

**Arpak
International
Investments
Limited**

**CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE QUARTER ENDED
31 MARCH, 2015**

ARPAK INTERNATIONAL INVESTMENTS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS	Begum Laila Sarfaraz <i>Chief Executive</i> Mr. Aziz Sarfaraz Khan Mr. Abbas Sarfaraz Khan Ms. Zarmine Sarfaraz Ms. Najda Sarfaraz Mr. Iskander M. Khan Mr. Usman Salim Khan
BOARD AUDIT COMMITTEE	Mr. Abbas Sarfaraz Khan <i>Chairman</i> Mr. Aziz Sarfaraz Khan <i>Member</i> Mr. Iskander M. Khan <i>Member</i>
COMPANY SECRETARY	Mr. Mujahid Bashir
CHIEF FINANCIAL OFFICER	Mr. Rizwan Ullah Khan
AUDITORS	Messers Hameed Chaudhri & Co., <i>Chartered Accountants</i>
TAX CONSULTANTS	Messers BDO Ibrahim & Co., <i>Chartered Accountants</i>
LEGAL ADVISOR	Mr. Ishtiaq Ahmad <i>Advocate</i>
SHARE REGISTRAR	Messers Hameed Majeed Associates (Pvt.) Limited, H.M. House, 7-Bank Square, Lahore
BANKERS	Bank Al-Habib Limited The Bank of Khyber MCB Bank Limited
REGISTERED OFFICE	King's Arcade, 20-A, Markaz F-7, Islamabad Phone: 051-2650805-7 Fax: 051-2651285-6

ARPAK INTERNATIONAL INVESTMENTS LIMITED

BRIEF REVIEW

The Interim Financial Statements of the Company for the period ended on 31 March, 2015 are presented to the shareholders in compliance with the International Accounting Standard No. 34 "Interim Financial Reporting", the Code of Corporate Governance under Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Lahore and Karachi Stock Exchanges.

OPERATIONS

The Company earned pre-tax profit of Rs. 3.183 million (31 March, 2014: Rs. 5.054 million) during the period. However, after incorporating the share of loss on investment in an associated undertaking, the Company's pre-tax profit was converted into loss of Rs. 2.757 million for the period ended on 31 March, 2015.

INVESTMENTS

The Company has investment of Rs. 43.750 million in an Associated Company and Rs. 62.541 million in the Mutual Funds.

ACCOUNTING POLICIES

There has been no change in the accounting policies adopted for the preparation of the enclosed quarterly financial statements of the Company.

ON BEHALF OF THE BOARD



Islamabad
27 April, 2015

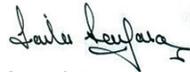
(**BEGUM LAILA SARFARAZ**)
CHIEF EXECUTIVE

ARPAK INTERNATIONAL

CONDENSED INTERIM BALANCE

	Note	Un-audited 31 March, 2015 Rupees	Audited 30 June, 2014 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 5,000,000 ordinary shares of Rs.10 each		<u>50,000,000</u>	<u>50,000,000</u>
Issued, subscribed and paid-up capital 4,000,000 ordinary shares of Rs.10 each issued for cash		40,000,000	40,000,000
Reserves		13,294,994	13,404,878
Unappropriated profit		187,469,873	188,546,584
		<u>240,764,867</u>	<u>241,951,462</u>
DEFERRED TAXATION		184,664	178,657
CURRENT LIABILITIES			
Accruals and other payables		4,191,523	2,258,060
Taxation		158,169	577,161
		<u>4,349,692</u>	<u>2,835,221</u>
CONTINGENCIES AND COMMITMENTS			
	5		
		<u>245,299,223</u>	<u>244,965,340</u>

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive

INVESTMENTS LIMITED

SHEET AS AT 31 MARCH, 2015

	Note	Un-audited 31 March, 2015 Rupees	Audited 30 June, 2014 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property & Equipment		4,596,798	4,636,406
Investment property		1,901,820	1,917,033
Long term investments	6	128,038,324	131,949,220
Loan to an Associated Company		43,750,000	43,750,000
		<u>178,286,942</u>	<u>182,252,659</u>
CURRENT ASSETS			
Investments	7	62,541,860	59,703,644
Advances to employees - considered good		369,750	309,750
Accrued profit and mark-up		-	1,873,037
Prepayments		63,285	35,775
Advance income tax and tax deducted at source		724,676	674,267
Bank balances		3,312,710	116,208
		<u>67,012,281</u>	<u>62,712,681</u>
		<u>245,299,223</u>	<u>244,965,340</u>


Director

ARPAK INTERNATIONAL INVESTMENTS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH, 2015

	Quarter ended		Cumulative	
	31 March, 2015	31 March, 2014	31 March, 2015	31 March, 2014
INCOME	3,645,567	3,898,293	10,235,592	10,659,626
OPERATING AND GENERAL EXPENSES	1,980,400	1,657,958	7,049,751	5,603,391
OPERATING PROFIT	1,665,167	2,240,335	3,185,841	5,056,235
BANK CHARGES	2,074	1,106	2,400	2,357
	1,663,093	2,239,229	3,183,441	5,053,878
SHARE OF (LOSS) OF ASSOCIATED COMPANIES	(1,668,494)	(598,884)	(5,940,558)	(1,363,733)
(LOSS) / PROFIT BEFORE TAXATION	(5,401)	1,640,345	(2,757,117)	3,690,145
TAXATION				
Current	93,309	116,636	158,169	116,636
Prior year	0	1,021	354,107	2,971
Deferred	3,199	12,397	6,007	8,426
	96,508	130,054	518,283	128,033
(LOSS) / PROFIT AFTER TAXATION	(101,909)	1,510,291	(3,275,400)	3,562,112
(LOSS) / EARNING PER SHARE	(0.03)	0.38	(0.82)	0.89

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director

ARPAK INTERNATIONAL INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH, 2015

	Quarter ended		Nine Months ended	
	31 March, 2015	31 March, 2014	31 March, 2015	31 March, 2014
(LOSS) / PROFIT AFTER TAXATION	(101,909)	1,510,291	(3,275,400)	(7,660,736)
OTHER COMPREHENSIVE INCOME:				
Fair value gain on re-measurement of available-for-sale investments	(143,326)	107,250	(109,884)	(29,543)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(245,235)	1,617,541	(3,385,284)	(7,690,279)

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director

ARPAK INTERNATIONAL INVESTMENTS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 31 MARCH, 2015

	Nine months ended	
	31 March, 2015 Rupees	31 March, 2014 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period - before taxation and share of profit of Associated Companies and impairment loss against long term investments	3,183,441	5,053,878
Adjustments for non-cash charges and other items:		
Depreciation on property & equipment	39,608	41,916
Depreciation on investment property	15,213	16,014
Mark-up on loan to an Associated Company	(3,098,799)	(3,576,664)
Fair value gain on re-measurement of investments	(1,281,297)	1,161,460
CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES		
- Before working capital changes	(1,141,834)	2,696,604
(Increase) / decrease in current assets:		
Investments - net	(2,838,216)	(6,856,292)
Advances to employees	(60,000)	(300,000)
Prepayments	(27,510)	(65,983)
Increase / (decrease) in accruals and other payables	1,933,463	73,783
	(992,263)	(7,148,492)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		
- Before taxation	(2,134,097)	(4,451,888)
Income tax paid	(469,401)	(607,192)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		
- After taxation	(2,603,498)	(5,059,080)
NET CASH FLOW FROM INVESTING ACTIVITIES		
Profit/ Mark-up received	5,800,000	4,500,000
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	3,196,502	(559,080)
CASH AND CASH EQUIVALENTS - At beginning of the period	116,208	3,601,022
CASH AND CASH EQUIVALENTS - At end of the period	3,312,710	3,041,942

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director

ARPAK INTERNATIONAL INVESTMENTS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED 31 MARCH, 2015

	Share capital	Capital reserve	General reserve	Unrealised gain on long term investments	Unappropriated profit	Total
----- Rupees -----						
Balance as at 30 June, 2013	40,000,000	7,440,781	5,400,000	370,462	182,493,263	235,704,506
Total comprehensive income / (loss) for the Nine Months period ended 31 March, 2013	0	0	0	282,750	3,562,112	3,844,862
Effect of items directly credited to equity by an Associated Company	0	0	0	0	37,955	37,955
Balance as at 31 March, 2014	40,000,000	7,440,781	5,400,000	653,212	186,093,330	239,587,323
Balance as at 30 June, 2014	40,000,000	7,440,781	5,400,000	564,097	188,546,584	241,951,462
Total comprehensive income / for the Nine Months period ended 31 March, 2015	0	0	0	(109,884)	(3,275,400)	(3,385,284)
Effect of items directly credited to equity by an Associated Company	0	0	0	0	2,198,689	2,198,689
Balance as at 31 March, 2015	40,000,000	7,440,781	5,400,000	454,213	187,469,873	240,764,867

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director

ARPAK INTERNATIONAL INVESTMENTS LIMITED
NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED 31 MARCH, 2015

1. CORPORATE INFORMATION

Arpak International Investments Limited (the Company) was incorporated in Pakistan on 26 July, 1977 as a Public Company and its shares are quoted on Lahore and Karachi Stock Exchanges. The registered office of the Company is situated at 20-A, Markaz F-7, Islamabad. It is principally engaged in investment business of various forms.

2. BASIS OF PREPARATION

2.1 This condensed interim financial information of the Company for the quarter ended 31 March, 2015 is being submitted to the shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984 (the Ordinance) and the listing regulations of Lahore and Karachi stock exchanges. This condensed interim financial information has been prepared in accordance with the requirements of IAS 34 (Interim Financial Reporting) and provisions of and directives issued by the Securities and Exchange Commission of Pakistan under the Ordinance. In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed.

2.2 This condensed interim financial information does not include all the information required for full financial statements and should be read in conjunction with the annual audited financial statements as at and for the year ended 30 June, 2014.

2.3 This condensed interim financial information is presented in Pak Rupee, which is the functional currency of the Company. All the financial information presented in Pak Rupee has been rounded-off to the nearest Rupee except stated otherwise.

3. ACCOUNTING POLICIES

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

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and key sources of estimation were the same as those that were applied to the annual audited financial statements for the year ended 30 June, 2014.

5. CONTINGENCIES AND COMMITMENTS

There was no known contingency and commitment outstanding as at 31 March, 2015 and 30 June, 2014.

6. LONG TERM INVESTMENTS

Associated Companies:
Quoted:

The Premier Sugar Mills and Distillery Company Ltd. (PSM)

400,000 ordinary shares of Rs.10 each - cost
 Equity held 10.67% (30 June, 2014:10.67%)
 Post acquisition profit brought forward including effect of items directly credited in equity by PSM
 Loss for the period / year - net of taxation

Un-audited Quarter ended 31 March, 2015 Rupees	Audited Year ended 30 June, 2014 Rupees
8,800,000	8,800,000
73,352,472 (5,940,558)	75,628,317 (4,272,064)
76,211,914	80,156,253

Un-quoted:

Premier Board Mills Ltd. (PBML)

600,000 ordinary shares of Rs.10 each received as dividend from The Premier Sugar Mills and Distillery Company Ltd. - accounted for at face value
 Equity held 10.63% (30 June, 2014:10.63%)
 Post acquisition profit brought forward including effect of items directly credited in equity / other comprehensive income by PBML
 Profit for the period / year - net of taxation

6,000,000	6,000,000
45,092,332 0	45,115,291 (22,959)
51,092,332	51,092,332
127,304,246	131,248,585

Others - Quoted

Available for sale

Ibrahim Fibres Ltd.

9,750 ordinary shares of Rs.10 each - cost
 Add: adjustment arising from re-measurement to fair value

136,538	136,538
597,540	564,097
734,078	700,635
128,038,324	131,949,220

7. INVESTMENTS - At fair value through profit or loss

MCB Cash Management Optimizer

369,749 (30 June, 2014:369,749 units)
 Adjustment arising from re-measurement to fair value

26,775,509	27,734,592
12,608,944	10,199,469
39,384,453	37,934,061

Pakistan Cash Management Fund

53,465 (30 June, 2014:53,465) Units - cost
 Adjustment arising from re-measurement to fair value

2,500,000	2,500,000
344,581	173,262
2,844,581	2,673,262

Askari Sovereign Cash Fund

189,898 (30 June, 2014:189,898) Units - cost
 Adjustment arising from re-measurement to fair value

15,000,000	15,000,000
5,312,826	4,096,321
20,312,826	19,096,321
62,541,860	59,703,644

8. FINANCIAL RISK MANAGEMENT

This condensed interim financial information does not include all the financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June, 2014. The Company's activities expose it to a variety of financial risks, which are credit risk, liquidity risk and market risk (including currency risk, interest rate risk and other price risk). There has been no change in the Company's sensitivity to these risks since 30 June, 2014 except for general exposure due to fluctuations in interest rates. There have been no changes in risk management objectives and policies of the Company during the period.

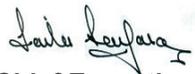
The Company's investments in equity instruments of a listed Company are measured at fair value and are placed at level 1 in the fair value measurement hierarchy due to reason that they are tradable at a quoted price in the active market. The Company's investments in units of Mutual Funds are measured at fair value using period-end Net Assets Value as computed by the respective Assets Management Companies and are placed at level 2 of fair value measurement hierarchy. There were no significant change in the business or economic circumstances during the period that would have affected the fair values of the financial assets of the Company.

9. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue in the Board of Directors' meeting held on 27 April, 2015.

10. CORRESPONDING FIGURES

- Corresponding figures in the condensed interim balance sheet comprise of balances as per the annual audited financial statements of the Company for the year ended 30 June, 2014 and corresponding figures in the condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity comprise of balances of comparable period of the immediately preceding financial year, i.e. quarter ended 31 March, 2015. In addition, corresponding figures in the condensed interim profit and loss account and condensed interim statement of comprehensive income also include balances of the nine months period ended 31 March, 2015.
- Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purpose of comparison; however, no material re-arrangements / re-classifications have been made in this condensed interim financial information.



Chief Executive



Director