

SIEMENS

**Condensed Interim Financial Statements
for the three months period
ended December 31, 2024
(Unaudited)**

**Registered Office:
Siemens (Pakistan) Engineering Co. Ltd.
B-72, Estate Avenue
S. I. T. E.
Karachi - 75700**



SIEMENS (PAKISTAN) ENGINEERING CO. LTD.

DIRECTORS' REPORT
THREE MONTHS PERIOD ENDED DECEMBER 31, 2024
ON THE
UN-AUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

Chairman of the Board	Karl Stefan Werner
Executive Director	Syed Muhammad Daniyal
Non-Executive Directors	Karl Stefan Werner Oliver Spierling M. Usman Ansari Silvia Oppus
Independent & Non-Executive Director	Adnan Afridi Ayla Majid (Female Director)
Audit Committee	Ayla Majid (Chairwoman) Karl Stefan Werner M. Usman Ansari Oliver Spierling
Human Resource & Remuneration Committee	Adnan Afridi (Chairman) Oliver Spierling Silvia Oppus
Nomination Committee	Karl Stefan Werner (Chairman) Syed Muhammad Daniyal
Managing Director	Syed Muhammad Daniyal
Chief Financial Officer	Syed Muhammad Ahsan Ghazali
Company Secretary	Khurram Muhammad Siddique
Registered Office	B-72 Estate Avenue, S.I.T.E., Karachi-75700,
Trading Symbol	SIEM
Auditors	A.F. Ferguson & Co., Chartered Accountants
Registrar and Share Transfer	THK Associates (Private) Limited

Siemens (Pakistan) Engg. Co. Ltd.
Corporate Secretariat
Head: Khurram Muhammad Siddique

Postal address:
Siemens(Pakistan) Engg. Co. Ltd.
B-72, Estate Avenue,
S.I.T.E., Karachi
Karachi - 75700

Office address:
Siemens(Pakistan) Engg. Co. Ltd.
B-72, Estate Avenue,
S.I.T.E., Karachi.
Tel: 92(21) 111-077-088

SIEMENS

Dear Shareholders,

We, the undersigned, for and on behalf of the Board of Directors are pleased to present the Siemens (Pakistan) Engineering Co. Ltd. ("Company"), unaudited condensed interim financial statements and a review of the Company's performance for the quarter ended December 31, 2024.

Company's Performance: Key Performance Indicators ("KPIs") for the three months period ended December 31, 2024 compared to corresponding period last year are summarized below:

KPIs	Rs in million	
	Three Months Ended December 31, 2024	Three Months Ended December 31, 2023
New Orders	5,661	6,452
Net sales and services (continuing and discontinued operations)	5,166	9,547
Profit before income tax from continuing operations	375	69
Net profit / (loss) from discontinued operations	688	(1,418)
Net profit / (loss) for the period (continuing and discontinued operations)	1,007	(1,087)
Earnings / (loss) per share (Rupees)	122.06	(131.80)
Earnings per share from continuing operations (Rupees)	38.60	40.14

Revenue from continuing operations during Q1 FY'25 is Rs 1,593 million while comparable revenue during corresponding period last year was Rs 2,645 million which was mainly owing to higher opening order back log accumulated in view of the then prevailing import restrictions.

During Q1 FY'25 the company's profitability from continuing operations has improved depicting profit before levy and income tax of Rs 406 million as against comparable amount of Rs. 148 million during same period last year.

During Q1 FY'25 the profit before levy and income tax from discontinued operations is Rs 1,136 million which includes gain of Rs 705 million recognised in respect of change in fair value of embedded foreign currency derivatives on economic transfer of foreign currency host contracts pursuant to sale of Energy Business.

Future Outlook:

Post carve-out of energy business assets, the Company's portfolio comprises of Smart Infrastructure and Digital Industries. The Company is focused on augmenting volume from these core verticals and will closely monitor challenges that can impact its progress. The improvement in business environment presents an opportunity to consolidate its position in the market and deliver on its promises towards customers and stakeholders.

The directors and management will continue to leverage the Company's strengths to create long term value for the shareholders and other stakeholders.

Acknowledgement:

We take this opportunity to thank our valued customers who have continued to place trust in our products and services and have provided sustained support in ensuring the progress of the Company. The Company is very proud of its employees for their committed and passionate efforts, loyalty and dedication. We also greatly value the support and cooperation of all stakeholders who are contributing towards the growth of our Company.

We would also like to extend our sincerest gratitude to our shareholders for the confidence and trust they have placed on us, and for their unwavering support.

The enclosed condensed interim financial statements are unaudited.

On behalf of the Board of Directors

Syed Muhammad Daniyal
Managing Director

Dubai, January 29, 2025

Ayla Majid
Director

Siemens (Pakistan) Engg. Co. Ltd.
Corporate Secretariat
Head: Khurram Muhammad Siddique

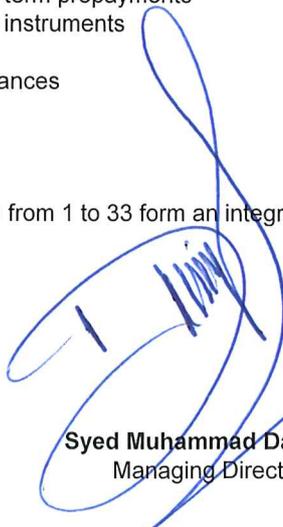
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Siemens (Pakistan) Engineering Co. Ltd.
Condensed Interim Statement of Financial Position
As at December 31, 2024

		December 31, 2024 (Unaudited)	September 30, 2024 (Audited)
	Note	----- (Rupees in '000) -----	-----
Equity and liabilities			
Share capital and reserves			
Share capital			
- Authorised		200,000	200,000
20,000,000 (September 30, 2024: 20,000,000) Ordinary shares of Rs 10 each			
- Issued, subscribed and paid-up		82,470	82,470
8,247,037 (September 30, 2024: 8,247,037) Ordinary shares of Rs 10 each			
Reserves			
Capital		624,192	624,192
Revenue		5,696,784	4,690,151
		6,320,976	5,314,343
Total equity		6,403,446	5,396,813
Non-current liabilities			
Deferred liabilities	6	890,262	863,634
Retention money		338	105,837
		890,600	969,471
Current liabilities			
Trade and other payables	7	5,397,086	15,175,613
Contract liabilities	8	1,349,753	4,105,624
Current portion of lease liabilities		20,647	20,079
Short-term borrowings	9	1,248,557	4,000,497
Provisions	10	296,967	960,212
Taxation - net		920,261	839,375
Unclaimed dividend		29,828	29,828
		9,263,099	25,131,228
Total liabilities		10,153,699	26,100,699
Contingencies and commitments	11		
Total equity and liabilities		16,557,145	31,497,512
Assets			
Non-current assets			
Property, plant and equipment	12	214,212	395,695
Right-of-use assets	13	11,501	14,265
Intangible assets		-	6,329
Long-term loans and trade receivables	14	20,541	2,253,196
Deferred tax asset - net	15	1,144,402	1,461,188
		1,390,656	4,130,673
Current assets			
Inventories	16	1,362,272	1,857,824
Trade receivables	17	3,278,467	15,189,763
Contract assets	18	331,521	3,026,608
Loans and advances		15,504	365,783
Deposits and short-term prepayments		148,237	172,529
Derivative financial instruments	19	-	764,944
Other receivables	20	9,139,868	1,682,190
Cash and bank balances	21	890,620	4,307,198
		15,166,489	27,366,839
Total assets		16,557,145	31,497,512

The annexed notes from 1 to 33 form an integral part of these condensed interim financial statements.


Syed Muhammad Daniyal
Managing Director

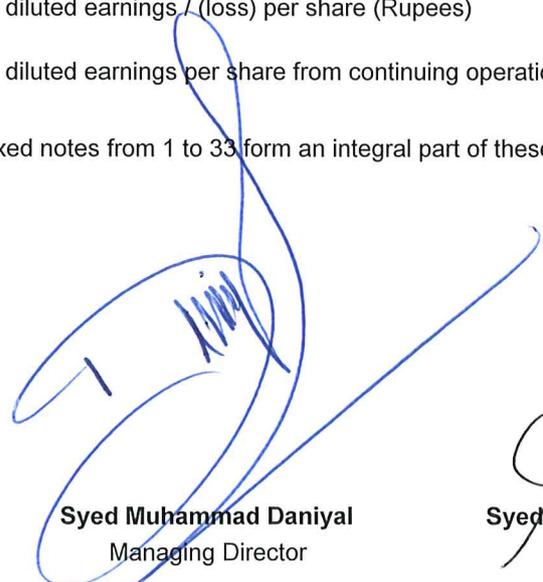

Syed Muhammad Ansan Ghazali
Chief Financial Officer


Ayla Majid
Director

Siemens (Pakistan) Engineering Co. Ltd.
Condensed Interim Statement of Profit or Loss (Unaudited)
For the three months period ended December 31, 2024

	Note	Three months period ended	
		December 31, 2024	December 31, 2023
----- (Rupees in '000) -----			
Continuing operations			
Net sales and services	22	1,593,178	2,644,727
Cost of sales and services		(973,065)	(2,278,561)
Gross profit		620,113	366,166
Marketing and selling expenses		(219,239)	(175,004)
Reversal of / (allowance for) expected credit losses		31,423	(19,577)
General administrative expenses		(17,634)	(7,634)
		(205,450)	(202,215)
		414,663	163,951
Other income		91	3,999
Other operating expenses		(19,444)	(23,149)
Net other operating expenses		(19,353)	(19,150)
Operating profit		395,310	144,801
Financial income		15,098	7,540
Financial expenses	23	(4,035)	(4,641)
Net financial income		11,063	2,899
Profit before levy and income tax from continuing operations		406,373	147,700
Levy	24	(31,544)	(78,367)
Profit before income tax from continuing operations		374,829	69,333
Income tax	25	(56,530)	261,736
Net profit for the period from continuing operations		318,299	331,069
Discontinued operations			
Net profit / (loss) for the period from discontinued operations	5.1	688,334	(1,418,019)
Net profit / (loss) for the period		1,006,633	(1,086,950)
Basic and diluted earnings / (loss) per share (Rupees)		122.06	(131.80)
Basic and diluted earnings per share from continuing operations (Rupees)		38.60	40.14

The annexed notes from 1 to 33 form an integral part of these condensed interim financial statements.



Syed Muhammad Daniyal
Managing Director



Syed Muhammad Ahsan Ghazali
Chief Financial Officer



Ayla Majid
Director

Siemens (Pakistan) Engineering Co. Ltd.
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the three months period ended December 31, 2024

	<u>Three months period ended</u>	
	<u>December 31,</u>	<u>December 31,</u>
	<u>2024</u>	<u>2023</u>
	<u>----- (Rupees in '000) -----</u>	
Net profit / (loss) for the period	1,006,633	(1,086,950)
Other comprehensive income	-	-
Total comprehensive profit / (loss) for the period	<u>1,006,633</u>	<u>(1,086,950)</u>

The annexed notes from 1 to 33 form an integral part of these condensed interim financial statements.



Syed Muhammad Daniyal
Managing Director



Syed Muhammad Ahsan Ghazali
Chief Financial Officer

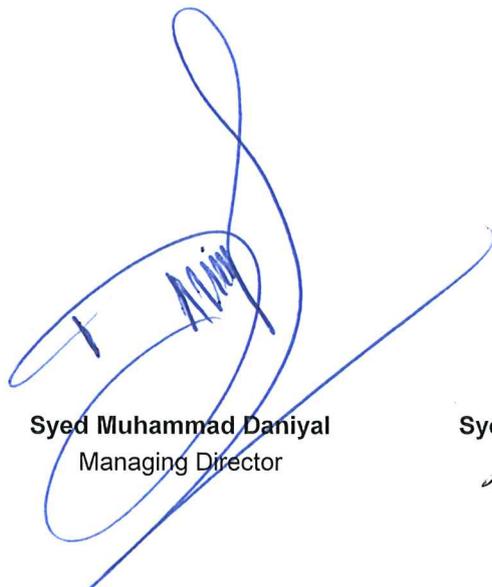


Ayla Majid
Director

Siemens (Pakistan) Engineering Co. Ltd.
Condensed Interim Statement of Cash Flows (Unaudited)
For the three months period ended December 31, 2024

	Note	Three months period ended	
		December 31, 2024	December 31, 2023
----- (Rupees in '000) -----			
Cash flows from operating activities			
Cash generated from / (used in) operations	27	409,577	(4,906,171)
Financial expenses paid		(766,857)	(45,046)
Levy and income tax paid		(229,998)	(318,398)
Payment to Workers' Profit Participation Fund (WPPF)		(38,436)	-
Payment to Workers' Welfare Fund (WWF)		(39,559)	(53,281)
Net cash used in operating activities		(665,273)	(5,322,896)
Cash flows from investing activities			
Capital expenditure incurred		(9,509)	(44,726)
Proceeds from sale of property, plant and equipment		926	4,209
Financial income received		9,218	4,787
Net cash generated from / (used in) investing activities		635	(35,730)
Cash flows from financing activities			
Dividends paid		-	(250,754)
Proceeds from short-term loans		344,536	3,705,800
Repayments of short-term loans		(3,705,800)	-
Net cash (used in) / generated from financing activities		(3,361,264)	3,455,046
Net decrease in cash and cash equivalents		(4,025,902)	(1,903,580)
Cash and cash equivalents at beginning of the period		4,307,198	(3,080,740)
Cash and cash equivalents at end of the period	28	281,296	(4,984,320)

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Syed Muhammad Daniyal
 Managing Director



Syed Muhammad Ahsan Ghazali
 Chief Financial Officer

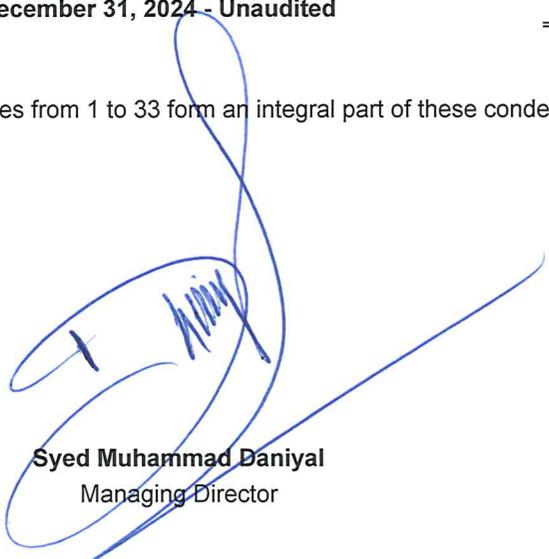


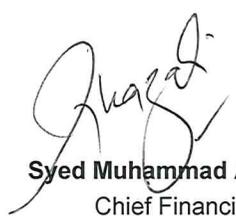
Ayla Majid
 Director

Siemens (Pakistan) Engineering Co. Ltd.
Condensed Interim Statement of Changes in Equity
For the three months period ended December 31, 2024

	Issued, subscribed and paid-up share capital	Capital reserves			General reserves	Revenue reserves		Total
		Share premium	Treasury shares reserve	Other capital reserve		Remeasurement loss on defined benefit plan - net of tax	Accumulated profits	
(Rupees in '000)								
Balance as at September 30, 2023 - Audited	82,470	619,325	567	4,300	4,523,026	(189,710)	2,749,469	7,789,447
Total comprehensive loss for the period								
Net loss for the three months period ended December 31, 2023	-	-	-	-	-	-	(1,086,950)	(1,086,950)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	(1,086,950)	(1,086,950)
Balance as at December 31, 2023 - Unaudited	<u>82,470</u>	<u>619,325</u>	<u>567</u>	<u>4,300</u>	<u>4,523,026</u>	<u>(189,710)</u>	<u>1,662,519</u>	<u>6,702,497</u>
Balance as at September 30, 2024 - Audited	82,470	619,325	567	4,300	4,523,026	(534,257)	701,382	5,396,813
Total comprehensive income for the period								
Net profit for the three months period ended December 31, 2024	-	-	-	-	-	-	1,006,633	1,006,633
Other comprehensive income for the period	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	1,006,633	1,006,633
Balance as at December 31, 2024 - Unaudited	<u>82,470</u>	<u>619,325</u>	<u>567</u>	<u>4,300</u>	<u>4,523,026</u>	<u>(534,257)</u>	<u>1,708,015</u>	<u>6,403,446</u>

The annexed notes from 1 to 33 form an integral part of these condensed interim financial statements.


Syed Muhammad Daniyal
 Managing Director


Syed Muhammad Ahsan Ghazali
 Chief Financial Officer


Ayla Majid
 Director

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

1. LEGAL STATUS AND OPERATIONS

1.1 Siemens (Pakistan) Engineering Co. Ltd. (the Company) was incorporated in Pakistan in the year 1953 under the Companies Act, 1913 (now the Companies Act, 2017). The Company is a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The Company is principally engaged in the execution of projects under contracts and in manufacturing, sale and installation of electronic and electrical capital goods. The Company's registered office is situated at B-72, Estate Avenue, S.I.T.E., Karachi.

1.2 Discontinued operations

In line with the Spin-off of the Energy Business by Siemens AG (parent company) in 2020, pursuant to an in-principle approval of the Board of Directors (the Board) in its meeting held on March 10, 2023, the Board has in its meeting held on October 11, 2024 and shareholders of the Company in the Extra Ordinary General Meeting held on November 22, 2024, approved, the sale and transfer of the Company's Energy Business Segment (hereinafter referred as the 'Energy Business') on a going concern basis to a non-affiliated Siemens Energy Group Entity i.e. Siemens Energy Pakistan (Private) Limited (formerly, Siemens Gamesa Renewable Energy (Private) Limited) (the buyer) for an aggregate consideration of Rs 17,819 million as at the valuation date, i.e., March 31, 2024. The net book value of Energy Business as at the valuation date was Rs 17,612 million.

The requisite regulatory approvals were obtained and the sale of the Energy Business stood complete on December 31, 2024 (Effective Date). In accordance with the terms and conditions of the Local Asset Transfer Agreement, the aggregate consideration as disclosed in note 26 to these condensed interim financial statements, was adjusted by which the net book value as per the effective date fell short of Rs 17,612 million (i.e., the net book value as at the valuation date). Consequently, the Energy Business was economically transferred to the buyer. However, in case of certain contracts and arrangements where legal transfer is pending, the Company will continue to manage such contracts and arrangements and the related receivable and payable balances on behalf of the buyer.

The afore-mentioned business is presented as discontinued operations for the period in note 5 to these condensed interim financial statements. Further, the comparative figures of the condensed interim statement of profit or loss and respective notes have been re-presented accordingly. The related gain on sale of Energy Business is presented in note 26 to these condensed interim financial statements.

2. BASIS OF PREPARATION

2.1 These condensed interim financial statements of the Company for the three months period ended December 31, 2024 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprise of the International Accounting Standard 34 - 'Interim Financial Reporting' issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act) and provisions of and directives issued under the Act. In case where requirements differ, the provisions of or directives issued under the Act have been followed.

These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended September 30, 2024.

These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Act and Pakistan Stock Exchange Regulations.

2.2 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees (Rs) which is the functional and presentation currency of the Company and figures are rounded off to the nearest thousand of rupees unless otherwise specified.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies and the methods of computations adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual audited financial statements for the year ended September 30, 2024, except for taxes on income in the interim periods are accrued using the tax rate that would be applicable to the expected total annual profit or loss.

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

3.2 Amendments to certain existing standards and interpretations on accounting and reporting standards effective during the period were either not relevant or did not have any material impact on these condensed interim financial statements except as follows:

The Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). The said guidance requires the Company to recognise minimum tax or final tax on gross amount of revenue or other basis as levy within the scope of IFRIC 21 / IAS 37 as an operating expense. Accordingly, the impact has been incorporated in these condensed interim financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) – 'Accounting Policies, Change in Accounting Estimates and Errors', which is as follows:

Effect on condensed interim statement of profit or loss	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
For the three months period ended December 31, 2024			
Levy	-	119,027	119,027
Profit before income tax	1,634,303	(119,027)	1,515,276
Income Tax	(627,670)	119,027	(508,643)
For the three months period ended December 31, 2023			
Levy	-	157,348	157,348
Loss before income tax	(1,316,233)	(157,348)	(1,473,581)
Income Tax	229,283	157,348	386,631

The related changes to the condensed interim statement of cash flows with respect to the amount of profit / (loss) before taxation have been made, however there has been no effect on the condensed interim Statement of Financial Position, net profit / (loss) for the period or earnings / (loss) per share and condensed interim Statement of Changes in Equity.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND FINANCIAL RISK MANAGEMENT

The judgments, estimates and assumptions made by the management in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the Company's annual audited financial statements for the year ended September 30, 2024.

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

5. DISCONTINUED OPERATIONS

5.1 As stated in note 1.2 to these condensed interim financial statements, the results of the disposal group for the period are presented below:

	<i>Note</i>	For the three months period ended	
		December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)
		----- (Rupees in '000) -----	
Discontinued operations			
Net sales and services		3,572,563	6,902,715
Cost of sales and services		(2,800,225)	(5,732,643)
Unrealised gain / (loss) on derivatives - net	19.3	705,082	(1,357,430)
Gross profit / (loss)		1,477,420	(187,358)
Marketing and selling expenses		(155,204)	(164,044)
Reversal of / (allowance for) expected credit losses		79,291	(545,970)
General administrative expenses		(76,712)	(40,076)
		(152,625)	(750,090)
		1,324,795	(937,448)
Other operating expenses		(58,750)	(47,217)
Operating profit / (loss)		1,266,045	(984,665)
Financial expenses		(129,877)	(479,268)
Profit / (loss) before levy, income tax and gain on sale of business		1,136,168	(1,463,933)
Levy		(87,483)	(78,981)
Profit / (loss) before income tax and gain on sale of business		1,048,685	(1,542,914)
Income tax		(425,502)	124,895
Profit / (loss) before gain on sale of business		623,183	(1,418,019)
Gain on sale of business - net of income tax	26	65,151	-
Net profit / (loss) for the period		688,334	(1,418,019)
Basic and diluted earnings / (loss) per share (Rupees)		83.46	(171.94)

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

5.2 The net cash flows from the disposal group are, as follows:

	For the three months period ended	
	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)
	----- (Rupees in '000) -----	
Cash flows from discontinued operations		
Net cash flows from operating activities	1,572,892	(4,726,597)
Net cash flows from investing activities	(3,513)	(31,082)
Net cash flows from discontinued operations	1,569,379	(4,757,679)
	As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
	----- (Rupees in '000) -----	
6. DEFERRED LIABILITIES	Note	
Defined benefit plan - gratuity fund		835,060
Share based benefits		12,374
Others		16,200
		859,506
		21,041
		9,715
		890,262
		863,634
7. TRADE AND OTHER PAYABLES		
Trade creditors [including retention money of Rs 24.568 million (September 30, 2024: Rs 455.800 million)]	7.1	9,601,086
Accrued liabilities		2,385,413
Payable against pending contracts	7.2	560,835
Accrued interest		986,856
Workers' Welfare Fund (WWF)		131,921
Workers' Profit Participation Fund (WPPF)		38,269
Derivative financial instruments	19.1	1,381,281
Withholding tax payable		38,610
Other liabilities		51,342
		3,329,082
		836,275
		374,106
		353,344
		125,442
		46,548
		-
		238,647
		93,642
		5,397,086
		15,175,613

7.1 These include sums aggregating to Rs 2,642.371 million (September 30, 2024: Rs 3,114.859 million) due in respect of related parties.

7.2 This represents the net balance payable to TMC (Private) Limited (September 30, 2024: Rs 560.835 million) pursuant to pending legal transfer of certain contracts related to Company's discontinued ERP value added solution and service business.

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

		As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
8. CONTRACT LIABILITIES	Note	----- (Rupees in '000) -----	
Advances from customers			
- for goods		612,455	1,035,674
- for projects and services	8.1	324,247	2,473,499
		<u>936,702</u>	<u>3,509,173</u>
Refund liabilities		413,051	596,451
		<u>1,349,753</u>	<u>4,105,624</u>

8.1 These include advance received from a related party, Rousch (Pakistan) Power Limited having aggregate amount due of nil (September 30, 2024: Rs 194.321 million) as per the contractual payment terms.

		As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
9. SHORT-TERM BORROWINGS	Note	----- (Rupees in '000) -----	
Secured			
Short-term running finances	9.1	609,324	-
Short-term loans	9.2	639,233	4,000,497
		<u>1,248,557</u>	<u>4,000,497</u>

9.1 Facilities for secured bank overdraft arranged with commercial banks in Pakistan aggregated to Rs 15,400 million (September 30, 2024: Rs 12,800 million) at interest rate ranging from 12.74% to 18.04% per annum (September 30, 2024: 19.80% to 23.16% per annum). These include facility under Islamic mode obtained during the period from a commercial bank in Pakistan aggregated to Rs 4,700 million. These are secured against joint hypothecation charges over inventories and trade receivables of the Company and a stand-by letter of credit arranged by Siemens AG (parent company) through the bank.

9.2 These represent loans for a period ranging from one to nine months under Islamic mode facilities obtained from a commercial bank in Pakistan at mark-up rate ranging from 12.64% to 22.11% per annum (September 30, 2024: 19.93% to 22.11% per annum). These are secured against hypothecation charges over inventories and trade receivables of the Company.

9.3 There is no material change in the terms and conditions of the short-term running finance facilities as stated in the notes 12.3 and 12.4 to the annual audited financial statements of the Company for the year ended September 30, 2024.

Siemens (Pakistan) Engineering Co. Ltd.

Notes to the Condensed Interim Financial Statements (Unaudited)

For the three months period ended December 31, 2024

	Warranties	Losses on sales contracts	Total
10. PROVISIONS	----- (Rupees in '000) -----		
Balance as at September 30, 2024 (Audited)	880,130	80,082	960,212
Additional provisions	13,825	383	14,208
Cost incurred	(579,516)	(41,238)	(620,754)
Reversal of unutilised amounts	(56,699)	-	(56,699)
Balance as at December 31, 2024 (Unaudited)	<u>257,740</u>	<u>39,227</u>	<u>296,967</u>
Balance as at September 30, 2023 (Audited)	641,274	567,167	1,208,441
Additional provisions	438,882	4,417	443,299
Cost incurred	(37,543)	(472,884)	(510,427)
Reversal of unutilised amounts	(162,483)	(18,618)	(181,101)
Balance as at September 30, 2024 (Audited)	<u>880,130</u>	<u>80,082</u>	<u>960,212</u>

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

There has been no major change in the status of contingencies as stated in the note 14.1 to the annual audited financial statements of the Company for the year ended September 30, 2024.

11.2 Commitments

(i) As at December 31, 2024, capital expenditure contracted for but not incurred amounted to Rs 47.120 million (September 30, 2024: Rs 57.981 million).

	As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
(ii) Guarantees	----- (Rupees in '000) -----	
- limit	<u>7,325,127</u>	21,044,930
- utilised portion	<u>3,558,566</u>	19,355,211
- unutilised portion	<u>3,766,561</u>	1,689,719
(iii) Letters of credit		
- limit	<u>2,470,473</u>	10,447,674
- utilised portion	<u>146,209</u>	5,955,631
- unutilised portion	<u>2,324,264</u>	4,492,043

(iv) The aggregate amount of commitments against various short-term lease arrangements for rental premises:

	As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
	----- (Rupees in '000) -----	
- Not later than one year	<u>1,200</u>	13,494
(v) Other commitments		
- guarantees issued by Siemens AG (parent company) on behalf of the Company	<u>-</u>	1,245,326

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

	Note	As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
		----- (Rupees in '000) -----	
12. PROPERTY, PLANT AND EQUIPMENT			
Operating assets - at net book value	12.1	203,020	370,024
Capital-work-in-progress		11,192	25,671
		<u>214,212</u>	<u>395,695</u>
12.1 Operating assets			
Opening net book value		370,024	258,016
Additions during the period / year		22,586	262,439
		<u>392,610</u>	<u>520,455</u>
Disposals during the period / year		(693,342)	(98,960)
Accumulated depreciation on disposals		533,276	96,454
Depreciation for the period / year		(29,524)	(147,925)
		<u>(189,590)</u>	<u>(150,431)</u>
Closing net book value		<u>203,020</u>	<u>370,024</u>

12.2 Following is the cost of operating assets that have been added / disposed off:

	Additions		Disposals	
	For the three months period ended		For the three months period ended	
	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)
----- (Rupees in '000) -----				
Plant and machinery	-	-	39,542	2,241
Furniture and fixtures	3,512	454	60,139	2,138
Office equipment	18,750	21,287	93,416	6,385
Vehicles	-	-	91,679	8,140
Tools and patterns	324	20,750	408,566	4,571
	<u>22,586</u>	<u>42,491</u>	<u>693,342</u>	<u>23,475</u>

12.3 Depreciation charge for the three months period ended December 31, 2024 amounted to Rs 29.524 million (December 31, 2023: Rs 29.045 million).

13. RIGHT-OF-USE ASSETS

The right-of-use assets comprise of properties leased by the Company for its operations. Following is the change in right-of-use asset during the period / year:

	As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
		----- (Rupees in '000) -----
Opening net book value	14,265	36,742
Depreciation for the period / year	(2,764)	(15,612)
Right-of-use assets disposed off during the period / year	-	(6,865)
Closing net book value	<u>11,501</u>	<u>14,265</u>

Siemens (Pakistan) Engineering Co. Ltd.

Notes to the Condensed Interim Financial Statements (Unaudited)

For the three months period ended December 31, 2024

		As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
		----- (Rupees in '000) -----	
14. LONG-TERM LOANS AND TRADE RECEIVABLES	<i>Note</i>		
Loans			
Due from employees		-	2,527
Less: Due within one year		-	(1,506)
Long-term portion		-	1,021
Discounting to present value		-	(176)
		-	845
Trade receivables			
Considered good		20,541	2,252,351
Considered doubtful		1,647	1,140,898
		22,188	3,393,249
Less: Loss allowance		(1,647)	(1,140,898)
		20,541	2,252,351
		20,541	2,253,196
15. DEFERRED TAX ASSET - NET			
Debit / (credit) balance arising in respect of:			
Unused tax credits		569,347	-
Provisions		291,055	495,237
Loss allowance		219,393	748,132
Defined benefit plan		47,906	46,176
Decelerated tax depreciation and amortisation		14,516	28,327
Lease liabilities		4,934	4,625
Derivative financial instruments		-	141,977
		1,147,151	1,464,474
Right-of-use assets		(2,749)	(3,286)
		1,144,402	1,461,188
16. INVENTORIES			
Raw materials and components		530,298	664,548
Work-in-process		848,563	1,129,978
Finished goods		284,344	367,528
		1,663,205	2,162,054
Less: Provision for slow moving and obsolete items		(479,914)	(515,622)
		1,183,291	1,646,432
Goods-in-transit		178,981	211,392
		1,362,272	1,857,824
17. TRADE RECEIVABLES			
Considered good			
Due from related parties	17.1	-	6,675
Due from others		3,278,467	15,183,088
		3,278,467	15,189,763
Considered doubtful			
		613,688	1,435,474
		3,892,155	16,625,237
Less: Loss allowance		(613,688)	(1,435,474)
		3,278,467	15,189,763

17.1 Represents amounts due from Rousch (Pakistan) Power Limited having aggregate amounts of nil (September 30, 2024: Rs 6.675 million).

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

	As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
	----- (Rupees in '000) -----	
18. CONTRACT ASSETS		
Considered good	331,521	3,026,608
Considered doubtful	166,003	491,386
	<u>497,524</u>	<u>3,517,994</u>
Less: Loss allowance	(166,003)	(491,386)
	<u><u>331,521</u></u>	<u><u>3,026,608</u></u>

19. DERIVATIVE FINANCIAL INSTRUMENTS

This represents derivative contracts embedded in foreign currency host construction contracts entered into by the Company with its customers and suppliers which are used as economic hedges and are not designated as hedging instruments in hedge relationships. The economic characteristics and risks of such embedded contracts are not closely related to those of the host contracts and therefore are accounted for as separate derivatives and are carried at fair value through profit or loss. Fair values of embedded foreign currency derivatives are based on forward exchange rates for the due dates of the respective embedded derivatives.

		As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
		----- (Rupees in '000) -----	
19.1 Fair value of embedded foreign currency derivatives	Note		
Embedded foreign currency derivatives asset		-	764,944
Embedded foreign currency derivatives liability	7	-	(1,381,281)
	19.2	<u>-</u>	<u>(616,337)</u>

19.2 Below is the reconciliation for change in fair value measurement of embedded derivative position:

		For the three months period ended	
		December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)
		----- (Rupees in '000) -----	
Fair value of embedded foreign currency derivatives - at the beginning of the period (net)		(616,337)	5,506,169
Net gain / (loss) in fair value during the period - net of reversal on realisation			
Discontinued operations	19.3	616,337	(3,529,491)
Fair value of embedded foreign currency derivatives - at the end of the period (net)		<u>-</u>	<u>1,976,678</u>

19.3 This includes net unrealised gain on sales contracts of Rs 698.349 million (December 31, 2023: net unrealised loss of Rs 1,361.713 million) and unrealised gain on purchase contracts of Rs 6.733 million (December 31, 2023: unrealised gain of Rs 4.283 million) recognised in respect of change in fair value of embedded foreign currency derivatives due to economic transfer of underlying foreign currency host contracts pursuant to sale of the Energy Business as stated in note 1.2 to these condensed interim financial statements.

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

		As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
		----- (Rupees in '000) -----	
20. OTHER RECEIVABLES	Note		
Considered good			
Due from related parties	20.1	3,954	5,457
Costs reimbursable from customers		20	203,189
Receivable against sale of business	20.2	7,040,914	-
Sales tax refundable		2,000,905	1,382,592
Interest accrued		87,566	81,686
Others		6,509	9,266
		<u>9,139,868</u>	<u>1,682,190</u>
Considered doubtful			
Costs reimbursable from customers		1	40,483
Others		96,708	96,679
		<u>96,709</u>	<u>137,162</u>
		<u>9,236,577</u>	<u>1,819,352</u>
Less: Loss allowance		<u>(96,709)</u>	<u>(137,162)</u>
		<u><u>9,139,868</u></u>	<u><u>1,682,190</u></u>

20.1 Represents amounts due from Siemens Industry Software (Private) Limited having aggregate amount due of Rs 3.954 million (September 30, 2024: Rs 5.457 million).

20.2 Represents the aggregate consideration on account of sale of Company's Energy Business as disclosed in note 26 to these condensed interim financial statements.

		As at December 31, 2024 (Unaudited)	As at September 30, 2024 (Audited)
		----- (Rupees in '000) -----	
21. CASH AND BANK BALANCES			
With banks in			
Current accounts		505,488	540,933
Deposit accounts		385,132	3,766,123
		<u>890,620</u>	<u>4,307,056</u>
Cash in hand		-	142
		<u>890,620</u>	<u>4,307,198</u>

		For the three months period ended	
		December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)
		----- (Rupees in '000) -----	
22. NET SALES AND SERVICES			
Sales disaggregation by type of contracts			
Execution of contracts		173,969	97,870
Sale of goods		1,157,751	1,386,615
Rendering of services		261,458	1,160,242
		<u>1,593,178</u>	<u>2,644,727</u>
Sales tax		325,281	424,314
Gross sales and services		<u>1,918,459</u>	<u>3,069,041</u>
Less: Sales tax		<u>(325,281)</u>	<u>(424,314)</u>
		<u><u>1,593,178</u></u>	<u><u>2,644,727</u></u>

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

	For the three months period ended	
	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)
	----- (Rupees in '000) -----	
23. FINANCIAL EXPENSES		
Interest on lease liabilities	567	1,173
Interest on other payables	3,468	3,468
	<u>4,035</u>	<u>4,641</u>
24. LEVY		
Minimum Tax	<u>31,544</u>	<u>78,367</u>
25. INCOME TAX		
Current	47,605	(52,323)
Deferred	8,925	(209,413)
	<u>56,530</u>	<u>(261,736)</u>
26. GAIN ON SALE OF BUSINESS		For the three months period ended December 31, 2024 (Unaudited) (Rupees in '000)
Sales price - adjusted		7,040,914
Identifiable (assets) / liabilities disposed off:		
Property, plant and equipment		(171,986)
Intangible assets		(6,329)
Long-term trade receivables		(1,956,732)
Inventories		(836,430)
Trade receivables		(9,902,174)
Contract assets		(2,988,415)
Loans and advances		(352,328)
Deposits and short-term prepayments		(121,415)
Other receivables		(332,798)
Deferred Liabilities		6,485
Retention money		145,804
Trade and other payables		5,656,104
Contract liabilities		3,408,083
Provisions		617,847
Net assets disposed off		<u>(6,834,284)</u>
Gain on sale of business before expenses and income tax		206,630
Expenses in connection with disposal transaction		(112,995)
Workers' Welfare Fund (WWF)		(1,873)
Gain on sale of business before income tax		91,762
Income tax on above		(26,611)
Gain on sale of business - net of income tax		<u>65,151</u>

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

		For the three months period ended	
		December 31, 2024	December 31, 2023
		(Unaudited)	(Restated - note 3.2) (Unaudited)
		----- (Rupees in '000) -----	
27. CASH GENERATED FROM / (USED IN) OPERATIONS	Note		
Profit / (loss) before income tax for the period		1,515,276	(1,473,581)
Adjustments for non-cash items and other items:			
Levy		119,027	157,348
Depreciation		32,288	33,731
Provision for slow moving and obsolete items of inventories - net		5,527	41,383
(Reversal of loss allowance) / loss allowance on trade receivables - net		(93,801)	725,375
Reversal of loss allowance on contract assets - net		(7,959)	(153,640)
Reversal of loss allowance on deposit and other receivables - net		(8,954)	(6,188)
(Reversal of provision) / provision for warranty - net		(42,874)	67,442
Provision for losses on sales contracts - net		383	957
Discounting of long-term loans - net		(176)	25
Provision for Workers' Welfare Fund (WWF)		33,080	56,567
Provision for Workers' Profit Participation Fund (WPPF)		46,715	13,785
Loss / (gain) on sale of property, plant and equipment - net		181	(3,985)
(Gain) / loss on derivative financial instruments - net	19.2	(616,337)	3,529,491
Gain on sale of business	26	(206,630)	-
Financial expenses		133,912	483,909
Financial income		(15,098)	(7,540)
		894,560	3,465,079
Working capital changes	27.1	(1,048,069)	(7,205,999)
		(153,509)	(3,740,920)
Long-term loans and trade receivables		492,703	(1,151,744)
Retention money payable		37,270	(16,690)
Other non-current liabilities		33,113	3,183
		409,577	(4,906,171)
27.1 Working capital changes			
(Increase) / decrease in current assets:			
Inventories		(346,405)	923,002
Trade receivables		1,886,319	(8,788,379)
Contract assets		(285,369)	5,968,529
Loans and advances		(2,049)	(159,423)
Deposits and short-term prepayments		(98,988)	(304,123)
Other receivables		(732,862)	752,718
		420,646	(1,607,676)
Increase / (decrease) in current liabilities:			
Trade and other payables		(2,145,360)	(5,298,289)
Contract liabilities		679,552	(75,004)
Provisions		(2,907)	(225,030)
		(1,468,715)	(5,598,323)
		(1,048,069)	(7,205,999)

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

	As at December 31, 2024 (Unaudited)	As at December 31, 2023 (Unaudited)
	----- (Rupees in '000) -----	
28. CASH AND CASH EQUIVALENTS		
Cash and bank balances	890,620	1,835,408
Short-term running finances	(609,324)	(6,819,728)
	<u>281,296</u>	<u>(4,984,320)</u>

29. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Siemens AG (parent company), its subsidiaries and associates and other companies with common directorship with significant influence on other companies, employees retirement benefit funds and key management personnel. Transactions with related parties are carried at agreed terms as approved by the Board of Directors of the Company. Transactions with related parties can be summarised as follows:

	<u>For the three months period ended</u>	
	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)
	----- (Rupees in '000) -----	
Parent company		
Purchases of goods and receipt of services	676,096	745,417
Associated companies		
Sale of goods and rendering of services	520,467	188,151
Purchases of goods and receipt of services	79,016	3,697,075
Costs reimbursements	2,405	1,439
Financial income	664	458
Key management personnel		
Compensation to key management personnel	29.1 51,100	16,763
Others		
Contribution to employees' retirement benefit funds	48,303	35,676

29.1 The details of compensation to key management personnel are as follows:

Short-term benefits	46,109	14,798
Post-employment benefits	1,330	829
Share based benefits	3,661	1,136
	<u>51,100</u>	<u>16,763</u>

29.2 Amounts due from, due to and arrangements with related parties are disclosed in the relevant notes to these condensed interim financial statements.

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

30. INFORMATION ABOUT BUSINESS SEGMENTS

The Company is operating through three business portfolios, namely Smart Infrastructure, Digital Industries and Energy focusing on the areas of intelligent infrastructure for buildings and distributed energy systems, automation and digitalization in the process and manufacturing and power generation and distribution.

30.1 The details of information about operating business segments is as follows:

Segment						(Rupees in '000)
	Smart Infrastructure	Digital Industries	Energy (Note 30.2)	Others	Eliminations	Company as a whole
-----For the three months period ended December 31, 2024 (Unaudited)-----						
REVENUE						
Sales to external customers	1,139,414	383,272	3,572,563	70,492	-	5,165,741
Inter-segment sales	146,835	26,053	-	-	(172,888)	-
Total revenue	1,286,249	409,325	3,572,563	70,492	(172,888)	5,165,741
Sales disaggregation by type of contracts (major stream)	Sale of goods	Sale of goods	Execution of contracts	Sale of goods		
RESULT						
Segment result	374,882	20,132	1,266,045	2,708	-	1,663,767
Financial expenses						(130,444)
Financial income						9,218
Levy and income tax						(601,059)
Gain on sale of business - net of income tax - note 26						65,151
Net profit for the period						1,006,633
OTHER INFORMATION						
Capital expenditure	2,169	3,020	4,120	-		
Depreciation	10,331	4,869	-	59		
Non-cash expenses other than depreciation	13,717	7,510	16,779	508		
-----As at December 31, 2024 (Unaudited)-----						
ASSETS AND LIABILITIES						
Segment assets	3,170,298	1,149,184	7,040,914	33,113	-	11,393,509
Segment liabilities	3,438,299	1,714,157	-	281,836	-	5,434,292
-----For the three months period ended December 31, 2023 (Unaudited)-----						
REVENUE						
Sales to external customers	2,039,269	550,181	6,902,715	55,277	-	9,547,442
Inter-segment sales	584,819	40,687	-	-	(625,506)	-
Total revenue	2,624,088	590,868	6,902,715	55,277	(625,506)	9,547,442
Sales disaggregation by type of contracts (major stream)	Sale of goods	Sale of goods	Execution of contracts	Sale of goods		
RESULT						
Segment result	107,063	67,592	(984,665)	(30,569)	-	(840,579)
Financial expenses						(480,441)
Financial income						4,787
Levy and income tax						229,283
Net loss for the period						(1,086,950)
OTHER INFORMATION						
Capital expenditure	4,331	3,532	31,121	-		
Depreciation	6,041	3,621	8,612	45		
Non-cash expenses other than depreciation	2,158	1,452	4,074	798		
-----As at September 30, 2024 (Audited)-----						
ASSETS AND LIABILITIES						
Segment assets	3,627,397	1,082,901	19,443,126	293,880	-	24,447,304
Segment liabilities	4,326,996	2,064,058	12,257,401	258,414	-	18,906,869

30.2 This represents discontinued operations as mentioned in note 5 to these condensed interim financial statements.

Siemens (Pakistan) Engineering Co. Ltd.
Notes to the Condensed Interim Financial Statements (Unaudited)
For the three months period ended December 31, 2024

	For the three months period ended	
	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)
	----- (Rupees in '000) -----	
30.3 Geographical information		
Sales to external customers		
Pakistan	5,139,291	9,452,829
Others	26,450	94,613
	<u>5,165,741</u>	<u>9,547,442</u>

The revenue information above is based on the location of customers.

31. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The carrying values of all financial assets and liabilities are estimated to approximate their fair values.

32. CORRESPONDING FIGURES

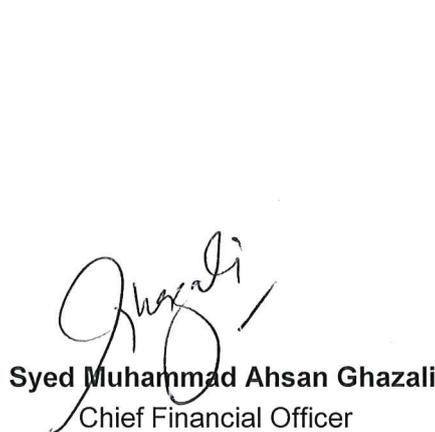
Certain corresponding figures have been reclassified and rearranged for the purpose of better presentation and comparison of transactions in these condensed interim financial statements of the Company, the effect of which is not material.

33. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company in the meeting held on January 29, 2025.



Syed Muhammad Daniyal
 Managing Director



Syed Muhammad Ahsan Ghazali
 Chief Financial Officer



Ayla Majid
 Director