

APEX SPINNING & KNITTING MILLS LIMITED

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

UN-AUDITED THIRD QUARTER (Q3) FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON MARCH 31, 2024

STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT MARCH 31, 2024

Value in Taka '000'

Notes	As at 31.03.2024	As at 30.06.2023	Growth %
ASSETS			
Non-Current Assets:	448,683	371,911	20.64
Property, Plant and Equipment	283,368	202,989	39.60
Investment in Share	51,041	74,144	(31.16)
Investment in Financial Assets	78,409	78,409	-
Security Deposits	35,865	16,370	119.10
Current Assets:	1,613,202	1,855,280	(13.05)
Inventories	218,067	217,073	0.46
Trade Receivables	454,429	633,844	(28.31)
Advances, Deposits & Pre- Payments	217,856	252,211	(13.62)
Other Receivables	37,712	32,378	16.48
Margin on Acceptance	636,180	629,018	1.14
Cash & Cash Equivalents	48,958	90,756	(46.06)
TOTAL ASSETS	2,061,885	2,227,191	(7.42)
EQUITY AND LIABILITIES			
Shareholders' Equity:	527,779	540,696	(2.39)
Share Capital	84,000	84,000	-
Share Premium	15,000	15,000	-
Reserve and Surplus	392,330	384,455	2.05
Fair Valuation Surplus of Investments	36,449	57,241	(36.32)
Non-Current Liabilities:	13,675	13,587	-
Deferred Tax Liability	13,675	13,587	0.64
Current Liabilities:	1,520,431	1,672,908	(9.11)
Working Capital Loan (Secured)	130,131	56,938	128.55
Short Term Loan	-	-	-
Trade Payables	1,164,620	1,362,700	(14.54)
Other Payables	224,282	252,257	(11.09)
Unclaimed Dividend Account	1,398	1,012	38.10
Total Liabilities	1,534,106	1,686,495	(9.04)
TOTAL EQUITY AND LIABILITIES	2,061,885	2,227,191	(7.42)
Net Assets Value (NAV) Per Share	62.83	64.37	(2.39)

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

FOR THE 3RD QUARTER ENDED ON MARCH 31, 2024

Value in Taka '000'

Notes	01.07.2023 to 31.03.2024	01.07.2022 to 31.03.2023	Growth %	01.01.2024 to 31.03.2024	01.01.2023 to 31.03.2023	Growth %
REVENUE	4,115,012	3,092,625	33.06	1,339,201	1,228,594	9.00
Cost of Goods Sold	(3,851,346)	(2,861,286)	34.60	(1,239,857)	(1,137,186)	9.03
GROSS PROFIT	263,666	231,339	13.97	99,344	91,408	8.68
Other Operating Income/(Loss)	24,187	15,805	53.03	3,314	19,590	(83.08)
Administrative & Selling Overhead	(162,413)	(148,305)	9.51	(62,552)	(70,710)	(11.54)
OPERATING PROFIT/(LOSS)	125,441	98,839	26.91	40,106	40,288	(0.45)
Finance & Other Income	8,022	6,956	15.32	2,980	2,313	28.83
Financial Expenses	(58,016)	(31,362)	84.99	(17,771)	(14,164)	25.47
PROFIT BEFORE WPPF	75,447	74,433	1.36	25,315	28,437	(10.98)
Workers Profit Participation Fund (WPPF)	(1,268)	(969)	30.89	(389)	(360)	8.11
PROFIT BEFORE TAX	74,179	73,464	0.97	24,926	28,077	(11.22)
TAX EXPENSES:	(49,504)	(50,753)	(2.46)	(16,292)	(19,812)	(17.77)
Current Tax	(47,106)	(42,108)	11.87	(14,533)	(15,312)	(5.09)
Deferred Tax (Expenses)/Income	(2,398)	(8,645)	(72.26)	(1,759)	(4,500)	(60.91)
NET PROFIT AFTER TAX	24,675	22,711	8.65	8,634	8,265	4.46
OTHER COMPREHENSIVE INCOME/(LOSS):	(20,792)	9,764	(312.95)	(1,645)	(7,982)	(79.39)
Fair Valuation Surplus / (Deficit) of Investment	(23,103)	10,849	(312.95)	(1,828)	(8,869)	(79.39)
Deferred Tax (Exp.)/Income on share valuation Sur	2,310	(1,085)	(312.95)	183	887	(79.39)
TOTAL COMPREHENSIVE INCOME/(LOSS)	3,883	32,475	(88.04)	6,988	283	2,370
Basic Earnings Per Share (EPS)	2.94	2.70	8.65	1.03	0.98	4.46

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 3RD QUARTER ENDED ON MARCH 31, 2024

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Fair Valuation Surplus	Capital Gain	Total
As at 30 June, 2023	84,000	15,000	129,701	252,002	57,241	2,752	540,696
Net Profit for the nine months ended on March 31, 2024	-	-	-	24,675	-	-	24,675
Dividend for the year 2022-2023	-	-	-	(16,800)	-	-	(16,800)
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	(20,792)	-	(20,792)
As at March 31, 2024	84,000	15,000	129,701	259,877	36,449	2,752	527,779

STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE 3RD QUARTER ENDED ON MARCH 31, 2024

Value in Taka '000'

Note	01.07.2023 to 31.03.2024	01.07.2022 to 31.03.2023	Growth %
CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection From Revenue	4,294,427	3,231,017	32.91
Finance Income from SND	0	0	-
Foreign exchange gain/(loss) from operations	(6,305)	676	(1,032.68)
Received from PF Lapse	968	958	1.05
Received from Wastage goods sale	1,559	1,378	13.10
Bank Charges & Commission	(18,258)	(12,623)	44.64
Income Tax Paid	(49,601)	(48,052)	3.22
Payment for Costs and Expenses	(4,067,741)	(2,974,943)	36.73
Net cash generated from/(used in) operating activities (a)	155,049	198,411	(21.85)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property, Plant and Equipment Acquired	(116,074)	(14,433)	704.23
Received from Sale of Assets	700	1,600	(56.25)
Advance against Purchase of Fixed Assets	(9,988)	(7,382)	35.30
Investment in Financial Assets	-	-	-
Finance Income from FDRs	-	-	-
Income from Dividend	1,481	1,766	(16.14)
Net cash generated from/(used in) investing activities	(123,881)	(18,449)	571.48
CASH FLOWS FROM FINANCING ACTIVITIES:			
Working Capital Loan received/(repaid)	73,193	(6,676)	(1,196.36)
Long Term loan received/(repaid)	0	(52,340)	(100.00)
Short Term loan received/(repaid)	(74,499)	(15,548)	379.15
Dividend Paid during the period	(16,414)	(16,421)	(0.04)
Interest & other financial charges paid	(58,016)	(31,362)	84.99
Net cash generated from/(used in) financing activities (c)	(75,736)	(122,347)	(38.10)
Net increase/(decrease) in cash and cash equivalents(a+b+c)	(44,568)	57,615	(177.35)
Cash & cash equivalents on opening	90,756	12,092	650.55
Foreign exchange gain/(loss) from translation	2,770	1,303	112.61
Cash & cash equivalents on closing	48,958	71,010	(31.05)
Net Operating Cash Flows Per Share	18.46	23.62	(21.85)

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 3RD QUARTER ENDED ON MARCH 31, 2023

Value in Taka '000'

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Fair Valuation Surplus	Capital Gain	Total
As at 30 June, 2022	84,000	15,000	129,701	239,317	19,632	2,752	490,402
Net Profit for the nine months ended on March 31, 2023	-	-	-	22,711	-	-	22,711
Dividend for the year 2021-2022	-	-	-	(16,800)	-	-	(16,800)
Fair Valuation Surplus/(deficit) of Investment	-	-	-	-	9,764	-	9,764
As at March 31, 2023	84,000	15,000	129,701	245,228	29,396	2,752	506,077

Note: The details with selective notes of the published third 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 # 40 for Reconciliation of cash flows from operating activities under direct method and indirect method as per requirement of BSEC.

Sd/-
Shahriar Ahmed
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 (UN-AUDITED)
FOR THE 3RD QUARTER ENDED ON MARCH 31, 2024
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 PLC and Chittagong Stock Exchange PLC 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 these interim 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 ACT, 2023, The Income Tax Rules 2023, 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, 2024. (b) No diluted EPS is required to be calculated as there was no dilution during this period. (c) Last year's 3rd quarter figures have been re-arranged where considered necessary to confirm to current 3rd quarter presentation. (d) Figures were rounded-off to the nearest thousand Taka. (e) Reporting Period: These Interim financial statements cover the period from July 01, 2023 to March 31, 2024. (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 2022-2023 for income statement and financial position with June 30, 2023.

Value in Taka '000'

	As at 31.03.2024	As at 30.06.2023
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Value in Taka '000'

	As at 31.03.2024	As at 30.06.2023
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4. Property, Plant and Equipment (WDV):

Details of property, plant & equipment and depreciation as at March 31, 2024 are as follows:

Fixed assets at cost:

Opening Balance	1,454,910	1,452,233
Addition during the period	116,074	20,361
Disposal during the period	(1,743)	(17,684)
Closing Balance (cost)	1,569,241	1,454,910

Accumulated Depreciation:

Opening Balance	1,251,922	1,236,776
Charged during the period	35,650	32,190
Disposal during the period	(1,699)	(17,043)
Closing Balance (Depreciation)	1,285,873	1,251,922
Written Down Value (WDV)	283,368	202,989

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 in Share:

51,041	74,144
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During the period, investment has been changed due to convert the share at fair value.

6. Investment in Financial Assets:

78,409	78,409
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FDR's were purchased from EBPLC for more than one year (i.e. 380 days).

7. Security Deposits:

35,865	16,370
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Security deposits are made to statutory bodies and hence secured.

8. Inventories:

Finished Goods (T, Polo, sweat Shirt)	28,667	26,190
Raw Materials (Yarn & Dyes Chemical)	74,086	71,632
WIP (Dyed, Knitted Fabric & Garments)	69,012	71,825
Accessories	46,302	47,427
	218,067	217,073

9. Trade Receivables:

454,429	633,844
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Trade receivables have been decreased due to realize as per schedule.

10. Advances, Deposits & Pre-payments:

Advance Income Tax	204,997	155,395
Deposits to Multi Securities & Services Ltd	-	2
Advance against expenses	12,859	96,814
	217,856	252,211

The decrease of 13.62% due to adjust of advance against expenses mainly.

11. Other Receivables:

Cash Incentive Receivable	32,091	30,115
FDRs Interest Receivable	5,621	1,295
PF Lapse receivable (employer Portion)	-	968
Dividend Receivable	-	-
	37,712	32,378

The increase of 16.48% in other receivables mainly for cash incentive receivable, FRD Interest & Dividend receivable. Receivable of cash incentive will be received from bank time to time depending on their availability of fund from Bangladesh Bank.

12. Margin on Acceptance:

636,180	629,018
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Margin on acceptance-EBL has converted in BDT at closing rate @ 109.50 per USD as on 31.03.2024 & as compare to BDT @ 107.00 per USD as on 30.06.2023 which has retained for BTB liability settlement.

13. Cash & Cash Equivalents:

Cash in hand	20	20
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Cash at Bank:

CD Account with SCB, Dhaka	187	187
CD Account with Mutual Trust Bank PLC, Chandora	1,700	179
CD Account with DBBL, Dhaka	1,490	3,130
CD Account with HSBC-Dividend, Dhaka	1,382	1,012
OD Account with Eastern Bank PLC, Dhaka	-	-
CD Account with HSBC	-	-
Foreign Currency Account with EBPLC, Dhaka-USD	40,996	85,482
Foreign Currency Account with HSBC, Dhaka-USD	2,444	7
SND Account with SCB, Dhaka	732	732
SND Account with EBPLC, Principal Branch, Dhaka	7	8
SND Account with HSBC, Dhaka	0	0
	48,938	90,736
	48,958	90,756

Foreign Currency Account balances has converted in BDT at closing rate @ 109.50 per USD as on 31.03.2024 & as compare to BDT @ 107.00 per USD as on 30.06.2023.

14. 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

14.a Composition of Shareholdings :

Sponsors & Directors	4,445,651	52.92	4,450,660	52.98
Institutions	1,063,878	12.67	1,132,608	13.48
Public - Local	2,869,791	34.16	2,796,052	33.29
Foreign Shareholders	20,680	0.25	20,680	0.25
	8,400,000	100	8,400,000	100

15. Share Premium:

15,000	15,000
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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	259,877	252,002
Capital Gain	2,752	2,752
	392,330	384,455

Sd/-
Shahriar Ahmed
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	As at
	31.03.2024	30.06.2023
17. Fair valuation surplus of Investments (Net of Tax):		
Opening Balance	57,241	19,632
Fair valuation surplus/(deficit) during the period (net of tax)	(20,792)	37,609
	<u>36,449</u>	<u>57,241</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. Deferred Tax Liabilities:

a Book Value of Depreciable Assets	283,368	202,989
Tax Base of Depreciable Assets	289,942	213,149
Net Taxable Temporary Difference	(6,574)	(10,160)
Effective Tax Rate	12.00%	12.00%
Closing Deferred tax (Assets)/Liabilities arising from assets	(789)	(1,219)
Opening Deferred Tax Balance	(1,219)	244
Deferred Tax Income/(Expense)	<u>(430)</u>	<u>1,463</u>

b Unrealised Interest on FDRs	5,621	1,295
Effective Tax Rate	20.00%	20.00%
Closing Deferred tax (Assets)/Liabilities arising from Unrealised FDRs Interest	1,124	259
Opening Deferred Tax Balance	259	201
Deferred Tax Income/(Expense)	<u>(864)</u>	<u>(58)</u>

c Unrealised Foreign Exchange Gain/(Loss) from translation	30,402	24,913
Effective Tax Rate	20.00%	20.00%
Closing Deferred tax (Assets)/Liabilities arising from	6,080	4,983
Opening Deferred Tax Balance	4,983	(6,471)
Deferred Tax Income/(Expense)	<u>(1,098)</u>	<u>(11,454)</u>

d Dividend Receivable	-	-
Effective Tax Rate	20.00%	20.00%
Closing Deferred tax (Asst)/Liab. arising from dividend Receiv.	-	-
Opening Deferred Tax Balance	-	-
Deferred Tax Income/(Expense)	<u>-</u>	<u>-</u>

e PF Lapse Receivable	-	968
Effective Tax Rate	20.00%	20.00%
Closing Deferred tax (Asst)/Liab. arising from PF Lapse Receiv.	-	194
Opening Deferred Tax Balance	194	191
Deferred Tax Income/(Expense)	<u>194</u>	<u>(3)</u>

f Cash Incentive Receivable	32,091	30,115
Effective Tax Rate	10.00%	10.00%
Closing Def. tax (Asst)/Liab. arising from cash incentive Receiv.	3,209	3,011
Opening Deferred Tax Balance	3,011	2,775
Deferred Tax Income/(Expense)	<u>(198)</u>	<u>(236)</u>
Total Deferred Tax Income/(Expense) from (a+b+c+d+e+f)	<u>(2,397)</u>	<u>(10,286)</u>

g Deferred Tax (Assets)/Liabilities arising from Other Comprehensive Income- surplus from fair value of share :	40,498	63,601
Tax for (Loss)/gain on available for sale investments @ 10%	4,050	6,360
Closing deferred tax (assets)/liabilities arising from Fair Valuation Surplus of Investments	4,050	6,360
Opening Deferred Tax Balance	6,360	2,181
Deferred Tax Income/(Expense)	2,310	(4,179)
Deferred Tax Closing Liability (a+b+c+d+e+f+g)	<u>13,675</u>	<u>13,587</u>

19. Working Capital Loan (secured):

EBL, Dhaka	110,715	40,675
HSBC, Dhaka	19,416	16,263
	<u>130,131</u>	<u>56,938</u>

The working capital loan is used for salary & wages and regular payment .

20. Short Term Loan :

Time loan-EBPLC	-	-
Import loan-EBPLC	-	-
UPAS loan with HSBC	-	-
	<u>-</u>	<u>-</u>

No short term loan during the period.

21. Trade Payables:

	<u>1,164,620</u>	<u>1,362,700</u>
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The decrease of trade Payables due to pay of BTB liability as per schedule .

22. Other Payables:

Clearing & Forwarding	11,330	32,893
Insurance Premium	908	649
Power, Fuel and Water	18,623	27,397
Telephone, Telex & Fax	89	78
Salary, Wages and Overtime	13,474	58,919
Audit Fees Payable	302	403
Income Tax Payable	171,552	124,446
Provident Fund Payable	3,633	2,816
Payable for Corporate Expenses	1,920	1,809
Payable for other expenses	743	547
Payable for Tax Deducted at Sources	1,600	1,942
Payable for VAT Deducted at Source	108	359
	<u>224,282</u>	<u>252,257</u>

The decrease of 11.09% in other payables mainly for less provision against salaries, wages & other allowances during the period than last period.

23. Unclaimed Dividend Account:

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	
	2019-2020	2020-2021
	265	265
	384	384
	364	364
	385	-
Unclaimed Dividend 2019-2020 to 2022-2023	<u>1,398</u>	<u>1,012</u>

24. Net Assets value (NAV) Per Share:

Equity Attributable to the Owners of the Company	527,779	540,696
Number of Ordinary Shares	8,400	8,400
Net Assets value (NAV) Per Share	<u>62.83</u>	<u>64.37</u>

July'23 to
March' 2024

July'22 to
March' 2023

25. Revenue:

Revenue has been increased by 33.06% as compared to the revenue of same period of July 2022 to March 2023 due to increase of quantity sold during the period.

26. Cost of Goods Sold:

Opening Stock of Finished Goods	26,190	48,386
Add: Cost of Production (note # 26.a)	3,853,823	2,817,383
Less: Closing Stock of Finished Goods	(28,667)	(4,484)
	<u>3,851,346</u>	<u>2,861,285</u>

26.a. Cost of Production:

Opening Raw Materials, WIP & Accessories	190,883	310,763
Add: Raw Materials purchase during the period	2,314,390	1,603,247
Add: Factory Overhead (Note # 26.a.a)	1,537,949	1,119,653
Less: Closing Raw Materials, WIP & Accessories	(189,399)	(216,279)
	<u>3,851,823</u>	<u>2,817,383</u>

26.a.a Factory Overhead:

Carriage inward	6,931	6,116
Electricity	6,652	3,931
Gas, Fuel & Lubricant	217,900	204,758
Insurance Premium	4,653	4,061
Repairs & Maintenance	33,932	53,983
Telephone Charges	82	65
Wages, Salaries & Allowance	1,195,288	797,165
Bank Charges & Commission	7,713	5,804
Depreciation	33,072	21,494
Fire Fighting Exp.	802	-
Travelling & Conveyance	9,092	7,150
Testing Bill	16,910	11,854
Uniform & Liveries	575	127
Chemical for Effluent Treatment Plant	2,319	1,959
Entertainment	1,375	885
UD & UP Expenses	652	300
	<u>1,537,948</u>	<u>1,119,653</u>

27. Other Operating Income/(loss):

Foreign exchange gain/(loss) from operations	(6,305)	676
Foreign exchange gain/(loss) from translation	30,492	15,129
	<u>24,187</u>	<u>15,805</u>

Sd/-
Shahriar Ahmed
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'23-March' 2024 July'22-March' 2023

Value in Taka '000'
July'23-March' 2024 July'22-March' 2023

28. Administrative & Selling Overhead:

Audit Fee (Including VAT)	302	302
Bank Charges & Commission	10,545	6,819
Board Meeting Fees (Including VAT)	16	28
Depreciation	2,578	2,384
Directors Remuneration	1,350	2,700
Entertainment	2,292	1,443
Export Processing & Handling Expenses	6,867	3,629
Clearing & Forwarding Expenses	24,719	25,673
Insurance Premium	920	647
Legal & Professional Fees	103	150
Medical Expense	99	55
Newspapers & Periodicals	22	2
Postage & Stamp	695	40
Power & Fuel	1,016	756
Printing Expense	2,005	2,073
Stationery Expenses	4,204	2,392
Publicity & Advertisement	211	403
Renewal & Fees	9,113	4,536
Repairs & Maintenance	13,606	13,946
Salary & Allowances	55,570	59,110
Sales Promotional Expenses	9,642	4,846
Travelling & Conveyance	2,231	3,530
Telephone, Fax and Radio Link	622	738
Transportation Expenses	13,685	12,103
	162,413	148,305

29. Finance & Other Income:

Dividend Income	1,481	1,766
Interest earned on SND Account	0	0
Interest accrue on FDRs	4,327	2,851
Profit on Sale of old Assets	656	960
Sale of wastage goods/Items	1,558	1,378
	8,022	6,956

The increase of 15.32% due to increase the interest rate of time deposits .

30. Financial Expenses:

Interest on Term Loan-Stimulus	-	839
Interest on Time Loan	1,828	372
Supplier Finance Program Charges(SFP)	55,134	28,770
Interest on Overdraft	1,054	1,380
	58,016	31,362

Financial expenses has been increased due to increase of SFP Charges by applying supplier finance program (SFP) for early realization of export proceeds.

31. Workers Profit Participation Fund (WPPF)

1,268 **969**

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.

32. Current Tax:

47,106 **42,107**

Current tax consists the higher of minimum tax U/S 163(2 ka,kha), 163(5-kh-uh) considering below a,b,c ie a) tax on income basis b) TDS on these income U/S 163(2-ka,kha) & c) tax on all gross received U/S -163(5-kh-e) and also others income realised during the period from 1st July 2023 to 31 March 2024. Details as follows:

a) Tax on Income basis

(i) Tax on Business Profit:

Profit before tax	74,179	73,464
Less/add: Other Operating Income/(Loss) from translation	(30,402)	(15,805)
Less: Finance & Other Income	(8,022)	(6,956)
Net Operating Profit/(Loss)	35,756	50,703
Tax on Business Profit 12%	4,291	6,084

(ii) Tax on Other Income:

x) Tax on Dividend Income @ 20%	296	353
y) Tax on Cash Incentive realised @ 10.00% **	3,737	8,783
z) Tax on Finance Income (FDRs & Savings Interest)	0	0
** as per SRO # 253-law/income tax-09/23 dated 23.08.23	4,034	9,137
Total (i+ii)	8,324	15,221

b) TDS U/S -163(2-ka,kha)

i) TDS on export proceeds	42,436	32,177
ii) TDS on Dividend Income	296	353
iii) TDS on Cash Incentive realised	3,737	8,783
iv) TDS on Finance Income (Realized)	0	0
	46,469	41,314

c) Tax on gross received U/S -163(5-ka- %

i) Realized from turnover =(0.60%/20.00%*12%)	0.360	15,460	11,632
ii) Realized from other operating Income	0.360	-	4
iii) Realized from Cash Incentive	0.600	224	527
iv) Realized from Dividend Income	0.600	9	11
v) Realized from finance & Other Income	0.600	0	24
		15,693	12,197

So, Current tax

i) Tax on Business profit- Higher of ai,bi & ci	42,436	32,177
ii) Tax on Dividend Income Higher of a-ii-x,b-ii & c-iv	296	353
iii) Tax on Cash Incentive (**refer the above SRO)	3,737	8,783
iv) Tax on Finance Income (Realized) Higher is a-ii-z	0	0
v) Tax on profit from sale of assets	131	192
vi) Tax on other operating Income (Realized)-business i	-	135
vii) Tax on wastage sale	312	276
viii) Realized from Other Income-PF Lapse realised	194	192
	47,106	42,107

33. Deferred Tax (Expenses)/Income:

(2,398) **(8,645)**

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, dividend receivable, Foreign exchange translation gain /(loss) & WDV of fixed assets. (Please see the details in note # 18 for total deferred tax income/(expense) from above mentioned temporary differences).

Effective tax rate= (Tax expenses/Profit before tax) **66.74%** **69.09%**

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

(20,792) **9,764**

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.

35. Basic Earning Per Share (EPS):

Earnings after tax Attributable to the Owners of the Company	24,675	22,711
Number of Ordinary Shares	8,400	8,400
Basic Earning Per Share (EPS)	2.94	2.70

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

Net cash generated from /(used in) operating activities	155,049	198,411
Number of Ordinary Shares	8,400	8,400
Net Operating Cash Flows (NOCF) Per Share	18.46	23.62

Net operating cash flows was Tk. 18.46 per share for the 3rd quarter ended on March 31, 2024 but it was Tk. 23.62 for the same period of last year, the decrease is mainly for increasing of payment for cost & expenses as compare to last year's same quarter .

37. Disclosure Regarding Rearrangement:

No rearrangement has been made during the 3rd quarter of 2023-2024.

38. Prior Year Adjustment:

No prior year adjustment has been made during the 3rd quarter of 2023-2024.

39. 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 # 28; 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.

40. 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'23 to March' 2024	July'22 to March' 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit After Tax	24,675	22,711
Adjustment for non-cash & non operating items:		
Add: Depreciation During the period	35,650	23,878
Add/(Less): Unadjusted Foreign Exchange (Gain)/Loss from Translation	(2,861)	(1,304)
Less: Finance Income adjustment	(6,463)	(5,577)
Add: Interest & Other Financial Charges adjustment	58,016	31,362
Add: Tax Expenses	49,503	50,753
Increases & Decreases:		
(Increase)/Decrease in Inventories	(993)	138,387
(Increase)/Decrease in Trade Receivables	179,415	136,796
(Increase)/Decrease in other Receivables	(1,008)	17,106
(Increase)/Decrease in Advances, Deposits & Prepayments	74,449	(4,350)
(Increase/Paid) Income tax during the period	(49,601)	(48,052)
Increase/(Decrease) in Trade Payables	(130,653)	(169,410)
Increase/(Decrease) in Other Payables	(75,081)	6,112
Net cash generated from/(used in) operating activities	155,049	198,411
RECONCILIATION		
Net cash generated from/(used in) operating activities-Indirect Method	155,049	198,411
Net cash generated from/(used in) operating activities-Direct Method	155,049	198,411
Differences	0.00	0.00

41. Contingent Liability:

There is Tk. 58.57 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, 2024.

42. Events after Reporting Period:

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
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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