

SANA Industries Limited

Quarterly Report

March 2024



Table of Contents

Company's Information	1
Directors' Report	2
Unconsolidated Condensed Interim Statement of Financial Position	6
Unconsolidated Condensed Interim Statement of Profit or Loss and Other Comprehensive Income	7
Unconsolidated Condensed Interim Statement of Changes in Equity	8
Unconsolidated Condensed Interim Statement of Cash Flows	9
Notes to the Unconsolidated Condensed Interim Financial Statements	10
Consolidated Condensed Interim Statement of Financial Position	13
Consolidated Condensed Interim Statement of Profit or Loss and Other Comprehensive Income	14
Consolidated Condensed Interim Statement of Changes in Equity	15
Consolidated Condensed Interim Statement of Cash Flows	16
Notes to the Consolidated Condensed Interim Financial Statements	17

COMPANY INFORMATION

Board of Directors

Mr.Mohammed Younus Nawab	- Director
Mr.Mohammed Irfan Nawab	- Chief Executive
Mr.Ibrahim Younus	- Chairman
Mr.Ismail Younus	- Director
Mr.Mohammed Faizanullah	- Director
Shaikh Abdus Sami	- Director
Ms.Zainab Hanif Dhedhi	- Chief Director

H.R. & Remuneration Committee

Ms.Zainab Hanif Dhedhi	- Chairperson
Syed Amjad Ahmad	- Secretary
Mr.Mohammed Faizanullah	- Member
Mr.Ismail Younus	- Member

Audit Committee

Shaikh Abdus Sami	- Chairman
Syed Amjad Ahmad	- Secretary
Mr.Mohammed Younus Nawab	- Member
Mr.Ismail Younus	- Member

C.F.O./Company Secretary

Mr.Hammad Fareed	- Chief Financial Officer
Mr.Abdul Hussain Antaria	- Company Secretary

Registered Office

33-D-2, Block 6, P.E.C.H.S P.O.Box No.10651, Karachi - 75700 Phone : 32561728 - 29 Fax : 32570833 E-mail : snai@sana-industries.com
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Mills

B-186, Hub Industrial Trading Estate, Hub Chowki, District Lasbela, Balochistan. Phone : 0853-363443 - 44
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Auditors

Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants Plot No.180,. Block A, S.M.C.H.S., Karachi. Phone : 021-34549345-9 Fax : 021-34548210

Legal Advisors

Aftab Ahmed, Advocate B-10, 2nd floor, Shelozon Centre, Gulshan-e-Iqbal, Karachi. Phone : 0300-8355319

Bankers

Habib Metropolitan Bank Limited Bank Al Habib Limited Dubai Islamic Bank Limited Habib Bank Limited
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Share Registrars

CDC Share Registrar Services Limited CDC House, 99-B, Block B, S.M.C.H.S., Karachi. Phone : 021-111-111-500 Fax : 34326027
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Website for financial data - <http://www.sana-industries.com/>

Directors' Report

The Directors are pleased to present their review, together with the unaudited financial statements of the Company, for the quarter and nine months ended March 31, 2024.

Business Environment

Pakistan's central bank has maintained its key interest rate at a record high of 22% for the sixth consecutive time. Meanwhile, there's a noteworthy trend in the inflation rate, which stood at 23.1% in February 2024, marking a decrease from 28.3% in January 2024. This represents the lowest rate since June 2022

Financial Performance

- **Increased production capacity:** The production capacity saw a significant boost of 26%, primarily due to an expansion initiative.
- **Increased revenues:** The revenues experienced a noteworthy surge of 50%, propelled by both an increase in sales volume and a rise in sales price. This combined effect underscores the product's robust growth trajectory in the market. Specifically, the sales volume escalated from 3.37 million kilograms in the corresponding nine-month period to 4.16 million kilograms in the current period, representing a notable increase of 23.4% and indicating heightened market demand for the product.
- **Increased margins:** In the current period, the gross profit stands at 8.54%, a significant increase from the previous corresponding period's 1.94%. This rise is attributed to increased sales and the strategic passing of costs to customers. It reflects effective management of both revenue and cost structures, resulting in a healthier profit margin.
- **EBITDA:** Earnings before interest, taxes and depreciation have clocked Rs. 244 million from Rs. 62 million.
- **Improved working capital management:** Turnover has increased without the need for additional borrowing, owing to enhanced collection efforts. This accomplishment underscores our dedication to financial efficiency and strategic management. Additionally, it has contributed to reducing our debt-to-sales ratio from 0.25:1 to 0.18:1 compared to the previous period.

Outlook and Future Plans

We draw some optimism from the recent macroeconomic stability witnessed in the last 3-4 months, despite the typical delay in transferring cost increases to the market. Although utility prices experienced a notable uptick in November, the subsequent surge in February 2024 was comparatively subdued. Borrowing rates have remained constant, with prospects of a downward trajectory in the future. Similarly, the exchange rate has maintained stability over the preceding 3-5 months, and if this trend persists within a defined range, it could aid in stabilizing our company's input costs. These factors are poised to have a positive impact on our profitability.

Appreciation and Acknowledgments

We express our sincere gratitude to all stakeholders, including internal and external partners, banks, financial institutions, relevant ministries, and regulators, for their unwavering support in driving the company's growth.

We also recognize the dedication and loyalty of our staff and workers, whose hard work has been integral to our ongoing success. We anticipate and appreciate their continued commitment and cooperation in the future.

On behalf of the Board



Chief Executive Officer
29 April 2024



Director

ڈائریکٹرز رپورٹ

ڈائریکٹرز 31 مارچ 2024 کو ختم ہونے والی سہ ماہی اور نو ماہ کے لئے کمپنی کے غیر آڈٹ شدہ مالیاتی بیانات کے ساتھ اپنا جائزہ پیش کرنے پر خوشی محسوس کرتے ہیں۔

کاروباری ماحول

پاکستان کے مرکزی بینک نے مسلسل چھٹی بار اپنی اہم شرح سود کو 22 فیصد کی ریکارڈ بلند ترین سطح پر برقرار رکھا ہے۔ دریں اثنا، افراط زر کی شرح میں ایک قابل ذکر رجحان ہے، جو فروری 2024 میں 23.1 فیصد تھا، جو جنوری 2024 میں 28.3 فیصد سے کم ہے۔ یہ جون 2022 کے بعد سے سب سے کم شرح کی نمائندگی کرتا ہے۔

مالیاتی کارکردگی

- پیداواری صلاحیت میں اضافہ: پیداواری صلاحیت میں 26 فیصد کا نمایاں اضافہ دیکھا گیا جس کی بنیادی وجہ توسیعی اقدام ہے۔
- آمدنی میں اضافہ: آمدنی میں 50 فیصد کا قابل ذکر اضافہ ہوا جس کی وجہ فروخت کے حجم میں اضافہ اور فروخت کی قیمت میں اضافہ دونوں ہیں۔ یہ مشترکہ اثر مارکیٹ میں مصنوعات کی مضبوط ترقی کے راستے کی نشاندہی کرتا ہے۔ خاص طور پر، فروخت کا حجم اسی نو ماہ کی مدت میں 3.37 ملین کلوگرام سے بڑھ کر موجودہ مدت میں 4.16 ملین کلوگرام ہو گیا، جو 23.4 کے قابل ذکر اضافے کی نمائندگی کرتا ہے اور مصنوعات کے لئے بڑھتی ہوئی مارکیٹ کی طلب کی نشاندہی کرتا ہے۔
- مارجن میں اضافہ: موجودہ مدت میں، مجموعی منافع 8.54 ہے، جو پچھلے اسی عرصے کے 1.94 سے نمایاں اضافہ ہے۔ اس اضافے کی وجہ فروخت میں اضافہ اور صارفین کو اخراجات کی اسٹریٹجک منتقلی ہے۔ یہ آمدنی اور لاگت کے ڈھانچے دونوں کے موثر انتظام کی عکاسی کرتا ہے، جس کے نتیجے میں صحت مند منافع مارجن ہوتا ہے۔
- **EBITDA**: سود، ٹیکسز اور فرسودگی (depreciation) سے قبل آمدنی 62 ملین روپے سے بڑھ کر 244 ملین روپے ہو گئی ہے۔
- بہتر ورکنگ کیپٹل مینجمنٹ: اضافی قرضوں کی ضرورت کے بغیر ٹرن اور میں اضافہ ہوا ہے، جس کی وجہ وصولی کی کوششوں میں اضافہ ہے۔ یہ کامیابی مالیاتی کارکردگی اور اسٹریٹجک مینجمنٹ کے لئے ہماری لگن کو ظاہر کرتی ہے۔ مزید برآں، اس نے پچھلی مدت کے مقابلے میں ہمارے قرض اور فروخت کے تناسب کو 0.25:1 سے 0.18:1 تک کم کرنے میں کردار ادا کیا ہے۔

نقطہ نظر اور مستقبل کے منصوبے

ہم گزشتہ 3-4 مہینوں میں حالیہ میکرو اکنامک استحکام سے کچھ امید حاصل کرتے ہیں، باوجود اس کے کہ مارکیٹ میں لاگت میں اضافے میں عام تاخیر ہوتی ہے۔ اگرچہ نومبر میں یوٹیلٹی کی قیمتوں میں نمایاں اضافہ دیکھنے میں آیا، لیکن فروری 2024 میں اس کے بعد کا اضافہ نسبتاً کم تھا۔ قرضوں کی شرح مستحکم رہی ہے اور مستقبل میں اس میں کمی کے امکانات موجود ہیں۔ اسی طرح، ایکسچینج ریٹ نے پچھلے 3-5 مہینوں میں استحکام برقرار رکھا ہے، اور اگر یہ رجحان ایک مقررہ حد کے اندر برقرار رہتا ہے، تو یہ ہماری کمپنی کے ان پٹ اخراجات کو مستحکم کرنے میں مدد مل سکتی ہے۔ یہ عوامل ہمارے منافع پر مثبت اثر ڈالنے کے لئے تیار ہیں۔

تعریف اور اعتراف:

ہم تمام اسٹیک ہولڈرز بشمول اندرونی و بیرونی شراکت داروں، بینکوں، مالیاتی اداروں، متعلقہ وزارتوں اور ریگولیٹرز کا پر خلوص شکریہ ادا کرتے ہیں جنہوں نے کمپنی کی ترقی کو آگے بڑھانے میں ہماری غیر متزلزل حمایت کی۔

ہم اپنے عملے اور کارکنان کی لگن اور خلوص کا اعتراف کرتے ہیں، جن کی سخت محنت ہماری مسلسل کامیابی کا لازمی جزو رہی ہے۔ ہم مستقبل میں ان کے مستقل عزم اور تعاون کی توقع کرتے اور اسے سراہتے ہیں۔

منجانب بورڈ

محمد فیضان اللہ
ڈائریکٹر

محمد عرفان نواب
چیف ایگزیکٹو آفیسر

29 اپریل 2024

Sana Industries Limited

Unconsolidated Condensed Interim Statement of Financial Position

As at 31 March 2024

	Notes	Unaudited March 2024 Rupees	Audited June 2023 Rupees
Non Current Assets			
Property, plant and equipment	4	751,821,773	823,193,060
Right-of-use assets		27,335,601	32,054,127
Investment property		22,811,318	33,353,146
Investment in subsidiaries		94,999,990	94,999,990
Long term deposits and prepayments		2,756,051	2,756,051
Deferred taxation-net		185,710,674	134,440,683
Total Non Current Assets		1,085,435,407	1,120,797,057
Current Assets			
Stock-in-trade		225,673,304	290,356,504
Stores and spares		31,527,145	19,003,955
Trade debts - unsecured		598,738,835	557,863,756
Loans and advances		9,469,313	15,136,036
Trade deposits and short term prepayments		4,372,239	2,674,689
Short term investments		4,383,682	4,383,682
Other receivables		215,826,141	131,822,164
Tax refunds due from government		90,278,871	83,810,293
Cash and bank balances		20,183,021	57,742,190
Total Current Assets		1,200,452,551	1,162,793,269
Total Assets		2,285,887,958	2,283,590,326
Equity			
Share Capital		199,650,000	199,650,000
Share Premium		96,250,000	96,250,000
General Reserves		132,500,000	132,500,000
Unappropriated Profits		(5,599,516)	16,944,061
Total Equity		422,800,484	445,344,061
Non Current Liabilities			
Deferred Liabilities		200,694,623	177,424,113
Lease Liability		35,196,878	30,554,993
Long term financing		213,762,215	260,117,121
Total Non Current Liabilities		449,653,716	468,096,227
Current Liabilities			
Short term borrowings		814,209,180	853,640,095
Trade and other payables		439,954,890	350,986,253
Loan from directors and sponsors		18,100,000	5,100,000
Accrued markup		41,133,740	55,907,933
Unclaimed Dividends		2,005,663	2,005,663
Current portion of deferred Liabilities		13,848,324	16,887,604
Current portion of lease liability		12,880,804	12,656,659
Current portion of long term financing		71,301,157	72,965,831
Total Current Liabilities		1,413,433,758	1,370,150,038
Total Equity and Liabilities		2,285,887,958	2,283,590,326

The annexed notes from 1 - 9 form an integral part of these condensed interim unconsolidated financial statements


Chief Executive Officer


Director


Chief Financial Officer

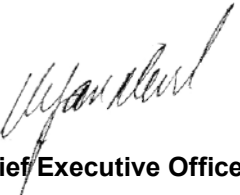
Sana Industries Limited

Unconsolidated Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (Unaudited)

For the Period of Nine Months Ended 31 March 2024

	Notes	Quarter ended		Nine months ended	
		March 2024 Rupees	March 2023 Rupees	March 2024 Rupees	March 2023 Rupees
Revenues	5	1,193,675,317	815,945,316	3,488,068,900	2,312,121,272
<i>Sales tax, commissions and discounts</i>		(182,430,429)	(124,611,614)	(536,804,018)	(344,018,895)
Revenues - net		1,011,244,888	691,333,702	2,951,264,882	1,968,102,377
Cost of sales		(912,119,610)	(628,313,123)	(2,699,221,859)	(1,929,973,440)
Gross Profits		99,125,278	63,020,579	252,043,023	38,128,937
Administrative expenses		(28,508,888)	(30,406,382)	(80,943,207)	(78,952,080)
Distribution expenses		(13,561,011)	(5,402,021)	(34,326,036)	(16,529,971)
Other income		2,366,609	10,211,097	2,908,837	32,538,335
		(39,703,290)	(25,597,306)	(112,360,406)	(62,943,716)
Profit / (Loss) before interest and tax		59,421,988	37,423,273	139,682,617	(24,814,779)
Finance costs		(65,624,788)	(54,912,531)	(198,582,028)	(147,731,609)
Loss before taxation		(6,202,800)	(17,489,258)	(58,899,411)	(172,546,388)
Taxation refunds		17,874,654	2,883,705	36,355,834	62,500,915
Profit / (Loss) after taxation		11,671,854	(14,605,553)	(22,543,577)	(110,045,473)
Other comprehensive income		-	-	-	-
Total comprehensive income / (loss)		11,671,854	(14,605,553)	(22,543,577)	(110,045,473)
Earnings / (Loss) per share - basic and diluted	6	0.96	(1.21)	(1.86)	(9.09)

The annexed notes from 1 - 9 form an integral part of these condensed interim unconsolidated financial statements


Chief Executive Officer


Director


Chief Financial Officer

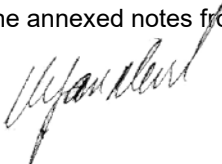
Sana Industries Limited

Unconsolidated Condensed Interim Statement of Changes in Equity (Unaudited)
For the Period of Nine Months Ended 31 March 2024

Description	Issued, subscribed and paid-up share capital	Revenue Reserves				Total
		General Reserve	Share Premium	Unappropriat- ed Profits	Sub Total	
Balance as at 1 July 2022	121,000,000	132,500,000	96,250,000	248,486,285	477,236,285	598,236,285
Final dividend for the year ended 30 June 2022	-	-	-	(12,100,000)	(12,100,000)	(12,100,000)
Total comprehensive loss for the period of nine months ended 31 March 2023	-	-	-	(110,045,473)	(110,045,473)	(220,090,946)
Balance as at 31 March 2023	121,000,000	132,500,000	96,250,000	126,340,812	355,090,812	366,045,339

Balance as at 1 July 2023	121,000,000	132,500,000	96,250,000	16,944,061	245,694,061	366,694,061
Total comprehensive loss for the period of nine months ended 31 March 2023	-	-	-	(22,543,577)	-	-
Balance as at 31 March 2023	121,000,000	132,500,000	96,250,000	(5,599,516)	245,694,061	366,694,061

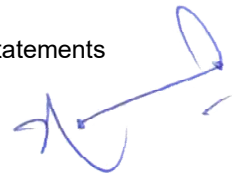
The annexed notes from 1 - 9 form an integral part of these condensed interim unconsolidated financial statements



Chief Executive Officer



Director



Chief Financial Officer

Sana Industries Limited

Unconsolidated Condensed Interim Statement of Cash Flows (Unaudited)
For the Period of Nine Months Ended 31 March 2024

	Unaudited March 2024 Rupees	Unaudited March 2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(58,899,411)	(172,546,388)
Adjustments for non-cash items and other charges:		
Depreciation	104,207,710	86,935,215
Gain on sale of operating fixed assets	-	(4,817,202)
Provision for staff retirement benefits	16,689,036	8,152,312
Provision for gas rate difference	7,342,193	8,310,510
Profit on bank deposits	(1,427,698)	(1,076,540)
Provisions in deferred liabilities	20,231,230	(8,669,837)
Finance costs	198,582,028	147,731,609
	286,725,088	64,019,679
Effect on cash flow due to working capital changes		
Net increase in current assets	(68,745,845)	(132,239,983)
Net increase in current liabilities	88,968,637	82,636,266
	306,947,880	14,415,962
Finance cost paid	(199,666,621)	(99,940,537)
Contribution to staff retirement benefits fund	(3,800,000)	(4,861,090)
Payment of Workers' Profit Participation Fund	-	(9,448,611)
Compensated absences paid	-	(11,737)
Income tax paid	(41,621,304)	(25,905,356)
Net cash generated from / (used in) operating activities	61,859,955	(125,751,369)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure - net	(17,572,757)	(322,381,373)
Profit received from PLS saving accounts	1,427,698	1,076,540
Proceeds from sale of operating fixed assets	-	6,410,256
Net cash used in investing activities	(16,145,059)	(314,894,577)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts / (Repayments) under short term murabaha	(39,430,915)	265,103,016
Receipts / (Repayments) under long term musharaka	(24,150,318)	108,624,046
Repayment of loan against SBP Refinance facility for payment of wages and salaries	-	(15,499,424)
Loan received against Islamic Temporary Economic Refinance Facility	(32,692,832)	111,898,887
Loans from directors & sponsors-net	13,000,000	900,000
Lease liability repayments	-	(5,791,328)
Dividends paid	-	(12,071,566)
Net cash (used in) financing activities	(83,274,065)	453,163,631
Net (decrease) / increase in cash and cash equivalents	(37,559,169)	12,517,685
Cash and cash equivalents at beginning of the period	57,742,190	28,224,761
Cash and cash equivalents at the end of the period	20,183,021	40,742,446

The annexed notes from 1 - 9 form an integral part of these condensed interim unconsolidated financial statements


Chief Executive Officer


Director


Chief Financial Officer

Sana Industries Limited

Notes to the Unconsolidated Condensed Interim Financial Information

For the Nine Months Ended 31 March 2024

1 The company and its operations

1.1 Sana Industries Limited ("the Company") is a public listed company incorporated in Pakistan on June 05, 1985 under the Companies Ordinance, 1984 (now repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The shares of the Company are listed on Pakistan Stock Exchange Limited. The Company is primarily engaged in the manufacturing and sales of man-made blended yarn.

1.2 The geographical location of the Company's business units, including plant, are as under

Head office: The registered office of the Company is situated at 33-D-2, Block 6, P.E.C.H.S, Karachi.

Factory: The mill is located at Hub Industrial Trading Estate, situated at Tehsil Hub, District Lasbela, Baluchistan.

Warehouse: The Company's warehouse is located at SF-96, S.I.T.E, Karachi

1.3 The company has the following subsidiaries. The investments in these subsidiaries are valued at cost in these unconsolidated condensed interim financial statements:

- M/S: *Sana Logistics (Private) Limited (70% holdings)*
- M/S: *Sana Distributors (Private) Limited (100% holdings)*

2 Basis of preparation

These unaudited unconsolidated condensed interim financial statements ("the financial statements") have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" as notified under the Companies Act, 2017; and provisions and directives issued under the Companies Act, 2017.

The disclosures made in these financial statements have, however, been limited based on the requirements of IAS 34. These financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2023.

3 Basis of measurement

3.1 Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

3.2 In preparing these financial statements, the **significant judgments** made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2023.

3.3 The **material accounting policy information** applied in the preparation of these financial statements is the same as that applied in the preparation of the annual unconsolidated financial statements of the Company for the year ended June 30, 2023.

Sana Industries Limited

Notes to the Unconsolidated Condensed Interim Financial Information

For the Nine Months Ended 31 March 2024

	Unaudited March 2024 Rupees	Audited June 2023 Rupees
4 Property, plant and equipment		
Net book value at the beginning of the period	823,193,060	550,070,507
Additions	17,582,019	348,305,140
Transfer from capital work in progress	-	31,435,144
Disposals at net book value	(9,262)	(3,564,295)
Depreciation	(88,944,044)	(103,053,436)
	751,821,773	823,193,060

	Quarter ended		Nine months ended	
	March 2024 Rupees	March 2023 Rupees	March 2024 Rupees	March 2023 Rupees
5 Revenues - net				
Yarn	1,190,731,347	812,583,346	3,474,004,320	2,304,411,488
Wastage	2,943,970	3,361,970	14,064,580	7,709,784
	1,193,675,317	815,945,316	3,488,068,900	2,312,121,272
<i>Sales tax, commissions and discounts</i>	(182,430,429)	(124,611,614)	(536,804,018)	(344,018,895)
	1,011,244,888	691,333,702	2,951,264,882	1,968,102,377

6 Earnings / (Loss) per share - basic and diluted				
Profit / (Loss) after taxation	11,671,854	(14,605,553)	(22,543,577)	(110,045,473)
Issued number of ordinary shares	12,100,000	12,100,000	12,100,000	12,100,000
	0.96	(1.21)	(1.86)	(9.09)

7 Transactions with related parties

The related parties include associated companies, directors, staff retirement benefit fund and key management personnel. The transactions with related parties are carried out in the normal course of business at contracted rates. Details of transactions with related parties and balances with them at period end, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	Nine months ended	
	March 2024 Rupees	March 2023 Rupees
Associated companies		
a) Borrowings from directors' family members	22,400,000	5,875,000
b) Repayment of borrowings from directors' family members	9,400,000	4,975,000
c) Rent paid to directors' family members	-	5,791,328
d) Rental income from subsidiaries	11,700,000	14,615,663
Staff retirement benefits		
a) Contribution made during the period	3,800,000	4,861,090
	Unaudited March 2024 Rupees	Audited June 2023 Rupees
Balances with related parties		
a) Loan from directors and sponsors	18,100,000	5,100,000
b) Rental income from subsidiaries	95,268,000	85,962,598

Sana Industries Limited

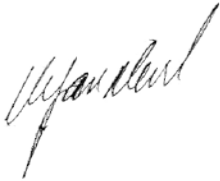
Notes to the Unconsolidated Condensed Interim Financial Information
For the Nine Months Ended 31 March 2024

8 Date of authorization for issue

These condensed interim financial statements were approved and authorized for issue by the Board of Directors of the Company on **29 April 2024**.

9 General

Amounts are rounded off the nearest Rupee



Chief Executive Officer



Director



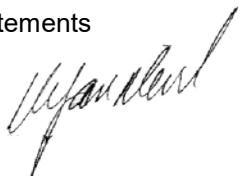
Chief Financial Officer

Sana Industries Limited

Consolidated Condensed Interim Statement of Financial Position
As at 31 March 2024

	Unaudited March 2024 Rupees	Audited June 2023 Rupees
Non Current Assets		
Property, plant and equipment	902,931,475	975,045,698
Right-of-use assets	54,178,005	61,099,145
Intangibles	1,591,072	727,454
Long term advances	0	1,000,000
Long term deposits and prepayments	2,756,051	2,756,051
Deferred taxation-net	193,117,654	138,989,832
Total Non Current Assets	1,154,574,257	1,179,618,180
Current Assets		
Stock-in-trade	262,686,810	333,776,000
Stores and spares	31,527,145	19,003,955
Trade debts - unsecured	822,087,800	781,346,479
Loans and advances	9,469,313	20,262,483
Trade deposits and short term prepayments	68,255,422	4,369,590
Short term investments	19,308,682	19,308,682
Other receivables	108,621,566	76,392,815
Tax refunds due from government	132,195,431	140,770,016
Cash and bank balances	39,126,563	76,196,579
Total Current Assets	1,493,278,732	1,471,426,599
Total Assets	2,647,852,989	2,651,044,779
Equity		
Share Capital	199,650,000	199,650,000
Share Premium	96,250,000	96,250,000
General Reserves	132,500,000	132,500,000
Unappropriated Profits	(42,852,540)	(15,047,461)
Equity attributable to the shareholders of holding company	385,547,460	413,352,539
Non controlling interest	52,740,096	58,269,249
Total Equity	438,287,556	471,621,788
Non Current Liabilities		
Deferred Liabilities	201,999,028	177,424,113
Lease Liability	48,047,781	56,802,630
Long term financing	217,289,857	263,050,026
Total Non Current Liabilities	467,336,666	497,276,769
Current Liabilities		
Short term borrowings	886,030,143	928,626,277
Trade and other payables	529,737,518	492,611,533
Subordinated loan from directors	30,000,000	20,000,000
Loan from directors and sponsors	101,254,960	60,865,000
Accrued markup	42,867,476	57,837,225
Unclaimed Dividends	2,005,663	2,005,663
Current portion of deferred Liabilities	13,848,324	16,887,604
Current portion of lease liability	65,183,526	24,366,149
Current portion of long term financing	71,301,157	78,946,771
Total Current Liabilities	1,742,228,767	1,682,146,222
Total Equity and Liabilities	2,647,852,989	2,651,044,779

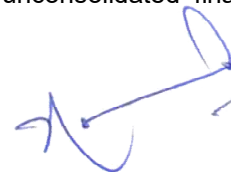
The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements



Chief Executive Officer



Director



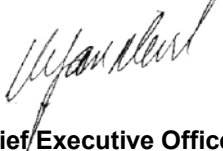
Chief Financial Officer

Sana Industries Limited

Consolidated Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (Unaudited)
For the Period of Nine Months Ended 31 March 2024

	Note	Quarter ended		Nine months ended	
		March 2024 Rupees	March 2023 Rupees	March 2024 Rupees	March 2023 Rupees
Revenues		1,646,053,737	1,283,034,808	5,020,148,713	3,573,707,248
<i>Sales tax, commissions and discounts</i>		(246,191,104)	(198,486,694)	(765,052,263)	(540,286,588)
Revenues - net		1,399,862,633	1,084,548,114	4,255,096,450	3,033,420,660
Cost of sales		(1,248,033,781)	(943,699,159)	(3,884,973,869)	(2,898,726,986)
Gross Profits		151,828,852	140,848,955	370,122,581	134,693,674
Administrative expenses		(70,647,488)	(104,125,887)	(141,398,850)	(163,897,343)
Distribution expenses		(26,240,528)	(7,686,291)	(83,913,544)	(23,018,111)
Other operating expenses		-	1,135,609	-	-
Other income		1,909,912	8,932,825	4,960,432	51,221,989
		(94,978,104)	(101,743,744)	(220,351,962)	(135,693,465)
Profit / (Loss) before interest and tax		56,850,748	39,105,211	149,770,619	(999,791)
Finance costs		(68,860,730)	(60,849,397)	(213,784,574)	(159,000,292)
Loss before taxation		(12,009,982)	(21,744,186)	(64,013,955)	(160,000,083)
Taxation expense		17,748,372	3,216,888	30,675,695	55,645,990
Profit / (Loss) after taxation		5,738,390	(18,527,298)	(33,338,260)	(104,354,093)
Other comprehensive income		-	-	-	-
Total comprehensive income / (loss)		5,738,390	(18,527,298)	(33,338,260)	(104,354,093)
Attributable to:					
<i>Shareholders of the holding company</i>		10,348,450	(18,180,946)	(27,809,107)	(113,998,807)
<i>Non-controlling interest</i>		(4,610,060)	(346,351)	(5,529,153)	9,644,715
		5,738,390	(18,527,297)	(33,338,260)	(104,354,092)
Loss per share - basic and diluted	4	0.86	(1.50)	(2.30)	(9.42)

The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements


Chief Executive Officer


Director


Chief Financial Officer

Sana Industries Limited

Consolidated Condensed Interim Statement of Changes in Equity (Unaudited)

For the Period of Nine Months Ended 31 March 2024

Description	Issued, subscribed and paid-up share capital	Revenue Reserves				Total equity attributable to the shareholders of the holding company	Non-controlli- ng interest
		General Reserve	Share Premium	Unappropriat- ed Profits	Sub Total		
Balance as at 1 July 2022	121,000,000	132,500,000	96,250,000	254,936,150	483,686,150	604,686,150	53,567,671
Final dividend for the year ended 30 June 2022	-	-	-	(12,100,000)	(12,100,000)	(12,100,000)	-
Total comprehensive loss for the period of nine months ended 31 March 2023	-	-	-	(113,998,807)	(113,998,807)	(113,998,807)	9,644,715
Balance as at 31 March 2023	121,000,000	132,500,000	96,250,000	128,837,343	357,587,343	478,587,343	63,212,386

Balance as at 1 July 2023	199,650,000	132,500,000	96,250,000	(15,047,461)	213,702,539	413,352,539	58,269,249
Total comprehensive loss for the period of nine months ended 31 March 2023	-	-	-	(27,809,107)	(27,809,107)	(27,809,107)	(5,529,153)
Balance as at 31 March 2023	199,650,000	132,500,000	96,250,000	(42,856,568)	185,893,432	385,543,432	52,740,096

The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements

Chief Executive Officer

Director

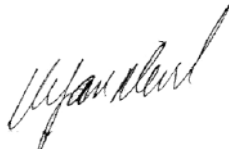
Chief Financial Officer


Sana Industries Limited

Consolidated Condensed Interim Statement of Cash Flows (Unaudited)
For the Period of Nine Months Ended 31 March 2024

	Unaudited March 2024 Rupees	Unaudited March 2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(64,013,955)	(160,000,083)
Adjustments for non-cash items and other charges:		
Depreciation	153,249,011	119,378,336
Gain on sale of operating fixed assets	-	(4,794,740)
Provision for staff retirement benefits	16,689,036	8,152,312
Provision for gas rate difference	7,342,193	8,310,510
Profit on bank deposits	(1,427,698)	(2,624,938)
Provisions in deferred liabilities	21,535,635	(8,669,837)
Finance costs	213,784,574	159,000,292
	347,158,796	118,751,852
Effect on cash flow due to working capital changes		
Net increase in current assets	(67,496,734)	(250,320,628)
Net increase in current liabilities	37,125,985	157,665,984
	316,788,047	26,097,208
Finance cost paid	(228,754,323)	(112,287,119)
Contribution to staff retirement benefits fund	(3,800,000)	(4,872,827)
Payment of Workers' Profit Participation Fund	-	(9,448,611)
Income tax paid	(76,228,932)	(40,951,241)
Net cash generated from / (used in) operating activities	8,004,792	(141,462,590)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure - net	(32,093,487)	(330,211,308)
Intangibles	(863,618)	
Profit received from PLS saving accounts	1,427,698	2,624,942
Proceeds from sale of operating fixed assets	-	6,456,256
Net cash used in investing activities	(31,529,407)	(321,130,110)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts / (Repayments) under short term financing	(42,596,134)	264,737,413
Receipts / (Repayments) under long term musharaka	(20,712,951)	106,797,255
Repayment of loan against SBP Refinance facility for payment of wages and salaries	-	(27,715,193)
Loan received against Islamic Temporary Economic Refinance Facility	(32,692,832)	111,898,886
Loans from directors & sponsors-net	50,389,960	20,210,000
Lease liability repayments	32,062,528	(11,842,323)
Dividends paid	-	(12,071,566)
Net cash (used in) financing activities	(13,549,429)	452,014,472
Net (decrease) / increase in cash and cash equivalents	(37,074,044)	(10,578,228)
Cash and cash equivalents at beginning of the period	76,196,579	70,244,958
Cash and cash equivalents at the end of the period	39,122,535	59,666,730

The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements


Chief Executive Officer


Director


Chief Financial Officer

Sana Industries Limited

Notes to the Consolidated Condensed Interim Financial Information

For the Nine Months Ended 31 March 2024

1 The group and its operations

The group consist of **Sana Industries Limited** ("The Holding Company") and its subsidry

1.1 Sana Industries Limited

Sana Industries Limited ("the Company") is a public listed company incorporated in Pakistan on June 05, 1985 under the Companies Ordinance, 1984 (now repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The shares of the Company are listed on Pakistan Stock Exchange Limited. The Company is primarily engaged in the manufacturing and sales of man-made blended yarn.

The geographical location of the Company's business units, including plant, are as under

Head office: The registered office of the Company is situated at 33-D-2, Block 6, P.E.C.H.S, Karachi.

Factory: The mill is located at Hub Industrial Trading Estate, situated at Tehsil Hub, District Lasbela, Baluchistan.

Warehouse: The Company's warehouse is located at SF-96, S.I.T.E, Karachi

1.2 Sana Logistics (Private) Limited

Sana Logistics Private Limited (the subsidiary Company) was incorporated in Pakistan as a private limited Company under the Companies Ordinance, 1984. The principle activity of the subsidiary company is to provide services in respect of Dry Storage through "compartmentalized store project. This is **70%** owned by the holding company.

1.3 Sana Distributors (Private) Limited

Sana Distributors Private Limited (the subsidiary Company) was incorporated in Pakistan as a private limited Company under the Companies Ordinance, 1984. The principle activity of the subsidiary company is to solely distribute lubricant products all over Karachi. This is **99.99%** owned by the holding company.

2 Basis of preparation

These unaudited consolidated condensed interim financial statements ("the financial statements") have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" as notified under the Companies Act, 2017; and provisions and directives issued under the Companies Act, 2017.

The disclosures made in these financial statements have, however, been limited based on the requirements of IAS 34. These financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended June 30, 2023.

3 Basis of measurement

3.1 Items included in these financial statements are measured using the currency of the primary economic environment in which the Group operates. These financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency.

3.2 In preparing these financial statements, the **significant judgments** made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual consolidated financial statements of the group as at and for the year ended June 30, 2023.

Sana Industries Limited

Notes to the Consolidated Condensed Interim Financial Information

For the Nine Months Ended 31 March 2024

3.3 The **material accounting policy information** applied in the preparation of these financial statements is the same as that applied in the preparation of the annual consolidated financial statements of the group for the year ended June 30, 2023.

4 Earnings / (Loss) per share

Profit / (Loss) after taxation	10,348,450	(18,180,946)	(27,809,107)	(113,998,807)
Issued number of ordinary shares	12,100,000	12,100,000	12,100,000	12,100,000
Basic and diluted loss per share	0.86	(1.50)	(2.30)	(9.42)

5 Transactions with related parties

The related parties include associated companies, directors, staff retirement benefit fund and key management personnel. The transactions with related parties are carried out in the normal course of business at contracted rates. Details of transactions with related parties and balances with them at period end, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	Nine months ended	
	March 2024 Rupees	March 2023 Rupees
Associated companies		
a) Borrowings from directors' family members	146,889,960	133,395,000
b) Repayment of borrowings from directors' family members	96,500,000	113,185,000
c) Rent paid to directors' family members	17,578,890	5,272,848

6 Date of authorization for issue

These condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on **29 April 2024**.

7 General

Amounts are rounded off the nearest Rupee

Chief Executive Officer

Director

Chief Financial Officer