



**THE ORGANIC
MEAT COMPANY LIMITED**

**3rd QUARTERLY
REPORT
March 31st, 2025**

www.tomcl.net

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COMPANY INFORMATION

Board of Directors

Mr. Nihal Cassim
(Chairman/Independent Director)

Mr. Faisal Hussain
(Chief Executive Officer)

Mr. Ali Hussain
(Chief Operating Officer)

Mr. Rizwan Punjwani
(Independent Director)

Mr. Aneek Saleh Mohammad
(Independent Director)

Syed Owais Hasan Zaidi
(Independent Director)

Ms. Sehrish Hafeez Mastoor
(Independent Director)

Audit Committee

Mr. Rizwan Punjwani
Chairman

Mr. Nihal Cassim
Member

Syed Owais Hasan Zaidi
Member

External Auditor

BDO Ebrahim & Co.
Chartered Accountants

Internal Auditor

Grant Thornton Anjum Rahman
Chartered Accountants

Company Secretary

Mr. Imran Khan

Human Resource and Remuneration Committee

Mr. Aneek Saleh Mohammad
Chairman

Mr. Rizwan Punjwani
Member

Mr. Ali Hussain
Member

IT Committee

Syed Owais Hasan Zaidi
Chairman

Ms. Sehrish Hafeez Mastoor
Member

Mr. Ali Hussain
Member

Tax Advisor

Saleem and Co.

Legal Advisor

Pinjani & Vadria Lawyers

Share Registrar

CorpTec Associates (Pvt.) Limited

BANKERS

Al Baraka Bank Pakistan Limited



Habib Metropolitan Bank Limited



Bank Al Habib Limited



Faysal Bank Limited



Habib Bank Limited



Soneri Bank Limited



Dubai Islamic Bank Pakistan Limited



Samba Bank Limited



National Bank Of Pakistan



Bank Islami Pakistan Limited



Bank Alfalah limited



JS Bank Limited



Askari Bank Limited



Telenor Microfinance Bank Limited
(Digital Banking Partners)



Meezan Bank Limited



ADDRESS:

Registered Address:

Survey Number 310-Deh Shah Mureed, Gadap, Karachi, Pakistan.
Contact # +92-346-8224601, +92-346-8224630

E-mail:

info@tomcl.net

Website

www.tomcl.net

Gadap Plant: Survey Number 310-Deh Shah Mureed, Gadap, Karachi, Pakistan.
Contact # +92-346-8224601, +92-346-8224630

Korangi Plant & Corporate Office:
Plot No. 257, Sector 24, Korangi Industrial Area, Karachi - Pakistan
Tel: +92-21-35059969, +92-21-35079969

DIRECTORS' REVIEW

The Board of Directors are pleased to present the condensed interim financial statements of the Company for the period ended March 30, 2025.

Operational Review

The Organic Meat Company Limited ("TOMCL") primarily engages in the export of fresh chilled meat, frozen meat, and frozen offal to key international markets, including the Middle East, Far East, CIS countries, China, and South Asia. In addition, the Company exports pet food products to the United States, Canada, Colombia, and various Eastern European countries. Currently, TOMCL is authorized to export to over a dozen countries.

Our products are packaged using cloth wrap, vacuum-sealed or individually wrapped (IWP) food-grade plastic, and Modified Atmosphere Packaging (MAP), ensuring product integrity during transport via land, sea, and air. The Company operates a meat slaughtering-cum-cooked beef production facility and animal fattening farm in Gadap, Karachi, while offal processing, and pet food manufacturing are carried out at our facilities in Korangi, Karachi.

During the first three quarters of the current financial year, TOMCL sold a total of 10,421 metric tons (MT) of chilled meat, cooked beef, frozen meat, frozen offal, and pet chews across both domestic and international markets. The current year has seen a change in the overall sales mix where local sales in volumetric terms have increased from 4% to 46% over the corresponding period last year. During the current year due to strengthening of the US\$ against Euro in the international markets the company was not able to penetrate the frozen beef export market. This, however, has been offset by local sales of 4,815 M. Tons during the first nine months of the current year. The local sales product mix constitutes both frozen and chilled beef categories.

The Company is currently undertaking additional expansion projects to enhance its value-added product offering and capabilities. These projects are being funded partially from the rights shares issue and own resources of the Company.

The Company is also reducing its short- and long-term debt obligations with banks and financial institutions and has also successfully managed to renegotiate lower pricing of its existing debt obligations with multiple financial institutions.

The Company also successfully closed its right shares issue generating near 100% subscription bids which shows the confidence of the market in the Company's management and its board of directors.

Financial Review

During the third quarter of the current financial year, the Company recorded a 32% increase in sales, reaching PKR 11,323.86 million. Despite this growth, margin retention remained under pressure due to elevated raw and packaging material costs, driven by prevailing inflationary trends in the broader economy.

The cost of sales rose by 37%, primarily due to increased in higher meat costs, elevated depreciation expenses resulting from additional capital expenditures during the year, and increased salaries and wages. The latter is attributable to both annual increments and operational expansion at the Gadap and Korangi facilities.

Finance costs declined by 24%, directly correlating with reduced borrowings rates compared to the same period last year. Conversely, other income witnessed a significant growth of 1256 times, largely due to an increase in gains from biological assets.

Tax expense rose by 69%, primarily due to a 1% increase in tax rates and the introduction of a super tax liability, both of which contributed to a higher current tax burden.

The Company reported earnings per share (EPS) of PKR 2.58 for the nine-month period ended March 31, 2025, compared to PKR 1.91 (restated) for the corresponding period of the previous year.

The financial performance for the nine months ended March 31, 2025 is summarized below:

Description	March 31, 2025	March 31, 2024	Change %
	----- (Rupees) -----		Increase/(decrease)
Net Sales	11,323,855,495	8,575,296,276	32.05%
Gross Profit	1,115,207,597	1,132,540,817	-1.53%
Operating Expenses	-566,212,074	-546,128,742	3.68%
Other Income/(Expense)	169,759,006	12,521,329	1255.76%
Finance Cost	-133,691,745	-175,913,428	-24.00%
Profit before taxation and levy	585,062,784	423,019,976	38.31%
Levies - Minimum Tax	-137,638,007	-81,569,199	68.74%
Profit Before Tax	447,424,777	341,450,777	31.04%
Tax	12,333,254	0	100.00%
Profit After Tax	459,758,031	341,450,777	34.65%
EPS - Basic and diluted – restated	2.58	1.91	35.08%

Muhammad Saeed Muhammad Hussain Limited (MSMHL) Acquisition

The Company is currently is planning to assume management control of Muhammad Saeed Muhammad Hussain Limited (MSMHL) at the beginning of next financial year.

Future Outlook

The Company remains steadfast in its commitment to expanding sales and fully leveraging its increased production capacity. The Company is actively diversifying its product portfolio to align with evolving market risks and demands, and to seize emerging opportunities across newly entered geographic markets. The Company also is looking at innovations, modifications of existing processes, and forward-looking risk management strategies to deal with ever evolving and changing market dynamics. The Board recognizes the challenges ahead and remains confident in the Company's resilience and ability to navigate them effectively.

Acknowledgement

The Board of Directors expresses its sincere gratitude to all stakeholders for their continued trust and support. The Board also extends heartfelt appreciation to the Company's dedicated employees and consultants, whose unwavering loyalty and commitment remain fundamental to the Company's continued success.

For and on behalf of the Board of Directors



NIHAL CASSIM
Chairman



FAISAL HUSSAIN
Chief Executive Officer


April 29, 2025


THE ORGANIC MEAT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

	Note	Un-Audited March 31, 2025 Rupees	Audited June 30, 2024 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	3,177,300,204	2,910,153,056
Right-of-use asset		35,837,290	6,651,363
Intangible asset		2,281,203	2,331,203
Advance against acquisition of shares		170,000,000	170,000,000
Total non-current assets		3,385,418,697	3,089,135,622
CURRENT ASSETS			
Stock-in-trade		212,737,362	184,079,742
Biological assets other than bearer plants		194,386,334	71,967,600
Trade debts - considered good	6	2,384,148,622	2,275,006,671
Loans and advances	7	75,191,255	78,714,119
Deposits, prepayments and other receivables		343,665,834	190,917,666
Cash and bank balances		882,364,891	347,723,137
Total current assets		4,092,494,298	3,148,408,935
TOTAL ASSETS		7,477,912,995	6,237,544,557
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital 2,000,000,000 (June 30, 2024: 165,000,000) Ordinary shares of Rs.10 each		2,000,000,000	1,650,000,000
Issued, subscribed and paid up capital 178,491,213 (June 30, 2024: 148,491,213) ordinary shares of Rs. 10 each		1,784,912,132	1,484,912,132
Bonus shares issuable		-	-
Reserves		3,627,038,305	2,610,482,400
Revaluation surplus on property, plant and equipment - net		812,925,456	848,827,642
Total shareholders' equity		6,224,875,893	4,944,222,174
NON-CURRENT LIABILITIES			
Long term borrowings - secured		18,465,604	44,204,210
Long term lease liability - secured		5,408,664	1,990,696
Deferred taxation		55,511,417	78,740,359
Deferred liability on acquisition of shares	6	37,714,296	37,714,296
		117,099,981	162,649,561
CURRENT LIABILITIES			
Current maturity of long term finances - secured		29,742,795	24,557,949
Current portion of lease liability - secured		14,453,417	2,014,011
Short term borrowings - secured	8	833,041,725	805,000,000
Trade and other payables	9	126,327,301	149,286,840
Accrued expenses and other liabilities		63,488,840	46,612,869
Accrued mark-up		36,610,233	60,148,620
Unclaimed dividend		362,885	376,786
Taxation and levies - net		31,909,925	42,675,747
Total current liabilities		1,135,937,121	1,130,672,822
TOTAL EQUITY AND LIABILITIES		7,477,912,995	6,237,544,557
CONTINGENCIES AND COMMITMENTS			
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The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.


 Chief Executive Officer


 Director


 Chief Financial Officer

THE ORGANIC MEAT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Note	Un-audited		Un-audited	
		Nine Months Ended		Quarter Ended	
		March 31, 2025 Rupees	March 31, 2024 Rupees	March 31, 2025 Rupees	March 31, 2024 Rupees
Sales - net	11	11,323,855,495	8,575,296,276	3,225,012,657	3,333,914,405
Cost of sales	12	(10,208,647,898)	(7,442,755,459)	(2,903,212,639)	(2,909,697,102)
Gross profit		1,115,207,597	1,132,540,817	321,800,018	424,217,303
Administrative expenses		(218,304,789)	(106,244,474)	(99,239,329)	(36,486,555)
Selling expenses		(267,928,898)	(429,121,167)	(73,334,223)	(178,645,031)
Allowance for doubtful debts	6.1	(79,978,387)	(10,763,101)	-	(1,545,128)
		(566,212,074)	(546,128,742)	(172,573,552)	(216,676,714)
Operating profit		548,995,523	586,412,075	149,226,466	207,540,589
Finance costs		(133,691,745)	(175,913,428)	(38,464,225)	(52,917,476)
Other income / (expense) - net		169,759,006	12,521,329	68,529,696	31,093,706
		36,067,261	(163,392,099)	30,065,471	(21,823,770)
Profit before taxation and levy		585,062,784	423,019,976	179,291,937	185,716,819
Levy		(137,638,007)	(81,569,199)	(66,844,011)	(29,798,482)
Profit before taxation		447,424,777	341,450,777	112,447,926	155,918,337
Taxation		12,333,254	-	4,327,714	-
Profit for the period		459,758,031	341,450,777	116,775,640	155,918,337
Earnings per share - basic and diluted - restated		2.58	1.91	0.65	0.87

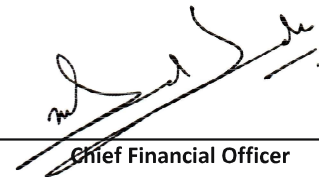
The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

THE ORGANIC MEAT COMPANY LIMITED
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE PERIOD ENDED MARCH 31, 2025

	Un-audited		Un-audited	
	Nine Months Ended		Quarter Ended	
	March 31, 2025 Rupees	March 31, 2024 Rupees	March 31, 2025 Rupees	March 31, 2024 Rupees
Profit for the period	459,758,031	341,450,777	116,775,640	155,918,337
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	459,758,031	341,450,777	116,775,640	155,918,337

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


 Chief Executive Officer


 Director



 Chief Financial Officer


THE ORGANIC MEAT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Share capital	Bonus shares issuable	Reserves		Revaluation surplus on property, plant and equipment - net	Total shareholders' equity
			Capital	Revenue		
			Share premium	Unappropriated profit		
	----- Rupees -----					
Balance as at July 01, 2023 - (Audited)	1,349,920,120	134,992,012	377,152,913	1,666,295,227	1,011,150,446	4,539,510,718
Total comprehensive income for the period	-	-	-	341,450,777	-	341,450,777
Transactions with owners in their capacity as owners recognized directly in equity						
- Bonus shares issued during the period at 0.975 for every ten shares	134,992,012	(134,992,012)	-	-	-	-
Revaluation surplus on property, plant and equipment realized on account of incremental depreciation - net of tax	-	-	-	53,585,352	(53,585,352)	-
Balance as at March 31, 2024 (Unaudited)	<u>1,484,912,132</u>	<u>-</u>	<u>377,152,913</u>	<u>2,061,331,356</u>	<u>957,565,094</u>	<u>4,880,961,495</u>
Balance as at July 01, 2024 - (Audited)	1,484,912,132	-	377,152,913	2,233,329,487	848,827,642	4,944,222,174
Total comprehensive income for the period	-	-	-	459,758,031	-	459,758,031
Transactions with owners in their capacity as owners recognized directly in equity						
- Right shares issued during the period at 2.0203 for every ten shares	300,000,000		510,000,000	-	-	810,000,000
Revaluation surplus on property, plant and equipment realized on account of incremental depreciation - net of tax	-	-	-	35,902,186	(35,902,186)	-
Balance as at March 31, 2025 (Unaudited)	<u>1,784,912,132</u>	<u>-</u>	<u>887,152,913</u>	<u>2,728,989,704</u>	<u>812,925,456</u>	<u>6,213,980,205</u>

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


Chief Executive Officer


Director


Chief Financial Officer

THE ORGANIC MEAT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

		Un-audited March 31, 2025	Un-audited March 31, 2024
	Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash flows from operating activities	13	112,199,702	607,916,707
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(399,036,679)	(486,011,828)
Profit received on saving account		14,904,275	10,128,523
Intangible asset		-	-
Advance against acquisition of subsidiary		-	(132,285,704)
Net cash used in investing activities		(384,132,404)	(608,169,009)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid related to prior period		(13,901)	(231,703)
Receipt against Right shares		810,000,000	-
Loan re-paid to financial institutions - net		(20,553,760)	(18,021,149)
Lease rentals paid		(10,899,608)	(2,496,682)
Repayment of liabilities to related parties		-	-
Net cash used in financing activities		778,532,731	(20,749,534)
Net increase/(decrease) in cash and cash equivalent		506,600,029	(21,001,836)
Cash and cash equivalent at beginning of the period		(457,276,863)	(726,261,819)
Cash and cash equivalent at end of the period	14	49,323,166	(747,263,655)

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



Chief Executive Officer



Director



Chief Financial Officer

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 The Organic Meat Company Limited (the "Company") was incorporated in Pakistan on July 14, 2010 as a private limited company under the repealed Companies Ordinance 1984 (now Companies Act, 2017), and subsequently it was converted into public limited company on November 08, 2018. The ordinary shares of the Company are listed on the Pakistan Stock Exchange since August 03, 2020.

The registered address of the Company is situated at Survey No. 310, Deh Shah Mureed, Gadap, Karachi, Pakistan. The correspondence address and the offal processing facility is situated at Plot No. 257, Sector 24, Korangi Industrial Area, Karachi.

The Company's principal activities are processing and sale of halal meat and allied products.

1.2 The Company entered into a Share Purchase Agreement (SPA) with the shareholders of Mohammad Saeed Mohammad Hussain Limited (MSMHL), an unlisted public company, for acquisition of 100% of its outstanding share capital at a cash, cum deferred price arrangement, of Rs. 170.000 million on May 16, 2023. The terms of the SPA stated that the rights in the shares of MSMHL shall be transferred to the Company upon payment of Rs. 104.000 million to the existing shareholders of MSMHL on or before August 15, 2023, and the balance Rs. 66.000 million to be settled in next two years on or before August 15, 2025. The Company has paid an additional amount of Rs.28.285 million during the 2024. Further, the Company had entered into three share purchase supplementary agreements with the shareholders of MSMHL on November 15, 2023, April 23, 2024 and November 16, 2024, whereby the long stop date to assume the operational, strategic and administrative control of MSMHL's affairs was initially moved from June 30, 2024 to November 30, 2024 and then again to July 31, 2025. The Company is in the process of completing the regulatory and other formalities to assume the said control.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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 applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 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.

2.2 The condensed interim financial statements are un-audited, and are being submitted to members as required by section 237 of the Companies Act, 2017 (the "Act"). The figures for the half year ended December 31, 2023 have, however, been subjected to a limited scope review by the auditors.

The condensed interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2024. Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Company's financial position and performance since the last audited financial statements.

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

3. MATERIAL ACCOUNTING POLICIES

3.1 The accounting policies adopted for the preparation of these condensed financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended June 30, 2024, except for the adoption of new and amended standards as set-out below.

3.1.1 Initial application of standards, amendments or an interpretation to the existing standards

3.1.2 Amendments and interpretations to the accounting standards that are effective in the current period.

There are certain amendments to the accounting and reporting standards which became mandatory for the Company during the period. However, these do not have any significant impact on the Company's financial reporting, and therefore have not been detailed in these condensed interim financial statements.

3.1.3 Amendments and interpretation to the existing standards that are not yet effective and have not been early adopted by the Company.

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2025. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2024.

	Note	Un-Audited March 31, 2025 Rupees	Audited June 30, 2024 Rupees
5. Property, plant and equipment			
Operating fixed assets - at net book value	5.1	3,096,300,204	2,676,167,089
Capital work-in-progress - at cost	5.4	81,000,000	233,985,967
		<u>3,177,300,204</u>	<u>2,910,153,056</u>

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Note	Un-Audited March 31, 2025 Rupees	Audited June 30, 2024 Rupees
5.1 Operating fixed assets - at net book value			
Opening written down value		2,676,167,089	2,498,731,811
Additions during the period/year - net		199,405,307	285,623,134
Revaluation surplus		-	-
Transfers from CWIP during the period/year	5.4	352,587,505	51,384,615
		551,992,812	337,007,749
Depreciation charged for the period/year	5.3	(131,859,697)	(159,572,471)
Closing written down value		3,096,300,204	2,676,167,089
5.2 Details of additions during the period/year - net			
Land - Leasehold		52,000,000	-
Building		364,789,796	64,724,956
Furniture and Fixture		1,062,000	319,400
Office equipment		1,013,000	1,537,800
Plant and Machinery		112,715,736	218,492,478
Motor vehicles		20,412,280	548,500
		551,992,812	285,623,134
5.3 Allocation of depreciation			
Cost of sales		127,052,120	150,877,977
Administrative expense		4,837,411	4,512,040
		131,889,531	155,390,017
5.4 Capital work-in-progress - at cost			
Balance at the beginning of the period/year		233,985,967	6,755,639
Additions during the period / year		118,601,538	278,614,943
Transfers during the period / year	5.4.1	(271,587,505)	(51,384,615)
Balance at the end of the period/year		81,000,000	233,985,967
5.4.1 Transfers from CWIP during the period/year are as follows:			
Factory building on leasehold land		271,587,505	15,384,615
Plant and machinery		-	36,000,000
		271,587,505	51,384,615

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Note	Un-Audited March 31, 2025 Rupees	Audited June 30, 2024 Rupees
6. TRADE DEBTORS			
Unsecured and considered good			
Foreign		1,774,316,085	2,046,432,181
Local		609,832,537	228,574,490
		2,384,148,622	2,275,006,671
Considered doubtful			
Foreign		104,240,594	239,254,351
		2,488,389,216	2,514,261,022
Provision for bad debts	6.1	(104,240,594)	(239,254,351)
		2,384,148,622	2,275,006,671
6.1 Movement in provision against doubtful debts			
Balance at the beginning of the period/year		239,254,351	204,074,483
Write-offs during the period/year		(214,992,144)	
Allowance for doubtful debts - expected credit loss		79,978,387	35,179,868
		104,240,594	239,254,351
7. LOANS AND ADVANCES			
Unsecured and considered good			
Advance to suppliers		59,974,147	41,352,569
Advance against fixed assets		2,750,469	25,850,982
Advance against expenses		748,399	607,996
Loans to employees		11,718,240	10,902,572
		75,191,255	78,714,119
8. SHORT TERM BORROWINGS			
Financial Institution - secured	8.1	833,041,725	805,000,000
8.1			
The Company has obtained various financing facilities to finance its working capital requirement from various financial institutions. The rates of mark-up on these facilities range between 1, 3 and 6 months KIBOR + 1.5% to 2% (June 30, 2024: 1,3 and 6 months KIBOR + 1.5% to 2%).			
9. TRADE AND OTHER PAYABLES			
Trade creditors		16,429,414	19,865,214
Worker's Profit Participation Fund payable		80,454,534	80,454,534
Worker's Welfare Fund payable		12,445,544	12,445,544
Advances from customers		-	12,834,000
Payable to contractors		2,179,662	2,028,808
Salaries, benefits and allowances payable		12,711,754	28,809,804
Other payable		2,106,393	1,894,240
		126,327,301	158,332,144

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10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

The Company had received notice for recovery of Super Tax under section 4C of the Income Tax Ordinance, 2001 for the tax year 2022. The Company had been granted a stay order on recovery proceedings up to 50% of the Super Tax amount by the Sindh High Court, and had filed an application for the adjustments of the demand raised against outstanding tax refunds with the Federal Board of Revenue (FBR).

The Company had further provided for Rs.34.04 million as Super tax liability payable for the tax year 2024 but expects that the demand for this shall not crystallise based on the Islamabad High Court's judgement in the tax year 2024 which has declared provisions of Super tax under section 4C of the Income Tax Ordinance, 2001 as ultra vires and not applicable to industries and taxpayers falling under Final Tax Regime (FTR).

During the first 3 quarters of the current tax year 2025, the Company has successfully managed to keep taxable income below the applicable super tax threshold.

10.2 Commitments

	Un-Audited March 31, 2025 Rupees	Audited June 30, 2024 Rupees
Note		
10.2.1 Commitments		
Commitments in respect of letter of credits and purchase order for capital expenditures	-	60,389,498
	Un-Audited	Un-Audited
	Nine months ended	
	March 31,	March 31,
	2025	2024
	Rupees	Rupees
11. SALES - NET		
Export sales	6,826,814,072	8,167,327,707
Other sales	4,497,041,423	407,968,569
	11,323,855,495	8,575,296,276
12. COST OF SALES		
Cost of material consumed	9,269,640,139	6,694,432,539
Depreciation expense	127,052,120	108,060,176
Salaries, wages and other benefits	149,415,424	100,563,527
Fuel and power	181,206,120	168,678,906
Animal feed and other consumables	100,277,498	48,266,999
Cutting and deboning	72,836,946	76,642,156
Packing materials consumed	181,891,976	173,052,652
Repairs and maintenance	97,154,522	52,737,520
Balance carried forward	10,179,474,745	7,422,434,475

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		Un-Audited Nine months ended March 31, 2025 Rupees	Un-Audited March 31, 2024 Rupees
12. COST OF SALES			
Balance brought forward		10,179,474,745	7,422,434,475
Transportation		8,248,663	5,009,618
Insurance		3,956,977	3,064,274
Printing and stationary		1,401,618	2,029,787
Janitorial expense		14,633,980	9,192,226
Communication expense		931,915	1,025,079
		<u>10,208,647,898</u>	<u>7,442,755,459</u>
13. CASH FLOWS FROM OPERATIONS			
Profit before taxation for the period		585,062,784	423,019,976
Adjustment for non-cash items:			
Depreciation on property, plant and equipment	5	131,889,531	111,442,665
Depreciation on right of use assets		5,018,973	1,484,433
Amortization of intangible asset		50,000	74,997
Finance costs		133,691,745	175,913,428
Provision against gratuity		3,680,279	-
Profit on pls account		(14,904,275)	(10,128,523)
Unrealized exchange loss/(gain) on trade debtors		995,651	14,091,150
Gain on biological assets		(28,537,654)	(25,513,595)
Allowance for doubtful debts		79,978,387	10,763,101
Gain on disposal of property, plant and equipment		77,166	-
		897,002,587	701,147,632
Working capital changes			
Stock-in-trade		(28,657,620)	(21,121,712)
Biological assets other than bearer plants		(93,881,080)	(29,784,429)
Trade debts		(190,115,989)	72,651,105
Loans and advances		3,355,578	201,240,065
Deposits, prepayments and other receivables		(152,748,168)	(36,127,176)
Trade and other payables		(36,587,645)	(30,821,813)
Accrued expenses and other liabilities		16,875,971	16,363,461
		<u>(481,758,953)</u>	<u>172,399,501</u>
Cash generated from operating activities		415,243,634	873,547,133
Taxes and levies paid		(148,403,828)	(88,246,770)
Finance costs paid		(154,640,104)	(177,383,656)
Net cash generated from operating activities		<u>112,199,702</u>	<u>607,916,707</u>
14. CASH AND CASH EQUIVALENTS			
Short term borrowings - financial institutions	8	(833,041,725)	(844,723,890)
Cash and bank balances		882,364,891	97,460,235
		<u>49,323,166</u>	<u>(747,263,655)</u>

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15. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise principal shareholders and their affiliates, directors, companies with common directorships, staff provident fund and key management personnel.

Details of balances at period end and the transactions with the related parties, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

			Un-Audited March 31, 2025 Rupees	Audited June 30, 2024 Rupees
15.1 Balances as at period / year end				
<i>Name of related party</i>	<i>Relationship</i>	<i>Nature</i>		
Sindh Gas (Private) Limited	<i>Associated Company</i>	<i>Food and entertainment</i>	-	156,117
Muhammad Saeed Muhammad Hussain Limited	<i>Associated Company</i>	<i>Other receivable</i>	(100,000)	9,872,100
Shaikh Hamid Asghar	<i>Director</i>	Payable against share purchase of MSMHL	9,428,572	
Farooq Saeed	<i>Director</i>	Payable against share purchase of MSMHL	9,428,572	
Zain Farooq	<i>Director</i>	Payable against share purchase of MSMHL	9,428,572	
Ali Hussain	<i>Director</i>	Payable against share purchase of MSMHL	9,428,572	

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			Un-Audited	Un-Audited
			Nine months ended	
			March 31, 2025	March 31, 2024
			Rupees	Rupees
Transactions during the period				
Name of related party	Relationship	Nature		
		<i>paid for</i>		
		<i>acquisition of</i>		
		<i>subsidiary</i>		
Mr. Ali Hussain	Director		-	14,857,140
Remuneration of Key management personnel	CEO, Director and Executives	Salaries and other benefits	56,788,633	51,898,351
Sindh Gas (Private) Limited	Associated Company	Food and entertainment	1,417,283	1,713,690

16. UTILISATION OF PROCEEDS FROM INITIAL PUBLIC OFFERING

The principal purpose of the issue was to increase its current product output through the utilization of IPO funds as well as set up a new Facility for the processing of Offal sourced locally in Korangi Industrial Area and also a facility in the Export Processing Zone.

The break-up of utilization of the IPO proceeds is mentioned below:

Description	Funds Required --- Rupees ---	Allocation %	Actual Expenditure --- Rupees ---	Utilization of Funds	
				IPO Funds Utilized	Under/(Over) Spent
				----- Rupees -----	
Facility of Local Offal in Korangi Industrial Area:					
Land (1000 to 1200 Sq. yards)	100,000,000	60%	114,792,491	100,000,000	(14,792,491)
Construction of Office Building (12000 Sq.Feet)	31,000,000	19%	83,648,929	31,000,000	(52,648,929)
Equipment (Chillers + freezers Storages)	21,200,000	13%	35,417,737	21,200,000	(14,217,737)
Machinery	15,000,000	9%	54,439,993	15,000,000	(39,439,993)
Total	167,200,000	100%	288,299,150	167,200,000	(121,099,149)
Facility for Export Processing Zone:					
Land (1000 to 1200 Sq. yards)	60,000,000	57%	-	-	-
Construction of Office Building (12000 Sq.Feet)	22,000,000	21%	-	-	-
Equipment (Chillers + freezers Storages)	19,948,556	19%	-	-	-
Machinery	2,500,000	2%	-	-	-
Acquisition of KEPZA company	-	0%	170,000,000	104,448,556	(65,551,444)
	104,448,556	100%	170,000,000	104,448,556	(65,551,444)
Working Capital	448,351,444	100%	448,351,444	448,351,444	-
Utilization of excess proceeds					
Bank Islami loan repaid	40,000,000	50%	40,000,000	40,000,000	
IPO expenses	23,769,303	30%	23,769,303	23,769,303	
Fattening farm	16,230,697	20%	16,230,697	16,230,697	
	80,000,000	100%	80,000,000	80,000,000	
Total	800,000,000		986,650,594	800,000,000	(186,650,593)

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The funds allocated for the working capital have been fully utilized, and been rolled over multiple times in the working capital cycle. The ratio of fund utilization has been adjusted as per the demand pattern of different products over the period since the IPO date. The amount over-spent against the committed capital expenditures have been made through the Company's own sources of funds.

The Company had tried to secure land in the Karachi Export Processing Zone (KEPZ) since the time of the IPO. However, due to regulatory changes and non-availability of vacant land in the KEPZ, the Company then looked at other options to fulfil its IPO fund utilization and application commitments. The management of the Company then identified an already existing offal processing facility and company in the KEPZ, and the Board of Directors of the Company approved an amount of up to PKR 170,000,000 (Pak Rupees one hundred and seventy million only) to acquire 100% shareholding in that target company in the Karachi Export Processing Zone (KEPZ), subject to negotiations with the existing shareholders of the said company.

After negotiations, the Company has entered into a Share Purchase Agreement (SPA) with the shareholders of Mohammad Saeed Mohammad Hussain Limited (MSMHL), a public limited company (unlisted) for acquiring 100% of the outstanding shares of MSMHL at a cash, cum deferred price arrangement, of PKR 170.00 million on May 16, 2023. The terms of the SPA stipulated that the rights in shares of MSMHL shall transfer to the Company upon payment of PKR 104.00 million to the shareholders of MSMHL on or before August 15, 2023. The Company shall assume control of the management and the Board of Directors of MSMHL upon the partial settlement date, and the balance PKR 66.00 million will be settled in next 2 years on or before August 15, 2025 from profits and funds generated from operations of MSMHL. The Company has assumed 100% control of MSMHL on August 15, 2023 upon settlement of the partial acquisition price and thus from August 15, 2023, MSMHL is a wholly-owned subsidiary of the Company.

17. FINANCIAL RISK MANAGEMENT

17.1. Financial Risk Factors

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

The condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2024.

There have been no changes in the risk management policies since the year ended June 30, 2024.

17.2. Fair Value Estimation

During the period, there were no significant changes in the business or economic circumstances that affect the Company's financial assets and financial liabilities. Furthermore, there were no reclassifications of the financial assets.

18. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, where necessary, for the purpose of comparison.

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19. NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

On April 09, 2025 the Company has settled the full outstanding share deferred acquisition cost of Rs 37,714,296 to the shareholders of Mohammad Saeed Mohammad Hussain Limited (MSMHL) and is now in the process of acquiring full control over the operations and management of MSMHL and the process will be completed on or before the extended long stop date of July 31, 2025 as per the Third Supplementary Share Purchase Agreement between the Company and the shareholders of MSMHL.

20. DATE OF AUTHORIZATION


These condensed interim financial statements were authorized for issue by the Board of Directors of the Company on 29th April, 2025.



Chief Executive Officer



Director



Chief Financial Officer



The Organic Meat Company Limited

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