



HIGHNOON
LABORATORIES LTD.

Q3 REPORT 2015



growth
by innovation

Contents

Vision, Mission & Corporate Objectives	1
Company Information	2
Chairman's Review	3
Condensed Interim Financial Information	4
Condensed Interim Balance Sheet	5
Condensed Interim Profit & Loss Account	7
Condensed Interim Statement of Comprehensive Income	8
Condensed Interim Cash Flow Statement	9
Condensed Interim Statement of Changes In Equity	11
Selected Notes to the Condensed Interim Financial Information	12
Condensed Interim Consolidated Financial Information	18
Condensed Interim Consolidated Balance Sheet	19
Condensed Interim Consolidated Profit & Loss Account	21
Condensed Interim Consolidated Statement of Comprehensive Income	22
Condensed Interim Consolidated Cash Flow Statement	23
Condensed Interim Consolidated Statement of Changes In Equity	25
Selected Notes to the Condensed Interim Consolidated Financial Information	26

Vision

We at Highnoon Laboratories Limited understand the duties of being responsible corporate citizen and stand true to our conviction and promise to work for the betterment and prosperity of our people.

“Highnoon for a Healthier Nation”

Mission

We strive to maintain excellence in our business practices with the objective to benefit the medical community, consumers, stakeholders and employees; and to improve quality of life by providing quality products.

Corporate Objectives

Excel in meeting customer needs.
Maintain leadership in national pharmaceutical industry.
Gain confidence of Doctors, Pharmacists and Consumers who use our products.
Seek employee involvement, continuous improvement and enhanced performance goals.
Enhance export business.

Company Information

Board of Directors	Mr. Tausif Ahmad Khan Mr. Anees Ahmad Khan Dr. Adeel Abbas Mr. Ghulam Hussain Khan Mr. Taufiq Ahmed Khan Mr. Shazib Masud Mrs. Zainub Abbas	Chairman Vice Chairman Chief Executive Officer
Chief Financial Officer	Mr. Javed Hussain Tel: +92(42)37511953 Email: javed@highnoon.com.pk	
Company Secretary	Mr. Khadim Hussain Mirza Tel: +92(42)37510036 Email: khadim@highnoon.com.pk	
Bankers	Habib Bank Limited United Bank Limited Faysal Bank Limited J.S. Bank Limited Allied Bank Limited Standard Chartered Bank (Pakistan) Limited	
Registered, Head Office & Plant	17.5 Kilometer Multan Road, Lahore - 53700, Pakistan UAN: 111 000 465 Fax: +92 (42) 37510037 Email: info@highnoon.com.pk URL: www.highnoon-labs.com	
Legal Advisors	Raja Muhammad Akram & Company	
Tax Advisors	Yousuf Islam & Associates	
Auditors	Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants	
Shares Registrar	Corplink (Pvt) Ltd. Wings Arcade, 1-K Commercial, Model Town, Lahore. Tel: +92 (42) 35916714, 35916719, Fax: +92 (42) 35869637	

CHAIRMAN'S REVIEW

It is my pleasure to present the financial information of the Company as well as of the Group for the nine months ended 30 September 2015.

The Company generated net sales revenue of Rs.3,208 million during the period under review compared to Rs.2,737 million in the same period last year registering a growth of 17 percent. Gross margin increased by 4% for the period reflecting the benefit of strong sales growth as well as continued focus on supply chain initiatives and productivity improvements. Distribution and sales promotion expenses increased by 23 percent over last year primarily due to increase in the size of sales team, increased promotional focus on our core brands and new product launches. Administrative and general expenses were contained and remained within limits. After providing for all expenses and charges profit after taxation stood at Rs. 299 million against profit after tax of Rs.190 million during the same period last year as a result EPS increased from Rs.9.33 to Rs.14.67.

We continue to work on productivity and yield improvement in our manufacturing operations. Modernization and expansion of the production facilities and compliance with CGMP remain under focus. Currently upgradation of solid manufacturing area is under way and new machines are being added in the Granulation, Compression, Coating and Blistering areas to support growth and fortify the position of the Company as a leader in pharmaceutical manufacturing.

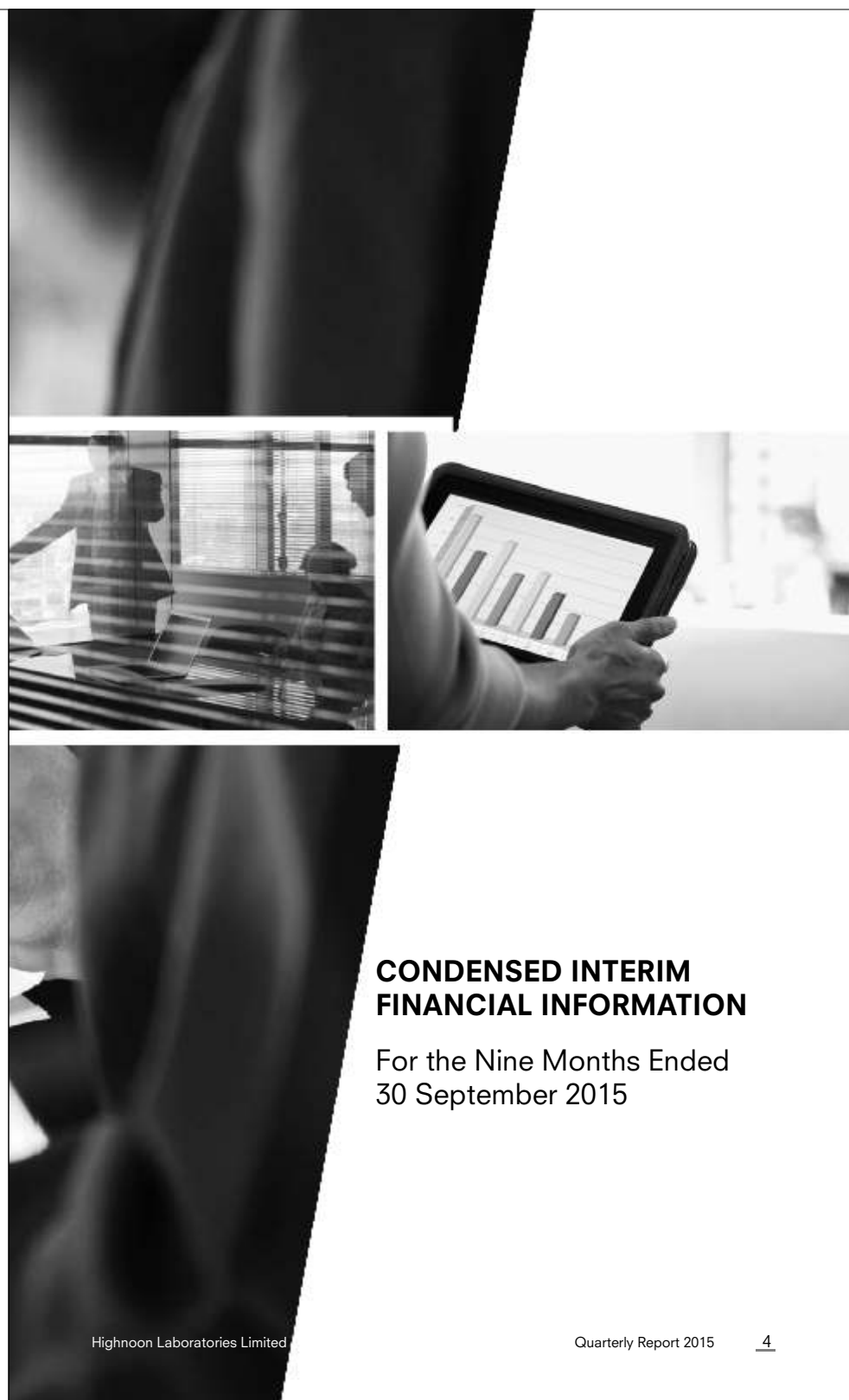
The Company acquired controlling shares in Biocef (Private) Limited subsequent to the approval in Shareholders' meeting, the consolidated results include the financial results of the Subsidiary.

On behalf of the Board, I would like to express my sincere gratitude to the shareholders, Doctors , Pharmacist, Consumers, Business partners and the Bankers for the continued patronage and business and to the employees and management for their continued, dedicated, untiring efforts and hard work.

For & On behalf of the Board

Lahore: 28 October 2015

Tausif Ahmad Khan
Chairman



CONDENSED INTERIM FINANCIAL INFORMATION

For the Nine Months Ended
30 September 2015

CONDENSED INTERIM BALANCE SHEET

Un Audited Audited
30 September 31 December
2015 2014
Note ----- (Rupees) -----

EQUITY AND LIABILITIES

Share Capital and Reserves

Authorized Share Capital

25,000,000 (31 December 2014: 20,000,000)

Ordinary shares of Rs. 10 each

250,000,000	200,000,000
-------------	-------------

Share capital

203,621,790	181,805,170
-------------	-------------

Reserves

896,835,313	731,355,424
-------------	-------------

1,100,457,103	913,160,594
---------------	-------------

Surplus on revaluation of fixed assets

214,434,889	221,160,158
-------------	-------------

Non Current Liabilities

Liabilities against assets subject to finance lease

46,899,458	30,273,913
------------	------------

Long term advances

22,823,973	13,056,828
------------	------------

Deferred liabilities

273,530,057	269,169,709
-------------	-------------

343,253,488	312,500,450
-------------	-------------

Current Liabilities

Trade and other payables

419,935,130	409,027,390
-------------	-------------

Income Tax - Net

100,723,915	55,637,689
-------------	------------

Markup payable on secured loans

5,333	224,687
-------	---------

Current portion of long term liabilities

38,219,495	33,282,639
------------	------------

558,883,873	498,172,405
-------------	-------------

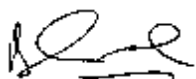
TOTAL EQUITY AND LIABILITIES

2,217,029,353	1,944,993,607
---------------	---------------

CONTINGENCIES AND COMMITMENTS

5

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.



DR. ADEEL ABBAS
CHIEF EXECUTIVE OFFICER

AS AT 30 SEPTEMBER 2015

Un Audited Audited
30 September 31 December
2015 2014
Note ----- (Rupees) -----

ASSETS

Non Current Assets

Property, plant and equipment

6	827,117,434	759,544,053
---	-------------	-------------

Intangible assets

	50,693,533	63,510,996
--	------------	------------

Long term Investment

7	47,300,800	-
---	------------	---

Long term deposits

	1,562,054	1,562,054
--	-----------	-----------

	926,673,821	824,617,103
--	-------------	-------------

Current Assets

Stock in trade

8	721,504,938	634,792,103
---	-------------	-------------

Trade debts

	77,721,197	75,535,273
--	------------	------------

Advances

	66,729,540	43,258,150
--	------------	------------

Trade deposits and short term prepayments

	24,168,856	17,637,699
--	------------	------------

Profit accrued

	-	359,589
--	---	---------

Other receivables

	2,243,712	1,485,660
--	-----------	-----------

Balance with statutory authorities

	8,272,679	11,983,557
--	-----------	------------

Cash and bank balances

	389,714,610	335,324,473
--	-------------	-------------

	1,290,355,532	1,120,376,504
--	---------------	---------------

TOTAL ASSETS

	2,217,029,353	1,944,993,607
--	---------------	---------------




ANEES AHMAD KHAN
DIRECTOR

**CONDENSED INTERIM
PROFIT AND LOSS ACCOUNT (UN AUDITED)**
For the Nine Month Ended 30 September 2015

	Note	Nine Month Ended 30 September		Three Month Ended 30 September	
		2015	2014	2015	2014
		----- (Rupees) -----		----- (Rupees) -----	
Sales - net	9	3,208,090,279	2,737,057,705	1,041,626,196	894,993,631
Cost of sales	10	(1,686,600,963)	(1,565,509,376)	(537,122,739)	(494,211,223)
Gross profit		1,521,489,316	1,171,548,329	504,503,457	400,782,408
Operating expenses					
Distribution, selling and promotional		(845,645,573)	(686,027,127)	(276,232,266)	(232,878,043)
Administrative and general		(186,541,154)	(155,457,718)	(61,357,525)	(51,824,233)
Research and development		(2,349,576)	(2,183,928)	(784,307)	(874,367)
Other operating charges		(42,606,393)	(32,188,048)	(11,416,210)	(11,771,278)
		(1,077,142,696)	(875,856,821)	(349,790,308)	(297,347,921)
		444,346,620	295,691,508	154,713,149	103,434,487
Other income		25,279,621	7,586,008	2,005,253	733,545
Operating profit		469,626,241	303,277,516	156,718,402	104,168,032
Finance cost		(8,103,864)	(14,142,739)	(2,661,976)	(5,299,271)
Profit before taxation		461,522,377	289,134,777	154,056,426	98,868,761
Taxation		(162,777,776)	(99,063,000)	(51,221,466)	(38,500,000)
Profit after taxation		298,744,601	190,071,777	102,834,960	60,368,761
			Restated		Restated
Earnings per share-basic and diluted		14.67	9.33	5.05	2.96

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.


DR. ADEEL ABBAS
CHIEF EXECUTIVE OFFICER



ANEES AHMAD KHAN
DIRECTOR

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN AUDITED)**
For the Nine Month Ended 30 September 2015

	Nine Month Ended 30 September	
	2015	2014
	----- (Rupees) -----	
Profit after tax for the period	298,744,601	190,071,777
Other comprehensive income	-	-
Total comprehensive income for the period	298,744,601	190,071,777

Surplus arising on 'revaluation of fixed assets' is presented under a separate head below equity as 'surplus on revaluation of fixed assets' in accordance with the requirements specified by the Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O.45(I)/2003 dated 13 January 2003 and section 235 of Companies Ordinance, 1984 respectively.

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.


DR. ADEEL ABBAS
CHIEF EXECUTIVE OFFICER


ANEES AHMAD KHAN
DIRECTOR

**CONDENSED INTERIM
CASH FLOW STATEMENT (UN AUDITED)
For the Nine Month Ended 30 September 2015**

	Nine Month Ended 30 September	
	2015	2014
----- (Rupees) -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	461,522,377	289,134,777
Adjustments for non-cash and other items:		
Depreciation	60,605,902	57,695,434
Amortization of intangible assets	13,662,819	13,549,635
Gain on disposal of property, plant and equipment	(4,982,882)	(4,406,589)
Exchange loss	3,503,136	6,071,356
Provision for defined benefit obligation	20,409,492	31,505,832
Finance cost	8,103,864	14,142,739
	<u>101,302,331</u>	<u>118,558,407</u>
Profit before working capital changes	562,824,708	407,693,184
Working Capital Changes		
<i>(Increase)/decrease in current assets:</i>		
Stock in trade	(86,712,835)	(34,751,280)
Trade debts	(2,185,924)	(17,318,923)
Advances	(23,471,390)	1,971,379
Trade deposits and prepayments	(6,531,157)	-
Balances with statutory authorities	3,710,878	5,964,375
Profit accrued	359,589	-
Other receivables	(758,052)	(116,698)
	<u>4,906,588</u>	<u>46,627,094</u>
	(110,682,303)	2,375,947
Cash generated from operations	452,142,405	410,069,131
Taxes paid	(114,890,057)	(49,404,907)
Gratuity paid	(18,850,637)	(13,278,869)
Finance cost paid	(2,532,159)	(10,169,946)
Long term advances-net	6,982,922	3,562,162
Net cash generated from operating activities	<u>322,852,474</u>	<u>340,777,571</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(79,086,155)	(32,657,240)
Long term investment	(47,300,800)	-
Intangible assets acquired	(845,356)	(942,884)
Proceeds from disposal of property, plant and equipment	17,252,754	8,152,596
Net cash flow used in investing activities	<u>(109,979,557)</u>	<u>(25,447,528)</u>

	Nine Month Ended 30 September	
	2015	2014
----- (Rupees) -----		
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of finance lease liabilities	(42,807,435)	(20,139,425)
Long term financing repayment	-	(50,000,000)
Short term borrowings- net	-	(73,203)
Dividend paid	(115,675,345)	(79,418,027)
Net cash flow used in financing activities	<u>(158,482,780)</u>	<u>(149,630,655)</u>
Net increase in cash and cash equivalents	54,390,137	165,699,388
Cash and cash equivalents at beginning of the period	335,324,473	49,533,292
Cash and cash equivalents at end of the period	<u>389,714,610</u>	<u>215,232,680</u>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.



DR. ADEEL ABBAS
CHIEF EXECUTIVE OFFICER




ANEES AHMAD KHAN
DIRECTOR

**CONDENSED INTERIM STATEMENT
OF CHANGES IN EQUITY (UN AUDITED)**
For the Nine Month Ended 30 September 2015

	Share Capital	Revenue Reserves			Total
		General Reserves	Unappropriated Profit	Sub Total	
----- Rupees -----					
Balance as at 01 January 2014	181,805,170	114,000,000	419,568,145	533,568,145	715,373,315
Profit for the period ended 30 September 2014	-	-	190,071,777	190,071,777	190,071,777
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	190,071,777	190,071,777	190,071,777
Final dividend @ Rs. 4.50 per share for the year ended 31 December 2013	-	-	(81,812,327)	(81,812,327)	(81,812,327)
Incremental depreciation relating to surplus on revaluation of fixed assets - net of tax	-	-	6,246,151	6,246,151	6,246,151
Balance as at 30 September 2014	<u>181,805,170</u>	<u>114,000,000</u>	<u>534,073,746</u>	<u>648,073,746</u>	<u>829,878,916</u>
Balance as at 01 January 2015	181,805,170	114,000,000	617,355,424	731,355,424	913,160,594
Profit for the period ended 30 September 2015	-	-	298,744,601	298,744,601	298,744,601
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	298,744,601	298,744,601	298,744,601
Issuance of bonus shares @ 12%	21,816,620	-	(21,816,620)	(21,816,620)	-
Final dividend @ Rs. 6.50 per share for the year ended 31 December 2014	-	-	(118,173,361)	(118,173,361)	(118,173,361)
Incremental depreciation relating to surplus on revaluation of fixed assets - net of tax	-	-	6,725,269	6,725,269	6,725,269
Balance as at 30 September 2015	<u>203,621,790</u>	<u>114,000,000</u>	<u>782,835,313</u>	<u>896,835,313</u>	<u>1,100,457,103</u>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.


DR. ADEEL ABBAS
CHIEF EXECUTIVE OFFICER


ANEES AHMAD KHAN
DIRECTOR

**SELECTED NOTES TO THE CONDENSED
INTERIM
FINANCIAL INFORMATION (UN AUDITED)**
For the Nine Month Ended 30 September 2015

1. THE COMPANY AND ITS OPERATIONS

Highnoon Laboratories Limited ("the Company") was incorporated as a private limited company in Pakistan in 1984 and converted into an unquoted public limited company in 1985. Its shares are quoted on all three stock exchanges in Pakistan since November 1994. The Company is principally engaged in the manufacture, import, sale and marketing of pharmaceutical and allied consumer products. The registered office of the Company is situated at 17.5 Km, Multan Road, Lahore.

2. STATEMENT OF COMPLIANCE

- 2.1 This condensed interim financial information of the Company for the Nine months ended 30 September 2015 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.
- 2.2 This condensed interim financial information is un-audited and is being submitted to shareholders, as required by section 245 of the Companies Ordinance, 1984.

3. BASIS OF PREPARATION

- 3.1 This condensed interim financial information does not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 December 2014.
- 3.2 The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the Company for the year ended 31 December 2014 except for as disclosed in note 3.3 below.
- 3.3 The Company has adopted the following revised standard, amendments and interpretation of IFRSs which became effective for the current period:

IFRS 10 – Consolidated Financial Statements

IFRS 10 – Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities (Amendment)

IFRS 11 – Joint Arrangements

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 13 – Fair Value Measurement

IFRS 19 – Employee Benefits - (Amendments)- Defined Benefit Plans: Employee Contribution

The adoption of the above amendment to accounting standards did not have any effect on the condensed interim financial statements.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation are the same as those that applied to the financial statements for the year ended 31 December 2014.

5. CONTINGENCIES AND COMMITMENTS

Contingencies:

There is no significant change in the contingencies since the date of preceding published annual financial statements.

Commitments:

Commitments against irrevocable letters of credit include:

	Un Audited 30 September 2015	Audited 31 December 2014
Note	----- (Rupees) -----	
Raw materials	228,096,187	165,343,886
Packing materials	48,753,958	34,306,061
Finished goods	20,319,000	8,295,000
Plant and machinery	12,644,328	-
	<u>309,813,473</u>	<u>207,944,947</u>

6. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets - (owned)	(6.1)	699,054,689	669,818,556
Operating fixed assets - (leased)	(6.2)	123,509,255	81,423,968
Capital work-in-progress	(6.3)	4,553,490	8,301,529
		<u>827,117,434</u>	<u>759,544,053</u>

6.1 Operating fixed assets (owned)

Opening book value		669,818,556	694,898,950
Add: Additions during the period / year - cost	(6.1.1)	82,834,194	39,442,119
Transferred during the period / year -vehicles		5,184,768	7,625,855
		88,018,962	47,067,974
Less: Deletions during the period / year	(6.1.2)	12,269,872	7,932,174
Depreciation during the period / year		46,512,957	64,216,194
		58,782,829	72,148,368
Book value at the end of the period / year		<u>699,054,689</u>	<u>669,818,556</u>

6.1.1 Additions during the period / year - cost

Building on freehold land		2,282,599	-
Plant and machinery	-	39,396,628	2,975,340
Laboratory equipment		1,357,400	8,814,112
Furniture and fixtures		720,371	155,928
Electric and gas appliances		2,846,248	1,162,400
Office equipment		2,223,331	1,971,739
Vehicles		34,007,617	24,362,600
		<u>82,834,194</u>	<u>39,442,119</u>

Un Audited
30 September
2015

Audited
31 December
2014

Note ----- (Rupees) -----

6.1.2 Deletions during the period / year - WDV

Plant and machinery		2,172,389	-
Office equipment		222,056	367,501
Vehicles		9,875,427	7,564,673
		<u>12,269,872</u>	<u>7,932,174</u>

6.2 Operating fixed assets (leased)

Opening book value		81,423,968	52,614,628
Add: Additions during the period / year	(6.2.1)	61,363,000	50,944,000
		142,786,968	103,558,628
Less: Transfers during the period / year - vehicles		(5,184,768)	7,625,855
Depreciation during the period / year		(14,092,945)	14,508,805
		(19,277,713)	22,134,660
Book value at the end of the period / year		<u>123,509,255</u>	<u>81,423,968</u>

6.2.1 Additions during the period / year - cost

Plant and machinery		15,694,000	-
Vehicles		45,669,000	50,944,000
		<u>61,363,000</u>	<u>50,944,000</u>

6.3 Capital work in progress

Civil works		387,520	1,763,058
Plant and machinery - owned		3,475,570	2,967,471
Advance to suppliers (for purchase of vehicles)		690,400	3,571,000
		<u>4,553,490</u>	<u>8,301,529</u>

7. LONG TERM INVESTMENT

Subsidiary Company -Unlisted			
Biocef (Private) Limited			
4,430,080 (2014: Nil) ordinary shares of Rs.10 each		44,300,800	-
Equity held: 80% (2014: Nil)			
Share deposit money		3,000,000	-
		<u>47,300,800</u>	<u>-</u>

During the year the shareholders of the Company approved in an extra ordinary general meeting to make long term equity investment of up to Rs.156.50 million by acquisition of shares of Biocef (Private) Limited, an associated company. The Company has initially made an equity investment of Rs. 44.30 million by acquiring 4.43 million shares (80% of total existing shareholdings) at face value of Rs.10 from existing shareholders. The Company subsequent to initial acquisition injected Rs.3 million in Subsidiary Company as share deposit money.

Biocef (Private) Limited was incorporated on 10 June 2015 as a private limited company with an authorized share capital of Rs.100 million. It is set up with principle object to carry on business as manufacturers, importers, exporters, producers, preparers, refiners, buyers, seller and dealers of all kinds of pharmaceutical, drugs, medicines medicaments, basic raw material, herbs salts, acids, alkalis, chemical & surgical material, instruments and appliances patent and proprietary articles. It owns Greenfield pharmaceuticals project that envisages production of cephalosporin drugs.

Investment into Subsidiary Company will provide the Company with an access to a dedicated Cephalosporin manufacturing facility and a quick entry into the Cephalosporin market.

8. STOCK IN TRADE

	Un Audited 30 September 2015	Audited 31 December 2014
	----- (Rupees) -----	
Raw materials		
In hand	364,285,004	298,815,977
In transit	-	10,094,743
	364,285,004	308,910,720
Packing materials		
In hand	129,560,929	120,532,834
Work in process	71,660,226	55,356,113
Finished goods		
In hand	150,909,639	149,221,552
With third party	5,089,140	770,884
	155,998,779	149,992,436
	<u>721,504,938</u>	<u>634,792,103</u>

Un-Audited			
Nine Months Ended 30 September		Three Month Ended 30 September	
2015	2014	2015	2014
----- Rupees -----			

9. SALES - net

Manufactured products				
Local	2,900,140,476	2,504,457,988	976,395,010	812,440,342
Export	194,471,369	179,008,893	45,348,172	54,121,520
	3,094,611,845	2,683,466,881	1,021,743,182	866,561,862
Purchased products-Local	53,810,052	25,934,674	17,728,746	8,875,543
Third Party	300,951,045	252,835,874	79,603,782	87,967,591
	3,449,372,942	2,962,237,429	1,119,075,710	963,404,996
Less: Discount	232,085,205	218,132,209	75,283,276	67,092,585
Sales tax	9,197,458	7,047,515	2,166,238	1,318,780
	241,282,663	225,179,724	77,449,514	68,411,365
	<u>3,208,090,279</u>	<u>2,737,057,705</u>	<u>1,041,626,196</u>	<u>894,993,631</u>

10. COST OF SALES

Opening stock of finished goods (excluding purchased products)	140,089,826	102,090,848	109,880,781	79,047,644
Cost of goods manufactured	1,639,770,316	1,545,245,956	539,949,461	508,406,391
	1,779,860,142	1,647,336,804	649,830,242	587,454,035
Closing stock of finished goods	(125,689,491)	(99,314,973)	(125,689,491)	(99,314,973)
Cost of sales - Manufactured	1,654,170,651	1,548,021,831	524,140,751	488,139,062
Cost of sales - Purchased products	32,430,312	17,487,545	12,981,988	6,072,161
	<u>1,686,600,963</u>	<u>1,565,509,376</u>	<u>537,122,739</u>	<u>494,211,223</u>

11. RELATED PARTY TRANSACTIONS

The related parties comprises subsidiary & associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties other than equity investment in an associated company as disclosed in note 7 are stated as below:

	Un-Audited			
	Nine Months Ended 30 September		Three Month Ended 30 September	
	2015	2014	2015	2014
	----- Rupees -----			
11.1 Sales of goods				
Associated Company	19,784,736	60,866,229	2,908,007	17,234,664
11.2 Contribution towards employees' benefits				
Staff provident fund	13,765,260	11,335,236	4,647,791	3,736,555
Employees' welfare trust	1,196,000	965,945	421,250	333,750
11.3 Remuneration				
CEO	7,430,381	9,558,167	2,914,599	3,227,450
Directors	18,942,776	22,400,007	6,068,431	8,595,598
Executives	154,105,781	139,678,632	64,984,441	44,060,026

	Un Audited 30 September 2015	Audited 31 December 2014
	----- (Rupees) -----	
11.4 The outstanding balances of such parties are as under:		
Relationship with the Company	Nature of balance	
Associated company	Creditors	<u>402,527</u> <u>462,917</u>
Staff provident fund	Contribution payable	<u>3,098,064</u> <u>2,530,613</u>


12. DATE OF AUTHORIZATION FOR ISSUANCE

The Board of Directors of the Company authorized the financial information for issuance on 28 October 2015.

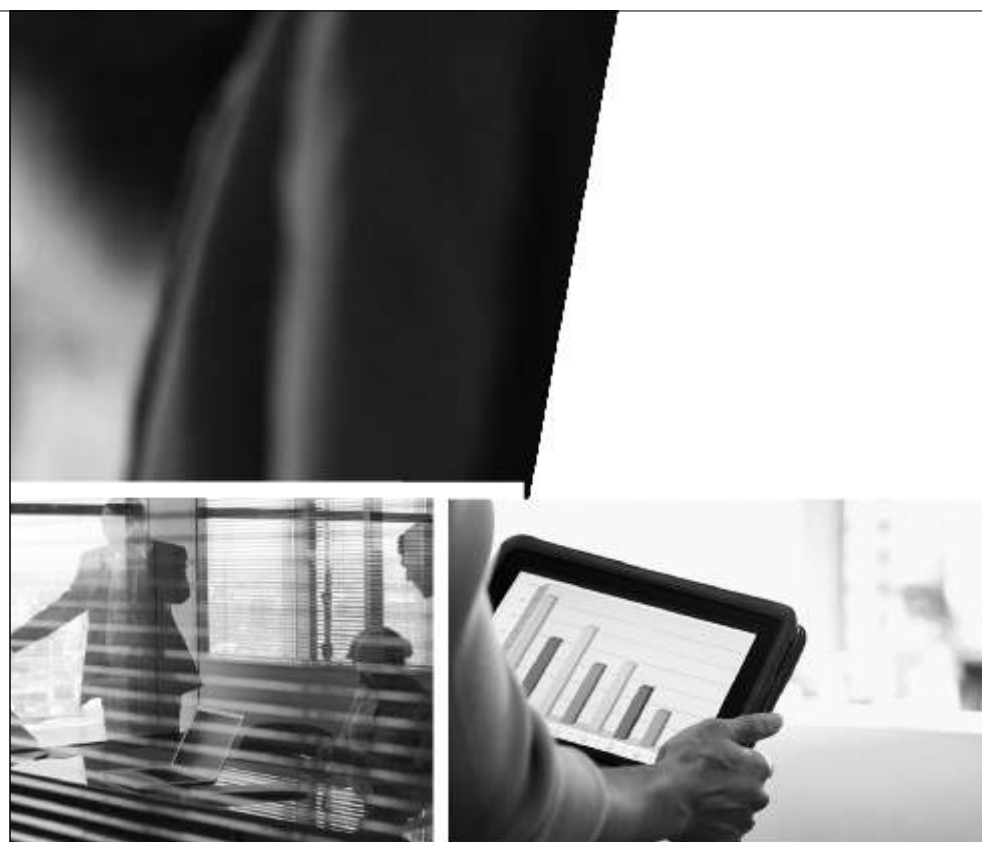
13. GENERAL

13.1 Provisions in respect of Worker's Welfare Fund, Worker's Profit Participation Fund, defined benefit plan and Taxation are estimated and these are subject to final adjustment in the annual audited financial statements.

13.2 Figures have been rounded off to the nearest rupee.


DR. ADEEL ABBAS
CHIEF EXECUTIVE OFFICER


ANEES AHMAD KHAN
DIRECTOR



**CONDENSED INTERIM
CONSOLIDATED
FINANCIAL INFORMATION**

For the Nine Months Ended
30 September 2015

HIGHNOON GROUP

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET

Un Audited Audited
30 September 31 December
2015 2014

Note ----- (Rupees) -----

EQUITY AND LIABILITIES

Share Capital and Reserves

Authorized Share Capital

25,000,000 (31 December 2014: 20,000,000)

Ordinary shares of Rs. 10 each

250,000,000 200,000,000

Share capital

203,621,790 181,805,170

Reserves

896,671,670 731,355,424

Attributable to shareholders' of the Holding Company

1,100,293,460 913,160,594

Non-Controlling Interest

10,819,375 -

Total Equity

1,111,112,835 913,160,594

Surplus on revaluation of fixed assets

214,434,889 221,160,158

Non Current Liabilities

Liabilities against assets subject to finance lease

46,899,458 30,273,913

Long term advances

22,823,973 13,056,828

Deferred liabilities

273,530,057 269,169,709

343,253,488 312,500,450

Current Liabilities

Trade and other payables

420,025,308 409,027,390

Income tax - net

100,723,915 55,637,689

Markup payable on secured loans

5,333 224,687

Current portion of long term liabilities

38,219,495 33,282,639

558,974,051 498,172,405

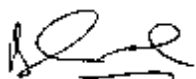
TOTAL EQUITY AND LIABILITIES

2,227,775,263 1,944,993,607

CONTINGENCIES AND COMMITMENTS

6

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial information.



DR. ADEEL ABBAS
CHIEF EXECUTIVE OFFICER

AS AT 30 SEPTEMBER 2015

Un Audited Audited
30 September 31 December
2015 2014

Note ----- (Rupees) -----

ASSETS

Non Current Assets

Property, plant and equipment

7 882,868,984 759,544,053

Intangible assets

50,693,533 63,510,996

Goodwill

8 863,566 -

Long term deposits

1,562,054 1,562,054

935,988,137 824,617,103

Current Assets

Stock in trade

9 721,504,938 634,792,103

Trade debts

77,721,197 75,535,273

Advances

66,729,540 43,258,150

Trade deposits and short term prepayments

24,168,856 17,637,699

Profit accrued

- 359,589

Other receivables

2,243,712 1,485,660

Balance with statutory authorities

8,272,679 11,983,557

Cash and bank balances

391,146,204 335,324,473

1,291,787,126 1,120,376,504

TOTAL ASSETS

2,227,775,263 1,944,993,607




ANEES AHMAD KHAN
DIRECTOR

HIGHNOON GROUP
CONDENSED INTERIM CONSOLIDATED
PROFIT AND LOSS ACCOUNT
For The Nine Months Ended 30 September 2015

	Note	Nine Month Ended 30 September		Three Month Ended 30 September	
		2015	2014	2015	2014
		----- (Rupees) -----		----- (Rupees) -----	
Sales - net	10	3,208,090,279	2,737,057,705	1,041,626,196	894,993,631
Cost of sales	11	(1,686,600,963)	(1,565,509,376)	(537,122,739)	(494,211,223)
Gross profit		1,521,489,316	1,171,548,329	504,503,457	400,782,408
Operating expenses					
Distribution, selling and promotional		(845,645,573)	(686,027,127)	(276,232,266)	(232,878,043)
Administrative and general		(186,745,711)	(155,457,718)	(61,562,082)	(51,824,233)
Research and development		(2,349,576)	(2,183,928)	(784,307)	(874,367)
Other operating charges		(42,606,393)	(32,188,048)	(11,416,210)	(11,771,278)
		(1,077,347,253)	(875,856,821)	(349,994,865)	(297,347,921)
		444,142,063	295,691,508	154,508,592	103,434,487
Other income		25,279,621	7,586,008	2,005,253	733,545
Operating profit		469,421,684	303,277,516	156,513,845	104,168,032
Finance cost		(8,102,708)	(14,142,739)	(2,660,820)	(5,299,271)
Profit before taxation		461,318,976	289,134,777	153,853,025	98,868,761
Taxation		(162,777,776)	(99,063,000)	(51,221,466)	(38,500,000)
Profit after taxation		298,541,200	190,071,777	102,631,559	60,368,761
Profit/(Loss) attributable to:					
Shareholders of the Holding Company		298,582,114	190,071,777	102,672,473	60,368,761
Non Controlling Interest		(40,914)	-	(40,914)	-
		298,541,200	190,071,777	102,631,559	60,368,761
			Restated		Restated
Earnings per share-basic and diluted		14.66	9.33	5.04	2.96

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial information.


DR. ADEEL ABBAS
CHIEF EXECUTIVE OFFICER



ANEES AHMAD KHAN
DIRECTOR

HIGHNOON GROUP
CONDENSED INTERIM CONSOLIDATED
STATEMENT OF COMPREHENSIVE
INCOME (UN-AUDITED)
For The Nine Months Ended 30 September 2015

	Nine Months Ended 30 September	
	2015	2014
	----- (Rupees) -----	
Profit after tax for the period	298,541,200	190,071,777
Other comprehensive income	-	-
Total comprehensive income for the period	298,541,200	190,071,777
Total comprehensive income / loss for the period attributable to:		
Shareholders of the Holding Company	298,582,114	190,071,777
Non Controlling Interest	(40,914)	-
	298,541,200	190,071,777

Surplus arising on 'revaluation of fixed assets' is presented under a separate head below equity as 'surplus on revaluation of fixed assets' in accordance with the requirements specified by the Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O.45(I)/2003 dated 13 January 2003 and section 235 of Companies Ordinance, 1984 respectively.

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial information.


DR. ADEEL ABBAS
CHIEF EXECUTIVE OFFICER



ANEES AHMAD KHAN
DIRECTOR

HIGHNOON GROUP
CONDENSED INTERIM CONSOLIDATED
CASH FLOW STATEMENT (UN-AUDITED)
For The Nine Months Ended 30 September 2015

	Nine Months Ended 30 September	
	2015	2014
<i>Note</i>	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	461,317,820	289,134,777
Adjustments for non-cash and other items:		
Depreciation	60,719,265	57,695,434
Amortization of intangible assets	13,662,819	13,549,635
Gain on disposal of property, plant and equipment	(4,982,882)	(4,406,589)
Exchange loss	3,503,136	6,071,356
Provision for defined benefit obligation	20,409,492	31,505,832
Finance cost	8,103,864	14,142,739
	<u>101,415,694</u>	<u>118,558,407</u>
Profit before working capital changes	562,733,514	407,693,184
Working Capital Changes		
<i>(Increase)/decrease in current assets:</i>		
Stock in trade	(86,712,835)	(34,751,280)
Trade debts	(2,185,924)	(17,318,923)
Advances	(23,471,390)	1,971,379
Trade deposits and prepayments	(6,531,157)	-
Balances with statutory authorities	3,710,878	5,964,375
Profit accrued	359,589	-
Other receivables	(758,052)	(116,698)
	<u>4,881,036</u>	<u>46,627,094</u>
	(110,707,855)	2,375,947
Cash generated from operations	452,025,659	410,069,131
Taxes paid	(114,890,057)	(49,404,907)
Gratuity paid	(18,850,637)	(13,278,869)
Finance cost paid	(2,532,159)	(10,169,946)
Long term advances-net	6,982,922	3,562,162
Net cash from operating activities	<u>322,735,728</u>	<u>340,777,571</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(79,284,154)	(32,657,240)
Acquisition of subsidiary-net of cash acquired	(44,288,984)	-
Intangible assets acquired	(845,356)	(942,884)
Proceeds from disposal of property, plant and equipment	17,252,754	8,152,596
Net cash flow used in investing activities	<u>(107,165,740)</u>	<u>(25,447,528)</u>

	Nine Months Ended 30 September	
	2015	2014
	----- (Rupees) -----	
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of finance lease liabilities	(42,807,435)	(20,139,425)
Long term financing repayment	-	(50,000,000)
Directors' loan repaid	(1,265,477)	-
Short term borrowings- net	-	(73,203)
Dividend paid	(115,675,345)	(79,418,027)
Net cash flow used in financing activities	<u>(159,748,257)</u>	<u>(149,630,655)</u>
Net increase in cash and cash equivalents	55,821,731	165,699,388
Cash and cash equivalents at beginning of the period	335,324,473	49,533,292
Cash and cash equivalents at end of the period	<u>391,146,204</u>	<u>215,232,680</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial information.



DR. ADEEL ABBASI
 CHIEF EXECUTIVE OFFICER


ANEES AHMAD KHAN
 DIRECTOR

HIGHNOON GROUP
CONDENSED INTERIM CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
For The Nine Months Ended 30 September 2015

	Attributable to owners of Holding Company			Non Controlling Interest	Total	
	Share Capital	Revenue Reserves				
	General Reserves	Unappropriated Profit	Sub Total			
----- Rupees -----						
Balance as at 01 January 2014	181,805,170	114,000,000	419,568,145	533,568,145	-	715,373,315
Profit for the period ended 30 September 2014	-	-	190,071,777	190,071,777	-	190,071,777
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	190,071,777	190,071,777	-	190,071,777
Final dividend @ Rs. 4.50 per share for the year ended 31 December 2013	-	-	(81,812,327)	(81,812,327)	-	(81,812,327)
Incremental depreciation relating to surplus on revaluation of fixed assets - net of tax	-	-	6,246,151	6,246,151	-	6,246,151
Balance as at 30 September 2014	<u>181,805,170</u>	<u>114,000,000</u>	<u>534,073,746</u>	<u>648,073,746</u>	<u>-</u>	<u>829,878,916</u>
Balance as at 01 January 2015	181,805,170	114,000,000	617,355,424	731,355,424	-	913,160,594
Acquisition of Subsidiary Company (Note-8)	-	-	-	-	10,860,289	10,860,289
Profit/ (loss) for the period ended 30 September 2015	-	-	298,580,958	298,580,958	(40,914)	298,540,044
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	298,580,958	298,580,958	(40,914)	298,540,044
Issuance of bonus shares @ 12%	21,816,620	-	(21,816,620)	(21,816,620)	-	-
Final dividend @ Rs. 6.50 per share for the year ended 31 December 2014	-	-	(118,173,361)	(118,173,361)	-	(118,173,361)
Incremental depreciation relating to surplus on revaluation of fixed assets - net of tax	-	-	6,725,269	6,725,269	-	6,725,269
Balance as at 30 September 2015	<u>203,621,790</u>	<u>114,000,000</u>	<u>782,671,670</u>	<u>896,671,670</u>	<u>10,819,375</u>	<u>1,111,112,835</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial information.


DR. ADEEL ABBAS
 CHIEF EXECUTIVE OFFICER


ANEES AHMAD KHAN
 DIRECTOR

HIGHNOON GROUP
SELECTED NOTES TO THE CONDENSED
INTERIM CONSOLIDATED
FINANCIAL INFORMATION
For The Nine Months Ended 30 September 2015

1. LEGAL STATUS AND NATURE OF OPERATIONS

The Highnoon Group ("the Group") comprises of holding company Highnoon Laboratories Limited ("HNL") and its subsidiary company Biocef (Private) Limited ("Biocef").

Highnoon Laboratories Limited ("the Holding Company") was incorporated as a private limited company in Pakistan in 1984 and converted into an unquoted public limited company in 1985. Its shares are quoted on all three stock exchanges in Pakistan since November 1994. The Company is principally engaged in the manufacture, import, sale and marketing of pharmaceutical and allied consumer products. The registered office of the Company is situated at 17.5 Km, Multan Road, Lahore.

Biocef (Private) Limited was incorporated on 10 June 2015 as a private limited company. It is set up with principle object to carry on business as manufacturers, importers, exporters, producers, preparers, refiners, buyers, seller and dealers of all kinds of pharmaceutical, drugs, medicines medicaments, basic raw material, herbs salts, acids, alkalis, chemical & surgical material, instruments and appliances patent and proprietary articles. It owns Greenfield pharmaceuticals project that envisages production of cephalosporin drugs.

The Holding Company acquired 80% shares of Biocef in September 2015 and it became subsidiary company of HNL.

2. STATEMENT OF COMPLIANCE

2.1 This condensed interim consolidated financial information of the Group for the Nine months ended 30 September 2015 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

2.2 This condensed interim consolidated financial information is un-audited and is being submitted to shareholders, as required by section 245 of the Companies Ordinance, 1984.

3. BASIS OF PREPARATION

3.1 This condensed interim consolidated financial information does not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Holding Company's annual financial statements as at 31 December 2014.

3.2 The accounting policies adopted for the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the preceding annual published financial statements of the Holding Company for the year ended 31 December 2014 except for as disclosed in note 3.3 below.

3.3 The Group has adopted the following revised standard, amendments and interpretation of IFRSs which became effective for the current period:

IFRS 10 – Consolidated Financial Statements

IFRS 10 – Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities (Amendment)

IFRS 11 – Joint Arrangements

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 13 – Fair Value Measurement

IFRS 19 – Employee Benefits - (Amendments)- Defined Benefit Plans: Employee Contribution

The adoption of the above amendment to accounting standards did not have any effect on the condensed interim consolidated financial information.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation are the same as those that applied to the financial statements of the Holding Company for the year ended 31 December 2014.

5. BASIS OF CONSOLIDATION

The Group's consolidated financial statements include the financial statement of HNL and its subsidiary company Biocef. The Group uses the acquisition method of accounting to account for business combination. Identifiable assets acquired and liabilities assumed in the acquisition are measured initially at their fair value at the date of acquisition. The Group recognizes any non-controlling interest in the Biocef either at fair value or at the non-controlling interest's proportionate share of Biocef's identifiable net assets

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this is less than the fair value of the net asset of the subsidiary acquired, the difference is recognized in profit and loss account. After initial recognition it's measured at carrying value i.e. at date of acquisition less any accumulated impairment.

The financial statements of Biocef have been consolidated on line by line basis. Intra Group balances, transactions, income and expenses have been eliminated. Assets, liabilities, income and expense have been consolidated from the date Group acquires the control of the subsidiary till the control cease to exist. Unrealized gain or loss on intra group transactions are also eliminated but unrealized losses are however recognized to the extent of impairment, if any.

The Group uses the same accounting policies for the Holding and subsidiary companies.

6. CONTINGENCIES AND COMMITMENTS

Contingencies:

There is no significant change in the contingencies since the date of preceding published annual financial statements of the Holding Company.

Commitments:

Commitments against irrevocable letters of credit include:

	Un Audited 30 September 2015	Audited 31 December 2014
Note	----- (Rupees) -----	
Raw materials	228,096,187	165,343,886
Packing materials	48,753,958	34,306,061
Finished goods	20,319,000	8,295,000
Plant and machinery	12,644,328	-
	<u>309,813,473</u>	<u>207,944,947</u>

7. PROPERTY, PLANT AND EQUIPMENT

	Un Audited 30 September 2015	Audited 31 December 2014
Note	----- (Rupees) -----	
Operating fixed assets - (owned)	(7.1) 750,720,935	669,818,556
Operating fixed assets - (leased)	(7.2) 123,509,255	81,423,968
Capital work-in-progress	(7.3) 8,638,794	8,301,529
	<u>882,868,984</u>	<u>759,544,053</u>
7.1 Operating fixed assets (owned)		
Opening book value	669,818,556	694,898,950
Add: Additions during the period / year - cost	(7.1.1) 82,834,194	39,442,119
Acquisition of Subsidiary Company	(7.1.2)&(8) 51,779,610	-
Transferred during the period / year -vehicles	5,184,768	7,625,855
	<u>139,798,572</u>	<u>47,067,974</u>
Less: Deletions during the period / year	(7.1.3) 12,269,872	7,932,174
Depreciation during the period / year	46,626,321	64,216,194
	<u>58,896,193</u>	<u>72,148,368</u>
Book value at the end of the period / year	<u>750,720,935</u>	<u>669,818,556</u>
7.1.1 Additions during the period / year - cost		
Building on freehold land	2,282,599	-
Plant and machinery	39,396,628	2,975,340
Laboratory equipment	1,357,400	8,814,112
Furniture and fixtures	720,371	155,928
Electric and gas appliances	2,846,248	1,162,400
Office equipment	2,223,331	1,971,739
Vehicles	34,007,617	24,362,600
	<u>82,834,194</u>	<u>39,442,119</u>
7.1.2 Acquisition of Subsidiary Company's assets-WDV		
Land	25,000,000	-
Building on freehold land	26,684,225	-
Furniture and fixtures	34,935	-
Office equipment	60,450	-
	<u>51,779,610</u>	<u>-</u>
7.1.3 Deletions during the period / year WDV		
Plant and machinery	2,172,389	-
Office equipment	222,056	367,501
Vehicles	9,875,427	7,564,673
	<u>12,269,872</u>	<u>7,932,174</u>

	Un Audited 30 September 2015	Audited 31 December 2014
Note	----- (Rupees) -----	
7.2 Operating fixed assets (leased)		
Opening book value	81,423,968	52,614,628
Add: Additions during the period / year - cost	61,363,000	50,944,000
	142,786,968	103,558,628
Less: Transfers during the period / year	(5,184,768)	7,625,855
Depreciation during the period / year	(14,092,945)	14,508,805
	(19,277,713)	22,134,660
Book value at the end of the period / year	123,509,255	81,423,968

7.2.1 Additions during the period / year - cost

Plant and machinery	15,694,000	-
Vehicles	45,669,000	50,944,000
	61,363,000	50,944,000

7.3 Capital work in progress

Civil works	585,520	1,763,058
Plant and machinery - owned	3,475,570	2,967,471
Advance to suppliers (for purchase of vehicles)	690,400	3,571,000
Acquisition of Subsidiary Company 8	3,887,304	-
	8,638,794	8,301,529

8. ACQUISITION OF SUBSIDIARY COMPANY- BIOCEF (PRIVATE) LIMITED ("BIOCEF")

On 02 September 2015, the Holding Company acquired 80% of the shareholding of Biocef for cash consideration. It was acquired to get a quick access to Cephalosporin drug market in order to diversify the Group's product range and therapeutic presence.

The Group has elected to measure the non-controlling interest in Biocef at non-controlling interest's proportionate share of net identifiable assets at the date of acquisition.

ASSETS ACQUIRED AND LIABILITIES ASSUMED

The fair value of the identifiable assets and liabilities of Biocef as at the date of acquisition were:

Assets	Rupees
Property, plant and equipment	51,779,610
Capital work in progress - civil work	3,887,304
Cash and cash equivalents	11,816
	55,678,730
Liabilities	
Trade and payables	115,730
Directors' loans	1,265,477
	1,381,207
Total identifiable net assets at fair value	54,297,523
Non-Controlling Interest measured at proportionate share of Biocef's net identifiable asset at acquisition date	(10,860,289)
Goodwill arising on acquisition	863,566
Purchase consideration transferred in cash	44,300,800

9. STOCK IN TRADE

	Un Audited 30 September 2015	Audited 31 December 2014
	----- (Rupees) -----	
Raw materials		
In hand	364,285,004	298,815,977
In transit	-	10,094,743
	364,285,004	308,910,720
Packing materials		
In hand	129,560,929	120,532,834
In transit	-	-
With third party	-	-
	129,560,929	120,532,834
Work in process	71,660,226	55,356,113
Finished goods		
In hand	150,909,639	149,221,552
With third party	5,089,140	770,884
	155,998,779	149,992,436
	721,504,938	634,792,103

Un-Audited			
Nine Months Ended 30 September		Three Month Ended 30 September	
2015	2014	2015	2014
----- Rupees -----			

10. SALES - net

Manufactured products				
Local	2,900,140,476	2,504,457,988	976,395,010	812,440,342
Export	194,471,369	179,008,893	45,348,172	54,121,520
	3,094,611,845	2,683,466,881	1,021,743,182	866,561,862
Purchased products-Local	53,810,052	25,934,674	17,728,746	8,875,543
Third Party	300,951,045	252,835,874	79,603,782	87,967,591
	3,449,372,942	2,962,237,429	1,119,075,710	963,404,996
Less: Discount	232,085,205	218,132,209	75,283,276	67,092,585
Sales tax	9,197,458	7,047,515	2,166,238	1,318,780
	241,282,663	225,179,724	77,449,514	68,411,365
	3,208,090,279	2,737,057,705	1,041,626,196	894,993,631

11. COST OF SALES

Opening stock of finished goods (excluding purchased products)	140,089,826	102,090,848	109,880,781	79,047,644
Cost of goods manufactured	1,639,770,316	1,545,245,956	539,949,461	508,406,391
	1,779,860,142	1,647,336,804	649,830,242	587,454,035
Closing stock of finished goods	(125,689,491,00)	(99,314,973)	(125,689,491)	(99,314,973)
Cost of sales - Manufactured	1,654,170,651	1,548,021,831	524,140,751	488,139,062
Cost of sales - Purchased products	32,430,312	17,487,545	12,981,988	6,072,161
	1,686,600,963	1,565,509,376	537,122,739	494,211,223

12. RELATED PARTY TRANSACTIONS

The related parties comprises associated company, staff retirement funds, directors and key management personnel. Transactions with related parties are stated as below:

	Un-Audited			
	Nine Months Ended 30 September		Three Month Ended 30 September	
	2015	2014	2015	2014
	----- Rupees -----			
12.1 Sales of goods				
Associated Company	19,784,736	60,866,229	2,908,007	17,234,664
12.2 Contribution towards employees' benefits				
HNL Staff provident fund	13,765,260	11,335,236	4,647,791	3,736,555
HNL Employees' welfare trust	1,196,000	965,945	421,250	333,750
12.3 Remuneration				
CEO	7,430,381	9,558,167	2,914,599	3,227,450
Directors	18,942,776	22,400,007	6,068,431	8,595,598
Executives	154,105,781	139,678,632	64,984,441	44,060,026
			Un-Audited 30 September 2015	Audited 31 December 2014
			----- (Rupees) -----	

12.4 The outstanding balances of related parties are as under:

Relationship with the Group	Nature of balance		
Associated company	Creditors	402,527	462,917
HNL Staff provident fund	Contribution payable	3,098,064	2,530,613
Directors of Subsidiary Company	Loan repaid	1,265,477	-

13. DATE OF AUTHORIZATION FOR ISSUANCE

The Board of Directors of the Holding Company authorized the condensed interim consolidated financial information for issuance on 28 October 2015.

14. GENERAL

14.1 Provisions in respect of Worker's Welfare Fund, Worker's Profit Participation Fund, defined benefit plan and Taxation are estimated and these are subject to final adjustment in the annual audited financial statements.

14.2 Figures have been rounded off to the nearest rupee.



DR. ADEEL ABBAS
CHIEF EXECUTIVE OFFICER



ANEES AHMAD KHAN
DIRECTOR

BOOK
POST

www.highnoon-labs.com



HIGHNOON LABORATORIES LTD.
17.5 Kilometer Multan Road,
Lahore - 53700, Pakistan.
Phone: +92 (42) 111 000 465
Fax: +92 (42) 3751 0037
Email: info@highnoon.com.pk

