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NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the **THIRTY-FIFTH ANNUAL GENERAL MEETING** of **APEX FOODS LIMITED** will be held at the Trust Milonayaton, 545 Puraton Biman Bandar Sarak (Adjacent to Shahid Bir Shresta Jahangir Gate), Dhaka Cantonment, Dhaka-1206 on **Sunday the September 28, 2014 at 11.00 A.M.** to transact the following business:

AGENDA

1. To receive and adopt the Audited Financial Statements for the year ended 30th June 2014 and report of the Auditors and Directors thereon.
2. To declare Cash Dividend @ 20% for the year 2013-14 as recommended by the Board of Directors.
3. To elect Directors.
4. To appoint Auditors for the year 2014-15 and fix their remuneration.

Dated: Dhaka
August 12, 2014.

By Order of the Board of Directors

Sd/-
Jesmin Sultana
Assistant Company Secretary

1. The record date shall be on **August 21, 2014**.
2. The Shareholders whose name will appear in the Register of Members of the Company or in the Depository on the "Record Date" will be eligible to attend the Annual General Meeting and be entitled to the Dividend.
3. A member entitled to attend and vote at the Annual General Meeting may appoint only another member as proxy to attend and vote in his/her stead as per Para 104 of the Articles of Association of the Company. The Proxy Form duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the Meeting.
4. In pursuance of BSEC's Notification No. SEC/SRMI/2000-953/1950 dated October 24, 2000 gazetted on November 07, 2000, the Company shall hold discussions in the Annual General Meeting strictly in conformity with the provisions of the Companies Act, 1994.
5. Admittance to the meeting venue will be strictly on production of the Attendance Slip sent with the Notice.

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 & Managing Director	:	Mr. Zafar Ahmed
Vice Chairman & Deputy Managing Director	:	Mr. Zahur Ahmed PhD
Director	:	Mrs. Shawkat Ara Ahmed
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, 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	:	Ms. Jesmin Sultana

LEGAL ADVISORS

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

AUDITORS

Hussain Farhad & Co.
Chartered Accountants

BANKER

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

REGISTERED OFFICE

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

FACTORY

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

FIVE YEARS STATISTICS

Figure in Thousand Taka

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Results of Operations:					
Turnover	3,844,681	3,305,717	3,933,346	3,207,315	2,205,550
Gross Profit	297,878	357,375	303,517	264,936	217,573
Operating Profit/(Loss)	31,319	20,664	18,735	9,060	1,163
Net Profit before Tax	66,858	62,367	46,704	34,188	19,257
Net Profit/(Loss) after Tax	17,041	14,494	15,434	10,795	8,559
EPS with fair valuation surplus/(deficit)	9.55	(4.11)	27.95	-	-
EPS without fair valuation surplus/(deficit)	2.99	2.54	2.71	18.93	15.01
Dividend Per Share*	2.00	1.80	1.80	14.00	12.00
Financial Positions:					
Total Assets	1,693,029	1,758,653	1,571,415	1,485,155	1,136,281
Property, Plant and Equipment-Gross	659,967	603,465	559,384	533,001	458,659
Property, Plant and Equipment-Net	171,963	154,421	147,409	156,324	119,579
Gross Working Capital	1,320,330	1,408,553	1,222,369	1,268,177	959,332
Net Working Capital	279,368	280,260	344,895	337,975	390,037
Working Capital Loan	733,884	778,328	766,024	772,727	509,714
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	152,494	145,717	141,392	139,079	135,127
Share Holders Equity	562,052	517,859	551,441	405,191	401,239
Term Loan	120,000	178,317	156,687	164,886	191,211
Key Financial Ratios:					
Current Ratio	1.27	1.25	1.39	1.36	1.69
Debt to Total Assets (%)	66.80	70.55	64.91	72.72	64.69
Return on Equity (%)**	3.03	2.80	2.80	2.66	2.13
Net Asset Value Per Share	98.56	90.81	96.70	711	704
Dividend Payout Ratio	66.93	70.82	66.50	73.96	79.95
Interest Service Coverage Ratio	1.30	1.14	1.17	1.14	1.02
Others:					
Market Price Per Share (30 th June)	104.22	85.76	63.85	962	1,016
Price Earning Multiple**	34.88	33.74	23.59	50.82	67.69
Number of Employees (Including contract labor)	710	518	556	823	633
Capacity Utilization (%)	51.74	61.61	61.19	64.64	60.35

* The Board of Directors recommended Cash Dividend @Tk. 2.00 per Share for the year 2013-14.

** Return on equity and Price earning multiple have been calculated on the basis of EPS without fair valuation surplus/ (deficit) of investments.

*** During the year 2011-12, the face value of Shares have been converted into Tk. 10/- each from Tk. 100/- each.

Corporate Governance Compliance Status Report

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

Condition No.	Title	Compliance Status	Explanation for non compliance with the condition
1.1	Board's Size: Board members should not be less than 5 (Five) and more than 20 (Twenty).	Complied	
1.2	Independent Directors		
1.2 (i)	Independent Director: At least 1/5 th (We have five Directors and One Independent Director)	Complied	
1.2 (ii)a)	Less than 1% Shares	Complied	
1.2 (ii)b)	Not a Sponsor of The Company	Complied	
1.2 (ii)c)	Does not have other relationship	Complied	
1.2 (ii)d)	Not a Member, Director or Officer of any Stock Exchange.	Complied	
1.2 (ii)e)	Not a Shareholder, Director or Officer of any Stock Exchange or an intermediary of the capital market.	Complied	
1.2 (ii)f)	Not a Partner or an Executive or was not a partner or an Executive during the preceding 3 (Three) years of the concerned Company's statutory audit firm.	Complied	
1.2 (ii)g)	Not an Independent Director more than three listed Companies.	Complied	
1.2 (ii)h)	Not Convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a Bank or a Non-Bank Financial Institution (NBF)	Complied	
1.2 (ii)i)	Not convicted for a Criminal offence	Complied	
1.2 (iii)	Appointment by the Board and approved in AGM.	Complied	
1.2 (iv)	Post can not remain vacant more than 90 days	Complied	
1.2 (v)	Lay down a code of conduct and annual compliance.	Complied	
1.2 (vi)	Tenure of the Independent Director.	Complied	
1.3	Qualification of Independent Director (ID)		
1.3 (i)	Independent Director shall be knowledgeable	Complied	
1.3 (ii)	Should be a Corporate Leader/Business Leader	Complied	
1.3 (iii)	Special cases for relaxation of qualifications.	Not Applicable	
1.4	Chairman of the Board and Chief Executive Officer: Individual Chairman of the Board and Chief Executive Officer.	Not Complied	Our Company (Sea Food Processing & Export Industry) requires unique expertise. We are looking for a competent person but we could not yet find eligible individual for the purpose. However, in the mean time the Chairman has been entrusted with both the responsibilities.
	Chairman of the Company shall be elected from among the directors of the Company and clearly defined roles and responsibilities of the Chairman and Chief Executive Officer.	Complied	
1.5	The Directors' Report to Shareholders		
1.5 (i)	Industry outlook and possible future developments in the industry	Complied	

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

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

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

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

To the shareholders of Apex Foods Limited

Certificate on compliance of conditions of corporate governance guidelines

We have examined compliance status of Apex Foods Limited regarding conditions of corporate governance guidelines issued by the Bangladesh Securities and Exchange Commission as stipulated in Condition No. 7(i) of the BSEC notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012.

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

To the best of our information and according to the explanations given to us, we certify that, except as reported on the attached status of compliance statement, the Company has complied with the conditions of corporate governance stipulated in the above mentioned BSEC notification dated 7th August 2012.

Sd-

MD. Waliullah, FCA

Senior Partner

ICAB Enrolment Number-247

For Malek Siddiqui Wali

Chartered Accountants

Dhaka, 10th August 2014

AUDIT COMMITTEE REPORT

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

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

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

The committee normally meets in the next month of every quarter. During the year 2013-14, six Audit Committee meeting 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 principals.
- Monitor Internal Control Risk management process.
- Oversee hiring and performance of external auditors.
- Review along with the management, the annual financial statements before submission to the Board for approval.
- Review along with the management, the quarterly, half yearly and annual financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function.
- Review statement of significant related party transactions submitted by the management.
- Sufficient effectiveness of the internal financial controls.
- Compliance of all applicable legal and regulatory rules and regulations.
- Various reports of operational activities and streamlined the operations of the Company.
- The committee reviewed the audit plan for the year 2013-14 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 10th August 2014

On behalf of the Audit Committee

Sd/-

Kazi Faruq Kader
Chairman

CEO & CFO's Declaration to the Board of Directors

Date: August 10, 2014

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

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

Dear Sirs:

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

- (i) We have reviewed the financial statements for the year ended on 30th June 2014 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - (b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Sincerely yours,

Sd/-
Zafar Ahmed
Managing Director

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

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

It is an honor and pleasure for me to welcome you all to the Thirty- fifth Annual General Meeting of your Company and to present the Annual Report for the year ended 30th June 2014.

Global Economy:

The world economy, has experienced subdued growth continuing from last year, underperforming across almost all regions in the last fiscal year. Cyclical movements in growth remain synchronized among world economies. Looking ahead, global growth is projected to strengthen from 3 percent in 2013 to 3.6 percent in 2014 and 3.9 percent in 2015, broadly unchanged from the October 2013 outlook. This is attributable to the renewed increase in financial volatility in late January – although market pressures were relatively broadly based, countries with higher inflation and wider current account deficits were generally more affected. Some emerging economies have tightened macroeconomic policies to shore up confidence and strengthen their commitment to policy objectives. Overall, financial conditions have tightened further in some emerging market economies. The cost of capital has increased as a result, and this is expected to dampen investment and weigh on growth.

Downside risks, old and new, still dominate the outlook. Unexpected rapid normalization of U.S. monetary policy or renewed bouts of high risk aversion on the part of investors could result in further financial turmoil. This would lead to difficult adjustments in some emerging market economies, with a risk of contagion and broad-based financial stress, and thus lower growth.

Bangladesh Economy:

Despite social unrest in the first half of fiscal year 2013 -14 (July-June), real GDP grew by 6.1% and the economy is expected to continue to grow at a brisk pace in 2014 -15. Bangladesh has set target to be in the middle income group status by the year 2021. This is expected to be achieved through simultaneous improvement of political, economic, social, technological, rule of law and the environment, leading to eradication of numbers of the absolute poor.

Domestic demand was depressed in the first half of the year because the prolonged political unrest ahead of parliamentary elections in January 2014, dented consumer and investor confidence. This is reflected in lower private credit growth, a decline in imports of consumer goods and capital machinery, and modest growth in imports of raw materials. Growth is expected to rebound to 6.2% in FY2015, aided by higher remittance and export growth, as well as by prospects for continued economic recovery in the US and the Euro area. A likely rise in consumer and investor confidence as the political situation stabilizes is also expected to stimulate demand and strengthen growth momentum.

While the economy is likely to retain its competitive advantage in producing clothing and apparel, rising incomes, better regulation and improved infrastructure will encourage a move towards higher value-added sectors. This could include the assembly of high-tech goods, boosting trade in this sector. In the long term, rising Foreign Direct Investment (FDI) inflows should support investment in Bangladesh. Growing household incomes should open up the market for consumer goods, including high-tech products.

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
10th August, 2014

Sd/-
Zafar Ahmed
Chairman

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 2014.

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

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

Shrimp export to the United States from Bangladesh have almost been cut in half over the past several years, while Bangladesh's overall shrimp exports volume reached an all-time high last year. This was due to a steady flow of shrimp to the European market. Shrimp exports fetched US\$ 638 million in the fiscal 2013-14 as against \$543 million in the previous fiscal year.

Major exporters like China, Vietnam, Thailand, Indonesia and India from Asia had outpaced Bangladesh in price competition for many years as they were shipping low cost white shrimps, as opposed to the black tiger shrimp grown in Bangladesh. But, suddenly, many of them faced with crop failures due to disease and flooding. And these adversities led to a supply shortfall on the global market. Bangladesh stepped forward to fill the vacuum and fed the European market, often at 20 to 30 percent higher prices.

The country is not having enough products to supply to the US market which now concentrates on buying hybrid and low- cost shrimp from traditional sources like Vietnam, Thailand and China. It is also making up the market shortfall from supplies from Ecuador, which are both low- cost and closer to supply chain. Since European buyers are paying higher prices, export to the USA has dwindled over the past several years. Now Bangladesh has an opportunity to attach priority to the European market.

(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 21 of the Annual Report.

(iii) Risks and concerns:

The major problem here is lower per- hectare productivity, which is forcing 80 per cent of the country's 32 shrimp- processing plants to keep sitting idle. They have a combined processing capacity of 3.5 lac tons but producing only 60,000 tons annually for export. Industry owners are by and large opposed to switching over to farming Vannamei Shrimp and such other high -yielding species for they are highly vulnerable to disease and not environmentally suitable. Instead, they have taken up a pilot project in Cox's Bazaar to gradually switch to semi-intensive and improved extensive local culture which may have per hectare productivity at 4,500kgs and 1,500kgs respectively.

There has been a few problems with one of the potential markets, Russia (who are timely with their advances and payments), who put a temporary restriction on imports due to failure in complying with required microbiological standards. However this restriction has recently been lifted.

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

This year's cost of goods sold was BDT 3,547 million as compared to last year's cost of goods sold of BDT 2,948 million. This is due to the fact that there has been an increase in average production cost per Kg to the tune of Tk. 233/-. During the year 3,725,070 Kg of shrimps were produced as against last year's production of 4,436,091 Kg. Production capacity utilized during the year was 51.74%. Raw Material Purchase cost has increased to the tune of Tk. 387.60 million as against last year.

(b) Gross Profit:

The company has achieved an export turnover of Tk. 3,844.68 million during the year ended 30th June 2014. Last year's turnover was Tk. 3,305.72 million. The increase in turnover is 16.30% over the last year. Gross profit earned during the year was Tk. 297.88 million as against last year's gross profit of Tk. 357.37 million.

(c) Net Profit:

Net profit (after tax) earned during the year was Tk. 17.04 million as compared to last year's Net Profit (after tax) of Tk. 14.49 million. During the year net profit after tax has slightly increased due to increase in turnover.

(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. 37.42 million has been shown as Fair Value Surplus of Investment in the Statement of 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 13 of the Annual Report.

(vi) Related party transactions:

There was no related party transaction with the Associated Companies during the year.

(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 occurs between quarterly performance (i.e. up to 3rd quarter EPS was Tk. 2.26 & annually it has come to Tk. 2.99) and annual financial statements.

(x) Remuneration to directors including independent directors:

The remunerations of Directors including Independent Director are as follows:

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

- (xi)** The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- (xii)** Proper books of account of the issuer company have been maintained.
- (xiii)** Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- (xiv)** International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.
- (xv)** The system of internal control is sound in design and has been effectively implemented and monitored.
- (xvi)** There are no significant doubts upon the issuer company's ability to continue as a going concern.

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

During the year turnover has increased, administrative & selling overhead and financial expenses decreased as a result the operating profit increased 51.56%.

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

"Figure in thousand Taka"

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Operational Data:						
Turnover	3,844,681	3,305,717	3,933,346	3,207,315	2,205,550	1,824,824
Gross Profit	297,878	357,375	303,517	264,936	217,573	170,735
Operating Profit/(Loss)	31,319	20,664	18,735	9,060	1,163	(14,876)
Net Profit before Tax	66,858	62,367	46,704	34,188	19,257	1,898
Net Profit/(Loss) after Tax	17,041	14,494	15,434	10,795	8,559	(8,931)
EPS with fair valuation surplus/(deficit)	9.55	(4.11)	27.95	-	-	-
EPS without fair valuation surplus/(deficit)	2.99	2.54	2.71	18.93	15.01	(15.66)
Dividend Per Share	2.00	1.80	1.80	14.00	12.00	12.00
Financial Data:						
Total Assets	1,693,029	1,758,653	1,571,415	1,485,155	1,136,281	1,012,365
Property, Plant and Equipment-Gross	659,967	603,465	559,384	533,001	458,659	444,682
Property, Plant and Equipment-Net	171,963	154,421	147,409	156,324	119,579	134,163
Gross Working Capital	1,320,330	1,408,553	1,222,369	1,268,177	959,332	821,482
Net Working Capital	279,368	280,260	344,895	337,975	390,037	241,702
Working Capital Loan	733,884	778,328	766,024	772,727	509,714	448,489
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	152,494	145,717	141,392	139,079	135,127	130,675
Share Holders Equity	562,052	517,859	551,441	405,191	401,239	396,787
Term Loan	120,000	178,317	156,687	164,886	191,211	42,242

(xix) Dividend:

Board of Directors has recommended Cash Dividend of Tk. 2.00 per Share of Tk. 10.00 each for the year 2013-14. 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 21st August 2014 at the close of office.

(xx) Board meetings:

During the year 6 (Six) Board Meetings were held. The attendance record of the Directors is as follows:

Name of Directors	Meeting attended
Mr. Zafar Ahmed	06
Mr. Zahur Ahmed PhD	06
Mrs. Shawkat Ara Ahmed	06
Mr. Shahriar Ahmed	06
Mr. Ashim Kumar Barua	06
Mr. Kazi Faruq Kader	06

(xxi) The pattern of shareholding:

Name wise details	No. Shares
a) Parent/subsidiary/Associated companies and other related parties	
Apex Spinning & Knitting Mills Limited	169,250
Apex Lingerie Limited	10,800
b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit:	
Mr. Zafar Ahmed – Director	1,320,530
Mr. Zahur Ahmed PhD – Director	160,740
Mrs. Shawkat Ara Ahmed – Director	823,000
Mr. Shahriar Ahmed – Director	563,430
Mr. Ashim Kumar Barua – Director	7,500
Mr. Kazi Faruk Kader – Independent Director	NIL
Mr. S.K. Halder – Chief Financial Officer	NIL
Mr. Ashish Kumar Paul FCA – Head of Internal Audit	NIL
Ms. Jesmin Sultana – 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

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

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

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 Director of the Company.
- b. Since his joining in this sector, he has gathered sufficient knowledge to run the Company.
- c. 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 and (v) Matex Bangladesh Limited.
- d. Presently, Mr. Shahriar Ahmed is one of the Member of the Audit Committee.

Mr. Ashim Kumar Barua:

- a. Mr. Ashim Kumar Barua is a Post Graduate from Dhaka University. He joined in this Company in 1982 and since then he is working in this sector. During his long tenure with the Company, Mr. Ashim Kumar Barua gathered vast knowledge about this sector. Mr. Ashim Kumar Barua is now acting as the Director the Company.
- b. Since his joining in this sector, he has gathered sufficient knowledge to run the Company.
- c. He is not holding the Directorship of any other Company.
- d. Presently, Mr. Ashim Kumar Barua is one of the member of the Audit Committee.

(xxiii) Auditors:

The retiring Auditors M/s. Hussain Farhad & Co., Chartered Accountants, being eligible, offer themselves for re-appointment as Auditors of the Company for the year 2014-15.

(xxiv) Corporate Governance Compliance Report:

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

Dhaka
10th August 2014

On behalf of the Board

Sd/-
Zafar Ahmed
Chairman

পরিচালকগণের প্রতিবেদন

প্রিয় শেয়ারহোল্ডারগণ,

আপনাদের কোম্পানীর পরিচালকগণ ২০১৪ সালের ৩০ শে জুন তারিখে সমাপ্ত হিসাব বৎসরের বার্ষিক প্রতিবেদন এর সাথে নিরীক্ষকের প্রতিবেদন ও নিরীক্ষিত আর্থিক বিবরণী আপনাদের সম্মুখে উপস্থাপন করতে পেরে আনন্দিত।

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

১. শিল্প সম্পর্কিত ধারণা এবং এই শিল্পের ভবিষ্যৎ উন্নয়নের সম্ভাবনাঃ

বাংলাদেশ হতে মার্কিন যুক্তরাষ্ট্রে চিংড়ি রপ্তানী গত কয়েক বৎসর যাবৎ অর্ধেক নেমে আসছে, তথাপিও গত বৎসর বাংলাদেশের চিংড়ি রপ্তানীর পরিমাণ সবসময়ের চেয়ে বেশী ছিল। এর কারণ ইউরোপীয় বাজারে চিংড়ি রপ্তানীর প্রবাহ তেজী ছিল। ২০১৩-২০১৪ অর্থবৎসরে চিংড়ি রপ্তানী করা হয়েছে ৬৩৮ মিলিয়ন মার্কিন ডলার যা গত অর্থবৎসরে ছিল ৫৪৩ মিলিয়ন মার্কিন ডলার।

এশিয়ার অধিকাংশ রপ্তানীকারক দেশ যেমন চায়না, ভিয়েতনাম, থাইল্যান্ড, ইন্দোনেশিয়া এবং ভারত মূল্য প্রতিযোগিতায় বাংলাদেশকে অতিক্রম করেছে অনেক বৎসর যাবৎ কারণ তারা কম মূল্যে সাদা চিংড়ি রপ্তানী করেছে যার ফলে বাংলাদেশে বেশী উৎপাদন এবং দামী ব্লাক টাইগার চিংড়ি রপ্তানী ব্যহত হচ্ছে। কিন্তু হঠাৎ করে বন্যা এবং রোগের কারণে তাদের অনেকের উৎপাদন ব্যহত হয়েছে। এবং এই কারণে বিশ্ব বাজারে সরবরাহে ঘাটতি হয়েছে। এই ঘাটতি পূরণে বাংলাদেশ ধাপে ধাপে এগিয়ে এসেছে এবং ইউরোপীয় বাজারে প্রায় ২০ থেকে ৩০ শতাংশ মূল্য বৃদ্ধিতে চিংড়ি রপ্তানী করেছে।

যুক্তরাষ্ট্রের বাজারে সরবরাহ করার মত হাইব্রিড এবং কম মূল্যের চিংড়ি উৎপাদন আমাদের দেশে নেই যার দরুন তারা গতানুগতিক উৎস যেমন ভিয়েতনাম, থাইল্যান্ড, চায়না থেকে কিনতে মনোযোগী হয়েছে। বাজারের ঘাটতি অনেকটা লাঘব হচ্ছে ইকুয়েডর থেকে সরবরাহের দরুন, যা কম মূল্যের এবং নিকটের ধারাবাহিক সরবরাহকারী। যেহেতু ইউরোপীয়ান ক্রেতারা অধিক মূল্য পরিশোধ করেন, মার্কিন যুক্তরাষ্ট্রে বিগত কয়েক বৎসর রপ্তানী হ্রাস পেয়েছে। এখন বাংলাদেশের ইউরোপীয়ান বাজারে অগ্রাধিকার ভিত্তিতে সুযোগ আছে।

২. খাতওয়ারি অথবা পণ্য ভিত্তিক ফলাফলঃ

যেহেতু এপেক্স ফুডস্ লিমিটেড শুধু চিংড়ি প্রক্রিয়াকরন ও রপ্তানী করে সেহেতু এখানে পণ্য ভিত্তিক ফলাফলের বিবরণ দেওয়ার কোন সুযোগ নেই। যাহোক বার্ষিক প্রতিবেদনের ২১ নং নোটে প্রতিষ্ঠানটি কোন দেশে কত রপ্তানী করেছে তার বিস্তারিত বিবরণ দেওয়া হয়েছে।

৩. ঝুঁকি ও উদ্বেগ সমূহঃ

সবচেয়ে বড় সমস্যা হল এখানে হেক্টর প্রতি উৎপাদন ক্ষমতা কম, যার কারণে দেশের ৩২ টি চিংড়ি প্রক্রিয়াজাতকরণ কারখানার ৮০ শতাংশ অলস পড়ে থাকতে বাধ্য হয়। এই গুলোর যৌথভাবে উৎপাদন ক্ষমতা ৩.৫ লাখ টন কিন্তু রপ্তানীর জন্য তারা উৎপাদন করেছে মাত্র ৬০ হাজার টন। কারখানার মালিকরা ভেনামী চিংড়ি এবং অন্যান্য অধিক উৎপাদনশীল চিংড়ি যে গুলো অত্যন্ত রোগ সংক্রামকী প্রবন এবং পরিবেশ উপযুক্ত নয় সেগুলোর দিকে যেতে বিরোধিতা করছেন বরং তারা কল্পবাজারে একটি পাইলট প্রোজেক্ট আরম্ভ করেছে যেখানে আধা নিবিড় এবং ব্যাপক উন্নত চিংড়ি স্থানীয় ভাবে উৎপাদন করা যাবে এবং প্রতি হেক্টরে যথাক্রমে ৪৫০০ কেজি এবং ১৫০০ কেজি উৎপাদন হবে।

একটা গুরুত্বপূর্ণ বাজার রাশিয়া (যারা সময়মত অগ্রীম এবং মূল্য পরিশোধ করেন) সেখানেও কিছু সমস্যা আছে। প্রয়োজনীয় মাইক্রোবায়োলোজিকাল মান মেনে চলার ক্ষেত্রে অপারগতার জন্য, তারা আমদানীর ক্ষেত্রে সাময়িক বিধিনিষেধ আরোপ করেছে। যা হোক সম্প্রতি সময়ে এই বিধিনিষেধ প্রত্যাহার করা হয়েছে।

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

ক) বিক্রিত পণ্যের ব্যয় :

এই বৎসর বিক্রিত পণ্যের ব্যয় ছিল ৩,৫৪৭ মিলিয়ন টাকা যা গত বৎসর ছিল ২,৯৪৮ মিলিয়ন টাকা। এর কারণ এই যে গড়ে কেজি প্রতি উৎপাদন ব্যয় ২৩৩ টাকা হারে বৃদ্ধি পেয়েছে। চলতি বৎসর ৩,৭২৫,০৭০ কেজি চিংড়ি উৎপাদন হয়েছে যা গত বৎসর ছিল ৪,৪৩৬,০৯১ কেজি। চলতি বৎসরে উৎপাদন ক্ষমতার ৫১.৭৪ শতাংশ ব্যবহৃত হয়েছে। গত বৎসরের তুলনায় কাঁচামাল ক্রয়ের জন্য ৩৮৭.৬০ মিলিয়ন টাকা বেশি খরচ হয়েছে।

খ) মোট মুনাফাঃ

৩০ শে জুন ২০১৪ সমাপ্ত অর্থ বৎসরে কোম্পানী মোট বিক্রয় করেছে ৩,৮৪৪.৬৮ মিলিয়ন টাকা। গত বৎসর বিক্রয় ছিল ৩,৩০৫.৭২ মিলিয়ন টাকা। গত বৎসরের তুলনায় বিক্রয় ১৬.৩০ শতাংশ বৃদ্ধি পেয়েছে। এ বৎসর মোট মুনাফা অর্জিত হয়েছে ২৯৭.৮৮ মিলিয়ন টাকা, যা গত বৎসর ছিল ৩৫৭.৩৭ মিলিয়ন টাকা।

গ) নীট মুনাফাঃ

এ বৎসর কর পরবর্তী নীট মুনাফা হয়েছে ১৭.০৪ মিলিয়ন টাকা যা গত বৎসর ছিল ১৪.৪৯ মিলিয়ন টাকা। মোট বিক্রয় বৃদ্ধির ফলে এ বৎসর কর পরবর্তী নীট মুনাফা কিছুটা বৃদ্ধি পেয়েছে।

৫. অস্বাভাবিক লাভ বা ক্ষতিঃ

এ বৎসর বাস্তবিক প্রাপ্ত কোন অস্বাভাবিক লাভ বা ক্ষতি নেই। তবে ৩৭.৪২ মিলিয়ন টাকা বিনিয়োগের সুষ্ঠু মূল্যায়নের ফলে উদ্ধৃত 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 ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্স (বি.এফ.আর.এস) অনুযায়ী হিসাব বিবরণীতে দেখানো হয়েছে। বার্ষিক প্রতিবেদনে ১৩ নং নোটে বিস্তারিত বিবরণ দেওয়া হয়েছে।

৬. আন্তঃ সম্পর্কিত কোম্পানীর লেনদেন সমূহঃ

এ বৎসর আন্তঃ সম্পর্কিত কোম্পানী সমূহের মধ্যে 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 ২.২৬ টাকা কিন্তু বাৎসরিক ইহা হয়েছে ২.৯৯ টাকা)।

১০. স্বতন্ত্র পরিচালক সহ পরিচালকদের পারিশ্রমিকঃ

স্বতন্ত্র পরিচালক সহ পরিচালকদের পারিশ্রমিক নিম্ন রূপঃ-

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 স্ট্যান্ডার্ডস (আই.এ.এস)/বাংলাদেশ এ্যাকাউন্টিং স্ট্যান্ডার্ডস (বি.এ.এস)/ ইন্টারন্যাশনাল ফিন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আই.এফ.আর.এস)/ বাংলাদেশ ফিন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (বি.এফ.আর.এস) যথা বাংলাদেশে প্রযোজ্য তাহা অনুসরণ করে আর্থিক বিবরণী প্রস্তুত করা হয়েছে এবং কোথাও কোন ব্যত্যয় থাকলে তাহা যথাযথ ভাবে প্রকাশ করা হয়েছে।
১৫. অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা সুসংহত ও কার্যকর ভাবে বাস্তবায়ন ও পর্যবেক্ষণ করা হয়েছে।
১৬. কোম্পানীর চলমান অস্তিত্বের সামর্থ্যের ক্ষেত্রে কোনরূপ তাৎপর্যপূর্ণ সন্দেহের অবকাশ নাই।
১৭. গত বৎসরের পরিচালনগত ফলাফলের সহিত চলতি বৎসরের ব্যবধানঃ

এবৎসর বিক্রয় বৃদ্ধি পেয়েছে, প্রশাসনিক ও বিক্রয় ওভারহেড এবং আর্থিক খরচ কমেছে ফলে ৫১.৫৬ শতাংশ পরিচালনগত মুনাফা বৃদ্ধি পেয়েছে।

১৮. পূর্ববর্তী পাঁচ বছরের মুখ্য পরিচালন এবং অর্থনৈতিক উপাত্তঃ

(সংখ্যা হাজার টাকায়)

	২০১৩-১৪	২০১২-১৩	২০১১-১২	২০১০-১১	২০০৯-১০	২০০৮-০৯
পরিচালন তথ্য:						
বিক্রয়	৩,৮৪৪,৬৮১	৩,৩০৫,৭১৭	৩,৯৩৩,৩৪৬	৩,২০৭,৩১৫	২,২০৫,৫৫০	১,৮২৪,৮২৪
মোট মুনাফা	২৯৭,৮৭৮	৩৫৭,৩৭৫	৩০৩,৫১৭	২৬৪,৯৩৬	২১৭,৫৭৩	১৭০,৭৩৫
পরিচালন মুনাফা	৩১,৩১৯	২০,৬৬৪	১৮,৭৩৫	৯,০৬০	১,১৬৩	(১৪,৮৭৬)
করপূর্ব মুনাফা	৬৬,৮৫৮	৬২,৩৬৭	৪৬,৭০৪	৩৪,১৮৮	১৯,২৫৭	১,৮৯৮
করপূর্ব মুনাফা	১৭,০৪১	১৪,৪৯৪	১৫,৪৩৪	১০,৭৯৫	৮,৫৫৯	(৮,৯৩১)
বিনিয়োগের সৃষ্ট মূল্যায়ন সহ শেয়ার প্রতি আয়	৯.৫৫	(৪.১১)	২৭.৯৫	-	-	-
বিনিয়োগের সৃষ্ট মূল্যায়ন ব্যতীত শেয়ার প্রতি আয়	২.৯৯	২.৫৪	২.৭১	১৮.৯৩	১৫.০১	(১৫.৬৬)
প্রতি শেয়ারের জন্য লভ্যাংশ	২.০০	১.৮০	১.৮০	১৪.০০	১২.০০	১২.০০
আর্থিক তথ্য:						
মোট সম্পদ	১,৬৯৩,০২৯	১,৭৫৮,৬৫৩	১,৫৭১,৪১৫	১,৪৮৫,১৫৫	১,১৩৬,২৮১	১,০১২,৩৬৫
সম্পত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-মোট	৬৫৯,৯৬৭	৬০৩,৪৬৫	৫৫৯,৩৮৪	৫৩৩,০০১	৪৫৮,৬৫৯	৪৪৪,৬৮২
সম্পত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-নীট	১৭১,৯৬৩	১৫৪,৪২১	১৪৭,৪০৯	১৫৬,৩২৪	১১৯,৫৭৯	১৩৪,১৬৩
মোট চলতি মূলধন	১,৩২০,৩৩০	১,৪০৮,৫৫৩	১,২২২,৩৬৯	১,২৬৮,১৭৭	৯৫৯,৩৩২	৮২১,৪৮২
নীট চলতি মূলধন	২৭৯,৩৬৮	২৮০,২৬০	৩৪৪,৮৯৫	৩৩৭,৯৭৫	৩৯০,০৩৭	২৪১,৭০২
চলতি মূলধন ঋণ	৭৩৩,৮৮৪	৭৭৮,৩২৮	৭৬৬,০২৪	৭৭২,৭২৭	৫০৯,৭১৪	৪৪৮,৪৮৯
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
সংরক্ষণ এবং উন্নত	১৫২,৪৯৪	১৪৫,৭১৭	১৪১,৩৯২	১৩৯,০৭৯	১৩৫,১২৭	১৩০,৬৭৫
শেয়ার মালিকদের ইকুইটি	৫৬২,০৫২	৫১৭,৮৫৯	৫৫১,৪৪১	৪০৫,১৯১	৪০১,২৩৯	৩৯৬,৭৮৭
দীর্ঘ মেয়াদী ঋণ	১২০,০০০	১৭৮,৩১৭	১৫৬,৬৮৭	১৬৪,৮৮৬	১৯১,২১১	৪২,২৪২

১৯. লভ্যাংশ:

কোম্পানীর পরিচালকমন্ডলী ২০১৩-১৪ 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 এই লভ্যাংশ প্রদান করা হবে যাদের নাম কোম্পানীর সদস্য বহিতে অথবা ডিপোজিটরিতে আগষ্ট ২১, ২০১৪ ইং তারিখে কার্য সমাপ্ত সময়ে অন্তর্ভুক্ত থাকবে।

২০. বোর্ডের সভা

এ বৎসর বোর্ডের ৬ (ছয়) টি সভা অনুষ্ঠিত হয়েছে। পরিচালকগণের উপস্থিতির তালিকা নিম্নে প্রদত্ত হল:

পরিচালকবৃন্দের নাম	সভায় উপস্থিতি
জনাব জাফর আহমেদ	০৬
জনাব জহুর আহমেদ পিএইচডি	০৬
জনাবা শওকত আরা আহমেদ	০৬
জনাব শাহরিয়ার আহমেদ	০৬
জনাব অসীম কুমার বড়ুয়া	০৬
জনাব কাজী ফারুক কাদের	০৬

২১. 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, অভ্যন্তরীণ নিরীক্ষা প্রধান:

জনাব জাফর আহমেদ	পরিচালক	১,৩২০,৫৩০
জনাব জহুর আহমেদ পিএইচডি	পরিচালক	১৬০,৭৪০
জনাবা শওকত আরা আহমেদ	পরিচালক	৮২৩,০০০
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	অভ্যন্তরীণ নিরীক্ষা প্রধান	-
জনাবা জেসমিন সুলতানা	সহকারী কোম্পানী সচিব	-

গ) উর্ধ্বতন করপোরেট নির্বাহীগণ

জনাব মমিন উদ্দিন আহমেদ খান	নির্বাহী পরিচালক	২,৪৫০
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ঘ) কোম্পানীতে ১০ শতাংশ অথবা তার চেয়ে বেশী ভোটের অধিকারী শেয়ারহোল্ডার:

জনাব জাফর আহমেদ	১,৩২০,৫৩০
জনাবা শওকত আরা আহমেদ	৮২৩,০০০

২২. কোম্পানীর পরিচালকবৃন্দের নিয়োগ/পুনঃ নিয়োগঃ

জনাব শাহরিয়ার আহমেদ এবং জনাব অসীম কুমার বড়ুয়া কোম্পানীর সংঘবিধি মোতাবেক বোর্ড থেকে পদত্যাগ করেছেন এবং যোগ্য বিধায় পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন। জনাব শাহরিয়ার আহমেদ এবং জনাব অসীম কুমার বড়ুয়া এর কর্মজীবনের বিস্তারিত বিবরণ নিম্নরূপঃ-

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 করছেন। এই দীর্ঘ সময়ে তিনি এই শিল্প খাতে গভীর জ্ঞান অর্জন করেছেন। তিনি এখন এই কোম্পানীর একজন পরিচালক।

- খ) এই শিল্পে যোগদান করা থেকে এ পর্যন্ত এ শিল্প সম্পর্কে তিনি কোম্পানী পরিচালনার জন্য গভীর 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 প্রিন্টিং মিলস্ লিমিটেড ও (৫) ম্যাটেক্স বাংলাদেশ লিমিটেড-এর পরিচালক পদে নিযুক্ত আছেন।
- ঘ) বর্তমানে জনাব শাহরিয়ার আহমেদ অডিট কমিটির একজন সদস্য।

জনাব অসিম কুমার বড়ুয়া

- ক) জনাব অসিম কুমার বড়ুয়া ঢাকা বিশ্ববিদ্যালয় থেকে স্নাতোকত্তর ডিগ্রী অর্জন করেন। ১৯৮২ সালে তিনি এই কোম্পানীতে যোগদান করেন। তিনি ১৯৮২ সাল থেকে এই খাতে কাজ করছেন এবং এই খাতে অনেক জ্ঞান অর্জন করেছেন। তিনি বর্তমানে এই কোম্পানীর একজন পরিচালক।
- খ) এই শিল্পে যোগদান করা থেকে এ পর্যন্ত এ শিল্প সম্পর্কে তিনি কোম্পানী পরিচালনার জন্য গভীর জ্ঞান অর্জন করেছেন।
- গ) তিনি অন্য কোন কোম্পানীর পরিচালক পদে নিযুক্ত নেই।
- ঘ) বর্তমানে জনাব অসিম কুমার বড়ুয়া অডিট কমিটির একজন সদস্য।

২৩. নিরীক্ষকঃ

অবসর গ্রহনকারী নিরীক্ষক মেসার্স হুসাইন ফরহাদ এন্ড কোম্পানী, চার্টার্ড এ্যাকাউন্ট্যান্টস যোগ্য বিধায় ২০১৪-২০১৫ হিসাব বৎসরের জন্য পুনঃ নিরীক্ষক নিয়োগের জন্য আবেদন করেছেন।

২৪. কর্পোরেট গভর্নেন্স কমপ্লায়েন্স প্রতিবেদনঃ

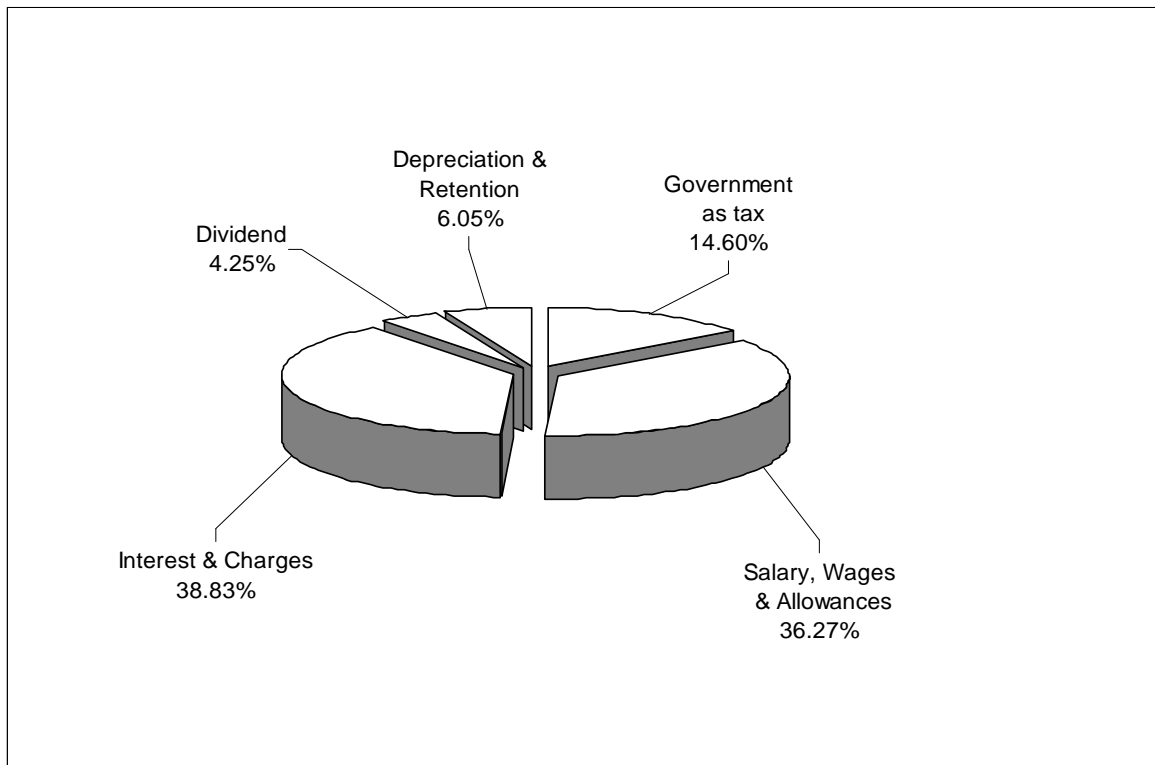
বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের চাহিদা অনুযায়ী কর্পোরেট গভর্নেন্স প্রতিবেদন সংযুক্ত করা হলো।

ঢাকা
১০ আগস্ট, ২০১৪

বোর্ডের পক্ষে
স্বা/-
জাফর আহমেদ
সভাপতি

VALUE ADDED STATEMENT

PARTICULARS	2013-14	%	2012-13	%
VALUE ADDED				
Turnover	3,844,681,256		3,305,717,280	
Less: Bought in Materials & Services	3,576,541,742		3,010,417,901	
	-----		-----	
	268,139,514		295,299,379	
	=====		=====	
APPLICATIONS				
Government as Tax	39,147,757	14.60	35,851,776	12.14
Employees as Salary Wages & Allowances	97,249,239	36.27	96,907,116	32.82
Providers of Loan as Interest & Charges	104,130,313	38.83	143,941,673	48.74
Providers of Capital as Dividend	11,404,800	4.25	10,264,320	3.48
Depreciation & Retention	16,207,405	6.05	8,334,494	2.82
	-----	-----	-----	-----
	268,139,514	100.00	295,299,379	100.00
	=====	=====	=====	=====



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 30th June 2014, and the statement of 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, 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. 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 30th June 2014, and of its financial performance and its 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, 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 comprehensive income dealt with by the report are in agreement with the books of account; and
- d). the expenditure incurred was for the purposes of the Company's business.

Dated; Dhaka
August 10, 2014

Sd/-
Hussain Farhad & Co.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE, 2014

	NOTES	30.06.2014	Value in Taka 30.06.2013
ASSETS			
Non-Current Assets:			
Property, Plant and Equipment	2	171,963,365	154,420,599
Machinery in Transit		-	32,033,037
Investments	3	188,695,618	151,279,722
Immovable Properties (At Cost)	4	12,039,990	12,039,990
Deferred Tax Assets		-	326,053
		372,698,973	350,099,401
Current Assets:			
Inventories	5	811,413,008	875,860,190
Trade Debtors	6	29,909,719	98,149,748
Advance, Deposits & Prepayments	7	105,296,212	55,735,141
Other Receivable	8	131,661,450	77,357,565
Cash & Cash Equivalents	9	242,049,901	301,450,822
		1,320,330,290	1,408,553,466
TOTAL ASSETS		<u>1,693,029,263</u>	<u>1,758,652,867</u>
EQUITY AND LIABILITIES			
Shareholders' Equity:			
Share Capital	10	57,024,000	57,024,000
Share Premium	11	209,088,000	209,088,000
Reserve and Surplus	12	152,493,647	145,717,392
Fair valuation surplus	13	143,445,968	106,030,072
		562,051,615	517,859,464
Non-Current Liabilities:			
Deferred Tax Liabilities		15,522	-
Long Term Loan	14	90,000,000	112,500,000
		90,015,522	112,500,000
Current Liabilities:			
Working Capital Loan (Secured)	15	733,884,440	778,328,291
Long Term loan-Current Maturity	16	30,000,000	65,817,000
Short term Loan	17	90,763,232	124,376,507
Trade Creditors	18	64,183,333	54,259,056
Sundry Creditors	19	20,302,178	53,741,208
Income Tax Payable		97,264,830	47,788,736
Other Liabilities	20	4,564,113	3,982,605
		1,040,962,126	1,128,293,403
Total Liabilities		<u>1,130,977,648</u>	<u>1,240,793,403</u>
TOTAL EQUITY AND LIABILITIES		<u>1,693,029,263</u>	<u>1,758,652,867</u>
Net Asset Value Per Share		98.56	90.81

Annexed notes form an integral part of these Financial Statements.

Sd/-
Zafar 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
August 10, 2014

Hussain Farhad & Co.
Chartered Accountants

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE, 2014

	Notes	2013-14	Value in Taka 2012-13
TURNOVER	21	3,844,681,256	3,305,717,280
Cost of goods sold	22	3,546,802,966	2,948,342,362
GROSS PROFIT		297,878,290	357,374,918
OPERATING EXPENSES:		266,559,246	336,710,675
Administrative & selling overhead	26	162,428,933	192,769,002
Financial expenses	27	104,130,313	143,941,673
OPERATING PROFIT/(LOSS)		31,319,044	20,664,243
Other income	28	39,058,056	44,985,484
PROFIT BEFORE PPF & WF		70,377,100	65,649,727
Provision for contribution to PPF & WF	29	3,518,855	3,282,486
PROFIT BEFORE TAX		66,858,245	62,367,241
Tax expenses:	30		
Current tax		49,476,094	47,788,736
Deferred tax expenses/(income)		341,576	84,520
NET PROFIT/(LOSS) AFTER TAX		17,040,575	14,493,985
Other comprehensive income:			
Fair valuation surplus/(deficit) of investments	13	37,415,896	(37,906,928)
TOTAL COMPREHENSIVE INCOME		54,456,471	(23,412,943)
EPS with fair valuation surplus/deficit of investments	31	9.55	(4.11)
EPS without fair valuation surplus/deficit of investments	31	<u>2.99</u>	<u>2.54</u>

Annexed notes form an integral part of these Financial Statements.

Sd/-
Zafar 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
August 10, 2014

Hussain Farhad & Co.
Chartered Accountants

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2014**

Value in Taka

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 30th June 2013	57,024,000	209,088,000	51,162,905	93,947,487	607,000	106,030,072	517,859,464
Net profit after tax of 2013-14	-	-	-	17,040,575	-	-	17,040,575
Final dividend for the year 2012-13	-	-	-	(10,264,320)	-	-	(10,264,320)
Fair valuation surplus/(deficit) of Investments	-	-	-	-	-	37,415,896	37,415,896
As at 30th June 2014	57,024,000	209,088,000	51,162,905	100,723,742	607,000	143,445,968	562,051,615

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2013**

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 30th June 2012	57,024,000	209,088,000	51,162,905	89,622,377	607,000	143,937,000	551,441,282
Net profit after tax of 2012-13	-	-	-	14,493,985	-	-	14,493,985
Final dividend for the year 2011-12	-	-	-	(10,264,320)	-	-	(10,264,320)
Fair valuation surplus/(deficit) of Investments	-	-	-	-	-	(37,906,928)	(37,906,928)
Prior year's adjustment	-	-	-	95,445	-	-	95,445
As at 30th June 2013	57,024,000	209,088,000	51,162,905	93,947,487	607,000	106,030,072	517,859,464

Annexed notes form an integral part of these Financial Statements.

Sd/-
Zafar 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
August 10, 2014

Hussain Farhad & Co.
Chartered Accountants

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2014

	2013-14	Value in Taka 2012-13
CASH FLOWS FROM OPERATING ACTIVITIES:		
Collection from turnover	3,912,921,285	3,289,603,668
Other income	39,058,056	44,985,484
Interest and other financial charges paid	(104,130,313)	(122,311,340)
Income tax paid	(49,470,231)	(46,417,232)
Payment for costs and expenses	(3,686,277,562)	(3,248,757,874)
Net cash generated from operating activities (a)	112,101,235	(82,897,294)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property, plant and equipment acquired	(25,445,217)	(42,699,319)
Machinery in transit	-	(32,033,037)
Net cash used in investing activities (b)	(25,445,217)	(74,732,356)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Working capital loan received/(repaid)	(44,443,851)	12,304,553
Long term loan received/(repaid)	(58,317,000)	-
Short term loan received/(repaid)	(33,613,275)	124,376,507
Dividend Paid	(9,682,813)	(9,617,784)
Net cash generated from financing activities (c)	(146,056,939)	127,063,276
Net increase/(decrease) in cash and cash equivalents(a+b+c)	(59,400,921)	(30,566,374)
Cash and cash equivalents on opening	301,450,822	332,017,196
Cash and cash equivalents on closing	242,049,901	301,450,822
Net operating cash flow per share	19.66	(14.54)

Annexed notes form an integral part of these Financial Statements.

Sd/-
Zafar 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
August 10, 2014

Hussain Farhad & Co.
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014 FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION:

a. Legal Form of the Enterprise:

Apex Foods Limited is a Public Limited Company registered under the Companies Act, 1913 (Repealed in 1994). The Company was incorporated in Bangladesh on 21.03.1979. Shares of the Company are listed in the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

b. Address of Registered Office and Factory:

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

c. Nature of Business Activities:

The Company owns and operates a modern Shrimps Processing Plant and exports 100% of its products in the foreign markets.

d. Accounting Convention and Basis:

These Financial Statements have been prepared under the Historical Cost Convention and Going Concern basis in accordance with applicable International Accounting Standards in Bangladesh which do not vary from the requirements of the Companies Act 1994 and the Listing Regulations of the Stock Exchanges, The Securities & Exchange Rules, 1987 and other laws and rules applicable in Bangladesh.

e. Application of Bangladesh Accounting Standards (BAS):

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

BAS-1	Presentation of financial statements
BAS-2	Inventories
BAS-7	Statement of Cash Flows
BAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS-10	Events after the Balance Sheet date
BAS-12	Income Taxes
BAS-14	Segment Reporting
BAS-16	Property, Plant and Equipment
BAS-18	Revenue
BAS-21	The Effects of Changes in Foreign Exchange Rates
BAS-23	Borrowing Costs
BAS-24	Related Party Disclosures
BAS-33	Earnings Per Share
BAS-37	Provisions, Contingent Liabilities and Contingent Assets
BAS-39	Financial Instruments: Recognition and Measurement

f. Compliance with local laws:

The Financial Statements have been prepared in compliance with requirements of the Companies Act 1994, The Securities & Exchange Rules, 1987 and other relevant local laws and rules.

g. Compliance with International Accounting Standard (IAS):

The Financial Statements have been prepared in compliance with requirements of IAS's adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh.

h. Property, Plant and Equipment:

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

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 that assets are put into commercial operations. Depreciation is provided on all fixed assets except land at the following rates on reducing balance basis over the periods appropriate to the estimated useful lives of the different types of assets:

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

Factory Building	20 %
Plant & Machinery	20 %
Factory Equipments	20 %
Furniture & Fixtures	10 %
Office Equipments	20 %
Motor Vehicles	20 %
Crockery	20 %

j. 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 2013-14.

k. 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.

l. Taxation:

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

m. 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 has been deducted at source @ 0.80% from 01st July 2013 to 22nd April 2014 and @ 0.60% from 23rd April to 30th June 2014 on export proceeds and provision has been made accordingly. However, the tax provision has been made @ 27.50% on interest earned and 20% on dividend income as per provision of the Income Tax Ordinance, 1984.

n. 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 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.

o. Trade Debtors:

Export bills receivables are stated at the original invoice value.

p. Creditors 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.

q. Earning 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 comprehensive income and the computation of EPS is stated in Note 31.

i. Basic Earnings

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

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.

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.

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.

r. Statement of Cash Flows:

Statement of Cash Flows has been prepared in accordance with BAS 7 "Statement of Cash Flows" and the cash flow 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 "Enterprises are Encouraged to Report Cash Flow from Operating Activities using the Direct Method".

s. Foreign Exchange:

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

t. Revenue Recognition:

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

u. 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.

v. 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 Act 2006 and is payable to workers' as defined in the said Act.

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

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

x. Financial Risk Management:

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

- Credit risk
- Liquidity risk
- Market risk

Credit risk:

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

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 (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 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.

Market risk:

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

(a) Currency risk:

As at 30th June 2014 there was no exposure of currency risk which significantly affected the foreign currency transactions made during the year under review.

(b) Interest rate risk:

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

y. Comparative information:

Comparative information have been disclosed in respect of the year 2012-13 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.

z. Reporting currency and level of precision:

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

aa. Reporting period:

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

bb. Others:

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

- i) Statement of Financial Position as at 30th June 2014.
- ii) Statement of Comprehensive Income for the year ended 30th June 2014.
- iii) Statement of Changes in Equity for the year ended 30th June 2014.
- iv) Statement of Cash Flows for the year ended 30th June 2014.
- v) Accounting Policies and explanatory notes.

2. PROPERTY, PLANT AND EQUIPMENT: TK. 171,963,365

SL NO.	PARTICULAR	COST			RATE %	DEPRECIATION			W.D.V. as at 30.06.14
		Balance as at 01.07.13	Addition during the year	Balance as at 30.06.14		Balance as at 01.07.13	For the year	Balance as at 30.06.14	
1	Land & Land Development	3,392,470	-	3,392,470		-	-	-	3,392,470
2	Factory Building	80,911,021	8,071,228	88,982,249	20	67,581,707	3,232,482	70,814,189	18,168,060
3	Plant & Machinery	442,546,196	44,459,399	487,005,595	20	321,801,202	32,329,342	354,130,544	132,875,051
4	Factory Equipments	32,518,217	2,965,395	35,483,612	20	24,829,074	1,937,911	26,766,985	8,716,627
5	Furniture & Fixture	12,641,278	566,742	13,208,020	10	7,686,247	545,440	8,231,687	4,976,333
6	Office Equipments	14,391,136	297,625	14,688,761	20	11,534,612	597,797	12,132,409	2,556,352
7	Motor Vehicles	16,825,143	120,100	16,945,243	20	15,439,612	299,833	15,739,445	1,205,798
8	Crockery	239,329	22,050	261,379	20	171,737	16,968	188,705	72,674
	Total	603,464,790	56,502,539	659,967,329		449,044,191	38,959,773	488,003,964	171,963,365

Charged to:

Cost of Production	37,499,735
Administrative & selling overhead	<u>1,460,038</u>
	<u>38,959,773</u>

PROPERTY, PLANT AND EQUIPMENT FOR 2012-13

SL NO.	PARTICULAR	COST			RATE %	DEPRECIATION			W.D.V. as at 30.06.13
		Balance as at 01.07.12	Addition during the year	Balance as at 30.06.13		Balance as at 01.07.12	For the year	Balance as at 30.06.13	
1	Land & Land Development	3,392,470	-	3,392,470		-	-	-	3,392,470
2	Factory Building	76,640,121	4,270,900	80,911,021	20	64,249,378	3,332,329	67,581,707	13,329,314
3	Plant & Machinery	405,488,012	37,058,184	442,546,196	20	291,614,954	30,186,248	321,801,202	120,744,994
4	Factory Equipments	30,784,047	1,734,170	32,518,217	20	22,906,788	1,922,286	24,829,074	7,689,143
5	Furniture & Fixture	12,213,862	427,416	12,641,278	10	7,135,688	550,559	7,686,247	4,955,031
6	Office Equipments	13,953,336	437,800	14,391,136	20	10,820,481	714,131	11,534,612	2,856,524
7	Motor Vehicles	16,684,143	141,000	16,825,143	20	15,093,229	346,383	15,439,612	1,385,531
8	Crockery	228,138	11,191	239,329	20	154,840	16,897	171,737	67,592
	Total	559,384,129	44,080,661	603,464,790		411,975,358	37,068,833	449,044,191	154,420,599

Charged to:

Cost of Production	35,440,863
Administrative & selling overhead	<u>1,627,970</u>
	<u>37,068,833</u>

	<u>30.06.2014</u>	<u>30.06.2013</u>
3. INVESTMENTS: TK. 188,695,618		
In Shares:		
Apex Spinning & Knitting Mills Limited (2,263,200 Shares of Tk. 10.00 each)	173,677,968	139,662,072
Apex Weaving & Finishing Mills Limited (2,000,000 Shares of TK. 10.00 each)	12,400,000	9,000,000
Amam Sea Food Industries Limited (10,482 Shares of Tk. 100.00 each at par)	1,048,200	1,048,200
Central Depository 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
	<u>188,695,618</u>	<u>151,279,722</u>
	=====	=====

- Investments in shares of Apex Spinning & Knitting Mills Limited and Apex Weaving & Finishing Mills Limited have been valued at market price on 30.06.2014 as per BAS 39.
- As the shares of Amam Sea Food Industries Limited have not traded during the year under review and the last trade date was on 24.02.2009, the price has been shown at face value.
- Investment in Apex Weaving & Finishing Mills Ltd. is under litigation. As the issue is under litigation, no dividend has yet been accounted for.

Market Price of Listed Companies Shares (As on 30.06.14)

Apex Spinning & Knitting Mills Ltd. (Last trade date 30.06.2014)	76.74	61.71
Apex Weaving & Finishing Mills Ltd. (Last trade date 05.06.2014)	6.20	4.50
Amam Sea Food Industries Ltd. (Last trade date 24.02.2009)	220	220

4. IMMOVABLE PROPERTY: TK. 12,039,990

Immovable Property	12,039,990	12,039,990
	=====	=====

- Immovable property represents the cost of land at Kalampur, Gazipur and its development for setting up new industries.

5. INVENTORIES: TK. 811,413,008

	Qty. in Kg.		
Shrimps	725,845	795,188,516	860,755,364
Packing Materials	-	12,223,573	10,035,547
Chemical & Ingredients	34,438	4,000,919	5,069,279
	<u>760,283</u>	<u>811,413,008</u>	<u>875,860,190</u>
	=====	=====	=====

- 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 facilities against pledge of finished goods.

6. TRADE DEBTORS: TK. 29,909,719

Export Bills Receivable	<u>29,909,719</u>	<u>98,149,748</u>
-------------------------	-------------------	-------------------

- The closing conversion rate was Tk. 77.20 for Shipment against T.T. and Tk. 77.15 per US Dollar for L/C shipment.
- The ageing of the trade debtors are maximum 25 (Twenty five) days and these are considered good and subsequently realized in full.

	<u>30.06.2014</u>	<u>30.06.2013</u>
7. ADVANCES, DEPOSITS AND PREPAYMENTS: TK. 105,296,212		
Advance against expenses	71,306	1,473,500
Deposits & Prepayments	9,065,676	7,341,067
Advance Income Tax	96,159,230	46,688,999
L/C margin with Agrani Bank Limited	-	231,575
	-----	-----
	105,296,212	55,735,141
	=====	=====

- Advance against expenses are adjusted regularly and considered good.
- Deposits and Prepayments are secured.
- Advance tax represents tax deduction at source and tax paid in advance as per Income Tax Ordinance 1984.
- No amount was due by the Directors and other officers of the Company or by associated undertaking.

8. OTHER RECEIVABLE: TK. 131,661,450

Insurance Claim Receivable	16,254,727	16,254,727
Cash Incentive Receivable	115,406,723	61,102,838
	-----	-----
	131,661,450	77,357,565
	=====	=====

- 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.
- The ageing of the Cash incentive receivable are maximum 06 (Six) months.

9. CASH AND CASH EQUIVALENTS: TK. 242,049,901

Cash in Hand:

Head Office	106,978	88,428
Factory Office	41,618	105,906
	148,596	194,334

Cash at Bank with:

Agrani Bank, Agrabad Corporate Br. Chittagong.	24,893,065	22,002,772
Arab Bangladesh Bank Ltd. Principal Br, Dhaka.	626,797	631,376
Eastern Bank Ltd., Principal Branch, Dhaka	31,086	30,246
The Hongkong & Shanghai Banking Corporation, Dhaka	1,534,883	1,175,182
Dhaka Bank Ltd., Foreign Exchange Branch, Dhaka	7,621	9,771
FDR with HSBC, Dhaka	54,695,695	82,554,333
FDR with Eastern Bank Limited, Dhaka	-	52,836,744
FDR with Dhaka Bank Limited, Dhaka	160,112,158	142,016,064
	-----	-----
	241,901,305	301,256,488
	-----	-----
	242,049,901	301,450,822
	=====	=====

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

	<u>30.06.2014</u>	<u>30.06.2013</u>
10. 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 30.6.2014):

Sponsors & Directors	50.42%	50.42%
Institution	11.69%	19.18%
Public - Local	37.89%	30.40%
	100.00% =====	100.00% =====

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

<u>No. of Share Holders</u>	<u>Range</u>	<u>Total Holdings</u>	<u>In %</u>
2,891	Less than & equal 500 Shares	438,560	7.69
616	501 to 5,000 Shares	897,800	15.74
44	5,001 to 10,000 Shares	308,850	5.42
14	10,001 to 20,000 Shares	189,950	3.33
5	20,001 to 30,000 Shares	122,350	2.15
2	30,001 to 40,000 Shares	79,500	1.39
1	40,001 to 50,000 Shares	46,450	0.81
3	50,001 to 100,000 Shares	218,950	3.84
3	100,001 to 200,000 Shares	427,580	7.50
4	Over 200,000 Shares	2,972,410	52.13
-----		-----	-----
3,583		5,702,400	100.00
=====		=====	=====

11. 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.

	<u>30.06.2014</u>	<u>30.06.2013</u>
12. RESERVE AND SURPLUS: TK. 152,493,647		
• This represents the following:		
Reserve for Re-investment	51,162,905	51,162,905
Retained Earnings	100,723,742	93,947,487
Capital Gain	607,000	607,000
	<u>152,493,647</u>	<u>145,717,392</u>
	=====	=====
• 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. The reserve and surplus is utilized in the Company's business.		
13. FAIR VALUATION SURPLUS OF INVESTMENT: TK 143,445,968		
Opening Balance	106,030,072	143,937,000
Adjustment for fair valuation surplus/(deficit) during the year	37,415,896	(37,906,928)
	<u>143,445,968</u>	<u>106,030,072</u>
	=====	=====
• 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 last Balance Sheet price.		
14. LONG TERM LOAN: TK. 90,000,000		
Term Loan	90,000,000	112,500,000
	<u>90,000,000</u>	<u>112,500,000</u>
	=====	=====
• Term loan received from Agrani Bank Limited at 8% interest rate p.a.		
15. WORKING CAPITAL LOAN (SECURED): TK. 733,884,440		
Against Hypothecation	117,792,915	161,886,784
Against Pledge of Finished Goods	616,091,525	616,441,507
	<u>733,884,440</u>	<u>778,328,291</u>
	=====	=====
• The Working Capital Loan was taken from Agrani Bank Limited, Agrabad Corporate Branch, Jahan Building, Agrabad C/A, Chittagong, which is fully secured against 1st charge on Land, Building, Plant & Machinery and all other Assets of the Company and Pledge of Finished Goods.		
• The Company has Cash Credit facilities of Tk. 78.00 Crore (Hypothecation Tk. 18.00 Crore & Pledge of finished goods Tk. 60.00 Crore) which has been fully availed. Apart from this, the Company has no such other credit facilities. The Loan bears interest @ 10.50% p.a.		
16. LONG TERM LOAN-CURRENT MATURITY: TK. 30,000,000		
Long Term Loan	30,000,000	65,817,000
	<u>30,000,000</u>	<u>65,817,000</u>
	=====	=====
• This represents the current portion of long term loan liability payable in next twelve months.		

	<u>30.06.2014</u>	<u>30.06.2013</u>
17. SHORT TERM LOAN: TK. 90,763,232		
Dhaka Bank Limited	90,763,232	92,978,034
Liability for machinery with HSBC	-	31,398,473
	<u>90,763,232</u>	<u>124,376,507</u>

- Loan from Dhaka Bank Limited, Foreign Exchange Branch, Dhaka against lien on FDRs and the loan bear average interest @ 15.14% p.a.

18. TRADE CREDITORS: TK. 64,183,333

Shrimp Purchased	<u>64,183,333</u>	<u>54,259,056</u>
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- 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 creditors were paid in full subsequently.

19. SUNDRY CREDITORS: TK. 20,302,178

Advertisement	-	11,250
Advance against export	3,628,400	22,976,811
Audit Fees including VAT	115,000	70,000
Chemicals	94,947	70,235
Clearing & Forwarding	61,778	442,140
Consumable Stores	91,059	240,629
Contribution to PPF & WF	3,518,855	3,282,486
Directors Remuneration	300,000	300,000
Factory Building	393,252	594,425
Factory Equipment	11,400	63,775
Furniture & Fixture	975	19,726
Ice	221,250	1,597,550
Laboratory Expenses	28,085	59,450
Ocean Freight	254,741	554,425
Packing Materials	3,643,734	10,264,802
Plant & Machinery	-	703,416
Postage & Stamp	10,649	34,589
Power, Fuel and Water	-	1,535,418
Printing & Stationery	6,600	8,790
Repairs (Factory Building)	49,974	163,336
Repairs (Machinery & Equipments)	349,296	436,316
Salary & Allowances	1,265,768	1,253,743
Sales Promotion Expenses	268,348	312,029
Sanitation	31,220	59,775
Shrimp Aquaculture Fund	332,793	-
Staff income tax	174,892	376,035
Staff Welfare	-	53,600
Survey Fees & Inspection	34,190	20,152
Tax Deduction at Source	27,023	-
Telephone	20,967	22,292
Uniform & Liveries	26,080	198,635
Wages & Salaries	5,340,902	8,015,378
	<u>20,302,178</u>	<u>53,741,208</u>

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

30.06.2014 **30.06.2013**

20. OTHER LIABILITIES: TK. 4,564,113

Unclaimed Dividend	4,564,113	3,982,605
	=====	=====

- Unclaimed dividend represents the dividend warrants of Tk. 4,564,113/- not presented to Bank by the Shareholders within June 30, 2014. The details of unclaimed dividend as on 30.06.2014 is as under:

<u>Year</u>	<u>Taka</u>
Up to 2009-10	2,652,012.60
20010-11	642,251.40
2011-12	639,531.00
2012-13	630,318.00
	<u>4,564,113.00</u>

2013-14 **2012-13**

21. TURNOVER: TK. 3,844,681,256

	<u>Qty. in Kg.</u>	<u>US\$</u>			
Shrimps	<u>3,935,875</u>	<u>49,852,911</u>	<u>3,844,681,256</u>		<u>3,305,717,280</u>
	3,935,875	49,852,911	3,844,681,256		3,305,717,280
	=====	=====	=====		=====

- Country wise break up of the Export for the year 2013-14

<u>Name of the Countries</u>	<u>Quantity in KG</u>	<u>USD</u>
Belgium	511,201	7,197,981
Canada	292,214	5,702,603
Germany	305,330	3,087,845
Japan	10,800	190,199
Mauritius	40,000	257,644
Netherlands	867,480	9,338,533
Portugal	616,009	5,482,302
Russia	483,171	5,376,611
UK	222,052	4,438,128
USA	<u>587,618</u>	<u>8,781,065</u>
	<u>3,935,875</u>	<u>49,852,911</u>

22. COST OF GOODS SOLD: TK. 3,546,802,966

	<u>Qty. in Kg.</u>	<u>Notes</u>			
Opening Stock of Finished Goods	936,650		860,755,364		696,034,557
Add: Cost of Production	<u>3,725,070</u>	23	<u>3,481,236,118</u>		<u>3,113,063,169</u>
	4,661,720		4,341,991,482		3,809,097,726
Less: Closing Stock of Finished Goods	<u>725,845</u>		<u>795,188,516</u>		<u>860,755,364</u>
	3,935,875		3,546,802,966		2,948,342,362
	=====		=====		=====

		<u>2013-14</u>	<u>2012-13</u>
23. COST OF PRODUCTION: TK. 3,481,236,118			
	<u>Qty. in Kg.</u>	<u>Notes</u>	
Shrimp Purchased	4,406,232	3,254,468,089	2,866,874,560
Packing Materials, Chemicals, Ice and Ingredients consumed		90,602,414	111,074,918
Direct Labor		37,836,452	43,556,022
Factory Overhead		60,829,428	56,116,806
Depreciation		37,499,735	35,440,863
		<u>3,481,236,118</u>	<u>3,113,063,169</u>
		=====	=====
• Cash incentive adjusted with the raw materials purchase.			
24. PACKING MATERIALS, CHEMICALS, ICE & INGREDIENTS CONSUMED: TK. 90,602,414			
Opening Balance (Packing Materials)		10,035,547	19,837,488
Add: Packing Materials Purchase		70,374,467	84,804,732
		<u>80,410,014</u>	<u>104,642,220</u>
Less: Packing Materials in hand		12,223,573	10,035,547
		<u>68,186,441</u>	<u>94,606,673</u>
		=====	=====
Opening balance (Chemical & Ingredients)		5,069,279	-
Add: Chemicals, Ice and Ingredients Purchase		21,347,613	21,537,524
		<u>26,416,892</u>	<u>21,537,524</u>
Less: Chemical and Ingredients in hand		4,000,919	5,069,279
		<u>22,415,973</u>	<u>16,468,245</u>
		<u>90,602,414</u>	<u>111,074,918</u>
		=====	=====
25. FACTORY OVERHEAD: TK. 60,829,428			
Wages & Salaries		26,348,748	24,239,170
Bonus to Workers'		556,961	562,133
Power, Fuel & Water		22,825,473	20,890,063
Consumable Stores & Spares		2,209,116	1,941,516
Repair & Maintenance		8,789,875	8,386,114
Carriage Inward		99,255	97,810
		<u>60,829,428</u>	<u>56,116,806</u>
		=====	=====

	<u>2013-14</u>	<u>2012-13</u>
26. ADMINISTRATIVE AND SELLING OVERHEAD: TK. 162,428,933		
Advertisement	421,915	399,055
AGM Expenses	361,654	331,731
Audit Fee (Including VAT)	115,000	70,000
Board meeting fees	18,000	29,000
Bonus to Staff	2,949,742	2,221,935
Contribution to Provident Fund	1,142,759	1,121,954
Depreciation	1,460,038	1,627,970
Directors Remuneration	9,000,000	9,000,000
Donation & Subscription	37,790	560,043
Electricity & WASA Charges	71,611	91,975
Entertainment	639,988	825,769
Freight & Forwarding	70,354,162	95,559,873
General Fees & Charges	58,863	80,539
Guest House Expenses	652,075	642,686
Insurance Premium	2,762,646	3,335,474
Laboratory Expenses	203,420	198,891
Laboratory Testing Fees	7,564,163	13,898,700
Legal & Professional Fees	470,749	72,125
License & renewals	795,308	656,708
Medical Expenses	40,053	15,168
Membership Subscription	10,800	45,800
Newspaper & Periodicals	50,323	32,950
Postage & Stamp	526,231	681,558
Printing & Stationery	816,372	821,090
Rejection Insurance Premium	5,800,273	10,181,473
Rent, Rates & Taxes	2,839,768	2,682,679
Salary & Allowances	24,895,722	21,923,416
Sales Commission	12,684,673	4,990,398
Sales Promotion Expenses	8,696,227	11,922,717
Sanitation Expenses	354,030	418,810
Staff fooding	880,517	1,211,353
Staff Welfare Expenses	849,343	873,231
T.A & Conveyance	2,341,775	2,854,953
Telephone, Telex & Fax	715,166	875,864
Uniform & Liveries	512,777	780,609
Vehicles Maintenance	1,335,000	1,732,505
	<u>162,428,933</u>	<u>192,769,002</u>

- 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
	<u>9,000,000</u>
- Audit Fee is fixed by the Shareholders in the Annual General Meeting and does not include any other remuneration to Auditors.
- Sales promotional expenses include cost of samples and courier cost for distribution of free samples to the buyers.
- There are 6(Six) Board Meetings held during the year.

	<u>2013-14</u>	<u>2012-13</u>
27. FINANCIAL EXPENSES: TK. 104,130,313		
Interest	90,062,671	129,080,280
Charges	<u>14,067,642</u>	<u>14,861,393</u>
	<u>104,130,313</u>	<u>143,941,673</u>
28. OTHER INCOME: TK. 39,058,056		
Dividend Income:		
Dividend from Apex Spinning & Knitting Mills Ltd	4,073,760	4,073,760
Dividend from CDBL	<u>1,427,953</u>	<u>1,713,543</u>
	5,501,713	5,787,303
Interest Earned on FDRs and STD Account	<u>33,556,343</u>	<u>39,198,181</u>
	<u>39,058,056</u>	<u>44,985,484</u>

29. PROVISION FOR CONTRIBUTION TO PPF & WF: TK. 3,518,855

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

30. TAX EXPENSES:

(a) Current Tax	49,476,094
(b) Deferred Tax	341,576

- Current tax represents estimated Income Tax for the period from 1st July 2013 to 30th June 2014.
- The provision for deferred tax expenses/(income) is made to pay/adjust future income tax liability/asset due to accumulated temporary differences.

31. BASIC EARNING PER SHARE (EPS) – DISCLOSURE UNDER BAS 33 “EARNINGS PER SHARE”:

$$\text{Basic EPS} = \frac{\text{Earnings attributable to Ordinary Shareholders}}{\text{Weighted average number of shares outstanding during the year 2013-14}}$$

(a) EPS with fair valuation surplus/(deficit) of investments	= $\frac{54,456,471}{5,702,400}$	= 9.55
(b) EPS without fair valuation surplus/(deficit) of investments	= $\frac{17,040,575}{5,702,400}$	= 2.99

- 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 no significant variance occurs between quarterly performance (up to 3rd quarter EPS was Tk. 2.26 & annually it has come to Tk. 2.99) and annual financial statements.

32. EVENTS AFTER REPORTING PERIOD:

The Board of Directors recommended cash Dividend of Tk. 2/- per Share for the year 2013-14 at the Board meeting held on 10th August 2014. 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.

33. RELATED PARTY TRANSACTIONS:

- There was no transaction with the Associated Companies during the year.
- There are common Directors in Apex Spinning & Knitting Mills Limited.

	<u>2013-14</u>	<u>2012-13</u>
--	----------------	----------------

34. GENERAL:**(a) Production capacity (Quantity in M/T):**

Installed Capacity	7,200	%	7,200	%
Actual Capacity utilized	3,725	51.74	4,436	61.61
	-----		-----	
Variation	3,475		2,764	
	=====		=====	

- 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 non-availability of adequate shrimps throughout the year.

(b) Production (Quantity in Kg):

Shrimps	3,725,070	4,436,091
	-----	-----
	3,725,070	4,436,091
	=====	=====

(c) Export (Quantity in Kg):

Shrimps	3,935,875	4,423,435
	-----	-----
	3,935,875	4,423,435
	=====	=====

(d) Consumption (Value in Taka):

<u>Items</u>	<u>Value</u>	<u>Consumption</u>
		%
Local Shrimps	3,254,468,089	97.29
Local Packing Materials, Chemicals, Ice & Ingredients	90,602,414	2.71

(e) Salaries & Wages:

	<u>No. of Employees</u>	<u>Taka</u>
Up to Tk. 3,000.00 per month	-	-
Above Tk. 3,000.00 per month (Including Master Role Workers)	359	55,893,932
	-----	-----
	359	55,893,932
	=====	=====

35. 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:

	<u>Directors</u>	<u>Officers</u>
Board Meeting Fee	18,000	--
Salary and Allowance	9,000,000	21,631,922
Provident Fund Contribution	--	1,109,534
Bonus	--	1,750,421
Perquisites	--	12,114,539

36. CAPITAL EXPENDITURE COMMITMENT:

- There was no capital expenditure contracted or incurred or provided for as at 30th June 2014.
- There was no material capital expenditure authorized by the Board or contracted for as at 30th June 2014.

37. 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 their directors.
- There was no brokerage paid against sales during the year 2013-14.
- 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 2014.
- There was no credit facility available to the Company under any contract or availed of as on 30th June 2014 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/-
Zafar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
S. K. Halder
Chief Financial Officer

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.....

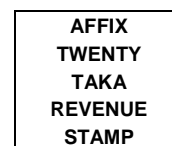
No. of Shares.....

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-FIFTH ANNUAL GENERAL MEETING of the Company will be held at the Trust Milonayaton, 545 Puraton Biman Bandar Sarak (Adjacent to Shahid Bir Shresta Jahangir Gate), Dhaka Cantonment, Dhaka-1206 on Sunday the September 28, 2014 at 11.00 A.M. and or at any adjournment thereof. Signed this.....day of.....2014.



(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-FIFTH ANNUAL GENERAL MEETING being held on Sunday the September 28, 2014 at 11.00 A.M. at the Trust Milonayaton, 545 Puraton Biman Bandar Sarak (Adjacent to Shahid Bir Shresta Jahangir Gate), Dhaka Cantonment, Dhaka-1206.

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.