,905	99,240,324	607,000	417,122,229
Net loss after tax of 2008-09	-	-	-	(8,930,907)	-	(8,930,907)
Dividend paid during the year	-	-	-	(11,404,800)	-	(11,404,800)
As at 30th June 2009	57,024,000	209,088,000	51,162,905	78,904,617	607,000	396,786,522

Sd/-
Zafar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Serazul Hoq
Company Secretary

Note: Annexed notes form part of these Accounts.

This is the Statement of Changes in Equity referred to in our report to the Shareholders of even date.

Dated; Dhaka
August 10, 2010

Sd/-
Howladar Yunus & Co.
Chartered Accountants

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE,
2010 FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS**

1. SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION:

a. Legal Form of the Enterprise:

Apex Foods Limited is a Public Limited Company registered under the Companies Act, 1913 (Repealed in 1994). The Company was incorporated in Bangladesh on 21.03.1979. Shares of the Company are listed in the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

b. Address of Registered Office and Principal Place of Business:

The Principal Place of Business is the Registered Office at Biman Bhaban, 5th Floor, 100 Motijheel Commercial Area, Dhaka-1000 and the Factory is located at 51-B(1) Shagarika Road, Fouzderhat Industrial Estate, Pahartali, Chittagong.

c. Nature of Business Activities:

The Company owns and operates a modern Shrimps Processing Plant and exports 100% of its products in the foreign markets.

d. Accounting Convention and Basis:

These Financial Statements have been prepared under the Historical Cost Convention and Going Concern basis in accordance with applicable International Accounting Standards in Bangladesh which do not vary from the requirements of the Companies Act 1994 and the Listing Regulations of the Stock Exchanges, The Securities & Exchange Rules, 1987 and other laws and rules applicable in Bangladesh.

e. Compliance with local laws:

The Financial Statements have been prepared in compliance with requirements of the Companies Act 1994, The Securities & Exchange Rules, 1987 and other relevant local laws and rules.

f. Compliance with International Accounting Standard (IAS):

The Financial Statements have been prepared in compliance with requirements of IAS's adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh.

g. Fixed Assets:

These are stated at historical cost less accumulated depreciation in accordance with BAS 16 "Property, Plant and Equipment".

h. Depreciation:

Depreciation is charged on all fixed assets except land and land development on reducing balance method.

The rates of depreciation of each class of assets are as follows:

Factory Building	20 %
Plant & Machinery	20 %
Factory Equipments	20 %
Furniture & Fixtures	10 %
Office Equipments	20 %
Motor Vehicles	20 %
Crockery	20 %

i. Accounting for Lease:

Due to adoption of lease accounting by the Institute of Chartered Accountants of Bangladesh accounting for lease has been made as per BAS 17, "Leases".

j. Inventories:

Inventories in hand except Packing Materials and Chemicals have been valued at lower of cost and net realizable value in accordance with BAS 2 "Inventories" after making due allowance for any obsolete or slow moving items. Packing Materials and Chemicals have been valued at cost.

k. Taxation:

Provision for income tax has been made as per requirements of the Income Tax Ordinance, 1984.

l. Income Tax:

The Company is a Publicly Traded Company, as per the Income Tax Ordinance, 1984 the rate of Income Tax is 27.50%. Since the company is 100% export oriented there is a tax rebate of 50% on export profit. Therefore the Corporate Tax stands at 13.75% on export profit. However, the tax provision has been made @ 27.50% on interest earned and 20% on dividend income as per provision of the Income Tax Ordinance, 1984.

m. Deferred Tax:

Deferred tax assets or deferred tax liabilities have been accounted for in accordance with BAS 12 "Income Taxes". Deferred tax arises due to temporary difference, deductible or taxable for the events or transactions recognized in the profit and loss account. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/reported amount in the financial statement. Deferred tax asset or liability is the amount of income tax payable or recoverable in future period(s) recognized in the current period. The deferred tax asset/income or liability/expense does not create a legal liability/recoverability to and from the Income Tax Authority.

n. Trade Debtors:

Export bills receivables are stated at the original invoice value.

o. Creditors and Accrued Expenses:

Liabilities are recognized for amounts to be paid in future for goods and services received whether or not billed by the suppliers.

p. Earning Per Share:

The Company calculates Earnings Per Share (EPS) in accordance with BAS 33 "Earnings Per Share" which has been shown on the face of profit and loss account and the computation of EPS is stated in Note 29.

i. Basic Earnings

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

ii. Weighted Average Number of Ordinary Shares Outstanding During The Year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days the specific shares is outstanding as a proportion of the total number of days in the period.

iii. Basic Earnings Per Share

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

iv. Diluted Earnings Per Share

No diluted EPS is required to be calculated for the year, as there was no scope for dilution during the year under review.

q. Cash Flow Statement:

Cash Flow statement has been prepared in accordance with BAS 7 “Cash Flow Statements” and the cash flow from the operating activities have been presented under direct method as required by the Securities and Exchange Rules 1987 and considering the provisions of paragraph 19 of BAS 7 which provides that “Enterprises are Encouraged to Report Cash Flow from Operating Activities using the Direct Method”.

r. Foreign Exchange:

Foreign currencies are converted into Bangladesh Taka at the rates ruling on the date of transaction and the balance in hand at the close of the business, at the rate prevailing on the Balance Sheet date in accordance with BAS 21 “The Effects of Changes in Foreign Exchange Rates”.

s. Revenue Recognition:

Exports are made against confirmed L/C and firm contracts. The sale proceeds are accounted for upon shipments and after satisfying all the conditions for revenue recognition as provided in BAS 18 “Revenue”.

t. Employee Benefit Obligations:

The Company operates a contributory provident fund and a Group insurance scheme for its permanent employees. A Board of Trustee administrates the provident fund.

u. Contribution to PPF & WF:

This is being calculated 5% of the net profit after such contribution provided as per provisions of the Company’s Profit (Workers’ Participation) Act, 1968 and is payable to workers’ as defined in the said Act.

v. Risk and uncertainties for use of estimates in preparation of financial statements:

Preparation of Financial Statements in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as long term contracts, depreciation and amortization, employees benefit plans, taxes, reserves and contingencies.

w. Responsibility for preparation and presentation of financial statements:

The Board of Directors is responsible for the preparation and presentation of Financial Statements under section 183 of the Companies Act 1994 and as per the provision of "The Framework for the Preparation and Presentation of Financial statements" issued by the International Accounting Standard Committee (IASC) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB)

x. Comparative information:

Comparative information have been disclosed in respect of the year 2008-09 for all numerical information of the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements.

Last year's figures have been rearranged where considered necessary to conform to current year's presentation.

y. Reporting currency and level of precision:

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded-off to nearest Taka.

z. Reporting period:

Financial Statements of the Company cover one financial year from 1st July to 30th June.

aa. Others:

The Financial Statements include the following components as per BAS 1 "Presentation of Financial Statements".

- i) Balance Sheet as at 30th June 2010.
- ii) Profit and Loss account for the year ended 30th June 2010.
- iii) Cash Flow Statement for the year ended 30th June 2010.
- iv) Statement of Changes in Equity for the year ended 30th June 2010.
- v) Accounting Policies and explanatory notes.

2. FIXED ASSETS: TK. 119,578,875

SL NO.	PARTICULAR	COST			RATE %	DEPRECIATION			W.D.V. as at 30.06.10
		Balance as at 01.07.09	Addition during the year	Balance as at 30.06.10		Balance as at 01.07.09	For the year	Balance as at 30.06.10	
1	Land & Land Development	3,392,470	-	3,392,470		-	-	-	3,392,470
2	Factory Building	68,337,497	2,234,155	70,571,652	20	55,461,347	3,022,061	58,483,408	12,088,244
3	Plant & Machinery	311,289,559	9,048,524	320,338,083	20	209,445,799	22,178,457	231,624,256	88,713,827
4	Factory Equipments	24,098,885	1,474,595	25,573,480	20	17,933,286	1,528,039	19,461,325	6,112,155
5	Furniture & Fixture	8,694,046	865,907	9,559,953	10	5,673,948	388,600	6,062,548	3,497,405
6	Office Equipments	12,026,329	320,676	12,347,005	20	8,326,355	804,130	9,130,485	3,216,520
7	Motor Vehicles	16,684,143	-	16,684,143	20	13,576,888	621,451	14,198,339	2,485,804
8	Crockery	158,794	33,056	191,850	20	101,287	18,113	119,400	72,450
Total		444,681,723	13,976,913	458,658,636		310,518,910	28,560,851	339,079,761	119,578,875

Charged to:

Manufacturing Account 26,728,557
 Profit & Loss Account 1,832,294

28,560,851

- Due to adoption of BAS 17, "Leases" by ICAB, the leased asset has been considered as assets of the Company.

	<u>2009-10</u>	<u>2008-09</u>
3. INVESTMENT: TK. 56,720,190		
In Shares: At Cost		
Apex Spinning & Knitting Mills Limited 226,320 Shares of Tk. 100.00 each at par.	22,632,000	22,632,000
Amam Sea Food Industries Limited 10,482 Shares of Tk. 100.00 each at par	1,048,200	1,048,200
Apex Weaving & Finishing Mills Limited 200,000 Shares of TK. 100.00 each at par.	20,000,000	20,000,000
Central Depository Bangladesh Limited 200,000 Share of Tk. 10/- each including 100,000 bonus shares.	1,000,000	1,000,000
	-----	-----
	44,680,200	44,680,200
Immovable property	12,039,990	12,039,990
	-----	-----
	56,720,190	56,720,190
	=====	=====

- Immovable property represents the cost of land at Kalampur, Gazipur and its development for setting up new industries.
- Investment in Apex Weaving & Finishing Mills Ltd. is under litigation. As the issue is under litigation, no dividend has yet been accounted for.

Market Price of Listed Companies Shares (As on 30.06.10)

Apex Spinning & Knitting Mills Ltd.	708	592
Amam Sea Food Industries Ltd.	220	220
Apex Weaving & Finishing Mills Ltd.	109	176

4. INVENTORIES: TK. 573,384,439

	Qty. in Kg.		
Shrimps	950,890	565,251,227	520,138,319
Fish	-	-	4,692,525
Packing Materials	-	8,133,212	6,955,496
	-----	-----	-----
	950,890	573,384,439	531,786,340
	=====	=====	=====

- The above Inventories are as per physical checking made, valued and certified by the Internal Auditors, External auditors and Management.
- Inventories in hand except Packing Materials have been valued at lower of cost and net realizable value. Packing Materials have been valued at cost.
- The Company is availing working capital facilities against pledge of finished goods.

	<u>2009-10</u>	<u>2008-09</u>
5. TRADE DEBTORS: TK. 20,169,720		
Export Bills Receivable	<u>20,169,720</u>	<u>9,627,220</u>

- All debtors are considered good and subsequently fully realized.

6. ADVANCES, DEPOSITS AND PREPAYMENTS: TK. 21,684,194

Advance against Raw Materials	2,744,795	17,563,195
Advance to Employees	106,500	39,000
Deposits & Prepayments	4,562,879	8,258,044
Advance Income Tax	12,610,520	28,901,841
Bank Guarantee	1,659,500	2,642,839
	-----	-----
	21,684,194	57,404,919
	=====	=====

- Advance to Raw Suppliers are considered good.
- Advance to Employees are realized monthly and considered good.
- Deposits and Prepayments are secured.
- Advance tax represents tax deduction at source and tax paid in advance as per Income Tax Ordinance 1984.
- Bank Guarantee issued by the Banks in favor of Bakhrabad Gas Systems Limited and Customs Authority.
- No amount was due by the Directors and other officers of the Company or by associated undertaking.

7. OTHER RECEIVABLE: TK. 41,858,012

Insurance Claim Receivable	16,254,727	16,254,727
Cash incentive Receivable	25,603,285	67,957,864
	-----	-----
	41,858,012	84,212,591
	=====	=====

- Insurance Claim receivable from Insurance Company against deterioration of stock because of machinery break down. Appropriate claim has been lodged with the Insurance Company and the claim is under litigation.

	<u>2009-10</u>	<u>2008-09</u>
8. CASH & BANK BALANCES: TK. 302,235,767		
Cash in Hand:		
Head Office	48,729	41,480
Factory Office	29,867	552,062
	78,596	593,542
Cash at Bank with:		
Agrani Bank Ltd., Agrabad Corporate Br. Chittagong.	58,287,538	21,502,142
Arab Bangladesh Bank Ltd. Principal Br, Dhaka.	773,951	607,490
Eastern Bank Ltd., Principal Branch, Dhaka	108,808	13,848
The Hongkong & Shanghai Banking Corporation, Dhaka	198,962	221,020
Dhaka Bank Ltd., Foreign Exchange Branch, Dhaka	297,821	12,672
Agrani Bank Ltd., Local Office, Dhaka	2,000	2,000
FDR with Eastern Bank Ltd., Dhaka	55,928,125	-
FDR with Dhaka Bank Ltd., Dhaka	186,559,966	115,498,491
	302,157,171	137,857,663
	302,235,767	138,451,205
	=====	=====

- Cash in hand was physically verified. All Bank balances were reconciled and confirmed

9. WORKING CAPITAL LOAN: TK. 509,713,653

Against Hypothecation	101,580,316	91,330,882
Against Pledge of Finished Goods	408,133,337	357,157,820
	509,713,653	448,488,702
	-----	-----

- The Working Capital Loan was taken from Agrani Bank Limited, Agrabad Corporate Branch, Jahan Building, Agrabad C/A, Chittagong, which is fully secured against 1st charge on Land, Building, Plant & Machinery and all other Assets of the Company and Pledge of Finished Goods.
- The Company has Cash Credit facilities of Tk. 50.00 crore (Hypothecation Tk. 10.00 crore & Pledge of finished goods Tk. 40.00 crore) which has been fully availed. Apart from this, the Company has no such other credit facilities. The Loan bears interest @ 7% p.a.

10. TERM LOAN-CURRENT MATURITY: TK.25,464,923

Term Loan	13,233,333	-
Leased Liabilities	12,231,590	11,319,137
	25,464,923	11,319,137
	-----	-----

- This represents the current portion of term loan and lease liabilities payable in next twelve months.

11. TRADE CREDITORS: TK. 4,323,203

Raw Supply	4,323,203	3,208,970
	=====	=====

- Raw supply represents the total amount payable to 6 regular suppliers of shrimps. All suppliers were paid in full subsequently.

	<u>2009-10</u>	<u>2008-09</u>
12. SUNDRY CREDITORS: TK. 16,877,551		
Processing Labor Contractor	3,463,702	2,585,480
Packing Materials	8,247,175	8,447,455
Telephone	41,474	55,328
Newspaper & Periodicals	-	1,196
Power, Fuel and Water	141,627	542,615
Repairs (Factory Machinery & Equipments)	272,877	434,822
Audit Fees	70,000	65,000
Advertisement	-	9,600
Clearing & Forwarding	862,068	893,593
Chemicals	-	21,150
Ice	543,900	406,100
Contribution to PPF & WF	962,848	94,917
Contribution to PF	-	21,942
Consumable Stores	287,689	731,875
Uniform & Liveries	2,880	1,451
Printing & Stationery	4,800	8,200
Plant & Machinery	135,786	263,338
Sanitation	46,808	46,121
Salary & Allowances	293,906	296,432
Insurance Premium	392,621	1,338,925
Salary & Wages	371,899	318,130
Traveling Expenses	28,800	19,500
Sales Promotion	-	55,175
Ocean Freight	620,330	188,415
Vehicle Maintenance	-	63,520
Factory Equipment	20,969	84,942
Postage & Stamp	22,545	32,510
Survey Fees & Inspection	<u>42,847</u>	<u>59,457</u>
	<u>16,877,551</u>	<u>17,087,189</u>

- All Creditors have been fully paid subsequently except PPF & WF and Audit Fees.

13. OTHER LIABILITIES: TK. 2,384,839

Unclaimed Dividend	2,384,839	2,169,574
	=====	=====

- Unclaimed dividend represents the dividend warrants of Tk. 2,384,839/- not presented to Bank by the Shareholders within June 30, 2010. The details of unclaimed dividend as on 30.06.2010 is as under:

<u>Year</u>	<u>Taka</u>
Up to 2005-06	1,337,501
2006-07	343,377
2007-08	376,334
2008-09	327,627

	2,384,839
	=====

	<u>2009-10</u>	<u>2008-09</u>
14. SHARE CAPITAL: TK. 57,024,000		
Authorized Capital:		
1,500,000 Ordinary Shares of Tk. 100/= each	150,000,000 =====	150,000,000 =====
Issued, Subscribed & Paid up Capital:		
570,240 Ordinary Shares of Tk. 100/= each	57,024,000 =====	57,024,000 =====
Composition of Shareholdings:		
Sponsors	50.42%	50.42%
Institution	12.70%	13.21%
Foreign Shareholders	00.00%	00.01%
NRB Shareholder	00.02%	00.00%
Public - Local	36.86%	36.36%
	100.00% =====	100.00% =====

Distribution of each class of equity setting out the members of holders and percentage in the following categories.

<u>No. of Share Holder</u>	<u>Holdings</u>	<u>Total Holdings</u>	<u>%</u>
4,225	Less than & equal 500 Shares	153,348	26.89
84	501 to 5,000 Shares	89,213	15.65
2	5,001 to 10,000 Shares	14,264	2.50
3	10,001 to 20,000 Shares	42,719	7.49
0	20,001 to 30,000 Shares	0	0.00
0	30,001 to 40,000 Shares	0	0.00
0	40,001 to 50,000 Shares	0	0.00
2	50,001 to 100,000 Shares	138,643	24.31
1	100,001 to 200,000 Shares	132,053	23.16
0	Over 200,000 Shares	0	0.00
4,317		570,240	100.00
=====		=====	=====

The Company had the following non-resident Shareholders (As on 30.06.2010):

<u>Name</u>	<u>Folio no.</u>	<u>No. of share</u>
Bank Julius Baer & Co; AG	06158	10

- Dividends are paid to non-resident shareholders through their local agents.
- There was no foreign exchange remitted to the relevant shareholders during the year 2009-10.

2009-10 **2008-09**

15. SHARE PREMIUM: TK. 209,088,000

	209,088,000	209,088,000
	=====	=====

- This represents premium of Tk. 1,100 per Share of 190,080 Right Shares of Tk. 100 each.

16. RESERVE AND SURPLUS: TK. 135,126,767

- This represents the following:

Reserve for re-investment	51,162,905	51,162,905
Retained Earnings	83,356,862	78,904,617
Capital Gain	607,000	607,000
	-----	-----
	135,126,767	130,674,522
	=====	=====

17. LONG TERM LOAN: TK. 165,746,455

Term Loan	142,500,000	-
Lease liabilities	23,246,455	30,922,870
	-----	-----
	165,746,455	30,922,870
	=====	=====

- Term loan received from Agrani Bank Limited at 8% interest rate p.a.
- Lease liabilities are with Reliance Finance Limited, Industrial and Infrastructure Development Finance Company Limited (IIDFC) and International Leasing & Financial Services Limited (ILFSL).

18. TURNOVER: TK. 2,205,549,551

	<u>Qty. in Kg.</u>	<u>US\$</u>		
Shrimps & Fish	3,266,192	32,287,351	2,205,549,551	1,824,823,719
	-----	-----	-----	-----
	3,266,192	32,287,351	2,205,549,551	1,824,823,719
	=====	=====	=====	=====

19. COST OF GOODS SOLD: TK. 1,987,976,139

	<u>Qty. in Kg.</u>	<u>Notes</u>		
Opening Stock of Finished Goods	912,818		524,830,844	393,028,184
Add: Cost of Production	<u>3,304,264</u>	20	<u>2,028,396,522</u>	<u>1,785,891,056</u>
	4,217,082		2,553,227,366	2,178,919,240
Less: Closing Stock of Finished Goods	950,890		565,251,227	524,830,844
	-----		-----	-----
	3,266,192		1,987,976,139	1,654,088,396
	=====		=====	=====

		<u>2009-10</u>	<u>2008-09</u>
20. COST OF PRODUCTION: TK. 2,028,396,522			
	<u>Qty. in Kg.</u>	<u>Notes</u>	
Raw Materials	3,768,489		
Packing Materials & Chemicals		21	
Direct Labor			
Factory Overhead		22	
Depreciation			
		1,866,629,699	1,624,865,922
		78,392,226	71,483,558
		26,156,921	20,927,566
		30,489,119	38,392,632
		26,728,557	30,221,378
		-----	-----
		2,028,396,522	1,785,891,056
		=====	=====

- During the year under review no imported materials have been consumed for production.

21. PACKING MATERIALS, CHEMICALS & ICE CONSUMED: TK. 78,392,226

Opening balance (Packing Materials)	6,955,496	9,369,652
Add: Packing Materials Purchase	<u>54,932,168</u>	<u>49,878,341</u>
	61,887,664	59,247,993
Less: Packing Materials in hand	8,133,212	6,955,496
	-----	-----
	53,754,452	52,292,497
Add: Chemical & Ice Purchase	24,637,774	19,191,061
	-----	-----
	78,392,226	71,483,558
	=====	=====

22. FACTORY OVERHEAD: TK. 30,489,119

Wages & Salaries	11,426,581	10,142,359
Bonus to Workers'	292,855	259,311
Power, Fuel & Water	11,782,905	22,116,990
Consumable Stores & Spares	1,538,962	1,927,416
Repair & Maintenance	5,422,683	3,821,942
Carriage Inward	25,133	124,614
	-----	-----
	30,489,119	38,392,632
	=====	=====

	<u>2009-10</u>	<u>2008-09</u>
23. ADMINISTRATIVE AND SELLING OVERHEAD: TK. 153,845,402		
Directors' Remuneration	8,400,000	7,800,000
Board meeting fees	30,000	14,000
Salary & Allowances	14,190,035	12,404,177
Contribution to Provident Fund	774,953	692,556
Bonus to Staff	1,606,448	1,134,894
Medical Expenses	9,798	16,464
Staff Welfare Expenses	786,252	447,887
Staff fooding	730,089	696,636
Uniform & Liveries	252,818	249,425
Freight & Forwarding	75,699,239	65,169,065
Rent, Rates & Taxes	1,042,573	703,495
Guest House Expenses	625,360	510,731
Advertisement	338,041	134,056
AGM Expenses	330,477	367,941
Donation & Subscription	542,280	287,080
Electricity & WASA Charges	242,370	205,215
Entertainment	497,175	621,999
General Fees & Charges	86,793	82,839
Membership Subscription	-	55,000
Insurance Premium	1,963,109	1,850,960
Rejection Insurance Premium	9,880,037	14,401,931
Laboratory Testing Fees	7,550,886	4,303,887
License & renewals	1,082,647	615,040
Newspaper & Periodicals	30,461	34,681
Postage & Stamps	423,238	380,815
Printing & Stationery	538,929	485,576
Sanitation Expenses	368,419	404,947
T.A & Conveyance	2,009,036	1,847,194
Telephone, Telex & Fax	968,251	1,073,282
Vehicles Maintenance	2,481,587	1,404,712
Legal & Professional Fees	1,564,000	535,642
Audit Fee	70,000	65,000
Sales Promotion Expenses	10,929,788	6,375,840
Sales Commission	5,758,337	-
Laboratory Expenses	209,682	544,499
Depreciation	1,832,294	2,051,750
	<u>153,845,402</u>	<u>127,969,216</u>

- Rejection Insurance Premium represents the premium paid for rejection coverage of shipments with due permission from Bangladesh Bank.
- Directors' Remuneration paid to the Directors for their full time service rendered are:

(a) Mr. Zafar Ahmed	4,800,000
(b) Mr. Ashim Kumar Barua	3,000,000
(c) Mr. Kazi Faruq Kader	600,000
	<u>8,400,000</u>
- Audit Fee is fixed by the Shareholders in the Annual General Meeting and does not include any other remuneration to Auditors.
- There are 11(eleven) meetings held during the year.

	<u>2009-10</u>	<u>2008-09</u>
24. FINANCIAL EXPENSES: TK. 62,564,954		
Interest	47,520,642	43,117,570
Charges	15,044,312	14,524,543
	-----	-----
	62,564,954	57,642,113
	=====	=====
25. OTHER INCOME: TK. 19,056,758		
Dividend Income:		
Dividend from Apex Spinning & Knitting Mills Ltd	3,394,800	4,526,400
Dividend from CDBL	100,000	250,000
	<u>3,494,800</u>	<u>4,776,400</u>
Interest Earned	<u>15,561,958</u>	<u>12,092,868</u>
	<u>19,056,758</u>	<u>16,869,268</u>

26. PROVISION FOR CONTRIBUTION TO PPF & WF: TK. 962,848

This represents 5% of the net profit after such contribution provided as per provisions of the Company's profit (Workers' Participation) Act, 1968 and is payable to workers' as defined in the said Act.

27. PROVISION FOR INCOME TAX FOR THE YEAR: TK. 10,531,215

This represents estimated Income Tax for the period from 1st July 2009 to 30th June 2010. The provision for deferred tax expenses/(income) is made to pay/adjust future income tax liability/asset due to accumulated temporary differences.

28. PRIOR YEARS ADJUSTMENT: TK. 2,735,850

This represents the following:

- (a) Adjustments for liability of Tk. 2,955,254/- against assessed tax up to income year 2008-09 as the assessments have been completed by the tax authority.
- (b) Adjustment for deferred tax assets of Tk. 56,91,104/- up to income year 2008-09.

29. BASIC EARNING PER SHARE (EPS) – DISCLOSURE UNDER BAS 33 “EARNINGS PER SHARE”:

$$\text{Basic EPS} = \frac{\text{Earnings attributable to Ordinary Shareholders}}{\text{Weighted average number of shares outstanding during the year 2009-10}}$$

$$\text{Basic EPS} = \frac{8,559,275}{570,240} = 15.01$$

- Weighted average number of Ordinary Shares outstanding during the year represents the number of Ordinary Shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time weighting factor. The time weighting factor is the number of days the specific number of shares are outstanding as a proportion of the total number of days in the period.

30. EVENTS AFTER BALANCE SHEET DATE:

The Board of Directors recommended cash Dividend of Tk. 12/- per Share for the year 2009-10 at the Board meeting held on 10th August 2010. The total amount of Dividend is Tk. 6,842,880/-.

There is no other significant event that has occurred between the Balance Sheet date and the date when the financial statements were authorized for issue by the Board of Directors of the Company.

31. RELATED PARTY TRANSACTIONS:

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

32. GENERAL:

	<u>2009-10</u>		<u>2008-09</u>	
(a) Production capacity (Quantity in M/T):				
Installed Capacity	5,475	%	5,475	%
Actual Capacity utilized	3,304	60.35	2,630	48.04
	-----		-----	
Variation	2,171		2,845	
	=====		=====	

- It is a seasonal business, shrimps season remains for only about 6(six) months (May to October) in a year. The Company was unable to achieve the optimum capacity due to non-availability of adequate shrimps throughout the year.

(b) Production (Quantity in Kg):

Shrimps	3,304,264	2,630,347
	-----	-----
	3,304,264	2,630,347
	=====	=====

(c) Export (Quantity in Kg):

Shrimps & Fish	3,266,192	2,332,536
	-----	-----
	3,266,192	2,332,536
	=====	=====

(d) Consumption: (Value in Tk.)

<u>Item</u>	<u>Value</u>	<u>Consumption</u>
		%
Local Shrimps	1,866,629,699	95.97
Local Packing Materials, Chemicals and Ice	78,392,226	4.03

(e) Salaries & Wages

	<u>No. of Employees</u>	<u>Taka</u>
Up to Tk. 3,000.00 per month	44	2,206,504
Above Tk. 3,000.00 per month	229	26,084,368
	-----	-----
	273	28,290,872
	=====	=====

33. PAYMENTS /PERQUISITES TO DIRECTORS/OFFICERS:

The aggregate amounts paid / provided during the year in respect of Directors and Officers of the Company as defined in the Securities and Exchange Commission Rules, 1987, are disclosed below:

	<u>Directors</u>	<u>Officers</u>
Board Meeting Fee	30,000	--
Salary and Allowance	8,400,000	13,108,272
Provident Fund Contribution	--	653,449
Bonus	--	1,105,937
Perquisites	--	8,352,248

34. CAPITAL EXPENDITURE COMMITMENT:

- There was no capital expenditure contracted or incurred or provided for as at 30th June 2010.
- There was no material capital expenditure authorized by the Board or contracted for as at 30th June 2010.

35. DURING THE YEAR UNDER REVIEW:

- No amount of money was spent by the Company for compensating any member of the Board for special service rendered except as stated above.
- There was no bank guarantee issued by the company on behalf of their directors.
- There was no brokerage paid against sales during the year 2009-10.
- There was no expense on account of miscellaneous/general expenses.
- There was no claim against the Company not acknowledged as debt on 30th June 2010.
- There was no credit facility available to the Company under any contract or availed of as on 30th June 2010 other than trade credit available in the ordinary course of business.
- There was no expense incurred in foreign exchange on account of Royalty, Technical Experts, Professional and Advisory Fee, Interest, Brokerage etc.

Sd/-
Zafar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Serazul Hoq
Company Secretary

PROXY FORM

The Director
Apex Foods Limited
Biman Bhaban, 5th Floor
100 Motijheel C/A, Dhaka-1000
Bangladesh

BO ID: [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] []
Register Folio No.....
No. of Shares.....

I/We.....
of.....
Being a member of APEX FOODS LIMITED hereby appoints
Mr./Mrs./Miss.....
of.....
as my/our proxy to attend and vote for me/us and on my/our behalf at the THIRTY FIRST ANNUAL GENERAL MEETING of the Company will be held at the Trust Milonayaton, 545 Puraton Biman Bandar Sarak (Adjacent to Shahid Bir Shresta Jahangir Gate), Dhaka Cantonment, Dhaka-1206 on Saturday the September 25, 2010 at 11.30 A.M. and or at any adjournment thereof. Signed this.....day of.....2010.

AFFIX
TEN TAKA
REVENUE
STAMP

(Signature of the Proxy)
BO ID: [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] []
Register Folio No.....
Dated.....

Signature verified
Authorized Signatory
Signature of the Shareholder(s)
Dated.....

Note: A member entitled to attend and vote at the Annual General Meeting may appoint only another member as proxy to attend and vote in his/her stead. The Proxy Form duly stamped with Revenue Stamp of Tk. 10.00 only, must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.

APEX FOODS LIMITED
Biman Bhaban, 5th floor, 100 Motijheel Commercial Area
Dhaka-1000, Bangladesh

SHAREHOLDERS' ATTENDANCE SLIP

Please complete the attendance slip and hand it over at the entrance of the meeting venue.

I/We record my attendance at the THIRTY FIRST ANNUAL GENERAL MEETING being held on Saturday the September 25, 2010 at 11.30 A.M. at the Trust Milonayaton, 545 Puraton Biman Bandar Sarak (Adjacent to Shahid Bir Shresta Jahangir Gate), Dhaka Cantonment, Dhaka-1206.
Name of Member (s)
BO ID: [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] []
Register Folio No.....holding of.....Ordinary Shares of Apex Foods Limited.

Signature of Shareholder(s)

- N.B. : (1) Please Note that AGM can only be attended by the honorable Shareholders or properly constituted Proxy. Therefore, any friend or children accompanying with honorable Shareholders or Proxy cannot be allowed into the meeting.
(2) Please present this slip at the reception desk.

