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**First Quarterly Report**  
**September 30, 2017**  
**Unaudited Accounts**

*If undelivered, please return to:*  
**QUICE FOOD INDUSTRIES LIMITED**  
WS7, Madina Palace, Mezzanine Floor,  
Faran Co-operative Society, Dhoraji Colony,  
Karachi-74800, Pakistan.  
Phone : 021-34857177-79

## Company information

### Board of Directors

Mr. Muhammad Atif	Chief Executive
Mr. Muhammad Siraj	Director
Mr. Salman Haroon	Director
Mr. Aamir Altaf	Director
Mr. Muhammad Riaz	Director
Mr. Qazi Muhammad Imran	Director
Mr. Jawed Yameen	Director

### Company Secretary

Mr. Iqbal Shahid

### Bankers

Allied Bank Limited  
Habib Bank Limited  
Meezan Bank Limited  
United Bank Limited

### Auditors

M/s. Aslam Malik & Co.  
Chartered Accountants,

### Audit Committee

Mr. Salman Haroon	Chairman
Mr. Jawed Yameen	Member
Mr. Muhammad Siraj	Member

### Legal Advisor

M/s. Ahmed & Qazi  
Advocates & Legal Consultants

### Share Registrar

M/s. Technology Trade (Private) Limited  
Dagia House, 241-C, Block-2, P.E.C.H.S.  
Off: Shahrah-e-Quaideen, Karachi

### Registered Office

WS7, Mezanine Floor, Madina Palace  
Faran Co-operative Housing Society  
Dhoraji Colony, Karachi

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**QUICE FOOD INDUSTRIES LIMITED  
DIRECTOR'S REVIEW**

On behalf of the Board of Directors of Quice Food Industries Limited, we are pleased to submit the reviewed condensed interim financial information of the Company for the quarter ended September 30, 2017.

**BUSINESS REVIEW**

Throughout the period, the Company attained a revenue of Rs. 24.724 million versus Rs. 25.491 million in the same period last year. This viewed increased in consumer demand in market for Juice but weakening sales of syrup in reporting period. However on the other end, the gross loss reflected due to less margin in Juice product and higher contribution rate of fixed overheads in product cost as well.

The drive in the volume was sustained through aggressive marketing and trade marketing activities piloted during the period. Various activations, airing and promotions were steered for the key categories of the business that focused on the spirit of brand and its relationship with the consumer.

	Un-Audited 30-Sep-17	Un-Audited 30-Sep-16
	Rupees	Rupees
<b>Financial Results</b>		
Net sales	24,724	25,491
Gross (Loss)/Profit	(5,859)	1,783
Depreciation	5,271	3,911
Pre-tax loss	(18,870)	(9,063)
After-tax loss	(18,982)	(9,253)
Loss per share	(0.19)	(0.09)

**FUTURE OUTLOOK**

We endure to follow a focused approach to bellicosely grow the operations by driving volumes and reaping the benefits of high scale evidently show the success of the same enabling a volume growth.

We are assertive that the Company will be able to progress on the growth arc in the upcoming years as well and we consistently putting in efforts to discover new markets that can add-on the growth spirits.

In closing, we would like to place on record our appreciation for the commitment, devotion to duty and hard work of the officers and workers of all categories.

May Allah give us the pluck to face the encounters ahead. A'meen

Karachi  
October 30, 2017

**MUHAMMAD ATIF**  
Chief Executive

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**QUICE FOOD INDUSTRIES LIMITED  
BALANCE SHEET - (Un-audited)  
AS AT 30 SEPTEMBER 2017**

	Note	Un-audited 30-Sep-2017 Rupees	Audited 30-Jun-2017 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed Assets</b>			
Property, plant and equipment	5	397,517,699	402,261,606
Long term deposits		1,819,200	1,819,200
		<b>399,336,899</b>	<b>404,080,806</b>
<b>CURRENT ASSETS</b>			
Stores and spares		2,978,427	2,847,213
Stock-in-trade		254,874,658	268,859,814
Trade debts		13,676,793	15,664,678
Short term investments		24,578,631	24,578,631
Advances, deposits, prepayments & other receivables		29,173,378	26,298,451
Taxation - net		6,864,580	6,138,695
Cash and bank balances		776,612	601,070
		<b>332,923,079</b>	<b>344,988,552</b>
<b>TOTAL ASSETS</b>		<b>732,259,978</b>	<b>749,069,358</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>			
105,100,000 (June 2017: 105,100,000) ordinary shares of Rupees 10 each		1,051,000,000	1,051,000,000
<b>Issued, subscribed and paid up share capital</b>			
98,461,828 (June 2017: 98,461,828) ordinary shares of Rupees 10 each		984,618,280	984,618,280
Reserves		(384,419,385)	(366,537,519)
<b>Total equity</b>		<b>600,198,895</b>	<b>618,080,761</b>
Surplus on revaluation of property, plant and equipment		21,176,030	22,275,903
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Deferred liabilities - Provision for gratuity		3,392,919	3,166,850
<b>CURRENT LIABILITIES</b>			
Trade and other payables		107,492,133	105,545,844
		<b>110,885,052</b>	<b>108,712,694</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	6	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>732,259,978</b>	<b>749,069,358</b>

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

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**

(5)



QUICE FOOD INDUSTRIES LIMITED  
PROFIT AND LOSS ACCOUNT (Un-audited)  
FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	QUARTER ENDED	
	30-Sep-2017	30-Sep-2016
	Rupees	Rupees
SALES	24,723,929	25,491,422
COST OF SALES	<u>(30,582,503)</u>	<u>(23,708,509)</u>
GROSS (LOSS) /PROFIT	<u>(5,858,574)</u>	1,782,914
DISTRIBUTION AND SELLING COST	<u>(8,042,783)</u>	<u>(8,052,381)</u>
ADMINISTRATIVE EXPENSES	<u>(5,019,355)</u>	<u>(5,106,879)</u>
OPERATING LOSS	<u>(13,062,138)</u>	<u>(13,159,260)</u>
OTHER OPERATING INCOME	<u>94,655</u>	<u>2,325,717</u>
LOSS FROM OPERATIONS	<u>(18,826,057)</u>	<u>(9,050,629)</u>
FINANCE COST	<u>(44,483)</u>	<u>(12,748)</u>
LOSS BEFORE TAXATION	<u>(18,870,540)</u>	<u>(9,063,377)</u>
TAXATION	<u>(111,199)</u>	<u>(189,791)</u>
LOSS AFTER TAXATION	<u>(18,981,739)</u>	<u>(9,253,168)</u>
LOSS PER SHARE- (RUPEES)	<u>(0.193)</u>	<u>(0.094)</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR



QUICE FOOD INDUSTRIES LIMITED  
STATEMENT OF COMPREHENSIVE INCOME (Un-audited)  
FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	QUARTER ENDED	
	30-Sep-2017	30-Sep-2016
	Rupees	Rupees
LOSS AFTER TAXATION	(18,981,739)	(9,253,168)
<i>Other comprehensive income that cannot be classified through profit and loss</i>	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>(18,981,739)</u>	<u>(9,253,168)</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR



QUICE FOOD INDUSTRIES LIMITED  
CASH FLOW STATEMENT (Un-audited)  
FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	QUARTER ENDED	
	30-Sep-2017 Rupees	30-Sep-2016 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(18,870,540)	(9,063,377)
<b>Adjustment for non cash items:</b>		
Depreciation	5,270,514	3,910,871
Capital gain on sale of fixed asset	-	(165,227)
Capital gain on sale of investments	-	(280,811)
Provision for gratuity	226,069	234,000
	<u>5,496,583</u>	<u>3,698,833</u>
<b>Net cash used in operations before working capital changes</b>	<b>(13,373,957)</b>	<b>(5,364,544)</b>
<b>Working capital changes</b>		
(Increase) / decrease in current assets		
Stores and spares	(131,213)	(279,672)
Stock-in-trade	13,985,156	(14,219,063)
Trade debts	1,987,885	62,495,586
Short term investments	-	(8,059,804)
Advances, deposits, prepayments & other receivables	(2,874,927)	2,982,959
Taxation - net	(837,084)	(1,321,879)
	<u>12,129,817</u>	<u>41,598,127</u>
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	1,946,288	(34,109,415)
	<u>14,076,106</u>	<u>7,488,712</u>
<b>Net working capital changes</b>	<b>702,149</b>	<b>2,124,168</b>
<b>Net cash inflows from operating activities</b>	<b>572,190</b>	<b>(645,816)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(526,607)	(971,589)
Long term deposits	-	-
<b>Net cash used in investing activities</b>	<b>(526,607)</b>	<b>(971,589)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Sale proceed from sale of fixed asset	-	522,000
Sale proceed from sale of investments	-	10,039,362
<b>Net cash inflows from financing activities</b>	<b>-</b>	<b>10,561,362</b>
<b>Net increase in cash and cash equivalents</b>	<b>175,542</b>	<b>11,713,941</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>601,070</b>	<b>4,206,575</b>
<b>Cash and cash equivalents at the end of the period</b>	<b><u>776,612</u></b>	<b><u>15,920,516</u></b>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR



QUICE FOOD INDUSTRIES LIMITED  
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)  
FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	RESERVES				SHAREHOLDER'S EQUITY	
	SHARE CAPITAL	Premium on issue of capital	Discount on issue of capital	Accumulated loss	Total	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 30 June 2016 - (Audited)	984,618,280	6,875,000	(282,788,556)	(53,631,775)	(329,545,331)	655,072,949
Incremental depreciation transferred to retained earnings	-	-	-	600,844	600,844	600,844
Comprehensive loss for the period ended	-	-	-	(9,253,168)	(9,253,168)	(9,253,168)
<b>Balance as at 30 September 2016 - (Un-audited)</b>	<b>984,618,280</b>	<b>6,875,000</b>	<b>(282,788,556)</b>	<b>(62,284,099)</b>	<b>(338,197,655)</b>	<b>646,420,625</b>
Balance as at 30 June 2017 - (Audited)	984,618,280	6,875,000	(282,788,556)	(90,623,963)	(366,537,519)	618,080,761
Incremental depreciation transferred to retained earnings	-	-	-	1,099,873	1,099,873	1,099,873
Comprehensive loss for the period ended	-	-	-	(18,981,739)	(18,981,739)	(18,981,739)
<b>Balance as at 30 September 2017 - (Un-audited)</b>	<b>984,618,280</b>	<b>6,875,000</b>	<b>(282,788,556)</b>	<b>(108,505,829)</b>	<b>(384,419,385)</b>	<b>600,198,895</b>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR



**QUICE FOOD INDUSTRIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

**1. The Company and its operations**

**1.1** The Company was incorporated in Pakistan on 12 March 1990 as a Private Limited Company and was converted into Public Limited Company on 13 December 1993. The Company was listed on Karachi and Islamabad Stock Exchange(s) on 02 August 1994 and on 18 July 1995 respectively. Its registered office has been transferred to Karachi with effect from 15 November 2011. Principal activities of the Company are manufacturing and sale of Jam, Jelly, Syrups, Custard powder, Pickles, Essence, Juices and Aerated drinks and its Allied Products. Currently, the Company operates its units in SWAT and HUB. Under section 247 of the constitution of Pakistan Swat area is exempted from all taxes.

**2. Basis of preparation**

**2.1 Statement of compliance**

During the year, the Companies Act 2017 (the Act) has been promulgated, however, Securities and Exchanged Commission of Pakistan vide its circular no. 17 of 2017 dated July 20, 2017 communicated that the Commission has decided that the companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly these financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting Standards Board comprises of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984, provisions or directives of the repealed Companies, 1984. In case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984 shall prevail.

**2.2 Basis of measurement**

This financial information have been prepared under the historical cost convention except for staff retirement benefits that is determined under actuarial valuation annually and lease hold improvements and plant and machinery that are stated at revalued amount in accordance with the criteria laid down under International Accounting Standard (IAS) 16 'Property, Plant and Equipment'. This quarterly financial information, except for cash flow information, has been prepared under the accrual basis of accounting.

**2.3** This financial information is presented in Pak Rupees, which is the Company's functional and presentation currency.

**3. Accounting policies**

The accounting policies and method of computation adopted in preparation of this quarterly financial information are the same as those applied in preparation of the annual financial statements of the Company for the year ended 30 June 2017.

**4. Critical accounting estimates and judgments**

Judgments and estimates made by the management in preparation of this quarterly financial information are the same as those applied to the annual financial statements for the year ended 30 June 2017.

**5. Property, plant and equipment**

	Un-audited 30-Sep-2017	Audited 30-Jun-2017
	Rupees	Rupees
Operating Assets - note 5.1	234,610,302	239,880,816
Capital Work-in-Progress	162,907,397	162,380,790
	397,517,699	402,261,606



	Un-audited 30-Sep-2017	Audited 30-Jun-2017
	Rupees	Rupees
<b>5.1</b> Opening book value	239,880,816	248,401,227
Add:		
Cost of additions during the period / year	-	11,970,251
Less:		
Disposal during the period - net	-	(356,773)
Depreciation charged during the period / year	(5,270,514)	(20,133,889)
	234,610,302	239,880,816

**6. Contingencies and Commitments**

**6.1 Contingencies**

**6.1.1** The contingencies in this quarterly financial information are the same as those existed in preparation of the annual financial statements of the Company for the year ended 30 June 2017.

**6.2 Commitments**

There were no capital or other commitments at the balance sheet date (30 June 2017: Nil).

**7. Seasonality**

The Company's business is subject to seasonal fluctuation, with demand of its product increasing in the summer season and in the month of Ramadan and other events. Therefore, revenues and profits are not necessary indicative of results to be expected for the full years.

**8. Date of Authorization**

This condensed interim financial information was approved by the Board of Directors and authorized for issue on October 30, 2017.

**9. General**

- No significant reclassification / rearrangement of corresponding figures has been made in this condensed interim financial information.

- Figures have been rounded off to the nearest Rupee.

CHIEF EXECUTIVE OFFICER

DIRECTOR