

APEX FOODS LIMITED

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

In compliance with the Notification No.SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009 of the Bangladesh Securities and Exchange Commission, we are pleased to forward herewith the un-audited Third Quarterly (Q3) Financial Statements for the period ended on 31st March 2015 of the Company.

STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 31ST MARCH, 2015

STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2015

Value in Taka '000'						Value in Taka '000'					
As on 31.03.2015	As on 30.06.2014	Growth %		01.07.2014 to 31.03.2015	01.07.2013 to 31.03.2014	Growth %	01.01.2015 to 31.03.2015	01.01.2014 to 31.03.2014	Growth %		
ASSETS											
Non-Current Assets:											
Property, Plant and Equipment	159,400	171,963	(7)	TURNOVER							
Investment	172,028	188,696	(9)	2,485,298	3,040,139	(18)	492,625	627,154	(21)		
Immovable Properties	12,040	12,040	(9)	Cost of Goods Sold							
	343,468	372,699	(8)	2,260,335	2,818,011	(20)	436,245	570,190	(23)		
Current Assets:											
Inventories	807,501	811,413	(0)	GROSS PROFIT							
Trade Debtors	4,359	29,910	(85)	224,963	222,128	1	56,380	56,964	(1)		
Advances, Deposits & Pre- Payments	132,224	105,296	26	OPERATING EXPENSES:							
Other Receivables	138,440	131,661	5	219,547	202,344	9	60,716	51,436	18		
Cash & Cash Equivalents	167,780	242,050	(31)	Administrative & Selling Overhead							
	1,250,304	1,320,330	(5)	141,260	122,020	16	36,808	26,851	37		
	1,593,772	1,693,029	(6)	78,287	80,324	(3)	23,908	24,585	(3)		
TOTAL ASSETS											
EQUITY AND LIABILITIES											
Shareholders' Equity:											
Share Capital	57,024	57,024	0	NET PROFIT/(LOSS) AFTER TAX							
Share Premium	209,088	209,088	0	1,553	12,912	(88)	(7,571)	2,761	(374)		
Reserve and Surplus	142,642	152,494	(6)	Other comprehensive income:							
Fair Valuation Surplus	126,778	143,446	(12)	(16,668)	-	-	540	-	-		
	535,532	562,052	(5)	Fair valuation surplus/(deficit) of investments							
Non-Current Liabilities:											
Deferred Tax Liabilities	126	16	685	TOTAL COMPREHENSIVE INCOME							
Long Term Loan	67,500	90,000	(25)	(15,115)	12,912	(217)	(7,031)	2,761	(355)		
	67,626	90,016	(25)	EPS with fair valuation surplus/(deficit) of investments							
Current Liabilities:											
Working Capital Loan (Secured)	698,955	733,884	(5)	(2,65)	-	-	(1,23)	-	-		
Long Term Loan-Current Maturity	31,523	30,000	5	EPS without fair valuation surplus/(deficit) of investments							
Short Term Loan	36,898	90,763	(59)	0.27	2.26	(88)	(1.33)	0.48	(374)		
Trade Creditors	81,161	64,183	26								
Sundry Creditors	13,107	20,302	(35)								
Income Tax Payable	123,722	97,265	27								
Other Liabilities	5,248	4,564	15								
	990,614	1,040,961	(5)								
Total Liabilities	1,058,240	1,130,977	(6)								
TOTAL EQUITY & LIABILITIES	1,593,772	1,693,029	(6)								
Net Asset Value Per Share	93.91	98.56	(5)								

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2015

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus of Investment	Total
As at 1st July 2014	57,024	209,088	51,163	100,724	607	143,446	562,052
Net Profit for the nine months ended on 31st March 2015	-	-	-	1,553	-	-	1,553
Dividend for the year 2013-14	-	-	-	(11,405)	-	-	(11,405)
Fair valuation surplus/(deficit) of investments	-	-	-	-	-	(16,668)	(16,668)
As at 31st March 2015	57,024	209,088	51,163	90,872	607	126,778	535,532

STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2015

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

Value in Taka '000'											
01.07.2014 to 31.03.2015	01.07.2013 to 31.03.2014	Growth %		01.07.2014 to 31.03.2015	01.07.2013 to 31.03.2014	Growth %	01.01.2015 to 31.03.2015	01.01.2014 to 31.03.2014	Growth %		
CASH FLOWS FROM OPERATING ACTIVITIES:											
Collection from turnover	2,510,849	3,138,289	(20)	Particulars							
Other Income	24,184	35,376	(32)	57,024	209,088	51,163	93,947	607	106,030	517,859	
Interest and other financial charges paid	(76,764)	(80,324)	(4)	Net Profit for the nine months ended on 31st March 2014							
Income tax paid	(27,278)	(39,393)	(31)	-	-	-	12,912	-	-	12,912	
Payment for costs and expenses	(2,373,008)	(2,767,179)	(14)	Dividend for the year 2012-13							
Net cash generated from operating activities (a)	57,983	286,769	(80)	-	-	-	(10,264)	-	-	(10,264)	
CASH FLOWS FROM INVESTING ACTIVITIES:											
Property, Plant and Equipment acquired	(13,285)	(49,302)	(73)	As at 31st March 2014							
Net cash used in investing activities (b)	(13,285)	(49,302)	(73)	57,024	209,088	51,163	96,595	607	106,030	520,507	
CASH FLOWS FROM FINANCING ACTIVITIES:											
Working Capital Loan received/(repaid)	(34,929)	(126,195)	(72)	Explanatory Notes:							
Long Term loan received/(repaid)	(19,454)	(49,294)	(61)	(1) These financial statements have been prepared under the historical cost valuation and going concern basis.							
Short Term Loan received/(repaid)	(53,865)	(66,995)	(20)	(2) No interim dividend paid during the interim period ended on 31st March 2015.							
Dividend paid	(10,720)	(9,652)	11	(3) Last years nine month's figures were rearranged where considered necessary to conform to current nine months presentation.							
Net cash generated from financing activities (c)	(118,968)	(252,136)	(53)	(4) Fair valuation surplus/(deficit) of investments and deferred tax have not been calculated in the nine months financial statements of last year.							
Net increase/(decrease) in cash and cash equivalents(a+b+c)											
Cash & cash equivalents on opening	242,050	301,451	(20)	(5) Figures were rounded-off to the nearest thousand Taka.							
Cash & cash equivalents on closing	167,780	286,782	(41)	(6) Notes to the financial statements are given where considered necessary.							
Net Operating Cash Flow Per Share	10.17	50.29	(80)	Note: The details with selected notes of the published nine months financial statements can be available in the web-site of the Company . The address of the web-site is www.apexfoods.com							

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 NINE MONTHS ENDED ON 31.03.2015

	Value in Taka '000'	
	As on	As on
	31.03.2015	30.06.2014
1. PROPERTY, PLANT & EQUIPMENT:	<u>159,400</u>	<u>171,963</u>
During the period an amount of Tk. 91,63,609/- has been added in plant & Machinery for Grading Machine and other machinery. Tk. 25,81,160/- expended for factory building.		
2. INVENTORIES:		
Shrimps	795,000	795,189
Stock of Packing Materials	9,375	12,223
Stock of Chemical & Ingredients	<u>3,126</u>	<u>4,001</u>
	<u>807,501</u>	<u>811,413</u>

3. TRADE DEBTORS 4,359 29,910

4. ADVANCES, DEPOSITS AND PREPAYMENTS:		
Advance against Expenses	416	71
Deposits & Prepayments	8,371	9,066
Advance Income Tax	<u>123,437</u>	<u>96,159</u>
	<u>132,224</u>	<u>105,296</u>

The growth of 28% mainly in Advance Income tax due to Tax deduction at Source. The rate was 0.60% on realised value of export.

5. OTHER RECEIVABLES:		
Insurance Claim Receivable	16,255	16,255
Cash incentive Receivable	<u>122,185</u>	<u>115,406</u>
	<u>138,440</u>	<u>131,661</u>

The growth of 5% in Other receivables due to increase in cash incentive receivable from the Bank which will be received from bank time to time depending on their availability of fund from Bangladesh Bank.

6. CASH AND CASH EQUIVALENTS:		
Cash in Hand:		
Head Office	112	107
Factory Office	231	42
	<u>343</u>	<u>149</u>

Cash at Bank with:		
Agrani Bank, Agrabad Corporate Br. Chittagong.	25,565	24,893
Arab Bangladesh Bank Ltd. Principal Br, Dhaka.	623	627
Eastern Bank Ltd., Principal Branch, Dhaka	352	31
The Hongkong & Shanghai Banking Corporation, Dhaka	2,198	1,535
Dhaka Bank Ltd., Foreign Exchange Branch, Dhaka	5	8
FDR with HSBC, Dhaka	-	54,695
FDR with Dhaka Bank Limited, Dhaka	<u>138,694</u>	<u>160,112</u>
	<u>167,437</u>	<u>241,901</u>
	<u>167,780</u>	<u>242,050</u>

7. WORKING CAPITAL LOAN:		
Against Hypothecation	82,968	117,793
Against Pledge of Finished Goods	<u>615,987</u>	<u>616,091</u>
	<u>698,955</u>	<u>733,884</u>

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

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

The growth of 5% is due to term loan & interest payable in next twelve months as per schedule of re-payment.

9. SHORT TERM LOAN:		
Dhaka Bank Limited	<u>36,898</u>	<u>90,763</u>

Decrease of 59% is due to repayment of Loan from Dhaka Bank Limited.

10. TRADE CREDITORS: 81,161 64,183

The growth of 26% in Trade creditors due to more procured of shrimps at the end of the quarter.

11. OTHER LIABILITIES:		
Unclaimed Dividend	<u>5,248</u>	<u>4,564</u>

The growth of 15% due to dividend payable for 2013-14 which were not presented to the bank within 31.03.2015.

	01.07.2014	01.07.2013
	to	to
	31.03.2015	31.03.2014
12. TURNOVER:	<u>2,485,298</u>	<u>3,040,139</u>

Turnover has been decreased 18% (i.e. From 3,040.14 million to 2485.30 million) as compared to the turnover of same period of 2013-14 because of price fall in international market.

13. COST OF GOODS SOLD:		
Opening Stock of Finished Goods	795,189	860,755
Add. Cost of Production-Note-14	<u>2,260,146</u>	<u>2,514,756</u>
	<u>3,055,335</u>	<u>3,375,511</u>
Less: Closing Stock of Finished Goods	<u>795,000</u>	<u>557,500</u>
	<u>2,260,335</u>	<u>2,818,011</u>

The decrease of cost of goods sold mainly due to the decrease of turnover.

	Value in Taka '000'	
	01.07.2014	01.07.2013
	to	to
	31.03.2015	31.03.2014
14. COST OF PRODUCTION:		
Raw Materials	2,111,505	2,350,278
Packing Material & Chemicals-Note-15	60,129	66,608
Direct Labour	25,893	25,891
Factory Overhead-Note-16	37,609	44,442
Depreciation	<u>25,010</u>	<u>27,537</u>
	<u>2,260,146</u>	<u>2,514,756</u>

The decrease of cost of production mainly due to the decrease of turnover.

15. PACKING MATERIALS, CHEMICALS & ICE CONSUMED:		
Opening balance (Packing Materials)	12,223	10,036
Add: Packing Materials Purchase	<u>45,441</u>	<u>56,880</u>
	<u>57,664</u>	<u>66,716</u>
Less: Packing Materials in hand	<u>9,375</u>	<u>14,898</u>
	<u>48,289</u>	<u>51,818</u>
Add: Opening balance (Chemical & Ingredients)	4,001	5,069
Add: Chemical, Ingredients & Ice Purchase	<u>10,965</u>	<u>14,317</u>
	<u>63,255</u>	<u>71,204</u>
Less: Chemical, Ingredients in hand	<u>3,126</u>	<u>4,596</u>
	<u>60,129</u>	<u>66,608</u>

16. FACTORY OVERHEAD:		
Wages & Salaries	20,633	20,273
Bonus to Workers'	551	557
Power, Fuel & Water	10,090	15,252
Consumable Stores & Spares	1,295	1,805
Repair & Maintenance	4,972	6,475
Carriage Inward	<u>68</u>	<u>80</u>
	<u>37,609</u>	<u>44,442</u>

The decrease of 15% in factory overhead is mainly due to less turnover as compared to last years nine months.

17. ADMINISTRATIVE AND SELLING OVERHEAD:		
Advertisement	259	280
AGM Expenses	100	362
Board meeting fees	10	12
Bonus to Staff	2,514	2,950
Contribution to Provident Fund	961	842
Depreciation	1,063	1,040
Directors Remuneration	6,750	6,750
Donation & Subscription	74	32
Electricity & WASA Charges	58	56
Entertainment	353	142
Freight & Forwarding	42,823	56,044
General Fees & Charges	21	47
Guest House Expenses	460	492
Insurance Premium	2,268	2,763
Laboratory Expenses	107	299
Laboratory Testing Fees	5,162	6,124
Legal & Professional Fees	1,481	170
License & renewals	901	481
Medical Expenses	40	30
Membership Subscription	46	11
Newspaper & Periodicals	8	35
Office Maintenance	364	403
Postage & Stamp	398	426
Printing & Stationery	694	699
Rejection Insurance Premium	6,965	2,049
Rent, Rates & Taxes	2,221	2,116
Salary & Allowances	19,400	19,107
Sales Commission	32,703	6,344
Sales Promotion Expenses	8,499	6,592
Sanitation Expenses	268	262
Staff fooding	425	881
Staff Welfare Expenses	760	224
T.A & Conveyance	959	2,124
Telephone, Telex & Fax	449	538
Uniform & Liveries	364	418
Vehicles Maintenance	<u>1,332</u>	<u>875</u>
	<u>141,260</u>	<u>122,020</u>

16% increased in Administrative and Selling Overhead is mainly due to sales commission. Sales commission is paid as per terms of firm Contracts.

18. FINANCIAL EXPENSES:		
Interest	70,493	68,343
Charges	<u>7,794</u>	<u>11,981</u>
	<u>78,287</u>	<u>80,324</u>

19. OTHER INCOME:		
Dividend income	5,954	5,502
Interest earned	<u>18,230</u>	<u>29,874</u>
	<u>24,184</u>	<u>35,376</u>

Decrease in interest earned is mainly due to less earnings of interest on FDRs as the FDR interest rate was lower during the period.

20. PROVISION FOR TAX: 26,457 39,490

The decrease of 33% in provision for tax is mainly due to less turnover as compared to the last years nine months and also decreased of TDS rate from 0.80% to 0.60%.

21. RELATED PARTY TRANSACTIONS:

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

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S. K. Halder
Chief Financial Officer