



Quarterly Report June 30,

2024

2024

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# Company Information

## Board of Directors

Aamir H. Shirazi  
Chairman

Abid Naqvi  
Director

Mashmooma Zehra Majeed  
Director

Azam Faruque  
Director

Masanori Kito  
Director

Tetsuya Komine  
Director

Kazushi Yamanaka  
Director

Saqib H. Shirazi  
Chief Executive Officer

Maheen Fatima  
Company Secretary

## Audit Committee

Mashmooma Zehra Majeed  
Chairperson

Abid Naqvi  
Member

Azam Faruque  
Member

Muhammad Asim  
Head of Internal Audit

Maheen Fatima  
Secretary

## Human Resource & Remuneration Committee

Mashmooma Zehra Majeed  
Chairman

Abid Naqvi  
Member

Saqib H. Shirazi  
Member

Saadullah Ejaz  
Secretary

## Management

Saqib H. Shirazi  
Chief Executive Officer

Afaq Ahmed  
Vice President Marketing

Khawaja Shujaiddin  
General Manager JVs Coordination

Danyal Ahmed Rasheed  
Chief Financial Officer

Saadullah Ejaz  
General Manager Human Resources & Administration

Faisal Mahmud  
General Manager Plants

Muhammad Ammar  
General Manager New Model Center

Hassan Mushtaq Cheema  
General Manager Production, Planning & Control

Zia Ul Hassan Khan  
General Manager Sales

Muhammad Zafar Iqbal  
General Manager After Sales

Rashid Ahmed  
General Manager Commercial & Planning

Tahir Nazir  
General Manager Supply Chain and Secretary

Muhammad Rashad Rashid  
General Manager Quality Assurance

Mohammad Tahir Khan  
General Manager Information Technology

# Company Information

## Auditor

Shinewing Hameed Chaudhri & Co.  
Chartered Accountants

## Legal Advisor

Mohsin Tayebaly & Co.

## Tax Advisor

EY Ford Rhodes,  
Chartered Accountants

## Shares Registrar

Hameed Majeed Associates (Pvt.) Limited  
H. M. House, 7-Bank Square,  
Shahrah-e-Quaid-e-Azam, Lahore  
Tel: (92-42) 37235081-82  
Fax: (92-42) 37358817

## Bankers

Allied Bank Limited

Askari Bank Limited

Bank Al-Habib Limited

Bank Alfalah Limited

Faysal Bank Limited

Habib Bank Limited

Habib Metropolitan Bank Limited

Khushali Bank Limited

MCB Bank Limited

Meezan Bank Limited

National Bank of Pakistan

Standard Chartered Bank (Pakistan) Limited

United Bank Limited

## Registered Office

1-McLeod Road, Lahore-54000  
Tel: (92-42) 37225015-17, 37233515-17  
Fax: (92-42) 37233518, 37351119  
E-mail: ahl@atlas.com.pk  
Website: www.atlashonda.com.pk

## Factories

F-36, Estate Avenue, S.I.T.E., Karachi-75730  
UAN: (92-21) 111-111-245  
Tel: (92-21) 32575561-65  
Fax: (92-21) 32563758

26-27 KM, Lahore-Sheikhupura Road,  
Sheikhupura-39321  
Tel: (92-56) 3406501-8  
Fax: (92-56) 3406009

## Branch Offices

Azmat Wasti Road, Multan  
Tel: (92-61) 4570413-14  
(92-61) 111-112-411  
Fax: (92-61) 4541690

Islamabad Corporate Center,  
Plot No. 784/785, Golra Road, Islamabad  
Tel: (92-51) 5495921-7,  
Fax: (92-51) 5475928

Makhdoom Altaf Road, West Sadiq Canal  
Bank, Near City School, Rahimyar Khan  
Tel: (068) 5883415-19,  
Fax: (068) 5883414

2nd Floor, Dawood Centre, Autobhan Road,  
Hyderabad  
Tel: (022) 3411361-9  
Fax: (022) 34113670

1st Floor, Meezan Executive Tower,  
4 – Liaquat Road, Faisalabad  
Tel: (92-41) 2541011-7, 2541014

1st Floor, 28-Mozang Road, Lahore  
Tel: (92-42) 36361191-5, 36360740-7

## Showroom

West View Building, Preedy Street, Saddar,  
Karachi  
Tel : (92-21) 32720833, 32727607

## Customer Contact Centre

UAN: (92-42) 111-245-222  
Toll Free: 0800-245-22  
Email: contact.centre@atlashonda.com.pk  
(Within working hours from Monday to Friday)

# Chairman's Review

I am pleased to present the unaudited condensed interim financial information of the Company for the quarter ended June 30, 2024.

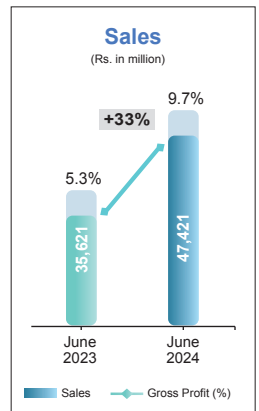
## Macroeconomic Overview

The Pakistan's economy has shown signs of improvement and stability. The government's prudent policy management and administrative measures have restored confidence, leading to an uptick in economic activity. As a result, GDP growth accelerated to 2.4% in FY 24, compared to 0.3% in the previous year. The growth was primarily driven by strong agricultural performance, an improved current account balance, and reduced inflationary pressures. However, high debt servicing costs and external repayments still remains a challenge. To address these financing needs and continued stabilization of economic indicators, the government has initiated discussions with the IMF for a new three-year program, with an anticipated amount of \$7-8 billion under consideration.

On the external front, policy tightening and enforcement strategies have yielded encouraging outcomes. The current account deficit significantly narrowed to USD 0.7 billion in FY24 from USD 3.9 billion in FY23. This improvement was mainly driven by an increase in exports of 10.5% from USD 27.7 billion to USD 30.7 billion, alongside a 1% decrease in the import bill from USD 55.2 billion to USD 54.7 billion. The worker remittances have also witnessed a notable increase of 10.6%, surpassing USD 30 billion in FY 24. Support from bilateral and multilateral partners, together with \$2 billion raised through Naya Pakistan Certificates helped foreign reserves to reach \$14.6 billion, up from \$9.2 billion last year. The improved reserves with positive sentiments stabilized the rupee-dollar parity at Rs. 277. Additionally, better demand-supply balances, and a high base effect contributed towards easing inflationary pressures, which decreased to 12.6%. In response, the Central Bank reduced the policy rate by 150 basis points to 20.5% in June 2024. On the fiscal front, the FBR surpassed its revenue targets reaching Rs. 9.3 trillion, driven by higher income tax and import duty collections. To address fiscal deficit concerns, the government enacted the Finance Act 2024, proposing additional as well as increased taxes on targeted segments together with discontinuation of specific tax credits and exemptions. Post-election political stability, reduced inflationary pressures and improved balance of payments propelled the PSX 100 index to historic heights, surpassing 78,000 points.

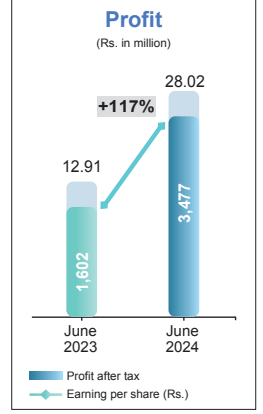
The agriculture sector has shown promising performance as it grew by 11.03 percent driven by favourable weather conditions, improved input supply and government initiatives aimed at boosting agricultural productivity including the availability of agricultural credit to farmers. Wheat production rose by 11.6% to reach 31.4 million tonnes, while cotton production experienced a significant rebound after last year's flood damages, increasing by 108.2% to 10.2 million bales. Additionally, rice production also witnessed a substantial increase of 34.8% to 9.9 million tonnes.

Large-scale manufacturing (LSM) experienced a slight decline of 0.1 percent during FY 2024, compared to a significant contraction of 7.0 percent during the same period last year. However, 11 out of 22 sectors witnessed positive growth which include, food, textile, leather, pharmaceuticals, petroleum and chemical products. The performance of automobile industry remained subdued due to massive increase in input costs and limited auto financing availability. However, recent developments with the IMF are expected to facilitate unrestricted imports and boost foreign reserves, which will in turn support the industrial sector.



## Operating Results

During the three-month period ending June 30, 2024, the Company recorded net sales of Rs. 47.4 billion, marking a 44% increase compared to the previous year. Gross profit was recorded at Rs. 4.6 billion as compared to Rs. 1.8 billion in the corresponding period as a result of stable exchange rates, favourable material prices, higher sales volume and better product mix. Sales and marketing expenses rose by 26% to Rs. 0.9 billion, mainly due to increased volumes, increased promotional activities and inflation in general. Administrative expenses also increased by 9%, primarily driven by ongoing inflationary effects. Other income, net of operating expenses and financial charges, contributed a significant Rs. 2.1 billion to the bottom line, marking a 20% increase compared to the previous year. This was attributed to efficient treasury operations and higher policy rates. Consequently, the Company registered profit before tax of Rs. 5.6 billion for the quarter, an increase of 103%. This resulted into profit after tax of Rs. 3.5 billion, which is 116% higher than the same period last year. Accordingly, translating into Earnings per Share (EPS) of Rs. 28.02, as compared to Rs. 12.9 for the corresponding period last year.



## Future Outlook

Pakistan's economic and financial position continues to improve on the back of prudent policy management and the resumption of inflows from multilateral and bilateral partners. With the easing of imports and spillovers from strong agriculture performance, industry is expected to recover. Additionally, maintaining fiscal discipline, implementing structural reforms, leveraging external factors, implementing domestically driven growth initiatives, and focusing on high-potential sectors for exports will yield significant dividends in the forthcoming years.

ؑرؑمباں نمباں ارم دىكهنٲى مبن

(We foresee bright prospects)

## Acknowledgement

The Atlas Group takes great pride in its partnership with Honda Motor Company Limited and acknowledges their continued support and cooperation in maintaining high standards of excellence. We extend our gratitude to our valued customers for their ongoing confidence, the management team for their dedicated efforts, the Board of Directors for their guidance, Mr. Saquib H. Shirazi, our CEO, for his inspiring leadership, and all stakeholders, bankers, dealers, vendors, associates, and shareholders for their contributions in building Atlas Honda Limited into an exceptional company.

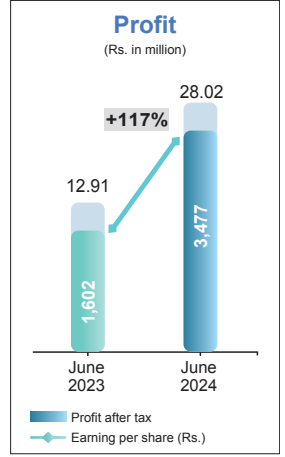
Dated: July 30, 2024

Karachi

Aamir H. Shirazi

## آپریٹنگ نتائج

30 جون 2024 کو اختتام پذیر ہونے والی سہ ماہی کے دوران، کمپنی نے 47.4 بلین روپے کی خالص فروخت ریکارڈ کی جو کہ گزشتہ سال کے مقابلے میں 44 فیصد زیادہ ہے۔ مستحکم شرح مبادلہ، مواد کی مناسب قیمتیں، فروخت کا زیادہ حجم اور بہتر پروڈکٹس کے نتیجے میں مجموعی منافع 4.6 بلین روپے ریکارڈ کیا گیا جو گزشتہ سال کی اسی مدت کے دوران 1.8 بلین روپے تھا۔ سبز اور مارکیٹنگ کے اخراجات 26 فیصد بڑھ کر 0.9 بلین روپے ہو گئے جس کی بڑی وجہ حجم میں اضافہ، پروموشنل سرگرمیوں میں اضافہ اور بڑھتی ہوئی افراط زر ہے۔ اسی افراط زر کے سبب انتظامی اخراجات میں بھی 9 فیصد اضافہ دیکھنے میں آیا۔ دیگر آمدنی، خالص آپریٹنگ اخراجات اور مالیاتی چارجز نے باٹم لائن میں 2.1 بلین روپے کا اہم حصہ ڈالا جو گزشتہ سال کے مقابلے میں 20 فیصد اضافے کی نشاندہی کرتا ہے۔ اس کی وجہ بڑھتی ہوئی آپریشنز اور اعلیٰ پالیسی ریٹ تھے۔ نتیجتاً، کمپنی نے اس سہ ماہی کے لئے 5.6 بلین روپے کا قبل از ٹیکس منافع حاصل کیا جو کہ 103 فیصد کے نمایاں اضافہ کو ظاہر کرتا ہے۔ اس کے نتیجے میں 3.5 بلین روپے کا بعد از ٹیکس منافع حاصل ہوا جو گزشتہ سال کی اسی مدت کے مقابلے میں 116 فیصد زیادہ ہے۔ جس سے آمدنی فی حصص 28.02 روپے رہی جو گزشتہ سال کی اسی مدت میں 12.9 روپے تھی۔



## مستقبل کے خدو خال

پاکستان کی معاشی اور مالیاتی صورتحال میں محتاط پالیسی کے انتظام اور کثیر جہتی اور دو طرفہ شراکت داروں کی طرف سے آمدن کی بحالی کے باعث مسلسل بہتری دیکھنے میں آ رہی ہے۔ مضبوط زرعی کارکردگی سے درآمدات اور اسپل اور میں نرمی کے ساتھ صنعت کی بحالی کی امید ہے۔ مزید برآں، مالیاتی نظم و ضبط کو برقرار رکھنا، ساختی اصلاحات کو نافذ کرنا، بیرونی عوامل سے مستفید ہونا، مقامی طور پر چلنے والے نمونے اقدامات کو نافذ کرنا اور درآمدات کے لئے روشن امکانات والے شعبوں پر توجہ مرکوز کرنے سے آنے والے سالوں میں زیادہ منافع حاصل ہوگا۔

خیاں خیاں ارم دیکھتے ہیں  
(We foresee bright prospects)

## اظہار تشکر

دی ایلز گروپ ہنڈاموٹر کمپنی سے اپنی شراکت داری پر فخر محسوس کرتا ہے اور اپنے ممتاز حیثیت کے اعلیٰ معیارات کو برقرار رکھنے میں ان کے مسلسل تعاون کا معترف ہے۔ میں اپنے کٹھن کے ہم پراعتاد، ہماری انتظامی ٹیم کی مخلصانہ کوششوں، بورڈ آف ڈائریکٹرز کی رہنمائی اور جناب ثاقب انجیئر کو ان کی پراثر لیڈرشپ اور اپنے اسٹیک ہولڈرز، بینکرز، ڈیلرز، ویڈرز، ایبوسی ایٹس اور شیئرز ہولڈرز کا بے حد ممنون و مشکور ہوں کہ جن کی مدد سے ایلز ہنڈاموٹر کو ایک ممتاز کمپنی کی حیثیت حاصل ہے۔

عامر ایچ شیرازی

تاریخ: 30 جولائی 2024

کراچی

## چیسر میں کا جائزہ

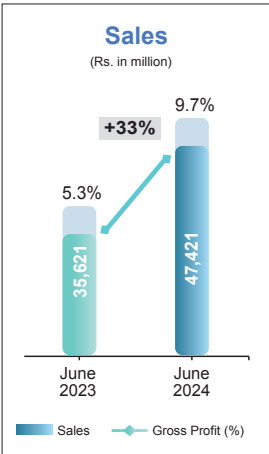
میں نہایت مسرت کے ساتھ 30 جون 2024 کو ختم ہونے والی سماہی کے لیے کمپنی کے غیر آڈٹ شدہ عبوری مالیاتی معلومات پیش کر رہا ہوں۔

### میکرو اکنامک جائزہ

پاکستانی معیشت میں بہتری اور استحکام کے آثار نظر آ رہے ہیں۔ حکومت کی جانب سے دانشمندانہ پالیسی منجمنٹ اور انتظامی اقدامات نے اعتماد کی بحالی کو یقینی بنایا ہے جس کے باعث معاشی سرگرمیوں میں تیزی دیکھنے میں آئی ہے۔ نتیجتاً، مالی سال 2024 میں جی ڈی پی کی شرح نمو 2.4 فیصد تک پہنچ گئی جو گزشتہ سال کے دوران 0.3 فیصد تھی۔ یہ ترقی بنیادی طور پر بہتر زرعی کارکردگی، بہتر کرنٹ اکاؤنٹ بیلنس اور افراط زر کے دباؤ میں کمی کی وجہ سے دیکھنے میں آئی۔ تاہم، قرضوں کی واپسی اور بیرونی ادائیگیاں اب بھی ایک چیلنج بنی ہوئی ہیں۔ فنانسنگ کی ان ضروریات کو پورا کرنے اور اقتصادی اشاریوں کے مسلسل استحکام کے لئے، حکومت نے IMF کے ساتھ ایک نئے تین سالہ پروگرام کے لیے بات چیت کا آغاز کیا ہے جس میں 7 سے 8 بلین امریکی ڈالر کی توقع رقم زیر غور ہے۔

بیرونی محاز پر، پالیسی کے سخت اقدامات اور استحکام کی حکمت عملیوں کو اپنانے سے مثبت نتائج برآمد ہوئے ہیں۔ مالی سال 2023 کے دوران کرنٹ اکاؤنٹ خسارہ 3.9 بلین امریکی ڈالر سے مالی سال 2024 میں نمایاں طور پر کمی کے ساتھ 0.7 بلین امریکی ڈالر رہ گیا۔ کرنٹ اکاؤنٹ خسارہ میں بہتری بنیادی طور پر برآمدات میں 27.7 بلین امریکی ڈالر سے 30.7 بلین امریکی ڈالر تک 10.5 فیصد اضافے کے ساتھ ساتھ درآمدی بل میں 55.2 بلین امریکی ڈالر سے 54.7 بلین امریکی ڈالر تک 1 فیصد کمی کی وجہ سے دیکھنے میں آئی۔ ملازمین کی ترسیلات زر میں بھی 10.6 فیصد کا قابل ذکر اضافہ دیکھا گیا ہے جو مالی سال 2024 میں 30 بلین امریکی ڈالر سے تجاوز کر گیا ہے۔ نیا پاکستان شوٹکیٹ کے ذریعے 2 بلین امریکی ڈالر اکٹھے کیے جانے کے ساتھ ساتھ دو طرفہ تھیر جہتی شراکت داروں کی معاونت سے غیر ملکی ذخائر 14.6 بلین امریکی ڈالر تک پہنچنے میں مدد ملی جو گزشتہ سال 9.2 بلین امریکی ڈالر سے زیادہ تھے۔ ان مثبت اشاریوں کے ساتھ ذخائر میں اضافے کے باعث ڈالر کے مقابلے میں پاکستانی روپیہ 277 روپے پر مستحکم رہا۔ مزید برآں، بہتر ڈیما نڈ سٹاپائی بیلنس اور اس کے بنیادی اثر نے افراط زر کے دباؤ کو کم کرنے میں کردار ادا کیا جو کمی کے بعد 12.6 فیصد ہو گیا۔ اس کے نتیجے میں مرکزی بینک نے جون 2024 کے دوران پالیسی ریٹ کی سطح میں 150 بیسپس پوائنٹس کمی کی کے ساتھ 20.5 فیصد کردی۔ مالیاتی محاز پر، ایف بی آر نے انکم ٹیکس اور امپورٹ ڈیوٹی کی زیادہ وصولیوں کی وجہ سے اپنے ریونیو کے اہداف 9.3 ٹریلین روپے تک پہنچا دیا۔ مالیاتی خسارے کے خدشات کو دور کرنے کے لئے، حکومت نے فنانس ایکٹ 2024 کا نفاذ یقینی بنایا جس میں مخصوص ٹیکس کریڈٹس اور رعایت کو ختم کرنے کے ساتھ ساتھ ٹارگیٹڈ سٹیٹمنٹس پراضانی اور بڑھ ہوئے ٹیکسز کی تجویز پیش کی گئی۔ انتخابات کے بعد سیاسی استحکام، افراط زر کے دباؤ میں کمی اور ادائیگیوں کے بہتر توازن کے ساتھ PSX-100 انڈیکس تاریخ میں پہلی بار 78,000 پوائنٹس کو عبور کر گیا۔

زرعی شعبے کی کارکردگی امید افزا ہے کیونکہ اس میں 11.03 فیصد اضافہ دیکھنے میں آیا ہے جس کی وجہ سے سالگرموسی حالات، ان پٹ کی فراہمی میں بہتری اور کاشتکاروں کو زرعی قرضے کی دستیابی سمیت زرعی پیداواری صلاحیت کو برحانے کے لئے دیگر حکومتی اقدامات شامل ہیں۔ گندم کی پیداوار 11.6 فیصد بڑھ کر 31.4 ملین ٹن تک پہنچ گئی جبکہ کپاس کی پیداوار میں گزشتہ سال کے سیلاب کے نقصانات کے بعد نمایاں بہتری دیکھنے میں آئی جو 108.2 فیصد اضافے سے 10.2 ملین ہیلز تک پہنچ گئی۔ مزید برآں، چاول کی پیداوار میں بھی 34.8 فیصد کے اضافے سے 9.9 ملین ٹن تک اضافہ دیکھنے میں آیا۔



بڑے پیمانے پر مینوفیکچرنگ (LSM) میں مالی سال 2024 کے دوران 0.1 فیصد کمی معمولی کمی دیکھی گئی جبکہ گزشتہ سال کی اسی مدت کے دوران بڑے پیمانے پر مینوفیکچرنگ میں 7 فیصد کمی نمایاں کمی دیکھی گئی تھی۔ تاہم، 22 میں سے 12 شعبوں میں مثبت نمود کیے میں آئی جن میں خوراک، ٹیکسٹائل، ایئر، دواسازی، پیٹرولیم اور کیمیائی مصنوعات شامل ہیں۔ ان پٹ لاگت میں بڑے پیمانے پر اضافے اور آٹو فنانسنگ کی محدود دستیابی کی وجہ سے آٹو موبائل انڈسٹری کی کارکردگی سست روی کا شکار رہی۔ آئی ایم ایف کے ساتھ حالیہ پیش رفت سے توقع کی جاتی ہے کہ وہ غیر محدود درآمدات میں سہولت فراہم کریں گے اور غیر ملکی ذخائر کو فروغ دیں گے جس سے صنعتی شعبے کو معاونت ملے گی۔

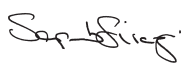


# Condensed Interim Statement of Financial Position (Unaudited) As at June 30, 2024

		(Unaudited) June 30, 2024	(Audited) March 31, 2024
	Note	----(Rupees in '000)----	
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment	5	12,620,440	12,445,718
Intangible assets		8,356	7,826
Long term investments	6	361,350	350,593
Long term loans and advances		111,042	106,531
Long term deposits	7	41,672	41,672
		<u>13,142,860</u>	<u>12,952,340</u>
<b>Current assets</b>			
Stores, spares and loose tools		1,007,638	1,027,714
Stock-in-trade		10,654,945	9,621,651
Trade debts		2,083,155	1,021,954
Loans and advances		95,053	89,211
Trade deposits and prepayments		231,285	229,118
Accrued mark-up / interest		384,496	656,355
Other receivables		253,631	16,137
Short term investments	8	19,028,305	13,959,667
Bank balances		22,231,460	36,369,606
		<u>55,969,968</u>	<u>62,991,413</u>
		<u>69,112,828</u>	<u>75,943,753</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		1,240,879	1,240,879
Reserves		27,281,424	27,526,690
		<u>28,522,303</u>	<u>28,767,569</u>
<b>LIABILITIES</b>			
<b>Non current liabilities</b>			
Lease liabilities		308,675	289,306
Staff retirement benefits		819,177	663,559
Deferred taxation		877,659	877,658
		<u>2,005,511</u>	<u>1,830,523</u>
<b>Current liabilities</b>			
Trade and other payables		36,650,655	43,151,951
Taxation - net		394,310	1,237,690
Unclaimed dividend		182,303	215,084
Dividend payable		1,302,923	682,949
Current portion of lease liabilities		54,823	57,987
		<u>38,585,014</u>	<u>45,345,661</u>
		<u>40,590,525</u>	<u>47,176,184</u>
<b>Contingencies and commitments</b>	9	<u>69,112,828</u>	<u>75,943,753</u>

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

  
Amir H. Shirazi  
Chairman

  
Saquib H. Shirazi  
Chief Executive Officer

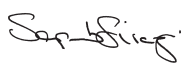
  
Danyal Ahmed Rasheed  
Chief Financial Officer

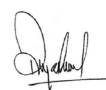
# Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (Unaudited) For the three months period ended June 30, 2024

	Note	Three months period ended June 30,	
		2024	2023
----(Rupees in '000)----			
Sales - net		47,420,814	35,621,093
Cost of sales	10	(42,814,704)	(33,733,078)
<b>Gross profit</b>		4,606,110	1,888,015
Sales and marketing expenses		(896,627)	(711,162)
Administrative expenses		(239,997)	(220,190)
Other income		2,429,666	2,026,892
Other operating expenses		(264,339)	(206,502)
<b>Profit from operations</b>		5,634,813	2,777,053
Finance costs		(27,845)	(17,079)
Share of profit of an Associate		10,757	2,748
<b>Profit before taxation</b>		5,617,725	2,762,722
Income tax expense		(2,140,353)	(1,160,343)
<b>Profit after taxation</b>		3,477,372	1,602,379
Other comprehensive income		-	-
<b>Total comprehensive income</b>		3,477,372	1,602,379
----(Rupees)----			
Earnings per share - basic and diluted	11	28.02	12.91

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

  
Aamir H. Shirazi  
Chairman

  
Saquib H. Shirazi  
Chief Executive Officer

  
Danyal Ahmed Rasheed  
Chief Financial Officer

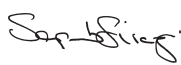
## Condensed Interim Statement of Changes in Equity (Unaudited) For the three months period ended June 30, 2024


(Rupees in '000)

	Share capital	Capital reserves		Revenue reserves		Total
		Share premium	Gain on sale of land	General reserve	Unappropriated profit	
Balance as at April 1, 2023	1,240,879	39,953	165	9,492,000	12,006,945	22,779,942
Transactions with owners						
Final cash dividend for the year ended March 31, 2023 at the rate of Rs. 13 per share	-	-	-	-	(1,613,143)	(1,613,143)
Total comprehensive profit for the three months period ended June 30, 2023	-	-	-	-	1,602,379	1,602,379
<b>Balance as at June 30, 2023 (unaudited)</b>	<b>1,240,879</b>	<b>39,953</b>	<b>165</b>	<b>9,492,000</b>	<b>11,996,181</b>	<b>22,769,178</b>
Transactions with owners						
Interim cash dividend for the half year ended September 30, 2023 at the rate of Rs. 17 per share	-	-	-	-	(2,109,495)	(2,109,495)
Total comprehensive income for the nine months period ended March 31, 2024	-	-	-	-	8,107,886	8,107,886
<b>Balance as at March 31, 2024 (audited)</b>	<b>1,240,879</b>	<b>39,953</b>	<b>165</b>	<b>9,492,000</b>	<b>17,994,572</b>	<b>28,767,569</b>
Transactions with owners						
Final cash dividend for the year ended March 31, 2024 at the rate of Rs. 30 per share	-	-	-	-	(3,722,638)	(3,722,638)
Total comprehensive income for the three months period ended June 30, 2024	-	-	-	-	3,477,372	3,477,372
<b>Balance as at June 30, 2024 (unaudited)</b>	<b>1,240,879</b>	<b>39,953</b>	<b>165</b>	<b>9,492,000</b>	<b>17,749,306</b>	<b>28,522,303</b>

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

  
Aamir H. Shirazi  
Chairman

  
Saquib H. Shirazi  
Chief Executive Officer


  
Danyal Ahmed Rasheed  
Chief Financial Officer

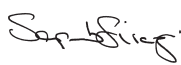
## Condensed Interim Statement of Cash Flows (Unaudited)

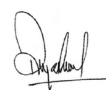
### For the three months period ended June 30, 2024

	Note	Three months period ended June 30,	
		2024	2023
		----(Rupees in '000)----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash used in operations	12	(4,679,025)	(4,598,852)
Income tax paid		(2,983,733)	(1,043,490)
Compensated absences paid		(807)	(9,944)
Mark-up / interest received		1,743,499	193,225
Workers' profit participation fund paid		(384,717)	(271,661)
Long term loans and advances - net		(4,511)	(8,748)
<b>Net cash used in operating activities</b>		<b>(6,309,294)</b>	<b>(5,739,470)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant & equipment		(575,842)	(496,393)
Payments for intangible assets		(4,062)	(2,940)
Payments for investments acquired		(7,401,463)	(5,222,640)
Proceeds from sale of property, plant & equipment		38,239	27,301
Proceeds from sale of investments		3,261,058	-
<b>Net cash used in investing activities</b>		<b>(4,682,070)</b>	<b>(5,694,672)</b>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>			
Dividend paid		(3,135,445)	(1,038,436)
Lease rentals paid		(11,337)	(14,407)
<b>Net cash used in financing activities</b>		<b>(3,146,782)</b>	<b>(1,052,843)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(14,138,146)</b>	<b>(12,486,985)</b>
Cash and cash equivalents at beginning of the period		36,369,606	34,702,516
<b>Cash and cash equivalents at end of the period</b>		<b>22,231,460</b>	<b>22,215,531</b>

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

  
Aamir H. Shirazi  
Chairman

  
Saquib H. Shirazi  
Chief Executive Officer

  
Danyal Ahmed Rasheed  
Chief Financial Officer

# Notes to the Condensed Interim Financial Statements (Unaudited) For the three months period ended June 30, 2024

## 1. THE COMPANY AND ITS ACTIVITIES

- 1.1 Atlas Honda Limited (the Company) is a public limited company incorporated in Pakistan and is listed on Pakistan Stock Exchange Limited. The Company is principally engaged in progressive manufacturing and marketing of motorcycles and spare parts. The Company is a subsidiary of Shirazi Investments (Private) Limited, which holds 52.43% (March 31, 2024: 52.43%) of issued, subscribed and paid-up capital of the Company.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the approved 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 (Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act; and
- Provisions of and directives issued under the Act.

Where the provision of and directives issued under the Act differ with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Act have been followed.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

- 3.1 The material accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended March 31, 2024.

There are certain International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on April 1, 2024. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operation and are, therefore, not disclosed in these condensed interim financial statements.

- 3.2 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.
- 3.3 Actuarial valuations are carried out on annual basis. The last actuarial valuation was carried out on March 31, 2024. The impact of re-measurement of post-employment benefit plans has not been incorporated in the condensed interim financial statements.

## 4. ACCOUNTING ESTIMATES AND JUDGEMENTS

- 4.1 The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

4.2 During the preparation of these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation of uncertainty were the same as those that applied to the audited annual financial statements of the Company for the year ended March 31, 2024.

5. PROPERTY, PLANT AND EQUIPMENT		(Unaudited) June 30, 2024	(Audited) March 31, 2024
	Note	---- (Rupees in '000) ----	
Operating fixed assets	5.1	12,166,556	12,062,500
Capital work-in-progress	5.2	164,324	86,621
Right of use assets		289,560	296,597
		<u>12,620,440</u>	<u>12,445,718</u>

#### 5.1 Operating fixed assets

Book value at beginning of the period / year	12,062,500	11,931,412
Additions during the period / year	498,139	1,832,625
Disposals costing Rs. 69,474 thousand (March 31, 2024: Rs. 686,217 thousand) - at book value	(38,410)	(261,152)
Depreciation charge for the period / year	(355,673)	(1,440,385)
Book value at end of the period / year	<u>12,166,556</u>	<u>12,062,500</u>

5.2 Capital work-in-progress includes advance of Rs. 74,816 thousand paid to Honda Atlas Cars (Related Party) for purchase of vehicles.

		(Unaudited) June 30, 2024	(Audited) March 31, 2024
	Note	---- (Rupees in '000) ----	

#### 6. LONG TERM INVESTMENTS

##### Unquoted

Associate - equity accounted investment	6.1	361,350	350,593
		<u>361,350</u>	<u>350,593</u>

#### 6.1 Equity accounted investment - Atlas Hitec (Private) Limited

Balance at beginning of the period / year	350,593	340,816
Share of profit for the period / year - net of tax	10,757	12,475
Dividend received during period / the year	-	(2,698)
Balance at end of the period / year	<u>361,350</u>	<u>350,593</u>

6.1.1 Investment in Atlas Hitec (Private) Limited (AHPL) represents 19,000,000 fully paid ordinary shares of Rs.10 each representing 29.23% (March 31, 2024 : 29.23%) of its issued, subscribed and paid-up capital as at June 30, 2024.

6.1.2 The value of investment in Associate is based on unaudited condensed interim financial statements of the investee company as at June 30, 2024.

7. Long term deposits includes Rs. 28,000 thousand (March 31, 2024 : Rs. 28,000 thousand) paid to Atlas Energy Limited, a related party.

	(Unaudited) June 30, 2024	(Audited) March 31, 2024
	---- (Rupees in '000) ----	
<b>8. SHORT TERM INVESTMENTS</b>		
- at fair value through profit or loss		
Investments in units of mutual funds:		
- Related parties	18,411,026	12,247,371
- Others	617,279	592,062
	<u>19,028,305</u>	<u>12,839,433</u>
At amortised cost - Treasury bills	-	1,120,234
	<u>19,028,305</u>	<u>13,959,667</u>
<b>9. CONTINGENCIES AND COMMITMENTS</b>		
<b>9.1 Contingencies</b>		
9.1.1	There is no change in status of the contingencies as disclosed in note 26.1.1 of the audited annual financial statements of the Company for the year ended March 31, 2024.	
	(Unaudited) June 30, 2024	(Audited) March 31, 2024
	---- (Rupees in '000) ----	
9.1.2	<u>2,392,014</u>	<u>2,120,312</u>
<b>9.2 Commitments</b>		
9.2.1	Commitments in respect of:	
- capital expenditure other than letters of credit	<u>121,108</u>	<u>41,641</u>
- capital expenditure, raw materials and components through confirmed letters of credit	<u>4,217,206</u>	<u>3,975,827</u>
9.2.2	Aggregate commitments for ljarah arrangements of vehicles and plant machinery as at period / year end are as follows:	
	(Unaudited) June 30, 2024	(Audited) March 31, 2024
	---- (Rupees in '000) ----	
Not later than one year	544,513	452,800
Over one year and no later than five years	1,402,051	1,256,230
More than five years	264,320	287,046
	<u>2,210,884</u>	<u>1,996,076</u>
	--- (Unaudited) --- Three months period ended June 30, 2024	
	---- (Rupees in '000) ----	
<b>10. COST OF SALES</b>		
Finished goods at beginning of the period	2,993,078	1,730,184
Cost of goods manufactured	38,192,638	30,247,063
Purchases	3,589,402	3,708,203
	<u>41,782,040</u>	<u>33,955,266</u>
	44,775,118	35,685,450
Finished goods at end of the period	(1,950,989)	(1,952,372)
	<u>42,824,129</u>	<u>33,733,078</u>

		--- (Unaudited) ---	
		Three months period ended June 30,	
		2024	2023
		---- (Rupees in '000) ----	
11.	<b>EARNINGS PER SHARE</b> - basic and diluted		
	Net profit for the period	<u>3,477,372</u>	<u>1,602,379</u>
		---(Number of shares)---	
	Weighted average number of ordinary shares in issue during the period	<u>124,087,935</u>	<u>124,087,935</u>
		---- (Rupees) ----	
	Basic earnings per share	<u>28.02</u>	<u>12.91</u>

11.1 There is no dilutive effect on the basic earnings per share of the Company.

		----(Unaudited)----	
		Three months period ended June 30,	
		2024	2023
		---- (Rupees in '000) ----	
12.	<b>CASH GENERATED FROM OPERATIONS</b>		
	Profit before taxation	5,617,725	2,762,722
	<b>Adjustments for:</b>		
	Depreciation	373,396	354,923
	Amortisation	3,532	9,871
	Loss in fair value of investments at fair value through profit of loss	-	508,867
	Gain on sale of investments	(928,233)	-
	Mark-up / interest on saving deposit accounts and TDRs	(1,471,640)	(127,389)
	Share of profit of an Associate	(10,757)	(2,747)
	Workers' profit participation fund	176,390	148,226
	Workers' welfare fund	85,549	56,326
	Provision for compensated absences	156,425	30,270
	Provision for gratuity	20,683	17,864
	Gain on disposal of fixed assets	171	(4,411)
	Interest on lease liabilities	16,855	6,145
	Working capital changes	12.1 (8,719,121)	(8,359,519)
		<u>(4,679,025)</u>	<u>(4,598,852)</u>



----- (Unaudited) -----  
**Three months period  
ended June 30,  
2024                      2023**  
----- (Rupees in '000) -----

## 12.1 Changes in working capital

(Increase) / decrease in current assets:

Stores, spares and loose tools	20,076	(24,712)
Stock-in-trade	(1,033,294)	(2,277,902)
Trade debts	(1,061,201)	(835,029)
Loans and advances	(5,842)	13,654
Trade deposits and prepayments	(2,167)	734,498
Other receivables	(237,494)	(484,661)
	(2,319,922)	(2,874,152)
Decrease in trade and other payables	(6,399,199)	(5,485,367)
	<u>(8,719,121)</u>	<u>(8,359,519)</u>

## 13. FINANCIAL RISK MANAGEMENT

### 13.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

There have been no significant changes in the risk management policies since the year end.

The condensed interim financial statements do 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 statements for the year ended March 31, 2024.

### 13.2 Fair value measurement of financial instruments

The carrying values of all financial assets and liabilities reflected in the financial statements are a reasonable approximation of their fair values.

The table below 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 (that is, as prices) or indirectly (that is, derived from prices) [Level 2].
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
<b>Assets - Recurring fair value measurement</b>				
<b>Financial assets at fair value through profit or loss June 30, 2024</b>				

Short term investments	<u>19,028,305</u>	-	-	<u>19,028,305</u>
March 31, 2024				
Short term investments	<u>12,839,433</u>	-	-	<u>12,839,433</u>

There were no transfers amongst the levels and any change in valuation techniques during the period.

## 14. TRANSACTIONS WITH RELATED PARTIES

14.1 Details of significant transactions with related parties, other than those which have been disclosed elsewhere in the financial information, are as follows:

		----- (Unaudited) -----	
		Three months period ended June 30,	
		2024	2023
Relationship with the Company	Nature of transactions	--- (Rupees in '000) ---	
(i) Parent Company	Sale of goods	517	183
	Purchase of goods and services	-	10,816
	Dividend paid	1,951,945	845,843
	Purchase of operating fixed assets	-	2,772
	Lease rentals paid	2,259	13,250
(ii) Associates	Sales:		
	- goods and services	615,578	411,178
	- operating fixed assets	393	3,108
	Purchases:		
	- goods and services	10,585,209	8,551,303
	- operating fixed assets	178,886	111,686
	Sale of units in mutual funds	331,297	-
	Purchase of units in mutual funds	5,819,841	4,779,929
	Dividend received from mutual funds	1,310,103	437,152
	Royalty paid	6,614,678	-
	Technical assistance fee paid	13,708	25,706
	Commission income	-	116
	Commission paid	33,460	51,562
	Insurance premium paid	56,825	80,448
	Insurance claims received	6,808	10,312
Reimbursement of expenses - net	4,882	3,324	
Dividend paid	105,542	45,735	
(iii) Staff retirement funds	Contributions paid to gratuity funds, provident fund / pension schemes	41,780	34,767
(iv) Key management personnel	Managerial remuneration and benefits	65,705	55,895
	Retirement benefits	2,940	2,514

-----**(Unaudited)**-----  
**Three months period**  
**ended June 30,**  
**2024                  2023**  
**---- (Rupees in '000) ----**

14.2 Period / year end balances are as follows:

**Payable to related parties**

Trade and other payables	2,169,962	9,286,205
Dividend payable	1,302,923	1,609,110
Compensated absences	59,332	50,661

**Receivable to related parties**

Long term loans	6,391	4,664
Long-term deposit	28,000	28,000

**Advance to related parties**

Capital work-in-progress	74,816	59,268
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15. **CORRESPONDING FIGURES**

In order to comply with the requirements of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for year ended March 31, 2024 and the corresponding figures in the condensed interim profit or loss account & other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial information of the Company for the three months period ended June 30, 2023.

Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of better comparison and presentation, the effect of which are not material.

16. **DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on July 30, 2024 by the Board of Directors.



Aamir H. Shirazi  
Chairman



Saquib H. Shirazi  
Chief Executive Officer



Danyal Ahmed Rasheed  
Chief Financial Officer

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