

December 10, 2020

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

**Financial results for the year ended December 31, 2019**

Dear Sir,

We have to inform you that the Board of Directors of the Company in their meeting on December 10, 2020 10:00 AM at AGL head office, Lahore, have approved the audited financial statements for the year ended December 31, 2019 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 6 January 2021 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 30 December 2020 to 6 January 2021 (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 assets 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 in these financial statements. However, we are unable to obtain sufficient appropriate audit evidence with respect to key assumption used in the business plan i.e. operational days based on the 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



*Jawad*

AGRITECH LIMITED  
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ALL OVER AND BEYOND

only till 30 November 2020. Management is, however, confident that supply of gas will be available on long term basis. Consequently, we were unable to determine whether any adjustment in respect of impairment was necessary for goodwill amounting to Rs. 2,567.31 million and deferred tax assets amounting to Rs. 6,387.64 million recognized on tax losses of Rs. 22,026.33 million in the financial statements.

- (ii). Auditors in their report have also drawn attention on the following matters:
- a. The Company during the year ended 31 December 2019 has incurred loss before tax amounting to Rs. 971 million and, as of that date, its current liabilities exceeded its current assets by Rs. 38,921 million, and its accumulated losses stood at Rs.17,943 million. These conditions, along with other matters as set forth in the financial statements, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Auditor's opinion is not qualified in respect of this matter.

For and on behalf of  
Agritech Limited



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Fauzia Noorani  
(Company Secretary)



**Agritech Limited**  
**Statement of Profit or Loss**  
*For the year ended 31 December 2019*

	2019 Rupees	2018 Rupees
Sales-net	12,174,418,992	4,533,316,414
Cost of sales	(10,643,275,951)	(4,875,656,618)
<b>Gross profit/(loss)</b>	<b>1,531,143,041</b>	<b>(342,340,204)</b>
Selling and distribution expenses	(524,761,227)	(170,130,344)
Administrative and general expenses	(254,473,367)	(221,085,046)
Other expenses	(1,556,610)	(358,805,399)
	(780,791,204)	(750,020,789)
Other income	1,579,058,848	35,274,335
<b>Operating Income / (loss)</b>	<b>2,329,410,685</b>	<b>(1,057,086,658)</b>
Finance cost	(3,300,421,547)	(2,582,522,419)
<b>Loss before taxation</b>	<b>(971,010,862)</b>	<b>(3,639,609,077)</b>
Taxation for the year	318,234,006	295,936,001
<b>Loss after taxation</b>	<b>(652,776,856)</b>	<b>(3,343,673,076)</b>
<b>Loss per share - basic and diluted</b>	<b>(1.66)</b>	<b>(8.52)</b>


