



**Quarterly Compliance Report  
From February 1, 2016  
to  
April 30, 2016**

**Al Shaheer Corporation Limited**

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## **COMPLIANCE AUTHORITIES**

**This report is prepared in Compliance of following:**

### **1. Securities and Exchange Commission of Pakistan**

Condition Number 5 for Initial Public Offering of 25 Million Ordinary Shares by Al Shaheer Corporation Limited under section 88(1) read with section 87(2) of the Securities Act, 2015 through Letter Number SMD/CO.57(1)/02/2015-1 dated June 26, 2015.

### **2. Pakistan Stock Exchange Limited**

- a. Condition Number 20 for Clearance of Prospectus of Al Shaheer Corporation Limited through letter bearing Ref. No. KSE/GEN-3031 dated April 24, 2015 [*Formerly Karachi Stock Exchange Limited*]
- b. Condition Number 19 for Clearance of Draft Prospectus of Al Shaheer Corporation Limited through letter bearing Ref. No. 2305 dated May 13, 2015 [*Formerly Lahore Stock Exchange Limited*]
- c. Condition Number 20 for Clearance of Prospectus of Al Shaheer Corporation Limited through letter bearing Ref. No. LC/15/1019 dated May 11, 2015 [*Formerly Islamabad Stock Exchange Limited*]
- d. Certificate of Project Deadline Compliance by CEO through letter bearing Ref. No. PSX/C-1152-1646 dated February 26, 2016

## **CONDITION IMPOSED BY COMPLIANCE AUTHORITIES**

**The condition imposed by compliance authorities are as follows:**

### **1. Securities and Exchange Commission of Pakistan**

The company shall submit progress report on implementation of its expansion project i.e. “Poultry & Meat Processing Plant and Extension of Retail Network” on quarterly basis till its completion, to the stock exchange concerned and Commission.

### **2. Pakistan Stock Exchange Limited**

The company shall submit quarterly progress report of the expansion project of Poultry & Meat Processing Factory to the Exchange until implementation and commencement of commercial operations for its dissemination to all concerned.

Statement confirming the disclosure and compliance of the timeline of various activities of the expansion project disclosed in prospectus of the Company.

## EXTRACT OF PROSPECTUS REGARDING CONDITIONS IMPOSED

Following is mentioned in the prospectus about the utilization of proceed of Initial Public Offering:

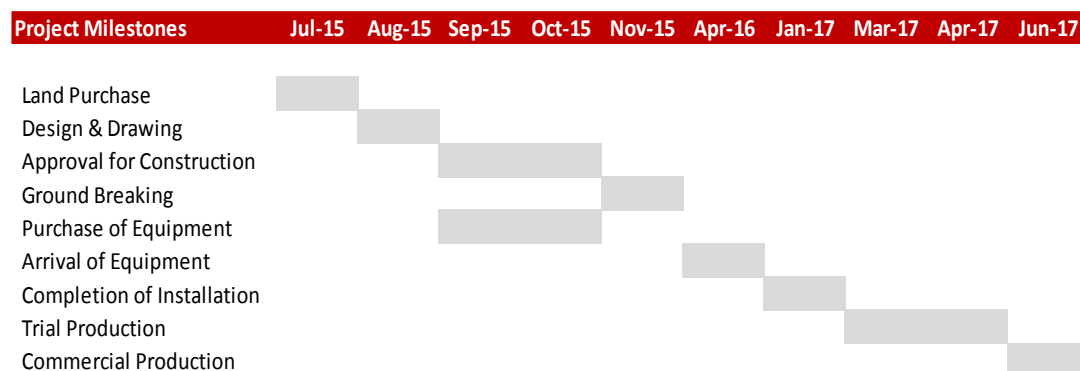
**The proceeds of the IPO will be utilized for the following:**

- Poultry Business & Meat Processing Factory
- Extension of Retail Network
- Working Capital

**A. Poultry Business & Meat Processing Factory**

Poultry is one of the largest agro based sectors of Pakistan and a major source of protein consumption in the country. It is cheap, widely available and has grown at an annual rate of 12% with a turnover of Rs. 700 billion. The Company aims to establish a fully vertically integrated poultry enterprise, from the hatchery to final production at Bedeyan road, Lahore. These will be set up along modern lines comprising an automated chicken processing plant. Once processed into various cuts, the meat will be supplied to their existing network of retail shops, distributed to modern trade as frozen meat and sent to the Company's further processing plant for value addition at Bedeyan road, Lahore. The aim is to achieve cost efficiencies that will eventually translate into improve profitability and shareholder value.

The project implementation schedule is given below. Commercial production is expected in FY17.



The Plant (storic chicken slaughter line) will be imported from the Netherlands and will be brand new. Total electrical load will be 500KVA including cold room and freezers. The Plant will have a capacity of 5,000 birds per hour. The Company has SGS Halal and Jama Mansoorah Lahore Certification.

The Company is also planning to establish a meat processing facility that will produce frozen, ready to cook products. These products will have a one year longer shelf life and will be distributed across the chain of retail shops and super markets throughout the country. Processed meat is a volumetric business just like fresh meat retail but with significantly higher margins.

Overall cost of both projects is given below:

<b>Poultry and Meat Processing Plant</b>		<b>Cost in PKR</b>
Land 8 Acres @ 5,000,000 per acre		40,000,000
Construction PKR 1,500 per sq feet @ 50,000 sq feet		75,000,000
Stork Chicken Slaughter Line (5000 birds per hour) - Already Purchased		60,000,000
Blast Freezer		50,000,000
Spiral Freezer		20,000,000
Air Chilling System		10,000,000
Cold Rooms		10,000,000
Plant Design		5,000,000
Plant Installation		15,000,000
Miscellaneous		10,000,000
<b>Total Cost for Poultry Business</b>		<b>295,000,000</b>
Total cost of Meat Processing Plant		85,000,000
Working Capital		200,000,000
<b>Total Cost</b>		<b>580,000,000</b>

## **B. Extension of Retail Network**

The Company is in the process of expanding its retail network in Karachi, Lahore and Islamabad to have a strong nationwide presence. The Company plans to open 35 retail outlets / store-within-store under the brand names of “Meat One” and “Khaas”.

<b>Retail Network Expansion</b>		<b>Cost in PKR</b>
Furniture & Fitting, Equipment & Misc Per Outlet	A	5,728,570
No. of Outlets to be Opened	B	35
<b>Total Cost for Network Expansion</b>	<b>A * B</b>	<b>200,500,000</b>

**C. Working Capital**

PKR 294.5 million will be used to fulfill short term working capital requirements

<b>Particulars</b>	<b>Amount (PKR)</b>
Investment in Poultry & Meat Processing Plant	580,000,000
Extension of Retail Network	200,500,000
Working Capital	294,500,000
<b>Total</b>	<b>1,075,000,000</b>

The break up of funds utilized above has been based on full subscription at the Floor Price of PKR 43 per share. Any excess funds received due to full subscription above the Floor Price will be utilized towards meeting further working capital requirements, as required over time.

## **FIRST PROGRESS UPDATE**

- **Poultry Business & Meat Processing Factory**

The chronological detail of activities undertaken is as follows:

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

The brief description of above is as follows:

- 1. Chicken Slaughter House**

Stork evisceration line can process up to 6000 birds per hour. This line has a Cropper, Final Control and Inside/Outside Bird Washer. It should be noted that 70% of the equipment has been imported.

- 2. Further Processing of Meat**

This is a complete line for ready to cook and ready to eat product. It should be noted that 70% of the equipment has been imported. Eleven [11] Acre land has already been acquired in Raiwand Lahore. Contractor for construction will be finalized by November 30, 2015 while the ground breaking will start by December 15, 2015.

- 3. Beef Slaughter Line**

This project will be undertaken in Lahore and Islamabad simultaneously. This machine has the capability of 40 heads per hour slaughter line. It should be noted that necessary equipment has been imported for Lahore while the equipment for Islamabad will be imported soon.

#### **4. Mutton Slaughter Line**

This project will also be undertaken in Lahore and Islamabad simultaneously. It is an Australian plant with a capacity of 200 head per hour. It should be noted that necessary equipment has been imported for Lahore while the equipment for Islamabad will be imported soon.

#### **5. Samosa, Paratha and Roll Facility**

Equipment has been identified and negotiations is in final stages.

#### **NOTE**

Please refer to Serial Number 3 and 4, whereby Land in Islamabad is in a process of acquisition after obtaining the necessary approval from the Board of Directors in accordance with the provisions of section 196 of the Companies Ordinance, 1984 whereby the company has paid Rs1,000,000/- [Rupee One Million] as token advance money where the total cost excluding allied and ancillary cost of transfer is Rs14,500,000/- [Rupees Fourteen Million and Five Hundred Thousand Only].

### **Taxation Impact**

Finance Act, 2015 has provided three major exemptions to an Industrial Undertaking setting up and commencing production between the July 1, 2015 and June 30, 2017 for establishing and operating halal meat production unit and have obtained halal certification to that effect. The first exemption pertains to exemption of profits and gains under clause 126K of part I of the second schedule to the Income Tax Ordinance, 2001 [“the Tax Ordinance”]. The second one pertains to exemption from section 113 of the tax ordinance by virtue of sub clause (xxiv) of Clause 11A of Part IV of Second Schedule of the tax ordinance while the third one pertains to exemption from section 154 of the tax ordinance by virtue of clause 93 of Part IV of the Second Schedule of the tax ordinance.

## **Board of Directors Decision**

Keeping an eye on the above, the Company intends incorporate a fully owned subsidiary of Al Shaheer Corporation Limited with an initial investment of Rupees outlay of Rupees Eight Hundred and Ninety Four Million (Rs894,000,000/-) by way of fully subscribed paid up Capital to meet the very purpose of setting up and making the Industrial Unit with Halal production facility operational.

Pursuant to section 208 of the Companies Ordinance, 1984 [“the Ordinance”] read with Companies (Investment in Associated Companies or Associated Undertakings) Regulation, 2012, the management intends to take the approval from the members of Board of Directors initially and make it part of special business for the forthcoming General Meeting whereby notice under section 160(1)(b) of the Ordinance will be given in order to seek the approval of shareholders through special resolution. Members are requested to please review the same and if consider fit pass the following resolution.

*It was hereby resolved that directors authorize the incorporation of a new company fully owned subsidiary of Al Shaheer Corporation Limited for setting up and making the Industrial Unit with Halal production facility operational and the investment shall be by way of fully subscribed 89,400,000 shares of Rupees 10/- each to meet the necessary capital expenditure during the Financial Year ending on June 30, 2016 and 2017. This approval is subject to passing a special resolution about to be presented in the forthcoming general meeting of the Company in pursuance to section 208 of the Companies Ordinance, 1984 [“the Ordinance”] and notice to this effect under section 160(1)(b) of the Ordinance be attached with the notice of general meeting..*

*It was further resolved that the CEO and CFO were authorized to execute all necessary documents in this respect on behalf of the Company and other officials of the Company as delegated by CEO and CFO of the Company..”*

## **Notice Under Section 160(1)(b)**

### **INVESTMENT IN NEW SUBSIDIARY OF AL SHAHEER GROUP, AN UNQUOTED COMPANY, TO BE INCORPORATES AS FULLY OWNED SUBSIDIARY**

#### **Brief Background of New Al Shaheer Group Company**

The company has recently raised money by issuing 25 million shares to general public for Poultry Business, Meat Processing Factory, Extension of Retail Network and working capital thereof. However, Finance Act, 2015 has provided three major exemptions to an Industrial Undertaking setting up and commencing production between the July 1, 2015 and June 30, 2017 for establishing and operating halal meat production unit and have obtained halal certification to that effect. The first exemption pertains to exemption of profits and gains under clause 126K of part I of the second schedule to the Income Tax Ordinance, 2001 [“the Tax Ordinance”]. The second one pertains to exemption from section 113 of the tax ordinance by virtue of sub clause (xxiv) of Clause 11A of Part IV of Second Schedule of the tax ordinance while the third one pertains to exemption from section 154 of the tax ordinance by virtue of clause 93 of Part IV of the Second Schedule of the tax ordinance.

Consequently, in order to appropriately safeguard the shareholders money and provide maximum return on shareholders’ hard money received through subscription, the Board of Directors of the company has decided to incorporate a fully owned new subsidiary in order to avail the tax exemption announced through Finance Act, 2015. The new company will undertake the Business of Poultry and Meat Processing Factory in a tax efficient manner.

#### **Shareholder Mandate**

Consequently, the Board of Directors have resolved, subject to approval from the shareholders, that Rs894,000,000 should be invested in 100% Subsidiary, an unquoted company and as a consequence, approval of shareholders is sought for making investment of Rs894,000,000 (Rupees Eight Hundred and Ninety Four Million) by subscribing 89,400,000 million Ordinary Shares to incorporate, make it fully operational and start commercial Operation thereafter.

The information required to be disclosed to the members under Companies (Investment in Associated Companies or Associated Undertakings) Regulation, 2012, as applicable in the instant case, is as follows:

**Name of Associated Company** Al Shaheer Group Company name to be decided upon  
Approval from regulators

**Criteria of Relationship** 100% Subsidiary as 100% shares will be held by the  
Company

#### **Purpose, Benefit and Period of Investment**

To incorporate a fully owned subsidiary that will be part of Company’s plan to vertically integrate its supply chain and invest shareholders’ proceed in same manner as laid down in the prospectus but through a subsidiary in a tax efficient manner. The period of investment would be ongoing basis and beneficial for the continuity of the company.

**Maximum Amount of Investment** Rs894,000,000

**Maximum Price of Acquisition of Securities** @Rs10/- Per Share

**Maximum Number of Securities to be Acquired** 89,400,000

**Number of Securities and Percentage thereof Held before and After Investment** 100%

**Sources of funds from which securities are Acquired** Out of Equity

**Direct or Indirect Interest of Directors, Sponsors, Majority shareholders, and their relatives** No Direct or Indirect Interest

**Project of the Associated Company has not Commenced Operation** It would be a Poultry Plant and Meat Processing Factory project expected to commence business during the financial year ending on June 30, 2017

**Interest of the directors of subsidiary in the Company** None of the nominee Director of the Company on the Board of Subsidiary have any personal interest in the company

For this purpose, it is intended to propose the following resolution to be passed as special resolution with or without modification:

*“It is hereby resolved that the Company be and is hereby authorized to invest an amount of Rupees Eight Hundred and Ninety Four Million (Rs894,000,000/-), out of its equity, by subscribing 89,400,000 million ordinary shares of Rs10/- each in Al Shaheer Group Company, name to be proposed and may change subject to regulatory approvals, being fully paid up, an unquoted company, to meet the necessary capital, pre and post commencement, expenditure during the Financial Year ending on June 30, 2016 and June 30, 2017.*”

*Resolved further that the company is authorized to take all appropriate steps and execute all necessary documents and in this connection the Chief Executive and the Company Secretary be and are hereby authorized jointly and severally to do all the acts, deeds, and things necessary to implement this special resolution and also jointly and severally empowered to make amendments / modifications to the resolution as may be required by the members or by the regulators”*

## **Shareholders' Special Resolution**

*“It was resolved with more than three fourth majority that the Company be and is hereby authorized to invest an amount of Rupees Eight Hundred and Ninety Four Million (Rs894,000,000/-), out of its equity, by subscribing 89,400,000 million ordinary shares of Rs10/- each in Al Shaheer Group Company, name to be proposed and may change subject to regulatory approvals, being fully paid up, an unquoted company, to meet the necessary capital, pre and post commencement, expenditure during the Financial Year ending on June 30, 2016 and June 30, 2017.*

*Resolved further that the company is authorized to take all appropriate steps and execute all necessary documents and in this connection the Chief Executive and the Company Secretary be and are hereby authorized jointly and severally to do all the acts, deeds, and things necessary to implement this special resolution and also jointly and severally empowered to make amendments / modifications to the resolution as may be required by the members or by the regulators”*

- **Extension of Retail Network**

Currently, the company is marketing two different brands namely as follows:

1. Meat One
2. Khaas Meat

The company has opened 7 different shops as follows:

1. Meat One                      2
2. Khaas Meat                    5

The five shops of Khaas includes four shops in different regions of the Province of Punjab based on our shop in shop model with CSD Stores. The geographical spread of these shops are as follows:

- |                   |          |
|-------------------|----------|
| <b>Lahore</b>     | <b>2</b> |
| <b>Rawalpindi</b> | <b>1</b> |
| <b>Gujranwala</b> | <b>1</b> |

The company has also expanded with respect to its supply chain and has acquired the following:

- |   |          |                      |
|---|----------|----------------------|
| <b>Warehouse in Karachi</b>                   | <b>1</b> | <b>[Rent]</b>        |
| <b>Supply Chain Office in Bahawalpur</b>      | <b>1</b> | <b>[Rent]</b>        |
| <b>Head Office in Clifton area of Karachi</b> | <b>1</b> | <b>[Acquisition]</b> |

- **Working Capital**

The company is about to reap the benefits of funds flow since its release. The Creditors have declined significantly while the short term running finance and its allied cost has been reducing gradually. A comparative chart is as follows:

<b>Title</b>	<b>(Increase) / Decrease</b>	<b>YtD Jun 15</b>	<b>Ytd Oct 15</b>
*Trade Payables	(107,414,368)	(157,399,454)	(264,813,822)
Short Term Borrowing	617,098,304	(888,279,667)	(271,181,364)

\*The increase in trade payable represent our increased trading activity.

## SECOND PROGRESS UPDATE

- Detail of Milestones in Quarterly Report**

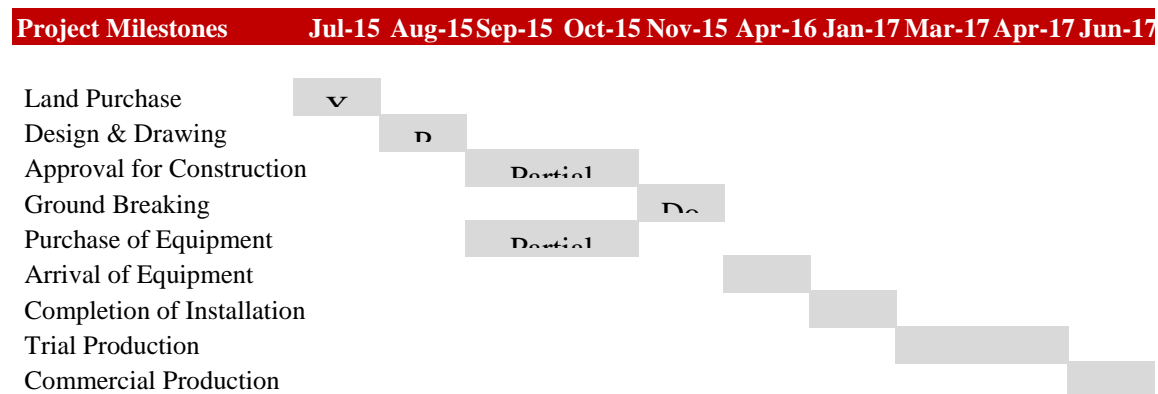
Para 3.10 of the prospectus disclosed implementation plan for achieving commercial production in Financial Year 2017, hence, the activity wise current status of the project milestone are as follows:

The project implementation plan was divided into following two areas:

1. Poultry Business and Meat Processing Factory
2. Extension of Retail Network

Each of the above areas are discussed in ensuing paragraphs.

### *Poultry Business & Meat Processing Factory*



- Poultry Business & Meat Processing Factory**

The chronological detail of activities undertaken is as follows:

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

**Note: New Developments being addition of new projects are discussed in a separate section below**

The brief description of above is as follows:

### **1. Chicken Slaughter House**

Stork evisceration line can process up to 6000 birds per hour. This line has a Cropper, Final Control and Inside/Outside Bird Washer. It should be noted that 70% of the equipment has been imported.

It is also worthwhile here to note that a chicken slaughtering facility has been made functional in Karachi with effect from January 1, 2016.

### **2. Further Processing of Meat**

This is a complete line for ready to cook and ready to eat product. It should be noted that 70% of the equipment has been imported. Eleven [11] Acre land has already been acquired in Raiwand Lahore while land has also been acquired in Islamabad. Contractor for construction has been finalized while the ground breaking has already been done.

### **3. Beef Slaughter Line**

This project will be undertaken in Lahore and Islamabad simultaneously. This machine has the capability of 40 heads per hour slaughter line. It should be noted that necessary equipment has been imported for Lahore while the equipment for Islamabad will be imported soon.

### **4. Mutton Slaughter Line**

This project will also be undertaken in Lahore and Islamabad simultaneously. It is an Australian plant with a capacity of 200 head per hour. It should be noted that necessary equipment has been imported for Lahore while the equipment for Islamabad will be imported soon.

## 5. Samosa, Paratha and Roll Facility

Equipment has been identified and negotiations is in final stages.

### **NOTE**

Please refer to Serial Number 3 and 4, whereby Land in Islamabad is acquired after obtaining the approval from the Board of Directors.

### **CONSTRUCTION STATUS**

Following contractors were specifically engaged for the Projects:

#### 1. *Refrigeration Design and Installation*

Iceandeasy BV – Netherland and the ambit of work is as follows:

Concept P&ID drawing. – Final P&ID drawing Detail Engineering. Bill of Quantity. Concept Electrical Control Panel. Electrical panel fabrication. Defining New and Used components. Sourcing components. Evaluation of equipment. Budgetary comparison. Decisions regarding Deliveries and Contractors.

Define place of major Components, Pipelines Infrastructure, Cable tray Infrastructure. Floor heating system. Review of visit Additional drawings / changes. Quality control of first deliveries Mechanical as well as Electrical.

Check development of the project (Civil work), start of Mechanical and Electrical installation

On commissioning of the plant including fine tuning and training

#### 2. *Electrical Consultancy and Design*

United Engineering Services

#### 3. *Architect Design and Supervision*

Akber Associates

4. *Civil Works Contract*

Shahab & Co.

- **Extension of Retail Network**

Currently, the company is marketing two different brands namely as follows:

1. Meat One
2. Khaas Meat

The company has opened 10 different shops as follows:

- |                                    |   |
|------------------------------------|---|
| 1. Meat One                        | 5 |
| 2. Khaas Meat                      | 3 |
| 3. Meat One – Shop in Shop Model   | 0 |
| 4. Khaas Meat – Shop in Shop Model | 2 |

The geographical spread of these shops are as follows:

<b>Karachi</b>	<b>2</b>
<b>Lahore</b>	<b>4</b>
<b>Rawalpindi</b>	<b>4</b>

- **NEW DEVELOPMENTS**

- 1. Development of Supply Chain**

We have initiated an animal self-collection project whereby own Animal Procurement Centers (APCs) across Pakistan are set up in the areas where animals are bred and reared by home based farmers.

This will enable us to eliminate 2 to 4 layers of middlemen and thus improve our margins while giving excellent value to the tail end farmers. By now, we have successfully set up APCs in southern Punjab (Bahawalpur and Rahim Yar Khan Region) and pilot results of just two months have already yielded an efficiency of R10 per kg approximately. This is a long term plan and we expect to see significant positive impact in our margins in the next 3 to 5 years when the scale of this channel of procurement grows with the passage of time.

We have set up our own corporate feedlot fattening farm in Badin (in the province of Sindh). These animals produce better quality meat and a higher yield. This farm is operated through a subsidiary, Al Shaheer Farms (Pvt.) Limited in which we hold 51% stake. Our objective is to create a profitable farming model and requisite expertise, and attract other business entities to set up such farms with exclusive supply arrangements to Al Shaheer

- 2. Fresh Chicken Processing and Packing Line**

Poultry industry has flourished over the last few decades. Now it is the country's second-largest industry next to textiles with a turnover of approx. Rs 300 billion (\$3 billion). The poultry sector is one of the most organized and vibrant segments of the agriculture industry of Pakistan.

Currently only frozen poultry is available in the market from the organized sector and there is no competitor of Fresh Chicken. This is for the first time in Pakistan that Fresh Chicken will be sold through the company's own modern trade system comprised of the following:

- a. Chilling
- b. Processing
- c. Packing Line

- d. Fresh Chicken Automatic Cut Up Line
- e. Fresh Chicken Automatic Sorting and Grading Line

The company has started a trial production with least equipment in Karachi with effect from January 1, 2016.

## THIRD PROGRESS UPDATE

(This report should be read in Conjunction with First and Second Update Report)

- **Detail of Milestones in Quarterly Report**

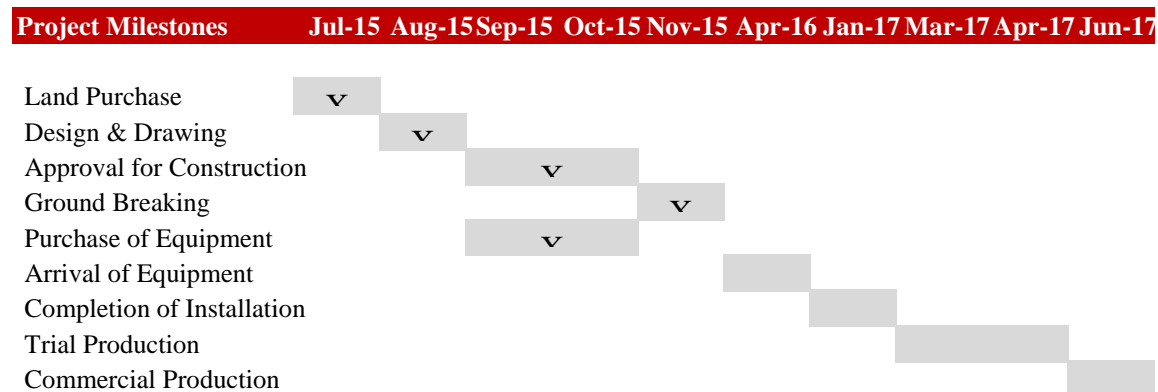
Para 3.10 of the prospectus disclosed implementation plan for achieving commercial production in Financial Year 2017, hence, the activity wise current status of the project milestone are as follows:

The project implementation plan was divided into following two areas:

1. Poultry Business and Meat Processing Factory
2. Extension of Retail Network

Each of the above areas are discussed in ensuing paragraphs.

### *Poultry Business & Meat Processing Factory*



- **Poultry Business & Meat Processing Factory**

The chronological detail of activities undertaken is as follows:

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

The brief update on description of above is as follows:

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

Consultants are working as per schedule while trial production is expected to start by December 2016.

**2. Beef Slaughter Line**

Consultant has been hired while equipment were already imported. Production is expected to start during first quarter of 2017.

**3. Mutton Slaughter Line**

Mutton slaughtering equipment for Islamabad has also been acquired during the current quarter.

**CONSTRUCTION STATUS**

Following contractors were specifically engaged for the Projects:

**1. *Refrigeration Design and Installation***

Development of the project (Civil work) has been kicked off, Mechanical and Electrical installation is in progress.

**2. *Electrical Consultancy and Design***

The consultant has started the work in line with project plan. Moreover, MAN 1.65 MW HFO Power generation plant is acquired to fire the Lahore Project which will ensure 100% smooth supply of electricity and also at much lower rate as compared to LESCO.

**3. *Architect Design and Supervision***

The consultant has started the work in line with project plan.

#### 4. *Civil Works Contract*

The consultant has started the work in line with project plan.

- **OTHER THAN PLANNED DEVELOPMENTS**

- 1. Development of Supply Chain**

During the current quarter, Animal Procurement Centers (APCs) and Fatening Projects are now functional and marginally meeting the stock requirement.

- 2. Fresh Chicken Processing and Packing Line**

The company has started production with latest equipment in Karachi during the current Quarter.

In furtherance, marketing team is involved along with our agency for finalization of branding and packaging design.

Moreover, Research and Development team has started working on recipe development and product portfolio development.

- **Extension of Retail Network**

Currently, the company is marketing two different brands namely as follows:

1. Meat One
2. Khaas Meat

The company has opened 3 different shops as follows:

1. Meat One **3**
2. Meat One – Shop in Shop Model **2**

The geographical spread of these shops are as follows:

<b>Karachi</b>	<b>1</b>
<b>Islamabad</b>	<b>2</b>
<b>Rawalpindi</b>	<b>1</b>
<b>Lahore</b>	<b>1</b>

## 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 referred in Para 3.10 of the prospectus:

### *Poultry Business & Meat Processing Factory*

Project Milestones	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Apr-16	Jan-17	Mar-17	Apr-17	Jun-17
Land Purchase	✓									
Design & Drawing		✓								
Approval for Construction			✓							
Ground Breaking					✓					
Purchase of Equipment			✓							
Arrival of Equipment						✓				
Completion of Installation							✓			
Trial Production								✓		
Commercial Production									✓	

I hereby further certify that with the current pace of development of project, the company will achieve commercial production on or before the end of Financial Year 2017.

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.

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Chief Executive Officer