CORPORATE

BRIEFING SESSION 2024

INTERNATIONAL PACKAGING FILMS LIMITED

December 16, 2024 03:00 PM



LARGEST FILM MANUFACTURER



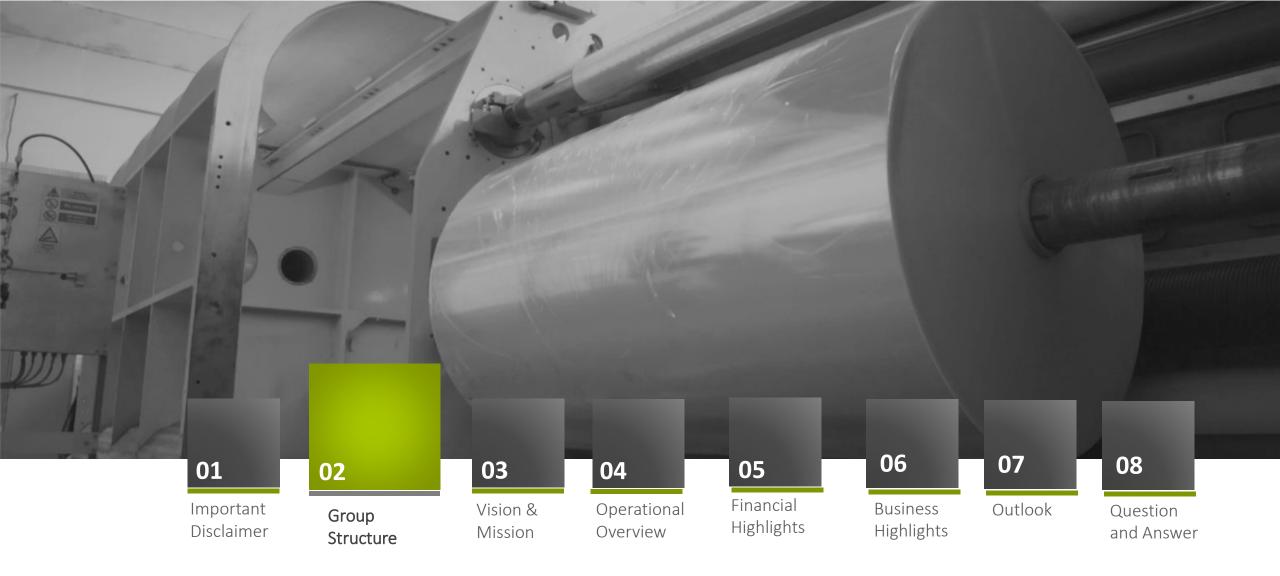






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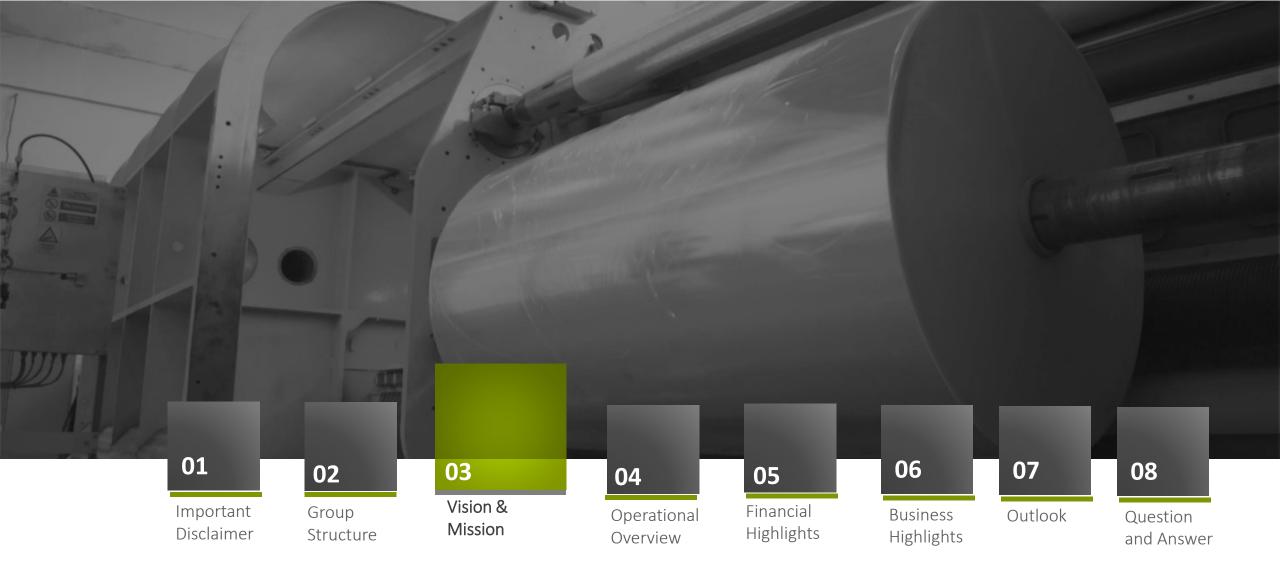
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Group Structure







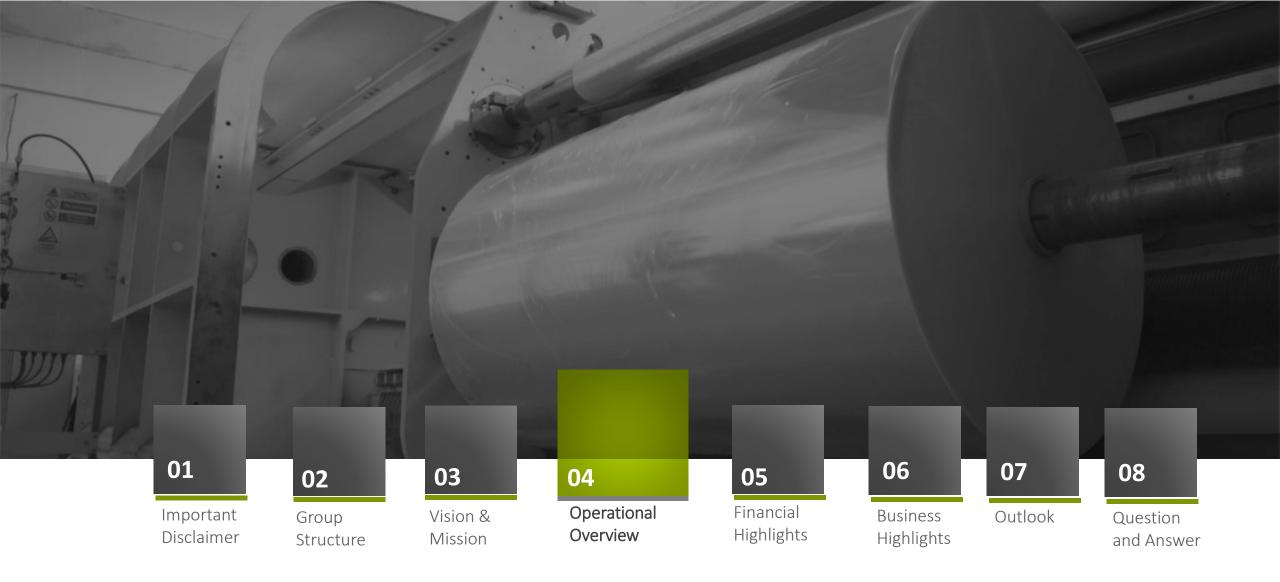
Vision and Mission

Vision

To be the global leader in innovative packaging solutions

Mission

To transform IPAK into a premier global brand, renowned for sustainable packaging innovations, superior quality, exceptional service and remarkable talent





PAK Operational Overview Bridging Innovation

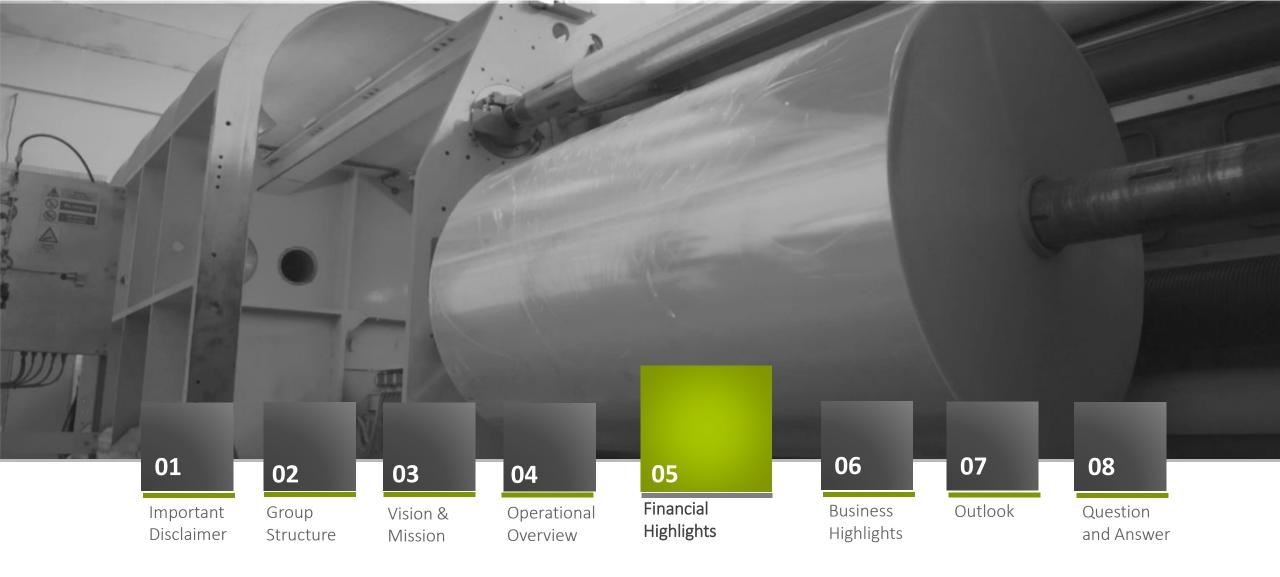
Films	Company	Production Line	*Name Plate capacity (tons p.a)	**Operational capacity (tons p.a)
ВОРР	IPAK	8.7m from Bruckner	41,360	30,000
	GPAK	10.4m from Bruckner	59,480	40,000
CPP	CPAK	8.7m from SML	9,900	8,000
BOPET	PETPAK	8.7m from Bruckner	41,920	35,000
	1	Total .	152,660	113,000

Specialized Films Capacity	
Specialized BOPP, CPP and BOPET metalized films of various grades	26,400
and thicknesses	
Total	26,400

^{*}Nameplate capacity" is determined by calculating the maximum output a production line can achieve when operating under perfect conditions, without any downtime and without the provision of any planned / unplanned maintenance.

^{**}Available capacity" takes into account the practical limitations and challenges of real-world production. This includes variations in film thickness, such as producing thin microns, which can affect the efficiency of the production process.







Consolidated Profit & Loss –June 24 vs June 2023

	June 30,	(Restated) June 30,	Variance	%
	2024	2023	Variance	70
		Rupees In '000)		
		•		
Revenue from contracts with customers	22,834,738	19,890,341	2,944,397	14.80%
Gross profit	4,495,640	5,480,741	(985,101)	-17.97%
Admin and selling expenses	877,362	694,752	182,610	26.28%
EBIT	3,576,540	3,936,434	(359,894)	-9.14%
EBITDA	4,214,471	4,384,194	(169,723)	-3.87%
Finance costs	1,815,116	753,164	1,061,952	141.00%
Profit before taxation	1,755,076	3,181,489	(1,426,413)	-44.83%
Income tax expense	(2,457,926)	(1,293,832)	(1,164,094)	89.97%
- Current	(712,744)	(1,130,230)	417,486	-36.94%
- Deferred	(1,745,182)	(163,602)	(1,581,580)	966.72%
(Loss) / profit after taxation	(702,850)	1,887,657	(2,590,507)	-137.23%
EPS - Rupees	(0.06)	3.54	(4)	-101.69%
Effective tax rate %	140%	41%	1	244.37%
(Loss) / profit attributable to owners of the Holding Company	(41,119)	2,059,370	(2,100,489)	-102.00%



Consolidated Profit & Loss –Sept 24 vs Sept 2023

	September 30, 2024	(Restated) September 30, 2023	Variance	%
		(Rupees In '000)		
Revenue from contracts with customers	7,636,046	5,157,672	2 470 274	48.05%
			2,478,374	
Gross profit	976,224	1,297,957	(321,733)	-24.79%
Admin and selling expenses	290,544	174,291	116,253	66.70%
EBIT	738,500	1,175,263	(436,763)	-37.16%
EBITDA	1,050,483	1,288,811	(238,328)	-18.49%
Finance costs	586,433	372,470	213,963	57.44%
Profit before taxation	126,844	802,634	(675,791)	-84.20%
Income tax expense	(46,431)	(209,994)	163,563	-77.89%
- Current	(17,610)	(227,185)	209,575	-92.25%
- Deferred	(28,821)	17,191	(46,012)	-267.65%
Profit after taxation	80,413	592,640	(512,228)	-86.43%
EPS - Rupees	0.34	0.88	(1)	-61.54%
Effective tax rate %	37%	26%	0	39.91%
Profit attributable to owners of the Holding Company	236,291	552,861	(316,570)	-57.26%



Unconsolidated Profit & Loss –June 24 vs June 2023

	June 30, 2024	June 30, 2023 Rupees In '000)	Variance	%
Revenue from contracts with customers	17,088,885	16,617,710	471,175	2.84%
Gross profit	3,891,741	4,531,557	(639,816)	-14.12%
Admin and selling expenses	690,575	561,476	129,099	22.99%
EBIT	3,272,627	3,822,997	(550,370)	-14.40%
EBITDA	3,635,743	4,185,753	(550,010)	-13.14%
Finance costs	1,527,181	632,586	894,595	141.42%
Profit before income taxation	1,739,098	3,188,630	(1,449,532)	-45.46%
Income tax expense	(601,585)	(1,106,584)	504,999	-45.64%
- Current	(712,744)	(1,130,230)	417,486	-36.94%
- Deferred	111,159	23,646	87,513	370.10%
Profit after taxation	1,137,513	2,082,046	(944,533)	-45.37%
EPS - Rupees	1.79	3.58	(2)	-50.00%
Effective tax rate %	35%	35%	(0)	-0.32%

(Restated)



Unconsolidated Profit & Loss –Sept 24 vs Sept 2023

		(Restated)		
	September 30,	September 30,		
	2024	2023	Variance	%
		Rupees In '000)		
Revenue from contracts with customers	3,426,632	4,187,447	(760,815)	-18.17%
Gross profit	430,373	1,066,490	(636,117)	-59.65%
Admin and selling expenses	188,768	146,971	41,797	28.44%
EBIT	393,895	869,250	(475,355)	-54.69%
EBITDA	482,909	960,542	(477,633)	-49.73%
Finance costs	380,708	330,897	49,811	15.05%
(Loss) / profit before taxation	(12,036)	538,194	(550,230)	-102.24%
Income tax expense	21,781	(205,843)	227,624	-110.58%
- Current	(17,610)	(227,185)	209,575	-92.25%
- Deferred	39,391	21,342	18,049	84.57%
Profit after taxation	9,745	332,351	(322,606)	-97.07%
EPS - Rupees	0.01	0.53	(1)	-97.36%
Effective tax rate %	181%	38%	1	373.15%



Consolidated Balance Sheet

(Un-audited) September 30,	(Audited) June 30,	(Audited) June 30,
2024	2024 (Rupees In '000)	2023
	,,	
32,914,732	32,997,316	23,082,659
191,476	194,021	113,192
13,444,333	12,556,240	7,928,298
46,550,541	45,747,577	31,124,149
3,333,532	3,545,420	2,910,061
7,848,930	5,651,785	3,261,147
298,797	303,474	122,955
11,481,259	9,500,679	6,294,163
4,897,978	4,886,392	4,444,238
2,990,723	2,884,605	685,647
7,184,424	8,560,158	3,947,120
26,554,384	25,831,834	15,371,168
19,996,156	19,915,743	15,752,981
19,996,156	19,915,743	15,752,981

Assets

Property, plant and equipment
Other non current assets
Current assets

Liabilities

Long term borrowings
Short term borrowings
Current portion of long term borrowings

Total Debt

Other non current liabilities Other current liabilities Trade and other payables

Net assets (Assets - Liabilities)
Share capital and reserves



Assets

Liabilities

Total Debt

Property, plant and equipment

Current portion of long term borrowings

Other non current assets

Long term borrowings

Short term borrowings

Other current liabilities

Trade and other payables

Net assets (Assets - Liabilities)

Share capital and reserves

Other non current liabilities

Current assets

Unconsolidated Balance Sheet

(Un-audited) September 30, 2024	(Audited) June 30, 2024 (Rupees In '000)	(Audited) June 30, 2023
	,,	
4,626,245	4,706,987	4,921,992
14,157,967	13,994,582	11,281,433
9,201,628	8,930,479	5,717,000
27,985,840	27,632,048	21,920,425
2,116,005	2,148,695	1,800,459
5,312,945	4,185,917	2,758,460
76,549	76,549	63,007
7,505,499	6,411,161	4,621,926
1,398,927	1,421,748	1,433,522
550,473	783,565	761,435
2,973,804	3,468,182	2,488,376
12,428,703	12,084,656	9,305,259
15,557,137	15,547,392	12,615,166
15,557,137	15,547,392	12,615,166



Consolidated Cash Flow – June 24 vs June 2023

	Jun-24	Jun-23
	(Rupee	s In '000)
Cash generated from operations	4,191,818	4,467,284
Working capital changes	103,033	38,425
Increase in long-term deposits	(97,988)	(5,342)
Increase in long-term loans	(13,227)	-
Income tax and levies paid	(875,817)	(313,474)
Staff retirement benefits paid	(10,321)	(10,549)
Finance costs paid	(1,691,591)	(647,084)
Net cash generated from operating activities	1,605,907	3,529,260
Net cash used in investing activities	(7,170,205)	(13,885,856)
Proceeds from issue of shares through IPO	1,763,978	-
Proceeds from issue of shares through right issue	-	2,088,197
Long term borrowings acquired	2,859,411	2,670,901
Long term borrowings paid	(1,765,307)	(28,864)
Receipt of short term borrowings - net	2,218,106	745,130
Other financing activities	228,107	4,939,726
Net cash used in financing activities	5,304,295	10,415,090
Net (decrease) / increase in cash and cash equivalents	(260,003)	58,494



Consolidated Cash Flow – Sept 24 vs Sep 2023

	Sep-24 (Rupee	Sep-23 es In '000)
Cash generated from operations	1,045,517	1,081,852
Working capital changes	(1,896,404)	486,192
Long-term deposits	-	(46,300)
Income tax and levies paid	(277,469)	(228,806)
Staff retirement benefits paid	(813)	(1,985)
Finance costs paid	(444,582)	(215,043)
Net cash generated from operating activities	(1,573,751)	1,075,910
Net cash used in investing activities	(219,925)	(3,402,928)
Long term borrowings acquired		1,141,304
Long term borrowings paid	(216,565)	(1,755)
Receipt of short term borrowings - net	2,197,145	1,003,909
Other financing activities	(2,637)	97,511
Net cash used in financing activities	1,977,943	2,240,969
Net increase / (decrease) in cash and cash equivalents	184,267	(86,049)



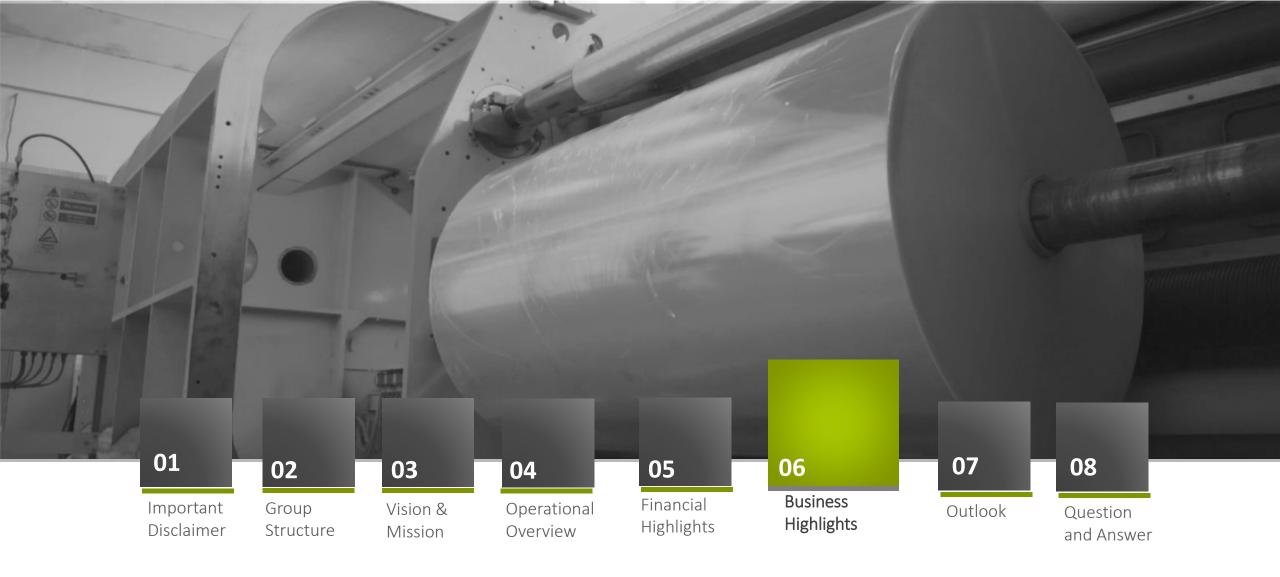
Unconsolidated Cash Flow – June 24 vs June 2023

	Jun-24	Jun-23
	(Rupee	s In '000)
		_
Cash generated from operations	3,528,934	4,268,925
Working capital changes	48,685	304,528
Increase in long-term deposits	(46,300)	(5,340)
Increase in long-term loans	(13,227)	-
Income tax and levies paid	(723,561)	(237,907)
Staff retirement benefits paid	(9,435)	(10,178)
Finance costs paid	(1,467,578)	(530,147)
Net cash generated from operating activities	1,317,518	3,789,881
Net cash used in investing activities	(4,858,005)	(8,211,159)
Proceeds from issue of shares through IPO	1,763,978	-
Proceeds from issue of shares through right issue	_	2,088,197
Long term borrowings acquired	2,150,000	1,850,000
Long term borrowings paid	(1,788,222)	(28,029)
Receipt of short term borrowings - net	1,254,925	527,852
Other financing activities	(94,592)	(14,888)
Net cash used in financing activities	3,286,089	4,423,132
Net (decrease) / increase in cash and cash equivalents	(254,398)	1,854



Unconsolidated Cash Flow – Sept 24 vs Sep 2023

	Sep-24	Sep-23
	(Rupees	In '000)
Cash generated from operations	377,645	935,272
Working capital changes	(354,472)	(325,085)
Long-term deposits	-	(46,300)
Income tax and levies paid	(221,302)	(203,941)
Staff retirement benefits paid	(623)	(1,985)
Finance costs paid	(352,968)	(198,657)
Net cash generated from operating activities	(551,720)	159,304
Net cash used in investing activities	(443,619)	(2,003,187)
Long term borrowings acquired	-	649,697
Long term borrowings paid	(32,690)	-
Receipt of short term borrowings - net	1,127,028	1,129,831
Other financing activities	(2,638)	(2,490)
Net cash used in financing activities	1,091,700	1,777,038
Net increase / (decrease) in cash and cash equivalents	96,361	(66,845)





Business Highlights

Strong Customer Base:

Built and maintained a loyal customer base, due to superior product/service quality, reliable customer support, and positive brand reputation.

Export Focused:

Expanding exports allows IPAK to diversify revenue, reduce reliance on local markets, and earn foreign currency, creating a natural hedge against exchange rate risks from raw material imports. This stabilizes cash flows, mitigates currency volatility, and enhances profitability through optimized production capacity.

Complete Product Range and the Highest Capacities:

Offers a comprehensive portfolio catering to diverse customer needs, which strengthens market presence. Operates at industry-leading production capacities, enabling the organization to meet large-scale demands and capitalize on economies of scale.

State-of-the-Art Technology:

Invested in cutting-edge technologies that enhance production efficiency, product quality, and innovation. Technological leadership often serves as a competitive differentiator in fast-evolving markets.

Leading Packaging Companies Primary Users















Leading FMCGs End Users



















Premium Technology Pioneer of 5 Layer BOPP Technology in Pakistan

BOPP Production Line

BRUCKNER
MASCHINENBALI
Germany

Vacuum Metallizers



Slitting Machines



Handling Systems



Power Generation



Slitting Machines



CPP Line





Business Highlights

Sustainable Environmental Practices:

The IPAK Group demonstrates strong focus on sustainability by investing significantly in solar power, reducing carbon footprints and energy costs. Its innovations in recyclable products align with global environmental standards, earning certifications from international agencies. With power-efficient plants and a commitment to eco-friendly practices, IPAK leads in sustainable manufacturing while fostering long-term environmental and economic benefits.

Information System for Operational Excellence:

Implementing SAP S/4HANA across IPAK creates a unified ERP system that integrates all core processes, ensuring seamless data flow and operational efficiency. With real-time analytics and Aldriven insights, it enhances decision-making and adaptability to market changes.

Research and Development:

IPAK's robust R&D capabilities are driven by dedicated, state-of-the-art labs and a team of highly qualified experts. This commitment fosters continuous improvement and innovation, enabling the development of cutting-edge solutions and maintaining a competitive edge in the industry.

Lean Cost Model Coupled with Efficient Cost Synergies:

Operates with a streamlined cost structure, minimizing overheads while maintaining quality and efficiency. Leveraged synergies from processes, partnerships, or acquisitions to further optimize costs and improve profit margins.

Sustainability Our Way

IPAK is pleased to be a part of the circular economy drive in order to promote the packaging sector and offer products that are worthwhile and sustainable for the environment. We planned our new investments on sustainable operations with reduced carbon footprint and renewable energy base. Production at the new plant will be powered partly with a Solar plant, evidence of Group's commitment to sustainability.

Since the beginning, we have worked with governments, businesses, and brand owners to develop our films with the environment in mind and to be able to adhere to the goals that place an emphasis on minimizing plastic consumption, pledging to recycle plastic, and supporting systemic improvements. IPAK also emphasizes and focus on optimizing the operational processes in such a way to reduce our impact on the environment by ensuring sustainable practices in all our operations by minimizing the environmental pollution and ensure the sustainable manufacturing

of the films. Energy conservation in IPAK is also one of prime concerns and is efficiently managing its energy load through rational use of natural resources by making responsible choices. Emphasis on stopping the excess use of water and minimize the paper usage through digitalization. We also invest in our employees through training and education, enabling improved levels of quality and production.









Business Highlights

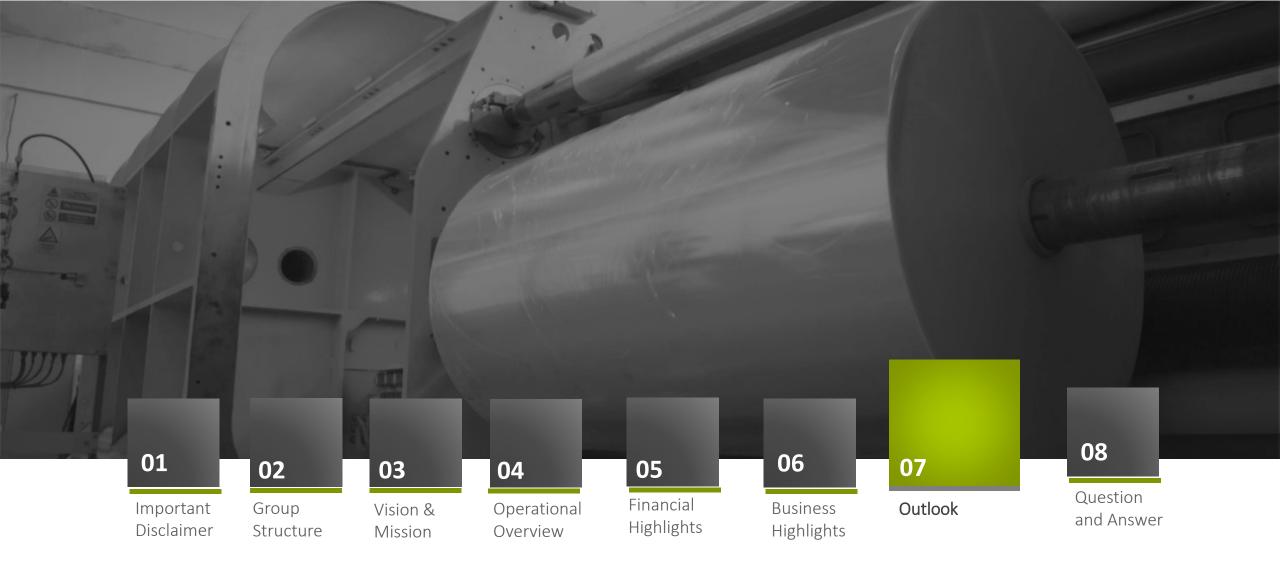
Top Talent Across All Functions:

Attracted and retained high-calibre professionals in critical roles, enabling strategic vision and operational excellence. A skilled workforce is pivotal for innovation, customer satisfaction, and sustainable growth.

Strong Corporate Governance:

Practices robust governance, ensuring transparency, accountability, and ethical decision-making. This fosters investor confidence, enhances organizational reputation, and mitigates risks associated with regulatory and operational challenges.







Outlook

- Growing in line with long-term strategic plans with a focus on expanding exports, particularly in specialized packaging films with higher margins.
- Dedicated to enhancing shareholder value, ensuring sustainable growth, appropriate returns for shareholders, and continued trust from stakeholders.
- Leveraging advanced technology, group synergies in cost optimization, and human capital to drive efficiency and innovation.
- Committed to prudent risk management to navigate political and economic uncertainties effectively.
- Maintaining transparency and remain environmental conscious.





QUESTION AND ANSWERS



THANK YOU