



ALSHAHEER

FOODS



ALSHAHEER
FOODS



Contents

Our Story	06
Our Motto	08
Company Information	10
Directors' Report	12
Unconsolidated Condensed Interim Statement of Financial Position	14
Consolidated Condensed Interim Statement of Financial Position	25



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 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



ALSHAHEER
FOODS



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



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 has been completed and has been launched. Following the benchmarks set by Meat One, the essence of this 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 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. M. Zubair Haider Shaikh	Director
Mr. Zillay A Nawab	Director
Mr. Umair Ahmed Khalili	Director
Ms. Sabeen Fazli Alavi	Director

AUDIT COMMITTEE

Mr. M. Zubair Haider Shaikh	Chairman
Mr. M Qaysar Alam	Member
Mr. Umair Ahmed Khalili	Member

HUMAN RESOURCE COMMITTEE

Mr. Zillay A Nawab	Chairman
Mr. Kamran Ahmed Khalili	Member
Mr. Umair Ahmed Khalili	Member
Ms. Sabeen Fazli Alavi	Member
Mr. M Qaysar Alam	Member

CHIEF FINANCIAL OFFICER

Mr. Muhammad Hamza Paracha

COMPANY SECRETARY

Mr. Osama Javed Usmani

HEAD OF INTERNAL AUDIT

Mr. Furqan Galla

Company Information

MANAGEMENT COMMITTEE

Mr. Kamran Ahmed Khalili	Chief Executive Officer
Mr. Ahsan Afzaal	Chief Operating Officer
Mr. Muhammad Hamza Paracha	Chief Financial Officer
Mr. Shahid Qureshi	General Manager Technical
Mr. Ashfaq Ur Rehman	National Sales Manager
Mr. Osama Javed Usmani	Company Secretary
Mr. Furqan Galla	Head of Internal Audit

AUDITORS

Grant Thornton Anjum Rahman, Chartered Accountants

SHARE REGISTRATION OFFICE

CDC Share Registrar Services Limited.
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	IBB-Alfalah Court, Bank Limited, 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



Director's Report

Six Months Period Ended
31 December 2021

The Directors of your Company are pleased to present the financial results of the Company for the Half Year Ended December 31, 2021.

Operational Performance

Summarized operating performance of the Company for the Half Year is as follows:

	Half Year Ended December 31, 2021	Half Year Ended December 31, 2020
	(Rupees in '000)	
Turnover	2,860,816	2,625,338
Operating Profit	96,008	198,598
Net Profit / (Loss)	(30,620)	59,688
EPS (Rs./Share)	(0.10)	0.30

By the grace of Almighty, the Company has commenced its commercial production of its poultry and frozen processed food plant at Lahore. The Company has engaged highly experienced and qualified professionals for top management positions. The Company has launched its new brand "CHEF ONE" nationwide and is now available at all leading retail stores and e-commerce platforms. As of now, the Company has introduced wide range of differentiated products in the category of chicken, beef, fish and flour. The market has huge potential with high margins and growth rate. The Company is committed to delight its consumers and positively enhance the quality of life of people by offering them more delicious and nutritious food solutions, not just for snacking but also main meal occasions.

In first half of this fiscal year, the Company's performance was impacted by higher inflation which affected the live-stock costs as well as operational expenditures. The Company's profitability was also affected with the launch of Chefone (Lahore plant) and its initial expenses including higher depreciation, administrative and marketing costs. The Company is conscious of this and has an effective strategy to mitigate the ensuing challenges. However, the overall turnover has increased by 8.8% compared to the same period last year.

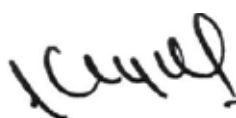
Despite the challenges, the Company remained committed to its vision of positively enhancing the quality of life of our consumers by expanding its product base through continuous innovation & renovation and increasing the topline. The Company has also added major e-commerce platforms.

Acknowledgment

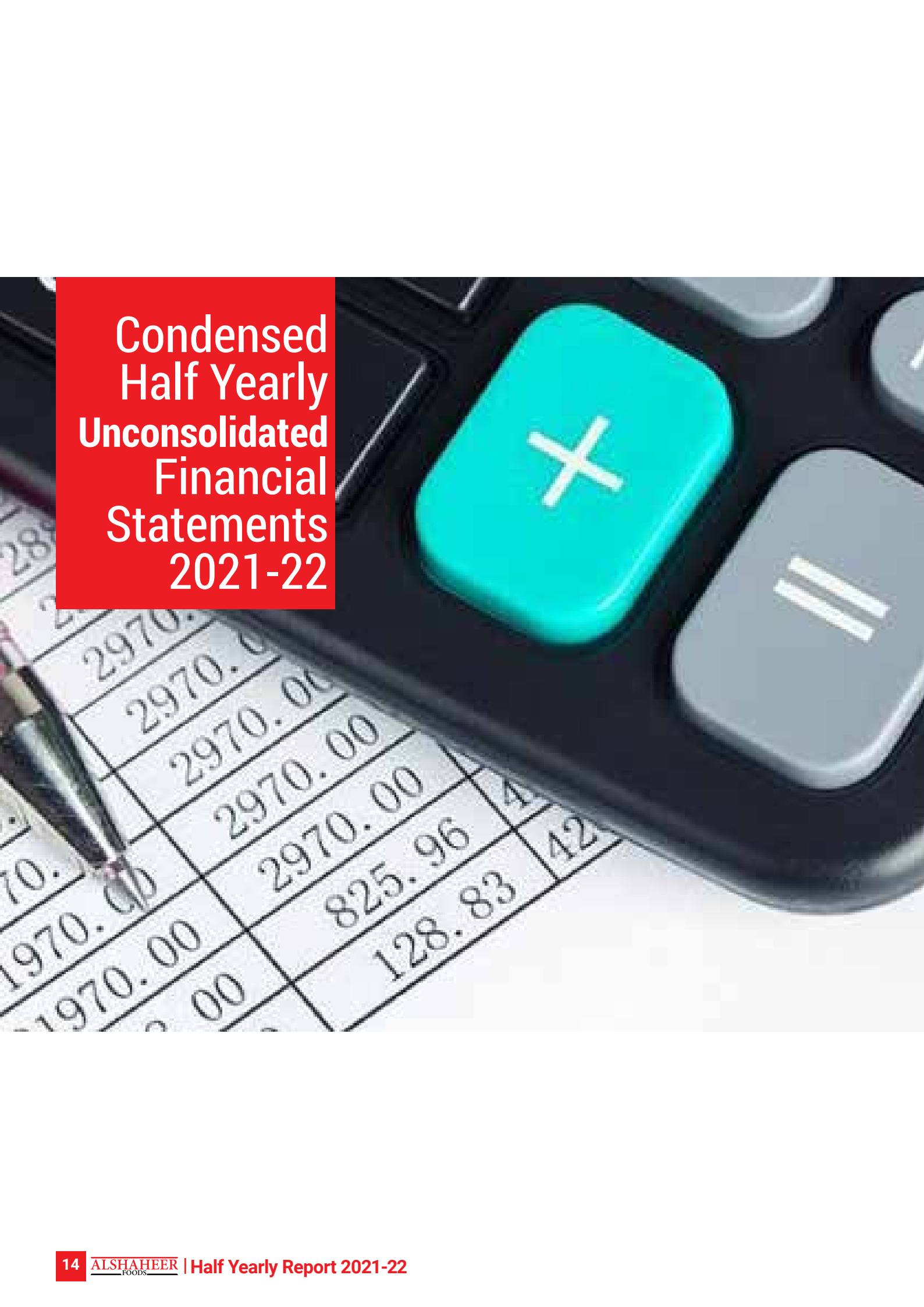
The Board is thankful to its valuable stakeholders for their trust and continued support to the Company. The Board would also like to place on record its appreciation to all employees of the Company for their dedication, diligence and hard work.



Muhammad Qaysar Alam
Chairman – Board of Directors



Kamran Khalili
Chief Executive Officer



**Condensed
Half Yearly
Unconsolidated
Financial
Statements
2021-22**

**Grant Thornton Anjum
Rahman**
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

INDEPENDENT AUDITORS' REVIEW REPORT

To the Members of Al Shaheer Corporation Limited

Report on review of unconsolidated condensed interim financial statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Al Shaheer Corporation Limited** (the Company) as at 31 December 2021 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of other comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim statement of cash flows and notes to the unconsolidated condensed interim financial statements for the six months period then ended (here-in-after referred to as the 'unconsolidated condensed interim financial statements'). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 'Review of Interim Financial Statements Performed by the Independent Auditor of the Entity'. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

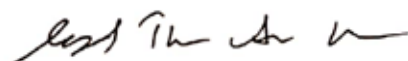
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matters

The unconsolidated condensed interim financial statements for the six months period ended 31 December 2020 and unconsolidated financial statements for the year ended 30 June 2021 were reviewed and audited respectively by EY Ford Rhodes, Chartered Accountants who expressed an unqualified conclusion and unqualified opinion thereon dated 01 March 2021 and 27 October 2021, respectively.

The engagement partner on the engagement resulting in this independent auditors' review report is Khurram Jameel.



Chartered Accountants

Place: Karachi

Date: 4 March 2022

UDIN: RR202110093ILduXf4S6

Unconsolidated Condensed Interim Statement of Financial Position


As at 31 December 2021

		31 December 2021 (Un-Audited)	30 June 2021 (Audited)
	Note	----- Rupees in '000' ----- -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	5,544,796	5,515,188
Intangible assets		40,524	40,103
Long-term investment		19,049	19,049
Long-term loan		8,561	9,161
Deferred tax asset - net		281,377	281,377
		<u>5,894,307</u>	<u>5,864,878</u>
CURRENT ASSETS			
Stock-in-trade		389,747	249,141
Trade debts	5	2,504,325	2,040,752
Loans and advances		341,105	371,844
Trade deposits and prepayments		17,009	15,649
Other receivables		537,354	442,087
Taxation - net		141,167	147,950
Cash and bank balances		16,836	74,857
		<u>3,947,543</u>	<u>3,342,280</u>
TOTAL ASSETS		<u>9,841,850</u>	<u>9,207,158</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital		<u>3,000,000</u>	<u>3,000,000</u>
Issued, subscribed and paid-up capital		2,999,389	2,999,389
Share premium		1,507,705	1,507,705
Unappropriated profit		1,100,765	1,122,938
Revaluation surplus on property, plant and equipment		759,431	767,877
		<u>6,367,290</u>	<u>6,397,909</u>
NON-CURRENT LIABILITIES			
Long-term financing	6	747,482	579,898
Deferred income - government grant		-	2,033
Lease liabilities		35,650	46,893
Deferred liabilities		87,668	76,069
		<u>870,800</u>	<u>704,893</u>
CURRENT LIABILITIES			
Trade and other payables		902,961	781,405
Short-term borrowings	7	1,119,929	710,962
Accrued mark-up		52,970	90,768
Due to a related party		30,157	2,182
Current portion of long-term financing		447,463	450,705
Current portion of deferred income - government grant		1,679	4,399
Current portion of lease liabilities		48,601	63,935
		<u>2,603,760</u>	<u>2,104,356</u>
TOTAL EQUITY AND LIABILITIES		<u>9,841,850</u>	<u>9,207,158</u>
CONTINGENCIES AND COMMITMENTS			
	8		

The annexed notes from 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer


Unconsolidated Condensed Interim Statement Of Profit Or Loss (Un-Audited)

For the Six Months Period Ended 31 December 2021

	Six months period ended		Three months period ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Note	----- Rupees in '000' -----		----- Rupees in '000' -----	
Revenue - net	2,860,816	2,625,338	1,473,742	1,124,511
Cost of sales	(2,316,264)	(1,888,224)	(1,214,965)	(783,456)
Gross profit	544,552	737,114	258,777	341,055
Administrative and distribution costs	(642,532)	(436,608)	(399,318)	(231,724)
Other income / (expenses) - net	9 193,988	(101,908)	49,776	(74,632)
Operating (loss) / profit	96,008	198,598	(90,765)	34,699
Finance cost	(112,378)	(116,419)	(66,355)	(52,408)
(Loss) / profit before taxation	(16,370)	82,179	(157,120)	(17,709)
Taxation	(14,250)	(22,491)	(502)	(1,864)
Net (loss) / profit for the period	(30,620)	59,688	(157,622)	(19,573)
	----- (Rupees) -----			
(Loss) / earnings per share - Basic	(0.10)	0.30	(0.53)	(0.10)
(Loss) / earnings per share - Diluted	(0.10)	0.28	(0.53)	(0.09)

The annexed notes from 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.


 Chief Executive Officer


 Director


 Chief Financial Officer

Unconsolidated Condensed Interim Statement Of Comprehensive Income (Un-Audited)


For the Six Months Period Ended 31 December 2021

	Six months period ended		Three months period ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	----- Rupees in '000' -----			
Net (loss) / profit for the period	(30,620)	59,688	(157,622)	(19,573)
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the period	(30,620)	59,688	(157,622)	(19,573)

The annexed notes from 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Unconsolidated Condensed Interim Statement of Changes In Equity


For the Six Months Period Ended 31 December 2021

	Issued, subscribed and paid-up capital	Capital reserve	Revenue reserve	Revaluation surplus on property, plant and equipment	Total
		Share premium	Unappropriated profit		
----- Rupees in '000' -----					
Balance as at 30 June 2020	1,999,593	1,507,705	1,023,332	788,049	5,318,679
Net profit for the period	-	-	59,688	-	59,688
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	59,688	-	59,688
Revaluation surplus on property, plant and equipment realised on account of incremental depreciation	-	-	6,881	(6,881)	-
Balance as at 31 December 2020	1,999,593	1,507,705	1,089,901	781,168	5,378,367
Balance as at 30 June 2021	2,999,389	1,507,705	1,122,939	767,877	6,397,910
Net loss for the period	-	-	(30,620)	-	(30,620)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	(30,620)	-	(30,620)
Revaluation surplus on property, plant and equipment realised on account of incremental depreciation	-	-	8,446	(8,446)	-
Balance as at 31 December 2021	2,999,389	1,507,705	1,100,765	759,431	6,367,290

The annexed notes from 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer


Unconsolidated Condensed Interim Statement of Cash Flows (Un-Audited)

For the Six Months Period Ended 31 December 2021

	Six months period ended	
	31 December 2021	31 December 2020
	----- Rupees in '000' -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(16,370)	82,179
Adjustments for non-cash items:		
Depreciation	173,345	63,661
Amortisation	5,786	367
Provision for gratuity	11,599	7,206
(Gain) / loss on disposal of property, plant and equipment	(1,843)	352
Finance cost	112,378	116,419
	301,265	188,005
Operating profit before working capital changes	284,895	270,184
(Increase) / decrease in current assets:		
Stock-in-trade	(140,606)	(31,670)
Trade debts	(463,573)	(78,449)
Loans and advances	30,739	(2,690)
Trade deposits and prepayments	(1,360)	(465)
Other receivables	(95,267)	(74,746)
	(670,067)	(188,020)
Increase / (decrease) in current liabilities:		
Trade and other payables	121,556	(60,369)
Cash (used in) / generated from operations	(263,616)	21,795
Taxes paid	(7,467)	(19,920)
Finance cost paid	(150,176)	(108,660)
Net cash used in operating activities	(421,258)	(106,785)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(206,426)	(23,565)
Sale proceeds from disposal of property, plant and equipment	5,175	200
Net cash used in investing activities	(201,251)	(23,365)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue cost of right shares	-	(13,666)
Issuance of right shares	-	130,000
Long-term financing - net	159,589	265,318
Lease rentals paid	(32,042)	(2,109)
Short term borrowings - net	408,967	(310,876)
Due to a related party	27,974	25,791
Net cash generated from financing activities	564,488	94,458
Net decrease in cash and cash equivalents	(58,021)	(35,692)
Cash and cash equivalents at the beginning of the period	74,857	44,343
Cash and cash equivalents at the end of the period	16,836	8,651

The annexed notes from 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.


 Chief Executive Officer


 Director


 Chief Financial Officer

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-Audited)

For the Six Months Period Ended 31 December 2021

1. THE COMPANY AND ITS OPERATIONS

Al Shaheer Corporation Limited (the Company) was established on June 30, 2012 as a partnership in 2008. The Company was subsequently listed on Pakistan Stock Exchange Limited on August 24, 2015. The Company is principally engaged in the trading of various halal meat food items including goat, cow, chicken and fish, for export to Middle East market as well as local sales through chain of retail stores. The Company's registered office is situated at Suite G/5/5, 3rd Floor, Mansoor Tower, Block 8, Shahrah-e-Roomi, Clifton, Karachi.

These are the separate financial statements of the Company in which investment in subsidiary is stated at cost less impairment loss, if any.

2. STATEMENT OF COMPLIANCE

2.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards applicable in Pakistan. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2021.

2.3 The figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the three months ended 31 December 2021 and 31 December 2020 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the six months period ended 31 December 2021 and 31 December 2020.

3. ACCOUNTING POLICIES, ESTIMATES, JUDGMENTS AND FINANCIAL RISK POLICIES

The accounting policies, estimates, judgments and financial risk policies used in these condensed interim financial statements are the same as those applied in the preparation of annual financial statements of the Company for the year ended 30 June 2021.

4. PROPERTY, PLANT AND EQUIPMENT

		31 December 2021 (Un-Audited)	30 June 2021 (Audited)
	Note	----- Rupees in '0-----	
Operating fixed assets	4.1	5,107,680	1,672,010
Right-of-use assets		65,215	91,433
Capital work-in-progress	4.2	371,902	3,751,745
		5,544,796	5,515,188

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-Audited)

For the Six Months Period Ended 31 December 2021

4.1 Details of additions and deletions in operating fixed assets are as follows:

	For the six months ended		For the year ended	
	31 December 2021 (Un-Audited)		30 June 2021 (Audited)	
	Additions (cost)	Deletions (net book value)	Additions (cost)	Deletions (net book value)
	----- Rupees in '000' -----			
Leasehold land	-	-	41,330	-
Buildings on freehold land*	753,275	-	11,143	-
Plant and machinery*	2,663,940	-	4,678	-
Furniture and fittings	10,365	-	6,391	(728)
Motor vehicles	20,735	(3,204)	25,061	(6,286)
Office equipment	130,506	-	1,689	-
Computers and accessories	1,744	-	6,861	-
	<u>3,580,565</u>	<u>(3,204)</u>	<u>97,153</u>	<u>(7,014)</u>

* Represent transfers from capital work in progress during the period.

4.2 Capital work in progress:

	31 December 2021 (Un-Audited)	30 June 2021 (Audited)
	----- Rupees in '000' -----	
Civil works	156,554	288,081
Plant and machinery	215,348	1,922,137
Advance to suppliers and contractors	-	1,541,527
	<u>371,902</u>	<u>3,751,745</u>

5. TRADE DEBTS

Considered good - unsecured

Overseas	2,298,380	1,936,712
Local	205,945	104,040
	<u>2,504,325</u>	<u>2,040,752</u>

Considered doubtful

Considered doubtful	46,396	46,396
Provision for impairment loss	(46,396)	(46,396)
	-	-
	<u>2,504,325</u>	<u>2,040,752</u>

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-Audited)

For the Six Months Period Ended 31 December 2021

6. LONG-TERM FINANCING - secured

Represent diminishing musharakah facilities obtained from various financial institutions carrying profit rate ranging between 3 months to 1 year KIBOR + 2% to 5.55% per annum and are payable latest by June 2025. The facilities are secured by exclusive charge over respective fixed assets and letter of hypothecation over current assets of the Company.

7. SHORT-TERM BORROWINGS - secured

Represent local and foreign currency islamic financing facilities obtained from various financial institutions carrying profit rate ranging between relevant KIBOR and LIBOR + 1% to 4% per annum. The facilities are secured by exclusive charge over respective fixed assets and letter of hypothecation over current assets of the Company.

8. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at period end.

9. OTHER INCOME / (EXPENSES) - net

Includes exchange gain of Rs. 192.14 million (31 December 2020: exchange loss of Rs.95.06 million).

10. RELATED PARTY TRANSACTIONS

Related parties comprise of subsidiaries, associates, directors, key management personnel and retirement fund. Transactions and balances with related parties are as follows:

10.1 Following are the details of transactions with related parties during the period ended 31 December 2021 and 31 December 2020:

Name	Relationship	Nature	31 December 2021	31 December 2020
			(Un-Audited)	(Un-Audited)
			----- Rupees in '000' -----	
Enrich Foods (Pvt) Limited	Common directorship	Sales	1,044	198
Key management personnel		Salaries and benefits	36,185	23,336

10.2 Following are the details of outstanding balances with related parties for the period ended 31 December 2021 and for the year ended 30 June 2021:

Name	Relationship	Nature	31 December 2021	30 June 2021
			(Un-Audited)	(Audited)
			----- Rupees in '000' -----	
Al Shaheer Farms (Pvt) Limited	Subsidiary	Investment	19,049	19,049
Kamran Ahmed Khalili	Director	Short-term loan	30,157	2,182

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-Audited)

For the Six Months Period Ended 31 December 2021

11. SEGMENT INFORMATION

The Company has two reportable segments – raw meat and processed food items. The management has determined the operating segments based on the information that is presented to the Board of Directors of the Company for allocation of resources and assessment of performance. The results of the reportable segments of the Company are as follows:

	For the six months period ended		
	Raw Meat	Frozen and Processed Meat	Total
	----- Rupees -----		
Segment results			
Revenue	2,616,954	243,862	2,860,816
Cost of sales	(2,093,895)	(222,369)	(2,316,264)
Gross profit	523,059	21,493	544,552
Administrative and distribution costs	(414,326)	(228,206)	(642,532)
Operating profit / (loss)	108,733	(206,713)	(97,980)
Other (expenses) / income	193,988	-	193,988
Finance cost	(83,795)	(28,583)	(112,378)
Profit / (loss) before taxation	218,926	(235,296)	(16,370)
Taxation	(11,811)	(2,439)	(14,250)
Net profit / (loss) for the period	207,115	(237,735)	(30,620)

	As at 31 December 2021 (Un-audited)		
	Raw Meat	Frozen and Processed Meat	Total
	----- Rupees -----		
Segment assets and liabilities			
Assets	5,537,262	4,304,587	9,841,850
Liabilities	(2,494,722)	(979,838)	(3,474,560)
Net assets	3,042,540	3,324,749	6,367,289

No comparative figures have been presented due to single reportable segment in the prior period.

12. GENERAL

For better presentation, certain prior period balances were reclassified where necessary.


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

13. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on 4 March 2022 by the Board of Directors of the Company.



Chief Executive Officer



Director



Chief Financial Officer



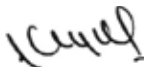
**Condensed
Half Yearly
Consolidated
Financial
Statements
2021-22**

Consolidated Condensed Interim Statement of Financial Position

As at December 31, 2021

		31 December 2021 (Un-Audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	5,591,822	5,562,221
Intangible asset		40,524	40,103
Long-term loan		8,561	9,161
Deferred tax asset - net		281,377	281,377
		<u>5,922,284</u>	<u>5,892,862</u>
CURRENT ASSETS			
Stock-in-trade		389,747	249,142
Trade debts		2,504,325	2,040,752
Loans and advances		341,164	371,904
Trade deposits and prepayments		17,009	15,649
Other receivables		537,354	442,087
Taxation - net		141,167	147,950
Cash and bank balances		16,863	74,884
		<u>3,947,629</u>	<u>3,342,368</u>
TOTAL ASSETS		<u>9,869,913</u>	<u>9,235,230</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
300,000,000 ordinary shares of Rs.10 each		<u>3,000,000</u>	<u>3,000,000</u>
Issued, subscribed and paid-up capital		2,999,389	2,999,389
Share premium		1,507,705	1,507,705
Unappropriated profit		1,104,672	1,126,849
Revaluation surplus on property, plant and equipment		759,431	767,877
		<u>6,371,197</u>	<u>6,401,820</u>
Non-controlling interest		<u>6,721</u>	<u>6,725</u>
		<u>6,377,918</u>	<u>6,408,545</u>
NON-CURRENT LIABILITIES			
Long-term financing	5	747,482	579,898
Deferred income - government grant		-	2,033
Lease liabilities		35,650	46,893
Deferred liabilities		87,668	76,069
		<u>870,800</u>	<u>704,893</u>
CURRENT LIABILITIES			
Trade and other payables		903,743	782,187
Short-term borrowings	6	1,119,929	710,962
Accrued mark-up		52,970	90,768
Due to a related party		46,810	18,836
Current portion of long term financing		447,463	450,705
Current portion of deferred income - government grant		1,679	4,399
Current portion of lease liabilities		48,601	63,935
		<u>2,621,195</u>	<u>2,121,792</u>
TOTAL EQUITY AND LIABILITIES		<u>9,869,913</u>	<u>9,235,230</u>
CONTINGENCIES AND COMMITMENTS			
	7		

The annexed notes 1 to 12 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer


Consolidated Condensed Interim Statement of Profit Or Loss (Un-Audited)

For the Six Months Period Ended 31 December 2021

	Six months period ended		Three months period ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Note	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Turnover - net	2,860,816	2,625,338	1,473,742	1,124,511
Cost of sales	(2,316,264)	(1,888,224)	(1,214,965)	(783,456)
Gross profit	544,552	737,114	258,777	341,055
Administrative and distribution costs	(642,539)	(436,696)	(399,321)	(231,808)
Other income / (expenses) - net	8 193,988	(101,908)	49,776	(74,632)
Operating profit / (loss)	96,001	198,510	(90,768)	34,615
Finance cost	(112,378)	(116,419)	(66,355)	(52,408)
(Loss) / profit before taxation	(16,377)	82,091	(157,123)	(17,793)
Taxation	(14,250)	(22,491)	(503)	(1,864)
Net (loss) / profit for the period	(30,627)	59,600	(157,626)	(19,657)
Attributable to:				
Owners of the Holding Company	(30,623)	59,643	(157,624)	(19,615)
Non controlling interests	(4)	(43)	(2)	(42)
	(30,627)	59,600	(157,626)	(19,657)
	(Restated)			
	----- (Rupees) -----			
(Loss) / earnings per share - Basic	(0.10)	0.30	(0.53)	(0.10)
(Loss) / earnings per share - Diluted	(0.10)	0.28	(0.53)	(0.09)

The annexed notes 1 to 12 form an integral part of these consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Consolidated Condensed Interim Statement of Comprehensive Income (Un-Audited)


For the Six Months Period Ended 31 December 2021

	Six months period ended		Three months period ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Note	----- (Rupees in '000) -----			
Net profit for the period	(30,627)	59,600	(157,626)	(19,657)
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income for the period	(30,627)	59,600	(157,626)	(19,657)
Attributable to:				
Owners of the Holding Company	(30,623)	59,643	(157,624)	(19,615)
Non controlling interests	(4)	(43)	(2)	(42)
	(30,627)	59,600	(157,626)	(19,657)

The annexed notes 1 to 12 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Condensed Interim Statement of Changes In Equity


For the Six Months Period Ended 31 December 2021

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserves	Non- controlling interest	Advance against issue of right shares	Revaluation surplus on property, plant and equipment	Total
		Share premium account	Unappropriated profit				
----- (Rupees in '000) -----							
Balance as at June 30, 2020	1,999,593	1,507,705	1,027,424	6,902	-	788,049	5,329,674
Net income for the period	-	-	59,643	(43)	-	-	59,600
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	59,643	(43)	-	-	59,600
Issue cost of right shares			(13,666)				(13,666)
Advance against issue of right shares					130,000		130,000
Revaluation surplus on property, plant and equipment realised on account of incremental depreciation	-	-	10,410			(10,410)	-
Balance as at December 31, 2020	<u>1,999,593</u>	<u>1,507,705</u>	<u>1,083,811</u>	<u>6,859</u>	<u>130,000</u>	<u>777,639</u>	<u>5,505,608</u>
Balance as at June 30, 2021	2,999,389	1,507,705	1,126,849	6,725	-	767,877	6,408,545
Net income for the period	-	-	(30,623)	(4)		-	(30,627)
Other comprehensive income	-	-	-	-		-	-
Total comprehensive income for the period	-	-	(30,623)	(4)		-	(30,627)
Revaluation surplus on property, plant and equipment realised on account of incremental depreciation	-	-	8,446			(8,446)	-
Balance as at December 31, 2021	<u>2,999,389</u>	<u>1,507,705</u>	<u>1,104,672</u>	<u>6,721</u>	<u>-</u>	<u>759,431</u>	<u>6,377,918</u>

The annexed notes 1 to 12 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Condensed Interim Statement of Cash Flows (Un-Audited)


For the Six Months Period Ended 31 December 2021

	Six months period ended	
	31 December 2021	31 December 2020
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(16,377)	82,091
Adjustments for:		
Depreciation	173,352	63,678
Amortisation	5,786	367
Provision for gratuity	11,599	7,206
(Gain) / loss on disposal of property, plant and equipment	(1,843)	352
Finance cost	112,378	116,419
	301,272	188,022
Operating profit before working capital changes	284,895	270,113
(Increase) / decrease in current assets:		
Stock-in-trade	(140,606)	(31,670)
Trade debts	(463,573)	(78,449)
Loans and advances	30,739	(2,690)
Trade deposits and short-term prepayments	(1,360)	(465)
Other receivables	(95,267)	(74,746)
	(670,067)	(188,020)
Increase / (decrease) in current liabilities:		
Trade and other payables	121,556	(60,219)
Cash generated from operations	(263,616)	21,874
Taxes paid	(7,467)	(19,920)
Gratuity paid	-	(2,109)
Finance cost paid	(150,176)	(108,660)
Net cash used in operating activities	(421,258)	(108,814)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
- Property, plant and equipment	(206,426)	(23,565)
Sale proceeds from disposal of property, plant and equipment	5,175	200
Net cash (used in) investing activities	(201,251)	(23,365)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue cost of right shares	-	(13,666)
Issuance of right shares	-	130,000
Long-term financing - net	159,589	304,002
Short term borrowings - net	(32,042)	(310,876)
Lease rentals paid	408,967	(38,684)
Due to Related Party	27,974	26,090
Net cash generated from / (used in) financing activities	564,488	96,866
Net increase in cash and cash equivalents	(58,021)	(35,314)
Cash and cash equivalents at the beginning of the period	74,884	44,343
Cash and cash equivalents at the end of the period	16,863	9,029

17

The annexed notes 1 to 12 form an integral part of these consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited)

For the Six Months Period Ended 31 December 2021

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 June 30, 2012 and is quoted on Pakistan Stock Exchange. The group 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. The registered office of the group is situated at Suite No. G/5/5, 3rd floor, Mansoor Tower, Block-8, Shahrah-e-roomi, Clifton, Karachi.

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 reporting date, the Holding company has 51% shareholding in the Subsidiary company.

2. STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Act; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act and IFAS differ from the IFRSs, the provision of and directives issued under the Act and IFAS have been followed.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2021.

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 Group's annual financial statements for the year ended 30 June 2021.

4. PROPERTY, PLANT AND EQUIPMENT

		31 December 2021 (Un-Audited)	30 June 2021 (Audited)
	Note	----- (Rupees in '000) -----	-----
Operating fixed assets	4.1	5,107,774	1,672,111
Right-of-use assets		65,215	91,433
Capital work-in-progress	4.2	418,834	3,798,677
		<u>5,591,822</u>	<u>5,562,221</u>

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited)

For the Six Months Period Ended 31 December 2021

4.1.1 Details of additions and deletions in operating fixed assets are as follows:

	For the six months ended 31 December 2021 (Un-Audited)		For the year ended 30 June 2021 (Audited)	
	Additions (cost)	Deletions (net book value)	Additions (cost)	Deletions (net book value)
----- Rupees in '000' -----				
Leasehold land	-	-	41,330	-
Buildings on freehold land*	753,275	-	11,143	-
Plant and machinery*	2,663,940	-	4,678	-
Furniture and fittings	10,365	-	6,391	(728)
Motor vehicles	20,735	(3,204)	25,061	(6,286)
Office equipment	130,506	-	1,689	-
Computers and accessories	1,744	-	6,861	-
	3,580,565	(3,204)	97,153	(7,014)

* Represent transfers from capital work in progress during the period.

4.2 Capital work in progress:

	31 December 2021 (Un-Audited)	30 June 2021 (Au- dited)
----- Rupees in '000' -----		
Land	34,243	34,243
Civil works	169,243	302,545
Plant and machinery	215,348	1,921,146
Advance to suppliers and contractors	-	1,540,743
	418,834	3,798,677

5. TRADE DEBTS

Considered good - unsecured

Overseas	2,298,380	1,936,712
Local	205,945	104,040
	2,504,325	2,040,752

Considered doubtful

Considered doubtful	46,396	46,396
Provision for impairment loss	(46,396)	(46,396)
	-	-
	2,504,325	2,040,752

6. LONG-TERM FINANCING - secured

Represent diminishing musharakah facilities obtained from various financial institutions carrying profit rate ranging between 3 months to 1 year KIBOR + 2% to 5.55% per annum and are payable latest by June 2025. The facilities are secured by exclusive charge over respective fixed assets and letter of hypothecation over current assets of the Group.

7. SHORT-TERM BORROWINGS - secured

Represent local and foreign currency islamic financing facilities obtained from various financial institutions carrying profit rate ranging between relevant KIBOR and LIBOR + 1% to 4% per annum. The facilities are secured by exclusive charge over respective fixed assets and letter of hypothecation over current assets of the Group.

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited)

For the Six Months Period Ended 31 December 2021

9. OTHER INCOME / (EXPENSES) - net

Includes exchange gain of Rs. 192.14 million (31 December 2020: exchange loss of Rs.95.06 million).

10. RELATED PARTY TRANSACTIONS

Related parties comprise of associates, directors and key management personnel. Transactions and balances with related parties are as follows:

10.1 Following are the details of transactions with related parties during the period ended 31 December 2021 and 31 December 2020:

Name	Relationship	Nature	31 December 2021 (Un-Audited)	31 December 2020 (Un-Audited)
Enrich Foods (Pvt) Limited	Common directorship	Sales	1,044	198
Key management personnel		Salaries and benefits	36,185	23,336

0.1 Following are the details of outstanding balances with related parties for the period ended 31 December 2021 and for the year ended 30 June 2021:

Name	Relationship	Nature	31 December 2021 (Un-Audited)	30 June 2021 (Audited)
----- Rupees in '000' -----				
Kamran Ahmed Khalili	Director	Short-term loan	46,810	18,836

1. SEGMENT INFORMATION

The Group has two reportable segments – raw meat and processed food items. The management has determined the operating segments based on the information that is presented to the Board of Directors of the Company for allocation of resources and assessment of performance. The results of the reportable segments of the Group are as follows:

Segment results	For the six months period ended		
	Raw Meat	Frozen and Processed Meat	Total
----- Rupees -----			
Revenue	2,616,954	243,862	2,860,816
Cost of sales	(2,093,895)	(222,369)	(2,316,264)
Gross profit	523,059	21,493	544,552
Administrative and distribution costs	(414,333)	(228,206)	(642,539)
Other (expenses) / income	193,988	-	193,988
Operating profit / (loss)	302,714	(206,713)	96,001
Finance cost	(83,795)	(28,583)	(112,378)
Profit / (loss) before taxation	218,919	(235,296)	(16,377)
Taxation	(11,811)	(2,439)	(14,250)
Net profit / (loss) for the period	207,108	(237,735)	(30,627)

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For the Six Months Period Ended 31 December 2021

	As at 31 December 2021 (Un-audited)		
	Raw Meat	Frozen and Processed Meat	Total
Segment assets and liabilities	----- Rupees -----		
Assets	5,565,326	4,304,587	9,869,913
Liabilities	(2,512,157)	(979,838)	(3,491,995)
Net assets	<u>3,042,540</u>	<u>3,324,749</u>	<u>6,367,289</u>

12. GENERAL

For better presentation, certain prior period balances were reclassified where necessary.


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

11. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on 4 March 2022 by the Board of Directors of the Company.



Chief Executive Officer



Director



Chief Financial Officer

ALSHAHEER FOODS

Head Office:

Suite # G/5/5, 3rd Floor, Mansoor Tower,
Block 8, Shahrah-e-Roomi, Clifton,
Karachi-Pakistan.

Ph: +92 21 38781100 Fax: +92 21 35877017

Email: info@ascfoods.com