

Murree Brewery Co. Ltd. Rawalpindi

Condensed Interim Financial Information for the  
2<sup>nd</sup> Quarter and six months period ended 31<sup>st</sup> December, 2021

# **A BLITZ** **FULL OF ENERGY**



Estd.  1860

**MURREE BREWERY**

ISO 9001, 14001, 45001 & HACCP. CERTIFIED COMPANY



# Murree Brewery Company Limited



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# Murree Brewery Company Limited



## VISION STATEMENT

Our office is in the market

## MISSION STATEMENT

We the people of Murree Brewery Co. Ltd. make our personal commitment to first understand our customers' requirement then to meet and exceed their expectations, by performing the correct tasks on time and every time through:

- C** ontinuous improvement
- A** lignment of our missions and goals
- R** esponsibility and respect of our jobs and each other
- E** ducate one another

# Murree Brewery Company Limited

ESTABLISHED 1860

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Chairman-Non Executive Director  
CEO/Director-Executive Director  
Non-Executive Director  
Non-Executive Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

Ch. Mueen Afzal  
Mr. Isphanyar M. Bhandara  
Mr. Aamir H. Shirazi  
Mrs. Goshi M. Bhandara  
Prof. Khalid Aziz Mirza  
Mr. Shahbaz Haider Agha  
Mr. Pervaiz Akhtar  
Ms. Jahanara Sajjad Ahmad

### PRINCIPAL OFFICERS

Chief Financial Officer  
Company Secretary  
Head of Internal Audit  
General Manager (Brewery Division)  
Business Manager (Murree Glass)  
Plant Manager ( // // )  
General Manager (Tops)  
Factory Manager (Murree Sparkletts)

Mr. Mazhar Iqbal  
Ch. Waqar A. Kahloon  
Malik Saqib  
Mr. Fakher-e-Mahmood  
Mr. Arshad Zaheer  
Mr. Zaka ud Din  
Mr. Talat Yaqoob  
Mr. Fayyaz Ahmad

### AUDIT & RISK MANAGEMENT COMMITTEE

Mr. Shahbaz Haider Agha (Chairman)  
Ch. Mueen Afzal (Member)  
Prof. Khalid Aziz Mirza (Member)  
Mrs. Goshi M. Bhandara (Member)  
Ms. Jahanara Sajjad Ahmad (Member)

### HUMAN RESOURCE & REMUNERATION AND NOMINATION COMMITTEE

Prof. Khalid Aziz Mirza (Chairman)  
Ch. Mueen Afzal (Member)  
Mr. Aamir H. Shirazi (Member)  
Mr. Isphanyar M. Bhandara (Member)  
Mr. Pervaiz Akhtar (Member)

### AUDITORS

M/s KPMG Taseer Hadi & Co.  
Chartered Accountants.  
6<sup>th</sup> Floor, State Life Bldg,  
Jinnah Avenue, Islamabad.

### PRINCIPAL BANKERS

Askari Commercial Bank Ltd, Islamabad  
Standard Chartered Bank, Islamabad  
National Bank of Pakistan, Rawalpindi / Hattar  
Bank Alfalah Ltd, Rawalpindi  
The Bank of Khyber, Hattar  
Allied Bank Ltd, Rwp/Lhr/Gujranw/F.Abad/Multan  
Sahiwal/Murree/Sargodha  
United Bank Limited, Islamabad.

# Murree Brewery Company Limited

ESTABLISHED 1860

## CORPORATE INFORMATION

### REGISTERED OFFICE

Murree Brewery Company Limited  
3-National Park Road, Rawalpindi  
Tel: 051-5567041-47, Fax: 051-5584420  
E-mail: [murree.brewery@murreebrewery.com](mailto:murree.brewery@murreebrewery.com)  
[murbr@cyber.net.pk](mailto:murbr@cyber.net.pk)  
Website: [www.murreebrewery.com](http://www.murreebrewery.com)

(vi) Plot No. 28-B Small  
Industrial Estate Opp.  
Siddique Kantawala Main  
Lahore Road, Sargodha  
Mob: 0335-5611103

### FACTORIES

- (1) **Murree Brewery Company Limited**  
3-National Park Road, Rawalpindi  
Tel: 051-5567041-47, Fax: 051-5584420
- (2) **Tops Food & Beverages**  
(a) 3-National Park Road, Rawalpindi  
Tel: 051-5567041-47, Fax: 051-5565461  
(b) Plot No. 14/1, Phase III, Industrial Estate,  
Hattar, District Haripur (K.P.K)  
Tel: 0995-617013, 617493, 617494
- (3) **Murree Sparkletts**  
Plot No. 10/2, Phase III, Industrial Estate,  
Hattar, District Haripur (K.P.K)
- (4) **Murree Glass**  
Plot No. 24, Phase III, Industrial Estate,  
Hattar, District Haripur (K.P.K)  
Tel: 0995-617233, 0995-617188

### DISTRIBUTION OFFICES

- (i) Tops Food & Beverages  
121/3, Industrial Estate, Kot Lakhpat,  
Lahore. (Tel: 042-5117501)
- (ii) Aziz Chowk Pindi Bypass,  
Galla Sonica Industry, G.T.Road,  
Gujranwala (Tel: 055-3891571)
- (iii) Mansoorabad  
Near Sant Sing Railway Gate  
Jumra Road, Faisalabad  
Tel: (041-8522182 & 2420580)
- (iv) 164/B, Near Winter Time,  
Small Industries Estate, Sahiwal  
Mobile: 0335-5611125  
0321-6954001
- (v) Ratti Gali, Ayubia Road, Murree  
Mob: 0335-5111047

### SHARE REGISTRAR

CDC Share Registrar Services Limited  
CDC House 99-B, Block 'B' SMCHS, Main  
Shahra-e-Faisal Karachi-74400,  
Tel: +(92-21)111-111-500  
Fax: +(92-21)034326053, Email: [info@cdcsrsl.com](mailto:info@cdcsrsl.com)

### LEGAL ADVISORS

- (i) Hamid Law Associates,  
409-410, Alfalah Building,  
Shahrah-e-Quaid-e-Azam  
Lahore. Tel: 042-6301801
- (ii) Mr. Umer Abdullah (Advocate)  
Chaudhary Law Associates  
Advocate High Court  
Flats No. 5 & 6, 1<sup>st</sup> Floor, MICCOP Center,  
1. Mozang Road, Lahore.  
Cell # 0300-8430877, 0345-8412222
- (iii) Mr. Muhammad Ilyas Sheikh  
House No. 37, Street No. 02, Mohalla  
Phase 5, Bahria Town, Islamabad.

### TAX ADVISORS

- (i) Naseem Zafar Associates  
10-Commercial Building,  
Shahrah-e-Quaid-e-Azam, Lahore.  
Tel: 042-37314315-16
- (ii) Sheikh Law Associates  
G 313-316, Imran Mansion,  
Gordon College Road, Rawalpindi,  
Ph: 051-5770500 Website: [www.sla.net.pk](http://www.sla.net.pk)
- (iii) M/s KPMG Taseer Hadi & Co.  
Chartered Accountants.  
6<sup>th</sup> Floor, State Life Bldg,  
Jinnah Avenue, Islamabad.

### CORPORATE ADVISOR

RS Corporate Advisory  
First Floor, Plot No. 62, Central Commercial  
Area (CCA), Block-T, Phase -2, Defence  
Housing Authority, Lahore Cantt-Pakistan.  
Tel: +92 42 357 47 904  
Website: [www.rscorporate.com](http://www.rscorporate.com)

# Murree Brewery Company Limited

## DIRECTORS' REVIEW

The Board of Directors of Murree Brewery Company Limited takes pleasure in presenting its review of the financial performance and affairs of the Company together with the Auditor's reviewed financial statements for the six months period ended 31<sup>st</sup> December, 2021.

An overview of the Company's financial performance for the six months period against the corresponding period of the last year is as follows:-

### **FINANCIAL OVERVIEW & HIGHLIGHTS**

				<b>Rs. in million</b>
Sales revenue (Net)	increased by 27 %	from	5,280 to	6,682
Gross Profit	increased by 27 %	from	1,428 to	1,808
Profit before Taxation	increased by 32 %	from	842 to	1,114
Profit after Taxation	increased by 39 %	from	575 to	799
Earnings per share	increased by 39 %	from	Rs. 20.80 to	Rs. 28.92

The profitability of the Company has increased overall during the half year ended 31<sup>st</sup> December, 2021 as compared to the corresponding period of the last year.

### **IMPORTANT ISSUES:**

**i. Gas Infrastructure Development Cess (GIDC):**

The honorable Supreme Court of Pakistan decided the matter of GIDC in favor of the Government on 13<sup>th</sup> August, 2020. Subsequent to the decision, review petitions were filed by the companies but the Supreme Court upheld its earlier decision. Company has already provided for the GIDC expense in its financial statements on 30<sup>th</sup> June, 2020, which is now being paid in installments as directed by the Supreme Court of Pakistan in two years time.

**ii. Tax on water consumption for commercial use:**

The Supreme Court of Pakistan announced taxation on the beverage industry @ Re. 1 per liter, which was later reduced to Re. 0.25 per liter as per provincial legislation relating to the Punjab and KPK. A review petition filed by the beverage industry continues to be subjudice before the honorable Supreme Court of Pakistan. Tops & Murree Sparkletts (Hattar), in line with the industry practice, have so far paid Rs. 2 million @ Re. 0.25 per liter to the KPK Government.

### **SECOND INTERIM DIVIDEND:**

The Directors have today declared second interim cash dividend @100% (i.e. Rs. 10 per share) for the year ending 30<sup>th</sup> June, 2022. This is in addition to 1<sup>st</sup> interim cash dividend already paid @50% (i.e. Rs. 5 per share).

# Murree Brewery Company Limited

## **CONTRIBUTION TO NATIONAL EXCHEQUER:**

Your company contributed a sum of Rs. 2,100 million in the six months period ended 31<sup>st</sup> December, 2021 (31<sup>st</sup> December, 2020: Rs. 2,112 million) to the Government exchequer on account of duty and taxes.

## **CORPORATE SOCIAL RESPONSIBILITY:**

Being one of Pakistan's oldest companies, Murree Brewery Company fully meets its obligations as a social corporate citizen. During the half year 2021-22, the Company has donated Rs. 2.3 million to various charitable institutions, hospitals & trusts.

In addition, the Company has continued to make available the use of its property to Association for Special Persons (DARAKHSHAN). At present, 74 disabled women are getting training in this vocational school for helping destitute handicapped women to be self-reliant, computer literate and contributing members of society. This property has been provided free of charge by the company with furniture and fittings and the Company bears the cost of utilities and maintenance.

The Company continues to operate and support a Social Security Dispensary on its premises. This caters for workers and their families.


## **OUTLOOK:**


The operating environment at present is challenging, with Pakistan facing a wave of the Covid variant "omicron". It is expected, however, that in view of the recent IMF agreement, macroeconomic conditions will gradually stabilize in the coming months. The possibility of increases in raw material and energy costs, in the wake of the Ukraine crisis, could be detrimental to the bottom line.

## **APPRECIATION:**

The Board would like to record its appreciation of the management team together with the other employees for their work and loyalty to the Company. The Board also extends its gratitude to all business stakeholders, Government Authorities and shareholders for their support in achieving the company's objectives.

## **ON BEHALF OF THE BOARD**

  
**Isphanyar M. Bhandara**  
Chief Executive Officer

  
**Jahanara Sajjad Ahmad**  
Director

Rawalpindi 25<sup>th</sup> February, 2022



ادارہ جاتی سماجی ذمے داری (سی ایس آر)

سری بروری کینی پاکستان کی قدیم ترین کمپنیوں میں سے ایک ہے اور ایک ذمے دار سماجی شہری کے طور پر اپنے تمام فرائض کی تکمیل کرتی ہے۔ ہالی سال 2021-22 کے نصف سال کے دوران، کمپنی نے مختلف رفاہی اداروں، ہسپتالوں اور ٹرسٹس کو 2.3 ملین روپے کے عطیات دیے ہیں۔

مزید برآں کمپنی نے ایسوسی ایشن آف اسٹیل پریسنز (ورخشاں) کیلئے اپنی الماک کے استعمال کی دستیابی کو جاری رکھا۔ فی الوقت اس ویکیشنل اسکول برائے اعانت محروم معذور خواتین میں 74 خواتین تربیت حاصل کر رہی ہیں تاکہ وہ خود انحصاری، کپیئر ٹرینڈنگ اور معاشرے کے فعال فرد کے طور پر زندگی گزاریں۔ یہ پراپٹی کمپنی کی جانب سے فرنچائز اور فنڈنگ کے ساتھ مفت فراہم کی جارہی ہے اور کمپنی اس کی دیکھ بھال اور پولیٹیسیز کے سارے اخراجات خود برداشت کرتی ہے۔

کمپنی نے اپنی جگہ پر ایک سوشل سیوریٹی ڈیپنٹی کو چلانے اور اس کی مدد جاری رکھنے کا سلسلہ بھی شروع کر رکھا ہے۔ یہ ملازمین اور ان کے اہل خانہ کیلئے خدمات فراہم کر رہی ہے۔

### توقعات


اس وقت آپریٹنگ ماحول پاکستان کو کوویڈ ویرینٹ "اومیکرون" کی ہر کاسا منا ہے۔ تاہم توقع کی جارہی ہے کہ آئی ایم ایف کے حالیہ معاہدے کے پیش نظر آنے والے مہینے میں میکرو اکنامک حالات بتدریج مستحکم ہوں گے۔ یوکرین کے بحران کے تناظر میں خام مال اور توانائی کی قیمتوں میں اضافہ کا امکان ہے، جو کہ کمپنی کے کاروباری استحکام پر اثر انداز ہو سکتا ہے۔

### خدمات کا اعتراف

بورڈ اپنے تمام ملازمین، تمام کاروباری اسٹیک ہولڈرز کے عزم، تعاون اور شراکت کو سراہتا ہے اور ان کا شکر گزار ہے۔ بورڈ کمپنی کے مقاصد کے حصول کیلئے سرکاری حکام اور شہر ہولڈرز کے غیر متزلزل تعاون پر ان کا بھی شکریہ ادا کرتا ہے۔

بورڈ کی جانب سے

Tahir Ahmad  
جہاں آراء سچاوا احمد  
ڈائریکٹر

  
اسفندیا رام چندرا  
چیف ایگزیکٹو آفیسر

راولپنڈی، 25 فروری 2022ء

# مری برووری کمپنی لمیٹڈ

## ڈائریکٹرز کا جائزہ

مری برووری کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز، 31 دسمبر 2021ء کو اختتام پذیر ہونے والی ششماہی کے لئے آڈیٹرز کا جائزہ شدہ مالی سٹیٹمنٹ کے ساتھ ساتھ کمپنی کی مالیاتی کارکردگی اور معاملات پر اپنا جائزہ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

گزشتہ سال کے تقابلی عرصے کے مقابلے میں پچھ مہینوں کے عرصے کیلئے کمپنی کی مالی کارکردگی کا جائزہ حسب ذیل ہے:

روپے بلین میں	اضافہ %	مخصوصات فروخت (خالص)
6,682 سے 5,280	27%	مجموعی منافع جات
1,808 سے 1,428	27%	منافع قبل از ٹیکس
1,114 سے 842	32%	منافع بعد از ٹیکس
799 سے 575	39%	آمدن فی حصص
28.92 سے 20.80	39%	

پچھلے سال کے تقابلی عرصے کے موازنے میں 31 دسمبر 2021ء کو ختم شدہ نصف سال کے دوران کمپنی کے خالص منافع میں مجموعی طور پر اضافہ ہوا ہے۔  
اہم مسائل:

### i- گیس انفراسٹرکچر ڈیولپمنٹ سیس (جی آئی ڈی سی)

فاضل عدالت عظمیٰ پاکستان نے مورخہ 13 اگست 2020ء کو جی آئی ڈی سی کے معاملے پر حکومت کے حق میں فیصلہ دیا تھا۔ اس فیصلے کے بعد کمپنی کی جانب سے نظر ثانی کی درخواستیں جمع کروائی گئی تھیں لیکن عدالت نے اپنے پچھلے فیصلے کو برقرار رکھا۔ کمپنی نے 30 جون 2020ء پر اپنے مالی گوشواروں میں جی آئی ڈی سی اخراجات کیلئے پہلے ہی رقم فراہم کر دی تھی، جو کہ اب عدالت عظمیٰ پاکستان کی ہدایات کے مطابق دو سال کے عرصے میں اقساط میں ادا کی جا رہی ہے۔

### ii- تجارتی استعمال کیلئے پانی کے استعمال پر ٹیکس

عدالت عظمیٰ پاکستان نے بیورج انڈسٹری پر ایک روپے فی لیٹر کے ٹیکس کا اعلان کیا تھا، جسے بعد میں پنجاب اور خیبر پختون خواہ سے متعلق صوبائی قانون سازی کے مطابق 0.25 روپے فی لیٹر تک کم کر دیا گیا تھا۔ بیورج انڈسٹری کی جانب سے نظر ثانی کی درخواست جمع کروائی گئی تھی جو کہ عدالت عظمیٰ پاکستان کے سامنے اب تک زیر التواء ہے۔ ٹوپس اینڈ مری اسپیکٹیکس (طیار) (انڈسٹری کے طور پر) نے خیبر پختون خواہ حکومت کو 0.25 روپے فی لیٹر کی شرح سے 20 لاکھ روپے ادا کیے ہیں۔

### دوسرا عبوری منافع منقسمہ

ڈائریکٹرز نے 30 جون 2022ء کو ختم ہونے والے سال کیلئے دوسرے عبوری منافع منقسمہ کا اعلان کیا ہے، جو کہ سو فیصد کیش شرح سے یعنی دس روپے فی حصص ہے۔ یہ عبوری منافع منقسمہ پہلے سے ادا کئے گئے پہلے منافع منقسمہ پیپاس فیصد کی شرح یعنی 5 روپے فی حصص کے علاوہ ادا کیا جائیگا۔

### قومی خزانے میں معاونت

آپ کی کمپنی نے ڈیوٹی اور ٹیکسوں کی مدد میں سرکاری خزانے کیلئے 31 دسمبر 2021ء کو ختم شدہ سماہی عرصے میں 2,100 ملین روپے (31 دسمبر 2020ء: 2,112 ملین روپے) کی رقم جمع کروائی ہے۔

# Murree Brewery Company Limited

## **INDEPENDENT AUDITORS' REVIEW REPORT**

**To the members of Murree Brewery Company Limited**

**Report on Review of Interim Financial Statements**

### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Murree Brewery Company Limited as at 31 December 2021 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

### **Scope of Review**

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

### **Conclusion**


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

# Murree Brewery Company Limited

## Other Matter

The figures for the three-month period ended 31 December 2021 and 31 December 2020, in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the engagement resulting in this independent auditors' review report is Inam Ullah Kakra



**KPMG Taseer Hadi & Co.**  
**Chartered Accountants**  
**Islamabad**

Date: February 28, 2022.

UDIN: RR2021102026UOCPqAwa

# Murree Brewery Company Limited

## Condensed Interim Statement of Financial Position As at 31 December 2021

	Un-Audited 31-Dec-21 (Rs. '000)	Audited 30-Jun-21 (Rs. '000)
<b>EQUITY</b>		
Share capital and reserves		
Share capital	276,636	276,636
Capital reserve	30,681	30,681
Revenue reserves	7,844,773	7,425,612
Revaluation surplus on property, plant and equipment and ROU asset- net of tax	3,719,162	3,773,307
<b>Total equity</b>	<b>11,891,252</b>	<b>11,506,236</b>
<b>LIABILITIES</b>		
Lease liabilities	4,355	3,754
Long term loan	42,319	124,749
Employee benefits	267,447	281,974
Deferred grant	253	2,859
Deferred tax liability- net	420,110	401,352
<b>Non-current liabilities</b>	<b>734,484</b>	<b>814,688</b>
Current portion of lease liabilities	16,534	22,046
Current portion of long term loan	162,078	156,417
Trade and other payables	1,099,549	1,218,348
Contract liabilities	89,528	202,616
Current portion - deferred grant income	8,028	13,724
Unpaid dividend	81,956	76,003
Unclaimed dividend	35,089	32,579
<b>Current liabilities</b>	<b>1,492,762</b>	<b>1,721,733</b>
<b>Total liabilities</b>	<b>2,227,246</b>	<b>2,536,421</b>
<b>Total equity and liabilities</b>	<b>14,118,498</b>	<b>14,042,657</b>
<b>Contingencies and commitments</b>		
	14,118,498	14,042,657
<b>ASSETS</b>		
Property, plant and equipment	6,187,985	6,355,066
Right of use assets	21,534	25,636
Intangible asset	523	782
Advances for capital expenditures	58,901	42,478
Investment properties	397,886	397,886
Long term advances	14,786	13,948
Long term investments	512,950	514,466
Long term deposits	39,713	38,066
Employee benefits	30,189	30,189
<b>Non-current assets</b>	<b>7,264,467</b>	<b>7,418,517</b>
Inventories	2,750,721	1,937,621
Trade debts	16,993	31,372
Advances, prepayments and other receivables	721,992	208,246
Short term investments	1,649,506	1,993,774
Advance tax - net	144,019	255,339
Cash and bank balances	1,570,800	2,197,788
<b>Current assets</b>	<b>6,854,031</b>	<b>6,624,140</b>
<b>Total assets</b>	<b>14,118,498</b>	<b>14,042,657</b>

The annexed notes 1 to 19 form an integral part of these interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

# Murree Brewery Company Limited

Condensed Interim Statement of Profit or Loss (unaudited)

For the Six months ended 31 December 2021

	Note	Quarter ended		Six months ended	
		31 December		31 December	
		2021	2020	2021	2020
		(Rs.'000)	(Rs.'000)	(Rs.'000)	(Rs.'000)
<b>NET TURNOVER</b>	10	2,969,279	2,192,924	6,681,596	5,279,627
<b>COST OF SALES</b>	11	(2,105,878)	(1,597,706)	(4,873,003)	(3,851,933)
<b>GROSS PROFIT</b>		863,401	595,218	1,808,593	1,427,694
Selling and distribution expenses		(245,567)	(195,419)	(524,892)	(422,984)
Administrative expenses		(137,468)	(119,588)	(249,020)	(225,950)
Other expenses		(42,706)	(33,435)	(83,552)	(72,126)
Other income		9,661	21,786	21,051	31,453
<b>OPERATING PROFIT</b>		447,321	268,562	972,180	738,087
Finance costs		(4,754)	(11,522)	(11,496)	(14,836)
Finance income		74,273	67,436	153,759	118,931
<b>NET FINANCE INCOME</b>		69,519	55,914	142,263	104,095
<b>PROFIT BEFORE TAX</b>		516,840	324,476	1,114,443	842,182
Income tax expense		(153,924)	(106,236)	(314,473)	(266,725)
<b>PROFIT FOR THE PERIOD</b>		362,917	218,240	799,970	575,457
<b>Earnings per share - basic and diluted (Rupees)</b>	12	13.12	7.89	28.92	20.80

The annexed notes 1 to 19 form an integral part of these interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

# Murree Brewery Company Limited

## Condensed Interim Statement of Comprehensive Income (unaudited)

For the Six months ended 31 December 2021

	Quarter ended 31 December		Six months ended 31 December	
	2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)
Profit for the period	362,917	218,240	799,970	575,457
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>362,917</u>	<u>218,240</u>	<u>799,970</u>	<u>575,457</u>

The annexed notes 1 to 19 form an integral part of these interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

# Murree Brewery Company Limited

## Condensed Interim Statement of Changes in Equity (unaudited)

For the Six months ended 31 December 2021

	Capital reserves			Revenue reserves			Total equity
	Share capital	Capital reserve	Revaluation surplus on property, plant and equipment - net of tax	General reserve	Contingency reserve	Unappropriated profits	
Balance at 30 June 2020 (Audited)	276,636	30,681	2,893,179	327,042	20,000	6,438,134	9,985,672
<i>Total comprehensive income for the period</i>							
Profit for the period	-	-	-	-	-	575,457	575,457
Other comprehensive income for the period	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	-	-	575,457	575,457
Revaluation surplus on property, plant and equipment realized through depreciation for the year - net of deferred tax	-	-	(47,010)	-	-	47,010	-
Transferred from revaluation surplus on property, plant and equipment on disposal - net of deferred tax	-	-	7,810	-	-	(7,810)	-
	-	-	(39,200)	-	-	39,200	-
Transactions with the owners of the Company							
Distribution to owners	-	-	-	-	-	(138,318)	(138,318)
Final dividend for the year ended 30 June 2020 (Rs. 5 per share)	-	-	-	-	-	(138,318)	(138,318)
First interim dividend for the year ending 30 June 2021 (Rs. 5 per share)	-	-	-	-	-	(276,636)	(276,636)
<b>Total distribution to owners</b>	-	-	-	-	-	(276,636)	(276,636)
Balance as at 31 December 2020 (Unaudited)	276,636	30,681	2,853,979	327,042	20,000	6,776,155	10,284,493
<b>Balance at 30 June 2021 (Audited)</b>	276,636	30,681	3,773,307	327,042	20,000	7,078,570	11,506,236
<i>Total comprehensive income for the period</i>							
Profit for the period	-	-	-	-	-	799,970	799,970
Other comprehensive income for the period	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	-	-	799,970	799,970
Revaluation surplus on property, plant and equipment realized through depreciation for the year - net of deferred tax	-	-	(34,145)	-	-	34,145	-
Transactions with the owners of the Company							
Distribution to owners	-	-	-	-	-	(276,636)	(276,636)
Final cash dividend for the year ended 30 June 2021 (@100% i.e. Rs. 10/- per share)	-	-	-	-	-	(138,318)	(138,318)
First interim dividend for the year ending 30 June 2022 (@50% i.e. Rs. 5/- per share)	-	-	-	-	-	(414,954)	(414,954)
<b>Total distribution to owners</b>	-	-	-	-	-	(414,954)	(414,954)
Balance as at 31 December 2021 (Unaudited)	276,636	30,681	3,739,162	327,042	20,000	7,497,731	11,891,252

The annexed notes 1 to 19 form an integral part of these interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR



# Murree Brewery Company Limited

## Condensed Interim Statement of Cash Flows (unaudited)

For the Six months ended 31 December 2021

	Note	Six months ended	
		31-Dec-21 (Rs.'000)	31-Dec-20 (Rs.'000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		1,114,443	842,182
<b>Adjustments for:</b>			
Depreciation / amortization	7	184,590	207,953
Amortisation of right of use asset	8	4,102	15,562
Employee benefits - charged to profit or loss		24,017	35,373
Provision for Workers' Profit Participation Fund (WPPF)		58,024	45,279
Provision for Workers' Welfare Fund (WWF)		23,210	18,111
Gain on disposal of property, plant and equipment		(2,619)	(5,223)
Reversal of expected credit loss		-	(1,937)
Finance cost		11,495	14,837
Return on deposit accounts		(60,002)	(37,386)
Interest on PIBs		(22,014)	(22,055)
Interest on advances		(84)	(152)
Dividend income		(55,898)	(37,649)
Unrealized gain on re-measurement of short term investments		(7,458)	(14,150)
Deferred grant income	5.1	(8,302)	(7,551)
		149,060	211,012
		1,263,504	1,053,194
<b>Change in:</b>			
Inventories		(813,100)	(391,147)
Trade debts		14,379	2,845
Advances, prepayments and other receivables		(513,746)	(74,569)
Trade and other payables		(131,458)	(176,898)
Contract liabilities		(113,088)	(38,850)
		(1,557,013)	(678,619)
<b>Cash generated from / (used in) operating activities</b>		(293,509)	374,575
Finance cost paid		(3,164)	(6,369)
Employee benefits paid		(38,544)	(26,103)
WPPF paid		(68,644)	(35,814)
Taxes paid		(184,394)	(120,279)
<b>Net cash from / (used in) operating activities</b>		(588,255)	186,009
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment	7	(20,618)	(139,087)
Proceeds from sale of property, plant and equipment		5,987	23,597
Advances for capital expenditures		(16,423)	(6,042)
Long term advances paid		(838)	(12,953)
Long term deposits paid		(1,647)	(2,518)
Proceeds from sale of short term investments		355,201	-
Acquisition of investments		-	(199,129)
Interest received		78,660	50,984
Dividends received		55,898	37,649
<b>Net cash generated from / (used in) investing activities</b>		456,219	(247,499)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities		(3,361)	(63,650)
Receipt / (Repayment) of loan		(85,100)	340,285
Dividend paid		(406,491)	(307,453)
<b>Net cash generated from / (used in) financing activities</b>		(494,952)	(30,818)
<b>Net decrease in cash and cash equivalents</b>		(626,988)	(92,308)
<b>Cash and cash equivalents at 1 July</b>		2,197,788	1,335,329
<b>Cash and cash equivalents at 31 December</b>	9	1,570,800	1,243,021

The annexed notes 1 to 19 form an integral part of these interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

# Murree Brewery Company Limited

## Notes to the condensed interim financial information (unaudited)

*For the Six months ended 31 December 2021*

### 1 REPORTING ENTITY

Murree Brewery Company Limited ("the Company") was incorporated under the repealed Indian Companies Act (now the Companies Act, 2017) in February 1861 as a public limited company in Pakistan. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at National Park Road in Rawalpindi, Pakistan.

The Company is principally engaged in the manufacturing of alcoholic beer, Pakistan Made Foreign Liquor (PMFL), non-alcoholic beer, aerated water (non-alcoholic products), juices and food products, mineral water, glass bottles and jars. The Company is presently operating three divisions namely Liquor, Tops and Glass to carry out its principal activities.

### 2 BASIS OF PREPARATION

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

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

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

The disclosures in these interim financial statements do not include the information that was reported in annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements for the year ended 30 June 2021. Comparative condensed interim unconsolidated statement of financial position is extracted from the annual audited financial statements for the year ended 30 June 2021, whereas comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from unaudited interim financial statements for the six months period 31 December 2020.

This condensed interim financial information is un-audited and is being submitted to the members as required under Section 237 of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 .

### 3 ACCOUNTING POLICIES AND ESTIMATES

#### 3.1 Accounting policies and methods of computation

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2021.

#### 3.2 Accounting Estimates and Judgements

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

# Murree Brewery Company Limited

## Notes to the condensed interim financial information (unaudited)

*For the Six months ended 31 December 2021*

### Measurement of fair values

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### 3.3 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2022:

	<b>Effective date</b>
- Amendments to IFRS-3 Reference to the Conceptual Framework	1-Jan-22
- Amendments to IAS-16 Proceeds before intended use	1-Jan-22
- Amendments to IAS-37 Onerous Contracts - Cost of fulfilling a contract	1-Jan-22
- Amendments to IAS-41, IFRS-9 and IFRS-16 Annual Improvements to IFRS Standards 2018-2020	1-Jan-22
- Amendments to IFRS-10 and IAS-28 Sale or contribution of assets between an investor and its Associate or Joint Venture	1-Jan-22
- Amendments to IAS-12 Deferred tax related to Assets and Liabilities arising from a Single Transaction	1-Jan-23
- Amendments to IAS-1 Classification of liabilities as current or non-current and disclosure of accounting policies	1-Jan-23
- Amendments to IAS-8 Definition of accounting estimates	1-Jan-23

	<b>Unaudited</b>	<b>Audited</b>
	<b>31-Dec-21</b>	<b>30-Jun-21</b>
	<b>(Rs.'000)</b>	<b>(Rs.'000)</b>
<b>4 SHARE CAPITAL</b>		
<b>4.1 Authorised share capital</b>	<b>4.1.1 300,000</b>	<b>300,000</b>

4.1.1 This represents 30,000,000 (30 June 2021: 30,000,000) ordinary shares of Rs. 10 each.

# Murree Brewery Company Limited

## Notes to the condensed interim financial information (unaudited)

For the Six months ended 31 December 2021

#### 4.2 Issued, subscribed and paid up share capital

Unaudited 31-Dec-21 Number	Audited 30-Jun-21 Number		Unaudited 31-Dec-21 (Rs.'000)	Audited 30-Jun-21 (Rs.'000)
264,000	264,000	(Ordinary shares of Rs. 10 each)	2,640	2,640
<u>27,399,630</u>	<u>27,399,630</u>	(Ordinary shares of Rs. 10 each, issued as bonus shares)	<u>273,996</u>	<u>273,996</u>
<u><u>27,663,630</u></u>	<u><u>27,663,630</u></u>		<u><u>276,636</u></u>	<u><u>276,636</u></u>

#### 5 LONG TERM LOAN

#### Note

Opening Balance		281,166	-
Receipt during the period		-	340,285
Recognition of deferred government grant		-	(34,397)
Effective Interest		9,387	19,450
Repayment during the period		<u>(86,156)</u>	<u>(44,172)</u>
Closing Balance	5.2	<u><u>204,397</u></u>	<u><u>281,166</u></u>
Non-current portion		42,319	124,749
Current portion		<u>162,078</u>	<u>156,417</u>
		<u><u>204,397</u></u>	<u><u>281,166</u></u>

#### 5.1 Recognition of deferred government grant

Opening balance		16,583	-
Additions during the period		-	34,397
Deferred grant income recognised for the period		<u>(8,302)</u>	<u>(17,814)</u>
Closing balance	5.2	<u><u>8,281</u></u>	<u><u>16,583</u></u>
Non-current portion		253	2,859
Current portion		<u>8,028</u>	<u>13,724</u>
		<u><u>8,281</u></u>	<u><u>16,583</u></u>

- 5.2 In an attempt to mitigate the effect of the COVID 19 pandemic, the State Bank of Pakistan ("SBP") introduced "Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns" whereby financing at low markup rates was made available to the entities on the condition of not laying off the workers/employees and payment of salaries and wages of permanent, contractual, daily wagers and outsourced employees from April 2020 to June 2020. The Company obtained long term loan under this scheme from United Bank Limited which is secured by first charge over fixed assets of the Company excluding land and building amounting to Rs 534 million. The loan is repayable in 8 equal quarterly installments due from 1 April 2021. Interest chargeable under the refinance scheme is 0.75% per annum. Accordingly, an amount of Rs 34.05 million has been recognised as deferred grant income which represents the difference between the actual loan received and present value of repayments of principal and interest at incremental borrowing rate of the Company i.e. 6 months' KIBOR + 1% per annum. Deferred grant is being amortized over the life of the loan. There were no unfulfilled conditions related to this grant at the reporting date.

#### 6 CONTINGENCIES AND COMMITMENTS

There are no changes in the contingencies and commitments of the Company as disclosed in the financial statements for the year ended 30 June 2021, except for the following:

# Murree Brewery Company Limited

## Notes to the condensed interim financial information (unaudited)

For the Six months ended 31 December 2021

### 6.1 Commitments

- 6.1.1 The Company's outstanding Letter of Credit for the import of machinery and inventory items amounted to Rs. 556.907 million (30 June 2021: Rs. 401.117 million).
- 6.1.2 Bank guarantees have been given in the normal course of business to Sui Northern Gas Company Limited for commercial and industrial use of gas amounting to Rs. 124.151 million (30 June 2021: 102.577).

### 7 PROPERTY, PLANT AND EQUIPMENT

	Unaudited 31 December 2021		
	(Rs. '000)		
	Operating fixed assets	Capital work in progress	Total
Balance at 1 July 2021	6,355,066	-	6,355,066
Additions during the period	16,247	4,371	20,618
Disposal during the period - net	(3,368)	-	(3,368)
Depreciation charge for the period	(184,331)	-	(184,331)
Balance at 31 December 2021	6,183,614	4,371	6,187,985
	Audited 30 June 2021		
	(Rs in '000)		
Carrying amount at the beginning of the year	5,156,460	760	5,157,220
Additions during the year	195,534	137	195,671
Transferred from leased assets	266,139	-	266,139
Revaluation surplus	1,145,976	-	1,145,976
Transferred from capital work in progress	897	(897)	-
Disposal during the year-net	(20,601)	-	(20,601)
Depreciation charge for the year	(389,339)	-	(389,339)
Carrying amount at the end of the year	6,355,066	-	6,355,066

- 7.1 Additions in and depreciation on property plant & equipment during the half year ended 31 December 2020 amounted to Rs 160.298 million and Rs 207.953 million respectively.

### 8 RIGHT OF USE ASSETS

Note	(Unaudited)	(Audited)
	31-Dec-21 (Rs in '000)	30 June 2021 (Rs. 000)
Opening balance	25,636	322,559
Addition during the period	-	5,694
Transfer to property, plant and equipment - owned	-	(266,139)
Depreciation charge for the period	(4,102)	(36,478)
Closing balance	21,534	25,636

### 9 CASH AND BANK BALANCES

Cash in hand	5,456	10,992
Banking instrument in hand	-	100,000
Cash at banks :		
- in local currency current accounts	577,057	722,686
- in local currency deposit accounts	985,792	1,314,709
-in foreign currency deposit accounts	2,495	49,401
	1,565,344	2,086,796
	1,570,800	2,197,788

- 9.1 Profit on local currency deposit account ranges from 7.25% to 9% (30 June 2021: 3% to 6.25%) per annum respectively.
- 9.2 This carries interest rate of 0.25% (30 June 2021: 0.25%) per annum.
- 9.3 There is no change in financing facilities from those as disclosed in the financial statements for the year ended 30 June 2021.

# Murree Brewery Company Limited

Notes to the condensed interim financial information (unaudited)

For the Six months ended 31 December 2021

## 10 NET TURNOVER

Net turnover for the six months period ended 31 December 2021 includes exports amounting to Rs. 8.93 million.

11 COST OF SALES	Note	Six months ended	
		(Unaudited)	(Unaudited)
		31-Dec-21 (Rs '000)	31-Dec-20 (Rs '000)
Raw material consumed	11.1	4,918,626	3,715,342
Stores and spares consumed		117,979	80,459
Fuel and power consumed		410,009	380,825
Salaries and wages		339,810	291,987
Repair and maintenance		60,219	45,014
Depreciation		177,962	202,708
Cost to fulfill a contract - transportation		167,250	123,751
Other manufacturing overheads		65,838	31,269
		<b>6,257,693</b>	<b>4,871,355</b>
<b>Work in process:</b>			
Work in process - opening		298,856	250,380
Work in process - closing		(355,044)	(274,036)
		<b>(56,188)</b>	<b>(23,656)</b>
<b>Cost of goods manufactured</b>		<b>6,201,505</b>	<b>4,847,699</b>
<b>Finished goods:</b>			
Finished goods - opening		214,131	304,686
Finished goods - closing		(411,713)	(301,467)
		<b>(197,582)</b>	<b>3,219</b>
Less: Inter division transfers		<b>(1,130,920)</b>	<b>(998,985)</b>
		<b>4,873,003</b>	<b>3,851,933</b>
<b>11.1 Raw material consumed</b>			
Opening stock		1,217,177	1,015,185
Purchases		5,492,347	4,181,137
		<b>6,709,524</b>	<b>5,196,322</b>
Less : Closing stock		<b>(1,790,898)</b>	<b>(1,480,980)</b>
		<b>4,918,626</b>	<b>3,715,342</b>

## 12 EARNING PER SHARE - BASIC AND DILUTED

	Quarter ended		Six months ended	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	2021	2020	2021	2020
Net profit for the period - Rupees in ('000)	362,917	218,240	799,970	575,457
Weighted average number of shares - Number	27,663,630	27,663,630	27,663,630	27,663,630
Earning per share - Rupees	13.12	7.89	28.92	20.80

12.1 There is no dilutive effect on the basic earnings per share of the Company as at 31 December 2021.

# Murree Brewery Company Limited

## Notes to the condensed interim financial information (unaudited)

### For the Six months ended 31 December 2021

#### 13 SEGMENT INFORMATION

##### 13.1 Information about reportable segments

The detail of utilization of the Company's assets by the divisions as well as related liabilities is as follows:

	Liquor division (Rs. '000)	Glass division (Rs. '000)	Tops division (Rs. '000)	Corporate Office (Rs. '000)	Total (Rs. '000)	
<b>a. For the six months ended (unaudited)</b>						
<b>31 December 2021</b>						
Third party turnover - net	6,339,089	118,849	2,139,579	-	8,597,517	
Inter-segment turnover	330,254	788,050	12,616	-	1,130,920	
Segment profit / (loss) before tax	911,788	246,433	(57,423)	13,645	1,114,443	
<b>31 December 2020</b>						
Third party turnover - net	5,452,222	158,118	1,661,077	-	7,271,417	
Inter-segment turnover	266,242	706,684	26,059	-	998,985	
Segment profit / (loss) before tax	625,285	208,856	(70,217)	78,258	842,182	
<b>b. Assets</b>						
<b>31 December 2021 (unaudited)</b>	<b>8,234,749</b>	<b>1,118,941</b>	<b>2,409,766</b>	<b>2,355,042</b>	<b>14,118,498</b>	
30 June 2021 (audited)	7,919,819	631,402	2,263,291	3,228,145	14,042,657	
<b>c. Liabilities</b>						
<b>31 December 2021 (unaudited)</b>	<b>1,260,978</b>	<b>201,437</b>	<b>435,108</b>	<b>329,723</b>	<b>2,227,246</b>	
30 June 2021 (audited)	1,720,823	312,574	382,499	120,525	2,536,421	
<b>d. Additions to</b>						
<b>Property, plant and equipment</b>						
Six months ended 31 December 2021 (unaudited)	12,927	2,252	1,068	-	16,247	
Year ended 30 June 2021 (audited)	166,815	1,064	27,655	-	195,534	
<b>Right of use asset</b>						
Six months ended 31 December 2021 (unaudited)	-	-	-	-	-	
Year ended 30 June 2021 (audited)	4,298	1,396	-	-	5,694	
<b>e. Other income</b>						
Six months ended 31 December 2021 (unaudited)	14,823	3,191	3,037	-	21,051	
Six months ended 31 December 2020 (unaudited)	-	-	-	31,453	31,453	
<b>f. Net finance income</b>						
Six months ended 31 December 2021 (unaudited)	39,782	662	4,622	97,197	142,263	
Six months ended 31 December 2020 (unaudited)	(10,447)	(413)	(3,976)	118,931	104,095	
<b>g. Depreciation</b>						
Six months ended 31 December 2021 (unaudited)	75,454	58,540	54,439	-	188,433	
Six months ended 31 December 2020 (unaudited)	82,316	76,698	48,939	-	207,953	
<b>Six months ended</b>						
<b>31 December</b>						
<b>2021</b>						
<b>2020</b>						
<b>(Unaudited) (Unaudited)</b>						
<b>(Rs. '000) (Rs. '000)</b>						
<b>13.2 Reconciliation of reportable segment profit or loss</b>						
Total profit before tax for reportable segments					1,100,798	763,924
Unallocated amount - other expenses					(83,552)	(72,126)
Unallocated amounts - other income					-	31,453
Unallocated amounts - finance income					97,197	118,931
Net profit before tax					1,114,443	842,182

# Murree Brewery Company Limited

Notes to the condensed interim financial information (unaudited)  
For the Six months ended 31 December 2021

13.3	Divisional profit or loss	Lower Division						Glass Division						Topo Division						Total					
		Quarter ended 31 December		Six months ended 31 December		Quarter ended 31 December		Six months ended 31 December		Quarter ended 31 December		Six months ended 31 December		Quarter ended 31 December		Six months ended 31 December		Quarter ended 31 December		Six months ended 31 December		Quarter ended 31 December		Six months ended 31 December	
		2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)	2021 (Rs.'000)	2020 (Rs.'000)
	<b>TURNOVER</b>																								
	Third party turnover - gross	2,938,832	2,379,996	6,387,888	5,491,655	79,727	84,989	118,849	158,118	866,762	595,685	2,341,698	1,791,722	3,879,321	3,060,670	8,848,345	7,440,895								
	Less: trade discounts	(15,497)	(9,745)	(48,799)	(38,833)	-	-	-	-	(86,261)	(82,859)	(282,829)	(1,30,645)	(100,778)	(92,604)	(250,828)	(169,478)								
	Third party turnover - net	2,923,335	2,370,251	6,339,089	5,452,822	79,727	84,989	118,849	158,118	778,481	512,826	2,139,579	1,661,077	3,778,543	2,968,066	8,597,517	7,271,417								
	Inter division sales	94,727	68,195	330,254	266,242	373,926	300,109	788,050	706,684	6,216	14,123	12,616	26,059	-	-	-	-								
	Sales tax and excise duty	3,018,062	2,438,446	6,669,343	5,718,464	453,653	383,098	906,899	864,802	781,697	526,949	2,152,195	1,687,136	3,778,543	2,968,066	8,597,517	7,271,417								
	<b>NET TURNOVER</b>	(629,897)	(632,333)	(1,434,676)	(1,565,443)	(11,885)	(12,348)	(17,269)	(22,974)	(167,782)	(130,461)	(463,976)	(400,373)	(809,264)	(775,142)	(1,915,921)	(1,991,790)								
		2,388,165	1,806,113	5,234,667	4,133,021	442,868	372,750	889,630	841,828	613,915	396,488	1,688,219	1,283,763	2,969,279	2,192,924	6,681,596	5,279,627								
	<b>COST OF SALES</b>																								
	Third parties	(1,412,126)	(1,069,442)	(3,181,650)	(2,439,877)	(284,226)	(269,708)	(621,008)	(605,180)	(409,526)	(238,556)	(1,070,345)	(806,876)	(2,105,878)	(1,597,766)	(4,873,003)	(3,851,933)								
	Inter division cost	(59,719)	(32,723)	(750,926)	(700,415)	-	-	(621,008)	(605,180)	(115,158)	(69,703)	(300,893)	(298,570)	-	-	-	-								
	<b>GROSS PROFIT</b>	(1,771,840)	(1,382,163)	(3,931,676)	(3,140,292)	(284,226)	(269,708)	(621,008)	(605,180)	(524,676)	(328,259)	(1,451,239)	(1,105,440)	(2,105,878)	(1,597,766)	(4,873,003)	(3,851,933)								
	Selling and distribution expenses	616,320	423,948	1,302,991	1,012,729	157,842	103,042	286,642	236,648	89,239	68,229	236,980	178,317	883,401	595,218	1,308,593	1,427,694								
	Administrative expenses	(121,975)	(107,601)	(281,324)	(227,468)	(1,875)	(1,312)	(3,914)	(2,914)	(121,717)	(86,506)	(239,654)	(192,602)	(245,567)	(195,419)	(534,993)	(422,984)								
	Other expenses	(88,988)	(80,868)	(184,484)	(149,259)	(12,969)	(13,465)	(21,128)	(24,465)	(38,111)	(25,255)	(62,486)	(51,956)	(171,466)	(119,388)	(249,469)	(225,069)								
	Operating profit	6,465	6,803	14,823	12,270	1,877	9,692	3,191	12,218	1,079	5,291	3,037	6,985	9,641	21,386	31,453	31,453								
	Finance costs	(41,862)	(42,282)	(87,066)	(648,002)	145,575	97,957	2,457,671	221,487	(67,510)	(38,241)	(62,845)	(59,276)	446,558	268,562	972,180	738,087								
	Finance income	(9,338)	(9,338)	(10,885)	(10,447)	(54)	(333)	(106)	(413)	(645)	(1,851)	(3,976)	(4,754)	(4,754)	(11,522)	(11,496)	(14,856)								
	Net finance income / (cost)	25,199	19,422	49,867	32,957	716	313	768	367	2,464	5,977	4,067	4,067	74,273	67,316	153,759	118,931								
	<b>Profit/(loss) before tax</b>	21,144	10,084	39,782	22,505	662	(20)	662	(46)	1,819	(1,077)	4,622	91	69,519	55,914	142,263	104,095								
		433,106	252,366	911,788	670,507	146,237	97,936	246,433	221,440	(65,691)	(39,318)	(57,423)	(59,182)	516,880	324,376	1,114,443	842,182								



# Murree Brewery Company Limited

Notes to the condensed interim financial information (unaudited)

For the Six months ended 31 December 2021

Note	Six months ended				
	Liquor (Rs '000)	Glass (Rs '000)	Tops (Rs '000)	(Unaudited) 31-Dec-21 (Rs '000)	(Unaudited) 31-Dec-20 (Rs '000)
<b>13.4 Cost of sales</b>					
Raw material consumed	3,406,041	258,841	1,253,744	4,918,626	3,715,342
Stores and spares consumed	44,741	53,888	19,350	117,979	80,459
Fuel and power consumed	175,210	199,898	34,901	410,009	380,825
Salaries and wages	185,327	69,850	84,633	339,810	291,987
Repair and maintenance	23,937	24,396	11,886	60,219	45,014
Depreciation	69,439	58,444	50,079	177,962	202,708
Cost to fulfill a contract - transportation	105,181	-	62,069	167,250	123,751
Other manufacturing overheads	29,114	11,260	25,464	65,838	31,269
	4,038,990	676,577	1,542,126	6,257,693	4,871,355
<b>Work in process:</b>					
Work in process - opening	265,984	1,445	31,427	298,856	250,380
Work in process - closing	(304,387)	(1,445)	(49,212)	(355,044)	(274,036)
	(38,403)	-	(17,785)	(56,188)	(23,656)
<b>Cost of goods manufactured</b>	<b>4,000,587</b>	<b>676,577</b>	<b>1,524,341</b>	<b>6,201,505</b>	<b>4,847,699</b>
<b>Finished goods:</b>					
Finished goods - opening	77,304	50,567	86,260	214,131	304,686
Finished goods - closing	(146,215)	(106,136)	(159,362)	(411,713)	(301,467)
	(68,911)	(55,569)	(73,102)	(197,582)	3,219
Less: Inter division cost	(750,026)	-	(380,894)	(1,130,920)	(998,985)
	3,181,650	621,008	1,070,345	4,873,003	3,851,933
<b>13.5 Raw material consumed</b>					
Opening inventory	886,775	21,141	309,261	1,217,177	1,015,185
Purchases	3,752,844	263,173	1,476,330	5,492,347	4,181,137
	4,639,619	284,314	1,785,591	6,709,524	5,196,322
Less: Closing inventory	(1,233,578)	(25,473)	(531,847)	(1,790,898)	(1,480,980)
	3,406,041	258,841	1,253,744	4,918,626	3,715,342

# Murree Brewery Company Limited

## Notes to the condensed interim financial information (unaudited)

For the Six months ended 31 December 2021

### 14 TRANSACTION WITH RELATED PARTIES

Related parties comprise of directors, entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, staff retirement funds and key management personnel. The transactions and balances as of this reporting date with the related parties are disclosed as follows:

Name of related party	Nature of relationship	Percentage of share holding	Nature of transaction during the year	Six months ended 31 December	
				(Unaudited)	(Unaudited)
				2021	2020
				(Rs.'000)	(Rs.'000)
1) D.P. Edulji & Company (Private) Ltd	Associated Company on account of common directorship	17.75	Sales commission	89,934	62,263
			Services acquired	9,060	8,100
			Dividend	62,602	48,930
2) Kingsway Fund	Associated Company	23.58	Dividend	83,167	67,399
3) Board of Directors	Directors	20.30	Dividend	71,600	56,157
4) Directors' relatives	Directors' relatives	16.75	Dividend	59,070	74,217
5) Staff retirement plan - Provident fund	Staff retirement funds	Nil	Contribution by the Company	4,424	4,292
6) Staff retirement plan - Pension fund	Staff retirement funds	Nil	Contribution by the Company	2,669	2,898
7) Bhandara Foundation	Chief Executive Officer acts as a Trustee	Nil	Contribution by the Company	1,500	1,500

- 14.1 The aggregate amounts charged for the remuneration including benefits and perquisites to Chief Executive Officer and Executives for the period amounted to Rs 8.31 million and Rs 24.32 million (31 December 2020: Rs. 4.20 million and Rs. 24.99 million) respectively. Further, free furnished accommodation has been provided to the Chief Executive Officer and certain executives. Company maintained vehicles have also been provided to the Chief Executive Officer and certain executives; the carrying values of which amounted to Rs. 7.69 million at the reporting date. (31 December 2020: Rs. 8.43 million).

# Murree Brewery Company Limited

Notes to the condensed interim financial information (unaudited)

For the Six months ended 31 December 2021

## 15 FINANCIAL INSTRUMENTS

### A FAIR VALUES

#### 15.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

On-balance sheet financial instruments	Fair value through profit or loss	Carrying amount		Fair value					
		Amortized cost	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total	
			(Rs. '000)						
31 December 2021 - Unaudited	Note		(Rs. '000)						(Rs. '000)
<b>Financial assets measured at fair value</b>									
Shares of listed companies		6	-	-	6	-	-	-	6
Mutual funds		1,649,506	-	-	1,649,506	-	-	-	1,649,506
		1,649,506	-	-	1,649,506	-	-	-	1,649,506
<b>Financial assets not measured at fair value</b>									
Long term advances	15.4	-	14,786	-	14,786	-	-	-	-
Long term investments	15.5	-	512,950	-	512,950	-	512,950	-	512,950
Long term deposits	15.4	39,713	-	-	39,713	-	-	-	-
Trade debts	15.4	-	16,993	-	16,993	-	-	-	-
Advances and other receivables	15.2 & 15.4	-	689,800	-	689,800	-	-	-	-
Cash and bank balances	9 & 15.4	39,713	1,570,800	-	1,570,800	-	-	-	-
			2,805,329	-	2,845,042	-	512,950	-	512,950
<b>Financial liabilities not measured at fair value</b>									
Long term loan	15.4	-	-	254,642	254,642	-	-	-	-
Lease liabilities	15.4	-	-	20,889	20,889	-	-	-	-
Trade and other payables	15.3 & 15.4	-	-	632,579	632,579	-	-	-	-
Unpaid dividend	15.4	-	-	81,956	81,956	-	-	-	-
Unclaimed dividend	15.4	-	-	35,089	35,089	-	-	-	-
				1,025,155	1,025,155	-	-	-	-

# Murree Brewery Company Limited

Notes to the condensed interim financial information (unaudited)

For the Six months ended 31 December 2021

	Fair value through profit or loss	Carrying amount		Fair value				
		Amortized Cost	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
		(Rs,000)		(Rs,000)				
On-balance sheet financial instruments								
30 June 2021 - Audited								
Financial assets measured at fair value								
Shares of listed companies	6	-	-	6	6	-	-	6
Mutual funds	1,993,768	-	-	1,993,768	1,993,768	-	-	1,993,768
	1,993,774	-	-	1,993,774	1,993,774	-	-	1,993,774
Financial assets not measured at fair value								
Long term advances	-	13,948	-	13,948	-	-	-	-
Long term investments	-	514,466	-	514,466	-	502,377	-	502,377
Long term deposits	38,066	-	-	38,066	-	-	-	-
Trade debts	-	31,372	-	31,372	-	-	-	-
Advances and other receivables	-	16,732	-	16,732	-	-	-	-
Cash and bank balances	38,066	2,197,788	-	2,197,788	-	-	-	-
		2,774,306	-	2,812,372	-	502,377	-	502,377
Financial liabilities not measured at fair value								
Long term loan	15.4	-	281,166	281,166	-	-	-	-
Lease liabilities	15.4	-	25,800	25,800	-	-	-	-
Trade and other payables	15.3 & 15.4	-	908,290	908,290	-	-	-	-
Unpaid dividend	15.4	-	76,003	76,003	-	-	-	-
Unclaimed dividend	15.4	-	32,579	32,579	-	-	-	-
		-	1,323,838	1,323,838	-	-	-	-

15.2 It excludes advances to suppliers and prepayments.

15.3 It excludes contract liabilities, withholding tax payable, sales tax payable, excise duty payable, export duty payable on PMFL and beer, unearned income, Worker's Welfare Fund (WWF) and Zila tax payable.

15.4 The Company has not disclosed the fair values for these financial assets and financial liabilities because their carrying amounts are a reasonable approximation of fair value.

15.5 There is no change in valuation techniques at the reporting date, for details note 44.5.1 of the annual financial statements for the year ended 30 June 2021 is to be referred.

# Murree Brewery Company Limited

Notes to the condensed interim financial information (unaudited)  
*For the Six months ended 31 December 2021*

## 16 CORRESPONDING FIGURES

Corresponding figures have been reclassified for the purposes of comparison and better presentation. These reclassifications have no impact on previously reported profit or equity.

## 17 DATE OF APPROVAL

These condensed interim unaudited financial statements was approved by the Board of Directors of the Company in their meeting held on 25<sup>th</sup> February 2022 .

## 18 NON ADJUSTING EVENTS AFTER REPORTING DATE

- 18.1 The Board of Directors in their meeting held on 25<sup>th</sup> February 2022 , has declared an interim cash dividend @100% (i.e. Rs 10 per share) for the year ending 30 June 2022.

## 19 GENERAL

- Figures have been re-arranged / re-classified wherever necessary for the purpose of comparison.
- Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

**BOOK POST**  
PRINTED MATTER



**Estd.**

**1860**

**Murree Brewery Company Limited**

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