

APEX SPINNING & KNITTING MILLS LIMITED

Rupayan Golden Age (5th & 6th Floor), 99 Gulshan Avenue, Gulshan, Dhaka-1212.

In compliance with the Notification No:SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009 of the Bangladesh Securities and Exchange Commission, we are pleased to forward herewith the un-audited Nine Months (Q3) Financial Statements for the period ended on 31st December 2012 of the Company.

STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 31ST DECEMBER, 2012

	Value in Taka '000'		
	As on 31.12.2012	As on 31.03.2012	Growth %
	ASSETS		
Non-Current Assets:			
Property, Plant and Equipment	297,868	287,050	4
Investment	14,265	13,912	3
	312,133	300,962	4
Current Assets:			
Inventories	160,710	183,499	(12)
Trade Debtors	346,666	302,971	14
Advances, Deposits & Pre- Payments	91,342	65,140	40
Other Receivables	10,080	6,601	53
Cash & Bank Balances	184,070	189,300	(3)
	792,868	747,511	6
TOTAL ASSETS	1,105,001	1,048,473	
EQUITY AND LIABILITIES			
Shareholders' Equity:			
Share Capital	84,000	84,000	0
Share Premium	15,000	15,000	0
Reserve and Surplus	305,527	309,821	(1)
Fair Valuation Surplus of Investment	3,722	3,722	0
Non-Current Liabilities:	408,249	412,543	
Deferred Tax Liability	1,488	1,488	0
	1,488	1,488	
Current Liabilities:			
Working Capital Loan (Secured)	37,858	23,858	59
Short Term Loan	51,867	33,149	56
Trade Creditors	516,922	512,194	1
Sundry Creditors	88,617	65,241	36
	695,264	634,442	10
Total Liabilities	696,752	635,930	10
TOTAL EQUITY AND LIABILITIES	1,105,001	1,048,473	
Net Asset Value Per Share	48.60	49.11	

STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST DECEMBER, 2012

	Value in Taka '000'		
	01.04.2012 to 31.12.2012	01.04.2011 to 31.12.2011	Growth %
	CASH FLOWS FROM OPERATING ACTIVITIES:		
Collection from turnover	1,722,179	1,832,081	(6)
Other Income	3,947	235	1,579
Interest and financial charges paid	(53,051)	(56,674)	(6)
Income tax paid	(18,781)	(11,540)	63
Payment for costs and expenses	(1,623,196)	(1,729,328)	(6)
Net cash generated from operating activities (a)	31,098	34,774	(11)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property, Plant and Equipment acquired	(53,993)	(10,706)	404
Investment in Shares	(352)	-	(100)
Net cash used in investing activities (b)	(54,345)	(10,706)	408
CASH FLOWS FROM FINANCING ACTIVITIES:			
Working Capital Loan received/(repaid)	14,000	(25,684)	(155)
Term loan received/(repaid)	18,717	12,671	48
Dividend Payment	(14,699)	(6,433)	128
Net cash generated from financing activities (c)	18,018	(19,446)	(193)
Net increase/(decrease) in cash and cash equivalents(a+b+c)	(5,230)	4,622	(213)
Cash & cash equivalents on opening	189,300	187,570	1
Cash & cash equivalents on closing	184,070	192,192	(4)
Net Operating Cash Flow Per Share	3.70	4.14	

Sd/-
Zahur Ahmed PhD
Managing Director

Sd/-
Shahriar Ahmed
Director

Sd/-
Kamruzzaman FCA
Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST DECEMBER, 2012

	Value in Taka '000'			Value in Taka '000'		
	01.04.2012 to 31.12.2012	01.04.2011 to 31.12.2011	Growth %	01.10.2012 to 31.12.2012	01.10.2011 to 31.12.2011	Growth %
	TURNOVER	1,765,875	1,931,923	(9)	660,154	584,882
Cost of Goods Sold	1,613,098	1,764,609	(9)	603,523	530,545	14
GROSS PROFIT	152,777	167,314	(9)	56,631	54,337	4
OPERATING EXPENSES:						
Administrative & Selling Overhead	123,369	139,035	(11)	45,001	44,381	1
Financial Expenses	7,587	8,228	(8)	3,720	2,816	3
	130,956	147,263	(11)	48,721	47,197	3
OPERATING PROFIT	21,821	20,051	9	7,910	7,140	11
Other Income	3,947	235	1,579	2,358	2	117,819
PROFIT BEFORE PPF & WF	25,768	20,286	27	10,268	7,142	44
Provision for Contribution to PPF & WF	1,288	1,014	27	513	357	44
PROFIT BEFORE TAX	24,480	19,272	27	9,755	6,785	44
Provision for tax	13,654	9,813	39	4,772	2,985	60
NET PROFIT AFTER TAX	10,826	9,459	14	4,983	3,800	31
Other comprehensive income	-	-		-	-	
TOTAL COMPREHENSIVE INCOME	10,826	9,459	14	4,983	3,800	31
Basic earning per share	1.29	1.13	14	0.59	0.45	31

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST DECEMBER, 2012

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Fair Valuation Surplus	Capital Gain	Total
As at 1st April 2012	84,000	15,000	129,701	177,368	3,722	2,752	412,543
Net Profit for the nine months ended on 31st December 2012	-	-	-	10,826	-	-	10,826
Final dividend for the year 2011-12	-	-	-	(15,120)	-	-	(15,120)
As at 31st December 2012	84,000	15,000	129,701	173,074	3,722	2,752	408,249

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST DECEMBER, 2011

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Total
As at 1st April 2011	84,000	15,000	129,701	173,140	2,752	404,593
Net Profit for the nine months ended on 31st December 2011	-	-	-	9,459	-	9,459
Final dividend for the year 2010-2011	-	-	-	(12,600)	-	(12,600)
As at 31st December 2011	84,000	15,000	129,701	169,999	2,752	401,452

Explanatory Notes:

- (1) These financial statements have been prepared under the historical cost convention and going concern basis.
- (2) No interim dividend paid during the interim period ended on 31st December 2012.
- (3) Last years nine month's figures were rearranged where considered necessary to conform to current nine months presentation.
- (4) Figures were rounded-off to the nearest thousand Taka.
- (5) Revaluation surplus/deficit of investment & deferred tax calculation have not been considered because it will be shown in the yearly financial statements.

Note: The details with selected notes of the published nine months financial statements can be available in the web-site of the Company . The address of the web-site is www.apexknitting.com

SELECTIVE NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED ON 31.12.2012

	As on 31.12.2012	Value in Taka "000" As on 31.03.2012
1. Property, Plant and Equipment (WDV):	297,868	287,050

During the period, fixed assets have been increased by Tk. 53,993,221/- mainly for plant & machinery of Tk. 39,458,024/- (Sewing machine, dyeing & chiller machinery as continuing process of replacement of obsolete/disorder machinery) and factory building Tk. 11,803,557/- for extension of store building .

2. Advance, Deposits & Pre-payments:

Advance Income Tax	72,419	53,639
Staff Advance	1,034	1,046
Securities & Deposits	6,945	7,034
Advance against expenses	10,944	3,421
	91,342	65,140

The growth of 40% mainly due to increase in tax deduction at source by bank at the time of export proceeds realization (last year, the rate was 0.60% but now the rate is 0.80%.) & advance against local purchase .

3. Other Receivable:

Cash Incentive Receivable	10,080	6,601
	10,080	6,601

The growth of 53% in Other receivables due to increase in cash incentive receivable from the Bank which will be received from bank time to time depending on their availability of fund from Bangladesh Bank.

4. Working Capital Loan:

Eastern Bank Ltd, Principal Br. Dhaka	39,830	15,682
HSBC, Dhaka	(1,972)	8,176
	37,858	23,858

The growth of 59% is due to utilization of loan limit for payment of day to day operational expenditures of the company.

5. Short Term Loan :

Time loan-EBL	8,757	10,265
Import loan-EBL	43,110	22,884
	51,867	33,149

The growth of 56% is due to utilization of bank limit for procurement of Raw Materials, chemical & spare parts to meet the requirement of upcoming production .

	April to December 2012	April to December 2011
6. Turnover:	1,765,875	1,931,923

Turnover has been decreased by 9% as compared to the turnover of same period of 2011-2012 due to price fall in international market.

7. Cost of Goods Sold:	1,613,098	1,764,609
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The decrease of cost of goods sold due to the decrease of Turnover.

8. Financial Expenses:

Interest on Term Loan	5,015	2,618
Interest on Overdraft	2,572	5,610
	7,587	8,228

The decrease of financial expenses due to less utilization of overdraft.

9. Other Income:

Interest earned on STD Account	160	4
Interest earned on FDR Account	2,535	-
Dividend Income	305	231
Foreign Exchange Gain/(Loss)	947	-
	3,947	235

The growth of 1579% is mainly for interest earned on FDRs and exchange gain from foreign exchange transactions.

10. Provision for Tax:

The growth of 39% is mainly for increase of rate of tax deduction at source on export which is presently 0.80% but it was 0.60% in 2011-12.

11. Related Party Transactions:

Apex Spinning & Knitting Mills Limited has few transactions with Apex Textile Printing Mills Limited, Apex Yarn Dyeing Limited and Matex Bangladesh Limited . These transactions are considered as related party transactions as per BAS 24 "Related Party Transaction" . The transactions are occurred during the period with an arm length transaction as per other normal buying & selling of dyes & chemical , textile printing charges & yarn dyeing cost.

Sd/-
Zahur Ahmed PhD
Managing Director

Sd/-
Shahriar Ahmed
Director

Sd/-
Kamruzzaman FCA
Chief Financial Officer