

MACPAC FILMS LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2019

COMPANY INFORMATION

Board of Directors

Mr. Naeem Munshi (Chairman)

Mr. Maqbool Elahi Shaikh (Chief Executive)

Mr. Ehtesham Maqbool Elahi (Executive Director)

Mr. Shariq Maqbool Elahi (Non-Executive Director)

Mr. Fahad Munshi (Non-Executive Director)

Mr. Mansoor Younus (Independent Director)

Mr. Muhammad Omer Sabir (Independent Director)

Audit Committee of the Board

Mr. Mansoor Younus (Committee Chairman)

Mr. Naeem Munshi

Mr. Shariq Maqbool Elahi

HR & Remuneration Committee

Mr. Shariq Maqbool Elahi (Committee Chairman)

Mr. Naeem Munshi

Mr. Ehtesham Maqbool Elahi

Chief Financial Officer & Company Secretary

Mr. Zohaib Yakoob Surmawala

Auditors

EY Ford Rhodes

Chartered Accountants

Legal Advisor

Abdul Ghaffar Khan

F-72/1, KDA Scheme 5,

Kehkashan, Clifton, Karachi

Shares Registrar

Central Depository Company Pakistan Limited

CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal,

Karachi-74400

Tel: Customer Support Services (Toll Free) 0800-CDCPL (23275)

Fax: (92-21) 34326053

Email: info@cdcpak.com

Website: www.cdcpakistan.com

Bankers

(in alphabetical order)

Bank Alfalah Limited

Bank Al Habib Limited

Dubai Islamic Bank Pakistan Limited

Faysal Bank Limited

Habib Bank Limited

Habib Metro Bank Limited

JS Bank Limited

MCB Bank Limited

Meezan Bank Limited

Soneri Bank Limited

United Bank Limited

Registered Office

Plot # 21 Maqbolabad,
Jinnah Cooperative Housing Society,
(J.C.H.S), Tipu Sultan Road, Karachi

Email : info@macpacfilms.com

Tel: 111-MFL(635)-111

Website:

www.macpacfilms.com

Factory

Plot No. EZ/1/P-10

Eastern Industrial Zone

MACPAC FILMS LIMITED

DIRECTORS' REPORT

In the name of Allah, the Most Gracious, the Most Benevolent and the Most Merciful.

Assalam-o-Alaikum

Dear Members,

The Board of Directors of your Company is pleased to present the un-audited financial statement of the Company for the Half year ended December 31, 2019.

Financial Reporting

"Your Company has recorded net sales of Rs. 1,153 million during the period under reviewed as compared to Rs. 1,096 million for the same period last year. The company has suffered loss during the period amounting to Rs. 9.63 million, as compared to loss of Rs. 81.76 million for the same period last year. Loss per share for the period under reviewed is Rs. 0.16 as compared to loss per share of Rs. 1.38 during the same period last year.

Future Outlook

Alhamdulillah, despite all challenges, your company managed to increase its revenue from the same period last year. During the period under review the economy faced a lot of challenges due to high inflation, high interest rates and low purchasing power of the markets. All these factors particularly increased cost of borrowing has significantly increased cost of production. On the other hand, stability in the economic conditions, rupee parity against dollar and increase in Company products' demand will have the positive impact on the bottom line profitability of the Company in the coming quarters.

Further, Company is working on different strategies to manage its working capital more efficiently to support the increased demand of the Company's products in the market. We also would like to assure our shareholders that your company implemented the strategies to increase efficiencies, target new market segments, increase investments in research and development and is confident that with all these measures we will be able to improve the profitability of the company.

Acknowledgement

"The Directors of the Company would like to take the opportunity to thank the Securities and Exchange Commission of Pakistan, Shareholders, Partners, Customers, Government Authorities, Autonomous bodies, Financial Institutions and Bankers for their co-operation & continued support.

The Directors are also pleased to record their appreciation of the valuable and untiring efforts and services rendered by the staff of the Company."

On behalf of the Board

CHIEF EXECUTIVE

DIRECTOR

February 28, 2020

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of MACPAC Films Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of MACPAC Films Limited (the Company) as at **31 December 2019** and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended 31 December 2019 and 2018 have not been reviewed, as we are required to review only the cumulative figures of the six-months period ended 31 December 2019.

Scope of Review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's review report is Mr. Shariq Ali Zaidi.

EY Feroz Rashed

Chartered Accountants

Place: Karachi

Date: 29 February 2020

