



UNITY FOODS LIMITED

food for life!

UNITY FOODS LIMITED

UNITY TOWER,
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June 20, 2022

The Executive Director,
Primary Market Approvals and Development Department,
Securities Market Division,
Securities and Exchange Commission of Pakistan,
NIC Building,
63, Jinnah Avenue,
Islamabad.

Dear Sir,

Subject: Progress Report on Utilization of the Proceeds of Right Issue

Please refer to the Right Issue announced by Unity Foods Limited on February 19, 2019 and find attached the progress report on the utilization of proceeds of the right issue in terms of Regulation 10(2) of the Companies (Further Issue of Shares) Regulations, 2020.

Yours truly,

Syed Muhammad Tariq Nabeel Jafri
Company Secretary



CC

Executive Director / HOD,
Offsite-II Department,
Supervision Division,
Securities & Exchange Commission of Pakistan,
63, NIC Building, Jinnah Avenue, Blue Area,
Islamabad.

The General Manager
Pakistan Stock Exchange Limited
Karachi.

Unity Foods Limited

Right Issue
Statement of Progress
as on 31 March, 2022



A handwritten signature in black ink is positioned to the left of a blue circular stamp. The stamp contains the text "UNITY FOODS LIMITED" around the perimeter and "Company Secretary" in the center.

Preamble

Unity Foods Limited announced its Right Issue @221.83% on February 19, 2019. The issue comprised 375 million shares at face value of PKR 10 each amounting to PKR 3,750,000,000.

The Right Issue was successfully closed as per approved schedule of Pakistan Stock Exchange Limited.

Regulatory Requirement.

As per Regulation 10(2) of the Companies (Further Issue of Shares) Regulations, 2020, the Company is required to submit progress report on the utilization of proceeds of the Right Issue on quarterly basis.

Utilization of Proceeds:

Item-wise breakup of the proceeds utilized both in terms of amount and percentage of the total allocation made to the relevant item is provided here below.

| Sr. No. | Description | Utilization Plan Disclosed PKR | Actual Utilization as of 31 December, 2021 PKR | % Utilization |
|---------|------------------------------------|--------------------------------|--|---------------|
| 1. | Acquisition of Port Qasim Refinery | 850,000,000 | PKR 1,900,407,522 | 50.68% |
| 2. | Additions to Port Qasim Refinery | 2,000,000,000 | | |
| 3. | Establishment of Oil Terminal | 900,000,000 | NIL | NA |
| | | 3,750,000,000 | | |

The work on the stipulated projects remained slow due to the impact of last wave of COVID-19 which has slowed down construction/manufacturing activities. However, with Covid now subsiding, the Company expects to complete remaining additions to the machinery once it is delivered. Meanwhile, the Company remains committed to executing its well laid down expansion plan as per strategy.

It is expected that the remaining machinery additions to Port Qasim Refinery will be delivered by end of the year 2022. The remaining unutilized amount will be fully utilized to set up the supporting infrastructure by the time machinery is delivered and installed.

The Company has now identified site for establishment of Oil Terminal storage capacity and is in the process of closing the purchase of land. This will fit well with the future strategy of the company and will allow it to be a cost efficient national edible oil and staple food processor.



Deviation, if any.

There has been no deviation from the purpose or use of proceeds earlier disclosed to the members.

The Company will share the updates on the above in due course with details of funds utilization.

Yours truly,



Syed Muhammad Tariq Nabeel Jafri
Company Secretary