



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	22



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 the global need and demand of Halal meat. Well organized logistics, spotless lairage area, cold storage and



ALSHAHEER
FOODS



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.

'Chef One', Al Shaheer launched its new brand CHEF ONE nationwide during the year and is now available in all leading stores across Pakistan. Over the decades following the benchmarks set by Meat One, our new brand Chef One offers convenience and meeting consumer needs with differentiated and diversified innovative frozen foods products like poultry, meat, and fish. Just like its predecessor, this brand also upholds the quality standards of health and hygiene. Chef One hopes to bring significant improvement in our customers' lives not just through delicious satisfaction to the taste buds but also through an assortment of product offerings currently unmet by any other local brand. This will hence be the perfect opportunity for the Company to expand its presence even further both locally and internationally through general and modern trade and B2B market.

In addition, the Company also started its commercial production of frozen chicken at the Lahore plant during the year.

'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 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. Babur Sultan	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
Mr. Babur Sultan	Member
Mr. M Qaysar Alam	Member

CHIEF FINANCIAL OFFICER

Mr. Muhammad Hamza Paracha

COMPANY SECRETARY

Mr. Wajihuddin Farooq

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. Wajihuddin Farooq	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
National Bank of Pakistan	I.I. Chundrigar Road, 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 2022

The Directors of your Company are pleased to present the financial results of the Company for the Half Year Ended December 31, 2022.

Operational Performance

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

	Half Year Ended December 31, 2022	Half Year Ended December 31, 2021
	(Rupees in '000)	
Turnover	3,359,583	2,860,816
Operating Profit	76,083	96,008
Net Profit / (Loss)	(176,198)	(30,620)
LPS (Rs./Share)	(0.59)	(0.10)

In first half of this fiscal year, the overall turnover has increased by 17% compared to the same period last year. The main reason for increase is due to the strong growth in institutional sales business and secondly the revenue generated from our new frozen food business. Unprecedented increase in finance cost, material prices coupled with rising cost of utilities & logistics had impacted our margins in this period, leading to loss.

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.

Future Outlook

For Poultry & Processed Foods Business, the Company is planning to expand its processed food business into HORECA and Institutional sales in addition to retail market. The Company has high expectations of attracting international and local food chains in Pakistan, as it is entering the market with premium quality product and services. In this process, the Company has already entered into contracts with McDonalds and Hardees for the supply of beef patties in Pakistan.

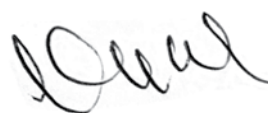
After successful completion of Right Shares issue, the Company is focusing on efficient working capital management and expecting higher volumes and better profitability margins in the coming quarters.

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
2022-23**

**Grant Thornton Anjum
Rahman**1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.**INDEPENDENT AUDITORS' REVIEW REPORT
To the Members of Al Shaheer Corporation****Report on review of unconsolidated condensed interim financial statements****T +92 21 35672951-56****Introduction**

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Al Shaheer Corporation** (the Company) as at 31 December 2022 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.

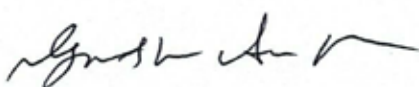
Scope of Review

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.

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

Chartered Accountants
Place: Karachi
Date: 01 March 2023
UDIN: RR202210093e41YDysEB

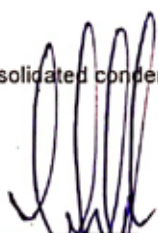
Unconsolidated Statement of Financial Position

As at 31 December 2022

		31 December 2022	30 June 2022 (Audited)
	Note	Rupees in '000'	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	5,307,076	5,463,374
Intangible assets		41,189	47,073
Long-term investment		14,940	14,940
Long-term loan		5,839	6,439
Deferred tax asset - net		326,678	326,678
		<u>5,695,722</u>	<u>5,858,504</u>
CURRENT ASSETS			
Stock-in-trade		283,304	289,061
Trade debts	5	3,389,772	3,094,203
Loans and advances		317,208	338,904
Trade deposits and prepayments		16,459	13,907
Other receivables		364,631	366,087
Taxation - net		115,319	134,947
Cash and bank balances		205,217	8,286
		<u>4,691,911</u>	<u>4,245,395</u>
TOTAL ASSETS		<u><u>10,387,633</u></u>	<u><u>10,103,898</u></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		730,616	898,634
Revaluation surplus on property, plant and equipment		742,020	750,199
		<u>5,979,730</u>	<u>6,155,927</u>
Advance received against issue of shares	6	195,953	-
NON-CURRENT LIABILITIES			
Long-term financing	7	754,869	731,640
Lease liabilities		79,291	90,226
Deferred liability		121,098	102,850
		<u>955,259</u>	<u>924,716</u>
CURRENT LIABILITIES			
Trade and other payables		919,406	1,069,545
Short-term borrowings	8	1,840,448	1,637,867
Due to a related party		1,622	4,446
Accrued mark-up		153,453	117,787
Current portion of long-term financing	7	282,133	138,862
Current portion of deferred income - government grant		655	870
Current portion of lease liabilities		58,975	53,878
		<u>3,256,692</u>	<u>3,023,255</u>
TOTAL EQUITY AND LIABILITIES		<u><u>10,387,633</u></u>	<u><u>10,103,898</u></u>
CONTINGENCIES AND COMMITMENTS			
	9		

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


Chief Executive Officer


Director


Chief Financial Officer

Unconsolidated Statement of Profit or Loss

For the Six Months Period Ended 31 December 2022

	Six months period ended		Quarter ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Rupees in '000'		Rupees in '000'	
Turnover	3,359,583	2,860,816	1,769,332	1,473,742
Cost of sales	(2,956,391)	(2,316,264)	(1,630,107)	(1,214,965)
Gross profit	403,192	544,552	139,225	258,777
Administrative and distribution costs	(626,284)	(642,532)	(308,196)	(399,318)
Other income / (expense) - net	299,175	193,988	(10,089)	49,776
Operating profit / (loss)	76,083	96,008	(179,060)	(90,765)
Finance cost	(223,427)	(112,378)	(114,026)	(66,355)
Loss before taxation	(147,344)	(16,370)	(293,086)	(157,120)
Taxation	(28,854)	(14,250)	(19,482)	(503)
Net loss for the period	(176,198)	(30,620)	(312,569)	(157,622)
	----- (Rupees) -----			
Loss per share - Basic	(0.59)	(0.10)	(1.04)	(0.53)
Loss per share - Diluted	(0.59)	(0.10)	(1.04)	(0.53)

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



Chief Executive Officer



Director



Chief Financial Officer

Unconsolidated Statement of Comprehensive Income

For the Six Months Period Ended 31 December 2022


	Six months period ended		Quarter ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	----- Rupees in '000' -----			
Net loss for the period	(176,197)	(30,617)	(312,568)	(157,620)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(176,197)	(30,617)	(312,568)	(157,620)

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

62



 Chief Executive Officer



 Director



 Chief Financial Officer

Unconsolidated Statement of Changes in Equity

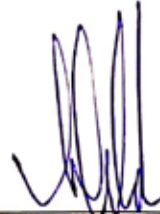
For the Six Months Period Ended 31 December 2022

	Issued, subscribed and paid-up capital	Capital reserve Share premium	Revenue reserve Unappropriated profit	Revaluation surplus on property, plant and equipment	Total
----- Rupees in '000' -----					
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	-	-	(30,617)	-	(30,617)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	(30,617)	-	(30,617)
Revaluation surplus on property, plant and equipment realised on account of incremental depreciation -net of tax	-	-	8,446	(8,446)	-
Balance as at 31 December 2021	2,999,389	1,507,705	1,100,768	759,431	6,367,293
Balance as at 30 June 2022	2,999,389	1,507,705	898,634	750,199	6,155,927
Net loss for the period	-	-	(176,197)	-	(176,197)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	(176,197)	-	(176,198)
Revaluation surplus on property, plant and equipment realised on account of incremental depreciation -net of tax	-	-	8,179	(8,179)	-
Balance as at 30 September 2022	2,999,389	1,507,705	730,616	742,020	5,979,730

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



Chief Executive Officer



Director

62

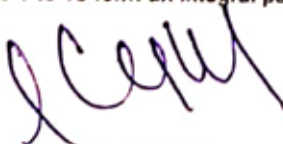

Chief Financial Officer

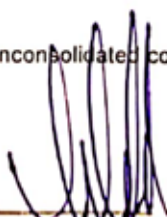
Unconsolidated Statement of Cash Flows

For the Six Months Period Ended 31 December 2022

	Six months period ended	
	31 December 2022	31 December 2021
----- Rupees in '000' -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(147,343)	(16,370)
Adjustments for non-cash items:		
Depreciation	176,039	142,307
Amortisation	5,884	5,786
Depreciation on right-of-use assets	28,359	31,036
Allowance for ECL	29,755	-
Provision for defined benefit plan	18,248	11,599
Gain on disposal of property, plant and equipment	-	(1,843)
Finance cost	223,427	112,378
	481,712	301,263
Operating profit before working capital changes	334,368	284,893
(Increase) / decrease in current assets:		
Stock-in-trade	5,757	(140,606)
Trade debts	(325,324)	(463,573)
Loans and advances	21,696	30,739
Trade deposits and prepayments	(2,552)	(1,360)
Other receivables	1,456	(95,267)
	(298,968)	(670,067)
Increase / (decrease) in current liabilities:		
Trade and other payables	(150,139)	121,556
Cash used in operations	(114,739)	(263,618)
Taxes paid	(9,226)	(7,464)
Finance cost paid	(187,761)	(150,176)
Net cash used in operating activities	(311,726)	(421,258)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(32,674)	(206,426)
Sale proceeds from disposal of property, plant and equipment	-	5,175
Net cash used in investing activities	(32,674)	(201,251)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance received against issue of shares	195,953	-
Long-term financing - net	166,285	159,589
Lease rentals paid	(20,663)	(32,042)
Short term borrowings - net	202,581	408,967
Due to a related party - net	(2,824)	27,974
Net cash generated from financing activities	541,332	564,488
Net increase / (decrease) in cash and cash equivalents	196,931	(58,020)
Cash and cash equivalents at the beginning of the period	8,286	74,857
Cash and cash equivalents at the end of the period	205,217	16,837

The annexed notes 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 Financial Statements

For the Six Months Period Ended 31 December 2022

1. THE COMPANY AND ITS OPERATIONS

1.1 Al Shaheer Corporation Limited (the Company) was established on 30 June 2012 as a partnership in 2008. The Company was subsequently listed on Pakistan Stock Exchange Limited on 24 August 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.

1.2 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 2022.

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 2022 and 31 December 2021 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 2022 and 31 December 2021.

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 2022.

		31 December 2022 (Un-Audited)	30 June 2022 (Audited)
4. PROPERTY, PLANT AND EQUIPMENT	Note	----- Rupees in '000' -----	
Operating fixed assets	4.1	4,717,012	4,864,735
Right-of-use assets		114,490	127,164
Capital work-in-progress	4.2	475,574	471,474
		<u>5,307,076</u>	<u>5,463,374</u>

Notes to the Unconsolidated Financial Statements

For the Six Months Period Ended 31 December 2022

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 2022 (Un-Audited)		30 June 2022 (Audited)	
	Additions (cost)	Deletions (net book value)	Additions (cost)	Deletions (net book value)
----- Rupees in '000' -----				
Leasehold land	-	-	11,044	-
Buildings	14,439	-	935,787	-
Plant and machinery	7,018	-	2,194,524	-
Furniture and fittings	2,073	-	212,064	-
Motor vehicles	3,712	-	20,591	4,671
Office equipment	77	-	135,229	-
Tools and equipments	-	-	631	-
Computers and accessories	996	-	7,521	-
	<u>28,315</u>	<u>-</u>	<u>3,517,391</u>	<u>4,671</u>

4.2 Capital work in progress

	Note	31 December 2022 (Un-Audited)	30 June 2022 (Audited)
Building		156,554	156,554
Plant and machinery		319,020	314,919
		<u>475,574</u>	<u>471,473</u>

5. TRADE DEBTS

Considered good			
Overseas		3,005,806	2,832,169
Local		383,966	262,034
		<u>3,389,772</u>	<u>3,094,203</u>
Considered doubtful			
Considered doubtful		86,306	56,551
Allowance for ECL	5.1	(86,306)	(56,551)
		<u>-</u>	<u>-</u>
		<u>3,389,772</u>	<u>3,094,203</u>

5.1 Allowance for ECL

Opening balance	56,524	46,369
Charge for the period / year	29,755	10,155
Closing balance	<u>86,279</u>	<u>56,524</u>

6. ADVANCE AGAINST SUBSCRIPTION OF RIGHT SHARES

Represents subscription amount received against issue of right shares from Directors / Sponsors and other shareholders. Subsequent to the period end, the Company has issued 19,595,260 ordinary shares of Rs.10 each against the above subscription.

7. 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 November 2027. The facilities are secured by exclusive charge over respective fixed assets and letter of hypothecation over current assets of the Company.

Notes to the Unconsolidated Financial Statements

For the Six Months Period Ended 31 December 2022

8. 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 + 1.75% 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.

9. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at period end.

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 2022 and 31 December 2021:

Name	Relationship	Nature	31 December 2022 (Un-Audited)	31 December, 2021 (Un-Audited)
----- Rupees in '000' -----				
Enrich Foods (Pvt) Limited	Common directorship	Sales	-	1,044
Key Management Personnel		Salaries and Benefits	33,256	36,185

10.2 Following are the details of outstanding balances with related parties for the period ended 31 December 2022 and for the year ended 30 June 2022:

Name	Relationship	Nature	31 December 2022	30 June 2022 (Audited)
----- Rupees in '000' -----				
Enrich Foods (Pvt) Limited	Common directorship	Trade debts	2,206	2,206
Al Shaheer Farms (Pvt) Limited	Subsidiary	Investments	14,940	14,940
Kamran Ahmed Khalili	Director	Short-term loan	1,622	4,446

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:

	31 December 2022 (Un-Audited)			31 December 2021 (Un-Audited)		
	Raw Meat	Frozen and Processed Meat	Total	Raw Meat	Frozen and Processed Meat	Total
Segment results						
Revenue	3,069,903	289,680	3,359,583	2,616,954	243,862	2,860,816
Cost of sales	(2,635,309)	(321,082)	(2,956,391)	(2,093,895)	(222,369)	(2,316,264)
Gross profit / (loss)	434,594	(31,402)	403,192	523,059	21,493	544,552
Administrative and distribution c	(377,378)	(248,906)	(626,284)	(414,326)	(228,206)	(642,532)
Other expense	-	-	-	-	-	-
Other income	299,175	-	299,175	193,988	-	193,988
Operating profit / (loss)	356,391	(280,308)	76,084	302,721	(206,713)	96,008
Finance cost	(188,539)	(34,888)	(223,427)	(83,795)	(28,583)	(112,378)
Profit / (loss) before taxation	167,852	(315,196)	(147,343)	218,926	(235,296)	(16,370)
Taxation	(25,957)	(2,897)	(28,854)	(11,811)	(2,439)	(14,250)
Net profit / (loss)	141,895	(318,093)	(176,197)	207,115	(237,735)	(30,620)

Notes to the Unconsolidated Financial Statements

For the Six Months Period Ended 31 December 2022

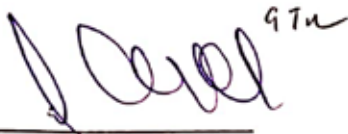
	31 December 2022 (Un-Audited)			30 June 2022 (Audited)		
	Raw Meat	Frozen and Processed Meat	Total	Raw Meat	Frozen and Processed Meat	Total
<u>Segment assets and liabilities</u>						
Segment Assets	5,167,885	3,944,252	9,112,136	4,898,624	4,220,674	9,119,298
Unallocable Assets			1,275,496			984,600
Total Assets			<u>10,387,633</u>			<u>10,103,898</u>
Segment Liabilities	949,136	354,786	1,303,922	738,360	303,558	1,041,918
Unallocable Liabilities			2,908,029			2,906,053
Total Liabilities			<u>4,211,951</u>			<u>3,947,971</u>

12. GENERAL

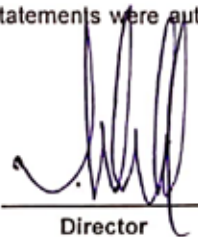
All figures have been rounded off to the nearest thousand rupees.

13. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on 28 FEB 2023 by the Board of Directors of the Company.

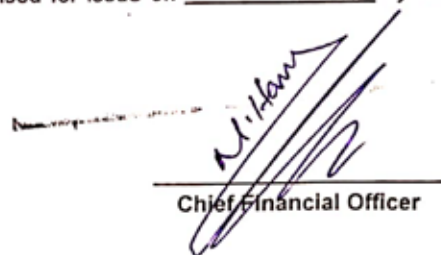


Chief Executive Officer

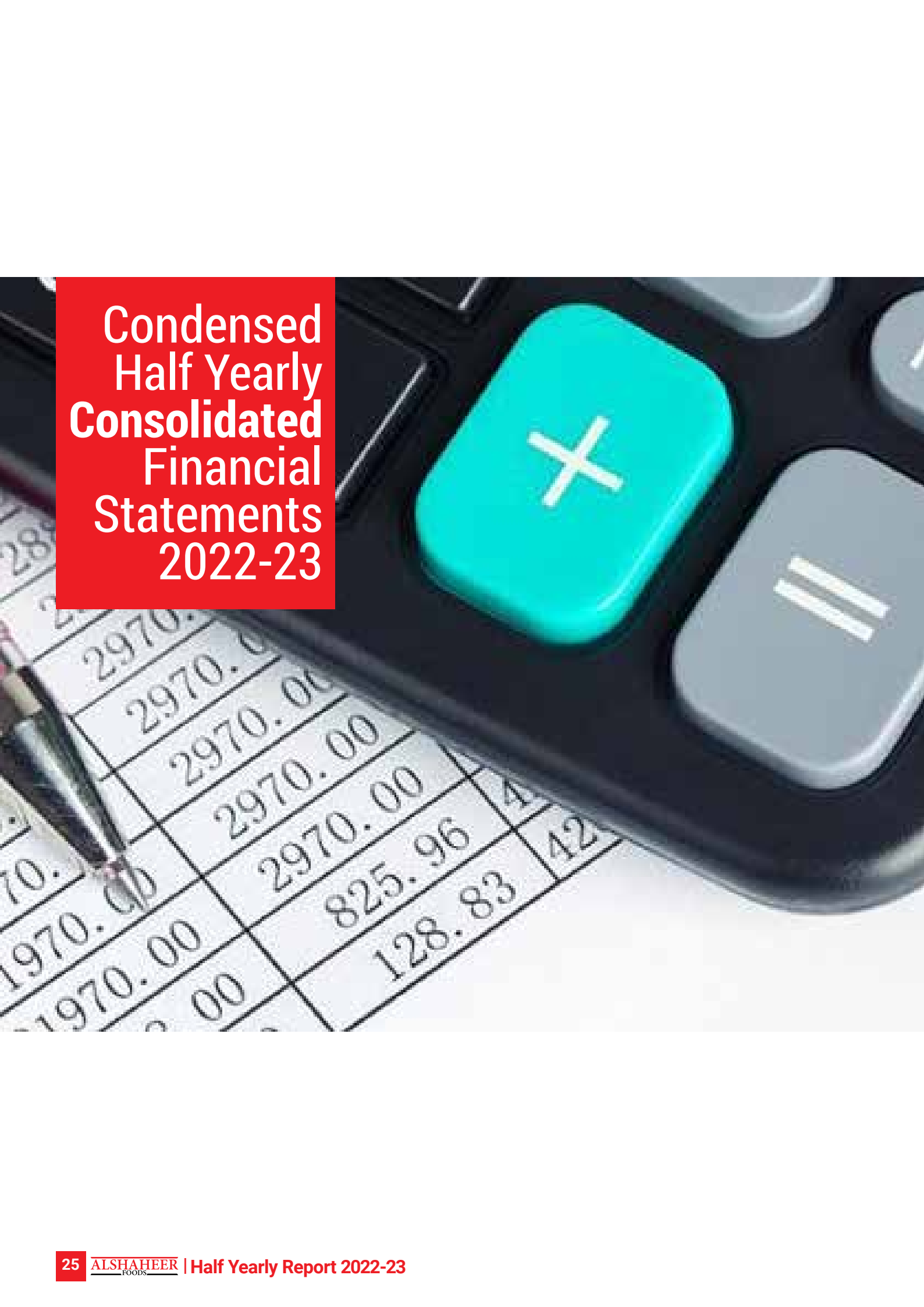


Director

28 FEB 2023



Chief Financial Officer



**Condensed
Half Yearly
Consolidated
Financial
Statements
2022-23**

Consolidated Statement of Financial Position


As at December 31, 2022

		31 December, 2022 (Un-Audited)	30 June, 2022 (Audited)
	Note	----- Rupees in '000' -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	5,354,087	5,510,390
Intangible assets		41,189	47,073
Long-term loan		5,839	6,439
Deferred tax asset - net		326,678	326,678
		<u>5,727,793</u>	<u>5,890,580</u>
CURRENT ASSETS			
Stock-in-trade		283,304	289,061
Trade debts		3,389,772	3,094,203
Loans and advances		317,268	338,964
Trade deposits and prepayments		16,459	13,907
Other receivables		364,631	366,087
Taxation - net		115,319	134,946
Cash and bank balances		205,544	8,613
		<u>4,692,297</u>	<u>4,245,780</u>
TOTAL ASSETS		<u>10,420,090</u>	<u>10,136,361</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 300,000,000 (2022: 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		738,374	906,442
Revaluation surplus on property, plant and equipment		742,020	750,199
		<u>5,987,488</u>	<u>6,163,735</u>
Advance received against Subscription of Right Shares		195,953	-
Non Controlling Interest		6,474	6,522
NON-CURRENT LIABILITIES			
Long-term financing	5	754,869	731,640
Lease liabilities		79,291	90,226
Deferred liability		121,098	102,850
		<u>955,258</u>	<u>924,716</u>
CURRENT LIABILITIES			
Trade and other payables		920,630	1,070,770
Short-term borrowings	6	1,840,448	1,637,867
Due to a related party		18,623	21,355
Accrued mark-up		153,453	117,787
Current portion of long-term financing	5	282,133	138,862
Current portion of deferred income - government grant		655	870
Current portion of lease liabilities		58,975	53,878
		<u>3,274,917</u>	<u>3,041,388</u>
TOTAL EQUITY AND LIABILITIES		<u>10,420,090</u>	<u>10,136,361</u>
CONTINGENCIES AND COMMITMENTS			
	9		

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



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Statement of Profit or Loss


For the Six Months Period Ended 31 December 2022

	Six months period ended		Quarter ended	
	31 December 2022 (Un-Audited)	31 December 2021 (Un-Audited)	31 December 2022 (Un-Audited)	31 December 2021 (Un-Audited)
Note	----- Rupees in '000' -----		----- Rupees in '000' -----	
Turnover	3,359,583	2,860,816	1,769,332	1,473,742
Cost of sales	(2,956,391)	(2,316,264)	(1,630,107)	(1,214,965)
Gross profit	403,192	544,552	139,225	258,777
Administrative and general expenses	(626,380)	(642,539)	(308,244)	(399,321)
Other income / (expense) - net	299,175	193,988	(10,089)	49,776
Operating profit / (loss)	75,987	96,001	(179,109)	(90,768)
Finance cost	(223,427)	(112,378)	(114,026)	(66,355)
Loss before taxation	(147,440)	(16,377)	(293,135)	(157,123)
Taxation	(28,854)	(14,250)	(19,482)	(503)
Net loss for the period	(176,294)	(30,627)	(312,617)	(157,626)
Attributable to				
Owners of the Holding group	(176,247)	(30,623)	(312,593)	(157,624)
Non controlling interest	(48)	(4)	(24)	(2)
	(176,294)	(30,627)	(312,617)	(157,626)
	----- (Rupees) -----			
(Loss) per share - Basic	(0.59)	(0.10)	(1.04)	(0.53)
(Loss) per share - Diluted	(0.59)	(0.10)	(1.04)	(0.53)

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



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Statement of Comprehensive Income


For the Six Months Period Ended 31 December 2022

	Six months period ended		Quarter ended	
	31 December 2022 (Un-Audited)	31 December 2021 (Un-Audited)	31 December 2022 (Un-Audited)	31 December 2021 (Un-Audited)
----- Rupees in '000' -----				
Net loss for the period	(176,294)	(30,627)	(312,617)	(157,626)
Other comprehensive income				
Total comprehensive income for the period	<u>(176,294)</u>	<u>(30,627)</u>	<u>(312,617)</u>	<u>(157,626)</u>
Attributable to				
Owners of the Holding Company	(176,247)	(30,623)	(312,593)	(157,624)
Non controlling interest	(48)	(4)	(24)	(2)
	<u>(176,294)</u>	<u>(30,627)</u>	<u>(312,617)</u>	<u>(157,626)</u>

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



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Statement of Changes in Equity

For the Six Months Period Ended 31 December 2022

	Issued, subscribed and paid-up capital	Capital reserve	Revenue reserve	Non- Controlling Interest	Revaluation surplus on property, plant and equipment	Total
		Share premium	Unappropriated profit			
----- Rupees in '000' -----						
Balance as at 30 June 2021	2,999,389	1,507,705	1,126,849	6,725	767,877	6,408,545
Net profit 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 -net of tax	-	-	8,446	-	(8,446)	-
Balance as at 31 December 2021	<u>2,999,389</u>	<u>1,507,705</u>	<u>1,104,672</u>	<u>6,721</u>	<u>759,431</u>	<u>6,377,918</u>
Balance as at 30 June 2022	<u>2,999,389</u>	<u>1,507,705</u>	<u>906,442</u>	<u>6,522</u>	<u>750,199</u>	<u>6,170,257</u>
Net profit for the period	-	-	(176,247)	(48)	-	(176,295)
Other comprehensive Income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	(176,247)	(48)	-	(176,295)
Revaluation surplus on property, plant and equipment realised on account of incremental depreciation -net of tax	-	-	8,179	-	(8,179)	-
Balance as at 31 December 2022	<u>2,999,389</u>	<u>1,507,705</u>	<u>738,374</u>	<u>6,474</u>	<u>742,020</u>	<u>5,993,962</u>

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



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Statement of Cash Flows


For the Six Months Period Ended 31 December 2022

	Six months period ended	
	December 31, 2022 (Un-Audited)	December 31, 2021 (Un-Audited)
	----- Rupees in '000' -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(147,440)	(16,377)
Adjustments for non-cash items:		
Depreciation	176,039	142,316
Amortisation	5,884	5,786
Depreciation on right-of-use assets	28,359	31,036
Provision for defined benefit plan	18,248	11,599
	-	-
(Gain) / loss on disposal of property, plant and equipment	-	(1,843)
Finance cost	223,427	112,378
	451,957	301,272
Operating profit before working capital changes	304,516	284,895
(Increase) in current assets:		
Stock-in-trade	5,757	(140,606)
Trade debts	(295,567)	(463,573)
Loans and advances	21,696	30,739
Trade deposits and prepayments	(2,552)	(1,360)
Other receivables	1,456	(95,267)
	(269,214)	(670,067)
(decrease) in current liabilities:		
Trade and other payables	(150,228)	121,556
Cash (used in) operations	(114,925)	(263,616)
Taxes paid	(9,227)	(7,467)
Finance cost paid	(187,761)	(150,176)
Net cash used in operating activities	(311,913)	(421,258)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(32,674)	(206,426)
Sale proceeds from disposal of property, plant and equipment	-	5,175
Net cash used in investing activities	(32,674)	(201,251)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from right issue subscription	195,953	-
Long-term financing - net	166,285	159,589
Lease rentals paid	(20,567)	(32,042)
Short term borrowings - net	202,581	408,967
Due to a related party - net	(2,734)	27,974
Net cash generated from financing activities	541,518	564,488
Net (decrease) / increase in cash and cash equivalents	196,931	(58,021)
Cash and cash equivalents at the beginning of the period	8,613	74,884
Cash and cash equivalents at the end of the period	205,544	16,863

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



Chief Executive Officer



Director



Chief Financial Officer

Notes to the Consolidated Financial Statements

For the Six Months Period Ended 31 December 2022

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

2.1 The consolidated 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 consolidated 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 2022.

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 2022.

4. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets
Right-of-use assets
Capital work-in-progress

	31 December, 2022 (Un-Audited)	30 June, 2022 (Audited)
	----- Rupees in '000' -----	
	4,717,093	4,864,822
	114,490	127,164
	522,504	518,404
	<u>5,354,087</u>	<u>5,510,390</u>

Notes to the Consolidated Financial Statements

For the Six Months Period Ended 31 December 2022

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

	For the six months ended 31 December 2022 (Un-Audited)		For the year ended 30 June 2022 (Audited)	
	Additions (cost)	Deletions (net book value)	Additions (cost)	Deletions (net book value)
	----- Rupees in '000' -----			
Leasehold land	-	-	11,044	-
Buildings	14,439	-	935,787	-
Plant and machinery	7,018	-	2,194,524	-
Furniture and fittings	2,073	-	212,064	-
Motor vehicles	3,712	-	20,591	4,671
Office equipment	77	-	135,229	-
Tools and equipments	-	-	631	-
Computers and accessories	996	-	7,521	-
	<u>28,315</u>	<u>-</u>	<u>3,517,391</u>	<u>4,671</u>

4.2 Capital work in progress are as follows:

	31 December, 2022 (Un-Audited)	30 June, 2022 (Audited)
Building	203,382	203,382
Plant and machinery	319,122	315,022
	<u>522,504</u>	<u>518,404</u>

5. TRADE DEBTS

Considered good - unsecured

Overseas	3,005,806	2,832,169
Local	383,966	262,034
	<u>3,389,772</u>	<u>3,094,203</u>

Considered doubtful

Considered doubtful	86,306	56,551
Provision for impairment loss	(86,306)	(56,551)
	<u>-</u>	<u>-</u>
	<u>3,389,772</u>	<u>3,094,203</u>

5.1 Allowance for ECL

Opening balance	56,524	46,369
Charge for the period / year	29,755	10,155
Closing balance	<u>86,279</u>	<u>56,524</u>

Notes to the Consolidated Financial Statements

For the Six Months Period Ended 31 December 2022

6. ADVANCE AGAINST SUBSCRIPTION OF RIGHT SHARES

Represents subscription amount received against issue of right shares from Directors / Sponsors and other shareholders. Subsequent to the period end, the Company has issued 19,595,260 ordinary shares of Rs.10 each against the above subscription.

7. 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 November 2027. The facilities are secured by exclusive charge over respective fixed assets and letter of hypothecation over current assets of the Company.

8. 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 + 1.75% 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.

9. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at period end.

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 2022 and 31 December 2021:

Name	Relationship	Nature	31 December, 2022	31 December, 2021
			(Un-Audited)	(Un-Audited)
----- Rupees in '000' -----				
Enrich Foods (Pvt) Limited	Common directorship	Sales	-	1,044
Key Management Personnel		Salaries and Benefits	33,256	36,185

10.2 Following are the details of outstanding balances with related parties for the period ended 31 December 2022 and for the year ended 30 June 2022:

Name	Relationship	Nature	31 December, 2022	30 June, 2022
			(Un-Audited)	(Audited)
----- Rupees in '000' -----				
Enrich Foods (Pvt) Limited	Common directorship	Sales	2,206	2,206
Kamran Ahmed Khalili	Director	Short-term loan	18,621	21,355

Notes to the Consolidated Financial Statements

For the Six Months Period Ended 31 December 2022

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:

	31 December 2022 (Un-Audited)			31 December 2021 (Un-Audited)		
	Raw Meat	Frozen and Processed Meat	Total	Raw Meat	Frozen and Processed Meat	Total
Segment results						
Revenue	3,069,903	289,680	3,359,583	2,616,954	243,862	2,860,816
Cost of sales	(2,635,309)	(321,082)	(2,956,391)	(2,093,895)	(222,369)	(2,316,264)
Gross profit / (loss)	434,594	(31,402)	403,192	523,059	21,493	544,552
Administrative and distribution costs	(377,474)	(248,906)	(626,380)	(414,333)	(228,206)	(642,539)
Other (expenses) / income	299,175	-	299,175	193,988	-	193,988
Operating profit / (loss)	356,295	(280,308)	75,988	302,714	(206,713)	96,001
Finance cost	(188,539)	(34,888)	(223,427)	(83,795)	(28,583)	(112,378)
Profit / (loss) before taxation	167,756	(315,196)	(147,439)	218,919	(235,296)	(16,377)
Taxation	(25,957)	(2,897)	(28,854)	(11,811)	(2,439)	(14,250)
Net profit / (loss)	141,799	(318,093)	(176,293)	207,108	(237,735)	(30,627)

	31 December 2022 (Un-Audited)			30 June 2021 (Audited)		
	Raw Meat	Frozen and Processed Meat	Total	Raw Meat	Frozen and Processed Meat	Total
Segment assets and liabilities						
Segment Assets	5,167,885	3,944,252	9,112,136	4,898,624	4,220,674	9,119,298
Unallocable Assets			1,307,954			1,017,063
Total Assets			10,420,090			10,136,361
Segment Liabilities	949,136	354,786	1,303,922	738,360	303,558	1,041,918
Unallocable Liabilities			2,926,252			2,924,186
Total Liabilities			4,230,174			3,966,104

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 consolidated condensed interim financial statements were authorised for issue on February 28, 2023 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