

At the Heart of the Future

Towards a **Global Consortium**



National Foods Limited
12/CL-6, Claremont Road
Civil Lines, Karachi 75530
www.nfoods.com

Quarterly Report 2024-25



About the Report

Welcome to the National Foods Limited Quarterly Report 2024-25

This Annual Report is a testament to our growth, innovation, and unwavering commitment to excellence. As we continue to expand our global footprint, enhance our product offerings, and build stronger routes to markets, our primary focus remains on enriching the lives of our customers and stakeholders, making every effort to bring comfort and joy to lifestyles.

At the core of our mission is you, our valued stakeholder. This annual report showcases our unwavering commitment to sustainable and ethical business practices that enhance your lives. It reflects our growth and our ambition to go even further in the future.



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At the Heart of Innovation

SEED[®]TABLE

Seed to Table embodies National Foods' visionary stride towards agricultural excellence, facilitated by strategic partnerships and advanced technology integration.

This initiative symbolizes our progressive approach and unyielding dedication, positioning us at the heart of innovation and forefront of agricultural advancements.



Our Story

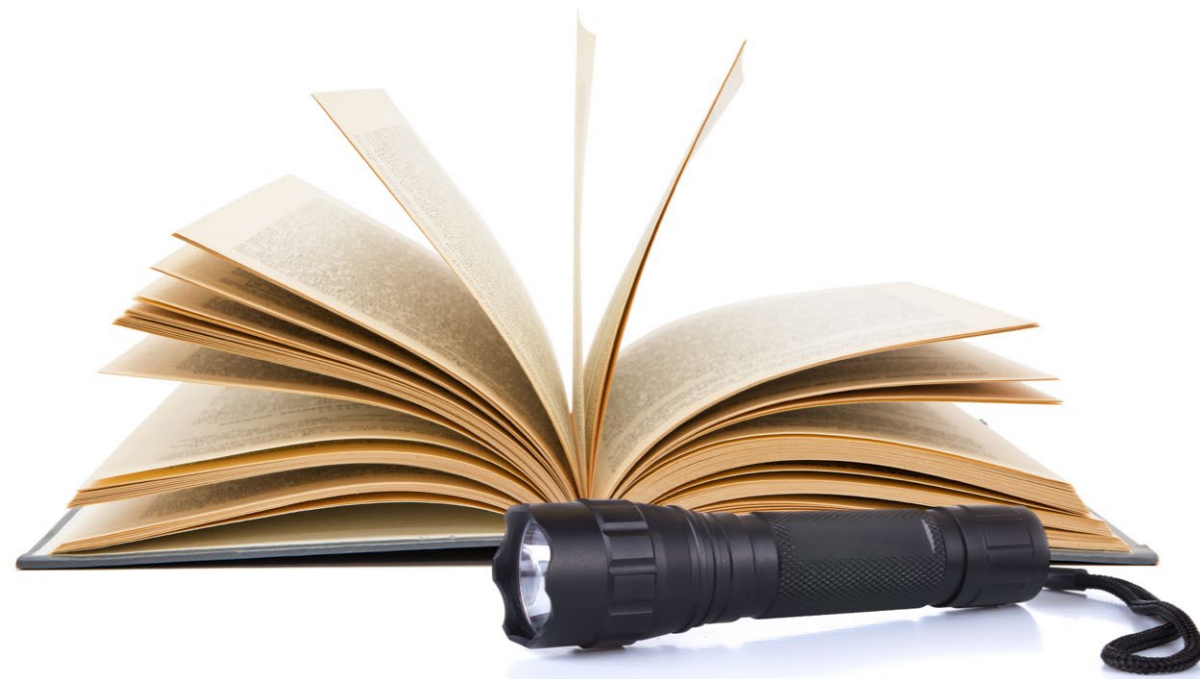
National Foods continues to spread happiness by offering authentic flavors, and re-uniting people with their long standing Pakistani heritage.

We began our journey in 1970 as a spice company with a product that brought the idea of clean and healthy foods to life. Since then, we resolved to make hygienic food, reduce time spent in the kitchens, and foster good health. And on a daily basis, we strive to elevate our communities and create a better lifestyle for those around us.

Since inception in 1970, National Foods has evolved in multiple categories as a leading food manufacturer. We are FSMS (ISO 22000), HALAL . 45001, 14001 , BRC and SEDEX certified along with SAP Business

Technologies to ensure that our customers receive the highest quality products. With a strong commitment to quality and operational excellence, we have integrated our systems with SAP S/4HANA, the latest ERP business suite.

We constantly inspire new traditions and have already successfully expanded our global footprint across 40 countries in 5 continents. At National Foods, we're creating food that enriches the lives of people everywhere.



Business Profile

National Foods Limited has successfully positioned itself as a global player in the food industry, committed to enriching lives everywhere.

The structure comprises of ATC Holdings as the parent company, with its subsidiary National Foods Limited, specializing in offering convenient, healthy, and delicious food choices. To enhance global presence, National Foods DMCC, a Dubai-based subsidiary formed in 2013 for the Middle East, has helped expand our global footprint.

National Epicure Inc. Canada, National Epicure Inc. USA, and National Foods Pakistan UK Limited help us in strategically serving North American and European markets.

In 2017, National Epicure Inc. Canada, made a significant move by acquiring 60% stakes in A-1 Bags and Supplies Inc., a company situated in Canada. A-1 Bags and Supplies Inc. specializes in the distribution of restaurant, industrial, and retail supplies.



Vision

Creating food that enriches the lives of people everywhere.

Mission

We will achieve our vision by designing and manufacturing food and related products, conforming to international standards and guidelines for nutrition, health, wellness and quality, bringing joy and happiness to people everywhere.



Core Values



Passion

Go Above & Beyond



Customer Centric

Prioritize Customer Experience (Internal & External)



Teamwork

Trust Each Other & Achieve Together



Excellence in Execution

Lead, Commit & Deliver the Best



Ownership

Own It & Deliver It

At the Heart of Progress

The establishment of National Foods (FZE) in Sharjah, UAE, signifies new beginnings in our global expansion journey, positioning us at the heart of growth.

As a subsidiary of National Foods DMCC in Dubai, this move propels us forward, extending our manufacturing reach and embracing the spirit of innovation and growth. It opens new pathways in GCC markets, symbolizing our continuous flow towards new horizons.



Company Information

Board of Directors

Mr. Zahid Majeed	Chairman
Mr. Abrar Hasan	Chief Executive Officer
Mr. Ehsan Ali Malik	Independent Director
Mr. Ali H. Shirazi	Independent Director
Mr. Adam Fahy Majeed	Executive Director
Mrs. Saadia Naveed	Non-Executive Director
Mrs. Noreen Hasan	Non-Executive Director

Audit Committee

Mr. Ehsan Ali Malik	Chairman
Mrs. Saadia Naveed	Member
Mrs. Noreen Hasan	Member
Ms. Quratulain Mamsa	Secretary

Human Resources and Remuneration Committee

Mr. Ali H. Shirazi	Chairman
Mrs. Noreen Hasan	Member
Mr. Ehsan Ali Malik	Member
Ms. Asma Yusuf	Secretary

Chief Internal Auditor

Ms. Quratulain Mamsa	EY Ford Rhodes Chartered Accountant
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Management Committee

Mr. Abrar Hasan	Global Chief Executive Officer
Mr. Hasan Sarwat	Chief Operating Officer – Pakistan Operations
Mr. Dominique Charles Silvarelli	Chief Operating Officer - International Division
Syed Farhan Ali Rizvi	Global Chief Financial Officer
Ms. Ivana Bajamic	Global Chief People and Corporate Reputation Officer
Ms. Asma Yusuf	Sr. Director People & Workplace Services
Mr. Saleem Rafi Khilji	Sr. Director Manufacturing
Mr. Ali Rashid Khan	Sr. Director Marketing
Mr. Naveed Zaffar	Sr. Director Sales
Mr. Ahmed Murad Khan	Sr. Director Innovation Research & Development
Mr. Shah Abdullah Raza	Sr. Director Digital, Data & Technology
Mr. Ahmed Salman *	Sr. Director Integrated Supply Chain
Mr. Adnan Naseer Warsi	Director Quality
Mr. Fazal ur Rehman Hajano	Legal Counsel

Company Secretary

Mr. Fazal ur Rehman Hajano

Chief Financial Officer

Syed Farhan Ali Rizvi

* Mr Ahmed Salman resigned as Director Integrated Supply Chain National Foods Limited as at June 30, 2024

Auditors

Messrs. KPMG Taseer Hadi
& Co. Chartered Accountant

Shaikh Sultan Trust Building No. 2,
Beaumont Road, Karachi, 75530.

Share Registration Office

CDC Share Registrar
Services Limited

CDC House, 99-B, Block B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi-74400, Pakistan.
Tel: Customer Support Services (Toll Free) 0800-CDCPL (23275)
Fax: (92-21) 34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

Company Banks

Allied Bank Limited	Habib Bank Limited (UAE)
Askari Bank Limited	Habib Metropolitan Bank Limited
Bank Al Habib Limited	MCB Bank Limited
Bank Alfalah Limited (Islamic Banking Group)	MCB Bank Limited - Dubai
Bank of Montreal	Meezan Bank Limited
Faysal Bank Limited	National Bank of Pakistan
Habib Bank AG Zurich - Dubai	Toronto Dominion Canada Trust Bank
Habib Bank Limited	United Bank Limited
Habib Bank Limited (UK)	

Web Presence:

Updated company information
and the latest Annual Report
can be accessed at: www.nfoods.com



At the Heart of Excellence

Fueled by an investment of PKR 7 billion, the Faisalabad plant is equipped with cutting-edge technology and marks a significant milestone in our pursuit to bring further innovation and quality to the food industry.

With over 600+ jobs creation, it has production capacity of 6,000 tons/month, and houses production of spices, recipe mixes, ketchups, mayonnaise, Chinese sauces, seasonings and Kasuri Methi.



Directors' Report

Fellow Shareholders,

The Directors of National Foods Limited are pleased to present the unaudited financial results of the Company, which include both stand-alone and consolidated financial statements, for the three months ending September 30, 2024.

Business Performance Overview

Economic environment

Pakistan's economy is showing positive momentum in FY 2024-25, with inflation easing to 6.9% in September and a reduction in the policy rate to 17.5%, aimed at boosting growth. GDP growth for FY24 has been revised upward to 2.52%, with a projected growth rate of 3.2% for FY25, indicating improved economic performance. While the trade deficit increased by 4.2%, SBP's foreign reserves remain strong at \$10.7 billion, bolstered by the first tranche of the IMF's \$1 billion from the approved support package of \$7 billion.

Operating and financial performance

Core Business

The Company continued its growth trajectory, posting volume led top-line growth of 23% in Q1 - both in domestic and international markets. Easing out of

Key financial numbers of the Group for the fiscal year are summarized below:

Amounts in PKR Million

	Group			Core Business			A1 Bags & Suppliers Inc.		
	Q1FY25	Q1FY24	Change	Q1FY25	Q1FY24	Change	Q1FY25	Q1FY24	Change
Net sales	23,250	19,954	17%	8,910	7,224	23%	14,340	12,730	13%
Gross profit	6,048	5,411	12%	2,744	2,535	8%	3,304	2,876	15%
Operating profit*	1,555	1,596	-3%	189	415	-55%	1,366	1,180	16%
Net profit after tax**	589	829	-29%	-216	159	-236%	805	670	20%
Earnings per share (Rs)	1.16	2.42		-0.93	0.68				
Gross profit	26.0%	27.1%		30.8%	35.1%		23.0%	22.6%	
Operating profit	6.7%	8.0%		2.1%	5.8%		9.5%	9.3%	
Profit after tax	2.5%	4.2%		-2.4%	2.2%		5.6%	5.3%	

* Excludes other income and other expenses.

** This includes amortization of Rs. 6 million (Q1 FY24: Rs.5 million) on intangible recognized on consolidation of A1 Bags & Suppliers Inc.

*** Group PAT includes A1 at 100% (PAT excluding NCI: 2025 PKR 269 M; 2024 PKR 428M)

**** Group PAT eliminates intercompany dividends of PKR 28M

inflation enabled capturing better share of the consumer wallets leading to volumetric momentum.

The growth on the topline specifically in the domestic market was fostered through healthy trade and marketing investments in the first quarter. Spreading the investments round the year to enable a consistent presence in trade and consumer mindset is critical to enhance our volumetric shares. The Operating Profitability of the business is posting a compression vs last year - on back of depreciation and Net profitability impacted by Finance cost from our Strategic Faisalabad manufacturing facility (went operational during the last year). This investment is aimed at positioning the Company for future success and the reducing policy rates trend will positively impact our bottom line.

The Company remained committed to the investment behind the international business, with Q1 posting a strong topline growth of high double digits.

A1 Bags & Supplies Inc.

Net sales experienced 13% growth across all segments, reflecting the business's positive momentum. Profitability also improved, with Operating Profit growing by 16% and Net Profit by 20%, underscoring the Company's continued success and efficient operations.

Marketing and Promotion:

Recipe Masala

- National Foods launched an impactful campaign highlighting the convenience and authentic taste of "Quick Cook Haleem", boosting consumer interest and awareness.
- The "Karachi Khaas" Range sampling initiative successfully engaged consumers through product distribution and immersive brand experiences.

Sauces (Ketchup):

- National Ketchup strengthened its leadership with a promotional campaign targeting both loyal customers and value-seekers.
- Along with transition towards Faisalabad facility, the business has effectively promoted National Ketchup through school activations, establishing it as a staple lunch item for families.
- Key cluster market activations and the "Khatoon-e-Khaas" CRM portal have successfully driven brand awareness and fostered loyalty among "Ketchup Moms."

Savory Condiments (Pickle):

- National Pickle as the market leader focused on increasing trials through cross-category promotions and strategic bundling in Modern Trade stores.
- Consumer promotion was introduced to attract price-sensitive consumers and drive volume growth.

Spreads (Mayonnaise):

- "Independence Day" activations showcased Classic Mayo through DIY recipes, resulting in high consumer appreciation.
- Nationwide promotions and in-store visibility

efforts increased product off-take and brand awareness for Classic Mayo.

Desserts:

- The launch of the new Custard was supported by promotional displays and a nationwide taste trial campaign to encourage product endorsement.
- A collaborative digital campaign and joint promotion highlighted innovative dessert recipes and incentivized brand switching.

International Division:

- UK: Continued efforts to drive growth in core categories through quarterly promotional initiatives, starting with Recipe Mixes (CP, POSM, instore branding, and demos)
- Canada: Increase footprint in key retailers like FoodBasics, Sobeys East, and SaveOn by participating in quarterly flyer promotions.

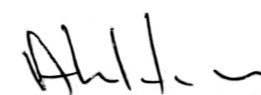
Future Outlook

Pakistan's economy is on a positive trajectory, with indicators pointing towards gradual recovery and stabilization despite uncertainty hovering around the geo-political turbulence. This environment is set to enhance investor confidence and improve consumer purchasing power as inflation rates decline. The management remains committed to drive business fundamentals and improve its market leadership position in all major categories through contingency planning.

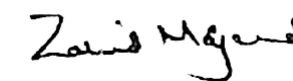
Acknowledgment

I would like to express the Board's sincerest gratitude to all internal and external stakeholders for their continued commitment and trust.

On behalf of the Board of Directors



Chief Executive Officer



Director

ڈائریکٹرز رپورٹ

ساتھی شیئر ہولڈرز،

نیشنل فوڈز لمیٹڈ کے ڈائریکٹرز باسرت 30 ستمبر 2024 کو ختم ہونے والے سہ ماہی کے غیر منسلک شدہ نتائج پیش کر رہے ہیں جس میں دونوں یعنی علیحدہ اور مشترکہ فنانسل اکیٹمنٹس شامل ہیں۔

کاروباری کارکردگی کا جائزہ

معاشی ماحول

پاکستانی معیشت میں مالی سال 2024-2025 میں مثبت تبدیلی دکھائی دے رہی ہے، ستمبر میں مہنگائی کی شرح 6.9% تک کم ہوئی اور شرح سود 17.5% تک گھٹا دی گئی تاکہ ترقی میں تیزی لائی جا سکے۔ مالی سال 2024 کے لیے جی ڈی پی کی شرح میں % 2.52 اضافہ ہوا، جبکہ مالی سال 2025 میں %3.2 تک مزید اضافہ متوقع ہے، جس سے بہتر معاشی کارکردگی ظاہر ہوتی ہے۔ مالی سال کے دوران تجارتی خسارہ 4.2% بڑھا، جبکہ اسٹیٹ بینک کے زرمبادلہ کے ذخائر میں استحکام رہا جو آئی ایم ایف کے منظور شدہ \$7 ارب کے سپورٹ پیکیج سے پہلی قسط 1\$ ارب موصول ہونے کے باعث \$10.7 ارب پر برقرار رہے۔

آپریٹنگ اور مالیاتی کارکردگی

بنیادی کاروبار

کمپنی نے اپنی ترقی کو جاری رکھتے ہوئے پہلی سہ ماہی میں مقامی اور بین الاقوامی دونوں منڈیوں سے %23 ٹاپ لائن نمو حاصل کی۔ مہنگائی میں کمی نے صارفین کے

گروپ کے مالیاتی سال کے اہم مالیاتی اعداد و شمار کا خلاصہ ذیل میں درج ہے:

گروپ	بنیادی کاروبار		اے وِن بیگز اینڈ سپلائرز انکارپوریٹڈ		گروپ					
	تبدیلی	Q1FY2024	Q1FY2025	تبدیلی	Q1FY2024	Q1FY2025	تبدیلی	Q1FY2024	Q1FY2025	
خالص فروخت		23,250	19,954	17%	8,910	7,224	23%	14,340	12,730	13%
مجموعی منافع		6,048	5,411	12%	2,744	2,535	8%	3,304	2,876	15%
عملی منافع*		1,555	1,596	-3%	189	415	-55%	1,366	1,180	16%
خالص منافع بعد از ٹیکس**		589	829	-29%	-216	159	-236%	805	670	20%
آمدنی فی حصص(روپے)		1.16	2.42		-0.93	0.68				
مجموعی منافع		26.0%	27.1%		30.8%	35.1%		23.0%	22.6%	
عملی منافع		6.7%	8.0%		2.1%	5.8%		9.5%	9.3%	
منافع بعد از ٹیکس		2.5%	4.2%		-2.4%	2.2%		5.6%	5.3%	

* دیگر آمدنی اور اخراجات شامل نہیں ہیں۔

** اس میں اے ون بیگز اینڈ سپلائرز انکارپوریشن کی انضمامی عمل کے نتیجے میں شناخت شدہ ناقابل دست اندازی اثاثوں پر 6 ملین روپے (بجلی سہ ماہی مالی سال 2024: 5 ملین روپے) کی اموات/تینش شامل ہے۔

*** گروپ اے ون کو %100 پر شامل کرتا ہے (این سی آئی کے لیکچر پی اے ٹی کے لیکچر پی اے ٹی: مالی سال 2025 میں 269 ملین روپے؛ مالی سال 2024 میں 428 ملین روپے)۔

**** گروپ پی اے ٹی میں 28 ملین روپے کے اندرونی ڈیویڈنڈز ختم کیے گئے ہیں۔

سائز (کیچپ):

- نیشنل کیچپ نے پروموشل کمپین کے ذریعے اپنے اعتماد کرنے والے صارفین اور معیار کی تلاش کرنے والوں کو ہدف بناتے ہوئے مارکیٹ لیڈر شپ کو مضبوط بنایا۔
- فیصل آباد میں سہولیات کی منتقلی کے ساتھ، نیشنل کیچپ نے اسکولوں میں کی جانے والی سرگرمیوں کے ذریعے خود کو ایک اہم لچ آئٹم کے طور پر منوایا۔
- اہم مارکیٹوں میں کی جانے والی سرگرمیوں اور "خاتونِ خاص" سی آر ایم پورٹل نے کامیابی سے برانڈ کی آگاہی میں اضافہ کیا اور "کیچپ مومز" کے لیے صارفین کے بھروسے کو مزید بڑھایا۔

سیوری کنڈمنٹس (اچار):

- نیشنل اچار نے مارکیٹ کا لیڈر ہونے کی حیثیت سے ماڈرن ٹریڈ اسٹورز میں کلر اس کیٹیگری پروموسٹرز اور اسٹریٹجک بنڈلنگ کے ذریعے ٹرانزل میں اضافہ کرنے پر توجہ دی -
- کم قیمتوں کے خواہاں صارفین کو اپنی طرف متوجہ کرنے اور حجم میں اضافے کے لیے صارفین کے لیے پروموشن متعارف کروائی گئی۔

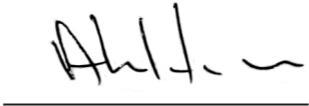
اسپریڈز (مائیونیز):

- “یوم آزادی” کی انیٹیویشن میں کلاسک مایو کوDIY ترکیبوں کے ذریعے متعارف کروایا، جس سے صارفین سے زبردست پذیرائی حاصل ہوئی۔
- ملک بھر میں پروموسٹرز اور اسٹور میں نمایاں طور پر دکھائی دینے کی کاوشوں سے کلاسک مایو کی فروخت میں اضافہ ہوا اور برانڈ کی شناخت کو فروغ ملا۔

ڈیزرٹس :

- نئے کسٹرز کی لانچنگ کو پروموشل ڈسپے اور ملک گیر ٹیسٹ ٹرائل

بورڈ آف ڈائریکٹرز کی جانب سے



چیف ایگزیکٹو آفیسر

کمپین کے ذریعے صارفین کی حمایت حاصل ہوئی۔

- ایک مشترکہ ڈیجیٹل کمپین اور مشترکہ پروموشن نے ٹیٹھے کی جدید ترکیبوں کو نمایاں کیا اور برانڈ سوچنگ کرنے کا رجحان ملا -

انٹرنیشنل ڈویژن:

برطانیہ: سہ ماہی پروموشنل اقدامات کے ذریعے بنیادی کیٹیگریز میں ترقی کی کوششیں جاری ہیں، جس کا آغاز ریپیمی کس سے کیا جا رہا ہے (سی پی، پی او ایس ایم، ان-اسٹور برانڈنگ اور ڈیو کے ذریعے)۔

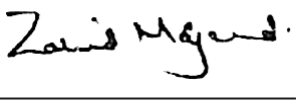
کینیڈا: فوڈیسکس، سویز ایسٹ اور سیو آن جیسے بڑے ریٹیلرز کے ساتھ کاروبار میں قدم جمانے کے لیے سہ ماہی فلائرز پروموشنز میں حصہ لیا گیا۔

مستقبل کا لائحہ عمل:

اکستان کی معیشت ایک مثبت سمت میں گامزن ہے، جہاں پیٹنگوٹی کی جارہی آہستہ آہستہ بحالی اور استحکام کی جانب بڑھنے کے باوجود جغرافیائی سیاسی عدم استحکام کے اثرات موجود ہیں۔ یہ ماحول سرمایہ کاروں کے اعتماد کو بڑھانے اور صارفین کی خریداری کی طاقت میں اضافہ کرنے کے لیے بہترین ہے جب کہ مہنگائی کی شرح کم ہو رہی ہے۔ انتظامیہ کاروباری اصولوں پر عمل پیرا رہتے ہوئے تمام اہم کیٹیگریز میں اپنی مارکیٹ میں لیڈر شپ کو مزید مضبوط کرنے کے لیے پرعزم ہے۔

اعتراف:

ہم بورڈ کی جانب سے مخلصانہ طور پر اپنے اندرونی اور بیرونی حصص دارن کے مسلسل اعتماد اور پرعزم ساتھ پران کا شکریہ ادا کرنا چاہتے ہیں۔



ڈائریکٹر

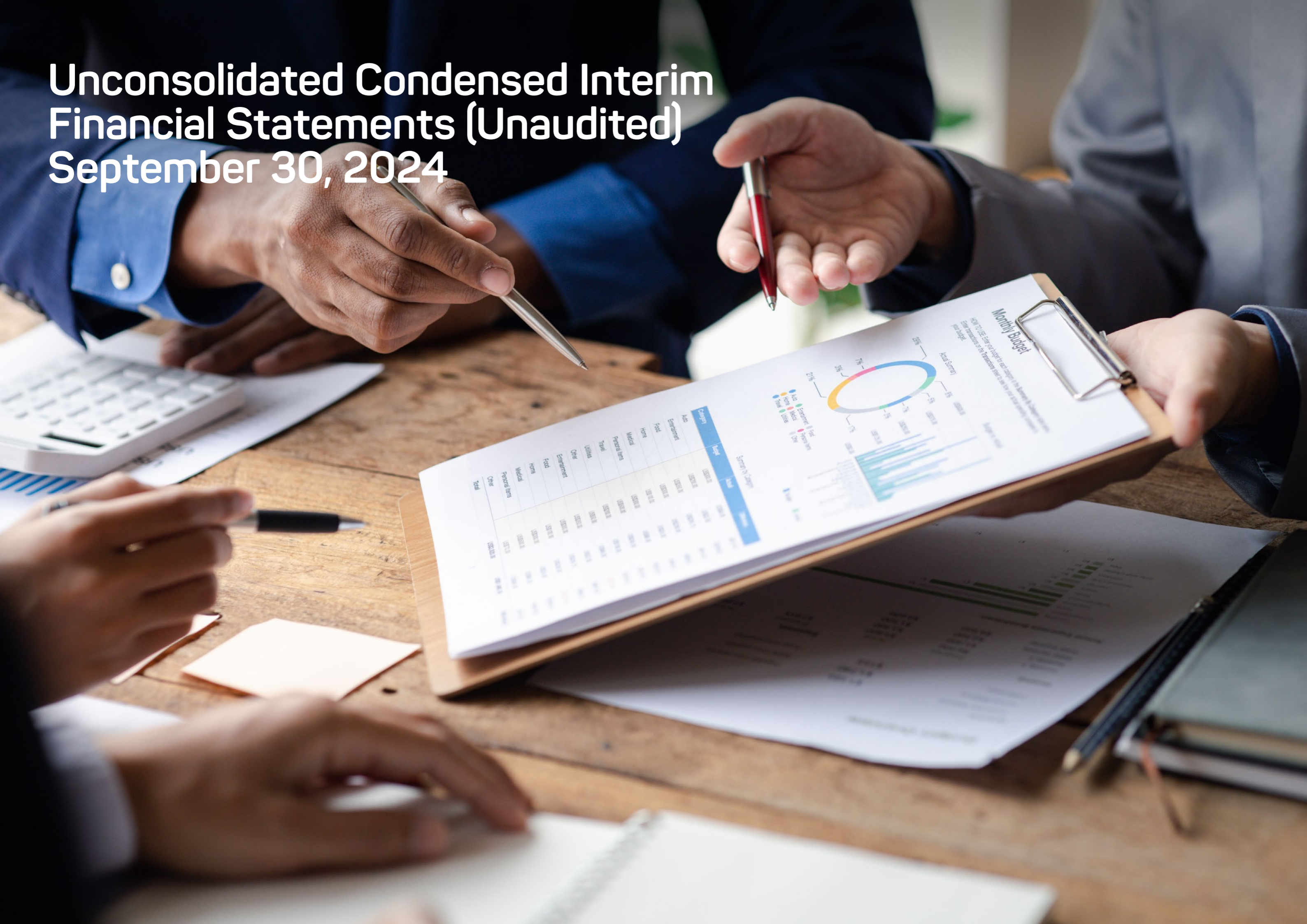
At the Heart of Sustainable Financial Growth

The financial report offers a thorough view of our performance, highlighting key metrics and strategic insights.

The detailed analysis reflects commitment to transparency, showcasing progress, financial health, and the strategic initiatives that continue to drive sustainable growth across the business.



Unconsolidated Condensed Interim Financial Statements (Unaudited) September 30, 2024



Unconsolidated Condensed Interim

Statement of Financial Position (Unaudited)

As at 30 September 2024

	Note	30 September 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)			
ASSETS			
Non-current assets			
Property, plant and equipment	5	11,734,898	11,781,424
Intangibles		275,163	273,167
Long-term investments		31,719	31,719
Long-term deposits		37,227	37,050
		<u>12,079,007</u>	<u>12,123,360</u>
Current assets			
Stores and spare parts		362,029	316,195
Stock-in-trade	6	7,807,998	8,524,856
Trade debts		1,673,463	1,237,991
Advances		320,270	484,684
Deposits and prepayments		143,684	99,972
Short-term investments - at fair value through profit or loss		-	738
Cash and bank balances		1,645,273	4,358,974
		<u>11,952,717</u>	<u>15,023,410</u>
TOTAL ASSETS		<u>24,031,724</u>	<u>27,146,770</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
1,000,000,000 (30 June 2024: 1,000,000,000) ordinary shares of Rs. 5 each		5,000,000	5,000,000
Share capital			
Issued, subscribed and paid-up capital		1,165,576	1,165,576
Revenue Reserve			
Unappropriated profit		6,349,690	6,428,295
		<u>7,515,266</u>	<u>7,593,871</u>
Non - current liabilities			
Long-term finance	7	6,133,305	6,141,638
Lease liabilities		37,026	38,655
Deferred taxation - net		32,917	29,537
Deferred liabilities - for retirement benefits		-	324,352
		<u>6,203,248</u>	<u>6,534,182</u>
Current liabilities			
Trade and other payables		6,918,010	8,118,554
Contract liability		234,991	264,459
Short-term borrowings	8	1,543,006	3,079,997
Unclaimed dividend		22,906	22,906
Long-term finance classified as current - secured	7	33,333	48,333
Current portion of lease liabilities		32,190	29,262
Mark-up accrued on bank borrowings		1,030,980	937,824
Taxation - net		497,794	517,382
		<u>10,313,210</u>	<u>13,018,717</u>
Contingencies and commitments	9		
TOTAL EQUITY AND LIABILITIES		<u>24,031,724</u>	<u>27,146,770</u>

The annexed notes 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Unconsolidated Condensed Interim

Statement of Profit or Loss and Other Comprehensive Income (Unaudited)

For the three months period ended 30 September 2024

	Note	Three month ended 30 September 2024 (Unaudited)	30 September 2023 (Unaudited)
(Rupees in '000)			
Sales - net	10	8,779,580	6,946,399
Cost of sales		(6,242,859)	(4,690,454)
Gross profit		<u>2,536,721</u>	<u>2,255,945</u>
Selling and distribution costs		(1,514,856)	(1,335,497)
Administrative expenses		(737,256)	(641,238)
Operating profit		<u>284,609</u>	<u>279,210</u>
Other expenses		(798)	(24,086)
Other income		143,850	47,236
Finance costs		(443,425)	(213,382)
Profit before final taxes, minimum tax differential and income tax		<u>(15,764)</u>	<u>88,978</u>
Final taxes	11	(16,979)	(8,096)
Minimum Tax differential	12	(27,217)	(24,732)
		<u>(44,196)</u>	<u>(32,828)</u>
Profit before income tax		<u>(59,960)</u>	<u>56,150</u>
Income Tax	13	(18,645)	(991)
Profit for the period		<u>(78,605)</u>	<u>55,159</u>
Other comprehensive income for the period		<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>(78,605)</u>	<u>55,159</u>
(Rupees)			
Earnings per share - basic and diluted	14	<u>(0.34)</u>	<u>0.24</u>

The annexed notes 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Unconsolidated Condensed Interim

Statement of Cash Flows (Unaudited)

For the three months period ended 30 September 2024

Note	Three month ended		
	30 September 2024	30 September 2023	
(Unaudited)			
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	(122,685)	(1226,741)
Finance cost paid		(347,341)	(75,832)
Income taxes paid		(79,049)	(280,892)
Retirement benefits paid		(342,849)	41,527
Long term deposits - net		(177)	2,965
Net cash flows from operating activities		(892,101)	(1,538,973)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(239,638)	(1,063,894)
Purchase of intangible assets		(28,947)	(44,027)
Redemption of short term investment - net		753	655,479
Proceeds from disposal of operating fixed assets		8,185	1,831
Net cash flows from investing activities		(259,647)	(450,611)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of short term borrowings - net		-	(200,000)
Lease rental paid		(1,629)	(2,000)
Proceeds of long term finance - net		(23,333)	(23,334)
Dividends paid		-	(31)
Net cash flows from financing activities		(24,962)	(225,365)
Net increase / (decrease) in cash and cash equivalents		(1,176,710)	(2,214,949)
Cash and cash equivalents at beginning of the period		2,228,977	(2,914,435)
Cash and cash equivalents at end of the period	16	1,052,267	(5,129,384)

The annexed notes 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Unconsolidated Condensed Interim

Statement of Changes in Equity (Unaudited)

For the three months period ended 30 September 2024

	Issued, subscribed and paid-up capital	Revenue reserve - unappropriated profit	Total
	(Rupees in '000)		
Balance as at 1 July 2023	1,165,576	6,096,863	7,262,439
Total comprehensive income for the three months period ended 30 September 2023			
Profit for the period	-	55,159	55,159
Other comprehensive income for the period	-	-	-
	-	55,159	55,159
Total comprehensive income for the nine months period ended 30 June 2024			
Profit for the period	-	1,213,409	1,213,409
Other comprehensive income for the period	-	(4,675)	(4,675)
	-	1,208,734	1,208,734
Transactions with owners recorded directly in equity - distributions			
Final dividend for the year ended 30 June 2023 @ Rs. 2.5 per share	-	(582,788)	(582,788)
Interim dividend for the period ended 31 December 2023 @ Rs. 1.5 per share	-	(349,673)	(349,673)
Balance as at 30 June 2024	1,165,576	6,428,295	7,593,871
Balance as at 1 July 2024	1,165,576	6,428,295	7,593,871
Total comprehensive income for the three months period ended 30 September 2024			
Profit for the period	-	(78,605)	(78,605)
Other comprehensive income for the period	-	-	-
	-	(78,605)	(78,605)
Balance as at 30 September 2024	1,165,576	6,349,690	7,515,266

The annexed notes 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Notes to the Unconsolidated

Condensed Interim Financial Statements (Unaudited)

For the three months period ended 30 September 2024

1. THE COMPANY AND ITS OPERATIONS

1.1 National Foods Limited ("the Company") was incorporated in Pakistan on 19 February 1970 as a private limited company under the Companies Act, 1913 and subsequently converted into a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) by a special resolution passed in the extra ordinary general meeting held on 30 March 1988. The Company is principally engaged in the manufacture and sale of convenience based food products. The Company is listed on Pakistan Stock Exchange. The registered office of the Company is situated at 12 / CL - 6, Claremont Road, Civil Lines, Karachi.

1.2 The ultimate parent entity of the Company is ATC Holdings (Private) Limited based on control model as provided under IFRS 10 - 'Consolidated Financial Statements'.

These financial statements are separate financial statements of the Company in which investment in a subsidiary is accounted for on the basis of cost rather than on the basis of reported results. Consolidated financial statements of the company are prepared separately.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- 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 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except as stated otherwise.

2.3 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistan Rupees which is Company's functional currency. All financial information presented in Pakistan Rupees has been rounded to the nearest thousand of rupees, unless stated otherwise.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2024. However the company has adopted the following:

3.2 The Company has adopted the certain amendments and improvements to approved accounting and reporting standards as applicable in Pakistan which became effective for the current period.. The said amendments did not have any material impact on these unconsolidated condensed interim financial statements.

Management has reviewed the accounting policies and assessed that information given in Note 4 of significant accounting policies as disclosed in the audited annual financial statements as at and for the year ended 30 June 2024 are in line with the amendments. The amendments had no impact on the Company's condensed interim financial statements.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

4.1 The significant estimates and judgements made by the management in applying the Company's accounting policies and the key sources of estimating the uncertainty were the same as those that applied to the audited annual financial statements as at and for the year ended 30 June 2024.

4.2 The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the audited annual financial statements as at and for the year ended 30 June 2024.

Notes to the Unconsolidated

Condensed Interim Financial Statements (Unaudited)

For the three months period ended 30 September 2024

5. PROPERTY, PLANT AND EQUIPMENT

	Note	30 September 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)			
Operating fixed assets	5.1	11,333,095	11,315,472
Capital work in progress	5.2 & 5.4	346,981	403,577
Right-of-use assets		54,822	62,375
		<u>11,734,898</u>	<u>11,781,424</u>

5.1 Following are the additions and disposals of property, plant and equipment during the period:

	Three month ended	
	30 September 2024 (Unaudited)	30 September 2023
(Rupees in '000)		
Additions / transfers from CWIP		
Building	127,707	1,425
Plant and machinery	70,431	48,831
Computer equipment	22,996	20,482
Vehicles	3,872	9,440
Furniture and fittings	11,866	8,690
Office, laboratory and other equipments	59,881	24,471
	<u>296,753</u>	<u>113,339</u>

Additions to operating fixed assets include transfers of Rs. 134.96 million (30 September 2023: Rs. 57.80 million) from capital work in progress balance as at 30 June 2024.

	Three month ended	
	30 September 2024 (Unaudited)	30 September 2023
(Rupees in '000)		
Disposals - Net book value		
Furniture & Fixtures [cost Rs. 7.2 million (30 September 2023: Rs. Nil)]	3,905	-
Office Equipment [cost Rs. 6.3 million (30 September 2023: Rs. 2.4 million)]	517	15
Computer Equipment [cost Rs. 21.3 million (30 September 2023: Rs. 4.2 million)]	257	52
Vehicles [cost Rs. 3.3 million (30 September 2023: Rs. 0.44 million)]	1,329	8

5.2 This includes civil works of Rs. 22 million (30 June 2024: Rs.40 million) and Plant & Machinery and Other Equipments of Rs. 316 million (30 June 2024: Rs. 364 million).

5.3 During the period, Rs. 8 million borrowing cost has been capitalized in Capital Work in Progress.

5.4 This includes borrowing costs amounting to Rs. 7 million (30 June 2024: Rs. 527 million).

6. STOCK-IN-TRADE

	Note	30 September 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)			
Raw materials		2,519,469	3,239,970
Provision for obsolescence	6.1	(95,339)	(96,628)
		<u>2,424,130</u>	<u>3,143,342</u>
Packing materials		1,150,540	850,265
Provision for obsolescence	6.1	(55,638)	(43,416)
		<u>1,094,902</u>	<u>806,849</u>
Work in process		2,954,572	3,264,881
Provision for obsolescence	6.1	(208,040)	(252,042)
		<u>2,746,532</u>	<u>3,012,839</u>
Finished goods		1,650,902	1,663,243
Provision for obsolescence	6.1	(108,468)	(101,417)
		<u>1,542,434</u>	<u>1,561,826</u>
		<u>7,807,998</u>	<u>8,524,856</u>

6.1 During the period, the Company recorded reversal (30 June 2024: charge) of provision for obsolescence of Rs. 26 million (30 June 2024: Rs. 236.68 million) and has written off stocks against provision amounting to Rs. 178 million (30 June 2024: Rs.205.69 million).

7. LONG TERM FINANCE

	Note	30 September 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)			
Secured long-term finances utilised under mark-up arrangements	7.1	6,166,638	6,189,971
Classified under current liability		(33,333)	(48,333)
		<u>6,133,305</u>	<u>6,141,638</u>

Notes to the Unconsolidated

Condensed Interim Financial Statements (Unaudited)

For the three months period ended 30 September 2024

7.1 This represents original long term finance facilities of Rs. 6,000 million obtained from commercial banks. These finances carry markup ranging from 3 months Kibor + 0.2% to 3 months Kibor + 0.4%. The loans are secured by way of hypothecation of Company's present and future fixed assets. Loan tenures range from 5 years to 10 years. These loans are fully repayable in quarterly installments of Rs. 8.33 million, 187.5 million and 187.5 million until November 2029.

8. SHORT TERM BORROWINGS

	Note	30 September 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)			
<i>Conventional</i>			
Running finance under mark up arrangements	8.1	593,006	1,245,302
Export re-finance	8.2	950,000	950,000
<i>Islamic</i>			
Running finance under Musharakah	8.3	-	884,695
		<u>1,543,006</u>	<u>3,079,997</u>

8.1 The facilities for running finance available from various commercial banks are for the purpose of meeting working capital requirements. The effective rates of mark-up on these finances range from 19.55% to 19.64% (30 June 2024: 22.03% to 22.12%) per annum. The facilities are valid upto 30 June 2025 and are generally renewable.

8.2 The Company has short term running finance facility under Export Refinance Scheme of the State Bank of Pakistan from commercial banks. The effective rate of mark-up on this facility is 16% (30 June 2024: 18%) per annum. The facilities offer are valid upto 02 March 2025 and are generally renewable.

8.3 The Company has obtained facilities for short-term finance under Running Musharakah. The effective rate of profit is 19.59% (30 June 2024: 22.07%) per annum. This facility matures within twelve months and is renewable. The facilities offer are valid upto 31 January 2025 and are generally renewable.

8.4 The facilities available from various banks amount to Rs. 9.1 billion (30 June 2024: Rs. 9.1 billion). The arrangements are secured by way of pari-passu charge against hypothecation of Company's current and future movable assets having aggregate charge amounting to Rs. 12.19 billion.

9. CONTINGENCIES AND COMMITMENTS

9.1 There are cases against the Company which are outstanding as at 30 September 2024. The management is confident that the decision will be in favor of the Company.

9.2 The facilities for opening letters of credit amount to Rs. 4.2 billion (30 June 2024: Rs. 4.2 billion) and for letters of guarantee amount to Rs. 1,095 million (30 June 2024: Rs. 1,095 million) as at 30 September 2024 of which the amount remaining unutilized at period end were Rs 3.2 billion (30 June 2024: Rs. 3.6 billion) and 616 million (30 June 2024: Rs. 926 million) respectively. The guarantees have mainly been given to utility companies, Collector of Customs and an oil marketing Company, etc.

9.3 Aggregate commitments for capital expenditure as at 30 September 2024 amount to Rs. 465 million (30 June 2024: Rs. 369 million).

9.4 Aggregate commitments in respect of ujah payments for ijarah financing of motor vehicles from a Modaraba bearing markup rate at three months KIBOR + 1.00% (30 June 2024: three months KIBOR + 0.90%) and from a commercial bank bearing markup rate at three months KIBOR + 0.75% (30 June 2024: three months KIBOR + 1.25%) per annum for rentals payable monthly as at 30 September 2024 amount to:

	30 September 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)		
Not later than one year	452,519	417,451
Later than one year but not later than five years	667,657	768,719
	<u>1,120,176</u>	<u>1,186,170</u>

Total sanctioned facilities from banks amount to Rs. 1.9 billion, out of which Rs. 1.12 billion has been utilized by the company.

10. SALES - NET

	Note	Three month ended 30 September 2024 (Unaudited)	30 September 2023
(Rupees in '000)			
Local sales		11,464,598	9,091,168
Export sales	10.1	1,030,569	638,795
		<u>12,495,167</u>	<u>9,729,963</u>
Less: Sales tax		(1,600,428)	(1,239,825)
		<u>10,894,739</u>	<u>8,490,138</u>
Less:			
- Discount, rebates and allowances		(2,076,134)	(1,371,830)
- Sales return		(39,025)	(171,909)
		<u>(2,115,159)</u>	<u>(1,543,739)</u>
		<u>8,779,580</u>	<u>6,946,399</u>

10.1 Exports sales mainly represents sales made to National Foods DMCC Dubai - a wholly owned subsidiary of the Company.

10.2 Management reviews revenue and other financial results based on major product division. During the three months period ended 30 September 2024, revenue of the Condiments division was Rs. 5,589 million (30 September 2023: Rs. 4,897 million), and Culinary division was Rs. 6,905 million (30 September 2023: Rs. 4,833 million).

Notes to the Unconsolidated

Condensed Interim Financial Statements (Unaudited)

For the three months period ended 30 September 2024

10.3 Revenue is disaggregated by primary geographical market. The Company's customer base is diverse with no single customer accounting for more than 10% of net sales. Sales to domestic customers in Pakistan are 91.75% (30 September 2023: 93.43%) and to customers outside Pakistan are 8.25% (30 September 2023: 6.57%) of the revenue.

11. FINAL TAXES

This represents Final Taxes payable under sections 150 and 154 of Income Tax Ordinance, 2001 (final tax regimes).

12. MINIMUM TAX

This represents portion of minimum tax payable under section 113 of Income Tax Ordinance, 2001.

13. INCOME TAX

Current
Deferred

Three month ended	
30 September 2024	30 September 2023
(Unaudited)	
(Rupees in '000)	
15,267	54,715
3,378	(53,724)
18,645	991

14. EARNINGS PER SHARE - BASIC AND DILUTED

Profit after taxation attributable to ordinary shareholders

Weighted average number of ordinary shares outstanding during the period

Earnings per share - basic and diluted

Three month ended	
30 September 2024	30 September 2023
(Unaudited)	
(Rupees in '000)	
(78,605)	55,159
(Number of shares)	
(In '000)	
233,115	233,115
(Rupees)	
(0.34)	0.24

15. CASH GENERATED FROM OPERATIONS

Profit before taxation

Adjustment for non-cash charges and other items
Depreciation
Amortisation
Depreciation - right of use asset
Gain on disposal of property, plant and equipment
Provision/ (reversal) of provision for slow moving stock
Income from short term investments at FVTPL
Finance cost
Interest expense - right of use asset
Retirement benefits expense

Working capital changes

(Increase) / decrease in current assets

Stores and spare parts
Stock-in-trade
Trade debts
Advances
Deposits and prepayments
Other receivables

Increase / (decrease) in current liabilities

Trade and other payables
Contract liability

16. CASH AND CASH EQUIVALENTS

Cash and bank balances
Running finance

Three month ended	
30 September 2024	30 September 2023
(Unaudited)	
(Rupees in '000)	
(15,764)	88,978
272,600	155,049
26,951	5,673
7,551	1,982
(2,172)	(1,756)
(26,018)	(15,617)
(15)	(10,940)
440,497	212,351
2,928	1,031
18,497	2,632
740,819	350,405
725,055	439,383
(45,834)	(11,847)
742,876	(551,784)
(435,472)	273,296
164,414	(350,066)
(43,712)	(65,231)
-	(79,504)
382,272	(785,136)
(1,200,544)	(830,445)
(29,468)	(50,543)
(1,230,012)	(880,988)
(122,685)	(1,226,741)

Three month ended	
30 September 2024	30 September 2023
(Unaudited)	
(Rupees in '000)	
1,645,273	1,420,153
(593,006)	(6,549,537)
1,052,267	(5,129,384)

Notes to the Unconsolidated

Condensed Interim Financial Statements (Unaudited)

For the three months period ended 30 September 2024

17. RELATED PARTY DISCLOSURE

Related parties comprise the Holding Company, subsidiaries (direct and indirect), key management personnel, staff retirement funds, directors, major shareholders and key management personnel.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, Non-Executive Directors and Departmental Heads to be its key management personnel. Transactions with key management personnel are in accordance with their terms of employment / entitlement. Contribution charged for retirement benefit plan are in accordance with the terms of the service rules / trust deed and actuarial valuation as relevant. Other transactions are in accordance with the agreed terms.

17.1 Balances outstanding

	30 September 2024	30 June 2024
	(Unaudited)	(Audited)
	(Rupees in '000)	
Receivable from the parent company	6,208	5,160
Payable to the parent company	5,629	7,607
Trade receivable from the subsidiary company	1,128,964	679,480
Payable to the subsidiary company	96,168	117,889
Advances to the subsidiary company (for supplies)	718	-
Payable to associated companies	65,074	55,250
Payable to the defined contribution plan	8,924	-

17.2 Transactions during the period

Parent company:

Rental income	909	909
Rental expense	1,254	1,254
Reimbursement of expenses from Parent Company	6,146	2,891

Subsidiary company:

Sale of goods - net	906,742	584,698
Purchase of goods - net	91,427	-

Associated Companies / Undertakings:

Annual subscription	2,520	2,500
Purchases	77,567	45,724

Staff retirement funds:

Expense charged for defined contribution plan	38,348	27,402
Payment to defined contribution plan	29,424	27,402
Charge during the period to the defined benefit plan	18,497	2,632
Payment during the period to the defined benefit plan	342,848	2,632

Key management personnel and their family members:

Salaries and other short-term employee benefits	324,033	258,609
Reimbursement of expenses	9,702	9,402
Directors' Fee	3,300	950
Contribution to the Provident Fund	10,592	7,506

18. GENERAL

These unconsolidated condensed interim financial statements were authorised for issue by the Board of Directors in their meeting held on 15 October 2024.



Chief Executive Officer



Chief Financial Officer



Director

	Three month ended 30 September 2024	30 September 2023
	(Unaudited)	
	(Rupees in '000)	
Parent company:		
Rental income	909	909
Rental expense	1,254	1,254
Reimbursement of expenses from Parent Company	6,146	2,891
Subsidiary company:		
Sale of goods - net	906,742	584,698
Purchase of goods - net	91,427	-
Associated Companies / Undertakings:		
Annual subscription	2,520	2,500
Purchases	77,567	45,724
Staff retirement funds:		
Expense charged for defined contribution plan	38,348	27,402
Payment to defined contribution plan	29,424	27,402
Charge during the period to the defined benefit plan	18,497	2,632
Payment during the period to the defined benefit plan	342,848	2,632
Key management personnel and their family members:		
Salaries and other short-term employee benefits	324,033	258,609
Reimbursement of expenses	9,702	9,402
Directors' Fee	3,300	950
Contribution to the Provident Fund	10,592	7,506

Consolidated Condensed Interim Financial Statements (Unaudited) 30 September 2024



Consolidated Condensed Interim

Statement of Financial Position (Unaudited)

As at 30 September 2024

	Note	30 September 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)			
ASSETS			
Non-current assets			
Property, plant and equipment	5	18,931,201	19,196,344
Intangibles and goodwill		1,549,641	1,543,624
Long-term deposits		37,227	37,050
Deferred taxation - net		39,179	33,372
		<u>20,557,248</u>	<u>20,810,390</u>
Current assets			
Stores and spare parts		362,029	316,195
Stock-in-trade	6	14,308,060	13,802,201
Trade debts		3,559,578	3,240,433
Advances		540,134	575,375
Deposits and prepayments		2,012,916	1,612,568
Other receivables		15,176	55,961
Short-term investments - at fair value through profit or loss		-	738
Cash and bank balances		1,818,359	4,832,346
		<u>22,616,252</u>	<u>24,435,817</u>
TOTAL ASSETS		<u>43,173,500</u>	<u>45,246,207</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital		5,000,000	5,000,000
1,000,000,000 (30 June 2024: 1,000,000,000) ordinary shares of Rs. 5 each			
Share capital			
Issued, subscribed and paid-up capital		1,165,576	1,165,576
Revenue Reserve			
Unappropriated profit		9,981,236	9,711,611
Foreign exchange translation reserve		1,076,538	956,749
Equity attributable to owners of the Company		<u>12,223,350</u>	<u>11,833,936</u>
Non-controlling interest		2,566,468	2,222,085
Total equity		<u>14,789,818</u>	<u>14,056,021</u>
Non - current liabilities			
Long-term finance	7	6,753,237	6,717,423
Lease liabilities		4,305,891	4,598,366
Deferred taxation - net		-	-
Deferred liabilities - for retirement benefits		47,528	370,606
		<u>11,106,656</u>	<u>11,686,395</u>
Current liabilities			
Trade and other payables		10,621,192	11,949,269
Contract liabilities		285,171	308,907
Short-term borrowings	8	2,955,905	4,055,513
Long-term finance classified as current - secured	7	323,584	293,616
Current portion of lease liabilities		1,212,643	1,239,268
Mark-up accrued on bank borrowings		1,030,980	937,824
Unclaimed dividend		22,906	22,906
Taxation - net		824,645	696,488
		<u>17,277,026</u>	<u>19,503,791</u>
Contingencies and commitments	9		
TOTAL EQUITY AND LIABILITIES		<u>43,173,500</u>	<u>45,246,207</u>

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Consolidated Condensed Interim

Statement of Profit or Loss and Other Comprehensive Income (Unaudited)

For the three months period ended 30 September 2024

	Note	Three month ended 30 September 2024 (Unaudited)	30 September 2023 (Unaudited)
(Rupees in '000)			
Sales - net	10	23,249,603	19,954,264
Cost of sales		(17,201,992)	(14,542,824)
Gross profit		<u>6,047,611</u>	<u>5,411,440</u>
Selling and distribution costs		(3,216,950)	(2,812,656)
Impairment loss on trade debts		(22,967)	(22,597)
Administrative expenses		(1,253,157)	(980,586)
Operating profit		<u>1,554,537</u>	<u>1,595,601</u>
Other expenses		(3,624)	(24,086)
Other income		128,646	40,193
Finance costs		(753,761)	(466,205)
Profit before final taxes, minimum tax differential and income tax		<u>925,798</u>	<u>1,145,503</u>
Final taxes		(16,979)	(8,096)
Minimum Tax differential		(27,217)	(24,732)
		<u>(44,196)</u>	<u>(32,828)</u>
Profit before income tax		<u>881,602</u>	<u>1,112,675</u>
Income Tax	11	(292,504)	(283,294)
Profit for the period		<u>589,097</u>	<u>829,381</u>
Other comprehensive income for the period			
Items that may be reclassified subsequently to profit or loss:			
Foreign operations - Exchange differences on translation of foreign operations		152,501	(86,536)
Total comprehensive income for the period		<u>741,599</u>	<u>742,845</u>
Profit attributable to:			
Owners of the Holding Company		269,626	563,841
Non-controlling interest		319,472	265,540
		<u>589,097</u>	<u>829,381</u>
Total comprehensive income attributable to:			
Owners of the Holding Company		389,415	513,155
Non-controlling interest		352,184	229,690
		<u>741,599</u>	<u>742,845</u>
(Rupees)			
Earnings per share - basic and diluted	12	<u>1.16</u>	<u>2.42</u>

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Consolidated Condensed Interim

Statement of Cash Flows (Unaudited)

For the three months period ended 30 September 2024

Note	Three month ended		
	30 September 2024	30 September 2023	
(Unaudited)			
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	13	57,658	(1,107,417)
Finance cost paid		(652,139)	(328,655)
Income tax paid		(217,235)	(666,059)
Retirement benefits obligations paid		(342,849)	41,526
Deferred assets		-	-
Long term deposits		(177)	2,965
Net cash generated from operating activities		(1,154,742)	(2,057,640)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(369,830)	(3,737,579)
Proceeds from disposal of fixed assets		8,185	1,831
Purchase of intangible assets		(28,947)	(44,027)
Redemption of short term investment - net		753	655,479
Net cash used in investing activities		(389,839)	(3,124,296)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of short term borrowings - net		387,084	943,771
Repayment of long term finance - net		55,946	170,457
Lease rental paid		(386,705)	2,074,757
Dividend paid		(7,756)	(8,335)
Net cash from / (used in) financing activities		48,569	3,180,650
Net increase in cash and cash equivalents		(1,496,012)	(2,001,286)
Cash and cash equivalents at beginning of the year		2,123,736	(2,392,534)
Currency translation difference on cash and cash equivalents		(25,102)	(9,726)
Cash and cash equivalents at end of the year	14	602,622	(4,403,546)

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Consolidated Condensed Interim

Statement of Changes in Equity (Unaudited)

For the three months period ended 30 September 2024

	Attributable to shareholders of the Parent Company				Non controlling interest	Total Equity
	Share capital	Retained earnings	Foreign currency translation reserve	Sub-total		
(Rupees in '000)						
Balance as at 1 July 2023	1,165,576	8,738,565	1,270,516	11,174,657	1,780,155	12,954,812
Total comprehensive income for the three months period ended 30 September 2023						
Profit for the period	-	563,841	-	563,841	265,540	829,381
Other comprehensive income for the period	-	-	(50,686)	(50,686)	(35,850)	(86,536)
	-	563,841	(50,686)	513,155	229,690	742,845
Total comprehensive income for the nine months period ended 30 June 2024						
Profit for the period	-	1,346,341	-	1,346,341	619,188	1,965,529
Other comprehensive income for the period	-	(4,675)	(263,081)	(267,756)	(26,843)	(294,599)
	-	1,341,666	(263,081)	1,078,585	592,345	1,670,930
Transaction with owners						
Final cash dividend for the year ended 30 June 2023 @ Rs. 2.5 per ordinary share	-	(582,788)	-	(582,788)	-	(582,788)
Interim cash dividend for the period ended 31 December 2023 @ Rs. 1.5 per share	-	(349,673)	-	(349,673)	-	(349,673)
Dividend paid to NCI	-	-	-	-	(380,105)	(380,105)
Balance as at 30 June 2024	1,165,576	9,711,611	956,749	11,833,936	2,222,085	14,056,021
Balance as at 1 July 2024	1,165,576	9,711,611	956,749	11,833,936	2,222,085	14,056,021
Total comprehensive income for the period ended 30 September 2024						
Profit for the period	-	269,626	-	269,626	319,472	589,097
Other comprehensive income for the period	-	-	119,789	119,789	32,712	152,501
	-	269,626	119,789	389,415	352,184	741,598
Dividend paid to NCI	-	-	-	-	(7,801)	(7,801)
Balance as at 30 September 2024	1,165,576	9,981,237	1,076,538	12,223,351	2,566,468	14,789,819

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Notes to the Consolidated

Condensed Interim Financial Statements (Unaudited)

For the three months period ended 30 September 2024

1. THE COMPANY AND ITS OPERATIONS

1.1 The group consists of:

- i) Parent Company - National Foods Limited
- ii) Subsidiary Company - National Foods DMCC, Dubai, United Arab Emirates.

National Foods Limited

National Foods Limited ("Parent Company") was incorporated in Pakistan on February 19, 1970 as a private limited company under the Companies Act, 1913 and subsequently converted into a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) by special resolution passed in the extra ordinary general meeting held on 30 March 1988. The Holding Company is principally engaged in the manufacture and sale of convenience based food products. The Company is listed on Pakistan Stock Exchange. The registered office of the Parent Company is situated at 12 / CL - 6, Claremont Road, Civil Lines, Karachi.

1.2 The ultimate parent entity of the National Foods Limited is ATC parents (Private) Limited based on control model as provided under IFRS10 - 'Consolidated Financial Statements'.

1.3 Details of the subsidiary companies are as follows:

National Foods DMCC

The Parent Company has a wholly owned (100%) subsidiary which was set up in United Arab Emirates in 2012 and is carried at cost. The subsidiary was formed as a limited liability company and commenced operations from March 2013. National Foods DMCC (NF DMCC) was registered on 7 November 2012 in Dubai Multi Commodities Centre ("DMCC") pursuant to Dubai (DMCC) Law No. 4 of 2001 and operates in the United Arab Emirates ("UAE") under a trade license issued by DMCC. The registered address of the Company is Unit No. 2404-19, Reef Tower, Plot No. JLT-Ph 2-01A, Jumeirah Lake Towers, Dubai, United Arab Emirates."

The primary objective of NF DMCC is to boost export sales of its parent company through trading in food stuff and other services. NF DMCC also has following two wholly owned direct subsidiaries and one new established subsidiary, two indirect subsidiaries of the group Company as follows:

National Foods Pakistan (UK) Limited

National Foods Pakistan (UK) Limited was incorporated in United Kingdom on 29 May 2013 as a private company under the UK Companies Act, 2006. The company is a wholly owned subsidiary of National Foods DMCC and will be principally engaged in the trading of food products, although currently it is not operational.

National Epicure Inc.

National Epicure Inc. ("NEI") was incorporated in Canada on 16 October 2013 under the Canada Business Corporations Act. NEI is a wholly owned subsidiary of National Foods DMCC and is principally engaged in the trading of food products. NEI is the holding company of A-1 Bags & Supplies Inc. and National Epicure USA Inc. as mentioned below.

A-1 Bags & Supplies Inc.

A-1 Bags & Supplies Inc. was incorporated under the Business Corporations Act of Ontario on March 14, 2001. National Epicure Inc. acquired 60% parent in A-1 Bags and Supplies Inc. in the year 2017 and is principally engaged in distribution and wholesale of food products, disposables, janitorial and sanitation products.

National Epicure USA Inc.

National Epicure USA Inc. was incorporated in USA on 1 December 2021 under the General Corporation Law of the State of Delaware, USA with an authorized share capital of 500 shares with a par value of \$0.0001 per share. Shares have not yet been issued by this entity and has not commenced its operations. The company is a subsidiary of National Epicure Inc - Canada.

National Foods (FZE).

National Foods (FZE) has been established in Sharjah, United Arab Emirates on 23 November 2023. The company is a wholly owned subsidiary of National Foods DMCC and will be principally engaged in the manufacturing of food products, although the entity has not commenced its operations.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- 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 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These consolidated condensed interim financial statements do not include all the informations and disclosures required for annual consolidated financial statements and should be read in conjunction with the audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2024.

2.3 Basis of consolidation

2.3.1 The condensed interim financial statements of the subsidiary company has been consolidated on line by line basis. The carrying value of investments held by the holding company is eliminated against the subsidiary's share capital and pre-acquisition reserve.

Notes to the Consolidated

Condensed Interim Financial Statements (Unaudited)

For the three months period ended 30 September 2024

2.3.2 Non-controlling interest has been presented as a separate line item in these consolidated condensed interim financial statements. All material intercompany transactions/ balances have been eliminated.

2.4 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistan Rupees which is Group's functional currency. All financial information presented in Pakistan Rupees has been rounded to the nearest thousand of rupees, unless stated otherwise.

3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these consolidated condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, 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 the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimating the uncertainty were the same as those that applied to the audited annual consolidated financial statements as at and for the year ended 30 June 2024.

The financial risk management objectives and policies adopted by the Group are consistent with those disclosed in the audited annual consolidated financial statements as at and for the year ended 30 June 2024.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 The accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Group for the year ended 30 June 2024. However the company has adopted the following:

4.2 The Group has adopted the certain amendments and improvements to approved accounting and reporting standards as applicable in Pakistan which became effective for the current period. The said amendments did not have any material impact on these consolidated condensed interim financial statements.

Management has reviewed the accounting policies and assessed that information given in Note 4 of material accounting policies as disclosed in the audited annual consolidated financial statements as at and for the year ended 30 June 2024 are in line with the amendments. The amendments had no impact on these consolidated condensed interim financial statements.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	30 September 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)			
Operating fixed assets	5.1	13,499,204	13,138,271
Capital work-in-progress	5.2 & 5.4	346,981	403,577
Right-of-use assets	5.5	5,085,016	5,654,496
		<u>18,931,201</u>	<u>19,196,344</u>

5.1 Following are the additions and disposals of property, plant and equipment during the period:

	Three month ended 30 September 2024 (Unaudited)	30 September 2023
(Rupees in '000)		
Additions / transfers from CWIP		
Building on leasehold land	215,134	99,084
Plant and machinery	70,431	48,831
Computer equipment	30,364	36,013
Vehicles	3,872	62,618
Furniture and fittings	36,401	99,537
Office, laboratory and other equipments	67,602	46,515
	<u>423,805</u>	<u>392,598</u>

Additions to operating fixed assets include transfers of Rs. 134.96 million (30 September 2023: Rs. 57.80 million) from capital work in progress balance as at 30 June 2024.

	Three month ended 30 September 2024 (Unaudited)	30 September 2023
(Rupees in '000)		
Disposals - Net book value		
Furniture & Fixtures [cost Rs. 7.2 million (30 September 2023: Rs. Nil)]	3,905	-
Office Equipment [cost Rs. 6.3 million (30 September 2023: Rs. 2.4 million)]	517	15
Computer Equipment [cost Rs. 21.3 million (30 September 2023: Rs. 4.2 million)]	257	52
Vehicles [cost Rs. 3.3 million (30 September 2023: Rs. 0.44 million)]	1,329	8

Notes to the Consolidated

Condensed Interim Financial Statements (Unaudited)

For the three months period ended 30 September 2024

5.2 This includes civil works of Rs. 22 million (30 June 2024: Rs.40 million) and Plant & Machinery and Other Equipments of Rs. 316 million (30 June 2024: Rs. 364 million).

5.3 During the period, Rs. 8 million borrowing cost has been capitalized in Capital Work in Progress.

5.4 This includes borrowing costs amounting to Rs. 7 million (30 June 2024: Rs. 527 million)

5.5 Right-of-use Assets

	30 September 2024			
	Properties	Equipments	Vehicles	Total
	(Rupees in '000)			
Balance at 1 July 2024				
Cost	7,043,607	48,698	135,916	7,228,221
Accumulated depreciation	(2,300,370)	(31,121)	(87,514)	(2,419,005)
Net exchange difference	795,582	3,512	46,186	845,280
Net book value	5,538,819	21,089	94,588	5,654,496
Additions during the period	-	-	-	-
Charge for the period	312,688	937	13,109	326,734
Balance at 30 September 2024	5,851,507	22,026	107,697	5,981,230
Effect of movements in exchange rates	(850,014)	(20,970)	(25,230)	(896,214)
Net Book Value at 30 September 2024	5,001,493	1,055	82,467	5,085,016
	30 June 2024			
	Properties	Equipments	Vehicles	Total
	(Rupees in '000)			
Balance at 1 July 2023				
Cost	3,097,823	20,029	119,439	3,237,291
Accumulated depreciation	(1,223,957)	(17,683)	(33,919)	(1,275,559)
Net exchange difference	1,047,467	3,769	53,360	1,104,596
Net book value	2,921,333	6,115	138,880	3,066,328
Additions	3,945,784	28,669	16,477	3,990,930
Charge for the period	(1,076,413)	(13,438)	(53,595)	(1,143,446)
Balance at 30 June 2024	5,790,704	21,346	101,762	5,913,812
Effect of movements in exchange rates	(251,885)	(257)	(7,174)	(259,316)
Net Book Value at 30 June 2024	5,538,819	21,089	94,588	5,654,496

6. STOCK-IN-TRADE

Note	30 September 2024 (Unaudited)	30 June 2024 (Audited)
	(Rupees in '000)	
Raw materials	2,528,673	3,239,970
Provision for obsolescence	(95,339)	(96,628)
	2,433,334	3,143,342
Packing materials	1,150,540	850,265
Provision for obsolescence	(55,638)	(43,416)
	1,094,902	806,849
Work-in-process	2,954,572	3,264,881
Provision for obsolescence	(208,040)	(252,042)
	2,746,532	3,012,839
Finished goods	8,148,186	7,135,730
Provision for obsolescence	(114,894)	(296,559)
	8,033,292	6,839,171
	14,308,060	13,802,201

6.1 During the period, the Company recorded reversal (30 June 2024: charge) of provision for obsolescence of Rs. 26 million (30 June 2024: Rs. 236.68 million) and has written off stocks against provision amounting to Rs. 178 million (30 June 2024: Rs.205.69 million).

7. LONG TERM FINANCE

Note	30 September 2024 (Unaudited)	30 June 2024 (Audited)
	(Rupees in '000)	
Local currency	6,166,638	6,189,971
Foreign currency	910,183	821,068
	7,076,821	7,011,039
Classified under current liability	(323,584)	(293,616)
	6,753,237	6,717,423

7.1 This represents original long term finance facilities of Rs. 6,000 million obtained from commercial banks. These finances carry markup ranging from 3 months Kibor + 0.2% to 3 months Kibor + 0.4%. The loans are secured by way of hypothecation of Company's present and future fixed assets. Loan tenures range from 5 years to 10 years. These loans are fully repayable in quarterly installments of Rs. 8.33 million, 187.5 million and 187.5 million until November 2029.

Notes to the Consolidated

Condensed Interim Financial Statements (Unaudited)

For the three months period ended 30 September 2024

8. SHORT TERM BORROWINGS

	Note	30 September 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)			
<i>Conventional - local currency</i>			
Running finance under mark up arrangements	8.1	593,006	1,245,302
Export re-finance	8.2	950,000	950,000
<i>Conventional - foreign currency</i>			
Demand operating loan		765,081	264,217
Running finance		622,731	578,613
Short term loan		25,087	132,686
<i>Islamic</i>			
Running finance under Musharakah	8.3	-	884,695
		<u>2,955,905</u>	<u>4,055,513</u>

8.1 The facilities for running finance available from various commercial banks are for the purpose of meeting working capital requirements. The effective rates of mark-up on these finances range from 19.55% to 19.64% (30 June 2024: 22.03% to 22.12%) per annum. The facilities are valid upto 30 June 2025 and are generally renewable.

8.2 The Company has short term running finance facility under Export Refinance Scheme of the State Bank of Pakistan from commercial banks. The effective rate of mark-up on this facility is 16% (30 June 2024: 18%) per annum. The facilities offer are valid upto 02 March 2025 and are generally renewable.

8.3 The Company has obtained facilities for short-term finance under Running Musharakah. The effective rate of profit is 19.59% (30 June 2024: 22.07%) per annum. This facility matures within twelve months and is renewable. The facilities offer are valid upto 31 January 2025 and are generally renewable.

8.4 The facilities available from various banks amount to Rs. 9.1 billion (30 June 2024: Rs. 9.1 billion). The arrangements are secured by way of pari-passu charge against hypothecation of Company's current and future movable assets having aggregate charge amounting to Rs. 12.19 billion.

9. CONTINGENCIES AND COMMITMENTS

9.1 There are cases against the Company which are outstanding as at 30 September 2024. The management is confident that the decision will be in favor of the Company.

9.2 The facilities for opening letters of credit amount to Rs. 4.2 billion (30 June 2024: Rs. 4.2 billion) and for letters of guarantee amount to Rs. 1,095 million (30 June 2024: Rs. 1,095 million) as at 30 September 2024 of which the amount remaining unutilized at period end were Rs 3.2 billion (30 June 2024: Rs. 3.6 billion) and 616 million (30 June 2024: Rs. 926 million) respectively. The guarantees have mainly been given to utility companies, Collector of Customs and an oil marketing Company, etc.

9.3 Aggregate commitments for capital expenditure as at 30 September 2024 amount to Rs. 465 million (30 June 2024: Rs. 369 million).

9.4 Aggregate commitments in respect of ujarah payments for ijarah financing of motor vehicles from a Modaraba bearing markup rate at three months KIBOR + 1.00% (30 June 2024: three months KIBOR + 0.90%) and from a commercial bank bearing markup rate at three months KIBOR + 0.75% (30 June 2024: three months KIBOR + 1.25%) per annum for rentals payable monthly as at 30 September 2024 amount to:

	30 September 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)		
Not later than one year	452,519	417,451
Later than one year but not later than five years	667,657	768,719
	<u>1,120,176</u>	<u>1,186,170</u>

Total sanctioned facilities from banks amount to Rs. 1.9 billion, out of which Rs. 1.12 billion has been utilized by the company.

10. SALES - NET

	Three month ended 30 September 2024 (Unaudited)	30 September 2023 (Unaudited)
(Rupees in '000)		
Gross sales		
Local sales	11,464,948	9,091,168
Export sales	16,294,079	14,413,135
	<u>27,759,027</u>	<u>23,504,303</u>
Sales tax	(2,297,610)	(1,858,348)
	<u>25,461,417</u>	<u>21,645,955</u>
Less:		
Discount rebates and allowances	(2,172,789)	(1,518,141)
Sales return	(39,025)	(173,550)
	<u>(2,211,814)</u>	<u>(1,691,691)</u>
	<u>23,249,603</u>	<u>19,954,264</u>

10.1 Revenue is disaggregated by primary geographical market.

10.2 Management reviews revenue and other financial results based on major product division. During the three months period ended 30 September 2024, revenue of the Condiments division was Rs. 5,696 million (30 September 2023: Rs. 5,046 million), and Culinary division was Rs. 7,053 million (30 September 2023: Rs. 5,112 million). Revenue from A1 amounted to Rs. 15,038 million (30 September 2023: Rs. 13,348 million).

Notes to the Consolidated

Condensed Interim Financial Statements (Unaudited)

For the three months period ended 30 September 2024

11. FINAL TAXES

This represents Final Taxes payable under sections 150 and 154 of Income Tax Ordinance, 2001 (final tax regimes).

12. MINIMUM TAX

This represents Final Taxes payable under sections 150 and 154 of Income Tax Ordinance, 2001 (final tax regimes).

13. INCOME TAX

Note	Three month ended	
	30 September 2024	30 September 2023
	(Unaudited)	
	(Rupees in '000)	
Current	289,126	337,018
Deferred	3,378	(53,724)
	<u>292,504</u>	<u>283,294</u>

14. EARNINGS PER SHARE

Profit after taxation attributable to owners of the Parent Company

	Three month ended	
	30 September 2024	30 September 2023
	(Unaudited)	
	(Rupees in '000)	
	269,626	563,841

Weighted average number of ordinary shares outstanding during the period

	Three month ended	
	30 September 2024	30 September 2023
	(Unaudited)	
	(Number of shares)	
	(In '000)	
	233,115	233,115

Earning per share - basic and diluted

	Three month ended	
	30 September 2024	30 September 2023
	(Unaudited)	
	(Rupees)	
	1.16	2.42

15. CASH GENERATED FROM OPERATIONS

Profit before taxation

Adjustments for non-cash charges and other items

Depreciation

Amortisation

Depreciation - right of use asset

Gain on disposal of fixed assets

Reversal of provision for slow moving stock

Impairment on long term investment

Income from short term investments at FVTPL

Finance cost

Interest expense - right of use asset

Provision for doubtful debts

Retirement benefits expense

Working capital changes

(Increase) in current assets

Stores and spare parts

Stock-in-trade

Trade debts

Advances

Deposits and prepayments

Other receivables

(Decrease) / Increase in current liabilities

Trade and other payables

Contract Liability

	Three month ended	
	30 September 2024	30 September 2023
	(Unaudited)	
	(Rupees in '000)	
Profit before taxation	925,798	1,145,503
Adjustments for non-cash charges and other items		
Depreciation	347,381	228,764
Amortisation	37,282	11,567
Depreciation - right of use asset	359,912	285,775
Gain on disposal of fixed assets	(2,172)	(1,756)
Reversal of provision for slow moving stock	(26,018)	(15,617)
Impairment on long term investment	-	-
Income from short term investments at FVTPL	(15)	(10,941)
Finance cost	665,617	392,070
Interest expense - right of use asset	88,143	74,135
Provision for doubtful debts	22,968	22,597
Retirement benefits expense	19,879	4,096
	<u>1,512,977</u>	<u>990,690</u>
	<u>2,438,775</u>	<u>2,136,193</u>
Working capital changes		
(Increase) in current assets		
Stores and spare parts	(45,834)	(11,848)
Stock-in-trade	(343,371)	(1,876,943)
Trade debts	5,640	1,029,948
Advances	82,032	(356,677)
Deposits and prepayments	(43,712)	(65,231)
Other receivables	(3,588)	(79,500)
	<u>(348,833)</u>	<u>(1,360,251)</u>
(Decrease) / Increase in current liabilities		
Trade and other payables	(2,002,816)	(1,832,816)
Contract Liability	(29,468)	(50,543)
	<u>(2,032,284)</u>	<u>(1,883,359)</u>
	<u>57,658</u>	<u>(1,107,417)</u>

Notes to the Consolidated

Condensed Interim Financial Statements (Unaudited)

For the three months period ended 30 September 2024

16. CASH AND CASH EQUIVALENTS

	Three month ended	
	30 September 2024	30 September 2023
	(Unaudited)	
	(Rupees in '000)	
Cash and bank balances	1,818,359	2,145,991
Running finance	(1,215,737)	(6,549,537)
	602,622	(4,403,546)

17. RELATED PARTY DISCLOSURE

Related parties comprise the Holding Company, subsidiaries (direct and indirect), key management personnel, staff retirement funds, directors, major shareholders and key management personnel.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, Non-Executive Directors and Departmental Heads to be its key management personnel. Transactions with key management personnel are in accordance with their terms of employment / entitlement. Contribution charged for retirement benefit plan are in accordance with the terms of the service rules / trust deed and actuarial valuation as relevant. Other transactions are in accordance with the agreed terms.

17.1 Balances outstanding

	30 September 2024	30 June 2024
	(Unaudited)	(Audited)
	(Rupees in '000)	
Receivable from the parent company	6,208	5,160
Payable to parent company	5,629	7,607
Payable to associated companies - net	65,074	55,250
Payable to the defined contribution plan	8,924	-

17.2 Transactions during the period

Parent company

	30 September 2024	30 September 2023
Rental income	909	909
Rental expense	1,254	1,254
Reimbursement of expenses from Parent Company	6,146	2,891

Associated companies / Undertakings

	30 September 2024	30 September 2023
Annual Subscription	2,520	2,500
Purchases	77,567	45,724

Staff retirement funds

	30 September 2024	30 September 2023
Expense charged for defined contribution plan	38,348	27,402
Payment to defined contribution plan	29,424	27,402
Charge during the period to the defined benefit plan	18,497	2,632
Payment during the period to the defined benefit plan	342,848	2,632

Key management personnel:

	30 September 2024	30 September 2023
Salaries and other short-term employee benefits	652,257	440,540
Reimbursement of expenses	9,702	9,402
Directors' Fee	8,033	1,524
Retainers Fee	26,217	-
Contribution to the Provident Fund	10,592	7,506

18. GENERAL

This consolidated condensed interim financial statement has been authorised for issue by the Board of Directors of the Holding Company in their meeting held on 15 October 2024.


Chief Executive Officer


Chief Financial Officer


Director