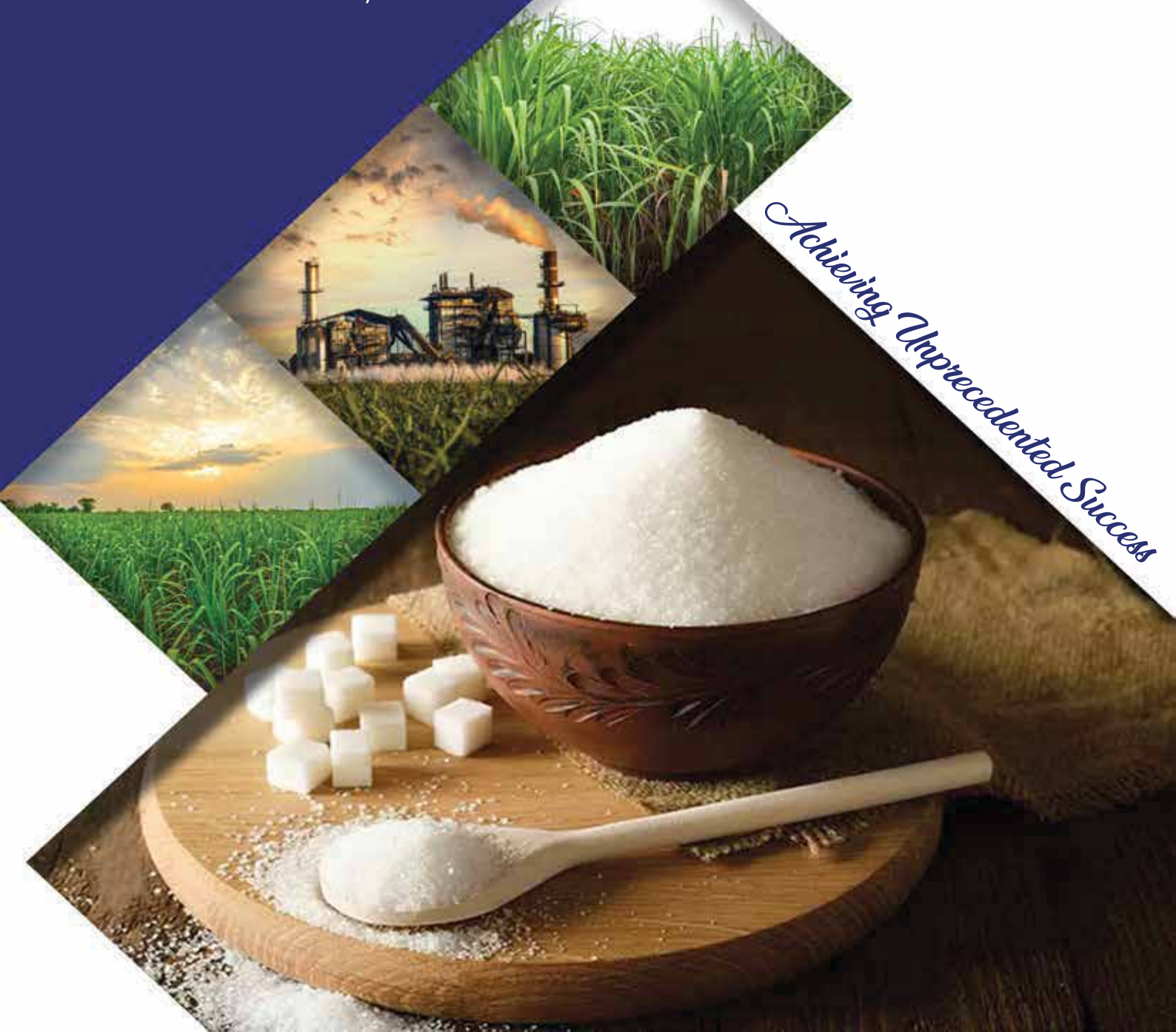




**AL-ABBAS SUGAR
MILLS LIMITED**

**CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED) FOR THE
QUARTER ENDED
DECEMBER 31, 2023**

Achieving Unprecedented Success



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COMPANY INFORMATION

BOARD OF DIRECTORS

Zakaria Usman	Chairman
Asim Ghani	Chief Executive Officer
Asma Aves Cochinwala	Director
Darakshan Zohaib	Director
Haroon Askari	Director
Muhammad Salman Hussain Chawala	Director
Muhammad Siddiq Khokhar	Director
Shahid Hussain Jatoi	Director
Suleman Lalani	Director

COMPANY SECRETARY

Zuhair Abbas

CHIEF FINANCIAL OFFICER

Samir Hajani

AUDIT COMMITTEE

Haroon Askari	Chairman
Asma Aves Cochinwala	Member
Darakshan Zohaib	Member
Muhammad Salman Hussain Chawala	Member
Zakaria Usman	Member
Suhaib Afzal	Secretary

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Haroon Askari	Chairman
Asim Ghani	Member
Shahid Hussain Jatoi	Member
Siddiq Khokhar	Member
Suleman Lalani	Member
Zakaria Usman	Member

BANKERS

Al Baraka Bank Pakistan Limited
 Allied Bank Limited
 Askari Bank Limited
 Bank Alfalah Limited
 Habib Metropolitan Bank Limited
 MCB Bank Limited
 MCB Islamic Bank
 National Bank of Pakistan
 The Bank of Punjab
 Meezan Bank Limited
 Samba Bank Limited
 Soneri Bank Limited
 United Bank Limited

STATUTORY AUDITORS

BDO Ebrahim & Co.
 Chartered Accountants

COST AUDITORS

UHY Hassan Naeem & Co.

Chartered Accountants

REGISTERED OFFICE

2nd Floor, Pardesi House, Survey No 2/1,
 R.Y. 16, Old Queens Road, Karachi - 74000
 Tel: 92-21-111-111-224
 Fax: 92-21-32470090
 Website: www.aasml.com

SHARE REGISTRAR OFFICE

M/s. CDC Share Services Ltd.,
 CDC House-99B, Block 'B',
 S.M.C.H.S, Main Shahra-e-faisal,

FACTORIES/STORAGE LOCATIONS

- 1) Mirwah Gorchani, Distt. Mirpurkhas, Sindh
- 2) Main National Highway, Dhabeji, Sindh
- 3) Oil Installation Area, Kemari, Karachi, Sindh

RISK MANAGEMENT COMMITTEE

Muhammad Salman Hussain Chawala	Chairman
Asim Ghani	Member
Darakshan Zohaib	Member
Siddiq Khokhar	Member

DIRECTORS' REPORT

Dear Members,

Assalam-o-Alaikum!

On behalf of the Board of Directors of Al-Abbas Sugar Mills Limited, we hereby provide you with the condensed interim financial statements for the quarter concluding on December 31, 2023.

Financial performance

Below is a summary of the Company's financial results for the quarter concluding on December 31, 2023, along with the corresponding figures for comparison during the same period.

	December 31, 2023	December 31, 2022
	----- (Rs in '000s) -----	
Profit before taxation	1,365,495	495,610
Taxation	<u>(245,114)</u>	<u>(27,789)</u>
Profit after taxation	<u>1,120,381</u>	<u>467,821</u>
Basic earnings per share (Rupees)	<u>64.53</u>	<u>26.94</u>

In the reviewed period, your company has recorded an after-tax profit of Rs. 1,120.381 million, showcasing a substantial rise from Rs. 467.821 million in the corresponding period last year—an impressive increase of Rs. 652.560 million. This notable growth can be attributed primarily to the increased sales quantity of sugar and ethanol, increase in sale price of sugar and devaluation of Pak Rupee against US dollar as compared to the corresponding period last year.

SUBSEQUENT EVENT AND DIVIDEND

The Board of Directors in their meeting held on December 27, 2023 has proposed a final cash dividend of Rs. 6 per shares i.e. 60% for the year ended September 30, 2023. The approval for the final cash dividend shall be obtained at the Annual General Meeting to be held on January 25, 2024. These condensed interim financial statements do not include the effect of final cash dividend.

OPERATING SEGMENT RESULTS

Below is the performance breakdown by division:

SUGAR Division

Here is an overview of the financial and operational performance of our Sugar division during the three months concluding on December 31, 2023:

Financial Performance

	December 31, 2023	December 31, 2022
	----- (Rs in '000s) -----	
Sales	1,850,255	799,450
Cost of Sales	<u>(1,298,287)</u>	<u>(856,232)</u>
Gross profit	551,968	(56,782)
Distribution Cost	(6,519)	(3,249)
Administrative Expenses	<u>(27,936)</u>	<u>(24,528)</u>
Operating segment results	517,513	(84,559)
Other operating expenses	(32,195)	(1,334)
Finance cost	(76,393)	(25,350)
Other income	<u>3,055</u>	<u>3,752</u>
Profit before taxation	411,980	(107,491)
Taxation	<u>(152,372)</u>	<u>(10,177)</u>
Profit after taxation	<u>259,608</u>	<u>(117,668)</u>

Operational performance

	2023-24	2022-23
	November 12, 2023	November 29, 2022
Date of start of season		
No. of days mill operated (based on Actual no. of Hours)	47	30
Crushing (M. Tons)	291,502	179,622
Production from sugarcane (M.Tons)	28,043	17,328
Sales during the period (M. Tons)	16,458	11,925
Sucrose Recovery	9.84%	10.06%

In the current period, the net sales of the Sugar segment amounted to Rs 1,850.255 million, exhibiting a significant rise from the previous corresponding period's figure of Rs 799.450 million. This represents an increase of Rs 1,050.805 million, attributed to higher dispatches and improved price. The Sugar production of the Company witnessed a noteworthy surge of 61.84%, attributed to the current crushing season commencing earlier, citing the crop position, compared to the preceding year's crushing season. Consequently, this segment successfully enhanced its overall profitability compared to the previous year, primarily driven by increased sales quantity and price.

ETHANOL Division

The financial and operational performance of our Ethanol division is presented in the table below:

Financial Performance

	December 31, 2023	December 31, 2022
	------(Rs in '000s)-----	
Sales	3,792,399	1,659,965
Cost of Sales	<u>(2,488,244)</u>	<u>(985,984)</u>
Gross profit	1,304,155	673,981
Distribution Cost	(391,271)	(35,435)
Administrative Expenses	<u>(19,643)</u>	<u>(16,576)</u>
Operating segment results	893,241	621,970
Other operating expenses	(53,606)	(26,085)
Finance cost	(50,629)	(31,955)
Other income	<u>138,269</u>	<u>63,503</u>
Profit before taxation	927,275	627,433
Taxation	<u>(75,528)</u>	<u>(17,480)</u>
Profit after taxation	851,747	609,953

Operational Performance

	2023-24	2022-23
Operational Data		
Production (M. Tons) – Unit I and II	8,186	11,020
Sales (M. Tons)	14,404	7,910

In the reviewed period, Ethanol sales remained predominantly focused on exports, contributing valuable foreign currency to the country. The Company witnessed a substantial increase in sales, amounting to Rs. 2,132.434 million, reflecting a growth of 128.46% compared to the same period last year. This surge can be attributed primarily to the devaluation of the Pak Rupee and an increase in sales quantity. However, the production of ethanol experienced a decline from 11,020 M.Tons to 8,186 M.Tons due to the unavailability of raw materials.

Other Reportable Segment

For the quarter ending December 31, 2023, the other reportable segment has generated a net profit of Rs. 9.026 million, marking a positive shift from a net loss of Rs. 24.455 million in the previous period. This turnaround can be attributed to the net profit generated from trading activities.

The operation of the Power, Chemical, and Alloy division will resume once the economic situation improves and production becomes feasible.

Your company's tank terminal holds a license for the storage of hazardous materials and functions as a custom bonded warehouse. The facility is currently undergoing significant maintenance work, and full operations will resume upon completion of the maintenance process. Additionally, the ethanol produced by your distillery is stored in the terminal facility, ensuring timely delivery for export orders.

FUTURE PROSPECTS

The future outlook for the upcoming period in the financial year 2023-24 is contingent upon several factors. These factors include the selling prices of sugar and ethanol, market interest rates, the level of inflation, and the exchange rate between the Dollar and the Rupee.

The sugar industry should focus on enhancing the productivity of sugarcane, considering the constraints of limited available land and the attractiveness of other profitable crops. Improving sugarcane productivity would not only contribute to the economic well-being of farmers but also enable millers to achieve optimal capacity utilization. This strategy aligns with the goal of fostering a mutually beneficial relationship between farmers and millers in the sugar industry.

The Ethanol segment of your company has consistently demonstrated profitability over several years. The future outlook for the ethanol segment hinges on key factors such as the availability, quality, and pricing of molasses, which serves as its primary raw material. The success and sustainability of the ethanol segment will be closely tied to these critical elements in the upcoming periods.

The company is cognizant of the challenges it currently faces and is committed to implementing all necessary measures to enhance productivity across its various divisions, ultimately striving to improve the overall profitability of the company.

ACKNOWLEDGEMENT

The company genuinely acknowledges the dedication of each and every staff member for their invaluable contributions that have led to such a resilient performance. We express our gratitude to our customers for their trust in our products, and we eagerly anticipate their continued support.

Additionally, we extend our sincere gratitude to our shareholders, banks, and financial institutions for their unwavering support, guidance, and confidence in our enterprise. We are fully committed to ensuring efficiency in all aspects of the company's operations. With renewed enthusiasm and spirit, we are confident that, Insha'Allah, together we will overcome the challenges currently faced by the company.



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director

Karachi: January 25, 2024

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT DECEMBER 31, 2023

		December 31, 2023	September 30, 2023
		Un-audited	Audited
Note			
<i>(Rupees in thousand)</i>			
ASSETS			
Non-Current Assets			
Property, plant and equipment	8	1,406,616	1,430,312
Investment property		160	164
Right-of-use assets		15,457	15,350
Long term investments		176,180	123,638
Long term loans		198	236
Long term deposits		19,961	19,961
		1,618,572	1,589,661
Current Assets			
Biological assets		952	2,136
Stores and spares		306,753	303,334
Stock-in-trade	9	4,912,117	3,836,955
Trade debts		504,166	252,804
Loans and advances		3,719,479	3,690,273
Trade deposits and short term prepayments		70,692	14,615
Short term investments		2,117,632	2,645,062
Other receivables		40,353	40,907
Interest accrued		3,264	1,930
Cash and bank balances	10	95,279	67,929
		11,770,687	10,855,945
Total Assets		13,389,259	12,445,606
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital			
40,000,000 (2022: 40,000,000) shares of Rs. 10 each		400,000	400,000
Issued, subscribed and paid-up capital			
17,362,300 (2022: 17,362,300) ordinary shares of Rs. 10 each		173,623	173,623
Accumulated reserves		7,922,123	6,749,201
		8,095,746	6,922,824
Non-Current Liabilities			
Lease liability		7,785	8,695
Market committee fee payable		20,168	19,722
Deferred taxation		103,135	107,364
		131,088	135,781
Current Liabilities			
Trade and other payables		2,187,487	2,498,437
Accrued markup		124,271	49,508
Short term borrowings		2,638,390	2,747,938
Current portion of non-current liabilities		8,170	6,655
Unclaimed dividend		62,447	62,516
Provision for taxation		141,660	21,947
		5,162,425	5,387,001
Total Equity and Liabilities		13,389,259	12,445,606
Contingencies and Commitments	11		

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.


Asim Ghani
 Chief Executive Officer


Darakshan Zohaib
 Director


Samir Hajani
 Chief Financial Officer

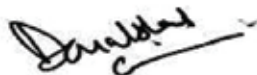
**CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2023**

	Quarter Ended	
	December 31, 2023	December 31, 2022
<i>Rupees in thousand</i>		
Turnover - net	5,864,737	2,473,886
Cost of sales	(3,979,065)	(1,880,447)
Gross profit	1,885,672	593,439
Distribution cost	(397,790)	(38,684)
Administrative expenses	(47,579)	(41,104)
Other operating expenses	(89,110)	(27,419)
Operating profit	1,351,193	486,232
Finance cost	(127,022)	(57,953)
Other income	141,324	67,340
Profit before taxation	1,365,495	495,619
Taxation	(245,114)	(27,789)
Profit after taxation	1,120,381	467,830
Earnings per share - Basic and diluted	64.53	26.95

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director



Samir Hajani
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2023**

	Quarter Ended	
	December 31, 2022	December 31, 2021
	<i>(Rupees in thousand)</i>	
Profit after taxation	1,120,381	467,830
Other comprehensive income for the period		
Items that will not be reclassified to statement of profit or loss account in subsequent periods		
Gain / (loss) on remeasurement of investments at fair value through other comprehensive income	52,541	(10,262)
Total comprehensive income for the period	1,172,922	457,568

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director



Samir Hajani
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED DECEMBER 31, 2023**

	Reserves					Total Shareholders' Equity
	Revenue reserves		Capital reserves			
	Issued, subscribed and paid up capital	General reserve	Unappropriated profit	Subtotal	Unrealized loss on investment at fair value through other comprehensive income	Total Reserves
Balance as at October 1, 2022	173,623	1,458,000	3,102,720	4,560,720	(128,690)	4,432,030
Total other comprehensive income for the period						
Profit after taxation	-	-	467,830	467,830	-	467,830
Other comprehensive income for the period	-	-	-	-	(10,262)	(10,262)
Loss on remeasurement of investments at fair value through other comprehensive income	-	-	-	-	(10,262)	(10,262)
Total comprehensive income for the year	-	-	467,830	467,830	(10,262)	457,568
Balance as at December 31, 2022	173,623	1,458,000	3,570,550	5,028,550	(138,952)	4,889,598
Balance as at October 1, 2023	173,623	1,458,000	5,434,556	6,892,556	(143,355)	6,749,201
Total other comprehensive income for the period						
Profit after taxation	-	-	1,120,381	1,120,381	-	1,120,381
Other comprehensive income for the period	-	-	-	-	52,541	52,541
Gain on remeasurement of investments at fair value through other comprehensive income	-	-	-	-	52,541	52,541
Total comprehensive income for the period	-	-	1,120,381	1,120,381	52,541	1,172,922
Balance as at December 31, 2023	173,623	1,458,000	6,554,937	8,012,937	(90,814)	7,922,123

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director



Samir Hajani
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS
 FOR THE QUARTER ENDED DECEMBER 31, 2023**

	Quarter Ended		
	December 31, 2023	December 31, 2022	
Note	Rupees in thousand		
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	12	(322,020)	457,805
Finance cost paid		(50,873)	(19,953)
Workers' Profit Participation Fund paid - net		(20,970)	-
Market committee fees paid		(2,915)	-
Income tax paid		(129,629)	(34,093)
Long term deposits paid		-	(80)
Long term loans recovered		38	288
		<u>(204,349)</u>	<u>(53,838)</u>
Net cash (used in) / generated from operating activities		<u>(526,369)</u>	<u>403,967</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition to property, plant and equipment		(467)	(1,144)
Disposal of investments in Mutual Funds, TDRs and T-Bills - net		527,430	342,806
Interest / markup received		22,836	64,040
Dividend received		116,187	-
Net cash generated from investing activities		<u>665,986</u>	<u>405,702</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		-	(22,514)
Lease rental paid		(2,650)	(2,207)
Dividend paid		(69)	(231)
Short term borrowings obtained - net		(109,548)	(666,127)
Net cash used in financing activities		<u>(112,267)</u>	<u>(691,079)</u>
Net (decrease) / increase in cash and cash equivalents		27,350	118,590
Cash and cash equivalents at beginning of the year		67,929	63,552
Cash and cash equivalents at the end of the period		<u>95,279</u>	<u>182,142</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director



Samir Hajani
Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE QUARTER ENDED DECEMBER 31, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

Al-Abbas Sugar Mills Limited - AASML ("the Company") was incorporated in Pakistan on May 2, 1991 as a public limited Company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is listed with Pakistan Stock Exchange Limited - PSX. The principal activities of the Company are manufacturing and sale of sugar, processing and sale of industrial ethanol, manufacturing and sales of chemical, alloys and power and providing bulk storage facility.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at Pardesi House, Survey No. 2/1, R.Y.16, Old Queens Road, Karachi, Pakistan. The Company's manufacturing facilities for the following business units are located at the following respective addresses:

S. No.	Business units	Principal Activities	Address	Commencement of commercial production
1	Sugar	Manufacturing and sale of sugar	Deh 145, Tapo Kangaroo, Taluka Digri, District Mirpurkhas	December 15, 1993
2	Ethanol	Processing and sale of industrial ethanol	Deh 145, Tapo Kangaroo, Taluka Digri, District Mirpurkhas	Unit I: August 20, 2000 Unit II: January 23, 2004
3	Other reportable segment			
	a) Chemical, alloys and Power (note 2.1)	Manufacturing and sales of calcium carbide and ferro alloys. Generation and sales of electricity.	Dhabeji Tapo Gharo, National Highway Road, Taluka Mirpur Sakro, District Thatta	November 01, 2006 April 06, 2010
	b) Tank Terminal	Providing bulk storage facility	Plot 63, Oil Industrial Area, Kemari, Karachi	October 15, 2012

2.1 The production facilities of chemical, alloys and power segment have already been suspended temporarily in view of the business conditions.

3 BASIS OF PREPARATION

3.1 Statement of compliance

This condensed interim financial information of the Company for the quarter ended December 31, 2023 is unaudited and 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 34, 'Interim Financial Reporting' issued by the International Accounting Standard 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 from the requirements of IAS-34, the provisions of and directives issued under the Companies Act, 2017 shall prevail.

This condensed interim financial information do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended September 30, 2023.

The comparative statement of financial position presented in this condensed interim financial information as at September 30, 2023 has been extracted from the annual audited financial statements of the Company for the year ended September 30, 2023 whereas the comparative condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with the notes thereto for the quarter ended December 31, 2022 have been extracted from the condensed interim financial information of the Company for the quarter ended December 31, 2022.

3.2 Basis of measurement

This condensed financial information have been prepared under the historical cost convention, except as otherwise disclosed in these financial statements.

3.3 Functional and presentation currency

This condensed interim financial information has been presented in Pakistani Rupees which is also the Company's functional currency.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 The accounting policies, applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended September 30, 2023.

4.2 Change in accounting standards, interpretations and amendments to published approved accounting standards

(a) Standards and amendments to published approved accounting standards which are effective during the period ended December 31, 2023.

(b) Standards and amendments to published approved accounting standards that are not yet effective.

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's annual accounting periods beginning on or after October 1, 2023. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial information.

5 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

5.1 The preparation of this condensed interim financial information in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

5.2 In preparing this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key source of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended September 30, 2023.

5.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended September 30, 2023.

6 INCOME TAX, WORKERS' PROFIT PARTICIPATION FUND, WORKERS' WELFARE FUND AND POST RETIREMENT BENEFITS

Provision in respect of income taxes, Workers' Profit Participation Fund, Workers' Welfare Fund and retirement benefits are estimates only and final liabilities will be determined on the basis of annual results.

7 SEASONAL PRODUCTION

Due to the seasonal availability of sugarcane, the manufacturing of sugar is carried out during the period of availability of sugarcane and cost incurred / accrued up to the reporting date have been accounted for. Accordingly, the cost incurred / accrued after the reporting date will be reported in the subsequent interim and annual financial statements.

			(Un-audited) December 31, 2023 (Rupees in thousand)	(Audited) September 30, 2023
8 PROPERTY, PLANT AND EQUIPMENT				
Operating fixed assets	8.1		1,406,616	1,474,346
8.1 Operating fixed assets				
Opening net book value (NBV)			1,430,312	1,493,214
Additions during the period - at cost	8.1.1		467	78,507
			1,430,779	1,571,721
Disposals / written off during the period - at NBV	8.1.2		-	(200)
Depreciation charged during the period			(24,163)	(97,175)
			(24,163)	(97,375)
Closing net book value (NBV)			1,406,616	1,474,346
8.1.1 Detail of additions at cost are as follows:				
Plant and machinery			-	55,772
Vehicles			-	21,646
Office equipment			135	115
Computers			332	974
			467	78,507
8.1.2 Details of disposals / written off at NBV are as follows:				
Vehicle			-	200
			-	200
			-	-

			(Un-audited) December 31, 2023 (Rupees in thousand)	(Audited) September 30, 2023
9 STOCK-IN-TRADE				
Raw materials			1,164,688	1,191,442
Work-in-process			63,820	5,681
Finished goods			3,595,703	1,900,931
			4,824,211	3,098,054
Stock of bagasse in hand			87,906	3,053
			4,912,117	3,101,107

10 CASH AND BANK BALANCES

Cash in hand			1,095	1,115
Cash at banks				
Current accounts			59,796	36,405
Savings accounts	10.1		34,388	30,409
			94,184	66,814
			95,279	67,929

10.1 This includes an amount of Rs. 1.012 (September 30, 2023: 12.958) Million under an arrangement permissible under Shariah.

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

11.1.1 There were no major changes in the status of other contingencies as reported in the annual financial statements for the year ended September 30, 2023.

11.2 Commitments

- a) Commitments in respect of outstanding letter of credit amounts to Rs. Nil (September 30, 2023: Rs. Nil) million.
- b) Bank guarantees of Rs. 54.6 million (September 30, 2023: Rs. 54.6 million) have been issued by the banking companies on behalf of the Company in favour of customers and suppliers.

	December 31, 2023 (Un-audited) (Rupees in thousand)	December 31, 2022 (Un-audited)
12 CASH (USED IN) / GENERATED FROM OPERATIONS		
Profit before taxation	1,365,495	495,619
Adjustments for:		
Depreciation		
-Operating fixed assets	24,163	23,792
-Right-of-use-assets	2,208	1,858
-Investment property	4	5
Mark-up on loan to growers	(889)	(391)
Dividend income	(116,187)	(5)
Income on term deposit receipts/savings account	(23,281)	(63,894)
Net amortization of grant income	-	(1,222)
Finance cost	127,022	57,953
Provision for bad debts	-	580
Workers Welfare Fund	14,288	-
Workers Profit Participation Fund	72,620	26,085
Market committee fees	2,915	1,796
	102,863	46,557
Cash generated from operating activities before working capital changes	1,468,358	542,176
(Increase) / decrease in current assets		
Biological assets	1,184	(452)
Stores and spares	(3,419)	(40,730)
Stock-in-trade	(1,075,162)	(856,671)
Trade debts	(251,362)	403,022
Loans and advances	(29,206)	32,503
Trade deposits and short term prepayments	(56,077)	(17,609)
Other receivables	554	8,625
	(1,413,488)	(471,312)
(Decrease) / Increase in current liabilities		
Trade and other payables	(376,890)	386,941
Net cash (used in) / generated from operations	(322,020)	457,805

13 SEGMENT REPORTING

(Rupees in thousand)

Segment profit and loss account	Quarter Ended December 31							
	2023	2022	2023	2022	2023	2022	2023	2022
	<i>Sugar</i>		<i>Ethanol</i>		<i>Other Segments</i>		<i>Total</i>	
Turnover - net	1,850,255	799,450	3,792,399	1,659,965	222,083	14,471	5,864,737	2,473,886
Cost of sales	(1,298,287)	(856,232)	(2,488,244)	(985,984)	(192,534)	(38,231)	(3,979,065)	(1,880,447)
Gross profit / (loss)	551,968	(56,782)	1,304,155	673,981	29,549	(23,760)	1,885,672	593,439
Distribution cost	(6,519)	(3,249)	(391,271)	(35,435)	-	-	(397,790)	(38,684)
Administrative expenses	(27,936)	(24,528)	(19,643)	(16,576)	-	-	(47,579)	(41,104)
Operating segment results	517,513	(84,559)	893,241	621,970	29,549	(23,760)	1,440,303	513,651
Other operating expenses	(32,195)	(1,334)	(53,606)	(26,085)	(3,309)	-	(89,110)	(27,419)
Finance cost	(76,393)	(25,350)	(50,629)	(31,955)	-	(648)	(127,022)	(57,953)
Other income	3,055	3,752	138,269	63,503	-	85	141,324	67,340
Profit / (loss) before taxation	411,980	(107,491)	927,275	627,433	26,240	(24,323)	1,365,495	495,619
Taxation	(152,372)	(10,177)	(75,528)	(17,480)	(17,214)	(132)	(245,114)	(27,789)
Profit / (loss) after taxation	259,608	(117,668)	851,747	609,953	9,026	(24,455)	1,120,381	467,830

14 RELATED PARTY TRANSACTIONS

The related parties comprise of associated undertakings, Directors of the Company, Key Management Personnel and post employment benefit plan. The Company in the normal course of business carries out transactions with various related parties. Amounts due to / from related parties, if any, are shown in respective notes to the financial statements. Transactions and balances with related parties are as follows:

	December 31, 2023	December 31, 2022
	(Rupees in thousand)	
Transactions with Post Employment Benefit Plan - Gratuity Fund		
Loan installments recovered from employees on behalf of Employees Gratuity Fund	1,704	1,627
Paid to Employees Gratuity Fund on account of installment recovered from employees	-	10,000
Balance receivable/(payable) from employee gratuity fund at the end of the period	32,934	(16,573)
Transactions with key management personnel		
Remuneration of Chief Executive Officer, Directors and Executives	38,445	31,781
Installment recovered from Company Secretary	200	300
Balance receivable from Company Secretary at amortized value at the end of the period	961	1,925
Investment in Mutual Funds - Related Party		
Investment made in NIT funds	944,600	-
Investment redeemed in NIT funds	(353,280)	-
Balance in NIT funds at the end of the period	976,261	-
Investment redeemed in JS Investments Limited Funds	(250,000)	-
Balance in JS Investments Limited funds at the end of the period	791,043	-
Transactions with Directors and their relatives		
Meeting fee	1,000	500

15 CORRESPONDING FIGURES

Corresponding figures have been re-arranged / reclassified, whenever necessary, for the purpose of compliance, comparison and better presentation. Major changes made during the period are as follows:

Reclassification from the caption component	Reclassification to the caption component	Rupees in thousand
Finance cost - ethanol segment	Finance cost - sugar segment	23,732

16 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended September 30, 2023.

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices (Unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset either directly or derived from prices.

Level 3: inputs for the asset or liability that are not based on observable market data (unadjusted) inputs.

Transfers during the period

During period ended December 31, 2023, there were no transfers between level 1 and level 2 fair value measurement and into or out of Level 3 fair value measurements.

18 NON ADJUSTING SUBSEQUENT EVENT

The Board of Directors of the Company in its meeting held on December 27, 2023 have proposed a final cash dividend of Rs. 6 (December 31, 2022: Rs. 30) per share amounting to Rs. 104.174 million (December 31, 2022: Rs. 520.89 million) for approval of the members in the annual general meeting to be held on January 25, 2024.. The effect will be accounted in the period of payment.

19 GENERAL

Figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.

20 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information was authorized for issue on January 25, 2024 by Board of Directors of the Company.



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director




Samir Hajani
Chief Financial Officer


اظہار تشکر:

کمپنی یہ شاندار کارکردگی پیش کرنے کے لیے عملے کے ہر رکن کی انمول شراکتوں کے لیے ان کی لگن کو تسلیم کرتی ہے جس کی بدولت یہ شاندار کارکردگی ممکن ہو سکی۔ ہم اپنی مصنوعات پر اعتماد کے لیے اپنے صارفین کا شکریہ ادا کرتے ہیں اور ان کے مسلسل تعاون کے منتظر ہیں۔

مدیر برآں ہم اپنے حصص یافتگان، بینکرز اور دیگر مالیاتی اداروں کا شکریہ ادا کرتے ہیں کہ ان کی مدد، رہنمائی اور اعتماد جو وہ ہماری کمپنی پر کرتے ہیں۔ نیز ہم کمپنی کے تمام شعبوں میں اعلیٰ کارکردگی کو یقینی بنانے کے لیے پرعزم ہیں۔ انشا اللہ نئے جوش و جذبہ کی بدولت ہم سب مل کر کمپنی کو درپیش مشکل صورتحال پر قابو پالیں گے۔

منجانب: بورڈ آف ڈائریکٹرز


درخشاں زوہیب
ڈائریکٹر


عاصم غنی
چیف ایگزیکٹو آفیسر

کراچی: 25 جنوری 2024

زیر جائزہ مدت کے دوران اتھنول کی برآمدی فروخت کا اہم کردار رہا جس کی بدولت ملک کو قیمتی زرمبادلہ حاصل ہوا۔ کمپنی نے اس فروخت میں خاطر خواہ اضافہ نوٹ کیا یعنی اتھنول کی فروخت میں 2,132.434 ملین روپے کا اضافہ ہوا جو گزشتہ سال کے مقابلے میں 128.46 فیصد زیادہ ہے، اس اضافے کے اہم اسباب میں فروخت کی مقدار میں اضافہ اور پاکستانی روپے کی قدر میں گراؤ کا اہم کردار رہا ہے۔ مزید برآں اتھنول کی پیداوار میں خام مال کی عدم دستیابی کے باعث کمی واقع ہوئی یعنی اتھنول کی پیداوار گذشتہ سال کی پیداوار 11,020 میٹرک ٹن سے کم ہو کر 8,186 میٹرک ٹن رہ گئی تھی۔

دیگر شعبہ جات:

دیگر قابل ذکر شعبہ جات نے 31 دسمبر 2023 کو ختم ہونے والی سہ ماہی کے دوران 9.026 ملین روپے کا خالص منافع کمایا جبکہ گذشتہ سال یہ (24.455) کا خالص نقصان تھا۔ یہ ایک اہم انتہائی مثبت تبدیلی ہے جو ان شعبہ جات کی تجارتی سرگرمیوں میں اضافے کی بدولت ہوا۔ کیمیکل اور پاور ڈویژن کی پیداوار مالی حالات بہتر ہونے پر دوبارہ شروع کی جائے گی۔ آپ کی کمپنی کے ٹینک ٹرنل میں خطرناک مواد کو ذخیرہ کرنے اور کسٹم بانڈ ڈگودام ایک طور پر کام کرنے کا لائسنس ہے۔ اس سہولت پر فی الحال اہم دیکھ بھال اور ضروری تعمیر و مرمت کا کام جاری ہے اور بحالی کے عمل کی تکمیل کے بعد مکمل کا دوبارہ شروع ہو جائے گا۔

مستقبل کے امکانات:

آنے والی مدت یعنی مالی سال 2023-24 کے لیے مستقبل کی کامیابی کا انحصار کئی عوامل پر ہے۔ ان عوامل میں چینی اور اتھنول کی فروخت کی قیمتیں، مارکیٹ میں شرح سود، افراط زر کی سطح اور امریکی ڈالر اور روپے کی شرح تبادلہ میں اتار چڑھاؤ وغیرہ شامل ہیں۔

شوگر انڈسٹری کو محدود دستیاب زمین کی رکاوٹوں اور دیگر منافع بخش فصلوں کی کٹائی کو مدنظر رکھتے ہوئے گنے کی پیداواری صلاحیت بڑھانے پر توجہ دینی چاہیے۔ گنے کی پیداواری صلاحیت کو بہتر بنانے سے نہ صرف کاشتکاروں کی معاشی بہبود میں مدد ملے گی بلکہ ملرز کو صلاحیت کا بہتر استعمال حاصل کرنے میں بھی مدد ملے گی۔ یہ حکمت عملی شوگر کی صنعت میں کاشتکاروں اور ملرز کے درمیان باہمی طور پر فائدہ مند تعلقات کو فروغ دینے کے مقصد سے ہم آہنگ ہے۔

آپ کی کمپنی کے اتھنول کے شعبے نے کئی سالوں سے مسلسل منافع کا مظاہرہ کیا ہے۔ اس شعبے کے مستقبل کے روشن امکانات کا انحصار شیرہ کی دستیابی، معیار اور قیمتوں پر ہے جو اس کے خام مال کے طور پر کام کرتا ہے۔ اتھنول کے شعبے کی کامیابی اور پائیداری آنے والے ادوار میں ان اہم عناصر سے باہم جڑی ہوئی ہوگی۔

کمپنی کو اس وقت درپیش چیلنجوں کا بخوبی علم ہے اور وہ اپنے مختلف ڈویژن میں پیداواری صلاحیتوں کو بڑھانے کے لیے تمام ضروری اقدامات اٹھانے کے لیے پرعزم ہے اور کمپنی کے مجموعی منافع کو بڑھانے کے لیے کوشاں ہے۔

زیر جائزہ مدت میں شکر کی خام فروخت 1,850,255 ملین روپے رہی، مزید برآں گذشتہ سال کے اسی عرصے میں یہ فروخت 799,450 ملین روپے تھی یعنی 1,050.805 ملین روپے کا انتہائی قابل ذکر اضافہ ہوا جس کی بنیادی وجہ چینی کی زیادہ فروخت اور قیمت فروخت میں اضافہ تھی۔ مزید برآں کمپنی کی چینی کی پیداوار میں 61.84 فیصد کا نمایاں اضافہ دیکھنے میں آیا جس کی بنیادی وجہ گذشتہ سال کے کرشنگ سیزن کے مقابلے میں اس سال فصل کی بہتر پوزیشن تھی نتیجتاً اس شعبے نے کامیابی سے کمپنی کے مجموعی منافع میں گذشتہ سال کے اسی عرصے میں فروخت کی نمایاں مقدار اور قیمت میں اضافے کی بدولت قابل ذکر اضافہ کیا۔

انتھنول ڈویژن:

انتھنول ڈویژن کی پیداواری اور مالی کارکردگی درج ذیل ہے۔

سہ ماہی	سہ ماہی	
31 دسمبر 2022	31 دسمبر 2023	مالیاتی کارکردگی
----- (روپے ہزار میں) -----		
1,659,965	3,792,399	فروخت
(985,984)	(2,488,244)	لاگت فروخت
673,981	1,304,155	خام منافع
(35,435)	(391,271)	تقسیمی لاگت
(16,576)	(19,643)	انتظامی اخراجات
621,970	893,241	پیداواری منافع۔ انتھنول یونٹ
(26,085)	(53,606)	دیگر پیداواری اخراجات
(31,955)	(50,629)	مالیاتی لاگت
63,503	138,269	دیگر آمدن
627,433	927,275	منافع قبل از ٹیکس
(17,480)	(75,528)	ٹیکس
609,953	851,747	منافع بعد از ٹیکس

2022-23

2023-24

پیداواری کارکردگی

11,020

8,186

پیداوار میٹرک ٹن - یونٹ I اور II

7,910

14,404

فروخت - میٹرک ٹن

یونٹ کے پیداواری نتائج:
یونٹ کے اعتبار سے کارکردگی کے نتائج حسب ذیل ہیں:

شکر یونٹ کے پیداواری نتائج:

یہاں شکر یونٹ کی مالیاتی اور پیداواری کارکردگی کے نو ماہی یعنی 31 دسمبر 2023 نتائج کا ایک جائزہ حسب ذیل ہے۔

سہ ماہی	سہ ماہی	مالیاتی کارکردگی
31 دسمبر 2022	31 دسمبر 2023	
----- (روپے ہزار میں) -----		
799,450	1,850,255	فروخت
(1,298,287)	(1,298,287)	لاگت فروخت
(56,782)	551,968	خام منافع
(3,249)	(6,519)	تقسیمی لاگت
(24,528)	(27,936)	انتظامی اخراجات
(84,559)	517,513	پیداواری نتائج
(1,334)	(32,195)	دیگر پیداواری اخراجات
(25,350)	(76,393)	مالیاتی لاگت
3,752	3,055	دیگر آمدن
(107,491)	411,980	(نقصان)/منافع قبل از ٹیکس
(10,177)	(152,372)	ٹیکس
(117,668)	259,608	منافع بعد از ٹیکس

2022-23	2023-24	پیداواری کارکردگی
29 نومبر 2022	12 نومبر 2023	موسم کے آغاز کی تاریخ
30	47	کرشنگ کے حقیقی پیداواری دن
179,622	291,502	کرشنگ۔ (میٹرک ٹن)
17,328	28,043	گنے سے پیداوار۔ (میٹرک ٹن)
11,925	16,458	فروخت۔ (میٹرک ٹن)
10.06%	9.84%	شکر حصولی۔ فیصد

ڈائریکٹرز کی جائزہ رپورٹ

معزز اراکین

السلام وعلیکم

ہم العباس شوگر ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے موجودہ سال کی پہلی سہ ماہی 31 دسمبر 2023 کی سہ ماہی کے مختصر عبوری مالیاتی بیانیہ پیش کر رہے ہیں۔

مالیاتی کارکردگی:

کمپنی کے مالیاتی نتائج برائے سہ ماہی ختم شدہ 31 دسمبر 2023 کا گزشتہ سال کے اسی عرصے سے تقابلی جائزہ درج ذیل ہے۔

سہ ماہی	سہ ماہی	مالیاتی کارکردگی
31 دسمبر 2022	31 دسمبر 2023	
----- (روپے ہزار میں) -----		
495,610	1,365,495	منافع قبل از ٹیکس
(27,789)	(27,45,114)	ٹیکس
<u>467,821</u>	<u>1,120,381</u>	منافع بعد از ٹیکس
<u>26.94</u>	<u>64.53</u>	بنیادی آمدن - فی حصص روپے

زیر جائزہ مدت کے دوران آپ کی کمپنی نے 1,120.381 ملین روپے بعد از ٹیکس منافع حاصل کیا جبکہ گزشتہ سال کی اسی سہ ماہی میں یہ منافع 467.821 ملین روپے تھا۔ اس طرح اس منافع میں انتہائی متاثر کن اضافہ 652.560 ملین روپے کا دیکھا گیا۔ اس قابل ذکر نمو کو بنیادی طور پر پچھلے سال کی اسی مدت کے مقابلے میں چینی اور اتھنول کی فروخت کی مقدار اور قیمت فروخت اضافہ اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی مسلسل گراوٹ جو کہ گزشتہ کئی سال سے جاری ہے کو قرار دیا جاسکتا ہے۔

منافع منقسمہ اور بعد کے واقعات:

بورڈ آف ڈائریکٹرز نے اپنے اجلاس منعقدہ 27 دسمبر 2023 میں حتمی نقد منافع منقسمہ، برائے سال 30 ستمبر 2023-6/ روپے یعنی 60 فیصد کی شرح سے دینے کی تجویز دی ہے جس کی منظوری کمپنی کے سالانہ اجلاس عام بتاریخ 25 جنوری 2024 حصص یافتگان سے لی جائے گی۔ نیز اس منافع منقسمہ کا اثر اس عبوری مالیاتی رپورٹ میں شامل نہیں ہے۔



AL - ABBAS SUGAR MILLS LTD.

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