



# HALF YEARLY REPORT

## 31 DECEMBER 2024







سُورِ  
جَنّتِ



# COMPANY INFORMATION

## Board of Directors:

Mr. Muneer Nawaz	Chairman
Mr. Humayun A. Shahnawaz	Chief Executive
Mr. M. Naeem	
Mr. Abid Nawaz	
Mr. Rashed Amjad Khalid	
Ms. Manahil Shahnawaz	(Independent Director)
Mr. Shahid Hussain Jatoi	(Independent Director)
Mr. Nauman Khalid	(Independent Director)
Mr. Ahsan Ali Malik	(Independent Director)

## Chief Financial Officer:

Mr. Faisal Ahmad Nisar, FCA

## Company Secretary:

Mr. Khurram Babar

## Audit Committee:

Mr. Shahid Hussain Jatoi	Chairman
Mr. Muneer Nawaz	Member
Mr. M. Naeem	Member
Mr. Rashed Amjad Khalid	Member

## Human Resource & Remuneration Committee:

Mr. Nauman Khalid	Chairman
Mr. Muneer Nawaz	Member
Mr. M. Naeem	Member
Mr. Humayun A. Shahnawaz	Member

## Registered Office / Head Office:

56 - Bund Road, Lahore-54500.

Phones: (042) 37466900-04.

Faxes: (042) 37466899 & 37466895.

E-mail: sil-lhr@shezan.com

## Factories:

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Faxes: (042) 37466899 & 37466895.  
E-mail: sil-lhr@shezan.com
- Plot No. L-9, Block No. 22,  
Federal "B", Industrial Area, Karachi-75950.  
Phones: (021) 36344722-23.  
Fax: (021) 36313790.  
E-mail: sil-khi@shezan.com
- Plot No. 33-34, Phase III,  
Hattar Industrial Estate, Hattar - 66210  
Phones: (0995) 617158 & 617343.  
Fax: (0995) 617342.  
E-mail: sil-htr@shezan.com

## Website:

www.shezan.com

## Auditors:

BDO Ebrahim & Co.  
Chartered Accountants,  
Office No. 4, 6<sup>th</sup> Floor,  
Askari Corporate Tower, 75/ 76 D-1,  
Main Boulevard, Gulberg III, Lahore.

## Share Registrar:

Corplink (Private) Limited,  
Wings Arcade, 1-K, Commercial,  
Model Town, Lahore.

## Legal Advisors:

Cornelius, Lane & Mufti,  
Nawa-e-Waqt Building,  
Shahrah-e-Fatima Jinnah, Lahore.

## Bankers:

United Bank Limited.  
MCB Bank Limited.  
National Bank of Pakistan.  
Bank Al-Habib Limited.  
Habib Bank Limited.  
Bank Alfalah Limited.  
Allied Bank Limited.  
Habib Metropolitan Bank Limited.

# DIRECTORS' REPORT

## TO THE MEMBERS

On behalf of the Board of Directors of Shezan International Limited, we are pleased to present the Directors' Report together with condensed Interim Financial Statements (Un-audited) of the Company for the Six-month period ended 31 December 2024.

### ECONOMIC OVERVIEW

Pakistan's economy showed signs of stabilization but continued to face structural challenges. The State Bank of Pakistan (SBP) implemented multiple interest rate cuts, reducing the policy rate from 22% to 12% by early 2025, as inflation declined significantly from 40% in mid-2023 to around 4.1% in December 2024. These measures aimed to revive business activity and industrial growth.

The business environment saw mixed impacts. While lower interest rates made borrowing cheaper, industries still faced challenges such as energy shortages, a tight fiscal policy, and high taxation under IMF-led reforms. The Special Investment Facilitation Council (SIFC) took major initiatives in key economic sectors like agriculture and infrastructure, aiming to streamline investment processes. Foreign investment prospects improved slightly, with the IMF approving a \$7 billion loan and the World Bank announcing a \$20 billion investment plan over ten years. However, concerns over governance, political instability, and regulatory uncertainties continued to impact investor confidence.

Overall, while Pakistan's economy showed improvement in inflation control and monetary policy, business and industry continued to struggle with structural bottlenecks, limited demand, and high costs. Long-term recovery depends on sustained reforms, improved governance, and policy consistency to support industrial growth and investor confidence.

### FINANCIAL AND OPERATIONAL OVERVIEW

The Company's financial performance during the six-month period under review is summarized below:

Particulars	2024	2023
	Rupees in thousand	
Revenue from contracts with customers – net	3,903,000	3,504,849
Gross profit	870,334	664,316
Profit/(Loss) before levy & income tax for the period	5,491	(280,456)
Loss after levy & income tax for the period	(44,885)	(320,271)
Loss per share – Rupees	(4.65)	(33.14)

We would like to apprise our shareholders that the Company's total revenue improved during this period compared to the corresponding period last year. However, several external factors continued to pose significant challenges. The increase in the minimum wage under the fiscal budget for 2024-2025 and the imposition of a 20% Federal Excise Duty (FED) on juices, squashes, and syrups last year severely impacted the industry. To counteract rising input costs and the additional burden of federal excise duty, we periodically adjusted our product pricing. Despite these challenges, the Company delivered a healthy performance, achieving a profit before levy & income tax, in contrast to the loss before levy & income tax recorded in the corresponding period last year. However, after accounting for the levy & income tax, the Company reported a loss.

The State Bank of Pakistan's decision to reduce policy rates and bringing it to 1200 basis points up to January 2025 has provided much-needed relief for the industry. This reduction had a positive effect on the Company's finance costs, particularly in relation to working capital utilization. The majority of these borrowings were used to procure and stock seasonal fruits, pulps, sugar, and packaging materials to meet sales demand and manage daily operational expenses.

Despite domestic challenges, we maintained healthy momentum in export sales. Our non-returnable bottled juices,

juices in tetra packaging, ketchups, and cooked food products remained key contributors to export revenue. To mitigate the impact of rising input costs, we focused on enhancing supply chain efficiency, particularly in the procurement and storage of raw materials. By negotiating better terms with suppliers and optimizing production schedules, we successfully reduced production wastage and operational losses.

## FUTURE OUTLOOK

The outlook for the coming quarters remains challenging, with several economic pressures on the horizon. Rising gas and electricity tariffs, weakening consumer purchasing power, fluctuating POL prices, and the sharp increase in sugar prices—along with the imposition of Federal Excise Duty (FED) on sugar (this will lead to price increase for products not subject to FED) —are the key factors expected to drive up production and input costs. Despite these challenges, the company remains optimistic about its financial performance in the upcoming quarters. Our management is proactively formulating strategies to navigate the evolving economic landscape. Key initiatives include stringent cost control measures, exploring new revenue streams, and optimizing operations to enhance efficiency and resilience.

With the early onset of the warm season, we remain optimistic about maintaining growth momentum in domestic markets. Through aggressive marketing and sales efforts, we aim to overcome current challenges and drive sales expansion. The Company remains committed to strengthening its financial position, with a strong focus on boosting export sales. Management believes that sustained growth in exports is a crucial solution to overcoming economic difficulties, both for the Company and the broader economy.

Additionally, we will continue to invest in research and development to introduce innovative products that cater to changing consumer needs. As part of our expansion strategy, the Company will soon enter the Bottled water segment—a necessity in everyday life. By leveraging our strong brand portfolio and optimizing our supply chain, we are confident in our ability to achieve sustainable growth in the quarters ahead.

## VOTE OF THANKS

In conclusion, we sincerely thank our shareholders, customers, employees, and all stakeholders for their unwavering trust and support. With their continued confidence, we remain committed to overcoming future challenges and driving long-term growth and value for all.

## For and on behalf of the Board



**Humayun A. Shahnawaz**  
Chief Executive



**Nauman Khalid**  
Director

Lahore:  
25 February 2025.

اس کی کامیابی کے مالیاتی لاگت پر مثبت اثر پڑا جو کہ خاص طور پر ورکنگ کپٹل کے استعمال کے لیے تھی۔ ان قرضوں کا استعمال موسمی پھلوں، پلپ، چینی اور پیننگ مال کی خریداری کے لئے تھا تاکہ ہماری مصنوعات کی فروخت کی طلب اور کمپنی کے روزمرہ کے اخراجات کو پورا کیا جاسکے۔

ان چیلنجز کے باوجود ہم نے برآمدی فروخت میں اپنی مثبت پیش رفت کو برقرار رکھا۔ ہماری بٹل جوس، کچپ اور تیار شدہ کھانوں کی مصنوعات ہماری برآمدی فروخت میں سرفہرست ہیں۔ ہم نے اپنی سپلائی چین کی کارکردگی کو بہتر بنانے پر توجہ مرکوز رکھی، خاص طور پر خام مال کے خریدنے اور ذخیرہ کرنے تاکہ بڑھتی ہوئی پیداواری لاگت کے اثرات کو کم کیا جاسکے۔ سپلائرز کے ساتھ بہتر شرائط پر گفت و شنید کر کے اور اپنے پیداواری نظام کو بہتر بنا کر، ہم ضیاع اور نقصانات کو کم کرنے میں کامیاب رہے۔

## مستقبل کے امکانات:

متحدہ اقتصادی چیلنجز آنے والی سہ ماہیوں کے لیے بھی وباؤ کا باعث ہیں۔ گیس اور بجلی کی قیمتوں میں اضافہ، صارفین کی قوت خرید کا کم ہونا، پی او ایل کی لاگت میں اتار چڑھاؤ، تیزی سے بڑھتی ہوئی چینی کی قیمتیں اور ان پرفیڈرل ڈیوٹی ایکسائز ڈیوٹی کا اطلاق (جو پیداواری لاگت میں اضافہ کرے گی خصوصاً ان مصنوعات کی قیمتوں میں خاطر خواہ اضافہ ہوگا جن پر ایف ای ڈی کا نفاذ نہیں ہوتا)، وہ اہم عوامل ہیں جو کہ کمپنی کی پیداواری لاگت میں اضافے کا باعث بن سکتے ہیں۔ ان چیلنجز کے باوجود کمپنی آئندہ سہ ماہیوں میں اپنی مالی کارکردگی کیلئے پرامید ہے اور ہماری انتظامیہ ان اقتصادی چیلنجز سے نمٹنے کیلئے حکمت عملی بنانے میں سرگرم عمل ہے۔ ان میں پیداواری لاگت میں کفایت شعاری، آمدنی کے نئے سلسلوں کی تلاش کرنا اور اپنے کام کے انداز کو معاشی منظر نامے کے مطابق بہتر بنانا شامل ہے۔

موسم گرما کے جلد آغاز کی بدولت ہم مقامی منڈیوں میں ترقی کی رفتار کو برقرار رکھنے کے بارے میں پرامید ہیں۔ جارحانہ مارکیٹنگ اور فروخت کی کاوشوں کے ساتھ ہمارا مقصد موجودہ چیلنجز پر قابو پانا اور فروخت کو بڑھانا ہے۔ کمپنی ایک مضبوط مالیاتی نظام بنانے کیلئے سرگرم رہے گی اور اپنی برآمدی فروخت پر توجہ مرکوز کرنے اور اسے بڑھانے کے لیے اپنی کوششیں جاری رکھے گی۔ انتظامیہ کا خیال ہے کہ برآمدات میں مسلسل اضافہ ملک کے ساتھ ساتھ کمپنی کے لیے معاشی بحرانوں پر قابو پانے کے لیے انتہائی ضروری حل میں سے ایک ہے۔

مزید برآں کمپنی آراینڈ ڈی میں اپنی سرمایہ کاری کو جاری رکھتے ہوئے صارفین کی بڑھتی ہوئی ضروریات پورا کرنے کیلئے نئی مصنوعات لاتی رہے گی۔ کمپنی جلد ہی ڈرنلنگ وائر بھی مارکیٹ میں متعارف کرائے گی جو کہ زندگی کی اہم ضرورت ہے۔ اپنے مضبوط برانڈ کی بنیاد اور سپلائی چین میں بہتری لاکر ہم امید کرتے ہیں کہ ہم آنے والے سالوں میں ایک مستقل شرح نمو حاصل کر سکتے ہیں۔

## انکشافات:

آخر میں ہم اپنے حصص کنندگان، معزز صارفین، ملازمین اور تمام اسٹیک ہولڈرز ان کے ہمارے اوپر مسلسل اعتماد اور تعاون کا شکریہ ادا کرتے ہیں۔ ہم پُر اعتماد ہیں کہ ان کی مسلسل حمایت اور تعاون کی بدولت ہم تمام درپیش چیلنجز پر قابو پانے اور پائیدار نمو حاصل کرنے میں کامیاب ہو جائیں گے۔

بورڈ کی ایماء پر

نعمان خالد

نعمان خالد

ڈائریکٹر

ہمایوں اے شاہنواز

ہمایوں اے شاہنواز

چیف ایگزیکٹو

لاہور۔

## ڈائریکٹر رپورٹ برائے ممبران

ہم شیڈن انٹرنیشنل لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ڈائریکٹر رپورٹ اور اختتام شدہ ششماہی 31 دسمبر 2024ء کے لئے کمپنی کی غیر آڈٹ شدہ عبوری مالیاتی نتائج پیش کرتے ہیں۔

### اقتصادی جائزہ:

پاکستان کی معیشت نے استحکام ظاہر کیا لیکن اسے کئی چیلنجز کا سامنا بھی رہا۔ بینک دولت پاکستان (ایس بی پی) نے شرح سود میں متعدد بار کٹوتیاں کیں اور 2025ء کے آغاز تک پالیسی ریٹ کو 22% سے کم کر کے 12% کر دیا، کیونکہ افراط زر جو کہ 2023ء کے وسط میں 40% تھی کم ہو کر دسمبر 2024ء میں تقریباً 4.1% ہو گئی۔ ان اقدامات کا مقصد کاروباری سرگرمیوں اور صنعتی ترقی کو بحال کرنا تھا۔

کاروباری ماحول میں طے جملے اثرات دیکھنے کو ملے اگرچہ کم شرح سود نے قرض لینا آسان بنا دیا، صنعتوں کو تاحال توانائی کی قلت، سخت مالیاتی پالیسی اور آئی ایم ایف کی زیر قیادت اصلاحات کے تحت زیادہ ٹیکس لگانے جیسے چیلنجز کا سامنا ہے۔ خصوصی سرمایہ کاری سہولت کونسل (ایس آئی ایف سی) نے اہم اقتصادی شعبوں جیسا کہ زراعت اور انفراسٹرکچر میں بڑے اقدامات کیے، جس کا مقصد سرمایہ کاری کے عمل کو فروغ دینا ہے۔ غیر ملکی سرمایہ کاری کے امکانات میں قدرے بہتری آئی، آئی ایم ایف نے 7 بلین ڈالر کے قرض کی منظوری دی اور ورلڈ بینک نے دس سالوں میں 20 بلین ڈالر کی سرمایہ کاری کے منصوبوں کا اعلان کیا۔ تاہم، گورننس، سیاسی عدم استحکام اور غیر یقینی ریگولیٹری صورتحال سے متعلق خدشات سرمایہ کاروں کے اعتماد کو متاثر کرتے رہے۔

مجموعی طور پر پاکستان کی معیشت نے افراط زر پر قابو پایا اور مالیاتی پالیسی میں بہتری دکھائی مگر کاروبار اور صنعتوں کو محدود طلب اور زیادہ لاگت جیسے مسائل کا سامنا رہا۔ طویل مدتی بحالی کا انحصار مسلسل اصلاحات، بہتر طرز حکمرانی، صنعتی ترقی اور سرمایہ کاروں کے اعتماد کو بڑھانے کے لیے پالیسی میں مستقل مزاجی پر ہے۔

### مالیاتی اور عملی جائزہ:

کمپنی کی اختتام شدہ ششماہی کی عملی کارکردگی مختصر ادرج ذیل ہے:

2023	2024	تفصیلات
روپے ہزاروں میں		
3,504,849	3,903,000	فروخت
664,316	870,334	مجموعی منافع
(280,456)	5,491	منافع/(نقصان) قبل از محصولات
(320,271)	(44,885)	نقصان بعد از محصولات
(33.14)	(4.65)	نقصان فی حصص - روپوں میں

ہم اپنے حصص کنندگان کو مطلع کرنا چاہتے ہیں کہ اس عرصے کے دوران کمپنی کی کل آمدنی گزشتہ سال کی اسی مدت کے مقابلے میں بہتر ہوئی ہے تاہم متعدد بیرونی عوامل اہم چیلنجز کا باعث بنے۔ 2024-25ء کے مالیاتی بجٹ کے تحت کم از کم اجرت میں اضافے، جوس، اسکوئٹس اور شربت پر 20 فیصد فیڈرل ایکسائز ڈیوٹی (ایف ای ڈی) کے نفاذ نے صنعت کو بری طرح متاثر کیا۔ بڑھتی ہوئی پیداواری لاگت اور فیڈرل ایکسائز ڈیوٹی کے اضافی بوجھ کو برداشت کرنے کے لیے، ہم نے وقتاً فوقتاً اپنی مصنوعات کی قیمتوں کو تبدیل کیا۔ ان چیلنجز کے باوجود، کمپنی نے گزشتہ سال کی اسی مدت میں نقصان قبل از محصولات کے برعکس، منافع قبل از محصولات حاصل کرتے ہوئے مثبت کارکردگی پیش کی تاہم بعد از محصولات کمپنی کو نقصان ہوا۔

بینک دولت پاکستان کی جانب سے پالیسی ریٹ کم کرنے اور اسے جنوری 2025ء تک 1200 بیسیس پوائنٹس پر لانے کے فیصلے نے صنعت کو ریلیف فراہم کیا ہے۔

# INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SHEZAN INTERNATIONAL LIMITED

## Report on Review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Shezan International 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 and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these 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 interim financial statements based on our review.

### 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 are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other matter

The figures for the quarters ended December 31, 2024 and December 31, 2023 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's review report is Sajjad Hussain Gill.



# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

## AS AT 31 DECEMBER 2024

	Note	(Un-Audited) December 31, <b>2024</b> Rupees in thousand	(Audited) June 30, 2024
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	<b>1,139,443</b>	1,201,455
Long-term investment	5	<b>6,889</b>	4,785
Long-term prepayments		<b>127</b>	194
Long-term deposits		<b>7,721</b>	7,672
		<b>1,154,180</b>	1,214,106
<b>CURRENT ASSETS</b>			
Stores and spares		<b>253,643</b>	222,450
Stock-in-trade		<b>1,575,318</b>	1,932,114
Right to recover asset		<b>6,916</b>	-
Trade receivables	6	<b>317,938</b>	627,050
Loans and advances		<b>24,657</b>	18,699
Trade deposits, prepayments and other receivables		<b>24,385</b>	13,571
Prepaid levy		<b>134,187</b>	76,895
Cash and bank balances		<b>66,286</b>	104,536
		<b>2,403,330</b>	2,995,315
<b>TOTAL ASSETS</b>		<b>3,557,510</b>	4,209,421
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital (10 million shares of Rs. 10 each)		<b>100,000</b>	100,000
Issued, subscribed and paid up capital		<b>96,631</b>	96,631
Capital reserve			
Merger reserves		<b>5,000</b>	5,000
Revenue reserve			
General reserves		<b>2,000,000</b>	2,000,000
Unrealized gain on remeasurement of investment		<b>4,704</b>	2,600
Accumulated losses		<b>(740,833)</b>	(695,948)
		<b>1,365,502</b>	1,408,283
<b>NON-CURRENT LIABILITIES</b>			
Lease liability		<b>46,941</b>	51,478
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<b>972,264</b>	1,347,908
Unclaimed dividend		<b>15,471</b>	15,471
Accrued markup		<b>40,104</b>	77,773
Current portion of lease liability		<b>36,110</b>	86,873
Short-term borrowings	7	<b>1,017,910</b>	1,159,411
Refund liability		<b>63,208</b>	62,224
		<b>2,145,067</b>	2,749,660
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,557,510</b>	4,209,421
<b>CONTINGENCIES AND COMMITMENTS</b>			
	8		

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

  
Chief Executive

  
Director

  
Chief Financial Officer

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

	Note	Six-month period ended		Three-month period ended	
		December 31,		December 31,	
		2024	2023	2024	2023
		Rupees in thousand		Rupees in thousand	
			Restated		Restated
Revenue from contracts with customers-net	9	<b>3,903,000</b>	3,504,849	<b>1,595,429</b>	1,384,535
Cost of revenue		<b>(3,032,666)</b>	(2,840,533)	<b>(1,247,634)</b>	(1,158,506)
Gross profit		<b>870,334</b>	664,316	<b>347,795</b>	226,029
Distribution costs		<b>(554,026)</b>	(555,113)	<b>(235,837)</b>	(282,334)
Administrative expenses		<b>(192,080)</b>	(193,518)	<b>(99,692)</b>	(101,307)
Other operating expenses		<b>(47,998)</b>	(47,252)	<b>(17,677)</b>	(20,150)
		<b>(794,104)</b>	(795,883)	<b>(353,206)</b>	(403,791)
Operating profit / (loss)		<b>76,230</b>	(131,567)	<b>(5,411)</b>	(177,762)
Other income		<b>30,913</b>	16,638	<b>14,901</b>	4,669
Finance costs		<b>(101,652)</b>	(165,527)	<b>(44,232)</b>	(80,110)
		<b>(70,739)</b>	(148,889)	<b>(29,331)</b>	(75,441)
Profit / (loss) before levy and income tax		<b>5,491</b>	(280,456)	<b>(34,742)</b>	(253,203)
Levy		<b>(50,376)</b>	(39,815)	<b>(20,426)</b>	(12,460)
Loss before income tax		<b>(44,885)</b>	(320,271)	<b>(55,168)</b>	(265,663)
Income tax		-	-	-	-
Loss after tax		<b>(44,885)</b>	(320,271)	<b>(55,168)</b>	(265,663)
Loss per share - basic and diluted	10	<b>(4.65)</b>	(33.14)	<b>(5.71)</b>	(27.49)

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


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

	Six-month period ended December 31, <b>2024</b>		Three-month period ended December 31, <b>2024</b>	
	2023		2023	
	Rupees in thousand		Rupees in thousand	
	Restated		Restated	
Loss for the period	<b>(44,885)</b>	(320,271)	<b>(55,168)</b>	(265,663)
Items that will not be reclassified to statement of profit or loss in subsequent periods:	-	-	-	-
Unrealized gain on remeasurement of investments designated through OCI	<b>2,104</b>	1,368	<b>2,196</b>	1,033
Total comprehensive loss for the period	<b>(42,781)</b>	(318,903)	<b>(52,972)</b>	(264,630)

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



Chief Executive



Director



Chief Financial Officer

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

Share Capital	Capital Reserve	Revenue Reserve			Total
	Merger Reserve	General Reserve	Unrealized gain on remeasurement of Investments	Accumulated Losses	
Rupees in thousand					

Balance as at July 01, 2023 (audited)	96,631	5,000	2,000,000	1,323	(213,813)	1,889,141
Final dividend@ Rs.2/-per share for the year ended June 30, 2023	-	-	-	-	(19,326)	(19,326)
Loss for the period - restated	-	-	-	-	(320,271)	(320,271)
Other comprehensive income	-	-	-	1,368	-	1,368
Total comprehensive loss for the period	-	-	-	1,368	(320,271)	(318,903)
<b>Balance as at December 31, 2023 (unaudited)</b>	<b>96,631</b>	<b>5,000</b>	<b>2,000,000</b>	<b>2,691</b>	<b>(553,410)</b>	<b>1,550,912</b>
<b>Balance as at July 01, 2024 (audited)</b>	<b>96,631</b>	<b>5,000</b>	<b>2,000,000</b>	<b>2,600</b>	<b>(695,948)</b>	<b>1,408,283</b>
Loss for the period	-	-	-	-	(44,885)	(44,885)
Other comprehensive income	-	-	-	2,104	-	2,104
Total comprehensive loss for the period	-	-	-	2,104	(44,885)	(42,781)
<b>Balance as at December 31, 2024 (unaudited)</b>	<b>96,631</b>	<b>5,000</b>	<b>2,000,000</b>	<b>4,704</b>	<b>(740,833)</b>	<b>1,365,502</b>

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



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

	Note	Six month Period ended <b>2024</b>	2023 Rupees in thousand
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Profit / (Loss) before levy and taxation		<b>5,491</b>	(280,456)
Adjustments of non cash and other items			
Depreciation		<b>93,190</b>	107,003
Finance costs		<b>98,099</b>	162,027
Profit on bank deposits		<b>(486)</b>	(708)
Un-winding of financial charges		<b>-</b>	(609)
Allowance of expected credit losses		<b>4,200</b>	4,200
Workers' Profit Participation Fund		<b>312</b>	-
Workers' Welfare Fund		<b>430</b>	1,988
loss on disposal of property, plant and equipment		<b>3,558</b>	298
		<b>199,303</b>	274,199
<b>Cashflow before working capital changes</b>		<b>204,794</b>	(6,257)
<b>Decrease/(Increase) in current assets:</b>			
Stores and spares		<b>(31,193)</b>	38,479
Stock-in-trade		<b>356,796</b>	(52,177)
Right to recover asset		<b>(6,916)</b>	4,054
Trade receivables		<b>304,912</b>	4,467
Loans and advances		<b>(5,958)</b>	370,712
Trade deposits, prepayments and other receivables		<b>(10,814)</b>	(24,865)
		<b>606,827</b>	340,670
<b>Increase/(decrease) in current liabilities:</b>			
Trade and other payables		<b>(376,386)</b>	(114,468)
Refund liability		<b>984</b>	(3,718)
		<b>(375,402)</b>	(118,186)
<b>Cash generated from operations</b>		<b>436,219</b>	216,227
Profit on bank deposits received		<b>486</b>	708
Interest expense paid		<b>(132,214)</b>	(175,754)
Levy and income tax paid		<b>(107,669)</b>	(71,408)
Long-term receivables		<b>-</b>	614
Long-term prepayments		<b>67</b>	617
Long-term deposits		<b>(49)</b>	(106)
		<b>(239,379)</b>	(245,329)
<b>Net cash generated from operating activities</b>	<b>A</b>	<b>196,840</b>	(29,102)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		<b>(37,955)</b>	(20,034)
Sale proceeds from disposal of property, plant and equipment		<b>3,219</b>	7,260
<b>Net cash used in investing activities</b>	<b>B</b>	<b>(34,736)</b>	(12,774)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long term loan		<b>(50,000)</b>	(50,000)
Short-term borrowings- net		<b>(141,501)</b>	73,745
Repayment of lease liability		<b>(8,853)</b>	(12,012)
Dividends paid		<b>-</b>	(17,642)
<b>Net cash used in financing activities</b>	<b>C</b>	<b>(200,354)</b>	(5,909)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C)</b>	<b>(38,250)</b>	(47,785)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>104,536</b>	118,637
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>66,286</b>	70,852

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

  
Chief Executive

  
Director

  
Chief Financial Officer

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

## 1 THE COMPANY AND ITS OPERATIONS

The Company is a Public Limited Company incorporated in Pakistan on May 30, 1964 and is listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 56 - Bund Road, Lahore, Pakistan. It is engaged in the manufacturing, trading and sale of juices, pickles, jams, ketchups etc., based upon or derived from fruits and vegetables. Following are the business units of the Company along with their respective locations:

BUSINESS UNIT	ADDRESS
Production Plant and Head Office	56-Bund Road, Lahore
Production Plant	Plot No. 33-34, Phase III, Hattar Industrial Estate, Hattar
Production Plant	Plot L-9, Block No. 22, Federal B Industrial Area, Karachi

## 2 BASIS OF PREPARATION

### Statement of compliance

**2.1** These 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; 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.

**2.2** These condensed interim financial statements are unaudited but subject to the limited scope review by the auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

**2.3** These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2024 which have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from the unaudited condensed interim financial statements for the half year ended December 31, 2023.

### 2.4 Basis of measurement

The condensed interim financial statements have been prepared under the historical cost convention.

### 2.5 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is also the Company's functional currency.



### 3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

In preparing the condensed interim financial statements, the significant judgments made by the management in applying accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of annual audited financial statements for the year ended June 30, 2024.

Provision in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation in these condensed interim financial statements are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

#### 3.1 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2024.

#### 3.2 CHANGE IN ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS

##### 3.2.1 Amendments to published accounting and reporting standards which became effective during the period:

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

##### 3.2.2 Amendments to published accounting and reporting standards that are not yet effective:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2025. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

#### 3.3 SEASONALITY OF OPERATIONS

The quarterly results of the Company are subject to seasonal fluctuations due to variation in demand of the main products (juices, squashes and syrups).

(Un-Audited)	(Audited)
December 31,	June 30,
2024	2024
Rupees in thousand	

### 4 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	1,008,611	1,073,512
Capital work in process	86,949	77,854
Right of use assets	43,883	50,089
	1,139,443	1,201,455

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

	(Un-Audited) December 31, <b>2024</b>	(Audited) June 30, 2024
Note	Rupees in thousand	
<b>4.1</b> Following is the details of additions during the period/year - at cost:		
Plant and machinery	<b>605</b>	23,762
Furniture and fixtures	<b>-</b>	51
Electric equipment	<b>435</b>	991
Computers and accessories	<b>151</b>	1,162
Empty bottles, shells, pallets and barrels	<b>27,669</b>	35,868
	<b>28,860</b>	61,834
<b>4.2</b> Following are details of disposals during the period/year-at cost		
Plant and machinery	<b>305</b>	2,135
Motor vehicles	<b>-</b>	2,105
Electric equipment	<b>-</b>	513
Computers and accessories	<b>99</b>	153
Empty bottles, shells, pallets and barrels	<b>28,627</b>	41,523
	<b>29,031</b>	46,429
<b>5 LONG-TERM INVESTMENT</b>		
Investment in listed securities - fair value through OCI		
BRR Guardian Limited		
305,000 (30 June 2024: 305,000) certificates of Rs. 10/- each	<b>2,375</b>	2,375
Gain on remeasurement	<b>4,514</b>	2,410
	<b>6,889</b>	4,785
<b>6 TRADE DEBTS</b>		
Due from customers - considered good	<b>364,504</b>	669,416
Allowance for expected credit loss	<b>(46,566)</b>	(42,366)
	<b>317,938</b>	627,050
<b>7 SHORT TERM BORROWINGS - SECURED</b>		
Short term borrowings - net	<b>1,017,910</b>	1,159,411

**7.1** The aggregate short-term borrowings available from commercial banks under mark-up / interest arrangements are Rs. 2,000 million (June 30, 2024: Rs. 2,300 million). The un-utilized portion of the said facility amounts to Rs. 982.090 million (June 30, 2024: Rs.1,159.411 million).

**7.2** The rate of mark-up / interest on short-term borrowings ranges between 1 month / 3 months KIBOR plus 0.05% to 1 month / 3 months KIBOR plus 0.25% per annum (June 30, 2024: 1 month / 3 months KIBOR plus 0.05% to 1 month / 3 months KIBOR plus 0.25% per annum) per annum.

**7.3** The facilities are secured against first registered joint pari passu hypothecation charge on current assets of the Company up to Rs. 3,282 million (June 30, 2024: Rs. 3,282 million) and ranking charge on current assets of the Company up to Rs. 400 million (June 30, 2024: Rs. Nil).





- 7.4** The un-utilized facility for opening letters of credit and for guarantees amounts to Rs. 194.264 million (June 30, 2024 Rs. 300 million) and Rs. 135.305 million (June 30, 2024: Rs. 31.424 million), respectively.

## 8 CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies

There is no material change in the contingencies since the last audited financial statements for the year ended June 30, 2024 except for the following:

The DCIR, vide order dated June 30, 2024 passed under section 161/205 of the Ordinance, created income tax demand of Rs. 17.851 million for the tax year 2018. Being aggrieved with said order, the Company filed an appeal before the CIR (A) against the order passed by the learned DCIR, whereby the CIR(A), after hearing the case, upheld the levy of tax amounting to Rs.5.052 million at the rate of 5% on the value of Rs.101.055 million (Salaries & Wages) and also upheld the levy of tax amounting to Rs. 0.149 million at the rate of 4%/4.5% on the value of Rs.3.429 million (payments made to various commercial importers). Being still aggrieved with the said appellate order, the Company filed a reference before the honourable Lahore High Court, Lahore, against the order passed by the learned CIR(A) dated 16 October 2024, which is pending adjudication.

### 8.2 Commitments

- (i) Commitments in respect of letters of credit established for the import of raw, packing materials and plant and machinery amounted to Rs. 5.736 million (June 30, 2024: Nil).
- (ii) Guarantees issued by the banks in favor of the Company in the ordinary course of business, amounted to Rs. 124.695 million (June 30, 2024: Rs. 128.576 million).

	(Un-Audited)			
	Six-month period ended		Three-month period ended	
	December 31,		December 31,	
	2024	2023	2024	2023
	Rupees in thousand		Rupees in thousand	
<b>9 REVENUE FROM CONTRACTS WITH CUSTOMERS-NET</b>				
Local	<b>5,164,348</b>	4,803,568	<b>2,025,763</b>	1,785,951
Export	<b>417,118</b>	339,296	<b>232,984</b>	202,540
	<b>5,581,466</b>	5,142,864	<b>2,258,747</b>	1,988,491
Less: Discounts and incentives	<b>196,577</b>	149,557	<b>105,720</b>	73,888
Sales tax	<b>776,724</b>	776,789	<b>305,555</b>	289,366
Federal excise duty	<b>705,165</b>	711,669	<b>252,043</b>	240,702
	<b>1,678,466</b>	1,638,015	<b>663,318</b>	603,956
	<b>3,903,000</b>	3,504,849	<b>1,595,429</b>	1,384,535

- 9.1** All the revenue is recognised at a point in time.

	(Un-audited)	
	Six-month period ended	
	December 31,	
	2024	2023
	(Rupees in thousand)	
<b>9.2</b> The Company's net revenue disaggregated by major product lines is as follows:		
Juices and drinks	<b>3,048,938</b>	2,691,715
Others	<b>854,062</b>	813,134
	<b>3,903,000</b>	3,504,849

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

		(Un-Audited)	
		Six-month period ended December 31, <b>2024</b>	Three-month period ended December 31, <b>2024</b>
		2023	2023
		Rupees in thousand	Rupees in thousand
<b>10 LOSS PER SHARE - BASIC AND DILUTED</b>		Restated	Restated
Loss after taxation attributable to ordinary shareholders		<b>(44,885)</b>	(320,271)
Weighted average number of ordinary shares at the end of the period		<b>9,663</b>	9,663
Loss per share-basic and diluted (Rupees)		<b>(4.65)</b>	(33.14)
		<b>(5.71)</b>	(27.49)

**10.1** No fully diluted earnings per share has been disclosed as the Company has not issued an instrument which would have an impact on earnings per share, when exercised.

## 11 TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise related group companies, associates, staff provident fund, directors and key management personnel. Details of transactions with them are as follows:

		(Un-Audited)	
		Six-month period ended December 31, <b>2024</b>	2023
		Rupees in thousand	Rupees in thousand
<b>Transactions during the period:</b>			
<b>Associated undertakings</b>			
Purchases of raw materials	Associate	<b>100,005</b>	355,932
Sales of finished goods	Associate	<b>19,803</b>	593
Royalty charged	Associate	<b>38,584</b>	34,806
Purchases / repairs of electric equipment / vehicles	Associate	<b>176</b>	45
Contributions to staff provident fund	Employees' Fund	<b>3,179</b>	3,286
Remuneration and benefits of Directors, Chief Executive and key management personnel	Key management Personnel	<b>17,663</b>	14,844
		(Un-Audited)	(Audited)
		December 31	June 30,
		<b>2024</b>	<b>2024</b>
<b>Period / year end balances:</b>		Rupees in thousand	
Due to related parties	Associate	<b>69,709</b>	23,875
Due from related parties	Associate	<b>714</b>	105,086



## 12 SEGMENTAL ANALYSIS

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive. The Chief Executive considers the business from the product perspective and evaluates performance on the basis of their profit or loss. As at December 31, 2024, the Company is organized into two operating segments based on their products.

### Juice drinks

Juice drinks segment includes bottled drinks as well as juices in tetra pack packing.

### Others

Others include pickles, ketchup, sauces, jams etc.

	Juices and Drinks	Others	Total
	Rupees in thousand		
<b>Statement of profit or loss for six month period ended December 31, 2024 (Un-audited)</b>			
Revenue from contracts with customers - net	3,048,938	854,062	3,903,000
Cost of revenue	(2,395,012)	(637,654)	(3,032,666)
Gross profit	653,926	216,408	870,334
<b>Unallocated expenses and income</b>			
Distribution costs			(554,026)
Administrative expense			(192,080)
Other operating expense			(47,998)
Other income			30,913
Finance costs			(101,652)
Levy			(50,376)
<b>Loss after levy and taxation</b>			<b>(44,885)</b>
<b>Assets and liabilities as at December 31, 2024 (Un-audited):</b>			
Segment assets	2,723,656	549,712	3,273,368
Unallocated assets			284,142
Total			<b>3,557,510</b>
Segment liabilities	536,806	186,743	723,549
Unallocated liabilities			1,468,459
Total			<b>2,192,008</b>

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

	Juices and Drinks	Others	Total
	Rupees in thousand		
<b>Statement of profit or loss for six month period ended December 31, 2023 (Un-audited)</b>			
Revenue from contracts with customers - net	2,691,715	813,134	3,504,849
Cost of revenue	(2,220,888)	(619,646)	(2,840,533)
Gross profit	470,828	193,488	664,316
<b>Unallocated expenses and income</b>			
Distribution costs			(555,113)
Administrative expense			(193,518)
Other operating expense			(47,252)
Other income			16,638
Finance costs			(165,527)
Levy			(39,815)
<b>Loss after levy and taxation</b>			<b>(320,271)</b>
<b>Assets and liabilities as at June 30, 2024 (Audited):</b>			
Segment assets	3,147,581	838,439	3,986,020
Unallocated assets			223,401
Total			<b>4,209,421</b>
Segment liabilities	901,875	295,704	1,197,579
Unallocated liabilities			1,552,081
Total			<b>2,749,660</b>

## 13 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, following reclassification has been made during the period:

Description	From	To	Rupees in thousand
Reclassification of Income tax to levy	Income tax	Levy	39,815

## 14 FINANCIAL RISK MANAGEMENT

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

## 15 DATE OF AUTHORIZATION FOR ISSUE


These condensed interim financial statements were authorized for issue by the Board of Directors on 25 February 2025.

## 16 GENERAL

Figures in these condensed interim financial statements have been rounded off to the nearest thousand of rupees unless otherwise stated.



  
Chief Executive

  
Director

  
Chief Financial Officer



## NOTES

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## NOTES





Happiness  
kay Flavors





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