

CONDENSED INTERIM FINANCIAL STATEMENTS

**FOR THE 3RD QUARTER & NINE MONTH ENDED
MARCH 31, 2020 (UN- AUDITED)**

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 nine months ended March 31, 2020.

Financial Reporting

"Your Company has recorded net sales of Rs. 1,693 million during the period as compared to Rs. 1,784 million for the same period last year. The company has suffered loss during the period amounting to Rs. 57.9 million, as compared to net loss of Rs. 96.5 million for the same period last year. Mainly due to devaluation of Pak Rupee against US Dollar and also slowing in demand due to macro-economic conditions.

Loss per share for the period is Rs. 0.98 as compared to Rs. 1.63 during the same period last year.

Future Outlook

During the quarter, the whole world economy affected due to Covid-19 virus. Pandemic Covid-19 changed the scenario completely on macro and micro levels. In Pakistan, after first case in February 2020, provincial authorities decided for lockdown till the end of the quarter. This resulted in significant decline in economic activities in the country. Significant number of export orders cancelled which also added-in severe liquidity issues in the system. However, authorities in Pakistan took a lot of measures to address these issues and Alhamdulillah, in Pakistan, effects of this Covid-19 remained under control.

Furthermore, during the quarter, industry also faced Gas shortages during January 2020 and had to opt other source of energy which also resulted in increased cost of production. This along with Rupee devaluation further affected the overall numbers of the industry.

On the positive side, various steps taken by the government and State Bank of Pakistan (SBP) to control the situation and Alhamdulillah, things are now moving towards normalization. During the quarter, SBP cut the interest rates by 2.25% which will further be reduced by 2% post quarter. This monetary easing couple of other monetary steps taken by SBP, gave the industry some space to manage their economic activities in better way.

Alhamdulillah, despite all challenges, your company managed to increase its market share and now with continuously increasing demand of the products, reducing raw material prices, reduction in finance cost, easing in banks' lending, we are expecting good impact on the bottom line of Company's income statement. In Sha Allah.

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

April 29, 2020



DIRECTOR

MACPAC FILMS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020

	Note	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
-----Rupees-----			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,337,138,964	1,415,678,086
Intangible assets		678,285	797,985
Long-term deposits		9,962,530	6,401,418
		<u>1,347,779,779</u>	<u>1,422,877,489</u>
CURRENT ASSETS			
Stock-in-trade		318,528,247	375,659,628
Trade debts	6	373,149,041	437,176,473
Loans and advances		12,061,699	13,113,411
Trade deposits and short-term prepayments		28,653,753	25,648,365
Taxes refundable - net		208,550,563	168,701,574
Cash and bank balances		1,610,001	52,982,605
		<u>942,553,304</u>	<u>1,073,282,056</u>
TOTAL ASSETS		<u>2,290,333,083</u>	<u>2,496,159,545</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 70,000,000 (June 30, 2019: 70,000,000) ordinary shares of Rs.10/- each		<u>700,000,000</u>	<u>700,000,000</u>
Issued, subscribed and paid-up capital		593,011,500	593,011,500
Reserves		1,647,374	59,627,344
		<u>594,658,874</u>	<u>652,638,844</u>
NON-CURRENT LIABILITIES			
Diminishing musharika		214,220,286	251,197,120
Lease liabilities		27,220,578	39,928,324
Deferred income		7,587,200	10,839,956
Deferred taxation		62,071,019	119,565,120
Staff retirement benefits - staff gratuity		32,510,930	25,411,876
		<u>343,610,013</u>	<u>446,942,396</u>
CURRENT LIABILITIES			
Trade and other payables		743,465,453	848,601,291
Short-term borrowings		513,102,726	438,729,003
Accrued mark-up		17,145,545	7,712,228
Unclaimed dividend		735,551	1,192,953
Current portion of non-current liabilities		77,614,921	100,342,830
		<u>1,352,064,196</u>	<u>1,396,578,305</u>
TOTAL EQUITY AND LIABILITIES		<u>2,290,333,083</u>	<u>2,496,159,545</u>
CONTINGENCIES AND COMMITMENTS			
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The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE

FOR AND ON BEHALF OF
CHIEF FINANCIAL OFFICER

DIRECTOR

MACPAC FILMS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Nine Months Ended		For the quarter ended	
	March, 31 2020	March, 31 2019	March, 31 2020	March, 31 2019
	-----Rupees-----			
Turnover - net	1,693,165,954	1,783,908,080	540,361,823	687,856,121
Cost of sales	(1,612,777,820)	(1,717,322,531)	(499,730,498)	(649,408,067)
Gross profit	80,388,134	66,585,549	40,631,325	38,448,054
Administrative expenses	(61,679,566)	(69,941,720)	(20,647,842)	(26,511,320)
Marketing and selling expenses	(19,822,485)	(21,849,570)	(6,562,653)	(7,708,028)
Finance costs	(114,423,080)	(56,527,582)	(38,269,720)	(22,382,516)
Other operating expenses	(5,113,852)	(53,014,480)	(21,312,664)	(7,191,839)
Other income	12,376,421	9,285,407	2,783,382	7,846,278
Loss before taxation	(108,274,428)	(125,462,396)	(43,378,172)	(17,499,371)
Taxation	50,294,458	28,866,436	(4,974,699)	2,674,195
Loss for the period	(57,979,970)	(96,595,960)	(48,352,871)	(14,825,176)
Loss per share - basic and diluted	(0.98)	(1.63)	(0.82)	(0.25)

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


 CHIEF EXECUTIVE


 FOR AND ON BEHALF OF
 CHIEF FINANCIAL OFFICER


 DIRECTOR

