

APEX SPINNING & KNITTING MILLS LIMITED

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

In compliance with the Notification No:SEC/CMRCD/2008-183/Admin/03-34 dated September 27, 2009 of the Bangladesh Securities and Exchange Commission, we are pleased to forward herewith the un-audited 1st Quarter (Q1) Financial Statements for the period ended on 30th June, 2013 of the Company.

STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 30TH JUNE 2013

	Value in Taka '000'		
	As on 30.06.2013	As on 31.03.2013	Growth %
ASSETS			
Non Current Assets:			
Property, Plant and Equipment Investment	297,255	307,546	(3)
	12,647	12,647	0
	309,902	320,193	
Current Assets:			
Inventories	186,421	185,097	1
Trade Debtors	284,648	281,069	1
Advance, Deposits & Prepayments	100,954	91,467	10
Other Receivable	4,445	3,508	27
Cash & Cash Equivalents	277,109	300,258	(8)
	853,577	861,399	(1)
TOTAL ASSETS	1,163,479	1,181,592	
EQUITY AND LIABILITIES:			
Shareholders' Equity			
Share Capital	84,000	84,000	0
Share Premium	15,000	15,000	0
Reserve and Surplus	317,806	313,188	1
Fair Valuation Surplus of Investment	2,104	2,104	0
	418,910	414,292	
Non Current Liabilities			
Deferred Tax Liability	1,208	1,208	0
	1,208	1,208	
Current Liabilities			
Working Capital Loan	(878)	35,631	(102)
Short Term Loan	47,743	79,523	(40)
Trade Creditors	595,358	553,551	8
Sundry Creditors	101,138	97,387	4
	743,361	766,092	
Total Liabilities	744,569	767,300	(3)
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,163,479	1,181,592	
Net Assets Value Per Share	49.87	49.32	

STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE 1ST QUARTER ENDED ON 30TH JUNE 2013

	Value in Taka '000'		
	01.04.2013 to 30.06.2013	01.04.2012 to 30.06.2012	Growth %
TURNOVER			
Cost of Goods Sold	630,839	650,215	(3)
	576,671	598,691	(4)
GROSS PROFIT	54,168	51,524	5
OPERATING EXPENSES:			
Administrative & Selling Overhead	45,425	42,289	7
Financial Expenses	1,566	1,699	(8)
	46,991	43,988	
OPERATING PROFIT	7,177	7,536	(5)
Other Income	1,561	394	296
PROFIT BEFORE PPF & WF	8,738	7,930	10
Provision for Contribution to PPF & WF	437	378	16
PROFIT BEFORE TAX	8,301	7,552	10
Provision for tax	3,683	3,753	(2)
NET PROFIT AFTER TAX	4,618	3,799	22
Other comprehensive income	-	-	-
TOTAL COMPREHENSIVE INCOME	4,618	3,799	22
Basic earning per share	0.55	0.45	22

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE 1ST QUARTER ENDED ON 30TH JUNE 2013

Particulars	Value in Taka '000'						
	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 1st April 2013	84,000	15,000	129,701	180,735	2,752	2,104	414,292
Net Profit for the 1st quarter ended on 30th June 2013	-	-	-	4,618	-	-	4,618
As at 30th June 2013	84,000	15,000	129,701	185,353	2,752	2,104	418,910

STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE 1ST QUARTER ENDED ON 30TH JUNE 2013

	Value in Taka '000'		
	01.04.2013 to 30.06.2013	01.04.2012 to 30.06.2012	Growth %
CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection from turnover	627,260	623,189	1
Other income	1,561	394	296
Interest & other financial charges paid	(18,033)	(17,197)	5
Income tax paid	(5,544)	(4,944)	12
Payment for costs and expenses	(557,373)	(541,871)	3
Net cash generated from operating activities (a)	47,871	59,571	(20)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property, Plant and Equipment acquired	(2,714)	(8,044)	(66)
Investment in share	-	(352)	(100)
Net cash used in investing activities (b)	(2,714)	(8,396)	(68)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Working capital loan received/(repaid)	(36,509)	(20,932)	74
Short term loan received/(repaid)	(31,780)	3,410	(1,032)
Dividend paid	(17)	(29)	(41)
Net cash generated from financing activities (c)	(68,306)	(17,551)	289
Net increase/(decrease) in cash and cash equivalents (a+b+c)	(23,149)	33,624	(169)
Cash and cash equivalents on opening	300,258	189,300	59
Cash and cash equivalents on closing	277,109	222,924	24
Net Operating Cash Flow Per Share	5.70	7.09	

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE 1ST QUARTER ENDED ON 30TH JUNE 2012

Particulars	Value in Taka '000'						
	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 1st April 2012	84,000	15,000	129,701	177,368	2,752	3,722	412,543
Net Profit for the 1st quarter ended on 30th June 2012	-	-	-	3,799	-	-	3,799
As at 30th June 2012	84,000	15,000	129,701	181,167	2,752	3,722	416,342

Explanatory Notes:

- (1) These financial statements have been prepared under the historical cost convention and going concern basis.
- (2) No interim dividend paid during the interim period ended on 30th June 2013.
- (3) No diluted EPS is required to be calculated as there was no dilution during this period.
- (4) Figures were rounded-off to the nearest thousand Taka.
- (5) Revaluation surplus/deficit of investment & deferred tax calculation have not been considered because these will be shown in the yearly financial statements.

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

Sd/-
Zahur Ahmed PhD
Managing Director

Sd/-
Shahriar Ahmed
Director

Sd/-
Kamruzzaman FCA
Chief Financial Officer

SELECTIVE NOTES TO THE FINANCIAL STATEMENTS FOR THE 1ST QUARTER ENDED ON JUNE 30, 2013

	Value in Taka '000'	
	As on 30.06.2013	As on 31.03.2013
1. Property, Plant and Equipment (WDV):	<u>297,255</u>	<u>307,546</u>
<p>During the period, fixed assets have been increased by Tk. 2,714,096/- mainly for factory building Tk. 1,568,516/- for extension of store building & dormitory building . Depreciation of Tk. 13,005,585 charged during the period which lead to decrease the WDV of the property, plant & equipment.</p>		
2. Advance, Deposits & Pre-payments:		
Advance Income Tax	85,534	79,990
Staff Advance	1,042	1,068
Securities & Deposits	6,534	6,534
Advance against expenses	7,844	3,875
	<u>100,954</u>	<u>91,467</u>
<p>The growth of 10.37% mainly due to deduction of tax at source at the time of import and export realization and on interest of FDRs & STD account & advance against local purchase .</p>		
3. Other Receivable:		
Cash Incentive Receivable	4,445	3,508
	<u>4,445</u>	<u>3,508</u>
<p>The growth of 26.67% in other receivables due to increase in cash incentive receivable from the Bank which will be received from bank time to time depending on their availability of fund from Bangladesh Bank.</p>		
4. Working Capital Loan:		
Eastern Bank Ltd, Principal Br. Dhaka	7,744	50,449
HSBC, Dhaka	(8,622)	(14,818)
	<u>(878)</u>	<u>35,631</u>
<p>The working capital loan decreased to 102.46% due to repayment of the outstanding balance of the loan.</p>		
5. Short Term Loan :		
Time loan-EBL	4,766	9,030
Import loan-EBL	17,122	25,025
Time loan-HSBC	25,855	45,468
	<u>47,743</u>	<u>79,523</u>

The decrease of short term loan due to repayment of loans on due date as per schedule.

Sd/-
Zahur Ahmed PhD
Managing Director

Sd/-
Shahriar Ahmed
Director

	Value in Taka '000'	
	April to June 2013	April to June 2012
6. Turnover:	<u>630,839</u>	<u>650,215</u>
<p>Turnover has been decreased by 2.98% as compared to the turnover of same period of 2011-12 due to price fall in international market & decreased of foreign currency conversion rate significantly.</p>		
7. Cost of Goods Sold:	<u>576,671</u>	<u>598,691</u>
<p>The decrease of cost of goods sold due to the decrease of Turnover.</p>		
8. Financial Expenses:		
Interest on Term Loan	1,056	1,393
Interest on Overdraft	510	306
	<u>1,566</u>	<u>1,699</u>
<p>The decrease of financial expenses due to repayment of short term loan.</p>		
9. Other Income:		
Interest earned on STD Account	6	140
Foreign Exchange Gain	305	254
FDR Interest	1,250	-
	<u>1,561</u>	<u>394</u>
<p>The growth of 296.19% is mainly for interest earned on FDRs & Foreign Exchange Gain.</p>		
10. Provision for Tax:	<u>3,683</u>	<u>3,753</u>
<p>The decreased 1.87% for provision for tax is mainly due to less turnover and deduction at source thereon during this quarter.</p>		
11. Related Party Transactions:		
<p>Apex Spinning & Knitting Mills Limited has few transactions with ApexTextile Printing Mills Limited, Apex Yarn Dyeing Limited and Matex Bangladesh Limited . These transactions are considered as related party transactions as per BAS 24 "Related Party Transaction" . The transactions are occurred during the period with an arm length transaction as per other normal buying & selling of dyes & chemical and yarn dyeing cost.</p>		

Sd/-
Kamruzzaman FCA
Chief Financial Officer