

**APEX SPINNING & KNITTING MILLS LIMITED**

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

**UN-AUDITED FIRST QUARTER (Q1) FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON SEPTEMBER 30, 2022**

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

**AS AT SEPTEMBER 30, 2022**

Value in Taka '000'

Notes	As at 30.09.2022	As at 30.06.2022	Growth %
<b>ASSETS</b>			
<b>Non-Current Assets:</b>			
	336,540	333,601	0.88
Property, Plant and Equipment	212,436	215,457	(1.40)
Investment	39,194	32,356	21.13
Investment in Financial Assets	74,854	74,854	-
Deferred Tax Assets	-	878	(100.00)
Security Deposits	10,056	10,056	(100.00)
	982,607	1,212,721	(18.98)
<b>Current Assets:</b>			
Inventories	379,327	359,149	5.62
Trade Receivables	194,184	502,575	(61.36)
Advances, Deposits & Pre- Payments	113,892	90,960	25.21
Other Receivables	12,383	30,163	(58.95)
Margin on Acceptance	237,045	217,783	8.84
Cash & Cash Equivalents	45,776	12,092	278.56
<b>TOTAL ASSETS</b>	<b>1,319,147</b>	<b>1,546,322</b>	<b>(14.69)</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity:</b>			
	501,761	490,402	2.32
Share Capital	84,000	84,000	-
Share Premium	15,000	15,000	-
Reserve and Surplus	376,975	371,770	1.40
Fair Valuation Surplus of Investments	25,786	19,632	31.35
<b>Non-Current Liabilities:</b>			
	235	-	-
Long Term Loan	-	-	-
Deferred Tax Liability	235	-	-
<b>Current Liabilities:</b>			
	817,151	1,055,920	(22.61)
Working Capital Loan (Secured)	47,972	47,109	1.83
Long Term Loan-Current Maturity	32,793	52,340	(37.35)
Short Term Loan	6,217	15,548	(60.02)
Trade Payables	593,294	795,785	(25.45)
Other Payables	135,796	144,058	(5.74)
Unclaimed Dividend Account	1,079	1,079	(0.00)
<b>Total Liabilities</b>	<b>817,386</b>	<b>1,055,920</b>	<b>(22.59)</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,319,147</b>	<b>1,546,322</b>	<b>(14.69)</b>
<b>Net Assets Value (NAV) Per Share</b>	<b>59.73</b>	<b>58.38</b>	<b>2.32</b>

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

**FOR THE 1ST QUARTER ENDED ON SEPTEMBER 30, 2022**

Value in Taka '000'

Notes	01.07.2022 to 30.09.2022	01.07.2021 to 30.09.2021	Growth %
<b>REVENUE</b>			
27	720,316	761,969	(5.47)
<b>Cost of Goods Sold</b>			
28	(648,459)	(714,278)	(9.21)
<b>GROSS PROFIT</b>			
	71,857	47,691	50.67
<b>Other Operating Income/(Loss)</b>			
29	(21,238)	1,433	(1,582.04)
<b>Administrative &amp; Selling Overhead</b>			
30	(24,071)	(32,958)	(26.96)
<b>OPERATING PROFIT/(LOSS)</b>			
	26,549	16,166	64.23
<b>Finance &amp; Other Income</b>			
31	1,919	558	243.85
<b>Financial Expenses</b>			
32	(6,993)	(4,968)	40.77
<b>PROFIT BEFORE WPPF</b>			
	21,474	11,756	82.66
<b>Workers Profit Participation Fund (WPPF)</b>			
33	(312)	(320)	(2.38)
<b>PROFIT BEFORE TAX</b>			
	21,162	11,436	85.04
<b>TAX EXPENSES:</b>			
	(15,953)	(6,005)	165.73
<b>Current Tax</b>			
34	(15,528)	(7,229)	114.80
<b>Deferred Tax (Expenses)/Income</b>			
35	(429)	1,224	(135.04)
<b>NET PROFIT AFTER TAX</b>			
	5,205	5,431	(4.16)
<b>OTHER COMPREHENSIVE INCOME:</b>			
36	6,154	6,550	(6.05)
<b>Fair Valuation Surplus / ( Deficit ) of Investment</b>			
	6,838	7,278	(6.05)
<b>Deferred Tax (Exp.)/Income on share valuation Surplus or Deficit</b>			
	(684)	(728)	(6.08)
<b>TOTAL COMPREHENSIVE INCOME</b>			
	11,359	11,981	(5.19)
<b>Basic Earnings Per Share (EPS)</b>			
37	0.62	0.65	(4.16)

**STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE 1ST QUARTER ENDED ON SEPTEMBER 30, 2022**

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, 2022</b>	84,000	15,000	129,701	239,317	19,632	2,752	490,402
Net Profit for the three months ended on 30 September, 2022	-	-	-	5,205	-	-	5,205
Dividend paid during the period	-	-	-	-	-	-	-
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	6,154	-	6,154
<b>As at September 30, 2022</b>	<b>84,000</b>	<b>15,000</b>	<b>129,701</b>	<b>244,522</b>	<b>25,786</b>	<b>2,752</b>	<b>501,761</b>

**STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE 1ST QUARTER ENDED ON SEPTEMBER 30, 2022**

Value in Taka '000'

Note	01.07.2022 to 30.09.2022	01.07.2021 to 30.09.2021	Growth %
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Collection From Revenue	1,029,062	1,069,389	(3.77)
Finance Income from SND	-	-	-
Other Income from foreign exchange gain/(loss) from operat	338	(545)	(162.01)
Received from PF Lapse	958	-	-
Bank Charges & Commission	(3,970)	(5,821)	(31.80)
Income Tax Paid	(16,298)	(8,375)	94.60
Payment for Costs and Expenses	(932,773)	(1,032,444)	(9.65)
<b>Net cash generated from/(used in) operating activities (a)</b>	<b>77,316</b>	<b>22,204</b>	<b>248.21</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Property, Plant and Equipment Acquired	(5,434)	(9,095)	(40.26)
Received from Sale of Assets	1,600	-	-
Advance against Purchase of Fixed Assets	(4,227)	-	-
Finance Income from FDRs	-	-	-
<b>Net cash generated from/(used in) investing activities (b)</b>	<b>(8,061)</b>	<b>(9,095)</b>	<b>(11.37)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Working Capital Loan received/(repaid)	862	1,262	(31.66)
Term loan received/(repaid)	(19,548)	(6,623)	195.15
Short Term loan received/(repaid)	(9,331)	(18,153)	(48.60)
Dividend Paid during the period	-	(7,586)	(100.00)
Payment on Finance Lease for Office Rent	-	(1,274.00)	(100.00)
Interest & other financial charges paid	(6,993)	(4,921)	42.11
<b>Net cash generated from/(used in) financing activities (c)</b>	<b>(35,010)</b>	<b>(37,295)</b>	<b>(6.13)</b>
<b>Net increase/(decrease) in cash and cash equivalents(a+b+c)</b>			
	34,246	(24,186)	(241.59)
Cash & cash equivalents on opening	12,092	158,249	(92.36)
Foreign exchange gain/(loss) from translation	(562)	177	(417.51)
<b>Cash &amp; cash equivalents on closing</b>	<b>45,776</b>	<b>134,241</b>	<b>(65.90)</b>
<b>Net Operating Cash Flows Per Share</b>	<b>9.20</b>	<b>2.64</b>	<b>248.21</b>

**STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE 1ST QUARTER ENDED ON SEPTEMBER 30, 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, 2021</b>	84,000	15,000	129,701	226,458	10,919	2,752	468,830
Prior Year Adjustment ( Note-40)	-	-	-	686	-	-	686
<b>Restated Retained Earnings</b>	<b>84,000</b>	<b>15,000</b>	<b>129,701</b>	<b>227,144</b>	<b>10,919</b>	<b>2,752</b>	<b>469,516</b>
Net Profit for the three months ended on 30 September, 2021	-	-	-	5,431	-	-	5,431
Dividend paid during the period	-	-	-	-	-	-	-
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	6,550	-	6,550
<b>As at September 30, 2021</b>	<b>84,000</b>	<b>15,000</b>	<b>129,701</b>	<b>232,575</b>	<b>17,469</b>	<b>2,752</b>	<b>481,497</b>

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

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

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 1ST QUARTER ENDED ON SEPTEMBER 30, 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:**

The Interim Financial Statements have been prepared under the Historical Cost Convention, Accrual and Going Concern basis in accordance with applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) which does not vary from the requirements of the Companies Act, 1994 and the Listing Regulations of the Stock Exchanges, The Securities & Exchange Rules, 2020 and other laws and rules applicable in Bangladesh.

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

We have complied the following IAS & IFRS as applicable for 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, 2020, 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 September 30, 2022. (b) No diluted EPS is required to be calculated as there was no dilution during this period. (c) Last year's 1st quarter figures have been rearranged where considered necessary to confirm to current 1st 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, 2022 to September 30, 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 2021-2022 for income statement and financial position with June 30, 2022.

**4. Property, Plant and Equipment (WDV):**

Details of property, plant & equipment and depreciation as at September 30, 2022 are as follows:

	Value in Taka '000'	
	As at 30.09.2022	As at 30.06.2022
<b>Fixed assets at cost:</b>		
Opening Balance	1,452,233	1,402,345
Addition during the period	5,434	49,888
Disposal during the period	(17,684)	-
<b>Closing Balance (cost)</b>	<u>1,439,983</u>	<u>1,452,233</u>
<b>Accumulated Depreciation:</b>		
Opening Balance	1,236,776	1,205,314
Charged during the period	7,815	31,462
Disposal during the period	(17,043)	-
<b>Closing Balance (Depreciation)</b>	<u>1,227,547</u>	<u>1,236,776</u>
<b>Written Down Value (WDV)</b>	<u>212,436</u>	<u>215,457</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.

**5. Investment:**

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

**6. Investment in Financial Assets:**

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

**7. Security Deposits:**

Security deposits are made to statutory bodies and hence secured.

**8. Inventories:**

Finished Goods (T, Polo, sweat Shirt)	162,001	48,386
Raw Materials (Yarn & Dyes Chemical)	106,367	108,662
WIP (Dyed, Knitted Fabric & Garments)	82,209	168,188
Accessories	28,750	33,913
	<u>379,327</u>	<u>359,149</u>

**9. Trade Receivables:**

Trade receivables have been decreased due to realize as per schedule.

**10. Advances, Deposits & Pre-payments:**

	Value in Taka '000'	
	As at 30.09.2022	As at 30.06.2022
Advance Income Tax	102,131	85,833
Deposits to Multi Securities & Services Ltd	1	1
Advance against expenses	11,760	5,126
	<u>113,892</u>	<u>90,960</u>

The Increase of 25.21% due to increase of advance income tax mainly.

**11. Other Receivables:**

Cash Incentive Receivable	10,099	27,753
FDRs Interest Receivable	1,965	1,006
PF Lapse receivable (employer Portion)	-	958
Receivable against interest on stimulus package loan	318	446
	<u>12,383</u>	<u>30,163</u>

The decrease of 58.95% in other receivables mainly for cash incentive receivable realised. 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:**

Margin on acceptance-EBL has converted in BDT at closing rate @ 99.00 per USD as on 30.09.2022 & as compare to BDT @ 92.50 per USD as on 30.06.2022 which has retained for BTB liability settlement.

**13. Cash & Cash Equivalent:**

	Value in Taka '000'	
	As at 30.09.2022	As at 30.06.2022
<b>Cash in hand</b>	20	20
<b>Cash at Bank:</b>		
CD Account with SCB, Dhaka	188	188
CD Account with Mutual Trust Bank Ltd, Chandora	481	914
CD Account with DBBL, Dhaka	8,613	2,057
CD Account with HSBC-Dividend, Dhaka	1,079	1,079
OD Account with Eastern Bank Ltd., Dhaka	-	-
OD Account with HSBC, Dhaka	-	-
Foreign Currency Account with EBL, Dhaka-USD	34,640	7,072
Foreign Currency Account with HSBC, Dhaka-USD	7	13
SND Account with SCB, Dhaka	733	734
SND Account with EBL, Principal Branch, Dhaka	13	14
SND Account with HSBC, Dhaka	1	1
	<u>45,756</u>	<u>12,072</u>
	<u>45,776</u>	<u>12,092</u>

Foreign Currency Account balances has converted in BDT at closing rate @ 99.00 per USD as on 30.09.2022 & as compare to BDT @ 92.50 per USD as on 30.06.2022.

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 30.09.2022	As at 30.06.2022
<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>
<b>There was no preference share issued by the Company</b>		
<b>14.a Composition of Shareholdings :</b>		
	No. of Share	%
Sponsors & Directors	4,450,660	52.98
Institutions	1,193,976	14.21
Public - Local	2,734,684	32.55
Foreign Shareholders	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	244,523	239,317
Capital Gain	2,752	2,752
	<u>376,975</u>	<u>371,770</u>
<b>17. Fair valuation surplus of Investments ( Net of Tax):</b>		
Opening Balance	19,632	10,919
Fair valuation surplus/(deficit) during the period (net of tax)	6,154	8,713
	<u>25,786</u>	<u>19,632</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>-</u>	<u>-</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 fifteen installments out of 20 equal monthly installments.		
<b>19. Deferred Tax Liabilities:</b>		
<b>a Book Value of Depreciable Assets</b>	212,436	215,457
Tax Base of Depreciable Assets	210,085	213,421
Net Taxable Temporary Difference	2,351	2,036
Effective Tax Rate	12.00%	12.00%
Closing Deferred tax (Assets)/Liabilities arising from assets	<u>282</u>	<u>244</u>
Opening Deferred Tax Balance	244	605
Deferred Tax Income/(Expense)	<u>(38)</u>	<u>361</u>
<b>b Unrealised Interest on FDRs</b>	1,965	1,006
Effective Tax Rate	20.00%	20.00%
Closing Deferred tax (Assets)/Liabilities arising from Unrealised FDRs Interest	<u>393</u>	<u>201</u>
Opening Deferred Tax Balance	201	154
Deferred Tax Income/(Expense)	<u>(191)</u>	<u>(47)</u>
<b>c Unrealised Foreign Exchange Gain/(Loss) from translation</b>	(21,576)	(32,357)
Effective Tax Rate	20.00%	20.00%
Closing Deferred tax (Assets)/Liabilities arising from Exchange	<u>(4,315)</u>	<u>(6,471)</u>
Opening Deferred Tax Balance	(6,471)	887
Deferred Tax Income/(Expense)	<u>(2,156)</u>	<u>7,358</u>
<b>d Dividend Receivable</b>	-	-
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)	-	-
<b>e PF Lapse Receivable</b>	-	958
Effective Tax Rate	20.00%	20.00%
Closing Deferred tax (Asst)/Liab. arising from PF Lapse Receiv.	-	192
Opening Deferred Tax Balance	192	489
Deferred Tax Income/(Expense)	<u>192</u>	<u>297</u>
<b>f Cash Incentive Receivable</b>	10,099	27,753
Effective Tax Rate	10.00%	10.00%
Closing Def. tax (Asst./Liab. arising from cash incentive Receiv.	<u>1,010</u>	<u>2,775</u>
Opening Deferred Tax Balance	2,775	817
Deferred Tax Income/(Expense)	<u>1,765</u>	<u>(1,958)</u>
Total Deferred Tax Income/(Expense) from (a+b+c+d+e+f)	<u>(429)</u>	<u>6,012</u>
<b>g Deferred Tax (Assets)/Liabilities arising from Other</b>		
<b>Comprehensive Income- surplus from fair value of share :</b>	<u>28,651</u>	<u>21,813</u>
Tax for (Loss)/gain on available for sale investments @ 10%	<u>2,865</u>	<u>2,181</u>
Closing deferred tax (assets)/liabilities arising from Fair Valuation Surplus of Investments	2,865	2,181
Opening Deferred Tax Balance	2,181	1,213
Deferred Tax Income/(Expense)	(684)	(968)
<b>Deferred Tax Closing Liability (a+b+c+d+e+f+g)</b>	<u>235</u>	<u>(878)</u>

	Value in Taka '000'	
	As at 30.09.2022	As at 30.06.2022
<b>20. Working Capital Loan ( secured):</b>		
EBL, Dhaka	23,083	33,754
HSBC, Dhaka	24,889	13,355
	<u>47,972</u>	<u>47,109</u>
The working capital loan is used for salary & wages and regular payment .		
<b>21. Long Term Loan-Current Maturity:</b>	<u>32,793</u>	<u>52,340</u>
This represents the part of stimulus package loan which will pay in next 12 months.		
<b>22. Short Term Loan :</b>		
Time loan-EBL	6,217	15,548
Import loan-EBL	-	-
	<u>6,217</u>	<u>15,548</u>
The decrease of short term loan due to repayment of loans as per schedule date.		
<b>23. Trade Payables:</b>	<u>593,294</u>	<u>795,785</u>
The decrease of trade Payables due to pay of BTB liability as per schedule .		
<b>24. Other Payables:</b>		
Clearing & Forwarding	13,824	15,799
Insurance Premium	35	140
Power, Fuel and Water	9,377	12,514
Telephone, Telex & Fax	43	43
Salary, Wages and Overtime	27,302	46,908
Audit Fees Payable	403	403
Income Tax Payable	77,886	62,358
Provident Fund Payable	2,383	2,393
Payable for Corporate Expenses	1,909	1,292
Payable for other expenses	288	339
Payable for Tax Deducted at Sources	2,105	1,769
Payable for VAT at Source	241	99
	<u>135,796</u>	<u>144,058</u>
The decrease of 5.74% in other payables mainly for payable against salaries, wages & other allowances in which some allowances were provisioned as on 30.06.2022 and it has paid during the period.		
<b>25. Unclaimed Dividend Account:</b>	<u>1,079</u>	<u>1,079</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:		
	<b>Years of Dividend</b>	
	2018-2019	2020
	426	426
	2019-2020	2021
	266	265
	2020-2021	2022
	388	388
<b>Unclaimed Dividend 2018-2019 to 2020-2021</b>	<u>1,079</u>	<u>1,079</u>
<b>26. Net Assets value (NAV) Per Share:</b>		
Equity Attributable to the Owners of the Company	501,761	490,402
Number of Ordinary Shares	8,400	8,400
<b>Net Assets value (NAV) Per Share</b>	<u>59.73</u>	<u>58.38</u>
	<b>July'22 to</b>	<b>July'21 to</b>
	<b>September' 2022</b>	<b>September' 2021</b>
<b>27. Revenue:</b>	<u>720,316</u>	<u>761,969</u>
Revenue has been decreased by 5.47% as compared to the revenue of same period of July 2021 to September 2021 due to decrease of quantity sold during the quarter.		
<b>28. Cost of Goods Sold:</b>		
Opening Stock of Finished Goods	48,386	46,371
Add: Cost of Production ( note # 28.a)	762,074	714,823
Less: Closing Stock of Finished Goods	<u>(162,001)</u>	<u>(46,916)</u>
	<u>648,459</u>	<u>714,278</u>
<b>28.a. Cost of Production:</b>		
Opening Raw Materials, WIP & Accessories	310,763	292,096
Add: Raw Materials purchase during the period	324,627	360,873
Add: Factory Overhead (Note # 28.a.a)	344,010	361,944
Less: Closing Raw Materials, WIP & Accessories	<u>(217,326)</u>	<u>(300,090)</u>
	<u>762,074</u>	<u>714,823</u>
<b>28.a.a Factory Overhead:</b>		
Carriage inward	1,350	2,274
Electricity	897	189
Gas, Fuel & Lubricant	34,112	30,164
Insurance Premium	3,260	3,353
Repairs & Maintenance	20,755	28,608
Telephone Charges	20	14
Wages, Salaries & Allowance	267,369	282,374
Bank Charges & Commission	1,667	2,862
Depreciation	7,038	6,994
Fire Fighting Exp.	-	-
Travelling & Conveyance	2,482	1,443
Testing Bill	3,310	2,714
Uniform & Liveries	62	92
Chemical for Effluent Treatment Plant	1,349	455
Entertainment	238	258
UD & UP Expenses	100	150
	<u>344,010</u>	<u>361,944</u>

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'	
	July 22-September 2022	July 21-September 2021

#### 29. Other Operating Income/(loss):

Foreign exchange gain/(loss) from operations	338	(545)
Foreign exchange gain/(loss) from translation	(21,576)	1,978
	<u>(21,238)</u>	<u>1,433</u>

#### 30. Administrative & Selling Overhead:

AGM Expenses	-	-
Audit Fee (Including VAT)	-	-
Bank Charges & Commission	2,303	2,960
Board Meeting Fees (Including VAT)	10	2
Depreciation	777	336
Depreciation on Right of Use Assets	-	1,187
Directors Remuneration	900	900
Entertainment	143	229
Export Processing & Handling Expenses	298	781
Clearing & Forwarding Expenses	2,551	5,878
Insurance Premium	73	42
Legal & Professional Fees	71	77
Medical Expense	13	32
Newspapers & Periodicals	1	2
Postage & Stamp	15	17
Power & Fuel	310	204
Printing Expense	279	482
Stationery Expenses	263	654
Publicity & Advertisement	13	7
Renewal & Fees	442	1,714
Vat on Office Rent	-	185
Repairs & Maintenance	237	873
Salaries & Allowances	11,779	11,617
Sales Promotional Expenses	194	717
Travelling & Conveyance	997	1,225
Telephone, Fax and Radio Link	177	150
Transportation Expenses	2,226	2,688
	<u>24,071</u>	<u>32,958</u>

#### 31. Finance & Other Income:

Interest on FDRs	959	558
Profit on Sale of old Assets	960	-
	<u>1,919</u>	<u>558</u>

The increase of 243.91% are for increase interest rate of time deposits & profit on sale of assets .

#### 32. Financial Expenses:

Interest on Term Loan-Stimulus	332	234
Interest on Time Loan	6	279
Supplier Finance Program Charges(SFP)	6,259	4,393
Interest on Overdraft	396	8
Interest on Finance Lease for Office Rent	-	47
F.C. Charges	-	7
	<u>6,993</u>	<u>4,968</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

#### 33. Workers Profit Participation Fund (WPPF)

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.

#### 34. Current Tax:

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 22 to 30th Sep'22.

Calculation of Current tax:	Applicable Tax Rate %	July 22 to September 2022	July 21 to September 2021
<b>a) Tax on Operating profit Basis</b>			
Profit before tax		21,162	11,436
Other Operating Income/Loss		21,238	(1,433)
Finance & Other Income		(1,919)	(558)
<b>Net Operating profit/(Loss)</b>		<u>40,481</u>	<u>9,445</u>
Tax on Operation Profit	12.00	<u>4,858</u>	<u>1,133</u>
<b>b) Minimum Tax U/S -82c(2)</b>			
TDS on export proceeds	1.00	<u>10,332</u>	<u>5,334</u>
<b>c) Minimum Tax U/S -82c(4)</b>			
Realized from Revenue =(0.60%/20%*12%)	0.360	3,705	3,422
Realized from other operating Income	0.600	2	(3)
Realized from Cash Incentive	0.600	285	121
Realized from Dividend Income	0.600	-	-
Realized from finance & Other Income	0.600	15	-
		<u>4,007</u>	<u>3,540</u>

#### So, Current tax

Business tax- Higher of a,b & c **	above b	10,332	5,334
Tax on Cash Incentive Realised		4,745	2,018
Tax on Dividend Income ( Realised)	20.00	-	-
Tax on profit from sale of assets	20.00	192	-
Tax on Finance Income (Realised)	20.00	-	-
Tax on other operating Income ( Realised)	20.00	68	(123)
Tax on PF Lapse received	20.00	192	-
		<u>15,528</u>	<u>7,229</u>
Effective Tax Rate =(Tax Expenses/Profit Before Tax)		<u>75.40%</u>	<u>52.51%</u>

Value in Taka '000'

July 22-September 2022 July 21-September 2021

\*\* Since the source tax deducted under Income Tax Ordinance 1984 for Tk. 10,332/- is higher than tax on operating profit basis Tk. 4,858/- and minimum tax on gross receipts Tk. 4,007/-, so higher is provided as current tax liability from business for the period ended September 30, 2022.

#### 35. Deferred Tax (Expenses)/Income:

(429) 1,224

The provision for deferred tax (expense)/income is made to pay/adjust future income tax liability/asset due to accumulated temporary differences of interest income receivable, PF Lapse receivable, cash incentive receivable, 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).

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

6,154 6,550

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

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

Earnings after tax Attributable to the Owners of the Company	5,205	5,431
Number of Ordinary Shares	8,400	8,400
<b>Basic Earning Per Share (EPS)</b>	<u>0.62</u>	<u>0.65</u>

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

Net cash generated from / (used in) operating activities	77,316	22,204
Number of Ordinary Shares	8,400	8,400
<b>Net Operating Cash Flows (NOCF) Per Share</b>	<u>9.20</u>	<u>2.64</u>

Net operating cash flows was Tk. 9.20 per share for the 1st quarter ended on September 30, 2022 but it was Tk. 2.64 for the same period of last year, this is mainly decrease of payment for cost & expenses as compare to last year's 1st quarter .

#### 39. Disclosure Regarding Rearrangement:

No rearrangement has been made during the 1st quarter of 2022-2023.

#### 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 2017 to June 30, 2021 & retained earnings as at July 01, 2021 has been adjusted accordingly by Tk. 686/- net of tax (Tk. 857- Tk.171).

#### 41. Related Party Transactions:

##### (a) Intercompany Transactions:

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

##### (b) Key management personnel compensation:

i) Refer to Note # 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 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.

#### 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/ CMRCD/2006-158/208/Admin/81 dated 20 June, 2018.

#### CASH FLOWS FROM OPERATING ACTIVITIES:

July 22 to September 2022 July 21 to September 2021

<b>Profit After Tax</b>	5,205	5,431
<b>Adjustment for non-cash &amp; non operating items:</b>		
Add: Depreciation During the period	7,815	8,517
Add/(Less): Unadjusted Foreign Exchange (Gain)/Loss from Translation	562	(177)
Less: Finance Income adjustment	(1,919)	(558)
Add: Interest & Other Financial Charges adjustment	6,993	4,968
Add: Tax Expenses	15,957	6,006
<b>Increases &amp; Decreases:</b>		
(Increase)/Decrease in Inventories	(20,178)	(8,539)
(Increase)/Decrease in Trade Receivables	308,391	307,164
(Increase)/Decrease in other Receivables	18,739	8,159
(Increase)/Decrease in Advances, Deposits & Prepayments	(2,407)	(2,150)
(Increase/Paid) Income tax during the period	(16,298)	(8,375)
Increase/(Decrease) in Trade Payables	(221,754)	(289,738)
Increase/(Decrease) in Other Payables	(23,790)	(8,502)
<b>Net cash generated from/(used in) operating activities</b>	<u>77,316</u>	<u>22,204</u>
<b>RECONCILIATION</b>		
Net cash generated from/(used in) operating activities-Indirect Method	77,316	22,204
Net cash generated from/(used in) operating activities-Direct Method	77,316	22,204
<b>Differences</b>	<u>0.00</u>	<u>0.00</u>

#### 43. 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 September 30, 2022.

#### 44. Events after Reporting Period:

##### a) Proposed Dividend:

The Board of Directors has recommended cash Dividend of Tk. 2.00/- per Share for the year 2021-2022 at the Board meeting held on October 16, 2022. The total amount of Dividend is Tk. 16,800,000/-

##### 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  
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