

ARPAK INTERNATIONAL INVESTMENTS LIMITED

CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD
ENDED MARCH 31, 2025

ARPAK INTERNATIONAL INVESTMENTS LIMITED

COMPANY INFORMATION

Board of Directors

Ms. Zarmine Sarfaraz	Chairperson
Mr. Abbas Sarfaraz Khan	Chief Executive
Ms. Najda Sarfaraz	Director
Mr. Iskander M. Khan	Director
Mr. Baber Ali Khan	Director
Mr. Sher Ali Jaffer	Independent Director
Mr. Faiysal Ali Khan	Independent Director

Company Secretary

Mr. Mujahid Bashir

Chief Financial Officer

Mr. Rizwan Ullah Khan

Head of Internal Audit

Mr. Zaheer Mir

Auditors

M/s. ShineWing Hameed Chaudhri & Co.
Chartered Accountants

Legal Advisor

Mr. Zahoor Alam
Advocate

Shares Registrar

M/s. Hameed Majeed Associates (Pvt.) Limited
H.M. House, 7-Bank Square, Lahore.
Phone No.: 042-37235081
Fax No.: 042-37235083

Bankers

MCB Bank Limited
Bank Al-Habib Limited

ARPAK INTERNATIONAL INVESTMENTS LIMITED

DIRECTOR'S REVIEW REPORT

The Board of Directors of Arpak International Investments Limited takes pleasure in presenting the review on the operational and financial performance of the Company for the nine-month period ended March 31, 2025.

FINANCIAL PERFORMANCE/OPERATIONS

The Company reported an operational loss of Rs. 2.934 million for the period, compared to a profit of Rs. 7.482 million in the corresponding period last year (March 31, 2024). This decline is primarily due to a decrease in rental income and no dividend income was received during the year. Funds were transferred from mutual funds to other equity investment projects that were more beneficial in the interest of the Company. After incorporating the share of loss of the associated undertakings, the Company has suffered a pre-tax loss of Rs. 98.483 million for the period.

INVESTMENTS/FUTURE OUTLOOK

The Board of Directors had previously approved an investment in the Premier Grain Ethanol Limited; as the project is a export oriented, it has been delayed due to the socio-economic changes in the USA and Europe.

ACCOUNTING POLICIES

The accounting policies adopting in the preparation of the condensed interim financial information for the quarter and nine months period are the same as applied in the preparation of the preceding annual financial statements of the Company.

ACKNOWLEDGEMENT

The Directors appreciate the hard work and dedication displayed by the employees of the Company.

Islamabad
April 28, 2025

(Abbas Sarfaraz Khan)
Chief Executive

(Iskander M. Khan)
Director

آرپاک انٹرنیشنل انویسٹمنٹ لمیٹڈ

ڈائریکٹر کی جائزہ رپورٹ

آرپاک انٹرنیشنل انویسٹمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ 2025ء کو ختم ہونے والی نو ماہ کی مدت کے دوران کمپنی کی آپریشنل اور مالی کارکردگی کا جائزہ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالی کارکردگی / آپریشنز

کمپنی نے اس عرصے کے دوران 2.934 ملین روپے کے آپریشنل خسارے کی اطلاع دی، جبکہ گزشتہ سال کے اسی عرصے (31 مارچ، 2024) میں 7.482 ملین روپے کا منافع ہوا تھا۔ یہ کمی بنیادی طور پر کرایہ کی آمدنی میں کمی کی وجہ سے ہے اور سال کے دوران کوئی منافع کی آمدنی حاصل نہیں ہوئی۔ فنڈز میوچل فنڈز سے دیگر ایکویٹی سرمایہ کاری منصوبوں میں منتقل کیے گئے جو کمپنی کے مفاد میں زیادہ فائدہ مند تھے۔ متعلقہ اداروں کے نقصان کا حصہ شامل کرنے کے بعد کمپنی کو اس مدت کے دوران 98.483 ملین روپے کا قبل از ٹیکس نقصان اٹھانا پڑا ہے۔

سرمایہ کاری / مستقبل کا نقطہ نظر

بورڈ آف ڈائریکٹرز نے اس سے قبل پریمیر گرین ایتھنول لمیٹڈ میں سرمایہ کاری کی منظوری دی تھی۔ چونکہ یہ منصوبہ برآمد پر مبنی ہے، لہذا امریکہ اور یورپ میں سماجی و اقتصادی تبدیلیوں کی وجہ سے اس میں تاخیر ہوئی ہے۔

اکاؤنٹنگ پالیسیاں

سہ ماہی اور نو ماہ کی مدت کے لئے مختصر عبوری مالی معلومات کی تیاری میں اختیار کی جانے والی اکاؤنٹنگ پالیسیاں وہی ہیں جو کمپنی کے پچھلے سالانہ مالی بیانات کی تیاری میں لاگو ہوتی ہیں۔

اعتراف

ڈائریکٹرز کمپنی کے ملازمین کی جانب سے دکھائی جانے والی محنت اور لگن کو سراہتے ہیں۔

(اسکندر ایم خان)
ڈائریکٹر

(عباس سرفراز خان)
چیف ایگزیکٹو

اسلام آباد
28 اپریل، 2025

ARPAK INTERNATIONAL INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

	Note	Un-audited March 31, 2025 Rupees	Audited June 30, 2024 Rupees
Assets			
Non-current Assets			
Property, plant and equipment		65,094	78,381
Investment property		8,647,009	8,784,762
Long term investments	5	228,741,748	267,541,568
Loan to an Associated Company	6	0	6,250,000
		<u>237,453,851</u>	<u>282,654,711</u>
Current Assets			
Current portion of loan to an Associated Company		25,000,000	18,750,000
Advance against shares		32,000,000	32,000,000
Short term investment	7	534,622	479,346
Advance to employees - considered good		139,750	139,750
Accrued profit and mark-up		4,760,224	11,667,811
Prepayments and other receivables		196,142	0
Prepaid tax levies		0	620,223
Advance income tax and tax deducted at source		1,522,134	3,291,721
Bank balances		694,196	2,475,931
		<u>64,847,068</u>	<u>69,424,782</u>
		<u>302,300,919</u>	<u>352,079,493</u>
Equity and Liabilities			
Share Capital and Reserves			
Authorised capital			
5,000,000 ordinary shares of Rs.10 each		<u>50,000,000</u>	<u>50,000,000</u>
Issued, subscribed and paid-up capital			
4,000,000 ordinary shares of Rs.10 each issued for cash		40,000,000	40,000,000
Reserves		12,840,781	12,840,781
Unappropriated profit		(423,169,733)	(323,348,568)
Share of surplus on revaluation of property, plant and equipment of Associated Companies		667,942,326	609,824,244
		<u>297,613,374</u>	<u>339,316,457</u>
Deferred taxation		198,531	954,978
Current Liabilities			
Accruals and other payables		2,253,143	7,829,281
Unclaimed dividend		1,039,042	1,039,042
Provision for tax levies		0	620,223
Taxation		1,196,829	2,319,512
		<u>4,489,014</u>	<u>11,808,058</u>
Contingencies and Commitments	8	<u>302,300,919</u>	<u>352,079,493</u>

The annexed notes form an integral part of these financial statements.


Chief Executive


Director


Chief Financial Officer

ARPAK INTERNATIONAL INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Quarter Ended		Nine Months Ended	
	March 31 2025	March 31 2024	March 31 2025	March 31 2024
	-----Rupees-----			
Income	2,686,932	5,765,766	8,889,401	17,843,401
Operating and General Expenses	(3,877,585)	(3,292,503)	(11,824,737)	(10,351,651)
Operating (Loss)/Profit	(1,190,653)	2,473,263	(2,935,336)	7,491,750
Bank Charges	1,151	(1,082)	(3,680)	(9,611)
	(1,189,502)	2,472,181	(2,939,016)	7,482,139
Share of (loss)/ profit of an Associated Company - net of taxation	(52,335,042)	6,718,162	(279,913,515)	66,539,924
Provision made for impairment in investment in an Associated Company	6,603,238	4,508,903	184,338,477	(279,568,386)
(Loss)/Profit before taxation and final tax levies	(46,921,306)	13,699,246	(98,514,054)	(205,546,323)
Final tax levies	0	(209,668)	0	(543,642)
(Loss)/Profit- before taxation	(46,921,306)	13,489,578	(98,514,054)	(206,089,965)
Taxation	(465,818)	(165,742)	30,933	(787,851)
(Loss)/Profit- after taxation	(47,387,124)	13,323,836	(98,483,121)	(206,877,816)
(Loss)/Profit per Share	(11.85)	3.33	(24.62)	(51.72)

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive





Director


Chief Financial Officer

ARPAK INTERNATIONAL INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Quarter Ended		Nine Months Ended	
	March 31 2025	March 31 2024	March 31 2025	March 31 2024
	-----Rupees-----			
(Loss)/Profit after taxation	(47,387,124)	13,533,504	(98,483,121)	(206,334,174)
Other Comprehensive Income				
Items that may be reclassified subsequently to profit and loss:				
Share of other comprehensive income from Associated Company - net	169,600	498,454	(30,480,961)	78,507
Share of Share of surplus arisen on revaluation of property, plant and equipment carried out by an Associated Company	(179,840)	30,952,641	58,118,082	128,658,564
	(10,240)	31,451,095	27,637,121	128,737,071
Total Comprehensive (Loss)/Income for the Year	(47,397,364)	44,984,599	(70,846,000)	(77,597,103)

The annexed notes form an integral part of this condensed interim financial information.








Chief Executive
Director
Chief Financial Officer

ARPAK INTERNATIONAL INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

	March 31 2025 Rupees	March 31 2024 Rupees
Cash flow from operating activities		
Loss for the period - before taxation and share of profit of Associated Companies	(2,939,016)	7,482,139
Adjustments for non-cash charges and other items:		
Depreciation on property, plant and equipment	13,325	17,553
Depreciation on investment property	137,753	145,003
Mark-up on loan to an Associated Company	(3,297,987)	(5,042,595)
Dividend Income	0	(3,624,278)
Gain on redemption of short term investments - net	0	0
Fair value profit/(loss) on re-measurement of short term investment	(55,276)	(243,358)
Gain on sale of long term investments	0	0
Loss before working capital changes	(6,141,201)	(1,265,536)
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Advance to employees - <i>considered good</i>	0	0
Prepayments and other receivables	(196,142)	(1,204,408)
Increase / (decrease) in current Liabilities		
Accruals and other payables	(5,630,696)	(4,650,181)
Unclaimed dividend	0	0
	(5,826,838)	(5,854,589)
Cash used in operating activities	(11,968,039)	(7,120,125)
Income tax paid	(13,696)	(1,016,298)
Net cash used in operating activities	(11,981,735)	(8,136,423)
Cash flow from investing activities		
Purchase of property, plant and equipment	0	0
Mark-up received on loan to an Associated Company	10,200,000	0
Redemption of short term investment	0	0
Reinvestment in Short Term Investment	0	(3,080,636)
Dividend received	0	3,624,278
Long term loan repaid	0	6,250,000
Dividend paid	0	0
Net cash generated from investing activities	10,200,000	6,793,642
Net increase / (decrease) in cash and cash equivalents	(1,781,735)	(1,342,781)
Cash and cash equivalents - at beginning of the period	2,475,931	8,319,166
Cash and cash equivalents - at end of the period	694,196	6,976,385

The annexed notes form an integral part of this condensed interim financial information.

Chief Executive
Director
Chief Financial Officer

ARPAK INTERNATIONAL INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Share capital	Capital reserve	Reserves	General reserve	Unrealised gain on long term investments	Unappropriated profit/ (loss)	Share of surplus on revaluation of property, plant and equipment of an Associated Company	Total
Balance as at July 01, 2023	40,000,000	7,440,781	5,400,000		0	(145,267,882)	480,869,418	388,442,317
Distribution to owners								
Total comprehensive income for the nine months period ended March 31, 2024								
Loss for the period	0	0	0	0	0	(206,334,174)	0	(206,334,174)
Other comprehensive income	0	0	0	0	0	78,507	128,658,564	128,737,071
	0	0	0	0	0	(206,255,667)	128,658,564	(77,597,103)
Effect of items directly credited to equity by an Associated Company	0	0	0	0	0	30,400,254	0	30,400,254
Share of surplus on revaluation of property, plant and equipment realised during the year by an Associated Company on account of incremental depreciation and upon sale of revalued assets - (net of deferred taxation)								0
Balance as at March 31, 2024	40,000,000	7,440,781	5,400,000	0	(321,123,295)	609,527,982	609,527,982	341,245,468
Balance as at July 01, 2024	40,000,000	7,440,781	5,400,000	0	(323,348,568)	609,824,244		339,316,457
Total comprehensive income for the nine months period ended March 31, 2025								
Loss for the period	0	0	0	0	0	(98,483,121)		(98,483,121)
Other comprehensive (Loss)/income	0	0	0	0	0	(30,480,961)	58,118,082	27,637,121
	0	0	0	0	0	(128,964,082)	58,118,082	(70,846,000)
Effects of items directly credited in equity by Associated Companies	0	0	0	0	0	29,142,917	0	29,142,917
Share of surplus on revaluation of property, plant and equipment realised during the year by an Associated Company on account of incremental depreciation and upon sale of revalued assets - (net of deferred taxation)	0	0	0	0	0	0	0	0
Balance as at March 31, 2025	40,000,000	7,440,781	5,400,000	0	(423,169,733)	667,942,326	667,942,326	297,613,374

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

ARPAK INTERNATIONAL INVESTMENTS LIMITED
SELECTED NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

Arpak International Investments Limited (the Company) was incorporated in Pakistan on July 26, 1977 as a Public Company and its shares are quoted on Lahore and Karachi Stock Exchanges. The registered office of the Company is situated at 20-A, Markaz F-7, Islamabad. It is principally engaged in investment business of various forms.

2. BASIS OF PREPARATION

2.1. Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where 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.

2.1.2 These condensed interim financial statements do not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2024. These condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

2.2 New standards, amendments to approved accounting standards and interpretations that are effective during the period

The new standards, amendments to approved accounting standards and interpretations that are mandatory for the accounting periods beginning on July 1, 2024 are considered not to be relevant or to have any significant effect on the Company's interim financial reporting and are, therefore, not detailed in these condensed interim financial statements.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of audited annual financial statements of the Company for the year ended June 30, 2024.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards 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 expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of this condensed interim financial information, the significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to annual audited financial statements for the year ended June 30, 2024.

5. LONG TERM INVESTMENTS

		Un-audited March 31, 2025	Audited June 30, 2024
	Note	- - - - Rupees - - - -	
Associated Companies:			
The Premier Sugar Mills and Distillery Company Ltd. (PSM) - quoted			
Carrying value - under equity method	5.1.	756,051,153	979,189,630
Less: Impairment loss		(610,851,153)	(795,189,630)
		145,200,000	184,000,000
Premier Board Mills Ltd. (PBML) - un-quoted			
	5.2.	83,541,748	83,541,568
		228,741,748	267,541,568

5.1. Investment in PSM represents 400,000 fully paid ordinary shares of Rs.10 each representing 10.67% (June 2024: 10.67%) of PSM's issued, subscribed and paid-up capital as at March 31, 2025. PSM was incorporated on July 24, 1944 as a public limited company and its shares are quoted on Pakistan Stock Exchange. The principal activity of PSM is manufacturing and sale of white sugar and spirit. Market value of the Company's investment in PSM as at March 31, 2025 was Rs.361.62 per share (June 30, 2024: Rs. 460 per share). PSM is an associate of the Company due to common directorship.

5.2. Investment in PBML represents 600,000 fully paid ordinary shares of Rs.10 each representing 10.63% (June 2024: 10.63%) of PBML's issued, subscribed and paid-up capital as at March 31, 2025. PBML was incorporated on May 12, 1980 as a public company and it is evaluating certain proposals for setting-up some industrial unit. PBML is an associate of the Company due to common directorship.

5.2.1 Carrying values of investments in PBML as at March 31, 2025 have not been accounted for using the equity method as required by IAS 28 (Investments in Associates) due to nonavailability of condensed interim financial information for the period ended March 31, 2025.

6. LOAN TO AN ASSOCIATED COMPANY

The Company and Chashma Sugar Mills Ltd.(CSM) - an Associated Company had entered into a loan agreement on May 20, 2008 whereby the Company has advanced amounts aggregating Rs.50 million to CSM. The loan carries mark-up at the rate of 1-Month KIBOR+1.25% per annum; effective mark-up rates charged by the Company, during the current financial year, ranged from 13.38 % to 22.07 % (June 2024: 23.27% to 23.86%) per annum. As per the original loan agreement, the loan was receivable in 8 equal half-yearly instalments commenced from May, 2013. The Company and CSM, in the preceding financial years entered into revised agreements and changed the repayment terms. As per latest agreement, outstanding balance of Rs.25 million is now receivable in seven half-yearly instalments commencing November, 2028. The loan is secured against a promissory note of Rs.60 million.

7. SHORT TERM INVESTMENTS - At fair value through profit or loss

		Un-audited March 31, 2025	Audited June 30, 2024
	Note	- - - - Rupees - - - -	
First Habib Cash Fund			
4,709.33 (June 30, 2024: 4,709.33) Units - cost		479,346	23,699,203
Adjustment on re-measurement to fair value		55,276	75,310
		534,622	23,774,513

8. CONTINGENCIES AND COMMITMENTS

There was no known contingency and commitment outstanding as at March 31, 2025 and June 30, 2024.

9. TRANSACTIONS WITH RELATED PARTIES	
9.1 Significant transactions with related parties are as follows:	
Relationship	Nature of transactions
	Un-audited Nine months ended March 31, 2025
	2024
	---- Rupees ----
Associated Company	Mark-up earned on loan to an Associated Company
	3,297,987
Key management personnel	Remuneration and other benefits
	6,501,969
	5,042,595
	4,850,840
9.2 Period / year end balances are as follows:	
Loan to an Associated Company	25,000,000
Accrued Mark-up on loan to an Associated Company	4,760,224
	25,000,000
	11,667,811
10. FINANCIAL RISK MANAGEMENT	
The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.	
There has been no change in the Company's sensitivity to these risks since June 30, 2024. There have been no change in risk management objectives and policies of the Company during the period.	
This condensed interim financial information does not include all financial risk management information and disclosures as are required in the audited annual financial statements and should be read in conjunction with the Company's audited annual financial statement as at June 30, 2024	
11. CORRESPONDING FIGURES	
11.1 In order to comply with the requirements of IAS 34 'Interim Financial Reporting', the condensed interim balance sheet has been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity have been compared with the balances of comparable period of the immediately preceding financial year.	
12. GENERAL	
This condensed interim financial information was approved by the Board of Directors and authorised for issue on April 28,2025.	



Chief Executive



Director



Chief Financial Officer

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