

August 05, 2019

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road,
Karachi.

Financial results for the year ended December 31, 2018

Dear Sir,

We have to inform you that the Board of Directors of the Company in their meeting on August 5, 2019 11:30 AM at AGL head office, Lahore, have approved the audited financial statements for the year ended December 31, 2018 and recommended the following:

Cash Dividend	Nil
Bonus Shares	Nil
Right Shares	Nil
Any other entitlement/corporate action	Nil
Any other price sensitive information	Nil

Financial results of the Company are enclosed.

The Annual General Meeting of the Company will be held on 30-August-2019 at 11:30 AM at Park Plaza Hotel, 107-B3, MM Alam Road, Gulberg III, Lahore.

The Share Transfer Books of the Company will be closed from 23-August-2019 to 30-August-2019 (both days inclusive).

- i) Auditors have issued qualified opinion on the following matters as explained below:
- a. Management has assessed the recoverability of deferred tax asset on tax losses and tested the impairment of goodwill based on five years business plan approved by the Board of Directors and asserts that no impairment is required. However, we are unable to obtain sufficient appropriate audit evidence with respect to key assumptions used in the business plan i.e. operational days based on availability of natural gas and cost of raw material based on gas rates since approval from Government of Pakistan for supply of gas to the Company at subsidized rates is available only till October 2019. Management is however confident that supply of gas will be available on long term basis. Consequently, we were unable to determine



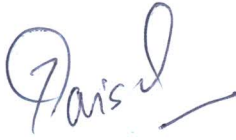
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whether any adjustments in respect of impairment were necessary for goodwill amounting to Rs. 2,567.31 million and deferred tax assets amounting to Rs. 6,060.03 million recognized on tax losses of Rs. 20,896.64 million in these financial statements.

(ii). Auditors in their report have also drawn attention on the following matters:

- a. The Company during the year ended 31 December 2018 has incurred a loss before tax of Rs. 3,639.61 million (2017: Rs. 3,876.34 million) during the year and as at the reporting date, its current liabilities have exceeded its current assets by Rs. 40,993.10 million, including Rs. 34,808.18.62 million relating to overdue principal and interest / mark-up thereon, and accumulated losses of the Company exceeded the shareholder's equity by Rs. 3,296.36 million. These financial statements have however been prepared on a going concern basis as the management is confident that the Company will be able to continue as a going concern based on the expectation of continuous availability of gas and restructuring of its existing over-due long-term debts and related mark-up as per the rehabilitation plan approved by the shareholders and currently filed in the Honorable Lahore High Court as per the provisions of repealed Companies Ordinance, 1984.

For and on behalf of
Agritech Limited



Muhammad Faisal Muzammil
(Chief Executive Officer)



Agritech Limited

Profit and Loss Account

For the year ended 31 December 2018

	01 January 2018 to 31 December 2018 Rupees	01 January 2017 to 31 December 2017 Rupees (Restated)
Sales – <i>net</i>	4,533,316,414	3,551,518,706
Cost of sales	(4,841,635,211)	(4,781,882,062)
Gross (loss) / profit	(308,318,797)	(1,230,363,356)
Selling and distribution expenses	(170,130,344)	(228,633,799)
Administrative and general expenses	(255,106,453)	(303,490,090)
Other expenses	(358,805,399)	-
	(784,042,196)	(532,123,889)
Other income – <i>net</i>	35,274,335	11,360,665
Operating (loss) / profit	(1,057,086,658)	(1,751,126,580)
Finance cost	(2,582,522,419)	(2,300,480,621)
Loss before taxation	(3,639,609,077)	(4,051,607,201)
Taxation	295,936,001	(432,075,415)
Loss after taxation	(3,343,673,076)	(4,483,682,616)
Loss per share – <i>basic and diluted</i>	(8.52)	(11.43)

Faisal

