

TRANSFORMING THE ART OF MEAT

ALSHAHEER
FOODS



FIRST QUARTERLY REPORT
2018 - 2019



TRANSFORMING THE ART OF MEAT

As the local market of Pakistan is growing day by day, meat industry needs a rapid change too. Al Shaheer Foods is providing the meat industry with the required pace to enhance its productivity and performance to meet the growing needs of local and international markets.

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OUR STORY

Al Shaheer Corporation entered the world of meat business in 2008 starting from humble beginnings and growing into a renowned name within a short span of time. The powerful fundamental values of teamwork, integrity, excellence, community service and consumer focus form the foundation of this business which aims to serve and go beyond the expectations of the customers. Our meat products have always satisfied our consumers with the high hygiene and health standards we have always met, thus enabling us to grow and reach top levels in this industry.

Gadap Town-Karachi is home to our class apart abattoir, designed customarily as an answer to the global need and demand of Halal meat. Well organized logistics, spotless lairage area, cold storage and chillers imported from Australia, all make this abattoir one of the very best. Its capacity of 40 heads per hour makes it the country's largest private slaughtering facility. This has been further certified by the departments of health and food of Middle Eastern GCC countries as well. And if one would wonder who leads the meat export of Pakistan, the answer would be Al Shaheer Corporation venturing into export markets of Saudi Arabia, Dubai, Kuwait, Oman, Bahrain and Qatar in 2009.

'Meat One', the first red meat brand of Al Shaheer came into being in 2010 with the objective of providing innovative and convenient 'one stop fresh meat solutions' to consumers, placing us in the center of the fresh meat retail market of Pakistan. This brand offers various kinds of fresh meat operating through exclusively designed outlets as well as standard shop-in-shop models. The quality standards of Meat One are unmatched at every level of the meat selection process. Highest quality cattle is chosen as the first step of our process. Getting the cattle checked by skilled vets comes next as health and safety are the two top most priorities. These are then slaughtered in a completely halal way at our abattoir, sectioning and processing them in large cuts before transporting them in hygienic refrigerated trucks to various outlets.

'Khaas Meat', Al Shaheer's second retail brand emerged in 2014. This brand stands for three key elements: quality, hygiene and affordability. Neighborhood butcher shops were given a whole new look and meaning by this brand. The brand's reach further increased in 2015 through shop-in shop models in busy superstores across the major cities of Pakistan.

It was the same year that Al Shaheer Foods achieved yet another important milestone and became a corporate limited company, being listed on the Stock Exchange. The company transitioned to Al Shaheer Foods from Al Shaheer Corporation in the first month of 2017, with the objective of establishing itself as a 'foods' company. Keeping this objective in mind, products like poultry, ready-to-cook / ready-to-eat products, fruits and vegetables are now being considered to be further included in the line of business as well.

OUR STORY

The list of international accreditations to Al Shaheer Foods is nothing less than impressive. These include the ISO 9001:2015, ISO 22000:2005, HACCP for quality and food safety standards in the production process, SAFE Food Award 2009 & 2010 by URS for quality and hygiene. The Federation of Pakistan Chambers of Commerce and Industry has also awarded Al Shaheer Foods with the 'Best Export Performance' Award in 2009, 2010, 2012 and 2013 for Fresh and Frozen Meat while Exhibitor (Pvt.) Ltd. has awarded us with Brand of the Year Award in 2009 and Best Emerging Brand of the Year 2009.

The latest and most anticipated project of ASC Foods is the much awaited poultry and processed food line. This project with the grace of Allah is in its final stages of completion and will be launched in the retail market very soon Inshallah. Following the benchmarks set by Meat One, the essence of this upcoming brand is yet again innovation and convenience, meeting consumer needs with a differentiated and diverse offering. Just like its predecessor, this brand will also uphold the quality standards of health and hygiene and will bring significant improvement in our customer's lives not just through delicious satisfaction to the taste buds but also through an assortment of product offering currently unmet in entirety by any other local brand. This will hence be the perfect opportunity for our company to expand its presence even further both locally and internationally through general and modern trade.

With the grace of Allah, we have always been able to supersede the benchmarks created every year by ourselves. This has only been possible because of the astounding support shown by everyone associated with us. It is our key stakeholders; be it our customers, suppliers, employees, agencies, bankers or shareholders, whose unwavering support is what keeps us driven. And as this support keeps increasing, so will our dedication to attain even higher standards and go beyond your expectations every year.

OUR MOTTO

VISION

“Dominate the meal table by offering delightful food solutions to consumers.”

MISSION

We will delight and vitalize our consumers with food products that meet the highest standards of health, hygiene and fulfillment.

We will achieve this by sourcing the best quality of livestock, purest ingredients and world-class manufacturing process.

We will have excellence in our Shariah Compliance Standards for all our products, our operations, and the way we interact with the community and environment around us.

We value diversity and team work and promote a friendly work environment.

We will make sure that our actions will clearly exhibit relentless commitment to ethics, product safety and consumer satisfaction.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Noorur Rahman Abid	Chairman
Mr. Kamran Khalili	Chief Executive Officer
Mr. M. Qaysar Alam	Director
Mr. Muhammad Amin	Director
Mr. Naveed Godil	Director
Mr. Rizwan Jamil	Director
Ms. Rukhsana Asghar	Director
Mr. Sarfaraz Rehman	Director
Mr. Zafar Siddiqui	Director
Mr. Umair Khalili	Director

AUDIT COMMITTEE

Mr. M Qaysar Alam	Chairman
Mr. Noorur Rahman Abid	Member
Mr. Muhammad Amin	Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Ms. Rukhsana Asghar	Chairperson
Mr. Sarfaraz Rehman	Member
Mr. Zafar Siddiqui	Director

MANAGEMENT COMMITTEE

Mr. Kamran Khalili	Chief Executive Officer
Mr. Rizwan Jamil	Deputy Chief Executive Officer
Ms. Maryam Ali	Chief Financial Officer
Mr. Syed Sajjad	Company Secretary
Mr. Adnan Budhani	Head of Poultry Processing
Mr. Muhammad Adnan Khan	Head of Internal Audit
Mr. Hammad Chishti	Business Analyst
Mr. Mahmood Khurram	Head of Distribution Sales
Ms. Najiyeh Akbar	Head of Marketing
Mr. Osama Javed	Head of Human Resource and Administration
Mr. Shahnawaz Akbar	Head of Factory Operations
Mr. Shoaib Saleem	Head of Information Technology
Mr. Soofian Akhter	Head of Retail Sales
Mr. Shahid Qureshi	General Manager Technical

COMPANY INFORMATION

AUDITORS

Messrs. EY Ford Rhodes Chartered Accountants

SHARE REGISTRATION OFFICE

Central Depository Company of Pakistan Ltd.
CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi-74400
Tel: (92-21) 111-111-500
Fax: (92-21) 34326031

PRINCIPAL BANKERS

Faysal Bank Limited	IBB Main Branch, Karachi
Askari Bank Limited	IBB DHA Branch, Karachi
Meezan Bank Limited	Clifton Branch, Karachi
MCB Bank Limited	Clifton Branch, Karachi
Habib Bank Limited	IBB Phase IV Branch, Karachi
United Bank Limited	Khayaban-e-Shabaz Branch, Karachi
Habib Metropolitan Bank Limited	IBB-Alfalakh Court, Karachi
Summit Bank Limited	I.I. Chundrigar Road, Karachi
Dubai Islamic Bank	Clifton, Karachi

REGISTERED OFFICE

Suite G/5/5, 3rd Floor, Mansoor Tower, Block 8 Clifton,
Karachi

GADAP TOWN PLANT

Survey No. 348, Deh Shah Mureed, Tappo Songal, Gadap
Town, Karachi

POULTRY & MEAT PROCESSING PLANT

3.5 Km Manga Mandi
Near Raiwand Road, Lahore

CHIEF FINANCIAL OFFICER

Ms. Maryam Ali

COMPANY SECRETARY

Mr. Syed Sajjad

HEAD OF INTERNAL AUDIT

Mr. Muhammad Adnan Khan

DIRECTORS' REVIEW

The Directors of your Company are pleased to present the financial results of the Company for the first quarter ended September 30, 2018.

OPERATIONAL PERFORMANCE

Summarized operating performance of the company for the quarter is as follows:

	Quarter ending September 30, 2018	Quarter ending September 30, 2017
(Rupees in '000)		
Sales	1,131,646	1,518,356
Cost of Sales	(823,758)	(1,149,796)
Gross Profit	307,888	368,560
Expenses	(307,619)	(381,060)
Other Income	21,922	7,696
Taxation	(12,996)	(12,802)
Net Profit / (Loss)	9,194	(17,606)
Basic & Diluted EPS (Rs./Share)	0.06	(0.12)

This quarter is the turning point for the business, delivering a positive bottom line. Sales remaining under pressure, Company was successful in reducing costs significantly. The cost reduction, combined with improved margins in Exports, has resulted in delivering net profits for the quarter.

Export sales remained low in first quarter 2018-2019, as overall exports from Pakistan have been on a declining trend since over a year due to several macroeconomic factors. Devaluation of Pak rupee will help turn this trend around. Company exports are expected to deliver strong topline growth with higher margins during the year ahead.

Topline of domestic business also declined due to:

- Seasonal impact post Eid-ul-Azha when local sales of meat fall significantly
- Suspension of a tendered business from our institutional sales channel
- Shut down of few Khaas Meat shops

DIRECTORS' REVIEW

FUTURE OUTLOOK

The 18% upward revaluation of US dollar in first quarter of the year followed by additional devaluation of Pak Rupee will improve export margins significantly. We are confident that export business will regain its potential during the year ahead. The domestic business will be re-engineered with a target of making it profitable in the coming years.

Launch of processed frozen foods in the next quarter with a far wider coverage than meat, will additionally increase the Company's top-line. Value added portfolio enjoying higher margins will make this Business Unit a significant contributor to Company profitability in the long run.

ACKNOWLEDGMENT

The Board is thankful to valuable members and bankers for their trust and continued support to the company. The Board would also like to place on record its appreciation to all employees of the company for their dedication, diligence and hard work.



BEEFING UP THE STANDARDS

Al Shaheer Foods has defined the new standards of meat in the Pakistani market. By introducing meat chains like Meat One & Khaas Meat, we have provided consumers with the quality halal meat in their neighborhoods at affordable prices, which was never done before.

UNCONSOLIDATED FINANCIAL STATEMENTS

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2018

	Note	September 30, 2018 (Un-Audited)	June 30, 2018 (Audited)
(Rupees in '000)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	4,853,407	4,731,490
Intangible assets		4,891	5,219
		<u>4,858,298</u>	<u>4,736,709</u>
Long-term investments		55,700	55,700
Deferred taxation		189,275	192,815
		<u>5,103,273</u>	<u>4,985,224</u>
CURRENT ASSETS			
Fuels and lubricants		345	286
Stock-in-trade		93,138	107,959
Trade debts		1,156,746	1,211,970
Loans and advances		609,356	586,350
Trade deposits and short-term prepayments		28,033	21,365
Short-term investments		594	590
Other receivables		249,470	233,910
Taxation - net		143,103	141,958
Cash and bank balances		23,261	52,094
		<u>2,304,046</u>	<u>2,356,482</u>
		<u>7,407,319</u>	<u>7,341,706</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		1,421,175	1,421,175
Share premium		1,507,705	1,507,705
Unappropriated profit		650,587	634,687
Surplus on revaluation of fixed assets		845,434	852,139
Total equity		<u>4,424,901</u>	<u>4,415,706</u>
NON-CURRENT LIABILITIES			
Long-term financing	6	742,688	708,077
Deferred liabilities - Staff gratuity		61,964	59,639
		<u>804,652</u>	<u>767,716</u>
CURRENT LIABILITIES			
Trade and other payables	7	654,527	565,037
Short term borrowings		1,099,997	1,123,374
Accrued mark-up		34,056	21,543
Current portion of long-term financing		151,478	179,183
Due to a related party		237,708	269,147
		<u>2,177,766</u>	<u>2,158,284</u>
		<u>7,407,319</u>	<u>7,341,706</u>
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
	8		

The annexed notes 1 to 14 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

Note	Quarter ended	
	September 30, 2018	September 30, 2017
(Rupees in '000)		
Turnover	1,131,646	1,518,356
Cost of sales	(823,758)	(1,149,796)
Gross profit	307,888	368,560
Administrative and distribution expenses	(284,546)	(366,456)
Other expenses	(483)	(56)
	(285,029)	(366,512)
Operating profit	22,859	2,048
Other income	21,922	7,696
Finance costs	(22,590)	(14,547)
Profit / (Loss) before taxation	22,191	(4,803)
Taxation	(12,996)	(12,803)
Profit / (Loss) for the period	9,195	(17,606)
Earning / (Loss) per share – basic and diluted	0.06	(0.12)

The annexed notes 1 to 14 form an integral part of these condensed interim unconsolidated financial statements.


 Chief Executive


 Director


 Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

Quarter ended
September 30, 2018 September 30, 2017
(Rupees in '000)

Profit / (Loss) for the period	9,195	(17,606)
Other comprehensive income	-	-
Total comprehensive (loss) / profit for the period	9,195	(17,606)

The annexed notes 1 to 14 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Director



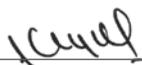
Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED CASH FLOWS STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	September 30, 2018 (Un-Audited)	September 30, 2017 (Un-Audited)
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	22,191	(4,803)
Adjustments for:		
Depreciation	21,923	19,195
Amortisation	326	402
Provision for defined benefit plan - gratuity	6,563	1,720
Loss on disposal of property, plant and equipment	483	56
Gain on remeasurement of short-term investments	(4)	(4)
Finance costs	22,590	14,547
	51,881	35,916
Operating profit before working capital changes	74,072	31,113
(Increase)/ decrease in current assets:		
Fuels and lubricants	(59)	(100)
Stock-in-trade	14,821	9,059
Trade debts	55,224	75,901
Loans and advances	(23,005)	(35,707)
Trade deposits and short-term prepayments	(6,668)	(10,634)
Other receivables	(15,560)	(27,589)
	24,753	10,930
Increase / (decrease) in current liabilities:		
Trade and other payables	89,494	121,112
Due to a related party	(31,439)	(10,745)
	58,055	110,367
Cash generated from operations	156,880	152,410
Taxes paid	(10,601)	(17,296)
Staff gratuity paid	(4,237)	(1,720)
Net cash generated from operating activities	142,042	133,394
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
- property, plant and equipment	(144,934)	(189,615)
- intangible assets	-	(2,051)
Sale proceeds from disposal of property, plant and equipment	610	431
Net cash used in investing activities	(144,324)	(191,235)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term financing - net	6,905	47,641
Short term financing	(23,377)	27,592
Finance costs paid	(10,079)	(10,310)
Net cash generated (used in)/from financing activities	(26,551)	64,923
Net (decrease)/increase in cash and cash equivalents	(28,833)	7,082
Cash and cash equivalents at the beginning of the period	52,094	27,933
Cash and cash equivalents at the end of the period	23,261	35,015

The annexed notes 1 to 14 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Director

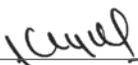

Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Issued, subscribed and paid-up capital	Capital reserves Share premium account	Revenue reserves Unappropriated profit	Surplus on revaluation of Fixed Assets	Total
	(Rupees in '000)				
As at 01 July 2017 (Audited-Restated)	1,421,175	1,507,705	678,939	186,922	3,794,741
Loss for the period	-	-	(17,606)		(17,606)
Other comprehensive loss for the period	-	-	-		-
Total comprehensive loss for the period	-	-	(17,606)		(17,606)
Surplus on revaluation of fixed assets realised on account of incremental depreciation charged on related assets, net of deferred tax	-	-	2,425	(2,425)	-
As at 30 September 2017 (Un-Audited-Restated)	1,421,175	1,507,705	663,758	184,497	3,777,135
As at 30 June 2018 (Audited)	1,421,175	1,507,705	634,687	852,139	4,415,706
Profit for the period	-	-	9,195		9,195
Other comprehensive loss for the period	-	-	-		-
Total comprehensive loss for the period	-	-	9,195	-	9,195
Surplus on revaluation of fixed assets realised on account of incremental depreciation charged on related assets, net of deferred tax	-	-	6,705	(6,705)	-
As at 30 September 2018 (Un-audited)	1,421,175	1,507,705	650,587	845,434	4,424,901

The annexed notes 1 to 14 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Director



Chief Financial Officer

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

1 THE COMPANY AND ITS OPERATIONS

- 1.1 Al Shaheer Corporation Limited (the Company) was incorporated on 30 June 2012 and is quoted on Pakistan Stock Exchange. The registered office of the Company is situated at Suite No. G/5/5, 3rd floor, Mansoor Tower, Block-8, Shahrah-e-Roomi, Clifton, Karachi. The Company is engaged in trading of different kinds of halal meat including goat, cow, chicken and fish, both for export market and local sales through chain of retail stores.
- 1.2 These are the separate financial statements of the Company in which the investment in subsidiary has been accounted for on the basis of direct equity interest and is not consolidated.

2 STATEMENT OF COMPLIANCE

These unconsolidated condensed interim financial statements of the Company for the three months period ended 30 September 2018 have been prepared in accordance with the requirements of the International Accounting Standards (IAS) – 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and provisions of and directives issued under the Companies Act 2017. In case requirements differ, the provisions of or directives issued under the Companies Act 2017 shall prevail.

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2018.

3 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2018.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the Company's annual unconsolidated financial statements for the year ended June 30, 2018.

	Note	September 30, 2018 (Un-Audited)	June 30, 2018 (Audited)
(Rupees in '000)			
5 Property, plant and equipment			
Operating fixed assets	5.1	1,800,074	1,822,109
Capital work-in-progress	5.2	3,053,333	2,909,381
		4,853,407	4,731,490

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	September 30, 2018 (Un-Audited)	June 30, 2018 (Audited)
	(Rupees in '000)	
7 TRADE AND OTHER PAYABLES		
Creditors	519,784	453,287
Accrued liabilities	36,870	35,628
Withholding tax payable	31,903	20,454
Workers' Profits Participation Fund	19,371	19,370
Workers' Welfare Fund	12,751	12,751
Retention money	2,520	2,521
Other payables	31,328	21,026
	654,527	565,037

8 CONTINGENCIES AND COMMITMENTS

8.1 CONTINGENCIES

There are no material changes in the status of contingencies as reported in the annual unconsolidated financial statements of the Company for the year ended 30 June 2018.

	September 30, 2018 (Un-Audited)	June 30, 2018 (Audited)
	(Rupees in '000)	
8.2 COMMITMENTS		
- Outstanding letter of Guarantees	-	14,006
- Post dated cheques	48,860	16,530
- Outstanding capital commitments	194,463	215,698

9 OTHER INCOME

Includes exchange gain of Rs. 21.839 million (30 September 2017: Rs. 4.236 million)

10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE OBJECTIVES

These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 30 June 2018. There have been no changes in any risk management policies since the year end.

The carrying values of all financial assets and liabilities in these unconsolidated condensed interim financial statements approximate their fair values.

11 RELATED PARTY TRANSACTIONS

Related parties comprise of associates, directors, key management personnel and retirement fund. Transactions with related parties other than those disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

		September 30, 2018 (Un-Audited)	September 30, 2017 (Un-Audited)
		(Rupees in '000)	
Transactions for the period	Relationship		
Interest received on advance against subsidiary	Subsidiary	<u>3,997</u>	<u>-</u>
Settlement of liabilities on behalf of subsidiary	Subsidiary	<u>-</u>	<u>5,288</u>
Sales	Associate	<u>-</u>	<u>7</u>
Repayment of loan received from CEO	Key Management Personnel	<u>(31,439)</u>	<u>(10,745)</u>

12 CORRESPONDING FIGURES

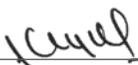
Certain corresponding figures have been reclassified for the purpose of better presentation and comparison.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue on 25 October 2018 by the Board of Directors of the Company.

14 GENERAL

All figures have been rounded off to the nearest thousand rupees.



Chief Executive



Director



Chief Financial Officer



CUTTING OUT NEW PATHS

While fulfilling the meat industry needs in Pakistan, Al Shaheer Foods is also making waves in the international meat markets. Right now our main markets include Middle Eastern side; Bahrain, Saudi Arabia, Qatar, Kuwait, Oman and UAE which are also playing their vital role in boosting the exports and eventually country's economy.

CONSOLIDATED FINANCIAL STATEMENTS

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2018

	Note	September 30, 2018 (Un-Audited)	June 30, 2018 (Audited)
(Rupees in '000)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	4,927,328	4,805,419
Intangible assets		4,891	5,217
		<u>4,932,219</u>	<u>4,810,636</u>
Deferred taxation		189,275	192,815
		<u>5,121,494</u>	<u>5,003,451</u>
CURRENT ASSETS			
Fuels and lubricants		345	286
Consumables		282	282
Stock-in-trade		93,138	107,959
Trade debts		1,156,746	1,211,970
Loans and advances		609,915	586,909
Trade deposits and short-term prepayments		28,036	21,368
Short-term investments		594	590
Other receivables		249,771	230,214
Taxation - net		143,103	141,956
Cash and bank balances		23,593	52,462
		<u>2,305,523</u>	<u>2,353,996</u>
TOTAL ASSETS		<u>7,427,017</u>	<u>7,357,447</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		1,421,175	1,421,175
Share premium		1,507,705	1,507,705
Unappropriated profit		632,314	616,436
Surplus on revaluation of fixed assets		845,434	852,139
Total equity		<u>4,406,628</u>	<u>4,397,455</u>
Non-controlling interest		20,589	20,609
NON-CURRENT LIABILITIES			
Long-term financing	6	742,687	708,077
Deferred liabilities - Staff gratuity		61,964	59,639
		<u>804,651</u>	<u>767,716</u>
CURRENT LIABILITIES			
Trade and other payables	7	659,878	566,386
Short term borrowings		1,099,997	1,123,374
Accrued mark-up		34,056	21,543
Current portion of long-term financing		151,478	179,183
Due to a related party		249,740	281,181
		<u>2,195,149</u>	<u>2,171,667</u>
TOTAL EQUITY AND LIABILITIES		<u>7,427,017</u>	<u>7,357,447</u>
CONTINGENCIES AND COMMITMENTS			
	8		

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	Quarter ended	
		September 30, 2018	September 30, 2017
(Rupees in '000)			
Turnover		1,131,646	1,518,356
Cost of sales		(823,758)	(1,149,796)
Gross profit		307,888	368,560
Administrative and distribution expenses		(284,588)	(368,735)
Other expenses		(483)	(56)
		(285,071)	(368,790)
Operating profit / (loss)		22,817	(230)
Other income	9	21,922	7,696
Finance costs		(22,590)	(14,547)
Profit / (Loss) before taxation		22,149	(7,081)
Taxation		(12,996)	(12,803)
Profit / (Loss) for the period		9,153	(19,884)
Attributable to:			
Owners of the Holding Company		9,173	(18,768)
Non controlling interests		(20)	(1,116)
		9,153	(19,884)
(Loss)/ earning per share – basic and diluted		0.06	(0.14)

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.



Chief Executive



Director



Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

Quarter ended
September 30, 2018 September 30, 2017
 (Rupees in '000)

Profit / (Loss) for the period	9,153	(19,884)
Other comprehensive income / (loss) for the period	-	-
Total comprehensive profit / (loss) for the period	9,153	(19,884)
Attributable to:		
Owners of the Holding Company	9,173	(18,768)
Non controlling interests	(20)	(1,116)
	9,153	(19,884)

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.



Chief Executive



Director



Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED CASH FLOWS STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	September 30, 2018 (Un-Audited)	September 30, 2017 (Un-Audited)
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	22,149	(7,081)
Adjustments for:		
Depreciation	21,929	19,196
Amortisation	326	402
Provision for defined benefit plan - gratuity	6,563	1,720
Loss on disposal of property, plant and equipment	483	56
Gain on remeasurement of short-term investments	(4)	(4)
Finance costs	22,590	14,547
	51,887	35,917
Operating profit before working capital changes	74,036	28,836
(Increase)/ decrease in current assets:		
Fuels and lubricants	(59)	(101)
Consumables	-	(6,214)
Stock-in-trade	14,821	9,059
Trade debts	55,224	75,901
Loans and advances	(23,005)	(35,132)
Trade deposits and short-term prepayments	(6,668)	(10,643)
Other receivables	(19,557)	(22,318)
	20,756	10,552
Increase / (decrease) in current liabilities:		
Trade and other payables	93,491	123,590
Due to a related party	(31,439)	(10,745)
	62,052	112,845
Cash generated from operations	156,844	152,233
Taxes paid	(10,601)	(17,235)
Staff gratuity paid	(4,237)	(1,720)
Net cash generated from operating activities	142,006	133,278
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
- Property, plant and equipment	(144,934)	(189,615)
- intangible assets	-	(2,051)
Sale proceeds from disposal of property, plant and equipment	610	431
Net cash used in investing activities	(144,324)	(191,235)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term financing - net	6,905	47,641
Short term financing	(23,377)	27,592
Finance costs paid	(10,079)	(10,310)
Net cash (used in)/generated from financing activities	(26,551)	64,923
Net (decrease)/increase in cash and cash equivalents	(28,869)	6,966
Cash and cash equivalents at the beginning of the period	52,462	28,687
Cash and cash equivalents at the end of the period	23,593	35,653

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Director

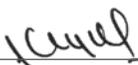

Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Issued, subscribed and paid-up capital	Capital reserves Share premium account	Revenue reserves Unappropriated profit	Non Controlling Interest	Surplus on revaluation of Fixed Assets	Total
	(Rupees in '000)					
As at 01 July 2017 (Audited-Restated)	1,421,175	1,507,705	668,120	23,907	186,922	3,807,832
Loss for the period	-	-	(18,768)	(1,116)	-	(19,884)
Other comprehensive loss for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(18,768)	(1,116)	-	(19,884)
Surplus on revaluation of fixed assets realised on account of incremental depreciation charged on related assets, net of deferred tax	-	-	2,425	-	(2,425)	-
As at 30 September 2017 (Un-Audited-Restated)	1,421,175	1,507,705	651,777	22,791	184,497	3,787,945
As at 30 June 2018 (Audited)	1,421,175	1,507,705	616,436	20,609	852,139	4,418,064
Loss for the period	-	-	9,173	(20)	-	9,153
Other comprehensive loss for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	9,173	(20)	-	9,153
Surplus on revaluation of fixed assets realised on account of incremental depreciation charged on related assets, net of deferred tax	-	-	6,705	-	(6,705)	-
As at 30 September 2018 (Un-Audited)	1,421,175	1,507,705	632,314	20,589	845,434	4,427,217

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.


 Chief Executive


 Director


 Chief Financial Officer

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

1 LEGAL STATUS AND OPERATIONS OF THE GROUP

The Group consists of Al Shaheer Corporation Limited (the Holding Company) and its subsidiary company Al Shaheer Farms (Private) Limited (the Subsidiary Company) that have been consolidated in these consolidated financial statements. Brief profiles of the Holding Company and its Subsidiary Company are as follows:

1.1 Holding Company

Al Shaheer Corporation Limited (the Holding Company) was incorporated on 30 June 2012 and is quoted on Pakistan Stock Exchange. The registered office of the Company is situated at Suite No. G/5/5, 3rd floor, Mansoor Tower, Block-8, shahrah-e-roomi, Clifton, Karachi. The Company is engaged in trading of different kinds of halal meat including goat, cow, chicken and fish, both for export market and local sales through chain of retail stores.

1.2 Subsidiary Company

The Subsidiary Company was incorporated in Pakistan as a private limited Company. The principal activity of the Subsidiary Company is to carry on all kinds of farming including agricultural, poultry, horticultural and dairy and to purchase, acquire, keep, maintain, breed, sell or otherwise dispose of all kinds of cattle and other form of live stocks. The registered office of the Subsidiary Company is situated at Suite No. G/5/5, 3rd Floor, Mansoor Tower, Block-8, Shahrah-e-Roomi, Clifton, Karachi, Pakistan. As of the consolidated statement of financial position date, the Holding Company has 51% shareholding in the Subsidiary Company.

2 STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements of the Company for the three months period ended 30 September 2018 have been prepared in accordance with the requirements of the International Accounting Standards (IAS) – 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and provisions of and directives issued under the Companies Act 2017. In case requirements differ, the provisions of or directives issued under the Companies Act 2017 shall prevail.

These consolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2018.

3 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended 30 June 2018.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

Judgements and estimates made by the management in the preparation of these consolidated condensed interim financial statements are same as those applied in the Company's annual consolidated financial statements for the year ended 30 June 2018.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	September 30, 2018 (Un-Audited)	June 30, 2018 (Audited)
		(Rupees in '000)	
5	Property, plant and equipment		
	Operating fixed assets	5.1 1,800,229	1,822,270
	Capital work-in-progress	5.2 3,127,099	2,983,149
		4,927,328	4,805,419
5.1	The movement in operating fixed assets during the period / year are as follows:		
	Opening Balance - book value	1,822,270	1,165,963
	Additions during the period / year - end	5.1.1 981	67,822
	Surplus on revaluation of fixed assets	-	673,568
		1,823,251	1,907,353
	Disposals during the period / year - end - book value	(1,093)	(8,376)
	Depreciation charge for the period / year	(21,929)	(76,707)
		(23,022)	(85,083)
	Closing balance - book value	1,800,229	1,822,270
5.1.1	Additions during the period / year		
	Building	-	20,055
	Plant and machinery	-	6,900
	Furniture and fittings	981	15,511
	Motor vehicles	-	18,372
	Office equipment	-	4,623
	Tools and equipment	-	1,580
	Computers and accessories	-	781
		981	67,822
5.2	Capital work-in-progress		
	Land	59,130	59,130
	Civil works	113,967	114,069
	Plant and machinery	1,542,932	1,547,226
	Advance to suppliers and contractors	1,383,230	1,240,968
	Computer Software	27,840	21,756
	Closing Balance	3,127,099	2,983,149
6	LONG-TERM FINANCING		
	Askari Bank Limited	100,000	100,000
	Dubai Islamic Bank Pakistan Limited	775,000	764,583
	Habib Metropolitan Bank Limited	12,287	14,190
	Al Baraka Bank Limited	6,878	8,487
		894,165	887,260
	Less: current maturity	(151,478)	(179,183)
		742,687	708,077

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	September 30, 2018 (Un-Audited)	June 30, 2018 (Audited)
	(Rupees in '000)	
7 TRADE AND OTHER PAYABLES		
Creditors	519,784	453,287
Accrued liabilities	38,149	36,910
Withholding tax payable	31,903	20,454
Workers' Profits Participation Fund	19,371	19,370
Workers' Welfare Fund	12,751	12,751
Retention money	2,520	2,521
Other payables	35,400	21,093
	659,878	566,386

8 CONTINGENCIES AND COMMITMENTS

8.1 CONTINGENCIES

There are no material changes in the status of contingencies as reported in the annual consolidated financial statements of the Company for the year ended 30 June 2018.

	September 30, 2018 (Un-Audited)	June 30, 2018 (Audited)
	(Rupees in '000)	
8.2 COMMITMENTS		
- Outstanding letter of Guarantees	-	14,006
- Post dated cheques	48,860	16,530
- Outstanding capital commitments	194,463	215,698

9 OTHER INCOME

Includes exchange gain of Rs. 21.839 million (30 September 2017: Rs. 4.236 million)

10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE OBJECTIVES

These consolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 30 June 2018. There have been no changes in any risk management policies since the year end.

The carrying values of all financial assets and liabilities in these consolidated condensed interim financial statements approximate their fair values.

11 RELATED PARTY TRANSACTIONS

Related parties comprise of associates, directors, key management personnel and retirement fund. Transactions with related parties other than those disclosed elsewhere in these consolidated condensed interim financial statements are as follows:

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

September 30, 2018
(Un-Audited)
(Rupees in '000)

September 30, 2017
(Un-Audited)

Transactions for the period	Relationship		
Sales	Associate	<u>-</u>	<u>7</u>
Repayment of loan received from CEO	Key Management Personnel	<u>(31,439)</u>	<u>(10,745)</u>

12 CORRESPONDING FIGURES

Certain corresponding figures have been reclassified for the purpose of better presentation and comparison.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue on 25 October 2018 by the Board of Directors of the Company.

14 GENERAL

All figures have been rounded off to the nearest thousand rupees.



Chief Executive



Director



Chief Financial Officer

ALSHAHEER

FOODS

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