

# Interim Report

for the Six Months Period Ended  
31<sup>st</sup> December 2019



**BIAFO INDUSTRIES LTD.**  
Manufacturers of Tovex<sup>®</sup> Explosives & Blasting Accessories

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# CORPORATE INFORMATION

## Corporate Information

### Board of Directors

#### Executive Directors

M. Afzal Khan  
Anwar Moin  
Maj. Gen. (Ret'd.) S. Z. M. Askree  
Ms. Shirin Safdar

Deputy Chairman  
Chief Executive Officer  
Executive Director  
Executive Director

#### Non Executive Directors

Dr. M. Humayun Khan  
M. Zafar Khan  
Khwaja Ahmad Hosain  
Basit Waheed  
Adnan Aurangzeb  
Ms. Ayesha Humayun Khan

Chairman  
Director  
Director  
Director  
Director  
Director

#### Independent Directors

Ms. Mehreen Hosain  
Ehsan Mani  
Ms. Syeda Shahbano Abbas  
Muhammad Yaqoob

Director  
Director  
Director  
Director

#### Company Secretary

Khawaja Shaiq Tanveer

#### Chief Financial Officer

Syed Sajid Hussain Shah

#### Audit & Risk Management Committee

Ehsan Mani	Chairman
Dr. M. Humayun Khan	Member
Adnan Aurangzeb	Member
Muhammad Yaqoob	Member
Khwaja Ahmad Hosain	Member
Basit Waheed	Member

#### HR & Remuneration Committee

Ehsan Mani	Chairman
Anwar Moin	Member
Dr. M. Humayun Khan	Member
Ms. Mehreen Hosain	Member
Ms. Syeda Shahbano Abbas	Member
Ms. Ayesha Humayun Khan	Member
Ms. Shirin Safdar	Member

#### Auditors

KPMG Taseer Hadi & Co. Chartered Accountants

#### Legal Advisors

Chima & Ibrahim, Raza Khalil Abbasi Suhrawardy

#### Bankers

Allied Bank of Pakistan  
National Bank of Pakistan  
Bank of Khyber

Bank Alfalah Limited  
United Bank Limited  
Faysal Bank Limited

#### Registered Office

##### Biafo Industries Limited

1st Floor, Biafo House, Plot No. 23, St No. 38-40,  
I&T Centre, G-10/4, Islamabad. Pakistan  
Tel: +92 51 2353450-53, 2353455-57 Fax: +92 51 2353458  
Website: www.biafo.com, E-mail: management@biafo.com

#### Factory

##### Biafo Industries Limited

Plot No: 70, Phase III, Industrial Estate, Hattar, Distt Haripur,  
Khyber Pakhtunkhwa. Pakistan  
Tel: +92 995 617830 Fax: +92 995 617497  
Website: www.biafo.com, E-mail: plant@biafo.com

#### Shares Registrar

##### Riasat Ishtiaq Consulting (Pvt) Ltd

Office No. 19-20, 2nd Floor, Hill View Plaza, Jinnah Avenue, Blue Area, Islamabad.  
Tel: +92 51 2344223-4 Fax: +92 51 2605658



# DIRECTORS' REPORT

## BIAFO INDUSTRIES LTD.

### DIRECTORS' REPORT FOR THE QUARTER/HALF YEAR ENDED DECEMBER 31, 2019

Your Directors are pleased to submit the un-audited accounts for the quarter/half year ended December 31, 2019.

Net sales value of the company in the half year increased by 24.79% to Rs. 892.09 M (Dec 18: Rs. 714.85 M) while net sales value in the quarter to December, 2019 increased by 29.9% to Rs. 427.77 (Dec 18: 329.30 M).

In the period under review sales Improved to the Oil and Gas sector and large projects due to increased Seismic Exploration activity whereas supplies to mining/ construction projects have shown decline due to slow down of economic activities.

Gross profit for the half year increased by 9.89% to Rs. 340.99 M. and for the quarter to December, 19 increased by 12.06% to Rs. 147.20 M. Net profit after taxation for the half year decreased by 1.19% to Rs. 182.30 M. (EPS December 2019: Rs. 5.75 & EPS December 2018: Rs. 5.82 Restated) and for the quarter to December, 2019 decreased by 10.68% to Rs. 68.85 M. (EPS December 2019: Rs. 2.17 & EPS December 2018: Rs. 2.43 Restated). The main reasons for the profitability decline were increase in the prices of imported raw materials due to Pak Rupee depreciation and increase in markup rates.

Expenses were within the budget as approved by the Board of Directors.

Your Board of Directors have declared the 2nd interim cash dividend of Rs.1.50 per share (15%) and bonus shares @10% (1 bonus share for 10 shares) for the period under review.

The Board comprises of 14 members including Chief Executive Officer having 10 male and 4 female members. The composition of Board is as follows:

Category	Names
<b>Independent Directors</b>	Muhammad Yaqoob Ehsan Mani Ms. Mehreen Hosain Ms. Syeda Shahbano Abbas
<b>Non-Executive Directors</b>	Dr. M. Humayun Khan M. Zafar Khan Khwaja Ahmad Hosain Basit Waheed Adnan Aurangzeb Ms. Ayesha Humayun Khan
<b>Executive Directors</b>	M. Afzal Khan Anwar Moin (CEO) Maj. Gen. (Ret'd.) S.Z.M. Askree Ms. Shirin Safdar

**The Committees of the Board and their composition is as follows:**

**Audit Committee**

Ehsan Mani	Chairman
Adnan Aurangzeb	Member
Muhammad Yaqoob	Member
Basit Waheed	Member
Khwaja Ahmad Hosain	Member
Dr. M. Humayun Khan	Member

**HR & Remuneration Committee**

Ehsan Mani	Chairman
Ms. Mehreen Hosain	Member
Dr. M. Humayun Khan	Member
Anwar Moin (CEO)	Member
Ms. Ayesha Humayun Khan	Member
Ms. Syeda Shahbano Abbas	Member
Ms. Shirin Safdar	Member

**CSR & HSE Committee**

Ms. Ayesha Humayun Khan	Chairman
Basit Waheed	Member
Ms. Mehreen Hosain	Member
M. Zafar Khan	Member

Your Board takes the opportunity to welcome the newly elected Director Mr. Basit Waheed, who has wide experience in the corporate sector.

Your Board also takes the opportunity to express its appreciation to all its employees for their hard work and continuing efforts in meeting business challenges, and the cooperation of all its stakeholders.



**Anwar Moin**  
Chief Executive Officer

Islamabad  
18th February, 2020



## بیافوائی سٹریٹجی

### 31 دسمبر 2019 کو ختم ہونے والی سہ ماہی / ششماہی مدت کے لئے ڈائریکٹرز رپورٹ

آپ کے ڈائریکٹرز 31 دسمبر 2019 کو اختتام پذیر ہونے والی سہ ماہی / ششماہی مدت کے لئے غیر آرڈر شدہ اکاؤنٹس پیش کرتے ہوئے نہایت مسرت محسوس کرتے ہیں۔

کمپنی کی خالص حجم فروخت گزشتہ سال کی ششماہی مدت کے مقابلے میں 24.79 فیصد اضافے سے 892.09 ملین روپے ہوئی (دسمبر: 714.85 ملین روپے) جبکہ دسمبر 2019 تک کی سہ ماہی کے دوران خالص حجم فروخت 29.9 فیصد اضافے کے بعد 427.77 ملین روپے رہی (دسمبر: 329.30 ملین روپے)

زیر جائزہ مدت میں تیل و گیس اور بڑے منصوبوں میں سسٹم ایکسپلوریشن سرگرمیوں میں اضافے کے باعث فروخت میں بہتری آئی جبکہ کان کنی / تعمیرات کے شعبے میں معاشی سرگرمیوں میں تیزی کے باعث پلائیوڈ میں کمی دیکھنے میں آئی۔

ششماہی مدت کے لیے کمپنی کا مجموعی منافع 9.89 فیصد اضافے کے بعد 340.99 ملین روپے ہو گیا۔ اور دسمبر 2019 کو ختم ہونے والی سہ ماہی کے دوران 12.06 فیصد اضافے سے 147.20 ملین روپے رہا۔ ششماہی مدت میں خالص منافع بعد از ٹیکس ادا ہو کر 1.19 فیصد کم ہو کر 182.30 ملین روپے رہا۔ (فی حصص منافع دسمبر: 5.75 روپے اور فی حصص منافع دسمبر: 5.82 روپے) اور دسمبر 2019 کی سہ ماہی کے لیے 10.68 فیصد کم ہو کر 68.85 ملین روپے ہو گیا۔ (فی حصص منافع دسمبر: 2.17 روپے اور فی حصص منافع دسمبر: 2.43 روپے)۔ منافع کی شرح میں کمی کی بنیادی وجوہات میں پاکستانی روپے کی قدر میں تخفیف کی وجہ سے درآمدی خام مال کی قیمتوں میں اضافہ اور شرح سود میں اضافہ ہے۔

اخراجات بورڈ آف ڈائریکٹرز کی طرف سے منظور کردہ بجٹ کے اندر تھے۔

آپ کے بورڈ آف ڈائریکٹرز نے زیر جائزہ مدت کے لئے دوسرے عبوری نقد منافع منقسمہ فی حصص 1.50 روپے (15%) کا اعلان کیا ہے اور نوٹس حصص 10% (ہر نوٹس ہئیرز کے بدلے میں ایک نوٹس ہئیرز ملے گا)۔

بورڈ 14 اراکین پر مشتمل ہے جن میں بشمول چیف ایگزیکٹو آفیسر، 10 مرد و 4 خواتین اراکین شامل ہیں۔ بورڈ کی تشکیل حسب ذیل ہے۔

نام	دبجہ
محمد یوسف احسان مانی محترمہ مہرین حسین محترمہ سیدہ شاہ نوح عباس	آزاد ڈائریکٹرز
ڈاکٹر ایم ایم عیاد خان ایم ظفر خان خولید احمد حسین باسط وحید عدنان اورنگزیب محترمہ عائشہ عیاد خان	نان ایگزیکٹو ڈائریکٹرز
ایم افضل خان انور معین (چیف ایگزیکٹو آفیسر) میجر جنرل (ریٹائرڈ) ایس ڈی ایم عسکری محترمہ شیریں صفدر	ایگزیکٹو ڈائریکٹرز

بورڈ کی کمیٹیاں اور ان کی تشکیل حسب ذیل ہے۔

### آڈٹ کمیٹی

احسان مانی، چیئر مین

عدنان اورنگزیب، رکن

محمد یعقوب، رکن

باسط وحید، رکن

خواجہ احمد حسین، رکن

ڈاکٹر ایم ہمایوں خان، رکن

### ایچ آر و معاوضہ جاتی کمیٹی

احسان مانی، چیئر مین

محترمہ مہرین حسین، رکن

ڈاکٹر ایم ہمایوں خان، رکن

انور معین (سی ای او)، رکن

محترمہ عائشہ ہمایوں خان، رکن

محترمہ سیدہ شاہ بانو عباس، رکن

محترمہ شیریں صفدر، رکن

### سی ایس آر و ایچ ایس ای کمیٹی

محترمہ عائشہ ہمایوں خان، چیئر مین

باسط وحید، رکن

محترمہ مہرین حسین، رکن

ایم ظفر خان، رکن

آپ کا بورڈ اس موقع پر خفتہ ہونے والے ڈائریکٹر محترم باسط وحید کو خوش آمدید کہتا ہے، آپ کا رپورٹ شیٹ میں وسیع تجربہ رکھتے ہیں۔ آپ کا بورڈ اس موقع پر اپنے جملہ ملازمین کا کاروباری چیلنجز کو پورا کرنے کے لئے ان کی سخت محنت اور مسلسل کاوشوں کی نسبت اور اپنے تمام اسٹیک ہولڈرز کے تعاون کی بابت ان کے لئے خصوصی سٹائش کا اظہار کرتا ہے۔

انور معین

چیف ایگزیکٹو آفیسر

اسلام آباد

18 فروری 2020

## INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Biafo Industries Limited

Report on Review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Biafo Industries Limited as at 31 December 2019 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other Matter

The figures for the three months period ended 31 December 2019 and 31 December 2018, in the condensed interim financial statements have not been reviewed and we do not express conclusion on them.

The engagement partner on the engagement resulting in this independent auditors' review report is Mr. Riaz Pesnani.



KPMG Taseer Hadi & Co.  
Chartered Accountants  
Islamabad



# FINANCIAL STATEMENTS

## BIAFO INDUSTRIES LTD. CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 31 DECEMBER 2019

		Unaudited 31 Dec 2019 Rupees	Audited 30 June 2019 Rupees
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	4	1,047,066,396	1,046,351,416
Investment property		29,877,554	30,255,752
Long - term deposits		1,777,650	1,793,600
		<b>1,078,721,600</b>	<b>1,078,400,768</b>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		12,880,778	10,947,722
Stock in trade		238,289,620	319,847,587
Trade debts		404,331,574	279,538,533
Advances		28,318,602	14,151,399
Trade deposits and short - term prepayments		10,318,510	5,603,562
Advance tax		36,132,338	24,139,827
Other receivables		2,073,039	7,499,419
Short - term investments	5	493,874,179	491,618,034
Cash and bank balances		42,710,179	40,534,570
		<b>1,268,928,819</b>	<b>1,193,880,653</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	168,136,280	182,056,475
Short-term borrowings	7	639,174,560	595,079,117
Unclaimed dividend		23,029,521	23,391,830
Unpaid dividend		12,581,717	11,295,615
		<b>842,922,078</b>	<b>811,823,037</b>
<b>NET CURRENT ASSETS</b>			
		<b>426,006,741</b>	<b>382,057,616</b>
<b>NON - CURRENT LIABILITIES</b>			
Employee benefits		4,868,408	5,438,514
Deferred tax liability - net	8	39,039,185	49,780,166
		<b>43,907,593</b>	<b>55,218,680</b>
<b>NET ASSETS</b>			
		<b>1,460,820,748</b>	<b>1,405,239,704</b>
<b>REPRESENTED BY:</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		316,800,000	264,000,000
Revenue reserve			
Unappropriated profit		435,153,328	429,984,402
Capital reserve			
Revaluation surplus on property, plant and equipment - net of tax		708,867,420	711,255,302
		<b>1,460,820,748</b>	<b>1,405,239,704</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
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The annexed notes 1 to 17 form an integral part of these interim financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman

**BIAFO INDUSTRIES LTD.**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2019**

	Three Months Ended		Six Months Ended	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
	Rupees	Rupees	Rupees	Rupees
<b>NET TURNOVER</b>				
Cost of sales	427,771,537	329,305,714	892,092,221	714,852,657
	(280,565,776)	(197,943,267)	(551,102,009)	(404,565,288)
<b>GROSS PROFIT</b>	<b>147,205,761</b>	<b>131,362,447</b>	<b>340,990,212</b>	<b>310,287,369</b>
Other income	16,946,305	25,195,109	21,283,391	36,661,997
Distribution expenses	(14,355,231)	(10,684,561)	(27,652,617)	(19,853,655)
Administrative expenses	(33,321,712)	(31,759,808)	(63,253,670)	(61,114,489)
Finance costs - net	(20,462,207)	(9,863,567)	(40,055,123)	(17,933,469)
Impairment loss on trade debts	(6,830,673)	-	(6,830,673)	-
<b>OPERATING PROFIT</b>	<b>89,182,243</b>	<b>104,249,620</b>	<b>224,481,520</b>	<b>248,047,753</b>
Workers' profit participation fund	(4,459,112)	(5,212,481)	(11,224,076)	(12,402,388)
Workers' welfare fund	(1,783,644)	(2,084,992)	(4,489,630)	(4,960,955)
<b>PROFIT BEFORE TAXATION</b>	<b>82,939,487</b>	<b>96,952,147</b>	<b>208,767,814</b>	<b>230,684,410</b>
<b>TAXATION</b>				
Current				
- For the year	(16,282,286)	(21,430,823)	(40,671,892)	(48,216,915)
- Prior years	-	-	3,464,141	-
Deferred	2,190,090	1,556,949	10,740,981	2,027,568
	(14,092,196)	(19,873,874)	(26,466,770)	(46,189,347)
<b>PROFIT FOR THE PERIOD</b>	<b>68,847,291</b>	<b>77,078,273</b>	<b>182,301,044</b>	<b>184,495,063</b>
		Restated		Restated
<b>EARNINGS PER SHARE</b>				
- Basic and diluted	2.17	2.43	5.75	5.82

The annexed notes 1 to 17 form an integral part of these interim financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman

# BIAFO INDUSTRIES LTD.

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

### FOR THE PERIOD ENDED 31 DECEMBER 2019

	Three Months Ended		Six Months Ended	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
	Rupees	Rupees	Rupees	Rupees
Profit for the period	68,847,291	77,078,273	182,301,044	184,495,063
Other comprehensive income for the period	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>68,847,291</b>	<b>77,078,273</b>	<b>182,301,044</b>	<b>184,495,063</b>

The annexed notes 1 to 17 form an integral part of these interim financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman

**BIAFO INDUSTRIES LTD.**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2019**

	31 Dec 2019 Rupees	31 Dec 2018 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>Note 208,767,814</b>	<b>230,684,410</b>
Adjustments for:		
Depreciation	13,187,886	10,453,122
Finance costs	40,055,123	17,933,469
Provision for Workers' profit participation fund	11,224,076	12,402,388
Provision for Workers' welfare fund	4,489,630	4,960,955
Provision for employee benefits	4,502,753	5,211,417
Dividend income	(16,279,211)	-
Unrealized (gain) on remeasurement of investment	(9,113,454)	13,507,372
(Gain) / loss on disposal of property, plant and equipment	-	12,335
Interest income	(1,666,197)	(874,972)
Unrealized exchange loss(gain)	5,307,500	(18,339,496)
	<b>51,708,106</b>	<b>45,266,590</b>
	<b>260,475,920</b>	<b>275,951,000</b>
<b>Changes in:</b>		
Stores, spare parts and loose tools	(1,933,056)	(4,487,056)
Inventories	81,557,967	(9,733,225)
Trade debts	(124,793,041)	136,142,474
Advances, deposits, prepayments and other receivables	(13,211,815)	(3,321,048)
Trade and other payables	4,295,926	(32,429,234)
	<b>(54,084,019)</b>	<b>86,171,911</b>
<b>Cash generated from operations</b>	<b>206,391,901</b>	<b>362,122,911</b>
Finance costs paid	(32,505,746)	(17,933,469)
Employee benefits paid	(9,236,246)	-
Payments to Workers' profit participation fund	(24,280,810)	(35,668,279)
Payments to Workers' welfare fund	(5,485,630)	-
Income taxes paid	(49,200,262)	(54,605,774)
	<b>(120,708,694)</b>	<b>(108,207,522)</b>
<b>Net cash generated from operating activities</b>	<b>85,683,206</b>	<b>253,915,389</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(13,524,669)	(52,012,438)
Proceeds from disposal of property, plant and equipment	-	14,583
Net investment during the year	(6,220,409)	(24,421,550)
Dividend received	16,279,211	-
Interest received on saving accounts and TDRs	1,659,034	832,015
<b>Net cash used in investing activities</b>	<b>(1,806,833)</b>	<b>(75,587,390)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of dividend	(125,796,207)	(160,769,186)
<b>Net cash used in financing activities</b>	<b>(125,796,207)</b>	<b>(160,769,186)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(41,919,834)</b>	<b>17,558,813</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>(554,544,547)</b>	<b>(399,453,031)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>(596,464,381)</b>	<b>(381,894,218)</b>

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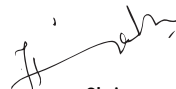
The annexed notes 1 to 17 form an integral part of these interim financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman



## BIAFO INDUSTRIES LTD. CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE PERIOD ENDED 31 DECEMBER 2019

	Share capital	Revaluation surplus on property, plant and equipment - net of tax	Revenue Reserve Unappropriated profits	Total equity
	Rupees	Rupees	Rupees	Rupees
<b>Balance at 01 July 2018</b>	220,000,000	270,092,444	472,997,002	963,089,446
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	184,495,063	184,495,063
<b>Comprehensive income for the year transferred to equity</b>	-	-	184,495,063	184,495,063
Surplus on revaluation of property, plant and equipment realized through depreciation for the year - net of deferred tax	-	(840,458)	-	(840,458)
Transferred from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	840,458	840,458
<b>Balance at 31 December 2018</b>	<b>220,000,000</b>	<b>269,251,986</b>	<b>658,332,523</b>	<b>1,147,584,509</b>
<b>Transactions with members recorded directly in equity</b>				
Final dividend of 2018 @ Rs. 5.00 per share	-	-	(110,000,000)	(110,000,000)
First interim dividend of 2019 @ Rs. 2.25 per share	-	-	(59,400,000)	(59,400,000)
Issue of bonus shares for 2018 @ 20%	44,000,000	-	(44,000,000)	-
<b>Total distribution to members</b>	<b>44,000,000</b>	<b>-</b>	<b>(213,400,000)</b>	<b>(169,400,000)</b>
<b>Balance at 31 December 2018</b>	<b>264,000,000</b>	<b>269,251,986</b>	<b>444,932,523</b>	<b>978,184,509</b>
<b>Balance at 01 July 2019</b>	<b>264,000,000</b>	<b>711,255,302</b>	<b>429,984,402</b>	<b>1,405,239,704</b>
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	182,301,044	182,301,044
<b>Comprehensive income for the year transferred to equity</b>	-	-	182,301,044	182,301,044
Surplus on revaluation of property, plant and equipment realized through depreciation for the year - net of deferred tax	-	(2,387,882)	-	(2,387,882)
Transferred from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	2,387,882	2,387,882
<b>Balance at 31 December 2019</b>	<b>264,000,000</b>	<b>708,867,420</b>	<b>614,673,328</b>	<b>1,587,540,748</b>
<b>Transactions with members recorded directly in equity</b>				
Final dividend of 2019 @ Rs. 3.00 per share	-	-	(79,200,000)	(79,200,000)
First interim dividend of 2020 @ Rs. 1.5 per share	-	-	(47,520,000)	(47,520,000)
Issue of bonus shares for 2019 @ 20%	52,800,000	-	(52,800,000)	-
<b>Total distribution to members</b>	<b>52,800,000</b>	<b>-</b>	<b>(179,520,000)</b>	<b>(126,720,000)</b>
<b>Balance at 31 December 2019</b>	<b>316,800,000</b>	<b>708,867,420</b>	<b>435,153,328</b>	<b>1,460,820,748</b>

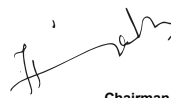
The annexed notes 1 to 17 form an integral part of these interim financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 31 DECEMBER 2019

### 1. THE COMPANY AND ITS OPERATIONS

Biafo Industries Limited ("the Company") was incorporated in Pakistan on 07 September 1988 as a public limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017). Previously, the shares of the Company were quoted on Karachi and Islamabad Stock Exchanges of Pakistan. However, due to integration of these Stock Exchanges into Pakistan Stock Exchange, effective 11 January 2016, the shares of the Company are now quoted on Pakistan Stock Exchange. The Company started its commercial production on 01 July 1994 and is principally engaged in the manufacturing of commercial explosives and blasting accessories including detonators and other materials. The Company's license for manufacturing and sale of explosives is required to be renewed annually. The Company's production facility is situated at Hattar Industrial Estate, Khyber Pakhtunkhwa, with its registered office located at 1st Floor, Biafo House, Plot No. 23, St No. 38-40, I&T Centre, G-10/4, Islamabad - Pakistan.

### 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.
- Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The disclosures in these interim financial statements do not include the information that was reported for full annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2019. Comparative condensed interim statement of financial position is extracted from the annual audited financial statements as of 30 June 2019, whereas comparative condensed interim statement of profit or loss, comparative condensed interim statement of comprehensive income, comparative condensed interim statement of cash flows and comparative condensed interim statement of changes in equity are extracted from unaudited interim financial statements for six months period ended 31 December 2018.

These interim financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited.

### 3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies, significant judgments made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim financial statements and financial risk management policy are the same as those applied in preparation of audited annual financial statements for the year ended 30 June 2019 except for the change as indicated in 3.1 below:

#### 3.1 IFRS 16 'LEASES'

IFRS 16 replaces existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases- Incentives' and SIC-27 'Evaluating the

## **NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 31 DECEMBER 2019**

Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right of use of underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases.

The Company has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is to be recognised in unappropriated profit at 01 July 2019 and therefore the comparative information has not been restated and continue to be reported under IAS - 17.

The Company does not have any leased assets, accordingly the adoption of IFRS 16 does not have any impact on these condensed interim financial statements.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applied a single recognition and measurement approach for all leases, unless the lease term is 1 year or less or the lease contains a low-value asset. For lease term less than 1 year and lease containing low value assets the Company has applied the exemption not to recognize right of use assets and liabilities for leases with less than 12 months of lease term. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### **3.2 IFRIC 23 'Uncertainty over income tax treatments'**

The Company has adopted IFRIC 23 'Uncertainty over income tax treatments' with a date of initial application of 01 July 2019. IFRIC 23 clarifies the accounting for income tax treatments that have yet to be accepted by tax authorities, whilst also aiming to enhance transparency. However, it has no significant impact on the Company's financial statements.

### **3.3 The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2020:**

Amendment to IFRS 3 'Business Combinations' - Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.

Amendments to IAS 1 - Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards.

On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 31 DECEMBER 2019

Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future.. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallise. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.

Interest Rate Benchmark Reform which amended IFRS 9, IAS 39 and IFRS 7 is applicable for annual financial periods beginning on or after 1 January 2020. The G20 asked the Financial Stability Board (FSB) to undertake a fundamental review of major interest rate benchmarks. Following the review, the FSB published a report setting out its recommended reforms of some major interest rate benchmarks such as IBORs. Public authorities in many jurisdictions have since taken steps to implement those recommendations. This has in turn led to uncertainty about the long-term viability of some interest rate benchmarks. In these amendments, the term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark including its replacement with an alternative benchmark rate, such as that resulting from the FSB's recommendations set out in its July 2014 report 'Reforming Major Interest Rate Benchmarks' (the reform). The amendments made provide relief from the potential effects of the uncertainty caused by the reform. A company shall apply the exceptions to all hedging relationships directly affected by interest rate benchmark reform. The amendments are not likely to affect the condensed interim financial statements of the Company.

IFRS 14 Regulatory Deferral Accounts - (effective for annual periods beginning on or after 1 July 2019) provides interim guidance on accounting for regulatory deferral accounts balances while IASB considers more comprehensive guidance on accounting for the effects of rate regulation. In order to apply the interim standard, an entity has to be rate regulated – i.e. the establishment of prices that can be charged to its customers for goods or services is subject to oversight and/or approved by an authorized body. The term 'regulatory deferral account balance' has been chosen as a neutral descriptor for expense (income) or variance account that is included or is expected to be included by the rate regulator in establishing the rate(s) that can be charged to customers and would not otherwise be recognized as an asset or liability under other IFRSs. The standard is not likely to have any effect on the Company's condensed interim financial statements.

The amendments are effective from annual period beginning on or after 1 January 2020 and are not likely to have an impact on the Company's condensed interim financial statements.

#### 4. **PROPERTY, PLANT AND EQUIPMENT**

During six months period ended 31 Dec 2019, the Company acquired property, plant and equipment aggregating to Rs. 13,524,669 (31 Dec 2018: Rs. 52,012,438). Depreciation charge for the period amounts to Rs. 12,809,690 (31 Dec 2018: Rs. 9,677,333).

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 31 DECEMBER 2019

		Unaudited 31 Dec 2019 Rupees	Audited 30 June 2019 Rupees
<b>5. SHORT - TERM INVESTMENTS</b>	<b>Note</b>		
Equity securities - at FVTPL		408,471,510	401,190,028
Debt securities - at amortised cost		85,402,669	90,428,006
		<u>493,874,179</u>	<u>491,618,034</u>
<b>6. TRADE AND OTHER PAYABLES</b>			
Trade creditors		67,787,926	92,740,997
Contract liability - advances from customers		37,417,428	2,427,760
Accrued liabilities		19,199,210	30,206,002
Sales tax payable - net		9,139,690	-
Insurance		1,074,158	922,405
Workers' profit participation fund payable		11,224,076	24,280,810
Workers' welfare fund payable		4,489,630	9,712,324
Payable to staff gratuity fund		5,062,311	9,225,698
Payable to employees' provident fund		1,263,490	1,090,854
Withholding tax payable		1,311,259	24,923
Others		10,167,102	11,424,702
		<u>168,136,280</u>	<u>182,056,475</u>
<b>7. SHORT - TERM BORROWINGS</b>			
Allied Bank Limited (ABL)	7.1	390,573,507	346,928,891
Faysal Bank Limited (FBL)	7.2	91,070,165	98,423,800
United Bank Limited (UBL)	7.3	157,530,888	149,726,426
		<u>639,174,560</u>	<u>595,079,117</u>

- 7.1** The Company has arranged various facilities with ABL with cumulative running finance limit of Rs. 500 million and during the period the Company utilized the facilities as follows:

The Running Finance facility with a sanctioned limit of Rs. 200 million (30 June 2019: Rs. 200 million) and carries mark-up at the rate of 3 months Kibor + 1% per annum of the amount utilized and The Export Refinance facility with a sanctioned limit of Rs. 75 million (30 June 2019: Rs. 75 million) and carries mark-up at the SBP Rate + 1% per annum of the amount utilized. The facility is secured against first equitable mortgage over industrial property of the Company amounting to Rs. 366.66 million and charge over current assets (excluding financial assets) and fixed assets (excluding Head Office Building) of the Company.

The Running Finance facility with a sanctioned limit of Rs. 150 million (30 June 2019: Rs. 150 million) and carries mark-up at the rate of 3 months Kibor + 0.75% per annum of the amount utilized. The facility is secured against the investment made in ABL Cash Fund with 5% margin.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 31 DECEMBER 2019

The Running Finance facility with a sanctioned limit of Rs. 75 million (30 June 2019: Rs. 75 million) and carries mark-up at the rate of 3 months Kibor + 0.75% per annum of the amount utilized. The facility is secured against the investment made in the ABL Term Deposit Receipts of USD 550,000.

- 7.2** This represents utilized amount of running finance facility with a sanctioned limit of Rs. 150 million (30 June 2019: Rs. 100 million) and carries mark-up at the rate of 3 month Kibor + 1% per annum of the amount utilized, payable on quarterly basis. The facility is secured against investment in units of Faysal Money Market Fund with 5% margin.
- 7.3** This represents utilized amount of running finance facility with a sanctioned limit of Rs. 200 million (30 June 2019: Rs. 200 million) for financing working capital requirements of the Company. The facility carries markup at the rate of 1 month KIBOR + 0.75% per annum. The facility is secured against investment in UBL Liquidity Plus Funds with 5% margin.

### 8. DEFERRED TAX LIABILITY- net

The net balance of deferred tax is in respect of the major temporary differences:

	Unaudited 31 Dec 2019 Rupees	Audited 30 June 2019 Rupees
Accelerated depreciation of property, plant and equipment	29,245,639	38,680,311
Deferred employee benefits	(2,597,056)	(3,655,175)
Loss allowance for Expected credit losses	(1,584,716)	-
Provision for slow moving stores, spares and loose tools	(1,141,572)	(1,141,572)
Surplus on revaluation of fixed assets	15,116,890	15,896,602
	<u>39,039,185</u>	<u>49,780,166</u>

### 9. CONTINGENCIES AND COMMITMENTS

There is no change in the contingent liabilities as reported in the annual financial statements for the year ended 30 June 2019.

Letters of credit issued by banks on behalf of the Company for the import of raw materials amount to Rs. 12,706,176 at 31 December 2019 (30 June 2019: Rs.11,036,872).

Letter of guarantee issued by Allied Bank Limited on behalf of the Company for the issuance of performance bond to secure the contracts with different government and private entities outstanding at the period end amounts to Rs. 17,071,182 (30 June 2019: Rs. 17,071,182).

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 31 DECEMBER 2019

	Three Months Ended		Six Months Ended	
	Unaudited 31 Dec 2019 Rupees	Unaudited 31 Dec 2018 Rupees	Unaudited 31 Dec 2019 Rupees	Unaudited 31 Dec 2018 Rupees
<b>10. NET TURNOVER</b>				
Gross local sales	420,524,363	300,330,047	809,732,365	628,547,223
Sales tax	(61,763,021)	(44,117,228)	(118,407,071)	(92,584,653)
Net local sales	358,761,342	256,212,819	691,325,294	535,962,570
Net export sales	69,010,195	73,092,895	200,766,927	178,890,087
	<b>427,771,537</b>	<b>329,305,714</b>	<b>892,092,221</b>	<b>714,852,657</b>
			Unaudited 31 Dec 2019 Rupees	Unaudited 31 Dec 2018 Rupees

### 11. CASH AND CASH EQUIVALENTS

For the purpose of cash flow statement cash and cash equivalents comprise

Cash and bank balances	42,710,179	36,507,850
Short term borrowings - secured	(639,174,560)	(418,402,068)
	<b>(596,464,381)</b>	<b>(381,894,218)</b>

### 12. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of directors, key management personnel, major shareholders, entities over which the directors are able to exercise influence and employees' fund. Transactions with related parties during the period and balances at the reporting date are as follows:

	Six Months Ended	
	Unaudited 31 Dec 2019 Rupees	Unaudited 31 Dec 2018 Rupees
<b>Directors and key management personnel</b>		
Dividend to non executive directors	74,691,087	81,150,576
Issue of bonus shares to non executive directors	31,121,286	21,078,070
Share capital held as of the reporting date by non executive directors	186,727,718	126,468,430
Dividend to executive directors	1,251,754	4,204,970
Issue of bonus shares to executive directors	521,564	1,092,200
Share capital held as of the reporting date by executive directors	3,129,384	6,553,200
Remuneration including perquisites to Chief Executive	6,573,333	14,250,000
Remuneration including perquisites to Directors	10,473,790	11,760,000
Remuneration including perquisites to key management personnel	18,062,500	17,594,503
<b>Other related parties</b>		
Payment to employees' provident fund	3,698,576	2,614,726
Donations	-	150,000
Payable to employees' provident fund - unsecured	1,263,490	1,045,894
Payable to staff retirement gratuity fund - unsecured	5,062,311	4,872,100

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 31 DECEMBER 2019

### 13. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company are current bid prices.

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

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

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- 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).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.



NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED 31 DECEMBER 2019

Financial assets and liabilities	Carrying amount		Fair value			
	Amortized cost	Fair value through profit or loss	Financial liabilities at amortized cost	Total		
				Level 1	Level 2	Level 3
31 December 2019	Rupees			Rupees		

Financial assets measured at fair value

Short- term investments	-	408,471,510	-	408,471,510	-	-	408,471,510
Trade deposits	-	1,879,586	-	1,879,586	-	1,879,586	1,879,586
Long - term deposits	-	1,777,650	-	1,777,650	-	1,777,650	1,777,650
	-	412,128,746	-	412,128,746	-	3,657,236	412,128,746

Financial assets not measured at fair value

Trade debts	404,331,574	-	-	-	-	-	-
Advances to employees	737,206	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Short- term investments	85,402,669	-	-	-	-	-	-
Cash and bank balances	42,710,179	-	-	-	-	-	-
<b>Total financial assets</b>	<b>533,181,628</b>	<b>412,128,746</b>	<b>-</b>	<b>408,471,510</b>	<b>-</b>	<b>3,657,236</b>	<b>412,128,746</b>

Financial assets not measured at fair value

Short-term borrowings	-	-	639,174,560	-	-	-	-
Unclaimed dividend	-	-	23,029,521	-	-	-	-
Unpaid dividend	-	-	12,581,717	-	-	-	-
Trade and other payables	-	-	104,554,197	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>779,339,995</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED 31 DECEMBER 2019

Financial assets and liabilities	Carrying amount		Fair value					
	Amortized cost	Fair value through profit or loss	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
30 June 2019	Rupees		Rupees					

Financial assets measured at fair value

Short - term investments	-	401,190,028	-	401,190,028	401,190,028	-	-	401,190,028
Trade deposits	-	1,598,737	-	1,598,737	-	-	1,598,737	1,598,737
Long - term deposits	-	1,793,600	-	1,793,600	-	-	1,793,600	1,793,600
	-	404,582,365	-	404,582,365	401,190,028	-	3,392,337	404,582,365

Financial assets not measured at fair value

Trade debts	279,538,533	-	-	279,538,533	-	-	-	-
Advances to employees	776,987	-	-	776,987	-	-	-	-
Other receivables	5,453,980	-	-	5,453,980	-	-	-	-
Short - term investments	90,428,006	-	-	90,428,006	-	-	-	-
Cash and bank balances	40,462,320	-	-	40,462,320	-	-	-	-
<b>Total financial assets</b>	<b>416,659,826</b>	<b>404,582,365</b>	<b>-</b>	<b>821,242,191</b>	<b>401,190,028</b>	<b>-</b>	<b>3,392,337</b>	<b>404,582,365</b>

Financial assets not measured at fair value

Short-term borrowings	-	-	595,079,117	595,079,117	-	-	-	-
Unclaimed dividend	-	-	23,391,830	23,391,830	-	-	-	-
Unpaid dividend	-	-	11,295,615	11,295,615	-	-	-	-
Trade and other payables	-	-	145,610,658	145,610,658	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>775,377,220</b>	<b>775,377,220</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 31 DECEMBER 2019

### 14. EARNING PER SHARE

- Basic and diluted

		Three Months Ended		Six Months Ended	
		Unaudited 31 Dec 2019	Unaudited 31 Dec 2018 Restated	Unaudited 31 Dec 2019	Unaudited 31 Dec 2018 Restated
Profit for the period	Rupees	68,847,291	77,078,273	182,301,044	184,495,063
Weighted average number of ordinary shares	Numbers	31,680,000	31,680,000	31,680,000	31,680,000
Earning per share	Rupees	2.17	2.43	5.75	5.82

- 14.1 During the period, the Company issued 01 bonus share for every 05 shares held by shareholders i.e. 20%, accordingly the corresponding figure of weighted average number of shares outstanding and earnings per share have been restated to include the effect of bonus shares issued by the Company.

### 15. RECLASSIFICATIONS / REARRANGEMENTS OF CORRESPONDING FIGURES

The Company adopted IFRS 15 for the year ended 30 June 2019 retrospectively and comparative figures in the statement of profit or loss were reclassified. The following table summarises the impact of adopting IFRS 15 on the comparative figures as presented in the statement of profit or loss for each of the line items effected for the three months ended 31 December 2018 and six months ended 31 December 2018:

Three Months Ended			Six Months Ended		
Unaudited 31 Dec 2018			Unaudited 31 Dec 2018		
As previously reported	As reclassified / rearranged	Reclassifications / rearrangements	As previously reported	As reclassified / rearranged	Reclassifications / rearrangements

#### Effect on statement of profit or loss

Net turnover	327,313,717	329,305,714	1,991,997	711,118,280	714,852,657	3,734,377
Distribution expense	(8,692,564)	(10,684,561)	(1,991,997)	(16,119,278)	(19,853,655)	(3,734,377)

- 15.1 There was no impact on other comprehensive income as a result of the reclassifications / rearrangements of corresponding figures.

### 16. NON ADJUSTING EVENTS AFTER REPORTING DATE AND DATE OF AUTHORIZATION FOR ISSUE

- 16.1 The Board of Directors of the Company in their meeting held on 18th February 2020 proposed 2nd interim cash dividend of Rs. 1.50 per share and bonus shares @10% (1 bonus share for 10 shares).

- 16.2 These interim financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on 18th February 2020.

### 17. GENERAL

Figures in these interim financial statements have been rounded off to the nearest rupee.



Chief Financial Officer



Chief Executive Officer



Chairman



# BOOK POST

(UNDER POSTAL CERTIFICATE)

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