



**First Quarter
Accounts 2023-24**

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Information

Board of Directors

Mr. Muhammad Atif	Chief Executive
Mr. Muhammad Siraj	Director
Mr. Salman Haroon	Director
Mr. Muhammad Riaz	Director
Mr. Qazi Muhammad Imran	Director
Ms. Hina Faiyaz	Independent Director
Ms. Saba Irfan	Independent Director

Company Secretary

Mr. Iqbal Shahid

Audit Committee

Ms. Hina Faiyaz	Chairperson
Mr. Muhammad Siraj	Member
Ms. Saba Irfan	Member

HR & Remuneration Committee

Ms. Saba Irfan	Chairperson
Ms. Hina Faiyaz	Member
Mr. Muhammad Riaz	Member

Bankers

United Bank Limited
Habib Bank Limited
Meezan Bank Limited
Bank AL Falah Limited
Muslim Commercial Bank
Habib Mertopolitan Bank

Legal Advisor

M/s. Ahmed & Qazi
Advocates & Legal Consultants

Auditors

M/s. Aslam Malik & Co.
Chartered Accountants,

Share Registrar

M/s. F.D. Registrar Services (Pvt.) Ltd.
Office No. 1705, 17th Floor, Saima Trade Tower-A,
I.I Chundrigar Road, Karachi.

Registered Office

WS7, Mezanine Floor, Madina Palace
Faran Co-operative Housing Society
Dhoraji Colony, Karachi

Directors' Review

The Directors of Quice Food industries Limited (the "Company") are pleased to submit unaudited Interim Financial Information of the Company for the quarter ended September 30, 2023.

FINANCIAL HIGHLIGHTS

Description	September 30, 2023	September 30, 2022
	Rupees in million	
Sales - Net	110.912	143.264
Gross profit	22.254	26.325
Depreciation	7.533	5.284
Loss before taxation	(2.470)	(5.642)
Loss after taxation	(3.629)	(7.201)
Loss per share - Rupees	(0.037)	(0.073)

Sales revenue of the Company fell by 22.58%, over the preceding period last year. This decrease was mainly due to unprecedented reduction in consumer purchasing power due to rising inflation in the Country.

Further, economic activity has fallen in the country due to high borrowing costs, high energy prices, increase in Federal Excise duty, political uncertainty and declining foreign reserves have further compounded the situation for the Country and the industry.

In spite of aforementioned, due to increasing in costs of production and rising cost push inflation in the Country has adversely affected profitability of the Company, still your Company managed to reduce Loss after taxation by 50.00% when compared with corresponding period. This was largely possible as we upheld our growth momentum in exports and achieved reasonable growth during the quarter under review.

Similarly, the Loss per share of your Company for the first quarter ended 30 September 2023 is Rs. 0.037 as compared to Re. 0.073 during the same period last year.

FUTURE OUTLOOK

Whilst, the Pakistani Rupee has shown some signs of recovery, the Company continues to face challenges of inflation, rising costs of production, energy and fuel prices. Notwithstanding, your Company remains cognizant of the challenges and would continue to make all efforts to mitigate adverse impact through productivity and cost containment initiatives.

ACKNOWLEDGEMENT

We would like to thank our Board of Directors for continued support and guidance. We are also thankful to our team for their dedicated efforts to make the company operationally sustainable.

We are confident with the dedicated team efforts that we will meet expectation of all stake holders i.e., Shareholders, Customers, Suppliers, etc.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



Chief Executive



Chairman

Date: 26 October, 2023
Karachi.

ڈائریکٹرز کا جائزہ

کوئٹس فوڈ انڈسٹریز لمیٹڈ ("کمپنی") کے ڈائریکٹرز 30 ستمبر 2023 کو ختم ہونے والی سہ ماہی کے لیے کمپنی کی غیر آڈٹ شدہ عبوری مالیاتی معلومات جمع کراتے ہوئے خوش ہیں۔

مالیاتی جھلکیاں	2023 روپے "000"	2022 روپے "000"
خالص فروخت	110.912	143.264
کل منافع	22.254	26.325
فرسودگی	7.533	5.284
قبل از ٹیکس نقصان	(2.470)	(5.642)
بعد از ٹیکس نقصان	(3.629)	(7.201)
فی شیئر نقصان - روپے	(0.037)	(0.073)

کمپنی کی سیلز ریونیو میں 22.58 فیصد کی کمی واقع ہوئی، جو پچھلے سال کی سابقہ مدت کے مقابلے میں ہے۔ یہ کمی بنیادی طور پر ملک میں بڑھتی ہوئی مہنگائی کی وجہ سے صارفین کی قوت خرید میں غیر معمولی کمی کی وجہ سے ہوئی۔

مزید، قرض لینے کے زیادہ اخراجات، توانائی کی اونچی قیمتوں، فیڈرل ایکسائز ڈیوٹی میں اضافہ، سیاسی غیر یقینی صورتحال اور گرتے ہوئے غیر ملکی ذخائر کی وجہ سے ملک میں معاشی سرگرمیاں گر گئی ہیں، جس نے ملک اور صنعت کی صورتحال کو مزید پیچیدہ کر دیا ہے۔

مذکورہ بالا کے باوجود ملک میں پیداواری لاگت میں اضافے اور لاگت کی بڑھتی ہوئی مہنگائی نے کمپنی کے منافع کو بری طرح متاثر کیا ہے، پھر بھی آپ کی کمپنی اسی مدت کے مقابلے میں 50.00% فیصد ٹیکس کے بعد نقصان کو کم کرنے میں کامیاب رہی۔ یہ بڑی حد تک ممکن تھا کیونکہ ہم نے برآمدات میں اپنی ترقی کی رفتار کو برقرار رکھا اور زیر جائزہ سہ ماہی کے دوران معقول نمو حاصل کی۔

اسی طرح، 30 ستمبر 2023 کو ختم ہونے والی پہلی سہ ماہی کے لیے آپ کی کمپنی کا فی شیئر نقصان روپے ہے۔ کے مقابلے میں (0.037) گزشتہ سال کی اسی مدت کے دوران (0.073)۔

مستقبل کا آؤٹ لک

جبکہ پاکستانی روپے نے بحالی کے کچھ آثار دکھائے ہیں، کمپنی کو افراط زر، پیداواری لاگت، توانائی اور ایندھن کی قیمتوں میں اضافے کے چیلنجز کا سامنا ہے۔ اس کے باوجود، آپ کی کمپنی چیلنجز سے بخوبی واقف ہے اور پیداواریت اور لاگت پر قابو پانے کے اقدامات کے ذریعے منفی اثرات کو کم کرنے کے لیے تمام کوششیں جاری رکھے گی۔

اعتراف

ہم مسلسل تعاون اور رہنمائی کے لیے اپنے بورڈ آف ڈائریکٹرز کا شکریہ ادا کرنا چاہیں گے۔ کمپنی کو آپریشنل طور پر پائیدار بنانے کے لیے ان کی سرشار کوششوں کے لیے ہم اپنی ٹیم کے بھی شکر گزار ہیں۔

ہمیں ٹیم کی سرشار کوششوں سے یقین ہے کہ ہم تمام اسٹیک ہولڈرز یعنی شیئر ہولڈرز، کسٹمرز، سپلائرز وغیرہ کی توقعات پر پورا اتریں گے۔

بورڈ آف ڈائریکٹرز کے لیے اور اس کی جانب سے



چیئرمین



چیف ایگزیکٹو

تاریخ: 26 اکتوبر 2023
کراچی۔

QUICE FOOD INDUSTRIES LIMITED
BALANCE SHEET - Unaudited
AS AT SEPTEMBER 30, 2023

	Note	Unaudited Sep-30, 2023	Audited June-30, 2023
----- Rupees -----			
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Property Plant and Equipment	5	315,039,524	322,573,099
Long term deposits		2,738,250	1,935,290
		317,777,774	324,508,389
CURRENT ASSETS			
Stores and spares		53,400,918	54,140,041
Stock-in-trade	6	804,382,343	843,106,802
Trade debts		30,332,603	53,763,859
Advances, deposits, prepayments & other receivables		115,246,463	116,719,830
Taxation - net		13,328,423	10,200,662
Cash and bank balances		2,203,357	3,143,018
		1,018,894,107	1,081,074,212
		1,336,671,881	1,405,582,601
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
105,100,000 (30 June 2023: 105,100,000) ordinary shares of Rs 10 each		1,051,000,000	1,051,000,000
Issued, subscribed and paid up share capital and reserves			
98,461,828 (June 2023 : 98,461,828) ordinary shares of Rs.10 each		984,618,280	984,618,280
Reserves		(544,760,353)	(542,053,379)
Surplus on revaluation of property, plant and equipment		27,989,664	28,773,960
Total equity		467,847,591	471,338,861
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred liabilities		12,027,369	11,131,468
Security deposit payables		144,500,000	144,500,000
		156,527,369	155,631,468
CURRENT LIABILITIES			
Trade and other payables		712,296,921	778,612,272
		1,336,671,881	1,405,582,601
TOTAL EQUITY AND LIABILITIES			

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive Officer



Director



Chief Financial Officer

QUICE FOOD INDUSTRIES LIMITED
PROFIT AND LOSS ACCOUNT - Unaudited
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	Quarter Ended	
	Sep-30, 2023	Sep-30, 2022
	----- Rupees -----	
SALES	110,912,474	143,263,601
Cost of Sales	(88,657,916)	(116,938,909)
GROSS LOSS	22,254,558	26,324,692
Distribution Cost	(13,852,218)	(16,729,097)
Administrative Expenses	(11,435,471)	(15,662,243)
	(25,287,689)	(32,391,340)
Operating Loss	(3,033,131)	(6,066,648)
Other Operating Income	568,284	436,647
	(2,464,847)	(5,630,001)
Finance Cost	(4,796)	(11,639)
LOSS BEFORE TAXATION	(2,469,643)	(5,641,640)
Taxation	(1,159,584)	(1,559,729)
LOSS AFTER TAXATION	(3,629,227)	(7,201,369)
LOSS PER SHARE	(0.037)	(0.073)

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive Officer



Director



Chief Financial Officer

QUICE FOOD INDUSTRIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME - Unaudited
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	Quarter Ended	
	Sep-30, 2020	Sep-30, 2019
	----- Rupees -----	
LOSS AFTER TAXATION	(3,629,227)	(7,201,369)
<i>Other comprehensive income that cannot be classified through profit and loss</i>	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(3,629,227)	(7,201,369)

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive Officer



Director



Chief Financial Officer

QUICE FOOD INDUSTRIES LIMITED
CASH FLOW STATEMENT - Unaudited
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

Quarter Ended	
Sep-30, 2023	Sep-30, 2022
- - - - Rupees - - - -	
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss before taxation	(2,469,643) (5,641,640)
Adjustment for non cash items:	
Depreciation	7,533,575 5,283,605
Provision for gratuity	1,143,598 361,250
	8,677,173 5,644,855
Net cash used in from operations before working capital changes	6,207,530 3,215
Working capital changes	
(Increase) / decrease in current assets	
Stores and spares	739,123 (17,359,468)
Stock-in-trade	38,724,459 4,979,321
Trade debts	23,431,256 79,012,110
Advances, deposits, prepayments & other receivables	1,473,367 (1,443,672)
	64,368,205 65,188,291
Increase / (decrease) in current liabilities	
Trade and other payables	(66,315,351) (69,857,236)
Net working capital changes	(1,947,146) (4,668,946)
Income tax paid	(4,397,085) (2,865,069)
Net cash flow from operating activities	(136,701) (7,530,800)
CASH FLOWS FROM INVESTING ACTIVITIES	- -
Acquisition of property, plant and equipment	- (776,498)
Net cash used in investing activities	- (776,498)
CASH FLOWS FROM FINANCING ACTIVITIES	- -
Net cash flow from financing activities	(802,960) -
Net decrease in cash and cash equivalents	(939,661) (8,307,298)
Cash and cash equivalents at the beginning of the period	3,143,018 10,805,222
Cash and cash equivalents at the end of the period	2,203,357 2,497,924

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive Officer



Director



Chief Financial Officer

QUICE FOOD INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY - Unaudited
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

PARTICULARS	SHARE CAPITAL	RESERVES						SHAREHOLDERS' EQUITY
		CAPITAL				REVENUE	TOTAL	
		Premium on issue of share capital	Discount on issue of share capital	Surplus on revaluation of PPE	Subtotal	Accumulated loss		
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at June 30, 2022	984,618,280	6,875,000	(282,788,556)	31,911,136	(244,002,420)	(257,840,685)	(501,843,105)	482,775,175
Incremental depreciation transferred to retained earnings	-	-	-	(13,859)	(13,859)	13,859	-	-
Net loss for the period ended	-	-	-	-	-	(7,201,369)	(7,201,369)	(7,201,369)
Balance as at September 30, 2022	984,618,280	6,875,000	(282,788,556)	31,897,277	(244,016,279)	(265,028,195)	(509,044,474)	475,573,806
Balance as at June 30, 2023	984,618,280	6,875,000	(282,788,556)	28,773,960	(247,139,596)	(266,139,823)	(513,279,419)	471,338,861
Incremental depreciation transferred to retained earnings	-	-	-	(784,294)	(784,294)	922,251	137,957	137,957
Net loss for the period ended	-	-	-	-	-	(3,629,227)	(3,629,227)	(3,629,227)
Balance as at September 30, 2023	984,618,280	6,875,000	(282,788,556)	27,989,666	(247,923,890)	(268,846,799)	(516,770,689)	467,847,591

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive Officer



Director



Chief Financial Officer

QUICE FOOD INDUSTRIES LIMITED
NOTES TO THE QUARTERLY FINANCIAL INFORMATION
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

1. THE COMPANY AND ITS OPERATIONS

1.1 The Company was incorporated in Pakistan on 12 March 1990 as a Private Limited Company and was converted into Public Limited Company on 13 December 1993. The Company was listed on Pakistan Stock Exchange (PSX) on 02 August 1994. Principal activities of the Company are manufacturing and sale of Jam, Jelly, Syrups, Custard powder, Pickles, Essence, Juices and Aerated drinks and its Allied Products. Currently, the Company operates its units in SWAT and HUB. Under section 247 of the constitution of Pakistan Swat area is exempted from all taxes.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This interim financial report of the Company for the period ended 30 September 2023 has been prepared in accordance with the requirements of the International Accounting Standard 34 – ‘Interim Financial Reporting’ and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

This interim financial information have been prepared under the historical cost convention except for staff retirement benefits that is determined under actuarial valuation annually and free hold improvements and plant and machinery that are stated at revalued amount in accordance with the criteria laid down under International Accounting Standard (IAS) 16 'Property, Plant and Equipment'. This interim financial information, except for cash flow information, has been prepared under the accrual basis of accounting.

2.3 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentation currency.

3 ACCOUNTING POLICIES

The accounting policies and method of computation adopted in preparation of this interim financial information are the same as those applied in preparation of the annual financial statements of the Company for the year ended 30 June 2023.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Judgments and estimates made by the management in preparation of this interim financial information are the same as those applied to the annual financial statements for the year ended 30 June 2023.

Unaudited Sep-30, 2023	Audited June 30, 2023
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----- Rupees-----

5. PROPERTY, PLANT AND EQUIPMENT

Operating Assets - note 5.1

Capital Work-in-Progress

310,640,459	318,174,034
4,399,065	4,399,065
315,039,524	322,573,099

	Unaudited Sep-30, 2023	Audited June 30, 2023
	----- Rupees-----	
5.1 Opening book value	318,174,034	307,328,730
Add: Cost of additions during the period / year	-	39,045,133
Less: Depreciation charged during the period / year	(7,533,575)	(28,199,829)
Disposal during the period / year	-	-
	(7,533,575)	(28,199,829)
	310,640,459	318,174,034

5.2 All the non-current assets of the company are located in Pakistan

6 STOCK IN TRADE

Raw and packing materials	561,612,029	543,293,684
Finished goods	288,410,195	345,456,254
Provision for slow moving items	(45,639,881)	(45,643,136)
	804,382,343	843,106,802

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

7.1.1 Securities and Exchange Commission of Pakistan (SECP) has fined the Company and all the directors for Rupees 0.785 million (June 2023: 0.785 million) under sections 155, 233, & 245 and 74 and 476 respectively of the Companies Act, 2017. No provision has been made in this condensed interim financial information for such penalty. Directors and Company have filed appeal before SECP and expect the favorable outcome.

7.2 Commitments

There were no capital or other commitments at the balance sheet date (30 June 2023: Nil).

8. TRANSACTIONS WITH RELATED PARTIES

There were no related parties transactions during the period September 30, 2023 (2022: NIL).

9. SEASONALITY

The Company's business is subject to seasonal fluctuation, with demand of its product increasing in the summer season and in the month of Ramadan and other events. Therefore, revenues and profits are not necessary indicative of results to be expected for the full year.

10. DATE OF AUTHORIZATION

This condensed interim financial information was approved by the Board of Directors and authorized for issue on October 26, 2023.

11. GENERAL

- There were no major reclassifications to report.

- Figures have been rounded off to the nearest Rupee.



Chief Executive Officer



Director



Chief Financial Officer