

APEX SPINNING & KNITTING MILLS LIMITED

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

Un-audited Nine Months (Q3) Financial Statements for the period ended on 31st March 2022

STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT MARCH 31, 2022

Value in Taka '000'

Notes #	As at 31.03.2022	As at 30.06.2021	Growth %
ASSETS			
Non-Current Assets:			
	329,849	304,916	8.18
Property, Plant and Equipment	205,576	197,031	4.34
Investment	39,363	22,675	73.60
Investment in Financial Assets	74,854	72,779	-
Right-of-Use Assets	-	2,374	(100.00)
Security Deposits	10,056	10,056	-
Current Assets:			
	1,301,196	1,258,960	3.35
Inventories	278,237	338,467	(17.80)
Trade Receivables	526,727	486,618	8.24
Advances, Deposits & Pre- Payments	88,887	51,248	73.45
Other Receivables	30,414	11,072	174.69
Margin on Acceptance	358,824	213,306	68.22
Cash & Cash Equivalents	18,107	158,249	(88.56)
TOTAL ASSETS	1,631,045	1,563,876	4.30
EQUITY AND LIABILITIES			
Shareholders' Equity:			
	489,587	468,830	4.43
Share Capital	84,000	84,000	-
Share Premium	15,000	15,000	-
Reserve and Surplus	364,649	358,911	1.60
Fair Valuation Surplus of Investments	25,938	10,919	137.55
Non-Current Liabilities:			
	813	48,157	(98.31)
Long Term Loan	-	44,162	(100.00)
Deferred Tax Liabilities	813	3,995	(79.64)
Current Liabilities:			
	1,140,645	1,046,889	8.96
Working Capital Loan (Secured)	2,475	-	-
Long Term Loan-Current Maturity	72,048	73,964	(2.59)
Lease Liability	-	2,906	(100.00)
Short Term Loan	31,437	49,576	(36.59)
Trade Payables	897,505	793,082	13.17
Other Payables	134,909	117,878	14.45
Unclaimed Dividend Account	2,271	9,484	(76.05)
Total Liabilities	1,141,458	1,095,046	4.24
TOTAL EQUITY AND LIABILITIES	1,631,045	1,563,876	4.30
Net Assets Value (NAV) Per Share	58.28	55.81	4.43

STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2022

Value in Taka '000'

Notes #	01.07.2021 to 31.03.2022	01.07.2020 to 31.03.2021	Growth %
CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection From Revenue	3,306,413	3,030,672	9.10
Finance Income from SND	0	3	(97.38)
Other Income from foreign exchange gain/(loss) from operat	11,799	(4)	(289.651)
Received from PF Lapse	1,411	3,805	(62.91)
Bank Charges & Commission	(15,625)	(16,483)	(5.21)
Income Tax Paid	(28,529)	(25,447)	12.11
Payment for Costs and Expenses	(3,274,265)	(2,836,856)	15.42
Net cash generated from/(used in) operating activities (a)	1,204	155,691	(99.23)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property, Plant and Equipment Acquired	(31,421)	(8,209)	282.76
Advance against Purchase of Fixed Assets	(10,688)	-	-
Investment in FDRs	(2,074)	(3,925)	(47.15)
Finance Income from FDRs	2,305	4,361	(47.15)
Dividend Income	1,766	1,111	59.05
Net cash generated from/(used in) investing activities (b)	(40,113)	(6,662)	502.07
CASH FLOWS FROM FINANCING ACTIVITIES:			
Working Capital Loan received/(repaid)	2,475	(24,261)	(110.20)
Term loan received/(repaid)	(46,078)	36,650	(225.73)
Short Term loan received/(repaid)	(18,139)	30,285	(159.89)
Dividend Paid during the period	(24,012)	(12,408)	93.52
Payment on Finance Lease for Office Rent	(2,972)	-	-
Interest & other financial charges paid	(12,929)	(38,370)	(66.30)
Net cash generated from/(used in) financing activities (c)	(101,655)	(8,104)	1,154.33
Net increase/(decrease) in cash and cash equivalents(a+b+c)			
	(140,563)	140,924	(199.74)
Cash & cash equivalents on opening	158,249	14,596	984.17
Foreign exchange gain/(loss) from translation	421	(116)	(464.28)
Cash & cash equivalents on closing	18,107	155,405	(88.35)
Net Operating Cash Flows Per Share	0.14	18.53	(99.23)

**Please refer to the note # 43 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 MARCH 31, 2022

Value in Taka '000'

Notes #	01.07.2021 to 31.03.2022	01.07.2020 to 31.03.2021	Growth %	01.01.2022 to 31.03.2022	01.01.2021 to 31.03.2021	Growth %
REVENUE						
29	3,365,061	2,913,453	15.50	1,205,522	921,727	30.79
Cost of Goods Sold						
30	(3,129,045)	(2,685,255)	16.53	(1,110,398)	(852,429)	30.26
GROSS PROFIT						
	236,016	228,198	3.43	95,124	69,298	37.27
Other Operating Income/(Loss)						
31	(12,174)	2,681	(554.08)	(10,780)	2,629	(510.04)
Administrative & Selling Overhead						
32	(170,232)	(150,824)	12.87	(67,172)	(53,892)	24.64
OPERATING PROFIT/(LOSS)						
	53,610	80,055	(33.03)	17,172	18,035	(4.79)
Finance & Other Income						
33	3,438	4,174	(17.63)	555	948	(41.46)
Financial Expenses						
34	(12,995)	(38,370)	(66.13)	(4,621)	(3,530)	30.91
PROFIT BEFORE WPPF						
	44,053	45,859	(3.94)	13,106	15,453	(15.19)
Workers Profit Participation Fund (WPPF)						
35	(995)	(899)	10.68	(376)	(290)	29.66
PROFIT BEFORE TAX						
	43,058	44,960	(4.23)	12,730	15,163	(16.05)
TAX EXPENSES:						
Current Tax						
36	(25,370)	(23,547)	7.74	(12,459)	(9,346)	33.31
Deferred Tax (Expenses)/Income						
37	4,850	(302)	(1,706)	7,063	568	1,143.5
NET PROFIT AFTER TAX						
	22,538	21,111	6.76	7,334	6,385	14.86
OTHER COMPREHENSIVE INCOME:						
38	15,019	7	214.457	10,602	(983)	(1,179)
Fair Valuation Surplus / (Deficit) of Investment						
	16,688	8	208,500	11,780	(1,092)	(1,179)
Deferred Tax (Exp.)/Income on share valuation Deficit						
	(1,669)	(1)	166,800	(1,178)	109	(1,181)
TOTAL COMPREHENSIVE INCOME						
	37,557	21,118	77.84	17,936	5,402	232.03
Basic Earnings Per Share (EPS)						
39	2.68	2.51	6.76	0.87	0.76	14.86

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED 31ST MARCH, 2022

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Fair Valuation Surplus	Capital Gain	Total
As at June 30, 2021	84,000	15,000	129,701	226,458	10,919	2,752	468,830
Net Profit for the nine months ended on 31st March 2022	-	-	-	22,538	-	-	22,538
Final dividend for the year 2020-2021	-	-	-	(16,800)	-	-	(16,800)
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	15,019	-	15,019
As at March 31, 2022	84,000	15,000	129,701	232,196	25,938	2,752	489,587

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
As at June 30, 2020	84,000	15,000	129,701	213,396	10,218	2,752	455,067
Prior Year Adjustment (note-41)	-	-	-	1,026	-	-	1,026
Restated Retained Earnings	84,000	15,000	129,701	214,422	10,218	2,752	456,093
Net Profit for the nine months ended on 31st March 2021	-	-	-	21,111	-	-	21,111
Final dividend for the year 2019-2020	-	-	-	(12,600)	-	-	(12,600)
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	7	-	7
As at March 31, 2021	84,000	15,000	129,701	222,933	10,225	2,752	464,611

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

Sd/-
Shahriar Ahmed
Acting 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

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2022
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 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:

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	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, 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, 2022. (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 conform 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, 2021 to March 31, 2022. (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 2020-2021 for income statement and financial position with June 30, 2021.

	Value in Taka '000'	
	As at 31.03.2022	As at 30.06.2021
4. Property, Plant and Equipment (WDV):		
Details of property, plant & equipment and depreciation are as follows:		
Fixed assets at cost:		
Opening Balance	1,402,345	1,390,443
Addition during the period	31,421	14,394
Disposal during the period	-	(2,492)
Closing Balance (cost)	1,433,766	1,402,345
Accumulated Depreciation:		
Opening Balance	1,205,314	1,174,288
Charged during the period	22,876	33,422
Disposal during the period	-	(2,396)
Closing Balance (Depreciation)	1,228,190	1,205,314
Written Down Value (WDV)	205,576	197,031
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:	39,363	22,675
During the period, investment has been changed due to record the share price at market rate in financial position date.		
6. Investment in Financial Assets:	74,854	72,779
FDR's were purchased from EBL for more than one year (i.e. 380 days).		
7. Right of Use Assets:	-	2,374
Right of use assets has been created due to comply with IFRS 16 "Lease" against long term agreement for Office Rent.		
8. Security Deposits:	10,056	10,056
Security deposits are made to statutory bodies and hence secured.		
9. Inventories:		
Finished Goods (T, Polo, Sweat Shirt)	78,074	46,371
Raw Materials (Yarn & Dyes Chemical)	94,335	159,038
WIP (Dyed, Knitted Fabric & Garments)	75,324	119,279
Accessories	30,504	13,779
	278,237	338,467
10. Trade Receivables:	526,727	486,618
Trade receivables have been increased due to increase of turnover during end of the period.		

11. Advances, Deposits & Pre-payments:

	Value in Taka '000' As at 31.03.2022	As at 30.06.2021
Advance Income Tax	74,073	45,544
Deposits to Multi Securities & Services Ltd	1	1
Advance against expenses	14,813	5,703
	88,887	51,248

The increase of 73.45% due to increase of Advance Income Tax mainly.

12. Other Receivables:

	Value in Taka '000' As at 31.03.2022	As at 30.06.2021
Cash Incentive Receivable	29,787	8,168
FDRs Interest Receivable	52	685
PF Lapse receivable (employer Portion)	-	1,411
Receivable against interest on stimulus package loan	575	808
	30,414	11,072

The increase of 174.69% 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.

13. Margin on Acceptance:

Margin on acceptance-EBL has converted in BDT at closing rate @ 85.25 per USD as on 31.03.2022 & as compare to BDT @ 83.95 per USD as on 30.06.2021 which has retained for BTB/LC liability settlement.

14. Cash & Cash Equivalent:

	20	20
Cash in hand		
Cash at Bank:		
CD Account with SCB, Dhaka	190	190
CD Account with Mutual Trust Bank Ltd, Chandora	837	1,036
CD Account with DBBL, Dhaka	4,611	5,594
CD Account with HSBC-Dividend, Dhaka	1,045	688
OD Account with Eastern Bank Ltd., Dhaka	-	126,619
CD Account with HSBC, Dhaka	742	531
Foreign Currency Account with EBL, Dhaka-USD	9,899	22,806
Foreign Currency Account with HSBC, Dhaka-USD	12	13
SND Account with SCB, Dhaka	734	734
SND Account with EBL, Principal Branch, Dhaka	16	17
SND Account with HSBC, Dhaka	1	1
	18,087	158,229
	18,107	158,249

Foreign Currency Account balances has converted in BDT at closing rate @ 85.25 per USD as on 31.03.2022 & as compare to BDT @ 83.95 per USD as on 30.06.2021.

Sd/-
Shahriar Ahmed
Acting 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

	Value in Taka '000'			
	As at 31.03.2022	As at 30.06.2021		
15. 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				
15.a Composition of Shareholdings :				
	No. of Share	%	No. of Share	%
Sponsors & Directors	4,555,960	54.24	4,603,751	54.81
Institutions	1,206,549	14.36	2,093,528	24.92
Public - Local	2,616,811	31.15	1,670,960	19.89
Foreign Shareholders	20,680	0.25	31,761	0.38
	8,400,000	100	8,400,000	100
16. 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.				
17. Reserve & Surplus :				
Reserve for Re-Investment	129,701	129,701		
Retained Earnings	232,196	226,458		
Capital Gain	2,752	2,752		
	364,649	358,911		
18. Fair valuation surplus of Investments (Net of Tax):				
Opening Balance	10,919	10,218		
Fair valuation surplus/(deficit) during the period (net of tax)	15,019	701		
	25,938	10,919		
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 Financial Position price.				
19. Long Term Loan (Stimulus Package):	-	44,162		
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. We have already paid nine installments out of 20 equal monthly installments.				
20. Deferred Tax Liabilities:				
a Book Value of Depreciable Assets	205,576	197,031		
Tax Base of Depreciable Assets	202,786	191,983		
Net Taxable Temporary Difference	2,790	5,048		
Effective Tax Rate	12.00%	12.00%		
Closing Deferred tax (Assets)/Liabilities arising from assets	335	606		
Opening Deferred Tax Balance	606	1,147		
Deferred Tax Income/(Expense)	271	541		
b Unrealised Interest on FDRs	52	685		
Effective Tax Rate	22.50%	22.50%		
Closing Deferred tax (Assets)/Liabilities arising from				
Unrealised FDRs Interest	12	154		
Opening Deferred Tax Balance	154	358		
Deferred Tax Income/(Expense)	142	204		
c Unrealised Foreign Exchange Gain/(Loss) from translation	(23,973)	3,944		
Effective Tax Rate	22.50%	22.50%		
Closing Deferred tax (Assets)/Liabilities arising from Exchange Gain/(Loss) from translation	(5,394)	887		
Opening Deferred Tax Balance	887	(157)		
Deferred Tax Income/(Expense)	6,281	(1,044)		
d Dividend Receivable	-	-		
Effective Tax Rate	20.00%	20.00%		
Closing Deferred tax (Asst)/Liab. arising from PF Lapse Receiv.	-	-		
Opening Deferred Tax Balance	-	-		
Deferred Tax Income/(Expense)	-	-		
e PF Lapse Receivable	-	1,411		
Effective Tax Rate	22.50%	22.50%		
Closing Deferred tax (Asst)/Liab. arising from PF Lapse Receiv.	-	317		
Opening Deferred Tax Balance	317	1,249		
Deferred Tax Income/(Expense)	317	932		
f Cash Incentive Receivable	29,787	8,168		
Effective Tax Rate	10.00%	10.00%		
Closing Def. tax (Asst.)/Liab. arising from cash incentive Receiv.	2,979	817		
Opening Deferred Tax Balance	817	79		
Deferred Tax Income/(Expense)	(2,162)	(738)		
Total Deferred Tax Income/(Expense) from (a+b+c+d+e+f)	4,850	(106)		
g Deferred Tax (Assets)/Liabilities arising from Other				
Comprehensive Income- surplus from fair value of share :	28,820	12,132		
Tax for (Loss)/gain on available for sale investments @ 10%	2,882	1,213		
Closing deferred tax (assets)/liabilities arising from Fair Valuation Surplus of Investments	2,882	1,213		
Opening Deferred Tax Balance	1,213	1,135		
Deferred Tax Income/(Expense)	(1,669)	(78)		
Deferred Tax Closing Liability (a+b+c+d+e+f+g)	813	3,995		

	Value in Taka '000'	
	As at 31.03.2022	As at 30.06.2021
21. Working Capital Loan (secured):		
OD Account with Eastern Bank Ltd., Dhaka	2,475	-
	2,475	-
The working capital loan increased due to utilization of working capital for salaries & wages and regular payment.		
22. Long Term Loan-Current Maturity:	72,048	73,964
This represents the part of stimulus package loan which will pay in next 12 months.		
23. Lease Liability:	-	2,906
Lease Liability was created due to comply with IFRS 16 "Lease" against long term agreement for Office Rent.		
24. Short Term Loan :		
Time Loan-EBL	26,350	15,492
Import Loan-EBL	5,087	34,084
	31,437	49,576
The decrease of short term loan due to repayment of loans as per schedule date.		
25. Trade Payables:	897,505	793,082
The increase of trade Payables due to purchase of raw material under BTB L/C support the export.		
26. Other Payables:		
Freight & Forwarding	16,247	14,001
Insurance Premium	718	195
Power, Fuel and Water	10,323	10,801
Telephone, Telex & Fax	51	46
Salaries, Wages and Overtime	44,760	55,733
Provision for Audit Fees	302	403
Income Tax Payable	55,445	30,074
Provident Fund Payable	2,360	2,429
Payable for Corporate Expenses	530	1,308
Payable for Other Expenses	589	675
Payable for Tax Deducted at Sources	3,533	2,138
VAT Payable	51	76
	134,909	117,878
The increase of 14.45% in other payables mainly for income tax payable.		
27. Unclaimed Dividend Account:	2,271	9,484
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	
	1994-1995 to 2016-2017	7,585
	2017-2018	1,175
	2018-2019	429
	2019-2020	269
	2020-2021	398
	Unclaimed Dividend 2017-2018 to 2020-2021	2,271
		9,484
28. Net Assets value (NAV) Per Share:		
Equity Attributable to the Owners of the Company	489,587	468,830
Number of Ordinary Shares	8,400	8,400
Net Assets value (NAV) Per Share	58.28	55.81
	July'2021 to	July'2020 to
	March' 2022	March' 2021
	3,365,061	2,913,453
29. Revenue:		
Revenue has been increased by 15.50% as compared to the revenue of same period of July 2020 to March 2021 due to increase of quantity sold during the period.		
30. Cost of Goods Sold:		
Opening Stock of Finished Goods	46,371	37,472
Add: Cost of Production (note # 30.a)	3,160,748	2,704,340
Less: Closing Stock of Finished Goods	(78,074)	(56,558)
	3,129,045	2,685,255
30.a. Cost of Production:		
Opening Raw Materials, WIP & Accessories	292,096	294,635
Add: Raw Materials purchase during the period	1,933,830	1,513,267
Add: Factory Overhead (Note # 30.a.a)	1,134,985	1,063,779
Less: Closing Raw Materials, WIP & Accessories	(200,163)	(167,341)
	3,160,748	2,704,340
30.a.a Factory Overhead:		
Carriage inward	6,885	5,828
Electricity	1,576	773
Gas, Fuel & Lubricant	95,399	83,167
Insurance Premium	3,965	4,134
Repairs & Maintenance	81,363	73,941
Telephone Charges	57	36
Wages, Salaries & Allowance	896,566	835,021
Bank Charges & Commission	8,799	11,206
Depreciation	21,483	23,938
Fire Fighting Exp.	-	8
Travelling & Conveyance	4,758	5,550
Testing Bill	10,119	14,568
Uniform & Liveries	685	481
Chemical for Effluent Treatment Plant	1,779	3,474
Entertainment	1,002	1,068
UD & UP Expenses	550	586
	1,134,985	1,063,779
The increase of factory overhead mainly for wages, salaries & allowance and gas bill.		

Sd/-
Shahriar Ahmed
Acting 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
Page 3 of 4

	Value in Taka '000'	
	July 2021-March' 2022	July 2020-March' 2021
31. Other Operating Income/(loss):		
Foreign exchange gain/(loss) from operations	11,799	(4)
Foreign exchange gain/(loss) from translation	(23,973)	2,685
	<u>(12,174)</u>	<u>2,681</u>
32. Administrative & Selling Overhead:		
AGM Expenses	-	5
Audit Fee (Including VAT)	302	302
Bank Charges & Commission	6,826	5,277
Board Meeting Fees (Including VAT)	25	21
Depreciation	1,393	971
Depreciation on Right of Use Assets	2,374	-
Directors Remuneration	2,700	2,700
Entertainment	966	494
Export Processing & Handling Expenses	2,875	3,395
Freight & Forwarding Expenses	39,097	25,453
Insurance Premium	2,174	1,669
Legal & Professional Fees	287	483
Medical Expense	87	50
Newspapers & Periodicals	11	5
Postage & Stamp	40	36
Power & Fuel	471	557
Printing Expense	2,348	2,573
Stationery Expenses	2,566	2,170
Publicity & Advertisement	414	145
Renewal & Fees	6,820	5,284
Rent & Rates	109	4,766
Vat on Office Rent	370	-
Repairs & Maintenance	17,370	6,398
Salaries & Allowances	56,335	73,145
Sales Promotional Expenses	7,809	4,526
Subscription & Donation	-	12
Travelling & Conveyance	2,879	2,852
Telephone, Fax and Radio Link	538	504
Transportation Expenses	13,045	7,031
	<u>170,232</u>	<u>150,824</u>
33. Finance & Other Income:		
Dividend Income	1,766	1,111
Interest earned on SND Account	0	3
Interest on FDRs	1,671	3,060
	<u>3,438</u>	<u>4,174</u>

The decrease of 17.63% is mainly for decrease interest rate of time deposits.

34. Financial Expenses:

Interest on Term Loan-Stimulus	808	1,718
Interest on Time Loan	1,129	1,075
Supplier Finance Program Charges(SFP)	10,845	4,675
Interest on Overdraft	139	175
Interest on Finance Lease for Office Rent	66	-
F.C. Charges	7	30,727
	<u>12,995</u>	<u>38,370</u>

Financial expenses has been decreased due to reduce of FC Charges by applying Supplier

Finance Program charges (SFP) for early realization of export proceeds

35. Workers Profit Participation Fund (WPPF)

	995	899
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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 need to maintain a separate fund as required under section 234 of the labor Act 2006.

36. Current Tax:

	25,370	23,547
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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 2021 to 31st March 2022.

Calculation of Current tax:

Applicable		
a) Tax on Operating profit Basis	Tax Rate %	
Profit before tax	43,058	44,960
Other Operating Income/Loss	12,174	(2,681)
Finance & Other Income	(3,438)	(4,174)
Net Operating profit/(Loss)	51,794	38,105
Tax on Operation Profit	12.00	<u>6,215</u>
		<u>4,573</u>
b) Minimum Tax U/S -82c(2)		
TDS on export proceeds	0.50	16,583
TDS on Cash Incentive (realized amount)	10.00	4,944
		<u>21,527</u>
		<u>21,284</u>
c) Minimum Tax U/S -82c(4)		
Realized from Revenue =(0.60%/22.5%*12%)	0.320	10,581
Realized from other operating Income	0.600	71
Realized from Cash Incentive	0.600	296
Realized from Dividend Income	0.600	11
Realized from finance & Other Income	0.600	22
		<u>10,981</u>
		<u>9,162</u>

So, Current tax

Business tax- Higher of a, b & c **	above b	21,527	21,284
Tax on Dividend Income (Realised)	20.00	353	222
Tax on Interest Income (Realised)	22.50	519	1,091
Tax on other operating Income (Realised)	22.50	2,655	(1)
Tax on PF Lapse received	22.50	317	951
		<u>25,371</u>	<u>23,547</u>

	Value in Taka '000'	
	July 2021-March' 2022	July 2020-March' 2021
Effective Tax Rate =(Tax Expenses/Profit Before Tax)	47.66%	53.04%

** Since the source tax deducted under Income Tax Ordinance 1984 for Tk. 21,527/- is higher than tax on operating profit basis Tk. 6,215/- and minimum tax on gross receipts Tk. 10,981/- . So higher is provided as current tax liability from business for the period ended March 31, 2022.

37. Deferred Tax (Expenses)/Income:

	4,850	(302)
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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, Foreign exchange translation gain /(loss) & WDV of fixed assets. (Please see the details in note # 20 for total deferred tax income/(expense) from above mentioned temporary differences).

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

	15,019	7
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Fair valuation surplus/(deficit) of investments represents the difference of market value of the listed Company's share on the closing date of 31st March, 2022 and the last audited Financial Position price as at 30th June, 2021.

39. Basic Earning Per Share (EPS):

Earnings after tax Attributable to the Owners of the Company	22,538	21,111
Number of Ordinary Shares	8,400	8,400
Basic Earning Per Share (EPS)	<u>2.68</u>	<u>2.51</u>

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

Net cash generated from /used in) operating activities	1,204	155,691
Number of Ordinary Shares	8,400	8,400
Net Operating Cash Flows (NOCF) Per Share	<u>0.14</u>	<u>18.53</u>

Net operating cash flows was Tk. 0.14 per share for the 3rd quarter ended on March 31, 2022 but it was Tk. 18.53 for the same period of last year, this is mainly for more payment of cost & expenses as compare to collection from revenue.

41. Prior Year Adjustment:

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 2016 to June 30, 2020 & retained earnings as at July 01, 2020 has been adjusted accordingly by Tk. 1,025,940/- (net of tax).

42. 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 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 # 32; 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 administrated 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.

43. 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.

CASH FLOWS FROM OPERATING ACTIVITIES:

	July 2021 to March' 2022	July 2020 to March' 2021
Profit After Tax	22,538	21,111

Adjustment for non-cash & non operating items:

Add: Depreciation During the period	25,250	24,909
Add/(Less): Unadjusted Foreign Exchange (Gain)/Loss from Translation	(421)	116
Less: Finance Income adjustment	(3,438)	(4,171)
Add: Interest & Other Financial Charges adjustment	12,995	38,370
Add: Tax Expenses	20,520	23,850

Increases & Decreases:

(Increase)/Decrease in Inventories	60,230	108,210
(Increase)/Decrease in Trade Receivables	(40,109)	116,243
(Increase)/Decrease in other Receivables	(19,975)	(6,551)
(Increase)/Decrease in Advances, Deposits & Prepayments	1,578	(181)
(Increase)/Paid) Income tax during the period	(28,529)	(25,447)
Increase/(Decrease) in Trade Payables	(41,095)	(91,926)
Increase/(Decrease) in Other Payables	(8,340)	(48,842)
Net cash generated from/(used in) operating activities	<u>1,204</u>	<u>155,691</u>

RECONCILIATION

Net cash generated from/(used in) operating activities-Indirect Method	1,204	155,691
Net cash generated from/(used in) operating activities-Direct Method	1,204	155,691
Differences	<u>0.00</u>	<u>0.00</u>

44. Contingent Liability:

There is Tk. 17.07 million as Bank guarantee to "Titas Gas Transmission & Distribution Company Ltd" & Reliance Insurance Com. Ltd for which the Company is contingently liable as at March 31, 2022.

45. Events after Reporting Period:

a) Unclaimed Dividend for the year 2017-2018:

We have circulated in newspapers to inform our valued shareholders to collect/claim their dividend for the year 2017-2018 within May 12,2022, otherwise the said unclaimed dividend shall be transferred to the "Capital Market Stabilization Fund" within May 31, 2022.

b) 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.

Sd/-
Shahriar Ahmed
Acting 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