CONTENTS

Transmittal Letter	2
Notice of the 39th Annual General Meeting	3
Corporate Directory	4
Five years Statistics	5
Audit Committee Report	6
MD & CFO's Declaration to the Board of Directors	7
Certificate on Compliance of Corporate Governance Code	8
Corporate Governance Code Compliance Status	9
Message from the Chairman	20
Managing Director's Statement	21
Directors' Report	23
Value Added Statement	33
Independent Auditors' Report	34
Statement of Financial Position	35
Statement of Profit or Loss and other Comprehensive Income	36
Statement of Changes in Equity	37
Statement of Cash Flows	38
Notes to the Financial Statements	39
Proxy Form	
Attendance Slip	

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, 2018**

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, 2018, 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, 2018 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-NINTH 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 20, 2018 at 11.00 A.M.** to transact the following businesses:

AGENDA

1. To receive and adopt the Audited Financial Statements for the year ended on 30 June 2018 and report of the Auditors' and Directors thereon.

2. To declare Dividend for the year 2017-18.

3. To elect Directors.

4. To appoint Auditors for the year 2018-19 and fix their remuneration.

5. To appoint professional for the Certification on Corporate Governance Code for the year 2018-19 and fix their remuneration.

6. To transact any other business of the Company, with permission of the Chair.

Date: Dhaka
December 02, 2018

By order of the Board of Directors

Sd/-
Kamrul Islam
Assistant Company Secretary

NOTES:

1. The Shareholders whose name appeared in the Register of Members of the Company or in the Depository on the **"Record Date i.e. November 15, 2018"** are eligible to attend the Annual General Meeting and be entitled to the Dividend.

2. 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 filled 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.

3. Pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Notification No.: BSEC/CMRRCD/2006-158/208/Admin/81 dated 20th June, 2018 the **Annual Report 2017-18 of the Company is available at the Company's Website at: http://www.apexfoods.com**

4. In pursuance of BSEC's Notification No.: SEC/SRMI/2000-953/1950 dated October 24, 2000 gazette 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.

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, Chattogram

REGISTERED OFFICE

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

FACTORY

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

FIVE YEARS STATISTICS

Figure in Thousand Taka

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Results of Operations:					
Revenue	1,922,168	1,642,772	2,031,947	2,751,780	3,844,681
Gross Profit	209,731	195,808	191,521	219,627	297,878
Operating Profit/(Loss)	16,636	4,470	(20,800)	(53,525)	31,319
Net Profit before Tax	33,931	27,037	9,278	123,814	66,858
Net Profit/(Loss) after Tax	10,308	8,920	(13,229)	84,843	17,041
Earnings per Share (EPS)	1.81	1.56	(2.32)	14.88	2.99
Dividend Per Share*	2.00	2.00	2.00	2.00	2.00
Financial Positions:					
Total Assets	1,872,183	1,758,502	1,545,510	1,779,947	1,693,029
Property, Plant and Equipment-Gross	705,057	691,866	684,643	678,306	659,967
Property, Plant and Equipment-Net	103,205	113,078	131,305	155,017	171,963
Gross Working Capital	1,353,620	1,372,968	1,185,580	1,449,240	1,320,330
Net Working Capital	306,141	295,060	302,479	344,476	279,368
Working Capital Loan	762,783	768,871	712,861	794,270	733,884
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	189,234	190,331	192,816	225,931	152,494
Share Holders Equity	783,570	656,322	619,359	622,483	562,052
Long Term Loan	2,975	22,500	52,500	82,500	120,000
Key Financial Ratios:					
Current Ratio	1.29	1.27	1.34	1.31	1.27
Debt to Total Assets (%)	58.15	62.68	59.93	65.03	66.80
Return on Equity (%)	1.57	1.44	(2.13)	13.63	3.03
Net Asset Value Per Share	137.41	115.10	108.61	109.16	98.56
Dividend Payout Ratio (%)	110.50	128.21	(86.21)	13.44	66.93
Interest Service Coverage Ratio	1.21	1.05	0.77	0.47	1.30
Others:					
Market Price Per Share (30th June)	209.2	146.36	116.49	100.2	104.22
Price Earning Multiple	115.73	93.82	(50.21)	6.73	34.88
Number of Employees (Including contract labor)	413	428	533	600	710
Capacity Utilization (%)	30.36	29.25	32.01	41.58	51.74

* The Board of Directors recommended Cash Dividend @Tk. 2/- per Share for the year ended on 30th June 2018.

AUDIT COMMITTEE REPORT

The audit committee of APEX FOODS LIMITED is a sub-committee of the Board of Directors and appointed and authorized by the Board in pursuance of BSEC notification to review the activities of business.

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 2017-18, 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.
- Hold meeting with the external auditors for review the annual financial statements before submission to the Board for approval.
- 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 the Management's discussions and analysis before disclosing in the annual report.
- 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 2017-18 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 27th October 2018

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

Annexure-A

MD & CFO's Declaration to the Board of Directors

Date: October 27, 2018

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

Subject: Declaration on Financial Statements for the year ended on June 30, 2018

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

(1) The Financial Statements of Apex Foods Limited for the year ended on June 30, 2018 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
(2) The estimates and judgements related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
(4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
(6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

(i) We have reviewed the financial statements for the year ended on June 30, 2018 and that to the best of our knowledge and belief:
  (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  (b) these statements collectively present 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 transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Sd/-
Shahriar Ahmed
Managing Director

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

Annexure-B

[Certificate as per condition No. 1(5)(xxvii)]

Report to the Shareholders of Apex Foods Limited on compliance of Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Apex Foods Limited for the year ended on June 30, 2018. This code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 of the Bangladesh Securities and Exchange commission.

Such compliance with the corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

(a) The company has complied with the conditions of the Corporate Governance Code as stipulated on the above mentioned Corporate Governance Code issued by the commission;

(b) The company has complied with the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws;

(d) The governance of the Company is highly satisfactory.

Dated: Dhaka
October 27, 2018

Sd/-
Ramendra Nath Basak, FCA
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
Enrolment No: 671

Annexure-C

Corporate Governance Code Compliance Status

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 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	**Size of the Board of Directors**: The total number of members of a company's Board of Directors shall not be less than 5 (Five) and more than 20 (Twenty).	Complied	
1.2	**Independent Directors:**		
1.2 (a)	Independent Directors: At least 1/5th (We have four Directors and One Independent Director)	Complied	
1.2 (b)i)	Less than 1% Shares	Complied	
1.2 (b)ii)	Not a Sponsor of The Company or is not connected with the Company's any sponsor or Director or Nominated Director or Shareholder.	Complied	
1.2 (b)iii)	Not been an executive of the Company immediate preceding 2 financial years.	Complied	
1.2 (b)iv)	Does not have other relationship	Complied	
1.2 (b)v)	Not a Member or TREC holder, Director or Officer of any Stock Exchange.	Complied	
1.2 (b)vi)	Not a Shareholder, Director excepting independent director or Officer of any member TREC holder of Stock Exchange or an intermediary of the capital market.	Complied	
1.2 (b)vii)	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 (b)viii)	Not an Independent Director more than five listed Companies.	Complied	
1.2 (b)ix)	Not Convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a Bank or a Non-Bank Financial Institution (NBFI)	Complied	
1.2 (b)x)	Not convicted for a Criminal offence	Complied	
1.2 (c)	Appointment by the Board and approved in AGM.	Complied	
1.2 (d)	Post cannot remain vacant for more than 90 days.	Complied	
1.2 (e)	Tenure of the Independent Director.	Complied	
1.3	**Qualification of Independent Director:**		
1.3 (a)	Independent Director shall be knowledgeable individual with integrity.	Complied	
1.3 (b)i)	Should be a Business Leader	Complied	
1.3 (b)ii)	Should be a Corporate Leader	Complied	
1.3(b)iii)	Former official of government or statutory or autonomous or regulatory body.	Complied	
1.3 (b)iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law.	Not Applicable	

1.3 (b)v)	An advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification.	Not Applicable	
1.3 (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	Complied	
1.3 (d)	Special cases for relaxation of qualifications.	Not Applicable	
1.4	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:**		
1.4(a)	The position of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	Complied	
1.4(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	Complied	
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	Complied	
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or chief Executive Officer;	Complied	
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson.	Not applicable	
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)	Discussion and Basis of 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)	Statement of 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)	Statement of Proper books of account of the issuer company have been maintained.	Complied	
1.5 (xiii)	Statement of 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)	Statement of IAS/IFRS, 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)	Statement of system of internal control is sound in design and has been effectively implemented and monitored	Complied	
1.5 (xvi)	Statement of minority shareholders have been protected from abusive actions.	Not applicable	
1.5 (xvii)	Statement of 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 (xviii)	An explanation that Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	Not applicable	
1.5 (xix)	Statement of Key operating and financial data of at least preceding 5 (five) years shall be summarized.	Complied	
1.5 (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	Not applicable	
1.5 (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend.	Complied	
1.5 (xxii)	The total number of Board meetings held during the year and attendance by each Director.	Complied	
1.5 (xxiii)	**A report on the pattern of the shareholding:**		
1.5 (xxiii)a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	Complied	
1.5 (xxiii)b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit & Compliance and their spouses and minor children (name wise details);	Complied	
1.5 (xxiii)c)	Executives;	Complied	
1.5 (xxiii)d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	Complied	
1.5 (xxiv)a)	A brief resume of the director;	Complied	
1.5 (xxiv)b)	Nature of his/her expertise in specific functional areas;	Complied	
1.5 (xxiv)c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	Complied	

1.5 (xxv)	**Management Discussion and Analysis signed by MD:**		
1.5 (xxv)a)	Accounting policies and estimation for preparation of financial statements.	Complied	
1.5 (xxv)b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	Complied	
1.5(xxv)c)	Comparative analysis (including effects of inflation) of financial performance or result and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	Complied	
1.5 (xxv)d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	Complied	
1.5 (xxv)e)	Briefly explain the financial and economic scenario of the country and the globe;	Complied	
1.5 (xxv)f)	Risks and concerns issues related to the financial statements, explaining such risk and concern mitigation plan of the company.	Complied	
1.5 (xxv)g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM.	Complied	
1.5 (xxvi)	Declaration or certification by the MD and CFO to the Board as required under condition No. 3(3) shall be disclosed as per **Annexure-A**;	Complied	
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per **Annexure-B** and **Annexure-C.**	Complied	
1.6	**Meeting of the Board of Directors:** The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	Complied	
1.7	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**		
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	Not Complied	Will be complied within 31st December 2018.

1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	Not Complied	Will be complied within 31st December 2018.
2	**Governance of Board of Directors of Subsidiary Company:**		
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	Not Applicable	
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	Not Applicable	
2(c)	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	
2(d)	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	
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	Not Applicable	
3	**MANAGING DIRECTOR (MD) or CHIEF EXECUTIVE OFFICER (CEO), CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SECRETARY (CS):**		
3.1	**Appointment**		
3.1(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO), a Head of Internal Audit and Compliance (HIAC);	Complied other than HIAC	Will be complied within 31st December 2018.
3.1(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	Complied other than HIAC	Will be complied within 31st December 2018.
3.1(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	Complied other than CS and HIAC	Will be complied within 31st December 2018.
3.1(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	Complied	
3.1(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	Not Applicable	
3.2	Requirement to attend Board of Director' Meetings: The MD or CEO, CS, CFO and HIAC shall attend the meetings of the Board: Provided that CS, CFO and HIAC shall not attend such part of a meeting if the Board of Directors which involves consideration of an agenda item relating to their personal matters.	Complied other than HIAC	Will be complied within 31st December 2018.

3.3	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**		
3.3(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief;		
3.3(a)i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	Complied	
3.3(a)ii)	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	
3.3(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	Complied	
3.3(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	Complied	
4	**Board of Directors' Committee:-**		
4(i)	Audit Committee	Complied	
4(ii)	Nomination and Remuneration Committee	Not Complied	Will be complied within 31st December 2018.
5	**AUDIT COMMITTEE:**		
5.1	**Responsibility to the Board of Directors**		
5.1(a)	The company shall have an Audit Committee as a sub-committee of the Board.	Complied	
5.1(b)	The Audit Committee shall assist the Board 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	
5.1(c)	The Audit Committee shall be responsible to the Board. The duties of the Audit Committee shall be clearly set forth in writing.	Complied	
5.2	**Constitution of the Audit Committee**		
5.2(a)	The Audit Committee shall be composed of at least 3 (three) members	Complied	
5.2(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	Complied	
5.2(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience.	Complied	
5.2(d)	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 before expiration of the term of service.	Not applicable	
5.2(e)	The company secretary shall act as the secretary of the Committee	Complied	

5.2(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1(one) independent director	Complied	
5.3	**Chairperson of the Audit Committee**		
5.3(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director.	Complied	
5.3(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	Not Applicable	
5.3(c)	Chairperson of the audit committee shall remain present in the Annual General Meeting (AGM).	Complied	Was present in the AGM of 2016-17.
5.4	**Meeting of the Audit Committee**		
5.4(a)	The Audit Committee shall conduct at least its four meetings in a financial year:	Complied	
5.4(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	Complied	
5.5	**Role of Audit Committee**		
5.5(a)	Oversee the financial reporting process	Complied	
5.5(b)	Monitor choice of accounting policies and principles.	Complied	
5.5(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	Not Complied	Will be complied within 31st December 2018
5.5(d)	Oversee hiring and performance of external auditors	Complied	
5.5(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption.	Complied	
5.5(f)	Review along with the management, the annual financial statements before submission to the board for approval.	Complied	
5.5(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	Complied	
5.5(h)	Review the adequacy of internal audit function.	Complied	
5.5(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	Complied	
5.5(j)	Review statement of significant related party transactions submitted by the management	Complied	
5.5(k)	Review Management Letters or Letter of Internal Control weakness issued by Statutory auditors.	Not applicable	

5.5(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	Complied	
5.5(m)	Over see whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	Not applicable	
5.6	**Reporting of the Audit Committee**		
5.6(a)	**Reporting to the Board of Directors**		
5.6.a(i)	The Audit Committee shall report on its activities to the Board.	Complied	
5.6.a(ii)a)	report on conflicts of interests;	Not applicable	There was no such event to report
5.6.a(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
5.6.a(ii)c)	Suspected infringement of laws, including securities related laws, rules and regulations;	Not applicable	There was no such event to report
5.6.a(ii)d)	Any other matter which shall be disclosed to the Board Immediately.	Not applicable	There was no such event to report
5.6(b)	**Reporting to the Authorities**	Not applicable	There was no such event to report
5.7	**Reporting to the Shareholders and General Investors.**	Not applicable	There was no such event to report
6	**Nomination and Remuneration Committee(NRC)**		
6.1	**Responsibilities to the Board of Directors**		
6.1(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	Not Complied	Will be complied within 31st December 2018.
6.1(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	Not Complied	Will be complied within 31st December 2018.
6.1(c)	The terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	Not Complied	Will be complied within 31st December 2018.
6.2	**Constitution of the NRC**		
6.2(a)	The Committee shall comprise of at least three members including an independent director.	Not Complied	Will be complied within 31st December 2018.
6.2(b)	All members of the Committee shall be non-executive directors;	Not Complied	Will be complied within 31st December 2018.
6.2(c)	Members of the Committee shall be nominated and appointed by the Board;		Will be complied within 31st December 2018.
6.2(d)	The Board shall have authority to remove and appoint any member of the Committee;	Not Complied	Will be complied within 31st December 2018.
6.2(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other case of Vacancies, the boards shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	Not Complied	Will be complied within 31st December 2018.

6.2(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or or member(s) of staff shall be required or valuable for the Committee;	Not Complied	Will be complied within 31st December 2018.
6.2(g)	The company secretary shall act as the secretary of the Committee;	Not Complied	Will be complied within 31st December 2018.
6.2(h)	The quorum of the NCR meeting shall not constitute without attendance of at least an independent director;	Not Complied	Will be complied within 31st December 2018.
6.2(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	Not Complied	Will be complied within 31st December 2018.
6.3	**Chairperson of the NRC**		
6.3(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	Not Complied	Will be complied within 31st December 2018.
6.3(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	Not Complied	Will be complied within 31st December 2018.
6.3(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	Not Complied	Will be complied within 31st December 2018.
6.4	**Meeting of the NRC**		
6.4(a)	The NRC shall conduct at least one meeting in a financial year;	Not Complied	Will be complied within 31st December 2018.
6.4(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	Not Complied	Will be complied within 31st December 2018.
6.4(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher where presence of an independent director is must as required under condition No. 6(2)(h);	Not Complied	Will be complied within 31st December 2018.
6.4(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	Not Complied	Will be complied within 31st December 2018.
6.5	**Role of the NRC**		
6.5(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	Not Complied	Will be complied within 31st December 2018.
6.5(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	Not Complied	Will be complied within 31st December 2018.
6.5(b)i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	Not Complied	Will be complied within 31st December 2018.

6.5(b)i)a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.	Not Complied	Will be complied within 31st December 2018.
6.5(b)i)b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmark;	Not Complied	Will be complied within 31st December 2018.
6.5(b)i)c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	Not Complied	Will be complied within 31st December 2018.
6.5(b)ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	Not Complied	Will be complied within 31st December 2018.
6.5(b)iii)	Identifying person who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommended their appointment and removal to the Board;	Not Complied	Will be complied within 31st December 2018.
6.5(b)iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	Not Complied	Will be complied within 31st December 2018.
6.5(b)v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	Not Complied	Will be complied within 31st December 2018.
6.5(b)vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	Not Complied	Will be complied within 31st December 2018.
6.5(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	Not Complied	Will be complied within 31st December 2018.
7	**EXTERNAL OR STATUTORY AUDITORS:**		
7.1	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:		
7.1(i)	Appraisal or valuation services or fairness opinions.	Complied	
7.1(ii)	Financial information systems design and implementation	Complied	
7.1(iii)	Book-keeping or other services related to the accounting records or financial statements	Complied	
7.1(iv)	Broker-dealer services	Complied	
7.1(v)	Actuarial services.	Complied	
7.1(vi)	Internal audit services.	Complied	
7.1(vii)	Any service that the Audit Committee determines.	Complied	
7.1(viii)	Audit or certification services on compliance of corporate governance as required under condition No 9(1); and	Complied	
7.1(ix)	Any other service that creates conflict of interest.	Complied	

7.2	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; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	Complied	
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	Complied	
8	**Maintaining a website by the Company**		
8.1	The company shall have an official website linked with the website of the stock exchange.	Complied	
8.2	The company shall keep the website functional from the date of listing.	Complied	
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	Complied	
9	**REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:**		
9.1	The company shall obtain a certificate from a practicing professional Accountant or Secretary (Chartered Accountant or Cost & Management Account or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	Complied	
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	To be Complied	Will be appointed in upcoming AGM
9.3	The directors of the company shall state, in accordance with the **Annexure-C** attached, in the directors' report whether the company has complied with these conditions or not.	Complied	

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

It is an honor and pleasure for me to welcome you all to the Thirty-ninth Annual General Meeting of your Company and to present the Annual Report for the year ended 30th June 2018.

Global Economy:

The global pickup in activity that started in the second half of 2016 gained further momentum in the first half of 2017. Notable rise in investment, trade and industrial production coupled with enhanced business and consumer confidence are supporting the recovery of world economy. Global growth has eased but remains robust, although with downside risks. The possibility of financial market stress, escalating trade protectionism and heightened geopolitical tensions continue to cloud the outlook.

World growth strengthened in 2017 to 3.8 percent, with a notable rebound in global trade. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia, a notable upswing in emerging Europe and signs of recovery in several commodity exporters. Global growth is expected to tick up to 3.9 percent this year and next, supported by strong momentum, favorable market sentiment, accommodative financial conditions and the domestic and international repercussions of expansionary fiscal policy in the United States. The partial recovery in commodity prices should allow conditions in commodity exporters to gradually improve.

Advanced economies as a group will continue to expand above their potential growth rates this year and next before decelerating, while growth in emerging market and developing economies will rise before leveling off. For most countries, current favorable growth rates will not last.

Bangladesh Economy:

The World Bank has painted a brighter picture for Bangladesh's economy for the next two fiscal years, pinning hopes on strong domestic demand, exports, investment and remittance. Activity in Bangladesh would grow at an average of 6.7 percent a year over fiscals 2018-2020, benefiting from strong domestic demand and strengthening exports.

Low interest rates and improved infrastructure are expected to lift investment. Remittances are expected to rebound as growth firms up in Gulf Cooperation Council countries. Bangladesh is among the top 17 out of 134 countries in the list of GEP forecasts that are projected to have a growth rate of 6.4 percent or more in 2017-18. The government has set a target of 7.4 percent GDP growth for the current fiscal year.

Achieving the government target of 7.4 percent growth this fiscal year will be challenged by banking sector vulnerabilities, infrastructure deficiencies and the slow pace of structural reforms. The main risks to the outlook are domestic. Current account deficits gradually widened across the region, including in countries such as India, Bangladesh and Pakistan. Remittance inflows have been subdued recently due to fiscal consolidation and growth slowdowns in the Middle East, which constitutes roughly half of remittances to South Asia. A protracted slowdown in remittance inflows would weigh on domestic consumption in countries such as Bangladesh.

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.

Dhaka
27th October, 2018

Sd/-
Zafar Ahmed
Chairman

MANAGING DIRECTOR'S STATEMENT

Management's Discussion and Analysis of the Company's position and operations along with a brief discussion of changes in the financial statements as per condition no. 1.5(XXV) of Corporate Governance Code dated June 03, 2018:

(a) Accounting policies and estimation for preparation of financial statements:

These Financial Statements have been prepared under the Historical Cost Convention and Going Concern basis in accordance with applicable Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) in Bangladesh and the following BASs and BFRSs 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-21	The Effects of Changes in Foreign Exchange Rates
BAS-23	Borrowing Costs
BAS-24	Related Party Disclosures
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
BFRS-7	Financial Instruments: Disclosure
BFRS-15	Revenue from contracts with customers

(b) Changes in accounting policies and estimation:

There was no change in accounting policies and estimation during the year under review.

(c) Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons:

"Figure in thousand Taka"

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Operational and Financial Data:						
Revenue	1,922,168	1,642,772	2,031,947	2,751,780	3,844,681	3,305,717
Gross Profit	209,731	195,808	191,521	219,627	297,878	357,375
Operating Profit/(Loss)	16,636	4,470	(20,800)	(53,525)	31,319	20,664
Net Profit before Tax	33,931	27,037	9,278	123,814	66,858	62,367
Net Profit/(Loss) after Tax	10,308	8,920	(13,229)	84,843	17,041	14,494
Total Assets	1,872,183	1,758,502	1,545,510	1,779,947	1,693,029	1,758,653
Total Liabilities	1,088,613	1,102,180	926,151	1,157,463	1,130,978	1,240,793
Current Assets	1,353,620	1,372,968	1,185,580	1,449,240	1,320,330	1,408,553
Current Liabilities	1,047,479	1,077,907	883,101	1,104,764	1,040,962	1,128,293
Reserve and Surplus	189,234	190,331	192,816	225,931	152,494	145,717
Share Holders Equity	783,570	656,322	619,359	622,483	562,052	517,859
Current Ratio	1.29	1.27	1.34	1.31	1.27	1.25
Net Asset Value (NAV) per Share	137.41	115.10	108.61	109.16	98.56	90.81
Earnings Per Share (EPS)	1.81	1.56	(2.32)	14.88	2.99	2.54
NOCFPS	(1.93)	(25.57)	23.39	(6.64)	19.66	(14.54)

Apex Foods Limited had a continuous growth up to 2013-14 and thereafter we were unable to maintain the growth in same way due to decline of international demand as well as declining the price in international market, however we are trying to overcome the situation with minimization of cost so that the Company can run profitably and maintain sustainable growth. There was significant variance in net operating cash flows. The Net Operating Cash Flows per Share are positive/negative and are different in every financial year as this depends on different issues mainly, Collection from revenue and payment for cost and expenses. This scenario is changeable from time to time depending on different issues.

(d) Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario:

"Figure in thousand Taka"

Particulars	**Apex Foods Ltd. 2017-18**	**Gemini Sea Food Ltd. 2017-18**
Operational and Financial Data:		
Revenue	1,922,168	Not available
Gross Profit	209,731	Not available
Net Profit before Tax	33,931	Not available
Net Profit/(Loss) after Tax	10,308	Not available
Net Asset Value (NAV) per Share	137.41	12.27
Earnings Per Share (EPS)	1.81	0.70
NOCFPS	(1.93)	(8.33)

(e) Briefly explain the financial and economic scenario of the country and the globe:

The World Bank has painted a brighter picture for Bangladesh's economy for the next two fiscal years, pinning hopes on strong domestic demand, exports, investment and remittance. Activity in Bangladesh would grow at an average of 6.7 percent a year over fiscals 2018-2020, benefiting from strong domestic demand and strengthening exports.

Low interest rates and improved infrastructure are expected to lift investment. Remittances are expected to rebound as growth firms up in Gulf Cooperation Council countries. Bangladesh is among the top 17 out of 134 countries in the list of GEP forecasts that are projected to have a growth rate of 6.4 percent or more in 2017-18. The government has set a target of 7.4 percent GDP growth for the current fiscal year.

World growth strengthened in 2017 to 3.8 percent, with a notable rebound in global trade. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia, a notable upswing in emerging Europe and signs of recovery in several commodity exporters. Global growth is expected to tick up to 3.9 percent this year and next.

(f) Risk and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company:

Apex Foods Limited is availing working capital loan and there is risk of higher interest rate, it is highly exposed to interest rate risk. To minimize this exposure, the company is emphasizing on own fund based financing to reduce dependency on interest based borrowed fund.

The fisheries sector is a major driver for growth for Bangladesh. The marine and coastal fisheries have significant potential for sustainable and higher production. Bangladesh is keeping its focus on black tiger shrimp production, even as its neighbor, India, aims to farm one million metric tons of vannamei Shrimp per year. Bangladesh has a niche market for Black Tiger Shrimp but lags behind most other countries in adoption of modern technologies for shrimp farming and utilization of economic potential. So all out efforts should be made to adopt modern farming technology as quickly as possible to increase production & cut costs to remain competitive in the world market and retain the market share and survive global competition.

(g) Future plan:

Apex Foods Limited is training its workers to make them more efficient and which will continue in future, as a result the products will be able to meet international standards and more hygienic. The Company's future plan is to sale its products with more value addition and explore new markets so that the Company can maintain a sustainable growth in coming years.

Dhaka
October 27, 2018

Sd/-
Shahriar Ahmed
Managing Director

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, 2018.

The Directors' Report is prepared in compliance with Section 184 of the Companies Act, 1994 and Bangladesh Securities & Exchange Commission's (BSEC) notification no- BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018.

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

In the last decade, the fisheries sector accounted for around 4 percent of the Bangladesh's economy and is the country's second largest export earning sector after garments. Bangladesh has ranked third in the world in terms of inland fish production in 2018, according to a report by the Food and Agriculture Organization (FAO). After ranking fifth last year, the country now only trails behind China and India, ranked first and second, respectively.

The project, 'Sustainable Coastal and Marine Fisheries Project', will help to improve fisheries management systems, infrastructure, value chain investments, and encourage private sector investment to increase the availability and quality of sea fish. It will also support reforms in fisheries policies and regulations.

This will help bring a structural change in the fisheries management in the coastal areas involving private sector investment and create alternative jobs for the fishermen during the time when they don't have work. Shrimp farming in Bangladesh is mostly done through extensive agriculture and is striving to move to semi-intensive approach.

(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 30 of the Annual Report.

(iii) Risks and concerns:

For Bangladesh, the fisheries sector is a major driver for growth. The marine and coastal fisheries have significant potential for sustainable and higher production.

Bangladesh is keeping it's focus on Black Tiger shrimp production, even though neighboring India aims to farm 1 million metric tons of vannamei Shrimp. Bangladesh is now the largest producer of Black Tiger Shrimp in the world and has carved out a niche market for this specie but Bangladesh lags behind most other countries in adoption of modern technologies for shrimp farming and utilization of economic potential. So serious efforts should be made by all concerned to remain competitive in the world market and retain the advantage.

(iv) Discussion on 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 1,712 million as compared to last year's cost of goods sold of BDT 1,447 million. This is due to increase in gross turnover. During the year 2,186,192 Kg of shrimps were produced as against last year's production of 2,105,692 Kg. Production capacity utilized during the year was 30.36%. Raw Material Purchase cost has increased to the tune of Tk. 36.84 million against last year. Raw materials had to be purchased more during the year, due to necessity of holding inventory and avoid the risk of increase in raw material cost.

(b) Gross Profit:
The company has achieved an export turnover of Tk. 1,922.17 million during the year ended 30th June 2018. Last year's turnover was Tk. 1,642.77 million. The increase in turnover is 17% over the last year. Gross profit earned during the year was Tk. 209.73 million as against last year's gross profit of Tk. 195.81 million. Despite increase in the revenue, there is a slight decline in the gross profit margin due to the fact that raw material price of higher grade has increased during the year.

(c) Net Profit:
Net profit after tax earned during the year was Tk. 10.31 million as compared to last year's Net Profit after tax of Tk. 8.92 million. During the year, the company earned more net profit due to increase in turnover and price adjustment.

(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. 128.35 million has been shown as Fair Valuation 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 20 of the Annual Report.

(vi) Related party transactions:

There is no related party transaction during the year under review.

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

There was no 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 no significant variance between quarterly performance (i.e. up to 3rd quarter, EPS was Tk. 1.39 and annually it has reached to Tk. 1.81) and annual financial statements.

(x) Remuneration to directors including independent directors:

The remuneration 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 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 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 was no such situation raised to protect the interest of minority shareholders.

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

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

During the year turnover has slightly increased. But operating profit increased mainly due to decrease of financial expenses.

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

"Figure in thousand Taka"

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Operational Data:						
Revenue	1,922,168	1,642,772	2,031,947	2,751,780	3,844,681	3,305,717
Gross Profit	209,731	195,808	191,521	219,627	297,878	357,375
Operating Profit/(Loss)	16,636	4,470	(20,800)	(53,525)	31,319	20,664
Net Profit before Tax	33,931	27,037	9,278	123,814	66,858	62,367
Net Profit/(Loss) after Tax	10,308	8,920	(13,229)	84,843	17,041	14,494
Earnings Per Share (EPS)	1.81	1.56	(2.32)	14.88	2.99	2.54
Dividend Per Share	2.00	2.00	2.00	2.00	2.00	1.80
Financial Data:						
Total Assets	1,872,183	1,758,502	1,545,510	1,779,947	1,693,029	1,758,653
Property, Plant and Equipment-Gross	705,057	691,866	684,643	678,306	659,967	603,465
Property, Plant and Equipment-Net	103,205	113,078	131,305	155,017	171,963	154,421
Gross Working Capital	1,353,620	1,372,968	1,185,580	1,449,240	1,320,330	1,408,553
Net Working Capital	306,141	295,060	302,479	344,476	279,368	280,260
Working Capital Loan	762,783	768,871	712,861	794,270	733,884	778,328
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	189,234	190,331	192,816	225,931	152,494	145,717
Share Holders Equity	783,570	656,322	619,359	622,483	562,052	517,859
Long Term Loan	2,975	22,500	52,500	82,500	120,000	178,317

(xx) Dividend:

Board of Directors has recommended Cash Dividend of Tk. 2.00 per Share of Tk. 10.00 each for the year 2017-18. 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 2018 at the close of office.

(xxi) Interim Dividend:

No Bonus share or stock dividend has been or shall be declared by Board of Directors for interim period.

(xxii) 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

(xxiii) 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
c) Senior Corporate Executives:	
Mr. Mominuddin Ahmed khan-Executive Director	2,450
d) Shareholders holding ten percent (10%) or more voting interest in the Company:	
Mr. Zafar Ahmed	1,320,530
Mrs. Shawkat Ara Ahmed	823,000

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

(i) Mr. Zahur Ahmed PhD and Mr. Shahriar Ahmed are retiring from the Board in terms of the Articles of Association of the Company and being eligible, offer themselves for re-election. The detailed work profiles of Mr. Zahur Ahmed PhD and Mr. Shahriar Ahmed are given below:

Mr. Zahur Ahmed PhD

a. Mr. Zahur Ahmed PhD is a Doctorate in Biophysics from USA and former Associate Professor of the State University of New York at Buffalo, USA. He is one of the Director of the Company and working in this sector since 1991. During his long tenure with the Company, Mr. Zahur has gathered vast knowledge about this sector. Mr. Zahur is now Vice Chairman of the Company.

b. He is 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.

c. He is not a member of any Committee of the Board.

AMARSTOCK

Mr. Shahriar Ahmed

a. Mr. Shahriar Ahmed obtained his MBA from Johnson & Wales University, USA and after completion of his education, he joined in this Company in 2004. He is working in this sector since 2004. During his long tenure with the Company, Mr. Shahriar has gathered vast knowledge about this sector. Mr. Shahriar is now acting as the Managing Director of the Company.

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

c. He is 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. Presently, Mr. Shahriar Ahmed is one of the member of the Audit Committee.

(xxv) Management Discussion & Analysis Signed by MD:

The management discussion and analysis signed by Managing Director representing details analysis of the company's position and operation in attached in the annual report as Managing Director's statement.

(xxvi) Declaration signed by MD and CFO:

Please refer to Annexure-A for Declaration signed by MD and CFO.

(xxvii) Corporate Governance Compliance Report:

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

(xxviii) Auditors:

The retiring Auditors M/s. Malek Siddiqui Wali, Chartered Accountants, being eligible, offer themselves for re-appointment as Auditors of the Company for the year 2018-19.

Dhaka
27th October 2018

On behalf of the Board

Sd/-
Zafar Ahmed
Chairman

পরিচালকগণের প্রতিবেদন

প্রিয় শেয়ারহোল্ডারগণ,

আপনাদের কোম্পানীর পরিচালকগণ ২০১৮ 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- বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ- জুন ০৩, ২০১৮ অনুসরন করা হয়েছে।

১. শিল্প সম্পর্কিত ধারণা এবং এই শিল্পের ভবিষ্যত উন্নয়নের সম্ভাবনাঃ

গত দশকে, বাংলাদেশের মোট অর্থনীতির চার (৪) শতাংশই এসেছে মৎস্য খাত থেকে এবং এটা পোশাক খাতের পরে দেশের দ্বিতীয় রপ্তানী আয়ের ক্ষেত্র। ফুড এন্ড এগ্রিকালচার সংস্হা এর প্রতিবেদন অনুযায়ী, বাংলাদেশ ২০১৮ সালে অভ্যন্তরীণ মৎস্য উৎপাদনে বিশ্বের তৃতীয় স্থানে আছে। গত বছর পঞ্চম স্থান দখলের পর, বাংলাদেশ এখন মাত্র চীন ও ভারতের পিছনে অবস্থান করছে, যারা যথাক্রমে প্রথম এবং দ্বিতীয় স্থানে আছে।

"সাসটেইনাবেল কোষ্টাল এ্যান্ড মেরিন ফিশারিস প্রোজেক্ট" এই প্রকল্পের মাধ্যমে মৎস্য ব্যবস্থাপনা পদ্ধতি, অবকাঠামো, ভ্যালু চেইন ইনভেস্টমেন্ট উন্নত করতে সাহায্য করবে এবং সামুদ্রিক মাছের গুণগত মান বৃদ্ধির জন্য বেসরকারি বিনিয়োগকারীদের উৎসাহিত করবে। এটা মৎস্যনীতি ও আইন পুনঃর্গঠনে ও সহায়তা করবে।

বেসরকারি বিনিয়োগ এই খাতে জড়িত হইলে উপকূলীয় অঞ্চলে মৎস্য ব্যবস্থাপনায় কাঠামোগত পরিবর্তন আনতে সহায়তা করবে এবং মৎস্যজীবিদের ও সময় সময় বিকল্প কাজের সুযোগ সৃষ্টি করবে। বাংলাদেশে বেশির ভাগ চিংড়ি চাষ হয় নিবিড় চাষের মাধ্যমে এবং এটা আধা নিবিড় পদ্ধতিতে চাষের চেষ্টা চলছে।

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 ৩০ নং নোটে আমাদের প্রতিষ্ঠানটি কোন দেশে কত রপ্তানী করেছে তার বিস্তারিত বিবরণ দেওয়া হয়েছে।

৩. ঝুঁকি ও উদ্বিগ্নতা সমূহঃ

বাংলাদেশের উন্নয়নের জন্য মৎস্য খাত একটি প্রধান চলিকা শক্তি। সমুদ্র ও উপকূলীয় অঞ্চলে উচ্চ মাত্রায় মৎস্য উৎপাদনে টেকসই এবং উল্লেখযোগ্য সম্ভাবনা আছে।

বাংলাদেশের লক্ষ্য ব্লাক টাইগার চিংড়ি উৎপাদনে, যদিও প্রতিবেশী ইন্ডিয়া ১ মিলিয়ন মেট্রিক টন ভেনামি চিংড়ি চাষের লক্ষ্য মাত্রা নির্ধারন করেছে। বাংলাদেশ এখন বিশ্বের বৃহত্তম ব্লাক টাইগার চিংড়ি উৎপাদনকারী দেশ এবং এই বিশেষত্তের জন্য একটি বিশেষ বাজার ও তৈরী করেছ কিন্তু চিংড়ি চাষ এবং অর্থনৈতিক ভাবে সমৃদ্ধ করার জন্য আধুনিক প্রযুক্তি গ্রহনে বাংলাদেশ অন্যান্য দেশের তুলনায় পিছিয়ে রয়েছে। এজন্য বিশ্ববাজারে প্রতিযোগীতামূলক অবস্থান এবং সুবিধা বজায় রাখার জন্য সংশ্লিষ্ট সকলের ঐকান্তিক প্রচেষ্টা করা উচিত।

৪. বিক্রিত পণ্যের ব্যয়, মোট প্রান্তিক মুনাফা এবং নীট প্রান্তিক মুনাফার উপর আলোচনা ঃ

ক) বিক্রিত পণ্যের ব্যয় ঃ

এই বৎসর বিক্রিত পণ্যের ব্যয় ছিল ১,৭১২ মিলিয়ন টাকা যা গত বৎসর ছিল ১,৪৪৭ মিলিয়ন টাকা। এর কারণ মোট বিক্রয় বৃদ্ধি পেয়েছে। চলতি বৎসর ২,১৮৬,১৯২ কেজি চিংড়ি উৎপাদন হয়েছে যা গত বৎসর ছিল ২,১০৫,৬৯২ কেজি। চলতি বৎসরে উৎপাদন ক্ষমতার ৩০.৩৬ শতাংশ ব্যবহৃত হয়েছে। গত বৎসরের তুলনায় কাঁচামাল ক্রয়ের জন্য ৩৬.৮৪ মিলিয়ন টাকা বেশি খরচ হয়েছে । মজুদ রাখা ও কাঁচামালের মূল্য বৃদ্ধি ঝুঁকি এড়াতে এ বছর অধিক কাঁচামাল ক্রয় করা হয়েছে।

খ) মোট মুনাফাঃ

৩০ শে জুন ২০১৮ সমাপ্ত অর্থ বৎসরে কোম্পানী মোট বিক্রয় করেছে ১,৯২২.১৭ মিলিয়ন টাকা । গত বৎসর বিক্রয় ছিল ১,৬৪২.৭৭ মিলিয়ন টাকা। গত বৎসরের তুলনায় বিক্রয় ১৭ শতাংশ বৃদ্ধি পেয়েছে । এ বৎসর মোট মুনাফা অর্জিত হয়েছে ২০৯.৭৩ মিলিয়ন টাকা যা গত বৎসর ছিল ১৯৫.৮১ মিলিয়ন টাকা। বিক্রয় বৃদ্ধি পাওয়া সত্বেও, মোট লাভের মর্জিন সামান্য হ্রাস পেয়েছে কারণ কাঁচা মাল (বড় গ্রেডের চিংড়ি) এর দাম এ বছর বৃদ্ধি পেয়েছে।

গ) নীট মুনাফাঃ

এ বৎসর কর পরবর্তী নীট লাভ হয়েছে ১০.৩১ মিলিয়ন টাকা এবং গত বৎসর কর পরবর্তী নীট লাভ ছিল ৮.৯২ মিলিয়ন টাকা। এ বছর, কোম্পানী নীট লাভ অর্জন করেছে কারণ বিক্রয় বৃদ্ধি পেয়েছে এবং দামের সমন্বয় হয়েছে।

৫. অস্বাভাবিক লাভ বা ক্ষতিঃ

এ বৎসর বাস্তবিক অর্থে প্রাপ্ত কোন অস্বাভাবিক লাভ বা ক্ষতি নেই। বিনিয়োগের সুষ্ঠ মূল্যায়ণের ফলে ১২৮.৩৫ 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 ২০ নং নোটে বিস্তারিত বিবরণ দেওয়া হয়েছে।

৬. আন্তঃ সম্পর্কিত কোম্পানীর লেনদেন সমূহঃ

পর্যালোচনায় দেখা যায় এ বৎসর আন্তঃ সম্পর্কিত কোম্পানীর সাথে কোন লেনদেন হয়নি।

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 উল্লেখযোগ্য কোন পার্থক্য নেই (অর্থাৎ তৃতীয় কোয়ার্টার পর্যন্ত আর্থিক প্রতিবেদনে শেয়ার প্রতি আয় ছিল ১.৩৯ টাকা কিন্তু বাৎসরিক ইহা হয়েছে ১.৮১ টাকা)।

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. সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ রক্ষার জন্য কোন ধরনের পরিস্থিতি উত্থাপিত হয়নি।

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

১৮. গত বৎসরের পরিচালনগত ফলাফলের সহিত চলতি বৎসরের ব্যবধানঃ

চলতি বৎসরে বিক্রয় কিছুটা বৃদ্ধি পেয়েছে কিন্তু পরিচালনগত মুনাফা বৃদ্ধি পেয়েছে তার কারন মূলত আর্থিক খরচ হ্রাস পেয়েছে।

১৯. পূর্ববর্তী পাঁচ বছরের মূখ্য পরিচালন এবং আর্থিক উপাত্তঃ

"সংখ্যা হাজার টাকায়"

বিবরন	২০১৭-১৮	২০১৬-১৭	২০১৫-১৬	২০১৪-১৫	২০১৩-১৪	২০১২-১৩
পরিচালন তথ্যঃ						
বিক্রয়	১,৯২২,১৬৮	১,৬৪২,৭৭২	২,০৩১,৯৪৭	২,৭৫১,৭৮০	৩,৮৪৪,৬৮১	৩,৩০৫,৭১৭
মোট মুনাফা	২০৯,৭৩১	১৯৫,৮০৮	১৯১,৫২১	২১৯,৬২৭	২৯৭,৮৭৮	৩৫৭,৩৭৫
পরিচালন মুনাফা/লোকসান	১৬,৬৩৬	৪,৪৭০	(২০,৮০০)	(৫৩,৫২৫)	৩১,৩১৯	২০,৬৬৪
করপুর্ব মুনাফা	৩৩,৯৩১	২৭,০৩৭	৯,২৭৮	১২৩,৮১৪	৬৬,৮৫৮	৬২,৩৬৭
করপরবর্তী মুনাফা/লোকসান	১০,৩০৮	৮,৯২০	(১৩,২২৯)	৮৪,৮৪৩	১৭,০৪১	১৪,৪৯৪
শেয়ার প্রতি আয়	১.৮১	১.৫৬	(২.৩২)	১৪.৮৮	২.৯৯	২.৫৪
প্রতি শেয়ারের জন্য লভ্যাংশ	২.০০	২.০০	২.০০	২.০০	২.০০	১.৮০
আর্থিক তথ্যঃ						
মোট সম্পদ	১,৮৭২,১৮৩	১,৭৫৮,৫০২	১,৫৪৫,৫১০	১,৭৭৯,৯৪৭	১,৬৯৩,০২৯	১,৭৫৮,৬৫৩
সমপত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-মোট	৭০৫,০৫৭	৬৯১,৮৬৬	৬৮৪,৬৪৩	৬৭৮,৩০৬	৬৫৯,৯৬৭	৬০৩,৪৬৫
সমপত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-নীট	১০৩,২০৫	১১৩,০৭৮	১৩১,৩০৫	১৫৫,০১৭	১৭১,৯৬৩	১৫৪,৪২১
মোট চলতি মূলধন	১,৩৫৩,৬২০	১,৩৭২,৯৬৮	১,১৮৫,৫৮০	১,৪৪৯,২৪০	১,৩২০,৩৩০	১,৪০৮,৫৫৩
নীট চলতি মূলধন	৩০৬,১৪১	২৯৫,০৬০	৩০২,৪৭৯	৩৪৪,৪৭৬	২৭৯,৩৬৮	২৮০,২৬০
চলতি মূলধন ঋণ	৭৬২,৭৮৩	৭৬৮,৮৭১	৭১২,৮৬১	৭৯৪,২৭০	৭৩৩,৮৮৪	৭৭৮,৩২৮
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	১৮৯,২৩৪	১৯০,৩৩১	১৯২,৮১৬	২২৫,৯৩১	১৫২,৪৯৪	১৪৫,৭১৭
শেয়ার মালিকদের ইকুইটি	৭৮৩,৫৭০	৬৫৬,৩২২	৬১৯,৩৫৯	৬২২,৪৮৩	৫৬২,০৫২	৫১৭,৮৫৯
দীর্ঘ মেয়াদী ঋণ	২,৯৭৫	২২,৫০০	৫২,৫০০	৮২,৫০০	১২০,০০০	১৭৮,৩১৭

২০. লভ্যাংশঃ

কোম্পানীর পরিচালকমন্ডলী ২০১৭-১৮ 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, ২০১৮ ইং তারিখে কার্য সমাপ্ত সময়ে অর্ন্তভূক্ত থাকবে ।

২১. অন্তর্বতীকালীন লভ্যাংশঃ

পরিচালনা পর্ষদ অন্তর্বর্তীকালীন সময়ে কোন বোনাস শেয়ার বা স্টক লভ্যাংশ ঘোষনা করেনি বা ভবিষ্যতে ও করবে না।

২২. 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

২৩. শেয়ারহোল্ডিংস সংক্রান্ত বিবরণ:

নাম অনুসারে বিবরণ		**শেয়ার সংখ্যা**
ক) প্যারেন্ট/ সাবসিডিয়ারী/ এসোসিয়েটেড কোম্পানী এবং অন্যান্য সম্পর্কিত পার্টিসমূহ:		
এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড		১৬৯,২৫০
এপেক্স ল্যানজারী লিমিটেড		১০,৮০০
খ) পরিচালকবৃন্দ, প্রধান নির্বাহী কর্মকর্তা, কোম্পানী সচিব, প্রধান অর্থ কর্মকর্তা, অভ্যন্তরীন নিরীক্ষা প্রধান:		
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 নিরীক্ষা প্রধান	-
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 শেয়ারহোল্ডার:		
জনাব জাফর আহমেদ		১,৩২০,৫৩০
জনাবা শওকত আরা আহমেদ		৮২৩,০০০

২৪. কোম্পানীর পরিচালকবৃন্দের নিয়োগ/পুনঃ নিয়োগঃ

(১) জনাব জহুর আহমেদ পিএইচডি এবং জনাব শাহরিয়ার আহমেদ কোম্পানীর সংঘবিধি মোতাবেক বোর্ড থেকে পদত্যাগ করেছেন এবং যোগ্য বিধায় পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন। জনাব জহুর আহমেদ পিএইচডি এবং জনাব শাহরিয়ার আহমেদ এর বিস্তারিত বিবরণ নিম্নরূপঃ-

জনাব জহুর আহমেদ পিএইচডিঃ

ক) জনাব জহুর আহমেদ পিএইচডি, যুক্তরাষ্ট্র থেকে বায়োফিজিক্স এ ডক্টরেট ডিগ্রি অর্জন করেন এবং যুক্তরাষ্ট্রের বাফেলোয় স্টেট ইউনিভারসিটি অব নিউইয়র্ক এ সহযোগী অধ্যাপক হিসেবে কর্মরত ছিলেন। তিনি এই কোম্পানীর একজন পরিচালক এবং তিনি ১৯৯১ সাল থেকে এই শিল্প খাতে কাজ করিতেছেন। এই দীর্ঘ সময়ে তিনি এই শিল্প খাতে গভীর জ্ঞান অর্জন করেছেন। তিনি এখন এই কোম্পানীর সহ-সভাপতি।

খ) তিনি এই কোম্পানীর পরিচালক ছাড়াও ১. এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড, ২. এপেক্স ল্যানজারি লিমিটেড, ৩. এপেক্স ইয়ার্ন ডাইং লিমিটেড, ৪. এপেক্স টেক্সটাইল প্রিটিং মিলস্ লিমিটেড ৫. এপেক্স ফ্যাশন ওয়্যার লিমিটেড ও ৬. ম্যাটেক্স বাংলাদেশ লিমিটেড-এর পরিচালক পদে নিযুক্ত আছেন।

গ) বর্তমানে তিনি বোর্ডের কোন কমিটির সদস্য নন।

জনাব শাহরিয়ার আহমেদঃ

ক) জনাব শাহরিয়ার আহমেদ, যুক্তরাষ্ট্রের জনসন এন্ড ওয়েলস বিশ্ববিদ্যালয় হইতে এমবিএ ডিগ্রী অর্জন করেন এবং তার শিক্ষা জীবন শেষ করে ২০০৪ সালে তিনি এই কোম্পানীতে যোগদান করেন। তিনি ২০০৪ সাল থেকে এই শিল্প খাতে কাজ করিতেছেন। এই দীর্ঘ সময়ে তিনি এই শিল্প খাতে গভীর জ্ঞান অর্জন করেছেন। তিনি এখন এই কোম্পানীর ব্যবস্থাপনা পরিচালক।

খ) জনাব শাহরিয়ার এ খাতে যোগদানের পর হইতে এই কোম্পানী পরিচালনার জন্য পর্যাপ্ত জ্ঞান অর্জন করেছেন।

গ) তিনি এই কোম্পানীর পরিচালক ছাড়াও ১. এপেক্স স্পিনিং এন্ড নীটিং মিলস্ লিমিটেড, ২. এপেক্স ল্যানজারি লিমিটেড, ৩. এপেক্স ইয়ার্ন ডাইং লিমিটেড, ৪. এপেক্স টেক্সটাইল প্রিটিং মিলস্ লিমিটেড ৫. এপেক্স ফ্যাশন ওয়্যার লিমিটেড ও ৬. ম্যাটেক্স বাংলাদেশ লিমিটেড-এর পরিচালক পদে নিযুক্ত আছেন।

ঘ) বর্তমানে জনাব শাহরিয়ার আহমেদ অডিট কমিটির একজন সদস্য।

২৫. ম্যানেজমেন্ট আলোচনা এবং বিশ্লেষণ যাহা ব্যবস্থাপনা পরিচালক কর্তৃক স্বাক্ষরিতঃ

ব্যবস্থাপনা পরিচালক কর্তৃক স্বাক্ষরিত ম্যানেজমেন্ট আলোচনা ও বিশ্লেষণ যা ব্যবস্থাপনা পরিচালকের বিবৃতি হিসাবে বার্ষিক প্রতিবেদনে সংযুক্ত কোম্পানীর অবস্থান, অপারেশন এবং বিশদ বিশ্লেষণের প্রতিনিধিত্ব করে ।

২৬. এমডি এবং সিএফও কর্তৃক স্বাক্ষরিত বিবৃতিঃ

এমডি এবং সিএফও কর্তৃক স্বাক্ষরিত বিবৃতি অনুগ্রহপূর্বক **Annexure-A** পড়ুন।

২৭. কর্পোরেট গভর্নেন্স কমপ্লায়েন্স প্রতিবেদনঃ

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের চাহিদা অনুযায়ী কর্পোরেট গভর্নেন্স প্রতিবেদন যা **Annexure- B** এবং **C** এ সংযুক্ত করা হলো ।

২৮. নিরীক্ষকঃ

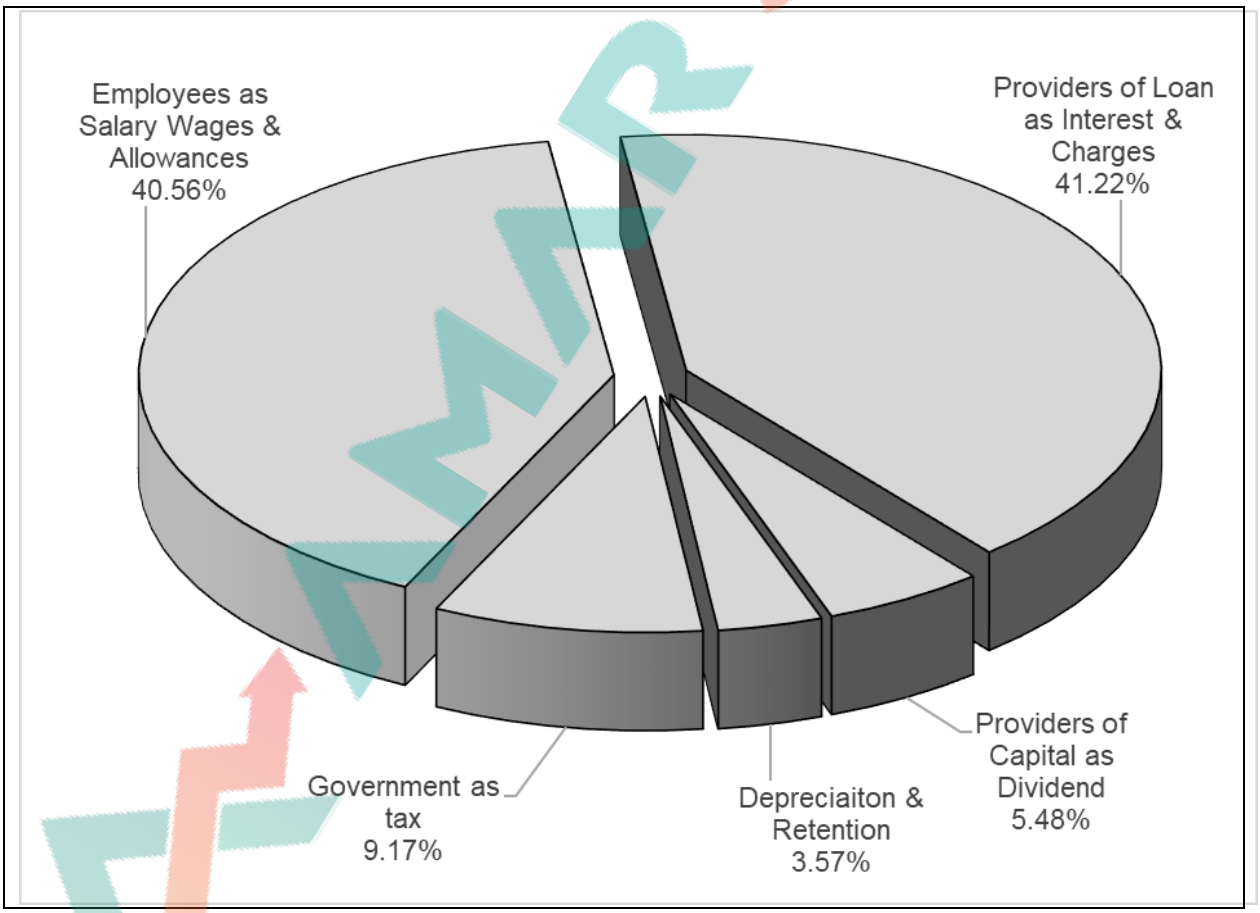
অবসর গ্রহনকারী নিরীক্ষক মেসার্স মালেক সিদ্দিকী ওয়ালী, চার্টার্ড এ্যাকাউন্ট্যান্টস্ যোগ্য বিধায় ২০১৮-২০১৯ হিসাব বৎসরের জন্য পুনঃ নিরীক্ষক হিসাবে নিয়োগের জন্য প্রস্তাব ও আবেদন করেছেন।

ঢাকা
২৭ অক্টোবর, ২০১৮

বোর্ডের পক্ষে
স্বা/-
জাফর আহমেদ
সভাপতি

VALUE ADDED STATEMENT

PARTICULARS	2017-18	%	2016-17	%
VALUE ADDED				
Revenue	1,922,167,738		1,642,772,107	
Less: Bought in Materials & Services	1,714,078,721		1,434,697,194	
	208,089,017		**208,074,913**	
APPLICATIONS				
Government as Tax	19,091,632	9.17	12,364,420	5.94
Employees as Salary Wages & Allowances	84,396,844	40.56	82,642,057	39.72
Providers of Loan as Interest & Charges	85,778,333	41.22	96,935,681	46.59
Providers of Capital as Dividend	11,404,800	5.48	11,404,800	5.48
Depreciation & Retention	7,417,408	3.57	4,727,955	2.27
	208,089,017	**100.00**	**208,074,913**	**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 2018, 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 2018, 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.

Sd/-
Malek Siddiqui Wali
Chartered Accountants

Dated; Dhaka
October 27, 2018

STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE, 2018

	NOTES	30.06.2018	Value in Taka 30.06.2017
ASSETS			
Non-Current Assets:		**518,562,581**	**385,533,816**
Property, Plant and Equipment	**8**	103,204,859	113,077,574
Investments	**9**	409,943,370	267,337,626
Security Deposits	**10**	5,414,352	5,118,616
Current Assets:		**1,353,620,387**	**1,372,967,720**
Inventories	**11**	880,408,407	879,429,665
Trade Receivables	**12**	24,577,415	62,374,483
Advance, Deposits & Prepayments	**13**	45,804,763	39,858,786
Other Receivables	**14**	183,263,253	161,028,170
Investment in Financial Assets	**15**	212,153,262	224,137,880
Cash & Cash Equivalents	**16**	7,413,287	6,138,736
TOTAL ASSETS		**1,872,182,968**	**1,758,501,536**
EQUITY AND LIABILITIES			
Shareholders' Equity:		**783,569,959**	**656,321,873**
Share Capital	**17**	57,024,000	57,024,000
Share Premium	**18**	209,088,000	209,088,000
Reserve and Surplus	**19**	189,233,610	190,330,694
Fair Valuation Surplus of Investments	**20**	328,224,349	199,879,179
Non-Current Liabilities:		**41,133,736**	**24,272,437**
Deferred Tax Liabilities	**21**	38,752,739	24,272,437
Long Term Loan	**22**	2,380,997	-
Current Liabilities:		**1,047,479,273**	**1,077,907,226**
Working Capital Loan (Secured)	**23**	762,783,215	768,870,623
Long Term Loan-Current Maturity	**24**	593,836	22,500,000
Short Term Loan	**25**	145,343,446	96,450,532
Trade Payables	**26**	64,708,622	104,521,999
Other Payables	**27**	22,923,522	39,356,388
Current Tax Liability	**28**	42,181,245	38,760,024
Other Liabilities	**29**	8,945,387	7,447,660
Total Liabilities		**1,088,613,009**	**1,102,179,663**
TOTAL EQUITY AND LIABILITIES		**1,872,182,968**	**1,758,501,536**
Net Asset Value Per Share		**137.41**	**115.10**

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 27, 2018

Sd/-
Malek Siddiqui Wali
Chartered Accountants

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE, 2018

Value in Taka

	NOTES	2017-18	2016-17
REVENUE	**30**	**1,922,167,738**	**1,642,772,107**
Cost of goods sold	**31**	(1,712,436,974)	(1,446,964,520)
GROSS PROFIT		**209,730,764**	**195,807,587**
OPERATING EXPENSES:		**(193,094,328)**	**(191,338,044)**
Administrative & selling overhead	**35**	(107,315,995)	(94,402,363)
Financial expenses	**36**	(85,778,333)	(96,935,681)
OPERATING PROFIT/(LOSS)		**16,636,436**	**4,469,543**
Other income	**37**	**19,080,109**	**23,990,656**
PROFIT BEFORE PPF & WF		**35,716,545**	**28,460,199**
Provision for contribution to PPF & WF	**38**	(1,785,827)	(1,423,010)
PROFIT BEFORE TAX		**33,930,718**	**27,037,189**
Tax expenses:	**39**	**(23,623,002)**	**(18,117,661)**
Current tax		(23,403,275)	(18,777,970)
Deferred tax (expenses)/income		(219,727)	660,309
NET PROFIT/(LOSS) AFTER TAX		**10,307,716**	**8,919,528**
Other comprehensive income:			
Fair valuation surplus/(deficit) of investment	**20**	**128,345,170**	**39,447,727**
Fair valuation surplus/(deficit) during the year		142,605,744	43,830,808
Less: Deferred tax		(14,260,574)	(4,383,081)
TOTAL COMPREHENSIVE INCOME		**138,652,886**	**48,367,255**
Basic Earnings Per Share (EPS)	**41**	**1.81**	**1.56**

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 27, 2018

Sd/-
Malek Siddiqui Wali
Chartered Accountants

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2018

Value in Taka

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
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**
Net profit after tax of 2017-18	-	-	-	10,307,716	-	-	10,307,716
Final dividend for the year 2016-17	-	-	-	(11,404,800)	-	-	(11,404,800)
Fair valuation surplus/(deficit) of Investments	-	-	-	-	-	128,345,170	128,345,170
As at 30th June 2018	**57,024,000**	**209,088,000**	**51,162,905**	**137,463,705**	**607,000**	**328,224,349**	**783,569,959**

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**

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 27, 2018

Sd/-
Malek Siddiqui Wali
Chartered Accountants

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2018

Value in Taka

	2017-18	2016-17
CASH FLOWS FROM OPERATING ACTIVITIES:		
Collection from revenue	1,959,964,806	1,619,018,691
Other income	18,437,444	26,935,597
Interest and other financial charges paid	(83,155,244)	(96,935,681)
Income tax paid	(24,595,103)	(16,888,486)
Payment for costs and expenses	(1,881,634,840)	(1,677,933,693)
Net cash generated from /(used in) operating activities (a)	**(10,982,937)**	**(145,803,572)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property, plant and equipment acquired	(13,101,076)	(7,400,059)
Investments in financial assets	11,984,618	102,052,759
Net cash generated from/(used in) investing activities (b)	**(1,116,458)**	**94,652,700**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Working capital loan received/(repaid)	(6,087,408)	56,009,775
Long term loan received/(repaid)	(19,525,167)	(30,000,000)
Short term loan received/(repaid)	48,892,914	30,579,444
Dividend Paid	(9,907,073)	(10,175,329)
Net cash generated from/(used in) financing activities (c)	**13,373,266**	**46,413,890**
Net increase/(decrease) in cash and cash equivalents (a+b+c)	1,273,871	(4,736,982)
Cash and cash equivalents on opening	6,138,736	10,875,718
The effect of foreign exchange translation gain	680	-
Cash and cash equivalents on closing	**7,413,287**	**6,138,736**
Net operating cash flows per share	**(1.93)**	**(25.57)**

Annexed notes form an integral part of these Financial Statements.

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

Signed in terms of our report of even date.

Dated; Dhaka
October 27, 2018

Sd/-
Malek Siddiqui Wali
Chartered Accountants

- There was significant variance in net operating cash flows as compared to the last year. The Net Operating Cash Flows per Share is Tk. (1.93) but it was Tk. (25.57) in 2016-17 which is mainly for increase in revenue and decrease in trade receivables. This scenario is changeable time to time depending on different issues.
- Please refer to Annexure-1 for reconciliation of cash flows from operating activities under direct method and indirect method as per requirement of BSEC.

AMAR STOCK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2018 FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

1. The company and its operation:

1.01 Legal Form of the Enterprise:

Apex Foods Limited is a Public Limited Company registered under the Companies Act, 1913 (Repealed in 1994). The Company was incorporated in Bangladesh vide its RJSC registration No. C-6841(571) dated 21.03.1979. Shares of the Company are listed in the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

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, Chattogram.

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 (BAS) and Bangladesh Financial Reporting Standards (BFRS) 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) and Bangladesh Financial Reporting Standards (BFRS):

The following BASs and BFRSs 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-21	The Effects of Changes in Foreign Exchange Rates
BAS-23	Borrowing Costs
BAS-24	Related Party Disclosures
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
BFRS-7	Financial Instruments: Disclosure
BFRS-15	Revenue from contracts with customers

AMAR STOCK

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 Financial Reporting Standards (BFRS):

The Financial Statements have been prepared in compliance with requirements of BFRS'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 & Land Development 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 2017-18.

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 Investments:

Basis of fair value measurement:
As fair value is a market based measurement, when measuring the fair value of an investment we considered the market value on Investments on reporting date.

3.04 Current and non-current assets and liabilities:

The Company presents assets and liabilities in statement of financial position based on current and non-current classification.

An asset is current when it is:

i) Expected to be realized or intended to be sold or consumed in normal operating cycle;
ii) Held primarily for the purpose of trading;
iii) Expected to be realized within twelve months after the reporting period; or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months.

All other assets are classified as non-current.

A liability is current when it is:

i) Expected to be settled in normal operating cycle;
ii) Held primarily for the purpose of trading;
iii) Due to be settled within twelve months after the reporting period; or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classified all other liabilities as non-current.

Deferred tax assets/liabilities are classified as non-current assets/liabilities.

3.05 Taxation:

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

3.06 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.

3.07 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.

3.08 Trade Receivables:

Export bills receivables are stated at the original invoice value.

3.09 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.

3.10 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 41.

3.10(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.

3.10(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.

3.10(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.

3.10(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.

3.11 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".

3.12 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 Statement of Financial Position date in accordance with BAS 21 "The Effects of Changes in Foreign Exchange Rates". The Closing conversion rate of USD was Tk. 83.00.

3.13 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 BFRS 15 "Revenue from contracts with customers".

3.14 Other Income Recognition:

Interest on time deposits have been accounted for on accrual basis.

3.15 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.

3.16 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.

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

Preparation of Financial Statements in conformity with the Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) 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 Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management. The responsibility also includes developing and monitoring the Company's risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures. The Company's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarized as follows:

- Credit risk
- Liquidity risk
- Market risk
- Price Risk
- Interest rate risk
- Currency risk

4.01 Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. As the Company is 100% export oriented so the major customers of the Company are in USA, UK, Netherlands, Germany and Russia.

The Trade Receivable are due from foreign customers for export. The balance from foreign customers are secured against firm contracts/letters of credit. Management assesses the credit quality of foreign customers, taking into account their financial position, past experience and other factors. As at the balance sheet date, there are no past due. Trade Receivable balances and the balance as on 30.06.2018 has subsequently been fully realized. For bank balances, financial institutions with strong credit ratings are accepted. Credit risk on bank balances is limited as these are placed with banks having good credit ratings.

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 (Investment in financial assets, 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 Investment in financial assets & 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 changes in market prices, such as foreign exchange rates, interest rates and equity prices 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 while optimizing returns.

4.04 Price risk:

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The company does not have any financial instrument that expose the price risk.

4.05 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.

4.06 Currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company is exposed to foreign currency risk on sales and purchases though the purchase is very nominal, which, are entered in a currency other than BDT. The foreign currency transactions are mainly occurred in USD and during the year under review the conversion rate of USD into BDT have not fluctuate materially.

5. Capital risk Management:

The objective of the Company when managing capital, i.e., its shareholders' equity is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses. The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

6. Operating segments:

- These financial statements have been prepared on the basis of single reportable segment.
- All non-current assets of the Company as at 30th June 2018 are located in Bangladesh.

7. Others:

7.01 Comparative information:

Comparative information has been disclosed in respect of the year 2016-17 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.

7.02 Reporting currency and level of precision:

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

7.03 Reporting period:

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

7.04 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, 2018.
ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2018.
iii) Statement of Changes in Equity for the year ended 30th June, 2018.
iv) Statement of Cash Flows for the year ended 30th June, 2018.
v) Notes to the Financial Statements.

8. PROPERTY, PLANT AND EQUIPMENT: TK. 103,204,859

SL NO.	PARTICULAR	COST			RATE %	DEPRECIATION			W.D.V. as at 30.06.18
		Balance as at 01.07.17	Addition during the year	Balance as at 30.06.18		Balance as at 01.07.17	For the year	Balance as at 30.06.18	
1	Land & Land Development	3,392,470	-	3,392,470		-	-	-	3,392,470
2	Factory Building	95,786,109	369,700	96,155,809	20	82,285,696	2,715,963	85,001,659	11,154,150
3	Plant & Machinery	507,820,141	11,548,315	519,368,456	20	424,933,364	17,998,432	442,931,796	76,436,660
4	Factory Equipment	37,127,183	342,730	37,469,913	20	31,432,382	1,184,883	32,617,265	4,852,648
5	Furniture & Fixtures	14,620,950	-	14,620,950	10	9,870,462	475,049	10,345,511	4,275,439
6	Office Equipment	15,884,131	926,860	16,810,991	20	13,702,580	554,194	14,256,774	2,554,217
7	Motor Vehicles	16,945,243	-	16,945,243	20	16,327,875	123,474	16,451,349	493,894
8	Crockeries	289,887	2,910	292,797	20	236,181	11,235	247,416	45,381
Total		**691,866,114**	**13,190,515**	**705,056,629**		**578,788,540**	**23,063,230**	**601,851,770**	**103,204,859**

Charged to:

Factory Overhead	21,899,278
Administrative & selling overhead	1,163,952
	23,063,230

PROPERTY, PLANT AND EQUIPMENT FOR 2016-17

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

- Cash Credit (Hypo) was taken from Agrani Bank Limited, Agrabad Corporate Branch, Jahan Building, Agrabad C/A, Chattogram, which is fully secured against 1st charge on Land, Building, Plant & Machinery and all other Assets of the Company.

		30.06.2018	30.06.2017
9. INVESTMENTS: TK. 409,943,370			
In Shares:	**Cost value**		
Apex Spinning & Knitting Mills Limited (2,263,200 Shares of Tk. 10.00 each)	22,632,000	392,325,720	253,319,976
Apex Weaving & Finishing Mills Limited (2,000,000 Shares of Tk. 10.00 each)	20,000,000	15,000,000	11,400,000
Amam Sea Food Industries Limited (10,482 Shares of Tk. 100.00 each at par)	1,048,200	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	1,569,450
	45,249,650	**409,943,370**	**267,337,626**

Market Price of Listed Companies Shares (As on 30.06.18)

Apex Spinning & Knitting Mills Ltd. (Last trade date 28.06.2018)	173.35	111.93
Apex Weaving & Finishing Mills Ltd. (Last trade date 07.05.2018)	7.50	5.70
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 30.06.2018 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 and the civil suit no.191(F) of 2018 with the Honorable High Court Division. As the issue is under litigation, no dividend has yet been accounted for.

	5,414,352	5,118,616
10. SECURITY DEPOSITS: TK. 5,414,352		

- Security Deposits are made to statutory bodies and hence secured.
- Additional amount of Tk. 295,736 represents the additional security amount deposited to Karnaphuli Gas Distribution Company Limited for increasing of tariff rate.

11. INVENTORIES: TK. 880,408,407

	Qty. in Kg.		
Shrimps (Finished Goods)	933,867	868,082,873	864,730,220
Packing Materials	-	9,123,810	10,134,908
Chemical & Ingredients	-	3,201,724	4,564,537
	933,867	**880,408,407**	**879,429,665**

- 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.

	30.06.2018	30.06.2017

12. TRADE RECEIVABLES: TK. 24,577,415

Export Bills Receivable	**24,577,415**	**62,374,483**

The age analysis of trade receivables as on 30.06.2018 is shown below:

Age analysis	Taka
0 to 30 days	24,577,415
31 days to 60 days	0
61 days to 90 days	0
91 days to 120 days	0
121 days to 180 days	0

- 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 shows that the receivables are maximum 30 (Thirty) days and these are considered good and subsequently realized in full.

13. ADVANCE, DEPOSITS AND PREPAYMENTS: TK. 45,804,763

Advance against expenses	490,299	379,937
Staff Advance	-	4,000
Prepayments	3,955,795	2,488,229
Advance Income Tax	40,929,585	36,316,536
Bank Guarantee margin	429,084	429,084
L/C margin with Agrani Bank Limited	-	241,000
	45,804,763	**39,858,786**

- Advance against expenses 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.

14. OTHER RECEIVABLES: TK. 183,263,253

Insurance Claim Receivable	16,254,727	16,254,727
Cash Incentive Receivable	159,559,228	137,966,130
FDR's Interest Receivable	7,449,298	6,807,313
	183,263,253	**161,028,170**

- 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 30.06.2018.

15. INVESTMENT IN FINANCIAL ASSETS: TK. 212,153,262

FDRs with Dhaka Bank Ltd., Foreign Exchange Br., Dhaka.	190,053,262	202,537,880
FDRs with Agrani Bank Ltd., Agrabad Corporate Br., Chattogram.	22,100,000	21,600,000
	212,153,262	**224,137,880**

- FDR's are made for more than 3 (three) months.

	30.06.2018	30.06.2017
16. CASH AND CASH EQUIVALENTS: TK. 7,413,287		
Head Office	27,529	23,104
Factory Office	22,186	14,238
	49,715	**37,342**
Cash at Bank with:		
Agrani Bank Ltd., ESA A/C, Agrabad Corporate Br., Chattogram	44,581	27,826
Agrani Bank Ltd., FCY A/C, Agrabad Corporate Br., Chattogram	91,093	1,100,256
Arab Bangladesh Bank Ltd., CD A/C, Principal Br., Dhaka	610,288	614,570
Eastern Bank Ltd., SND A/C, Principal Branch, Dhaka	30,438	31,457
The Hongkong & Shanghai Banking Corporation, CD A/C, Dhaka	855,014	67,312
The Hongkong & Shanghai Banking Corporation, CD A/C, Dhaka	5,732,158	4,257,989
Dhaka Bank Ltd., CD A/C, Foreign Exchange Br., Dhaka	-	1,984
	7,363,572	**6,101,394**
	7,413,287	**6,138,736**

- Cash in hand was physically counted and verified at the year ended on 30.06.2018. All Bank balances were reconciled and confirmed by bank statements.

17. 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 30.06.2018):

Sponsors & Directors	38.96%	38.96%
Institutions	13.12%	11.19%
Public - Local	47.92%	49.85%
	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 %
2147	Less than & equal 500 Shares	280,759	4.92
515	501 to 5,000 Shares	799,390	14.02
46	5,001 to 10,000 Shares	330,716	5.80
20	10,001 to 20,000 Shares	268,758	4.71
7	20,001 to 30,000 Shares	178,813	3.14
5	30,001 to 40,000 Shares	177,570	3.11
3	40,001 to 50,000 Shares	131,484	2.31
1	50,001 to 100,000 Shares	51,613	0.91
3	100,001 to 200,000 Shares	470,520	8.25
4	Over 200,000 Shares	3,012,777	52.83
2,751		**5,702,400**	**100.00**

	30.06.2018	30.06.2017

18. 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.

19. RESERVE AND SURPLUS: TK. 189,233,610

- This represents the following:

Reserve for Re-investment	51,162,905	51,162,905
Retained Earnings	137,463,705	138,560,789
Capital Gain	607,000	607,000
	189,233,610	**190,330,694**

- 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.

20. FAIR VALUATION SURPLUS OF INVESTMENTS: TK. 328,224,349

Opening Balance	**199,879,179**	**160,431,452**
Adjustment for fair valuation surplus/(deficit) during the year	142,605,744	43,830,808
Less: Deferred Tax @10%	(14,260,574)	(4,383,081)
Fair valuation surplus/(deficit) during the year	**128,345,170**	**39,447,727**
	328,224,349	**199,879,179**

- 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.

21. DEFERRED TAX LIABILITIES: TK. 38,752,739

(a) Deferred tax liabilities on Fixed Assets	420,873	361,812
(b) Deferred tax on foreign currency translation gain/loss(unrealized)	170	-
(c) Deferred tax liabilities on Interest Receivable	1,862,325	1,701,828
(d) Deferred tax liabilities on Fair valuation surplus	36,469,371	22,208,797
	38,752,739	**24,272,437**

- 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 Investments as per BAS 12. The details are given below:

a)	**Book Value of Depreciable Assets**	103,204,859	113,077,574
	Tax base of Depreciable Assets	99,837,875	110,183,074
	Net Taxable Temporary Difference	3,366,984	2,894,500
	Effective Tax Rate	12.50%	12.50%
	Closing Deferred Tax (Assets)/Liabilities arising from assets	**420,873**	**361,812**
	Opening Deferred Tax Balance	361,812	285,885
	Deferred Tax (Expense)/Income	**(59,061)**	**(75,927)**

		30.06.2018	30.06.2017
b)	**Foreign currency translation gain/loss (unrealized)**	**680**	-
	Effective Tax Rate	25.00%	25.00%
	Closing Deferred Tax (Assets)/Liabilities arising from unrealized Foreign currency translation gain/loss	**170**	-
	Opening Deferred Tax Balance	-	-
	Deferred Tax (Expenses)/Income	**(170)**	-
c)	**Unrealized Interest on FDRs**	7,449,298	6,807,313
	Effective Tax Rate	25.00%	25.00%
	Closing Deferred Tax (Assets)/Liabilities arising from unrealized FDRs Interest	**1,862,325**	**1,701,828**
	Opening Deferred Tax Balance	1,701,828	2,438,064
	Deferred Tax (Expenses)/Income	**(160,496)**	**736,236**
	Deferred Tax (Expenses)/Income (a+b+c)	**(219,727)**	**660,309**
d)	**Deferred Tax (Assets)/Liabilities arising from Other Comprehensive Income:**		
	Gains on hedging instruments in cash flow hedges	-	-
	Tax for (Losses)/gains on available for sale investments	36,469,371	22,208,797
	Revaluation of property	-	-
	Actuarial gain on defined benefit pension schemes	-	-
	Foreign exchange gain for foreign operation	-	-
	Deferred Tax (Assets)/Liabilities arising from investments	**36,469,371**	**22,208,797**
	Opening Deferred Tax Balance	22,208,797	17,825,716
	Deferred Tax (Expenses)/Income arising from investments	**(14,260,574)**	**4,383,081**
	Total Deferred Tax (Assets)/Liabilities (a+b+c+d)	**38,752,739**	**24,272,437**

22. LONG TERM LOAN: TK. 2,380,997

Term Loan	**2,380,997**	**-**
Opening Balance	-	-
Add: Loan Taken during the year	3,490,000	-
Less: Paid during the year	515,166	-
	2,974,834	-
Less: Transferred to current maturity to next twelve months installment	593,836	-
	2,380,997	**-**

This represents the term loan taken from Dhaka Bank Limited, Foreign Exchange Branch, 100 Motijheel C/A, Dhaka for procurement of one plate freezer. Initial facility was available for Tk. 3.49 million and the tenure is 60 months. The loan bears interest @12.50% p.a. presently but it was initially 8.50% p.a. The loan was taken against a full set of charge documents of the Bank. Initial equal monthly installment (EMI) size was Tk. 71,820.47 but now it is Tk. 79,607.02.

	30.06.2018	30.06.2017

23. WORKING CAPITAL LOAN (SECURED): TK. 762,783,215

CC (Hypo) from Agrani Bank Limited, Agrabad Corporate Branch, Chattogram	147,516,342	153,577,376
CC (Pledge) from Agrani Bank Ltd., Agrabad Corporate Branch, Chattogram	615,266,873	615,293,247
	762,783,215	**768,870,623**

- The Working Capital Loan was taken from Agrani Bank Limited, Agrabad Corporate Branch, Jahan Building, Agrabad C/A, Chattogram, 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 @ 7% p.a. from 01.07.2017 to 31.12.2017, @ 10.75% p.a. from 01.01.2018 to 30.04.2018 and @ 9.50% from 01.05.2018 to 30.06.2018.

24. LONG TERM LOAN-CURRENT MATURITY: TK. 593,836

Long Term Loan	593,836	22,500,000
	593,836	**22,500,000**

- Long Term loan received from Dhaka Bank Limited and present interest rate is 12.50% p.a. and the above amount represents the current portion of long term loan liability payable in next twelve months.

25. SHORT TERM LOAN: TK. 145,343,446

Dhaka Bank Limited	89,134,446	96,450,532
Loan against Cash Incentive	56,209,000	-
	145,343,446	**96,450,532**

- Loan from Dhaka Bank Limited, Foreign Exchange Branch, Dhaka against lien on FDRs and the loan bear average interest @ 10.13% p.a.

- Loan against cash incentive has been taken from the Agrani Bank Limited against cash incentive receivable from the Bangladesh Bank and after getting the cash incentive from Bangladesh Bank through Agrani Bank Limited the loan is being adjusted. The loan bears interest rate @13% p.a.

26. TRADE PAYABLES: TK. 64,708,622

Shrimp Purchased	**64,708,622**	**104,521,999**

- 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.

	30.06.2018	30.06.2017
27. OTHER PAYABLES: TK. 22,923,522		
Advance against export	-	14,798,094
Audit Fees including VAT	230,000	230,000
Advertisement	-	10,800
Chemicals	38,547	101,177
Clearing & Forwarding	263,134	379,861
Consumable Stores	126,611	272,626
Contribution to PPF & WF	1,785,827	1,423,010
Directors Remuneration	750,000	750,000
Factory Building	96,600	-
Factory Equipment	35,999	-
Ice	888,951	1,612,614
Interest Payable on Cash Incentive Loan	548,038	-
Interest Payable on OD A/C #203-170-1027	2,075,051	-
Legal & Professional Fees	20,000	-
License & Renewal Fees	-	63,863
Newspaper & Periodicals	4,120	3,090
Ocean Freight	615,135	-
Packing Materials	6,988,984	8,541,809
Plant & Machinery	350,600	393,760
Power, Fuel and Water	89,030	168,915
Printing & Stationery	2,000	2,200
Rent, Rates & Taxes	777,797	-
Repairs (Factory Building)	65,289	172,875
Repairs (Machinery & Equipment)	674,600	1,168,509
Salaries & Allowances	1,800,006	1,890,603
Sales Promotion Expenses	86,810	82,920
Shrimp Processing Ingredients	-	2,322,500
Staff Income Tax	61,911	64,500
Staff Welfare	107,100	182,500
Survey Fees & Inspection	12,650	173,000
TA & Conveyance	-	19,955
Telephone & Fax	15,479	16,465
Uniform & Liveries	77,452	46,575
Wages & Salaries	4,335,801	4,464,167
	22,923,522	**39,356,388**

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

28. CURRENT TAX LIABILITY: TK. 42,181,245

Income tax liability	**42,181,245**	**38,760,024**

- This represents the tax liability up to the year 2017-18. Assessments have been completed up to 2015-16 and assessment figures (Liability/Advance) has been adjusted with the Accounts. Assessment for the year 2016-17 is under process.

	30.06.2018	30.06.2017
29. OTHER LIABILITIES: TK. 8,945,387		
Unclaimed Dividend	**8,945,387**	**7,447,660**
Opening Balance	7,447,660	6,218,189
Add: Dividend approved at AGM	11,404,800	11,404,800
	18,852,460	17,622,989
Less: Paid during the year up to 30.06.2018	9,907,073	10,175,329
	8,945,387	**7,447,660**

- Unclaimed dividend represents the dividend warrants of Tk. 8,945,387/- not presented to Bank by the Shareholders within June 30, 2018. As on September 30, 2018 the payable amount was Tk. 8,917,637.70. The details of unclaimed dividend as on 30.06.2018 is as under:

Year	Taka
Up to 2013-14	5,026,960.00
2014-15	956,242.90
2015-16	1,403,340.90
2016-17	1,558,842.90
	8,945,386.70

			2017-18	2016-17
30. REVENUE: TK. 1,922,167,738				
	Qty. in Kg.	US$		
Export of Shrimps	2,075,175	23,624,551.53	1,922,167,738	1,642,772,107
	2,075,175	**23,624,551.53**	**1,922,167,738**	**1,642,772,107**

- Country wise break up of the Export for the year 2017-18:

Name of the Countries	Quantity in KG	USD
Canada	4,536	67,900.00
Germany	351,080	3,971,720.00
Netherlands	481,440	4,580,779.00
Russia	309,400	3,079,160.00
South Korea	8,660	100,860.00
Switzerland	39,000	1,060,550.00
Turkey	17,890	169,047.70
UK	526,670	6,194,563.83
USA	336,499	4,399,971.00
	2,075,175	**23,624,551.53**

			2017-18	**2016-17**
31. COST OF GOODS SOLD: TK. 1,712,436,974				
	Qty. in Kg.	**Notes**		
Opening Stock of Finished Goods	822,850		864,730,220	645,763,458
Add: Cost of Production	2,186,192	**32**	1,715,789,627	1,665,931,282
	3,009,042		**2,580,519,847**	**2,311,694,740**
Less: Closing Stock of Finished Goods	933,867		868,082,873	864,730,220
	2,075,175		**1,712,436,974**	**1,446,964,520**
	=======		==========	==========
32. COST OF PRODUCTION: TK. 1,715,789,627				
	Qty. in Kg.	**Notes**		
Shrimp Purchased	**2,650,468**		1,552,224,499	1,515,389,481
Packing Materials, Chemicals, Ice and Ingredients consumed		**33**	56,749,752	43,975,083
Direct Labor			29,101,466	24,097,099
Factory Overhead		**34**	77,713,910	82,469,619
			----------	----------
			1,715,789,627	**1,665,931,282**
			==========	==========

- Cash incentive adjusted with the raw materials purchase.

33. PACKING MATERIALS, CHEMICALS, ICE & INGREDIENTS CONSUMED: TK. 56,749,752			
(a) Opening Balance (Packing Materials)	10,134,908	9,250,947
Add: Packing Materials Purchase	41,590,695	35,509,834
	----------	----------
	51,725,603	**44,760,781**
Less: Packing Materials in hand	9,123,810	10,134,908
	----------	----------
	42,601,793	**34,625,873**
(b) Opening balance (Chemical & Ingredients)	4,564,537	3,148,911
Add: Chemicals, Ice and Ingredients Purchase	12,785,146	10,764,836
	----------	----------
	17,349,683	**13,913,747**
Less: Chemical and Ingredients in hand	3,201,724	4,564,537
	----------	----------
	14,147,959	**9,349,210**
Total (a+b)	**56,749,752**	**43,975,083**
	=========	=========
34. FACTORY OVERHEAD: TK. 77,713,910		
Wages & Salaries	22,684,105	26,029,204
Bonus to Workers'	439,903	500,341
Power, Fuel & Water	20,498,411	18,787,972
Consumable Stores & Spares	1,544,875	1,326,105
Insurance premium	2,076,012	2,294,519
Repair & Maintenance	8,524,856	9,185,202
Carriage Inward	46,470	51,245
Depreciation	21,899,278	24,295,031
	----------	----------
	77,713,910	**82,469,619**
	=========	=========

	2017-18	**2016-17**
35. ADMINISTRATIVE AND SELLING OVERHEAD: TK. 107,315,995		
Advertisement	231,370	578,034
AGM Expenses	158,478	121,087
Audit Fee (Including VAT)	230,000	230,000
Board Meeting Fees	12,500	12,500
Bonus to Staff	2,228,295	2,389,962
Contribution to Provident Fund	1,589,591	1,529,777
Depreciation	1,163,952	1,155,611
Directors' Remuneration	9,000,000	9,000,000
Donation & Subscription	29,100	20,000
Electricity & WASA Charges	339,890	366,870
Entertainment	667,485	616,633
Freight & Forwarding	34,141,588	24,317,250
General Fees & Charges	191,380	40,000
Guest House Expenses	645,166	640,826
Laboratory Expenses	119,450	65,480
Laboratory Testing Fees	6,258,797	4,252,946
Legal & Professional Fees	557,700	745,900
License & Renewals	1,350,813	823,669
Medical Expenses	161,848	8,921
Membership Subscription	11,600	60,800
Newspaper & Periodicals	61,500	57,570
Office Maintenance	448,210	284,763
Postage & Stamp	362,703	220,062
Printing & Stationery	840,527	763,447
Rejection Insurance Premium	87,010	1,600,102
Rent, Rates & Taxes	3,071,884	2,872,482
Salaries & Allowances	26,567,657	26,672,664
Sales Commission	736,656	-
Sales Promotion Expenses	9,844,875	9,579,135
Sanitation Expenses	210,745	191,829
Staff Fooding	646,385	539,651
Staff Welfare Expenses	1,408,463	1,122,832
T.A & Conveyance	1,197,841	1,355,226
Telephone, Telex & Fax	510,903	474,213
Uniform & Liveries	530,551	401,515
Vehicles Maintenance	1,701,082	1,290,606
	107,315,995	**94,402,363**

- 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 promotion 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.

AMARSTOCK

	2017-18	**2016-17**
36. FINANCIAL EXPENSES: TK. 85,778,333		
Interest	79,091,558	90,651,800
Charges	6,686,775	6,283,881
	85,778,333	**96,935,681**
37. OTHER INCOME: TK. 19,080,109		
Dividend Income:		
Dividend from Apex Spinning & Knitting Mills Ltd.	4,526,400	4,979,040
Dividend from CDBL	1,427,953	1,427,953
	5,954,353	**6,406,993**
Interest Earned on FDRs and SND Account	**13,125,076**	**17,583,663**
Foreign Exchange Gain/(Loss)	**680**	**-**
	19,080,109	**23,990,656**

Foreign exchange gain represents the difference between the closing conversion rate and the ledger conversion rate of FCY Account as on 30.06.2018.

38. PROVISION FOR CONTRIBUTION TO PPF & WF: TK. 1,785,827

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.

39. TAX EXPENSES:

(a) Current Tax	23,403,275
(b) Deferred Tax Expenses **(Note-21)**	219,727

The current tax comprises of the following:

On other income:		
Interest earned	3,120,773	5,132,151
Dividend income	1,190,870	1,281,399
	4,311,643	**6,413,550**
Tax on Cash incentive	4,668,300	3,072,000
Tax on export realization	14,423,332	9,292,420
	23,403,275	**18,777,970**

- Current tax represents estimated Income Tax for the period from 1st July 2017 to 30th June 2018.
- The provision for deferred tax (expenses)/income is made to pay/adjust future income tax liability/asset due to accumulated temporary differences.

40. GROSS PROFIT MARGIN:

GP Margin is 10.91% during the year but it was 11.92% in last year, the decrease of GP margin mainly due to increase of higher grade raw materials cost.

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

$$\text{Basic EPS} = \frac{\text{Earnings attributable to Ordinary Shareholders}}{\text{Weighted average number of shares outstanding during the year 2017-18}}$$

$$\text{Basic Earnings Per Share (EPS)} = \frac{10,307,716}{5,702,400} = 1.81$$

- 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. 1.39 but it became Tk. 1.81 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.

42. NET ASSET VALUE (NAV) PER SHARE:

$$\text{NAV Per Share} = \frac{\text{Net Assets (Total Assets-Total Liabilities)}}{\text{Number of ordinary shares outstanding}}$$

$$\text{Net Asset Value (NAV) Per Share} = \frac{783,569,959}{5,702,400} = 137.41$$

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

$$\text{NOCFPS} = \frac{\text{Net Operating Cash Flows}}{\text{Number of ordinary shares outstanding}}$$

$$\text{Net Operating Cash Flows Per Share (NOCFPS)} = \frac{(10,982,937)}{5,702,400} = (1.93)$$

44. EVENTS AFTER REPORTING PERIOD:

The Board of Directors recommended cash Dividend of Tk. 2/- per Share for the year 2017-18 at the Board meeting held on October 27, 2018. 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.

45. 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. 35 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.

46. GENERAL:

	2017-18		2016-17	
(a) Production capacity (Quantity in M/T):				
Installed Capacity	7,200	%	7,200	%
Actual Capacity utilized	2,186	30.36	2,106	29.25
Variation	**5,014**		**5,094**	

- 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.

(b) Production (Quantity in Kg):		
Shrimps	2,186,192	2,105,692
	2,186,192	**2,105,692**
(c) Export (Quantity in Kg):		
Shrimps	2,075,175	1,941,368
	2,075,175	**1,941,368**

(d) Consumption (Value in Taka):

Items	Value	Consumption %
Local Shrimps	1,552,224,499	96.47
Local Packing Materials, Chemicals, Ice & Ingredients	56,749,752	3.53

(e) Salaries & Wages:

	No. of Employees	Taka
Up to Tk. 3,000.00 per month	-	-
Above Tk. 3,000.00 per month	271	53,509,551
	271	**53,509,551**

47. 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	--
Salaries and Allowance	9,000,000	20,440,637
Contribution to Provident Fund	--	1,039,210
Bonus	--	1,748,944
Perquisites	--	12,560,880

48. CAPITAL EXPENDITURE COMMITMENT:

- There was no capital expenditure contracted or incurred or provided for as on 30th June 2018.
- There was no material capital expenditure authorized by the Board or contracted for as on 30th June 2018.

49. CONTINGENT LIABILITY:

- There is Tk. 1.72 million as Bank guarantee for which the Company is contingently liable as on 30th June 2018.

50. 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 was no brokerage paid against sales during the year 2017-18.
- 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 2018.
- There was no credit facility available to the Company under any contract or availed of as on 30th June 2018 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/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S. K. Halder
Chief Financial Officer

ANNEXURE-1

Reconciliation of net profit with cash flows from operating activities:

Reconciliation of net income or net profit with cash flows from operating activities making adjustment for non-cash items, for non-operating items and for the net changes in operating accruals has been disclosed as per BSEC notification BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June, 2018.

	2017-18	2016-17
Cash flows from operating activities:		
Profit before tax	33,930,718	27,037,189
Add: Depreciation	23,063,230	25,450,642
Less: Effect of foreign exchange translation gain	(680)	-
(Increase)/Decrease in Inventories	(978,742)	(221,266,350)
(Increase)/Decrease in Trade Receivables	37,797,068	(23,753,416)
(Increase)/Decrease in Advance, Deposits & Pre-payments	(1,332,928)	(1,537,259)
(Increase)/Decrease in Other Receivables	(22,235,082)	(30,732,023)
Income tax paid during the year	(24,595,103)	(16,888,486)
(Increase)/Decrease in Security deposits	(295,736)	-
Increase/(Decrease) in Trade Payables	(39,813,377)	76,781,170
Increase/(Decrease) in Other Payables	(16,522,305)	19,104,961
Net cash generated from/(used in) operating activities	**(10,982,937)**	**(145,803,572)**
Net cash generated from/(used in) operating activities-Indirect method	**(10,982,937)**	**(145,803,572)**
Net cash generated from/(used in) operating activities-Direct method	**(10,982,937)**	**(145,803,572)**
Differences	**(0)**	**(0)**

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-NINTH 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 20, 2018 at 11.00 A.M. and or at any adjournment thereof. Signed this.....day of.....2018.

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-NINTH ANNUAL GENERAL MEETING being held on Thursday the December 20, 2018 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.