



SKAFS GROUP

- ◆ **SKAFS INTERNATIONAL L.L.C. U.A.E.**
- ◆ **SKAFS INTERNATIONAL (PRIVATE) LIMITED PAKISTAN**
- ◆ **SKAFS INTERNATIONAL L.L.C. OMAN**
- ◆ **SKAFS INTERNATIONAL L.L.C. CHINA**

FINANCIAL STATEMENTS (AUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2012

SKAFS GROUP
GROUP STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Skafs International L.L.C. U.A.E.	Skafs International (Private) Limited Pakistan	Skafs International L.L.C. Oman	Skafs International L.L.C. China	Skafs International L.L.C. U.A.E.	Skafs International (Private) Limited Pakistan	Skafs International L.L.C. Oman	Skafs International L.L.C. China
	2012 US\$	2012 US\$	2012 US\$	2012 US\$	2011 US\$	2011 US\$	2011 US\$	2011 US\$
SHARE CAPITAL AND RESERVES								
Authorized share capital	81,750	4,000,000	500,000	1,000,000	81,660	4,000,000	500,000	1,000,000
Issued, subscribed and paid up capital	81,750	4,000,000	500,000	1,000,000	81,660	4,000,000	500,000	1,000,000
SHAREHOLDERS' CURRENT ACCOUNT	3,598,301	5,327,058	2,139,240	2,885,578	1,529,991	3,439,682	1,251,519	1,591,319
REVENUE RESERVES (ACCUMULATED PROFIT)	17,341,430	20,844,124	7,920,368	6,263,532	11,008,300	15,146,621	5,983,513	3,717,334
	21,021,481	30,171,182	10,559,608	10,149,110	12,619,951	22,586,303	7,735,032	6,308,653
NON-CURRENT LIABILITIES								
Deferred Liabilities	220,057	950,597	751,916	833,140	205,563	865,327	687,434	763,486
CURRENT LIABILITIES								
Trade and other payables	7,192,704	10,546,652	3,200,623	3,606,353	4,849,837	8,395,582	2,646,861	2,836,410
Provision for taxation	-	3,408,029	765,738	887,415	-	2,380,328	1,066,131	1,571,165
	7,192,704	13,954,681	3,966,361	4,493,768	4,849,837	10,775,910	3,712,992	4,407,575
CONTINGENCIES AND COMMITMENTS								
	-	-	-	-	-	-	-	-
	28,434,242	45,076,460	15,277,885	15,476,018	17,675,351	34,227,540	12,135,458	11,479,714

SKAFS GROUP
GROUP STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Skafs International L.L.C. U.A.E.	Skafs International (Private) Limited Pakistan	Skafs International L.L.C. Oman	Skafs International L.L.C. China	Skafs International L.L.C. U.A.E.	Skafs International (Private) Limited Pakistan	Skafs International L.L.C. Oman	Skafs International L.L.C. China
	2012 US\$	2012 US\$	2012 US\$	2012 US\$	2011 US\$	2011 US\$	2011 US\$	2011 US\$
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment	3,763,949	6,218,760	4,308,832	2,157,250	4,513,296	5,457,365	3,763,249	1,431,532
CURRENT ASSETS								
Stocks in trade	8,715,690	7,796,025	2,487,150	2,502,738	5,601,656	5,556,423	1,781,626	1,799,488
Trade debts	9,814,210	13,211,529	4,095,334	4,543,579	3,590,302	8,699,766	3,171,034	3,292,802
Construction work in process	719,989	1,246,699	988,892	1,352,646	363,496	856,324	679,824	998,742
Loans and advances	-	1,229,333	983,631	1,263,236	-	995,745	753,492	945,225
Trade deposits and short term prepayments	4,974,215	4,503,104	502,228	950,445	3,248,377	3,749,073	418,481	784,123
Other receivables	-	3,712,326	773,760	925,450	-	2,947,893	611,438	731,478
Cash and bank balances	446,189	7,158,684	1,138,058	1,780,674	358,224	5,964,951	956,314	1,496,324
	24,670,293	38,857,700	10,969,053	13,318,768	13,162,055	28,770,175	8,372,209	10,048,182
	<u>28,434,242</u>	<u>45,076,460</u>	<u>15,277,885</u>	<u>15,476,018</u>	<u>17,675,351</u>	<u>34,227,540</u>	<u>12,135,458</u>	<u>11,479,714</u>

SKAFS GROUP
GROUP PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2012

	Skafs International L.L.C. U.A.E.	Skafs International (Private) Limited Pakistan	Skafs International L.L.C. Oman	Skafs International L.L.C. China	Skafs International L.L.C. U.A.E.	Skafs International (Private) Limited Pakistan	Skafs International L.L.C. Oman	Skafs International L.L.C. China
	2012 US\$	2012 US\$	2012 US\$	2012 US\$	2011 US\$	2011 US\$	2011 US\$	2011 US\$
REVENUE	301,270,866	253,324,012	75,560,348	85,955,474	230,816,448	238,032,786	70,980,675	80,989,098
COST OF REVENUE	285,297,485	225,124,687	66,852,908	75,781,427	216,270,395	211,682,827	62,829,318	71,474,044
GROSS PROFIT	<u>15,973,381</u>	<u>28,199,325</u>	<u>8,707,440</u>	<u>10,174,047</u>	<u>14,546,053</u>	<u>26,349,959</u>	<u>8,151,357</u>	<u>9,515,054</u>
OPERATING EXPENSES :								
Administrative, selling and general expenses	3,937,892	6,365,124	2,383,075	2,328,683	3,187,303	5,967,677	2,217,726	2,193,147
OPERATING PROFIT	<u>12,035,489</u>	<u>21,834,201</u>	<u>6,324,365</u>	<u>7,845,364</u>	<u>11,358,750</u>	<u>20,382,282</u>	<u>5,933,631</u>	<u>7,321,907</u>
OTHER INCOME	28,911				-	-	-	-
FINANCE COST	10,747	16,107	21,053	19,280	9,505	15,035	19,653	17,968
PROFIT BEFORE TAXATION	<u>12,053,653</u>	<u>21,818,094</u>	<u>6,303,312</u>	<u>7,826,084</u>	<u>11,349,245</u>	<u>20,367,247</u>	<u>5,913,978</u>	<u>7,303,939</u>
TAXATION	-	3,408,029	765,738	887,415	-	2,380,328	709,807	1,571,165
PROFIT FOR THE YEAR	<u><u>12,053,653</u></u>	<u><u>18,410,065</u></u>	<u><u>5,537,574</u></u>	<u><u>6,938,669</u></u>	<u><u>11,349,245</u></u>	<u><u>17,986,919</u></u>	<u><u>5,204,171</u></u>	<u><u>5,732,774</u></u>

SKAFS GROUP
GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2012

	Skafs International L.L.C. U.A.E.	Skafs International (Private) Limited Pakistan	Skafs International L.L.C. Oman	Skafs International L.L.C. China	Skafs International L.L.C. U.A.E.	Skafs International (Private) Limited Pakistan	Skafs International L.L.C. Oman	Skafs International L.L.C. China
	2012 US\$	2012 US\$	2012 US\$	2012 US\$	2011 US\$	2011 US\$	2011 US\$	2011 US\$
Profit for the year	12,053,653	18,410,065	5,537,574	6,938,669	11,349,245	17,986,919	5,204,171	5,732,774
Other comprehensive income	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	12,053,653	18,410,065	5,537,574	6,938,669	11,349,245	17,986,919	5,204,171	5,732,774

SKAFS GROUP
GROUP CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2012

	Skafs International L.L.C. U.A.E.	Skafs International (Private) Limited Pakistan	Skafs International L.L.C. Oman	Skafs International L.L.C. China	Skafs International L.L.C. U.A.E.	Skafs International (Private) Limited Pakistan	Skafs International L.L.C. Oman	Skafs International L.L.C. China
	2012 US\$	2012 US\$	2012 US\$	2012 US\$	2011 US\$	2011 US\$	2011 US\$	2011 US\$
CASH FLOW FROM OPERATING ACTIVITIES								
Profit before taxation	12,053,653	21,818,094	6,303,312	7,826,084	11,349,245	17,986,919	5,204,171	5,732,774
Adjustments for non-cash and other items:								
Finance cost	10,747	16,107	21,053	19,280	9,505	15,035	19,653	17,968
Staff retirement benefits	164,487	-	-	-	124,120	-	-	-
(Gain)/loss on disposal of fixed assets	(28,911)	-	-	-	-	-	-	-
Depreciation	430,955	690,973	478,759	239,694	514,539	556,214	400,321	486,741
	577,278	707,080	499,812	258,974	648,164	571,249	419,974	504,709
	12,630,931	22,525,174	6,803,124	8,085,058	11,997,409	18,558,168	5,624,145	6,237,483
Effect on cash flow due to working capital changes:								
(Increase) / decrease in current assets								
Trade debts	(6,219,903)	(4,511,763)	(924,300)	(1,250,777)	(2,982,970)	(3,222,479)	(502,988)	(682,988)
Work in process	(356,092)	(390,375)	(309,068)	(353,904)	(295,981)	(358,365)	(301,068)	(241,068)
Loans and advances	-	(233,588)	(230,139)	(318,011)	-	(217,463)	(210,139)	(200,149)
Advances, deposits and prepayments	(1,722,258)	(754,031)	(83,747)	(166,322)	(1,469,514)	(730,364)	(81,747)	(136,747)
Other receivables	-	(764,433)	(162,322)	(193,972)	-	(604,132)	(110,291)	(135,291)
Stock in trade	(3,107,860)	(2,239,602)	(705,524)	(703,250)	(4,346,636)	(2,132,452)	(700,024)	(700,024)
	(11,406,113)	(8,893,792)	(2,415,100)	(2,986,236)	(9,095,101)	(7,265,255)	(1,906,257)	(2,096,267)
Increase / (decrease) in current liabilities								
Trade and other payables	2,337,524	2,151,070	553,762	769,943	162,249	1,324,654	434,665	162,249
Deferred liabilities	-	85,270	64,482	69,654	-	-	-	-
	3,562,342	15,867,722	5,006,268	5,938,419	3,064,557	12,617,567	4,152,553	4,303,465
Cash generated from operations								
Finance cost paid	(10,747)	(16,107)	(21,053)	(19,280)	(9,505)	(15,035)	(19,653)	(17,968)
Tax paid	-	(2,380,328)	(1,066,131)	(1,571,165)	-	(1,217,200)	(465,871)	(403,254)
Staff retirement benefits paid	(150,220)	-	-	-	(113,354)	-	-	-
	(160,967)	(2,396,435)	(1,087,184)	(1,590,445)	(122,859)	(1,232,235)	(485,524)	(421,222)
Net Cash flow from operating activities	3,401,375	13,471,287	3,919,084	4,347,974	2,941,698	11,385,332	3,667,029	3,882,243
CASH FLOW FROM INVESTING ACTIVITIES								
Capital expenditure	(195,497)	(1,452,368)	(1,024,342)	(965,412)	(1,181,884)	(3,824,855)	(1,177,675)	(754,532)
Sale proceeds from disposal on fixed assets	547,725	-	-	-	-	-	-	-
Net cash used in investing activities	352,228	(1,452,368)	(1,024,342)	(965,412)	(1,181,884)	(3,824,855)	(1,177,675)	(754,532)
CASH FLOW FROM FINANCING ACTIVITIES								
Movement in shareholders' current accounts	(3,666,034)	(10,825,186)	(2,712,998)	(3,098,212)	(1,492,176)	(4,160,268)	(2,459,355)	(2,866,083)
Net cash used in financing activities	(3,666,034)	(10,825,186)	(2,712,998)	(3,098,212)	(1,492,176)	(4,160,268)	(2,459,355)	(2,866,083)
Net increase in cash and cash equivalents	87,569	1,193,733	181,744	284,350	267,638	3,400,209	29,999	261,628
Cash and cash equivalents at the beginning of year	358,619	5,964,951	956,314	1,496,324	90,585	2,564,741	926,314	1,234,695
Cash and cash equivalents at the end of the year	446,189	7,158,685	1,138,058	1,780,674	358,224	5,964,951	956,314	1,496,324