

COLVER PAKISTAN LIMITED
CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE THREE MONTHS PERIOD
ENDED 30 SEPTEMBER 2024 (Un-audited)



COLVER PAKISTAN LIMITED



CLOVER PAKISTAN LIMITED

CLOVER PAKISTAN LIMITED DIRECTORS' REPORT FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2024

The Directors of Clover Pakistan Limited are pleased to present the unaudited condensed interim financial statements for the quarter ended September 30, 2024.

OPERATIONAL RESULTS

For the three-month period ending September 30, 2024, the Company's operating results are as follows:

	September 30, 2024	September 30, 2023
	Rupees In '000'	
Profit/(Loss) before Taxation	Rs. 98,004	Rs. (2,777)
Taxation	Rs. (10,318)	Rs. 0
Profit/(Loss) for the Period	Rs. 87,686	Rs. (2,777,)
Profit/(Loss) per Share – Basic and Diluted	Rs. 2.82	Rs. (0.09)

Clover Pakistan Limited has achieved remarkable results in the three-month period ended September 30, 2024 (3MFY24). Our net revenue surged to an impressive Rs. 825 million, a significant increase from Rs. 6.5 million in the same period last year.

In spite of challenging market conditions, our Company has demonstrated resilience and growth. After accounting for selling and distribution expenses, administrative costs, income tax, and other expenditures, we recorded a net profit of Rs. 87.6 million for 3MFY24. This marks a significant turnaround from a net loss of Rs. 2.7 million in the corresponding period last year (3MFY23).

This positive performance translates into an earnings per share (EPS) of PKR 2.82, compared to a loss per share (LPS) of PKR 0.09 in 3MFY23.

Our results reflect the effectiveness of our strategic initiatives and the dedication of our team in navigating these challenging times. We remain committed to sustaining this momentum and delivering value to our shareholders.

FUTURE PROSPECTS

As we look ahead, Clover Pakistan Limited is optimistic about sustaining and building upon the momentum we have established in recent months. Our strong financial performance in the three-



CLOVER PAKISTAN LIMITED

month period ended September 30, 2024, positions us well for future growth. Here are some key prospects:

1. **Market Expansion:** We plan to explore new markets and enhance our distribution channels. By identifying emerging opportunities within both domestic and international markets, we aim to increase our customer base and drive revenue growth.
2. **Operational Efficiency:** Continuous improvement in our operational processes will be crucial. We will implement cost-saving measures and adopt new technologies to enhance productivity and reduce overhead costs, thereby improving our overall profitability.
3. **Strategic Partnerships:** We will seek strategic partnerships and collaborations that can provide synergies and strengthen our market position. By leveraging the strengths of other organizations, we can accelerate our growth trajectory and expand our capabilities.
4. **Talent Development:** Our dedicated team is key to our success. We will focus on talent development and training programs to enhance skills and foster innovation, ensuring we have the expertise needed to navigate future challenges.

In conclusion, while we acknowledge the dynamic nature of the market, our strategic initiatives and commitment to excellence position us well for sustainable growth. We are excited about the opportunities ahead and remain dedicated to delivering value to our shareholders.

ACKNOWLEDGEMENT

We take this opportunity to thank all those who have provided us their valuable support throughout the year.

ON BEHALF OF THE BOARD OF DIRECTORS



Karachi

Dated October 25, 2024

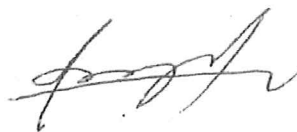
CLOVER PAKISTAN LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

		(Un-audited) September 30 2024	(Audited) June 30 2024
	<i>Note</i>	----- Rupees in '000' -----	
<u>ASSETS</u>			
Non-current assets			
Property and equipment	7	6,282	6,919
Long term investments		26	26
Deffered tax asset	8	39,609	39,609
Total non-current assets		45,917	46,554
Current assets			
Stock-in-trade	9	98,599	57,948
Trade debts	10	8,255	16,913
Loans and advances	11	186,580	184,363
Other receivables	12	21,334	21,334
Cash and bank balances	14	55,459	1,325
Total current assets		370,227	281,883
Total assets		416,144	328,437
<u>EQUITY AND LIABILITIES</u>			
Shareholders' equity			
Authorized share capital			
40,000,000 (2023: 40,000,000) ordinary shares of Rs. 10 each		400,000	400,000
Issued, subscribed and paid-up share capital	15	311,431	311,431
Reserves	16	54,768	(32,918)
Total shareholders' equity		366,199	278,513
Current liabilities			
Trade and other payables	17	22,462	30,034
Advance from customers - unsecured		6,497	6,497
Sales tax payable- net		4,920	7,644
Income tax Payable	13	12,130	1,813
Unclaimed dividend		3,936	3,936
Total current liabilities		49,945	49,924
Contingencies and commitments	18		
Total Equity and Liabilities		416,144	328,437

The annexed notes from 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

CLOVER PAKISTAN LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

		Three months period ended	
		September 30,	September 30,
		2024	2023
	<i>Note</i>	<i>----- Rupees in '000' -----</i>	
Revenue - Net	20	825,442	6,528
Cost Of Sales	21	(723,254)	(2,861)
Gross Profit / (Loss)		102,188	3,667
Admin, Selling And Distribution Expenses		(4,184)	(6,444)
Operating Profit / (Loss) Before Taxation		98,004	(2,777)
Taxation		(10,318)	-
Profit / (Loss) For The Period		87,686	(2,777)
		<i>----- Rupees -----</i>	
Earnings / (Loss) Per Share - Basic And Diluted	24	2.82	(0.09)

The annexed notes from 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

CLOVER PAKISTAN LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

Three months period ended
September 30, September 30,
2024 2023
----- Rupees in '000' -----

Profit / (Loss) For The Period 87,686 (2,777)

Other comprehensive income:

Items that may be reclassified subsequently to
the statement of profit or loss in subsequent periods

-	-
-	-

Items that will not be reclassified to the
statement of profit or loss in subsequent periods

Total other comprehensive income

- -

Total comprehensive Profit/ (loss) for the year

87,686 (2,777)

The annexed notes from 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

CLOVER PAKISTAN LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	<i>Reserves</i>					<i>Total shareholders' equity</i>
	<i>Issued, subscribed and paid-up share capital</i>	<i>Capital Reserve</i>	<i>Revenue reserve</i>		<i>Total reserves</i>	
		<i>Share premium</i>	<i>General Reserve</i>	<i>Accumulated losses</i>		
----- Rupees in '000' -----						
Balance as at June 30, 2023	311,431	388,169	64,600	(678,013)	(225,244)	86,187
Loss for the year	-	-	-	192,326	192,326	192,326
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	192,326	192,326	192,326
Balance as at June 30, 2024	311,431	388,169	64,600	(485,687)	(32,918)	278,513
Profit for the year	-	-	-	87,686	87,686	87,686
Other comprehensive income	-	-	-	-	-	-
Total comprehensive profit for the year	-	-	-	87,686	87,686	87,686
Balance as at Sep 30, 2024	311,431	388,169	64,600	(398,001)	54,768	366,199



Chief Executive Officer



Director



Chief Financial Officer

CLOVER PAKISTAN LIMITED
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	2024	2023	
Note	---- Rupees in '000' ----		
Cash generated from / (used in) operations	25	54,138	2,331
Bank Charges Paid		(3)	(0.11)
Taxation paid	13	(1)	-
		(4)	-
Net cash generated from / (used in) operating activities		54,134	2,331
CASH FLOWS FROM INVESTING ACTIVITIES			
Transfer to property and equipment		-	-
Sale proceeds of property and equipment		-	-
Long term investments		-	(22)
Net cash (used in) / generated from investing activities		-	(22)
CASH FLOWS FROM FINANCING ACTIVITIES			
Ijarah payments		-	-
Net cash used in financing activities		-	-
Net decrease in cash and cash equivalents		54,134	2,309
Cash and cash equivalents at beginning of the year		1,325	1,643
Cash and cash equivalents as at end of the year		55,459	3,952

The annexed notes from 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

1 LEGAL STATUS AND OPERATIONS

Clover Pakistan Limited (the Company) was incorporated in Pakistan on September 30, 1986 as a public limited company under the repealed Companies Ordinance, 1984 (Now: Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange Limited. The Company is a subsidiary of Fossil Energy (Private) Limited (the 'Holding Company') which holds 46.24% (2023: 51.06%) shares of the Company. The registered office and geographical location of business units of the Company are as follows:

1. Banglow No.23-B, Lalazar, Off M.T. Khan Road, Karachi. (Head Office/ Registered office).
2. Ground floor - Qamar plaza, IJP road. Rawalpindi (Administrative office).
3. House no. AK-487, Sector 6-B B-186 Mehran town korangi Karachi (Warehouse).
4. COCO-1 Mouza Dhodha Khasra No.226-1/2, Tehsil Bhalwal, District Sargodha Between KM 34/35 from Sargodha on Lahore /Talibwala/Sargodha/Mianwali Road.
5. COCO-2 Khewat No.172, Khasra No.152, Killa No.14/1, at Mouza Gujrat on Gujrat to Ghazighat Road Tehsil Kot Addu Tehsil Kot Addu District Muzaffargarh.
6. CoCo-3 Khewat No.14/11, Khatooni No.39, Khasra No.10/24, situated at Chak No.91/SB, in between KM 7 & 8 from Sargodha on Lahore-Sargodha-Mianwali Road, Tehsil and District Sargodha.
7. COCO-4 Khewat No. 464/403, Khatooni No. 1359, Khasra No. 26/1, Squar No. 93, Situated at Mouza Jamke B/W Km No. 11-12, From Sheikhpura, Tehsil & District Sheikhpura.
8. COCO-5 Khewat No. 271, 19, 23, Khatooni No. 847, 36 to 88, 95 to 121, Khasra No. 9/10, 10/4, at KM 24 on Lahore Jaranwala Road, Mouza Tarideywali, Tehsil Sharaqpur, district Sheikhpura.

The principal business of the Company includes sale of food products, consumer durables, chemicals and lubricants and also import & trade of gantry equipment's air/ oil filter and other car care products. The Company is also involved in trading of petroleum products. The Company is also involved in marketing & distribution and after sales support of office automation products, fuel dispensers, vending machines and digital screens.

2 SIGNIFICANT EVENTS AND TRANSACTIONS

There is no significant transactions occurred during the period.

3 BASIS OF PREPARATION

3.1 Statement of Compliance

These financial statements of the Company have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan financial reporting. The accounting and reporting standards as applicable in Pakistan for financial reporting comprise of:

International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Wherever, the requirements of the Companies Act 2017 or directives issued by SECP differ with the requirements of IFRS, the requirements of Companies Act 2017 or directives issued by SECP then Companies Act 2017 or directives issued by SECP shall prevail.

3.2 Functional and Presentation Currency

These financial statements is presented in Pakistani Rupees which is also Company's functional currency. The figures have been rounded off to the nearest thousand.

4 **STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS**

4.1 *Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan which are effective in current period*

The following standards, amendments to standards and interpretations are effective for the year ended June 30, 2024. However, except as disclosed otherwise, these standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	<i>Effective for period beginning on or after</i>
Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the disclosure of accounting policies.	January 1, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors': Amendments regarding the definition of accounting estimates.	January 1, 2023
Amendments to IAS 12 'Income Taxes': Amendments regarding deferred tax on leases and decommissioning obligations and amendments to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes.	January 1, 2023

Certain amendments updating a reference to the Conceptual Framework and annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

4.1.1 *Amendments to standards and IFRS interpretations that are not yet effective*

The following amendments to accounting standards and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

<i>Standard or Interpretation</i>	<i>Effective Date (Annual periods beginning on or after)</i>
Amendments to IFRS 7 'Financial Instruments: Disclosures' and IAS 7 'Statement of Cash Flows': Amendments regarding supplier finance arrangements	January 1, 2024
Amendments to IFRS 7 'Financial Instruments - Disclosures' and IFRS 9 'Financial Instruments': Amendments regarding the classification and measurement of financial instruments.	January 1, 2026
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures': Sale or contribution of assets between an investor and its associate or joint venture	Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.
Amendments to IFRS 16 'Leases': Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 1, 2024
IFRS 17 - Insurance Contracts	January 1, 2026
Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the classification of debt with covenants	January 1, 2024

Certain amendments updating a reference to the Conceptual Framework and annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 - First Time Adoption of International Financial Reporting Standards
IFRS 18 Presentation and Disclosures in Financial Statements
IFRS 19 Subsidiaries without Public Accountability: Disclosures
IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information
IFRS S2 Climate-related Disclosures

5 USE OF JUDGEMENTS AND ESTIMATES AND FINANCIAL RISK MANAGEMENT

The preparation of these financial statements in conformity with the approved accounting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

6 MATERIAL ACCOUNTING POLICY INFORMATION

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

6.1 Property and equipment

6.1.1 Owned

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Impairment losses if any are recorded on the basis as defined in note 6.11.

Depreciation is charged on straight line basis at the rates specified in the respective notes of these financial statements. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the month immediately preceding the month of disposal.

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

Major renewals and improvements for assets are capitalized and the assets so replaced, if any, are retired. Maintenance and normal repairs are charged to statement of profit or loss, as and when incurred.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset are charged to statement of profit or loss.

6.1.2 Assets held under Ijarah financing

Assets held under Ijarah financing are accounted for using the guidelines of Islamic Financial Accounting Standard-2 (IFAS-2), "Ijarah". The assets are not recognized on the Company's statement of financial position and payments made under Ijarah financing are recognized in the statement of profit or loss on a straight line basis over the term of the Ijarah.

6.2. Long term deposits

These are stated at amortized cost which represents the fair value of consideration given.

6.3 Stock-in-trade

Stock-in-trade is valued at the lower of cost, determined on weighted average basis or net realizable value, except items in transit, which are stated at cost comprising invoice value and plus other charges incurred thereon.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to be incurred to make the sale.

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realizable value and an allowance is recorded against the inventory balances for any such declines. Inventory write off is made when inventory is discarded without consideration and in case of loss of inventory.

6.4 Financial Instruments - Initial Recognition and subsequent measurement

6.4.1 Initial recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortized cost as the case may be.

6.4.2 Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL")
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortized cost.

The Company determines the classifications of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

6.4.3 Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"); or
- at amortized cost

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instrument held for trading or derivatives) or the Company has opted to measure them at FVTPL.

6.4.4 Subsequent measurement

i) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in other comprehensive income/(loss).

ii) Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets and liabilities held at FVTPL are included in the statement of profit or loss in the period in which they arise.

Where the management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

6.4.5 Impairment of financial assets

The Company recognizes loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortized cost and FVTOCI at an amount equal to life time ECLs except for the financial assets in which there is no significant increase in credit risk since initial recognition or financial assets which are determine to have low credit risk at the reporting date, in which case twelve months' ECL is recorded. The following were either determine to have low or there was no credit risk since initial recognition and at the reporting date:

- deposits;
- loans;
- short-term investments;
- other receivables; and
- bank balances;

Loss allowance for trade debts are always measured at an amount equal to life time ECLs.

Life time ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Twelve months ECLs are portion of ECL that result from default events that are possible within twelve months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured at the present value of all cash short falls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in entirety or a portion thereof.

6.4.6 Derecognition

i) Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfer the financial assets and substantially all the associated risks and reward of ownership to another entity. On derecognition of financial assets measured at amortized cost, the difference between the assets carrying value and the sum of the consideration received and receivable recognized in statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve reclassified to statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to statement of profit or loss, but is transferred to statement of changes in equity.

ii) Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liabilities derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit or loss.

6.4.7 Off-setting of financial assets and liabilities

Financial assets and liabilities are off set and the net amount is reported in the statement of financial position if the Company has a legal right to set-off the transactions and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

6.5 Investments

Investment in equity instruments are classified at fair value through profit or loss and is initially measured at fair value and subsequently is measured at fair value determined using the closing market value at each reporting date. Net gains and losses are recognized in the statement of profit or loss.

6.6 Trade debts and other receivables

These are measured at original invoice amount less an estimate made for allowance for expected credit loss based on the probability of default at reporting period. Bad debts are written off when identified. Impairment losses if any are recorded on the basis as defined in note 6.4.5.

6.7 Trade and other payables

Liabilities for trade and other payables are measured at cost which is the fair value of the consideration to be paid in future for goods and services.

6.8 Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

6.9 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs obligation under the contract.

6.10 Cash and cash equivalents

For the purposes of cash flow statement, cash and cash equivalents comprise of cash in hand and bank balances, short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and short term running finances under mark up arrangements (if any).

6.11 Impairment of non-financial assets

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of impairment loss for a cash generating unit is allocated to the assets of the unit, except for goodwill, pro rata with the carrying amounts of those assets. The increase in the carrying amounts shall be treated as reversals of impairment losses for individual assets and recognized in profit or loss unless the asset is measured at revalued amount. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

6.13 *Employees' benefits*

Provident fund

The Company operates a defined contribution plan in the form of recognized provident fund scheme for the permanent employees. Contributions to fund are made monthly by the Company and employee at the of 10% of the basic salary. The Company's contributions are recognized as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognized as an asset.

Current plan is suspended as number of staff is less than the minimum number required.

Compensated absences

The Company accounts for these benefits in the period in which the absences are earned.

Gratuity

The Company operates an unfunded defined benefit gratuity scheme. The scheme provides for a graduated scale of benefits dependent on the length of service of the employee on terminal date, subject to the completion of minimum qualifying period of service. Gratuity is based on employee's last drawn salary for each completed year of service and best estimates of the management.

Current plan is suspended as number of staff is less than the minimum number required.

6.14 *Taxation*

6.14.1 *Current*

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or Minimum Tax on Turnover or Alternate Corporate Tax whichever is higher and tax paid on final tax regime basis.

6.14.2 *Deferred*

Deferred tax is provided in full using the statement of financial position method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, while deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forwards of unused tax losses and unused tax credits can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. In this regard, the effects on deferred taxation of the portion of income expected to be subject to final tax regime is adjusted in accordance with the requirement of Accounting Technical Release - 27 of the Institute of Chartered Accountants of Pakistan. Deferred tax is charged or credited to the statement of profit or loss.

Deferred tax relating to items recognized directly in the other comprehensive income is recognized in the other comprehensive income and not in statement of profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

6.15 Provisions

Provision is recognized in the statement of financial position when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

6.16 Warranties

Warranty claims for replacement are accounted for in the year in which claims are settled. The Company issues warranty on behalf of the manufacturers and re-route the claims to the respective manufacturer when the claim is received.

6.17 Foreign currency translation

Transactions in foreign currencies are accounted for in Pakistani Rupee at the foreign exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are re-translated into Pakistani Rupee at the foreign exchange rates approximating those prevailing at the statement of financial position date. Exchange differences are taken to the statement of profit or loss on net basis within other income or other expense.

6.18 Revenue from contract with customers

The Company is in the business of sale of goods and provision of services. Revenue from contracts with customers is recognized when control of the goods is transferred to the customer and thereby the performance obligations are satisfied, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods net of discount, sales return and sales related direct expenses and indirect taxes.

The Company has concluded that based on the contractual arrangement for the revenue from sale of goods, performance obligations are satisfied at a point in time i.e. when the goods are dispatched to the customers and control is transferred.

Service revenue is recognized over the contractual period or as and when services are rendered to customers.

The Company provides installation services that are either sold separately or bundled together with the sale of equipment to a customer. The installation services are a promise to transfer services in the future and are part of the negotiated exchange between the Company and the customer.

Other income

- a) Gain or loss on sale of investments is taken to income in the period in which it arises.
- b) Profit / Interest on bank deposits income is recognized on an accrual basis using the effective interest method.
- c) Dividend income is recognized on receipt / acknowledged basis.
- d) Scrap sales is taken to income in the period in which it sold out.

6.19 Dividends and appropriation to reserve

Dividend and appropriation to reserves are recognized in the financial statement in the period in which these are approved. However, if these are approved after the reporting period but before the financial statements are authorized for issue, they are disclosed in the notes to the financial statements.

6.20 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

6.21 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the board, it is in the interest of the Company to do so.

6.22 Share capital

Ordinarily shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

6.23 Contingent liabilities

Contingent liability is disclosed when:

- a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

6.24 Selling and distribution, administrative and operating expenses

These expenses are recognized in statement of profit or loss upon utilization of the services or as incurred except for specifically stated in the financial statements.

6.25 Segment reporting

Segments are reported in a manner consistent with the internal reporting provided to the Company's chief executive decision maker in order to assess each segment's performance and to allocate resources to them. The basis of segmentation and reportable segments presented in these financial statements are the same which are presented to the Board of Directors of the Company. Assets and liabilities are not segment wise reported to the Board of Directors. Refer note 35 for brief description of reportable segment.

		2024	2023
	Note	--- Rupees in '000' ---	
7 PROPERTY PLANT AND EQUIPMENT			
Operating assets	7.1	<u>6,282</u>	<u>6,919</u>
7.1 Operating assets		<u><u>6,282</u></u>	<u><u>6,919</u></u>

Description	COST				Accumulated Depreciation				Written down value	Rate %
	Opening	Addition	Disposal	Closing	Opening	Adjustments	Charge for the year	Closing		
----- Rupees in '000' -----										
Leasehold improvements	12,800	-	-	12,800	7,205	-	320	7,525	5,275	10%
Machinery	2,870	-	-	2,870	2,498	-	144	2,642	228	20%
Furniture & fixtures	4,774	-	-	4,774	4,069	-	135	4,204	570	10%-25%
Computers & equipments	14,276	-	-	14,276	14,276	-	-	14,276	-	25%
Vehicles	10,705	-	-	10,705	10,458	-	38	10,496	209	25%-33%
Office equipments	11,980	-	-	11,980	11,980	-	-	11,980	-	25%
September-24	57,405	-	-	57,405	50,486	-	637	51,123	6,282	
June-24	57,081	324	-	57,405	47,943	-	2,543	50,486	6,919	

September-30 June-30
2024 2024
Note ---- Rupees in '000' ----

9 STOCK-IN-TRADE

Stock-in-trade		89,013	48,362
Stock in transit		12,487	12,487
Provision for stock-in-trade	9.2	(2,901)	(2,901)
Stock-in-trade - net		<u>98,599</u>	<u>57,948</u>

9.2 Movement of provision for stock-in-trade

Opening		2,901	1,842
Provision for the year		-	1,059
Closing		<u>2,901</u>	<u>2,901</u>

10 TRADE DEBTS

Considered good

- Trade debt - related party		-	-
- Trade debt - other		8,255	7,414

Considered doubtful

- Trade debt - other		-	22,186
		<u>8,255</u>	<u>29,600</u>

• Considered doubtful

Allowance for expected credit loss - opening balance		-	(11,392)
Charge for the year		-	(1,295)
Allowance for expected credit loss - closing balance		-	(12,687)
Trade debts - net		<u>8,255</u>	<u>16,913</u>

11 LOANS AND ADVANCES

Considered doubtful

- suppliers - Other parties	11.1	-	9,297
Writeoff		-	(5,815)
		-	3,482

Considered good

- suppliers - Related Party		186,580	180,881
		<u>186,580</u>	<u>184,363</u>

11.1 These represents advances to suppliers that are adjustable and are non-refundable in accordance with the contract with suppliers.

12 OTHER RECEIVABLES

Duty refundable due from government	12.1	20,998	20,998
Others		336	336
		<u>21,334</u>	<u>21,334</u>

12.1 The current status of the duty refundable due from Govt. is same as disclosed in the annual audited financial statements of the Co. for the year ended June 30, 2024

**13 TAX REFUND DUE FROM GOVERNMENT/
(PROVISION FOR TAXATION)**

Opening balance		(1,813)	35,373
Tax paid / deducted at source		1	966
		(1,812)	36,339
Provision for taxation		(10,318)	(32,958)
Write-off		-	(5,194)
		<u>(12,130)</u>	<u>(1,813)</u>

2024 2024
---- Rupees in '000' ----

14 CASH AND BANK BALANCES	Note	2024 ---- Rupees in '000' ----	2024
Cash in hand		98	98
Cash at banks:			
- Current accounts - conventional		<u>55,361</u>	<u>1,227</u>
		<u>55,459</u>	<u>1,325</u>

15 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

Number of Shares

2024	2024		2024	2024
--- Number in '000' ---		Ordinary shares of Rs.10 each:	---- Rupees in '000' ----	
3,900	3,900	- fully paid for consideration paid in cash	39,000	39,000
11,763	11,763	- issued as bonus shares	117,635	117,635
		- issued as fully paid for consideration other than cash against share under scheme of amalgamation		
<u>15,480</u>	<u>15,480</u>		<u>154,796</u>	<u>154,796</u>
<u>31,143</u>	<u>31,143</u>		<u>311,431</u>	<u>311,431</u>

15.1 Fossil Energy (Private) Limited (related party) holds 14,401,121 (2024: 14,401,121) shares of the Company.

16 RESERVES	Note	2024 ---- Rupees in '000' ----	2024
<i>Capital Reserve</i>			
- Share premium		388,169	388,169
<i>Revenue Reserve</i>			
- General Reserve		64,600	64,600
- Accumulated losses		<u>(398,001)</u>	<u>(485,687)</u>
		<u>54,768</u>	<u>(32,918)</u>

17 TRADE AND OTHER PAYABLES

Trade creditors		3,261	4,489
Accrued liabilities		5,289	5,111
Payable to provident fund	17.2	2,536	2,536
Withholding tax payable		-	-
Workers profit participation fund		10,076	10,076
Workers welfare fund		3,879	3,879
Other liabilities		<u>3,943</u>	<u>3,943</u>
		<u>22,462</u>	<u>30,034</u>

17.1 Trade and other payable include balances amounting to Rs. Nil (2024: Rs. Nil) payable to Fossil Energy (Private) Limited.

17.2 All investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose.

18 Contingencies & Commitments

The current status of Contingencies & Commitments is same as disclosed in the annual audited financial statements of the Co. for the year ended June 30, 2024

2024 2023
 Note ---- Rupees in '000' ----

20 REVENUE - NET

<i>Revenue from</i>		
- Sale of goods	829,967	6,763
- Services	-	46
Revenue - gross	<u>829,967</u>	<u>6,809</u>
 <i>Less:</i>		
- Sales tax	(2,724)	(281)
- Sales discount	(1,801)	-
	<u>(4,525)</u>	<u>(281)</u>
	<u><u>825,442</u></u>	<u><u>6,528</u></u>

21 COST OF SALES

Cost of sales	697,282	2,861
Transportation charges	25,972	-
	<u>723,254</u>	<u>2,861</u>

24 EARNING / (LOSS) PER SHARE - Basic and Diluted

2024 2023
 ---- Rupees in '000' ----

<i>Basic profit/(loss) per share</i>		
Profit / (Loss) For The Period	<u>87,686</u>	<u>(2,777)</u>
 <i>Number of shares</i>	 <i>Numbers in "000"</i>	
Weighted average number of shares outstanding as at year end	<u>31,143</u>	<u>31,143</u>
	 ----- Rupees -----	
 <i>Basic profit/(loss) per share</i>	<u>2.82</u>	<u>(0.09)</u>

24.1 There is no dilutive effect on the basic profit/(Loss) per share of the Company

25 CASH FLOWS FROM OPERATING ACTIVITIES

2024 2023
 ---- Rupees in '000' ----

Operating Profit / (Loss) Before Taxation	98,004	(2,777)
Adjustment for non-cash and other items:		
Depreciation	637	585
Write off tax refund	-	-
Finance cost	3	0.11
Allowance for expected credit loss	-	-
Impairment of Intangibles	-	-
Write off stock in trade	-	-
Write off other assets	-	-
Reversal of accumulated depreciation	-	-
Gain on sale of property and equipment	-	-
	<u>640</u>	<u>585</u>
Operating profit / (loss) before working capital changes	98,644	(2,192)
Working capital changes		
(Increase)/ decrease to current assets		
Long-term deposits	-	-
Stock-in-trade	(40,651)	642
Trade debts	8,658	6,815
Loans and advances	(2,217)	-
Trade deposits and short term prepayments	-	3,600
Other receivable	-	-
Increase / (decrease) in current liabilities		
Advance from customers - unsecured	-	-
Sales tax payable	(2,724)	(103)
Trade and other payables	(7,572)	(6,494)
Cash generated from / (used in) operations	<u><u>54,138</u></u>	<u><u>2,331</u></u>

32 **TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

Related parties comprise associated undertakings, directors of the Company and key management personnel. The Company continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions.

Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Key management personnel (KMP) as at 30 September 2024

<i>Name</i>	<i>Direct shareholding %</i>
Mr. Shahzad Mohsin	Nil
Mr. David Cyril Paul	Nil
Mr. Nausherwan Butt	Nil
Ms. Koshak Irum Fazali	Nil
Mr. Javaid Iqbal	Nil
Ms. Shaista Khan	Nil
Mr. Owais Ali Khan	Nil
Mr. Amir Ozari	Nil
Mr Imran Haroon	Nil

<i>Transactions for the year:</i>	<i>Percentage of holding</i>	<i>2024</i>	<i>2023</i>
		<i>---- Rupees in '000' ----</i>	
<i>Holding Company - Fossil Energy (Private) Limited</i>	46.24%		
- Sale of goods		-	-
- Purchase of goods		745,997	1,429,981
- Shared expenses - Paid by Holding Company on behalf of CPL		-	-
<i>Balances:</i>			
<i>Holding Company - Fossil Energy (Private) Limited</i>	46.24%		
- Trade debts		-	-
- Trade creditor		-	-
- Advance to supplier		186,580	-

35 **DATE OF AUTHORIZATION**

These financial statements were authorised for issue on **October 25, 2024** by the Board of Directors of the Company.

36 **GENERAL**

Figures in these financial statements have been rounded off to the nearest thousands of rupees.



Chief Executive Officer



Director



Chief Financial Officer