



BIAFO INDUSTRIES LIMITED

Manufacturer of Tovex® Explosives
& Blasting Accessories



INTERIM REPORT
FOR THE SIX MONTHS
PERIOD ENDED

31ST DECEMBER

2024

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YEARS
OF EXCELLENCE IN SERVICE





The image shows the exterior of a building named 'BIAFO HOUSE'. The building features a mix of materials: a lower section with light-colored stone masonry and an upper section with white walls. A large, dark-framed glass window is prominent on the upper level, reflecting the surrounding greenery. The entrance is reached via a set of brown stone steps with a black metal handrail and a ramp. To the right of the entrance, there are two potted plants. The foreground is a paved area with yellow parking lines. The name 'BIAFO HOUSE' is displayed in large, metallic letters above the entrance.

BIAFO HOUSE

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

M. Afzal Khan
Anwar Moin
Ms. Mehreen Hosain

Deputy Chairman
Chief Executive Officer
Director

NON EXECUTIVE DIRECTORS

Ms. Ayesha Humayun Khan
Ms. Syeda Shahbano Abbas
M. Zafar Khan
Khwaja Ahmad Hosain
Muhammad Waheed

Director
Director
Director
Director
Director

INDEPENDENT DIRECTORS

Ehsan Mani
Syed Zomma Mohiuddin
Adnan Afridi
Himayat Ullah

Chairman
Director
Director
Director

COMPANY SECRETARY

Rehan Ashraf

CHIEF FINANCIAL OFFICER

Syed Sajid Hussain Shah

AUDIT & RISK MANAGEMENT COMMITTEE

Adnan Afridi	Chairman
Ms. Ayesha Humayun Khan	Member
Ehsan Mani	Member
Muhammad Waheed	Member
Himayat Ullah	Member

HR & REMUNERATION COMMITTEE

Ehsan Mani	Chairman
Ms. Mehreen Hosain	Member
Ms. Syeda Shahbano Abbas	Member
Anwar Moin (CEO)	Member
Khwaja Ahmad Hosain	Member

AUDITORS

Yousuf Adil Chartered Accountants

LEGAL ADVISORS

Chima & Ibrahim, Raza Khalil Abbasi Suhrawardy

BANKERS

Allied Bank Limited	Bank of Khyber
National Bank of Pakistan	United Bank Limited

REGISTERED OFFICE

BIAFO INDUSTRIES LIMITED

1st Floor, Biafo House, Plot No. 23, St No. 38-40,
I&T Centre, G-10/4, Islamabad. Pakistan
Tel: +92 51 2353450-53, 2353455-57 Fax: +92 51 2353458
Website: www.biafo.com, E-mail: management@biafo.com

FACTORY

BIAFO INDUSTRIES LIMITED

Plot No: 70, Phase III, Industrial Estate, Hattar, Distt Haripur,
Khyber Pakhtunkhwa. Pakistan
Tel: +92 995 617830 Fax: +92 995 617497
Website: www.biafo.com, E-mail: plant@biafo.com

SHARES REGISTRAR

F.D. REGISTRAR SERVICES (PVT.) LTD.

17th Floor, Saima Trade Tower-A, I.I.Chundigar Road, Karachi.
Tel: +92 21 32271905-6 Fax: +92 21 32621233
E-mail: info@fdregistrar.com | fdregistrar@yahoo.com



DIRECTORS' REPORT

BIAFO INDUSTRIES LTD.
DIRECTORS' REPORT FOR THE QUARTER/HALF YEAR
ENDED DECEMBER 31, 2024

Your Directors are pleased to submit the un-audited accounts for the quarter/half year ended December 31, 2024.

In the half year, net sales volume of the Company decreased by 10.94% to Rs. 1,225.38 M (Dec 23: Rs. 1,375.88 M) while net sales volume for the quarter to December 2024 increased by 45.19% to Rs. 573.91 M (Dec 23: 395.29 M). However we anticipate that in second half of the financial year, due to revival of economic activities and boost in oil & gas exploration, sales will improve.

For the period under review, supplies to large projects and export sector decreased, whereas supplies to Oil and Gas and mining sector increased due to higher exploration and mining activity as compared to the period ended December 2023.

Gross profit to sales ratio decreased by 36.21% to Rs. 399.87 M as compared to previous year's comparable period (31 December 2023: Rs. 626.83 M) net profit after taxation decreased by 57.24% to Rs. 176.75 M. as compared to the period ended December 2023. This resulted in an EPS of Rs. 2.85 (EPS December 2023: Rs. 6.66). Profitability decreased mainly due to increase in cost of sales.

Expenses were within budget as approved by the Board of Directors.

Your Board of Directors has not proposed any dividend for the period under review.

During the period, the Company secured a contract with Reko Diq Mining Company (Private) Limited ("RDMC") to supply explosives and provide civil blasting services for pre-mining infrastructure development at the Reko Diq site. Deliveries are expected to commence within the current financial year. The Company also intends to participate in the tender for the operation of the actual mine.

Your Board takes this opportunity to express its appreciation to all its employees for their hard work and continuing efforts in meeting business challenges, growth of the Company, and the cooperation of all its stakeholders.

For and on behalf of the Board.



Anwar Moin
Chief Executive Officer



Ehsan Mani
Chairman

Islamabad

20 February 2025

بیان فنانڈسٹریز لمیٹڈ

31 دسمبر 2024 کو ختم ہونے والی سہ ماہی/ششماہی کے لئے ڈائریکٹرز رپورٹ

آپ کے ڈائریکٹرز 31 دسمبر 2024 کو اختتام پذیر ہونے والی سہ ماہی/ششماہی کے لئے غیر آڈٹ شدہ اکاؤنٹس پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

زیر جائزہ ششماہی میں کمپنی کی اصل فروخت کی قدر 10.94 فیصد کمی سے 1,225.38 ملین روپے رہی (دسمبر 2023: 1,375.88 ملین روپے)، جبکہ دسمبر 2024 کو ختم ہونے والی سہ ماہی میں کمپنی کی اصل فروخت کی قدر 45.19 فیصد بڑھ کر 573.91 ملین روپے رہی، (دسمبر 2023: 395.29 ملین روپے) تاہم، ہم توقع کرتے ہیں کہ مالی سال کی دوسری ششماہی میں، اقتصادی سرگرمیوں کی بحالی اور تیل اور گیس کی تلاش میں اضافے کی وجہ سے، فروخت میں بہتری آئے گی۔

زیر جائزہ مدت میں بڑے منصوبوں اور برآمدی شعبے کو سپلائی میں کمی واقع ہوئی، جب کہ دسمبر 2023 کو ختم ہونے والی مدت کے مقابلے میں تیل اور گیس اور کان کنی کے شعبے کو سپلائی میں اضافہ ہوا جس کی وجہ سے زیادہ تلاش اور کان کنی کی سرگرمیاں ہوئیں۔

مجموعی منافع گزشتہ سال اسی دورے کے مقابلے میں 36.21 فیصد کمی سے 399.87 ملین روپے رہا (دسمبر 2023: 23:626.83 ملین روپے)۔ جبکہ ٹیکس ادائیگی کے بعد منافع کی شرح گزشتہ سال دسمبر 2023 کو ختم ہونے والی ششماہی کے مقابلے میں 57.24 فیصد کمی سے 176.75 ملین روپے رہا جس کے نتیجے میں فی شیئر آمدن 2.85 روپے رہی، (دسمبر 2023: فی شیئر آمدن 6.66 روپے) نظر ثانی شدہ فروخت کے حجم میں کمی بنیادی طور پر فروخت کی لاگت میں اضافے کی وجہ سے ہوئی۔

اخراجات بورڈ آف ڈائریکٹرز کی جانب سے منظور شدہ بجٹ کے اندر رہے۔

آپ کے بورڈ آف ڈائریکٹرز نے زیر جائزہ مدت کے لیے کوئی منافع منقسمہ تجویز نہیں کیا ہے۔

اس مدت کے دوران، کمپنی نے ریکوڈک مائننگ کمپنی (پرائیویٹ) لمیٹڈ ("RDMC") کے ساتھ دھماکہ خیز مواد کی فراہمی اور ریکوڈک سائٹ پر مائننگ سے پہلے کے بنیادی ڈھانچے کی ترقی کے لیے سول بلاسٹنگ کی خدمات فراہم کرنے کا معاہدہ حاصل کیا۔ توقع ہے کہ ترسیلات رواں مالی سال کے اندر شروع ہو جائیں گی۔ کمپنی اصل کان کے آپریشن کیلئے ٹینڈر میں حصہ لینے کا بھی ارادہ رکھتی ہے۔

آپ کا بورڈ اس موقع پر اپنے ہمدردانہ مہم جوئی اور کاروباری چیلنجز کو پورا کرنے کے لئے ان کی سخت محنت اور مسلسل کاوشوں کی نسبت اور اپنے تمام اسٹیک ہولڈرز کے تعاون کی بابت ان کے لئے خصوصی ستائش کا اظہار کرتا ہے۔

بورڈ کی جانب سے



احسان امین
چیئر مین



انور معین
چیف ایگزیکٹو آفیسر

اسلام آباد

20 فروری 2025

TO THE MEMBERS OF BIAFO INDUSTRIES LIMITED

Report on review of Condensed interim financial statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Biafo Industries Limited ("the Company") as at December 31, 2024, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the condensed interim financial statements for the six months period then ended (here-in-after referred to as the 'condensed interim financial statements'). The Management is responsible for the preparation and presentation of this condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarter ended December 31, 2024 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2024.

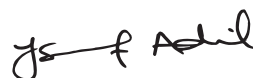
Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed Interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Shahzad Ali.



Chartered Accountants

Place: Islamabad


Date: February 21, 2025

UDIN: RR202410134ocym2s5Ki

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 31 DECEMBER 2024

	Note	Unaudited 31 Dec 2024 Rupees	Audited 30 June 2024 Rupees
NON - CURRENT ASSETS			
Property, plant and equipment	4	2,152,879,139	2,173,805,479
Intangibles		7,883,927	6,827,324
Investment property		65,841,999	66,177,965
Long-term deposits		1,782,900	1,782,900
		2,228,387,965	2,248,593,668
CURRENT ASSETS			
Inventories		511,456,797	664,272,833
Trade debts		547,124,065	237,781,007
Short-term advances		28,411,091	30,166,480
Trade deposits, short- term prepayments and other receivables		63,078,281	40,839,336
Short-term investments	5	268,671,208	259,706,166
Advance tax - net		83,978,678	34,784,994
Cash and bank balances		75,058,059	85,126,346
		1,577,778,179	1,352,677,162
CURRENT LIABILITIES			
Trade, other payables and accrued liabilities	6	168,163,733	194,474,997
Current portion of long-term loan		62,472,885	62,841,143
Current portion of lease liabilities		972,983	2,218,147
Short-term borrowings	7	426,432,093	172,117,658
Unclaimed dividend		47,641,560	44,372,446
Unpaid dividend		21,096,914	27,821,548
		726,780,168	503,845,939
		850,998,011	848,831,223
NET CURRENT ASSETS			
NON - CURRENT LIABILITIES			
Long-term loan		30,650,789	61,301,556
Employee benefit		21,173,004	25,382,478
Deferred tax liability - net	8	66,083,288	74,627,586
		117,907,081	161,311,620
		2,961,478,895	2,936,113,271
NET ASSETS			
REPRESENTED BY:			
SHARE CAPITAL AND RESERVES			
Share capital		463,826,880	463,826,880
Revenue reserve - unappropriated profit		1,056,892,016	1,020,082,479
Capital reserve - revaluation surplus on property, plant and equipment - net of tax		1,440,759,999	1,452,203,912
		2,961,478,895	2,936,113,271
CONTINGENCIES AND COMMITMENTS			
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The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	Three Months Ended		Six Months Ended	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
		Rupees	Rupees	Rupees	Rupees
Revenue – net	10	573,906,616	395,287,527	1,225,382,364	1,375,875,146
Cost of sales		(394,027,143)	(229,310,852)	(825,509,927)	(749,047,509)
Gross profit		179,879,473	165,976,675	399,872,437	626,827,637
Other income		1,593,750	6,172,969	10,623,913	7,447,969
Distribution expenses		(18,672,247)	(20,834,414)	(35,956,208)	(36,646,618)
Administrative expenses		(57,896,784)	(52,527,691)	(118,054,851)	(109,192,425)
Net impairment losses on financial assets		(15,455,519)	(90,224,638)	(8,901,198)	(90,224,638)
Operating profit		89,448,673	8,562,901	247,584,093	398,211,925
Finance costs		(13,524,772)	(37,489,775)	(22,686,509)	(62,171,626)
Finance income		6,621,033	1,447,473	14,925,726	14,462,167
Net finance cost		(6,903,739)	(36,042,302)	(7,760,783)	(47,709,459)
Workers' profit participation fund		(4,127,247)	1,373,970	(11,991,165)	(17,525,123)
Workers' welfare fund		(2,055,075)	538,812	(5,138,965)	(6,872,597)
Profit before income tax and final tax		76,362,612	(25,566,619)	222,693,179	326,104,746
Final tax		-	-	-	(10,241,201)
Profit before income tax for the period		76,362,612	(25,566,619)	222,693,179	315,863,545
Income tax expense		(42,905,772)	67,062,344	(90,647,373)	(7,071,109)
Profit after income tax for the period		33,456,840	41,495,725	132,045,806	308,792,436
Earnings per share					
Basic and diluted		0.72	0.89	2.85	6.66

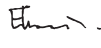
The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Three Months Ended		Six Months Ended	
	31 Dec 2024 Rupees	31 Dec 2023 Rupees	31 Dec 2024 Rupees	31 Dec 2023 Rupees
Profit for the period	33,456,840	41,495,725	132,045,806	308,792,436
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	33,456,840	41,495,725	132,045,804	308,792,436

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Capital Reserve Revaluation surplus on property, plant and equipment - net of tax	Revenue Reserve	Unappropriated profits	Total equity
(Rupees)				
Balance at 01 July 2023 (Audited)	463,826,880	1,522,256,551	945,568,206	2,931,651,637
Profit for the period	-	-	308,792,436	308,792,436
Total comprehensive income for the period transferred to equity	-	-	308,792,436	308,792,436
Transferred from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	(12,685,035)	12,685,035	-
	463,826,880	1,509,571,516	1,267,045,677	3,240,444,073
Transactions with owners of the company				
Distributions				
Final cash dividend of 2023 @ Rs. 3.00 per share	-	-	(139,148,064)	(139,148,064)
Total transactions with owners of the Company	-	-	(139,148,064)	(139,148,064)
Balance at 31 December 2023	463,826,880	1,509,571,516	1,127,897,613	3,101,296,009
Balance at 01 July 2024 (Audited)				
Profit for the period	-	-	132,045,806	132,045,806
Total comprehensive income for the period transferred to equity	-	-	132,045,806	132,045,806
Transferred from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	(11,443,913)	11,443,913	-
	463,826,880	1,440,759,999	1,163,572,198	3,068,159,077
Transactions with owners of the Company				
Distributions				
Final cash dividend of 2024 @ Rs. 2.30 per share	-	-	(106,680,182)	(106,680,182)
Total transactions with owners of the Company	-	-	(106,680,182)	(106,680,182)
Balance at 31 December 2024	463,826,880	1,440,759,999	1,056,892,016	2,961,478,895

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer




Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	31 Dec 2024 Rupees	31 Dec 2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		222,693,179	326,104,746
Adjustments for:			
Depreciation on property, plant and equipment		40,608,158	46,351,712
Amortization on intangibles		398	592
Depreciation on investment property		335,966	341,772
Finance costs		20,140,678	49,093,236
Provision for Workers' profit participation fund		11,991,165	17,525,123
Provision for Workers' welfare fund		5,138,965	6,872,597
Reversal for Workers' welfare fund		-	(4,897,969)
Provision for gratuity		10,814,192	7,916,706
Impairment losses on financial assets		8,901,198	90,224,638
Dividend income		-	(9,242,647)
Rental income		(3,187,500)	(2,550,000)
Unrealized gain on remeasurement of investment		(9,424,315)	2,622,252
Gain on sale of property, plant and equipment		(7,436,413)	
Interest income		(5,501,414)	(7,841,772)
		72,381,079	196,416,240
		295,074,258	522,520,986
Changes in working capital:			
Inventories		152,816,036	(28,217,776)
Trade debts		(318,511,036)	49,676,888
Advances, deposits, short term prepayments and other receivables		(20,970,329)	(43,201,114)
Trade and other payables		(17,402,767)	(75,137,702)
		(204,068,096)	(96,879,704)
Cash generated from operating activities		91,006,162	425,641,282
Finance costs paid		(20,508,936)	(46,586,273)
Contributions to Gratuity fund		(14,316,627)	(15,814,354)
Employee Benefits paid		(151,999)	(60,900)
Payments to Workers' welfare fund		(8,803,679)	(12,801,136)
Payments to Workers' profit participation fund		(18,703,803)	(45,132,717)
Income taxes paid		(148,385,356)	(112,463,267)
		(210,870,399)	(232,858,647)
Net cash from operating activities		(119,864,237)	192,782,635
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(23,522,403)	(15,961,399)
Proceeds from sale of property, plant and equipment		13,645,011	-
Purchase of Investments		-	(7,944,982)
Rent received		3,187,500	2,550,000
Dividend received		1,217,190	9,242,647
Interest received		5,988,183	12,056,002
Net cash generated from / (used in) investing activities		515,481	(57,732)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(113,404,816)	(139,492,907)
Repayment of long term loan		(30,650,767)	(32,958,096)
Payment of lease liabilities		(1,245,164)	(2,520,368)
Net cash (used in) / generated from financing activities		(145,300,747)	(174,971,371)
Net increase / (decrease) in cash and cash equivalents		(264,649,503)	17,753,532
Unrealized exchange (gain)/loss-net		266,781	7,088,964
Cash and cash equivalents at beginning of the period		(86,991,312)	(310,674,649)
Cash and cash equivalents at end of the period		(351,374,034)	(285,832,153)

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The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

1 THE COMPANY AND ITS OPERATIONS

Biafo Industries Limited ("the Company") was incorporated in Pakistan on 07 September 1988 as a public limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017). Previously, the shares of the Company were quoted on Karachi and Islamabad Stock Exchanges of Pakistan. However, due to integration of these Stock Exchanges into Pakistan Stock Exchange, effective 11 January 2016, the shares of the Company are now quoted on Pakistan Stock Exchange. The Company started its commercial production on 01 July 1994 and is principally engaged in the manufacturing of commercial explosives and blasting accessories including detonators and other materials. The Company's license for manufacturing and sale of explosives is required to be renewed annually. The Company's production facility is situated at Hattar Industrial Estate, Khyber Pakhtunkhwa, with its registered office located at 1st Floor, Biafo House, Plot No. 23, Street No. 38-40, I & T Centre, G-10/4, Islamabad, Pakistan.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for condensed interim financial reporting. The accounting and reporting standards as applicable in Pakistan for condensed 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; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The disclosures in these condensed interim financial statements do not include the information that was reported for full annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2024. Comparative condensed interim statement of financial position is extracted from the annual audited financial statements as of 30 June 2024, whereas comparative condensed interim statement of profit or loss, comparative condensed interim statement of comprehensive income, comparative condensed interim statement of cash flows and comparative condensed interim statement of changes in equity are extracted from unaudited interim financial statements for Six months period ended 31 December 2023.

These condensed interim financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited.

3 MATERIAL ACCOUNTING POLICY INFORMATION AND ESTIMATES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2024.

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited financial statements for the year ended 30 June 2024.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended 30 June 2024. The carrying amounts of financial assets and financial liabilities are estimated to approximate their fair value as of 31 Dec 2024.

Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after 01 July 2024 which do not have any impact on the Company's financial reporting and are been detailed below. Certain amendments in standards that are not yet effective does not have any impact on the financial reporting and as a result are not disclosed.

Description	Effective Date
Amendments to IFRS 16 'Leases' –Clarification on how seller- lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' – Supplier Finance Arrangements	January 01, 2024
Voluntary accounting policy choice – according to IAS 12 paragraph 4A – to not recognise or disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.	January 01, 2024

3.1 Accounting for minimum taxes and final taxes

As detailed in annual financial statements of the Company for year ended June 30, 2024, the Institute of Chartered Accountants of Pakistan (ICAP) issued a guide 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the Guide) to provide guidance on accounting of minimum tax and final tax, as mentioned in the Income Tax Ordinance, 2001, under the requirements of relevant IFRS Accounting Standards and provide appropriate approaches to account for minimum taxes and final taxes in compliance with the requirements of IFRS Accounting Standards. The guide was issued by Institute of Chartered Accountants of Pakistan (ICAP) in May 2024 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the guide).

In compliance with above referred guide, the Company adopted the approach where the Company first designates the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21 "Levies"/IAS 37" Provisions, Contingent Liabilities and Contingent Assets".

The detailed accounting policy is provided in annual financial statements for year ended June 30, 2024 and is consistently applied in these condensed interim financial statements. As a result of change in policy, following reclassifications are made in comparative figures of these condensed interim financial statements.

Effect on condensed Interim statement of profit or loss (Un-Audited):	Current Classification	Previous Classification
<i>Six months ended 31 December 2023</i>		
Income tax expense	7,071,109	17,312,310
Final tax	10,241,20	-

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

4 PROPERTY, PLANT AND EQUIPMENT

During six months period ended 31 Dec 2024, the Company acquired property, plant and equipment aggregating to Rs. 22,465,403 (31 Dec 2023: Rs. 14,136,917). Further details are as follows:

	Six Months Ended	
	Unaudited 31 Dec 2024 Rupees	Unaudited 31 Dec 2023 Rupees
Additions		
Vehicles	13,594,422	-
Building on Leasehold land	-	3,499,847
Furniture and fixtures	331,213	1,999,914
IT & Appliances	4,797,905	5,619,680
Plant, machinery & Equipments	3,741,863	1,125,000
Capital work in progress	-	1,892,476
	22,465,403	14,136,917
Disposal of vehicles (net book value)		
Vehicles	2,783,586	-
Transfer from Right of Use Asset to :		
Depreciation Charge		
Building on leasehold land	2,917,432	2,902,596
Plant, machinery & Equipments	31,604,111	34,455,800
Furniture and fixtures	465,578	396,642
Vehicles	1,711,987	1,124,897
Right of use asset	505,432	797,679
IT & Appliances	3,403,618	6,674,098
	40,608,158	46,351,712

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	Unaudited 31 Dec 2024 Rupees	Audited 30 June 2024 Rupees
5	SHORT - TERM INVESTMENTS		
	Equity securities - at FVTPL	115,247,008	105,822,693
	Debt securities - at amortized cost	153,424,200	153,883,473
		268,671,208	259,706,166
6	TRADE AND OTHER PAYABLES		
	Trade creditors	113,821,460	83,471,512
	Contract liability - unsecured	10,389,905	5,868,095
	Accrued liabilities	16,809,584	47,423,349
	Insurance payable	51,294	783,119
	Workers' profit participation fund payable	11,991,165	18,703,803
	Workers' welfare fund payable	5,138,965	7,334,825
	Payable to employees' provident fund	2,665,431	2,145,037
	Withholding Taxes Payable/Levies Payable	5,242,443	26,691,772
	Other payables	2,053,485	2,053,485
		168,163,732	194,474,997
7	SHORT - TERM BORROWINGS		
	Allied Bank Limited (ABL)	417,622,479	169,833,596
	United Bank Limited (UBL)	8,809,614	2,284,062
		426,432,093	172,117,658

7.1 The facility limits, securities offered and markup rates of these short term borrowings are the same as disclosed in the annual audited financial statements for the year ended 30 June 2024.

	Unaudited 31 Dec 2024 Rupees	Audited 30 June 2024 Rupees
8	DEFERRED TAX LIABILITY- net Taxable temporary difference	
	Property, plant and equipment	97,429,181
	Right of use assets	3,045,153
	Surplus on revaluation of property, and equipment	131,419,320
		231,893,654
	Deductible temporary difference	
	Employee benefits	(10,735,731)
	Trade debts	(144,257,246)
	Stores, spares and loose tools	(2,273,091)
		(157,266,068)
		74,627,586

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

9 CONTINGENCIES AND COMMITMENTS

There is no material change in the contingent liabilities as reported in the annual financial statements for the year ended 30 June 2024.

Letters of credit issued by banks on behalf of the Company for the import of raw materials and Plant & Machinery amounted to Rs. 10,354,620 at 31 Dec 2024 (30 June 2024: Rs. 10,705,920).

Letter of guarantee issued by Allied Bank Limited on behalf of the Company for the issuance of performance bond to secure the contracts with different government and private entities outstanding amounted to Rs. 196,371,840 at 31 Dec 2024 (30 June 2024: Rs. 20,340,970).

Letter of guarantee issued by United Bank Limited on behalf of the Company for the issuance of performance bond to secure the contracts with different government and private entities outstanding amounted to Rs. 31,107,000 at 31 Dec 2024 (30 June 2024: Rs. 31,107,000).

10	REVENUE- net	Three Months Ended		Six Months Ended	
		Unaudited 31 Dec 2024 Rupees	Unaudited 31 Dec 2023 Rupees	Unaudited 31 Dec 2024 Rupees	Unaudited 31 Dec 2023 Rupees
	Gross local sales	496,841,029	364,753,037	811,732,084	812,083,968
	Sales tax	(75,831,543)	(55,706,510)	(123,865,772)	(123,943,418)
	Net local sales	421,009,486	309,046,527	687,866,312	688,140,550
	Net export sales	152,897,130	86,241,000	537,516,052	687,743,596
		573,906,616	395,287,527	1,225,382,364	1,375,875,146
				Unaudited 31 Dec 2024 Rupees	Audited 31 Dec 2023 Rupees

11 CASH AND CASH EQUIVALENTS

For the purpose of cash flow statement cash and cash equivalents comprise of:

Cash and bank balances	75,058,059	91,936,019
Short term borrowings - running finance (Note 7.1)	(426,432,093)	(281,899,879)
	(351,374,034)	(189,963,860)

12 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of directors, key management personnel, major shareholders, entities over which the directors are able to exercise influence and employees' fund. Transactions with related parties during the period and balances at the reporting date are as follows:

	Six Months Ended	
	Unaudited 31 Dec 2024 Rupees	Unaudited 31 Dec 2023 Rupees
Directors and key management personnel		
Remuneration including perquisites to Chief Executive Officer	8,000,000	9,856,000
Remuneration including perquisites to Directors	8,815,000	4,680,000
Remuneration including perquisites to key management personnel	10,567,953	14,690,000
Other related parties		
Payment to employees' provident fund	14,622,694	11,935,066
Payable to employees' provident fund - unsecured	2,665,431	2,134,768
Payable to staff retirement gratuity fund - unsecured	20,253,619	7,916,706

13 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Carrying amount					Fair value			
	Financial Asset	Financial liabilities				Level 1	Level 2	Level 3	Total
	Amortized cost	Fair value through profit or loss	Amortized cost	Total					
	Rupees				Rupees				
31 December 2024 (Unaudited)									
Non Financial assets measured at fair value									
Property, plant and equipment	-	-	-	2,087,189,000	-	-	-	2,087,189,000	2,087,189,000
Financial assets measured at fair value									
Short - term investment	-	115,247,008	-	115,247,008	115,247,008	-	-	-	115,247,008
Financial assets not measured at fair value									
Trade debts	547,124,065	-	-	547,124,065	-	-	-	-	-
Advances to employees	673,984	-	-	673,984	-	-	-	-	-
Other receivables	19,637,184	-	-	19,637,184	-	-	-	-	-
Short - term investments	153,424,200	-	-	153,424,200	-	-	-	-	-
Bank balances	75,058,059	-	-	75,058,059	-	-	-	-	-
Trade deposits	16,086,827	-	-	16,086,827	-	-	-	-	-
Long - term deposits	1,782,900	-	-	1,782,900	-	-	-	-	-
Total financial assets	813,787,219	115,247,008	-	929,034,227	115,247,008	-	-	-	115,247,008
Financial liabilities not measured at fair value									
Short-term borrowings	-	-	426,432,093	426,432,093	-	-	-	-	-
Unclaimed dividend	-	-	47,641,561	47,641,561	-	-	-	-	-
Unpaid dividend	-	-	21,096,914	21,096,914	-	-	-	-	-
Long term loans	-	-	93,123,674	93,123,674	-	-	-	-	-
Lease liabilities	-	-	972,983	972,983	-	-	-	-	-
Trade and other payables	-	-	132,735,823	132,735,823	-	-	-	-	-
Total financial liabilities	-	-	722,003,048	722,003,048	-	-	-	-	-

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Carrying amount					Fair value		
	Financial Asset	Financial liabilities						
	Amortized cost	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
30 June 2024 (Audited)								
Non Financial assets measured at fair value								
Property, plant and equipment	-	-	-	2,117,968,731	-	-	2,117,968,731	2,117,968,731
Financial assets measured at fair value								
Short - term investments	-	105,822,693	-	105,822,693	105,822,693	-	-	105,822,693
	-	105,822,693	-	105,822,693	105,822,693	-	-	105,822,693
Financial assets not measured at fair value								
Trade debts	237,781,007	-	-	237,781,007	-	-	-	-
Advances to employees	805,794	-	-	805,794	-	-	-	-
Other receivables	2,034,097	-	-	2,034,097	-	-	-	-
Short - term investments	153,883,473	-	-	153,883,473	-	-	-	-
Bank balances	84,839,303	-	-	84,839,303	-	-	-	-
Trade deposits	17,130,610	-	-	17,130,610	-	-	-	-
Long - term deposits	1,782,900	-	-	1,782,900	-	-	-	-
Total financial assets	488,257,184	105,822,693	-	604,079,877	105,822,693	-	-	105,822,693
Financial liabilities not measured at fair value								
Short-term borrowings	-	-	172,117,658	172,117,658	-	-	-	-
Unclaimed dividend	-	-	44,372,446	44,372,446	-	-	-	-
Unpaid dividend	-	-	27,821,548	27,821,548	-	-	-	-
Long term loans	-	-	125,682,304	125,682,304	-	-	-	-
Lease liabilities	-	-	2,218,147	2,218,147	-	-	-	-
Trade and other payables	-	-	160,423,237	160,423,237	-	-	-	-
Total financial liabilities	-	-	532,635,340	532,635,340	-	-	-	-

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

14 EARNINGS PER SHARE

- Basic and diluted

Profit for the period	Rupees
Weighted average number of ordinary shares	Numbers
Earnings per share	Rupees

Six Months Ended

Unaudited 31 Dec 2024	Unaudited 31 Dec 2023
132,045,806	308,792,436
46,382,688	46,382,688
2.85	6.66

15 NON ADJUSTING EVENTS AFTER REPORTING DATE AND DATE OF AUTHORIZATION FOR ISSUE

15.1 The Board of Directors of the Company in their meeting held on 20 February 2025 has not proposed any dividend for the period under review.

15.2 These condensed interim financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on 20 February 2025.

16 GENERAL

16.1 Figures in these condensed interim financial statements have been rounded off to the nearest rupee.



Chief Financial Officer



Chief Executive Officer



Director

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