

# APEX FOODS LIMITED

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

## UN-AUDITED NINE MONTHS (Q3) FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON 31ST MARCH, 2019

### STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 31ST MARCH, 2019

|                                       | Value in Taka '000' |                     |             |
|---------------------------------------|---------------------|---------------------|-------------|
|                                       | As on<br>31.03.2019 | As on<br>30.06.2018 | Growth<br>% |
| <b>ASSETS</b>                         |                     |                     |             |
| <b>Non-Current Assets:</b>            | <b>412,507</b>      | <b>518,563</b>      | <b>(20)</b> |
| Property, Plant and Equipment         | 92,885              | 103,205             | (10)        |
| Investments                           | 314,213             | 409,944             | (23)        |
| Security Deposits                     | 5,409               | 5,414               | (0)         |
| <b>Current Assets:</b>                | <b>1,323,525</b>    | <b>1,353,620</b>    | <b>(2)</b>  |
| Inventories                           | 919,028             | 880,409             | 4           |
| Trade Receivables                     | 23,935              | 24,577              | (3)         |
| Advances, Deposits & Prepayments      | 64,092              | 45,805              | 40          |
| Other Receivables                     | 125,762             | 183,263             | (31)        |
| Investment in Financial Assets        | 186,108             | 212,153             | (12)        |
| Cash & Cash Equivalents               | 4,600               | 7,413               | (38)        |
| <b>TOTAL ASSETS</b>                   | <b>1,736,032</b>    | <b>1,872,183</b>    |             |
| <b>EQUITY AND LIABILITIES</b>         |                     |                     |             |
| <b>Shareholders' Equity:</b>          | <b>694,238</b>      | <b>783,570</b>      | <b>(11)</b> |
| Share Capital                         | 57,024              | 57,024              | 0           |
| Share Premium                         | 209,088             | 209,088             | 0           |
| Reserve and Surplus                   | 186,600             | 189,234             | (2)         |
| Fair Valuation Surplus of Investments | 242,066             | 328,224             | (26)        |
| <b>Non-Current Liabilities:</b>       | <b>31,036</b>       | <b>41,134</b>       | <b>(25)</b> |
| Deferred Tax Liabilities              | 29,178              | 38,753              | (25)        |
| Long Term Loan                        | 1,858               | 2,381               | (22)        |
| <b>Current Liabilities:</b>           | <b>1,010,758</b>    | <b>1,047,479</b>    | <b>(4)</b>  |
| Working Capital Loan (Secured)        | 738,840             | 762,783             | (3)         |
| Long Term Loan-Current Maturity       | 666                 | 594                 | 12          |
| Short Term Loan                       | 95,456              | 145,343             | (34)        |
| Trade Payables                        | 81,987              | 64,709              | 27          |
| Other Payables                        | 19,020              | 22,924              | (17)        |
| Current Tax Liability                 | 57,859              | 42,181              | 37          |
| Other Liabilities                     | 16,930              | 8,945               | 89          |
| <b>Total Liabilities</b>              | <b>1,041,794</b>    | <b>1,088,613</b>    | <b>(4)</b>  |
| <b>TOTAL EQUITY &amp; LIABILITIES</b> | <b>1,736,032</b>    | <b>1,872,183</b>    |             |
| <b>Net Assets Value Per Share</b>     | <b>121.74</b>       | <b>137.41</b>       |             |

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2019

|   | Value in Taka '000'            |                                |                |                                |                                |             |
|---|--------------------------------|--------------------------------|----------------|--------------------------------|--------------------------------|-------------|
|   | 01.07.2018<br>to<br>31.03.2019 | 01.07.2017<br>to<br>31.03.2018 | Growth<br>%    | 01.01.2019<br>to<br>31.03.2019 | 01.01.2018<br>to<br>31.03.2018 | Growth<br>% |
| <b>REVENUE</b>  | <b>1,368,288</b>               | <b>1,633,198</b>               | <b>(16)</b>    | <b>407,274</b>                 | <b>369,193</b>                 | <b>10</b>   |
| Cost of goods sold  | (1,227,056)                    | (1,473,421)                    | (17)           | (360,467)                      | (313,599)                      | 15          |
| <b>GROSS PROFIT</b>                                       | <b>141,232</b>                 | <b>159,777</b>                 | <b>(12)</b>    | <b>46,807</b>                  | <b>55,594</b>                  | <b>(16)</b> |
| Other operating income / (loss)                           | (0)                            | 0                              | 0              | (0)                            | 0                              | 0           |
| Administrative & selling overhead                         | (74,456)                       | (83,156)                       | (10)           | (24,143)                       | (24,705)                       | (2)         |
| <b>OPERATING PROFIT/(LOSS)</b>                            | <b>66,776</b>                  | <b>76,621</b>                  | <b>(13)</b>    | <b>22,664</b>                  | <b>30,889</b>                  | <b>(27)</b> |
| Finance income  | 17,374                         | 15,485                         | 12             | 3,188                          | 3,351                          | (5)         |
| Financial expenses  | (58,985)                       | (62,193)                       | (5)            | (18,887)                       | (26,465)                       | (29)        |
| <b>PROFIT BEFORE PPF &amp; WF</b>                         | <b>25,165</b>                  | <b>29,913</b>                  | <b>(16)</b>    | <b>6,965</b>                   | <b>7,775</b>                   | <b>10</b>   |
| Provision for contribution to PPF & WF                    | (1,258)                        | (1,496)                        | (16)           | (348)                          | (389)                          | 10          |
| <b>PROFIT/(LOSS) BEFORE TAX</b>                           | <b>23,907</b>                  | <b>28,417</b>                  | <b>(16)</b>    | <b>6,617</b>                   | <b>7,386</b>                   | <b>10</b>   |
| <b>TAX EXPENSES:</b>                                      | <b>(15,676)</b>                | <b>(20,473)</b>                | <b>(23)</b>    | <b>(2,117)</b>                 | <b>(4,085)</b>                 | <b>48</b>   |
| Current tax   | (15,678)                       | (20,472)                       | (23)           | (2,635)                        | (4,546)                        | (42)        |
| Deferred tax (expenses)/income                            | 2                              | (1)                            | (256)          | 518                            | 461                            | 12          |
| <b>NET PROFIT/(LOSS) AFTER TAX</b>                        | <b>8,231</b>                   | <b>7,944</b>                   | <b>4</b>       | <b>4,500</b>                   | <b>3,301</b>                   | <b>36</b>   |
| <b>OTHER COMPREHENSIVE INCOME</b>                         | <b>(86,158)</b>                | <b>9,235</b>                   | <b>(1,033)</b> | <b>274</b>                     | <b>310</b>                     | <b>(12)</b> |
| Fair valuation surplus/(deficit) of investments           | (95,731)                       | 10,261                         | (1,033)        | 305                            | 344                            | (11)        |
| Deferred tax income/(expenses) on share valuation surplus | 9,573                          | (1,026)                        | (1,033)        | (31)                           | (34)                           | (11)        |
| <b>TOTAL COMPREHENSIVE INCOME</b>                         | <b>(77,927)</b>                | <b>17,179</b>                  | <b>(554)</b>   | <b>4,774</b>                   | <b>3,611</b>                   | <b>32</b>   |
| <b>Basic Earnings Per Share (EPS)</b>                     | <b>1.44</b>                    | <b>1.39</b>                    | <b>4</b>       | <b>0.79</b>                    | <b>0.58</b>                    | <b>36</b>   |

### STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2019

| Particulars  | Value in Taka '000' |                |                     |                   |              |                                       |                |
|--|---------------------|----------------|---------------------|-------------------|--------------|---------------------------------------|----------------|
|  | Share Capital       | Share Premium  | Tax Holiday Reserve | Retained Earnings | Capital Gain | Fair Valuation surplus of Investments | Total          |
| <b>As at 30th June 2018</b>                                    | <b>57,024</b>       | <b>209,088</b> | <b>51,163</b>       | <b>137,464</b>    | <b>607</b>   | <b>328,224</b>                        | <b>783,570</b> |
| Net Profit/(Loss) for the nine months ended on 31st March 2019 | -                   | -              | -                   | 8,231             | -            | -                                     | 8,231          |
| Dividend for the year 2017-18                                  | -                   | -              | -                   | (11,405)          | -            | -                                     | (11,405)       |
| Fair valuation surplus/(deficit) of investments                | -                   | -              | -                   | -                 | -            | (86,158)                              | (86,158)       |
| <b>As at 31st March 2019</b>                                   | <b>57,024</b>       | <b>209,088</b> | <b>51,163</b>       | <b>134,290</b>    | <b>607</b>   | <b>242,066</b>                        | <b>694,238</b> |

### STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2019

|   | Value in Taka '000'            |                                |              |
|---|--------------------------------|--------------------------------|--------------|
|   | 01.07.2018<br>to<br>31.03.2019 | 01.07.2017<br>to<br>31.03.2018 | Growth<br>%  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                        |                                |                                |              |
| Collection from revenue   | 1,368,930                      | 1,682,084                      | (19)         |
| Bank Charges & Commission   | (4,515)                        | (5,297)                        | (15)         |
| Income tax paid   | (15,902)                       | (22,081)                       | (28)         |
| Payment for costs and expenses                                      | (1,254,719)                    | (1,545,496)                    | (19)         |
| <b>Net cash generated from operating activities (a)</b>             | <b>93,794</b>                  | <b>109,210</b>                 | <b>(14)</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                        |                                |                                |              |
| Property, Plant and Equipment acquired                              | (5,168)                        | (12,375)                       | (58)         |
| Finance income  | 17,310                         | 15,656                         | 11           |
| Investment from Financial Assets                                    | 26,046                         | 14,453                         | 80           |
| <b>Net cash generated from investing activities (b)</b>             | <b>38,188</b>                  | <b>17,734</b>                  | <b>115</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>                        |                                |                                |              |
| Working Capital Loan received/(repaid)                              | (23,943)                       | (48,477)                       | (51)         |
| Long Term loan received/(repaid)                                    | (451)                          | (19,392)                       | (98)         |
| Short Term loan received/(repaid)                                   | (49,888)                       | 10,212                         | (589)        |
| Interest paid   | (57,093)                       | (56,896)                       | 0            |
| Dividend paid   | (3,420)                        | (9,622)                        | (64)         |
| <b>Net cash used in financing activities (c)</b>                    | <b>(134,795)</b>               | <b>(124,175)</b>               | <b>9</b>     |
| <b>Net increase/(decrease) in cash and cash equivalents (a+b+c)</b> | <b>(2,813)</b>                 | <b>2,769</b>                   | <b>(202)</b> |
| Cash & cash equivalents on opening                                  | 7,413                          | 6,139                          | 21           |
| The effect of foreign currency translation gain/(loss)              | (0)                            | 0                              | 0            |
| <b>Cash &amp; cash equivalents on closing</b>                       | <b>4,600</b>                   | <b>8,908</b>                   | <b>(48)</b>  |
| <b>Net Operating Cash Flows Per Share</b>                           | <b>16.45</b>                   | <b>19.15</b>                   |              |

Please refer to Note no. 33 for reconciliation of cash flows from operating activities under direct method and indirect method as per requirement of BSEC.

### STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2018

| Particulars   | Value in Taka '000' |                |                     |                   |              |                                       |                |
|---|---------------------|----------------|---------------------|-------------------|--------------|---------------------------------------|----------------|
|   | Share Capital       | Share Premium  | Tax Holiday Reserve | Retained Earnings | Capital Gain | Fair Valuation surplus of Investments | Total          |
| <b>As at 30th June 2017</b>                             | <b>57,024</b>       | <b>209,088</b> | <b>51,163</b>       | <b>138,561</b>    | <b>607</b>   | <b>199,879</b>                        | <b>656,322</b> |
| Net Profit for the nine months ended on 31st March 2018 | -                   | -              | -                   | 7,944             | -            | -                                     | 7,944          |
| Dividend for the year 2016-17                           | -                   | -              | -                   | (11,405)          | -            | -                                     | (11,405)       |
| Fair valuation surplus/(deficit) of investments         | -                   | -              | -                   | -                 | -            | 9,235                                 | 9,235          |
| <b>As at 31st March 2018</b>                            | <b>57,024</b>       | <b>209,088</b> | <b>51,163</b>       | <b>135,100</b>    | <b>607</b>   | <b>209,114</b>                        | <b>662,096</b> |

#### 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 31st March 2019.
- (3) No diluted EPS is required to be calculated as there was no dilution during this period.
- (4) Last year's nine month's figures have been re-arranged where considered necessary to conform to current nine month's presentation.
- (5) Figures were rounded-off to the nearest thousand Taka.

**Note:** The details with selected notes of the published nine month's financial statements can be available in the web-site of the Company. The address of the web-site is [www.apexfoods.com](http://www.apexfoods.com)

Sd/-  
Zafar Ahmed  
Chairman

Sd/-  
Shahriar Ahmed  
Managing Director

Sd/-  
Ashim Kumar Barua  
Director

Sd/-  
Sheuli Rani Dey  
Chief Financial Officer

Sd/-  
Kamrul Islam  
Assistant Company Secretary

**SELECTIVE NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS (Q3) ENDED ON 31.03.2019**

|  | Value in Taka '000' |                     |
|--|---------------------|---------------------|
|  | As on<br>31.03.2019 | As on<br>30.06.2018 |
| <b>1. PROPERTY, PLANT &amp; EQUIPMENT:</b> | <u>92,885</u>       | <u>103,205</u>      |

During the period fixed assets addition has been made for Tk. 4,685/- and depreciation has been charged on additions made during the period from the month in which that assets are ready to use as per BAS 16.

|                              |              |              |
|------------------------------|--------------|--------------|
| <b>2. SECURITY DEPOSITS:</b> | <u>5,409</u> | <u>5,414</u> |
|------------------------------|--------------|--------------|

Security deposits are made to statutory bodies and hence secured.

|                        |                |                |
|------------------------|----------------|----------------|
| <b>3. INVENTORIES:</b> |                |                |
| Shrimps                | 912,306        | 868,083        |
| Packing Materials      | 4,404          | 9,124          |
| Chemical & Ingredients | <u>2,318</u>   | <u>3,202</u>   |
|                        | <u>919,028</u> | <u>880,409</u> |

4% growth mainly for increase in stock of shrimps due to decrease in revenue.

|                              |               |               |
|------------------------------|---------------|---------------|
| <b>4. TRADE RECEIVABLES:</b> | <u>23,935</u> | <u>24,577</u> |
|------------------------------|---------------|---------------|

Trade receivables have been decreased due to realize as per schedule time and balance are considered as good.

|   |               |               |
|---|---------------|---------------|
| <b>5. ADVANCES, DEPOSITS AND PREPAYMENTS:</b> |               |               |
| Advance against expenses                      | -             | 490           |
| Prepayments                                   | 5,316         | 3,956         |
| Advance Income Tax                            | 56,831        | 40,930        |
| Bank Guarantee margin                         | 429           | 429           |
| L/C margin with Agrani Bank Limited           | <u>1,516</u>  | <u>-</u>      |
|   | <u>64,092</u> | <u>45,805</u> |

The growth of 40% in Advances, deposits and pre-payments mainly for L/C margin and tax deduction at Source on Cash incentive and export proceed.

|                              |                |                |
|------------------------------|----------------|----------------|
| <b>6. OTHER RECEIVABLES:</b> |                |                |
| Insurance Claim Receivable   | 16,255         | 16,255         |
| Cash incentive Receivable    | 101,994        | 159,559        |
| FDR's Interest Receivable    | <u>7,513</u>   | <u>7,449</u>   |
|                              | <u>125,762</u> | <u>183,263</u> |

Cash incentive receivable which will be received through Agrani Bank Ltd. time to time depending on their availability of fund from Bangladesh Bank. During the period other receivables has been decreased by 31% due to more Cash incentive receivable has realized from Bangladesh Bank through Agrani bank Ltd.

|   |                |                |
|---|----------------|----------------|
| <b>7. INVESTMENT IN FINANCIAL ASSETS:</b> |                |                |
| FDR's with Dhaka Bank Ltd.                | 164,008        | 190,053        |
| FDR's with Agrani Bank Limited            | <u>22,100</u>  | <u>22,100</u>  |
|   | <u>186,108</u> | <u>212,153</u> |

Investment in Financial Assets decreased by 12% mainly for encashment of FDR for operational purpose. All FDRs are made for more than 3 (Three) months.

**8. CASH AND CASH EQUIVALENTS:**

|                      |           |           |
|----------------------|-----------|-----------|
| <b>Cash in Hand:</b> |           |           |
| Head Office          | 1         | 28        |
| Factory Office       | <u>85</u> | <u>22</u> |
|                      | 86        | 50        |

|   |              |              |
|---|--------------|--------------|
| <b>Cash at Bank with:</b>                           |              |              |
| Agrani Bank Ltd., Agrabad Corporate Br., Chattogram | 128          | 136          |
| Arab Bangladesh Bank Ltd., Principal Br., Dhaka     | -            | 610          |
| Eastern Bank Ltd., Principal Branch, Dhaka          | 30           | 30           |
| The Hongkong & Shanghai Banking Corporation, Dhaka  | 4,356        | 6,587        |
| Dhaka Bank Ltd., Foreign Exchange Branch, Dhaka     | <u>(0)</u>   | <u>-</u>     |
|   | <u>4,514</u> | <u>7,363</u> |
|   | <u>4,600</u> | <u>7,413</u> |

|  |                 |                 |
|--|-----------------|-----------------|
| <b>9. FAIR VALUATION SURPLUS OF INVESTMENTS:</b>               |                 |                 |
| Opening Balance  | 328,224         | 199,879         |
| Adjustment for fair valuation surplus/(deficit) in this period | <u>(95,731)</u> | <u>142,606</u>  |
| Less: Deferred tax @10%  | <u>9,573</u>    | <u>(14,261)</u> |
| Fair valuation surplus/(deficit) during this period            | <u>(86,158)</u> | <u>128,345</u>  |
|  | <u>242,066</u>  | <u>328,224</u>  |

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

|  | Value in Taka '000' |                     |
|--|---------------------|---------------------|
|  | As on<br>31.03.2019 | As on<br>30.06.2018 |

|  |               |               |
|--|---------------|---------------|
| <b>10. DEFERRED TAX LIABILITIES:</b>                                 |               |               |
| <b>a) Book Value of Depreciable Assets:</b>                          | 92,885        | 103,205       |
| Tax base of Depreciable Assets                                       | <u>89,664</u> | <u>99,838</u> |
| Net Taxable Temporary Difference                                     | 3,221         | 3,367         |
| Effective Tax Rate   | 12.50%        | 12.50%        |
| <b>Closing Deferred Tax (Assets)/Liabilities arising from assets</b> | <b>403</b>    | <b>421</b>    |
| Opening Deferred Tax Balance   | <u>421</u>    | <u>362</u>    |
| <b>Deferred Tax Income/(Expense)</b>                                 | <b>18</b>     | <b>(59)</b>   |

|  |            |            |
|--|------------|------------|
| <b>b) Foreign currency translation gain/(loss) -Unrealized</b>                                   | (0)        | 1          |
| Effective tax rate   | 25%        | 25%        |
| <b>Closing Deferred Tax (Assets)/Liabilities arising from Unrealized translation gain/(loss)</b> | <b>(0)</b> | <b>0</b>   |
| Opening Deferred Tax Balance   | <u>0</u>   | <u>-</u>   |
| <b>Deferred Tax Income/(Expense)</b>   | <b>(0)</b> | <b>(0)</b> |

|   |          |          |
|---|----------|----------|
| <b>c) Dividend Receivable</b>   | -        | -        |
| Effective Tax Rate  | 20%      | 20%      |
| <b>Closing Deferred Tax (Assets)/Liabilities arising from Dividend Receivable</b> | <b>-</b> | <b>-</b> |
| <b>Opening Deferred Tax Balance</b>   | <u>-</u> | <u>-</u> |
| <b>Deferred Tax Income/(Expense)</b>  | <b>-</b> | <b>-</b> |

|  |              |              |
|--|--------------|--------------|
| <b>d) Unrealized Interest on FDRs:</b>   | 7,513        | 7,449        |
| Effective Tax Rate   | 25%          | 25%          |
| <b>Closing Deferred Tax (Assets)/Liabilities arising from Unrealized FDRs Interest</b> | <b>1,878</b> | <b>1,862</b> |
| Opening Deferred Tax Balance   | <u>1,862</u> | <u>1,702</u> |
| Deferred Tax Income/(Expense)  | <u>(16)</u>  | <u>(160)</u> |
| <b>Deferred Tax Income/(Expense) - (a+b+c+d)</b>                                       | <b>2</b>     | <b>(219)</b> |

|  |               |                 |
|--|---------------|-----------------|
| <b>e) Deferred Tax (Assets)/Liabilities arising from Other Comprehensive Income:</b> |               |                 |
| Tax for (losses)/gains on available for sale investments @10%                        | 26,897        | 36,470          |
| <b>Closing Deferred Tax (Assets)/Liabilities arising from investments</b>            | <b>26,897</b> | <b>36,470</b>   |
| Opening Deferred Tax Balance   | <u>36,470</u> | <u>22,209</u>   |
| <b>Deferred Tax income/(expense) arising from investments</b>                        | <b>9,573</b>  | <b>(14,261)</b> |

|  |               |               |
|--|---------------|---------------|
| <b>Total Deferred Tax (Assets)/Liabilities (a+b+c+d+e)</b> | <u>29,178</u> | <u>38,753</u> |
|--|---------------|---------------|

This decreased due to implementation of BAS 12.

|                            |              |              |
|----------------------------|--------------|--------------|
| <b>11. LONG TERM LOAN:</b> | <u>1,858</u> | <u>2,381</u> |
|----------------------------|--------------|--------------|

This represents the term loan from Dhaka Bank Limited for purchase of machinery.

|  |                |                |
|--|----------------|----------------|
| <b>12. WORKING CAPITAL LOAN (SECURED):</b> |                |                |
| Against Hypothecation                      | 127,347        | 147,516        |
| Against Pledge of Finished Goods           | <u>611,493</u> | <u>615,267</u> |
|  | <u>738,840</u> | <u>762,783</u> |

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

|   |            |            |
|---|------------|------------|
| <b>13. LONG TERM LOAN-CURRENT MATURITY:</b> | <u>666</u> | <u>594</u> |
|---|------------|------------|

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

|                             |               |                |
|-----------------------------|---------------|----------------|
| <b>14. SHORT TERM LOAN:</b> |               |                |
| Dhaka Bank Limited          | 95,456        | 89,134         |
| Loan against cash incentive | <u>-</u>      | <u>56,209</u>  |
|                             | <u>95,456</u> | <u>145,343</u> |

The loan with Dhaka Bank Limited represents the utilization of limit for procurement of raw materials. The loan was taken against lien of FDRs and the limit is 100 million. 34% Short term loan has decreased due to repayment of Loan against cash Incentive.

|                            |               |               |
|----------------------------|---------------|---------------|
| <b>15. TRADE PAYABLES:</b> | <u>81,987</u> | <u>64,709</u> |
|----------------------------|---------------|---------------|

Trade Payables represents the amount payable to the gher owners of Shrimps from whom we procure the shrimps. The increase represents less payments made to the gher owners of shrimps during the period.

|                            |               |               |
|----------------------------|---------------|---------------|
| <b>16. OTHER PAYABLES:</b> | <u>19,020</u> | <u>22,924</u> |
|----------------------------|---------------|---------------|

The decrease of 17% mainly due to more payments to the parties during this period.

|                               |               |              |
|-------------------------------|---------------|--------------|
| <b>17. OTHER LIABILITIES:</b> |               |              |
| <b>Unclaimed Dividend</b>     | <u>16,930</u> | <u>8,945</u> |

This represents the dividend warrants not presented to the Bank by the Shareholders within March 31, 2019.

Sd/-  
Zafar Ahmed  
Chairman

Sd/-  
Shahriar Ahmed  
Managing Director

Sd/-  
Ashim Kumar Barua  
Director

Sd/-  
Shehli Rani Dey  
Chief Financial Officer

Sd/-  
Kamrul Islam  
Assistant Company Secretary

|   | Value in Taka '000'            |                                |
|---|--------------------------------|--------------------------------|
|   | 01.07.2018<br>to<br>31.03.2019 | 01.07.2017<br>to<br>31.03.2018 |
| <b>18. REVENUE:</b>   | <b>1,368,288</b>               | <b>1,633,198</b>               |
| Revenue has been decreased 16% as compared to the revenue of same period of last year.<br>As the demand of international market was less and the price was also down. |                                |                                |
| <b>19. COST OF GOODS SOLD:</b>  |                                |                                |
| Opening Stock of Finished Goods   | 868,083                        | 864,730                        |
| Add: Cost of Production - Note 20   | <u>1,271,279</u>               | <u>1,399,077</u>               |
|   | <b>2,139,362</b>               | <b>2,263,807</b>               |
| Less: Closing Stock of Finished Goods   | <u>912,306</u>                 | <u>790,386</u>                 |
|   | <b>1,227,056</b>               | <b>1,473,421</b>               |

**20. COST OF PRODUCTION:**

|   |                  |                  |
|---|------------------|------------------|
| Raw Materials   | 1,150,907        | 1,274,175        |
| Packing Materials, Chemicals & Ice Consumed - Note 21 | 45,987           | 43,729           |
| Direct Labour   | 19,458           | 22,650           |
| Factory Overhead - Note 22                            | <u>54,927</u>    | <u>58,523</u>    |
|   | <b>1,271,279</b> | <b>1,399,077</b> |

The decrease of 9% in Cost of production mainly due to less procurement of shrimps as compared to same period of last year as the export was less during the period as compared to same period of last year.

**21. PACKING MATERIALS, CHEMICALS & ICE CONSUMED:**

|  |               |               |
|--|---------------|---------------|
| Opening balance (Packing Materials)        | 9,124         | 10,135        |
| Add: Packing Materials Purchase            | <u>30,122</u> | <u>31,191</u> |
|  | <b>39,246</b> | <b>41,326</b> |
| Less: Packing Materials in hand            | <u>4,404</u>  | <u>9,629</u>  |
|  | <b>34,842</b> | <b>31,697</b> |
| Opening balance (Chemicals & Ingredients)  | 3,202         | 4,565         |
| Add: Chemicals, Ingredients & Ice Purchase | <u>10,261</u> | <u>10,665</u> |
|  | <b>48,305</b> | <b>46,927</b> |
| Less: Chemicals & Ingredients in hand      | <u>2,318</u>  | <u>3,198</u>  |
|  | <b>45,987</b> | <b>43,729</b> |

**22. FACTORY OVERHEAD:**

|                            |               |               |
|----------------------------|---------------|---------------|
| Wages & Salaries           | 16,499        | 17,050        |
| Bonus to Workers'          | 186           | 255           |
| Power, Fuel & Water        | 17,247        | 15,516        |
| Consumable Stores & Spares | 724           | 1,212         |
| Insurance Premium          | 2,076         | 2,076         |
| Repair & Maintenance       | 3,980         | 6,117         |
| Carriage Inward            | 18            | 36            |
| Depreciation               | <u>14,197</u> | <u>16,261</u> |
|                            | <b>54,927</b> | <b>58,523</b> |

**23. ADMINISTRATIVE AND SELLING OVERHEAD:**

|                                |               |               |
|--------------------------------|---------------|---------------|
| Advertisement                  | 159           | 166           |
| AGM Expenses                   | 152           | 133           |
| Board meeting fees             | 18            | 8             |
| Bonus to Staff                 | 1,188         | 1,119         |
| Contribution to Provident Fund | 1,176         | 1,120         |
| Depreciation                   | 808           | 856           |
| Directors' Remuneration        | 6,975         | 6,750         |
| Donation & Subscription        | 7             | 20            |
| Electricity & WASA Charges     | 240           | 251           |
| Entertainment                  | 357           | 355           |
| Freight & Forwarding           | 24,283        | 28,111        |
| General Fees & Charges         | 30            | 113           |
| Guest House Expenses           | 474           | 486           |
| Laboratory Expenses            | 109           | 104           |
| Laboratory Testing Fees        | 3,998         | 4,933         |
| Legal & Professional Fees      | 57            | 750           |
| License & renewals             | 764           | 1,337         |
| Medical Expenses               | 6             | 158           |
| Membership Subscription        | 10            | 12            |
| Newspaper & Periodicals        | 40            | 43            |
| Office Maintenance             | 459           | 526           |
| Postage & Stamp                | 297           | 300           |
| Printing & Stationery          | 687           | 668           |
| Rejection Insurance Premium    | -             | 87            |
| Rent, Rates & Taxes            | 2,551         | 2,318         |
| Salaries & Allowances          | 19,183        | 19,747        |
| Sales Commission               | -             | 737           |
| Sales Promotion Expenses       | 6,617         | 7,286         |
| Sanitation Expenses            | 106           | 151           |
| Staff fooding                  | 465           | 548           |
| Staff Welfare Expenses         | 656           | 947           |
| T.A & Conveyance               | 811           | 1,016         |
| Telephone, Telex & Fax         | 371           | 384           |
| Uniform & Liveries             | 316           | 414           |
| Vehicles Maintenance           | <u>1,086</u>  | <u>1,202</u>  |
|                                | <b>74,456</b> | <b>83,156</b> |

Directors' remuneration has increased as the remuneration of Mr. Ashim Kumar Barua, Director has been increased from Tk. 3.00 lac to Tk. 3.25 lac per month which has approved in last AGM. The decrease of 10% in administrative and selling overhead mainly due to less turnover and minimization of cost during this period.

Sd/-  
Zafar Ahmed  
Chairman

Sd/-  
Shahriar Ahmed  
Managing Director

Sd/-  
Ashim Kumar Barua  
Director

Sd/-  
Shehri Rani Dey  
Chief Financial Officer

Sd/-  
Kamrul Islam  
Assistant Company Secretary

|                                    | Value in Taka '000'            |                                |
|------------------------------------|--------------------------------|--------------------------------|
|                                    | 01.07.2018<br>to<br>31.03.2019 | 01.07.2017<br>to<br>31.03.2018 |
| <b>24. OTHER OPERATING INCOME:</b> |                                |                                |
| Foreign currency gain / (loss)     | <u>(0)</u>                     | <u>0</u>                       |
|                                    | <b>(0)</b>                     | <b>0</b>                       |

Foreign currency loss was Tk. 12/- As the figures have been shown in thousand Taka in financial statements so the figure is showing "0" Taka in other operating income /(loss) as well as in statement of cash flows and deferred tax.

**25. FINANCE INCOME:**

|                 |               |               |
|-----------------|---------------|---------------|
| Dividend Income | 5,954         | 5,954         |
| Interest Earned | <u>11,420</u> | <u>9,531</u>  |
|                 | <b>17,374</b> | <b>15,485</b> |

12% financial income has increased mainly for increasing of interest rate as compared to same period of last year.

**26. FINANCIAL EXPENSES:**

|                           |               |               |
|---------------------------|---------------|---------------|
| Interest                  | 54,470        | 56,896        |
| Bank Charges & Commission | <u>4,515</u>  | <u>5,297</u>  |
|                           | <b>58,985</b> | <b>62,193</b> |

The decreased of 5% in Financial Expenses due to decrease of Interest rate of working capital loan & less utilization of short term loan.

**27. CURRENT TAX:**

|  |               |               |
|--|---------------|---------------|
|  | <u>15,678</u> | <u>20,472</u> |
|--|---------------|---------------|

The decrease of 23% in provision for tax is mainly due to less turnover as compared to the last years nine months and also decreased of TDS rate on export proceed from 0.60% to 0.25% w.e.f 01 January 2019.

**28. 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. 23).
- (c) The Company also operates a contributory provident fund which is administrated by the Board of Trustee, the Company pays its monthly contribution for the key management (Senior Employees) to the Provident Fund Trust and the Company has no further liability. The Company has also a Group Insurance Scheme. 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 (Senior Employees) and the Company has no liability. In addition to that there is nothing paid to them except salaries and allowances.

**29. DEFERRED TAX INCOME/(EXPENSES):**

|  |          |            |
|--|----------|------------|
|  | <u>2</u> | <u>(1)</u> |
|--|----------|------------|

The provision for deferred tax (expenses)/income is made to pay/adjust future income tax liability/asset due to accumulated temporary difference of Unrealized interest and dividend income receivable, foreign currency translation and WDV of fixed assets.

**30. BASIC EARNINGS PER SHARE (EPS):**

|  |             |             |
|--|-------------|-------------|
|  | <u>1.44</u> | <u>1.39</u> |
|--|-------------|-------------|

4% EPS increased during the period though the revenue has been decreased 16% during the period but the management has run the company efficiently and minimized the cost as a result the earnings per share is Tk. 1.44 but it was Tk. 1.39 in the same period of last year.

**31. NET OPERATING CASH FLOWS PER SHARE:**

|  |              |              |
|--|--------------|--------------|
|  | <u>16.45</u> | <u>19.15</u> |
|--|--------------|--------------|

Net operating cash flows is Tk.16.45 per share for the nine months ended on 31st March 2019 but it was Tk. 19.15 for the same period of last year, this is mainly for less collection from the revenue as the revenue has been decreased during the period as compared to the same period of last year, however the scenario is changeable time to time depending on different issues.

**32. DISCLOSURE REGARDING RE-ARRANGEMENT:**

Other operating income / (loss) and finance income have been shown separately in statement of profit or loss and other comprehensive income and statement of cash flows for the last period to conform current period's presentation.

**33. 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 BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June,2018.

|  | Value in Taka '000'            |                                |
|--|--------------------------------|--------------------------------|
|  | 01.07.2018<br>to<br>31.03.2019 | 01.07.2017<br>to<br>31.03.2018 |
| <b>Cash flows from operating activities:</b>                                 |                                |                                |
| Profit before tax  | 23,907                         | 28,417                         |
| Add: Depreciation  | 15,005                         | 17,117                         |
| Less: Effect of Foreign currency Translation gain / (loss)                   | (0)                            | 0                              |
| Less: Finance income during the period                                       | (17,374)                       | (15,485)                       |
| Add: Interest paid during the period   | 54,470                         | 56,896                         |
| (Increase)/Decrease in Inventories   | (38,619)                       | 76,217                         |
| (Increase)/Decrease in Trade Receivables                                     | 642                            | 48,886                         |
| (Increase)/Decrease in Advances, Deposits & Pre-payments                     | (2,386)                        | 48                             |
| (Increase)/Decrease in other Receivables                                     | 57,565                         | (922)                          |
| Income tax paid during the period  | (15,902)                       | (22,081)                       |
| (Increase)/Decrease in Security deposits                                     | 5                              | (295)                          |
| Increase/(Decrease) in Trade Payables  | 17,278                         | (73,373)                       |
| Increase/(Decrease) in Other Payables  | (797)                          | (6,215)                        |
| <b>Net Cash flows generated from/(Used in) operating activities</b>          | <b>93,794</b>                  | <b>109,210</b>                 |
| <b>RECONCILIATION:</b>   |                                |                                |
| Net Cash flows Generated from/(Used in) operating activities-Indirect method | 93,794                         | 109,210                        |
| Net Cash flows generated from/(Used in) operating activities-Direct Method   | <u>93,794</u>                  | <u>109,210</u>                 |
| Difference   | <u>0</u>                       | <u>0</u>                       |