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Date: November 30, 2022

TRANSMITTAL LETTER

To
The Shareholders,
Bangladesh Securities and Exchange Commission,
Registrar of Joint Stock Companies & Firms,
Dhaka Stock Exchange Limited and
Chittagong Stock Exchange Limited

Subject: **Annual Report for the year ended on June 30, 2022.**

Dear Sir(s):

We are pleased to enclose a copy of the Annual Report of Apex Foods Limited together with the Audited Financial statements comprising of Statement of Financial Position as at June 30, 2022, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on June 30, 2022 along with Notes thereon for your kind information and record.

Yours sincerely,

Sd/-
Kamrul Islam
Company Secretary

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the **FORTY - THIRD ANNUAL GENERAL MEETING** of the Shareholders of **APEX FOODS LIMITED** will be held virtually by using digital platform through link <http://virtualagm.apexfoods.com> (in pursuant with BSEC order SEC/SRMIC/94-231/25 dated July 08, 2020) on **Thursday, December 15, 2022 at 11.30 A.M.** to transact the following businesses:

AGENDA

1. To receive and adopt the Audited Financial Statements for the year ended on 30 June 2022 and report of the Auditors' and Directors thereon.
2. To declare Dividend for the year 2021-22.
3. To elect Directors.
4. To appoint Statutory Auditors for the year 2022-23 and fix their remuneration.
5. To appoint professional for the Certification on Corporate Governance Code for the year 2022-23 and fix their remuneration.
6. To transact any other business of the Company, with permission of the Chair.

Place: Dhaka
Date: November 24, 2022

By order of the Board of Directors

Sd/-
Kamrul Islam
Company Secretary

NOTES:

1. The Shareholders whose name appeared in the Register of Members of the Company or in the Depository on the "**Record Date i.e. November 07, 2022**" are eligible to attend in the Annual General Meeting and be entitled to the Dividend.
2. The detail login process and link of the online portal to attend the meeting will be communicated to the shareholders through email in due course and will be available at the company's Website at: <http://www.apexfoods.com>.
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**" duly filled in, signed and stamped, must be submitted at the Registered Office of the Company not later than **48** hours before the time fixed for the Meeting.
4. Pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Notification No.: BSEC/CMRRCD/2006-158/208/Admin/81 dated 20th June, 2018 the **Annual Report 2021-22** of the Company shall be sent to the respective e-mail address of the shareholders mentioned in their Beneficiary Owner (BO) Accounts with the depository. In case of non-receipt of Annual Report 2021-22 of the Company through e-mail, Shareholders may collect the same from Company's Website at: <http://www.apexfoods.com>.
5. In pursuance of BSEC's Notification No.: SEC/SRMI/2000-953/1950 dated October 24, 2000 gazette 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.

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Vice Chairman	:	Mr. Zahur Ahmed PhD
Managing Director	:	Mr. Shahriar Ahmed
Director	:	Mr. Mahir Ahmed
Director	:	Mr. Eifaz Ahmed
Director	:	Mr. Ashim Kumar Barua
Independent Director	:	Mr. Kazi Faruq Kader

AUDIT COMMITTEE

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

NOMINATION & REMUNERATION COMMITTEE

Chairman	:	Mr. Kazi Faruq Kader, Independent Director
Member	:	Mr. Zahur Ahmed PhD, Vice Chairman
Member	:	Mr. Shahriar Ahmed, Managing Director

SENIOR CORPORATE OFFICIALS

Executive Director	:	Mr. Mominuddin Ahmed Khan
Chief Financial Officer	:	Mrs. Sheuli Rani Dey
Head of Internal Audit & Compliance	:	Mr. Md. Monir Hossain Bhuiyan FCCA, ACA
Company Secretary	:	Mr. Kamrul Islam

LEGAL ADVISORS

Abdur Razzaque & Associates
Md. Shahjahan Khan

STATUTORY AUDITORS

M/s. Hussain Farhad & Co.
Chartered Accountants

CORPORATE GOVERNANCE COMPLIANCE AUDITORS

M/s. Malek Siddiqui Wali
Chartered Accountants

SCRUTINIZER OF AGM

M/s. Malek Siddiqui Wali
Chartered Accountants

BANKER

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

REGISTERED OFFICE

SHANTA SKYMARK (Levels 8-13),
18 Gulshan Avenue, Gulshan, Dhaka-1212
Bangladesh.

FACTORY

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

FIVE YEARS STATISTICS

Figure in Thousand Taka

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Results of Operations:					
Revenue	3,512,950	2,759,680	2,184,387	1,712,670	1,922,168
Gross Profit	377,598	231,157	189,858	197,054	209,731
Operating Profit/(Loss)	106,822	91,390	85,399	96,071	102,415
Profit before Tax	77,284	48,104	36,422	38,406	33,931
Net Profit/(Loss) after Tax	29,316	11,805	10,738	11,781	9,660
Earnings per Share (EPS)	5.14	2.07	1.88	2.07	1.69
Dividend Per Share*	2.00	2.00	1.50	2.00	2.00
Financial Positions:					
Total Assets	1,239,984	1,453,953	1,714,463	1,682,611	1,872,183
Property, Plant and Equipment-Gross	749,849	732,112	725,427	710,997	705,057
Property, Plant and Equipment-Net	77,439	74,650	84,414	88,988	103,205
Gross Working Capital	836,087	1,074,803	1,315,229	1,256,464	1,353,620
Net Working Capital	369,229	337,906	326,994	325,898	306,141
Working Capital Loan	312,870	596,148	754,195	744,293	762,783
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	205,744	187,833	184,581	185,248	184,752
Share Holders' Equity	719,541	680,799	687,905	709,206	779,088
Long Term Loan	-	5,614	5,232	2,363	2,975
Key Financial Ratios:					
Current Ratio	1.79	1.46	1.33	1.35	1.29
Debt to Total Assets (%)	41.97	53.18	59.88	57.85	58.40
Return on Equity (%)	4.07	1.73	1.56	1.66	1.24
Net Assets Value Per Share	126.18	119.39	120.63	124.37	136.62
Dividend Payout Ratio (%)	38.90	96.61	79.66	96.81	118.06
Interest Service Coverage Ratio	4.25	1.86	1.19	1.24	1.19
Others:					
Market Price Per Share (30 th June)	181.90	124.70	120.10	175.60	209.20
Price Earning Multiple	35.39	60.24	63.88	84.83	123.79
Number of Employees (Including contract labor)	606	454	533	465	413
Capacity Utilization (%)	38.85	36.53	30.00	25.49	30.36

* The Board of Directors recommended Cash Dividend @Tk. 2.00/- per Share for the year ended on 30th June 2022.



APEX FOODS LIMITED

SHANTA SKYMARK, 8TH to 13TH FLOOR, 18 GULSHAN AVENUE, DHAKA 1212, BANGLADESH
PHONE - 88-2-222283358, FAX 88-2-222261685

E-mail : apex@apexfoods.com, apex@apexfoodsltd.com, web: www.apexfoods.com

AUDIT COMMITTEE REPORT

The audit committee of **APEX FOODS LIMITED** is a sub-committee of the Board of Directors and appointed and authorized by the Board in pursuance of BSEC notification to review the activities of business.

The Audit Committee of the Company comprises of three Directors, nominated by the Board of Directors of the Company, headed by me, Kazi Faruq Kader, Independent Director. The other members of the committee are, Mr. Shahriar Ahmed and Mr. Ashim Kumar Barua.

The committee has worked closely with the company's financial term to ensure that the audit processes adopted in connection with the financial statements are deal with best practice. The committee was empowered to examine the matter related to financial and other affairs of the Company. This committee ensures a sound financial reporting system and updated information to the Board of Directors.

The committee normally meets in the next month of every quarter. During the year 2021-22, six Audit Committee meetings were held, the details of attendance of each member at the Audit Committee meetings are as follows:

Name of the Members	Number of Audit Committee Meeting held	Attended
Mr. Kazi Faruq Kader	6	6
Mr. Shahriar Ahmed	6	6
Mr. Ashim Kumar Barua	6	5

During the year the Audit Committee review and carry out the following tasks:

- Oversee the financial reporting process.
- Monitor choice of accounting policies and principles.
- Monitor Internal Control Risk management process.
- Oversee hiring and performance of external auditors.
- Hold meeting with the external auditors for review of the annual financial statements before submission to the Board for approval.
- Review along with the management, the annual financial statements before submission to the Board for approval.
- Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function.
- Review the Management's discussions and analysis before disclosing in the annual report.
- Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.
- Review statement of significant related party transactions submitted by the management.
- Review Management letters or letter of internal control weakness issued by the statutory Auditor's.
- Sufficient effectiveness of the internal financial controls.
- Compliance of all applicable legal and regulatory rules and regulations.
- Various reports of operational activities and streamlined the operations of the Company.
- The committee reviewed the audit plan for the year 2021-22 and oversees the performance of external auditors.
- Reviewed compliance of corporate governance guidelines issued by Bangladesh Securities and Exchange Commission.

The Audit Committee is of the view that the internal control and procedures are adequate to present a true and fair view of the activities and financial status of the Company.

Place: Dhaka

Dated: October 16, 2022

On behalf of the Audit Committee


Kazi Faruq Kader
Chairman



APEX FOODS LIMITED

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NOMINATION AND REMUNERATION COMMITTEE REPORT

The Nomination and Remuneration Committee of **Apex Foods Limited** is a sub-committee of the Board of Directors and appointed and authorized by the Board in pursuance of BSEC notification to assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executives.

The Board of Directors of Apex Foods Limited has established on 27th December, 2018 the Nomination and Remuneration Committee comprises of three members, headed by me, Kazi Faruq Kader, Independent Director. The other members of the committee are, Mr. Zahur Ahmed PhD and Mr. Shahriar Ahmed Directors of the company.

During the year 2021-22, one meeting of the Nomination and Remuneration Committee was held on 20th February, 2022, the details of attendance of each member at the NRC meetings are as follows:

Name of the Members	Position	Number of Meeting held	Attended
Mr. Kazi Faruq Kader	Chairman	1	1
Mr. Zahur Ahmed PhD	Member	1	1
Mr. Shahriar Ahmed	Member	1	1

During the year the Nomination and Remuneration Committee oversee on the following matters:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.
- The relationship of remuneration to performance is clear and meets appropriate performance benchmark.
- Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.
- Identifying person who may be appointed in top level executive position in accordance with the criteria laid down, and recommended their appointment and removal to the Board.
- Formulating the criteria for evaluation of performance of independent directors and the Board.
- Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria, and.
- Developing, recommending and reviewing annually the company's human resources and training policies.
- Reviewed compliance of corporate governance guidelines issued by Bangladesh Securities and Exchange Commission.
- **Appointment Criteria and qualifications:**
- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, senior management level and recommend to the board for appointment.



APEX FOODS LIMITED

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- The NRC is responsible to ensure that the procedures for appointing new Directors are transparent. A combination of age, gender, experience, ethnicity, educational background, nationality and other relevant person attributes in the board is important in providing a range of perspectives, insights and challenges needed to support right decision making.

Recruitment and selection processes for board members identify candidates with the most suitable skills, knowledge, experiences and personal values.

- **Evaluation:**

The committee shall carry out evaluation of performance of Independent Directors and the board. The NRC is responsible for ensuring the effectiveness of the board. The evaluation includes a review of the administration of the Board and its committees covering their operations, agenda, reports and information produced for consideration and relationship with Management.

- **Top level Executive Selection and Remuneration Policy:**

The performance of the Company depends upon the quality of its Directors and Top Level Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives.

- **The recruitment process for Top Level Executives shall be transparent.**

The objective of remuneration policy is to secure that reward for Top Level Executives shall contribute to attracting, engaging and retaining the right employees to deliver sustainable value for shareholders.

- **Acknowledgement:**

The Nomination and Remuneration Committee expressed of sincere thanks to the Chairman and Members of the Board and Management for their support in carrying out its duties and responsibilities.

Place: Dhaka
Dated: October 16, 2022

On behalf of the Nomination and Remuneration
Committee


Kazi Faruq Kader
Chairman

MD & CFO's Declaration to the Board of Directors

Date: October 16, 2022

The Board of Directors
Apex Foods Limited
SHANTA SKYMARK (Levels 8-13)
18 Gulshan Avenue, Gulshan
Dhaka-1212, Bangladesh.

Subject: Declaration on Financial Statements for the year ended on June 30, 2022

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No.: BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Apex Foods Limited for the year ended on June 30, 2022 have been prepared in compliance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), and any departure there from has been adequately disclosed;
- (2) The estimates and judgements related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on June 30, 2022 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Sheuli Rani Dey
Chief Financial Officer



মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস

৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali

CHARTERED ACCOUNTANTS

9-G, Motijheel C/ A, 2nd Floor, Dhaka-1000, Bangladesh.

Extension Office: Property Heights, 1st Floor

12, RK Mission Road, Dhaka – 1000.

PHONE: 9513471, 9569867

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Web: www.msw-bd.com

Report to the Shareholders of Apex Foods Limited On compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **Apex Foods Limited** for the year ended on June 30, 2022. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 under section 2CC of the Bangladesh Security Exchange Commission.

In our compliance status checking, we find that the company has failed to comply with the condition 1(2)(a), 1(2)(e), 5(2)(b), and 6(2)(i) of above referred code.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that in our opinion:

- a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- d) The Governance of the company is highly satisfactory.

Place: Dhaka

Date: November 14, 2022

Malek Siddiqui Wali

Chartered Accountants

Md. Waliullah, FCA

Managing Partner

Annexure-C

REPORT ON COMPLIANCE OF BSEC'S NOTIFICATION ON CORPORATE GOVERNANCE

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRC/2006-158/207/Admin/80 dated 03 June 2018 Issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.	Board of Directors			
1(1)	Board 's Size shall not be less than 5 and more than 20	✓		
1(2)	Independent Directors			
1(2)(a)	Independent Director(s) - at least one fifth (1/5) of the total number of directors		✓	The independent director is getting remuneration from the company, during the year his gross remuneration was TK. 600,000
1(2)(b)(i)	Independent director does not hold any share or holds less than one percent (1%) shares of total paid up capital	✓		
1(2)(b)(ii)	Independent director is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company	✓		
1(2)(b)(iii)	Independent director has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1(2)(b)(iv)	Independent director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		
1(2)(b)(v)	Independent director is not member or TREC holder, director or officer of any stock exchange	✓		
1(2)(b)(vi)	Independent director is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		
1(2)(b)(vii)	Independent director is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1(2)(b)(viii)	Independent director is not independent director in more than 5 (five) listed companies	✓		He is independent director of Apex Spinning and Knitting Mills Limited
1(2)(b)(ix)	Independent director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI)			Not Applicable
1(2)(b)(x)	Independent director has not been convicted for a criminal offence involving moral turpitude			Not Applicable
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the Shareholders in the AGM	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 days			Not Applicable

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(2)(e)	The tenure of office of an Independent Directors shall be for a period of 3 (three) years which may be extended for 1 (one) tenure only.		✓	
1(3)	Qualification of Independent Director			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	✓		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association	✓		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company	✓		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law	✓		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law		✓	No need to comply
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification		✓	No need to comply
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission			Not Applicable
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	✓		Vice Chairman of the company acting as Chairman of the company.
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such incident was occurred during this year.
1(5)	The Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry	✓		
1(5)(ii)	The Segment-wise or product-wise performance	✓		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	✓		Detail discussion are given in Directors analysis.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss)	✓		
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		See note 47 of audited financial statements
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments			No such incident was occurred during the year.
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.			
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements	✓		
1(5)(x)	A statement of remuneration paid to the directors including independent directors	✓		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained	✓		
1(5)(xiii)	A statement that 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	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	✓		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized	✓		Please see note 43 to 45 of the Financial Statements
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year			Not Applicable
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend			Not Applicable

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director	✓		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	✓		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	✓		
1(5)(xxiii)(c)	Shareholding pattern of Executives	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	✓		
1(5)(xxiv)	In case of appointment or re-appointment of a Director, a disclosure on the following information to the Shareholders:			
1(5)(xxiv)(a)	A brief resume of the director	✓		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board	✓		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes			No such incident occurred during the year.
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	✓		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C	✓		
1(6)	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
2.	Governance of Board of Directors of Subsidiary Company:			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company			Not Applicable Entity don't have any subsidiary company.
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company			
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company			
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also			
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company			
3.	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)			No such incident was occurred.
3(2)	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board	✓		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4.	Board of Directors' Committee			
	For ensuring good governance in the company, the Board shall have at least following subcommittees:			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		
5.	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	Audit Committee as a sub-committee of the Board	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5.2	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;		✓	Please see note number 38 of audited financial statements.
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	Casual Vacancy of the Audit Committee fill up immediately or not later than 1 (one) month from the date of vacancy			No such incident was occurred
5(2)(e)	The company secretary shall act as the secretary of the Committee	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director			No such incident was occurred.
5.3	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		The independent director is getting remuneration from the company, during the year his gross remuneration was TK. 600,000. And according to the Particulars of Directors Mr. Kazi Faruq Kader is Independent Director.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such incident was occurred.
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM)	✓		
5.4	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year:	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.			No such incident was occurred.
5.5	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process	✓		
5(5)(b)	Monitor choice of accounting policies and principles	✓		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	Oversee hiring and performance of external auditors	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval	✓		
5(5)(h)	Review the adequacy of internal audit function	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	Review statement of all related party transactions submitted by the management	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;		✓	
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:			No such incident was taken place during the year.
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5(6)(a)(ii)(a)	Report on conflicts of interest			No such incident was occurred to report.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;			
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			
5(6)(b)	Reporting to the Authorities If any report which has material impact on the financial condition and results of operation and which has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			
5(7)	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			
6.	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		According to Particulars of Directors Mr. Kazi Faruq Kader is ID of the company.
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		The independent director is getting remuneration from the company, during the year his gross remuneration was TK. 600,000.
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such incident was occurred.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such incident was occurred.
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			No such incident was occurred
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.		✓	Detail of remuneration are given in the note 38 of annual financial statements
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		According to Particulars of Directors Mr. Kazi Faruq Kader is ID of the company.
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such incident was occurred.
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	✓		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			No such incident was occurred.
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓		
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	✓		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7.	External or Statutory Auditors			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:	✓		
7(1)(i)	Appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	Financial information systems design and implementation;	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	Broker – dealer services	✓		
7(1)(v)	Actuarial services	✓		
7(1)(vi)	Internal audit services or special audit services;	✓		
7(1)(vii)	Any service that the Audit Committee determines;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1);	✓		
7(1)(ix)	Any other service that creates conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8.	Maintaining a website by the Company			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9.	Reporting and Compliance of Corporate Governance			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9(3)	The directors of the company shall state, in accordance with the Annexure-Attached, in the directors' report whether the company has complied with these conditions or not.	✓		

DIVIDEND DISTRIBUTION POLICY

1. Introduction:

The Dividend Distribution Policy prescribes a set of principles/guidelines in relation to declaration and payment of dividend and matters incidental thereto or connected therewith. The said policy has been formulated for ensuring the proper distribution of declared dividend to the shareholders of the company.

This policy has been prepared pursuant to the Directive dated 14th January 2021 bearing reference No. BSEC/CMRRCD/2021-386/03 issued by the Bangladesh Securities and Exchange Commission (BSEC).

2. Procedure for Declaration of Dividend:

Amount of dividend (basis on the ordinary share of the company of taka 10 each) will be recommended by the Board of Directors on specific agenda of Board Meeting and finally dividend shall be approved by the shareholders at Annual General Meeting (AGM) on the basis of recommendation of the Board of Directors but no dividend shall exceed the amount recommended by the Board of Directors.

Mainly, declaration of dividend would be based on the audited financial statements of the company and also considering the following relevant factors:

- ❖ Past dividend trends
- ❖ Net profit after tax
- ❖ Shareholder expectations
- ❖ Dividend policy of competitors
- ❖ Cash flow position & working capital requirement &
- ❖ All applicable regulatory requirements.

3. Entitlement of Dividend:

The shareholders whose names would appear in the Register of Members of the company and/or in the depository on the “**Record Date**” would be eligible to join in the AGM & entitled to receive the annual/final dividend of the company.

4. Payment/distribution of Dividend:

Company shall pay off final dividend to the entitled shareholders within 30 (thirty) days from the date of approval by the shareholders in AGM. Cash dividend shall be distributed in the following manner & procedures:

- ❖ Upon approval from shareholders in AGM, we will keep the whole amount of cash dividend payable declared by the Board of Directors for the concern year in our separate bank account within 10 (ten) days of the AGM.
- ❖ Company shall pay off cash dividend directly to the bank account of the entitled shareholders as available in the BO account maintained with the depository participants (DP) or the bank account as provided by the shareholders in paper form through Bangladesh Electronic Funds Transfer Network (BEFTN).
- ❖ In case of non-availability of bank account information or if not possible to distribute cash dividend through BEFTN or electronic payment system. Company shall issue cash dividend warrant and shall send it by post to the shareholders.

5. Unpaid or Unclaimed Dividend:

Pursuant to the Directive No. BSEC/CMRRCD/2021-386/03 dated 14.01.2021, the Company shall maintain as separate line item namely “**Unclaimed Dividend Account**” where unpaid or unclaimed dividend shall be accounted for in audited accounts for a period 3 (three) years and this unpaid or unclaimed cash dividend shall be kept to a separate bank account of the company within one year from the date of declaration or approval or record date. After elapse of the afore- mentioned period, if any dividend remains unpaid or unclaimed or unsettled, such dividend along with accrued interest shall be transferred to the “**Capital Market Stabilization Fund**” maintained by Bangladesh Securities and Exchange Commission.

6. Procedure for claiming unpaid Dividend:

The procedure for claiming unpaid or unclaimed dividend which are as follows:

- ❖ Shareholders are required to make an application for unpaid dividend for latest three years at its registered office address.
- ❖ Shareholders may apply in person at Corporate Office of the Company.
- ❖ Unpaid Dividends will be paid to the shareholders, upon verification of the relevant BO ID information, cell phone number, NID and email address maintained with the Central Depository of Bangladesh Limited (CDBL).
- ❖ Unpaid Dividends will be paid through issuance of Dividend warrant/BEFTN/other banking channels within 15(Fifteen) working days from the application.

7. Disclosure of Dividend Information:

The Company maintains a record of unpaid or unclaimed dividend. Summary of such record shall be available in the Annual Report and in the Quarterly Financial Statements. The Company shall also publish such record in its website in accordance with the Directive No. BSEC/CMRRCD/2021-386/03 dated 14.01.2021.

8. Submission of Dividend Distribution Compliance Report:

The Company shall submit a dividend distribution compliance report to BSEC, DSE & CSE in a specific format issued by the regulator(s) within stipulated time of completion of dividend distribution to the entitled shareholders.

9. General

The dividend Policy would be subject to revision/amendment in accordance with changes in applicable laws or the guidelines issued by BSEC or such other regulatory authority as may be authorized, from time to time, on the subject matter.

The Board shall review this Policy annually. Upon recommendation of the Board, the Company reserves its right to alter, modify, add, delete or amend any of the provision of this policy.

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

It is an honor and pleasure for me to welcome you all to the Forty-Third Annual General Meeting of your Company and to present the Annual Report for the year ended June 30, 2022.

As you are all aware that our honorable Chairman Mr. Zafar Ahmed passed away on 9th January, 2022. We Pray to Almighty Allah for his departed soul.

Global Economy:

Most of you are aware of the tremendous slump of the global economic growth potential from 5.7 percent in 2021 to 2.9 percent in 2022, significantly lower than 4.1 percent that was anticipated in January. It is expected to hover around that pace for several years. As a result of the damage from the pandemic and the crisis of the world politics, the level of per capita income in developing economies this year will be nearly 5 percent below its pre-pandemic trend. Among emerging market and developing economies, growth is also projected to fall from 6.6 percent in 2021 to 3.4 percent in 2022, well below the annual average of 4.8 percent over 2011-2019. The negative spillovers from the war will more than offset any near-term boost to some commodity exporters from higher energy prices. Forecasts for 2022 growth have been revised down in nearly 70 percent of EMDEs, including most commodity importing countries as well as four-fifths of low-income countries. As you all are aware that our business is mainly export based and for that reason we are significantly affected by downturn in the global economic downturn.

Bangladesh Economy:

Bangladesh has made a strong economic recovery from the COVID-19 pandemic, but growth faces new headwinds as global commodity prices increase amid the uncertainty created by the crisis of world politics.

In Bangladesh, a rebound of manufacturing and service sector activities led strong growth in FY21 and in the first half of FY22. In the medium term, GDP growth is expected to remain strong. Significantly, inflation rose to 6.2 percent in February 2022, driven by a rise in both food and non-food prices. The war in Ukraine and associated sanctions may lead to a higher current account deficit and rising inflation as global commodity prices surge. Public debt remains sustainable, and the March 2022 joint World Bank-IMF Debt Sustainability Analysis assessed that Bangladesh remained at low risk of external and public debt distress.

My sincere thanks to all the 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 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.

Place: Dhaka
Date: October 16, 2022

Sd/-
Zahur Ahmed PhD
Vice Chairman

MANAGEMENT DISCUSSION & ANALYSIS

Management's Discussion and Analysis of the Company's position and operations along with a brief discussion of changes in the financial statements as per condition no. 1.5(XXV) of Corporate Governance Code dated June 03, 2018:

(a) Accounting policies and estimation for preparation of financial statements:

These Financial Statements have been prepared under the Historical Cost Convention, accrual and Going Concern basis in accordance with applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) in Bangladesh and the following IASs and IFRSs are applicable for the financial statements for the year under review:

IAS-1	Presentation of financial statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS-21	The Effects of Changes in Foreign Exchange Rates
IAS-23	Borrowing Costs
IAS-24	Related Party Disclosures
IAS-33	Earnings Per Share
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS-15	Revenue from contracts with customers
IFRS-16	Leases

(b) Changes in accounting policies and estimation:

There was no change in accounting policies and estimation during the year under review.

(c) Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons:

Particulars	Figure in Thousand Taka					
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
Operational and Financial Data:						
Revenue	3,512,950	2,759,680	2,184,387	1,712,670	1,922,168	1,642,772
Gross Profit	377,598	231,157	189,858	197,054	209,731	195,808
Operating Profit/(Loss)	106,822	91,390	85,399	96,071	102,415	4,470
Profit before Tax	77,284	48,104	36,422	38,406	33,931	27,037
Net Profit/(Loss) after Tax	29,316	11,805	10,738	11,781	9,660	8,920
Total Assets	1,239,984	1,453,953	1,714,463	1,682,611	1,872,183	1,758,502
Total Liabilities	520,443	773,154	1,026,559	973,405	1,093,400	1,106,319
Current Assets	836,087	1,074,803	1,315,229	1,256,464	1,353,620	1,372,968
Current Liabilities	466,858	736,897	988,234	930,566	1,047,479	1,077,907
Reserve and Surplus	205,744	187,833	184,581	185,248	184,752	186,192
Share Holders' Equity	719,541	680,799	687,905	709,206	779,088	652,183
Current Ratio	1.79	1.46	1.33	1.35	1.29	1.27
Net Assets Value (NAV) per Share	126.18	119.39	120.63	124.37	136.62	114.37
Earnings Per Share (EPS)	5.14	2.07	1.88	2.07	1.69	1.56
NOCFPS	62.14	42.87	16.66	24.70	8.25	(25.57)

There was significant variance in net operating cash flows. The Net Operating Cash Flows per Share are positive/negative and are different in every financial year as this depends on different issues mainly, Collection from revenue and payment for costs and expenses. This scenario is changeable from time to time depending on different issues.

(d) Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario:

"Figure in thousand Taka"

Particulars	Apex Foods Ltd. 2021-22	Gemini Sea Food Ltd. 2021-22
Operational and Financial Data:		
Revenue	3,512,950	Not available
Gross Profit	377,598	Not available
Profit before Tax	77,284	Not available
Net Profit/(Loss) after Tax	29,316	Not available
Net Assets Value (NAV) per Share	126.18	13.10
Earnings Per Share (EPS)	5.14	12.49
NOCFPS	62.14	(25.79)

(e) Briefly explain the financial and economic scenario of the country and the globe:

Frozen food export is the seventh largest export item of Bangladesh, earning about 500 millions of foreign currency yearly which is about 3% of total export and contributing 3.78% in GDP. Shrimp contains more than 81% of frozen food item. Bangladesh captured 2.5% of world shrimp market. At the present time the world market demand for shrimp is increasing day by day. A significant area of southern part is under cultivation of shrimp culture. There are 105 (72 are registered by GOB) sea food processing plant in our country. Which total processing capacity are 3,00,000 M. Tons per year, but those processing plants are utilizing only 14%-16% of their total capacity due to significant inefficiencies in various steps of the value chain. The sector suffers from a lack of vision and strategic direction. An integrated strategy at each stage of value chain for sustainable growth and to respond emerging trends in the competitive global market place can increase the shrimp export earnings of Bangladesh.

(f) Risk and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company:

Apex Foods Limited is availing working capital loan and there is risk of higher interest rate, it is highly exposed to interest rate risk. To minimize this exposure, the company is emphasizing on own fund based financing to reduce dependency on interest based borrowed fund.

The fisheries sector is a major driver for growth for Bangladesh. The marine and coastal fisheries have significant potential for sustainable and higher production. Bangladesh is keeping its focus on black tiger shrimp production, even as its neighbor, India, aims to farm one million metric tons of vannamei Shrimp per year. Bangladesh has a niche market for Black Tiger Shrimp but lags behind most other countries in adoption of modern technologies for shrimp farming and utilization of economic potential. So all out efforts should be made to adopt modern farming technology as quickly as possible to increase production & cut costs to remain competitive in the world market and retain the market share and survive global competition.

(g) Future plan:

Apex Foods Limited continues to train its workers to make them more efficient and this will continue in future. As a result, the products will be able to meet international standards and be more hygienic. The Company's future plan is to sale its products with more value addition and explore new markets so that the Company can maintain a sustainable growth in coming years.

Place: Dhaka
Dated: October 16, 2022

Sd/-
Shahriar Ahmed
Managing Director

REPORT OF THE DIRECTORS

Dear Shareholders,

As you are all aware that our honorable Chairman Mr. Zafar Ahmed passed away on 9th January, 2022. We Pray to Almighty Allah for his departed soul.

However, the Directors are pleased to submit to you the Annual Report together with the Auditor's Report and Audited Financial Statements of the Company for the year ended June 30, 2022.

The Directors' Report is prepared in compliance with Section 184 of the Companies Act, 1994 and Bangladesh Securities & Exchange Commission's (BSEC) notification no- BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018.

(i) Industry outlook and possible future developments in the industry:

Shrimp export from the country has been experiencing a robust growth in the last six months (July-December 2021) of the current fiscal. No doubt a rebound of unlikely kind amid the fallout of the pandemic, this surge - more than 38 per cent compared to the corresponding period of the previous year - is however attributed to the rise in market prices of Bangladesh's prime variety of shrimps, namely Bagda. Soon after the Covid-19 began to devastate life and livelihood all over the world around two years from now, export of Bagda shrimp had come almost to a halt due to low prices. Since mid-2021, surprisingly, the situation changed with prices rising and exporters enjoying high sales.

However, given the shift to the advantage of Bangladeshi exporters, one cannot rest assured that market for this prime variety of shrimp will continue to be bullish. This is because consumer tastes and preferences keep changing and exporters have to remain continually tuned to the market behavior and when necessary, change marketing strategy by way of new product development and adaptation. It is here that the need for introducing newer varieties of shrimps in line with market demand is extremely important. Otherwise reliance on a costly and prime variety such as Bagda may not be the best practice to stick to. According to Bangladesh Frozen Food Exporters Association (BFFEA), 85 per cent of the shrimp exported from Bangladesh goes to European countries, while 15 per cent goes to America, Japan and other countries. As a result, Shrimps exporters should carefully handle the export for sustainability of business.

(ii) Segment-wise or product-wise performance:

As Apex Foods Limited produces only shrimp, there is no scope for Product-wise performance reporting. However, country-wise export details are given in note 32 of the Annual Report.

(iii) Risks and concerns:

Shrimp farming is growing in Bangladesh due to suitable agro-climatic conditions, adequate water resources, cheap labor force, international donor agencies and the involvement of multinational corporations. Although it provides immediate economic benefits, contributes to poverty reduction and food security, as well as generates employment from seed collectors to exporters, it has also been facing a host of challenges. It finds that socioeconomic impacts such as traditional livelihood displacement, social unrests and market fluctuations are hindering the sustainable development of shrimp farming in Bangladesh. Similarly, environmental impacts such as mangrove degradation, salt water intrusion, and sedimentation, pollution and disease outbreaks are found to be obstacles for the development of sustainable shrimp farming. Inappropriate management practices and inadequate plans regarding water quality, seed supply, irrigation facilities and fishery resources, added to institutional weaknesses, jeopardize the future growth of shrimp farming. Therefore, exporters and farmers shall provide substantial input to set the directions that research for alternatives can take and that can contribute to the sustainability of shrimp farming, then the sector avail to sustainability.

(iv) Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin:**(a) Cost of Goods Sold:**

The reporting year's cost of goods sold was Tk. 3,135 million. The last year's cost of goods sold was Tk. 2,529 million. The increase in the cost of goods sold is because there has been an increase in the reporting year's gross revenue and average production cost of Tk. 226/- per Kg. During the year 2,797,267 Kg of shrimps were produced against last year's production of 2,629,908 Kg. Production capacity utilized during the year was 38.85%. Raw material purchase cost has increased to the tune of Tk. 731.43 million against last year. Raw materials had to be purchased more during the year to meet the sales projection.

(b) Gross Profit:

The Company has achieved export revenue of Tk. 3,513 million during the year ended June 30, 2022. Last year's turnover was Tk. 2,760 million. The increase in revenue is 27.30% over the previous year. The increase in revenue is due to the global upturn in the retail product, particularly food items. During the year, gross profit earned was Tk. 377.60 million against last year's gross profit of Tk. 231.16 million. A substantial increase in revenue, there is an increase in the gross profit margin.

(c) Net Profit:

Net profit (after tax) earned during the year was Tk. 29.32 million compared to last year's Net Profit (after tax) of Tk. 11.81 million due to price adjustment and increased efficiency in operation.

(v) Extra-Ordinary gain or loss:

During the year, there was no realized extra-ordinary gain or loss made by the Company. An amount of Tk. 20.83 million has been shown as Fair Value Surplus of Investment in shares to the Statement of Comprehensive Income, which represents the difference between the closing price of the investment in the Shares of Apex Spinning & Knitting Mills Limited and Cost Price of Apex Weaving & Finishing Mills Limited and the price shown in the last Statement of Financial Position. This accounting effect was given to comply with the latest requirement of International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs). Details are given in Note 21 of the Annual Report.

(vi) Related party transactions:

- There is no related party (Inter Company) transactions during the year under review.
- Transaction with key management personnel

2021-2022

Name of the Parties	Relationship	Nature of Transactions	Transactions	Opening Balance	Transaction during the period	Closing Balance
i. Mr. Zahur Ahmed PhD	Director	Revenue	Office Rent	-	-	-
ii. Mrs. Shawkat Ara Ahmed	Shareholder	Revenue	Office Rent	-	-	-
iii. Mr. Shahriar Ahmed	Director	Revenue	Office Rent	-	-	-
iv. Mr. Mahir Ahmed	Director	Revenue	Office Rent	-	-	-
v. Mr. Eifaz Ahmed	Director	Revenue	Office Rent	-	-	-

The Directors & Shareholders have provided a rent-free office space for business transaction for the company as per agreement. However, the total rental spaces as mentioned in the agreement is approximately 79,444.10 sft for 11 sister concerns of the Directors of the company which is located at SHANTA SKYMARK (Levels 8-13), Plot No. 18, Block CWS(A), Gulshan Avenue, Gulshan, Dhaka-1212. Therefore, the value of the related party transaction is nil.

(vii) Utilization of proceeds from public issues and/ or rights issues:

There was no right issue offered during the year.

(viii) Financial results after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.:

Initial Public Offering was made on June 22, 1981, and subsequently, the Right Offer was made on January 11, 1997. Since then, the Company is performing well.

(ix) Variance between Quarterly Financial performance and Annual Financial Statements:

There was a significant variance between quarterly performance (i.e., up to 3rd quarter, EPS was Tk. 2.50 & annually it has reached Tk. 5.14) and annual financial statements. This is due to an increase in operational efficiency as well as cost minimization.

(x) Remuneration to directors including independent directors:

The remunerations of Directors, including Independent Director, are as follows:

Name of the Directors	Director / Independent Director	Yearly Remuneration
Mr. Zafar Ahmed	Director	2,400,000
Mr. Ashim Kumar Barua	Director	4,200,000
Mr. Kazi Faruq Kader	Independent Director	600,000

(xi) The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows, and changes in equity.

(xii) Proper books of account of the Company have been maintained.

(xiii) Appropriate accounting policies have been consistently applied in the preparation of the financial statements, and that the accounting estimates are based on reasonable and prudent judgment.

(xiv) International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs), have been followed in the preparation of the financial statements and any departure there-from has been adequately disclosed.

(xv) The system of internal control is sound in design and has been effectively implemented and monitored.

(xvi) There was no such situation raised to protect the interest of minority shareholders.

(xvii) There are no significant doubts about the Company's ability to continue as a going concern.

(xviii) Deviation from the last year's operating results:

During the year, revenue has increased substantially due to price adjustments, more efficient handling raw material purchase and an increase in production efficiency.

(xix) Key operating and financial data of at least preceding 5 (five) years:

Particulars	"Figure in thousand Taka"					
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
Operational Data:						
Revenue	3,512,950	2,759,680	2,184,387	1,712,670	1,922,168	1,642,772
Gross Profit	377,598	231,157	189,858	197,054	209,731	195,808
Operating Profit/(Loss)	106,822	91,390	85,399	96,071	102,415	4,470
Profit before Tax	77,284	48,104	36,422	38,406	33,931	27,037
Net Profit/(Loss) after Tax	29,316	11,805	10,738	11,781	9,660	8,920
Earnings Per Share (EPS)	5.14	2.07	1.88	2.07	1.69	1.56
Dividend Per Share	2.00	2.00	1.50	2.00	2.00	2.00
Financial Data:						
Total Assets	1,239,984	1,453,953	1,714,463	1,682,611	1,872,183	1,758,502
Property, Plant and Equipment-Gross	749,849	732,112	725,427	710,997	705,057	691,866
Property, Plant and Equipment-Net	77,439	74,650	84,414	88,988	103,205	113,078
Gross Working Capital	836,087	1,074,803	1,315,229	1,256,464	1,353,620	1,372,968
Net Working Capital	369,229	337,906	326,994	325,898	306,141	295,060
Working Capital Loan	312,870	596,148	754,195	744,293	762,783	768,871
Share Capital	57,024	57,024	57,024	57,024	57,024	57,024
Share Premium	209,088	209,088	209,088	209,088	209,088	209,088
Reserve and Surplus	205,744	187,833	184,581	185,248	184,752	186,192
Share Holders' Equity	719,541	680,799	687,905	709,206	779,088	652,183
Long Term Loan	-	5,614	5,232	2,363	2,975	22,500

(xx) Dividend:

The Board of Directors has recommended a Cash Dividend @ 20%, i.e., Taka 2.00 per share of Tk. 10.00 each for the year ended June 30, 2022, to those shareholders whose names would appear in the Share Register of Members of the Company or in the Depository list of CDBL as on November 07, 2022, at the close of office.

(xxi) Interim Dividend:

The Board of Directors has declared no bonus share or stock dividend for the interim period.

(xxii) Board Meetings:

During the year, 9 (Nine) Board Meetings were held. The attendance record of the Directors is as follows:

Name of Directors	Meeting attended
Mr. Zafar Ahmed	3
Mr. Zahur Ahmed PhD	9
Mr. Shahriar Ahmed	9
Mr. Mahir Ahmed	6
Mr. Eifaz Ahmed	6
Mr. Ashim Kumar Barua	9
Mr. Kazi Faruq Kader	9

(xxiii) The pattern of shareholding:

Name wise details	No. Shares
a) Parent/subsidiary/Associated companies and other related parties:	
Apex Spinning & Knitting Mills Limited	169,250
Apex Lingerie Limited	10,800
b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit & Compliance:	
Mr. Zahur Ahmed PhD – Director	160,740
Mr. Shahriar Ahmed – Director	1,718,894
Mr. Mahir Ahmed – Director	NIL
Mr. Efiaz Ahmed – Director	NIL
Mr. Ashim Kumar Barua – Director	7,500
Mr. Kazi Faruq Kader – Independent Director	NIL
Mrs. Sheuli Rani Dey – Chief Financial Officer	NIL
Mr. Md. Monir Hossain Bhuiyan FCCA, ACA- Head of Internal Audit & Compliance	NIL
Mr. Kamrul Islam – Company Secretary	NIL
c) Senior Corporate Executives:	
Mr. Mominuddin Ahmed khan-Executive Director	2,446
d) Shareholders holding ten percent (10%) or more voting interest in the Company:	
Mr. Shahriar Ahmed	1,718,894
Mrs. Shawkat Ara Ahmed	988,066

(xxiv) Appointment/re-appointment of directors of the Company:

I, Zahur Ahmed PhD and Mr. Shahriar Ahmed are retiring from the Board in terms of the Articles of Association of the Company and, being eligible, offer ourselves for re-election. The detailed work profiles of Mr. Zahur Ahmed PhD & Mr. Shahriar Ahmed are given below:

Mr. Zahur Ahmed PhD

- a. I have a Doctorate degree in Biophysics from the USA and is a former Associate Professor of the State University of New York at Buffalo, USA. I am one of the Directors of the Company and working in this sector since 1991. During the long tenure with the Company, I have gathered vast knowledge about this sector. I am now acting as Vice Chairman of the Company.
- b. I am also holding the Directorship of (i) Apex Spinning & Knitting Mills Limited, (ii) Apex Lingerie Limited, (iii) Apex Yarn Dyeing Limited, (iv) Apex Textile Printing Mills Limited, (v) Apex Fashion Wear Limited and (vi) Matex Bangladesh Limited.
- c. Presently, I am one of the member of Nomination and Remuneration Committee.

Mr. Shahriar Ahmed

- a. Mr. Shahriar Ahmed obtained his MBA from Johnson & Wales University, USA, and after completion of his education, he joined this Company in 2004. He is working in this sector since 2004. During his long tenure with the Company, Mr. Shahriar Ahmed has gathered vast knowledge about this sector as well as sufficient knowledge to run the company. Mr. Shahriar Ahmed is now acting as the Managing Director of the Company.

- b. He is holding the Directorship of (i) Apex Spinning & Knitting Mills Limited, (ii) Apex Lingerie Limited, (iii) Apex Yarn Dyeing Limited, (iv) Apex Textile Printing Mills Limited, (v) Apex Fashion Wear Limited and (vi) Matex Bangladesh Limited.
- c. Presently, Mr. Shahriar Ahmed is one of the member of Audit Committee & Nomination and Remuneration Committee.

(xxv) Management Discussion & Analysis Signed by MD:

The Managing Director has signed the management discussion and analysis, representing a detailed analysis of the Company's position and operation in the annual report as "Management Discussion & Analysis".

(xxvi) Declaration signed by MD & CFO:

Please refer to Annexure-A for declaration signed by MD and CFO.

(xxvii) Corporate Governance Compliance Report:

According to the Bangladesh Securities and Exchange Commission (BSEC) requirements, the "Corporate Governance Report" is annexed in Annexure B and C.

(xxviii) Appointment of Statutory Auditors:

As per order of the Bangladesh Securities & Exchange Commission, existing Auditors M/s. Hussain Farhad & Co., Chartered Accountants, retires being the auditors of the Company for three consecutive years. Being eligible M/s. Malek Siddiqui Wali, Chartered Accountants, offer themselves for appointment as Statutory Auditors of the Company for the year 2022-2023.

(xxix) Appointment of Compliance Auditors:

As per order of the Bangladesh Securities & Exchange Commission for appointment of Compliance Auditor M/s. Shiraz Khan Basak & Co., Chartered Accountants, being eligible, offer themselves for appointment as a Professional for Certification on Compliance of Corporate Governance Code for the year 2022-2023.

(xxx) Meeting of the Board of Directors:

We have conducted our Board Meeting & recorded the minutes of the meeting as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

Place: Dhaka
Dated: October 16, 2022

On behalf of the Board

Sd/-
Zahur Ahmed PhD
Vice Chairman

পরিচালকগণের প্রতিবেদন

প্রিয় শেয়ারহোল্ডারগণ,

আমরা সকলেই অবগত আছি যে, আমাদের সম্মানিত চেয়ারম্যান জনাব জাফর আহমেদ গত ৯ জানুয়ারী, ২০২২ তারিখে শেষ নিশ্বাস ত্যাগ করেছেন এবং সর্ব শক্তিমান আল্লাহর কাছে তাহার রুহের মাগফিরাত কামনা করছি।

এতদসঙ্গেও, আপনাদের কোম্পানীর পরিচালকগণ ২০২২ সালের ৩০ শে জুন তারিখে সমাপ্ত হিসাব বৎসরের বার্ষিক প্রতিবেদন এর সাথে নিরীক্ষকের প্রতিবেদন ও নিরীক্ষিত আর্থিক বিবরণী আপনাদের সম্মুখে উপস্থাপন করতে পেরে আনন্দিত।

পরিচালনা পর্ষদের প্রতিবেদন প্রনয়নের ক্ষেত্রে কোম্পানী আইন, ১৯৯৪ এর ১৮৪ ধারা ও বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের (বিএসইসি) নোটিফিকেশন নং- বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ- জুন ০৩, ২০১৮ অনুসরণ করা হয়েছে।

১. শিল্প সম্পর্কিত ধারণা এবং এই শিল্পের ভবিষ্যত উন্নয়নের সম্ভাবনাঃ

চলতি অর্থবছরের গত ছয় মাসে (জুলাই-ডিসেম্বর ২০২১) দেশ থেকে চিংড়ি রপ্তানি ব্যাপক উর্ধ্বগতি হয়েছে। নিঃসন্দেহে ইহা মহামারীর পরবর্তী অসম্ভাব্য ধরনের প্রত্যাবর্তন, আর এই উর্ধ্বগতি গত বছরের একই সময়ের তুলনায় ৩৮ শতাংশেরও বেশি-তবে বাংলাদেশের প্রধান জাতের বাগদা চিংড়ির মূল্য বৃদ্ধির জন্য এই উর্ধ্বগতি হয়েছে। এখন থেকে প্রায় দুই বছর আগে কোভিড-১৯ এর প্রভাবে সারা বিশ্বে জীবন ও জীবিকা ব্যাপক ভাবে বাধাগ্রস্ত হয়েছে, তারপর কম দামের কারণে বাগদা চিংড়ি রপ্তানি প্রায় বন্ধ হয়ে গিয়েছিল। অধিকন্তু ২০২১ সালের মাঝামাঝি থেকে, আশ্চর্যজনকভাবে, দাম বৃদ্ধির সাথে পরিস্থিতি পরিবর্তিত হয়েছে এবং রপ্তানিকারকরা উচ্চ বিক্রয়ের ফলাফল উপভোগ করেছে।

যাইহোক, বাংলাদেশী রপ্তানিকারকদের বর্তমান পরিবর্তনের প্রেক্ষিতে, কেউ নিশ্চিত হতে পারেনা যে এই প্রধান জাতের চিংড়ির বাজার সব সময় উক্ত উর্ধ্বমুখী থাকবে। এর কারণ হল ভোক্তাদের রুচি ও পছন্দ সবসময় পরিবর্তন হতে থাকে। রপ্তানিকারকদের বাজারের আচরণের সাথে ক্রমাগত সুরক্ষিত থাকতে হয় এবং প্রয়োজনে নতুন পণ্যের বিকাশ ও অভিযোজনের মাধ্যমে বিপণন কৌশল পরিবর্তন করতে হয়। এই ক্ষেত্রে বাজারের চাহিদার সাথে সামঞ্জস্য রেখে নতুন জাতের চিংড়ি প্রবর্তনের প্রয়োজনীয়তা অত্যন্ত গুরুত্বপূর্ণ। অন্যথায় বাগদার মতো ব্যাবহুল এবং প্রধান জাতের চিংড়ির উপর নির্ভর করা সর্বোত্তম সঠিক নাও হতে পারে। বাংলাদেশ ফ্রোজেন ফুড এক্সপোর্টার্স অ্যাসোসিয়েশনের (বিএফএফইএ) মতে, বাংলাদেশ থেকে রপ্তানি হওয়া চিংড়ির ৮৫ শতাংশ যায় ইউরোপের দেশগুলোতে, আর ১৫ শতাংশ যায় আমেরিকা, জাপানসহ অন্যান্য দেশে। ফলস্বরূপ, বর্তমানে চিংড়ি রপ্তানিকারকদের ব্যবসার টেকসই উন্নয়নের জন্য সাবধানে রপ্তানি পরিচালনা করা উচিত।

২. খাতওয়ারি অথবা পণ্য ভিত্তিক ফলাফলঃ

যেহেতু এপেক্স ফুডস্ লিমিটেড শুধু চিংড়ি প্রক্রিয়াকরন ও রপ্তানী করে সেহেতু এখানে পণ্য ভিত্তিক ফলাফলের বিবরণ দেওয়ার কোন সুযোগ নেই। যাইহোক বার্ষিক প্রতিবেদনের ৩২ নং নোটে আমাদের প্রতিষ্ঠানটি কোন দেশে কত রপ্তানী করেছে তার বিস্তারিত বিবরণ দেওয়া হয়েছে।

৩. ঝুঁকি ও উদ্বিগ্নতা সমূহঃ

উপযুক্ত কৃষি-জলবায়ু, পর্যাপ্ত পানি সম্পদ, সস্তা শ্রমশক্তি, আন্তর্জাতিক দাতা সংস্থা এবং বহুজাতিক কর্পোরেশনের সম্পৃক্ততার কারণে বাংলাদেশে চিংড়ি চাষ বাড়ছে। যদিও এটি তাৎক্ষণিক অর্থনৈতিক সুবিধা প্রদান করে, দারিদ্র্যতা হ্রাস এবং নিরাপত্তায় অবদান রাখে, সেই সাথে চিংড়ির বীজ সংগ্রহকারী থেকে রপ্তানিকারক পর্যন্ত প্রতিটি পর্যায়ে কর্মসংস্থান সৃষ্টি করে, যদিও এটি অনেক চ্যালেঞ্জের সম্মুখীন হয়েছে। এতে দেখা যায় যে আর্থ-সামাজিক বিরূপ প্রভাব যেমন ঐতিহ্যগত জীবিকার মানচ্যুত, সামাজিক অস্থিরতা এবং বাজারে লাগামহীন মূল্যের ওঠানামা বাংলাদেশে চিংড়ি চাষের টেকসই উন্নয়নকে বাধাগ্রস্ত করছে। একইভাবে, ম্যানগ্রোভের অবক্ষয়, নোনা জলের অনুপ্রবেশ এবং পলি দূষণ এবং রোগের প্রাদুর্ভাবের মতো পরিবেশগত প্রভাবগুলি টেকসই চিংড়ি চাষের বিকাশের জন্য বাধা হিসাবে দেখা হয়। অনুপযুক্ত ব্যবস্থাপনা অনুশীলন এবং জলের গুণমান, চিংড়ি বীজ সরবরাহ, সেচ সুবিধা ও মৎস্য সম্পদ সংক্রান্ত অপরিপূর্ণ পরিকল্পনা সেইসাথে প্রাতিষ্ঠানিক দর্বলতা, চিংড়ি চাষের ভবিষ্যত বৃদ্ধিকে হুমকির মুখে ফেলছে। অতএব, রপ্তানিকারক এবং খামারিরা বিকল্প গবেষণার জন্য দিকনির্দেশনা গ্রহণ ও চিংড়ি চাষের টেকসই অবদান এবং সেই দিকনির্দেশনা মোতাবেক যথেষ্ট যোগানই দিতে পারে এই খাতের টেকসই উন্নয়ন।

৪. বিক্রিত পণ্যের ব্যয় বিশ্লেষণ, মোট প্রান্তিক মুনাফা এবং নীট প্রান্তিক মুনাফা বিশ্লেষণঃ

ক) বিক্রিত পণ্যের ব্যয় :

প্রতিবেদন কালীন সময়ে বিক্রিত পণ্যের ব্যয় ছিল ৩,১৩৫ মিলিয়ন টাকা। গত বৎসর বিক্রিত পণ্যের ব্যয় ছিল ২,৫২৯ মিলিয়ন টাকা। বিক্রিত পণ্যের ব্যয় বৃদ্ধি পেয়েছে এর কারণ প্রতিবেদন কালীন সময়ে মোট বিক্রয় বৃদ্ধি পেয়েছে সাথে গড়ে কেজি প্রতি উৎপাদন ব্যয় ২২৬ টাকা হারে বৃদ্ধি পেয়েছে। চলতি বৎসর ২,৭৯৭,২৬৭ কেজি চিংড়ি উৎপাদন হয়েছে যা গত বৎসর ছিল ২,৬২৯,৯০৮ কেজি। চলতি বৎসরে উৎপাদন ক্ষমতার ৩৮.৮৫ শতাংশ ব্যবহৃত হয়েছে। গত বৎসরের তুলনায় কাঁচামাল ক্রয়ের জন্য ৭৩১.৪৩ মিলিয়ন টাকা বেশি খরচ হয়েছে। বিক্রয় চাহিদা পূরণের জন্য এ বছর বেশি কাঁচামাল ক্রয় করা হয়েছে।

খ) মোট মুনাফাঃ

৩০ শে জুন ২০২২ সমাপ্ত অর্থ বৎসরে কোম্পানী মোট বিক্রয় করেছে ৩,৫১৩ মিলিয়ন টাকা । গত বৎসর বিক্রয় ছিল ২,৭৬০ মিলিয়ন টাকা । গত বৎসরের তুলনায় বিক্রয় ২৭.৩০ শতাংশ বৃদ্ধি পেয়েছে । বিক্রয় বৃদ্ধি পেয়েছে মূলত খুচরা পণ্য বিশেষত খাদ্য সামগ্রীর বিশ্বব্যাপী বৃদ্ধির কারণে । এ বৎসর মোট মুনাফা অর্জিত হয়েছে ৩৭৭.৬০ মিলিয়ন টাকা যা গত বৎসর ছিল ২৩১.১৬ মিলিয়ন টাকা । বিক্রয় যথেষ্ট পরিমাণে বৃদ্ধি পাওয়া সত্ত্বেও, মোট লাভ মার্জিন হালকা বৃদ্ধি পেয়েছে ।

গ) নীট মুনাফাঃ

এ বৎসর কর পরবর্তী নীট মুনাফা হয়েছে ২৯.৩২ মিলিয়ন টাকা এবং গত বৎসর কর পরবর্তী নীট মুনাফা ছিল ১১.৮১ মিলিয়ন টাকা, মূলত মূল্য সমন্বয় দক্ষ পরিচালনার মাধ্যমেই অর্জন সম্ভব হয়েছে ।

৫. অস্বাভাবিক লাভ বা ক্ষতিঃ

এ বৎসর বাস্তবিক অর্থে প্রাপ্ত কোন অস্বাভাবিক লাভ বা ক্ষতি নেই । বিনিয়োগের সৃষ্ট মূল্যায়নের ফলে ২০.৮৩ মিলিয়ন টাকা লাভ হয়েছে যাহা সমন্বিত আয় বিবরণীতে দেখানো হয়েছে যাহা এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড এবং এপেক্স উইভিং এন্ড ফিনিশিং মিলস্ লিমিটেড এর শেয়ারে বিনিয়োগের সমাপনী মূল্য এবং গত বৎসরের আর্থিক অবস্থার বিবরণীতে দেখানো মূল্যের পার্থক্য, ইহা ইন্টারন্যাশনাল গ্র্যাকাউন্টিং স্ট্যান্ডার্ডস (আই.এ.এস) এবং ইন্টারন্যাশনাল ফিন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আই.এফ.আর.এস) অনুযায়ী হিসাব বিবরণীতে দেখানো হয়েছে । বার্ষিক প্রতিবেদনে ২১ নং নোটে বিস্তারিত বিবরণ দেওয়া হয়েছে ।

৬. আন্তঃ সম্পর্কিত কোম্পানীর লেনদেন সমূহঃ

পর্যালোচনায় দেখা যায় এ বৎসর আন্তঃ সম্পর্কিত কোম্পানীর সাথে কোন লেনদেন হয়নি ।

মূল মালিকদের সাথে লেনদেনের বিবরণঃ

২০২১-২০২২

কোম্পানির নাম	সম্পর্ক	লেনদেনের ধরণ	লেনদেনের	প্রারম্ভিক ব্যালেন্স	লেনদেন এই বৎসর	সমাপনী ব্যালেন্স
১) জনাব জহুর আহমেদ পিএইচডি	একই পরিচালক	মুনাফা জাতীয়	অফিস ভাড়া	-	-	-
২) জনাবা শওকত আরা আহমেদ	শেয়ার হোল্ডার	মুনাফা জাতীয়	অফিস ভাড়া	-	-	-
৩) জনাব শাহরিয়ার আহমেদ	একই পরিচালক	মুনাফা জাতীয়	অফিস ভাড়া	-	-	-
৪) জনাব মাহির আহমেদ	একই পরিচালক	মুনাফা জাতীয়	অফিস ভাড়া	-	-	-
৫) জনাব ইফাজ আহমেদ	একই পরিচালক	মুনাফা জাতীয়	অফিস ভাড়া	-	-	-

দলিল অনুসারে, কোম্পানীর মালিকগণ ভাড়া ছাড়া তাদের জায়গা ব্যবসায়িক উদ্দেশ্যে অফিসের জন্য কোম্পানিকে প্রদান করেছে । এই, দলিল অনুসারে, মোট ভাড়া কৃত জায়গার আনুমানিক ৭৯,৪৪৪.১০ এস এফ টি মালিকদের ১১ টি সহপ্রতিষ্ঠানের সাথে রয়েছে, যাহার ঠিকানা শান্তা স্কাই মার্ক (লেভেল ৮-১৩), প্লট # ১৮, ব্লক # CWS(a), গুলশান এভিনিউ, গুলশান, ঢাকা-১২১২ । তাই, আন্তঃ সম্পর্কিত লেনদেনের কোন মূল্য নেই ।

৭. পাবলিক ইস্যু অথবা রাইট ইস্যু হইতে প্রাপ্ত তহবিলের ব্যবহারঃ

এ বৎসর কোন পাবলিক ইস্যু অথবা রাইট ইস্যু হয়নি ।

৮. ইনিশিয়াল পাবলিক অফারিং (আই.পি.ও), রিপিট পাবলিক অফারিং (আর. পি. ও), রাইট অফার, ডাইরেক্ট লিস্টিং ইত্যাদি থেকে অর্থ বা তহবিল প্রাপ্তির পর কোম্পানীর আর্থিক অবস্থা :

১৯৮১ সালের জুন মাসের ২২ তারিখে ইনিশিয়াল পাবলিক অফারিং (আই.পি.ও) এবং পরবর্তী সময়ে ১৯৯৭ সালের জানুয়ারী মাসের ১১ তারিখে রাইট অফার করা হয় । এর পর থেকে কোম্পানী নিয়মিত ভালো করে যাচ্ছে ।

৯. বার্ষিক আর্থিক বিবরণী এবং ত্রৈমাসিক আর্থিক অবস্থার বিবরণীর মধ্যে পার্থক্যঃ

ত্রৈমাসিক আর্থিক অবস্থার বিবরণী এবং বার্ষিক আর্থিক বিবরণী মধ্যে উল্লেখযোগ্য পার্থক্য আছে (অর্থাৎ তৃতীয় কোয়ার্টার পর্যন্ত আর্থিক প্রতিবেদনে শেয়ার প্রতি লাভ ছিল ২.৫০ টাকা কিন্তু বাৎসরিক ইহা ৫.১৪ টাকায় উপনীত হয়েছে) । ইহা হয়েছে মূলত পরিচালনায় দক্ষতা বৃদ্ধির পাশাপাশি ব্যয় হ্রাসকরণের ফলে ।

১০. স্বতন্ত্র পরিচালক সহ পরিচালকদের পারিশ্রমিকঃ

স্বতন্ত্র পরিচালক সহ পরিচালকদের পারিশ্রমিক নিম্নরূপঃ-

পরিচালকদের নাম	পরিচালক/স্বতন্ত্র পরিচালক	বাৎসরিক পারিশ্রমিক
জনাব জাফর আহমেদ	পরিচালক	২,৪০০,০০০/-
জনাব অসীম কুমার বড়ুয়া	পরিচালক	৪,২০০,০০০/-
জনাব কাজী ফারুক কাদের	স্বতন্ত্র পরিচালক	৬০০,০০০/-

১১. কোম্পানীর ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীতে কোম্পানীর আর্থিক অবস্থা, আর্থিক কার্যক্রমের ফলাফল, নগদ প্রবাহ, মূলধনের পরিবর্তন সঠিক ভাবে উপস্থাপন করা হয়েছে।

১২. কোম্পানীর হিসাব বহি সমূহ যথাযথ ভাবে সংরক্ষণ করা হয়েছে।

১৩. আর্থিক বিবরণী প্রস্তুতিতে যথোপযুক্ত হিসাবনীতি সমূহ ধারাবাহিক ভাবে প্রয়োগ করা হয়েছে এবং হিসাবগত পরিমাপক সমূহ যুক্তিযুক্ত ও বিচক্ষণ সিদ্ধান্তের উপর প্রতিষ্ঠিত।

১৪. ইন্টারন্যাশনাল গ্র্যাণ্ডউন্টিং স্ট্যান্ডার্ডস (আই.এ.এস) এবং ইন্টারন্যাশনাল ফিন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আই.এফ.আর.এস) অনুসরণ করে আর্থিক বিবরণী প্রস্তুত করা হয়েছে এবং কোথাও কোন ব্যত্যয় থাকলে তাহা যথাযথ ভাবে প্রকাশ করা হয়েছে।

১৫. অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা সুসংহত ও কার্যকর ভাবে বাস্তবায়ন ও পর্যবেক্ষণ করা হয়েছে।

১৬. সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ রক্ষার জন্য এ ধরনের কোন পরিস্থিতি উত্থাপিত হয়নি।

১৭. কোম্পানীর চলমান অস্তিত্বের সামর্থ্যের ক্ষেত্রে কোনরূপ সন্দেহের অবকাশ নাই।

১৮. গত বৎসরের পরিচালনগত ফলাফলের সহিত চলতি বৎসরের ব্যবধানঃ

চলতি বৎসরে বিক্রয় বৃদ্ধি পেয়েছে কিন্তু মূল্য সমন্বয় এবং কাঁচা মালের মূল্য বৃদ্ধি এবং উৎপাদনে দক্ষতা বৃদ্ধির ফলে পরিচালনগত ফলাফলে কোন উল্লেখযোগ্য ব্যবধান হয়নি।

১৯. পূর্ববর্তী পাঁচ বছরের মূখ্য পরিচালন এবং আর্থিক উপাত্তঃ

বিবরণ	“সংখ্যা হাজার টাকায়”					
	২০২১-২২	২০২০-২১	২০১৯-২০	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭
পরিচালন তথ্যঃ						
বিক্রয়	৩,৫১২,৯৫০	২,৭৫৯,৬৮০	২,১৮৪,৩৮৭	১,৭১২,৬৭০	১,৯২২,১৬৮	১,৬৪২,৭৭২
মোট মুনাফা	৩৭৭,৫৯৮	২৩১,১৫৭	১৮৯,৮৫৮	১৯৭,০৫৪	২০৯,৭৩১	১৯৫,৮০৮
পরিচালন মুনাফা/ (লোকসান)	১০৬,৮২২	৯১,৩৯০	৮৫,৩৯৯	৯৬,০৭১	১০২,৪১৫	৪,৪৭০
করপূর্ব মুনাফা	৭৭,২৮৪	৪৮,১০৪	৩৬,৪২২	৩৮,৪০৬	৩৩,৯৩১	২৭,০৩৭
করপরবর্তী মুনাফা/ (লোকসান)	২৯,৩১৬	১১,৮০৫	১০,৭৩৮	১১,৭৮১	৯,৬০৬	৮,৯২০
শেয়ার প্রতি আয়	৫.১৪	২.০৭	১.৮৮	২.০৭	১.৬৯	১.৫৬
প্রতি শেয়ারের জন্য লভ্যাংশ	২.০০	২.০০	১.৫০	২.০০	২.০০	২.০০
আর্থিক তথ্যঃ						
মোট সম্পদ	১,২৩৯,৯৮৪	১,৪৫৩,৯৫৩	১,৭১৪,৪৬৩	১,৬৮২,৬১১	১,৮৭২,১৮৩	১,৭৫৮,৫০২
সম্পত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-	৭৪৯,৮৪৯	৭৩২,১১২	৭২৫,৪২৭	৭১০,৯৯৭	৭০৫,০৫৭	৬৯১,৮৬৬
সম্পত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-নীট	৭৭,৪৩৯	৭৪,৬৫০	৮৪,৪১৪	৮৮,৯৮৮	১০৩,২০৫	১১৩,০৭৮
মোট চলতি মূলধন	৮৩৬,০৮৭	১,০৭৪,৮০৩	১,৩১৫,২২৯	১,২৫৬,৪৬৪	১,৩৫৩,৬২০	১,৩৭২,৯৬৮
নীট চলতি মূলধন	৩৬৯,২২৯	৩৩৭,৯০৬	৩২৬,৯৯৪	৩২৫,৮৯৮	৩০৬,১৪১	২৯৫,০৬০
চলতি মূলধন ঋণ	৩১২,৮৭০	৫৯৬,১৪৮	৭৫৪,১৯৫	৭৪৪,২৯৩	৭৬২,৭৮৩	৭৬৮,৮৭১
শেয়ার মূলধন	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪
শেয়ার প্রিমিয়াম	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮
সংরক্ষণ এবং উদ্বৃত্ত	২০৫,৭৪৪	১৮৭,৮৩৩	১৮৪,৫৮১	১৮৫,২৪৮	১৮৪,৭৫২	১৮৬,১৯২
শেয়ার মালিকদের ইকুইটি	৭১৯,৫৪১	৬৮০,৭৯৯	৬৮৭,৯০৫	৭০৯,২০৬	৭৭৯,০৮৮	৬৫২,১৮৩
দীর্ঘ মেয়াদী ঋণ	-	৫,৬১৪	৫,২৩২	২,৩৬৩	২,৯৭৫	২২,৫০০

২০. লভ্যাংশঃ

কোম্পানীর পরিচালকমন্ডলী ২০২১-২২ হিসাব বৎসরে প্রতি ১০/- (দশ) টাকার শেয়ারের জন্য ২০ শতাংশ অর্থাৎ ২.০০ টাকা হারে নগদ লভ্যাংশ প্রদানের সুপারিশ করেছেন। এই বার্ষিক সাধারণ সভায় আপনাদের অনুমোদন সাপেক্ষে সেই সমস্ত শেয়ারহোল্ডারদের লভ্যাংশ প্রদান করা হবে যাদের নাম কোম্পানীর সদস্য বহিতে অথবা ডিপোজিটরিতে নভেম্বর ০৭, ২০২২ ইং তারিখে কার্য সমাপ্ত সময়ে অর্ন্তভুক্ত থাকবে।

২১. অন্তর্বর্তীকালীন লভ্যাংশঃ

পরিচালনা পর্ষদ অন্তর্বর্তীকালীন সময়ে কোন বোনাস শেয়ার বা স্টক লভ্যাংশ ঘোষণা করেনি।

২২. বোর্ডের সভাঃ

এ বৎসর বোর্ডের ০৯ (নয়) টি সভা অনুষ্ঠিত হয়েছে। পরিচালকগণের উপস্থিতির তালিকা নিম্নে প্রদত্ত হলঃ

পরিচালকবৃন্দের নাম	সভায় উপস্থিতি
জনাব জাফর আহমেদ	০৩
জনাব জহুর আহমেদ পিএইচডি	০৯
জনাব শাহরিয়ার আহমেদ	০৯
জনাব মাহির আহমেদ	০৬
জনাব ইফাজ আহমেদ	০৬
জনাব অসীম কুমার বড়ুয়া	০৯
জনাব কাজী ফারুক কাদের	০৯

২৩. শেয়ারহোল্ডিংস সংক্রান্ত বিবরণঃ

নাম অনুসারে বিবরণ	শেয়ার সংখ্যা
ক) প্যারেন্ট/ সাবসিডিয়ারী/ এসোসিয়েটেড কোম্পানী এবং অন্যান্য সম্পর্কিত পার্টিসমূহঃ	
এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড	১৬৯,২৫০
এপেক্স ল্যানজারী লিমিটেড	১০,৮০০
খ) পরিচালকবৃন্দ, প্রধান নির্বাহী কর্মকর্তা, প্রধান অর্থ কর্মকর্তা, অভ্যন্তরীণ নিরীক্ষা কমপ্লায়েন্স প্রধান, কোম্পানী সচিবঃ	
জনাব জহুর আহমেদ পিএইচডি	পরিচালক ১৬০,৭৪০
জনাব শাহরিয়ার আহমেদ	পরিচালক ১,৭১৮,৮৯৪
জনাব মাহির আহমেদ	পরিচালক -
জনাব ইফাজ আহমেদ	পরিচালক -
জনাব অসীম কুমার বড়ুয়া	পরিচালক ৭,৫০০
জনাব কাজী ফারুক কাদের	স্বতন্ত্র পরিচালক -
জনাবা শিউলী রানী দে	প্রধান অর্থ কর্মকর্তা -
জনাব মোঃ মনির হোসেন ভূঁইয়া	অভ্যন্তরীণ নিরীক্ষা ও কমপ্লায়েন্স প্রধান -
এফসিসিএ, এসিএ	
জনাব কামরুল ইসলাম	কোম্পানী সচিব -
গ) উর্ধ্বতন করপোরেট নির্বাহীগণঃ	
জনাব মমিন উদ্দিন আহমেদ খান- নির্বাহী পরিচালক	২,৪৪৬
ঘ) কোম্পানীতে ১০ শতাংশ অথবা তার চেয়ে বেশী ভোটের অধিকারী শেয়ারহোল্ডার	
জনাব শাহরিয়ার আহমেদ	১,৭১৮,৮৯৪
জনাবা শওকত আরা আহমেদ	৯৮৮,০৬৬

২৪. কোম্পানীর পরিচালকবৃন্দের নিয়োগ/পুনঃ নিয়োগঃ

আমি জহুর আহমেদ পিএইচডি এবং জনাব শাহরিয়ার আহমেদ কোম্পানীর সংঘবিধি মোতাবেক বোর্ড থেকে পদত্যাগ করছি এবং যোগ্য বিধায় পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করছি। জনাব জহুর আহমেদ পিএইচডি এবং জনাব শাহরিয়ার আহমেদ এর বিস্তারিত বিবরণ নিম্নরূপঃ-

জহুর আহমেদ পিএইচডিঃ

ক) আমি জহুর আহমেদ পিএইচডি, যুক্তরাষ্ট্র থেকে বায়োফিজিক্স এ ডক্টরেট ডিগ্রি অর্জন করে এবং যুক্তরাষ্ট্রের বাফেলোয় স্টেট ইউনিভার্সিটি অব নিউইয়র্ক এ সহযোগী অধ্যাপক হিসেবে কর্মরত ছিলাম। আমি এই কোম্পানীর একজন পরিচালক এবং ১৯৯১ সাল থেকে এই শিল্প খাতে কাজ করছি। এই দীর্ঘ সময়ে আমি এই শিল্প খাতে গভীর জ্ঞান অর্জন করেছি। আমি এখন এই কোম্পানীর সহ-সভাপতি।

খ) আমি এই কোম্পানীর পরিচালক ছাড়াও ১. এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড, ২. এপেক্স ল্যানজারি লিমিটেড, ৩. এপেক্স ইয়ার্ন ডাইং লিমিটেড, ৪. এপেক্স টেক্সটাইল প্রিটিং মিলস্ লিমিটেড, ৫. এপেক্স ফ্যাশন ওয়্যার লিমিটেড ও ৬. ম্যাটেক্স বাংলাদেশ লিমিটেড-এর পরিচালক পদে নিযুক্ত আছি।

গ) বর্তমানে আমি নমিনেশন ও রিমুনারেশন কমিটির একজন সদস্য।

জনাব শাহরিয়ার আহমেদঃ

ক) জনাব শাহরিয়ার আহমেদ, যুক্তরাষ্ট্রের জনসন এন্ড ওয়েলস বিশ্ববিদ্যালয় হইতে এমবিএ ডিগ্রী অর্জন করেন এবং তার শিক্ষা জীবন শেষ করে ২০০৪ সালে তিনি এই কোম্পানীতে যোগদান করেন। তিনি ২০০৪ সাল থেকে এই শিল্প খাতে কাজ করছেন। এই দীর্ঘ সময়ে তিনি এই শিল্প খাতে গভীর জ্ঞান অর্জন করেছেন। তিনি এখন এই কোম্পানীর ব্যবস্থাপনা পরিচালক।

খ) তিনি এই কোম্পানীর পরিচালক ছাড়াও ১. এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড, ২. এপেক্স ল্যানজারি লিমিটেড, ৩. এপেক্স ইয়ার্ন ডাইং লিমিটেড, ৪. এপেক্স টেক্সটাইল প্রিটিং মিলস্ লিমিটেড, ৫. এপেক্স ফ্যাশন ওয়্যার লিমিটেড ও ৬. ম্যাটেক্স বাংলাদেশ লিমিটেড-এর পরিচালক পদে নিযুক্ত আছেন।

গ) বর্তমানে জনাব শাহরিয়ার আহমেদ অডিট কমিটি এবং নমিনেশন ও রিমুনারেশন কমিটির একজন সদস্য।

২৫. ম্যানেজমেন্ট আলোচনা এবং বিশ্লেষণ যাহা ব্যবস্থাপনা পরিচালক কর্তৃক স্বাক্ষরিত:

ব্যবস্থাপনা পরিচালক কর্তৃক স্বাক্ষরিত ম্যানেজমেন্ট আলোচনা ও বিশ্লেষণ যা এই বার্ষিক প্রতিবেদনে সংযুক্ত কোম্পানীর অবস্থান, অপারেশন এবং বিশদ বিশ্লেষণ উল্লেখ করা হয়েছে।

২৬. এমডি এবং সিএফও কর্তৃক স্বাক্ষরিত বিবৃতি:

এমডি এবং সিএফও কর্তৃক স্বাক্ষরিত বিবৃতি অনুগ্রহপূর্বক **Annexure-A** পড়ুন।

২৭. কর্পোরেট গভর্নেন্স কমপ্লায়েন্স প্রতিবেদন:

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের চাহিদা অনুযায়ী কর্পোরেট গভর্নেন্স প্রতিবেদন যা **Annexure-B** এবং **C** এ সংযুক্ত করা হলো।

২৮. বিধিবদ্ধ নিরীক্ষক নিয়োগ:

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের আদেশ অনুযায়ী বর্তমান নিরীক্ষক, মেসার্স হুসাইন ফরহাদ এন্ড কোম্পানী, চার্টার্ড এ্যাকাউন্ট্যান্টস্ পর পর তিন বৎসর নিরীক্ষা কার্য সম্পাদন করেছেন বিধায় অবসর গ্রহণ করছেন। যোগ্য বিধায় ২০২২- ২০২৩ হিসাব বৎসরের জন্য মেসার্স মালেক সিদ্দিকী ওয়ালী, চার্টার্ড এ্যাকাউন্ট্যান্টস্ তাহাদেরকে নিরীক্ষক নিয়োগের জন্য প্রস্তাব করেছেন।

২৯. কমপ্লায়েন্স নিরীক্ষক নিয়োগ:

কমপ্লায়েন্স নিরীক্ষক বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের (বি.এস.ই.সি) চাহিদা অনুযায়ী, মেসার্স সিরাজ খান বসাক এন্ড কোম্পানী, চার্টার্ড এ্যাকাউন্ট্যান্টস্ যোগ্য বিধায় ২০২২-২০২৩ হিসাব বৎসরের কর্পোরেট গভর্নেন্স কমপ্লায়েন্স সনদ প্রদানের জন্য কমপ্লায়েন্স নিরীক্ষক হিসাবে, তাহাদেরকে নিয়োগের জন্য প্রস্তাব করেছেন।

৩০. বোর্ড পরিচালকদের সভা:

পরিচালকদের বোর্ড সভা এবং ইহার নথি সমূহের সংরক্ষণ ইনস্টিটিউট অব চার্টার্ড সেক্রেটারীস অব বাংলাদেশ (আইসিএসবি) অনুসারে করা হয়েছে।

স্থান: ঢাকা

তারিখ: ১৬ অক্টোবর, ২০২২

বোর্ডের পক্ষে

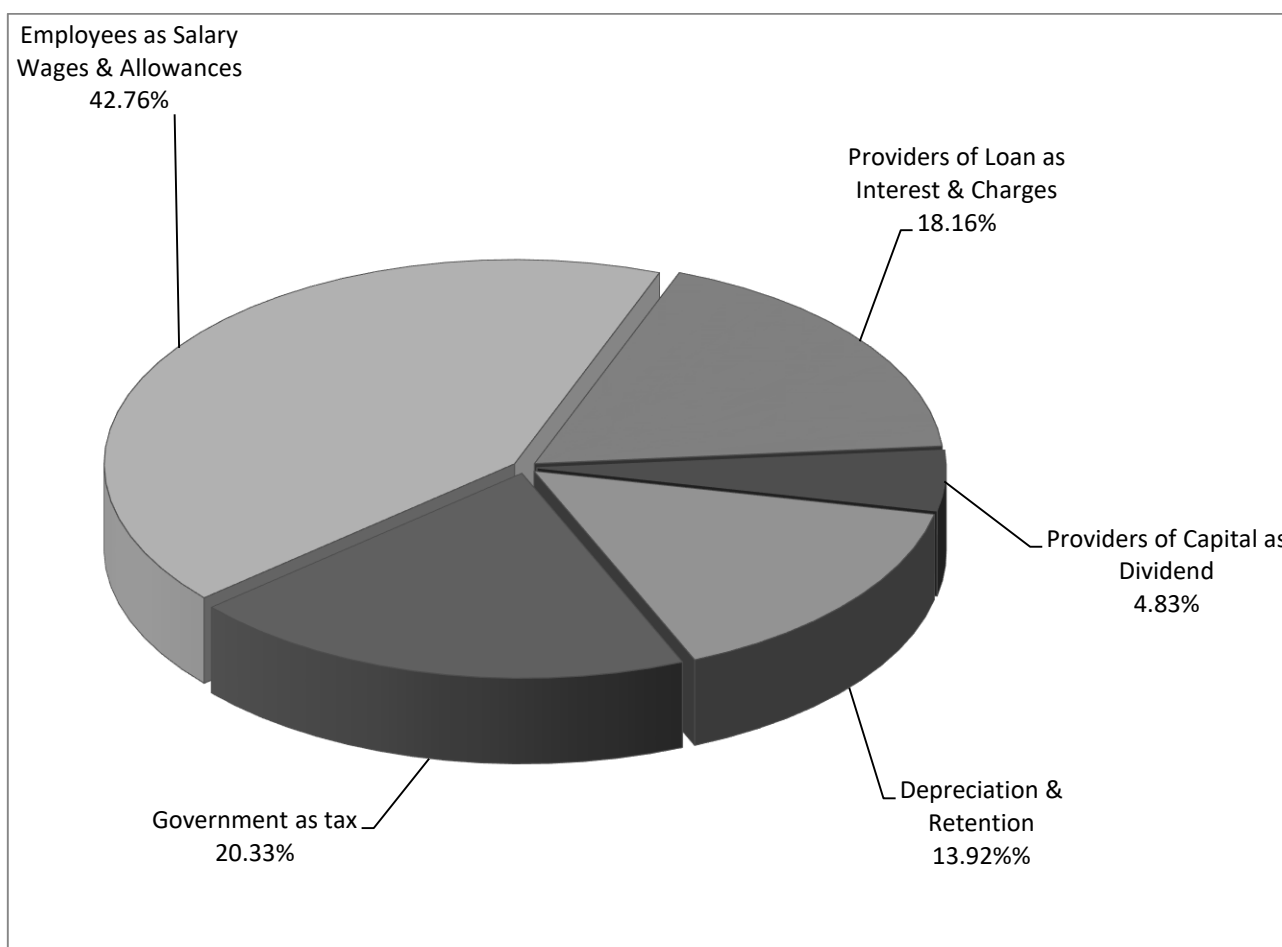
স্বা/-

জহুর আহমেদ পিএইচডি

সহ-সভাপতি

VALUE ADDED STATEMENT

PARTICULARS	2021-22	%	2020-21	%
VALUE ADDED				
Revenue	3,512,949,969		2,759,680,009	
Less: Bought in Materials & Services	(3,294,206,424)		(2,559,961,224)	
Add: Indirect Income	17,154,439		16,673,299	
	235,897,983		216,392,084	
APPLICATIONS				
Government as tax	47,967,193	20.33	36,298,507	16.77
Employees as Salaries, Wages & Allowances	100,873,686	42.76	91,910,069	42.47
Providers of Loan as Interest & Charges	42,828,727	18.16	57,554,493	26.60
Providers of Capital as Dividend	11,404,800	4.83	11,404,800	5.27
Depreciation & Retention	32,823,578	13.92	19,224,215	8.89
	235,897,983	100.00	216,392,084	100.00



INDEPENDENT AUDITOR'S REPORT

To the shareholders of APEX FOODS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Apex Foods Limited (hereinafter "AFL"), which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of AFL as at June 30, 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matters
<p>Revenue recognition</p> <p>At year end AFL reported total revenue of BDT 3,512,949,969.</p> <p>This is an area considered to be complex and judgmental. Therefore, there is a risk of the revenue being misstated as a result of absence of a contract with the customer, failure to properly identify various performance obligations, Where the transaction price appears to be undeterminable, Where the allocation of</p>	<p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> • We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 Revenue from contracts with customers; • Performed walkthroughs to understand the adequacy and the design of the revenue cycle;

Key Audit Matter	How our audit addressed the key audit matters
<p>transaction price appears to be incorrect, and entity has not satisfied the performance obligations.</p> <p>There is also a risk that revenue may be misstated due to fraud, through misstating of price declaration, unrecorded sales, maintaining accrual concept for invoicing, recognition within the Cutoff period, inaccurate sales figure, and unauthorized sales.</p>	<ul style="list-style-type: none"> • Tested the internal controls over financial reporting, we also assessed the existence and accuracy of the sales recorded, based among other things on inspection of sales contracts, final acceptances, and the allocation of variable consideration to the various elements in the contracts; • We performed substantive analytical to understand how revenue trends over the year among other parameters and performed a detailed testing on transactions around the year end, to test revenues were recognized in the correct accounting period. • Critically assessing manual journals posted to revenue to identify unusual or irregular items; and • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
See note 32 to the financial statements	
Valuation and existence of inventories	
<p>At year end, AFL has inventories amounting to BDT 261,341,483 which amounted to 19.90% of the total assets. As per IAS 2, inventories are required to be valued at the lower to cost and net realizable value. Cost of inventories includes purchase cost and cost incurred in bringing inventories to its present location and condition. IAS 2 specifically prohibits certain costs from being excluded from the cost of inventories. Due to the complex nature of accounting for inventories, there is an increased risk of misstatement in valuation of inventory items.</p> <p>IAS 2 defines inventories as assets which are: (a) held for sale in the ordinary course of business, (b) in the process of production for such sale, (c) in the form of materials or supplies to be consumed in the production process or rendering of services. There was therefore a risk that assets which do not meet the definition of inventories have been improperly classified as inventory</p>	<p>With regard to appropriate valuation of inventories we adopted the following audit procedures:</p> <ul style="list-style-type: none"> • We observed AFL's physical counts on an alternative date, and performed audit procedures on intervening transactions to ensure and to obtain audit evidence about whether changes in inventory between the count date and the date of the financial statements are properly recorded. • We tested the purchase costs of a sample of inventory items by inspecting invoices. • We assessed the components of the costs included within inventory items to ensure that they are in conformity with the requirements of IAS 2. • We tested on a sample basis, the net realizable value by comparing costs to recent selling prices. • We assessed the listing of the nature of items presented within inventories and

Key Audit Matter	How our audit addressed the key audit matters
items.	<p>analyzed whether they meet the definition of inventories.</p> <ul style="list-style-type: none"> We read the disclosure made by the Company for compliance with disclosure requirements.
See note 12 to the financial statements	

Property, Plant & Equipment

The carrying value of property, plant & equipment amounts to BDT 77,439,208. This represents a significant amount in the company's statement of financial position as at June 30, 2022.

There is a risk of:

- ✓ determining which costs meet the criteria for capitalization;
- ✓ determining the date on which the assets is recognized to property, plant and equipment and depreciation commences;
- ✓ the estimation of economic useful lives and residual values assigned to Fixed asset.

We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgment involved and because of its significance to the financial statements.

Our audit procedures to assess the carrying value of property, plant & equipment included the following:

- Assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipment including the key internal controls over the estimation of useful economic lives and residual values;
- Assessing, on a sample basis, costs capitalized during the year by comparing the costs capitalized with the relevant underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalized met the relevant criteria for capitalization.
- Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives and residual values of property, plant and equipment.
- Reconcile on a sample basis the additional capitalized costs for the year to the underlying invoices and supporting documents.
- We reviewed minutes of board meetings for approval of the total capitalization cost.
- We assessed the company's capitalizations policy for compliance with IAS 16 and tested the expenditure capitalized against the capitalizations policy.
- We traced payments to supporting documents.

	<ul style="list-style-type: none"> We assessed the adequacy of the disclosures of the financial statements.
See note no 8 to the financial statements.	
Deferred tax liability	
<p>Company reported net deferred tax liability BDT 53,585,135 as at June 30, 2022. Significant judgment is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years.</p>	<p>Our audit procedures to assess the carrying value of Deferred Tax liability included the following:</p> <ul style="list-style-type: none"> We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax assets and deferred tax Liabilities and the assumptions used in estimating the future taxable expense of the Company. We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense. We tested the mathematical accuracy in calculation of deferred tax. We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of deferred tax liability. We assessed the adequacy of the Company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved. We also assisted in evaluating the tax implications, the reasonableness of estimations and calculations determined by management. We also involved our internal experts from the tax area in the analysis of the reasonableness of the tax assumptions on the basis of the applicable legislation. Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Taxes.
See note no 22 to the financial statements.	

Other Information

Management is responsible for the other information. The other information comprises the information in the annual report other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's

report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

After going through the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing AFL's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate AFL or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing AFL's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of AFL's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on AFL's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause AFL to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 1987, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;

- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the AFL's business.

Firm Name : Hussain Farhad & Co., Chartered Accountants
Registration no : 4/452/ICAB-84

Signature of the auditor : Sd/-
Name of the auditor : **A.K.M Fazlul Haque FCA, Partner/Enrollment No: 1090**

DVC No : 2210181090AS967664

Place : Dhaka
Date : October 18, 2022

STATEMENT OF FINANCIAL POSITION**AS AT 30TH JUNE, 2022**

Value in Taka

	NOTES	30.06.2022	30.06.2021
ASSETS			
Non-Current Assets:		403,896,709	379,149,947
Property, Plant and Equipment	8	77,439,208	74,650,251
Investments	9	320,454,770	297,309,770
Right-of-Use (ROU) Assets	10	-	1,187,195
Security Deposits	11	6,002,731	6,002,731
Current Assets:		836,086,935	1,074,802,844
Inventories	12	261,341,483	500,608,774
Trade Receivables	13	44,826,338	224,269,864
Advance, Deposits & Prepayments	14	33,592,988	40,290,739
Other Receivables	15	268,968,573	92,177,023
Investment in Financial Assets	16	224,136,999	214,572,505
Cash & Cash Equivalents	17	3,220,554	2,883,939
TOTAL ASSETS		1,239,983,644	1,453,952,791
EQUITY AND LIABILITIES			
Shareholders' Equity:		719,540,884	680,798,866
Share Capital	18	57,024,000	57,024,000
Share Premium	19	209,088,000	209,088,000
Reserve and Surplus	20	205,744,275	187,832,757
Fair Valuation Surplus of Investments	21	247,684,609	226,854,109
Non-Current Liabilities:		53,585,135	36,257,237
Deferred Tax Liabilities	22	53,585,135	34,100,425
Long Term Loan	23	-	2,156,812
Current Liabilities:		466,857,625	736,896,688
Working Capital Loan (Secured)	24	312,870,481	596,147,955
Long Term Loan-Current Maturity	25	2,087,880	3,457,660
Lease Liabilities	26	-	1,453,065
Short Term Loan	27	7,216,806	9,019,244
Trade Payables	28	56,489,907	38,071,199
Other Payables	29	56,085,880	40,732,178
Current Tax Liabilities	30	30,796,983	36,096,816
Unclaimed Dividend Account	31	1,309,688	11,918,571
Total Liabilities		520,442,760	773,153,925
TOTAL EQUITY AND LIABILITIES		1,239,983,644	1,453,952,791
Net Assets Value (NAV) Per Share	44	126.18	119.39

Annexed notes form an integral part of these Financial Statements.

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Signed in terms of our report of even date.

Place: Dhaka

Dated: October 18, 2022

Hussain Farhad & Co.

Chartered Accountants

DVC: 2210181090AS967664

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE, 2022

Value in Taka

	NOTES	2021-2022	2020-2021
REVENUE	32	3,512,949,969	2,759,680,009
Cost of goods sold	33	(3,135,351,675)	(2,528,523,151)
GROSS PROFIT		377,598,294	231,156,858
Other operating income / (loss)	37	35,844	(212)
Administrative & selling overhead	38	(270,812,163)	(139,766,982)
OPERATING PROFIT/(LOSS)		106,821,975	91,389,664
Finance & Other Income	39	17,154,439	16,673,511
Financial expenses	40	(42,828,727)	(57,554,493)
PROFIT BEFORE PPF & WF		81,147,687	50,508,682
Provision for contribution to PPF & WF	41	(3,864,176)	(2,405,175)
PROFIT BEFORE TAX		77,283,511	48,103,506
Tax expenses:	42	(47,967,193)	(36,298,507)
Current tax		(30,796,983)	(36,096,816)
Deferred tax (expenses) / income		(17,170,210)	(201,691)
NET PROFIT / (LOSS) AFTER TAX		29,316,318	11,805,000
Other comprehensive income:			
Fair valuation surplus/(deficit) of investments	21	20,830,500	(10,357,308)
Fair valuation surplus/(deficit) during the year		23,145,000	(11,508,120)
Deferred tax income/(expense) on share valuation surplus		(2,314,500)	1,150,812
TOTAL COMPREHENSIVE INCOME		50,146,818	1,447,692
Basic Earnings Per Share (EPS)	43	<u>5.14</u>	<u>2.07</u>

Annexed notes form an integral part of these Financial Statements.

Sd/-
Shahriar Ahmed
Managing Director

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Ashim Kumar Barua
Director

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Signed in terms of our report of even date.

Place: Dhaka
Dated: October 18, 2022

Hussain Farhad & Co.
Chartered Accountants
DVC: 2210181090AS967664

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE, 2022

Value in Taka

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 30 th June 2021	57,024,000	209,088,000	51,162,905	136,062,852	607,000	226,854,109	680,798,866
Net profit after tax of 2021-22	-	-	-	29,316,318	-	-	29,316,318
Final dividend for the year 2020-21	-	-	-	(11,404,800)	-	-	(11,404,800)
Fair valuation surplus/(deficit) of Investments	-	-	-	-	-	20,830,500	20,830,500
As at 30 th June 2022	57,024,000	209,088,000	51,162,905	153,974,370	607,000	247,684,609	719,540,884

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE, 2021

Value in Taka

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 30 th June 2020	57,024,000	209,088,000	51,162,905	132,811,453	607,000	237,211,417	687,904,775
Net profit after tax of 2020-21	-	-	-	11,805,000	-	-	11,805,000
Final dividend for the year 2019-20	-	-	-	(8,553,600)	-	-	(8,553,600)
Fair valuation surplus/(deficit) of Investments	-	-	-	-	-	(10,357,308)	(10,357,308)
As at 30 th June 2021	57,024,000	209,088,000	51,162,905	136,062,852	607,000	226,854,109	680,798,866

Annexed notes form an integral part of these Financial Statements.

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Signed in terms of our report of even date.

Place: Dhaka
Dated: October 18, 2022

Hussain Farhad & Co.
Chartered Accountants
DVC: 2210181090AS967664

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE, 2022

	NOTES	2021-2022	Value in Taka 2020-2021
CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection from revenue		3,692,393,494	2,640,332,890
Income from SND		306	290
Bank Charges & Commission		(9,956,796)	(8,259,655)
Received from PF Lapse (employer's portion)		234,581	562,531
Income tax paid during the year		(31,414,487)	(44,700,629)
Payment for costs and expenses		(3,296,902,366)	(2,343,457,797)
Net cash generated from / (used in) operating activities (a)		354,354,732	244,477,630
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property, plant and equipment acquired		(17,811,665)	(6,817,251)
Investment in Financial Assets		(9,564,494)	(12,900,603)
Financial Income from FDRs		12,160,472	15,868,184
Other Income from Dividend		5,954,352	4,251,572
Net cash generated from / (used in) investing activities (b)		(9,261,335)	401,902
CASH FLOWS FROM FINANCING ACTIVITIES:			
Working capital loan received/(repaid)		(283,277,474)	(158,047,520)
Long term loan received/(repaid)		(3,526,592)	382,710
Short term loan received/(repaid)		(1,802,437)	(20,546,119)
Payment on Lease Liabilities		(1,485,839)	(2,334,878)
Interest & Other financial charges paid		(32,686,602)	(49,856,632)
Dividend Paid during the year		(22,013,683)	(13,821,599)
Net cash generated from / (used in) financing activities (c)		(344,792,627)	(244,224,038)
Net increase/(decrease) in cash and cash equivalents (a+b+c)		300,771	655,494
Cash and cash equivalents on opening		2,883,939	2,228,657
The effect of foreign exchange translation gain/(loss)		35,844	(212)
Cash and cash equivalents on closing		3,220,554	2,883,939
Net operating cash flows per share (NOCFPS) 45		62.14	42.87

Annexed notes form an integral part of these Financial Statements.

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Signed in terms of our report of even date.

Place: Dhaka

Dated: October 18, 2022

Hussain Farhad & Co.

Chartered Accountants

DVC: 2210181090AS967664

- There was significant variance in net operating cash flows as compared to the last year. The Net Operating Cash Flows per Share is Tk. 62.14 but it was Tk. 42.87 in 2020-21 which is mainly for Increase in revenue. However, this scenario is changeable time to time depending on different issues.
- Please refer to **Annexure-1** for reconciliation of cash flows from operating activities under direct method and indirect method as per requirement of Bangladesh Securities & Exchange Commission (BSEC).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2022**

1. The company and its operation:

1.01 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 vide its RJSC registration No. C-6841(571) dated 21.03.1979. Shares of the Company are listed in the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. in Bangladesh.

1.02 Address of Registered Office and Factory:

The Registered Office is located at Shanta Skymark, Level-8th to 13th, 18 Gulshan Avenue, Gulshan, Dhaka-1212 and the Factory is located at 51-B Shagarika Road, Fouzderhat Industrial Estate, Pahartali, Chattogram.

1.03 Nature of Business Activities:

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

2. Basis of the preparation of the Financial Statements:

2.01 Accounting Convention and Basis:

These Financial Statements have been prepared under the Historical Cost Convention, accrual and Going Concern basis in accordance with applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) which do not vary from the requirements of the Companies Act, 1994 and the Listing Regulations of the Stock Exchanges, The Securities & Exchange Rules, 2020 and other laws and rules applicable in Bangladesh.

2.02 Application of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs):

To comply with ICAB guideline, the following IASs and IFRSs are applicable for the financial statements for the year under review:

IAS-1	Presentation of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS-21	The Effects of Changes in Foreign Exchange Rates
IAS-23	Borrowing Costs
IAS-24	Related Party Disclosures
IAS-33	Earnings Per Share
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS-15	Revenue from contracts with customers
IFRS-16	Leases

2.03 Compliance with local laws:

The Financial Statements have been prepared in compliance with requirements of The Companies Act, 1994, The Securities & Exchange Rules, 2020, The Income Tax Ordinance, 1984, The Income Tax Rules, 1984. The Value Added Tax and Supplementary Duty Act, 2012, The Value Added Tax and Supplementary Duty Rules, 2016 and other relevant local laws and rules.

2.04 Compliance with International Financial Reporting Standards (IFRSs):

The Financial Statements have been prepared in compliance with requirements of IFRSs.

3. Significant Accounting Policy:**3.01 Property, Plant and Equipment:**

These are stated at historical cost less accumulated depreciation in accordance with IAS 16 “Property, Plant and Equipment”.

3.01(i) Depreciation on Property, Plant and Equipment:

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS 16: Property, Plant and Equipment. Depreciation is provided for the period in use of the assets. Depreciation is calculated on the cost of fixed assets in order to write off such amounts over the estimated useful lives of such assets. Depreciation has been charged on additions made during the year from the month in which those assets are ready to use. Depreciation is charged on all fixed assets except Land & Land Development at the following rates on reducing balance basis over the periods appropriate to the estimated useful lives of the different types of assets:

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 %
Crockeries	20 %

3.01(ii) Disposal of Property, Plant and Equipment:

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and sales proceeds. There was no disposal of any Property, Plant and Equipment during the year 2021-22.

3.02 Inventories:

Inventories in hand have been valued at lower of cost or net realizable value in accordance with IAS 2 “Inventories” after making due allowance for any obsolete or slow moving items. The cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location & condition.

3.03 Investments:

Basis of fair value measurement:

As fair value is a market based measurement, when measuring the fair value of an investment we considered the market value on Investments on reporting date.

Apex Weaving & Finishing Mills Limited's shares were traded to the DSE & CSE in the category of OTC Market till 2021. Apex Weaving & Finishing Mills Limited's shares trading category was changed from OTC to SME Market during current FY 2021-2022. Since the company has an Investments in shares in Apex Weaving & Finishing Mills Limited, which is under litigation vide the civil suit no.191 (F) of 2018 with the Honorable High Court Division, the company has measured the value of the investment by applying cost approach rather than the fair market value approach.

3.04 Current and non-current assets and liabilities:

The Company presents assets and liabilities in statement of financial position based on current and non-current classification.

An asset is current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii) Held primarily for the purpose of trading;
- iii) Expected to be realized within twelve months after the reporting period; or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months.

All other assets are classified as non-current.

A liability is current when it is:

- i) Expected to be settled in normal operating cycle;
- ii) Held primarily for the purpose of trading;
- iii) Due to be settled within twelve months after the reporting period; or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classified all other liabilities as non-current.

Deferred tax assets/liabilities are classified as non-current assets/liabilities.

3.05 Taxation:

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

3.06 Income Tax:

The Company is a Publicly Traded Company, as per the Income Tax Ordinance, 1984. Since the Company is a 100% export oriented Sea Food Processing Industry, the tax provision has been made based on the highest of 10% (i.e. tax rate is 20% on business profit) or tax deducted at source @ 0.50% on export proceeds or tax on gross receipts @ 0.60% and provision has been made accordingly. However, the tax provision has been made @ 20% on interest income, dividend income, PF Lapse receivable & 10% of cash incentive realization as per provision of the Income Tax Ordinance, 1984 and The Income Tax Rules, 1984.

3.07 Deferred Tax:

Deferred tax assets or deferred tax liabilities have been accounted for in accordance with IAS 12 "Income Taxes". Deferred tax arises due to temporary difference, deductible or taxable for the events or transactions recognized in the statement of profit or loss and other comprehensive income. 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.

3.08 Trade Receivables:

Trade bills receivables consist of export bill not negotiated with bank within 30.06.2022. Export bills receivables are recognized initially at the original invoice value.

3.09 Leases:

The Company has shifted its corporate office to new address at Shanta Skymark, 18 Gulshan Avenue, Gulshan Dhaka-1212 on 1st January, 2022 which is free from office rent due to use of personal assets of Directors of the company vide agreement dated on 1st January, 2022. As the office space is free from rent as per agreement and the management will not claim the office rent by any means, the Company is not ascertaining any right of use assets (ROU) and lease liabilities in the statement of financial position of the company as at 30th June, 2022.

Moreover, the Company had complied with the requirements of IFRS 16 till the office rent agreement on 31st December, 2021 for rented office at Rupayan Golden Age, 5th & 6th Floor, 99 Gulshan Avenue, Gulshan, Dhaka-1212.

3.10 Payables 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.

3.11 Earnings Per Share:

The Company calculates Earnings Per Share (EPS) in accordance with IAS 33 "Earnings Per Share" which has been shown on the face of statement of profit or loss and other comprehensive income and the computation of EPS is stated in Note 43.

3.11(i) Basic Earnings:

This represents earnings for the year attributable to ordinary shareholders. There was no preference dividend and minority interest. The net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

3.11(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.

3.11(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.

3.11(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.

3.12 Statement of Cash Flows:

Statement of Cash Flows has been prepared in accordance with IAS 7 “Statement of Cash Flows” and the cash flows 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 IAS 7 which provides that “Entities are Encouraged to Report Cash Flows from Operating Activities using the Direct Method”. Reconciliation of cash flow from operating activities under direct method & indirect method has been given in Annexure-1.

3.13 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 Statement of Financial Position date in accordance with IAS 21 “The Effects of Changes in Foreign Exchange Rates”. The Closing conversion rate of USD was Tk. 92.40.

3.14 Revenue Recognition:

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. IFRS 15 is effective for annual reporting periods beginning on or after 1st January 2018, with early adoption permitted. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The sale proceeds are accounted for upon shipments and after satisfying all other conditions for revenue recognition as provided in IFRS 15 “Revenue from contracts with customers”.

3.15 Other Income Recognition:

Other incomes have been recognized on accrual basis.

3.16 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.

3.17 Contribution to PPF & WF:

This is being calculated at 5% of the net profit after charging such contribution provided as per provisions of the Bangladesh Labor Act, 2006 (amended 2013 & 2017) and Bangladesh Labor Rules, 2015 and is payable to workers’ as defined in the said Act.

3.18 Risk and uncertainties for use of estimates in preparation of Financial Statements:

Preparation of Financial Statements in conformity with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) requires management to make estimates and assumption that affect 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.

4. Financial Risk Management:

The Board of Directors has overall responsibility for the establishment and oversight of the Company’s financial risk management. The responsibility also includes developing and monitoring the Company’s risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company’s financial risk exposures. The Company’s exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarized as follows:

- Credit risk
- Liquidity risk
- Market risk
- Price risk
- Interest rate risk
- Currency risk
-

4.01 Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. As the Company is 100% export oriented so the major customers of the Company are in USA, Canada, Belgium, Russia, Netherlands, Germany, Ukraine and UK.

The Trade Receivables are due from foreign customers for export. The balances from foreign customers are secured against firm contracts/letters of credit. Management assesses the credit quality of foreign customers, taking into account their financial position, past experience and other factors. Trade receivable balances & the balances as on 30.06.2022 has subsequently been fully realized. For bank balances, financial institutions with strong credit ratings are accepted. Credit risk on bank balances is limited as these are placed with banks having good credit ratings.

4.02 Liquidity risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (Investment in financial assets, cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient Investment in financial assets & cash and cash equivalents to meet expected operational expenses, including financial obligation through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

In extreme stressed conditions, the company may get support from the related company in the form of short term financing but till to date this was not required as the Company has not faced such a situation.

4.03 Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

4.04 Price risk:

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The company does not have any financial instrument that expose the price risk.

4.05 Interest rate risk:

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no such foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

4.06 Currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company is exposed to foreign currency risk on export and import though the import is very nominal, which, are entered in a currency other than BDT. The foreign currency transactions are mainly occurred in USD.

5. Capital risk Management:

The objective of the Company when managing capital, i.e., its shareholders' equity is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses. The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

6. Operating segments:

- These financial statements have been prepared on the basis of single reportable segment.
- All non-current assets of the Company as at 30th June 2022 are located in Bangladesh.

7. Others:**7.01 Comparative Information:**

Comparative information has been disclosed in respect of the year 2020-21 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.

7.02 Reporting currency and level of precision:

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

7.03 Reporting period:

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

7.04 Components of the Financial Statements:

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

- i) Statement of Financial Position as at 30th June, 2022.
- ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2022.
- iii) Statement of Changes in Equity for the year ended 30th June, 2022.
- iv) Statement of Cash Flows for the year ended 30th June, 2022 and
- v) Notes to the financial statements.

7.05 Authorization of the Financial Statements:

Financial statements were authorized for issue by the Board of Directors of the Company in its Board Meeting held on 16th October, 2022.

8. PROPERTY, PLANT AND EQUIPMENT: TK. 77,439,208

SL NO.	PARTICULAR	COST			RATE %	DEPRECIATION			W.D.V. as at 30.06.22
		Balance as at 01.07.21	Addition during the year	Balance as at 30.06.22		Balance as at 01.07.21	For the year	Balance as at 30.06.22	
1	Land & Land Development	3,392,470	-	3,392,470		-	-	-	3,392,470
2	Factory Building	100,355,637	2,932,864	103,288,501	20	91,691,619	1,885,817	93,577,436	9,711,065
3	Plant & Machinery	538,956,652	12,171,446	551,128,098	20	485,884,249	11,101,891	496,986,140	54,141,958
4	Factory Equipments	39,678,101	2,475,234	42,153,335	20	35,607,453	1,172,456	36,779,909	5,373,426
5	Furniture & Fixtures	14,659,915	27,980	14,687,895	10	11,512,086	316,582	11,828,668	2,859,227
6	Office Equipments	17,824,280	118,125	17,942,405	20	15,802,720	414,461	16,217,181	1,725,224
7	Motor Vehicles	16,945,243	-	16,945,243	20	16,692,369	50,575	16,742,944	202,299
8	Crockeries	300,057	11,215	311,272	20	271,608	6,124	277,732	33,540
	Total	732,112,355	17,736,864	749,849,219		657,462,104	14,947,906	672,410,010	77,439,208

Charged to:

Factory Overhead 14,160,164

Administrative & selling overhead 787,74214,947,906**PROPERTY, PLANT AND EQUIPMENT FOR 2020-21**

SL NO.	PARTICULAR	COST			RATE %	DEPRECIATION			W.D.V. as at 30.06.21
		Balance as at 01.07.20	Addition during the year	Balance as at 30.06.21		Balance as at 01.07.20	For the year	Balance as at 30.06.21	
1	Land & Land Development	3,392,470	-	3,392,470		-	-	-	3,392,470
2	Factory Building	99,526,895	828,742	100,355,637	20	89,652,784	2,038,835	91,691,619	8,664,018
3	Plant & Machinery	533,914,266	5,042,386	538,956,652	20	473,301,265	12,582,984	485,884,249	53,072,403
4	Factory Equipments	38,961,784	716,317	39,678,101	20	34,697,515	909,938	35,607,453	4,070,648
5	Furniture & Fixtures	14,659,915	-	14,659,915	10	11,162,327	349,759	11,512,086	3,147,829
6	Office Equipments	17,726,130	98,150	17,824,280	20	15,304,939	497,781	15,802,720	2,021,560
7	Motor Vehicles	16,945,243	-	16,945,243	20	16,629,151	63,218	16,692,369	252,874
8	Crockeries	300,057	-	300,057	20	264,496	7,112	271,608	28,449
	Total	725,426,760	6,685,595	732,112,355		641,012,477	16,449,627	657,462,104	74,650,251

Charged to:

Factory Overhead 15,531,757

Administrative & selling overhead 917,87016,449,627

Cash Credit (Hypo) was taken from Agrani Bank Limited, Agrabad Corporate Branch, Jahan Building, Agrabad C/A, Chattogram, which is fully secured against 1st charge on Land, Building, Plant & Machinery and all other Assets of the Company.

30.06.2022 30.06.2021

9. INVESTMENTS: TK. 320,454,770

In Shares:	<u>Cost value</u>		
Apex Spinning & Knitting Mills Limited (2,263,200 Shares of Tk. 10.00 each)	22,632,000	297,837,120	283,692,120
Apex Weaving & Finishing Mills Limited (2,000,000 Shares of Tk. 10.00 each)	20,000,000	20,000,000	11,000,000
Amam Sea Food Industries Limited (10,482 Shares of Tk. 100.00 each at par)	1,048,200	1,048,200	1,048,200
Central Depository Bangladesh Limited (571,181 Shares of Tk. 10/- each including 414,236 Bonus Shares and 56,945 Right Shares @ Tk. 10/- each)	1,569,450	1,569,450	1,569,450
	-----	-----	-----
	45,249,650	320,454,770	297,309,770
	=====	=====	=====

Market Price of Listed Companies Shares (As on 30.06.22):

Apex Spinning & Knitting Mills Ltd. (Last trade date 30.06.2022)	131.60	125.35
Amam Sea Food Industries Ltd. (Last trade date 02.01.2011)	219	219

- Investments in shares of Apex Spinning & Knitting Mills Limited has been valued at market price on 30.06.2022 as per IFRS- 9, "Financial Instruments".
- As the shares of Amam Sea Food Industries Limited had not traded during the year under review and the last trade date was on 02.01.2011, the price has been shown at face value.
- Investments in Apex Weaving & Finishing Mills Ltd. is under litigation, the civil suit no.191 (F) of 2018 with the Honorable High Court Division. The case is being advocated by Mr. Masudur Rahman, Barrister-at-Law, Advocate, Appellate Division, Supreme Court of Bangladesh. On his present status report on August 08, 2022, he mentioned that computer composing of relevant documents for preparation of paper book has been completed. Paper book is now awaiting final printing and binding. Thereafter, final hearing of the matter shall be commenced. He is confident on winning the case.

10. RIGHT-OF-USE-ASSETS:**Cost:**

Opening Balance	3,561,583	-
Add: Addition during the year	-	3,561,583
	-----	-----
	3,561,583	3,561,583
	=====	=====

Accumulated Depreciation :

Opening Balance	2,374,388	-
Add: Depreciation during the year**	1,187,195	2,374,388
	-----	-----
	3,561,583	2,374,388
	=====	=====

Written down value as on 30.06.2022

	-----	-----
	-	1,187,195
	=====	=====

- This represents the application of IFRS 16. The lease period has been expired on 31st December, 2021 and rate of interest has been considered @ 9% p.a.
- ** Depreciation during the year has been shown in administrative and selling overhead.

30.06.2022**30.06.2021****11. SECURITY DEPOSITS: TK. 6,002,731**

Security Deposits to Bangladesh Power Development Board	903,000	903,000
Security Deposits for Office Rent	405,000	405,000
Security Deposits for TNT & Mobile	8,900	8,900
Security Deposits to BGSL/Karnaphuli Gas Distribution Co. Ltd.	4,685,831	4,685,831
	-----	-----
	6,002,731	6,002,731
	=====	=====

- Security Deposits are made to above statutory bodies and hence secured.

12. INVENTORIES: TK. 261,341,483

	Qty. in Kg.		
Shrimps (Finished Goods)	564,988	248,744,344	491,090,651
Packing Materials	-	3,777,339	5,079,375
Chemical & Ingredients	-	8,819,800	4,438,748
	-----	-----	-----
	564,988	261,341,483	500,608,774
	=====	=====	=====

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

13. TRADE RECEIVABLES: TK. 44,826,338

Export Bills Receivable	44,826,338	224,269,864
	=====	=====

The age analysis of trade receivables as on 30.06.2022 is shown below:

Age analysis	Taka	Taka
0 to 30 days	41,830,958	155,919,477
31 to 60 days	-	49,308,871
61 to 90 days	2,995,380	19,041,516
	-----	-----
	44,826,338	224,269,864
	=====	=====

- There was no foreign exchange gain or loss as the export bills are negotiated with the Agrani Bank Limited on the date of B/L received.
- The ageing of the trade receivables shows that the receivables are considered good and subsequently realized in full.

30.06.2022 **30.06.2021**

14. ADVANCE, DEPOSITS AND PREPAYMENTS: TK. 33,592,988

Advance against Expenses	1,174,721	2,361,992
Prepayments	1,408,443	2,236,594
Advance Income Tax 14.(a)	30,580,740	35,263,069
Bank Guarantee Margin	429,084	429,084
	33,592,988	40,290,739
	33,592,988	40,290,739

14. (a) ADVANCE INCOME TAX: TK. 30,580,740

Opening Balance	35,263,069	20,051,737
Add: Paid during the year	31,414,487	44,700,629
	66,677,556	64,752,366
Less: Adjustment for the AY 2020-2021	-	(29,489,297)
Less: Adjustment for the AY 2021-2022	(36,096,816)	-
	30,580,740	35,263,069
	30,580,740	35,263,069

- Advance against expenses are adjusted regularly and considered good.
- Prepayments and Advance Income Tax are made to statutory bodies and hence secured.
- No amount was due by the Directors and other officers of the Company or by associated undertaking.

15. OTHER RECEIVABLES: TK. 268,968,573

Insurance Claim Receivable	16,254,727	16,254,727
Cash Incentive Receivable	245,426,922	67,440,100
FDR's Interest Receivable	7,043,037	8,247,615
PF Lapse (Employer's Portion)	243,887	234,581
	268,968,573	92,177,023
	268,968,573	92,177,023

- Insurance Claim was receivable from Insurance Company against deterioration of stock because of machinery break down. Appropriate claim has been lodged with the Insurance Company in 1997. The claim is under litigation and pending with the High Court Division.
- Cash incentive receivable represents the amount receivable from Bank against cash incentive. The amount will be received from the Bangladesh Bank through Agrani Bank Limited.
- The ageing of the Cash incentive receivable are maximum 06 (Six) months.
- FDR's interest receivable represents the provision of interest receivable on FDR's up to 30.06.2022.
- PF Lapse (Employer's Portion) receivable represents the provision of PF Lapse receivable on (Employer's Portion) up to 30.06.2022 as per Financial Reporting Act, 2015.

30.06.2022 **30.06.2021**

16. INVESTMENT IN FINANCIAL ASSETS: TK. 224,136,999

FDRs with Dhaka Bank Ltd., Foreign Exchange Br., Dhaka	200,536,999	190,972,505
FDRs with Agrani Bank Ltd., Agrabad Corporate Br., Chattogram	23,600,000	23,600,000
	<u>224,136,999</u>	<u>214,572,505</u>
	=====	=====

- FDR's are made for more than 3 (three) months.

17. CASH AND CASH EQUIVALENTS: TK. 3,220,554**Cash in Hand:**

Head Office	5,681	12,878
Factory Office	64,256	61,960
	69,937	74,838

Cash at Bank with:

Agrani Bank Ltd., ESA A/C, Agrabad Corporate Br., Chattogram	297,771	284,940
Agrani Bank Ltd., FCY A/C, Agrabad Corporate Br., Chattogram	189,490	284,784
Eastern Bank Ltd., SND A/C, Principal Branch, Dhaka	29,487	30,362
The Hongkong & Shanghai Banking Corporation Ltd., CD A/C, Dhaka	74,054	74,744
The Hongkong & Shanghai Banking Corporation Ltd., (CD-Div.A/C), Dhaka	2,466,553	2,115,045
Dhaka Bank Ltd., CD A/C, Foreign Exchange Br., Dhaka	93,263	19,226
	<u>3,150,617</u>	<u>2,809,101</u>
	<u>3,220,554</u>	<u>2,883,939</u>

- Cash in hand was physically counted and verified at the year ended as on 30.06.2022. All Bank balances were reconciled and confirmed by bank statements.
- Foreign currency Account balances in USD are given below which has converted in BDT. The Closing conversion rate of USD was Tk.92.40 on 30.06.2022 as compared to Tk. 84.10 on 30.06.2021.

	<u>In USD</u>	<u>In USD</u>
Agrani Bank Ltd., FCY A/C, Agrabad Corporate Br., Chattogram	<u>2,050.76</u>	<u>3,386.25</u>

30.06.2022**30.06.2021****18. SHARE CAPITAL: TK. 57,024,000****Authorized Capital:**

15,000,000 Ordinary Shares of Tk. 10/= each

150,000,000**150,000,000****Issued, Subscribed & Paid up Capital:**

5,702,400 Ordinary Shares of Tk. 10/= each

57,024,000**57,024,000**

Allotment Date	Types of Issue	No. of Share	Face value of Per Share	Amount (BDT)	Basis of allotment
21 st March 1979 during Incorporation	Ordinary	100	100	10,000	Cash (by Bank)
Allotted during the year 1979-80	Ordinary	21,900	100	2,190,000	Cash (by Bank)
Allotted during the year 1981-82	Ordinary	22,000	100	2,200,000	IPO
Allotted during the year 1985-86	Bonus	8,800	100	880,000	Bonus Share
Allotted during the year 1989-90	Bonus	10,560	100	1,056,000	Bonus Share
Allotted during the year 1993-94	Bonus	63,360	100	6,336,000	Bonus Share
Allotted during the year 1994-95	Bonus	63,360	100	6,336,000	Bonus Share
Allotted during the year 1996-97	Bonus	190,080	100	19,008,000	Bonus Share
Allotted during the year 1996-97	Right	190,080	100	19,008,000	Right Share
		570,240		57,024,000	
Split the share price as on 13.11.2011		5,702,400	10	57,024,000	BSEC notification

- There was no preference share issued by the Company.

Composition of Shareholdings (As on 30.06.2022):

Sponsors & Directors	36.06%	38.96%
Institutions	4.26%	4.46%
Public - Local	<u>59.68%</u>	<u>56.58%</u>
	100.00%	100.00%
	=====	=====

The distribution showing the number of shareholders and their shareholdings in percentages are as follows

<u>No. of Share Holders</u>	<u>Range</u>	<u>Total Holdings</u>	<u>In %</u>
2,593	Less than & equal 500 Shares	337,196	5.91
699	501 to 5,000 Shares	1,126,982	19.76
66	5,001 to 10,000 Shares	498,593	8.74
24	10,001 to 20,000 Shares	339,141	5.95
6	20,001 to 30,000 Shares	137,195	2.41
2	30,001 to 40,000 Shares	75,000	1.32
2	40,001 to 50,000 Shares	90,943	1.59
1	50,001 to 100,000 Shares	64,900	1.14
2	100,001 to 200,000 Shares	325,490	5.71
2	Over 200,000 Shares	2,706,960	47.47
3,397		5,702,400	100.00
=====		=====	=====

	<u>30.06.2022</u>	<u>30.06.2021</u>
19. 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.

20. RESERVE AND SURPLUS: TK. 205,744,275

This represents the following:

Reserve for Re-investment	51,162,905	51,162,905
Retained Earnings	153,974,370	136,062,852
Capital Gain	607,000	607,000
	-----	-----
	205,744,275	187,832,757
	=====	=====

- Reserve for Re-investment represents Tax Holiday Reserve made up to the Tax Holiday period of the Company as per requirements of the Income Tax Ordinance, 1984 and the capital gain represents the difference between sale proceeds less face value of Shares of Amam Sea Food Industries Limited in 2002-03. The reserve and surplus is utilized in the Company's business.

21. FAIR VALUATION SURPLUS OF INVESTMENTS: TK. 247,684,609

Opening Balance	226,854,109	237,211,417
Adjustment for fair valuation surplus/(deficit) during the year	23,145,000	(11,508,120)
Less: Deferred Tax @10%	(2,314,500)	1,150,812
Fair valuation surplus/(deficit) during the year	20,830,500	(10,357,308)
	-----	-----
	247,684,609	226,854,109
	=====	=====

- Fair valuation surplus/(deficit) of investments represents the difference between market value of the listed Company's shares (Apex Spinning & Knitting Mills Limited and Apex Weaving & Finishing Mills Limited) on the closing date and the cost price after adjustment of deferred tax.

22. DEFERRED TAX LIABILITIES: TK. 53,585,135

(a) Deferred tax liabilities on Depreciable Assets	57,377	241,957
(b) Deferred tax liabilities on foreign currency translation gain/(loss)	7,169	(48)
(c) Deferred tax liabilities on FDRs Interest Receivable	1,408,607	1,855,713
(d) Deferred tax liabilities on PF Lapse (Employer's Portion) Receivable	48,777	52,781
(e) Deferred tax liabilities on Cash Incentive Receivable	24,542,692	6,744,010
(f) Deferred tax liabilities on Fair valuation surplus of Investments	27,520,512	25,206,012
	-----	-----
	53,585,135	34,100,425
	=====	=====

- The provision for deferred tax (expenses)/income is made to pay/adjust future income tax liability/ (asset) due to accumulated temporary differences. This has been raised mainly for fair valuation of Investments as per IAS 12. The details are given below:

	<u>30.06.2022</u>	<u>30.06.2021</u>
a) Book Value of Depreciable Assets	77,439,208	74,650,251
Tax base of Depreciable Assets	<u>76,865,434</u>	<u>72,499,525</u>
Net Taxable Temporary Difference	573,774	2,150,726
Effective Tax Rate	<u>10.00%</u>	<u>11.25%</u>
Closing Deferred Tax (Assets)/Liabilities arising from depreciable assets	57,377	241,957
Opening Deferred Tax Balance	<u>241,957</u>	<u>405,033</u>
Deferred Tax (Expenses)/Income	<u>184,579</u>	<u>163,076</u>
b) Foreign currency translation gain/(loss) (unrealized)	35,844	(212)
Effective Tax Rate	<u>20.00%</u>	<u>22.50%</u>
Closing Deferred Tax (Assets)/Liabilities arising from unrealized Foreign currency translation gain/(loss)	7,169	(48)
Opening Deferred Tax Balance	<u>(48)</u>	<u>(14)</u>
Deferred Tax (Expenses)/Income	<u>(7,217)</u>	<u>34</u>
c) Unrealized Interest on FDRs	7,043,037	8,247,615
Effective Tax Rate	<u>20.00%</u>	<u>22.50%</u>
Closing Deferred Tax (Assets)/Liabilities arising from unrealized FDRs Interest	1,408,607	1,855,713
Opening Deferred Tax Balance	<u>1,855,713</u>	<u>2,982,183</u>
Deferred Tax (Expenses) / Income	<u>447,106</u>	<u>1,126,470</u>
d) PF Lapse (Employer's Portion) Receivable	243,887	234,581
Effective Tax Rate	<u>20.00%</u>	<u>22.50%</u>
Closing Deferred Tax (Assets)/Liabilities arising from PF Lapse (Employer's Portion) Receivable	48,777	52,781
Opening Deferred Tax Balance	<u>52,781</u>	<u>140,633</u>
Deferred Tax (Expenses) / Income	<u>4,004</u>	<u>87,852</u>
e) Cash Incentive Receivable	245,426,922	67,440,100
Effective Tax Rate	<u>10.00%</u>	<u>10.00%</u>
Closing Deferred Tax (Assets)/Liabilities arising from Cash Incentive Receivable	24,542,692	6,744,010
Opening Deferred Tax Balance	<u>6,744,010</u>	<u>5,164,887</u>
Deferred Tax (Expenses) / Income	<u>(17,798,682)</u>	<u>(1,579,123)</u>
Deferred Tax (Expenses) / Income (a+b+c+d+e)	<u>(17,170,210)</u>	<u>(201,691)</u>
	=====	=====
f) Deferred Tax (Assets)/Liabilities arising from Other Comprehensive Income:		
Gains on hedging instruments in cash flow hedges	-	-
Tax for (Losses)/gains on available for sale investments	27,520,512	25,206,012
Revaluation of property	-	-
Actuarial gain on defined benefit pension schemes	-	-
Foreign exchange gain for foreign operation	-	-
	-----	-----
Closing Deferred Tax (Assets)/Liabilities arising from investments	27,520,512	25,206,012
Opening Deferred Tax Balance	<u>25,206,012</u>	<u>26,356,824</u>
Deferred Tax (Expenses)/Income arising from investments	<u>(2,314,500)</u>	<u>1,150,812</u>
	-----	-----
Total Deferred Tax (Assets)/Liabilities (a+b+c+d+e+f)	<u>53,585,135</u>	<u>34,100,425</u>
	=====	=====

	<u>30.06.2022</u>	<u>30.06.2021</u>
23. LONG TERM LOAN:		
(a) Term Loan:		
Opening Balance	916,742	1,683,515
Less: Paid during the year	<u>(916,742)</u>	<u>(766,773)</u>
		916,742
Less: Transferred to current maturity to next 12 months installment	-	(847,810)
	-----	-----
	-	68,932
	=====	=====
(b) Stimulus Salary Loan:		
Opening Balance	4,697,730	3,548,246
Add: Loan taken during the year	-	1,736,700
Less: Paid during the year	<u>(2,609,850)</u>	<u>(587,216)</u>
	-----	-----
	2,087,880	4,697,730
Less: Transferred to current maturity after start from next 08 months installment	<u>(2,087,880)</u>	<u>(2,609,850)</u>
	-----	-----
	-	2,087,880
	=====	=====
LONG TERM LOAN (a+b)	-	2,156,812
	=====	=====

- Company has availed the above loan to meet up salaries & wages expenses as per Government declaration of Stimulus packages loan. Repayment installment started from September 2021 as per BRPD Circular & bears charges @ 2% on loan amount from Agrani Bank Limited, Agrabad Corporate Branch, Jahan Building, Agrabad C/A, Chattogram.

24. WORKING CAPITAL LOAN (SECURED): TK. 312,870,481

CC (Hypo) from Agrani Bank Limited, Agrabad Corporate Branch, Chattogram	138,950,829	132,112,712
CC (Pledge) from Agrani Bank Ltd., Agrabad Corporate Branch, Chattogram	173,919,652	464,035,243
	-----	-----
	312,870,481	596,147,955
	=====	=====

- The Working Capital Loan was taken from Agrani Bank Limited, Agrabad Corporate Branch, Jahan Building, Agrabad C/A, Chattogram, 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. 78.00 Crore (Hypothecation Tk. 18.00 Crore & Pledge of finished goods Tk. 60.00 Crore) which has been fully availed. Apart from this, the Company has no such other credit facilities. The Loan bears interest @ 7.00% p.a. from 01.07.2021 to 31.03.2022, @ 7.19% p.a. from 01.04.2022 to 30.06.2022.

	<u>30.06.2022</u>	<u>30.06.2021</u>
25. LONG TERM LOAN-CURRENT MATURITY: TK.2,087,880		
Long Term Loan	-	847,810
Stimulus Salary Loan	2,087,880	2,609,850
	-----	-----
	2,087,880	3,457,660
	=====	=====

- This represents the stimulus salary loan payable in next eight months as per schedule of repayment.

26. LEASE LIABILITIES:

Opening Balance	1,453,065	-
Add: Addition during the year	-	3,561,583
Add: Interest charged during the year	32,774	226,360
Less: Lease payment during the year	(1,485,839)	(2,334,878)
	-----	-----
	-	1,453,065
	=====	=====

- This represents the application of IFRS 16 as current lease agreement has been expired on 31st December, 2021 and accordingly, the full amount of lease liabilities is a part of current portion. However, we have calculated the lease liabilities excluding non-refundable VAT.

27. SHORT TERM LOAN: TK. 7,216,806

Dhaka Bank Limited	7,216,806	9,019,244
	-----	-----
	7,216,806	9,019,244
	=====	=====

- Loan from Dhaka Bank Limited, Foreign Exchange Branch, Dhaka against lien on FDRs and the loan bear average interest @ 7.88% p.a. The Loan limit with Dhaka Bank Limited is Tk. 100.00 million.

28. TRADE PAYABLES: TK. 56,489,907

Shrimp Purchased	56,489,907	38,071,199
	-----	-----
	56,489,907	38,071,199
	=====	=====

- Shrimps are purchased directly from the Shrimps cultivators i.e. the owner of the Gher and price are fixed after bargaining on the respective day of the purchase. All trade payables were paid in full subsequently.

	<u>30.06.2022</u>	<u>30.06.2021</u>
29. OTHER PAYABLES: TK. 56,085,880		
Advance against export	35,085,523	5,813,292
Audit Fees (including VAT)	402,500	402,500
Chemicals	73,500	1,394,045
Clearing & Forwarding	244,261	672,868
Consumable Stores & Spares	50,099	66,822
Contribution to PPF & WPPF	3,864,176	3,072,919
Contribution to Provident Fund	37,898	35,393
Directors' Remuneration	400,000	775,000
Electricity & WASA Charges	57,611	31,492
Entertainment	-	6,123
Factory Building	9,880	28,786
Factory Equipments	-	1,799
Ice	518,696	616,700
Interest Payable on Overdraft	152,555	-
Legal & Professional Fees	4,600	4,600
License & Renewals	30,326	30,326
Laboratory Expenses	3,240	-
Newspaper & Periodicals	266	248
Ocean Freight	2,016,175	7,776,833
Office Maintenance	5,340	51,164
Packing Materials	4,499,022	9,636,923
Plant & Machinery	-	54,096
Power, Fuel and Water	50,790	40,915
Postage & Stamps	2,617	5,358
Printing & Stationery	52,485	48,482
Corporate Expenses & Others	-	418,337
Repairs (Factory Building)	-	67,526
Repairs (Machinery & Equipment)	275,479	359,602
Salaries & Allowances	2,627,475	2,626,273
Sanitation Expenses	15,240	36,576
Staff Income Tax	67,767	121,400
Staff Welfare Expenses	67,500	70,200
Survey Fees & Inspection	10,000	28,750
Telephone, Telex & Fax	14,502	16,925
T.A & Conveyance	426,748	14,400
TDS Payable to Govt.	5,448	6,447
Uniform & Liveries	44,028	117,454
Wages & Salaries	4,900,138	6,225,550
Transportation Expenses	47,500	51,000
VAT Payable to Govt.	22,495	5,054
	-----	-----
	56,085,880	40,732,178
	=====	=====

- All other payables have been fully paid subsequently except contribution to PPF & WF and Audit Fees.

30.06.2022 **30.06.2021**

30. CURRENT TAX LIABILITIES: TK. 30,796,983

Opening Balance	36,096,816	29,489,297
Add: Current year tax	30,796,983	36,096,816
	<u>66,893,799</u>	<u>65,586,113</u>
Less: Adjustment against assessment year 2020-2021	-	(29,489,297)
Less: Adjustment against assessment year 2021-2022	(36,096,816)	-
	<u>30,796,983</u>	<u>36,096,816</u>
	=====	=====

- This represents the tax liability up to the assessment year 2021-22. Assessments have been completed up to income year 2020-21 and assessment figures (Liability/Advance) has been adjusted with the Accounts

31. UNCLAIMED DIVIDEND ACCOUNT: TK. 1,309,688**Unclaimed Dividend**

Opening Balance	11,918,571	17,186,570
Add: Dividend approved at AGM	<u>11,404,800</u>	<u>8,553,600</u>
	23,323,371	25,740,170
Less: Paid during the year up to 30.06.2022	(22,013,683)	(13,821,599)
	<u>1,309,688</u>	<u>11,918,571</u>
	=====	=====

- Unclaimed dividend represents the dividend warrants of Tk.1,309,688 not presented to bank by the shareholders within June 30, 2022. The details of unclaimed dividend as on 30 June 2022 is as under:

<u>Year</u>		<u>Taka</u>
Up to 2016-2017	-	8,755,193.40
2017-18	-	2,281,332.00
2018-19	460,213.18	485,682.60
2019-20	379,014.50	396,363.42
2020-2021	470,460.00	-
	<u>1,309,687.68</u>	<u>11,918,571.42</u>
	=====	=====

- According to the Directive (No. BSEC/CMRRCD/2021-386/03) dated January 14, 2021, of Bangladesh Securities and Exchange Commission (BSEC) para 3 (Vii) regarding the details information of unclaimed dividend shall report in the statement of Financial Position as separate line, so we have reported in the Statement of financial position as separate line item "Unclaimed Dividend Account".
- According to the BSEC's letter No. SEC/SRMIC/165-2020/131 dated March 31, 2022 regarding the transfer of Unclaimed Dividend along with prescribed dividend distribution compliance report upto 2017-2018. Accordingly we have transferred the Unclaimed Dividend amount Tk.2,261,634.90 for the above periods to the "Capital Market Stabilization Fund" (CMSF) Vide Cheque - 0010051, dated 23 May 2022 of The Hongkong & Shanghai Banking Corporation Limited (HSBC).

2021-2022**2020-2021****32. REVENUE: TK. 3,512,949,969**

	<u>Qty. in Kg</u>	<u>US\$</u>		
Export of Shrimps	<u>2,952,730.00</u>	<u>41,360,117.00</u>	<u>3,512,949,969</u>	<u>2,759,680,009</u>
	2,952,730.00	41,360,117.00	3,512,949,969	2,759,680,009
	=====	=====	=====	=====

- Country wise break up of the Export for the year 2021-22:

<u>Name of the</u>	<u>Quantity In KG</u>	<u>USD</u>
Belgium	493,530.00	6,738,145.00
Canada	47,628.00	1,055,250.00
Germany	194,170.00	2,836,415.00
Netherlands	293,252.00	5,320,276.00
Russia	294,052.00	3,102,395.00
Ukraine	43,120.00	569,925.00
UK	53,160.00	939,377.00
USA	1,533,818.00	20,798,334.00
	<u>2,952,730.00</u>	<u>41,360,117.00</u>

33. COST OF GOODS SOLD: TK. 3,135,351,675

	<u>Qty. in Kg.</u>	<u>Notes</u>		
Opening Stock of Finished Goods	720,451		491,090,651	895,705,211
Add: Cost of Production	<u>2,797,267</u>	34	<u>2,893,005,368</u>	<u>2,123,908,591</u>
	3,517,718		3,384,096,019	3,019,613,802
Less: Closing Stock of Finished Goods	<u>(564,988)</u>		<u>(248,744,344)</u>	<u>(491,090,651)</u>
	2,952,730		3,135,351,675	2,528,523,151
	=====		=====	=====

34. COST OF PRODUCTION: TK. 2,893,005,368

	<u>Qty. in Kg.</u>	<u>Notes</u>		
Shrimp Purchased	3,607,361		2,683,202,222	1,951,772,496
Packing Materials, Chemicals, Ice and Ingredients consumed		35	95,989,477	65,818,548
Direct Labor			35,177,452	31,773,725
Factory Overhead		36	78,636,217	74,543,822
			<u>2,893,005,368</u>	<u>2,123,908,591</u>
			=====	=====

- Cash incentive adjusted with the raw materials purchase.

	<u>2021-2022</u>	<u>2020-2021</u>
35. PACKING MATERIALS, CHEMICALS, ICE & INGREDIENTS CONSUMED: TK. 95,989,477		
(a) Opening Balance (Packing Materials)	5,079,375	4,027,788
Add: Packing Materials Purchase	79,146,297	58,592,527
	-----	-----
	84,225,672	62,620,315
Less: Packing Materials in hand	(3,777,339)	(5,079,375)
	-----	-----
	<u>80,448,333</u>	<u>57,540,940</u>
(b) Opening balance (Chemical & Ingredients)	4,438,748	1,346,256
Add: Chemicals, Ice and Ingredients Purchase	19,922,196	11,370,100
	-----	-----
	24,360,944	12,716,356
Less: Chemical and Ingredients in hand	(8,819,800)	(4,438,748)
	-----	-----
	<u>15,541,144</u>	<u>8,277,608</u>
Total (a+b)	<u>95,989,477</u>	<u>65,818,548</u>
	=====	=====

36. FACTORY OVERHEAD: TK. 78,636,217

Wages & Salaries	26,276,195	24,605,429
Bonus to Workers'	468,395	386,454
Power, Fuel & Water	25,802,063	25,497,834
Consumable Stores & Spares	1,086,807	740,916
Insurance premium	3,690,996	3,955,955
Repair & Maintenance	7,133,707	3,780,872
Carriage Inward	17,890	44,605
Depreciation	14,160,164	15,531,757
	-----	-----
	<u>78,636,217</u>	<u>74,543,822</u>
	=====	=====

37. OTHER OPERATING INCOME / (LOSS): TK. 35,844

Foreign Currency Translation Gain / (Loss)	35,844	(212)
	=====	=====

Foreign currency translation gain / (loss) represents the difference between the closing conversion rate and the ledger conversion rate of FCY Account as on 30.06.2022.

2021-2022020-2021**38. ADMINISTRATIVE AND SELLING OVERHEAD: TK. 270,812,163**

Advertisement	263,903	184,575
AGM Expenses	-	5,050
Audit Fees (Including VAT)	402,500	402,500
Board Meeting Fees (Including VAT)	28,050	14,850
Bonus to Staff	3,088,503	2,301,664
Contribution to Provident Fund	2,225,216	1,990,411
Depreciation on Tangible Assets	787,742	917,870
Depreciation on Right of Use (ROU) Assets	1,187,195	2,374,388
Directors' Remuneration	7,200,000	9,300,000
Donation & Subscription	4,202	17,500
Electricity & WASA Charges	235,696	378,198
Entertainment	577,793	327,376
Freight, Forwarding & Export Expenses	196,484,456	68,119,305
General Fees & Charges	36,500	28,645
Guest House Expenses	497,215	590,500
Laboratory Expenses	82,892	71,530
Laboratory Testing Expenses	10,232,260	9,292,132
Legal & Professional Fees	66,350	205,200
License & Renewals	908,630	703,393
Medical Expenses	15,516	8,286
Membership Subscription	10,000	10,800
Newspaper & Periodicals	3,062	5,026
Office Maintenance	376,580	534,874
Postage & Stamp	383,860	308,808
Printing & Stationery	693,786	703,149
Corporate Expenses & Others	152,035	149,688
VAT on Office Rent	216,020	370,314
Salaries & Allowances	29,773,749	28,447,211
Sales Commission	1,428,467	1,785,882
Sales Promotion Expenses	8,145,597	5,449,378
Sanitation Expenses	324,370	199,589
Staff Fooding	719,374	142,739
Staff Welfare Expenses	1,102,712	1,066,581
T.A & Conveyance	877,868	803,748
Telephone, Telex & Fax	439,084	473,575
Uniform & Liveries	494,638	689,056
Transportation Expenses	1,346,343	1,393,191
	270,812,163	139,766,982
	270,812,163	139,766,982

- Directors' Remuneration paid to the Directors for their full time service rendered are:

a) Mr. Zafar Ahmed	2,400,000	4,800,000
b) Mr. Ashim Kumar Barua	4,200,000	3,900,000
c) Mr. Kazi Faruq Kader	600,000	600,000
	7,200,000	9,300,000
	7,200,000	9,300,000

- The remuneration of Mr. Ashim Kumar Barua, Director has been increased from Tk. 3.25 lac to 3.50 lac per month.
- Audit Fee is fixed by the Shareholders in the Annual General Meeting and does not include any other remuneration to Auditors.
- Sales promotion expenses include cost of samples and courier cost for distribution of free samples to the buyers.
- There are **9 (Nine)** Board Meetings held during the year.

39. FINANCE & OTHER INCOME: Tk. 17,154,439**Dividend Income:**

Dividend from Apex Spinning & Knitting Mills Ltd.	4,526,400	3,394,800
Dividend from CDBL	1,427,952	856,772
	5,954,352	4,251,572
Interest Income on FDRs	10,955,894	12,187,068
Interest Income on SND Account	306	290
PF Lapse (Employer's Portion)	243,887	234,581
	17,154,439	16,673,511
	=====	=====

40. FINANCIAL EXPENSES: TK. 42,828,727

Interest	32,839,157	49,068,478
Charges	9,956,796	8,259,655
Interest expenses on Lease Liability	32,774	226,360
	42,828,727	57,554,493
	=====	=====

41. PROVISION FOR CONTRIBUTION TO PPF & WF: TK. (3,864,176) (2,405,175)

This represents 5% of the net profit after charging such contribution provided as per provisions of the Bangladesh Labor Act, 2006 (Amended 2013 & 2017) and Bangladesh Labor Rules, 2015 and is payable to workers' as defined in the said Act.

42. TAX EXPENSES:**a) CURRENT TAX:**

Current tax consists of tax provision made on business income means higher of below a,b,c i.e., Tax on operating profit basis, Minimum Tax U/S -82c(2) & Minimum Tax U/S -82c(4) and realized amount of finance & other income for the year from July 01, 2021 to June 30, 2022. Details are as follows:

Calculation of Current tax:**a) Tax on operating profit basis**

Profit before tax	77,283,511	48,103,506
Other Operating (Income) / (Loss)	(35,844)	212
Less: Finance & Other Income	(17,154,439)	(16,673,511)
Net Operating Profit / (Loss)	60,093,228	31,430,207
Tax Rate	12%	11.25%
Tax on Operating Profit	7,211,187	3,535,898

b) Minimum Tax U/S -82c(2)

TDS on export proceeds	%		
	0.50	18,675,941	13,230,727
		18,675,941	13,230,727

c) Minimum Tax U/S -82c(4)

Realized from Revenue	%		
	0.36	13,292,617	7,920,999
Realized from other operating Income	0.60	-	-
Realized from Cash Incentive	0.60	507,066	1,099,128
Realized from Dividend Income	0.60	35,726	25,509
Realized from finance & Other Income	0.60	72,965	95,211
Realized from Other Income-PF Lapse	0.60	1,407	3,375
		13,909,781	9,144,222

	<u>2021-2022</u>	<u>2020-2021</u>
--	------------------	------------------

So, Current tax

Business Tax –Higher of above a, b & c	18,675,941	13,230,727
TDS on Cash Incentive (realized amount)	8,451,100	18,318,800
Tax on Dividend Income	1,190,870	850,314
Tax on Finance Income (Realized)	2,432,156	3,570,406
Tax on Other Operating Income (Realized)	-	-
Realized from Other Income-PF Lapse (realized)	46,916	126,569
	<u>30,796,983</u>	<u>36,096,816</u>

Effective tax rate= (Tax expenses/Profit before tax)	62.07%	75.46%
---	---------------	---------------

42. b) DEFERRED TAX (EXPENSES) / INCOME: TK **(17,170,210)** **(201,691)**

- Current tax represents estimated Income Tax for the year from 1st July 2021 to 30th June 2022. As the Company is a Publicly Traded Company, as per the Income Tax Ordinance, 1984 and the Company is also a 100% export oriented Sea Food Processing Industry, the tax rate of the Company is 20%. Tax provision has been made on the basis of the highest of 10% (i.e. tax rate is 20% on business profit) or tax deducted at source @ 0.50% or tax on gross receipts @ 0.60% and provision has been made accordingly. However, the tax provision has been made @ 20% on interest income & PF lapse receivable and 20% on dividend income as per provision of the Income Tax Ordinance, 1984.
- The provision for deferred tax (expenses) / income is made to pay/adjust future income tax liability/asset due to accumulated temporary differences.

43. BASIC EARNINGS PER SHARE (EPS) – DISCLOSURE UNDER IAS 33 “EARNINGS PER SHARE”:

Earnings attributable to Ordinary Shareholders

Basic EPS = -----
 Weighted average number of ordinary shares outstanding during the year
 2021-22

	29,316,318		11,805,000
Basic Earnings Per Share (EPS)	= -----	= 5.14	----- = 2.07

5,702,400

5,702,400

- 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.

There was significant variance occurs between quarterly performance and annual financial statements, as the EPS up to 3rd quarter was Tk. 2.50 but it became Tk. 5.14 annually which is a result of efficiently running of the Company as well as cost minimization which is a sign of profitability is in upward trend.

44. NET ASSETS VALUE (NAV) PER SHARE:

Net Assets (Total Assets – Total Liabilities)

NAV Per Share = -----

Number of ordinary shares outstanding

	719,540,884		680,798,866
Net Assets Value (NAV) Per Share	= -----	= 126.18	----- = 119.39
	5,702,400		5,702,400

- Net Assets Value (NAV) per share is Tk. 126.18 as on 30.06.2022 but it was Tk. 119.39 as on 30.06.2021. The main reason for increasing NAV due to increase in share price of Investments.

45. NET OPERATING CASH FLOWS PER SHARE (NOCFPS):

$$\text{NOCFPS} = \frac{\text{Net Operating Cash Flows}}{\text{Number of ordinary shares outstanding}}$$

	354,354,732		244,477,630	
Net Operating Cash Flows	=	62.14	=	42.87
Per Share (NOCFPS)	5,702,400		5,702,400	

- There was significant variance in net operating cash flows as compared to the last year. The Net Operating Cash Flows per Share is Tk. 62.14 but it was Tk.42.87 in 2020-21 which is mainly for more export realised during the year 2021-2022 as compared to last year. However, this scenario is changeable time to time depending on different issues.

46. EVENTS AFTER REPORTING PERIOD:**a) Proposed Dividend:**

The Board of Directors recommended cash Dividend of Tk. 2.00/- per Share for the financial year 2021-22 at the Board Meeting held on October 16, 2022. The total amount of Dividend is TK. 11,404,800/-.

b) Other Significant Events:

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

47. RELATED PARTY TRANSACTIONS:

- There are no related party (inter Company) transactions during the year under review.
- Transaction with key management personnel:

Name	Relationship	Nature	Transaction	Opening Balance	Transaction during the period	Closing Balance
1. Mr. Zahur Ahmed PhD	Director	Revenue Expenditure	*Office rent	-	-	-
2. Mrs. Shawkat Ara Ahmed	Shareholder					
3. Mr. Shahriar Ahmed	Director					
4. Mr. Mahir Ahmed	Director					
5. Mr. Eifaz Ahmed	Director					

*The Directors & Shareholders have provided a rent-free office space for business transaction for the company as per agreement. However, the total rental spaces as mentioned in the agreement is approximately 79,444.10 sft for 11 sister concerns of the Directors of the company which is located at Shanta Sky Mark (Level 8 to 13), Plot # 18, Block # CWS(A), Gulshan Avenue, Gulshan, Dhaka-1212. Therefore, the value of the related party transaction is nil.

- The Company is now paying Remuneration to the 03 (three) Directors who are rendering full time service to the Company and in addition to that there is nothing paid to them **(Note No. 38 for details)**.
- The Company operates a contributory provident fund which is administrates by the Board of Trustee. The Company has also a Group Insurance Scheme. The Company pays its monthly contribution for the Key Management to the Provident Fund Trust and the Company has no further liability. Group insurance premium is paid to the Insurance Company once in a year and if there is any claim that will be entertained by the Insurance Company for the Key Management and the Company has no liability. In addition to that there is nothing paid to them except salaries and allowances.

2021-20222020-2021**48. GENERAL:****(a) Production capacity (Quantity in M/T):**

Installed Capacity	7,200	%	7,200	%
Actual Capacity utilized	2,797	38.85	2,630	36.53
	-----		-----	
Variation	4,403		4,570	
	=====		=====	

- 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	2,797,267	2,629,908
	-----	-----
	2,797,267	2,629,908
	=====	=====

(c) Export (Quantity in Kg):

Shrimps	2,952,730	2,786,800
	-----	-----
	2,952,730	2,786,800
	=====	=====

(d) Consumption (Value in Taka):

<u>Items</u>	<u>Value</u>	<u>Consumption</u>
		<u>%</u>
Local Shrimps	2,683,202,222	96.55
Local Packing Materials, Chemicals, Ice & Ingredients	95,989,477	3.45

(e) Salaries & Wages:

	<u>No. of Employees</u>	<u>Taka</u>
Up to Tk. 5,000.00 per month	-	-
Above Tk. 5,000.00 per month	248	61,832,058
	-----	-----
	248	61,832,058
	=====	=====

2021-20222020-2021**49. PAYMENTS /PERQUISITES TO DIRECTORS/OFFICERS (KEY MANAGEMENT):**

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

	<u>Directors</u>	<u>Officers</u>
Board Meeting Fees	28,050	-
Salaries and Allowances	7,200,000	38,694,314
Contribution to Provident Fund	-	1,623,467
Bonus	-	3,892,518
Perquisites	-	15,039,979

50. CAPITAL EXPENDITURE COMMITMENT:

- There was no capital expenditure contracted or incurred or provided for as on 30th June 2022.
- There was no material capital expenditure authorized by the Board or contracted for as on 30th June 2022.

51. CONTINGENT LIABILITY:

- There is Tk. 1.72 million as Bank guarantee for which the Company is contingently liable as on 30th June 2022.

52. 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 the directors.
- There was no brokerage paid against sales during the year 2021-22.
- There was no expense on account of miscellaneous/general expenses.
- There was no claim against the Company that has not been acknowledged as debt on 30th June 2022.
- There was no credit facility available to the Company under any contract or availed of as on 30th June 2022 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/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Signed in terms of our report of even date.

Place: Dhaka,
Dated: October 18, 2022

Hussain Farhad & Co.
Chartered Accountants
DVC: 2210181090AS967664

ANNEXURE-1**Reconciliation of net profit with cash flows from operating activities:**

Reconciliation of net income or net profit with cash flows from operating activities making adjustment for non-cash items, for non-operating items and for the net changes in operating accruals has been disclosed as per BSEC notification no: BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June, 2018

	Amount in BDT	
	<u>2021-2022</u>	<u>2020-2021</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit after tax	29,316,318	11,805,000
Add: Depreciation on tangible assets & ROU assets during the year	16,135,102	18,824,015
Less: Effect of foreign currency translation (gain) / loss	(35,844)	212
Less: Finance & other income during the year	(16,910,246)	(16,438,640)
Add: Interest paid during the year	32,871,931	49,294,837
Add: Tax Expenses	47,967,193	36,298,507
(Increase)/Decrease in Inventories	239,267,291	400,470,481
(Increase)/Decrease in Trade Receivables	179,443,526	(119,347,119)
(Increase)/Decrease in Advance, Deposits & Pre-payments	2,015,422	(148,299)
(Increase)/Decrease in Other Receivables	(177,996,128)	(15,463,281)
Income tax paid during the year	(31,414,487)	(44,700,629)
(Increase)/Decrease in Security deposits	-	-
Increase/(Decrease) in Trade Payables	18,418,708	(85,722,562)
Increase/(Decrease) in Other Payables	15,275,948	9,605,106
	-----	-----
Net cash generated from/(used in) operating activities	354,354,732	244,477,630
	=====	=====
RECONCILIATION:		
Net cash generated from/(used in) operating activities-Indirect method:	354,354,732	244,477,630
Net cash generated from/(used in) operating activities-Direct method:	354,354,732	244,477,630
	-----	-----
Differences	-	-
	=====	=====