

July 25, 2024

The General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**PROGRESS REPORT ON UTILIZATION OF PROCEEDS OF INITIAL PUBLIC OFFERING (IPO), UNDER REGULATIONS 16(ii) & (iia) OF CHAPTER VIII OF THE PUBLIC OFFERING REGULATIONS, 2017, REVIEWED BY THE AUDITORS**

Dear Sir,

We are pleased to share the annual & final progress report on utilization of proceeds of initial public offering (IPO), under regulations 16(ii) & (iia) of Chapter viii of the public offering regulations, 2017, along with agreed upon procedures report thereon by the external auditors of the Company M/s. AF Ferguson & Co.

**(a) Annual/Final implementation status of the project/commitment made in the Prospectus is given below:**

<b>Commitment made in the Prospectus</b>	<b>Start Date</b>	<b>Completion Date</b>	<b>Current Status</b>	<b>Rationale for delay, if any</b>
The Company committed to utilize all proceeds generated from the Initial Public Offering (IPO) for the early repayment of the Long-term Islamic finance (Diminishing Musharaka) facility with the Bank Al Habib Limited. (Refer Page 23, Para. 2.5)	Date of release of all IPO funds to the Company, 5 <sup>th</sup> June 2024.	Date of completion of repayments of the long term loan, 28 <sup>th</sup> June 2024.	All proceeds of the IPO have been fully utilized in repayment of long term Islamic financing along with profit.	N/A

**REGISTERED OFFICE**

📍 Plot # 40-L-1, P.E.C.H.S, Block 6, Near Jason Trade Centre, Karachi 75400, Pakistan.  
☎ +922134384044, +9234384046 📠 +922134384048

**PLANT**

📍 IPAK Plant, Manga Chowk, Raiwind, Bypass Road, Raiwind District, Lahore 55150, Pakistan.  
☎ +924235398166, +924235398167



**(b) Detailed Break up of utilization of the proceeds raised from the IPO:**

	<b>PKR</b>
<b>Gross Proceeds of the IPO</b>	<b>1,763,977,267</b>
Bank Charges (Bankers to the Issue)	(2,041,429)
Net Proceeds of the IPO	<b>1,761,935,838</b>
<b>Repayments against Long term Islamic Financing (Diminishing Musharaka) to Bank Al Habib Limited;</b>	
<b>Principal</b>	<b>1,747,548,831</b>
<b>Accrued Profit</b>	<b>14,387,007</b>
	<b>(1,761,935,838)</b>
<b>Balance</b>	<b>Nil</b>

Yours Truly,



Fahad Alam  
Company Secretary



**Enclosed:** External Auditors (AF Ferguson & Co.) agreed upon procedures report on Utilization of the IPO Proceeds.

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July 25, 2024

ASR 0334

Dear Sir

**AGREED-UPON PROCEDURES ON UTILIZATION OF PROCEEDS OF  
INITIAL PUBLIC OFFERING (IPO)**

To the General Manager of the Pakistan Stock Exchange Limited.

**Purpose of this Agreed Upon Procedures Report**

Our report is solely for the purpose of assisting the Pakistan Stock Exchange Limited (PSX) in determining whether International Packaging Films Limited's utilization of proceeds of initial public offering is complied with the principal purpose of the Issue as defined under para 2.5 of the Prospectus and the progress report thereon is in accordance with the regulations 16(ii) & (ia) of Chapter viii of the Public Offering Regulations, 2017 and may not be suitable for another purpose. This report is intended solely for International Packaging Films Limited (the Company) and the PSX, and should not be used by, or distributed to, any other parties.

**Responsibilities of the International Packaging Films Limited**

The Company has acknowledged that the agreed upon procedures are appropriate for the purpose of the engagement.

The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

**Practitioner's Responsibilities**

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), Agreed-Upon Procedures Engagements. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

*AFF*

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>



**Professional Ethics and Quality Management**

We have complied with the ethical requirements in Code of Ethics of Chartered Accountants (Revised 2019). For the purpose of this engagement, there are no independence requirements with which we are required to comply.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Procedures and Findings**

We have performed the procedures described below, which were agreed upon with the Company in the terms of engagement letter ASR 0274 dated July 22, 2024, on the utilization of proceeds of initial public offering.

Sr. No.	Procedure Performed	Finding
1	Obtained the bank statements and details of amounts received against IPO and traced the amounts received in respect of IPO from bank statements.	No discrepancies were found.
2	Obtained details of repayment against long term Islamic financing and verified that the proceeds received in respect of IPO are utilized in repayment against long term Islamic financing.	No discrepancies were found.

A.F. Ferguson & Co.  
Chartered Accountants  
Karachi