



MetaTech

HEALTH LIMITED

Formerly Hashimi Can Company

QUARTERLY REPORT
MARCH 31

2023

CONTENT

1. Vision and Mission Statement
2. Corporate Information
3. Director's Report
4. Statement of Financial Position
5. Statement of Profit and Loss
6. Statement of Cash Flows
7. Statement of Comprehensive Income
8. Statement of Change in Equity
9. Notes to the Financial Statements

Vision Statement

To be the unmatched leader in rendering diversified health care services through sustainable process of economy, efficiency and effectiveness.

Mission Statement

To be innovative, effective and efficient in the field of health care to the benefit of society, we will fairly compete in quality, technology, operational expertise, while ensuring sound financial and sustainable growth of the Company for the sake of its stakeholders and reputation.

Company Information

Board of Directors

1. Dr. Zahid Mahmood	Chairman
2. Mr. Mansoor Ahmed Soomro	Chief Executive Officer
3. Ms. Maaria Ahmad	Non-Executive Director
4. Mr. Sohail Habib	Non-Executive Director
5. Ms. Farzin Khan	Independent Director
6. Mr. Muhammad Iqbal	Independent Director
7. Mr. Usman Ali Shah	Independent Director

Audit Committee

1. Ms. Farzin Khan	Chairman
2. Mr. Mansoor Ahmed Soomro	Member
3. Ms. Maaria Ahmad	Member
4. Mr. Muhammad Usman	Secretary

Human Resource and Remuneration Committee

1. Mr. Muhammad Iqbal	Chairman
2. Mr. Sohail Habib	Member
3. Ms. Maaria Ahmad	Member
4. Mr. Muhammad Usman	Secretary

Company Secretary

Mr. Muhammad Usman

Auditors

Kreston Hyder Bhimji & Co. Chartered Accountant

Legal Advisor

Azzizuddin & Shahid Law Associates

Registrar

Digital Custodian Company Limited
508, LSE Plaza, Kashmir Egerton Road, Lahore

Registered Office

Office # 505, 5TH Floor, LSE Building, Aiwan-e-Iqbal, Lahore.

Directors' Report

The Directors are pleased to present the un-audited Financial Statements of the Company for the nine months' period ending on March 31, 2023.

	March 31, 2023	March 31, 2022
	Rupees	Rupees
Sales	14,216,975	-
Gross Profit	6,415,455	-
Net Profit after tax	(71,188,839)	(953,804)

Currently, the Company is in the process of establishing Dental Studios across the Country. Moreover, the Company has made equity investment of Rs. 300.00 million in Ensmile Limited (for its 1/3rd equity stake). The Company has announced right Sukuk of Rs. 408 million which is on hold by SECP due to various technical/legal reasons. However, Modaraba Al-Mali has provided Rs. 300.00 million (vis-à-vis this right issue) which is subsequently investment in Ensmile Limited as aforementioned. Due to current market conditions the Board of Directors of the Company (and subsequently approved by the shareholders in their meeting (EOGM) held on March 24, 2023) has decided the following:

- Repudiate/ cancel the right Sukuk which is on hold by the SECP;
- Transfer of current Health Care Business (including assets and related liabilities) to Modaraba Al-Mali against the consideration of Rs. 9.00million (approx.).
- Change of Company's name to MetaTech Limited.

As aforementioned, Company is transferring/disposing of 'health care business' to Modaraba Al-Mali. However, it is proposed to initiate trading activities in the Company. It is being proposed to change the principal line of business and accordingly, Clause 3(1) of the Memorandum of Association (principal clause of the business) is being changed to carry on the business of services legally permissible, sale, purchase, import, export and to act as general traders, general order suppliers of products commodities, material legally permissible in any form or shape, manufactured, semi manufactured, raw materials supplied by any company, firm, association of persons, body, whether incorporated or not, individuals, government, semi-government or any local authority, as permissible under law but will not undertake MLM business or akin to that.

ACKNOWLEDGEMENTS

We place on record our gratitude to our stakeholders for their confidence reposed in us and assure them that we are committed to do our best to harness the development path of our Company.



Mansoor Ahmed Soomro
Chief Executive Officer

April 27, 2023
Lahore

METATECH HEALTH LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT MARCH 31, 2023

	Note	UnAudited March 31, 2023	UnAudited June 30, 2022
		Rupees	Rupees
CURRENT ASSETS			
Prepayments, Advances and Others			34,346,314
Refund due from Govt. - net		2,222,780	145,569
Receivable from Modaraba Al-Mali	4	469,688	-
Cash and bank balances		-	144,604,465
		<u>2,692,468</u>	<u>179,096,348</u>
TOTAL ASSETS		<u><u>2,692,468</u></u>	<u><u>179,096,348</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
60,000,000 (2022: 5,000,000) Ordinary shares of Rs. 10/- each		600,000,000	50,000,000
<hr/>			
Issued, subscribed and paid-up-capital		74,324,250	16,335,000
Accumulated (Loss) / Unappropriated profit		(71,631,782)	57,546,307
		<u>2,692,468</u>	<u>73,881,307</u>
CURRENT LIABILITIES			
Short term loan - Unsecured			82,495,877
Trade and other payables			22,719,164
		<u>-</u>	<u>105,215,041</u>
Contingencies and commitments			
TOTAL EQUITY AND LIABILITIES		<u><u>2,692,468</u></u>	<u><u>179,096,348</u></u>
		-	-

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



Chief Executive Officer



Director

METATECH HEALTH LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS-UNAUDITED
FOR THE PERIOD ENDED ON MARCH 31, 2023

	Nine Months Ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- Rupees -----			
Sales - Net	14,216,975	-	3,985,000	-
Cost of Sales	(7,801,520)	-	1,786,895	-
Gross Profit	6,415,455	-	5,771,895	-
Administrative Expenses and others	5			
	(77,453,703)	(953,804)	(19,267,563)	(1,153)
Operating Loss	(71,038,248)	(953,804)	(13,495,668)	(1,153)
Taxation	(150,591)	-	-	-
Loss after Taxation	(71,188,839)	(953,804)	(13,495,668)	(1,153)
Loss per Share	(9.578)	(0.580)	(1.816)	0.000

The annexed notes 1 to 8 form and integral part of these financial statements.



Chief Executive



Director

METATECH HEALTH LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME-UNAUDITED
FOR THE PERIOD ENDED ON MARCH 31, 2023

	Nine Months Ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- Rupees -----			
Loss for the Period	(71,188,839)	(953,804)	(13,495,668)	(1,153)
other Comprehensive Income	-	-	-	-
Total comprehensive Income for the Period	(71,188,839)	(953,804)	(13,495,668)	(1,153)

The annexed notes 1 to 5 form and integral part of these financial statements.



Chief Executive



Director

METATECH HEALTH LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY-UNAUDITED
FOR THE PERIOD ENDED ON MARCH 31, 2023

	Issued, subscribed and paid-up capital	Unappropriated profit / (accumulated loss)	Total
----- Rupees -----			
Balance as at June 30, 2021	16,335,000	57,204,328	73,539,328
Total comprehensive Income for the Period		(953,804)	(953,804)
As at March 31, 2021	16,335,000	56,250,524	72,585,524
Balance as at June 30, 2022	16,335,000	57,546,307	73,881,307
Bonus Shares	57,989,250	(57,989,250)	-
Total comprehensive Income for the Period		(71,188,839)	(71,188,839)
As at March 31, 2023	74,324,250	(71,631,782)	2,692,468

The annexed notes 1 to 5 form and integral part of these financial statements.



Chief Executive

Director

METATECH HEALTH LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS-UNAUDITED
FOR THE PERIOD ENDED ON MARCH 31, 2023

	<u>UnAudited</u> <u>March 31, 2023</u>	<u>UnAudited</u> <u>March 31, 2022</u>
	<u>Rupees</u>	<u>Rupees</u>
Cash Flow from Operating Income		
Loss before Taxation	(71,038,248)	(953,805)
Adjustment for non-cash Charges and Other Items		
Depreciation	124,116	1,160
Operating Loss before Working Capital Changes	(70,914,132)	(952,645)
Working Capital Changes		
Current Liabilities	(105,215,041)	-
Short Term Investments	-	80,000,000
Taxation	(150,591)	-
Prepayments and Others	31,675,299	-
Net Cash Flow from Operations	(144,604,465)	79,047,355
Cash flow from Investing Activities	-	-
Cash flow from Financing Activities	-	-
Net Increase / (Decrease) in Cash	(144,604,465)	79,047,355
Cash and Cash Equivalent at the beginning of the Year	144,604,465	42,237,838
Cash and Cash Equivalent at the Closing of the Year	-	121,285,193

The annexed notes 1 to 5 form and integral part of these financial statements.



Chief Executive



Director

METATECH HEALTH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED ON MARCH 31, 2023

1 NATURE AND STATUS OF BUSINESS

1.1

The Company was incorporated in Pakistan in 1953 as a public Limited Company and its shares were listed on the Karachi (now Pakistan) Stock Exchange Limited. Due to closure of its plant and disposal of manufacturing facilities, the Company had long become a dormant Company. However, during the year, the Board of Directors, while approving the revival business plan, had decided to change the principal business of the Company to operate in the technology-enabled healthcare business & services. The Company's registered office is 508, 5th Floor, LSE Building, Aiwan-e-Iqbal, Lahore.

1.2 Upon the unanimous approval of the revival business plan by the Shareholders, the Company has resumed its commercial / business activities/operations in the new / revised line of business. Furthermore, the Company's name has also been changed to M/s MetaTech Health Limited after approval from the Securities & Exchange Commission of Pakistan as on August 02, 2022.

1.3 Shareholders of the Company in their meeting (EOGM) held on March 24, 2023 has approved the transfer of business (including related liabilities as given in Note-4) against consideration of Rs.469,688/-.

Moreover, shareholders have also given their approval to repudiate/ cancel the right Sukuk which is on hold by the SECP; Moreover, Company's principal clause of business is also changed to accommodate new line of business.

1.2 GOING CONCERN ASSUMPTION

The principal line of business of the company shall be to carry on the business of services legally permissible, sale, purchase, import, export and to act as general traders, general order suppliers of products commodities, material legally permissible in any form or shape, manufactured, semi manufactured, raw materials supplied by any company, firm, association of persons, body, whether incorporated or not, individuals, government, semi-government or any local authority, as permissible under law but will not undertake MLM business or akin to that.

Continuous support from Modaraba Al Mali in the revival of the Company provides a stronger probability for the Company to continue as a going concern and discharge its liabilities in the normal course of business. Accordingly, the going concern assumption used by the Company for the preparation of these Financial Statements seems valid and appropriate.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.

2.3 Significant accounting estimates and

The preparation of financial statements in conformity with the IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In the process of applying the Company's accounting policies, management has made the following estimates and judgments, which are significant to the financial statements:

- i) Determination and measurement of useful life and residual value of property plant and equipment's (note 3.1)
- ii) Income tax (notes 3.3)
- iii) Impairment of non-financial assets (Notes 3.11)
- iv) Provision for trade debts and other receivables (note 3.6)

2.4 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency and rounded to nearest rupee.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented,

3.1 Property, plant and equipment

Owned

These are stated at cost less accumulated depreciation. Depreciation is charged on systemic basis i.e. depreciation is charged yearly to income on reducing balance method, whereby the cost of an asset is written off over its useful life. Depreciation on additions is charged from the year in which the asset put to use while no depreciation is charged in the year in which the assets are disposed off.

Maintenance and normal repairs are charged to the profit and loss, account as and when incurred while cost of major replacements and improvements, if any, are capitalized.

Gain or loss on disposal of fixed assets is taken to income currently.

Leased

Assets held under finance lease are stated at cost, financial charges are allocated to accounting period in a manner so as to provide a constant periodic rate of charge on the

Depreciation is charged on systemic basis i.e. depreciation is charged yearly to income on reducing balance method, Whereby the cost of an asset is written off over its useful life. Depreciation on additions is charged from the year in which the asset put to use while no depreciation is charged in the year in which the asset are disposed off.

3.2 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of the qualifying assets under construction are capitalized and added to the asset's cost until such time the assets are substantially ready for their intended use, i.e., when they are capable of commercial production. All other borrowing costs are recognized as an expense in the income statement in the period in which they are incurred.

3.3 Taxation

a) Current

The provision for income tax is calculated in accordance with the provision of Income Tax Ordinance, 2001.

b) Deferred

Deferred tax is provided by using the statement of financial position liability method on all temporary differences at the balance sheet date arising between the tax base of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available against which the deferred tax asset can be utilized.

3.4 Stores and spares

The items are valued at average cost

3.5 Stock in trade

Stock in trade is stated at lower of cost and net realizable value. The cost is determined using average cost method, and include expenditure in acquiring the stocks, conversion cost and other cost incurred in bringing them to their existing location and condition. Net realizable value signifies the estimated selling price in the ordinary course of business less estimated cost of completion and selling expense. Stock in transit is valued at cost comprising invoice value plus other charges incurred thereon.

3.6 Trade debts-unsecured and considered good

Trade debts are carried at invoice / charge amount which is the fair value less an estimate made for loss on account of doubtful debts based on review of outstanding amounts at year end. Provision is made in respect of those balances having no activity and which are considered doubtful by the management. Balances considered bad and irrecoverable are written off when identified.

3.7 Cash and cash equivalents

For the purposes of cash flow statement, cash and cash equivalents comprise of cash in hand and cash at bank.

3.8 Creditors, provisions and accrued charges

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration paid or payables in the future for goods and services received.

3.10 Revenue recognition

Sales are recorded on dispatch of goods to customers. Service income is recorded on accrual basis.

3.11 Impairment

The carrying amount of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of any asset or group of assets. If any such indication exists, the recoverable amount of the asset is estimated and impairment loss is recognized in the profit and loss account.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

3.12 Provisions

Provisions are recognized when:

- The Company has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- a reliable estimate of the amount can be made.

3.13 Financial instruments

All the financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Any gain or loss on de-recognition of the financial assets and financial liabilities is taken to profit and loss account currently.

3.14 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet where there is a legally enforceable right to setoff the recognized amount and the company intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.15 Foreign currency translation

Transactions in foreign currencies are translated into Pakistan Rupees at the exchange rates prevailing at the date of transactions. Foreign exchange gains and losses, if any, are recognized in the profit and loss account.

3.16 Defined contribution plan

The Company's' provident fund Scheme covers all eligible employees who have completed their qualifying period. The Scheme is administrative by Trustees.

3.17 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities are long term loans, trade and other payables and accrued markup.

METATECH HEALTH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED ON MARCH 31, 2023

	March 31, 2023 Rs.	June 30, 2022 Rs.
4 - Receivable from Modaraba Al-Mali		
Property, Plant and Equipment	14,429,603	-
Trade Receivables	3,400,323	-
Prepayment and Others	4,711,092	-
Cash and Bank	2,113,647	-
Accrued and Other Payable	(25,124,352)	-
Receivable from Modaraba Al-Mali	469,688	-

The Board of Directors in their meeting held on February 23, 2023 and subsequently shareholders in their meeting (EOGM) held on March 24, 2023) has decided to transfer the Metatech Studio Business to Modaraba Al-Mali against the consideration equivalent to net assets being transferred.

Modaraba Al-Mali has provided Rs. 300.00 million (vis-à-vis tis right issue) which is subsequently invested in the equity shares Ensmile Limited. Rs. 300.00 million liability to Modaraba Al-Mali is settled against the shares of Ensmile Limited.

Moreover, the Board of Directors of the Company has also repudiated/ cancelled the right Sukuk which is on hold by the SECP (which is subsequently approved by the shareholders in the aforementioned shareholders' meeting).

5 - Administrative Expenses and others

	March 31, 2023 Rs.	March 31, 2022 Rs.
Salaries and Wages	12,286,740	
Professional and Legal Charges	33,457,208	
Advertising and Marketing	24,740,213	
Rent, rates and taxes	5,386,965	
Depreciation	124,116	1,160
Others	16,596,995	952,644
	(92,592,237)	(953,804)
Dividend Income	13,000,000	
Profit on Bank Deposits	2,138,534	
	15,138,534	-
	(77,453,703)	(953,804)

6- DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company on **April 27,2022**.

7- GENERAL

The figures in these condensed interim financial statements have been rounded off to the nearest Rupee.



Chief Executive Officer



Director



If Undelivered Please Return to:

METATECH HEALTH LIMITED

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MetaTech

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