

## Apex Footwear's Q3 profit drops 40%

### STAR BUSINESS REPORT

Apex Footwear's profit slumped in the third quarter of the fiscal year 2024-25 as higher tax payments slashed its profit despite a significant jump in revenue.

The shoemaker's profit fell 40 percent year-on-year to Tk 97.01 lakh in the January-March quarter of FY25, according to a price-sensitive disclosure published yesterday.

The company reported that revenue rose 36.70 percent year-on-year to Tk 539.82 crore during the third quarter of the fiscal year.

Its earnings per share (EPS) stood at Tk 0.62 for the January-March 2025 quarter, down from Tk 1.04 in the same period a year ago, according to a disclosure on the Dhaka Stock Exchange (DSE).

Shares of Apex dropped 6.32 percent to Tk 204.5 as of 12:18 pm on the DSE.

**The shoemaker's profit fell 40 percent YoY in January-March quarter, while revenue rose 36.70 percent to Tk 539.82 crore.**

Apex said profit before tax increased during the quarter, but net profit declined due to higher tax payments, particularly source tax deducted against increased export-related collections.

"During the quarter under review, income tax expenses rose by Tk 6.26 crore compared to the same period last year," the company said in the DSE disclosure, adding that this led to a drop in net profit and EPS.

For the nine months from July 2024 to March 2025, the company posted an EPS of Tk 4.45, up from Tk 3.99 in the corresponding period of the previous fiscal year.

Its net operating cash flow per share more than doubled to Tk 176.18 during the nine months, compared to Tk 83.16 a year earlier.

The increase was mainly due to higher export receipts and strong Ramadan sales in the domestic market, Apex said.

As of March 31, 2025, the shareholding structure of Apex Footwear stood at: sponsors/directors 31.64 percent, institutional investors 27.33 percent, and the general public 41.03 percent, DSE data showed.



PHOTO: AMRAN HOSSAIN

**A man visits a stall showcasing Bangladesh-made drones at the Meet Bangladesh Exposition at the International Convention City Bashundhara in Dhaka yesterday. More than 120 local exhibitors and over 25 foreign buyers are taking part in the two-day event.**

# Bangladesh showing export might amid economic headwinds

Says commerce adviser at the inauguration of Meet Bangladesh Expo

### STAR BUSINESS REPORT

Bangladesh is showing its industrial capabilities and export resilience even amid economic uncertainty and political transition, according to speakers.

They praised local entrepreneurs for that, saying the business community is transforming the economy through perseverance and innovation.

"You have built exceptional products that reflect the true potential of our nation," said Commerce Adviser Sk Bashir Uddin while inaugurating the two-day "Meet Bangladesh Exposition" at International Convention City Bashundhara.

Organised by the commerce ministry's Export Competitiveness for Jobs (EC4J) Project, the event features over 120 local exhibitors and more than 25 foreign buyers from countries including Singapore, Libya, Colombia, Algeria, the UAE, India, Malaysia, Bhutan, and the Maldives.

At the programme, the adviser, referring to the local business community, said, "Your success showcases extraordinary dedication in the face of global competition."

Uddin pointed to ongoing policy reforms for improving the ease of doing business, including the introduction of a national single window – an integrated digital platform to simplify trade, enhance transparency, and reduce transaction costs.

"Our priority is job protection and creation," he said. "To sustain growth, we must continue to evolve."

Despite recent economic pressures, the adviser said that Bangladesh has maintained a steady export performance and is expected to benefit from falling operational costs in the near future.

Positioning the exposition as a curtain-raiser for the upcoming International Investment Summit, Uddin invited global

investors to explore the country's industrial sectors.

"Our ministry is not just a regulator. It is your facilitator, analyst, and partner," he said.

"We are with you, for you, and beside you. I remain at your service to support your pursuit of excellence," added the adviser.

Sheikh Mohammad Abdur Rahman, joint secretary at the commerce ministry and deputy director of the EC4J project, said the expo highlights Bangladesh's industrial development, innovation, and growing focus on sustainability and environmental standards.



Welcoming international buyers and delegates, he said that many foreign buyers had already visited local factories and responded positively.

"Your enthusiasm was encouraging, and today's inauguration will further deepen your understanding of our capabilities," he said.

Rahman hoped that Bangladesh would attract greater interest from international markets, citing the country's reputation for quality and efficiency.

He also thanked development partners for their continued support.

Rahman added that the exposition, completed in just five months despite being

planned for a year, was a source of national pride.

"This is more than a business event, it is a moment of national pride," he said.

Suhail Kassim, senior operations officer and acting country director of the World Bank, reaffirmed the bank's commitment to supporting Bangladesh in expanding industrial competitiveness beyond the readymade garment sector.

He cited initiatives like the Private Investment and Digital Entrepreneurship (PRIDE) project, which promotes economic zones and technology parks, as well as the launch of a country-specific private sector diagnostic to guide strategic reforms and export diversification.

"The World Bank remains committed to supporting SMEs, strengthening value chains, and driving long-term growth. We are proud to be part of Bangladesh's journey," he said.

Shamim Ahmed, president of the Bangladesh Plastic Goods Manufacturers and Exporters Association, called for increased foreign investment in the SME sector, which contributes roughly 30 percent of GDP.

Ahmed emphasised the growth potential of the plastic industry, noting it could expand by 20 percent annually with proper investment and policy backing.

The exposition will remain open from 10am to 7pm daily. More than 1,000 local buyers are also attending to it, creating a platform for manufacturers to connect with global investors and industry stakeholders.

The expo includes guided factory visits, breakout sessions, and workshops led by business leaders and sector experts to encourage dialogue and foster partnerships across emerging export sectors such as medical and personal protective equipment, leather goods, footwear, plastics, and light engineering.

## When the watchdogs sleep

### MAHTAB UDDIN AHMED

The inquiry committee – the corporate world's ultimate weapon of mass distraction. These panels, ornamented with terms of reference and corporate lingo, have gained global recognition not for delivering justice but for achieving the delicate art of appearing busy while doing absolutely nothing. From New York's Wall Street to Dhaka's Gulshan Avenue, inquiry committees are universally cherished by management whenever swift justice must be thoroughly avoided or derailed.

Consider this classic tale from the corridors of corporate drama. A friend recently shared a story that would make even Franz Kafka raise an eyebrow. A senior manager, let's call him Jamal, found himself under fire, accused of misconduct. Among the accusers was one – let's call him Tanim Chowdhury – who is a man that seemingly models his corporate ethics after a Bollywood villain.

In an unexpected plot twist worthy of a binge-worthy Netflix legal thriller, Jamal didn't just defend himself. He went on the offensive, filing a counter-complaint that painted Tanim and his band of boardroom plotters as the true villains. Now, logic would dictate that an independent party be appointed to investigate both claims. But why go with logic when you can opt for theatre?

The company, in its infinite wisdom, decided to appoint none other than Tanim himself as chairman of the inquiry committee. Yes, the very man accused of orchestrating the conspiracy was now tasked with investigating it. If irony were a currency, this boardroom could fund a space mission in partnership with Elon Musk.

It's like asking Tom to conduct a fair trial on Jerry's cheese-related offences. And if you think this only happens in Bangladesh, think again. Remember the Wells Fargo scandal in the US?

After opening millions of fake accounts, the bank launched an internal investigation largely led by board members who were, let's just say, not entirely disconnected from the fiasco. The recent investigation of Nagad has revealed similar kinds of misconduct.

Such committees are often not about uncovering truth; they are about controlling narratives. They serve as corporate songs – soothing the stakeholders with procedural jargon while ensuring that nothing inconvenient sees the light of day. They delay accountability, deflect responsibility, and more often than not, deliver conclusions as predictable as a Bollywood movie ending.

Breach of natural justice, which refers to appointing an accuser as an investigator, violates procedural fairness and is routinely overturned. Corporate governance codes mandate independent, conflict-free committees. Regulatory bodies can void biased inquiries. Ethical standards demand integrity and objectivity – absent here, this process is entirely indefensible. Don't Tanim and his board understand this? They do, of course!

Inquiry committees are neither legally tenable nor ethically defensible. At best, it's a public relations charade; at worst, it exposes the company to regulatory sanctions for wilful breach of fair investigation and governance norms. A genuinely impartial panel – ideally including external experts – is the only way to satisfy both law and ethics. But in Bangladesh, who cares about the law when ensuring justice takes decades?

Meanwhile, as all this unfolded, the regulators watched from the sidelines like spectators at a circus. They distanced themselves from it as an "internal matter", a classic cop-out that enables corporate wrongdoing to flourish with impunity.

This institutional apathy isn't new. Even in the Volkswagen emissions scandal, regulators were accused of turning a blind eye for years while the company gamed the system. In Jamal's case, the silence of the watchdogs became the loudest endorsement of the manipulators. In the end, Jamal may or may not find justice. But one thing is certain: the committee will submit a thick report with flowcharts, footnotes, and findings that satisfy everyone – except the truth. And in the world of corporate inquiry, that's just business as usual at the cost of the victim.

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# Chinese businesses in Vietnam struggle with Trump tariffs uncertainty

### AFP, Vietnam

A year ago Zhang Chungdong helped the firm he manages expand into Vietnam, part of a wave of Chinese businesses to choose the booming manufacturing hub since the trade war of US President Donald Trump's first term.

Now the company – a distributor of forklifts made by China's BYD – is struggling to achieve the fast growth it expected as factory projects stall, and Vietnam waits to see if an enormous 46 percent tariff threatened by Trump this month will materialise.

"Some factories that we received orders from are almost ready for operation, but since the tariff news, we got notice that projects and the purchasing of our forklifts are on hold," said Zhang, manager at Huochacha New Energy Group, whose clients in Vietnam include Chinese electronics company TCL.

"We should be in a stage of a rapid growth... (but) due to the tariffs, we are not," he told AFP.

Many Chinese businesses in Vietnam, particularly those exporting directly to the United States, in theory find themselves in a better position than they would be at home, with Beijing already facing levies of up to 145 percent on many products.

Hanoi – like much of the rest of the world – has been hit with a blanket 10 percent tariff and has a short window before delayed



**The photo shows a group of young people sitting in front of a convenience store in the Chinatown district of Bac Ninh province on April 22. In Vietnam's northern industrial Bac Ninh province, Chinese businesses that AFP interviewed said investors were hesitating, and anxiety was widespread.**

PHOTO: AFP

reciprocal levies come into force in July. There's still hope that the figure can be negotiated down.

But in Vietnam's northern industrial Bac Ninh province, Chinese businesses that AFP

interviewed – most of whom are linked to the export supply chain – said investors were hesitating and anxiety was widespread.

Zhang, 39, said he had confidence in the negotiations but explained that three or four

of the firm's projects were on hold.

"I've talked with a few clients... and the answers at the moment are all the same, we need to keep waiting."

In Bac Ninh, around 40 kilometres from Hanoi by road, restaurants, massage parlours and convenience stores with Chinese signs jostle for space with Korean shops and eateries.

South Korea has long been a huge investor in Vietnam, with electronics giants such as Samsung and LG both in Bac Ninh – but China is fast catching up.

Around 10,000 Chinese people lived in the province by the end of 2023, the latest figure available, and expats in the area said the figure had likely surged since then.

"In recent years, Vietnam's economy has been developing, and China and US keep having trade friction, so many companies that were hesitant before came to Vietnam these two years," said Wang Hongxin, 40, who moved to Vietnam more than a decade ago to work with a Samsung supplier.

One of them is Vietnam Kepai, a Chinese firm which makes computer numerical control machines and expanded into Bac Ninh last month, in search of new markets and to escape fierce competition back home.

"There are many companies that are successful in China hoping to explore the market in Vietnam. I've heard this

conversation so many times in Chinese restaurants (here)," said Li Pingwu, the firm's 33-year-old manager.

The nation ranked third among Vietnam's top investors in 2024, behind only Singapore and South Korea, with a more than three percent jump compared to the previous year.

It also led in terms of new investment projects, representing more than a quarter of all newly registered initiatives.

This influx is what appeared to provoke Trump as he announced huge tariffs on Vietnam in early April, with Washington accusing the country of facilitating Chinese exports to the United States and allowing Beijing to get around tariffs.

Although a 2024 report by the International Monetary Fund said there was "no clear evidence" of Vietnam's role in facilitating Chinese exports to the United States, manager Zhang admitted he had seen this happening.

"Some of our clients including the ones selling floorboards or moulding machines are doing entrepot trading, involving exports to the US," he said.

Vietnam's trade ministry has ordered authorities to tighten control over the origin of goods to avoid sanctions by trading partners in the wake of the threatened US tariffs, according to a document seen by AFP on Tuesday.