



Image Pakistan Limited

**UN-AUDITED ACCOUNTS  
FOR THE THIRD QUARTER  
ENDED 31<sup>ST</sup> MARCH, 2022**

# CONTENTS

<b>Table of Contents</b>	<b>Page No.</b>
Company Information	1
<b>UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS</b>	
Directors' Report	2
Unconsolidated Condensed Interim Statement of Financial Position	3
Unconsolidated Condensed Interim Statement of Profit or Loss	4
Unconsolidated Condensed Interim Statement of Comprehensive Income	5
Unconsolidated Condensed Interim Statement of Cash Flows	6
Unconsolidated Condensed Interim Statement of Changes in Equity	7
Notes to the Unconsolidated Condensed Interim Financial Statements	8
<b>CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS</b>	
Directors' Report	12
Consolidated Condensed Interim Statement of Financial Position	13
Consolidated Condensed Interim Statement of Profit or Loss	14
Consolidated Condensed Interim Statement of Comprehensive Income	15
Consolidated Condensed Interim Statement of Cash Flows	16
Consolidated Condensed Interim Statement of Changes in Equity	17
Notes to the Consolidated Condensed Interim Financial Statements	18

## Company Information

<b>Board of Directors:</b>	Mr. S. Hussam Subzwari Mr. Asad Ahmad Ms. Farnaz Ahmad Ms. Uzma Ahmad Ms. Marium Ahmad Mr. Jawed Ahmed Siddiqui Mr. M. Zameer	Non-Executive Chairman/Independent Director Chief Executive Non-Executive Director Executive Director Executive Director Executive Director Non-Executive Director
<b>Auditors:</b>	M/s. Feroze Sharif Tariq & Co. Chartered Accountants	
<b>Bankers:</b>	Al Baraka Bank (Pakistan) Ltd. Bank Alfalah Ltd. Bank AL Habib Ltd. Habib Bank Ltd.	
<b>Audit Committee:</b>	Mr. S. Hussam Subzwari Mr. Jawed Ahmed Siddiqui Ms. Marium Ahmad	Chairman Member Member
<b>Human Resource Committee:</b>	Mr. S. Hussam Subzwari Ms. Uzma Ahmad Mr. M. Zameer	Chairman Member Member
<b>Legal Counsel:</b>	Mr. M. Haseeb Jamali LLM	
<b>Liaison Office:</b>	A/33, Central Commercial Area, Block 7/8, Main Shahrah-e-Faisal, Karachi-75350	
<b>Registered Office:</b>	F/538, S.I.T.E., Karachi-75700	
<b>Shares Registrar / Transfer Agent:</b>	M/s. Hameed Majeed Associates (Pvt) Ltd. 4 <sup>th</sup> Floor, Karachi Chambers, Hasrat Mohani Road, Karachi.	
<b>Plant:</b>	F/538, S.I.T.E., Karachi-75700	

# **UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the Nine Months Ended 31<sup>st</sup> March, 2022 (Un-audited)

## **Directors' Report**

### **For the quarter ended March 31, 2022**

The un-audited accounts of Image Pakistan Ltd., for the nine months ended March 31, 2022 are presented herewith.

Alhamdulillah, the revenue growth continued and an increase of 79% was recorded on consolidated basis during the period under review over the same period last year. The Schiffli embroidery machine has been successfully installed and is in commercial production from 18<sup>th</sup> April, 2022. The increase in the number of outlets and COVID bounce back drives strong performance.

The start of spring-summer season from mid-March 2022 has helped achieve revenue growth and our famous un-stitched Lawnkari and ready-to-wear collection has outperformed the market with its unique designs made with latest technology and excellent styling.

On behalf of the Board

**Asad Ahmad**  
Chief Executive

**Uzma Ahmad**  
Director

Place: Karachi.  
Dated: April 27, 2022

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2022

		(Un-Audited) Mar 31, 2022	(Audited) June 30, 2021
		(Rupees)	
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>CAPITAL &amp; RESERVES</u></b>			
<b><u>Authorized Capital</u></b>			
100,000,000 (2020: 100,000,000) Ordinary Shares of Rs. 10/- each	5.1	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up Capital	5.2	995,386,020	568,792,010
Capital Reserve - (a Share Premium account)		252,683,670	39,386,665
Surplus on revaluation Property, Plant and Equipment		350,903,470	356,301,574
Unrealised Gain due to change in fair value of investment through other comprehensive income	9.1	130,612,625	150,056,225
Revenue Reserve			
Accumulated Profit		164,962,849	104,485,282
Shareholders' Equity		1,894,548,634	1,219,021,756
<b><u>NON-CURRENT LIABILITIES</u></b>			
Long term Loan from Associates and related parties		160,170,000	175,070,000
Diminishing Musharika finance facilities	6	-	38,750,000
Diminishing Musharika - vehicle financing		7,362,280	-
Deferred Taxation		75,135,729	77,513,746
Provision for Gratuity		5,956,623	5,051,581
<b><u>CURRENT LIABILITIES</u></b>			
Trade and Other Payables		366,909,766	409,236,976
Accrued Interest on loan from associates		10,091,750	28,475,272
Accrued Interest to Financial Institutions		192,144	999,523
Current maturity of non current liabilities	6	21,375,000	73,000,000
Current maturity of liabilities - vehicle financing		2,105,472	-
Unclaimed Dividend		44,732,482	12,061,067
Provision for Taxation		32,907,652	31,579,313
		478,314,266	555,352,151
Contingencies and Commitments	7	-	-
		2,621,487,532	2,070,759,234
<b><u>ASSETS</u></b>			
<b><u>NON-CURRENT ASSETS</u></b>			
<b><u>Tangible Fixed Assets</u></b>			
Property, Plant and Equipments	8	729,871,327	666,088,528
Capital Work-in-progress		82,344,846	-
Long Term Deposits		17,664,671	6,906,405
Long Term Investments	9	177,310,079	184,566,900
<b><u>CURRENT ASSETS</u></b>			
Stores, Spares and Loose Tools		4,593,782	3,037,148
Stock-in-Trade		1,120,218,212	834,709,097
Trade Debtors - unsecured		259,344,194	360,321,198
Trade Deposits and Prepayments - considered good		24,970,119	454,126
Income Tax Refunds and Advances		7,276,299	3,188,910
Cash and Bank Balances		197,894,003	11,486,922
		1,614,296,609	1,213,197,401
		2,621,487,532	2,070,759,234

The annexed notes form an integral part of these unconsolidated condensed interim Financial Statements.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

	Jul-2021 to Mar-2022 <b>Rupees</b>	Jul-2020 to Mar-2021 <b>Rupees</b>	Jan-2022 to Mar-2022 <b>Rupees</b>	Jan-2021 to Mar-2021 <b>Rupees</b>
Sales - Net	1,012,258,828	718,359,547	503,597,888	315,186,031
Cost of Sales	(558,468,095)	(449,204,739)	(286,599,066)	(207,678,484)
Gross Profit	453,790,732	269,154,808	216,998,821	107,507,547
<u>Operating Expenses</u>				
Distribution and Selling Cost	(203,149,867)	(117,625,668)	(87,459,896)	(43,393,076)
Administrative and General Expenses	(111,436,967)	(49,727,159)	(41,570,422)	(16,185,953)
	(314,586,833)	(167,352,827)	(129,030,317)	(59,579,029)
Operating Profit	139,203,899	101,801,981	87,968,504	47,928,518
Other Income	54,450	--	18,150	--
	139,258,349	101,801,981	87,986,654	47,928,518
Finance Cost	(14,493,819)	(22,095,179)	(4,414,093)	(6,344,033)
Profit before Taxation	124,764,530	79,706,802	83,572,561	41,584,485
<u>Taxation</u>				
- Current	(12,805,866)	(8,979,494)	(3,852,075)	(3,939,825)
Profit after Taxation	111,958,664	70,727,308	79,720,486	37,644,659
Earning Per Share - Basic	1.33	1.24	0.95	0.66

*The annexed notes form an integral part of these unconsolidated condensed interim Financial Statements.*

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Nine months ended		Quarter ended	
	Mar 31, 2022	Mar 31, 2021	Mar 31, 2022	Mar 31, 2021
	(Rupees)		(Rupees)	
<b>Profit for the Year</b>	<b>111,958,664</b>	70,727,308	<b>79,720,486</b>	37,644,659
<b>Other comprehensive Income:</b>				
Unrealized gain / (loss) due to change in fair value of investment through other Comprehensive Income	<b>(19,443,600)</b>	41,293,100	<b>(3,584,300)</b>	6,284,800
<b>Total comprehensive Income for the period</b>	<b>92,515,064</b>	<b>112,020,408</b>	<b>76,136,186</b>	<b>43,929,459</b>

The annexed notes form an integral part of these unconsolidated condensed interim Financial Statements.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer



**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

	March 31, 2022	March 31, 2021
	(Rupees)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	124,764,530	79,706,802
Adjustment for Non-Cash and Other Items:		
Depreciation	35,505,707	26,037,314
Provision for Gratuity - net of Payments	905,042	(50,289)
Financial Expenses	14,493,819	22,095,179
	<u>50,904,569</u>	<u>48,082,204</u>
	175,669,098	127,789,006
Working Capital Changes		
<i>(Increase) / Decrease in Current Assets</i>		
Stores and Spares	(1,556,634)	(517,754)
Stock in Trade	(285,509,115)	127,992,989
Trade debtors	100,977,004	(49,128,184)
Trade deposits, Prepayments & Statutory balances	(24,515,993)	446,271
<i>Increase / (Decrease) in Current Liabilities</i>		
Trade and Other Payables	(42,327,210)	(8,689,563)
Unclaimed Dividend	32,671,414	--
Current maturity of non current liabilities	--	750,000
	<u>(220,260,534)</u>	<u>70,853,759</u>
Taxes Paid	(17,942,932)	(7,802,403)
Financial charges Paid/Write back	(33,684,720)	(19,501,663)
	<u>(51,627,652)</u>	<u>(27,304,066)</u>
<i>Net Cash Inflow/ (Outflow) from Operating Activities</i>	<u>(96,219,088)</u>	<u>171,338,698</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of Fixed Assets	(99,288,506)	(13,424,288)
Capital Work-in-Progress	(82,344,846)	--
Investments	(12,186,779)	--
<i>Net Cash Inflow/ (Outflow) from Investing Activities</i>	<u>(193,820,131)</u>	<u>(13,424,288)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Deposits	(10,758,266)	(1,926,930)
Finance Lease	9,467,752	--
Payments of Diminishing Musharka Finance Facility	(90,375,000)	(34,500,000)
SBP Refinance	--	27,000,000
Issued, Subscribed and Paid-up Capital	426,594,010	--
Share Premium	213,297,005	--
Dividend Paid	(56,879,201)	(8,682,840)
Long term Loan from Associated and Related Parties	(14,900,000)	74,920,000
<i>Net Cash Inflow/ (Outflow) from Financing Activities</i>	<u>476,446,300</u>	<u>56,810,230</u>
Net Increase in Cash and Cash Equivalents	186,407,081	214,724,640
Cash and Cash Equivalents at the Beginning	11,486,923	2,090,047
Cash and Cash Equivalents at the End	<u>197,894,004</u>	<u>216,814,687</u>

*The annexed notes form an integral part of these unconsolidated condensed interim Financial Statements.*

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Capital Reserve		Revenue Reserve			
	Share Capital	Capital Reserve	Surplus on Revaluation of Property, Plant and Equipment	Unrealized gain / (loss) due to change in fair value of investment through other comprehensive income	Unappropriated Profit / Accumulated (Loss)	Total
Balance as on June 30, 2020	568,792,010	39,386,665	368,297,361	100,440,675	(22,134,938)	1,054,781,773
Net Profit for the quarter ended Mar 2021	--	--	--	--	70,727,308	70,727,308
Other Comprehensive income	--	--	--	41,293,100	--	41,293,100
Total Comprehensive income	--	--	--	41,293,100	70,727,308	112,020,408
Balance as on March 31, 2021	568,792,010	39,386,665	368,297,361	141,733,775	48,592,370	1,166,802,181
Balance as on June 30, 2021	568,792,010	39,386,665	356,301,574	150,056,225	104,485,282	1,219,021,756
Net Profit for the half year ended Dec 2021	--	--	--	--	111,958,664	111,958,664
Other Comprehensive income	--	--	--	(19,443,600)	--	(19,443,600)
Total Comprehensive income	--	--	--	(19,443,600)	111,958,664	92,515,064
Final dividend for the year ended June 30, 2021@ Rs. 1/ share	--	--	--	--	(56,879,201)	(56,879,201)
Issuance of Right Shares 75%	426,594,010	--	--	--	--	426,594,010
Share Premium	--	213,297,005	--	--	--	213,297,005
Transfer to Profit and Loss account of incremental depreciation (net of tax)	--	--	(5,398,104)	--	5,398,104	--
Balance as on December 31, 2021	995,386,020	252,683,670	350,903,470	130,612,625	164,962,848.71	1,894,548,634

The annexed notes form an integral part of these unconsolidated condensed interim Financial Statements.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

## **NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2022**

### **1 THE COMPANY AND ITS OPERATIONS**

1.1 Image Pakistan Limited, formerly Tri-Star Polyester Limited (the Company) was incorporated in Pakistan, as a public limited company on November 14, 1990, under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). During the year, the Company changed its name to Image Pakistan Limited on March 15, 2021 and its shares are listed at the Pakistan Stock Exchange in Pakistan. The principal activity of the Company is manufacturing and sale of Embroidered Fabric and Ready-To-Wear garments and Polyester Filament Yarn.

The operations of the Polyester Filament yarn remain discontinued during the year.

The geographical Location and address of the company's business units, including mill/plant are as under:

The registered office of the company and manufacturing facilities is located at F/538, S.I.T.E., Karachi - 75700, Pakistan.

1.2 These unconsolidated condensed interim financial statements are separate unconsolidated condensed interim financial statements of the company in which investments in subsidiary company as disclosed in note 9.2 to the Financial Statements is accounted for at cost less accumulated impairment losses, if any and is not consolidated or accounted for using equity method.

### **2 STATEMENT OF COMPLIANCE**

2.1 These unconsolidated condensed interim financial statements of the Company for the six months ended 31 December 2021 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### **3 BASIS OF PREPARATION**

These consolidated condensed interim financial Statements are unaudited but subject to limited scope review by the statutory auditors as required under section 237 of the Companies Act 2017. These unconsolidated condensed interim financial Statements do not include all the information and disclosures required in the consolidated annual financial statements, and should be read in conjunction with the consolidated financial statements of the company for the year ended.

The figures of the consolidated condensed interim profit or loss and consolidated condensed interim statement of Comprehensive income for the quarter ended December 31, 2020 and December 31, 2021 and the notes forming part thereof have not been reviewed by the statutory auditors, as they are required to review only the cumulative figures of the half year ended December 31, 2021.

### **4 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES**

The accounting policies and methods of computation adopted and applied in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2021.

**5 SHARE CAPITAL**

(Number of Shares)		(Rupees)	
<b>March</b>	<b>June</b>	<b>March</b>	<b>June</b>
<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>(Un-audited)</b>	<b>(Audited)</b>	<b>(Un-audited)</b>	<b>(Audited)</b>
<b>5.1 Authorised Capital</b>			
100,000,000	100,000,000	Ordinary Shares of Rs. 10/- each	
		1,000,000,000	1,000,000,000
<b>5.2 Issued, subscribed and paid up capital</b>			
95,619,629	52,960,228	Fully Paid in cash	
		956,196,290	529,602,280
3,918,973	3,918,973	Issued as fully paid bonus shares	
		39,189,730	39,189,730
99,538,602	56,879,201		
		995,386,020	568,792,010
		<b>Mar. 31, 2022</b>	<b>Jun 30, 2021</b>
<b>6 DIMINISHING MUSHARKA FINANCE FACILITY</b>			
Opening Balance		111,750,000	180,500,000
Paid during the period		(90,375,000)	(68,750,000)
Current maturity		(21,375,000)	(73,000,000)
		-	<b>38,750,000</b>

**7 CONTINGENCIES AND COMMITMENTS**

There is no material change in the contingencies and commitments since the last audited financial statements for the year ended June 30, 2021.

		Mar. 31, 2022	Jun 30, 2021
		Rupees	
<b>8 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	<b>8.1</b>	729,871,327	666,088,528
		<u>729,871,327</u>	<u>666,088,528</u>
<b>8.1 OPERATING FIXED ASSETS</b>			
Opening written down value		666,088,528	590,877,324
Additions during the period / year	<b>8.2</b>	99,288,506	120,650,215
Depreciation during the period / year		<u>(35,505,707)</u>	<u>(45,439,011)</u>
Closing written down value		<u>729,871,327</u>	<u>666,088,528</u>
<b>8.2 ADDITIONS DURING THE PERIOD / YEAR</b>			
Plant & Machinery		56,985,549	98,508,001
Computer		3,906,740	1,577,500
Office Equipment		-	272,200
Air Conditioner and Refrig.		2,206,000	1,515,500
Vehicles		16,126,509	-
Generators		1,976,000	-
Elevator		9,741,354	-
Fire Fighting Equipments		-	621,360
Electrical Installations		5,725,317	2,070,213
Furniture Fixtures		<u>2,621,037</u>	<u>16,085,441</u>
		<u>99,288,506</u>	<u>120,650,215</u>
<b>8.3 CAPITAL WORK-IN-PROGRESS</b>		<u>82,344,846</u>	<u>-</u>

**9 LONG TERM INVESTMENT**

9.1 2,455,000 (2021: 2,455,000) N.I.T units (Average cost price Rs. 14.0573) Market value as at June 30, are as under March 31, 2022 @ Rs. 67.26 . (June 30, 2021: Rs.75.18) per unit	34,510,675	34,510,675
	<u>130,612,625</u>	<u>150,056,225</u>
	165,123,300	184,566,900
9.2 Image Tech Ltd. 98,500 Shares @ Rs 10/-	985,000	-
Share Application made in Image Tech Ltd.	10,000,000	-
9.3 Image International Ltd. 4,997 Shares @ £ 1/-	1,201,779	-
	<u>177,310,079</u>	<u>184,566,900</u>

9.1 The above investment of the company was illegally removed by the officials of the Income tax department at the time of conducting raid at the company's premises which has not yet been returned. Further the status of the case remained the same as disclosed in Annual Financial Statements as on June 30, 2021.

9.2 The Company holds 99.85 % in Image Tech Limited (A wholly owned subsidiary company).

9.3 The Company holds 99.96 % in Image International Ltd. (A wholly owned subsidiary company).

**10 BASIC EARNINGS PER SHARE**

	Mar 31, 2022	Mar 31, 2021
	<b>Rupees</b>	
Profit after taxation	111,958,664	70,727,308
Weighted average number of ordinary shares	84,125,169	56,879,201
Basic Profit per share	1.33	1.24

No figure for diluted earning per share has been presented as the company has not yet issued any instruments which would have an impact on basic earning per share when exercised.

**11 SEGMENT REPORTING**

	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
	March 2022	March 2021	March 2022	March 2021	March 2022	March 2021
Net Sales	1,012,258,828	718,359,547	-	-	1,012,258,828	718,359,547
Cost of Sales	546,777,166	430,545,548	11,690,930	18,659,192	558,468,095	449,204,739
Gross Profit/(Loss)	465,481,662	287,813,999	(11,690,930)	(18,659,192)	453,790,732	269,154,808
Selling & Distribution costs	203,149,867	117,625,668	-	-	203,149,867	117,625,668
Administrative Expenses	111,371,131	49,654,036	65,835	73,123	111,436,967	49,727,159
	314,520,998	167,279,704	65,835	73,123	314,586,833	167,352,827
Segment Results	150,960,664	120,534,295	(11,756,765)	(18,732,314)	139,203,899	101,801,981
Capital Expenditure - Excluding revaluation at cost	99,288,506	13,424,288	-	-	99,288,506	13,424,288
Depreciation	23,748,942	18,732,314	11,756,765	7,305,000	35,505,707	26,037,314

		Mar. 31, 2022	Mar. 31, 2021
<b>12 RELATED PARTY TRANSACTIONS</b>		<b>Rupees</b>	
Loan From Directors	Directorship	66,750,000	116,860,000
Loan From Associated company	Common Directorship	500,000	21,500,000
Loan repaid to Associated company	Common Directorship	12,600,000	7,850,000
Loan From Sponsors	Directorship	6,000,000	2,500,000
Loan repaid to Sponsors	Directorship	2,000,000	34,970,000
Loan repaid to Directors	Directorship	73,550,000	22,120,000
Interest charged on loan from Associated companies	Common Directorship	3,548,661	3,151,201
Sales of goods to Image Tech Limited	Wholly owned subsidiary	165,639,675	-

**13 CORRESPONDING FIGURES**

In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", statement of financial position has been compared with the balances of annual financial statements, whereas statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

**14 DATE OF AUTHORISATION FOR ISSUE**

This unconsolidated condensed interim financial information has been authorized for issue on April 27, 2022 by the Board of Directors of the company.

The figures have been rounded off to the nearest Rupee.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

# **CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the Nine Months Ended 31<sup>st</sup> March, 2022 (Un-audited)

## **Directors' Report**

### **For the quarter ended March 31, 2022**

On behalf of Board of Directors of Holding Company of Image Tech Ltd., Image International Ltd., and Tri-Star Image (USA) Inc., it is our pleasure to present Directors' Report with un-audited Consolidated Financial Statements for the nine months ended March 31, 2022.

#### **Image Tech Limited**

The Company is a wholly owned subsidiary and was incorporated on July 12, 2021. It has started operations from September, 2021.

#### **Image International Limited**

Image International Limited is a wholly owned subsidiary and was incorporated on November 17, 2021 in England and Wales. IIL will be principally engaged in selling goods through Amazon, UK by operating on Fulfilment by Amazon (FBA) model.

#### **Tri-Star Image (USA) Inc.**

The Company is a wholly owned subsidiary and was incorporated on January 4, 2022 in the USA. It will be principally engaged in selling goods through Amazon, USA by operating on Fulfilment by Amazon (FBA) model.

On behalf of the Board

**Asad Ahmad**  
Chief Executive

**Uzma Ahmad**  
Director

Place: Karachi.  
Dated: April 27, 2022



## CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2022

		(Un-audited) Mar 31, 2022	(Audited) June 30, 2021
		(Rupees)	
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>CAPITAL &amp; RESERVES</u></b>			
<b><u>Authorized Capital</u></b>			
100,000,000 (2021: 100,000,000) Ordinary Shares of Rs. 10/- each	5.1	1,200,000,000	1,000,000,000
Issued, Subscribed and Paid-up Capital	5.2	995,401,742	568,792,010
Capital Reserve - (a Share Premium account)		252,683,670	39,386,665
Surplus on revaluation Property, Plant and Equipment		350,903,470	356,301,574
Unrealised Gain due to change in fair value of investment through other comprehensive income	9.1	130,612,625	150,056,225
Revenue Reserve			
Accumulated Profit		211,274,112	104,485,282
Shareholders' Equity		1,940,875,618	1,219,021,756
<b><u>NON-CURRENT LIABILITIES</u></b>			
Long term Loan from Associates and related parties		164,393,106	175,070,000
Diminishing Musharika finance facilities	6	-	38,750,000
Diminishing Musharika - vehicle financing		7,362,280	-
Deferred Taxation		75,135,729	77,513,746
Provision for Gratuity		5,956,623	5,051,581
<b><u>CURRENT LIABILITIES</u></b>			
Trade and Other Payables		471,158,625	409,236,976
Accrued Interest on loan from associates		10,091,750	28,475,272
Accrued Interest to Financial Institutions		192,144	999,523
Current maturity of non current liabilities	6	21,375,000	73,000,000
Current maturity of liabilities - vehicle financing		2,105,472	-
Unclaimed Dividend		44,732,482	12,061,067
Provision for Taxation		32,907,652	31,579,313
		582,563,125	555,352,151
Contingencies and Commitments	7	-	-
		2,776,286,481	2,070,759,234
<b><u>ASSETS</u></b>			
<b><u>NON-CURRENT ASSETS</u></b>			
<b><u>Tangible Fixed Assets</u></b>			
Property, Plant and Equipments	8	729,871,327	666,088,528
Capital Work-in-progress		82,344,846	-
Long Term Deposits		17,664,671	6,906,405
Long Term Investments	9	165,123,300	184,566,900
<b><u>CURRENT ASSETS</u></b>			
Stores, Spares and Loose Tools		4,593,782	3,037,148
Stock-in-Trade		1,120,218,212	834,709,097
Trade Debtors - unsecured		375,405,802	360,321,198
Trade Deposits and Prepayments - considered good		38,079,672	454,126
Income Tax Refunds and Advances		7,276,299	3,188,910
Cash and Bank Balances		235,708,570	11,486,922
		1,781,282,337	1,213,197,401
		2,776,286,481	2,070,759,234

The annexed notes form an integral part of these unconsolidated condensed interim Financial Statements.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

# **CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2022**

	Jul-2021 to Mar-2022 <b>Rupees</b>	Jul-2020 to Mar-2021 <b>Rupees</b>	Jan-2022 to Mar-2022 <b>Rupees</b>	Jan-2021 to Mar-2021 <b>Rupees</b>
Sales - Net	1,286,973,550	718,359,547	604,734,106	315,186,031
Cost of Sales	(784,284,436)	(449,204,739)	(409,055,587)	(207,678,484)
Gross Profit	502,689,113	269,154,808	195,678,519	107,507,547
<b><u>Operating Expenses</u></b>				
Distribution and Selling Cost	(204,762,169)	(117,625,668)	(88,509,379)	(43,393,076)
Administrative and General Expenses	(112,380,562)	(49,727,159)	(41,570,422)	(16,185,953)
	(317,142,730)	(167,352,827)	(130,079,801)	(59,579,029)
Operating Profit	185,546,383	101,801,981	65,598,718	47,928,518
Other Income	54,450	--	18,150	--
	185,600,833	101,801,981	65,616,868	47,928,518
Finance Cost	(14,525,040)	(22,095,179)	(4,414,847)	(6,344,033)
Profit before Taxation	171,075,792	79,706,802	61,202,021	41,584,485
<b><u>Taxation</u></b>				
- Current	(12,805,866)	(8,979,494)	(3,852,075)	(3,939,825)
Profit after Taxation	158,269,927	70,727,308	57,349,946	37,644,659
Earning Per Share - Basic	1.88	1.24	0.75	0.66

*The annexed notes form an integral part of these unconsolidated condensed interim Financial Statements.*

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

	Nine months ended		Quarter ended	
	Mar 31, 2022	Mar 31, 2021	Mar 31, 2022	Mar 31, 2021
	(Rupees)		(Rupees)	
<b>Profit for the Year</b>	<b>158,269,927</b>	70,727,308	<b>57,349,946</b>	37,644,659
<b>Other comprehensive Income:</b>				
Unrealized gain / (loss) due to change in fair value of investment through other Comprehensive Income	<b>(19,443,600)</b>	35,008,300	<b>(3,584,300)</b>	42,029,600
<b>Total comprehensive Income for the period</b>	<b>138,826,327</b>	<b>105,735,608</b>	<b>53,765,646</b>	<b>79,674,259</b>

The annexed notes form an integral part of these unconsolidated condensed interim Financial Statements.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2022**

	March 31, 2022	March 31, 2021
	(Rupees)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	171,075,792	79,706,802
Adjustment for Non-Cash and Other Items:		
Depreciation	35,505,707	26,037,314
Provision for Gratuity - net of Payments	905,042	(50,289)
Financial Expenses	14,525,040	22,095,179
	50,935,790	48,082,204
	222,011,582	127,789,006
Working Capital Changes		
<i>(Increase) / Decrease in Current Assets</i>		
Stores and Spares	(1,556,634)	(517,754)
Stock in Trade	(285,509,115)	127,992,989
Trade debtors	(15,084,604)	(49,128,184)
Trade deposits, Prepayments & Statutory balances	(37,625,546)	446,271
<i>Increase / (Decrease) in Current Liabilities</i>		
Trade and Other Payables	61,921,649	(8,689,563)
Unclaimed Dividend	32,671,414	--
Current maturity of non current liabilities	--	750,000
	(245,182,836)	70,853,759
Taxes Paid	(17,942,932)	(7,802,403)
Financial charges Paid/Write back	(33,715,941)	(19,501,663)
	(51,658,873)	(27,304,066)
<i>Net Cash Inflow/ (Outflow) from Operating Activities</i>	(74,830,127)	171,338,698
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of Fixed Assets	(99,288,506)	(13,424,288)
Capital Work-in-Progress	(82,344,846)	
<i>Net Cash Inflow/ (Outflow) from Investing Activities</i>	(181,633,352)	(13,424,288)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Deposits	(10,758,266)	--
Finance Lease	9,467,752	(1,926,930)
Payments of Diminishing Musharka Finance Facility	(90,375,000)	--
SBP Refinance	--	(34,500,000)
Issued, Subscribed and Paid-up Capital	426,609,732	27,000,000
Share Premium	213,297,005	--
Dividend Paid	(56,879,201)	--
Long term Loan from Associated and Related Parties	(10,676,894)	(8,682,840)
<i>Net Cash Inflow/ (Outflow) from Financing Activities</i>	480,685,127	(18,109,770)
Net Increase in Cash and Cash Equivalents	224,221,648	139,804,640
Cash and Cash Equivalents at the Beginning	11,486,923	2,090,047
Cash and Cash Equivalents at the End	235,708,570	141,894,687

*The annexed notes form an integral part of these unconsolidated condensed interim Financial Statements.*

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Capital Reserve			Revenue Reserve		
	Share Capital	Capital Reserve	Surplus on Revaluation of Property, Plant and Equipment	Unrealized gain / (loss) due to change in fair value of investment through other comprehensive income	Unappropriated Profit / Accumulated (Loss)	Total
Balance as on June 30, 2020	568,792,010	39,386,665	368,297,361	100,440,675	(22,134,938)	1,054,781,773
Transfer to Profit and Loss account of incremental depreciation (net of tax)			(13,328,653)		13,328,653	
Net Profit for the half year ended Mar 2021	--	--		--	70,727,308	70,727,308
Other Comprehanssive income			--	35,008,300		35,008,300
Total Comprehanssive income	--	--	--	35,008,300	70,727,308	105,735,608
Balance as on March 31, 2021	568,792,010	39,386,665	354,968,708	135,448,975	61,921,023	1,160,517,381
Balance as on June 30, 2021	568,792,010	39,386,665	356,301,574	150,056,225	104,485,282	1,219,021,756
Net Profit for the half year ended Mar 2022	--	--			158,269,927	158,269,927
Other Comprehensive income			--	(19,443,600)		(19,443,600)
Total Comprehensive income	--	--	--	(19,443,600)	158,269,927	138,826,327
Final dividend for the year ended June 30, 2021@ Rs. 1/ share					(56,879,201)	(56,879,201)
Issuance of Right Shares 75%	426,594,010					426,594,010
Minority share holder interest in issuance of shares (Image Tech Ltd) (A Subsidiary Company)	15,000					15,000
Minority share holder interest in issuance of shares (Image International Ltd) (A Subsidiary Company)	722					722
Share Premium		213,297,005				213,297,005
Transfer to Profit and Loss account of incremental depreciation (net of tax)			(5,398,104)		5,398,104	
Balance as on March 31, 2022	995,401,742	252,683,670	350,903,470	130,612,625	211,274,112	1,940,875,618

The annexed notes form an integral part of these unconsolidated condensed interim Financial Statements.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2022

- 1 The Group comprises of the Holding company and Image Tech Limited (the wholly owned Subsidiary Company with 99.85% holding). The Subsidiary company was incorporated in Pakistan on July 12, 2021 as an unlisted Public Limited Company under registration # 0179604. The subsidiary company is engaged in business of online shopping of consumer goods and other Goods, internet advertising and marketing, creating virtual malls, stores, shops, shopping catalogs, provide e-commerce services and e-commerce solutions in all modes. The Company has started its operations in July 2021. The registered office of the Company is situated at A/33, Central Commercial Area, Block 7/8, Main Shahrah-e-Faisal, KCHSU, Karachi.

### The Parent Company

Image Pakistan Ltd.

### Wholly owned Subsidiary Company

Image Tech Ltd.

## 2 STATEMENT OF COMPLIANCE

- 2.1 These consolidated condensed interim financial statements of the Company for the six months ended 31 December 2021 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

## 3 BASIS OF PREPARATION

These consolidated condensed interim financial Statements are unaudited but subject to limited scope review by the statutory auditors as required under section 237 of the Companies Act 2017. These unconsolidated condensed interim financial Statements do not include all the information and disclosures required in the consolidated annual financial statements, and should be read in conjunction with the consolidated financial statements of the company for the year

The figures of the consolidated condensed interim profit or loss and consolidated condensed interim statement of Comprehensive income for the quarter ended December 31, 2020 and December 31, 2021 and the notes forming part thereof have not been reviewed by the statutory auditors, as they are required to review only the cumulative figures of the half year ended December 31, 2021.

## 4 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and methods of computation adopted and applied in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2021.

## 5 SHARE CAPITAL

(Number of Shares)		(Rupees)	
March	June	March	June
2022	2021	2022	2021
(Un-audited)	(Audited)	(Un-audited)	(Audited)

### 5.1 Authorised Capital

100,000,000	100,000,000	Ordinary Shares of Rs. 10/- each	1,000,000,000	1,000,000,000
-------------	-------------	----------------------------------	---------------	---------------

**5.2 Issued, subscribed and paid up capital**

<b>95,619,629</b>	52,960,228	Fully Paid in cash	<b>956,196,290</b>	529,602,280
<b>3,918,973</b>	3,918,973	Issued as fully paid bonus shares	<b>39,189,730</b>	39,189,730
<b>1,500</b>	-	Image Tech Ltd	<b>15,000</b>	--
<b>3</b>	-	Image International Ltd	<b>722</b>	--
<b>99,540,105</b>	56,879,201		<b>995,401,742</b>	568,792,010

**6 DIMINISHING MUSHARKA FINANCE FACILITY**

Opening Balance	111,750,000	180,500,000
Paid during the period	(90,375,000)	(68,750,000)
Current maturity	(21,375,000)	(73,000,000)
	<b>-</b>	<b>38,750,000</b>

**7 CONTINGENCIES AND COMMITMENTS**

There is no material change in the contingencies and commitments since the last audited financial statements for the year ended June 30, 2021.

**8 PROPERTY, PLANT AND EQUIPMENT**

		<b>Mar. 31, 2022</b>	<b>Jun 30, 2021</b>
		<b>Rupees</b>	
Operating fixed assets	<b>8.1</b>	<b>729,871,327</b>	666,088,528
		<b>729,871,327</b>	666,088,528
<b>8.1 OPERATING FIXED ASSETS</b>			
Opening written down value		<b>666,088,528</b>	590,877,324
Additions during the period / year	<b>8.2</b>	<b>99,288,506</b>	120,650,215
Depreciation during the period / year		<b>(35,505,707)</b>	(45,439,011)
Closing written down value		<b>729,871,327</b>	666,088,528
<b>8.2 ADDITIONS DURING THE PERIOD / YEAR</b>			
Plant & Machinery		<b>56,985,549</b>	98,508,001
Computer		<b>3,906,740</b>	1,577,500
Office Equipment		-	272,200
Air Conditioner and Refrig.		<b>2,206,000</b>	1,515,500
Vehicles		<b>16,126,509</b>	-
Generators		<b>1,976,000</b>	-
Elevator		<b>9,741,354</b>	-
Fire Fighting Equipments		-	621,360
Electrical Installations		<b>5,725,317</b>	2,070,213
Furniture Fixtures		<b>2,621,037</b>	16,085,441
		<b>99,288,506</b>	120,650,215
<b>8.3 CAPITAL WORK-IN-PROGRESS</b>		<b>82,344,846</b>	-
<b>9 LONG TERM INVESTMENT</b>			
9.1 2,455,000 (2021: 2,455,000) N.I.T units (Average cost price Rs. 14.0573)		34,510,675	34,510,675
Market value as at June 30, are as under			
March 31, 2022 @ Rs. 67.26 . (June 30, 2021: Rs.75.18) per unit		130,612,625	150,056,225
		<b>165,123,300</b>	<b>184,566,900</b>

9.1 The above investment of the company was illegally removed by the officials of the Income tax department at the time of conducting raid at the company's premises which has not yet been returned. Further the status of the case remained the same as disclosed in Annual Financial Statements as on June 30, 2021.

	Mar. 31, 2022	Mar. 31, 2021
	<b>Rupees</b>	
<b>10 BASIC EARNINGS PER SHARE</b>		
Profit after taxation	<b>158,269,927</b>	70,727,308
Weighted average number of ordinary shares	<b>84,126,450</b>	56,879,201
Basic Profit per share	<b>1.88</b>	1.24

No figure for diluted earning per share has been presented as the company has not yet issued any instruments which would have an impact on basic earning per share when exercised.

# 11 SEGMENT REPORTING

	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
	March 2022	March 2021	March 2022	March 2021	March 2022	March 2021
Net Sales	1,286,973,550	718,359,547	-	-	1,286,973,550	718,359,547
Cost of Sales	772,593,507	430,545,548	11,690,930	18,659,192	784,284,436	449,204,739
Gross Profit/(Loss)	514,380,043	287,813,999	(11,690,930)	(18,659,192)	502,689,113	269,154,808
Selling & Distribution costs	204,762,169	117,625,668	-	-	204,762,169	117,625,668
Administrative Expenses	112,314,726	49,654,036	65,835	73,123	112,380,562	49,727,159
	317,076,895	167,279,704	65,835	73,123	317,142,730	167,352,827
Segment Results	197,303,148	120,534,295	(11,756,765)	(18,732,314)	185,546,383	101,801,981
Capital Expenditure - Excluding revaluation at cost	99,288,506	13,424,288	-	-	99,288,506	13,424,288
Depreciation	23,748,942	18,732,314	11,756,765	7,305,000	35,505,707	26,037,314

		Mar. 31, 2022	Mar. 31, 2021
<b>12 RELATED PARTY TRANSACTIONS</b>		<b>Rupees</b>	
Loan From Directors	Directorship	67,473,106	116,860,000
Loan From Associated company	Common Directorship	4,000,000	21,500,000
Loan repaid to Associated company	Common Directorship	12,600,000	7,850,000
Loan From Sponsors		6,000,000	2,500,000
Loan repaid to Sponsors	Directorship	2,000,000	34,970,000
Loan repaid to Directors	Directorship	73,550,000	22,120,000
Interest charged on loan from Associated companies	Common Directorship	3,548,661	3,151,201
Sales of goods to Image Tech Limited	Wholly owned subsidiary	165,639,675	-

# 13 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", statement of financial position has been compared with the balances of annual financial statements, whereas statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

# 14 DATE OF AUTHORISATION FOR ISSUE

This consolidated condensed interim financial information has been authorized for issue on April 27, 2022 by the Board of Directors of the company.

The figures have been rounded off to the nearest Rupee.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer