



## Tri-Pack Films Limited

Quarterly Report September, 2023



Our Legacy: Withstanding the Odds

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# Company Information

## Board of Directors\*

Syed Babar Ali (Chairman)  
Mr. Asghar Abbas  
Syed Hyder Ali  
Mr. Khurram Raza Bakhtayari  
Ms. Nermeen Towfiq Chinoy  
Mr. Asif Qadir  
Mr. Saquib Hussain Shirazi  
Mr. Nasir Jamal (Deemed Director)

## Chief Executive Officer

Mr. Nasir Jamal

## Audit Committee\*

Ms. Nermeen Towfiq Chinoy (Chairperson)  
Mr. Khurram Raza Bakhtayari  
Mr. Asif Qadir  
Mr. Feroze Polani (Secretary)

## Human Resource and Remuneration (HR&R) Committee\*

Ms. Nermeen Towfiq Chinoy (Chairperson)  
Mr. Asghar Abbas  
Mr. Khurram Raza Bakhtayari  
Mr. Taimoor Ahmed (Secretary)

## Executive Committee\*

Syed Hyder Ali (Chairman)  
Mr. Asghar Abbas  
Mr. Khurram Raza Bakhtayari  
Ms. Iqra Sajjad (Secretary)

## Chief Financial Officer

Mr. Muhammad Zuhair Damani

## Company Secretary

Ms. Iqra Sajjad

## Head of Internal Audit

Mr. Feroze Polani

## Auditors and Tax Advisor

A.F. Ferguson & Co. Chartered Accountants

## Legal Advisors

Sattar & Sattar

## Shares Registrar

FAMCO Associates (Pvt.) Ltd  
8-F, Next to Hotel Faran, Nursery, Block 6,  
P.E.C.H.S., Shahrah-e-Faisal,  
Karachi - 75400  
Tel : (021) 34380101-2  
Fax : (021) 34380106

## Company Shares Department

Ubaid Hussain / Suman Kishore  
Tel: 92-21 35874047-49 Ext Nos: 237 & 233  
Email: shares.desk@tripack.com.pk

## Website

www.tripack.com.pk

## Registered Office

4th Floor, The Forum, Suite No. 416-422, G-20,  
Block No. 9, Clifton, Khayaban-e-Jami,  
Karachi - 75600, Pakistan.  
Tel: (021) 35874047-49, (021) 35831618  
Fax: (021) 35860251

## Regional Sales & Head Office

House No. 18 B, Sir Abdullah Haroon Road,  
Near Marriott Hotel, Karachi, Sindh  
Tel: (021) 35224336-37 Fax: (021) 35224338

## Works - Karachi

Plot No. D-9 to D-14 & G-1 to G-4 North  
Western Industrial Zone, Port Qasim Authority,  
Karachi  
Tel: (021) 34720247-48 Fax: (021) 34720245

## Works & Regional Sales Office - Hattar

Plot No. 68, 69, 78/1, Phase IV, Hattar Industrial  
Estate, Hattar, Khyber Pakhtunkhwa.  
Tel: (0995) 617406-7 Fax: (0995) 617054

## Regional Sales Office

Unit No. 4, 17 Aziz Avenue, Canal Bank Road,  
Lahore, Punjab  
Tel: (042) 35716068-70 Fax: (042) 35716071

## Banks

Al-Baraka Bank (Pakistan) Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
Bank Islami Pakistan Limited  
Dubai Islamic Bank (Pakistan) Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
United Bank Limited  
National Bank of Pakistan  
The Bank of Punjab  
JS Bank Limited

## Investment Company

Pak Kuwait Investment Company (Private)  
Limited

\* In alphabetical order by surname

# Directors' Review

For the Nine Months Ended September 30, 2023

The Directors are pleased to present their review report together with the un-audited condensed interim financial information of the Company for the nine months ended September 30, 2023.

Commitment and compliance towards Safety, Health and Environment (SHE) policies, procedures and regulations remained a priority. The Company was awarded 2nd Position in the "17th Best Practices Award in Occupational Health, Safety & Environment by the Employers Federation of Pakistan.

	Nine Months ended September 30	
	2023	2022
Sales Volume (M. Tonnes)	31,402	37,945
Net Sales Value - (Rs Million)	18,472	18,419
Operating profit (Rs Million)	2,238	1,870
Interest cost (Rs Million)	586	856
Exchange loss (Rs Million)	117	29
Profit before tax (Rs Million)	1,499	1,052
Net Profit (Rs Million)	830	619
Earnings per share (Rs)	21.39	15.96

Sales volume was 17% lower compared to SPLY, primarily driven by import restrictions and lower economic activities. Devaluation of Rupee led to increase in raw material prices and net sales income.

Higher inflation and fuel prices led to increased expenses. Better margin management and efficiencies delivered an operating profit of Rs. 2,238 million, being 20% higher compared to SPLY.

With better working capital management interest cost was lower despite significantly higher interest rates. Foreign exchange fluctuations resulted in higher exchange losses.

Consequently, the Company posted a PBT of Rs 1,499 million compared to Rs 1,052 million in SPLY and net profit of Rs 830 million compared to Rs 619 million in SPLY.

## Future Outlook

Economic conditions would remain a challenge going forward with expected lower demand. Interest cost and operations cost are expected to increase as well for obvious fiscal reasons. We would continue to manage our margins as effectively as possible.

The Company is working hard to ensure that the project be commissioned without any major delays. The proposed project cost is expected to increase by the time we commission the new line in early next year due to uncontrollable factors of Rupee devaluation and high interest rates.

New provincial regulations on use of plastic packaging material and the proposed FTA with Gulf countries are being pursued vehemently to avoid or reduce its impact on the local industry.

We express our gratitude to all the stakeholders for their continued support and confidence.



**Nasir Jamal**  
Chief Executive Officer

Karachi, October 17, 2023

# Condensed Interim Statement of Financial Position

As at September 30, 2023

	Note	(Un-audited)	(Audited)
		September 30	December 31
		2023	2022
(Rupees in thousand)			
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	11,882,569	7,571,398
Intangibles		12,309	13,648
Long term deposits		25,783	28,033
		<u>11,920,661</u>	<u>7,613,079</u>
<b>CURRENT ASSETS</b>			
Inventories	6	4,131,299	3,701,040
Trade receivables		3,433,832	2,283,807
Advances and prepayments	7	422,677	106,922
Other receivables		1,134,589	712,034
Refunds due from government - sales tax	8	1,268,414	29,886
Income tax refundable		1,099,981	1,313,483
Cash and bank balances		298,458	904,190
		<u>11,789,250</u>	<u>9,051,362</u>
		<u>23,709,911</u>	<u>16,664,441</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Issued, subscribed and paid up share capital		388,000	388,000
Share premium		999,107	999,107
General reserve		1,605,000	1,605,000
Unappropriated profit		2,704,884	2,068,875
		<u>5,696,991</u>	<u>5,060,982</u>
<b>LIABILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
Long term borrowings		3,825,028	2,491,228
Deferred income - Government grant		407,133	425,445
Lease liability		35,954	34,655
Deferred taxation - net		394,215	380,374
Staff retirement benefits		102,891	95,347
Accumulated compensated absences		32,459	34,772
		<u>4,797,680</u>	<u>3,461,821</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	7,144,523	3,024,007
Unclaimed dividend		23,923	21,662
Accrued mark-up		232,825	159,896
Short term borrowings	11	5,279,203	4,324,009
Current portion of lease liability		2,138	3,118
Current portion of long term borrowings		532,628	608,946
		<u>13,215,240</u>	<u>8,141,638</u>
		<u>18,012,920</u>	<u>11,603,459</u>
<b>TOTAL LIABILITIES</b>			
<b>CONTINGENCIES AND COMMITMENTS</b>			
	12		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>23,709,911</u>	<u>16,664,441</u>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.



Nasir Jamal

Chief Executive Officer

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Tri-Pack Films Limited



Asif Qadir

Director



Muhammad Zuhair Damani

Chief Financial Officer

# Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

For the Nine Months Ended September 30, 2023 - (Un-audited)

	Note	Quarter ended September 30		Nine Months ended September 30	
		2023	2022	2023	2022
(Rupees in thousand)					
Revenue from contracts with customers	13	6,945,667	6,537,868	18,472,309	18,418,924
Cost of sales		(6,093,539)	(5,547,276)	(15,177,186)	(15,683,943)
Gross profit		852,128	990,592	3,295,123	2,734,981
Distribution costs		(201,974)	(209,043)	(610,166)	(522,177)
Administrative expenses		(118,397)	(128,361)	(446,874)	(342,817)
		(320,371)	(337,404)	(1,057,040)	(864,994)
Operating profit		531,757	653,188	2,238,083	1,869,987
Other income		(40,569)	40,111	87,941	146,547
		491,188	693,299	2,326,024	2,016,534
Other expenses		(16,804)	(25,709)	(123,204)	(80,079)
Finance cost	14	(245,621)	(349,687)	(703,396)	(884,575)
		(262,425)	(375,396)	(826,600)	(964,654)
Profit before income tax		228,763	317,903	1,499,424	1,051,880
Income tax - net	15	(90,578)	(100,866)	(669,415)	(432,497)
Profit for the period		138,185	217,037	830,009	619,383
<b>Other comprehensive income for the period:</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Remeasurement of staff retirement benefits		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>138,185</b>	<b>217,037</b>	<b>830,009</b>	<b>619,383</b>
Earnings per share - basic and diluted (Rupees)	16	3.56	5.59	21.39	15.96

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.



Nasir Jamal  
Chief Executive Officer



Asif Qadir  
Director



Muhammad Zuhair Damani  
Chief Financial Officer

# Condensed Interim Statement of Changes in Equity

For the Nine Months Ended September 30, 2023 - (Un-audited)

	Issued, subscribed and paid up share capital	Reserves			Total Reserves	Total
		Capital	Revenue			
		Share Premium	General reserve	Unappropri- ated profit		
(Rupees in thousand)						
Balance as at January 1, 2022	388,000	999,107	1,605,000	1,715,384	4,319,491	4,707,491
Final cash dividend for the year ended December 31, 2021 @ Rs. 13.00 per share	-	-	-	(504,400)	(504,400)	(504,400)
Total comprehensive income for nine months ended September 30, 2022						
- Profit for the nine months ended September 30, 2022	-	-	-	619,383	619,383	619,383
- Other comprehensive income for nine months ended September 30, 2022	-	-	-	-	-	-
	-	-	-	619,383	619,383	619,383
Balance as at September 30, 2022	388,000	999,107	1,605,000	1,830,367	4,434,474	4,822,474
<b>Balance as at January 1, 2023</b>	<b>388,000</b>	<b>999,107</b>	<b>1,605,000</b>	<b>2,068,875</b>	<b>4,672,982</b>	<b>5,060,982</b>
Final cash dividend for the year ended December 31, 2022 @ Rs. 5.00 per share	-	-	-	(194,000)	(194,000)	(194,000)
Total comprehensive income for the nine months ended September 30, 2023						
- Profit for the nine months ended September 30, 2023	-	-	-	830,009	830,009	830,009
- Other comprehensive income for the nine months ended September 30, 2023	-	-	-	-	-	-
	-	-	-	830,009	830,009	830,009
<b>Balance as at September 30, 2023</b>	<b>388,000</b>	<b>999,107</b>	<b>1,605,000</b>	<b>2,704,884</b>	<b>5,308,991</b>	<b>5,696,991</b>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.



**Nasir Jamal**  
Chief Executive Officer



**Asif Qadir**  
Director



**Muhammad Zuhair Damani**  
Chief Financial Officer

# Condensed Interim Statement of Cash Flows

For the Nine Months Ended September 30, 2023 - (Un-audited)

	Note	Nine Months ended September 30	
		2023	2022
		(Rupees in thousand)	
<b>Cash flows from operating activities</b>			
Cash generated from operations	18	3,268,158	4,291,318
Payment on account of accumulated compensated absences		(11,322)	(6,771)
Decrease/ (Increase) in long term deposits		2,250	(21,650)
Staff retirement benefits paid		(59,623)	(55,838)
Income taxes paid - net		(442,072)	(287,804)
Net cash generated from operating activities		2,757,391	3,919,255
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(4,474,888)	(1,404,818)
Purchase of intangible assets		(4,661)	(2,332)
Profit received on bank balances		18,555	3,805
Sale proceeds on disposal of operating fixed assets		3,751	726
Net cash used in investing activities		(4,457,243)	(1,402,619)
<b>Cash flows from financing activities</b>			
Long term borrowings paid		(1,107,225)	(317,464)
Long term borrowings acquired		1,948,442	830,043
Short term borrowings - net		(3,250,500)	(3,150,000)
Finance cost paid		(421,444)	(642,840)
Dividend paid		(191,739)	(500,783)
Transaction cost paid		(1,500)	(2,100)
Bank charges paid		(87,608)	(55,633)
Net cash used in financing activities		(3,111,574)	(3,838,777)
Net decrease in cash and cash equivalents		(4,811,426)	(1,322,141)
Cash and cash equivalents at the beginning of the period		330,681	(1,404,268)
Cash and cash equivalents at the end of the period	19	(4,480,745)	(2,726,409)

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.



Nasir Jamal  
Chief Executive Officer



Asif Qadir  
Director



Muhammad Zuhair Damani  
Chief Financial Officer



# Notes to and Forming Part of the Condensed Interim Financial Statements

For the Nine Months Ended September 30, 2023 - (Un-audited)

## 1. THE COMPANY AND ITS OPERATIONS

- 1.1 Tri-Pack Films Limited (the Company) was incorporated in Pakistan as a public limited company on April 29, 1993 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange. It is principally engaged in the manufacturing and sale of Biaxially Oriented Polypropylene (BOPP) film and Cast Polypropylene (CPP) film. The registered office of the Company is situated at 4th floor, the Forum, Suite No. 416 to 422, G-20, Block-9, Khayaban-e-Jami, Clifton, Karachi.
- 1.2 Packages Limited is the parent company, holding 69.3% shares of the Company.
- 1.3 The prevalent economic conditions of the Country and high inflation are impacting overall business activity including imports. The Company is closely monitoring this situation and is striving to ensure business continuity in these uncertain and challenging economic times.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These condensed interim financial statements of the Company have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information required to be contained in the annual financial statements and, therefore, should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2022.

### 2.2 Changes in accounting standards, interpretations and amendments

#### a) Standards and amendments to approved accounting and reporting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on January 1, 2023. However, these do not have any significant impact on the Company's financial reporting.

#### b) Standards and amendments to approved accounting and reporting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after January 1, 2024. However, these will not have any impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

### 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to annual audited financial statements for the year ended December 31, 2022.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended December 31, 2022.

### 4. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended December 31, 2022.

	Note	(Un-audited)	(Audited)
		September 30	December 31
		2023	2022
(Rupees in thousand)			
5. <b>PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets		5,509,196	5,565,423
Capital work in progress	5.3	6,234,458	1,859,418
Major spare parts and stand-by equipments		138,915	146,557
		<u>11,882,569</u>	<u>7,571,398</u>

5.1 Additions and disposals to operating fixed assets and major spare parts during the period are as follows:

	Additions/Transfer from CWIP (at cost)		Disposals/Transfer (at net book value)	
	September 30 2023	September 30 2022	September 30 2023	September 30 2022
(Rupees in thousand)				
Building and other civil work				
on leasehold land	15,251	20,868	-	-
Plant and machinery	508,247	201,485	-	-
Furniture and fittings	9,419	17,394	67	138
Office and other equipments	12,404	10,764	271	175
Vehicles	3,368	63	604	-
Major spare parts and stand-by equipment	8,118	-	-	-
	<u>556,807</u>	<u>37,685</u>	<u>15,761</u>	<u>13,469</u>
		<u>288,259</u>	<u>16,703</u>	<u>13,782</u>

5.2 These include borrowing cost, net of government grant capitalised amounting to Rs. 526.99 million as at September 30, 2023 (December 31, 2022: Rs. 60.4 million).

5.3 These includes Rs. 5,039 million (December 31, 2022: Rs. 1,659 million) in respect of purchase of machinery for the new BOPP line and advances to suppliers of Rs. 435.26 million (December 31, 2022: Rs. 59.74 million).

## 6. INVENTORIES

	(Un-audited) September 30	(Audited) December 31
	2023	2022
	(Rupees in thousand)	
Stores	138,035	117,908
Spares	572,985	584,296
Stores and Spares in transit	5,433	15,343
	<u>716,453</u>	<u>717,547</u>
Less: Provision for net realisable value	(131,520)	(91,520)
	<u>584,933</u>	<u>626,027</u>
Raw materials		
In hand	2,172,048	1,908,965
In transit	424,733	100,544
	<u>2,596,781</u>	<u>2,009,509</u>
Less: Provision for net realisable value	(99,755)	(84,631)
	<u>3,081,959</u>	<u>2,550,905</u>
Packing materials	27,945	37,816
Work in process	738,312	476,251
Finished goods	283,083	636,068
	<u>4,131,299</u>	<u>3,701,040</u>

7. These also include Rs. 248.28 million (December 31, 2022: Rs. 21.61 million) in respect of advances against import of raw material and spares.

8. This includes a refundable amount of Rs. 789.80 million (December 31, 2022: Rs. Nil) in respect of sales tax paid on purchase of machinery for the new BOPP line.

9. Other receivable include LC margin kept with scheduled banks in relation to import of specified items amounting to Rs. 777.28 million (December 31, 2022: Rs. 314.17 million).

## 10. TRADE AND OTHER PAYABLES

10.1 These include Rs. 594.64 million (December 31, 2022: Rs. 594.64 million) with respect to Gas Infrastructure Development Cess (GIDC). During the previous year, the Company stopped making payments of installements as stay order has been obtained by the Company from the Honourable High Court of Sindh.

10.2 These also include Rs. 707.90 million (December 31, 2022: Rs. 566.34 million) levied through The Sindh Development and Maintenance of Infrastructure Cess, 2017, which superseded the previous levy under Sindh Finance Act, 1994. The said amount has not been paid as stay order has been obtained by the Company in the Honourable High Court of Sindh. As per order dated September 1, 2021, the Honourable Supreme Court of Pakistan has directed the petitioners to provide 100% bank guarantees towards the Cess.

10.3 These includes liability for imported goods of Rs. 3,835.67 million (December 31, 2022: Rs. 106.35 million)

## 11. SHORT TERM BORROWINGS

	Note	(Un-audited)	(Audited)
		September 30	December 31
		2023	2022
(Rupees in thousand)			
Secured Conventional Financing			
Short term money market loans	11.1 & 11.2	-	3,750,500
Short term running finance	11.3 & 11.5	4,181,352	219,929
Secured Islamic Financing			
Short-term istisna cum wakala	11.4	500,000	-
Short-term running musharaka	11.4	597,851	353,580
		<u>5,279,203</u>	<u>4,324,009</u>

11.1 Following are the changes in the short term money market loan and istisna cum wakala (i.e for which cash flows have been classified as financing activities in the statement of Cash Flows):

	(Un-audited)	(Audited)	
	September 30	December 31	
		2023	2022
(Rupees in thousand)			
Balance as at January 1		3,750,500	4,150,000
Utilisation during the period		500,000	5,450,000
Repayment		<u>(3,750,500)</u>	<u>(5,849,500)</u>
		<u>500,000</u>	<u>3,750,500</u>

- 11.2 Short term money market loans have been arranged as a sub-limit of the running finance facility. Rate of mark-up applicable to these facilities ranged between 16.19% to 23.24% (December 31, 2022: 8.22% to 17.07%) per annum. These facilities are available for a maximum period of one year from the date of agreement with the latest facility expiring on June 30, 2024.
- 11.3 Short term running finances have been obtained under mark-up arrangements from commercial banks payable on various maturity dates up to June 30, 2024. These facilities are secured by joint hypothecation by way of first floating charge over trade receivables, stock-in-trade and stores and spares. Rate of mark-up applicable to these facilities ranged between 16.58% to 24.36% (December 31, 2022: 10.64% to 17.36%).
- 11.4 This represents istisna facilities aggregating to Rs. 500 million and musharakah facilities aggregating to Rs. 1,000 million repayable with a maximum tenure of 180 days and 1 year from the date of disbursement respectively. As at reporting date, unavailed amount under these facilities amounts to Rs. 402.15 million (December 31, 2022: Rs. 1,146.42 million).
- 11.5 Total short-term facilities available under mark-up arrangements aggregated Rs. 9,850 million (December 31, 2022: Rs. 9,600 million) out of which the amount unavailed at the period end was Rs. 4,536 million (December 31, 2022: Rs. 5,276 million).

## 12. CONTINGENCIES AND COMMITMENTS

### 12.1 Contingencies

There has been no significant change during the period in the contingencies reported in the annual audited financial statements for the year ended December 31, 2022

## 12.2 Commitments

	(Un-audited) September 30	(Audited) December 31
	2023	2022
	(Rupees in thousand)	
- for purchase of raw materials and spares	1,846,236	1,196,879
- for capital expenditure	5,890,779	3,132,404
- for ijarah arrangements of motor vehicles	32,910	41,570

The facilities for opening of letters of credit and for guarantees as at September 30, 2023 amounts to Rs. 22,000 million (December 31, 2022: Rs. 21,250 million) and Rs. 1,924 million (December 31, 2022: Rs. 1,674 million) respectively, of which the amount unutilized was Rs. 9,237 million (December 31, 2022: Rs. 17,041 million) and Rs. 822.09 million (December 31, 2022: Rs.822.09 million) respectively.

## 13. REVENUE FROM CONTRACTS WITH CUSTOMERS

	(Un-audited)			
	Quarter ended September 30		Nine Months ended September 30	
	2023	2022	2023	2022
	(Rupees in thousand)			
Sale of goods less returns:				
- Local	7,132,221	7,049,641	19,861,788	19,167,355
Less: Discounts	(99,043)	(65,632)	(357,073)	(301,815)
Sales tax	(1,096,968)	(1,035,921)	(3,023,266)	(2,792,547)
	5,936,210	5,948,088	16,481,449	16,072,993
- Export	1,009,457	589,780	1,990,860	2,345,931
	6,945,667	6,537,868	18,472,309	18,418,924

## 14. FINANCE COST

This includes financial charges on short term borrowings and long term borrowings amounting to Rs. 216.44 million (September 2022: Rs. 544.54 million) and Rs. 277.93 million (September 2022: Rs. 242.03 million) respectively.

This also includes a net amount of Rs. 117.49 million (September 2022: Rs. 28.61 million) in respect of exchange loss.

## 15. INCOME TAX - NET

15.1 Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate applicable for the full financial year.

		(Un-audited)	
		September 30	September 30
	Note	2023	2022
		(Rupees in thousand)	
Current tax		579,887	322,481
Deferred tax		13,817	5,605
Prior year tax	15.2	75,710	104,411
		669,414	432,497

15.2 This represents additional super tax provision for tax year 2023 as per the Finance Act, 2023.

## 16. EARNINGS PER SHARE

	(Un-audited)			
	Quarter ended September 30		Nine Months ended September 30	
	2023	2022	2023	2022
	(Rupees in thousand)			
Profit after taxation attributable to ordinary shareholders	138,185	217,037	830,009	619,383
	(No. of shares in thousand)			
Weighted average number of ordinary shares outstanding at the end of the period	38,800	38,800	38,800	38,800
	(Rupees)			
Earnings per share - basic and diluted	3.56	5.59	21.39	15.96

16.1 There were no convertible dilutive potential ordinary shares outstanding September 30, 2023 and 2022.

## 17. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are as follows:

		(Un-audited)	
		Nine Months ended September 30	
		2023	2022
(Rupees in thousand)			
Nature of transaction	Nature of relationship		
Group shared cost	Parent company	39,327	28,789
Group shared cost	Associated undertaking	234	320
Purchase of goods and services	Associated undertaking	231,576	138,575
Sale of goods and services	Associated undertaking	1,702,658	2,557,413
Donations	Associated undertaking	12,000	-
Dividend paid	Associated undertaking and Directorship	161,819	420,722
Contributions to staff retirement benefit funds	Retirement benefit funds	64,233	56,236
Salaries and other short term employees' benefits	Key management personnel*	120,015	97,772

\*Includes CEO, CFO and Head of the Department

(Un-audited)  
Nine Months ended September 30

18. CASH GENERATED FROM OPERATIONS	Note	(Rupees in thousand)	
		2023	2022
Profit before income tax		1,499,424	1,051,880
Adjustment for non-cash charges and other items:			
Depreciation		603,973	613,161
Amortization expense		2,501	3,701
Provision for staff retirement benefits		67,167	64,177
Profit on bank balances		(18,555)	(3,805)
Gain on disposal of operating fixed assets		(2,916)	(622)
Provision for accumulated compensated absences - net		9,009	4,680
Government grant recognised in income		(3,345)	(10,543)
Exchange (gain) / loss - unrealised		32,753	(36,709)
Finance cost		585,906	855,960
Working capital changes	18.1	492,241	1,749,438
		<u>3,268,158</u>	<u>4,291,318</u>
<b>18.1 Working capital changes</b>			
(Increase) / Decrease in current assets:			
Inventories		(430,259)	1,147,745
Trade receivables		(1,150,025)	(132,003)
Advances and prepayments		(354,155)	(72,891)
Refunds due from government - sales tax		(1,238,528)	318,560
Other receivables		(422,555)	(285,624)
		<u>(3,595,522)</u>	<u>975,787</u>
Increase in trade and other payables		<u>4,087,763</u>	<u>773,651</u>
		<u>492,241</u>	<u>1,749,438</u>

(Un-audited)  
Nine Months ended September 30

19. CASH AND CASH EQUIVALENTS	Note	(Rupees in thousand)	
		2023	2022
Cash and bank balances		298,458	258,152
Short term running finance	11	(4,779,203)	(2,984,561)
		<u>(4,480,745)</u>	<u>(2,726,409)</u>
<b>20. PLANT CAPACITY AND ACTUAL PRODUCTION</b>			
Operational capacity available during the period		<u>41,900</u>	<u>41,900</u>
Production		<u>30,988</u>	<u>37,306</u>
<b>21. DATE OF AUTHORISATION FOR ISSUE</b>			

These condensed interim financial statements were authorised for issue on October 17, 2023 by the Board of Directors of the Company.



Nasir Jamal  
Chief Executive Officer



Asif Qadir  
Director



Muhammad Zuhair Damani  
Chief Financial Officer

# ڈائریکٹرز کا جائزہ

برائے نو ماہ محنت 30 ستمبر 2023

ڈائریکٹرز اپنی جائزہ رپورٹ مع کمپنی کے غیر آڈٹ شدہ مختصر عبوری مالیاتی معلومات برائے نو ماہ محنت 30 ستمبر 2023 پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ حفاظت، صحت اور ماحولیات (SHE) کی پالیسیز، طریقہء کار اور ضوابط پر عمل درآمد کا عزم ہماری اولین ترجیح رہی۔ کمپنی کو ایپھارمز فیڈریشن آف پاکستان کی جانب سے ”17<sup>th</sup> Best Practices Award in Occupational Health, Safety & Environment“ میں دوسری پوزیشن ایوارڈ کی گئی۔

نو ماہ محنت 30 ستمبر

2022	2023
37,945	31,402
18,419	18,472
1,870	2,238
885	586
29	117
1,052	1,499
619	830
15.96	21.39

فروخت کا حجم (میٹرک ٹن)  
 فروخت سے حاصل ہونے والی خالص آمدنی (ملین روپے)  
 آپریٹنگ منافع (ملین روپے)  
 سود کے اخراجات (ملین روپے)  
 زرمبادلہ کا نقصان (ملین روپے)  
 منافع قبل از ٹیکس (ملین روپے)  
 منافع بعد از ٹیکس (ملین روپے)  
 آمدنی فی حصہ (روپے)

فروخت کا حجم گزشتہ سال کی اسی مدت کے مقابلے میں 17% کم رہا جس کی بنیاد وجہ درآمدات پر پابندی اور معاشی سرگرمیوں کی کمی تھی۔ روپے کی قدر میں کمی سے خام مال کی قیمتوں اور خالص فروخت کی آمدنی میں اضافہ ہوا۔

بلند افراط زر اور فیول کی قیمتوں کے باعث اخراجات میں اضافہ ہوا۔ مارجن کی بہتر مینجمنٹ اور مستعدی کی بناء پر 2,238 ملین روپے کا آپریٹنگ منافع حاصل ہوا جو گزشتہ سال کی اسی مدت کے مقابلے میں 20% زیادہ ہے۔

بلند شرح سود کے باوجود جاری سرمایہ کی بہتر مینجمنٹ کے باعث سود کے اخراجات میں کمی رہی۔ زرمبادلہ میں اتار چڑھاؤ کے نتیجے میں زرمبادلہ میں نقصان اٹھانا پڑا۔

اس کے نتیجے کے طور پر کمپنی کو 1,499 ملین روپے کا منافع قبل از ٹیکس اور 830 ملین روپے منافع بعد از ٹیکس حاصل ہوا جبکہ گزشتہ سال کی اسی مدت میں 1,052 ملین روپے منافع قبل از ٹیکس اور 619 ملین روپے منافع بعد از ٹیکس حاصل ہوا تھا۔

## مستقبل کا منظر نامہ

طلب مین متوقع کمی اور سود کی لاگت اور آپریٹنگ کے اخراجات میں متوقع اضافے کے ساتھ لامحالہ مالیاتی وجوہات کی بنا پر معاشی حالات میں چیلنج کا سامنا رہے گا۔ ہم مارجن کو مکمل حد تک موثر رہنے کا انتظام کرنے کی کوشش کریں گے۔

کمپنی اس بات کو یقینی بنانے کے لئے سخت محنت کر رہی ہے کہ مزید کسی بڑی تاخیر کے بغیر پروڈیکٹ کام شروع کر دے۔ جب ہم اگلے سال کے شروع میں نئی لائن کا آغاز کریں گے تو اس وقت مجوزہ پروڈیکٹ کی لاگت میں اضافہ ہونے کی توقع ہے جس کی بڑی وجہ روپے کی قدر میں کمی اور بلند شرح سود جیسے قابو میں نہ آنے والے عوامل ہیں۔

پلاسٹک پیکینجنگ میٹریل کے استعمال پر نئے صوبائی ضوابط اور غلجی ممالک کے ساتھ مجوزہ ایف ٹی اے کے مقامی صنعت پر اثرات ختم کرنے یا کم کرنے پر سختی سے غور و خوض کیا جا رہا ہے۔

ہم اپنے تمام اسٹیک ہولڈرز کے مسلسل تعاون اور ہم پر اعتماد کے لئے دل سے شکر گزار ہیں۔



ناصر جمال  
 چیف ایگزیکٹو آفیسر

کراچی: 17 اکتوبر، 2023





## **Tri-Pack Films Limited**

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