



MITCHELL'S[®]

**QUARTER 1
REPORT**

30 SEPTEMBER

2024

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COMPANY INFORMATION

BOARD OF DIRECTORS

| | |
|--------------------------------|--------------------------|
| Mr. Shazad Ghaffar | Chairman |
| Mr. Najam Aziz Sethi | Chief Executive Officer |
| Mr. Syed Mohammad Mehdi Mohsin | Non - Executive Director |
| Ms. Umme Kulsum Imam | Non - Executive Director |
| Mr. Aamir Amin | Independent Director |
| Mr. Syed Manzar Hassan | Independent Director |
| Mr. Mujeeb Rashid | Independent Director |

AUDIT COMMITTEE

| | |
|------------------------|----------|
| Mr. Syed Manzar Hassan | Chairman |
| Mr. Shazad Ghafar | Member |
| Mr. Aamir Amin | Member |

HUMAN RESOURCES & REMUNERATION COMMITTEE

| | |
|----------------------|----------|
| Mr. Mujeeb Rashid | Chairman |
| Ms. Umme Kulsum Imam | Member |
| Mr. Najam Aziz Sethi | Member |

SUSTAINABILITY COMMITTEE

| | |
|-----------------------------|----------|
| Mr. Najam Aziz Sethi | Chairman |
| Ms. Syeda Umme Kulsoom Imam | Member |
| Mr. Mujeeb Rashid | Member |

SHARE REGISTRAR

Corplink (Private) Limited,
Wings Arcade, 1-K (Commercial),
Model Town, Lahore
Phone : (042) 35839182, 35887262,
Fax: (042) 35869037

CORPORATE OFFICE

72-FCC Gulberg IV, Lahore
Phones: (042) 35872392-96,
Fax: (042) 3587239
E-Mail: ho@mitchells.com.pk
Website: www.mitchells.com.pk

FACTORY & FARMS

Renala Khurd, District Okara, Pakistan
Phones: (044) 2635907-8, 2622908
Fax: (044) 2621416
E-Mail: rnk@mitchells.com.pk
rsoc@mitchells.com.pk

CHIEF FINANCIAL OFFICER

Badar M. Khan, FCA

AUDITORS

Crowe Hussain Chaudhury & Co.
Chartered Accountants

LEGAL ADVISORS

Alliance Legal Services
Office No.7, L.G. Floor, Lahore Palace
Building, 14-B, Temple Road, Lahore.

BANKERS

Habib Bank Limited
Allied Bank Limited
JS Bank Limited
Bank Al Habib Limited

COMPANY SECRETARY

Anum Ali

REGIONAL SALES OFFICES

ISLAMABAD

Plot # 102, Street 7
Main China Road, Sector I-10/3
Islamabad
Phones: (051) 2707357
E-Mail: rson@mitchells.com.pk

KARACHI

Mehran VIP II, Ground Floor, Plot 18/3
Dr. Dawood Pota Road- Karachi
Phones: (021) 35212112, 35212712
& 35219675
Fax: (021) 35673588
E-Mail: rsos@mitchells.com.pk



DIRECTORS' REPORT

The Directors of the company are pleased to present their report on the condensed interim financial statement of the Company for the first quarter ended September 30, 2024.

Key financial highlights for the subject period are as under:

| | PKR Millions | |
|-----------------------|--------------|-------------|
| | 30 Sep 2024 | 30 Sep 2023 |
| Sales Revenue | 649,674 | 698,360 |
| Gross Profit | 182,142 | 173,871 |
| Net Profit before tax | 23,544 | 19,805 |
| Net Profit after tax | 15,307 | 11,107 |
| Profit Per Share | 0.67 | 0.49 |

Operational Overview

Despite facing a challenging economic environment, the Company has maintained its positive trajectory, achieving a substantial increase in net profit for the first quarter of 2024 compared to the same period in 2023. This growth is largely due to improved operational efficiency, effective cost management, and a strategic focus on key business areas.

Although sales revenue has experienced a slight decline, primarily due to inflationary pressures, the Company's effective cost management has resulted in a notable improvement in overall profitability. The enhanced operational efficiency has played a crucial role in maintaining the Company's competitiveness during this period.

Strategic Initiatives


- **Export Expansion:** The Company continues to prioritize growth in export markets, with a focus on exploring new opportunities and expanding its customer base. This strategy has been a key contributor to the overall performance, supporting long-term growth.
- **Product Innovation:** The Company remains committed to innovation and product development to meet the evolving needs of its customers. Ongoing research and development efforts aim to maintain a competitive edge in the market.
- **Operational Efficiency:** The Company has implemented several measures to enhance operational efficiency. These include process optimization, technology upgrades, waste reduction, and talent development. These initiatives have led to significant cost savings and improved productivity across the organization.

Future Outlook

Looking ahead, the Company is optimistic about its future growth and profitability. The management team remains vigilant in monitoring the economic landscape and is ready to adapt its strategies to navigate challenges and seize new opportunities.

The Directors would like to express their sincere appreciation to the Company's employees, customers, suppliers, and shareholders for their continued support and contribution to the Company's success.

For and on behalf of the Board of Directors



Najam Aziz Sethi
Chief Executive Officer
October 29, 2024



Shazad Ghaffar
Chairman

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے لیے کمپنی کے کنڈینسڈ عبوری مالیاتی بیان پر اپنی رپورٹ پیش کرتے ہوئے خوش ہیں۔

اس مدت کے مالی نتائج کا خلاصہ ذیل میں دیا گیا ہے:

| روپے ملین میں | | |
|---------------|---------------|-------------------------|
| 30 ستمبر 2023 | 30 ستمبر 2024 | |
| 698,360 | 649,674 | سیلز ریونیو |
| 173,871 | 182,142 | مجموعی منافع |
| 19,805 | 23,544 | خالص منافع ٹیکس سے پہلے |
| 11,107 | 15,307 | خالص منافع ٹیکس کے بعد |
| 0.49 | 0.67 | منافع فی حصص |

آپریشنل جائزہ

مشکل معاشی ماحول کا سامنا کرنے کے باوجود، کمپنی نے اپنی ترقی کے مثبت سفر کو برقرار رکھا ہے، 2023 کی اسی مدت کے مقابلے میں 2024 کی پہلی سہ ماہی کے لیے خالص منافع میں خاطر خواہ اضافہ حاصل کیا ہے۔ یہ ترقی بڑی حد تک بہتر آپریشنل کارکردگی، مؤثر لاگت کے انتظام، کی وجہ سے اور اہم کاروباری شعبوں پر ایک اسٹریٹجک توجہ کی وجہ سے ہے۔

اگرچہ سیلز ریونیو میں معمولی کمی واقع ہوئی ہے، بنیادی طور پر افراط زر کے دباؤ کی وجہ سے، کمپنی کے مؤثر لاگت کے انتظام کے نتیجے میں مجموعی منافع میں قابل ذکر بہتری آئی ہے۔ بہتر آپریشنل کارکردگی نے اس عرصے کے دوران کمپنی کی مسابقت کو برقرار رکھنے میں اہم کردار ادا کیا ہے۔

اسٹریٹجک اقدامات

* برآمدی توسیع: کمپنی نئے مواقع تلاش کرنے اور اپنے کسٹمر بیس کو بڑھانے پر توجہ مرکوز کرتے ہوئے برآمدی منڈیوں میں ترقی کو ترجیح دیتی ہے۔ یہ حکمت عملی طویل مدتی نمو میں معاونت کرتے ہوئے مجموعی کارکردگی میں کلیدی معاون رہی ہے۔

* پروڈکٹ انویشن: کمپنی اپنے صارفین کی نت نئی ضروریات کو پورا کرنے کے لیے جدت اور مصنوعات کی ترقی کے لیے پرعزم ہے۔ جاری تحقیق اور ترقی کی کوششوں کا مقصد مارکیٹ میں مسابقتی برتری کو برقرار رکھنا ہے۔

* آپریشنل کارکردگی: کمپنی نے آپریشنل کارکردگی کو بڑھانے کے لیے کئی اقدامات کیے ہیں۔ ان میں پروڈکشن کی اصلاح، ٹیکنالوجی کی اپ گریڈیشن، ویسٹ میں کمی، اور ٹیلنٹ ڈویلپمنٹ شامل ہیں۔ ان اقدامات نے پوری کمپنی میں لاگت میں نمایاں بچت اور پیداواری صلاحیت کو بہتر بنایا ہے۔

مستقبل کا لائحہ عمل

آگے دیکھتے ہوئے، کمپنی اپنی مستقبل میں ترقی اور منافع کے بارے میں پر امید ہے۔ انتظامی ٹیم اقتصادی منظر نامے کی نگرانی میں چوکس رہتی ہے اور چیلنجوں کو حل کرنے اور نئے مواقع سے فائدہ اٹھانے کے لیے اپنی حکمت عملیوں کو اپنانے کے لیے تیار ہے۔

ڈائریکٹرز کمپنی کے ملازمین، صارفین، سپلائرز، اور شیئر ہولڈرز کی مسلسل حمایت اور کمپنی کی کامیابی میں شراکت کے لیے اپنی مخلصانہ تعریف کا اظہار تشکر کرنا چاہیں گے۔

یورڈ آف ڈائریکٹرز کے لیے اور اس کی جانب سے

شہزاد غفار

چیرمین

نجم عزیز سیٹھی

چیف ایگزیکٹو آفیسر

29 اکتوبر، 2024

Condensed Interim Statement of Financial Position

As At September 30, 2024 (Un-audited)

| | Note | September 30 2024 Rupees (Un-audited) | June 30 2024 Rupees (Audited) |
|--|------|--|--|
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized share capital | | | |
| 40,000,000 (June 30, 2024: 40,000,000) ordinary shares of Rs. 10 each | | <u>400,000,000</u> | <u>400,000,000</u> |
| Issued, subscribed and paid up capital | | | |
| 22,875,000 (June 30, 2024: 22,875,000) ordinary shares of Rs. 10 each | | 228,750,000 | 228,750,000 |
| Reserves | | 379,216,761 | 363,909,406 |
| | | <u>607,966,761</u> | 592,659,406 |
| NON CURRENT LIABILITIES | | | |
| Deferred liabilities | | 157,827,019 | 151,865,360 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | | 605,317,312 | 534,520,896 |
| Finances under mark-up arrangements | | 184,690,654 | 212,585,223 |
| Loan from related parties - unsecured | 6 | 204,000,000 | 204,000,000 |
| Accrued finance cost | | 8,398,974 | 14,103,836 |
| Unclaimed dividend | | 1,912,754 | 1,912,754 |
| | | <u>1,004,319,694</u> | 967,122,709 |
| Contingencies and Commitments | 7 | - | - |
| | | <u>1,770,113,474</u> | <u>1,711,647,475</u> |

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

| | Note | September 30 2024 Rupees (Un-audited) | June 30 2024 Rupees (Audited) |
|---|------|--|--|
| ASSETS | | | |
| NON CURRENT ASSETS | | | |
| Property, plant and equipment | 8 | 571,756,799 | 578,599,878 |
| Intangible assets | | 23,086,791 | 24,275,170 |
| Biological assets | | 2,578,452 | 2,578,452 |
| Long term deposits | | 1,224,780 | 1,224,780 |
| | | 598,646,822 | 606,678,280 |
| Current Assets | | | |
| Stores and spares | | 90,839,553 | 87,617,262 |
| Stock in trade | | 502,128,839 | 468,645,758 |
| Trade debts | | 314,555,859 | 267,440,260 |
| Advances, deposits, prepayments and other receivables | | 121,171,017 | 111,882,599 |
| Income tax recoverable- net | | 118,980,015 | 111,088,598 |
| Cash and bank balances | | 23,791,369 | 58,294,718 |
| | | 1,171,466,652 | 1,104,969,195 |
| | | 1,770,113,474 | 1,711,647,475 |

Badar M. Khan
 Chief Financial Officer

Najam Aziz Sethi
 Chief Executive Officer

Shazad Ghaffar
 Chairman

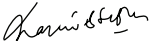
Condensed Interim Statement of Profit or Loss

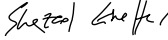
For the First Quarter Ended September 30, 2024 (Un-audited)

| | Note | September 30 2024 Rupees | September 30 2023 Rupees |
|--|------|--------------------------------|--------------------------------|
| Revenue | 10 | 649,674,404 | 698,360,028 |
| Cost of sales | | (467,532,331) | (524,488,786) |
| Gross Profit | | 182,142,073 | 173,871,242 |
| Administrative expenses | | (49,657,678) | (48,974,352) |
| Selling and distribution expenses | | (89,821,046) | (81,308,090) |
| Other operating expenses | | (1,629,958) | (1,789,262) |
| Other Income | | 5,678,365 | 7,914,073 |
| Finance cost | | (23,167,636) | (29,908,066) |
| Profit before levy and taxation | | 23,544,120 | 19,805,545 |
| Levy / final taxation | | (8,236,765) | (8,697,657) |
| Profit before Taxation | | 15,307,355 | 11,107,888 |
| Taxation | | - | - |
| Profit after tax | | 15,307,355 | 11,107,888 |
| Earning per share - basic and diluted | | 0.67 | 0.49 |

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


Badar M. Khan
Chief Financial Officer


Najam Aziz Sethi
Chief Executive Officer


Shazad Ghaffar
Chairman

Condensed Interim Statement of Comprehensive Income

For the First Quarter Ended September 30, 2024 (Un-audited)

| | September 30 2024 Rupees | September 30 2023 Rupees |
|---|--------------------------------|--------------------------------|
| Profit after tax for the period | 15,307,355 | 11,107,888 |
| Other comprehensive income: | | |
| - Items that will not be reclassified to profit or loss | - | - |
| - Items that may be reclassified subsequently to profit or loss | - | - |
| Total comprehensive income for the period | 15,307,355 | 11,107,888 |

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


Badar M. Khan
 Chief Financial Officer


Najam Aziz Sethi
 Chief Executive Officer


Shazad Ghaffar
 Chairman

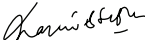
Condensed Interim Statement of Changes in Equity

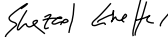
For the First Quarter Ended September 30, 2024 (Un-audited)

| | Share Capital | Reserves | | | Total |
|--|--------------------|--------------------|------------------|----------------------|--------------------|
| | | Capital Reserve | Revenue Reserves | | |
| | | | Share Premium | General Reserve | |
| -----Rupees----- | | | | | |
| Balance as at June 30, 2023- audited | 228,750,000 | 609,335,878 | 300,000 | (694,639,815) | 143,746,063 |
| Net Profit for the quarter | - | - | - | 11,107,888 | 11,107,888 |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive Profit for the period | - | - | - | 11,107,888 | 11,107,888 |
| Balance as at September 30, 2023 (Un-audited) | 228,750,000 | 609,335,878 | 300,000 | (683,531,927) | 154,853,951 |
| Balance as on July 01, 2024 - audited | 228,750,000 | 609,335,878 | 300,000 | (245,726,472) | 592,659,406 |
| Net profit for the period | - | - | - | 15,307,355 | 15,307,355 |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive profit for the period | - | - | - | 15,307,355 | 15,307,355 |
| Balance as at September 30, 2024 (Un-audited) | <u>228,750,000</u> | <u>609,335,878</u> | <u>300,000</u> | <u>(230,419,117)</u> | <u>607,966,761</u> |

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


Badar M. Khan
Chief Financial Officer


Najam Aziz Sethi
Chief Executive Officer


Shazad Ghaffar
Chairman

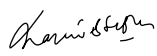
Condensed Interim Statement of Cash Flows


For the First Quarter Ended September 30, 2024 (Un-audited)

| | Note | September 30 2024 Rupees (Un-audited) | September 30 2023 Rupees (Un-audited) |
|---|------|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash generated from operations | 9 | 43,832,066 | 43,291,137 |
| Finance cost paid | | (28,872,498) | (29,271,289) |
| Taxation paid | | (16,128,182) | (8,788,264) |
| Retirement benefits paid | | (523,309) | (277,673) |
| | | (45,523,989) | (38,337,226) |
| Net cash generated from / (used in) operating activities | | (1,691,923) | 4,953,911 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payment for acquisition of property, plant and equipment | | (4,916,857) | (3,118,351) |
| Net cash used in investing activities | | (4,916,857) | (3,118,351) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Finances under mark-up arrangements- net | | (27,894,569) | (15,208,959) |
| Net cash used in from financing activities | | (27,894,569) | (15,208,959) |
| Net decrease in cash and cash equivalents | | (34,503,349) | (13,373,399) |
| Cash and cash equivalents at the beginning of the period | | 58,294,718 | 21,312,106 |
| Cash and Cash Equivalents at the End of the Period | | 23,791,369 | 7,938,707 |

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


Badar M. Khan
Chief Financial Officer


Najam Aziz Sethi
Chief Executive Officer


Shazad Ghaffar
Chairman

Notes to and Forming Part of the Condensed Interim Financial Information

For the First Quarter Ended September 30, 2024 (Un-audited)

1. THE COMPANY AND ITS OPERATIONS

- 1.1 Mitchell's Fruit Farms Limited ("the Company") is a public limited Company incorporated in Pakistan and the shares of the Company are listed on Pakistan Stock Exchange.

It is principally engaged in the manufacture and sale of various farm and confectionery products. The registered office of the Company is situated at House No. 72-FCC, Gulberg IV, Lahore. The manufacturing facility and the farms are situated in Renala Khurd, Okara, Pakistan. The Company also has one sales office in Islamabad and one in Karachi.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

- 2.1.1 'These condensed interim financial statements of the Company 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are 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.

- 2.1.2 These condensed interim financial statements comprise of the condensed interim statement of financial position of the Company, as at September 30, 2023 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 together with the notes forming part thereof.

- 2.1.3 'These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements for the year ended June 30, 2024.

2.1.4 The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the audited annual financial statements of the Company for the year ended June 30, 2024, whereas comparative 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 have been extracted from the un-audited condensed interim financial statements for the three months period ended September 30, 2023.

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

2.2 Functional and presentation currency

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

3 JUDGMENTS AND ESTIMATES

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

4 SIGNIFICANT ACCOUNTING POLICIES

The Company's accounting and financial risk management policies and methods of computation adopted in the preparation of these condensed interim financial statements (un-audited) are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2024.

5 TAXATION

Provision in respect of Taxation is estimated and is subject to final adjustment in the annual audited financial statements.

| | | September 30, 2024 Rupees (Un-audited) | June 30, 2024 Rupees (Audited) |
|----------|--|---|---|
| 6 | LOAN FROM SHAREHOLDERS - UNSECURED | | |
| | Loan from related parties - Interest free | - | 150,000,000 |
| | Loan from related parties - Interest bearing | 204,000,000 | 54,000,000 |
| | | <u>204,000,000</u> | <u>204,000,000</u> |

| | September 30, 2024 Rupees (Un-audited) | June 30, 2024 Rupees (Audited) |
|---|---|---|
| 6.1 | | |
| Loan from related parties - Interest bearing | | |
| Mr. Najam Aziz Sethi | 27,000,000 | 27,000,000 |
| Ms. Syeda Maimanat Mohsin | 75,000,000 | - |
| Ms. Syeda Matanat Ghaffar | 102,000,000 | 27,000,000 |
| | <u>204,000,000</u> | <u>54,000,000</u> |

- 6.2 These loans carry mark-up @ 3 months KIBOR plus 1% margin per annum and are repayable on demand. During the period, the previously interest-free loans amounting to PKR 150M were converted into interest-bearing loans. All other terms and conditions remain unchanged.

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

There is no material change in the status of contingencies as reported in the financial statements of the Company for the year ended June 30, 2024.

7.1 Others

- (i) Letter of guarantee in favour of Sui Northern Gas Pipelines Limited on account of payment of dues against gas consumption amounting to Rs. 17.21 million (June 30, 2024: Rs. 17.21 million).
- (ii) The Company has issued post-dated cheques amounting to Rs. 102.38 million (June 30, 2024: Rs 126.14 million) to the Collector of Customs Lahore Dry Port on account of taxable duty which might become payable against Duty and Tax Remission on Export under SRO # 492 (I)/2009 dated June 13, 2009 and SRO # 450 (I)/2001 dated June 30, 2001 under Customs Rules 2001.

7.2 Commitments

- (i) Letters of credit for purchase of raw and packing materials amounting to Rs. 12.84 million (June 30, 2024: Rs. 0.74 million).
- (ii) The Company's Commitments in respect of capital commitments are Nil (June 30, 2024: 1.6 million) as at reporting date.

| | September 30, 2024 Rupees (Un-audited) | June 30, 2024 Rupees (Audited) |
|--|---|---|
| 8 PROPERTY, PLANT AND EQUIPMENT | | |
| Operating fixed assets | 565,325,256 | 572,168,335 |
| Capital work in progress | 6,431,543 | 6,431,543 |
| | <u>571,756,799</u> | <u>578,599,878</u> |
| 8.1 Operating fixed assets | | |
| Opening written down value | 572,168,335 | 622,300,506 |
| Additions during the period / year | 4,916,857 | 9,253,099 |
| Disposals during the period / year - (Net) | - | (8,028,251) |
| | <u>577,085,192</u> | <u>623,525,354</u> |
| Depreciation charge for the period / year | <u>(11,759,936)</u> | <u>(51,357,019)</u> |
| | <u>565,325,256</u> | <u>572,168,335</u> |
| | September 30, 2024 Rupees (Un-audited) | September 30, 2023 Rupees (Un-audited) |
| 9 CASH GENERATED FROM OPERATIONS | | |
| Profit before tax for the period | 23,544,120 | 19,805,545 |
| Adjustment for: | | |
| Depreciation and amortization | 12,948,315 | 15,650,550 |
| Provision for gratuity and accumulated leaves | 6,484,968 | 3,170,908 |
| Finance cost | 23,167,636 | 29,908,066 |
| | <u>42,600,919</u> | <u>48,729,524</u> |
| Profit before working capital changes | <u>66,145,039</u> | <u>68,535,069</u> |
| Effect on cash flow due to working capital changes: | | |
| Increase in Stores and spares | (3,222,291) | (871,296) |
| Increase / (Decrease) in stock-in-trade | (33,483,081) | 53,174,311 |
| Increase in trade debts | (47,115,599) | (62,360,674) |
| Increase in advances, deposits & prepayments | (9,288,418) | (43,908,938) |
| Increase in creditors, accrued and other liabilities | 70,796,416 | 28,722,665 |
| | <u>(22,312,973)</u> | <u>(25,243,932)</u> |
| Cash generated from operations | <u>43,832,066</u> | <u>43,291,137</u> |

| | | Quarter Period Ended September 30, | |
|----|--|---------------------------------------|--------------------|
| | | 2024 | 2023 |
| | | Un-Audited | Un-Audited |
| | | Rupees | Rupees |
| 10 | REVENUE | | |
| | - Local | 772,842,699 | 796,816,048 |
| | - Export | 115,999,059 | 137,927,628 |
| | Gross Sales | 888,841,758 | 934,743,676 |
| | Less: Sales tax & FED | (118,693,911) | (108,816,344) |
| | | 770,147,847 | 825,927,332 |
| | Less: Sales return, trade discounts and incentives | (120,473,443) | (127,567,304) |
| | | <u>649,674,404</u> | <u>698,360,028</u> |

11 TRANSACTION WITH RELATED PARTIES

Related parties comprise associated companies, directors of the Company and their close relatives and key management personnel. The Company in the normal course of business carries out transactions with various related parties. These are un-secured amounts due from and due to related parties and are shown under respective notes to these financial statements. Significant transactions with related parties are given below:

Transactions during the period

| | | | | September 30, | |
|----------------------------------|-----------------------------------|----------|-----------------------------------|-------------------|-------------------|
| | | | | 2024 | 2023 |
| | | | | (Un-audited) | (Un-audited) |
| | | | | Rupees | Rupees |
| Mr. Mehdi Mohsin | Director | 20.4147% | Rent expense | 1,082,757 | 984,323 |
| | | | Expenses incurred on their behalf | 978,487 | 628,236 |
| Ms. Syeda Maimanat Mohsin | Spouse of Director | 20.4200% | Finance Cost | 4,011,452 | - |
| Mr. Najam Aziz Sethi | Chief Executive | 0.0063% | Finance Cost | 1,444,124 | 4,209,081 |
| Ms. Syeda Matanat Ghaffar | Spouse of Director | 20.2062% | Finance Cost | 5,455,576 | 4,093,098 |
| Ms. Mira Sethi | Close relative of Chief Executive | None | Finance Cost | - | 2,187,530 |
| Vanguard Books (Private) Limited | Common directorship | None | Rent expense | 2,823,528 | 5,124,705 |
| | | | | <u>15,795,924</u> | <u>17,226,973</u> |

- 11.1 During the period, the Company did not enter into transactions or arrangements with any other related party.
- 11.2 During the period, the previously interest-free loans from Syeda Maimanat Mohsin (PKR 75 million) and Syeda Matanat Ghaffar (PKR 75 million) were converted into interest-bearing loans, carrying mark-up @ 3 months KIBOR plus 1% margin per annum. All other terms and conditions of these loans remained unchanged.

12 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is determined on the basis of objective evidence at each reporting date. The Company has not made any changes to valuation techniques used to value financial instruments as described in annual audited financial statements for the year ended June 30, 2024.

As of reporting date, there were no Level 1, 2 or 3 financial assets or liabilities.

13 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in preceding audited annual financial statements for the year ended June 30, 2024.

14 AUTHORIZATION OF INTERIM FINANCIAL INFORMATION

These condensed interim financial statements (un-audited) are approved and authorized for issuance by the Board of Directors of the Company on **October 29, 2024**.


15 GENERAL

Corresponding figures have been rearranged/reclassified for better presentation and disclosure. The following material re-arrangements have been made in these financial statements:

| Nature | From | To | Rupee |
|--|----------------|--------------------------------|------------|
| Statement of Financial Position | | | |
| Iron Drums | Stock in trade | Stores, spares and loose tools | 28,512,390 |
| Statement of Profit or Loss | | | |
| Levy | Taxation | Levy | 8,697,657 |


Badar M. Khan
 Chief Financial Officer


Najam Aziz Sethi
 Chief Executive Officer


Shazad Ghaffar
 Chairman

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-  Mitchell'sChocolates&Sweets
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