

FRONTIER CERAMICS LIMITED



Financial Statements

For the Third Quarter & Nine Months Period Ended
March 31, 2025

(UN-AUDITED)

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VISION AND MISSION STATEMENT

VISION STATEMENT

To become industry leader by instilling ethical and moral values, honest practices according to the Principles of Islam, offering the best innovative, competitive and quality products, ensuring direct benefit for all stake holders.

MISSION STATEMENT

- Deliver un-paralleled value to customers by continuous striving and to exceed their expectations;
- Under the guiding principles of Islam, to inculcate the culture of honest practices, ethical and moral values in our employees;
- Special emphasis on workforce, health, safety, environment. Constant motivation of employees by fair benevolence;
- To ensure reasonable growth and profits of the Group, to the shareholders on their investment; and
- The Group will assert efforts towards the social development of society and be instrumental in the industrial growth of Pakistan.

COMPANY INFORMATION

BOARD OF DIRECTORS

Ms. Shabina Anjum	Independent Director & Chairperson
Mr. Omer Khalid	Non-Executive Director
Mr. Javid Khalid	Non-Executive Director
Mr. Zia Khalid	Executive Director
Ms. Numrah Khalid	Executive Director
Mr. Muhammad Riaz Khan	Independent Director
Mrs. Shazia Khalid	Non-Executive Director

Audit Committee

Mr. Muhammad Riaz Khan	Chairman
Mr. Omer Khalid	Member
Mr. Javid Khalid	Member

Human Resource & Remuneration Committee

Ms. Shabina Anjum	Chairperson
Ms. Numrah Khalid	Member
Mr. Javid Khalid	Member

Chief Executive Officer

Mr. Nadeem Khalid

Chief Financial Officer

Khawaja Mushtaq Ahmed FCA, ACIS
khawaja.mushtaq@forte.com.pk

Company Secretary

Mr. Rehman Khan Sherwani
rehman.khan@forte.com.pk

Head of Internal Audit

Mr. Wasif Naeem
wasif.naeem@forte.com.pk

Bankers

Conventional Banks

Allied Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Silk Bank Limited
Meezan Bank Limited
United Bank Limited

Islamic Banks

Bank Al Habib Islamic Limited
Bank Alfalah Islamic Limited
Silk Emaan Islamic Bank Limited
UBL Ameen Limited
First Habib Islamic Income Fund
Alfalah Asset Management Limited

Auditors

M/S BDO Ebrahim & Co Chartered Accountants
4th Floor, Saeed Plaza, 22 East, Jinnah Avenue,
Blue Area, Islamabad.

Legal Advisor

Mr. Ishtiaq Ahmed
Advocate & Legal Consultant
Flat No. 42, Block C, 2nd Floor, Cantonment Plaza,
Saddar Road, Peshawar Cantt.

Registrar and Share Transfer Office

Central Depository Company of Pakistan Ltd
CDC House, 99-B, Block B, S.M.C.H.S.,
Main Sharah-e-Faisal, Karachi. Ph: 021-111-111-500

Head Office/Registered Office

29-Industrial Estate, Jamrud Road, Peshawar
Ph: 091-5891470-79, Fax: 091-5830290.

Website

www.forte.com.pk

or scan QR code



FRONTIER CERAMICS LIMITED
DIRECTORS' REPORT TO THE SHAREHOLDERS
FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2025

The Directors of your Company are pleased to present the financial statements for the third quarter and nine months ended March 31, 2025.

BUSINESS CHALLENGES AND FINANCIAL PERFORMANCE

Economic growth, while modest, has not shown any positive sign of recovery in the construction sector which continues to impact the tile market. Despite the challenging circumstances, your company managed to sustain its operations and achieve better-than-expected results. Management implemented several measures including timely price revisions, improvement in overall product mix and optimization of energy consumption through beneficial energy mix.

The financial performance for the half year is summarized below:

	Mar 31,2025	Mar 31,2024
	(Rupees in Millions)	
Turnover – net	3,258.54	2,422.16
Gross profit	207.89	153.67
Operating Profit	139.74	93.81
Profit before taxation	122.15	10.55
Profit /(Loss) after taxation	82.09	(4.47)
Earnings/(Loss) per share (Rs.)	2.17	(0.12)

During the period, net turnover increased by 34.53% due to increase in volume, Hence, your Company ended up at a bottom-line after-tax profit of Rs.82.09 million as compared to corresponding period of last year loss of Rs. (4.47) million

GENDER PAY GAP:

Our company remains firmly committed to fostering a diverse, inclusive, and equitable workplace, where all individuals are valued and provided with equal opportunities to thrive. As an equal opportunity employer, we ensure that decisions relating to recruitment, development, advancement, and compensation are guided solely by merit, qualifications, and performance—irrespective of gender or any other characteristic protected by law.

In line with SECP Circular 10 of 2024, we have conducted a thorough gender pay gap analysis for the period from July 2023 to June 2024. The results indicate that, on average, male employees earn 11.1% more than their female counterparts, based on the mean hourly pay. The median pay gap stands at 4.7%, with male employees earning more than their female peers at the midpoint of the pay distribution. These figures serve as a benchmark for continued progress and underline the importance of addressing systemic pay disparities.


We recognize that closing the gender pay gap is not a one-time achievement but a continuous journey. With this in mind, we are actively reviewing our compensation practices and workplace policies to ensure fair outcomes and sustained gender equity across all levels of the organization.

FUTURE OUTLOOK


The positive momentum in macroeconomics signals promising growth prospects and improved business sentiments. The IMF program and reducing inflation and Interest rates are expected to bring some stability and predictability for businesses and investors, thereby supporting economic recovery. This macroeconomic stability is expected to act as a catalyst to the construction industry. The Company is determined to keep pace and focus on overcoming challenges by improving its operating results. Being socially responsible, financially strong, and operationally smart will remain the key objectives. The Company is well positioned to continue creating significant value addition for the stakeholders in the years ahead.

Also, please refer to the Directors' Report for the year ended June 30, 2024 which provides a detailed review of the Company's operations and future strategy.

On behalf of the Board of Directors



Nadeem Khalid
Chief Executive Officer



Numrah Khalid
Director

Peshawar:

Dated: April 30, 2025

فرٹیر سیراکس لمیٹڈ

حصص یافتگان کے لیے ڈائریکٹرز کی رپورٹ

برائے تیسری سہ ماہی اور نو ماہ کے اختتام پر، 31 مارچ 2025

ڈائریکٹرز آپ کی کمپنی کی تیسری سہ ماہی اور نو ماہ کے اختتام 31 مارچ 2025 کے مالیاتی نتائج پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

کاروباری چیلنجز اور مالیاتی کارکردگی:

اگرچہ معاشی ترقی معمولی رہی، لیکن تعمیراتی شعبے میں بحالی کی کوئی مثبت علامت دیکھنے میں نہیں آئی، جس کا اثر ٹاکس مارکیٹ پر بھی برقرار ہے۔ مشکل حالات کے باوجود، آپ کی کمپنی نے اپنی سرگرمیوں کو برقرار رکھا اور توقعات سے بہتر نتائج حاصل کیے۔ انتظامیہ نے بروقت قیمتوں میں ردوبدل، مصنوعات کے مجموعی معیار میں بہتری، اور موثر توانائی کے استخراج کے ذریعے توانائی کے استعمال کی بہتری جیسے متعدد اقدامات کیے۔

(روپے ملین میں)

تفصیلات	31 مارچ 2025	31 مارچ 2024
خالص فروخت	3,258.54	2,422.16
مجموعی منافع	207.89	153.67
کاروباری منافع	139.74	93.81
منافع قبل از ٹیکس	122.15	10.55
منافع بعد از ٹیکس	82.09	(4.47)
فی حصص آمدنی	2.17	(0.12)

اس عرصے کے دوران حجم میں اضافے کی وجہ سے خالص فروخت میں 34.53% اضافہ ہوا۔ چنانچہ آپ کی کمپنی نے رواں مدت کے اختتام پر بعد از ٹیکس 82.09 ملین روپے منافع حاصل کیا، جبکہ گزشتہ سال کی اسی مدت میں 4.47 ملین روپے کا خسارہ ہوا تھا۔

صنعتی معافی مساوات:

ہماری کمپنی ایک متنوع، جامع، اور منصفانہ ماحول کو فروغ دینے کے عزم پر قائم ہے، جہاں تمام افراد کی قدر کی جاتی ہے اور انہیں ترقی کے یکساں مواقع فراہم کیے جاتے ہیں۔ ایک مساوی مواقع فراہم کرنے والے آجر کے طور پر، ہم اس بات کو یقینی بناتے ہیں کہ بھرتی، ترقی، ترقیاتی اقدامات، اور معاوضے سے متعلق فیصلے صرف قابلیت، اہلیت، اور کارکردگی کی بنیاد پر کیے جائیں۔ جنس یا قانون کے تحت محفوظ کسی بھی دوسری خصوصیت سے قطع نظر۔

SECP کے سرکلر نمبر 10 برائے 2024 کے تحت، ہم نے جولائی 2023 سے جون 2024 کے عرصے کے لیے ایک جامع سینڈرپے گیپ تجزیہ کیا ہے۔ اس تجزیے کے مطابق، او۔طامرد ملازمین خواتین ملازمین کی نسبت 11.1 فیصد زیادہ فی گھنٹہ تنخواہ حاصل کرتے ہیں۔ درمیانی (میڈین) تنخواہ میں فرق 4.7 فیصد ہے، جس سے معلوم ہوتا ہے کہ تنخواہ کے درمیانی سطح پر مرد ملازمین خواتین سے زیادہ کماتے ہیں۔ یہ اعداد و شمار ہمارے لیے ایک حوالہ نقطہ کے طور پر کام کرتے ہیں اور نظامی تنخواہی تفاوتوں کو ختم کرنے کی اہمیت کو اجاگر کرتے ہیں۔

ہم اس حقیقت کو تسلیم کرتے ہیں کہ سینڈرپے گیپ کو ختم کرنا کوئی ایک مرتبہ حاصل کیا جانے والا ہدف نہیں بلکہ ایک مسلسل عمل ہے۔ اسی جذبے کے تحت، ہم اپنی معاوضے سے متعلق پالیسیوں اور دفتری اصولوں کا مسلسل جائزہ لے رہے ہیں تاکہ ہر سطح پر منصفانہ نتائج اور صنعتی مساوات کو یقینی بنایا جاسکے۔

مستقبل کا نقطہ نظر:

معاشی سطح پر مثبت رفتار مستقبل میں ترقی کے امید افزا امکانات اور کاروباری اعتماد میں بہتری کی نشاندہی کر رہی ہے۔ آئی ایم ایف پروگرام، مہنگائی اور شرح سود میں کمی سے توقع ہے کہ کاروبار اور سرمایہ کاروں کے لیے کچھ استحکام اور پیش گوئی کی صورت حال پیدا ہوگی، جس سے معاشی بحالی کو تقویت ملے گی۔ یہ معاشی استحکام تعمیراتی صنعت کے لیے ایک محرک کارکردار ادا کرنے کی توقع ہے۔ کمپنی پر عزم ہے کہ وہ وقت کے ساتھ قدم ملا کر چلے اور اپنی آپریٹنگ کارکردگی کو بہتر بنا کر چیلنجز پر قابو پائے۔ سماجی ذمہ داری، مالیاتی مضبوطی اور عملی ذہانت کمپنی کے بنیادی مقاصد میں شامل رہیں گے۔ کمپنی آئندہ برسوں میں اپنے حصص یافتگان کے لیے نمایاں قدر میں اضافہ جاری رکھنے کے لیے اچھی پوزیشن میں ہے۔

برادر کرم، 30 جون 2024 کو ختم ہونے والے سال کے لیے ڈائریکٹرز کی رپورٹ کا بھی حوالہ دیں، جس میں کمپنی کی سرگرمیوں اور مستقبل کی حکمت عملی کا تفصیلی جائزہ پیش کیا گیا ہے۔

نمرہ خالد

ڈائریکٹر

نعمت خالد

چیف ایگزیکٹو آفیسر

تاریخ: 30 اپریل 2025

FRONTIER CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT MARCH 31, 2025

		March 31, 2025	June 30, 2024
	Note	Rupees Un-audited	Rupees Audited
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	7	2,484,525,162	2,645,028,257
Investment property	8	496,184	515,517
		<u>2,485,021,346</u>	<u>2,645,543,774</u>
Long term deposits		5,925,450	5,925,450
Long term advances	9	619,333,586	592,148,042
		<u>3,110,280,382</u>	<u>3,243,617,266</u>
CURRENT ASSETS			
Stores, spares and loose tools	10	252,493,222	275,632,704
Stock in trade	11	507,351,384	492,897,078
Trade debts		21,460,000	21,829,614
Other receivables		4,717,440	3,628,800
Short term lending	12	4,236,538	-
Advances	13	69,493,089	65,692,331
Tax refunds due from Government		162,950,265	162,950,265
Taxation - net	14	34,689,804	28,490,906
Cash and bank balances	15	119,627,320	73,148,026
		<u>1,177,019,061</u>	<u>1,124,269,724</u>
TOTAL ASSETS		<u>4,287,299,443</u>	<u>4,367,886,990</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	16	378,738,210	378,738,210
Discount on issue of right shares	17	(180,795,726)	(180,795,726)
		<u>197,942,484</u>	<u>197,942,484</u>
Revaluation surplus on property, plant and equipment		1,269,707,082	1,269,707,082
Unappropriated profit		389,470,568	307,380,063
		<u>1,857,120,134</u>	<u>1,775,029,629</u>
NON CURRENT LIABILITIES			
Loan from related parties	18	106,833,433	533,262,876
Deferred liability	19	131,966,356	109,480,797
Deferred taxation		360,954,699	382,938,517
		<u>599,754,488</u>	<u>1,025,682,190</u>
CURRENT LIABILITIES			
Unclaimed dividend		3,189,224	3,189,224
Liability under diminishing Musharaka	20	117,190	8,714,873
Current portion of long term financing	21	-	13,097,821
Gas infrastructure development cess (GIDC)	22	129,395,113	129,379,479
Due to related parties	23	1,519,584	37,576,325
Contract liability	24	977,452,073	836,755,119
Trade and other payables	25	718,751,638	538,462,330
		<u>1,830,424,822</u>	<u>1,567,175,171</u>
TOTAL EQUITY AND LIABILITIES		<u>4,287,299,443</u>	<u>4,367,886,990</u>
CONTINGENCIES AND COMMITMENTS			

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The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.


CHIEF FINANCIAL OFFICER


CHIEF EXECUTIVE OFFICER


DIRECTOR

FRONTIER CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Nine Months Ended March 31,		Quarter Ended March 31,	
	2025	2024	2025	2024
Rupees.....			
Sales - net	3,258,536,494	2,422,159,653	1,189,514,297	669,757,927
Cost of sales	(3,050,649,113)	(2,268,485,113)	(1,092,082,204)	(616,671,206)
Gross Profit	207,887,381	153,674,539	97,432,093	53,086,721
Distribution cost	(11,015,717)	(11,604,586)	(3,618,483)	(3,868,596)
Administrative expenses	(33,416,613)	(34,486,567)	(10,993,895)	(11,830,314)
Other operating expenses	(23,719,617)	(13,770,907)	(12,026,758)	(3,743,682)
Operating profit	139,735,434	93,812,479	70,792,957	33,644,129
Finance cost	(22,243,981)	(119,828,519)	(850,800)	(33,392,319)
Other operating income	4,662,532	36,570,971	1,808,282	12,739,865
Profit before taxation	122,153,985	10,554,931	71,750,439	12,991,675
Taxation:				
-current	(62,047,298)	(30,476,719)	(25,576,483)	(8,571,697)
-deferred	21,983,818	15,446,947	(6,775,991)	6,050,943
Profit/(Loss) after taxation	82,090,505	(4,474,841)	39,397,965	10,470,921
Earnings/(Loss) per share - basic and diluted	2.17	(0.12)	1.04	0.28

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.


CHIEF FINANCIAL OFFICER


CHIEF EXECUTIVE OFFICER


DIRECTOR

FRONTIER CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Nine Months Ended March 31,		Quarter Ended March 31,	
	2025	2024	2025	2024
Rupees.....			
Profit/(Loss) after taxation	82,090,505	(4,474,841)	39,397,965	10,470,921
Other comprehensive income for the Period	-	-	-	-
Total comprehensive income/loss for the Period	82,090,505	(4,474,841)	39,397,965	10,470,921

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

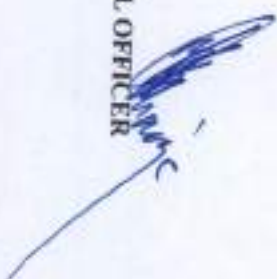
DIRECTOR

FRONTIER CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025 (UN-AUDITED)

	Issued, subscribed and paid up capital	Discount Issue of Right Shares	Revaluation surplus on property, plant and equipment	Unappropriated Profit	Total
.....Rupees.....					
Balance as at July 01, 2023 - restated (Audited)	378,738,210	(180,795,726)	1,161,971,530	242,169,885	1,602,083,899
<u>Impact of ratification of error</u>					
comprehensive (loss) for the period ended March 31, 2024			-	(4,474,841)	(4,474,841)
Transfer from surplus on revaluation of fixed assets incremental depreciation - net of deferred tax			(19,686,459)	19,686,459	-
Balance as at March 31, 2024	378,738,210	(180,795,726)	1,142,285,071	257,381,503	1,597,609,058
Balance as at July 01, 2024 - (Audited)	378,738,210	(180,795,726)	1,269,707,082	307,380,063	1,775,029,629
comprehensive Income for the Period ended Mar 31, 2025			-	82,090,505	82,090,505
Transfer from surplus on revaluation of fixed assets incremental depreciation - net of deferred tax			-	-	-
Balance as at March 31, 2025	378,738,210	(180,795,726)	1,269,707,082	389,470,568	1,857,120,134

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER




DIRECTOR




**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025 (UN-AUDITED)**

	Rupees	
	31-Mar-25 Un-Audited	31-Mar-24 Un-Audited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	122,153,985	10,554,931
Adjustment for:		
Depreciation	160,522,428	163,164,622
Finance Cost	22,243,981	119,828,519
Profit before working capital changes	304,920,393	293,548,072
Changes in working capital:		
Decrease / (increase) in current assets		
Stores, spares and loose tools	23,139,482	(25,071,568)
Stock in trade	(14,454,306)	(86,544,445)
Trade debts	369,614	123,144
Other receivables	(1,088,640)	(725,760)
Short Term Lending	(4,236,538)	(30,180,989)
Advances	(3,800,758)	112,067,234
Increase / (decrease) in current liabilities		
Trade and other payables	180,289,308	83,713,376
Contract liability	140,696,954	
Due to related parties	(36,056,741)	
Current portion of liability against assets subject to finance	(8,597,683)	(1,400,432)
Current portion of long term financing	(13,097,821)	(11,481,239)
Current portion of GIDC payable	15,634	3,131,245
	263,178,505	43,630,567
Cash generated from operations	568,098,898	337,178,639
Taxes paid	(68,246,196)	(46,976,211)
Finance Cost Paid	(22,243,981)	(119,828,519)
Net cash generated / (Used in) from operating activities	477,608,721	170,373,909
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of operating fixed assets	-	-
Increase in long term advances	114,456	114,456
Advance for Land Purchase	(27,300,000)	-
Deferred liability	22,485,559	-
Net cash used in investing activities	(4,699,985)	114,456
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - net	(426,429,443)	(97,086,671)
Gas Infrastructure Development Cess	-	(2,173,752)
Liability against assets subject to finance lease	-	(8,216,546)
Net cash used in financing activities	(426,429,443)	(107,476,969)
Net (decrease) / increase in cash and cash equivalents	46,479,293	63,011,396
Cash and cash equivalents at the beginning of the period	73,148,026	7,116,368
Cash and cash equivalents at the end of the period	119,627,319	70,127,763

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.


CHIEF FINANCIAL OFFICER


CHIEF EXECUTIVE OFFICER


DIRECTOR

FRONTIER CERAMICS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) AS AT MARCH 31, 2025

1 STATUS AND NATURE OF BUSINESS

Frontier Ceramics Limited (the Company) was incorporated in July 1982 as a Public Limited Company with its shares quoted on Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited in which Lahore and Islamabad Stock Exchanges have merged). The principal activities of the Company are manufacturing of ceramic tiles, sanitary wares and related ceramic products.

The registered office and manufacturing unit of the Company is situated at 29-Industrial Estate, Jamrud Road, Peshawar Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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 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; 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.

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2024, which have been prepared in accordance with approved accounting standards as applicable in Pakistan. 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 declared financial statements.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain fixed assets which have been stated at revalued amount. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2024.

4 CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

a) Amendments to published accounting and reporting standards which became effective during the period:

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments 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) Amendments to published accounting and reporting standards that are not yet effective and have not been early adopted by the Company:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's accounting period beginning on or after January 01, 2025, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

5 TAXATION

The provision for taxation for the Nine Months and quarter ended March 31, 2025 has been made using the estimated effective tax rate applicable to expected total annual earnings.

6 KEY JUDGEMENTS AND ESTIMATES

The preparation of interim financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2024, otherwise disclosed.

	March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
7 PROPERTY, PLANT AND EQUIPMENT		
Opening written down value	2,645,028,257	2,535,105,392
Add:		
Additions	-	-
Revaluation	-	337,125,189
	<u>2,645,028,257</u>	<u>2,872,230,581</u>
Less:		
Depreciation charge	<u>(160,503,095)</u>	<u>(227,202,324)</u>
Closing written down value	<u>2,484,525,162</u>	<u>2,645,028,257</u>
	March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
8 INVESTMENT PROPERTY		
Opening written down value	515,517	542,650
Additions	-	-
Depreciation charge	<u>(19,333)</u>	<u>(27,133)</u>
Closing written down value	<u>496,184</u>	<u>515,517</u>
Depreciation rate	5%	5%

- 8.1 This represents two offices having number 102 and 103 measuring 1200 Sqft each, situated at 1st floor, Kashif center, Shahrah e Faisal, Karachi owned by the Company. This has been held to earn rental income by letting out its office and disclosed in the financial statements as an investment property applying cost model in accordance with IAS 40 "Investment Property". Fair value of the investment property assessed by the management amounts to Rs. 7 million (June 2024: Rs. 7 million) at period end.

			March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
9	LONG TERM ADVANCES	Note		
	Advance against land	9.1	618,475,594	591,175,594
	Others		857,992	972,448
			<u>619,333,586</u>	<u>592,148,042</u>

- 9.1 The Board of Directors of the Company in their meeting held on January 07, 2021 decided in principal to avail the opportunity of initially acquiring 1,031 Kanals of land off CPEC highway and Jand - Mianwali road, Mouza Masan, Tehsil and District Mianwali from a related party, Mr. Nadeem Khalid (Chief Executive Officer) at payment terms over the period of five years. Keeping in view conducive business environment, directors feel that if the environment remains stable then in next ten years, the Company will establish a large ceramic factory at the said location.

Currently the ceramics industry is facing unexpected challenges due to intense competition from Chinese companies, which has impacted the business environment and cash flow projections of the Company. In light of these market conditions, the Board will review the situation carefully, and any future decisions taken by the Board Members regarding this transaction will be communicated to all stakeholders immediately.

			March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
10	STORES, SPARE PARTS AND LOOSE TOOLS	Note		
	Stores		246,914,795	269,944,429
	Spare parts and loose tools		5,578,427	5,688,275
		10.1	<u>252,493,222</u>	<u>275,632,704</u>

- 10.1 Stores, spare parts and loose tools includes items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spares consumption resulting in capital expenditure are capitalized in cost of respective assets.

		March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
11	STOCK IN TRADE		
	Raw materials	111,414,127	208,508,635
	Work in process	5,061,853	53,121,269
	Finished goods	390,875,404	231,267,174
		<u>507,351,384</u>	<u>492,897,078</u>

		Note	March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
12	SHORT TERM LENDING			
	Khalid and Khalid Holdings (Private) Limited			
	Balance at start of the period / year	23	(3,445,876)	-
	Payments made during the period / year		93,603,005	-
	Mark up		1,184,641	-
	Amount received during the period / year		<u>(89,663,277)</u>	-
	Balance at end of the period / year		1,678,493	-
	Rawal Industrial Equipment (Pvt.) Ltd			
	Balance at start of the period / year	18	(253,556,959)	-
	Amount received during the period / year		(5,772,182)	-
	Markup		(1,896,994)	-
	Payments made during the period / year		<u>263,784,180</u>	-
	Balance at end of the period / year		2,558,045	-
		12.1	<u>4,236,538</u>	-

- 12.1 This represents amount advanced to the related parties due to common directorship. The advance is unsecured and interest is charged at Kibor + 3.25% per annum.

		March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
13	ADVANCES AND DEPOSITS		
	Advances to / against:		
	- suppliers	3,668,885	3,668,885
	- letter of credit	10,927,892	12,719,057
	- letter of credit margin	19,647,841	15,234,296
	- letter of guarantee	31,617,900	29,297,900
	- salaries	2,275,963	3,062,827
	- expenses	251,362	57,166
		<u>68,389,843</u>	<u>64,040,131</u>
	Security deposit	1,103,246	1,652,200
		<u>69,493,089</u>	<u>65,692,331</u>
	Note	March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
14	TAXATION - NET		
	Balance at start of the period / year	28,490,906	86,217,469
	Prior year adjustment	-	12,770,744
		<u>28,490,906</u>	<u>98,988,213</u>
	Transferred to tax refunds due from government	-	(98,988,213)
		<u>28,490,906</u>	<u>-</u>
	Taxation / levy	(62,047,298)	(42,741,871)
	Advance income tax	68,246,196	71,232,777
	Balance at end of the period / year	<u>34,689,804</u>	<u>28,490,906</u>
15	CASH AND BANK BALANCES		
	Cash in hand	798,987	177,563
	Cash at bank - local currency		
	Current accounts		
	- conventional	82,979,148	48,268,028
	- under shariah arrangements	2,921,278	3,511,829
	- PD account	14,595,349	-
	Saving account		
	- under shariah arrangements	18,332,558	21,190,606
		<u>119,627,320</u>	<u>73,148,026</u>

15.2 It represents personal deposit custom account used for the payments of duty and taxes on imports.

16	SHARE CAPITAL		March 31, 2025	June 30, 2024
16.1	Authorized share capital		Rupees (Unaudited)	Rupees (Audited)
	<u>Number of shares</u>			
	<u>Dec 31, 2024</u> <u>June 30, 2024</u>			
	<u>75,000,000</u> <u>75,000,000</u>	Ordinary shares of Rs. 10 each	<u>750,000,000</u>	<u>750,000,000</u>
16.2	Issued, subscribed and paid up capital		March 31, 2025	June 30, 2024
	<u>Number of shares</u>		Rupees	Rupees
	<u>Dec 31, 2024</u> <u>June 30, 2024</u>		(Unaudited)	(Audited)
	<u>37,873,821</u> <u>37,873,821</u>	Ordinary shares of Rs. 10 each fully paid in cash	<u>378,738,210</u>	<u>378,738,210</u>
16.3	All ordinary share holders have same rights regarding dividend, voting, board selection, right of first refusal and block voting.			

17 DISCOUNT ON ISSUE OF RIGHT SHARES

This represents discount on issue of right shares upon exercising the option given to members in Board of Directors meeting held on February 18, 2014 to subscribe for the right shares issue which has allotted on August 08, 2014 at a discount of Rs. 6 per share with the entitlement of 389.25% shares against SECP approval vide letter No. EMD/233/584/02 dated February 07, 2014 for the total right issue of 30.133 million shares at Rs. 4 per share (discount of Rs. 6 per share) by way of right issue. All the relevant legal formalities were completed by the Company before issuance of the right shares.

		March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
18	LOAN FROM RELATED PARTIES	Note	
	From associated person - unsecured		
	- Chief Executive Officer		
	Opening balance	106,619,974	395,378,510
	Additions during the period	1,800,000	4,400,000
	Markup	313,092	39,544,610
	Payments made during the period	(2,244,000)	(332,703,146)
	Closing balance	18.1 106,489,066	106,619,974
	From associated companies - unsecured		
	- Rawal Industrial Equipment (Private) Limited		
	Opening balance	-	154,679,383
	Additions during the period	-	189,246,060
	Markup	-	36,566,707
	Payments made during the period	-	(126,935,191)
	Closing balance	18.2 -	253,556,959
		March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
		Note	
	- Toyota Rawal Motors (Private) Limited		
	Opening balance	173,085,943	149,430,248
	Additions during the period	140,088,969	34,600,000
	Markup	6,571,903	22,555,695
	Payments made during the period	(319,402,448)	(33,500,000)
	Closing balance	18.2 344,367	173,085,943
		106,833,433	533,262,876

- 18.1 This represents interest bearing unsecured loan and accumulated markup thereon received from Chief Executive of the Company for working capital requirements. The loan carries mark up at the rate at KIBOR plus 2 % per annum. The loan was restructured on June 30, 2021. As per the revised terms, the Company is accruing interest over the loan amount while interest is payable after the final payment of principal amount.

- 18.2 This represents interest bearing unsecured loans and accumulated markup thereon received from related parties, Rawal Industrial Equipment (Private) Limited and Toyota Rawal Motors (Private) Limited for working capital of the Company and acquisition of the equipment. The loan was restructured on June 30, 2021. It carries mark up at the rate at KIBOR plus 2 % per annum. As per the revised terms, the Company is accruing interest over the loan amount while interest is payable after the final payment of principal amount.

		March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
	Note		
19 DEFERRED LIABILITY			
Staff retirement benefits - gratuity		25,393,458	25,393,458
Provident fund payable	19.1	106,572,898	84,087,339
		<u>131,966,356</u>	<u>109,480,797</u>

- 19.1 With effect from January 01, 2021, the Company has opted provident fund for staff retirement benefits covering all permanent and regular employees as per registered provident fund rules and regulations. Since the provident fund has been maintained in the Company's separate bank account and will be payable at the time of retirement to employees. Therefore, reclassified from "Trade and other payables" to "Deferred liability" during the period.

		March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
	Note		
20 LIABILITY UNDER DIMINISHING MUSHARAKA			
Lease liability		117,190	8,714,873
Less: current portion of lease liability		(117,190)	(8,714,873)
	20.1	<u>-</u>	<u>-</u>

- 20.1 This represents outstanding balance of diminishing musharaka facility from First Habib Modaraba and carries 3 months KIBOR plus 2.50%. Repayment shall be made in 36 equal monthly installments commencing from December 30, 2021 and ending in November 30, 2024. This is secured by way of ownership of leased asset. However some installments are yet to made therefore repayment period is extended to March 31, 2025.

		March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
21	CURRENT PORTION OF LONG TERM FINANCING		
	From financial institutions - secured	-	13,097,821
	Less: current portion of loan	-	(13,097,821)
		<u>-</u>	<u>-</u>

**22 GAS INFRASTRUTURE DEVELOPMENT
CESS**

	Accumulated present value of GIDC	129,395,113	129,379,479
	Less: current portion of GIDC	(129,395,113)	(129,379,479)
		<u>-</u>	<u>-</u>

- 22.1 In 2011, GIDC was imposed on natural gas consumers including companies with effect from January 01, 2012 to finance the cost of laying the overland gas pipeline. In 2013, the Peshawar High Court declared the GIDC Act 2011 as ultra vires the constitution and struck down the GIDC Act 2011. In August 2014, Supreme Court of Pakistan dismisses the appeal filed by the Federal Government of Pakistan deciding that GIDC is a fee and not a tax and could not be imposed by money bill. In September 2014, the GIDC Ordinance was promulgated by the President of Pakistan with retrospective effect with original imposition. In October 2016, the Sindh High Court declared the levy to be un-constitutional. In August 2020, the Supreme Court of Pakistan held that GIDC is validly levied and allowed the government to collect the amount in 24 equal installments. Further, in November 2020, the Supreme Court dismissed the review petition seeking review of its order (issued in August 2020). Supreme Court in its judgement on the review petitions noted that government is agreeing to recover the arrears for GIDC in 48 monthly installments (instead of 24 months, as mentioned in August 2020 order of the Supreme Court). The Federal Government has started the recovery of this fee and the Company has booked the liability amounting to Rs. 119.132 million in this regard after receiving bill from the SNGPL at fair value in accordance with IFRS 9 by discounting the future cash payments required to be made in 48 installments, to settle the liability for GIDC. No installment is paid till to date.

		March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
23	DUE TO RELATED PARTIES		
	Rawal Industrial Equipment (Private) Limited	1,147,808	26,622,808
	Khalid and Khalid Holdings (Private) Limited	-	3,445,876
	Toyota Rawal Motors (Private) Limited	371,776	7,507,641
		<u>1,519,584</u>	<u>37,576,325</u>

24 CONTRACT LIABILITY

Opening balance	836,755,119	177,383,666
Advance received during the period / year	4,046,141,181	4,716,370,338
Transferred to revenue during the period / year	(3,905,444,228)	(4,056,998,885)
Closing balance	<u>977,452,073</u>	<u>836,755,119</u>

- 24.1 This represents amounts received from customers which will be recognized as revenue upon the completion of performance obligation of the Company.

	March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
25 TRADE AND OTHER PAYABLES		
Trade creditors	299,806,675	243,497,145
Accrued liabilities	260,109,920	172,603,446
Old labour dues	3,256,878	3,256,878
Sales tax payable	36,695,100	27,939,639
Withholding income tax payable	18,691,808	6,422,913
Workers' profit participation fund	90,480,764	77,675,394
Workers' welfare fund	9,710,493	7,066,915
	<u>718,751,638</u>	<u>538,462,330</u>

26 CONTINGENCIES AND COMMITMENTS

26.1 Contingencies

a) Legal case against the Company:

There has been no significant change in the status of contingent liabilities disclosed as at June 30, 2024.

b) Tax contingencies:

There has been no significant change in the status of tax contingencies disclosed as at June 30, 2024.

		March 31, 2025 Rupees (Unaudited)	June 30, 2024 Rupees (Audited)
26.2	COMMITMENTS	Note	
The Company has following commitments:			
	in respect of purchase of land from CEO	9.1	515,624,406
	- in respect of letter of credit		542,924,406
	- against import of raw materials		170,066,400
	- against import of stores and spare parts		139,740,170
			33,689,872
		26.2.1	14,610,153
			203,756,272
			154,350,323
			719,380,678
			697,274,729

- 26.2.1 This amount represents future letter of credit commitments which will be fulfilled in respect of import of raw material, stores and spare parts and plant and machinery.

27 TRANSACTION WITH RELATED PARTIES

The related parties and associated undertakings of the Company comprise of group companies, other associate companies, directors and key management personnel. Transactions with related parties and associated undertakings during the period are as follows :

Name of the related party	Relationship	Transactions during the period	Nine months ended March 31,		Three months ended March 31,	
			2025	2024	2025	2024
			(Rupees)			
			(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Toyota Rawal Motors (Private) Limited	Associated company by virtue of common directorship	Interest on short term borrowings	-	-	-	-
		Rental for building	1,025,328	932,115	341,776	341,776
		Utilities	90,000	90,000	30,000	30,000
		Long term financing - received	140,088,969	28,600,000	88,588,969	-
		Long term financing - repayment	235,844,863	31,000,000	88,600,000	16,000,000
		Interest on long term financing	1,184,641	18,625,598	253,403	5,843,595
		Closing balance	371,776	165,655,846	371,776	165,655,846
Rawal Industrial Equipment (Private) Limited	Associated company by virtue of common directorship	Purchase of fixed assets	-	-	-	-
		Long term financing - repayment	149,795,170	367,224,422	-	17,030,732
		Long term financing - received	5,772,182	158,212,067	-	103,048,000
		Interest on long term financing	1,896,994	25,692,063	-	11,035,848
		Closing balance	1,410,237	301,861,071	1,410,237	301,861,071
Mr. Nadeem Khalid	Chief Executive	Long term financing - loan repaid	2,244,000	289,521,894	700,000	157,985,809
		Long term financing - received	1,800,000	1,400,000	-	-
		Interest on long term financing	313,092	40,725,764	95,047	7,398,963
		Advance for land purchase	27,300,000	-	7,300,000	-
		Closing balance	106,489,066	147,982,380	106,489,066	147,982,380
Khalid & Khalid Holdings	Associated company by virtue of common directorship	Short term borrowings - Paid	93,603,005	28,054,746	67,919,910	7,533,866
		Short term borrowings - Received	93,109,153	29,389,142	60,237,409	21,909,142
		Interest on short term borrowings	1,184,641	31,515,385	253,403	11,762,679
		Closing balance	1,678,493	190,554,821	1,678,493	190,554,821
Chief Executive, Directors and Executives	Key management personnel	Remuneration and other benefits	17,176,043	18,504,563	5,561,427	6,108,097

27.1 - Balances receivable/payable to related parties are disclosed in respective notes.

28 DATE OF AUTHORIZATION

These condensed interim financial information were authorized for issue on April 30, 2025 by the Board of Directors of the Company.

29 GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR



PRINTED MATTER

If not delivered, please return to:

Frontier Ceramics Limited

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