



HLAF YEARLY REPORT
31 DECEMBER 2022



Discover the exotic



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	
Mr. Shahid Hussain Jatoi	(Independent Director)
Mr. Abdul Hamid Ahmed Dagia	(Independent Director)
Mr. Nauman Khalid	(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: shezan@brain.net.pk

Factories:

- 56 - Bund Road, Lahore - 54500.
Phones: (042) 37466900-04.
Faxes: (042) 37466899 & 37466895.
E-mail: shezan@brain.net.pk
- Plot No. L-9, Block No. 22,
Federal "B", Industrial Area, Karachi - 75950.
Phones: (021) 36344722-23.
Fax: (021) 36313790.
E-mail: shezan@cyber.net.pk
- 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.pk

Auditors:

EY Ford Rhodes,
Chartered Accountants,
96-B-1, 4th Floor, Pace Mall Building,
M. M. Alam Road, Gulberg II, 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 2022.

Pakistan has been stuck in an economic vortex for the last several months, caught between the sharply depreciating rupee, rising energy prices, and the backbreaking highest inflation rate in its history. The State Bank of Pakistan's reserves plunged to around three billion dollars, enough to cover only fifteen days worth of imports, which has sent a panic signal across the economy. With the massive increase in gas and electricity tariffs, the prices of daily necessities have also increased significantly. The rise in fuel prices, combined with overall inflation, has become uncontrollable, and life has become miserable for common citizens. Internal political instability has further worsened this scenario. There is a significant external element to the crisis as well, with rising global food and fuel prices in the wake of Russia's war in Ukraine. The combination of all these factors has spelled perhaps the greatest economic challenge Pakistan has ever seen. Further, in its recent monetary policy announcement in January 2023, the State Bank of Pakistan raised the policy rate to 17%, the highest in two decades. The higher interest rates coupled with galloping inflation and an uncertain political environment have badly affected the overall business sentiments of the country.

OPERATIONAL OVERVIEW

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

	2022	2021
Particulars	Rupees in thousand	
Revenue from contracts with customers – net	4,105,680	3,221,416
Gross profit	916,818	612,030
Profit before taxation	22,097	8,453
Net profit after tax for the period	14,289	3,032
Earnings per share (Rs.)	1.48	0.31

On the operational side, we would like to apprise our shareholders that October -December is our leanest quarter due to seasonal nature of our products. Commodity costs remained very high in the six-month period ended due to high inflation. Some factors like slowness in the market, a record increase in the prices of mango pulp, tomato paste, Tetrapak paper, glass bottles (major raw and packing materials for our products), high payroll expenses because of increase in minimum wages in the fiscal budget 2022-2023, heavy urban and rural flood turmoil in the country, shortage of various crops of fruits and vegetables due to flood disaster, continuous increase in the prices of oil, gas, and electricity, inflated cost of locally available raw and packaging materials and sky-high import cost due to devaluation of Pak Rupee against the U.S dollar, have adversely affected the profitability of the Company. Despite this hostile economic environment our Company, however, depicted satisfactory financial performance and achieved a reasonable growth of 27% in the turnover. Our main product juices (in tetra packaging) are an impulse buy, have shown positive sales trends. Consumer acceptance of our juice products is growing reasonably and contribution from these products to the sales has made a substantial impact on the profitability. However, keeping in view the inflationary trends, we had to enforce the price rationalization of our products to offset the impact of higher input costs. Still, we had to absorb a big component of hiked input costs as we could not pass on the full impact to end consumers due to the intense competitive environment and day-by-day deteriorating buying power of the consumers.

We upheld our progress momentum in exports by achieving a significant volumetric growth of 48% during the six months period under review. Our cooked food range, Juicepak, bottled juices, and ketchup are the main contributors to export sales.

The finance cost of the working capital component has increased significantly due to the upward revision of 325 basis points in policy rates by the State Bank of Pakistan during the six-month period ended bringing it to a cumulative of 1700 basis points. The average utilization of working capital limits during the period remained on the higher side. These working capital borrowings were made to stock the seasonal fruits, pulps, and packaging materials to fulfill the annual sales demand of our products.

FUTURE PROSPECTS

The remaining quarters ahead of the financial period again will be challenging for the Company as the economic conditions do not appear to be favourable in near future. The urban and rural flooding in the country, the devastation of agricultural crops resulting in a shortage of the availability of fruits and vegetables, upside risks from potential food-price shocks, adverse future agriculture conditions due to flood water, supply chain disruption, gas and electricity load shedding, sky-high inflation, declining consumer's buying power, sharp devaluation of Pak Rupee, continuous rising interest rates and political instability, are the key factors which will definitely adversely affect the future performance and profitability of the Company. The oil prices are further expected to mount due to some levies proposed to be imposed, this will further exacerbate the energy/oil crises in the country and resultantly for the Company.


It is evident that after IMF's bailout package, petroleum prices, energy costs, raw materials (local and imported) and packaging costs (specially Tetra Pak paper and plastic material), and freight costs are further expected to increase tremendously in the near future. The finance cost is also expected to increase as the Company will have to spend more on expensive inventory buying for uninterrupted supply of its products.

Despite the above challenges the Company is closely monitoring the situation and has rightly positioned itself to capitalize on whatever business opportunities arise out of the current economic situation. Management will utilize its best potential towards increasing the Company's market share in all its sales segments. The Company is trying to focus and uplift its export sales in the coming quarters as well to gain reasonable profitability. The management contemplates that a handsome increase in the export size is one of the much-needed solutions to overcome the current economic crises for the country as well as the Company. The Company will strive to attain volumetric growth from its existing customers and will continue to explore local markets. The Company's focus on research and development will further strengthen its product portfolio, enabling sustainable growth in the future.

VOTE OF THANKS

We take this opportunity to thank our shareholders for their confidence, valued customers for the trust they continue to place in us, the management team for its sincere efforts, the employees for their commendable services, the Board of Directors for their continuous guidance, and all stakeholders - bankers, dealers, vendors, and associates.

For and on behalf of the Board



Muneer Nawaz
Chairman



Shahid Hussain Jatui
Director

Lahore:
24 February 2023.

مجموعی شرح سود اب 1700 بیس پوائنٹ پر پہنچ چکا ہے۔ اس مدت کے دوران کاروباری سرمائے کیلئے گئے قرضوں کا اوسط استعمال زیادہ رہا۔ کاروباری سرمائے کیلئے گئے قرضے، موسمی پھلوں، پیپڑ اور پیکنگ مال کو ذخیرہ کرنے کیلئے تھے تاکہ ہماری مصنوعات کی سالانہ فروخت کی طلب کو پورا کیا جاسکے۔

مستقبل کے امکانات:

مالیاتی سال کی بقیہ سہ ماہیاں کمپنی کے لئے مشکل ثابت ہوگی کیونکہ معاشی ملکی حالات میں فوری بہتری کے آثار نظر نہیں آ رہے۔ دیہی اور شہری سیلاب، فصلوں کی تباہی کے نتیجے میں پھلوں اور سبزیوں کی دستیابی میں کمی، نامساعد حالات کی وجہ سے خوراک کی قیمتوں کے بڑھنے کے خطرات، سیلابی پانی کی وجہ سے مستقبل میں زراعت کی کاشت پر منفی اثرات، سپلائی چین میں رکاوٹ، گیس اور بجلی کی لوڈ شیڈنگ، بے پناہ افراط زر، صارفین کی کم ہوتی ہوئی قوت خرید، روپے کی قدر میں کمی، تسلسل سے بڑھتی ہوئی شرح سود اور سیاسی عدم استحکام جیسے عوامل کمپنی کی مستقبل کی کارکردگی اور منافع پر یقیناً منفی اثر پڑے گا۔ کچھ تجویز کردہ محصولات عائد کئے جانے کے امکانات کی وجہ سے تیل کی قیمتوں میں نمایاں اضافہ متوقع ہے جس کی وجہ سے ملک میں توانائی / تیل کے بحران میں سنگینی پیدا ہو سکتی ہے جو کہ کمپنی کیلئے باعث تشویش ہوگی۔

واضح رہے کہ بین الاقوامی مالیاتی ادارے کے نیل آؤٹ پنچ کے بعد مستقبل قریب میں پیٹرولیم کی قیمتیں، توانائی کے اخراجات، مقامی اور درآمدی خام مال اور پیکنگ کے اخراجات خاص طور پر ٹیڑا پیک پیپر اور پلاسٹک میٹیریل اور مال برداری کے اخراجات میں مزید بے پناہ اضافہ متوقع ہے۔ مالیاتی لاگت میں بھی اضافہ متوقع ہے کیونکہ کمپنی کو اپنی مصنوعات کی بے لاء قسط فراہمی کیلئے مہنگا خام اور پیکنگ میٹیریل خریدنے پر زیادہ سرمایہ خرچ کرنا پڑے گا۔

مندرجہ بالا مشکلات کے باوجود کمپنی صورتحال پر گہری نظر رکھے ہوئے ہے اور موجودہ معاشی صورتحال سے جو بھی کاروباری مواقع پیدا ہوتے ہیں اس سے فائدہ اٹھانے کیلئے کوشاں ہے۔ انتظامیہ اپنی کمپنی کی مصنوعات کی مارکیٹ میں حصہ داری کو بڑھانے کیلئے بہترین اقدامات اٹھائے گی۔ کمپنی مناسب منافع حاصل کرنے کیلئے آنے والی سہ ماہیوں میں اپنی برآمدی فروخت پر خصوصی توجہ مرکوز کرنے اور اسے بڑھانے کی کوشش کر رہی ہے۔ انتظامیہ کا خیال ہے کہ برآمدات کے حجم میں اضافہ، ملک کے ساتھ ساتھ کمپنی کے موجودہ معاشی بحرانوں پر قابو پانے کیلئے انتہائی ضروری اقدامات میں سے ایک ہے۔ کمپنی اپنے موجودہ گاہکوں کے حجم میں اضافے کیلئے مزید مقامی منڈیوں کی تلاش جاری رکھے گی۔ آراینڈ ڈی اور پروڈکٹ مینجمنٹ پر کمپنی کی توجہ اس کے پروڈکٹ پورٹ فولیو کو مضبوط کرے گی جو مستقبل میں پائیدار ترقی کو مستحکم کرنے کا باعث ہوگی۔

اظہار تشکر:

ہم اس موقع پر اپنے تھیں داران کے بھروسے کا معزز صارفین کے غیر متزلزل اعتماد کا، انتظامیہ کی مخلصانہ کاوشوں کا، اپنے ملازمین کی قابل ستائش خدمات کا، بورڈ آف ڈائریکٹرز کی مسلسل رہنمائی کا اور تمام متعلقہ مینجمرز، ڈیلرز، ویڈرز، ایسوسی ایٹس کا شکریہ ادا کرتے ہیں۔

بورڈ کی جانب سے

Mah Saiti

شاہد حسین جتوئی

ڈائریکٹر

Muhammad

منیر نواز

چیرمین

لاہور

24 فروری 2023ء

ڈائریکٹرز رپورٹ برائے ممبران

ہم شیڈ انٹرنیشنل لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ڈائریکٹرز رپورٹ اور اختتام شدہ ششماہی 31 دسمبر 2022ء کیلئے کمپنی کے غیر آڈٹ شدہ عبوری مالیاتی نتائج پیش کرتے ہیں۔

پاکستان، روپے کی تیزی سے گرتی ہوئی قدر، توانائی کی بڑھتی ہوئی قیمتوں اور تاریخ کی بلند ترین کمر توڑ شرح افراط زر کی وجہ سے پچھلے کئی مہینوں سے ایک معاشی بحسور میں پھنسا ہوا ہے۔ بینک دولت پاکستان کے ذخائر تاریخ کی کم ترین سطح تقریباً تین ارب ڈالر تک گر گئے، جو کہ صرف چند ہفتوں کی درآمدات کو پورا کرنے کیلئے کافی ہیں، جس سے پوری معیشت کو خطرات لاحق ہیں۔ گیس اور بجلی کے نرخوں میں ہوشربا اضافے سے، روزمرہ کی اشیاء ضروریات کی قیمتوں میں بھی بے پناہ اضافہ ہوا۔ ایندھن کی قیمتوں اور مجموعی افراط زر میں اضافہ بے قابو ہو چکا ہے اور عام شہریوں کیلئے زندگی نہایت اجبرن ہو گئی ہے۔ اندرونی سیاسی عدم استحکام نے اس صورتحال کو مزید گھمبیر کر دیا ہے۔ روس اور یوکرین کی جنگ کی وجہ سے خوراک اور ایندھن کی بڑھتی ہوئی عالمی قیمتوں جیسے بیرونی عناصر بھی اس بحران کی نگین کی وجہ بنے۔ ان تمام عوامل کے امتزاج کی وجہ سے شاید پاکستان کو اب تک کاسب سے بڑا معاشی چیلنج درپیش ہے۔ مزید، جنوری 2023ء میں اپنی حالیہ مانیٹری پالیسی کے اعلان میں، بینک دولت پاکستان نے شرح سود کو بڑھا کر 17 فیصد کر دیا، جو دو دہائیوں میں سب سے زیادہ ہے۔ بلند شرح سود کے ساتھ تیزی سے بڑھتی ہوئی افراط زر اور غیر یقینی سیاسی صورتحال نے ملک کے مجموعی کاروباری ماحول کو بُری طرح متاثر کیا ہے۔

عملی جائزہ:

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

تفصیلات	2022	2021
روپے ہزاروں میں		
فروخت	4,105,680	3,221,416
مجموعی منافع	916,818	612,030
خاص منافع قبل از محصولات	22,097	8,453
خاص منافع بعد از محصولات	14,289	3,032
فی حصص آمدنی۔ روپوں میں	1.48	0.31

کمپنی کی عملی کارکردگی کے متعلق ہم اپنے حصص داران کو مطلع کرنا چاہتے ہیں کہ اکتوبر تا دسمبر ہماری مصنوعات کی موئی نوعیت کی وجہ سے کمزور ترین سہ ماہی ہے۔ ہوشربا افراط زر کی وجہ سے اختتام شدہ ششماہی میں اشیاء کی قیمتوں میں بے پناہ اضافہ ہوا۔ مارکیٹ میں سست روی، آم اور ٹماٹر کی پلپ، ٹیڑا ایک پیپر اور شیشے کی بوتلیں جو ہماری مصنوعات کے لئے اہم خام اور پیکیٹنگ مال ہیں، کی قیمتوں میں ریکارڈ اضافہ، مالی سال 2022-2023ء میں کئے گئے اعلان کے مطابق کم از کم اجرت کے اخراجات میں بے پناہ اضافے، ملک بھر کے دیہی اور شہری علاقوں میں سیلاب کی تباہ کاریوں، پھلوں اور برتنوں کی پیداوار میں کمی، آئل، گیس اور بجلی کی مسلسل بڑھتی ہوئی قیمتوں، میں اضافہ مقامی طور پر دستیاب خام اور پیکیٹنگ مال کی قیمتوں میں اضافے اور امریکی ڈالر کے مقابلے میں روپے کی قدر میں مسلسل کمی کی وجہ سے درآمدی لاگت میں بے پناہ اضافے جیسے عوامل نے کمپنی کے منافع کو بُری طرح متاثر کیا۔ اس معاشی ابتری کی کیفیت کے باوجود ہماری کمپنی نے کسی حد تک تسلی بخش کارکردگی کا مظاہرہ کیا اور فروخت میں 27 فیصد کی مناسب نمو حاصل کی۔ ہماری اہم پروڈکٹ جوس پیک جو کہ ہر دل عزیز پروڈکٹ ہے، نے فروخت میں مثبت رجحان دکھایا، صارفین میں ہماری جوس مصنوعات کی فروخت بڑھی، جس کا منافع میں ایک بڑا واضح حصہ ہے۔ تاہم افراط زر کو مد نظر رکھتے ہوئے ہمیں اپنی مصنوعات کی قیمتوں میں معقول اضافہ کرنا پڑا تاکہ بڑھتی ہوئی پیداواری لاگت کے اثر کو کم کیا جاسکے۔ اس کے باوجود ہمیں اس لاگت کا ایک بڑا حصہ خود برداشت کرنا پڑا تاہم انتہائی مسابقتی ماحول اور صارفین کی روز بروز کم ہوتی ہوئی خرید کی وجہ سے اس کا مکمل بوجھ صارفین کو منتقل نہیں کیا جاسکا۔

ہم نے زیر نظر ششماہی کے دوران برآمدات میں 48 فیصد کی حوصلہ افزاء نمو حاصل کی۔ ہمارے تیار شدہ کھانے، جوس پیک، بوتل جوس، اسکوائش اور کچپ برآمدی فروخت کا اہم حصہ ہیں۔ کاروباری سرمائے کی لاگت میں بے پناہ اضافہ ہوا۔ زیر نظر ششماہی کے دوران بینک دولت پاکستان کی جانب سے شرح سود میں 325 فیصد پوائنٹ کا اضافہ ہوا۔

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 31 December 2022, 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 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 interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

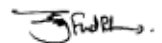
Other matter

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-month period ended 31 December 2022 and 2021 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended 31 December 2022.

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

Lahore:

UDIN Number:



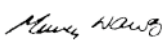
Chartered Accountants
Engagement Partner
Ahsan Shahzad

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

		(Un-Audited) 31 December 2022	(Audited) 30 June 2022
	Note	Rupees in thousand	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	1,440,943	1,439,189
Long-term investment	7	3,672	3,200
Long-term receivables		21,330	22,179
Long-term prepayment		2,280	2,832
Long-term deposits		18,132	7,881
Deferred tax asset - net		261,372	215,543
		1,747,729	1,690,824
CURRENT ASSETS			
Stores and spares		209,429	167,387
Stock-in-trade		2,233,057	2,147,005
Right to recover asset		2,963	4,400
Trade receivables		275,370	285,999
Loans and advances		34,468	121,929
Trade deposits, prepayments and other receivables		14,460	10,877
Tax refunds due from the Government		190,763	119,984
Cash and bank balances		63,495	84,116
		3,024,005	2,941,697
TOTAL ASSETS		4,771,734	4,632,521
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized share capital 10,000,000 (30 June 2022: 10,000,000) ordinary shares of Rs. 10 each		100,000	100,000
Issued, subscribed and paid up capital 9,663,060 (30 June 2022: 9,663,060) ordinary shares of Rs. 10 each		96,631	96,631
Capital reserves		5,000	5,000
Revenue reserves		1,969,629	2,003,250
TOTAL EQUITY		2,071,260	2,104,881
NON-CURRENT LIABILITIES			
Long-term loans	8	—	—
Lease liability		61,899	62,463
		61,899	62,463
CURRENT LIABILITIES			
Trade and other payables		795,132	968,190
Contract liabilities		78,402	132,890
Unclaimed dividend		13,928	9,796
Accrued markup		56,220	20,805
Current portion of long-term loans	8	21,250	95,924
Current portion of lease liability		7,738	7,770
Current portion of deferred grant		—	1,098
Short-term borrowings	9	1,419,919	1,035,442
Refund liability		90,603	91,583
Provision for taxation		155,383	101,679
		2,638,575	2,465,177
TOTAL LIABILITIES		2,700,474	2,527,640
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITY AND LIABILITIES		4,771,734	4,632,521

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


Director


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2022

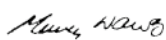
	Note	Six-month period ended 31 December		Three-month period ended 31 December	
		2022	2021	2022	2021
		Rupees in thousand		Rupees in thousand	
Revenue from contracts with customers-net	11	4,105,680	3,221,416	1,672,048	1,142,647
Cost of revenue		(3,188,862)	(2,609,386)	(1,308,423)	(971,281)
Gross profit		916,818	612,030	363,625	171,366
Distribution costs		(591,655)	(406,225)	(244,976)	(162,189)
Administrative expenses		(175,864)	(145,901)	(84,926)	(69,177)
		(767,519)	(552,126)	(329,902)	(231,366)
Other operating expenses		(59,220)	(41,912)	(25,692)	(12,790)
Other income		51,130	41,392	14,868	24,942
Finance costs		(119,112)	(50,931)	(58,298)	(23,810)
Profit / (loss) before taxation		22,097	8,453	(35,399)	(71,658)
Taxation		(7,808)	(5,421)	15,991	20,191
Net profit / (loss) for the period		14,289	3,032	(19,408)	(51,467)
Earnings / (loss) per share - basic and diluted (Rupees)	12	1.48	0.31	(2.01)	(5.33)

The annexed notes from 1 to 18 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 2022

	Six-month period ended 31 December 2022 2021 Rupees in thousand		Three-month period ended 31 December 2022 2021 Rupees in thousand	
Net profit / (loss) for the period	14,289	3,032	(19,408)	(51,467)
Other comprehensive income / (loss)				
Items that will not be reclassified to profit or loss in subsequent periods:				
Unrealized gain / (loss) on remeasurement of investment designated at fair value through OCI - net of deferred tax	405	(132)	5	(937)
Items that will be reclassified to profit or loss in subsequent periods:		—		—
Total comprehensive income / (loss)	14,694	2,900	(19,403)	(52,404)

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


Director


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2022

	Capital Reserve	Revenue Reserves				
	Merger Reserve	General Reserve	Unrealized gain on remeasurement of Investments	Unappropriated profits / (loss)	Sub Total	
Share Capital						
Rupees in thousand						

Balance as at 01 July 2021	87,846	5,000	2,000,000	1,661	(20,489)	1,981,172	2,074,018
Final dividend @ Rs.5.5/- per share							
for the year ended 30 June 2021	–	–	–	–	(48,315)	(48,315)	(48,315)
Issue of bonus shares @10%							
for the year ended 30 June 2021	8,785	–	–	–	(8,785)	(8,785)	–
Profit for the six-month period							
ended 31 December 2021	–	–	–	–	3,032	3,032	3,032
Other comprehensive loss	–	–	–	(132)	–	(132)	(132)
Total comprehensive (loss) / Income	–	–	–	(132)	3,032	2,900	2,900
Balance as at 31 December 2021	96,631	5,000	2,000,000	1,529	(74,557)	1,926,972	2,028,603
Balance as at 01 July 2022	96,631	5,000	2,000,000	920	2,330	2,003,250	2,104,881
Final dividend @ Rs.5.5/- per share							
for the year ended 30 June 2022	–	–	–	–	(48,315)	(48,315)	(48,315)
Profit for the six-month period							
ended 31 December 2022	–	–	–	–	14,289	14,289	14,289
Other comprehensive income	–	–	–	405	–	405	405
Total comprehensive income	–	–	–	405	14,289	14,694	14,694
Balance as at 31 December 2022	96,631	5,000	2,000,000	1,325	(31,696)	1,969,629	2,071,260

The annexed notes from 1 to 18 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 2022

Six-month period
2022 2021
Rupees in thousand

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation	22,097	8,453
Adjustments to reconcile profit before tax to net cash:		
Depreciation	113,797	122,411
Finance costs	119,112	50,931
Profit on bank deposits	(282)	(507)
Un-winding of financial charges	(757)	(718)
Unwinding of deferred grant	-	(5,506)
Unrealised foreign exchange gain	(1,685)	-
Allowance / (Reversal) of expected credit losses	6,785	(3,239)
Gain on termination of lease	-	(3,881)
Workers' Profit Participation Fund	1,230	392
Workers' Welfare Fund	2,895	(162)
(Gain) / Loss on disposal of property, plant and equipment	(842)	9,199
	240,253	168,920
Operating profit before working capital changes	262,350	177,373

Working Capital changes:

(Increase) / Decrease in current assets:

Stores and spares	(42,042)	(2,587)
Stock-in-trade	(86,052)	189,053
Right to recover asset	1,437	(156)
Trade receivables	3,844	141,559
Loans and advances	89,146	(149,051)
Trade deposits, prepayments and other receivables	(3,036)	(18,024)
	(36,703)	160,794

(Decrease) / Increase in current liabilities:

Trade and other payables	(177,183)	(251,262)
Contract liabilities	(54,488)	24,267
Refund liability	(980)	504
	(232,651)	(226,491)

Cash flows (used in) / from operations	(7,004)	111,676
--	----------------	---------

Profit on bank deposits received	287	440
Income tax paid	(70,779)	(30,515)
Long term receivable	1,606	-
Long-term deposits	(10,251)	(1,601)

NET CASH FLOWS (USED IN) / FROM OPERATING ACTIVITIES	(86,141)	80,000
--	-----------------	--------

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(126,602)	(31,697)
Sale proceeds from disposal of property, plant and equipment	11,893	7,369

NET CASH FLOWS USED IN INVESTING ACTIVITIES	(114,709)	(24,328)
---	------------------	----------

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long-term loan	(75,772)	(189,179)
Short-term borrowings - secured obtained - net	384,477	135,649
Repayment of lease liability	(4,093)	(4,932)
Interest expense paid	(80,200)	(43,467)
Dividends paid	(44,183)	(43,222)

NET CASH FLOWS FROM / (USED IN) FROM FINANCING ACTIVITIES	180,229	(145,151)
---	----------------	-----------

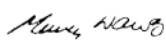
NET DECREASE IN CASH AND CASH EQUIVALENTS	(20,621)	(89,479)
---	-----------------	----------

NET DECREASE IN CASH AND CASH EQUIVALENTS - (continued)	(20,621)	(89,479)
---	-----------------	----------

CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	84,116	154,955
--	---------------	---------

CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	63,495	65,476
--	---------------	--------

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


Director


Director


Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2022

1 THE COMPANY AND ITS OPERATIONS

- 1.1** The Company is a Public Limited Company incorporated in Pakistan 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 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 un-audited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2022.

- 2.3** The figures of the condensed interim statement of profit or loss and other comprehensive income for the three months ended 31 December 2022 and 31 December 2021 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the six months ended period 31 December 2022 and 31 December 2021.

- 2.4** These financial statements are presented in Pak Rupees, which is also the Company's functional currency. All figures have been rounded off to nearest thousand of rupees, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES AND JUDGMENTS

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the "Company's annual financial statements for the year ended 30 June 2022 except for the adoption of amendments to approved accounting and reporting standards as applicable in Pakistan which became effective for the current period as disclosed in Note 3.1 to these condensed interim financial statements. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- 3.1** Amendments to published accounting and reporting standards as applicable in Pakistan, that are effective in the current period

The Company has adopted the following amendments to published accounting and reporting standards as applicable in Pakistan, which became effective:

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Company applied the amendments to the contracts for which it had not fulfilled all of its obligations at the beginning of the reporting period.

Prior to the application of the amendments, the Company had not identified any contracts as being onerous and the unavoidable costs under the contracts, which were the costs of fulfilling them, comprised of both incremental costs directly related to the contracts and certain other directly related costs. The Company has therefore not recognised any onerous contract provision, upon adoption of the amendment, which remained unchanged as of 31 December 2022.

In accordance with the transitional provisions, the Company has applied the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applied the amendments (the date of initial application, i.e. 01 July 2022) without a need to restate comparative information.

These amendments had no impact on the interim condensed financial statements of the Company as there were no such contract which may become onerous.

Reference to the Conceptual Framework – Amendments to IFRS 3

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the interim condensed financial statements of the Company as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arisen during the period.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2022

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the interim condensed financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

IFRS 9 Financial Instruments – Fees in the ‘10 percent’ test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement

These amendments had no impact on the interim condensed financial statements of the Company as there were no modifications of the Company’s financial instruments during the period.

IAS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

These amendments had no impact on the interim condensed financial statements of the Company as it did not have assets in scope of IAS 41 as at the reporting date

4 TAXATION, WORKERS’ WELFARE FUND AND WORKERS’ PROFIT PARTICIPATION FUND

Provisions in respect of Workers’ Welfare Fund, Workers’ Profit Participation Fund and Taxation are estimated based on management’s best judgment and prevailing laws, these are subject to final adjustments in the annual audited financial statements.

5 SEASONALITY OF OPERATIONS

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

6 PROPERTY, PLANT AND EQUIPMENT

The additions / deletions / transfers (at cost), made during the six month period ended 31 December 2022 (un-audited) are as follows:

		Deletions/ Transfers
	Additions	
	Rupees in thousand	
Owned assets		
Plant and machinery	4,190	(3,000)
Laboratory equipment	32	–
Furniture and fixtures	295	–
Motor vehicles	–	(4,646)
Electric equipment	6,606	–
Computers and accessories	579	–
Empty bottles, shells, pallets and barrels	110,173	(32,466)
	121,875	(40,112)
Capital work in progress		
Plant and machinery	4,727	–
	126,602	(40,112)
	(Un-Audited) 31 December 2022	(Audited) 30 June 2022
Note	Rupees in thousand	

7 LONG-TERM INVESTMENT

Quoted Modaraba - Fair value through OCI

BRR Guardian Modaraba			
305,000 (30 June 2022: 305,000) certificates of Rs. 10/- each	7.1	2,375	2,375
Gain on remeasurement		1,297	825
		3,672	3,200

7.1 The above investment represents 0.32% (30 June 2022: 0.32%) of the issued certificate capital of the Modaraba.

		(Un-Audited) 31 December 2022	(Audited) 30 June 2022
	Note	Rupees in thousand	
8 LONG TERM LOANS - SECURED			
Long term loans	8.1	21,250	95,924
Less: Current maturity shown under current liabilities		(21,250)	(95,924)
		–	–

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2022

8.1 Loans from banking institutions - secured

				Loan Amount		
Banking Companies	Note	Opening	Received	Accretion of interest Rupees in thousand	Repaid	Closing
Loan 1	8.1.1	42,125	–	375	21,250	21,250
Loan 2	8.1.1	53,799	–	723	54,522	–
		95,924	–	1,098	75,772	21,250

8.1.1 These represent loans 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 facilities have an aggregate sanctioned limit of Rs. 170 million each and are repayable in eight quarterly instalment with a grace period of six months. The rates of markup are SBP plus 1.95% and 0.45% per annum payable quarterly, respectively. The facilities are secured against pari passu charge on plant and machinery up to Rs. 227 million each. The difference between cash received and present value of cash outflow upon initial recognition has been recognized as deferred grant in accordance with the Circular No. 11 / 2020 dated 17 August 2020 issued by the Institute of Chartered Accountants of Pakistan.

8.1.2 As at 31 December 2022, the Company was in breach of debt to equity ratio for Loan 1. In accordance with the requirements of IFRS, loans are required to be classified in current liabilities in case of breach of covenants. However, loans are already classified in the current liabilities as all the payments are due with in the next twelve months.

9 SHORT TERM BORROWINGS - SECURED

The aggregate short-term borrowings available from commercial banks under mark-up / interest arrangements are Rs. (thousand) 1,900,000 (30 June 2022: Rs. (thousand) 2,000,000). The un-utilized portion of the said facility amounts to Rs. (thousand) 480,081 (30 June 2022: Rs. (thousand) 964,558).

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 (30 June 2022: 1 month / 3 months KIBOR plus 0.05% to 1 month / 3 months KIBOR plus 0.25% per annum), payable monthly / quarterly.

The facilities are secured against first registered joint pari passu hypothecation on current assets of the Company up to Rs. (thousand) 3,848,000 (30 June 2022: Rs. (thousand) 3,848,000).

The un-utilized facility for opening letters of credit and for guarantees amounts to Rs. (thousand) 390,804 (30 June 2022: Rs. (thousand) 388,724) and Rs. (thousand) 40,222 (30 June 2022: Rs. (thousand) 42,577), respectively.

10 CONTINGENCIES AND COMMITMENTS

10.1 CONTINGENCIES

There has been no change in the status of the contingencies reported in the annual audited financial statements for the year ended 30 June 2022 except for:

- (i) During the period, the Additional Deputy Commissioner Inland Revenue (ADCIR) amended the Company's income tax return for 2017, via assessment order dated 05-Dec-2022, under section 122(4A) of the Income Tax Ordinance, 2001, by disallowing tax depreciation and other expenses

creating demand of Rs. (thousand) 10,005. Being aggrieved, the Company has filed appeal before the Commissioner Inland Revenue (Appeals), which is pending adjudication. The Company, based on advice of its tax advisor, is confident of favorable outcome. Accordingly, no provision has been recognized in the condensed interim financial statements.

- (ii) In previous years, Commissioner Inland Revenue has created a demand of Rs (thousand) 27,170, for tax years 2014 to 2018, by disallowing adjustment of Workers Welfare Fund against respective income tax refunds for these tax years. During the period, the Honorable Lahore High Court has decided the matter in favor of the Company, via their judgement dated 11 November 2022. Till date of approval of these condensed interim financial statements, management of the Company is not aware of any appeal filed by the tax authorities.

10.2 COMMITMENTS

- (i) Commitments in respect of letters of credit established for the import of raw, packing materials and plant and machinery amounted to Rs. (thousand) 9,196 (30 June 2022: Rs. (thousand) 11,276).
- (ii) Guarantees issued by the banks in favor of the Company in the ordinary course of business, amounted to Rs. (thousand) 119,778 (30 June 2022: Rs. (thousand) 117,423).

	(Un-Audited)			
	Six-month period ended		Three-month period ended	
	31 December		31 December	
	2022	2021	2022	2021
	Rupees in thousand		Rupees in thousand	
11 REVENUE FROM CONTRACTS WITH CUSTOMERS-NET				
Domestic	4,630,739	3,815,617	1,823,797	1,359,322
Export	430,920	216,905	229,091	82,584
	5,061,659	4,032,522	2,052,888	1,441,906
Less: Discounts and incentives	160,585	150,950	72,152	69,640
Sales tax	795,394	660,156	308,688	229,619
	955,979	811,106	380,840	299,259
	4,105,680	3,221,416	1,672,048	1,142,647

11.1 All the revenue is recognized at a point in time.

	(Un-Audited)	
	31 December	
	2022	2021
	Rupees in thousand	
11.2 The Company's net revenue disaggregated by major product lines is as follows:		
Juices and drinks	3,383,369	2,700,937
Others	722,311	520,479
	4,105,680	3,221,416

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2022

	(Un-Audited) 31 December 2022 Rupees in thousand	(Un-Audited) 31 December 2021 Rupees in thousand
11.3 The Company's continent wise export sales are as follows:		
Europe	209,554	116,852
America	171,151	58,401
Asia	22,873	26,049
Australia	27,342	15,603
	430,920	216,905

	(Un-Audited)		(Un-Audited)	
	Six-month period ended 31 December 2022 Rupees in thousand	2021	Three-month period ended 31 December 2022 Rupees in thousand	2021

12 EARNINGS / (LOSS) PER SHARE- BASIC AND DILUTED

Profit / (loss) after taxation attributable to ordinary shareholders (Rupees in thousand)	14,289	3,032	(19,408)	(51,467)
Weighted average number of ordinary shares at the end of the period (in thousand)	9,663	9,663	9,663	9,663
Earnings / (loss) per share-basic and diluted (Rupees)	1.48	0.31	(2.01)	(5.33)

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

13 NON TRANSFER OF BONUS SHARES TO INDIVIDUAL SHAREHOLDERS

During the year ended 30 June 2015, the Company issued 726,000 bonus shares @ 10% of its then paid-up capital on the book closure date of 23 October 2014. In accordance with the provisions of Section 236M of the Income Tax Ordinance, 2001, the Company was required to collect tax from its shareholders @5% on the value of bonus shares, determined on the basis of the end price of the first day of book closure.

However, a number of shareholders of the Company have filed a suit against the Federation of Pakistan, competent authorities and the Company, before the Honorable Sindh High Court, challenging the levy of tax under the above referred section. Since the matter is subjudice before the Honorable Sindh High Court, the Company has retained 5% of the bonus shares issued to plaintiff shareholders.

14 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	
		31 December	
	Relationship with the Company	2022	2021
		Rupees in thousand	
Transactions during the period:			
Associated undertakings			
Purchases of raw materials	Associate	318,582	163,641
Sales of finished goods	Associate	677	29
Royalty charged	Associate	40,982	32,434
Purchases / repairs of electric equipment / vehicles	Associate	106	63
Contributions to staff provident fund	Employees' Fund	2,812	3,177
Remuneration and benefits of Directors, Chief Executive and key management personnel			
	Key management Personnel	12,831	13,523
		(Un-Audited)	(Audited)
		31 December	30 June
	Relationship with the Company	2022	2022
Period/year end balances		Rupees in thousand	
Due to related parties	Associate	127,986	55,647
Due from related parties	Associate	—	58,028
Due from staff provident fund	Employees' Fund	37	—

15 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

15.1 These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2022. There have been no change in any risk management policies since the year end.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values. The Company analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows;

- Quoted prices [unadjusted] in active markets for identical assets or liabilities [level 1];
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly [i.e. as prices] or indirectly [i.e. derived from prices] [level 2]; and
- Inputs for the asset or liability that are not based on observable market data [level 3].

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2022

15.2 Financial assets and liabilities

Set out below, is an overview of financial assets, other than cash and bank balances, held by the Company as at 31 December 2022 and 30 June 2022:

	(Un-Audited) 31 December 2022	(Audited) 30 June 2022
	Rupees in thousand	
Debt instruments at amortized cost		
Long-term receivables	21,330	22,179
Long-term deposits	18,132	7,881
Trade receivables - unsecured	275,370	285,999
Loans and advances	34,468	121,929
Trade deposits, prepayments and other receivables	14,460	10,877
	363,760	448,865

Equity instruments at fair value through OCI		
Long-term investment	3,672	3,200
Total current	324,298	418,805
Total non current	43,134	33,260

Set out below, is an overview of financial liabilities held by the Company as at 31 December 2022 and 30 June 2022:

	(Un-Audited) 31 December 2022	(Audited) 30 June 2022
	Rupees in thousand	
Financial liabilities at amortized cost		
Trade and other payables	744,614	943,873
Unclaimed dividend	13,928	9,796
	758,542	953,669

Interest bearing loans and borrowings		
Long-term loans	21,250	95,924
Lease liability	69,637	70,233
Deferred grant	-	1,098
Accrued markup	56,220	20,805
Short-term borrowings	1,419,919	1,035,442
	1,567,026	1,223,502
Total current	2,263,669	2,114,708
Total non current	61,899	62,463

16 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 31 December 2022 (Un-audited), 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		
Profit or loss account for six month period ended 31 December 2022 (Un-Audited):			
Revenue from contracts with customers - net	3,383,369	722,311	4,105,680
Cost of revenue	(2,594,449)	(594,413)	(3,188,862)
Gross profit	788,920	127,898	916,818
Unallocated expenses and income			
Corporate expenses			(767,519)
Other operating expenses			(59,220)
Other income			51,130
Finance costs			(119,112)
Taxation			(7,808)
Profit after taxation			14,289
Assets and liabilities as at 31 December 2022 (Un-Audited):			
Segment assets	3,591,225	528,254	4,119,479
Unallocated assets			652,255
Total			4,771,734
Segment liabilities	672,531	169,807	842,338
Unallocated liabilities			1,858,136
Total			2,700,474

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2022

	Juices and Drinks	Others	Total
	Rupees in thousand		
Profit or loss account for six month period ended 31 December 2021 (Un-Audited):			
Revenue from contracts with customers - net	2,700,937	520,479	3,221,416
Cost of revenue	(2,147,300)	(462,086)	(2,609,386)
Gross profit	553,637	58,393	612,030
Unallocated expenses and income			
Corporate expenses			(552,126)
Other operating expenses			(41,912)
Other income			41,392
Finance costs			(50,931)
Taxation			(5,421)
Profit after taxation			3,032
Assets and liabilities as at 30 June 2022 (Audited) :			
Segment assets	3,499,286	611,986	4,111,272
Unallocated assets			521,249
Total			4,632,521
Segment liabilities	884,182	176,525	1,060,707
Unallocated liabilities			1,466,933
Total			2,527,640

17 GENERAL

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

18 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue by the Board of Directors on 24 February 2023.



Burger tonight?



NOTES



پائن اپیل
کی لذت ساتھ



Shezan International Limited
www.shezan.pk