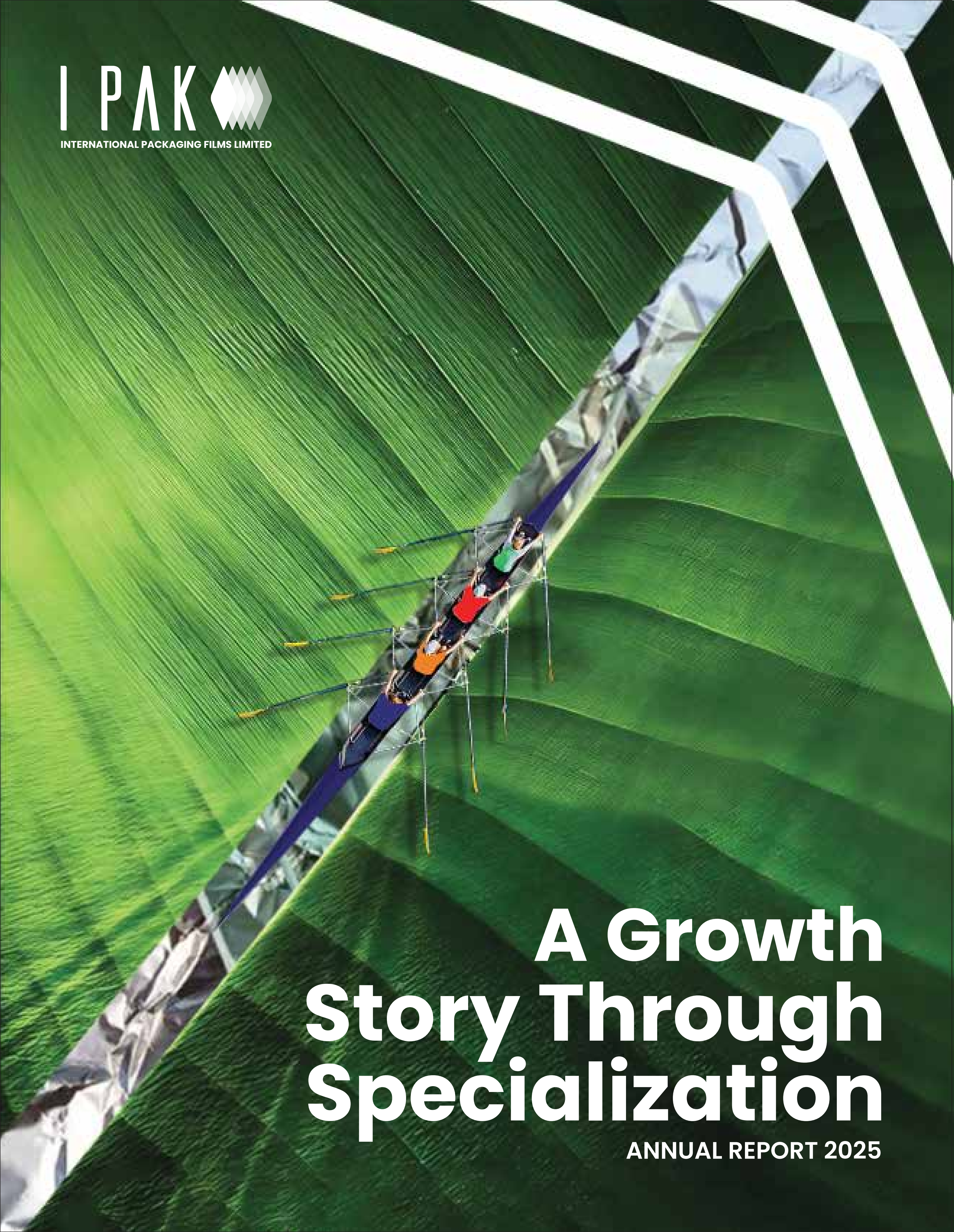
I PAK
INTERNATIONAL PACKAGING FILMS LIMITED



A Growth Story Through Specialization

ANNUAL REPORT 2025

Cover Story

During the year, the capacities established in earlier periods came into fuller utilization, giving us the scale and strength to expand our footprint both domestically and globally. Our enhanced export momentum demonstrates not only our competitiveness but also our ability to adapt to shifting global supply chains and customer needs.

Yet, growth for IPAK has not been about scale alone. We have deliberately steered our efforts towards specialization in higher-margin packaging films. By prioritizing advanced, differentiated products, we have added greater value to our portfolio and improved margins, ensuring that growth translates into sustainable profitability. This strategy of specialization allows us to meet the evolving demands of our customers while reinforcing our position as an innovation-driven leader.

Just as the rowers on the cover achieve speed and direction through unity and focus, IPAK's strength lies in its alignment between vision and execution, capacity and demand, sustainability and growth. Our story this year is one of building on scale while sharpening our focus, of transforming opportunities into enduring value through specialization.

CEO's Message

Dear Shareholders,

It gives me great pleasure to present the progress of IPAK Group over the past year a year that has reinforced our growth trajectory and strengthened our leadership as Pakistan's largest producer of packaging films.

The capacities added through our two newly established subsidiaries in the previous year have now been more effectively utilized, allowing us to scale operations and deliver stronger results across both domestic and export markets. This reflects the Group's focus on disciplined execution, customer trust, and leveraging synergies across our businesses to create sustainable value.

At the same time, we continue to embed sustainability at the core of our strategy. We are actively improving energy efficiency, exploring renewable sources, and advancing the recyclability of our packaging solutions. We recognize that addressing climate change is not just a compliance matter, but a business imperative that defines the competitiveness of our industry in the years ahead.

We also face external challenges. Escalating power costs, global trade disruptions, and economic volatility remain pressures on our industry. Furthermore, the risk of adverse legislation around plastic packaging adds to the challenges we must navigate. These factors highlight the importance of resilience, adaptability, and constructive engagement with policymakers to safeguard both growth and industrial sustainability.

Despite external uncertainties, we remain confident in our ability to tackle challenges and seize new opportunities. Our focus will continue to be on three key areas,

Operational Excellence – Driving efficiency, innovation, and stronger utilization of our production base.

Sustainability & Climate Responsibility – Minimizing our environmental footprint and aligning with global ESG standards.

Stakeholder Value – Generating long-term returns for shareholders while contributing positively to Pakistan's economic and industrial progress.

I extend my sincere gratitude to my team for their commitment, to our customers for their trust, to our regulators and partners for their continuous support, and to our shareholders for their confidence in our vision.

With resilience as our strength and sustainability as our guiding principle, IPAK is well-positioned to continue its growth journey and deliver enduring value to all stakeholders.

Naveed Godil
Chief Executive Officer

Table of Contents

Organizational Overview and External Environment

Company Information

Board of Directors

Mr. Muhammed Amin	Chairman
Mr. Naveed Godil	Chief Executive Officer
Mr. Sarfaraz Ahmed Rehman	Independent Director
Mr. Saad Amanullah Khan	Independent Director
Mr. Arsalan Pirani	Non- Executive Director
Mr. Taimoor Iqbal	Non- Executive Director
Mr. Aftab Zahoor Raja	Non- Executive Director
Mr. Mushtaq Ali Tejani	Non- Executive Director
Mr. Abdul Aleem Tinwala	Non- Executive Director
Mr. Fazal ur Rehman	Non- Executive Director

Chief Executive Officer
Mr. Naveed Godil

Audit Committee

Mr. Saad Amanullah Khan	Chairman
Mr. Muhammed Amin	Member
Mr. Arsalan Pirani	Member

Human Resource and Remuneration (HR&R) Committee

Mr. Sarfaraz Ahmed Rehman	Chairman
Mr. Saad Amanullah Khan	Member
Mr. Mushtaq Ali Tejani	Member

Senior Management Team

Mr. Naveed Godil	Chairman
Mr. Muhammad Kamran Khan	Chief Operating Officer
Mr. Mohsin Anwer	Chief Strategy Officer
Mr. Khalid Mahmood	Chief Commercial Officer
Mr. Muhammad Arif Malik	Director (Technical)
Mr. Muhammad Asadullah Butt	Chief R&D Officer
Mr. Syed Athar Bukhari	Chief Human Resource Officer

Chief Financial Officer
Syed Haris Salim

Head of Governance, Risk, Compliance / Company Secretary
Mr. Fahad Alam

Head of Internal Audit
Mr. Muhammad Shahid

External Auditors & Advisor
A.F. Ferguson & Co. Chartered Accountants

Legal Advisors
K-Legal Advocates
Fazle Ghani Advocates
AUC | LAW

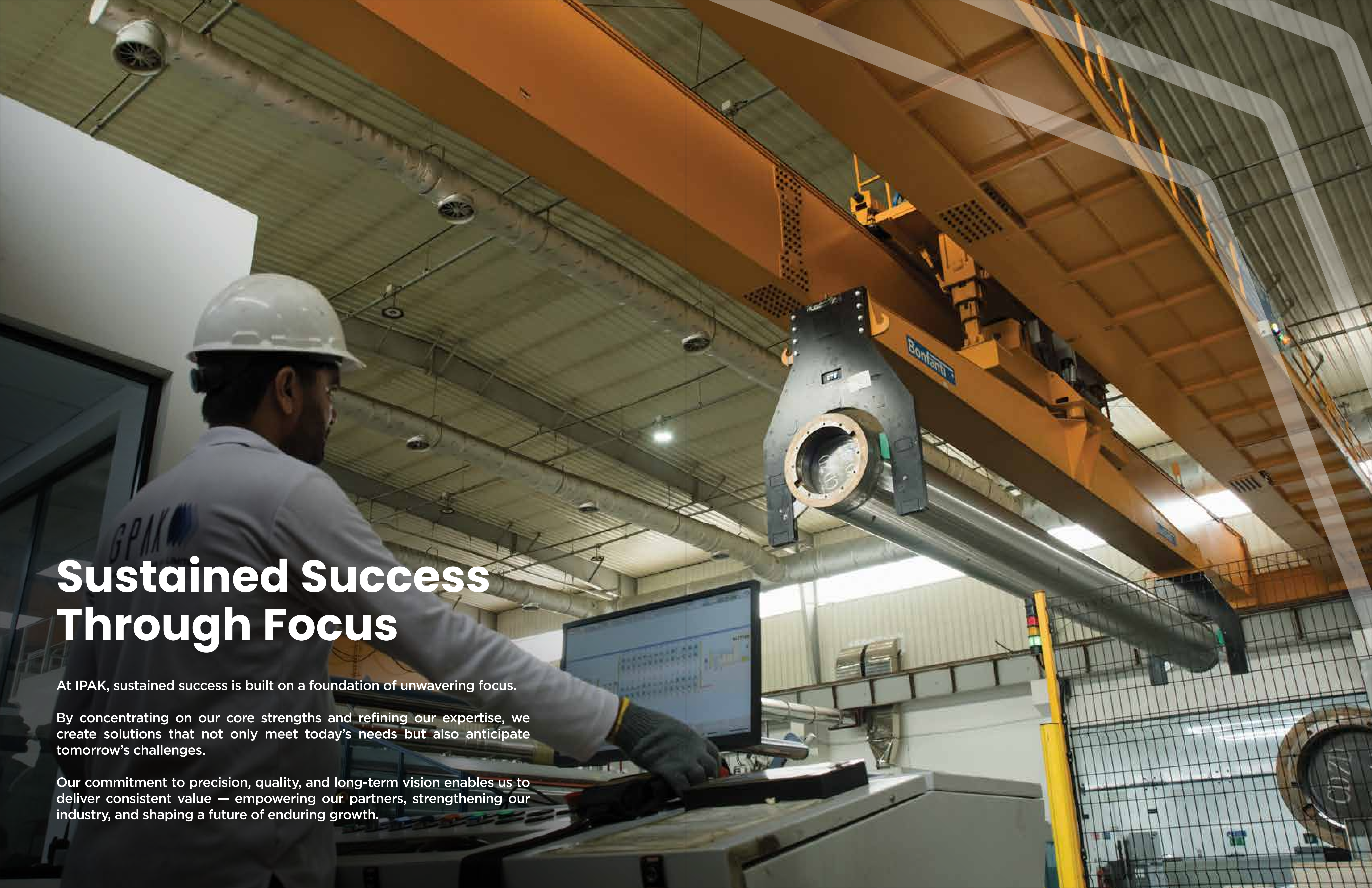
Shares Registrar
CDC Share Registrar Services Limited
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

IPAK Website
https://www.ipak.com.pk/

Registered Office
Plot # 40-L-1, P.E.C.H.S., Block 6, Near Jason Trade Centre, Karachi 75100, Pakistan

Plant
IPAK Plant, Manga Chowk, Raiwind, Bypass Road, Raiwind District, Lahore 55150, Pakistan

Banks
Bank Al Habib Limited
Meezan Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Bank Alfalah Limited
Askari Bank Limited
JS Bank Limited
Standard Chartered Pakistan Limited
United Bank Limited
BankIslami Pakistan Limited
Al Baraka Bank (Pakistan) Limited



Sustained Success Through Focus

At IPAK, sustained success is built on a foundation of unwavering focus.

By concentrating on our core strengths and refining our expertise, we create solutions that not only meet today's needs but also anticipate tomorrow's challenges.

Our commitment to precision, quality, and long-term vision enables us to deliver consistent value — empowering our partners, strengthening our industry, and shaping a future of enduring growth.

About Us and Our Business

International Packaging Films Limited ("IPAK"), together with its subsidiaries, Cast Packaging Films (Private) Limited (CPAK), Petpak Films (Private) Limited (PETPAK), and Global Packaging Films Limited (GPAK), holds a strong nationwide footprint making it the largest integrated flexible packaging films manufacturing group in Pakistan. The Company has also established a foreign subsidiary IPAK Connect in Dubai, UAE to boost IPAK Group exports.

Established in 2015 as a greenfield venture, IPAK's journey has been a true Growth Story Through Specialization. With a collective nameplate capacity of over 150,000 tons per annum, spread across 50 acres, the Group continues to scale new milestones by focusing on advanced technologies, operational excellence, and market-driven innovation.

IPAK offers a diversified product portfolio including BOPP, CPP, and BOPET films, enabling one-window packaging solutions for both domestic and international markets. Powered by world-class machinery, including its state-of-the-art 8,700mm co-extruded BOPP production line from Bruckner Maschinenbau (Germany), the Group stands as a trusted partner to leading FMCGs, industrial manufacturers, and export-oriented enterprises.

Looking ahead, IPAK remains committed to strengthening its leadership position by driving innovation, delivering sustainable solutions, and building long-term partnerships with its customers.

Key Facts 2025

4 Production **Facilities**

600+ Employees

150,000T Name plate capacity

3 Product Lines

Fast growing films manufacturer in Pakistan

Pioneer of 5-layers film in Pakistan

Largest packaging film manufacturer

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.

Corporate Strategy

1. **Lead in Sustainability**
   Continue to pioneer circular and eco-friendly packaging solutions, reducing environmental impact while meeting evolving global customer needs.

2. **Advance Technology & Digitalization**
   Invest in automation, digital solutions, and R&D to develop innovative products, enhance efficiency, and set new benchmarks in the industry.

3. **Expand Global Reach**
   Strengthen exports and enter new international markets to establish IPAK as a trusted global partner.

4. **Customer Partnerships**
   Deliver value-driven, tailored packaging solutions with superior service, building long-term relationships with leading domestic and global customers.

5. **Empower People & Culture**
   Nurture a dynamic, inclusive, and high-performance workplace that attracts and develops top talent, driving innovation and sustainable growth.

6. **Operate with Integrity**
   Uphold ethical practices, environmental stewardship, and stakeholder trust as the foundation of long-term success.

Core Values

We shall abide by our corporate values while we strive to realize our Vision through our Mission.

Integrity:
Uphold the highest standards of honesty and transparency in all actions and decisions. Commit to doing what is right, even when it's challenging, to build trust and credibility with stakeholders.

Sustainability:
Prioritize environmentally friendly practices and advocate for sustainable development. Strive to minimize the ecological impact and contribute positively to the community and the planet.

Excellence:
Aim for the highest quality in every aspect of the business. This commitment to excellence should reflect in products, services, customer relations, and employee engagement.

Empowerment:
Encourage employees to take initiative, make decisions, and lead within their roles. Empowerment fosters a sense of ownership and accountability, leading to greater innovation and job satisfaction.

Diversity and Inclusion:
Embrace a diverse workforce and promote an inclusive environment where all individuals feel valued and respected. Recognizing and celebrating diversity enhances creativity, innovation, and collaboration.

Innovation:
Foster a culture that encourages creativity and the exploration of new ideas. Continuously seek out ways to innovate, not just in products and services but in all areas of operation, to stay ahead of industry trends.

Code of Conduct & Workplace Policies

Commitment to a Respectful & Inclusive Workplace

At IPAK, we are committed to fostering a professional, inclusive, and respectful work environment. Our workplace policies ensure fairness, integrity, and compliance with applicable laws, while promoting a culture of mutual respect among all employees and larger stakeholders.

Workplace Harassment

We maintain a zero-tolerance policy against workplace harassment of any kind. Any discrimination or harassment based on race, color, gender, religion, nationality, age, or disability is strictly prohibited. Employees shall work together in an environment free from intimidation, isolation, or unfair treatment.

Protection Against Sexual Harassment

IPAK fully complies with The Protection Against Harassment of Women at the Workplace Act, 2010 and related laws. Any form of sexual misconduct, exploitation, or harassment including verbal or physical advances, coercion, or intimidation is strictly prohibited. Reports of such behavior shall be taken seriously, and retaliation against complainants shall result in strict disciplinary action.

Workplace Safety & Prohibited Items

To maintain a safe and secure workplace, we strictly prohibit:

- Possession of weapons, explosives, or hazardous materials (except for authorized security personnel).
- Acts of violence, threats, or intimidation.
- Consumption or possession of drugs, alcohol, or engagement in gambling on company premises.

No-Smoking Policy

For the health and safety of our employees and visitors, smoking is strictly prohibited in all office buildings and within a 5-meter radius of the premises. Designated smoking areas may be assigned where necessary. Employees violating this policy shall be subject to disciplinary action.

Confidentiality & Data Protection

Employees are required to maintain the confidentiality of company records, financial information, business strategies, and personal employee data. Sharing such information without authorization is a serious offense and may result in legal consequences.

Conflict of Interest Disclosure

To maintain transparency, employees shall disclose any personal, financial, or professional relationships that could create a conflict of interest with the company. Regular disclosure questionnaires shall be required, and employees shall report any potential conflicts to the HR department immediately.

Media & Public Communications

Only authorized spokespersons may interact with the press, financial community, or regulatory bodies on behalf of the company. Any inquiries shall be directed to the designated representatives to ensure consistency and accuracy in external communications.

Compliance with Laws & Ethical Conduct

All employees shall adhere to federal and provincial laws, industry regulations, and company policies. Ethical business practices, fairness, and integrity are fundamental to our operations. Violations of the code may result in disciplinary action, including termination of employment.

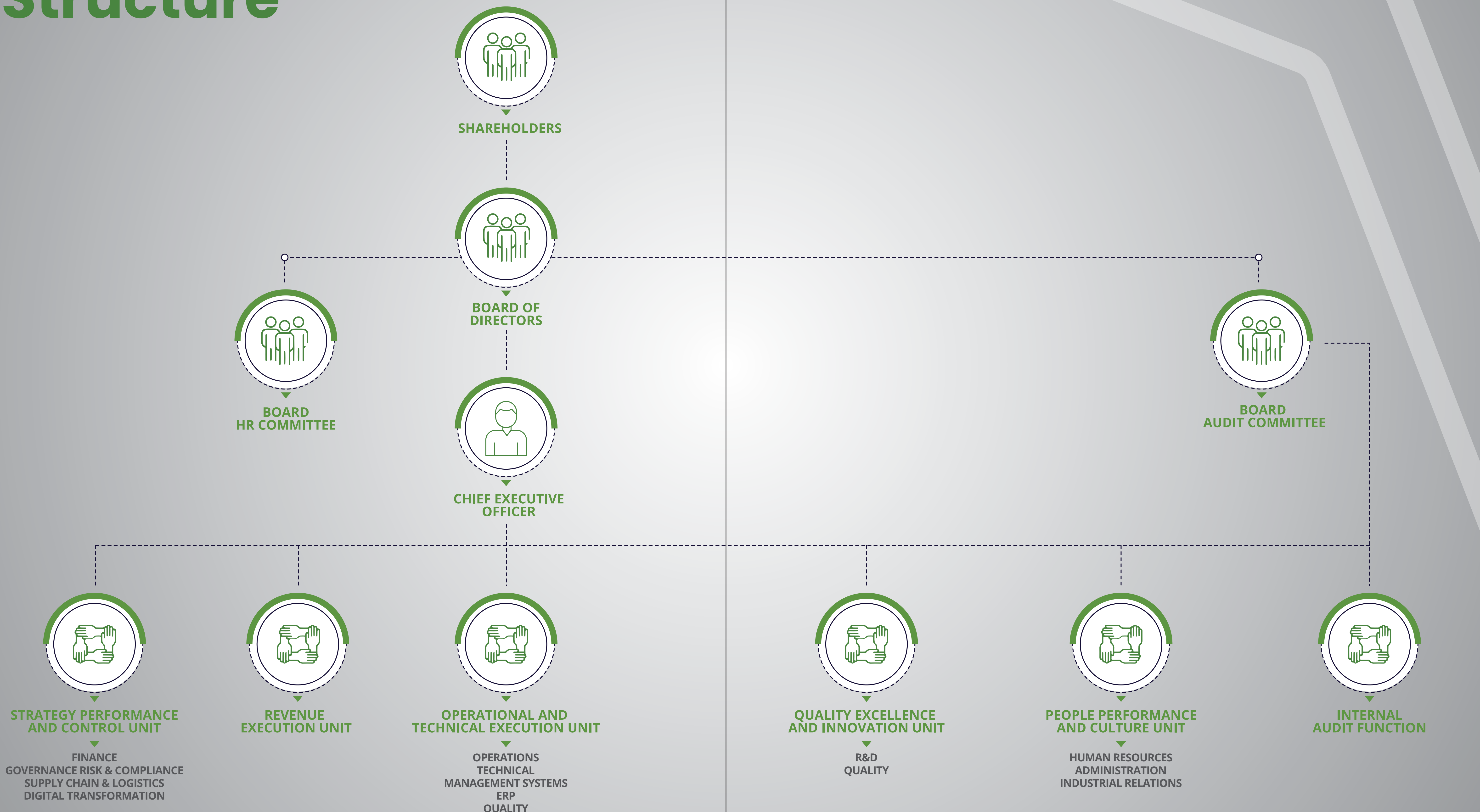
Reporting Violations & Whistleblower Protection

We encourage employees to report any violations or unethical behavior without fear of retaliation. All reports shall be treated with confidentiality and handled appropriately by the designated HR representatives.

Policy Oversight & Enforcement

The HR Department is responsible for implementing and monitoring compliance with this Code of Conduct. Regular audits shall be conducted to ensure adherence to policies.

Organizational Structure



Group Structure

IPAK GROUP

IPAK is geared up to become the largest packaging films manufacturer in Pakistan by FY 2024. Apart from IPAK, which is the parent company, there are three major subsidiary companies:

CPAK CAST PACKAGING FILMS (PVT) LIMITED	PETPAK PETPAK FILMS (PVT.) LIMITED	GPAK GLOBAL PACKAGING FILMS PVT LTD.
CAST PACKAGING FILMS LIMITED **100%** OWNED SUBSIDIARY	PETPAK FILMS LIMITED **52%** OWNED SUBSIDIARY	GLOBAL FILMS LIMITED **100%** OWNED SUBSIDIARY
MANUFACTURING **CPP FILMS**	MANUFACTURING OF **BOPET FILMS**	MANUFACTURING OF **BOPP FILMS**
INSTALLED CAPACITY **7,200** TONS P.A	INSTALLED CAPACITY **41,000** TONS P.A	INSTALLED CAPACITY **60,000** TONS P.A
COMMENCED COD **APR'21**	COMMENCED COD **FEB '24**	COMMENCED COD **APR '24**
65D 100% EQUITY FINANCED **ENTITY** 100% TAX CREDIT AVAILABLE **FY25**	**SEZ** SPECIAL ECONOMIC ZONE **ENTITY** TAX CREDIT AVAILABLE TILL **FY33**	**SEZ** SPECIAL ECONOMIC ZONE **ENTITY** TAX CREDIT AVAILABLE TILL **FY33**

IPAKCONECT
BRIDGING INNOVATION

In June 2023, IPAK established its new subsidiary, "IPAK Connect," in Dubai to strengthen access to international markets. Dubai's strategic location, world-class infrastructure, and high service standards make it an ideal hub for global trade. IPAK Connect will enhance customer connectivity, facilitate seamless order execution, and serve as a future distribution center. With this presence, IPAK is better positioned to build global partnerships, expand its customer base, and reinforce its leadership in innovative packaging solutions.

Key Milestones

2015

Incorporation:

International Packaging Films Limited (IPAK) was established in Pakistan as a private limited company.

2017

Commencement of Operations:

Commercial operations began with the import, installation, and commissioning of an 8,700 mm BOPP film line, serving both local and export markets.

2018 2019

Certifications & Approvals

Recognized as an approved supplier for PepsiCo and BAT and achieved ISO 9001, 14001 & 22000 certifications, validating global quality standards.

2020

Expansion into CPP Films

- Incorporated Cast Packaging Films (CPAK), a wholly owned subsidiary.
- CPAK commenced commercial operations, supplying high-quality CPP films to the market.

2021

Further Group Expansion

Two more subsidiaries incorporated:

- Global Packaging Films (GPAK) – wholly owned.
- Petpak Films (PETPAK) – 52% owned.

2024

Major Breakthrough Year

- New Plants Commissioned:
- 8,700 mm BOPET plant under PETPAK.
- 10,400 mm BOPP plant under GPAK.
- Positioned IPAK as the largest packaging films manufacturer in Pakistan.

2024

- **Listing on PSX:** IPAK became a publicly listed company on the Pakistan Stock Exchange.
- **Global Expansion:** Established IPAK Connect in the UAE, boosting export sales and extending the global footprint.
- **Digital Transformation:** Successfully implemented SAP S/4HANA across the IPAK Group, enhancing integration, efficiency, and real-time decision-making.

2025

Strong Growth Momentum

- **Exports Growth:** Consolidated exports surged 319% to PKR 7.9 billion; standalone exports grew 153% to PKR 4.7 billion.
- **Sales Performance:** Consolidated sales reached PKR 34.4 billion, reflecting a 51% increase over last year.

Geographical Presence

Local
- Karachi
- Lahore
- Sheikhupura

International
- United Arab Emirates

International Markets Served

Markets Served
- Europe
- Africa
- Asia
- America

Showcasing Excellence Worldwide

ArabPlast 2025 – UAE

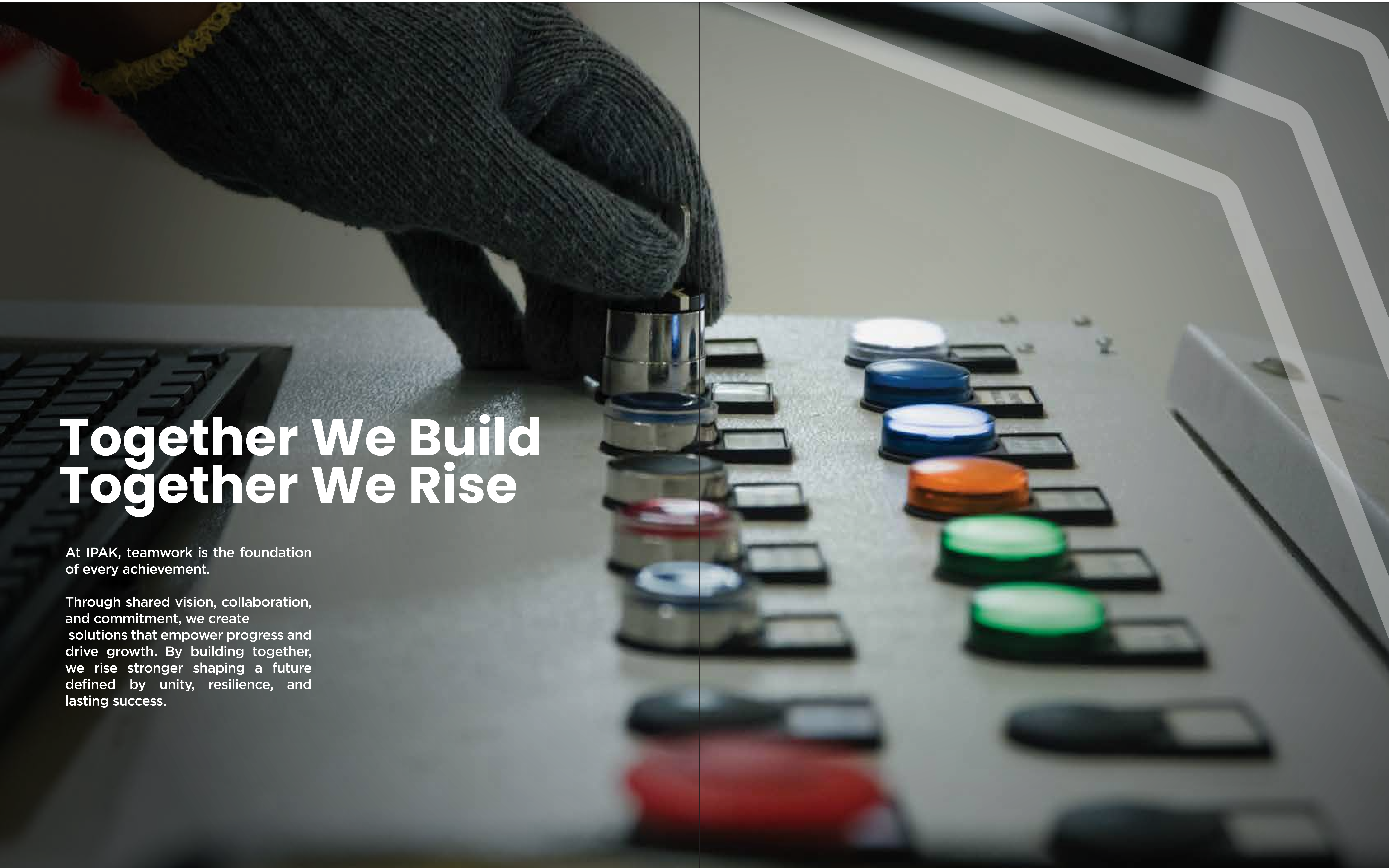
“At IPAK, we elevate brand with packaging solutions that offer clarity and distinction. Our advanced designs make products stand out and leave a memorable impression. We bridge the gap between functional packaging and impactful branding, enhancing the market presence.”

FACHPACK 2024 - Germany

“International Packaging Films Limited (IPAK) participated in FACHPACK 2024, one of Europe's leading trade fairs for the packaging and processing industry, held in Nuremberg, Germany from September 24-26, 2024. At the exhibition, the Company presented its advanced flexible packaging solutions with a focus on innovation and sustainability.”

PROPAK Africa 2025 – South Africa

“International Packaging Films Limited (IPAK) participated in PROPAK Africa 2025, the premier trade exhibition for the packaging, plastics, and food processing industries, held at the Johannesburg Expo Centre, South Africa from March 11-14, 2025. The event brought together industry leaders and decision-makers from across Africa and beyond.”



Together We Build Together We Rise

At IPAK, teamwork is the foundation of every achievement.

Through shared vision, collaboration, and commitment, we create solutions that empower progress and drive growth. By building together, we rise stronger shaping a future defined by unity, resilience, and lasting success.

Our Products and Market Segments

Portfolio

Uses/Application

Transparent Films

Range includes Mms with high transparency and gloss, low SIT, wide seal range, modified slip and primarily used for printing and lamination.

Metallized Films

Are used in Lamination for single and two-ply packaging structures for chips/snack foods, biscuits, confectionery and bakery products.

White Films

Due to high gloss, milky white appearance and better stiffness, these films are highly demanded for biscuit, confectionery, chocolate and ice cream packaging.

Cavitated/Pearlized Films

Beside improved aesthetics and light barrier, these films being low density, thus, high yield, provides significant cost advantage to the brand owners.

Matt Films

High haze/matt effect reduce light reflection improving product visibility from any angle on the shelf and premium look, it is used for printing, web lamination, lamination of printed papers, boards, posters, book covers, etc.

Application	Product Code	Description
Thermal resistant Film	DTN01HR	Replaces PET, introduces mono-material laminates, ideal for dry milk and instant drink powder pouches, offering exceptional thermal stability, high strength, and a glossy premium finish
Cold Release Portfolio	TN01U MZ11SG OC226G	Excellent release and seal effect, a solution for modern packaging. Replaces heat-seal laminates with recyclable cold seal packs, offering vibrant printability, strong barriers, premium appeal, and high-speed efficiency
Super seal High barrier film	DMZ10KXA	Replaces tri-lam PET/MPET/PE with efficient mono-material OPP/DMZ10KXA bi-lam structure, offering superior moisture and oxygen barriers (OTR ≤ 15 cc/m²/day, WVTR ≤ 0.15 g/m²/day), hermetic seal with 2x seal integrity, and reduced plastic use, a step forward for sustainability.
Barrier films	MZ11R	Replaces multi-material packaging PET/MPET/PE with mono-material OPP /MZ11R/PE, offering excellent barriers(OTR ≤ 20 cc/m²/day, WVTR ≤ 0.2 g/m²/day),high process efficiency, aligned with circular economy.
Wrap Around label	OLC216	Advanced high-yield cavitated BOPP film for premium wrap-around labels, offering brilliant print clarity, a sleek pearlescent finish, and limiting plastic use for sustainability.
In- Mould label	OLW129I	Recyclable mono-web IML film replacing thick laminated labels, with brilliant whiteness, total light block, durable print quality for premium paint pails, and reduced weight and cost
	OLC126I	high-yield recyclable IML film with a pearlescent finish, excellent opacity, and PP container compatibility, and a cost-effective solution supporting circular economy goals.
PCR-BOPP film	TH21PC	Sustainable BOPP film with chemically recycled post-consumer recyclate, reducing virgin plastic use while delivering strength, clarity, and printability for diverse packaging applications
PCR-CPP film	CTH21PC	Sustainable CPP film with chemically recycled post-consumer recyclate, reducing virgin plastic use while delivering strength, clarity, and printability for diverse packaging applications

Sustainable Value Chain

IPAK's value chain is designed to deliver high-quality Biaxially Oriented Polypropylene (BOPP) films efficiently and sustainably. The value chain integrates every step of the production process, from raw material sourcing to final delivery, ensuring seamless operations and superior output.

1. **Raw Material Procurement:** Diversified global sourcing with a balance of long-term contracts and spot purchases ensures availability and mitigates supply risks.

2. **Production Excellence:** Advanced BOPP facilities with state-of-the-art technology deliver a wide range of high-quality films.

3. **Quality Control:** Rigorous checks at every stage ensure compliance with international standards and reliability.

4. **Efficient Distribution:** Strong logistics partnerships enable smooth, cost-optimized deliveries locally and globally.

5. **Customer Focus:** Long-term client relationships supported by after-sales service and technical assistance.

6. **Innovation and Sustainability:** Ongoing R&D drives eco-friendly solutions and energy-efficient production.

Significant Factors Affecting the External Environment

	POLITICAL	ECONOMIC	SOCIAL	TECHNOLOGICAL	ENVIRONMENTAL	LEGAL
DEFINITION	Political factors include government policies and the overall stability of the political environment.	Economic factors include inflation, exchange rates, interest rates, and overall economic growth or contraction.	Social factors include changing demographics, evolving consumer preferences, and CSR initiatives that contribute to societal well-being.	Technology factors include advancements in manufacturing technologies, automation, and innovation.	Environmental factors describe how the Company is impacted by climate change, sustainability pressures, and environmental regulations.	Legal factors include corporate laws, labour laws, environmental regulations, and international trade laws.
FACTORS AFFECTING THE DEFINITION EXTERNAL ENVIRONMENT	• Political uncertainty around upcoming elections and fiscal policies can impact investor sentiment, demand, and access to financing. • Ongoing regional tensions and trade restrictions may affect cross-border logistics and exports. • Shifts in energy pricing policies and subsidies affect production costs.	• Inflation has moderated, but PKR volatility against the USD remains a significant risk for imported raw materials. • Lower interest rates have provided relief to manufacturers, yet financing costs remain sensitive to monetary policy. • Global demand for packaging films is stable, but margins are pressured by fluctuating oil-linked input prices.	• Rising demand for recyclable and sustainable packaging solutions across FMCG, pharma, and food segments. • Growing consumer focus on traceability, food safety, and environmental impact of packaging. • Heightened scrutiny on ethical supply chains and labour practices.	• Global shift towards Industry 4.0: smart manufacturing, predictive maintenance, and AI-driven quality control. • New innovations in barrier films and specialty packaging increase competitive intensity. • Cybersecurity risks linked to digital transformation.	• Increased stakeholder expectations for reduced carbon footprint. • Energy costs and fuel dependency remain vulnerable to climate and global oil price fluctuations. • Climate-related disruptions (heat waves, floods) threaten supply chains and production continuity.	• Enhanced disclosure requirements under global ESG standards. • Labour laws and workplace safety regulations being enforced more strictly. • Evolving trade agreements and tariffs affecting export markets.
ORGANIZATION'S RESPONSE	IPAK continues to actively monitor policy developments and maintain proactive engagement with regulators. Contingency planning and flexible financing structures are maintained to mitigate disruptions from abrupt regulatory or political shifts.	IPAK applies strict cost control measures, strengthens treasury operations, and diversifies its export markets to mitigate currency risks. Strategic hedging, together with value-added product development, helps protect profitability in uncertain conditions.	IPAK is strengthening its ESG and CSR initiatives, investing in circular-economy solutions, and aligning product development with evolving social expectations. This supports stronger customer loyalty and long-term brand equity.	IPAK remains at the forefront of adopting state-of-the-art technology and automation. Continuous investment in R&D enables new product innovation (e.g., ultra-high barrier films), while digitalization initiatives strengthen operational efficiency and data security.	IPAK is committed to sustainability through renewable energy adoption (e.g., solar initiatives), waste minimization, and compliance with global sustainability frameworks (including SDGs and IFRS S2 climate disclosures).	IPAK ensures strict compliance with SECP, PSX, and international regulatory frameworks. Governance, Risk & Compliance (GRC) systems are strengthened, and proactive legal monitoring ensures operational resilience and smooth cross-border trade.

Significant Changes From Prior Year

The year under review was one of transformational growth for the IPAK Group, marked by robust performance, operational progress, and strategic advancements.

Financial Performance and Profitability

- Consolidated sales grew by 51% to PKR 34.5 billion.
- The Group delivered a consolidated net profit of PKR 664 million (FY 2024: net loss PKR 571 million). Profit attributable to the Holding Company was PKR 1,202 million (FY 2024: net loss PKR 91 million).
- Standalone net profit stood at PKR 851 million (FY 2024: PKR 1,269 million), reflecting the impact of a pivot toward exports.

Exports Expansion

- Consolidated exports rose over threefold to PKR 7,885 million, a 319% increase.
- Standalone exports grew by 153% to PKR 4,728 million.
- Export volumes also expanded sharply, reflecting successful market diversification.

Subsidiary Milestones

- PPAK achieved gross profit positivity in its first year of operations.
- Global Packaging Films continued strong growth, while Cast Packaging Films delivered consistent results.

Sustainability and ESG Readiness

- An in-house Sustainability Committee was established to integrate ESG across operations.
- Work has begun on readiness for IFRS S1 and S2 Sustainability Disclosure Standards, enhancing transparency and long-term value creation.

Foreign Currency Sensitivity Analysis

As at 30 June 2025, the Company remains exposed to fluctuations in the Pakistani Rupee against major foreign currencies, primarily the US Dollar (USD), Euro (EUR), UAE Dirham (AED), and British Pound (GBP). The analysis below illustrates the potential impact of a 10 percent strengthening or weakening of the Pakistani Rupee against these currencies on the Company's unconsolidated statement of profit or loss.

Assuming all other variables, including interest rates, remain constant, a 10 percent movement in exchange rates would have affected equity / profit after tax as follows:
USD exposure: PKR 25,469 thousand (2024: PKR 3,924 thousand)

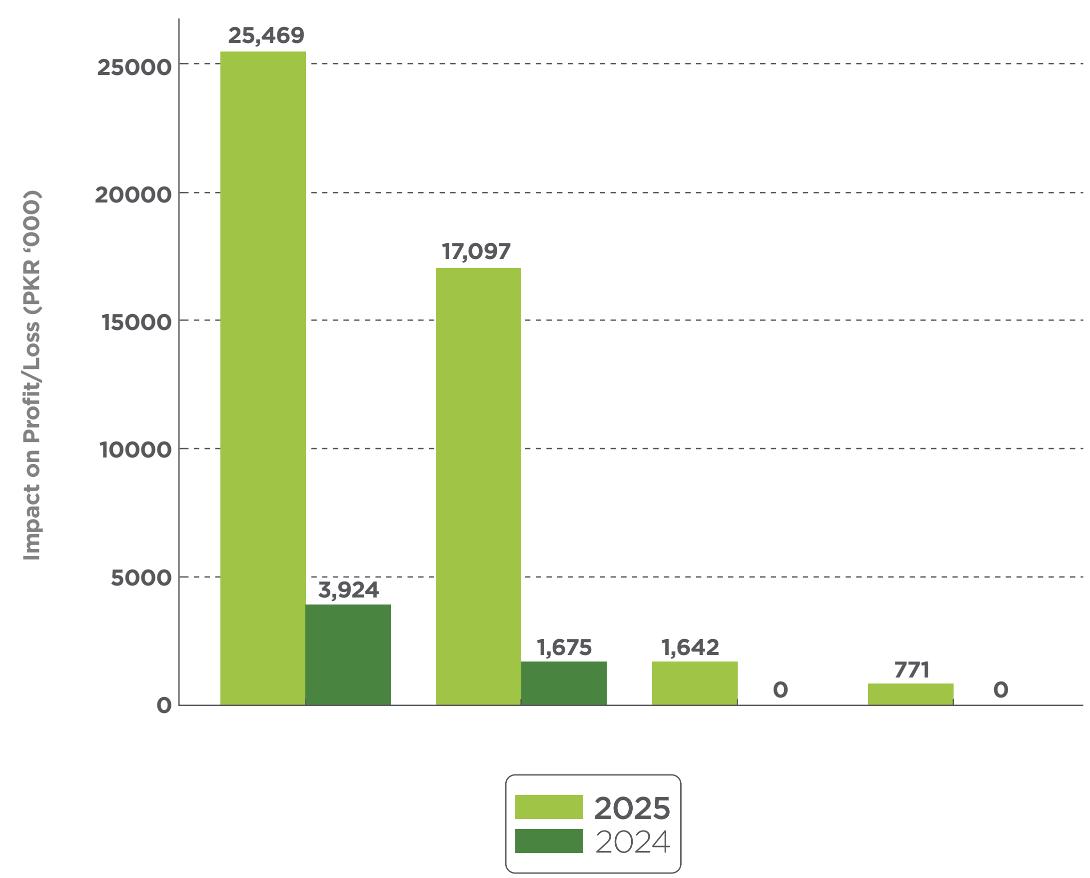
Euro exposure: PKR 17,097 thousand (2024: PKR 1,675 thousand)

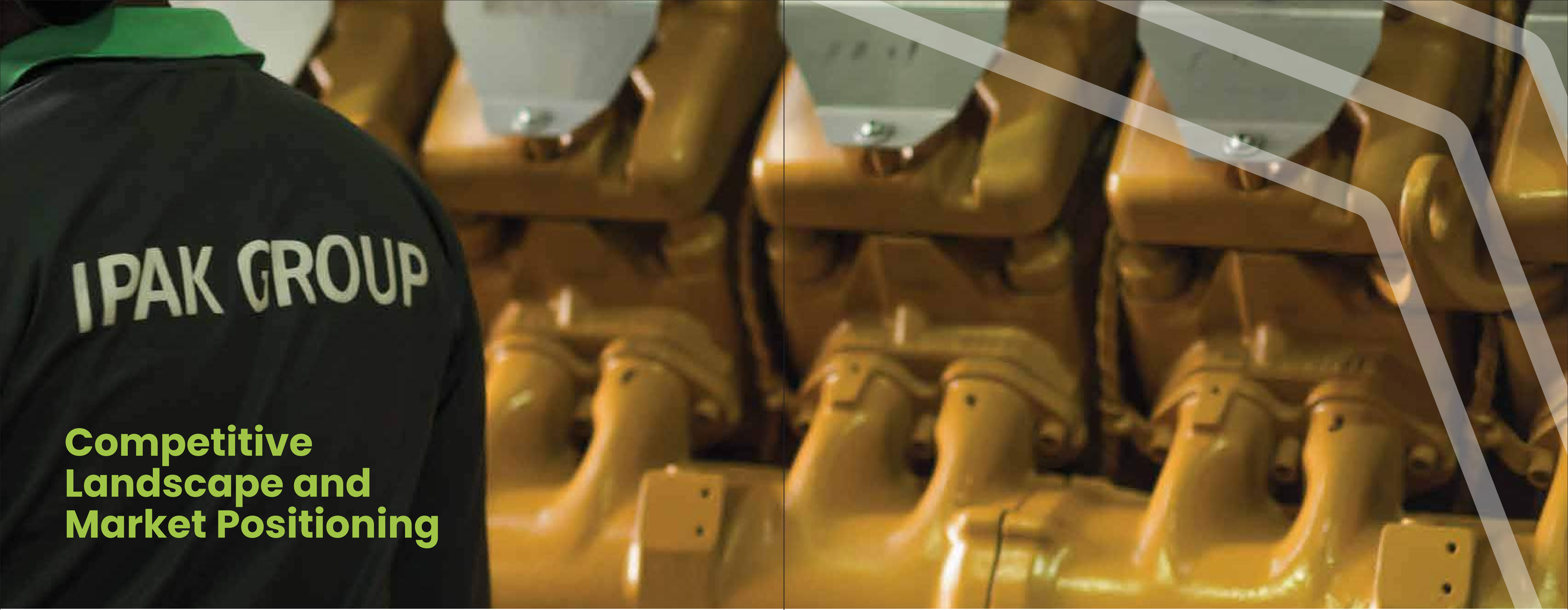
AED exposure: PKR 1,642 thousand (2024: Nil)

GBP exposure: PKR 771 thousand (2024: Nil)

This sensitivity analysis reflects the Company's net foreign currency exposure as of the reporting date and demonstrates a higher sensitivity to exchange rate movements compared to the prior year, particularly in respect of USD and Euro balances.

Currency Sensitivity Analysis (10% Movement)





Competitive Landscape and Market Positioning

The packaging films industry is highly competitive, both in Pakistan and globally. A few strong players dominate the domestic market, while international competition remains intense with manufacturers across multiple regions.

Domestic Market Leadership

IPAK has firmly established itself as the largest flexible packaging manufacturer in Pakistan, offering the complete portfolio of BOPP, BOPET, and CPP films under one roof. This unique positioning, combined with a strong focus on quality, service, and innovation, has enabled the Group to expand market share and maintain leadership in the local market.

International Presence

Through its UAE-based subsidiary, IPAK Connect, the Group is steadily expanding in global markets. By building strong distribution networks and long-term partnerships, IPAK is well-positioned to capture rising demand for high-quality and sustainable packaging solutions in regional and emerging economies.

Barriers to New Entrants

Although the demand for flexible packaging continues to grow, the industry requires large-scale capital investment, advanced technology, and specialized expertise, creating significant barriers for new entrants. IPAK's state-of-the-art facilities, economies of scale, and skilled workforce provide a strong defense against potential competition.

Customer Dynamics

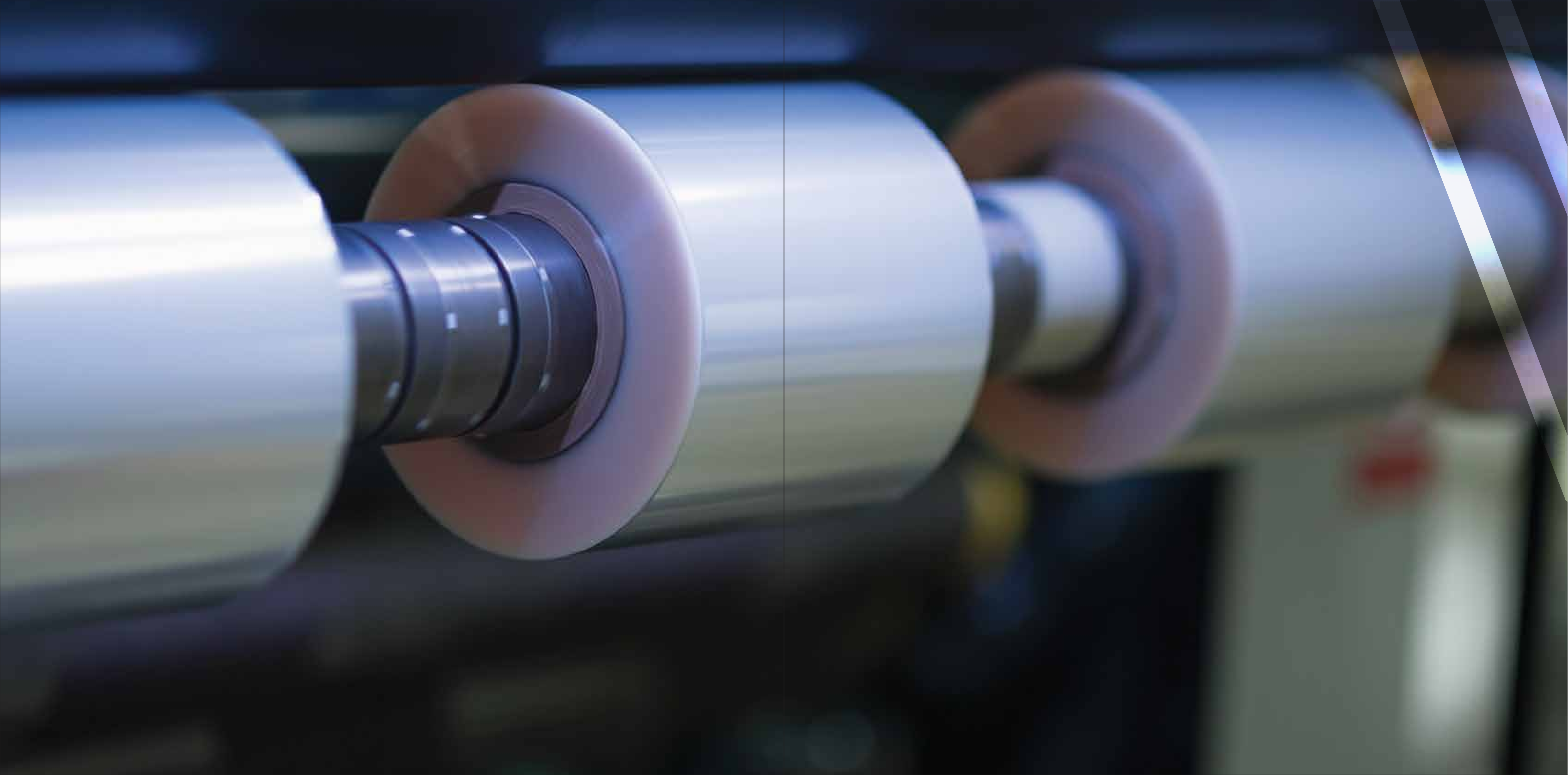
Large buyers exert moderate influence due to their purchasing power. However, IPAK's broad product portfolio, customer-focused innovations, and sustainability-driven solutions help mitigate this risk, ensuring long-term partnerships and reducing pricing pressures.

Strategic Priorities

IPAK remains focused on investing in advanced production technologies, strengthening supplier relationships, and innovating sustainable packaging solutions. Alongside, its strong cost-control measures and operational efficiencies safeguard profitability against raw material price fluctuations. These strategies reinforce IPAK's market leadership domestically while driving global expansion and long-term stakeholder value.

Strategy and Resource Allocation

IPAK Company focuses on sustainable growth and operational excellence. Resources are allocated to technology, people, and processes that enhance efficiency, strengthen competitiveness, and create long term value.



Short, Medium and Long Term Objectives & Strategies in Place

Short-Term Objectives

Focused on maximizing efficiency, cost discipline, and customer strength.

1. Maximize Capacity Utilization
- Fully leverage available production capacity across all film lines.

2. Improve Sales Mix Toward Value-Added Products
- Shift portfolio toward high-margin, value-added films over commodity-grade products.

3. Optimize Energy Costs Through Smart Energy Mix
- Reduce per-unit energy costs by maximizing solar and renewable energy sources.

4. Rationalize Selling and Distribution Expenses
- Lower logistics and freight costs for export markets through strategic hubs and partnerships.

5. Strengthen Budgetary Controls
- Enforce financial discipline through real-time variance monitoring.

6. Deepen Customer and Supplier Relationships
- Secure long-term volume commitments and enhance supply chain continuity.

Medium-Term Objectives

Targeting expansion, innovation, and sustainability.

1. Drive Market Expansion into New Use Segments
- Promote BOPP adoption in underutilized industries and applications.

2. Add New Equipment and Acquire Enabling Technologies
- Invest in advanced machinery to expand capabilities in high-margin products.

3. Grow Market Share Across All Product Segments
- Achieve sustainable share levels of 40% in BOPP, 30% in BOPET, and 20% in CPP.

4. Advance Sustainability Through Recycled BOPP Films
- Develop and commercialize BOPP films with 70–80% recycled materials.

5. Achieve Product Differentiation and Cost Leadership
- Deliver customized, superior-quality solutions at competitive prices.

Long-Term Objectives

Shaping IPAK's leadership and global brand presence.

1. Establish IPAK as a Global Packaging Brand
- Position IPAK as a symbol of quality, innovation, and sustainability worldwide.

2. Expand International Footprint Through Strategic Hubs
- Build localized hubs in Europe, Africa, and the Far East to serve high-potential markets.

3. Acquire Additional Capacities and Explore Strategic Partnerships
- Drive long-term growth via acquisitions, mergers, and technology-driven partnerships.

4. Develop Proprietary Film Technologies and IP
- Innovate in ultra-barrier and compostable films, backed by intellectual property rights.

5. Diversify into Adjacent Flexible Packaging Products
- Enter laminates, barrier coatings, biodegradable films, and pouch materials to offer end-to-end packaging solutions.

Liquidity Strategy and Financing Position

Liquidity Management

IPAK maintains vigilant oversight of its liquidity position through daily monitoring and disciplined working-capital management. The Company carefully balances receivables, payables, and inventory levels to ensure uninterrupted operations while supporting growth across its subsidiaries and export markets.

Financing Position

The Group continues to enjoy strong relationships with leading local and international financial institutions, ensuring ready access to both short-term and long-term financing facilities. During the year, additional working-capital lines were prudently utilized to support the commissioning of new plants and expansion into global markets. While finance costs increased in line with this expansion and prevailing interest rates, IPAK remains fully committed to managing debt obligations efficiently and within a disciplined financial strategy.

Outlook

Going forward, the Company's focus is on strengthening internal cash generation, optimizing cost structures, and progressively reducing reliance on external financing. As new capacities stabilize and exports expand, management expects a natural improvement in cash flows, providing further headroom for sustainable growth and shareholder returns.

Significant Plans and Strategic Direction

Looking ahead, IPAK remains committed to consolidating its leadership in Pakistan's flexible packaging industry while accelerating its global expansion. The Group is focused on:

- Capacity Enhancement: Leveraging recent investments and selectively adding new capabilities to further strengthen production efficiency and meet rising demand across diverse markets.
- Global Expansion: Scaling up export operations by deepening IPAK Connect's presence and establishing stronger distribution networks and long-term partnerships in key international markets.
- Sustainable Innovation: Prioritizing eco-friendly and value-added film solutions in line with global sustainability trends, ensuring that IPAK remains a trusted partner for customers seeking responsible packaging alternatives.
- Operational Excellence: Continuing to drive efficiency through digital transformation, process optimization, and disciplined cost management.

Through these initiatives, IPAK is well-positioned to capture emerging opportunities, deliver sustainable growth, and enhance long-term value for all stakeholders.

Significant Changes in Objectives and Strategies

There have been no material alterations to the Company's objectives or strategic direction compared to the previous year. IPAK's current objectives and strategies remain fully aligned with its mission and corporate vision, maintaining a consistent focus on sustainable growth, operational excellence, and long-term value creation.

KPIs Used to Measure Achievements of Strategic Objectives

Short-Term Objectives

IPAK tracks production efficiency through capacity utilization, output, and sales mix toward high-margin films. Energy optimization, cost control, and disciplined budgeting are monitored through energy costs, distribution expenses, and budget variance. Customer retention and supplier reliability measure the strength of key relationships.

Medium-Term Objectives

Progress in market expansion, technology adoption, and sustainability is measured via new industry segments entered, upgraded production capacity, market share in key products, and the use of recycled materials. Product differentiation and cost leadership are tracked through premium product launches and margins.

Long-Term Objectives

Global growth, innovation, and diversification are monitored through international revenue contribution, operational hubs, strategic partnerships, proprietary technologies, patents, and revenue from new product lines. These KPIs ensure IPAK's strategic objectives are achieved sustainably and consistently.

Risks and Opportunities

At IPAK, we push the limits of packaging with a fusion of sustainability, and technology. Our advanced materials and eco-friendly practices redefine industry standards, breaking new ground in functionality and environmental responsibility. We bridge the gap between cutting-edge technology and practical solutions, driving progress and setting new benchmarks in packaging.

Risk Management

Risk Management Framework

IPAK's risk management framework is designed to systematically identify, assess, and mitigate risks that could impact the achievement of strategic objectives. This structured approach ensures that risks are consistently monitored and addressed across all levels of the organization.

The framework comprises four key components:

- Risk Identification: Recognizing internal and external risks that may affect operations, financial stability, or growth.
- Risk Assessment: Evaluating the likelihood and potential impact of each risk to priorities attention.
- Risk Mitigation: Implementing strategies to minimize disruptions and safeguard performance.
- Continuous Monitoring: Regularly reviewing risks and mitigation measures to adapt to evolving circumstances.

Risk Management Process

IPAK follows a structured, end-to-end process involving management and the Board of Directors:

1. Risk Identification: Proactively identify risks from market conditions, regulatory changes, operational challenges, and technological developments.
2. Risk Evaluation: Assess each risk's potential impact and likelihood, prioritizing critical areas.
3. Mitigation Planning: Develop targeted plans to reduce risk exposure, aligned with the company's strategy and resources.
4. Implementation: Execute mitigation strategies across departments with oversight from management.
5. Monitoring and Reporting: Continuously monitor risks and mitigation effectiveness, with regular reporting to the Board and timely adjustments for emerging threats.

Role of the Board of Directors

The Board plays a pivotal role in ensuring effective risk management:

- Oversight: Review and monitor the risk management framework to ensure robust coverage of significant risks.
- Risk Appetite: Define the level of risk the Company is willing to accept in pursuit of its objectives.
- Approval of Mitigation Strategies: Endorse key mitigation plans and ensure resources are allocated efficiently.
- Performance Monitoring: Regularly assess the effectiveness of risk management processes and respond to new or emerging risks.

This approach allows IPAK to remain agile, mitigate potential threats, and seize growth opportunities, with risk management fully aligned to the company's strategic objectives.

Core Risks

S. No.	Risk Description	Source	Capital Affected	Priority	Mitigation	Objective Affected
1	**Raw Material Price Volatility:** Reliance on petroleum-based polymers exposes the Company to global price fluctuations, impacting margins.	External	Financial, Operational	High	Engage multiple suppliers via long-term contracts and spot buying; maintain inventory buffers; adjust selling prices where feasible.	Enhance Operational Efficiency
2	**Currency Exchange Risk:** Depreciation of local currency increases cost of imported materials, affecting profitability.	External	Financial, Operational	High	Export revenues act as natural hedge; mix of deferred and sight payments reduces immediate currency exposure.	Enhance Operational Efficiency and Capacity Expansion
3	**Supply Chain Disruptions:** Geopolitical instability and reliance on global shipping may delay raw material deliveries, risking production schedules.	External	Operational	Medium	Supplier diversification, long-term contracts, flexible logistics partnerships, and inventory buffers ensure continuity.	Capacity Expansion
4	**Cash Flow Pressures:** Investments in new subsidiaries place pressure on liquidity, challenging operational smoothness.	Internal	Financial	Medium	Optimized working capital management, improved cash forecasting, and secured additional financing ensure operational and growth liquidity.	Capacity Expansion
5	**Market Expansion Challenges:** Entering new international markets faces trade barriers, competition, and distribution hurdles.	External	Operational, Financial	Medium	Market research, local partnerships, tailored product offerings, and operational efficiency mitigate risks.	Expand Export Markets
6	**Talent Retention:** Retaining skilled employees is critical for innovation and operational continuity.	Internal	Human Capital	High	Competitive compensation, career development programs, and employee engagement initiatives strengthen retention.	Strengthen Talent Acquisition & Retention
7	**Operational & Product Development Risks:** Investments in new products and operational upgrades may not deliver expected returns.	Internal	Operational, Financial	Medium	Stage-gate project evaluation, continuous performance monitoring, and adoption of new technologies ensure focused and efficient initiatives.	Drive Innovation in Sustainable Packaging
8	**Cybersecurity Threats:** Compromised information or system breaches could affect operations, stakeholder trust, and confidentiality.	External	Intellectual, Financial, Social	Short-Long Term	Robust hardware/software firewalls, up-to-date antivirus, and regular vulnerability assessments safeguard data integrity.	Protect Data & Information Security

Growth Opportunities

S. No.	Opportunity Description	Strategy to Achieve
1	**Technological Leadership through Cutting-Edge Expansion:** IPAK's investment in state-of-the-art machinery enables next-generation packaging solutions, driving efficiency, quality, and cost advantages.	Leverage advanced technology to optimize operations, reduce costs, and maintain superior product quality across all product lines.
2	**Unique One-Window Solution for BOPP, CPP, and BOPET Films:** IPAK is the only local producer offering all three packaging films, creating a competitive edge.	Capitalize on the comprehensive portfolio to attract customers seeking end-to-end packaging solutions under a single roof.
3	**Synergy Across Group Companies:** Strong collaboration in R&D, intellectual capital, and human resources fosters innovation and operational efficiency.	Promote cross-subsidiary collaboration, particularly in R&D and talent sharing, to drive innovative products and overall group performance.
4	**Global Expansion via UAE Subsidiary (IPAK Connect):** A permanent establishment in the UAE strengthens IPAK's international footprint and access to new markets.	Expand export operations to Europe, Middle East, and Africa through strategic partnerships with local distributors, enhancing global market penetration.
5	**Extraordinary Human Capital:** IPAK's skilled workforce presents opportunities to innovate and enhance operational processes.	Invest in continuous talent development and leverage expertise to boost innovation, efficiency, and growth across the group.
6	**Rising Demand for Sustainable Packaging Solutions:** Growing consumer and regulatory pressure on eco-friendly packaging creates market opportunities.	Accelerate R&D for recyclable and sustainable films that meet global environmental standards, reinforcing IPAK's leadership in eco-friendly packaging.

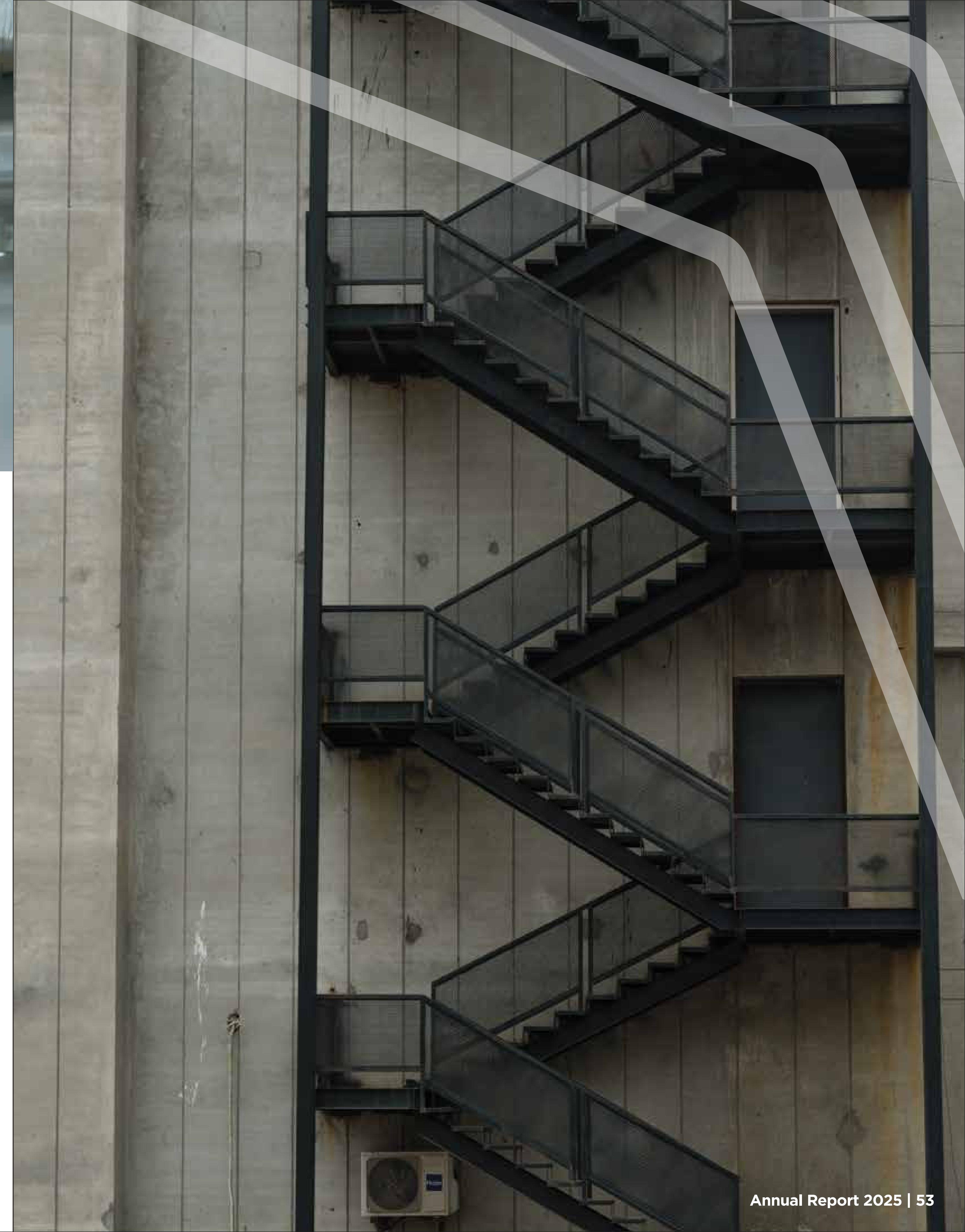
Materiality Approach

The Board of Directors of IPAK adopts a structured and prudent approach to assess the materiality of financial results, proposals, and significant events. Materiality is evaluated using a combination of quantitative thresholds, qualitative considerations, risk and opportunity assessments, stakeholder impact, and regulatory compliance.

The Board considers not only the financial magnitude of transactions but also their potential operational, strategic, reputational, and regulatory implications. Decisions are guided by relevance to shareholders, customers, employees, and other stakeholders, ensuring transparency, accountability, and alignment with the Company's long-term objectives. This approach is dynamic, with ongoing monitoring and adjustments to reflect evolving business conditions, market trends, and regulatory requirements, enabling the Board to make informed and balanced decisions that safeguard value and support sustainable growth.

Capital Structure

The Company's capital structure has seen a shift during the year, with shareholders' equity showing healthy growth and borrowings maintained at a sustainable level. This change reflects the continued strengthening of the equity base and prudent financial management. While the overall leverage profile has adjusted, the Company retains a sound financial position and remains confident in its ability to manage obligations effectively while supporting future growth.



Sustainability and Corporate Social Responsibility

Safety, Health and Environment (SHE) Strategy & Developments

Safety and Health

At IPAK, the safety and well-being of our employees are central to our operations. We have implemented rigorous safety protocols, regular audits, and emergency drills to ensure a secure workplace and minimize risks. Comprehensive training programs reinforce a proactive safety culture across all levels of the organization.

To support employee health, we provide regular medical check-ups, wellness initiatives, and mental health support programs. These efforts promote a healthy work-life balance, enhance productivity, and reflect our commitment to building a safe and healthy workplace for all.

Environment

At IPAK, environmental stewardship is a core priority alongside operational excellence. The Group is committed to minimizing its ecological footprint by reducing emissions, treating industrial effluents, and ensuring safe disposal of waste. Energy efficiency and resource conservation remain central to our operations, with continuous efforts to optimize water and power consumption and increase the use of recyclable and sustainable materials. In line with global best practices, we are actively strengthening our environmental management systems to comply with regulatory standards and support long-term sustainability goals. Through these initiatives, IPAK strives to protect the natural environment, safeguard community well-being, and contribute to a greener future.

Environmental Stewardship and ESG Commitment

At IPAK, sustainability is deeply embedded in our business model and growth strategy. With the packaging industry at the forefront of global environmental challenges, we recognize our responsibility to reduce our ecological footprint, safeguard natural resources, and advance circular economy solutions. Under the guidance of the Board of Directors and the dedicated Sustainability Committee, we have strengthened governance, expanded environmental initiatives, and aligned our reporting with global standards, ensuring transparency and accountability in our Environmental, Social, and Governance (ESG) commitments.

Governance and Oversight

The Sustainability Committee, constituted by the Board of Directors, plays a central role in overseeing and guiding all sustainability-related matters. Its mandate includes driving IPAK's sustainability agenda, monitoring performance, ensuring compliance with international reporting frameworks, and preparing accurate and transparent disclosures. In line with the revised Code of Corporate Governance and global standards such as IFRS S1 and S2, the Committee meets monthly, maintains robust systems and controls for sustainability data collection, and provides quarterly updates to the Board's Audit Committee. This governance framework ensures that ESG considerations are fully integrated into IPAK's operations, strategy, and financial reporting processes.

Reducing Carbon Footprint

IPAK has continued to invest in energy efficiency and decarbonization initiatives to reduce its carbon footprint. During FY2024–25, the Group recovered 28,939 MMBTU through waste heat recovery systems, leading to 1,688 tons of CO_2 equivalent savings. Optimized transport and loading practices further prevented 7,568 kg of CO_2 emissions, saved 2,810 liters of fuel, and reduced 11,241 kilometers of travel distance.

To expand our impact, IPAK has introduced a Sustainability Challenge Project that focuses on targeted decarbonization measures:

- Reuse of cooling tower blowdown for solar panel cleaning and other uses, projected to save 105,876 m^3 of water annually.
- TDO waste heat recovery, expected to eliminate 600 tons of CO_2 annually.
- Shifting chilled water load of film line cast units to cooling towers, projected to reduce 514 tons of CO_2 annually.
- Life cycle analysis of sealable films, enabling precise measurement and optimization of product-level carbon footprints.

Building on these successes, we are expanding renewable energy adoption. A 450 kW solar project at IPAK and a 3 MW solar installation at PETPAK and GPAK will enhance reliance on green energy, further reducing dependence on fossil fuels.

Water Stewardship

Water management is a core element of IPAK's environmental strategy. Comprehensive monitoring systems have been deployed across all Group sites to ensure efficient consumption and responsible discharge. Through reuse initiatives, particularly the recycling of cooling tower blowdown, IPAK is significantly reducing its freshwater demand. These steps contribute to operational resilience while protecting scarce water resources.

Circular Economy and Sustainable Products

As a responsible manufacturer, IPAK is committed to advancing a circular economy by integrating Post-Industrial Recycled (PIR) and Post-Consumer Recycled (PCR) content into its films. Having already achieved ISCC Plus certification, the Group is actively working towards EN 15343 certification, which will further strengthen the recyclability of its packaging films and reduce dependency on virgin plastics.

Sustainable product development is another area of focus. IPAK has pioneered mono-material packaging solutions, with its innovation "DMZ10KXA – A Game Changer Sustainable Solution" securing a Top 10 ranking in SDPI's Sustainability Awards 2024. These advancements are complemented by ongoing life cycle assessments, ensuring measurable progress towards reducing product-level environmental impacts.

Transparency and Reporting

Demonstrating our commitment to transparency, IPAK will publish its first comprehensive Sustainability Report in 2027, covering FY 2026–27. The report will comply with IFRS S1 and S2 standards and incorporate elements of the SASB framework, ensuring robust disclosures on environmental, social, and governance metrics. This milestone represents a significant step towards aligning our reporting with global ESG expectations and providing stakeholders with measurable insights into our sustainability journey.

Certifications and Recognitions

IPAK continues to maintain and achieve globally recognized certifications, underscoring its commitment to excellence in quality, safety, and environmental performance:

- ISO 9001, 14001, 45001 and BRCGS Issue 6 across three sites.
- ISCC Plus certification for circular economy efforts.
- SEDEX SMETA (4-pillar) certification covering labor standards, health, safety, environment, and business ethics.
- Upcoming certifications include ISO 14064 for greenhouse gas quantification and ISO 50001 for energy management systems.

IPAK's transparency and proactive climate management have been recognized internationally. The company achieved the highest SME grade in CDP's climate disclosure and continues to showcase its leadership through participation in global industry platforms such as Arabplast and Fachpack.

Social and Inclusion in Climate Strategy

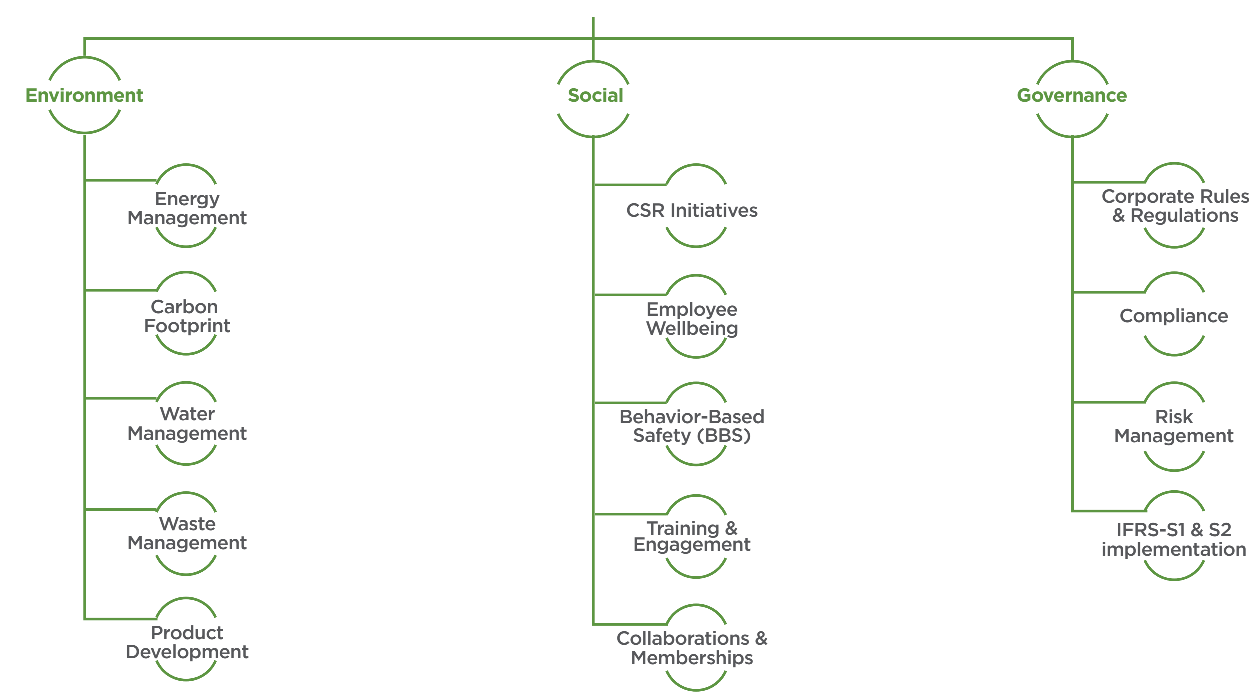
IPAK views climate action and social equity as interconnected priorities. Through its participation in the Climate2Equal Pakistan initiative, jointly launched by the International Finance Corporation (IFC) and the Pakistan Business Council (PBC), IPAK is embedding gender inclusion into its climate strategy. By pledging concrete actions, the company is advancing women's empowerment in the workplace while strengthening climate resilience across its operations.

Partnerships and Industry Collaboration

Collaboration remains a cornerstone of IPAK's sustainability approach. As a Core Alliance Member of CEFLEX and RecyClass, IPAK is working with leading global organizations to drive innovation, accelerate circularity, and reduce carbon emissions across the packaging sector.

Sustainability Governance Structure

TAJDID- IPAK'S Sustainability Branding



Circular Economy – 7R Principles of Sustainable Packaging

Innovation, Sustainability, Renewal, Hope Framework

International Certifications and Memberships

International Certifications

ISO 45001 SGS · ISO 9001 SGS · ISO 14001 SGS · BRCGS Packaging Materials · ISCC International Sustainability & Carbon Certification

International Memberships

CEFLEX · RecyClass

Our People & Community

WINNING TOGETHER 2024

IPAK Winning Together 2024 was an engaging outdoor fun activity combined with a strategic presentation on performance management. The event brought employees together in a refreshing environment, blending team-building exercises with insights into performance goals and achievements. It highlighted IPAK's commitment to collaboration, continuous improvement, and a vibrant organizational culture.

جشن آزادی مبارک
77
پاکستان
7 Years of Innovation | 77 Years of Independence

77th Independence Day & IPAK 7th Anniversary Celebration was a proud and festive occasion, marking both the spirit of national freedom and IPAK's seven years of success. The event blended patriotism with celebration, honoring Pakistan's independence while reflecting on IPAK's journey of growth and achievements. It showcased unity, resilience, and the shared commitment of the IPAK family toward a brighter future.

HAJJ BALLOTING Program

IPAK Hajj Balloting was a spiritually significant and heartwarming event, offering employees a chance to fulfill their sacred journey to Hajj. The transparent balloting process was conducted with great reverence and joy, creating moments of gratitude and unity. It reflected IPAK's dedication to supporting the personal and spiritual aspirations of its team members.

APNI GARI
اپنی سواری

Apni Gari Apni Sawari – IPAK Bike Balloting Program is a valued employee welfare initiative aimed at supporting team members with personal transportation. Through a fair and transparent balloting process, selected employees are given the opportunity to own a bike, enhancing mobility and ease in daily commuting. This program reflects IPAK's ongoing commitment to employee well-being and empowerment.

OCTOBER

October – Breast Cancer Awareness Month was observed at IPAK in collaboration with Chughtai Lab to promote early detection and awareness about breast cancer. The campaign included informative sessions and health screenings, empowering employees with knowledge and encouraging proactive health care. It reflected IPAK's commitment to employee well-being and health education through impactful partnerships.

Empowering the Next Generation of Talent

IPAK Group is committed to fostering a strong connection between academia and industry. During the year 2024-25, we actively participated in various job fairs and awareness sessions with top universities and colleges. These events provided a valuable platform for us to engage with emerging talent, share industry insights, and offer career opportunities.

Corporate Social Responsibility (CSR)

At IPAK, we believe in giving back to society by supporting communities and promoting social inclusion. Our CSR efforts during FY 2025 remained focused on creating meaningful impact in the following areas:

- **Employment & Social Inclusion:** Collaborated with partner organizations to provide employment opportunities for persons with disabilities, helping them achieve financial independence and support their families.
- **Education & Healthcare Support:** Contributed to charitable institutions working in education and healthcare, ensuring access to learning and medical facilities for underprivileged communities.
- **Community Welfare:** Extended financial support to welfare organizations engaged in poverty alleviation, disaster relief, and community uplift initiatives.
- **Financial Contributions:**
  During the year, IPAK made CSR donations to support social development and community well-being.

Research & Development (R&D)

At IPAK, Research & Development remains at the core of our innovation strategy, enabling us to anticipate market trends and deliver sustainable, high-performance packaging solutions. During FY 2025, our R&D efforts were directed toward three dedicated innovation streams — Tajdid, Tarmim, and Zeest — each designed to address customer needs, regulatory requirements, and global sustainability goals.

- **Tajdid – Innovation for the Future:** Focused on pioneering next-generation films such as thermal-resistant BOPP and cold-release portfolios, offering enhanced sealing, superior strength, and reduced material use. These solutions aim to replace multi-material laminates with recyclable mono-material structures, setting new standards in functionality and sustainability.
- **Tarmim – Efficiency & Performance:** Developed advanced high-barrier and specialty films for applications such as CAP packaging, wrap-around labels, and in-mould labels. These products combine brilliant printability, extended shelf life, and reduced environmental footprint while ensuring cost-effectiveness and process efficiency.
- **Zeest – Circular Economy & Sustainability:** Introduced a portfolio of films using post-consumer (PCR) and post-industrial recycled (PIR) content, reducing virgin plastic consumption and supporting circular economy practices. This includes sustainable BOPP and CPP films designed for strength, clarity, and recyclability, aligned with global regulatory and customer expectations.

Through continuous collaboration with customers, technology partners, and global certification bodies, IPAK's R&D team continues to deliver innovations that combine performance with responsibility. Our pipeline remains focused on recyclability, downgauging, barrier enhancement, and energy-efficient processing, ensuring that IPAK strengthens its leadership as the preferred packaging partner for FMCGs, industrial manufacturers, and export-oriented enterprises.

Quality Assurance & Compliance

At IPAK, quality is the cornerstone of our operations. The Dr. Asifa Centre of Excellence ensures that every product consistently meets international benchmarks of safety, reliability, and performance. By integrating globally recognized systems and certifications, we have established a strong framework that delivers trust and value to all stakeholders.

Commitment to Quality

We maintain strict adherence to ISO 9001, BRCGS, and ISCC PLUS standards, reflecting our dedication to quality, food safety, and sustainability. Planned and systematic activities, coupled with rigorous testing protocols, guarantee compliance at every stage of production.

Quality Control Practices

Our processes include advanced film testing, seal integrity checks, barrier property validation, and continuous audits. These measures ensure that every roll we produce is accurate, reliable, and aligned with both customer requirements and international regulatory expectations.

Continuous Improvement

Through preventive controls, skilled workforce training, and feedback-driven improvements, we continuously enhance our quality management framework. This culture of accountability and precision strengthens efficiency in operations and reinforces long-term customer trust.

Reputation & Trust

By upholding the highest quality standards, the Dr. Asifa Centre of Excellence has strengthened IPAK's reputation as a reliable partner, consistently delivering packaging solutions that are safe, compliant, and innovative in meeting the needs of domestic and global markets.

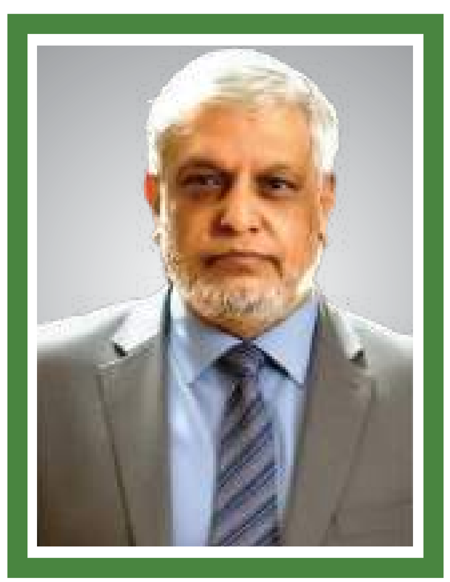
Corporate Governance

Board of Directors

Mr. Muhammed Amin
Chairmain

Mr. Naveed Godil
Chief Executive Officer

Abdul Aleem Tinwala
Non - Executive Director



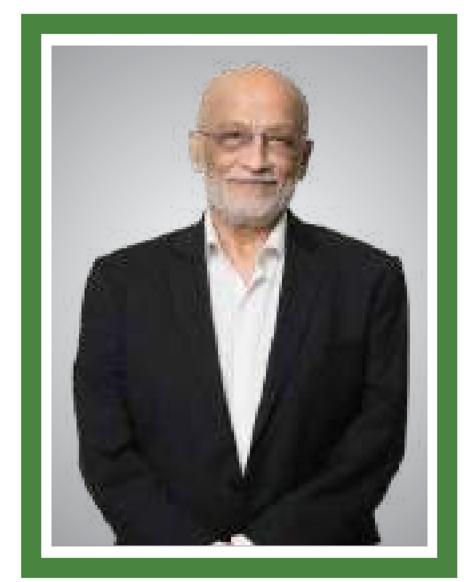
Mr. Aftab Zahoor Raja
Non - Executive Director

Mr. Arsalan Pirani
Non - Executive Director

Mr. Fazal ur Rehman
Non - Executive Director

Mr. Mushtaq Ali Tejani
Non - Executive Director

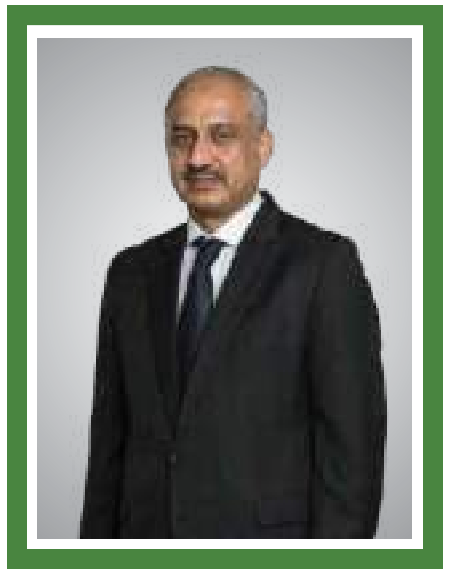
Mr. Taimoor Iqbal
Non - Executive Director



Mr. Sarfaraz A. Rehman
Independent Director

Mr. Saad Amanullah Khan
Independent Director

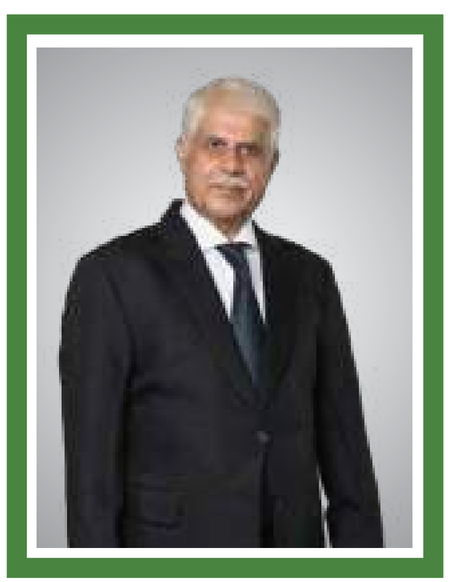
Senior Management Team



Mr. Muhammad Kamran Khan
Cheif Operating Officer

Mr. Mohsin Anwer
Chief Strategy Officer

Mr. Khalid Mahmood
Chief Commercial Officer



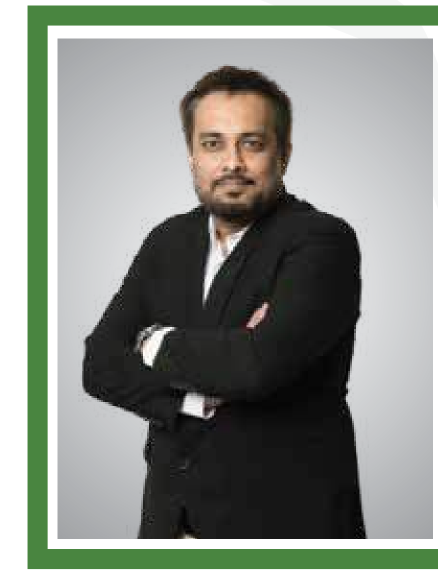
Mr. Muhammad Arif Malik
Director Technical

Mr. Muhammad Asadullah Butt
Chief R&D Officer

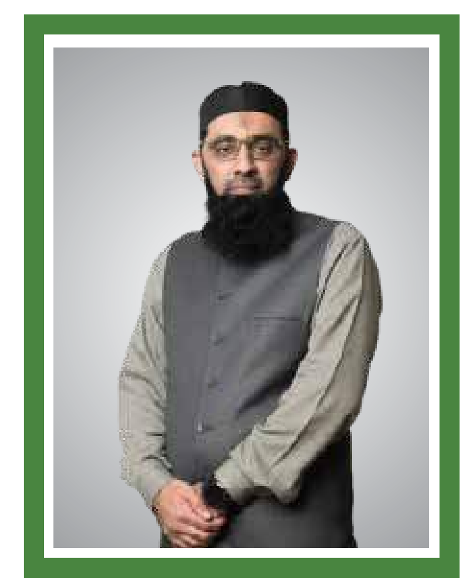
Mr. Syed Athar Bukhari
Chief Human Resource Officer

Statutory Executives

Syed Haris Salim
Chief Financial Officer



Mr. Fahad Alam
Head of GRC/Company Secretary



Mr. Muhammad Shahid
Head of Internal Audit

Chairman Review

"Meticulous planning, proactive actions on the export front, and superb execution delivered tremendous results."

I am pleased to present the annual review of International Packaging Films Limited (the "Company") for the year ended June 30, 2025, highlighting the effectiveness of the Board in steering strategy and governance, and the overall performance of the Company.

Economic Landscape

The decision by the United States of America to impose tariffs, along with countermeasures by many countries, has dealt a severe blow to the free trade order, significantly impacting the global economy. Ongoing conflicts in various parts of the world are also affecting the global economy. This situation results in volatile commodity prices, making it difficult for companies like ours, which have significant import and export trade with many countries.

The Pakistani economy has shown signs of stability compared to previous years. Inflation has eased, and the resultant reduction in interest rates has been a welcome sign. However, the purchasing power of the large population remains under severe stress. Businesses are also bearing the burden of high energy costs and a high rate of tax incidence, which hampers economic growth.

A Year of Growth

The year 2025 marks the first full year of operation for our two new subsidiaries and the group's expanded capacities. Despite adverse economic conditions, the management successfully scaled the volume of all new capacities. Meticulous planning, proactive actions on the export front, and superb execution delivered tremendous results.

Consolidated sales grew by 51% to PKR 34.4 billion, while the Group delivered a consolidated net profit of PKR 664 million, compared to the previous year's loss of PKR 571 million. The scale benefits, higher efficiencies, and cost control contributed to this massive turnaround. Earnings per share of PKR 1.72 are 12 times higher than last year's. The management deserves applause for their tremendous performance in uncertain economic times. These results have put us in a strong position to reap the benefits of an economic turnaround in the future.

Board's Role and Governance

The Board played a central role in providing strategic direction, oversight, and stewardship. Through the active engagement of executive, non-executive, and independent directors, the Board ensured accountability, transparency, and robust governance. Annual budgets were approved, quarterly results reviewed, and performance monitored against strategic objectives. Key governance mechanisms, including the Enterprise Risk Management framework, Internal Audit, and compliance reviews, are in place.

Sustainability and Responsibility

During the year, a Sustainability Committee was constituted at the senior management level, chaired by the Chief Operating Officer and reporting to the Audit Committee. This reflects our commitment to embedding sustainability into core operations and strengthening accountability for environmental, social, and governance (ESG) priorities.

Committees of the Board

The Board's Committees operated effectively within the framework of the law. The Audit Committee, chaired by an independent director, reviewed financial results, related party transactions, policies, and internal controls. The Human Resource and Remuneration Committee, also chaired by an independent director, oversaw HR policies, remuneration, succession planning, and employee benefits.

Appreciation

I extend my gratitude to our shareholders, customers, suppliers, bankers, and regulators for their continued trust and support. I also acknowledge the dedication of the Board members, our CEO, the management team, and all employees across the Group, whose hard work and commitment have been the foundation of this year's achievements. Looking ahead, we see new opportunities for sustainable growth, cost optimization, and innovation. With the collective strength of our people, the guidance of the Board, and the trust of our stakeholders, I am confident that IPAK Group will continue to deliver long-term value and industry leadership.

Muhammed Amin
Chairman

September 18, 2025

Directors' Report to the Shareholders

The Directors of International Packaging Films Limited (the "Company") are pleased to present the Annual Report of your Company, together with the Standalone and Consolidated Audited Financial Statements for the year ended June 30, 2025.

Macroeconomic Overview

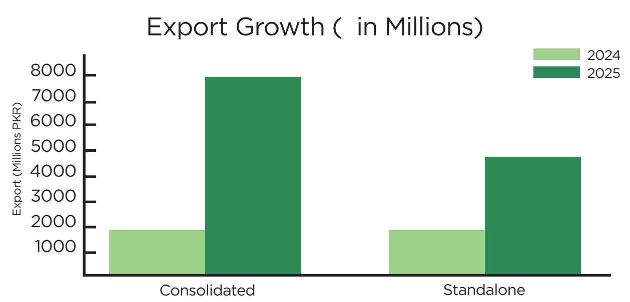
Pakistan's economic indicators showed marked improvement in FY 2025. Sovereign credit ratings were upgraded by Fitch and S&P to B-, and by Moody's to Caa1, all with a stable outlook. The current account recorded a surplus of USD 2.11 billion, supported by record remittances of USD 38.3 billion and stronger exports, raising SBP reserves to USD 14.51 billion. Pakistan also secured the second IMF Extended Fund Facility tranche of about USD 1.0 billion, bringing total disbursements to USD 2.0 billion. Real GDP growth was estimated at 2.6%, while per-capita income rose to USD 1,828. Inflation moderated sharply to 4.6% from over 23% in the previous year, enabling the SBP to reduce the policy rate from 22% to 11%.

Performance Review

	Consolidated Results		Standalone Results	
	2025	2024	2025	2024
	----------------------PKR in 'Millions		----------------------	
Sales	34,369	22,835	15,565	17,089
Gross Profit	4,994	4,672	2,889	4,068
Operating Profit	3,825	3,793	2,604	3,489
Finance cost	(2,219)	(1,815)	(1,321)	(1,527)
Taxation and Levies	(942)	(2,549)	(432)	(692)
Net Profit/(Loss) after taxes	664	(571)	851	1,269
Profit / (loss) Attributable to:				
Parent Entity (IPAK)	1,202	91		
Non-Controlling Interest (48% in PPAK)	(538)	(662)		
	664	(571)		

Consolidated Financial Statements - Deferred Tax

During the year, further capitalization in the unlisted subsidiaries, Global Packaging Films (Private) Limited and Petpak Films (Private) Limited, has resulted in a deferred tax charge amounting to PKR 528 million. Excluding the said charge, the Consolidated Profit after Tax would have been PKR 1,192 million and the Profit attributable to owners of the Holding Company would have been PKR 1,575 million.



Both Consolidated and Standalone exports achieved remarkable growth. Consolidated exports increased over threefold, highlighting group synergies and enhanced competitiveness in export markets. Standalone growth remained strong, underlining operational excellence and deeper penetration into target geographies. Consolidated Exports increased from PKR 1,883 million in 2024 to PKR 7,886 million in 2025, reflecting a 319% growth. Standalone Exports grew from PKR 1,869 million in 2024 to PKR 4,729 million in 2025, showing a 153% growth. This reflects robust market expansion and efficient scaling of operations.

Financial Performance

IPAK Group closed FY 2025 on a strong note, with consolidated sales climbing to PKR 34.4 billion, reflecting a remarkable 51% growth over the last year's PKR 22.8 billion. This performance was powered by the Group's successful expansion strategy, as Global Packaging Films (100% owned subsidiary) derived growth and Cast Packaging Films (100% owned subsidiary) delivered consistent results. Petpak Films – PPAK (52% owned subsidiary) overcame early challenges and is now gradually strengthening its market position, with a positive outlook ahead. This performance validates our strategic investments and underscores the Group's agility in capturing new market opportunities.

At the Group level, gross profit rose to PKR 5 billion and operating profit strengthened to PKR 3.82 billion, accentuating enhanced operational efficiency and disciplined cost control. While finance costs increased to PKR 2.2 billion (FY 2024: PKR 1.82 billion), primarily due to working capital financing for the newly established subsidiaries, these investments have already started translating into higher sales and improved profitability. Importantly, with expected moderation in interest rates and stronger internal cash flows, the burden of finance costs is set to ease going forward. The consolidated net profit stood at PKR 664 million (Profit attributable to the IPAK Group is PKR 1,202 million), reflecting a strong turnaround from the prior year's net loss of PKR 571 million (Profit attributable to the IPAK Group was PKR 91 million).

On a standalone basis, IPAK recorded sales of PKR 15.6 billion and net profit of PKR 851 million. Volumes remained at near-full capacity, though sales value and margins were impacted by the strategic shift toward exports. While exports typically carry lower margins, this initiative expands IPAK's global footprint and opens avenues for long-term growth. The Company remains committed to improving margins through value-added films for international markets.

With strong growth momentum, broad-based subsidiary performance, a focus on exports, and upcoming efficiency gains, IPAK Group is well-positioned to deliver enhanced profitability and sustainable shareholder value, while gradually normalizing its finance costs as operations scale further.

Future Outlook

Looking ahead, the Company enters FY 2026 on a solid foundation, moving from a phase of rapid expansion to one of sustainable growth and consolidation. With capacities from new subsidiaries now in place and exports playing an increasingly important role, the focus will be on cost optimization, operational efficiencies, and leveraging synergies across the Group. These measures, together with a strong presence in both domestic and export markets, position IPAK Group to enhance profitability, deliver long-term shareholder value, and strengthen its industry leadership.

Names of the members of board and board's committees

The members of the Committees of the Board are mentioned in the Statement of Compliance with Code of Corporate Governance in the 'Corporate Governance Section' of this Annual Report.
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Earning per share

	2025	2024
	------------PKR------------	
Consolidated	1.72	0.14
Unconsolidated	1.22	2.00

Appropriation of profit

The Board of Directors is pleased to recommend appropriation of profit for the year ended June 30, 2025. In a demonstration of its commitment to share the Company's success with its shareholders, the Board has approved a cash dividend of 6% (Rs. 0.60 per share), amounting to approximately PKR 420 million, which represents 49.37% of the net profit. In addition, the issuance of 5% bonus shares (i.e. 5 shares for every 100 shares held) has also been approved. This generous payout underscores the Board's confidence in the Company's performance, its robust financial position, and its resolve to deliver sustained value to shareholders.

Corporate & financial reporting framework

The Company is committed to complying with the standards of best practice in corporate governance. The Directors are pleased to state that the Company is compliant with the provisions of the Code of Corporate Governance as required by the Securities and Exchange Commission of Pakistan (SECP) and the related stock exchange listing regulations, as applicable.
The Directors confirm that:

1) The financial statements of the Company, as prepared by the management, present fairly its state of affairs, the results of its operations, cash flows, and changes in equity.

2) Proper books of account of the Company have been maintained.

3) Appropriate accounting policies have been consistently applied in the preparation of the financial statements, and the Company's accounting estimates are based on reasonable and prudent judgment.

4) International Financial Reporting Standards, as applicable in Pakistan, and the requirements of the Companies Act, 2017, have been followed in the preparation of the financial statements of the Company, and any departure therefrom has been adequately disclosed and explained.

5) The system of internal control of the Company is sound in design and has been effectively implemented and monitored.

6) There are no significant doubts as to the Company's ability to continue as a going concern.

7) A risk management framework is in place, and the Board reviews the key business risks of the Company periodically.

8) There is no material departure from the best practices of corporate governance as per the applicable laws.

Internal financial controls

The Company maintains a robust internal control framework, supported by comprehensive financial control practices that are regularly reviewed and updated. These control practices provide detailed department-wise process flows and specific control activities, ensuring strict adherence to legal, regulatory, and operational requirements.

Our system of internal control is well-structured, effectively implemented, and rigorously monitored to safeguard the integrity and reliability of financial reporting. Internal Audit, together with other oversight mechanisms, continuously evaluates and refines the framework to proactively identify gaps and strengthen controls.

Looking ahead, we are further enhancing this framework through the introduction of an integrated Governance, Risk, and Compliance (GRC) function. This initiative will bring together risk management, compliance, and control oversight under a unified structure, enabling a more holistic view of risks, stronger governance practices, and improved alignment with international best practices. With this evolution, the Company reaffirms its commitment to maintaining a culture of accountability, transparency, and operational excellence.

Remuneration policy of non-executive directors and disclosure of remuneration of directors

The fee of the Non-Executive Directors, including Independent Directors, for attending the meetings of the Board and its Committees is determined by the Board. The details of remuneration paid during the year 2025 to the Chief Executive Officer and Non-Executive Directors of the Company are disclosed in Note 42 to the financial statements.

External auditors

Messrs. A.F. Ferguson & Co., Chartered Accountants, have completed their audit for the year ended June 30, 2025, and will retire at the conclusion of the forthcoming Annual General Meeting. Being eligible, they have offered themselves for reappointment for the year ending June 30, 2026, at a remuneration to be mutually agreed.

Principal activity and changes in the nature of the business

The Company is principally engaged in the manufacturing and sale of flexible packaging materials, primarily comprising BOPP (Biaxially-Oriented Polypropylene) films and allied products. There has been no change in the nature of the business carried on by the Company during the year.

Contribution to national exchequer

The Company, together with the IPAK Group, remains proud of its role as a responsible corporate citizen. During the year, International Packaging Films Limited contributed PKR 1.21 billion to the national exchequer, while the Group's overall contribution stood at PKR 2.32 billion through income tax, excise duty, sales tax, and other levies. These contributions not only reflect compliance with statutory obligations but also reaffirm our commitment to supporting national development with transparency, governance, and integrity.

Earning per share

	Consolidated	Standalone
	PKR in Millions	
Consolidated	1.72	0.14
Unconsolidated	1.22	2.00

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Principal Activity and Changes in the Nature of the Business

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	Consolidated	Standalone
	PKR in Millions	
Sales Tax	1,130	403
Income Tax (including Super Tax)	799	586
Customs Duty	393	222
Total	**2,322**	**1,211**

Human Resources Management & Employee Relations

IPAK remains committed to fostering a high-performance, people-centric culture that values inclusivity, collaboration, and continuous improvement. Guided by our core values, the Company continues to invest in initiatives that enhance employee engagement, professional development, and overall well-being.

a) Employee Engagement and Culture

During the year, IPAK organized a range of activities to promote teamwork, strengthen bonds, and create a vibrant workplace environment. Notable initiatives included IPAK Tekken Warriors, FIFA Champs, Foosball Champs, and Smash Champs, which encouraged healthy competition and collaboration across teams. The IPAK Spotlight program offered colleagues an informal platform to share their journeys, fostering openness and stronger connections. Festive and milestone occasions such as the 78th Independence Day & 8th Anniversary Celebration were celebrated with enthusiasm, further strengthening organizational unity.

b) Recognition and Motivation

To reinforce a culture of appreciation and high performance, the Company launched the IPAK Recognition Card program. This initiative celebrates outstanding employee contributions, motivates excellence, and reinforces innovation, teamwork, and dedication across all levels. Personalized Employee Birthday Cards were also introduced to strengthen workplace belonging and recognition.

c) Diversity, Equity & Inclusion (DE&I)

IPAK continues to provide a safe, supportive, and empowering environment for women. Initiatives during the year focused on anti-harassment awareness, wellness programs, flexible workplace policies, and leadership development opportunities. The Women's Day Celebration served as a meaningful reminder of the Company's commitment to gender equality and inclusivity.

d) Employee Well-being and Welfare

Several initiatives emphasized employee health, welfare, and social responsibility. These included One Drop, One Life – Blood Donation Drive in collaboration with Shaukat Khanum Memorial Hospital, Breast Cancer Awareness Month in partnership with Chughtai Lab, and employee health and wellness sessions. The Apni Gari Apni Sawari – Bike Balloting Program supported mobility for employees through a transparent and fair process.

e) Spiritual and Social Initiatives

The IPAK Hajj Balloting program provided employees with the opportunity to fulfill their spiritual aspirations. Social and recreational activities, including iftar gatherings and wellness events, fostered unity and strengthened bonds within the workforce.

f) Youth Engagement and Development

IPAK maintained its focus on youth engagement and capability building through structured programs such as IPAK Winning Together 2024, which combined performance management insights with outdoor team-building activities. The Company continues to encourage open feedback mechanisms to support leadership in cultivating an inclusive, productive, and engaged workforce.

Information Technology & Systems

During the financial year 2024–25, the Company continued to advance its digital transformation journey with a focus on strengthening core systems, enhancing governance, and improving service delivery across the IPAK Group.

During the year, IPAK advanced its digital transformation with the successful go-live of SAP S/4HANA in IPAK Connect and the rollout of Credit Management across all entities, creating a unified platform for real-time visibility, financial governance, and decision-making. To support this, Manage Engine Service Desk Plus 14.1 was deployed, enhancing SAP support, service management, and change control through greater automation and reduced downtime.

Other key achievements included the upgrade of email servers across four domains, secure SAP connectivity via VDI and cloud, and centralization of IT structure across the Group. Security and resilience were strengthened through open-source firewalls, VEEAM-based backup systems, and redundant storage servers, significantly enhancing data protection and disaster recovery.

Infrastructure upgrades included cloud-based NVR migration, expanded CCTV coverage, and data center enhancements to boost storage, bandwidth, and performance. Advanced monitoring tools (PRTG, Zabbix) ensured 99.9% uptime across Group sites.

Looking ahead, the Company will expand cloud infrastructure, adopt advanced analytics, and integrate AI and robotic process automation to drive further efficiency, security, and competitiveness.

Corporate Social Responsibility (CSR):

At IPAK and across the Group, we remain committed to creating a positive impact in the communities we serve. Our CSR initiatives focus on employment, education, healthcare, and community development, with a special emphasis on inclusive employment opportunities for differently-abled individuals. During the year, the Group contributed PKR 2.341 million toward charitable, educational, and medical causes, reinforcing our values of compassion, diversity, and shared responsibility. Looking ahead, we aim to further expand these initiatives through impactful partnerships that create lasting value for society.

Environment, Social and Governance (ESG) Initiatives

The Company and the IPAK Group continued to strengthen their sustainability agenda during FY 2024–25, focusing on carbon footprint reduction, renewable energy, water and resource management, waste minimization, and circular economy practices.

During the year, the Group achieved measurable progress, including:

- Energy & Emissions: Over 28,900 MMBTU recovered through waste heat recovery, avoiding nearly 1,700 tons of CO_2 emissions; expansion of solar projects at IPAK, PETPAK, and GPAK initiated.
- Water Conservation: Comprehensive monitoring across all sites and reuse projects, saving more than 105,000 m^3 of water annually.
- Circular Economy & Product Innovation: Attained ISCC Plus certification and advanced new sustainable packaging solutions, earning recognition in SDPI Sustainability Awards 2024.
- Governance & Reporting: First standalone Sustainability Report (as per IFRS S1 & S2) scheduled for publication in October 2025.
- Social Initiatives: Participation in Climate2Equal Pakistan, promoting gender inclusion within climate strategies.

These achievements underscore IPAK's long-term commitment to operational excellence, environmental stewardship, and social responsibility, aligning our growth trajectory with global ESG benchmarks.

Subsequent Events

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year ended on June 30, 2025, and the date of the Directors' Report.

Transactions In Shares Of The Company

To comply with statutory and regulatory reporting requirements, the Company exercises vigilant oversight of share transactions undertaken by its Directors, substantial shareholders, and designated Executives, whether conducted directly or through their spouses or minor children. For this purpose, all key officers of the Company reporting directly to the Chief Executive have been classified as Executives.

Principal Risks & Uncertainties:

Despite these risks, IPAK Group's diversified business model, SAP-enabled visibility, strong governance, and robust risk management framework equip us to manage these challenges effectively. The Board remains confident in the Group's resilience and its ability to sustain performance in a dynamic environment.

i. Raw Material Price Volatility

The Company remains exposed to fluctuations in global petroleum-based raw material prices, particularly polymers, which are largely imported. To mitigate this risk, IPAK engages multiple suppliers through a balanced mix of long-term contracts and spot purchases, leveraging SAP-based monitoring for timely decisions. Adequate inventory buffers, effective costing mechanisms, and dynamic pricing adjustments help absorb cost increases where possible, though extreme volatility may still impact margins.

ii. Currency Exchange Risk

As a large-scale importer, adverse movements in the local currency against the US Dollar and other currencies directly increase the cost of raw materials. To mitigate this, the Company continues to expand exports, creating a natural hedge against exchange losses, and diversifies sourcing across suppliers operating in multiple currencies. Purchases are structured through a mix of usance and sight payments to smooth foreign liabilities. While these steps partially reduce exposure, sharp devaluations may still affect profitability.

iii. Supply Chain, Logistics, and Climate-Related Risks

The Company's reliance on imported inputs exposes it to risks from sea route disruptions, port congestion, and geopolitical tensions. Domestically, transporting raw materials from Karachi Port to Lahore and exporting finished goods back adds vulnerability to delays and rising freight costs.

Climate change compounds these risks: extreme weather events abroad may disrupt global shipping, while in Pakistan floods, heatwaves, and road damage can impede inland transport. Mitigation measures include supplier diversification, safety stocks, strategic logistics partnerships, ERP-enabled visibility, and long-term procurement contracts. The Company is also pursuing climate-resilient infrastructure, disaster-ready logistics partners, and flexible sourcing to reduce exposure.

iv. Cash Flow and Financing Risks

The commissioning of new subsidiaries and higher working capital requirements have increased pressure on cash flows. IPAK has strengthened cash flow forecasting through SAP, optimized working capital cycles, and secured diversified banking facilities to ensure adequate liquidity. With improving internal cash generation and a gradual reduction in finance costs expected from lower interest rates, the Group remains confident in balancing growth investment with financial stability.

v. Market Expansion Challenges

As the Company accelerates exports, challenges such as regulatory compliance, local competition, customer acquisition, and distribution bottlenecks may arise in new markets. IPAK mitigates this risk through thorough pre-entry compliance reviews, strategic partnerships, and product customization to local market needs. Although export margins are relatively lower, operational efficiencies, increasing scale, and specialized film development are expected to offset this impact over time.

vi. Talent Retention and Capability Development

As a technology-driven manufacturing group, retaining and developing skilled employees is critical. Loss of key personnel could disrupt operations, innovation, and SAP-driven process integration. To address this, the Company has invested in competitive compensation, training programs, employee engagement initiatives, and clear career progression pathways. These measures strengthen retention and ensure the workforce is equipped to manage evolving operational and technological demands.

vii. Inflationary Pressures

Persistent inflation has raised input, logistics, and financing costs, challenging competitiveness. IPAK continues to adapt its pricing strategies while improving process efficiency through automation, lean manufacturing, and waste reduction initiatives. These measures partially cushion the impact of inflation and support sustainable profitability.

viii. Operational and Product Development Risks

Continuous investments in efficiency improvements and product innovation, including specialized films for export markets, carry inherent execution risks. IPAK manages these through a structured stage-gate approval process, rigorous performance tracking, and system-based reporting to ensure resources are deployed toward high-return projects. To maintain competitiveness, the Company is also exploring further technology upgrades, automation, and R&D collaborations.

Pattern of Shareholding

The statement of the pattern of shareholding of the Company as at June 30, 2025, is disclosed in the 'Shareholders' Information' section of this Annual Report.

Acknowledgments

We remain committed to delivering sustainable returns and long-term shareholder value, and we thank our shareholders for their trust and confidence in IPAK Group's journey.

The Board extends its sincere appreciation to our valued customers, regulators, bankers, and stakeholders for their continued trust and support. We also commend the commitment and hard work of our management teams and employees across the Group, whose dedication has been central to our progress and success.

For and on behalf of the Board of Directors

Naveed Godil
Chief Executive Officer

Saad Amanullah Khan
Director

September 18, 2025

Governance Framework

At IPAK, corporate governance is not treated as a compliance exercise but as the foundation of responsible, transparent, and sustainable business. In line with the Listed Companies (Code of Corporate Governance) Regulations, 2019, IPAK has established a robust governance framework that ensures accountability, fairness, and integrity in all aspects of our operations.

Board of Directors

Our Board is composed of individuals with diverse skills, experience, and perspectives, ensuring effective oversight and strategic guidance. The Board includes both independent and non-executive directors evidence of our own commitment to diversity and inclusion. The Chairman and Chief Executive Officer roles are clearly separated to strengthen independence of oversight.

Board Responsibilities

The Board is responsible for setting IPAK's vision, strategy, and policies, while ensuring adherence to high ethical standards. It oversees risk management, establishes effective systems of internal control, and ensures that the company operates within a sound framework of sustainability and social responsibility. Annual evaluations of the Board, its members, and its committees reinforce accountability and continuous improvement.

To strengthen oversight, the Board has constituted specialized committees with clear terms of reference. The Audit Committee Comprised mainly of independent and non-executive directors, ensuring integrity of financial reporting, internal controls, and audit processes. The Human Resource & Remuneration Committee provides transparent and merit-based frameworks for compensation, succession planning, and evaluation of senior management.

IPAK has in place a comprehensive set of Board-approved policies covering ethics and code of conduct, whistleblowing, anti-harassment, risk management, ESG, stakeholder engagement, and communication. These policies are disseminated across the organization and periodically reviewed for effectiveness. Transparency is ensured through detailed disclosures in the Annual Report, the company's website, and through regular shareholder communications.

In essence, IPAK's governance structure embodies the principles of accountability, transparency, diversity, and sustainability. By following the Code of Corporate Governance in letter and spirit, IPAK builds stakeholder confidence and positions itself for long-term growth and value creation.

Decision Taken by the Board and Matters Delegated to the Management

The Company has established a comprehensive governance structure to guide the Board and management in achieving long-term sustainability and operational excellence.

Board meetings are held on a quarterly basis as required under the Companies Act, 2017, with additional meetings convened as needed to address significant matters such as approval of revenue and capital budgets, operational restructuring, and policy changes. All meetings and their outcomes are duly communicated to shareholders through the Pakistan Stock Exchange (PSX).

The Board functions through key committees, including the Board Audit & Compliance Committee and the Human Resource & Remuneration Committee, ensuring thorough oversight of the Company's financial, operational, and human capital matters. In addition, a Management Sustainability Committee has been constituted during the year, which reports directly to the Chairman of the Board Audit & Compliance Committee, further strengthening the Company's governance and sustainability oversight framework.

The Board remains committed to sound, transparent, and efficient corporate management, making decisions in line with the Company's strategic objectives. To maximize efficiency, certain authorities have been delegated to the Chief Executive Officer (CEO) in accordance with applicable laws and regulations. The Board continuously evaluates the Company's performance to ensure effective governance and sustainable growth.

Annual Evaluation of the Board, Board Committees and Individual Members

In line with the requirements of the Code of Corporate Governance, the Board of Directors of IPAK undertakes a formal evaluation of its own performance, the performance of individual members, and its Committees on an annual basis. The purpose of this exercise is to ensure that the Board continues to function effectively, demonstrates accountability, and upholds the highest standards of governance.

Methodology and Process

The evaluation is conducted through a structured survey circulated among all Board members. The survey is designed around comprehensive performance criteria covering the effectiveness of the Board in areas such as strategic oversight, policy formulation, risk management, financial stewardship, and contribution to corporate governance practices. Each criterion is rated on a scale ranging from "Strongly Disagree" to "Strongly Agree," ensuring a transparent and objective assessment. Separate modules within the survey address:

i. The overall performance of the Board as a collective body.
ii. Individual participation, fiduciary responsibility, and contributions of Board members.
iii. Effectiveness of the Board's key Committees, including the Audit Committee and the Human Resource & Remuneration Committee.

The responses are compiled confidentially, and results are tabulated to provide both overall scores and identification of specific areas for improvement.

The annual evaluation confirmed that the Board of IPAK is functioning at a high level of effectiveness, with strong results across most performance areas. The Board received high scores for providing strategic direction, exercising effective oversight of management, and upholding sound governance practices. Individual members were recognized for their active participation, sense of responsibility, and commitment to regulatory compliance, while the Audit Committee was commended for its role in ensuring financial integrity and robust risk management.

Directors' Orientation and Training

During the year, the Board was regularly updated on applicable laws, rules, and regulations, including amendments thereto, to ensure that Directors remain fully informed of their powers, duties, and responsibilities under the corporate governance framework.

The Board comprises an appropriate mix of core competencies, diversity, and requisite skills, supported by strong knowledge and extensive experience. This blend enables Directors to contribute effectively towards strategic guidance, sound decision-making, and sustainable value creation for stakeholders.

Female Director

At IPAK we strongly believe in the importance of diversity at the highest level of governance. We recognize that the inclusion of women on the Board brings broader perspectives, enriches decision-making, and strengthens the overall effectiveness of the Board. In line with the Code of Corporate Governance Regulations, 2019, listed companies are required to have at least one female director, however, this requirement will apply at the time of the Board's reconstitution after listing. Accordingly, at our upcoming 10th Annual General Meeting scheduled for 23rd October 2025, IPAK will ensure the appointment of a female director with the right experience and qualifications, thereby reinforcing both compliance and our commitment to diversity.

Remuneration Policy of Directors Including Non-Executive and Independent Directors

The Company's Remuneration Policy for Directors is designed to attract and retain qualified individuals who can contribute effectively to the governance of the Company while creating long-term value for stakeholders.

The Board of Directors periodically reviews and approves the remuneration of Non-Executive Directors, which is limited to fees for attending meetings of the Board and its Committees. Such remuneration is aligned with the Directors' responsibilities and expertise, and is structured to ensure that it does not compromise their independence, objectivity, or professional judgment.

Beyond Compliance

At IPAK, we are committed to exemplary corporate governance that goes beyond mandatory requirements. In addition to complying with the Code of Corporate Governance, the Companies Act, 2017, and other applicable regulations, we voluntarily adopt enhanced corporate practices to strengthen transparency, accountability, and long-term stakeholder trust.

Strength in Diversity & Inclusion

At IPAK, we recognize diversity, equity, and inclusion (DEI) as essential to good governance and sustainable growth. Our commitment spans across ethnicity, age, gender, and ability, ensuring a workforce that is dynamic, inclusive, and performance-driven.

We foster a culture that values fairness and respect, supported by strong policies on equal opportunity, anti-harassment, maternity leave, and employee development. Regular reviews of retention, pay equity, and career progression ensure that inclusion remains embedded in our practices.

Through these efforts, we continue to increase female representation, empower differently-abled individuals, and build partnerships that create inclusive employment opportunities. By embracing DEI, IPAK cultivates a workplace where every employee feels valued, respected, and empowered to thrive.

Disclosure Of Gender Pay Gap

- The gender pay gap figures presented below are calculated based on the mean and median of the average hourly pay of male and female staff, as required by SECP circular No.10 of 2024, dated 17th April 2024.
- These figures reflect the distribution of male and female employees across different levels within the organization rather than any disparity in pay for equal work.
- Our compensation structure ensures that employees hired for the same position receive comparable pay, regardless of gender. We continue to promote diversity and equal career advancement opportunities for all employees.

Following is gender pay gap calculated for the period ended June 30, 2025:

i. Mean Gender Pay Gap: **39%**
ii. Median Gender Pay Gap: **20%**

Related Party Transactions

Related party transactions for the fiscal year 2024–25 have been disclosed in the relevant section of the financial statements in compliance with the Companies Act, 2017, the Listed Companies (Code of Corporate Governance) Regulations, 2019, and the applicable International Financial Reporting Standards (IFRS).

The Company's Related Party Transaction Policy ensures full transparency, accountability, and adherence to regulatory requirements, thereby safeguarding the interests of all stakeholders.

Board Meeting Venues

For the financial year under review, the Company convened five (5) Board meetings, all of which were held in Pakistan. To facilitate broader participation, a video conferencing facility was made available, enabling Directors to attend meetings remotely where required.

Investor Relations

IPAK is committed to transparency, accountability, and proactive engagement with its shareholders. The Company has adopted an Investor Relations and Grievance Policy that ensures timely and accurate dissemination of information, addresses shareholder concerns effectively, and promotes a positive investor relations environment.

Through this policy, IPAK strives to:

- Provide shareholders with relevant, accurate, and timely information about the Company.
- Facilitate shareholders in matters relating to their relationship with the Company.
- Establish a fair, efficient, and transparent mechanism for resolving shareholder grievances.

To achieve these objectives, the Company has designated authorized representatives, established communication channels, and implemented clear procedures for information sharing and grievance redressal. These measures reinforce IPAK's commitment to maintaining the highest standards of corporate transparency and accountability, thereby strengthening stakeholder trust and contributing to sustainable growth.

Preserving Corporate Records

IPAK maintains secure and compliant records of all financial transactions and business activities in both physical and digital formats. Record-keeping practices are aligned with applicable regulatory requirements, while digitization initiatives ensure efficiency, accessibility, and reliability in safeguarding the Company's information assets.

Operational Resilience and Recovery Plan

IPAK's Business Continuity and Disaster Management Plan ensures the uninterrupted performance and timely recovery of critical business functions in the event of disruptions or emergencies. The plan identifies essential systems, tasks, and processes, outlines backup procedures, and assigns roles and responsibilities to designated vital personnel.

Its objectives include safeguarding technology assets, minimizing economic and operational losses, and ensuring an orderly resumption of business activities. Departments are required to develop action plans, document decision-making protocols, and identify key individuals for recovery management. The framework also maintains a comprehensive record of outsourced services, essential equipment, and internal/external resources to support rapid and efficient recovery, with business functions restored as per the agreed time frame under the Business Continuity Plan (BCP).

Ownership Disclosures

Details of beneficial ownership are disclosed in the Shareholders' Information section of this Annual Report, in accordance with applicable regulatory requirements.

Presence of the Audit Committee Chairman at the AGM

Mr. Saad Amanullah Khan, Chairman of the Audit Committee, was present at the 9th Annual General Meeting of IPAK held on October 23, 2024, to address shareholder queries regarding the Audit Committee's activities and matters within its scope of responsibilities.

Internal Oversight

The Company's Internal Audit function is led by the Head of Internal Audit, who reports directly to the Chairperson of the Board Audit Committee, thereby ensuring independence and effective oversight.

This framework enables:

- Compliance with the Code of Corporate Governance.
- Safeguarding of assets and protection of shareholder value.
- Strong operational and compliance controls.
- Effective risk management.

Policies and procedures across all organizational areas are strictly followed and are subject to regular review and updates to align with best governance practices.

Code of Conduct & Workplace Policies

Commitment to a Respectful & Inclusive Workplace

At IPAK, we are committed to fostering a professional, inclusive, and respectful work environment. Our workplace policies ensure fairness, integrity, and compliance with applicable laws, while promoting a culture of mutual respect among all employees and larger stakeholders.

Workplace Harassment

We maintain a zero-tolerance policy against workplace harassment of any kind. Any discrimination or harassment based on race, color, gender, religion, nationality, age, or disability is strictly prohibited. Employees shall work together in an environment free from intimidation, isolation, or unfair treatment.

Protection Against Sexual Harassment

IPAK fully complies with The Protection Against Harassment of Women at the Workplace Act, 2010 and related laws. Any form of sexual misconduct, exploitation, or harassment including verbal or physical advances, coercion, or intimidation is strictly prohibited. Reports of such behavior shall be taken seriously, and retaliation against complainants shall result in strict disciplinary action.

Workplace Safety & Prohibited Items

To maintain a safe and secure workplace, we strictly prohibit:

- Possession of weapons, explosives, or hazardous materials (except for authorized security personnel).
- Acts of violence, threats, or intimidation.
- Consumption or possession of drugs, alcohol, or engagement in gambling on company premises.

No-Smoking Policy

For the health and safety of our employees and visitors, smoking is strictly prohibited in all office buildings and within a 5-meter radius of the premises. Designated smoking areas may be assigned where necessary. Employees violating this policy shall be subject to disciplinary action.

Confidentiality & Data Protection

Employees are required to maintain the confidentiality of company records, financial information, business strategies, and personal employee data. Sharing such information without authorization is a serious offense and may result in legal consequences.

Conflict of Interest Disclosure

To maintain transparency, employees shall disclose any personal, financial, or professional relationships that could create a conflict of interest with the company. Regular disclosure questionnaires shall be required, and employees shall report any potential conflicts to the HR department immediately.

Media & Public Communications

Only authorized spokespersons may interact with the press, financial community, or regulatory bodies on behalf of the company. Any inquiries shall be directed to the designated representatives to ensure consistency and accuracy in external communications.

Compliance with Laws & Ethical Conduct

All employees shall adhere to federal and provincial laws, industry regulations, and company policies. Ethical business practices, fairness, and integrity are fundamental to our operations. Violations of the code may result in disciplinary action, including termination of employment.

Reporting Violations & Whistleblower Protection

We encourage employees to report any violations or unethical behavior without fear of retaliation. All reports shall be treated with confidentiality and handled appropriately by the designated HR representatives.

Policy Oversight & Enforcement

The HR Department is responsible for implementing and monitoring compliance with this Code of Conduct. Regular audits shall be conducted to ensure adherence to policies.

Whistleblowing Policy

At IPAK, we uphold the highest standards of ethics, integrity, and corporate governance. Our Whistleblowing Policy provides a structured mechanism for employees and stakeholders to report concerns related to misconduct, regulatory noncompliance, or unethical behavior.

Key Features of the Policy

- **Confidential & Secure Reporting**

- Employees and stakeholders can report concerns in good faith without fear of retaliation.
- The identity of whistleblowers remains confidential.

- **Scope of Reporting**

- Violations of laws, regulations, or company policies.
- Financial misconduct, fraud, or corruption.
- Health, safety, and environmental risks.
- Unauthorized use of company assets or sensitive information.
- Any unethical, inappropriate, or unprofessional conduct.

- **Independent Review & Fair Process**

- A designated Whistleblowing Committee (WBC) handles all concerns.
- Reports are assessed and, if necessary, investigated fairly and objectively.
- Disciplinary action taken against proven misconduct.

- **Commitment to Governance & Compliance**

- The policy aligns with corporate governance best practices.
- Regular reviews are conducted to maintain policy effectiveness

IPAK is dedicated to maintaining an ethical workplace where concerns can be raised freely, fostering a culture of transparency and accountability.

Insider Trading Policy

1. Introduction

The purpose of this Insider Trading Policy (the "Policy") is to ensure compliance with the Companies Act, 2017, Pakistan Stock Exchange Regulations, and other applicable securities laws, while promoting ethical conduct by all directors, officers, and employees. The Policy aims to safeguard the integrity and reputation of the Company and its stakeholders. In case of any conflict between this Policy and other Company rules, this Policy shall prevail.

2. Applicability

This Policy applies to all directors, officers, and employees of the Company. It provides guidance on trading in the Company's securities and does not create any obligation or liability for the Company regarding actions of external parties or information obtained from outside sources.

3. Trading Restrictions

- Trading for personal gain or on behalf of others based on such information is strictly prohibited.
- Trading by connected persons, including immediate family members, based on material non-public information is also prohibited.

5. Closed Periods

No director, CEO, or executive shall trade in the Company's securities during a closed period as defined under Clause 5.6.4 of the Pakistan Stock Exchange Regulations.

6. Reporting Requirements

- All trades by directors, CEO, employees, or their spouses must be reported in writing to the Company Secretary and the same will be communicated to the PSX withing stipulated time frame.
- Reports must include the number of shares, price, type of share certificate (physical or electronic), nature of transaction, and supporting broker documentation.
- The Company Secretary will forward the trade details to the Exchange and present them to the Board at the next meeting, in accordance with Clause 5.6.1(a) of the Pakistan Stock Exchange Regulations.

7. Policy Review

- This Policy will be reviewed periodically to ensure compliance with securities laws, corporate governance best practices, and Company requirements

Related Party Policy

IPAK is committed to ensuring transparency, fairness, and compliance in all transactions with related parties. This policy outlines the framework for identifying, reviewing, and approving related party transactions in accordance with applicable laws and regulations.

Objective:

The policy aims to ensure that all related party transactions are appropriately reviewed, approved, and disclosed in compliance with the Companies Act 2017, listing regulations, and International Financial Reporting Standards (IFRS).

Key Principles:

- All related party transactions shall be disclosed and approved.
- Transactions at arm's length are reviewed by the Board Audit Committee (BAC) and approved by the Board.
- Transactions not at arm's length require additional justification and Board approval.
- The Board approves pricing methods to ensure fairness in transactions.
- Directors and key personnel shall disclose any potential related party transactions.
- Records of all related party transactions are maintained.
- If a majority of directors are interested in a transaction, approval is sought from the general meeting via a special resolution.
- Significant related party transactions exceeding 10% of total assets or annual turnover shall be reported to the Pakistan Stock Exchange (PSX).

Compliance & Disclosure:

- The Company ensures compliance with SECP's Code of Corporate Governance and related party transaction regulations.
- All Related Party transactions are disclosed in financial statements and the Directors' Report.
- The policy is periodically reviewed to align with regulatory updates.

Social Media Policy

IPAK's Social Media Policy applies to all employees, representatives, and partners when engaging on behalf of the Company. All social media activity must reflect IPAK's core values of Care, Respect, Leadership, Honesty, and Courage, while maintaining confidentiality, integrity, and professionalism.

Employees and representatives must avoid posting harmful or inappropriate content, confidential information, or intellectual property belonging to others without authorization. Personal opinions must be clearly distinguished from statements representing the Company, and personal and professional accounts should be kept separate.

Non-compliance with this Policy may result in disciplinary action. Employees are encouraged to consult the Human Resource Department if unsure about any aspect of these protocols and to exercise caution when posting online, recognizing that digital content is permanent and globally visible.

Role and Responsibilities of the Chairman

In addition to statutory duties under the Companies Act, 2017, and the Code of Corporate Governance Regulations, 2019, the Chairman of the Board holds broader leadership responsibilities, including:

- Providing strategic leadership to the Board and ensuring effective conduct of its proceedings.
- Fostering an environment that encourages active participation, constructive debate, and informed decision-making.
- Guiding the Board in the development and oversight of the Company's strategy and long-term business objectives.
- Ensuring that governance practices align with best corporate governance standards.

Role and Responsibilities of the Chief Executive

In addition to statutory duties under the Companies Act, 2017, and the Code of Corporate Governance Regulations, 2019, the Chief Executive Officer (CEO) holds broader leadership responsibilities, including:

- Leading the day-to-day management and operations of the Company within the framework set by the Board.
- Recommending corporate strategy to the Board and implementing approved plans.
- Leading management committees and ensuring robust internal control and risk management systems.
- Ensuring compliance with all applicable laws and regulations.
- Providing regular updates to the Board on progress toward achieving strategic objectives.

Board & Principal Board Committees

Board of Directors

As of 2025, the Board of the Company consists of 10 directors, including the Chief Executive Officer a deemed director under the Companies Act, 2017. The Board provides strategic guidance, oversees management performance, and ensures that the Company adheres to sound corporate governance practices.

During the year 2024-25, five (5) meetings of the Board were held. The attendance of each Director is as follows:

S.No.	Members	Designation	Attendance
1	Mr. Muhammad Amin	Chairman	5/5
2	Mr. Naveed Godil	Chief Executive Officer	5/5
3	Mr. Saad Amanullah Khan	Independent Director	4/5
4	Mr. Sarfaraz Ahmed Rehman	Independent Director	5/5
5	Mr. Abdul Aleem Tinwala	Non-Executive Director	5/5
6	Mr. Aftab Zahoor Raja	Non-Executive Director	5/5
7	Mr. Arsalan Pirani	Non-Executive Director	5/5
8	Mr. Fazal ur Rehman	Non-Executive Director	5/5
9	Mr. Mushtaq Ali Tejani	Non-Executive Director	5/5
10	Mr. Taimoor Iqbal	Non-Executive Director	5/5

Leave of absence was granted to Directors who were unable to attend the meetings.

Audit Committee and its Meetings

The Audit Committee comprises three Non-Executive Directors, including one Independent Director serving as Chairman. One of the members is financially literate. During the year, four (4) meetings of the Committee were held, and the attendance of each member is as follows:

S.No.	Members	Designation	Attendance
1	Mr. Saad Amanullah Khan	Chairman	3/4
2	Mr. Muhammed Amin	Member	4/4
3	Mr. Arsalan Pirani	Member	4/4

Terms of Reference of the Audit Committee

The Audit Committee operates under its terms of reference in line with the Listed Companies (Code of Corporate Governance) Regulations, 2019. Its primary role is to assist the Board in overseeing financial reporting, internal controls, audit processes, and compliance with applicable laws and regulations. The BAC has the authority to determine internal audit scope, approve annual audit plans, and investigate matters authorized by the Board.

The BAC's responsibilities include reviewing measures to safeguard Company assets, risk management procedures, financial statements, and compliance with accounting standards and regulatory requirements. It also facilitates external audits, reviews management letters, ensures coordination between internal and external auditors, and monitors compliance with statutory requirements. Additionally, the BAC reviews internal control systems, internal audit reports, and recommends appointment or removal of external auditors. The Audit Committee convenes quarterly, with all members expected to participate, and may hold additional meetings whenever required.

Key responsibilities include:

- Financial Oversight: Reviewing financial statements, preliminary announcements, and related party transactions.
- Risk Management: Assessing risk management frameworks and procedures.
- Audit Facilitation: Coordinating external audits and reviewing management letters.
- Compliance Monitoring: Ensuring compliance with statutory and regulatory requirements.
- Internal Control: Reviewing internal control systems and internal audit reports.
- Recommendations: Recommending the appointment or removal of external auditors and addressing other matters as assigned by the Board.

Human Resource and Remuneration Committee

The Company constituted the Human Resource and Remuneration Committee in compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019. The Human Resource and Remuneration Committee comprises three Non-Executive Directors, including two (2) Independent Directors one of whom serving as Chairman. Three (3) meetings of the Human Resource and Remuneration Committee were held during the year. Attendance of each Member is given here under:

S.No.	Members	Designation	Attendance
1	Mr. Sarfaraz Ahmed Rehman	Chairman	3/3
2	Mr. Saad Amanullah Khan	Member	3/3
3	Mr. Mushtaq Ali Tejani	Member	3/3

Terms Of Reference of Human Resource & Remuneration Committee

Committee Composition & Structure

The Human Resource & Remuneration Committee (HRRC) comprises of minimum three members, with the majority being non-executive directors, including at least one independent director. The Chief Executive Officer (CEO) shall be included as a member, while the Head of Human Resources participate as secretary.

Leadership & Meetings

- The Committee is chaired by an independent director to ensure impartial governance.
- Meetings are held at least once per financial year, with additional meetings convened as required by the Board, Committee members, CEO, or Head of Human Resources.

Conflict of Interest Policy

Members shall abstain from discussions regarding their own performance evaluation, service terms, or remuneration to maintain objectivity and transparency.

Key Responsibilities & Functions

The Committee is responsible for driving strategic human resource and remuneration policies, ensuring alignment with corporate governance principles. Its core functions include:

- Establishing a policy framework for director remuneration and recommending it to the Board.
- Reviewing and implementing formal evaluation processes for the Board, its members, and committees.
- Advising the Board on human resource management policies and leadership development.
- Overseeing the selection, performance assessment, development, and compensation of key executive positions, including the Chief Operating Officer, Chief Financial Officer, Company Secretary, and Head of Internal Audit.
- Ensuring transparency in the engagement of external HR and remuneration consultants.
- Evaluating and recommending annual salary increments and bonuses before Board approval.

Board Nomination & Succession Planning

The Committee provides strategic input on the Board's structure, size, and composition, ensuring alignment with corporate governance best practices. It also advises on recommendations for Board committees and chairmanship appointments.

Diversity, Equity & Inclusion (DE&I) Oversight

The Committee actively promotes a culture of inclusivity and equal opportunity by developing and recommending diversity, equity, and inclusion (DE&I) policies and initiatives while ensuring compliance with legal and regulatory DE&I standards. It upholds gender diversity, equitable representation, and workplace inclusivity, tracking progress through key performance indicators (KPIs) and reporting to the Board. The Committee establishes mechanisms to prevent and address workplace discrimination and harassment, publishes transparent DE&I disclosures in corporate reports, and submits an annual DE&I progress report to the Board.

Approval & Governance Compliance

The Committee's Terms of Reference are formally approved by the Board of Directors, reinforcing the company's commitment to regulatory compliance and governance excellence.

Report Of The Board Audit Committee

The members of the Audit Committee are pleased to present their report to the shareholders for the year ended June 30th, 2025.

We would like to make the following submissions on adherence to the Code of Corporate Governance, The Board Audit Committee has concluded its annual review of the conduct and operations of the Company for the year ended June 30th, 2025 and reports that:

- The Company has adhered in full, without any material departure, with both the mandatory and voluntary provisions of the listing regulations of the Pakistan Stock Exchange, Code of Corporate Governance, Company's Code of Conduct and Values and the best practices of governance throughout the year.

- The Company has issued a "Statement of Compliance with the Code of Corporate Governance" which has also been reviewed and certified by the External Auditors of the Company.

- Appropriate accounting policies have been consistently applied except those disclosed in financial statements. Applicable accounting standards were followed in preparation of the financial statements of the Company on a going concern basis for the financial year ended June 30th, 2025, which present fairly the state of affairs, results of operations, profits, cash flows and changes in equity of the Company for the year under review.

- The Chief Executive Officer and the Chief Financial Officer have reviewed the financial statements of the Company and the Chairman's and Board of Directors' Report. They acknowledge their responsibility for true and fair presentation of the financial statements, accuracy of reporting, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the Company.

- Accounting estimates are based on reasonable and prudent judgment. Proper, accurate and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017.

- The financial statements comply with the requirements of the Fourth Schedule to the Companies Act, 2017 and applicable International Accounting Standards and International Financial Reporting Standards notified by the SECP.

- All direct and indirect trading in and holdings of the Company's shares by Directors and executives or their spouses were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction. All such transactions have been disclosed.

Internal Audit Function

Presently the Company's internal Audit function is being looked after by the Head of Internal Audit in compliance of the Code of Corporate Governance, who is assisted by in-house staff. The Head of Internal Audit reports directly to the Chairman of the Board Audit Committee. The Head of Internal Audit has the required qualifications as prescribed under the Regulations.

- The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and control.

- The Board Audit Committee has ensured the achievement of operational, compliance and financial reporting objectives, safeguarding of the assets of the Company and the shareholders' wealth through effective financial, operational and compliance controls and risk management at all levels within the Company.

- Coordination between the external and internal auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

External Auditors

- The statutory auditors of the Company, A.F. Ferguson & Co, Chartered Accountants, have completed their audit of the Company's financial statements and the Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 for the financial year ended June 30th, 2025 and shall retire on the conclusion of the 10th Annual General Meeting.

- The final Management Letter is required to be submitted within forty-five (45) days of the date of the Auditors' Report on the financial statements under the Regulations and shall therefore accordingly be discussed in the next Board Audit Committee meeting.

- The external auditors were allowed direct access to the Audit Committee and also met the Audit Committee once a year without the presence of the Management.

- The Audit firm has been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by ICAP. The auditors have indicated their willingness to continue as auditors.

- The Company also engages A.F. Ferguson & Co., Chartered Accountants, for taxation-related services. While the firm serves as our External Auditors, there is no conflict of interest as the functions are entirely distinct, Assurance Services and Taxation are handled by separate engagement partners and separate teams. Furthermore, in their capacity as tax advisors, they operate strictly in an advisory role without assuming any management responsibilities or decision-making functions.

Saad Amanullah Khan
Chairman Audit Committee

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A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF INTERNATIONAL PACKAGING FILMS LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of International Packaging Films Limited (the Company) for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2025.

Further, we highlight below instances of non-compliance with the requirements of the regulations as reflected in the paragraph reference where it is stated in the Statement of Compliance:

	Reference	Description
(i)	Paragraph 1	It is mandatory that the Board shall have at least one female director. However, currently the Board does not have any female director.
(ii)	Paragraph 2	It is mandatory that each listed company shall have at least two or one third members of the Board, whichever is higher, as independent directors. The Company does not have the requisite number of independent directors.

A.F.Ferguson &Co

A. F. Ferguson & Co
Chartered Accountants
Karachi

Dated: October 1, 2025

UDIN: CR202510611RpVsu6YH5

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KARACHI LAHORE ISLAMABAD

Statement of Compliance with Listed Companies (Code Of Corporate Governance) Regulations, 2019

For the Year Ended June 30, 2025.

Name of Company: International Packaging Films Limited

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are ten (10) [Nine elected directors and the chief executive being a deemed director] as per the following:

   a. Male: 10
   b. Female: 0*

2. The composition of the Board is as follows,

Nature of Directorship	Name of the Director
Independent Directors*	1) Mr. Saad Amanullah Khan 2) Mr. Sarfaraz Ahmed Rehman
Non-Executive Directors	1) Mr. Muhammed Amin, Chairman 2) Mr. Abdul Aleem Tinwala 3) Mr. Arsalan Pirani 4) Mr. Aftab Zahoor Raja 5) Mr. Fazal ur Rehman 6) Mr. Mushtaq Ali Tejani 7) Mr. Taimoor Iqbal
Executive Director	1) Mr. Naveed Godil, Chief Executive Officer
Female Director*	None

* The requirements of a female director and one-third independent directors will take effect when the Board is reconstituted (election of directors), which is scheduled in the Annual General Meeting for the year 2025.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;

4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meeting of the Board was presided over by the Chairman. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. The Directors have been apprised of their duties and responsibilities from time to time. Directors' training is encouraged under the Regulations. Following directors have already attended the directors' training program:

Directors:

i) Mr. Saad Amanullah Khan

ii) Mr. Sarfaraz Ahmed Rehman

Executive:

i) Mr. Fahad Alam, Company Secretary

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed two committees comprising of members given below;

a) Audit Committee

i.	Mr. Saad Amanullah Khan (Independent Director)	Chairman
ii.	Mr. Muhammed Amin (Non-Executive Director)	Member
iii.	Mr. Arsalan Pirani (Non-Executive Director)	Member

b) HR and Remuneration Committee

i.	Mr. Sarfaraz Ahmed Rehman (Independent Director)	Chairman
ii.	Mr. Saad Amanullah Khan (Non-Executive Director)	Member
iii.	Mr. Mushtaq Ali Tejani (Non-Executive Director)	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings of the committee were as per following:

a)	Audit Committee	4 Meetings
b)	HR and Remuneration Committee	3 Meetings

15. The Board has set up an effective internal audit function staffed with suitably qualified and experienced personnel for the purpose and who are conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, Company secretary or director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with except for the appointment of minimum number of independent directors and a female director which will be complied at the time of reconstitution of the Board in the Annual General Meeting for the year 2025.

19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33 and 36 (non-mandatory requirements) are below:

S.No	Requirement	Explanation	Reg. No
1.	In order to effectively discharge its sustainability related duties, the board may establish a dedicated sustainability committee having at least one female director, or assign additional responsibilities to an existing board committee.	A management level Sustainability Committee has been established by the Board, comprise of the senior executives which reports to the Audit Committee.	10A (5)
2.	The Board may constitute a separate committee, designed as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances	The responsibilities as prescribed for the nomination committee are being taken care of at the Board level, as and when needed, so a separate committee is not considered to be necessary.	29 (1)

S.No	Requirement	Explanation	Reg. No
3.	The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	The Board has tasked the Board Audit Committee to oversee risk management related matters of the Company. The Board annually review the Key Business Risks.	30

NAVEED GODIL
Chief Executive Officer

MUHAMMED AMIN
Chairman

TECHNOLOGICAL

Date: 18th September 2025

IT Governance and Cyber Security

Information Technology Policy

At International Packaging Films Limited (IPAK), IT governance remains central to our commitment to operational resilience, cybersecurity, and technological advancement. Our IT policies are built on robust controls, continuous monitoring, and proactive adoption of global best practices.

1. Secure Access and User Management

- Multi-Factor Authentication (MFA) is implemented where applicable to ensure secure access.
- User Access Management is governed by the SAP team, which enforces strict role-based permissions and segregation of duties.
- Access protocols are aligned with international standards, minimizing risks of unauthorized access.

2. Employee Awareness and Training

- Employees are regularly trained to recognize phishing attempts, deceptive URLs, and fraudulent communications.
- The functional site security plan guides awareness initiatives, with specific emphasis on avoiding unverified links through messaging apps and media platforms.

3. Systems & Applications

- Centralized IT structure with SAP integrations has streamlined operations.
- Email server upgrades enhanced communication across all domains.

IT Governance and Security

Our IT governance framework is overseen by the Board Audit Committee and supported by the IT and SAP teams to ensure strong compliance, risk management, and resilience.

1. Vulnerability Management and Penetration Testing

- SAP conducts both external and internal penetration tests annually, as well as after major infrastructure or application changes.
- Vulnerability assessments are regularly carried out on critical systems, with timely patching to mitigate risks.

2. Network and Endpoint Security

- Advanced antivirus tools and firewall protections are deployed, configured in line with manufacturer security guidelines, and updated regularly.
- These controls are embedded within IPAK's ISO 27001 certified framework, ensuring strong perimeter and endpoint protection.

3. Incident Readiness and Data Resilience

- Daily encrypted backups of the Production System are performed, complemented by offline and off-site backup mechanisms.
- Regular validation of data restoration processes ensures recovery readiness in case of incidents.
- Incident management is overseen by the BASIS team, with SAP cloud-hosted solutions aligned with international security standards.

4. System Hardening and Compliance

- Regular patching of systems and closure of unnecessary services are performed in line with ISO 27001 requirements.
- Security protocols are continuously reviewed and strengthened to address evolving threats.

5. Coordination and Threat Intelligence

- A dedicated internal incident response mechanism ensures timely detection, escalation, and resolution of security incidents.
- Continuous monitoring and global best practices are applied to strengthen intelligence and early threat detection within the organization.

Key IT Achievements in 2024–25

- Project Execution & Monitoring: 90% project success rate, 18 projects completed, 24/7 network monitoring with 99.9% uptime.
- Infrastructure & Security: Cloud-based NVR migration and CCTV expansion across group companies; data center deployment and upgradation; open-source firewall deployment.
- Business Continuity & Compliance: VEEAM backup and replication; updated IT policies and SOPs; IT Audit 2025 successfully completed; real-time oversight through PRTG & Zabbix.
- Systems & Applications: Centralized IT structure and SAP integrations; upgraded email servers.

SAP Transformation and Digital Initiatives

- System Expansion: Successful go-live of SAP S/4HANA in IPAK Connect; Credit Management Module launched across entities.
- Operational Enhancements: ManageEngine Service Desk Plus 14.1 implemented; automation and real-time visibility strengthened governance.
- Future Outlook: Expanding use of advanced analytics, AI, and robotic process automation to improve forecasting, compliance, and decision-making.

Disaster Recovery Plan (DRP)

- Daily encrypted backups of the Production System, with offline and off-site mechanisms in place.
- VEEAM Backup & Replication ensures robust disaster recovery across user systems and data centers.
- Weekly verification and validation processes confirm data integrity and recovery capability.
- Business continuity is safeguarded through redundant backup systems at multiple group facilities.

Performance and Position

Horizontal Analysis

	2025		2024		2023		2022		2021		2020	
	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %
Statement of Financial Position												
Property, plant and equipment	2,230,534	(4.9)	2,345,290	(7.0)	2,520,511	(51.1)	5,152,750	21.2	4,253,190	(1.4)	4,313,044	(2.2)
Intangible assets	53,653	(1.3)	54,380	(11.0)	61,115	254.4	17,244	52.2	11,331	(9.2)	12,484	2.5
Right-of-use asset	5,366	(56.2)	12,247	(66.6)	36,671	177.8	13,201	(47.9)	25,355	0.0	-	0.0
Long-term deposits	74,265	41.0	52,671	726.8	6,371	517.0	1,032	0.0	1,032	0.0	1,032	2,653.2
Long-term loans	32,594	46.4	22,262	146.4	9,035	0.0	-	0.0	-	0.0	-	0.0
Long-term loan to subsidiary	1,581,104	(25.0)	2,108,141	100.0	-	0.0	-	0.0	-	0.0	-	0.0
Long-term investments - subsidiaries	13,951,215	0.7	13,853,022	24.0	11,168,241	259.0	3,110,817	91.4	1,625,706	1,098.9	135,600	0.0
Stores, spares and consumables	401,014	37.6	291,403	12.7	258,650	32.2	195,590	101.4	97,099	10.8	87,645	12.4
Stock-in-trade	1,968,924	(16.5)	2,357,955	(8.9)	2,588,702	33.4	1,940,762	35.4	1,433,202	47.2	973,941	30.3
Trade receivables	4,870,537	41.9	3,431,798	38.7	2,474,715	32.3	1,869,970	61.0	1,161,672	4.4	1,112,427	(1.4)
Trade deposits and short-term prepayments	29,410	92.3	15,294	(20.8)	19,318	(36.6)	30,471	62.8	18,716	(37.1)	29,737	277.9
Loans and advances	150,108	(32.2)	221,336	111.5	104,659	(71.3)	364,812	495.6	61,247	54.6	39,608	6.3
Taxation - net	-	0.0	-	0.0	-	0.0	502,496	44.2	348,506	23.2	282,886	55.9
Other receivables	719,600	358.1	157,076	265.2	43,014	(27.1)	58,997	78.7	33,007	(37.6)	52,934	34.7
Current portion of loan to subsidiary	549,461	158.4	212,657	100.0	-	0.0	-	0.0	-	0.0	-	0.0
Sales tax refundable	34,347	100.0	-	0.0	65,324	(21.8)	83,543	(20.9)	105,551	(63.0)	285,180	(28.0)
Short-term loan to subsidiary	62,702	16.0	54,067	100.0	-	0.0	-	0.0	-	0.0	-	0.0
Cash and bank balances	321,812	298.5	80,752	(50.3)	162,618	44.7	112,355	37.7	81,565	129.5	35,534	29.4
	27,036,646	**7.0**	**25,270,351**	**29.5**	**19,518,944**	**45.1**	**13,454,039**	**45.3**	**9,257,180**	**25.7**	**7,362,052**	**4.2**

	2025		2024		2023		2022		2021		2020	
	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %
Issued, subscribed and paid-up capital	7,002,000	0.0	7,002,000	11.1	6,300,945	75.0	3,600,000	0.0	3,600,000	31.3	2,742,598	9.8
Revaluation surplus on property, plant and equipment	-	0.0	-	0.0	-	(100.0)	1,816,727	51.0	1,202,964	(6.0)	1,279,484	(4.5)
Share premium	2,470,722	0.0	2,470,722	66.1	1,487,566	100.0	-	0.0	-	0.0	-	0
Reserve for investment in subsidiaries	3,259,000	0.0	3,259,000	0.0	-	0.0	-	0.0	-	0.0	-	0.0
Unappropriated profit	2,111,868	67.6	1,259,985	(61.2)	3,251,135	2.5	3,170,627	94.0	634,523	268.1	444,005	(329.8)
Advance against future issue of shares	-	0.0	-	0.0	-	0.0	-	0.0	-	(100.0)	433,854	(27.1)
Deferred taxation - net	385,947	(11.7)	436,916	(6.0)	464,747	(60.6)	1,180,886	53.8	767,755	39.7	549,441	35.8
Staff retirement benefits	216,111	41.2	153,093	47.3	103,922	73.6	59,869	132.5	25,755	0.0	-	0.0
Long-term financing - secured	1,108,234	(34.9)	1,701,622	(7.9)	1,846,833	13,773.2	13,312	(51.6)	27,519	0.0	-	0.0
Lease liabilities	-	(100.0)	9,543	(69.2)	30,988	3,563.6	846	(94.2)	14,674	0.0	-	0.0
Deferred income - government grant	5,180	(32.8)	7,714	(2.4)	7,900	0.4	7,866	257.5	2,201	0.0	-	0.0
Trade and other payables	3,142,158	(9.4)	3,468,182	39.4	2,488,380	106.1	1,207,244	14.1	1,057,644	33.3	793,509	(23.4)
Contract liabilities	262,939	52.8	172,076	(23.6)	225,179	71.3	131,459	100.9	65,434	0.0	29,070	0.0
Short-term borrowings - secured	6,178,753	42.5	4,335,872	52.4	2,845,546	30.4	2,182,199	177.4	786,580	(27.4)	1,083,020	(20.0)
Accrued markup	-	0.0	-	0.0	-	(100.0)	36,336	1,169.9	2,861	(51.0)	5,839	(80.6)
Taxation - net	284,810	(26.4)	387,139	(1.1)	391,608	0.0	0.0	0.0	-	0.0	-	0.0
Current portion of long-term financing - secured	597,185	7.0	558,255	786.0	63,007	123.6	28,183	(46.3)	52,497	0.0	-	0.0
Current maturity of lease liabilities	10,846	19.3	9,092	(16.1)	10,836	(27.7)	14,980	23.4	12,139	0.0	-	0.0
Current portion of deferred income - government grant	893	153.7	352	(0.1)	352	(89.9)	3,504	(24.4)	4,635	0.0	-	0.0
Sales tax payable	-	(100.0)	38,788	0.0	-	0.0	-	0.0	-	0.0	-	0.0
Unclaimed dividend	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	1,233	0.0
Current liabilities	10,477,584	16.8	8,969,756	48.9	6,024,908	67.2	3,603,906	81.9	1,981,790	3.6	1,912,670	(20.9)
	27,036,646	**7.0**	**25,270,351**	**29.5**	**19,518,944**	**45.1**	**13,454,039**	**45.3**	**9,257,180**	**25.7**	**7,362,052**	**4.2**

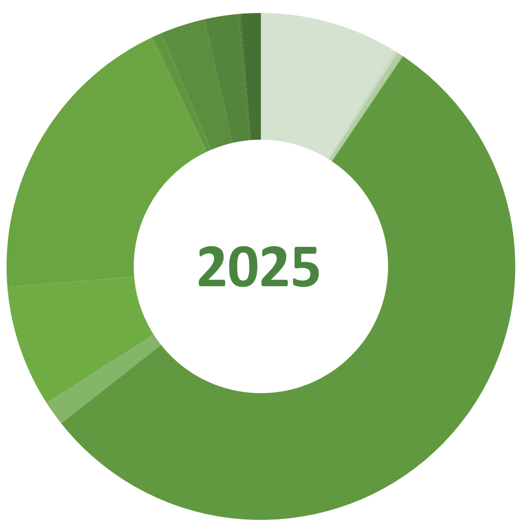
	2025		2024		2023		2022		2021		2020	
	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %	Rs. (000')	Variance %
Profit & Loss												
Revenue from contracts with customers	15,564,535	(8.9)	17,088,885	2.8	16,617,710	41.1	11,776,777	25.3	9,400,773	33.5	7,044,101	21.2
Cost of sales	12,675,079	(2.7)	13,021,108	7.7	12,086,153	28.0	9,443,572	29.9	7,269,175	24.4	5,844,254	8.3
Gross profit	2,889,456	(29.0)	4,067,777	(10.2)	4,531,557	94.2	2,333,204	9.5	2,131,598	77.7	1,199,847	188.0
Selling and distribution expenses	311,773	2.6	303,763	26.3	240,499	71.3	140,422	19.1	117,917	24.1	95,042	85.8
Administrative expenses	362,532	(6.3)	386,812	20.5	320,977	73.9	184,606	60.6	114,967	56.7	73,344	44.4
Reversal of charge / (charge) of loss allowance on trade receivables	19,134	149.6	7,666	(84.9)	50,782	100.0	-	0.0	-	0.0	-	0.0
Other operating expenses	96,734	(47.2)	183,285	(24.4)	242,549	(38.6)	395,111	242.9	115,222	6.3	108,402	(52.1)
Other income	466,240	62.3	287,355	96.5	146,247	205.8	47,823	(44.3)	85,827	433.7	16,083	8.2
Operating profit	2,603,791	(25.0)	3,473,606	(9.1)	3,822,997	130.2	1,660,888	(11.2)	1,869,319	99.0	939,142	811.9
Finance costs	1,321,059	(13.5)	1,527,181	141.4	632,586	396.2	127,490	65.6	77,007	(58.9)	187,590	76.1
Profit before levies and income tax	1,282,732	(34.1)	1,946,425	(39.0)	3,190,411	108.1	1,533,398	(14.4)	1,792,312	138.5	751,552	(21,238.2)
Levies - final tax	-	(100.0)	6,348	256.4	1,781	(51.5)	3,673	146.0	1,493	(19.6)	1,856	416.4
Profit before income tax	1,282,732	(33.9)	1,940,077	(39.2)	3,188,630	108.4	1,529,725	(14.6)	1,790,820	138.9	749,696	(19,250.5)
Current	483,274	(32.2)	712,744	(36.9)	1,130,230	100.0	-	0.0	-	0.0	-	0.0
Deferred	51,537	92.3	26,799	13.3	23,646	(53.1)	50,461	(76.7)	216,821	51.6	143,006	892.9
Net profit for the year	850,995	(33.0)	1,269,464	(39.0)	2,082,046	40.7	1,479,264	(6.0)	1,573,998	159.4	606,690	5,684.2

Vertical Analysis

	2025 Rs. (000')	2025 Variance %	2024 Rs. (000')	2024 Variance %	2023 Rs. (000')	2023 Variance %	2022 Rs. (000')	2022 Variance %	2021 Rs. (000')	2021 Variance %	2020 Rs. (000')	2020 Variance %
Statement of Financial Position												
Property, plant and equipment	2,230,534	8.3	2,345,290	9.3	2,520,511	12.9	5,152,750	38.3	4,253,190	45.9	4,313,044	58.6
Intangible assets	53,653	0.2	54,380	0.2	61,115	0.3	17,244	0.1	11,331	0.1	12,484	0.2
Right-of-use asset	5,366	0.0	12,247	0.0	36,671	0.2	13,201	0.1	25,355	0.3	-	0.0
Long-term deposits	74,265	0.3	52,671	0.2	6,371	0.0	1,032	0.0	1,032	0.0	1,032	0.0
Long-term loan to subsidiary	1,581,104	5.8	2,108,141	8.3	-	0.0	-	0.0	-	0.0	-	0.0
Long-term loans	32,594	0.1	22,262	0.1	9,035	0.0	-	0.0	-	0.0	-	0.0
Long-term investments - subsidiaries	13,951,215	51.6	13,853,022	54.8	11,168,241	57.2	3,110,817	23.1	1,625,706	17.6	135,600	1.8
Stores, spares and consumables	401,014	1.5	291,403	1.2	258,650	1.3	195,590	1.5	97,099	1.0	87,645	1.2
Stock-in-trade	1,968,924	7.3	2,357,955	9.3	2,588,702	13.3	1,940,762	14.4	1,433,202	15.5	973,941	13.2
Trade receivables	4,870,537	18.0	3,431,798	13.6	2,474,715	12.7	1,869,970	13.9	1,161,672	12.5	1,112,427	15.1
Trade deposits and short-term prepayments	29,410	0.1	15,294	0.1	19,318	0.1	30,471	0.2	18,716	0.2	29,737	0.4
Loans and advances	150,108	0.6	221,336	0.9	104,659	0.5	364,812	2.7	61,247	0.7	39,608	0.5
Taxation - net	-	0.0	-	0.0	-	0.0	502,496	3.7	348,506	3.8	282,886	3.8
Other receivables	719,600	2.7	157,076	0.6	43,014	0.2	58,997	0.4	33,007	0.4	52,934	0.7
Current portion of loan to subsidiary	549,461	2.0	212,657	0.8	-	0.0	-	0.0	-	0.0	-	0.0
Short-term loan to subsidiary	62,702	0.2	54,067	0.2	-	0.0	-	0.0	-	0.0	-	0.0
Sales tax refundable	34,347	0.1	-	0.0	65,324	0.3	83,543	0.6	105,551	1.1	285,180	3.9
Cash and bank balances	321,812	1.2	80,752	0.3	162,618	0.8	112,355	0.8	81,565	0.9	35,534	0.5
	27,036,646	**100.0**	**25,270,351**	**100.0**	**19,518,944**	**100.0**	**13,454,039**	**100.0**	**9,257,180**	**100.0**	**7,362,052**	**100.0**
Issued, subscribed and paid-up capital	7,002,000	25.9	7,002,000	27.7	6,300,945	32.3	3,600,000	26.8	3,600,000	38.9	2,742,598	37.3
Revaluation surplus on property, plant and equipment	-	0.0	-	0.0	-	0.0	1,816,727	13.5	1,202,964	13.0	1,279,484	17.4
Share premium	2,470,722	9.1	2,470,722	9.8	1,487,566	7.6	-	0.0	-	0.0	-	0.0
Reserve for investment in subsidiaries	3,259,000	12.1	3,259,000	12.9	-	0.0	-	0.0	-	0.0	-	0.0
Unappropriated profit	2,111,868	7.8	1,259,985	5.0	3,251,135	16.7	3,170,627	23.6	1,634,523	17.7	444,005	6.0
Advance against future issue of shares	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	433,854	5.9
Deferred taxation - net	385,947	1.4	436,916	1.7	464,747	2.4	1,180,886	8.8	767,755	8.3	549,441	7.5
Staff retirement benefits	216,111	0.8	153,093	0.6	103,922	0.5	59,869	0.4	25,755	0.3	-	0.0
Long-term financing - secured	1,108,234	4.1	1,701,622	6.7	1,846,833	9.5	13,312	0.1	27,519	0.3	-	0.0
Lease liabilities	-	0.0	9,543	0.0	30,988	0.2	846	0.0	14,674	0.2	-	0.0
Deferred income - government grant	5,180	0.0	7,714	0.0	7,900	0.0	7,866	0.1	2,201	0.0	-	0.0

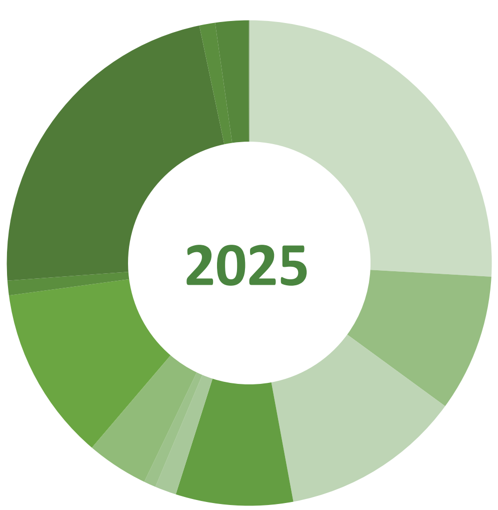
	2025 Rs. (000')	2025 Variance %	2024 Rs. (000')	2024 Variance %	2023 Rs. (000')	2023 Variance %	2022 Rs. (000')	2022 Variance %	2021 Rs. (000')	2021 Variance %	2020 Rs. (000')	2020 Variance %
Trade and other payables	3,142,158	11.6	3,468,182	13.7	2,488,380	12.7	1,207,244	9.0	1,057,644	11.4	793,509	10.8
Contract liabilities	262,939	1.0	172,076	0.7	225,179	1.2	131,459	1.0	65,434	0.7	29,070	0.4
Short-term borrowings - secured	6,178,753	22.9	4,335,872	17.2	2,845,546	14.6	2,182,199	16.2	786,580	8.5	1,083,020	14.7
Accrued markup	-	0.0	-	0.0	-	0.0	36,336	0.3	2,861	0.0	5,839	0.1
Taxation - net	284,810	1.1	387,139	1.5	391,608	2.0	-	0.0	-	0.0	-	0.0
Current portion of long-term financing - secured	597,185	2.2	558,255	2.2	63,007	0.3	28,183	0.2	52,497	0.6	-	0.0
Current maturity of lease liabilities	10,846	0.0	9,092	0.0	10,836	0.1	14,980	0.1	12,139	0.1	-	0.0
Current portion of deferred income - government grant	893	0.0	352	0.0	352	0.0	3,504	0.0	4,635	0.1	-	0.0
Sales tax payable	-	0.0	38,788	0.2	-	0.0	-	0.0	-	0.0	-	0.0
Unclaimed dividend	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	1,233	0.0
	27,036,646	**100.0**	**25,270,351**	**100.0**	**19,518,944**	**100.0**	**13,454,039**	**100.0**	**9,257,180**	**100.0**	**7,362,052**	**100.0**
Profit & Loss												
Revenue from contracts with customers	15,564,535	100.0	17,088,885	100.0	16,617,710	100.0	11,776,777	100.0	9,400,773	100.0	7,044,101	100.0
Cost of sales	12,675,079	81.4	13,021,108	76.2	12,086,153	72.7	9,443,572	80.2	7,269,175	77.3	5,844,254	83.0
Gross profit	2,889,456	18.6	4,067,777	23.8	4,531,557	27.3	2,333,204	19.8	2,131,598	22.7	1,199,847	17.0
Selling and distribution expenses	311,773	2.0	303,763	1.8	240,499	1.4	140,422	1.2	117,917	1.3	95,042	1.3
Administrative expenses	362,532	2.3	386,812	2.3	320,977	1.9	184,606	1.6	114,967	1.2	73,344	1.0
Reversal of charge / (charge) of loss allowance on trade receivables	19,134	0.1	7,666	0.0	50,782	0.3	-	0.0	-	0.0	-	0.0
Other operating expenses	96,734	0.6	183,285	1.1	242,549	1.5	395,111	3.4	115,222	1.2	108,402	1.5
Other income	466,240	3.0	287,355	1.7	146,247	0.9	47,823	0.4	85,827	0.9	16,083	0.2
Operating profit	2,603,791	16.7	3,488,938	20.4	3,822,997	23.0	1,660,888	14.1	1,869,319	19.9	939,142	13.3
Finance costs	1,321,059	8.5	1,527,181	8.9	632,586	3.8	127,490	1.1	77,007	0.8	187,590	2.7
Profit before levies and income tax	1,282,732	8.2	1,961,757	11.5	3,190,411	19.2	1,533,398	13.0	1,792,312	19.1	751,552	10.7
Levies - final tax	-	0.0	6,348	0.0	1,781	0.0	3,673	0.0	1,493	0.0	1,856	0.0
Profit before income tax	1,282,732	8.2	1,955,409	11.4	3,188,630	19.2	1,529,725	13.0	1,790,820	19.0	749,696	10.6
- Current	483,274	3.1	712,744	4.2	1,130,230	6.8	-	0.0	-	0.0	-	0.0
- Deferred	51,537	0.3	26,799	0.2	23,646	0.1	50,461	0.4	216,821	2.3	143,006	2.0
Net profit for the year	850,995	5.5	1,269,464	7.4	2,082,046	12.5	1,479,264	12.6	1,573,998	16.7	606,690	8.6

Composition of Statement of Financial Position



Non-Current and Current Assets

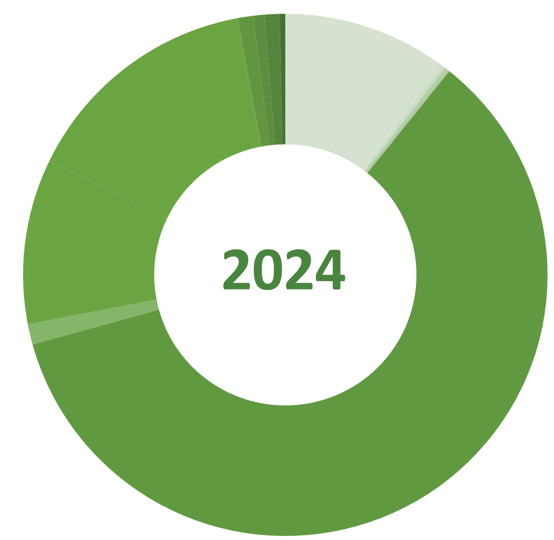
Property, plant and equipment	8.25%
Intangible assets	0.20%
Right-of-use asset	0.02%
Long-term deposits	0.27%
Long-term loans	0.12%
Long-term investments - subsidiaries	51.60%
Stores, spares and consumables	1.48%
Stock-in-trade	7.28%
Trade receivables	18.01%
Trade deposits and short-term prepayments	0.11%
Loans and advances	0.56%
Other receivables	2.66%
Current portion of loan to subsidiary	2.03%
Sales tax refundable	0.13%
Cash and bank balances	1.19%



Equities and Liabilities

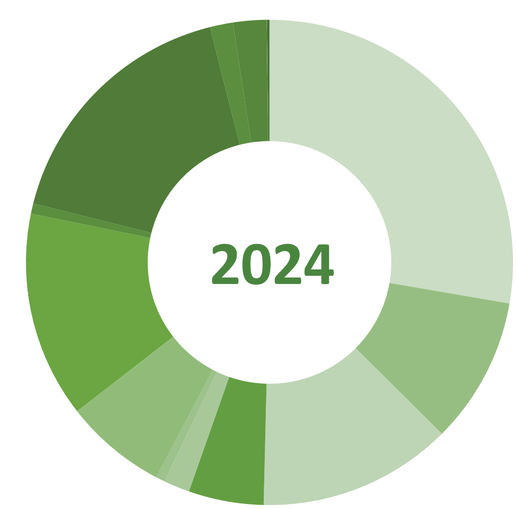
Share capital	25.90%
Revaluation surplus on property, plant and equipment	0.00%
Share premium	9.14%
Reserve for investment in subsidiaries	12.05%
Unappropriated profit	7.81%
Deferred taxation - net	1.43%
Staff retirement benefits	0.80%
Long-term financing - secured	4.10%
Lease liabilities	0.00%
Deferred income - government grant	0.02%

Composition of Statement of Financial Position



Non-Current and Current Assets

Property, plant and equipment	9.28%
Intangible assets	0.22%
Right-of-use asset	0.05%
Long-term deposits	0.21%
Long-term loans	0.09%
Long-term investments - subsidiaries	54.82%
Stores, spares and consumables	1.15%
Stock-in-trade	9.33%
Trade receivables	13.58%
Trade deposits and short-term prepayments	0.06%
Loans and advances	0.88%
Other receivables	0.62%
Current portion of loan to subsidiary	0.84%
Sales tax refundable	0.00%
Cash and bank balances	0.32%



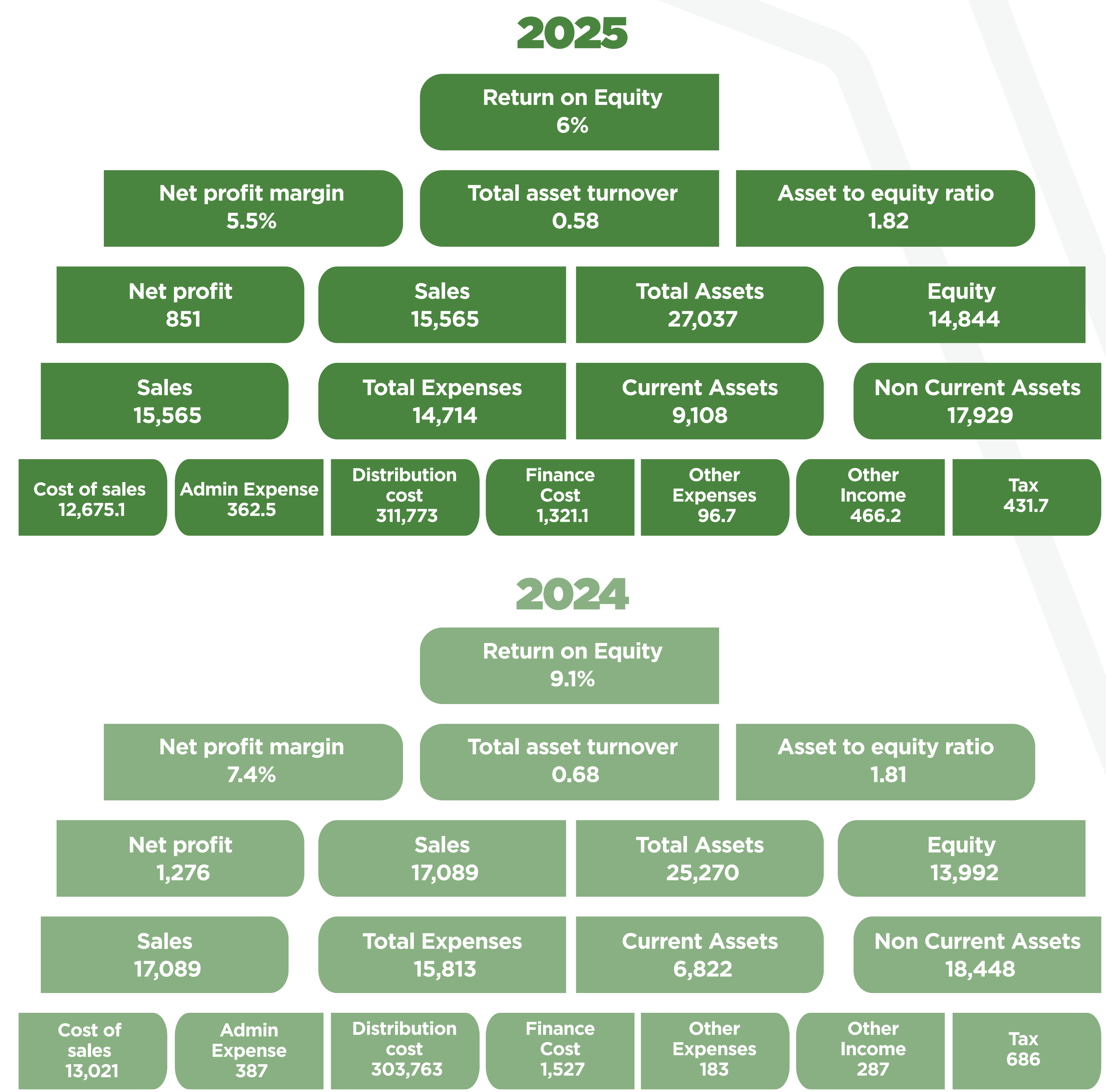
Equities and Liabilities

Share capital	27.71%
Revaluation surplus on property, plant and equipment	0.00%
Share premium	9.78%
Reserve for investment in subsidiaries	12.90%
Unappropriated profit	4.99%
Deferred taxation - net	1.73%
Staff retirement benefits	0.61%
Long-term financing - secured	6.73%
Lease liabilities	0.04%
Deferred income - government grant	0.03%

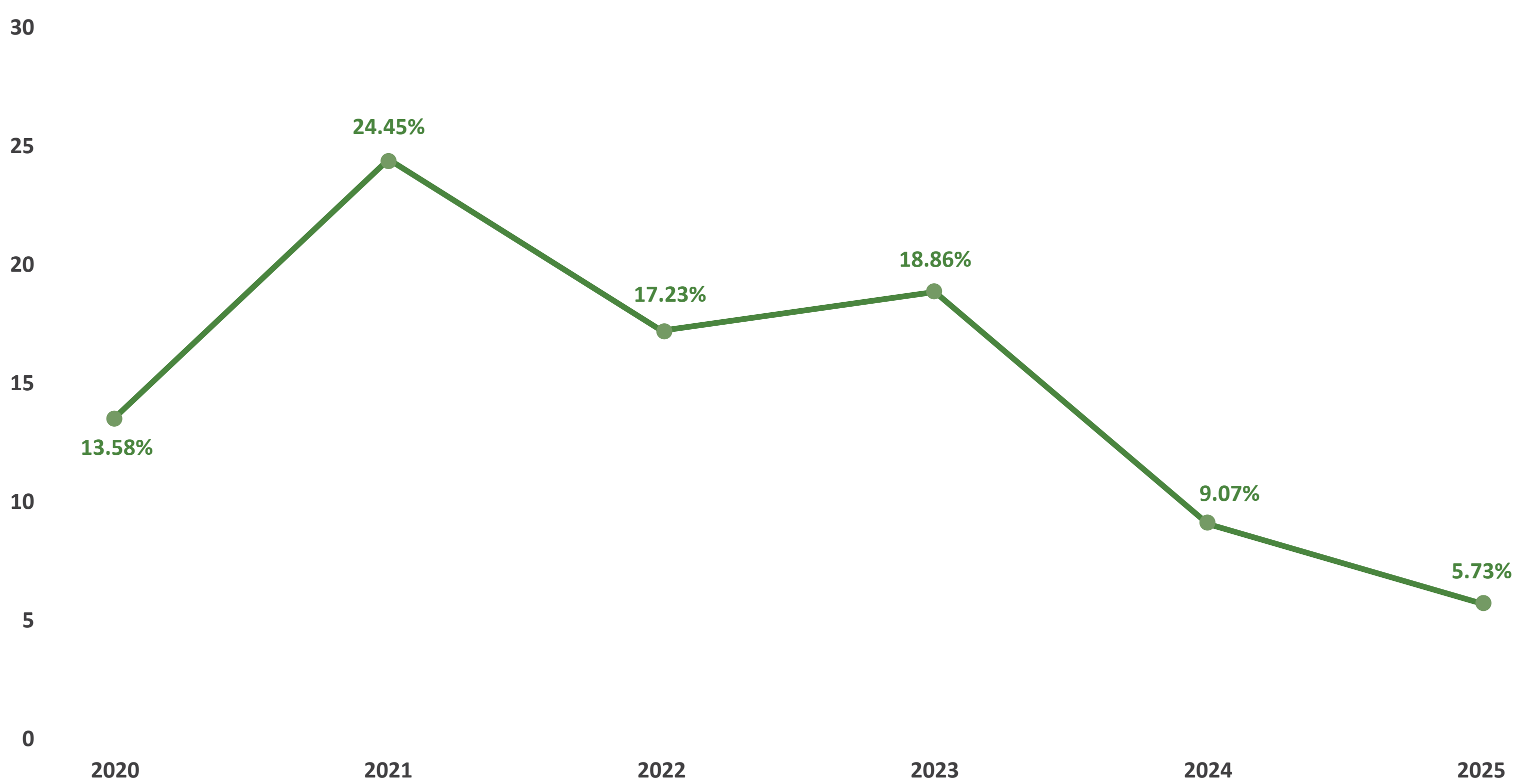
Ratio Analysis

	2025	2024	2023	2022	2021	2020
Profitability Ratios						
Return on equity / shareholder funds	5.7%	9.1%	18.9%	17.2%	24.5%	12.4%
Return on capital employed	15.7%	21.3%	28.3%	16.9%	25.7%	17.2%
Gross profit ratio	18.6%	23.8%	27.3%	19.8%	22.7%	17.0%
Net profit/Loss to sale	5.5%	7.4%	12.5%	12.6%	16.7%	8.6%
EBITDA margin to sale	18.1%	21.5%	25.2%	16.5%	22.9%	17.0%
Shareholders Funds	54.9%	55.4%	56.6%	63.8%	69.5%	60.7%
Liquidity Ratios						
Current ratio	0.9	0.8	0.9	1.4	1.7	1.5
Quick / Acid test ratio	0.6	0.5	0.5	0.8	0.9	1.0
Cash to Current Liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from Operations to Sales	(0.1)	0.1	0.2	0.0	0.2	0.1
Cash Flow to Capital Expenditure	(7.4)	0.5	0.5	0.2	1.2	1.7
Cash Flow Coverage Ratio	(0.2)	0.2	0.8	0.1	2.3	0.5
Activity / Turnover Ratios						
Inventory turnover	5.9	5.3	1.3	1.4	1.5	1.7
No of Days in Inventory	62	69	68	65	60	54
Debtor turnover ratio	3.7	5.8	7.6	7.8	8.3	6.3
No of Days in Receivables	97	63	48	47	44	58
Creditors turnover ratio	3.8	4.4	6.5	8.3	7.9	6.4
No of Days in payables	95	83	56	44	46	0
Total Assets turnover ratio	0.6	0.7	0.9	0.9	1.0	1.0
Fixed Assets turnover ratio	0.9	0.9	1.2	1.4	1.6	1.6
Operating Cycle	130	77	35	26	30	4
Investment / Market Ratios						
Earnings per share (EPS)	1.22	2.00	2.54	2.54	2.71	1.04
Price earning ratio	18.92	11.8	N/A	N/A	N/A	N/A
Break-up Value per share	21.20	19.98	17.52	23.85	17.88	17.87
Capital Structure Ratios						
Net assets per share	21.20	19.98	17.52	23.85	17.88	17.87
Financial Leverage ratio	2.9	2.7	2.5	3.7	2.6	2.7
Weighted average cost of debt	16.76%	23.15%	13.30%	5.73%	8.89%	17.32%
Total Debt to equity ratio	53.11%	47.14%	43.08%	25.89%	13.46%	22.10%
Long Term Debt to Equity Ratio	11.49%	16.15%	17.30%	0.48%	1.24%	0.00%
Interest coverage	2.0	2.3	6.0	13.0	24.3	5.0

Dupont Analysis



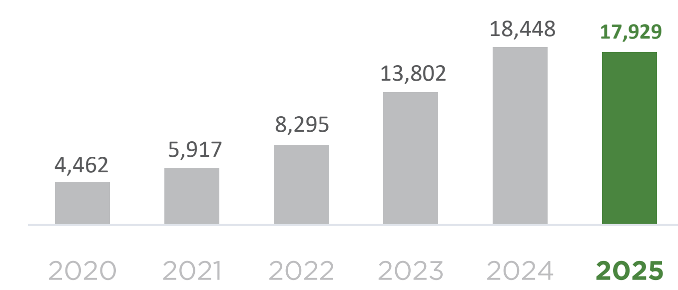
Graphical Presentation of DuPont Analysis



Graphical Presentation

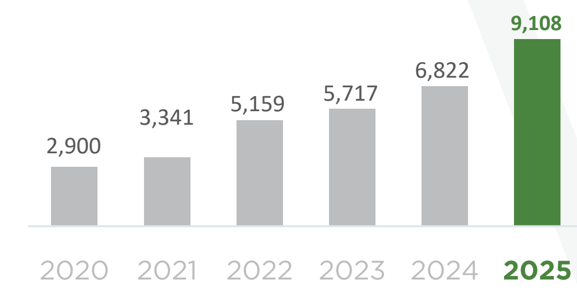
Non-Current Assets

Rs. in Million



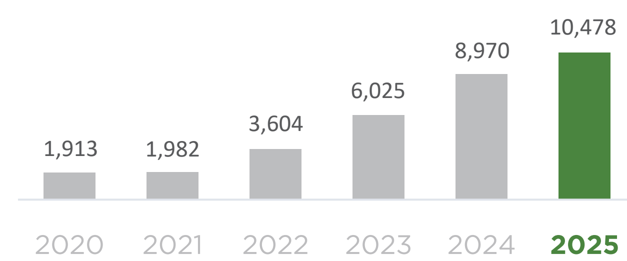
Current Assets

Rs. in Million



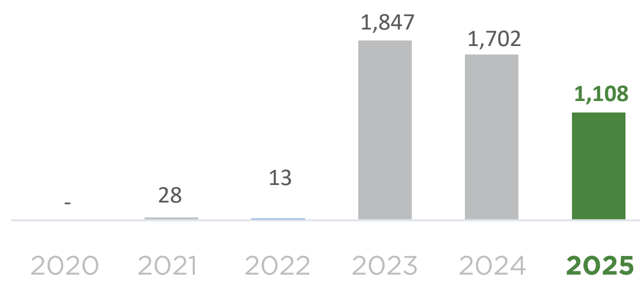
Current Liabilities

Rs. in Million



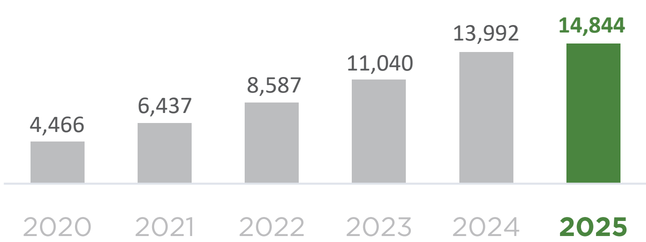
Long Term Borrowing

Rs. in Million

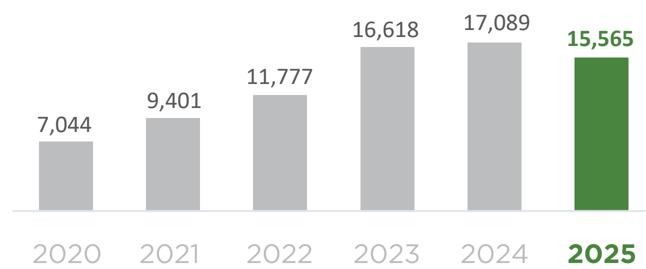


Graphical Presentation

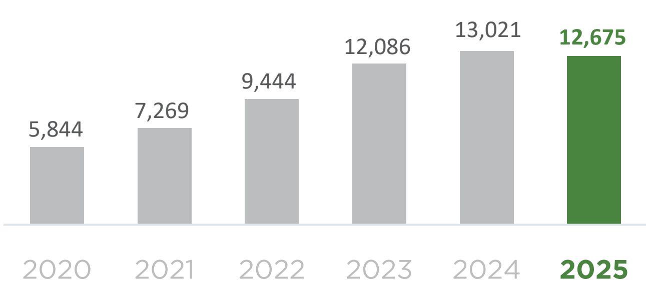
Equity & Reserves
Rs. in Million



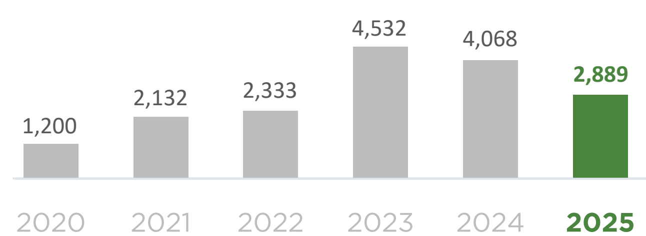
Sales
Rs. in Million



Cost of Goods Sold
Rs. in Million

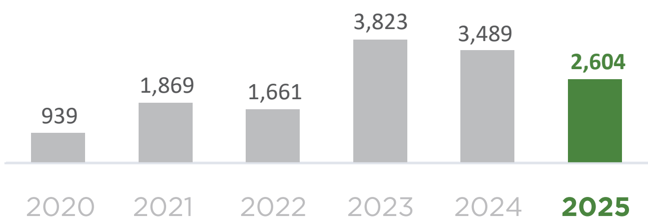


Gross Profit
Rs. in Million

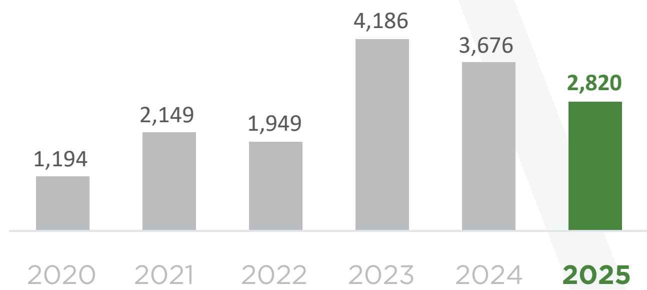


Graphical Presentation

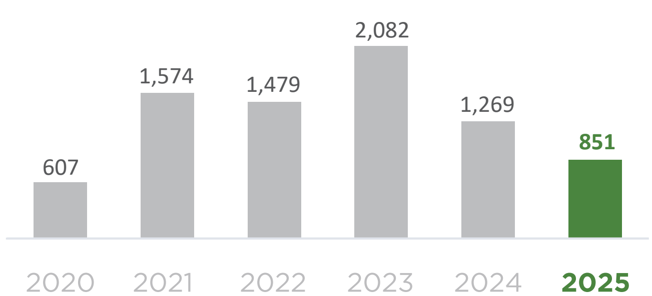
Operating Profit
Rs. in Million



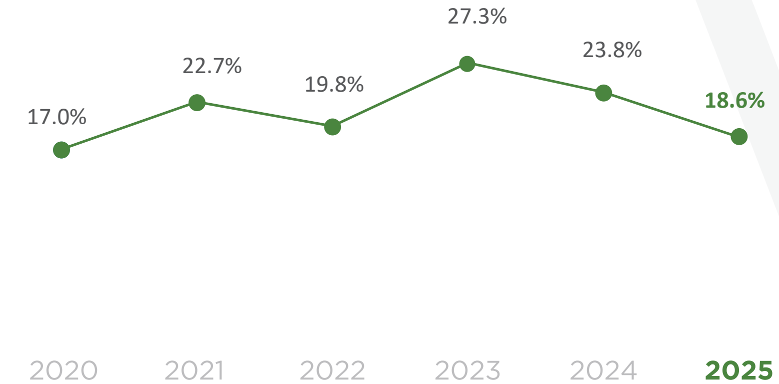
EBITDA
Rs. in Million



Net Profit / (Loss) after tax
Rs. in Million

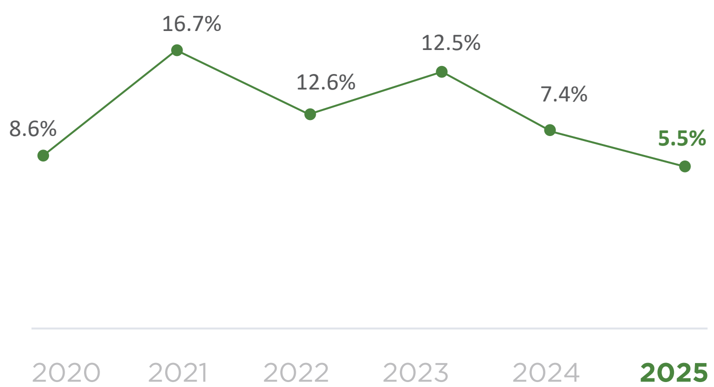


Gross Profit Margin

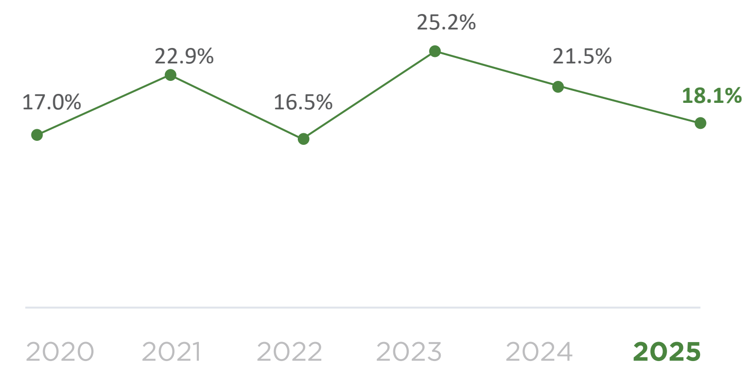


Graphical Presentation

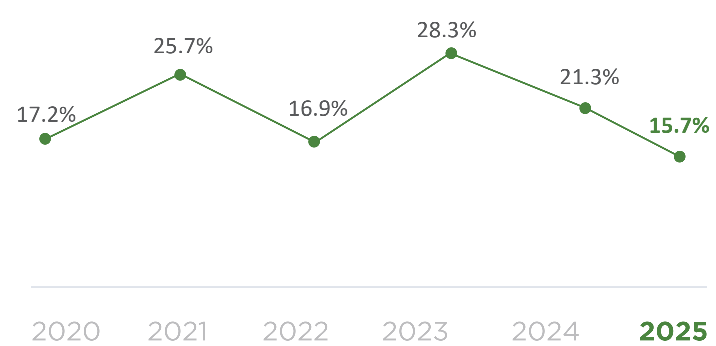
Net Profit / (Loss) Margin



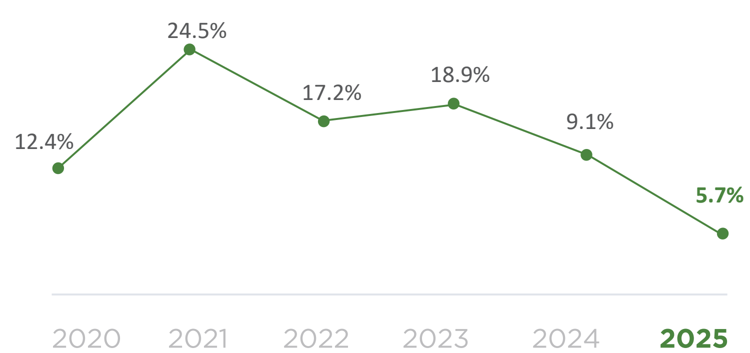
EBITDA Margin to Sales



Return on Capital Employed

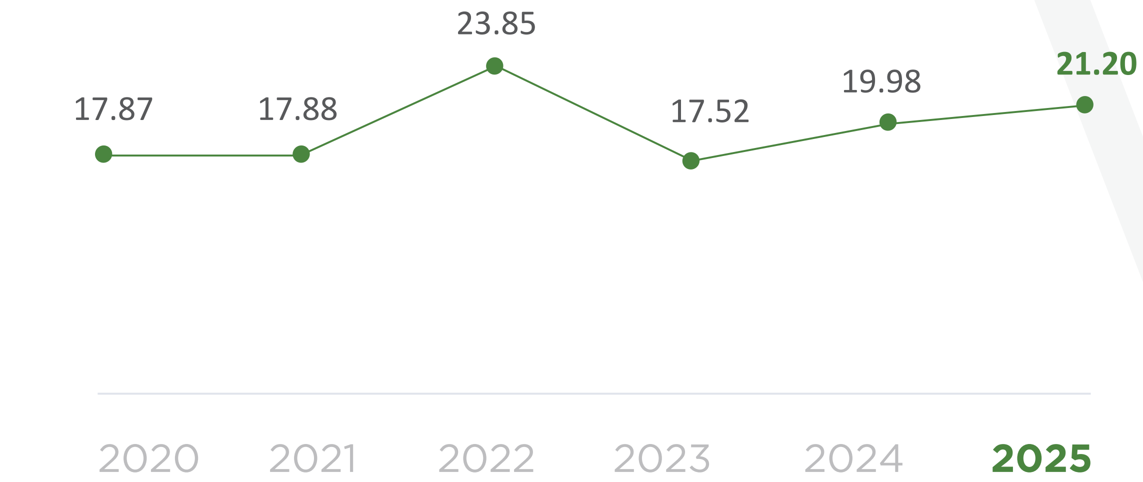


Return on Equity

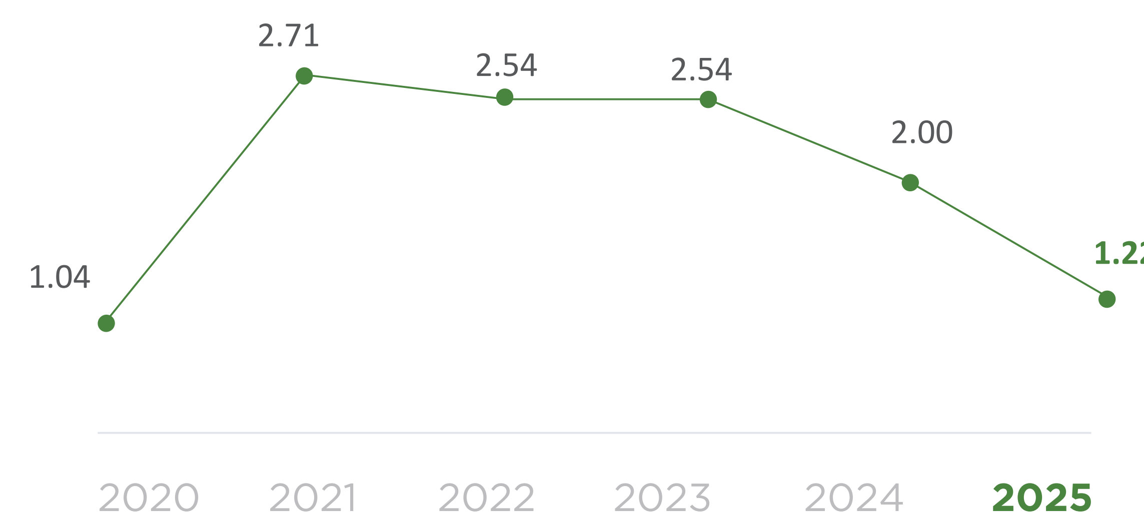


Graphical Presentation

Breakup Value Per Share

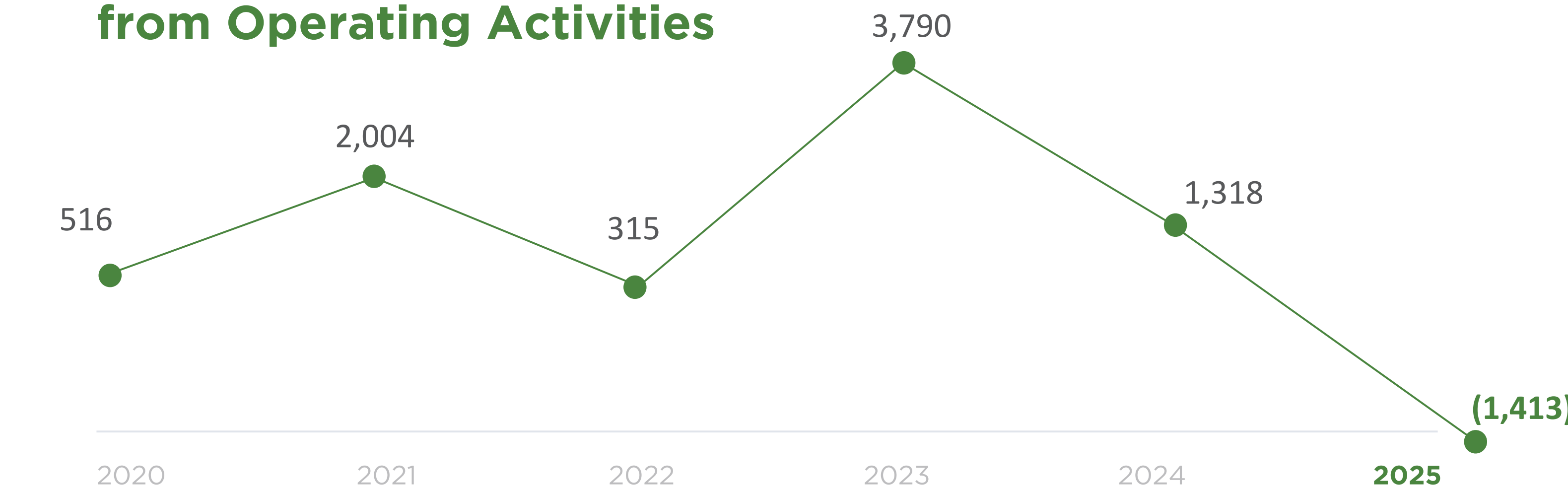


Earning Per Share

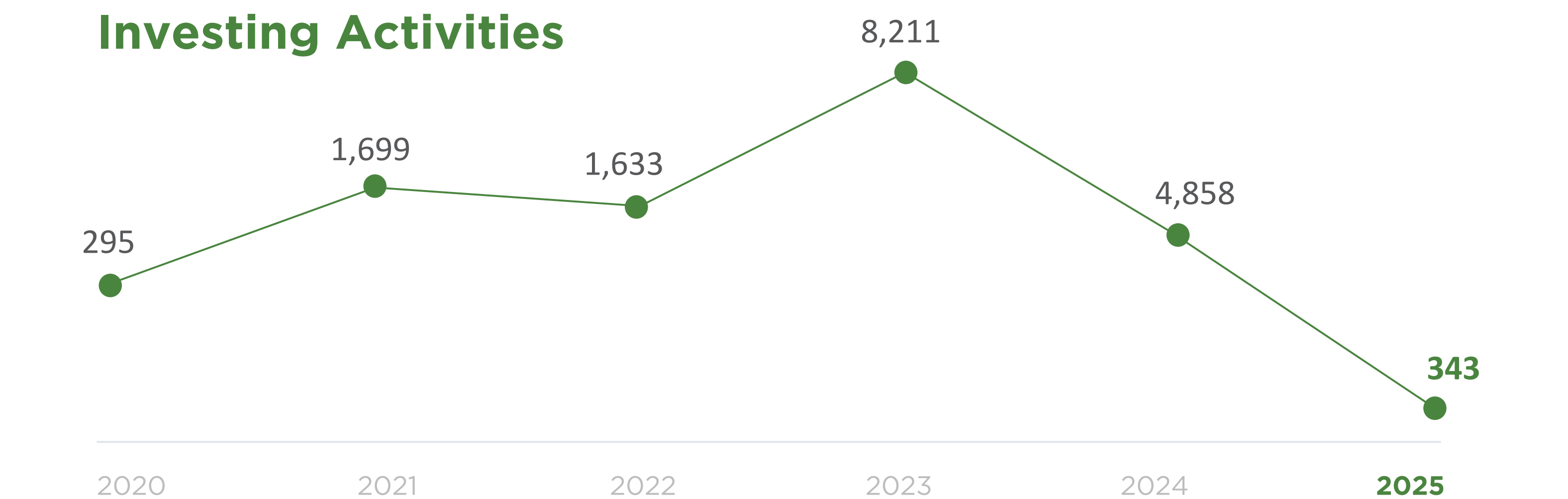


Graphical Presentation

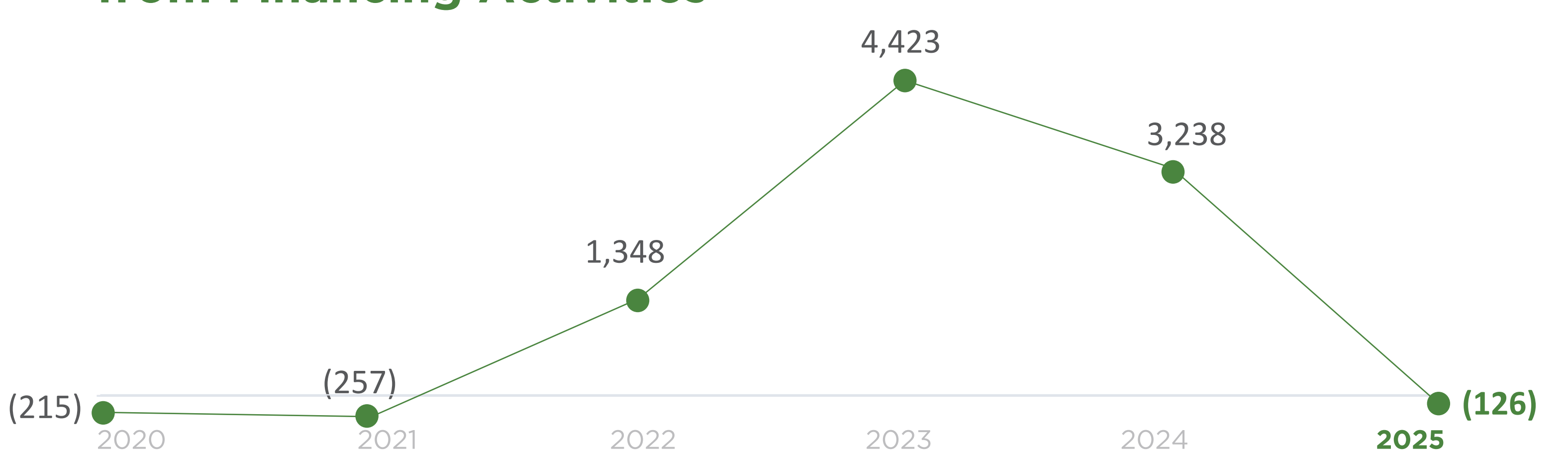
Cash Inflows / (Outflows) from Operating Activities



Cash Outflows from Investing Activities



Cash Inflows / (Outflows) from Financing Activities



Sources and Application of Funds

	2025	2024	2023	2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash generated from operations	569,952	3,577,619	4,573,453	565,005	2,143,393	830,461
Long-term deposit	(21,594)	(46,300)	(5,340)	-	-	(995)
Taxes paid	(585,603)	(723,561)	(237,907)	(153,990)	(65,620)	(101,457)
Increase in long-term loans	(10,332)	(13,227)	-	-	-	-
Finance costs paid	(1,351,286)	(1,467,578)	(530,147)	(94,016)	(73,932)	(211,890)
Gratuity paid	(14,318)	(9,435)	(10,178)	(1,676)	(218)	-
Net cash generated from operating activities	(1,413,181)	1,317,518	3,789,881	315,324	2,003,623	516,120
CASH FLOWS FROM INVESTING ACTIVITIES						
Fixed capital expenditure	(86,747)	(29,139)	(129,060)	(148,950)	(229,291)	(160,054)
Additions to intangibles	(6,727)	(90)	(48,834)	(7,143)	(165)	(859)
Investment in subsidiaries	(98,193)	(277,853)	(7,933,352)	(1,588,000)	(1,270,733)	-
Advance given against future issuance of shares	-	(2,406,928)	(124,073)	102,889	(219,373)	(135,600)
Profit on saving accounts	8,928	11,209	6,712	2,452	872	496
Proceeds from disposal of operating fixed assets	368	7,004	17,448	6,016	20,032	1,298
Payment against loan to subsidiaries	525,751	(2,162,208)	-	-	-	-
Net cash used in investing activities	343,380	(4,858,005)	(8,211,159)	(1,632,735)	(1,698,659)	(294,718)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds against right issue	-	-	2,088,197	-	-	-
Proceeds against IPO	-	1,763,978	-	-	-	-
Expenses incurred in relation to IPO	-	(79,767)	-	-	-	-
Dividends paid	-	-	-	-	(61,233)	(28,767)
Advance received against future issues of shares	-	-	-	-	23,547	83,680
Repayments of lease liabilities	(10,083)	(14,825)	(14,888)	(13,184)	(7,798)	-
Short term borrowings - net	408,143	1,206,516	527,852	1,395,619	(296,440)	(269,983)
Long-term financing - obtained	-	2,150,000	1,850,000	22,251	112,970	-
Long-term financing - repaid	(523,600)	(1,788,222)	(28,029)	(56,485)	(28,243)	-
Net cash generated from financing activities	(125,540)	3,237,680	4,423,132	1,348,201	(257,195)	(215,070)
Net cash (outflow)/inflow	(1,195,341)	(302,807)	1,854	30,790	47,769	6,332

Economic Value Added

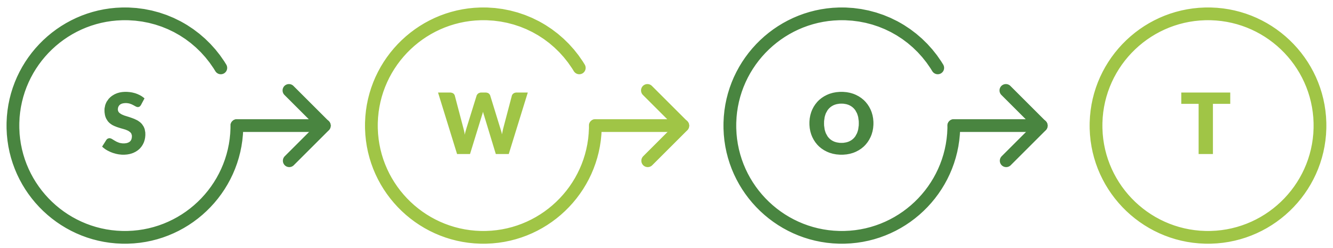
	2025	2024
	Rupees in thous and	
Operating profit	2,603,791	3,488,938
Income tax - net	(431,737)	(692,293)
Net Operating profit after tax	2,172,054	,796,645
Cost of Capital	(2,130,649)	(3,254,194)
Economic value added	41,405	(457,549)
Total Assets excluding CWIP	27,010,717	25,259,199
Current liabilities	(10,477,584)	(8,969,756)
Invested Capital	16,533,133	16,289,443
WACC %	12.9%	20.0%
Cost of capital	2,130,649	3,254,194

Business Rationale of Major Capital Expenditure/Projects

Business Rationale of Major Capital Expenditure/Projects

International Packaging Films Limited (IPAK) has adopted a distinctive model of expansion by strategically channeling its major capital investments through subsidiary companies. This approach enables the Company to enhance production capacities in a structured manner while simultaneously achieving tax synergies and ensuring transparent performance tracking for each expansion project. By separating projects under dedicated subsidiaries, IPAK maintains clear accountability, financial visibility, and operational focus for each investment, allowing for better evaluation of returns and risk management. This expansion model not only strengthens the Company's competitive edge but also ensures sustainable growth by aligning financial efficiency with operational excellence.

SWOT Analysis



Strengths	Weaknesses	Opportunities	Threats
Market leader in the flexible packaging films in Pakistan	High dependency on imported raw materials	Strong growth in domestic demand for flexible packaging	Currency exchange volatility impacting input costs
State-of-the-art technology and modern production facilities	Exposure to energy shortages affecting cost efficiency	Expansion opportunities in international markets	Rising interest rates due to macroeconomic instability
Fully equipped R&D function driving innovation and product improvement	Higher leverage levels	Portfolio diversification to meet evolving packaging needs	Increasing raw material prices in global markets
Strong brand reputation with established customer trust	Reliance on external suppliers for critical inputs	Adoption of latest technologies and digital solutions	Potential entry of new players in local market
Expansion model through subsidiaries ensuring tax synergies and transparent performance		Exploring niche markets and value-added product categories	Import restrictions affecting raw material availability
Eco-friendly, sustainable product portfolio aligned with global demand		Exploring renewable energy and alternate energy sources	Unfavorable law and order or regulatory environment
Competent and skilled workforce with best-in-class governance practices		Growing international footprint through exports	Regulatory or policy changes impacting business operations

Divisional Review of Business Performance

Subsidiaries' Business Performance

During FY 2025, the subsidiaries of IPAK delivered a strong performance, validating the Group's unique expansion model through separately managed entities.

Global Packaging Films (Private) Limited: The subsidiary posted robust growth, emerging as a key driver of Group sales. Its operations reached stability quickly, benefiting from efficient execution and strong market acceptance. The business has positioned itself as a reliable contributor to consolidated revenues and profitability.

Cast Packaging Films (Private) Limited: This subsidiary continued to demonstrate consistent operational performance, supporting the Group's overall market leadership. Its reliable output ensured steady margins and strengthened IPAK's local supply chain presence.

Petpak Films (Private) Limited (52% owned): After initial ramp-up challenges, it has shown improving performance and is now gradually strengthening its market position.

History of Major Events

Since its inception, International Packaging Films Limited (IPAK) has steadily evolved into Pakistan's leading producer of flexible packaging films, driven by innovation, strategic expansions, and operational excellence.

The journey began in 2015, when IPAK was incorporated as a private limited company. By 2017, the Company commenced commercial operations with the commissioning of its first state-of-the-art BOPP line, marking its entry into both local and export markets.

In the following years, IPAK strengthened its credibility by achieving global certifications and becoming a trusted supplier for multinational customers such as PepsiCo and BAT. These milestones reflected the Company's commitment to international quality standards and operational discipline.

Building on this foundation, 2020 witnessed a significant step forward with the incorporation of Cast Packaging Films (CPAK), a wholly owned subsidiary dedicated to CPP films. The expansion continued in 2021, when two more subsidiaries were established: Global Packaging Films (GPAK), fully owned by IPAK, and Petpak Films (PETPAK), a majority-owned venture, further broadening the Group's product range and market reach.

The year 2024 proved to be a breakthrough chapter in IPAK's history. With the commissioning of new BOPET and BOPP plants under PETPAK and GPAK respectively, IPAK became the largest manufacturer of packaging films in Pakistan. In the same year, the Company achieved multiple milestones — its successful listing on the Pakistan Stock Exchange, the establishment of IPAK Connect in the UAE to enhance its global footprint, and the implementation of SAP S/4HANA across the Group to drive digital transformation and real-time integration.

Carrying this momentum into 2025, IPAK delivered exceptional growth, led by a remarkable surge in exports and strong consolidated sales. This performance reflects the successful execution of its expansion model and reinforces its standing as a progressive, forward-looking company with a growing international presence.

Future Outlook

Forward Looking Statement

Looking ahead, IPAK remains committed to advancing its growth trajectory through a balanced focus on efficiency, innovation, and sustainability. In the short term, the Company will prioritize maximizing production capacity, improving the sales mix toward value-added films, optimizing its energy cost structure through renewables, and strengthening customer and supplier partnerships.

Over the medium term, IPAK aims to consolidate its leadership by expanding into new market segments, investing in advanced equipment and enabling technologies, and introducing sustainable film solutions, including recycled BOPP products. The Company's strategy is anchored in achieving cost leadership, market share growth across BOPP, BOPET, and CPP films, and continued product differentiation to serve diverse customer needs.

In the long run, IPAK envisions establishing itself as a global packaging brand. This includes broadening its international footprint through regional hubs, developing proprietary film technologies, and diversifying into adjacent flexible packaging products such as laminates, barrier coatings, biodegradable films, and pouches. Strategic partnerships, acquisitions, and innovation-driven growth will continue to shape IPAK's journey toward becoming a symbol of quality, sustainability, and innovation worldwide.

This forward-looking outlook reflects IPAK's strategic intent to strengthen its competitive edge, enhance stakeholder value, and create long-term sustainable growth.

Performance of the Entity as Compared to Last Year's Disclosures

IPAK Group delivered a significant growth compared to the previous year's disclosures. The Group's consolidated performance reflected strong top-line growth, driven by successful commissioning of new capacities, improved subsidiary contributions, and a sharp increase in exports.

Operational efficiency and disciplined cost management further strengthened gross and operating margins. Although finance costs rose due to higher working capital requirements for expansion projects, the overall profitability of the Group improved substantially, with the consolidated results shifting from a loss last year to a profit this year. On a standalone basis, the Company also demonstrated resilient performance, maintaining strong capacity utilization and achieving notable export-led growth, albeit with some margin compression due to the product and market mix. Overall, the IPAK Group's results underscore the effectiveness of its strategic investments and highlight a stronger, more competitive position compared to last year's disclosures.

Status of the Projects

All major expansion projects undertaken by the Group in recent years have been successfully completed. The new production lines installed under Petpak Films (Pvt.) Limited and Global Packaging Films (Pvt.) Limited were fully commissioned during 2024 and have since been contributing positively to consolidated performance. At present, there are no new capacity expansion projects under execution. The Company is instead focused on optimizing the performance of the recently commissioned lines, strengthening operational efficiencies, and ensuring that the benefits of these strategic investments are fully realized.

Sources of Information/ Assumptions

The assumptions and forward-looking assessments presented in this Report are based on the prevailing economic, business, and regulatory environment, as well as the Group's comprehensive internal risk evaluation. Information is derived from both internal and external sources, which are continuously monitored, validated, and updated to ensure accuracy and reliability.

Internal sources include inputs from IPAK's manufacturing, supply chain, finance, commercial, and strategy functions, as well as consolidated reporting from all subsidiaries. These inputs provide an integrated view of operations, efficiency, and capacity utilization across the Group.

External sources include insights from legal, technical, tax, and financial advisors, industry research, regulatory updates, and market intelligence. In addition, close engagement with banks, financial institutions, and consultants supports the evaluation of key assumptions such as interest rate outlook, currency fluctuations, and liquidity requirements.

The Company also benchmarks its assumptions against global packaging trends, export market dynamics, and sustainability requirements, ensuring a forward-looking and resilient strategic approach.

Business Model

IPAK's business model is designed to deliver sustainable growth and long-term value by combining robust inputs, differentiated business activities, and measurable outputs. The framework ensures that the Company not only achieves financial success but also contributes positively to its people, stakeholders, and the environment.

Inputs – The Foundation of Value Creation

- Financial Capital – Efficient capital allocation across operations enables IPAK to invest in advanced technology and capacity expansion, while maintaining a balanced structure that safeguards liquidity and financial strength.
- Human Capital – Our people remain IPAK's greatest asset. We attract, retain, and develop talent through competitive opportunities, continuous learning, and a culture of empowerment, collaboration, and innovation.
- Operational Excellence – Best-in-class manufacturing processes, automation, and quality controls ensure efficiency, reliability, and global standards of performance.
- Social & Relationship Capital – We prioritize enduring partnerships with customers, suppliers, regulators, and communities, built on trust, collaboration, and corporate responsibility.
- Natural Capital – Sustainability is integral to our business. IPAK optimizes natural resource utilization, develops eco-friendly packaging, and actively supports the transition to a circular economy.

Business Activities – Driving Competitive Edge

- Efficient Processes – Streamlined operations and automation improve productivity, reduce waste, and lower costs.
- Deployment of State-of-the-Art Technology – Advanced machinery and digital solutions enable scale, flexibility, and consistent product quality.
- Commitment to Quality – Rigorous quality assurance at every stage ensures products meet or exceed customer expectations.
- Continuous Innovation – Investment in R&D drives differentiated products and sustainable solutions, keeping IPAK ahead in the global packaging industry.
- Agility and Adaptability – A responsive operating model enables swift adjustment to evolving markets, consumer needs, and regulatory landscapes.
- Ethical Governance – Transparency, integrity, and accountability are embedded across all operations, reinforcing stakeholder confidence.

Outputs – Tangible and Sustainable Results

- Financial Growth – Consistent performance creates shareholder value through profitable operations and prudent investment decisions.
- Empowered Workforce – A motivated, high-performing team fosters a culture of leadership, innovation, and excellence.
- Efficient Manufacturing Platform – IPAK is recognized for one of the most advanced and efficient production systems in the packaging sector.
- Responsible Corporate Citizenship – Through CSR initiatives and sustainable product innovation, IPAK contributes meaningfully to society and the environment.

Stakeholders' Relationship and Engagement

Stakeholders' Relationship and Engagement

Connecting with Stakeholders

Our stakeholders remain central to IPAK's growth, sustainability, and long-term success. We continuously align our strategy to anticipate emerging trends, address potential risks, and maximize value creation for all key stakeholders — shareholders, employees, customers, suppliers, banks, regulators, and the wider community.

- Corporate Briefing Sessions: During the year, IPAK organized two (2) corporate briefing sessions on December 16, 2024 and June 25, 2025, where shareholders and analysts were apprised of market conditions, financial performance, project progress, and future outlook.
- Minority Shareholders: Equal opportunity for minority shareholders is ensured by facilitating their participation, opinions, and voting rights at general meetings.
- Investor Relations: A dedicated "Investor Relations" section on our website provides comprehensive financial and non-financial information for shareholders' guidance.
- AGM Proceedings: The 9th Annual General Meeting was held on October 23, 2024, where shareholders were briefed on financial results, economic challenges, and business outlook. The external auditors were also reappointed at this meeting.

2. Customers

Customer engagement remains at the heart of our operations. A specialized team maintains close interaction with customers, ensuring delivery of products and services that enhance their productivity and profitability, while exceeding their expectations.

3. Suppliers

Our partnerships with reliable and globally recognized suppliers enable us to maintain consistent product quality and efficiency. A dedicated procurement function ensures robust vendor management to anticipate and meet production requirements.

4. Banks

Our strong relationship with banks reflects their continued trust in IPAK, as demonstrated by substantial financial support extended during the year. We maintain this trust through timely updates on strategy, performance, and progress.

5. Regulators

Compliance with applicable laws and regulations — in both letter and spirit — remains a top priority. We actively engage with regulators through timely submissions, responses to queries, and participation in forums, ensuring adherence to best governance standards.

6. Community

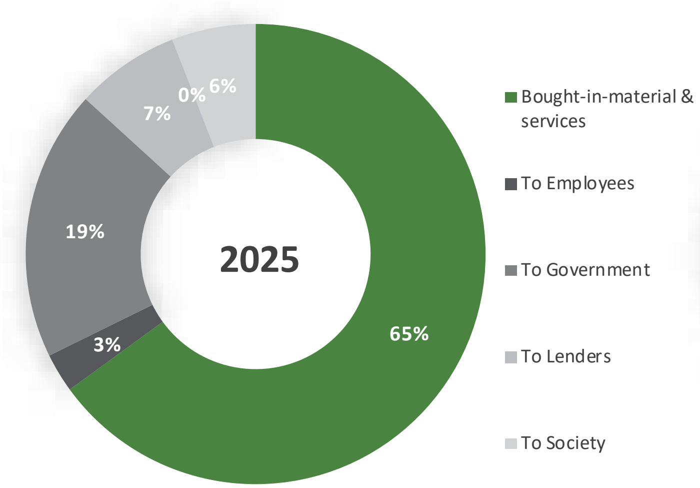
IPAK remains committed to social responsibility, with initiatives directed towards health, education, and welfare. Our CSR activities underscore our role as a responsible corporate citizen, contributing positively to the communities we serve.

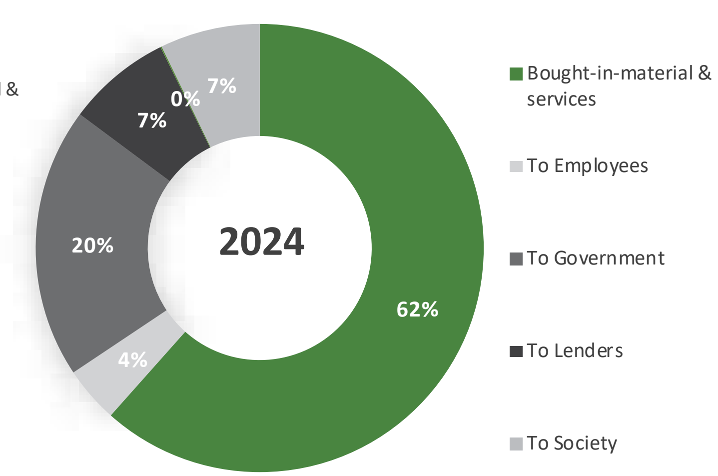
7. Employees

We believe that empowered employees drive business growth. Continuous investment is made in training, development, and engagement programs, including annual gatherings and surveys. Employee engagement surveys serve as a benchmark against peer organizations and provide insights into areas of improvement. The total number of employees is disclosed in the financial statements.

Wealth Generated & Distributed

	2025 Rs. In thousand	%	2024 Rs. In thousand	%
Wealth Generated				
Sales	17,563,310	97.4	19,909,204	98.6
Other Income	466,240	2.6	287,355	1.4
	18,029,550	100.0	20,196,559	100.0
Wealth Distributed				
Bought-in-material & services	11,716,197	65.0	12,436,610	61.6
To Employees				
Remuneration benefits and facilities	494,272	2.7	818,617	4.1
To Government				
Taxations, excises, custom duties, WWF.	3,432,140	19.0	3,946,899	19.5
To Lenders				
Mark up & finance cost	1,318,765	7.3	1,518,704	7.5
To Society				
Donations	1,343	0.0	19,185	0.1
Retained for Reinvestment & Future Growth				
Unappropriated Profit, Depreciation & Amortization	1,066,833	5.9	1,456,544	7.2
	18,029,550	100.0	20,196,559	100.0





Unreserved Statement of Compliance

IPAK has prepared its Annual Report 2025, including the financial statements, in full compliance with the Accounting and Reporting Standards as applicable in Pakistan. These include:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as notified under the Companies Act, 2017 (“the Act”);
- Provisions of and directives issued under the Act;
- Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Rule Book of Pakistan Stock Exchange (PSX);
- Integrated Reporting (IR) Framework issued by the International Integrated Reporting Council (IIRC); and
- Best Corporate Reporting practices as recommended by the Joint Committee of the Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost and Management Accountants of Pakistan (ICMA Pakistan).

Wherever the provisions of and directives issued under the Act differ from IFRS requirements, the provisions of and directives issued under the Act have been followed.

Reporting Period

This Annual Report covers the reporting period from July 1, 2024 to June 30, 2025. Any subsequent events up to the date of Board approval, i.e. September 18, 2025, have been disclosed in accordance with the applicable reporting standards.

Shariah Advisor Report

The Company is not required to appoint a Shariah Advisory Board hence no Shariah Advisor’s report has been issued for the year ended June 30, 2025.

Integrated Reporting Framework

In line with our commitment to transparency and accountability, IPAK continues to adopt the principles of Integrated Reporting, presenting both financial and non-financial information to provide a holistic view of the Company’s performance and long-term value creation. This approach enables stakeholders to better understand our strategy, resources, and governance while making informed decisions.

Integrated Reporting Approach

Our framework is guided by three fundamental concepts:

i. Value Creation – Delivering sustainable financial returns for providers of capital, while generating social and environmental impact through our CSR and sustainability initiatives.
ii. Capitals – Utilizing and strengthening six forms of capital: financial, manufactured, intellectual, human, social, and natural, to achieve integrated growth.
iii. Value Creation Process – Transforming these capitals into stakeholder value by combining innovation, operational efficiency, sustainability, and social responsibility.

Guiding Principles

In preparing this report, IPAK adheres to the International Integrated Reporting

Framework (IIRF), applying its key principles:

- Strategic focus and future orientation
- Materiality
- Connectivity of information
- Conciseness
- Stakeholder relationships
- Reliability and completeness
- Consistency and comparability

Governance and Oversight

The Board of Directors provides oversight of IPAK’s value creation strategy across the short, medium, and long term, ensuring alignment with the Company’s mission, stakeholder expectations, and sustainable growth objectives.

Integration of Sustainability & CSR

IPAK’s integrated reporting highlights not only financial performance but also its efforts toward sustainability and social responsibility. Initiatives such as renewable energy adoption, recyclable packaging solutions, and support for education, healthcare, and social inclusion form part of our broader approach to responsible growth.

Disclosure Beyond BCR Criteria

The Best Corporate Report (BCR), jointly established by ICAP and ICMA Pakistan, sets the benchmark for transparent and high-quality corporate disclosures. IPAK has prepared its Annual Report 2025 in line with BCR criteria, ensuring balanced, clear, and comprehensive reporting for stakeholders.

In addition, the report integrates non-financial information covering Sustainability and CSR initiatives, aligned with the United Nations Sustainable Development Goals (SDGs), thereby reinforcing our commitment to responsible growth and long-term value creation.

Unconsolidated Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To the members of International Packaging Films Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of International Packaging Films Limited (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2025, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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KARACHI LAHORE ISLAMABAD

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Following are the Key audit matters:

S. No.	Key audit matters	How the matters were addressed in our audit
(i)	**Revenue from contracts with customers** ***(Refer notes 3.13 and 30 to the unconsolidated financial statements)*** The principal activity of the Company is manufacturing and sale of flexible packaging materials mainly comprising of BOPP (Biaxially-oriented Polypropylene) films and allied products. Revenue is recognised when performance obligation is satisfied by transferring control of promised goods to a customer. We considered revenue recognition as a key audit matter as it is an area of significant audit risk as part of the audit process.	Our audit procedures amongst others included the following: - assessed the design, implementation and operating effectiveness of key internal controls involved in revenue recognition; - understood and evaluated the accounting policy with respect to revenue recognition; - performed testing of revenue on a sample basis with underlying documentation including dispatch documents and sales invoices; - performed cut-off procedures on sample basis to ensure sales have been recorded in the correct period; - verified that sales prices are negotiated and approved by appropriate authority; and - ensured that presentation and disclosures related to revenue are being addressed appropriately.

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S. No.	Key audit matters	How the matters were addressed in our audit
(ii)	**Change in accounting policy for remeasurement of certain classes of property, plant and equipment** ***(Refer note 3.23 to the unconsolidated financial statements)*** The Company has changed its accounting policy in respect of measurement of certain classes of its property, plant and equipment (i.e. freehold land, buildings on freehold land and plant & machinery). These are now being carried at cost less accumulated depreciation and impairment, if any. Previously, these were carried at revalued amounts less accumulated depreciation and impairment, if any. The above change in accounting policy has been applied retrospectively in accordance with IAS 8 'Accounting policies, changes in accounting estimates and errors'. Due to the significance of the judgement involved in determining the appropriateness of the change in accounting policy under the requirements of the applicable financial reporting standards, we have considered the same as a key audit matter.	Our audit procedures, amongst others, included the following: - evaluated the rationale provided by the management for the change in accounting policy and its appropriateness based on the requirements of IAS 8 and the given facts and circumstances of the Company. In this regard, we considered the allowability of using the new accounting policy under the requirements of the accounting and reporting standards as applicable in Pakistan as well as practices followed by other businesses comparable with the Company across its business segments locally and internationally. Such analysis was aimed to assess the appropriateness of the change in accounting policy with the objective of providing most relevant and reliable information to the users of the financial statements; - reviewed minutes of the meetings of the Board of Directors and Audit Committee for the considerations and discussions triggering the change in accounting policy and its approval by the Audit Committee and the Board; - checked the accuracy of application of the new accounting policy through retrospective restatement of the carrying amounts in the unconsolidated financial statements and the adequacy of the disclosures made in this regard as required under the accounting and reporting standards as applicable in Pakistan.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the unconsolidated and consolidated financial statements and our auditor's reports thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

(a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

(b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

(c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

(d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Junaid Mesia.

AFerguson &Co

A. F. Ferguson & Co
Chartered Accountants
Karachi

Date: October 1, 2025

UDIN: AR202510611cU7JTewWE

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

	Note	June 30, 2025	(Restated) June 30, 2024	(Restated) July 01, 2023
		-----------(Rupees in '000)-----------		
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	4	2,230,534	2,345,290	2,520,511
Right-of-use assets	5	5,366	12,247	36,671
Intangible assets	6	53,653	54,380	61,115
Long-term investments - subsidiaries	7	13,951,215	13,853,022	11,168,241
Long-term loan to subsidiary	15	1,581,104	2,108,141	-
Long-term loans	8	32,594	22,262	9,035
Long-term deposits		74,265	52,671	6,371
		17,928,731	18,448,013	13,801,944
CURRENT ASSETS				
Stores, spares and consumables	9	401,014	291,403	258,650
Stock-in-trade	10	1,968,924	2,357,955	2,588,702
Trade receivables	11	4,870,537	3,431,798	2,474,715
Loans and advances	12	150,108	221,336	104,659
Trade deposits and short-term prepayments	13	29,410	15,294	19,318
Other receivables	14	719,600	157,076	43,014
Sales tax refundable		34,347	-	65,324
Current portion of loan to subsidiary	15	549,461	212,657	-
Short-term loan to subsidiary	15	62,702	54,067	-
Cash and bank balances	16	321,812	80,752	162,618
		9,107,915	6,822,338	5,717,000
TOTAL ASSETS		27,036,646	25,270,351	19,518,944
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Share capital				
Issued, subscribed and paid-up capital	17	7,002,000	7,002,000	6,300,945
Capital reserves				
Share premium	18	2,470,722	2,470,722	1,487,566
Reserve for investment in subsidiaries	19	3,259,000	3,259,000	-
Revenue reserves				
Unappropriated profit		2,111,868	1,259,985	3,251,135
TOTAL SHAREHOLDERS' EQUITY		14,843,590	13,991,707	11,039,646
LIABILITIES				
NON-CURRENT LIABILITIES				
Long-term financing - secured	20	1,108,234	1,701,622	1,846,833
Deferred income - government grant	21	5,180	7,714	7,900
Deferred taxation - net	22	385,947	436,916	464,747
Staff retirement benefits	23	216,111	153,093	103,922
Lease liabilities	24	-	9,543	30,988
		1,715,472	2,308,888	2,454,390
CURRENT LIABILITIES				
Trade and other payables	25	3,142,158	3,468,182	2,488,380
Contract liabilities	26	262,939	172,076	225,179
Short-term borrowings - secured	27	6,178,753	4,335,872	2,845,546
Current portion of long-term financing - secured	20	597,185	558,255	63,007
Current portion of deferred income - government grant	21	893	352	352
Current portion of lease liabilities	24	10,846	9,092	10,836
Sales tax payable		-	38,788	-
Taxation - net	28	284,810	387,139	391,608
		10,477,584	8,969,756	6,024,908
TOTAL LIABILITIES		12,193,056	11,278,644	8,479,298
CONTINGENCIES AND COMMITMENTS	29			
TOTAL EQUITY AND LIABILITIES		27,036,646	25,270,351	19,518,944

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

Naveed Godil Chief Executive Officer	Saad Amanullah Khan Director & Chairman Board Audit Committee	Syed Haris Salim Chief Financial Officer

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	(Restated) 2024
		----------(Rupees in '000)----------	
Revenue from contracts with customers	30	15,564,535	17,088,885
Cost of sales	31	(12,675,079)	(13,021,108)
Gross profit		2,889,456	4,067,777
Selling and distribution expenses	32	(311,773)	(303,763)
Administrative expenses	33	(362,532)	(386,812)
Reversal of charge against loss allowance on trade receivables	11.5	19,134	7,666
Other operating expenses	34	(96,734)	(183,285)
Total operating expenses		(751,905)	(866,194)
Other income	35	466,240	287,355
Operating profit		2,603,791	3,488,938
Finance costs	36	(1,321,059)	(1,527,181)
Profit before levies and income tax		1,282,732	1,961,757
Levies - final tax	37	-	(6,348)
Profit before income tax		1,282,732	1,955,409
Income tax expense	38		
- Current		(483,274)	(712,744)
- Deferred		51,537	26,799
		(431,737)	(685,945)
Profit for the year after taxation		850,995	1,269,464
			(Restated)
		-------- (Rupees) --------	
Earnings per share - basic and diluted	39	1.22	2.00

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

Naveed Godil Chief Executive Officer	Saad Amanullah Khan Director & Chairman Board Audit Committee	Syed Haris Salim Chief Financial Officer

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	(Restated) 2024
		-----------(Rupees in '000)-----------	
Profit for the year after taxation		850,995	1,269,464
Other comprehensive income			
Items that will not be subsequently reclassified to unconsolidated statement of profit or loss			
Remeasurement gain / (loss) on defined benefit plans	23	1,456	(2,646)
Related deferred tax (charge) / credit for the year		(568)	1,032
		888	(1,614)
Other comprehensive income / (loss) for the year - net of tax		888	(1,614)
Total comprehensive income for the year		851,883	1,267,850

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

Naveed Godil
Chief Executive Officer

Saad Amanullah Khan
Director & Chairman
Board Audit Committee

Syed Haris Salim
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid-up capital	Capital reserves			Revenue reserve	Total
		Share premium	Reserve for investment in subsidiaries	Revaluation surplus on property, plant and equipment	Unappropriated profits	
	--(Rupees in '000)--					
Balance as at July 1, 2023 - As previously reported	6,300,945	1,487,566	-	1,575,520	3,251,135	12,615,166
Effect of retrospective application of change in accounting policy (net of tax) - note 3.23	-	-	-	(1,575,520)	-	(1,575,520)
Balance as at July 1, 2023 - Restated	6,300,945	1,487,566	-	-	3,251,135	11,039,646
Profit for the year - Restated	-	-	-	-	1,269,464	1,269,464
Other comprehensive loss for the year	-	-	-	-	(1,614)	(1,614)
Total comprehensive income for the year - Restated	-	-	-	-	1,267,850	1,267,850
Transferred from unappropriated profits to reserve for investment in subsidiaries	-	-	3,259,000	-	(3,259,000)	-
Transactions with owners in their capacity as owners						
Issuance of 70,105,455 ordinary shares each fully paid in cash	701,055	1,062,923	-	-	-	1,763,978
Write off of expenses on account of issue of shares through Initial Public Offering - note 18	-	(79,767)	-	-	-	(79,767)
Balance as at June 30, 2024 - Restated	7,002,000	2,470,722	3,259,000	-	1,259,985	13,991,707
Profit for the year	-	-	-	-	850,995	850,995
Other comprehensive income for the year	-	-	-	-	888	888
Total comprehensive income for the year	-	-	-	-	851,883	851,883
Balance as at June 30, 2025	7,002,000	2,470,722	3,259,000	-	2,111,868	14,843,590

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

Naveed Godil
Chief Executive Officer

Saad Amanullah Khan
Director & Chairman
Board Audit Committee

Syed Haris Salim
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	(Restated) 2024
		-----------(Rupees in '000)-----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	40	569,952	3,577,619
Finance costs paid		(1,351,286)	(1,467,578)
Staff retirement benefits paid		(14,318)	(9,435)
Income tax and levies paid		(585,603)	(723,561)
Decrease in long-term loans		(10,332)	(13,227)
Increase in long-term deposits		(21,594)	(46,300)
		(1,983,133)	(2,260,101)
Net cash (used in) / generated from operating activities		(1,413,181)	1,317,518
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(86,747)	(29,139)
Acquisition of intangible assets		(6,727)	(90)
Investment in subsidiaries		(98,193)	(277,853)
Amounts paid against future issuance of shares		-	(2,406,928)
Return on PLS savings accounts		8,928	11,209
Proceeds from disposal of property, plant and equipment		368	7,004
Amount received / (paid) against loan to subsidiaries		525,751	(2,162,208)
Net cash generated from / (used in) investing activities		343,380	(4,858,005)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares through Initial Public Offering (IPO)		-	1,763,978
Expenses incurred in relation to IPO		-	(79,767)
Lease rentals paid		(10,083)	(14,825)
Receipt of short-term borrowings - net		408,143	1,206,516
Proceeds from long-term financing		-	2,150,000
Repayment of long-term financing		(523,600)	(1,788,222)
Net cash (used in) / generated from financing activities		(125,540)	3,237,680
Net decrease in cash and cash equivalents		(1,195,341)	(302,807)
Cash and cash equivalents at beginning of the year		(140,189)	162,618
Cash and cash equivalents at end of the year	41	(1,335,530)	(140,189)

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

Naveed Godil	Saad Amanullah Khan	Syed Haris Salim
Chief Executive Officer	Director & Chairman Board Audit Committee	Chief Financial Officer

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

1. THE COMPANY AND ITS OPERATIONS

International Packaging Films Limited (the "Company") was incorporated in Pakistan as a private limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) on October 2, 2015, and is domiciled in the province of Sindh. On June 11, 2021, the Company's status was converted into a public limited company, and the Company was subsequently listed on the Pakistan Stock Exchange Limited on June 3, 2024.

The Company is principally engaged in the manufacturing and sale of flexible packaging materials mainly comprising of BOPP (Biaxially-oriented Polypropylene) films and allied products. The Company commenced its commercial operations effective in September 2017.

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

- The registered office of the Company is situated at Plot No. 40-L-1, P.E.C.H.S., Block 6, near Jason Trade Centre, Karachi, Sindh.

- The manufacturing plant of the Company is situated at IPAK Plant, Manga Chowk, Raiwind, Bypass road, Raiwind district, Lahore, Punjab.

These unconsolidated financial statements are separate financial statements of the Company in which investments in subsidiaries have been accounted for at cost less accumulated impairment losses, if any. Details of the Company's investment in subsidiaries are stated in note 7 to these unconsolidated financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Accounting Standards) 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 (ICAP) as are 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 Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention except for certain items as disclosed in the relevant accounting policies below.

2.3 Functional and presentation currency

These unconsolidated financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.4 Use of estimates and judgements

The preparation of unconsolidated financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Information about the judgements made by the management in the application of the accounting policies, that have the most significant effect on the amount recognized in these unconsolidated financial statements, assumptions and estimation uncertainties with significant risk of material adjustment to the carrying amount of assets and liabilities in future periods are described in the following notes:

- Property, plant and equipment (notes 3.1 & 4)
- Lease liability and right-of-use assets (notes 3.3, 5 & 24)
- Trade receivables (notes 3.5.2.1 & 11)
- Stores, spares and consumables (notes 3.7 & 9)
- Stock-in-trade (notes 3.8 & 10)
- Taxation (notes 3.9, 28 & 38)
- Staff retirement benefits (notes 3.11 & 23)
- Impairment of financial and non-financial assets (note 3.16)

2.5 Initial application of a Standard, Amendment or an Interpretation to an existing standard

a) Standards, amendments to published standards and interpetations 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 July 1, 2024. However, these do not have any significant impact on the Company's financial reporting and have not been disclosed in these financial statements, except for the following:

Amendment to IAS 1 - Non - current liabilities with covenants:

An amendment to IAS 1 'Presentation of Financial Statements' (IAS-1) was introduced addressing the classification of non-current liabilities subject to covenants. This amendment clarifies that liabilities should be classified as either current or non-current based on the rights available at the end of the reporting period, without consideration of future expectations or events occurring after this date. The amendment also mandates specific disclosures if a liability is classified as non-current but is subject to covenants that must be complied with within twelve months of the reporting date.

b) Standards, amendments to published standards and interpretations 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 July 1, 2025. The following amendments and standard have not been early adopted by the Company:

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective January 1, 2026):

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of Environment, Social and Governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (effective January 1, 2027):

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The management is in process of assessing the impact of above changes.

Other than above, there are standards and certain amendments to accounting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on July 01, 2025. Such standards and amendments are not expected to have any significant impact in the Company's financial reporting and, therefore, have not been presented in these financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these unconsolidated financial statements are set out below. These policies have been consistently applied to all the years presented.

3.1 Property, plant and equipment

3.1.1 Operating assets and depreciation

Initial recognition

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of such item can be measured reliably. Recognition of the cost in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The costs of property, plant and equipment include:

(a) its purchase price including import duties, non-refundable purchase taxes after deducting trade discounts and rebates; and

(b) any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) Borrowing costs, if any.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure

Expenditure incurred to replace a significant component of an item of plant and equipment is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the items can be measured reliably. All other expenditures (including repairs and normal maintenance) are recognised in the unconsolidated statement of profit or loss as an expense when it is incurred.

Depreciation

Depreciation on all items except for land is charged on straight line method at the rates specified in note 4.1 to these unconsolidated financial statements and is generally recognised in the unconsolidated statement of profit or loss. Depreciation on addition is charged from the month the asset is available for use up to the month prior to disposal. Depreciation methods, useful lives and residual values of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposal

Gains and losses on disposal of assets are taken to the unconsolidated statement of profit or loss.

3.1.2 Capital work-in-progress

Capital work-in-progress is stated at cost less impairment loss, if any and consists of expenditure incurred (including any borrowing cost, if applicable) and advances made in the course of their acquisition, erection, construction and installation, including salaries and wages directly attributable to capital work-in-progress, determined by the management. Transfers are made to relevant asset category as and when assets are available for intended use.

3.2 Intangible assets

Intangible assets are initially recognised at cost less accumulated amortisation and impairment losses, if any. Costs that are directly associated with identifiable software that will have probable economic benefits exceeding one year are recognised as an intangible asset. Costs associated with maintaining software are recognised as an expense as and when incurred.

Amortisation is charged to unconsolidated statement of profit or loss by applying the straight-line basis whereby the carrying amount of an asset is amortised over its estimated useful life to the Company unless such life is indefinite. Amortisation is charged from the month the asset is available for use, while in case of disposal it is charged up to the month prior to disposal.

The Company accounts for impairment, where indications exist, by reducing asset's carrying amount to the recoverable amount.

3.3 Lease liability and right-of-use assets

The Company, as a lessee, has recognised right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligations to make lease payments.

At inception of a contract, the Company assesses whether a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Company mainly leases properties for its business activities. The Company recognises a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Dismantling costs and restoration costs.

The Company has various lease agreements for its head office, staff quarters, warehouses and guest houses. Under IFRS 16, the Company recognises right-of-use assets and lease liabilities for all the leases - i.e. these leases are on statement of financial position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the entity's incremental borrowing rate being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the unconsolidated statement of profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Company has not elected to recognise right-of-use assets and lease liabilities for short-term leases of properties that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.4 Investments

Investments in subsidiaries

Investments in subsidiaries are initially recognised and carried at cost. The carrying amount of investments is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists the investment's recoverable amount is estimated which is the higher of its value in use and its fair value less cost to sell. An impairment loss is recognised if the carrying amount exceeds its recoverable amount.

Impairment losses are recognised in the unconsolidated statement of profit or loss. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount but limited to the extent of initial cost of investments. A reversal of impairment loss is recognised in the unconsolidated statement of profit or loss.

3.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.5.1 Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at FVOCI	These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in the unconsolidated statement of profit or loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the unconsolidated statement of profit or loss.
Equity Investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the unconsolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the unconsolidated statement of profit or loss.

Subsequent measurement

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in the unconsolidated statement of profit or loss.
Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest / markup income, foreign exchange gains and losses and impairment, if any, are recognised in the unconsolidated statement of profit or loss.

3.5.2 Non-derivative financial assets

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and include trade receivables, deposits, advances, other receivables and cash and cash equivalents. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

3.5.2.1 Trade receivables, advances and other receivables

These are classified at amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off where there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss as detailed in note 11.5 to these unconsolidated financial statements.

3.5.2.2 Cash and cash equivalents

Cash and cash equivalents are carried in the unconsolidated statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand, demand deposits and other short term highly liquid investments with a maturity of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents also include bank overdrafts / short term borrowings.

3.5.3 Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are recognised initially at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these are measured at amortised cost using the effective interest rate method.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the unconsolidated statement of profit or loss.

3.5.3.1 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised costs.

3.5.3.2 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the unconsolidated statement of financial position if the Company has a legally enforceable right to offset the recognised amounts and intends either, to settle on a net basis or, to realise the asset and settle the liability simultaneously.

3.6 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

3.7 Stores, spares and consumables

These are stated at weighted average cost less provision against slow-moving items, if any. For items which are slow moving and / or identified as surplus to the Company's requirements, adequate provision is made for any excess book value over net realizable value. Provision is made for obsolete and slow moving items where necessary and is recognised in the unconsolidated statement of profit or loss.

3.8 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realisable value (NRV). Cost is determined using weighted average method. NRV is estimated with reference to the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale. Cost comprises all costs of purchase and other cost incurred in bringing the inventories to their present location and condition.

Stock-in-transit is valued at cost comprising invoice price and charges thereto up to the reporting date.

Provision for obsolescence is made where necessary and recognised in unconsolidated statement of profit or loss.

3.9 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the unconsolidated statement of profit or loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by the Company, the management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years.

Provisions for current taxation is based on taxability of certain income streams of the Company under final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credits and tax rebates available, if any. Provisions of current tax is determined using the tax rate enacted at the reporting date.

Deferred tax

Deferred tax is recognised using balance sheet liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the tax rates enacted or substantively enacted at the reporting date.

The Company recognises a deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Further, the Company also recognises deferred tax liability on the surplus on revaluation of property, plant and equipment which is adjusted against the related surplus.

Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the unconsolidated statement of profit or loss as these levies fall under the scope of IFRIC 21 / IAS 37.

3.10 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

3.11 Staff retirement benefits

3.11.1 Defined benefit plan

The Company operates a defined benefit plan i.e. unapproved and unfunded gratuity scheme for its permanent employees. The gratuity scheme has been introduced with effect from July 1, 2020. The eligible service for the purpose of gratuity benefits shall be calculated from the date of appointment or July 1, 2020 whichever is later.

The Company's obligation under the gratuity scheme is determined through actuarial valuations carried out under the "Projected unit Credit Method". Actuarial valuations are conducted annually, and the latest valuation was conducted at the reporting date, June 30, 2025. Service costs are recognised in unconsolidated statement of profit or loss in the period in which they occur. Net interest on net defined benefit liability is also recognised in unconsolidated statement of profit or loss. Net of tax remeasurement comprising actuarial gain / (loss) is recognised in unconsolidated statement of comprehensive income.

3.12 Foreign currency transactions and translation

Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange approximating those prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange ruling on the reporting date. Exchange differences are included in the unconsolidated statement of profit or loss currently.

3.13 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates, and sales tax or duty. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or an agent. The Company has concluded that it is acting as a principal in all its revenue arrangements. The following are the specific recognition criteria that must be met before revenue is recognised.

Revenue from sale of goods is recognised at a point in time when control of goods have been transferred to a customer i.e. when the performance obligations are met. The assesment of transfer of control depends on the contractual terms, which is considered to be transferred when it is delivered by the company at customer's premises in case of local sales. For export sales, the control is transferred when the product is shipped on board and its insurance risk is borne by the customer.

The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Company uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Company then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from the customer.

A contract asset is initially recognised for revenue earned in exchange for goods that the Company has transferred to the customer when the right is conditioned on something other than the passage of time. Upon satisfaction of the condition, the amount recognised as contract asset is reclassified to trade receivables. Contract assets are subject to impairment assessment, if any.

No element of financing is deemed present as the sales are made with a credit term of up to 120 days, which is consistent with the market practice.

3.14 Other Income

- Dividend income is recognised when the Company's right to receive such payment is established.
- Interest income on bank deposits and loans are recognised on time proportion basis that takes into account the effective yield.
- Income from scrap sales is recorded on dispatch of scrap to customer.
- Gain / (loss) on sale of property, plant and equipment is recorded when the control is transferred to the customer.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

3.15 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognised initially at fair value, less attributable transaction cost. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortised cost, while the difference between the cost (reduced for periodic payments) and redemption value is recognised in the unconsolidated statement of profit or loss over the period of the borrowings using the effective interest method. Borrowing costs are recognised as an expense in the period in which these are incurred, except that those which are directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset.

3.16 Impairment

3.16.1 Financial assets

The Company recognises loss allowances for Expected Credit Loss (ECLs) in respect of financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition (although in this case the measurement is at 12 month ECLs). Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

The Company considers a financial asset in default when it is more than 90 days past due from third parties and more than 365 days for related parties.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-months ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for the recovery of amounts due.

3.16.2 Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, stock-in-trade and stores and spares are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the unconsolidated statement of profit or loss.

3.17 Provisions

A provision is recognised in the unconsolidated statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the present value of expected expenditure, discounted at a pre-tax rate that reflects current market assessment of the time value of money and the risk specific to the obligation. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate. The nature of provision is not stated in the financial statements where such is expected to materially prejudice Company's position, as allowed under the applicable accounting framework.

3.18 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.19 Segment reporting

These unconsolidated financial statements have been prepared on the basis of single operating segment which is consistent with the internal reporting of the Company.

3.20 Dividend and appropriation to / from reserves

Dividend and appropriation to reserves are recognised in the unconsolidated financial statements in the period in which these are approved. Transfer between reserves made subsequent to the unconsolidated statement of financial position date is considered as a non-adjusting event and is recognised in the unconsolidated financial statements in the period in which such transfers are made.

3.21 Government grants

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

Government grants are recognised at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognised on a systematic basis in the income for the year in which the related expenses are recognised. Grants that compensate for the cost of an asset are recognised in income on a systematic basis over the expected useful life of the related asset.

A loan is initially recognised and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit, that is the government grant, is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

3.22 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for the shareholders. Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

3.23 Restatement

With effect from July 01, 2024, the Company has revised its accounting policy retrospectively in respect of certain items of property, plant and equipment including freehold land, buildings on freehold land and plant and machinery from revaluation model to cost model, under which these assets are now carried at cost less accumulated depreciation and impairment losses, if any.

Previously, certain items of property, plant and equipment including freehold land, buildings on freehold land and plant and machinery were stated at revalued amounts less accumulated depreciation and impairment losses, if any. Independent valuations were performed periodically, the carrying amounts were reviewed against these valuations and adjustments were made where there were material changes. Revaluation surplus and deficit were recognized on statement of financial position as surplus on revaluation of property, plant and equipment, except where a deficit on revaluation in any year was in excess of surplus recognized in the statement of profit or loss upto the immediately preceding accounting period, in which case the adjustment to the carrying values of the financial assets was limited to the surplus recognized in the statement of profit or loss.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

The management believes that the said practice enhances the comparability of the Company's financial statements with other peer businesses across its business segments locally and internationally. Moreover, the new policy provides reliable and more relevant information to the users of these unconsolidated financial statements.

This change in accounting policy has been accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors', and the comparative financial statements have been re-stated.

Effect of retrospective application of change in accounting policy is as follows:

	As at June 30, 2024			As at June 30, 2023		
	As previously reported	As restated	Restatement	As previously reported	As restated	Restatement
	Rupees in '000					
Effect on statement of financial position						
Property, plant and equipment	4,706,987	2,345,290	2,361,697	4,921,992	2,520,506	2,401,486
Surplus on revaluation of property, plant and equipment	(1,555,685)	-	(1,555,685)	(1,575,520)	-	(1,575,520)
Deferred tax	(1,242,928)	(436,916)	(806,012)	(1,290,712)	(464,747)	(825,965)
Accumulated profit	(1,259,985)	(1,259,985)	-	(3,251,135)	(3,251,135)	-

	As at June 30, 2024		
	As previously reported	As restated	Restatement
Effect on statement of profit / loss			
Depreciation expense	(344,950)	(168,914)	(176,036)
Deferred tax	111,159	26,799	84,360
Other operating expenses	(223,560)	(183,285)	(40,275)
Profit for the year after taxation	1,137,513	1,269,464	(131,951)
Effect on earnings per share			
Earnings per share - basic and diluted	1.79	2.00	(0.21)
Effect on statement of comprehensive income			
Profit for the year after taxation	1,137,513	1,269,464	(131,951)
Other comprehensive income	110,502	(1,614)	112,116
Total comprehensive income for the year	1,248,015	1,267,850	(19,835)

The change did not have any impact on the Company's operating, investing and financing cashflows.

	As at June 30, 2025		
	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
Effect on statement of financial position			
Property, plant and equipment	4,428,364	2,230,534	2,197,830
Surplus on revaluation of property, plant and equipment	(1,455,727)	-	(1,455,727)
Deferred tax	(1,128,050)	(385,947)	(742,103)
Accumulated profit	(2,111,868)	(2,111,868)	-
Effect on statement of Profit or loss			
Depreciation expense	(365,369)	(201,503)	(163,866)
Deferred tax	115,445	51,537	63,908
Other operating expenses	(96,734)	(96,734)	-
Profit / (loss) for the year after taxation	751,037	850,995	(99,958)
Effect on earnings per share			
Earnings per share - basic and diluted	1.07	1.22	(0.14)
Effect on statement of comprehensive income			
Profit / (loss) for the year after taxation	751,037	850,995	(99,958)
Other comprehensive income / (loss) for the year - net of tax	888	888	-
Total comprehensive income for the year	751,925	851,883	(99,958)

The change did not have any impact on the Company's operating, investing and financing cashflows.

4. PROPERTY, PLANT AND EQUIPMENT

	Note	2025	(Restated) 2024
		(Rupees in '000)	
Operating assets	4.1	2,230,534	2,319,361
Capital work-in-progress	4.2	-	25,929
		2,230,534	2,345,290

4.1 Operating assets

	Freehold land	Buildings on freehold land	Plant and machinery	Electrical installations	Office equipment	Furniture and fittings	Motor vehicles	Total
	Rupees in '000							
Year ended June 30, 2025								
Opening net book value - as restated	42,999	232,122	1,900,142	5,423	17,772	7,142	113,761	2,319,361
Additions	-	3,220	65,280	-	11,631	-	6,616	86,747
Transfers from capital work-in-progress - note 4.2	-	-	25,877	-	52	-	-	25,929
Disposals - note 4.1.4								
- Cost	-	-	-	-	(1,442)	-	(736)	(2,178)
- Accumulated depreciation	-	-	-	-	1,442	-	736	2,178
	-	-	-	-	-	-	-	-
Depreciation charge - note 4.1.1	-	(16,691)	(139,810)	(3,490)	(12,175)	(3,042)	(26,295)	(201,503)
Closing net book value	42,999	218,651	1,851,489	1,933	17,280	4,100	94,082	2,230,534
Gross carrying value as at June 30, 2025								
Cost / revalued amount	42,999	235,342	1,991,299	87,883	90,785	21,763	176,483	2,646,554
Accumulated depreciation	-	(16,691)	(139,810)	(85,950)	(73,505)	(17,663)	(82,401)	(416,020)
Net book value	42,999	218,651	1,851,489	1,933	17,280	4,100	94,082	2,230,534
Year ended June 30, 2024								
Opening net book value - as previously reported	326,625	467,468	3,937,798	9,678	18,498	10,390	140,383	4,910,840
Effect of retrospective application of change in accounting policy - note 3.23	(283,626)	(223,441)	(1,894,419)	-	-	-	-	(2,401,486)
Opening net book value - as restated	42,999	244,027	2,043,379	9,678	18,498	10,390	140,383	2,509,354
Additions	-	2,852	1,937	-	8,306	187	-	13,282
Transfers from capital work-in-progress - note 4.2	-	-	1,081	-	-	-	-	1,081
Disposals								
- Cost	-	-	(49,225)	-	(270)	-	(1,904)	(51,399)
- Accumulated depreciation	-	-	14,548	-	259	-	1,148	15,955
	-	-	(34,677)	-	(11)	-	(756)	(35,444)
Depreciation charge - note 4.1.1	-	(32,012)	(270,361)	(4,255)	(9,021)	(3,435)	(25,866)	(344,950)
Effect of retrospective application of change in accounting policy - note 3.23	-	17,255	158,783	-	-	-	-	176,038
Depreciation charge - as restated - note 4.1.1	-	(14,757)	(111,578)	(4,255)	(9,021)	(3,435)	(25,866)	(168,912)
Closing net book value - restated	42,999	232,122	1,900,142	5,423	17,772	7,142	113,761	2,319,361
Gross carrying value as at June 30, 2024								
Cost / revalued amount - as previously reported	338,000	468,960	3,730,000	87,883	80,544	21,763	170,603	4,897,753
Effect of retrospective application of change in accounting policy - note 3.23	(295,001)	(236,838)	(1,829,858)	-	-	-	-	(2,361,697)
Cost - as restated	42,999	232,122	1,900,142	87,883	80,544	21,763	170,603	2,536,056
Accumulated depreciation	-	-	-	(82,460)	(62,772)	(14,621)	(56,842)	(216,695)
Net book value - restated	42,999	232,122	1,900,142	5,423	17,772	7,142	113,761	2,319,361
Depreciation rates per annum (%)	-	5	4 - 25	20	20 - 33	20	15 - 25	

* Items having an aggregate cost of Rs. 143.33 million (2024: Rs. 118.59 million) at the end of the year have been fully depreciated and are still in use of the Company.

4.1.1 The depreciation charge for the year has been allocated as follows:

	Note	2025	(Restated) 2024
		(Rupees in '000)	
Cost of sales	31	183,407	152,036
Selling and distribution expenses	32	3,402	2,362
Administrative expenses	33	14,694	14,516
		201,503	168,914

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

4.1.2 Particulars of immovable property (i.e. land and buildings) in the name of the Company are as follows:

Location	Usage of immovable property	Total area	Covered area
		(acres)	
IPAK Plant, Manga Chowk, Raiwind, Bypass Road, Raiwind district, Lahore, Punjab	Manufacturing Plant	6.91	3.59

4.1.3 The carrying amount of property, plant and equipment pledged as security against long-term and short-term financing is disclosed in notes 20 and 27 to these unconsolidated financial statements.

4.1.4 Details of property, plant and equipment disposed off having net book value of five hundred thousand rupees or more each are as follows:

Asset category	Original cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss) on disposal	Mode of disposal	Particulars of buyer	Relationship with buyer
	Rupees in '000							
Motor vehicles								
Suzuki Cultus	736	(736)	-	368	368	As per Company's policy	Mr Noman Hanif	Employee
2025	736	(736)	-	368	368			
2024	51,399	(15,955)	35,446	7,006	(28,440)			

4.2 Capital work-in-progress

	2025				2024			
	As at July 1, 2024	Additions / Adjustments	Transfers	As at June 30, 2025	As at July 1, 2023	Additions / Adjustments	Transfers	As at June 30, 2024
	Rupees in '000							
Buildings on freehold land	-	-	-	-	-	-	-	-
Plant and machinery	25,877	-	(25,877)	-	11,016	15,942	(1,081)	25,877
Electrical installations	-	-	-	-	-	-	-	-
Office equipment	52	-	(52)	-	136	(84)	-	52
Furniture and fittings	-	-	-	-	-	-	-	-
Motor vehicles	-	-	-	-	-	-	-	-
	25,929	-	(25,929)	-	11,152	15,858	(1,081)	25,929

5. RIGHT-OF-USE ASSETS

	Note	2025	2024
		(Rupees in '000)	
Balance at beginning of the year		12,247	36,671
Modification during the year	5.1	-	(13,083)
Depreciation charge for the year	5.2	(6,881)	(11,341)
Balance at end of the year		5,366	12,247
Depreciation rate (per annum)		33.33%	33.33%

5.1 The Company has lease contracts for the rented premises. In general, the Company is restricted from assigning and subleasing the leased assets. These lease contracts include extension and termination options subject to the mutual consent of the Company and the lessors. The Company is bound by certain covenants which includes but are not limited to payment of certain taxes and to exercise reasonable care. The lease term generally consists of three years.

5.2 The depreciation charge for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in '000)	
Cost of sales	31	1,013	5,448
Selling and distribution expenses	32	184	2,486
Administrative expenses	33	5,684	3,407
		6,881	11,341

		Note	2025	2024
			(Rupees in '000)	
6.	**INTANGIBLE ASSETS**			
	Operating intangible assets	6.1	53,653	54,380
6.1	**Operating intangible assets**			
	Opening net book value		54,380	61,115
	Additions / transfers		6,727	90
	Amortisation	6.1.2	(7,454)	(6,825)
	Closing net book value		53,653	54,380
	Gross carrying value as at June 30			
	Cost		75,233	68,506
	Accumulated amortisation		(21,580)	(14,126)
	Net book value		53,653	54,380
	Amortisation rate (per annum)		10%	10%

6.1.1 Intangible assets comprise of computer software.

6.1.2 The amortisation expense for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in '000)	
Cost of sales	31	100	92
Administrative expenses	33	7,354	6,733
		7,454	6,825

7. LONG-TERM INVESTMENTS - SUBSIDIARIES

2025	2024		Note	2025	2024
(Number of shares)				(Rupees in '000)	
Un-quoted Companies					
		Cast Packaging Films (Private) Limited			
158,800,000	158,800,000	- subsidiary company, at cost (ordinary shares of Rs. 10 each)	7.1	1,588,000	1,588,000
		Global Packaging Films (Private) Limited			
791,932,525	609,445,000	- subsidiary company, at cost (ordinary shares of Rs. 10 each)	7.2	7,919,325	6,094,450
		- advance against future issuance of shares		-	2,163,122
		PETPAK Films (Private) Limited			
427,699,987	337,999,991	- subsidiary company, at cost (ordinary shares of Rs. 10 each)	7.3	4,277,000	3,380,000
		- advance against future issuance of shares		151,715	612,275
		IPAK Connect Packaging Materials Trading - FZCO			
1	1	- subsidiary company, at cost (ordinary share of AED 100,000)	7.4	7,588	7,588
		- advance against future issuance of shares		7,587	7,587
				13,951,215	13,853,022

7.1 The Company holds 100% (2024: 100%) ownership interest in Cast Packaging Films (Private) Limited (CPAK). CPAK has its registered office situated at Plot No. 40-L-1, P.E.C.H.S, Block 6, near Jason Trade Centre, Karachi. The principal business activity of this subsidiary is the manufacturing and sale of flexible packaging materials mainly comprising of CPP (Cast Polypropylene) film and its allied products. The book value of CPAK based on the audited financial statements as at June 30, 2025 is Rs. 2,833.36 million (2024: Rs. 2,444.73 million).

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

7.2 The Company directly holds 84.54% ownership interest in Global Packaging Films (Private) Limited (GPAK) (2024: 100%) and indirectly holds a 15.46% ownership interest (2024: Nil) through Cast Packaging Films (Private) Limited. GPAK has its registered office situated at Plot No. 40-L-1, P.E.C.H.S, Block 6, near Jason Trade Centre, Karachi. The principal business activity of this subsidiary is the manufacturing and sale of flexible packaging materials mainly comprising of BOPP (biaxially-oriented polypropylene) film and its allied products. The book value of GPAK based on the audited financial statements as at June 30, 2025 is Rs. 8,784.46 million (2024: Rs. 8,527.31 million).

7.3 The Company holds 52% (2024: 52%) ownership interest in PETPAK Films (Private) Limited (PPAK). PPAK has its registered office situated at Plot No. 40-L-1, P.E.C.H.S, Block 6, near Jason Trade Centre, Karachi. The principal business activity of this subsidiary is the manufacturing and sale of flexible packaging materials mainly comprising of BO-PET (biaxially-oriented polyethylene terephthalate) film and its allied products. The book value of PPAK based on the audited financial statements as at June 30, 2025 is Rs. 5,502.78 million (2024: Rs. 5,923.85 million).

7.4 The Company holds 100% (2024: 100%) ownership interest in IPAK Connect Packaging Materials Trading - FZCO (IPAK Connect) which is a wholly owned foreign subsidiary of the Company, incorporated in Dubai, United Arab Emirates under their local laws. The registered office of IPAK Connect is situated at Building A2, Dubai Digital Park, Silicon Oasis, Dubai. Paid-up capital of IPAK Connect is AED 100,000 (2024: AED 100,000) while AED 100,000 are given against future issuance of shares. The book value of IPAK Connect based on the unaudited financial statements as at June 30, 2025 is AED 217,970 (Rs. 16.8 million) [(2024: AED 32,991)(Rs. 2.5 million)].

7.5 The above investments have been made in accordance with the requirements of the Companies Act, 2017.

8. LONG-TERM LOANS

	Note	2025	2024
		(Rupees in '000)	
Considered good - secured			
Loan to employees		39,461	34,429
Less: Recoverable within one year	12	(6,867)	(12,167)
		32,594	22,262

8.1 Loans to employees are made under the scheme and are extended to facilitate the purchase of cars or construction of houses with repayment terms ranging between three to five years. These loans are secured against employees' retirement fund balances.

8.2 Long term loans include loan provided to key management personnel amounting to Rs. 24.54 million (2024: Rs. 17.85 million).

8.3 These long term loans are non-interest bearing and have been carried at cost as the effect of carrying these balances at amortised cost would not be material in the overall context of these financial statements.

			Note	2025	2024
				(Rupees in '000)	
9.	**STORES, SPARES AND CONSUMABLES**				
	Lubricants			9,055	12,712
	Fuel			6,924	8,596
	Spare parts and consumables			385,035	270,095
				401,014	291,403
10.	**STOCK-IN-TRADE**				
	Raw material	- in hand	10.1	474,655	598,796
		- in transit		918,656	893,625
				1,393,311	1,492,421
	Work-in-process			153,254	256,887
	Finished goods	- in hand		230,613	245,625
		- in transit	10.2	162,235	338,316
				392,848	583,941
	Packaging materials			29,511	24,706
				1,968,924	2,357,955

10.1 Raw materials include stocks held with third parties amounting to Rs. Nil (2024: Rs. 22.23 million).

10.2 These pertain to finished goods enroute to the port, held at the port for export, and goods dispatched to customers in the southern region.

	Note	2025	2024
		(Rupees in '000)	
11. TRADE RECEIVABLES			
Considered good - unsecured			
Due from related parties	11.4	2,123,612	198,221
Others		1,750,295	1,631,161
		3,873,907	1,829,382
Considered good - secured	11.1		
Due from related parties	11.4	279,908	294,768
Others		740,704	1,350,764
		1,020,612	1,645,532
		4,894,519	3,474,914
Allowance for expected credit losses	11.5	(23,982)	(43,116)
		4,870,537	3,431,798

11.1 These represent trade receivables arising on account of export sales of Rs. 169.1 million (2024: Rs. 536 million) which are secured by way of export Letters of Credit and Rs. 851.5 million (2024: Rs. 1,110 million) on account of domestic sales which are secured by way of Inland Letters of Credit.

11.2 Related parties from whom trade receivables are due as at June 30, 2025 are as under:

	2025	2024
	(Rupees in '000)	
IPAK Connect Packaging Materials Trading - FZCO	1,490,292	16,746
Universal Packaging (Private) Limited	413,688	200,540
Universal Coating Films (Private) Limited	403,131	132,850
Saima Packaging (Private) Limited	74,004	142,853
Universal Films (Private) Limited	22,405	-
	2,403,520	492,989

11.3 The maximum aggregate amount of receivable outstanding at any time during the year is as follows:

	2025	2024
	(Rupees in '000)	
IPAK Connect Packaging Materials Trading - FZCO	1,490,292	16,751
Universal Packaging (Private) Limited	439,641	692,718
Universal Coating Films (Private) Limited	403,131	217,609
Saima Packaging (Private) Limited	167,574	142,853
Universal Films (Private) Limited	30,022	702

11.4 The age analysis of these related party receivables as at June 30, 2025 is as follows:

	2025	2024
Not yet due	2,376,904	362,500
Past due but not yet impaired		
- 1 to 90 days	26,616	52,782
- 91 to 180 days	-	75,940
- 181 to 365 days	-	-
- older than 365 days	-	1,767
	2,403,520	492,989

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees in '000)	
11.5 Allowance for expected credit losses			
Balance at beginning of the year		43,116	50,782
Reversal of charge against loss allowance on trade receivables	11.6	(19,134)	(7,666)
Balance at end of the year		23,982	43,116

11.6 These reversals were made in ordinary course of business.

	Note	2025	2024
		(Rupees in '000)	
12. LOANS AND ADVANCES			
Advances			
- suppliers		119,150	192,080
- against shipping guarantees / bank gurantee		17,535	16,510
- employees		6,556	579
		143,241	209,169
Current portion of long term loans to employees	8	6,867	12,167
		150,108	221,336

	Note	2025	2024
		(Rupees in '000)	
13. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS			
Trade deposits	13.1	7,924	9,291
Short term prepayments		21,486	6,003
		29,410	15,294

13.1 This includes container deposits amounting to Rs. 7.54 million (2024: Rs. 8.90 million).

13.2 These trade deposits are non interest bearing.

	Note	2025	2024
		(Rupees in '000)	
14. OTHER RECEIVABLES			
Rebate receivable against import		111,588	123,145
Rebate receivable against export		56,855	31,262
Receivable from related parties	14.1	546,937	-
Other receivables		4,220	2,669
		719,600	157,076

14.1 This includes receivable from Cast Packaging Films (Private) Limited, Global Packaging Films (Private) Limited and PetPak Films (Private) Limited amounting to Rs. 30.9 million (2024: Nil), Rs. 452.97 million (2024: Nil) and Rs. 2.3 million (2024: Nil) respectively on account of raw material received on a returnable basis as loan stock. Additionally, this includes receivable from Cast Packaging Films (Private) Limited, Global Packaging Films (Private) Limited and PetPak Films (Private) Limited amounting to Rs. 22.5 million (2024: Nil), Rs. 21.2 million (2024: Nil) and Rs. 17.1 million (2024: Nil) respectively on account of cost sharing agreement.

14.2 The maximum aggregate amount of receivable outstanding at any time during the year is Rs. 546.94 million (2024: Nil).

	Note	2025	2024
		(Rupees in '000)	
15. LOAN TO SUBSIDIARIES			
PETPAK Films (Private) Limited	15.1	2,130,565	2,320,798
Less: current portion of loan to subsidiary		(549,461)	(212,657)
		1,581,104	2,108,141
Cast Packaging Films (Private) Limited	15.2	-	54,067
Global Packaging Films (Private) Limited	15.3	62,702	-
		2,193,267	2,374,865

15.1 This represents an unsecured loan provided to PETPAK Films (Private) Limited to meet its cash flow requirements, carrying an interest rate of 3 months KIBOR + 0.75% per annum. The maximum amount due at the end of any month during the year was Rs. 2,320.80 million (2024: Rs. 2,320.80 million). The principal portion of the loan amounts to Rs. 2,130.56 million (2024: Rs. 2,108.14 million).This loan falls under general exemptions granted through S.R.O. 1239(I)/2017 together read with section 199 of the Companies Act, 2017.

15.2 This represents an unsecured interest-free loan provided to Cast Packaging Films (Private) Limited to meet its cash flow requirements. The maximum amount due at the end of any month during the year was Rs. 895.6 million (2024: Rs. 54.07 million).This loan falls under general exemptions granted through S.R.O. 1239(I)/2017 together read with section 199 of the Companies Act, 2017.

15.3 This represents an unsecured interest-free loan provided to Global Packaging Films (Private) Limited to meet its cash flow requirements. The maximum amount due at the end of any month during the year was Rs. 1,260.2 million (2024: Rs. Nil).This loan falls under general exemptions granted through S.R.O. 1239(I)/2017 together read with section 199 of the Companies Act, 2017.

16. CASH AND BANK BALANCES

		Note	2025	2024
			(Rupees in '000)	
Cash at bank				
Conventional				
Savings accounts	- local currency	16.1	149	137
Islamic				
Current accounts	- local currency		81,833	13,287
	- foreign currency		39,950	9,906
Savings accounts	- local currency	16.1	199,740	57,302
			321,523	80,495
Cash in hand			140	120
			321,812	80,752

16.1 At June 30, 2025, the rates of mark up / profit on savings accounts range from 4.6% to 16.3% (2024: from 8.5% to 17.5%) per annum.

17. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Authorised share capital

2025	2024		2025	2024
(Number of shares)			(Rupees in '000)	
930,000,000	930,000,000	Ordinary shares of Rs. 10 each	9,300,000	9,300,000

Issued, subscribed and paid-up capital

2025	2024		2025	2024
(Number of shares)			(Rupees in '000)	
450,168,485	450,168,485	Ordinary shares of Rs. 10 each allotted for consideration paid in cash	4,501,685	4,501,685
250,031,515	250,031,515	Ordinary shares of Rs. 10 each allotted as bonus shares	2,500,315	2,500,315
700,200,000	700,200,000		7,002,000	7,002,000

17.1 Movement in issued, subscribed and paid-up share capital

	2025	2024
	(Number of shares)	
Ordinary shares		
Number of shares outstanding as at July 01	700,200,000	630,094,545
Shares issues through initial public offering	-	70,105,455
Number of shares outstanding as at June 30	700,200,000	700,200,000

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

17.2 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at the general meetings of the Company.

18. SHARE PREMIUM

This reserve can be utilised by the Company only for the purpose specified in section 81 of the Companies Act, 2017.

19. RESERVE FOR INVESTMENT IN SUBSIDIARIES

The Board of Directors of the Company, in its meeting held on September 12, 2023, decided to earmark a sum of Rs. 3,259 million as not available for distribution by way of dividend, on account of a capital reserve named "Reserve for investment in subsidiaries". The said amount was transferred from unappropriated profits to this capital reserve.

20. LONG-TERM FINANCING - secured Islamic

	Note	2025	2024
		(Rupees in '000)	
SBP's Financing Scheme for Renewable Energy	20.2.1	11,615	12,744
Sale and leaseback under Diminishing Musharakah	20.3.1	1,690,030	2,212,500
Accrued markup		3,774	34,633
		1,705,419	2,259,877
Less: current portion of long-term financing			
SBP's Financing Scheme for Renewable Energy	20.2.1	(2,340)	(1,152)
Sale and leaseback under Diminishing Musharakah	20.3.1	(591,071)	(522,470)
Accrued markup		(3,774)	(34,633)
		(597,185)	(558,255)
		1,108,234	1,701,622

20.1

Facility	Loan type	Repayment terms - Principal	Mark-up		Effective rate (%) 2024	Facility amount (Rupees in '000)	Date of drawdown	Last repayment date
			Payable basis	"Rate (per annum)				
Islamic								
SBP's Financing Scheme for Renewable Energy	Term - loan	39 Installments	Quarterly	4%	16.87% to 17.1%	33,000	July 02, 2022	May 13, 2032
Sale and leaseback under Diminishing Musharakah	Term - loan	48 Installments	Monthly	20.11% to 22.97%	20.11% to 22.97%	2,000,000	April 27, 2023	July 06, 2028
Sale and leaseback under Diminishing Musharakah	Term - loan	48 Installments	Monthly	20.11% to 22.97%	20.11% to 22.97%	1,500,000	March 29, 2024	March 30, 2029
Sale and leaseback under Diminishing Musharakah	Term - loan	48 Installments	Monthly	20.11% to 22.97%	20.11% to 22.97%	500,000	August 09, 2023	August 09, 2028

20.1.1 In relation to above borrowings, the Company needs to observe certain financial and non-financial covenants as specified in the agreement with respective lenders which are complied with as of the reporting date.

20.2 SBP's Financing Scheme for Renewable Energy

	2025	2024
	(Rupees in '000)	
Balance at beginning of the year	12,744	13,466
Interest expense including impact of unwinding	1,914	2,796
Principal repayment during the year	(3,043)	(3,518)
Balance at end of the year	11,615	12,744
Current portion	(2,340)	(1,152)
Non-current portion	9,275	11,592

20.2.1 This represents a long-term financing obtained under the Islamic Financing for Renewable Energy (IFRE) for installation of renewable energy power project by the State Bank of Pakistan. The total facility of the loan amounted to Rs. 33 million (2024: Rs. 33 million) out of which Rs. 22.80 million (2024: Rs. 22.80 million) is utilised which carries profit at the rate of 4% per annum.

20.2.2 This facility is secured by way of:

- Equity participation equivalent to 10% of cost of Diminishing Musharakah asset;
- Registered exclusive hypothecation charge over asset purchased under Diminishing Musharakah up to the amount of Rs. 33 million;
- Exclusive equitable mortgage valuing Rs. 678 million over Land & Building (52 Kanals - 14 Marlas & 7 Kanals - 11 Marlas) situated at Had Bast Village Bhechuki Mahja, Tehsil Raiwind, District Lahore; and
- Personal guarantees of Mr. Naveed Godil and sponsored directors for the amount covering aggregate exposure.

20.3 Diminishing Musharakah

	2025	2024
	(Rupees in '000)	
Balance at beginning of the year	2,212,500	1,850,000
Disbursements during the year	-	2,150,000
Interest expense including impact of unwinding	-	-
Principal repayment during the year	(522,470)	(1,787,500)
Balance at end of the year	1,690,030	2,212,500
Current portion	(591,071)	(75,397)
Non-current portion	1,098,959	2,137,103

20.3.1 This represents a diminishing musharaka arrangement with Bank Al Habib (BAHL) upto the amount of Rs. 4,000 million (2024: Rs. 4,000 million) at a mark-up of 6 month KIBOR + 1% per annum to be determined on a semi-annual basis. The facility was obtained to sale and leaseback the BOPP Film Production Line installed at IPAK Plant, Hadbast Mauza Bachoki Mahja, Tehsil Raiwind, District Lahore. The title and ownership of the asset is in the joint ownership of Bank and the Company in proportion to their investment ratios.

20.3.2 This facility is secured by way of:

- Equity participation equivalent to 10% of cost of Musharakah asset;
- Title and ownership of asset in the name of joint ownership of Bank and customer in proportion to their investment ratios;
- Registered hypothecation charge over asset purchased under Diminishing Musharakah under sale and leaseback up to the amount of Rs. 5.29 billion (inclusive of 25% margin);
- Exclusive equitable mortgage valuing Rs. 678 million over Land & Building (52 Kanals - 14 Marlas & 7 Kanals - 11 Marlas) situated at Had Bast Village Bhechuki Mahja, Tehsil Raiwind, District Lahore; and
- Personal guarantees of directors for the amount covering aggregate exposure.

20.4 The Company is to comply with financial covenants which includes Debt to Equity Ratio (max. 4x) and current ratio (min. 1x). The Company has a waiver from complying with these financial covenants as at June 30, 2025. The next evaluation of the financial covenants will be carried out based on the annual audited financial statements for the year ending June 30, 2026.

21. DEFERRED INCOME - GOVERNMENT GRANT

	Note	2025	2024
		(Rupees in '000)	
Balance at beginning of the year		8,066	8,252
Deferred grant recorded:			
- under SBP's Financing Scheme for Renewable Energy	21.1	-	-
Less: government grant recognised in income	35	(1,993)	(186)
Balance at end of the year		6,073	8,066
Less: current portion of deferred income - government grant		(893)	(352)
		5,180	7,714

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

21.1 This represents the value of benefit of below-market interest rate which has been accounted for as government grant under IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

22. DEFERRED TAXATION - NET

The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the unconsolidated statement of financial position as follows:

	2025	(Restated) 2024
	(Rupees in '000)	
Deferred tax liability	492,319	520,464
Deferred tax asset	(106,372)	(83,548)
	385,947	436,916

22.1 Analysis of change in deferred taxation

	Accelerated tax depreciation	Revaluation surplus on property, plant and equipment	Right-of-use assets	Lease liabilities	Staff retirement benefits	Allowance for expected credit losses	Total
	---- Rupees in '000 ----						
Balance at July 1, 2024	515,688	-	4,776	(7,026)	(59,707)	(16,815)	436,916
(Charge) / credit to profit or loss for the year	(25,461)	-	(2,684)	2,796	(24,577)	(1,611)	(51,537)
Credit / (charge) to other comprehensive income for the year	-	-	-	-	568	-	568
Balance at June 30, 2025	490,227	-	2,092	(4,230)	(83,716)	(18,426)	385,947
Balance at July 1, 2023 - As earlier reported	527,092	825,965	14,302	(16,312)	(40,530)	(19,805)	1,290,712
Effect of retrospective application of change in accounting policy - note 3.23	-	(806,012)	-	-	-	-	(806,012)
Credit / (charge) to profit or loss for the year	(11,404)	(84,362)	(9,526)	9,286	(18,145)	2,990	(111,161)
Credit / (charge) to other comprehensive income for the year	-	64,409	-	-	(1,032)	-	63,377
Balance at June 30, 2024	515,688	-	4,776	(7,026)	(59,707)	(16,815)	436,916

22.2 Under the Finance Act, 2019, corporate rate of tax has been fixed at 29% for tax year 2020 and onwards. As per Finance Act, 2022, companies operating in certain sectors are liable to pay super tax at 10% for tax year 2022 and upto 4% for tax year 2023 and onwards. However Finance Act, 2023 has introduced progressive rate on high earning persons ranging from 1% to 10% whereas on companies having income in excess of Rs. 500 million, 10% super tax will be applicable. Such higher rate of tax has been made perpetual thus substantially increasing the overall tax costs for the businesses. Accordingly, deferred tax assets and liabilities have been recognised using the expected applicable rate.

23. STAFF RETIREMENT BENEFITS

23.1 Defined benefit plan

23.1.1 As stated in note 3.11, the Company operates an unapproved and unfunded gratuity scheme for all its permanent employees. The scheme defines an amount of gratuity benefit that an employee will receive upon retirement subject to minimum service requirement under the scheme. Actuarial valuation of this plan is carried out every year and the latest actuarial valuation was carried out as at June 30, 2025.

23.1.2 Risks on account of defined benefit plan

The Company faces the following risks on account of defined benefit plan:

Final salary risk - The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Demographic risks

- Mortality Risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

- Withdrawal Risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

23.1.3 The latest actuarial valuation of the gratuity scheme as at June 30, 2025 was carried out using the Projected Unit Credit Method. Details of the scheme as per the actuarial valuation are as follows:

	Note	2025	2024
		(Rupees in '000)	
23.1.4 Statement of financial position reconciliation			
Present value of defined benefit obligation	23.1.5	216,111	153,093
23.1.5 Movement in the present value of defined benefit obligation			
Obligation at beginning of the year		153,093	103,922
Current service cost	23.1.6	57,267	39,839
Interest cost	23.1.6	21,525	16,121
Benefits paid		(14,318)	(9,435)
Remeasurement on obligation	23.1.7	(1,456)	2,646
Obligation at end of the year		216,111	153,093
23.1.6 Expense recognised in unconsolidated statement of profit or loss			
Current service cost		57,267	39,839
Interest cost		21,525	16,121
		78,792	55,960
23.1.7 Remeasurement recognised in other comprehensive income			
Actuarial gain from changes in financial assumptions		(454)	(633)
Experience adjustments		(1,002)	3,279
		(1,456)	2,646
23.1.8 Net recognised liability			
Balance at beginning of the year		153,093	103,922
Expense for the year	23.1.6	78,792	55,960
Benefits paid		(14,318)	(9,435)
Remeasurements recognised in other comprehensive income	23.1.7	(1,456)	2,646
Balance at end of the year		216,111	153,093

	2025	2024
23.1.9 Actuarial assumptions	---------- per annum ----------	
Financial Assumptions		
Discount Rate	12.50%	14.75%
Salary increase rate:		
First year	12.00%	13.75%
Long term	11.50%	13.75%
Demographic Assumptions		
Mortality rate	SLIC 2001-2005	SLIC 2001-2005
Retirement assumption	Age 60 years	Age 60 years

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	---------- Years ----------	
23.1.10 Maturity profile of the defined benefit obligation		
Weighted average duration of the defined benefit obligation	10	9

	2025	2024
	(Rupees in '000)	
Distribution of timing of benefit payments		
One year	37,318	26,979
Two years	20,158	16,196
Three years	22,435	18,635
Four years	27,229	20,937
Five years	35,185	26,156
Six years and onwards	9,204,469	12,549,771

23.1.11 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2025	2024
	(Rupees in '000)	
Discount rate + 1%	(19,238)	(13,326)
Discount rate - 1%	22,758	15,735
Long term salary increases + 1%	23,184	16,049
Long term salary increases - 1%	(19,341)	(13,826)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied.

23.1.12 The expense in relation to gratuity benefit plan for the year ending June 30, 2026 is expected to be Rs. 89.55 million.

24. LEASE LIABILITIES

Rental contracts are made for a fixed period subject to renewal upon mutual consent of Company and lessor. Wherever practicable, the Company seeks to include extension option to provide operational flexibility. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

24.1 Set out below is the carrying amount of lease liabilities and the movements during the year:

	2025	2024
	(Rupees in '000)	
Balance at beginning of the year	18,635	41,824
Modification during the year	-	(16,841)
Interest expense	2,294	8,477
Payments	(10,083)	(14,825)
Balance at end of the year	10,846	18,635
Current portion	10,846	9,092
Non-current portion	-	9,543
	10,846	18,635

24.2 The maturity analysis of lease liabilities is as follows:

	2025			2024		
	Minimum lease payments	Interest	Present value of minimum lease payments	Minimum lease payments	Interest	Present value of minimum lease payments
	---------- Rupees in '000 ----------					
Less than one year	11,492	646	10,846	10,877	1,785	9,092
Between one and five years	-	-	-	11,492	1,949	9,543
	11,492	646	10,846	22,369	3,734	18,635

24.3 Finance charge ranges between 10.6% to 24.7% per annum has been used for discounting factor.

24.4 Following are the amounts recognised in the unconsolidated statement of profit or loss:

	2025	2024
	(Rupees in '000)	
Depreciation expense of right-of-use assets	6,881	11,341
Interest expense on lease liabilities	2,294	8,477
Expense relating to short-term leases	-	4,840
	9,175	24,658

25. TRADE AND OTHER PAYABLES

	Note	2025	2024
		(Rupees in '000)	
Trade creditors		2,417,824	2,334,779
Payable to related parties		-	373,717
Accrued liabilities		145,518	297,190
Taxes deducted at source and payable to statutory authorities		33,587	45,992
Provision for Infrastructure Cess	25.1	446,275	273,586
Workers' Profit Participation Fund	25.2	55,108	93,569
Workers' Welfare Fund	25.3	26,766	35,530
Others		17,080	13,819
		3,142,158	3,468,182

25.1 The Company has challenged the constitutionality of the Sindh Infrastructure Cess, imposed on the import value of goods under the Sindh Infrastructure Development Cess Act, 2017. On June 4, 2021, the Sindh High Court (SHC) ruled in favor of the Excise and Taxation Department of Sindh, upholding the validity of the cess and affirming that it falls within the provincial legislature's authority under the Sindh Finance Act, 2017.

The Company then challenged the SHC's decision by filing Civil Petition for Leave to Appeal (CPLA) No. 5605/2021 before the Supreme Court of Pakistan (SCP). The SCP has suspended the SHC's order and directed all petitioners to furnish a 100% bank guarantee for all future consignments. The SCP, through Interim Order No. C.P.L.A. 5605/2021 dated November 10, 2021, has granted a stay order, directing the company to provide a bank guarantee equivalent to the amount of cess payable under the Act. The matter remains sub judice before the SCP, and the final outcome will be determined upon the disposal of the petition.

As at June 30, 2025, the total amount of bank guarantees related to the infrastructure cess is Rs. 446.28 million (2024: Rs. 275 million), and this amount has been fully provided for by management.

25.2 Workers' Profit Participation Fund

	Note	2025	2024
		(Rupees in '000)	
Balance at beginning of the year		93,569	141,345
Charge for the year	34	68,866	93,569
Payments made during the year		(107,327)	(141,345)
Balance at end of the year		55,108	93,569

25.3 Workers' Welfare Fund

	Note	2025	2024
		(Rupees in '000)	
Balance at beginning of the year		35,530	128,289
Charge for the year	34	27,868	36,023
Payments made during the year		(36,632)	(128,782)
Balance at end of the year		26,766	35,530

26. CONTRACT LIABILITIES

26.1 During the year, the Company recognised revenue amounting to Rs. 172.08 million (2024: Rs. 225.18 million) out of the contract liabilities balance outstanding at beginning of the year.

27. SHORT-TERM BORROWINGS - secured

	Note	2025	2024
		(Rupees in '000)	
Islamic			
Short-term borrowings under Musawammah Facility	27.1	2,853,505	2,905,726
Short-term borrowings under Tijarah Facility	27.2	1,401,150	1,059,250
Short-term borrowings under Running Musharakah	27.3	1,657,342	220,941
Foreign Bill Discounting	27.4	118,464	-
Add: Accrued markup		148,292	149,955
		6,178,753	4,335,872

27.1 This represents Musawammah facility obtained from commercial banks, having limit of Rs. 4,800 million (2024: Rs. 4,800 million) out of which Rs. 1,946.5 million (2024: Rs. 1,894.27 million) remains unutilised for Musawammah facility at the reporting date. The rates of mark-up on these facilities range from 3 months KIBOR + 0.5% to 6 months KIBOR + 0.75% per annum (2024: 3 months KIBOR + 0.75% to 6 months KIBOR + 0.75%) per annum.

27.1.1 This facility is secured by way of:

- Registered Joint Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 6,000 million, inclusive of 25% margin;
- Registered Joint Pari Passu hypothecation charge over fixed assets (excluding land and buildings) of the Company for Rs. 1,125 million;
- Exclusive equitable mortgage valuing Rs. 678 million over Land & Building (52 Kanals - 14 Marlas & 7 Kanals - 11 Marlas) situated at Had Bast Village Bhechuki Mahja, Tehsil Raiwind, District Lahore;
- Personal guarantees of directors for the amount covering aggregate exposure; and
- Lien over accepted Bills.

27.2 This represents Tijarah facility obtained from commercial banks, having limit of Rs. 1,800 million (2024: Rs. 1,600 million) out of which Rs. 398.85 million (2024: 540.75) remains unutilised for Tijarah Finance at the reporting date. The rates of mark-up on these facilities range from 3 months KIBOR + 0.5% to 6 months KIBOR + 1% per annum (2024: 3 months KIBOR + 0.5% to 6 months KIBOR + 1%) per annum.

27.2.1 This facility is secured by way of:

- Registered Joint Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 2,400 million, inclusive of 25% margin, covering aggregate exposure;
- Registered Joint Pari Passu hypothecation charge over fixed assets (excluding land and buildings) of the Company for Rs. 450 million; and
- Personal guarantees of directors for the amount covering aggregate exposure.

27.3 This represents a Running Musharakah facility having limit of Rs. 1,750 million (2024: Rs. 300 million) out of which Rs. 92.66 million (2024: Rs. 79.06 million) remains unutilised at the reporting date. The rates of mark-up on this facility ranges from 1 month KIBOR + 0.5% to 3 months KIBOR + 0.75% per annum (2024: 3 months KIBOR + 1%) per annum.

27.3.1 This facility is secured by way of:

- Registered Joint Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 2,333.34 million, inclusive of 25% margin, covering agregate exposure;
- Registered Joint Pari Passu hypothecation charge over fixed assets (excluding land and buildings) of the Company for Rs. 150 million, covering agregate exposure;
- Equitable mortgage over property Plot No. 5D - 9D at the Quaid-e-Azam Business Park (QABP) in Sheikhupura;
- Lien over A-rated Financial Institution approved Accepted Local Usance Bills Drawn under LC with 10% margin; and
- Personal guarantees of directors for the amount covering aggregate exposure.

27.4 This represents a Bai Salam Facility having limit of Rs. 300 million (2024: Rs. Nil) out of which Rs. 181.54 million (2024: Rs. Nil) remains unutilised at the reporting date. The rate of mark-up on this facility is as decided by treasury at the time of transaction (2024: Nil) per annum.

27.4.1 This facility is secured by way of:

- Registered Joint Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 400 million, inclusive of 25% margin, covering agregate exposure;
- Registered Joint Pari Passu hypothecation charge over fixed assets (excluding land and buildings) of the Company for Rs. 75 million, covering agregate exposure;
- Equitable mortgage over property Plot No. 5D - 9D at the Quaid-e-Azam Business Park (QABP) in Sheikhupura; and
- Personal guarantees of directors for the amount covering aggregate exposure.

28. TAXATION - NET

	Note	2025	2024
		(Rupees in '000)	
Balance at beginning of the year		(387,139)	(391,608)
Tax payments / adjustments made during the year		585,603	723,561
		198,464	331,953
Less: Provision for levies and income tax	37 & 38	(483,274)	(719,092)
Balance at end of the year		(284,810)	(387,139)

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

28.1 The Company has challenged the vires of amendment before the Islamabad High Court (IHC) concerning to the chargeability of super tax on high earning persons through Finance Act, 2023 for the tax year 2023 and onwards. In accordance with the said amendment, the rate of super tax increased from 4% to 10% for tax year 2023 and onwards to all sectors having income of more than Rs. 500 million in addition to the corporate tax at the rate of 29%.

In response, the Islamabad High Court (IHC) issued an interim relief order (W.P. No. 4305/2023) dated December 18, 2023, directing that no super tax at the enhanced rate will be recovered from the petitioners until the final disposal of the case. The court instructed that the petitioners should continue to pay super tax at the pre-amendment rate of 4%. In compliance with IHC order, the Company has discharged its super tax liability for the tax year 2023 by paying Rs. 113.38 million, which represents the 4% super tax rate (pre-amendment rate).

Keeping in view the above, the management, as a matter of prudence, has provided full tax expense on account of super tax amounting to Rs. 136.32 million (2024: Rs. 185.21 million) being 10% of the income chargeable to super tax for the tax year 2025.

29. CONTINGENCIES AND COMMITMENTS

29.1 Contingencies

As at the reporting date, there are no contingencies to report other than those disclosed in note 28.1.

29.2 Commitments

Commitments under letter of credits for raw materials, stores and spares as at June 30, 2025 amounted to Rs. 1,748 million (2024: Rs. 3,179 million).

Bank Guarantees in respect of excise and taxation, SNGPL and PSO as at June 30, 2025 amounted to Rs. 627 million (2024: Rs. 615 million).

The Company has also issued a cross corporate guarantee to the bank in favour of its subsidiaries, Global Packaging Films (Private) Limited, PetPak Films (Private) Limited and Cast Packaging Films (Private) Limited amounting to Rs. 12,000 million (2024: Rs. 8,000 million), Rs. 5,000 million (2024: Rs. Nil) and Rs. 2,000 million (2024: Rs. 2,000 million) respectively, against its long-term and short-term facilities.

30. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2025	2024
	(Rupees in '000)	
Sale of goods - net		
Local	12,860,680	18,088,880
Sales tax	(1,998,775)	(2,820,319)
Sales returns	(26,097)	(48,176)
	10,835,808	15,220,385
Export	4,741,993	1,880,214
Sales returns	(13,266)	(11,714)
	4,728,727	1,868,500
	15,564,535	17,088,885

30.1 DISAGGREGATION OF REVENUE

In the following table, revenue is disaggregated by primary geographical markets.

	2025	2024
Primary geographical markets:	(Rupees in '000)	
Local sales	10,835,808	15,220,384
Export sales		
- Asia	4,657,784	1,780,007
- Europe	60,972	88,494
- Africa	9,971	-
	15,564,535	17,088,885

		Note	2025	(Restated) 2024
			(Rupees in '000)	
31.	**COST OF SALES**			
	Raw materials consumed	31.1	10,056,085	10,897,909
	Toll services		135,608	-
	Fuel, power and water		1,034,835	1,183,937
	Depreciation on operating assets	4.1.1	183,407	152,036
	Depreciation on right-of-use asset	5.2	1,013	5,448
	Packing materials consumed	31.2	372,450	348,255
	Salaries, wages and other benefits	31.4	214,044	577,257
	Rent, rates and taxes		5,565	10,213
	Stores and spares consumed	31.3	168,028	148,237
	Travelling and conveyance		31,110	71,125
	Lubricants consumed		33,533	24,719
	Insurance		37,942	35,482
	Inward transportation		36,685	14,407
	Repair and maintenance		30,563	20,809
	Fee for technical services		17,333	146
	Clearing agent charges		356	847
	Postage and communication		8,762	5,001
	Quality certifications		1,720	1,992
	Amortisation of intangible assets	6.1.2	100	92
	Others		11,214	6,789
			12,380,353	13,504,701
	Work-in-process			
	Opening stock		256,887	190,910
	Closing stock	10	(153,254)	(256,887)
			103,633	(65,977)
	Cost of goods manufactured		12,483,986	13,438,724
	Finished goods			
	Opening stock		583,941	166,325
	Closing stock	10	(392,848)	(583,941)
			191,093	(417,616)
			12,675,079	13,021,108
31.1	**Raw materials consumed**			
	Opening stock		598,796	1,530,979
	Purchases		10,791,542	9,592,009
	Loan stock (issued) / received		(859,598)	373,717
	Closing stock	10	(474,655)	(598,796)
			10,056,085	10,897,909
31.2	**Packaging materials consumed**			
	Opening stock		24,706	25,001
	Purchases		377,255	347,960
	Closing stock	10	(29,511)	(24,706)
			372,450	348,255
31.3	**Stores and spares consumed**			
	Opening stock		270,095	224,151
	Purchases		282,968	194,181
	Closing stock	9	(385,035)	(270,095)
			168,028	148,237

31.4 This includes Rs. 62.63 million (2024: Rs. 41.03 million) in respect of charge for defined benefit plan.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

		Note	2025	(Restated) 2024
			(Rupees in '000)	
32.	**SELLING AND DISTRIBUTION EXPENSES**			
	Salaries, wages and other benefits	32.1	87,321	70,160
	Outward expenses		147,127	161,437
	Travelling and conveyance		12,476	24,748
	Depreciation on operating assets	4.1.1	3,402	2,362
	Depreciation on right-of-use asset	5.2	184	2,486
	Trade promotion		8,828	4,828
	Export charges		40,189	26,610
	Repair and maintenance		90	109
	Insurance		1,419	1,175
	Postage and communication		5,111	609
	Printing and stationary		80	659
	Others		5,546	8,580
			311,773	303,763

32.1 This includes Rs. 5.86 million (2024: Rs. 6.06 million) in respect of charge for defined benefit plan.

		Note	2025	(Restated) 2024
			(Rupees in '000)	
33.	**ADMINISTRATIVE EXPENSES**			
	Salaries, wages and other benefits	33.1	192,907	171,200
	Travelling and conveyance		40,153	68,725
	Depreciation on operating fixed assets	4.1.1	14,694	14,516
	Depreciation on right-of-use asset	5.2	5,684	3,407
	Legal and professional charges		9,892	12,293
	Rent, rates and taxes		2,350	-
	License fee		12,767	38,007
	Postage and communication		6,447	3,954
	Entertainment		6,507	3,820
	Auditor's remuneration	33.2	5,550	5,025
	Utilities		9,854	4,582
	Repair and maintenance		2,077	1,545
	Insurance		13,880	12,110
	Printing and stationary		7,983	2,836
	Staff training and development		3,881	707
	Amortisation of intangible assets	6.1.2	7,354	6,733
	Donations	33.3	1,343	19,185
	Security expenses		7,003	10,497
	Subscription expenses		536	372
	Others		11,670	7,298
			362,532	386,812

33.1 This includes Rs. 10.31 million (2024: Rs. 11.9 million) in respect of charge for defined benefit plan.

		2025	2024
		(Rupees in '000)	
33.2	**Auditors' remuneration**		
	Audit services		
	Annual audit fee	4,500	2,800
	Out of pocket expenses	450	850
		4,950	3,650
	Non-audit services		
	Certifications for regulatory purposes	600	300
	Tax advisory services	-	1,075
		5,550	5,025

33.3 Donations

33.3.1 This includes donations to the following organisations that exceed either 10% of the total amount of donations made or Rs. 1 million, whichever is higher.

	Note	2025	2024
		(Rupees in '000)	
Baitussalam Welfare Trust		521	5,376
Dhoraji Association		-	5,500
Dhoraji Youth Services		600	-
Others		222	-
		1,343	10,876

33.3.2 Donations include Rs. 0.6 million (2024: Nil) paid to Dhoraji Youth Services in which Chairman of the Company has interest.

	Note	2025	(Restated) 2024
		(Rupees in '000)	
34. OTHER OPERATING EXPENSES			
Exchange loss - net		-	25,253
Workers' Profit Participation Fund	25.2	68,866	93,569
Workers' Welfare Fund	25.3	27,868	36,023
Loss on disposal of property, plant and equipment		-	28,440
		96,734	183,285
35. OTHER INCOME			
Income from financial assets			
Return on PLS savings accounts		8,928	11,209
Exchange gain - net		16,337	-
Markup income on loan to subsidiary - PETPAK		344,153	212,657
Income from non-financial assets			
Gain on disposal of property, plant and equipment		368	-
Gain on modification of lease	`	-	3,758
Others			
Scrap sales		43,296	27,623
Export rebate		48,635	31,922
Amortisation of deferred income	21	1,993	186
Others		2,530	-
		466,240	287,355
36. FINANCE COSTS			
Islamic:			
- Mark-up on long-term financing		365,659	624,642
- Mark-up on short-term borrowings		909,570	869,396
		1,275,229	1,494,038
Interest on lease liabilities		2,294	8,477
Commission on letter of credit		19,961	6,913
Bank and guarantee charges		23,575	17,753
		1,321,059	1,527,181
37. LEVIES - FINAL TAX			
Final tax	37.1	-	6,348

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

37.1 This represent final tax on export sales under section 154 of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21 / IAS 37.

	Note	2025	(Restated) 2024
		(Rupees in '000)	
38. INCOME TAX EXPENSE			
Current	38.1	540,755	712,744
Prior year charge		(57,481)	-
Deferred		(51,537)	(26,799)
		431,737	685,945

38.1 The returns of income tax have been filed up to and including tax year 2024, which are deemed assessed under section 120 of the Income Tax Ordinance, 2001 (the Ordinance).

38.2 Relationship between income tax expense and accounting profit	2025	(Restated) 2024	2025	(Restated) 2024
	(Effective tax rate %)		(Rupees in '000)	
Profit before income tax			1,282,732	1,955,409
Tax at the enacted tax rate	(29.00)	(29.00)	(371,992)	(567,069)
Tax effect of:				
Super tax	(10.63)	(8.93)	(136,315)	(174,545)
Income taxed under final tax regime	0.00	4.00	-	78,206
Tax credit on donations	0.00	0.16	-	3,154
Others	5.97	(1.31)	76,570	(25,691)
Income tax - note 38	(33.66)	(35.08)	(431,737)	(685,945)

	Note	2025	(Restated) 2024
39. EARNINGS PER SHARE - BASIC AND DILUTED		(Rupees in '000)	
Profit for the year attributable to ordinary shareholders		850,995	1,269,464
		(Numbers)	
Weighted average number of ordinary shares outstanding at end of the year	39.1	700,200,000	635,936,666
		(Rupees)	(Restated)
Earnings per share - basic and diluted		1.22	2.00

	Note	2025	2024
		(Numbers)	
39.1 Weighted average number of ordinary shares			
Issued ordinary shares at beginning of the year		700,200,000	630,094,545
Effect of number of shares issued		-	5,842,121
Weighted average number of ordinary shares at end of the year		700,200,000	635,936,666

39.2 There were no convertible dilutive potential ordinary shares outstanding as at June 30, 2025 and 2024.

40. CASH GENERATED FROM OPERATIONS

	Note	2025	(Restated) 2024
		(Rupees in '000)	
Profit before income tax		1,282,732	1,955,409
Adjustments for non-cash charges and other items			
Levies	37	-	6,348
Depreciation of property, plant and equipment	4.1.1	201,503	168,914
Amortisation of intangible assets	6.1.2	7,454	6,825
Depreciation of right-of-use assets	5.2	6,881	11,341
(Gain) / Loss on disposal of property, plant and equipment	34	(368)	28,440
Unrealised exchange gain		6,562	3,992
Return on PLS savings accounts	35	(8,928)	(11,209)
Gain on modification of lease	35	-	(3,758)
Markup income on loan to subsidiary - PETPAK		(344,153)	(212,657)
Provision for staff retirement benefits	23.1.6	78,792	55,960
Amortisation of deferred income	35	(1,993)	(186)
Reversal of charge against loss allowance on trade receivables	11.5	(19,134)	(7,666)
Finance cost	36	1,321,059	1,527,181
		2,530,407	3,528,934
Changes in working capital	40.1	(1,960,455)	48,685
		569,952	3,577,619

40.1 CHANGES IN WORKING CAPITAL

	Note	2025	2024
		(Rupees in '000)	
(Increase) / decrease in current assets:			
Stores, spares and consumables		(109,611)	(32,753)
Stock-in-trade		389,031	230,747
Trade receivables		(1,419,605)	(949,417)
Loans and advances		71,228	(116,677)
Trade deposits and short-term prepayments		(14,116)	4,024
Other receivables		(562,524)	(114,062)
Sales tax refundable		(73,135)	-
		(1,718,732)	(978,138)
Increase / (decrease) in current liabilities:			
Trade and other payables		(332,586)	975,814
Contract liabilities		90,863	(53,103)
Sales tax payable		-	104,112
		(1,960,455)	48,685

41. CASH AND CASH EQUIVALENTS

	Note	2025	2024
Cash and bank balances	16	321,812	80,752
Short-term borrowings under Running Musharakah	27	(1,657,342)	(220,941)
		(1,335,530)	(140,189)

42. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives	
	2025	2024	2025	2024	2025	2024
	Rupees in '000					
Managerial remuneration	14,400	14,400	-	-	343,431	287,558
Bonus	1,200	1,200	-	-	25,649	22,002
Retirement benefits	2,277	1,947	-	-	47,469	32,072
Reimbursable expenses	-	-	-	-	9,509	7,900
Other perquisites and benefits	-	-	-	-	39,906	26,764
Directors' fees	-	-	25,860	19,950	-	-
	17,877	17,547	25,860	19,950	465,964	376,296
Number of persons	1	1	9	9	71	53

42.1 Chief Executive and certain executives are provided with the use of Company maintained cars and telephone facility, which are reimbursed at actual to the extent of their entitlements as per their terms of employment.

42.2 The Company has cross charged remuneration of its chief executive amounting to Rs. 4.47 million (2024; Nil) to each to its subsidiaries, namely Global Packaging Films (Private) Limited, Cast Packaging Films (Private) Limited and Petpak Films (Private) Limited.

42.2.1 The Company has cross charged remuneration of its executives to its subsidiaries, namely Global Packaging Films (Private) Limited, Cast Packaging Films (Private) Limited and Petpak Films (Private) Limited amounting to Rs.125.26 million (2024: Nil), Rs. 112.87 million (2024: Nil) and Rs. 105.12 million (2024: Nil) respectively.

42.3 Fees paid to 9 (2024: 9) non-executive directors were Rs. 25.86 million (2024: Rs. 19.95 million) on account of meetings attended by them.

43. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial risk management

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The Board meets frequently throughout the year for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

43.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations without considering the fair value of the collateral available there against.

43.1.1 Exposure to credit risk

The carrying amount of respective financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	Note	2025	2024
		(Rupees in '000)	
Long-term deposits		74,265	52,671
Long-term loans	8	32,594	22,262
Trade receivables - net of provision	11	4,870,537	3,431,798
Trade deposits	13	7,924	9,291
Loans and advances	12	30,958	29,256
Other receivables	14	719,600	157,076
Loan to subsidiaries	15	2,193,267	2,374,865
Bank balances	16	321,672	80,632
		8,250,817	6,157,851

The Company does not take into consideration the value of collateral while testing financial assets for impairment. The Company considers the credit worthiness of counterparties as part of its risk management.

Analysis of gross amounts receivable from local and foreign trade debtors are as follows:

	2025	2024
	(Rupees in '000)	
Domestic	3,104,174	2,168,660
Export	1,790,345	1,306,254
	4,894,519	3,474,914

43.1.2 Impairment losses

The ageing of trade debtors as per above at the reporting date was as follows:

	2025		2024	
	Gross	Impairment	Gross	Impairment
	(Rupees in '000)			
Not yet Due	3,958,983	19,398	2,508,040	4,495
0 - 30 days	650,417	3,187	742,677	6,745
31 - 60 days	230,101	1,127	81,833	2,609
61 - 90 days	10,509	51	49,509	4,719
91 - 120 days	11,440	56	5,029	962
121 - 180 days	17,306	85	79,204	19,004
181 - 270 days	6,708	33	3,828	1,783
271 - 365 days	5,903	29	47	52
Over 365 days	3,152	16	4,747	2,747
	4,894,519	23,982	3,474,914	43,116

Management believes that the unimpaired balances that are past dues are still collectible in full, based on historical payment behaviour and review of financial strength of respective customers. Further, certain trade debtors are secured by way of Export Letter of Credit and Inland Letter of Credit which can be called upon if the counter party is in default under the terms of the agreement.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

43.1.3 Bank balances

Cash is held only with reputable banks with high quality external credit rating assessed by external rating agencies. Following are the credit ratings of banks within which balances are held or credit lines available:

Bank	Rating Agency	Rating: Short term	Rating: Long term
Bank AL Habib Limited	PACRA	A1+	AAA
Meezan Bank Limited	VIS	A1+	AAA
Habib Bank Limited	VIS	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AA+
Dubai Islamic Bank Pakistan Limited	VIS	A1+	AA
Faysal Bank Limited	VIS	A1+	AA
Bank Alfalah Limited	PACRA	A1+	AAA
Askari Bank Limited	PACRA	A1+	AA+
JS Bank Limited	PACRA	A1+	AA
Standard Chartered Bank (Pakistan) Limited	PACRA	A1+	AAA
MCB Islamic Bank Limited	PACRA	A1	A+
MCB Bank Limited	PACRA	A1+	AAA
United Bank Limited	VIS	A1+	AAA
BankIslami Pakistan	PACRA	A1	AA-
Al Baraka Bank (Pakistan) Limited	PACRA	A1	AA-

43.1.4 Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at reporting date.

43.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient cash to meet expected working capital requirements by having credit lines available. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

2025		Contractual cashflows				
	Carrying amount	Total contractual cashflows	Six months or less	Six to twelve months	One to five years	More than five years
Financial liabilities	Rupees in '000					
Long-term financing	1,705,419	(2,033,722)	(398,913)	(379,664)	(1,253,356)	(1,789)
Lease liabilities	10,846	(11,492)	(5,665)	(5,827)	-	-
Trade and other payables	2,580,422	(2,580,422)	(2,580,422)	-	-	-
Short-term borrowings	6,178,753	(4,361,343)	(4,361,343)	-	-	-
	10,475,440	(8,986,979)	(7,346,343)	(385,491)	(1,253,356)	(1,789)

2024		Contractual cashflows				
	Carrying amount	Total contractual cashflows	Six months or less	Six to twelve months	One to five years	More than five years
Financial liabilities	Rupees in '000					
Long-term financing	2,259,877	(2,745,468)	(250,241)	(919,559)	(1,568,869)	(6,799)
Lease liabilities	18,635	(22,369)	(5,358)	(11,184)	(5,827)	-
Trade and other payables	2,645,788	(2,645,788)	(2,645,788)	-	-	-
Short-term borrowings	4,335,872	(4,335,872)	(4,335,872)	-	-	-
	9,260,172	(9,749,497)	(7,237,259)	(930,743)	(1,574,696)	(6,799)

43.2.1 The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rate effective as at June 30. The rate of mark-up have been disclosed in respective notes to these unconsolidated financial statements.

43.2.2 Long-term financing from various banks contains certain loan covenants. A breach of covenant, in future, may require the Company to repay the respective loans earlier than as directed in the above table.

43.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company is exposed to currency risk and interest rate risk only.

43.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Exposure to currency risk

The Company is exposed to currency risk on trade debts, bank balances and trade creditors that are denominated in a currency other than the respective functional currency of the Company. The Company's exposure to foreign currency risk is as follows:

	2025					2024				
	Rupees	US Dollars	Euro	AED	GBP	Rupees	US Dollars	Euro	AED	GBP
	(In '000)					(In '000)				
Financial assets										
Bank Balance	39,950	137	3	-	-	9,906	29	6	-	-
Trade debts	1,790,345	5,229	812	322	30	1,306,254	4,570	115	-	-
Financial liabilities										
Trade and other payables	(933,577)	(3,245)	(37)	-	-	(1,050,946)	(3,731)	(36)	-	-
Net exposure	896,718	2,120	779	322	30	265,214	868	85	-	-

The following significant exchange rates were applicable during the year:

	Reporting date rate	
	2025	2024
	Buying/Selling	Buying/Selling
US Dollars (USD) to Pakistani Rupee	283.53 / 283.97	278.3 / 278.8
Euro to Pakistani Rupee	332.62 / 333.13	297.88 / 298.41
AED to Pakistani Rupee	77.32 / 77.21	75.73 / 75.84
GBP to Pakistani Rupee	389.71 / 389.09	351.39 / 351.96

Sensitivity analysis

A 10 percent strengthening / weakening of the Pak Rupee against the USD and Euro as at June 30 would have decreased / increased the equity / profit after tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for both the years.

	Effect on Unconsolidated statement of profit or loss	
	2025	2024
As at 30 June	(Rupees in '000)	
Effect in USD	25,469	3,924
Effect in Euro	17,097	1,675
Effect in AED	1,642	-
Effect in GBP	771	-

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

43.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate exposure arises from short and long-term borrowings from banks.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instrument is:

	Note	Carrying amount 2025	2024
		(Rupees in '000)	
Fixed rate instruments			
Financial liabilities	20 & 27	11,615	12,744
Variable rate instruments			
Financial liabilities	20 & 27	7,720,491	6,398,417

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and the profit after tax by Rs. 41.69 million (2024: Rs. 34.55 million) with the corresponding effect on the carrying amount of the liability. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for both the years.

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect the unconsolidated statement of profit or loss.

43.4 Reconciliation of movements of liabilities to cash flows arising from financing activities

	2025				
	Short-term borrowings	Long-term financing	Lease liabilities	Unappropriated profit	Total
	Rupees in '000				
Balance as at July 1, 2024 - As restated	4,335,872	2,259,877	18,635	1,235,851	7,850,235
Changes from financing cash flows					
Repayment of long-term loan	-	(523,600)	-	-	(523,600)
Proceeds from long-term loan	-	-	-	-	-
Receipt of short-term borrowings	408,143	-	-	-	408,143
Lease liability payments	-	-	(7,789)	-	(7,789)
Total changes from financing activities	408,143	(523,600)	(7,789)	-	(123,246)
Other changes					
Modifications in lease liabilities	-	-	-	-	-
Interest expense	909,570	365,660	2,294	-	1,277,524
Interest paid	(911,233)	(396,518)	(2,294)	-	(1,310,045)
Total loan related other changes	(1,663)	(30,858)	-	-	(32,521)
Equity related other changes	-	-	-	851,883	851,883
Balance as at June 30, 2025	4,742,352	1,705,419	10,846	2,087,734	8,546,351

	2024				
	Short-term borrowings	Long-term financing	Lease liabilities	Unappropriated profit	Total
	Rupees in '000				
Balance as at July 1, 2023	2,845,547	1,909,839	41,824	3,251,135	8,048,345
Changes from financing cash flows					
Repayment of long-term loan	-	(1,788,222)	-	-	(1,788,222)
Proceeds from long-term loan	-	2,150,000	-	-	2,150,000
Changes in short-term borrowings	1,427,457	-	-	-	1,427,457
Lease liability payments	-	-	(6,348)	-	(6,348)
Total changes from financing activities	1,427,457	361,778	(6,348)	-	1,782,887
Other changes					
Additions to lease liabilities	-	-	(16,841)	-	(16,841)
Interest expense	869,396	624,642	8,477	-	1,502,515
Interest paid	(806,528)	(636,382)	(8,477)	-	(1,451,387)
Total loan related other changes	62,868	(11,740)	(16,841)	-	34,287
Equity related other changes	-	-	-	(2,015,284)	(2,015,284)
Balance as at June 30, 2024 - As restated	4,335,872	2,259,877	18,635	1,235,851	7,850,235

43.5 Price risk

Price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company has no exposure to price risk as its investments are measured at cost.

43.6 Fair value of financial assets and liabilities

The carrying values of financial assets and financial liabilities reported in the unconsolidated statement of financial position approximate their fair values.

43.7 Financial instruments by categories

	Note	2025	2024
		(Rupees in '000)	
Financial assets			
Held at amortised cost			
- Long-term loans	8	32,594	22,262
- Long-term deposits		74,265	52,671
- Trade receivables	11	4,870,537	3,431,798
- Loans and advances	12	30,958	29,256
- Trade deposits	13	7,924	9,291
- Other receivables	14	719,600	157,076
- Loan to subsidiaries	15	62,702	54,067
- Cash and bank balances	16	321,812	80,752
		6,120,392	3,837,173
Financial liabilities			
Held at amortised cost			
- Long-term financing	20	1,705,419	2,259,877
- Trade and other payables	25	2,580,422	2,645,788
- Short-term borrowings - secured	27	6,178,753	4,335,872
- Lease liabilities	24	10,846	18,635
		10,475,440	9,260,172

44. CAPITAL MANAGEMENT

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The Company also monitors capital using a gearing ratio, which is net debt, interest bearing loans and borrowings including finance cost thereon, less cash and bank balances. Capital signifies equity as shown in the unconsolidated statement of financial position plus net debt. The gearing ratio as at June 30, 2025 and June 30, 2024 is as follows:

	Note	2025	2024
		(Rupees in '000)	
Long-term loans	20 & 21	1,711,492	2,267,943
Short-term financing	27	6,178,753	4,335,872
Total debt		7,890,245	6,603,815
Cash and bank balances	16	(321,812)	(80,752)
Net debt		7,568,433	6,523,063
Issued, subscribed and paid up capital	17	7,002,000	7,002,000
Capital reserves	18 & 19	5,729,722	5,729,722
Revenue reserve - unappropriated profit		2,111,868	1,259,985
Equity		14,843,590	13,991,707
Capital		22,412,023	20,514,770
Gearing ratio [Net debt / (Net debt + Equity)]		33.81%	31.83%

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

45. MEASUREMENT OF FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

When measuring the fair value of an asset or a liability, the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2025, all financial assets and financial liabilities are carried at amortised cost which is approximate to their fair value.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy at the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the unconsolidated financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

Management assessed that the fair values of cash and cash equivalents, other receivables, trade deposits, trade debts, short-term borrowings, trade and other payables and accrued mark-up approximate their carrying amounts largely due to short-term maturities of these instruments. For long-term deposit and long-term financing, management consider that their carrying values approximates fair value owing to credit standing of counterparties and interest payable on borrowings are at market rates.

46. SHARIAH COMPLIANCE STATUS DISCLOSURE

	Note	2025	2024
		(Rupees in '000)	
Statement of financial position - Liability			
i) Short-term financing as per Islamic mode	27	6,178,753	4,335,872
ii) Long-term financing as per Islamic mode	20	1,705,419	2,259,877
iii) Mark-up accrued on Islamic loan		152,065	184,588
Statement of financial position - Asset			
i) Shariah-compliant bank balances	16	321,523	80,495
Statement of Profit or Loss			
i) Revenue earned from Shariah-compliant business segment	30	15,564,535	17,088,885
ii) Exchange gain / (loss)	34 & 35	16,337	(25,253)
iii) Profit earned from shariah compliant bank balances	35	8,928	11,209
iv) Profit on Islamic mode of financing	36	1,275,229	1,494,038

	Note	2025	2024
		(Rupees in '000)	
Break-up of Other income			
Shariah compliant Income			
- Sale of general scrap	35	43,296	27,623
- Gain on disposal of fixed assets	4.1.4	368	-
- Gain on modification of lease	35	-	3,758
- Export rebate	35	48,635	31,922
- Others	35	2,530	-
Shariah non-compliant income			
- Government grant	35	1,993	186
- Markup income on loan to subsidiary - PETPAK	35	344,153	212,657

46.1 Relationship with Shariah-compliant financial institutions

Islamic banks

Name	Relationship
Al Baraka Bank (Pakistan) Limited	Funded & Non Funded Facilities
Askari Bank Limited	Funded & Non Funded Facilities
Bank Al Habib Limited	Funded & Non Funded Facilities
Bank Al Falah Limited	Funded & Non Funded Facilities
Dubai Islamic Bank Limited	Funded & Non Funded Facilities
Habib Bank Limited	Funded & Non Funded Facilities
MCB Islamic Bank Limited	Funded & Non Funded Facilities
Meezan Bank Limited	Funded & Non Funded Facilities

47. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of the subsidiary companies, associated undertakings, directors of the Company and key management personnel. The Company continues to follow a policy whereby transactions with related parties are entered into at commercial terms and at rate agreed under a contract / arrangement / agreement. Remuneration of key management personnel are in accordance with their terms of engagements.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, non-executive directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

	2025	2024
	(Rupees in '000)	
47.1 Transactions with related parties		
Subsidiary companies		
Sales inluding toll manufacturing	3,341,013	16,751
Receipts against sales	1,886,067	5,618
Advance paid against future issue of shares	436,440	2,406,928
Purchases	203,984	-
Payment against purchases	32,428	-
Loan stock received	3,255,014	647,455
Loan stock issued	4,114,612	273,738
Loan issued	62,702	2,162,208
Loan repaid	54,067	-
Markup income on loan issue	344,153	212,657
Receipts against markup income on loan issue	534,384	79,000
Associated companies		
Sales	1,910,001	2,057,642
Receipts against sales	1,472,868	2,317,876
Purchase	14,037	2,601
Payment against purchases	1,083	2,459
Key management personnel		
Remuneration	170,326	393,843
Non-executive directors		
Directors' fee	25,860	19,950

47.2 The following are the related parties with whom the Company had entered into transactions or had agreements and / or arrangements in place during the year.

Name of the Related Party	Relationship and percentage of shareholding
Cast Packaging Films (Private) Limited	Wholly owned subsidiary company
Universal Coating Films (Private) Limited	Associated company by virtue of common directorship
PETPAK Films (Private) Limited	Subsidiary company - 52% (2024:52%) shareholding
Global Packaging Films (Private) Limited	Subsidiary company - 84.54% (2024:100%) shareholding
IPAK Connect Packaging Materials Trading FZCO	Wholly owned subsidiary company
Universal Packaging Company (Private) Limited	Associated company by virtue of common directorship
Saima Packaging Company (Private) Limited	Associated company by virtue of common directorship
Sunridge Foods (Private) Limited	Associated company by virtue of common directorship
Universal Films (Private) Limited	Associated company by virtue of common directorship

47.3 Outstanding balances with related parties have been separately disclosed in trade and other payables. These are settled in ordinary course of business.

	2025	2024
	(Tons)	

48. PLANT CAPACITY AND ACTUAL PRODUCTION

	2025	2024
Operational capacity	41,360	41,360
Actual production	27,521	28,809

48.1 Production of films during the year is based on market demand.

49. OPERATING SEGMENT

49.1 These unconsolidated financial statements have been prepared on the basis of a single operating segment.

49.2 Revenue from the sale of BOPP films represents 100% (2024: 100%) of the total revenue.

49.3 Geographic Information

The Company's 69.62% (2024: 89.07%) of the sales of BOPP films are domestic sales whereas 30.38% (2024: 10.93%) of the sales are export / foreign sales.

The Company's net revenue from external customers by geographical location is disclosed in note 30.1.

All non-current assets of the Company are located in Pakistan as at June 30, 2025 with an exception of its investment in IPAK Connect Packaging Materials Trading - FZCO which is domiciled in Dubai, United Arab Emirates as disclosed in note 7.4.

49.4 Revenue from major customer

Revenue from major customers individually accounting for more than 10% of the revenue from sale of BOPP films was Rs. 3,076.1 million (2024: Nil).

50. NUMBER OF EMPLOYEES

The details of number of employees are as follows:

	2025	2024
	(Number)	
Number of employees at June 30		
- Permanent	337	295
- Contractual	107	100
	444	395
Average number of employees during the year		
- Permanent	316	275
- Contractual	104	96
	420	371

51. GENERAL

51.1 NON-ADJUSTING EVENTS AFTER REPORTING DATE

The Board of Directors of the Company in its meeting held on September 18, 2025 has proposed a final cash dividend of Re. 0.6 per share (2024: Nil) amounting to Rs. 420 million (2024: Nil) along with bonus issue of 5 percent (2024: Nil) for approval of the members at the annual general meeting to be held on October 23, 2025. These unconsolidated financial statements for the year ended June 30, 2025 do not include the effect of the proposed final cash dividend and bonus issue which will be accounted in the year ending June 30, 2026.

NOTES TO AND FORMING PART OF THE
UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

51.2 CORRESPONDING FIGURES

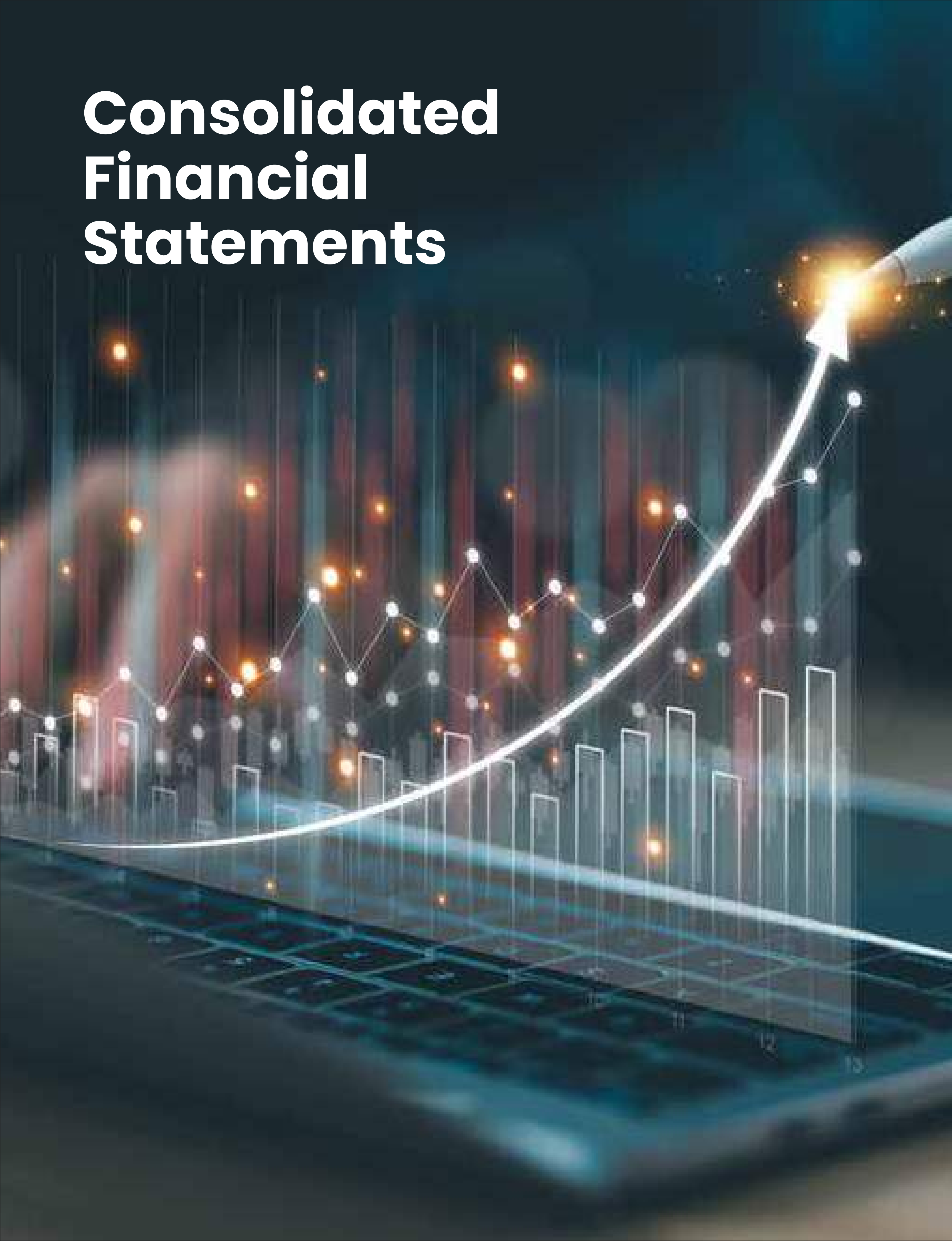
Corresponding figures have also been rearranged and reclassified, wherever necessary, for better presentation. However, there has been no material reclassification to report.

52. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were approved and authorised for issue by the Board of Directors on September 18, 2025.

Naveed Godil Chief Executive Officer	Saad Amanullah Khan Director & Chairman Board Audit Committee	Syed Haris Salim Chief Financial Officer

Consolidated Financial Statements



INDEPENDENT AUDITOR'S REPORT

To the members of International Packaging Films Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of International Packaging Films Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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KARACHI LAHORE ISLAMABAD

Following are the Key audit matters:

S. No.	Key audit matters	How the matters were addressed in our audit
(i)	**Revenue from contracts with customers** ***(Refer note 3.12 and note 29 to the consolidated financial statements)*** The principal activity of the Group is manufacturing and sale of flexible packaging materials mainly comprising of BOPP (Biaxially-oriented polypropylene), CPP (Cast polypropylene), BOPET (Biaxially-oriented polyethylene terephthalate) films and allied products. Revenue is recognised when performance obligation is satisfied by transferring control of promised goods to a customer. We considered revenue recognition as a key audit matter as it is an area of significant audit risk as part of the audit process.	Our audit procedures amongst others included the following: - assessed the design, implementation and operating effectiveness of key internal controls involved in revenue recognition; - understood and evaluated the accounting policy with respect to revenue recognition; - performed testing of revenue on a sample basis with underlying documentation including dispatch documents and sales invoices; - performed cut-off procedures on sample basis to ensure sales have been recorded in the correct period; - verified that sales prices are negotiated and approved by appropriate authority; and - ensured that presentation and disclosures related to revenue are being addressed appropriately.

S. No.	Key audit matters	How the matters were addressed in our audit
(ii)	**Change in accounting policy for remeasurement of certain classes of property, plant and equipment** ***(Refer note 3.22 to the consolidated financial statements)*** The Group has changed its accounting policy in respect of measurement of certain classes of its property, plant and equipment (i.e. freehold land, buildings on freehold land and plant & machinery). These are now being carried at cost less accumulated depreciation and impairment, if any. Previously, these were carried at revalued amounts less accumulated depreciation and impairment, if any. The above change in accounting policy has been applied retrospectively in accordance with IAS 8 'Accounting policies, changes in accounting estimates and errors'. Due to the significance of the judgement involved in determining the appropriateness of the change in accounting policy under the requirements of the applicable financial reporting standards, we have considered the same as a key audit matter.	Our audit procedures, amongst others, included the following: - evaluated the rationale provided by the management for the change in accounting policy and its appropriateness based on the requirements of IAS 8 and the given facts and circumstances of the Group . In this regard, we considered the allowability of using the new accounting policy under the requirements of the accounting and reporting standards as applicable in Pakistan as well as practices followed by other businesses comparable with the Group across its business segments locally and internationally. Such analysis was aimed to assess the appropriateness of the change in accounting policy with the objective of providing most relevant and reliable information to the users of the financial statements; - reviewed minutes of the meetings of the Board of Directors and Audit Committee for the considerations and discussions triggering the change in accounting policy and its approval by the Audit Committee and the Board; - checked the accuracy of application of the new accounting policy through retrospective restatement of the carrying amounts in the unconsolidated financial statements and the adequacy of the disclosures made in this regard as required under the accounting and reporting standards as applicable in Pakistan.

Information Other than the Consolidated and Unconsolidated Financial Statements and Auditor's Report Thereon

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Junaid Mesia.

AFerguson &Co

A. F. Ferguson & Co
Chartered Accountants
Karachi

Date: October 1, 2025

UDIN: AR202510611huvfP7HjI

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

	Note	June 30, 2025	(Restated) June 30, 2024	(Restated) July 01, 2023
		-----------------(Rupees in '000)-----------------		
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	4	27,072,597	27,318,483	20,584,799
Right-of-use assets	5	5,366	12,247	36,671
Intangible assets	6	55,134	55,153	61,115
Long-term loans	7	32,594	22,262	9,035
Long-term deposits		125,953	104,359	6,371
		27,291,644	27,512,504	20,697,991
CURRENT ASSETS				
Stores, spares and consumables	8	541,578	335,475	275,938
Stock-in-trade	9	5,137,931	4,532,240	3,193,199
Trade receivables	10	7,761,859	5,788,935	3,348,647
Loans and advances	11	841,890	552,475	314,138
Trade deposits and short-term prepayments	12	82,032	77,125	28,833
Other receivables	13	288,752	167,756	42,682
Taxation - net	27	213,477	-	-
Sales tax refundable		694,242	856,316	391,717
Cash and bank balances	14	770,968	245,918	333,144
		16,332,729	12,556,240	7,928,298
TOTAL ASSETS		43,624,373	40,068,744	28,626,289
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Share capital				
Issued, subscribed and paid-up capital	15	7,002,000	7,002,000	6,300,945
Capital reserves				
Share premium		2,470,722	2,470,722	1,487,566
Reserve for investment in subsidiaries	17	3,259,000	3,259,000	-
Revenue reserves				
Accumulated loss / unappropriated profits		1,170,660	(32,922)	3,138,416
Exchange translation reserves		621	245	-
TOTAL SHAREHOLDERS' EQUITY		13,903,003	12,699,045	10,926,927
Non-controlling interest		2,568,515	2,843,447	3,183,774
		16,471,518	15,542,492	14,110,701
LIABILITIES				
NON-CURRENT LIABILITIES				
Long-term financing - secured	18	4,127,171	3,071,893	2,910,061
Deferred income - government grant	19	643,605	909,519	639,711
Deferred taxation - net	20	2,933,625	2,474,618	646,292
Staff retirement benefits	21	265,895	178,665	112,130
Lease liabilities	22	-	9,543	30,988
Suppliers' credit	23	-	-	2,159,537
		7,970,296	6,644,238	6,498,719
CURRENT LIABILITIES				
Trade and other payables	24	8,009,135	8,560,153	3,947,120
Contract liabilities	25	374,186	261,805	252,233
Short-term borrowings - secured	26	9,384,868	5,851,483	3,261,147
Current portion of long-term financing - secured	18	1,276,893	838,088	122,955
Current portion of deferred income - government grant	19	126,631	23,691	18,057
Current portion of lease liabilities	22	10,846	9,092	10,836
Suppliers' credit	23	-	2,235,642	-
Taxation - net	27	-	102,060	258,785
Accrued mark-up		-	-	145,736
		19,182,559	17,882,014	8,016,869
TOTAL LIABILITIES		27,152,855	24,526,252	14,515,588
CONTINGENCIES AND COMMITMENTS	28			
TOTAL EQUITY AND LIABILITIES		43,624,373	40,068,744	28,626,289

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Naveed Godil Chief Executive Officer	Saad Amanullah Khan Director & Chairman Board Audit Committee	Syed Haris Salim Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	(Restated) 2024
		-----------(Rupees in '000)-----------	
Revenue from contracts with customers	29	34,368,825	22,834,738
Cost of sales	30	(29,374,656)	(18,163,060)
Gross profit		4,994,169	4,671,678
Selling and distribution expenses	31	(757,365)	(371,687)
Administrative expenses	32	(669,515)	(505,675)
Charge of loss allowance on trade receivable	10.5	13,855	(5,077)
Other operating expenses	33	(193,168)	(230,797)
Other income	34	436,782	234,407
Operating profit		3,824,758	3,792,849
Finance costs	35	(2,219,003)	(1,815,116)
Profit before levies and income tax		1,605,755	1,977,733
Levies - final tax	36	-	(6,348)
Profit before income tax		1,605,755	1,971,385
Income tax expense	37		
- Current		(483,274)	(712,744)
- Deferred		(458,435)	(1,829,542)
		(941,709)	(2,542,286)
Profit / (loss) for the year after taxation		664,046	(570,901)
Profit / (loss) attributable to:			
- Owners of Holding Company		1,202,416	90,830
- Non-controlling interest (NCI)		(538,370)	(661,731)
		664,046	(570,901)
		-------- (Rupees) --------	
			(Restated)
Earnings per share - basic and diluted	38	1.72	0.14

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Naveed Godil Chief Executive Officer	Saad Amanullah Khan Director & Chairman Board Audit Committee	Syed Haris Salim Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	(Restated) 2024
		-----------(Rupees in '000)-----------	
Profit / (loss) for the year after taxation		664,046	(570,901)
Other comprehensive income			
Items that will not be subsequently reclassified to consolidated statement of profit or loss			
Remeasurement loss on defined benefit plans	21	2,347	(5,680)
Related deferred tax credit for the year		(572)	1,217
		1,775	(4,463)
Items that will be subsequently reclassified to consolidated statement of profit or loss			
Foreign operations - foreign currency translation difference		376	245
Other comprehensive income / (loss) for the year - net of tax		2,151	(4,218)
Total comprehensive income / (loss) for the year		666,197	(575,119)
Total comprehensive income attributable to:			
- Owners of Holding Company		1,203,958	87,907
- Non-controlling interest (NCI)		(537,761)	(663,026)
		666,197	(575,119)

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Naveed Godil
Chief Executive Officer

Saad Amanullah Khan
Director & Chairman
Board Audit Committee

Syed Haris Salim
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid-up capital	Capital reserves			Revenue reserves		Non-controlling interest - restated	Total
		Share premium	Reserve for investment in subsidiaries	Revaluation surplus on property, plant and equipment	Unappropriated profits / accumulated loss - restated	Exchange translation reserves		
	---(Rupees in '000)---							
Balance as at July 1, 2023 - As previously reported	6,300,945	1,487,566	-	1,642,280	3,138,416	-	3,183,774	15,752,981
Effect of retrospective application of change in accounting policy (net of tax) - note 3.22	-	-	-	(1,642,280)	-	-	-	(1,642,280)
Balance as at July 1, 2023 - Restated	6,300,945	1,487,566	-	-	3,183,774	-	3,183,774	14,110,701
Profit for the year - restated	-	-	-	-	90,830	-	(661,731)	(570,901)
Other comprehensive profit/(loss) for the year	-	-	-	-	(3,168)	245	(1,295)	(4,218)
Total comprehensive (loss) / income for the year - restated	-	-	-	-	87,662	245	(663,026)	(575,119)
Advance against future issuance of shares - PETPAK Films (Private) Limited	-	-	-	-	-	-	322,699	322,699
Transferred from unappropriated profits to reserve for investment in subsidiaries	-	-	3,259,000	-	(3,259,000)	-	-	-
Transactions with owners in their capacity as owners								
Issuance of 70,105,455 ordinary shares each fully paid in cash	701,055	1,062,923	-	-	-	-	-	1,763,978
Write off of expenses on account of issue of shares through Initial Public Offering - note 16	-	(79,767)	-	-	-	-	-	(79,767)
Balance as at June 30, 2024 - restated	7,002,000	2,470,722	3,259,000	-	(32,922)	245	2,843,447	15,542,492
Profit/(Loss) for the year	-	-	-	-	1,202,416	-	(538,370)	664,046
Other comprehensive income / (loss) for the year	-	-	-	-	1,166	376	609	2,151
Total comprehensive income / (loss) for the year	-	-	-	-	1,203,582	376	(537,761)	666,198
Advance against future issuance of shares - PETPAK Films (Private) Limited	-	-	-	-	-	-	262,829	262,829
Balance as at June 30, 2025	7,002,000	2,470,722	3,259,000	-	1,170,660	621	2,568,515	16,471,518

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Naveed Godil
Chief Executive Officer

Saad Amanullah Khan
Director & Chairman
Board Audit Committee

Syed Haris Salim
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	(Restated) 2024
		-----------(Rupees in '000)-----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	39	1,398,204	4,294,847
Finance costs paid		(2,153,314)	(1,691,591)
Staff retirement benefits paid		(19,460)	(10,321)
Income tax and levies paid		(798,811)	(875,817)
Increase in long-term loans		(10,332)	(13,227)
Increase in long-term deposits		(21,594)	(97,988)
		(3,003,511)	(2,688,944)
Net cash generated from operating activities		(1,605,307)	1,605,903
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property, plant and equipment		(872,707)	(7,204,358)
Payment for acquisition of intangible assets		(7,567)	(890)
Return on PLS savings accounts		28,711	28,043
Proceeds from disposal of property, plant and equipment		368	7,004
Net cash used in investing activities		(851,195)	(7,170,201)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares through Initial Public Offering (IPO)		-	1,763,978
Expenses incurred in relation to IPO		-	(79,767)
Lease rentals paid		(10,083)	(14,825)
Receipt of short-term borrowings - net		1,474,286	2,218,106
Suppliers credit		(2,235,642)	-
Receipt against issue of shares to non-controlling interest		262,829	322,699
Proceeds from long-term financing		-	2,859,411
Repayment of long-term financing		1,453,385	(1,765,307)
Net cash generated from financing activities		944,775	5,304,295
Net decrease in cash and cash equivalents		(1,511,727)	(260,003)
Cash and cash equivalents at beginning of the year		24,977	284,735
Effects of exchange rate changes in cash and cash equivalents		376	245
Cash and cash equivalents at end of the year	40	(1,486,374)	24,977

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Naveed Godil
Chief Executive Officer

Saad Amanullah Khan
Director & Chairman
Board Audit Committee

Syed Haris Salim
Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

1. THE GROUP AND ITS OPERATIONS

1.1 The Group consists of International Packaging Films Limited (the Holding Company), its wholly owned subsidiaries namely Cast Packaging Films (Private) Limited and Global Packaging Films (Private) Limited, its 52% owned subsidiary namely PETPAK Films (Private) Limited, its 52% indirectly owned subsidiary PETPAK Plus (Private) Limited and its wholly owned foreign subsidiary namely IPAK Connect Packaging Materials Trading - FZCO [together referred to as "the Group" and individually as "Group entities"].

1.2 The Holding Company was incorporated in Pakistan as a private limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) on October 2, 2015. On June 11, 2021, the Holding Company's status was converted into a public limited company, and it was subsequently listed on the Pakistan Stock Exchange Limited on June 3, 2024. The Holding Company is principally engaged in the manufacturing and sale of flexible packaging materials mainly comprising of BOPP (Biaxially-oriented Polypropylene) films and allied products. It commenced its commercial operations effective in September 2017.

The geographical locations and addresses of the Holding Company's business units, including plants are as under:

- The registered office of the Company is situated at 40-L-1, P.E.C.H.S., Block 6, near Jason Trade Centre, Karachi, Sindh.
- The manufacturing plant of the Holding Company is situated at IPAK Plant, Manga Chowk, Raiwind, Bypass road, Raiwind district, Lahore, Punjab.

1.3 Cast Packaging Films (Private) Limited (CPAK) was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on April 01, 2020. It is principally engaged in the manufacturing and sale of flexible packaging materials mainly comprising of CPP (Cast Polypropylene) film and its allied products. It commenced its commercial operations effective in April 2021.

The geographical locations and addresses of the Subsidiary Company's business units, including plants are as under:

- The registered office of the Subsidiary Company is situated at 40-L-1, P.E.C.H.S., Block 6, near Jason Trade Centre, Karachi, Sindh.
- The manufacturing plant of the Subsidiary Company is situated at Kharsa No. 557 and 563, Qita No. 7 and 13, 3.5 KM, Manga Bypass Road, Raiwind, Lahore.

1.4 Global Packaging Films (Private) Limited (GPAK) was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on January 15, 2021, It is principally engaged in the manufacturing and sale of flexible packaging materials mainly comprising of BOPP (Biaxially-oriented Polypropylene) films and its allied products. It commenced its commercial operations effective in June 2024.

The geographical locations and addresses of the Subsidiary Company's business units, including plants are as under:

- The registered office of the Subsidiary Company is situated at 40-L-1, P.E.C.H.S., Block 6, near Jason Trade Centre, Karachi, Sindh.
- The manufacturing plant of the Subsidiary Company is situated at Plot No. 5D - 9D, Quaid-e-Azam Business Park, Sheikhupura, Punjab.

1.5 PETPAK Films (Private) Limited (the Company) is incorporated in Pakistan as a private limited company under the Companies Act, 2017 on September 21, 2020. The Company is principally engaged in the manufacturing and sale of flexible packaging materials mainly comprising of BO-PET (biaxially-oriented polyethylene terephthalate) films and allied products of PET Packaging. It commenced its commercial operations effective in February 2024.

The geographical locations and addresses of the Subsidiary Company's business units, including plants are as under:

- The registered office of the Subsidiary Company is situated at 40-L-1, P.E.C.H.S., Block 6, near Jason Trade Centre, Karachi, Sindh.
- The manufacturing plant of the Subsidiary Company is situated at Plot No. 1D - 4D, Quaid-e-Azam Business Park, Sheikhupura, Punjab.

1.6 PETPAK Plus (Private) Limited (PPPAK) is a 52% indirectly owned subsidiary through PETPAK Films (Private) Limited and was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on October 05, 2020. The Board of Directors of the subsidiary company have approved to dissolve the Company and filed an application under Companies (Easy Exit) Regulation, 2014 with Securities and Exchange Commission of Pakistan (SECP) to strike off the name of the subsidiary company from the register of the Companies under section 426 of the Companies Act, 2017.

- The registered office of the Subsidiary Company is situated at 40-L-1, P.E.C.H.S., Block 6, near Jason Trade Centre, Karachi, Sindh.

1.7 IPAK Connect Packaging Materials Trading - FZCO was incorporated in Dubai Economic Integrated Zones, Dubai, United Arab Emirates on January 10, 2024. It is principally engaged in the trading of packing and packaging materials, equipment and containers trading under the license no. 40083. Its registered office and sales office is situated at Building A2, Dubai Digital Park, Silicon Oasis, Dubai.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Accounting Standards) 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 (ICAP) as are 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 IFRS Accounting Standards / IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except for certain items as disclosed in the relevant accounting policies below.

2.3 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupees, which is the Holding Company's functional and presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.4 Use of estimates and judgements

The preparation of consolidated financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of the Holding Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Information about the judgements made by the management in the application of the accounting policies, that have the most significant effect on the amount recognised in these consolidated financial statements, assumptions and estimation uncertainties with significant risk of material adjustment to the carrying amount of assets and liabilities in future periods are described in the following notes:

- Property, plant & equipment (notes 3.1 & 4)
- Lease liability and right-of-use assets (notes 3.3, 5 & 22)
- Trade receivables (notes 3.4.2.1 & 10)
- Stores, spares & consumables (notes 3.6 & 8)
- Stock-in-trade (notes 3.7 & 9)
- Taxation (notes 3.8, 27 & 37)
- Staff retirement benefits (notes 3.11 & 21)
- Impairment of financial & non-financial assets (notes 3.16)

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

2.5 Initial application of a Standard, Amendment or an Interpretation to an existing standard

a) Standards and amendments to accounting and reporting standards that are effective during the current year

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 July 1, 2024. However, these do not have any significant impact on the Company's financial reporting and have not been disclosed in these financial statements, except for the following:

Amendment to IAS 1 - Non - current liabilities with covenants:

An amendment to IAS 1 'Presentation of Financial Statements' (IAS-1) was introduced addressing the classification of non-current liabilities subject to covenants. This amendment clarifies that liabilities should be classified as either current or non-current based on the rights available at the end of the reporting period, without consideration of future expectations or events occurring after this date. The amendment also mandates specific disclosures if a liability is classified as non-current but is subject to covenants that must be complied with within twelve months of the reporting date.

b) Standards, amendments to published standards and interpretations 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 July 1, 2025. The following amendments and standard have not been early adopted by the Company:

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of Environment, Social and Governance (ESG) targets); and

- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (effective January 1, 2027):

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;

- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and

- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The management is in process of assessing the impact of above changes.

Other than above, there are standards and certain amendments to accounting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on July 01, 2025. Such standards and amendments are not expected to have any significant impact in the Company's financial reporting and, therefore, have not been presented in these financial statements.

2.6 Basis of consolidation

i) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Further, the Group also considers whether:

- it has power to direct the activities of the subsidiaries;
- is exposed to variable returns from the subsidiaries; and
- decision-making power allows the Group to affect its variable returns from the subsidiaries.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are derecognised from the date the control ceases. These consolidated financial statements include International Packaging Films Limited (the Holding Company) and all companies which it directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors (the Subsidiaries).

The financial statements of the Subsidiaries have been consolidated on a line-by-line basis. Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses (unrealised) are also eliminated. Subsidiaries have same reporting period as that of the Group. The accounting policies of subsidiaries have been changed to conform with accounting policies of the Group, wherever needed.

Where the ownership of a subsidiary is less than 100% and therefore, a non controlling interest (NCI) exists, the NCI is allocated its share of the total comprehensive income of the period, even if that results in a deficit balance.

ii) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of a subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and methods of computations adopted in the preparation of these consolidated financial statements set out below have been applied consistently to all the periods presented in these financial statements, except as indicated below in notes 3.9 and 3.23 (Levies).

3.1 Property, plant and equipment

3.1.1 Operating assets and depreciation

Initial recognition

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the group entities and the cost of such item can be measured reliably. Recognition of the cost in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Measurement

Property, plant and equipment (except freehold land, buildings on freehold land and plant and machinery) are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land is stated at revalued amount, whereas buildings on freehold land and plant and machinery are stated at revalued amounts less accumulated depreciation and impairment loss, if any. The costs of property, plant and equipment include:

(a) its purchase price including import duties, non-refundable purchase taxes after deducting trade discounts and rebates; and

(b) any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) Borrowing costs, if any.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure

Expenditure incurred to replace a significant component of an item of plant and equipment is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items can be measured reliably. All other expenditures (including repairs and normal maintenance) are recognised in the consolidated statement of profit or loss as an expense when it is incurred.

Depreciation

Depreciation on all items except for land is charged on straight line method at the rates specified in note 4.1 to the consolidated financial statements and is generally recognised in the consolidated statement of profit or loss. Depreciation on addition is charged from the month the asset is available for use up to the month prior to disposal. Depreciation methods, useful lives and residual values of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposal

Gains and losses on disposal of assets are taken to the consolidated statement of profit or loss, and the related revaluation surplus on property, plant and equipment, if any, is transferred directly to unappropriated profits.

3.1.2 Capital work-in-progress

Capital work-in-progress is stated at cost less impairment loss, if any and consists of expenditure incurred (including any borrowing cost, if applicable) and advances made in the course of their acquisition, erection, construction and installation, including salaries and wages directly attributable to capital work-in-progress, determined by the management. Transfers are made to relevant asset category as and when assets are available for intended use.

3.2 Intangible assets

Intangible assets are initially recognised at cost less accumulated amortisation and impairment losses, if any. Costs that are directly associated with identifiable software product controlled by the Group and have probable economic benefits beyond one year are recognised as intangible asset. Costs associated with maintaining software are recognised as an expense as and when incurred.

Amortisation is charged to consolidated statement of profit or loss by applying the straight-line basis whereby the carrying amount of an asset is amortised over its estimated useful life to the Group unless such life is indefinite. Amortisation is charged from the month the asset is available for use, while in case of disposal it is charged up to the month prior to disposal.

The Group accounts for impairment, where indications exist, by reducing asset's carrying amount to the recoverable amount.

3.3 Lease liability and right-of-use assets

The Group, as a lessee, has recognised right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligations to make lease payments.

At inception of a contract, the Group assesses whether a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Group mainly leases properties for its business activities. The Group recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Dismantling costs and restoration costs.

The Group has various lease agreements for its head office, warehouses, staff quarters and guest houses which were previously classified by the Company based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for all the leases - i.e. these leases are on statement of financial position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the entity's incremental borrowing rate being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in consolidated statement of profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Group has not elected to recognise right-of-use assets and lease liabilities for short-term leases of properties that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.4.1 Initial measurement of financial asset

The Group classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in the consolidated statement of profit or loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the consolidated statement of profit or loss.

Equity Investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in the consolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the consolidated statement of profit or loss.

Subsequent measurement Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in the consolidated statement of profit or loss.

Financial assets at measured at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest / markup income, foreign exchange gains and losses and impairment, if any, are recognised in the consolidated statement of profit or loss.

3.4.2 Non-derivative financial assets

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Group becomes party to the respective contractual provisions. Non derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and include trade receivables, deposits, advances, other receivables and cash and cash equivalents. The Group derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

3.4.2.1 Trade receivables, advances and other receivables

These are classified at amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off where there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

3.4.2.2 Cash and cash equivalents

Cash and cash equivalents are carried in the consolidated statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand, demand deposits and other short term highly liquid investments with a maturity of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents also include bank overdrafts / short term borrowings.

3.4.3 Financial liabilities

All financial liabilities are recognised at the time when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are recognised initially at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these are measured at amortised cost using the effective interest rate method.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the consolidated statement of profit or loss.

3.4.3.1 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised costs.

3.4.3.2 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the consolidated statement of financial position if the Group has a legally enforceable right to offset the recognised amounts and intends either, to settle on a net basis or, to realise the asset and settle the liability simultaneously.

3.5 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

3.6 Stores, spares and consumables

These are stated at weighted average cost less provision against slow-moving items, if any. For items which are slow moving and / or identified as surplus to the Group's requirements, adequate provision is made for any excess book value over net realizable value. Provision is made for obsolete and slow moving items where necessary and is recognised in the consolidated statement of profit or loss.

3.7 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realisable value (NRV). Cost is determined using weighted average method. NRV is estimated with reference to the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale. Cost comprises all costs of purchase and other cost incurred in bringing the inventories to their present location and condition.

Stock-in-transit is valued at cost comprising invoice price and charges thereto up to the reporting date.

Provision for obsolescence is made where necessary and recognised in consolidated statement of profit or loss.

3.8 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by the Group, the management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years.

Provisions for current taxation is based on taxability of certain income streams of the Group under final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime and / or minimum tax or alternate corporate tax as applicable, after taking into account tax credits and tax rebates available, if any.

Deferred tax

Deferred tax is recognised using balance sheet liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the tax rates enacted or substantively enacted at the reporting date.

The Group recognises a deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Further, the Group also recognises deferred tax liability on the surplus on revaluation of property, plant and equipment which is adjusted against the related surplus.

Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the consolidated statement of profit or loss as these levies fall under the scope of IFRIC 21 / IAS 37.

3.9 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

3.10 Staff retirement benefits

3.10.1 Defined benefit plan

The Holding Company, CPAK, GPAK and PPAK operate a defined benefit plan i.e. unapproved and unfunded gratuity scheme for its permanent employees. The eligible service for the purpose of gratuity benefits shall be calculated from the date of appointment or date of introduction of scheme whichever is later.

The obligation of Holding Company, CPAK, GPAK and PPAK under the gratuity scheme is determined through actuarial valuations carried out under the "Projected unit Credit Method". Actuarial valuations are conducted annually, and the latest valuation was conducted at the reporting date, June 30, 2025. Service costs are recognised in consolidated statement of profit or loss in the period in which they occur. Net interest on net defined benefit liability is also recognised in consolidated statement of profit or loss. Net of tax remeasurement comprising actuarial gain / (loss) is recognised in consolidated statement of comprehensive income.

3.11 Foreign currency transactions and translation

Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange approximating those prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange ruling on the reporting date. Exchange differences are included in the consolidated statement of profit or loss currently. The exchange gain on export receivable is restricted as per foreign exchange circulars issued by State Bank of Pakistan.

3.12 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates, and sales tax or duty. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or an agent. The Group has concluded that it is acting as a principal in all its revenue arrangements. The following are the specific recognition criteria that must be met before revenue is recognised.

Revenue from sale of goods is recognised at a point in time when control of goods have been transferred to a customer i.e. when the performance obligations are met. The assesment of transfer of control depends on the contractual terms, which is considered to be transferred when it is delivered by the company at customer's premises in case of local sales. For export sales, the control is transferred when the product is shipped on board and its insurance risk is borne by the customer.

The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Group uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from the customer.

A contract asset is initially recognised for revenue earned in exchange for goods that the Group has transferred to the customer when the right is conditioned on something other than the passage of time. Upon satisfaction of the condition, the amount recognised as contract asset is reclassified to trade receivables. Contract assets are subject to impairment assessment, if any.

No element of financing is deemed present as the sales are made with a credit term of up to 120 days, which is consistent with the market practice.

3.13 Other Income

- Dividend income is recognised when the Group's right to receive such payment is established.
- Interest income on bank deposits and loans are recognised on time proportion basis that takes into account the effective yield.
- Income from scrap sales is recorded on dispatch of scrap to customer
- Gain / (loss) on sale of property, plant and equipment is recorded when the control is transferred to the customer.

3.14 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognised initially at fair value, less attributable transaction cost. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortized cost, while the difference between the cost (reduced for periodic payments) and redemption value is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method. Borrowing costs are recognised as an expense in the period in which these are incurred, except that those which are directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset.

3.15 Impairment

3.15.1 Financial assets

The Group recognises loss allowances for Expected Credit Loss (ECLs) in respect of financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition (although in this case the measurement is at 12 month ECLs). Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

The Company considers a financial asset in default when it is more than 365 days past due.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment including forward looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-months ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for the recovery of amounts due.

3.15.2 Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, stock-in-trade and stores and spares are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the consolidated statement of profit or loss.

3.16 Provisions

A provision is recognised in the consolidated statement of financial position when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the present value of expected expenditure, discounted at a pre-tax rate that reflects current market assessment of the time value of money and the risk specific to the obligation. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate. The nature of provision is not stated in the financial statements where such is expected to materially prejudice Group's position, as allowed under the applicable accounting framework.

3.17 Contingent liabilities

A contingent liability is disclosed when the Group has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Group; or the Group has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.18 Segment reporting

These consolidated financial statements have been prepared on the basis of single reportable segment which is consistent with the internal reporting of the Group.

3.19 Dividend and appropriation to / from reserves

Dividend and appropriation to reserves are recognized in the consolidated financial statements in the period in which these are approved. Transfer between reserves made subsequent to the consolidated statement of financial position date is considered as a non-adjusting event and is recognised in the consolidated financial statements in the period in which such transfers are made.

3.20 Government grants

Government grants are transfers of resources to an group entity by a government entity in return for compliance with certain past or future conditions related to the group entity's operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

Government grants are recognised at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Group will be able to comply with the conditions associated with the grants.

Grants that compensate the Group for expenses incurred, are recognised on a systematic basis in the income for the year in which the related expenses are recognised. Grants that compensate for the cost of an asset are recognised in income on a systematic basis over the expected useful life of the related asset.

A loan is initially recognised and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit, that is the government grant, is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

3.21 Earnings per share

The Group presents basic and diluted earnings per share (EPS) for the shareholders. Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Holding Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

3.22 Restatement

With effect from July 01, 2024, the Company has revised its accounting policy retrospectively in respect of certain items of property, plant and equipment including freehold land, buildings on freehold land and plant and machinery from revaluation model to cost model, under which these assets are now carried at cost less accumulated depreciation and impairment losses, if any. Previously, certain items of property, plant and equipment including freehold land, buildings on freehold land and plant and machinery were stated at revalued amounts less accumulated depreciation and impairment losses, if any. Independent valuations were performed periodically, the carrying amounts were reviewed against these valuations and adjustments were made where there were material changes. Revaluation surplus and deficit were recognized on statement of financial position as surplus on revaluation of property, plant and equipment, except where a deficit on revaluation in any year was in excess of surplus recognized in the statement of profit or loss upto the immediately preceding accounting period, in which case the adjustment to the carrying values of the financial assets was limited to the surplus recognized in the statement of profit or loss. The management believes that the said practice enhances the comparability of the Company's financial statements with other peer businesses across its business segments locally and internationally. Moreover, the new policy provides reliable and more relevant information to the users of these unconsolidated financial statements. This change in accounting policy has been accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors', and the comparative financial statements have been re-stated.

Effect of retrospective application of change in accounting policy is as follows:

	As at June 30, 2024			As at June 30, 2023		
	As previously reported	As restated	Restatement	As previously reported	As restated	Restatement
	---------- Rupees in '000 ----------					
Effect on statement of financial position						
Property, plant and equipment	32,997,316	27,318,483	5,678,833	23,082,659	20,584,799	2,497,860
Surplus on revaluation of property, plant and equipment	(3,505,136)	-	(3,505,136)	(1,642,280)	-	(1,642,280)
Deferred tax	(3,780,195)	(2,474,618)	(1,305,577)	(1,501,872)	(646,292)	(855,580)
Accumulated profit (opening)	28,903	32,922	(4,019)	(3,138,416)	(3,138,416)	-
Non-controlling interest	(3,707,543)	(2,843,447)	(864,096)	(3,183,774)	(3,183,774)	

	As at June 30, 2024		
	As previously reported	As restated	Restatement
Effect on statement of profit / loss			
Depreciation expense	(619,738)	(443,700)	(176,038)
Deferred tax	(1,745,182)	(1,829,542)	84,360
Other operating expenses	(271,068)	(230,797)	(40,271)
Profit / (loss) for the year after taxation	(702,850)	(570,901)	131,949
Effect on earnings per share			
Earnings per share - basic and diluted	(1.11)	(0.90)	0.21
Effect on statement of comprehensive income			
Profit / (loss) for the year after taxation	(702,850)	(570,901)	131,949
Other comprehensive income	2,858,702	(4,218)	2,862,920
Total comprehensive income for the year	2,155,852	(575,119)	2,730,971

The change did not have any impact on the Company's operating, investing and financing cashflows.

	As at June 30, 2025		
	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	---------- Rupees in '000 ----------		
Effect on statement of financial position			
Property, plant and equipment	21,561,647	27,072,597	5,510,950
Surplus on revaluation of property, plant and equipment	(3,406,752)	-	(3,406,752)
Deferred tax	(4,173,728)	(2,933,625)	(1,240,103)
Accumulated profit	(1,170,660)	(1,170,660)	-
Non-controlling interest	(3,432,611)	(2,568,515)	(864,096)
Effect on statement of Profit or loss			
Depreciation expense	1,286,478	1,118,595	(167,883)
Deferred tax	(523,910)	(458,435)	(65,474)
Other operating expenses	(193,168)	(193,168)	-
Profit / (loss) for the year after taxation	766,455	664,046	(102,409)
Effect on earnings per share			
Earnings per share - basic and diluted	1.09	0.95	(0.15)
Effect on statement of comprehensive income			
Profit / (loss) for the year after taxation	766,455	664,046	(102,409)
Other comprehensive income / (loss) for the year - net of tax	2,151	2,151	-
Total comprehensive income for the year	666,197	666,197	-

The change did not have any impact on the Company's operating, investing and financing cashflows.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	(Restated) 2024
		(Rupees in '000)	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating assets	4.1	26,028,372	24,044,212
Capital work-in-progress	4.2	1,044,225	3,274,271
		27,072,597	27,318,483

4.1 Operating assets

	Freehold land	Buildings on freehold land	Plant and machinery	Electrical installations	Office equipment	Furniture and fittings	Motor vehicles	Total
	(Rupees in '000)							
Year ended June 30, 2025								
Opening net book value	1,144,796	2,240,442	20,330,469	71,596	84,262	31,332	141,316	24,044,212
Additions	-	83,225	191,544	33,668	27,024	1,320	46,864	383,646
Transfers from capital work-in-progress - note 4.2	-	798,568	1,713,386	183,342	23,645	169	-	2,719,110
Disposals - note 4.1.4								
- Cost	-	-	-	-	(1,442)	-	(736)	(2,178)
- Accumulated depreciation	-	-	-	-	1,442	-	736	2,178
	-	-	-	-	-	-	-	-
Depreciation charge - note 4.1.1	-	(104,833)	(929,407)	(16,113)	(25,012)	(8,645)	(34,585)	(1,118,595)
Closing net book value	1,144,796	3,017,401	21,305,992	272,493	109,919	24,176	153,595	26,028,372
Gross carrying value as at June 30, 2025								
Cost / revalued amount	1,144,796	3,156,887	22,606,436	390,747	200,944	52,073	251,874	27,803,757
Accumulated depreciation	-	(139,485)	(1,300,445)	(118,254)	(91,025)	(27,897)	(98,279)	(1,775,386)
Net book value	1,144,796	3,017,402	21,305,991	272,493	109,919	24,176	153,595	26,028,371
Year ended June 30, 2024								
Opening net book value	347,316	558,665	5,100,992	26,562	22,839	16,017	154,794	6,227,185
Effect of retrospective application of change in accounting policy	(300,235)	(229,899)	(1,859,499)	-	-	-	-	(2,389,633)
Opening net book value - as restated	47,081	328,766	3,241,493	26,562	22,839	16,017	154,794	3,837,552
Additions	521,579	2,852	3,113	-	17,925	18,098	16,876	580,443
Transfers from capital work-in-progress - note 4.2	576,136	1,948,122	17,464,309	56,128	56,116	4,550	-	20,105,361
Disposals								
- Cost	-	-	(49,225)	-	(270)	-	(1,904)	(51,399)
- Accumulated depreciation	-	-	14,548	-	259	-	1,148	15,955
	-	-	(34,677)	-	(11)	-	(756)	(35,444)
Depreciation charge - note 4.1.1	-	(56,553)	(502,553)	(11,094)	(12,607)	(7,333)	(29,598)	(619,738)
Effect of retrospective application of change in accounting policy	-	17,255	158,783	-	-	-	-	176,038
Depreciation charge - as restated - note 4.1.1	-	(39,298)	(343,770)	(11,094)	(12,607)	(7,333)	(29,598)	(443,700)
Closing net book value	1,144,796	2,240,442	20,330,468	71,596	84,262	31,332	141,316	24,044,212
Gross carrying value as at June 30, 2024								
Cost / revalued amount	1,934,000	2,588,919	25,275,855	173,737	151,717	50,584	205,743	30,380,555
Effect of retrospective application of change in accounting policy	(789,204)	(313,825)	(4,574,348)	-	-	-	-	(5,677,377)
Opening net book value - as restated	1,144,796	2,275,094	20,701,507	173,737	151,717	50,584	205,743	24,703,178
Accumulated depreciation	-	(34,652)	(371,038)	(102,141)	(67,455)	(19,252)	(64,427)	(658,965)
Net book value	1,144,796	2,240,442	20,330,468	71,596	84,262	31,332	141,316	24,044,212
Depreciation rates per annum (%)	-	5	4 - 25	20	20 - 33	20	15 - 25	

* Items having an aggregate cost of Rs. 143.33 million (2024: Rs. 118.59 million) at the end of the year have been fully depreciated and are still in use of the Group.

	Note	2025	(Restated) 2024
		(Rupees in '000)	
4.1.1 The depreciation charge for the year has been allocated as follows:			
Cost of sales	30	1,083,173	421,244
Selling and distribution expenses	31	8,222	3,071
Administrative expenses	32	27,200	19,385
		1,118,595	443,700

4.1.2 Particulars of immovable property (i.e. land and buildings) in the name of the Group are as follows:

Location	Usage of immovable property	Total area	Covered area
		-----------(acres)-----------	
IPAK Plant, Manga Chowk, Raiwind, Bypass Road, Raiwind district, Lahore, Punjab	Manufacturing Plant	6.91	3.59
CPAK Plant, Kharsa No. 557 and 563, Qita No. 7 and 13, 3.5 KM, Manga Bypass Road, Raiwind, Lahore	Manufacturing Plant	0.63	0.43
PETPAK Plant, Plot No. 1D - 4D, Quaid-e-Azam Business Park Special Economic Zone, Sheikhupura, Punjab	Manufacturing Plant	18.80	5.58
GPAK Plant, Plot No. 5D - 9D, Quaid-e-Azam Business Park Special Economic Zone, Sheikhupura, Punjab	Manufacturing Plant	19.70	5.75

4.1.3 The carrying amount of property, plant and equipment pledged as security against long-term financing and short-term borrowings is disclosed in notes 18 and 26 to these consolidated financial statements.

4.1.4 Details of property, plant and equipment disposed off having net book value of five hundred thousand rupees or more each are as follows:

Asset category	Original cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss) on disposal	Mode of disposal	Particulars of buyer	Relationship with buyer
	----------------	----------------	Rupees in '000	----------------				
Motor vehicles								
Suzuki Mehran	736	(736)	-	368	368	As per Group's policy	Mr. Noman Hanif	Employee
2025	736	(736)	-	368	368			
2024	51,399	(15,955)	35,446	7,006	(28,440)			

4.2 Capital work-in-progress

	2025				2024			
	As at July 1, 2024	Additions / Adjustments	Transfers	As at June 30, 2025	As at July 1, 2023	Additions / Adjustments	Transfers	As at June 30, 2024
	----------------	----------------	----------------	Rupees in '000	----------------	----------------	----------------	
Freehold land	-	-	-	-	576,114	22	(576,136)	-
Buildings on freehold land	912,320	93,415	(798,568)	207,167	2,001,721	858,721	(1,948,122)	912,320
Plant and machinery	2,051,498	353,893	(1,713,386)	692,005	13,808,684	5,707,123	(17,464,309)	2,051,498
Electrical installations	286,639	41,756	(183,342)	145,053	295,650	47,117	(56,128)	286,639
Office equipment	23,645	-	(23,645)	-	3,410	76,352	(56,116)	23,645
Furniture and fittings	169	-	(169)	-	56	4,663	(4,550)	169
Motor vehicles	-	-	-	-	-	-	-	-
	3,274,271	489,064	(2,719,110)	1,044,225	16,685,634	6,693,997	(20,105,361)	3,274,271

4.2.1 The amount of borrowing costs capitalised by the Global Packaging Films (Private) Limited during the year ended June 30, 2025 was Rs. 28.03 million (2024: Rs. 160.62 million). The rate used to determine the amount of borrowing costs eligible for capitalisation was 3 months KIBOR plus 2%, which is the effective interest rate of the local currency loan.

Similarly, the amount of borrowing costs capitalised by the PETPAK Films (Private) Limited during the year ended June 30, 2025 was Rs. 75.09 million (2024: Rs. Nil). The rate used to determine the amount of borrowing costs eligible for capitalisation was 6 months KIBOR plus 1.5%, which is the effective interest rate of the local currency loan.

5. RIGHT-OF-USE ASSETS

	Note	2025	2024
		(Rupees in '000)	
Balance as at July 01		12,247	36,671
Modification during the year	5.1	-	(13,083)
Depreciation charge for the year		(6,881)	(11,341)
Balance as at June 30		5,366	12,247
Depreciation rate (per annum)		33.33%	33.33%

5.1 The Holding Company has lease contracts for the rented premises. In general, the Holding Company is restricted from assigning and subleasing the leased assets. These lease contracts include extension and termination options subject to the mutual consent of the Holding Company and the Lessors. The Holding Company is bound by certain covenants which includes but are not limited to payment of certain taxes and to exercise reasonable care. The lease term generally consists of three years.

5.2 The depreciation charge for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in '000)	
Cost of sales	30	1,013	5,448
Selling and distribution expenses	31	184	2,486
Administrative expenses	32	5,684	3,407
		6,881	11,341

6. INTANGIBLE ASSETS

	Note	2025	2024
		(Rupees in '000)	
Operating intangible assets	6.1	55,134	54,753
Capital work-in-progress		-	400
		55,134	55,153

6.1 Operating intangible assets

	Note	2025	2024
Opening net book value		54,753	61,115
Additions / transfers		7,967	490
Amortisation	6.1.2	(7,586)	(6,852)
Closing net book value		55,134	54,753
Gross carrying value as at June 30			
Cost		76,873	68,906
Accumulated amortisation		(21,739)	(14,153)
Net book value		55,134	54,753
Amortisation rate (per annum)		10%	10%

6.1.1 Intangible assets comprise of computer software.

6.1.2 The amortisation expense for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in '000)	
Cost of sales	30	232	119
Administrative expenses	32	7,354	6,733
		7,586	6,852

7. LONG-TERM LOANS

Considered good - secured

	Note	2025	2024
Loan to employees		39,461	34,429
Less: Recoverable within one year	11	(6,867)	(12,167)
		32,594	22,262

7.1 Loans to employees are made under the scheme and are extended to facilitate the purchase of cars or construction of houses with repayment terms ranging between three to five years. These loans are secured against employees' retirement fund balances.

7.2 Long term loans include loan provided to key management personnel amounting to Rs. 24.54 million (2024: Rs. 17.85 million).

7.3 These long term loans are non-interest bearing and have been carried at cost as the effect of carrying these balances at amortised cost would not be material in the overall context of these financial statements.

8. STORES, SPARES AND CONSUMABLES

	Note	2025	2024
		(Rupees in '000)	
Lubricants		18,675	19,118
Fuel		7,793	11,557
Spare parts and consumables			
- in hand		515,110	304,800
- in transit		-	-
		541,578	335,475

9. STOCK-IN-TRADE

		Note	2025	2024
Raw material	- in hand	9.1	1,395,060	1,607,792
	- in transit		1,826,508	1,176,656
			3,221,568	2,784,448
Work-in-process			670,231	706,684
Finished goods	- in hand		522,494	437,852
	- in transit	9.2	629,610	560,025
			1,152,104	997,877
Packaging materials			97,664	64,013
			5,141,567	4,553,022
Less: provision for net realisable value			(3,636)	(20,782)
			5,137,931	4,532,240

9.1 Raw materials of Holding Company include stocks held with third parties amounting to Nil (2024 Rs. 22.23 million).

9.2 These pertain to finished goods enroute to the port, held at the port for export, and goods dispatched to customers in the southern region.

10. TRADE RECEIVABLES

	Note	2025	2024
		(Rupees in '000)	
Considered good - unsecured			
Due from related parties	10.4	1,085,878	385,082
Others		3,342,982	3,382,535
		4,428,860	3,767,617
Considered good - secured	10.1		
Due from related parties	10.4	319,561	337,252
Others		3,063,759	1,748,242
		3,383,320	2,085,494
		7,812,180	5,853,111
Allowance for expected credit losses	10.5	(50,321)	(64,176)
		7,761,859	5,788,935

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

10.1 These represent trade receivables arising on account of export sales of Rs. 195 million (2024: 539.85 million) which are secured by way of export Letters of Credit and Rs. 1,424.2 million (2024: Rs. 1,545.64 million) on account of domestic sales which are secured by way of Inland Letters of Credit.

10.2 Related parties from whom trade receivables are due as at June 30, 2025 are as under:

	2025	2024
	(Rupees in '000)	
Universal Packaging (Private) Limited	883,049	413,267
Saima Packaging (Private) Limited	74,004	142,853
Universal Coating Films (Private) Limited	424,178	166,214
Universal Films (Private) Limited	24,208	-
	1,405,439	722,334

10.3 The maximum aggregate amount of receivable outstanding at any time during the year is as follows:

	2025	2024
	(Rupees in '000)	
Universal Packaging (Private) Limited	1,203,179	1,150,716
Universal Coating Films (Private) Limited	623,124	250,957
Saima Packaging (Private) Limited	167,574	142,853
Universal Films (Private) Limited	46,618	702

10.4 The age analysis of these related party receivables as at June 30, 2025 is as follows:

	2025	2024
	(Rupees in '000)	
Not yet due	920,364	427,592
Past due but not yet impaired		
- 1 to 90 days	433,328	78,450
- 91 to 180 days	51,747	214,525
- 181 to 365 days	-	-
- older than 365 days	-	1,767
	1,405,439	722,334

10.5 Allowance for expected credit losses

	2025	2024
Balance at beginning of the year	64,176	59,099
(Reversal) / Charge of loss allowance on trade receivables	(13,855)	5,077
Balance at end of the year	50,321	64,176

11. LOANS AND ADVANCES

	Note	2025	2024
		(Rupees in '000)	
Advances			
- suppliers		775,142	508,207
- against shipping guarantees		27,035	26,010
- employees		17,802	6,091
		819,979	540,308
Margin against letter of credit		15,044	-
Current portion of long term loans to employees	7	6,867	12,167
		841,890	552,475

12. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

	Note	2025	2024
		(Rupees in '000)	
Trade deposits	12.1 &12.2	24,906	31,993
Short term prepayments		57,126	45,132
		82,032	77,125

12.1 This includes container deposits amounting to Rs. 11.44 million (2024: Rs. 20.02 million).

12.2 These trade deposits are non interest bearing.

13. OTHER RECEIVABLES

	Note	2025	2024
		(Rupees in '000)	
Rebate receivable against import		194,866	133,041
Rebate receivable against export		86,782	31,262
Other receivables		7,104	3,453
		288,752	167,756

14. CASH AND BANK BALANCES

		Note	2025	2024
Cash at bank				
Conventional				
Savings accounts	- local currency	14.1	697	538
Islamic				
Current accounts	- local currency		98,778	22,002
	- foreign currency		258,503	12,866
Savings accounts	- local currency	14.1	412,205	210,224
			769,486	245,092
Term deposit receipt			-	-
Cash in hand			785	288
			770,968	245,918

14.1 At June 30, 2025, the rates of mark up / profit on savings accounts range from 4.6% to 16.3% (2024: from 8.5% to 17.5%) per annum.

15. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Authorised Share Capital

2025	2024		2025	2024
(Number of shares)			(Rupees in '000)	
930,000,000	930,000,000	Ordinary shares of Rs. 10 each	9,300,000	9,300,000

Issued, subscribed and paid-up capital

2025	2024		2025	2024
(Number of shares)			(Rupees in '000)	
450,168,485	450,168,485	Ordinary shares of Rs. 10 each allotted for consideration paid in cash	4,501,685	4,501,685
250,031,515	250,031,515	Ordinary shares of Rs. 10 each allotted as bonus shares	2,500,315	2,500,315
700,200,000	700,200,000		7,002,000	700,200,000

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

15.1 Movement in issued, subscribed and paid-up share capital

	Note	2025	2024
		(Number of Shares)	
Ordinary shares			
Number of shares outstanding as at July 01		700,200,000	630,094,545
Shares issued through initial public offering	15.2	-	70,105,455
Number of shares outstanding as at June 30		700,200,000	700,200,000

15.2 All ordinary shares rank equally with regard to the Group's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at the general meetings of the Group.

16. SHARE PREMIUM

This reserve can be utilised by the Holding Company only for the purpose specified in section 81 of the Companies Act, 2017.

17. RESERVE FOR INVESTMENT IN SUBSIDIARIES

The Board of Directors of the Holding company, in its meeting held on September 12, 2023, decided to earmark a sum of Rs. 3,259 million as not available for distribution by way of dividend, on account of a capital reserve named "Reserve for investment in subsidiaries". The said amount was transferred from unappropriated profits to this capital reserve.

18. LONG-TERM FINANCING - secured

	Note	2025	2024
		(Rupees in '000)	
Islamic			
SBP's Temporary Economic Refinance Facility	18.2	1,037,162	1,227,303
SBP's Financing Scheme for Renewable Energy	18.3	451,744	409,091
Sale and leaseback under Diminishing Musharakah	18.4	3,813,373	2,212,500
Accrued Markup		101,785	61,087
		5,404,064	3,909,981
Less: current portion of long-term financing			
SBP's Temporary Economic Refinance Facility	18.2	(287,500)	(189,798)
SBP's Financing Scheme for Renewable Energy	18.3	(66,616)	(64,733)
Sale and leaseback under Diminishing Musharakah	18.4	(820,992)	(522,470)
Accrued markup		(101,785)	(61,087)
		(1,276,893)	(838,088)
		4,127,171	3,071,893

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

18.1 Long-term finances utilised under mark-up arrangements

Facility	Loan type	Repayment terms - Principal	Mark-up Payable basis	Mark-up Rate (per annum)	Effective rate (%) 2025	Facility amount	Date of drawdown	Last repayment date
						(Rupees in '000)		
Islamic								
International Packaging Films Limited								
SBP's Financing Scheme for Renewable Energy	Term - loan	39 Installments	Quarterly	2% + SBP rate	16.87% to 17.10%	33,000	July 02, 2022	May 13, 2032
Sale and leaseback under Diminishing Musharakah	Term - loan	48 Installments	Monthly	20.11% to 22.97%	20.11% to 22.97%	2,000,000	April 27, 2023	July 06, 2028
Sale and leaseback under Diminishing Musharakah	Term - loan	48 Installments	Monthly	20.11% to 22.97%	20.11% to 22.97%	1,500,000	March 29, 2024	March 30, 2029
Sale and leaseback under Diminishing Musharakah	Term - loan	48 Installments	Monthly	20.11% to 22.97%	20.11% to 22.97%	500,000	August 09, 2023	August 09, 2028
Global Packaging Films (Private) Limited								
Temporary Economic Refinance Facility	Term - loan	32 Installments	Quarterly	4% + SBP rate	12.37% to 24.05%	700,000	February 01, 2022	April 28, 2032
Temporary Economic Refinance Facility	Term - loan	20 Installments	Quarterly	4% + SBP rate	23.06%	500,000	March 09, 2023	December 09, 2029
Temporary Economic Refinance Facility	Term - loan	12 Installments	Quarterly	4% + SBP rate	23.06%	300,000	March 10, 2023	March 10, 2028
SBP's Financing Scheme for Renewable Energy	Term - loan	40 Installments	Quarterly	2% + SBP rate	16.93% to 24.68%	400,000	June 16, 2022	November 27, 2035
PETPAK Films (Private) Limited								
SBP's Financing Scheme for Renewable Energy	Term - loan	40 Installments	Quarterly	2% + SBP rate	17.34% to 24.44%	400,000	June 15, 2022	June 15, 2034
Sale and leaseback under Diminishing Musharakah	Term - loan	16 Installments	Quarterly	12.73% to 12.85%	12.73% to 12.85%	2,123,343	February 3, 2025 March 10, 2025	-
Cast Packaging Films (Private) Limited								
SBP's Financing Scheme for Renewable Energy	Term - loan	39 Installments	Quarterly	2% + SBP rate	16.87% to 17.81%	66,000	May 13, 2022	August 31, 2032

18.1.1 In relation to above borrowings, the Company needs to observe certain Financial Covenants as specified in the agreement which includes the following:

Holding Company

The Company is to comply with financial covenants which includes Debt to Equity Ratio (max. 4x) and current ratio (min. 1x). The Company has a waiver from complying with these financial covenants as at June 30, 2025. The next evaluation of the financial covenants will be carried out based on the annual audited financial statements for the year ending June 30, 2026.

Subsidiary Company - Global Packaging Films (Private) Limited

The Company is to comply with financial covenants which includes Debt to Equity Ratio (max. 4x), current ratio (min. 1x), Debt Service Coverage Ratio (min. 1x) and Gearing Ratio (max. 2x). The Company has a waiver from complying with these financial covenants as at June 30, 2025. The next evaluation of the financial covenants will be carried out based on the annual audited financial statements for the year ending June 30, 2026.

Subsidiary Company - Cast Packaging Films (Private) Limited

In relation to above borrowings, the Company needs to observe certain financial and non-financial covenants as specified in the agreement with respective lenders which are complied with as of the reporting date.

Subsidiary Company - Petpack Films (Private) Limited

The Company is to comply with financial covenants which includes Debt to Equity Ratio (max. 2x to 4x), current ratio (min. 1x) and Debt Service Coverage Ratio (max 1.2).The Company has a waiver from complying with these financial covenants as at June 30, 2025. The next evaluation of the financial covenants will be carried out based on the annual audited financial statements for the year ending June 30, 2026.

18.2 This represent long-term financing obtained under the Islamic Temporary Economic Refinance Facility (ITERF) by the following group of companies:

Subsidiary Company - Global Packaging Films (Private) Limited

This represents Islamic Temporary Economic Refinance Facility (ITERF) obtained from commercial banks which was introduced by the State Bank of Pakistan (SBP) with reference to IH&SMEFD Circular No. 02 of 2020 in order to support sustainable economic growth by providing concessioriary refinance for setting up of new industrial units. The total facility of the loan amounted to Rs. 1,500 million (2024: Rs. 1,500 million) out of which Rs. 1,500 million (2024: Rs. 1,500 million) is utilised which carries profit at the rate of 5% per annum.

This facility is secured by way of:

- Equity participation equivalent to 10% of cost of Diminishing Musharakah asset;
- Registered hypothecation charge over asset purchased under Diminishing Musharakah up to the amount of Rs. 1,873 million;
- Equitable and token registered mortgage over property bearing Plot No. 5D - 9D, Quaid -e- Azam Business Park, Special Economic Zone, Sheikhupura;
- Personal guarantees of Mr. Naveed Godil and Mr. Mushtaq Ali Tejani for the amount covering aggregate exposure; and
- Cross corporate guarantee of International Packaging Films Limited (the Holding Company).

18.3 This represents a long-term financing obtained under the Islamic Financing for Renewable Energy (IFRE) by the following group of companies:

Holding Company

This represents a long-term financing obtained under the Islamic Financing for Renewable Energy (IFRE) for installation of renewable energy power project by the State Bank of Pakistan. The total facility of the loan amounted to Rs. 33 million (2024: Rs. 33 million) out of which Rs. 22.80 million (2024: Rs. 22.80 million) is utilised which carries profit at the rate of 4% per annum. This facility is secured by way of:

- Equity participation equivalent to 10% of cost of Diminishing Musharakah asset;
- Registered exclusive hypothecation charge over asset purchased under Diminishing Musharakah up to the amount of Rs. 33 million;
- Exclusive equitable mortgage valuing Rs. 678 million over Land & Building (52 Kanals - 14 Marlas & 7 Kanals - 11 Marlas) situated at Had Bast Village Bhechuki Mahja, Tehsil Raiwind, District Lahore; and
- Personal guarantees of Mr. Naveed Godil and sponsored directors for the amount covering aggregate exposure.

Subsidiary Company - Cast Packaging Films (Private) Limited

This represents a long-term financing obtained under the Islamic Financing for Renewable Energy (IFRE) for installation of renewable energy power project by the State Bank of Pakistan. The total facility of the loan amounted to Rs. 66 million (2024: Rs. 66 million) out of which Rs. 45.60 million (2024: Rs. 45.60 million) were utilised which carries profit at the rate of 4% per annum. The loan is repayable in 39 equal quarterly instalments which commenced from August 2022. The financing is secured by way of:

- 10% Equity participation of the Company;
- Registered exclusive hypothecation charge over DM asset (purchased under DM SBP IFRE Scheme);
- Title and ownership of asset in the name of BAHL and Customer proportionate to their investment ratio;
- Equitable Mortgage along with TRM (Land & Building), over property located at Had Bast Village, Bhechuki Mahja, Tehsil Raiwind, District Lahore;
- Personal Guarantee of all directors of the Company i.e. Mr. Naveed Godil & Mr. Mushtaq Ali Tejani, each amounting to Rs. 2,000 million covering aggregate exposure; and
- Cross Corporate Guarantee of M/s International Packaging Films Limited amounting to Rs. 2,000 million covering aggregate exposure.

Subsidiary Company - Global Packaging Films (Private) Limited

This represents Islamic Financing Facility for Renewable Energy obtained from commercial bank which was introduced by the State Bank of Pakistan (SBP) with reference to IH&SMEFD Circular No. 10 dated July 26, 2019 and IH&SMEFD Circular No. 12 dated August 21, 2019 in order to promote the use of renewable energy. The total facility of the loan amounted to Rs. 400 million (2024: Rs. 400 million) out of which Rs. 326.5 million (2024: Rs. 74.5 million) is utilised which carries profit at the rate of 5% per animatism facility is secured by way of:

- Equity participation equivalent to 10% of cost of Diminishing Musharakah asset;
- Registered hypothecation charge over asset purchased under Diminishing Musharakah up to the amount of Rs. 372.52 million;
- Personal guarantees of Mr. Naveed Godil and Mr. Mushtaq Ali Tejani for the amount covering aggregate exposure; and
- Cross corporate guarantee of International Packaging Films Limited (the Holding Company).

Subsidiary Company - PETPAK Films (Private) Limited

This is with reference to IH&SMEFD Circular No. 10 dated July 26, 2019 and IH&SMEFD Circular No. 12 dated August 21, 2019 wherein SBP has introduced the Islamic Financing Facility for Renewable Energy to promote the use of renewable energy. Under this facility, the total amount of the facility from Commercial Bank) is Rs. 400 million, out of which the Company has utilized 324.50 million as at June 30, 2024 for installation of solar power system. The facility carry interest rate of 5% for 12 years (inclusive of 2 years grace period from first drawdown) and is repayable in 40 equal quarterly instalments commencing from September 2024 and maturing in June 2034. The facility is secured by way of:

- Equity participation by the customer equivalent to 10% of the cost of Diminishing Musharakah (DM) Assets;
- Registered exclusive hypothecation charge over DM ASSETS and (Purchase udder DM I /DM II SBP IFRE Scheme);
- Equitable mortgage along with TRM over property bearing Plot No. 1D, 2D, 3D, & 4D Quaid e Azam business Park, Special Economic Zone Sheikhupura;
- Personal guarantees of all the directors each carrying aggregate exposure; and
- Cross corporate guarantee of M/s International Packaging Films Limited (the Holding Company) covering aggregate exposure.

18.4 This represents a long-term financing obtained under a Diminishing Musharakah arrangement by the following group of companies:

Holding Company

This represents a Diminishing Musharaka arrangement with Bank AL Habib (BAHL) upto the amount of Rs. 4,000 million (2024: Rs. 4,000 million) at a mark-up of 6 month KIBOR + 1% per annum to be determined on a semi-annual basis. The facility was obtained to sale and leaseback the BOPP Film Production Line installed at IPAK Plant, Hadbast Mauza Bachoki Mahja, Tehsil Raiwind, District Lahore. The title and ownership of the asset is in the joint ownership of Bank and the Company in proportion to their investment ratios. The facility is secured by way of:

- Equity participation equivalent to 10% of cost of Musharakah asset;
- Registered hypothecation charge over asset purchased under Diminishing Musharakah under sale and leaseback up to the amount of Rs. 2.67 billion (inclusive of 25% margin);
- Exclusive equitable mortgage valuing Rs. 678 million over Land & Building (52 Kanals - 14 Marlas & 7 Kanals - 11 Marlas) situated at Had Bast Village Bhechuki Mahja, Tehsil Raiwind, District Lahore; and
- Personal guarantees of Mr. Naveed Godil and sponsored directors for the amount covering aggregate exposure.

19. DEFERRED INCOME - GOVERNMENT

	Note	2025	2024
		(Rupees in '000)	
Balance as at July 01		933,210	657,768
Deferred grant recorded:			
- under SBP's Financing Scheme for Renewable Energy	19.1	-	278,226
Less: government grant recognised as income	34	(162,974)	(2,784)
Balance at end of the year		770,236	933,210
Less: current portion of deferred income - government grant		(126,631)	(23,691)
		643,605	909,519

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

19.1 This represents the value of benefit of below-market interest rate which has been accounted for as government grant under IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

20. DEFERRED TAXATION - NET

The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the consolidated statement of financial position as follows:

	2025	(Restated) 2024
	(Rupees in '000)	
Deferred tax liability	3,047,347	2,566,821
Deferred tax asset	(113,722)	(92,202)
	2,933,625	2,474,619

20.1 Analysis of change in deferred taxation

	Accelerated tax depreciation	Revaluation surplus on property, plant and equipment	Right-of-use assets	Lease liabilities	Staff retirement benefits	Allowance for expected credit losses	Precommence -ment expenditure	Total
	Rupees in '000							
Balance at July 1, 2024	2,562,045	-	4,776	(7,026)	(62,074)	(21,502)	(1,600)	2,474,619
Credit / (charge) to profit or loss for the year	483,210	-	(2,684)	2,796	(25,229)	(1,258)	1,600	458,435
Credit / (charge) to other comprehensive income for the year	-	-	-	-	572	-	-	571
Balance at June 30, 2025	3,045,255	-	2,092	(4,230)	(86,731)	(22,760)	-	2,933,625
Balance at July 1, 2023	716,552	825,965	14,302	(16,312)	(41,828)	(23,049)	(3,373)	1,472,257
Effect of retrospective application of change in accounting policy - note 3.22	-	(806,012)	-	-	-	-	-	(806,012)
Credit / (charge) to profit or loss for the year	1,845,493	(84,362)	(9,526)	9,286	(19,028)	1,547	1,773	1,745,183
Credit / (charge) to other comprehensive income for the year	-	64,409	-	-	(1,218)	-	-	63,191
Balance at June 30, 2024	2,562,045	-	4,776	(7,026)	(62,074)	(21,502)	(1,600)	2,474,619

20.2 Under the Finance Act, 2019, corporate rate of tax has been fixed at 29% for tax year 2020 and onwards. As per Finance Act, 2022, companies operating in certain sectors are liable to pay super tax at 10% for tax year 2022 and upto 4% for tax year 2023 and onwards. However Finance Act, 2023 has introduced progressive rate on high earning persons ranging from 1% to 10% whereas on companies having income in excess of Rs. 500 million, 10% super tax will be applicable. Such higher rate of tax has been made perpetual thus substantially increasing the overall tax costs for the businesses. Accordingly, deferred tax assets and liabilities have been recognised using the expected applicable rate for Holding Company and it's subsidiaries.

21. STAFF RETIREMENT BENEFITS

21.1 Defined benefit plan

21.1.1 As stated in note 3.11, the group entities operates an unapproved and unfunded gratuity scheme for all their permanent employees. The scheme defines an amount of gratuity benefit that an employee will receive upon retirement subject to minimum service requirement under the scheme. Actuarial valuation of this plan is carried out every year and the latest actuarial valuation was carried out as at June 30, 2024.

21.1.2 Risks on account of defined benefit plan

The group entities face the following risks on account of defined benefit plan:

Final salary risk - The risk that the final salary at the time of cessation of service is greater than what the group entity has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Demographic risks

- Mortality Risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.
- Withdrawal Risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

21.1.3 The latest actuarial valuation of the gratuity scheme as at June 30, 2025 was carried out using the Projected Unit Credit Method. Details of the scheme as per the actuarial valuation are as follows:

	Note	2025	2024
		(Rupees in '000)	
21.1.4 Statement of financial position reconciliation			
Present value of defined benefit obligation	21.1.5	265,895	178,665
21.1.5 Movement in the present value of defined benefit obligation			
Obligation as at July 01		178,665	112,130
Current service cost	21.1.6	84,175	53,812
Past service cost		-	-
Interest cost		24,862	17,364
Benefits paid		(19,460)	(10,321)
Remeasurement on obligation	21.1.7	(2,347)	5,680
Obligation as at June 30		265,895	178,665
21.1.6 Amount recognised in statement of profit or loss / Capital work-in-progress			
Current service cost		84,175	53,812
Past service cost		-	-
Interest cost		24,862	17,364
		109,037	71,176
Charged to capital work-in-progress		-	8,473
Charged to statement of profit or loss		109,037	62,703
		109,037	71,176
21.1.7 Remeasurement recognised in other comprehensive income			
Actuarial (gain) / loss from changes in financial assumptions		(635)	(773)
Experience adjustments		(1,712)	6,453
		(2,347)	5,680
21.1.8 Net recognised liability			
Balance as at July 01		178,665	112,130
Expense for the year	21.1.6	109,037	71,176
Benefits paid		(19,460)	(10,321)
Remeasurements recognised in other comprehensive income	21.1.7	(2,347)	5,680
Balance as at June 30		265,895	178,665

	2025	2024
21.1.9 Actuarial assumptions	per annum	
Financial Assumptions		
Discount Rate	11.75% - 12.50%	14.75% - 15.75%
Salary increase rate	10.75% - 12.00%	13.00% - 13.75%
Demographic Assumptions		
Mortality rate	SLIC 2001-2005	SLIC 2001-2005
Retirement assumption	Age 60 years	Age 60 years

	2025	2024
21.1.10 Maturity profile of the defined benefit obligation	Years	
Weighted average duration of the defined benefit obligation	9 - 10 years	8 - 10 years

	2025	2024
Distribution of timing of benefit payments	(Rupees in '000)	
One year	46,987	32,582
Two years	30,704	22,812
Three years	32,778	28,560
Four years	38,722	30,439
Five years	48,503	36,832
Six years and onwards	13,306,425	19,513,423

21.1.11 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2025	2024
	(Rupees in '000)	
Discount rate + 1%	(76,105)	(15,458)
Discount rate - 1%	27,359	17,924
Long term salary increases + 1%	(34,722)	18,313
Long term salary increases - 1%	(23,782)	(16,058)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied.

21.1.12 The expense in relation to gratuity benefit plan for the year ending June 30, 2026 is expected to be Rs. 125.4 million.

22. LEASE LIABILITIES

Rental contracts are made for a fixed period subject to renewal upon mutual consent of the Holding Company and lessor. Wherever practicable, the Holding Company seeks to include extension option to provide operational flexibility. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

22.1 Set out below is the carrying amount of lease liabilities and the movements during the year:

	2025	2024
	(Rupees in '000)	
Balance as at July 01	18,635	41,824
Modification during the year	-	(16,841)
Interest expense	2,294	8,477
Payments	(10,083)	(14,825)
Balance as at June 30	10,846	18,635
Current portion	10,846	9,092
Non-current portion	-	9,543
	10,846	18,635

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

22.2 The maturity analysis of lease liabilities is as follows:

	2025			2024		
	Minimum lease payments	Interest	Present value of minimum lease payments	Minimum lease payments	Interest	Present value of minimum lease payments
	---------- Rupees in '000 ----------					
Less than one year	11,492	646	10,846	10,877	1,785	9,092
Between one and five years	-	-	-	11,492	1,949	9,543
	11,492	646	10,846	22,369	3,734	18,635

22.3 The weighted average lessee's incremental borrowing rate applied to the lease at the inception of leases range from 10.61% to 24.7% per annum.

22.4 Following are the amounts recognised in the consolidated statement of profit or loss:

	2025	2024
	(Rupees in '000)	
Depreciation expense of right-of-use assets	6,881	11,341
Interest expense on lease liabilities	2,294	8,477
Expense relating to short-term leases	-	4,840
	9,175	24,658

23. SUPPLIERS' CREDIT

This represents payable against the purchase of Bruckner Maschinenbau BOPET film line on deferred payment basis and was payable in various installments which ended on March 09, 2025. The payable amount was discounted at a rate of 8.23% per annum to arrive at the present value. The reconciliation of the carrying amount is as follows:

	Note	2025	2024
		(Rupees in '000)	
Supplier's credit		2,235,642	2,159,537
Add: Unwinding of discount		127,015	173,490
Exchange (gain) / loss		(66,458)	(97,385)
		2,296,199	2,235,642
Less: Payment of Supplier credit		(2,296,199)	-
		-	2,235,642

24. TRADE AND OTHER PAYABLES

	Note	2025	2024
Trade creditors		6,771,789	7,355,544
Accrued liabilities		261,976	479,351
Taxes deducted at source and payable to statutory authorities		73,982	94,384
Provision for Infrastructure Cess	24.1	733,424	404,665
Workers' Profit Participation Fund	24.2	103,184	124,588
Workers' Welfare Fund	24.3	40,698	53,524
Others		24,082	48,097
		8,009,135	8,560,153

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

24.1 The Holding company and its subsidiaries CPAK, GPAK and PETPAK challenged the constitutionality of the Sindh Infrastructure Cess, imposed on the import value of goods under the Sindh Infrastructure Development Cess Act, 2017, before the Sindh High Court (SHC).On June 4, 2021, the SHC ruled in favor of the Excise and Taxation Department of Sindh, upholding the validity of the cess and affirming that it falls within the provincial legislature's authority under the Sindh Finance Act, 2017.

The Group entities then challenged the SHC's decision by filing Civil Petition for Leave to Appeal (CPLA) No. 5605/2021, 5606/2021, 3584/2022 and 3585/2022 before the Supreme Court of Pakistan (SCP). The SCP has suspended the SHC's order and directed all petitioners to furnish a 100% bank guarantee for all future consignments. The SCP, through Interim Order No. C.P.L.A. 5605/2021, 5606/2021, 3584/2022 and 3585/2022 dated November 10, 2021 and June 01, 2023 respectively, has granted a stay order, directing the group entities to provide a bank guarantee equivalent to the amount of cess payable under the Act. The matter remains sub judice before the SCP, and the final outcome will be determined upon the disposal of the petition.

As at June 30, 2025, the total amount of bank guarantees related to the infrastructure cess is Rs. 742.08 million (2024: Rs. 408 million), and this amount has been fully provided for by management.

	2025	2024
	(Rupees in '000)	
24.2 Workers' Profit Participation Fund		
Balance as at July 01	124,588	170,547
Charge for the year	133,652	123,244
Payments made during the year	(155,056)	(169,203)
Balance as at June 30	103,184	124,588
24.3 Workers' Welfare Fund		
Balance as at July 01	53,524	140,644
Charge for the year	33,857	47,417
Payments made during the year	(46,683)	(134,537)
Balance as at June 30	40,698	53,524

25. CONTRACT LIABILITIES

During the year, the Group recognised revenue amounting to Rs. 261.7 million (2024: Rs. 252.23 million) out of the contract liabilities balance outstanding at beginning of the year.

26. SHORT-TERM BORROWINGS - secured

	Note	2025	2024
		(Rupees in '000)	
Islamic			
Short-term borrowings under Musawammah Facility	26.1,26.2 & 26.3	3,063,634	2,905,726
Short-term borrowings under Tijarah Facility	26.4 & 26.5	1,651,150	1,059,250
Short-term borrowings under Murabaha Facility		-	96,368
Short-term borrowings under Istisna Finance	26.6, 26.7 & 26.8	2,071,882	1,369,500
Short-term borrowings under Running Musharakah	26.9, 26.10 & 26.11	2,257,342	220,941
Foreign bill discounting	26.12	118,464	-
Accrued Markup		222,396	199,698
		9,384,868	5,851,483

26.1 This represents Musawammah facility obtained by the Holding Company from commercial banks, having limit of Rs. 4,800 million (2024: Rs. 4,800 million) out of which Rs. 1,946.5 million (2024: Rs. 1,894.27 million) remains unutilised for Musawammah facility at the reporting date. The rates of mark-up on these facilities range from 3 months KIBOR + 0.5% to 6 months KIBOR + 0.75% per annum (2024: 3 months KIBOR + 0.75% to 6 months KIBOR + 0.75%) per annum.

This facility is secured by way of:

- Registered Joint Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 7,734 million, inclusive of 25% margin;
- Registered Joint Pari Passu hypothecation charge over fixed assets (excluding land and buildings) of the Company for Rs. 1,375 million;
- Exclusive equitable mortgage valuing Rs. 678 million over Land & Building (52 Kanals - 14 Marlas & 7 Kanals - 11 Marlas) situated at Had Bast Village Bhechuki Mahja, Tehsil Raiwind, District Lahore;
- Personal guarantees of directors for the amount covering aggregate exposure; and
- Lien over accepted Bills.

26.2 This represents Musawammah facility obtained by Subsidiary Company - Global Packaging Films (Private) Limited from commercial banks, having limit of Rs. 2,000 million (2024: Nil) out of which Rs. 1,850 million (2024: Nil) remains unutilised for Musawammah facility at the reporting date. The rate of mark-up on this facility is 1 month KIBOR + 0.75% per annum (2024: Nil).

This facility is secured by way of:

- Registered Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 2,667 million covering aggregate exposure, inclusive of 25% margin;
- Personal guarantees of all directors for the amount covering aggregate exposure;
- Cross corporate guarantee of International Packaging Films Limited (the Holding Company); and
- Equitable and token registered mortgage over property bearing Plot No. 5D - 9D, Quaid -e- Azam Business Park, Special Economic Zone, Sheikhupura.

26.3 This represents Musawammah facility obtained by Subsidiary Company - Petpak Films (Private) Limited from commercial banks, having limit of Rs. 350 million (2024: Nil) out of which Rs. 289.9 million (2024: Nil) remains unutilised for Musawammah facility at the reporting date. The rate of mark-up on this facility is 6 months KIBOR + 0.75% per annum (2024: Nil).

This facility is secured by way of:

- Registered Joint Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 500 million covering aggregate exposure;
- Registered Joint Pari Passu hypothecation charge over fixed assets (excluding land and Building) of the Company for Rs. 167 million for 25% margin covering aggregate exposure; and
- Personal guarantees of directors of the company for the amount covering aggregate exposure;

26.4 This represents Tijarah facility obtained by Holding Company from commercial banks, having limit of Rs. 1,800 million (2024: Rs. 1,600 million) out of which Rs. 398.85 million (2024:Rs. 540.75 million) remains unutilised for Tijarah Finance at the reporting date. The rates of mark-up on these facilities range from 3 months KIBOR + 0.5% to 6 months KIBOR + 1% per annum (2024: 3 months KIBOR + 0.5% to 6 months KIBOR + 1%) per annum.

This facility is secured by:

- Registered Joint Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 2,401 million, inclusive of 25% margin, covering agregate exposure;
- Registered Joint Pari Passu hypothecation charge over fixed assets (excluding land and buildings) of the Company for Rs. 450 million;
- Personal guarantees of directors for the amount covering aggregate exposure.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

26.5 This represents Tijarah facility by Subsidiary Company - Global Packaging Films (Private) Limited obtained from commercial banks, having limit of Rs. 1000 million (2024: Nil) out of which Rs. 750 million (2024: Nil) remains unutilised for Tijarah facility at the reporting date. The rate of mark-up on this facility is 6 month KIBOR + 0.75% per annum (2024: Nil).

This facility is secured by way of:

- Registered Hypothecation Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 1,334 million, inclusive of 25% margin covering aggregate exposure;
- Lien over accepted clean bills;
- Personal guarantees of all directors for the amount covering aggregate exposure; and
- Cross corporate guarantee of International Packaging Films Limited (the Holding Company).

26.6 This represents Istisna facility obtained by Subsidiary Company - Global Packaging Films (Private) Limited from commercial banks, having limit of Rs. 1,500 million (2024: Nil) out of which Rs. 445 million (2024: Nil) remains unutilised for Istisna facility at the reporting date. The rate of mark-up on this facility is relevant KIBOR + 0.75% to 6 month KIBOR + 0.50% per annum (2024: Nil).

This facility is secured by way of:

- Registered Hypothecation Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 1,834 million covering aggregate exposure, inclusive of 25% margin;
- Registered Hypothecation charge over Fixed assets (excluding land and building) of the Company for Rs. 292 million covering aggregate exposure;
- Personal guarantees of all directors for the amount covering aggregate exposure;
- Cross corporate guarantee of International Packaging Films Limited (the Holding Company); and
- Equitable and token registered mortgage over property bearing Plot No. 5D - 9D, Quaid -e- Azam Business Park, Special Economic Zone, Sheikhupura.

26.7 This represents Istisna Finance obtained by Subsidiary Company - Cast Packaging Films (Private) Limited from a commercial bank, having a limit of Rs. 1,375 million (2024: Rs. 1,375 million) out of which Rs. 878.5 million (2024: Rs. 405.5 million) remains unutilised for Istisna Finance at the reporting date. These facilities carry mark-up of 3 month's KIBOR + 0.75% per annum (2024: 3 month's KIBOR + 0.75%) and is repayable within 120 days from the disbursement date. The facility is secured by way of:

This facility is secured by way of:

- Registered 1st Hypothecation Charge over Movables & Receivables of the Company amounting to Rs. 1,907 million inclusive of 25% margin;
- Cross Corporate Guarantee of M/s. International Packaging Films Limited amounting to Rs. 2,000 million;
- Personal Guarantee of all directors of the Company i,e Mr. Naveed Godil & Mr. Mushtaq Ali Tejani each amounting Rs. 2,000 million covering aggregate exposure;
- Equitable Mortgage along with TRM (Land & Building) over property located at Had Bast Village, Bhechuki Mahja, Tehsil Raiwind, District Lahore;
- 4 kanal which is 80 / 1521 portion out of Salam Khata measuring 76 Kanal 1 Marla, 13 Qitat, bearing Khewat No.02, Khatoni No. 09 to 11; and
- 1 kanal which is 20 / 582 portion out of Salam Khata measuring 29 Kanal 2 Marla, 7 Qitat, bearing Khewat No.678, Khatoni No. 1205 to 1206.

26.8 This represents Istisna Finance obtained by Subsidiary Company - Petpak Films (Private) Limited from a commercial bank, having a limit of Rs. 400 million (2024: 400 million) out of which Rs. 79.58 million (2024: Nil) remains unutilised These facilities carry mark-up of 6 months KIBOR + 0.75% per annum (2024: 6 months KIBOR + 0.75%) per annum and is repayable within 120 days from the disbursement date.

This facility is secured by way of:

- First Pari Passu Hypothecation charge over Current Assets of M/s. Petpak Films (Pvt.) Ltd with 25% margin i.e. PKR. 534 Million.
- First Pari Passu Hypothecation charge over Plant & Machinery of M/s. PetPak Films (Pvt.) Ltd with 25% margin i.e. PKR. 534 Million.
- Personal Guarantees of directors of the company for the amount covering aggregate exposure.

26.9 This represents a Running Musharakah facility obtained by the Holding Company having limit of Rs. 1,750 million (2024: Rs. 300 million) out of which Rs. 92.66 million (2024: Rs. 79.06 million) remains unutilised at the reporting date. The rates of mark-up on this facility ranges from 1 month KIBOR + 0.5% to 3 months KIBOR + 0.75% per annum (2024: 3 months KIBOR + 1%) per annum.

This facility is secured by way of:

- Registered Joint Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 3,534.34 million, inclusive of 25% margin, covering agregate exposure;
- Registered Joint Pari Passu hypothecation charge over fixed assets (excluding land and buildings) of the Company for Rs. 375 million, covering agregate exposure;
- Equitable mortgage over property Plot No. 5D - 9D at the Quaid-e-Azam Business Park (QABP) in Sheikhupura;
- Lien over A-rated Financial Institution approved Accepted Local Usance Bills Drawn under LC with 10% margin; and
- Personal guarantees of directors for the amount covering aggregate exposure.

26.10 This represents a Running Musharakah facility obtained by the Subsidiary Company - Global Packaging Films (Private) Limited obtained from commercial banks, having limit of Rs. 300 million (2024: Nil) which was fully utilized for Running Musharaka facility at the reporting date. The rate of mark-up on this facility is 3 months KIBOR + 0.50% per annum (2024: Nil).

This facility is secured by way of:

- Registered Hypothecation Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 400 million, inclusive of 25% margin covering aggregate exposure; and
- Personal guarantees of all directors for the amount covering aggregate exposure.

26.11 This represents Running Musharaka facility obtained by Subsidiary Company - Petpak Films (Private) Limited from commercial banks, having limit of Rs. 300 million (2024: Nil) which was fully utilized at the reporting date. The rate of mark-up on this facility is 3 months KIBOR + 0.50% per annum (2024: Nil).

This facility is secured by way of:

- Registered Hypothecation Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 400 million covering aggregate exposure, inclusive of 25% margin; and
- Personal guarantees of directors for the amount covering aggregate exposure;

26.12 This represents a Bai Salam Facility obtained by the Holding Company having limit of Rs. 300 million (2024: Rs. Nil) out of which Rs. 181.54 million (2024: Rs. Nil) remains unutilised at the reporting date. The rate of mark-up on this facility is as decided by treasury at the time of transaction (2024: Nil) per annum.

This facility is secured by way of:

- Registered Joint Pari Passu hypothecation charge over current assets i.e. stock and receivables of the Company for Rs. 400 million, inclusive of 25% margin, covering agregate exposure;
- Registered Joint Pari Passu hypothecation charge over fixed assets (excluding land and buildings) of the Company for Rs. 75 million, covering agregate exposure;
- Equitable mortgage over property Plot No. 5D - 9D at the Quaid-e-Azam Business Park (QABP) in Sheikhupura; and
- Personal guarantees of directors for the amount covering aggregate exposure.

27. TAXATION - NET

	Note	2025	2024
		(Rupees in '000)	
Balance as at July 01		(102,060)	(258,785)
Tax payments / adjustments made during the year		798,811	875,817
		696,751	617,032
Less: Provision for levies and income tax	36 & 37	(483,274)	(719,092)
Balance at end of the year		213,477	(102,060)

27.1 The Holding Company has challenged the vires of amendment before the Islamabad High Court (IHC) concerning to the chargeability of super tax on high earning persons through Finance Act, 2023 for the tax year 2023 and onwards. In accordance with the said amendment, the rate of super tax increased from 4% to 10% for tax year 2023 and onwards to all sectors having income of more than Rs. 500 million in addition to the corporate tax at the rate of 29%.

In response, the Islamabad High Court (IHC) issued an interim relief order (W.P. No. 4305/2023) dated December 18, 2023, directing that no super tax at the enhanced rate will be recovered from the petitioners until the final disposal of the case. The court instructed that the petitioners should continue to pay super tax at the pre-amendment rate of 4%. In compliance with IHC order, the Holding Company has discharged its super tax liability for the tax year 2023 by paying Rs. 113.38 million, which represents the 4% super tax rate (pre-amendment rate).

Keeping in view the above, the management, as a matter of prudence, has provided full tax expense on account of super tax amounting to Rs. 134.98 million (2024: Rs 185.21 million) being 10% of the income chargeable to super tax for the tax year 2025.

28. CONTINGENCIES AND COMMITMENTS

28.1 Contingencies

As at the reporting date, there are no contingencies to report other than those disclosed in note 27.1.

28.2 Commitments

Commitments under letter of credits for raw materials, stores and spares and plant and machinery as at June 30, 2025 amounted to Rs. 5,894.68 million (2024: Rs. 4,644.26 million).

29. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2025	2024
	(Rupees in '000)	
Sale of goods - net		
Local	31,270,062	24,898,333
Sales tax	(4,872,627)	(3,884,427)
Sales returns	(56,596)	(61,833)
	26,340,839	20,952,073
Export	8,050,585	1,894,379
Sales returns	(22,599)	(11,714)
	8,027,986	1,882,665
	34,368,825	22,834,738

29.1 DISAGGREGATION OF REVENUE

In the following table, revenue is disaggregated by primary geographical markets.

	2025	2024
	(Rupees in '000)	
Primary geographical markets:		
Local sales	20,846,633	20,952,073
Export sales		
- Asia	13,451,248	1,794,171
- Europe	60,972	88,494
- Africa	9,972	-
	34,368,825	22,834,738

	Note	2025	Restated 2024
30. COST OF SALES		(Rupees in '000)	
Raw materials consumed	30.1	23,170,392	15,735,391
Fuel, power and water		2,479,031	1,603,641
Depreciation on operating assets	4.1.1	1,083,173	421,244
Depreciation on right-of-use asset	5.2	1,013	5,448
Packing materials consumed	30.2	782,139	461,842
Salaries, wages and other benefits	30.4	1,198,157	717,078
Rent, rates and taxes		25,385	10,213
Stores and spares consumed	30.3	306,427	211,993
Travelling and conveyance		98,232	71,141
Lubricants consumed		48,983	26,263
Insurance		134,867	65,330
Inward transportation		45,919	43,497
Repair and maintenance		83,037	31,167
Fee for technical services		20,392	146
Clearing agent charges		1,796	913
Postage and communication		8,823	5,077
Subscription expenses		-	1,246
Quality certifications		4,870	2,534
Amortisation of intangible assets	6.1.2	232	119
Detention charges		-	2,405
Security charges		14,742	-
Staff training and development		28	-
Provision for net realisable value written down against finished goods		(17,146)	20,782
Others		22,720	14,622
		29,513,212	19,452,092
Work-in-process			
Opening stock		706,684	199,666
Closing stock	9	(670,231)	(706,684)
		36,453	(507,018)
Cost of goods manufactured		29,549,665	18,945,074
Finished goods			
Opening stock		977,095	215,863
Closing stock	9	(1,152,104)	(997,877)
		(175,009)	(782,014)
		29,374,656	18,163,060

	Note	2025	2024
30.1 Raw materials consumed		(Rupees in '000)	
Opening stock		1,607,792	1,927,846
Purchases		22,957,660	15,415,337
Closing stock	9	(1,395,060)	(1,607,792)
		23,170,392	15,735,391
30.2 Packaging materials consumed			
Opening stock		64,013	31,800
Purchases		815,790	494,055
Closing stock	9	(97,664)	(64,013)
		782,139	461,842

	Note	2025	2024
30.3 Stores and spares consumed		(Rupees in '000)	
Opening stock		304,216	237,966
Purchases		517,321	278,827
Closing stock	8	(515,110)	(304,800)
		306,427	211,993

30.4 This includes Rs. 88.68 million (2024: Rs. 46.77 million) in respect of charge for defined benefit plan.

	Note	2025	(Restated) 2024
31. SELLING AND DISTRIBUTION EXPENSES		(Rupees in '000)	
Salaries, wages and other benefits	31.1	202,024	75,064
Outward expenses		333,657	210,992
Travelling and conveyance		22,534	24,748
Depreciation on operating assets	4.1.1	8,222	3,071
Depreciation on right-of-use asset	5.2	184	2,486
Trade promotion		16,908	14,850
Export charges		112,835	26,712
Repair and maintenance		473	120
Insurance		27,567	2,664
Postage and communication		5,178	609
Rent, rates and taxes		6,866	-
Printing and stationary		956	949
Entertainment expense		657	425
Website design		-	76
Others		19,304	8,921
		757,365	371,687

31.1 This includes Rs. 9.13 million (2024: Rs. 6.25 million) in respect of charge for defined benefit plan.

	Note	2025	(Restated) 2024
32. ADMINISTRATIVE EXPENSES		(Rupees in '000)	
Salaries, wages and other benefits	32.1	261,113	200,407
Travelling and conveyance		143,798	88,686
Depreciation on operating fixed assets	4.1.1	27,200	19,385
Depreciation on right-of-use asset	5.2	5,684	3,407
Legal and professional charges		39,336	35,464
Rent, rates and taxes		10,835	1,819
License fee		46,850	38,007
Postage and communication		12,021	6,007
Entertainment		9,187	12,029
Auditor’s remuneration	32.2	13,911	12,477
Utilities		10,533	5,324
Repair and maintenance		5,450	4,019
Insurance		17,717	15,947
Fee for technical services		2,441	-
Printing and stationary		13,798	6,548
Staff training and development		4,445	707
Amortisation of intangible assets	6.1.2	7,354	6,733
Donations		2,341	19,720
Security expenses		11,256	19,526
Subscription expenses		544	-
Others		23,701	9,463
		669,515	505,675

32.1 This includes Rs. 11.24 million (2024: Rs. 12.72 million) in respect of charge for defined benefit plan.

32.2 Auditors' remuneration

	2025	2024
	(Rupees in '000)	
Audit services		
Annual audit fee	12,000	5,000
Out of pocket expenses	1,200	1,120
	13,200	6,120
Non-audit services		
Certifications for regulatory purposes	711	300
Tax advisory services	-	6,057
	13,911	12,477

32.3 Donations

32.3.1 This includes donations to the following organisations that exceed either 10% of the total amount of donations made or Rs. 1 million, whichever is higher.

	2025	2024
	(Rupees in '000)	
Baitussalam Welfare Trust	521	5,376
Dhoraji Association	-	5,500
Dhoraji Youth Services	600	-
Others	222	-
	1,343	10,876

32.3.2 Donations include Rs. 0.6 million (2024: Nil) paid to Dhoraji Youth Services in which Chairman of the Company has interest.

33. OTHER OPERATING EXPENSES

	Note	2025	(Restated) 2024
		(Rupees in '000)	
Exchange loss - net		25,658	31,502
Workers' Profit Participation Fund	24.2	133,653	123,244
Workers' Welfare Fund	24.3	33,857	47,417
Loss on disposal of property, plant and equipment		-	28,440
Others		-	194
		193,168	230,797

34. OTHER INCOME

	Note	2025	2024
Income from financial assets			
Return on PLS savings accounts		28,711	28,043
Exchange gain - net		68,247	114,337
Income from non-financial assets			
Gain on disposal of property, plant and equipment		368	-
Gain on modification of lease		-	3,758
Others			
Scrap sales		83,644	46,856
Export rebate		79,244	32,826
Rebate from supplier		555	-
Amortisation of deferred income	19	162,974	2,784
Others		13,039	5,803
		436,782	234,407

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

35. FINANCE COSTS

	Note	2025	2024
		(Rupees in '000)	
Islamic:			
- Mark-up on long-term financing		606,815	644,063
- Mark-up on short-term borrowings		1,414,312	1,049,299
		2,021,127	1,693,362
Interest on lease liabilities		2,294	8,477
Unwinding of discount on supplier's credit		104,228	69,396
Commission on letter of credit		34,217	11,218
Bank and guarantee charges		57,137	32,663
		2,219,003	1,815,116

36. LEVIES - FINAL TAX

	Note	2025	2024
Final tax	36.1	-	6,348

36.1 These represent final tax on export sales under section 154 of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21 / IAS 37.

37. INCOME TAX EXPENSE

	Note	2025	(Restated) 2024
		(Rupees in '000)	
Current	37.1	483,274	712,744
Deferred	37.2	458,435	1,829,542
		941,709	2,542,286

37.1 The returns of income tax have been filed up to and including tax year 2023, which are deemed assessed under section 120 of the Income Tax Ordinance, 2001 (the Ordinance).

37.2 This includes deferred tax expense on Global Packaging Films (Private) Limited and PETPAK Films (Private) Limited comprising of taxable temporary differences on account of accelerated tax depreciation on property, plant and equipment which would start to diminish after the conclusion of the tax holiday period. Both of these entities qualify for a tax exemption under Clause 126 E of Part I of the Second Schedule of the Income Tax Ordinance, 2001.

37.3 Relationship between income tax expense and accounting profit

	2025	2024	2025	2024
	(Effective tax rate %)		(Rupees in '000)	
Profit before levies and income tax			1,605,755	1,971,385
Tax at the enacted tax rate	(29.00)	(29.00)	(465,669)	(571,702)
Tax effect of:				
Super tax	(9.02)	(8.85)	(144,767)	(174,545)
Income taxed under final tax regime	0.00	3.97	-	78,206
Tax credit on donations	0.00	0.16	-	3,154
Tax credit under section 65D	5.10	9.16	81,838	180,532
Others	(25.73)	(104.39)	(413,111)	(2,057,93)
Levies and income tax - notes 36 & 37	(58.65)	(128.96)	(941,709)	(2,542,286)

38. EARNINGS PER SHARE - BASIC AND DILUTED

	Note	2025	(Restated) 2024
		(Rupees in '000)	
Profit for the year attributable to owners of the Holding Company		1,202,416	90,830
		(Numbers)	
Weighted average number of ordinary shares outstanding at end of the year	38.1	700,200,000	635,936,666
		(Rupees)	
Earnings per share - basic and diluted		1.72	0.14

38.1 Weighted average number of ordinary shares

	Note	2025	(Restated) 2024
		(Numbers)	
Issued ordinary shares as at July 01		700,200,000	630,094,545
Effect of right shares issued		-	-
Effect of bonus shares issued		-	-
Effect of number of shares issued		-	5,842,121
Weighted average number of ordinary shares as at June 30		700,200,000	635,936,666

38.2 There were no convertible dilutive potential ordinary shares outstanding as at June 30, 2025 and 2024.

39. CASH GENERATED FROM / (USED IN) FROM OPERATIONS

	Note	2025	(Restated) 2024
		(Rupees in '000)	
Profit before levies and income tax		1,605,755	1,971,385
Adjustments for non-cash charges and other items			
Levies	36	-	6,348
Depreciation of property, plant and equipment	4.1.1	1,118,595	443,700
Amortisation of intangible assets	6.1.2	7,586	6,852
Depreciation of right-of-use assets	5.2	6,881	11,341
Loss / (gain) on disposal of property, plant and equipment	33 & 34	(368)	28,440
Unrealised exchange gain		(42,589)	(124,563)
Return on PLS savings accounts	34	(28,711)	(28,043)
Gain on modification of lease	34	-	(3,758)
Provision for staff retirement benefits	21.1.6	109,037	62,703
Amortisation of deferred income	34	(162,974)	(2,784)
Allowance for expected credit losses	10.5	(13,855)	5,077
Finance cost	35	2,219,003	1,815,116
		4,818,360	4,191,814
Changes in working capital	39.1	(3,420,155)	103,033
		1,398,205	4,294,847

39.1 CHANGES IN WORKING CAPITAL

	2025	2024
(Increase) / decrease in current assets:		
Stores, spares and consumables	(206,103)	(59,537)
Stock-in-trade	(605,691)	(1,339,041)
Trade receivables	(1,959,069)	(2,445,365)
Loans and advances	(289,415)	(238,337)
Trade deposits and short-term prepayments	(4,907)	(48,292)
Other receivables	(120,996)	(125,074)
Sales tax refundable	162,074	(464,599)
	(3,024,107)	(4,720,245)
Increase / (decrease) in current liabilities:		
Trade and other payables	(508,429)	4,737,601
Contract liabilities	112,381	9,572
Suppliers' credit	-	76,105
	(3,420,155)	103,033

40. CASH AND CASH EQUIVALENTS

	Note	2025	2024
Cash and bank balances	14	770,968	245,918
Short-term borrowings under Running Musharakah	26	(2,257,342)	(220,941)
		(1,486,374)	24,977

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

41. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives	
	2025	2024	2025	2024	2025	2024
	Rupees in '000					
Managerial remuneration	14,400	14,400	-	-	406,616	328,004
Bonus	1,200	1,200	-	-	30,421	24,258
Retirement benefits	2,277	1,947	-	-	55,837	33,505
Reimbursable expenses	-	-	-	-	10,991	8,826
Other perquisites and benefits	-	-	-	-	47,737	32,919
Directors' fees	-	-	25,860	19,950	-	-
	17,877	17,547	25,860	19,950	551,602	427,512
Number of persons	1	1	9	9	88	68

41.1 Chief Executive and certain executives are provided with the use of Company maintained cars and telephone facility, which are reimbursed at actual to the extent of their entitlements as per their terms of employment.

41.2 Fees paid to 9 (2024: 9) non-executive directors were Rs. 25.86 million (2024: Rs. 19.95 million) on account of meetings attended by them.

42. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial risk management

The Board of Directors of respective group entities have overall responsibility for the establishment and oversight of the risk management framework for the respective group entity. Each group entity has exposure exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The Board of Directors of respective group entities meets frequently throughout the year for developing and monitoring the risk management of the respective group entity. The risk management policies are established for each group entity to identify and analyse the risks faced by the respective entity, to set appropriate risk limits and controls, and to monitor risks including adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the respective group entity's activities. Each group entity, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the respective group entity's management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group entity.

42.1 Credit risk

Credit risk is the risk of financial loss to a group entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations without considering the fair value of the collateral available there against.

42.1.1 Exposure to credit risk

The carrying amount of respective financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	Note	2025	2024
		(Rupees in '000)	
Long-term deposits		125,953	104,359
Long-term loans	7	32,594	22,262
Trade receivables - net of provision	10	7,761,859	5,788,935
Trade deposits	12	24,906	31,993
Loans and advances	11	66,748	44,268
Other receivables	13	288,752	167,756
Bank balances	14	770,183	242,670
		9,070,995	6,402,243

The group entities does not take into consideration the value of collateral while testing financial assets for impairment. The group entities consider the credit worthiness of counterparties as part of their risk management.

Analysis of gross amounts receivable from local and foreign trade debtors are as follows:

	2025	2024
	(Rupees in '000)	
Domestic	7,424,595	4,560,939
Export	387,586	1,292,172
	7,812,180	5,853,111

42.1.2 Impairment losses

The ageing of trade debtors as per above at the reporting date was as follows:

Consolidated IPAK

	2025		2024	
	Gross	Impairment	Gross	Impairment
	Rupees in '000			
Not yet Due	5,975,688	19,556	4,223,990	7,235
0 - 30 days	1,143,643	3,217	1,147,411	10,565
31 - 60 days	385,441	2,141	153,375	5,107
61 - 90 days	119,394	2,229	87,125	5,660
91 - 120 days	34,208	1,628	56,321	3,421
121 - 180 days	71,804	4,941	174,346	25,779
181 - 270 days	46,101	4,661	3,922	1,783
271 - 365 days	22,435	1,618	577	582
Over 365 days	13,466	10,330	6,044	4,044
	7,812,180	50,321	5,853,123	64,176

Management of the Group entities believe that the unimpaired balances that are past due are still collectible in full, based on historical payment behaviour and review of financial strength of respective customers. Further, certain trade debtors are secured by way of Export Letter of Credit and Inland Letter of Credit which can be called upon if the counter party is in default under the terms of the agreement.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

42.1.3 Bank balances

Cash is held only with reputable banks with high quality external credit rating assessed by external rating agencies. Following are the credit ratings of banks within which balances are held or credit lines available:

Bank	Rating Agency	Rating	
		Short Term	Long Term
Bank AL Habib Limited	PACRA	A1+	AAA
Bank Alfalah Limited	PACRA	A1+	AAA
Bank Of Punjab	PACRA	A1+	AA+
Bankislami Pakistan	PACRA	A1	AA-
Dubai Islamic Bank Pakistan Limited	VIS	A1+	AA
Faysal Bank Limited	PACRA	A1+	AA
Habib Bank Limited	VIS	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AA+
MCB Islamic Bank Limited	PACRA	A1	A+
Meezan Bank Limited	VIS	A1+	AAA
United Bank Limited	VIS	A1+	AAA
Standard Chartered Bank Pakistan Limited	PACRA	A1+	AAA
JS Bank Limited	PACRA	A1+	AA
Muslim Commercial Bank	PACRA	A1+	AAA
Soneri Bank Ltd Corporate	PACRA	A1+	AA-
Al Baraka (Pakistan) Limited Bank Corporate	PACRA	A1	AA-
Askari Bank Limited	PACRA	A1+	AA+

42.1.4 Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group entity's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at reporting date.

42.2 Liquidity risk

Liquidity risk is the risk that a group entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the group entity could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The approach of group entities to managing liquidity is to ensure, as far as possible, that they will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's or group's reputation. The group entities ensure that they have sufficient liquidity including credit lines to meet expected working capital requirements. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

	2025					
	Contractual cashflows					
	Carrying amount	Total contractual cashflows	Six months or less	Six to twelve months	One to five years	More than five years
	Rupees in '000					
Financial liabilities						
Long-term financing	5,404,064	(7,306,396)	(639,786)	(600,324)	(5,742,382)	(323,904)
Lease liabilities	10,846	(11,492)	(5,665)	(5,827)	-	-
Trade and other payables	7,057,847	(7,057,847)	(7,057,847)	-	-	-
Short-term borrowings	9,384,868	(9,636,881)	(9,075,623)	(561,258)	-	-
Suppliers' credit	-	-	-	-	-	-
	21,857,625	(24,012,616)	(16,778,921)	(1,167,409)	(5,742,382)	(323,904)

	2024					
	Contractual cashflows					
	Carrying amount	Total contractual cashflows	Six months or less	Six to twelve months	One to five years	More than five years
Financial liabilities	Rupees in '000					
Long-term financing	3,909,981	(5,388,460)	(399,105)	(1,134,345)	(3,110,558)	(744,452)
Lease liabilities	18,635	(22,369)	(5,358)	(11,184)	(5,827)	-
Trade and other payables	7,882,992	(7,882,992)	(7,882,992)	-	-	-
Short-term borrowings	5,851,483	(9,384,868)	(9,384,868)	-	-	-
Suppliers' credit	2,235,642	(2,341,088)	-	(2,341,088)	-	-
	19,898,733	(25,019,777)	(17,672,323)	(3,486,617)	(3,116,385)	(744,452)

42.2.1 The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rate effective as at June 30. The rates of mark-up have been disclosed in respective notes to these consolidated financial statements.

42.2.2 Long-term financing from various banks contains certain loan covenants. A breach of covenant, in future, may require the Group entities to repay the respective loans earlier than as directed in the above table.

42.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect a group entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Group entities are exposed to currency risk and interest rate risk only.

42.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Exposure to currency risk

The Group is exposed to currency risk on trade debts, bank balances and trade creditors that are denominated in a currency other than the respective functional currency of the Group. The Group's exposure to foreign currency risk is as follows:

	2025				2024			
	Rupees	US Dollars	AED	Euro	Rupees	US Dollars	AED	Euro
	in '000							
Financial assets								
Bank Balance	258,503	137	2,829	3	12,866	29	39	6
Trade debts	387,586	1,367	-	-	1,292,172	4,520	-	115
Financial liabilities								
Trade and other payables	(2,985,267)	(9,805)	-	(610)	(3,758,314)	(10,043)	-	(3,193)
Supplier's Credit	-	-	-	-	(2,235,642)	-	-	(7,492)
Net exposure	(2,339,178)	(8,301)	2,829	(607)	(4,688,918)	(5,494)	39	(10,564)

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

The following significant exchange rates were applicable during the year:

	Reporting date rate	
	2025	2024
	Buying/Selling	Buying/Selling
US Dollars (USD) to Pakistan Rupee	283.53 / 283.97	278.3 / 278.8
Euro to Pakistan Rupee	332.62 / 333.13	297.88 / 298.41

Sensitivity analysis

A 10 percent strengthening / weakening of the Pak Rupee against the USD and Euro as at June 30 would have decreased / increased the equity / profit after tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for both the years.

	Effect on consolidated statement of profit or loss	
	2025	2024
	(Rupees in '000)	
As at 30 June		
Effect in USD	(159,658)	(113,064)
Effect in Euro	(13,352)	(207,875)

42.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate exposure arises from short and long-term borrowings from banks.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instrument is:

		Carrying amount	
	Note	2025	2024
		(Rupees in '000)	
Fixed rate instruments			
Financial liabilities	18 & 26	1,488,906	1,636,394
Variable rate instruments			
Financial liabilities	18 & 26	12,975,845	7,864,285

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and the profit after tax by Rs. 70.07 million (2024: Rs. 42.47 million) with the corresponding effect on the carrying amount of the liability. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for both the years.

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect the consolidated statement of profit or loss.

42.4 Reconciliation of movements of liabilities to cash flows arising from financing activities

	2025					
	Short-term borrowings	Long-term financing	Accrued mark-up	Lease liabilities	Unappropriated profit	Total
	Rupees in '000					
Balance as at July 1, 2024 - restated	5,851,483	3,909,981	-	18,635	(32,922)	9,747,177
Changes from financing cash flows						
Repayment of long-term loan	-	1,494,083	-	-	-	1,494,083
Proceeds from long-term loan	-	-	-	-	-	-
Receipt of short-term borrowings	3,533,385	-	-	-	-	3,533,385
Lease liability payments	-	-	-	(7,789)	-	(7,789)
Total changes from financing activities	3,533,385	1,494,083	-	(7,789)	-	5,019,679
Other changes						
Modifications in lease liabilities	-	-	-	-	-	-
Interest expense	-	-	2,153,314	2,294	-	2,155,608
Interest paid	-	-	(2,153,314)	(2,294)	-	(2,155,608)
Total loan related other changes	-	-	-	-	-	-
Equity related other changes	-	-	-	-	1,203,582	1,203,582
Balance as at June 30, 2025	9,384,868	5,404,064	-	10,846	1,170,660	15,970,438

	2024					
	Short-term borrowings	Long-term financing	Accrued mark-up	Lease liabilities	Unappropriated profit	Total
	Rupees in '000					
Balance as at July 1, 2023 - restated	2,467,608	681,430	40,418	41,824	3,138,416	6,369,696
Changes from financing cash flows						
Repayment of long-term loan	-	369,140	-	-	-	369,140
Proceeds from long-term loan	-	2,859,411	-	-	-	2,859,411
Changes in short-term borrowings	3,383,875	-	-	-	-	3,383,875
Lease liability payments	-	-	-	(6,348)	-	(6,348)
Total changes from financing activities	3,383,875	3,228,551	-	(6,348)	-	6,606,078
Other changes						
Additions to lease liabilities	-	-	-	(16,841)	-	(16,841)
Interest expense	-	-	1,651,173	8,477	-	1,659,650
Interest paid	-	-	(1,691,591)	(8,477)	-	(1,700,068)
Total loan related other changes	-	-	(40,418)	(16,841)	-	(57,259)
Equity related other changes	-	-	-	-	(3,171,338)	(3,171,338)
Balance as at June 30, 2024 - restated	5,851,483	3,909,981	-	18,635	(32,922)	9,747,177

42.5 Price risk

Price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The group entities have no exposure to price risk as its investments are measured at cost.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

42.6 Fair value of financial assets and liabilities

The carrying values of financial assets and financial liabilities reported in the Consolidated Statement of Financial Position approximate their fair values.

42.7 Financial instruments by categories

	Note	2025	2024
		(Rupees in '000)	
Financial assets			
Held at amortised cost			
- Long-term loans	7	32,594	22,262
- Long-term deposits		125,953	104,359
- Trade receivables	10	7,761,859	5,788,935
- Loans and advances	11	66,748	44,268
- Trade deposits	12	24,906	31,993
- Other receivables	13	288,752	167,756
- Cash and bank balances	14	770,183	245,630
		9,070,995	6,405,203

	Note	2025	2024
		(Rupees in '000)	
Financial liabilities			
Held at amortised cost			
- Long-term financing	18	5,404,064	3,909,981
- Trade and other payables	24	7,057,847	7,882,992
- Short-term borrowings - secured	26	9,384,868	5,851,483
- Lease liabilities	22	10,846	18,635
		21,857,625	17,663,091

43. CAPITAL MANAGEMENT

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The Company also monitors capital using a gearing ratio, which is net debt, interest bearing loans and borrowings including finance cost thereon, less cash and bank balances. Capital signifies equity as shown in the unconsolidated statement of financial position plus net debt. The gearing ratio as at June 30, 2025 and June 30, 2024 is as follows:

	Note	2025	2024
		(Rupees in '000)	
Long-term loans	18 & 19	6,174,300	4,843,191
Short-term financing	26	9,384,868	5,851,483
Total debt		15,559,168	10,694,674
Cash and bank balances	14	(770,968)	(245,918)
Net debt		14,788,200	10,448,756
Issued, subscribed and paid up capital	15	7,002,000	6,300,945
Capital reserves	17	5,729,722	1,487,566
Revenue reserve - unappropriated profit		1,171,281	3,138,416
Equity		13,903,003	10,926,927
Capital		28,691,203	21,375,683
Gearing ratio [Net debt / (Net debt + Equity)]		51.54%	48.88%

44. MEASUREMENT OF FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

When measuring the fair value of an asset or a liability , the Group entities use valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2025, all financial assets and financial liabilities are carried at amortised cost which is approximate to their fair value.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy at the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

Management of the Group assessed that the fair values of cash and cash equivalents, other receivables, trade deposits, trade receivables, short-term borrowings, trade and other payables and accrued mark-up approximate their carrying amounts largely due to short-term maturities of these instruments. For long-term deposit and long-term financing, management consider that their carrying values approximates fair value owing to credit standing of counterparties and interest payable on borrowings are at market rates.

45. SHARIAH COMPLIANCE STATUS DISCLOSURE

	Note	2025	2024
		(Rupees in '000)	
Statement of financial position - Liability			
i) Short-term financing as per Islamic mode	26	9,162,472	5,651,785
ii) Long-term financing as per Islamic mode	18	5,302,279	3,848,894
iii) Mark-up accrued on Islamic loan	26 & 18	324,181	260,785
Statement of financial position - Asset			
i) Shariah-compliant bank balances	14	770,968	245,918
Statement of Profit or Loss			
i) Revenue earned from Shariah-compliant business segment	29	34,368,825	22,834,738
ii) Exchange gain / (loss)	33 & 34	42,589	82,835
iii) Profit earned from shariah compliant bank balances	34	28,711	28,043
iv) Profit on Islamic mode of financing	35	2,021,127	1,693,362
Break-up of Other income			
Shariah compliant Income			
- Sale of general scrap	34	83,644	46,856
- Gain on disposal of fixed assets	34	368	-
- Gain on modification of lease	34	-	3,758
- Export rebate	34	79,244	32,706
- Rebate from supplier	34	555	-
- Others	34	13,039	5,803
Shariah non-compliant income			
- Government grant	34	162,974	2,784

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

45.1 Relationship with Shariah-compliant financial institutions

Islamic banks

Name	Relationship
Al Baraka Bank (Pakistan) Limited	Funded & Non Funded Facilities
Askari Bank Limited	Funded & Non Funded Facilities
Bank Al Habib Limited	Funded & Non Funded Facilities
Faysal Bank Limited	Funded & Non Funded Facilities
Bank Al Falah Limited	Funded & Non Funded Facilities
Dubai Islamic Bank Limited	Funded & Non Funded Facilities
Habib Bank Limited	Funded & Non Funded Facilities
MCB Islamic Bank Limited	Funded & Non Funded Facilities
Meezan Bank Limited	Funded & Non Funded Facilities
The Bank of Punjab	Funded & Non Funded Facilities
Pakistan Kuwait Investment Company	Funded & Non Funded Facilities

46. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of the associated undertakings, directors of the group entities and key management personnel. The group entities continue to follow a policy whereby transactions with related parties are entered into at commercial terms and at rate agreed under a contract / arrangement / agreement. Remuneration of key management personnel are in accordance with their terms of engagements.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the respective group entities. The Group entities considers their Chief Executive Officer, Chief Financial Officer, Company Secretary, non-executive directors and departmental heads to be their key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

46.1 Transactions with related parties

	2025	2024
	(Rupees in '000)	
Associated companies		
Sales	3,711,070	2,573,439
Receipts against sales	3,034,275	2,940,158
Purchase	571,055	2,601
Payment against purchases	571,055	2,459
Donations	521	-
Key management personnel		
Remuneration	170,326	393,843
Non-executive directors		
Director's fee	25,860	25,860

46.2 The following are the related parties with whom the Group had entered into transactions or had agreements and / or arrangements in place during the year.

Name of the Related Party	Relationship and percentage of shareholding
Universal Coating Films (Private) Limited	Associated company by virtue of common directorship
Universal Packaging Company (Private) Limited	Associated company by virtue of common directorship
Saima Packaging Company (Private) Limited	Associated company by virtue of common directorship
Universal Films (Private) Limited	Associated company by virtue of common directorship
Sunridge Foods (Private) Limited	Associated company by virtue of common directorship
Pakistan Synthetics Limited	Associated company by virtue of common directorship

46.3 Outstanding balances with related parties have been separately disclosed in trade and other payables. These are settled in ordinary course of business.

47. PLANT CAPACITY AND ACTUAL PRODUCTION

	2025	2024
	(Tons)	
Operational capacity of the group (annualised basis)	152,660	152,660
Actual production of the group	66,948	46,573

48. OPERATING SEGMENT

48.1 These consolidated financial statements have been prepared on the basis of a single reportable segment.

48.2 Revenue from the sale of BOPP, CPP and BO-PET films represents 100% (2024: 100%) of the total revenue.

48.3 Geographic Information

The Group's 76.64% (2024: 91.76%) of the sales of BOPP, CPP and BO-PET films are domestic sales whereas 23.36% (2024: 8.24%) of the sales are export / foreign sales.

The Group's net revenue from external customers by geographical location is disclosed in note 29.1.

48.4 Revenue from major customer

Revenue from major customers individually accounting for more than 10% of the revenue from sale of BO-PET and CPP films was Rs. 4381 million (2024: Rs. 674.47 million).

49. NON-CONTROLLING INTERESTS

Set out below is summarised financial information of Subsidiary Company, PETPAK Films (Private) Limited which has non-controlling interests that are material to the group. The amounts disclosed are before inter-company eliminations.

	2025	2024
	(Rupees in '000)	
NCI Percentage (%)	48%	48%
Non-current assets	11,234,290	11,447,744
Current assets	3,481,688	2,615,979
Non-current liabilities	1,148,169	3,256,310
Current liabilities	6,991,705	4,883,564
Net assets attributable to non-controlling interests	2,568,515	2,843,447
Revenue	6,599,650	1,869,248
Expenses	(7,721,253)	(3,247,855)
Profit for the year	(1,121,603)	(1,378,607)
Profit attributable to non-controlling interests	(538,370)	(661,731)
Other comprehensive income attributable to non-controlling interests	609	(1,295)
Total comprehensive income attributable to non-controlling interests	(537,761)	(663,026)
Net cash used in operating activities	(2,017,376)	(1,268,538)
Net cash used in investing activities	(169,868)	(2,708,682)
Net cash generated from financing activities	1,884,304	4,005,414

50. GENERAL

50.1 NUMBER OF EMPLOYEES

The details of the number of employees of the group are as follows:

	2025	2024
	(Numbers)	
Number of employees at June 30		
- Permanent	622	550
- Contractual	353	300
	975	850
Average number of employees during the year		
- Permanent	589	483
- Contractual	333	201
	922	684

NOTES TO AND FORMING PART OF THE
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

50.2 NON-ADJUSTING EVENTS AFTER REPORTING DATE

The Board of Directors of the Holding Company in its meeting held on September 18, 2025 has proposed a final cash dividend of Rs. 0.6 per share (2024: Nil) amounting to Rs. 420 million (2024: Nil) along with bonus issue of 5 percent (2024: Nil) for approval of the members at the annual general meeting to be held on October 23, 2025. These consolidated financial statements for the year ended June 30, 2025 do not include the effect of the proposed final cash dividend and bonus issue which will be accounted in the year ending June 30, 2026.

50.3 CORRESPONDING FIGURES

Comparative information has been reclassified or re-arranged in these consolidated financial statements, wherever necessary, to facilitate comparison and to confirm with presentation in the current year, having insignificant impact except for the restatement as disclosed in note 3.23.

51. DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were approved and authorised for issue by the Board of Directors of the Holding Company on September 18, 2025.

Naveed Godil Chief Executive Officer	Saad Amanullah Khan Director & Chairman Board Audit Committee	Syed Haris Salim Chief Financial Officer

Shareholders' Information

Registered Office

Plot# 40-L-1, P.E.C.H.S. Block 6,
Near Jason Trade Center,
Karachi 75400, Pakistan
+92 21 34384044, +92 21 34384046-48
Email: support@ipak.com.pk

Shares Registrar

CDC Share Registrar Services Limited.
CDC House, 99-B, Block B,
S.M.C.H.S. Main Shahra-e-Faisal,
Karachi 74400, Pakistan.
UIN: 0800 23275 (CDCPL)
Email: info@cdcsrsl.com

Ownership

On June 30, 2025, there were 1,523 members on the record of the Company's ordinary shares.

Financial Calendar

10th Annual General Meeting of the Company will be held on October 23, 2025.

Listing on Stock Exchange

The equity shares of the Company are listed on the Pakistan Stock Exchange Limited (PSX).

Stock Code

The trading symbol of the Company's equity shares on the Pakistan Stock Exchange (PSX) is 'IPAK'.

Share Registrar

CDC Share Registrar Services Limited (CDCSRS) serves as the Company's share registrar, providing efficient services to shareholders through its advanced infrastructure and experienced team. Key services include dematerialization of shares, share transfers, transmissions, issue of duplicate/replaced share certificates, change of address, and other related matters. With online connectivity, CDC Share Registrar Services Limited (CDCSRS) ensures seamless and secure share registration processes.

Service Standards

IPAK prioritises prompt investor services, committing to timely execution of various requests. The Company has established service standards with defined time limits, ensuring efficient processing upon receipt of complete documentation. Well-qualified personnel at the Share Registrar oversee the delivery of these services, guaranteeing prompt assistance to investors.

Dematerialization of Shares

As of June 30, 2025, shareholders have dematerialized 99.99% of the Company's equity shares, signifying an almost complete transition to the electronic book-entry system.

Web Presence

For the latest information on the Company, including financial results, corporate updates, company profile, corporate philosophy, and product portfolio, please visit our website: www.ipak.com.pk.

Pattern of Shareholding

No. of Shareholders	Shareholdings' Slabs			Share Held	Percentage
238	1	to	100	4,387	0.00%
336	101	to	500	154,603	0.02%
260	501	to	1000	253,303	0.04%
446	1001	to	5000	1,102,493	0.16%
65	5001	to	10000	565,243	0.08%
57	10001	to	50000	1,474,002	0.21%
30	50001	to	100000	2,337,963	0.33%
29	100001	to	500000	5,965,623	0.85%
9	500001	to	1000000	6,633,511	0.95%
8	1000001	to	2000000	10,503,337	1.50%
19	2000001	to	5000000	70,988,863	10.14%
11	5000001	to	10000000	73,643,896	10.52%
5	10000001	to	20000000	77,630,922	11.09%
1	20000001	to	30000000	22,970,260	3.28%
5	30000001	to	40000000	170,052,873	24.29%
0	40000001	to	50000000	0	0.00%
3	50000001	to	60000000	163,879,518	23.40%
0	60000001	to	70000000	0	0.00%
0	70000001	to	80000000	0	0.00%
0	80000001	to	90000000	0	0.00%
1	90000001	to	100000000	92,039,203	13.14%
1523				700,200,000	100.00%

Categories of Shareholders	Number of Shareholders	Share held	Percentage
Directors, Chief Executive Officer and their spouse(s) and minor children	12	290,706,843	41.52%
Associated Companies, undertakings and related parties. (Individuals)	23	271,054,903	38.71%
Modarabas and Mutual Funds	2	502,063	0.07%
General Public			
a. Local	1,391	103,403,285	14.77%
b. Non-Resident	76	1,503,716	0.21%
Others	19	33,029,190	4.72%
Totals	1,523	700,200,000	100.00%

Key Shareholding

Directors and their spouse(s)

Names	No. of Shares	%
NAVEED GODIL	92,039,203	13.14%
MUSHTAQ ALI TEJANI	59,655,196	8.52%
TAIMOOR IQBAL	50,728,255	7.24%
ARSALAN PIRANI	35,506,573	5.07%
FAZAL UR REHMAN	32,605,043	4.66%
SHUMAILA AFTAB	18,151,963	2.59%
ABDUL ALEEM TINWALA	14,873,489	2.12%
HALIMA NAVEED	4,852,636	0.69%
MUHAMMED AMIN	4,447,057	0.64%
AFTAB ZAHOOR RAJA	852,025	0.12%
SARFARAZ AHMED REHMAN	1	0.00%
SAAD AMANULLAH KHAN	1	0.00%
	313,711,442	

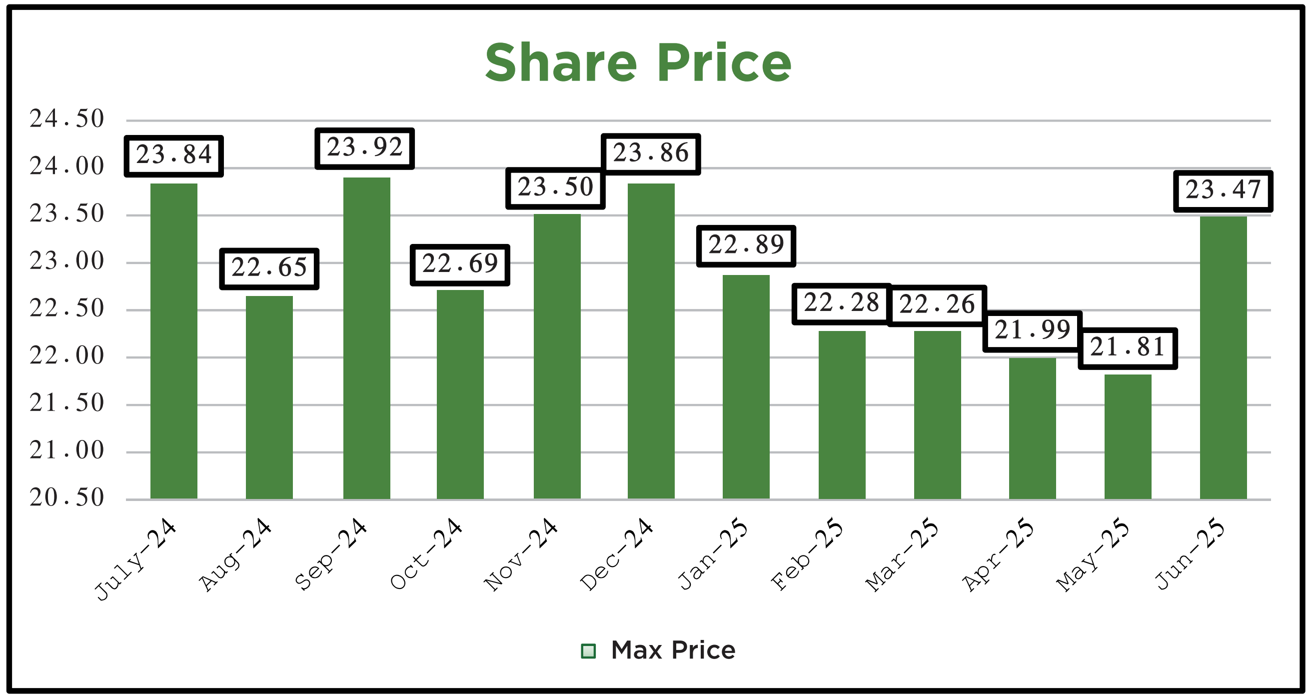
Shareholders holding 10% or more voting rights

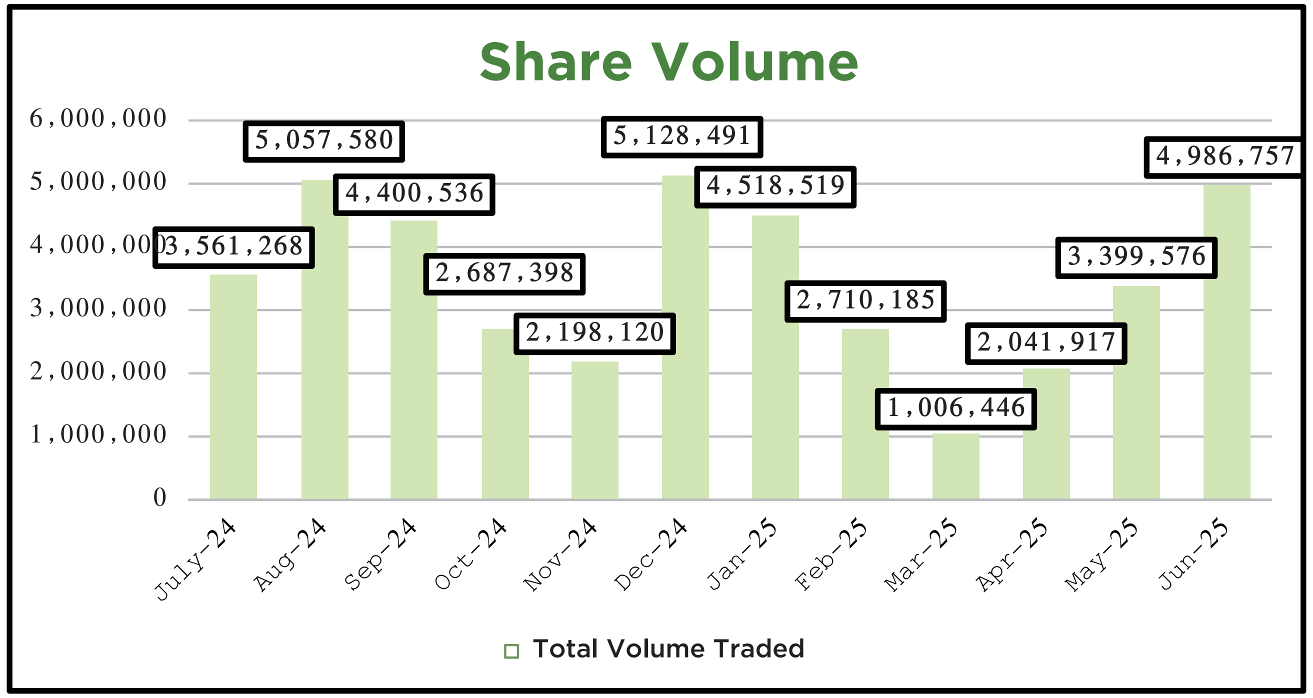
	Shares Held	%
NAVEED GODIL	92,039,203	13.14%

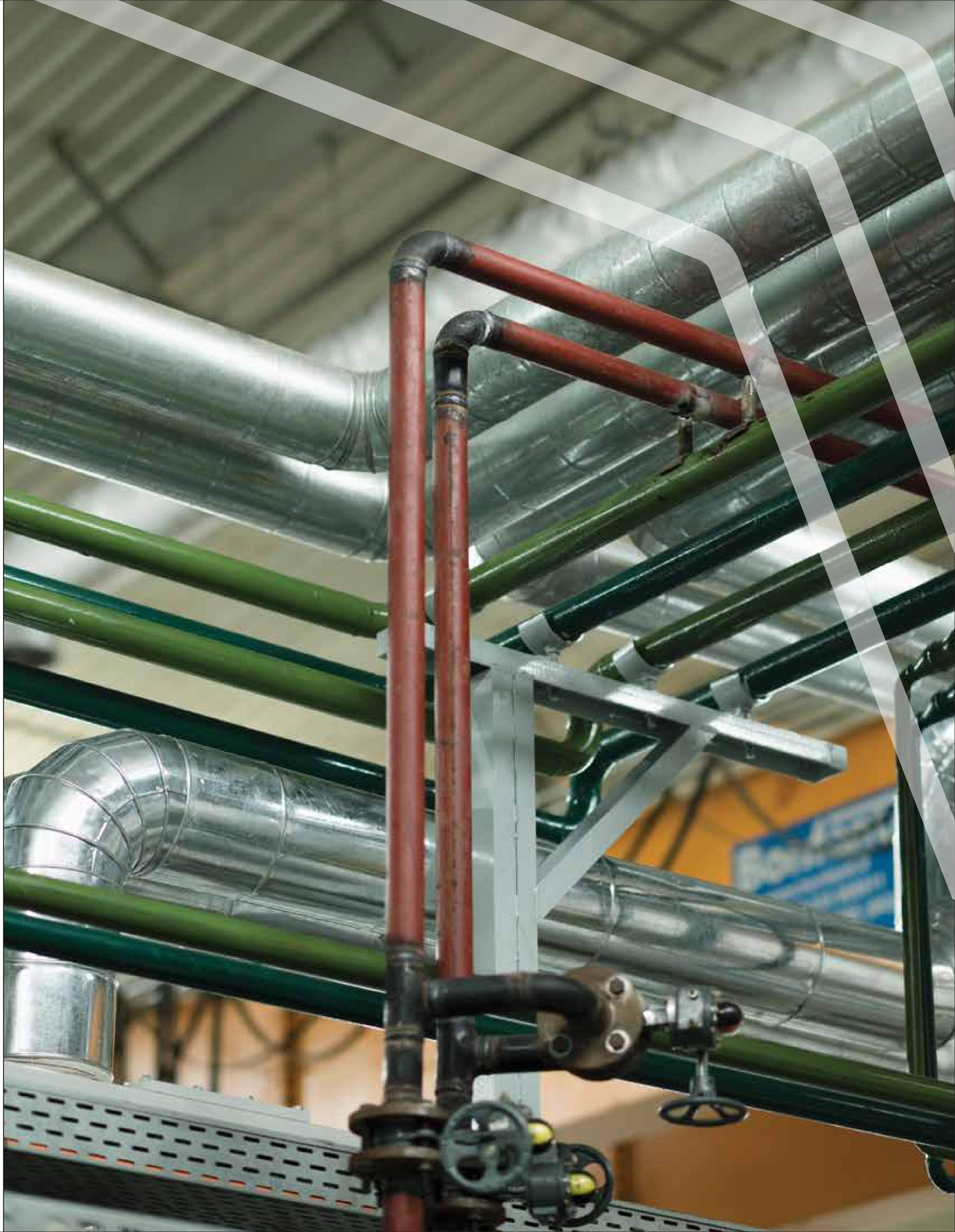
Free Float and Non-Free Float of Shares

	Shares
Free-Float of Shares	138,438,187
Non-Free Float of Shares	561,761,813
Total No. of Shares	700,200,000

Share Price / Volume Movement







Notice of the Annual General Meeting

Notice is hereby given that the 10th Annual General Meeting (AGM) of the members of International Packaging Films Limited (the "Company") will be held on Thursday, October 23, 2025 at 09:30 AM at PSX Auditorium, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the annual audited financial statements of the Company for the year ended June 30, 2025, together with the Auditors' and Directors' Reports thereon.

   In accordance with Section 223 of the Companies Act, 2017, the financial statements of the Company have been uploaded on the website of the Company which can be downloaded from the following web link and QR enabled code.

   https://www.ipak.com.pk/financials

2. To appoint Auditors of the Company for the year ending June 30, 2026 and fix their remuneration. The present auditors M/s. A.F. Ferguson & Co. Chartered Accountants, being eligible, have offered themselves for re-appointment at a fee to be mutually agreed and the Board of Directors has recommended their appointment.

3. To consider and approve the payment of a Final Cash Dividend at the rate of 6% (Rs. 0.60 per share) and the issuance of Bonus Shares in the proportion of 5 shares for every 100 shares held (i.e., 5%) for the financial year ended June 30, 2025, as recommended by the Board of Directors. Further, all fractional entitlements arising from the issue of Bonus Shares shall be consolidated, sold in the PSX and the net proceeds thereof shall be donated to a registered charitable organization.

4. To elect ten (10) Directors as fixed by the Board of Directors of the Company for a period of three (3) years commencing from October 31, 2025, in accordance with the provisions of Section 159 & 161 of the Companies Act, 2017. The names of retiring directors are as follows and they are eligible to offer themselves for re-election,

   Name of Directors;

   1. Mr. Muhammed Amin
   2. Mr. Saad Amanullah Khan
   3. Mr. Sarfaraz Ahmed Rehman
   4. Mr. Abdul Aleem Tinwala
   5. Mr. Aftab Zahoor Raja
   6. Mr. Arsalan Pirani
   7. Mr. Fazal ur Rehman
   8. Mr. Mushtaq Ali Tejani
   9. Mr. Taimoor Iqbal

   SPECIAL BUSINESS:

5. To consider and, if thought fit, pass, with or without modification, the following Special Resolution under Section 199 and other applicable provisions of the Companies Act, 2017, as proposed by the Board of Directors of the Company, for the purpose of approving the authorization to provide Corporate Guarantee(s) in favor of Petpak Films (Private) Limited (a 52% owned subsidiary company), to secure loans and other financing facilities to be obtained by Petpak Films (Private) Limited from Banks or financial institutions, on such terms and conditions as may be mutually agreed and subject to all applicable laws and regulations, as follows:

   Resolved that the Company be and is hereby authorized to provide Corporate Guarantee(s) to any Bank or financial institution in favour of Petpak Films (Private) Limited (a 52% owned subsidiary company), to secure loans obtained by Petpak Films (Private) Limited from Banks or financial institutions, up to an aggregate limit of PKR 8,000,000,000 (eight billion rupees), available at any time during the Five (5) years' authorization period, on such terms and conditions as may be mutually agreed and subject to all applicable laws and regulations.

   Further resolved that the Chief Executive and/or the Chief Financial officer jointly or singly be authorized to take any or all actions which may be required for the corporate guarantees as authorized above.

\- Sd -
By Order of the Board
Fahad Alam
Company Secretary

Karachi: September 18, 2025

Notes to AGM Notice:

1. **Closure of Share Transfer Books:**

   The Share Transfer Books of the Company shall remain closed from **Thursday, October 16, 2025** to **Thursday, October 23, 2025** (both days inclusive). Share transfers received in order at the office of our Share Registrar / Transfer Agent, CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400, by the close of business on **Wednesday, October 15, 2025** shall be considered in time for any entitlements and right to attend and vote at the Annual General Meeting.

2. **Election of Directors:**

   In terms of section 159(1) of the Act, the Board has fixed the number of Directors at ten (10) through a resolution passed in the meeting of Board held on September 18, 2025, to be elected in the AGM of the Company for a term of three (03) years with effect from Friday, October 31, 2025. Any person who seeks to contest the election for the office of director of the Company shall file the following with the Company at its registered office:

   a) A Notice of his/her intention to offer himself/herself for election, fourteen (14) days before the date of the scheduled AGM under section 159(3) of the Act;

      i. Consent to act as a director on Appendix to Form-9 of the Companies Regulations 2024, as required under section 167 of the Act;
      ii. Copy of CNIC/Passport and NTN;
      iii. Detail of directorship offices held.
      iv. A detailed profile along with office address, for placement on the Company's website, in terms of SRO 1196(I)/2019 dated October 3, 2019, issued by Securities and Exchange Commission of Pakistan ("SECP");
      v. Declaration to be provided, confirming being compliant with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Code") and the eligibility criteria, for a director under section 153 of the Act, any other provision of the Act and applicable laws and regulations.

   b) A director must be a member of the Company at the time of filing his / her consent for the contesting election of directors except a person representing a member, which is not a natural person.

   c) Independent directors will be elected in accordance with Sections 159 and 166 of the Companies Act, 2017 and shall meet the criteria laid down under Section 166 of the Companies Act, 2017 and the Companies (Manner and Selection of Independent Directors) Regulations, 2018. The following additional documents are required to be submitted by the candidates intending to contest the election as an independent director:

      i. Declaration of independence under Regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019;
      ii. Undertaking on non-judicial stamp paper that he/she meets the requirements of Regulation 4(1) of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

3. **Appointment of Scrutinizer:**

   The Securities and Exchange Commission of Pakistan (SECP) to the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Companies (Postal Ballot) Regulations, 2018 (the Regulations). In accordance with the Regulation 11 of the Regulations, the Board of the Company has appointed **M/s UHY Hassan Naeem & Co. Chartered Accountants**, a QCR rated audit firm, to act as the Scrutinizer of the Company for the Election of Directors and Special Businesses to be transacted in the meeting and to undertake other responsibilities as defined in Regulation 11A of the Regulations.

4. **Participation in Annual General Meeting:**

   a) **Through Electronic Means:**

      To attend the AGM through video-conferencing facility, members are requested to register themselves by providing the following information through email at cs@ipak.com.pk at least forty-eight (48) hours before the AGM:

Full Name of Shareholder / Proxy Holder	Company	* CNIC / Passport Number	Folio / CDC A/c No.	** Email ID	** Mobile Phone No.
	International Packaging Films Limited.				

*Shareholders shall also share copy of original CNIC or passport.
**Shareholders are requested to provide active email address and mobile phone number.

i. Members will be registered, after necessary verification as per the above requirement and will be provided a video-link by the Company via email.
ii. Only those members will be accepted at the AGM via video-conferencing whose names match the details shared with the Company for registration (as mentioned in point 'a' above).
iii. The login facility will remain open from 9:00 a.m. till the end of AGM.

b) Participation in Person:

i. An Individual shall authenticate his identity by showing original Computerized National Identity Card (CNIC) or original passport.
ii. In case of Corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

c) For Appointing Proxies:

i. A member may appoint another person as his proxy to attend, speak and vote instead of him.
ii. Proxy, in order to be effective, must be in writing duly signed, witnessed, stamped and deposited at the Registered office of the Company not less than 48 hours before the meeting.
iii. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the Company.
iv. Form of proxy is annexed at the end of annual report as well as available at Company's website i.e., www.ipak.com.pk.

5. Guidelines for Central Depository Company of Pakistan Limited ('CDC') Investor Account Holders:

CDC Investor Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular No. 1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan (SECP).

a) For attending the AGM:

i. In case of individuals, the investor account holder or sub-account holder and / or the person whose securities are in group account where registration details are uploaded as per the CDC Regulations, shall authenticate his / her identity by showing his / her original CNIC or valid passport at the time of attending the AGM.
ii. In case of a corporate entity, the Board of Directors' resolution / Power of Attorney with specimen signature of the nominee shall be produced at the time of the AGM.

b) For appointing Proxies:

i. In case of individuals, the investor account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirement.
ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
iii. Copies of CNIC or the valid passport of the beneficial owners and the proxy shall be furnished along with the proxy form.
iv. The proxy shall produce his original CNIC or original valid passport at the time of the AGM.
v. In case of a corporate entity, the Board of Directors' resolution / Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

6. E-voting and Postal Ballot:

It is hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 and its amendments notified vide SRO 2192(1)/2022 dated December 5, 2022, members will be allowed to exercise their right to vote for the special business in Annual General Meeting, in accordance with the conditions mentioned in the aforesaid Regulations. The Company shall provide its members with the following options for voting:

a) E-Voting Procedure:

i. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid cell numbers and e-mail addresses available in the register of members of the Company within due course. Members who intend to exercise their right of vote through E-Voting shall provide their valid cell numbers and e-mail addresses on or before October 15, 2025.
ii. The web address, login details, will be communicated to members via email.
iii. Identity of the members intending to cast vote through E-Voting shall be authenticated through authentication for login.
iv. E-Voting lines will start from October 20, 2025, 9:00 a.m., and shall close on October 22, 2025 at 5:00 p.m. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

b) Postal Ballot:

i. Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper related to special businesses are annexed to this notice and the same is also available on the Company's website www.ipak.com.pk to download. For the purpose of polling on election of directors, if the number of persons who offer themselves to be elected is more than the number of directors fixed under Section 159 (1) of the Companies Act, 2017, related ballot paper will be circulated in due course.
ii. The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at 40-L-1, Block 6, P.E.C.H.S., Karachi (Attention to Company Secretary) by Wednesday, October 22, 2025 on or before 5:00 p.m. The signature on the ballot paper shall match with the signature on CNIC/record of the Company. A postal ballot received after this time / date shall not be considered for voting.

7. Video-Link Facility:

At least seven days prior to the date of the meeting, on the demand of members residing in a city who hold at least ten percent (10%) of the total paid-up capital of the Company, the facility of video-link will be provided to such members in that city enabling them to participate in the Annual General Meeting through the video-link facility.

8. Updation of Shareholder's Records:

Members whose mandatory registration details under law, including usual residential address, mobile/landline number, email address, Computerized National Identity Card Number (CNIC) / Passport number, National Tax Number (NTN), bank account details (IBAN) and declaration for non-deduction of zakat etc. are not available in the Company's records are hereby advised to provide the same to the Company's Share Registrar in case of physical shareholding, or their relevant Participant / CDC Investor Account Services (IAS) in case of shareholding in the book entry form, immediately to avoid any inconvenience.

9. Availability and Transmission of Annual Report:

In compliance with Section 223 of the Companies Act, 2017, SECP's S.R.O. 389(I)/2023 dated March 21, 2023, and the shareholders' approval in the 9th Annual General Meeting held on October 23, 2024, the Company circulates its annual audited financial statements through QR-enabled code and weblink. Accordingly, the audited financial statements of the Company for the year ended June 30, 2025, can be accessed through the QR-enabled code and weblink mentioned in agenda.

Shareholders also have the option to receive the Annual Report electronically through e-mail or in hard copy. Members who wish to avail this facility are requested to send their consent on the prescribed form available on the Company's website, which may be submitted to the Company Secretary / Company's Share Registrar.

10. Restriction on distribution of gifts:

In accordance with the directive issued by the SECP vide its SRO 452(I)/2025 dated March 17, 2025 the Company would like to inform all the shareholders that no gifts will be distributed at the AGM.

11. **Statutory Code of Conduct at AGM:**

Shareholders are requested to observe the conduct referred in sub-regulation 2 of Regulation 55 of the Companies Regulations, 2024 while attending the AGM.

12. **Payment Of Cash Dividend Through Electronic Mode (E-dividend) – Mandatory:**

Under section 242 of the Companies Act, 2017, and Regulation No. 4 of the Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to shareholders only through electronic mode directly into the bank account designated by the entitled shareholder.

In order to receive dividend directly into the bank account, shareholders are requested to fill the 'E-Dividend Mandate Form' available on Company's website and send it duly completed and signed along with a copy of his / her valid CNIC to the Company's Share registrar,

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

In case shares are held in Book Entry Form then the E-Dividend Mandate Form must be submitted directly to shareholder(s)broker/participant/CDC Investor Account Services.

13. **Tax Implication on Dividends / Bonus:**

The Government of Pakistan has made certain amendments in the Income Tax Ordinance, 2001 regarding withholding tax on dividends paid / bonus issued by companies. All members whose names are not entered into the Federal Board of Revenue's (FBR) Active Taxpayers List (ATL), despite being tax return filers, are advised to ensure that their names appear in the ATL at the time of book closure for cash dividend / bonus; otherwise, tax on their cash dividend / bonus shares will be deducted at the non-filer rate.

14. **Tax on Joint Shareholding:**

All shareholders who hold shares jointly are requested to provide shareholding proportions of principal shareholder and joint-holder(s) in respect of shares held by them to our Shares Registrar, in writing as follows:

Folio/CDS Account No.	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

The required information must reach our Shares Registrar on or before the close of business October 15, 2025 otherwise it will be assumed that the shares are equally held by principal shareholder and joint holder(s) and tax will be deducted according to the proportionate holding of each shareholder as clarified by the FBR vide its clarification letter No. I(54) Exp/2014-132872-R, dated September 25, 2014.

15. **Tax Exemption Certificate**

Shareholders claiming tax exemption under clause 47(B) of Part IV of the Second Schedule of Income Tax Ordinance, 2001 are requested to provide a valid exemption certificate under section 159 (1) of the Income Tax Ordinance, 2001 latest by October 15, 2025, to our Shares Registrar before the date of Book closure as required vide FBR clarification letter No. 1(43) D.G. (W.H.T.) / 2008-Vol.II-66417-R dated May 12, 2015.

BALLOT PAPER

Ballot Paper for voting through post for the Special Businesses at the 10th Annual General Meeting to be held on Thursday, October 23, 2025, at 9:30 AM at PSX Auditorium, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi and through video conferencing.

Contact Details of the Chairman at which the duly filled in ballot paper may be sent:

Address: The Chairman, 40-L-1, Block 6, P.E.C.H.S., Karachi. Attention to the Company Secretary E-mail address: cs@ipak.com.pk Phone: +92-21-34384044 Website: www.ipak.com.pk.

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)	
Name and CNIC of Authorized Signatory	

I/we hereby exercise my/our vote in respect of the following special resolutions through postal ballot by conveying my/our assent or dissent to the resolutions by placing tick (√) mark in the appropriate box below: (In case if both the boxes are marked as (√), your poll shall be treated as "Rejected").

Agenda No.5 – Special Resolution

1. To consider and, if thought fit, pass, with or without modification, the following Special Resolution under Section 199 and other applicable provisions of the Companies Act, 2017, as proposed by the Board of Directors of the Company, for the purpose of approving the authorization to provide Corporate Guarantee(s) in favor of Petpak Films (Private) Limited (a 52% owned subsidiary company), to secure loans and other financing facilities to be obtained by Petpak Films (Private) Limited from Banks or financial institutions, on such terms and conditions as may be mutually agreed and subject to all applicable laws and regulations, as follows:

   Resolved that the Company be and is hereby authorized to provide Corporate Guarantee(s) to any Bank or financial institution in favour of Petpak Films (Private) Limited (a 52% owned subsidiary company), to secure loans obtained by Petpak Films (Private) Limited from Banks or financial institutions, up to an aggregate limit of PKR 8,000,000,000 (eight billion rupees), available at any time during the Five (5) years' authorization period, on such terms and conditions as may be mutually agreed and subject to all applicable laws and regulations.

   Further resolved that the Chief Executive and/or the Chief Financial officer jointly or singly be authorized to take any or all actions which may be required for the corporate guarantees as authorized above.

S. No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	**Agenda Item No.5:** as stated above			

1. Duly filled ballot paper should be sent to the Chairman at 40-L-1, Block 6, P.E.C.H.S., Karachi. Attention to the Company Secretary or e-mail at cs@ipak.com.pk.
2. Copy of CNIC/Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Ballot paper should reach the Chairman within business hours on or before 5:00 pm on Wednesday, October 22, 2025. Any postal Ballot received after this date, will not be considered for voting.
4. Signature on ballot paper should match with signature on CNIC/ Passport (in case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution / Power of Attorney / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.
7. Ballot Paper form has also been placed on the website of the Company at: www.ipak.com.pk.

____

Shareholder / Proxy Holder Signature/
Authorized Signatory (In case of corporate entity, please affix company Stamp)

STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017 IN RESPECT OF THE APPOINTMENT OF INDEPENDENT DIRECTORS

Agenda Item No. 4: Election of Directors

Pursuant to Sections 153 and 166(2) of the Companies Act, 2017 and the Companies (Manner and Selection of Independent Directors) Regulations, 2018, any person who is eligible may submit a nomination to be elected as an independent director. Independent directors shall be elected in the same manner as other directors in terms of Section 159 of the Act.

The final list of contesting directors will be published in newspapers not later than seven (7) days before the date of the Annual General Meeting in terms of Section 159(4). Further, the requisite information regarding each director will also be placed on the Company's website.

The present Directors are interested in this Ordinary Business to the extent of their eligibility for re-election.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

In compliance with Section 134(3) of the Companies Act, 2017, the following statement of material facts are provided for consideration of the members in respect of the special business.

Agenda Item No. 5: Corporate Guarantee in favour of Petpak Films (Private) Limited

Petpak Films (Private) Limited ("PPAK"), being a subsidiary of the Company, is in the process of consolidating its operational and financial position after commencement of its commercial production. In order to avail financing facilities from banks and financial institutions, additional security in the form of a corporate guarantee from the holding company is required, alongside the security offered by PPAK itself.

The Board of Directors has, keeping in view the strategic importance of PPAK within the Group and its expected long-term contribution, recommended the enhancement of the cumulative corporate guarantee limit from PKR 5 billion to PKR 8 billion. This authorization will enable PPAK to secure adequate banking facilities for its working capital and expansion requirements, thereby supporting its sustainable growth and indirectly benefiting the Company and its shareholders.

This authorization is proposed to remain valid for a period of five (5) years, during which the Company may issue one or more corporate guarantees within the approved aggregate limit, subject to applicable laws and regulations.

Following is the information required under the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 (the Regulations),

A	**Disclosure regarding the associated company or associated undertaking:**	
(i)	Name of associated company or associated undertaking	Petpak Films (Private) Limited.
(ii)	Basis of relationship	Petpak Films (Private) Limited is a 52% owned subsidiary of International Packaging Films Limited (IPAK).
(iii)	Earnings per share for the last three years	FY2022: PKR (0.22) FY2023: PKR (0.60) FY2024: PKR (2.12)
(iv)	Break-up value per share, based on latest audited financial statements	PKR 6.69 per share
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	Assets: PKR 11,181,905/- Equity: PKR 5,502,784/- Revenue: PKR 6,599,650/- Loss after tax: PKR (1,121,603)/- Loss Per Share: PKR (1.36)
(vi)	**in case of investment in relation to a project of an associated company or associated undertaking that has not commenced operations, following further information, namely,**	
(i)	Description of the project and its history since conceptualization;	Not applicable
(ii)	Starting date and expected date of completion of work;	
(iii)	Time by which such project shall become commercially operational;	
(iv)	Expected time by which the project shall start paying return on investment; and	
(v)	Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	
B	**General disclosures:**	
(i)	Maximum amount of investment to be made	Not applicable
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	
(iii)	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds: (i) Justification for investment through borrowings. (ii) Detail of collateral, guarantees provided and assets pledged for obtaining such funds. (iii) Cost benefit analysis.	
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	Two (2) directors of IPAK are also on the Board of PPAK as nominee.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	- Investment in Ordinary Shares: PKR 4,276,999,870/- - Long Term Loan: PKR 2,108,140,000/-
(vii)	Any other important details necessary for the members to understand the transaction	Not applicable

(b)	**In case of equity investment, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made,**	
(i)	Maximum price at which securities will be acquired	Not applicable
(ii)	If price exceeds fair value of unlisted securities, justification thereof	
(iii)	Maximum number of securities to be acquired	
(iv)	Number of securities and percentage thereof held before and after the proposed investment	
(v)	12-week weighted average market price (if listed)	
(vi)	Fair value as per Regulation 5(1)	
(c)	**In case of investments in the form of loans, advances and guarantees, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made,**	
(i)	Category-wise amount of investment;	Corporate Guarantee PKR 8,000,000,000 (Eight Billion). Charge on Corporate Guarantee 0.1% per quarter
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period;	
(iii)	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	Not applicable
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment;	
(v)	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	
4	**Other information to be disclosed to the members:**	
(i)	If the associated company or associated undertaking or any of its sponsors or directors is also a member of the investing company, the information about interest of the associated company or associated undertaking and its sponsors and directors in the investing company shall be disclosed in the notice of general meeting called for seeking members' approval pursuant to section 199 of the Act.	Two of the directors of IPAK (parent Company) namely Mr. Naveed Godil and Mr. Mushtaq Ali Tejani are also nominee directors in the PPAK.

- The Directors of the Company undertake that they have carried out necessary due diligence for the proposed investment in the Associated Company.
- No Director and Chief Executive Officer has any interest in the investee company. The Chief Executive Officer, Mr. Naveed Godil and a Director Mr. Mushtaq Ali Tejani are common directors with subsidiary company, holding only qualifying shares i.e. one (1) share each in Investee Company.

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Proxy Form

I/We____of_________________________________ being a member of **International Packaging Films Limited** and holder of __________________ Ordinary Shares having CDC Account No._____________________________ hereby appoint Mr./Ms.__________________________________ of__________________________ or failing him Mr./Ms.____of as my/our proxy in my/our absence to vote for me/us and on my/our behalf at the **Annual General Meeting** of the Company to be held on **Thursday, October 23, 2025 at 09:30 a.m.** and at any adjournment thereof.

Signed this ....day of...................... **2025**

Please affix revenue stamp of appropriate value

WITNESSES:

1. Signature: _________________________________

Name: _______________________________________

Address: ____________________________________

CNIC No. ____________________________________

2. Signature: _________________________________

Name: _______________________________________

Address: ____________________________________

CNIC No. ____________________________________

____

Signature
(As per CNIC)

Note:

- Proxies must be received by the Company not less than 48 hours before the meeting.
- Please attach with this Proxy Form photocopy of CNIC (Computerized National Identity Card) of both shareholder and his/her Proxy(s).

ماحول، سماج اور گورننس

سال کے دوران سینئر مینجمنٹ کی سطح پر ایک سستین ایبلیٹی کمیٹی قائم کی گئی، جس کی سربراہی چیف آپریٹنگ آفیسر نے کی اور جو آڈٹ کمیٹی کو رپورٹ کرتی ہے۔ یہ اس بات کی عکاسی ہے کہ ہم اپنے بنیادی آپریشنز میں پائیداری کو شامل کرنے اور ماحولیاتی، سماجی ترجیحات اور گورننس کے لیے احتساب کو مضبوط کرنے کے لیے پرعزم ہیں۔

بورڈ کی کمیٹیاں

بورڈ کی کمیٹیوں نے قانون کے دائرے میں رہتے ہوئے مؤثر انداز میں کام کیا۔

آڈٹ کمیٹی، جس کی سربراہی ایک آزاد ڈائریکٹر نے کی، نے مالی نتائج، متعلقہ پارٹی ٹرانزیکشنز، پالیسیوں اور اندرونی کنٹرولز کا جائزہ لیا۔

ہیومن ریسورس اینڈ ریمونریشن کمیٹی، جس کی سربراہی بھی ایک آزاد ڈائریکٹر نے کی، نے ایچ آر پالیسیز، معاوضہ، جانشینی کی منصوبہ بندی اور ملازمین کی مراعات کی نگرانی کی۔

شکریہ

میں اپنے حصص یافتگان، صارفین، سپلائرز، بینکاروں اور ریگولیٹرز کا ان کے مسلسل اعتماد اور تعاون پر شکریہ ادا کرتا ہوں۔ میں بورڈ کے اراکین، ہمارے سی ای او، مینجمنٹ ٹیم اور گروپ کے تمام ملازمین کی انتھک محنت اور لگن کا بھی اعتراف کرتا ہوں، جن کی بدولت اس سال کی کامیابیاں ممکن ہوئیں۔

آگے کی جانب دیکھتے ہوئے، ہم پائیدار ترقی، لاگت میں کمی اور اختراعات کے نئے مواقع دیکھ رہے ہیں۔ اپنے لوگوں کی اجتماعی طاقت، بورڈ کی رہنمائی اور اسٹیک ہولڈرز کے اعتماد کے ساتھ، مجھے یقین ہے کہ گروپ طویل مدتی قدر تخلیق کرتا رہے گا اور صنعت میں اپنی قیادت برقرار رکھے گا۔

محمد امین

چیئرمین

۱۸ ستمبر ۲۰۲۵

پراکسی فارم

میں/ہم ____________ کا / کے ____________

جو کہ انٹرنیشنل پیکیجنگ فلمز لمیٹڈ کا رکن ہوں اور ____________ عام حصص کا حامل ہوں، جس کا سی ڈی سی

اکاؤنٹ نمبر ____________ ہے، اس کے ذریعے مسٹر/مس ____________ کے / کی

____________ یا ان کے ناکام ہونے کی صورت میں مسٹر/مس ____________ کے / کی

____________ کو میری/ہماری غیر موجودگی میں میرے/ہماری جانب سے ووٹ ڈالنے کے لئے نامزد کرتا/کرتی ہوں/ہیں، جو کمپنی کی سالانہ جنرل میٹنگ میں جُمعرات، 23 اکتوبر **2025** کو صبح 9:30 بجے منعقد ہوگی اور اس کے ملتوی ہونے کی صورت میں کسی بھی التوا پر۔

دن ____________ مہینہ ____________ **2025** کو دستخط کیے گئے۔

Please affix revenue stamp of appropriate value

____

دستخط
(سی این آئی سی کے مطابق)

گواہان:

1. دستخط: ____________

نام: ____________

پتہ: ____________

سی این آئی سی نمبر: ____________

2. دستخط: ____________

نام: ____________

پتہ: ____________

سی این آئی سی نمبر: ____________

نوٹ:

- پراکسیز میٹنگ سے کم از کم 48 گھنٹے قبل کمپنی کو موصول ہو جانی چاہئیں۔
- براہ کرم اس پراکسی فارم کے ساتھ شیئر ہولڈر اور اس کے پراکسی ہولڈر کی کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی فوٹو کاپی منسلک کریں۔

چیئرمین کا جائزہ

مجھے یہ سالانہ جائزہ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے کہ **انٹرنیشنل پیکیجنگ فلمز لمیٹڈ** ("کمپنی") نے مالی سال 30 جون 2025 کو ختم ہونے والے سال میں بورڈ کی حکمتِ عملی اور گورننس میں مؤثر قیادت کے ساتھ ساتھ کمپنی کی مجموعی کارکردگی میں نمایاں کامیابی حاصل کی۔

معاشی منظر نامہ

امریکہ کی جانب سے محصولات عائد کرنے اور کئی ممالک کی جوابی کارروائیوں نے آزاد تجارتی نظام کو شدید نقصان پہنچایا ہے، جس سے عالمی معیشت بری طرح متاثر ہوئی۔ دنیا کے مختلف حصوں میں جاری تنازعات بھی عالمی معیشت پر اثر انداز ہو رہے ہیں۔ اس صورتحال نے اجناس کی قیمتوں میں شدید اتار چڑھاؤ پیدا کر دیا ہے، جس سے ہماری جیسی کمپنیوں کے لیے مشکلات پیدا ہو رہی ہیں جو درآمدات اور برآمدات میں نمایاں حیثیت رکھتی ہیں۔

پاکستانی معیشت پچھلے برسوں کے مقابلے میں استحکام کے آثار دکھا رہی ہے۔ مہنگائی میں کمی اور اس کے نتیجے میں شرح سود میں کمی خوش آئند ہے۔ تاہم عوام کی قوتِ خرید بدستور دباؤ میں ہے۔ کاروباروں کو بھی بلند توانائی لاگت اور بھاری ٹیکس کے بوجھ کا سامنا ہے جو معاشی ترقی کی راہ میں رکاوٹ ہے۔

ترقی کا سال

سال 2025 ہمارے دو نئے ذیلی اداروں اور گروپ کی توسیع شدہ صلاحیتوں کے پہلے مکمل آپریشنل سال کی حیثیت رکھتا ہے۔ مشکل معاشی حالات کے باوجود انتظامیہ نے تمام نئی صلاحیتوں کو کامیابی سے بڑھایا۔ برآمدات میں بروقت اور جامع اقدامات، محتاط منصوبہ بندی اور بہترین عملدرآمد نے شاندار نتائج دیے۔

اجتماعی فروخت 51 فیصد بڑھ کر 34.4 ارب روپے تک پہنچ گئی جبکہ گروپ نے 664 ملین روپے کا منافع کمایا، جو گزشتہ سال کے 571 ملین روپے کے خسارے کے مقابلے میں ایک بڑی تبدیلی ہے۔ پیمانے کے فوائد، زیادہ کارکردگی اور اخراجات پر قابو نے اس شاندار کامیابی میں کلیدی کردار ادا کیا۔ فی حصص آمدنی 1.72 روپے رہی، جو پچھلے سال کے مقابلے میں 12 گنا زیادہ ہے۔ غیر یقینی معاشی حالات میں اس شاندار کارکردگی پر انتظامیہ داد کی مستحق ہے۔ یہ نتائج ہمیں مستقبل میں ممکنہ معاشی بحالی سے فائدہ اٹھانے کے لیے ایک مضبوط پوزیشن میں لے آئے ہیں۔

بورڈ کا کردار اور گورننس

بورڈ نے حکمتِ عملی کی سمت، نگرانی اور قیادت فراہم کرنے میں مرکزی کردار ادا کیا۔ ایگزیکٹو، نان ایگزیکٹو اور آزاد ڈائریکٹرز کی فعال شمولیت کے ذریعے بورڈ نے احتساب، شفافیت اور مضبوط گورننس کو یقینی بنایا۔ سالانہ بجٹ منظور کیے گئے، سہ ماہی نتائج کا جائزہ لیا گیا اور کارکردگی کو اسٹریٹجک اہداف کے مطابق مانیٹر کیا گیا۔ کلیدی گورننس ڈھانچے بشمول انٹرپرائز رسک مینجمنٹ فریم ورک، اندرونی آڈٹ اور کمپلائنس ریویو نافذ العمل رہے۔

۶۔ ہنر مند افرادی قوت کی برقرار رکھنا اور صلاحیت کی ترقی

بطور ٹیکنالوجی پر مبنی مینوفیکچرنگ گروپ، ہنر مند ملازمین کو برقرار رکھنا اور ان کی صلاحیت بڑھانا انتہائی اہم ہے۔ کلیدی عملے کے نقصان سے آپریشنز، جدت اور ایس اے پی پر مبنی نظامی انضمام متاثر ہو سکتا ہے۔ اس خطرے کو کم کرنے کے لیے کمپنی نے مسابقتی معاوضے، تربیتی پروگرامز، ملازمین کی شمولیتی سرگرمیوں اور کیریئر کی واضح ترقی کے مواقع میں سرمایہ کاری کی ہے۔ یہ اقدامات استحکام کو مضبوط کرتے ہیں اور ورک فورس کو بدلتے ہوئے تقاضوں کے مطابق تیار رکھتے ہیں۔

۷۔ مہنگائی کا دباؤ

مسلسل مہنگائی نے خام مال، لاجسٹکس اور مالیاتی اخراجات کو بڑھا دیا ہے، جس سے مسابقت متاثر ہوئی ہے۔ آئی پیک اپنی قیمتوں کی حکمت عملیوں کو ایڈجسٹ کر رہی ہے جبکہ خودکار نظام، مؤثر پیداواری عمل اور فضلے میں کمی کے ذریعے مؤثریت بڑھا رہی ہے۔ یہ اقدامات مہنگائی کے اثر کو جزوی طور پر کم کرتے ہیں اور پائیدار منافع بخشی کی حمایت کرتے ہیں۔

۸۔ آپریشنل اور مصنوعات کی ترقی کے خطرات

مؤثریت میں بہتری اور مصنوعات میں جدت کے لیے مسلسل سرمایہ کاری، جس میں برآمدی منڈیوں کے لیے خصوصی فلمیں شامل ہیں، اندرونی خطرات رکھتی ہیں۔ آئی پیک ان خطرات کو مرحلہ وار منظوری کے عمل، سخت کارکردگی کے جائزے اور نظامی رپورٹنگ کے ذریعے منظم کرتی ہے تاکہ وسائل زیادہ منافع بخش منصوبوں پر استعمال ہوں۔ مسابقت کو برقرار رکھنے کے لیے کمپنی مزید ٹیکنالوجی اپ گریڈ، خودکار نظام اور تحقیق و ترقی کی شراکت داریوں پر بھی غور کر رہی ہے۔

حصص داری کا نمونہ

جون ۲۰۲۵ تک کمپنی کے حصص داری کے نمونے کا بیان اس سالانہ رپورٹ کے "حصص یافتگان کی معلومات" کے حصے میں ظاہر کیا گیا ہے۔ ۳۰

تشکر و اعتراف

ہم پائیدار منافع اور حصص یافتگان کے لیے طویل مدتی قدر فراہم کرنے کے لیے پرعزم ہیں اور اپنے حصص یافتگان کے اعتماد اور بھروسے پر ان کے شکر گزار ہیں۔

بورڈ اپنے معزز صارفین، ریگولیٹرز، بینکاروں اور اسٹیک ہولڈرز کے مسلسل اعتماد اور تعاون پر دلی تشکر کا اظہار کرتا ہے۔ ہم اپنے مینجمنٹ کی ٹیموں اور گروپ کے تمام ملازمین کی محنت اور لگن کو بھی سراہتے ہیں، جن کی بدولت ہماری ترقی اور کامیابی ممکن ہوئی۔

بورڈ آف ڈائریکٹرز کی جانب سے

نوید گوڈیل	سعد امان اللہ خان
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۱۸ ستمبر ۲۰۲۵

کمپنی کے حصص میں لین دین

قانونی اور ریگولیٹری تقاضوں کے مطابق کمپنی اپنے ڈائریکٹرز، بڑے حصص یافتگان اور نامزد افسران کی جانب سے کیے گئے حصص کے لین دین کی سخت نگرانی کرتی ہے، چاہے یہ لین دین براہِ راست ہوں یا ان کے شریک حیات یا نابالغ بچوں کے ذریعے۔ اس مقصد کے لیے کمپنی کے وہ تمام اہم افسران جو براہِ راست چیف ایگزیکٹو کو رپورٹ کرتے ہیں، "افسران" کے طور پر درجہ بند کیے گئے ہیں۔

اہم خطرات اور غیر یقینی صورتِ حال

ان خطرات کے باوجود، آئی پیک گروپ کا متنوع کاروباری ماڈل، ایس اے پی پر مبنی شفافیت، مضبوط حکمرانی اور جامع رسک مینجمنٹ فریم ورک ہمیں ان چیلنجز کا مؤثر طریقے سے مقابلہ کرنے کے قابل بناتا ہے۔ بورڈ گروپ کی لچک اور متحرک ماحول میں کارکردگی برقرار رکھنے کی صلاحیت پر پُراعتماد ہے۔

۱۔ خام مال کی قیمتوں میں اتار چڑھاؤ

کمپنی عالمی سطح پر پٹرولیم سے بننے والے خام مال، خاص طور پر پالیمرز، کی قیمتوں میں اتار چڑھاؤ سے متاثر ہوتی ہے، جو زیادہ تر درآمد کیے جاتے ہیں۔ اس خطرے کو کم کرنے کے لیے آئی پیک متعدد سپلائرز کے ساتھ طویل المدتی معاہدات اور فوری خریداری کے متوازن امتزاج پر انحصار کرتی ہے اور بروقت فیصلوں کے لیے ایس اے پی پر مبنی نگرانی کا استعمال کرتی ہے۔ مناسب ذخائر، مؤثر لاگت کے نظام اور متحرک قیمتوں کے ایڈجسٹمنٹ لاگت کے دباؤ کو جزوی طور پر جذب کرتے ہیں، تاہم شدید اتار چڑھاؤ اب بھی مارجن پر اثر ڈال سکتا ہے۔

۲۔ زرِ مبادلہ کا خطرہ

بطور بڑے پیمانے پر درآمد کنندہ، مقامی کرنسی کی قدر میں امریکی ڈالر اور دیگر کرنسیوں کے مقابلے میں کمی خام مال کی لاگت کو براہِ راست بڑھا دیتی ہے۔ اس خطرے کو کم کرنے کے لیے کمپنی برآمدات کو وسعت دے رہی ہے، جو قدرتی ہیج فراہم کرتی ہیں، اور مختلف کرنسیوں میں کام کرنے والے سپلائرز سے خریداری کے ذریعے ذرائع کو متنوع بنا رہی ہے۔ خریداری کو مختلف ادائیگیوں کے امتزاج کے ساتھ ترتیب دیا جاتا ہے تاکہ بیرونی ذمہ داریوں کو ہموار کیا جا سکے۔ اگرچہ یہ اقدامات خطرے کو جزوی طور پر کم کرتے ہیں، تیز تر کمی اب بھی منافع پر اثر ڈال سکتی ہے۔

۳۔ سپلائی چین، لاجسٹکس اور موسمیاتی خطرات

کمپنی کا درآمد شدہ خام مال پر انحصار اسے سمندری راستوں میں رکاوٹ، بندرگاہوں کی بھیڑ اور جغرافیائی سیاسی کشیدگی جیسے خطرات سے دوچار کرتا ہے۔ ملکی سطح پر، کراچی پورٹ سے لاہور تک خام مال کی ترسیل اور تیار شدہ مصنوعات کی برآمد میں تاخیر اور بڑھتے ہوئے فریٹ اخراجات کا خطرہ رہتا ہے۔

موسمیاتی تبدیلی ان خطرات کو بڑھاتی ہے: عالمی سطح پر شدید موسمی حالات شپنگ کو متاثر کر سکتے ہیں، جبکہ پاکستان میں سیلاب، گرمی کی لہریں اور سڑکوں کو نقصان اندرونی نقل و حمل میں رکاوٹ ڈال سکتے ہیں۔ بچاؤ کے اقدامات میں سپلائرز کی تنوع کاری، اضافی ذخائر، اسٹریٹجک لاجسٹکس شراکت داریاں، ای آر پی پر مبنی شفافیت اور طویل مدتی پروکیورمنٹ معاہدے شامل ہیں۔ کمپنی موسمیاتی لحاظ سے مضبوط انفراسٹرکچر، ڈیزاسٹر ریڈی لاجسٹکس پارٹنرز اور لچکدار خریداری کے ذریعے خطرے کو مزید کم کرنے کی کوشش کر رہی ہے۔

۴۔ نقد بہاؤ اور مالیاتی خطرات

نئی ذیلی کمپنیوں کے آغاز اور ورکنگ کیپیٹل کی بلند ضروریات نے نقد بہاؤ پر دباؤ بڑھا دیا ہے۔ آئی پیک نے ایس اے پی کے ذریعے نقد بہاؤ کی پیش گوئی کو مضبوط کیا، ورکنگ کیپیٹل سائیکلز کو بہتر بنایا اور بینکنگ سہولتوں کو متنوع بنایا تاکہ مناسب لیکویڈیٹی کو یقینی بنایا جا سکے۔ بہتر اندرونی کیش جنریشن اور شرح سود میں کمی کے نتیجے میں مالی لاگت کے بتدریج کم ہونے کی توقع کے ساتھ، گروپ پُراعتماد ہے کہ ترقی میں سرمایہ کاری اور مالی استحکام کے درمیان توازن قائم رہے گا۔

۵۔ منڈی کی توسیع کے چیلنجز

جیسا کہ کمپنی برآمدات میں تیزی لا رہی ہے، نئی منڈیوں میں ریگولیٹری تقاضے، مقامی مسابقت، صارفین تک رسائی اور تقسیم میں رکاوٹوں جیسے چیلنجز سامنے آسکتے ہیں۔ آئی پیک اس خطرے کو داخلے سے پہلے جامع تعمیل کے جائزے، اسٹریٹجک شراکت داریوں اور مصنوعات کو مقامی ضروریات کے مطابق ڈھالنے کے ذریعے کم کرتی ہے۔ اگرچہ برآمدات کے مارجن نسبتاً کم ہیں، آپریشنل مؤثریت، بڑھتا ہوا حجم اور خصوصی فلموں کی تیاری وقت کے ساتھ اس اثر کو پورا کرنے کی توقع ہے۔

انفراسٹرکچر میں بہتری کے اقدامات میں کلاؤڈ پر مبنی این وی آر مائیگریشن، سی سی ٹی وی کوریج میں توسیع، اور ڈیٹا سینٹر کی اپ گریڈیشن شامل تھی تاکہ اسٹوریج، بینڈوڈتھ اور کارکردگی کو بڑھایا جا سکے۔ جدید مانیٹرنگ ٹولز (پی آر ٹی جی، زیبکس) نے گروپ کی تمام سائٹس پر ۹۹٫۹ فیصد اپ ٹائم کو یقینی بنایا۔

آئندہ کے لیے، کمپنی کلاؤڈ انفراسٹرکچر کو وسعت دے گی، جدید تجزیاتی اوزار اپنائے گی اور مزید مؤثر، محفوظ اور مسابقتی بنانے کے لیے مصنوعی ذہانت اور روبوٹک پراسیس آٹومیشن کو شامل کرے گی۔

کارپوریٹ سماجی ذمہ داری

آئی پیک اور گروپ میں ہم اس بات کے لیے پرعزم ہیں کہ جن کمیونٹیز میں ہم کام کرتے ہیں ان پر مثبت اثر ڈالیں۔ ہماری سماجی ذمہ داری کی سرگرمیاں روزگار، تعلیم، صحت اور کمیونٹی ڈویلپمنٹ پر مرکوز ہیں، خاص طور پر معذور افراد کے لیے باعزت روزگار کے مواقع فراہم کرنے پر۔

سال کے دوران گروپ نے ۲٫۳۴۱ ملین روپے مختلف فلاحی، تعلیمی اور طبی مقاصد کے لیے عطیہ کیے۔ یہ اقدامات ہماری ہمدردی، تنوع اور اجتماعی ذمہ داری کی اقدار کو مزید اجاگر کرتے ہیں۔ آگے بڑھتے ہوئے، ہم اپنے سماجی ذمہ داری کے پروگراموں کو مزید وسعت دینے اور زیادہ اثرانگیز شراکت داری قائم کرنے کے لیے پرعزم ہیں تاکہ معاشرے کے لیے دیرپا قدر پیدا کی جا سکے۔

ماحولیاتی، سماجی اور حکمرانی کی پہل کاری

کمپنی اور آئی پیک گروپ نے مالی سال ۲۰۲۴–۲۵ کے دوران اپنے پائیداری کے ایجنڈے کو مزید مضبوط کیا، جس میں کاربن کے اخراج میں کمی، قابلِ تجدید توانائی، پانی اور وسائل کے مؤثر انتظام، فضلے میں کمی اور دائرہ نما معیشت کے طریقوں پر توجہ دی گئی۔

:سال کے دوران گروپ نے قابلِ پیمائش پیش رفت کی، جن میں شامل ہیں

توانائی اور اخراجات: فضلہ حرارت کی بازیابی کے ذریعے ۲۸،۹۰۰ ایم ایم بی ٹی یو سے زائد توانائی بچائی گئی، جس سے تقریباً ۷۰۰ ٹن کاربن ڈائی آکسائیڈ کے اخراج سے بچاؤ ہوا؛ آئی پیک، پیٹ پیک اور جی پیک میں شمسی منصوبوں کی توسیع کا آغاز کیا گیا۔

پانی کا تحفظ: تمام مقامات پر جامع نگرانی اور دوبارہ استعمال کے منصوبوں کے ذریعے سالانہ ۱۰۵،۰۰۰ مکعب میٹر سے زائد پانی بچایا گیا۔

دائرہ نما معیشت اور مصنوعات میں جدت: آئی ایس سی سی پلس سرٹیفکیشن حاصل کیا گیا اور پائیدار پیکیجنگ کے نئے حل متعارف کرائے گئے، جنہیں ایس ڈی پی آئی سسٹین ایبلیٹی ایوارڈز ۲۰۲۴ میں سراہا گیا۔

گورننس اور رپورٹنگ: پہلا علیحدہ سسٹین ایبلیٹی رپورٹ (بین الاقوامی معیارات کے مطابق) اکتوبر ۲۰۲۵ میں شائع ہونے کے لیے تیار ہے۔

سماجی اقدامات: کلائمیٹ ٹو ایکوال پاکستان میں شمولیت، جس کا مقصد ماحولیاتی حکمت عملیوں میں صنفی شمولیت کو فروغ دینا ہے۔

یہ کامیابیاں آئی پیک کے طویل مدتی عزم کو اجاگر کرتی ہیں، جو آپریشنل بہترین کارکردگی، ماحولیاتی ذمہ داری اور سماجی فلاح کو یکجا کرتے ہوئے ہماری ترقی کو عالمی معیارات کے ساتھ ہم آہنگ کرتی ہیں۔

بعد کے واقعات

۳۰ جون ۲۰۲۵ کو ختم ہونے والے مالی سال کے بعد سے ڈائریکٹرز کی رپورٹ کی تاریخ تک کمپنی کی مالی حیثیت کو متاثر کرنے والی کوئی بڑی تبدیلی یا عہد بستگی سامنے نہیں آئی۔

ہمارا اندرونی کنٹرول سسٹم واضح ڈھانچے پر مبنی ہے، جسے مؤثر طور پر نافذ کیا گیا ہے اور اس کی کڑی نگرانی کی جاتی ہے تا کہ مالی رپورٹنگ کی شفافیت اور درستگی کو یقینی بنایا جا سکے۔ اندرونی آڈٹ اور دیگر نگرانی کے طریقہ کار اس فریم ورک کا مسلسل جائزہ لیتے اور اسے مزید بہتر بناتے رہتے ہیں تا کہ ممکنہ خامیوں کو بروقت دور کیا جا سکے۔

آئندہ کے لیے، ہم اس فریم ورک کو مزید مضبوط بنا رہے ہیں اور ایک مربوط ''گورننس، رسک اور تعمیل'' کا نظام متعارف کرا رہے ہیں۔ اس اقدام کے ذریعے رسک مینجمنٹ، تعمیل اور کنٹرول کی نگرانی کو ایک ہی ڈھانچے میں یکجا کیا جائے گا، تا کہ خطرات کا جامع تجزیہ ہو، گورننس مزید مؤثر ہو اور بین الاقوامی بہترین طریقہ کار سے ہم آہنگی پیدا کی جا سکے۔ اس ارتقاء کے ساتھ کمپنی شفافیت، جواب دہی اور آپریشنل عمدگی کی ثقافت قائم رکھنے کے اپنے عزم کی توثیق کرتی ہے۔

غیر انتظامی ڈائریکٹرز کی معاوضہ پالیسی اور ڈائریکٹرز کی معاوضے کی تفصیل

غیر انتظامی ڈائریکٹرز بشمول آزاد ڈائریکٹرز کو بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے دی جانے والی فیس کا تعین بورڈ کرتا ہے۔ سال ۲۰۲۵ کے دوران چیف ایگزیکٹو آفیسر اور غیر انتظامی ڈائریکٹرز کو دی جانے والی معاوضے کی تفصیل مالی بیانات کے نوٹ نمبر ۴۲ میں ظاہر کی گئی ہے۔

بیرونی آڈیٹرز

اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے سال ختم شدہ ۳۰ جون ۲۰۲۵ کے لیے آڈٹ مکمل کر لیا ہے اور آنے والی سالانہ عام اجلاس کے اختتام پر سبکدوش ہو جائیں گے۔ وہ دوبارہ تقرری کے اہل ہیں اور انہوں نے سال ختم ہونے والا ۳۰ جون ۲۰۲۶ کے لیے دوبارہ تقرری کی پیشکش کی ہے، جس کی معاوضے کی رقم باہمی رضامندی سے طے کی جائے گی۔

بنیادی سرگرمی اور کاروبار کی نوعیت میں تبدیلیاں

کمپنی بنیادی طور پر لچکدار پیکیجنگ مٹیریلز کی تیاری اور فروخت کے کام میں مصروف ہے، جن میں خاص طور پر بائی ایکسیئلی اورینٹڈ پالی پروپلین فلمز اور متعلقہ مصنوعات شامل ہیں۔ سال کے دوران کمپنی کے کاروبار کی نوعیت میں کوئی تبدیلی نہیں آئی۔

قومی خزانے میں شراکت

کمپنی، آئی پیک گروپ کے ساتھ مل کر، ایک ذمہ دار کارپوریٹ شہری کے طور پر اپنے کردار پر فخر محسوس کرتی ہے۔ سال کے دوران انٹرنیشنل پیکیجنگ فلمز لمیٹڈ نے قومی خزانے میں ۱ء۲۱ ارب روپے کی شراکت کی، جبکہ گروپ کی مجموعی شراکت ۲ء۳۲ ارب روپے رہی، جو انکم ٹیکس، ایکسائز ڈیوٹی، سیلز ٹیکس اور دیگر محصولات کے ذریعے ادا کی گئی۔ یہ شراکتیں نہ صرف قانونی ذمہ داریوں کی تکمیل کو ظاہر کرتی ہیں بلکہ شفافیت، حکمرانی اور دیانت داری کے ساتھ قومی ترقی کے عمل کی حمایت کے ہمارے عزم کی بھی تجدید کرتی ہیں۔

	PKR in Millions	
ٹیکس سیلز	403	1,130
(ٹیکس سپر بشمول) ٹیکس انکم	586	799
ڈیوٹی کسٹمز	222	393
کل	1,211	2,322

انسانی وسائل کا انتظام اور ملازمین کے تعلقات

آئی پیک ایک اعلیٰ کارکردگی پر مبنی اور انسان دوست کلچر قائم رکھنے کے لیے پرعزم ہے جو شمولیت، تعاون اور مسلسل بہتری کی اقدار کو اجاگر کرتا ہے۔ کمپنی اپنی بنیادی اقدار کے تحت ایسے اقدامات میں سرمایہ کاری جاری رکھے ہوئے ہے جو ملازمین کی شمولیت، پیشہ ورانہ ترقی اور فلاح و بہبود کو فروغ دیتے ہیں۔

الف) ملازمین کی شمولیت اور ثقافت

سال کے دوران آئی پیک نے مختلف سرگرمیوں کا اہتمام کیا تا کہ ٹیم ورک کو فروغ ملے، تعلقات مضبوط ہوں اور ایک پرجوش ورک پلیس ماحول قائم کیا جا سکے۔ نمایاں اقدامات میں "آئی پیک ٹیکن واریئرز"، "فیفا چیمپس"، "فوس بال چیمپس" اور "سمیش چیمپس" شامل تھے جنہوں نے صحت مند مقابلے اور تعاون کو فروغ دیا۔ "آئی پیک اسپاٹ لائٹ" پروگرام نے ساتھیوں کو اپنی کہانیاں بانٹنے کا غیر رسمی پلیٹ فارم فراہم کیا، جس سے کھلے پن اور مضبوط تعلقات میں اضافہ ہوا۔ قومی تہوار اور سنگِ میل مواقع مثلاً ۷۸ واں یوم آزادی اور کمپنی کی ۸ ویں سالگرہ کو جوش و خروش سے منایا گیا، جس سے ادارہ جاتی اتحاد کو مزید تقویت ملی۔

ب) اعتراف اور حوصلہ افزائی

اعلیٰ کارکردگی اور تعریف کے کلچر کو مضبوط بنانے کے لیے کمپنی نے "آئی پیک ریکگنیشن کارڈ" پروگرام شروع کیا۔ اس اقدام کا مقصد بہترین کارکردگی دکھانے والے ملازمین کی حوصلہ افزائی اور جدت، ٹیم ورک اور لگن کو فروغ دینا تھا۔ اس کے علاوہ، ذاتی نوعیت کے "یوم پیدائش کارڈز" متعارف کرائے گئے تا کہ ملازمین کو مزید قربت اور پہچان کا احساس دلایا جا سکے۔

ج) تنوع، برابری اور شمولیت

آئی پیک خواتین کے لیے ایک محفوظ، معاون اور بااختیار ماحول فراہم کرنے کے لیے پرعزم ہے۔ سال کے دوران کیے گئے اقدامات میں اینٹی ہراسمنٹ آگاہی، ویلفیئر پروگرامز، لچکدار ورک پالیسیز اور لیڈرشپ ڈویلپمنٹ کے مواقع شامل تھے۔ یومِ خواتین کی تقریبات کمپنی کے صنفی مساوات اور شمولیت کے عزم کا عملی مظاہرہ تھیں۔

د) فلاح و بہبود اور سماجی ذمے داری

متعدد اقدامات نے ملازمین کی صحت، فلاح اور سماجی ذمے داری پر زور دیا۔ ان میں "ون ڈراپ، ون لائف" بلڈ ڈونیشن ڈرائیو (شوکت خانم ہسپتال کے اشتراک سے)، بریسٹ کینسر آگاہی مہم (چغتائی لیب کے اشتراک سے)، اور ملازمین کے لیے صحت و تندرستی سیشنز شامل تھے۔ "اپنی گاڑی اپنی سواری - بائیک بیلٹنگ پروگرام" کے تحت ملازمین کو شفاف اور منصفانہ عمل کے ذریعے سہولت فراہم کی گئی۔

ہ) روحانی اور سماجی اقدامات

آئی پیک حج بیلٹنگ پروگرام کے ذریعے ملازمین کو روحانی تمناؤں کی تکمیل کا موقع فراہم کرتا ہے۔ سماجی اور تفریحی سرگرمیاں، مثلاً افطار تقاریب اور ویلفیئر ایونٹس نے باہمی اتحاد کو فروغ دیا۔

و) نوجوانوں کی شمولیت اور ترقی

آئی پیک نے نوجوانوں کی شمولیت اور صلاحیت سازی پر اپنی توجہ برقرار رکھی۔ "آئی پیک وِننگ ٹوگیدر ۲۰۲۴" جیسے پروگرامز نے پرفارمنس مینجمنٹ بصیرت کو آؤٹ ڈور ٹیم بلڈنگ سرگرمیوں کے ساتھ جوڑا۔ کمپنی کھلے فیڈبیک میکانزم کی حوصلہ افزائی کرتی ہے تا کہ قیادت کو ایک جامع، نتیجہ خیز اور شمولیتی ورک فورس تیار کرنے میں مدد ملے۔

انفارمیشن ٹیکنالوجی اور نظام

مالی سال ۲۰۲۴–۲۵ کے دوران کمپنی نے اپنی ڈیجیٹل تبدیلی کے سفر کو جاری رکھا، جس میں بنیادی نظاموں کو مضبوط بنانے، گورننس کو بہتر کرنے اور پورے آئی پیک گروپ میں سروس ڈلیوری کو مؤثر بنانے پر توجہ دی گئی۔

سال کے دوران آئی پیک نے اپنی ڈیجیٹل تبدیلی کو مزید آگے بڑھایا اور آئی پیک کنیکٹ میں ایس اے پی ایس / ۴ ہانا کو کامیابی کے ساتھ نافذ کیا، جبکہ تمام اداروں میں کریڈٹ مینجمنٹ کا اجراء کیا گیا، جس سے ریئل ٹائم رسائی، مالیاتی گورننس اور فیصلہ سازی کے لیے ایک متحدہ پلیٹ فارم قائم ہوا۔ اس عمل کو سہارا دینے کے لیے مینیج انجن سروس ڈیسک پلس ۱۴ء۱ متعارف کرایا گیا، جس نے زیادہ خودکاری اور کم تعطل کے ذریعے ایس اے پی سپورٹ، سروس مینجمنٹ اور تبدیلی پر قابو پانے کو بہتر بنایا۔

دیگر اہم کامیابیوں میں چار ڈومینز میں ای میل سرورز کی اپ گریڈیشن، وی ڈی آئی اور کلاؤڈ کے ذریعے محفوظ ایس اے پی کنیکٹیویٹی، اور گروپ بھر میں آئی ٹی ڈھانچے کی مرکزیت شامل ہیں۔ سکیورٹی اور لچک کو اوپن سورس فائر والز، وی ای اے ایم بیک اپ سسٹمز اور اضافی اسٹوریج سرورز کے ذریعے بہتر بنایا گیا، جس سے ڈیٹا پروٹیکشن اور ڈیزاسٹر ریکوری میں نمایاں بہتری آئی۔

مجموعی مالی بیانات –مؤخر شدہ ٹیکس

سال کے دوران غیر فہرست شدہ ذیلی کمپنیوں، گلوبل پیکیجنگ فلمز پرائیویٹ لمیٹڈ اور پیٹ پیک فلمز پرائیویٹ لمیٹڈ میں مزید سرمایہ کاری کے نتیجے میں مؤخر شدہ ٹیکس کا بوجھ ۵۲۸ ملین روپے تک رہا۔ اس چارج کو نکال کر دیکھیں تو مجموعی خالص منافع ۱۹۲،۱ ملین روپے ہوتا اور ہولڈنگ کمپنی کے مالکان کے حصے کا منافع ۵۷۵،۱ ملین روپے بنتا۔

(۲۰۲۵–۲۰۲۴) برآمدات میں اضافہ کا تجزیہ

مجموعی اور انفرادی دونوں برآمدات میں نمایاں اضافہ ہوا۔ مجموعی برآمدات میں تین گنا سے زائد اضافہ دیکھنے میں آیا، جو گروپ کی ہم آہنگی اور برآمدی منڈیوں میں بڑھتی ہوئی مسابقت کی عکاسی کرتا ہے۔ انفرادی برآمدات میں بھی مضبوط اضافہ رہا، جو آپریشنل کارکردگی اور ہدف شدہ منڈیوں میں گہری رسائی کو ظاہر کرتا ہے۔ مجموعی برآمدات سال ۲۰۲۴ میں ۸۸۳،۱ ملین روپے سے بڑھ کر سال ۲۰۲۵ میں ۸۸۶،۷ ملین روپے ہو گئیں، جو ۳۱۹ فیصد اضافے کو ظاہر کرتی ہیں۔ انفرادی برآمدات ۲۰۲۴ میں ۸۶۹،۱ ملین روپے سے بڑھ کر ۲۰۲۵ میں ۷۲۹،۴ ملین روپے ہو گئیں، جو ۱۵۳ فیصد اضافے کو ظاہر کرتی ہیں۔ یہ نتائج منڈیوں کے مضبوط پھیلاؤ اور آپریشنز کے مؤثر وسعت اختیار کرنے کی عکاسی کرتے ہیں۔

مالی کارکردگی

آئی پیک گروپ نے مالی سال ۲۰۲۵ کو ایک مضبوط کارکردگی کے ساتھ مکمل کیا، جہاں مجموعی فروخت بڑھ کر ۴ء۳۴ ارب روپے تک پہنچ گئی، جو گزشتہ سال کی ۸ء۲۲ ارب روپے کی فروخت کے مقابلے میں ۵۱ فیصد نمایاں اضافہ ہے۔ یہ کارکردگی گروپ کی کامیاب توسیعی حکمت عملی کا نتیجہ ہے، جس میں گلوبل پیکیجنگ فلمز نے ترقی حاصل کی اور کاسٹ پیکیجنگ فلمز نے مسلسل مستحکم نتائج فراہم کیے۔ پیٹ پیک فلمز نے ابتدائی چیلنجز پر قابو پالیا ہے اور اب بتدریج اپنی مارکیٹ پوزیشن کو مضبوط کر رہی ہے، جس سے مستقبل کے لیے مثبت امکانات اجاگر ہوتے ہیں۔ یہ کارکردگی ہماری حکمت عملی میں کی جانے والی سرمایہ کاری کی کامیابی اور گروپ کی نئی منڈیوں کے مواقع حاصل کرنے کی صلاحیت کو ثابت کرتی ہے۔

گروپ کی سطح پر مجموعی منافع بڑھ کر ۵ ارب روپے تک پہنچ گیا اور آپریٹنگ منافع بڑھ کر ۸۲ء۳ ارب روپے ہو گیا، جو بہتر آپریشنل کارکردگی اور منضبط اخراجات پر قابو پانے کو ظاہر کرتا ہے۔ اگرچہ فنانس لاگت بڑھ کر ۲ء۲ ارب روپے تک جا پہنچی (گزشتہ سال ۸۲ء۱ ارب روپے)، جو زیادہ تر نئی ذیلی کمپنیوں کی ورکنگ کیپیٹل فنانسنگ کے باعث تھی، لیکن یہ سرمایہ کاری پہلے ہی زیادہ فروخت اور بہتر منافع میں بدلنا شروع ہو گئی ہے۔ مزید اہم بات یہ ہے کہ شرح سود میں متوقع کمی اور اندرونی کیش فلو میں بہتری کے ساتھ مستقبل میں فنانس لاگت کا دباؤ کم ہونے کی توقع ہے۔ مجموعی خالص منافع ۶۶۴ ملین روپے رہا (جو آئی پیک گروپ کے حصے میں ۲۰۲،۱ ملین روپے آیا)، جو گزشتہ سال کے ۱۷۵ ملین روپے کے خالص نقصان (آئی پیک گروپ کے حصے میں ۹۱ ملین روپے کا منافع) کے مقابلے میں ایک بڑی تبدیلی ہے۔

انفرادی بنیادوں پر، آئی پیک نے ۶ء۱۵ ارب روپے کی فروخت اور ۸۵۱ ملین روپے کا خالص منافع ریکارڈ کیا۔ پیداواری حجم تقریباً مکمل صلاحیت کے مطابق رہا، تاہم فروخت کی مالیت اور مارجن برآمدات کی طرف حکمت عملی میں تبدیلی کے باعث دباؤ کا شکار رہے۔ اگرچہ برآمدات کے مارجن عمومی طور پر کم ہوتے ہیں، لیکن اس اقدام نے آئی پیک کا عالمی دائرہ کار وسیع کر دیا اور طویل مدتی ترقی کے نئے مواقع کھولے۔ کمپنی پرعزم ہے کہ عالمی منڈیوں کے لیے ویلیو ایڈڈ فلمز کے ذریعے مارجن کو بہتر بنایا جائے گا۔

مضبوط ترقی کی رفتار، ذیلی کمپنیوں کی وسیع بنیادوں پر کارکردگی، برآمدات پر توجہ، اور آئندہ متوقع آپریشنل بہتری کے ساتھ آئی پیک گروپ بہتر منافع، حصص یافتگان کی پائیدار قدر، اور فنانس لاگت کے بتدریج معمول پر آنے کی بہترین پوزیشن میں ہے۔

مستقبل کا جائزہ

آگے کی جانب دیکھتے ہوئے، کمپنی مالی سال ۲۰۲۶ کا آغاز ایک مضبوط بنیاد پر کر رہی ہے، جہاں تیز رفتار توسیع کے مرحلے سے نکل کر پائیدار ترقی اور استحکام کی جانب بڑھا جا رہا ہے۔ نئی ذیلی کمپنیوں کی صلاحیتیں شامل ہونے اور برآمدات کے بڑھتے ہوئے کردار کے ساتھ، توجہ اخراجات میں کمی، آپریشنل مؤثریت میں بہتری اور گروپ کی سطح پر ہم آہنگی سے فائدہ اٹھانے پر مرکوز ہو گی۔ یہ اقدامات، گھریلو اور برآمدی منڈیوں میں مضبوط موجودگی کے ساتھ مل کر، آئی پیک گروپ کو منافع میں مزید اضافہ کرنے، حصص یافتگان کے لیے طویل مدتی قدر فراہم کرنے اور صنعت میں اپنی قائدانہ حیثیت کو مزید مستحکم کرنے کے لیے تیار کرتے ہیں۔

بورڈ اور بورڈ کی کمیٹیوں کے اراکین کے نام

بورڈ کی کمیٹیوں کے اراکین کے نام کارپوریٹ گورننس کے ضابطہ اخلاق کی تعمیل کے بیان میں دیے گئے ہیں، جو اس سالانہ رپورٹ کے ''کارپوریٹ گورننس سیکشن'' میں شامل ہے۔

آمدنی فی حصص

	2024	2025
	--------------- PKR ----------------	
مجموعی	0.14	1.72
مجموعی غیر	2.00	1.22

منافع کی تقسیم

ڈائریکٹرز کا بورڈ مالی سال ختم شدہ ۳۰ جون ۲۰۲۵ کے منافع کی تقسیم کی سفارش کرتے ہوئے خوشی محسوس کرتا ہے۔ کمپنی کی کامیابی کو اپنے حصص یافتگان کے ساتھ بانٹنے کے عزم کے تحت، بورڈ نے ۶ فیصد نقد منافع (فی حصص ۶۰ء۰ روپے) کی منظوری دی ہے، جس کی مالیت تقریباً ۴۲۰ ملین روپے بنتی ہے اور یہ خالص منافع کا ۷ء۴۹۳ فیصد ہے۔ اس کے علاوہ، ۵ فیصد بونس حصص (یعنی ہر ۱۰۰ حصص پر ۵ حصص) کے اجرا کی بھی منظوری دی گئی ہے۔ یہ فیاضانہ تقسیم بورڈ کے کمپنی کی کارکردگی، اس کی مضبوط مالی حیثیت اور حصص یافتگان کو پائیدار قدر فراہم کرنے کے عزم پر اعتماد کو ظاہر کرتی ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

کمپنی بہترین کارپوریٹ گورننس کے معیارات پر عمل کرنے کے لیے پرعزم ہے۔ ڈائریکٹرز یہ بتاتے ہوئے خوشی محسوس کرتے ہیں کہ کمپنی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور متعلقہ اسٹاک ایکسچینج کے فہرست سازی کے ضوابط کے تحت کارپوریٹ گورننس کے ضابطہ اخلاق کی دفعات پر عمل پیرا ہے۔

:ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ

1- کمپنی کے مالی بیانات، جو مینجمنٹ نے تیار کیے ہیں، درست طور پر کمپنی کی مالی حالت، آپریشنز کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو ظاہر کرتے ہیں۔

2- کمپنی کی درست اور مکمل اکاؤنٹنگ کتب برقرار رکھی گئی ہیں۔

3-مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر اپنایا گیا ہے اور کمپنی کے اکاؤنٹنگ تخمینے معقول اور محتاط فیصلے پر مبنی ہیں۔

4-پاکستان میں رائج بین الاقوامی مالیاتی رپورٹنگ معیارات اور کمپنیز ایکٹ ۲۰۱۷ کی دفعات کی پیروی کی گئی ہے، اور اگر کہیں انحراف ہوا تو اسے مناسب طور پر ظاہر اور وضاحت کی گئی ہے۔

5- کمپنی کا اندرونی کنٹرول کا نظام ڈیزائن کے لحاظ سے مؤثر ہے اور اسے درست طریقے سے نافذ اور مانیٹر کیا گیا ہے۔

6- کمپنی کے بطور ''جاری رہنے والے ادارے'' کے طور پر کام کرنے کی صلاحیت کے بارے میں کوئی بڑا شکوک وشبہات نہیں ہیں۔ (٦

7-ایک رسک مینجمنٹ فریم ورک موجود ہے اور بورڈ وقتاً فوقتاً کمپنی کے بڑے کاروباری خطرات کا جائزہ لیتا ہے۔

8-متعلقہ قوانین کے تحت کارپوریٹ گورننس کی بہترین پریکٹسز سے کوئی بڑا انحراف نہیں ہے۔

اندرونی مالیاتی کنٹرولز

کمپنی ایک مضبوط اندرونی کنٹرول فریم ورک رکھتی ہے، جس کی بنیاد جامع مالیاتی کنٹرول پالیسیوں پر ہے جو باقاعدگی سے جائزہ اور تازہ کاری کے عمل سے گزرتی ہیں۔ یہ کنٹرول پالیسیز ہر شعبے کے اعتبار سے تفصیلی طریقہ کار اور مخصوص کنٹرول سرگرمیاں فراہم کرتی ہیں، تاکہ قانونی، ریگولیٹری اور آپریشنل تقاضوں پر سختی سے عمل درآمد کو یقینی بنایا جاسکے۔

ڈائریکٹرز کی رپورٹ

انٹر نیشنل پیکیجنگ فلمز لمیٹڈ کے ڈائریکٹرز اپنے حصص یافتگان کے سامنے کمپنی کی سالانہ رپورٹ برائے مالی سال ختم شدہ 30 جون 2025 بمعہ علیحدہ اور مجموعی آڈٹ شدہ مالی بیانات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی منظر نامہ

مالی سال 2025 کے دوران پاکستان کے معاشی اشاریوں میں نمایاں بہتری دیکھنے میں آئی۔ ملک کی خود مختار کریڈٹ ریٹنگز کو فچ اور ایس اینڈ پی نے بڑھا کر بی مائنس کیا، جبکہ موڈیز نے اسے سی اے اے ون کر دیا، اور ان سب کے ساتھ "مستحکم" کا آؤٹ لک برقرار رہا۔

کرنٹ اکاؤنٹ میں 2.11 ارب امریکی ڈالر کا سرپلس ریکارڈ ہوا، جسے 38.3 ارب امریکی ڈالر کی ریکارڈ ترسیلاتِ زر اور برآمدات میں اضافے نے سہارا دیا۔ اس کے نتیجے میں اسٹیٹ بینک کے زرمبادلہ کے ذخائر بڑھ کر 14.51 ارب امریکی ڈالر تک پہنچ گئے۔ پاکستان نے آئی ایم ایف کے ایکسٹینڈڈ فنڈ فیسلٹی سے مزید ایک ارب امریکی ڈالر کی دوسری قسط بھی حاصل کی، جس سے کُل ادائیگیاں دو ارب امریکی ڈالر تک پہنچ گئیں۔

حقیقی جی ڈی پی کی شرح نمو 2.6 فیصد رہی جبکہ فی کس آمدنی بڑھ کر 1,828 امریکی ڈالر ہو گئی۔ مہنگائی میں نمایاں کمی آئی جو گزشتہ سال 23 فیصد سے زائد تھی اور کم ہو کر 4.6 فیصد پر آ گئی۔ اس بڑی بہتری نے اسٹیٹ بینک کو پالیسی ریٹ 22 فیصد سے کم کر کے 11 فیصد کرنے کا موقع فراہم کیا۔

کارکردگی کا جائزہ

	نتائج انفرادی		نتائج مجموعی	
	2024	2025	2024	2025
	----------------PKR in ‘Millions --------------			
فروخت	17,089	15,565	22,835	34,369
منافع مجموعی	4,068	2,889	4,672	4,994
منافع آپریٹنگ	3,489	2,604	3,793	3,825
لاگت فنانس	(1,527)	(1,321)	(1,815)	(2,219)
محصولات اور ٹیکس	(692)	(432)	(2,549)	(942)
(نقصان) / منافع خالص بعد کے ٹیکس	1,269	851	(571)	664
:(نقصان) / منافع خالص منسوب				
(IPAK) ادارہ مرکزی			91	1,202
(میں کے اے پی پی ٪48) مفاد کنٹرولنگ غیر			(662)	(538)
			(571)	664

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