

APEX FOODS LIMITED

SHANTA SKYMARK, LEVELS, 8TH TO 13TH, 18 GULSHAN AVENUE, GULSHAN, DHAKA-1212, BANGLADESH.

UN-AUDITED FIRST QUARTER (Q1) FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON 30TH SEPTEMBER, 2023

STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 30TH SEPTEMBER, 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER, 2023

		Value in Taka '000'		
Notes	As on 30.09.2023	As on 30.06.2023	Growth %	
ASSETS				
Non-Current Assets:				
	408,008	422,259	(3)	
Property, Plant and Equipment	4 75,392	76,112	(1)	
Investments	5 323,397	340,145	(5)	
Security Deposits	6 9,219	6,003	54	
Current Assets:				
	948,133	742,719	28	
Inventories	7 360,488	129,125	179	
Trade Receivables	8 81,627	82,333	(1)	
Advances, Deposits & Prepayments	9 78,764	70,578	12	
Other Receivables	10 119,325	110,845	8	
Investment in Financial Assets	11 305,155	291,154	5	
Cash & Cash Equivalents	12 2,774	58,684	(95)	
TOTAL ASSETS	1,356,141	1,164,978	16	
EQUITY AND LIABILITIES				
Shareholders' Equity:				
	774,448	776,689	(0)	
Share Capital	13 57,024	57,024	0	
Share Premium	14 209,088	209,088	0	
Reserve and Surplus	15 258,003	245,171	5	
Fair Valuation Surplus of Investments	16 250,333	265,405	(6)	
Non-Current Liabilities:				
	38,078	39,489	(4)	
Deferred Tax Liabilities	17 38,078	39,489	(4)	
Current Liabilities:				
	543,615	348,800	56	
Working Capital Loan (Secured)	18 131,872	1,691	7,699	
Short Term Loan	19 5	-	0	
Trade Payables	20 314,619	258,239	22	
Other Payables	21 23,035	22,896	1	
Current Tax Liabilities	22 72,899	64,776	13	
Unclaimed Dividend Account	23 1,185	1,199	(1)	
Total Liabilities	581,693	388,289	50	
TOTAL EQUITY & LIABILITIES	1,356,141	1,164,978	16	
Net Assets Value (NAV) Per Share	37 135.81	136.20		

		Value in Taka '000'		
Notes	01.07.2023 to 30.09.2023	01.07.2022 to 30.09.2022	Growth %	
REVENUE				
	24 386,506	577,313	(33)	
Cost of goods sold	25 (344,731)	(510,812)	(33)	
GROSS PROFIT	41,774	66,501	(37)	
Other Operating Income/(Loss)	29 25	199	(88)	
Administrative & Selling Overhead	30 (22,553)	(41,725)	(46)	
OPERATING PROFIT/(LOSS)	19,247	24,975	(23)	
Finance & Other Income	31 5,860	3,460	69	
Financial Expenses	32 (2,826)	(6,462)	(56)	
PROFIT BEFORE PPF & WF	22,280	21,973	1	
Provision for contribution to WPPF	33 (1,061)	(1,046)	1	
PROFIT/(LOSS) BEFORE TAX	21,219	20,927	1	
Tax Expenses:	34 (8,388)	(9,502)	(12)	
Current Tax	(A) (8,123)	(29,265)	(72)	
Deferred Tax (Expenses)/Income	(B) (265)	19,763	(101)	
NET PROFIT/(LOSS) AFTER TAX	12,832	11,425	12	
Other comprehensive income	(15,073)	8,555	(276)	
Fair valuation surplus/(deficit) of investments	16 (16,748)	9,505	(276)	
Deferred tax income/(expenses) on share valuation surplus	1,675	(951)	276	
TOTAL COMPREHENSIVE INCOME	(2,241)	19,980	(111)	
Basic Earnings Per Share (EPS)	35 2.25	2.00	12	

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER, 2023

Value in Taka '000'							
Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation surplus of Investments	Total
As at 1st July 2023	57,024	209,088	51,163	193,401	607	265,405	776,689
Net Profit/(Loss) for the first quarter ended on 30th September 2023	-	-	-	12,832	-	-	12,832
Fair valuation surplus/(deficit) of investments	-	-	-	-	-	(15,073)	(15,073)
As at 30th September 2023	57,024	209,088	51,163	206,233	607	250,333	774,448

STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER, 2023

		Value in Taka '000'		
Notes	01.07.2023 to 30.09.2023	01.07.2022 to 30.09.2022	Growth %	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Collection from revenue	387,212	574,551	(33)	
Income from SND	-	-	0	
Receive from PF Lapse (Employer's Portion)	-	-	0	
Bank Charges & Commission	(2,564)	(2,178)	18	
Income tax paid during the period	(8,129)	(28,657)	(72)	
Payment for costs and expenses	(554,917)	(520,982)	7	
Net cash generated from/(Used in) operating activities (a)	(178,398)	22,734	(885)	
CASH FLOWS FROM INVESTING ACTIVITIES:				
Property, Plant & Equipment acquired	(3,223)	(1,839)	75	
Income from FDR's	9,777	6,136	59	
Investment in Financial Assets	(14,001)	(5,239)	167	
Net cash generated from/(Used in) investing activities(b)	(7,447)	(942)	691	
CASH FLOWS FROM FINANCING ACTIVITIES:				
Working Capital Loan received/(repaid)	130,181	(9,462)	(1,476)	
Long Term loan received/(repaid)	-	(783)	(100)	
Short Term loan received/(repaid)	5	(7,133)	(100)	
Interest & Other Financial charges paid	(262)	(4,437)	(94)	
Dividend paid during the period	(14)	0	0	
Net cash generated from/(Used in) financing activities (c)	129,910	(21,815)	(696)	
Net increase/(decrease) in cash & cash equivalents (a+b+c)	(55,935)	(23)	246,243	
Cash & cash equivalents on opening	58,684	3,220	1,722	
The effect of foreign currency translation gain / (loss)	25	(13)	291	
Cash & cash equivalents on closing	2,774	3,183	(13)	
Net Operating Cash Flows Per Share (NOCFPS)	36 (31.28)	3.99		

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER, 2022

Value in Taka '000'							
Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation surplus of Investments	Total
As at 1st July 2022	57,024	209,088	51,163	153,974	607	247,685	719,541
Net Profit/(Loss) for the first quarter ended on 30th September 2022	-	-	-	11,425	-	-	11,425
Fair valuation surplus/(deficit) of investments	-	-	-	-	-	8,555	8,555
As at 30th September 2022	57,024	209,088	51,163	165,399	607	256,240	739,521

Note: Published first quarterly financial statements can be available in the web-site of the Company.
The address of the web-site is www.apexfoods.com

Please refer to Note no. 41 for reconciliation of cash flows from operating activities under direct method and indirect method as per requirement of BSEC.

Sd/-
Zahur Ahmed PhD
Chairman

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Sd/-
Kamrul Islam
Company Secretary

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE FIRST QUARTER (Q1) ENDED ON 30TH SEPTEMBER, 2023
FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS**

1. The company and its operation:

1.01 Legal Form of the Enterprise:

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

1.02 Address of Registered Office and Factory:

The Registered Office is located at Shanta SkyMark, Levels, 8th to 13th, 18 Gulshan Avenue, Gulshan, Dhaka-1212, Bangladesh and the Factory is located at 51-B Shagarika Road, Fouzderhat Industrial Estate, Pahartali, Chattogram, Bangladesh.

1.03 Nature of Business Activities:

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

2. Basis of the preparation of the Financial Statements:

2.01 Accounting Convention and Basis:

These interim Financial Statements have been prepared under the Historical Cost Convention, Accrual and Going Concern basis in accordance with applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) in Bangladesh which do not vary from the requirements of the Companies Act, 1994 and the Listing Regulations of the Stock Exchanges, The Securities & Exchange Rules, 2020 and other laws and rules applicable in Bangladesh.

2.02 Application of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs):

We have complied the following IASs and IFRSs as applicable for the financial statements for the period under review:

IAS-1	Presentation of Financial Statements	Complied With	IAS-24	Related Party Disclosures	Complied With
IAS-2	Inventories	Complied With	IAS-33	Earnings Per Share	Complied With
IAS-7	Statement of Cash Flows	Complied With	IAS-34	Interim Financial Reporting	Complied With
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied With	IAS-36	Impairment of Assets	Complied With
IAS-10	Events after the Reporting Period	Complied With	IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Complied With
IAS-12	Income Taxes	Complied With	IFRS-7	Financial Instruments: Disclosures	Complied With
IAS-16	Property, Plant and Equipment	Complied With	IFRS-9	Financial Instruments	Complied With
IAS-21	The Effects of Changes in Foreign Exchange Rates	Complied With	IFRS-15	Revenue from contracts with customers	Complied With
IAS-23	Borrowing Costs	Complied With	IFRS-16	Leases	Complied With

2.03 Compliance with Local Laws:

These Interim Financial Statements have been prepared in compliance with requirements of the Companies Act, 1994, The Securities & Exchange Rules, 2020, The Income Tax Act 2023, The Income Tax Rules 2023, The VAT & Supplementary Act 2012, The VAT & Supplementary Rules 2016 and other relevant local laws and rules applicable in Bangladesh.

2.04 Compliance with International Financial Reporting Standards (IFRSs):

These Interim Financial Statements have been prepared in compliance with requirements of IFRS's.

3. Other Explanatory Notes:

- (a) These Interim financial statements have been prepared under the historical cost convention, accrual and going concern basis.
 (b) No interim dividend paid during the interim period ended on 30th September 2023.
 (c) No diluted EPS is required to be calculated as there was no dilution during this period.
 (d) Last year's first quarter (Q1) figures have been re-arranged where considered necessary to conform to current year's first quarter (Q1) presentation.
 (e) Figures were rounded-off to the nearest thousand Taka.
 (f) Reporting Period: These interim financial statements cover the period from 01st July 2023 to 30th September 2023.
 (g) Comparative Figure: Comparative information has been disclosed in respect of same period of the year 2022-2023 for income statement & financial position with 30th June 2023.

	Value in Taka '000'	
	As on 30.09.20223	As on 30.06.2023
4. PROPERTY, PLANT & EQUIPMENT:		
Details of property, plant & equipment and depreciation at as September 30, 2023 are as follows:		
Fixed assets at cost:		
Opening Balance	764,692	749,849
Add: Addition during the period	2,948	14,842
Closing Balance (Cost)	767,639	764,692
Accumulated Depreciation:		
Opening Balance	688,580	672,410
Add: Addition during the period	3,667	16,170
Closing Balance (Depreciation)	692,247	688,580
Written Down Value (WDV)	75,392	76,112

During the period, Fixed Assets addition has been made for Tk.2,947,665/- & depreciation has been charged (reducing method) on additions made during the period from the month in which that assets are ready to use as per IAS 16.

5. INVESTMENTS: 323,397 340,145

During the period, investments have been changed due to fair valuation of shares.

6. SECURITY DEPOSITS:		
Security Deposits to Office Rent	405	405
Security Deposits to TNT & Mobile	9	9
Security Deposits to CWASA	90	-
Security Deposits to Bangladesh Power Development Board	903	903
Security Deposits to BGS/L Karnaphuli Gas Distribution Co.Ltd.	4,686	4,686
Add: Additional for increase gas tariff	3,126	-
	9,219	6,003

- Security deposits are made to statutory bodies and hence secured.
- Additional amount of Tk. 3,125,621/- represents the additional Security amount deposited to Karnaphuli Gas Distribution Company Ltd for increasing of tariff rate & Tk. 90,000/- represents security money deposited to CWASA line connection fees purpose.

7. INVENTORIES:		
Shrimps (Finished Goods)	351,187	120,483
Packing Materials	3,977	3,747
Chemical & Ingredients	5,324	4,895
	360,488	129,125

8. TRADE RECEIVABLES:		
Export Bills Receivable	81,627	82,333

Trade receivables are stated at invoice value and considered good.

9. ADVANCES, DEPOSITS & PREPAYMENTS:		
Advance against Expenses	3,759	1,061
Pre-payments	1,612	4,251
Advance Income Tax 9.(a)	72,964	64,837
Bank Guarantee Margin	429	429
	78,764	70,578

9. (a) Advance Income Tax:

Opening Balance	64,837	30,581
Add: Paid during the period	8,129	65,054
	72,966	95,634
Less: For the AY 2022-23	-	(30,797)
	72,966	64,837

The growth of 12% in Advances, deposits & pre-payments mainly due to tax deduction at source on Export Proceeds & Cash Incentive.

10. OTHER RECEIVABLES:

Insurance Claim Receivable	16,255	16,255
Cash Incentive Receivable	95,934	83,538
FDR's Interest Receivable	6,931	10,848
P.F Lapse (employer's portion)	204	204
	119,324	110,845

11. INVESTMENT IN FINANCIAL ASSETS:

FDRs with Dhaka Bank Limited	245,055	237,554
FDR's with Eastern Bank PLC	30,000	30,000
FDRs with Agrani Bank Limited	30,100	23,600
	305,155	291,154

All FDRs are made for more than 3 (Three) months within 1 (One) year.

12. CASH & CASH EQUIVALENTS:

Cash in Hand:	140	60
Head Office	0	3
Factory Office	140	57

Cash at Bank with:

Agrani Bank Ltd., ESA A/C, Agrabad Corporate Br. Chattogram	346	328
Agrani Bank Ltd., FCY A/C, Agrabad Corporate Br. Chattogram	911	886
Agrani Bank Ltd., CD A/C, Agrabad Corporate Br. Chattogram	-	56,000
Agrani Bank Ltd., PLEDGE A/C, Agrabad Corporate Br. Chattogram	6	6
Eastern Bank PLC., SND A/C, Principal Branch, Dhaka	29	29
The Hongkong & Shanghai Banking Corporation, CD A/C, Dhaka	28	28
The Hongkong & Shanghai Banking Corporation(CD-Div) A/C, Dhaka	1,221	1,235
Dhaka Bank Ltd., OD A/C, Foreign Exchange Branch, Dhaka	-	19
Dhaka Bank Ltd., CD A/C, Foreign Exchange Branch, Dhaka	93	93
	2,634	58,625
	2,774	58,684

	Value in Taka '000'			
	As on 30.09.2023	As on 30.06.2023		
13. SHARE CAPITAL:				
Authorized Capital:				
15,000,000 Ordinary Shares of Tk. 10/= each	150,000	150,000		
Issued, Subscribed & Paid up Capital:				
5,702,400 Ordinary Shares of Tk. 10/= each	57,024	57,024		
• There was no preference share issued by the Company.				
COMPOSITION OF SHARE HOLDINGS:				
	No. of Share	%	No. of Share	%
Sponsors & Directors	3,044	53.39%	3,044	53.39%
Institutions	456	7.99%	361	6.33%
Public - Local	2,202	38.62%	2,297	40.28%
	<u>5,702</u>	<u>100.00%</u>	<u>5,702</u>	<u>100.00%</u>

14. SHARE PREMIUM: 209,088 209,088

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

15. RESERVE AND SURPLUS:			
Reserve for re-investment	51,163	51,163	
Retained Earnings	206,233	193,401	
Capital Gain	607	607	
	<u>258,003</u>	<u>245,171</u>	

16. FAIR VALUATION SURPLUS OF INVESTMENTS:			
Opening Balance	265,405	247,685	
Adjustment for fair valuation surplus/(deficit) in this period	(16,748)	19,690	
Less: Deferred tax @10%	1,675	(1,969)	
Fair valuation surplus/(deficit) during this period	(15,073)	17,721	
	<u>250,333</u>	<u>265,405</u>	

This represents the difference of market value and the cost of the investments.

17. DEFERRED TAX LIABILITIES:			
a) Book Value of Depreciable Assets:			
Tax base of Depreciable Assets	75,392	76,112	
Net Taxable Temporary Difference	81,736	80,797	
Effective Tax Rate	(6,343)	(4,685)	
Closing Deferred Tax (Assets)/Liabilities arising from Assets	12.00%	12.00%	
Opening Deferred Tax Balance	(761)	(562)	
Deferred Tax Income/(Expense)	(562)	57	
	<u>199</u>	<u>620</u>	

b) Foreign Currency Translation Gain/(Loss) -Unrealized:			
Effective Tax Rate	25	(14)	
Closing Deferred Tax (Assets)/Liabilities arising from	20.00%	20.00%	
Unrealized Translation Gain/(Loss)	5	(3)	
Opening Deferred Tax Balance	(3)	7	
Deferred Tax Income/(Expense)	(8)	10	

c) PF Lapse Receivable (Employer's Portion):			
Effective Tax Rate	204	204	
Closing Deferred Tax (Assets)/Liability Arising from PF Lapse	20.00%	20.00%	
Opening Deferred Tax Balance	41	41	
Deferred Tax Income/ (Expense)	41	49	
	-	8	

d) Unrealized Interest on FDRs:			
Effective Tax Rate	6,931	10,848	
Closing Deferred Tax (Assets)/Liabilities arising from	20.00%	20.00%	
Unrealized FDRs Interest	1,386	2,170	
Opening Deferred Tax Balance	2,170	1,409	
Deferred Tax Income/(Expense)	783	(761)	

e) Cash Incentive Receivable:			
Effective Tax Rate	95,934	83,538	
Closing Deferred Tax (Assets)/Liabilities arising from	10.00%	10.00%	
Cash Incentive Receivable	9,593	8,354	
Opening Deferred Tax Balance	8,354	24,543	
Deferred Tax Income/(Expense)	(1,240)	16,189	
Deferred Tax Income/(Expense)- (a+b+c+d+e)	(265)	16,065	

f) Deferred Tax (Assets)/Liabilities arising from Other Comprehensive Income:			
Tax for (Losses)/gains on available for sale of investments	27,815	29,489	
Closing Deferred Tax (Assets)/Liabilities arising from	27,815	29,489	
investments			
Opening Deferred Tax Balance	29,489	27,521	
Deferred Tax income/(expense) arising from investments	(1,675)	(1,969)	
Total Deferred Tax (Assets)/Liabilities (a+b+c+d+e+f)	<u>38,078</u>	<u>39,489</u>	

Decrease in deferred tax liabilities arises due to implementation of IAS 12 "Income Taxes".

18. WORKING CAPITAL LOAN (SECURED):		
Against Hypothecation	131,872	1,691
	<u>131,872</u>	<u>1,691</u>

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

19. SHORT TERM LOAN:		
Dhaka Bank Limited	5	-
	<u>5</u>	<u>-</u>

20. TRADE PAYABLES:	<u>314,619</u>	<u>258,239</u>
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Trade Payables represents the amount payable to the gher owners of Shrimps from whom we procure the shrimps.

	Value in Taka '000'	
	As on 30.09.2023	As on 30.06.2023
21. OTHER PAYABLES:		
Advance against export	3,001	5,551
Audit Fees (including VAT)	416	443
Chemicals	440	64
Clearing & Forwarding	288	245
Consumable Stores & Spares	361	114
Contribution to PPF & WPPF	6,041	4,980
Contribution to Provident Fund	306	-
Directors' Remuneration	800	800
Donation & Subscription	2	-
Factory Building	7	250
Factory Equipments	-	32
Ice	24	24
Legal & Professional Fees	27	-
Ocean Freight	-	1,278
Office Maintenance	2	2
Packing Materials	3,217	2,243
Power, Fuel and Water	168	358
Postage & Stamps	-	7
Printing & Stationery	-	2
Corporate Expenses & Others	555	49
Repairs (Factory Building)	126	27
Repairs (Machinery & Equipments)	661	692
Salaries & Allowances	2,109	2,694
Sanitation Expenses	23	-
Staff Income Tax	77	78
Staff Welfare Expenses	117	100
Survey Fees & Inspection	-	9
Telephone, Telex & Fax	5	6
TDS Payable to Govt.	22	9
Uniform & Liveries	132	44
Wages & Salaries	4,099	2,776
VAT Payable to Govt.	8	19
	<u>23,035</u>	<u>22,896</u>

22. CURRENT TAX LIABILITIES:			
Opening Balance	64,776	30,797	
Add: Current period tax (Note-34)	8,123	64,776	
	<u>72,899</u>	<u>95,573</u>	
Less: Adjustment against completion of tax assessment	-	(30,797)	
	<u>72,899</u>	<u>64,776</u>	

During the period the increase of 13% in provision due to tax deduction at source on Export & Cash Incentive.

23. UNCLAIMED DIVIDEND ACCOUNT:			
	<u>1,185</u>	<u>1,199</u>	
The details break up as on 30 September 2023 is as under :			
Year of Dividend			
2019-2020	370	370	
2020-2021	463	465	
2021-2022	352	364	
	<u>1,185</u>	<u>1,199</u>	

Sd/-
Zahur Ahmed PhD
Chairman

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Sd/-
Kamrul Islam
Company Secretary

	Value in Taka '000'	
	01.07.2023	01.07.2022
	to	to
	30.09.2023	30.09.2022
24. REVENUE:	386,506	577,313

Revenue has been decreased 33% (i.e. From 577,313 million to 386,506) as compared to the revenue of same period of last year as demand declined & price fall in foreign market.

25. COST OF GOODS SOLD:

Opening Stock of Finished Goods	120,483	248,744
Add: Cost of Production - Note 26	575,435	666,622
	695,918	915,366
Less: Closing Stock of Finished Goods	(351,187)	(404,554)
	344,731	510,812

26. COST OF PRODUCTION:

Raw Materials	539,188	622,309
Packing Materials, Chemicals & Ice Consumed - Note 27	7,124	17,955
Direct Labour	7,157	8,608
Factory Overhead - Note 28	21,965	17,750
	575,435	666,622

27. PACKING MATERIALS, CHEMICALS & ICE CONSUMED:

Opening balance (Packing Materials)	3,747	3,777
Add: Packing Materials Purchase	6,302	14,453
	10,049	18,230
Less: Packing Materials in hand	(3,977)	(3,048)
	6,073	15,182
Opening balance (Chemicals & Ingredients)	4,895	8,820
Add: Chemicals, Ingredients & Ice Purchase	1,480	1,073
	12,448	25,075
Less: Chemicals & Ingredients in hand	(5,324)	(7,120)
	7,124	17,955

28. FACTORY OVERHEAD:

Wages & Salaries	4,506	4,765
Bonus to Workers'	-	249
Power, Fuel & Water	10,616	7,351
Consumable Stores & Spares	338	218
Repair & Maintenance	3,054	1,656
Carriage Inward	8	1
Depreciation	3,443	3,510
	21,965	17,750

29. OTHER OPERATING INCOME / (LOSS):

Foreign Exchange Gain/(Loss) from Operation / Transaction	-	212
Foreign Currency Translation Gain/(Loss)	25	(13)
	25	199

30. ADMINISTRATIVE & SELLING OVERHEAD:

Bonus to Staff	-	2,000
Contribution to Provident Fund	547	613
Depreciation	224	178
Directors' Remuneration	2,250	1,200
Donation & Subscription	0	1
Electricity & WASA Charges	210	241
Entertainment	110	154
Freight, Forwarding & Export Expenses	6,606	20,624
General Fees & Charges	0	26
Guest House Expenses	-	140
Laboratory Expenses	49	1
Laboratory Testing Expenses	1,460	1,381
Legal & Professional Fees	50	29
License & Renewals	164	42
Medical Expenses	3	-
Membership Subscription	1	1
Newspaper & Periodicals	0	1
Office Maintenance	0	4
Postage & Stamp	86	59
Printing & Stationery	119	178
Rent, Rates & Taxes	209	-
Corporate & Other Expenses	279	419
Salaries & Allowances	8,410	8,104
Sales Commission	-	1,406
Sales Promotion Expenses	341	3,759
Sanitation Expenses	60	70
Staff Fooding	229	110
Staff Welfare Expenses	344	335
T.A & Conveyance	273	190
Telephone, Telex & Fax	103	108
Uniform & Liveries	130	106
Transportation Expenses	294	243
	22,553	41,725

The decrease of 46% is mainly for decrease in Freight, Forwarding & Export Expenses.

31. FINANCE & OTHER INCOME:

Interest Earned on FDR's	5,860	3,460
	5,860	3,460

32. FINANCIAL EXPENSES:

Interest	262	4,284
Charges	2,564	2,178
	2,826	6,462

	Value in Taka '000'	
	01.07.2023	01.07.2022
	to	to
	30.09.2023	30.09.2022
33. PROVISION FOR CONTRIBUTION TO WPPF:	(1,061)	(1,046)

This represents 5% of the net profit after charging such contribution provided as per provisions of the Bangladesh Labour Law, 2006 & Bangladesh Labour Rules, 2015 & is payable to workers' as defined in the said Act.

34. (A) CURRENT TAX: TK.

Current tax consists the higher of minimum tax U/S 163 (2 kh-uno), 163 (5-kh-e) considering below a, b, c ie a) tax on income basis b) TDS on these income U/S 163(2-ka,kha) & c) tax on all gross received U/S- 163 (5-kh-e) and also others income realised during the period from 1st July 2023 to 30 September 2023. Details as follows:

Calculation of Current Tax:		
a) Tax on Income basis		
(i) Tax on Business profit:		
Profit before tax	21,219	20,927
Other Operating Income/(Loss) from translation	(25)	(199)
Less: Finance & Other Income	(5,860)	(3,460)
Net Operating Profit/(Loss)	15,335	17,268
Tax Rate	12%	12%
Tax on Business Profit	1,840	2,072

ii) Tax on Other Income:		
x) Tax on Dividend Income	20.00	-
y) Tax on Cash Incentive realised	10.00	2,321
z) Tax on Finance Income (FDR & Savings Interest)	20.00	1,955
		4,275
Total (i+ii)		6,116

**as per SRO # 253-law / Income Tax-09/23 dated 23.08.2023

b) TDS U/S -163(2-ka,kha)		
i) TDS on export proceeds @ 1.00% on export proceeds	3,847	5,463
ii) TDS on Dividend Income @ 20.00% on Dividend Income	-	-
iii) TDS on Cash Incentive (realized amount) @ 10.00% on Cash Incentive	2,321	22,574
iv) TDS on Finance income (realized amount) @ 20.00% on Finance income	1,955	1,227
	8,123	29,265

c) Tax on Gross Received U/S-163(5-ka-Uho)		
i) Realized from revenue	0.36	1,394
ii) Realized from Other Operating Income	0.36	-
iii) Realized from Cash Incentive	0.60	139
iv) Realized from Dividend Income	0.60	-
v) Realized from finance & Other Income	0.60	24
vi) Realized from Other Income PF Lapse	0.60	-
		1,557

So, Current Tax:

i) Tax on Business profit - Higher of ai,bi & ci	above b	3,847	5,463
ii) Tax on Dividend Income Higher of a-ii-x,b-ii & c-iv	20.00	-	-
iii) Tax on Cash Incentive (realized amount) - Higher of a-ii-v,b-iii & c	10.00	2,321	22,574
iv) Tax on Finance Income (Realized) Higher is a-ii-z	20.00	1,955	1,227
v) Tax on other operating Income (Realized)- business income	20.00	-	-
vi) Realized from Other Income- PF Lapse realised	20.00	-	-
		8,123	29,265

Effective tax rate = (Tax expenses / Profit before tax) 37.03% 45.41%

34. (B) DEFERRED TAX (EXPENSES) / INCOME:

The provision for deferred tax (expenses)/income is made to pay/adjust future income tax liability/asset due to accumulated temporary differences of interest on FDRs receivable, foreign currency translation, PF Lapse receivable and WDV of fixed assets. Detailed calculations are shown for above in Note - 17.

35. BASIC EARNINGS PER SHARE (EPS):

Earnings Attributable to Ordinary Shareholders	12,832	11,425
Number of Ordinary Shares	5,702	5,702
Basic Earnings Per Share (EPS) (Q1)	2.25	2.00

There was no significant variance occurs between 1st quarterly performance of 2023-2024 and same period of 2022-2023 financial statements as the EPS of 1st quarter was Tk. 2.00 & Tk. 2.25 in the same period of 2023-2024.

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

Net Operating Cash Flows	(178,398)	22,734
Number of Ordinary Shares	5,702	5,702
Net Operating Cash Flows Per Share (NOCFPS) (Q1)	(31.28)	3.99

Net operating cash flow is Tk. (31.28) per share for the 1st quarter ended on 30th September 2023 but it was Tk.3.99 for the same period of last year, however the scenario is changeable time to time depending on different issues.

37. NET ASSETS VALUE (NAV) PER SHARE :

Equity Attributable to the Owners of the Company	774,448	776,689
Number of Ordinary Shares	5,702	5,702
Net Assets Value (NAV) Per Share (Q1)	135.81	136.20

38. CONTINGENT LIABILITY:

There is Tk.1.72 million as Bank guarantee for which the Company is contingently liable as on 30th September 2023

39. EVENTS AFTER REPORTING PERIOD:

a) Proposed Dividend:
The Board of Directors has recommended cash Dividend of Tk. 2.00/- per Share for the year 2022-2023 at the Board meeting held on October 03, 2023. The total amount of Dividend is Tk. 11,404,800/-.

b) Other Significant Event:

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.

Sd/-
Zahur Ahmed PhD
Chairman

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Sd/-
Kamrul Islam
Company Secretary

40. RELATED PARTY TRANSACTIONS:

(a) There was no related party transaction (Inter Company) during the quarter under review.

(b) The Company is paying remuneration to the Directors who are rendering full time service to the Company and in addition to that there is nothing paid to them (Note No. 30).

(c) The Company operates a contributory provident fund which is administrated by the Board of Trustee. The Company has also a Group Insurance Scheme. The Company pays its monthly contribution for the Key Management to the Provident Fund Trust and the Company has no further liability. Group insurance premium is paid to the Insurance Company once in a year and if there is any claim that will be entertained by the Insurance Company for the Key Management and the Company has no liability. In addition to that there is nothing to them except salaries and allowances.

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

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

	Value in Taka '000'	
	01.07.2023 to 30.09.2023	01.07.2022 to 30.09.2022
Cash flows from operating activities:		
Net Profit after tax expenses	12,832	11,425
Less: Depreciation on tangible assets	3,667	3,688
Less: Effect of Foreign currency translation gain / (loss)	(25)	13
Less: Finance & Other income during the period	(5,860)	(3,460)
Add: Interest during the period	262	4,284
Add: Tax Expenses	8,388	9,502
(Increase)/Decrease in Inventories	(231,363)	(153,381)
(Increase)/Decrease in Trade Receivables	706	(2,974)
(Increase)/Decrease in Advances, Deposits & Pre-payments	(60)	(21)
(Increase)/Decrease in Other Receivables	(12,396)	194,977
Income tax paid during the period	(8,129)	(28,657)
(Increase)/Decrease in Security deposits	(3,217)	-
Increase/(Decrease) in Trade Payables	56,379	19,472
Increase/(Decrease) in Other Payables	415	(32,134)
Net cash flows generated from/(Used in) operating activities:	(178,398)	22,734
RECONCILIATION:		
Net cash flows generated from/(Used in) operating activities Indirect Method:	(178,398)	22,734
Net cash flows generated from/(Used in) operating activities Direct Method:	(178,398)	22,734
Differences	-	-

Sd/-
Zahur Ahmed PhD
Chairman

Sd/-
Shahriar Ahmed
Managing Director

Sd/-
Ashim Kumar Barua
Director

Sd/-
Sheuli Rani Dey
Chief Financial Officer

Sd/-
Kamrul Islam
Company Secretary