



**THE ORGANIC
MEAT COMPANY LIMITED**

QUARTERLY REPORT

September 30, 2021

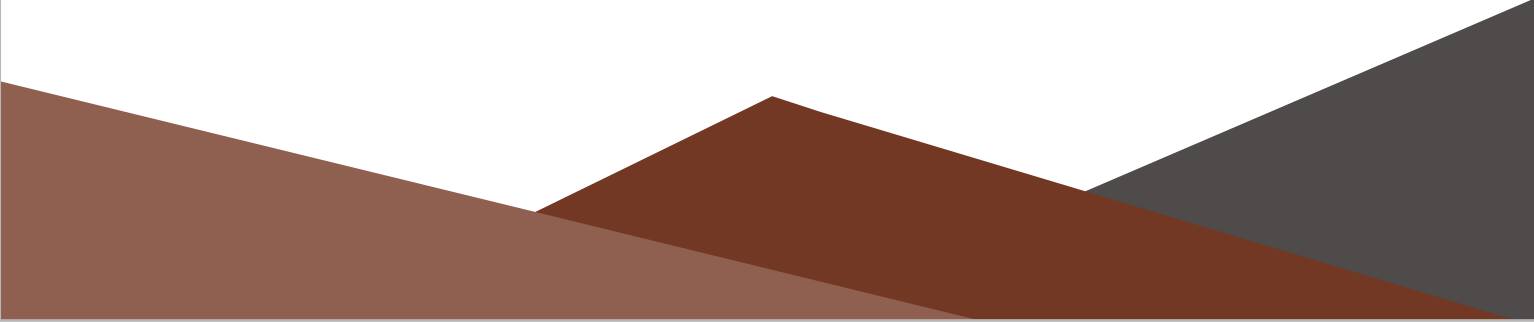
**Processors & Exporters
of Quality Meat & Offal Products**

www.tomcl.net



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COMPANY INFORMATION

Board of Directors

Mr. Nihal Cassim
(Chairman/Independent Director)

Mr. Faisal Hussain
(Chief Executive Officer)

Mr. Ali Hussain
(Chief Operating Officer)

Mr. Rizwan Punjwani
(Independent Director)

Mr. Aneek Saleh Mohammad
(Independent Director)

Mr. Salman Hussain
(Executive Director)

Mr. Syed Owais Hasan Zaidi
(Independent Director)

Ms. Sehrish Hafeez
(Independent Director)

Audit Committee

Mr. Rizwan Punjwani
Chairman (Independent Director)

Mr. Nihal Cassim
Member (Independent Director)

Mr. Syed Owais Hasan Zaidi
Member (Independent Director)

External Auditor

Grant Thornton Anjum Rahman
Chartered Accountants

Company Secretary

Abdul Quadir

Human Resource and Remuneration Committee

Mr. Aneek Saleh Mohammad
Chairman (Independent Director)

Mr. Rizwan Punjwani
Member (Independent Director)

Mr. Salman Hussain
Member (Executive Director)

IT Committee

Mr. Syed Owais Hasan Zaidi
Chairman (Independent Director)

Mr. Nihal Cassim
Member (Independent Director)

Mr. Ali Hussain
Member (Executive Director)

Tax Advisor

Saleem and Co.

Legal Advisor

Pinjani & Vadria Lawyers

Share Registrar

F.D. Registrar Services (Pvt.) Limited

BANKERS

Al Baraka Bank Pakistan Limited



Habib Metropolitan Bank Limited



Bank Al Habib Limited



Faysal Bank Limited



Habib Bank Limited



Soneri Bank Limited



Dubai Islamic Bank



Samba Bank Limited



National Bank Of Pakistan



Website

www.tomcl.net

Registered Address

Office Address: Sector 24, Plot No. 257

Korangi Industrial Area,

Karachi - Pakistan

Tel: +92-21-35059969, +92-21-35079969

Plant Address: Survey Number 310-Deh Shah

Mureed, Gadap, Karachi, Pakistan.

Contact # 034688224601-30

DIRECTORS' REPORT

The Board of Directors are pleased to present the condensed interim financial statements of the Company for the period ended September 30, 2021.

Operational Review

The primary business activities of The Organic Meat Company Limited ("TOMCL") is exporting fresh chilled meat, frozen meat and frozen offals to the middle eastern, far eastern CIS and South Asian markets. At present your Company has the ability to export to over a dozen countries. Our products are carefully packaged in cloth, vacuum packed or IWP (individually wrapped packing) food grade plastic, and are exported via land, sea and air. The meat slaughtering facility and the animal fattening farm are located in Gadap, Karachi and the offal processing, cooked and pet food processing are at Korangi, Karachi.

We are pleased to report that Jordanian authorities have allowed 3 companies from Pakistan to export meat to Jordan. TOMCL is one of the 3 companies from Pakistan which has duly received clearance and required approvals by the Jordanian Quarantine delegation. In addition, TOMCL has received a contract from Seara Global (JBS) Saudi Arabia, another major food processor for supply of boneless frozen beef.

TOMCL exported 1,549 MT of chilled meat, frozen meat and frozen offal which is lower by 52 MT for the same period last year. Volumetric sales of frozen products declined by 91%, while sales of fresh chilled meat and offals grew by 44% and 56% respectively. Sales to CIS have resumed albeit in small quantities and this enables our products to remain on our customers' shelves. The UAE remained our largest market with about 75% of export sales.

Financial Review

Your Company's sales grew by 16.75% over the same period last year to reach at PKR 1,069mn despite the 3% decline in export volumes. This is due to an increase in product prices while the currency impact was essentially flat. Cost of sales were higher by 14.33% due to an increase in the purchase price of meat, direct expenses and depreciation charged on capital expenditures incurred over the last year. Our gross margin increased from 15.08% to 16.83%.

Operating expenses increased by 55.75% primarily due to higher freight on export orders and financial charges increased by 56.33% due to higher borrowings to fund expansions and working capital. The profit after tax stood at PKR 83.8mn compared to PKR 74mn last year. Your Company has posted an EPS of PKR 0.75 compared to PKR 0.66 in same period last year. A summary of the financials are presented below:

	Sept 30, 2021	Sept 30, 2020	Change %
	----- (PKR) -----		Increase/(decrease)
Sales	1,069,501,762	916,076,154	16.75%
Cost of Sales	(889,472,933)	(777,974,443)	14.33%
Gross Profit	180,028,829	138,101,711	30.36%
Operating Expenses	(75,677,908)	(48,590,616)	(55.75%)
Other Income/(Expense)	3,938,266	4,033,797	(2.37%)
Finance Cost	(17,086,840)	(10,930,003)	(56.33%)
Profit Before Tax	91,202,347	82,614,889	10.39%
Tax	(7,390,625)	(8,599,404)	14.06%
Profit After Tax	83,811,722	74,015,485	13.24%
EPS	0.75	0.66	13.64%

Update on Expansion Projects

Animal Fattening Project: Construction should be completed in 2QFY22 which will result in the farm having a holding capacity of 3000 cattle. Purchasing for fattening farm is being regularized after the trial lot was purchased and the farm has crossed a 1000 heads of cattle target for the first phase of fattening. The Company will also fatten suppliers cattle on a meat buying pre-arrangement.

The purpose behind this backward integrated project located besides our slaughter facility in Gadap, has been to secure a stable supply for up to 25% of our animal needs for slaughter as well as to secure our margins by avoiding the seasonal fluctuation and inflation in animal markets.

Korangi Project: The Korangi offal processing project which has faced delays due to COVID related logistical issues, should be in a position to have trial runs in 3QFY22 and production to commence in 4QFY22.

The processed meat facility at the Korangi factory is undergoing equipment installation and is targeting production in 1QFY23. During this time, we hope that the requisite protocols between the Pakistani and Chinese governments are developed and finalised to enable us to export directly to China.

A pet food facility is also underway at the Korangi factory. Development of a processing area and import of equipment for de-hydration are in process. We are targeting pet food operations start in 1QFY23. Exports of small quantities have already begun to the US and the Company is aggressively working to get approvals for Europe.

The strategy behind the Korangi factory is to add value by utilizing an entire animal through deboning, heat treating, cooking, dehydrating and processing all such animal parts which are of little or no value in Pakistan. This strategy is an extension to the meat slaughter and export business at our Gadap facility and aims to diversify our product offering, and provide further stability and growth to our margins.

KEPZA Project: We continue to work with authorities to set up a presence in the export processing zone that will allow us to capitalize on our skill of processing and re-exporting imported offals.

Future Outlook

Your Company continues to work diligently on expanding its product offerings and customer base from markets in Asia to America. We are confident that by offering value added products with extended shelf lives, our presence will grow in export markets.

Acknowledgement

The Board would like to express its gratitude to all stakeholders for their trust and continued support to the Company. The Board would also like to place on record its appreciation to all employees of the Company for their dedication, diligence and hard work.

On behalf of the Board of Directors



Nihal Cassim
Chairman



Faisal Hussain
Chief Executive Officer

Karachi: Octobe 27, 2021

THE ORGANIC MEAT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021

	Note	September 30, 2021 Rupees (Un-audited)	June 30, 2021 Rupees (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,844,797,438	1,826,719,293
Intangible asset		325,000	350,000
Total non-current assets		1,845,122,438	1,827,069,293
CURRENT ASSETS			
Stock-in-trade		138,216,057	188,264,543
Biological assets other than bearer plants		32,341,227	24,725,136
Trade debts - considered good	5	1,235,440,779	911,677,539
Loans and advances		267,112,805	336,290,680
Deposits and prepayments and other receivables		231,421,716	230,665,249
Cash and bank balances	6	163,577,904	124,624,729
Total current assets		2,068,110,488	1,816,247,876
TOTAL ASSETS		3,913,232,926	3,643,317,169
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Share capital	7	1,118,177,770	1,118,177,770
Reserves	8	1,251,146,649	1,151,324,675
Revaluation surplus on property, plant and equipment - net		458,020,807	474,031,059
Total shareholder's equity		2,827,345,226	2,743,533,504
NON-CURRENT LIABILITIES			
Long term borrowings - secured	9	84,870,658	33,789,041
Total non-current liabilities		84,870,658	33,789,041
CURRENT LIABILITIES			
Current maturity of long term finances - secured	9	18,585,672	8,472,289
Trade and other payables		237,783,034	142,372,318
Short term borrowings	10	724,459,035	698,017,690
Accrued mark-up		18,865,024	15,769,192
Unclaimed dividend		1,015,384	1,271,827
Taxation - net		308,893	91,308
Total current liabilities		1,001,017,042	865,994,624
TOTAL EQUITY AND LIABILITIES		3,913,232,926	3,643,317,169
CONTINGENCIES AND COMMITMENTS			
	11		

The annexed notes from 1 to 21 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR




CHIEF FINANCIAL OFFICER

THE ORGANIC MEAT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT - UNAUDITED
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

		September 30, 2021 Rupees	September 30, 2020 Rupees
	Note		
Sales - net	12	1,069,501,762	916,076,154
Cost of sales	13	(889,472,933)	(777,974,443)
Gross profit		180,028,829	138,101,711
Administrative expenses	14	(20,705,459)	(15,302,867)
Selling expenses	15	(47,968,185)	(10,380,399)
Allowance for doubtful debt		(7,004,264)	(22,907,350)
		(75,677,908)	(48,590,616)
Operating profit		104,350,921	89,511,095
Finance costs		(17,086,840)	(10,930,003)
Other income / (expense) - net		3,938,266	4,033,797
		(13,148,574)	(6,896,206)
Profit before taxation		91,202,347	82,614,889
Taxation		(7,390,625)	(8,599,404)
Profit after taxation		83,811,722	74,015,485
Earnings per share - basic and diluted	16	0.75	0.66

The annexed notes from 1 to 21 form an integral part of these financial statements.


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 CHIEF FINANCIAL OFFICER

THE ORGANIC MEAT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - UNAUDITED
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 30, 2021 Rupees	September 30, 2020 Rupees
Profit for the period	83,811,722	74,015,485
Other comprehensive Income:		
Items that will not be reclassified to statement of profit or loss in subsequent periods	-	-
Total comprehensive income	83,811,722	74,015,485

The annexed notes from 1 to 21 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

THE ORGANIC MEAT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS - UNAUDITED
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Note	September 30, 2021 Rupees	September 30, 2020 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation for the period		91,202,347	82,614,889
Adjustment for non cash items:			
Depreciation on property, plant and equipment	4.1	31,789,609	28,214,957
Amortization expense		25,000	25,000
Provision against trade debtors	5	7,004,264	22,907,350
Unrealised exchange gain on trade debtors		(2,514,572)	-
Gain on biological assets		(2,086,670)	-
Finance costs		17,086,840	10,930,003
Provision for Worker's Profit Participation Fund		4,940,537	2,370,243
Provision for Worker's Welfare Fund		554,742	696,821
		148,002,097	147,759,263
Working capital changes			
Stock-in-trade		50,048,486	(33,061,024)
Biological assets		(5,529,421)	-
Trade debts		(333,282,076)	(74,814,431)
Loans and advances		43,214,835	(116,668,348)
Deposits and prepayments and other receivables		(756,467)	-
Trade and other payables		89,915,437	68,743,459
		(156,389,206)	(155,800,344)
Cash generated from operating activities		(8,387,109)	(8,041,081)
Income taxes paid		(7,170,105)	(9,417,325)
Finance costs paid		(9,443,103)	(26,193,047)
Net cash generated / (used in) from operating activities		(25,000,317)	(43,651,453)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(1,182,585)	(142,941,467)
Addition to capital work in process		(48,685,169)	-
Net cash used in investing activities		(49,867,754)	(142,941,467)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loan obtained - net		61,195,000	-
Short term loan obtained / (repaid) - net		26,441,345	(83,205,037)
Unclaimed dividend		(256,443)	-
Proceeds from issuance of share capital - net		-	775,260,050
Net cash generated from financing activities		87,379,902	692,055,013
Net increase in cash and cash equivalent		12,511,830	505,462,093
Cash and cash equivalent at beginning of the period		(439,405,369)	(506,032,189)
Cash and cash equivalent at end of the period	17	(426,893,539)	(570,096)

The annexed notes from 1 to 21 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

THE ORGANIC MEAT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - UNAUDITED
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Share capital	Reserves			Total shareholders' equity
		Capital	Other	Revenue	
		Share premium	Revaluation surplus	Unappropriated profit	
-----Rupees-----					
Balance as at July 01, 2020 (Audited)	718,177,770	922,216	538,072,068	630,295,644	1,887,467,698
Issuance of ordinary shares	400,000,000	400,000,000	-	-	800,000,000
Transaction cost on issuance of shares	-	(24,739,950)	-	-	(24,739,950)
Total comprehensive income for the period	-	-	-	74,015,485	74,015,485
Revaluation surplus on property, plant and equipment realized on account of incremental depreciation - net of tax	-	-	(16,010,252)	16,010,252	-
Balance as at September 30, 2020 (Unaudited)	<u>1,118,177,770</u>	<u>376,182,266</u>	<u>522,061,816</u>	<u>720,321,381</u>	<u>2,736,743,233</u>
Balance as at July 01, 2021 (Audited)	1,118,177,770	377,152,913	474,031,059	774,171,762	2,743,533,504
Total comprehensive income for the period	-	-	-	83,811,722	83,811,722
Revaluation surplus on property, plant and equipment realized on account of incremental depreciation - net of tax	-	-	(16,010,252)	16,010,252	-
Balance as at September 30, 2021 (Unaudited)	<u>1,118,177,770</u>	<u>377,152,913</u>	<u>458,020,807</u>	<u>873,993,736</u>	<u>2,827,345,226</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

1. CORPORATE AND GENERAL INFORMATION

- 1.1** The Organic Meat Company Limited (the "Company") was incorporated in Pakistan on July 14, 2010 as a private limited company under the repealed Companies Ordinance 1984 (now Companies Act, 2017) and subsequently it was converted into public limited company on November 08, 2018. The Company's ordinary shares are listed in the Pakistan Stock Exchange Limited.
- 1.2** The registered address of the Company is situated at Plot No. 257, sector 24, Korangi Industrial Area, Karachi, and the factory premises at Survey No. 310, Deh Shah Mureed, Gadap, Karachi, Pakistan. The Company's principal activities are processing and sale of halal meat and allied products.

2. BASIS OF PREPERATION

2.1 Statement of compliance

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 applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provision 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 Basis of measurement

These interim financial statements have been prepared under the historical cost convention, using accrual basis of accounting, except for the cash flows information and the following:

- a) Certain items of property, plant and equipment that are stated at revalued amount;
- b) Biological assets other than bearer plants which are carried at fair value of live stock; and
- c) Derivative financial instruments carried at fair value.

These condensed interim financial statements do not include all the information required for annual financial statements and therefore should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2021.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees, which is also the Company's functional currency, and all financial information presented has been rounded-off to the nearest Rupees.

3. ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

- 3.1** The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial information are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2021.

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

- 3.2** The preparation of condensed interim financial information requires management to make judgements, 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.
- 3.3** In preparing this condensed interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2021.

	Note	(Un-audited) September 30, 2021 Rupees	(Audited) June 30, 2021 Rupees
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - at net book value	4.1	1,499,102,062	1,529,709,086
Capital work-in-progress - at cost		345,695,376	297,010,207
		<u>1,844,797,438</u>	<u>1,826,719,293</u>
4.1 Operating fixed assets			
Opening written down value		1,529,709,086	1,269,014,605
Additions during the period / year	4.2	1,182,585	389,140,568
Disposals during the period / year		-	(8,657,623)
		1,182,585	380,482,945
Depreciation charged for the period / year - net		(31,789,609)	(119,788,464)
Closing written down value		<u>1,499,102,062</u>	<u>1,529,709,086</u>
4.2 Details of additions during the period / year are as follows:			
Factory Land - Leasehold		-	122,520,612
Factory building on leasehold land		-	167,838,097
Furniture and fixture		-	800,909
Office equipment		117,585	1,055,400
Plant and machinery		65,000	86,116,550
Motor vehicles		1,000,000	10,809,000
		<u>1,182,585</u>	<u>389,140,568</u>
4.3 Capital work-in-progress			
Balance at the beginning of the year		270,754,323	150,983,003
Additions during the period / year		74,941,053	370,427,998
Transfers during the period / year		-	(250,656,678)
		345,695,376	270,754,323
Advance against fixed assets		-	26,255,884
Balance at the end of the period / year		<u>345,695,376</u>	<u>297,010,207</u>

THE ORGANIC MEAT COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
 FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	(Un-audited) September 30, 2021 Rupees	(Audited) June 30, 2021 Rupees
5. TRADE DEBTS - CONSIDERED GOOD		
Secured and considered good		
- Foreign debtors	32,784,643	29,120,789
Unsecured and Considered good		
- Foreign debtors	1,177,233,113	860,443,180
- Local debtors	25,423,023	22,113,570
	1,202,656,136	882,556,750
Considered doubtful	173,984,568	166,980,304
Trade receivables - gross	1,409,425,347	1,078,657,843
Less: Provision against doubtful debt	(173,984,568)	(166,980,304)
Trade receivables - net	1,235,440,779	911,677,539
6. CASH AND BANK BALANCES		
Cash in hand	1,132,745	103,085
Balances with banks		
- Current accounts	161,334,965	54,772
- Saving accounts	94,810	123,195,045
- Dividend accounts	1,015,384	1,271,827
	162,445,159	124,521,644
	163,577,904	124,624,729
7. SHARE CAPITAL		
7.1 Authorized share capital		
135,000,000 (June 30, 2021: 135,000,000) Ordinary shares of Rs. 10/- each	1,350,000,000	1,350,000,000
7.2 Issued, subscribed and paid-up share capital		
111,817,777 (June 30, 2021: 111,817,777) Ordinary shares of Rs.10/- each	1,118,177,770	1,118,177,770
8. RESERVES		
Capital reserve		
Share premium	377,152,913	377,152,913
Revenue reserve		
Un-appropriated profit	873,993,736	774,171,762
	1,251,146,649	1,151,324,675

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Note	(Un-audited) September 30, 2021 Rupees	(Audited) June 30, 2021 Rupees
9. LONG TERM BORROWINGS			
Financial institutions - secured	9.1	103,456,330	42,261,330
Less: Current maturity long term borrowings		(18,585,672)	(8,472,289)
		84,870,658	33,789,041

- 9.1** The Company has obtained State Bank of Pakistan's (SBP) Temporary Economic Refinance Facility for the purpose of capital expenditure, which carries mark-up at 1% SBP's prescribed rate plus bank's spread of 4%. The Company has also obtained various other financing facilities to finance its capital expenditure requirement from various other financial institutions. The rates of mark-up on these facilities range between 6 months KIBOR + 2% to 2.25% (June 30, 2021: 6 months KIBOR + 2% to 2.25%) and 1 year KIBOR + 2.5% (June 30, 2021: Nil).

	Note	(Un-audited) September 30, 2021 Rupees	(Audited) June 30, 2021 Rupees
10. SHORT TERM BORROWINGS			
Financial institutions - secured	10.1	590,471,443	564,030,098
From related party - unsecured	10.2	133,987,592	133,987,592
		724,459,035	698,017,690

- 10.1** The Company has obtained various financing facilities to finance its working capital requirement from various financial institutions. The rates of mark-up on these facilities range between 6 months KIBOR + 2% to 2.5% (June 30, 2021: 6 months KIBOR + 2% to 3.5%).

- 10.2** This short term loan is obtained for meeting the working capital requirements of the Company. The loan is mark-up free and repayable on lender's demand.

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

There are no contingencies or commitments as on September 30, 2021 (June 30, 2021: Nil).

11.2 Commitments

- 11.2.1** The Company has entered into an agreement to pay a monthly rent of Rs. 300,000 per month (June 30, 2021: Nil) till April 2022 for a cold storage service contract at Korangi, Karachi

- 11.2.2** Aggregate commitment for in respect to construction of fattening farm as at September 30, 2021 amounted to Rs. 16 million (June 30, 2021: Rs.1.3 million)

- 11.2.3** The Company has commitment to sell USD 800,000 at exchange rates varying between Rs.160.75/USD to 161.50/USD.

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	(Un-audited)	
	Quarter ended September 30,	
	2021	2020
	Rupees	Rupees
12. SALES - NET		
Export sales		
Direct exports	1,011,362,576	825,957,053
Duty drawback	12,481,686	31,356,966
	1,023,844,262	857,314,019
Local and other sales	45,657,500	60,545,213
	1,069,501,762	917,859,232
Less: Sales discount	-	(1,783,078)
	1,069,501,762	916,076,154
13. COST OF SALES		
Stocks at beginning of the period	101,375,525	176,919,639
Cost of goods manufactured		
Livestock and meat cost	794,615,416	701,384,212
Direct labour and factory overheads	77,132,760	64,651,255
	871,748,176	766,035,467
Stocks at the end of the period	(83,650,768)	(164,980,663)
	889,472,933	777,974,443
14. ADMINISTRATIVE EXPENSES		
Salaries, benefits and other allowances	12,851,480	9,438,500
Depreciation	1,065,994	2,821,496
Amortization expense	25,000	25,000
Fee and subscription	1,869,455	309,343
Travelling	-	400,000
Legal and professional	996,627	225,000
Food and entertainment	2,263,026	1,697,693
Vehicle running and maintenances	92,130	236,995
Security services	386,567	-
Staff trainings	221,000	-
Printing and stationery	23,330	-
Repair and maintenance	910,850	148,840
	20,705,459	15,302,867

THE ORGANIC MEAT COMPANY LIMITED
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FOR THE QUARTER ENDED SEPTEMBER 30, 2021

		(Un-audited)	
		Quarter ended September 30,	
		2021	2020
		Rupees	Rupees
15. SELLING EXPENSES			
Clearing and forwarding charges		43,007,935	233,355
Export duties		2,251,321	3,136,265
Advertisement and promotion		125,500	2,665,706
Quarantine charges		2,583,429	3,620,073
Others		-	725,000
		<u>47,968,185</u>	<u>10,380,399</u>
16. EARNINGS PER SHARE			
Profit after taxation for the period -	Rupees	<u>83,811,722</u>	<u>74,015,485</u>
Number of ordinary shares	Number	<u>111,817,777</u>	<u>111,817,777</u>
Earnings per share - basic and diluted	Rupees	<u>0.75</u>	<u>0.66</u>
17. CASH AND CASH EQUIVALENTS			
Short term borrowings - banking companies		(590,471,443)	(425,000,000)
Cash and bank balances		<u>163,577,904</u>	<u>424,429,904</u>
		<u>(426,893,539)</u>	<u>(570,096)</u>
18. FINANCIAL RISK MANAGEMENT			
The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including foreign currency risk, interest rate risk and other price risk).			
The condensed interim financial information does not include all financial risk management information and disclosures required in the audited annual financial statements and should be read in conjunction with the audited annual financial statement for the year ended June 30, 2021.			
There has been no change in Company's sensitivity to these risks since June 30, 2021 except for general exposure to fluctuations in foreign currency and interest rates. There have been no change in the risk management policies during the period.			
19. TRANSACTIONS AND BALANCES WITH RELATED PARTIES			
Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:			
		(Un-audited)	
		Quarter ended September 30,	
		2021	2020
		Rupees	Rupees
Associated companies	Sales	3,274,000	-
	Rent expense	1,500,000	-

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Nature of relationship	Nature of transactions	(Un-audited)	
		Quarter ended September 30,	
		2021	2020
		Rupees	Rupees
	<i>Purchase of gas</i>	154,181	
	<i>Other liabilities - re-payment</i>	-	(2,000,000)
Director, Chief Executive Officer and key management personnel			
	<i>Remuneration and other benefits</i>	10,285,500	10,002,750
	<i>Loan repaid</i>	-	5,283,174

20. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2021, whereas, the condensed interim statement of profit or loss account and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of condensed interim financial statements of the Company for the period ended September 30, 2020. Corresponding figures have been rearranged and reclassified for better presentation wherever considered necessary, the effect of which is not material.

21. DATE OF AUTHORIZATION

These condensed interim financial statements were authorized for issue on October 27, 2021 by the Board of Directors of the Company.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

The Organic Meat Company Limited

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