



**A BRAND NEW DAY**

**2021**

**QUARTERLY REPORT**

**Q 1 Ended 31st March**

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## A BRAND-NEW JOURNEY: MARKING NEW MILESTONES AND TERRITORIES

As a foundation stone of our corporate identity, our logo is the symbolic reflection of our values. On the imagery and the nuances of the new mark: The bright colourful sun at the angle is a bolder and global version. It connotes the highest vibrant transmission of energy to Earth. A deep sense of simplicity, solidity and permanence. Vim and vigour. Our boundless optimism. Culminating the highest peaks. To sum up, our new mark embeds a sense of pride, unity, hope and aspires everyone at Highnoon to outperform.

## A BRAND NEW DAY

We are determined every day to enrich life with perseverance, passion, integrity and reliability. As our name connotes the highest vibrant transmission of energy to Earth. We have embarked on a new journey to empower healthcare professionals to improve their patients' lives with new products, health services and social programs that touch millions of lives; with a sense of pride, unity, hope and belonging in all of us.

## COMPANY INFORMATION

### Board of Directors

Mr. Tausif Ahmad Khan  
Chairman

Dr. Adeel Abbas Haideri  
Chief Executive Officer

Mr. Ghulam Hussain Khan  
Mr. Shazib Masud  
Mr. Taufiq Ahmed Khan  
Mrs. Zainub Abbas  
Mr. Romesh Elapata  
Ms. Nael Najam  
(Alternate Director)

### Chief Financial Officer

Mr. Ashfaq P. Alidina  
Tel : +92 42 3751 1953  
Email : ashfaq.alidina@highnoon.com.pk

### Company Secretary

Mr. Khadim Hussain Mirza  
Tel: +92 42 3751 0036  
Email: khadim@highnoon.com.pk

### Bankers

Habib Bank Limited  
United Bank Limited  
J.S. Bank Limited  
Allied Bank Limited  
Habib Metropolitan Bank Limited

### Registered, Head office & Plant

17.5 Kilometer Multan Road,  
Lahore - 53700, Pakistan  
UAN : +92 42 111 000 465  
Fax : +92 42 3751 0037  
E-mail : info@highnoon.com.pk  
Web : www.highnoon-labs.com

### Legal Advisor

Raja Muhammad Akram  
& Company

### Tax Advisor

Yousuf Islam & Associates

### Auditors

EY Ford Rhodes  
Chartered Accountants

### Shares Registrar

Corplink (Pvt.) Ltd.  
Wings Arcade,  
1-K Commercial,  
Model Town, Lahore.  
Tel : +92 42 3591 6714, 3591 6719  
Fax : +92 42 3586 9637

### Audit Committee

Mr. Shazib Masud  
Chairman

Mr. Ghulam Hussain Khan  
Member

Mrs. Zainub Abbas  
Member

Mr. Khadim Hussain Mirza  
Secretary

### Human Resource and Remuneration Committee

Mr. Shazib Masud  
Chairman

Dr. Adeel Abbas Haideri  
Member

Mrs. Zainub Abbas  
Member

### Executive Committee

Dr. Adeel Abbas Haideri  
CEO Chairman

Mr. Javed Hussain  
Group Director Finance Member

Mr. Ashfaq P. Alidina  
Chief Financial Officer Member

Mr. Sajjad Hafeez Butt  
COO (Technical) Member

Dr. Saleem Akhtar  
Group Director  
Quality Operations Member

Mr. Ahmad Raza  
Group Director  
Research & Development Member

Mr. Aamir Zafar  
COO (SB) Member

Mr. Azfar Abbas Haideri  
Director Commercial Member

Ms. Iram Naila  
Associate Director  
Regulatory Affairs Member

### I.T. Steering Committee

Dr. Adeel Abbas Haideri  
CEO Chairman

Mr. Javed Hussain  
Group Director Finance Member

Mr. Ashfaq P. Alidina  
Chief Financial Officer Member

Mr. Sajjad Hafeez Butt  
COO (Technical) Member

Mr. Aamir Zafar  
COO (SB) Member

Mr. Azfar Abbas Haideri  
Director Commercial Member

## Directors' Report

It is our pleasure to present the un-audited condensed interim financial statements of your Company and the Group for the three months ended 31 March 2021.

Your Company generated net sales revenue of Rs. 3,117 million during the period under review compared to Rs. 2,566 million in the same period last year (SPLY) registering a growth of 21%. Gross margin improved from 46 % to 49% due to volumetric increase in sales, improved productivity, and continued emphasis on supply chain initiatives. Distribution and sales promotion expenses increased by 23% over last year primarily due to increased personnel costs, promotional focus on our core brands, and new product launches. Administrative and general expenses remained within limits. A vigorous topline growth and effective resource management culminated into a profit after tax of Rs. 409 million, an increase of 42% over SPLY.

The Group gross margin improved from 47 % to 50 % mainly on account of improved sales mix and various cost optimization initiatives taken by the Company. Manufacturing overheads and administrative expenses of the Subsidiary Company were also contained and remained within limits. The Group profit after tax stood at Rs. 427 million compared to Rs. 302 million during the SPLY registering a 42% increase.

We are fully determined to build on the existing momentum with resolve and commitment. We look forward to sustaining this growth through continuous system improvements, supply chain diversifications, optimum working capital management and patient-centric product innovation

On behalf of the Board, we would like to express our sincere gratitude to the Shareholders, Pharmacists, Consumers and all Business Partners for their continued patronage. Special gratitude to the employees and management for their untiring efforts in achieving promising results.

For & On behalf of the Board

Lahore: 29 April 2021

Taufiq Ahmed Khan  
Director

Dr. Adeel Abbas Haideri  
Chief Executive Officer

## ڈائریکٹرز رپورٹ

ہم کمپنی اور گروپ کی پہلی سہ ماہی ختمہ 31 مارچ 2021 کی غیر تنقیح شدہ مالیاتی رپورٹ پیش کرتے ہوئے خوش محسوس کر رہے ہیں۔

زیر جائزہ مدت میں کمپنی کی آمدن فروخت 3,117 ملین روپے رہی جو کہ گزشتہ سال اسی مدت میں 2,566 ملین روپے تھی اس طرح شرح اضافہ 21 فیصد رہی۔ آمدن فروخت میں اضافہ، پیداواری امور میں بہتری اور سپلائی چین کی بہتری کے اقدامات پر مرکوز توجہ کی بدولت خام منافع کی شرح میں معمولی اضافہ ہوا اور یہ 46 فیصد سے بڑھ کر 49 فیصد ہو گئی۔ ڈسٹری بیوشن اور سیلز پروموشن کے اخراجات میں گزشتہ سال اسی مدت کے موازنہ میں 23 فیصد اضافہ ہوا جس کی بنیادی وجہ سیلز ٹیم کے حجم میں اضافہ اور اپنے موجودہ برانڈز اور نئی متعارف کروائی جانے والی ادویات کے فروغ پر مزید توجہ دینا ہے۔ انتظامی و دیگر امور پر ہونیوالے اخراجات موثر انضباط کی وجہ سے اپنے اہداف میں ہی رہے۔ ٹاپ لائن میں زبردست اضافہ اور وسائل میں موثر حکمت عملی کی وجہ سے بعد از ٹیکس خالص منافع 409 ملین روپے رہا جو گزشتہ سال کی اسی مدت سے 42 فیصد زیادہ ہے

گروپ کے خام منافع کی شرح 47 فیصد سے بڑھ کر 50 فیصد ہو گئی جس کی وجہ مجموعہ فروخت اور لاگت کو کنٹرول کرنے کے لئے کمپنی کے موثر اقدامات کرنا ہیں۔ ذیلی کمپنی کے پیداواری اور انتظامی اخراجات کو موثر انضباط کی بدولت اہداف کے اندر ہی رکھا گیا۔ گروپ کا بعد از ٹیکس خالص منافع 427 ملین روپے رہا جو گزشتہ سال کی اسی مدت میں 302 ملین روپے تھا جو کہ 42 فیصد زیادہ ہے۔

ان حالات میں ہم اپنی شرح ترقی کو برقرار رکھنے کے لیے پرعزم ہیں اور ہم ان اثرات سے نمٹنے کے لیے اقدامات اٹھا رہے ہیں جن میں سپلائی چین میں تنوع، خام مال اور ضروری اجزائے پیداوار کا اضافی ذخیرہ، ورکنگ کپٹل میں مناسب اضافہ اور غیر روایتی پروموشن سرگرمیاں اختیار کرنا شامل ہیں۔

ہم بورڈ کی طرف سے حصہ داروں، فارماسسٹ، صارفین اور کاروباری شرکاء کے تعاون اور مسلسل کاروباری حمایت پر اور خاص طور پر انتظامیہ اور کارکنان کی انتھک کوششوں اور مطلوبہ نتائج کے لئے پرعزم ہونے پر تہہ دل سے مشکور ہیں۔

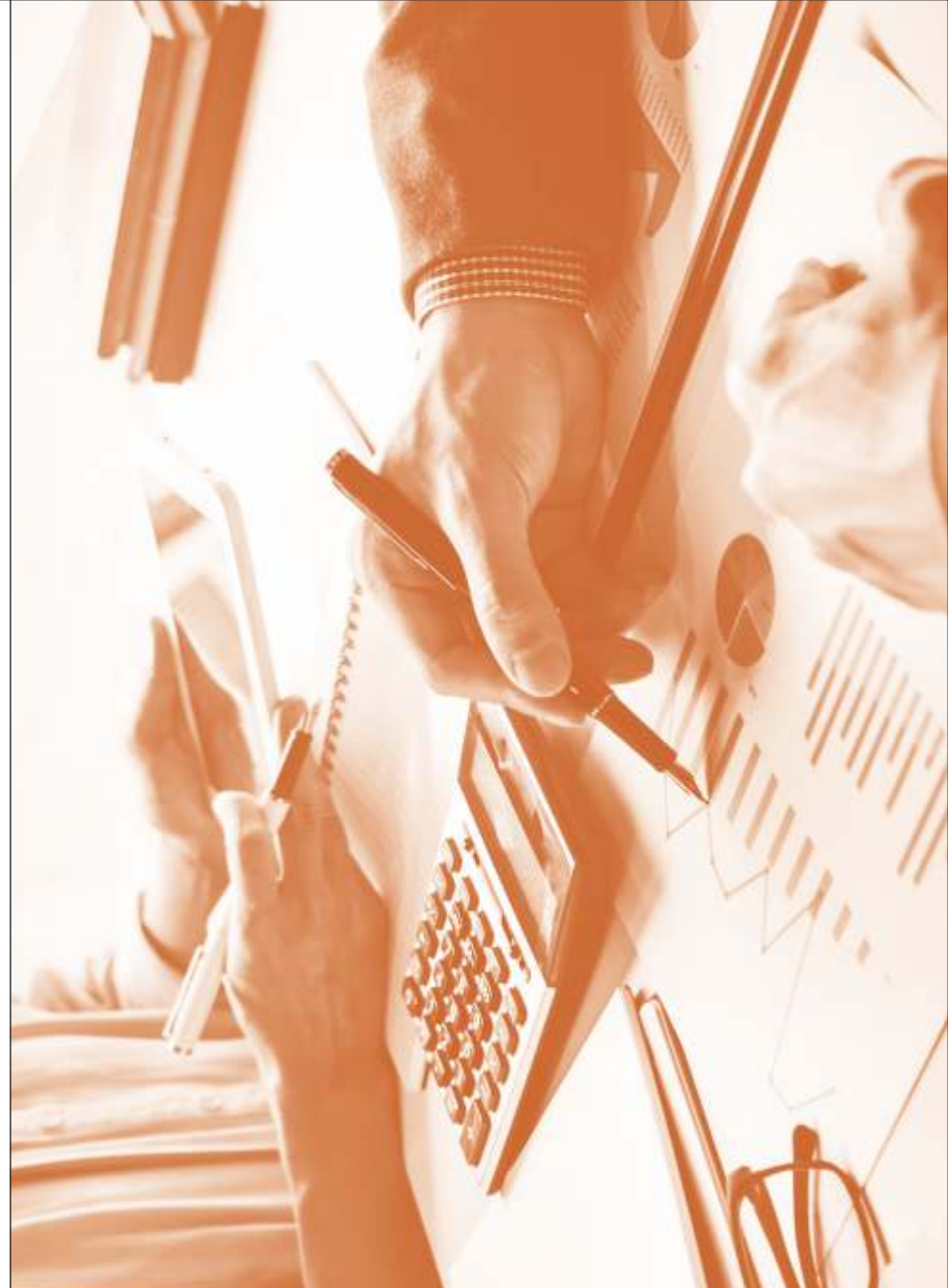
بورڈ آف ڈائریکٹرز کی جانب سے

ڈاکٹر عدیل عباس حیدری  
چیف ایگزیکٹو آفیسر

توفیق احمد خان  
ڈائریکٹر

لاہور: 29 اپریل 2021

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## Condensed Interim Un-consolidated Financial Statements

Highnoon Laboratories Limited  
for the First Quarter ended 31 March 2021

## Condensed Interim un-consolidated Statement of Financial Position

	Un Audited 31 March 2021	Audited 31 December 2020
Note	----- (Rupees) -----	
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Share capital and reserves</b>		
Authorized share capital		
50,000,000 (2020: 50,000,000) Ordinary shares of Rs. 10 each	500,000,000	500,000,000
Issued, subscribed and paid up share capital	346,149,450	346,149,450
Revenue reserves	4,138,680,759	3,726,120,784
"Revaluation surplus on property, plant and equipment"	410,392,127	413,928,517
<b>Total Equity</b>	<b>4,895,222,336</b>	<b>4,486,198,751</b>
<b>Non-current liabilities</b>		
Long term lease liabilities	125,543,780	129,565,601
Long term advances	33,272,075	33,266,627
Long term loan - secured	122,112,409	165,409,699
Deferred liabilities	545,195,145	528,330,185
	826,123,409	856,572,112
<b>Current liabilities</b>		
Trade and other payables	819,722,452	552,376,172
Unclaimed dividend	44,380,916	44,471,264
Mark up accrued	2,157,536	-
Current portion of long term liabilities	192,002,899	194,540,950
Provision for taxation - net	345,791,049	296,237,162
	1,404,054,852	1,087,625,548
<b>Total Liabilities</b>	<b>2,230,178,261</b>	<b>1,944,197,660</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,125,400,597</b>	<b>6,430,396,411</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	<b>4</b>	

The annexed notes from 1 to 13 form an integral part of these Un-audited Condensed Interim Unconsolidated Financial Statements.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

## As at 31 March 2021

	Un Audited 31 March 2021	Audited 31 December 2020
Note	----- (Rupees) -----	
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5 1,489,150,323	1,464,057,858
Long term investment	6 200,000,000	200,000,000
Long term deposits	27,695,069	21,443,429
Long term advances	36,021,244	30,058,266
Deferred tax asset	38,004,568	39,126,098
	1,790,871,204	1,754,685,651
<b>Current Assets</b>		
Stock in trade	7 1,919,281,381	2,106,010,576
Trade debts	740,731,844	322,553,874
Advances	322,518,969	218,481,665
Trade deposits and short term prepayments	43,410,740	45,960,265
Other receivables	38,149,339	36,524,948
Loan to subsidiary	10,000,000	10,000,000
Short term investment	1,379,082,980	1,093,846,453
Tax refunds due from the Government	18,187,018	19,135,488
Cash and bank balances	863,167,122	823,197,491
	5,334,529,393	4,675,710,760
<b>TOTAL ASSETS</b>	<b>7,125,400,597</b>	<b>6,430,396,411</b>

Ashfaq P. Alidina  
Chief Financial Officer



## Condensed Interim un-consolidated Statement of Profit or Loss (un-audited) For the Period Ended 31 March 2021

	Note	First Quarter Ended 31 March	
		2021	2020
		----- (Rupees) -----	
Revenue from contract with customers- net	8	3,117,086,155	2,565,605,903
Cost of Revenue	9	1,592,757,867	1,375,639,090
Gross profit		1,524,328,288	1,189,966,813
Distribution, selling and promotional expenses		810,311,475	656,169,099
Administrative and general expenses		123,568,962	103,229,310
Research and development expenses		2,033,726	1,336,030
Other operating expenses		50,488,296	35,946,160
		986,402,459	796,680,599
Operating Profit		537,925,829	393,286,214
Other income		30,562,632	15,282,665
Finance costs		7,424,374	3,445,130
Profit before taxation		561,064,087	405,123,749
Taxation		152,040,502	117,561,932
Profit for the period		409,023,585	287,561,817
		Restated	
Earnings per share - basic and diluted		11.82	8.31

The annexed notes from 1 to 13 form an integral part of these Un-audited Condensed Interim Unconsolidated Financial Statements.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

Ashfaq P. Alidina  
Chief Financial Officer

## Condensed Interim un-consolidated Statement of Comprehensive Income (un-audited) For the Period Ended 31 March 2021

	First Quarter Ended 31 March	
	2021	2020
	----- (Rupees) -----	
<b>Profit for the period</b>	409,023,585	287,561,817
<b>Other comprehensive income</b>		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	-	-
Total comprehensive income for the period	409,023,585	287,561,817

The annexed notes from 1 to 13 form an integral part of these Un-audited Condensed Interim Unconsolidated Financial Statements.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

Ashfaq P. Alidina  
Chief Financial Officer

## Condensed Interim un-consolidated Statement of Cash Flows (un-audited) For the Period Ended 31 March 2021

	First Quarter Ended 31 March	
	2021	2020
	----- (Rupees) -----	

### CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax 561,064,087 405,123,749

Adjustments to reconcile profit before tax to net cash flows:

Depreciation of operating fixed assets	37,456,957	38,761,894
Gain on disposal of operating fixed assets	(4,820,553)	-
Exchange loss / (gain) - net	3,010,264	1,766,832
Provision for defined benefit obligation	20,558,141	20,009,346
Provision for Workers' Profit Participation Fund	17,129,108	21,604,862
Provision for central research Fund	5,971,886	4,364,619
Finance costs	7,424,374	3,445,130
	86,730,177	89,952,683

**Profit before working capital changes** 647,794,264 495,076,432

### Working capital changes:

#### (Increase) / decrease in current assets:

Stock in trade	186,729,195	25,616,811
Trade debts	(421,188,234)	(342,945,320)
Advances	(104,037,304)	(75,390,894)
Trade deposits and short term prepayments	2,549,525	(12,875,644)
Other receivables	(2,711,125)	(2,180,287)
Short term investment	(285,236,527)	-
Tax refund due from government	948,470	(3,499,496)

#### Increase/ (decrease) in current liabilities:

Trade and other payables	247,402,127	34,092,310
	(375,543,873)	(377,182,520)

**Cash generated from operations** 272,250,391 117,893,912

Income Tax paid (106,235,375) (84,037,028)

Gratuity paid (2,379,152) (3,824,933)

Finance costs paid (5,266,838) (3,545,631)

**Net cash flows generated from operating activities** 158,369,026 26,486,319

## Condensed Interim un-consolidated Statement of Cash Flows (un-audited) For the Period Ended 31 March 2021

	First Quarter Ended 31 March	
	2021	2020
	----- (Rupees) -----	

### CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(76,349,380)	(26,861,419)
Additions in long term advances	(5,962,978)	(329,426)
Increase in long term deposits - net	(6,251,640)	(5,159,565)
Proceeds from disposal of operating fixed assets	18,620,511	-
Net cash flows (used in) / generated from investing activities	(69,943,487)	(32,350,410)

### CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of lease liabilities- net	(5,028,783)	(2,877,638)
Long term loan	(41,274,138)	-
Long term advances - net	(2,062,639)	15,943,833
Dividend paid	(90,348)	(650,435)
Net cash flows (used in) / generated from financing activities	(48,455,908)	12,415,760

**Net increase in cash and cash equivalents** 39,969,631 6,551,669

**Cash and cash equivalents at beginning of the period** 823,197,491 858,895,440

**Cash and cash equivalents at end of the period** 863,167,122 865,447,109

The annexed notes from 1 to 13 form an integral part of these Un-audited Condensed Interim Unconsolidated Financial Statements.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

Ashfaq P. Alidina  
Chief Financial Officer



## Condensed Interim un-consolidated Statement of Changes in Equity (un-audited) For the Period Ended 31 March 2021

	Share Capital	Capital Reserves Revaluation Surplus on P/E	General reserve	Revenue reserves Unappropri- ated profit	Sub total	Total
	----- (Rupees) -----					
<b>Balance as at 01 January 2020</b>	314,681,310	356,336,117	114,000,000	2,656,544,148	2,770,544,148	3,441,561,575
Total comprehensive income for the period ended 31 March 2020	-	-	-	287,561,817	287,561,817	287,561,817
<b>Surplus transferred to unappropriated profit</b> On account of incremental depreciation relating to surplus on revaluation of property plant and equipment - net of tax	-	(2,955,589)	-	2,955,589	2,955,589	-
<b>Balance as at 31 March 2020</b>	314,681,310	353,380,528	114,000,000	2,947,061,554	3,061,061,554	3,729,123,392
<b>Balance as at 01 January 2021</b>	346,149,450	413,928,517	114,000,000	3,612,120,784	3,726,120,784	4,486,198,751
Total comprehensive income for the period ended 31 March 2021	-	-	-	409,023,585	409,023,585	409,023,585
<b>Surplus transferred to unappropriated profit</b> "On account of incremental depreciation relating to surplus on revaluation of property plant and equipment - net of tax"	-	(3,556,390)	-	3,536,390	3,536,390	-
<b>Balance as at 31 March 2021</b>	346,149,450	410,392,127	114,000,000	4,024,680,759	4,138,680,759	4,895,222,336

The annexed notes from 1 to 13 form an integral part of these Un-audited Condensed Interim Unconsolidated Financial Statements.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

Ashtaq P. Alidina  
Chief Financial Officer

## Selected notes to the Condensed Interim un-consolidated Financial Statements (un-audited) For the Period Ended 31 March 2021

### 1 THE COMPANY AND ITS OPERATIONS

Highnoon Laboratories Limited ("the Company") was incorporated in Pakistan under the Companies Act, 2017 ("the Act") and its shares are quoted on Pakistan Stock Exchange since November 1994. The Company is principally engaged in the manufacture, import, sale and marketing of pharmaceutical and allied consumer products. The registered office of the Company is situated at 17.5 KM, Multan Road, Lahore.

### 2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

#### 2.1 STATEMENT OF COMPLIANCE

This condensed interim financial information has 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.

This condensed interim financial information is un-audited and is being submitted to shareholders, as required by section 237 of the Companies Act, 2017.

#### 2.2 BASIS OF PREPARATION

This condensed interim financial information does not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 December, 2020.

This condensed interim financial information has been prepared under the historical cost convention, except for revaluation of property, plant and equipment and recognition of certain employees retirement benefits at present value. In this condensed interim financial information except for the cash flow statement, all the transactions have been accounted for on accrual basis.

The preparation of condensed interim financial information 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 result may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key source of estimation are the same as those applied to the financial statements for the year ended 31 December 2020.

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in preparation of the annual audited financial statements of the Company for the year ended 31 December 2020.

Note	Un Audited 31 March 2021	Audited 31 December 2020
	----- (Rupees) -----	
<b>3 Long term loan - secured</b>		
Long term loan	282,554,392	323,828,530
Less: Current portion of long term loan	(160,441,983)	(158,418,831)
	122,112,409	165,409,699

**3.1** This represents loan of Rs. 333 million obtained under Refinance Scheme for Payment of Wages and Salaries to Workers and Employees of Business Concerns (the Scheme) offered by State Bank of Pakistan to mitigate the effect of COVID-19 on employment in Pakistan. The facility has an aggregate sanctioned limit of Rs. 400 million and is availed to finance wages and salaries (excluding bonuses, sales incentives, employee benefit plans, staff retirement benefits, gratuity etc.) of permanent, contractual, daily wagers as well as outsourced employees (collectively the Employees) for months of April to September 2020. It carries mark-up at SBP rate plus 3% per annum and is secured against first pari passu equitable mortgage charge of Rs. 266.67 million on fixed assets of the Company including land, building, plant and machinery situated at 17.5KM, Multan Road, Mouza Kanjrah, Lahore and exclusive charge of Rs. 533.34 million over the fixed assets of the Company with 25% margin. Further, the Company has also issued a demand Promissory note amounting to Rs. 342,092,236 in favour of bank. The loan has been measured at its fair value in accordance with IFRS 9 (Financial Instruments) using effective interest rate of 3M KIBOR at respective draw down dates. The difference between fair value of loan and loan proceeds has been recognized as deferred grant as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per Circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

#### 4 Contingencies

there is no significant change in the contingencies since the date of preceding published annual financial statements.

#### 4.1 Commitments

Commitments against letter of credit includes:

	Un Audited 31 March 2021	Audited 31 December 2020
	----- (Rupees) -----	
Raw materials	376,297,396	434,422,145
Packing materials	119,015,460	82,632,094
Plant & Machinery	14,876,716	10,101,258
	510,189,572	527,155,497

	Un Audited 31 March 2021	Audited 31 December 2020
	----- (Rupees) -----	
<b>5 PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets	1,283,535,463	1,254,814,228
Right of use assets	125,782,198	133,914,699
Capital work in progress	79,832,662	75,328,931
	1,489,150,323	1,464,057,858

#### 5.1

31 March 2021 - Un Audited		
Operating Assets- Owned	Right of use assets	Capital work -in-progress

----- (Rupees) -----

Openning	1,254,814,228	133,914,699	75,328,931
Additions	69,609,175	-	55,976,835
Transfer / Disposals - net	13,799,958	-	51,473,104
Depreciation for the period	27,087,982	8,132,501	-
	1,283,535,463	125,782,198	79,832,662

31 December 2020 - Audited		
Operating Assets- Owned	Right of use assets	Capital work -in-progress

----- (Rupees) -----

Openning	924,621,069	67,870,341	125,774,816
Additions	638,919,980	93,067,642	140,872,003
Transfer / Disposals - net	55,067,162	-	191,317,888
Depreciation for the period	253,659,659	27,023,284	-
	1,254,814,228	133,914,699	75,328,931

#### 6 LONG TERM INVESTMENT

Subsidiary Company - Unlisted Curexa Health (Private) Limited 20,000,000 (2020: 20,000,000) ordinary shares of Rs.10 equity held: 100% (2020: 100%)	200,000,000	200,000,000
--	-------------	-------------

## 7 Stock in trade

	Un Audited 31 March 2021	Audited 31 December 2020
	----- (Rupees) -----	
Raw materials		
In hand	918,972,008	925,347,013
In transit	3,267,954	209,719,427
With third party	50,582,721	40,985,951
	972,822,683	1,176,052,391
Packing material		
In hand	320,397,284	277,093,218
In transit		10,033,774
With third party	6,037,906	8,006,406
	326,726,081	295,133,398
Work in process	184,141,827	125,940,489
Finished goods		
Trading	192,545,631	129,687,540
In transit	-	31,192,160
Manufactured	287,704,026	392,663,465
	480,249,657	553,543,165
Less: Provision for slow moving and obsolete items	(44,658,867)	(44,658,867)
	1,919,281,381	2,106,010,576

## 8 Revenue from contract with customers- net

	Un Audited First Quarter Ended 31 March 2021	2020
	----- (Rupees) -----	
Local	2,964,654,996	2,484,589,422
Export	166,425,494	80,706,995
	3,131,080,490	2,565,296,417
Toll manufacturing	86,786,307	66,184,272
	3,217,866,797	2,631,480,689
Less:		
Discount	83,489,388	58,921,826
Sales tax	17,291,254	6,952,960
	(100,780,642)	(65,874,786)
	3,117,086,155	2,565,605,903

## 9 Cost of Revenue

Opening	598,961,145	598,961,145
Cost of goods manufactured	1,022,230,804	1,078,586,315
	1,621,191,949	1,677,547,460
Purchases	451,815,575	414,582,014
Closing	(480,249,657)	(716,490,384)
Cost of goods sold	1,592,757,867	1,375,639,090

## 10 Fair values of financial assets and liabilities

Fair value of financial assets measured at fair value through unconsolidated statement of profit or loss is derived from quoted market prices in active markets, if available.

The carrying values of other financial assets and financial liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

31 March 2021 - Un Audited		
AT FVTPL	Amortized cost	Total

### 10.1 Financial instruments by categories

#### Assets as per statement of financial position:

Long term Investment	-	200,000,000	200,000,000
Long term deposits	-	27,695,069	27,695,069
Advances	-	43,297,208	43,297,208
Trade debts	-	740,731,844	740,731,844
Trade deposits	-	27,695,605	27,695,605
Other receivables	-	38,149,339	38,149,339
Cash and bank balances	-	863,167,122	863,167,122
Short term Investments	1,379,082,980	-	1,379,082,980
	1,379,082,980	1,940,736,187	3,319,819,167

31 December 2020 - Audited		
AT FVTPL	Amortized cost	Total

#### Assets as per statement of financial position:

Long term Investment	-	200,000,000	200,000,000
Long term deposits	-	21,443,429	21,443,429
Advances	-	33,368,658	33,368,658
Trade debts	-	322,553,874	322,553,874
Trade deposits	-	28,763,605	28,763,605
Other receivables	-	36,524,948	36,524,948
Cash and bank balances	-	823,197,491	823,197,491
Short term Investments	1,093,846,453	-	1,093,846,453
	1,093,846,453	1,465,852,005	2,559,698,458

Un Audited 31 March 2021	Audited 31 December 2020
Financial Liabilities at amortized cost	

#### Liabilities as per statement of financial position:

Lease liabilities	142,435,476	147,464,259
Long term Loan	282,554,392	323,828,530
Unclaimed dividend	44,380,916	44,471,264
Trade and other payables	738,110,728	433,515,424
Markup accrued on secured loans	2,157,536	-
	1,209,639,048	949,279,477

**11 TRANSACTIONS WITH RELATED PARTIES**

The related parties of the Company comprise subsidiary, associated companies, companies in which directors are interested, staff retirement funds and directors and key management personnel. Significant transactions with related parties are as follows:

	Un Audited First Quarter Ended 31 March	
	2021	2020
	----- (Rupees) -----	
<b>Purchase of goods</b>		
Subsidiary	126,360,082	82,791,193
Associate	191,142,382	192,035,824
<b>Interest on Loan to Subsidiary</b>	209,699	367,490
<b>Contribution towards employees' benefits:</b>		
Staff provident fund	13,993,902	11,502,587
Employees' welfare trust	858,019	776,850
The outstanding balances of Related parties are as under:	Un Audited 31 March 2021	Audited 31 December 2020
	----- (Rupees) -----	
<b>Nature of balance</b>		
Route 2 health (Pvt) Ltd -associate	Creditors	73,063
Staff provident fund	Contribution payable	10,741,622
Employees' welfare trust	Contribution payable	757,056
Curexa Health (Pvt) Ltd -subsidiary	Creditors/Advances	30,644,122
		918,994

Transactions with key management personnel under the terms of employment are excluded from related party transactions.

**12 DATE OF AUTHORIZATION OF ISSUE**

The Board of Directors of the Company authorized the un-audited condensed interim un-consolidated financial statements for issuance on 29 April 2021.

**13 General**

**13.1** Provisions in respect of Worker's Welfare Fund, Worker's Profit Participation Fund and Taxation are estimated and these are subject to final adjustment in the annual audited financial statements.

**13.2** Figures have been rounded off to the nearest rupee.

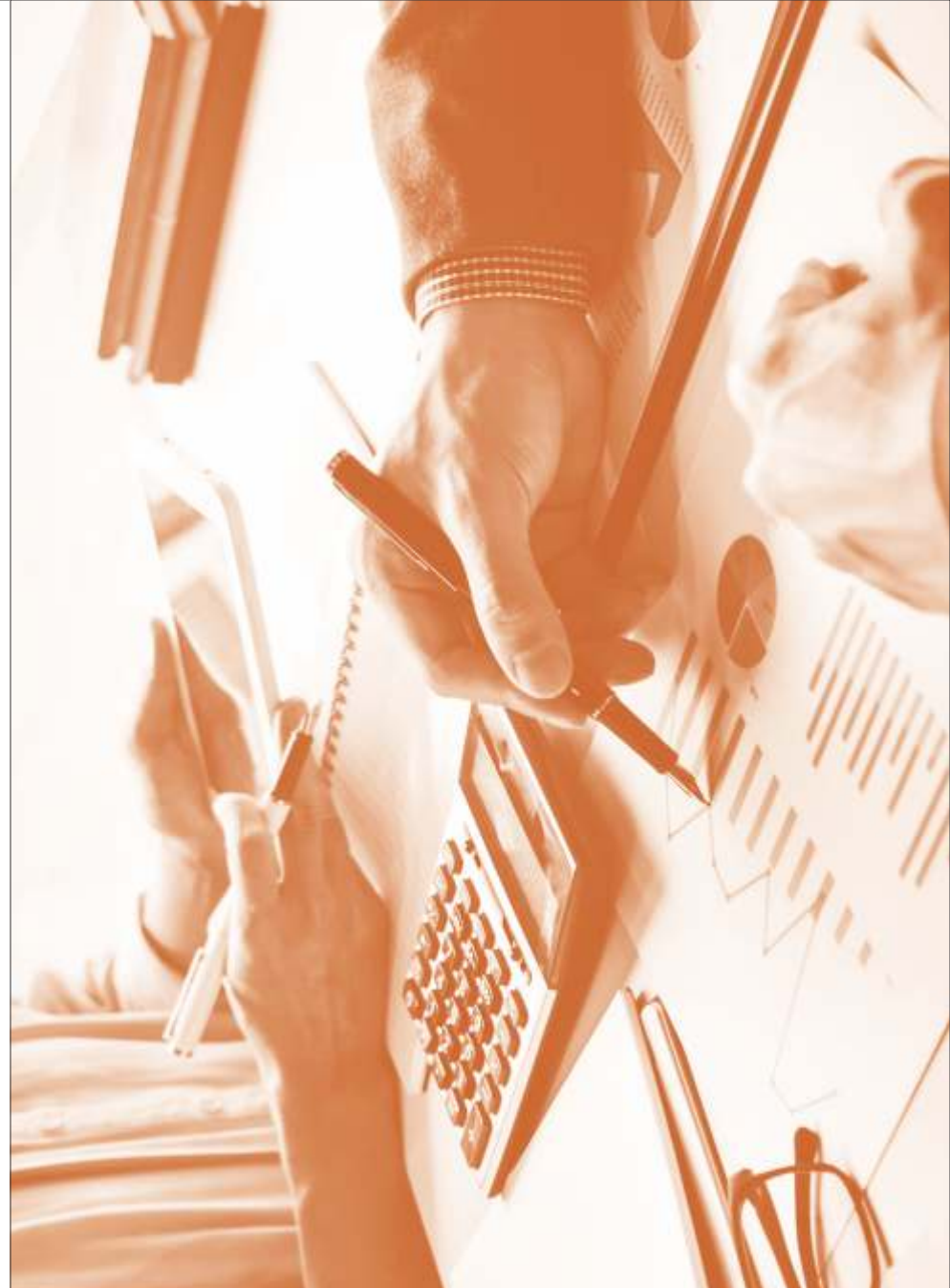
**13.3** The Board of Directors of the Company in its meeting held on 25 March 2021 has proposed cash dividend at the rate of Rs. 15 (2019: Rs. 13) per share and 10% bonus shares for the year ended 31 December 2020, (2019: 10%) and are approved by shareholders in the Annual General Meeting held on 27 April 2021. These unconsolidated financial statements do not reflect these appropriations.

**13.4** Corresponding figures have been re-arranged or reclassified wherever necessary, for better and fair presentation.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

Ashfaq P. Alidina  
Chief Financial Officer



**Condensed Interim Consolidated  
Financial Statements**  
Highnoon Laboratories Limited and its subsidiary  
Curexa Health (Private) Limited  
for the First Quarter ended 31 March 2021

## Condensed Interim Consolidated Statement of Financial Position

	Un Audited 31 March 2021	Audited 31 December 2020
Note	----- (Rupees) -----	

### EQUITY AND LIABILITIES

#### EQUITY

##### Share capital and reserves

##### Authorized share capital

50,000,000 (2020: 50,000,000) Ordinary shares of Rs. 10 each

500,000,000 500,000,000

Issued, subscribed and paid up share capital

346,149,450 346,149,450

Revenue reserves

4,217,013,016 3,785,508,559

Revaluation surplus on property, plant and equipment

456,390,212 460,509,721

##### Total Equity

5,019,552,678 4,592,167,730

#### Non-current liabilities

Long term loan

3 131,792,985 175,437,704

Long term lease liabilities

125,543,780 129,565,601

Long term advances

35,982,495 35,514,216

Deferred liabilities

546,064,990 528,576,823

839,384,250 869,094,344

#### Current liabilities

Trade and other payables

809,149,963 583,375,119

Unclaimed dividend

44,380,916 44,471,264

Mark up accrued

3,889,805 250,749

Short term borrowing

41,602,273 32,210,395

Current portion of long term liabilities

218,735,675 221,586,450

Provision for taxation - net

346,625,717 298,133,139

1,464,384,349 1,180,027,116

##### Total Liabilities

2,303,768,599 2,049,121,460

### TOTAL EQUITY AND LIABILITIES

7,323,321,277 6,641,289,190

#### CONTINGENCIES AND COMMITMENTS

4

The annexed notes from 1 to 12 form an integral part of these Un-audited Condensed interim Consolidated financial statements.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

## As at 31 March 2021

	Un Audited 31 March 2021	Audited 31 December 2020
Note	----- (Rupees) -----	

### ASSETS

#### Non-current assets

Property, plant and equipment

5 1,798,274,816 1,778,876,923

Intangible assets

793,461 922,162

Goodwill

834,230 834,230

Long term deposits

27,695,069 21,543,429

Long term advances

42,826,452 30,058,266

Deffer Tax Asset

27,780,770 28,902,300

1,898,204,798 1,861,137,310

#### Current assets

Stock in trade

6 2,016,790,888 2,182,900,364

Trade debts

740,731,844 322,553,874

Advances

322,560,833 219,203,696

Trade deposits and short term prepayments

46,597,857 48,301,875

Other receivables

37,939,640 36,333,012

Short term investment

1,379,082,980 1,093,846,453

Tax refunds due from the Government

18,187,018 18,879,456

Cash and bank balances

863,225,419 858,133,150

5,425,116,479 4,780,151,880

### TOTAL ASSETS

7,323,321,277 6,641,289,190

Ashfaq P. Alidina  
Chief Financial Officer

## Condensed Interim Consolidated Statement of Profit or Loss (un-audited) For the Period Ended 31 March 2021

		First Quarter Ended 31 March	
	Note	2021	2020
		----- (Rupees) -----	
Revenue from contract with customers- net	7	3,117,086,155	2,565,605,903
Cost of Revenue	8	1,557,525,056	1,349,999,196
Gross profit		1,559,561,099	1,215,606,707
Distribution, selling and promotional expenses		810,311,475	656,169,099
Administrative and general expenses		134,038,401	109,644,538
Research and development expenses		2,033,726	1,336,030
Other operating expenses		51,325,579	36,698,283
		997,709,181	803,847,950
Operating Profit		561,851,918	411,758,757
Other income		30,195,142	14,915,175
Finance costs		9,379,188	5,964,228
Profit before taxation		582,667,872	420,709,704
Taxation		155,282,924	118,803,801
Profit for the Period		427,384,948	301,905,903
Earnings per share - basic and diluted		12.35	8.72

The annexed notes from 1 to 12 form an integral part of these Un-audited Condensed interim Consolidated financial statements.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

Ashfaq P. Alidina  
Chief Financial Officer

## Condensed Interim Consolidated Statement of Comprehensive Income (un-audited) For the Period Ended 31 March 2021

	First Quarter Ended 31 March	
	2021	2020
----- (Rupees) -----		
<b>Profit for the period</b>	427,384,948	301,905,903
<b>Other comprehensive income</b>		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	-	-
Total comprehensive income for the period	427,384,948	301,905,903

The annexed notes from 1 to 12 form an integral part of these Un-audited Condensed interim Consolidated financial statements.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

Ashfaq P. Alidina  
Chief Financial Officer

## Condensed Interim Consolidated Statement of Cash Flows (un-audited) For the Period Ended 31 March 2021

First Quarter Ended 31 March	
2021	2020
----- (Rupees) -----	

### CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax	582,667,872	420,709,704
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of operating fixed assets	43,716,547	44,704,262
Amortization of intangible assets	128,700	90,300
Gain on disposal of property, plant and equipment	(4,820,553)	-
Exchange loss - net	3,010,264	1,766,832
Provision for central research Fund	6,124,100	4,364,619
Provision for slow moving and obsolete stocks	-	90,857
Provision for defined benefit obligation	20,558,141	20,009,346
Provision for Worker's Profit Participation Fund	17,875,998	21,604,862
Finance costs	9,746,678	6,331,718
	96,339,875	98,962,796
<b>Profit before working capital changes</b>	<b>679,007,747</b>	<b>519,672,500</b>
<b>Working capital changes:</b>		
<b>(Increase) / decrease in current assets:</b>		
Stock in trade	166,109,476	14,837,707
Trade debts	(421,188,234)	(342,306,107)
Advances	(103,357,137)	(77,343,579)
Trade deposits and short term prepayments	1,704,018	(13,506,451)
Other receivables	(2,501,426)	(2,753,172)
Short term investment	(285,236,527)	
Tax refund due from government	692,438	(3,618,279)
Increase in current liabilities:		
Trade and other payables	204,563,684	42,153,267
	(439,213,708)	(382,536,614)
<b>Cash flows generated from operations</b>	<b>239,794,039</b>	<b>137,135,886</b>
Taxes paid	(106,670,518)	(84,832,545)
Gratuity paid	(2,379,152)	(3,824,933)
Finance cost paid	(6,107,622)	(6,437,388)
Central Research Fund paid	(892,438)	
<b>Net cash flows generated from operating activities</b>	<b>123,744,309</b>	<b>42,041,020</b>

## Condensed Interim Consolidated Statement of Cash Flows (un-audited) For the Period Ended 31 March 2021

First Quarter Ended 31 March	
2021	2020
----- (Rupees) -----	

### CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(76,914,398)	(30,843,393)
Purchase of intangible	-	(1,667)
Long term advances	(12,768,186)	(329,426)
Long term deposits-net	(6,151,640)	(5,159,565)
Proceeds from disposal of property, plant and equipment	18,620,511	-
<b>Net cash flows used in investing activities</b>	<b>(77,213,713)</b>	<b>(36,334,051)</b>

### CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long term lease liabilities - net	(5,028,783)	(2,877,638)
Repayment of long term loan	(41,093,885)	(6,333,334)
Short term borrowings-net	9,391,878	(5,291,821)
Deferred Grant	(3,017,381)	-
Dividend paid	(90,348)	(650,435)
Long term advances - net	(1,599,808)	16,096,910
<b>Net cash flows (used in)/ generated from financing activities</b>	<b>(41,438,327)</b>	<b>943,682</b>

<b>Net increase in cash and cash equivalents</b>	<b>5,092,269</b>	<b>6,650,651</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>858,133,150</b>	<b>859,029,312</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>863,225,419</b>	<b>865,679,963</b>

The annexed notes from 1 to 12 form an integral part of these Un-audited Condensed interim Consolidated financial statements.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

Ashfaq P. Alidina  
Chief Financial Officer



## Selected Notes to the Condensed Interim Consolidated Financial Statements (un-audited) For the Period Ended 31 March 2021

### 1 THE GROUP AND ITS OPERATIONS

The Highnoon Group ("the Group") comprises of Highnoon Laboratories Limited ("HNL") ("the Holding Company") and Curexa Health (Private) Limited (formerly Proceel Laboratories (Private) Limited ("CHL")) ("the Subsidiary Company").

Highnoon Laboratories Limited ("the Company") was incorporated in Pakistan under the Companies Act, 2017 ("the Act") and its shares are quoted on Pakistan Stock Exchange since November 1994. The Company is principally engaged in the manufacture, import, sale and marketing of pharmaceutical and allied consumer products. The registered office of the Company is situated at 17.5 KM, Multan Road, Lahore.

The Subsidiary Company was incorporated on 10 June 2015 as a private limited company. The registered office of CHL is situated at 17.5 KM Multan Road, Lahore. It is set up with principle object to carry on business as manufacturers, importers, exporters, producers, preparers, refiners, buyers, seller and dealers of all kinds of pharmaceutical, drugs, medicines medicaments, basic raw material, herb salts, acids, alkalis, chemical and surgical material, instruments and appliances patent and proprietary articles. It owns Greenfield pharmaceuticals project that envisages production of cephalosporin drugs. The Subsidiary has started its commercial operation in the month of November 2017.

### 2 BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

#### 2.1 STATEMENT OF COMPLIANCE

This condensed interim consolidated financial information of the Group for the first quarter ended 31 March 2021 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

This condensed interim consolidated financial information is un-audited and is being submitted to shareholders, as required by section 237 of the Companies Act, 2017.

#### 2.2 BASIS OF PREPARATION

This condensed interim consolidated financial information does not include all the information and disclosures required in annual consolidated financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December, 2020.

This condensed interim consolidated financial information has been prepared under the historical cost convention, except for revaluation of property plant and equipment and recognition of certain employees retirement benefits at present value. In this condensed interim consolidated financial information except for the cash flow statement, all the transactions have been accounted for on accrual basis.

The preparation of Condensed interim consolidated financial information 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 result may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key source of estimation are the same as those applied to the financial statements for the year ended 31 December 2020.

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in preparation of the annual audited financial statements of the Group for the year ended 31 December 2020.

## Condensed Interim Consolidated Statement of Changes in Equity (un-audited) For the Period Ended 31 March 2021

	Share Capital	Capital Reserves Revaluation Surplus on PPE	General reserve	Revenue reserves Unappropriated Profit	Sub total	Total
<b>Balance as at 01 January 2020</b>	314,681,310	356,336,117	114,000,000	2,662,848,331	2,776,848,331	3,447,865,758
Total comprehensive income for the period ended 31 March 2020	-	-	-	301,905,903	301,905,903	301,905,903
Incremental depreciation relating to surplus on revaluation of fixed assets - net of tax	-	(2,955,589)	-	2,955,589	2,955,589	-
<b>Balance as at 31 March 2020</b>	314,681,310	353,380,528	114,000,000	2,967,709,823	3,081,709,823	3,749,771,661
<b>Balance as at 01 January 2021</b>	346,149,450	460,509,721	114,000,000	3,671,508,559	3,785,508,559	4,592,167,730
Total comprehensive income for the period ended 31 March 2021	-	-	-	427,384,948	427,384,948	427,384,948
<b>Surplus transferred to unappropriated profit</b>						
"On account of incremental depreciation relating to surplus on revaluation of property plant and equipment- net of tax"	-	(4,119,509)	-	4,119,509	4,119,509	-
<b>Balance as at 31 March 2021</b>	346,149,450	456,390,212	114,000,000	4,103,013,016	4,217,013,016	5,019,552,678

The annexed notes from 1 to 12 form an integral part of these Un-audited Condensed interim Consolidated financial statements.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

Ashtaq P. Alidina  
Chief Financial Officer

	Note	Un Audited 31 March 2021	Audited 31 December 2020
		----- (Rupees) -----	
<b>3 Long term loan - secured</b>			
Long term loan		318,967,744	360,061,629
Less: Current portion of long term loan		(187,174,759)	(184,623,925)
		131,792,985	175,437,704

**3.1** This represents loan of Rs. 361.46 million obtained under Refinance Scheme for Payment of Wages and Salaries to Workers and Employees of Business Concerns (the Scheme) offered by State Bank of Pakistan to mitigate the effect of COVID-19 on employment in Pakistan. The facility has an aggregate sanctioned limit of Rs. 429 million and is availed to finance wages and salaries (excluding bonuses, sales incentives, employee benefit plans, staff retirement benefits, gratuity etc.) of permanent, contractual, daily wagers as well as outsourced employees (collectively the Employees) for months of April to September 2020. It carries mark-up at SBP rate plus 3% per annum and is secured against first pari passu equitable mortgage charge of Rs. 266.67 million on fixed assets of the parent including land, building, plant and machinery situated at 17.5KM, Multan Road, Mouza Kanjrah, Lahore, exclusive charge of Rs. 533.34 million over the operating fixed assets of the Parent with 25% margin and first charge over land, building and plant and machinery of the Subsidiary amounting to Rs. 130 million with 20% margin. Further, the Group has also issued a demand Promissory note amounting to Rs. 342,092,236 in favour of bank. The loan has been measured at its fair value in accordance with IFRS 9 (Financial Instruments) using effective interest rate of 3M KIBOR at respective draw down dates. The difference between fair value of loan and loan proceeds has been recognized as deferred grant as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per Circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

This also includes loan obtained by the Subsidiary Company for the purchase of machinery and equipment of cephalosporin manufacturing plant. The markup is payable quarterly at the rate of 1 month KIBOR plus 1.5% (2020: 1 month KIBOR plus 1.5%) per annum on the outstanding amount of loan. The tenor of loan is 5 years and principle amount is repayable in equal quarterly installments after lapse of grace period of one year. The loan was obtained in 2016.

This loan has been secured against:

- first pari passu charge over plant and machinery to be imported;
- land and building located at 517 Sunder Industrial Estate Raiwind Road, Lahore owned by the Company measuring 3,377.15 square meters.

#### 4. CONTINGENCIES AND COMMITMENTS

##### Contingencies:

There is no significant change in the contingencies since the date of preceding published annual financial statements.

##### Commitments:

Commitments against irrevocable letters of credit include:	Un Audited 31 March 2021	Audited 31 December 2020
	----- (Rupees) -----	
Raw materials	376,297,396	452,162,145
Packing materials	119,015,460	82,632,094
Plant & Machinery	962,876,716	10,101,258
	1,458,189,572	544,895,497

	Note	Un Audited 31 March 2021	Audited 31 December 2020
		----- (Rupees) -----	
<b>5 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating assets-owned	5.1	1,579,392,243	1,556,392,096
Right of use assets	5.1	125,782,198	133,914,700
Capital work-in-progress	5.1	93,100,375	88,570,127
		1,798,274,816	1,778,876,923

##### 5.1

31 March 2021 - Un Audited			
	Operating Assets- Owned	Right of use assets	Capital work -in-progress
Openning	1,556,392,096	133,914,700	88,570,127
Additions	70,147,677	-	56,003,352
Deletion/Transfer	13,799,958	-	51,473,104
Depreciation for the period	33,347,572	(8,132,502)	-
	1,579,392,243	125,782,198	93,100,375

31 December 2020 - Audited			
	Operating Assets- Owned	Right of use assets	Capital work -in-progress
Openning	1,188,571,084	67,870,341	126,146,625
Additions	711,258,792	93,067,642	153,741,390
Deletion/Transfer	55,067,162	-	191,317,888
Depreciation for the period	288,370,618	27,023,283	-
	1,556,392,096	133,914,700	88,570,127

## 6 Stock in trade

	Un Audited 31 March 2021	Audited 31 December 2020
	----- (Rupees) -----	
Raw materials		
In hand	942,412,195	967,435,860
In transit	26,168,683	211,553,806
With third party	50,582,721	40,985,951
	1,019,163,599	1,219,975,617
Packing material		
In hand	355,892,150	312,307,209
In transit	290,891	10,033,774
With third party	6,037,906	8,006,406
	362,220,947	330,347,389
Work in process	202,979,786	148,824,622
Finished goods - in hand		
Trading	195,713,960	131,479,669
In transit	-	31,192,160
Manufactured	287,704,026	370,449,711
	483,417,986	533,121,540
Less: Provision for slow moving and obsolete items	(50,991,430)	(49,368,803)
	2,016,790,888	2,182,900,364

## 7 Revenue from contract with customers- net

	Un Audited First Quarter Ended 31 March	
	2021	2020
	----- (Rupees) -----	
Manufactured products:		
Local	2,964,654,996	2,484,589,422
Export	166,425,494	80,706,995
	3,131,080,490	2,565,296,417
Toll manufacturing	86,786,307	66,184,272
	3,217,866,797	2,631,480,689
Less:		
Discount	83,489,388	58,921,826
Sales tax	17,291,254	6,952,960
	100,780,642	65,874,786
	3,117,086,155	2,565,605,903

## 8 Cost of Revenue

Opening	598,961,145	598,961,145
Cost of goods manufactured	1,126,813,247	1,139,498,877
	1,725,774,392	1,738,460,022
Purchases	303,241,739	316,143,163
Closing	(471,491,075)	(704,603,989)
Cost of goods sold	1,557,525,056	1,349,999,196

## 9 Fair values of financial assets and liabilities

Fair value of financial assets measured at fair value through unconsolidated statement of profit or loss is derived from quoted market prices in active markets, if available.

The carrying values of other financial assets and financial liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

31 March 2021 - Un Audited		
AT FVTPL	Amortized cost	Total
----- (Rupees) -----		

### 9.1 Financial instruments by categories

#### Assets as per statement of financial position:

Long term deposits	-	27,695,069	27,695,069
Advances	-	43,339,072	43,339,072
Trade debts	-	740,731,844	740,731,844
Trade deposits	-	30,101,280	30,101,280
Other receivables	-	37,939,640	37,939,640
Cash and bank balances	-	863,225,419	863,225,419
Short term Investments	1,379,082,980	-	1,379,082,980
	1,379,082,980	1,743,032,324	3,122,115,304

31 December 2020 - Audited		
AT FVTPL	Amortized cost	Total
----- (Rupees) -----		

#### Assets as per statement of financial position:

Long term deposits	-	21,543,429	21,543,429
Advances	-	33,400,522	33,400,522
Trade debts	-	339,848,952	339,848,952
Trade deposits	-	29,734,223	29,734,223
Other receivables	-	36,333,012	36,333,012
Cash and bank balances	-	858,133,150	858,133,150
Short term Investments	1,093,846,453	-	1,093,846,453
	1,093,846,453	1,318,993,288	2,412,839,741

Un Audited 31 March 2021	Audited 31 December 2020
Financial Liabilities at amortized cost	

#### Liabilities as per statement of financial position:

Lease liabilities	142,435,476	147,464,259
Long term Loan	318,967,744	360,061,629
Unclaimed dividend	44,380,916	44,471,264
Trade and other payables	742,200,836	462,567,977
Short term borrowings	41,602,273	32,210,395
Markup accrued on secured loans	3,889,805	250,749
	1,293,477,050	1,047,026,273

## 10 TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise of local associated companies, staff retirement funds, directors and key management personnel. Significant transactions with related parties are stated below:

	Un Audited First Quarter Ended 31 March	
	2021	2020
	----- (Rupees) -----	
<b>10.1 Purchase of goods</b>		
Associate	191,142,382	192,035,824
<b>10.2 Contribution towards employees' benefits:</b>		
Staff provident fund	13,993,902	11,502,587
Employees' welfare trust	858,019	776,850
	Un Audited 30 September 2021	Audited 31 December 2020
	----- (Rupees) -----	
<b>10.3 The outstanding balances of Related parties are as under:</b>		
Route 2 health (Pvt) Ltd -associate	73,063	-
Staff provident fund	11,221,086	9,737,634
Employees' welfare trust	757,056	751,613

Transactions with key management personnel under the terms of employment are excluded from related party transactions.

## 11 DATE OF AUTHORIZATION OF ISSUE

The Board of Directors of the Company authorized the un-audited condensed interim consolidated financial information of the Group for issuance on 29 April 2021.

## 12 General

**12.1** Provisions in respect of Worker's Welfare Fund, Worker's Profit Participation Fund and Taxation are estimated and these are subject to final adjustment in the annual audited financial statements.

**12.2** The Board of Directors of the Company in its meeting held on 25 March 2021 has proposed cash dividend at the rate of Rs. 15 (2019: Rs. 13) per share and 10% bonus shares for the year ended 31 December 2020, (2019:10%) and are approved by shareholders in the annual general meeting held on 27 April 2021. These consolidated financial statements do not reflect these appropriations.

**12.3** Figures have been rounded off to the nearest rupee.

**12.4** Corresponding figures have been re-arranged or reclassified wherever necessary, for better and fair presentation.

Dr. Adeel Abbas  
Chief Executive Officer

Taufiq Ahmed Khan  
Director

Ashfaq P. Alidina  
Chief Financial Officer

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# BOOK POST



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