

Condensed interim financial information for the nine months ended September 30, 2022



Nestlé

Good Food, Good Life

DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS

The Directors of Nestlé Pakistan Limited (the "Company") are pleased to submit the half-year report along with the condensed interim financial statements of the Company for the nine-month period ended September 30, 2022.

Business Performance Review:

During this period, the Company recorded revenue of PKR 121 billion, an increase of 20.5% compared to the same period of last year benefiting from the normalization of economic activities. The growth was supported by strong demand generation activities and new product launches. It was further complemented by a favorable portfolio mix and pricing management initiatives. Operating profit improved, as a result of sales growth, favorable product mix and tighter control on fixed costs.

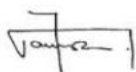
The financial performance for the nine-month period is summarized below:

	Jan – Sep 2022 PKR Million	Jan – Sep 2021 PKR Million	Change
Sales	120,978	100,359	+20.5%
Gross Profit	37,822	29,927	+26.4%
% of sales	31.30%	29.82%	
Operating Profit	21,586	15,689	+37.6%
% of sales	17.84%	15.63%	
Net Profit after tax	11,386	9,093	+25.2%
% of sales	9.41%	9.06%	
Earnings per share	251.08	200.50	+25.2%

Future Outlook:

The economy of Pakistan, like rest of the world, is passing through a turbulent time. The sharp increase in energy and commodity prices, along with devaluation of Pakistani Rupee, has resulted in continued inflation; a trend that is predicted to continue in the foreseeable future. The recent devastating floods in Pakistan also add profound risk to the country's economic outlook. All of these factors are putting tremendous pressure on the disposable income of consumers and might have an adverse impact on consumption. The management of the company is fully cognizant of the situation and is taking measures deemed necessary to manage these challenges. We will continue to delight consumers with quality products and remain cautiously optimistic about the future.

For and on behalf of the
Board of Directors



Samer Chedid
Chief Executive Officer
Lahore:

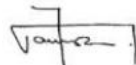
Nestlé Pakistan Limited
Condensed Interim Statement of Financial Position
As at September 30, 2022

	(Un-audited) Sep 30, 2022	(Audited) Dec 31, 2021
Note	----- (Rupees in '000) -----	
Non-current assets		
Property, plant and equipment	29,792,711	29,274,553
Capital work-in-progress	1,446,262	2,026,307
Long-term loans	212,137	159,848
Deferred taxation	29,334	-
	<u>31,480,444</u>	<u>31,460,708</u>
Current assets		
Stores and spares	3,254,391	3,045,805
Stock-in-trade	24,368,777	18,600,718
Trade debts	1,890,464	923,484
Current portion of long-term loans	117,943	116,810
Advances, deposits, prepayments and other receivables	4,451,409	3,453,222
Sales tax refundable - net	9,051,869	7,059,231
Cash and bank balances	500,264	743,920
	<u>43,635,117</u>	<u>33,943,190</u>
Current liabilities		
Current portion of long-term liabilities	91,680	130,869
Short-term borrowings - secured	519,260	6,000,000
Running finance under mark-up arrangements - secured	1,323,139	4,226,529
Customer security deposits - interest free	222,148	195,890
Unclaimed dividend	78,624	71,894
Unpaid dividend	3,897,096	2,011,404
Trade and other payables	37,974,676	28,023,293
Contract liabilities	508,851	682,065
Income tax payable	4,136,994	1,444,883
Interest and mark-up accrued	188,791	480,643
	<u>48,941,259</u>	<u>43,267,470</u>
Net working capital	<u>(5,306,142)</u>	<u>(9,324,280)</u>
Total capital employed	<u>26,174,302</u>	<u>22,136,428</u>
Long term and deferred liabilities		
Long term finances - secured	15,500,000	12,000,000
Lease liabilities	1,219,068	115,479
Deferred taxation	-	1,241,580
Retirement benefits	3,778,311	3,376,097
	<u>20,497,379</u>	<u>16,733,156</u>
Contingencies and commitments		
Net assets	<u><u>5,676,923</u></u>	<u><u>5,403,272</u></u>
Financed by:		
Share capital and reserves		
Authorized capital		
75,000,000 (December 31, 2021: 75,000,000) ordinary shares of Rs. 10 each	<u>750,000</u>	<u>750,000</u>
Issued, subscribed and paid up capital	453,496	453,496
Share premium	249,527	249,527
General reserve	280,000	280,000
Cash flow hedge reserve	(4,553)	(2,537)
Accumulated profits	4,698,453	4,422,786
	<u><u>5,676,923</u></u>	<u><u>5,403,272</u></u>

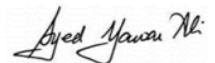
The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.



KOMAL ALTAF
Chief Financial Officer



SAMER CHEDID
Chief Executive Officer



SYED YAWAR ALI
Chairman

Nestlé Pakistan Limited

Condensed Interim Statement of Profit or Loss

For the nine months period ended September 30, 2022 (un-audited)

	Nine month period ended		Three month period ended	
	Sep 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021
	--- (Pak Rupees in '000) ---		--- (Pak Rupees in '000) ---	
Revenue from contracts with customers	120,978,497	100,358,753	40,535,899	34,553,907
Cost of goods sold	(83,156,416)	(70,431,714)	(28,877,137)	(24,220,692)
Gross profit	37,822,081	29,927,039	11,658,762	10,333,215
Distribution and selling expenses	(12,223,735)	(11,304,020)	(3,999,632)	(3,607,114)
Administration expenses	(4,012,643)	(2,933,868)	(1,668,550)	(941,823)
Operating profit	21,585,703	15,689,151	5,990,580	5,784,278
Finance cost	(1,816,993)	(1,421,054)	(578,065)	(421,662)
Other expenses	(1,830,326)	(1,722,727)	(331,783)	(761,982)
	(3,647,319)	(3,143,781)	(909,848)	(1,183,644)
Other income	218,093	257,205	73,890	55,316
Profit before taxation	18,156,477	12,802,575	5,154,622	4,655,950
Taxation	(6,770,158)	(3,709,891)	(1,463,413)	(1,346,551)
Profit after taxation	11,386,319	9,092,684	3,691,209	3,309,400
Earnings per share basic and diluted (Rupees)	251.08	200.50	81.39	72.98

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.



KOMAL ALTAF
Chief Financial Officer



SAMER CHEDID
Chief Executive Officer



SYED YAWAR ALI
Chairman

Nestlé Pakistan Limited

Condensed Interim Statement of Comprehensive Income

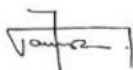
For the nine months period ended September 30, 2022 (un-audited)

	Nine month period ended		Three month period ended	
	Sep 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021
	--- (Pak Rupees in '000) ---		--- (Pak Rupees in '000) ---	
Profit after taxation	11,386,319	9,092,684	3,691,209	3,309,400
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss (net of tax)				
Remeasurement gain / (loss) of cash flow hedges - effective portion	(2,668)	-	(5,911)	-
Related tax	652	-	1,577	-
	(2,016)	-	(4,334)	-
Items that will not be reclassified subsequently to profit or loss (net of tax)	-	-	-	-
Total other comprehensive income / (loss)	(2,016)	-	(4,334)	-
Total comprehensive income for the year	11,384,303	9,092,684	3,686,875	3,309,400

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.



KOMAL ALTAF
Chief Financial Officer



SAMER CHEDID
Chief Executive Officer



SYED YAWAR ALI
Chairman

Nestlé Pakistan Limited

Condensed Interim Statement of Changes in Equity

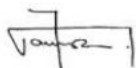
For the nine months period ended September 30, 2022 (un-audited)

	Share Capital	Capital reserves	Revenue reserves			
		Share premium	General reserve	Cashflow hedge reserve	Accumulated profit	Total
	----- (Rupees in '000) -----					
Balance as at January 01, 2021 (audited)	453,496	249,527	280,000	-	3,207,419	4,190,442
<u>Total comprehensive income for the nine months ended September 30, 2021</u>						
Profit after taxation	-	-	-	-	9,092,684	9,092,684
Other comprehensive income	-	-	-	-		
<u>Transaction with owners directly recognized in equity</u>						
Final dividend for the year ended December 31, 2020 (Rs. 61 per share)	-	-	-	-	(2,766,324)	(2,766,324)
Interim dividend for the six months period June 30, 2021 (Rs. 115 per share)	-	-	-	-	(5,215,202)	(5,215,202)
Balance as at September 30, 2021 (un-audited)	453,496	249,527	280,000	-	4,318,577	5,301,600
<u>Total comprehensive income for the three months ended December 31, 2021</u>						
Profit after taxation	-	-	-	-	3,675,416	3,675,416
Other comprehensive income	-	-	-	(2,537)	56,759	54,222
	-	-	-	(2,537)	3,732,175	3,729,638
<u>Transaction with owners directly recognized in equity</u>						
Interim dividend for the nine month period ended September 30, 2021 (Rs. 80 per share)	-	-	-	-	(3,627,967)	(3,627,967)
Balance as at December 31, 2021 (audited)	453,496	249,527	280,000	(2,537)	4,422,786	5,403,272
<u>Total comprehensive income for the nine months ended September 30, 2022</u>						
Profit after taxation	-	-	-	-	11,386,319	11,386,319
Other comprehensive income	-	-	-	(2,016)	-	(2,016)
	-	-	-	(2,016)	11,386,319	11,384,303
<u>Transaction with owners directly recognized in equity</u>						
Final dividend for the year ended December 31, 2021 (Rs. 90 per share)	-	-	-	-	(4,081,464)	(4,081,464)
Interim dividend for the six months period June 30, 2022 (Rs. 155 per share)	-	-	-	-	(7,029,188)	(7,029,188)
Balance as at September 30, 2022 (un-audited)	453,496	249,527	280,000	(4,553)	4,698,453	5,676,923

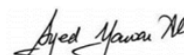
The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.



KOMAL ALTAF
Chief Financial Officer



SAMER CHEDID
Chief Executive Officer



SYED YAWAR ALI
Chairman

Nestlé Pakistan Limited

Condensed Interim Statement of Cash Flows

For the nine months period ended September 30, 2022 (un-audited)

	Sep 30, 2022	Sep 30, 2021
Note	---	(Pak Rupees in '000) ---
<u>Cash flow from operating activities</u>		
Profit before taxation	18,156,477	12,802,575
<i>Adjustment for non-cash charges and other items:</i>		
Depreciation on property, plant and equipment	2,832,646	2,878,321
Impairment charge	120,628	366,789
Gain on disposal of property, plant and equipment - owned	(18,337)	(121,389)
Loss on disposal of property, plant and equipment - leased	20,967	-
Provision for workers' profit participation fund	929,156	654,074
Provision for workers' welfare fund	426,637	278,910
Increase / (decrease) in provision for stores and spares	160,678	34,247
Increase in provision for stock in trade	405,516	27,033
Reversal of provision against doubtful debts / expected credit loss	(4,444)	(1,242)
Exchange rate loss realized	109,563	325,164
Exchange rate loss / (gain) unrealized	186,870	89,971
Provision for defined benefits plans	756,901	569,518
Finance cost	1,816,993	1,421,054
Profit before working capital changes	25,900,251	19,325,025
<i>Effect on cash flow due to working capital changes:</i>		
<i>Increase in current assets:</i>		
Stores and spares	(369,264)	(341,238)
Stock-in-trade	(6,173,575)	(1,537,461)
Trade debts	(962,536)	(164,232)
Advances, deposits, prepayments and other receivables	(2,990,825)	(1,854,497)
<i>Increase / (decrease) in current liabilities:</i>		
Trade and other payables	9,261,904	180,845
Contract liabilities	(173,214)	(192,934)
	(1,407,510)	(3,909,517)
Cash generated from operations	24,492,741	15,415,507
(Decrease) / increase in long term loans - net	(53,422)	31,673
Increase / (decrease) in customer security deposits - interest free	26,258	(27,717)
Contributions by the Company - net	(354,687)	(340,761)
Workers' profit participation fund paid	(965,415)	(646,485)
Finance cost paid	(2,057,634)	(1,351,637)
Income taxes paid	(5,348,307)	(3,040,612)
Net cash generated from operating activities	15,739,534	10,039,968

Nestlé Pakistan Limited

Condensed Interim Statement of Cash Flows (continued)

For the nine months period ended September 30, 2022 (un-audited)

	Sep 30, 2022	Sep 30, 2021
Note	--- (Pak Rupees in '000) ---	
<u>Cash flow from investing activities</u>		
Fixed capital expenditure	(2,918,574)	(1,509,243)
Sale proceeds from disposal of property, plant and equipment	24,556	166,990
Net cash used in investing activities	(2,894,018)	(1,342,253)
<u>Cash flow from financing activities</u>		
Long-term loans obtained	6,500,000	-
Long-term loans repaid	(3,081,975)	(3,647,166)
Short-term borrowings obtained	1,038,520	4,500,000
Short-term borrowings repaid	(4,019,260)	(7,417,473)
Short term borrowings - net (less than 90 days)	(2,500,000)	2,500,000
Net lease liabilities	1,095,164	(67,291)
Dividends paid	(9,218,230)	(4,911,165)
Net cash used in financing activities	(10,185,782)	(9,043,095)
Net increase/(decrease) in cash and cash equivalents	2,659,734	(345,380)
Cash and cash equivalents at beginning of the period	(3,482,609)	(41,190)
Cash and cash equivalents at end of the period	(822,875)	(386,570)

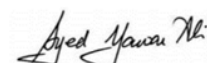
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KOMAL ALTAF
Chief Financial Officer



SAMER CHEDID
Chief Executive Officer



SYED YAWAR ALI
Chairman

Nestlé Pakistan Limited

Notes to the Condensed Interim Financial Statements

For the nine months period ended September 30, 2022 (un-audited)

1. Legal status and nature of business

Nestlé Pakistan Limited ("the Company") is a public limited company incorporated in Pakistan - under the repealed Companies Ordinance 1984 (now Companies Act 2017) - and its shares are quoted on Pakistan Stock Exchange. The Company is a subsidiary of Société des Produits Nestlé S.A. (SPN), the Holding Company, which in turn is a wholly owned subsidiary of Nestlé S.A., the Ultimate Parent Company, incorporated in Switzerland.

The Company is principally engaged in manufacturing, processing and sale of dairy, nutrition, beverages and food products including imported products. Registered office (which is also the Head Office) of the Company is situated at Packages Mall, Shahrah-e-Roomi, PO Amer Sidhu, Lahore, previously it was situated at Babar Ali Foundation Building, 308 Upper Mall, Lahore. The Company has four manufacturing facilities located at Sheikhpura, Kabirwala, Port Qasim Karachi and Islamabad.

2. Basis of preparation

2.1 Statement of compliance

These condensed interim financial statements comprise the condensed interim statement of financial position of the Company as at September 30, 2022 and the related condensed interim statement of profit or loss, the condensed interim statement of comprehensive income, the condensed interim statement of changes in equity and the condensed interim statement of cash flows together with the notes forming part thereof.

These condensed interim financial statements are un-audited and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards ("IFAS") issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act 2017; and
- Provisions of and directives issued under Companies Act, 2017.

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

These condensed interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the annual audited financial statements as at and for the year ended December 31, 2021. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of December 31, 2021, whereas comparatives for 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 related notes are extracted from condensed interim financial statements of the Company for the nine month period ended September 30, 2021.

2.2 Judgements and estimates

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgements made by the management in applying accounting policies and key sources of estimation were the same as those that were applied to and disclosed in the financial statements as at and for the year ended December 31, 2021.

Nestlé Pakistan Limited
Notes to the Condensed Interim Financial Statements
For the nine months period ended September 30, 2022 (un-audited)

3. Significant accounting policies

- 3.1** The accounting policies and the 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 for the year ended December 31, 2021, except as mentioned in note 3.2.
- 3.2** The Company adopted following new amendments to the approved accounting standards which became effective during the period, however these are not considered to be relevant or have any significant effect on the financial statements:

New Standards, Interpretations and Amendments

IFRS 3	Reference to conceptual framework — (Amendments)
IAS 16	Property, plant and equipment: Proceeds before intended use — (Amendments)
IAS 37	Onerous contracts - costs of fulfilling a contract — (Amendments)
AIP IFRS 1	First-time Adoption of International Financial Reporting Standards — Subsidiary as a first-time adopter
AIP IFRS 9	Fees in the '10 per cent' test for derecognition of financial liabilities
AIP IAS 41	Agriculture — Taxation in fair value measurements

3.3 Standards, interpretation and amendments to published approved accounting standards that are not yet effective:

The following revised standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation		Effective date (annual periods beginning on or after)
IAS 1	Classification of liabilities as current or non-current — (Amendments)	January 01, 2023
IAS 8	Definition of accounting estimates — (Amendments)	January 01, 2023
IAS 1 and IFRS Practice Statement 2	Disclosure of accounting policies — (Amendments)	January 01, 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction — (Amendments)	January 01, 2023
IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its associate or Joint Venture — (Amendments)	Not yet finalized

The Company expects that such improvements to the standards will not have any material impact on the Company's condensed interim financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards and conceptual framework have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after January 01, 2022.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards		Effective date (annual periods beginning on or after)
IFRS 1	First-time Adoption of International Financial Reporting Standard	July 01, 2009
IFRS 17	Insurance Contracts	January 01, 2023

Nestlé Pakistan Limited
Notes to the Condensed Interim Financial Statements
For the nine months period ended September 30, 2022 (un-audited)

The Company expects that above mentioned standards will not have any material impact on the Company's condensed interim financial statements in the period of initial application.

	(Un-audited) Sep 30, 2022	(Audited) Dec 31, 2021
	----- (Rupees in '000) -----	
4. Property, plant and equipment		
Opening balance - net book value	29,274,553	28,679,851
Additions during the period / year	3,498,618	4,884,806
	<u>32,773,171</u>	<u>33,564,657</u>
Book value of property, plant and equipment disposed off during the period / year	(27,186)	(82,506)
Depreciation charged during the period / year	(2,832,646)	(3,858,736)
Impairment charged during the period / year	(120,628)	(348,862)
Closing balance - Net book value	<u>29,792,711</u>	<u>29,274,553</u>
5. Contingencies and commitments		
	(Un-audited) Sep 30, 2022	(Audited) Dec 31, 2021
	----- (Rupees in '000) -----	
5.1 Guarantees		
Outstanding guarantees	<u>621,488</u>	<u>271,207</u>
5.2 Commitments		
5.2.1 Letters of credit		
Outstanding letters of credit	<u>32,143</u>	<u>1,588,390</u>
5.2.2 Commitments in respect of capital expenditure	<u>792,474</u>	<u>244,444</u>
5.2.3 Commitments in respect of forward foreign currency contracts:		
- USD	339,457	37,076
- EUR	5,083	79,806
- CNY	54,120	61,947
	<u>398,660</u>	<u>178,829</u>
6. Cash and cash equivalents		
Cash and bank balances	500,264	1,321,090
Short term running finance under mark-up arrangements - secured	(1,323,139)	(2,466,569)
	<u>(822,875)</u>	<u>(1,145,479)</u>

Nestlé Pakistan Limited
Notes to the Condensed Interim Financial Statements
For the nine months period ended September 30, 2022 (un-audited)

7. Transactions with related parties

The related parties comprise of holding company, associated companies, other related companies, key management personnel and employees retirement benefit funds. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties are as follows:

	(Un-audited) Sep 30, 2022	(Un-audited) Sep 30, 2021
	----- (Rupees in '000) -----	
<i>Associated companies</i>		
License fee	3,964,081	3,109,129
Dividends	9,056,294	6,302,223
Purchase of goods, services, assets and rent expense	14,875,699	13,089,184
Sale of goods	38,474	1,208,575
Insurance premium	240,939	237,255
Insurance claims	34,669	16,371
Donations	1,000	1,000
<i>Other related parties</i>		
Contribution paid to staff retirement benefits plan	648,220	616,219
Remuneration to key management personnel	3,317,172	2,887,455

All transactions with related parties have been carried out on mutually agreed terms and conditions except for donations.

8. Segment reporting

Segment information is presented in respect of the Company's business. The chief decision maker allocates resources and monitors performance based on business segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one year.

The Company's operations comprise of the following main business segments and product categories:

i) Dairy and nutrition products

Milk based products and cereals

ii) Powdered and liquid beverages

Juices, drinking water and powdered drinks

iii) Other products

Confectionery and other products

Nestlé Pakistan Limited
Notes to the Condensed Interim Financial Statements
For the nine months period ended September 30, 2022 (un-audited)

8.1 Segment analysis for the nine month period ended September 30, 2022 (un-audited)

	Dairy and nutrition products	Powdered and liquid beverages	Other products	Total
	----- (Rupees in '000) -----			
Revenue from contracts with customers	92,058,128	28,899,097	21,272	120,978,497
Depreciation and amortization	2,030,006	802,640	-	2,832,646
Operating profit / (loss) before tax and unallocated expenses	18,169,083	3,414,772	1,848	21,585,703
Unallocated corporate expenses:				
Finance cost				(1,816,993)
Other operating expenses				(1,830,326)
Other income				218,093
Taxation				(6,770,158)
Profit after taxation				<u>11,386,319</u>

Segment analysis for the nine month period ended September 30, 2021 (un-audited)

	Dairy and nutrition products	Powdered and liquid beverages	Other products	Total
	----- (Rupees in '000) -----			
Revenue from contracts with customers	77,180,936	23,177,817	-	100,358,753
Depreciation and amortization	(2,095,856)	(782,465)	-	(2,878,321)
Operating profit / (loss) before tax and unallocated expenses	13,379,644	2,309,507	-	15,689,151
Unallocated corporate expenses:				
Finance cost				(1,421,054)
Other operating expenses				(1,722,727)
Other income				257,205
Taxation				(3,709,891)
Profit after taxation				<u>9,092,684</u>

There is no inter segment revenue between operating segments.

Nestlé Pakistan Limited
Notes to the Condensed Interim Financial Statements
For the nine months period ended September 30, 2022 (un-audited)

8.2 Reportable segment assets and liabilities

As at September 30, 2022

	Dairy and nutrition products	Powdered and liquid beverages	Other products	Total
	(Rupees in '000)			
Segment assets	54,393,739	19,766,540	95,604	74,255,883
Unallocated assets				859,678
Total assets				<u>75,115,561</u>
Segment liabilities	22,855,075	8,361,978	37,045	31,254,097
Unallocated liabilities				43,861,464
Total liabilities				<u>75,115,561</u>

As at December 31, 2021 (audited)

	Dairy and nutrition products	Powdered and liquid beverages	Other products	Total
	(Rupees in '000)			
Segment assets	46,556,871	15,476,214	43,547	62,076,632
Unallocated assets				3,327,266
Total assets				<u>65,403,898</u>
Segment liabilities	14,875,045	4,600,693	12,522	19,488,260
Unallocated liabilities				45,915,638
Total liabilities				<u>65,403,898</u>

(Un-audited) (Un-audited)
Sep 30, 2022 Sep 30, 2021

----- (Rupees in '000) -----

8.3 Geographical segments

Sales are made by the Company in the following countries:

Pakistan	118,979,181	98,655,213
Afghanistan	1,051,792	1,205,726
Other countries	947,524	497,814
	<u>120,978,497</u>	<u>100,358,753</u>

The Company manages and operates manufacturing facilities and sales offices in Pakistan only.

9. Financial risk management

The Company's financial risk management objective and policies are consistent with those disclosed in the audited financial statements of the Company for the year ended December 31, 2021.

There is no change in the nature and corresponding hierarchies of fair valuation levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended December 31, 2021.

Nestlé Pakistan Limited
Notes to the Condensed Interim Financial Statements
For the nine months period ended September 30, 2022 (un-audited)

10. Dividend

The Board of Directors in their meeting held on October 19, 2022 have proposed an interim cash dividend for the nine month period ended September 30, 2022 of Rs. 85 (September 30, 2021: Rs. 80) per share, amounting to Rs. 3,854.71 (September 30, 2021: Rs. 3,627.97 million). These condensed interim financial statements do not reflect this dividend.

11. General


These condensed interim financial statements are presented in Pak Rupees which is the Company's functional and presentation currency. Figures have been rounded off to the nearest thousand of rupee.

12. Date of authorization for issue

These un-audited condensed interim financial statements were authorized for issue on October 19, 2022 by the Board of Directors.



KOMAL ALTAF
Chief Financial Officer



SAMER CHEDID
Chief Executive Officer



SYED YAWAR ALI
Chairman