

APEX FOODS LIMITED

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

In compliance with the Notification No: SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009 of the Bangladesh Securities and Exchange Commission, we are pleased to forward herewith the un-audited First Quarterly (Q1) Financial Statements for the period ended on 30th September 2014 of the Company.

STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 30TH SEPTEMBER, 2014

	Value in Taka '000'		
	As on 30.09.2014	As on 30.06.2014	Growth %
ASSETS			
Non-Current Assets:			
Property, Plant and Equipment	168,642	171,963	(2)
Investment	178,568	188,696	(5)
Immovable Property (At Cost)	12,040	12,040	0
	359,250	372,699	(4)
Current Assets:			
Inventories	837,935	811,413	3
Trade Debtors	115,284	29,910	285
Advances, Deposits & Pre- Payments	121,657	105,296	16
Other Receivables	123,174	131,661	(6)
Cash & Cash Equivalents	236,700	242,050	(2)
	1,434,750	1,320,330	9
TOTAL ASSETS	1,794,000	1,693,029	6
EQUITY AND LIABILITIES			
Shareholder's Equity:			
Share Capital	57,024	57,024	0
Share Premium	209,088	209,088	0
Reserve and Surplus	146,266	152,494	(4)
Fair Valuation Surplus of Investments	133,318	143,446	(7)
	545,696	562,052	(3)
Non-Current Liabilities:			
Deferred Tax Liabilities	26	16	
Long Term Loan	82,500	90,000	(8)
	82,526	90,016	(8)
Current Liabilities:			
Working Capital Loan (Secured)	775,421	733,884	6
Long Term Loan-Current Maturity	31,523	30,000	5
Short Term Loan	92,359	90,763	2
Trade Creditors	116,678	64,183	82
Sundry Creditors	20,374	20,302	0
Income Tax Payable	113,476	97,265	17
Other Liabilities	15,947	4,564	249
	1,165,778	1,040,961	12
Total Liabilities	1,248,304	1,130,977	10
TOTAL EQUITY & LIABILITIES	1,794,000	1,693,029	
Net Asset Value Per Share	95.70	98.56	

STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE FIRST QUARTER ENDED ON 30TH SEPTEMBER, 2014

	Value in Taka '000'		
	01.07.2014 to 30.09.2014	01.07.2013 to 30.09.2013	Growth %
TURNOVER	1,107,027	1,231,944	(10)
Cost of goods sold	1,016,068	1,151,784	(12)
GROSS PROFIT	90,959	80,160	13
OPERATING EXPENSES:	88,671	78,667	13
Administrative & selling overhead	60,628	50,201	21
Financial expenses	28,043	28,466	(1)
OPERATING PROFIT	2,288	1,493	53
Other income	20,236	20,481	(1)
PROFIT BEFORE PPF & WF	22,524	21,974	3
Provision for contribution to PPF & WF	1,126	1,099	3
PROFIT BEFORE TAX	21,398	20,875	3
Tax Expenses:			
Current tax	16,211	15,244	6
Deferred tax expenses/(income)	10	-	
NET PROFIT AFTER TAX	5,177	5,631	(8)
Other comprehensive income			
Fair valuation surplus/(deficit) of investments	(10,128)	-	
TOTAL COMPREHENSIVE INCOME	(4,951)	5,631	(188)
EPS with fair valuation surplus/(deficit) of investments	(0.87)	-	
EPS without fair valuation surplus/(deficit) of investments	0.91	0.99	(8)

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED ON 30TH SEPTEMBER, 2014

Particulars	Value in Taka '000'						
	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 1st July 2014	57,024	209,088	51,163	100,724	607	143,446	562,052
Net Profit for the first quarter ended on 30th September 2014	-	-	-	5,177	-	-	5,177
Final dividend for the year 2013-14	-	-	-	(11,405)	-	-	(11,405)
Fair valuation surplus/(deficit) of investments	-	-	-	-	-	(10,128)	(10,128)
As at 30th September 2014	57,024	209,088	51,163	94,496	607	133,318	545,696

STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE FIRST QUARTER ENDED ON 30TH SEPTEMBER, 2014

	Value in Taka '000'		
	01.07.2014 to 30.09.2014	01.07.2013 to 30.09.2013	Growth %
CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection from turnover	1,021,653	1,286,586	(21)
Other Income	15,710	20,481	(23)
Interest and other financial charges paid	(28,043)	(28,466)	(1)
Income tax paid	(13,520)	(11,661)	16
Payment for costs and expenses	(1,032,737)	(1,122,537)	(8)
Net cash generated from operating activities (a)	(36,937)	144,403	(126)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property, Plant and Equipment acquired	(5,547)	(39,682)	(86)
Net cash used in investing activities (b)	(5,547)	(39,682)	(86)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Working Capital Loan received/(repaid)	41,537	(55,713)	(175)
Long Term loan received/(repaid)	(5,977)	(34,294)	(83)
Short Term loan received/(repaid)	1,596	(37,887)	(104)
Dividend paid	(22)	(19)	16
Net cash generated from financing activities (c)	37,134	(127,913)	(129)
Net increase/(decrease) in cash and cash equivalents(a+b+c)	(5,350)	(23,192)	(77)
Cash & cash equivalents on opening	242,050	301,451	(20)
Cash & cash equivalents on closing	236,700	278,259	(15)
Net Operating Cash Flow Per Share	(6.48)	25.32	

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

Particulars	Value in Taka '000'						
	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 1st July 2013	57,024	209,088	51,163	93,947	607	106,030	517,859
Net Profit for the first quarter ended on 30th September 2013	-	-	-	5,631	-	-	5,631
Final dividend for the year 2012-13	-	-	-	(10,264)	-	-	(10,264)
As at 30th September 2013	57,024	209,088	51,163	89,314	607	106,030	513,226

Explanatory Notes:

- (1) These financial statements have been prepared under the historical cost convention and going concern basis.
- (2) No interim dividend paid during the interim period ended on 30th September 2014.
- (3) No diluted EPS is required to be calculated as there was no dilution during this period.
- (4) Fair valuation surplus/(deficit) of investments and deferred tax have not been calculated in the 1st Quarter of last year.
- (5) Last year's first quarterly figures have been re-arranged where considered necessary to conform to current quarter's presentation.
- (6) Figures were rounded-off to the nearest thousand Taka.

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

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S.K. Halder
Chief Financial Officer

SELECTIVE NOTES TO THE FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED ON 30.09.2014

	Value in Taka '000'	
	As on	As on
	30.09.2014	30.06.2014
1. PROPERTY, PLANT & EQUIPMENT:	<u>168,642</u>	<u>171,963</u>
During the period addition has been made for machinery of Tk. 16,99,417/- & Factory building of Tk. 20,70,703/- Depreciation has been calculated as per BAS 16.		
2. INVENTORIES:		
Shrimps	821,597	795,189
Packing Materials	11,500	12,223
Chemical & Ingredients	4,838	4,001
	<u>837,935</u>	<u>811,413</u>
3. TRADE DEBTORS	<u>115,284</u>	<u>29,910</u>

Trade debtors are considered good and subsequently realized in full.

4. ADVANCES, DEPOSITS AND PREPAYMENTS:

Advance against expenses	40	71
Deposits & Prepayments	11,937	9,066
Advance Income Tax	109,680	96,159
	<u>121,657</u>	<u>105,296</u>

The growth of 16% in Advance, deposits and pre-payments mainly due to advance tax deduction at Source on Cash incentive and realised value of export.

5. OTHER RECEIVABLES:

Insurance Claim Receivable	16,255	16,255
Dividend receivable	3,621	-
Cash incentive Receivable	103,298	115,406
	<u>123,174</u>	<u>131,661</u>

Cash incentive receivable from the Bank which will be received from bank time to time depending on their availability of fund from Bangladesh Bank.

6. CASH AND CASH EQUIVALENTS:

Cash in Hand:

Head Office	107	107
Factory Office	279	41
	<u>386</u>	<u>148</u>

Cash at Bank with:

Agrani Bank, Agrabad Corporate Br. Chittagong.	20,623	24,893
Arab Bangladesh Bank Ltd. Principal Br, Dhaka.	626	627
Eastern Bank Ltd., Principal Branch, Dhaka	19	31
The Hongkong & Shanghai Banking Corporation, Dhaka	1,429	1,535
Dhaka Bank Ltd., Foreign Exchange Branch, Dhaka	8	8
FDR with HSBC, Dhaka	56,799	54,696
FDR with Dhaka Bank Limited, Dhaka	156,810	160,112
	<u>236,314</u>	<u>241,902</u>
	<u>236,700</u>	<u>242,050</u>

7. Fair Valuation Surplus of Investments 133,318 143,446

This represents the difference of market value and the cost of the investment.

8. WORKING CAPITAL LOAN:

Against Hypothecation	159,244	117,793
Against Pledge of Finished Goods	616,177	616,091
	<u>775,421</u>	<u>733,884</u>

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

9. LONG TERM LOAN-CURRENT MATURITY: 31,523 30,000

This represents the term loan and Interest payable in next twelve months as per schedule of re-payment.

10. SHORT TERM LOAN:

Dhaka Bank Limited	92,359	90,763
	<u>92,359</u>	<u>90,763</u>

Short term loan with Dhaka Bank Limited represents the utilization of limit for procurement of Raw Materials. The Limit is 100 million.

11. TRADE CREDITORS: 116,678 64,183

Trade creditors represents the amount payable to the gher owners of Shrimps from whom we procure the shrimps.

12. OTHER LIABILITIES:

Unclaimed Dividend	15,947	4,564
	<u>15,947</u>	<u>4,564</u>

The growth of 249% due to dividend payable for 2013-14 which has been approved in AGM but not paid within this period.

Sd/-
Shahriar Ahmed
Managing Director

	Value in Taka '000'	
	01.07.2014	01.07.2013
	to	to
	30.09.2014	30.09.2013
13. TURNOVER:	<u>1,107,027</u>	<u>1,231,944</u>
Turnover has been decreased 10% as compared to the turnover of same period of last year due to less quantity sold during this period.		
14. COST OF GOODS SOLD:		
Opening Stock of Finished Goods	795,189	860,755
Add. Cost of Production-Note 15	1,042,476	1,002,209
	1,837,665	1,862,964
Less: Closing Stock of Finished Goods	821,597	711,180
	<u>1,016,068</u>	<u>1,151,784</u>

The decrease of 12% in Cost of Goods Sold mainly due to the decrease of Turnover.

15. COST OF PRODUCTION:

Raw Materials	979,624	944,158
Packing Material & Chemicals	30,141	21,746
Direct Labour	11,896	10,837
Factory Overhead	12,698	16,408
Depreciation	8,117	9,060
	<u>1,042,476</u>	<u>1,002,209</u>

The increase of 4% in Cost of production mainly due to increase of Raw Materials & Packing materials cost.

16. ADMINISTRATIVE & SELLING OVERHEAD 60,628 50,201

The increase of 21% is mainly due to the increase of sales commission as per terms of the L/Cs.

17. FINANCIAL EXPENSES:

Interest	24,955	25,388
Charges	3,088	3,078
	<u>28,043</u>	<u>28,466</u>

Financial expenses slightly decreased in this period.

18. OTHER INCOME: 20,236 20,481

Other income slightly decreased in this period.

19. PROVISION FOR TAX: 16,211 15,244

The increase of 6% in provision for tax mainly due to the tax deduction on incentive for more received of incentive during this period.

20. RELATED PARTY TRANSACTIONS:

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

Sd/-
Ashim Kumar Barua
Director

Sd/-
S. K. Halder
Chief Financial Officer