

Al Shaheer Corporation Limited Eleventh Quarterly Progress Report

In pursuance of the condition imposed by the Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange Limited regarding submission of progress report on implementation of Company's expansion project i.e. "Poultry & Meat Processing Plant and Extension of Retail Network" on quarterly basis till its completion, below mentioned compliance report is submitted.

Note:

It is stated that the project plan approved by the respective authorities and disseminated through the prospectus was based on the floor price of Rs. 43/-, however as evident, the Company received an overwhelming response and the floor price exceeded expectation to conclude at Rs. 95/-. Keeping in view the additional proceeds received by the Company, while considering the future prospects, it was decided to expand the project to a maximum potential.

Similarly the timelines could not be achieved due to expansion of the project and reasons beyond control of the Company. The management of the Company is vigorously following up the project and are making efforts to launch the project on priority. After detailed deliberations and considering every aspect of the project, the month of April 2018 has been finalized for commercial production.

Additional Note:

Keeping in view the current pace of work and the restrictions involved, the commercial production could not be achieved in April, 2018. The management of the Company after detailed discussions and considering the market feedback due to upcoming Ramadhan in May, 2018 has decided to delay the launch till August, 2018, this will ensure smooth completion of the project and a well-planned commercial launch. The management under the able guidance of the respected Board of Directors of the company has finalized the roll out plan for the project and is confident in achieving the August, 2018 milestone.

The project implementation status is as follows;

- **Poultry Business & Meat Processing Factory**

The detail of activities undertaken is as follows:

1. Chicken Slaughter House
2. Further Processing of Meat
3. Beef and Mutton Slaughter Line
4. Samosa, Paratha and Roll Facility

A brief update on the above is as follows:

- 1. Chicken Slaughter House and Further Processing of Meat**

Relevant equipment has been purchased and installation is underway. Unexpected delay due to labor issues of the contractor has delayed the timelines, however at current pace of work, the production is expected in August 2018.

- 2. Further Processing of Meat**

This segment constitutes the ready to cook meat products. Relevant equipment and planning is in place. Unexpected delay due to labor issues of the contractor has delayed the timelines, however at current pace of work, the production is expected in August 2018.

- 3. Beef and Mutton Slaughter Line**

Decision with respect to installation of beef and mutton slaughter line at Lahore premises of the Company has already been taken. The equipment and necessary installations has already been acquired. However, due to legal impediments of the provincial authorities, the installation has been delayed for negotiations and way out with the respective authorities.

- 4. Samosa, Paratha and Roll Facility**

This facility is planned for installation and production along with the rest of the facilities.

CONSTRUCTION STATUS

Following agreements have been undertaken for the Projects:

1. *Refrigeration Design and Installation*

Development of the project (Civil work) is in progress, Mechanical and Electrical installation is progressing but due to delay in construction of the building, the installation has been effected.

Design is complete while the equipment has been imported and installation is expected to complete in or before July 2018.

2. *Electrical Consultancy and Design*

The consultant has made significant progress. The completion of electrical installation is expected to complete in July 2018.

3. *Architect Design and Supervision*

The consultant continues his supervision role and is dealing with the delays of construction issues.

4. *Civil Works Contract*

The work has been delayed due to labor issues. However, the management has been rigorously following up with the contractor and has been successful in aligning the civil works which is expected to be completed in July/August 2018.

CERTIFICATE OF PROJECT COMPLIANCE

I, **Kamran Ahmed Khalili**, Chief Executive Officer of Al Shaheer Corporation Limited do hereby certify that following is the current implementation status of the project:

Poultry Business & Meat Processing Factory

Project Milestones	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Apr-16	July-18	July-18	July-18	Aug-18
Land Purchase	✓									
Design & Drawing		✓								
Approval for Construction			✓							
Ground Breaking					✓					
Purchase of Equipment			✓							
Arrival of Equipment						✓				
Completion of Installation										
Trial Production										
Commercial Production										

I hereby certify that with the current pace of development of project, the company will achieve commercial production on or before August 2018.

Moreover, our current expansion of retail network is in line with Business Strategy duly updated in the light of guidance from Board of Directors.

Sd.

Chief Executive Officer