

APEX FOODS LIMITED

SHANTA SKYMARK, LEVEL, 8TH TO 13TH, 18 GULSHAN AVENUE, GULSHAN, DHAKA-1212, BANGLADESH

UN-AUDITED HALF YEARLY (Q2) FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON 31ST DECEMBER, 2021

STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 31ST DECEMBER, 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2021

Value in Taka '000'

Notes	As on		Growth %	Notes	01.07.2021 to 31.12.2021		Growth %	01.10.2021 to 31.12.2021		Growth %
	31.12.2021	30.06.2021			31.12.2021	31.12.2020		31.12.2021	31.12.2020	
ASSETS										
Non-Current Assets:										
4	70,693	74,650	(5)	28	2,500,133	1,481,959	69	1,391,530	835,849	66
5	293,923	297,310	(1)	29	(2,283,567)	(1,376,087)	66	(1,267,198)	(778,164)	63
6	-	1,187	(100)	REVENUE						
7	6,003	6,003	0	Cost of goods sold						
Current Assets:										
8	274,305	500,609	(45)	GROSS PROFIT						
9	171,282	224,270	(24)	Other operating income/(loss)						
10	53,065	40,291	32	Administrative & selling overhead						
11	248,711	92,177	170	OPERATING PROFIT/(LOSS)						
12	222,080	214,573	3	Finance & Other Income						
13	23,593	2,884	718	Financial expenses						
TOTAL ASSETS										
EQUITY AND LIABILITIES										
Shareholders' Equity:										
14	57,024	57,024	0	NET PROFIT/(LOSS) AFTER TAX						
15	209,088	209,088	0	Other comprehensive income						
16	182,700	187,833	(3)	Fair valuation surplus/(deficit) of investment						
17	223,806	226,854	(1)	Deferred tax income/(expenses) on share valuation surplus						
Non-Current Liabilities:										
18	49,390	34,100	45	TOTAL COMPREHENSIVE INCOME						
19	522	2,157	(76)	Basic Earnings Per Share (EPS)						
Current Liabilities:										
20	474,548	596,148	(20)	As at 1st July 2021						
21	3,132	3,458	(9)	Net Profit/(Loss) for the six months ended on 31st December 2021						
22	425	1,453	(71)	Dividend for the year 2020-21						
23	-	9,019	(100)	Fair valuation surplus/(deficit) of investments						
24	54,606	38,071	43	As at 31st December 2021						
25	54,154	40,732	33							
26	51,134	36,097	42							
27	3,126	11,919	(74)							
Total Liabilities										
TOTAL EQUITY & LIABILITIES										
Net Assets Value Per Share (NAV)										

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2021

Particulars	Value in Taka '000'						
	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation surplus of Investments	Total
As at 1st July 2021	57,024	209,088	51,163	136,063	607	226,854	680,799
Net Profit/(Loss) for the six months ended on 31st December 2021	-	-	-	6,272	-	-	6,272
Dividend for the year 2020-21	-	-	-	(11,405)	-	-	(11,405)
Fair valuation surplus/(deficit) of investments	-	-	-	-	-	(3,048)	(3,048)
As at 31st December 2021	57,024	209,088	51,163	130,931	607	223,806	672,618

STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2021

Value in Taka '000'

Notes	01.07.2021 to 31.12.2021		Growth %
	31.12.2021	31.12.2020	
CASH FLOWS FROM OPERATING ACTIVITIES:			
	2,553,121	1,511,332	69
	0	-	-
	-	522	-
	(5,560)	(4,054)	37
	(13,827)	(15,647)	(12)
	(2,347,933)	(1,375,844)	71
	185,801	116,309	60
CASH FLOWS FROM INVESTING ACTIVITIES:			
	(3,265)	(2,071)	58
	9,704	13,699	(29)
	(7,507)	(11,101)	(32)
	(1,068)	527	(303)
CASH FLOWS FROM FINANCING ACTIVITIES:			
	(121,600)	(98,736)	23
	(1,961)	1,366	244
	(9,019)	13,309	(168)
	(1,061)	0	-
	(21,617)	(26,783)	(19)
	(8,792)	(5,647)	56
	(164,051)	(116,491)	41
	20,682	345	-
	2,884	2,229	29
	27	0	0
	23,593	2,574	816
	32.58	20.40	-

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2020

Particulars	Value in Taka '000'						
	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation surplus of Investments	Total
As at 1st July 2020	57,024	209,088	51,163	132,811	607	237,211	687,904
Net Profit/(Loss) for the six months ended on 31st December 2020	-	-	-	3,996	-	-	3,996
Dividend for the year 2019-20	-	-	-	(8,554)	-	-	(8,554)
Fair valuation surplus/(deficit) of investments	-	-	-	-	-	(360)	(360)
As at 31st December 2020	57,024	209,088	51,163	128,253	607	236,851	682,987

Note: Published half yearly financial statements can be available in the web-site of the Company.
The address of the web-site is www.apexfoods.com

Please refer to Note no. 45 for reconciliation of cash flows from operating activities under direct method and indirect method as per requirement of BSEC.

Sd/-
Zahur Ahmed PhD
Vice Chairman

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Mahir Ahmed
Director Page 1

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Sd/-
Kamrul Islam
Company Secretary

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS (Q2) ENDED ON 31ST DECEMBER, 2021
FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS**

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, Bangladesh.

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 interim 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 which do not vary from the requirements of the Companies Act, 1994 and the Listing Regulations of the Stock Exchanges, The Securities & Exchange Rules, 1987 and other laws and rules applicable in Bangladesh.

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

We have complied the following IASs and IFRSs as applicable for the financial statements for the period under review:

IAS-1	Presentation of Financial Statements	Complied With	IAS-24	Related Party Disclosures	Complied With
IAS-2	Inventories	Complied With	IAS-33	Earnings Per Share	Complied With
IAS-7	Statement of Cash Flows	Complied With	IAS-34	Interim Financial Reporting	Complied With
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied With	IAS-36	Impairment of Assets	Complied With
IAS-10	Events after the Reporting Period	Complied With	IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Complied With
IAS-12	Income Taxes	Complied With	IFRS-7	Financial Instruments: Disclosures	Complied With
IAS-16	Property, Plant and Equipment	Complied With	IFRS-9	Financial Instruments	Complied With
IAS-21	The Effects of Changes in Foreign Exchange Rates	Complied With	IFRS-15	Revenue from contracts with customers	Complied With
IAS-23	Borrowing Costs	Complied With	IFRS-16	Leases	Complied With

2.03 Compliance with local laws:

The Interim Financial Statements have been prepared in compliance with requirements of the Companies Act, 1994, The Securities & Exchange Rules, 1987, the Income Tax Ordinance 1984, Income Tax Rules 1984, The VAT & Supplementary Act 2012, VAT & Supplementary Rules 2016 and other relevant local laws and rules.

2.04 Compliance with International Financial Reporting Standards (IFRSs):

The Interim Financial Statements have been prepared in compliance with requirements of IFRS's.

3. Other Explanatory Notes:

- (a) These Interim financial statements have been prepared under the historical cost convention and going concern basis.
 (b) No interim dividend paid during the interim period ended on 31st December 2021.
 (c) No diluted EPS is required to be calculated as there was no dilution during this period.
 (d) Last year's half yearly (Q2) figures have been re-arranged where considered necessary to conform to current half yearly (Q2) presentation.
 (e) Figures were rounded-off to the nearest thousand Taka.
 (f) Reporting Period: These interim financial statements cover the period from 01st July 2021 to 31st December 2021.
 (g) Comparative Figure: interim information has been disclosed in respect of same period of the year 2020-2021 for income statement & financial position with 30th June 2021.

Value in Taka '000'		
	As on 31.12.2021	As on 30.06.2021

4. PROPERTY, PLANT & EQUIPMENT:

Details of property, plant & equipment and depreciation are as follows:

Fixed Assets at cost:

Opening Balance	732,112	725,427
Add: Addition during the period	3,221	6,686
Closing Balance (Cost)	735,333	732,112

Accumulated Depreciation:

Opening Balance	657,462	641,012
Add: Addition during the period	7,177	16,450
Closing Balance (Depreciation)	664,640	657,462

Written Down Value (WDV)

	70,693	74,650
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During the period, Fixed Assets addition has been made for Tk.3,221,019/- & depreciation has been charged (reducing method) on additions made during the period from the month in which that assets are ready to use as per IAS 16.

5. INVESTMENTS:

	293,923	297,310
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During the period, investments have been changed due to fair valuation of share.

6. RIGHT OF USE - ASSET:

Cost:

Opening Balance	3,562	-
Add: Addition during the period	-	3,562
Less: Disposal during the period	-	-
	3,562	3,562

Accumulated Depreciation:

Opening Balance	2,374	-
Add: Depreciation during the period**	1,187	2,374
Less: Disposal during the period	-	-
	3,562	2,374

Written down value as on 31.12.2021

	-	1,187
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* This represents the application of IFRS 16. Monthly lease rent have been paid Tk.212,262/- (excluding VAT) during the period 2021-2022. The lease period is expired on 31st December, 2021 and rate of interest considered @ 9% p.a.

** Depreciation during the period has been shown in administrative and selling overhead.¶

7. SECURITY DEPOSITS:

Security Deposits to Office Rent	405	405
Security Deposits to TNT & Mobile	9	9
Security Deposits to Bangladesh Power Development Board	903	903
Security Deposits to BGS/L Karnaphuli Gas Distribution Co.Ltd	4,686	4,686
	6,003	6,003

Security deposits are made to statutory bodies and hence secured.

8. INVENTORIES:

Shrimps (Finished Goods)	264,901	491,091
Packino Materials	3,992	5,079
Chemical & Ingredients	5,412	4,439
	274,305	500,609

9. TRADE RECEIVABLES:

Export Bills Receivable	171,282	224,270
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Trade receivables are stated at invoice value and considered good.

10. ADVANCES, DEPOSITS & PREPAYMENTS:

Advance against Expenses	554	2,362
Pre-payments	2,859	2,237
Advance Income Tax 10.(a)	49,091	35,264
Bank Guarantee Margin	429	429
L/C margin with Agrani Bank Limited	132	-
	53,065	40,291

10. (a) Advance Income Tax:

Opening Balance	35,263	20,052
Add: Paid during the period	13,827	44,701
	49,091	64,753
Less: Adjustment during the period	-	29,489
	49,091	35,264

The growth of 32% in Advances, deposits & pre-payments mainly due to tax deduction at source on export

11. OTHER RECEIVABLES:

Insurance Claim Receivable	16,255	16,255
Dividend Receivable-CDBL	1,428	-
Dividend Receivable-ASKML	4,526	-
Cash Incentive Receivable	222,455	67,440
FDR's Interest Receivable	3,768	8,248
P.F Lapse (employer's portion)	279	235
	248,711	92,177

12. INVESTMENT IN FINANCIAL ASSETS:

FDRs with Dhaka Bank Limited	198,480	190,973
FDRs with Agrani Bank Limited	23,600	23,600
	222,080	214,573

All FDRs are made for more than 3 (Three) months.

13. CASH & CASH EQUIVALENTS:

Cash in Hand:	160	75
Head Office	1	13
Factory Office	159	62
Cash at Bank with:	766	570
Agrani Bank Limited, Agrabad Corporate Br., Chattogram	30	30
Eastern Bank Limited, Principal Branch, Dhaka	74	75
The Hongkong & Shanghai Banking Corporation, CD A/C, Dhaka	13,442	2,115
The Hongkong & Shanghai Banking Corporation(CD-Div), Dhaka	9,121	19
Dhaka Bank Limited, Foreign Exchange Branch, Dhaka	23,433	2,809
	23,593	2,884

Sd/-
Zahur Ahmed PhD
Vice Chairman

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Mahir Ahmed
Director Page 2

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Sd/-
Kamrul Islam
Company Secretary

	Value in Taka '000'	
	As on 31.12.2021	As on 30.06.2021
14. SHARE CAPITAL:		
Authorized Capital:		
15,000,000 Ordinary Shares of Tk. 10/= each	150,000	150,000

Issued, Subscribed & Paid up Capital:		
5,702,400 Ordinary Shares of Tk. 10/= each	57,024	57,024
• There was no preference share issued by the Company.		

COMPOSITION OF SHARE HOLDINGS:

	No. of Share	%	No. of Share	%
Sponsors & Directors	2,221	38.96	2,221	38.96
Institutions	242	4.24	254	4.46
Public - Local	3,239	56.80	3,227	56.58
	5,702	100.00	5,702	100.00

15. SHARE PREMIUM:	209,088	209,088
This represents premium of Tk. 1,100 per share of 190,080 Right Shares of Tk.100 each.		

16. RESERVE AND SURPLUS:

Reserve for re-investment	51,163	51,163
Retained Earnings	130,930	136,063
Capital Gain	607	607
	182,700	187,833

17. FAIR VALUATION SURPLUS OF INVESTMENTS:

Opening Balance	226,854	237,211
Adjustment for fair valuation surplus/(deficit) in this period	(3,387)	(11,508)
Less: Deferred tax @10%	339	1,151
Fair valuation surplus/(deficit) during this period	(3,048)	(10,357)
	223,806	226,854

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

18. DEFERRED TAX LIABILITIES:

a) Book Value of Depreciable Assets:	70,694	74,650
Tax base of Depreciable Assets	69,185	72,500
Net Taxable Temporary Difference	1,509	2,151
Effective Tax Rate	11.25%	11.25%
Closing Deferred Tax (Assets)/Liabilities arising from assets	170	242
Opening Deferred Tax Balance	242	405
Deferred Tax Income/(Expense)	72	163

b) Foreign currency translation gain/(loss)-Unrealized:	27	(0)
Effective Tax Rate	22.50%	22.50%
Closing Deferred Tax (Assets)/Liabilities arising from Unrealized translation gain/(loss)	6	0
Opening Deferred Tax Balance	(0)	(0)
Deferred Tax Income/(Expense)	(6)	(0)

c) Unrealized Interest on FDRs:	3,768	8,248
Effective Tax Rate	22.50%	22.50%
Closing Deferred Tax (Assets)/Liabilities arising from Unrealized FDRs Interest	848	1,856
Opening Deferred Tax Balance	1,856	2,982
Deferred Tax Income/(Expense)	1,008	1,126

d) PF Lapse Receivable (employer's portion):	279	235
Effective Tax Rate	22.50%	22.50%
Closing Deferred Tax (Assets)/Liability Arising from PF Lapse	63	53
Opening Deferred Tax Balance	53	141
Deferred Tax Income/ (Expense)	(10)	88

e) Cash Incentive Receivable:	222,455	67,440
Effective Tax Rate	10.00%	10.00%
Closing Deferred Tax (Assets)/Liabilities arising from Cash Incentive Receivable	22,245	6,744
Opening Deferred Tax Balance	6,744	5,165
Deferred Tax Income/(Expense)	(15,501)	(1,579)

f) Dividend Receivable	5,954	-
Effective Tax Rate	20.00%	20.00%
Closing Deferred Tax (Assets)/Liability Arising from Dividend Receivable	1,191	0
Opening Deferred Tax Balance	0	0
Deferred Tax Income/(Expense)	(1,191)	-
Deferred Tax Income/(Expense) (a+b+c+d+e+f)	(15,628)	(202)

g) Deferred Tax (Assets)/Liabilities arising from Other Comprehensive Income:		
Tax for (Losses)/gains on available for sale of investments	24,867	25,206
Closing Deferred Tax (Assets)/Liabilities arising from investments	24,867	25,206
Opening Deferred Tax Balance	25,206	26,357
Deferred Tax income/(expense) arising from investments	339	1,151
Total Deferred Tax (Assets)/Liabilities (a+b+c+d+e+f+g)	49,390	34,100

Increase in deferred tax liabilities arises due to implementation of IAS 12 "Income Taxes".

19. LONG TERM LOAN: (a+b)	522	2,157
a) Opening Balance	917	1,684
Less: Paid during the period	(917)	(767)
	(0)	917
Less: Transferred to current maturity to next twelve months installment	-	(848)
	(0)	69

Sd/-
Zahur Ahmed PhD
Vice Chairman

Sd/-
Shahriar Ahmed
Managing Director

b) Stimulus Salary Loan

Opening Balance	4,698	3,548
Add: Loan Taken During the period	-	1,737
Less: Paid during the period	(1,044)	(587)
	3,654	4,698
Less: Transferred to current maturity	(3,132)	(2,610)
	522	2,088

This represents the stimulus salary loan taken from Agrani Bank Ltd.

20. WORKING CAPITAL LOAN (SECURED):

Against Hypothecation	19,661	132,113
Against Pledge of Finished Goods	454,886	464,035
	474,548	596,148

The Working Capital loan was taken from Agrani Bank Limited, Agrabad Corporate Branch, Chattogram.

21. LONG TERM LOAN-CURRENT MATURITY:

Term Loan	-	848
Stimulus Salary Loan	3,132	2,610
	3,132	3,458

This represents the stimulus salary loan payable in next twelve months as per schedule of re-payment.

22. LEASE LIABILITY :

Opening Balance	1,453	-
Add: Addition during the period	-	3,562
Add: Interest charged during the period	33	226
Less: Payment during the period	(1,061)	(2,335)
	425	1,453

This represents the application of IFRS 16 as lease agreement expired on 31st December, 2021.

23. SHORT TERM LOAN:

Dhaka Bank Limited	0	9,019
	-	9,019

24. TRADE PAYABLES:

	54,606	38,071
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Trade Payables represents the amount payable to the gher owners of Shrimps from whom we procure the shrimps.

25. OTHER PAYABLES:

Advance against export	11,929	5,813
Audit Fees (including VAT)	201	403
Advertisement	22	-
Chemicals	69	1,394
Clearing & Forwarding	470	673
Consumable Stores & Spares	203	67
Contribution to PPF & WF	4,920	3,073
Contribution to Provident Fund	-	35
Directors Remuneration	775	775
Dividend Payable for the year 2020-2021	11,405	-
Electricity & WASA Charges	-	31
Entertainment	-	6
Factory Building	7	29
Factory Equipment	8	2
Ice	942	617
Legal & Professional Fees	57	5
License & renewals	-	30
Newspaper & Periodicals	-	0
Office Equipment	25	-
Ocean Freight	-	7,777
Office Maintenance	-	51
Packing Materials	14,866	9,637
Plant & Machinery	-	54
Power, Fuel and Water	-	41
Postage & Stamps	-	5
Printing & Stationery	18	48
Corporate & Other Expenses	-	418
Repairs (Factory Building)	89	68
Repairs (Machinery & Equipments)	1,460	360
Salaries & Allowances	1,916	2,626
Sanitation Expenses	45	37
Staff income tax	59	121
Staff Welfare	-	70
Survey Fees & Inspection	26	29
Telephone, Telex & Fax	-	17
T.A & Conveyance	-	14
Tax Payable to Govt.	9	6
VAT Payable to Govt.	72	5
Uniform & Liveries	179	117
Wages & Salaries	4,336	6,226
Vehicles Maintenance	45	51
	54,154	40,732

The Increase of 33% mainly due to advance taken against export & dividende payable for the year 2021-2022.

26. CURRENT TAX LIABILITIES:

Opening Balance	36,097	29,489
Add: Current period tax (Note-38)	15,038	36,097
Less: Adjustment against completion of tax assessment	-	(29,489)
	51,134	36,097

During the period, more revenue earned and the increase of 42% in provision due to tax deduction at source on export .

27. UNCLAIMED DIVIDEND ACCOUNT:

The details break up as on 31st December, 2021 is as under:

Year of Dividend		
Upto 2016-2017	-	8,755
2017-2018	2,270	2,281
2018-2019	471	486
2019-2020	385	396
	3,126	11,919

Sd/-
Mahir Ahmed
Director Page 3

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Sd/-
Kamrul Islam
Company Secretary

	Value in Taka '000'	
	01.07.2021 to 31.12.2021	01.07.2020 to 31.12.2020
28. REVENUE:	2,500,133	1,481,959

Revenue has been increased 69% (i.e. From 1,481.96 million to 2,500.13 million) as compared to the revenue of same period of 2020-21 due to increase of export during this period.

29. COST OF GOODS SOLD:

Opening Stock of Finished Goods	491,091	895,705
Add: Cost of Production - Note 30	2,057,378	1,324,323
	2,548,468	2,220,028
Less: Closing Stock of Finished Goods	(264,901)	(843,941)
	2,283,567	1,376,087

30. COST OF PRODUCTION:

Raw Materials	1,932,456	1,234,781
Packing Materials, Chemicals & Ice Consumed-Note 31	65,628	34,311
Direct Labour	19,612	16,005
Factory Overhead - Note 32	39,681	39,226
	2,057,378	1,324,323

31. PACKING MATERIALS, CHEMICALS & ICE CONSUMED:

Opening balance (Packing Materials)	5,079	4,028
Add: Packing Materials Purchase	51,219	30,884
	56,299	34,912
Less: Packing Materials in hand	(3,992)	(4,525)
	52,306	30,387
Opening balance (Chemicals & Ingredients)	4,439	1,346
Add: Chemicals, Ingredients & Ice Purchase	14,295	5,159
	18,733	6,505
Less: Chemicals & Ingredients in hand	(5,412)	(2,581)
	13,322	3,924
	65,628	34,311

32. FACTORY OVERHEAD:

Wages & Salaries	11,733	11,985
Bonus to Workers'	173	208
Power, Fuel & Water	13,725	13,658
Consumable Stores & Spares	624	324
Insurance Premium	3,683	3,954
Repair & Maintenance	2,946	1,501
Carriage Inward	12	20
Depreciation	6,786	7,576
	39,681	39,226

33. OTHER OPERATING INCOME / (LOSS):

Foreign Currency Translation Gain / (Loss)	27	0
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34. ADMINISTRATIVE & SELLING OVERHEAD:

Advertisement	98	83
AGM Expenses	-	5
Audit Fee (Including VAT)	201	201
Board Meeting Fees (Including VAT)	9	6
Bonus to Staff	1,126	1,106
Contribution to Provident Fund	879	710
Depreciation on tangible assets	391	456
Depreciation on right of use Assets	1,187	-
Director's Remuneration	4,650	4,650
Donation & Subscription	2	13
Electricity & WASA Charges	148	198
Entertainment	187	181
Freight, Forwarding & Export Expenses	127,332	24,907
General Fees & Charges	1	7
Guest House Expenses	217	290
Laboratory Expenses	52	36
Laboratory Testing Fees	6,564	4,294
Legal & Professional Fees	34	178
License & renewals	166	182
Medical Expenses	4	2
Membership Subscription	-	1
Newspaper & Periodicals	1	3
Office Maintenance	63	334
Postage & Stamp	244	156
Printing & Stationery	327	349
Corporate & Other Expenses	150	1,217
VAT on Lease Rent	123	-
Salaries & Allowances	13,632	13,279
Sales Promotion Expenses	1,399	3,902
Sanitation Expenses	167	68
Staff Fooding	527	0
Staff Welfare Expenses	460	470
T.A & Conveyance	496	449
Telephone, Telex & Fax	194	262
Uniform & Liveries	309	313
Vehicles Maintenance	484	581
	161,822	58,889

The Increase of 175% is mainly for increase in revenue.

35. FINANCE & OTHER INCOME:

Interest Earned on FDR's	5,224	6,363
Interest Earned on SND	0	-
Dividend Income	5,954	4,252
P.F Lapse (employer's portion)	45	21
	11,223	10,636

Sd/-
Zahar Ahmed PhD
Vice Chairman

Sd/-
Shahriar Ahmed
Managing Director

36. FINANCIAL EXPENSES:

Interest	21,617	26,783
Charges	5,560	4,054
Interest Expenses on Lease Liability	33	-
	27,210	30,837

37. PROVISION FOR CONTRIBUTION TO PPF & WF:

	(1,847)	(1,275)
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This represents 5% of the net profit after charging such contribution provided as per provisions of the Bangladesh Labour Law, 2006 & Bangladesh Labour Rules, 2015 & is payable to workers' as defined in the said Act.

38. TAX EXPENSES:

	(30,666)	(21,511)
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(A) CURRENT TAX:

	(15,038)	(17,705)
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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 period from 1st July 2021 to 31st December 2021.

Calculation of current tax:

Applicable tax rate %

a) Tax on Operating profit Basis

Profit before tax	36,938	25,507
Other Operating Income/(Loss)	(27)	(0)
Finance & Other Income	(11,223)	(10,636)
Net Operating Profit/ Loss	25,688	14,871
Tax on Operating profit/ loss @ 11.25%	2,890	1,659

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

TDS on export proceeds	11.25%	0.50
TDS on Cash Incentive (realized amount) @ 10%	10.00	6.538
		12,854
		14,149

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

Realized from Revenue = (0.60%/22.5%*11.25%)	0.30	4,534
Realized from other operating Income	0.60	-
Realized from Cash Incentive	0.60	-
Realized from Dividend Income	0.60	-
Realized from finance & Other Income	0.60	82
Realized from Other Income PF Lapse	0.60	3
		7,718
		4,618

So, Current tax

Business tax- Higher of a,b & c **	above b	12,854	14,149
Tax on Dividend Income	20.00	-	-
Tax on Finance Income (Realized)	22.50	2,184	3,425
Tax on other operating Income (Realized)	22.50	-	-
Realized from Other Income PF Lapse	22.50	-	131
		15,038	17,705

Effective Tax Rate= Tax Expenses/Profit Before Tax

83.02% 84.34%

** Since the source tax deducted under Income Tax Ordinance 1984 for Tk. 12,854/- is higher than tax on operating profit basis Tk. 2,890/- and minimum tax on gross receipts Tk. 7,718/-, so higher is provided as current tax liability from business for the period ended December, 2021.

38. (B) DEFERRED TAX (EXPENSES) / INCOME:

	(15,628)	(3,806)
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The provision for deferred tax (expenses)/income is made to pay/adjust future income tax liability/asset due to accumulated temporary differences of interest on FDRs receivable, Dividend receivable, foreign currency translation, PF Lapse receivable, Cash incentive receivable & WDV of fixed assets. Detailed calculations are shown for above in Note - 18.

39. BASIC EARNINGS PER SHARE (EPS):

Earnings Attributable to Ordinary Shareholders	6,272	3,996
Number of Ordinary Shares	5,702	5,702
Basic Earnings Per Share (EPS) - (Q2)	1.10	0.70

40. NET ASSETS VALUE (NAV) PER SHARE :

Equity Attributable to the Owners of the Company	672,618	680,799
Number of Ordinary Shares	5,702	5,702
Net Assets Value (NAV) Per Share (Q2)	117.95	119.39

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

Net Operating Cash Flows	185,801	116,309
Number of Ordinary Shares	5,702	5,702
Net Operating Cash Flows Per Share (NOCFPS) - (Q2)	32.58	20.40

Net operating cash flow is Tk. 32.58 per share for the six months ended on 31st December 2021 but it was Tk.20.40 for the same period of last year, this is mainly for increase in revenue during the period, however the scenario is changeable time to time depending on different issues.

42. CONTINGENT LIABILITY:

There is Tk.1.72 million as Bank guarantee for which the Company is contingently liable as on 31st December 2021.

43. EVENTS AFTER REPORTING PERIOD:

a) News of Mourning:

Our honorable chairman & founder director Mr. Zafar Ahmed has died on 9th January, 2022 due to brain hammering. He was 73. Inna Lillahi Wa inna ilayhi Raji'un.

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.

Sd/-
Mahir Ahmed
Director Page 4

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Sd/-
Kamrul Islam
Company Secretary

44. RELATED PARTY TRANSACTIONS:

(a) There was no related party transaction (Inter Company) during the period under review.

(b) The Company is paying remuneration to the Directors who are rendering full time service to the Company and in addition to that there is nothing paid to them (Note No.34).

(c) The Company operates a contributory provident fund which is administrated 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 to them except salaries and allowances.

45. 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.

	Value in Taka '000'	
	01.07.2021 to 31.12.2021	01.07.2020 to 31.12.2020
Cash flows from operating activities:		
Net Profit after tax	6,272	3,996
Adjustment for non-cash & non operating items:		
Add: Depreciation on tangible assets & ROU assets during the period	8,364	8,033
Less: Effect of Foreign currency translation gain / (loss)	(27)	-
Less: Finance & Other income during the period	(11,179)	(10,614)
Add: Interest paid during the period	21,650	26,783
Add: Tax Expenses	30,666	21,511
Increases & Decreases:		
(Increase)/Decrease in Inventories	226,304	50,032
(Increase)/Decrease in Trade Receivables	52,988	29,373
(Increase)/Decrease in Advances, Deposits & Pre-payments	1,053	278
(Increase)/Decrease in Other Receivables	(155,059)	(48,950)
Income tax paid during the period	(13,827)	(15,647)
(Increase)/Decrease in Security deposits	-	-
Increase/(Decrease) in Trade Payables	16,535	49,103
Increase/(Decrease) in Other Payables	2,062	2,412
Net cash flows generated from/(Used in) operating activities	185,801	116,309
RECONCILIATION:		
Net cash flows generated from/(Used in) operating activities Indirect Method:	185,801	116,309
Net cash flows generated from/(Used in) operating activities Direct Method:	185,801	116,309
Differences	-	-

Sd/-
Zahur Ahmed PhD
Vice Chairman

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Mahir Ahmed
Director

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Sd/-
Kamrul Islam
Company Secretary