

MAQBOOL

TEXTILE MILLS LIMITED

Half Yearly Report & Financial Statement (Auditor's Reviewed)
For the half year ended December 31, 2024

DIRECTORS' REVIEW

Dear Shareholders,

On behalf of the Board of Directors of the Company, it is my privilege to present before you the Un-Audited Financial Statements of your Company for the Second Quarter and Half year ended December 31, 2024.

The overall business remained very tough and challenging throughout the second quarter of the financial year 2024-2025. The demand for locally produced yarn reduced drastically due to huge quantity of imported yarn being dumped in the market which put the viability of the spinning industry of the country at stake. However, the management strived hard to achieve best possible operational and financial results by taking steps necessary to reduce production costs by operating at optimum levels. Installation of solar electric system is under process and to reduce energy cost.

During the period under report, the performance of the Company remained depressed due to economic instability and recession in local as well as international market. Due to decrease in demand for yarn locally as well as internationally, the sales rates remained on the lower side diminishing the financial margins of the Company resulting into the net after tax loss for the Second Quarter ended on December 31, 2024 at Rs.298,028,402/- as compared to the net after tax profit of Rs.60,945,797/- for the same period last year.

Your Directors are endeavoring hard to achieve the best possible results for the Company in the current sub-due economic conditions and hope that, by the grace of Almighty Allah, the market condition improve and performance of your Company gets better with improved financial results during the remaining period of the current financial year to end on June 30, 2025.

On behalf of the Board

Chairperson

Place: Multan
Dated: 28-02-2025

ڈائریکٹر کا جائزہ

محترم شیئر ہولڈرز،

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کے دوسری سہ ماہی جو کے 31-12-2024 کو ختم ہوئی ہے اس کی غیر آڈٹ شدہ مالیاتی بیانات آپ کے سامنے پیش کرنا میرا اعزاز ہے۔

مالی سال 2024-2025 کی دوسری سہ ماہی کے دوران مجموعی کاروبار سخت اور چیلنجنگ رہا۔ مقامی طور پر تیار کردہ دھماگے کی مانگ میں زبردستی کمی واقع ہوئی ہے جس وجہ سے درآمدی دھماگے کی بھاری مقدار مارکیٹ میں پھینکی جا رہی ہے جس نے کتناہی کی صنعت کی عملداری کو دواؤ پر لگا دیا ہے۔ تاہم، انتظامیہ سولرا لیکشرز کی تنصیب، بینک قرضوں میں کمی اور بہترین سطح پر کام کرنے کے ذریعے پیداواری لاگت کو کم کرنے کے لئے اقدامات کر کے بہتر مالی نتائج حاصل کرنے کی کوشش کر رہی ہے۔

زیر سایہ رپورٹ کے دوران، مقامی اور بین الاقوامی مارکیٹ میں معاشی عدم استحکام، کساد بازاری اور افراط زر کی وجہ سے کمپنی کی کارکردگی کم رہی۔ مقامی اور بین الاقوامی سطح پر یارن کی مانگ میں کمی کی وجہ سے فروخت کی شرح چلی طرف رہیں جس سے کمپنی کے مالی مارجن میں کمی واقع ہوئی جس کے نتیجے میں 31 دسمبر 2024 کو ختم ہونے والی دوسری سہ ماہی کے لئے ٹیکس کے بعد خالص نقصان روپے 298,028,402 ہوا، جس کے مقابلے میں پچھلے سال ٹیکس کے بعد خالص نقصان روپے 60,945,797 تھا۔ آپ کے ڈائریکٹرز موجودہ ذیلی معاشی حالات میں کمپنی کے لئے بہترین ممکنہ نتائج حاصل کرنے کی بھرپور کوشش کر رہے ہیں اور امید کرتے ہیں کہ اللہ تعالیٰ کے فضل و کرم سے آپ کی کمپنی کی کارکردگی بہتر ہو جائے گی اور مالیاتی نتائج بھی باقی ماندہ مدت جو کہ 30 جون 2025 کو ختم ہوگی اس میں بہتر ہوں گے۔

بورڈ کی جانب سے

چیئر پرسن۔

جگہ: ملتان

تاریخ: 28-02-2025

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Maqbool Textile Mills Limited

Report on the Review of Condensed Interim Financial Statements

Introduction

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

Scope of Review

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

Conclusion

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

Other Matter

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income and the related notes for the three-month period ended December 31, 2024 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended December 31, 2024.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Sufyan.

Chartered Accountants

Multan
Date: 28.02.2025
UDIN:

MAQBOOL TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

		(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
ASSETS	Note		
Non-current assets			
Property, plant and equipment	3	5,429,577,743	5,236,427,242
Long term deposits		7,328,989	8,714,089
		5,436,906,732	5,245,141,331
Current assets			
Stores and spares		201,144,439	202,017,003
Stock in trade	4	1,620,396,064	1,838,369,038
Trade debts		499,723,753	549,587,043
Loans, advances and prepayments		215,644,408	281,317,864
Due from government		741,366,947	801,320,970
Advance taxes and levy		42,765,592	153,038,445
Other financial asset		10,253,500	10,386,500
Cash and bank balances		18,605,166	7,488,368
		3,349,899,869	3,843,525,231
Total assets		8,786,806,601	9,088,666,562
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		184,320,000	184,320,000
Share premium		65,280,000	65,280,000
General reserve		168,000,000	168,000,000
Unappropriated loss		(398,242,288)	(135,525,326)
Surplus on revaluation of property plant and equipment - net of deferred tax		2,055,388,932	2,090,700,372
		2,074,746,644	2,372,775,046
Loan from director		105,291,079	16,701,079
		2,180,037,723	2,389,476,125
Non-current liabilities			
Long term financing	5	1,124,554,398	400,256,906
Deffered grant		48,122,048	57,989,629
Lease liabilities		9,219,786	15,737,598
Deferred taxation		671,605,137	712,635,574
Staff retirement benefits - gratuity		66,972,852	67,339,550
		1,920,474,221	1,253,959,257
Current liabilities			
Trade and other payables		2,025,354,610	1,942,476,099
Accrued markup		158,301,229	180,557,187
Short term borrowings	6	2,301,916,613	3,040,183,675
Unclaimed dividend		3,005,565	3,005,565
Unpaid dividend		3,526,446	3,526,445
Current portion of long term financing		119,428,307	125,121,715
Current portion of deferred grant		17,376,610	17,457,174
Current portion of lease liabilities		9,513,972	8,910,104
Provision for levy		47,871,305	123,993,216
		4,686,294,657	5,445,231,180
Contingencies and commitments	7		
Total equity and liabilities		8,786,806,601	9,088,666,562

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

Chief Executive

Director

Chief Financial Officer

MAQBOOL TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	Note	Six month period ended		Three month period ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
----- Rupees -----					
Revenue from contracts - net	8	3,829,704,403	5,862,464,194	2,071,981,866	2,683,008,861
Cost of goods sold	9	(3,704,691,978)	(5,169,757,940)	(2,026,885,458)	(2,346,734,612)
Gross profit		125,012,425	692,706,254	45,096,408	336,274,249
Other income		11,355,296	16,491,025	10,714,046	15,789,931
		136,367,721	709,197,279	55,810,454	352,064,180
Selling and distribution expenses		(8,874,359)	(55,273,635)	(2,871,772)	(26,777,148)
Administrative expenses		(91,345,341)	(135,796,359)	(14,771,710)	(49,597,060)
Other operating expenses		-	(9,639,043)	-	(4,718,250)
		(100,219,700)	(200,709,037)	(17,643,482)	(81,092,458)
Finance cost		(331,210,769)	(378,431,011)	(157,368,148)	(211,211,529)
(Loss) / profit before levies and income tax		(295,062,748)	130,057,231	(119,201,176)	59,760,193
Minimum and final tax		(43,996,091)	(28,159,881)	(22,024,559)	(24,566,950)
(Loss) / profit before income tax		(339,058,839)	101,897,350	(141,225,735)	35,193,243
Income tax	10	41,030,437	(40,951,553)	41,030,437	(14,485,137)
(Loss) / profit for the period		(298,028,402)	60,945,797	(100,195,298)	20,708,106
Earnings per share - basic and diluted		(16.17)	3.31	(5.44)	1.12

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

Chief Executive

Director

Chief Financial Officer

MAQBOOL TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	<u>Six month period ended</u>		<u>Three month period ended</u>	
	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2024</u>
	----- Rupees -----			
(Loss) / profit for the period	(298,028,402)	60,945,797	(100,195,298)	20,708,106
Other comprehensive income:				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Transfer from deferred tax due to change rate on opening revaluation surplus		- (11,090,079)		- (11,090,079)
Total comprehensive income for the period	<u>(298,028,402)</u>	<u>49,855,718</u>	<u>(100,195,298)</u>	<u>9,618,027</u>

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

Chief Executive

Director

Chief Financial Officer

MAQBOOL TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	Six month period ended	
	December 31, 2024 Rupees	December 31, 2023 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before income tax	(339,058,839)	101,897,350
Adjustments for :		
Depreciation on property, plant and equipment	120,859,293	105,375,291
Interest income on term finance certificate	(1,027,000)	(1,188,758)
Amortization of deferred grant	(10,328,296)	(10,560,473)
Provision for staff retirement benefits - gratuity	22,604,374	27,399,619
Finance cost	331,210,769	378,431,011
Profit on sale of property, plant and equipment	-	(52,528)
Minimum and final tax	43,996,091	28,159,881
	<u>507,315,231</u>	<u>527,564,044</u>
Operating cash flows before working capital changes	168,256,392	629,461,394
(Increase) / decrease in current assets		
Stores and spares	872,564	1,690,657
Stock in trade	217,972,974	(687,309,576)
Trade debts	49,863,290	563,555,645
Loans and advances	65,673,456	(129,828,826)
Due from government	45,289,918	147,675,412
	<u>379,672,202</u>	<u>(104,216,688)</u>
(Decrease) / increase in current liabilities		
Trade and other payables	82,878,511	(49,192,175)
Cash generated from operations	<u>630,807,106</u>	<u>476,052,531</u>
Income tax received / (paid)	4,818,609	(101,896,534)
Gratuity paid	(22,971,072)	(12,369,369)
Finance cost paid	(353,466,727)	(374,349,427)
	<u>(371,619,190)</u>	<u>(488,615,330)</u>
Net cash generated from / (used in) operating activities	<u>259,187,916</u>	<u>(12,562,799)</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(50,529,112)	(87,314,180)
Addition to capital work in progress	(263,480,682)	-
Proceeds from disposal of property and equipment	-	134,000
Interest received on term finance certificates	1,160,000	1,190,258
Net cash used in investing activities	<u>(312,849,794)</u>	<u>(85,989,922)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt of long term financing	262,755,000	63,333,333
Repayment of long term financing	(57,270,417)	(64,039,349)
Loan from directors	88,590,000	-
Lease liabilities paid	(4,528,844)	(5,225,417)
Short term borrowings - net	189,374,094	(572,792,618)
Dividend paid	-	(273,312)
Net cash generated from / (used in) financing activities	<u>478,919,832</u>	<u>(578,997,363)</u>

	Six month period ended	
	December 31, 2024	December 31, 2023
	Rupees	Rupees
Net increase in cash and cash equivalents (A+B+C)	425,257,954	(677,550,084)
Cash and cash equivalents at beginning of the period	(1,668,542,313)	(1,168,523,173)
Cash and cash equivalents at end of the period	<u>(1,243,284,359)</u>	<u>(1,846,073,257)</u>
CASH AND CASH EQUIVALENTS		
Cash and bank balances	18,605,166	35,588,524
Running finance	(1,261,889,525)	(1,881,661,781)
	<u>(1,243,284,359)</u>	<u>(1,846,073,257)</u>

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

Chief Executive

Director

Chief Financial Officer

MAQBOOL TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	Capital Reserve		Revenue Reserves		Loan from director	Total	
	Share capital	Share premium	Surplus on revaluation of property, plant and equipment	General reserve			Unappropriated profit /(losses)
----- Rupees -----							
Balance as at July 01, 2023	184,320,000	65,280,000	1,580,516,928	168,000,000	630,760,398	-	2,628,877,326
Profit for the period	-	-	-	-	60,945,797	-	60,945,797
Other comprehensive income for the period	-	-	(11,090,079)	-	-	-	(11,090,079)
Total comprehensive income for the period	-	-	(11,090,079)	-	60,945,797	-	49,855,718
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	(25,198,025)	-	25,198,025	-	-
Balance as at December 31, 2023	184,320,000	65,280,000	1,544,228,824	168,000,000	716,904,220	-	2,678,733,044
Balance as at July 01, 2024	184,320,000	65,280,000	2,090,700,372	168,000,000	(135,525,326)	16,701,079	2,389,476,125
Loss for the period	-	-	-	-	(298,028,402)	-	(298,028,402)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(298,028,402)	-	(298,028,402)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	(35,311,440)	-	35,311,440	-	-
Transaction with shareholders:							
Loan from directors	-	-	-	-	-	88,590,000	88,590,000
Balance as at December 31, 2024	184,320,000	65,280,000	2,055,388,932	168,000,000	(398,242,288)	105,291,079	2,180,037,723

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

Chief Executive

Director

Chief Financial Officer

MAQBOOL TEXTILE MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

1. LEGAL STATUS

- 1.1 Maqbool Textile Mills Limited (the "Company") was incorporated in Pakistan on December 03, 1989 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange (formerly Karachi, Lahore and Islamabad Stock Exchanges). The registered office of the Company is situated at 2-Industrial Estate Multan, Pakistan. The Company is principally engaged in manufacturing, trading and sale of yarn, cotton seed and cotton lint. The Company's area of the mill at unit 1, unit 2 and unit 4 is 65.64 acres located at M.M. Road, Chowk Sarwar Shaheed, Distt.Muzaffargarh and area of unit 3 is 21.81 acres located at Rajana Road, Pirmahal, Distt, Toba Tek singh.
- 1.2 These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Statement of compliance

These condensed interim financial statements of the Company 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 interim financial statements are unaudited but subject to limited scope review by auditors and is being submitted to the shareholders as required under Section 237 of the Act.

- 2.2 These condensed interim financial statements do not include all information required for full annual financial statements and should be read in conjunction with annual audited financial statements for the year ended June 30, 2024. Comparative condensed interim statement of financial position has been extracted from annual audited financial statements for the year ended June 30, 2024 whereas comparative condensed interim statement of profit or loss and condensed interim statement of comprehensive income, comparative condensed interim statement of changes in equity and comparative condensed interim statement of cash flows have been extracted from un-audited condensed interim financial statements for the six months period ended December 31, 2023.

2.3 Accounting policies and methods of computation

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2024. Certain new IFRS standards and amendments to existing IFRS standards are effective for periods beginning on or after July 1, 2024, which do not have any impact on the Company's financial reporting except the disclosure of material accounting policy information rather than significant accounting policies and therefore, have not been detailed in this condensed interim financial information.

3. PROPERTY, PLANT AND EQUIPMENT	Note	(Unaudited)	(Audited)
		December 31, 2024	June 30, 2024
		Rupees	Rupees
Operating assets	3.1	5,166,097,061	5,236,427,242
Capital work-in-progress	3.2	263,480,682	-
		<u>5,429,577,743</u>	<u>5,236,427,242</u>

	(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
3.1 Operating assets		
Opening carrying value - operating assets	5,211,232,773	4,414,931,093
Opening carrying value - right of use assets	25,194,469	46,273,673
	5,236,427,242	4,461,204,766
Additions during the period / year		
Buildings on freehold land	-	1,537,680
Plant and machinery	48,108,407	142,488,916
Electric fittings and installations	2,244,105	7,914,795
Tools and equipment	-	107,000
Office equipments	14,000	783,500
Telephone installations	-	413,500
Furniture and fixtures	162,600	-
Vehicles - owned	-	13,858,445
	50,529,112	167,103,836
Revaluation adjustment	-	833,493,832
Disposal for the period	-	(12,453,215)
Depreciation charge for the period / year	(118,339,845)	(204,161,988)
Depreciation charge for the period / year- right of use assets	(2,519,447)	(8,759,989)
Closing carrying value	5,166,097,061	5,236,427,242
Closing carrying value - operating fixed assets	5,143,422,035	5,211,232,773
Closing carrying value - right of use assets	22,675,026	25,194,469
	5,166,097,061	5,236,427,242
3.2. Capital work in progress		
Opening carrying value	-	-
Addition during the period		
- electric installations	263,480,682	-
Closing carrying value	263,480,682	-
4. STOCK IN TRADE		
Raw materials	413,018,112	621,021,584
Work in process	108,002,934	82,971,035
Finished goods		
- Yarn	1,087,016,224	1,130,563,194
- Waste	12,358,794	3,813,225
	1,099,375,018	1,134,376,419
	1,620,396,064	1,838,369,038
5. LONG TERM FINANCING		
From banking companies - secured		
Habib Bank Limited		
- LTFF II	-	12,292,240
- LTFF IV	-	2,708,094
	-	15,000,334
Carry forward	-	15,000,334

	Note	(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
Brought forward		-	15,000,334
Bank AL Habib Limited			
- Term finance		41,348,125	44,301,563
- Term finance	5.1	204,755,000	-
- Term finance	5.2	513,500,000	-
- TERF		468,128,237	504,579,083
		1,227,731,362	548,880,646
Faysal Bank Limited			
- Diminishing musharaka		23,750,000	36,944,444
- Diminishing musharaka-II	5.3	58,000,000	-
		81,750,000	36,944,444
		1,309,481,362	600,825,424
Deferred grant		(48,122,048)	(57,989,629)
		1,261,359,314	542,835,795
Current portion of long term loans		(119,428,306)	(125,121,715)
Current portion of deferred grant		(17,376,610)	(17,457,174)
		1,124,554,398	400,256,906

5.1 Bank Al Habib Limited -Term Finance

This finance has been obtained from Bank Al Habib for import of renewable energy equipment related to the solar project of 3.085MW from Orient Energy System . The loan is repayable in 6 semi-annual installments with one year grace period, commencing from January 31, 2026. It carries mark up at rate of 6MK + 1.5% per annum and secured against charge over fixed assets of the Company and personal guarantees of director.

5.2 Bank Al Habib Limited -Term Finance

This finance represents the conversion of short term working capital facilities available from Bank Al Habib Limited for the purpose of re-profiling of balance sheet. This finance is repayable in 16 equal quarterly installments, commencing from February 07, 2025 with one year grace period. It carries markup at the rate of 6MK + 0.5% per annum and is secured against charge over fixed assets of the Company and personal guarantees of director.

5.3 Faysal Bank Limited - Diminishing Musharaka-II

This loan has been obtained from Faysal Bank Limited for refinancing the CAPEX carried by the Company from its own cash flows. This loan is repayable in 12 equal quarterly installments with no grace period, commencing from December 31, 2024 . It carries markup at the rate of 1 month KIBOR + 1% per annum and is secured against ranking charge of bank over fixed asset of the Company and personal guarantees of directors.

	(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
6. SHORT TERM BORROWINGS		
From banking companies		
Secured - under markup arrangements		
Running finance	1,261,889,525	1,676,030,681
Cash finance	549,961,630	804,893,555
Murabaha finance	490,065,458	559,259,439
	2,301,916,613	3,040,183,675

6.1 Short term borrowings are available from various banks under mark-up arrangements aggregating to Rs. 2,236 million (June 30, 2024: Rs. 3,040 million) These facilities are subject to markup ranging from 12.99 % to 22.63% (June 30, 2024: 18.95 % to 25.03 %) per annum. These facilities are secured against pledge of raw materials and finished goods, hypothecation charge and joint pari passu charge over present and future current assets of the Company, lien on documents of title to goods and personal guarantees of certain directors of the Company. Short term borrowings are available from various commercial banks under mark-up arrangements aggregating to Rs. 4,748 million (June 2024: Rs. 5,046 million) of which facilities remained un-utilized at the period end amounted to Rs. 2,512 million (June 2024: Rs. 2,005.8 million).

7. CONTINGENCIES AND COMMITMENTS

- 7.1 There is no significant change in status of contingent liabilities since the annual financial statements as at June 30, 2024.
- 7.2 Commitments outstanding at the end of the period in respect of irrevocable letter of credit is Nil (June 30, 2024: 390.96 million) and letter of guarantee is Rs. 18.02 million (June 30, 2024: Rs. 18.02 million).

----- (Unaudited) -----					
		Six month period ended		Three month period ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
		Rupees	Rupees	Rupees	Rupees
8. REVENUE FROM					
	- CONTRACTS				
	Local	3,829,704,403	4,758,752,491	2,071,981,866	2,112,606,551
	Export	-	1,103,711,703	-	570,402,310
		3,829,704,403	5,862,464,194	2,071,981,866	2,683,008,861
9. COST OF GOODS SOLD					
	Raw materials consumed	2,505,606,711	4,248,348,440	1,388,342,955	1,978,055,917
	Salaries, wages and benefits	189,461,513	266,905,636	93,640,759	94,294,102
	Stores consumed	39,451,508	64,218,321	18,010,786	32,168,133
	Packing materials consumed	48,823,332	79,296,467	21,665,324	42,546,643
	Power and fuel	786,113,035	819,310,280	473,152,796	235,510,444
	Repair and maintenance	2,587,233	13,003,269	1,869,945	821,752
	Insurance	7,086,488	5,567,568	3,968,428	1,718,701
	Depreciation	115,592,657	99,117,244	57,113,650	60,113,147
		3,694,722,477	5,595,767,225	2,057,764,643	2,445,228,839
	Work-in-process				
	Opening stock	82,971,035	87,726,734	87,726,734	87,726,734
	Closing stock	(108,002,934)	(109,346,564)	(108,002,934)	(109,346,564)
		(25,031,899)	(21,619,830)	(20,276,200)	(21,619,830)
	Cost of goods manufactured	3,669,690,578	5,574,147,395	2,037,488,443	2,423,609,009
	Finished goods				
	Opening stock	1,134,376,419	731,117,124	1,088,772,034	1,058,632,182
	Closing stock	(1,099,375,018)	(1,135,506,579)	(1,099,375,018)	(1,135,506,579)
		35,001,401	(404,389,455)	(10,602,984)	(76,874,397)
		3,704,691,978	5,169,757,940	2,026,885,459	2,346,734,612

	<i>(Unaudited)</i> December 31, 2024 <i>Rupees</i>	<i>(Unaudited)</i> December 31, 2023 <i>Rupees</i>
10. INCOME TAX		
Current	-	41,284,229
Prior	-	(25,061)
Deferred	(41,030,437)	(307,615)
	(41,030,437)	40,951,553

11. RELATED PARTY TRANSACTIONS

The related parties comprise associated undertakings and key management personnel. The company in the normal course of business carries out transactions with related parties. Significant transactions with related parties are as follows:

Nature of transactions	----- (Unaudited) -----			
	Six month period ended December 31, 2024 Rupees	December 31, 2023 Rupees	Three month period ended December 31, 2024 Rupees	December 31, 2023 Rupees
<u>Key management personnel</u>				
Remuneration to:				
Chief Executive	4,500,000	4,500,000	2,250,000	2,250,000
Directors	9,900,000	9,900,000	4,950,000	4,950,000
Executives	5,265,000	6,762,342	2,632,500	3,381,171

11.1 All transactions with related parties have been carried out on agreed terms and conditions.

12. FAIR VALUE MEASUREMENTS

IFRS 13 requires fair value measurement disclosures using following three level fair value hierarchy that reflects the significance of the inputs used in measuring fair value of financial instruments.

Information about fair value hierarchy and asset classified under the hierarchy are as follows:

- Level 1; Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derive from prices).
- Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

12.1 Fair value of property, plant and equipment

The Company follows the revaluation model for its free hold land, building on free hold land, plant and machinery, generator and electric fittings and installations. The fair value measurement as at June 30, 2024 was performed by K.G. Traders (Private) Limited. K.G. Traders (Private) Limited is on panel of Pakistan Banks Association as 'Any Amount' asset valuator. It is also on the panel of State Bank of Pakistan and possesses appropriate qualification and recent experience in the fair value measurements in the relevant locations.

	----- (Unaudited) -----		
	December 31, 2024		
	Level 1	Level 2	Level 3
	-----Rupees-----		
Property, plant and equipment			
- Freehold land	-	716,628,000	-
- Buildings on freehold land	-	1,307,817,221	-
- Plant and machinery	-	3,019,837,176	-
- Generator	-	5,190,212	-
- Electric fittings and installations	-	55,762,079	-
	-	5,105,234,689	-

----- (Audited) -----

June 30, 2024

	Level 1	Level 2	Level 3
	-----Rupees-----		
Property, plant and equipment			
- Freehold land	-	716,628,000	-
- Buildings on freehold land	-	1,341,421,000	-
- Plant and machinery	-	3,048,722,000	-
- Generator	-	5,463,383	-
- Electric fittings and installations	-	57,961,509	-
	-	5,170,195,892	-

Other than this, the fair value of all financial assets and financial liabilities are approximate to their carrying value.

13. FINANCIAL RISK MANAGEMENT

The Company's risk management objectives and policies are consistent with those objectives and policies which were disclosed in the annual audited financial statements of the Company as at and for the year ended June 30, 2024.

14. CORRESPONDING FIGURES

Corresponding information have been rearranged, reclassified or additionally incorporated in these unconsolidated condensed interim financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period. Following is the major reclassification made during the period:

Reclassified from	Reclassified to	Rupees
Income tax	Minimum and final tax	(28,159,881)

15. DATE OF AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS

The interim financial statements were authorized for issue on _____, by the Board of Directors of the Company.

16. FIGURES

Figures have been rounded-off to the nearest rupee except stated otherwise.

Chief Executive

Director

Chief Financial Officer

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