



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 2016**

SKAFS GROUP
GROUP STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	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
	2016 US\$	2016 US\$	2016 US\$	2016 US\$	2015 US\$	2015 US\$	2015 US\$	2015 US\$
SHARE CAPITAL AND RESERVES								
Authorized share capital	81,750	4,000,000	500,000	1,000,000	81,750	4,000,000	500,000	1,000,000
Issued, subscribed and paid up capital	81,750	4,000,000	500,000	1,000,000	81,750	4,000,000	500,000	1,000,000
SHAREHOLDERS' CURRENT ACCOUNT	18,722,958	15,382,316	4,490,029	4,892,129	13,567,549	13,161,553	3,980,499	4,716,023
REVENUE RESERVES (ACCUMULATED PROFIT)	66,529,743	46,771,181	17,858,892	19,225,861	49,345,045	36,888,060	14,970,475	14,998,048
	85,334,451	66,153,497	22,848,921	25,117,990	62,994,344	54,049,613	19,450,974	20,714,071
NON-CURRENT LIABILITIES								
Deferred Liabilities	386,245	1,367,855	1,076,274	1,149,186	357,551	1,245,156	983,976	1,062,849
CURRENT LIABILITIES								
Trade and other payables	28,182,111	21,976,546	6,538,990	7,597,820	20,125,872	18,731,180	5,636,700	6,519,407
Provision for taxation	-	4,306,522	972,170	1,115,282	-	4,061,510	913,660	1,051,049
	28,182,111	26,283,068	7,511,160	8,713,102	20,125,872	22,792,690	6,550,360	7,570,456
CONTINGENCIES AND COMMITMENTS								
	-	-	-	-	-	-	-	-
	113,902,807	93,804,420	31,436,355	34,980,278	83,477,767	78,087,459	26,985,310	29,347,376

SKAFS GROUP
GROUP STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	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
	2016 US\$	2016 US\$	2016 US\$	2016 US\$	2015 US\$	2015 US\$	2015 US\$	2015 US\$
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment	13,642,460	8,863,505	8,315,849	5,555,675	11,807,132	8,113,830	7,372,598	4,583,270
CURRENT ASSETS								
Stocks in trade	31,134,799	13,704,783	4,342,203	4,534,092	22,539,499	11,910,420	3,778,100	3,952,274
Trade debts	52,589,557	24,427,669	7,881,857	8,857,000	35,945,733	21,166,739	7,103,360	7,850,180
Construction work in process	1,426,320	4,029,735	2,620,553	4,080,963	1,320,666	3,016,555	2,039,928	3,137,797
Loans and advances	-	4,260,994	2,307,178	2,999,423	-	3,122,846	1,890,288	2,447,465
Trade deposits and short term prepayments	13,375,126	10,182,277	1,205,856	2,231,694	10,303,538	8,466,717	967,471	1,794,612
Other receivables	-	11,979,275	2,147,695	2,539,207	-	8,774,226	1,671,098	2,008,145
Cash and bank balances	1,734,545	16,356,182	2,615,164	4,182,224	1,561,199	13,516,126	2,162,467	3,573,633
	100,260,347	84,940,915	23,120,506	29,424,603	71,670,635	69,973,629	19,612,712	24,764,106
	<u>113,902,807</u>	<u>93,804,420</u>	<u>31,436,355</u>	<u>34,980,278</u>	<u>83,477,767</u>	<u>78,087,459</u>	<u>26,985,310</u>	<u>29,347,376</u>

SKAFS GROUP
GROUP PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2016

	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
	2016 US\$	2016 US\$	2016 US\$	2016 US\$	2015 US\$	2015 US\$	2015 US\$	2015 US\$
REVENUE	590,306,028	320,110,387	95,930,396	108,026,786	486,589,280	301,898,243	90,156,757	101,805,119
COST OF REVENUE	548,390,758	281,376,443	84,876,674	95,856,542	454,571,705	266,442,349	79,768,311	90,355,047
GROSS PROFIT	41,915,270	38,733,944	11,053,722	12,170,244	32,017,575	35,455,894	10,388,446	11,450,072
OPERATING EXPENSES :								
Administrative, selling and general expenses	7,518,397	8,191,033	3,138,776	3,017,632	6,799,558	7,679,573	2,920,993	2,841,997
OPERATING PROFIT	34,396,873	30,542,911	7,914,946	9,152,612	25,218,017	27,776,321	7,467,453	8,608,075
Add: OTHER INCOME	-	-	-	-	-	-	-	-
Less: FINANCE COST	27,479	21,215	27,725	25,556	26,509	19,803	25,881	23,817
PROFIT BEFORE TAXATION	34,369,394	30,521,696	7,887,221	9,127,056	25,191,508	27,756,518	7,441,572	8,584,258
TAXATION	-	4,306,522	972,170	1,115,282	-	4,061,510	913,660	1,051,049
PROFIT FOR THE YEAR	34,369,394	26,215,174	6,915,051	8,011,774	25,191,508	23,695,008	6,527,912	7,533,209

SKAFS GROUP
GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2016

	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
	2016 US\$	2016 US\$	2016 US\$	2016 US\$	2015 US\$	2015 US\$	2015 US\$	2015 US\$
Profit for the year	34,369,394	26,215,174	6,915,051	8,011,774	25,191,508	23,695,008	6,527,912	7,533,209
Other comprehensive income	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>34,369,394</u></u>	<u><u>26,215,174</u></u>	<u><u>6,915,051</u></u>	<u><u>8,011,774</u></u>	<u><u>25,191,508</u></u>	<u><u>23,695,008</u></u>	<u><u>6,527,912</u></u>	<u><u>7,533,209</u></u>

SKAFS GROUP
GROUP CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2016

	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
	2016 US\$	2016 US\$	2016 US\$	2016 US\$	2015 US\$	2015 US\$	2015 US\$	2015 US\$
CASH FLOW FROM OPERATING ACTIVITIES								
Profit before taxation	34,369,394	30,521,696	7,887,221	9,127,056	25,191,508	27,756,518	7,441,572	8,584,258
Adjustments for non-cash and other items:								
Finance cost	27,479	21,215	27,725	25,556	26,508	19,803	25,881	23,817
Staff retirement benefits	335,680	-	-	-	280,303	-	-	-
(Gain)/loss on disposal of fixed assets	-	-	-	-	-	-	-	-
Depreciation	1,533,746	984,834	923,983	617,297	1,331,624	901,537	819,178	509,252
	1,896,905	1,006,049	951,708	642,853	1,638,435	921,340	845,059	533,069
	36,266,299	31,527,745	8,838,929	9,769,909	26,829,943	28,677,858	8,286,631	9,117,327
Effect on cash flow due to working capital changes: (Increase) / decrease in current assets								
Trade debts	(16,643,823)	(3,260,930)	(778,497)	(1,006,820)	(9,256,952)	(1,433,719)	(1,044,071)	(803,870)
Work in process	(105,653)	(1,013,180)	(580,625)	(943,166)	(191,892)	(758,440)	(451,978)	(788,834)
Loans and advances	-	(1,138,148)	(416,890)	(551,958)	-	(834,139)	(341,561)	(450,386)
Advances, deposits and prepayments	(3,071,588)	(1,715,560)	(238,385)	(437,082)	(2,348,552)	(1,426,514)	(191,259)	(351,478)
Other receivables	-	(3,205,049)	(476,597)	(531,062)	-	(2,347,540)	(370,835)	(480,404)
Stock in trade	(8,595,300)	(1,794,363)	(564,103)	(581,818)	(5,740,997)	(1,559,427)	(490,819)	(507,159)
	(28,416,364)	(12,127,230)	(3,055,097)	(4,051,906)	(17,538,393)	(8,359,779)	(2,890,523)	(3,382,131)
Increase / (decrease) in current liabilities								
Trade and other payables	8,056,236	3,245,366	902,290	1,078,413	4,968,826	2,766,110	777,787	925,346
Deferred liabilities	-	122,699	92,298	86,337	-	111,693	84,383	79,850
	15,906,171	22,768,580	6,778,420	6,882,753	14,260,376	23,195,882	6,258,278	6,740,392
Cash generated from operations								
Finance cost paid	(27,479)	(21,215)	(27,725)	(25,556)	(26,508)	(19,803)	(25,881)	(23,817)
Tax paid	-	(4,061,510)	(913,660)	(1,051,049)	-	(3,830,437)	(858,670)	(990,515)
Staff retirement benefits paid	(306,986)	-	-	-	(255,733)	-	-	-
	(334,465)	(4,082,725)	(941,385)	(1,076,605)	(282,241)	(3,850,240)	(884,551)	(1,014,332)
Net Cash flow from operating activities	15,571,706	18,685,855	5,837,035	5,806,148	13,978,135	19,345,642	5,373,727	5,726,060
CASH FLOW FROM INVESTING ACTIVITIES								
Capital expenditure	(3,369,073)	(1,734,509)	(1,867,234)	(1,589,702)	(4,994,608)	(1,596,843)	(1,793,232)	(1,359,871)
Sale proceeds from disposal on fixed assets	-	-	-	-	-	-	-	-
Net cash used in investing activities	(3,369,073)	(1,734,509)	(1,867,234)	(1,589,702)	(4,994,608)	(1,596,843)	(1,793,232)	(1,359,871)
CASH FLOW FROM FINANCING ACTIVITIES								
Movement in shareholders' current accounts	(12,029,288)	(14,111,290)	(3,517,104)	(3,607,855)	(8,236,413)	(15,401,885)	(3,206,162)	(3,690,868)
Net cash used in financing activities	(12,029,288)	(14,111,290)	(3,517,104)	(3,607,855)	(8,236,413)	(15,401,885)	(3,206,162)	(3,690,868)
Net increase in cash and cash equivalents	173,345	2,840,056	452,697	608,591	747,114	2,346,914	374,333	675,321
Cash and cash equivalents at the beginning of year	1,561,199	13,516,126	2,162,467	3,573,633	814,085	11,169,212	1,788,134	2,898,312
Cash and cash equivalents at the end of the year	1,734,545	16,356,182	2,615,164	4,182,224	1,561,199	13,516,126	2,162,467	3,573,633