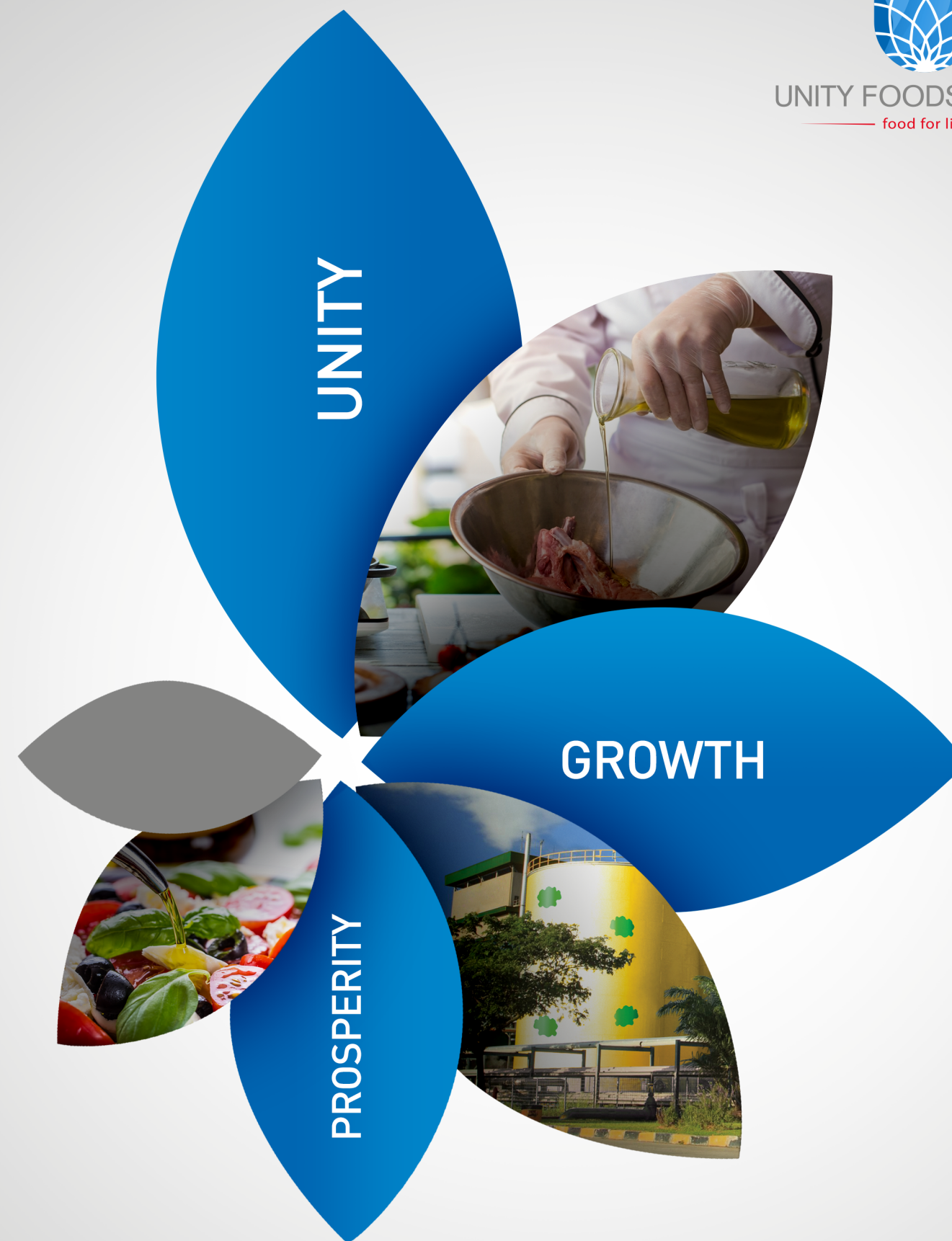




UNITY FOODS LIMITED
— food for life! —



UNITY FOODS LIMITED
— food for life! —

UNITY TOWER,
8 C, Block-6, P.E.C.H.S., Karachi 75400, Pakistan
Phone : +92 21 34373605-7 | Fax : +92 21 34373608 | Website : www.unityfoods.pk

HALF YEARLY
REPORT **2017**



Table of Contents

| | |
|---|----|
| Company Information | 1 |
| Directors' Review | 3 |
| Directors' Review Urdu Translation | 5 |
| Auditor's report To The Members On Review Of The Interim Financial Information | 8 |
| Condensed Interim Balance Sheet | 9 |
| Condensed Interim Profit & Loss Account | 10 |
| Condensed Interim Statement Of Comprehensive Income | 11 |
| Condensed Interim Cash Flow Statement | 12 |
| Condensed Interim Statement Of Changes In Equity | 13 |
| Notes To The Condensed Interim Financial Information | 14 |



Company Information

| | | | | |
|---|--|--|--------------------------|---|
| Board Of Directors | Mr. Muhammad Farrukh Mr. A. Majeed Ghaziani Mr. Safdar Sajjad Mr. Muneer * Mr. Abdul Hafeez Mr. Sheikh Ali Baakza Mr. Muhammad Zain Sardar | Chief Executive Chairman-Non-Executive Non-Executive Independent Non-Executive Non-Executive Non-Executive | Registered Office | Unity Tower, 8-C, Shahrah-e-Faisal, P.E.C.H.S., Block-6, Karachi 75400, Pakistan. |
| Audit Committee | Mr. Muneer * Mr. Safdar Sajjad Mr. Abdul Hafeez | Chairman | Factories | --KOTRI Solvent Extraction Plant N-27/B & N-27/C, Site Area, Kotri, District Hyderabad. --Oil Refinery Plot # E-32, SITE Area, Karachi. |
| Human Resources & Remuneration Committee | Mr. Safdar Sajjad Mr. Muneer * Mr. Abdul Hafeez | Chairman | Phone No. | +92 21 34373605-607 |
| Chief Financial Officer | Mr. Muhammad Amin Hussain | | Fax No. | +92 21 34373605 |
| Company Secretary | Mr. Jalees Edhi | | E-mail | info@unityfoods.pk |
| Auditors | Naveed Zafar Ashfaq Jaffery & Co. Chartered Accountants 1st Floor, Modern Motors House, Beamount Road, Karachi. | | Website | Unityfoods.pk |
| Bankers | Habib Metropolitan Bank Limited Habib Bank Limited National Bank Of Pakistan | | Business | Manufacturing Of Edible Oil |
| Legal Advisor | Farooq Rashid & Co. Advocates & Corporate Consultants 403 Commerce Centre, Hasrat Mohani Road, Karachi-74200. | | Status Of Company | Public Listed Company (PLC) |
| Share Registrar and Transfer Office | Najeeb Consultants (Pvt) Ltd. 408 Commerce Centre, Hasrat Mohani Road, Karachi. | | Company Registration No. | K-0023133 |
| | | | National Tax No. | 0698412-6 |
| | | | Contact Person. | Mr. Jalees Edhi Phone: +92 21 34321125-127 Email: info@unityfoods.pk |

* Mr. Muneer was appointed in place of Mr. Ilyas Ahmed dated February 13, 2018.



Directors' Review

On behalf of the Board of Directors I am pleased to present the Directors' Review for the half-year ended December 31, 2017.

Al Hamdo Lillah, the Right Issue announced by the Board in its meeting held on September 28, 2017 was successfully closed in December and the Company raised Rs. 1,650 million issuing 165 million shares at par. The paid up capital of the Company was thus raised from Rs. 40.5 million to Rs. 1,690.5 million.

The Company was ailing for last many years due to lack of capital and vision. Appointment of new board last year brought the achievements beyond initial expectations and the board managed to raise adequate capital required for the industry to operate with efficiency. While investing the capital it was the prime objective of the management and the Board to maximize the benefits to the company which will translate into profitability.

The Company proudly inaugurated its Office Building with the covered area of 12,000 square feet located in the prime location on Shahrah-e-Faisal, Karachi, the financial district of the city.

Its solvent extraction plant situated in the midst of untapped and promising location in the industrial estate of Kotri and is gearing to bring the Company in a permanent position amongst its peers. It's a one of its kind multi-seed processing facility enabling the company to reap the benefits of processing multiple oilseeds simultaneously to bring the unmatched excellence. The total land spans approximately 40 acres with covered built-up area of approximately 120,000 sq. ft. The solvent plant has a capacity of crushing 450 metric tons per day of oilseeds and 300 tons per day of pelletising feed products. The factory site is well equipped with the running utilities such as natural gas and electric power and other facilities. The Company is now in a position to capitalize the opportunities in years to come and new entrants will require considerable time and resources to establish operations on this scale.

An state-of-the-art edible oil refinery has started its commercial operations with the untiring efforts of its production team. The commercial teams have been activated and are achieving their set objectives. This refinery is located at the heart of Karachi's industrial area and has a capacity of 150 metric tons per day.

Summary of financial operations of the Company for half year ended December 31, 2017 is provided below:

| | Rs. |
|-------------------------|--------------|
| Sales | 0 |
| Cost of Sales | 0 |
| Financial Charges | (10,032,145) |
| Administrative Expenses | (44,841,096) |
| Other Income | 7,588,998 |
| Loss Before Taxation | (47,284,243) |
| Income Tax | (762,026) |
| Loss After Tax | (48,046,269) |
| (Loss per Share) | (1.25) |

The loss per share has been reported on about 38.55 million shares (weighted average shares). The actual issued shares are 169,050,000.

The Company has charged expenses relating to right issue, expenses incurred on acquisition of assets and other expenses in the profit and loss account. However, commercial production was not commenced during the period as right issue was closed in the month of December 2017. Following close of half year, the Company has successfully commenced commercial operations. Raw material (Soya Bean Seed) for the solvent extraction plant has already been procured from reputed global vendors including COFCO, Geneva and Columbia Grains, USA. The raw material is expected to arrive at the plant by end of March this year.

Acknowledgements

We would like to take this opportunity to thank the Pakistan Stock Exchange, the SECP and the CDC for their continued support and cooperation towards the Company. We hope that this support would continue in the future as well.

We would also like to thank our dedicated and talented team members for their untiring and dedicated hard work in bringing the Company into operations and expect continued efforts and support from them in times to come.

For and on behalf of the Board

Muhammad Farrukh
Chief Executive

Karachi:

March 1, 2018



ڈائریکٹرز کا جائزہ

میں بورڈ کی جانب سے 31 دسمبر، 2017 کو ختم ہونے والی ششماہی کے لیے ڈائریکٹرز کا جائزہ پیش کرتے ہوئے خوشی محسوس کر رہا ہوں۔

31 دسمبر، 2017 کو ختم ہونے والے عرصے کے لیے کمپنی کے مالیاتی گوشواروں کی تفصیلات درج ذیل ہے:

الحمد للہ، بورڈ کی جانب سے مورخہ 28 ستمبر، 2017 کو منعقدہ اجلاس میں رائٹ اجراء کا اعلان کیا گیا جو کہ دسمبر میں کامیابی کے ساتھ اختتام پذیر ہوا اور کمپنی کو دسمبر میں 165 ملین شیئرز کے اجراء سے 1,650 ملین روپے حاصل ہوئے۔ اس طرح کمپنی کا کیپٹل 40.5 ملین روپے سے بڑھ کر 1,690.5 ملین روپے ہو گیا ہے۔

کمپنی گزشتہ کئی سالوں سے سرمایہ اور دورانہدیشی کی کمی کے باعث خستہ حال رہی۔ گزشتہ سال نئے بورڈ کی تقرری سے ابتدائی توقعات سے بڑھ کر کامیابیاں حاصل ہوئی ہیں اور بورڈ نے منوثر طریقے سے انڈسٹری کو چلانے کے لیے مطلوبہ سرمایہ حاصل کیا۔ سرمایہ کاری کے لیے انتظامیہ اور بورڈ کا سب سے اہم مقصد کمپنی کو زیادہ سے زیادہ فائدہ پہنچانا تھا جو کہ بعد میں منافع میں تبدیل ہو۔

کمپنی نے کراچی میں شاہراہ فیصل کے اہم مقام پر واقع 12000 اسکوائر فٹ کی عمارت میں اپنے دفتر کا افتتاح کر دیا ہے۔ کمپنی کا سالوینٹ ایکسٹریکشن پلانٹ کوٹری کی انڈسٹریل اسٹیٹ کی اہم اور مرکزی جگہ پر واقع ہے جس سے کمپنی کی حیثیت دیگر کمپنیوں کے مقابلے میں ابھر رہی ہے۔ یہ مختلف اقسام کے بیجوں کو بیک وقت پروسیسنگ کرنے کی منفرد سہولت ہے جو کمپنی کو بے مثال خوبیوں کا حامل بنا رہی ہے۔ یہاں پر مجموعی طور پر تقریباً 40 ایکڑ زمین ہے جس میں تقریباً 120,000 اسکوائر فٹ پر تعمیر شدہ عمارت ہے۔ سالوینٹ پلانٹ میں 450 میٹرک ٹن روزانہ تیل کا بیج کچلنے اور 300 ٹن روزانہ جانوروں کی خوراک پر مشتمل مصنوعات تیار کرنے کی صلاحیت ہے۔ اس کارخانے میں قدرتی گیس، بجلی اور دیگر سہولیات دستیاب ہیں۔ کمپنی اب آئندہ برسوں میں مواقع سے فائدہ اٹھانے کے قابل ہے اور نیا کاروبار شروع کرنے والوں کے لیے اس پیمانے پر کام کرنے کے لیے بہت سے وسائل اور وقت درکار ہوگا۔

ایک جدید خوردنی تیل صاف کرنے کے کارخانے نے پروڈکشن ٹیم کی انتھک جدوجہد سے اپنی تجارتی پیداوار کا آغاز کر دیا ہے۔ تجارتی ٹیموں نے اپنے طے شدہ مقاصد کے حصول کے لیے تیاری کر لی ہے۔ یہ کارخانہ کراچی کے صنعتی علاقے کے دل میں واقع ہے اور اس میں روزانہ 150 میٹرک ٹن کی گنجائش ہے۔

| | |
|-------------------|--------------|
| سیلز | 0 |
| سیلز کی قیمت | 0 |
| مالیاتی اخراجات | (10,032,145) |
| انتظامی اخراجات | (44,481,096) |
| دیگر آمدنی | 7,588,998 |
| قبل از ٹیکس خسارہ | (47,284,243) |
| انکم ٹیکس | (762,026) |
| بعد از ٹیکس خسارہ | (48,046,269) |
| (فی شیئر خسارہ) | (1.25) |

فی شیئر خسارہ تقریباً 38.55 ملین شیئرز (اوسط شیئرز) کے حساب سے دیا گیا ہے۔ اصل میں جاری ہونے والے شیئرز 169,050,000 ہیں۔

کمپنی نے رائٹ اجراء کے اخراجات، اثاثہ جات کی خریداری پر آنے والے اخراجات اور دیگر اخراجات، منافع اور خسارہ کے اکاؤنٹ میں شامل کیے ہیں۔ البتہ، اس عرصے کے دوران تجارتی پیداوار کا آغاز نہیں ہوا چونکہ رائٹ اجراء دسمبر، 2017 کے مہینے میں مکمل ہوا تھا۔ ششماہی کے اختتام کے بعد کمپنی نے کامیابی کے ساتھ خوردنی تیل کی تجارتی بنیاد پر پیداوار کا آغاز کر دیا ہے۔ سالوینٹ ایکسٹریکشن پلانٹ کے لیے خام مال (سویا بین سیڈ) عالمی سطح پر بہتر ساکھ کی حامل کمپنیوں سے خریدی گیا ہے جن میں Columbia Grains USA اور COFCO, Geneva شامل ہیں۔ اس سال مارچ کے آخر تک خام مال کے پلانٹ تک پہنچنے کی امید ہے۔



توثیقی بیان

ہم پاکستان اسٹاک ایکسچینج، ایس ای سی پی، اور سی ڈی سی کے شکر گزار ہیں کہ انہوں نے کمپنی کے ساتھ اپنی امداد اور رہنمائی جاری رکھا۔ ہم امید کرتے ہیں کہ مستقبل میں بھی اسی طرح تعاون جاری رکھیں گے۔

ہم اپنی ٹیم کے اراکین کی انتھک محنت کے بھی شکر گزار ہیں اور مستقبل میں بھی اسی طرح کی امید کرتے ہیں۔

بورڈ کی جانب سے

محمد فرخ

چیف ایگزیکٹو

کراچی

یکم مارچ، 2018

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction:

We have reviewed the accompanying condensed interim statement of balance sheet of Unity Foods Limited ("the Company") as at December 31, 2017; and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity, and notes to the accounts for the half year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2017 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2017.

Scope of Review:

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information 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 interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Naveed Zafar Ashfaq Jaffery & Co
Chartered Accountants
Engagement Partner: Tanveer Afzal Khan - FCA

Karachi
Dated: March 1, 2018



CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2017

| | Note | Un-audited 31 December 2017 | Audited 30 June 2017 |
|--|------|-----------------------------------|----------------------------|
| Non - current assets | | | |
| Property, plant and equipment | 5 | 1,284,647,929 | - |
| Long term deposits | | 34,000 | 25,000 |
| | | 1,284,681,929 | 25,000 |
| Current assets | | | |
| Stores, spares and loose tools | | 225,793 | - |
| Stock in trade | 6 | 354,942,327 | - |
| Advances, prepayments and other receivables | 7 | 278,139,510 | 1,007,019 |
| Taxation - net | | 1,930,010 | 226,665 |
| Cash and bank balances | | 6,649,755 | 1,751,068 |
| | | 641,887,395 | 2,984,752 |
| Total assets | | 1,926,569,324 | 3,009,752 |
| Equity and Liabilities | | | |
| Share capital and reserves | | | |
| Authorized capital | | | |
| 170,000,000 (June 2017: 6,100,000) ordinary shares of Rs 10 each | | 1,700,000,000 | 61,000,000 |
| Issued, subscribed and paid up capital | 8 | 1,690,500,000 | 40,500,000 |
| Accumulated losses | | (86,145,036) | (38,098,767) |
| | | 1,604,354,964 | 2,401,233 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 9 | 229,202,880 | 608,519 |
| Loan from related parties | | 93,011,480 | - |
| | | 322,214,360 | 608,519 |
| | | 1,926,569,324 | 3,009,752 |
| Contingencies and commitments | 10 | | |

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.


A. Majeed Ghaziani
Chairman


Muhammad Farrukh
Chief Executive


Muhammad Amin Hussain
Chief Financial Officer


A. Majeed Ghaziani
Chairman


Muhammad Farrukh
Chief Executive


Muhammad Amin Hussain
Chief Financial Officer

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2017

| | Note | Half year ended | | Quarter ended | |
|------------------------------------|------|----------------------|---------------------------|----------------------|---------------------------|
| | | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 |
| Sales | | - | - | - | - |
| Cost of Sales | 11 | - | - | - | - |
| Gross Profit | | - | - | - | - |
| Administrative expenses | | (44,841,096) | (1,781,594) | (36,250,547) | (781,657) |
| Finance cost | | (10,032,145) | (5,778) | (10,030,683) | (4,966) |
| Other income | | 7,588,998 | 26,999 | 7,588,747 | 19,449 |
| Loss before taxation | | (47,284,243) | (1,760,373) | (38,692,483) | (767,174) |
| Taxation | 12 | (762,026) | - | (762,026) | - |
| Loss for the period | | (48,046,269) | (1,760,373) | (39,454,509) | (767,174) |
| Loss per share - basic and diluted | 13 | (1.25) | <i>Restated</i> (0.18) | (0.59) | <i>Restated</i> (0.08) |

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2017**

| | Half year ended | | Quarter ended | |
|--|---------------------|--------------------|---------------------|-------------------|
| | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 |
| | -----Rupees----- | | | |
| Loss after taxation | (48,046,269) | (1,760,373) | (39,454,509) | (767,174) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive loss for the period | (48,046,269) | (1,760,373) | (39,454,509) | (767,174) |

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

A. Majeed Ghaziani
Chairman

Muhammad Farrukh
Chief Executive

Muhammad Amin Hussain
Chief Financial Officer

A. Majeed Ghaziani
Chairman

Muhammad Farrukh
Chief Executive

Muhammad Amin Hussain
Chief Financial Officer



**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2017**

| | Half year ended | |
|---|------------------------|-------------------|
| | December 31, 2017 | December 31, 2016 |
| | Rupees | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Loss before taxation | (47,284,243) | (1,760,373) |
| Adjustments for: | | |
| Finance cost | 10,032,145 | 5,778 |
| Loss before working capital changes | (37,252,098) | (1,754,595) |
| (Increase) / Decrease in current assets | | |
| Stores, spares and loose tools | (225,793) | - |
| Stock in trade | (354,942,327) | - |
| Advances, prepayments and other receivables | (277,132,491) | - |
| Other receivable | - | 3,320,000 |
| | (632,300,611) | 3,320,000 |
| Increase / (decrease) in current liabilities | | |
| Trade and other payables | 228,594,361 | (57,400) |
| Loan from related parties | 93,011,480 | - |
| | 321,605,841 | (57,400) |
| Cash (used in) / generated from operations | (347,946,868) | 1,508,005 |
| Finance cost paid | (10,041,145) | (5,778) |
| Taxes paid | (2,465,371) | (2,749) |
| | (12,506,516) | (8,527) |
| Net cash (used in) / generated from operating activities | (360,453,384) | 1,499,478 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Capital expenditure incurred | (1,284,647,929) | - |
| Net cash used in investing activities | (1,284,647,929) | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of right shares | 1,650,000,000 | - |
| Net cash generated from financing activities | 1,650,000,000 | - |
| Net increase in cash and cash equivalents | 4,898,687 | 1,499,478 |
| Cash and cash equivalents at the beginning of the period | 1,751,068 | 1,558,815 |
| Cash and cash equivalents at the end of the period | 6,649,755 | 3,058,293 |

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

A. Majeed Ghaziani
Chairman

Muhammad Farrukh
Chief Executive

Muhammad Amin Hussain
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2017**

| | Issued, subscribed and paid up capital | Accumulated loss | Total |
|---|---|---------------------|----------------------|
| -----Rupees----- | | | |
| Balance as at July 1, 2016 | 40,500,000 | (33,755,117) | 6,744,883 |
| Total comprehensive loss for the half year ended December 31, 2016 | - | (1,760,373) | (1,760,373) |
| Balance as at December 31, 2016 | 40,500,000 | (35,515,490) | 4,984,510 |
| Balance as at July 1, 2017 | 40,500,000 | (38,098,767) | 2,401,233 |
| Issue of right shares | 1,650,000,000 | - | 1,650,000,000 |
| Total comprehensive loss for the half year ended December 31, 2017 | - | (48,046,269) | (48,046,269) |
| Balance as at 31 December 2017 | 1,690,500,000 | (86,145,036) | 1,604,354,964 |

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

A. Majeed Ghaziani
Chairman

Muhammad Farrukh
Chief Executive

Muhammad Amin Hussain
Chief Financial Officer



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2017**

LEGAL STATUS AND NATURE OF BUSINESS

1 Unity Foods Limited (formerly: Taha Spinning Mills Limited) (the "Company") was incorporated in Pakistan as a Private Limited Company under the Companies Ordinance, 1984 in 1991 and subsequently converted to a Public Limited company on June 16, 1991. Shares of the company are listed on the Pakistan Stock Exchange in Pakistan on February 01, 1994. The principal business of the company has been changed from yarn manufacturing to edible oil business. The registered office of the company is situated at Unity House Unit # 1, 38-E, Shamsi Road, P.E.C.H.S, Block-6, Karachi 75400.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information of the company for the period ended 31 December 2017 is unaudited and has been prepared in accordance with the requirements of the International Financial Reporting Standard (IFRS) IAS 34 "Interim Financial Reporting" as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the company as at and for the year ended June 30, 2017.

In 2017, the Companies Act, 2017 (the new Companies Act) was enacted and promulgated by the SECP on May 30, 2017. An exemption was granted to companies whose financial year ended on or before June 30, 2017 via Circular No. 17 of July 20, 2017. No further exemption has been provided and the Company is currently in process of determining impact, if any, on annual financial statements due to implementation of the Act. There is no impact on this condensed interim financial information as they have been prepared primarily under IAS 34 as stated above.

This condensed interim financial information is unaudited. However, a limited scope review of this condensed interim financial information has been performed by the external auditors of the Company in accordance with the requirements of clause (26) of Listed Companies (Code of Corporate Governance) Regulations, 2017. This condensed interim financial information is being submitted to the shareholders as required by section 237 of the Companies Act 2017.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies, estimates, judgments and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of annual audited financial statements of the Company for the year ended June 30, 2017.

3.2 Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the company's operations or did not have any impact on the accounting policies of the company.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

4.1 The preparation of these condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of these condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2017.

4.2 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2017.



5 PROPERTY, PLANT AND EQUIPMENT

| | Operating assets | Capital work - in progress | Total |
|---|-------------------------|----------------------------|----------------------|
| | -----Rupees----- | | |
| Cost | | | |
| Opening balance | - | - | - |
| Additions | 5.1 & 5.2 1,027,343,692 | 257,443,681 | 1,284,787,373 |
| | 1,027,343,692 | 257,443,681 | 1,284,787,373 |
| Accumulated depreciation | | | |
| Opening balance | - | - | - |
| Charge for the year | (139,444) | - | (139,444) |
| | (139,444) | - | (139,444) |
| Written down value as at December 31, 2017 (Un-audited) | 1,027,204,248 | 257,443,681 | 1,284,647,929 |
| Written down value as at June 30, 2017 (Audited) | - | - | - |

5.1 The cost of additions in operating assets during the period as under:

| | Note | Half year ended (Un-audited) | |
|----------------------------|-------|---------------------------------|-------------------|
| | | December 31, 2017 | December 31, 2016 |
| Freehold land | 5.1.1 | 405,628,650 | - |
| Building | 5.1.1 | 161,513,303 | - |
| Plant and machinery | | 457,914,075 | - |
| Office equipment | | 227,535 | - |
| Computer and IT equipments | | 912,722 | - |
| Vehicles | | 1,147,407 | - |
| | | 1,027,343,692 | - |

5.1.1 This includes land amounting to Rs. 91,000,000 (December 31, 2016: nil) and building amounting to Rs. 131,000,000 (December 31, 2016: nil) against which the Company holds the possession and has applied for transfer of title in its name.

5.2 The following additions have been made to capital work-in-progress during the period:

| | Half year ended (Un-audited) | |
|---------------------|---------------------------------|-------------------|
| | December 31, 2017 | December 31, 2016 |
| Freehold Land | 20,000,000 | - |
| Building | 50,000,000 | - |
| Plant and machinery | 187,443,681 | - |
| | 257,443,681 | - |
| | (Un-Audited) | (Audited) |
| | December 31, 2017 | June 30, 2017 |
| | Rupees | Rupees |
| | 354,942,327 | - |

6 STOCK-INTRADE

Raw materials - in hand

7 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES

This includes advance amounting to Rs. 35,400,628 (June 30, 2017: nil) given to Ayesha Solvent Plant (Pvt) Limited - a related party against purchase of stock-in-trade.

8 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

| December 31, 2017 | June 30, 2017 | | (Un-Audited) December 31, 2017 Rupees | (Audited) June 30, 2017 Rupees |
|--------------------|------------------|---|---|--------------------------------------|
| 4,050,000 | 4,050,000 | Ordinary shares of Rs. 10 each fully paid in cash | 40,500,000 | 40,500,000 |
| 165,000,000 | | Right shares issued during the period | 1,650,000,000 | - |
| 169,050,000 | 4,050,000 | | 1,690,500,000 | 40,500,000 |

8.1 The Board of Director of the Company in their meeting held on September 28, 2017 approved the issue of 4074.074% right shares in terms of ordinary shares at exercise price of Rs. 10 for the purpose to carry out capital expenditure on the proposed acquisition and setting up of solvent extraction plant, edible oil refinery and other assets. These rights shares are offered to the company existing ordinary shareholders. The total amount raised through the right issue is Rs. 1,650 million. The right issue was fully underwritten. Form-3 has been submitted by the Company subsequently.

9 This includes balance due to Ayesha Solvent Plant (Private) Limited - a related party amounting to Rs. 143.593 million (June 30, 2017: nil).

10 CONTINGENCIES AND COMMITMENTS

There were no significant contingencies and commitments at the Balance Sheet date (June 2017: Nil).

| | Half year ended | | Quarter ended | |
|---------------------------------------|--------------------|-------------------|--------------------|-------------------|
| | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 |
| 11 COST OF SALES | | | | |
| Opening stock of raw material | - | - | - | - |
| Purchases during the year | 354,942,327 | - | 354,942,327 | - |
| Raw material available for use | 354,942,327 | - | 354,942,327 | - |
| Less: closing stock of raw material | (354,942,327) | - | (354,942,327) | - |
| Raw material consumed | - | - | - | - |
| 12 TAXATION | | | | |
| Current | (762,026) | - | (762,026) | - |
| | (762,026) | - | (762,026) | - |



| | Half year ended | | Quarter ended | |
|---|-------------------|-------------------|-------------------|-------------------|
| | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 |
| 13 BASIC AND DILUTED LOSS PER SHARE | | | | |
| | Rupees | | Rupees | |
| Loss for the period | (48,046,269) | (1,760,373) | (39,454,509) | (767,174) |
| | Number of shares | | Number of shares | |
| | Restated | | Restated | |
| Weighted average number of ordinary shares in issue during the period - note 13.1 | 38,552,889 | 9,843,525 | 66,950,195 | 9,843,525 |
| | Rupees | | Rupees | |
| | Restated | | Restated | |
| Basic and diluted loss per share | (1.25) | (0.18) | (0.59) | (0.08) |

13.1 The weighted average number shares includes the effect of bonus element in the right issue.

13.2 No figure for diluted earning per shares has been presented as the company has not issued any instrument which would have an impact on earnings per share when exercised.

14 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of associated companies, directors of the Company, companies in which directors also hold directorship, related group companies, key management personnel and staff retirement benefit funds. All transactions with related parties have been carried out on arm's length basis. No remuneration was paid to chief executive and directors.

Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in this condensed interim financial information, are as follows:

| | Unaudited July to December 2017 Rupees | Unaudited July to December 2016 Rupees |
|--|--|--|
| Transactions with related party | | |
| Associated companies | | |
| Purchase of inventory | 336,985,365 | - |
| Purchase of capital assets | 750,000,000 | - |
| Payment received against sale of generator | - | 3,320,000 |
| Loan from related parties | | |
| Loan received | 130,011,480 | - |
| Loan repaid | 37,000,000 | - |
| Key management personnel | | |
| Remuneration | 1,349,623 | - |

15 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information have been authorized for issue on 1st March, 2018 by the board of directors of the company.

16 GENERAL

Figures have been rounded off to the nearest rupees.

A. Majeed Ghaziani
Chairman

Muhammad Farrukh
Chief Executive

Muhammad Amin Hussain
Chief Financial officer