

Interim Financial Statements
For the Quarter Ended 30 September 2022
(Un-Audited)



Pak Agro Packaging Limited

COMPANY INFORMATION

| | |
|--|--|
| Board of Directors: | Dr. Safdar Ali Butt <i>Chairman of the Board / Non-executive Director</i> |
| | Khalid Butt <i>Executive Director / CEO</i> |
| | Dr. Tariq Javed <i>Executive Director / CFO & Company Secretary</i> |
| | Mrs Kaisra Jabeen Butt. <i>Non-Executive Director</i> |
| | Dr. Mubarak Hussain Haider <i>Independent Director</i> |
| | Mohammad Javed <i>Independent Director</i> |
| | Mr Iftkhar Mahmood <i>Independent Director</i> |
| External Auditor | Rafaqat Mansha Mohsin Dossani Masoom & Co. <i>Chartered Accountants</i> 3rd Floor, Sharjah Centre, 62 Shadman Market, Lahore Phone: 042-37552728-9 Fax: 042-37552730 |
| Share Registrar | CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', SMCHS Main Shahra-e-Faisal, Karachi-74400 Phone: +92 21 111 111 500; Fax: +92 21 34326053 Website: www.cddcsrsl.com |
| Legal Advisor | Mr Abid Hussain Mirza Islamabad |
| Registered Office & Factory | Plot # 22-23 Phase – IV Hattar Industrial Estate, Hattar KPK. Phone: +92 995 352547 |
| Corporate Head Office | Third Floor, Green Trust Tower Jinnah Avenue, Blue Area, Islamabad. Phone: +92 51 8311645 |
| Contact us: | Phone: +92 51 8311645 www.pakagro.com info@pakagro.com |

DIRECTORS' REPORT

Your directors are pleased to present their report on the first quarter of current financial year that ended on 30 Sept 2022.

Market Outlook

The impact of ravaging floods still persist in the agricultural sector of virtually the entire country. This has severely impaired the demand for our products in that sector. Farmers are still struggling to get back on their feet, facing considerable difficulties in preparing their lands for crop plantation. However, we feel that the situation will improve in coming months. We are hopeful that our sales will pick up in the coming quarters. At the same time, with stabilization in the price of our imported raw materials, our margins will begin to rise,

Operating Results

We recorded total sales of Rs 132.5 m and a gross profit of Rs 17.7 m. Our costs continue to rise due to exchange rate factor but we are at present unable to fully pass the impact of this increase to our customers due to the generally depressed economic situation of the market, particularly in the agricultural sector. Our gross profit margin is till below 13.5% of sales.

Our fish net manufacturing plant has come into operation and is contributing significantly to our sales volumes. With sales to agriculture sector considerably reduced, we were able to sustain the total sales revenue due to fish nets. We hope that as the demands for our products used by farmers rises in coming months for seasonal and economical reasons, our sales target for the year will be met.

We recorded a profit before tax of Rs 6.8 m and profit after tax of Rs 4.8 m, translating into EPS of 97paise on annualized basis.

IPO Funds Proceeds

During the quarter, the entire IPO funds have been fully utilized. Payments made in the quarter were for construction of additional warehouse, commissioning of new fish net plant, and increase in net working capital arising out fish net production. A summary of IPO funds utilization is given below:

| | | |
|--|----|---------|
| Machinery & Plant | Rs | 94.2 m |
| Construction of production hall & Warehouse | | 12.5 m |
| Delivery Truck | | 3.1 m |
| IPO related expenses | | 10.7 m |
| Increase in stocks, repayment of current liabilities | | 77.5 m |
| | | ----- |
| Total IPO proceeds | | 198.0 m |
| | | ===== |

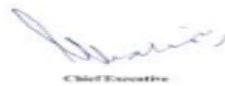
We wish to thank all our employees and business associates for the cooperation during the year.

Pak Agro Packaging Limited
Statement of Financial Position as at September 30, 2022

| <u>Equity and liabilities</u> | | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|--|-------------|---|---|
| | Note | | |
| Share capital and reserves | | | |
| Share capital | 4 | 200,000,000 | 200,000,000 |
| Reserves | 5 | 107,283,257 | 107,283,257 |
| Revenue reserves | | | |
| Unappropriated profit | | 51,537,565 | 46,703,048 |
| | | <u>358,820,822</u> | <u>353,986,305</u> |
| Non-current liabilities | | | |
| Obligation against assets subject to finance lease | 6 | 23,420,236 | 7,129,849 |
| Long term loan | 7 | - | - |
| Deposit against vehicles | 8 | 2,427,789 | 2,427,789 |
| Deferred taxation | 9 | 16,381,813 | 16,381,813 |
| Employees' Gratuity Fund | 10 | 2,069,710 | 2,069,710 |
| | | 44,299,548 | 28,009,161 |
| Current liabilities | | | |
| Running finance | 11 | 49,762,383 | 65,759,588 |
| Current maturity of long term liabilities | 12 | 11,868,000 | 8,808,777 |
| Accrued and other liabilities | 13 | 8,614,476 | 16,776,016 |
| Taxation - net | 14 | (1,136,288) | 3,078,672 |
| | | 69,108,570 | 94,423,053 |
| Contingencies and commitments | 15 | - | - |
| | | <u>472,228,941</u> | <u>476,418,519</u> |
| <u>Property and assets</u> | | | |
| Non-current assets | | | |
| Operating fixed assets | 16 | 208,228,430 | 213,183,852 |
| Long term deposits | 17 | 14,340,664 | 7,104,066 |
| Current assets | | | |
| Stock in trade | 18 | 154,969,008 | 136,053,241 |
| Trade debts | 19 | 21,235,502 | 17,498,358 |
| Advances and other receivables | 20 | 59,571,630 | 46,829,213 |
| Prepayments | 21 | 1,403,732 | 2,169,056 |
| Short term investment | 22 | - | 30,000,000 |
| Cash and bank balances | 23 | 12,479,975 | 23,580,733 |
| | | 249,659,847 | 256,130,601 |
| | | <u>472,228,941</u> | <u>476,418,519</u> |

The annexed notes 1 to 33 form an integral part of these financial statements.


 Chief Financial Officer


 Chief Executive


 Director

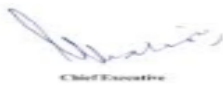
Pak Agro Packaging Limited
Statement of Profit or Loss
For the year ended September 30, 2022

| | | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|---|-------------|---|---|
| | Note | | |
| Sales | 24 | 132,520,984 | 502,900,382 |
| Cost of sales | 25 | 114,855,218 | 433,588,058 |
| Gross profit | | 17,665,766 | 69,312,324 |
| Operating expenses | | | |
| Administrative | 26 | 5,851,753 | 21,677,221 |
| Selling and distribution | 27 | 22,150 | 77,510 |
| | | 5,873,903 | 21,754,731 |
| Profit from operations | | 11,791,864 | 47,557,593 |
| Financial expenses | 28 | 4,978,428 | 5,341,319 |
| Other charges | 29 | 813,639 | 3,281,474 |
| | | 5,792,067 | 8,622,793 |
| | | 5,999,797 | 38,934,800 |
| Other income | 30 | 809,382 | 1,872,740 |
| Profit for the year before taxation | | 6,809,179 | 40,807,540 |
| Taxation | 31 | 1,974,662 | 12,491,419 |
| Profit for the year | | 4,834,517 | 28,316,121 |
| Basic and diluted earnings per share (PKR) | | 0.24 | 1.42 |

The annexed notes 1 to 33 form an integral part of these financial statements.



Chief Executive Officer



Chief Executive



Director

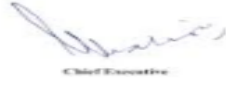
Pak Agro Packaging Limited
Statement of Comprehensive Income
For the year ended September 30, 2022

| | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|---|---|---|
| Profit for the year after taxation | 4,834,517 | 28,316,121 |
| Other comprehensive income | | |
| Items that will not classified to profit or loss | | |
| Remeasurement gain on staff retirement benefit plan | - | 580,598 |
| Total comprehensive income for the year | 4,834,517 | 28,896,719 |

The annexed notes 1 to 33 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive

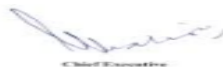


Director

Pak Agro Packaging Limited
Statement of Cash Flows
For the year ended September 30, 2022

| | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|--|---|---|
| Cash flow from operating activities | | |
| Profit/(loss) for the year before taxation | 6,809,179 | 40,807,540 |
| Adjustments for: | | |
| Depreciation | 5,976,422 | 19,950,006 |
| Gain on disposal of assets | - | - |
| | <u>5,976,422</u> | <u>19,950,006</u> |
| Operating profit before working capital changes | 12,785,601 | 60,757,547 |
| Increase/(decrease) in: | | |
| Stock in trade | (18,915,767) | (59,747,159) |
| Trade debtors | (3,737,144) | (17,498,358) |
| Advances and other receivables | (12,742,417) | (36,356,388) |
| Pre-payments | 765,324 | (1,059,524) |
| | <u>(34,630,004)</u> | <u>(114,661,429)</u> |
| | (21,844,403) | (53,903,882) |
| Increase /(decrease) in: | | |
| Current liabilities | (10,222,988) | 8,696,195 |
| Cash flow from operating activities | (32,067,391) | (45,207,688) |
| Tax deducted at source | (3,110,950) | (9,777,389) |
| Net cash flow from operating activities | (35,178,341) | (54,985,077) |
| Cash flow from investing activities | | |
| Fixed capital expenditures | 39,440,172 | (62,578,152) |
| Capital work in progress | (38,419,172) | (38,419,172) |
| Sale proceeds and insurance claim against fixed assets | - | - |
| Long term deposits | (7,236,598) | (3,693,730) |
| Short term investment | 30,000,000 | (30,000,000) |
| Deposit against vehicles | - | - |
| Net cash flow from investing activities | 23,784,402 | (134,691,054) |
| Cash flow from financing activities | | |
| Asset subject to finance lease | 16,290,387 | 6,021,721 |
| Loan from director | - | (7,500,000) |
| Share capital | - | 80,000,000 |
| Share premium | - | 107,283,257 |
| Allotment of bonus shares | - | - |
| Running finance facility | (15,997,205) | 343,656 |
| Long term loan | - | (2,616,115) |
| Provision for gratuity | - | 1,404,158 |
| Net cash flow from financing activities | 293,182 | 184,936,677 |
| Net increase/(decrease) in cash and cash equivalents | (11,100,757) | (4,739,454) |
| Cash and cash equivalent in the beginning of the year | 23,580,732 | 28,320,186 |
| Cash and cash equivalent at the end of the year | 12,479,975 | 23,580,732 |

The annexed notes 1 to 33 form an integral part of these financial statements.

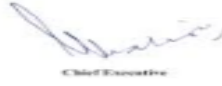

Pak Agro Packaging Limited
Statement of Changes in Equity
For the year ended September 30, 2022

| | Share capital | Capital reserves | Interest free loan from directors | Accumulated profit/(loss) | Total |
|---|--------------------|--------------------|-----------------------------------|---------------------------|--------------------|
| | (Rupees) | (Rupees) | (Rupees) | (Rupees) | (Rupees) |
| Balance as at June 30, 2021 | 120,000,000 | - | 7,500,000 | 17,806,329 | 145,306,329 |
| Interest free loan repaid during the year | - | - | (7,500,000) | - | (7,500,000) |
| Issued as fully paid shares | 80,000,000 | - | - | - | 80,000,000 |
| Share premium (note 5) | - | 107,283,257 | - | - | 107,283,257 |
| Total comprehensive income for the year | - | - | - | 28,896,719 | 28,896,719 |
| Balance as at June 30, 2022 | 200,000,000 | 107,283,257 | - | 46,703,048 | 353,986,305 |
| Interest free loan repaid during the year | - | - | - | - | - |
| Issued as fully paid shares | - | - | - | - | - |
| Share premium (note 5) | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | 4,834,517 | 4,834,517 |
| Balance as at September 30, 2022 | 200,000,000 | 107,283,257 | - | 51,537,565 | 358,820,822 |

The annexed notes 1 to 33 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive



Director

Pak Agro Packaging Limited
Notes to the Financial Statements
For the year ended September 30, 2022

1. Company and its operations

The company was incorporated initially with the name and style 'Kohsar Tyres (Private) Limited' under the Companies Ordinance, 1984 (now repealed the Companies Act, 2017) on February 18, 1989. The name of the company was thereafter changed to Mian & Khan Industries (Private) Limited on December 31, 1999 and again changed as 'Pak Agro Packaging (Private) Limited' on August 24, 2000. The status of company was converted from private limited to public limited company on June 19, 2021 and is listed at gem board of the Pakistan Stock Exchange. The main object of the company is manufacturing of net bags and green shades for green houses and to provide services to manufacture the same. The company owns a manufacturing unit in Industrial Estate, Hattar. The registered office of the company is situated at Plot No. 23, Phase IV, Haripur, Khyber Pakhtunkhwa, Hattar Industrial Estate, Hattar.

Geographical location and addresses of major business units including mills /plant of the company are as under:

| Hattar | Purpose |
|---|--|
| Plot No. 23, Phase IV, Haripur, Khyber Pakhtunkhwa, Hattar Industrial Estate, Hattar. | Registered office and Production Plant |
| Islamabad | |
| Office No 302, 3rd Floor, Green Trust Tower, Jinnah Avenue, Islamabad | Head office |

2. Statement of compliance and significant accounting estimates

2.1) Statement of compliance

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

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

Where 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) Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the company's financial currency. All financial information presented in Pakistan Rupees has been rounded to the nearest rupee.

2.3) Significant accounting estimates

The preparation of financial statements in conformity with approved accounting standards requires management to make judgment, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the ensuing paragraphs.

2.4) Property, plant and equipment

The Company reviews the useful lives and residual value of its assets on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding affect on the depreciation charge.

2.5) **Impairment**

The Company reviews the value of its assets for possible impairment on an annual basis. Any change in estimate in future years, might effect the carrying amount of the respective asset with the corresponding effect on impairment.

2.6) **New and revised standards and interpretations**

2.6.1) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company:

| | | Effective date (annual reporting) |
|---------|---|--------------------------------------|
| IAS 1 | Presentation of Financial Statements (Amendments) | January 1, 2023 |
| IAS 8 | Changes in Accounting Estimates and Errors (Amendments) | January 1, 2023 |
| IAS 12 | Income Taxes (Amendments) | January 1, 2023 |
| IAS 16 | Property, plant and equipment (Amendments) | January 1, 2022 |
| IAS 37 | Provisions, Contingent Liabilities and Contingent Assets (Amendments) | January 1, 2022 |
| IFRS 3 | Business combinations (Amendments) | January 1, 2022 |
| IFRS 7 | Financial instruments: Disclosures (Amendments) | January 1, 2021 |
| IFRS 9 | Financial instruments (Amendments) | January 1, 2021 |
| IFRS 16 | Leases (Amendments) | January 1, 2021 |

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than the impact on presentations/ disclosures.

Further, the following new standards and interpretations have been issued by the international Accounting Standards Boards (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan.

IFRS 1 First-time Adoption of International Financial Reporting Standards
IFRS 17 Insurance Contracts

The following interpretation issued by the IASB has been waived off by SECP:
IFRIC 12 Service concession arrangements

3. **Significant accounting policies**

The principle accounting policies which have been adopted in the preparation of these accounts are as follows:

3.1) **Accounting convention**

These accounts have been prepared under the historical cost convention, without any adjustments for the effects of inflation or current values.

3.2) **Property, plant and equipment**

- These are stated at cost less accumulated depreciation and impairment losses, if any, except lease hold land;
- Depreciation is charged on the reducing balance method;
- A full month's depreciation is charged in the month of addition and no depreciation is charged in the month of disposal;
- Gain or loss on disposal of fixed assets, if any, is included in current year's income;
- Normal repairs and maintenance are charged to income as and when incurred. Major renewals and improvements are capitalized.
- **Leased assets**
The company is the lessee.

At inception of a contract, the company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

From July 01, 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

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 company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payments 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, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. It is re-measured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if the company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustments made to the carrying amount of right-of-use asset, or is recorded in the statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

3.3) Staff retirement benefits

The company operates a non-contributory, unapproved and unfunded gratuity scheme for its permanent employees, who have completed minimum period of one year service. The liability is calculated with reference to the last salary drawn and the length of service of the employee.

3.4) Impairment

The carrying amount of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of such assets is estimated and impairment losses are recognized in the profit and loss account. Where an impairment loss subsequently reverse, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the initial cost of the asset. A reversal of the impairment loss is recognized in the profit and loss account.

3.5) Stock and spares

These are valued at moving average cost except for the items in transit which are valued at invoice price and related expenses incurred up to the balance sheet date.

3.6) Stock in trade

These have been valued as under:

- Raw material - At first in first out.
- Work in process - At weighted average cost.
- Finished goods - At lower of cost, calculated on first in first out (FIFO) basis and net realizable value.
- Packing material - At first in first out.

3.7) Bad debts

These are stated at book value. Debts considered bad are provided for or written off and no general provision for the bad and doubtful debt is maintained.

3.8) Taxation

3.8.1) Current tax

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account available tax rebates and credits.

3.8.2) Deferred tax

Deferred tax is recognized in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax is not recognized on temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences arising on the initial recognition of goodwill.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

3.9) Revenue recognition

Revenue from sale is recognized on dispatch of goods to customers, while processing fee on issuance of invoice to customers.

3.10) Dividend and appropriation to reserves

Dividend and other appropriation to reserves are recognized in the period in which they are approved.

3.11) Financial instruments

Financial assets and financial liabilities are recognized at the time when the company becomes a party to the contractual provisions of the instrument and de-recognized when the company loses control of the contractual rights that comprise the financial assets and in case of financial liability when the obligation specified in the contract is discharged, cancelled or expired. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item as shown below:

a) Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

b) Provisions

Provisions are recognized when a company has a legal or constructive obligation as a result of past event if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

c) Trade and other receivables

Trade receivables and other receivables are recognized and carried at original invoice amount/cost less an allowance for any uncollectible amounts.

d) Cash and cash equivalents

Cash in hand and at banks are carried at fair value. For the purpose of cash flow statement, cash and cash equivalents consists of cash in hand and balances at banks.

| 4. Share capital | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|---|---|---|
| Authorized capital | | |
| 40,000,000 ordinary shares of Rs. 10/= each | 400,000,000 | 400,000,000 |
| Issued, subscribed and paid-up capital | | |
| Shares issued for cash | | |
| 17,350,000 ordinary shares of Rs. 10/= each in cash (2021: 9,350,000 ordinary shares of Rs. 10/= each in cash) | 173,500,000 | 173,500,000 |
| Issued as fully paid bonus shares | | |
| 2,650,000 ordinary shares of Rs. 10/= each | 26,500,000 | 26,500,000 |
| | 200,000,000 | 200,000,000 |

5. Reserves

Composition of reserves is as follows:

| | | |
|---|--------------------|--------------------|
| Premium on issuance of shares | 118,000,000 | 118,000,000 |
| Less: IPO Charges | 8,479,343 | 8,479,343 |
| Brokerage commission paid on issuance of shares | 2,237,400 | 2,237,400 |
| | 107,283,257 | 107,283,257 |

This reserve can be utilised by the Company only for the purposes specified in Section 81 of The Companies Act, 2017.

These were interest free, unsecured, repayable at the convenience of the company and paid back during the year.

6 Obligation under finance lease

| | | |
|--|-------------------|------------------|
| Value of assets | 13,182,635 | 3,089,167 |
| Add: Addition during the year | 25,784,016 | 12,277,601 |
| | 38,966,651 | 15,366,768 |
| Less: Payments made upto the year | 3,678,415 | 2,184,133 |
| Present value of minimum lease payment | 35,288,236 | 13,182,635 |
| Less: Current maturity | 11,868,000 | 6,052,786 |
| | 23,420,236 | 7,129,849 |

The amount of future payments and the periods in which they become due are as follows:

| | |
|--|------------------|
| June 30, 2021 | - |
| June 30, 2022 | - |
| June 30, 2023 | 6,930,215 |
| June 30, 2024 | 3,813,000 |
| June 30, 2025 | 3,704,900 |
| | 14,448,115 |
| Less: Lease financial charges allocable for future periods | 1,265,480 |
| | 13,182,635 |
| Less: Current maturity of finance lease | 6,052,786 |
| | 7,129,849 |

The value of minimum lease rental payments has been discounted at 3 months KIBOR + 4% per annum. Liabilities are partly secured against deposit of 35% of the asset value included in long term security deposits (Note 17). Title to the assets acquired under the leasing arrangements are transferrable to the Company upon payment of entire lease

| | | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|--|-------|---|---|
| 7 Long term loan | | | |
| The Bank of Khyber - Salary Refinance Facility | (7.1) | - | - |
| | | | - |
| | | | - |
| 7.1) Salary Refinance Facility | | - | 2,616,115 |
| Current maturity | | - | (2,616,115) |
| | | - | - |

This represents the refinance facility announced by the State Bank of Pakistan for the purposes of payment of wages & salaries to the workers for the period from April 2020 to June 2020. This facility has been obtained from The Bank of Khyber and is subject to charge of markup @ 3% (SBP Share 0% + BOK Share 3%). The loan is payable in 08 equal quarterly installments starting from January 2021 with last installment in December, 2022.

This facility is secured by way of:

- Security structure as mentioned in HO's Sanction letter bearing No. BOK/HO/CRBD/P-301(347)2019/2632 dated June 27, 2019 shall remain intact / unchanged.
- Demand promissory note (DP) & personal guarantees (PG's) by all directors of the company.

8 Deposit against vehicles

This represents the amount received from employees against the vehicles owned by company to be transferred to the them after successful completion of five years of service under employee participation scheme.

9 Deferred tax liability

The balance of deferred tax is in respect of following temporary differences:

| | | |
|--|-------------------|-------------------|
| Accelerated depreciation on property plant and equipment | 16,381,813 | 16,381,813 |
| | 16,381,813 | 16,381,813 |

10 Employees' gratuity fund

| | | |
|----------------------------------|------------------|------------------|
| Balance at beginning of the year | 1,246,150 | 1,246,150 |
| Add: Provision for the year | 823,560 | 823,560 |
| | 2,069,710 | 2,069,710 |
| Less: Paid to outgoing members | - | - |
| | 2,069,710 | 2,069,710 |

| | | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|----------------------------|--------|---|---|
| 11. Running finance | | | |
| The Bank of Khyber | (11.1) | 49,762,383 | 65,759,588 |
| | | 49,762,383 | 65,759,588 |

11.1) The Bank of Khyber has renewed and enhanced the running finance facility limit from Rs. 70 million to Rs. 80 million on December 10, 2021 to meet working capital requirements of the company at mark up rate to be recovered on quarterly basis as follows:

- Three months KIBOR plus 300 bps p.a. if markup is paid within 15 days from due date;
- Three months KIBOR plus 500 bps p.a. if markup is paid after 15 days from due date.

The Letter of Credit- DA(Usance LC) - Import facility of 40 million at a cash margin of 20% or as prescribed by SBP whichever is higher (profit free) at a markup rate of three months KIBOR plus 500 bps with no floor and no cap.

These facilities are secured by way of:

- Hypothecation charge of Rs. 107 million duly registered with SECP over Company's stock with 25% margin against running finance facility;
- Against LC's, cash margin of 20% or as prescribed by SBP whichever is higher (profit free) and accepted bills of exchange duly signed/stamped by borrower;

Common Securities against all credit facilities:

- Token registered mortgaged for Rs. 150,000/- & remaining equitable mortgage to cover DP Note amount over Company's present & future fixed assets (land, building, plant & machinery) (existing & new) located at Plot No. 22 & 23, Phase 04, measuring 02 Acres, Situated at Industrial Estate, District Hattar, KPK.
- 1st exclusive charge of Rs. 167 million by way of Memorandum of Deposit of Title (MODTD) & letter of hypothecation over Company's present & future fixed assets (land, building, plant & machinery)(existing & new) located at Plot No. 22 & 23, Phase 04, measuring 02 Acres, Situated at Industrial Estate, District Hattar, Khyber Pakhtunkhwa.
- Personal guarantees of all the directors of the company.

These facilities are valid up to October 31, 2022.

12. Current maturity of long term liabilities

This represents current maturity of followings

| | | | |
|-----------------------------|-------|-------------------|------------------|
| - Finance lease | (6) | 11,868,000 | 6,192,662 |
| - Salary Refinance Facility | (7.1) | - | 2,616,115 |
| | | 11,868,000 | 8,808,777 |

13. Accrued and other liabilities

| | | | |
|------------------------------------|-----------|------------------|-------------------|
| Salaries payable | - | 7,786,053 | |
| Sales tax payable | 907,077 | 652,270 | |
| Workers' profit participation fund | 6,438,804 | 5,849,211 | |
| Workers' welfare fund | 224,045 | 903,594 | |
| Rent payable | - | - | |
| Other liabilities | - | 630,000 | |
| Postal life insurance | 292,059 | 202,398 | |
| Payable to supplier | 252,490 | 252,490 | |
| Audit fee | 500,000 | 500,000 | |
| | | 8,614,476 | 16,776,016 |

14. Taxation - net

| | | |
|------------------------|--------------------|------------------|
| Provision for taxation | 1,974,662 | 12,856,061 |
| Tax deducted at source | (3,110,950) | (9,777,389) |
| | (1,136,288) | 3,078,672 |

15. Contingencies and commitments

a) Contingencies

Currently there are no contingencies against the company in foreseeable

b) Commitments

There are no commitments made by the company.

**Un-Audited
September 30,
2022
(Rupees)**

**Audited
June 30, 2022
(Rupees)**

16. Operating fixed assets

| | | | |
|-------------------------------|--------|--------------------|--------------------|
| Property, plant and equipment | (16.1) | 208,228,430 | 174,764,680 |
| Capital work in progress | (16.2) | - | 38,419,172 |
| | | 208,228,430 | 213,183,852 |

16.1) Property, plant and equipment

Operating fixed assets

| Description | Land leasehold | Factory building on Lease hold land | Motor vehicles | Plant and machinery | Electric Installation | Tools and equipment | Furniture and fixtures | Office equipment | Electrical equipment | Motor cycle | Computers | Right of use asset | | Total |
|--------------------------------------|------------------|-------------------------------------|-------------------|---------------------|-----------------------|---------------------|------------------------|------------------|----------------------|---------------|---------------|--------------------|-------------------|--------------------|
| | | | | | | | | | | | | Motor vehicle | Machinery | |
| As at July 01, 2021 | | | | | | | | | | | | | | |
| Cost | 1,565,250 | 44,987,155 | 11,921,440 | 243,643,772 | 5,009,037 | 876,818 | 818,264 | 752,222 | 1,103,590 | 175,192 | 342,920 | 11,054,234 | - | 322,249,894 |
| Accumulated depreciation | - | (14,178,481) | (1,960,244) | (162,315,324) | (3,807,706) | (745,085) | (532,889) | (621,972) | (966,328) | (157,369) | (332,846) | (4,437,117) | - | (190,113,360) |
| Net book value | 1,565,250 | 30,808,675 | 9,961,196 | 81,330,448 | 1,201,331 | 131,733 | 225,375 | 130,250 | 137,262 | 17,823 | 10,074 | 6,617,117 | - | 132,136,535 |
| Year ended June 30, 2022 | | | | | | | | | | | | | | |
| Opening net book value | 1,565,250 | 30,808,675 | 9,961,196 | 81,330,448 | 1,201,331 | 131,733 | 225,375 | 130,250 | 137,262 | 17,823 | 10,074 | 6,617,117 | - | 132,136,535 |
| Additions | - | 10,917,090 | 3,201,700 | 34,657,959 | - | 641,760 | 340,000 | 747,000 | - | - | - | - | 12,072,643 | 62,578,152 |
| Disposals/adjustment | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cost | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Adjustment D/(C) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation charge | - | (1,533,188) | (1,694,286) | (13,983,421) | (180,200) | (27,782) | (46,558) | (47,550) | (20,589) | (2,673) | (3,022) | (92,567) | (1,358,172) | (19,950,006) |
| Closing net book value | 1,565,250 | 40,132,577 | 11,468,610 | 102,004,966 | 1,021,131 | 745,711 | 518,819 | 829,700 | 116,673 | 15,150 | 7,052 | 5,624,550 | 10,714,471 | 174,764,680 |
| As at July 01, 2022 | | | | | | | | | | | | | | |
| Cost | 1,565,250 | 55,304,245 | 15,123,140 | 278,301,731 | 5,009,037 | 1,518,578 | 1,168,264 | 1,499,222 | 1,103,590 | 175,192 | 342,920 | 11,054,234 | 12,072,643 | 384,828,046 |
| Accumulated depreciation | - | (15,771,669) | (3,654,530) | (176,296,745) | (3,987,906) | (772,867) | (639,445) | (663,522) | (986,917) | (160,042) | (335,868) | (5,429,684) | (1,358,172) | (210,063,366) |
| Net book value | 1,565,250 | 40,132,577 | 11,468,610 | 102,004,966 | 1,021,131 | 745,711 | 518,819 | 829,700 | 116,673 | 15,150 | 7,052 | 5,624,550 | 10,714,471 | 174,764,680 |
| Annual rate of deprecia | - | 5 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 30 | 15 | 15 | |
| Year ended September 30, 2022 | | | | | | | | | | | | | | |
| Opening net book value | 1,565,250 | 40,132,577 | 11,468,610 | 102,004,966 | 1,021,131 | 745,711 | 518,819 | 829,700 | 116,673 | 15,150 | 7,052 | 5,624,550 | 10,714,471 | 174,764,680 |
| Additions | - | 1,021,000 | - | 38,419,172 | - | - | - | - | - | - | - | - | - | 38,440,172 |
| Disposals/adjustment | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cost | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Adjustment D/(C) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation charge | - | (505,911) | (430,073) | (4,305,427) | (38,232) | (27,964) | (19,458) | (31,114) | (4,575) | (588) | (529) | (210,921) | (401,793) | (5,976,422) |
| Closing net book value | 1,565,250 | 40,647,665 | 11,038,537 | 136,118,731 | 982,839 | 717,747 | 493,363 | 798,586 | 112,298 | 14,582 | 6,524 | 5,413,629 | 10,312,678 | 208,228,429 |
| As at October 01, 2022 | | | | | | | | | | | | | | |
| Cost | 1,565,250 | 56,325,245 | 15,123,140 | 316,720,903 | 5,009,037 | 1,518,578 | 1,168,264 | 1,499,222 | 1,103,590 | 175,192 | 342,920 | 11,054,234 | 12,072,643 | 424,288,218 |
| Accumulated depreciation | - | (16,277,580) | (4,084,603) | (180,602,172) | (4,026,198) | (800,831) | (658,901) | (700,636) | (991,232) | (160,610) | (336,396) | (5,640,604) | (1,759,965) | (216,039,789) |
| Net book value | 1,565,250 | 40,647,665 | 11,038,537 | 136,118,731 | 982,839 | 717,747 | 493,363 | 798,586 | 112,298 | 14,582 | 6,524 | 5,413,630 | 10,312,678 | 208,228,430 |
| Annual rate of depreciation (%) | - | 5 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 30 | 15 | 15 | |

| | | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|---|------------------------|---|--------------------------------------|
| 16.1.1) The charge of depreciation for the year has been allocated as follows: | | | |
| Cost of sales | (26.4) | 5,765,502 | 18,957,440 |
| Administrative expenses | (27) | 210,921 | 992,567 |
| | | 5,976,422 | 19,950,007 |
| 17. Long term deposits | | | |
| Security deposits against: | | | |
| Leased assets | | 12,533,498 | 5,296,900 |
| Utilities | | 1,152,836 | 1,152,836 |
| Office building | | 654,330 | 654,330 |
| | | 14,340,664 | 7,104,066 |
| 18. Stock in trade | | | |
| Raw material | (19.1) | 79,633,646 | 74,552,746 |
| Finished goods | | 69,469,375 | 55,043,600 |
| Raw material in transit | | | - |
| Work-in-process | | 5,865,987 | 6,456,895 |
| | | 154,969,008 | 136,053,241 |
| 18.1) Raw material | | | |
| Raw material | | 71,493,850 | 66,004,420 |
| Colors | | 7,063,508 | 7,443,360 |
| Chemical | | 1,076,288 | 1,104,966 |
| | | 79,633,646 | 74,552,746 |
| 19. Trade debts | | | |
| This are unsecured and considered good by the management. | | | |
| 20. Advances, deposits and other receivables | | | |
| Advances to: | | | |
| Staff against salaries | (20.1) | 1,656,900 | 1,814,000 |
| Parties against supplies | | 15,689,515 | 28,988,672 |
| Parties against services | | 107,812 | 107,812 |
| | | 17,454,227 | 30,910,484 |
| Deposits: | | | |
| Margin deposit on letters of credit | | 38,458,658 | 11,511,220 |
| | | 38,458,658 | 11,511,220 |
| Other receivables | | | |
| Sales tax refundable | | 3,658,745 | 4,407,509 |
| | | 59,571,630 | 46,829,213 |
| 20.1) These are unsecured and considered good by the management. | | | |
| 21. Prepayments | | | |
| Insurance | | 865,987 | 1,285,711 |
| Office rent | | 537,745 | 883,345 |
| | | 1,403,732 | 2,169,056 |
| 22. Short term investment | | | |
| This represents investments made by the fund in Silk Bank Limited as follows: | | | |
| Instrument | Date of deposit | Date of maturity | Amount (Rs.) |
| Term Deposit Receipts | 14-04-2022 | 27-07-2022 | 30,000,000/- |
| | | | - |
| 23. Cash and bank balances | | | |
| Cash in hand | | 300,000 | 788,481 |
| Cash at bank - current account | | 12,179,975 | 22,792,252 |
| | | 12,479,975 | 23,580,733 |

| | | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|---------------------------------------|----------|---|--------------------------------------|
| 24. Sales-net | | | |
| Gross sales | | 155,049,551 | 566,662,884 |
| Sales tax | | 22,528,567 | (63,762,502) |
| | | 132,520,984 | 502,900,382 |
| 25. Cost of sales | | | |
| Raw material consumed | (25.1) | 85,362,885 | 291,718,359 |
| Colors consumed | (25.2) | 3,692,852 | 9,285,328 |
| Chemical consumed | (25.3) | 896,743 | 3,413,918 |
| Packing material consumed | | 2,758,698 | 9,114,691 |
| Production overhead | (25.4) | 35,978,907 | 153,724,090 |
| | | 128,690,085 | 467,256,386 |
| Work in process | | | |
| - Opening balance as on July 01, | | 6,456,895 | 5,289,642 |
| - Closing balance as at September 30, | | (5,865,987) | (6,456,895) |
| | | 590,908 | (1,167,253) |
| Cost of goods manufactured | | 129,280,993 | 466,089,133 |
| Finished stocks | | | |
| - Opening balance as on July 01, | | 55,043,600 | 22,542,525 |
| - Closing balance as at September 30, | | (69,469,375) | (55,043,600) |
| | | (14,425,775) | (32,501,075) |
| | | 114,855,218 | 433,588,058 |
| 25.1) Raw material consumed | | | |
| Opening stock as on July 01, | | 66,004,420 | 32,146,490 |
| Add: Raw material imported | | 90,852,315 | 325,576,289 |
| | | 156,856,735 | 357,722,779 |
| - Closing balance as at September 30, | | (71,493,850) | (66,004,420) |
| | | 85,362,885 | 291,718,359 |
| 25.2) Colors consumed | | | |
| Opening stock as on July 01 | | 7,443,360 | 3,700,980 |
| Color purchased | | 3,313,000 | 13,027,708 |
| | | 10,756,360 | 16,728,688 |
| - Closing balance as at September 30, | | (7,063,508) | (7,443,360) |
| | | 3,692,852 | 9,285,328 |
| 25.3) Chemical consumed | | | |
| Opening stock as on July 01 | | 1,104,966 | 1,148,160 |
| Add: Purchases - local | | 868,065 | 3,370,724 |
| | | 1,973,031 | 4,518,884 |
| - Closing balance as at September 30, | | (1,076,288) | (1,104,966) |
| | | 896,743 | 3,413,918 |
| 25.4) Production overhead | | | |
| Salaries and benefits | (25.4.1) | 18,064,239 | 77,231,826 |
| Fuel and power | | 9,487,486 | 46,109,185 |
| Repair and maintenance | | 845,268 | 3,681,615 |
| Sui gas | | 404,754 | 1,833,624 |
| Insurance | | 315,488 | 1,217,471 |
| Miscellaneous | | 287,548 | 1,206,740 |
| Lubricants | | 198,754 | 1,041,430 |
| Vehicle running and maintenance | | 105,487 | 800,354 |
| Entertainment | | 285,241 | 639,384 |
| Telephone and internet | | 102,658 | 440,398 |
| Travelling and conveyance | | 45,698 | 196,760 |
| Printing and stationary | | 24,587 | 166,832 |
| Rent, rates and taxes | | 2,545 | 131,363 |
| Postage and courier | | 32,140 | 23,620 |
| Newspaper and periodicals | | 4,295 | 17,180 |
| Security charges | | 7,217 | 28,868 |
| Depreciation | (16.1.1) | 5,765,502 | 18,957,440 |
| | | 35,978,907 | 153,724,090 |

| | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|--|---|---|
| 25.4.1) Salaries and benefits | | |
| Salaries to staff | 13,260,865 | 61,617,287 |
| Overtime | 1,658,975 | 7,196,010 |
| Bonus | 2,653,676 | 5,307,353 |
| Gratuity | - | 1,210,500 |
| Social security | 232,230 | 928,920 |
| E.O.B.I | 167,073 | 668,293 |
| Financial assistance | 90,000 | 277,000 |
| Medical | 1,420 | 26,463 |
| Leave encashment | - | - |
| | 18,064,239 | 77,231,826 |
| 26. Administrative expenses | | |
| Director's remuneration | 3,300,000 | 12,450,000 |
| Salaries and benefits (26.1) | 739,563 | 2,880,733 |
| Rent, rates and taxes | 1,035,000 | 1,909,640 |
| Travelling and conveyance | 21,560 | 110,740 |
| Fees and subscriptions | 46,598 | 532,194 |
| Telephone, mobile and internet | 112,568 | 437,180 |
| Audit remuneration | - | 500,000 |
| Utilities | 46,325 | 372,180 |
| Miscellaneous | 42,568 | 365,729 |
| Postage and courier | 165,089 | 312,216 |
| Repair and maintenance | 18,965 | 252,811 |
| Entertainment | 65,898 | 247,219 |
| Printing and stationary | 42,650 | 182,820 |
| Director's meeting | - | 100,000 |
| News papers and periodicals | 4,048 | 16,192 |
| Legal and professional | - | 15,000 |
| Depreciation (16.1.1) | 210,921 | 992,567 |
| | 5,851,753 | 21,677,221 |
| 26.1) Salaries and benefits | | |
| Salaries to staff | 444,000 | 2,277,500 |
| Medical | 238,763 | 154,032 |
| Bonus | - | 128,938 |
| Insurance | 56,800 | 126,605 |
| Gratuity | - | 193,658 |
| | 739,563 | 2,880,733 |
| 27. Selling and distribution expenses | | |
| Carriage outward | 22,150 | 77,510 |
| | 22,150 | 77,510 |

| | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|--|---|--------------------------------------|
| 28. Financial expenses | | |
| Mark-up | 4,626,593 | 3,391,304 |
| Lease financial charges | 346,785 | 1,187,561 |
| Bank charges | 5,050 | 460,291 |
| Share Registrar Services | - | 302,163 |
| | 4,978,428 | 5,341,319 |
| 29. Other charges | | |
| Workers' profit participation fund | 589,593 | 2,377,880 |
| Workers' welfare fund | 224,045 | 903,594 |
| | 813,639 | 3,281,474 |
| 30. Other income | | |
| Profit on TDR | 809,382 | 1,872,740 |
| Gain on sale of assets | - | - |
| | 809,382 | 1,872,740 |
| 31. Taxation | | |
| Current year | | |
| - Normal tax | 1,974,662 | 12,856,061 |
| - Deferred taxation | - | 1,696,328 |
| Prior year | - | (2,060,970) |
| | 1,974,662 | 12,491,419 |
| 31.1) Reconciliation of tax charge for the year | | |
| Accounting profit - before taxation | 6,809,179 | 41,711,134 |
| Inadmissible expenditure for tax purposes | - | 21,137,567 |
| Admissible expenditure for tax purposes | - | (18,517,457) |
| | 6,809,179 | 44,331,244 |
| Tax charge at applicable tax rate of 29% (2021: 29%) | 1,974,662 | 12,856,061 |

32. Remuneration of Chief Executive, Directors and Executives

| Description | September 30, 2022 | | | June 30, 2022 | | |
|-------------------------|--------------------|------------------|----------------|------------------|------------------|------------------|
| | Chief Executive | Director | Executive | Chief Executive | Director | Executive |
| Managerial remuneration | 1,350,000 | 1,950,000 | 482,625 | 5,400,000 | 7,050,000 | 2,366,150 |
| | 1,350,000 | 1,950,000 | 482,625 | 5,400,000 | 7,050,000 | 2,366,150 |
| Number of persons | 1 | 2 | 1 | 1 | 1 | 1 |

In addition to remuneration, the Chief Executive, directors and certain executives were provided with use of the Company's cars and residential telephone facilities. The Company also provides medical facilities to its Chief Executive, directors and staff.

The aggregate amount charged in these financial statements in respect of fee to 4 non-executive directors was Rs 100,000/- (2021: Nil).

33. Earnings per share - Basic and Diluted

| | | |
|---|-------------|-------------|
| Profit after tax | 4,834,517 | 28,316,121 |
| Weighted average number of ordinary shares at the end of the year (Numbers) | 20,000,000 | 20,000,000 |
| Basic and diluted earnings per share (Rupee) | 0.24 | 1.42 |

34. Related party transaction

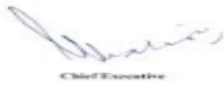
The related party comprises of subsidiary, associated companies, director of the company and key management personals, details of transactions with related parties other than those which have been specifically disclosed elsewhere in these financial statements.

Transactions and contracts with related parties are carried out at arm's length prices determined in accordance with comparable uncontrolled prices method except in circumstances where it is in the interest of the group to do so with the prior approval of the Board of Directors.

| | Un-Audited September 30, 2022 (Rupees) | Audited June 30, 2022 (Rupees) |
|---|---|---|
| Due to Director - Mr. Khalid Butt | | |
| Loan | | |
| Balance (payable) at opening of the year | - | (3,500,000) |
| Disbursement during the year | - | 3,500,000 |
| Balance (payable) at the end of the year | <u>-</u> | <u>-</u> |
| Due to Director - Mr. Safdar Ali Butt | | |
| Balance (payable) at opening | - | (500,000) |
| Disbursement during the year | - | 500,000 |
| Balance (payable) at the end of the year | <u>-</u> | <u>-</u> |
| Due to Director - Mrs. Kaisra Jabeen Butt | | |
| Balance (payable) at opening of the year | - | (3,500,000) |
| Disbursement during the year | - | 3,500,000 |
| Balance (payable) at the end of the year | <u>-</u> | <u>-</u> |
| 40.2) Payments out of IPO Funds | | |
| Purchase of Machinery, installation and commissioning thereof | 73,971,557 | |
| Construction of production hall and storage | 10,200,000 | |
| Purchase of delivery truck | 3,111,700 | |
| IPO related expenses | 10,716,743 | |
| Investment in stocks / Repayment of Current Liabilities | 100,000,000 | |
| Total Payments | 198,000,000 | |
| Held in TDR | - | |
| Total | - | |
| IPO proceeds | <u>198,000,000</u> | |



Chief Executive Officer



Chief Executive



Director