APEX FOODS LIMITED

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

UN-AUDITED FIRST QUARTER (Q1) FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON 30TH SEPTEMBER 2016

STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 30TH SEPTEMBER, 2016

Value in Taka '000'

	As on 30.09.2016	As on 30.06.2016	Growth %
ASSETS			
Non-Current Assets:			
Property, Plant and Equipment	125,588	131,305	(4)
Investments	301,297	223,507	35
	426,885	354,812	20
Current Assets:			
Inventories	753,698	658,163	15
Trade Receivables	78,519	38,621	103
Advances, Deposits & Prepayments	30,572	26,552	15
Other Receivables	120,275	130,296	(8)
Short Term Investments	334,461	326,190	3
Cash & Cash Equivalents	4,529	10,876	(58)
	1,322,054	1,190,698	11
TOTAL ASSETS	1,748,939	1,545,510	
EQUITY AND LIABILITIES			
Shareholder's Equity:			
Share Capital	57,024	57,024	0
Share Premium	209,088	209,088	0
Reserve and Surplus	194,404	192,816	1
Fair Valuation Surplus of Investments	230,442	160,431	44
	690,958	619,359	12
Non-Current Liabilities:			
Deferred Tax Liabilities	27,483	20,550	34
Long Term Loan	15,000	22,500	(33)
	42,483	43,050	(1)
Current Liabilities:			
Working Capital Loan (Secured)	745,862	712,861	5
Long Term Loan-Current Maturity	30,000	30,000	0
Short Term Loan	91,766	65,871	39
Trade Payables	85,162	27,741	207
Other Payables	30,805	20,428	51
Current Tax Liability	25,693	19,982	29
Other Liabilities	6,210	6,218	(0)
	1,015,498	883,101	15
Total Liabilities	1,057,981	926,151	14
TOTAL EQUITY & LIABILITIES	1,748,939	1,545,510	
Net Asset Value Per Share	121.17	108.61	

STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE FIRST QUARTER ENDED ON 30TH SEPTEMBER, 2016

Value in Taka '000'

	01.07.2016 to 30.09.2016	01.07.2015 to 30.09.2015	Growth %
CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection from revenue	422,459	444,810	(5)
Other Income	9,631	799	1,105
Interest and other financial charges paid	(24,262)	(22,967)	6
Income tax paid	(4,267)	(5,008)	(15)
Payment for costs and expenses	(451,881)	(339,646)	33
Net cash used in operating activities (a)	(48,320)	77,988	(162)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property, Plant and Equipment acquired	(1,144)	(390)	193
Short term investments	(8,271)	(8,751)	(5)
Net cash used in investing activities (b)	(9,415)	(9,141)	3
CASH FLOWS FROM FINANCING ACTIVITIES:			
Working Capital Loan received/(repaid)	33,001	(37,857)	(187)
Long Term loan received/(repaid)	(7,500)	-	(100)
Short Term loan received/(repaid)	25,895	(29,643)	(187)
Dividend paid	(8)	(1)	723
Net cash generated from financing activities (c)	51,388	(67,501)	(176)
Net increase/(decrease) in cash and cash equivalents(a+b+c)	(6,347)	1,346	(572)
Cash & cash equivalents on opening	10,876	4,318	152
Cash & cash equivalents on closing	4,529	5,664	(20)
Net Operating Cash Flow Per Share	(8.47)	13.68	

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE FIRST QUARTER ENDED ON 30TH SEPTEMBER, 2016

Value in Taka '000'

	01.07.2016 to 30.09.2016	01.07.2015 to 30.09.2015	Growth %
REVENUE	462,357	444,810	4
Cost of goods sold	(413,572)	(408,158)	1
GROSS PROFIT	48,785	36,652	33
OPERATING EXPENSES:	(48,291)	(52,223)	(8)
Administrative & selling overhead	(24,029)	(27,733)	(13)
Financial expenses	(24,262)	(24,490)	(1)
OPERATING PROFIT/(LOSS)	494	(15,571)	103
Other income	6,299	11,308	(44)
PROFIT BEFORE PPF & WF	6,793	(4,263)	259
Provision for contribution to PPF & WF	(340)	-	100
PROFIT/(LOSS) BEFORE TAX	6,453	(4,263)	251
Tax Expenses:			
Current tax	(5,711)	(6,585)	(13)
Deferred tax (expenses)/income	846	10	8,358
NET PROFIT/(LOSS) AFTER TAX	1,588	(10,838)	(115)
Other comprehensive income	70,011	15,541	(350)
Fair valuation surplus/(deficit) of investments	77,790	17,268	(350)
Deferred tax (expenses)/income on share valuation surplus	(7,779)	(1,727)	(350)
TOTAL COMPREHENSIVE INCOME	71,599	4,703	(1,422)
Earnings Per Share (EPS)	0.28	(1.90)	(115)

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED ON 30TH SEPTEMBER, 2016

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 1st July 2016	57,024	209,088	51,163	141,046	607	160,431	619,359
Net Profit/(Loss) for the first quarter ended on 30th September 2016	-	-	-	1,588	-	-	1,588
Fair valuation surplus/(deficit) of investments	-	-	-	-	-	70,011	70,011
As at 30th September 2016	57,024	209,088	51,163	142,634	607	230,442	690,958

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED ON 30TH SEPTEMBER, 2015

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 1st July 2015	57,024	209,088	51,163	174,161	607	130,440	622,483
Net Profit/(Loss) for the first quarter ended on 30th September 2015	-	-	-	(10,838)	-	-	(10,838)
Final dividend for the year 2014-15	-	-	-	(11,405)	-	-	(11,405)
Fair valuation surplus/(deficit) of investments	-	-	-	-	-	15,541	15,541
Prior years adjustments of deferred tax	-	-	-	-	-	(13,044)	(13,044)
As at 30th September 2015	57,024	209,088	51,163	151,918	607	132,937	602,737

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 2016.
(3) No diluted EPS is required to be calculated as there was no dilution during this period.
(4) Last year's first quarterly figures have been re-arranged where considered necessary to conform to current quarter's presentation.
(5) 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/-	Sd/-	Sd/-	Sd/-	Sd/-
Zafar Ahmed	**Shahriar Ahmed**	**Ashim Kumar Barua**	**S. K. Halder**	**Kamrul Islam**
Chairman	Managing Director	Director	Chief Financial Officer	Assistant Company Secretary

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SELECTIVE NOTES TO THE FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED ON 30.09.2016

Value in Taka '000'

	As on 30.09.2016	As on 30.06.2016
1. PROPERTY, PLANT & EQUIPMENT:	125,588	131,305
During the period addition has been made for Tk. 573,592/- and depreciation has been calculated as per BAS 16.		
2. INVENTORIES:		
Shrimps	739,049	645,763
Packing Materials	10,329	9,251
Chemical & Ingredients	4,320	3,149
	753,698	658,163
3. TRADE RECEIVABLES:	78,519	38,621
Trade receivables are stated at Invoice value and considered good.		
4. ADVANCES, DEPOSITS AND PREPAYMENTS:		
Advance against expenses	36	142
Deposits	5,119	5,119
Prepayments	1,722	1,863
Advance Income Tax	23,695	19,428
	30,572	26,552
The growth of 15% 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
Cash incentive Receivable	97,601	104,289
FDR's Interest Receivable	6,419	9,752
	120,275	130,296
Cash incentive receivable from the Bank which will be received through Agrani Bank Limited time to time depending on their availability of fund from Bangladesh Bank. FDRs' interest receivable has decreased as the interest rate was lower.		
6. SHORT TERM INVESTMENTS:		
FDR's with Dhaka BanK Ltd	312,861	304,590
FDR's with Agrani Bank Limited	21,600	21,600
	334,461	326,190
7. CASH AND CASH EQUIVALENTS:		
Cash in Hand:		
Head Office	22	20
Factory Office	80	77
	102	97
Cash at Bank with:		
Agrani Bank, Agrabad Corporate Br. Chittagong.	711	6,995
Arab Bangladesh Bank Ltd. Principal Br, Dhaka.	621	620
Eastern Bank Ltd., Principal Branch, Dhaka	10	10
The Hongkong & Shanghai Banking Corporation, Dhaka	3,082	3,151
Dhaka Bank Ltd., Foreign Exchange Branch, Dhaka	3	3
	4,427	10,779
	4,529	10,876
8. Fair Valuation Surplus of Investments	230,442	160,431
This represents the difference of market value and the cost of the investment.		
9. DEFERRED TAX LIABILITIES:	27,483	20,550
This increased due to implementation of BAS 12 on fair valuation surplus of investments.		
10. WORKING CAPITAL LOAN:		
Against Hypothecation	129,631	96,790
Against Pledge of Finished Goods	616,231	616,071
	745,862	712,861
The Working Capital loan was taken from Agrani Bank Ltd., Agrabad Corporate Br., Chittagong.		
11. LONG TERM LOAN-CURRENT MATURITY:	30,000	30,000
This represents the term loan payable in next twelve months as per schedule of re-payment.		
12. SHORT TERM LOAN:		
Dhaka Bank Limited	91,766	65,871
Short term loan with Dhaka Bank Limited represents the utilization of limit for procurement of Raw Materials. The Limit is 100 million.		
13. TRADE PAYABLES:	85,162	27,741
Trade Payables represents the amount payable to the gher owners of Shrimps from whom we procure the shrimps.		
14. OTHER LIABILITIES:		
Unclaimed Dividend	6,210	6,218

	01.07.2016 to 30.09.2016	01.07.2015 to 30.09.2015
15. REVENUE:	462,357	444,810
Revenue has been increased 4% as compared to the revenue of same period of last year.		

Value in Taka '000'

	01.07.2016 to 30.09.2016	01.07.2015 to 30.09.2015
16. COST OF GOODS SOLD:		
Opening Stock of Finished Goods	645,763	895,527
Add. Cost of Production-Note 17	506,858	326,936
	1,152,621	1,222,463
Less: Closing Stock of Finished Goods	739,049	814,305
	413,572	408,158
17.COST OF PRODUCTION:		
Raw Materials	473,214	292,317
Packing Material & Chemicals	7,612	11,765
Direct Labour	7,028	4,620
Factory Overhead-Note 18	12,987	11,099
Depreciation	6,017	7,135
	506,858	326,936
The increase of 55% in Cost of production mainly due to more procurement of shrimps to maintain the export schedule for future.		
18. FACTORY OVERHEAD:		
Wages & Salaries	6,032	5,825
Bonus to Workers'	239	543
Power, Fuel & Water	4,699	3,213
Consumable Stores & Spares	239	167
Repair & Maintenance	1,767	1,338
Carriage Inward	11	13
	12,987	11,099
19. ADMINISTRATIVE AND SELLING OVERHEAD:		
Advertisement	4	83
AGM Expenses	-	103
Board meeting fees	-	5
Bonus to Staff	1,285	2,459
Contribution to Provident Fund	297	314
Depreciation	273	312
Directors Remuneration	2,250	2,250
Donation & Subscription	3	6
Electricity & WASA Charges	134	94
Entertainment	112	135
Freight & Forwarding	6,947	8,406
General Fees & Charges	10	5
Guest House Expenses	153	152
Laboratory Expenses	1	4
Laboratory Testing Fees	1,127	875
Legal & Professional Fees	44	14
License & renewals	63	97
Medical Expenses	3	1
Membership Subscription	1	1
Newspaper & Periodicals	9	16
Office Maintenance	90	75
Postage & Stamp	74	67
Printing & Stationery	122	133
Rejection Insurance Premium	651	698
Rent, Rates & Taxes	796	150
Salary & Allowances	6,334	6,300
Sales Commission	-	1,100
Sales Promotion Expenses	2,163	2,544
Sanitation Expenses	47	36
Staff fooding	154	140
Staff Welfare Expenses	144	215
T.A & Conveyance	289	409
Telephone, Telex & Fax	122	161
Uniform & Liveries	69	32
Vehicles Maintenance	258	341
	24,029	27,733
The decrease of 13% in administrative and selling overhead mainly due to minimization of cost during this period.		
20. FINANCIAL EXPENSES:		
Interest	22,825	23,171
Charges	1,437	1,319
	24,262	24,490
21. OTHER INCOME:		
Dividend Income	-	4,527
Interest Earned	6,299	6,781
	6,299	11,308
22. PROVISION FOR TAX:	5,711	6,585
23. RELATED PARTY TRANSACTIONS: There was no related party transaction during the period.		

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Zafar Ahmed	**Shahriar Ahmed**	**Ashim Kumar Barua**	**S. K. Halder**	**Kamrul Islam**
Chairman	Managing Director	Director	Chief Financial Officer	Assistant Company Secretary

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