



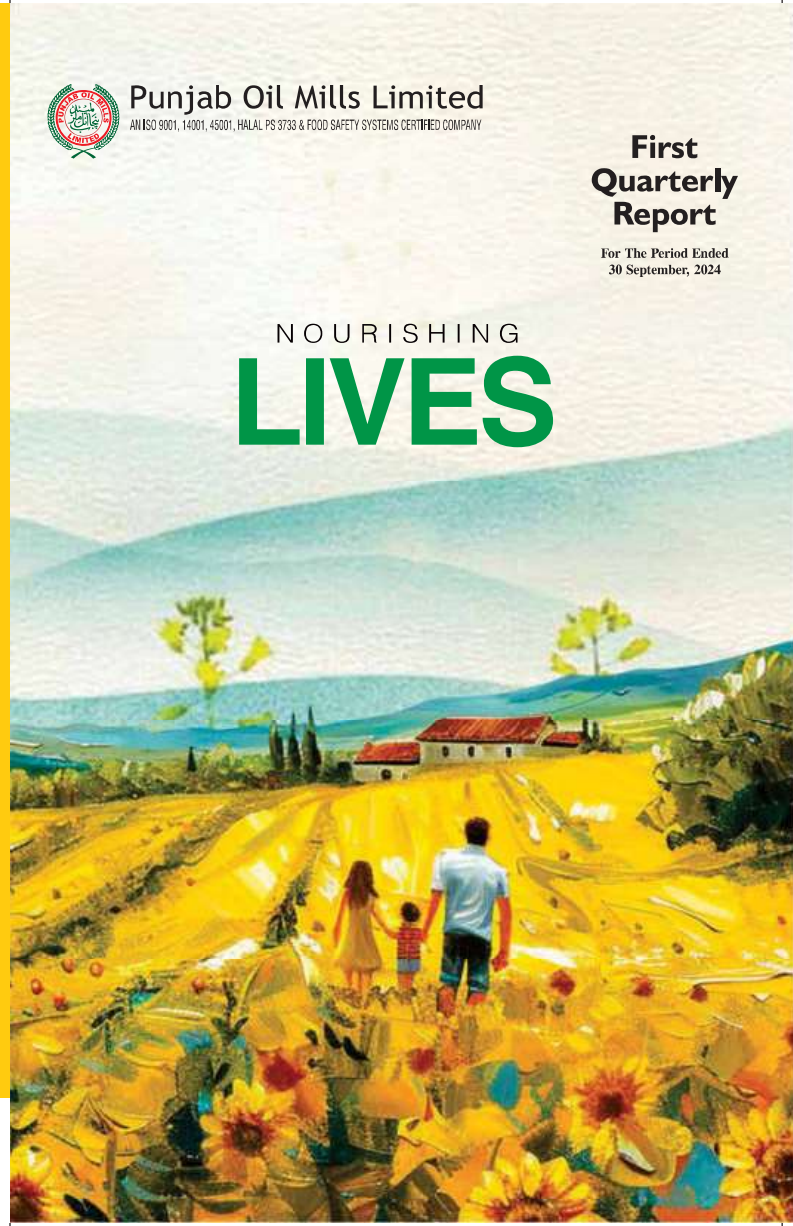
Punjab Oil Mills Limited

AN ISO 9001, 14001, 45001, HALAL PS 3733 & FOOD SAFETY SYSTEMS CERTIFIED COMPANY

First Quarterly Report

For The Period Ended 30 September, 2024

NOURISHING LIVES



Contact Information

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Punjab Oil Mills Limited

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Punjab Oil Mills Limited



First Quarterly Report



Punjab Oil Mills Limited

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Tahir Jahangir Mr. Usman Ilahi Malik Mr. Jillani Jahangir Mr. Furqan Anwar Batla Mrs. Munizae Jahangir Miss Mehrunisa Malik Mr. Firasat Ali Mr. Saif Ali Rastgar	Chairman Executive Director Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director
AUDIT COMMITTEE	Mr. Firasat Ali Mr. Furqan Anwar Batla Miss Mehrunisa Malik	Chairman Member Member
HUMAN RESOURCE & REMUNERATION COMMITTEE	Mr. Saif Ali Rastgar Mr. Usman Ilahi Malik Mr. Jillani Jahangir Mr. Furqan Anwar Batla Mrs. Munizae Jahangir	Chairman Member Member Member Member
MANAGEMENT COMMITTEE	Mr. Tahir Jahangir Mr. Usman Ilahi Malik Mr. Jillani Jahangir Mr. Furqan Anwar Batla Miss Mehrunisa Malik	Chairman Member Member Member Member
CHIEF EXECUTIVE OFFICER	Mr. Muhammad Ehtisham Khan	
CHIEF FINANCIAL OFFICER	Mr. Muhammad Saeed Malik	
COMPANY SECRETARY	Rana Shakeel Shaukat	
HEAD OF INTERNAL AUDIT	Mr. Shahzad Haider Khan	
AUDITORS	Crowe Hussain Chaudhry & Co Chartered Accountants	
LEGAL ADVISORS	A.G.H.S Law Associates	
BANKERS	JS. Bank Limited MCB Bank Limited Habib Metropolitan Bank Limited Faysal Bank Limited Bank Al-Habib Limited	
REGISTERED OFFICE/WORKS	Plot No. 26-28, Industrial Triangle, Kahuta Road, Islamabad Tel: 051 -4490017-20, Fax: 051-4490016 & 4492803 Email. corporate@punjaboilmills.com Website: www.punjaboilmills.com	
HEAD OFFICE	19-A/1, Block E-II, Gulberg III, Lahore. Tel: 042-35761585-6 Email: corporate@punjaboilmills.com	
SHARE REGISTRAR OFFICE	M/s Corplink (Private) Limited Wings Arcade, 1-K, Commercial Model Town, Lahore Tel: 042 -35916714, 35916719 Fax: 042 -35869037 Email: corplink786@gmail.com	



Directors' Review Report

Operating Performance

In **Q1 FY2024-25**, the company's revenue **declined by 8.6% to PKR 1.89 billion**, compared to PKR 2.06 billion in the same period last year.

Our gross profit fell by **19.3% to PKR 217.9 million**, mainly due to lower sales and unfavorable pricing against production costs. Market conditions favored customers, who had access to cheaper alternatives. The **2.5% withholding tax** on non-filers further reduced margins, as we absorbed part of the tax to stay competitive, while small retailers shifted to the unorganized sector to avoid compliance. Although the market showed an upward trend from late August 2024 through October, it did not improve selling prices but **increased raw material costs** due to our low inventory levels.

Operating expenses rose by **10.7% to PKR 193.7 million**, with **selling and distribution costs increasing by 3.6%**. This rise was mainly due to amortization of the latest TV commercial (TVC), higher outbound transportation costs, and increased salaries and wages related to sales activities. Administrative expenses grew by 20% compared to last year, driven by an annual salary increase of 5-6%. Consequently, operating profit dropped 74.5% to PKR 24.3 million, down from PKR 95.2 million in Q1 FY2024. Finance costs remained steady, declining slightly by 2.1% to PKR 41.6 million, while other charges fell sharply by 91.2% to PKR 0.47 million. Other income rose by 6.2% to PKR 18.7 million, benefiting from higher returns on deposits amid increased interest rates. However, overall profitability remained under pressure from net finance and other costs.

The company posted a profit before tax of **PKR 0.87 million, a sharp decline of 98.7% from PKR 64.9 million** last year. With a tax provision of PKR 23.6 million, the company reported a net loss after tax of PKR 22.7 million, compared to a profit of PKR 39.1 million in Q1 FY2024.

Outlook for rest of the Year

Looking ahead, the company expects market conditions to remain challenging, with inflation and additional taxes continuing to affect consumer spending and trade behavior. As lower-priced brands gain preference, demand for premium products is likely to stay under pressure, affecting sales volumes.

In this competitive environment, we may need to adopt aggressive pricing strategies and increase marketing efforts, which could affect short-term profitability but are essential for positioning the company for long-term growth.

With 90% of industry players being either fully or partially non-compliant, Punjab Oil Mills Limited (POML) faces increasing challenges in staying competitive. Non-compliant competitors enjoy cost advantages by bypassing taxes and regulatory requirements, enabling them to offer lower prices. In contrast, POML's commitment to full compliance adds operational complexities and higher costs, making it harder to compete on price and maintain market position. This uneven market environment



Punjab Oil Mills Limited

pressures margins and requires POML to strategically adapt to sustain its competitiveness.

Acknowledgements

We sincerely thank our customers, suppliers, and banking partners for their unwavering trust and support during these challenging times. Their partnership is vital to our success, and we look forward to continued collaboration.

We also extend heartfelt appreciation to our employees for their dedication and hard work, which remain fundamental to our progress. We are confident in their continued contributions in the months ahead.

Lastly, we express our gratitude to the Board of Directors for their valuable guidance and support in driving the company toward achieving its strategic goals.

(TAHIR JAHANGIR)
CHAIRMAN

For & on behalf of the board

(Mr. Muhammad Ehtisham Khan)
CHIEF EXECUTIVE OFFICER



Punjab Oil Mills Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER, 2024 (UN-AUDITED)

	1st Quarter Ended 30-09-2024 Rupees (Un-Audited)	YEAR ENDED 30-06-2024 Rupees (Audited)
EQUITY AND LIABILITIES		
Share Capital and Reserves		
Authorized share capital 10,000,000 (2024: 10,000,000) ordinary shares of Rs. 10 each	100,000,000	100,000,000
Issued, subscribed and paid - up capital	77,625,380	77,625,380
Reserves	778,811,987	797,361,201
Surplus on revaluation of property, plant and equipment	1,742,983,324	1,747,171,326
Shareholders' Equity	2,599,420,691	2,622,157,907
Non Current Liabilities		
Lease liabilities against right of use assets	10,702,941	11,549,312
Deferred tax liability	49,486,451	49,486,451
Deferred liabilities	112,169,605	118,998,252
	172,358,997	180,034,015
Current Liabilities		
Trade and other payables	750,757,852	527,610,797
Short term borrowings	739,235,473	817,396,231
Current portion of lease liabilities	3,789,971	3,789,971
Accrued mark up	16,280,360	18,723,766
Unclaimed dividend	10,512,671	10,512,671
Provision for taxation	181,392,006	157,781,286
	1,701,968,333	1,535,814,722
Contingencies and Commitments	-	-
Total Equity and Liabilities	4,473,748,021	4,338,006,644
ASSETS		
Non Current Assets		
Property, plant and equipment	2,181,639,779	2,157,547,067
Intangible assets	16,517,562	18,409,962
Investment in associate	-	-
Long term deposits	145,858,850	136,858,850
Long term loan	2,946,963	3,036,265
	2,346,963,154	2,315,852,144
Current Assets		
Stores, spare parts and loose tools	149,835,681	140,963,595
Stock in trade	330,229,932	415,049,729
Trade debts	1,255,561,327	1,172,568,821
Advances, deposits, prepayments and other receivables	272,510,593	212,559,609
Cash and bank balances	118,647,336	81,012,746
	2,126,784,868	2,022,154,500
Total Assets	4,473,748,021	4,338,006,644

The annexed notes form an integral part of these financial information.

First Quarterly Report

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



Punjab Oil Mills Limited

CONDENSED INTERIM PROFIT OR LOSS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER, 2024 (UN-AUDITED)

	1st Quarter Ended 30.09.2024 Rupees	1st Quarter Ended 30.09.2023 Rupees
Sales - Net	1,887,388,901	2,064,511,476
Cost of sales	(1,669,409,622)	(1,794,415,896)
Gross Profit	217,979,279	270,095,580
Selling and distribution expenses	(102,799,882)	(99,274,439)
Administrative expenses	(90,865,903)	(75,600,586)
	(193,665,785)	(174,875,025)
Operating Profit	24,313,494	95,220,555
Finance cost	(41,641,169)	(42,521,995)
Other operating expenses	(469,998)	(5,337,534)
Other income	18,671,177	17,580,079
Profit before Income Tax	873,504	64,941,105
Income tax	(23,610,720)	(25,806,393)
Net (Loss) / Profit for the Year	(22,737,216)	39,134,712
(Loss) / Earnings per Share - basic and diluted	(2.93)	5.04

The annexed notes form an integral part of these financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



Punjab Oil Mills Limited

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER, 2024 (UN-AUDITED)**

	IST QUARTER ENDED 30.09.2024 RUPEES	IST QUARTER ENDED 30.09.2023 RUPEES
Profit after taxation	(22,737,216)	39,134,712
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(22,737,216)	39,134,712

The annexed notes form an integral part of these financial statements

First Quarterly Report

CHIEF EXECUTIVE OFFICER

DIRECTOR

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Punjab Oil Mills Limited

CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER, 2024 (UN-AUDITED)

	1ST QUARTER ENDED 30-09-2024 Rupees	1ST QUARTER ENDED 30-09-2023 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period before taxation	873,504	64,941,105
Adjustments for following items:		
Workers' profit participation fund	46,963	3,513,170
Workers' welfare fund	18,785	1,397,026
Provision for staff retirement benefits	3,818,409	5,474,140
Depreciation	13,980,786	13,705,707
Amortization of Intangible assets	1,892,400	-
Finance cost	41,641,169	42,521,995
	<u>61,398,512</u>	<u>66,612,038</u>
Operating Profit before Working Capital Changes	62,272,016	131,553,143
(Increase)/Decrease in Current Assets:		
Stores, spare parts and loose tools	(8,872,086)	25,513,992
Stock in trade	84,819,797	(62,771,640)
Trade debts	(82,992,506)	(151,928,236)
Advances, deposits, prepayments and other receivables	(27,082,522)	(33,600,182)
	<u>(34,127,317)</u>	<u>(222,786,066)</u>
Increase / (Decrease) in Current Liabilities:		
Trade and other payables	223,082,218	165,694,968
Cash generated from operations	<u>251,226,918</u>	<u>74,462,045</u>
Workers' profit participation fund paid	-	-
Workers' welfare fund paid	-	-
Staff retirement benefits paid	(10,647,056)	(2,913,351)
Finance cost paid	(44,084,575)	(38,826,950)
Income tax paid	(32,868,462)	(39,430,764)
Dividend paid	-	-
	<u>(87,600,093)</u>	<u>(81,171,065)</u>
Net cash generated from/ (Used in) operating activities	163,626,825	(6,709,020)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(2,306,388)	(10,744,086)
Payment against Lease Liabilities	(846,371)	(675,064)
Capital work in progress	(35,768,020)	(11,121,851)
Long term deposits	(9,000,000)	(8,000,000)
Long term loan	89,302	-
Net cash used in investing activities	(47,831,477)	(30,541,001)
CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Borrowing	-	-
Short term borrowings	(78,160,758)	14,798,200
Net cash flow generated from financing activities	(78,160,758)	14,798,200
Net increase in cash and cash equivalents	37,634,590	(22,451,821)
Cash and cash equivalents at the beginning of the period	81,012,746	71,372,460
Cash and cash equivalents at the end of the period	<u>118,647,336</u>	<u>48,920,639</u>

The annexed notes form an integral part of these financial statements

First Quarterly Report

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



Punjab Oil Mills Limited

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER, 2024 (UN-AUDITED)**

	(RUPEES)					
	SHARE CAPITAL	CAPITAL RESERVES	REVALUATION SURPLUS	Revenue Reserves		TOTAL
				REVENUE RESERVE S	ACCUMULATED PROFIT	
Balance as at 01 July, 2023	77,625,380	23,137,159	1,763,923,335	8,600,000	930,739,446	2,804,025,320
Total Comprehensive Income for the period	-	-	-	-	-	-
Profit for the period ended 30 September, 2023	-	-	-	-	39,134,712	39,134,712
Transfer from surplus on revaluation plant and equipment	-	-	(6,452,234)	-	6,452,234	-
Balance as at 30 September, 2023	77,625,380	23,137,159	1,757,471,101	8,600,000	976,326,392	2,843,160,032
Balance as at 01 July, 2024	77,625,380	23,137,159	1,747,171,326	8,600,000	765,624,042	2,622,157,907
Total Comprehensive Income for the period	-	-	-	-	-	-
Profit for the period ended 30 September, 2024	-	-	-	-	(22,737,216)	(22,737,216)
Transfer from surplus on revaluation plant and equipment	-	-	(4,188,002)	-	4,188,002	-
Balance as at 30 September, 2024	77,625,380	23,137,159	1,742,983,324	8,600,000	747,074,828	2,599,420,691

The annexed notes form an integral part of these financial statements

First Quarterly Report

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



Punjab Oil Mills Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE FIRST QUARTER ENDED 30 SEPTEMBER, 2024 (UN-AUDITED)

1 LEGAL STATUS AND OPERATIONS

Punjab Oil Mills ('the company') was incorporated in Pakistan as a Public Limited Company. Its shares are quoted on Pakistan Stock Exchange Ltd. It is mainly engaged in the manufacturing and sale of Ghee, Cooking Oil, Speciality Fats, laundry Soap, Mushroom and coffee.

2 BASIS OF PREPARATION

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of International Financial Reporting Standard (IFRS) IAS 34 as applicable in Pakistan. This condensed interim financial information and disclosures required for full annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 30 June, 2024.

This condensed interim financial information is being submitted to the shareholders as required by the listing regulation of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method of computation which have been used in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the preceding year ended 30 June, 2024.

4 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on 30 October, 2024 by the Board of Directors of the Company.

5 GENERAL

- Figures have been rounded off to the nearest of rupees, unless otherwise stated.
- Comparative figures have been rearranged and reclassified, where necessary, for the purpose of better presentation and comparisons.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

