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TOWARDS A CIRCULAR ECONOMY

QUARTERLY REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2022



**QUARTERLY REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

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Towards A Circular Economy

Roshan Packages Limited

Status: Public Listed Entity
CUIN: 0044226
NTN: 1436951-6
STRN: 03-01-4819-303-73

Board of Directors

Mr. Quasim Aijaz
Chairman

Mr. Tayyab Aijaz
Chief Executive Officer

Mr. Saadat Eijaz
Executive Director

Mr. Khalid Eijaz Qureshi
Non-Executive Director

Mr. Zaki Aijaz
Non-Executive Director

Ms. Ayesha Musaddaque Hamid
Independent/Non-Executive Director

Mr. Muhammad Naveed Tariq
Independent/Non-Executive Director

Company Secretary
 Ms. Rabia Sharif

Chief Financial Officer (CFO)
 Mr. Muhammad Adil

Tax Consultant
 Zulfiqar Ahmad & Co

Website
www.roshanpackages.com.pk

Banks

Askari Bank Limited
 Allied Bank Limited
 Bank Alfalah Limited
 Bank of Punjab
 Bank Islami Pakistan
 Dubai Islamic Bank Limited
 Habib Metropolitan Bank
 JS Bank Limited
 Meezan Bank Limited
 Soneri Bank Limited

Registered Office

325 G-III, M.A Johar Town, Lahore.
 Phone: +92-042-35290734-38
 Fax: +92-042-35290731

Factory

Corrugation: 7-KM Sunder Raiwind
 Road, Opp Gate No 1, Sunder Industrial
 Estate.
 Flexible: Plot No 141,142 and 142-B
 Sunder Industrial Estate Lahore.

Share Registrar

CDC Share Registrar Services Limited
 CDC House, 99-B, Block B, S.M.C.H.S.
 Main Shahra-e-Faisal, Karachi-74400

Statutory Auditor

EY Ford Rhodes, Chartered
 Accountants

Head of Internal Audit

Ms. Faiza Khalid

Legal Advisor

Zahid Irfan

Stock Symbol

RPL

At A Glance

NET REVENUE
 RS. IN MILLION

Q1 2022-23 : 2,691 Q1 2021-22 : 1,920

GROSS PROFIT
 RS. IN MILLION

Q1 2022-23 : 325 Q1 2021-22 : 181

PBT
 RS. IN MILLION

Q1 2022-23 : 84 Q1 2021-22 : 49

PAT
 RS. IN MILLION

Q1 2022-23 : 57 Q1 2021-22 : 25

EBIT
 RS. IN MILLION

Q1 2022-23 : 158 Q1 2021-22 : 73

EBITDA
 RS. IN MILLION

Q1 2022-23 : 212 Q1 2021-22 : 113

EPS
 RS. PER SHARE

Q1 2022-23 : 0.40 Q1 2021-22 : 0.17

TOTAL EQUITY
 RS. IN MILLION

SEP 2022 : 7,302 JUNE 2022 : 7,245

CURRENT RATIO
 RATIO

SEP 2022 : 1.64 JUNE 2022 : 1.62

QUICK RATIO
 RATIO

SEP 2022 : 1.15 JUNE 2022 : 1.21



UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Directors' Report

The Directors of the Company (RPL) are pleased to present their Directors' Report along with the unaudited Financial Statements of the Company for the period ended September 30, 2022.

Financial Overview

The operating results of the Company are summarized as under:

	Quarter Ended	
	30 Sep 2022	30 Sep 2021
Rupees in '000'		
Turnover	2,691,126	1,919,529
Gross profit	325,468	180,602
Operating profit	158,779	79,242
Finance cost	74,513	23,573
Profit before tax	83,911	49,029
Profit after tax	56,571	24,519

Operating Performance

During the quarter ended September 30, 2022, the Company registered an impressive high double-digit growth in revenue of 40.20%, increasing the revenue to Rs 2,691 million from Rs 1,919 million in the same period last year. In addition to this increase, the Company has improved customers' portfolio by focusing on top-tier local corporate and multinational customers which is a result of the Company's focus on customer satisfaction, meeting international quality products and increased market share.

The Company earned gross profit of Rs 325.5 million as compared to Rs 180.6 million, which represents an increase of Rs 144.9 million (80.20% increase) against the same period last year. Moreover, the gross profit margin on revenue, has also increased by 2.70%, which is the result of continuous efforts on cost efficiencies and better capacity utilization, allowing for the absorption of overheads and improvement in product and customer mix.

Thus, the Company earned a profit after tax of Rs 56.6 million as compared to Rs 24.5 million in the comparable period last year, which represents a significant increase of 130.73%.

Directors' Report

Earnings per share

The earnings per share, for the current and previous quarter, are as follows:

EPS-Q1 2022-23: 0.40/share

EPS-Q1 2021-22: 0.17/share

Forward-Looking Statement

Moving forward, the Company will continue its policy and focus towards sustainable growth. We hope to be an important player in Pakistan's new green economy by continuing our efforts, not only to mitigate our impact on the environment, but also to help reduce other industries' impact through our recycling program and recyclable packaging options.

Being cognisant of the operating environment, the Company is focussing on value chain efficiencies and optimizing raw material inventory levels to better manage the commodity costs which will help improve profitability, while driving growth in upcoming periods. The Company's management will continue to monitor the situation and ensure that the cost is effectively and fairly reflected in our prices.

Despite Macro-economic conditions, the packaging industry continues to grow worldwide along with the FMCG industry. Our goal is to cater to rising consumer and FMCG demand for clean, green and innovative packaging. We are thus investing in our human capital along with our customer service in order to delight our customers and engage the rest of the market.

Subsequent Events

There have been no material changes since 30 September 2022 to the date of this report and the Company has not entered into any commitment during this period, which would have an impact on the financial position/performance of the Company.

Acknowledgment

The management would like to use this opportunity to thank its valued customers for their trust and confidence in the Company's products. Heartfelt gratitude is also extended to all other stakeholders including suppliers, bankers, shareholders, employees and the government at the frontlines for supporting us in this period.

ڈائریکٹرز رپورٹ

کمپنی (روشن پیکچر لمیٹڈ) کے ڈائریکٹران 30 ستمبر 2022ء کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشواروں کے ساتھ اپنی رپورٹ پیش کرتے ہوئے خوش محسوس کرتے ہیں۔

مالیاتی جائزہ

کمپنی کے آپریٹنگ نتائج کا خلاصہ ذیل میں دیا گیا ہے:

سہ ماہی مختصر		
	30 Sep 2021	30 Sep 2022
('000 روپے)		
ٹرن اوور	1,919,529	2,691,126
مجموعی منافع	180,602	325,468
آپریٹنگ منافع	79,242	158,779
مالیاتی لاگت	23,573	74,513
منافع قبل از ٹیکس	49,029	83,911
منافع بعد از ٹیکس	24,519	56,571

30 ستمبر 2022ء کو ختم ہونے والی سہ ماہی کے دوران کمپنی نے دو ہرے ہندسوں پر مشتمل 40.20 فیصد کی متاثر کن شرح نمو حاصل کی، کمپنی کی آمدن 2,691 ملین روپے رہی جو گزشتہ برس اسی مدت میں 1,919 ملین روپے تھی۔ اس اضافے کے علاوہ، کمپنی نے اعلیٰ درجے کے مقامی کارپوریٹ اور ملٹی نیشنل صارفین پر توجہ مرکوز کرتے ہوئے اپنے صارفین کے پورٹ فولیو کو بہتر بنایا جو صارفین کے اطمینان، بین الاقوامی معیار کی مصنوعات اور مارکیٹ شیئر میں اضافے کا نتیجہ ہے۔ کمپنی نے رواں سہ ماہی میں 80.20 فیصد اضافے کے ساتھ 325.50 ملین روپے کا مجموعی منافع کمایا جو گزشتہ برس اسی مدت کے دوران 180.60 ملین روپے تھا۔ مزید برآں، آمدن پر مجموعی منافع کے مارجن میں بھی 2.70 فیصد کا اضافہ ہوا جو لاگت کو بہتر بنانے اور استعداد کار کے بہترین استعمال، اوور ہیڈ کے انجذب اب اور کسٹمرز اور مصنوعات کی بہتری کے لیے کی جانے والی مسلسل کوششوں کا نتیجہ ہے۔ اس طرح، کمپنی نے 130.73 فیصد کے نمایاں اضافے کے ساتھ 56.6 ملین روپے منافع بعد از ٹیکس کمایا جو گزشتہ برس اسی مدت کے دوران 24.5 ملین روپے تھا۔

فی شیئر آمدن

موجودہ اور گزشتہ سہ ماہی کے لیے فی حصص آمدن حسب ذیل ہے:

آمدن پہلی سہ ماہی 2022-2023: 0.40 روپے فی شیئر

آمدن پہلی سہ ماہی 2021-2022: 0.17 روپے فی شیئر

مستقبل کا بیانیہ:

آگے بڑھتے ہوئے، کمپنی اپنی پالیسی جاری رکھے گی اور پائیدار ترقی پر توجہ دے گی۔ ہمیں امید ہے کہ ہم اپنی کوششوں کو جاری رکھتے ہوئے پاکستان کی نئی ماحول دوست پالیسی میں ایک اہم کھلاڑی کے طور پر ابھریں گے۔ ہم نہ صرف ماحول پر اپنی صنعت کے اثرات کو کم کریں گے بلکہ ہمارے ری سائیکلنگ پروگرام اور ری سائیکلنگ ہونے والی پیکجنگ مصنوعات کے ذریعے دیگر صنعتوں کے ماحول پر اثرات کو کم کرنے میں بھی مدد ملے گی۔

آپریٹنگ ماحول سے واقف ہونے کے ناطے، کمپنی ویلیو چین کی افادیت پر توجہ مرکوز کر رہی ہے اور خام مال کی انوینٹری کی سطح کو بہتر بنا رہی ہے تاکہ خام مال کی اشیاء کی لاگت کو بہتر طریقے سے منظم کیا جاسکے، جس سے منافع کو بہتر بنانے میں مدد ملے گی اور مستقبل میں ترقی کی رفتار بھی بڑھے گی۔ کمپنی کی انتظامیہ صورتحال کی نگرانی جاری رکھے گی اور اس بات کو یقینی بنائے گی کہ لاگت ہماری مصنوعات کی قیمتوں میں موثر اور منصفانہ طور پر ظاہر ہو۔

ڈائریکٹرز رپورٹ

میکرو اکنامک حالات کے باوجود، پیکجنگ کی صنعت، FMCG کی صنعت کے ساتھ پوری دنیا میں ترقی کی راہ پر گامزن ہے۔ ہمارا مقصد ماحول دوست اور جدت کی حامل پیکجنگ کے لیے صارفین اور FMCG کی بڑھتی ہوئی مانگ کو پورا کرنا ہے۔ ہم اپنے صارفین کے اعتماد اور بقیہ مارکیٹ میں نفوذ کے لیے انسانی وسائل اور کسٹمر سروس کے شعبوں میں سرمایہ کاری کر رہے ہیں۔

مابعد واقعات

30 ستمبر 2022ء سے اس رپورٹ کی تاریخ تک نہ تو کوئی ایسی مادی تبدیلیاں وقوع پذیر ہوئی جس کا اثر کمپنی کی مالی پوزیشن یا کارکردگی پر پڑے اور نہ ہی کمپنی نے کوئی ایسی کمینٹ کی ہے۔

اظہار تشکر

انتظامیہ اس موقع پر اپنے قابل قدر صارفین کا کمپنی کی مصنوعات پر ان کے بھرپور اعتماد کے اظہار کا شکریہ ادا کرنا چاہتی ہے۔ انتظامیہ دیگر تمام اسٹیک ہولڈرز بشمول سپلائرز، بینکرز، شیئر ہولڈرز، ملازمین اور حکومت کا بھی تہہ دل سے مشکور ہے جنہوں نے اس عرصے میں اپنے ساتھ سے نوازا۔

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

ASSETS	Note	Sep-22 Rupees	Jun-22 Rupees
Non-current assets			
Property, plant and equipment	5	5,331,331,582	5,368,016,668
Right of use assets		72,630,054	81,982,291
Long term investment		160,618,966	160,618,966
Long-term loans - related parties	6	468,018,538	450,018,538
Long term deposits		26,472,048	21,353,650
		6,059,071,188	6,081,990,113
Current assets			
Stores, spares and other consumables	7	334,216,207	278,700,831
Stock-in-trade	8	1,601,933,110	1,350,850,860
Contract assets		188,822,148	199,255,658
Trade receivables	9	2,435,093,990	2,266,048,213
Current portion of long term loans - related parties	6	130,864,885	130,864,885
Advances, deposits, prepayments and other receivables		72,266,442	237,568,277
Tax refunds due from Government	10	353,997,389	375,096,375
Cash and bank balances	11	269,725,835	505,249,511
		5,386,920,006	5,343,634,610
TOTAL ASSETS		11,445,991,194	11,425,624,723
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
200,000,000 (June 2022: 200,000,000) ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up share capital	12	1,419,000,000	1,419,000,000
Capital reserves			
Share premium		1,994,789,057	1,994,789,057
Surplus on revaluation of property, plant and equipment		2,612,667,060	2,626,922,292
		4,607,456,117	4,621,711,349
Revenue reserve			
Un-appropriated profit		1,275,534,840	1,204,708,319
TOTAL EQUITY		7,301,990,957	7,245,419,668
Non-current liabilities			
Long term finances - secured		130,110,270	138,784,287
Lease liabilities		45,501,518	53,809,165
Deferred taxation	13	535,590,884	543,919,188
Deferred liabilities		155,237,493	154,279,763
		866,440,165	890,792,403
Current liabilities			
Current portion of long term liabilities		75,755,454	83,209,878
Short term borrowings - secured	14	1,672,455,032	1,728,820,658
Trade and other payables	15	1,429,764,055	1,337,643,474
Contract liabilities		38,508,840	84,548,248
Accrued finance cost		59,318,690	53,389,378
Unclaimed dividend		1,758,001	1,801,016
		3,277,560,072	3,289,412,652
TOTAL LIABILITIES		4,144,000,237	4,180,205,055
TOTAL EQUITY AND LIABILITIES		11,445,991,194	11,425,624,723
CONTINGENCIES AND COMMITMENTS	16		

The annexed notes, 1 to 26, form an integral part of these condensed interim unconsolidated financial statements.

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

	Note	Sep-22 Rupees	Sep-21 Rupees
Revenue from contracts with customers		3,155,647,289	2,249,134,850
Less: Sales tax		(464,521,507)	(329,606,035)
Net revenue	17	2,691,125,782	1,919,528,815
Cost of revenue	18	(2,365,657,964)	(1,738,927,284)
Gross profit		325,467,818	180,601,531
Administrative expenses		(63,538,475)	(41,540,525)
Selling and distribution expenses		(96,696,145)	(56,141,455)
Other operating expenses		(6,453,790)	(3,677,140)
		(166,688,410)	(101,359,120)
Operating profit		158,779,408	79,242,411
Other income		29,393,926	23,355,483
Other expenses		(29,749,803)	(29,996,277)
Finance cost		(74,512,796)	(23,573,017)
Profit before taxation		83,910,735	49,028,600
Taxation	19	(27,339,446)	(24,509,966)
Profit for the period		56,571,289	24,518,634
Earnings per share - Basic and diluted	20	0.40	0.17

The annexed notes, 1 to 26, form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



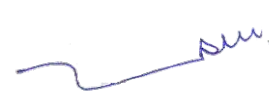
Director



Chief Financial Officer



Chief Executive



Director



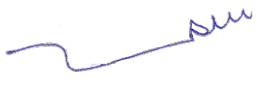
Chief Financial Officer

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

	Note	Sep-22 Rupees	Sep-21 Rupees
Profit for the period		56,571,289	24,518,634
Other comprehensive income / (loss) - net of tax:			
Items that may be reclassified subsequently to profit or loss:		-	-
Items that will not be subsequently reclassified in profit or loss:		-	-
Total comprehensive income for the period		56,571,289	24,518,634

The annexed notes, 1 to 26, form an integral part of these condensed interim unconsolidated financial statements.


 Chief Executive


 Director


 Chief Financial Officer

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

	Issued, subscribed and paid-up share capital	Capital reserves		Revenue reserve		Total
	Rupees	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	Revenue reserve	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as on 01 July 2021	1,419,000,000	1,994,789,057	1,746,398,900	903,918,570	6,064,106,527	
Profit for the period	-	-	-	24,518,634	24,518,634	
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(12,168,271)	12,168,271	-	
Balance as on 30 September 2021	1,419,000,000	1,994,789,057	1,734,230,629	940,605,475	6,088,625,161	
Balance as on 01 July 2022	1,419,000,000	1,994,789,057	2,626,922,292	1,204,708,319	7,245,419,668	
Profit for the period	-	-	-	56,571,289	56,571,289	
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(14,255,232)	14,255,232	-	
Balance as on 30 September 2022	1,419,000,000	1,994,789,057	2,612,667,060	1,275,534,840	7,301,990,957	

The annexed notes, 1 to 26, form an integral part of these condensed interim unconsolidated financial statements.


 Chief Executive


 Director


 Chief Financial Officer

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

	Sep-22	Sep-21
	<u>Rupees</u>	<u>Rupees</u>
OPERATING ACTIVITIES		
Profit before taxation	83,910,735	49,028,600
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation on operating fixed assets	45,931,552	38,219,827
Depreciation on right of use assets	7,770,822	2,484,712
Interest income on loans	(22,943,866)	(11,668,819)
Finance cost	74,512,796	23,573,017
Provision for gratuity	8,100,000	7,823,334
Profit on bank deposits	(5,850,536)	(11,650,515)
Worker's Profit Participation Fund	4,518,226	2,641,326
Worker's Welfare Fund	1,935,564	1,035,814
Exchange loss unrealized	473,929	29,996,277
Grant income	(596,424)	-
Provision for accumulating compensated absences	726,627	726,627
	198,489,425	132,210,200

Working capital adjustments:

(Increase) / decrease in current assets:

Stores, spares and other consumables	(55,515,376)	(28,481,623)
Stock-in-trade	(251,082,250)	(254,826,086)
Trade receivables	(169,045,777)	(232,809,693)
Contract assets	10,433,510	83,096,057
Advances, deposits, prepayments and other receivables	178,893,326	(34,037,437)
Sales tax receivable - net	2,497,213	3,588,000
	(283,819,354)	(463,470,782)

(Decrease) / increase in current liabilities:

Contract liabilities	(46,039,408)	4,987,947
Trade and other payables	57,951,679	219,623,932
	11,912,271	224,611,879
	(271,907,083)	(238,858,903)
Net cash used in operations	(73,417,658)	(106,648,703)

Finance cost paid	(65,998,456)	(25,687,156)
Taxes adjusted / (paid)	10,175,206	(13,462,196)
Gratuity paid	(7,868,897)	(2,596,723)
Accumulated absences paid	-	(82,438)
Net increase in long term deposits	(5,118,398)	(614,000)
	(68,810,545)	(42,442,513)
Net cash used in operating activities	(142,228,203)	(149,091,216)

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

INVESTING ACTIVITIES

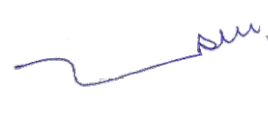
Purchase of property, plant and equipment	(7,665,051)	(13,103,420)
Long term loan given	(18,000,000)	(17,500,000)
Interest on long term loan received	10,841,441	7,612,377
Profit on bank deposits received	4,361,470	8,265,821
Net cash used in investing activities	(10,462,140)	(14,725,222)

FINANCING ACTIVITIES

Repayment of long term loans	(17,886,617)	(34,212,600)
Dividend paid	(43,015)	(18,218)
(Repayment of) / proceeds from short term borrowings - net	(36,078,537)	34,370,884
Repayment of lease liabilities	(8,538,075)	(3,307,438)
Net cash used in financing activities	(62,546,244)	(3,167,372)
Net decrease in cash and cash equivalents	(215,236,587)	(166,983,811)
Cash and cash equivalents at the beginning of the period	264,470,407	635,883,439
Cash and cash equivalents at the end of the period	21 49,233,820	468,899,628

The annexed notes, 1 to 26, form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Director


Chief Financial Officer

ROSHAN PACKAGES LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

1 THE COMPANY AND ITS OPERATIONS

1.1 Corporate and general information

Roshan Packages Limited (the Company) was incorporated in Pakistan as a private company limited by shares on 13 August 2002 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017). The Company was converted into a public limited company on 23 September 2016 and got listed on Pakistan Stock Exchange Limited on 28 February 2017. It is principally engaged in the manufacture and sale of corrugation and flexible packaging materials.

1.2 The geographical locations and addresses of the Company's business units, including production facilities are as under:

- Head office and registered office: 325 G-III, M.A. Johar Town, Lahore.
- Marketing office: 104, Parsa Tower, PECHS Block-6, Shahra-e-Faisal, Karachi.
- Corrugation packaging plant: 7 km, Sundar Raiwind Road, Lahore.
- Flexible packaging plant: Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.

1.3 These condensed interim unconsolidated financials statements are the separate financials statements of the Company in which investment in the subsidiary namely Roshan Sun Tao Paper Mills (Private) Limited (the Subsidiary) has been accounted for at cost less accumulated impairment losses, if any. The condensed interim consolidated financial statements of the Company are being issued separately.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by 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 Act, differ with the requirements of IAS 34, the provisions of and directives issued under the Act, have been followed.

2.2 These condensed interim unconsolidated financial statements are un-audited and are being submitted to shareholders, as required by Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019. These condensed interim unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the audited unconsolidated financial statements for the year ended 30 June 2022.

Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Company's financial position and performance since the last annual unconsolidated financial statements.

2.3 These condensed interim unconsolidated financial statements have been prepared under the historical cost convention and are presented in Pak Rupee, which is also the functional currency of the Company.

2.4 Provisions in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those of the previous financial year, except for the adoption of new or amended standards as set out in note 3.1. The Company has not early adopted any standard, amendments or interpretation that has been issued but is not yet effective.

ROSHAN PACKAGES LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

3.1 Standards, amendments to published standards and interpretations that are effective in the current period

The Company has adopted the following accounting standards and the amendments and interpretation of IFRS which became effective:

Certain standards, amendments and interpretations to IFRS are effective for accounting periods beginning on July 1, 2022, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim unconsolidated financial statements.

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 01, 2022 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim unconsolidated financial statements.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim unconsolidated financial statements, in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim unconsolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the audited unconsolidated financial statements of the Company for the year ended 30 June 2022.

5	PROPERTY, PLANT AND EQUIPMENT	Note	Sep-22 Rupees	Jun-22 Rupees
	Operating fixed assets	5.1	5,330,891,893	5,365,747,906
	Capital work-in-progress	5.2	439,689	2,268,762
			<u>5,331,331,582</u>	<u>5,368,016,668</u>
5.1	Movement during the period / year is as follows:			
	Balance at the beginning of the period / year- net book value		5,365,747,906	4,467,326,597
	Additions during the period / year - cost	5.1.1	9,494,124	65,028,468
	Transfer from right of use asset during the period / year - net book value		1,581,415	5,539,317
	Revaluation adjustment		-	996,578,959
			<u>5,376,823,445</u>	<u>5,534,473,341</u>
	Less:			
	Disposals during the period / year - net book value		-	(4,951,349)
	Depreciation during the period / year		<u>(45,931,552)</u>	<u>(163,774,086)</u>
			<u>(45,931,552)</u>	<u>(168,725,435)</u>
	Net book value at the end of the period / year		<u>5,330,891,893</u>	<u>5,365,747,906</u>
5.1.1	The detail of additions made during the period / year is as follows:			
	Buildings on free hold land		2,894,973	6,088,272
	Plant and machinery		2,721,523	33,275,037
	Electric installations		310,000	4,454,824
	Furniture and fixtures		110,477	1,501,455
	Office equipment		3,228,151	18,182,228
	Vehicles		229,000	1,526,652
			<u>9,494,124</u>	<u>65,028,468</u>
5.2	Capital work in progress			
	Opening balance		2,268,762	493,404
	Additions during the period / year		1,065,900	2,125,029
	Transfers during the period / year		<u>(2,894,973)</u>	<u>(349,671)</u>
	Closing balance		439,689	2,268,762

ROSHAN PACKAGES LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

6	LONG-TERM LOANS - RELATED PARTIES	Notes	Sep-22 Rupees	Jun-22 Rupees
	At amortized cost:			
	Loan to associated undertaking - Roshan Enterprises	6.1 and 6.2	-	-
	Loan to subsidiary - Roshan Sun Tao Paper Mills (Private) Limited	6.3 and 6.4	468,018,538	450,018,538
			<u>468,018,538</u>	<u>450,018,538</u>
6.1	Movement during the period / year is as follows:			
	Opening balance		146,078,867	130,864,885
	Markup accrued during the period / year		5,519,764	15,213,982
			<u>151,598,631</u>	<u>146,078,867</u>
	Less: Current portion of principal shown under current assets		(130,864,885)	(130,864,885)
	Less: Accrued markup shown under Advances, Deposits, Prepayments and Other Receivables		(20,733,746)	(15,213,982)
	Closing balance		<u>-</u>	<u>-</u>
6.1.1	The maximum aggregate amount outstanding during the period with reference to month end balance amounted to Rs. 151.60 million (June 2022: Rs. 146.07 million).			
6.2	This unsecured loan carries markup at the rate of 1-Year KIBOR+2% (June 2022:1-Year KIBOR+2%) per annum or average borrowing cost of the Company, whichever is higher. The effective interest rate was 17.10% to 18.17% (June 2022: 10.06% to 17.10%) per annum. The Company in its Annual General Meeting held on 28 October 2020 through special resolution and in accordance with requirements of Section 199 of the Companies Act 2017, has granted extension of two years to associated undertaking in repayment of loan and as per revised terms and conditions, Roshan Enterprises would repay the entire principal amount by 28 October 2022. Currently, the Company and related party are finalizing the mode of settlement. Based on the Company's discussion with partners of Roshan Enterprises, who are also the directors of the Company, full settlement through transfer of a non-financial asset (a piece of commercial land) of adequate value is expected. Accordingly, as of reporting date, allowance for expected credit loss has been estimated to be insignificant and has not been recognized in these condensed interim unconsolidated financial statements.			
6.3	Movement during the period / year is as follows:			
	Opening balance		461,421,301	387,697,897
	Loan disbursed during the period / year		18,000,000	70,901,956
	Markup accrued during the period / year		17,424,102	41,639,278
	Markup received during the period / year		(10,841,441)	(38,817,830)
			<u>486,003,962</u>	<u>461,421,301</u>
	Less: Accrued markup shown under Advances, Deposits, Prepayments and Other Receivables		(17,985,424)	(11,402,763)
	Closing balance		<u>468,018,538</u>	<u>450,018,538</u>
6.3.1	The maximum aggregate amount outstanding during the period with reference to month end balance amounted to Rs. 468.02 million (June 2022: Rs. 450.01 million).			
6.4	This represents unsecured loan disbursed to finance capital expenditure, for setting up of the Subsidiary's production facility. The loan carries interest at the rate of 1-Year KIBOR+2% (June 2022:1-Year KIBOR+2%) per annum or average borrowing cost of the Company, whichever is higher and shall be received on quarterly basis. The effective interest rate was 10.04% to 18.23% (June 2022: 9.32% to 10.04%) per annum.			
	As per terms and conditions of the loan agreement (revised), it is repayable on 30 June 2024 or within one year of the commercial operations of the Subsidiary, whichever is later. However, the Company is considering to convert this amount into equity, subject to approvals.			
	Furthermore, in relation to assessment of indicators of impairment for the Company's equity investment in the Subsidiary company, as of reporting date, the Company estimates that an allowance for expected credit loss is insignificant and has not been recognized in these condensed interim unconsolidated financial statements.			
7	STORES, SPARES AND OTHER CONSUMABLES	Note	Sep-22 Rupees	Jun-22 Rupees
	Stores		247,571,045	215,880,336
	Spares		67,498,901	48,666,252
	Packing material		19,146,261	14,154,243
			<u>334,216,207</u>	<u>278,700,831</u>

ROSHAN PACKAGES LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

8	STOCK-IN-TRADE		Sep-22 Rupees	Jun-22 Rupees
	Raw materials	8.1	1,558,828,354	1,259,396,367
	Finished goods		43,104,756	79,888,455
	Waste stock		-	11,566,038
			<u>1,601,933,110</u>	<u>1,350,850,860</u>
8.1	This includes stock-in-transit amounting to Rs.162.74 million (June 2022: Rs. 119.15 million)			
9	TRADE RECEIVABLES	Note	Sep-22 Rupees	Jun-22 Rupees
	Trade receivables	9.1	2,652,090,848	2,483,045,071
	Less: Allowance for expected credit losses		(216,996,858)	(216,996,858)
			<u>2,435,093,990</u>	<u>2,266,048,213</u>
9.1	Balances with related parties:			
	Outstanding balances due from related parties are as follows:			
	Roshan Enterprises		3,188,237	3,188,237
	Al-Firdusi Exporters		1,507,253	1,507,253
			<u>4,695,490</u>	<u>4,695,490</u>
9.1.2	The maximum aggregate outstanding at any time during the period / year calculated with reference to month-end balance are as follows:			
			Sep-22 Rupees	Jun-22 Rupees
	Roshan Enterprises		5,115,976	5,115,976
	Al-Firdusi Exporters		3,188,237	3,188,237
			<u>8,304,213</u>	<u>8,304,213</u>
9.1.3	The aging analysis of balances due from related parties are as follows:			
	Not yet due		-	-
	Past due for 0 to 180 days		-	388,720
	Past due for 180 to 365 days		388,720	-
	Past due for more than 365 days		4,306,770	4,306,770
			<u>4,695,490</u>	<u>4,695,490</u>
10	TAX REFUNDS DUE FROM GOVERNMENT		Sep-22 Rupees	Jun-22 Rupees
	Sales tax receivable - net		35,358,279	37,855,492
	Income tax receivable - net		318,639,110	337,240,883
			<u>353,997,389</u>	<u>375,096,375</u>
10.1	There is no significant change in the status of taxation cases and assessment orders, issued by tax authorities, as set out in note 16 to the Company's unconsolidated financial statements for the year ended June 30, 2022			
11	CASH AND BANK BALANCES	Note	Sep-22 Rupees	Jun-22 Rupees
	Cash in hand		503,200	1,160,144
	Balances with banks:			
	Savings accounts	11.1	115,612,606	337,829,597
	Current accounts		153,610,029	166,259,770
			<u>269,222,635</u>	<u>504,089,367</u>
			<u>269,725,835</u>	<u>505,249,511</u>
11.1	The savings accounts earn interest at floating rates based on daily bank deposit rates ranging from 4.75% to 14.00% (June 2022: 5.83% to 13.35%) per annum.			

ROSHAN PACKAGES LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

12 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

	Sep-22	Jun-22	Sep-22	Jun-22
	-----No. of shares-----		-----Rupees-----	
Ordinary shares of Rs. 10 each fully paid in cash	57,336,000	57,336,000	573,360,000	573,360,000
Ordinary shares of Rs. 10 each issued as bonus shares	79,461,000	79,461,000	794,610,000	794,610,000
Ordinary shares of Rs. 10 each fully paid for consideration other than cash (Note 12.1)	5,103,000	5,103,000	51,030,000	51,030,000
	<u>141,900,000</u>	<u>141,900,000</u>	<u>1,419,000,000</u>	<u>1,419,000,000</u>

12.1 These shares were issued against the fair value of land acquired which measures 48 kanals and 12 marlas and is situated opposite to Sundar Industrial Estate, Bhai Kot, Raiwind, Lahore.

13 DEFERRED TAXATION

	Sep-22			
	Opening balance	(Credit) / charge to profit or loss	Charge to other comprehensive income	Closing balance
	------(Rupees)-----			
<u>Taxable temporary difference</u>				
Accelerated tax depreciation	357,444,723	(7,655,326)	-	349,789,397
Revaluation surplus	457,889,707	4,419,124	-	462,308,831
Right-of-use assets	25,414,510	(2,899,193)	-	22,515,317
<u>Deductible temporary difference</u>				
Allowance for ECL on trade receivables	(67,269,026)	-	-	(67,269,026)
Lease liabilities	(25,916,537)	2,030,336	-	(23,886,201)
Minimum tax	(191,457,239)	(4,223,245)	-	(195,680,484)
Alternative corporate tax	(12,186,950)	-	-	(12,186,950)
	<u>543,919,188</u>	<u>(8,328,304)</u>	<u>-</u>	<u>535,590,884</u>

	Jun-22			
	Opening balance	Charge / (credit) to profit or loss	Charge to other comprehensive income	Closing balance
	------(Rupees)-----			
<u>Taxable temporary difference</u>				
Accelerated tax depreciation	321,200,062	36,244,661	-	357,444,723
Revaluation surplus	390,149,555	(14,910,033)	82,650,185	457,889,707
Right-of-use assets	9,695,212	15,719,298	-	25,414,510
<u>Deductible temporary difference</u>				
Allowance for ECL on trade receivables	(67,820,822)	551,796	-	(67,269,026)
Deferred liabilities	(41,444,442)	41,444,442	-	-
Lease liabilities	(9,671,049)	(16,245,488)	-	(25,916,537)
Minimum tax	(15,272,266)	(176,184,973)	-	(191,457,239)
Alternative corporate tax	(12,186,950)	-	-	(12,186,950)
	<u>574,649,300</u>	<u>(113,380,297)</u>	<u>82,650,185</u>	<u>543,919,188</u>

ROSHAN PACKAGES LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

14 SHORT TERM BORROWINGS - SECURED

	Sep-22	Jun-22
	Rupees	Rupees
Running finance	220,492,015	240,779,104
Term finances:		
- import finance / murabaha	342,157,715	310,233,786
- istisna / wakala	1,109,805,302	1,177,807,768
	<u>1,451,963,017</u>	<u>1,488,041,554</u>
	<u>1,672,455,032</u>	<u>1,728,820,658</u>

14.1 There is no material change in the terms and conditions of the short-term borrowings as disclosed in note 28 to the Company's unconsolidated financial statements for the year ended June 30, 2022.

15 TRADE AND OTHER PAYABLES

	Note	Sep-22	Jun-22
		Rupees	Rupees
Trade creditors		1,102,787,805	1,032,181,219
Accrued liabilities		147,874,080	160,055,058
Payable to Shandong Yongtai Paper Mills Limited	15.1	81,675,825	81,675,825
Withholding tax payable		35,993,195	8,752,012
Workers' Profit Participation Fund payable	15.2	55,279,460	50,761,234
Workers' Welfare Fund payable	15.3	4,774,698	2,839,134
Advances from employees		1,292,787	1,292,787
Retention money payable		86,205	86,205
		<u>1,429,764,055</u>	<u>1,337,643,474</u>

15.1 The Company had entered into a settlement agreement on 05 March 2021 with the Shandong Yongtai Paper Mills Limited and its directors (the previous joint shareholders in the subsidiary company) to acquire their interest in the subsidiary company for Rs. 81.68 million in a full and final settlement. The Company is in the process of closing this transaction, subject to necessary regulatory approvals.

15.2 Workers' Profit Participation Fund Payable

	Sep-22	Jun-22
	Rupees	Rupees
Balance at the beginning of the period / year	50,761,234	36,832,514
Charge for the period / year	4,518,226	13,928,720
Balance as at period / year end	<u>55,279,460</u>	<u>50,761,234</u>

15.3 Workers' Welfare Fund payable

	Sep-22	Jun-22
	Rupees	Rupees
Balance at the beginning of the period / year	2,839,134	9,424,141
Charge for the period / year	1,935,564	2,777,019
Paid during the period / year	-	(9,362,026)
Balance as at period / year end	<u>4,774,698</u>	<u>2,839,134</u>

ROSHAN PACKAGES LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

There is no significant change in the status of contingencies and commitments set out in note 32 to the Company's unconsolidated financial statements for the year ended June 30, 2022.

16.2 Commitments in respect of:

- (a) There is no change in the commitments in respect of letters of credit and contracts for capital expenditure since the date of preceding published annual financial statements.
- (b) Letter of credits and contracts other than for capital expenditure amounting to Rs. 183.15 million (June 2022: Rs.183.50 million).

16.3 Guarantee

The banks have issued the following guarantees on behalf of the Company:

- (a) Letter of guarantee issued in favor of Sui Northern Gas Pipelines Limited amounting to Rs. 35.19 million (June 2022: Rs. 30.07 million).
- (b) Letter of guarantee issued in favor of Total Parco Pakistan Limited amounting to Rs. 14.50 million (June 2022: Rs. 14.50 million).

	Notes	Sep-22 Rupees	Sep-21 Rupees
17 REVENUE FROM CONTRACTS WITH CUSTOMERS	17.1 and 17.2	2,691,125,782	1,919,528,815

17.1 Disaggregation of revenue from contracts with customers:

In the following table, revenue from contracts with customers is disaggregated by major product lines and timing of revenue recognition

		Sep-22 Rupees	Sep-21 Rupees
Major product lines:			
- Made-to-order packaging products	17.2	2,379,601,140	1,753,637,625
- Standard packaging products		311,524,642	165,891,190
		2,691,125,782	1,919,528,815
Timing of revenue recognition:			
- Products transferred over time	17.2	2,379,601,140	1,753,637,625
- Products transferred at a point in time		311,524,642	165,891,190
		2,691,125,782	1,919,528,815
Geographical market:			
- Pakistan	17.2	2,691,125,782	1,919,528,815

17.2 This includes unbilled revenue amounting to Rs. 188.82 million (2021: Rs. 65.46 million).

17.3 Performance obligation

The performance obligation in case of sale of standard products is satisfied at a point in time when the goods are delivered to the customer and for made to order products is satisfied over the time. The Company makes sales against advances as well as on credit terms. In case of credit sales, payment is generally due within 7 to 365 days from delivery.

ROSHAN PACKAGES LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

18 COST OF REVENUE

	Sep-22 Rupees	Sep-21 Rupees
Raw materials consumed	1,903,910,700	1,461,034,005
Carriage inward expenses	1,599,788	1,446,002
Packing material consumed	9,605,222	7,106,249
Production supplies	43,799,843	34,232,958
Fuel and power	167,068,425	81,283,119
Salaries, wages and other benefits	106,466,227	90,078,263
Repairs and maintenance	14,083,942	24,127,040
Printing and stationery	510,426	276,009
Insurance	1,177,488	1,240,338
Rent	602,065	360,258
Travelling and conveyance	12,499,537	7,576,252
Communication expenses	299,047	293,056
Vehicle running expenses	1,715,210	3,021,710
Depreciation on operating fixed assets	44,630,862	37,183,962
Depreciation on right of use assets	5,299,909	341,336
Others	4,039,536	2,974,989
Cost of goods manufactured	2,317,308,227	1,752,575,546
Opening stock of finished goods	91,454,493	48,238,056
Closing stock of finished goods	(43,104,756)	(61,886,318)
	48,349,737	(13,648,262)
	2,365,657,964	1,738,927,284

19 TAXATION

Current tax	35,667,750	28,792,932
Deferred tax income	(8,328,304)	(4,282,966)
	27,339,446	24,509,966

20 EARNINGS PER SHARE - BASIC AND DILUTED

Basic and diluted earnings per share are same because the Company has not issued any convertible bonds, convertible preference shares, options, warrants or employee share options. Thus, earnings per share of the Company are as follows:

Profit attributable to owners of the Company	Rupees	56,571,289	24,518,634
Weighted-average number of ordinary shares	Number	141,900,000	141,900,000
Basic earnings per share	Rupees	0.40	0.17

21 CASH AND CASH EQUIVALENTS

The figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the unconsolidated statement of cash flows at reporting date as follows:

	Note	Sep-22 Rupees	Sep-21 Rupees
Short term investments		-	482,085,000
Cash and bank balances	11	269,725,835	194,333,096
Short term borrowings - running finance	14	(220,492,015)	(207,518,468)
		49,233,820	468,899,628

ROSHAN PACKAGES LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

22 TRANSACTIONS WITH RELATED PARTIES

The Company's related parties consist of its wholly owned subsidiary, associated undertakings, directors and key management personnel and their associates. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties have been disclosed in the respective notes to these condensed interim unconsolidated financial statements other than the following:

Relationship with the Company	Name of related party	Nature of Transactions	Sep-22	Sep-21
			Rupees	Rupees
Wholly owned subsidiary	Roshan Sun Tao Paper Mills (Private) Limited	Long term loan to subsidiary	18,000,000	17,500,000
		Markup accrued on long term loan	17,424,102	8,561,280
		Markup received during the period	10,841,441	7,612,377
Associated undertaking	Roshan Enterprises	Markup accrued on long term loan	5,519,764	3,107,539
Associated undertaking	Al-Firdusi Exporters	Sale of packaging material	-	2,597,955
		Receipts during the period	-	2,505,117

23 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and other price risk), credit risk and liquidity risk.

These condensed interim unconsolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's financial statements for the year ended June 30, 2022.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2022.

24 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial risk management objective and policies are consistent with that disclosed in the Company's unconsolidated financial statements for the year ended June 30, 2022.

25 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim unconsolidated financial statements were approved and authorized for issue on _____ by the Board of Directors of the Company.

26 CORRESPONDING FIGURES

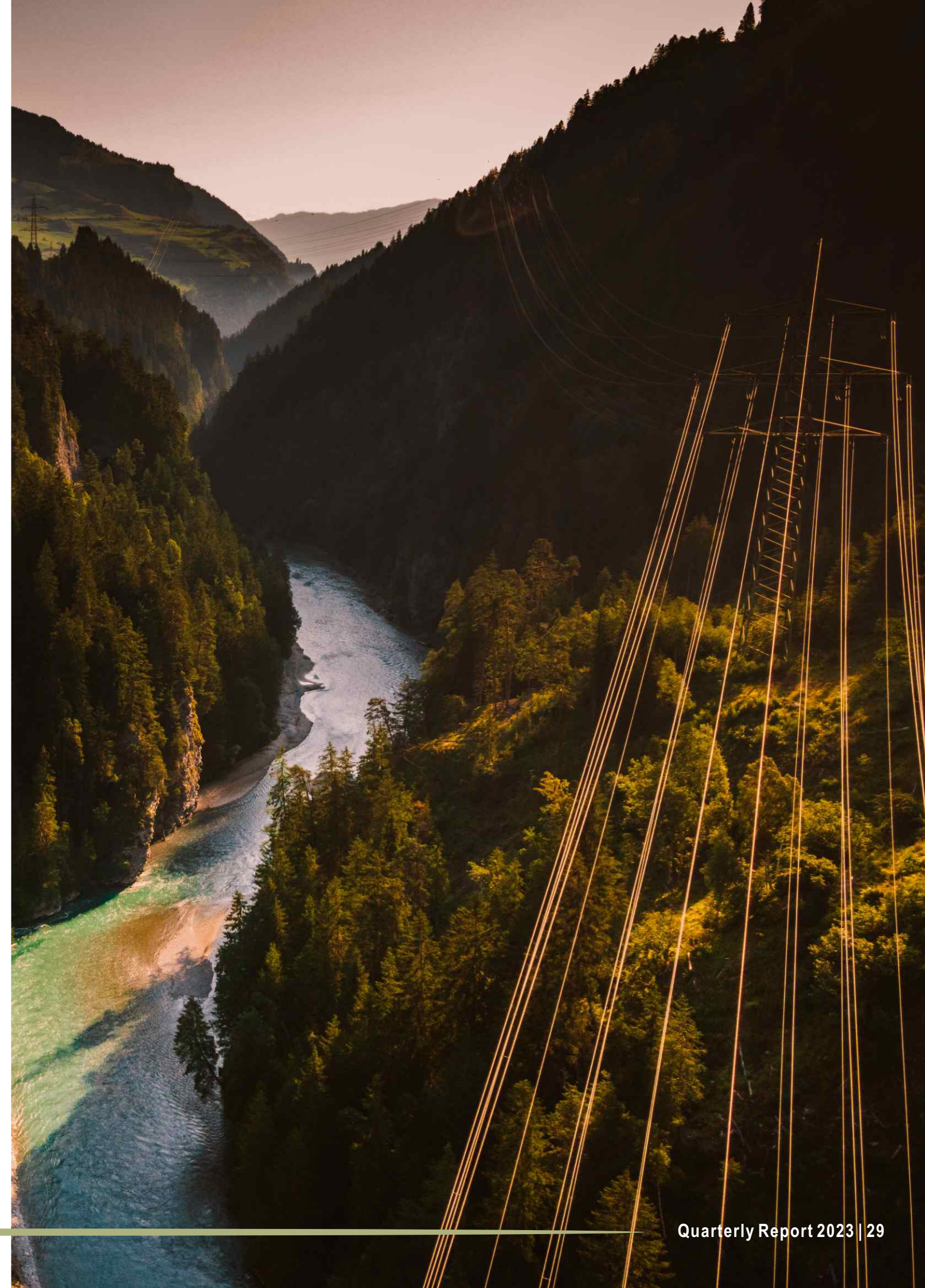
In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim unconsolidated statement of financial position has been compared with the balances of annual audited unconsolidated financial statements of preceding financial year, whereas, the condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows have been compared with the amounts/balances of comparable period of immediately preceding financial year.





CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2022



Directors' Report

The Directors of the Group are pleased to present their Directors' Report along with the unaudited Financial Statements of the Group for the quarter ended September 30, 2022.

Financial Overview

The operating results of the Group are summarized as under:

	Quarter Ended	
	30 Sep 2022	30 Sep 2021
Rupees in '000'		
Turnover	2,691,126	1,919,529
Gross profit	325,468	180,602
Operating profit	152,027	71,981
Finance cost	74,513	23,648
Profit before tax	59,734	33,131
Profit after tax	32,394	8,621

Operating Performance

During the quarter ended September 30, 2022, the Group registered an impressive high double-digit growth in revenue of 40.20%, increasing the revenue to Rs 2,691 million from Rs 1,919 million in the same period last year. In addition to this increase, the Group has improved customers' portfolio by focusing on top-tier local corporate and multinational customers which is a result of the Group's focus on customer satisfaction, meeting international quality products and increased market share.

The Group earned gross profit of Rs 325.5 million as compared to Rs 180.6 million, which represents an increase of Rs 144.9 million (80.20% increase) against the same period last year. Moreover, the gross profit margin on revenue, has also increased by 2.70%, which is the result of continuous efforts on cost efficiencies and better capacity utilization, allowing for the absorption of overheads and improvement in product and customer mix.

Thus, the Group earned a profit after tax of Rs 32.3 million as compared to Rs 8.6 million in the comparable period last year, which represents a significant increase of 275.77%.

Directors' Report

Earnings per share

The earnings per share, for the current and previous quarter, are as follows:

EPS-Q1 2022-23: 0.23/share

EPS-Q1 2021-22: 0.06/share

Forward-Looking Statement

Moving forward, the Group will continue its policy and focus towards sustainable growth. We hope to be an important player in Pakistan's new green economy by continuing our efforts, not only to mitigate our impact on the environment, but also to help reduce other industries' impact through our recycling program and recyclable packaging options.

Being cognisant of the operating environment, the Group is focusing on value chain efficiencies and optimizing raw material inventory levels to better manage the commodity costs which will help improve profitability, while driving growth in upcoming periods. The management will continue to monitor the situation and ensure that the cost is effectively and fairly reflected in our prices.

Despite macro-economic conditions, the packaging industry continues to grow worldwide along with the FMCG industry. Our goal is to cater to rising consumer and FMCG demand for clean, green and innovative packaging. We are thus investing in our human capital along with our customer service in order to delight our customers and engage the rest of the market.

Subsequent Events

There have been no material changes since 30 September 2022 to the date of this report and the Group has not entered into any commitment during this period, which would have an impact on the financial position/performance of the Group.

Acknowledgment

The management would like to use this opportunity to thank its valued customers for their trust and confidence in the Group's products. Heartfelt gratitude is also extended to all other stakeholders including suppliers, bankers, shareholders, employees and the government at the frontlines for supporting us in this period.

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

ASSETS	Note	Sep-22 Rupees	Jun-22 Rupees
Non-current assets			
Property, plant and equipment	5	6,970,090,001	7,005,666,365
Right of use assets		72,630,054	81,982,291
Long-term loan - related party	6	-	-
Long term deposits		26,472,048	22,463,630
		7,069,192,103	7,110,112,286
Current assets			
Stores, spares and other consumables	7	334,216,207	278,700,831
Stock-in-trade	8	1,601,933,110	1,350,850,860
Contract assets		188,822,148	199,255,658
Trade receivables	9	2,435,093,990	2,266,048,213
Current portion of long term loan - related party	6	130,864,885	130,864,885
Advances, deposits, prepayments and other receivables		55,307,405	228,079,246
Tax refunds due from Government	10	379,022,656	399,842,320
Cash and bank balances	11	269,832,460	505,279,477
		5,395,092,861	5,358,921,490
TOTAL ASSETS		12,464,284,964	12,469,033,776
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
200,000,000 (June 2022: 200,000,000) ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up share capital	12	1,419,000,000	1,419,000,000
Capital reserves			
Share premium		1,994,789,057	1,994,789,057
Surplus on revaluation of property, plant and equipment		3,769,448,178	3,783,703,410
		5,764,237,235	5,778,492,467
Revenue reserve			
Un-appropriated profit		1,129,058,124	1,082,408,607
TOTAL EQUITY - ATTRIBUTABLE TO OWNERS OF THE HOLDING COMPANY		8,312,295,359	8,279,901,074
Non-current liabilities			
Long term finances - secured		130,110,270	138,784,287
Lease liabilities		45,501,518	53,809,165
Deferred taxation	13	535,590,884	543,919,188
Deferred liabilities		155,237,493	154,279,763
		866,440,165	890,792,403
Current liabilities			
Current portion of long term liabilities		75,755,454	83,209,878
Short term borrowings - secured	14	1,672,455,032	1,728,820,658
Trade and other payables	15	1,437,753,423	1,346,571,121
Contract liabilities		38,508,840	84,548,248
Accrued finance cost		59,318,690	53,389,378
Unclaimed dividend		1,758,001	1,801,016
		3,285,549,440	3,298,340,299
TOTAL LIABILITIES		4,151,989,605	4,189,132,702
TOTAL EQUITY AND LIABILITIES		12,464,284,964	12,469,033,776
CONTINGENCIES AND COMMITMENTS	16		

The annexed notes, 1 to 26, form an integral part of these condensed interim consolidated financial statements.


ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

	Note	Sep-22 Rupees	Sep-21 Rupees
Revenue from contracts with customers		3,155,647,289	2,249,134,850
Less: Sales tax		(464,521,507)	(329,606,035)
Net revenue	17	2,691,125,782	1,919,528,815
Cost of revenue	18	(2,365,657,964)	(1,738,927,284)
Gross profit		325,467,818	180,601,531
Administrative expenses		(70,228,327)	(48,706,780)
Selling and distribution expenses		(96,759,195)	(56,236,455)
Other operating expenses		(6,453,790)	(3,677,140)
		(173,441,312)	(108,620,375)
Operating profit		152,026,506	71,981,156
Other income		11,969,824	14,794,203
Other expenses		(29,749,803)	(29,996,277)
Finance cost		(74,512,796)	(23,648,417)
Profit before taxation		59,733,731	33,130,665
Taxation	19	(27,339,446)	(24,509,966)
Profit for the period - Attributable to owners of the Holding Company		32,394,285	8,620,699
Earnings per share - Basic and diluted	20	0.23	0.06

The annexed notes, 1 to 26, form an integral part of these condensed interim consolidated financial statements.



Chief Executive



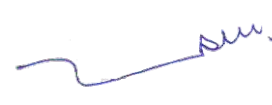
Director



Chief Financial Officer



Chief Executive



Director



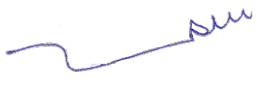
Chief Financial Officer

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

	Note	Sep-22 Rupees	Sep-21 Rupees
Profit for the period		32,394,285	8,620,699
Other comprehensive income / (loss) - net of tax:			
Items that may be reclassified subsequently to profit or loss:		-	-
Items that will not be subsequently reclassified in profit or loss:		-	-
Total comprehensive income for the period - Attributable to owners of the Holding Company		<u>32,394,285</u>	<u>8,620,699</u>

The annexed notes, 1 to 26, form an integral part of these condensed interim consolidated financial statements.


 Chief Executive


 Director


 Chief Financial Officer

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

	Issued, subscribed and paid-up share capital	Capital reserves		Revenue reserve		Total
	Rupees	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	Rupees	
Balance as on 01 July 2021	1,419,000,000	1,994,789,057	2,903,180,018	856,151,106	7,173,120,181	
Profit for the period	-	-	-	8,620,699	8,620,699	
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(12,168,271)	12,168,271	-	
Balance as on 30 September 2021	1,419,000,000	1,994,789,057	2,891,011,747	876,940,076	7,181,740,880	
Balance as on 01 July 2022	1,419,000,000	1,994,789,057	3,783,703,410	1,082,408,607	8,279,901,074	
Profit for the period	-	-	-	32,394,285	32,394,285	
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(14,255,232)	14,255,232	-	
Balance as on 30 September 2022	<u>1,419,000,000</u>	<u>1,994,789,057</u>	<u>3,769,448,178</u>	<u>1,129,058,124</u>	<u>8,312,295,359</u>	

The annexed notes, 1 to 26, form an integral part of these condensed interim consolidated financial statements.


 Chief Executive


 Director


 Chief Financial Officer

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER 30 SEPTEMBER 2022

	Sep-22 Rupees	Sep-21 Rupees
OPERATING ACTIVITIES		
Profit before taxation	59,733,731	33,130,665
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation on operating fixed assets	45,972,830	38,256,688
Depreciation on right of use assets	7,770,822	2,484,712
Interest income on loans	(5,519,764)	(3,107,539)
Finance cost	74,512,796	23,648,417
Provision for gratuity	8,100,000	7,823,334
Profit on bank deposits	(5,850,536)	(11,650,515)
Worker's Profit Participation Fund	4,518,226	2,641,326
Worker's Welfare Fund	1,935,564	1,035,814
Exchange loss unrealized	473,929	29,996,277
Grant income	(596,424)	-
Provision for accumulating compensated absences	726,627	726,627
	191,777,801	124,985,806
Working capital adjustments:		
(Increase) / decrease in current assets:		
Stores, spares and other consumables	(55,515,376)	(28,481,623)
Stock-in-trade	(251,082,250)	(254,826,086)
Trade receivables	(169,045,777)	(232,809,693)
Contract assets	10,433,510	83,096,057
Advances, deposits, prepayments and other receivables	179,780,671	(51,693,771)
Sales tax receivable - net	2,245,983	18,562,669
	(283,183,239)	(466,152,447)
(Decrease) / increase in current liabilities:		
Contract liabilities	(46,039,408)	4,987,947
Trade and other payables	57,988,338	218,995,808
	11,948,930	223,983,755
	(271,234,309)	(242,168,692)
Net cash used in operations	(79,456,508)	(117,182,886)
Finance cost paid	(65,998,456)	(25,762,556)
Taxes adjusted / (paid)	9,172,176	(13,856,629)
Gratuity paid	(7,868,897)	(2,596,723)
Accumulated absences paid	-	(82,438)
Net increase in long term deposits	(4,008,418)	(634,400)
	(68,703,595)	(42,932,746)
Net cash used in operating activities	(148,160,103)	(160,115,632)

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER 30 SEPTEMBER 2022

INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(8,815,051)	(13,103,420)
Profit on bank deposits received	4,361,470	8,265,821
Net cash used in investing activities	(4,453,581)	(4,837,599)
FINANCING ACTIVITIES		
Repayment of long term loans	(17,886,617)	(34,212,600)
Dividend paid	(43,015)	(18,218)
(Repayment of) / proceeds from short term borrowings - net	(36,078,537)	34,370,884
Repayment of lease liabilities	(8,538,075)	(3,307,438)
Net cash used in financing activities	(62,546,244)	(3,167,372)
Net decrease in cash and cash equivalents	(215,159,928)	(168,120,604)
Cash and cash equivalents at the beginning of the period	264,500,373	636,157,262
Cash and cash equivalents at the end of the period	21 49,340,445	468,036,658

The annexed notes, 1 to 26, form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Director


Chief Financial Officer

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER 30 SEPTEMBER 2022

1 THE GROUP AND ITS OPERATIONS

1.1 Corporate and general information

The Group comprises of Roshan Packages Limited (the Holding Company) and Roshan Sun Tao Paper Mills (Private) Limited (the Subsidiary), together 'the Group'.

Holding Company

Roshan Packages Limited (the Company) was incorporated in Pakistan as a private Company limited by shares on 13 August 2002 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017). The Company was converted into a public limited Company on 23 September 2016 and got listed on Pakistan Stock Exchange Limited on 28 February 2017. It is principally engaged in the manufacture and sale of corrugation and flexible packaging materials.

Subsidiary

Roshan Sun Tao Paper Mills (Private) Limited (the Subsidiary, with 100% shareholding of the Holding Company) was incorporated on 08 January 2016 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017) as a private limited company. The Subsidiary has been established to set up business of manufacturing, dealing and supply of corrugated papers. Uptil 21 March 2021, Shandong Yongtai Paper Mills Limited held 40% shareholding in the Subsidiary. Refer to Note 28.3 of Consolidated financial statements for the year ended June 30, 2022, for discussion of acquisition of minority shareholding of 40%, in prior year, by the Holding Company. The Subsidiary's financial year ends on 30 June.

1.2 Condensed interim consolidated financial statements

These financial statements are the condensed interim consolidated financial statements of the Roshan Packages Limited (the Holding Group) and its subsidiary, together the Group.

The geographical locations and addresses of the Group's business units, including production facilities are as under:

Holding Company

- Head office and registered office: 325 G-III, M.A. Johar Town, Lahore.
- Marketing office: 104, Parsa Tower, PECHS Block-6, Shakra-e-Faisal, Karachi.
- Corrugation packaging plant: 7 KM, Sundar Raiwind Road, Lahore.
- Flexible packaging plant: Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.

Subsidiary

- The registered office of the Subsidiary is situated at 325-G-III, Johar Town, Lahore, Punjab.
- The land purchased for setting up the manufacturing facility is situated at M-2 Lahore-Islamabad motorway, district Sheikhpura near village Mandiala and Qaimpur, adjacent to Quaid-e-Azam Industrial Apparel Park.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by 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 Act, differ with the requirements of IAS 34, the provisions of and directives issued under the Act, have been followed.

2.2 These condensed interim consolidated financial statements are un-audited and are being submitted to shareholders, as required by Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019. These condensed interim consolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended 30 June 2022.

Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

2.3 These condensed interim consolidated financial statements have been prepared under the historical cost convention and are presented in Pak Rupee, which is also the functional currency of the Group.

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2.4 Provisions in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those of the previous financial year, except for the adoption of new or amended standards as set out in note 3.1. The Group has not early adopted any standard, amendment or interpretation that has been issued but is not yet effective.

3.1 Standards, amendments to published standards and interpretations that are effective in the current period

The Group has adopted the following accounting standards and the amendments and interpretation of IFRS which became effective:

Certain standards, amendments and interpretations to IFRS are effective for accounting periods beginning on July 1, 2022, but are considered not to be relevant or to have any significant effect on the Group's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim consolidated financial statements.

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Group's accounting periods beginning on or after July 01, 2022 but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these condensed interim consolidated financial statements.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim consolidated financial statements, in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the audited consolidated financial statements of the Group for the year ended 30 June 2022.

5	PROPERTY, PLANT AND EQUIPMENT	Note	Sep-22 Rupees	Jun-22 Rupees
	Operating fixed assets	5.1	6,662,285,448	6,697,182,739
	Capital work-in-progress	5.2	307,804,553	308,483,626
			<u>6,970,090,001</u>	<u>7,005,666,365</u>
5.1	Movement during the period / year is as follows:			
	Balance at the beginning of the period / year- net book value		6,697,182,739	5,798,792,542
	Additions during the period / year - cost	5.1.1	9,494,124	65,162,468
	Transfer from right of use asset during the period / year - net book value		1,581,415	5,539,317
	Revaluation adjustment		-	996,578,959
			<u>6,708,258,278</u>	<u>6,866,073,286</u>
	Less:			
	Disposals during the period / year - net book value		-	(4,951,349)
	Depreciation during the period / year		<u>(45,972,830)</u>	<u>(163,939,198)</u>
			<u>(45,972,830)</u>	<u>(168,890,547)</u>
	Net book value at the end of the period / year		<u>6,662,285,448</u>	<u>6,697,182,739</u>
5.1.1	The detail of additions made during the period / year is as follows:			
	Buildings on free hold land		2,894,973	6,088,272
	Plant and machinery		2,721,523	33,275,037
	Electric installations		310,000	4,454,824
	Furniture and fixtures		110,477	1,501,455
	Office equipment		3,228,151	18,316,228
	Vehicles		<u>229,000</u>	<u>1,526,652</u>
			9,494,124	65,162,468
5.2	Capital work in progress			
	Opening balance		308,483,626	320,142,004
	Additions during the period / year		2,215,900	5,454,039
	Transfers during the period / year		<u>(2,894,973)</u>	<u>(17,112,417)</u>
	Closing balance		307,804,553	308,483,626

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

6 LONG-TERM LOAN - RELATED PARTY

	Notes	Sep-22 Rupees	Jun-22 Rupees
At amortized cost:			
Loan to associated undertaking - Roshan Enterprises	6.1 and 6.2	-	-
		-	-
6.1 Movement during the period / year is as follows:			
Opening balance		146,078,867	130,864,885
Markup accrued during the period / year		5,519,764	15,213,982
		151,598,631	146,078,867
Less: Current portion of principal shown under current assets		(130,864,885)	(130,864,885)
Less: Accrued markup shown under Advances, Deposits, Prepayments and Other Receivables		(20,733,746)	(15,213,982)
Closing balance		-	-

6.1.1 The maximum aggregate amount outstanding during the period with reference to month end balance amounted to Rs. 151.60 million (June 2022: Rs. 146.07 million).

6.2 This unsecured loan carries markup at the rate of 1-Year KIBOR+2% (June 2022:1-Year KIBOR+2%) per annum or average borrowing cost of the Group, whichever is higher. The effective interest rate was 17.10% to 18.17% (June 2022: 10.06% to 17.10%) per annum. The Holding Company in its Annual General Meeting held on 28 October 2020 through special resolution and in accordance with requirements of Section 199 of the Companies Act 2017, has granted extension of two years to associated undertaking in repayment of loan and as per revised terms and conditions, Roshan Enterprises would repay the entire principal amount by 28 October 2022. Currently, the Group and related party are finalizing the mode of settlement. Based on the Group's discussion with partners of Roshan Enterprises, who are also the directors of the Holding Company, full settlement through transfer of a non-financial asset (a piece of commercial land) of adequate value is expected. Accordingly, as of reporting date, allowance for expected credit loss has been estimated to be insignificant and has not been recognized in these condensed interim consolidated financial statements.

7 STORES, SPARES AND OTHER CONSUMABLES

	Note	Sep-22 Rupees	Jun-22 Rupees
Stores		247,571,045	215,880,336
Spares		67,498,901	48,666,252
Packing material		19,146,261	14,154,243
		334,216,207	278,700,831

8 STOCK-IN-TRADE

		Sep-22 Rupees	Jun-22 Rupees
Raw materials	8.1	1,558,828,354	1,259,396,367
Finished goods		43,104,756	79,888,455
Waste stock		-	11,566,038
		1,601,933,110	1,350,850,860

8.1 This includes stock-in-transit amounting to Rs.162.74 million (June 2022: Rs. 119.15 million)

9 TRADE RECEIVABLES

	Note	Sep-22 Rupees	Jun-22 Rupees
Trade receivables	9.1	2,652,090,848	2,483,045,071
Less: Allowance for expected credit losses		(216,996,858)	(216,996,858)
		2,435,093,990	2,266,048,213

9.1 Balances with related parties:

Outstanding balances due from related parties are as follows:			
Roshan Enterprises		3,188,237	3,188,237
Al-Firdusi Exporters		1,507,253	1,507,253
		4,695,490	4,695,490

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

9.1.2 The maximum aggregate outstanding at any time during the period / year calculated with reference to month-end balance are as follows:

	Sep-22 Rupees	Jun-22 Rupees
Roshan Enterprises	5,115,976	5,115,976
Al-Firdusi Exporters	3,188,237	3,188,237
	8,304,213	8,304,213

9.1.3 The aging analysis of balances due from related parties are as follows:

Not yet due	-	-
Past due for 0 to 180 days	-	388,720
Past due for 180 to 365 days	388,720	-
Past due for more than 365 days	4,306,770	4,306,770
	4,695,490	4,695,490

10 TAX REFUNDS DUE FROM GOVERNMENT

	Sep-22 Rupees	Jun-22 Rupees
Sales tax receivable - net	50,766,029	53,012,012
Income tax receivable - net	328,256,627	346,830,308
	379,022,656	399,842,320

10.1 There is no significant change in the status of taxation cases and assessment orders, issued by tax authorities, as set out in note 15 to the Group's consolidated financial statements for the year ended June 30, 2022

11 CASH AND BANK BALANCES

	Note	Sep-22 Rupees	Jun-22 Rupees
Cash in hand		521,541	1,188,042
Balances with banks:			
Savings accounts	11.1	115,612,606	337,829,597
Current accounts		153,698,313	166,261,838
		269,310,919	504,091,435
		269,832,460	505,279,477

11.1 The savings accounts earn interest at floating rates based on daily bank deposit rates ranging from 4.75% to 14.00% (June 2022: 5.83% to 13.35%) per annum.

12 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

	Sep-22 -----No. of shares-----	Jun-22	Sep-22 -----Rupees-----	Jun-22
Ordinary shares of Rs. 10 each fully paid in cash	57,336,000	57,336,000	573,360,000	573,360,000
Ordinary shares of Rs. 10 each issued as bonus shares	79,461,000	79,461,000	794,610,000	794,610,000
Ordinary shares of Rs. 10 each fully paid for consideration other than cash (Note 12.1)	5,103,000	5,103,000	51,030,000	51,030,000
	141,900,000	141,900,000	1,419,000,000	1,419,000,000

12.1 These shares were issued against the fair value of land acquired which measures 48 kanals and 12 marlas and is situated opposite to Sundar Industrial Estate, Bhai Kot, Raiwind, Lahore.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

13 DEFERRED TAXATION

Sep-22			
Opening balance	(Credit) / charge to profit or loss	Charge to other comprehensive income	Closing balance
------(Rupees)-----			
Taxable temporary difference			
Accelerated tax depreciation	357,444,723	(7,655,326)	349,789,397
Revaluation surplus	457,889,707	4,419,124	462,308,831
Right-of-use assets	25,414,510	(2,899,193)	22,515,317
Deductible temporary difference			
Allowance for ECL on trade receivables	(67,269,026)	-	(67,269,026)
Lease liabilities	(25,916,537)	2,030,336	(23,886,201)
Minimum tax	(191,457,239)	(4,223,245)	(195,680,484)
Alternative corporate tax	(12,186,950)	-	(12,186,950)
	<u>543,919,188</u>	<u>(8,328,304)</u>	<u>535,590,884</u>
Jun-22			
Opening balance	Charge / (credit) to profit or loss	Charge to other comprehensive income	Closing balance
------(Rupees)-----			
Taxable temporary difference			
Accelerated tax depreciation	321,200,062	36,244,661	357,444,723
Revaluation surplus	390,149,555	(14,910,033)	457,889,707
Right-of-use assets	9,695,212	15,719,298	25,414,510
Deductible temporary difference			
Allowance for ECL on trade receivables	(67,820,822)	551,796	(67,269,026)
Deferred liabilities	(41,444,442)	41,444,442	-
Lease liabilities	(9,671,049)	(16,245,488)	(25,916,537)
Minimum tax	(15,272,266)	(176,184,973)	(191,457,239)
Alternative corporate tax	(12,186,950)	-	(12,186,950)
	<u>574,649,300</u>	<u>(113,380,297)</u>	<u>543,919,188</u>

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14 SHORT TERM BORROWINGS - SECURED

	Sep-22	Jun-22
	Rupees	Rupees
Running finance	220,492,015	240,779,104
Term finances:		
- import finance / murabaha	342,157,715	310,233,786
- istisna / wakala	1,109,805,302	1,177,807,768
	<u>1,451,963,017</u>	<u>1,488,041,554</u>
	<u>1,672,455,032</u>	<u>1,728,820,658</u>

14.1 There is no material change in the terms and conditions of the short-term borrowings as disclosed in note 27 to the Group's consolidated financial statements for the year ended June 30, 2022.

15	TRADE AND OTHER PAYABLES	Note	Sep-22	Jun-22
			Rupees	Rupees
	Trade creditors		1,107,551,189	1,037,712,558
	Accrued liabilities		151,100,064	162,476,428
	Payable to Shandong Yongtai Paper Mills Limited	15.1	81,675,825	81,675,825
	Withholding tax payable		35,993,195	9,726,950
	Workers' Profit Participation Fund payable	15.2	55,279,460	50,761,234
	Workers' Welfare Fund payable	15.3	4,774,698	2,839,134
	Advances from employees		1,292,787	1,292,787
	Retention money payable		86,205	86,205
			<u>1,437,753,423</u>	<u>1,346,571,121</u>

15.1 The Holding Company had entered into a settlement agreement on 05 March 2021 with the Shandong Yongtai Paper Mills Limited and its directors (the previous joint shareholders in the subsidiary company) to acquire their interest in the subsidiary company for Rs. 81.68 million in a full and final settlement. The Holding Company is in the process of closing this transaction, subject to necessary regulatory approvals.

15.2	Workers' Profit Participation Fund Payable	Sep-22	Jun-22
		Rupees	Rupees
	Balance at the beginning of the period / year	50,761,234	36,832,514
	Charge for the period / year	4,518,226	13,928,720
	Balance as at period / year end	<u>55,279,460</u>	<u>50,761,234</u>
15.3	Workers' Welfare Fund payable		
	Balance at the beginning of the period / year	2,839,134	9,424,141
	Charge for the period / year	1,935,564	2,777,019
	Paid during the period / year	-	(9,362,026)
	Balance as at period / year end	<u>4,774,698</u>	<u>2,839,134</u>

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

There is no significant change in the status of contingencies and commitments set out in note 31 to the Group's consolidated financial statements for the year ended June 30, 2022.

16.2 Commitments in respect of:

- (a) There is no change in the commitments in respect of letters of credit and contracts for capital expenditure since the date of preceding published annual financial statements.
- (b) Letter of credits and contracts other than for capital expenditure amounting to Rs. 183.15 million (June 2022: Rs.183.50 million).

16.3 Guarantee

The banks have issued the following guarantees on behalf of the Group:

- (a) Letter of guarantee issued in favor of Sui Northern Gas Pipelines Limited amounting to Rs. 35.19 million (June 2022: Rs. 30.07 million).
- (b) Letter of guarantee issued in favor of Total Parco Pakistan Limited amounting to Rs. 14.50 million (June 2022: Rs. 14.50 million).

	Notes	Sep-22 Rupees	Sep-21 Rupees
17 REVENUE FROM CONTRACTS WITH CUSTOMERS	17.1 and 17.2	2,691,125,782	1,919,528,815

17.1 Disaggregation of revenue from contracts with customers:

In the following table, revenue from contracts with customers is disaggregated by major product lines and timing of revenue recognition

		Sep-22 Rupees	Sep-21 Rupees
Major product lines:			
- Made-to-order packaging products	17.2	2,379,601,140	1,753,637,625
- Standard packaging products		311,524,642	165,891,190
		2,691,125,782	1,919,528,815
Timing of revenue recognition:			
- Products transferred over time	17.2	2,379,601,140	1,753,637,625
- Products transferred at a point in time		311,524,642	165,891,190
		2,691,125,782	1,919,528,815
Geographical market:			
- Pakistan	17.2	2,691,125,782	1,919,528,815

17.2 This includes unbilled revenue amounting to Rs. 188.82 million (2021: Rs. 65.46 million).

17.3 Performance obligation

The performance obligation in case of sale of standard products is satisfied at a point in time when the goods are delivered to the customer and for made to order products is satisfied over the time. The Group makes sales against advances as well as on credit terms. In case of credit sales, payment is generally due within 7 to 365 days from delivery.

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

18 COST OF REVENUE

	Sep-22 Rupees	Sep-21 Rupees
Raw materials consumed	1,903,910,700	1,461,034,005
Carriage inward expenses	1,599,788	1,446,002
Packing material consumed	9,605,222	7,106,249
Production supplies	43,799,843	34,232,958
Fuel and power	167,068,425	81,283,119
Salaries, wages and other benefits	106,466,227	90,078,263
Repairs and maintenance	14,083,942	24,127,040
Printing and stationery	510,426	276,009
Insurance	1,177,488	1,240,338
Rent	602,065	360,258
Travelling and conveyance	12,499,537	7,576,252
Communication expenses	299,047	293,056
Vehicle running expenses	1,715,210	3,021,710
Depreciation on operating fixed assets	44,630,862	37,183,962
Depreciation on right of use assets	5,299,909	341,336
Others	4,039,536	2,974,989
Cost of goods manufactured	2,317,308,227	1,752,575,546
Opening stock of finished goods	91,454,493	48,238,056
Closing stock of finished goods	(43,104,756)	(61,886,318)
	48,349,737	(13,648,262)
	2,365,657,964	1,738,927,284

19 TAXATION

Current tax	35,667,750	28,792,932
Deferred tax income	(8,328,304)	(4,282,966)
	27,339,446	24,509,966

20 EARNINGS PER SHARE - BASIC AND DILUTED

Basic and diluted earnings per share are same because the Group has not issued any convertible bonds, convertible preference shares, options, warrants or employee share options. Thus, earnings per share of the Group are as follows:

Profit attributable to owners of the Holding Company	Rupees	32,394,285	8,620,699
Weighted-average number of ordinary shares	Number	141,900,000	141,900,000
Basic earnings per share	Rupees	0.23	0.06

21 CASH AND CASH EQUIVALENTS

The figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the consolidated statement of cash flows at reporting date as follows:

	Note	Sep-22 Rupees	Sep-21 Rupees
Short term investments		-	482,085,000
Cash and bank balances	11	269,832,460	194,336,429
Short term borrowings - running finance	14	(220,492,015)	(208,384,771)
		49,340,445	468,036,658

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

22 TRANSACTIONS WITH RELATED PARTIES

The Group's related parties consist of its associated undertakings, directors and key management personnel and their associates. The Group in the normal course of business carries out transactions with various related parties. Significant transactions with related parties have been disclosed in the respective notes to these condensed interim consolidated financial statements other than the following:

Relationship with the Group	Name of related party	Nature of Transactions	Sep-22	Sep-21
			Rupees	Rupees
Associated undertaking	Roshan Enterprises	Markup accrued on long term loan	5,519,764	3,107,539
Associated undertaking	Al-Firdusi Exporters	Sale of packaging material	-	2,597,955
		Receipts during the period	-	2,505,117

23 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and other price risk), credit risk and liquidity risk.

These condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's financial statements for the year ended June 30, 2022.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2022.

24 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group's financial risk management objective and policies are consistent with that disclosed in the Group's consolidated financial statements for the year ended June 30, 2022.

25 DATE OF AUTHORIZATION FOR ISSUE

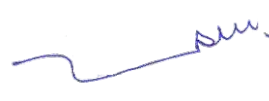
These condensed interim consolidated financial statements were approved and authorized for issue on _____ by the Board of Directors of the Holding Company.

26 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim consolidated statement of financial position has been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas, the condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows have been compared with the amounts/balances of comparable period of immediately preceding financial year.



Chief Executive



Director



Chief Financial Officer