

**APEX SPINNING & KNITTING MILLS LIMITED**

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

Un-audited Nine Months (Q3) Financial Statements for the period ended on 31st March 2021

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

AS AT MARCH 31, 2021

Value in Taka '000'

Notes	As at 31.03.2021	As at 30.06.2020	Growth %
<b>ASSETS</b>			
<b>Non-Current Assets:</b>	<b>304,195</b>	<b>316,962</b>	(4.03)
Property, Plant and Equipment	199,455	216,155	(7.73)
Investment	21,905	21,896	0.04
Investment in Financial Assets	72,779	68,855	5.70
Security Deposits	10,056	10,056	-
<b>Current Assets:</b>	<b>1,022,713</b>	<b>963,156</b>	6.18
Inventories	223,898	332,108	(32.58)
Trade Receivables	306,384	422,627	(27.50)
Advances, Deposits & Pre- Payments	67,375	41,746	61.39
Other Receivables	11,277	6,027	87.11
Margin on Acceptance	258,374	146,052	76.91
Cash & Cash Equivalents	155,405	14,596	964.68
<b>TOTAL ASSETS</b>	<b>1,326,908</b>	<b>1,280,118</b>	3.66
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity:</b>	<b>463,585</b>	<b>455,067</b>	1.87
Share Capital	84,000	84,000	-
Share Premium	15,000	15,000	-
Reserve and Surplus	354,360	345,849	2.46
Fair Valuation Surplus of Investments	10,225	10,218	0.07
<b>Non-Current Liabilities:</b>	<b>70,060</b>	<b>57,591</b>	21.65
Long Term Loan	66,243	54,077	22.50
Deferred Tax Liability	3,817	3,514	8.61
<b>Current Liabilities:</b>	<b>793,263</b>	<b>767,460</b>	3.36
Working Capital Loan (Secured)	-	24,261	(100.00)
Long Term Loan-Current Maturity	51,522	27,039	90.55
Short Term Loan	100,513	70,228	43.12
Trade Payables	517,605	497,208	4.10
Other Payables	114,127	139,420	(18.14)
Unclaimed Dividend Account	9,496	9,304	2.06
<b>Total Liabilities</b>	<b>863,323</b>	<b>825,051</b>	4.64
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,326,908</b>	<b>1,280,118</b>	3.66
<b>Net Assets Value (NAV) Per Share</b>	<b>55.19</b>	<b>54.17</b>	1.87

**STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED 31ST MARCH, 2021**

Value in Taka '000'

Note	01.07.2020 to 31.03.2021	01.07.2019 to 31.03.2020	Growth %
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Collection From Revenue	3,030,672	2,462,870	23.05
Finance Income from SND	3	4	(25.00)
Other Income from foreign exchange gain/(loss) from operati	(4)	11,516	(100.04)
Received from PF Lapse	3,805	-	-
Bank, Interest, Charges & Commission	(16,483)	(14,771)	11.59
Income Tax Paid	(25,447)	(23,341)	9.03
Payment for Costs and Expenses	(2,836,855)	(2,376,848)	19.35
<b>Net cash generated from/(used in) operating activities (a)</b>	<b>155,690</b>	<b>59,430</b>	161.97
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Property, Plant and Equipment Acquired	(8,209)	(3,672)	123.59
Investment in FDR	(3,925)	(4,580)	(14.30)
Finance Income from FDRs	4,361	5,088	(14.30)
Other Operating Income from Dividend	1,111	1,766	(37.13)
<b>Net cash generated from/(used in) investing activities</b>	<b>(6,662)</b>	<b>(1,398)</b>	376.50
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Working Capital Loan received/(repaid)	(24,261)	(28,773)	(15.68)
Term loan received/(repaid)	36,650	-	-
Short Term loan received/(repaid)	30,285	31,678	(4.40)
Dividend Paid during the period	(12,408)	(16,340)	(24.06)
Interest & other financial charges paid	(38,370)	(50,504)	(24.03)
<b>Net cash generated from/(used in) financing activities (c)</b>	<b>(8,104)</b>	<b>(63,939)</b>	(87.32)
<b>Net increase/(decrease) in cash and cash equivalents(a+b+c)</b>	<b>140,924</b>	<b>(5,907)</b>	(2,485.55)
Cash & cash equivalents on opening	14,596	22,404	(34.85)
Foreign exchange gain/(loss) from translation	(116)	(1)	21,381.48
<b>Cash &amp; cash equivalents on closing</b>	<b>155,405</b>	<b>16,496</b>	842.09
<b>Net Operating Cash Flows Per Share</b>	<b>18.53</b>	<b>9.09</b>	103.90
<b>Net Operating Cash Flows Per Share (Restated)</b>	<b>-</b>	<b>7.07</b>	-

\*\*Please refer to note # 42 for Reconciliation of cash flows from operating activities under direct method and indirect method as per requirement of BSEC.

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

FOR THE NINE MONTHS ENDED 31ST MARCH, 2021

Value in Taka '000'

Note #	01.07.2020 to 31.03.2021	01.07.2019 to 31.03.2020	Growth %	01.01.2021 to 31.03.2021	01.01.2020 to 31.03.2020	Growth %
<b>REVENUE</b>	<b>2,913,453</b>	<b>2,347,083</b>	<b>24.13</b>	<b>921,727</b>	<b>823,812</b>	<b>11.89</b>
Cost of Goods Sold	(2,685,255)	(2,151,598)	<b>24.80</b>	(852,429)	(763,570)	<b>11.64</b>
<b>GROSS PROFIT</b>	<b>228,198</b>	<b>195,485</b>	<b>16.73</b>	<b>69,298</b>	<b>60,242</b>	<b>15.03</b>
Other Operating Income/(Loss)	2,681	4,505	<b>(40.50)</b>	2,629	347	<b>658.23</b>
Administrative & Selling Overhead	(150,824)	(120,042)	<b>25.64</b>	(53,892)	(36,244)	<b>48.69</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>80,055</b>	<b>79,948</b>	<b>0.13</b>	<b>18,035</b>	<b>24,345</b>	<b>(25.92)</b>
Finance Income	4,174	6,030	<b>(30.79)</b>	948	1,823	<b>(47.98)</b>
Financial Expenses	(38,370)	(50,503)	<b>(24.03)</b>	(3,530)	(17,386)	<b>(79.70)</b>
<b>PROFIT BEFORE WPPF</b>	<b>45,859</b>	<b>35,475</b>	<b>29.27</b>	<b>15,453</b>	<b>8,782</b>	<b>75.97</b>
Workers Profit Participation Fund (WPPF)	(899)	(728)	<b>23.49</b>	(290)	(252)	<b>15.08</b>
<b>PROFIT BEFORE TAX</b>	<b>44,960</b>	<b>34,747</b>	<b>29.39</b>	<b>15,163</b>	<b>8,530</b>	<b>77.77</b>
<b>TAX EXPENSES:</b>	<b>(23,849)</b>	<b>(16,347)</b>	<b>45.90</b>	<b>(8,778)</b>	<b>(2,492)</b>	<b>252.31</b>
Current Tax	(23,547)	(23,251)	<b>1.27</b>	(9,346)	(4,050)	<b>130.78</b>
Deferred Tax (Expenses)/Income	(302)	6,904	<b>(104.37)</b>	568	1,558	<b>(63.55)</b>
<b>NET PROFIT AFTER TAX</b>	<b>21,111</b>	<b>18,400</b>	<b>14.74</b>	<b>6,385</b>	<b>6,038</b>	<b>5.74</b>
<b>OTHER COMPREHENSIVE INCOME:</b>	<b>7</b>	<b>(8,454)</b>	<b>(100.09)</b>	<b>(983)</b>	<b>(891)</b>	<b>10.37</b>
Fair Valuation Surplus / (Deficit) of Investment	8	(9,393)	<b>(100.09)</b>	(1,092)	(990)	<b>10.26</b>
Deferred Tax (Exp./)Income on share valuation Deficit	(1)	939	<b>(100.09)</b>	109	99	<b>10.26</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>21,118</b>	<b>9,946</b>	<b>112.34</b>	<b>5,402</b>	<b>5,147</b>	<b>4.96</b>
<b>Basic Earnings Per Share (EPS)</b>	<b>2.51</b>	<b>1.99</b>	<b>26.29</b>	<b>0.76</b>	<b>0.67</b>	<b>13.44</b>
<b>Basic Earnings Per Share (EPS)**</b>	<b>-</b>	<b>2.19</b>	<b>-</b>	<b>-</b>	<b>0.72</b>	<b>-</b>

**STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE MONTHS ENDED 31ST MARCH, 2021**

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Fair Valuation Surplus	Capital Gain	Total
<b>As at 30 June, 2020</b>	<b>84,000</b>	<b>15,000</b>	<b>129,701</b>	<b>213,396</b>	<b>10,218</b>	<b>2,752</b>	<b>455,067</b>
Net Profit for the nine months ended on 31st March 2021	-	-	-	21,111	-	-	21,111
Final dividend for the period 2019-20	-	-	-	(12,600)	-	-	(12,600)
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	7	-	7
<b>As at 31st March 2021</b>	<b>84,000</b>	<b>15,000</b>	<b>129,701</b>	<b>221,907</b>	<b>10,225</b>	<b>2,752</b>	<b>463,585</b>

**STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE MONTHS ENDED 31ST MARCH, 2020**

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Fair Valuation Surplus	Capital Gain	Total
<b>As at 30 June, 2019</b>	<b>84,000</b>	<b>15,000</b>	<b>129,701</b>	<b>212,546</b>	<b>18,672</b>	<b>2,752</b>	<b>462,671</b>
Prior Year Adjustment (Note-40)	-	-	-	5,222	-	-	5,222
<b>Restated Retained Earnings</b>	<b>84,000</b>	<b>15,000</b>	<b>129,701</b>	<b>217,768</b>	<b>18,672</b>	<b>2,752</b>	<b>467,893</b>
Net Profit for the nine months ended on 31st March 2020	-	-	-	18,400	-	-	18,400
Final dividend for the year 2018-2019	-	-	-	(16,800)	-	-	(16,800)
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	(8,454)	-	(8,454)
<b>As at 31st March 2020</b>	<b>84,000</b>	<b>15,000</b>	<b>129,701</b>	<b>219,368</b>	<b>10,218</b>	<b>2,752</b>	<b>461,039</b>

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](http://www.apexknitting.com)

Sd/-  
Zafar Ahmed  
Chairman

Sd/-  
Zahur Ahmed PhD  
Managing Director

Sd/-  
Shahriar Ahmed  
Director

Sd/-  
Kamruzzaman FCA  
Chief Financial Officer

Sd/-  
Md. Delour Hossen  
Acting Company Secretary

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31ST MARCH, 2021  
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 Ltd. and Chittagong Stock Exchange Ltd in Bangladesh.

**1.02 Address of Registered Office and Factory:**

The Registered Office of the Company is located at Rupayan Golden Age, 5<sup>th</sup> & 6<sup>th</sup> Floor, 99 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 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) which does not vary from the requirements of the Companies Act, 1994 and the Listing Regulations of the Stock Exchanges, The Securities & Exchange Rules, 1987 and other laws and rules applicable in Bangladesh.

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

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

IAS-1 Presentation of financial statements	IAS-24 Related Party Disclosures
IAS-2 Inventories	IAS-33 Earnings Per Share
IAS-7 Statement of Cash Flows	IAS-34 Interim Financial Reporting
IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors	IAS-36 Impairment of Assets
IAS-10 Events after the Reporting Period	IAS-37 Provisions, Contingent Liabilities and Contingent Assets
IAS-12 Income Taxes	IFRS-07 Financial Instruments: Disclosures
IAS-16 Property, Plant and Equipment	IFRS-09 Financial Instruments
IAS-21 The Effects of Changes in Foreign Exchange Rates	IFRS-15 Revenue from Contracts with Customers
IAS-23 Borrowing Cost	IFRS-16 Leases

**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, 1987, The Income Tax Ordinance, 1984, The Income Tax Rules 1984, 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 March 31, 2021.(b) No diluted EPS is required to be calculated as there was no dilution during this period. (c) Last year's 3rd quarter figures have been re-arranged where considered necessary to confirm to current 3rd 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, 2020 to March 31, 2021. (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 year 2019-2020 for income statement and financial position with June 30, 2020.

	Value in Taka '000'	
	As at 31.03.2021	As at 30.06.2020
<b>4. Property, Plant and Equipment (WDV):</b>		
Details of property, plant & equipment and depreciation as at March 31, 2021 are as follows:		
<b>Fixed assets at cost:</b>		
Opening Balance	1,390,443	1,360,371
Addition during the period	8,209	30,072
<b>Closing Balance (cost)</b>	<u>1,398,652</u>	<u>1,390,443</u>
<b>Accumulated Depreciation:</b>		
Opening Balance	1,174,288	1,136,228
Charged during the period	24,909	38,060
<b>Closing Balance (Depreciation)</b>	<u>1,199,197</u>	<u>1,174,288</u>
<b>Written Down Value (WDV)</b>	<u>199,455</u>	<u>216,155</u>
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.		
<b>5. Investment:</b>	<u>21,905</u>	<u>21,896</u>
During the period, investment has been changed due to fair valuation of share.		
<b>6. Investment in Financial Assets:</b>	<u>72,779</u>	<u>68,855</u>
FDR's were purchased from EBL for more than one year (i.e. 380 days).		
<b>7. Security Deposits:</b>	<u>10,056</u>	<u>10,056</u>
Security deposits are made to statutory bodies and hence secured.		
<b>8. Inventories:</b>		
Finished Goods (T, Polo, sweat Shirt)	56,558	37,472
Raw Materials (Yarn & Dyes Chemical)	89,439	127,245
WIP (Dyed, Knitted Fabric & Garments)	56,961	134,842
Accessories	20,940	32,549
	<u>223,898</u>	<u>332,108</u>
<b>9. Trade Receivables:</b>	<u>306,384</u>	<u>422,627</u>
Trade receivables have been decreased due to realize as per schedule.		
<b>10. Advances, Deposits &amp; Pre-payments:</b>		
Advance Income Tax	61,615	36,167
Deposits to Multi Securities & Services Ltd	1	2
Advance against expenses	5,759	5,577
	<u>67,375</u>	<u>41,746</u>

The Increase of 61.39% due to increase of advance income tax.

**11. Other Receivables:**

Cash Incentive Receivable	11,144	788
FDRs Interest Receivable	133	1,434
PF Lapse receivable ( employer Portion)	-	3,805
	<u>11,277</u>	<u>6,027</u>

The growth of 87.11% in Other receivables mainly for cash incentive receivable. Cash incentive receivable which will be received from bank time to time depending on their availability of fund from Bangladesh Bank.

**12. Margin on Acceptance:**

	<u>258,374</u>	<u>146,052</u>
Margin on acceptance-EBL has converted in BDT at closing rate @ 83.95 per USD as on 31.03.2021 & as compare to BDT @ 83.95 per USD as on 30.06.2020 which has retained for BTB liability settlement.		

**13. Cash & Cash Equivalent:**

<b>Cash in hand</b>	20	20
<b>Cash at Bank:</b>		
CD Account with Eastern Bank Ltd., Dhaka	6	8
CD Account with DBL, Dhaka	26	26
CD Account with SCB, Dhaka	192	190
CD Account with Mutual Trust Bank Ltd, Chandora	602	3,323
CD Account with Mutual Trust Bank Ltd, Dilkusha, Dhaka	82	83
CD Account with AB Bank Ltd, Dhaka	37	37
CD Account with DBBL, Dhaka	11,427	1,481
CD Account with EBL-Dividend, Dhaka	0	0
CD Account with HSBC-Dividend, Dhaka	700	482
OD Account with Eastern Bank Ltd., Dhaka	112,592	-
OD Account with HSBC, Dhaka	372	-
Foreign Currency Account with EBL, Dhaka-USD	27,997	7,591
Foreign Currency Account with HSBC, Dhaka-USD	399	399
SND Account with SCB, Dhaka	734	735
SND Account with EBL, Principal Branch, Dhaka	197	198
SND Account with HSBC, Dhaka	1	1
CC Accounts with EBL, Dhaka	21	22
	<u>155,385</u>	<u>14,576</u>
	<u>155,405</u>	<u>14,596</u>

Foreign Currency Account balances has converted in BDT at closing rate @ 83.95 per USD as on 31.03.2021 & as compare to BDT @ 83.95 per USD as on 30.06.2020.

Sd/-  
Zafar Ahmed  
Chairman

Sd/-  
Zahur Ahmed PhD  
Managing Director

Sd/-  
Shahriar Ahmed  
Director

Sd/-  
Kamruzzaman FCA  
Chief Financial Officer

Sd/-  
Md. Delour Hossen  
Acting Company Secretary

	Value in Taka '000'			
	As at 31.03.2021	As at 30.06.2020		
<b>14. Share Capital :</b>				
<b>Authorized Capital:</b>				
30,000,000 Ordinary Shares of Tk. 10/= each.	<u>300,000</u>	<u>300,000</u>		
<b>Issued, Subscribed &amp; Paid up Capital:</b>				
8,400,000 Ordinary Shares of Tk. 10/= each fully paid	<u>84,000</u>	<u>84,000</u>		
There was no preference share issued by the Company				
<b>14.a Composition of Shareholdings :</b>				
	No. of Share	%	No. of Share	%
Sponsors & Directors	4,603,751	54.81	4,603,751	54.81
Institutions	2,070,668	24.65	1,897,661	22.59
Public - Local	1,688,689	20.09	1,877,908	22.35
Foreign Shareholders	36,892	0.44	20,680	0.25
	<u>8,400,000</u>	<u>100</u>	<u>8,400,000</u>	<u>100</u>
<b>15. Share Premium:</b>	<u>15,000</u>		<u>15,000</u>	
This is as per previous financial statement and represents premium of Tk. 50/= per Share of 300,000 Ordinary Shares of Tk. 100 each.				
<b>16. Reserve &amp; Surplus :</b>				
Reserve for Re-Investment	129,701		129,701	
Retained Earnings	221,907		213,396	
Capital Gain	2,752		2,752	
	<u>354,360</u>		<u>345,849</u>	
<b>17. Fair valuation surplus of Investments ( Net of Tax):</b>				
Opening Balance	10,218		18,672	
Fair valuation surplus/(deficit) during the period (net of tax)	7		(8,454)	
	<u>10,225</u>		<u>10,218</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.				
<b>18. Long Term Loan ( Stimulus Package):</b>	<u>66,243</u>		<u>54,077</u>	
Company has availed the above loan from EBL to meet up salaries & wages expenses as per Government declaration of stimulus fund under BRPD Circular no. 07 dated 2 <sup>nd</sup> April 2020 and subsequent Circular in this regard. During the period, we have already paid two installments out of 18 equal monthly installments.				
<b>19. Deferred Tax Liability:</b>				
<b>a Book Value of Depreciable Assets</b>	199,455		216,155	
Tax Base of Depreciable Assets	192,268		206,598	
Net Taxable Temporary Difference	7,187		9,557	
Effective Tax Rate	12%		12%	
Closing Deferred tax (Assets)/Liabilities arising from assets	862		1,147	
Opening Deferred Tax Balance	1,147		1,419	
Deferred Tax Income/(Expense)	285		272	
<b>b Unrealised Interest on FDRs</b>	133		1,434	
Effective Tax Rate	25%		25%	
Closing Deferred tax (Assets)/Liabilities arising from Unrealised FDRs Interest	33		359	
Opening Deferred Tax Balance	359		465	
Deferred Tax Income/(Expense)	326		107	
<b>c Unrealised Foreign Exchange Gain/(Loss) from translation</b>	2,685		(627)	
Effective Tax Rate	25%		25%	
Closing Deferred tax (Assets)/Liabilities arising from Exchange Gain/(Loss) from translation	671		(157)	
Opening Deferred Tax Balance	(157)		(169)	
Deferred Tax Income/(Expense)	(828)		(12)	
<b>d Dividend Receivable</b>	-		-	
Effective Tax Rate	20%		20%	
Closing Deferred tax (Asst)/Liab. arising from PF Lapse Receiv.	-		-	
Opening Deferred Tax Balance	-		-	
Deferred Tax Income/(Expense)	-		-	
<b>e PF Lapse Receivable</b>	-		3,805	
Effective Tax Rate	25%		25%	
Closing Deferred tax (Asst)/Liab. arising from PF Lapse Receiv.	-		951	
Opening Deferred Tax Balance	951		857	
Deferred Tax Income/(Expense)	951		(94)	
<b>f Cash Incentive Receivable</b>	11,144		787	
Effective Tax Rate	10%		10%	
Closing Def. tax (Asst)/Liab. arising from cash incentive Receiv.	1,114		79	
Opening Deferred Tax Balance	79		4,782	
Deferred Tax Income/(Expense)	(1,035)		4,703	
Total Deferred Tax Income/(Expense) from (a+b+c+d+e+f+g)	(302)		4,975	
<b>g Deferred Tax (Assets)/Liabilities arising from Other</b>				
Comprehensive Income- surplus from fair value of share :	11,362		11,353	
Tax for (Losses)/gains on available for sale investments @ 10%	1,136		1,135	
Closing deferred tax (assets)/liabilities arising from Fair Valuation Surplus of Investments	1,136		1,135	
Opening Deferred Tax Balance	1,135		2,075	
Deferred Tax Income/(Expense)	(1)		940	
<b>Deferred Tax Closing Liability (a+b+c+d+e+f+g)</b>	<u>3,817</u>		<u>3,514</u>	

#### 20. Working Capital Loan ( secured):

	Value in Taka '000'
	As at 31.03.2021
Eastern Bank Ltd, Principal Br. Dhaka	-
HSBC, Dhaka	4,653
	<u>24,261</u>

The working capital loan decreased due to repayment of the outstanding balance of the loan and prompt export proceeds realization .

	Value in Taka '000'
	As at 31.03.2021
<b>21. Long Term Loan-Current Maturity:</b>	<u>51,522</u>

This represents the part of stimulus package loan which will pay in next 12 months which may start from September'21 as per BB circular.

#### 22. Short Term Loan :

	Value in Taka '000'
	As at 31.03.2021
Time loan-EBL	19,525
Import loan-EBL	80,988
	<u>100,513</u>

The increase of short term loan due to more utilization of import loan & time loan for import of dyes chemical & other raw materials.

	Value in Taka '000'
	As at 31.03.2021
<b>23. Trade Payables:</b>	<u>517,605</u>

The increase of trade Payables due to purchase of raw materials under BTB L/C to support the export .

#### 24. Other Payables:

Clearing & Forwarding	8,408	6,492
Insurance Premium	5	22
Power, Fuel and Water	10,489	3,832
Telephone, Telex & Fax	47	30
Salary, Wages and Overtime	41,293	98,876
Audit Fees Payable	302	403
Income Tax Payable	46,795	23,248
Provident Fund Payable	2,535	3,625
Payable for office rent	2,141	973
Payable for other expenses	603	520
Tax payable to Govt.	1,504	1,286
VAT payable to Govt.	5	113
	<u>114,127</u>	<u>139,420</u>

The decrease of 18.14% in other payables mainly for payable against salaries, wages & other allowances in which some allowances were provisioned as on 30.06.2020 and it has paid during the period.

	Value in Taka '000'
	As at 31.03.2021
<b>25. Unclaimed Dividend Account:</b>	<u>9,496</u>

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	Value in Taka '000'
1994-1995 to 2016-17	7,585
2017-2018	1,179
2018-2019	436
2019-2020	296
<b>Unclaimed Dividend 1994-95 to 2019-2020</b>	<u>9,496</u>

#### 26. Net Assets value (NAV) Per Share:

Equity Attributable to the Owners of the Company	463,585	455,067
Number of Ordinary Shares	8,400	8,400
<b>Net Assets value (NAV) Per Share</b>	<u>55.19</u>	<u>54.17</u>

#### 27. Revenue:

Revenue has been increased by 24.13% as compared to the revenue of same period of July 2019 to March 2020 due to increase of quantity sold because of re-order the holding/cancelled shipment during the worldwide lockdown for Covid-19.

#### 28. Cost of Goods Sold:

Opening Stock of Finished Goods	37,472	5,903
Add: Cost of Production ( note # 28.a)	2,704,340	2,168,980
Less: Closing Stock of Finished Goods	(56,558)	(23,285)
	<u>2,685,255</u>	<u>2,151,598</u>

#### 28.a. Cost of Production:

Opening Raw Materials & WIP	294,635	189,869
Add: Raw Materials purchase during the period	1,513,267	1,126,887
Add: Factory Overhead (Note # 28.a.a)	1,063,779	1,026,944
Less: Closing Raw Materials, WIP & Accessories	(167,341)	(174,720)
	<u>2,704,340</u>	<u>2,168,980</u>

#### 28.a.a Factory Overhead:

Carriage inward	5,828	4,509
Electricity	773	1,428
Gas, Fuel & Lubricant	83,167	97,128
Insurance Premium	4,134	5,208
Repairs & Maintenance	73,941	51,737
Telephone Charges	36	31
Wages, Salaries & Allowance	835,021	813,169
Bank Interest, Charges & Commission	11,206	10,111
Depreciation	23,938	25,114
Fire Fighting Exp.	8	213
Travelling & Conveyance	5,550	3,857
Testing Bill	14,568	9,767
Uniform & Liveries	481	288
Chemical for Effluent Treatment Plant	3,474	2,510
Entertainment	1,068	1,467
UD & UP Expenses	586	407
	<u>1,063,779</u>	<u>1,026,944</u>

The increase of factory overhead mainly for wages, salaries & allowance and testing bill due to increase of export.

Sd/-  
Zafar Ahmed  
Chairman

Sd/-  
Zahur Ahmed PhD  
Managing Director

Sd/-  
Shahriar Ahmed  
Director

Sd/-  
Kamruzzaman FCA  
Chief Financial Officer

Sd/-  
Md. Delour Hossen  
Acting Company Secretary

	Value in Taka '000'	
	July'20-March' 2021	July'19-March' 2020
<b>29. Other Operating Income/(loss):</b>		
Foreign exchange gain/(loss) from operations	(4)	11,515
Foreign exchange gain/(loss) from translation	2,685	(7,010)
	<u>2,681</u>	<u>4,505</u>
<b>30. Administrative &amp; Selling Overhead:</b>		
AGM Expenses	5	117
Audit Fee (Including VAT)	302	302
Bank Charges & Commission	5,277	4,660
Board Meeting Fees (Including VAT)	21	15
Depreciation	971	982
Directors Remuneration	2,700	2,700
Entertainment	494	539
Export Processing & Handling Expenses	3,395	3,157
Freight & Forwarding Expenses	25,453	18,831
Insurance Premium	1,669	1,332
Legal & Professional Fees	483	743
Medical Expense	50	74
Newspapers & Periodicals	5	12
Postage & Stamp	36	51
Power & Fuel	557	538
Printing Expense	2,573	239
Stationery Expenses	2,170	562
Publicity & Advertisement	145	148
Renewal & Fees	5,284	4,274
Rent & Rates	4,766	3,374
Repairs & Maintenance	6,398	3,761
Salaries & Allowances	73,145	57,335
Sales Promotional Expenses	4,526	4,035
Subscription & Donation	12	27
Travelling & Conveyance	2,852	3,825
Telephone, Fax and Radio Link	504	397
Transportation Expenses	7,031	8,012
	<u>150,824</u>	<u>120,042</u>
<b>31. Finance Income:</b>		
Dividend Income	1,111	1,766
Interest earned on SND Account	3	4
Interest on FDRs	3,060	4,260
	<u>4,174</u>	<u>6,030</u>
The decrease of 30.79% is mainly for decrease interest rate of time deposits & dividend Income.		
<b>32. Financial Expenses:</b>		
Interest on Term Loan-Stimulus	1,718	-
Interest on Time Loan	1,075	1,043
Supplier Finance Program Charges(SFP)	4,675	-
Interest on Overdraft	175	581
F.C. Charges	30,727	48,879
	<u>38,370</u>	<u>50,503</u>
Financial expenses has been increased due to interest on stimulus package loan & finance program by buyers during the period.		
<b>33. Workers Profit Participation Fund (WPPF)</b>	<u>899</u>	<u>728</u>
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		
<b>34. Current Tax:</b>	<u>23,547</u>	<u>23,251</u>
Current tax consists of tax provision made on business income means higher of below a,b,c i.e. Tax on operating profit basis, Minimum Tax U/S -82c(2) & Minimum Tax U/S -82c(4) and realized amount of finance & other income for the period from 1st July 2020 to 31st March'21.		
<b>Calculation of Current tax:</b>	<u>Applicable</u>	
<b>a) Tax on Operating profit Basis</b>	<u>Tax Rate %</u>	
Profit before tax	44,960	34,747
Other Operating Income/Loss	(2,681)	(4,505)
Finance & Other Income	(4,174)	(6,030)
<b>Net Operating profit/(Loss)</b>	<u>38,105</u>	<u>24,212</u>
Tax on Operation Profit	12	<u>4,573</u>
<b>b) Minimum Tax U/S -82c(2)</b>		<u>2,905</u>
TDS on export proceeds	0.5	14,976
TDS on Cash Incentive (realized amount)	10	6,308
		<u>21,284</u>
<b>c) Minimum Tax U/S -82c(4)</b>		<u>18,745</u>
Realized from Revenue = (0.60%/25%*12%)	0.288	8,728
Realized from other operating Income	0.600	(0)
Realized from Cash Incentive	0.600	378
Realized from Dividend Income	0.600	7
Realized from finance & Other Income	0.600	49
		<u>9,162</u>
<b>So, Current tax</b>		<u>7,525</u>
Business tax- Higher of a,b & c **	above b	21,284
Tax on Dividend Income	20	222
Tax on Finance Income	25	1,091
Tax on other operating Income	25	(1)
Tax on PF Lapse received	25	951
		<u>23,547</u>
Effective Tax Rate =(Tax Expenses/Profit Before Tax)	<u>53.05%</u>	<u>47.04%</u>

\*\* Since the source tax deducted under Income Tax Ordinance 1984 for Tk. 21,284/- is higher than tax on operating profit basis Tk. 4,573/- and minimum tax on gross receipts Tk. 9,162/-, so higher is provided as current tax liability from business for the period ended March 31, 2021.

**35. Deferred Tax (Expenses)/Income:** (302) 6,904

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, Foreign exchange translation gain /(loss), dividend receivable, cash incentive receivable & WDV of fixed assets. ( Please see the details in note # 19 for total deferred tax income/(expense) from above mentioned temporary differences).

**36. Fair Valuation Surplus/(deficit) of Investment (net of tax):** 7 (8,544)

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 Balance Sheet price.

**37. Basic Earning Per Share (EPS):**

Earnings after tax Attributable to the Owners of the Company 21,111 18,400

Number of Ordinary Shares 8,400 8,400

**Basic Earning Per Share (EPS)** 2.51 2.19

EPS for Q3 of 2019-20 has been restated from Tk. 1.99 to Tk. 2.19 due to adjustment of Provision for Contribution to PPF & WF during the same quarter of 2019-2020 by Tk. 1,654,602/-.

**38. Net Operating Cash Flows (NOCF) Per Share:**

Net cash generated from /(used in) operating activities 155,690 59,430

Number of Ordinary Shares 8,400 8,400

**Net Operating Cash Flows (NOCF) Per Share** 18.53 7.07

Net operating cash flows was Tk. 18.53 per share for the 3rd quarter ended on March 31, 2021 but it was Tk. 9.09 ( restated Tk. 7.07) for the same period of last year, this is mainly increased of collection from revenue.

**39. Disclosure Regarding Rearrangement:**

Some expenses of factory overhead and administrative & selling overhead for the same quarter of 2019-20 have been rearranged due to nature of transactions & current period presentation and unclaimed dividend has been separated from other payables as per directive.

**40. Prior Year Adjustment:**

a) As per Financial Reporting Council (FRC) notification no. 179/FRC/FRM/notification/2020/2 dated 7th July 2020 regarding lapse amount of employer's subscription to provident fund have to return to company from 2015 to June 30, 2020 & retained earnings as at July 01, 2019 has been adjusted accordingly by Tk. 25,70,131 (net of tax).

b) According to section 232 (3) Labour Act 2006 (amendment in 2013) & Rules 2015, section 214 Gazetted on 15th September 2015, the Government is deducting @ 0.03% on our export proceeds which participation of the workers on profit of the company as there is no requirement to separate provision of PPF & WF @ 5% on profit, so prior year provisioned of PPF & WF has been adjusted in retained earnings as on July 01, 2019 accordingly by Tk. 26,51,903/-.

**41. Related Party Transactions:**

**(a) Intercompany Transactions:**

Apex Spinning & Knitting Mills Limited has few transactions with Apex Yarn Dyeing 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 # 30; 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.

**42. 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'20 to March' 2021	July'19 to March' 2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
<b>Profit After Tax</b>	21,111	18,400
<b>Adjustment for non-cash &amp; non operating items:</b>		
Add: Depreciation During the period	24,909	26,096
Add/(Less): Unadjusted Foreign Exchange (Gain)/Loss from Translation	116	1
Less: Finance Income adjustment	(4,171)	(6,026)
Add: Interest & Other Financial Charges Paid	38,370	50,504
Add: Tax Expenses	23,850	16,348
<b>Increases &amp; Decreases:</b>		
(Increase)/Decrease in Inventories	108,210	(2,232)
(Increase)/Decrease in Trade Receivables	116,243	125,724
(Increase)/Decrease in other Receivables	(6,551)	47,818
(Increase)/Decrease in Advances, Deposits & Prepayments	(181)	(3,729)
(Increase)/Paid) Income tax during the period	(25,447)	(23,341)
Increase/(Decrease) in Trade Payables	(91,926)	(142,054)
Increase/(Decrease) in Other Payables	(48,842)	(48,079)
<b>Net cash generated from/(used in) operating activities</b>	<u>155,690</u>	<u>59,430</u>
<b>RECONCILIATION</b>		
Net cash generated from/(used in) operating activities-Indirect Method	155,690	59,430
Net cash generated from/(used in) operating activities-Direct Method	155,690	59,430
<b>Differences</b>	<u>0.00</u>	<u>0.00</u>

**43. Contingent Liability:**

There is Tk. 17.07 million as Bank guarantee to "Titus Gas Transmission & Distribution Company Ltd" & Reliance Insurance Com. Ltd for which the Company is contingently liable as at March 31, 2021.

**44. Events after Reporting Period:**

There is no other significant event that has occurred between the Statement of Financial Position date and the date when the financial statements were authorized for issue by the Board of Directors of the Company.

Sd/-  
Zafar Ahmed  
Chairman

Sd/-  
Zahur Ahmed PhD  
Managing Director

Sd/-  
Shahriar Ahmed  
Director

Sd/-  
Kamruzzaman FCA  
Chief Financial Officer

Sd/-  
Md. Delour Hossen  
Acting Company Secretary