ADOS PAKISTAN LIMITED

QUARTERLY REPORT SEPTEMBER 30, 2015

COMPANY INFORMATION

CHIEF EXECUTIVE OFFICER	Mr. Zia Akbar Ansari
DIRECTORS	Mr. Jamal Akbar Ansari Mr. Zia Akbar Ansari Ms. Sabina Ansari Mrs. Uzma Jamal Mrs. Shoobarana Zia Mr. Taha Akbar Ansari Mr. Sheryar Akbar Ansari Mr. Sheikh Usman Ahmed Mr. Muhammad Fahd Shaffi
COMPANY SECRETARY	Ms. Sabina Ansari
CHIEF FINANCIAL OFFICER	Mr. Ali Imran Haider Bokhari
AUDIT COMMITTEE	Mr. Muhammed Fahd Shaffi - Member Mrs. Shoobarana Zia- Member Mr. Sheikh Usman Ahmed - Member
AUDITORS	Grant Thornton Anjum Rahman Chartered Accountants
BANKERS	Samba Bank Limited, Building 13-T, F-7, Islamabad. Dubai Islamic Bank Pakistan Limited, Roshan Center, Plot 78-W, Jinnah Avenue, Blue Area, Islamabad. NIB Bank Limited (Formerly PICIC Commercial Bank Limited, Razia Sharif Plaza, Blue Area, Islamabad. Bank Alfalah Limited, Awan Arcade, Blue Area, Islamabad. Bank Islami Pakistan Limited 5-6, Chanab Center, Block 104-E, Jinnah Avenue, Blue Area Islamabad. National Bank of Pakistan, F-8 Markaz, Islamabad. Bank of Khyber. Blue Area, Islamabad Bank of Khyber, Hattar Industrial Zone, Hattar. Burj Bank Limited, F-8 Markaz, Islamabad
LEGAL ADVISORS	Samad Law Associates, Samad Chambers, 1st Floor, G-253/A, Liquat Road, Rawalpindi.
REGISTERED OFFICE	# 88, Khayaban-e-Iqbal, F-8/2, Islamabad. Tel # 92-51-2264308-2255560 Fax # 92-51-2281678
SHARE REGISTRAR / TRANSFER AGENT	Evolution Factor (Private) Limited, [Formerly Corporate Support Services (Pvt.) Ltd.] 407-408, Al Ameera Center, Shahrah-e-Iraq, Saddar, Karachi. Tel # 92-21-5662023-24 Fax: + 92 21 5221192
FACTORY(S)	a) Plot # 43, Phase III, Hattar Industrial Estate, Khyber Pukhtoonkhwa. Tel # 92-995-617192 & 617364, Fax # 92-995-617193. b) Plot # 292, Street # 3, Industrial Area I-9/3, Islamabad. Tel # 4449704

DIRECTOR'S REPORT TO THE MEMBERS

Gentlemen,

The Directors of the Company take pleasure in placing before you the un-audited Financial Statements for the Quarter ended September 30, 2015.

1. The management of the Company is facing the continuous challenges of unstable economic situations especially the current slumps in the Oil & Gas Industry as this is badly affecting the orders from Oil & Gas exploration companies operating in Pakistan and as a consequence it has a negative impact on the revenue of the Company.

2. As stated in the latest annual report the management is utilizing all its efforts to get maximum of orders from Oil & gas Exploration Companies operating in Pakistan [E & P Companies] as the current slumps in oil & gas industry has greatly affects the future orders. The management is utilizing its full capacities to get orders for its specialized fabrication division in order to boost the sales.

3. Regarding qualification by our external auditors in their report to the members on the correctness relating to nomenclature and valuation of items being classified as Stores, Spares and loose tools amounting to Rs. 1,653,593 (2015: 1,653,593) and Stock in trade amounting to Rs.3,264,562 (2015: 3,264,562), as stated in previous financial years, the Company has purchased these items stated under the above stated heads in the shape of a bulk and was imported from abroad. The price was paid for whole of the items collectively i.e. for whole of the bulk and the documents related to these were fully verified by the auditors. The problem was with the assigning of cost to each item separately, as physically verified by the auditors on stock take and to have the underlying documents and the basis for the valuation for each item for verification purposes. In addition to above, regarding existence as stated by the auditors, the problem it meant was the absence of verification on individual itemized basis rather than collective/bulk.

4. The management has decided not to pay dividends for the quarter ended September 30, 2015 keeping in view the future cash flow requirements of the Company.

The Directors' takes this opportunity to thank the management, workers, principal sponsors, bankers and to the most the shareholders for their endless cooperation and support.

For and on behalf of the Board

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER & DIRECTOR

Islamabad, October 30, 2015

ADOS PAKISTAN LIMITED
BALANCE SHEET [UN AUDITED]
AS AT SETEMBER 30, 2015

	Note	SEPTEMBER 30, 2015	JUNE 30, 2015
		----------Rupees----------	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		44,880,162	45,338,977
Long term loan and advances		948,077	681,920
Long term deposits		1,401,600	1,401,600
Deferred taxation		329,333	593,382
		47,559,172	48,015,879
CURRENT ASSETS			
Stores, spares and loose tools		1,653,593	1,653,593
Stock in trade		82,663,594	66,335,924
Trade debts		103,519,717	269,767,775
Advances		83,974,647	26,430,432
Due from associated company		23,660,926	23,167,366
Trade deposits and short term prepayments		10,000	16,168,735
Accrued interest on saving accounts		265,005	151,178
Tax refundable from Government- net		121,255,683	114,707,375
Cash and bank balances		117,208,346	92,640,971
		534,211,511	611,023,349
TOTAL ASSETS		581,770,683	659,039,228
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
7,000,000 (2015: 7,000,000) ordinary shares of Rs. 10 each		70,000,000	70,000,000
Issued, subscribed and paid up capital		65,826,000	65,826,000
RESERVES			
Revenue reserve un-appropriated profit		178,381,030	201,693,271
TOTAL EQUITY		244,207,030	267,519,271
LIABILITIES			
NON-CURRENT LIABILITIES			
Employees' benefit obligation		7,630,089	6,552,524
		7,630,089	6,552,524
CURRENT LIABILITIES			
Trade and other payables		326,455,439	381,489,308
Unclaimed dividend		3,478,126	3,478,125
		329,933,565	384,967,433
TOTAL LIABILITIES		337,563,654	391,519,957
TOTAL EQUITY AND LIABILITIES		581,770,683	659,039,228

The annexed notes form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

PROFIT AND LOSS ACCOUNT [UN-AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	Note	SEPTEMBER 30 2015	SEPTEMBER 30 2014
		----------Rupees----------	
Revenue - net	3	30,062,392	264,847,119
Cost of sales/services	4	(32,656,958)	(223,153,985)
Gross Profit / (Loss)		(2,594,566)	41,693,134
Administrative & selling expenses		(19,685,462)	(33,670,451)
Profit/ (Loss) From Operations		(22,280,028)	8,022,683
Other Income		1,041,976	6,518,198
Financial charges		(46,316)	(287,282)
Profit/ (Loss) before income tax		(21,284,368)	14,253,599
Taxation		(2,027,873)	(5,056,918)
Profit/(Loss) after taxation for the period		(23,312,241)	9,196,681
Earning per share-basic and diluted		(3.54)	1.40

The annexed notes form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

STATEMENT OF COMPREHENSIVE INCOME [UN-AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	SEPTEMBER 30 2015 RUPEES	JUNE 30 2015 RUPEES
Profit/(loss) for the period	**(23,312,241)**	4,068,202
Remeasurement loss on employees retirement benefits	-	(322,696)
Deferred tax charge on remeasurement loss on employees retirement benefits	-	216,389
Remeasurement of plan obligations - net of tax	-	(106,307)
Other comprehensive loss for the period	-	(106,307)
Total comprehensive income/(loss) for the period	**(23,312,241)**	3,961,895

The annexed notes form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

STATEMENT OF CHANGES IN EQUITY [UN-AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	Issued, subscribed and paid up capital	Revenue Un-appropriated profit	Total Shareholders' equity
	----------	Rupees ----------	
Balance at June 30, 2014	**65,826,000**	**197,731,376**	**263,557,376**
Total comprehensive income for the year ended June 30, 2015	-	4,068,202	4,068,202
Remeasurement loss on employees retirement benefits	-	(322,696)	(322,696)
Deferred tax charge on remeasurement loss on employees retirement benefits	-	216,389	216,389
		(106,307)	(106,307)
Balance at June 30, 2015	**65,826,000**	**201,693,271**	**267,519,271**
Comprehensive income for the period			
Total comprehensive income for the period ended September 30, 2015	-	**(23,312,241)**	**(23,312,241)**
Balance as at September 30, 2015	**65,826,000**	**178,381,030**	**244,207,030**

The annexed notes form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

CASH FLOW STATEMENT [UN-AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	SEPTEMBER 30 2015	SEPTEMBER 30 2014
	----------Rupees----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before income tax	**(21,284,368)**	14,253,599
Adjustments for:		
Depreciation	**1,372,583**	1,304,370
Provision for employees' benefit obligation	**1,077,565**	419,644
Provision for WPPF & WWF	**-**	2,335,057
Interest on bank accounts	**(113,827)**	(337,464)
Financial cost	**46,316**	287,282
	2,382,637	4,008,889
	(18,901,731)	18,262,488
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		
(Increase)/decrease in current assets:		
Stock in trade	**(16,327,670)**	-
Trade debts	**166,248,058**	(37,853,043)
Advances	**(57,544,215)**	(6,164,036)
Due from associated company	**(493,560)**	4,949,058
Short term deposits and prepayments	**16,158,735**	-
	108,041,348	(39,068,021)
Increase/(decrease) in current liabilities:		
Trade and other payables	**(63,346,001)**	(6,489,352)
	(63,346,001)	(6,489,352)
Cash generated from/(used in) operations	**25,793,616**	(27,294,885)
Financial cost paid	**(46,316)**	(287,282)
Tax paid		(13,413,022)
	(46,316)	(13,700,303)
Net cash generated from/ (used in) operating activities	**25,747,299**	(40,995,188)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	**(913,768)**	57,006
Long term loan and advances	**(266,157)**	(11,479,051)
Net cash (used in)/ generated from investing activities	**(1,179,925)**	(11,422,045)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	**-**	-
Net cash used in financing activities	**-**	-
Net increase /(decrease) in cash and cash equivalents	**24,567,375**	(52,417,233)
Cash and cash equivalents at the beginning of the period	**92,640,971**	232,119,221
Cash and cash equivalents at the end of the period	**117,208,346**	179,701,988

The annexed notes form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

1 LEGAL STATUS AND OPERATIONS

Ados Pakistan Limited (the "Company") was incorporated in Pakistan under the Companies Ordinance, 1984 on March 5, 1986 as a Private Limited Company and was later on converted into Public Limited Company on April 4, 1989. The Company's registered office is situated at House No. 88, Khayaban-e-Iqbal, F-8/2, Islamabad. Its shares are quoted on all the three stock exchanges in Pakistan. The Company has been involved in the supply of oil and gas field related equipment's, fabrication and refurbishment of equipment's and spare parts used in oil and gas industry. The Company is also engaged in fabrication of vehicles in respect of bullet proofing protection.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information is unaudited and is being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984 and International Accounting Standard (IAS) 34 'Interim Financial Reporting' and directives issued under the Companies Ordinance 1984. In case where requirements differ, the provisions of or directives issued under the Companies ordinance 1984 have been followed. This condensed quarterly financial information should be read in conjunction with the financial statements of the Company for the quarter ended September 30, 2015.

3 REVENUE

September 30, 2015	**Fabrication**	**Repair & Services**	**Total**
		.....Rupees.....	
Revenue	**28,592,527**	**1,469,865**	**30,062,392**
	Fabrication	Repair & Services	Total
September 30, 2014		.....Rupees.....	
Revenue	264,325,389	521,730	264,847,119

4 COST OF SALES / SERVICES

	Sep 30 2015 Rupees	**Sep 30 2014 Rupees**
Raw Material Consumed	**18,988,837**	196,183,462
Salary Wages & Benefits	**3,871,222**	4,642,554
Factory Rent	**1,056,250**	948,656
Repair and Maintenance	**57,105**	74,227
Travelling and Conveyance	**237,668**	307,609
Electricity, Water & Gas	**699,931**	1,169,723
Telephone & Postage	**14,355**	24,648
Carriage & Freight	**55,600**	489,474
Royalty & Equipment rentals	**362,651**	354,888
Clearing & Service charges	**2,184,058**	16,740,796
Other Factory Overheads	**4,346,164**	1,128,853
Deprecations	**783,117**	1,089,096
Cost of sales / services	**32,656,958**	223,153,985

4.1 Raw Material Consumed

Opening Balance as on July 01	66,335,924	16,646,958
Add: Purchases during the period	35,316,507	**196,899,267**
	101,652,431	**213,546,225**
Less: Closing balance as on Sep 30	(82,663,594)	**(17,362,763)**
Raw Material Consumed	**18,988,837**	**196,183,462**

5 GENERAL

Figures in this condensed quarterly financial information have been rounded off to the nearest rupee.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR