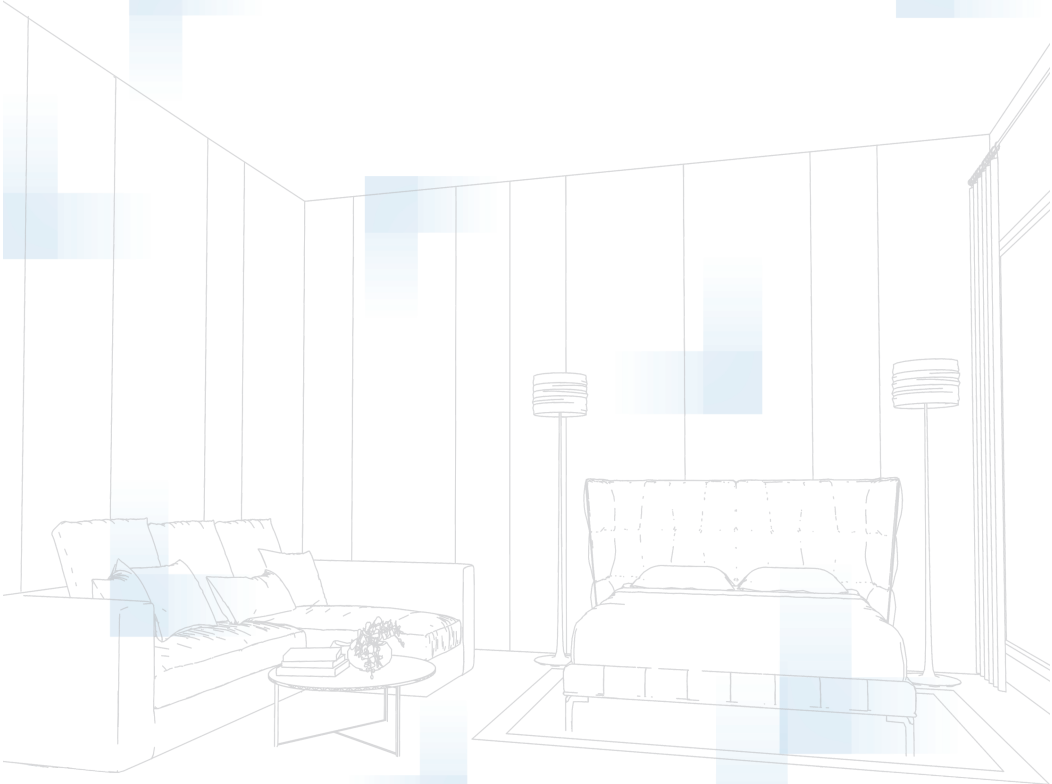




SINCE 1980

**AL-KHAIR GADOON LTD.**



**Condensed Interim  
Financial Statements  
Half Year Ended**

**December  
31, 2024  
(Un-Audited)**

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[www.alkhaigadoon.com](http://www.alkhaigadoon.com)

**COMPANY INFORMATION**

<b>BOARD OF DIRECTORS:</b>	Mohammad Afzal Sheikh Mohammad Amin Sheikh Mohammad Saeed Sheikh Mrs. Parveen Afzal Mrs. Farnaz Saeed Mrs. Nafisa Amin Mr. Asif Sajjad Mr. Kamal Subhani	Chairman Chief Executive Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director
<b>AUDIT COMMITTEE:</b>	Mr. Kamal Subhani Mrs. Farnaz Saeed Mr. Asif Sajjad Mr. Khurram Iftikhar	Chairman Member Member Secretary
<b>HUMAN RESOURCE &amp; REMUNERATION COMMITTEE:</b>	Mr. Kamal Subhani Mrs. Farnaz Saeed Mrs. Parveen Afzal Miss Samina Kokab	Chairman Member Member Secretary
<b>CFO / CHIEF ACCOUNTANT:</b>	Abdul Qadir	
<b>COMPANY SECRETARY:</b>	Miss Samina Kokab	
<b>AUDITORS:</b>	M/s. Tahir Siddiqi & Co., Chartered Accountants.	
<b>LEGAL ADVISOR:</b>	Mr. Umer Jamil (Advocate High Court)	
<b>SHARES REGISTRAR:</b>	Corplink (Private) Limited Wings Arcade, 1-K Commerical, Model Town , Lahore.	
<b>BANKERS:</b>	United Bank Limited. Meezan Bank Limited. Bank Alfalah Limited. Habib Metropolitan Bank Limited. Allied Bank Limited Soneri Bank Limited	
<b>REGISTERED OFFICE &amp; FACTORY SITE:</b>	92/3, 94A & 94B Phase III, Industrial Estate, Gadoon Amazai, District Swabi, (K.P.K) Tel: (0938) 270260 Fax: (0938) 270270	
<b>CORPORATE OFFICE:</b>	Al-Khair House, 43-T, Gulberg II, Lahore. Tel: (0342)-4311111 Fax: (042) 35716588, 35753719 Email: info@alkhairgadoon.com Website: www.alkhairgadoon.com	

**DIRECTORS' REVIEW REPORT  
FOR THE HALF YEARLY ENDED DECEMBER 31, 2024**

On behalf of the board of directors of the Company, we are pleased to present before you Condensed Interim Financial Statements of the Company for the half year ended December 31, 2024.

**Operational Results**

During the half year ended December 31, 2024, the Company remained on the track of progress and recorded net sales of Rs.665,450,909/- compared to Rs.599,483,055/- for the same period of last year with an increase of Rs.65,967,854/- (11.00%). During the period under review, the Company earned a gross profit of Rs.79,504,566 and net profit of Rs.7,024,303 as compared to gross profit of Rs.72,026,306 and net profit of Rs.8,680,580 respectively for the same period of last year.

**Future Outlook**

Despite the reduced interest rates in the quarter under discussion, business challenges are being faced by the Company due to low purchasing power of the end users. Several taxes have been announced in recent Finance Bill that will impact our future operations. Currently the management is evaluating the impact of these taxes on our business performance and future growth challenges. The Company management will take necessary measures to manage these future challenges. The management of the Company is fully aware of state of affairs of the Company and economic conditions of the country, in addition to intense competition from existing players and new entrants which are major challenges to meet in coming future.

The management of the Company is fully cognizant of the situation and will overcome through the strategies of improved operational efficiencies, synergies, best product mix management, effective cost control measures and better trade partnering with customers. The Company has been exhibiting strong performance against challenges over the years, be it vulnerability of increased competition, fluctuation in raw material prices or exchange rate. Operational excellence and management skills have positioned the Company for sustainable growth to meet challenges ahead. Being socially responsible, financially viable and operationally smart will remain the key objectives of the Company.

**Appreciation**

We would like to acknowledge and appreciate the devoted and sincere services of our workers, staff members of the management team. We are grateful to our bankers and other stakeholders. We also thank for continued co-operation extended by our customers and retailers who are the key element of our Company.



**MUHAMMAD AFZAL SHEIKH**  
CHAIRMAN



**MOHAMMAD AMIN SHEIKH**  
CHIEF EXECUTIVE

## ڈائریکٹرز کی جائزہ رپورٹ

31 دسمبر، 2024 کو ختم ہونے والے ششماہی کے لیے

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے، ہمیں 31 دسمبر 2024 کو ختم ہونے والی ششماہی کے لیے کمپنی کے مجموعی عبوری مالیاتی بیانات آپ کے سامنے پیش کرتے ہوئے خوشی ہو رہی ہے۔

### آپریشنل نتائج

31 دسمبر 2024 کو ختم ہونے والے ششماہی کے دوران، کمپنی ترقی کی راہ پر گامزن رہی اور اس نے 65.97 ملین روپے (11%) اضافے کے ساتھ گزشتہ سال کی اسی مدت کے لیے 599.483 ملین روپے کے مقابلے میں 665.451 ملین روپے کی خالص فروخت ریکارڈ کی۔ زیر جائزہ مدت کے دوران، کمپنی نے گزشتہ سال کی اسی مدت کے لیے بالترتیب 72.026 ملین روپے کے مجموعی منافع اور 8.681 ملین روپے کے خالص منافع کے مقابلے میں 79.505 ملین روپے کا مجموعی منافع اور 7.024 ملین روپے کا خالص منافع کمایا۔

### مستقبل کے خدوخال

زیر بحث سہ ماہی میں سود کی شرح میں کمی کے باوجود، صارفین کی کم قوت خرید کی وجہ سے کمپنی کو کاروباری چیلنجز کا سامنا ہے۔ حالیہ فنانس بل میں کئی ٹیکسوں کا اعلان کیا گیا ہے جو ہمارے مستقبل کے کاموں کو متاثر کریں گے۔ فی الحال انتظامیہ ہماری کاروباری کارکردگی اور مستقبل کی ترقی کے چیلنجوں پر ان ٹیکسوں کے اثرات کا جائزہ لے رہی ہے۔ کمپنی کی انتظامیہ مستقبل کے ان چیلنجوں سے نمٹنے کے لیے ضروری اقدامات کرے گی۔ کمپنی کی انتظامیہ کمپنی کے حالات اور ملک کے معاشی حالات سے پوری طرح باخبر ہے، اس کے علاوہ موجودہ کھلاڑیوں اور نئے داخل ہونے والوں سے شدید مقابلہ ہے جو آنے والے مستقبل میں سامنے آنے والے بڑے چیلنجز ہیں۔



کمپنی کی انتظامیہ صورتحال سے پوری طرح باخبر ہے اور بہتر آپریشنل افادیت، ہم آہنگی، بہترین پروڈکٹ مکس مینجمنٹ، لاگت پر قابو پانے کے موثر اقدامات اور صارفین کے ساتھ بہتر تجارتی شراکت داری کی حکمت عملیوں کے ذریعے قابو پائے گی۔ کمپنی کئی سالوں سے چیلنجوں کے خلاف مضبوط کارکردگی کا مظاہرہ کر رہی ہے، چاہے وہ بڑھتی ہوئی مسابقت کا خطرہ ہو، خام مال کی قیمتوں میں اتار چڑھاؤ ہو یا شرح مبادلہ۔ آپریشنل فضیلت اور انتظامی مہارتوں نے کمپنی کو پائیدار ترقی کے لیے پیش کیا ہے تاکہ آنے والے چیلنجوں کا مقابلہ کیا جاسکے۔ سماجی طور پر ذمہ دار، مالی طور پر قابل عمل اور آپریشنل طور پر ہوشیار ہونا کمپنی کے اہم مقاصد رہیں گے۔

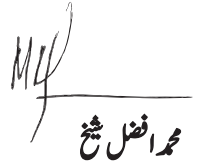
### اظہار تشکر

ہم اپنے کارکنوں، انتظامی ٹیم کے عملے کے اراکین کی مخلصانہ خدمات کا اعتراف اور تعریف کرنا چاہیں گے۔ ہم اپنے بینرز اور دیگر اسٹیک ہولڈرز کے شکر گزار ہیں۔ ہم اپنے صارفین اور خوردہ فروشوں کی طرف سے جاری تعاون کے لیے بھی شکریہ ادا کرتے ہیں جو ہماری کمپنی کا کلیدی عنصر ہیں۔

Muhammad Amr

محمد امین شیخ

چیف ایگزیکٹو



محمد افضل شیخ

چیرمین

لاہور: 24 فروری، 2025

**INDEPENDENT AUDITORS' REVIEW REPORT  
TO THE MEMBERS OF AL-KHAIR GADOON LIMITED  
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Al-Khair Gadoon Limited as at December 31, 2024 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

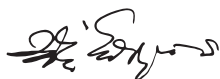
**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Mohammad Tahir Siddiqi.



**Tahir Siddiqi & Co.**  
**Chartered Accountants**

Lahore : February 24, 2025  
UDIN: RR202410176LYrHAQXuv

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2024**

	Note	Un-Audited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	5	160,777,036	177,248,160
		160,777,036	177,248,160
<b>CURRENT ASSETS</b>			
Stores and Spares		5,779,092	3,811,252
Stock in Trade		337,416,831	339,230,985
Trade Debts		14,509,778	23,783,443
Advances, Deposits and Prepayments		96,513,587	25,569,887
Advance Taxes - Net		58,352,627	69,611,513
Cash and Bank Balances	11	38,851,128	42,234,842
		551,423,043	504,241,922
<b>TOTAL ASSETS</b>		<b>712,200,079</b>	<b>681,490,082</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Authorized Capital</b>			
30,000,000 Ordinary shares of Rs. 10 each		300,000,000	300,000,000
<b>Issued, Subscribed and Paid up Capital</b>			
Capital Reserves - Share Premium		25,000,000	25,000,000
Unappropriated Profit		204,409,493	197,385,190
<b>Shareholders' Equity</b>		<b>329,409,493</b>	<b>322,385,190</b>
<b>NON CURRENT LIABILITIES</b>			
Long Term Loan	6	-	3,703,699
Deferred Liabilities		29,580,112	30,339,985
		29,580,112	34,043,684
<b>CURRENT LIABILITIES</b>			
Current portion of Long Term Loan	6.1	1,543,212	3,703,692
Trade and Other Payables		64,642,205	54,656,453
Taxes Payable		7,745,152	3,916,216
Short Term Borrowings	7	277,502,205	261,007,147
Un-Claimed Dividend		1,777,700	1,777,700
		353,210,474	325,061,208
<b>CONTINGENCIES AND COMMITMENTS</b>	8	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>712,200,079</b>	<b>681,490,082</b>

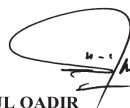
The annexed notes from 1 to 15 form an integral part of these financial statements.



**MUHAMMAD AFZAL SHEIKH**  
CHAIRMAN



**MOHAMMAD AMIN SHEIKH**  
CHIEF EXECUTIVE



**ABDUL QADIR**  
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	<u>Half Year Ended</u>		<u>Quarter Ended</u>	
	Rupees		Rupees	
	July-Dec,2024	July-Dec,2023	Oct-Dec,2024	Oct-Dec,2023
	Rupees		Rupees	
Sales - net	665,450,909	599,483,055	382,665,709	346,665,584
Cost of sales	(585,946,343)	(527,456,749)	(337,361,975)	(311,142,612)
<b>Gross profit</b>	<b>79,504,566</b>	<b>72,026,306</b>	<b>45,303,734</b>	<b>35,522,972</b>
Administrative expenses	(26,307,255)	(32,621,587)	(15,622,052)	(15,862,959)
Distribution expenses	(24,335,808)	(18,961,900)	(14,478,422)	(10,255,849)
	(50,643,063)	(51,583,487)	(30,100,474)	(26,118,808)
<b>Operating profit</b>	<b>28,861,503</b>	<b>20,442,819</b>	<b>15,203,260</b>	<b>9,404,164</b>
Finance cost	(17,379,118)	(6,624,237)	(6,346,061)	(3,529,700)
Other operating income	3,860,054	2,355,536	3,083,064	1,647,851
	(13,519,064)	(4,268,701)	(3,262,997)	(1,881,849)
<b>Profit before taxation</b>	<b>15,342,439</b>	<b>16,174,118</b>	<b>11,940,263</b>	<b>7,522,315</b>
Income tax expense	(8,318,136)	(7,493,538)	(4,783,321)	(4,333,319)
<b>Profit after Taxation</b>	<b>7,024,303</b>	<b>8,680,580</b>	<b>7,156,942</b>	<b>3,188,996</b>
Earnings per share - before tax (basic and diluted - Rupees)	1.53	1.62	1.19	0.75
Earnings per share - after tax (basic and diluted - Rupees)	0.70	0.87	0.72	0.32



MUHAMMAD AFZAL SHEIKH  
CHAIRMAN



MOHAMMAD AMIN SHEIKH  
CHIEF EXECUTIVE



ABDUL QADIR  
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE HALF YEARLY ENDED DECEMBER 31, 2024**

	Note	July-Dec 2024 Rupees	July-Dec 2023 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash (used in) / generated from operations	10	9,491,650	87,549,483
Finance cost paid		(21,472,255)	(8,698,210)
Income tax paid received		(1,837,441)	(3,414,992)
Sales tax refunds / (paid) received		4,778,191	-
Warranty and claims paid		(475,123)	-
Gratuity paid		(2,535,312)	-
		<u>(21,541,940)</u>	<u>(12,113,202)</u>
Net cash (used in) generated from operating activities		(12,050,290)	75,436,281
<b>Cash flows from investing activities</b>			
Fixed capital expenditure		(2,836,100)	(3,399,800)
Proceed from disposal of fixed assets		871,798	-
Net cash (used in) investing activities		(1,964,302)	(3,399,800)
<b>Cash flows from financing activities</b>			
Short term borrowings		14,334,577	(16,486,198)
Long Term Loans		(3,703,699)	(1,901,846)
Net cash generated / (used in) financing activities		<u>10,630,878</u>	<u>(18,388,044)</u>
Net (decrease)/increase in cash and cash equivalents		(3,383,714)	53,648,437
Cash and cash equivalents at the beginning of the period		42,234,842	19,266,710
Cash and cash equivalents at the end of the period		<u>38,851,128</u>	<u>72,915,147</u>

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



**MUHAMMAD AFZAL SHEIKH**  
CHAIRMAN



**MOHAMMAD AMIN SHEIKH**  
CHIEF EXECUTIVE



**ABDUL QADIR**  
CHIEF FINANCIAL OFFICER

**Lahore: February 24, 2025**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEARLY ENDED DECEMBER 31, 2024**

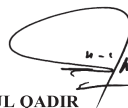
	Issued, Subscribed and Paid up Share Capital	Capital Reserve Share Premium	Revenue Reserve Unappropriated Profit	Total Equity
	(-----Rupees-----)			
<b>Balance as at July 1, 2023 (Audited)</b>	<b>100,000,000</b>	<b>25,000,000</b>	<b>170,543,296</b>	<b>295,543,296</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	27,253,316	27,253,316
Other comprehensive income (loss) for the year	-	-	(411,422)	(411,422)
	-	-	26,841,894	26,841,894
<b>Balance as at June 30, 2024 (Audited)</b>	<b>100,000,000</b>	<b>25,000,000</b>	<b>197,385,190</b>	<b>322,385,190</b>
<b>Balance as at July 1, 2024 (Un-Audited)</b>	<b>100,000,000</b>	<b>25,000,000</b>	<b>197,385,190</b>	<b>322,385,190</b>
<b>Comprehensive income for the period</b>				
Profit for the half year	-	-	7,024,303	7,024,303
	-	-	7,024,303	7,024,303
<b>Balance As At 31 December 2024</b>	<b>100,000,000</b>	<b>25,000,000</b>	<b>204,409,493</b>	<b>329,409,493</b>



**MUHAMMAD AFZAL SHEIKH**  
CHAIRMAN



**MOHAMMAD AMIN SHEIKH**  
CHIEF EXECUTIVE



**ABDUL QADIR**  
CHIEF FINANCIAL OFFICER

**Lahore: February 24, 2025**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEARLY ENDED DECEMBER 31, 2024 (Un-Audited)**

**1 LEGAL STATUS AND OPERATIONS**

Al-Khair Gadoon Limited (the Company) was incorporated on August 27, 1990 as a Private Limited Company under the Companies Ordinance, 1984 (the Ordinance) [now Companies Act, 2017] and converted into Public Limited Company on August 31, 1995 and is listed on the Pakistan Stock Exchange Limited. It is primarily engaged in manufacturing of foam and allied products. The company's registered office is located at 92/3, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK and corporate office is located at Al-khair house, 43-T, Gulberg-II, Lahore. The manufacturing plant of the company is located at 92/3, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK and 94-A, 94-B, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK.

**2 BASIS OF PREPARATION**

**2.1 STATEMENT OF COMPLIANCE**

These condensed interim financial statements of the Company for the half year ended December 31, 2024 have been prepared in accordance with 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 comprises of:

International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as 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.

- 2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended June 30, 2024.
- 2.3 The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2024 and 2023 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended December 31, 2024 and 2023.

**3 SIGNIFICANT ACCOUNTING POLICIES**

- 3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in preparation of annual audited financial statements for the year ended June 30, 2024 except as stated in note 3.2 (a) below.
- 3.2 **Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards**
- (a) **Standards and amendments to published approved accounting and reporting standards which are effective during the half year ended December 31, 2024**

There were certain amendments to accounting and reporting standards which became mandatory for the company during the period. However, these amendments in the standards did not have any significant impact on the financial reporting of the company and therefore have not been disclosed in these condensed interim financial statements.

**(b) New standards and amendments to published approved accounting and reporting standards that are not yet effective**

There are new standard and certain amendments and interpretation to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after Jan 01, 2024. However, these standard, amendments and interpretations will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

**4 ACCOUNTING ESTIMATES AND JUDGMENTS**

- 4.1** The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain accounting estimates. It also requires exercising 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 expectations 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 the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2024.
- 4.3** The provision for taxation for the half year ended December 31, 2024 has been made on an estimated basis.

**5 PROPERTY, PLANT & EQUIPMENT**

	Note	31-Dec-24 Un-Audited Rupees	30-Jun-24 Audited Rupees
<b>Operating Assets</b>			
Book value at the beginning of the period / year		177,248,160	157,747,546
Addition during the period / year	5.1	2,836,100	40,668,338
Deletion during the period / year	5.2	(10,532,568)	(2,569,852)
		<u>169,551,692</u>	<u>195,846,032</u>
Depreciation charged during the period / year		(8,774,656)	(18,597,872)
Book value at the end of the period / year		<u>160,777,036</u>	<u>177,248,160</u>
		<b>Additions</b>	<b>Additions</b>
5.1 Following additions were made during the period			
Leasehold Building			3,775,215
Plant and Machinery		220,000	33,263,223
Tools and Equipment		-	240,200
Furniture and Fixture		-	8,100
Computers		-	382,600
Vehicle		2,616,100	2,999,000
		<u>2,836,100</u>	<u>40,668,338</u>
		<b>Deletions</b>	<b>Deletions</b>
5.2 Following deletion were made during the period			
Leasehold Building			2,569,852
Plant and Machinery		10,532,568	-
		<u>10,532,568</u>	<u>2,569,852</u>



**6 LONG TERM LOAN**

	<b>31-Dec-24 Un-Audited Rupees</b>	<b>30-Jun-24 Audited Rupees</b>
<b>6.1 Long Term Loan (Sindh Bank)-Secured</b>	1,543,212	7,407,391
Less: Current portion of long term loan	<u>(1,543,212)</u>	<u>(3,703,692)</u>
	<u>-</u>	<u>3,703,699</u>

There is no material change in the terms and conditions of the long term loans as disclosed in the annual audited financial statements as at and for the year ended June 30, 2024.

**7 SHORT TERM BORROWINGS**

	<b>31-Dec-24 Un-Audited Rupees</b>	<b>30-Jun-24 Audited Rupees</b>
Banking Companies-Secured		
BAFL - Finance Against Imported Material	<b>207,396,864</b>	190,901,806
Loan from Directors - Unsecured	<b>70,105,342</b>	70,105,341
	<u><b>277,502,206</b></u>	<u>261,007,147</u>

**7.1** This represents the interest free loan received from directors to meet working capital requirement of the Company.

It is unsecured and interest free which is repayable on demand.

**8 CONTINGENCIES AND COMMITMENTS**

**8.1 Contingencies**

There has been an amount of Rs.40.231 Million which is appearing as credit by LESCO during the year which seems to be an erroneous mistake on the part of LESCO. The Company has already credited provision of existing liability for electricity expenses payable, However any future liability if arises will be provided at that time.

**8.2 Commitments**

Commitments in respect of letter of credits for raw materials at the terminal date were Rs.164.06 M (June 30, 2024 Rs.133.346 M)

**9 TRANSACTIONS WITH RELATED PARTIES**

There were no related parties transaction during the period.

The transactions with related parties are executed on arms' length prices. Directors are interested to the extent of their directorship/shareholding. There is no change in nature of relationship with related parties as reported in the financial statement for the proceeding financial year ended June 30, 2024.

**10 CASH GENERATED FROM OPERATIONS**

	<b>31-Dec-24 Un-Audited Rupees</b>	<b>31-Dec-23 Un-Audited Rupees</b>
Profit before taxation	15,342,439	16,174,118
Adjustments for non cash items:		
Depreciation on property, plant and equipment	<b>8,774,657</b>	7,912,918
Finance cost	<b>17,379,118</b>	6,624,237
Provision for loss Allowance	<b>6,557,626</b>	-
	<u><b>32,711,401</b></u>	<u>14,537,155</u>
<b>Operating profit before working capital changes</b>	<b>48,053,840</b>	30,711,273



**Decrease/(increase) in current assets**

Stores and spares

Stock-in-trade

Trade debts

Advances, deposits and prepayments

(1,967,840)	1,532,829
<b>1,814,154</b>	<b>(16,237,965)</b>
<b>9,273,665</b>	<b>5,466,029</b>
<b>(66,065,118)</b>	<b>9,029,235</b>
<b>(56,945,139)</b>	<b>(209,872)</b>

**(Decrease)/increase in current liabilities**

Trade and other payables

**Net cash flow from Operating Activities**

<b>18,382,949</b>	<b>57,048,083</b>
<b>9,491,650</b>	<b>87,549,483</b>

<b>31-Dec-24 Un-Audited Rupees</b>	<b>30-Jun-24 Audited Rupees</b>
<b>2,993,737</b>	<b>1,283,348</b>
<b>5,464,653</b>	<b>27,455,842</b>
<b>30,392,738</b>	<b>13,495,652</b>
<b>38,851,128</b>	<b>42,234,842</b>

**11 CASH AND BANK BALANCES**

Cash in hand

Cash at banks - in current accounts

Cash at banks - in profit bearing accounts

**12 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**

The carrying value of all financial assets and liabilities in these financial statements approximate their fair values.

**13 FINANCIAL RISK MANAGEMENT**

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

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 statement for the year ended June 30, 2024.

There has been no change in Company's sensitivity to these risks since June 30, 2024 except for general exposure to fluctuations in foreign currency and interest rates. There have been no change in the risk management policies during the period.

There have been no significant changes in the business or economic circumstances during the period that would have affected the fair values of the financial assets of the Company. Further, no re-classifications in the categories of financial assets have been made since June 30, 2024.

**14 GENERAL**

Figures have been rounded off to the nearest rupee and previous period's figures have been re-classified where necessary.

**15 DATE OF AUTHORIZATION**

The Condensed interim financial statements were authorized for issue on February 24, 2025 by the board of directors of the company.

**MUHAMMAD AFZAL SHEIKH**  
CHAIRMAN

**MOHAMMAD AMIN SHEIKH**  
CHIEF EXECUTIVE

**ABDUL QADIR**  
CHIEF FINANCIAL OFFICER

**Lahore: February 24, 2025**

# AL-KHAIR GADOON LTD.



**Alkhair Foam**



**آرامکو Araamco**



**i-FOAM**  
THE KINGDOM OF COMFORT



**SERENEFOAM**  
No.1 Nationwide

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