

BERGER

P A I N T S

Trusted Worldwide

**INTERIM FINANCIAL REPORT FOR THE HALF
YEAR ENDED**

31st DECEMBER

2024



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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Maqbool H. H. Rahimtoola Chairman
Dr. Mahmood Ahmad Chief Executive
Mr. Tariq Ikram Director
Mr. Zafar A. Osmani..... Director
Mr. Shahzad M. Hussain..... Director
Mr. Ilyas Sharif..... Director
Mr. Mohammad Saeed..... Director
Ms. Zareen Aziz Director

AUDIT COMMITTEE

Mr. Tariq Ikram Chairman
Mr. Maqbool H. H. Rahimtoola
Ms. Zareen Aziz

HUMAN RESOURCE COMMITTEE

Mr. Zafar A. Osmani..... Chairman
Dr. Mahmood Ahmad
Mr. Mohammad Saeed

COMMITTEE FOR BUSINESS STRATEGIES

Mr. Tariq Ikram..... Chairman
Mr. Zafar Aziz Osmani
Mr. Zahid Majid (Alternate to Mr. Ilyas Sharif)

CHIEF FINANCIAL OFFICER

Mr. Nauman Afzal

COMPANY SECRETARY

Mr. Naveed Ahmed Zafar

BANKERS

Allied Bank Limited
Bank Islami Pakistan Limited Bank Al Habib
Limited
Habib Metropolitan Bank Limited JS Bank
Limited
MCB Bank Limited
National Bank of Pakistan
Samba Bank Limited

AUDITORS

BDO Ebrahim & Co.
Chartered Accountants

SOLICITORS

Zafar & Associates LLP.

COMPANY REGISTRAR

M/s Corplink Private Limited

REGISTERED OFFICE AND FACTORY

28 KM, Multan Road, Lahore.
Tel: 92 42 111 237 437
Fax: 92 42 35151549

WEBSITE

www.berger.com.pk



DIRECTORS' REVIEW

The directors of the Company are pleased to present their review along with the interim financial statements of the Company for the half-year ending on 31 December, 2024.

MACROECONOMIC OVERVIEW

Pakistan's economy has shown signs of recovery, with key indicators reflecting marked improvement. This progress is driven by effective policy management, support from international financial institutions, and a commitment to structural reforms. As a result, GDP growth was 2.50%, almost touching the target of 2.52%. These positive developments are expected to create a multiplier effect, fostering stronger and more inclusive economic growth in FY25. Inflation dropped to 4.1% in December and the lowest in 44 months, allowing the State Bank of Pakistan to reduce the policy rate by 200 basis points to 13%. Reduced inflationary pressures and improved balance of payments propelled the PSX 100 index to historic heights, surpassing 115,000 points. However, fiscal collections fell short significantly against target. In the first four months of the 2024 fiscal year (July–October), Pakistan's large-scale manufacturing (LSM) sector grown by 0.64% recovering from a 5.4% contraction last year. This improvement was driven by a stable exchange rate, easing inflation and a favorable external environment. Growth was recorded, including automobile, textiles, food and beverages, petroleum products and chemicals sectors. With currency stabilization and easing of monetary policies, the industrial sector is expected to gain further momentum, offering a positive outlook for the future.

OPERATIONAL RESULTS

During the first half of the year, the Company achieved net sales of Rs. 4.616 billion, an increase of 5.20% as compared to last year, this upturn mainly accredited to an improvement in the in sales volume. Gross profit increased by 13% mainly because of a better product mix, stable exchange rates, operational effectiveness and other cost reduction measures.

Sales and marketing expenses were at Rs. 485 million, while marketing activities were carried out in line with the marketing plan. Administrative expenses were at Rs. 118 million. Financial cost contributed positively by Rs. 9 million as compared to last year, because of prudent management of available liquidity. The Company achieved a profit after tax of Rs. 163.06 million as against profit of Rs. 144.82 million for the corresponding period of last year. This translated into Earnings per Share (EPS) of Rs. 6.64

FUTURE OUTLOOK

The economic outlook remains optimistic, bolstered by a stable external environment, improved access to imported inputs, and the mitigation of supply chain disruptions. Additionally, declining inflation plays a pivotal role in this positive trajectory, resulting in future lower Policy Rates, however the exchange rate issues could be affected by the upcoming IMF meetings. To ensure sustainable growth, it is imperative to sustain these reforms and maintain a focus on long-term economic stability.

In alignment with these objectives, the Company is committed to maintain a cautiously optimistic outlook regarding its business growth trajectory for the remainder of the year. This optimism is rooted in strategic initiatives focused on enhancing marketing and operational efficiencies to promote customer trust, optimizing capacity utilization, and refining supply chain and treasury management practices to ensure cost efficiency.

The Directors take this opportunity to thank all our Stakeholders and valued customers for their continued trust and appreciate the dedication demonstrated by all team members of the Company.

On behalf of the Board

On behalf of the Board

Chief Executive

Director

Lahore

Dated: February 14, 2025



**UNCONSOLIDATED
FINANCIAL STATEMENT**
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

NEWS
FINANCIAL REPORT

3,456
2,589
1,234
4,890

3.45 2.58 6.58 12.3





Tel: +92 42 3587 5707-10
 Fax: +92 42 3571 7351
 www.bdo.com.pk

Office No. 4, 6th Floor,
 Askari Corporate Tower,
 75/76 D-1, Main Boulevard
 Gulberg III, Lahore-54660
 Pakistan.

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF BERGER PAINTS PAKISTAN LIMITED

Report on review of interim financial statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **BERGER PAINTS PAKISTAN LIMITED** ("the Company") as at December 31, 2024 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the six-month period then ended (herein-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these 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 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 unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for the quarters ended December 31, 2024 and December 31, 2023 in the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

LAHORE

DATED: **27 FEB 2025**

UDIN: RR202410131ZkWAqoGKw

BDO Muhammad Imran
 BDO EBRAHIM & CO.
 CHARTERED ACCOUNTANTS

BDO

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BERGER PAINTS PAKISTAN LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT DECEMBER 31, 2024

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	Rupees in thousand	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	2,270,436	2,246,299
Long term investments	8	103,405	76,595
Long term loans and advances	9	34,760	45,315
Long term deposits and prepayments		47,085	33,319
		<u>2,455,686</u>	<u>2,401,528</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		31,284	30,925
Stock in trade	10	1,537,634	1,396,960
Trade debts - unsecured	11	2,733,180	2,602,977
Loans and advances		275,707	243,947
Trade deposits and short term prepayments		36,432	35,526
Other receivables	12	50,502	39,251
Tax refund due from Government		174,412	211,605
Short term investment	13	91,000	121,000
Cash and bank balances		140,572	66,172
		<u>5,070,723</u>	<u>4,748,363</u>
		<u>7,526,409</u>	<u>7,149,891</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital		500,000	500,000
50,000,000 (June 30, 2024: 50,000,000) shares of Rs. 10 each			
Issued, subscribed and paid up capital		245,516	245,516
24,551,614 (June 30, 2024: 24,551,614) ordinary shares of Rs. 10 each			
Capital reserves			
Revaluation surplus on property, plant and equipment		1,410,900	1,437,720
Other reserves (Share premium and fair value reserve)		64,423	47,575
		<u>1,475,323</u>	<u>1,485,295</u>
Revenue reserves			
General reserve		285,000	285,000
Accumulated profits		1,523,330	1,431,654
		<u>1,808,330</u>	<u>1,716,654</u>
Total equity		<u>3,529,169</u>	<u>3,447,465</u>
NON CURRENT LIABILITIES			
Long term financing - secured	14	162,545	106,092
Long term diminishing musharaka	15	125,000	208,333
Deferred grant		14,329	17,524
Long term employee benefits		175,257	157,459
Deferred taxation - net	16	119,038	134,447
		<u>596,169</u>	<u>623,855</u>
CURRENT LIABILITIES			
Trade and other payables	17	2,519,140	2,136,092
Current portion of long term financing	18	221,982	210,342
Unclaimed dividend		20,804	12,478
Accrued markup		35,432	50,024
Short term borrowings - secured	19	603,713	669,635
		<u>3,401,071</u>	<u>3,078,571</u>
CONTINGENCIES AND COMMITMENTS			
	20		3,078,571
TOTAL EQUITY AND LIABILITIES		<u>7,526,409</u>	<u>7,149,891</u>

The annexed notes from 1 to 35 form an integral part of these unconsolidated condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

BERGER PAINTS PAKISTAN LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Note	Half year ended		Quarter ended	
		December 31,	December 31,	December 31,	December 31,
		2024	2023	2024	2023
		----- (Rupees in thousand) -----			
Revenue from contract with customers - net	22	4,616,070	4,387,972	2,498,519	2,317,754
Cost of sales	23	(3,652,165)	(3,534,362)	(2,010,981)	(1,860,393)
Gross profit		963,905	853,610	487,538	457,361
Selling and distribution expenses		(485,281)	(379,201)	(263,706)	(188,570)
Administrative and general expenses		(118,186)	(107,692)	(59,859)	(55,813)
Other operating expenses		(20,229)	(29,968)	(12,888)	(20,257)
		(623,696)	(516,861)	(336,453)	(264,640)
Profit from operations		340,209	336,749	151,085	192,721
Other income		40,499	43,092	34,474	25,408
		380,708	379,841	185,559	218,129
Finance cost	24	(128,893)	(137,794)	(58,029)	(55,042)
Profit before income tax and final taxes		251,815	242,047	127,530	163,087
Levy		-	(6,384)	-	(6,568)
Profit before income tax		251,815	235,663	127,530	156,519
Taxation	25	(88,753)	(90,834)	(41,525)	(61,435)
Profit after taxation for the period		163,062	144,829	86,005	95,084
Earnings per share - basic and diluted (Rupees)	26	6.64	5.90	3.50	3.87

The annexed notes from 1 to 35 form an integral part of these unconsolidated condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

BERGER PAINTS PAKISTAN LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT
OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- (Rupees in thousand) -----			
Profit after taxation for the period	163,062	144,829	86,005	95,084
Other comprehensive income				
Items that may be reclassified subsequently to statement of profit or loss	-	-	-	-
Items that will not be reclassified subsequently to statement of profit or loss	-	-	-	-
Fair value gain /(loss) on investment classified as Fair value through OCI - net of tax	16,848	(5,573)	(5,587)	(4,041)
Total comprehensive income for the period	179,910	139,256	80,418	91,043

The annexed notes from 1 to 35 form an integral part of these unconsolidated condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

BERGER PAINTS PAKISTAN LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Reserves						Total reserves	Total
	Issued, subscribed and paid-up capital	Capital		Revenue				
		Revaluation surplus on property, plant and equipment	Share premium	Fair value reserve	General reserve	Accumulated profits		
-----Rupees in thousand-----								
Balance as at July 01, 2023 - (audited)	245,516	1,495,613	34,086	22,119	285,000	1,113,469	2,950,287	3,195,803
Profit after taxation for the period	-	-	-	-	-	144,829	144,829	144,829
Other comprehensive income for the period								
- Fair value loss on investment classified as Fair Value through OCI	-	-	-	(5,573)	-	-	(5,573)	(5,573)
Total comprehensive income for the period	-	-	-	(5,573)	-	144,829	139,256	139,256
Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	(30,191)	-	-	-	30,191	-	-
Transaction with owners of the Company								
Final cash dividend for the year ended June 30, 2023	-	-	-	-	-	-	-	-
Balance as at December 31, 2023 - (un-audited)	245,516	1,465,422	34,086	16,546	285,000	1,288,489	3,089,543	3,335,059
Balance as at July 01, 2024 - (audited)	245,516	1,437,720	34,086	13,489	285,000	1,431,654	3,201,949	3,447,465
Profit after taxation for the period	-	-	-	-	-	163,062	163,062	163,062
Other comprehensive income for the period								
- Fair value gain on investment classified as Fair Value through OCI	-	-	-	16,848	-	-	16,848	16,848
Total comprehensive income for the period	-	-	-	16,848	-	163,062	179,910	179,910
Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	(26,820)	-	-	-	26,820	-	-
Transaction with owners of the Company								
Final cash dividend for the year ended June 30, 2024 at the rate of 40%	-	-	-	-	-	(98,206)	(98,206)	(98,206)
Balance as at December 31, 2024 - (un-audited)	245,516	1,410,900	34,086	30,337	285,000	1,523,330	3,283,653	3,529,169

The annexed notes from 1 to 35 form an integral part of these unconsolidated condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

BERGER PAINTS PAKISTAN LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Note	Half year ended	
		December 31, 2024	December 31, 2023
		(Rupees in thousand)	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before income tax and final taxes		251,815	242,047
Adjustments for non cash and other items:			
Depreciation on property, plant and equipment	7	103,935	107,503
Provision for expected credit losses	11	(7,856)	33,316
Gain on disposal of property, plant and equipment		(2,818)	-
Provision for staff retirement and other long term benefits		22,113	22,365
Finance costs		128,893	137,794
		244,267	300,978
Profit before working capital changes		496,082	543,025
(Increase) / decrease in current assets:			
Stores and spare parts		(359)	(2,416)
Stock-in-trade		(140,674)	(301,696)
Trade debts - unsecured		(122,347)	(288,700)
Loans and advances		(31,760)	(65,271)
Trade deposits and short term prepayments		(906)	(396)
Others receivables		(11,251)	(12,252)
		(307,297)	(670,731)
Increase in current liabilities:			
Trade and other payables		383,048	420,845
Cash generated from operations		571,833	293,139
Taxes paid		(76,931)	(67,000)
Finance cost paid		(143,485)	(133,507)
Staff retirement and other long term benefits paid		(4,315)	(6,177)
Long term loans - net		10,555	983
Long term deposits - net		(13,766)	(5,970)
		(227,942)	(211,671)
Net cash generated from in operating activities		343,891	81,468
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(129,023)	(44,376)
Proceeds from disposal of property, plant and equipment		3,769	-
Short term investments - net		30,000	100,000
Net cash (used in) / generated from investing activities		(95,254)	55,624
CASH FLOW FROM FINANCING ACTIVITIES			
Long term financing - net		64,898	(4,627)
Long term diminishing musharaka - net		(83,333)	(41,667)
Dividend paid		(89,880)	-
Net cash used in financing activities		(108,315)	(46,294)
Net increase in cash and cash equivalents		140,322	90,798
Cash and cash equivalents at beginning of the period		(603,463)	(378,230)
Cash and cash equivalents at end of the period	21	(463,141)	(287,432)

The annexed notes from 1 to 35 form an integral part of these unconsolidated condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

BERGER PAINTS PAKISTAN LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

1 REPORTING ENTITY INFORMATION

- 1.1 Berger Paints Pakistan Limited ("the Company") was incorporated in Pakistan on March 25, 1950 as a Private Limited Company under the Companies Act 1913 (now Companies Act, 2017) and was subsequently converted into a Public Limited Company. The Company is listed on the Pakistan Stock Exchange ("PSX"). The principal business activity of the Company is manufacturing and trading of paints, varnishes and other related items. Slotrapid Limited, based in British Virgin Island is the Holding Company. The aggregate percentage of holding is 52.05% (June 30, 2024: 52.05%).
- 1.2 These unconsolidated condensed interim financial statements are the separate financial statements of the Company in which investments in subsidiary and associates are accounted for on the basis of direct cost of investment less identified impairment, if any rather than on the basis of reported results and net assets of the investees. Consolidated condensed interim financial statements of the Company are prepared separately. The Company has following investments:

Company name	Country of incorporation	Percentages of shareholding	Nature of business
Subsidiary			
Berger DPI (Private) Limited	Pakistan	51.00%	Execution of contracts relating to application of road marking paints and installation of road safety equipment
Associate			
3S Pharmaceuticals (Private) Limited	Pakistan	49.00%	Manufacturing of medicines

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The geographical locations and addresses of the Company's business units including production facilities are as under:

The registered office of the Company is situated at 28-KM Multan Road, Lahore and its only manufacturing facility is also located at 28-KM Multan Road, Lahore.

Regional office	Office address
Karachi	X-3 Manghopir Road, S.I.T.E
Islamabad	Plot No. 201, Street 1, Sector, I-10/3
Multan	174/A Lodhi Colony, MRE, Opposite Hascol Petrol Pump, MDA Road

3 BASIS OF PREPARATION

3.1 Statement of compliance

These unconsolidated 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 34, 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where 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 unconsolidated condensed interim financial statements are un-audited but subject to the limited scope review by the auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

These unconsolidated condensed interim financial statements do not include all the information and disclosures required for full annual unconsolidated financial statements and should be read in conjunction with the annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2024 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these unconsolidated condensed interim financial statements have been extracted from the annual unconsolidated audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows and unconsolidated condensed interim statement of changes in equity are extracted from the un-audited unconsolidated condensed interim financial statements for the half year ended December 31, 2023.

3.2 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention, except for the recognition of certain staff retirement benefits at present value, some investment at fair value and certain operating fixed assets at revalued amounts.

3.3 Functional and presentation currency

The financial statements are presented in Pak Rupees ("Rs") which is the Company's functional and presentation currency.

4 USE OF ESTIMATES AND JUDGMENTS

The preparation of unconsolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the unconsolidated annual audited financial statements of the Company for the year ended June 30, 2024.

5 ACCOUNTING POLICIES AND CHANGES THERE IN

5.1 The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the unconsolidated annual audited financial statements of the company for the year ended June 30, 2024.

5.2 Change in accounting standards, interpretations and amendments to published accounting and reporting standards

5.2.1 Amendments to published accounting and reporting standards which became effective during the period:

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2024, but are considered not to be relevant or did not have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these unconsolidated condensed interim financial statements.

5.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2025, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are, therefore, not detailed in these unconsolidated condensed interim financial statements.

6 TAXATION

The provisions for taxation for the half year and quarter ended December 31, 2024, have been made using the estimated effective tax rate applicable to expected total annual earnings. The applicable income tax rate for the Tax Year 2025 is 29% plus super tax. Income tax expense is recognized in each interim period based on best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	Rupees in thousand	
7 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.1	2,031,296	2,013,240
Capital work in progress	7.2	31,460	22,384
Right-of-use-asset (leasehold land)	7.3	207,680	210,675
		<u>2,270,436</u>	<u>2,246,299</u>

7.1 Operating fixed assets

Opening net book value at the start of the period / year		2,013,240	2,088,301
Additions during the period / year - cost	7.1.1	119,947	136,324
Net book value of assets disposed off during the period / year	7.1.2	(951)	(7,530)
Depreciation charge for the period / year		(100,940)	(203,855)
Closing net book value at the end of the period / year		<u>2,031,296</u>	<u>2,013,240</u>

7.1.1 Following is the details of additions during the period / year - at cost:

Plant and machinery	41,329	6,987
Electric fittings	4,164	4,027
Computer and related accessories	2,159	3,180
Office equipment	374	911
Motor vehicles	68,012	73,798
Laboratory equipment	-	2,421
Buildings on Freehold land	3,909	45,000
	<u>119,947</u>	<u>136,324</u>

7.1.2 Following is the detail of disposals during the period / year - at net book value (NBV):

Motor vehicles	<u>951</u>	<u>7,530</u>
----------------	------------	--------------

	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
Note	Rupees in thousand	
7.2 Capital work in progress		
Opening balance at the start of the period / year	22,384	1,864
Additions (at cost)	137,040	174,826
Transferred to operating fixed assets/adjustments	(127,964)	(154,306)
Closing balance at the end of the period / year	<u>31,460</u>	<u>22,384</u>

7.2.1 This represents civil work in process and installation of plant & machinery at the period / year end.

7.3 Right-of-use-asset

Leasehold land

Opening net book value at the start of the period / year	210,675	216,666
Depreciation charge for the period / year	(2,995)	(5,991)
Closing net book value at the end of the period / year	<u>207,680</u>	<u>210,675</u>

7.3.1 The Company has a lease contract of its warehouse. Lease liability against the right-of-use asset has been paid off at the start of the contract.

8 LONG TERM INVESTMENTS

In equity instruments - at cost	8.1	51,421	51,421
Investment in equity instrument classified as FVOCI	8.2	51,984	25,174
		<u>103,405</u>	<u>76,595</u>

8.1 In equity instruments - at cost

Subsidiary company - unlisted Berger DPI (Private) Limited	8.1.1	2,550	2,550
Associated company - unlisted 3S Pharmaceuticals (Private) Limited	8.1.2	48,871	48,871
		<u>51,421</u>	<u>51,421</u>

8.1.1 This represents investment at cost in subsidiary company 765,000 (June 30, 2024: 765,000) number of shares with face value of Rs. 10 each. The Company holds 51% (June 30, 2024: 51%) shares in the Company.

8.1.2 This represents investment in associated company 392,000 (June 30, 2024: 392,000) number of shares with face value of Rs. 100 each. The Company holds 49% (June 30, 2024: 49%) shares in the Company.

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	Rupees in thousand	
8.2 Investment in equity instrument classified as FVOCI			
Buxly Paints Limited - listed			
Cost		3,830	3,830
Fair value adjustment	8.2.2	48,154	21,344
		<u>51,984</u>	<u>25,174</u>

8.2.1 The Company owns 273,600 (June 30, 2024: 273,600) fully paid ordinary shares of Rs. 10 each representing 19.00% (June 30, 2024: 19.00%) investment of total shares in Buxly Paints Limited. As at December 31, 2024, the market value of each share was Rs. 190 (June 30, 2024: Rs. 92.01).

8.2.2 Fair value adjustment

Opening balance at start of the period / year	21,344	16,416
Fair value gain	26,810	4,928
Closing balance at end of the period / year	<u>48,154</u>	<u>21,344</u>

9 LONG TERM LOANS AND ADVANCES

Loans to employees - Secured	9.1	8,761	27,332
Long term advances - Unsecured	9.2	25,999	17,983
Closing balance at end of the period / year		<u>34,760</u>	<u>45,315</u>

9.1	Opening balance at start of the period / year	48,037	66,244
	Disbursements during the period / year	1,644	4,904
	Repayments during the period / year	(12,180)	(23,111)
		<u>37,501</u>	<u>48,037</u>
	Discounting adjustment for recognition at fair value - deferred employee benefits	(17,394)	(16,085)
	Closing balance at end of the period / year	<u>20,107</u>	<u>31,952</u>
	Current portion shown under current assets	(11,346)	(4,619)
		<u>8,761</u>	<u>27,332</u>

9.1 These represent interest free loans provided to the employees of the Company in accordance with the terms of their employment, under a scheme for the purchase of motor vehicles. These loans are secured by keeping title of the underlying assets in the name of the Company till final settlement. These loans are recoverable over a period of three to ten years. These loans have been discounted using market rate as at reporting date and the corresponding discounting impact has been recognised as prepared employee benefits.

9.2 This represents advances provided to various suppliers for capital expenditure.

	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
Note	Rupees in thousand	
10 STOCK-IN-TRADE		
Raw and packing materials		
- in hand	453,992	496,612
- in transit	334,143	171,249
	<u>788,135</u>	<u>667,861</u>
Semi processed goods	172,358	168,032
Finished goods		
- Manufactured	599,813	576,086
- Trading	-	81,209
	<u>599,813</u>	<u>657,295</u>
	1,560,306	1,493,188
Provision for slow moving and obsolete stocks		
- Raw material	(18,271)	(18,271)
- Semi processed goods	(4,401)	(4,401)
- Finished goods	-	(73,556)
	<u>(22,672)</u>	<u>(96,228)</u>
	<u>1,537,634</u>	<u>1,396,960</u>

10.1 Aggregate stocks with a cost of Rs. 17.35 (2024: Rs. 13.81 million) are being valued at net realizable value of Rs. 16.47 (2024: Rs. 9.79 million).

	December 31, 2024	June 30, 2024
10.2 Provision for slow moving and obsolete stocks	Rupees in thousand	
As at the beginning of year	96,228	114,782
Provision made during the period / year	9,018	4,997
Write off during the period / year	(82,574)	(23,551)
As at period / year end	<u>22,672</u>	<u>96,228</u>

10.3 Stock-in-trade up to a maximum amount of Rs. 2,070 million (2023: Rs. 2,070 million) are under hypothecation of commercial banks as security for short term borrowings.

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	Rupees in thousand	
11 TRADE DEBTS - UNSECURED			
Considered good			
Related parties	11.1	212,438	275,778
Others		2,776,269	2,544,034
		2,988,707	2,819,812
Considered doubtful			
Related parties	11.1	3,021	9,314
Others		92,771	86,850
		95,792	96,164
Allowance for expected credit losses (ECL)	11.2	(95,792)	(96,164)
Provision for discounts		(255,527)	(216,835)
		<u>2,733,180</u>	<u>2,602,977</u>
11.1 Trade debts include the following amounts due from the following related parties:			
Buxly Paints Pakistan Limited - related party		<u>215,459</u>	<u>285,092</u>
11.2 Movement in allowance for ECL			
Opening balance at start of the period / year		96,164	153,393
Allowance for ECL for the period / year		7,856	67,990
Bad debts written off		(8,228)	(125,219)
Closing balance at end of the period / year		<u>95,792</u>	<u>96,164</u>
11.3 Provision for discounts			
Balance at beginning of the period / year		216,835	194,284
Charge for the period / year - net		1,035,787	2,675,017
Discounts paid during the period / year		(997,095)	(2,652,466)
Balance at end of the period / year		<u>255,527</u>	<u>216,835</u>

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	Rupees in thousand	
12 OTHER RECEIVABLES			
LC margin		27,789	22,848
Receivable from related parties	12.1	10,046	2,512
Export rebate		10,565	10,565
Provision against export rebate		(9,736)	(9,736)
		829	829
Accrued interest		10,408	10,760
Insurance claim receivable			
- considered good		681	681
- considered doubtful		911	911
		1,592	1,592
Less: Impairment allowance		(911)	(911)
		681	681
Others		749	1,621
		<u>50,502</u>	<u>39,251</u>

12.1 Other receivables include the following amounts due from the following related parties:

Berger Road Safety (Private) Limited - subsidiary of Berger DPI (Private) Limited	19,409	12,526
3S Pharmaceutical (Private) Limited - related party	6,476	5,824
	<u>25,885</u>	<u>18,350</u>
Less: Impairment allowance	(15,839)	(15,838)
	<u>10,046</u>	<u>2,512</u>

13 SHORT TERM INVESTMENT

At amortised cost

Term deposit receipts (TDRs)

JS Bank Limited

Bank Islami Pakistan Limited

41,000	71,000
50,000	50,000
<u>91,000</u>	<u>121,000</u>

13.1

13.1 This represents term deposit receipts which are mark-up based investments with conventional banks. The balance is under lien with commercial bank against letter of guarantee, maturing up to one year and carry mark-up at the rates ranging from 12.97% to 22% (June 30, 2024: 15.00% to 22.00%) per annum.

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	Rupees in thousand	
14 LONG TERM FINANCING - SECURED			
Mark-up based financing from conventional banks	14.1	80,082	86,847
Islamic mode of financing	14.2	132,695	57,822
		212,777	144,669
Current maturity shown under current liabilities:			
Mark-up based financing from conventional banks		(20,781)	(20,781)
Islamic mode of financing		(29,451)	(17,796)
		(50,232)	(38,577)
		162,545	106,092
14.1 The reconciliation of the carrying amount is as follows:			
Opening balance at start of the period / year		86,847	101,016
Repayments during the period / year		(9,975)	(19,950)
Unwinding of discount on liability		3,210	5,781
Closing balance at end of the period / year		80,082	86,847
14.2 The reconciliation of the carrying amount is as follows:			
Opening balance at start of the period / year		57,822	47,906
Disbursements during the period / year		89,457	46,492
Repayments during the period / year		(14,584)	(36,576)
Closing balance at end of the period / year		132,695	57,822

14.3 There is no material change in the terms and conditions of the Long term financing - secured as disclosed in the unconsolidated annual audited financial statements as at and for the year ended June 30, 2024 except as follows:

Islamic mode of financing includes a new diminishing musharika facility amounting to Rs. 90.91 million for purchase of vehicle. The facility is repayable in 16 quarterly installments ending in September 2029. Profit is payable quarterly and charged at the rate of three month's KIBOR plus 1% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility was fully repaid.

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	Rupees in thousand	
15	LONG TERM DIMINISHING MUSHARAKA		
	Berger Paints Pakistan Limited		
	Sukuk of Rs. 500 million	291,667	375,000
	Current maturity shown under current	(166,667)	(166,667)
		<u>125,000</u>	<u>208,333</u>
15.1	The Company issued 500 million BPPL Sukuk certificates, having face value of Rs. 1 million each and entered into a diminishing musharaka agreement with the investment agent, Pak Oman Investment Company (trustee on behalf of the Sukuk holders) as a co-owner of the musharaka assets. The issue resulted in cash receipt of subscription money of Rs. 500 million. The Sukuk certificates carry profit at the rate of 3 months KIBOR + 1.5% with quarterly rental payments. These certificates are issued for a tenure of four years and are structured in such a way that first quarterly principal repayment installment commenced from the quarter ended September 2023. Under this arrangement the Company sold the beneficial ownership of the musharaka assets, its freehold land and building on freehold land, to the investment agent (for the benefit of Sukuk holders) although legal title remains with the Company. The overall arrangement has been accounted for in these financial statements on the basis of substance of the transaction.		
16	DEFERRED TAXATION - NET		
	Deferred tax liability on taxable temporary differences arising in respect of		
	- Accelerated tax depreciation	36,163	47,765
	- Surplus on revaluation of fixed assets	(204,905)	(234,997)
		(168,742)	(187,232)
	Deferred tax asset on deductible temporary differences arising in respect of:		
	- Impairment allowance on financial assets	51,833	51,506
	- Investment in related parties	7,299	4,754
	- Fair value gain on investment classified as FVOCI	(17,817)	(7,855)
	- Provision for slow moving stock	8,389	4,380
		49,704	52,785
		<u>(119,038)</u>	<u>(134,447)</u>
16.1	Movement in deferred tax balances is as follows:		
	Opening balance at start of the period / year	(134,447)	(104,645)
	Recognized in profit or loss:		
	- Accelerated tax depreciation including surplus on revaluation of fixed assets	18,490	6,635
	- on financial assets	327	(19,942)
	- Investment in related parties	2,545	3,263
	- Provision for slow moving stock	4,009	(6,200)
		25,371	(16,244)
	Recognized in other comprehensive income:		
	- Fair value loss on investment classified as FVOCI	(9,962)	(13,558)
	Closing balance at end of the period / year	<u>(119,038)</u>	<u>(134,447)</u>

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	Rupees in thousand	
17	TRADE AND OTHER PAYABLES		
		1,594,618	1,431,131
		405,685	183,532
	17.1	85,952	137,526
		83,589	75,978
	17.2	96,087	96,087
	17.3	70,214	40,158
		40,090	40,090
		17,511	28,449
		17,326	9,699
		8,909	5,621
		86,715	54,220
		12,444	32,906
		-	695
		2,519,140	2,136,092

17.1 Contract balances primarily comprises of contract liabilities, representing advance consideration received from customers for the purchase of products. Balance as at reporting date amounted to Rs. 85.95 million (June 30, 2024: 137.53 million). Revenue recognized during the reporting period which was included in the contract liabilities at the beginning of the period amounted to Rs. 137.53 million (June 30, 2024: Rs. 80.11 million).

17.2 Provision for infrastructure cess

Opening balance at start of the period / year	96,087	96,087
Provision for the period / year	-	-
Bad debts written off	-	-
Closing balance at end of the period / year	96,087	96,087

17.2.1 This provision has not yet been paid by the Company, considering the order of Honorable Supreme Court of Pakistan dated September 01, 2021 in which interim relief relating to the recovery of this cess was provided to the Companies. During the period the Company is paying the cess as per applicable Act.

17.3 Royalty payable to related parties

Slotrapid Limited - Holding Company	70,182	40,126
Buxly Paints Limited - Associated Company	32	32
	70,214	40,158

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
Rupees in thousand			
18	CURRENT PORTION OF LONG TERM FINANCING		
	Current portion of long term financing	50,232	38,577
	Current portion of long term diminishing musharaka	166,667	166,667
	Current portion of deferred income	5,083	5,098
		<u>221,982</u>	<u>210,342</u>
19	SHORT TERM BORROWINGS - SECURED		
	Mark-up based borrowings from conventional banks	508,341	585,716
	Mark-up based borrowings from Islamic banks	95,372	83,919
		<u>603,713</u>	<u>669,635</u>

19.1 The reconciliation of the carrying amount is as follows:

Opening balance at start of the period / year	585,717	268,720
Disbursements during the period/year	27,052,129	25,569,628
Repayments during the period/year	(27,129,505)	(25,252,631)
Closing balance at end of the period / year	<u>508,341</u>	<u>585,717</u>

19.2 The reconciliation of the carrying amount is as follows:

Opening balance at start of the period / year	83,919	156,588
Disbursements during the period / year	889,070	698,875
Repayments during the period / year	(877,617)	(771,544)
Closing balance at end of the period / year	<u>95,372</u>	<u>83,919</u>

19.3 There is no material change in the terms and conditions of the short term financing and short term running financing- secured as disclosed in the unconsolidated annual audited financial statements as at and for the year ended June 30, 2024.

20 CONTINGENCIES AND COMMITMENTS

20.1 Contingencies

There has been no change in the contingencies as compared to those disclosed in the audited annual financial statements of the Company for the year ended June 30, 2024 except for:

- a) The Sindh Revenue Board (SRB) through an assessment raised sales tax demand amounting to Rs. 39.34 million along-with penalty. Department (SRB) had inadvertently added all royalty figures appearing in accounts including royalty receivable, royalty payable, royalty expense and related party transfers for the calculation of tax on royalties. The Parent Company, through its legal counsel, filed

an appeal before the Commissioner (Appeals) SRB on the grounds that amount of sales tax is not correctly calculated and the provisions of Sindh Sales Tax on Services Act, 2011 are not applicable for the reason that the Parent Company is managing its affairs from the province of Punjab. The Commissioner (Appeals) had reduced the demand to Rs. 8.18 million, against which the Parent Company had filed an appeal before Appellate Tribunal SRB. The case is now pending before Sindh High Court. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome, hence no provision has been recorded in these financial statements.

20.2 Commitments

- a) Outstanding letters of credit as at December 31, 2024, amounted to Rs. 553 million (June 30, 2024: Rs. 636 million).
- b) Outstanding letters of guarantee as at December 31, 2024 amounted to Rs. 139 million (June 30 2024: Rs. 138 million).

	December 31, 2024 (Un-audited)	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
Rupees in thousand			
21 CASH AND CASH EQUIVALENTS			
Cash and cash equivalents as at December 31/ June 30 comprise of the following:			
Cash and bank balances	140,572	88,071	47,078
Short term investment	-	30,000	110,000
Short term borrowings - secured	(603,713)	(405,503)	(425,308)
	<u>(463,141)</u>	<u>(287,432)</u>	<u>(268,230)</u>

22 REVENUE FROM CONTRACT WITH CUSTOMERS - NET

	----- (Un-audited) -----			
	Half year ended		Quarter ended	
	December 31,		December 31,	
	2024	2023	2024	2023
----- (Rupees in thousand) -----				
Sales				
Local	7,326,894	6,295,174	4,310,572	3,300,546
Export	66,906	39,800	45,065	21,311
	<u>7,393,800</u>	<u>6,334,974</u>	<u>4,355,637</u>	<u>3,321,857</u>
Less: Sales tax	(1,741,943)	(1,042,548)	(1,210,045)	(540,000)
Less: Discounts	(1,035,787)	(904,454)	(647,073)	(464,103)
	<u>(2,777,730)</u>	<u>(1,947,002)</u>	<u>(1,857,118)</u>	<u>(1,004,103)</u>
	<u>4,616,070</u>	<u>4,387,972</u>	<u>2,498,519</u>	<u>2,317,754</u>

23 COST OF SALES

Raw materials consumed	3,126,855	3,240,665	1,628,757	1,690,378
Other overheads:				
Stores, spares and consumables	6,467	3,438	3,347	1,610
Freight and handling	157,761	157,544	70,791	96,335
Salaries, wages and other benefits	175,052	139,601	90,320	68,151
Travelling and conveyance	8,084	9,299	5,188	6,274
Fuel, water and power	74,849	64,749	38,102	37,910
Repair and maintenance	24,978	22,442	12,024	11,808
Legal and professional	365	710	108	522
Rent, rates and taxes	3	206	3	-
Insurance	6,582	3,492	3,284	1,888
Depreciation	71,959	87,229	35,841	42,631
Ijarah lease rentals	-	28	-	-
Communication	1,186	707	986	394
Printing and stationery	1,183	1,261	534	593
Other expenses	17,241	7,208	12,517	4,054
Opening work in process	163,631	158,224	168,651	170,005
Closing work in process	(167,957)	(164,953)	(167,957)	(164,953)
Cost of goods manufactured	<u>3,668,239</u>	<u>3,731,850</u>	<u>1,902,496</u>	<u>1,967,600</u>
Finished goods				
Opening stock	583,739	507,097	708,298	597,379
Closing stock	(599,813)	(704,585)	(599,813)	(704,585)
	<u>(16,074)</u>	<u>(197,488)</u>	<u>108,485</u>	<u>(107,206)</u>
	<u>3,652,165</u>	<u>3,534,362</u>	<u>2,010,981</u>	<u>1,860,393</u>

		----- (Un-audited) -----			
		Half year ended		Quarter ended	
		December 31,		December 31,	
		2024	2023	2024	2023
		----- (Rupees in thousand) -----			
24	FINANCE COST				
	Islamic mode of financing:				
	- Long term financing musharaka	3,330	5,461	1,829	2,988
	- Short term running finances	35,324	59,966	15,054	28,541
		6,663	15,563	2,626	15,563
	Mark-up based borrowings from conventional banks:				
	- Long term financing	5,472	3,214	4,121	3,214
	- Short term running finances	73,292	48,756	31,567	2,623
	Bank charges	4,812	4,834	2,832	2,113
		<u>128,893</u>	<u>137,794</u>	<u>58,029</u>	<u>55,042</u>
25	TAXATION				
	Current	117,679	117,491	70,451	88,092
	Prior year	(3,557)	406	(3,557)	406
	Deferred	(25,369)	(27,063)	(25,369)	(27,063)
		<u>88,753</u>	<u>90,834</u>	<u>41,525</u>	<u>61,435</u>

25.1 This includes super tax under Section 4C of the Income Tax Ordinance, 2001 amounting to Rs. 25.4 million (December 31, 2023: Rs. 21.16 million).

26 EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

Profit after taxation - (Rs. in thousand)	<u>163,062</u>	<u>144,829</u>	<u>86,005</u>	<u>95,084</u>
Weighted average number of ordinary shares - (in thousand)	<u>24,552</u>	<u>24,552</u>	<u>24,552</u>	<u>24,552</u>
Earnings per share - basic and diluted - (Rs.)	<u>6.64</u>	<u>5.90</u>	<u>3.50</u>	<u>3.87</u>

27 TRANSACTIONS WITH RELATED PARTIES

Related parties include subsidiaries, associated entities, directors, other key management personnel and close family members of directors and other key management personnel and contribution to retirement benefit plan. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

Name of parties, nature and basis of relationship	Holding Percentage	Nature of transaction	------(Un-audited)----- Half year ended	
			December 31, 2024	December 31, 2023
'Rupees in thousand				
Transaction with:				
Holding Company				
Slotrapid Limited	52.05%	Royalty expense	69,241	-
		Dividend Paid	42,438	-
Subsidiary of the subsidiary company				
Berger Road Safety (Private) Limited		Expenses incurred on behalf of	6,883	-
Related party				
Buxly Paints Limited	19.00%	Sales	193,285	248,784
		Rental income and other service charges	600	600
		Toll manufacturing	23,434	20,750
Associate				
3S Pharmaceuticals (Private) Limited	49.00%	Common expenditure incurred	652	964
Retirement benefit plans				
Contribution to staff retirement benefit plans			23,555	22,424
Key management personnel				
Remuneration and other benefits			174,145	142,856
			December 31, 2024	June 30, 2024
			(Un-audited)	(Audited)
Rupees in thousand				
Balances as at:				
Holding Company				
Royalty payable			70,182	40,126
Dividend payable			13,552	-
Berger Road Safety (Private) Limited				
Other receivable			19,409	12,526
Buxly Paints Limited				
Trade debt			215,459	285,092
Royalty payable			32	32
Associated Undertaking - 3S Pharmaceuticals (Private) Limited				
Other receivable			6,476	5,824

- 27.1 In addition to these transactions, the parent Company has an agreement with Buxly Paints Limited (BPL) for construction and use of warehouse on BPL's land located at X-3 Manghopir Road, S.I.T.E, Karachi for a term of ten years at a nominal monthly rent. After the aforementioned term of ten years, the Parent Company will handover the possession of the building to BPL free of cost.

28 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted price is readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and that price represents actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date (Level 1)

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. derived from prices) (level 2)

Inputs for the asset or liability that are not based on observable market data (i.e. unobservable) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

29 FINANCIAL INSTRUMENTS BY CATEGORY

	Carrying value			Fair value				
	Financial assets at amortized cost	FVOCI - equity instrument	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in thousand) -----								
On-Balance sheet financial instruments								
As at December 31, 2024								
Financial assets measured at fair value								
Investments classified as FVOCI	-	51,984	-	51,984	51,984	-	-	51,984
Financial assets at amortised cost								
Long term investment at cost	51,421	-	-	51,421	-	-	-	-
Financial assets - at amortised cost								
Long-term loans - secured	34,760	-	-	34,760	-	-	-	-
Long-term deposits	47,085	-	-	47,085	-	-	-	-
Trade debts	2,733,180	-	-	2,733,180	-	-	-	-
Trade deposits	27,965	-	-	27,965	-	-	-	-
Other receivables	50,502	-	-	50,502	-	-	-	-
Short term investments	91,000	-	-	91,000	-	-	-	-
Cash and bank balances	140,572	-	-	140,572	-	-	-	-
	<u>3,176,485</u>	<u>51,984</u>	<u>-</u>	<u>3,228,469</u>	<u>51,984</u>	<u>-</u>	<u>-</u>	<u>51,984</u>
Financial liabilities at amortised cost								
Long term financing - secured	-	-	162,545	162,545	-	-	-	-
Long term diminishing musharaka	-	-	125,000	125,000	-	-	-	-
Trade and other payables	-	-	2,376,998	2,376,998	-	-	-	-
Accrued markup	-	-	35,432	35,432	-	-	-	-
Short-term borrowings - secured	-	-	603,713	603,713	-	-	-	-
	<u>-</u>	<u>-</u>	<u>3,303,688</u>	<u>3,303,688</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at June 30, 2024								
Financial assets measured at fair value								
Investments classified as FVOCI	-	25,174	-	25,174	25,174	-	-	25,174
Financial assets - at cost								
Long term investment at cost	51,421	-	-	51,421	-	-	-	-
Financial assets - at amortised cost								
Long term loans - secured	31,952	-	-	31,952	-	-	-	-
Long term deposits	33,319	-	-	33,319	-	-	-	-
Trade debts	2,602,977	-	-	2,602,977	-	-	-	-
Trade deposits	22,209	-	-	22,209	-	-	-	-
Other receivables	39,251	-	-	39,251	-	-	-	-
Short term investment	121,000	-	-	121,000	-	-	-	-
Cash and bank balances	65,522	-	-	65,522	-	-	-	-
	<u>2,967,651</u>	<u>25,174</u>	<u>-</u>	<u>2,992,825</u>	<u>25,174</u>	<u>-</u>	<u>-</u>	<u>25,174</u>
Financial liabilities at amortised cost								
Long term financing - secured	-	-	144,669	144,669	-	-	-	-
Long term diminishing musharaka	-	-	375,000	375,000	-	-	-	-
Trade and other payables	-	-	1,825,109	1,825,109	-	-	-	-
Accrued markup	-	-	50,024	50,024	-	-	-	-
Short-term borrowings - secured	-	-	669,635	669,635	-	-	-	-
	<u>-</u>	<u>-</u>	<u>3,064,437</u>	<u>3,064,437</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

29.1 The Company has revalued certain fixed assets at fair value and classified under property, plant and equipment. The carrying value and level of fair value of these non - financial assets have been disclosed in the relevant note to the condensed interim financial statements.

- 29.2 Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

30 FINANCIAL RISK MANAGEMENT

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

There have been no significant changes in the risk management policies since the year end.

The unconsolidated condensed interim financial statements does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual unconsolidated financial statements for the year ended June 30, 2024.

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2024.

31 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

All other significant transactions and events that have affected the Company's financial position and performance during the period have been adequately disclosed in the notes to these financial statements.

32 CORRESPONDING FIGURES

- 32.1 Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period except a long-term advance amounting to Rs. 17.90 million has been reclassified from capital work in progress to long-term advance for correction presentation as advised by Institute of Chartered Accountants of Pakistan selected opinion.
- 32.2 This reference to the change in accounting policy, as defined in Note 4 of the annual financial statements for the year ended 30 June, 2024, relates to the levy under IFRIC 21 / IAS 37, instead of current income tax for the year under IAS 12. The income tax, amounting to Rs. 6.34 million, has been reclassified from taxation to levy. However, the change has not been applied retrospectively because its impact on the period is immaterial.
- 32.3 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the unconsolidated condensed interim statement of financial position comprise of balances as per the audited annual unconsolidated financial statements of the Company for year ended June 30, 2024 and the corresponding figures in the unconsolidated condensed interim statement of profit or loss and the unconsolidated condensed interim comprehensive income, unconsolidated condensed interim statement of cash flows and unconsolidated condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Company for the half year ended December 31, 2024.

33 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial statements were authorized for issue on February 14, 2025 by the Board of Directors of the Company.

34 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There are no significant reportable events after the unconsolidated condensed interim statement of financial position.

35 GENERAL

Amounts have been rounded off to the nearest rupees in thousand unless otherwise stated.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED DECEMBER, 2024

NEWS
FINANCIAL REPORT

3,456
2,589
1,238
4,896

3.45 2.58 6.68 12.3



BERGER PAINTS PAKISTAN LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS ON DECEMBER 31, 2024

	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	(Rupees in thousand)	
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	2,288,695	2,264,640
Equity - accounted investee - unlisted	58,744	48,871
Long term investment - FVOCI	42,022	25,174
Long term loans	16,778	27,333
Long term deposits and prepayments	47,085	33,319
	2,453,324	2,399,337
CURRENT ASSETS		
Stores, spare parts and loose tools	31,284	30,925
Stock in trade	1,537,634	1,396,960
Trade debts - unsecured	2,733,180	2,602,977
Loans and advances	275,707	243,947
Trade deposits and short term prepayments	36,432	35,526
Other receivables	38,074	39,251
Tax refund due from Government	201,321	238,515
Short term investment	91,000	121,000
Cash and bank balances	141,310	66,960
	5,085,942	4,776,061
TOTAL ASSETS	7,539,266	7,175,398
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised share capital	500,000	500,000
Issued, subscribed and paid-up capital	245,516	245,516
Capital reserves		
Revaluation surplus on property, plant and equipment	1,410,900	1,437,720
Other reserves (Share premium and fair value reserve)	64,423	47,575
	1,475,323	1,485,295
Revenue reserves		
General reserve	285,000	285,000
Accumulated profits	1,536,056	1,444,487
	1,821,056	1,729,487
Equity attributable to the owners of the Company	3,541,895	3,460,298
Non-controlling interests	7,733	7,749
Total equity	3,549,628	3,468,047
NON CURRENT LIABILITIES		
Long term financing - secured	162,545	106,092
Long term diminishing musharaka	125,000	208,333
Deferred grant	14,329	17,524
Long term employee benefits	175,257	157,459
Deferred taxation - net	119,038	134,447
	596,169	623,855
CURRENT LIABILITIES		
Trade and other payables	2,511,538	2,141,017
Current portion of deferred income	221,982	210,342
Unclaimed dividend	20,804	12,478
Accrued markup	35,432	50,024
Short term borrowings - secured	603,713	669,635
	3,393,469	3,083,496
TOTAL EQUITY AND LIABILITIES	7,539,266	7,175,398

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

BERGER PAINTS PAKISTAN LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half year Ended		Quarter Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- (Rupees in thousand) -----			
Revenue from contract with customers - net	4,616,070	4,387,972	2,498,519	2,317,754
Cost of sales	(3,652,241)	(3,534,517)	(2,011,018)	(1,860,470)
Gross profit	963,829	853,455	487,501	457,284
Selling and distribution expenses	(485,281)	(379,201)	(263,706)	(188,570)
Administrative and general expenses	(118,191)	(107,697)	(59,862)	(55,816)
Other operating expenses	(20,229)	(29,968)	(12,888)	(20,257)
	(623,701)	(516,866)	(336,456)	(264,643)
Profit from operations	340,128	336,589	151,045	192,641
Other income	40,553	43,163	34,499	25,436
	380,681	379,752	185,544	218,077
Finance cost	(128,899)	(137,817)	(58,031)	(55,045)
Share of loss of equity - accounted investee	(89)	(2,560)	3,506	(2,432)
Profit before income tax and final taxes for the period	251,693	239,375	131,019	160,600
Minimum/ Final Taxes	-	(6,348)	-	(6,568)
Profit before taxation for the period	251,693	233,027	131,019	154,032
Taxation	(88,753)	(91,066)	(41,525)	(61,435)
Profit after taxation for the period	162,940	141,961	89,494	92,597
Attributable to:				
Equity holders of the parent	162,956	142,112	89,502	92,624
Non-controlling interest	(16)	(151)	(8)	(27)
Earnings per share - basic and diluted (Rupees)	6.64	5.79	3.65	3.37

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

BERGER PAINTS PAKISTAN LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half year Ended		Quarter Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- (Rupees in thousand) -----			
Profit after taxation for the period	162,940	141,961	89,494	92,597
Other comprehensive income				
Items that may be reclassified subsequently to statement of profit or loss	-	-	-	-
Items that will not be reclassified subsequently to statement of profit or loss	-	-	-	-
Fair value (loss) / gain on investment classified as Fair value through OCI - net of tax	16,848	(5,573)	2,714	(4,041)
Total comprehensive income for the period	<u>179,788</u>	<u>136,388</u>	<u>92,208</u>	<u>88,556</u>
Attributable to:				
Equity holders of the parent	179,804	136,539	88,397	84,745
Non-controlling interest	(16)	(151)	3,811	3,811
	<u>179,788</u>	<u>136,388</u>	<u>92,208</u>	<u>88,556</u>

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

BERGER PAINTS PAKISTAN LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Reserves						Total equity attributable to owners of the Parent Company	Non controlling Interests	Total
	Capital		Revenue						
	Issued, subscribed and paid-up capital	Revaluation surplus on property, plant and equipment	Share premium	Fair value reserve	General reserve	Accumulated profits			
------(Rupees in thousand)-----									
Balance as at July 01, 2023 - (audited)	245,516	1,495,613	34,086	22,119	285,000	1,128,397	3,210,731	8,101	3,218,832
Profit after taxation for the period	-	-	-	-	-	142,112	142,112	(151)	141,961
<i>Other Comprehensive income for the period</i>									
- Revaluation surplus on property, plant & equipment	-	-	-	-	-	-	-	-	-
- Fair value gain on investment classified as Fair Value through OCI	-	-	-	(5,573)	-	-	(5,573)	-	(5,573)
Total comprehensive income for the period	-	-	-	(5,573)	-	142,112	136,539	(151)	136,388
Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	(30,191)	-	-	-	30,191	-	-	-
Transaction with owners of the Company									
Final cash dividend for the year June 30, 2023	-	-	-	-	-	-	-	-	-
	-	(30,191)	-	-	-	30,191	-	-	-
Balance as at December 31, 2023 - (un-audited)	245,516	1,465,422	34,086	16,546	285,000	1,300,700	3,347,270	7,950	3,355,220
Balance as at July 01, 2024 - (audited)	245,516	1,437,720	34,086	13,489	285,000	1,444,487	3,460,298	7,749	3,468,047
Profit after taxation for the period	-	-	-	-	-	162,956	162,956	(16)	162,940
Other comprehensive income for the period									
- Revaluation surplus on property, plant & equipment	-	-	-	-	-	-	-	-	-
- Fair value gain on investment classified as Fair Value through OCI	-	-	-	16,848	-	-	16,848	-	16,848
- Actuarial gain on staff retirement benefits	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	16,848	-	162,956	179,804	(16)	179,788
Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	(26,820)	-	-	-	26,820	-	-	-
Transaction with owners of the Company									
Bonus shares issue during the year	-	-	-	-	-	-	-	-	-
Final cash dividend for the year June 30, 2024	-	-	-	-	-	-	(98,206)	(98,206)	(98,206)
Balance as at December 31, 2024 - (Un-audited)	245,516	1,410,900	34,086	30,337	285,000	1,634,263	3,541,895	(90,473)	3,549,628

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

BERGER PAINTS PAKISTAN LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half year Ended	
	December 31, 2024	December 31, 2023
(Rupees in thousand)		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit after taxation for the period	251,693	239,375
Adjustments for non cash and other items:		
Depreciation on property, plant and equipment	104,011	107,662
Amortization on computer software	-	-
Provision charged against slow moving stock - net	-	-
Provision for doubtful debts	(7,856)	33,316
Share of loss of associated company	89	2,560
Gain on disposal of property, plant and equipment	(2,818)	-
Provision for staff retirement and other long term benefits	22,113	22,365
Finance costs	128,899	137,817
	244,438	303,720
Profit before working capital changes	496,131	543,095
(Increase) / decrease in current assets:		
Stores and spare parts	(359)	(2,416)
Stock-in-trade	(140,674)	(301,696)
Trade debts - unsecured	(122,347)	(307,400)
Loans and advances	(31,760)	(65,271)
Trade deposits short-term prepayments	(906)	(396)
Others receivables	1,177	(12,252)
	(294,869)	(689,431)
(Decrease)/Increase in current liabilities:		
Trade and other payables	370,521	409,316
Cash generated from/(used in) operations	571,782	262,980
Taxes paid	(76,932)	(67,049)
Finance cost paid	(143,484)	(133,530)
Staff retirement and other long term benefits paid	(4,315)	(6,177)
Long term loans - net	10,555	983
Long term deposits - net	(13,766)	(5,970)
	(227,942)	(211,743)
Net cash generated from/(used in) operating activities	343,840	51,237
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(129,023)	(44,376)
Proceeds from disposal of property, plant and equipment	3,769	-
Short term investments - net	30,000	100,000
Net cash used in investing activities	(95,254)	55,624
CASH FLOW FROM FINANCING ACTIVITIES		
Long term financing - net	64,898	(171,071)
Long term diminishing musharaka - net	(83,333)	125,000
Short term borrowings - net	-	-
Dividend paid	(89,879)	-
Net cash generated from / (used in) financing activities	(108,314)	(46,071)
Net increase / (decrease) in cash and cash equivalents	140,272	60,790
Cash and cash equivalents at beginning of the period	(602,675)	(377,484)
Cash and cash equivalents at end of the period	(462,403)	(316,694)

CHIEF EXECUTIVE

DIRECTOR

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