



Synthetic Products Enterprises Limited



PARTNER YOU CAN TRUST

30 September 2024

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Company Information

Board of Directors

Mr. Almas Hyder	Chairman
Mr. Zia Hyder Naqi	CEO
Mr. Haroon Sharif	Director
Dr. Syed Sohail Hussain Naqvi	Director
Mr. Khawar Anwar Khawaja	Director
Mr. Raza Haider Naqi	Director
Dr. Nighat Arshad	Director
Mr. Sheikh Naseer Hyder	Director
Mr. Abid Saleem Khan	Director

CFO and Company Secretary

Mr. Khalil Ahmad Hashmi, FCA

Audit Committee

Mr. Haroon Sharif	Committee Chairman
Mr. Almas Hyder	Member
Mr. Khawar Anwar Khawaja	Member
Mr. Raza Haider Naqi	Member

HR & R Committee

Mr. Khawar Anwar Khawaja	Committee Chairman
Mr. Almas Hyder	Member
Mr. Zia Hyder Naqi	Member
Dr. Syed Sohail Hussain Naqvi	Member
Mr. Abid Saleem Khan	Member

Finance Committee

Mr. Almas Hyder	Committee Chairman
Mr. Haroon Sharif	Member
Mr. Zia Hyder Naqi	Member
Dr. Syed Sohail Hussain Naqvi	Member
Mr. Sheikh Naseer Hyder	Member
Mr. Abid Saleem Khan	Member

Risk Management Committee

Mr. Zia Hyder Naqi	Committee Chairman
Mr. Haroon Sharif	Member
Dr. Syed Sohail Hussain Naqvi	Member
Mr. Sheikh Naseer Hyder	Member

Registered Office

127-S, Quid-e-Azam Industrial Estate
Township, Kot Lakhpat, Lahore
Ph: 042 111 005 005
Fax: 024-35118507

Statutory Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Head of Internal Audit

Mr. Abu Bakar, FCA

Tax Consultants

A. F. Ferguson & Co.
Chartered Accountants
(A Member Firm of the PWC Network)

Legal Advisors

Cornelius Lane and Mufti Advocates & Solicitors

Share Registrar

THK Associates (Pvt) Ltd
Plot No. 32-C, Jami Commercial
Street 2, DHA, Phase VII, Karachi
Pakistan.

Phone: +92 (21) 111-000-322

Email: secretariat@thk.com.pk

Bankers

Habib Bank Limited
MCB Bank Limited
Bank Islami Pakistan Limited
United Bank Limited
Meezan Bank Limited
Allied Bank Limited
Habib Metropolitan Bank Limited
Askari Bank Limited

Factories

4-km, Off Feroz Pur Road, Raiwind
Lilliani Link Road, Pandoki, Lahore.

41- Rahim Yar Khan Industrial Estate,
KLP Road, Rahim Yar Khan.

12-A Down, Stream Industrial Unit,
Pakistan Steel, Karachi.

127-S, Quid-e-Azam Industrial Estate
Township, Kot Lakhpat, Lahore

Stock Symbol

SPEL

Website

www.spelgroup.com

SYNTHETIC PRODUCTS ENTERPRISES LIMITED

*Directors' Review of the Condensed Interim Financial Information
For the quarter ended 30 September 2024*

Dear Shareholders,

The Directors of Synthetic Products Enterprises Limited are pleased to present your Company's un-audited condensed interim financial information for quarter ended 30 September 2024 along with the Directors' review thereon.

Financial Analysis

	Quarter Ended	
	30 Sep 2024 PKR Millions	30 Sep 2023 PKR Millions
Sales – net	2,309.08	1,694.78
Cost of Sales	(1,739.24)	(1,377.09)
Gross Profit	569.84	317.69
Operating Profit	455.29	224.33
Profit before tax	429.51	204.53
Profit after tax	284.92	123.44
EPS – Basic (PKR)	1.50	0.64

Sales and Profitability

Net sales for the quarter increased by 36.2%, reaching PKR 2,309.08 million, compared to PKR 1,694.78 million in the corresponding quarter of 2023. This substantial growth is attributed to higher demand for our products, improved market conditions and the company's focused efforts in expanding our customer base. Export sales surged from PKR 6.78 million to PKR 329.15 million, significantly contributing to our overall sales performance.

The gross profit for the quarter stood at PKR 569.84 million, compared to PKR 317.69 million for the same period last year, reflecting an increase of 79.3%. The gross profit margin improved to 24.7% in the current quarter, up from 18.7% in the corresponding quarter last year. This improvement in the GP margin can be attributed to several factors, including solarization, reduction in energy costs and better absorption of fixed cost components such as depreciation, which have collectively improved our operational efficiency.

Outlook

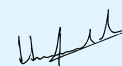
As we move forward, the company remains committed to further strengthening its market position by focusing on operational excellence, product innovation and expanding into new markets. Despite challenges in the global and local economic environments, we are confident that our strategic initiatives will continue to deliver sustainable growth in the long run.

Acknowledgment

We would like to thank our valued customers for their confidence and trust in the Company's products. We are also thankful to all other stakeholders including dealers, suppliers, bankers, shareholders and employees for providing continuous support.



Chief Executive Officer



Director

Lahore
12 October 2024

سینتھیٹک پرائڈکٹس انٹرنیشنل لمیٹڈ ڈائریکٹرز کا جائزہ

محترم شیئر ہولڈرز

سینتھیٹک پرائڈکٹس انٹرنیشنل لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 ستمبر 2024 کو ختم ہونے والی مدت کے لیے آپ کی کمپنی کی غیر آڈیٹ شدہ مالیاتی معلومات اپنے جائزے کے ساتھ پیش کر رہے ہیں۔

مالیاتی جائزہ

30 ستمبر 2023	30 ستمبر 2024	
(ملین روپے)	(ملین روپے)	سیلز
1,694.78	2,309.08	کاسٹ آف سیلز
(1,377.09)	(1,739.24)	گراس منافع
317.69	569.84	آپریٹنگ منافع
224.33	455.29	قبل از ٹیکس منافع
204.53	429.51	بعد از ٹیکس منافع
123.44	284.92	فی حصص آمدنی (روپے)
0.64	1.50	

فروخت اور منافع

زیر نظر سہ ماہی میں کمپنی کی فروخت میں 36.2% کا اضافہ ہوا، جو 2,309.08 ملین روپے تک پہنچ گئی جو کہ 2023 کی اسی سہ ماہی میں 1,694.78 ملین روپے تھی۔ یہ خاطر خواہ ترقی ہماری مصنوعات کی زیادہ مانگ، مارکیٹ کے بہتر حالات اور کمپنی کی کسٹمر بیس بڑھانے سے منسوب ہے۔ برآمدی فروخت 6.78 ملین روپے سے بڑھ کر 329.15 ملین روپے ہو گئی، جس نے ہماری مجموعی فروخت میں نمایاں کردار ادا کیا ہے۔

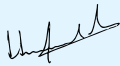
مجموعی منافع میں گزشتہ سال کے اسی عرصے کے مقابلے میں 79.3% اضافہ ہوا ہے جو 317.69 ملین روپے سے بڑھ کر 569.84 ملین روپے تک پہنچ گیا ہے۔ مجموعی منافع کا مارجن گزشتہ برس کی اسی مدت میں 18.7% تھا جو بہتر ہو کر 24.7% تک پہنچ گیا ہے۔ مجموعی مارجن میں اس اضافہ کو کئی عوامل سے منسوب کیا جاسکتا ہے، بشمول سولر انزیمیشن، توانائی کی لاگت میں کمی اور فلکسڈ لاگت کے اجزاء جیسے کہ ڈیپریسیشن کی بہتر اپزیشن، جس سے مجموعی طور پر ہماری آپریشنل کارکردگی بہتر ہوئی ہے۔

مستقبل کے امکانات

مستقبل میں، کمپنی عمدہ آپریشنل کارکردگی، مصنوعات کی جدت اور نئی منڈیوں میں توسیع پر توجہ دے کر اپنی مارکیٹ کی پوزیشن کو مزید مضبوط کرنے کے لیے پرعزم ہے۔ عالمی اور مقامی اقتصادی ماحول میں چیلنجوں کے باوجود، ہمیں یقین ہے کہ ہمارے اسٹریٹجک اقدامات طویل مدتی میں پائیدار ترقی کی فراہمی جاری رکھیں گے۔

اعتراف

ہم اپنے قابل قدر صارفین کا کمپنی کی مصنوعات پر اعتماد اور بھروسے کے لیے شکریہ ادا کرنا چاہتے ہیں۔ ہم ڈیلرز، سپلائرز، بینکرز، شیئر ہولڈرز اور ملازمین سمیت دیگر تمام اسٹیک ہولڈرز کے بھی مشکور ہیں جنہوں نے مسلسل تعاون فراہم کیا۔



ڈائریکٹر



چیف ایگزیکٹو آفیسر

لاہور

12 اکتوبر 2024

Synthetic Products Enterprises Limited

Condensed Interim Statement of Financial Position

As at 30 September 2024

	Note	Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
EQUITY AND LIABILITIES			
<u>Share capital and reserves</u>			
Authorized share capital of Rs. 5 each (30 June 2024 : Rs. 5 each)		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up capital	5	998,680,080	998,680,080
Treasury shares		(114,905,038)	(114,905,038)
Share premium		358,627,893	358,627,893
Accumulated profit		3,337,200,246	3,052,276,831
Surplus on revaluation of land		827,709,345	827,709,345
Shareholders' equity		5,407,312,526	5,122,389,111
LIABILITIES			
<u>Non-current liabilities</u>			
Long term loans - secured	6	314,143,454	353,624,878
Deferred grant	7	60,999,569	65,536,099
Lease liabilities	8	12,367,942	11,941,731
Deferred taxation		439,794,667	433,203,097
		827,305,632	864,305,805
<u>Current liabilities</u>			
Trade and other payables		613,663,604	600,343,233
Short term borrowings	9	329,081,764	210,207,336
Contract Liabilities		35,761,651	93,515,854
Current maturity of long term liabilities	10	324,156,474	353,037,211
Unclaimed dividend		5,023,033	5,025,308
Accrued mark up		44,975,347	54,577,231
		1,352,661,873	1,316,706,173
		7,587,280,031	7,303,401,089

Contingencies and commitments

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The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Lahore


Chief Executive Officer


Director


Chief Financial Officer

	<i>Note</i>	Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	<i>12</i>		
- Operating fixed assets	<i>12.1</i>	3,855,922,035	3,798,403,398
- Capital work in progress	<i>12.2</i>	70,112,574	141,906,550
- Right of use assets	<i>12.3</i>	219,449,082	226,377,906
Advances to suppliers		-	19,993,000
Intangible assets		846,979	208,549
Long term deposits		15,132,242	17,829,242
		4,161,462,912	4,204,718,645
<u>Current assets</u>			
Stores, spares and loose tools		75,496,526	64,025,147
Stock-in-trade	<i>13</i>	1,659,827,218	1,571,703,297
Trade debts - unsecured	<i>14</i>	1,013,541,520	712,937,157
Advance income tax - net of provision		17,977,136	108,171,128
Advances, deposits, prepayments and other receivables		131,640,497	93,018,028
Short term investments	<i>15</i>	498,377,637	387,693,281
Cash and Bank	<i>16</i>	28,956,585	161,134,406
		3,425,817,119	3,098,682,444
		7,587 280 031	7,303 401 089

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Lahore


Chief Executive Officer


Director


Chief Financial Officer

Synthetic Products Enterprises Limited

Condensed Interim Statement of Profit or Loss (Un-audited)

For the quarter ended 30 September 2024

	Note	Quarter ended	
		30 September 2024 Rupees	30 September 2023 Rupees
Sales - net	17	2,309,075,985	1,694,783,771
Cost of sales	18	(1,739,239,641)	(1,377,091,148)
Gross profit		569,836,344	317,692,623
Administrative expenses		(96,753,756)	(79,607,685)
Selling and distribution expenses		(17,787,527)	(13,750,579)
Operating profit		455,295,061	224,334,359
Other income		42,249,018	24,932,731
Other charges		(31,626,990)	(16,773,324)
Finance cost	19	(36,402,092)	(27,961,069)
Profit before taxation		429,514,997	204,532,697
Taxation		(144,591,582)	(81,093,929)
Profit after taxation		284,923,415	123,438,768
Earnings per share - basic and diluted	20	1.50	0.64

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Lahore

Chief Executive Officer

Director

Chief Financial Officer

Synthetic Products Enterprises Limited

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the quarter ended 30 September 2024

	Quarter ended	
	30 September 2024 Rupees	30 September 2023 Rupees
Profit after taxation	284,923,415	123,438,768
<u>Other comprehensive income/(loss) for the period</u>		
<i>Item that will not be recognized to profit or loss:</i>		
Fair value loss on investments at FVOCI	-	-
Total comprehensive income for the period	284,923,415	123,438,768

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Lahore


Chief Executive Officer


Director


Chief Financial Officer

Synthetic Products Enterprises Limited

Condensed Interim Statement of Changes in Equity (Un-audited)

For the quarter ended 30 September 2024

	Issued subscribed and paid-up capital	Treasury share reserve	Capital Reserve		Revenue Reserve	Total
			Share Premium	Surplus on revaluation of land	Accumulated profit	
----- Rupees -----						
Balance as at 30 June 2023 - audited	998,680,080	(55,362,743)	358,627,893	827,709,345	2,506,184,337	4,635,838,912
<u>Total comprehensive income</u>						
Profit for the quarter ended 30 September 2023	-	-	-	-	123,438,768	123,438,768
Other comprehensive income/(loss) for the quarter ended 30 Sep 2023	-	-	-	-	-	-
	-	-	-	-	123,438,768	123,438,768
<u>Transactions with owners of the Company</u>						
Purchase of treasury shares	-	(59,542,295)	-	-	-	(59,542,295)
Balance as at 30 September 2023 - unaudited	998,680,080	(114,905,038)	358,627,893	827,709,345	2,629,623,105	4,699,735,385
<u>Total comprehensive income</u>						
Profit for nine months period ended 30 June 2024	-	-	-	-	517,528,372	517,528,372
Other comprehensive income for the nine months period ended 30 June 2024	-	-	-	-	-	-
	-	-	-	-	517,528,372	517,528,372
<u>Transactions with owners of the Company</u>						
Final cash dividend for the year ended 30 June 2023 @ Rs. 0.5 per share	-	-	-	-	(94,874,646)	(94,874,646)
	-	-	-	-	(94,874,646)	(94,874,646)
Balance as at 30 June 2024 - audited	998,680,080	(114,905,038)	358,627,893	827,709,345	3,052,276,831	5,122,389,111
Profit for the quarter ended 30 September 2024	-	-	-	-	284,923,415	284,923,415
Other comprehensive income/(loss) for the period: ended 30 September 2024	-	-	-	-	-	-
	-	-	-	-	284,923,415	284,923,415
Balance as at 30 September 2024 - unaudited	998,680,080	(114,905,038)	358,627,893	827,709,345	3,337,200,246	5,407,312,526

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Lahore

Chief Executive Officer

Director

Chief Financial Officer

Synthetic Products Enterprises Limited
Condensed Interim Statement of Cash Flows (Un-audited)

For the quarter ended 30 September 2024

	Note	30 September 2024 Rupees	30 September 2023 Rupees
<u>Cash flows from operating activities</u>			
Profit before taxation		429,514,997	204,532,697
<i>Adjustments for non cash items:</i>			
Finance cost	19	36,402,092	27,961,069
Depreciation on operating fixed assets	12.1	76,118,629	78,423,246
Depreciation on right of use assets	12.3	7,118,468	3,027,958
Amortization of intangibles		26,500	26,574
Amortization of deferred grant		(5,031,805)	(5,124,393)
Gain/(Loss) on disposal of property, plant and equipment		(154,459)	(1,934,373)
Expected credit loss charged/(reversal) for the period		-	(394,432)
Provision for Workers' Profit Participation Fund		23,092,204	10,996,385
Provision for Workers' Welfare Fund		9,236,882	4,398,552
		146,808,511	117,380,586
Operating profit before working capital changes		576,323,508	321,913,283
<i>Increase/(Decrease) in current assets:</i>			
Stores, spares and loose tools		(11,471,379)	(3,718,237)
Stock-in-trade		(88,123,921)	257,014,365
Trade debts - unsecured		(300,604,363)	23,083,992
Advances, deposits, prepayments and other receivables		(38,622,469)	53,895,455
		(438,822,132)	330,275,575
<i>(Decrease)/Increase in current liabilities:</i>			
Trade and other payables		31,259,054	200,788,837
Contract liabilities		(57,754,203)	4,046,966
		(26,495,149)	204,835,803
Cash generated from operations		111,006,227	857,024,661
Workers' Profit Participation Fund paid		(50,267,769)	(46,165,097)
Mark-up paid on Islamic mode of financing		(9,642,040)	(5,719,779)
Interest paid on conventional loans		(31,330,131)	(14,981,141)
Income Taxes paid		(47,806,020)	(113,091,955)
Long term deposits - net		2,697,000	2,250,400
		(136,348,960)	(177,707,572)
Net cash generated from/(used in) operating activities		(25,342,733)	679,317,089
<u>Cash flow from investing activities</u>			
Acquisition of property, plant and equipment		(64,279,044)	(77,868,295)
Acquisition of intangibles		(664,930)	-
Advances to suppliers		19,993,000	-
Proceeds from disposal of property, plant and equipment		19,777,320	4,991,000
Net cash generated from/(used in) investing activities		(25,173,654)	(72,877,295)
<u>Cash flow from financing activities</u>			
Principal repayment of lease liability		(37,204,822)	(8,623,236)
Repurchase of treasury shares		-	(59,542,295)
Long term loan repaid-net		(46,394,392)	(107,636,012)
Diminishing musharika paid		(6,250,016)	(7,316,670)
Short term borrowings - repaid		(29,996,800)	(45,853,000)
Cash dividend paid		(2,275)	(14,933)
Net cash generated from/(used in) financing activities		(119,848,305)	(228,986,146)
Net increase/(decrease) in cash and cash equivalents		(170,364,692)	377,453,648
Cash and cash equivalents at beginning of the period		368,617,150	(40,152,023)
Cash and cash equivalents at end of the period	21	198,252,458	337,301,625

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Synthetic Products Enterprises Limited

Notes to the Condensed Interim Financial Statements (Un-audited)

For the quarter ended 30 September 2024

1 Legal status and nature of business

1.1 Synthetic Products Enterprises Limited ("the Company") was incorporated in Pakistan on 16 May 1982 as a private limited company. The Company converted into public limited company on 21 July 2008 and subsequently listed on Pakistan Stock Exchange on 10 February 2015. The registered office of the Company is situated at 127-S, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore. The Company is principally engaged in the manufacturing and sale of plastic auto parts, plastic packaging for food and FMCG industry and molds & dies. The production facilities of the Company are located at following geographical locations:

- Sue-e-Asal Lalyani Road, Pandoki, Lahore
- Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore
- Rahim Yar Khan Industrial Estate, Rahim Yar Khan, and
- Pakistan Steel Industrial Estate ,Bin Qasim, Karachi

2 Basis of preparation

2.1 Statement of compliance

2.1.1 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 applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provision of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements comprise the condensed interim statement of financial position of the Company, as at 30 September 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity together with the notes forming part thereof.

These condensed interim financial statements does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended 30 June 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these interim financial statements has been extracted from the audited annual financial statements of the Company for the year ended 30 June 2024, whereas comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity has been extracted from the condensed interim financial statements for the period ended 30 September 2023.

These condensed interim financial statements are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 ("the Act") and are unaudited.

2.2 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees which is also the Company's functional currency.

3 Judgments and estimates

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended 30 June 2024.

4 Significant accounting policies

4.1 The Company adopted Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 01 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

5 Issued, subscribed and paid-up capital

	Un-audited 30 September 2024 ----- Number of shares -----	Audited 30 June 2024	Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
Ordinary shares of Rs. 5 each (30 June 2024: Rs. 5 each), fully paid in cash	47,547,836	47,547,836	237,739,180	237,739,180
Fully paid bonus shares of Rs. 5 each (30 June 2024: Rs. 5 each), fully paid in cash	136,858,180	136,858,180	684,290,900	684,290,900
Shares of Rs.5 each (30 June 2024 Rs: 5 each), issued under scheme of amalgamation	15,330,000	15,330,000	76,650,000	76,650,000
	199,736,016	199,736,016	998,680,080	998,680,080

5.1 Directors hold **149,876,812** (30 June 2024: 149,876,812) ordinary shares of Rs.5 (30 June 2024: Rs5) each of the Company.

	Note	Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
6 Long term loans - secured			
Type of loans			
6.1 Islamic mode of financing - Diminishing Musharika			
- Habib Bank Limited	6.1.1	12,500,000	18,750,016
Less: Current maturity		(12,500,000)	(18,750,016)
		-	-
6.2 Conventional loans			
- Habib Bank Limited - Sales and lease back	6.2.1	50,500,000	67,333,333
- MCB Bank Limited - For renewable energy	6.2.2	86,325,598	91,240,321
- MCB and Allied Bank Limited - TERF	6.2.3	369,590,239	382,721,721
- Loan from customer	6.2.4	53,459,736	64,974,590
- Less: Impact of government grant		(79,751,351)	(84,783,156)
- Less: Current maturity		(165,980,768)	(167,861,931)
		314,143,454	353,624,878
		314,143,454	353,624,878

6.1.1 During the period / year, the Company has made repayments amounting to Rs.6.25 million (30 June 2024: Rs. 26.42 million).

6.2.1 During the period / year, the Company has made repayments amounting to Rs.16.83 million (30 June 2024: Rs. 33.67 million).

6.2.2 During the period / year, the Company has made repayments amounting to Rs.4.91 million (30 June 2024: Rs.12.12 million).

6.2.3 During the period / year, the Company has made repayments amounting to Rs.13.13 million (30 June 2024: Rs. 32.84 million).

6.2.4 During the period / year, the Company has made repayments amounting to Rs. 11.51 million (30 June 2024: 20.89 million).

	<i>Note</i>	Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
7 Deferred grant			
Balance at the beginning of the period / year		84,783,158	105,444,915
Amortization during the period / year		(5,031,805)	(20,661,757)
Balance at the end of the period / year		79,751,353	84,783,158
Current portion		(18,751,784)	(19,247,059)
Non - current portion		60,999,569	65,536,099
8 Lease liabilities			
Lease liability	<i>8.1</i>	139,291,864	159,119,936
Less: Current maturity presented under current liabilities		(126,923,922)	(147,178,205)
		12,367,942	11,941,731
8.1	During the period/year, the Company has made repayments amounting to Rs.37.20 million (30 June 2024: Rs. 55.49 million).		
9 Short term borrowings			
<i>Secured:</i>			
- Conventional Interest / mark-up based loans	<i>9.1</i>	224,524,230	80,344,824
- Islamic mode of financing	<i>9.2</i>	104,557,534	129,862,512
		329,081,764	210,207,336
Types of short term borrowings			
9.1 Conventional Interest / mark-up based loans			
Short term running finance		224,524,230	80,344,824
9.2 Islamic mode of financing			
Murabaha and istisna		-	29,996,799
Running musharika		104,557,534	99,865,713
		104,557,534	129,862,512
10 Current maturity of long term liabilities			
Long term loans - secured	<i>6</i>	178,480,768	186,611,947
Deferred grant	<i>7</i>	18,751,784	19,247,059
Lease liabilities	<i>8</i>	126,923,922	147,178,205
		324,156,474	353,037,211

11 Contingencies and commitments

11.1 Contingencies

There is no significant change in the status of contingencies as reported in the preceding published annual financial statements of the Company for the year ended 30 June 2024.

		Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
11.2 Commitments	<i>Note</i>		
- purchase of machinery		234,755,807	132,811,225
- purchase of raw material		680,542,214	279,564,685
		915,298,021	412,375,910

12 Property, plant and equipment

Operating fixed assets	<i>12.1</i>	3,855,922,035	3,798,403,398
Capital work in progress	<i>12.2</i>	70,112,574	141,906,550
Right of use assets	<i>12.3</i>	219,449,082	226,377,906
		4,145,483,691	4,166,687,854

12.1 Operating fixed assets

Opening written down value		3,798,403,398	4,026,511,265
Add: Additions during the period / year (cost)	<i>12.1.1</i>	136,073,021	280,459,993
Add: Transferred from Right of use assets at written down value	<i>12.3</i>	17,187,106	-
Less: Disposals during the period / year at written down value		(19,622,861)	(201,995,763)
Less: Depreciation charge for the period / year		(76,118,629)	(306,572,097)
Closing written down value		3,855,922,035	3,798,403,398

12.1.1 Additions during the period / year:

Buildings on freehold land		25,248,416	13,655,300
Plant and machinery		86,507,572	249,060,003
Office equipment		777,373	2,066,939
Tools and equipment		684,500	6,997,833
Computer equipment		1,270,400	4,531,283
Furniture and fittings		99,010	1,028,335
Vehicles		21,485,750	3,120,300
		136,073,021	280,459,993

12.2 Capital work in progress

Balance at the beginning of the period / year		141,906,550	94,686,807
Add: Additions during the period / year		42,802,944	317,982,517
Less: Transfers to operating fixed assets		(114,596,920)	(270,762,774)
Balance at the end of the period / year		70,112,574	141,906,550

12.3 Right of use assets

Opening written down value		226,377,906	74,502,000
Add: Additions during the period / year (cost)		17,376,750	177,955,000
Less: Matured / Transferred during the period / year at written down value		(17,187,106)	(8,781,805)
Less: Depreciation charge for the period / year		(7,118,468)	(17,297,289)
Closing written down value		219,449,082	226,377,906

		Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
13	Stock-in-trade		
	Raw and packing material	1,020,818,696	954,394,915
	Stock in transit	344,541,252	285,191,176
	Work in process	122,601,594	192,396,924
	Finished goods	171,865,676	139,720,282
		1,659,827,218	1,571,703,297
14	Trade debts - unsecured		
	Considered good	1,013,541,520	712,937,157
	Considered doubtful	11,149,643	11,149,643
		1,024,691,163	724,086,800
	Less: Impairment loss allowance (ECL)	(11,149,643)	(11,149,643)
		1,013,541,520	712,937,157
14.1	Movement of impairment loss allowance		
	Opening balance	11,149,643	4,322,831
	Expected credit loss charge for the period/year	-	6,826,812
	Closing balance	11,149,643	11,149,643
15	Short term investments		
	Treasury bills		
	Allied Bank Limited	59,997,196	-
	Habib Bank Limited	432,892,400	382,205,240
	MCB Bank Limited	5,488,041	5,488,041
		498,377,637	387,693,281
	This represents term deposits and treasury bills having maturity of one year and carrying mark-up ranging from 21.10% to 22.34% per annum.(30 June 2024: 21.90% - 22.00% per annum)		
16	Cash and bank balances		
	Cash in hand	1,104,703	848,658
	Cash at bank		
	- Conventional banks	24,249,689	57,573,621
	- Islamic banks	3,602,193	102,712,127
		27,851,882	160,285,748
		28,956,585	161,134,406
16.1	Conventional Banks		
	- current accounts in local currency	(612,935)	38,066,750
	- current accounts in foreign currency	24,814,728	19,460,226
	- savings accounts in local currency	47,896	46,645
		24,249,689	57,573,621
16.2	Islamic Banks		
	- current accounts in local currency	1,677,555	42,711,961
	- savings accounts in local currency	1,924,638	60,000,166
		3,602,193	102,712,127
16.1.1	These carry return at 16.00% per annum to 19.00% per annum (30 June 2024: 15.08% to 20.50% per annum).		
16.2.1	These carry return at 8.00% per annum (30 June 2024:8% to 20% per annum). This represents deposits placed under an arrangement permissible under Shariah.		

	Quarter ended (Un-audited)	
	30 September	30 September
	2024	2023
	Rupees	Rupees
17 Sales - net		
Local	2,439,843,028	2,085,146,015
Export	329,147,935	6,782,164
	2,768,990,963	2,091,928,179
Less: Sales tax	(401,490,289)	(330,964,806)
Discounts	(58,424,689)	(66,179,602)
	2,309,075,985	1,694,783,771
17.1 Disaggregation of Revenue		
17.1.1 Primary Products		
Automobile parts and accessories sector	486,056,844	295,435,003
Food and personal care products sector - packaging	1,823,019,141	1,399,348,769
	2,309,075,985	1,694,783,771
17.1.2 Primary Geographical Markets (Net Sales)		
Pakistan	1,979,928,051	1,688,001,607
Turkey	2,025,005	2,787,344
Hungary	-	618,595
Italy	3,150,502	3,376,225
United Kingdom	318,968,961	-
United States of America	5,003,466	-
Total	2,309,075,985	1,694,783,771
18 Cost of sales		
Raw and packing materials consumed	1,213,080,196	899,947,890
Stores, spare parts and loose tools consumed	7,154,812	5,716,796
Salaries, wages and benefits	157,342,167	113,371,560
Security expenses	5,376,159	2,922,457
Electricity, fuel and water charges	181,314,102	178,460,402
Depreciation on property, plant and equipment	67,794,919	75,093,467
Depreciation on right of use asset	7,118,468	3,027,958
Repair and maintenance	29,403,340	26,183,816
Insurance	3,490,082	2,902,108
Oil and lubricants	1,148,702	723,413
	1,673,222,947	1,308,349,867
<i>Work in process:</i>		
- At beginning of the period	192,396,924	125,531,231
- At end of the period	(122,601,594)	(117,282,802)
Cost of goods manufactured	1,743,018,277	1,316,598,296
<i>Finished goods:</i>		
- At beginning of the period	139,720,282	190,890,883
- At end of the period	(171,865,676)	(153,399,070)
	1,710,872,883	1,354,090,109
Freight and forwarding	28,366,758	23,001,039
	1,739,239,641	1,377,091,148

		Quarter ended (Un-audited)	
		30 September 2024	30 September 2023
		Rupees	Rupees
	<i>Note</i>		
19 Finance cost			
<i>Mark-up on:</i>			
- long term finance - <i>secured</i>	<i>19.1</i>	14,109,558	21,021,469
- lease liabilities		10,010,772	349,523
- short term borrowings - <i>secured</i>	<i>19.2</i>	11,913,589	6,396,126
Bank charges		368,173	193,951
		36,402,092	27,961,069
19.1 Long term finance - secured			
Conventional interest/mark-up based loans		13,244,411	18,467,510
Islamic mode of financing		865,147	2,553,959
		14,109,558	21,021,469
19.2 Short term borrowings - secured			
Conventional interest/mark-up based loans		4,954,875	2,925,676
Islamic mode of financing		6,958,714	3,470,450
		11,913,589	6,396,126
20 Earnings per share - basic and diluted			
20.1 Basic earnings per share			
Profit for the period after taxation	<i>Rupees</i>	284,923,415	123,438,768
Weighted average number of ordinary shares in issue during the period	<i>Number</i>	189,749,215	193,597,813
Earnings per share	<i>Rupees</i>	1.50	0.64
20.2 Weighted average number of ordinary shares			
Outstanding number of shares		199,736,016	199,736,016
Less: Effect of treasury shares		(9,986,801)	(6,138,203)
		189,749,215	193,597,813
20.3 Diluted earnings per share			
There is no dilutive effect on the basic earnings per share of the Company.			
21 Cash and cash equivalents			
Short term running finance		(224,524,230)	(91,170,210)
Running musharika		(104,557,534)	(40,327,115)
Cash and bank balances		28,956,585	78,968,813
Short term investments		498,377,637	389,830,136
		198,252,458	337,301,625

22 Financial instruments - fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Quarter ended 30 September 2024 (Un-audited)						
Carrying Amount				Fair Value		
Investments at FVOCI	Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
----- Rupees -----						
<i>Financial assets at amortized cost</i>						
Cash and bank balances	-	28,956,585	-	28,956,585	-	-
Deposits and other receivables	-	80,081,666	-	80,081,666	-	-
Long term deposits	-	10,439,805	-	10,439,805	-	-
Trade debts - unsecured, considered good	-	1,013,541,520	-	1,013,541,520	-	-
	-	1,133,019,576	-	1,133,019,576	-	-
<i>Financial liabilities measured at amortized cost</i>						
Long term finances and diminishing musharika	-	-	575,335,309	575,335,309	-	-
Lease Liabilities	-	-	139,291,864	139,291,864	-	-
Trade and other payables	-	-	553,019,200	553,019,200	-	-
Unclaimed dividend	-	-	5,023,033	5,023,033	-	-
Short term borrowing	-	-	329,081,764	329,081,764	-	-
Accrued mark up	-	-	44,975,347	44,975,347	-	-
	-	-	1,646,726,517	1,646,726,517	-	-

22.1

30 June 2024 (Audited)							
Carrying Amount				Fair Value			
Investments - FVOCI	Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	
			Rupees				

Note

Financial assets at amortized cost

Cash and bank balances	-	161,134,406	-	161,134,406	-	-	-
Deposits and other receivables	-	43,562,822	-	43,562,822	-	-	-
Long term deposits	-	10,439,805	-	10,439,805	-	-	-
Short term Investment	-	387,693,281	-	387,693,281	-	-	-
Trade debts - unsecured, considered good	-	712,937,157	-	712,937,157	-	-	-
	-	1,315,767,471	-	1,315,767,471	-	-	-

Financial liabilities measured at amortized cost

Long term finances and diminishing musharika	-	-	625,019,981	625,019,981	-	-	-
Lease Liabilities	-	-	159,119,936	159,119,936	-	-	-
Trade and other payables	-	-	520,712,266	520,712,266	-	-	-
Unclaimed dividend	-	-	5,025,308	5,025,308	-	-	-
Short term borrowing	-	-	210,207,336	210,207,336	-	-	-
Accrued mark up	-	-	54,577,231	54,577,231	-	-	-
	-	-	1,574,662,058	1,574,662,058	-	-	-

22.2

22.2 The Company has not disclosed the fair values of these financial assets and liabilities as these reprice over a short term. Therefore, their carrying amounts are reasonable approximation of fair value.

22.3 Land has been carried at revalued amounts determined by professional valuer (level 3 measurement) based on their assessment of the market values. The valuations are conducted by the valuation experts appointed by the Company. The valuation experts used a market based approach to arrive at the fair value of the Company's land after performing inquiries in the vicinity of land and information obtained from estate dealers of the area. The effect of changes in the unobservable inputs used in the valuation can not be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these financial statements.

23 Transactions with related parties

The related parties comprise of associated companies, directors of the Company, key management personnel and post employment retirement plan. Amount due from and due to related parties are shown under respective notes. Other significant transactions and balances with related parties except for those disclosed elsewhere are as follows:

				Quarter ended (Un-audited)	
				30 September 2024 Rupees	30 September 2023 Rupees
23.1	Related parties	Relationship	Transactions		
	Provident Fund Trust	Post employment benefit fund	Contribution	10,952,950	9,237,011
	Directors and relatives	Directors and relatives - Other than key management personnel	Remuneration /Advisory fee	6,139,299	6,775,667
		Non-Executive Directors	Meeting Fee	765,000	475,000
	Key Management Personnel	Key Management Personnel (Employer-Employee)	Remuneration	22,140,500	15,174,308
				(Un-audited) 30 September 2024 Rupees	(Audited) 30 June 2024 Rupees
23.2	Balances with related parties				
	Provident Fund Trust	Post employment benefit fund		3,862,118	3,252,098

23.3 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers Chief Executive Officer, full time Directors, Chief Financial Officer and Company Secretary to be its key management personnel.

24 Operating segments

24.1 Basis of segmentation

The Company has nine manufacturing units, which are its reportable segments. These units offer more than one products and are managed separately.

The Company's Director reviews the internal management reports of each unit separately on a monthly basis for the purpose decision making about allocating resources to the segment and assessing its performance.

24.2 Information about reportable segments

Information related to each reportable segments is set out below.

	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7	Unit 8	Unit 9	Total
	----- Rupees -----									
Segment net sales (30 September 2024)	<u>179,563,262</u>	<u>468,803,737</u>	<u>181,222,833</u>	<u>251,664,010</u>	<u>508,206,701</u>	<u>261,792,976</u>	<u>215,074,328</u>	<u>187,442,646</u>	<u>55,305,492</u>	<u>2,309,075,985</u>
Segment assets - plant and machinery (30 September 2024)	<u>127,396,433</u>	<u>354,135,936</u>	<u>634,309,631</u>	<u>109,615,130</u>	<u>407,477,691</u>	<u>138,138,738</u>	<u>316,985,548</u>	<u>268,635,275</u>	<u>74,842,917</u>	<u>2,431,537,299</u>
	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7	Unit 8	Unit 9	Total
	----- Rupees -----									
Segment net sales (30 September 2023)	<u>242,786,777</u>	<u>429,980,178</u>	<u>192,190,624</u>	<u>-</u>	<u>485,080,791</u>	<u>72,632,770</u>	<u>131,853,044</u>	<u>103,244,379</u>	<u>37,015,209</u>	<u>1,694,783,771</u>
Segment assets - plant and machinery (30 June 2024)	<u>128,239,346</u>	<u>317,286,656</u>	<u>650,000,910</u>	<u>107,338,702</u>	<u>418,011,144</u>	<u>128,844,855</u>	<u>323,795,582</u>	<u>275,581,434</u>	<u>76,778,147</u>	<u>2,425,876,776</u>
									Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees

24.3 Reconciliations of information on reportable segments to IFRS measures

24.3.1 Assets

Total assets for reportable segments	2,431,537,299	2,425,876,776
Other unallocated amounts	5,155,742,732	4,877,524,313
Total assets	7,587,280,031	7,303,401,089

25 Financial risk management

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements of the Company for the year ended 30 June 2024.

26 General

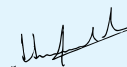
26.1 These condensed interim financial statements has been approved by the Board of Directors of the Company and authorized for issue in their meeting held on 12 October 2024.

26.2 Figures have been rounded off to the nearest rupee.


Lahore



Chief Executive Officer



Director



Chief Financial Officer



www.speigroup.com



Synthetic Products Enterprises Limited

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