



LEINER PAK GELATINE LIMITED

**UN-AUDITED CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE SIX MONTHS PERIOD ENDED
DECEMBER 31, 2014.**



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COMPANY INFORMATION BOARD OF DIRECTORS

| | |
|---------------------|------------------------|
| Ijaz Ahmed Khwaja | Chairman |
| Khwaja Imtiaz Ahmed | Chief Executive |
| Ibrar Ahmed Khwaja | Executive Director |
| Khwaja Ahmed Hassan | Executive Director |
| Mian Zia-Ud-Din | Independent Director |
| Umer Riaz Khwaja | Non-Executive Director |
| Mr. Iqbal Dossa | Non-Executive Director |

AUDIT COMMITTEE

Mian Zia-Ud-Din (Chairman)
Ijaz Ahmed Khwaja (Member)
Umer Riaz Khwaja (Member)

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Khwaja Ahmed Hassan (Chairman)
Mian Zia-Ud-Din (Member)
Umer Riaz Khwaja (Member)

COMPANY SECRETARY

Ibrar Ahmed Khwaja

CHIEF FINANCIAL OFFICER

Mr. Muhammad Javaid

AUDITORS

M. Almas & Co.

Chartered Accountants

207-Sadiq Plaza, 2nd Floor, 69-The Mall, Lahore.

LEGAL ADVISOR

Khwaja Muhammad Akram

Advocate

1-Begum Road, Mozang Adda, Lahore.

REGISTRAR

CORPLINK (PVT) LTD.,

Wings Arcade, 1-K Commercial,

Model Town, Lahore.

REGISTERED OFFICE

17-G, Gulberg-2, G/Postmall No. 3529, Lahore-54660

Ph. #: 0092-42-35756953-54, Fax #: 0092-42-35710604

PLANT

19th Kilometer,

Shahrah-e-Pakistan, Kala Shah Kaku,

District Sheikhpura.

Ph. #: 0092-42-37950018 – 37980179

BANKERS

Bank Al Habib Limited

United Bank Limited

MCB Bank Limited-Islamic Banking

Bank Alfalah Limited-Islamic Banking

Bank Islami Pakistan Limited

National Bank of Pakistan

Summit Bank Limited

DIRECTORS' REVIEW

The Directors are pleased to present the accounts of the company for the six months period ended December 31, 2014.

OPERATION

This period of six months under review is carrying the affects of another flood which hit the factory facilities on September 08,2014. This flood not only affected our factory premises but large area of Punjab province was ruined by this unprecedented flood.

Management had already taken some safety measures before happening of this incident which helped to minimize the extent of flood loss and early recoup after receding of water brought back company facilities in to operations in limited time period. Company assets were comprehensively insured and insurance claims were processed by insurer (IGI Insurance Limited) in professional manners as traded before.

Despite of the facts that factory operations were halted due to damages of flood water, company managed to register the sales at Rs.220.663 millions. Early resumption of operations also helped to post profit before tax at Rs.5.261 millions as compared to loss before tax of Rs.(26.603) millions in corresponding period.

The auditors' review report contains emphasis of matter paragraph to draw attention towards the going concern matter. In this regard management's assessment is detailed in note 2 in the annexed half yearly accounts.

FUTURE PROSPECTS

It is due to blessing of almighty that company's ability to attain the normal production capacity is intact and facilities are back in to full operations. We look forward healthy financial figures in future too.

ACKNOWLEDGEMENT

We really acknowledge the efforts of all our employees, friends and well wishers who really helped us in this difficult time period and extended their full co-operation.

On Behalf of the Board

Lahore
February 26, 2015

KH.IMTIAZ AHMED
Chief Executive

Auditors' Report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of Leiner Pak Gelatine Limited as at December 31, 2014 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 interim financial information for the six months period 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 the approved accounting standards as applicable in Pakistan for the interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

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 as of and for the six months period ended December 31, 2014 is not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

The figures for the quarters ended December 31, 2014 and December 31, 2013 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion thereon.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to note 2 of the condensed interim financial information, which indicates that the flood waters have hit the factory during the two consecutive immediately previous rainy seasons causing losses to the Company's stocks, inventories and property plant and equipment and resulting into interruptions in production operations. Further, the Company's current liabilities exceeded its current assets by Rs. 29.506 million as at December 31, 2014. These conditions, along with other matters as referred in note 2 indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

LAHORE
Dated: February 26, 2015

M. ALMAS & CO.
Chartered Accountants
Engagement Partner
Mohammad Almas

LEINER PAK GELATINE LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT DECEMBER 31, 2014

| | Note | (Un-audited) December 31, 2014 | (Audited) June 30, 2014 |
|---|------|--------------------------------------|-------------------------------|
| | | Rupees in | thousand..... |
| EQUITY AND LIABILITIES | | | |
| Share capital and reserves | | | |
| Share capital | 8 | 75,000 | 75,000 |
| Unappropriated profit | | 11,923 | 10,882 |
| | | <u>86,923</u> | <u>85,882</u> |
| Surplus on revaluation of property, plant and equipment | | 164,134 | 164,134 |
| Current liabilities | | | |
| Trade and other payables | | 138,014 | 123,732 |
| Mark-up accrued | | 2,095 | 2,008 |
| Short term borrowings | 9 | 115,444 | 106,501 |
| | | <u>255,553</u> | <u>232,241</u> |
| Contingencies and commitments | 10 | - | - |
| | | <u>506,610</u> | <u>482,257</u> |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 11 | 273,545 | 278,743 |
| Intangible assets | | - | - |
| Long term deposits | | 475 | 2,779 |
| Deferred taxation | | 6,543 | 8,539 |
| | | <u>280,563</u> | <u>290,061</u> |
| Current assets | | | |
| Stores, spare parts and loose tools | | 14,256 | 20,785 |
| Stock-in-trade | | 174,535 | 129,367 |
| Trade debts | | 223 | 9,875 |
| Advances | | 4,095 | 2,276 |
| Trade deposits and short term prepayments | | 3,360 | 1,177 |
| Other receivables | | 14,108 | 15,441 |
| Advance income tax-net | | 12,618 | 12,775 |
| Cash and bank balances | | 2,852 | 500 |
| | | <u>226,047</u> | <u>192,196</u> |
| | | <u>506,610</u> | <u>482,257</u> |

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

IBRAR AHMED KH.
Director

KH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: February 26, 2015

LEINER PAK GELATINE LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2014

| | Six months period ended | | Three months period ended | | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|--------|
| | December 31, 2014 | December 31, 2013 | December 31, 2014 | December 31, 2013 | |
| Note | ...Rupees in thousand.... | ...Rupees in thousand.... | ...Rupees in thousand.... | ...Rupees in thousand.... | |
| Sales-net | 220,663 | 118,710 | 150,617 | 58,089 | |
| Cost of sales | 184,379 | 114,835 | 122,735 | 46,564 | |
| Gross profit | 36,284 | 3,875 | 27,882 | 11,525 | |
| Other income | 1,220 | 2,517 | 966 | 366 | |
| | 37,504 | 6,392 | 28,848 | 11,891 | |
| Distribution cost | 497 | 982 | 228 | - | |
| Administrative expenses | 25,350 | 23,515 | 12,721 | 12,621 | |
| Other operating expenses | 846 | 2,905 | 790 | 2,859 | |
| Finance cost | 5,550 | 5,593 | 3,388 | 2,216 | |
| Profit / (loss) before taxation | 5,261 | (26,603) | 11,721 | (5,805) | |
| Taxation | 4,220 | 1,676 | 3,518 | 1,040 | |
| Profit / (loss) after taxation | 1,041 | (28,279) | 8,203 | (6,845) | |
| Earning / (loss) per share-basic and diluted (Rupees) | 12 | 0.14 | (3.77) | 1.09 | (0.91) |

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

IBRAR AHMED KH.
Director

KH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: February 26, 2015

LEINER PAK GELATINE LIMITED**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2014

| | Six months period ended | | Three months period ended | |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| | December 31, 2014 | December 31, 2013 | December 31, 2014 | December 31, 2013 |
| Note |Rupees in thousand.... |Rupees in thousand.... |Rupees in thousand.... |Rupees in thousand.... |
| Profit / (loss) after taxation | 1,041 | (28,279) | 8,203 | (6,845) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income / (loss) for the period | 1,041 | (28,279) | 8,203 | (6,845) |

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

IBRAR AHMED KH.
DirectorKH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: February 26, 2015

LEINER PAK GELATINE LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2014

| | Six months period ended December 31, 2014 | Six months period ended December 31, 2013 |
|--|--|--|
|Rupees in thousand..... | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit / (loss) before taxation | 5,261 | (26,603) |
| Adjustments for : | | |
| Depreciation | 5,235 | 5,765 |
| Amortization | - | 7 |
| Provision for employee retirement benefits | 949 | 817 |
| Finance cost | 5,550 | 5,593 |
| Provision for Workers' Profit Participation Fund | 285 | - |
| Provision for Workers' Welfare Fund | 109 | - |
| Gain on disposal of property, plant and equipment | - | (554) |
| | <u>12,128</u> | <u>11,628</u> |
| Operating profit / (loss) before changes in working capital | 17,389 | (14,975) |
| Changes in working capital | | |
| (Increase) / decrease in current assets: | | |
| Stores, spare parts and loose tools | 6,529 | 1,234 |
| Stock-in-trade | (45,168) | (14,818) |
| Trade debts | 9,652 | 33,639 |
| Advances | (1,819) | (2,191) |
| Trade deposits and short term prepayments | (2,183) | 563 |
| Other receivables | 32 | (13,707) |
| Increase / (decrease) in current liabilities | | |
| Trade and other payables | 14,145 | 25,547 |
| Cash (used in) /generated from operations | (1,423) | 15,292 |
| Finance cost paid | (5,463) | (5,626) |
| Payments to provident fund | (984) | (947) |
| Taxes paid | (2,066) | (2,930) |
| Sales tax refund / (payments) | 1,301 | (286) |
| Workers' Welfare Fund paid | (223) | - |
| Net cash (used in) / generated from operating activities | (8,858) | 5,503 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Additions to property, plant and equipment | (37) | (3,058) |
| Proceeds from disposal of property, plant and equipment | - | 924 |
| Decrease / (increase) in long term deposits | 2,304 | (136) |
| Net cash generated / (used in) investing activities | 2,267 | (2,270) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Net increase / (decrease) in short term borrowings | 8,943 | (4,678) |
| Net cash generated / (used in) financing activities | 8,943 | (4,678) |
| Net increase / (decrease) in cash and cash equivalents | 2,352 | (1,445) |
| Cash and cash equivalents at the beginning of the period | 500 | 3,582 |
| Cash and cash equivalents at the end of the period | 2,852 | 2,137 |

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

IBRAR AHMED KH.
Director

KH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: February 26, 2015

LEINER PAK GELATINE LIMITED

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2014**

| | <u>Share capital Issued, subscribed and paid up share capital</u> | <u>Un appropriated profit</u> | <u>Total</u> |
|--|---|---------------------------------------|-----------------------|
|Rupees in thousand..... | | | |
| Balance as at 01 July 2013 | 75,000 | 63,838 | 138,838 |
| Total comprehensive loss for the six months period ended 31 December 2013 | - | (28,279) | (28,279) |
| Balance as at 31 December 2013 | <u>75,000</u> | <u>35,559</u> | <u>110,559</u> |
| Balance as at 01 July 2014 | 75,000 | 10,882 | 85,882 |
| Total comprehensive income for the six months period ended 31 December 2014 | - | 1,041 | 1,041 |
| Balance as at 31 December 2014 | <u>75,000</u> | <u>11,923</u> | <u>86,923</u> |

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

IBRAR AHMED KH.
Director

KH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: February 26, 2015

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2014 (UN-AUDITED)

1 The Company and its operations

Leiner Pak Gelatine Limited ("the Company") was incorporated in Pakistan on 14 February 1983 as a Public Limited Company. The registered office of the Company is situated at 17-G, Gulberg II, Lahore. The Company is listed on Karachi and Lahore Stock Exchanges in Pakistan. The Company is engaged in the manufacture and sale of gelatine, di-calcium phosphate and glue produced from animal bones.

2 Going concern assumption

The flood waters hit the factory in August 2013 and September 2014 causing loss to the stocks, inventories and property plant and equipment and resulted in closure of the factory operations for about two months at each occasion as detailed in note 24.5 of the annual published financial statements for the year ended June 30, 2014 and note 7 in this condensed interim financial information. Further, due to these reasons the profitability of the Company was adversely affected during last year and as at December 31, 2014 its current liabilities exceeded its current assets by Rupee 29,506 million. These conditions raise significant doubts on the Company's ability to continue as a going concern as the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

Keeping in view the following factors, the management foresees that the Company will continue as a going concern:

- Floods are not a regular phenomena in the vicinity of the factory as per history of about past two decades.
- There is continued demand for the products of the Company within the country and abroad. Demand for "Hilal" Gelatine is increasing in foreign and local markets, as "Hilal" Gelatine is equally consumed in Muslim and non-Muslim countries.
- Repayments to banks and financial institutions have been made as per agreed terms and they have renewed the credit facilities for the future period.
- Continued financial support of its sponsors.
- The affected assets are fully insured.
- The Company's capability to attain the normal production capacity is intact and is currently in full operations.
- Remedial and preventive measures to guard against the recurrence of such incidences in future.

Based on the aforementioned factors and the profitable operations during the six months ended on December 31, 2014 together with existence of new foreign as well as local sales orders along with advance payments received there against, this condensed interim financial information, therefore do not include any adjustments relating to the realization of its assets and the liquidation of any liabilities that might be necessary should the Company be unable to continue as a going concern.

3 Basis of preparation

3.1 Statement of compliance

This condensed interim financial information of the Company for the six months period ended December 31, 2014 has been prepared in accordance with the requirements of the International Accounting Standard-34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

3.2 This condensed interim financial information is un-audited and is being submitted to the shareholders as required by the listing regulations of Karachi and Lahore Stock Exchanges and section 245 of the Companies Ordinance, 1984.

3.3 Items included in condensed interim financial information are measured using the currency of the primary economic environment in which the Company operates. The condensed interim financial information is presented in Pakistan Rupees, which is the Company's functional and presentation currency.

LEINER PAK GELATINE LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2014 (UN-AUDITED)****4 Significant accounting policies**

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the annual published financial statements for the year ended 30 June 2014.

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.

5 Judgments, estimates and assumptions

The preparation of the condensed interim financial information in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Judgments, accounting estimates and assumptions made by the management in the preparation of this condensed interim financial information are the same as those applied in preparation of the preceding annual published financial statements of the Company for the year ended 30 June 2014.

6 Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual published financial statements as at and for the year ended 30 June 2014.

- 7 On September 08, 2014, the flood water hit the factory causing loss of the stock in trade, stores, spare parts and loose tools and property, plant and equipment. This has resulted in closure of production operations for about two months. The Company lodged insurance claims for the amount of damages assessed for the aforementioned assets aggregating to Rupees 62.075 million which, after taking into account compulsory deductions and other insurer's covenants, has been settled at Rupees 61.7 million comprising of Rupees 54.486 million for stock in trade, Rupees 1.948 million for repair of property, plant and equipment and Rupees 5.266 million for stores, spare parts and loose tools. Therefore, the Company has recognized a loss of Rupees 0.375 million in other operating expenses as insurance claim written off.

8 Share capital**Authorised share capital**

10,000,000 (June 30, 2014: 10,000,000) ordinary shares
of Rupees 10 each

Issued, subscribed and paid up share capital

7,500,000 (June 30, 2014: 7,500,000) ordinary shares
of Rupees 10 each issued as fully paid in cash

| | (Un-audited) December 31, 2014 | (Audited) June 30, 2014 |
|--|--------------------------------------|-------------------------------|
| | Rupees in thousand..... | |
| | <u>100,000</u> | <u>100,000</u> |
| | <u>75,000</u> | <u>75,000</u> |
| | <u>75,000</u> | <u>75,000</u> |

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2014 (UN-AUDITED)

| | | (Un-audited) | (Audited) |
|---|----------|-------------------------------|----------------|
| | | December 31, | June 30, |
| | | 2014 | 2014 |
| | | Rupees in thousand..... | |
| 9 Short term borrowings | | | |
| <i>From banking companies-secured</i> | | | |
| Finance against packing credit | | | |
| Bank Al-Habib Limited | 9.1, 9.3 | 23,891 | 24,920 |
| Running finance | | | |
| Bank Al-Habib Limited | 9.2, 9.3 | <u>70,910</u> | <u>62,231</u> |
| | | <u>94,801</u> | <u>87,151</u> |
| <i>Temporary bank overdraft-unsecured</i> | | - | 6 |
| <i>From related parties-unsecured</i> | | | |
| Loans from directors | 9.4 | <u>20,643</u> | <u>19,344</u> |
| | | <u>115,444</u> | <u>106,501</u> |

- 9.1 The finance against packing credit (FAPC-1) facility having sanctioned limit of Rupees 25 million (June 30, 2014: Rupees 25 million) has been obtained from Bank Al-Habib Limited. The rate of mark-up on this facility is 9.5% (June 30, 2014: 9.5%) per annum payable quarterly or on adjustment of loan. The principal amount is to be adjusted / rolled over within 180 days from the draw down date or through own sources or through realization of export proceeds or on demand while mark up is to be serviced upon adjustment of loan or at the end of each calendar quarter whichever is earlier. The facility is valid till August 07, 2015.
- 9.2 The running finance facility having sanctioned limit of Rupees 70 million (June 30, 2014: Rupees 70 million) has been obtained from Bank Al-Habib Limited for working capital requirements. It carries mark-up at three months KIBOR plus 1.75% (June 30, 2014: three months KIBOR plus 1.75%) per annum payable quarterly. The sanctioned limit has temporarily been exceeded due to issuance of cheques which were presented after December 31, 2014. The facility is valid till August 07, 2015.
- 9.3 The facilities mentioned in 9.1 and 9.2 are commonly secured against first charge of Rupees 180 million (2014: Rupees 180 million) over current assets of the Company registered with SECP. First charge on fixed assets of Rupees 174 million (June 30, 2014: Rupees 174 million) comprising land, building, plant and machinery situated at 19 KM G.T. Road Kala Shah Kaku. Lien over export documents under letter of credit and contract, shipping documents, accepted drafts, counter guarantee of the Company and personal guarantees of the Directors namely Kh. Imtiaz Ahmed, Kh. Ahmed Hassan and Ibrar Ahmed Kh. amounting to Rupees 155 million each (June 30, 2014: Rupees 155 million).
- 9.4 Loans from directors (Chief Executive & Director) are re-payable on demand and are non- interest bearing.
- 9.5 A Charge of Rupees 20 million (June 30, 2014: Rupees 20 million) in favour of Bank Alfalah Limited - Islamic banking, has been created on all present and future fixed assets (plant & machinery) of the Company including but not limited to complete de-humidification plant etc. The said charge has been created in respect of Ijara facility for de-humidification plant etc. to the Company.
- 10 Contingencies and commitments**

There have been no significant changes in contingencies and commitments as disclosed in the notes to the preceding annual published financial statements for the year ended June 30, 2014.

The operating lease arrangement in respect of registered office has been as follows:

| | (Un-audited) | (Audited) |
|---|-------------------------------|--------------|
| | December 31, | June 30, |
| | 2014 | 2014 |
| | Rupees in thousand..... | |
| Not later than one year | <u>1,398</u> | <u>1,272</u> |
| Later than one year but not later than five years | <u>762</u> | <u>1,524</u> |

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2014 (UN-AUDITED)

The Company has entered into Ijara arrangements with Bank Islami Pakistan Limited for vehicles and Bank Alfalah Limited-Islamic banking for de-humidification plant. Commitments for Ijara monthly rentals payable under the agreements are as follows:

| | | (Un-audited) December 31, 2014 | (Audited) June 30, 2014 |
|-------------|---|--------------------------------------|-------------------------------|
| | | Rupees in thousand..... | |
| | Not later than one year | 4,531 | 6,557 |
| | Later than one year but not later than five years | 450 | 1,649 |
| 11 | Property, plant and equipment | | |
| | Operating fixed assets | 267,594 | 272,792 |
| | Capital work in progress | 5,951 | 5,951 |
| | | <u>273,545</u> | <u>278,743</u> |
| 11.1 | Opening book value | 272,792 | 281,317 |
| | Cost of additions during the period / year | 37 | 3,507 |
| | Less: | | |
| | Deletion during the period / year (book value) | - | 370 |
| | Depreciation charged during the period / year | 5,235 | 11,662 |
| | | <u>267,594</u> | <u>272,792</u> |
| 11.2 | Cost of addition during the period / year | | |
| | Plant and machinery | - | 3,141 |
| | Furniture, fixtures and fittings | 9 | 217 |
| | Office equipment | 28 | 149 |
| | | <u>37</u> | <u>3,507</u> |
| 11.3 | Deletion during the period / year | | |
| | Owned | | |
| | Vehicles: | | |
| | Cost | - | 1,879 |
| | Less: accumulated depreciation | - | 1,509 |
| | | <u>-</u> | <u>370</u> |
| 12 | Earning / (loss) per share-basic and diluted | | |

There is no dilutive effect on basic earnings per share of the Company which is based on :

| | Six months period ended | | Three months period ended | |
|---|---------------------------|----------------------|---------------------------|----------------------|
| | December 31, 2014 | December 31, 2013 | December 31, 2014 | December 31, 2013 |
| |Rupees in thousand... | |Rupees in thousand... | |
| Profit / (loss) after taxation | 1,041 | (28,279) | 8,203 | (6,845) |
| | in thousand | in thousand | in thousand | in thousand |
| Weighted average number of ordinary shares | 7,500 | 7,500 | 7,500 | 7,500 |
| Earning / (loss) per share-basic and diluted (Rupees) | <u>0.14</u> | <u>(3.77)</u> | <u>1.09</u> | <u>(0.91)</u> |

13 Transactions with related parties

The related parties comprise of recognised provident fund and key management personnel. Transactions with related parties other than those which have been specifically disclosed in this condensed interim financial information are as follows:

LEINER PAK GELATINE LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2014 (UN-AUDITED)**

| | <u>Six months period ended</u> | | <u>Three months period ended</u> | |
|---------------------------------------|----------------------------------|--------------------------|----------------------------------|--------------------------|
| | <u>December 31, 2014</u> | <u>December 31, 2013</u> | <u>December 31, 2014</u> | <u>December 31, 2013</u> |
| | <u>....Rupees in thousand...</u> | | <u>....Rupees in thousand...</u> | |
| Key management personnel | | | | |
| Remuneration | 2,157 | 2,029 | 1,079 | 1,014 |
| Loan from Chief Executive- unsecured: | | | | |
| Loan received | 7,800 | 3,159 | 2,500 | 3,159 |
| Loan repaid | 6,500 | 400 | 3,000 | 400 |
| Loan from Director- unsecured: | | | | |
| Loan received | - | 1,900 | - | 1,900 |
| Recognised provident fund | | | | |
| Contribution to provident fund trust | 949 | 817 | 489 | 407 |

14 Date of authorization for issue

This condensed interim financial information was authorized for issue by the Board of Directors on February 26, 2015.

15 General

Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

IBRAR AHMED KH.
Director

KH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: February 26, 2015

BOOK POST PRINTED MATTER

| | | |
|--|---|-------------------------------|
| | Reason for Return Mail | ڈاک کی واپسی کی وجہ |
| | Shareholder Shifted | منقل ہو گئے |
| | No Such Consignee | اس نام سے کوئی نہیں |
| | House / Office Closed | گھر / دفتر بند ہے |
| | Incomplete Address | پتہ نامکمل ہے |
| | Retired | ریٹائر |
| | Passed Away | انتقال کر گئے |
| | Need Building Name | بلڈنگ کا نام درکار ہے |
| | Need House / Gali / Plot No. | پلاٹ / گھرا گلی نمبر درکار ہے |
| | Out of City / Country | شہر / ملک سے باہر ہیں |
| | Share Refused to Accept | وصول کرنے سے انکار |
| | Non Service Area | رسائی کی جگہ نہیں |
| | Any Other Reason, Please Mention Hereunder: | کوئی اور وجہ / پتہ لکھیں: |
| | | |

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