

APEX SPINNING & KNITTING MILLS LIMITED

Rupayan Golden Age (5th & 6th Floor), 99 Gulshan Avenue, Gulshan, Dhaka-1212.
Un-audited Half Yearly (Q2) Financial Statements for the period ended on December 31, 2020

STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT DECEMBER 31, 2020

Value in Taka '000'

Notes	As at 31.12.2020	As at 30.06.2020	Growth %
ASSETS			
Non-Current Assets:	308,680	316,962	(2.61)
Property, Plant and Equipment	206,772	216,155	(4.34)
Investment	22,997	21,896	5.02
Investment in Financial Assets	68,855	68,855	-
Security Deposits	10,056	10,056	-
Current Assets:	1,093,337	963,156	13.52
Inventories	202,925	332,108	(38.90)
Trade Receivables	352,659	422,627	(16.56)
Advances, Deposits & Pre- Payments	58,891	41,746	41.07
Other Receivables	15,982	6,027	165.17
Margin on Acceptance	366,682	146,052	151.06
Cash & Cash Equivalents	96,197	14,596	559.05
TOTAL ASSETS	1,402,017	1,280,118	9.52
EQUITY AND LIABILITIES			
Shareholders' Equity:	458,183	455,067	0.68
Share Capital	84,000	84,000	-
Share Premium	15,000	15,000	-
Reserve and Surplus	347,975	345,849	0.61
Fair Valuation Surplus of Investments	11,208	10,218	9.69
Non-Current Liabilities:	48,662	57,591	(15.50)
Long Term Loan	44,167	54,077	(18.33)
Deferred Tax Liability	4,495	3,514	27.91
Current Liabilities:	895,172	767,460	16.64
Working Capital Loan (Secured)	-	24,261	(100.00)
Long Term Loan-Current Maturity	88,335	27,039	226.70
Short Term Loan	103,683	70,228	47.64
Trade Payables	563,148	497,208	13.26
Other Payables	130,762	139,420	(6.21)
Unclaimed Dividend Account	9,245	9,304	(0.63)
Total Liabilities	943,834	825,051	14.40
TOTAL EQUITY AND LIABILITIES	1,402,017	1,280,118	9.52
Net Assets Value (NAV) Per Share	54.55	54.17	0.68

**STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED ON DECEMBER 31, 2020**

Value in Taka '000'

Note #	01.07.2020 to 31.12.2020	01.07.2019 to 31.12.2019	Growth %
CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection From Revenue	2,062,403	1,607,262	28.32
Finance Income from SND	3	4	(12.91)
Other Income from foreign exchange gain/(loss) from oper	5	10,223	(99.95)
Received from PF Lapse	3,805	-	-
Bank Charges & Commission	(10,946)	(9,349)	17.07
Income Tax Paid	(15,430)	(19,019)	(18.87)
Payment for Costs and Expenses	(1,976,654)	(1,640,824)	20.47
Net cash generated from/(used in) operating activities (a)	63,186	(51,705)	(222.21)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property, Plant and Equipment acquired	(7,093)	(1,453)	388.24
Finance Income from FDRs	-	-	-
Net cash generated from/(used in) investing activities	(7,093)	(1,453)	388.24
CASH FLOWS FROM FINANCING ACTIVITIES:			
Working Capital Loan received/(repaid)	(24,261)	3,997	(706.98)
Term loan received/(repaid)	51,387	-	-
Short Term loan received/(repaid)	33,438	68,849	(51.43)
Dividend Paid during the period	(59)	(46)	27.02
Interest & other financial charges paid	(34,823)	(33,118)	5.15
Net cash generated from/(used in) financing activities (c)	25,681	39,683	(35.28)
Net increase/(decrease) in cash and cash equivalents(a+b+c)	81,774	(13,475)	(706.86)
Cash & cash equivalents on opening	14,596	22,404	(34.85)
Foreign exchange gain/(loss) from translation	(173)	3,324	(105.20)
Cash & cash equivalents on closing	96,197	12,253	685.10
Net Operating Cash Flows Per Share	7.52	(11.60)	(164.85)
Net Operating Cash Flows Per Share (Restated)	-	(6.16)	

**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 HALF YEAR ENDED DECEMBER 31, 2020

Value in Taka '000'

Note #	01.07.2020 to 31.12.2020	01.07.2019 to 31.12.2019	Growth %	01.10.2020 to 31.12.2020	01.10.2019 to 31.12.2019	Growth %
REVENUE	1,991,726	1,523,271	30.75	1,119,828	921,521	21.52
Cost of Goods Sold	(1,832,825)	(1,388,028)	32.05	(1,040,083)	(850,515)	22.29
GROSS PROFIT	158,901	135,243	17.49	79,745	71,006	12.31
Other Operating Income/(Loss)	51	4,158	(98.77)	739	1,398	(47.17)
Administrative & Selling Overhead	(96,931)	(83,798)	15.67	(51,816)	(47,994)	7.97
OPERATING PROFIT/(LOSS)	62,021	55,603	11.54	28,667	24,411	17.44
Finance Income	3,226	4,207	(23.34)	2,170	2,989	(27.40)
Financial Expenses	(34,840)	(33,118)	5.20	(11,387)	(15,429)	(26.20)
PROFIT BEFORE WPPF	30,407	26,693	13.91	19,450	11,970	62.49
Workers Profit Participation Fund (WPPF)	(609)	(476)	27.95	(353)	(217)	62.45
PROFIT BEFORE TAX	29,798	26,217	13.66	19,097	11,753	62.49
Tax Expenses:	(15,072)	(13,856)	8.77	(10,324)	(3,570)	189.19
Current Tax	(14,201)	(19,202)	(26.04)	(8,921)	(6,352)	40.44
Deferred Tax (Expenses)/Income	(871)	5,346	(116.29)	(1,403)	2,782	(150.44)
NET PROFIT AFTER TAX	14,726	12,361	19.13	8,773	8,183	7.21
OTHER COMPREHENSIVE INCOME:	990	(7,563)	(113.09)	472	(3,298)	(114.32)
Fair Valuation Surplus / (Deficit) of Investment	1,100	(8,403)	(113.09)	525	(3,664)	(114.32)
Deferred Tax (Exp./)Income on share valuation Deficit	(110)	840	(113.10)	(52)	366	(114.34)
TOTAL COMPREHENSIVE INCOME	15,716	4,798	227.55	9,245	4,885	89.25
Basic Earnings Per Share (EPS)	1.75	1.32	32.81	1.04	0.91	15.09
Basic Earnings Per Share (EPS)**	-	1.47		-	0.97	

**STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Fair Valuation Surplus	Capital Gain	Total
As at July 01, 2020	84,000	15,000	129,701	213,396	10,218	2,752	455,067
Net Profit for the six months ended on December 31, 2020	-	-	-	14,726	-	-	14,726
Final dividend for the year 2019-2020	-	-	-	(12,600)	-	-	(12,600)
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	990	-	990
As at December 31, 2020	84,000	15,000	129,701	215,522	11,208	2,752	458,183

**STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Fair Valuation Surplus	Capital Gain	Total
As at July 01, 2019	84,000	15,000	129,701	212,546	18,672	2,752	462,671
Prior Year Adjustment (Note-40)	-	-	-	5,222	-	-	5,222
Restated Retained Earnings	84,000	15,000	129,701	217,768	18,672	2,752	467,893
Net Profit for the six months ended on December 31, 2019	-	-	-	12,361	-	-	12,361
Final dividend for the year 2018-2019	-	-	-	(16,800)	-	-	(16,800)
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	(7,563)	-	(7,563)
As at December 31, 2019	84,000	15,000	129,701	213,329	11,109	2,752	455,891

Note: The details of the published half yearly financial statements can be available in the web-site of the Company .
The address of the web-site is 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 HALF YEAR ENDED DECEMBER 31, 2020
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, 5th & 6th 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-2 Inventories

IAS-7 Statement of Cash Flows

IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors

IAS-10 Events after the Reporting Period

IAS-12 Income Taxes

IAS-16 Property, Plant and Equipment

IAS-21 The Effects of Changes in Foreign Exchange Rates

IAS-23 Borrowing Cost

IAS-24 Related Party Disclosures

IAS-33 Earnings Per Share

IAS-34 Interim Financial Reporting

IAS-36 Impairment of Assets

IAS-37 Provisions, Contingent Liabilities and Contingent Assets

IFRS-07 Financial Instruments: Disclosures

IFRS-09 Financial Instruments

IFRS-15 Revenue from Contracts with Customers

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 December 31, 2020. (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, 2020 to December 31, 2020. (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 31.12.2020	As at 30.06.2020
4. Property, Plant and Equipment (WDV):		
Details of property, plant & equipment and depreciation at as December 31, 2020 are as follows:		
Fixed assets at cost:		
Opening Balance	1,390,443	1,360,371
Addition during the period	7,093	30,072
Closing Balance (cost)	1,397,536	1,390,443
Accumulated Depreciation:		
Opening Balance	1,174,288	1,136,228
Charged during the period	16,476	38,060
Closing Balance (Depreciation)	1,190,764	1,174,288
Written Down Value (WDV)	206,772	216,155
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:	22,997	21,896
During the period, investment has been changed due to fair valuation of share.		
6. Investment in Financial Assets:	68,855	68,855
FDR's were purchased from EBL for more than one year (i.e. 380 days).		
7. Security Deposits:	10,056	10,056
Security deposits are made to statutory bodies and hence secured.		
8. Inventories:		
Finished Goods (T, Polo, sweat Shirt)	38,262	37,472
Raw Materials (Yarn & Dyes Chemical)	67,174	127,245
WIP (Dyed, Knitted Fabric & Garments)	70,172	134,842
Accessories	27,317	32,549
	202,925	332,108
9. Trade Receivables:	352,659	422,627
Trade receivables have been decreased due to realize as per schedule.		
10. Advances, Deposits & Pre-payments:		
Advance Income Tax	51,597	36,167
Security Deposits to Multi Securities & Services Ltd	1	2
Advance against expenses	7,293	5,577
	58,891	41,746

The Increase of 41.07% due to increase of advance income tax.

11. Other Receivables:

	Value in Taka '000' As at 31.12.2020	As at 30.06.2020
Cash Incentive Receivable	11,325	788
FDRs Interest Receivable	3,546	1,434
PF Lapse receivable (employer Portion)	-	3,805
Dividend Receivable	1,111	-
	15,982	6,027

The growth of 165.17% in Other receivables mainly for cash incentive receivable & dividend 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:

	366,682	146,052
Margin on acceptance-EBL has converted in BDT at closing rate @ 83.95 per USD as on 31.12.2020 & as compare to BDT @ 83.95 per USD as on 30.06.2020 which has retained for BTB liability settlement:		

13. Cash & cash Equivalent:

	20	20
Cash in hand	8	8
Cash at Bank		
CD Account with Eastern Bank Ltd., Dhaka	26	26
CD Account with DBL, Dhaka	192	190
CD Account with SCB, Dhaka	405	3,323
CD Account with Mutual Trust Bank Ltd, Chandora	82	83
CD Account with Mutual Trust Bank Ltd, Dilkusha, Dhaka	37	37
CD Account with AB Bank Ltd, Dhaka	7,598	1,481
CD Account with DBBL, Dhaka	0	0
CD Account with EBL-Dividend, Dhaka	427	482
CD Account with HSBC-Dividend, Dhaka	51,592	-
OD Account with Eastern Bank Ltd., Dhaka	1,655	-
OD Account with HSBC, Dhaka	32,803	7,591
Foreign Currency Account with EBL, Dhaka-USD	399	399
Foreign Currency Account with HSBC, Dhaka-USD	734	735
SND Account with SCB, Dhaka	197	198
SND Account with EBL, Principal Branch, Dhaka	1	1
SND Account with HSBC, Dhaka	21	22
CC Accounts with EBL, Dhaka	96,177	14,576
	96,197	14,596

Foreign Currency Account balances has converted in BDT at closing rate @ 83.95 per USD as on 31.12.2020 & 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 31.12.2020	As at 30.06.2020		
14. Share Capital :				
Authorized Capital:				
30,000,000 Ordinary Shares of Tk. 10/= each.	<u>300,000</u>	<u>300,000</u>		
Issued, Subscribed & Paid up Capital:				
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				
14.a Composition of Shareholdings :				
	No. of Share	%	No. of Share	%
Sponsors & Directors	4,603,751	54.81	4,603,751	54.81
Institutions	2,074,530	24.70	1,897,661	22.59
Public - Local	1,701,039	20.24	1,877,908	22.35
Foreign Shareholders	20,680	0.25	20,680	0.25
	<u>8,400,000</u>	<u>100</u>	<u>8,400,000</u>	<u>100</u>
15. Share Premium:	<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.				
16. Reserve & Surplus :				
Reserve for Re-Investment	129,701	129,701		
Retained Earnings	215,522	213,396		
Capital Gain	2,752	2,752		
	<u>347,975</u>	<u>345,849</u>		
17. Fair valuation surplus of Investments (Net of Tax):				
Opening Balance	10,218	18,672		
Fair valuation surplus/(deficit) during the period (net of tax)	990	(8,454)		
	<u>11,208</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.				
18. Long Term Loan (Stimulus Package):	<u>44,167</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 nd April 2020 and subsequent Circular in this regard. Repayment to be made in 18 equal monthly installments including 6 months moratorium period.				
19. Deferred Tax Liability:				
a Book Value of Depreciable Assets	206,772	216,155		
Tax Base of Depreciable Assets	198,468	206,598		
Net Taxable Temporary Difference	8,304	9,557		
Effective Tax Rate	12%	12%		
Closing Deferred tax (Assets)/Liabilities arising from assets	<u>996</u>	<u>1,147</u>		
Opening Deferred Tax Balance	1,147	1,419		
Deferred Tax Income/(Expense)	<u>150</u>	<u>272</u>		
b Unrealised Interest on FDRs	3,546	1,434		
Effective Tax Rate	25%	25%		
Closing Deferred tax (Assets)/Liabilities arising from				
Unrealised FDRs Interest	<u>887</u>	<u>359</u>		
Opening Deferred Tax Balance	359	465		
Deferred Tax Income/(Expense)	<u>(528)</u>	<u>107</u>		
c Unrealised Foreign Exchange Gain/(Loss) from translation	46	(627)		
Effective Tax Rate	25%	25%		
Closing Deferred tax (Assets)/Liabilities arising from Exchange Gain/(Loss) from translation	<u>12</u>	<u>(157)</u>		
Opening Deferred Tax Balance	(157)	(169)		
Deferred Tax Income/(Expense)	<u>(168)</u>	<u>(12)</u>		
d Dividend Receivable	1,111	-		
Effective Tax Rate	20%	20%		
Closing Deferred tax (Asst)/Liab. arising from PF Lapse Receiv.	<u>222</u>	<u>-</u>		
Opening Deferred Tax Balance	-	-		
Deferred Tax Income/(Expense)	<u>(222)</u>	<u>-</u>		
e PF Lapse Receivable	-	3,805		
Effective Tax Rate	25%	25%		
Closing Deferred tax (Asst)/Liab. arising from PF Lapse Receiv.	<u>-</u>	<u>951</u>		
Opening Deferred Tax Balance	951	857		
Deferred Tax Income/(Expense)	<u>951</u>	<u>(94)</u>		
f Cash Incentive Receivable	11,325	787		
Effective Tax Rate	10%	10%		
Closing Def. tax (Asst./)Liab. arising from cash incentive Receiv.	<u>1,133</u>	<u>79</u>		
Opening Deferred Tax Balance	79	4,782		
Deferred Tax Income/(Expense)	<u>(1,054)</u>	<u>4,703</u>		
Total Deferred Tax Income/(Expense) from (a+b+c+d+e)	<u>(871)</u>	<u>4,975</u>		
g Deferred Tax (Assets)/Liabilities arising from Other				
Comprehensive Income- surplus from fair value of share :	<u>12,453</u>	<u>11,353</u>		
Tax for (Losses)/gains on available for sale investments @ 10%	1,245	1,135		
Closing deferred tax (assets)/liabilities arising from Fair Valuation Surplus of Investments	1,245	1,135		
Opening Deferred Tax Balance	1,135	2,075		
Deferred Tax Income/(Expense)	<u>(110)</u>	<u>940</u>		
Deferred Tax Closing Liability (a+b+c+d+e+f+g)	<u>4,495</u>	<u>3,514</u>		

20. Working Capital Loan (secured):

	Value in Taka '000'	Value in Taka '000'
	As at 31.12.2020	As at 30.06.2020
Eastern Bank Ltd, Principal Br. Dhaka	-	19,608
HSBC, Dhaka	-	4,653
	<u>-</u>	<u>24,261</u>

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

21. Long Term Loan-Current Maturity:

	Value in Taka '000'	Value in Taka '000'
	As at 31.12.2020	As at 30.06.2020
	<u>88,335</u>	<u>27,039</u>

This represents the part of stimulus package loan which will pay in next 12 months.

22. Short Term Loan :

	Value in Taka '000'	Value in Taka '000'
	As at 31.12.2020	As at 30.06.2020
Time loan-EBL	22,695	7,685
Import loan-EBL	80,988	62,543
	<u>103,683</u>	<u>70,228</u>

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

23. Trade Payables:

	Value in Taka '000'	Value in Taka '000'
	As at 31.12.2020	As at 30.06.2020
	<u>563,148</u>	<u>497,208</u>

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

24. Other Payables:

	Value in Taka '000'	Value in Taka '000'
	As at 31.12.2020	As at 30.06.2020
Clearing & Forwarding	8,116	6,492
Insurance Premium	843	22
Power, Fuel and Water	9,656	3,832
Telephone, Telex & Fax	62	30
Salaries, Wages and Overtime	53,768	98,876
Audit Fees Payable	604	403
Income Tax Payable	37,449	23,248
Provident Fund Payable	2,427	3,625
Dividend Payable for the year 2019-2020	12,600	-
Payable for office rent	1,532	973
Payable for other expenses	1,334	520
Tax payable to Govt.	2,291	1,286
VAT payable to Govt.	80	113
	<u>130,762</u>	<u>139,420</u>

The decrease of 6.21% 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.

25. Unclaimed Dividend Account:

	Value in Taka '000'	Value in Taka '000'
	As at 31.12.2020	As at 30.06.2020
	<u>9,245</u>	<u>9,304</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'	Value in Taka '000'
	As at 31.12.2020	As at 30.06.2020
1994-1995 to 2015-2016	6,615	6,619
2016-2017	1,005	1,008
2017-2018	1,180	1,182
2018-2019	445	495
Unclaimed Dividend 1994-95 to 2018-2019	<u>9,245</u>	<u>9,304</u>

26. Net Assets value (NAV) Per Share:

	Value in Taka '000'	Value in Taka '000'
	As at 31.12.2020	As at 30.06.2020
Equity Attributable to the Owners of the Company	458,183	455,067
Number of Ordinary Shares	8,400	8,400
Net Assets value (NAV) Per Share	<u>54.55</u>	<u>54.17</u>

	July'20 to December' 2020	July'19 to December' 2019
	<u>1,991,726</u>	<u>1,523,271</u>

27. Revenue:

Revenue has been increased by 30.75% as compared to the revenue of same period of July to December 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:

	Value in Taka '000'	Value in Taka '000'
	As at 31.12.2020	As at 30.06.2020
Opening Stock of Finished Goods	37,472	5,903
Add: Cost of Production (note # 28.a)	1,833,615	1,439,343
Less: Closing Stock of Finished Goods	(38,262)	(57,218)
	<u>1,832,825</u>	<u>1,388,028</u>

28.a. Cost of Production:

	Value in Taka '000'	Value in Taka '000'
	As at 31.12.2020	As at 30.06.2020
Opening Raw Materials & WIP	294,635	189,869
Add: Raw Materials purchase during the period	985,863	719,356
Add: Factory Overhead (Note # 28.a.a)	717,780	669,343
Less: Closing Raw Materials, WIP & Accessories	(164,663)	(139,225)
	<u>1,833,615</u>	<u>1,439,343</u>

28.a.a Factory Overhead:

	Value in Taka '000'	Value in Taka '000'
	As at 31.12.2020	As at 30.06.2020
Carriage inward	3,522	2,585
Electricity	491	1,027
Gas, Fuel & Lubricant	53,636	60,850
Insurance Premium	4,134	5,047
Repairs & Maintenance	55,871	33,685
Telephone Charges	22	19
Wages, salaries & Allowances	559,106	531,283
Bank Interest, Charges & Commission	7,579	6,066
Depreciation	15,833	16,702
Fire Fighting Exp.	8	213
Travelling & Conveyance	3,765	2,469
Testing Bill	9,905	7,073
Uniform & Liveries	332	288
Chemical for Effluent Treatment Plant	2,485	764
Entertainment	717	995
UD & UP Expenses	374	276
	<u>717,780</u>	<u>669,343</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 to	July'19 to
	December' 2020	December' 2019
29. Other Operating Income/(loss):		
Foreign exchange gain/(loss) from operations	5	10,222
Foreign exchange gain/(loss) from translation	46	(6,064)
	<u>51</u>	<u>4,158</u>
30. Administrative & Selling Overhead:		
AGM Expenses	5	117
Audit Fee (Including VAT)	201	201
Bank Charges & Commission	3,366	3,283
Board Meeting Fees (Including VAT)	10	5
Depreciation	643	653
Directors Remuneration	1,800	1,800
Entertainment	315	371
Export Processing & Handling Expenses	2,346	2,343
Freight & Forwarding Expenses	16,862	14,247
Insurance Premium	1,649	1,303
Legal & Professional Fees	409	704
Medical Expense	39	43
Newspapers & Periodicals	3	9
Postage & Stamp	22	36
Power & Fuel	395	430
Printing Expense	1,765	236
Stationery Expenses	1,579	391
Publicity & Advertisement	90	93
Renewal & Fees	4,160	4,210
Rent & Rates	3,296	2,410
Repairs & Maintenance	4,195	2,669
Salary & Allowances	45,103	36,853
Sales Promotional Expenses	1,958	2,224
Subscription & Donation	-	10
Travelling & Conveyance	1,973	3,295
Telephone, Fax and Radio Link	360	261
Transportation Expenses	4,386	5,601
	<u>96,931</u>	<u>83,798</u>
31. Finance Income:		
Dividend Income	1,111	1,766
Interest earned on SND Account	3	4
Interest on FDRs	2,112	2,437
	<u>3,226</u>	<u>4,207</u>
The decrease of 23.32% is mainly for decrease interest rate of time deposits & dividend Income.		
32. Financial Expenses:		
Interest on Term Loan-Stimulus	1,581	538
Interest on Time Loan	431	-
Supplier Finance Program Charges(SFP)	1,954	-
Interest on Overdraft	171	357
F.C. Charges	30,702	32,222
	<u>34,840</u>	<u>33,118</u>
Financial expenses has been increased for interest on stimulus package loan & finance program by buyers during the period.		
33. Workers Profit Participation Fund (WPPF)	<u>609</u>	<u>476</u>
We are 100% export oriented Ready Made 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.		
34. Current Tax:	<u>14,201</u>	<u>19,202</u>
Current tax consists of tax provision made on business income and realized amount of finance & other income for the period from 1st July 2020 to 31st December 2020.		
Calculation of Current tax:		
a) Regular Tax		
Profit before tax	29,798	26,217
Other Operating Income/(Loss)	(51)	(4,158)
Finance & Other Income	(3,226)	(4,207)
Adjusted Income/(Loss) from Operation	<u>26,521</u>	<u>17,851</u>
Tax on Operation Income @ 12%	<u>3,183</u>	<u>2,142</u>
b) Minimum Tax U/S -82c(2)		
TDS on export proceeds	10,149	11,301
TDS on Dividend Income @ 20% on realized amount	-	-
TDS on Cash Incentive @ 10% on realized amount	3,099	5,344
	<u>13,248</u>	<u>16,645</u>
c) Minimum Tax U/S -82c(4)		
%		
Realized from turnover	0.288	5,940
Realized from other operating Income	0.600	0
Realized from Cash Incentive	0.600	186
Realized from finance & Other Income	0.600	23
	<u>6,149</u>	<u>5,011</u>
So, Current tax		
Business tax- Higher of a,b & c	13,248	16,645
Tax on Finance Income @ 25%	1	1
Tax on other operating Income @ 25%	1	2,556
Tax on PF Lapse received @ 25%	951	-
	<u>14,201</u>	<u>19,202</u>

	Value in Taka '000'	
	July'20 to	July'19 to
	December' 2020	December' 2019
35. Deferred Tax (Expenses)/Income:		
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).	<u>(871)</u>	<u>5,346</u>
36. Fair Valuation Surplus/(deficit) of Investment (net of tax):	<u>990</u>	<u>(7,563)</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 audited Balance Sheet price.		
37. Basic Earning Per Share (EPS):		
Earnings after tax Attributable to the Owners of the Company	14,726	12,361
Number of Ordinary Shares	8,400	8,400
Basic Earning Per Share (EPS)	<u>1.75</u>	<u>1.47</u>
EPS for Q2 of 2019-20 has been restated from Tk. 1.32 to Tk. 1.47 due to adjustment of Provision for Contribution to PPF & WF during the same quarter of 2019-2020 by Tk. 1,248,436/-.		
38. Net Operating Cash Flows (NOCF) Per Share:		
Net cash generated from /used in) operating activities	63,186	(51,705)
Number of Ordinary Shares	8,400	8,400
Net Operating Cash Flows (NOCF) Per Share	<u>7.52</u>	<u>(6.16)</u>
Net operating cash flows was Tk. 7.52 per share for the half year ended on December 31, 2020 but it was Tk. (11.60) (restated Tk. 6.16) for the same period of last year, this is mainly increased of collection from revenue. This scenario is changeable time to time depending on different issues.		
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 administered 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	July'19 to
	December' 2020	December' 2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit	29,798	26,217
Add: Depreciation During the period	16,476	17,355
Add/(Less): Unadjusted FEG from translation	173	(3,324)
Less: Finance Income adjustment	(3,222)	(4,204)
Add: Interest & Other Financial Charges Paid	34,840	33,118
(Increase)/Decrease in Inventories	129,182	(671)
(Increase)/Decrease in Trade Receivables	69,968	93,752
(Increase)/Decrease in other Receivables	(6,733)	47,818
(Increase)/Decrease in Advances, Deposits & Prepayments	(1,716)	(6)
Income tax paid during the period	(15,430)	(19,019)
Increase/(Decrease) in Trade Payables	(154,691)	(239,934)
Increase/(Decrease) in Other Payables	(35,459)	(2,805)
Net cash generated from/used in) operating activities	<u>63,186</u>	<u>(51,705)</u>
RECONCILIATION		
Net cash generated from/used in) operating activities-Indirect Method	63,186	(51,705)
Net cash generated from/used in) operating activities-Direct Method	63,186	(51,705)
Differences	<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 December 31, 2020.		
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