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AMAR STOCK

TRANSMITTAL LETTER

To
The Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Subject: **Annual Report for the year ended on June 30, 2017**

Dear Sir(s):

We are pleased to enclose a copy of the Annual Report of Apex Foods Limited together with the Audited Financial statements comprising of Statement of Financial Position as at June 30, 2017, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on June 30, 2017 along with Notes thereon for your kind information and record.

Yours sincerely,

Sd/-
Kamrul Islam
Assistant Company Secretary

AMAR STOCK

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the **THIRTY-EIGHTH ANNUAL GENERAL MEETING of APEX FOODS LIMITED** will be held at the Spectra Convention Centre Limited, House No. 19, Road No. 07, Gulshan-1, Dhaka-1212, Bangladesh on **Thursday the December 21, 2017 at 11.00 A.M.** to transact the following business:

AGENDA

1. To receive and adopt the Audited Financial Statements for the year ended on 30 June 2017 and report of the Auditors and Directors thereon.
2. To declare Dividend for the year 2016-17.
3. To elect Directors.
4. To appoint Auditors' for the year 2017-18 and fix their remuneration.
5. To transact any other business of the Company, with permission of the Chair.

Date: Dhaka
October 30, 2017

By order of the Board of Directors

Sd/-
Kamrul Islam
Assistant Company Secretary

NOTES:

1. The record date shall be on **November 15, 2017.**
2. The Shareholders whose name will appear in the Register of Members of the Company or in the Depository on the 'Record Date' will be eligible to attend the Annual General Meeting and be entitled to the Dividend.
3. A member entitled to attend and vote at the Annual General Meeting may appoint only another member as proxy to attend and vote in his/her stead as per para 104 of the Articles of Association of the Company. The Proxy Form duly filed in, signed and stamped, must be submitted at the Registered Office of the Company not later than 48 hours before the time fixed for the Meeting.
4. In pursuance of BSEC's Notification No. SEC/SRMI/2000-953/1950 dated October 24, 2000 gazetted on November 07, 2000, the Company shall hold discussions in the Annual General Meeting strictly in conformity with the provisions of the Companies Act, 1994.
5. Admittance to the meeting venue will be strictly on production of the Attendance Slip sent with the Notice.
6. Shareholders bearing BO ID are requested to update their respective BO ID with 12 digits Taxpayer's Identification Number **(e-TIN**) and address through Depository Participant (DP) and Shareholders bearing Folio Numbers are requested to submit their 12 digit **e-TIN** certificate to the Share Department of the Company by **November 15, 2017** latest. Failing which Income Tax at source will be deducted from cash dividend @15% instead of 10%.

Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013 অনুযায়ী আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/উপহার কুপন/খাবার/যাতায়াত ভাতা প্রদানের ব্যবস্থা থাকবে না।

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Chairman	:	Mr. Zafar Ahmed
Vice Chairman	:	Mr. Zahur Ahmed PhD
Managing Director	:	Mr. Shahriar Ahmed
Director (Representative of Apex Spinning & Knitting Mills Ltd.)	:	Mr. Ashim Kumar Barua
Independent Director	:	Mr. Kazi Faruq Kader

AUDIT COMMITTEE

Chairman	:	Mr. Kazi Faruq Kader, Independent Director
Member	:	Mr. Shahriar Ahmed, Managing Director
Member	:	Mr. Ashim Kumar Barua, Director

SENIOR CORPORATE OFFICIALS

Executive Director	:	Mr. Mominuddin Ahmed Khan
Chief Financial Officer	:	Mr. S. K. Halder
Head of Internal Audit	:	Mr. Ashish Kumar Paul FCA
Assistant Company Secretary	:	Mr. Kamrul Islam

LEGAL ADVISORS

K. Fazlul Quadir
Abdur Razzaque & Associates
Md. Shahjahan Khan

AUDITORS

Malek Siddiqui Wali
Chartered Accountants

BANKER

Agrani Bank Limited
Agrabad Corporate Branch, Jahan Building
Agrabad C/A, Chittagong

REGISTERED OFFICE

Rupayan Golden Age, 5th & 6th floor
99 Gulshan Avenue, Gulshan, Dhaka-1212
Bangladesh.

FACTORY

51-B Shagarika Road,
Fouzderhat Industrial Estate, Pahartali,
Chittagong-4219, Bangladesh.

FIVE YEARS STATISTICS

Figure in Thousand Taka

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Results of Operations:					
Revenue	1,642,772	2,031,947	2,751,780	3,844,681	3,305,717
Gross Profit	195,808	191,521	219,627	297,878	357,375
Operating Profit/(Loss)	4,470	(20,800)	(53,525)	31,319	20,664
Net Profit before Tax	27,037	9,278	123,814	66,858	62,367
Net Profit/(Loss) after Tax	8,920	(13,229)	84,843	17,041	14,494
Earnings per Share (EPS)	1.56	(2.32)	14.88	2.99	2.54
Dividend Per Share*	2.00	2.00	2.00	2.00	1.80
Financial Positions:					
Total Assets	1,758,502	1,545,510	1,779,947	1,693,029	1,758,653
Property, Plant and Equipment-Gross	691,866	684,643	678,306	659,967	603,465
Property, Plant and Equipment-Net	113,078	131,305	155,017	171,963	154,421
Gross Working Capital	1,372,968	1,185,580	1,449,240	1,320,330	1,408,553
Net Working Capital	295,060	302,479	344,476	279,368	280,260
Working Capital Loan	768,871	712,861	794,270	733,884	778,328
Share Capital	57,024	57,024	57,024	57,024	57,024
Share Premium	209,088	209,088	209,088	209,088	209,088
Reserve and Surplus	190,331	192,816	225,931	152,494	145,717
Share Holders Equity	656,322	619,359	622,483	562,052	517,859
Term Loan	22,500	52,500	82,500	120,000	178,317
Key Financial Ratios:					
Current Ratio	1.27	1.34	1.31	1.27	1.25
Debt to Total Assets (%)	62.68	59.93	65.03	66.80	70.55
Return on Equity (%)	1.44	(2.13)	13.63	3.03	2.80
Net Asset Value Per Share	115.10	108.61	109.16	98.56	90.81
Dividend Payout Ratio (%)	128.21	(86.21)	13.44	66.93	70.82
Interest Service Coverage Ratio	1.05	0.77	0.47	1.30	1.14
Others:					
Market Price Per Share (30th June)	146.36	116.49	100.2	104.22	85.76
Price Earning Multiple	93.82	(50.21)	6.73	34.88	33.74
Number of Employees (Including contract labor)	428	533	600	710	518
Capacity Utilization (%)	29.25	32.01	41.58	51.74	61.61

* The Board of Directors recommended Cash Dividend @Tk. 2.00 per Share for the year 2016-17**.**

Corporate Governance Compliance Status Report

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance 1969.

Condition No.	Title	Compliance Status	Explanation for non compliance with the condition
1.	**Board of Directors:**		
1.1	Board's Size: Board members should not be less than 5 (Five) and more than 20 (Twenty).	Complied	
1.2	**Independent Directors:**		
1.2 (i)	Independent Director: At least 1/5th (We have four Directors and One Independent Director)	Complied	
1.2 (ii)a)	Less than 1% Shares	Complied	
1.2 (ii)b)	Not a Sponsor of The Company	Complied	
1.2 (ii)c)	Does not have other relationship	Complied	
1.2 (ii)d)	Not a Member, Director or Officer of any Stock Exchange.	Complied	
1.2 (ii)e)	Not a Shareholder, Director or Officer of any Stock Exchange or an intermediary of the capital market.	Complied	
1.2 (ii)f)	Not a Partner or an Executive or was not a partner or an Executive during the preceding 3 (Three) years of the concerned Company's statutory audit firm.	Complied	
1.2 (ii)g)	Not an Independent Director more than three listed Companies.	Complied	
1.2 (ii)h)	Not Convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a Bank or a Non-Bank Financial Institution (NBFI)	Complied	
1.2 (ii)i)	Not convicted for a Criminal offence	Complied	
1.2 (iii)	Appointment by the Board and approved in AGM.	Complied	
1.2 (iv)	Post can not remain vacant more than 90 days	Complied	
1.2 (v)	Lay down a code of conduct and annual compliance.	Complied	
1.2 (vi)	Tenure of the Independent Director.	Complied	
1.3	**Qualification of Independent Director (ID):**		
1.3 (i)	Independent Director shall be knowledgeable	Complied	
1.3 (ii)	Should be a Corporate Leader/Business Leader	Complied	
1.3 (iii)	Special cases for relaxation of qualifications.	Not Applicable	
1.4	**Chairman of the Board and Chief Executive Officer:** Individual Chairman of the Board, Chief Executive Officer and clearly defined roles and responsibilities.	Complied	
1.5	**The Directors' Report to Shareholders:**		
1.5 (i)	Industry outlook and possible future developments in the industry	Complied	
1.5 (ii)	Segment-wise or product-wise performance	Complied	
1.5 (iii)	Risks and concerns	Complied	
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	Complied	

1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	Not applicable	
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions.	Not applicable	
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments	Not applicable	There was no such event during the year.
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc	Not applicable	There was no such event during the year.
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	Complied	
1.5 (x)	Remuneration to directors including independent directors.	Complied	
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	Complied	
1.5 (xii)	Proper books of account of the issuer company have been maintained.	Complied	
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	Complied	
1.5 (xiv)	IAS/BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	Complied	
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored	Complied	
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	Complied	
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	Complied	
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	Complied	
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	Not applicable	
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	Complied	
1.5 (xxi)	**The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details):**		
1.5 (xxi)a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	Complied	
1.5 (xxi)b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	Complied	

1.5 (xxi)c)	Executives;	Complied	
1.5 (xxi)d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	Complied	
1.5 (xxii)	**In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:**		
1.5 (xxii)a)	A brief resume of the director;	Complied	
1.5 (xxii)b)	Nature of his/her expertise in specific functional areas;	Complied	
1.5 (xxii)c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	Complied	
2	**CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS):**		
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary and defining of their respective roles, responsibilities and duties.	Complied	
2.2	Attendance of CFO and the Company Secretary at Board of Directors meeting.	Complied	
3	**AUDIT COMMITTEE:**		
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	Complied	
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	Complied	
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	Complied	
3.1	**Constitution of the Audit Committee:**		
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members	Complied	
3.1(ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	Complied	
3.1(iii)	All members of the audit committee should be “financially literate” and at least 1(one) member shall have accounting or related financial management experience.	Complied	
3.1(iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service.	Not applicable	
3.1(v)	The company secretary shall act as the secretary of the Committee	Complied	
3.1(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1(one) independent director	Complied	
3.2	**Chairman of the Audit Committee:**		
3.2(i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	Complied	
3.2(ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	Complied	Will remain present

3.3	**Role of Audit Committee:**		
3.3(i)	Oversee the financial reporting process	Complied	
3.3(ii)	Monitor choice of accounting policies and principles.	Complied	
3.3(iii)	Monitor Internal Control Risk management process.	Complied	
3.3(iv)	Oversee hiring and performance of external auditors	Complied	
3.3(v)	Review along with the management, the annual financial statements before submission to the board for approval.	Complied	
3.3(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	Complied	
3.3(vii)	Review the adequacy of internal audit function.	Complied	
3.3(viii)	Review statement of significant related party transactions submitted by the management	Not applicable	
3.3(ix)	Review Management Letters/ Letter of Internal Control weakness issued by Statutory auditors.	Complied	
3.3(x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee, on a quarterly basis and annual basis.	Not applicable	
3.4	**Reporting of the Audit Committee:**		
3.4.1	Reporting to the Board of Directors		
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors	Complied	
3.4.1(ii)	**The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:**		
3.4.1(ii)a)	Report on conflicts of interests;	Not applicable	There was no such event to report
3.4.1(ii)b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;	Not applicable	There was no such event to report
3.4.1(ii)c)	Suspected infringement of laws, including securities related laws, rules and regulations;	Not applicable	There was no such event to report
3.4.1(ii)d)	Any other matter which shall be disclosed to the Board of Directors immediately.	Not applicable	There was no such event to report
3.4.2	Reporting to the Authorities	Not applicable	There was no such event to report
3.5	Reporting to the Shareholders and General Investors	Not applicable	There was no such event to report
4	**EXTERNAL/STATUTORY AUDITORS:**		
	The issuer company should not engage its external/statutory auditors to perform the following services of the company; namely:		
4 (i)	Appraisal or valuation services or fairness opinions.	Complied	
4 (ii)	Financial information systems design and implementation	Complied	
4 (iii)	Book-keeping or other services related to the accounting records or financial statements	Complied	
4 (iv)	Broker-dealer services	Complied	
4 (v)	Actuarial services.	Complied	
4 (vi)	Internal audit services.	Complied	
4 (vii)	Any other service that the Audit Committee determines.	Complied	

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4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	Complied	
4 (ix)	Audit/Certification services on Compliance of Corporate Governance as required under clause (i) of condition No. 7.	Complied	
5	**SUBSIDIARY COMPANY:**		
5 (i)	Provisions relating to the composition of the Board of Directors of the holding Company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	Not applicable	
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding Company shall be a director on the Board of Directors of the subsidiary company.	Not applicable	
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	Not applicable	
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	Not applicable	
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	Not applicable	
6	**DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO):**		
6.(i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:	Complied	
6 (i)a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	Complied	
6 (i)b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	Complied	
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	Complied	
7	**REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:**		
7 (i)	The company shall obtain a certificate from a Professional Accountant/ Secretary (Chartered Accountant/Cost & Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines.	Complied	
7(ii)	The directors of the company shall state, in accordance with the **Annexure** attached, in the directors' report regarding compliance.	Complied	

To the shareholders of Apex Foods Limited

Certificate on compliance of conditions of corporate governance guidelines

We have examined the compliance of the conditions of corporate governance guidelines of the Bangladesh Securities and Exchange Commission (BSEC) of Apex Foods Limited for the year ended on June 30, 2017 as stipulated in clause 7(i) of the BSEC notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012.

The compliance of the conditions of corporate governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the management of Apex Foods Limited. Our examination for the purpose of issuing this certification was limited to the checking the procedures and implementation thereof, adopted by Apex Foods Limited for ensuring the compliance of conditions of corporate governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

To the best of our information and according to the explanations given to us, we certify that, except as reported on the attached status of compliance statement, Apex Foods Limited has complied with conditions of corporate governance stipulated in the above mentioned BSEC notification dated August 07, 2012.

Dated: Dhaka
October 19, 2017

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

AUDIT COMMITTEE REPORT

The audit committee of APEX FOODS LIMITED was formed as per the terms of reference approved by the Board in accordance with the notification of Bangladesh Securities and Exchange Commission no. SEC/CMRRCD/2006-158/134/Admin/44, dated 7th August 2012.

The Audit Committee of the Company comprises of three Directors, nominated by the Board of Directors of the Company, headed by the Independent Director, Mr. Kazi Faruq Kader. The other members of the committee are, Mr. Shahriar Ahmed and Mr. Ashim Kumar Barua.

The committee has worked closely with the company's financial term to ensure that the audit processes adopted in connection with the financial statements are deal with best practice. The committee was empowered to examine the matter related to financial and other affairs of the Company. This committee ensures a sound financial reporting system and updated information to the Board of Directors.

The committee normally meets in the next month of every quarter. During the year 2016-17, six Audit Committee meetings were held, the details of attendance of each member at the Audit Committee meetings are as follows:

Name of the Member	Number of Audit Committee Meeting held	Attended
Mr. Kazi Faruq Kader	6	6
Mr. Shahriar Ahmed	6	6
Mr. Ashim Kumar Barua	6	6

During the year the Audit Committee review and carry out the following tasks:

- Oversee the financial reporting process.
- Monitor choice of accounting policies and principles.
- Monitor Internal Control Risk management process.
- Oversee hiring and performance of external auditors.
- Review along with the management, the annual financial statements before submission to the Board for approval.
- Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function.
- Review statement of significant related party transactions submitted by the management.
- Sufficient effectiveness of the internal financial controls.
- Compliance of all applicable legal and regulatory rules and regulations.
- Various reports of operational activities and streamlined the operations of the Company.
- The committee reviewed the audit plan for the year 2016-17 and oversees the performance of external auditors.
- Reviewed compliance of corporate governance guidelines issued by Bangladesh Securities and Exchange Commission.

The Audit Committee is of the view that the internal control and procedures are adequate to present a true and fair view of the activities and financial status of the Company.

Dated Dhaka the 19th October 2017

On behalf of the Audit Committee
Sd/-
Kazi Faruq Kader
Chairman

CEO & CFO's Declaration to the Board of Directors

Date: October 19, 2017

The Board of Directors
Apex Foods Limited
Rupayan Golden Age (5th & 6th Floor)
99 Gulshan Avenue, Gulshan
Dhaka-1212, Bangladesh.

Subject: CEO & CFO's Declaration to the Board of Directors

Dear Sirs:

In compliance with the condition no. 6 imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 issued under Section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby certify to the Board of Directors that:

(i) We have reviewed that the financial statements for the year ended on 30th June 2017 and that to the best of our knowledge and belief:

(a) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;

(b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws:

(ii) There are, to the best of knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Sincerely yours,

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
S. K. Halder
Chief Financial Officer (CFO)

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

It is an honor and pleasure for me to welcome you all to the Thirty-eighth Annual General Meeting of your Company and to present the Annual Report for the year ended 30th June, 2017.

Global Economy:

The global economy is poised for economic growth, compared to recent years' performance, but with a somewhat different texture. Prospects are looking positive with accelerating growth in Europe, Japan, China and the United States. The International Monetary Fund (IMF) has said the global economy's recent recovery may not last, despite a pickup in activity in all western countries except the UK. High asset prices, rapid credit growth in China, political turmoil in Catalonia and a cliff-edge Brexit are some of the risks to an improving global outlook, with a global output growth expected to rise to 3.60% this year.

This growth rate is attributable to the renewed increase in financial volatility in late January although market pressures were relatively broad based, countries with higher inflation and wider current account deficits were generally more affected. Overall, the IMF said global output growth would increase from 3.20% in 2016 to 3.60% this year and 3.70% in 2018. These positive developments give good cause for greater confidence.

A closer look suggests that the global recovery may not be sustainable. Not all countries are participating, inflation often remains below target, with weak wage growth, and the medium-term outlook still disappoints in many parts of the world. Some emerging economies have tightened macroeconomic policies to shore up confidence and strengthen their commitment to policy objectives. Many of the Asian economies, excluding Japan, have continued to experience accelerated economic growth.

Bangladesh Economy:

Despite social unrest and general dissatisfaction in the popular mindset of the population of the country, according to the Asian Development Bank, Bangladesh's economy grew by 7.1% in 2016, the fastest expansion in 30 years. It was also the sixth year in a row that GDP growth was greater than 6%. Most analysts expect this run to continue and remain "robust". The economy is expected to continue to grow at a brisk pace.

Bangladesh has set target to be in the middle-income group status by the year 2021. This is expected to be achieved through simultaneous improvement of political, economic, social, technological, rule of law and the environment, leading to eradication of numbers of the absolute poor. Bangladesh's rapid growth wouldn't be so exciting if it didn't reach the poor. A recent World Bank report found that between 2005 and 2010, average incomes for the poorest 40% of households grew 0.5% faster than for the country as a whole.

As a result of this inclusive growth, poverty rates have plummeted. In 1991, well over 40% of the population lived below extreme poverty level. Today, the World Bank says that less than 14% still does live in extreme poverty. Bangladesh's recent success can be attributed to two major factors: the flourishing garment manufacturing industry and the country's robust NGO sector. Inflation was lower than projected, while larger exports and modest imports kept the current account in a larger surplus. Higher public-sector salaries had an offsetting effect on the decline in remittances in Bangladesh in FY2016-17. A rise in consumer and investor confidence as the political situation stabilized is also a stimulant for demand and has strengthened growth momentum.

My sincere thanks to all the respectable Shareholders for extending their continuous support and confidence in the Board of Directors of your Company. I also like to put on record my sincere appreciation to the Banks, Financial and Regulatory Agencies, Suppliers, Customers, various people with whom we have interacted in the course of business, management staff and members of the Company at all levels for their cooperation and sincere efforts in the growth of your Company.

Sd/-
Zafar Ahmed
Chairman

Dhaka
19th October, 2017

REPORT OF THE DIRECTORS

Dear Shareholders,

The Directors are pleased to submit to you the Annual Report together with the Auditors' Report and Audited Financial Statements of the Company for the year ended 30th June, 2017.

The Directors' Report is prepared in compliance with Section 184 of the Companies Act 1994 and Bangladesh Securities & Exchange Commission's (BSEC) notification no- SEC/CMRRCD/2006-158/134/Admin/44 dated 07th August 2012.

(i) Industry outlook and possible future developments in the industry:

Bangladesh is considered as one of the most suitable regions for fisheries in the world, with the world's largest flooded wetland and the third largest aquatic biodiversity in Asia after China and India. As indicated by the yearly report of the Department of Fisheries of 2016 fisheries contribute right around 3.6% to Bangladesh's aggregate GDP and a little more than 23.81% to its agricultural GDP. The recent growth within Bangladeshi inland fisheries, primarily in the inland aquaculture sector (2014 & 2015), has been made possible with the implementation of scientific and technological modernization. However, fisheries production is well below production targets despite the large gains seen in the aquaculture sector.

The country earned US$ 395.57 million from the sector during the FY 2016-17, whereas US$ 472.37 million was earned in the 2015-16 FY. The export earnings from the sector have declined in the last two years. The shipment of frozen shrimp registered a negative growth of 16.25 per cent in the fiscal year (FY) 2016-17 compared to that of previous fiscal year.

There is large demand in Japan, USA and European Union (EU) market and this demand being rising gradually over the world. The previously struggling Russian market has opened its doors for import of the more expensive Bangladeshi shrimps, thanks to a strengthening currency. Russia meet 5% of its shrimps' demand by the import from Bangladesh. The annual exports to Russia are now growing at a steady pace.

(ii) Segment-wise or product-wise performance:

As Apex Foods Limited produces only, shrimp there is no scope for Product wise performance reporting. However, country wise export details are given in note 27 of the Annual Report.

(iii) Risks and concerns:

Once the single largest market for Bangladesh, US accounts for only 8 percent of the total frozen fish exports, which was 30 percent five years ago. Prices of Bangladeshi shrimps known as "Black Tiger" is higher than that of Vietnam and India's vannamei species. Competing with the international market price is becoming difficult.

Fair wages and labour rights in the industry are, in general, key areas of concerns and have been under constant scrutiny from buyers in the EU and the US. There is evidence that inequality in this sector is widening, with women not obtaining permanent employee status and lower wage compared to male workers.

(iv) Analysis of Cost of Goods sold, Gross Profit Margin and Net Profit Margin:

(a) Cost of Goods Sold:

This year's cost of goods sold was BDT 1,447 million as compared to last year's cost of goods sold of BDT 1,840 million. This is due to decrease in gross turnover. During the year 2,105,692 Kg of shrimps were produced as against last year's production of 2,305,436 Kg. Production capacity utilized during the year was 29.25%. Raw Material Purchase cost has increased to the tune of Tk. 99.24 million against last year. Raw materials had to be purchased more during the year, due to necessity of holding inventory.

(b) Gross Profit:
The company has achieved an export turnover of Tk. 1,642.77 million during the year ended 30th June 2017. Last year's turnover was Tk. 2,031.95 million. The decrease in turnover is 19.15% over the last year. Gross profit earned during the year was Tk. 195.81 million as against last year's gross profit of Tk. 191.52 million. Despite fall in the revenue, we have been able to maintain a gross profit margin.

(c) Net Profit:
Net profit after tax earned during the year was Tk. 8.92 million as compared to last year's Net loss after tax of Tk.13.23 million. During the year, the company earned a net profit even though the turnover has decreased.

(v) Extra-Ordinary gain or loss:

During the year, there was no realized extra-ordinary gain or loss made by the company. An amount of Tk. 39.45 million has been shown as Fair Value Surplus of Investment in the Statement of Profit or Loss and other Comprehensive Income which represents the difference between the closing price of investment in the Shares of Apex Spinning & Knitting Mills Limited and Apex Weaving & Finishing Mills Limited and the price shown in the last Statement of Financial Position. This accounting effect was given in order to comply with the latest requirement of Bangladesh Accounting Standards (BAS) / Bangladesh Financial Reporting Standards (BFRS). Details are given in Note 18 of the Annual Report.

(vi) Related party transactions:

There is no related party (Inter Company) transaction during the year under review. Please see the note No. 39 of the Annual Report.

(vii) Utilization of proceeds from public issues and/ or rights issues:

There was no public issue and/ or right issue offered during the year.

(viii) Financial results after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.:

Initial Public Offering was made on June 22, 1981 and subsequently Right Offer was made on January 11, 1997. Since then the company is performing well.

(ix) Variance between Quarterly Financial performance and Annual Financial Statements:

There was significant variance between quarterly performance (i.e. up to 3rd quarter, EPS was Tk. 0.99 & annually it has reached Tk.1.56) and annual financial statements. This is due to increase in operational efficiency as well as cost minimization.

(x) Remuneration to directors including independent directors:

The remunerations of Directors including Independent Director are as follows:

Name of the Directors	Director / Independent Director	Yearly Remuneration
Mr. Zafar Ahmed	Director	4,800,000
Mr. Ashim Kumar Barua	Director	3,600,000
Mr. Kazi Faruq Kader	Independent Director	600,000

(xi) The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

(xii) Proper books of account of the issuer company have been maintained.

(xiii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

(xiv) International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.

(xv) The system of internal control is sound in design and has been effectively implemented and monitored.

(xvi) There are no significant doubts upon the issuer company's ability to continue as a going concern.

(xvii) Deviation from the last year's operating results:

During the year turnover has decreased but due to increase in operational efficiency we have been able to increase Gross Profit and Operating Profit Ratio.

(xviii) Key operating and financial data of at least preceding 5 (five) years:

"Figure in thousand Taka"

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Operational Data:						
Revenue	1,642,772	2,031,947	2,751,780	3,844,681	3,305,717	3,933,346
Gross Profit	195,808	191,521	219,627	297,878	357,375	303,517
Operating Profit/(Loss)	4,470	(20,800)	(53,525)	31,319	20,664	18,735
Net Profit before Tax	27,037	9,278	123,814	66,858	62,367	46,704
Net Profit/(Loss) after Tax	8,920	(13,229)	84,843	17,041	14,494	15,434
Earnings Per Share (EPS)	1.56	(2.32)	14.88	2.99	2.54	2.71
Dividend Per Share	2.00	2.00	2.00	2.00	1.80	1.80
Financial Data:						
Total Assets	1,758,502	1,545,510	1,779,947	1,693,029	1,758,653	1,571,415
Property, Plant and Equipment-Gross	691,866	684,643	678,306	659,967	603,465	559,384
Property, Plant and Equipment-Net	113,078	131,305	155,017	171,963	154,421	147,409
Gross Working Capital	1,372,968	1,185,580	1,449,240	1,320,330	1,408,553	1,222,369
Net Working Capital	295,060	302,479	344,476	279,368	280,260	344,895
Working Capital Loan	768,871	712,861	794,270	733,884	778,328	766,024
Share Capital	57,024	57,024	57,024	57,024	57,024	57,024
Share Premium	209,088	209,088	209,088	209,088	209,088	209,088
Reserve and Surplus	190,331	192,816	225,931	152,494	145,717	141,392
Share Holders Equity	656,322	619,359	622,483	562,052	517,859	551,441
Term Loan	22,500	52,500	82,500	120,000	178,317	156,687

(xix) Dividend:

Board of Directors has recommended Cash Dividend of Tk. 2.00 per Share of Tk. 10.00 each for the year 2016-17. Upon your approval in this General Meeting, the dividend will be paid to the Shareholders whose names appear in the Share Registers of the Company or in the Depository as on 15th November 2017 at the close of office.

(xx) Board meetings:

During the year 5 (Five) Board Meetings were held. The attendance record of the Directors is as follows:

Name of Directors	***Meeting attended***
Mr. Zafar Ahmed	05
Mr. Zahur Ahmed PhD	05
Mr. Shahriar Ahmed	05
Mr. Ashim Kumar Barua	05
Mr. Kazi Faruq Kader	05

(xxi) The pattern of shareholding:

Name wise details	No. Shares
a) Parent/subsidiary/Associated companies and other related parties	
Apex Spinning & Knitting Mills Limited	169,250
Apex Lingerie Limited	10,800
b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit:	
Mr. Zafar Ahmed – Director	1,320,530
Mr. Zahur Ahmed PhD – Director	160,740
Mr. Shahriar Ahmed – Director	563,430
Mr. Ashim Kumar Barua – Director	7,500
Mr. Kazi Faruq Kader – Independent Director	NIL
Mr. S.K. Halder – Chief Financial Officer	NIL
Mr. Ashish Kumar Paul FCA – Head of Internal Audit	NIL
Mr. Kamrul Islam – Assistant Company Secretary	NIL
Senior Corporate Executives:	
Mr. Mominuddin Ahmed khan-Executive Director	2,450
c) Shareholders holding ten percent (10%) or more voting interest in the Company	
Mr. Zafar Ahmed	1,320,530
Mrs. Shawkat Ara Ahmed	823,000

(xxii) Appointment/re-appointment of directors the company:

(i) I, Zafar Ahmed and Mr. Ashim Kumar Barua are retiring from the Board in terms of the Articles of Association of the Company and being eligible, offer ourselves for re-election. The detailed work profiles of me and Mr. Ashim Kumar Barua are given below:

Mr. Zafar Ahmed

a. I am a Post Graduate from Dhaka University in Economics. I obtained training in Food & Drug Administration from USA. I am one of the Sponsor Directors of the Company and is working in this sector since 1979. I am now acting as the Chairman of the Company.

b. Since my joining in this sector, I have gathered vast knowledge in this sector and is one of the experts in Frozen Foods sector of Bangladesh.

c. I am also holding the Directorship of (i) Apex Spinning & Knitting Mills Limited, (ii) Apex Lingerie Limited, (iii) Apex Yarn Dyeing Limited, (iv) Apex Textile Printing Mills Limited (v) Apex Fashion Wear Limited and (vi) Matex Bangladesh Limited.

d. I am not a member of any committee of the Board.

AMARSTOCK

Mr. Ashim Kumar Barua

a. Mr. Ashim Kumar Barua is a Post Graduate from Dhaka University. He joined in this Company in 1982 and since then he is working in this sector. During his long tenure with the Company, Mr. Ashim Kumar Barua gathered vast knowledge about this sector. Mr. Ashim Kumar Barua is now acting as the Director the Company.

b. Since his joining in this sector, he has gathered sufficient knowledge to run the Company.

c. He is not holding the Directorship of any other Company.

d. Presently, Mr. Ashim Kumar Barua is one of the members of the Audit Committee.

(xxiii) Auditors:

The retiring Auditors Malek Siddiqui Wali, Chartered Accountants, being eligible, offer themselves for re-appointment as Auditors of the Company for the year 2017-18.

(xxiv) Corporate Governance Compliance Report:

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "Corporate Governance Report" is annexed.

Dhaka
19th October 2017

On behalf of the Board

Sd/-
Zafar Ahmed
Chairman

AMAR STOCK

পরিচালকগণের প্রতিবেদন

প্রিয় শেয়ারহোল্ডারগণ,

আপনাদের কোম্পানীর পরিচালকগণ ২০১৭ সালের ৩০ শে জুন তারিখে সমাপ্ত হিসাব বৎসরের বার্ষিক প্রতিবেদন এর সাথে নিরীক্ষকের প্রতিবেদন ও নিরীক্ষিত আর্থিক বিবরণী আপনাদের সম্মুখে উপস্থাপন করতে পেরে আনন্দিত ।

পরিচালনা পর্ষদের প্রতিবেদন প্রনয়নের ক্ষেত্রে কোম্পানী আইন ১৯৯৪ এর ১৮৪ ধারা ও বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের (বিএসইসি) নোটিফিকেশন নং- এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/এডমিন/৪৪ তারিখ- আগষ্ট ৭, ২০১২ অনুসরন করা হয়েছে।

১. শিল্প সম্পর্কিত ধারণা এবং এই শিল্পের ভবিষ্যত উন্নয়নের সম্ভাবনাঃ

বাংলাদেশ পৃথিবীর প্রধান মৎস্য উৎপাদনের একটি উপযুক্ত অঞ্চল হিসাবে বিবেচিত, এটি পৃথিবীর সবচেয়ে বড় বন্যাকবলিত জলাভূমি অঞ্চল এবং চীন ও ভারতের পরে এশিয়ার তৃতীয় বৃহৎ জীববৈচিত্র্য জলজ অঞ্চল। মৎস্য অধিদপ্তরের বার্ষিক প্রতিবেদন ২০১৬ অনুযায়ী মৎস্য সম্পদ বাংলাদেশের মোট এউচ তে প্রায় ৩.৬ শতাংশ যুক্ত করেছে, এবং কৃষি এউচ তে এর অবদান ২৩.৮১ শতাংশের একটু বেশী। বাংলাদেশের অভ্যান্তরীন মৎস্যচাষের সাম্প্রতিক প্রবৃদ্ধি, মূলত অভ্যন্তরীন জলজ পালন খাতে (২০১৪ এবং ২০১৫ সাল থেকে) বৈজ্ঞানিক ও প্রযুক্তিগত আধুনিকায়ান বাস্তবায়নের ফলাফল। তবে, জলজ পালন খাতে বিশাল অর্জন সত্বেও মৎস্য উৎপাদন লক্ষ্যমাত্রার চেয়ে যথেষ্ট কম।

২০১৬-২০১৭ অর্থ বছরে বাংলাদেশ এই খাত থেকে আয় করেছে ৩৯৫.৫৭ মিলিয়ন মার্কিন ডলার অথচ ২০১৫-১৬ অর্থ বছরে এই খাতে আয় ছিল ৪৭২.৩৭ মিলিয়ন মার্কিন ডলার । গত দুই বছরে এই খাতের বৈদেশিক আয় কমেছে। হিমায়িত চিংড়ি রপ্তানী গত অর্থ বছরের তুলনায় ২০১৬-১৭ অর্থ বছরে ১৬.২৫% কমেছে ।

জাপান, ইউএসএ এবং ইউরোপিয়ান ইউনিয়ন (ই ইউ) এর বাজারে প্রচুর চাহিদা রয়েছে এবং সমগ্র পৃথিবীতে চাহিদা ধীরে ধীরে বৃদ্ধি পাচ্ছে। ব্যয়বহুল বাংলাদেশী চিংড়ি আমদানীর জন্য রাশিয়ার বাজার উন্মুক্ত করেছে যা পূর্বে প্রতিকুল ছিল, ধন্যবাদ শক্তিশালী মুদ্রার জন্য। রাশিয়া তার চিংড়ি চাহিদার ৫% পূরন করে বাংলাদেশ থেকে আমদানীর মাধ্যমে। রাশিয়ায় বার্ষিক রপ্তানী এখন নিরবিচ্ছিন্ন গতিতে এগিয়ে যাচ্ছে।

২. খাতওয়ারি অথবা পন্য ভিত্তিক ফলাফলঃ

যেহেতু এপেক্স ফুডস্ লিমিটেড শুধু চিংড়ি প্রক্রিয়াকরন ও রপ্তানী করে সেহেতু এখানে পণ্য ভিত্তিক ফলাফলের বিবরণ দেওয়ার কোন সুযোগ নেই। যাইহোক বার্ষিক প্রতিবেদনের ২৭ নং নোটে আমাদের প্রতিষ্ঠানটি কোন দেশে কত রপ্তানী করেছে তার বিস্তারিত বিবরণ দেওয়া হয়েছে।

৩. ঝুঁকি ও উদ্বিগ্নতা সমূহঃ

এক সময় বাংলাদেশের জন্য বড় বাজার ছিল যুক্তরাষ্ট্র, যেখানে বর্তমানে মাত্র ৮ শতাংশ হিমায়িত মাছ রপ্তানী হয় যা পাঁচ বছর পূর্বেও ছিল ৩০ শতাংশ। বাংলদেশের চিংড়ি যেটা ব্লাক টাইগার নামে পরিচিত সেটা ইন্ডিয়া ও ভিয়েতনামের ভেনামি চিংড়ির চেয়ে দামি। আন্তর্জাতিক বাজারে মূল্য প্রতিদ্বন্দ্বিতা কঠিন থেকে কঠিনতর হচ্ছে।

ন্যায্য মজুরী ও শ্রম অধিকার এই শিল্পের মূল উদ্বেগের বিষয় এবং এগুলো ইউএস ও ইইউ ক্রেতারা প্রতিনিয়ত গভীর পর্যবেক্ষন করছে। এই খাতে প্রমান আছে যে, বৈষম্য ব্যাপক ভাবে প্রসারিত যেমন মহিলারা স্থায়ীকর্মচারীর মর্যাদা পায়না এবং পুরুষের তুলনায় কম মজুরী পায়।

৪. বিক্রিত পণ্যের ব্যয় বিশ্লেষণ, মোট প্রান্তিক মুনাফা এবং নীট প্রান্তিক মুনাফাঃ

ক) বিক্রিত পণ্যের ব্যয় ঃ

এই বৎসর বিক্রিত পণ্যের ব্যয় ছিল ১,৪৪৭ মিলিয়ন টাকা যা গত বৎসর ছিল ১,৮৪০ মিলিয়ন টাকা। এর কারণ মোট বিক্রয় হ্রাস পেয়েছে। চলতি বৎসর ২,১০৫,৬৯২ কেজি চিংড়ি উৎপাদন হয়েছে যা গত বৎসর ছিল ২,৩০৫,৪৩৬ কেজি। চলতি বৎসরে উৎপাদন ক্ষমতার ২৯.২৫ শতাংশ ব্যবহৃত হয়েছে। গত বৎসরের তুলনায় কাঁচামাল ক্রয়ের জন্য ৯৯.২৪ মিলিয়ন টাকা বেশি খরচ হয়েছে । মজুদ বৃদ্ধির জন্য এ বছর অধিক কাঁচামাল ক্রয় করা হয়েছে।

খ) মোট মুনাফাঃ

৩০ শে জুন ২০১৭ সমাপ্ত অর্থ বৎসরে কোম্পানী মোট বিক্রয় করেছে ১,৬৪২.৭৭ মিলিয়ন টাকা । গত বৎসর বিক্রয় ছিল ২,০৩১.৯৫ মিলিয়ন টাকা। গত বৎসরের তুলনায় বিক্রয় ১৯.১৫ শতাংশ হ্রাস পেয়েছে । এ বৎসর মোট মুনাফা অর্জিত হয়েছে ১৯৫.৮১ মিলিয়ন টাকা যা গত বৎসর ছিল ১৯১.৫২ মিলিয়ন টাকা। বিক্রয় হ্রাস পাওয়া সত্বেও, আমরা মোট লাভ মার্জিন ধরে রাখতে সক্ষম হয়েছে।

গ) নীট মুনাফাঃ

এ বৎসর কর পরবর্তী নীট লাভ হয়েছে ৮.৯২ মিলিয়ন টাকা এবং গত বৎসর কর পরবর্তী নীট ক্ষতি ছিল ১৩.২৩ মিলিয়ন টাকা। এ বছর কোম্পানী নীট লাভ অর্জন করেছে, যদিও বিক্রয় হ্রাস পেয়েছে ।

৫. অস্বাভাবিক লাভ বা ক্ষতিঃ

এ বৎসর বাস্তবিক অর্থে প্রাপ্ত কোন অস্বাভাবিক লাভ বা ক্ষতি নেই। বিনিয়োগের সুষ্ঠ মূল্যায়ণের ফলে ৩৯.৪৫ মিলিয়ন টাকা উদ্ধৃত্ত যাহা আয় বিবরণীতে দেখানো হয়েছে যাহা এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড এবং এপেক্স উইভিং এন্ড ফিনিশিং মিলস্ লিমিটেড এর শেয়ারে বিনিয়োগের সমাপনী মূল্য এবং গত বৎসরের আর্থিক অবস্থার বিবরণীতে দেখানো মূল্যের পার্থক্য, এটা বাংলাদেশ এ্যাকাউন্টিং স্ট্যান্ডার্স (বি.এ.এস) / বাংলাদেশ ফাইন্যানসিয়াল রিপোর্টিং স্ট্যান্ডার্স (বি.এফ.আর.এস) অনুযায়ী হিসাব বিবরণীতে দেখানো হয়েছে। বার্ষিক প্রতিবেদনে ১৮ নং নোটে বিস্তারিত বিবরণ দেওয়া হয়েছে।

৬. আন্তঃ সম্পর্কিত কোম্পানীর লেনদেন সমূহঃ

এ বৎসর আন্তঃ সম্পর্কিত কোম্পানীর সাথে কোন লেনদেন হয়নি। বার্ষিক প্রতিবেদনের নোট নম্বর ৩৯ দেখার অনুরোধ রইল।

৭. পাবলিক ইস্যু অথবা রাইট ইস্যু হইতে প্রাপ্ত তহবিলের ব্যবহারঃ

এ বৎসর কোন পাবলিক ইস্যু অথবা রাইট ইস্যু হয়নি ।

৮. ইনিশিয়াল পাবলিক অফারিং (আই.পি.ও), রিপিট পাবলিক অফারিং (আর. পি. ও), রাইট অফার, ডাইরেক্ট লিস্টিং ইত্যাদি থেকে অর্থ বা তহবিল প্রাপ্তির পর কোম্পানীর আর্থিক অবস্থা ঃ

১৯৮১ সালের জুন মাসের ২২ তারিখে ইনিশিয়াল পাবলিক অফারিং (আই.পি.ও) এবং পরবর্তী সময়ে ১৯৯৭ সালের জানুয়ারী মাসের ১১ তারিখে রাইট অফার করা হয়, এর পর থেকে কোম্পানী ভালো করে যাচ্ছে।

৯. বার্ষিক আর্থিক বিবরণী এবং ত্রৈমাসিক আর্থিক অবস্থার বিবরণীর মধ্যে পার্থক্যঃ

ত্রৈমাসিক আর্থিক অবস্থার বিবরণী এবং বার্ষিক আর্থিক বিবরণী মধ্যে উল্লেখ যোগ্য পার্থক্য বিদ্যমান (অর্থাৎ তৃতীয় কোয়ার্টার পর্যন্ত আর্থিক প্রতিবেদনে শেয়ার প্রতি আয় ছিল ০.৯৯ টাকা কিন্তু বাৎসরিক ইহা হয়েছে ১.৫৬ টাকা)। এর কারণ কর্মদক্ষতা বৃদ্ধির পাশাপাশি খরচ কমানো হয়েছে।

১০. স্বতন্ত্র পরিচালক সহ পরিচালকদের পারিশ্রমিকঃ

স্বতন্ত্র পরিচালক সহ পরিচালকদের পারিশ্রমিক নিমরূপঃ-

পরিচালকদের নাম	পরিচালক/স্বতন্ত্র পরিচালক	বাৎসরিক পারিশ্রমিক
জনাব জাফর আহমেদ	পরিচালক	৪৮,০০,০০০/-
জনাব অসীম কুমার বড়ুয়া	পরিচালক	৩৬,০০,০০০/-
জনাব কাজী ফারুক কাদের	স্বতন্ত্র পরিচালক	৬,০০,০০০/-

১১. কোম্পানীর ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীতে কোম্পানীর আর্থিক অবস্থা, কার্যক্রমের ফলাফল, নগদ প্রবাহ, মূলধনের পরিবর্তন সঠিক ভাবে উপস্থাপন করা হয়েছে।

১২. কোম্পানীর হিসাব বহি সমূহ যথাযথ ভাবে সংরক্ষণ করা হয়েছে।

১৩. আর্থিক বিবরণী প্রস্তুতিতে যথোপযুক্ত হিসাবনীতি সমূহ ধারাবাহিক ভাবে প্রয়োগ করা হয়েছে এবং হিসাবগত পরিমাপক সমূহ যুক্তিযুক্ত ও বিচক্ষণ সিদ্ধান্তের উপর প্রতিষ্ঠিত।

১৪. ইন্টারন্যাশনাল এ্যাকাউন্টিং স্ট্যান্ডার্স (আই.এ.এস)/বাংলাদেশ এ্যাকাউন্টিং স্ট্যান্ডার্স (বি.এ.এস)/ ইন্টারন্যাশনাল ফিন্যানসিয়াল রিপোর্টিং স্ট্যান্ডার্স (আই.এফ.আর.এস)/ বাংলাদেশ ফিন্যানসিয়াল রিপোর্টিং স্ট্যান্ডার্স (বি.এফ.আর.এস) যাহা বাংলাদেশে প্রযোজ্য তাহা অনুসরন করে আর্থিক বিবরনী প্রস্তুত করা হয়েছে এবং কোথাও কোন ব্যাত্যয় থাকলে তাহা যথাযথ ভাবে প্রকাশ করা হয়েছে।

১৫. অভ্যন্তরীন নিয়ন্ত্রন ব্যবস্থা সুসংহত ও কার্যকর ভাবে বাস্তবায়ন ও পর্যবেক্ষন করা হয়েছে।

১৬. কোম্পানীর চলমান অস্তিত্বের সামর্থ্যের ক্ষেত্রে কোনরূপ তাৎপর্যপূর্ণ সন্দেহের অবকাশ নাই ।

১৭. গত বৎসরের পরিচালনগত ফলাফলের সহিত চলতি বৎসরের ব্যবধানঃ

চলতি বৎসরে বিক্রয় হ্রাস পেয়েছে কিন্তু পরিচালনার দক্ষতা বৃদ্ধির ফলে মোট লাভের অনুপাত এবং পরিচালন গত লাভের অনুপাত বৃদ্ধি পেয়েছে।

১৮. পূর্ববর্তী পাঁচ বছরের মূখ্য পরিচালন এবং আর্থিক উপাত্তঃ

"সংখ্যা হাজার টাকায়"

বিবরন	২০১৬-১৭	২০১৫-১৬	২০১৪-১৫	২০১৩-১৪	২০১২-১৩	২০১১-১২
পরিচালন তথ্য:						
বিক্রয়	১,৬৪২,৭৭২	২,০৩১,৯৪৭	২,৭৫১,৭৮০	৩,৮৪৪,৬৮১	৩,৩০৫,৭১৭	৩,৯৩৩,৩৪৬
মোট মুনাফা	১৯৫,৮০৮	১৯১,৫২১	২১৯,৬২৭	২৯৭,৮৭৮	৩৫৭,৩৭৫	৩০৩,৫১৭
পরিচালন মুনাফা/লোকসান	৪,৪৭০	(২০,৮০০)	(৫৩,৫২৫)	৩১,৩১৯	২০,৬৬৪	১৮,৭৩৫
করপুর্ব মুনাফা	২৭,০৩৭	৯,২৭৮	১২৩,৮১৪	৬৬,৮৫৮	৬২,৩৬৭	৪৬,৭০৪
করপরবর্তী মুনাফা/লোকসান	৮,৯২০	(১৩,২২৯)	৮৪,৮৪৩	১৭,০৪১	১৪,৪৯৪	১৫,৪৩৪
শেয়ার প্রতি আয়	১.৫৬	(২.৩২)	১৪.৮৮	২.৯৯	২.৫৪	২.৭১
প্রতি শেয়ারের জন্য লভ্যাংশ	২.০০	২.০০	২.০০	২.০০	১.৮০	১.৮০
আর্থিক তথ্য:						
মোট সম্পদ	১,৭৫৮,৫০২	১,৫৪৫,৫১০	১,৭৭৯,৯৪৭	১,৬৯৩,০২৯	১,৭৫৮,৬৫৩	১,৫৭১,৪১৫
সমপত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-মোট	৬৯১,৮৬৬	৬৮৪,৬৪৩	৬৭৮,৩০৬	৬৫৯,৯৬৭	৬০৩,৪৬৫	৫৫৯,৩৮৪
সমপত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-নীট	১১৩,০৭৮	১৩১,৩০৫	১৫৫,০১৭	১৭১,৯৬৩	১৫৪,৪২১	১৪৭,৪০৯
মোট চলতি মূলধন	১,৩৭২,৯৬৮	১,১৮৫,৫৮০	১,৪৪৯,২৪০	১,৩২০,৩৩০	১,৪০৮,৫৫৩	১,২২২,৩৬৯
নীট চলতি মূলধন	২৯৫,০৬০	৩০২,৪৭৯	৩৪৪,৪৭৬	২৭৯,৩৬৮	২৮০,২৬০	৩৪৪,৮৯৫
চলতি মূলধন ঋণ	৭৬৮,৮৭১	৭১২,৮৬১	৭৯৪,২৭০	৭৩৩,৮৮৪	৭৭৮,৩২৮	৭৬৬,০২৪
শেয়ার মূলধন	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪	৫৭,০২৪
শেয়ার প্রিমিয়াম	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮	২০৯,০৮৮
সংরক্ষন এবং উদ্বৃত্ত	১৯০,৩৩১	১৯২,৮১৬	২২৫,৯৩১	১৫২,৪৯৪	১৪৫,৭১৭	১৪১,৩৯২
শেয়ার মালিকদের ইকুইটি	৬৫৬,৩২২	৬১৯,৩৫৯	৬২২,৪৮৩	৫৬২,০৫২	৫১৭,৮৫৯	৫৫১,৪৪১
দীর্ঘ মেয়াদী ঋণ	২২,৫০০	৫২,৫০০	৮২,৫০০	১২০,০০০	১৭৮,৩১৭	১৫৬,৬৮৭

১৯. লভ্যাংশ:

কোম্পানীর পরিচালকমন্ডলী ২০১৬-১৭ হিসাব বৎসরে প্রতি ১০/- (দশ) টাকার শেয়ারের জন্য ২.০০ টাকা হারে নগদ লভ্যাংশ প্রদানের সুপারিশ করেছেন । এই বার্ষিক সাধারণ সভায় আপনাদের অনুমোদন সাপেক্ষে সেই সমস্ত শেয়ারহোল্ডারদের লভ্যাংশ প্রদান করা হবে যাদের নাম কোম্পানীর সদস্য বহিতে অথবা ডিপোজেটরিতে নভেম্বর ১৫, ২০১৭ ইং তারিখে কার্য সমাপ্ত সময়ে অর্ন্তভূক্ত থাকবে ।

২০. বোর্ডের সভা

এ বৎসর বোর্ডের ৫ (পাঁচ) টি সভা অনুষ্ঠিত হয়েছে । পরিচালকগণের উপস্থিতির তালিকা নিম্নে প্রদত্ত হল:

পরিচালকবৃন্দের নাম	সভায় উপস্থিতি
জনাব জাফর আহমেদ	০৫
জনাব জহুর আহমেদ পিএইচডি	০৫
জনাব শাহরিয়ার আহমেদ	০৫
জনাব অসীম কুমার বড়ুয়া	০৫
জনাব কাজী ফারুক কাদের	০৫

২১. শেয়ারহোল্ডিংস সংক্রান্ত বিবরণঃ

নাম অনুসারে বিবরণ		শেয়ার সংখ্যা
ক) প্যারেন্ট/ সাবসিডিয়ারী/ এসোসিয়েটেড কোম্পানী এবং অন্যান্য সম্পর্কিত পার্টিসমুহঃ		
এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড		১৬৯,২৫০
এপেক্স ল্যানজারী লিমিটেড		১০,৮০০
খ) পরিচালকবৃন্দ,প্রধান নির্বাহী কর্মকর্তা, কোম্পানী সচিব,প্রধান অর্থ কর্মকর্তা, অভ্যন্তরীন নিরীক্ষাপ্রধানঃ		
জনাব জাফর আহমেদ	পরিচালক	১,৩২০,৫৩০
জনাব জহুর আহমেদ পিএইচডি	পরিচালক	১৬০,৭৪০
জনাব শাহরিয়ার আহমেদ	পরিচালক	৫৬৩,৪৩০
জনাব অসীম কুমার বড়ুয়া	পরিচালক	৭,৫০০
জনাব কাজী ফারুক কাদের	স্বতন্ত্র পরিচালক	-
জনাব এস. কে. হালদার	প্রধান অর্থ কর্মকর্তা	-
জনাব আশীষ কুমার পাল এফসিএ	অভ্যন্তরীন নিরীক্ষাপ্রধান	-
জনাব কামরুল ইসলাম	সহকারী কোম্পানী সচিব	-
গ) **উর্ধ্বতন করপোরেট নির্বাহীগণ**		
জনাব মমিন উদ্দিন আহমেদ খান- নির্বাহী পরিচালক		২,৪৫০
ঘ) **কোম্পানীতে ১০ শতাংশ অথবা তার চেয়ে বেশী ভোটের অধিকারী শেয়ারহোল্ডারঃ**		
জনাব জাফর আহমেদ		১,৩২০,৫৩০
জনাবা শওকত আরা আহমেদ		৮২৩,০০০

২২. কোম্পানীর পরিচালকবৃন্দের নিয়োগ/পুনঃ নিয়োগঃ

আমি জাফর আহমেদ এবং জনাব অসীম কুমার বড়ুয়া কোম্পানীর সংঘবিধি মোতাবেক বোর্ড থেকে পদত্যাগ করছি এবং যোগ্য বিধায় পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করছি। আমার এবং জনাব অসীম কুমার বড়ুয়া এর বিস্তারিত বিবরণ নিম্নরূপঃ

জাফর আহমেদ ঃ

ক) আমি জাফর আহমেদ ঢাকা বিশ্ববিদ্যালয় থেকে অর্থনীতিতে স্নাতোকত্তর ডিগ্রী নিয়েছি। আমি যুক্তরাষ্ট্রের ফুড এন্ড ড্রাগ এডমিনিষ্ট্রেশন থেকে ট্রেনিং নিয়েছি। আমি এই কোম্পানীর একজন উদ্যোক্তা পরিচালক এবং আমি এই শিল্প খাতে ১৯৭৯ সন থেকে কাজ করে আসিতেছি । আমি বর্তমানে এই কোম্পানীর চেয়ারম্যান।

খ) এই শিল্পে যোগদান করা থেকে এ পর্যন্ত এ শিল্প খাতে গভীর জ্ঞান অর্জন করেছি এবং আমি বাংলাদেশের একজন হিমায়িত খাদ্য বিশেষজ্ঞ।

গ) আমি এই কোম্পানী ছাড়াও (১) এপেক্স স্পিনিং এন্ড নীটিং মিলস লিমিটেড, (২) এপেক্স ল্যানজারি লিমিটেড, (৩) এপেক্স ইয়ার্ন ডাইং লিমিটেড, (৪) এপেক্স টেক্সটাইল প্রিন্টিং মিলস্ লিমিটেড (৫) এপেক্স ফ্যাশন ওয়্যার লিমিটেড ও (৬) ম্যাটেক্স বাংলাদেশ লিমিটেড-এর পরিচালক পদে নিযুক্ত আছি।

ঘ) বর্তমানে আমি বোর্ডের কোন কমিটির সদস্য নই।

জনাব অসীম কুমার বড়ুয়া ঃ

ক) জনাব অসীম কুমার বড়ুয়া, ঢাকা বিশ্ববিদ্যালয় থেকে স্নাতোকত্তর ডিগ্রী অর্জন করেন। ১৯৮২ সালে তিনি এই কোম্পানীতে যোগদান করেন। তিনি ১৯৮২ সাল থেকে এই শিল্প খাতে কাজ করিতেছেন। এই দীর্ঘ সময়ে তিনি এই শিল্প খাতে গভীর জ্ঞান অর্জন করেছেন। তিনি এখন এই কোম্পানীর পরিচালক হিসাবে কাজ করছেন।

খ) এই শিল্পে যোগদান করা থেকে এ পর্যন্ত এ শিল্প খাতে তিনি কোম্পানী পরিচালনার জন্য গভীর জ্ঞান অর্জন করেছেন।

গ) তিনি অন্য কোন কোম্পানীর পরিচালক পদে নিযুক্ত নেই।

ঘ) বর্তমানে জনাব অসীম কুমার বড়ুয়া অডিট কমিটির একজন সদস্য।

২৩. নিরীক্ষকঃ

অবসর গ্রহনকারী নিরীক্ষক মালেক সিদ্দিকী ওয়ালী, চার্টার্ড এ্যাকাউন্ট্যান্টস্ যোগ্য বিধায় ২০১৭-২০১৮ হিসাব বৎসরের জন্য পুনঃ নিরীক্ষক হিসাবে নিয়োগের জন্য প্রস্তাব ও আবেদন করেছেন।

২৪. কর্পোরেট গভর্নেন্স কমপ্লায়েন্স প্রতিবেদনঃ

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের চাহিদা অনুয়ায়ী কর্পোরেট গভর্নেন্স প্রতিবেদন সংযুক্ত করা হলো।

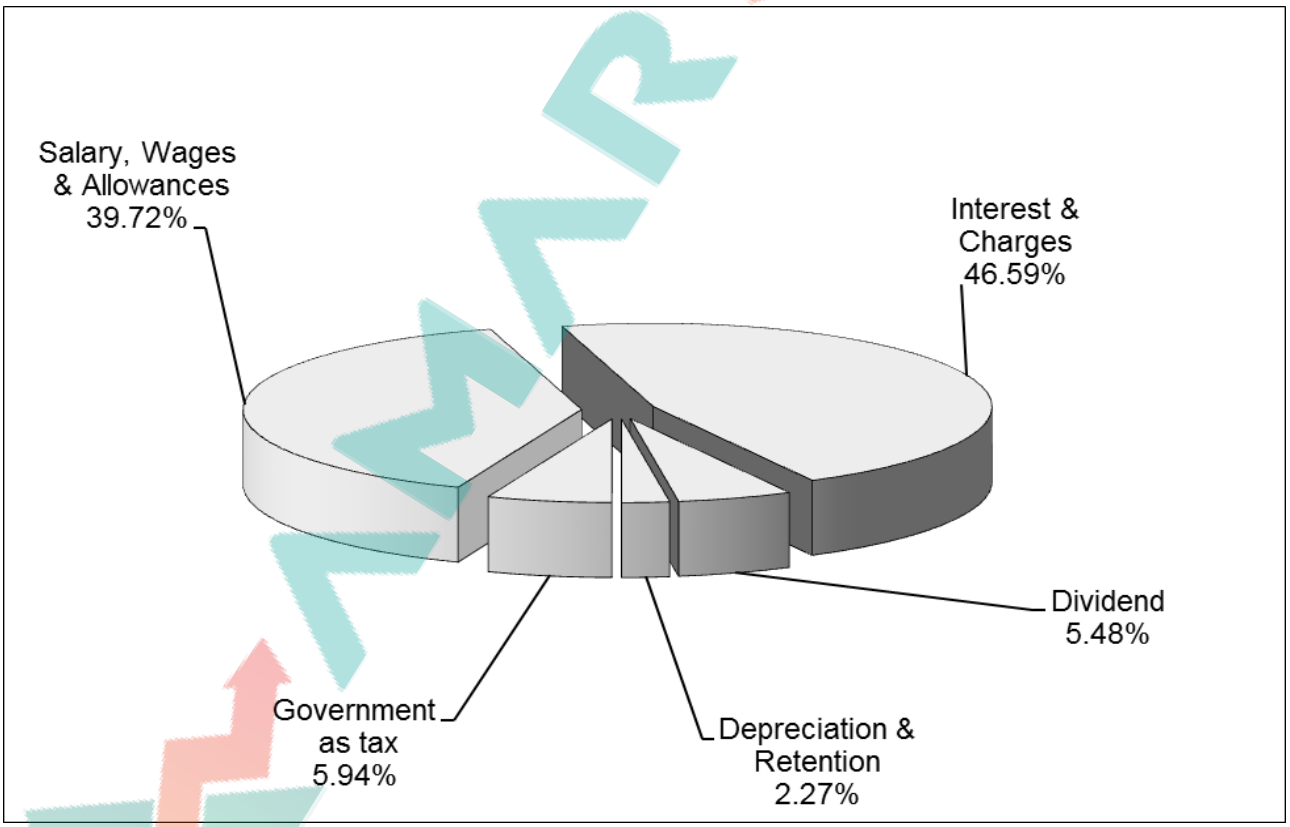
ঢাকা
১৯ অক্টোবর, ২০১৭

বোর্ডের পক্ষে
স্বা/-
জাফর আহমেদ
সভাপতি

AMAR STOCK

VALUE ADDED STATEMENT

PARTICULARS	2016-17	%	2015-16	%
VALUE ADDED				
Revenue	1,642,772,107		2,031,946,945	
Less: Bought in Materials & Services	1,434,697,194		1,847,651,058	
	208,074,913		**184,295,887**	
APPLICATIONS				
Government as Tax	12,364,420	5.94	15,076,201	8.18
Employees as Salary Wages & Allowances	82,642,057	39.72	78,649,465	42.67
Providers of Loan as Interest & Charges	96,935,681	46.59	96,886,161	52.57
Providers of Capital as Dividend	11,404,800	5.48	11,404,800	6.19
Depreciation & Retention	4,727,955	2.27	(17,720,740)	(9.61)
	208,074,913	**100.00**	**184,295,887**	**100.00**



Independent Auditors' Report
to the Shareholders of
APEX FOODS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Apex Foods Limited ("the Company") which comprise the statement of financial position as at 30 June 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRS), other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Apex Foods Limited as at 30 June 2017, and of its financial performance and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and we also report the following:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;

c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

d) the expenditure incurred was for the purposes of the Company's business.

Dated; Dhaka
October 19, 2017

Sd/-
Malek Siddiqui Wali
Chartered Accountants

STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE, 2017

Value in Taka

	NOTES	30.06.2017	30.06.2016
ASSETS			
Non-Current Assets:		**385,533,816**	**359,930,252**
Property, Plant and Equipment	**6**	113,077,574	131,304,818
Investments	**7**	267,337,626	223,506,818
Security Deposits	**8**	5,118,616	5,118,616
Current Assets:		**1,372,967,720**	**1,185,579,929**
Inventories	**9**	879,429,665	658,163,316
Trade Receivables	**10**	62,374,483	38,621,067
Advance, Deposits & Prepayments	**11**	39,858,786	21,433,041
Other Receivables	**12**	161,028,170	130,296,148
Short Term Investments	**13**	224,137,880	326,190,639
Cash & Cash Equivalents	**14**	6,138,736	10,875,718
TOTAL ASSETS		**1,758,501,536**	**1,545,510,181**
EQUITY AND LIABILITIES			
Shareholders' Equity:		**656,321,873**	**619,359,418**
Share Capital	**15**	57,024,000	57,024,000
Share Premium	**16**	209,088,000	209,088,000
Reserve and Surplus	**17**	190,330,694	192,815,966
Fair Valuation Surplus of Investments	**18**	199,879,179	160,431,452
Non-Current Liabilities:		**24,272,437**	**43,049,666**
Deferred Tax Liabilities	**19**	24,272,437	20,549,666
Long Term Loan		-	22,500,000
Current Liabilities:		**1,077,907,226**	**883,101,097**
Working Capital Loan (Secured)	**20**	768,870,623	712,860,848
Long Term Loan-Current Maturity	**21**	22,500,000	30,000,000
Short Term Loan	**22**	96,450,532	65,871,088
Trade Payables	**23**	104,521,999	27,740,829
Other Payables	**24**	39,356,388	20,428,089
Current Tax Liability	**25**	38,760,024	19,982,054
Other Liabilities	**26**	7,447,660	6,218,189
Total Liabilities		**1,102,179,663**	**926,150,763**
TOTAL EQUITY AND LIABILITIES		**1,758,501,536**	**1,545,510,181**
Net Asset Value Per Share		**115.10**	**108.61**

Annexed notes form an integral part of these Financial Statements.

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S. K. Halder
Chief Financial Officer

Signed in terms of our report of even date.

Dated; Dhaka
October 19, 2017

Sd/-
Malek Siddiqui Wali
Chartered Accountants

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE, 2017

Value in Taka

	NOTES	2016-17	2015-16
REVENUE	**27**	**1,642,772,107**	**2,031,946,945**
Cost of goods sold	**28**	(1,446,964,520)	(1,840,425,960)
GROSS PROFIT		**195,807,587**	**191,520,985**
OPERATING EXPENSES:		**(191,338,044)**	**(212,321,398)**
Administrative & selling overhead	**32**	(94,402,363)	(115,435,237)
Financial expenses	**33**	(96,935,681)	(96,886,161)
OPERATING PROFIT/(LOSS)		**4,469,543**	**(20,800,413)**
Other income	**34**	**23,990,656**	**30,566,537**
PROFIT BEFORE PPF & WF		**28,460,199**	**9,766,124**
Provision for contribution to PPF & WF	**35**	(1,423,010)	(488,306)
PROFIT BEFORE TAX		**27,037,189**	**9,277,818**
Tax expenses:	**36**	**(18,117,661)**	**(22,506,400)**
Current tax		(18,777,970)	(19,982,054)
Deferred tax (expenses)/income		660,309	(2,524,346)
NET PROFIT/(LOSS) AFTER TAX		**8,919,528**	**(13,228,582)**
Other comprehensive income:			
Fair valuation surplus/(deficit) of investment	**18**	**39,447,727**	**43,035,502**
Fair valuation surplus/(deficit) during the year		43,830,808	47,817,224
Less: Deferred tax		(4,383,081)	(4,781,722)
TOTAL COMPREHENSIVE INCOME		**48,367,255**	**29,806,920**
Basic Earnings Per Share (EPS)	**37**	**1.56**	**(2.32)**

Annexed notes form an integral part of these Financial Statements.

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S. K. Halder
Chief Financial Officer

Signed in terms of our report of even date.

Dated; Dhaka
October 19, 2017

Sd/-
Malek Siddiqui Wali
Chartered Accountants

AMAR STOCK

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2017

Value in Taka

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 30th June 2016	**57,024,000**	**209,088,000**	**51,162,905**	**141,046,061**	**607,000**	**160,431,452**	**619,359,418**
Net profit after tax of 2016-17	-	-	-	8,919,528	-	-	8,919,528
Final dividend for the year 2015-16	-	-	-	(11,404,800)	-	-	(11,404,800)
Fair valuation surplus/(deficit) of Investments	-	-	-	-	-	39,447,727	39,447,727
As at 30th June 2017	**57,024,000**	**209,088,000**	**51,162,905**	**138,560,789**	**607,000**	**199,879,179**	**656,321,873**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2016

Value in Taka

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 30th June 2015	**57,024,000**	**209,088,000**	**51,162,905**	**174,161,476**	**607,000**	**130,439,944**	**622,483,325**
Net profit after tax of 2015-16	-	-	-	(13,228,582)	-	-	(13,228,582)
Final dividend for the year 2014-15	-	-	-	(11,404,800)	-	-	(11,404,800)
Fair valuation surplus/(deficit) of Investments	-	-	-	-	-	43,035,502	43,035,502
Prior years' adjustment	-	-	-	(8,482,033)	-	(13,043,994)	(21,526,027)
As at 30th June 2016	**57,024,000**	**209,088,000**	**51,162,905**	**141,046,061**	**607,000**	**160,431,452**	**619,359,418**

Annexed notes form an integral part of these Financial Statements.

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S. K. Halder
Chief Financial Officer

Signed in terms of our report of even date.

Dated; Dhaka
October 19, 2017

Sd/-
Malek Siddiqui Wali
Chartered Accountants

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2017

Value in Taka

	2016-17	2015-16
CASH FLOWS FROM OPERATING ACTIVITIES:		
Collection from revenue	1,619,018,691	1,993,325,878
Other income	26,935,597	31,201,552
Interest and other financial charges paid	(96,935,681)	(104,269,910)
Income tax paid	(16,888,486)	(23,488,428)
Payment for costs and expenses	(1,677,933,693)	(1,763,403,057)
Net cash generated from /(used in) operating activities (a)	**(145,803,572)**	**133,366,035**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property, plant and equipment acquired	(7,400,059)	(6,040,612)
Short term investments	102,052,759	(12,183,964)
Net cash generated from/(used in) investing activities (b)	**94,652,700**	**(18,224,576)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Working capital loan received/(repaid)	56,009,775	(81,409,156)
Long term loan received/(repaid)	(30,000,000)	(30,000,000)
Short term loan received/(repaid)	30,579,444	13,243,711
Dividend paid	(10,175,329)	(10,418,696)
Net cash generated from/(used in) financing activities (c)	**46,413,890**	**(108,584,141)**
Net increase/(decrease) in cash and cash equivalents(a+b+c)	(4,736,982)	6,557,318
Cash and cash equivalents on opening	10,875,718	4,318,400
Cash and cash equivalents on closing	**6,138,736**	**10,875,718**
Net operating cash flows per share	**(25.57)**	**23.39**

Annexed notes form an integral part of these Financial Statements.

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S. K. Halder
Chief Financial Officer

Signed in terms of our report of even date.

Dated; Dhaka
October 19, 2017

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Chartered Accountants

- There was significant variance in net operating cash flows as compared to the last year. The Net Operating Cash Flow per Share is Tk. (25.57) but it was Tk. 23.39 in 2015-16 which is mainly for decrease in revenue, increase in inventory, increase in trade receivables and decrease in other income. This scenario changeable time to time depending on different issues.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2017 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 on 21.03.1979. Shares of the Company are listed in the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

1.02 Address of Registered Office and Factory:

The Registered Office is located at Rupayan Golden Age (5th & 6th Floor), 99 Gulshan Avenue, Gulshan, Dhaka-1212 and the Factory is located at 51-B Shagarika Road, Fouzderhat Industrial Estate, Pahartali, Chittagong.

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 Financial Statements have been prepared under the Historical Cost Convention and Going Concern basis in accordance with applicable Bangladesh Accounting Standards 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 Bangladesh Accounting Standards (BAS):

The following BASs are applicable for the financial statements for the year under review:

BAS-1	Presentation of financial statements
BAS-2	Inventories
BAS-7	Statement of Cash Flows
BAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS-10	Events after the Reporting Period
BAS-12	Income Taxes
BAS-16	Property, Plant and Equipment
BAS-18	Revenue
BAS-21	The Effects of Changes in Foreign Exchange Rates
BAS-23	Borrowing Costs
BAS-24	Related Party Disclosures
BAS-32	Financial Instruments: Presentation
BAS-33	Earnings Per Share
BAS-36	Impairment of Assets
BAS-37	Provisions, Contingent Liabilities and Contingent Assets
BAS-39	Financial Instruments: Recognition and Measurement

2.03 Compliance with local laws:

The 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 Rule 1984, The VAT Act 1991, VAT Rule 1991 and other relevant local laws and rules.

2.04 Compliance with Bangladesh Accounting Standards (BAS):

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

3. Significant Accounting Policy:

3.01 Property, Plant and Equipment:

These are stated at historical cost less accumulated depreciation in accordance with BAS 16 "Property, Plant and Equipment".

3.01(i) Depreciation on Property, Plant and Equipment:

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of BAS 16: Property, Plant and Equipment. Depreciation is provided for the period in use of the assets. Depreciation is calculated on the cost of fixed assets in order to write off such amounts over the estimated useful lives of such assets. Depreciation has been charged on additions made during the year from the month in which those assets are ready to use. Depreciation is charged on all fixed assets except land at the following rates on reducing balance basis over the periods appropriate to the estimated useful lives of the different types of assets:

The rates of depreciation of each class of assets are as follows:

Factory Building	20 %
Plant & Machinery	20 %
Factory Equipment	20 %
Furniture & Fixtures	10 %
Office Equipment	20 %
Motor Vehicles	20 %
Crockeries	20 %

3.01(ii) Disposal of Property, Plant and Equipment:

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and sales proceeds. There was no disposal of any Property, Plant and Equipment during the year 2016-17.

3.02 Inventories:

Inventories in hand have been valued at lower of cost and net realizable value in accordance with BAS 2 "Inventories" after making due allowance for any obsolete or slow moving items.

3.03 Taxation:

Provision for income tax has been made as per requirements of the Income Tax Ordinance, 1984 and Income Tax Rule, 1984.

3.04 Income Tax:

The Company is a Publicly Traded Company, as per the Income Tax Ordinance, 1984. Since the Company is a 100% export oriented Sea Food Processing Industry, the tax provision has been made based on the highest of 25% on business profit or tax deducted at source @ 0.70% on export proceeds or tax on gross receipts and provision has been made accordingly. However, the tax provision has been made @ 25% on interest earned and 20% on dividend income as per provision of the Income Tax Ordinance, 1984.

3.05 Deferred Tax:

Deferred tax assets or deferred tax liabilities have been accounted for in accordance with BAS 12 “Income Taxes”. Deferred tax arises due to temporary difference, deductible or taxable for the events or transactions recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/reported amount in the financial statement. Deferred tax asset or liability is the amount of income tax payable or recoverable in future period(s) recognized in the current period. The deferred tax asset/income or liability/expense does not create a legal liability/recoverability to and from the Income Tax Authority.

3.06 Trade Receivables:

Export bills receivables are stated at the original invoice value.

3.07 Payables and Accrued Expenses:

Liabilities are recognized for amounts to be paid in future for goods and services received whether or not billed by the suppliers.

3.08 Earnings Per Share:

The Company calculates Earnings Per Share (EPS) in accordance with BAS 33 “Earnings Per Share” which has been shown on the face of statement of profit or loss and other comprehensive income and the computation of EPS is stated in Note 37.

3.08(i) Basic Earnings:

This represents earnings for the year attributable to ordinary shareholders. There was no preference dividend and minority interest. The net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

3.08(ii) Weighted Average Number of Ordinary Shares Outstanding During The Year:

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days the specific shares is outstanding as a proportion of the total number of days in the period.

3.08(iii) Basic Earnings Per Share:

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

3.08(iv) Diluted Earnings Per Share:

No diluted EPS is required to be calculated for the year, as there was no scope for dilution during the year under review.

3.09 Statement of Cash Flows:

Statement of Cash Flows has been prepared in accordance with BAS 7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method as required by the Securities and Exchange Rules, 1987 and considering the provisions of paragraph 19 of BAS 7 which provides that "Entities are Encouraged to Report Cash Flows from Operating Activities using the Direct Method".

3.10 Foreign Exchange:

Foreign currencies are converted into Bangladesh Taka at the rates ruling on the date of transaction and the balance in hand at the close of the business, at the rate prevailing on the Balance Sheet date in accordance with BAS 21 "The Effects of Changes in Foreign Exchange Rates". The Closing conversion rate of USD was Tk. 80.10.

3.11 Revenue Recognition:

Exports are made against confirmed L/C and firm contracts. The sale proceeds are accounted for upon shipments and after satisfying all the conditions for revenue recognition as provided in BAS 18 "Revenue".

3.12 Employee Benefit Obligations:

The Company operates a contributory provident fund and a Group insurance scheme for its permanent employees. A Board of Trustee administrates the provident fund.

3.13 Contribution to PPF & WF:

This is being calculated at 5% of the net profit before charging such contribution provided as per provisions of the Bangladesh Labor Law 2006 and is payable to workers' as defined in the said Act.

3.14 Risk and uncertainties for use of estimates in preparation of financial statements:

Preparation of Financial Statements in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as long term contracts, depreciation and amortization, employees benefit plans, taxes, reserves and contingencies.

4. Financial Risk Management:

The company management has overall responsibility for the establishment and oversight of the company's risk management frame-work. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risk from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

4.01 Credit risk:

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument falls to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financial assets, i.e. cash at bank and other external receivable are nominal.

4.02 Liquidity risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (Short term investments, cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient short term investments, cash and cash equivalents to meet expected operational expenses, including financial obligation through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

In extreme stressed conditions, the company may get support from the related company in the form of short term financing but till to date this was not required as the Company has not faced such a situation.

4.03 Market risk:

Market risk is the risk that any change in market prices such as foreign exchange rates and interest will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(a) Currency risk:

As at 30th June 2017 there was no exposure of currency risk which significantly affected the foreign currency transactions made during the year under review.

(b) Interest rate risk:

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no such foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

5. Others:

5.01 Comparative information:

Comparative information have been disclosed in respect of the year 2015-16 for all numerical information of the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period’s financial statements.

Last year's figures have been rearranged where considered necessary to conform to current year’s presentation.

5.02 Reporting currency and level of precision:

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded-off to nearest Taka.

5.03 Reporting period:

Financial Statements of the Company cover one financial year from 1st July to 30th June.

5.04 Components of the Financial Statements:

The Financial Statements include the following components as per BAS 1 "Presentation of Financial Statements".

i) Statement of Financial Position as at 30th June, 2017.
ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2017.
iii) Statement of Changes in Equity for the year ended 30th June, 2017.
iv) Statement of Cash Flows for the year ended 30th June, 2017.
v) Notes to the Financial Statements.

AMAR STOCK

6. PROPERTY, PLANT AND EQUIPMENT: TK. 113,077,574

SL NO.	PARTICULAR	COST			RATE %	DEPRECIATION			W.D.V. as at 30.06.17
		Balance as at 01.07.16	Addition during the year	Balance as at 30.06.17		Balance as at 01.07.16	For the year	Balance as at 30.06.17	
1	Land & Land Development	3,392,470	-	3,392,470		-	-	-	3,392,470
2	Factory Building	95,737,037	49,072	95,786,109	20	78,912,141	3,373,555	82,285,696	13,500,413
3	Plant & Machinery	502,223,855	5,596,286	507,820,141	20	405,341,007	19,592,357	424,933,364	82,886,777
4	Factory Equipment	36,482,893	644,290	37,127,183	20	30,103,264	1,329,118	31,432,382	5,694,801
5	Furniture & Fixtures	14,307,150	313,800	14,620,950	10	9,358,754	511,708	9,870,462	4,750,488
6	Office Equipment	15,266,831	617,300	15,884,131	20	13,226,123	476,457	13,702,580	2,181,551
7	Motor Vehicles	16,945,243	-	16,945,243	20	16,173,533	154,342	16,327,875	617,368
8	Crockeries	287,237	2,650	289,887	20	223,076	13,105	236,181	53,706
	Total	**684,642,716**	**7,223,398**	**691,866,114**		**553,337,898**	**25,450,642**	**578,788,540**	**113,077,574**

Charged to:

Factory Overhead	24,295,031
Administrative & selling overhead	1,155,611
	25,450,642

PROPERTY, PLANT AND EQUIPMENT FOR 2015-16

SL NO.	PARTICULAR	COST			RATE %	DEPRECIATION			W.D.V. as at 30.06.16
		Balance as at 01.07.15	Addition during the year	Balance as at 30.06.16		Balance as at 01.07.15	For the year	Balance as at 30.06.16	
1	Land & Land Development	3,392,470	-	3,392,470		-	-	-	3,392,470
2	Factory Building	94,121,823	1,615,214	95,737,037	20	74,993,059	3,919,082	78,912,141	16,824,896
3	Plant & Machinery	498,068,022	4,155,833	502,223,855	20	382,004,101	23,336,906	405,341,007	96,882,848
4	Factory Equipment	36,021,109	461,784	36,482,893	20	28,567,032	1,536,232	30,103,264	6,379,629
5	Furniture & Fixture	14,284,162	22,988	14,307,150	10	8,810,367	548,387	9,358,754	4,948,396
6	Office Equipment	15,188,161	78,670	15,266,831	20	12,726,626	499,497	13,226,123	2,040,708
7	Motor Vehicles	16,945,243	-	16,945,243	20	15,980,605	192,928	16,173,533	771,710
8	Crockeries	284,829	2,408	287,237	20	207,129	15,947	223,076	64,161
	Total	**678,305,819**	**6,336,897**	**684,642,716**		**523,288,919**	**30,048,979**	**553,337,898**	**131,304,818**

Charged to:

Factory Overhead	28,792,220
Administrative & selling overhead	1,256,759
	30,048,979

	30.06.2017	30.06.2016
7. INVESTMENTS: TK. 267,337,626		
In Shares:		
Apex Spinning & Knitting Mills Limited (2,263,200 Shares of Tk. 10.00 each)	253,319,976	209,889,168
Apex Weaving & Finishing Mills Limited (2,000,000 Shares of Tk. 10.00 each)	11,400,000	11,000,000
Amam Sea Food Industries Limited (10,482 Shares of Tk. 100.00 each at par)	1,048,200	1,048,200
Central Depositary Bangladesh Limited (571,181 Shares of Tk. 10/- each including 414,236 Bonus Shares and 56,945 Right Shares @ Tk. 10/- each)	1,569,450	1,569,450
	267,337,626	**223,506,818**

Market Price of Listed Companies Shares (As on 30.06.17)

Apex Spinning & Knitting Mills Ltd. (Last trade date 29.06.2017)	111.93	92.74
Apex Weaving & Finishing Mills Ltd. (Last trade date 14.06.2017)	5.70	5.50
Amam Sea Food Industries Ltd. (Last trade date 24.02.2009)	220	220

- Investments in shares of Apex Spinning & Knitting Mills Limited and Apex Weaving & Finishing Mills Limited have been valued at market price on 30.06.2017 as per BAS 39.
- As the shares of Amam Sea Food Industries Limited have not traded during the year under review and the last trade date was on 24.02.2009, the price has been shown at face value.
- Investment in Apex Weaving & Finishing Mills Ltd. is under litigation. As the issue is under litigation, no dividend has yet been accounted for.

	5,118,616	5,118,616
8. SECURITY DEPOSITS: TK. 5,118,616		

- Security Deposits are made to statutory bodies and hence secured.

9. INVENTORIES: TK. 879,429,665

	Qty. in Kg.		
Shrimps (Finished Goods)	822,850	864,730,220	645,763,458
Packing Materials	-	10,134,908	9,250,947
Chemical & Ingredients		4,564,537	3,148,911
	822,850	**879,429,665**	**658,163,316**

- The above Inventories are as per physical checking made, valued and certified by the Internal Auditors and Management.
- Inventories in hand have been valued at lower of cost and net realizable value.
- The Company is availing working capital loan facilities against pledge of finished goods.

10. TRADE RECEIVABLES: TK. 62,374,483		
Export Bills Receivable	**62,374,483**	**38,621,067**

- There was no foreign exchange gain or loss as the export bills are negotiated with the Agrani Bank Limited on the date of B/L received.
- The ageing of the trade receivables are maximum 25 (Twenty five) days and these are considered good and subsequently realized in full.

	30.06.2017	**30.06.2016**

11. ADVANCES, DEPOSITS AND PREPAYMENTS: TK. 39,858,786

Advance against expenses	379,937	141,921
Staff Advance	4,000	-
Prepayments	2,488,229	1,863,070
Advance Income Tax	36,316,536	19,428,050
Bank Guarantee margin	429,084	-
L/C margin with Agrani Bank Limited	241,000	-
	39,858,786	**21,433,041**

- Advance against expenses and staff advance are adjusted regularly and considered good.
- Prepayments and Advance Income Tax are made to statutory bodies and hence secured.
- No amount was due by the Directors and other officers of the Company or by associated undertaking.

12. OTHER RECEIVABLES: TK. 161,028,170

Insurance Claim Receivable	16,254,727	16,254,727
Cash Incentive Receivable	137,966,130	104,289,167
FDR's Interest Receivable	6,807,313	9,752,254
	161,028,170	**130,296,148**

- Insurance Claim was receivable from Insurance Company against deterioration of stock because of machinery break down. Appropriate claim has been lodged with the Insurance Company in 1997. The claim is under litigation and pending with the High Court Division.
- Cash incentive receivable represents the amount receivable from Bank against cash incentive. The amount will be received from the Bangladesh Bank through Agrani Bank Limited.
- The ageing of the Cash incentive receivable are maximum 06 (Six) months.
- FDR's interest receivable represents the provision of interest receivable on FDR's up to 30.06.2017.

13. SHORT TERM INVESTMENTS: TK. 224,137,880

FDRs with Dhaka Bank Ltd., Foreign Exchange Br., Dhaka	202,537,880	304,590,639
FDRs with Agrani Bank Ltd., Agrabad Corporate Br., Chittagong	21,600,000	21,600,000
	224,137,880	**326,190,639**

- FDR's are made for more than six months.

14. CASH AND CASH EQUIVALENTS: TK. 6,138,736

Cash in Hand:		
Head Office	23,104	19,746
Factory Office	14,238	76,849
	37,342	**96,595**
Cash at Bank with:		
Agrani Bank Ltd., ESA A/C, Agrabad Corporate Br., Chittagong	27,826	91,159
Agrani Bank Ltd., FC A/C, Agrabad Corporate Br., Chittagong	1,100,256	6,903,271
Arab Bangladesh Bank Ltd., CD A/C, Principal Br., Dhaka	614,570	620,496
Eastern Bank Ltd., SND A/C Principal Branch, Dhaka	31,457	10,195
The Hongkong & Shanghai Banking Corporation, CD A/C Dhaka	67,312	98,251
The Hongkong & Shanghai Banking Corporation, CD A/C Dhaka	4,257,989	3,052,617
Dhaka Bank Ltd., CD A/C, Foreign Exchange Br., Dhaka	1,984	3,134
	6,101,394	**10,779,123**
	6,138,736	**10,875,718**

- Cash in hand was physically verified. All Bank balances were reconciled and confirmed by bank statements.

	30.06.2017	30.06.2016

15. SHARE CAPITAL: TK. 57,024,000

Authorized Capital:

15,000,000 Ordinary Shares of Tk. 10/= each	**150,000,000**	**150,000,000**
	=========	==========

Issued, Subscribed & Paid up Capital:

5,702,400 Ordinary Shares of Tk. 10/= each	**57,024,000**	**57,024,000**
	=========	=========

- There was no preference share issued by the Company.

Composition of Shareholdings (As on 30.06.2017):

Sponsors & Directors	38.96%	38.96%
Institutions	11.19%	7.30%
Public - Local	49.85%	53.74%
	----------	----------
	100.00%	**100.00%**
	=======	=======

The distribution showing the number of shareholders and their shareholdings in percentages are as follows:

No. of Share Holders	Range	Total Holdings	In %
2,583	Less than & equal 500 Shares	390,219	6.84
731	501 to 5,000 Shares	1,123,724	19.71
43	5,001 to 10,000 Shares	316,990	5.56
20	10,001 to 20,000 Shares	260,061	4.56
3	20,001 to 30,000 Shares	75,952	1.33
2	30,001 to 40,000 Shares	63,524	1.11
3	40,001 to 50,000 Shares	140,637	2.47
1	50,001 to 100,000 Shares	52,637	0.92
4	100,001 to 200,000 Shares	571,696	10.03
3	Over 200,000 Shares	2,706,960	47.47
--------		----------	---------
3,393		**5,702,400**	**100.00**
=====		========	=====

16. SHARE PREMIUM: TK. 209,088,000

	209,088,000	**209,088,000**
	==========	==========

- This represents premium of Tk. 1,100 per Share of 190,080 Right Shares of Tk. 100 each.

	30.06.2017	**30.06.2016**

17. RESERVE AND SURPLUS: TK. 190,330,694

- This represents the following:

Reserve for Re-investment	51,162,905	51,162,905
Retained Earnings	138,560,789	141,046,061
Capital Gain	607,000	607,000
	190,330,694	**192,815,966**

- Reserve for Re-Investment represents Tax Holiday Reserve made up to the Tax Holiday period of the Company as per requirements of the Income Tax Ordinance, 1984 and the capital gain represents the difference between sale proceeds less face value of Shares of Amam Sea Food Industries Limited in 2002-03. The reserve and surplus is utilized in the Company's business.

18. FAIR VALUATION SURPLUS OF INVESTMENTS: TK. 199,879,179

Opening Balance	**160,431,452**	**130,439,944**
Adjustment for fair valuation surplus/(deficit) during the year	43,830,808	47,817,224
Less: Deferred tax @10%	(4,383,081)	(4,781,722)
Fair valuation surplus/(deficit) during the year	**39,447,727**	**43,035,502**
Less: Prior years' adjustment for deferred tax	-	(13,043,994)
	199,879,179	**160,431,452**

- Fair valuation surplus/(deficit) of investments represents the difference between market value of the listed Company's shares (Apex Spinning & Knitting Mills Limited and Apex Weaving & Finishing Mills Limited) on the closing date and the cost price after adjustment of deferred tax.

19. DEFERRED TAX LIABILITIES: TK. 24,272,437

(a) Deferred tax liabilities on Fixed Assets	361,812	285,886
(b) Deferred tax liabilities on Interest Receivable	1,701,828	2,438,064
(c) Deferred tax liabilities on Fair valuation surplus	22,208,797	17,825,716
	24,272,437	**20,549,666**

- The provision for deferred tax (expenses)/income is made to pay/adjust future income tax liability/asset due to accumulated temporary differences. This has been raised mainly for fair valuation of Investment as per BAS 12. The details are given below:

(a) Deferred tax Liabilities for Fixed Assets:

Book value of depreciable assets	113,077,574	131,304,818
Tax base of depreciable assets	110,183,074	129,017,733
Net taxable temporary difference	2,894,500	2,287,085
Effective tax rate	12.50%	12.50%
Deferred tax (assets)/liabilities arising from depreciation	**361,812**	**285,886**

	30.06.2017	30.06.2016
(b) Deferred Tax liabilities for Interest receivable:		
Unrealized Interest on FDRs	6,807,313	9,752,254
Effective tax rate	25.00%	25.00%
Deferred tax (assets)/liabilities arising from FDRs interest	**1,701,828**	**2,438,064**
Deferred tax (assets)/liabilities (a+b)	**2,063,641**	**2,723,950**
Opening deferred tax balance of fixed assets & interest receivable	2,723,950	199,603
Deferred tax (expenses)/income arising from fixed assets & interest receivable	**660,309**	**(2,524,346)**
(c) Deferred tax liabilities on Investments:		
Unrealized gain on investments available for sale	43,830,808	47,817,224
Effective tax rate	10.00%	10.00%
Deferred tax (assets)/liabilities arising from investments	**4,383,081**	**4,781,722**
Opening deferred tax balance	17,825,716	13,043,994
Deferred tax (assets)/liabilities	**22,208,797**	**17,825,716**
Total deferred tax liabilities (a+b+c)	**24,272,437**	**20,549,666**

20. WORKING CAPITAL LOAN (SECURED): TK. 768,870,623

Against Hypothecation from Agrani Bank Limited, Agrabad Corporate Branch, Chittagong	153,577,376	96,789,488
Against Pledge of Finished Goods from Agrani Bank Ltd. Agrabad Corporate Branch, Chittagong	615,293,247	616,071,360
	768,870,623	**712,860,848**

- The Working Capital Loan was taken from Agrani Bank Limited, Agrabad Corporate Branch, Jahan Building, Agrabad C/A, Chittagong, which is fully secured against 1st charge on Land, Building, Plant & Machinery and all other Assets of the Company and Pledge of Finished Goods.

- The Company has Cash Credit facilities of Tk. 78.00 Crore (Hypothecation Tk. 18.00 Crore & Pledge of finished goods Tk. 60.00 Crore) which has been fully availed. Apart from this, the Company has no such other credit facilities. The Loan bears interest @ 10.50% p.a. from 01.07.2016 to 31.03.2017 and @ 9.93% p.a. from 01.04.2017 to 30.06.2017.

21. LONG TERM LOAN-CURRENT MATURITY: TK. 22,500,000

Long Term Loan	22,500,000	30,000,000
	22,500,000	**30,000,000**

- Long Term loan received from Agrani Bank Limited @ 8% interest rate p.a. and the above amount represents the current portion of long term loan liability payable in next twelve months.

22. SHORT TERM LOAN: TK. 96,450,532

Dhaka Bank Limited	96,450,532	65,871,088
	96,450,532	**65,871,088**

- Loan from Dhaka Bank Limited, Foreign Exchange Branch, Dhaka against lien on FDRs and the loan bear average interest @ 8.79% p.a.

	30.06.2017	**30.06.2016**

23. TRADE PAYABLES: TK. 104,521,999

Shrimp Purchased	**104,521,999**	**27,740,829**
	=========	=========

- Shrimps are purchased directly from the Shrimps cultivators i.e. the owner of the Gher and price are fixed after bargaining on the respective day of the purchase. All trade payables were paid in full subsequently.

24. OTHER PAYABLES: TK. 39,356,388

Advance against export	14,798,094	6,583,329
Audit Fees including VAT	230,000	172,500
Advertisement	10,800	-
Chemicals	101,177	6,290
Clearing & Forwarding	379,861	198,982
Consumable Stores	272,626	156,954
Contribution to PPF & WF	1,423,010	488,306
Directors Remuneration	750,000	-
Factory Building	-	50,000
Factory Equipment	-	120,300
Ice	1,612,614	868,000
Laboratory Expenses	-	20,300
License & Renewal Fees	63,863	3,450
Newspaper & Periodicals	3,090	3,760
Packing Materials	8,541,809	8,591,061
Plant & Machinery	393,760	400,122
Power, Fuel and Water	168,915	190,000
Printing & Stationery	2,200	5,860
Repairs (Factory Building)	172,875	35,180
Repairs (Machinery & Equipment)	1,168,509	540,738
Salary & Allowances	1,890,603	1,456,915
Sales Promotion Expenses	82,920	199,401
Sanitation Expenses	-	19,624
Shrimp Processing Ingredients	2,322,500	-
Staff Income Tax	64,500	56,448
Staff Welfare	182,500	113,093
Survey Fees & Inspection	173,000	24,600
TA & Conveyance	19,955	11,900
Telephone	16,465	20,300
Uniform & Liveries	46,575	-
Vehicle Maintenance	-	44,227
Wages & Salaries	4,464,167	46,449
	39,356,388	**20,428,089**
	========	========

- All other payables have been fully paid subsequently except PPF & WF and Audit Fees.

25. CURRENT TAX LIABILITY: TK. 38,760,024

Income tax liability	**38,760,024**	**19,982,054**
	========	========

- This represents the tax liability up to the year 2016-17. Assessments have been completed up to 2014-15 and assessment figures (Liability/Advance) has been adjusted with the Accounts. Assessment for the year 2015-16 is under process.

	30.06.2017	30.06.2016
26. OTHER LIABILITIES: TK. 7,447,660		
Unclaimed Dividend	**7,447,660**	**6,218,189**

- Unclaimed dividend represents the dividend warrants of Tk. 7,447,660/- not presented to Bank by the Shareholders within June 30, 2017. As on September 30, 2017 the payable amount was Tk. 7,432,801.80. The details of unclaimed dividend as on 30.06.2017 is as under:

Year	Taka
Up to 2012-13	4,381,613.00
2013-14	652,537.00
2014-15	957,347.90
2015-16	1,456,161.90
	7,447,659.80

			2016-17	2015-16
27. REVENUE: TK. 1,642,772,107				
	Qty. in Kg.	**US$**		
Export of Shrimps	1,941,368	20,910,995	1,642,772,107	2,031,946,945
	1,941,368	**20,910,995**	**1,642,772,107**	**2,031,946,945**

- Country wise break up of the Export for the year 2016-17:

Name of the Countries	Quantity in KG	USD
Angola	120,000	915,400
Belgium	351,350	4,441,014
Germany	21,600	293,850
Lebanon	12,822	148,637
Netherlands	444,858	4,653,322
Russia	389,900	3,541,610
UK	124,989	704,839
Ukraine	8,551	120,075
USA	467,298	6,092,248
	1,941,368	**20,910,995**

	Qty. in Kg.	Notes		
28. COST OF GOODS SOLD: TK. 1,446,964,520				
Opening Stock of Finished Goods	658,526		645,763,458	895,526,803
Add: Cost of Production	2,105,692	**29**	1,665,931,282	1,590,662,615
	2,764,218		**2,311,694,740**	**2,486,189,418**
Less: Closing Stock of Finished Goods	822,850		864,730,220	645,763,458
	1,941,368		**1,446,964,520**	**1,840,425,960**

	Qty. in Kg.	Notes	2016-17	2015-16
29. COST OF PRODUCTION: TK. 1,665,931,282				
Shrimp Purchased	**2,467,601**		1,515,389,481	1,416,153,969
Packing Materials, Chemicals, Ice and Ingredients consumed		**30**	43,975,083	66,930,508
Direct Labor			24,097,099	22,513,090
Factory Overhead		**31**	82,469,619	85,065,048
			1,665,931,282	**1,590,662,615**

- Cash incentive adjusted with the raw materials purchase.

30. PACKING MATERIALS, CHEMICALS, ICE & INGREDIENTS CONSUMED: TK. 43,975,083		
(a) Opening Balance (Packing Materials)	9,250,947	8,661,731
Add: Packing Materials Purchase	35,509,834	52,881,669
	44,760,781	**61,543,400**
Less: Packing Materials in hand	10,134,908	9,250,947
	34,625,873	**52,292,453**
(b) Opening balance (Chemical & Ingredients)	3,148,911	2,679,697
Add: Chemicals, Ice and Ingredients Purchase	10,764,836	15,107,269
	13,913,747	**17,786,966**
Less: Chemical and Ingredients in hand	4,564,537	3,148,911
	9,349,210	**14,638,055**
Total (a+b)	**43,975,083**	**66,930,508**

31. FACTORY OVERHEAD: TK. 82,469,619		
Wages & Salaries	26,029,204	25,068,003
Bonus to Workers'	500,341	765,825
Power, Fuel & Water	18,787,972	19,883,524
Consumable Stores & Spares	1,326,105	999,112
Insurance premium	2,294,519	2,434,526
Repair & Maintenance	9,185,202	7,067,223
Carriage Inward	51,245	54,615
Depreciation	24,295,031	28,792,220
	82,469,619	**85,065,048**

AMAR STOCK

32. ADMINISTRATIVE AND SELLING OVERHEAD: TK. 94,402,363

	2016-17	2015-16
Advertisement	578,034	492,195
AGM Expenses	121,087	88,245
Audit Fee (Including VAT)	230,000	172,500
Board Meeting Fees	12,500	20,000
Bonus to Staff	2,389,962	3,651,657
Contribution to Provident Fund	1,529,777	1,639,584
Depreciation	1,155,611	1,256,759
Directors Remuneration	9,000,000	9,000,000
Donation & Subscription	20,000	121,350
Electricity & WASA Charges	366,870	361,544
Entertainment	616,633	644,653
Freight & Forwarding	24,317,250	32,890,309
General Fees & Charges	40,000	50,000
Guest House Expenses	640,826	632,933
Laboratory Expenses	65,480	177,960
Laboratory Testing Fees	4,252,946	5,039,985
Legal & Professional Fees	745,900	55,200
License & Renewals	823,669	860,582
Medical Expenses	8,921	9,358
Membership Subscription	60,800	60,800
Newspaper & Periodicals	57,570	64,405
Postage & Stamp	504,825	443,327
Printing & Stationery	763,447	775,840
Rejection Insurance Premium	1,600,102	1,404,518
Rent, Rates & Taxes	2,872,482	2,702,138
Salary & Allowances	26,672,664	24,523,001
Sales Commission	-	11,245,846
Sales Promotion Expenses	9,579,135	10,583,684
Sanitation Expenses	191,829	173,230
Staff Fooding	539,651	537,447
Staff Welfare Expenses	1,122,832	1,030,937
T.A & Conveyance	1,355,226	1,662,969
Telephone, Telex & Fax	474,213	572,704
Uniform & Liveries	401,515	323,628
Vehicles Maintenance	1,290,606	2,165,949
	94,402,363	**115,435,237**

- Rejection Insurance Premium represents the premium paid for rejection coverage of shipments with due permission from Bangladesh Bank.
- Directors Remuneration paid to the Directors for their full time service rendered are:

(a) Mr. Zafar Ahmed	4,800,000
(b) Mr. Ashim Kumar Barua	3,600,000
(c) Mr. Kazi Faruq Kader	600,000
	9,000,000

- Audit Fee is fixed by the Shareholders in the Annual General Meeting and does not include any other remuneration to Auditors.
- Sales promotional expenses include cost of samples and courier cost for distribution of free samples to the buyers.
- There are 5(Five) Board Meetings held during the year.

AMAR STOCK

	2016-17	2015-16
33. FINANCIAL EXPENSES: TK. 96,935,681		
Interest	90,651,800	91,251,511
Charges	6,283,881	5,634,650
	96,935,681	**96,886,161**
34. OTHER INCOME: TK. 23,990,656		
Dividend Income:		
Dividend from Apex Spinning & Knitting Mills Ltd	4,979,040	4,526,400
Dividend from CDBL	1,427,953	1,427,953
	6,406,993	**5,954,353**
Interest Earned on FDRs and SND Account	**17,583,663**	**24,612,184**
	23,990,656	**30,566,537**

35. PROVISION FOR CONTRIBUTION TO PPF & WF: TK. 1,423,010

This represents 5% of the net profit before charging such contribution provided as per provisions of the Bangladesh Labor Law 2006 and is payable to workers' as defined in the said Act.

36. TAX EXPENSES:

(a) Current tax	18,777,970
(b) Deferred tax income **(Note-19)**	660,309

The current tax comprises of the following:

On other income:		
Interest earned	5,132,151	3,714,982
Dividend income	1,281,399	1,190,871
	6,413,550	**4,905,853**
Tax on Cash incentive	3,072,000	3,026,670
Tax on export realization	9,292,420	12,049,531
	18,777,970	**19,982,054**

- Current tax represents estimated Income Tax for the period from 1st July 2016 to 30th June 2017.
- The provision for deferred tax (expenses)/income is made to pay/adjust future income tax liability/asset due to accumulated temporary differences.

37. BASIC EARNINGS PER SHARE (EPS) – DISCLOSURE UNDER BAS 33 "EARNINGS PER SHARE":

$$\text{Basic EPS} = \frac{\text{Earnings attributable to Ordinary Shareholders}}{\text{Weighted average number of shares outstanding during the year 2016-17}}$$

$$\text{Basic Earnings Per Share (EPS)} = \frac{8,919,528}{5,702,400} = 1.56$$

- Weighted average number of Ordinary Shares outstanding during the year represents the number of Ordinary Shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time weighting factor. The time weighting factor is the number of days the specific number of shares are outstanding as a proportion of the total number of days in the period.

- There was significant variance occurs between quarterly performance and annual financial statements, as the EPS up to 3rd quarter was Tk. 0.99 but it became Tk. 1.56 annually which is a result of efficiently running of the Company as well as cost minimization which is a sign of profitability is in upward trend.

38. EVENTS AFTER REPORTING PERIOD:

The Board of Directors recommended cash Dividend of Tk. 2/- per Share for the year 2016-17 at the Board meeting held on October 19, 2017. The total amount of Dividend is Tk. 11,404,800/-.

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.

39. RELATED PARTY TRANSACTIONS:

- There are no related party (inter company) transactions during the year under review.

- 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. 32 for details).

- The Company operates a contributory provident fund which is administrates by the Board of Trustee. The Company has also a Group Insurance Scheme. The Company pays its monthly contribution for the Key Management (Senior Employees) 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 (Senior Employees) and the Company has no liability. In addition to that there is nothing paid to them except salary and allowances.

40. GENERAL:

	2016-17		2015-16	
(a) Production capacity (Quantity in M/T):				
Installed Capacity	7,200	%	7,200	%
Actual Capacity utilized	2,106	29.25	2,305	32.01
Variation	**5,094**		**4,895**	

- It is a seasonal business, shrimps season remains for only about 6(six) months (May to October) in a year. The Company was unable to achieve the optimum capacity due to market price fall in the international market and also non-availability of adequate shrimps at reasonable price throughout the year.

	2016-17	2015-16
(b) Production (Quantity in Kg):		
Shrimps	2,105,692	2,305,436
	2,105,692	**2,305,436**
(c) Export (Quantity in Kg):		
Shrimps	1,941,368	2,605,378
	1,941,368	**2,605,378**

(d) Consumption (Value in Taka):

Items	Value	Consumption %
Local Shrimps	1,515,389,481	97.18
Local Packing Materials, Chemicals, Ice & Ingredients	43,975,083	2.82

(e) Salaries & Wages:

	No. of Employees	Taka
Up to Tk. 3,000.00 per month	-	-
Above Tk. 3,000.00 per month	180	**57,121,948**
	180	**57,121,948**

41. PAYMENTS /PERQUISITES TO DIRECTORS/OFFICERS:

The aggregate amounts paid / provided during the year in respect of Directors and Officers of the Company as defined in the Securities and Exchange Commission Rules, 1987 are disclosed below:

	Directors	Officers
Board Meeting Fees	12,500	--
Salary and Allowance	9,000,000	21,477,724
Contribution to Provident Fund	--	1,026,496
Bonus	--	1,894,318
Perquisites	--	14,478,977

42. CAPITAL EXPENDITURE COMMITMENT:

- There was no capital expenditure contracted or incurred or provided for as at 30th June 2017.
- There was no material capital expenditure authorized by the Board or contracted for as at 30th June 2017.

43. DURING THE YEAR UNDER REVIEW:

- No amount of money was spent by the Company for compensating any member of the Board for special service rendered except as stated above.
- There was no bank guarantee issued by the company on behalf of the directors.
- There is Tk. 1.72 million as Bank guarantee for which the Company is contingently liable as on 30th June 2017.
- There was no brokerage paid against sales during the year 2016-17.
- There was no expense on account of miscellaneous/general expenses.
- There was no claim against the Company that has not been acknowledged as debt on 30th June 2017.
- There was no credit facility available to the Company under any contract or availed of as on 30th June 2017 other than trade credit available in the ordinary course of business.
- There was no expense incurred in foreign exchange on account of Royalty, Technical Experts, Professional and Advisory Fee, Interest, Brokerage etc.

Sd/-	Sd/-	Sd/-
Shahriar Ahmed	**Ashim Kumar Barua**	**S. K. Halder**
Managing Director	Director	Chief Financial Officer

AMAR STOCK

PROXY FORM

The Director
Apex Foods Limited
Rupayan Golden Age, 5th & 6th Floor
99 Gulshan Avenue, Gulshan, Dhaka-1212
Bangladesh

BO ID:
Register Folio No.....
No. of Shares.....

I/We.....
of.....
Being a member of APEX FOODS LIMITED hereby appoints Mr./Mrs./Miss.....
of.....
as my/our proxy to attend and vote for me/us and on my/our behalf at the THIRTY-EIGHTTH ANNUAL GENERAL MEETING of the Company will be held at the Spectra Convention Centre Limited, House No. 19, Road No. 07, Gulshan-1, Dhaka-1212, Bangladesh on Thursday the December 21, 2017 at 11.00 A.M. and or at any adjournment thereof. Signed this.....day of.....2017.

AFFIX TWENTY TAKA REVENUE STAMP

(Signature of the Proxy)
BO ID:
Register Folio No……
Dated……

Signature verified

Authorized Signatory

Signature of the Shareholder(s)
Dated……

Note: A member entitled to attend and vote at the Annual General Meeting may appoint only another member as proxy to attend and vote in his/her stead. The Proxy Form duly stamped with Revenue Stamp of Tk. 20.00 only, must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.

APEX FOODS LIMITED

Rupayan Golden Age, 5th & 6th Floor, 99 Gulshan Avenue
Gulshan, Dhaka-1212, Bangladesh

SHAREHOLDERS' ATTENDANCE SLIP

Please complete the attendance slip and hand it over at the entrance of the meeting venue.

I/We record my attendance at the THIRTY-EIGHTH ANNUAL GENERAL MEETING being held on Thursday the December 21, 2017 at 11.00 A.M. at the Spectra Convention Centre Limited, House No. 19, Road No. 07, Gulshan-1, Dhaka-1212, Bangladesh.
Name of Member (s) .....
BO ID:
Register Folio No.....holding of.....Ordinary Shares of Apex Foods Limited.

Signature of Shareholder(s)

N.B. :
(1) Please Note that AGM can only be attended by the honorable Shareholders or properly constituted Proxy. Therefore, any friend or children accompanying with honorable Shareholders or Proxy cannot be allowed into the meeting.
(2) Please present this slip at the reception desk.