CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED MARCH 31, 2017

(Un-Audited)

SFL LIMITED

SFL LIMITED

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COMPANY PROFILE

Board Of Directors

CHAIRMAN	:	MR. YOUSUF ABDULLAH
CHIEF EXECUTIVE	:	MR. AMER ABDULLAH
DIRECTOR	:	MR. NADEEM ABDULLAH MR. SHAHID ABDULLAH MR. MOHAMMAD YAMIN MRS. AMBAREEN AMER
INDEPENDENT DIRECTOR	:	MR. MAZHAR SALEEM
AUDIT COMMITTEE		
CHAIRMAN	:	MR. NADEEM ABDULLAH
MEMBER	:	MR. SHAHID ABDULLAH
MEMBER	:	MR. MAZHAR SALEEM
HUMON RESOURCE & REMUNERATION COMMITTEE		
CHAIRMAN	:	MR. SHAHID ABDULLAH
MEMBER	:	MR. MOHAMMAD YAMIN
MEMBER	:	MR. MAZHAR SALEEM
CHIEF FINANCIAL OFFICER	:	MR. JAWWAD FAISAL
SECRETARY	:	MR. SHAUKAT MAHMUD
AUDITORS	:	SHINEWING HAMEED CHAUDHRI & CO. CHARTERED ACCOUNTANTS
TAX CONSULTANTS	:	MUSHTAQ & COMPANY CHARTERED ACCOUNTANTS
LEGAL ADVISOR	:	MR. SALEEM IKRAM, ADVOCATE
BANKERS	:	HABIB BANK LIMITED
SHARE REGISTRAR	:	THK ASSOCIATES (PVT) LTD 1ST FLOOR, 40-C, BLOCK-6 P.E.C.H.S, KARACHI
REGISTERED OFFICE	:	316, COTTON EXCHANGE BUILDING, I. I. CHUNDRIGAR ROAD, KARACHI.

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Board of Directors of SFL Limited have pleasure in presenting their report together with un-audited Financials Statements of the company for the nine months ended 31st March, 2017.

OPERATIONS

The company earned dividend income of Rs. 42,079,301 change in fair value of investments in funds of Rs. 2,435,470 and gain on sale of investments of Rs. 81,517 during the nine months. After meeting administrative expenses of Rs. 1,543,782 and provision for taxation of Rs. 5,376,950 net profit after tax for the nine months period comes to Rs. 37,675,556.

EARNING PER SHARE

The company's earnings per share was at Rs. 1.88 as compared to earnings per share of Rs. 1.64 for the same period of the last year.

FUTURE OUTLOOK

The operating assets of the company comprises of, investments in the shares of associated companies, other listed companies and investment in funds. Profitability of the company depends during the next quarter on the return on investments.

On behalf of the Board

Karachi
Dated :April 20, 2017

AMER ABDULLAH
Chief Executive

ڈائریکٹر رپورٹ برائے حصص یافتگان

کمپنی کے ڈائریکٹران آپ کے سامنے نہایت مسرت کے ساتھ 31 مارچ 2017 کو اختتام پذیر ہونے والی تیسری سہ ماہی کی غیر آڈٹ شدہ مالیاتی تفصیلات پیش کر رہے ہیں۔

کاروباری کارکردگی

راوں مالی سال کی تیسری سہ ماہی میں کمپنی کی ڈیویڈنڈ کی مد میں آمدنی 42,079,301 روپے تھی اور فنڈز میں سرمایہ کاری کی مناسب قدر میں تبدیلی 2,435,470 روپے تھی۔ اور سرمایہ کاری کی فروخت سے منافع 81,517 روپے رہا۔ اس سہ ماہی کے دوران 1,543,782 روپے کے تمام انتظامی اخراجات اور 5,376,950 روپے ٹیکس کی کٹوتی کے بعد خالص منافع 37,675,556 روپے تھا۔

آمدنی فی حصص

فی حصص کمپنی کی آمدنی 1.88 روپے رہی، گذشتہ سال اسی مدت کیلئے آمدنی 1.64 روپے فی حصص تھی۔

مستقبل کا منظر نامہ

کمپنی کے آپریٹنگ اثاثے، منسلک کمپنیوں کے حصص میں سرمایہ کاری، دیگر لسٹڈ کمپنیوں کے حصص میں سرمایہ کاری اور فنڈز میں سرمایہ کاری پر مشتمل ہیں۔ اگلی سہ ماہی میں کمپنی کے منافع کا دارومدار سرمایہ کاری کے منافع پر منحصر ہے۔

بورڈ کی جانب سے

عامر عبداللہ

چیف ایگزیکیٹو

کراچی

تاریخ: 20 اپریل 2017ء

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2017

	Note	Un-audited March 31, 2017 Rupees	Audited June 30, 2016 Rupees
ASSETS			
Non current assets			
Investment property		**88,103,000**	88,103,000
Long term investments	5	**403,816,351**	403,816,351
Long term deposit		**37,500**	37,500
		491,956,851	491,956,851
Current assets			
Prepayments		**170,668**	-
Short term investments	6	**30,316,903**	25,146,310
Taxation - net		**954**	486
Bank balances		**14,000,586**	3,066,856
		44,489,110	28,213,652
Total assets		**536,445,961**	520,170,503
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
20,200,000 (June 30, 2016: 20,200,000) ordinary shares of Rs.10 each		**202,000,000**	202,000,000
Issued, subscribed and paid-up capital			
20,091,450 (June 30, 2016: 20,091,450) ordinary shares of Rs.10 each		**200,914,500**	200,914,500
Reserves		**334,681,836**	317,097,730
		535,596,336	518,012,230
Current liabilities			
Accrued and other liabilities		**849,625**	2,158,273
Total liabilities		**849,625**	2,158,273
Contingencies and commitments	7		
Total equity and liabilities		**536,445,961**	520,170,503

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

Chief Executive | Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

	Quarter ended		Nine Months Ended	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016
	(Rupees)			
Revenue				
Dividend income	**-**	-	**42,079,301**	39,291,901
Change in fair values of investments at fair value through profit or loss	**1,729,970**	-	**2,435,470**	379,884
Gain on sale of investments	**81,517**	257,816	**81,517**	865,043
	1,811,487	257,816	**44,596,288**	40,536,828
Administrative expenses	**(349,137)**	(271,329)	**(1,543,782)**	(2,601,676)
Profit / (loss) before taxation	**1,462,350**	(13,513)	**43,052,506**	37,935,152
Taxation	**(127,361)**	-	**(5,376,950)**	(5,009,466)
Profit / (loss) after taxation	**1,334,989**	(13,513)	**37,675,556**	32,925,686
Earnings per share - basic and diluted	**0.07**	**(0.001)**	**1.88**	1.64

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

Chief Executive Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

	Quarter ended		Nine Months Ended	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016
	------------------------------ (Rupees) ------------------------------			
Profit after taxation	**1,334,989**	(13,513)	**37,675,556**	32,925,686
Other comprehensive income	**-**	-	**-**	-
Total comprehensive income	**1,334,989**	(13,513)	**37,675,556**	32,925,686

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

Chief Executive   Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

	Nine Months Ended	
	March 31, 2017 Rupees	March 31, 2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**43,052,506**	37,935,152
Adjustments for non-cash items:		
Dividend income	**(42,079,301)**	(39,291,901)
Gain on sale of investments	**(81,517)**	(379,884)
Change in fair values of investments at fair value through profit or loss	**(2,435,470)**	(865,043)
Operating loss before working capital changes	**(1,543,782)**	(2,601,676)
Working capital changes		
Increase in prepayments	**(170,668)**	(140,564)
Increase/ (Decrease) in accrued and other liabilities	**(1,396,208)**	289,056
Cash used in operations	**(3,110,658)**	(2,453,184)
Taxes paid	**(5,250,057)**	(8,108,964)
Net cash used in operating activities	**(8,360,715)**	(10,562,148)
CASH FLOWS FROM INVESTING ACTIVITIES		
Short term investments acquired	**(26,117,333)**	(2,153,888)
Short term investments redeemed / sold	**23,336,366**	18,619,750
Dividend received	**42,079,301**	39,291,901
Net cash generated from investing activities	**39,298,334**	55,757,763
CASH USED IN FINANCING ACTIVITIES		
Dividend paid	**(20,003,890)**	(50,228,625)
Net (decrease) / increase in cash and cash equivalents	**10,933,729**	(5,033,010)
Cash and cash equivalents - at beginning of the period	**3,066,856**	8,160,639
Cash and cash equivalents - at end of the period	**14,000,585**	3,127,629

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

Chief Executive Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

	Issued, subscribed and paid-up capital	Reserves			Total
		Reserve arisen upon de-merger	Unappro-priated profit	Sub-total	
	------------------------------- Rupees -------------------------------				
Balance as at July 1, 2015	200,914,500	165,340,500	170,195,869	335,536,369	536,450,869
Transaction with owners, recognised directly in equity					
Cash dividend for the year ended June 30, 2015 at the rate of Rs.2.5 per share	-	-	(50,228,625)	(50,228,625)	(50,228,625)
Total comprehensive income for the Nine Months period ended March 31, 2016					
Profit for the period	-	-	32,925,686	32,925,686	32,925,686
Other comprehensive income	-	-	-	-	-
	-	-	32,925,686	32,925,686	32,925,686
Balance as at March 31, 2016	**200,914,500**	**165,340,500**	**152,892,930**	**318,233,430**	**519,147,930**
Balance as at July 1, 2016	200,914,500	165,340,500	151,757,230	317,097,730	518,012,230
Transaction with owners, recognised directly in equity					
Cash dividend for the year ended June 30, 2016 at the rate of Rs.1 per share	-	-	(20,091,450)	(20,091,450)	(20,091,450)
Total comprehensive income for the Nine Months period ended March 31, 2017					
Profit for the period	-	-	37,675,556	37,675,556	37,675,556
Other comprehensive income	-	-	-	-	-
	-	-	37,675,556	37,675,556	37,675,556
Balance as at March 31, 2017	**200,914,500**	**165,340,500**	**169,341,336**	**334,681,836**	**535,596,336**

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

Chief Executive Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

1. THE COMPANY AND ITS OPERATION

SFL Limited (the Company) was incorporated as public limited company on April 26, 2010 and its shares have been listed on Karachi Stock Exchange Limited (Pakistan Stock Exchange Limited with effect from January 11, 2016). The registered office of the Company is located at 316 - Cotton Exchange Building, I.I. Chundrigar Road, Karachi. The main business of the Company is to invest in the shares of Associated Companies and other business as per the Memorandum of Association of the Company.

2. BASIS OF PREPARATION

This condensed interim financial information of the Company for the period ended March 31, 2017 is un-audited and has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984 (the Ordinance). In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed. The figures for the period ended March 31, 2016 have, however, been subjected to limited scope review by the auditors as required by the Code of Corporate Governance. This condensed interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2016.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2016.

There are certain new International Financial Reporting Standards (standards), amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2016. These considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in this condensed interim financial information.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgements made by management in applying the Company’s accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2016.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

5. LONG TERM INVESTMENTS - at cost

	Un-audited March 31, 2017 Rupees	Audited June 30, 2016 Rupees
Investments in ordinary shares of		
- Subsidiary Company	**100,000**	100,000
- Associated Companies	**403,716,351**	403,716,351
	403,816,351	403,816,351

6. SHORT TERM INVESTMENTS
- At fair value through profit or loss

Un-audited March 31, 2017	Audited June 30, 2016			
(Number of units / shares)		**Mutual funds**		
-	197,114.3474	HBL Income Fund	**-**	20,912,610
41,401.0102	-	MCB Pakistan Stock Market Fund	**4,767,939**	-
		Listed companies		
-	50,000	Altern Energy Limited	**-**	1,832,500
20,000	20,000	Hub Power Company Limited	**2,689,600**	2,401,200
10,000	-	Engro Corporation Limited	**3,680,200**	-
200,000	-	Engro Fertilizer Limited	**15,923,214**	-
61,500	-	Bank Islami Pakistan Limited	**831,938**	-
100,000	-	Aisha Steel Limited	**2,424,012**	
			30,316,903	25,146,310

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

7. CONTINGENCIES AND COMMITMENTS

There has been no significant change in the status of contingencies as reported in note 9 to the preceding audited annual financial statements of the Company for the year ended June 30, 2016.

There was no capital commitment as at March 31, 2017 and June 30, 2016.

8. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

This condensed interim financial information does not include all financial risk management information and disclosures required in the audited annual financial statements and should be read in conjunction with the Company's audited annual financial statement as at June 30, 2016.

There have been no changes in the risk management policies since the year end.

9. TRANSACTIONS WITH RELATED PARTIES

There are no transactions with related parties during the current period except for dividend income aggregating Rs.41,872,801 (March 31, 2016: Rs. 39,291,901) received from Associated Companies and meeting fee amounting Rs 30,000- (March 31, 2016: Rs.30,000-) paid to a non-executive director.

10. GENERAL

10.1 Figures have been rounded off to the nearest rupee except stated otherwise.

10.2 This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on April 20, 2017.

Chief Executive

Director

SFL LIMITED

Consolidated Accounts

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DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Directors of the Holding Company of SFL Corporation (Private) Limited are pleased to place before you the Director's report together with the unaudited consolidated financial statements of SFL Limited and its subsidiary SFL Corporation (Private) Limited for the nine months ended on 31st March, 2017.

SFL Corporation (Private) Limited was incorporated for purpose given in the object clause of the Memorandum of Association which includes purchase and holding shares in other company having objects altogether or in part similar to those of this company. The company has not carried out any operational activity since its incorporation.

On behalf of the Board

Karachi
Dated :April 20, 2017

AMER ABDULLAH
Chief Executive

ڈائریکٹرز رپورٹ برائے حصص یافتگان

ایس ایف ایل کارپوریشن (پرائیویٹ) لمیٹڈ کی ہولڈنگ کمپنی کے ڈائریکٹران نہایت مسرت کے ساتھ ایس ایف ایل لمیٹڈ اور اس کے ماتحت ادارے ایس ایف ایل کارپوریشن (پرائیویٹ) لمیٹڈ کی 31 مارچ 2017 کو اختتام پذیر ہونے والی تیسری سہ ماہی کی غیر آڈٹ شدہ یکجا مالیاتی تفصیلات آپ کے سامنے پیش کررہے ہیں۔

ایس ایف ایل کارپوریشن (پرائیویٹ) لمیٹڈ کا وجود اس مقصد کے تحت ہوا ہے جو اس کی ایسوسی ایشن کی یادداشت میں دیئے گئے ہیں جن میں شامل ہے ان کمپنیوں کے حصص کا حصول اور خریداری جن کا مقصد کم و بیش اسی کمپنی جیسا ہے۔ کمپنی نے اپنے قائم ہونے کے بعد سے آج تک کوئی سرگرمی انجام نہیں دی ہے۔

بورڈ کی جانب سے

عامر عبداللہ
چیف ایگزیکیٹو

کراچی
تاریخ: 20 اپریل 2017ء

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2017

	Note	(Un-audited) March 31, 2017 Rupees	(Audited) June 30, 2016 Rupees
ASSETS			
Non current assets			
Investment property		**88,103,000**	88,103,000
Long term investments	5	**2,845,236,464**	2,861,974,744
Long term deposit		**37,500**	37,500
		2,933,376,964	2,950,115,244
Current assets			
Prepayments		**170,668**	-
Short term investments	6	**30,316,904**	25,146,310
Taxation - net		**954**	486
Cash and bank balances		**14,064,016**	3,141,336
		44,552,542	28,288,132
Total assets		**2,977,929,506**	2,978,403,376
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
20,200,000 (June 30, 2016: 20,200,000) ordinary shares of Rs.10 each		**202,000,000**	202,000,000
Issued, subscribed and paid-up capital			
20,091,450 (June 30, 2016: 20,091,450) ordinary shares of Rs.10 each		**200,914,500**	200,914,500
Reserves		**231,680,764**	199,935,021
Unappropriated Profit		**2,534,976,137**	2,566,684,682
Total equity		**2,967,571,401**	2,967,534,203
Liabilities			
Non current liabilities			
Deferred taxation		**9,387,228**	8,600,900
Current liabilities			
Accrued and other liabilities		**970,877**	2,268,273
Total liabilities		**10,358,105**	10,869,173
Contingencies and commitments	7		
Total equity and liabilities		**2,977,929,506**	2,978,403,376

The annexed notes 1 to 10 form an integral part of this condensed interim consolidated financial information.

Chief Executive　　　　　　　　Director

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

	Quarter ended		Nine months ended	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016
	---------- (Rupees) ----------			
Revenue				
Dividend income	**-**	**-**	**206,500**	-
Gain on sale of investments	**81,517**	-	**81,517**	379,884
Change in fair values of investments at fair value through profit or loss	**1,729,970**	257,816	**2,435,470**	865,043
	1,811,487	257,816	**2,723,487**	1,244,927
Administrative expenses	**(352,887)**	(271,329)	**(1,566,082)**	(2,614,795)
Loss from operations	**1,458,600**	(13,513)	**1,157,405**	(1,369,868)
Share of profit of Associated Companies	**13,667,942**	67,220,250	**43,704,939**	80,746,403
Profit / (loss) before taxation	**15,126,542**	67,206,737	**44,862,344**	79,376,535
Taxation	**(439,719)**	(217,594)	**(6,163,278)**	(6,579,909)
Profit / (loss) after taxation	**14,686,823**	66,989,143	**38,699,066**	72,796,626
Earnings / (loss) per share - basic and diluted	**0.73**	3.33	**1.93**	3.62

The annexed notes 1 to 10 form an integral part of this condensed interim consolidated financial information.

Chief Executive Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

	Quarter ended		Nine months ended	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016
	(Rupees)			
Profit / (loss) after taxation	**14,686,823**	66,989,143	**38,699,066**	72,796,626
Other comprehensive income				
Share of fair value gain / (loss) on re-measurement of available-for-sale investments of Associated Companies	**4,100,973**	(16,103,823)	**31,802,479**	(31,621,944)
Share of unrealised gain / (loss) on re-measurement of hedging instruments of Associated Companies	**(365,662)**	1,240	**(56,736)**	45,736
	3,735,311	(16,102,583)	**31,745,743**	(31,576,208)
Total comprehensive income / (loss) for the period	**18,422,134**	50,886,560	**70,444,809**	41,220,418

The annexed notes 1 to 10 form an integral part of this condensed interim consolidated financial information.

Chief Executive

Director

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

	Nine Months ended	
	March 31, 2017 Rupees	March 31, 2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**44,862,344**	79,376,535
Adjustments for non-cash items:		
Dividend income	**(206,500)**	-
Gain on sale of investments	**(81,517)**	(379,884)
Change in fair value of investments at fair value through profit or loss	**(2,435,470)**	(865,043)
Share of profit of Associated Companies	**(43,704,939)**	(80,746,403)
Operating loss before working capital changes	**(1,566,082)**	(2,614,795)
Working capital changes		
Increase in prepayments	**(170,668)**	(140,564)
Increase in accrued and other liabilities	**(1,384,957)**	289,056
Cash used in operations	**(3,121,707)**	(2,466,303)
Taxes paid	**(5,250,057)**	(8,108,964)
Net cash used in operating activities	**(8,371,764)**	(10,575,267)
CASH FLOWS FROM INVESTING ACTIVITIES		
Short term investments acquired	**(26,117,333)**	(2,153,888)
Short term investments redeemed	**23,336,366**	18,619,750
Dividend received	**42,079,301**	39,291,901
Net cash generated from investing activities	**39,298,334**	55,757,763
CASH USED IN FINANCING ACTIVITIES		
Dividend paid	**(20,003,890)**	(50,228,625)
Net increase / (decrease) in cash and cash equivalents	**10,922,680**	(5,046,129)
Cash and cash equivalents - at beginning of the period	**3,141,336**	8,248,239
Cash and cash equivalents - at end of the period	**14,064,016**	3,202,110

The annexed notes 1 to 10 form an integral part of this condensed interim consolidated financial information.

Chief Executive | Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

	Issued, subscribed and paid-up capital	Reserves				Unappro-priated profit	Total
		Reserve arisen upon de-merger	Share of unrealised gain / (loss) on available for sale investments of Associated Companies	Share of unrealised gain on hedging instruments of Associated Companies	Sub-total		
	Rupees						
Balance as at July 1, 2015	200,914,500	165,340,500	20,287,341	362,631	185,990,472	2,523,263,081	2,910,168,053
Transaction with owners, recognized directly in equity							
Cash dividend for the year ended June 30, 2015 at the rate of Rs.2.50 per share	-	-	-	-	-	(50,228,625)	(50,228,625)
Total comprehensive income for the Nine Months ended March 31, 2016							
Profit for the period	-	-	-	-	-	72,796,626	72,796,626
Other comprehensive (loss) / income	-	-	(31,621,944)	45,736	(31,576,208)	-	(31,576,208)
	-	-	(31,621,944)	45,736	(31,576,208)	72,796,626	41,220,418
Effect of items directly recorded in equity of Associated Companies	-	-	-	-	-	(8,325,734)	(8,325,734)
Balance as at March 31, 2016	**200,914,500**	**165,340,500**	**(11,334,603)**	**408,367**	**154,414,264**	**2,537,505,348**	**2,892,834,112**
Balance as at July 1, 2016	200,914,500	165,340,500	33,091,982	1,502,539	199,935,021	2,566,684,682	2,967,534,203
Transaction with owners, recognised directly in equity							
Cash dividend for the year ended June 30, 2016 at the rate of Re.1.00 per share	-	-	-	-	-	(20,091,450)	(20,091,450)
Total comprehensive income for the Nine Months ended March 31, 2017							
Profit for the period	-	-	-	-	-	38,699,066	38,699,066
Other comprehensive income	-	-	31,802,479	(56,736)	31,745,743	-	31,745,743
	-	-	31,802,479	(56,736)	31,745,743	38,699,066	70,444,809
Effect of items directly recorded in equity of Associated Companies	-	-	-	-	-	(50,316,161)	(50,316,161)
Balance as at March 31, 2017	**200,914,500**	**165,340,500**	**64,894,461**	**1,445,803**	**231,680,764**	**2,534,976,137**	**2,967,571,401**

The annexed notes 1 to 10 form an integral part of this condensed interim consolidated financial information.

Chief Executive Director

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

1. THE GROUP AND ITS OPERATIONS

The Group comprises of SFL Limited (the Holding Company) and its wholly owned Subsidiary Company - SFL Corporation (Private) Limited.

SFL Limited (the Holding Company) was incorporated as public limited company on April 26, 2010 and its shares have been listed on Karachi Stock Exchange Limited (Pakistan Stock Exchange Limited with effect from January 11, 2016). The registered office of the Holding Company is located at 316 - Cotton Exchange Building, I.I. Chundrigar Road, Karachi. The main business of the Holding Company is to invest in the shares of Associated Companies and other business as per the Memorandum of Association of the Holding Company.

SFL Corporation (Private) Limited (the Subsidiary Company) was incorporated as private limited company in Pakistan on October 4, 2011 under the Companies Ordinance, 1984. The address of it's registered office is 307, Cotton Exchange Building, I. I. Chundrigar Road, Karachi. The main business of the Subsidiary Company is to invest in the shares and other business activities as per Memorandum of Association.

2. BASIS OF PREPARATION

This condensed interim consolidated financial information is un-audited and has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984 (the Ordinance). In the case where requirements differ, the provisions of or directives issued under the Ordinance have been followed. This condensed interim consolidated financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the annual consolidated financial statements of the Group for the year ended June 30, 2016.

3. ACCOUNTING POLICIES

The significant accounting policies and the methods of computation adopted in the preparation of this condensed interim consolidated financial information are consistent with those applied in the preparation of annual consolidated financial statements for the year ended June 30, 2016.

There are certain new International Financial Reporting Standards (standards), amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2016. These are considered not to be relevant or to have any significant effect on the Group's financial reporting and operations and are, therefore, not disclosed in this condensed interim consolidated financial information.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of this condensed interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements of the Group for the year ended June 30, 2016.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

5. LONG TERM INVESTMENTS	**Un-audited March 31, 2017 Rupees**	Audited June 30, 2016 Rupees
Associated Companies- Equity method		
Unquoted		
Sapphire Finishing Mills Limited (SFML)		
25,809,000 (June 30, 2016: 25,809,000) ordinary shares of Rs.10 each - **cost**	**258,090,000**	258,090,000
Equity held: 28.05% (June 30, 2016: 28.05%)		
Share of post acquisition profit	**1,047,006,677**	897,330,871
Dividend received during the period / year	**(33,551,700)**	(30,970,800)
	1,271,544,977	1,124,450,071
Sapphire Dairies (Private) Limited (SDL)		
7,000,000 (June 30, 2016: 7,000,000) ordinary shares of Rs.10 each - **cost**	**70,000,000**	70,000,000
Equity held: 6.67% (June 30, 2016: 6.67%)		
Share of post acquisition losses	**(568,549)**	(1,311,112)
	69,431,451	68,688,888
Diamond Fabrics Limited (DFL)		
4,569,000 (June 30, 2016:4,569,000) ordinary shares of Rs.10 each - **cost**	**33,368,238**	33,368,238
Equity held: 30.69% (June 30, 2016: 30.69%)		
Share of post acquisition profit	**1,124,485,478**	1,180,840,402
	1,157,853,716	1,214,208,640
Amer Cotton Mills (Private) Limited (ACML)		
336,000 (June 30, 2016: 336,000) ordinary shares of Rs.10 each - **cost**	**549,305**	549,305
Equity held: 8.40% (June 30, 2016: 8.40%)		
Share of post acquisition profit	**106,672,057**	215,516,075
	107,221,362	216,065,380
Amer Tex (Private) Limited (ATL)		
790,428 (June 30, 2016: 790,428) ordinary shares of Rs.10 each - **cost**	**63,774,203**	63,774,203
Equity held: 14.41% (June 30, 2016: 14.41%)		
Share of post acquisition profit	**68,284,575**	73,952,011
Dividend received during the period / year	**(5,532,996)**	(5,532,996)
	126,525,782	132,193,218
Quoted		
Reliance Cotton Spinning Mills Limited (RCSML)		
557,621(June 30, 2016: 557,621l) ordinary shares of Rs.10 each - **cost**	**37,561,351**	37,561,351
Equity held: 5.42% (June 30, 2016: 5.42%)		
Share of post acquisition profit	**77,885,930**	71,595,301
Dividend received during the period / year	**(2,788,105)**	(2,788,105)
	112,659,176	106,368,547
	2,845,236,464	2,861,974,744

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

6. SHORT TERM INVESTMENTS
- at fair value through profit or loss

Un-audited March 31, 2017	Audited June 30, 2016		Un-audited March 31, 2017	Audited June 30, 2016
- (Number of units / shares) -			Rupees	Rupees
		Mutual fund		
-	197,114.3474	HBL Income Fund	**-**	20,912,610
41,401.0102	-	MCB Pakistan Stock Market Fund	**4,767,940**	-
		Listed companies		
-	50,000	Altern Energy Limited	**-**	1,832,500
20,000	20,000	The Hub Power Company Limited	**2,689,600**	2,401,200
10,000	-	Engro Coporation Limited	**3,680,200**	-
200,000	-	Engro Fertilizer Limited	**15,923,214**	-
61,500	-	Bank Islami Pakistan Limited	**831,938**	-
100,000	-	Aisha Steel Limited	**2,424,012**	-
			30,316,904	**25,146,310**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2017

7. CONTINGENCIES AND COMMITMENTS

There was no known contingency and commitment as at March 31, 2017 and June 30, 2016.

8. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks:credit risk, liquidity risk and market risk (including foreign exchange risk, interest rate risk and price risk).

This condensed interim consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statement as at June 30, 2016.

There have been no changes in the risk management policies since the year end.

9. TRANSACTIONS WITH RELATED PARTIES

There are no transactions with related parties during the current period except for dividend income aggregating Rs.41,872,801 (March 31, 2016: Rs.39,291,901) received from Associated Companies and meeting fee amounting Rs.30,000 (March 31, 2016: Rs. 30,000) paid to a non-executive director.

10. GENERAL

10.1 Figures have been rounded off to the nearest rupee except stated otherwise.

10.2 This condensed interim consolidated financial information has been authorized for issue by the Board of Directors of the Holding Company on April 20, 2017.

Chief Executive　　　　Director

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