### UN-AUDITED HALF YEARLY (Q2) FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON 31ST DECEMBER 2019

#### STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

<table>
<thead>
<tr>
<th>Notes</th>
<th>As on 31.12.2019</th>
<th>As on 30.06.2019</th>
<th>% Growth</th>
</tr>
</thead>
</table>

**ASSETS**

<table>
<thead>
<tr>
<th>Non-Current Assets:</th>
<th>209,088</th>
<th>209,088</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, Plant and Equipment</td>
<td>97,472</td>
<td>80,960</td>
<td>21.72</td>
</tr>
<tr>
<td>Investments</td>
<td>225,132</td>
<td>331,745</td>
<td>22.01</td>
</tr>
<tr>
<td>Security Deposits</td>
<td>5,256</td>
<td>5,414</td>
<td>2.84</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current Assets:</th>
<th>2,225,440</th>
<th>1,933,001</th>
<th>15.05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories</td>
<td>911,147</td>
<td>888,149</td>
<td>2.89</td>
</tr>
<tr>
<td>Trade Receivables</td>
<td>152,150</td>
<td>132,842</td>
<td>14.58</td>
</tr>
<tr>
<td>Advancing, Deposits &amp; Prepayments</td>
<td>57,000</td>
<td>48,091</td>
<td>18.55</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>10,191</td>
<td>12,397</td>
<td>20.25</td>
</tr>
<tr>
<td>Investment in Financial Assets</td>
<td>228,655</td>
<td>187,891</td>
<td>21.77</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>4,734</td>
<td>8,839</td>
<td>-16.23</td>
</tr>
</tbody>
</table>

**TOTAL ASSETS:** 2,701,695 1,682,084

### EQUITY AND LIABILITIES

**Shareholders’ Equity:**

- Share Capital: 605,172 708,811
- Share Premium: 0 0
- Reserve and Surplus: 177,176 184,853
- Fair Value Surplus of Investments: 161,894 257,845
- Deferral Liabilities: 27,427 42,707
- Deferred Tax Liabilities: 29,202 41,915
- Long Term Loan: 1,326 1,692

**Current Liabilities:**

- Working Capital Loan (Secured): 187,107 274,293
- Long Term Loan (Current Maturity): 71 671
- Short Term Loan: 159,141 66,610
- Trade Payables: 109,723 31,651
- Other Payables: 36,756 28,479
- Current Tax Liability: 57,913 44,703
- Other Liabilities: 22,471 11,150

**Total Liabilities:** 1,073,889 930,566

**TOTAL EQUITY & LIABILITIES:** 1,627,806 1,801,520

### STATEMENT OF CASH FLOWS (UN-AUDITED)

#### FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2019

<table>
<thead>
<tr>
<th>Notes</th>
<th>As on 31.12.2019</th>
<th>As on 30.06.2019</th>
<th>% Growth</th>
</tr>
</thead>
</table>

**CASH FLOWS FROM OPERATING ACTIVITIES:**

- Collection from Revenue: 1,220,130 904,235 35.02
- Bank Charges & Commission: 1,067,878 744,295 43.54
- Income tax paid: 11,675 12,705
- Payment for costs and expenses: (1,169,264) (876,557)

**Net cash generated from operating activities (a):** | 35,155 | 9,756 |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

- Property, Plant & Equipment acquired: (11,032) (3,726)
- Finance income: 12,401 12,401
- Investment in Financial Assets: (40,614) 15,724

**Net cash used in investing activities (b):** | (40,617) | 22,855 |

**CASH FLOWS FROM FINANCING ACTIVITIES:**

- Working Capital Loan received/(repaid): (57,121) 30,085
- Long Term loan received/(repaid): (324) (294)
- Short Term loan received/(repaid): 89,531 22,557
- Interest paid: (30,338) (39,504)
- Dividend paid: (87) (83)

**Net cash generated from financing activities (c):** | 1,659 | (32,350) |

**Net increase/(decrease) in cash & cash equivalents:** | (3,803) | 281 |

**Cash & cash equivalents on opening:** | 3,639 | 4,713 |

**The effect of foreign currency translation gain / (loss):** | 0 | 0 |

**Cash & cash equivalents on closing:** | 4,566 | 4,714 |

**Net Operating Cash Flows Per Share (NOCFPS):** | 38 | 18 |

---

Please refer to Note no. 44 for reconciliation of cash flows from operating activities under direct method and indirect method as per requirement of BSEC.

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**FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2018**

**STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**

<table>
<thead>
<tr>
<th>Notes</th>
<th>As at 31.12.2018</th>
<th>As at 31.12.2019</th>
<th>% Growth</th>
</tr>
</thead>
</table>

**Shareholders’ Equity:**

- Share Capital: 57,024 | 57,024 | 0 |
- Share Premium: 57,024 | 57,024 | 0 |
- Reserve and Surplus: 184,853 | 184,853 | 0 |
- Fair Value Surplus of Investments: 257,845 | 257,845 | 0 |
- Deferred Tax Liabilities: 42,707 | 42,707 | 0 |
- Deferred Tax Liabilities: 41,915 | 41,915 | 0 |

**Current Liabilities:**

- Working Capital Loan (Secured): 708,811 | 708,811 | 0 |
- Long Term Loan (Current Maturity): 671 | 671 | 0 |
- Short Term Loan: 66,610 | 66,610 | 0 |
- Trade Payables: 31,651 | 31,651 | 0 |
- Other Payables: 28,479 | 28,479 | 0 |
- Current Tax Liability: 44,703 | 44,703 | 0 |
- Other Liabilities: 11,150 | 11,150 | 0 |

**Total Liabilities:** | 930,566 | 930,566 | 0 |

**TOTAL EQUITY & LIABILITIES:** | 1,220,130 | 1,220,130 | 0 |

**STATEMENT OF CASH FLOWS (UN-AUDITED)**

**FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2018**

**Cash & cash equivalents on opening:** | 3,339 | 4,713 |

**The effect of foreign currency translation gain / (loss):** | 0 | 0 |

**Cash & cash equivalents on closing:** | 4,456 | 4,714 |

**Net Operating Cash Flows Per Share (NOCFPS):** | 35 | 16 |

---

**FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2019**

**Cash & cash equivalents on opening:** | 3,639 | 4,713 |

**The effect of foreign currency translation gain / (loss):** | 0 | 0 |

**Cash & cash equivalents on closing:** | 4,566 | 4,714 |

**Net Operating Cash Flows Per Share (NOCFPS):** | 39 | 18 |

---

**FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2018**

**Cash & cash equivalents on opening:** | 3,339 | 4,713 |

**The effect of foreign currency translation gain / (loss):** | 0 | 0 |

**Cash & cash equivalents on closing:** | 4,456 | 4,714 |

**Net Operating Cash Flows Per Share (NOCFPS):** | 39 | 18 |
NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS (Q2) ENDED ON 31ST DECEMBER, 2019
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 RUCS registration No. C-8841(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, Fourederhat 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 interim Financial Statements have been prepared under the Historical Cost Convention. Accrual and Going Concern basis in accordance with applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) in Bangladesh which do not vary from the requirements of the Companies Act, 1994 and the Listing Regulations of the Stock Exchanges, The Securities & Exchange Rules, 1987 and other laws and rules applicable in Bangladesh.

2.02 Application of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs):
We have compiled the following IASs and IFRSs are applicable for the financial statements for the period under review:

IAS-1 Presentation of Financial Statements
IAS-2 Inventories
IAS-7 Statement of Cash Flows
IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10 Events after the Reporting Period
IAS-12 Income Taxes
IAS-16 Property, Plant and Equipment
IAS-21 The Effects of Changes in Foreign Exchange Rates
IAS-23 Borrowing Costs

2.03 Compliance with local laws:

2.04 Compliance with International Financial Reporting Standards (IFRSs):
The interim Financial Statements have been prepared in compliance with requirements of IFRS's.

3. Other Explanatory Notes:
(a) These interim financial statements have been prepared under the historical cost convention and going concern basis.
(b) No interim dividend paid during the interim period ended on 31st December 2019.
(c) No diluted EPS is required to be calculated as there was no dilution during this period.
(d) Last year's half yearly figures have been re-arranged where considered necessary to conform to current half year's presentation.
(e) Figures were rounded-off to the nearest thousand Taka.
(f) Reporting Period: These financial statements cover the period from 01st July 2019 to 31st December 2019.
(g) Comparative Figure: Comparative information has been disclosed in respect of same period of the year 2018-2019 for income statement & financial position with 30th June 2019.

### Value in Taka '000

<table>
<thead>
<tr>
<th></th>
<th>As on 31.12.2019</th>
<th>As on 30.06.2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. PROPERTY, PLANT &amp; EQUIPMENT:</td>
<td>90,722</td>
<td>86,986</td>
</tr>
<tr>
<td>5. INVESTMENTS:</td>
<td>225,132</td>
<td>331,745</td>
</tr>
<tr>
<td>6. SECURITY DEPOSITS:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security deposits to Office Rent</td>
<td>405</td>
<td>405</td>
</tr>
<tr>
<td>Security deposits to TNT &amp; Mobile</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Security deposits to Bangladesh Power Development Board</td>
<td>903</td>
<td>903</td>
</tr>
<tr>
<td>Security deposits to BGSL/ Karmaphuli Gas Distribution Co Ltd</td>
<td>3,939</td>
<td>4,097</td>
</tr>
<tr>
<td>Opening Balance</td>
<td>4,097</td>
<td>4,097</td>
</tr>
<tr>
<td>Less: Adjusted during the period</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5,256</td>
<td>5,414</td>
</tr>
<tr>
<td>7. INVENTORIES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shrimps (Finished Goods)</td>
<td>902,111</td>
<td>885,375</td>
</tr>
<tr>
<td>Packing Materials</td>
<td>5,010</td>
<td>2,175</td>
</tr>
<tr>
<td>Chemical &amp; Ingredients</td>
<td>4,026</td>
<td>1,599</td>
</tr>
<tr>
<td></td>
<td>911,147</td>
<td>889,149</td>
</tr>
<tr>
<td>8. TRADE RECEIVABLES:</td>
<td>53,868</td>
<td>54,722</td>
</tr>
<tr>
<td>9. ADVANCES, DEPOSITS &amp; PREPAYMENTS:</td>
<td>57,509</td>
<td>48,061</td>
</tr>
<tr>
<td>Advance against Expenses</td>
<td>872</td>
<td>873</td>
</tr>
<tr>
<td>Pre-payments</td>
<td>4,072</td>
<td>4,243</td>
</tr>
<tr>
<td>Advance Income Tax</td>
<td>52,136</td>
<td>40,461</td>
</tr>
<tr>
<td>Bank Guarantee Margin</td>
<td>429</td>
<td>429</td>
</tr>
<tr>
<td>L/C margin with Agrani Bank Limited</td>
<td>2,055</td>
<td></td>
</tr>
</tbody>
</table>

Value in Taka '000

<table>
<thead>
<tr>
<th></th>
<th>As on 31.12.2019</th>
<th>As on 30.06.2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>9. (a) Advance Income Tax:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance</td>
<td>40,461</td>
<td>40,026</td>
</tr>
<tr>
<td>Add: Paid during the period</td>
<td>11,675</td>
<td>18,310</td>
</tr>
<tr>
<td>Less: Adjustment during the period</td>
<td>52,136</td>
<td>59,239</td>
</tr>
</tbody>
</table>

10. OTHER RECEIVABLES:

- Insurance Claim Receivable: 16,255
- Dividend Receivable-CDGL: 1,428
- Dividend Receivable-ASKML: 4,526
- Cash Incentive Receivable: 100,990
- FDR's Interest Receivable: 6,720

Total: 129,919

Cash incentive receivable from the Bank which will be received through Agrani Bank Limited time to time depending on their availability of fund from Bangladesh Bank.

11. INVESTMENT IN FINANCIAL ASSETS:

- FDRs with Dhaka Bank Limited: 175,005
- FDRs with Agrani Bank Limited: 53,809

Total: 228,805

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

12. CASH & CASH EQUIVALENTS:

- Cash in Hand: 75
- Factory Office: 36
- Cash at Bank with: 6

Agrani Bank Limited, Agrabad Corporate Br., Chattogram: 250
Eastern Bank Limited, Principal Branch, Dhaka: 29
The Hongkong & Shanghai Banking Corporation, Dhaka: 4,178
Chittagong: 4,178
Dhaka Bank Limited, Foreign Exchange Branch, Dhaka: 4,178

Total: 4,536

Zafar Ahmed: Head Office
Shahriar Ahmed: Factory Office
Ashim Kumar Barua: Cash at Bank with
Sheuli Rani Dey: Agrani Bank Limited
Kamrul Islam: Agrabad Corporate Br., Chattogram

Chairman: Managing Director
Director: Chief Financial Officer
Assistant Company Secretary:

Page 2
13. SHARE CAPITAL:
Authorised Capital: 15,000,000 Ordinary Shares of Tk. 10/- each
Issued, Subscribed & Paid up Capital: 5,702,400 Ordinary Shares of Tk. 10/- each

14. SHARE PREMIUM:
This represents premium of Tk. 1,100 per share of 190,080 Right Shares of Tk.10 each

15. RESERVE AND SURPLUS:
Reserve for re-investment 51,163 51,163
Retained Earnings 125,406 133,083
Capital Gain 607 607

16. FAIR VALUATION SURPLUS OF INVESTMENTS:
Opening Balance 257,845 328,334
Adjustment for fair valuation surplus/(deficit) in this period (106,817) (78,199)
Less: Deferred tax @10% 10,681 7,820
Fair valuation surplus/(deficit) during this period (95,951) (70,379)

17. DEFERRED TAX LIABILITIES:
a) Book Value of Depreciable Assets: 90,723 88,988
Tax base of Depreciable Assets 87,611 85,719
Net Taxable Temporary Difference 3,112 3,269
Effective Tax Rate 12.50% 12.50%
Closing Deferred Tax (Assets)/Liabilities arising from assets 389 409
Opening Deferred Tax Balance 409 421
Deferred Tax Income/(Expense) 28 12
b) Foreign currency translation gain/(loss) - unrealized 0 0
Effective Tax Rate 25.00% 25.00%
Closing Deferred Tax (Assets)/Liabilities arising from unrealized translation gains/(losses) 0 0
Opening Deferred Tax Balance 0 0
Deferred Tax Income/(Expense) 2 0
c) Dividend Receivable 5,954 -
Effective Tax Rate 20.00% 20.00%
Closing Deferred Tax (Assets/Liability) arising from Dividend Receivable 1,191 0
Opening Deferred Tax Balance 0 0
Deferred Tax Income/(Expense) (1,191) 0
d) Unrealized Interest on FDRs: 6,720 8,962
Effective Tax Rate 25.00% 25.00%
Closing Deferred Tax (Assets/Liability) arising from FDRs 1,680 2,238
Opening Deferred Tax Balance 2,238 1,862
Deferred Tax Income/(Expense) 558 (376)
e) Cash Incentive Receivable: 100,990 97,190
Effective Tax Rate 5.00% 10.00%
Closing Deferred Tax (Assets)/Liabilities arising from Cash Incentive Receivable 5,050 9,719
Opening Deferred Tax Balance 9,719 4,787
Deferred Tax Income/(Expense) 4,979 (4,932)
Deferred Tax Income/(Expense) - (a)+(b)+(c)+(d) 4,056 (5,294)
f) Deferred Tax (Assets)/Liabilities arising from Other Comprehensive Income: Tax for (Losses)/gains on available for sale of investments 17,988 26,649
Closing Deferred Tax (Assets)/Liabilities arising from investments 17,988 26,649
Opening Deferred Tax Balance 28,649 36,469
Deferred Tax Income/(expense) arising from investments 15,661 7,820
Total Deferred Tax (Assets)/Liabilities (a)+(b)+(c)+(d)+f 26,295 41,015

18. LONG TERM LOAN:
Opening Balance 2,363 2,595
Less: Paid during the period 624 612
2,039 2,363
Less: Transferred to current maturity to next twelve months 713 911
1,326 1,492

19. WORKING CAPITAL LOAN (SECURED):
Against Hypothecation 76,408 123,440
Against Pledge of Finished Goods 610,764 611,853
687,172 744,293

20. LONG TERM LOAN-CURRENT MATURITY:
This represents the term loan payable in next twelve months as per schedule of re-payment.

21. SHORT TERM LOAN:
Dhaka Bank Limited 89,741 69,610
Loan against cash incentive 69,400 -
159,141 69,610

22. TRADE PAYABLES:
109,723 31,651

23. OTHER PAYABLES:
Advance against export 13,255 1,525
Audit Fees including VAT 201 230
Chemicals 883 53
Clearing & Forwarding 217 183
Consumable Stores & Spares 31 91
Contribution to PPI & IF 2,564 1,920
Contribution to Provident Fund 36 35
Directors' Remuneration 775 775
Electricity & WASA Charges 32 63
Interest Payable on CC Hypo & Pledge A/c - 112
Legal & Professionals Fees 5 201
Newspaper & Periodicals 4 4
Office Maintenance 184 111
Packaging Materials 11,504 13,024
Plant & Machinery 10 55
Printing & Stationery 174 49
Rent, Rates & Taxes 241 206
Repairs (Factory Building) 12 12
Repairs (Machinery & Equipment) 1,170 1,270
Salaries & Allowances 3,757 2,947
Sales Promotion Expenses 65 175
Shareholders' Loan 1,361 43
Shareholders' Loan including VAT 11,035 12,972
Shareholders' Loan 103 20
Shareholders' Loan including VAT 1,053 1,214
Shareholders' Loan 103 20
Shareholders' Loan including VAT 1,053 1,214
Telephone, Teles & Fax 15 24
Uniform & Livries 104 195
Wages & Salaries 573 3,046
Vehicles Maintenance 47 47

24. CURRENT TAX LIABILITIES:
Opening Balance 44,703 42,181
Add: Current period tax (Note-37) 13,211 21,299
Less: Adjustment against completion of tax assessment (18,778) (18,778)
37,715 44,203

25. OTHER LIABILITIES:
Opening Balance 11,159 8,945
Add: Dividend approved at AGM 2018-2019 11,405 11,405
22,564 20,350
Less: Paid during the period up to 31.12.2019 87 9,191
32,477 11,159

26. NET ASSETS VALUE (NAV) PER SHARE:
Equitably Attributable to the Owners of the Company 605,182 708,811
Number of Ordinary Shares 5,792 5,792
Net Assets Value (NAV) Per Share 106.13 124.30

Zafar Ahmed Chairman
Shahriar Ahmed Managing Director
Ashim Kumar Barua Director
Sheuli Rani Dey Chief Financial Officer
Kamrul Islam Assistant Company Secretary

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

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

This represents the amount payable to the Shareholders in the proposer of dividends in respect of shares held by them to procure the dividends.

This represents the dividend warrants not presented to the Bank by the Shareholders within December 31, 2019.
27. REVENUE:
Revenue has increased 33% (i.e. From 961.014 million to 1,273,977 million) as compared to the revenue of same period of 2018-19 due to increase of export during this period.

28. COST OF GOODS SOLD:
Opening Stock of Finished Goods 1,200,552
Add: Cost of Production - Note 29 1,031,342
Less: Closing Stock of Finished Goods 902,111
1,183,810

29. COST OF PRODUCTION:
Raw Materials 1,119,307
Packaging Materials, Chemicals & Ice Consumed - Note 30 24.497
Direct Labour 14,058
Factory Overhead - Note 31 41,980
1,206,552

30. PACKING MATERIALS, CHEMICALS & ICE CONSUMED:
Opening balance (Packing Materials) 2,174
Add: Packing Materials Purchase 19,692
21,766
Less: Packing Materials in hand 5,010
16,756

31. FACTORY OVERHEAD:
Wages & Salaries 11,255
Bonus to Workmen 150
Power, Fuel & Water 13,713
Consumable Stores & Spares 542
Insurance Premium 3,954
Repair & Maintenance 3,506
Carriage Inward 15
Depreciation 8,839
41,980

32. OTHER OPERATING INCOME / (LOSS):
Foreign Currency Translation Gain / (Loss) 0

33. ADMINISTRATIVE & SELLING OVERHEAD:
Advertisement 104
AGM Expenses 117
Audit Fees including VAT 201
Board meeting fees 6
Bonus to Staff 944
Contribution to Provident Fund 681
Depreciation 467
Director Remuneration 4,950
Donation & Subscription 9
Electricity & WASA Charges 251
Entertainment 266
Freight & Forwarding 18,409
General Fees & Charges 42
Guest House Expenses 234
Laboratory Expenses 82
Laboratory Testing Fees 3,987
Legal & Professional Fees 32
License & Renewals 200
Medical Expenses 2
Membership Subscription 1
Newspaper & Periodicals 31
Office Maintenance 328
Postage & Stamp 236
Printing & Stationery 463
Rent, Rates & Taxes 1,837
Salary & Allowances 12,917
Sales Commission 3,397
Sales Promotional Expenditures 3,680
Sanitation Expenses 95
Staff feeding 475
Staff Welfare Expenses 436
T.A & Conveyance 709
Telephone, Telex & Fax 239
Uniform & Liversies 309
Vehicles Maintenance 836
57,031

34. FINANCE INCOME:
Dividend Income 5,954
Interest Earned 8,797
14,751

35. FINANCIAL EXPENSES:
Interest 30,339
Charges 4,036
34,375

36. PROVISION FOR CONTRIBUTION TO PPF & WF:
(844)

37. TAX EXPENSES:
(A) CURRENT TAX
This represents 5% of the net profit after charging such contribution provided as per provisions of the Bangladesh cash incentive Labour Law, 2006 & Bangladesh Labour Rules, 2015 & is payable to workers as defined in the said Act.

Calculation of current tax:

a) Tax deduction on export: 8,142
b) Regular Tax: 12,882
   Profit before tax 17,290
   Add: Accounting Depreciation 9,306
   Less: Capital Allowance 17,296
   Less: Finance Income (14,751)
   Less: Other Operating Income/(loss) 0
Business Income (1,712)

Tax on Business Income @ 12.50% (applicable tax rate in %) 208
407

(B) DEFERRED TAX (EXPENSES) / INCOME:
37.8 NET OPERATING CASH FLOWS (NOCF) PER SHARE:
902,111

38. BASIC EARNINGS PER SHARE (EPS):
Net Profit after charging such contribution and tax provided as per provisions of the Bangladesh cash incentive Labour Law, 2006 & Bangladesh Labour Rules, 2015 & is payable to workers as defined in the said Act.

39. EVENTS AFTER REPORTING PERIOD:
There is Tk. 1.72 million as Bank guarantee for which the Company is contingently liable as on 31st December 2019.

40. DISCLOSURE REGARDING RESTATED:
Retained earnings as on 30th June 2018 has been restated due to accounted for deferred tax on cash incentive receivable by Tk 4,787/-.

41. CONTINGENT LIABILITY:
There is Tk. 1.72 million as Bank guarantee for which the Company is contingently liable as on 31st December 2019.

42. EVENTS AFTER REPORTING PERIOD:
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.
43. RELATED PARTY TRANSACTIONS:

(a) There was no related party transaction (Inter Company) during the quarter under review.
(b) The Company is paying remuneration to the Directors who are rendering full time service to the Company and in addition to that there is nothing paid to them (Note No.33).
(c) 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 to the Provident Fund Trust and the Company has no further liability. Group insurance premium is paid to the Insurance Company once in a year and if there is any claim that will be entertained by the Insurance Company for the Key Management and the Company has no liability. In addition to that there is nothing to them except salaries and allowances.

44. RECONCILIATION OF NET PROFIT WITH CASH FLOWS FROM OPERATING ACTIVITIES:

Reconciliation of net income or net profit with cash flows from operating activities making adjustment for non-cash items, for non-operating items and for the net changes in operating accruals has been disclosed as per BSEC notification no.: BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June, 2018.

<table>
<thead>
<tr>
<th>Value in Taka '000'</th>
<th>01.07.2019</th>
<th>01.07.2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>12,882</td>
<td>17,290</td>
</tr>
<tr>
<td>Add: Depreciation</td>
<td>9,306</td>
<td>9,914</td>
</tr>
<tr>
<td>Less: Effect of Foreign currency translation gain / (loss)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Less: Finance income during the period</td>
<td>(14,751)</td>
<td>(8,232)</td>
</tr>
<tr>
<td>Add: Interest paid during the period</td>
<td>30,339</td>
<td>36,881</td>
</tr>
<tr>
<td>(Increase)/Decrease in Inventories</td>
<td>(21,998)</td>
<td>(159,807)</td>
</tr>
<tr>
<td>(Increase)/Decrease in Trade Receivables</td>
<td>(53,868)</td>
<td>(56,779)</td>
</tr>
<tr>
<td>(Increase)/Decrease in Advances, Deposits &amp; Pre-payments</td>
<td>2,228</td>
<td>1,061</td>
</tr>
<tr>
<td>(Increase)/Decrease in Other Receivables</td>
<td>(3,809)</td>
<td>78,600</td>
</tr>
<tr>
<td>Income tax paid during the period</td>
<td>78,072</td>
<td>98,167</td>
</tr>
<tr>
<td>(Increase)/Decrease in Security deposits</td>
<td>158</td>
<td>5</td>
</tr>
<tr>
<td>Increase/(Decrease) in Trade Payables</td>
<td>8,262</td>
<td>5,961</td>
</tr>
<tr>
<td>Net cash flows generated from/(Used in) operating activities</td>
<td>35,155</td>
<td>9,756</td>
</tr>
</tbody>
</table>

RECONCILIATION:

| Net cash flows generated from/(Used in) operating activities | 35,155 | 9,756 |
| Indirect Method: | | |
| Direct Method: | 35,155 | 9,756 |
| Differences | - | - |

Zafar Ahmed  
Chairman

Shahriar Ahmed  
Managing Director

Ashim Kumar Barua  
Director

Sheuli Rani Dey  
Chief Financial Officer

Kamrul Islam  
Assistant Company Secretary