



**MATCO FOODS LIMITED**

# FIRST QUARTERLY REPORT



**2025**

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## **OUR LEGACY**

The journey of Matco started with the entrepreneurial aptitude of Syed Sarfaraz Ali Ghorī, who established his own company by the name of Muhammad Ali Trading Company (MATCO) in 1964 and initially began supplying and commissioning rice plant and equipment for the Government of Pakistan. Today, Matco has over 250 global customers and exports its consumer products to over 70 countries worldwide.

The Company also holds Organic Certifications from the US NOP and EU Organic Certification from Control Union, and is an IFC investee company since 2012.

In 2015, Matco Rice Processing (Pvt.) Limited changed its name to Matco Foods (Pvt.) Limited, and subsequently to Matco Foods Limited before listing in PSX, reflecting its mission of becoming a leading food corporation. Matco is a committed member of the society and strives to make constructive efforts for the welfare of the community.



## **BUSINESS PROFILE**

Matco Foods Limited has been a leading agro-processor and food products Company in South Asia since 1964. The Company is dedicated to providing convenient packaged goods and quality ingredients to the pharmaceuticals and confectionery industries. The Company's products include predominantly basmati rice, rice glucose, rice protein, rice maltodextrin, Himalayan pink salt, and other gourmet salts, spices, dessert mixes, and many more.

With over 50 years of experience in the rice industry, and a global portfolio of more than 150 corporate customers, the Company is the largest basmati rice exporter from Pakistan and among the top 100 Exporters of Pakistan, and its flagship brand "Falak" is a recognized household name in the rice, condiments, and spices category and is available in more than 65 countries worldwide. Matco also exports private-label brands to over 65 countries across the globe.

Matco Foods Limited operates 2 rice syrup plants, and 5 rice processing and milling plants, which include vertically integrated paddy drying, storage, husking, and processing facilities in Sadhoke, Punjab, and Karachi, Sindh. Matco Foods Limited's state-of-the-art organic rice syrup and rice protein manufacturing facility is a natural business extension that leverages the company's technical and industry acumen while catering to evolving global food trends.

Matco Foods Limited's Corn Division launched its range of Starches and Animal Nutrition products in 2022. The Company brings its deep expertise in grain procurement and handling, processing excellence, and customer-first sales approach to corn products. The state-of-the-art plant has been commissioned with the best technology and expertise from Asia, the USA, and Europe.

Matco Foods has also launched its Falak Food Division in 2022, focusing on introducing new products under its flagship brand Falak, and employing innovative marketing strategies to adapt to evolving global food trends.

Matco Foods possesses the essential capacities and infrastructure necessary to ensure compliance with a multitude of quality and hygiene standards. Our laboratories, and quality control units are overseen by proficient and well-qualified personnel. and they are outfitted with Wet Labs, Instrumentation Labs, and Microbiology Labs, facilitating comprehensive analysis of intermediate, in-process, and final products. The organization takes great pride in its legacy of delivering high-quality products and tailored solutions to meet the specific needs of our valued customers.

## **COMPANY INFORMATION**

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### **BOARD OF DIRECTORS**

Mr. Jawed Ali Ghori	Chairman
Mr. Khalid Sarfaraz Ghori	Chief Executive Officer
Mr. Faizan Ali Ghori	Executive Director
Mr. Safwan Khalid Ghori	Executive Director
Syed Kamran Rasheed	Independent Director
Mr. Abdul Samad Khan	Independent Director
Mrs. Faryal Murtaza	Non-executive Director
Ms. Umme Habibah	Independent Director
Mr. Mohammad Mohsin	Independent Director

### **AUDIT COMMITTEE**

Syed Kamran Rasheed	Chairman
Mr. Abdul Samad Khan	Member
Mr. Mohammad Mohsin	Member

### **HUMAN RESOURCE & REMUNERATION COMMITTEE**

Ms. Umme Habibah	Chairman
Mr. Jawed Ali Ghori	Member
Mr. Khalid Sarfaraz Ghori	Member
Mr. Faizan Ali Ghori, CFA	Member
Mrs. Faryal Murtaza	Member

### **CHIEF FINANCIAL OFFICER**

Mr. Muhammad Aamir Farooqui, FCMA

### **COMPANY SECRETARY**

Mr. Muhammad Noman Ansari, ACMA

### **HEAD OF INTERNAL AUDIT**

Mr. Bilal Ahmed, ACCA

### **LEGAL ADVISOR**

Muhammad Javaid Akhter

A-55/56, Federal 'B' Area, Karachi, Pakistan

### **AUDITORS**

Grant Thornton Anjum Rahman

Grant Thornton Anjum Rahman (GTAR)  
1st and 3rd Floor, Modern Motors House  
Beaumont Road, Karachi, Pakistan  
Tel (Office): +92 (21) 3567 2951-6  
Fax: +92 (21) 3568 8834  
Website: www.gtpak.com

### SHARE REGISTRAR

CDC Share Registrar Services Limited

CDC House, 99-B, Block B,  
S.M.C.H.S. Main Shakra-e-Faisal, Karachi - 74400  
Tel: (92)) 0800-23275  
Fax: (92-21) 34326053  
URL: www.cdcsrsl.com  
Email: info@cdcsrsl.com

### BANKERS

Allied Bank Limited  
Askari Bank Limited  
Al Baraka Bank (Pakistan) Limited  
Bank Alfalah Limited  
BankIslami Pakistan Limited  
Faysal Bank Limited  
Habib Metropolitan Bank Limited  
Habib Bank Limited  
Soneri Bank Limited  
Pak Burnei Investment Company Limited  
Dubai Islamic Bank Pakistan Limited

JS Bank Limited  
MCB Bank Limited  
PAIR Investment Company Limited  
National Bank of Pakistan  
Pak Brunei Investment Company Limited  
Standard Chartered Bank  
United Bank Limited  
MCB Islamic Bank Limited  
Pak Oman Investment Company Limited  
The Bank of Punjab

Meezan Bank Limited

### COMPANY LOCATIONS

#### REGISTERED OFFICE

Matco Foods Limited  
B-1/A, S.I.T.E. Phase 1, Super Highway Industrial,  
Area, Karachi, Pakistan P.O. Box 75950  
Phone: +92 (301) 8250969, +92 (21) 3631 5099  
Fax: +92 (21) 3632 0509  
Email: contact@matcofoods.com

#### DHA OFFICE

Plot # 8C, Shahbaz Commercial, 3<sup>rd</sup> and 4<sup>th</sup> Floor,  
Lane 2, Phase VI, DHA, Karachi

FAISALABAD OFFICE	Matco Foods Limited – Corn Starch Division Plot 87, Block - K, Wapda City, Faisalabad
RICE PLANT – KARACHI	A 15-16, S.I.T.E. Super Highway, Karachi, Pakistan
RICE GLUCOSE PLANT – KARACHI	G-205, Gadap Road, S.I.T.E. Super Highway Industrial Area, Karachi, Pakistan
RICE PLANT – SADHOKE	50 KM, Main G.T. Road, Sadhoke District, Gujranwala, Punjab
CORN STARCH PLANT – FAISALABAD	Plot # 53, Allama Iqbal Industrial City, SEZ, Faisalabad, Punjab
Web Address	<a href="http://www.matcofoods.com">www.matcofoods.com</a>
Email Address	<a href="mailto:contact@matcofoods.com">contact@matcofoods.com</a>



## **VISION**

To become a leading global supplier of quality ingredients and consumer food products that offer convenience.

## **MISSION**

To provide premium quality products globally to customers; to be innovative, customer oriented and create strong partnerships with suppliers; to continuously invest in our staff – the biggest asset of the company; and to create long-term value for all stakeholders – shareholders, staff, customers, suppliers and wider community.



# DIRECTORS' REVIEW REPORT

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

By the Grace of Allah (SWT), the Directors of your company take pleasure in presenting un-audited condensed interim financial information of the Company and Group for the three-months period ended September 30, 2024.

## Financial Results:

Description	Unconsolidated		Consolidated	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	-----Rupees in '000-----		-----Rupees in '000-----	
Sales – net	6,575,244	6,837,982	6,579,180	6,838,823
Cost of sales	(5,667,962)	(6,030,024)	(5,667,962)	(6,030,024)
Gross Profit	907,282	807,958	911,218	808,799
Selling and distribution	(160,814)	(117,968)	(161,914)	(123,033)
Administrative	(213,054)	(145,428)	(220,280)	(147,033)
Operating profit	533,414	544,562	529,024	538,733
Other Operating Income	13,808	11,803	13,808	11,803
Exchange gain	164,468	53,279	164,468	53,279
Financial Charges	(556,548)	(465,053)	(556,718)	(465,122)
Share of profit / (loss) from Associated Company	-	-	8,353	4,404
Profit Before Tax	155,143	144,591	158,936	143,097
Levies - Final and Minimum Tax	(67,001)	(69,311)	(67,001)	(69,311)
Taxation	17,374	2,022	17,374	2,022
Profit for the Period	105,516	77,302	109,309	75,808
Earnings Per Share – Basic and Diluted	0.86	0.63	0.89	0.62

During the three-months i.e., July 2024 – September 2024:

- The Company has incurred a net profit of Rs. 105.52 million in this quarter as compared to profit of Rs. 77.30 million in the last period, thereby, represents increase in profit by 36.5%.
- The Company has exported 8,191 metric tons of basmati rice as compared to 9,473 metric tons in the last comparative period and thereby represents decrease of 14%.
- The average export selling price per metric ton during three months was USD 1,178 which was USD 1,330 in the last comparative three months.

This improvement in profitability can be attributed to a strong focus on high-margin products, such as rice glucose and newly launched items under FALAK brand name, which helped offset lower sales and weaker export prices. Additionally, favorable inventory margins and strategic cost management contributed positively, even as freight prices increased, putting additional pressure on logistics expenses. The Company also benefited from favorable exchange rates on export proceeds, which bolstered net earnings. Furthermore,



**MATCO FOODS LIMITED**

steady contributions from the Corn Starch division in both domestic and export markets helped strengthen margins and mitigate the effects of decreased export prices and rising freight costs. Despite these challenges, the combined impact of these strategies led to a stronger net profit, highlighting the effectiveness of the Company's emphasis on high-margin product lines, cost efficiency, and currency management.

### **Future Outlook:**

The Company's future outlook reflects both opportunities and challenges, considering current market and economic conditions, especially within Pakistan. The potential large rice crop this year presents a valuable opportunity for the Company to maintain stable raw material costs and support export volume, despite a recent decline in international rice prices. While lower export prices may pressure margins, the Company's strategic focus on high-margin rice glucose products and value-added segments should help mitigate some of these effects.

In the Corn Starch division, rising corn prices introduce potential cost pressures. However, the Company's established relationships and supply chain efficiencies may provide some buffer against these cost increases. Additionally, a decrease in interest rates offers a positive financial environment, reducing financing costs associated with ongoing and future projects, which should enhance profitability.

With the Pakistani economy stabilizing, alongside a steady exchange rate, the company expects less volatility in currency-related earnings from exports. As consumer confidence gradually improves, domestic demand for the Company's products, particularly Rice Glucose and Corn Starch, is likely to strengthen.

Overall, while some challenges persist – such as lower export rice prices and rising corn costs—the Company is well-positioned to leverage a strong crop yield, lower interest rates, and stable exchange rates. Through a strategic focus on cost management, high-margin product lines, and robust domestic market engagement, the Company remains optimistic about sustaining growth and enhancing profitability in the coming quarters.

### **Acknowledgement:**

The Board places on record its gratitude for the hard work and dedication of every employee of the Company. The Board also appreciates and acknowledges the assistance, guidance and cooperation of all stakeholders including the Government of Pakistan, financial institutions, commercial banks, business associates, customers, and all others whose efforts and contributions strengthened the Company.

On behalf of the Board

**Jawed Ali Ghori**  
Chairman

**Khalid Sarfaraz Ghori**  
Chief Executive Officer

## ڈائریکٹرز کی جائزہ رپورٹ

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ

اللہ کے فضل و کرم سے، آپ کی کمپنی کے ڈائریکٹرز 30 ستمبر، 2024 کو ختم ہونے والے تین ماہ کی مدت کے کمپنی اور گروپ کے غیر آڈٹ کنڈنسنڈ عبوری مالی معلومات پیش کرنے میں خوشی محسوس کرتے ہیں۔

### مالی نتائج:

Description	Unconsolidated		Consolidated	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	-----Rupees in '000-----		-----Rupees in '000-----	
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Share of profit from Associated Company	-	-	8,353	4,404
Profit Before Tax	155,143	144,591	158,936	143,097
Income Tax	(67,001)	(69,311)	(67,001)	(69,311)
Profit for the Period	17,374	2,022	17,374	2,022
Profit Per Share	105,516	77,302	109,309	75,808

تین ماہ کے دوران یعنی جولائی 2024ء – ستمبر 2024ء:

- پچھلی مدت میں 77.30 ملین روپے کے خالص منافع کے مقابلے میں کمپنی کو اس سہ ماہی میں 105.52 ملین روپے کا خالص منافع ہوا ہے، اس طرح منافع میں 36.5 فیصد اضافہ ظاہر کرتا ہے۔
- کمپنی نے گزشتہ تقابلی مدت میں 9,473 میٹرک ٹن کے مقابلے میں 8,191 میٹرک ٹن باسستی چاول برآمد کیے ہیں اور اس طرح اس میں 14 فیصد سے کمی ہوئی ہے۔
- تین مہینوں کے دوران فی میٹرک ٹن اوسط برآمد قیمت 1,178 امریکی ڈالر تھی جو گزشتہ تقابلی تین مہینوں میں 1,330 امریکی ڈالر تھی۔

منافع میں یہ بہتری زیادہ منافع بخش مصنوعات، جیسے کہ رائس گلوکوز اور فلک برانڈ کے تحت نئی لانچ کی گئی مصنوعات، پر مضبوط توجہ کا نتیجہ ہے، جس نے کم فروخت اور کمزور برآمدی قیمتوں کے اثرات کو کم کرنے میں مدد دی۔ اس کے علاوہ، سازگار انوینٹری مارجن اور حکمت عملی کے تحت کیے گئے اخراجات کے انتظام نے مثبت کردار ادا کیا، حالانکہ فریٹ قیمتوں میں اضافے نے لاجسٹکس کے اخراجات پر مزید دباؤ ڈالا۔ کمپنی کو برآمدی آمدنی

پر سازگار تبادلہ نرخوں کا بھی فائدہ ہوا، جس نے نیٹ آمدنی کو بہتر بنایا۔ مزید یہ کہ، کارن اسٹارچ ڈویژن کی مقامی اور برآمدی دونوں مارکیٹوں میں مسلسل شراکت نے مارجن کو مضبوط کیا اور کم برآمدی قیمتوں اور بڑھتی ہوئی فریٹ لاگت کے اثرات کو کم کیا۔ ان چیلنجوں کے باوجود، ان حکمت عملیوں کے مشترکہ اثر نے خالص منافع میں مضبوطی پیدا کی، جو زیادہ منافع بخش مصنوعات کی لائزز، اخراجات کی کارکردگی، اور کرنسی مینجمنٹ پر کمپنی کے زور کی مؤثر کارکردگی کو ظاہر کرتا ہے۔

### مستقبل کا خاکہ:

کمپنی کے مستقبل کے امکانات موجودہ مارکیٹ اور معاشی حالات، خاص طور پر پاکستان کے اندر، کو مدنظر رکھتے ہوئے مواقع اور چیلنجز دونوں کی عکاسی کرتے ہیں۔ اس سال بڑی چاول کی فصل کا امکان کمپنی کے لیے ایک قیمتی موقع فراہم کرتا ہے کہ وہ خام مال کی لاگت کو مستحکم رکھے اور برآمدی حجم کو برقرار رکھے، حالانکہ حال ہی میں بین الاقوامی چاول کی قیمتوں میں کمی آئی ہے۔ اگرچہ کم برآمدی قیمتیں مارجن پر دباؤ ڈال سکتی ہیں، کمپنی کی زیادہ منافع بخش رائس گلوکوز مصنوعات اور ویلیو ایڈیڈ سیکشنز پر اسٹریٹجک توجہ ان اثرات کو کم کرنے میں مددگار ثابت ہوگی۔

کارن اسٹارچ ڈویژن میں، مکئی کی قیمتوں میں اضافہ ممکنہ لاگت کے دباؤ کو متعارف کروا رہا ہے۔ تاہم، کمپنی کے قائم کردہ تعلقات اور سپلائی چین میں بہتری ان لاگتوں میں اضافے کے خلاف کچھ حد تک تحفظ فراہم کر سکتے ہیں۔ اس کے علاوہ، شرح سود میں کمی سے ایک مثبت مالی ماحول پیدا ہوتا ہے، جو جاری اور آئندہ منصوبوں سے متعلق فنانسنگ کی لاگت کو کم کرتا ہے اور منافع میں اضافے کا باعث بن سکتا ہے۔


پاکستانی معیشت کے استحکام اور ایک مستحکم ایکسچینج ریٹ کے ساتھ، کمپنی کو توقع ہے کہ برآمدات سے ہونے والی کرنسی سے متعلق آمدنی میں کم اتار چڑھاؤ آئے گا۔ جیسے جیسے صارفین کا اعتماد بتدریج بڑھ رہا ہے، کمپنی کی مصنوعات، خاص طور پر رائس گلوکوز اور کارن اسٹارچ، کی ملکی مانگ میں بھی اضافہ متوقع ہے۔

مجموعی طور پر، اگرچہ کچھ چیلنجز برقرار ہیں – جیسے کہ چاول کی کم برآمدی قیمتیں اور مکئی کی بڑھتی ہوئی لاگت – کمپنی مضبوط فصل کی پیداوار، کم شرح سود، اور مستحکم ایکسچینج ریٹ سے فائدہ اٹھانے کی اچھی پوزیشن میں ہے۔ لاگت کے انتظام، زیادہ منافع بخش مصنوعات کی لائزز، اور مضبوط ملکی مارکیٹ کی توجہ کے ساتھ، کمپنی کو آنے والے سہ ماہیوں میں ترقی کو برقرار رکھنے اور منافع میں بہتری کی امید ہے۔

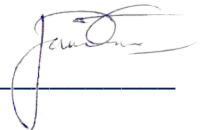
### اعتراف:

بورڈ کمپنی کے ہر ملازم کی محنت اور لگن کے لئے اس کا شکریہ ادا کرتا ہے۔ بورڈ حکومت پاکستان، مالیاتی اداروں، تجارتی بینکوں، کاروباری ساتھیوں، صارفین، اور ان تمام افراد کی مدد، رہنمائی اور تعاون کو بھی سراہتا ہے جن کی کوششوں اور شراکت سے کمپنی کو تقویت ملی ہے۔

بورڈ کی جانب سے



خالد سرفراز غوری  
چیف ایگزیکٹو آفیسر



جاوید علی غوری  
چیئر مین


**1<sup>st</sup> Quarterly Accounts**  
**Unconsolidated**  
**September 30, 2024**  
**(Unaudited)**



**Unconsolidated Condensed Interim Statement of Financial Position  
As at September 30, 2024**

		Un-Audited September 30, 2024	Audited June 30, 2024
	Note	-----Rupees in '000'-----	
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized share capital		2,000,000	2,000,000
Issued, subscribed and paid up share capital	6	1,224,007	1,224,007
Capital reserve		680,467	680,467
Unappropriated profit		3,036,314	2,888,862
Surplus on revaluation of property, plant and equipment - net of tax		5,152,350	5,194,286
Unrealized loss on revaluation on investment at fair value through OCI		-	-
<b>Total shareholders' equity</b>		<b>10,093,138</b>	<b>9,987,622</b>
<b>Non-current liabilities</b>			
Long-term finances-secured	8	1,385,221	1,475,635
Lease liabilities		157,332	172,253
Deferred liabilities		958,579	980,817
<b>Total non-current liabilities</b>		<b>2,501,132</b>	<b>2,628,706</b>
<b>Current liabilities</b>			
Trade and other payables		2,395,019	2,375,996
Advance from customers - secured		312,511	430,490
Accrued mark-up		397,087	560,017
Due to related party		6,483	6,564
Short-term borrowings-secured	9	11,168,778	11,123,991
Current portion of long term finances-secured	8	354,983	359,122
Current portion of lease liabilities		41,502	38,072
Unpaid dividend	10	28,496	28,496
<b>Total current liabilities</b>		<b>14,704,859</b>	<b>14,922,747</b>
<b>Total liabilities</b>		<b>17,205,991</b>	<b>17,551,453</b>
<b>Contingencies and commitments</b>	11		
<b>Total equity and liabilities</b>		<b>27,299,129</b>	<b>27,539,075</b>

The annexed notes from 1 to 22 form an integral part of these unconsolidated financial statements.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer



**M. Aamir Farooqui**  
Chief Financial Officer

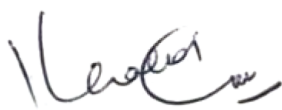


**Faizan Ali Ghori**  
Director

**Unconsolidated Condensed Interim Statement of Financial Position  
As at September 30, 2024**

		Un-Audited September 30, 2024	Audited June 30, 2024
	Note	-----Rupees in '000'-----	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	11,301,941	11,419,861
Right-of-use assets		227,222	239,635
Intangible assets		-	-
Long-term deposits		19,709	19,709
Long-term investments	13	55,583	55,583
<b>Total non-current assets</b>		<b>11,604,454</b>	<b>11,734,787</b>
<b>Current assets</b>			
Stores, spares and loose tools		296,912	277,847
Stock in trade	14	10,971,187	11,613,571
Trade debts	15	2,306,373	2,334,768
Loans and advances		1,596,227	1,009,946
Trade deposits and short term prepayments		19,984	27,921
Short-term investment		1,200	1,200
Sales tax refundable		25,000	25,000
Due from related parties		71,220	50,326
Taxation and levies - net		172,300	106,289
Cash and bank balances	16	234,272	357,419
<b>Total current assets</b>		<b>15,694,675</b>	<b>15,804,288</b>
<b>Total assets</b>		<b>27,299,129</b>	<b>27,539,075</b>

The annexed notes from 1 to 22 form an integral part of these unconsolidated financial statements.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer

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*Matco Foods Limited*



**M. Aamir Farooqui**  
Chief Financial Officer



**Faizan Ali Ghori**  
Director

*1st Quarterly Report 2024*

**Unconsolidated Condensed Interim Statement of Profit or Loss  
For the Three-Months Period Ended September 30, 2024**

	Note	Three Months Ended	
		September 30, 2024	September 30, 2023
		Un-Audited	Audited
		-----Rupees in '000'-----	
Sales - net	17	6,575,244	6,837,982
Cost of sales		(5,667,962)	(6,030,024)
<b>GROSS PROFIT</b>		<b>907,282</b>	<b>807,958</b>
Selling and distribution expenses		(160,814)	(117,968)
Administrative expenses		(213,054)	(145,428)
		(373,868)	(263,396)
		533,414	544,562
Finance cost		(556,548)	(465,053)
Other income		13,808	11,803
Exchange gain - net		164,468	53,279
<b>PROFIT BEFORE LEVIES AND INCOME TAX</b>		<b>155,143</b>	<b>144,591</b>
Levies - Final and Minimum Tax		(67,001)	(69,311)
Taxation		17,374	2,022
<b>PROFIT FOR THE PERIOD</b>		<b>105,516</b>	<b>77,302</b>
<b>EARNINGS PER SHARE - BASIC AND DILUTED</b>	18	<b>0.86</b>	<b>0.63</b>

The annexed notes from 1 to 22 form an integral part of these unconsolidated financial statements.



Khalid Sarfaraz Ghori  
Chief Executive Officer



M. Aamir Farooqui  
Chief Financial Officer



Faizan Ali Ghori  
Director



**Unconsolidated Condensed Interim Statement of Comprehensive Income  
For the Three-Months Period Ended September 30, 2024**

	Three Months Ended	
	September 30, 2024	September 30, 2023
	Un-Audited	Audited
Note	-----Rupees in '000'-----	
<b>PROFIT FOR THE PERIOD</b>	105,516	77,302
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
<i>Items that may be reclassified subsequently to the unconsolidated statement of profit or loss</i>		
	-	-
<i>Items that will not to be reclassified subsequently to the unconsolidated statement of profit or loss</i>		
- Remeasurement of defined benefits obligation	-	-
- Surplus on revaluation of fixed assets - net of deferred tax	-	-
- Unrealized gain on revaluation of investment at fair value through OCI during the year	-	748
Other comprehensive income/(loss)	-	748
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>105,516</b>	<b>78,050</b>

The annexed notes from 1 to 22 form an integral part of these unconsolidated financial statements.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer

15

*Matco Foods Limited*



**M. Aamir Farooqui**  
Chief Financial Officer



**Faizan Ali Ghori**  
Director

*1st Quarterly Report 2024*

**Unconsolidated Condensed Interim Statement of Cash Flows  
For the Three-Months Period Ended September 30, 2024**

	Three Months Ended	
	September 30, 2024	September 30, 2023
	Un-Audited	Audited
Note	-----Rupees in '000'-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before levies and income tax	155,143	144,591
<b>Adjustments for:</b>		
Depreciation	186,529	117,301
Depreciation on right of use assets	10,639	-
Exchange gain - net	(164,468)	(53,279)
Provision for slow moving stock	-	-
Finance cost	561,750	465,053
Provision for staff gratuity	-	-
Loss / (gain) on disposal of property, plant and equipment	(2,700)	-
	<b>591,750</b>	<b>529,075</b>
	<b>746,893</b>	<b>673,666</b>
<b>Changes in working capital</b>		
<b>(Increase)/decrease in current assets</b>		
Stores, spares and loose tools	(19,065)	(62,985)
Stock-in-trade	642,384	(108,861)
Trade debts - considered good	192,863	(7,817)
Loans and advances	(586,281)	(107,441)
Trade deposits and prepayments	7,937	(29,430)
Short-term investment	-	-
Sales tax refundable	-	83,457
Due from related parties	(20,893)	21,215
	<b>216,945</b>	<b>(211,861)</b>
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	19,024	(446,387)
Due to related party	(81)	-
Deferred grant	-	-
Advances from customers	(117,978)	787
	<b>(99,035)</b>	<b>(445,600)</b>
<b>Cash generated from operations</b>	<b>864,803</b>	<b>16,205</b>
Finance cost paid	(724,681)	(513,030)
Income taxes and levies paid	(132,634)	(75,540)
Gratuity paid	(4,865)	(2,906)
<b>Net cash (used in) / generated from operating activities</b>	<b>2,623</b>	<b>(575,270)</b>
<i>Balance carried forward</i>	<b>2,623</b>	<b>(575,270)</b>

**Unconsolidated Condensed Interim Statement of Cash Flows  
For the Three-Months Period Ended September 30, 2024**

	September 30, 2024	September 30, 2023
Note	-----Rupees in '000'-----	
<i>Balance brought forward</i>	2,623	(575,270)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure including capital work in progress	(68,626)	(118,346)
Proceeds from disposal of property, plant and equipment	4,113	-
Long term investment	-	747
Long-term deposits	-	-
<b>Net cash used in investing activities</b>	<b>(64,513)</b>	<b>(117,599)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long-term finances - net	(94,553)	(47,604)
Lease liabilities paid during the year	(11,491)	(11,108)
Dividend paid	-	(43)
Short-term borrowings - net	44,787	823,928
<b>Net cash (used in) / generated from financing activities</b>	<b>(61,257)</b>	<b>765,173</b>
<b>Net change in cash and cash equivalents during the period</b>	<b>(123,147)</b>	<b>72,304</b>
<b>Cash and cash equivalents as at the beginning of period</b>	<b>357,419</b>	<b>358,996</b>
Effects of exchange rate changes on cash and cash equivalents	-	-
<b>Cash and cash equivalents as at the end of period</b>	<b>234,272</b>	<b>431,300</b>
	16	

The annexed notes from 1 to 22 form an integral part of these unconsolidated financial statements.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer

17

*Matco Foods Limited*



**M. Aamir Farooqui**  
Chief Financial Officer



**Faizan Ali Ghori**  
Director

*1st Quarterly Report 2024*

**Unconsolidated Condensed Interim Statement of Changes in Equity**  
**For the Three-Months Period Ended September 30, 2024**


	Issued, subscribed and paid up share capital	Capital reserve  Share premium reserve	Unappropriated profit	Surplus on revaluation of property, plant and equipment - net of tax	Unrealized (loss) / gain revaluation of investment at fair value to OCI	Total
-----Rupees in '000'-----						
<b>Balance as at July 01, 2023</b>	1,224,007	680,467	3,171,667	2,408,824	(819)	7,484,146
<b><i>Total comprehensive income for the period</i></b>						
Profit for the period	-	-	77,302	-	-	77,302
Other comprehensive (loss) / income	-	-	-	-	748	748
Total comprehensive income	-	-	77,302	-	748	78,050
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation net of tax	-	-	4,717	(4,717)	-	-
<b>Transactions with owners</b>						
Dividend paid during the period	-	-	-	-	-	-
<b>Balance as on September 30, 2023</b>	<u>1,224,007</u>	<u>680,467</u>	<u>3,253,686</u>	<u>2,404,107</u>	<u>(71)</u>	<u>7,562,196</u>

**Unconsolidated Condensed Interim Statement of Changes in Equity  
For the Three-Months Period Ended September 30, 2024**

	Issued, subscribed and paid up share capital	Capital reserve  Share premium reserve	Unappropriated profit	Surplus on revaluation of property, plant and equipment - net of tax	Unrealized (loss) / gain revaluation of investment at fair value to OCI	Total
-----Rupees in '000'-----						
Balance as on July 01, 2024	1,224,007	680,467	2,888,862	5,194,286	-	9,987,622
<b>Total comprehensive income for the period</b>						
Profit for the period	-	-	105,516	-	-	105,516
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (loss)/income	-	-	105,516	-	-	105,516
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation net of tax	-	-	41,936	(41,936)	-	-
<b>Transactions with owners</b>						
Dividend paid during the period	-	-	-	-	-	-
<b>Balance as on September 30, 2024</b>	<b>1,224,007</b>	<b>680,467</b>	<b>3,036,314</b>	<b>5,152,350</b>	<b>-</b>	<b>10,093,138</b>

The annexed notes from 1 to 22 form an integral part of these unconsolidated financial statements.

  
**Khalid Sarfaraz Ghori**  
Chief Executive Officer

  
**M. Aamir Farouqi**  
Chief Financial Officer

  
**Faizan Ali Ghori**  
Director

# Notes to the Unconsolidated Condensed Interim Financial Statements

## For the Three-Months Period Ended September 30, 2024

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### 1 STATUS AND NATURE OF BUSINESS

Matco Foods Limited, (‘the Company’) was incorporated on April 14, 1990 in Karachi as a private limited company under the repealed Companies Ordinance, 1984 (Now: Companies Act, 2017). The Company was listed on Pakistan Stock Exchange Limited on February 13, 2018. The principal activity of the Company is to carry out the business of processing and export of rice, rice glucose, rice protein and pink salt, masala and kheer. The registered office of the Company is situated at B-1/A, S.I.T.E.-II Phase 1, Super Highway Industrial Area, Karachi; whereas the factories of the Company are situated at (i) Plot A-15 & 16, SITE-II, Super highway Karachi; (ii) A-21, SITE-II, Super highway Karachi; (iii) G-205, SITE-II, Super highway Karachi; (iv) 50 KM G.T Road, Sadhoke, Tehsil Kamonki, District Gujranwala and Plot No. 53, Allama Iqbal Industrial City, Faisalabad.

The Company has 100% ownership in JKT General Trading FZE (subsidiary) a United Arab Emirates based company which is situated at P.O.Box 123347, Sharjah - U.A.E, and registered with Government of Sharjah. The business of the subsidiary is purchasing and selling of processed rice.

The Company has 99.99% ownership in Matco Marketing (Private) Limited (subsidiary) which was incorporated on June 16, 2016 with authorized and paid-up share capital of Rs. 10,000,000 and Rs. 7,500,000 respectively. The subsidiary is situated at B-1/A, S.I.T.E. Phase 1, Super Highway Industrial Area, Karachi. However, no business activity has been carried out by the subsidiary since its incorporation.

The Company has started a new business venture of Corn Starch at Plot # 53, S.E.Z, Allama Iqbal Industrial City in Faisalabad.

These are the separate financial statements of the Company in which investments in subsidiaries and joint venture are stated at cost less impairment losses, if any.

### 2 SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

There are no significant events and transactions occurred during the period.

### 3 BASIS OF PREPARATION

#### 3.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) 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 provisions of and directives issued under the Companies Act, 2017 differ from the required of IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed in preparation of these unconsolidated financial statements.

#### 3.2

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the unconsolidated annual audited financial statements, and should be read in conjunction with Company's unconsolidated annual audited financial statements for the quarter ending September 30, 2024.

**Notes to the Unconsolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

**4 SUMMARY OF MATERIAL ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted for the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the unconsolidated financial statements for the year ended June 30, 2024 unless otherwise specified.

**5 ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of these unconsolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of the applying the Company's accounting policies. Estimates and judgement are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparations of this unconsolidated condensed interim financial statements, the significant judgement made by management in applying the Company's accounting policies and the key sources of estimations and uncertainly were the same as those that applied to the audited annual financial statements of the Company for the year ended June 30, 2024.

**6 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL**

(Un-audited) September 30, 2024	(Audited) June 30, 2024		(Un-audited) September 30, 2024	(Audited) June 30, 2024
(Number of shares)			-----Rupees in '000-----	
		Ordinary shares of Rs. 10 each:		
50,340,213	50,340,213	- fully paid in cash	503,402	503,402
		- issued for consideration other		
6,002,950	6,002,950	than cash	60,030	60,030
		- issued as fully paid bonus		
<u>66,057,535</u>	<u>66,057,535</u>	shares	<u>660,575</u>	<u>660,575</u>
<u>122,400,698</u>	<u>122,400,698</u>		<u>1,224,007</u>	<u>1,224,007</u>

**7 DEFERRED LIABILITIES**

Staff gratuity scheme - unfunded	668,368	685,742
Deferred tax liability	<u>290,211</u>	<u>295,076</u>
	<u>958,579</u>	<u>980,817</u>

**8 LONG TERM FINANCES - SECURED**

From banking companies and financial institution:		
LTFE/ILTFE	153,283	168,564
TERF/ITERF	879,400	910,986
FFSAP/IFFASP	176,814	187,652
Demand Finance	<u>530,708</u>	<u>567,555</u>
	<u>1,740,205</u>	<u>1,834,757</u>
Current portion of long term finances	<u>(354,983)</u>	<u>(359,122)</u>
	<u>1,385,221</u>	<u>1,475,635</u>

**Notes to the Unconsolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

8.1 The Company has obtained long term finance facility from various banks for plant & machinery expansion. The facilities available from different banks are secured by way of 1st pari passu hypothecation charge of present and future fixed assets (excluding land and building) of the Company. The mark up charged on these finances are same as disclosed in unconsolidated annual financial statements as at June 30, 2024.

<b>September 30, 2024</b>	June 30, 2024
<b>Un-Audited</b>	Audited
<b>-----Rupees in '000-----</b>	

**9 SHORT-TERM BORROWINGS SECURED**

Export re-finance	<b>7,031,329</b>	6,021,089
Own resource	<b>3,993,214</b>	4,947,573
FE-25 Scheme	<b>1,036</b>	81,041
Foreign bills purchased/negotiated	<b>143,199</b>	74,287
	<b><u>11,168,778</u></b>	<u>11,123,991</u>

9.1 The facilities available from various banks amount to Rs. 12,811 million (2024: Rs. 12,420 million). These facilities are secured by way of hypothecation charge of all present and future cash collateral/TDR, receivable, stocks & current assets. These facilities are registered by mortgage charge of land, building, plant and machinery and all present & future fixed assets. The mark up charged on these finances are same as disclosed in unconsolidated annual financial statements as at June 30, 2024.

**10 UNPAID DIVIDEND**

This represents part of interim dividend for the period ended December 31, 2017, September 30, 2022 and March 31, 2023 and final dividend for the year ended June 30, 2018, June 30, 2019, June 30, 2020 and June 30, 2023, which remained unpaid to the shareholders who have not provided their valid Central Depository System (CDS) Account no, and International Bank Account Number (IBAN). The company has already sent letters to those shareholders for the purpose of above stated information.

**11 CONTINGENCIES AND COMMITMENTS**

**11.1 Contingencies**

The current status of the contingencies is same as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2024.

<b>September 30, 2024</b>	June 30, 2024
<b>Un-Audited</b>	Audited
<b>-----Rupees in '000-----</b>	

**11.2 Commitments**

Letter of credit	<b>94,146</b>	225,809
Letter of gurantee	<b>45,700</b>	46,168
Capital expenditure	<b>125,560</b>	172,000
Cheques issued in favor of Nazir of high court in relation to SSGC case	<b>7,732</b>	-
	<b><u>273,138</u></b>	<u>451,709</u>



**Notes to the Unconsolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

	September 30, 2024 Un-Audited	June 30, 2024 Audited
<b>12 PROPERTY, PLANT AND EQUIPMENT</b>	-----Rupees in '000-----	
Operating fixed assets	11,126,392	11,257,083
Capital work in progress	175,549	162,777
	<u>11,301,941</u>	<u>11,419,861</u>

**12.1** Details of additions and disposals to fixed operating assets during the three months ended September 30, 2024 are as follows:

	Additions at cost	Disposals at net book value
	-----Rupees in '000-----	
Factory building	23,664	-
Plant and machinery	6,836	-
Furniture and fixture	1,236	-
Motor vehicles	-	-
Office equipment	1,405	-
Factory equipment	20,816	-
Computers	752	-
Mobile phone	1,067	-
Generator	80	17
<b>September 30, 2024</b>	<u>55,854</u>	<u>17</u>
June 30, 2024	<u>1,472,222</u>	<u>104</u>

**12.2** Following is the movement in capital work in progress during the period.

	September 30, 2024 Un-Audited	June 30, 2024 Audited
	-----Rupees in '000-----	
Opening balance	162,777	903,541
Additions during the period	12,772	517,102
Transferred to operating fixed assets	-	(1,257,866)
Closing balance	<u>175,549</u>	<u>162,777</u>

**13 LONG-TERM INVESTMENTS**

*Subsidiaries*

JKT General Trading (FZE)	23,583	23,583
Matco Marketing (Private) Limited	7,500	7,500
<i>Joint Venture</i>		
Barentz Pakistan (Private) Limited	24,500	24,500
	<u>55,583</u>	<u>55,583</u>

**Notes to the Unconsolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

- 13.1** On October 8, 2013, the Company incorporated a new wholly owned subsidiary, JKT General Trading FZE in U.A.E. The principal activities are general trading, export / import and other related activities. The Company has made an equity investment of USD 255,000 (June 30, 2023: USD 255,000) out of which shares of USD 40,872 (June 30, 2023: USD 40,872) have been issued. Shares for the remaining amount would be issued after completion of necessary regulatory formalities.
- 13.2** On November 13, 2017, the Company has subscribed 749,996 shares (June 30, 2023: 749,996 shares) out of 750,000 shares (June 30, 2023: 750,000 shares) of Matco Marketing (Private) Limited. However, Matco Marketing (Private) Limited has not commenced its operations since incorporation.
- 13.3** On June 28, 2019, the company has been incorporated in Paksitan as per agreement between Matco Foods Limited and Barentz International B.V. Matco Foods Limited has subscribed 49% of total shahreholding of Rs. 50 million (June 30, 2023: Rs. 50 million), thereby, constituting a joint venture.
- 13.4** This represents the fair value of 193,201 shares (June 30, 2023: 193,201 shares) of Pakistan Beverages Aluminum Can's acquired by the Company through initial public offering at the rate of Rs. 49 per share and the fair value of 12,000 shares (June 30, 2023: 12,000 shares) of Engro Fertilizers acquired by the company during the year ended June 30, 2022 at the rate of Rs. 89.90 per share. These shares have been disposed of during the period.

	<b>September 30, 2024 Un-Audited</b>	June 30, 2024 Audited
	-----Rupees in '000-----	
<b>14 STOCK IN TRADE</b>		
Raw materials	5,766,499	6,259,076
Packing materials	476,555	500,648
Finished goods	4,749,985	4,875,699
	<u>10,993,039</u>	<u>11,635,423</u>
	<u>(21,852)</u>	<u>(21,852)</u>
Provision for slow moving / obsolete items	<u><u>10,971,187</u></u>	<u><u>11,613,571</u></u>
<b>15 TRADE DEBTS</b>		
Considered good		
- Export - secured	1,463,715	1,660,447
- Local - unsecured	842,659	674,321
	<u>2,306,373</u>	<u>2,334,768</u>
<b>16 CASH AND BANK BALANCES</b>		
Cash in hand	10,637	4,227
Cash at bank	223,636	353,192
	<u><u>234,272</u></u>	<u><u>357,419</u></u>

**Notes to the Unconsolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

**17 SEGMENT INFORMATION**

A segment is a distinguishable component of the Company that is engaged in business activities from which the Company earn revenues and incur expenses and its results are regularly reviewed by the Company's chief operating decision maker to make decision about resources to be allocated to the segment and assess its performance. Further, discrete financial information is available for each segment.

Based on internal management reporting structure and products produced and sold, the Company is organized into the following two operating segments:

- Rice and Allied Products
- Corn Starch Products

Segment revenues, segment results, costs, assets and liabilities for the period are as follows:

		(Un-Audited)					
		Three-months Period Ended					
		Rice and Allied Products		Corn Starch Products		Total	
Disaggregation of revenue		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		-----Rupees in '000-----					
Sales							
Export		3,703,241	4,140,256	371,262	64,494	4,074,502	4,204,750
Main Products		1,020,080	1,092,382	1,095,896	1,333,928	2,115,976	2,426,310
By-Product and Others		764,072	597,784	271,039	337	1,035,111	598,121
		5,487,393	5,830,422	1,738,197	1,398,759	7,225,589	7,229,181
Less:							
Sales returns and discount		(72,603)	(20,696)	(30,833)	(25,273)	(103,436)	(45,969)
Sales tax		(90,480)	(30,520)	(163,940)	(200,170)	(254,420)	(230,690)
Freight		(237,453)	(88,532)	(33,407)	(1,379)	(270,860)	(89,911)
Clearing & Forwarding		(17,934)	(24,251)	(3,695)	(378)	(21,629)	(24,629)
		(418,470)	(163,999)	(231,875)	(227,200)	(650,345)	(391,199)
Net Sales		5,068,923	5,666,423	1,506,322	1,171,559	6,575,244	6,837,982
Cost of Sales		(4,304,447)	(4,864,048)	(1,363,516)	(1,165,977)	(5,667,962)	(6,030,024)
Selling and Distribution		(125,413)	(108,694)	(35,401)	(9,274)	(160,814)	(117,968)
Administrative expenses		(175,472)	(115,027)	(37,582)	(30,401)	(213,054)	(145,428)
		(4,605,332)	(5,087,769)	(1,436,499)	(1,205,652)	(6,041,830)	(6,293,420)
<b>Segment result</b>		<b>463,591</b>	<b>578,654</b>	<b>69,823</b>	<b>(34,093)</b>	<b>533,414</b>	<b>544,562</b>
<b>Unallocation income and expenses</b>							
Finance cost						(556,548)	(465,053)
Other operating income						13,808	11,803
Exchange gain/(loss)						164,468	53,279
<b>Profit before taxation</b>						<b>155,143</b>	<b>144,591</b>
Levies - Final and Minimum Tax						(67,001)	(69,311)
Taxation						17,374	2,022
<b>Profit/(loss) after taxation</b>						<b>105,516</b>	<b>77,302</b>
		Un-Audited	Audited	Un-Audited	Audited	Un-Audited	Un-Audited
		Rice and Allied Products		Corn Starch Products		Total	
		September 30, 2024	June 30, 2024	September 30, 2024	June 30, 2024	September 30, 2024	June 30, 2024
		-----Rupees in '000-----					
17.1	Segment assets	20,479,466	21,785,337	4,396,946	3,860,711	24,876,412	25,646,048
17.2	Unallocated assets	-	-	-	-	2,422,717	1,893,027
		20,479,466	21,785,337	4,396,946	3,860,711	27,299,129	27,539,074
17.3	Segment liabilities	10,741,751	11,183,394	4,680,269	3,859,692	15,422,019	15,043,086
17.4	Unallocated liabilities	-	-	-	-	1,783,972	2,508,367
		10,741,751	11,183,394	4,680,269	3,859,692	17,205,991	17,551,453

17.5 There were no inter segment transaction of the Company during the period. (September 30, 2024: Nil)

**Notes to the Unconsolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

	(Un-Audited) September 30, 2024	(Un-Audited) June 30, 2024
	-----Rupees in '000-----	
<b>17.6 RECONCILIATION OF REPORTABLE SEGMENT ASSETS AND LIABILITIES</b>		
<b>Assets</b>		
Total assets for reportable segments	24,876,412	25,646,048
Administrative capital assets	227,222	239,635
Investments	55,583	55,583
Loans and advances	1,596,227	1,009,946
Cash and bank balances	234,273	357,419
Others	309,412	230,444
Total assets	<u>27,299,129</u>	<u>27,539,074</u>
<b>Liabilities</b>		
Total liabilities for reportable segments	15,422,019	15,800,977
Deferred tax liabilities	958,579	980,817
Lease liabilities	198,834	210,325
Trade and other payables - Others	591,581	524,273
Due to related parties	6,483	6,564
Unpaid dividend	28,496	28,496
Total liabilities	<u>17,205,991</u>	<u>17,551,453</u>
	(Un-Audited) September 30, 2024	(Un-Audited) September 30, 2023
	-----Rupees in '000-----	
<b>18 EARNINGS/(LOSS) PER SHARE - BASIC &amp; DILUTED</b>		
<b>Basic earnings per share</b>		
Profit for the period	<u>105,516</u>	<u>77,302</u>
Number of ordinary shares	<u>122,400,698</u>	<u>122,400,698</u>
Earning per share	<u>0.86</u>	<u>0.63</u>
<b>18.1 Diluted earning per share</b>		

There is no dilutive effect on earnings per share as the Company does not have any convertible instruments.

**MATCO FOODS LIMITED**  
**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

**19 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**

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

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

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

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

**19.2 Fair value hierarchy**

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing par ties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair value estimates.

The Company classifies 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:

- a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

**20 TRANSACTIONS WITH RELATED PARTIES**

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

Nature of relationship	Percentage of Holding	Transactions	September 30,	September 30,
			2024	2023
			-----Rupees in '000'-----	
<b>Directors</b>		Godown rent paid to director	<u>17,272</u>	<u>12,119</u>
<b>Subsidiary</b>				
JKT General Trading FZE	100%	Sales	<u>13,769</u>	<u>29,046</u>
		Payment received on account of sales	<u>4,212</u>	<u>17,042</u>
		Payment made on our behalf	<u>-</u>	<u>-</u>
Matco Marketing (Private) Limited	99.99%	Paid expenses on behalf	<u>81,000</u>	<u>-</u>
<b>Joint Venture</b>				
Barentz Pakistan (Private) Limited	49%	Paid expenses on behalf	<u>37,057</u>	<u>8,695</u>
		Payment received on account of expenses	<u>12,738</u>	<u>30,756</u>
		Interest Income	<u>2,473</u>	<u>3,975</u>
		Interest Received	<u>5,528</u>	<u>3,000</u>
		Rental and service income received	<u>204</u>	<u>186</u>
		Commission paid	<u>575</u>	<u>316</u>
			<u>-</u>	<u>-</u>
<b>Associates based on common directorship</b>				
Matco Engineering Co (Private) Limited	0%	Paid expenses on behalf	<u>7,157</u>	<u>-</u>
		Payment received on account of expenses	<u>7,157</u>	<u>-</u>
Faiyaz Center Owner Association	0%	Paid expenses on behalf	<u>862</u>	<u>97</u>
		Payment received on account of expenses	<u>862</u>	<u>97</u>
<b>Trust operated by the Company</b>				
Ghori Trust	0%	Paid expenses on behalf	<u>4,525</u>	<u>10,482</u>
		Payment received on account of expenses	<u>22</u>	<u>7,034</u>
		Donation expense	<u>4,503</u>	<u>3,447</u>

**MATCO FOODS LIMITED**  
**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

Nature of relationship	Percentage of Holding	Balances	September 30,	June 30, 2024
			2024	
			-----Rupees in '000'-----	
<b>Subsidiary</b>				
JKT General Trading FZE	100%	Trade receivables outstanding	<u>21,833</u>	<u>12,276</u>
		Advance outstanding against sales	<u>-</u>	<u>-</u>
		Payable against expenses	<u>15,586</u>	<u>15,586</u>
Matco Marketing (Private) Limited	99.99%	Advance outstanding	<u>649</u>	<u>6,564</u>
<b>Joint Venture</b>				
Barentz Pakistan (Private) Limited	49%	Receivable against expenses	<u>61,856</u>	<u>37,536</u>
		Interest receivable services	<u>6,078</u>	<u>9,133</u>
			<u>3,286</u>	<u>3,657</u>
<b>Associates based on common directorship</b>				
Matco Engineering Co (Private) Limited	0%	Receivable against expenses	<u>-</u>	<u>-</u>
Faiyaz Center Owner Association	0%	Receivable against expenses	<u>-</u>	<u>-</u>
<b>Trust operated by the Company</b>				
Ghori Trust	0%	Payable against donation	<u>-</u>	<u>-</u>

**21 DATE OF AUTHORIZATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorized for issue on October 29, 2024, by the board of directors of the Company.

**22 GENERAL**

Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer

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*Matco Foods Limited*



**M. Aamir Farooqui**  
Chief Financial Officer



**Faizan Ali Ghori**  
Director

*1st Quarterly Report 2024*

**1<sup>st</sup> Quarterly Accounts**  
**Consolidated**  
**September 30, 2024**  
**(Unaudited)**



**Consolidated Condensed Interim Statement of Financial Position  
As at September 30, 2024**

		Un-Audited September 30, 2024	Audited June 30, 2024
	Note	-----Rupees in '000'-----	
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized share capital		2,000,000	2,000,000
Issued, subscribed and paid up share capital	6	1,224,007	1,224,007
Capital reserve		680,467	680,467
Exchange revaluation reserve		67,350	66,746
Unappropriated profit		3,054,051	2,902,806
Surplus on revaluation of property, plant and equipment - net of tax		5,152,350	5,194,286
Unrealized loss on revaluation on investment at fair value through OCI		-	-
<b>Total shareholders' equity</b>		<b>10,178,225</b>	<b>10,068,312</b>
<b>Non-current liabilities</b>			
Long-term finances-secured	8	1,385,221	1,475,635
Lease liabilities		157,332	172,253
Deferred liabilities	7	959,026	981,264
<b>Total non-current liabilities</b>		<b>2,501,579</b>	<b>2,629,153</b>
<b>Current liabilities</b>			
Trade and other payables		2,344,715	2,335,199
Advance from customers - secured		324,583	428,039
Accrued mark-up		397,087	560,017
Due to related party		-	-
Short-term borrowings-secured	9	11,168,778	11,123,991
Current portion of long term finances-secured	8	354,983	359,122
Current portion of lease liabilities		41,502	38,072
Unpaid dividend	10	28,496	28,496
<b>Total current liabilities</b>		<b>14,660,143</b>	<b>14,872,936</b>
<b>Total liabilities</b>		<b>17,161,722</b>	<b>17,502,089</b>
<b>Contingencies and commitments</b>	11		
<b>Total equity and liabilities</b>		<b>27,339,947</b>	<b>27,570,401</b>

The annexed notes from 1 to 22 form an integral part of these consolidated financial statements.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer

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*Matco Foods Limited*



**M. Aamir Farooqui**  
Chief Financial Officer



**Faizan Ali Ghori**  
Director

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**Consolidated Condensed Interim Statement of Financial Position  
As at September 30, 2024**

		Un-Audited September 30, 2024	Audited June 30, 2024
	Note	-----Rupees in '000'-----	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	11,302,040	11,419,972
Right-of-use assets		227,222	239,635
Intangible assets		-	-
Long-term deposits		19,709	19,709
Long-term investments	13	23,863	15,511
<b>Total non-current assets</b>		<b>11,572,833</b>	<b>11,694,827</b>
<b>Current assets</b>			
Stores, spares and loose tools		296,912	277,847
Stock in trade	14	10,971,187	11,613,571
Trade debts	15	2,371,143	2,399,676
Loans and advances		1,596,227	1,009,946
Trade deposits and short term prepayments		20,644	29,269
Short-term investment		1,200	1,200
Sales tax refundable		25,000	25,000
Due from related parties		71,220	50,326
Taxation and levies - net		172,300	106,289
Cash and bank balances	16	241,281	362,448
<b>Total current assets</b>		<b>15,767,114</b>	<b>15,875,574</b>
<b>Total assets</b>		<b>27,339,947</b>	<b>27,570,401</b>

The annexed notes from 1 to 22 form an integral part of these consolidated financial statements.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer



**M. Aamir Farooqui**  
Chief Financial Officer



**Faizan Ali Ghori**  
Director

**Consolidated Condensed Interim Statement of Profit or Loss  
For the Three-Months Period Ended September 30, 2024**

	Note	Three Months Ended	
		September 30, 2024	September 30, 2023
		Un-Audited	Audited
		-----Rupees in '000'-----	
Sales - net	17	6,579,180	6,838,823
Cost of sales		(5,667,962)	(6,030,024)
<b>GROSS PROFIT</b>		<b>911,218</b>	<b>808,799</b>
Selling and distribution expenses		(161,914)	(123,033)
Administrative expenses		(220,280)	(147,033)
		<b>(382,194)</b>	<b>(270,066)</b>
		<b>529,024</b>	<b>538,733</b>
Finance cost		(556,718)	(465,122)
Other income		13,808	11,803
Exchange gain - net		164,468	53,279
Share of profit from associated company		8,353	4,404
<b>PROFIT BEFORE LEVIES AND INCOME TAX</b>		<b>158,936</b>	<b>143,097</b>
Levies - Final and Minimum Tax		(67,001)	(69,311)
Taxation		17,374	2,022
<b>PROFIT FOR THE PERIOD</b>		<b>109,309</b>	<b>75,808</b>
<b>Attributable to:</b>			
Shareholders of Holding Company		109,309	75,808
Non-controlling interest		-	-
<b>EARNINGS PER SHARE - BASIC AND DILUTED</b>	18	<b>0.89</b>	<b>0.62</b>

The annexed notes from 1 to 22 form an integral part of these consolidated financial statements.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer



**M. Aamir Farooqui**  
Chief Financial Officer



**Faizan Ali Ghori**  
Director

**Consolidated Condensed Interim Statement of Comprehensive Income  
For the Three-Months Period Ended September 30, 2024**

	<b>Three Months Ended</b>	
	<b>September 30, 2024</b>	<b>September 30, 2023</b>
	<b>Un-Audited</b>	<b>Audited</b>
<b>Note</b>	<b>-----Rupees in '000'-----</b>	
<b>PROFIT FOR THE PERIOD</b>	<b>109,309</b>	<b>75,808</b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
<i>Items that may be reclassified subsequently to the unconsolidated statement of profit or loss</i>		
- Exchange difference of translation of foreign operations	<b>603</b>	<b>906</b>
<i>Items that will not to be reclassified subsequently to the unconsolidated statement of profit or loss</i>		
- Remeasurement of defined benefits obligation	-	-
- Surplus on revaluation of fixed assets - net of deferred tax	-	-
- Unrealized gain on revaluation of investment at fair value through OCI during the year	-	748
Other comprehensive income/(loss)	-	748
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>109,912</b>	<b>77,462</b>

The annexed notes from 1 to 22 form an integral part of these consolidated financial statements.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer



**M. Aamir Farooqui**  
Chief Financial Officer



**Faizan Ali Ghori**  
Director

**Consolidated Condensed Interim Statement of Cash Flows  
For the Three-Months Period Ended September 30, 2024**

	Three Months Ended	
	September 30, 2024	September 30, 2023
	Un-Audited	Audited
Note	-----Rupees in '000'-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before levies and income tax	158,936	143,097
<b>Adjustments for:</b>		
Depreciation	186,529	117,301
Depreciation on right of use assets	10,639	-
Exchange gain - net	(164,468)	(53,279)
Provision for slow moving stock	-	-
Finance cost	561,920	465,122
Provision for staff gratuity	-	-
Loss / (gain) on disposal of property, plant and equipment	(2,700)	-
	<u>591,920</u>	<u>529,144</u>
	750,856	672,241
<b>Changes in working capital</b>		
<b>(Increase)/decrease in current assets</b>		
Stores, spares and loose tools	(19,065)	(62,985)
Stock-in-trade	642,384	(108,861)
Trade debts - considered good	193,001	(8,156)
Loans and advances	(586,281)	(107,441)
Trade deposits and prepayments	8,625	(28,697)
Short-term investment	-	-
Sales tax refundable	-	83,458
Due from related parties	(20,893)	21,215
	<u>217,771</u>	<u>(211,468)</u>
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	9,516	(446,694)
Due to related party	-	-
Deferred grant	-	-
Advances from customers	(103,456)	6,159
	<u>(93,940)</u>	<u>(440,534)</u>
<b>Cash generated from operations</b>	<u>874,687</u>	<u>20,239</u>
Finance cost paid	(724,851)	(512,811)
Income taxes and levies paid	(132,634)	(75,540)
Gratuity paid	(4,865)	(2,906)
<b>Net cash (used in) / generated from operating activities</b>	<u>12,337</u>	<u>(571,018)</u>
<i>Balance carried forward</i>	12,337	(571,018)

**Consolidated Condensed Interim Statement of Cash Flows  
For the Three-Months Period Ended September 30, 2024**

	September 30, 2024	September 30, 2023
Note	-----Rupees-----	
<i>Balance brought forward</i>	12,337	(571,018)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure including capital work in progress	(68,626)	(118,510)
Proceeds from disposal of property, plant and equipment	4,113	-
Long term investment	(8,338)	(4,404)
Long-term deposits	-	-
<b>Net cash used in investing activities</b>	<b>(72,851)</b>	<b>(122,914)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long-term finances - net	(94,553)	(47,604)
Lease liabilities paid during the year	(11,491)	(11,108)
Dividend paid	-	(43)
Short-term borrowings - net	44,787	823,928
<b>Net cash (used in) / generated from financing activities</b>	<b>(61,257)</b>	<b>765,172</b>
<b>Net change in cash and cash equivalents during the year</b>	<b>(121,771)</b>	<b>71,240</b>
Effect of exchange rate changes on value of foreign operations	603	906
<b>Cash and cash equivalents as at the beginning of period</b>	<b>362,448</b>	<b>375,642</b>
Effects of exchange rate changes on cash and cash equivalents	-	-
<b>Cash and cash equivalents as at the end of period</b>	<b>241,281</b>	<b>447,788</b>
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The annexed notes from 1 to 22 form an integral part of these consolidated financial statements.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer



**M. Aamir Farooqui**  
Chief Financial Officer



**Faizan Ali Ghori**  
Director

**Consolidated Condensed Interim Statement of Changes in Equity  
For the Three-Months Period Ended September 30, 2024**

	Issued, subscribed and paid up share capital	Capital reserve  Share premium reserve	Exchange Revaluation Reserve	Unappropriated profit	Surplus on revaluation of property, plant and equipment - net of tax	Unrealized (loss) / gain revaluation of investment at fair value to OCI	Equity attributable to the Holding Company's Shareholders	Total
-----Rupees in '000'-----								
<b>Balance as at July 01, 2023</b>	1,224,007	680,467	77,321	3,207,759	2,408,824	(819)	7,597,560	7,597,560
<b>Total comprehensive income for the period</b>								
Profit for the period	-	-	-	75,808	-	-	75,808	75,808
Other comprehensive (loss) / income	-	-	906	-	-	748	1,654	1,654
Total comprehensive income	-	-	906	75,808	-	748	77,462	77,462
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation net of tax	-	-	-	4,717	(4,717)	-	-	-
<b>Transactions with owners</b>								
Dividend paid during the period	-	-	-	-	-	-	-	-
<b>Balance as on September 30, 2023</b>	<u>1,224,007</u>	<u>680,467</u>	<u>78,227</u>	<u>3,288,284</u>	<u>2,404,107</u>	<u>(71)</u>	<u>7,675,022</u>	<u>7,675,022</u>
<b>Balance as on July 01, 2024</b>	1,224,007	680,467	66,746	2,902,806	5,194,286	-	10,068,312	10,068,312
<b>Total comprehensive income for the period</b>								
Profit for the period	-	-	-	109,309	-	-	109,309	109,309
Other comprehensive income	-	-	603	-	-	-	603	603
Total comprehensive (loss)/income	-	-	603	109,309	-	-	109,912	109,912
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation net of tax	-	-	-	41,936	(41,936)	-	-	-
<b>Transactions with owners</b>								
Dividend paid during the period	-	-	-	-	-	-	-	-
<b>Balance as on September 30, 2024</b>	<u>1,224,007</u>	<u>680,467</u>	<u>67,349</u>	<u>3,054,051</u>	<u>5,152,350</u>	<u>-</u>	<u>10,178,224</u>	<u>10,178,224</u>

The annexed notes from 1 to 22 form an integral part of these consolidated financial statements.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer



**M. Aamir Farooqi**  
Chief Financial Officer



**Faizan Ali Ghori**  
Director

# Notes to the Consolidated Condensed Interim Financial Statements For the Three-Months Period Ended September 30, 2024

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## 1 STATUS AND NATURE OF BUSINESS

The 'Group' consists of:

### Holding Company

- Matco Foods Limited (the Holding Company)

### Subsidiary Company

- JKT General Trading FZE
- Matco Marketing (Private) Limited

### Associated Company

- Barentz Pakistan (Private) Limited

The Group is engaged in the business of processing and export of rice, glucose, protein and flour, manufacturing, general trading, exports/imports and other related activities. Brief profile of the Holding Company, subsidiaries and associated company is as under:

#### a) Matco Foods Limited

Matco Foods Limited, ('the Holding Company') was incorporated on April 14, 1990 in Karachi as a private limited company under the repealed Companies Ordinance, 1984 (Now: Companies Act, 2017). The Holding Company was listed on Pakistan Stock Exchange Limited on February 13, 2018. The principal activity of the Holding Company is to carry out the business of processing, export of rice, rice glucose, rice protein, corn starch and trade of biscuits, pink salt, bran oil, masala and kheer. The registered office of the Holding Company is situated at B-1/A, S.I.T.E.-II Phase 1, Super Highway Industrial Area, Karachi; whereas the factories of the Holding Company are situated at (i) Plot A-15 & 16, SITE-II, Super highway Karachi; (ii) A-21, SITE-II, Super highway Karachi; (iii) G-205, SITE-II, Super highway Karachi and (iv) 50 KM G.T Road, Sadhoke, Tehsil Kamoke, District Gujranwala and (v) Plot # 53, S.E.Z, Allama Iqbal Industrial City in Faisalabad.

#### b) JKT General Trading FZE

JKT General Trading FZE, ('the establishment') is a free zone establishment with limited liability registered in Saif-Zone, Sharjah, United Arab Emirates (UAE) under general trading license no. 12689. The principal activity of the establishment is purchasing and selling of processed rice.

#### b) Matco Marketing (Private) Limited

The Group has incorporated another subsidiary Matco Marketing (Private) Limited through 100% ownership. The subsidiary is situated at B-01/A, S.I.T.E, Phase 1, Super Highway Industrial Area, Karachi. Matco Marketing (Private) Limited was incorporated on June 16, 2016 with authorized and paid-up share capital of PKR 10 million and PKR 7.5 million respectively. However, no business carried out by the Subsidiary Company since its incorporation.

#### d) Barentz Pakistan (Private) Limited

The Group has incorporated another subsidiary Matco Marketing (Private) Limited through 100% ownership. The subsidiary is situated at B-01/A, S.I.T.E, Phase 1, Super Highway Industrial Area, Karachi. Matco Marketing (Private) Limited was incorporated on June 16, 2016 with authorized and paid-up share capital of PKR 10 million and PKR 7.5 million respectively. However, no business carried out by the Subsidiary Company since its incorporation.

## Notes to the Consolidated Condensed Interim Financial Statements For the Three-Months Period Ended September 30, 2024

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### **2 SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE GROUP'S FINANCIAL POSITION AND PERFORMANCE**

There are no significant events and transactions occurred during the period.

### **3 BASIS OF PREPARATION**

#### **3.1 Statement of compliance**

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

- International Financial Reporting Standards (IFRS) 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 provisions of and directives issued under the Companies Act, 2017 differ from the required of IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed in preparation of these consolidated financial statements.

- #### **3.2**
- These consolidated condensed interim financial statements do not include all the information and disclosures required in the consolidated annual audited financial statements, and should be read in conjunction with Group's consolidated annual audited financial statements for the quarter ending September 30, 2024.

### **4 SUMMARY OF MATERIAL ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted for the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the consolidated financial statements for the year ended June 30, 2024 unless otherwise specified.

### **5 ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of these consolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of the applying the Group's accounting policies. Estimates and judgement are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparations of this consolidated condensed interim financial statements, the significant judgement made by management in applying the Group's accounting policies and the key sources of estimations and uncertainly were the same as those that applied to the audited annual financial statements of the Group for the year ended June 30, 2024.



**Notes to the Consolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

**6 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL**

(Un-audited) September 30, 2024 (Number of shares)	(Audited) June 30, 2024		(Un-audited) September 30, 2024	(Audited) June 30, 2024
			-----Rupees in '000-----	
Ordinary shares of Rs. 10 each:				
50,340,213	50,340,213	- fully paid in cash	503,402	503,402
6,002,950	6,002,950	- issued for consideration other than cash	60,030	60,030
<u>66,057,535</u>	<u>66,057,535</u>	- issued as fully paid bonus shares	<u>660,575</u>	<u>660,575</u>
<u><u>122,400,698</u></u>	<u><u>122,400,698</u></u>		<u><u>1,224,007</u></u>	<u><u>1,224,007</u></u>

**7 DEFERRED LIABILITIES**

Staff gratuity scheme - unfunded	668,368	685,742
Deferred tax liability	290,211	295,076
Employees' end of services benefit	447	447
	<u>959,026</u>	<u>981,264</u>

**8 LONG TERM FINANCES - SECURED**

From banking companies and financial institution:

LTFE/ILTFE	153,283	168,564
TERE/ITERE	879,400	910,986
FFSAP/IFFASP	176,814	187,652
Demand Finance	<u>530,708</u>	<u>567,555</u>
	1,740,205	1,834,757
Current portion of long term finances	<u>(354,983)</u>	<u>(359,122)</u>
	<u><u>1,385,221</u></u>	<u><u>1,475,635</u></u>

- 8.1** The Group has obtained long term finance facility from various banks for plant & machinery expansion. The facilities available from different banks are secured by way of 1st pari passu hypothecation charge of present and future fixed assets (excluding land and building) of the Company. The mark up charged on these finances are same as disclosed in consolidated annual financial statements as at June 30, 2024.

	September 30, 2024 Un-Audited	June 30, 2024 Audited
-----Rupees in '000-----		
<b>9 SHORT-TERM BORROWINGS SECURED</b>		
Export re-finance	7,031,329	6,021,089
Own resource	3,993,214	4,947,573
FE-25 Scheme	1,036	81,041
Foreign bills purchased/negotiated	<u>143,199</u>	<u>74,287</u>
	<u><u>11,168,778</u></u>	<u><u>11,123,991</u></u>

## Notes to the Consolidated Condensed Interim Financial Statements For the Three-Months Period Ended September 30, 2024

**9.1** The facilities available from various banks amount to Rs. 12,811 million (2024: Rs. 12,420 million). These facilities are secured by way of hypothecation charge of all present and future cash collateral/TDR, receivable, stocks & current assets. These facilities are registered by mortgage charge of land, building, plant and machinery and all present & future fixed assets. The mark up charged on these finances are same as disclosed in consolidated annual financial statements as at June 30, 2024.

### 10 UNPAID DIVIDEND

This represents part of interim dividend for the period ended December 31, 2017, September 30, 2022 and March 31, 2023 and final dividend for the year ended June 30, 2018, June 30, 2019, June 30, 2020 and June 30, 2023, which remained unpaid to the shareholders who have not provided their valid Central Depository System (CDS) Account no, and International Bank Account Number (IBAN). The company has already sent letters to those shareholders for the purpose of above stated information.

### 11 CONTINGENCIES AND COMMITMENTS

#### 11.1 Contingencies

The current status of the contingencies is same as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2024.

	September 30, 2024	June 30, 2024
	Un-Audited	Audited
	-----Rupees in '000-----	
<b>11.2 Commitments</b>		
Letter of credit	94,146	225,809
Letter of gurantee	45,700	46,168
Capital expenditure	125,560	172,000
Cheques issued in favor of Nazir of high court in relation to SSGC case	7,732	-
	<u>273,138</u>	<u>451,709</u>

### 12 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	11,126,491	11,257,195
Capital work in progress	175,549	162,777
	<u>11,302,040</u>	<u>11,419,972</u>

**Notes to the Consolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

12.1 Details of additions and disposals to fixed operating assets during the three months ended September 30, 2024 are as follows:

	Additions at cost	Disposals at net book value
	-----Rupees in '000-----	
Factory building	23,664	-
Plant and machinery	6,836	-
Furniture and fixture	1,236	-
Motor vehicles	-	-
Office equipment	1,405	-
Factory equipment	20,816	-
Computers	752	-
Mobile phone	1,067	-
Generator	80	17
<b>September 30, 2024</b>	<b>55,854</b>	<b>17</b>
June 30, 2024	1,472,381	104

12.2 Following is the movement in capital work in progress during the period.

	September 30, 2024 Un-Audited	June 30, 2024 Audited
	-----Rupees in '000-----	
Opening balance	162,777	903,541
Additions during the period	12,772	517,102
Transferred to operating fixed assets	-	(1,257,866)
Closing balance	175,549	162,777

**13 LONG-TERM INVESTMENTS**

***Investment - at cost***

***Unquoted***

Associate - Equity accounted investment 13.1 23,863 15,510

***Quoted***

***Other investments - at fair value through OCI***

Pakistan Aluminium Beverage Cans Limited 13.3 - -

Engro Fertilizers Limited - -

**Notes to the Consolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

	September 30, 2024 Un-Audited	June 30, 2024 Audited
	-----Rupees in '000-----	
<b>13.1 Equity accounted investment - Barentz International B.V.</b>		
Balance at beginning of the period	15,510	7,006
Investment in associate		-
Share of profit/(loss) for the year - net of tax	8,353	8,505
Dividend received during the year		-
	<u>23,863</u>	<u>15,510</u>
<b>13.2</b> On June 28, 2019, the Company has been incorporated in Pakistan as per agreement between Barentz International B.V. and Matco Foods Limited. Matco Foods Limited has subscribed 49% of total shareholding of Rs. 50 Million, thereby, constituting a Joint Venture.		
<b>13.3</b> The following table provides summarized financial information for the joint venture. The information disclosed reflects the amounts presented in the financial statements of the associates and not the Group's share of those amounts. The financial information presented below are based on the interim financial statements for the period ended June 30, 2024.		
	September 30, 2024 Un-Audited	June 30, 2024 Audited
	-----Rupees in '000-----	
<b>14 STOCK IN TRADE</b>		
Raw materials	5,766,499	6,259,076
Packing materials	476,555	500,648
Finished goods	4,749,985	4,875,699
	<u>10,993,039</u>	<u>11,635,423</u>
	<u>(21,852)</u>	<u>(21,852)</u>
Provision for slow moving / obsolete items	<u>10,971,187</u>	<u>11,613,571</u>
<b>15 TRADE DEBTS</b>		
Considered good		
- Export - secured	1,528,484	1,725,355
- Local - unsecured	842,659	674,321
	<u>2,371,143</u>	<u>2,399,676</u>
<b>16 CASH AND BANK BALANCES</b>		
Cash in hand	10,637	4,227
Cash at bank	230,645	358,221
	<u>241,281</u>	<u>362,448</u>

**Notes to the Consolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

**17 SEGMENT INFORMATION**

A segment is a distinguishable component of the Group that is engaged in business activities from which the Group earn revenues and incur expenses and its results are regularly reviewed by the Group's chief operating decision maker to make decision about resources to be allocated to the segment and assess its performance. Further, discrete financial information is available for each segment.

Based on internal management reporting structure and products produced and sold, the Group is organized into the following two operating segments:

- Rice and Allied Products
- Corn Starch Products

Segment revenues, segment results, costs, assets and liabilities for the period are as follows:

		(Un-Audited)					
		Three-months Period Ended					
Disaggregation of revenue		Rice and Allied Products		Corn Starch Products		Total	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		-----Rupees in '000-----					
Sales							
Export		3,707,177	4,141,097	371,262	64,494	4,078,438	4,205,591
Main Products		1,020,080	1,092,382	1,095,896	1,333,928	2,115,976	2,426,310
By-Product and Others		764,072	597,784	271,039	337	1,035,111	598,121
		5,491,329	5,831,263	1,738,197	1,398,759	7,229,525	7,230,022
Less:							
Sales returns and discount		(72,603)	(20,696)	(30,833)	(25,273)	(103,436)	(45,969)
Sales tax		(90,480)	(30,520)	(163,940)	(200,170)	(254,420)	(230,690)
Freight		(237,453)	(88,532)	(33,407)	(1,379)	(270,860)	(89,911)
Clearing & Forwarding		(17,934)	(24,251)	(3,695)	(378)	(21,629)	(24,629)
		(418,470)	(163,999)	(231,875)	(227,200)	(650,345)	(391,199)
Net Sales		5,072,859	5,667,264	1,506,322	1,171,559	6,579,180	6,838,823
Cost of Sales		(4,304,447)	(4,864,048)	(1,363,516)	(1,165,977)	(5,667,962)	(6,030,024)
Selling and Distribution		(126,513)	(113,759)	(35,401)	(9,274)	(161,914)	(123,033)
Administrative expenses		(182,698)	(116,632)	(33,582)	(30,401)	(220,280)	(147,033)
		(4,613,658)	(5,094,439)	(1,436,499)	(1,205,652)	(6,050,156)	(6,300,090)
<b>Segment result</b>		<b>459,201</b>	<b>572,825</b>	<b>69,823</b>	<b>(34,093)</b>	<b>529,024</b>	<b>538,733</b>
<b>Unallocation income and expenses</b>							
Finance cost						(556,718)	(465,122)
Other operating income						13,808	11,803
Share of profit/(loss) from associated company						8,353	4,404
Exchange gain/(loss)						164,468	53,279
<b>Profit before taxation</b>						<b>158,936</b>	<b>143,097</b>
Levies - Final and Minimum Tax						(67,001)	(69,311)
Taxation						17,374	2,022
<b>Profit after taxation</b>						<b>109,309</b>	<b>75,808</b>
		Un-Audited	Audited	Un-Audited	Audited	Un-Audited	Un-Audited
		Rice and Allied Products		Corn Starch Products		Total	
		September 30, 2024	June 30, 2024	September 30, 2024	June 30, 2024	September 30, 2024	June 30, 2024
		-----Rupees in '000-----					
17.1	Segment assets	20,544,334	21,850,355	4,396,946	3,860,711	24,941,281	25,711,067
17.2	Unallocated assets	-	-	-	-	2,398,666	1,859,334
		20,544,334	21,850,355	4,396,946	3,860,711	27,339,947	27,570,401
17.3	Segment liabilities	10,755,285	11,795,181	4,678,806	4,003,345	15,434,091	15,798,526
17.4	Unallocated liabilities	-	-	-	-	1,727,631	1,703,563
		10,755,285	11,795,181	4,678,806	4,003,345	17,161,722	17,502,089

17.5 There were no inter segment transaction of the Company during the period. (September 30, 2024: Nil)

**Notes to the Consolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

	(Un-Audited) September 30, 2024	(Un-Audited) June 30, 2024
	-----Rupees in '000-----	
<b>17.6 RECONCILIATION OF REPORTABLE SEGMENT ASSETS AND LIABILITIES</b>		
<b>Assets</b>		
Total assets for reportable segments	24,941,281	25,711,067
Administrative capital assets	227,222	239,635
Investments	23,863	15,511
Loans and advances	1,396,227	1,009,946
Cash and bank balances	241,282	362,449
Others	310,072	231,793
Total assets	<u>27,139,947</u>	<u>27,570,401</u>
<b>Liabilities</b>		
Total liabilities for reportable segments	15,434,091	15,798,526
Deferred tax liabilities	959,026	981,264
Lease liabilities	198,834	210,325
Trade and other payables - Others	341,275	483,478
Due to related parties	-	-
Unpaid dividend	28,496	28,496
Total liabilities	<u>16,961,722</u>	<u>17,502,089</u>
	(Un-Audited) September 30, 2024	(Un-Audited) September 30, 2023
	-----Rupees in '000-----	
<b>18 EARNINGS PER SHARE - BASIC &amp; DILUTED</b>		
<b>Basic earnings per share</b>		
Profit for the period	<u>109,309</u>	<u>75,808</u>
Number of ordinary shares	<u>122,400,698</u>	<u>122,400,698</u>
Earning per share	<u>0.89</u>	<u>0.62</u>

**18.1 Diluted earning per share**

There is no dilutive effect on earnings per share as the Group does not have any convertible instruments.

**Notes to the Consolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

**19 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**

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

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

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

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

**19.2 Fair value hierarchy**

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing par ties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair value estimates.

The Group classifies 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:

- a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

**20 TRANSACTIONS WITH RELATED PARTIES**

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

Nature of relationship	Percentage of Holding	Transactions	September 30, 2024	September 30, 2023
-----Rupees in '000'-----				
<b>Directors</b>		Godown rent paid to director	17,272	12,119
<b>Joint Venture</b>				
Barentz Pakistan (Private) Limited	49%	Paid expenses on behalf	37,057	8,695
		Payment received on account of expenses	12,738	30,756
		Interest Income	2,473	3,975
		Interest Received	5,528	3,000
		Rental and service income received	204	186
		Commission paid	575	316
			-	-
<b>Associates based on common directorship</b>				
Faiyaz Center Owner Association	0%	Paid expenses on behalf	862	97
		Payment received on account of expenses	862	97
<b>Trust operated by the Company</b>				
Ghori Trust	0%	Paid expenses on behalf	4,525	10,482
		Payment received on account of expenses	22	7,034
		Donation expense	4,503	3,447

**Notes to the Consolidated Condensed Interim Financial Statements  
For the Three-Months Period Ended September 30, 2024**

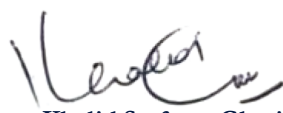
Nature of relationship	Percentage of Holding	Balances	September 30,	June 30, 2024
			2024	
			-----Rupees in '000'-----	
<b>Associates based on common directorship</b>				
Matco Engineering Co (Private) Limited	0%	Receivable against expenses	-	-
Faiyaz Center Owner Association	0%	Receivable against expenses	-	-
<b>Trust operated by the Company</b>				
Ghori Trust	0%	Payable against donation	-	-

**21 DATE OF AUTHORIZATION FOR ISSUE**

These consolidated condensed interim financial statements were authorized for issue on October 29, 2024, by the board of directors of the Group.

**22 GENERAL**

Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.



**Khalid Sarfaraz Ghori**  
Chief Executive Officer

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*Matco Foods Limited*



**M. Aamir Farooqui**  
Chief Financial Officer



**Faizan Ali Ghori**  
Director

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