

ALSHAHEER

FOODS



**BRINGING PERFECTION
TO YOUR TABLE**



ALSHAHEER
FOODS

**BRINGING PERFECTION
TO YOUR TABLE**



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OUR STORY

ALSHAHEER
FOODS

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 aimed 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; and 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.

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.

ASC Foods is certified on following regulatory & international standards:

- ISO 9001:2015
- ISO 22000:2005
- ISO 14001: 2015
- OHSAS 18001: 2007
- HACCP
- Pakistan Halal standard PS3733:2016
- Malaysian Halal standard MS 1500
- UAE/GSO Halal slaughtering standard 993:2015



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 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 processes.
- We will have excellence in our Shariah compliance standards for all our products, our operations and the way we interact with the communities and environment around us.
- We value diversity & teamwork and promote an open informal work environment.
- All our actions will clearly exhibit our relentless commitment to ethics, product safety and consumer satisfaction.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Kamran Ahmed Khalili	Chief Executive Officer
Mr. Adeeb Ahmad	Director
Mr. M. Qaysar Alam	Director
Mr. Jamil Akbar	Director
Ms. Ayesha Aziz	Director
Mr. Zillay A Nawab	Director
Mr. Umair Ahmed Khalili	Director

AUDIT COMMITTEE

Mr. Jamil Akbar	Member
Mr. M Qaysar Alam	Member
Mr. Umair Ahmed Khalili	Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Kamran Ahmed Khalili	Member
Mr. Zillay A Nawab	Member
Mr. Umair Ahmed Khalili	Member

MANAGEMENT COMMITTEE

Mr. Kamran Khalili	Chief Executive Officer
Mr. Rizwan Jamil	Deputy Chief Executive Officer
Ms. Maryam Ali	Chief Financial Officer
Mr. Shahnawaz Akbar	Head of Factory Operations
Mr. Adnan Budhani	Project Head- New Projects
Mr. Mahmood Khurram	Head of Sales & Marketing Acting Company Secretary
Mr. Shoaib Saleem	Head of Information Technology
Mr. Osama Javed	Head of Human Resource and Administration

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-Alfalah 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. Mahmood Khurram
(Acting Company Secretary)

DIRECTORS' REVIEW



DIRECTORS' REVIEW

The Directors of your Company are pleased to present audited financial results of the Company for first quarter ended September 30, 2019.

Operational Performance

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

	Quarter ending September 30, 2019	Quarter ending September 30, 2018
	----- (Rupees in '000) -----	
Sales	977,446	1,131,646
Cost of Sales	(648,863)	(823,758)
Gross Profit	328,583	307,888
Expenses	(249,316)	(285,030)
Other Income	850	21,922
Finance Cost	(62,410)	(22,590)
Taxation	4,411	(12,996)
Net Profit / (Loss)	22,119	9,193
Basic & Diluted EPS (Rs./Share)	0.16	0.06

This quarter, sales trend had a seasonal impact due to Eid ul Azha, where both local and export sales are relatively lower than other quarters. Though sales were lower than same period last year, we managed to close our Qurbani services project successfully, overachieving our top line and bottom line targets.

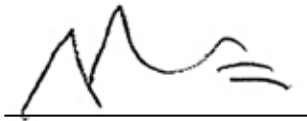
Our team is fully aligned and consistently working on bringing operational efficiencies that, coupled with healthy margins in exports, has resulted in positive bottom line during FY 2018-19. The same trend in efficiencies has been trailed during last quarter, having reduced operational expenses.

Future Outlook

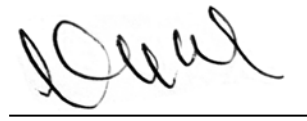
Export volumes will continue to gain its momentum with consistent healthy margins in coming months, which will contribute in company's profitability. Local business, having Retail network and Institutional sales business is also on the steady rise and will achieve higher sales in remaining period. While the company is geared to maintain its current network, it is going to capitalize on low-capex opportunities to increase its footprint in the market.

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.



Adeeb Ahmed
Director



Kamran Khalili
Chief Executive Officer



Condensed Interim Unconsolidated Financial Statements 2019-20

Condensed Unconsolidated Statement of Financial Position

As at 30 September 2019

	Note	Quarter Ended	
		September 30, 2019 (Un-Audited)	June 30, 2019 (Audited)
----- (Rupees in '000)-----			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	4,969,807	4,987,659
Intangible assets		3,668	3,913
Long-term investments		94,429	93,642
Long term loan		15,647	15,947
Deferred tax asset - net		189,710	179,295
		<u>5,273,261</u>	<u>5,280,456</u>
CURRENT ASSETS			
Fuels and lubricants		223	486
Stock-in-trade		57,634	84,453
Trade debts		1,506,583	1,480,172
Short term loans and advances		252,884	283,101
Trade deposits and short-term prepayments		23,690	19,321
Short-term investments		644	626
Other receivables		279,081	253,689
Taxation - net		149,287	150,714
Cash and bank balances		35,092	19,735
		<u>2,305,118</u>	<u>2,292,297</u>
TOTAL ASSETS		<u><u>7,578,379</u></u>	<u><u>7,572,753</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital		1,421,175	1,421,175
Share premium		1,507,705	1,507,705
Unappropriated profit		872,541	844,912
Revaluation surplus on property, plant and equipment		818,685	824,194
		<u>4,620,106</u>	<u>4,597,986</u>
NON-CURRENT LIABILITIES			
Long-term financing	6	516,346	590,780
Deferred liabilities		73,385	73,386
		<u>589,731</u>	<u>664,166</u>
CURRENT LIABILITIES			
Trade and other payables	7	783,414	744,856
Short term borrowings	8	1,124,358	1,074,360
Accrued mark-up		52,461	60,520
Current portion of long-term financing		334,280	353,416
Due to a related party		74,029	77,449
		<u>2,368,542</u>	<u>2,310,601</u>
TOTAL EQUITY AND LIABILITIES		<u><u>7,578,379</u></u>	<u><u>7,572,753</u></u>
COMMITMENTS	9		


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



Chief Executive Officer



Director



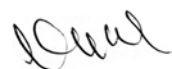
Chief Financial Officer

Condensed Unconsolidated Statement of Profit and Loss Account

For the Quarter Ended 30 September 2019

	Quarter Ended	
	September 30, 2019 (Un-Audited)	September 30, 2018 (Un-Audited)
----- (Rupees in '000) -----		
Turnover - net	977,447	1,131,646
Cost of sales	(648,863)	(823,758)
Gross profit	328,584	307,888
Administrative and distribution costs	(217,356)	(284,546)
Operating profit	111,228	23,342
Other expenses	(31,960)	(483)
Other income	850	21,922
Finance costs	(62,410)	(22,590)
Profit before taxation	17,708	22,191
Taxation	4,412	(12,996)
Net profit for the period	22,120	9,195
Earnings per share – basic and diluted	0.16	0.06


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



Chief Executive Officer



Director



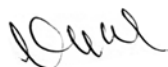
Chief Financial Officer

Condensed Unconsolidated Statement of Comprehensive Income

For the Quarter Ended 30 September 2019

	Quarter Ended	
	September 30, 2019 (Un-Audited)	September 30, 2018 (Un-Audited)
	----- (Rupees in '000) -----	
Profit for the period	22,120	9,195
Other comprehensive income	-	
Total comprehensive profit / (loss) for the period	22,120	9,195

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



Chief Executive Officer



Director



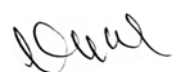
Chief Financial Officer

Condensed Unconsolidated Cash Flows Statement

For the Quarter Ended 30 September 2019

	Quarter Ended	
	September 30, 2019	September 30, 2018
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	17,708	22,191
Adjustments for:		
Depreciation	16,478	21,923
Amortisation	1,304	326
Provision for defined benefit plan - gratuity	11,337	6,563
Loss on disposal of property, plant and equipment	415	483
Gain on remeasurement of short-term investments	(18)	(4)
Finance costs	62,410	22,590
	91,926	51,881
Operating profit before working capital changes	109,634	74,072
(Increase) / decrease in current assets:		
Fuels and lubricants	264	(59)
Stock-in-trade	26,819	14,821
Trade debts	(26,410)	55,224
Loans and advances	30,518	(23,005)
Trade deposits and short-term prepayments	(4,370)	(6,668)
Other receivables	(25,399)	(15,560)
	1,422	24,753
Increase in current liabilities:		
Trade and other payables	38,562	89,494
Due to a related party	(3,420)	(31,439)
	35,142	58,055
Cash generated from operations	146,198	156,880
Taxes paid	(4,576)	(10,601)
Staff gratuity paid	(11,336)	(4,237)
Net cash generated from operating activities	130,286	142,042
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
- property, plant and equipment	(2,461)	(144,934)
Sale proceeds from disposal of property, plant and equipment	2,360	610
Long term Investments	(787)	-
Net cash used in investing activities	(888)	(144,324)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term financing - net	(93,570)	6,905
Short term financing	49,998	(23,377)
Finance costs paid	(70,470)	(10,079)
Net cash generated from/ (used in) financing activities	(114,042)	(26,551)
Net increase / (decrease) in cash and cash equivalents	15,357	(28,833)
Cash and cash equivalents at the beginning of the period	19,735	52,094
Cash and cash equivalents at the end of the period	35,092	23,261


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



Chief Executive Officer



Director



Chief Financial Officer

Condensed Interim Unconsolidated Statement of Changes in Equity

For the Quarter Ended 30 September 2019

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserves	Surplus on revaluation of Fixed Assets	Total
		Share premium account	Unappropriated profit		
----- (Rupees) in '000-----					
Balance as at June 30, 2018	1,421,175	1,507,705	634,687	852,139	4,415,706
Impact on adoption of IFRS 9 - net of tax	-	-	(8,207)	-	(8,207)
Adjusted balance as on June 30, 2018	1,421,175	1,507,705	626,480	852,139	4,407,499
Loss 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)	-
Balance as at 30 September 30, 2018	1,421,175	1,507,705	642,380	845,434	4,416,694
Balance as at June 30, 2019	1,421,175	1,507,705	844,912	824,194	4,597,986
Profit for the period	-	-	22,120	-	22,120
Other comprehensive loss for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	22,120	-	22,120
Surplus on revaluation of fixed assets realised on account of incremental depreciation charged on related assets, net of deferred tax	-	-	5,509	(5,509)	-
As at 30 September 2019	1,421,175	1,507,705	872,541	818,685	4,620,106

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



Chief Executive Officer



Director



Chief Financial Officer

Notes to the Condensed Interim Unconsolidated Financial Statements

For the Quarter Ended 30 September 2019

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 2019 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 2019.

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 2019.

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, 2019.

	September 30, 2019 (Un-Audited)	June 30, 2019 (Audited)
Note	----- (Rupees in 000') -----	
5 Property, plant and equipment		
Operating fixed assets	1,716,927	1,737,198
Capital work-in-progress	3,252,880	3,250,461
	<u>4,969,807</u>	<u>4,987,659</u>
5.1 The movement in operating fixed assets during the period / year are as follows:		
Opening Balance - book value	1,737,199	1,822,109
Additions during the period / year - end	41	10,193
Surplus on revaluation of fixed assets	-	-
	<u>1,737,240</u>	<u>1,832,302</u>
Disposals during the period / year - end - book value	(2,775)	(14,278)
Depreciation charge for the period / year	(17,538)	(80,825)
	<u>(20,313)</u>	<u>(95,103)</u>
Closing balance - book value	<u>1,716,927</u>	<u>1,737,199</u>
6 LONG-TERM FINANCING		
Askari Bank Limited	93,750	100,000
Dubai Islamic Bank Pakistan Limited	751,026	835,975
Habib Metropolitan Bank Limited	5,550	6,492
Al Baraka Bank Limited - Diminishing Musharakah	300	1,729
	<u>850,626</u>	<u>944,196</u>
Less: current maturity	(334,280)	(353,416)
	<u>516,346</u>	<u>590,780</u>



Chief Executive Officer



Director



Chief Financial Officer

Notes to the Condensed Interim Unconsolidated Financial Statements

For the Quarter Ended 30 September 2019

	September 30, 2019 (Un-Audited)	June 30, 2019 (Audited)
----- (Rupees in 000') -----		
7 TRADE AND OTHER PAYABLES		
Creditors	549,070	519,876
Accrued liabilities	57,798	60,947
Withholding tax payable	78,033	72,200
Workers' Profits Participation Fund	33,523	33,523
Workers' Welfare Fund	17,501	17,501
Retention money	2,520	2,520
Other payables	44,969	38,289
	<u>783,414</u>	<u>744,856</u>
8 SHORT TERM BORROWINGS		
Secured		
Murabaha - islamic banking		
Sindh Bank Limited	250,000	350,000
Habib Metropolitan Bank Limited	250,400	264,400
Dubai Islamic Bank Pakistan Limited	299,975	199,975
Askari Bank Limited	100,000	100,000
Faysal Bank Limited	164,250	100,000
	<u>1,064,625</u>	<u>1,014,375</u>
Running Musharakah - Summit Bank Limited	59,733	59,985
	<u>1,124,358</u>	<u>1,074,360</u>
9 COMMITMENTS		
Outstanding capital commitments	<u>112,453</u>	<u>112,453</u>
10 OTHER EXPENSES		
Includes exchange loss of Rs. 31.5 Million (exchange gain as at 30 September 2018 : Rs. 21.8 million)		
11 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 2019. 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.

12 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:

	September 30, 2019 (Un-Audited)	September 30, 2018 (Un-Audited)
----- (Rupees in 000') -----		
Transactions for the period		
Interest received on advance against subsidiary	-	3,997
Repayment of loan received from CEO	(3,420)	(31,439)

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue on **November 28, 2019** by the Board of Directors of the Company.

14 GENERAL


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



Chief Executive Officer



Director



Chief Financial Officer



Condensed Interim Consolidated Financial Statements 2019-20

Condensed Consolidated Statement of Financial Position

As at 30 September 2019

	Note	Quarter Ended	
		September 30, 2019 (Un-Audited)	June 30, 2019 (Audited)
		----- (Rupees in '000)-----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	5,016,870	5,034,729
Intangible assets		3,668	3,913
Long-term investments		75,380	74,593
Long term loan		15,647	15,947
Deferred tax asset - net		189,710	179,295
		<u>5,301,275</u>	<u>5,308,477</u>
CURRENT ASSETS			
Fuel and lubricants		223	486
Stock-in-trade		57,634	84,453
Trade debts		1,506,583	1,480,172
Short term loans and advances		252,944	283,161
Trade deposits and short-term prepayments		23,690	19,321
Short-term investment		644	626
Other receivables		279,081	253,689
Taxation - net		149,287	150,714
Cash and bank balances		35,408	20,052
		<u>2,305,494</u>	<u>2,292,674</u>
TOTAL ASSETS		<u><u>7,606,769</u></u>	<u><u>7,601,151</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital		1,421,175	1,421,175
Share premium		1,507,705	1,507,705
Unappropriated profit		876,830	849,204
Revaluation surplus on property, plant and equipment		818,685	824,194
		<u>4,624,395</u>	<u>4,602,278</u>
Non-controlling interest		7,088	7,090
NON-CURRENT LIABILITIES			
Long-term financing	6	516,346	590,780
Deferred liabilities		73,386	73,386
		<u>589,732</u>	<u>664,166</u>
CURRENT LIABILITIES			
Trade and other payables	7	784,071	745,518
Short term borrowings	8	1,124,359	1,074,360
Accrued mark-up		52,461	60,520
Current portion of long-term financing		334,280	353,416
Due to a related party		90,383	93,803
		<u>2,385,554</u>	<u>2,327,617</u>
TOTAL EQUITY AND LIABILITIES		<u><u>7,606,769</u></u>	<u><u>7,601,151</u></u>
COMMITMENTS			
	9		


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



Chief Executive Officer



Director



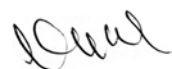
Chief Financial Officer

Condensed Consolidated Statement of Profit and Loss Account

For the Quarter Ended 30 September 2019

	Quarter Ended	
	September 30, 2019 (Un-Audited)	September 30, 2018 (Un-Audited)
	----- (Rupees in '000)-----	
Turnover	977,447	1,131,646
Cost of sales	(648,863)	(823,758)
Gross profit	328,584	307,888
Administrative and distribution expenses	(217,361)	(284,588)
Operating profit	111,223	23,300
Other expenses	(31,960)	(483)
Other income	850	21,922
Finance costs	(62,410)	(22,590)
Profit before taxation	17,703	22,149
Taxation	4,412	(12,996)
Profit for the period	22,115	9,153
Attributable to:		
Owners of the Holding Company	22,117	9,173
Non controlling interests	(2)	(20)
	22,115	9,153
Earnings per share – basic and diluted	0.16	0.06


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



Chief Executive Officer



Director



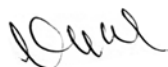
Chief Financial Officer

Condensed Consolidated Statement of Comprehensive Income

For the Quarter Ended 30 September 2019

	Quarter Ended	
	September 30, 2019 (Un-Audited)	September 30, 2018 (Un-Audited)
	----- (Rupees in '000)-----	
Profit for the period	22,115	9,153
Other comprehensive income:	-	-
Total comprehensive profit for the period	22,115	9,153
Attributable to:		
Owners of the Holding Company	22,117	9,173
Non controlling interests	(2)	(20)
	22,115	9,153


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



Chief Executive Officer



Director



Chief Financial Officer

Condensed Consolidated Statement of Cash Flow

For the Quarter Ended 30 September 2019

	Quarter Ended	
	September 30, 2019 (Un-Audited)	September 30, 2018 (Un-Audited)
	----- (Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	17,703	22,149
Adjustments for:		
Depreciation	17,543	21,929
Amortisation	245	326
Provision for defined benefit plan - gratuity	11,337	6,563
Loss on disposal of property, plant and equipment	415	483
Gain on remeasurement of short-term investments	(19)	(4)
Finance costs	62,410	22,590
	91,931	51,887
Operating profit before working capital changes	109,634	74,036
Decrease in current assets:		
Fuels and lubricants	264	(59)
Stock-in-trade	26,819	14,821
Trade debts	(26,410)	55,224
Short term loans and advances	30,518	(23,005)
Trade deposits and short-term prepayments	(4,370)	(6,668)
Other receivables	(25,399)	(19,557)
	1,422	20,756
Increase in current liabilities:		
Trade and other payables	38,563	93,491
Due to a related party	(3,420)	(31,439)
	35,143	62,052
Cash generated from operations	146,199	156,844
Taxes paid	(4,576)	(10,601)
Staff gratuity paid	(11,337)	(4,237)
Net cash generated from operating activities	130,286	142,006
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
- property, plant and equipment	(2,461)	(144,934)
Sale proceeds from disposal of property, plant and equipment	2,360	610
Long term Investments	(787)	-
Net cash used in investing activities	(888)	(144,324)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term financing - net	(93,570)	6,905
Short term financing	49,998	(23,377)
Finance costs paid	(70,470)	(10,079)
Net cash used in financing activities	(114,042)	(26,551)
Net increase in cash and cash equivalents	15,357	(28,869)
Cash and cash equivalents at the beginning of the period	20,051	52,462
Cash and cash equivalents at the end of the period	35,408	23,593


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



Chief Executive Officer



Director



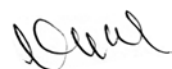
Chief Financial Officer

Condensed Consolidated Statement of Changes in Equity

For the Quarter Ended 30 September 2019

	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-----						
Balance as at June 30, 2018 (Audited)	1,421,175	1,507,705	616,436	20,609	852,139	4,418,064
Impact on adoption of IFRS 9 - net of tax	-	-	(8,207)	-	-	(8,207)
Adjusted balance as on June 30, 2018	1,421,175	1,507,705	608,229	20,609	852,139	4,409,857
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)	-
Balance as at September 30, 2018	1,421,175	1,507,705	624,107	20,589	845,434	4,419,010
Balance as at June 30, 2019 (Audited)	1,421,175	1,507,705	849,204	7,090	824,194	4,609,368
Profit for the period	-	-	22,117	(2)	-	22,117
Other comprehensive loss for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	22,117	(2)	-	22,117
Surplus on revaluation of fixed assets realised on account of incremental depreciation charged on related assets, net of deferred tax	-	-	5,509	-	(5,509)	-
Balance as at September 30, 2019	1,421,175	1,507,705	876,830	7,088	818,685	4,631,485


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



Chief Executive Officer



Director



Chief Financial Officer

Notes to the Condensed Consolidated Financial Statements

For the Quarter Ended 30 September 2019

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 2019 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 2019.

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 financial statements for the year ended 30 June 2019.

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 June 30, 2019.

	September 30, 2019 (Un-Audited)	June 30, 2019 (Audited)
	----- (Rupees in '000)-----	
5 Property, plant and equipment		
Operating fixed assets	1,717,060	1,737,336
Capital work-in-progress	3,299,810	3,297,393
	<u>5,016,870</u>	<u>5,034,729</u>
5.1 The movement in operating fixed assets during the period / year are as follows:		
Opening Balance - book value	1,737,337	1,822,270
Additions during the period / year - end	41	10,193
	<u>1,737,378</u>	<u>1,832,463</u>
Disposals during the period / year - end - book value	(2,775)	(14,279)
Depreciation charge for the period / year	(17,543)	(80,848)
	<u>(20,318)</u>	<u>(95,127)</u>
Closing balance - book value	<u>1,717,060</u>	<u>1,737,336</u>



Chief Executive Officer



Director



Chief Financial Officer

Notes to the Condensed Consolidated Financial Statements

For the Quarter Ended 30 September 2019

	September 30, 2019 (Un-Audited)	June 30, 2019 (Audited)
	----- (Rupees in '000) -----	
6 LONG-TERM FINANCING		
Askari Bank Limited	93,750	100,000
Dubai Islamic Bank Pakistan Limited	751,026	835,975
Habib Metropolitan Bank Limited	5,550	6,492
Al Baraka Bank Limited	300	1,729
Diminishing Musharakah	<u>850,626</u>	<u>944,196</u>
Less: current maturity	<u>(334,280)</u>	<u>(353,416)</u>
	<u><u>516,346</u></u>	<u><u>590,780</u></u>
7 TRADE AND OTHER PAYABLES		
Creditors	549,070	519,876
Accrued liabilities	58,326	61,522
Withholding tax payable	78,121	72,287
Workers' Profits Participation Fund	33,523	33,523
Workers' Welfare Fund	17,502	17,501
Retention money	2,520	2,520
Other payables	<u>45,008</u>	<u>38,289</u>
	<u>784,071</u>	<u>745,518</u>
8 SHORT TERM BORROWINGS		
Murabaha - islamic banking		
Sindh Bank Limited	250,000	350,000
Habib Metropolitan Bank Limited	250,400	264,400
Dubai Islamic Bank Pakistan Limited	299,975	199,975
Askari Bank Limited	100,000	100,000
Faysal Bank Limited	<u>164,250</u>	<u>100,000</u>
	1,064,625	1,014,375
Running Musharikah - Summit Bank Limited	59,734	59,985
	<u>1,124,359</u>	<u>1,074,360</u>
9 COMMITMENTS		
Outstanding capital commitments	<u>112,453</u>	<u>112,453</u>
10 OTHER EXPENSES		
Includes exchange loss of Rs. 31.5 Million (exchange gain as at 30 September 2018 : Rs. 21.8 million)		
11 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 2019. 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.		
12 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:		
	September 30, 2019 (Un-Audited)	September 30, 2018 (Un-Audited)
	----- (Rupees) -----	
Transactions for the period		
Repayment of loan received from CEO	<u>(3,420)</u>	<u>(31,439)</u>
13 DATE OF AUTHORISATION FOR ISSUE		
These condensed interim consolidated financial statements were authorised for issue on November 28, 2019 by the Board of Directors of the Company.		
14 GENERAL		
All figures have been rounded off to the nearest thousand rupees.		



Chief Executive Officer



Director



Chief Financial Officer

ALSHAHEER

FOODS

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TO YOUR TABLE**

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