

APEX SPINNING & KNITTING MILLS LIMITED

Shanta Skymark (8th to 13th Floor), 18 Gulshan Avenue, Gulshan, Dhaka-1212.

UN-AUDITED SECOND QUARTER (Q2) FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON DECEMBER 31, 2024

STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT DECEMBER 31, 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE 2ND QUARTER ENDED ON DECEMBER 31, 2024

Value in Taka '000'				Value in Taka '000'								
Notes	As at 31.12.2024	As at 30.06.2024	Growth %	Notes	01.07.2024 to 31.12.2024	01.07.2023 to 31.12.2023	Growth %	01.10.2024 to 31.12.2024	01.10.2023 to 31.12.2023	Growth %		
ASSETS												
Non-Current Assets:	473,002	455,726	3.79	REVENUE	25	2,968,551	2,775,811	6.94	1,535,990	1,466,389	4.75	
Property, Plant and Equipment	4	314,497	290,570	8.23	Cost of Goods Sold	26	(2,790,528)	(2,611,488)	6.86	(1,424,477)	(1,361,946)	4.59
Investment in Share	5	39,431	46,082	(14.43)	GROSS PROFIT		178,023	164,323	8.34	111,513	104,442	6.77
Investment in Financial Assets	6	83,209	83,209	-	Other Operating Income/(Loss)	27	6,268	20,873	(69.97)	3,558	150	2,264.28
Security Deposits	7	35,865	35,865	-	Administrative & Selling Overhead	28	(107,763)	(99,862)	7.91	(67,186)	(64,067)	4.87
Current Assets:	1,625,795	1,346,137	20.77	OPERATING PROFIT/(LOSS)		76,528	85,334	(10.32)	47,885	40,526	18.16	
Inventories	8	227,002	224,892	0.94	Finance & Other Income	29	5,734	5,042	13.72	3,607	2,934	22.96
Trade Receivables	9	548,183	428,985	27.79	Financial Expenses	30	(39,074)	(40,245)	(2.91)	(21,375)	(18,112)	18.02
Advances, Deposits & Pre- Payments	10	265,201	249,817	6.16	PROFIT BEFORE WPPF		43,188	50,131	(13.85)	30,117	25,348	18.81
Other Receivables	11	97,063	50,258	93.13	Workers Profit Participation Fund (WPPF)	31	(844)	(879)	(4.01)	(469)	(412)	13.65
Margin on Acceptance	12	449,181	326,068	37.76	PROFIT BEFORE TAX		42,344	49,252	(14.03)	29,648	24,935	18.90
Cash & Cash Equivalents	13	39,165	66,117	(40.76)	TAX EXPENSES:		(25,475)	(33,211)	(23.29)	(20,877)	(16,372)	27.52
TOTAL ASSETS	2,098,797	1,801,863	16.48	Current Tax	32	(31,965)	(32,573)	(1.87)	(19,407)	(14,074)	37.90	
				Deferred Tax (Expenses)/Income	33	6,490	(638)	(1,116.49)	(1,470)	(2,298)	(36.05)	
EQUITY AND LIABILITIES				NET PROFIT AFTER TAX		16,870	16,041	5.17	8,771	8,564	2.42	
Shareholders' Equity:	523,345	529,263	(1.12)	OTHER COMPREHENSIVE INCOME/(LOSS):	34	(5,986)	(19,147)	(68.74)	(1,524)	(18,888)	(91.93)	
Share Capital	14	84,000	84,000	-	Fair Valuation Surplus / (Deficit) of Investment		(6,652)	(21,275)	(68.74)	(1,693)	(20,987)	(91.94)
Share Premium	15	15,000	15,000	-	Deferred Tax (Exp.)/Income on share valuation Su		665	2,127	(68.74)	169	2,099	(91.94)
Reserve and Surplus	16	398,346	398,278	0.02	TOTAL COMPREHENSIVE INCOME/(LOSS)		10,883	(3,106)	(450.35)	7,247	(10,324)	(170.19)
Fair Valuation Surplus of Investments	17	25,999	31,985	(18.72)	Basic Earnings Per Share (EPS)	35	2.01	1.91	5.17	1.04	1.02	2.42
Non-Current Liabilities:	11,967	19,122	-									
Deferred Tax Liability	18	11,967	19,122	(37.42)								
Current Liabilities:	1,563,485	1,253,479	24.73									
Working Capital Loan (Secured)	19	51,753	79,236	(34.69)								
Short Term Loan	20	-	-	-								
Trade Payables	21	1,228,273	896,621	36.99								
Other Payables	22	281,903	276,490	1.96								
Unclaimed Dividend Account	23	1,556	1,132	37.39								
Total Liabilities	1,575,452	1,272,601	23.80									
TOTAL EQUITY AND LIABILITIES	2,098,797	1,801,863	16.48									
Net Assets Value (NAV) Per Share	24	62.30	63.01	(1.12)								

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 2ND QUARTER ENDED ON DECEMBER 31, 2024

Particulars	Value in Taka '000'						
	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Fair Valuation Surplus	Capital Gain	Total
As at 30 June, 2024	84,000	15,000	129,701	265,824	31,985	2,752	529,262
Net Profit for the six months ended on December 31, 2024	-	-	-	16,870	-	-	16,870
Dividend for the year 2023-2024	-	-	-	(16,800)	-	-	(16,800)
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	(5,986)	-	(5,986)
As at December 31, 2024	84,000	15,000	129,701	265,894	25,999	2,752	523,345

STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE 2ND QUARTER ENDED ON DECEMBER 31, 2024

Note	Value in Taka '000'			Growth %
	01.07.2024 to 31.12.2024	01.07.2023 to 31.12.2023		
CASH FLOWS FROM OPERATING ACTIVITIES:				
Collection From Revenue	2,849,168	2,970,164	(4.07)	
Finance Income from SND	0	0	-	
Other Income from foreign exchange gain/(loss) from operat	(6,181)	(6,305)	(1.97)	
Received from PF Lapse	1,043	-	-	
Bank Charges & Commission	(10,715)	(12,827)	(16.47)	
Income Tax Paid	(36,225)	(33,324)	8.71	
Payment for Costs and Expenses	(2,694,204)	(2,697,117)	(0.11)	
Net cash generated from/(used in) operating activities (a)	102,886	220,591	(53.36)	
CASH FLOWS FROM INVESTING ACTIVITIES:				
Property, Plant and Equipment Acquired	(48,060)	(97,904)	(50.91)	
Received from Sale of Assets	-	700	(100.00)	
Advance against Purchase of Fixed Assets	-	-	-	
Finance Income from FDRs	(0)	-	-	
Finance Income from Dividend	339	339	-	
Net cash generated from/(used in) investing activities	(47,721)	(96,865)	(50.73)	
CASH FLOWS FROM FINANCING ACTIVITIES:				
Working Capital Loan received/(repaid)	(27,483)	(29,630)	(7.25)	
Long Term loan received/(repaid)	-	-	-	
Short Term loan received/(repaid)	-	(74,499)	(100.00)	
Dividend Paid during the period	(16,377)	(16,167)	1.30	
Interest & other financial charges paid	(39,073)	(40,245)	(2.91)	
Net cash generated from/(used in) financing activities (c)	(82,933)	(160,541)	(48.34)	
Net increase/(decrease) in cash and cash equivalents(a+b+c)	(27,768)	(36,815)	(24.57)	
Cash & cash equivalents on opening	66,117	90,756	(27.15)	
Foreign exchange gain/(loss) from translation	816	2,739	(70.20)	
Cash & cash equivalents on closing	39,165	56,680	(30.90)	
Net Operating Cash Flows Per Share	36	12.25	26.26	(53.36)

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 2ND QUARTER ENDED ON DECEMBER 31, 2023

Particulars	Value in Taka '000'						
	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Fair Valuation Surplus	Capital Gain	Total
As at 30 June, 2023	84,000	15,000	129,701	252,002	57,241	2,752	540,696
Net Profit for the six months ended on December 31, 2023	-	-	-	16,041	-	-	16,041
Dividend for the year 2022-2023	-	-	-	(16,800)	-	-	(16,800)
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	(19,147)	-	(19,147)
As at December 31, 2023	84,000	15,000	129,701	251,243	38,094	2,752	520,790

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

**Please refer to the note # 40 for Reconciliation of cash flows from operating activities under direct method and indirect method as per requirement of BSEC.

Sd/- Shahriar Ahmed Chairman	Sd/- Zahur Ahmed PhD Managing Director	Sd/- Mahir Ahmed Director	Sd/- Eifaz Ahmed Director	Sd/- Kamruzzaman FCA Chief Financial Officer	Sd/- Md. Delour Hossen Acting Company Secretary
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NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE 2ND QUARTER ENDED ON DECEMBER 31, 2024
FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

1. The company and its operation:

1.01 Legal Form of the Enterprise:

The Apex Spinning & Knitting Mills Limited is a Public Limited Company registered under the Companies Act, 1913 (repealed in 1994). The Company was incorporated in Bangladesh vide RJSC Registration no. C-20149 dated on 25.11.1990. Shares of the Company are listed in the Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC in Bangladesh.

1.02 Address of Registered Office and Factory:

The Registered Office of the Company is located at Shanta Skymark (8th to 13th floor), 18 Gulshan Avenue, Gulshan, Dhaka-1212 and the Factory is located at Chandora, P.O. Chandora, P.S. Kaliakoir, Dist. Gazipur, Bangladesh.

1.03 Nature of Business Activities:

The Company owns and operates a 100% export oriented vertically integrated knitting, dyeing & finishing and garment factory.

2. Basis of the preparation of the Interim Financial Statements:

2.01 Accounting Convention and Basis:

The 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) which does 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 IAS & IFRS as applicable for these interim 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-07 Financial Instruments: Disclosures	Complied With
IAS-16 Property, Plant and Equipment	Complied With	IFRS-09 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 Cost	Complied With	IFRS-16 Leases	Complied With

2.03 Compliance with Local Laws:

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

3. Other General Notes:

(a) No interim dividend paid during the interim period ended on December 31, 2024. (b) No diluted EPS is required to be calculated as there was no dilution during this period. (c) Last year's 2nd quarter figures have been re-arranged where considered necessary to confirm to current 2nd quarter presentation. (d) Figures were rounded-off to the nearest thousand Taka. (e) Reporting Period: These Interim financial statements cover the period from July 01, 2024 to December 31, 2024. (f) Reporting Currency: These interim financial statements are prepared in Bangladeshi Taka. & (g) Comparative Figure: Comparative information has been disclosed in respect of same period of the financial year 2023-2024 for income statement and financial position with June 30, 2024.

Value in Taka '000'		Value in Taka '000'	
As at 31.12.2024	As at 30.06.2024	As at 31.12.2024	As at 30.06.2024

4. Property, Plant and Equipment (WDV):

Details of property, plant & equipment and depreciation as at December 31, 2024 are as follows:

Fixed assets at cost:		
Opening Balance	1,589,176	1,454,910
Addition during the period	48,060	136,009
Disposal during the period	-	(1,743)
Closing Balance (cost)	1,637,236	1,589,176
Accumulated Depreciation:		
Opening Balance	1,298,607	1,251,922
Charged during the period	24,132	48,384
Disposal during the period	-	(1,699)
Closing Balance (Depreciation)	1,322,739	1,298,607
Written Down Value (WDV)	314,497	290,570

Depreciation has been charged (reducing balance method) on additions made during the period from the month in which that assets are ready to use as per IAS 16.

5. Investment in Share:

39,431 **46,082**

During the period, investment has been changed due to convert the share at fair value.

6. Investment in Financial Assets:

83,209 **83,209**

FDR's were purchased from EBPLC for more than one year (i.e. 380 days).

7. Security Deposits:

35,865 **35,865**

Security deposits are made to statutory bodies and hence secured.

8. Inventories:

Finished Goods (T, Polo, sweat Shirt)	47,135	32,004
Raw Materials (Yarn & Dyes Chemical)	74,645	88,110
WIP (Dyed, Knitted Fabric & Garments)	60,047	72,814
Accessories	45,175	31,965
	227,003	224,892

9. Trade Receivables:

548,183 **428,985**

Trade receivables have been increased due to increase of sales during the period.

10. Advances, Deposits & Pre-payments:

Advance Income Tax	258,190	221,965
Deposits to Multi Securities & Services Ltd	2	2
Advance against expenses	7,009	27,849
	265,201	249,817

The increase of 6.16% due to increase of advance tax during the period.

11. Other Receivables:

Cash Incentive Receivable	90,096	47,644
FDRs Interest Receivable	5,825	1,572
PF Lapse receivable (employer Portion)	-	1,043
Dividend Receivable	1,142	-
	97,063	50,258

The increase of 93.13% in other receivables mainly for cash incentive receivable, FRD Interest & Dividend receivable. Receivable of cash incentive will be received from bank time to time depending on their availability of fund from Bangladesh Bank.

12. Margin on Acceptance:

449,181 **326,068**

Margin on acceptance-EBL has converted in BDT at closing rate @ 119.00 per USD as on 31.12.2024 & as compare to BDT @ 117.00 per USD as on 30.06.2024 which has retained for BTB liability settlement.

13. Cash & Cash Equivalents:

Cash in hand 20 20

Cash at Bank:

CD Account with SCB, Dhaka	184	184
CD Account with Mutual Trust Bank PLC, Chandora	158	1,378
CD Account with DBBL, Dhaka	636	17,810
CD Account with HSBC-Dividend, Dhaka	1,538	1,116
OD Account with Eastern Bank PLC, Dhaka	-	-
CD Account with HSBC	-	-
Foreign Currency Account with EBPLC, Dhaka-USD	33,239	42,262
Foreign Currency Account with HSBC, Dhaka-USD	2,654	2,611
SND Account with SCB, Dhaka	730	730
SND Account with EBPLC, Principal Branch, Dhaka	5	7
SND Account with HSBC, Dhaka	0	0
	39,146	66,097
	39,165	66,117

Foreign Currency Account balances has converted in BDT at closing rate @ 119.00 per USD as on 31.12.2024 & as compare to BDT @ 117.00 per USD as on 30.06.2024.

14. Share Capital :

Authorized Capital:

30,000,000 Ordinary Shares of Tk. 10/= each. **300,000** **300,000**

Issued, Subscribed & Paid up Capital:

8,400,000 Ordinary Shares of Tk. 10/= each fully paid **84,000** **84,000**

There was no preference share issued by the Company

14.a Composition of Shareholdings :

Sponsors & Directors	4,431,556	52.76	4,309,951	51.31
Institutions	1,049,753	12.50	1,277,595	15.21
Public - Local	2,898,011	34.50	2,791,774	33.24
Foreign Shareholders	20,680	0.25	20,680	0.25
	8,400,000	100	8,400,000	100

15. Share Premium:

15,000 **15,000**

This is as per previous financial statement and represents premium of Tk. 50/= per Share of 300,000 Ordinary Shares of Tk. 100 each.

16. Reserve & Surplus :

Reserve for Re-Investment	129,701	129,701
Retained Earnings	265,893	265,824
Capital Gain	2,752	2,752
	398,346	398,277

Sd/- Shahriar Ahmed Chairman	Sd/- Zahur Ahmed PhD Managing Director	Sd/- Mahir Ahmed Director	Sd/- Eifaz Ahmed Director	Sd/- Kamruzzaman FCA Chief Financial Officer	Sd/- Md. Delour Hossen Acting Company Secretary of 4
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	Value in Taka '000'	
	As at	As at
	31.12.2024	30.06.2024
17. Fair valuation surplus of Investments (Net of Tax):		
Opening Balance	31,985	57,241
Fair valuation surplus/(deficit) during the period (net of tax)	(5,986)	(25,255)
	<u>25,999</u>	<u>31,985</u>

Fair valuation surplus/(deficit) of investments represents the difference of market value of the listed Company's share on the closing date and the last Balance Sheet price.

18. Deferred Tax Liabilities:

a Book Value of Depreciable Assets	314,497	290,570
Tax Base of Depreciable Assets	350,092	319,330
Net Taxable Temporary Difference	(35,595)	(28,760)
Effective Tax Rate	12.00%	12.00%
Closing Deferred tax (Assets)/Liabilities arising from assets	(4,271)	(3,451)
Opening Deferred Tax Balance	(3,451)	(1,216)
Deferred Tax Income/(Expense)	<u>820</u>	<u>2,235</u>

b Unrealised Interest on FDRs	5,825	1,572
Effective Tax Rate	22.50%	22.50%
Closing Deferred tax (Assets)/Liabilities arising from Unrealised FDRs Interest	1,311	354
Opening Deferred Tax Balance	354	259
Deferred Tax Income/(Expense)	<u>(956)</u>	<u>(95)</u>

c Unrealised Foreign Exchange Gain(Loss) from translation	12,449	60,741
Effective Tax Rate	22.50%	22.50%
Closing Deferred tax (Assets)/Liabilities arising from	2,801	13,667
Opening Deferred Tax Balance	13,667	4,983
Deferred Tax Income/(Expense)	<u>10,866</u>	<u>(8,684)</u>

d Dividend Receivable	1,142	-
Effective Tax Rate	20.00%	20.00%
Closing Deferred tax (Asst)/Liab. arising from dividend Receiv.	228	-
Opening Deferred Tax Balance	-	-
Deferred Tax Income/(Expense)	<u>(228)</u>	<u>-</u>

e PF Lapse Receivable	-	1,043
Effective Tax Rate	22.50%	22.50%
Closing Deferred tax (Asst)/Liab. arising from PF Lapse Receiv.	-	235
Opening Deferred Tax Balance	235	194
Deferred Tax Income/(Expense)	<u>235</u>	<u>(41)</u>

f Cash Incentive Receivable	90,096	47,644
Effective Tax Rate	10.00%	10.00%
Closing Def. tax (Asst./)Liab. arising from cash incentive Receiv.	9,010	4,764
Opening Deferred Tax Balance	4,764	3,011
Deferred Tax Income/(Expense)	<u>(4,245)</u>	<u>(1,753)</u>
Total Deferred Tax Income/(Expense) from (a+b+c+d+e+f)	<u>6,490</u>	<u>(8,336)</u>

g Deferred Tax (Assets)/Liabilities arising from Other		
Comprehensive Income- surplus from fair value of share :	28,888	35,539
Tax for (Loss)/gain on available for sale investments @ 10%	2,889	3,554
Closing deferred tax (assets)/liabilities arising from Fair Valuation Surplus of Investments	2,889	3,554
Opening Deferred Tax Balance	3,554	6,360
Deferred Tax Income/(Expense)	665	2,806
Deferred Tax Closing Liability (a+b+c+d+e+f+g)	<u>11,967</u>	<u>19,122</u>

19. Working Capital Loan (secured):

EBL, Dhaka	37,478	59,213
HSBC, Dhaka	14,275	20,023
	<u>51,753</u>	<u>79,236</u>

The working capital loan is used for salary & wages and regular payment .

20. Short Term Loan :

Time loan-EBPLC	-	-
Import loan-EBPLC	-	-
UPAS loan with HSBC	-	-
	<u>-</u>	<u>-</u>

No short term loan during the period.

21. Trade Payables:

	1,228,273	896,621
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The increase of trade Payables due to increase of sales and as a result, acceptance given for more purchase.

22. Other Payables:

	Value in Taka '000'	
	As at	As at
	31.12.2024	30.06.2024
Clearing & Forwarding	18,637	10,463
Insurance Premium	650	423
Power, Fuel and Water	22,463	18,235
Telephone, Telex & Fax	72	76
Salary, Wages and Overtime	10,432	48,218
Audit Fees Payable	201	403
Income Tax Payable	219,755	187,790
Provident Fund Payable	4,262	3,800
Payable for Corporate Expenses	1,445	1,815
Payable for other expenses	449	538
Payable for Tax Deducted at Sources	2,931	3,240
Payable for VAT Deducted at Source	606	1,491
	<u>281,903</u>	<u>276,490</u>

The increase of 1.96% in other payables mainly for tax payable & payable against power & fuel and other allowances during the period.

23. Unclaimed Dividend Account:

	1,556	1,132
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According to the Directive of Bangladesh Securities and Exchange Commission (BSEC) dated 14th January, 2021 para 3 (vii) regarding the details information of unpaid or unclaimed dividend shall report in the statement of financial position as separate line item, so we have reported in the statement of financial position as a separate line item "Unclaimed Dividend Account". Breakup as follows:

	Years of Dividend	
	2020-2021	2021-2022
	384	384
	363	363
	386	386
	423	-
Unclaimed Dividend 2020-2021 to 2023-2024	<u>1,556</u>	<u>1,132</u>

24. Net Assets value (NAV) Per Share:

Equity Attributable to the Owners of the Company	523,345	529,263
Number of Ordinary Shares	8,400	8,400
Net Assets value (NAV) Per Share	<u>62.30</u>	<u>63.01</u>

July'24 to	July'23 to
December' 2024	December' 2023

25. Revenue:

	2,968,551	2,775,811
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Revenue has been increased by 6.94% as compared to the revenue of same period of July 2024 to December 2024 due to increase of USD conversion rate as compare to last same period.

26. Cost of Goods Sold:

Opening Stock of Finished Goods	32,004	26,190
Add: Cost of Production (note # 26.a)	2,805,658	2,632,281
Less: Closing Stock of Finished Goods	(47,134)	(46,984)
	<u>2,790,528</u>	<u>2,611,488</u>

26.a. Cost of Production:

Opening Raw Materials, WIP & Accessories	192,888	190,883
Add: Raw Materials purchase during the period	1,648,190	1,570,407
Less: Cash Incentive during the period	(77,783)	-
Add: Factory Overhead (Note # 26.a.a)	1,222,230	934,792
Less: Closing Raw Materials, WIP & Accessories	(179,867)	(172,275)
	<u>2,805,658</u>	<u>2,632,281</u>

26.a.a Factory Overhead:

Carriage inward	7,527	5,639
Electricity	4,157	3,845
Gas, Fuel & Lubricant	178,029	135,736
Insurance Premium	5,241	4,653
Repairs & Maintenance	31,144	19,765
Telephone Charges	62	57
Wages, Salaries & Allowance	945,907	718,551
Bank Charges & Commission	3,882	4,989
Depreciation	21,794	21,915
Fire Fighting Exp.	419	342
Travelling & Conveyance	4,973	6,027
Testing Bill	12,316	10,806
Uniform & Liveries	337	367
Chemical for Effluent Treatment Plant	1,731	802
Entertainment	4,360	947
UD & UP Expenses	351	351
	<u>1,222,230</u>	<u>934,792</u>

27. Other Operating Income/(loss):

Foreign exchange gain/(loss) from operations	(6,181)	(6,305)
Foreign exchange gain/(loss) from translation	12,449	27,178
	<u>6,268</u>	<u>20,873</u>

Sd/-
Shahriar Ahmed
Chairman

Sd/-
Zahur Ahmed PhD
Managing Director

Sd/-
Mahir Ahmed
Director

Sd/-
Eifaz Ahmed
Director

Sd/-
Kamruzzaman FCA
Chief Financial Officer

Sd/-
Md. Delour Hossen
Acting Company Secretary

28. Administrative & Selling Overhead:

Audit Fee (Including VAT)	201	201
AGM Expenses	4	-
Bank Charges & Commission	6,832	7,838
Board Meeting Fees (Including VAT)	13	13
Depreciation	2,338	1,627
Directors Remuneration	900	900
Entertainment	432	1,678
Export Processing & Handling Expenses	8,781	4,609
Clearing & Forwarding Expenses	24,402	14,305
Insurance Premium	1,354	833
Legal & Professional Fees	1,138	94
Medical Expense	97	84
Newspapers & Periodicals	2	1
Postage & Stamp	302	138
Donation & Subscription	512	-
Power & Fuel	803	722
Printing Expense	1,304	1,873
Stationery Expenses	2,177	2,036
Publicity & Advertisement	280	78
Renewal & Fees	6,249	7,305
Repairs & Maintenance	7,650	10,706
Salary & Allowances	26,145	24,808
Sales Promotional Expenses	7,072	7,560
Travelling & Conveyance	1,890	1,116
Telephone, Fax and Radio Link	327	387
Transportation Expenses	6,559	10,950
	<u>107,763</u>	<u>99,862</u>

29. Finance & Other Income:

Dividend Income	1,481	1,481
Interest earned on SND Account	0	0
Interest accrue on FDRs	4,253	2,905
Profit on Sale of old Assets	-	656
	<u>5,734</u>	<u>5,042</u>

The increase of 13.72% due to increase the interest rate of time deposits .

30. Financial Expenses:

Interest on Time Loan	-	1,828
Supplier Finance Program Charges(SFP)	37,541	37,865
Interest on Overdraft	1,532	552
	<u>39,073</u>	<u>40,245</u>

Financial expenses has been decreased due to decrease of SFP Charges by applying supplier finance program (SFP) & interest on time loan.

31. Workers Profit Participation Fund (WPPF)

844 879

We are 100% export oriented Readymade Garment Industry, and as per Bangladesh Labor Rule 2015, Chapter XV, section 212-226 provided the rules regarding formation of Central Fund and also provision made in rule 214(1)(Ka) for realization of 0.03% from every letter of credit / work order of 100% export oriented industries and the company is making payment accordingly through bank to the said Central Fund for participation of workers in the profit of company . Therefore the company is performing its lawful duty regarding profit participatory fund and there is no further requirement to maintain the fund separately as required under section 234 of the labor Act 2006.

32. Current Tax:

31,965 32,573

Current tax consists the higher of minimum tax U/S 163(2 ka,kha), 163(5-kh-uh) 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 2024 to 31 December 2024. Details as follows:

a) Tax on Income basis

(i) Tax on Business Profit:

Profit before tax	42,344	49,253
Less/add: Other Operating Income/(Loss) from translation	(12,449)	(27,088)
Add: Interest Provision during the period	-	-
Add: Disallowable Depreciation on Motor Vehicle	-	-
Less: Finance & Other Income	(5,734)	(5,042)
Net Operating Profit/(Loss)	<u>24,162</u>	<u>17,124</u>
Tax on Business Profit 12%	<u>2,899</u>	<u>2,055</u>

(ii) Tax on Other Income:

x) Tax on Dividend Income @ 20%	68	68
y) Tax on Cash Incentive realised @ 10.00% **	3,533	3,008
z) Tax on Finance Income (FDRs & Savings Interest)	0	0
** as per SRO # 253-law/income tax-09/23 dated 23.08.23	<u>3,601</u>	<u>3,076</u>
Total (i+ii)	<u>6,500</u>	<u>5,131</u>

b) TDS U/S -163(2-ka,kha)

i) TDS on export proceeds	28,129	29,366
ii) TDS on Dividend Income	68	68
iii) TDS on Cash Incentive realised	3,533	3,008
iv) TDS on Finance Income (Realized)	0	0
	<u>31,730</u>	<u>32,441</u>

c) Tax on gross received U/S -163(5-ka-

%			
i) Realized from turnover =(0.60%/20.00%*12%)	0.360	10,257	10,693
ii) Realized from other operating Income	0.360	-	-
iii) Realized from Cash Incentive	0.600	212	180
iv) Realized from Dividend Income	0.600	2	2
v) Realized from finance & Other Income	0.600	0	-
		<u>10,471</u>	<u>10,875</u>

So, Current tax

i) Tax on Business profit- Higher of ai,bi & ci	28,129	29,366
ii) Tax on Dividend Income Higher of a-ii-x,b-ii & c-iv	68	68
iii) Tax on Cash Incentive (**refer the above SRO)	3,533	3,008
iv) Tax on Finance Income (Realized) Higher is a-ii-z	0	0
v) Tax on profit from sale of assets	-	131
vi) Tax on other operating Income (Realized)-business i	-	-
vii) Tax on wastage sale	-	-
viii) Realized from Other Income-PF Lapse realised	235	-
	<u>31,965</u>	<u>32,573</u>

33. Deferred Tax (Expenses)/Income:

6,490 (638)

The provision for deferred tax (expense)/income is made to pay/adjust future income tax liability/asset due to accumulated temporary differences of interest income receivable, PF Lapse receivable, cash incentive receivable, dividend receivable, Foreign exchange translation gain /(loss) & WDV of fixed assets. (Please see the details in note # 18 for total deferred tax income/(expense) from above mentioned temporary differences).

Effective tax rate= (Tax expenses/Profit before tax) 60.16% 67.43%

34. Fair Valuation Surplus/(deficit) of Investment (net of tax):

(5,986) (19,147)

Fair valuation surplus/(deficit) of investments represents the difference of market value of the listed Company's share on the closing date and the last audited Financial Position price.

35. Basic Earning Per Share (EPS):

Earnings after tax Attributable to the Owners of the Company	16,870	16,041
Number of Ordinary Shares	8,400	8,400
Basic Earning Per Share (EPS)	<u>2.01</u>	<u>1.91</u>

36. Net Operating Cash Flows (NOCF) Per Share:

Net cash generated from/(used in) operating activities	102,886	220,591
Number of Ordinary Shares	8,400	8,400
Net Operating Cash Flows (NOCF) Per Share	<u>12.25</u>	<u>26.26</u>

Net operating cash flows was Tk. 12.25 per share for the 2nd quarter ended on December 31, 2024 but it was Tk. 26.26 for the same period of last year, this is mainly decrease of collection from turnover as compare to last year's same quarter .

37. Disclosure Regarding Rearrangement:

No rearrangement has been made during the 2nd quarter of 2024-2025.

38. Prior Year Adjustment:

No prior year adjustment has been made during the 2nd quarter of 2024-2025.

39. Related Party Transactions:

(a) Intercompany Transactions:

Apex Spinning & Knitting Mills Limited has few transactions with Apex Yarn Dyeing Limited, Apex Textile printing Mills Limited, Apex Lingerie Limited, Apex Fashion Wear Limited and Matex Bangladesh Limited. These transactions are considered as related party transactions as per IAS 24 "Related Party Disclosures". The transactions are occurred during the period with an arms length price as per normal business policy for buying & selling of dyes & chemical and yarn dyeing.

(b) Key management personnel compensation:

i) Refer to Note # 28; we have provided Directors' Remuneration, Board Meeting Fees and Salaries and Allowances.

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

40. Reconciliation of Net Profit with Cash Flows from Operating Activities: **

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

	July 24 to December 2024	July 23 to December 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit Before Taxation	42,344	49,253
Adjustment for non-cash & non operating items:		
Add: Depreciation During the period	24,132	23,543
Add/(Less): Unadjusted Foreign Exchange (Gain)/Loss from Translation	(816)	(2,829)
Less: Finance Income adjustment	(5,734)	(5,042)
Add: Interest & Other Financial Charges adjustment	39,074	40,245
Operation cash flow before working capital changes	<u>99,000</u>	<u>105,170</u>
Changes in Working Capital:		
Changes in Inventories	(2,110)	(2,186)
Changes in Trade Receivables	(119,199)	194,834
Changes in other Receivables	(41,409)	(5,175)
Changes in Advances, Deposits & Prepayments	20,841	71,437
Changes in Trade Payables	208,538	(82,449)
Changes in Other Payables	(26,549)	(27,716)
Cash Generated from Operations	<u>139,112</u>	<u>253,915</u>
Less: Income tax paid during the period	(36,226)	(33,324)
Cash Generated from/(used in)Operating activities	<u>102,886</u>	<u>220,591</u>

RECONCILIATION

Net cash generated from/(used in) operating activities-Indirect Method	102,886	220,591
Net cash generated from/(used in) operating activities-Direct Method	102,886	220,591
Differences	<u>0</u>	<u>0</u>

41. Contingent Liability:

There is Tk. 58.91 million as Bank guarantee to "Titas Gas Transmission & Distribution Company Ltd" & Reliance Insurance Com. Ltd for which the Company is contingently liable as at December 31, 2024.

42. Events after Reporting Period:

Other Significant Events:

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.