



Moving FORWARD

QUARTER AND NINE MONTHS ENDED
MARCH 31, 2025 (Un-audited)

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Munis Abdullah	Chairman
Mr. Abdul Samad	Independent Director
Ms. Tayyaba Rasheed	Independent Director
Mr. Syed Nadeem Ahmed	Chief Executive Officer
Mr. Zubair Razzak Palwala	Non-Executive Director
Ms. Faiza Naeem	Non-Executive Director
Mr. Rizwan Ahmad	Executive Director

AUDIT COMMITTEE

Ms. Tayyaba Rasheed	Chairperson
Mr. Zubair Razzak Palwala	Member
Ms. Faiza Naeem	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Abdul Samad	Chairman
Mr. Syed Nadeem Ahmed	Member
Mr. Zubair Razzak Palwala	Member

CHIEF FINANCIAL OFFICER

Mr. Mehboob Yasin

COMPANY SECRETARY

Ms. Mahnoor Zulfiqar

INTERNAL AUDITORS

Grant Thornton Anjum Rahman,
Chartered Accountants

EXTERNAL AUDITORS

A.F. Ferguson & Company,
Chartered Accountants

LEGAL ADVISOR

Abdul Karim Khan & Company

BANKERS

Habib Bank Limited
Bank Al-Habib Limited
Silkbank Limited
Meezan Bank Limited
Al Baraka Bank Pakistan Limited
Habib Metropolitan Bank Limited
Telenor Microfinance Bank

REGISTERED OFFICE

2nd Floor, One IBL Center,
Block No. 7 & 8, DMMCHS,
Shahrah-e-Faisal, Karachi-75530
Tel: 37170183,
Fax: 35635530, 35682772

SHARE REGISTRAR

CDC Share Registrar Services Limited
CDC House, 99-B, Block-B, SMCHS
Shahra-e-Faisal, Karachi - 74400

WEBSITE

www.ubrandz.biz

DIRECTORS' REPORT

The Directors of United Brands Limited present their report together with the unconsolidated condensed interim financial information (unaudited) for nine months period ended March 31, 2025. The Directors' Report is prepared in accordance with Section 227 of the Companies Act, 2017.

PRINCIPAL ACTIVITIES

The principal activities of the Company are trading and distribution of consumer goods and allied products.

SUMMARY OF FINANCIAL PERFORMANCE

	March 31, 2025	March 31, 2024
	(Rupees in thousand)	
Revenue	1,090,760	865,242
Gross profit	156,345	141,419
Gross margin (% of revenue)	14.33%	16.34%
Operating profit/(loss)	8,063	(12,722)
Loss for the period	(12,650)	(51,464)

FINANCIAL OVERVIEW

During the period, the Company's revenue was increased by 26.06% compared to last period. This was primarily due to induction of new brands. Moreover, the Company successfully adopted strategies to expand its current customer range.

On the cost management front, the Company remained focused on aligning its operating expenses with the existing business scale, resulting in modest reduction of PKR 10.71 million.

On a positive note, finance costs were significantly reduced by 53.72%, reflecting the proactive repayment of financing facilities and prudent liquidity management, which strengthened our financial position and provided greater operational flexibility.

HOLDING COMPANY

International Brands (Private) Limited is the holding Company of United Brands Limited. As at March 31, 2025, International Brands (Private) Limited held 88,200,462 shares of PKR 10 each (96.08%).

BASIC / DILUTED LOSS PER SHARE

Basic / diluted loss per share for nine months period ended March 31, 2025 was PKR (0.14) (March 31, 2024: PKR (0.56)).

STATEMENT OF ETHICS AND BUSINESS PRACTICES

Performance with integrity is central to operating at United Brands Limited. The Board of Directors have adopted principle of ethics and integrity as the focal value for the organization. All

DIRECTORS' REPORT

employees are informed and aware of it and are required to observe these rules of conduct in relation to business and regulations.

FUTURE OUTLOOK

The economic environment in Pakistan remains complex, with escalating operational costs and evolving consumer behaviors driven by a reduction in disposable incomes. These challenges continue to shape the market dynamics, but we remain confident in the long-term growth potential within the consumer and logistics sectors.

In response to these shifting conditions, our Company has taken proactive steps to diversify its revenue streams, focusing on securing new local accounts to mitigate the impact of subdued import activities. This strategic pivot towards deepening local partnerships and exploring emerging market opportunities is strongly supported by the Board of Directors, who are committed to driving the Company's resilience and growth in these uncertain times.

We firmly believe that with a forward-thinking approach, we can not only protect but also enhance shareholder value, while delivering exceptional service to our customers.

ACKNOWLEDGMENT

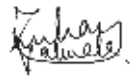
The Directors would like to express their heartfelt gratitude to all our stakeholders for their unwavering support and collaborative spirit, which will be instrumental as we navigate these challenges and pursue sustainable, long-term growth.

Karachi.

Date: April 29, 2025



Syed Nadeem Ahmed
Chief Executive Officer



Zubair Razzak Palwala
Director

ڈائریکٹرز رپورٹ برائے حصص کنندگان

یونائیٹڈ برانڈز لمیٹڈ کے ڈائریکٹرز 31 مارچ 2025 کو ختم ہونے والی نو ماہ کی مدت کے لیے غیر متعلقہ کنڈینسڈ عبوری مالیاتی معلومات (غیر آڈیٹ شدہ) کے ساتھ اپنی رپورٹ پیش کرتے ہیں۔ ڈائریکٹرز کی رپورٹ کمپنیز ایکٹ 2017 کے سیکشن 227 کے مطابق تیار کی گئی ہے۔

بنیادی سرگرمیاں:

کمپنی کی بنیادی سرگرمیاں اشیائے صرف اور متعلقہ مصنوعات کی تجارت اور ترقیم ہیں۔

مالیاتی کارکردگی کا جائزہ:

	Mar 31, 2025	Mar 31, 2024
	(Rupees in thousand)	
Revenue	1,090,760	865,242
Gross profit	156,345	141,419
Gross margin (% of revenue)	14.33%	16.34%
Operating profit/(loss)	8,063	(12,722)
Loss for the period	(12,650)	(51,464)

مالی جائزہ:

اس عرصے کے دوران کمپنی کی آمدنی میں گزشتہ مدت کے مقابلے میں 26.06 فیصد اضافہ ہوا۔ یہ بنیادی طور پر نئے برانڈز کی شمولیت کی وجہ سے تھا۔ مزید برآں، کمپنی نے اپنی موجودہ کسٹمر رینج کو بڑھانے کے لیے کامیابی کے ساتھ حکمت عملی اپنائی۔

لاگت کے انتظام کے محاذ پر، کمپنی اپنے آپریٹنگ اخراجات کو موجودہ کاروباری پیمانے کے ساتھ ہم آہنگ کرنے پر مرکوز رہی، جس کے نتیجے میں 10.71 PKR ملین کی معمولی کمی واقع ہوئی۔

ایک مثبت نوٹ پر، مالیاتی اخراجات میں نمایاں طور پر 53.72 فیصد کمی واقع ہوئی، جو فنانسنگ سہولیات کی فعال ادائیگی اور محتاط لیکویڈیٹی مینجمنٹ کی عکاسی کرتی ہے، جس نے ہماری مالی پوزیشن کو مضبوط کیا اور زیادہ آپریشنل فلیکس فراہم کی۔

ہولڈنگ کمپنی

انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ یونائیٹڈ برانڈز لمیٹڈ کی ہولڈنگ کمپنی ہے۔ 31 مارچ 2025 تک، انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ کے پاس 88,200,462 حصص 10PKR ہر ایک (96.08% تھے)۔

بنیادی/گھٹا ہوا نقصان فی شیئر

31 مارچ 2025 کو ختم ہونے والی نو ماہ کی مدت کے لیے فی شیئر بنیادی/کمزور نقصان PKR (0.14) (31 مارچ 2024 PKR (0.56) فیصد) تھا۔

اخلاقیات اور کاروباری طریقوں کا بیان

دیانتداری کے ساتھ کارکردگی یونائیٹڈ برانڈز لمیٹڈ میں کام کرنے میں مرکزی حیثیت رکھتی ہے۔ بورڈ آف ڈائریکٹرز نے اخلاقیات اور دیانتداری کے اصول کو تنظیم کے لیے بنیادی قدر کے طور پر اپنایا ہے۔ تمام ملازمین کو اس کے بارے میں مطلع اور آگاہ کیا جاتا ہے اور کاروبار اور ضوابط کے سلسلے میں ان قواعد و ضوابط پر عمل کرنے کی ضرورت ہوتی ہے۔

مستقبل پر ایک نظر:

پاکستان میں معاشی ماحول پیچیدہ بنا ہوا ہے، جس میں آپریشنل اخراجات میں اضافہ اور صارفین کے رویے میں اضافہ ہوتا ہے جس کی وجہ ڈسپوز ایبل آمدنی میں کمی ہے۔ یہ چیلنجز مارکیٹ کی حرکیات کو تشکیل دیتے رہتے ہیں، لیکن ہم صارفین اور لاجسٹکس کے شعبوں میں طویل مدتی ترقی کی صلاحیت پر پر اعتماد ہیں۔

ان بدلتے ہوئے حالات کے جواب میں، ہماری کمپنی نے اپنی آمدنی کے سلسلے کو متنوع بنانے کے لیے فعال اقدامات کیے ہیں، درآمدی سرگرمیوں کے اثرات کو کم کرنے کے لیے نئے مقامی اکائیوں کو محفوظ بنانے پر توجہ مرکوز کی ہے۔ مقامی شراکت کو گہرا کرنے اور ابھرتی ہوئی مارکیٹ کے مواقع کو تلاش کرنے کے لیے اس اسٹریٹجک محور کو بورڈ آف ڈائریکٹرز کی بھرپور حمایت حاصل ہے، جو ان غیر یقینی وقتوں میں کمپنی کی لچک اور ترقی کو آگے بڑھانے کے لیے پرعزم ہیں۔

ہم پختہ یقین رکھتے ہیں کہ آگے کی سوچ کے ساتھ، ہم اپنے صارفین کو غیر معمولی خدمات فراہم کرتے ہوئے نہ صرف تحفظ فراہم کر سکتے ہیں بلکہ شیئر ہولڈر کی قدر میں اضافہ بھی کر سکتے ہیں۔

اعتراف:

ڈائریکٹرز اپنے تمام اسٹیک ہولڈرز کا ان کی غیر متزلزل حمایت اور باہمی تعاون کے جذبے کے لیے تہہ دل سے شکریہ ادا کرنا چاہیں گے، جو ان چیلنجوں کو نیو گیٹ کرنے اور پائیدار، طویل مدتی ترقی کے حصول کے لیے مددگار ثابت ہوگا۔

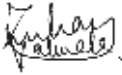
کراچی

۱۲۹ اپریل ۲۰۲۵



سید نایم احمد

چیف ایگزیکٹو آفیسر



زہیر رزاق بالوالا

ڈائریکٹر

UNITED BRANDS LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

	Note	(Unaudited) March 31, 2025	(Audited) June 30, 2024
ASSETS			
Non-current assets			
----- Rupees in '000 -----			
Property and equipment		2,962	4,076
Investment in subsidiary		25,000	25,000
		<u>27,962</u>	<u>29,076</u>
Current assets			
Inventories	4	392,381	505,384
Trade and other receivables	5	301,095	273,762
Prepayments and advances	6	27,607	18,498
Taxation - payments less provision		30,639	30,923
Tax refunds due from Government - sales tax	7	60,032	76,564
Accrued interest		392	551
Cash and bank balances		88,565	75,368
		<u>900,711</u>	<u>981,050</u>
Total assets		<u><u>928,673</u></u>	<u><u>1,010,126</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital		918,000	918,000
Accumulated losses		(1,098,484)	(1,085,834)
		<u>(180,484)</u>	<u>(167,834)</u>
LIABILITIES			
Current liabilities			
Trade and other payables	8	1,006,060	1,077,534
Short-term borrowing	9	97,352	98,108
Unclaimed dividend		353	353
Accrued mark-up		5,392	1,965
Total liabilities		<u>1,109,157</u>	<u>1,177,960</u>
CONTINGENCIES AND COMMITMENTS			
	10		
Total equity and liabilities		<u><u>928,673</u></u>	<u><u>1,010,126</u></u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

UNITED BRANDS LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

Note	Quarter ended		Nine months ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
----- Rupees in '000 -----				
Revenue from contracts with customers 11	321,597	267,989	1,090,760	865,242
Cost of sales	(273,632)	(224,600)	(934,415)	(723,823)
Gross profit	47,965	43,389	156,345	141,419
Marketing and distribution expenses	(46,211)	(33,658)	(121,357)	(129,051)
Administrative and general expenses	(6,632)	(5,712)	(23,439)	(26,453)
Loss allowance on trade receivables	-	-	(6,839)	(702)
Other operating income / (expenses)	-	(243)	1,117	(2,155)
Other income	2	997	2,236	4,219
Profit / (Loss) from operations	(4,876)	4,773	8,063	(12,722)
Finance costs	(4,183)	(7,375)	(15,581)	(33,670)
Loss before levies and income tax	(9,059)	(2,602)	(7,518)	(46,392)
Levies minimum tax	(1,302)	(321)	(2,679)	(3,040)
Loss before income tax	(10,361)	(2,923)	(10,197)	(46,392)
Income tax expense	(1,921)	(1,335)	(2,453)	(2,032)
Loss after income tax	(12,282)	(4,258)	(12,650)	(51,464)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(12,282)	(4,258)	(12,650)	(51,464)
Basic and diluted loss per share (Rupees)	(0.13)	(0.05)	(0.14)	(0.56)

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

UNITED BRANDS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

	Share Capital	Accumulated Losses	Total
----- Rupees in '000 -----			
Balance as at July 1, 2023	918,000	(1,026,844)	(108,844)
Total comprehensive loss for the nine months ended March 31, 2024	-	(51,464)	(51,464)
Balance at March 31, 2024	<u>918,000</u>	<u>(1,078,308)</u>	<u>(160,308)</u>
Balance as at July 1, 2024	918,000	(1,085,834)	(167,834)
Total comprehensive loss for the nine months ended March 31, 2025	-	(12,650)	(12,650)
Balance at March 31, 2025	<u>918,000</u>	<u>(1,098,484)</u>	<u>(180,484)</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

UNITED BRANDS LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

		March 31, 2025	March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES	Note	----- Rupees in '000 -----	
Cash generated from operations	12	28,797	141,946
Income taxes paid		(4,849)	(3,547)
Finance costs paid		(12,154)	(35,547)
Net cash generated from operating activities		11,794	102,852
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property and equipment		(238)	-
Interest received / (paid)		2,397	(469)
Net cash generated from / (used in) investing activities		2,159	(469)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term borrowing paid - net		(756)	(150,824)
Net cash used in financing activities		(756)	(150,824)
Net increase / (decrease) in cash and cash equivalents		13,197	(48,442)
Cash and cash equivalents at beginning of the period		75,368	97,583
Cash and cash equivalents at end of the period	13	88,565	49,141

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

UNITED BRANDS LIMITED

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

1. THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan on March 13, 1965 as Batlay Match Industries Limited under the repealed Companies Act, 1913. The Company was renamed as UDL Industries Limited on March 16, 1987 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company was again renamed as United Brands Limited, a public limited company on April 5, 2006 under the repealed Companies Ordinance, 1984. The shares of the Company are quoted on the Pakistan Stock Exchange. The registered office of the Company is situated on the 2nd Floor, One IBL Center, Block no. 7 & 8, Delhi Mercantile Muslim Cooperative Housing Society, Main Shahra-e-Faisal, Karachi.

The Company is a subsidiary of International Brands Limited, which is also the Company's ultimate parent.

The principal activities of the Company are trading and distribution of consumer goods and allied products and production of safety razors through toll manufacturing.

1.1 The Company has investment in subsidiary company - IBL Logistics (Private) Limited (the Subsidiary) incorporated in Pakistan. These unconsolidated condensed interim financial statements are the separate financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any.

1.2 Management has prepared these unconsolidated condensed interim financial statements on a going concern basis, which assumes the realisation of assets and the settlement of liabilities in the normal course of business. As at March 31, 2025, the Company had negative shareholders' equity of Rs. 180.48 million (June 30, 2024: Rs. 167.83 million), net current liability position of Rs. 208.45 million (June 30, 2024: Rs. 196.91 million) and positive operating cashflows of Rs. 11.79 million (March 31, 2024: Rs. 102.85 million). For the nine months ended March 31, 2025, the Company has made a net loss of Rs. 12.65 million (March 31, 2024: Rs. 51.46 million). Furthermore, the prevalent economic conditions of the country including depleting foreign exchange reserves and high inflation is impacting the overall business activity including imports.

The Company has been closely monitoring the cash flows and forecasts on a monthly basis. The management performed analysis over their cash flow forecast to factor in the impact of a decline in both revenue and collection from customers. The Company will continue to receive support for at least the next twelve months from the date of issuance of these financial statements, if needed, from the Ultimate Parent Company. Based on above analysis and support from the Ultimate Parent Company, management has adequate financing lines to be able to maintain liquidity in order to repay its creditors in the foreseeable future.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated condensed 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

UNITED BRANDS LIMITED

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34 / IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These unconsolidated condensed interim financial statements do not include all the information required for a full set of financial statements and should be read in conjunction with the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2024.

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

2.2 Basis of measurement

These unconsolidated condensed interim financial statements do not include all the information required for a full set of financial statements and should be read in conjunction with the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2024.

2.3 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.4 Accounting estimates, judgements and financial risk management

The preparation of unconsolidated condensed interim financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan for interim financial reporting, requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The significant judgements made by the management in applying the Company's accounting

UNITED BRANDS LIMITED

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

policies and the key sources of estimation uncertainty were the same as those that were applied to the annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2024.

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual unconsolidated financial statements as at and for the year ended June 30, 2024.

2.5 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to the accounting and reporting standards that are effective during the current period

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 01, 2024. However, these do not have any significant impact on the Company's financial reporting and therefore have not been detailed in these unconsolidated condensed interim financial statements.

b) Standards, interpretations and amendments to accounting and reporting standards that are not yet effective

There are certain standards, other amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2025. However, these are not considered to be relevant or did not have any material effect on the Company's unconsolidated condensed interim financial statements except for:

The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Profit or Loss' with certain additional disclosures in the financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of audited annual separate financial statements of the Company as at and for the year ended June 30, 2024.

3.1 During the year ended June 30, 2024, the Institute of Chartered Accountants of Pakistan (ICAP) withdrew the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued a Guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said Guidance required taxes paid under minimum and final tax regime to be shown separately as a levy instead of showing it in current tax.

This change in accounting policy was adopted in the unconsolidated condensed interim financial statements of the Company for the year ended June 30, 2024. The comparative information in the unconsolidated condensed interim statement of profit or loss and other comprehensive income has been restated to reflect the above change.

UNITED BRANDS LIMITED

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

	For the nine months ended March 31, 2025			For the nine months ended March 31, 2024		
	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	Rupees in '000					
Effect on unconsolidated condensed interim statement of profit or loss						
Levies - minimum tax	-	(2,679)	(2,679)	-	(3,040)	(3,040)
Profit / (loss) before income tax	(7,518)	(2,679)	(10,197)	(46,392)	(3,040)	(49,432)
Income tax expense	(5,132)	2,679	(2,453)	(5,072)	3,040	(2,032)

There has been no impact on the comparative information in the unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows.

(Unaudited)
March 31,
2025

(Audited)
June 30,
2024

----- Rupees in '000 -----

4. INVENTORIES

Finished goods - manufactured:

- in hand

392,381	505,384
---------	---------

5. TRADE AND OTHER RECEIVABLES

Trade receivables

Other receivables - note 5.1

Less: Loss allowance on doubtful receivable

230,805	187,604
118,533	127,562
349,338	315,166
(48,243)	(41,404)
301,095	273,762

UNITED BRANDS LIMITED

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

(Unaudited) March 31, 2025	(Audited) June 30, 2024
----- Rupees in '000 -----	

5.1 Other receivables

- Considered good - note 5.1.1	118,533	127,562
--------------------------------	---------	---------

5.1.1

These represent receivable from principals in respect of stock claims, expenses and other receivables.

6. PREPAYMENTS AND ADVANCES

Prepayments	947	2,543
Advances	26,660	15,955
	27,607	18,498

7. TAX REFUND DUE FROM GOVERNMENT - SALES TAX

This includes an amount of Rs. 70.64 million relating to sales tax paid in the prior period for which no input was claimed due to dispute with Collector of Customs. The Collector of Customs raised an issue in relation to payment of Federal Excise Duty (FED) on the import of goods made by Company during the month of June 2020. However, due to restriction placed on the “release of the said consignment” due to FED payment dispute, the sales tax paid could not be adjusted by the Company in that month. The Company had paid sales tax amounting to Rs. 42.43 million and Rs. 28.21 million in the months of June 2020 and June 2021 respectively for the above mentioned consignment. Since, the sales tax has been paid in relation to the taxable supplies to be made, the Company intends to claim the same. The Company has asked Customs Department to issue a letter to Federal Board of Revenue requesting it to allow claim of input sales tax in the subsequent sales tax periods for the aforementioned amount.

On behalf of the above request by the Company, the Collectorate of Customs Appraisement (EAST) vide their letter No. "C.NO. SI/MISC/164/KAPE/AC-I/2022" has issued intimation to the Large Tax Payer Unit for recognition of sales tax amounting to Rs. 42.43 million and Rs. 28.21 million. On the basis of letter issued, the Company has filed an application to the Commissioner Inland Revenue, for issuance of refund of the above sales tax amount.

8. TRADE AND OTHER PAYABLES

These include Rs. 629.48 million (June 30, 2024: Rs. 594.61 million) payable to related parties.

UNITED BRANDS LIMITED

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

9. SHORT-TERM BORROWING

9.1 This represents Tijarah facility obtained from Al Baraka Bank Pakistan Limited, having limit of Rs. 100 million (June 30, 2024: Rs. 100 million) out of which Rs. 3 million (June 30, 2024: Rs. 2 million) remains unutilised for Tijarah facility at the reporting date. The arrangement carries a mark-up of 2% above average six months KIBOR (June 30, 2024: ranging from 1.75% to 2% above average six months KIBOR).

The facility is secured by way of hypothecation charge over inventories and receivables of the Company with 25% margin. These have maturity dates ranging between May 2025 and June 2025 (June 30, 2024: November 2024 and December 2024).

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

10.1.1 During the year ended June 30, 2020, the Deputy Commissioner Inland Revenue issued a notice of demand under section 137(2) of the Income Tax Ordinance, 2001 (the Ordinance) dated January 31, 2020 for recovery of tax amounting to Rs. 94.66 million created pursuant to order dated January 31, 2020 passed under section 122(1) for tax year 2018. The Company has filed a Constitutional Petition No. D-1421 of 2020 before the Honorable High Court of Sindh. The Honorable High Court of Sindh has restrained the Deputy Commissioner Inland Revenue from enforcing the impugned income tax demand till the decision of Commissioner Inland Revenue (Appeals-II). The appeal was heard on December 16, 2021 and is now reserved for order. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.1.2 During the year ended June 30, 2022, the Assistant / Deputy Commissioner Inland Revenue issued an order dated December 30, 2021 for recovery of withholding tax along with default surcharge amounting to Rs. 156.55 million under section 161 (1) on account of short deduction of tax at the time of making certain payments for the tax year 2018. The Company filed an appeal before Commissioner Inland Revenue Appeal [CIR(A)]. The CIR(A) vide its order dated September 25, 2023 has set aside the matter and directed the officer to allow sufficient time to the company to provide relevant records and reach a judicious conclusion after rebutting each and every argument. An appeal has been submitted to ATIR, focusing on legal issues and not acknowledging the details presented during the monitoring proceedings or appeal hearing. Consequently, the case has been remanded to address the issues that need to be rectified or annulled in the given circumstances. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.1.3 During the year ended June 30, 2022, the Assistant / Deputy Commissioner Inland Revenue issued an order dated March 30, 2022 for recovery of withholding tax along with default surcharge amounting to Rs. 200.04 million under section 161(1) on account of short deduction of tax at the time of making certain payments for the tax year 2019. The Company has filed an appeal before Commissioner Inland Revenue Appeal [CIR(A)]. The CIR(A) vide its order dated September 25, 2023 has set aside the matter and directed the officer to allow sufficient time to the Company to provide relevant records and reach a judicious conclusion after rebutting each

UNITED BRANDS LIMITED

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

and every argument. An appeal has been submitted to ATIR, focusing on legal issues and not acknowledging the details presented during the monitoring proceedings or appeal hearing. Consequently, the case has been remanded to address the issues that need to be rectified or annulled in the given circumstances. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.1.4 During the year ended June 30, 2024, the Assistant / Deputy Commissioner Inland Revenue issued an order dated June 29, 2024 for recovery of sales tax along with default surcharge amounting to Rs. 98.98 million under section 11(2) of Sales Tax Act, 1990. The Company has filed an appeal in the Appellate Tribunal Inland Revenue. However, the management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.1.5 During the year ended June 30, 2024, the Assistant / Deputy Commissioner Inland Revenue issued an order dated June 29, 2024 for recovery of sales tax for the fiscal year 2016-17 along with default surcharge amounting to Rs. 10.76 million under section 11(2) of Sales Tax Act, 1990. The Company has filed an appeal in the Appellate Tribunal Inland Revenue. However, the management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.1.6 During the year ended June 30, 2024, the Sindh Revenue Board (SRB) issued order dated December 21, 2023 for the period from July 2014 to June 2015 creating a demand of Rs. 246.67 million under section 23 read with section 47 of the Sindh Sales Tax on Services Act, 2011. The demand is created on the basis that the Company acted as Commission Agent and is working locally as agent for foreign based companies and earning commission by selling, trading and distributing goods on behalf of principal which are located outside Pakistan. Thus, entire revenue from sale of goods declared in the unconsolidated condensed interim financial statements was held subject to SST at the applicable rate. The Company challenged the order before Commissioner (Appeals), SRB who granted stay against recovery of demand, however, the hearing of the main appeal is still pending. The management, based on the opinion of its tax advisor, considers that the legal and factual aspects of the case have not been considered and is confident that the matter will ultimately be decided in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.2 Commitments

The facilities for opening letter of credit and guarantees as at March 31, 2025 amounted to Rs. 7.87 million (June 30, 2024: Rs. 8.60 million) and Rs. 132.09 million (June 30, 2024: Rs. 132.09 million) respectively.

The facilities are secured by way of pari passu charge against hypothecation of the Company's current assets. The Parent Company has pledged 3,553,873 shares of The Searle Company Limited against letter of guarantees.

UNITED BRANDS LIMITED

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

	(Unaudited) March 31, 2025	(Unaudited) March 31, 2024
	----- Rupees in '000 -----	
11. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Gross revenue from sale of goods	1,166,054	915,882
Revenue from services	-	2,274
Less:		
- Trade discounts	(29,754)	(20,527)
- Sales return	(45,540)	(32,387)
	<u>1,090,760</u>	<u>865,242</u>
12. CASH GENERATED FROM OPERATIONS		
Loss before Income tax	(7,518)	(46,392)
Adjustment for non-cash charges and other items		
- Depreciation and amortisation	1,352	1,357
- Profit on Term Deposit Receipts	(2,198)	-
- Profit on savings accounts	(40)	(59)
- Finance costs	15,581	33,670
- Provision for doubtful debts	6,839	702
	<u>21,535</u>	<u>35,670</u>
	<u>14,017</u>	<u>(10,722)</u>

UNITED BRANDS LIMITED

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

(Unaudited)
March 31,
2025

(Unaudited)
March 31,
2024

----- Rupees in '000 -----

Effect on cash flow due to working capital changes

Decrease / (increase) in current assets:

Inventories

113,003 3,109

Trade and other receivables

(34,172) 19,721

Prepayments and advances

(9,109) 3,387

Tax refunds due from Government - sales tax

16,532 3,679

86,254 29,896

(Decrease) / Increase in current liabilities

Trade and other payables

(71,474) 122,772

Cash generated from operations

28,797 141,946

13. CASH AND CASH EQUIVALENTS

Cash and bank balances

88,565 49,141

14. TRANSACTIONS WITH RELATED PARTIES

14.1 Related parties comprise the parent company, subsidiary companies, associated companies or undertakings, directors of the Company, key management personnel and staff retirement funds.

The Company continues to have a policy whereby transactions with related parties are entered into at mutually agreed terms and conditions. Remuneration of key management personnel are in accordance with their terms of appointment / employment.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Head of Departments to be its key management personnel. There are no transactions with key management personnel other than those disclosed in these condensed interim financial statements or as per their terms of employment / entitlement.

UNITED BRANDS LIMITED

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

Nature of relationship	Nature of transactions	(Unaudited) March 31, 2025	(Unaudited) March 31, 2024
----- Rupees in '000 -----			
Holding company	- Corporate shared services	-	-
Associated companies	- Shared costs - note 14.2	19,933	27,539
	- Cross charged from IBL Operations (Private) Limited	29,021	33,892
	- Cross charged to IBL Operations (Private) Limited	2,378	2,085
	- Sale of goods	98,660	47,361
	- Purchases		

14.2

'The Company has an agreement with IBL Operations (Private) Limited - associated company, for sharing of expenses relating to sales and administrative infrastructure.

15.

DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on April 29, 2025.



Chief Executive Officer



Director



Chief Financial Officer

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DIRECTORS' REPORT

The Directors of United Brands Limited present their report together with the consolidated condensed interim financial information (unaudited) for nine months period ended March 31, 2025. The Directors' Report is prepared in accordance with Section 227 of the Companies Act, 2017.

PRINCIPAL ACTIVITIES

The principal activities of the Company are trading and distribution of consumer goods and allied products. The subsidiary of the Company is engaged in transportation and warehousing, assembly and trading of electrical goods.

SUMMARY OF FINANCIAL PERFORMANCE

	March 31, 2025	March 31, 2024
	(Rupees in thousand)	
Revenue	2,229,052	1,805,194
Gross profit	299,670	199,260
Gross margin (% of revenue)	13.44%	11.04%
Operating profit	68,359	2,068
Profit / (Loss) for the period	14,726	(72,382)

FINANCIAL OVERVIEW

During the period, the Company's revenue was increased by 23.48% compared to last period. This was primarily due to induction of new brands and closure of loss making business lines.. Moreover, the Company successfully adopted strategies to expand its current customer range.

Although there is modest accession of PKR 36.26 million in operating expenses, the Company remained focused on aligning its operating expenses with the existing business scale.

On a positive note, finance costs were significantly reduced by 57.75%, reflecting the proactive repayment of financing facilities and prudent liquidity management, which strengthened our financial position and provided greater operational flexibility.

HOLDING COMPANY

International Brands (Private) Limited is the holding Company of United Brands Limited. As at March 31, 2025, International Brands (Private) Limited held 88,200,462 shares of PKR 10 each (96.08%).

BASIC / DILUTED LOSS PER SHARE

Basic / diluted profit / (loss) per share for nine months period ended March 31, 2025 was PKR 0.16 (March 31, 2024: PKR (0.79)).

STATEMENT OF ETHICS AND BUSINESS PRACTICES

Performance with integrity is central to operating at United Brands Limited. The Board of Directors have adopted principle of ethics and integrity as the focal value for the organization. All

DIRECTORS' REPORT

employees are informed and aware of it and are required to observe these rules of conduct in relation to business and regulations.

FUTURE OUTLOOK

The economic environment in Pakistan remains complex, with escalating operational costs and evolving consumer behaviors driven by a reduction in disposable incomes. These challenges continue to shape the market dynamics, but we remain confident in the long-term growth potential within the consumer and logistics sectors.

In response to these shifting conditions, our Company has taken proactive steps to diversify its revenue streams, focusing on securing new local accounts to mitigate the impact of subdued import activities. This strategic pivot towards deepening local partnerships and exploring emerging market opportunities is strongly supported by the Board of Directors, who are committed to driving the Company's resilience and growth in these uncertain times.

We firmly believe that with a forward-thinking approach, we can not only protect but also enhance shareholder value, while delivering exceptional service to our customers.

ACKNOWLEDGMENT


The Directors would like to express their heartfelt gratitude to all our stakeholders for their unwavering support and collaborative spirit, which will be instrumental as we navigate these challenges and pursue sustainable, long-term growth.

Karachi.

Date: April 29, 2025



Syed Nadeem Ahmed
Chief Executive Officer



Zubair Razzak Palwala
Director

ڈائریکٹرز رپورٹ برائے حصص کنندگان

یونائیٹڈ برانڈز لمیٹڈ کے ڈائریکٹرز 31 مارچ 2025 کو ختم ہونے والی نو ماہ کی مدت کے لیے کنسولیڈٹڈ کنڈینسڈ عبوری مالیاتی معلومات (غیر آڈیٹ شدہ) کے ساتھ اپنی رپورٹ پیش کرتے ہیں۔ ڈائریکٹرز کی رپورٹ کمپنیز ایکٹ 2017 کے سیکشن 227 کے مطابق تیار کی گئی ہے۔

بنیادی سرگرمیاں:

کمپنی کی بنیادی سرگرمیاں اشیائے صرف اور متعلقہ مصنوعات کی تجارت اور تقسیم ہیں۔ کمپنی کا ذیلی ادارہ نقل و حمل اور گودام، آسٹریلی اور برقی سامان کی تجارت میں مصروف ہے۔

مالیاتی کارکردگی کا جائزہ:

	Mar 31, 2025	Mar 31, 2024
	(Rupees in thousand)	
Revenue	2,229,052	1,805,194
Gross profit	299,670	199,260
Gross margin (% of revenue)	13.44%	11.04%
Operating profit	68,359	2,068
Profit / (Loss) for the period	14,726	(72,382)

مالی جائزہ:

اس عرصے کے دوران کمپنی کی آمدنی میں گزشتہ مدت کے مقابلے میں 23.48 فیصد اضافہ ہوا۔ یہ بنیادی طور پر نئے برانڈز کی شمولیت اور خسارے میں جانے والی کاروباری لائنوں کے بند ہونے کی وجہ سے تھا۔ مزید یہ کہ کمپنی نے اپنی موجودہ کسٹمر بیج کو بڑھانے کے لیے کامیابی سے حکمت عملی اپنائی۔

اگرچہ آپریٹنگ اخراجات میں 36.26 PKR ملین کا معمولی اضافہ ہے، لیکن کمپنی اپنے آپریٹنگ اخراجات کو موجودہ کاروباری پیمانے کے ساتھ ہم آہنگ کرنے پر مرکوز رہی۔

ایک مثبت نوٹ پر، مالیاتی اخراجات میں نمایاں طور پر 57.75% کی کمی واقع ہوئی، جو مالیاتی سہولیات کی فعال ادائیگی کی عکاسی کرتی ہے اور محتاط لیکویڈیٹی مینجمنٹ، جس نے ہماری مالی پوزیشن کو مضبوط کیا اور زیادہ آپریٹنگ لیک فرائیم کی۔

ہولڈنگ کمپنی

انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ یونائیٹڈ برانڈز لمیٹڈ کی ہولڈنگ کمپنی ہے۔ 31 مارچ 2025 تک، انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ کے پاس 88,200,462 حصص 10PKR ہر ایک (96.08%) تھے۔

بنیادی/گھٹا ہوا نقصان فی شیئر

31 مارچ 2025 کو ختم ہونے والی نو ماہ کی مدت کے لیے بنیادی منافع کمزور (نقصان) 0.16 PKR (31 مارچ 2024) 0.79 PKR (نقصان) تھی۔

اخلاقیات اور کاروباری طریقوں کا بیان

دیانتداری کے ساتھ کارکردگی یونائیٹڈ برانڈز لمیٹڈ میں کام کرنے میں مرکزی حیثیت رکھتی ہے۔ بورڈ آف ڈائریکٹرز نے اخلاقیات اور دیانتداری کے اصول کو تنظیم کے لیے بنیادی قدر کے طور پر اپنایا ہے۔ تمام ملازمین کو اس کے بارے میں مطلع اور آگاہ کیا جاتا ہے اور کاروبار اور مضامین کے سلسلے میں ان قواعد و ضوابط پر عمل کرنے کی ضرورت ہوتی ہے۔

مستقبل پر ایک نظر:

پاکستان میں معاشی ماحول پیچیدہ بنا ہوا ہے، جس میں آپریشنل اخراجات میں اضافہ اور صارفین کے رویے میں اضافہ ہوتا ہے جس کی وجہ ڈسپوز ایبل آمدنی میں کمی ہے۔ یہ چیلنجز مارکیٹ کی تحریکات کو تشکیل دیتے رہتے ہیں، لیکن ہم صارفین اور لاجسٹکس کے شعبوں میں طویل مدتی ترقی کی صلاحیت پر پر اعتماد ہیں۔

ان بدلتے ہوئے حالات کے جواب میں، ہماری کمپنی نے اپنی آمدنی کے سلسلے کو متنوع بنانے کے لیے فعال اقدامات کیے ہیں، درآمدی سرگرمیوں کے اثرات کو کم کرنے کے لیے نئے مقامی اکاؤنٹس کو محفوظ بنانے پر توجہ مرکوز کی ہے۔ مقامی شراکت کو گہرا کرنے اور ابھرتی ہوئی مارکیٹ کے مواقع کو تلاش کرنے کے لیے اس اسٹریٹیجک محور کو یورڈ آف ڈائریکٹرز کی بھرپور حمایت حاصل ہے، جو ان غیر یقینی وقتوں میں کمپنی کی پلک اور ترقی کو آگے بڑھانے کے لیے پرعزم ہیں۔

ہم پختہ یقین رکھتے ہیں کہ آگے کی سوچ کے ساتھ، ہم اپنے صارفین کو غیر معمولی خدمات فراہم کرتے ہوئے نہ صرف تحفظ فراہم کر سکتے ہیں بلکہ شیز ہولڈرز کی قدر میں اضافہ بھی کر سکتے ہیں۔

اعتراف:

ڈائریکٹرز اپنے تمام اسٹیک ہولڈرز کا ان کی غیر متزلزل حمایت اور باہمی تعاون کے جذبے کے لیے تہہ دل سے شکریہ ادا کرنا چاہیں گے، جو ان چیلنجوں کو نیوگیٹ کرنے اور پائیدار، طویل مدتی ترقی کے حصول کے لیے مددگار ثابت ہوگا۔


کراچی

۱۲۹ اپریل ۲۰۲۵ء



سید نسیم احمد

چیف ایگزیکٹو آفیسر



زہیر رزاق پالولا

ڈائریکٹر

UNITED BRANDS LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

	Note	(Unaudited) March 31, 2025	(Audited) June 30, 2024
ASSETS			
Non-current assets			
----- Rupees in '000 -----			
Property and equipment		14,448	13,302
Long - term deposits		<u>14,273</u>	<u>13,963</u>
		28,721	27,265
Current assets			
Inventories	6	582,024	634,144
Trade and other receivables	7	741,965	832,190
Prepayments and advances	8	53,986	39,207
Taxation - payments less provision		26,960	22,116
Tax refund due from Government - sales tax	9	60,032	9,668
Accrued interest		392	551
Cash and bank balances		<u>98,144</u>	<u>96,822</u>
		1,563,503	1,634,698
Total assets		<u>1,592,224</u>	<u>1,661,963</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		918,000	918,000
Accumulated losses		<u>(919,870)</u>	<u>(934,596)</u>
		(1,870)	(16,596)
Liabilities			
Trade and other payables	10	1,434,366	1,578,133
Short-term borrowing	11	97,352	98,108
Sales Tax Payable		56,631	-
Accrued mark-up		5,392	1,965
Unclaimed dividend		<u>353</u>	<u>353</u>
		1,594,094	1,678,559
Total liabilities		<u>1,594,094</u>	<u>1,678,559</u>
CONTINGENCIES AND COMMITMENTS			
Total equity and liabilities	12	<u>1,592,224</u>	<u>1,661,963</u>

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



Chief Executive Officer



Director



Chief Financial Officer

UNITED BRANDS LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

Note	Quarter ended		Nine months ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	----- Rupees in '000 -----			
Revenue from contracts with customers 13	643,788	567,096	2,229,052	1,805,194
Cost of sales and services	(538,552)	(504,193)	(1,929,382)	(1,605,934)
Gross profit	105,236	62,903	299,670	199,260
Marketing and distribution expenses	(75,317)	(41,503)	(201,117)	(165,398)
Administrative and general expenses	(8,215)	(6,105)	(28,317)	(27,773)
Loss allowance on trade receivables	-	-	(6,839)	(702)
Other operating income / (expenses)	-	(8,068)	1,117	(9,980)
Other income	317	1,625	3,845	6,661
Profit from operations	22,021	8,852	68,359	2,068
Finance cost	(4,186)	(8,169)	(15,915)	(37,666)
Profit / (loss) before levies and income tax	17,835	683	52,444	(35,598)
Levies - minimum tax	(3,089)	(5,628)	(21,754)	(23,062)
Profit / (loss) before income tax	14,746	(4,945)	30,690	(58,660)
Income tax expense	3,575	(7,977)	(15,964)	(13,722)
Profit / (Loss) for the period	18,321	(12,922)	14,726	(72,382)
Other comprehensive income	-	-	-	-
Total comprehensive profit / (loss) for the period	18,321	(12,922)	14,726	(72,382)
Basic and diluted profit / (loss) per share (Rupees)	0.20	(0.14)	0.16	(0.79)

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


 Chief Executive Officer


 Director


 Chief Financial Officer

UNITED BRANDS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

	Share Capital	Accumulated Losses	Total
----- Rupees in '000 -----			
Balance as at July 1, 2023	918,000	(888,677)	29,323
Total comprehensive loss for the nine months ended March 31, 2024	-	(72,382)	(72,382)
Balance at March 31, 2024	918,000	(961,059)	(43,059)
Balance as at July 1, 2024	918,000	(934,596)	(16,596)
Total comprehensive profit for the nine months ended March 31, 2025	-	14,726	14,726
Balance at March 31, 2025	918,000	(919,870)	(1,870)

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



Chief Executive Officer



Director



Chief Financial Officer

UNITED BRANDS LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

		March 31, 2025	March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES	Note	----- Rupees in '000 -----	
Cash generated from operations	14	52,213	189,818
Income taxes paid		(42,562)	(30,867)
Finance cost paid		(8,302)	(39,556)
Net cash generated from operating activities		1,349	119,395
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received / (paid)		4,004	(469)
Purchase of property and equipment		(3,275)	(3,031)
Net cash generated from / (used in) investing activities		729	(3,500)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term borrowing paid		(756)	(170,504)
Net cash used in financing activities		(756)	(170,504)
Net increase / (decrease) in cash and cash equivalents		1,322	(54,609)
Cash and cash equivalents at beginning of the period		96,822	129,150
Cash and cash equivalents at end of the period	15	98,144	74,541

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



Chief Executive Officer



Director



Chief Financial Officer

UNITED BRANDS LIMITED

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

1. THE COMPANY AND ITS OPERATIONS

1.1 The Group consists of:

Holding Company - United Brands Limited (the Holding Company)

The Company was incorporated in Pakistan on March 13, 1965 as Batlay Match Industries Limited under the repealed Companies Act, 1913. The Company was renamed as UDL Industries Limited on March 16, 1987 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company was again renamed as United Brands Limited, a public limited Company on April 5, 2006 under the repealed Companies Ordinance, 1984. The shares of the Company are quoted on the Pakistan Stock Exchange.

The Holding Company is a subsidiary of International Brands (Private) Limited, which is also the Holding Company's Ultimate Parent.

The principal activities of the Holding Company are trading and distribution of consumer goods and allied products and production of safety razors through toll manufacturing.

Registered office of the Company is situated at 2nd Floor, One IBL Center, Block No. 7 & 8, Delhi Mercantile Muslim Cooperative Housing Society, Main Shahrah-e-Faisal, Karachi; and

The Company has various sale offices and distribution warehouses. Detailed list is provided in audited financial statements for the year ended 30 June 2024 note no. 34.

Subsidiary Company - IBL Logistics (Private) Limited (IBLPL)

IBLPL is a private limited company incorporated and registered under the Companies Act, 2017 on April 23, 2018.

The principal activities of the Subsidiary Company comprises primarily of transportation and warehousing, trading and distribution of goods and assembling of electrical goods.

The geographical locations and addresses of the subsidiary's business units are as under:

- The registered office of the IBLPL is situated at 2nd Floor, One IBL Center, Block No. 7 & 8, Delhi Mercantile Muslim Cooperative Housing Society, Main Shahrah-e-Faisal, Karachi;
- The Subsidiary Company has a warehouse situated at Plot No. C-126, Sector 6-F, Mehran Town, Korangi, Karachi;
- Pepsi North East Warehouse, Dera Gujran Near Quaid-e-Azam Interchange; -

IBL Pepsi Warehouse RB 241 Dhudhanwala Ghaziabad Near Machli Form Stop Lower Canal Road, Jarranwala Road, Faisalabad; and

- Ferozpur Road, Opposite Pak Arab Society, Near Medix Hospital, Lahore.

2. BASIS OF PREPARATION

These consolidated condensed interim financial statements of the Company for the nine months period ended March 31, 2025 has been prepared in accordance with the requirements of the

UNITED BRANDS LIMITED

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

International Accounting Standard (IAS) 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.

These consolidated condensed interim financial statements do not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statement of the Company for the year ended June 30, 2024. These consolidated condensed interim financial statements are unaudited.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of annual financial statements of the Company for the year ended June 30, 2024.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

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

However, management believes that the change in outcome of judgments, estimates and assumptions would not have a material impact on the amounts disclosed in these consolidated condensed interim financial statements.

Estimates and judgments made by the management in the preparation of these consolidated condensed interim financial statements are the same as those that were applied to the audited annual financial statements of the Company as at and for the year ended June 30, 2024.

5. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of audited annual separate financial statements of the Company as at and for the year ended June 30, 2024.

During the year ended June 30, 2024, the Institute of Chartered Accountants of Pakistan (ICAP) withdrew the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued a Guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said Guidance required taxes paid under minimum and final tax regime to be shown separately as a levy instead of showing it in current tax.

This change in accounting policy was adopted in the consolidated condensed interim financial statements of the Company for the year ended June 30, 2024. The comparative information in the consolidated condensed interim statement of profit or loss and other comprehensive income has been restated to reflect the above change.

UNITED BRANDS LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

	For the nine months ended March 31, 2025			For the nine months ended March 31, 2024		
	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	Rupees in '000					

Effect on consolidated condensed interim statement of profit or loss

Levies - minimum tax	-	(21,754)	(21,754)	-	(23,062)	(23,062)
Profit / (loss) before income tax	52,446	(21,754)	30,692	(35,598)	(23,062)	(58,660)
Income tax expense	(37,718)	21,754	(15,964)	(36,784)	23,062	(13,722)

	(Unaudited) March 31, 2025	(Audited) June 30, 2024
	----- Rupees in '000 -----	

6. INVENTORIES

Raw and packaging materials	28,929	125,240
Finished goods - manufactured	191,898	3,524
Finished goods - assembled	-	2,845
Trading goods - in hand	361,197	500,174
- in transit	-	2,361
	582,024	634,144

7. TRADE AND OTHER RECEIVABLES

Trade receivables	548,178	696,002
Other receivables	193,787	136,188
	741,965	832,190

UNITED BRANDS LIMITED

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

	(Unaudited) March 31, 2025	(Audited) June 30, 2024
----- Rupees in '000 -----		
8. PREPAYMENTS AND ADVANCES		
Prepayments	7,422	14,634
Advances	46,564	24,573
	<u>53,986</u>	<u>39,207</u>

9. TAX REFUND DUE FROM GOVERNMENT - SALES TAX

This includes an amount of Rs. 70.64 million relating to sales tax paid in the prior period for which no input was claimed due to dispute with Collector of Customs. The Collector of Customs raised an issue in relation to payment of Federal Excise Duty (FED) on the import of goods made by the Holding Company during the month of June 2020. However, due to restriction placed on the "release of the said consignment" due to FED payment dispute, the sales tax paid could not be adjusted by the in that month. The Holding Company had paid sales tax amounting to Rs. 42.43 million and Rs. 28.21 million in the months of June 2020 and June 2021 respectively for the above mentioned consignment. Since, the sales tax has been paid in relation to the taxable supplies to be made, the Holding Company intends to claim the same. The Holding Company has asked Customs Department to issue a letter to Federal Board of Revenue requesting it to allow claim of input sales tax in the subsequent sales tax periods for the aforementioned amount.

On behalf of the above request by the Holding Company, the Collectorate of Customs Appraisalment (EAST) vide their letter No. "C.NO. SI/MISC/164/KAPE/AC-I/2022" has issued intimation to the Large Tax Payer Unit for recognition of sales tax amounting to Rs. 42.43 million and Rs. 28.21 million. On the basis of letter issued, the Holding Company has filed an application to the Commissioner Inland Revenue, for issuance of refund of the above sales tax amount.

	(Unaudited) March 31, 2025	(Audited) June 30, 2024
----- Rupees in '000 -----		
10. TRADE AND OTHER PAYABLES		
Trade creditors	184,633	365,840
Accrued liabilities	383,040	374,256
Payable to IBL Operations (Private) Limited	531,307	584,804
Payable to IBL Healthcare Limited	98,141	87,446
Payable to International Brands (Private) Limited	31,595	63,027
Payable to The Searle Company Limited	2,123	31,595
EOBI and SESSI payable	4,236	52,909
Payable to employees' provident fund	5,062	1,085
Tax deducted at source and payable to statutory authorities	80,528	3,902
Others	107,912	13,269
	<u>1,428,577</u>	<u>1,578,133</u>

UNITED BRANDS LIMITED

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

11. SHORT-TERM BORROWING

11.1 This represents Tijarah facility obtained from Al Baraka Bank Pakistan Limited, having limit of Rs. 100 million (June 30, 2024: Rs. 100 million) out of which Rs. 3 million (June 30, 2024: Rs. 2 million) remains unutilised for Tijarah facility at the reporting date. The arrangement carries a mark-up of 2% above average six months KIBOR (June 30, 2024: ranging from 1.75% to 2% above average six months KIBOR).

The facility is secured by way of hypothecation charge over inventories and receivables of the Company with 25% margin. These have maturity dates ranging between May 2025 and June 2025 (June 30, 2024: November 2024 and December 2024).

12. CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

12.1.1 During the year ended June 30, 2020, the Deputy Commissioner Inland Revenue issued a notice of demand under section 137(2) of the Income Tax Ordinance, 2001 (the Ordinance) dated January 31, 2020 for recovery of tax amounting to Rs. 94.66 million created pursuant to order dated January 31, 2020 passed under section 122(1) for tax year 2018. The Holding Company has filed a Constitutional Petition No. D-1421 of 2020 before the Honorable High Court of Sindh. The Honorable High Court of Sindh has restrained the Deputy Commissioner Inland Revenue from enforcing the impugned income tax demand till the decision of Commissioner Inland Revenue (Appeals-II). The appeal was heard on December 16, 2021 and is now reserved for order. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Holding Company. Therefore, no provision has been made in these consolidated financial statements.

12.1.2 During the year ended June 30, 2022, the Assistant / Deputy Commissioner Inland Revenue issued an order dated December 30, 2021 for recovery of withholding tax along with default surcharge amounting to Rs. 156.55 million under section 161 (1) on account of short deduction of tax at the time of making certain payments for the tax year 2018. The Holding Company filed an appeal before Commissioner Inland Revenue Appeal [CIR(A)]. The CIR(A) vide its order dated September 25, 2023 has set aside the matter and directed the officer to allow sufficient time to the holding company to provide relevant records and reach a judicious conclusion after rebutting each and every argument. An appeal has been submitted to ATIR, focusing on legal issues and not acknowledging the details presented during the monitoring proceedings or appeal hearing. Consequently, the case has been remanded to address the issues that need to be rectified or annulled in the given circumstances. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Holding Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

12.1.3 During the year ended June 30, 2022, the Assistant / Deputy Commissioner Inland Revenue issued an order dated March 30, 2022 for recovery of withholding tax along with default surcharge amounting to Rs. 200.04 million under section 161(1) on account of short deduction of tax at the time of making certain payments for the tax year 2019. The Holding Company has filed an appeal before Commissioner Inland Revenue Appeal [CIR(A)]. The CIR(A) vide its order dated September 25, 2023 has set aside the matter and directed the officer to allow sufficient time to the Holding Company to provide relevant records and reach a judicious conclusion after

UNITED BRANDS LIMITED

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

rebutting each and every argument. An appeal has been submitted to ATIR, focusing on legal issues and not acknowledging the details presented during the monitoring proceedings or appeal hearing. Consequently, the case has been remanded to address the issues that need to be rectified or annulled in the given circumstances. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Holding Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

12.1.4 During the year ended June 30, 2024, the Assistant / Deputy Commissioner Inland Revenue issued an order dated June 29, 2024 for recovery of sales tax along with default surcharge amounting to Rs. 98.98 million under section 11(2) of Sales Tax Act, 1990. The Holding Company has filed an appeal in the Appellate Tribunal Inland Revenue. However, the management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Holding Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

12.1.5 During the year ended June 30, 2024, the Assistant / Deputy Commissioner Inland Revenue issued an order dated June 29, 2024 for recovery of sales tax for the fiscal year 2016-17 along with default surcharge amounting to Rs. 10.76 million under section 11(2) of Sales Tax Act, 1990. The Holding Company has filed an appeal in the Appellate Tribunal Inland Revenue. However, the management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Holding Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

12.1.6 During the year ended June 30, 2024, the Sindh Revenue Board (SRB) issued order dated December 21, 2023 for the period from July 2014 to June 2015 creating a demand of Rs. 246.67 million under section 23 read with section 47 of the Sindh Sales Tax on Services Act, 2011. The demand is created on the basis that the Holding Company acted as Commission Agent and is working locally as agent for foreign based companies and earning commission by selling, trading and distributing goods on behalf of principal which are located outside Pakistan. Thus, entire revenue from sale of goods declared in the consolidated condensed interim financial statements was held subject to SST at the applicable rate. The Holding Company challenged the order before Commissioner (Appeals), SRB who granted stay against recovery of demand, however, the hearing of the main appeal is still pending. The management, based on the opinion of its tax advisor, considers that the legal and factual aspects of the case have not been considered and is confident that the matter will ultimately be decided in favour of the Holding Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

12.2 Commitments

The facilities for opening letter of credit and guarantees as at March 31, 2025 amounted to Rs. 7.87 million (June 30, 2024: Rs. 17.23 million) and Rs. 132.09 million (June 30, 2024: Rs. 132.09 million) respectively.

The facilities are secured by way of pari passu charge against hypothecation of the Company's current assets. The Parent Company has pledged 3,553,873 shares of The Searle Company Limited against letter of guarantees.

UNITED BRANDS LIMITED

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

	March 31, 2025	March 31, 2024
	----- Rupees in '000 -----	
13. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Gross Sales	1,564,289	1,130,927
Service Income	796,113	762,920
Less:		
- Trade discounts	(62,610)	(41,234)
- Sales return	(68,740)	(47,419)
	<u>2,229,052</u>	<u>1,805,194</u>
14 CASH GENERATED FROM OPERATIONS		
Profit / (Loss) before Income tax	52,444	(35,598)
Adjustments for non-cash charges and other items		
Depreciation	2,129	2,535
Finance costs	11,729	37,636
Interest income	(3,845)	(59)
Provision for doubtful debts	-	702
	<u>10,013</u>	<u>40,814</u>
	62,457	5,216
Effect on cash flow due to working capital changes		
Decrease / (increase) in current assets:		
Inventories	52,120	(28,368)
Trade and other receivables	90,225	(217,899)
Prepayments and advances	(15,089)	24,485
Tax refund due from government - sales tax	(50,364)	44,375
	<u>76,892</u>	<u>(177,407)</u>
(Decrease) / increase in current liabilities:		
Trade and other payables	(143,767)	362,008
Sales tax payable	56,631	-
	<u>(87,136)</u>	<u>362,008</u>
Cash generated from operations	<u>52,213</u>	<u>189,817</u>
15 CASH AND CASH EQUIVALENTS		
Cash and bank balances	<u>98,144</u>	<u>74,541</u>

UNITED BRANDS LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2025

16

RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties during the period:

Nature of relationship	Nature of transactions	March 31, 2024	March 31, 2023
		----- Rupees in '000 -----	
i. Holding company	- Corporate services charges	-	-
ii. Associated companies	- Shared costs - note 16.1		
	Cross charged from IBL Operations	144,963	116,467
	Cross charged to IBL Operations	29,021	33,892
	- Sale of goods	2,378	2,085
	- Services rendered	221,592	191,980
	- Purchase of goods	98,660	47,361

16.1

'The Company has an agreement with IBL Operations (Private) Limited regarding sharing of expenses relating to sales and administrative infrastructure.

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DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were approved and authorized for issue by the Board of Directors of the Company on April 29, 2025.



Chief Executive Officer



Director



Chief Financial Officer

2nd Floor, One IBL Centre,
Block No. 7 & 8, DMMCHS,
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