



FrieslandCampina <sup>nl</sup>  
Engro Pakistan Limited

Legacy of  
**150**  
Years

HALF YEAR ENDED JUNE 2022

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## Company information

### Board of Directors

Abdul Samad Dawood (Chairman)  
Ali Ahmed Khan (CEO)  
Abrar Hasan  
Eduardus Lambertus Holtzer  
Petra Attje Zinkweg  
Roeland Francois Van Neerbos  
Zouhair Abdul Khaliq

### Chief Financial Officer

Imran Husain

### Company Secretary

Muneeza Iftikar

### Members of Audit Committee

Abrar Hasan (Chairman)  
Eduardus Lambertus Holtzer  
Zouhair Abdul Khaliq

The secretary of committee is  
Saleem Lallany, GM Internal Audit Department

### Bankers

#### Conventional

Allied Bank Limited  
Askari Bank Limited  
Bank Al-Falah Limited  
Bank Al-Habib Limited  
Citibank N.A.  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
National Bank of Pakistan  
Samba Bank Limited  
Standard Chartered Bank Pakistan Limited  
Summit Bank Limited  
United Bank Limited  
The Bank of Punjab

#### Shariah Compliant

Meezan Bank Limited

### Auditors

A. F. Ferguson & Company  
Chartered Accountants

State Life Building No. 1-C  
I.I. Chundrigar Road  
Karachi - 74000, Pakistan.  
Tel: +92(21) 32426682-6 / 32426711-5

### Share Registrar

M/s FAMCO Associates (Private) Limited  
8-F Next to Hotel Faran, Block-6 PECHS,  
Shahrah-e-Faisal, Karachi - Pakistan  
Tel: +92 (21) 34380104-5, 34384621-3  
Fax: +92 (21) 34380106

### Registered Office

5th Floor, The Harbor Front Building  
HC-3, Marine Drive, Block - 4, Clifton  
Karachi - 75600, Pakistan.  
Tel: +92 (21) 35296000 (9 lines)  
Fax: +92 (21) 35296010  
E-mail: [efl.shareholders@frieslandcampina.com](mailto:efl.shareholders@frieslandcampina.com)  
Website: [www.frieslandcampina.com.pk](http://www.frieslandcampina.com.pk)

## **DIRECTORS' REPORT**

On behalf of the Board of Directors of FrieslandCampina Engro Pakistan Limited (a majority owned subsidiary of FrieslandCampina Pakistan Holdings B.V.), we are pleased to submit the report and the condensed financial information of the Company for the six months ended June 30, 2022.

## **BUSINESS OVERVIEW**

Global economic challenges continued to be reflected in high international commodity prices due to the after-effects of COVID and the changes in global geo-political environment. The economic impacts of the global crisis on Pakistan have been exacerbated by foreign exchange constraints, increase in interest rates due to high inflation and other fiscal measures. As a result, PKR has devalued in excess of 25% versus USD and inflation has been in excess of 20%.

Despite these severe challenges, the Company demonstrated a topline growth of 25%, reporting a revenue of PKR 30,771 million against PKR 24,590 million in the same period last year and managed to grow absolute gross profit by 2% despite a decline in margins.

The business registered a Profit After Tax (PAT) of PKR 938 million against PKR 1,414 million for the same period last year. This decline in PAT is mainly due to higher interest rates and super tax imposed in Budget 2022-23.

## **DAIRY BASED PRODUCTS SEGMENT**

With a growth of 23.4% versus last year, the segment reported a revenue of Rs. 26.4 billion. Olper's, our flagship brand, led the growth in the segment along with strengthening its market leadership position through consistent brand building and trade activities.

Significant expansion was witnessed in the retail footprint and E-Commerce channels during the period. The segment will continue to explore new channels and routes to market to serve its customers effectively and efficiently.

In Q1 2022, Olper's UHT new campaign expanding on the theme of "Happy Mornings" was launched, which is already resulting in strengthening the brand's equity and accelerating conversion from loose milk. The campaign featured a fresh perspective on milk sourcing by showcasing how our well-cared-for cows and buffaloes provide more nourishing, delicious and creamy milk, enabling happy mornings for families across Pakistan.

Olper's Cream also launched a new copy refreshing its association with the morning occasion. The campaign not only focuses on Olper's cream's nutritional credentials as a morning spread but also highlights its versatility for other key occasions.

The Company continues to leverage FrieslandCampina's global expertise to introduce new products and innovations as a key driver of future business growth. The Company is focusing its attention on exploring new opportunities to offer breakthrough products that fulfill its consumer needs particularly around the morning occasion.

The Company's other products like Olper's Flavored Milk, Olper's full cream milk powder (FCMP), Olper's Pro-Cal and Olper's Cream have also gained a healthy market share in a short span of time despite strong competition from established players.

#### **FROZEN DESSERTS SEGMENT**

With a growth of 39% versus last year, the segment reported a revenue of Rs. 4.4 billion. This growth has been enabled by the segment's investment behind season opening activities and expansion of the trade universe by inducting more assets in the market.

To give consumers an experience of a value-added offering, a dual chocolate flavored product with chocolate sauce and chocolate chips, Omore Double Choco Chips Cone was launched at an accessible price point in 2022.

Omore signature thematic campaign "Wow Bhara Bite" continues to be on air and is the perfect expression of what Omore stands for as a brand – the purveyors of tasty, creamy treats in a wide variety of formats, which can be enjoyed by people of all ages – from kids & youth to adults.

#### **FINANCIAL PERFORMANCE**

The financial performance of the company for the six months ended June 30, 2022, is summarized below:

(Rs. in million)	Six Months ended June 30, 2022		Variation
	2022	2021	
Net Sales	30,771	24,590	25.1%
Operating Profit	2,290	2,389	-4.2%
<i>% of sales</i>	<i>7.4%</i>	<i>9.7%</i>	<i>230 bps</i>
Profit / (Loss) after tax	938	1,414	
<i>% of sales</i>	<i>3.0%</i>	<i>5.8%</i>	<i>270 bps</i>
Earnings / (Loss) per share (Rs.)	1.22	1.84	

#### **GOLD STANDARD AWARD 2022 FOR CORPORATE CITIZENSHIP (CSR AND SUSTAINABILITY)**

FrieslandCampina Pakistan won the Gold Standard Award 2022 for Corporate Citizenship (CSR and Sustainability) by the Public Relations & Communications Association Asia Pacific (PRCA APAC) at a ceremony in Singapore.

Recognized for its Dairy Development Program – an initiative designed to increase inclusion, profitability, and quality for the dairy farmers of Pakistan and transform the dairy sector – the Company competed in the prized CSR & Sustainability category against prominent names from the Asia Pacific region, including HP, Nestle, Novartis and Edelman. FrieslandCampina Pakistan was the only company nominated from Pakistan in any of the categories. The recognition is in line with our commitment to the UN Sustainable Development Goals.

#### **SCHOOL MILK PROGRAM**

School Milk Programs are essential interventional strategies to treat malnutrition and improving school performance. In light of this need, the Company has collaborated with University of Education and University of Veterinary & Animal Sciences and implemented a pilot school milk program in 89 primary government schools of Punjab. This will be backed with a research project to evaluate the impact of provision of milk on the health and academic performance of children.

## FUTURE OUTLOOK

The macro-economic environment remains challenging for businesses and consumers alike. Rising inflation, currency devaluation, contractionary monetary and fiscal measures continue to put pressures on the consumers' purchasing power as well as Company's profitability. However, with an agile business model in place, the management is confident that it will be able to drive efficiencies across value chain and continue to deliver growth.

At FrieslandCampina Engro Pakistan Limited, our purpose is to transform the health and well-being of Pakistanis, now and for generations to come, and hence, the Company will continue to partner with the Pakistan Dairy Association (PDA) and the Government on various initiatives to educate the consumers on the potential health hazards of loose milk consumption and reinforce the positive characteristics of safe packaged milk.

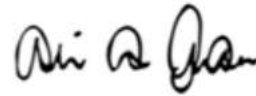
The business will also continue to invest behind brand equity in order to remain the preferred choice for consumers' dairy needs and expand its profit accretive portfolio to leverage margins.

Leveraging its global expertise and 150+years heritage, the Company remains committed to the highest standards of hygiene, food safety and sustainability and providing safe, affordable, and nourishing dairy products to millions of Pakistanis, every day.



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**Abdul Samad Dawood**  
Chairman



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**Ali Ahmed Khan**  
Chief Executive officer

Karachi: August 24, 2022



**INDEPENDENT AUDITOR'S REVIEW REPORT**

**To the members of FrieslandCampina Engro Pakistan Limited**

**Report on review of Condensed Interim Financial Statements**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of FrieslandCampina Engro Pakistan Limited as at June 30, 2022 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, and notes to the financial statements for the half year 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 condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended June 30, 2022 and June 30, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2022.

**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.

The engagement partner on the review resulting in this independent auditor's report is Waqas Aftab Sheikh.

**Chartered Accountants  
Karachi**

**Date: August 26, 2022**

**UDIN: RR202210069Q5uBZDdoW**

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

**FRIESLANDCAMPINA ENGRO PAKISTAN LIMITED**

**CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2022**

**FRIESLANDCAMPINA ENGRO PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2022**

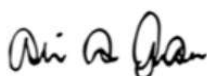
(Amounts in thousand)

	Note	Unaudited June 30, 2022	Audited December 31, 2021
		----- Rupees -----	
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	4	9,388,205	9,512,746
Biological assets		1,886,841	1,533,562
Intangibles		42,268	53,876
Right-of-use assets		621,584	521,898
Deferred tax asset - net		101,612	184,917
Long term advances and deposits		87,782	60,688
		<u>12,128,292</u>	<u>11,867,687</u>
<b>Current Assets</b>			
Stores, spares and loose tools	5	463,230	369,152
Stock-in-trade	6	10,651,630	4,664,820
Trade debts		1,918,187	1,305,122
Advances, deposits and prepayments		814,982	538,795
Accrued mark-up / interest		-	21,264
Other receivables		251,228	185,040
Sales tax recoverable		3,078,831	2,764,518
Taxes recoverable		2,598,885	3,075,529
Short term investments		-	2,000,000
Cash and bank balances		147,692	346,185
		<u>19,924,665</u>	<u>15,270,425</u>
<b>TOTAL ASSETS</b>		<u><u>32,052,957</u></u>	<u><u>27,138,112</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		7,665,961	7,665,961
Share premium		865,354	865,354
Employee share option compensation reserve		1,267	43,093
Remeasurement of post employment benefits - Remeasurement loss		(170,910)	(170,910)
Unappropriated profit		2,903,746	1,923,746
		<u>11,265,418</u>	<u>10,327,244</u>
<b>Non-Current Liabilities</b>			
Long term:			
- finances		750,000	2,200,000
- lease liability against right-of-use assets		318,138	248,015
		<u>1,068,138</u>	<u>2,448,015</u>
<b>Current Liabilities</b>			
Current portion of long term:			
- finances		3,004,138	2,582,647
- lease liabilities against right-of-use assets		278,966	285,090
- other payables		4,790	15,567
Trade and other payables		13,539,086	10,710,082
Contract liabilities		135,070	103,725
Unclaimed dividend		6,902	6,943
Accrued interest / mark-up on:			
- long term finances		100,972	81,285
- short term finances		236,482	114,507
Short term finances	7	2,412,995	463,007
		<u>19,719,401</u>	<u>14,362,853</u>
		<u>20,787,539</u>	<u>16,810,868</u>
<b>Contingencies and Commitments</b>	8		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>32,052,957</u></u>	<u><u>27,138,112</u></u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



Chairman



Chief Executive Officer



Chief Financial Officer

**FRIESLANDCAMPINA ENGRO PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2022**

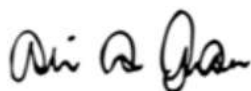
(Amounts in thousand except for earnings per share)

	Note	Quarter ended June 30,		Half year ended June 30,	
		2022	2021	2022	2021
		----- Rupees -----		----- Rupees -----	
Revenue from contracts with customers - net		16,799,840	13,013,012	30,770,804	24,590,499
Cost of sales		(14,193,421)	(10,222,294)	(25,573,042)	(19,501,396)
<b>Gross profit</b>		<b>2,606,419</b>	<b>2,790,718</b>	<b>5,197,762</b>	<b>5,089,103</b>
Distribution and marketing expenses		(1,395,999)	(1,118,497)	(2,538,119)	(2,145,922)
Administrative expenses		(348,290)	(304,456)	(708,283)	(592,496)
Other operating expenses		(88,168)	(99,271)	(160,143)	(191,868)
Other income		331,629	157,204	498,384	230,521
<b>Operating profit</b>		<b>1,105,591</b>	<b>1,425,698</b>	<b>2,289,601</b>	<b>2,389,338</b>
Finance cost		(375,570)	(230,886)	(625,604)	(408,447)
<b>Profit before taxation</b>		<b>730,021</b>	<b>1,194,812</b>	<b>1,663,997</b>	<b>1,980,891</b>
Taxation	9	(455,576)	(327,498)	(725,823)	(566,779)
<b>Profit for the period</b>		<b>274,445</b>	<b>867,314</b>	<b>938,174</b>	<b>1,414,112</b>
<b>Earnings per share - basic and diluted</b>	10	<b>0.36</b>	<b>1.13</b>	<b>1.22</b>	<b>1.84</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



**Chairman**



**Chief Executive Officer**



**Chief Financial Officer**

**FRIESLANDCAMPINA ENGRO PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2022**

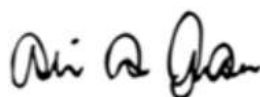
(Amounts in thousand)

	Quarter ended June 30,		Half year ended June 30,	
	2022	2021	2022	2021
	----- Rupees -----		----- Rupees -----	
<b>Profit for the period</b>	274,445	867,314	938,174	1,414,112
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>274,445</u>	<u>867,314</u>	<u>938,174</u>	<u>1,414,112</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



**Chairman**



**Chief Executive Officer**



**Chief Financial Officer**

**FRIESLANDCAMPINA ENGRO PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED JUNE 30, 2022**

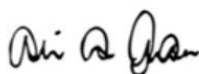
(Amounts in thousand)

	Share capital	RESERVES				Total
		CAPITAL		REVENUE		
		Share premium	Employee share option compensation reserve	Remeasurement of post employment benefits	Unappropriated profit	
----- Rupees -----						
<b>Balance as at January 1, 2021 (Audited)</b>	7,665,961	865,354	100,446	(146,432)	62,315	8,547,644
Transfer of employee share option compensation reserve to unappropriated profit	-	-	(57,353)	-	57,353	-
Profit for the period	-	-	-	-	1,414,112	1,414,112
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,414,112	1,414,112
<b>Balance as at June 30, 2021 (Unaudited)</b>	<u>7,665,961</u>	<u>865,354</u>	<u>43,093</u>	<u>(146,432)</u>	<u>1,533,780</u>	<u>9,961,756</u>
<b>Balance as at January 1, 2022 (Audited)</b>	7,665,961	865,354	43,093	(170,910)	1,923,746	10,327,244
Transfer of employee share option compensation reserve to unappropriated profit	-	-	(41,826)	-	41,826	-
Profit for the period	-	-	-	-	938,174	938,174
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	938,174	938,174
<b>Balance as at June 30, 2022 (Unaudited)</b>	<u>7,665,961</u>	<u>865,354</u>	<u>1,267</u>	<u>(170,910)</u>	<u>2,903,746</u>	<u>11,265,418</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



Chairman



Chief Executive Officer



Chief Financial Officer

**FRIESLANDCAMPINA ENGRO PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2022**

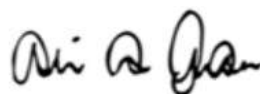
(Amounts in thousand)

	Note	Half year ended June 30,	
		2022	2021
		----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash utilized in operations	11	(1,588,283)	(396,607)
Finance costs paid		(454,434)	(337,332)
Taxes paid		(165,874)	(367,176)
Contribution to retirement benefits funds		(30,653)	(23,516)
Long term advances and deposits - net		(27,094)	(10,001)
<b>Net cash utilized in operating activities</b>		<b>(2,266,338)</b>	<b>(1,134,632)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of:			
- property, plant and equipment		(808,968)	(362,066)
- intangibles		(2,994)	-
Proceeds from disposal of:			
- property, plant and equipment		49,039	63,252
- biological assets		88,135	33,538
Income on short term investments		24,489	-
<b>Net cash utilized in investing activities</b>		<b>(650,299)</b>	<b>(265,276)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long term finances		(1,039,286)	(119,643)
Dividend paid		(41)	(1,268)
Repayment of lease liability against right-of-use assets		(192,517)	(155,368)
<b>Net cash utilized in financing activities</b>		<b>(1,231,844)</b>	<b>(276,279)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(4,148,481)</b>	<b>(1,676,187)</b>
Cash and cash equivalents at beginning of the period		1,883,178	570,462
<b>Cash and cash equivalents at end of the period</b>	12	<b>(2,265,303)</b>	<b>(1,105,725)</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



**Chairman**



**Chief Executive Officer**



**Chief Financial Officer**

**FRIESLANDCAMPINA ENGRO PAKISTAN LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2022**

(Amounts in thousand)

**1. LEGAL STATUS AND OPERATIONS**

- 1.1 FrieslandCampina Engro Pakistan Limited (the Company), is a public listed company incorporated in Pakistan, under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) on April 26, 2005, and its shares are quoted on the Pakistan Stock Exchange. The Company is a subsidiary of FrieslandCampina Pakistan Holdings B.V. (the Holding Company) which is a subsidiary of Zuivelcoöperatie FrieslandCampina UA (the Ultimate Parent Company) and its registered office is situated at 5th Floor, the Harbour Front Building, Plot No. HC-3, Block-4, Scheme No. 5, Clifton, Karachi.
- 1.2 The principal activity of the Company is to manufacture, process and sell dairy based products and frozen desserts. The Company also owns and operates a dairy farm.

**2. BASIS OF PREPARATION**

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34), issued by International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
  - Provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

- 2.2 The cumulative figures for the half year ended June 30, 2022 presented in these condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of the Act. These condensed interim financial statements do not include all the information required for annual financial statements and therefore should be read in conjunction with the financial statements of the Company for the year ended December 31, 2021.
- 2.3 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that were applied for the preparation of financial statements of the Company for the year ended December 31, 2021, unless otherwise specified.

**3. ACCOUNTING POLICIES**

- 3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the financial statements for the year ended December 31, 2021, except in respect of taxes on income, which has been accrued in the interim period using the tax rate that would be applicable to expected total annual profit / (loss).

**(Amounts in thousand)**

3.2 There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on January 1, 2022. These are considered not to have any significant effect on the Company's financial reporting and operations and, therefore, have not been disclosed in these condensed interim financial statements.

3.3 There are certain standards and amendments to published International Financial Reporting Standards that are not yet effective and are considered either not to be relevant or to have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

**Unaudited**                      **Audited**  
**June 30,**                      **December 31,**  
**2022**                              **2021**  
----- **Rupees** -----

**4. PROPERTY, PLANT AND EQUIPMENT**

Operating assets, at net book value  
(notes 4.1, 4.2 and 4.3)

Capital work-in-progress (note 4.3)

Major spare parts and stand-by equipment

8,540,797	8,727,531
651,017	632,323
196,391	152,892
<u>9,388,205</u>	<u>9,512,746</u>

**Unaudited**  
**Half year ended June 30,**  
**2022**                              **2021**

----- **Rupees** -----

4.1 Following additions, including transfers from capital work-in-progress, were made to operating assets during the period:

Buildings on freehold land

Plant, machinery and related equipment

Office equipment & furniture and fittings

Computer equipment

Vehicles

34,785	407
657,244	283,387
11,793	13,684
41,844	24,647
44,608	146,427
<u>790,274</u>	<u>468,552</u>

4.2 The details of operating assets disposed-off / written-off during the period are as follows:

	<b>Cost</b>	<b>Accumulated depreciation / impairment</b>	<b>Net book value</b>	<b>Sales proceeds</b>	<b>Mode of disposal</b>
	----- <b>Rupees</b> -----				
Vehicles - owned	72,891	(52,113)	20,778	36,579	Employee Buybacks, Insurance claims and Auction.
Computer equipment	9,946	(9,794)	152	1,331	Employee Buybacks, Third party disposal, Insurance claims and Write offs.
Freezers and Trikes	46,883	(44,121)	2,762	11,129	Third Party disposal and Insurance claims
June 30, 2022	<u>129,720</u>	<u>(106,028)</u>	<u>23,692</u>	<u>49,039</u>	
June 30, 2021	<u>284,398</u>	<u>(257,473)</u>	<u>26,925</u>	<u>63,252</u>	

(Amounts in thousand)

**Unaudited**  
**Half year ended June 30,**  
**2022                      2021**  
----- **Rupees** -----

4.3 Following additions were made to capital work-in-progress during the period:

Building on freehold land	29,309	18,132
Plant, machinery and related equipment	674,098	237,483
IS and milk automation projects	2,994	-
Office equipment, furniture & fittings and computer equipment	60,953	28,019
Vehicles	44,608	78,432
	<u>811,962</u>	<u>362,066</u>

4.4 Following transfers were made from capital work-in-progress during the period:

- Operating assets	(790,274)	(468,552)
- Intangibles	(2,994)	(5,256)
	<u>(793,268)</u>	<u>(473,808)</u>

## 5. STORES, SPARES AND LOOSE TOOLS

These are net of provision against expired / obsolete stores and spares amounting to Rs. 365,630 (December 31, 2021: Rs. 322,786).

**Unaudited                      Audited**  
**June 30,                      December 31,**  
**2022                              2021**  
----- **Rupees** -----

## 6. STOCK-IN-TRADE

Raw and packaging material (note 6.1)	2,913,783	2,412,938
Work in process (note 6.2)	6,063,427	1,404,670
Finished goods (notes 6.3)	1,704,034	888,440
	<u>10,681,244</u>	<u>4,706,048</u>
Less: Provision for expired / obsolete stock	(29,614)	(41,228)
	<u>10,651,630</u>	<u>4,664,820</u>

6.1 Includes Rs. 718,200 (December 31, 2021: Rs. 42,840) in respect of raw and packaging material held by third parties.

6.2 Includes Rs. 1,880,595 (December 31, 2021: Rs. 473,675) in respect of semi-finished stock held by third parties.

6.3 Includes Rs. 262,561 (December 31, 2021: Rs. 54,977) in respect of finished goods held by third parties and Rs. 107,911 (December 31, 2021: 62,197) in respect of finished goods carried at net realizable value.

6.4 Stock amounting to Rs. 7,016 (June 30, 2021: Rs. 3,711) has been written-off against provision during the period.

**(Amounts in thousand)**

**7. SHORT TERM FINANCES - secured**

- 7.1 The facilities for short term running finance available from various banks, which represent the aggregate sale price of all mark-up arrangements, amounts to Rs. 9,000,000 (December 31, 2021: Rs. 9,000,000). The unutilized balance against these facilities as at June 30, 2022 was Rs. 6,587,005 (December 31, 2021: Rs. 8,536,993). The rates of mark-up on these finances are KIBOR based and range from 11.89% to 14.81% (December 31, 2021: 7.78% to 10.02%) per annum. These facilities are secured by way of floating charge upon all the present and future current assets of the Company.
- 7.2 The facilities for opening letters of credit and bank guarantees as at June 30, 2022 amounts to Rs. 17,050,000 (December 31, 2021: Rs. 13,600,000), of which the amount remaining unutilized as at June 30, 2022 was Rs. 5,214,127 (December 31, 2021: Rs. 10,383,477).

**8. CONTINGENCIES AND COMMITMENTS**

- 8.1 There is no significant change in the matters disclosed in notes 15, 27 and 35.1 to the financial statements for the year ended December 31, 2021, except for the following:
- 8.1.1 Commitments in respect of capital expenditure contracted for but not incurred as at June 30, 2022 amounts to Rs. 1,233,678 (December 31, 2021: Rs. 750,200).
- 8.1.2 Commitments in respect of purchase of certain commodities as at June 30, 2022 amounts to Rs. 3,488,450 (December 31, 2021: Rs. 1,798,840).
- 8.1.3 On February 14, 2022 Commissioner Inland Revenue (Appeals) [CIR (A)] issued order against the appeal filed for the tax years 2009 and 2020 and remanded back the proceedings to Deputy Commissioner Inland Revenue (DCIR) for further verifications of various tax credits amounting to Rs. 25,713 and Rs. 22,885 respectively. DCIR has not yet initiated the remand back proceedings. The Company, being aggrieved with the decision of the CIR(A), has preferred an appeal before the Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication. The Company, based on the opinion of its tax consultant, is confident of a favorable outcome of the appeal, and accordingly taxes recoverable have not been reduced by the effect of the aforementioned remand-back proceedings.
- 8.1.4 On February 14, 2022 CIR (A) passed an order against the appeal filed for the tax year 2012 and remanded back issues of deduction on maintenance expenses, provision for retirement benefits, labour charges and adjustment of brought forward losses pertaining to the tax year 2006. DCIR has not yet initiated the remand back proceedings. The Company, being aggrieved with the decision of the CIR(A), has preferred an appeal before the ATIR which is pending adjudication. The Company, based on the opinion of its tax consultant, is confident of a favorable outcome of the appeal, and accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.
- 8.1.5 On February 14, 2022 CIR (A) passed an order against the appeal filed for the tax year 2010 and remanded back issues of adjustment of income tax refunds pertaining to the tax years 2006 and 2009. The Company, being aggrieved with the decision of the CIR(A), has preferred an appeal before the ATIR which is pending adjudication. The Company, based on the opinion of its tax consultant, is confident of a favorable outcome of the appeal, and accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.
- 8.1.6 On February 14, 2022 CIR (A) issued an order against the appeal filed for the tax year 2019 and remanded back the proceedings to DCIR for further verifications of various tax credits amounting to Rs. 23,117. The DCIR has not yet initiated the remand back proceedings. The Company, being aggrieved with the decision of the CIR(A), has preferred an appeal before the ATIR which is pending adjudication. The Company, based on the opinion of its tax consultant, is confident of a favorable outcome of the appeal, and accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.

**(Amounts in thousand)**

- 8.1.7 On March 15, 2022, the Classification Committee (CC) issued ruling, effective prospectively, on tea whiteners including Tarang. CC therein reviewed its previous rulings and decided the matter against the taxpayers. The Company reserves its rights to avail all legal remedies against the ruling issued. Based on the opinion of its legal advisor, the Company is confident of a favorable outcome of this matter, hence, no provision has been recognized in respect of prior years in these condensed interim financial statements.
- 8.1.8 On April 19, 2022, CIR (A) issued an order against the appeal filed for the tax year 2019 and upheld the decision of Additional Commissioner Inland Revenue (ACIR) in respect of super tax while remanded back the issue of disallowance of depreciation, short allowance of tax credit for re-adjudication to ACIR. The ACIR has not yet initiated the remand back proceedings. The Company, being aggrieved with the decision of the CIR(A), has preferred an appeal before the ATIR which is pending adjudication. The Company, based on the opinion of its tax consultant, is confident of a favorable outcome of the appeal, and accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.
- 8.1.9 On April 19, 2022, CIR (A) issued an order against the appeal filed for the tax year 2020 and upheld the decision of ACIR in respect of disallowance of tax loss on disposal of assets, while remanded back the issue of short tax credit allowed for re-adjudication to the ACIR. ACIR has not yet initiated the remand back proceedings. The Company, being aggrieved with the decision of the CIR(A) in respect of the order, has preferred appeal before the ATIR. The Company, based on the opinion of its tax consultant, is confident of a favorable outcome of the appeal, and accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.
- 8.1.10 On June 22, 2022, CIR (A) issued an order against the appeal filed for the tax year 2017 and upheld the decision of ACIR in respect of loss on sale of disposal of fixed assets, while remanded the issues of depreciation and addition on account of inventory written off for reexamination to ACIR. ACIR has not yet initiated the remand back proceedings. The Company, being aggrieved with the decision of the CIR(A) in respect of the order, is in the process of filling an appeal before the ATIR. The Company, based on the opinion of its tax consultant, is confident of a favorable outcome of the appeal, and accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.
- 8.1.11 On June 14, 2022, CIR (A) issued an order against the appeal filed for the tax year 2018 remanded back the issues of disallowance of inventory write off, short allowance of tax credit for re-adjudication to the ACIR. ACIR has not yet initiated the remand back proceedings. The Company, being aggrieved with the decision of the CIR(A) in respect of the order, is in the process of filling an appeal before the ATIR. The Company, based on the opinion of its tax consultant, is confident of a favorable outcome of the appeal, and accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.

**9. TAXATION**

This includes provision made in accordance with section 4C "Super tax on high earning persons" introduced in the Income Tax Ordinance, 2001 (ITO 2001) through the Finance Act, whereby super tax at the rate of 4% has been levied on income exceeding Rs. 300,000 for the year ended December 31, 2021 (tax year 2022) and for the year ended December 31, 2022 (tax year 2023).

(Amounts in thousand)

**10. EARNINGS PER SHARE - Basic and diluted**

	Quarter ended June 30,		Half year ended June 30,	
	2022	2021	2022	2021
	Rupees		Rupees	
There is no dilutive effect on the basic earnings per share of the Company, which is based on:				
Profit for the period	274,445	867,314	938,174	1,414,112
----- Number of shares -----				
Weighted average number of ordinary shares for determination of basic and diluted EPS	766,596,075	766,596,075	766,596,075	766,596,075
Earnings per share	0.36	1.13	1.22	1.84

Unaudited	
Half year ended June 30,	
2022	2021
----- Rupees -----	

**11. CASH GENERATED FROM OPERATIONS**

Profit before taxation	1,663,997	1,980,891
Adjustment for non-cash charges and other items:		
- Depreciation on property, plant and equipment	952,980	1,031,177
- Depreciation on right-of-use asset	150,498	122,177
- Impairment of operating assets - net	336	595
- Amortization of intangibles	14,601	14,357
- (Gain) / Loss on death / disposal of biological assets	(15,587)	2,019
- Gain on disposal of operating assets	(25,347)	(36,328)
- Gain on derecognition of right of use asset	(23,177)	-
- Gain arising from changes in fair value less estimated point-of-sale costs of biological assets	(425,827)	(127,152)
- Provision for retirement and other service benefits	60,976	65,451
- Provision for impairment of stock-in-trade	13,510	39,222
- Provision for slow moving spares - net	42,844	48,392
- Provision / (Reversal of provision) for impairment of trade debts	205	(10,082)
- Government grant recognized as income	(10,777)	(22,190)
- Exchange loss / (gain)	25,879	(45)
- Interest income on short term investments	(3,225)	-
- Finance cost on short term and long term finances including bank charges	596,096	390,595
- Finance cost on lease liability against right-of-use assets	29,508	17,852
Working capital changes (note 11.1)	(4,635,773)	(3,913,538)
	<u>(1,588,283)</u>	<u>(396,607)</u>

(Amounts in thousand)

<b>Unaudited</b>	
<b>Half year ended June 30,</b>	
<b>2022</b>	<b>2021</b>
<b>----- Rupees -----</b>	

**11.1 Working capital changes**

(Increase) / Decrease in current assets

- Stores, spares and loose tools	(180,421)	(37,128)
- Stock-in-trade	(6,000,320)	(5,000,629)
- Trade debts	(613,270)	(489,692)
- Advances, deposits and prepayments	(276,187)	(220,577)
- Other receivables	(66,188)	79,476
- Sales tax recoverable	(314,313)	133,053
	<u>(7,450,699)</u>	<u>(5,535,497)</u>

Increase / (Decrease) in current liabilities

- Trade and other payables	2,783,581	1,707,116
- Contract liabilities	31,345	(85,157)
	<u>2,814,926</u>	<u>1,621,959</u>
	<u>(4,635,773)</u>	<u>(3,913,538)</u>

**12. CASH AND CASH EQUIVALENTS**

Cash and bank balances

Short term finances

147,692	345,507
(2,412,995)	(1,451,232)
<u>(2,265,303)</u>	<u>(1,105,725)</u>

**13. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**

**13.1 Financial risk factors**

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

There have been no changes in the risk management policies during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

**13.2 Fair value of financial assets and liabilities**

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

**14. FAIR VALUE MEASUREMENT**

Fair value is 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.

**Fair value hierarchy**

As per the requirements of IFRS 13 "Fair Value Measurement", the Company shall classify fair value instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Inputs other than quoted prices within level 1 that are observable for the asset or liabilities, whether directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**(Amounts in thousand)**

As at June 30, 2022 and December 31, 2021, the Company did not have any financial instruments which were measured at fair values.

The Company has a number of financial instruments which are not measured at fair value in the statement of financial position. These include bank balances, loans to employees, trade debts and payable and long term finances. For the majority of these instruments, the fair values are considered not to be materially different from their respective carrying amounts since the instruments are either short term in nature or are periodically repriced.

**15. TRANSACTIONS WITH RELATED PARTIES**

15.1 Transactions with related parties, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

Nature of relationship	Nature of transactions	Unaudited	
		Half year ended June 30, 2022	2021
		----- Rupees -----	
Associated companies / undertakings	Arrangement for sharing of premises, utilities, personnel and assets	62,313	60,124
	Fee for technical assistance	697,181	633,040
	Reimbursement of expenses incurred by the company	61,840	41,663
	Reimbursement of expense paid / payable on behalf of the Company	9,321	10,323
	Purchases of goods and services	55,389	762,529
	Donation	10,000	10,000
Contribution for staff retirement funds	Managed and operated by Engro Corporation Limited		
	- Gratuity funds	60,976	65,451
	- Provident fund	211,621	194,040
Key management personnel including the Chief Executive Officer	Managerial remuneration	149,187	115,523
	Contribution for staff retirement benefits	21,367	16,645
	Bonus payment	106,701	27,039
Directors	Fee	2,003	1,708

15.2 There are no transactions with key management personnel other than under the terms of the employment.

**16. SEGMENT INFORMATION**

16.1 The basis of segmentation and reportable segments presented in these condensed interim financial statements is the same which was disclosed in financial statements for the year ended December 31, 2021.

Unallocated assets include long and short term advances, deposits and prepayments, taxes recoverable and cash and bank balances.

Liabilities are not segment-wise reported to the Board of Directors. All the unallocated results and assets are reported to the Board of Directors at entity level. Inter-segment sales of processed milk and powder are made by Dairy based products to frozen desserts, at market value.

**(Amounts in thousand)**

16.2 Information regarding the Company's operating segments is as follows:

	Unaudited Half year ended June 30, 2022			Unaudited Half year ended June 30, 2021		
	Dairy based products	Frozen desserts	Total	Dairy based products	Frozen desserts	Total
-----Rupees-----						
<b>Results for the period</b>						
Net sales	26,606,617	4,433,972	31,040,589	21,598,175	3,148,430	24,746,605
Inter-segment sales	(207,055)	(62,730)	(269,785)	(156,106)	-	(156,106)
	<u>26,399,562</u>	<u>4,371,242</u>	<u>30,770,804</u>	<u>21,442,069</u>	<u>3,148,430</u>	<u>24,590,499</u>
Net profit after tax	<u>777,872</u>	<u>160,302</u>	<u>938,174</u>	<u>1,214,996</u>	<u>199,116</u>	<u>1,414,112</u>
-----Rupees-----						
<b>Assets</b>						
- Segment assets	21,080,055	3,792,188	24,872,243	13,924,028	2,373,060	16,297,088
- Un-allocated assets	-	-	7,180,714	-	-	10,841,024
	<u>21,080,055</u>	<u>3,792,188</u>	<u>32,052,957</u>	<u>13,924,028</u>	<u>2,373,060</u>	<u>27,138,112</u>

**17. SEASONALITY**

The Company's businesses are subject to seasonal fluctuation, with demand of frozen desserts and dairy based products increasing in summer. The Company's dairy business is also subject to seasonal fluctuation due to lean and flush cycles of milk collection. Therefore, revenues and profits for the half year and quarter ended June 30, 2022 are not necessarily indicative of result to be expected for the full year.

**18. CORRESPONDING FIGURES**

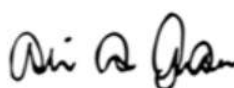
In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual financial statements of preceding financial year and condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the transactions of comparable period of immediately preceding financial year.

**19. DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on August 24, 2022 by the Board of Directors of the Company.



**Chairman**



**Chief Executive Officer**



**Chief Financial Officer**

# فریز لینڈ کمپنا اینگرو پاکستان لمیٹڈ

ڈائریکٹر رپورٹ

## DIRECTOR'S REPORT

فریز لینڈ کمپنا اینگرو پاکستان لمیٹڈ (فریز لینڈ کمپنا پاکستان ہولڈنگز B.V کی اکثریتی ملکیتی ماتحت کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کے 30 جون 2022 کو ختم ہونے والے رواں سال کے ابتدائی 6 ماہ کی رپورٹ اور کمپنی کی عبوری مالی معلومات پیش کرتے ہوئے ہم خوشی محسوس کر رہے ہیں۔

کاروباری جائزہ

## BUSINESS REVIEW

کووڈ کے بعد عالمی جغرافیائی سیاسی ماحول میں ہونے والی تبدیلیوں کی وجہ سے اجناس کی بین الاقوامی قیمتوں کا بلند سطح پر پہنچنا عالمی اقتصادی چیلنجز کی عکاسی کرتا ہے۔ پاکستان پر عالمی بحران کے معاشی اثرات غیر ملکی زرمبادلہ کے حصول میں رکاوٹوں، مہنگائی بڑھنے کے باعث شرح سود میں اضافے اور دیگر مالیاتی اقدامات کی وجہ مزید بڑھ گئے۔ نتیجے میں پاکستانی روپے کی قدر امریکی ڈالر کے مقابلے میں 25 فیصد سے زیادہ گر گئی اور مہنگائی کی شرح 20 فیصد سے زائد پر جا پہنچی۔

ان چیلنجز کے باوجود رواں سال کے ابتدائی 6 ماہ میں کمپنی کی آمدن میں 25 فیصد اضافہ ہوا، جو گزشتہ سال 24,590 ملین روپے کے مقابلے میں 30,771 ملین روپے ریکارڈ کیا گیا۔ مارجن میں کمی کے باوجود کمپنی کا مجموعی منافع 2 فیصد بڑھ گیا۔

رواں سال کی پہلی ششماہی میں ایف سی ای پی ایل کو 938 ملین روپے کا بعد از ٹیکس منافع ہوا۔ جو گزشتہ مالی سال کے ابتدائی 6 ماہ میں 1,441 ملین روپے ریکارڈ کیا گیا تھا۔ بعد از ٹیکس آمدن میں کمی کی بنیادی وجہ بلند شرح سود اور مالی سال 2022-23 کے بجٹ میں عائد کردہ سپر ٹیکس ہے۔

ڈیری پر مبنی مصنوعات کا شعبہ

## DAIRY BASED PRODUCTS SEGMENT

2022 کے ابتدائی 6 ماہ میں ڈیری پر مبنی مصنوعات کے شعبے کا منافع 23.4 فیصد بڑھ کر 26.4 ارب روپے رہا۔ اس شعبے میں آمدن بڑھنے کی وجہ معروف برانڈ اور لپرز کا برانڈ اور تجارتی سرمایہ کاری کے ذریعے مارکیٹ لیڈر کے طور پر اپنی پوزیشن کو مضبوط بنانا ہے۔

اس عرصے میں ریٹیل نیٹ ورک اور ای کامرس چینلز میں نمایاں بہتری دیکھی گئی۔ کمپنی ڈیری پر مبنی مصنوعات کے شعبے میں صارفین کو موثر انداز اور اچھے طریقے سے خدمات کی فراہمی کے لیے نئے مواقع کی تلاش پر توجہ مرکوز کیے ہوئے ہے۔

رواں مالی سال کی پہلی سہ ماہی میں اولپر یو ایچ ٹی کے لیے ”پپی مارنگلز“ تھیم کے ساتھ نئی تشہیری مہم شروع کی گئی تھی، جس کے نتیجے میں برانڈ کی ایکویٹی مضبوط ہو رہی ہے اور کھلے دودھ کے مقابلے میں پیکٹ دودھ کے استعمال میں اضافہ ہو رہا ہے۔ اس مہم کے دوران تازہ اور صحت مند دودھ کے حصول کے ذرائع کو دکھایا گیا ہے کہ کس طرح گائے اور بھینسوں کی اچھی طرح دیکھ بھال اور نگہداشت کی جاتی ہے، جو لذیذ اور کیری دودھ فراہم کرتی ہیں، جس سے پاکستان بھر کے خاندانوں کی صبح خوشگوار رہ جاتی ہے۔

اولپر ز کریم نے صبح کی اوقات کی مناسبت سے ایک نئی مہم لانچ کی ہے، جس میں نہ صرف اولپر ز کریم کی بھرپور غذائیت پر توجہ مرکوز کرائی گئی ہے بلکہ دیگر اہم مواقع پر اس کے بڑھتے ہوئے استعمال کو بھی اجاگر کیا گیا ہے۔

کمپنی مستقل طور پر فریز لینڈ کمپنیا کے عالمی تجربے سے استفادہ کرتے ہوئے نئے اور جدید مصنوعات متعارف کرا رہی ہے اور صارفین کی موثر انداز و اچھے طریقے سے خدمات کی فراہمی کے لیے نئے چینلز تلاش کر رہی ہے۔ کمپنی اپنی توجہ نئے مواقع کی تلاش اور پیش رفت پر مرکوز کیے ہوئے ہے، تاکہ ایسی مصنوعات پیش کی جاسکیں جو صارفین کی ضروریات کو پورا کرتی ہوں، خاص طور پر صبح کے وقت۔

کمپنی کی دیگر مصنوعات جیسے اولپر ز فلیورڈ ملک، اولپر ز فل کریم ملک پاؤڈر (ایف سی ایم پی)، اولپر ز پرو کال اور اولپر ز کریم نے سخت مقابلے کے باوجود مختصر مدت میں مارکیٹ میں اپنی جگہ بنالی ہے۔

## منجھد میٹھوں کا شعبہ

### FROZEN DESSERTS SEGMENT

منجھد میٹھوں کے شعبے میں کمپنی کو 4.4 ارب روپے کی آمدن ہوئی، جو گزشتہ سال کے مقابلے میں 39 فیصد زائد ہے۔ اس ترقی کی وجہ سیزن کے آغاز پر شعبے میں نئی سرمایہ کاری اور مارکیٹ میں مزید اثاثوں کو شامل کر کے تجارت کو فروغ دینا ہے۔

صارفین کو ویلیو ایڈڈ مصنوعات کا تجربہ فراہم کرنے کے لیے چاکلیٹ ساس اور چاکلیٹ چیس کے ساتھ ایک ڈبل چاکلیٹ ذائقہ دار پروڈکٹ Omore ڈبل چوکو چیس کون کو کم قیمت پر متعارف کرایا گیا ہے۔

Omore کی ”واؤ بھرا بانٹ“ کی مہم بھی جاری ہے، جو اس بات کا بہترین اظہار ہے کہ Omore نے ایک برانڈ کی حیثیت سے اپنا مقام بنالیا ہے۔ مختلف قسم کے مزیدار، کیری ٹریٹس کے شوقین، جن میں بچے، نوجوان، بڑے سمیت ہر عمر کے لوگ شامل ہیں، اس سے لطف اندوز ہوتے ہیں۔

## مالیاتی کارکردگی

### FINANCIAL PERFORMANCE

30 جون 2022 کو ختم ہونے والی ششماہی کے دوران کمپنی کی مالیاتی کارکردگی کا مختصر جائزہ ذیل میں ہے۔

#### 6 ماہ کا اختتام: 30 جون 2022

تغیر و تبدیلی فیصد میں	2021	2022	ملین روپے
25.1%	24,590	30,771	خالص فروخت
-4.2%	2,389	2,290	آپریٹنگ منافع
230 پیس پوائنٹس	9.7%	7.4%	فروخت کا فیصد
	1,414	938	بعد از ٹیکس منافع / نقصان
270 پیس پوائنٹس	5.8%	3.0%	فروخت کا فیصد
	1.84	1.22	فی حصص منافع / نقصان (روپے)

#### کارپوریٹ سٹیٹن شپ (سی ایس آر اور پائیداری) کیلئے گولڈ اسٹینڈرڈ ایوارڈ 2022

### GOLD STANDARD AWARD 2022 FOR CORPORATE CITIZENSHIP (CSR AND SUSTAINABILITY)

فریز لینڈ کمپنی پاکستان کے پائیدار اقدامات کو بین الاقوامی سطح پر تسلیم کیا گیا ہے۔ سنگاپور میں منعقدہ ایک تقریب میں ایف سی پی کو پبلک ریلیشنز اینڈ کمیونی کیشن ایسوسی ایشن ایشیا پیسیفک (APAC PRCA) کی جانب سے کارپوریٹ سٹیٹن شپ (سی ایس آر اور پائیداری) کے لیے گولڈ اسٹینڈرڈ ایوارڈ 2022 سے نوازا گیا۔

ایف سی ای پی ایل کا ڈیری ڈیولپمنٹ پروگرام ڈیری فارمرز کی شعبے میں شرکت بڑھانے، منافع اور معیار میں اضافے کے لیے شروع کیا گیا ہے۔ یہ اقدام ڈیری ویلویو چین کو مستحکم بنانے گا اور پاکستان کے ڈیری منظر نامے کی تبدیلی میں اہم کردار ادا کرے گا۔

کمپنی نے سی ایس آر اور پائیداری کے زمرے میں ایچ پی، نیسلے، Novartis اور Edelman سمیت ایشیا پیسیفک خطے کے نمایاں ناموں کا مقابلہ کیا۔ فریز لینڈ کمپنی پاکستان واحد کمپنی تھی جسے پاکستان سے کسی بھی زمرے میں نامزد کیا گیا تھا، جو اقوام متحدہ کے پائیدار ترقیاتی اہداف سے ہماری وابستگی کے عین مطابق ہے۔

## اسکولِ ملک پروگرام

### SCHOOL MILK PROGRAM

بچوں میں غذائیت کی کمی اور اسکول میں ان کی تعلیمی کارکردگی کو بہتر بنانے کے ایف سی ای پی ایل نے یونیورسٹی آف ایجوکیشن اور یونیورسٹی آف ویٹرنری اینڈ اینیمل سائنسز کے اشتراک سے اسکول ملک پروگرام شروع کیا ہے۔ ابتدائی طور پر پنجاب کے 89 پرائمری سرکاری اسکولوں میں پائلٹ پروجیکٹ کے طور پر اسکول ملک پروگرام کا آغاز کیا گیا ہے۔ اس پروگرام کا مقصد بچوں کی صحت اور تعلیمی کارکردگی پر دودھ کی فراہمی کے فوائد کا جائزہ لینا ہے۔

### مستقبل کا جائزہ

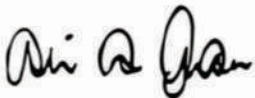
#### FUTURE OUTLOOK

میکرو اکنامک ماحول کا اثر کاروبار اور صارفین دونوں کے لیے یکساں طور پر مشکل ہے۔ بڑھتی ہوئی افراط زر، کرنسی کی قدر میں کمی، سخت مانیٹری اور مالیاتی اقدامات سے صارفین کی قوت خرید کے ساتھ ساتھ کمپنی کے منافع پر بھی اثر پڑا ہے۔ تاہم ایک اچھے کاروباری ماڈل کے ساتھ انتظامیہ کو یقین ہے کہ وہ ویلیو چین کی افادیت کو آگے بڑھانے اور ترقی کے سفر کو جاری رکھنے میں کامیاب رہے گی۔

فریز لینڈ کمپنا اینگرو پاکستان لمیٹڈ کا مقصد پاکستان کی موجودہ اور آنے والی نسل کے لیے صحت و خوشحالی کو فروغ دینا ہے۔ اسی لیے کمپنی نے پاکستان ڈیری ایسوسی ایشن (پی ڈی اے) اور حکومت کے مختلف اقدامات میں شراکت داری کی ہے، جس کے ذریعے کھلے دودھ کے صارفین پر پڑنے والے ممکنہ مضر اثرات اور بیک شدہ دودھ کے مثبت خصوصیات سے آگاہی فراہم کی جا رہی ہے۔

صارفین کی ڈیری ضروریات کے لیے ترجیحی انتخاب رہنے کے لیے کمپنی برانڈ ایکویٹی میں سرمایہ کاری کرنے کے ساتھ ڈیری کی ضروریات کو پورا کرنے اور مارجن سے فائدہ اٹھانے کے لیے اپنے منافع بخش پورٹ فولیو کو وسعت دے رہی ہے۔

اپنی عالمی مہارت اور 150+ سالہ ورثے سے فائدہ اٹھاتے ہوئے کمپنی حفظان صحت، خوراک کی حفاظت اور پائیداری کے اعلیٰ ترین معیارات کے لیے پُر عزم ہے اور لاکھوں پاکستانیوں کو روزانہ محفوظ، سستی اور صحت بخش ڈیری مصنوعات فراہم کر رہی ہے



علی احمد خان  
چیف ایگزیکٹو آفیسر



عبدالصمد داؤد  
چیرمین

Karachi: August 24, 2022