



fauji foods

FFL/HO/CS/
October 22, 2024

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road,
Karachi.

3rd Quarterly Financial Results for the period ended September 30, 2024

Dear Sir,

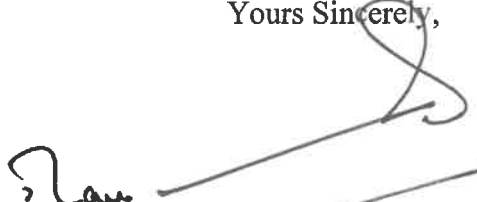
We have to inform you that the Board of Directors of our company in the meeting held on **October 22, 2024 at 10:30 a.m.** recommended the following:

- | | |
|--|------|
| (i) CASH DIVIDEND: | Nil. |
| (ii) BONUS SHARES: | Nil. |
| (iii) RIGHT SHARES: | Nil. |
| (iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION: | Nil. |
| (v) ANY OTHER PRICE-SENSITIVE INFORMATION: | Nil. |

The financial results of the Company for the period ended September 30, 2024, comprising of Statement of Profit or Loss (Unconsolidated as Annex-A and Consolidated as Annex-B) and brief commentary are attached.

3rd Quarterly Financial Report of the Company for the period ended September 30, 2024 will be transmitted through PUCARS separately, within the specified time.

Yours Sincerely,


Brig Naveed Azam Cheema (Retd)
Company Secretary

Encl: As above

FAUJI FOODS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE-MONTH AND THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

	Note	Nine-month ended September 30		Three-month ended September 30	
		2024 (Rupees)	2023 (Rupees)	2024 (Rupees)	2023 (Rupees)
Revenue from contracts with customers - net	17	17,848,603,201	14,874,987,463	6,435,124,298	4,916,710,088
Cost of revenue	18	(14,609,341,769)	(12,936,763,259)	(5,468,740,239)	(4,329,627,196)
Gross profit		<u>3,239,261,432</u>	<u>1,938,224,204</u>	<u>966,384,058</u>	<u>587,082,892</u>
Marketing and distribution expenses		(1,277,364,842)	(1,027,532,892)	(456,784,398)	(331,570,997)
Administrative expenses		(682,386,325)	(531,843,845)	(261,554,469)	(187,678,361)
Profit from operations		<u>1,279,510,264</u>	<u>378,847,467</u>	<u>248,045,191</u>	<u>67,833,534</u>
Other income		367,122,534	189,299,517	174,302,610	62,612,891
Other operating expense		(578,165,875)	(145,306,846)	(57,234,296)	(22,603,374)
Finance costs		(25,217,357)	(341,400,691)	(10,508,601)	(6,030,962)
Profit / (loss) before levy & income tax		<u>1,043,249,566</u>	<u>81,439,447</u>	<u>354,604,903</u>	<u>101,812,089</u>
Levy		-	-	-	-
Profit / (loss) before income tax		<u>1,043,249,566</u>	<u>81,439,447</u>	<u>354,604,903</u>	<u>101,812,089</u>
Income tax expense	19	(444,423,047)	(190,190,412)	(120,895,877)	(63,251,225)
Profit / (loss) after taxation for the period		<u>598,826,519</u>	<u>(108,750,965)</u>	<u>233,709,026</u>	<u>38,560,864</u>
Earnings / (loss) per share - basic and diluted	20	<u>0.24</u>	<u>(0.04)</u>	<u>0.09</u>	<u>0.02</u>



FAUJI FOODS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE-MONTH AND THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

	Note	Nine-month ended		Three-month ended	
		September 30		September 30	
		2024	2023	2024	2023
		(Rupees)	(Rupees)	(Rupees)	(Rupees)
Revenue from contracts with customers - net	16	17,848,603,201	14,874,987,463	6,435,124,298	4,916,710,088
Cost of revenue	17	(14,637,117,062)	(12,936,763,259)	(5,480,090,960)	(4,329,627,196)
Gross profit		<u>3,211,486,139</u>	<u>1,938,224,204</u>	<u>955,033,337</u>	<u>587,082,892</u>
Marketing and distribution expenses		(1,277,364,842)	(1,027,532,892)	(456,784,398)	(331,570,997)
Administrative expenses		(682,989,604)	(531,843,845)	(262,016,339)	(187,678,361)
Profit from operations		<u>1,251,131,692</u>	<u>378,847,467</u>	<u>236,232,600</u>	<u>67,833,534</u>
Other income		366,210,876	189,299,517	174,739,074	62,612,891
Other operating expenses		(578,165,875)	(145,306,846)	(57,234,296)	(22,603,374)
Finance costs		(40,575,359)	(341,400,691)	(15,874,386)	(6,030,962)
Profit / (loss) before levy & income tax		<u>998,601,334</u>	<u>81,439,447</u>	<u>337,862,991</u>	<u>101,812,089</u>
Levy		-	-	-	-
Profit / (loss) before income tax		<u>998,601,334</u>	<u>81,439,447</u>	<u>337,862,991</u>	<u>101,812,089</u>
Income tax expense	18	(438,370,047)	(190,190,412)	(114,842,877)	(63,251,225)
Profit / (loss) after taxation for the period		<u>560,231,287</u>	<u>(108,750,965)</u>	<u>223,020,114</u>	<u>38,560,864</u>
Earnings / (loss) per share - basic and diluted	19	<u>0.22</u>	<u>(0.04)</u>	<u>0.09</u>	<u>0.02</u>



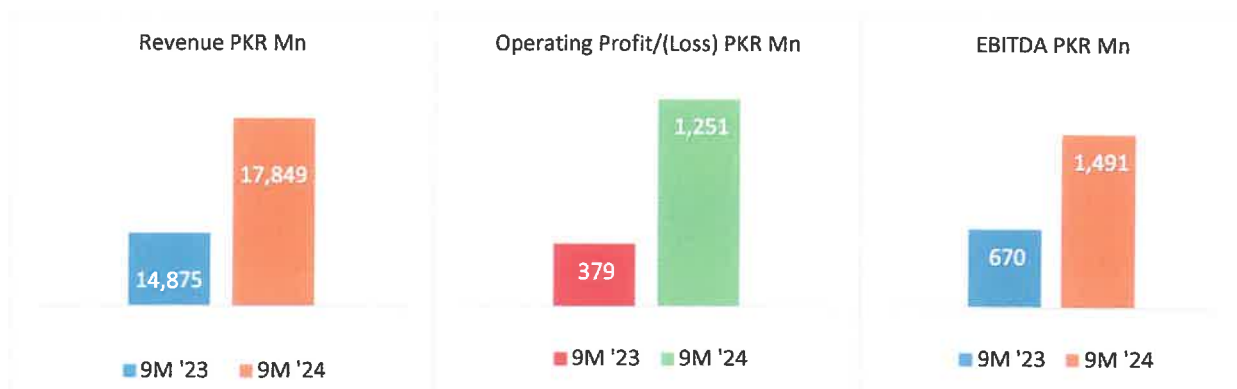
Brief Commentary FFL Q3 & 9 months, 2024 Results

FFL reported a PAT of PKR 223 Mn in Q3 2024 vs PKR 39 Mn SPLY (+478%) & PKR 560 Mn for 9 months of 2024 vs loss of PKR (109) Mn SPLY (+615%). The business has continued its growth momentum, recording a YTD revenue of PKR 17.85 bn (+20% vs SPLY). The three strategic pillars of a) Margin Accretive Growth b) COGS reduction and c) Capability, continued to drive topline as well as bottom-line.

Margin Accretive Growth: Nurpur UHT milk remains the fastest growing Milk brand in Pakistan. It recorded 47% revenue growth in the 9 months of 2024 vs SPLY. The strategic acquisition of cereal business in Feb 2024 helped diversify the portfolio and allows the business to own the breakfast table.

COGS Reduction: The commercial sustainability is reflected through the improved structure of the P&L as Gross Margins increased from 11.9% in Q3 2023 to 14.8% in Q3 2024, while the 9-month Gross Margin increased by 5% vs SPLY to hit 18%. This was driven by continued focus on cost efficiencies backed by continuous improvement in the Supply Chain. As a result, FFL achieved Q3 2024 operating profit of PKR 236 Mn vs PKR 68 Mn in SPLY.

Capability: The company is on its journey to build world class capability across the organization. The First Management Trainee Program concluded this year and there are plans to broaden the scope in future. Additionally, the digitization agenda is being driven across the businesses to harness insights for growth and efficiency.



Looking ahead, the investment in brands and distribution and high margin Cereals portfolio should continue to fuel the growth and deliver improved financial performance. Pasta launch later in the year will further strengthen the culinary credentials of the portfolio extending it beyond the breakfast table. We are confident that FFL, driven by its vision of “**Unleashing Pakistan’s promise in everything we touch**”, is on its path to achieve the goal of becoming a 100 bn business.