






**Head Office:**

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 roshanpackagesltd  RoshanPackages.LTD  Roshan Packages Limited

# TOWARDS A CIRCULAR ECONOMY

**HALF YEARLY REPORT**  
FOR THE PERIOD ENDED 31 DECEMBER 2022

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# Roshan Packages Limited

**Status:** Public Listed Entity  
**CUIN:** 0044226  
**NTN:** 1436951-6  
**STRN:** 03-01-4819-303-73

## Board of Directors

Mr. Quasim Aijaz  
**Chairman**

Mr. Tayyab Aijaz  
**Chief Executive Officer**

Mr. Saadat Eijaz  
**Executive Director**

Mr. Khalid Eijaz Qureshi  
**Non-Executive Director**

Mr. Zaki Aijaz  
**Non-Executive Director**

Ms. Ayesha Musaddaque Hamid  
**Independent/Non-Executive Director**

Mr. Muhammad Naveed Tariq  
**Independent/Non-Executive Director**

**Company Secretary**  
 Ms. Rabia Sharif

**Chief Financial Officer (CFO)**  
 Mr. Muhammad Adil

**Tax Consultant**  
 Zulfiqar Ahmad & Co

**Website**  
[www.roshanpackages.com.pk](http://www.roshanpackages.com.pk)

## Banks

Askari Bank Limited  
 Allied Bank Limited  
 Bank Alfalah Limited  
 Bank of Punjab  
 Bank Islami Pakistan Limited  
 Dubai Islamic Bank Limited  
 Habib Metropolitan Bank Limited  
 JS Bank Limited  
 Meezan Bank Limited  
 Soneri Bank Limited  
 National Bank of Pakistan

## Registered Office

325 G-III, M.A Johar Town, Lahore.  
 Phone: +92-042-35290734-38  
 Fax: +92-042-35290731

## Factory

Corrugation: 7-KM Sunder Raiwind  
 Road, Opp Gate No 1, Sunder Industrial  
 Estate.  
 Flexible: Plot No 141,142 and 142-B  
 Sunder Industrial Estate Lahore.

## Share Registrar

CDC Share Registrar Services Limited  
 CDC House, 99-B, Block B, S.M.C.H.S.  
 Main Shakra-e-Faisal, Karachi-74400

## Statutory Auditor

EY Ford Rhodes, Chartered  
 Accountants

## Head of Internal Audit

Ms. Faiza Khalid

## Legal Advisor

Zahid Irfan

## Stock Symbol

RPL

# At A Glance

<b>NET REVENUE</b> RS. IN MILLION	<b>HY-2022-23 : 5,187</b>	HY- 2021-22 : 4,039
<b>GROSS PROFIT</b> RS. IN MILLION	<b>HY-2022-23 : 574</b>	HY-2021-22 : 402
<b>PBT</b> RS. IN MILLION	<b>HY-2022-23 : 109</b>	HY-2021-22 : 109
<b>PAT</b> RS. IN MILLION	<b>HY-2022-23 : 78</b>	HY-2021-22 : 188
<b>EBIT</b> RS. IN MILLION	<b>HY-2022-23 : 265</b>	HY-2021-22 : 165
<b>EBITDA</b> RS. IN MILLION	<b>Q1-2022-23 : 368</b>	HY-2021-22 : 250
<b>EPS</b> RS. PER SHARE	<b>HY-2022-23 : 0.55</b>	HY-2021-22 : 1.32
<b>TOTAL EQUITY</b> RS. IN MILLION	<b>HY-2022-23 : 7,324</b>	FY-2021-22 : 7,245
<b>CURRENT RATIO</b> RATIO	<b>HY-2022-23 : 1.67</b>	FY-2021-22 : 1.62
<b>QUICK RATIO</b> RATIO	<b>HY-2022-23: 1.26</b>	FY-2021-22 : 1.21



UNCONSOLIDATED  
**FINANCIAL  
RESULTS**  
FOR THE PERIOD ENDED 31 DECEMBER 2022



# Directors' Report

## Dear Shareholders,

The Directors of the Company are pleased to present the Directors' Report along with the condensed interim financial statements of the Company for the half year ended on December 31, 2022.

## Financial Performance

The financial performance of the Company ("RPL") during the first half of the year is contained in the table below:

Description	Half Year Ended		Quarter Ended	
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
	Rupees in Million			
Sales	5,187	4,039	2,496	2,120
Cost of sales	4,613	3,637	2,247	1,898
Gross profit	574	402	249	222
Selling and distribution expenses	185	123	88	67
Other income	65	50	35	27
Finance cost	156	55	81	32
Net profit before taxation	109	109	38	60
Taxation (expense) / income	(31)	79	(4)	103
Net profit after taxation	78	188	35	163

During the six months ended December 31, 2022, the Company achieved net sales revenue of PKR 5,187 million as compared to PKR 4,039 million in the corresponding period last year, registering an increase by 28.4%. Despite the escalating energy cost and devaluation of currency the Company has managed to improve its gross profit to PKR 574 million as against PKR 402 million in the comparable period last year, reflecting an absolute increase of 42.6% and 110 bps improvement in gross profit margin due to improvement in sales mix and RPL's focus on efficient procurement, inventory management, and utilising the resources effectively.

However, the surge in general inflation, devaluation of Pak Rupee and high interest rates have counter balanced the aforesaid increase, keeping the profit before taxation consistent with the last year. Freight

# Directors' Report

and transportation cost has doubled on account of increased fuel prices. The KIBOR rate has jacked up to 18%, thereby resulting in an increase of 180% in the finance cost expense. Despite the political turmoil and economic uncertainty, the Company has managed to sustain its profitability at PKR 109 million.

Profit after taxation has however decreased to PKR 78 million as compared to PKR 188 million in the comparable period last year on account of net tax expense of PKR 31 million in the current period as against net deferred tax income in the comparable period, due to recognition of deferred tax asset on minimum and alternative taxation.

## Future Outlook:

The economy, over the years, has shown strong resilience despite unexpected volatility and uncertainty. The macro-economic outlook seems challenging on account of rising inflation, fiscal slippages and drying up of financial inflows and reserves. Moving forward, it is essential to sustain the reform momentum and focus on policies for securing stability and promoting sustainable growth.

The company is keeping a close eye on the macro-economic and fiscal challenges and focussing on strategies to counteract the supply chain disruptions arising from import and LC restrictions. Considering the uncertainty and to ensure continuous smooth supplies to our valued corporate customers the Company is also focussed to build local substitutes as a long-term future strategy which will help localization and economic development.

## Acknowledgment:

The Board is thankful to all of its stakeholders for their invaluable continued support to the Company. The Board would also like to acknowledge the dedication, diligence and hard work of the Company's employees during an unprecedented time.

# ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز،

کمپنی کے ڈائریکٹرز 31 دسمبر 2022 کو ختم ہونے والی ششماہی کے لیے کمپنی کے عبوری مالیاتی گوشواروں کے ساتھ ڈائریکٹرز کی رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

مالیاتی کارکردگی

سال کی پہلی ششماہی کے دوران کمپنی کی مالی کارکردگی درج ذیل جدول میں موجود ہے

تفصیل	سہ ماہی احتمال		نصف سال احتمال	
	31 دسمبر 2021	31 دسمبر 2022	31 دسمبر 2021	31 دسمبر 2022
	ملین میں روپے			
فروخت	2,120	2,496	4,039	5,187
فروخت کی لاگت	1,898	2,247	3,637	4,613
کل منافع	222	249	402	574
فروخت اور تقسیم کے اخراجات	67	88	123	185
مزید آمدنی	27	35	50	65
مالیاتی لاگت	32	81	55	156
ٹیکس سے پہلے خالص منافع	60	38	109	109
ٹیکس (خرچ) / آمدنی	103	(4)	79	(31)
ٹیکس کے بعد خالص منافع	163	35	188	78

31 دسمبر 2022 کو ختم ہونے والی ششماہی کے دوران، کمپنی نے گزشتہ سال کی اسی مدت میں 4,039 ملین روپے کے مقابلے میں 5,187 ملین روپے خالص سیلز ریونیو حاصل کیا، جس میں 28.4 فیصد اضافہ درج ہوا۔ توانائی کی بڑھتی ہوئی لاگت اور کرنسی کی قدر میں کمی کے باوجود کمپنی اپنے مجموعی منافع کو 574 ملین روپے تک بڑھانے میں کامیاب ہو گئی ہے جو گزشتہ سال تقابلی مدت میں 402 ملین روپے تھی، جو کہ مجموعی منافع کے مارجن میں 42.6 فیصد کے مطلق اضافہ اور 110bps کی بہتری کی عکاسی کرتی ہے۔ کمپنی کی توجہ بیلنس میں بہتری، موثر خریداری، انویسٹری مینجمنٹ اور وسائل کو مؤثر طریقے سے استعمال کرنے پر مرکوز ہے۔

تاہم، عام بینکاری میں اضافے، پاکستانی روپے کی قدر میں کمی اور بلند شرح سود نے مذکورہ بالا اضافے کو متوازن کر دیا ہے، جب کہ ٹیکس لگانے سے پہلے کا منافع گزشتہ سال کے ساتھ ہم آہنگ رہا ہے۔ ایندھن کی قیمتوں میں اضافے کی وجہ سے مال برداری اور نقل و حمل کی لاگت دوگنی ہو گئی ہے۔ KIBOR کی شرح 18 فیصد تک بڑھ گئی ہے، جس کے نتیجے میں مالیاتی لاگت کے اخراجات میں 180 فیصد اضافہ ہوا ہے۔ سیاسی بحران اور معاشی غیر یقینی کے باوجود، کمپنی 109 ملین روپے پر اپنا منافع برقرار رکھنے میں کامیاب رہی ہے۔

تاہم بعد از ٹیکس منافع کم ہو کر 78 ملین روپے ہو گیا ہے جو کہ گزشتہ سال تقابلی مدت میں 188 ملین روپے تھا جو موجودہ مدت میں 31 ملین روپے کے خالص ٹیکس اخراجات کا اندراج ہوا جبکہ تقابلی مدت میں خالص موثر ٹیکس آمدنی جو کہ 79 ملین روپے تھی، کا اندراج ہوا۔ موثر ٹیکس آمدنی کم از کم اور متبادل ٹیکس کے اندراج کی وجہ سے ہوئی۔

# ڈائریکٹرز رپورٹ

مستقبل کا بیانیہ

غیر متوقع اتار چڑھاؤ اور غیر یقینی صورتحال کے باوجود گزشتہ برسوں کے دوران معیشت نے لچک دکھائی ہے۔ بڑھتی ہوئی افراط زر، مالیاتی گراؤ اور مالیاتی ذخائر کی کمی ہونے کی وجہ سے مجموعی معیشت کا مستقبل نہایت مشکل نظر آتا ہے۔ آگے بڑھتے ہوئے، یہ ضروری ہے کہ اصلاحات کی رفتار کو برقرار رکھا جائے اور استحکام کو محفوظ بنانے اور پائیدار ترقی کو فروغ دینے کے لیے پالیسیوں پر توجہ دی جائے۔

کمپنی میکرو اکنامک اور مالیاتی چیلنجوں پر گہری نظر رکھے ہوئے ہے، درآمد اور ایل سی پر پابندیوں سے پیدا ہونے والی سپلائی چین میں رکاوٹوں کا مقابلہ کرنے کے لیے حکمت عملی پر توجہ مرکوز کر رہی ہے۔ غیر یقینی صورتحال کو مد نظر رکھتے ہوئے اور ہمارے قابل قدر کارپوریٹ صارفین کو مسلسل ہموار سپلائی کو یقینی بنانے کے لیے کمپنی ایک طویل مدتی مستقبل کی حکمت عملی کے طور پر مقامی متبادل ذرائع اپنانے پر بھی توجہ مرکوز کر رہی ہے جس سے مقامی صنعت کو فروغ اور اقتصادی ترقی میں مدد ملے گی۔

اظہار تشکر

بورڈ اپنے تمام اسٹیک ہولڈرز کا، کمپنی کے لیے ان کی انمول مسلسل تعاون کا شکر یہ ادا کرتا ہے۔ بورڈ غیر معمولی وقت کے دوران کمپنی کے ملازمین کی لگن، ہمدردی اور محنت کو بھی تسلیم کرتا ہے۔

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF ROSHAN PACKAGES LIMITED  
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Roshan Packages Limited (the Company) as at 31 December 2022, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the sixmonth period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Other matter**

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-month period ended 31 December 2022 and 2021 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended 31 December 2022.

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



**EY Ford Rhodes**  
**Chartered Accountants**  
**Engagement Partner: Muhammad Ahsan Shahzad**  
**Lahore**

**ROSHAN PACKAGES LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

		<u>Un-audited</u> <u>31 December 2022</u>	<u>Audited</u> <u>30 June 2022</u>
	Note	Rupees	Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	5,310,865,097	5,368,016,668
Right of use assets		64,803,963	81,982,291
Investment in subsidiary	6	160,618,966	160,618,966
Long-term loans - related parties	7	495,018,538	450,018,538
Long term deposits		47,992,813	21,353,650
		<b>6,079,299,377</b>	<b>6,081,990,113</b>
<b>Current assets</b>			
Stores, spares and other consumables		332,537,330	278,700,831
Stock-in-trade		1,262,389,147	1,350,850,860
Contract assets		150,832,446	199,255,658
Trade receivables	8	2,121,369,905	2,266,048,213
Current portion of long term loans - related parties	7	130,864,885	130,864,885
Advances, deposits, prepayments and other receivables		90,127,498	237,568,277
Tax refunds due from Government		302,251,957	375,096,375
Cash and bank balances	9	781,913,306	505,249,511
		<b>5,172,286,474</b>	<b>5,343,634,610</b>
		<b>11,251,585,851</b>	<b>11,425,624,723</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Authorized share capital</b>			
200,000,000 (30 June 2022: 200,000,000) ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
<b>Issued, subscribed and paid up share capital</b>			
		1,419,000,000	1,419,000,000
<b>Capital reserves</b>			
Share premium		1,994,789,057	1,994,789,057
Surplus on revaluation of property, plant and equipment		2,598,563,992	2,626,922,292
		4,593,353,049	4,621,711,349
<b>Revenue reserve</b>			
Un-appropriated profit		1,311,231,465	1,204,708,319
<b>TOTAL EQUITY</b>		<b>7,323,584,514</b>	<b>7,245,419,668</b>
<b>Non-current liabilities</b>			
Long-term financing	10	121,436,253	138,784,287
Lease liabilities		36,417,497	53,809,165
Deferred taxation	11	507,448,991	543,919,188
Deferred liabilities		160,192,367	154,279,763
		825,495,108	890,792,403
<b>Current liabilities</b>			
Current portion of non-current liabilities		67,082,379	83,209,878
Short-term borrowings	12	1,665,530,268	1,728,820,658
Trade and other payables		1,292,075,856	1,337,643,474
Contract liabilities		18,174,239	84,548,248
Accrued finance cost		57,885,486	53,389,378
Unclaimed dividend		1,758,001	1,801,016
		<b>3,102,506,229</b>	<b>3,289,412,652</b>
		<b>3,928,001,337</b>	<b>4,180,205,055</b>
<b>TOTAL LIABILITIES</b>		<b>11,251,585,851</b>	<b>11,425,624,723</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			
<b>CONTINGENCIES AND COMMITMENTS</b>			
	13		

The annexed notes, 1 to 22, form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Director



Chief Financial Officer

**ROSHAN PACKAGES LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2022**

Note	Six months ended		Three months ended	
	(Un-audited)		(Un-audited)	
	2022	2021	2022	2021
	Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers	6,085,811,913	4,716,577,753	2,930,164,624	2,467,442,903
Less: Sales tax	(899,069,923)	(677,168,672)	(434,548,416)	(347,562,637)
<b>Net revenue</b>	<b>5,186,741,990</b>	<b>4,039,409,081</b>	<b>2,495,616,208</b>	<b>2,119,880,266</b>
Cost of revenue	(4,612,828,024)	(3,636,927,633)	(2,247,170,060)	(1,898,232,958)
<b>Gross profit</b>	<b>573,913,966</b>	<b>402,481,448</b>	<b>248,446,148</b>	<b>221,647,308</b>
Administrative expenses	(136,269,442)	(100,570,669)	(72,730,967)	(59,030,144)
Selling and distribution expenses	(184,945,641)	(123,194,330)	(88,249,496)	(67,052,875)
Other operating expenses	(22,310,735)	(8,694,897)	(2,793,978)	(5,017,757)
	(343,525,818)	(232,459,896)	(163,774,441)	(131,100,776)
<b>Operating profit</b>	<b>230,388,148</b>	<b>170,021,552</b>	<b>84,671,707</b>	<b>90,546,532</b>
Other income	64,547,455	50,417,032	35,153,529	27,061,549
Other expenses	(30,107,803)	(55,670,587)	(358,000)	(25,674,310)
Finance cost	(155,508,653)	(55,447,300)	(80,995,857)	(31,874,283)
<b>Profit before taxation</b>	<b>109,319,147</b>	<b>109,320,697</b>	<b>38,471,379</b>	<b>60,059,488</b>
Taxation	(31,154,301)	78,508,366	(3,814,855)	103,018,332
<b>Profit for the period</b>	<b>78,164,846</b>	<b>187,829,063</b>	<b>34,656,524</b>	<b>163,077,820</b>
<b>Earnings per share - Basic and diluted</b>	<b>0.55</b>	<b>1.32</b>	<b>0.24</b>	<b>1.15</b>

The annexed notes, 1 to 22, form an integral part of these condensed interim unconsolidated financial statements.

  
 \_\_\_\_\_  
**Chief Executive**

  
 \_\_\_\_\_  
**Director**

  
 \_\_\_\_\_  
**Chief Financial Officer**

**ROSHAN PACKAGES LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2022**

	Six months ended		Three months ended	
	(Un-audited)		(Un-audited)	
	2022	2021	2022	2021
	Rupees	Rupees	Rupees	Rupees
<b>Profit for the period</b>	<b>78,164,846</b>	<b>187,829,063</b>	<b>34,656,524</b>	<b>163,077,820</b>
<b>Other comprehensive income - net of tax:</b>				
Items that may be reclassified subsequently to profit or loss:	-	-	-	-
Items that will not be subsequently reclassified to profit or loss:	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>78,164,846</b>	<b>187,829,063</b>	<b>34,656,524</b>	<b>163,077,820</b>

The annexed notes, 1 to 22, form an integral part of these condensed interim unconsolidated financial statements.

  
 \_\_\_\_\_  
**Chief Executive**

  
 \_\_\_\_\_  
**Director**

  
 \_\_\_\_\_  
**Chief Financial Officer**



ROSHAN PACKAGES LIMITED  
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2022

	Capital reserves		Revenue reserve		Total
	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	Reserve	
	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Balance as on 01 July 2021 (Un-audited)</b>	1,419,000,000	1,994,789,057	1,746,398,900	903,918,570	6,064,106,527
Total comprehensive income for the period	-	-	-	187,829,063	187,829,063
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	(24,399,408)	-	24,399,408	-
<b>Balance as on 31 December 2021 (Un-audited)</b>	1,419,000,000	1,994,789,057	1,721,999,492	1,116,147,041	6,251,935,590
<b>Balance as on 01 July 2022 (Un-audited)</b>	1,419,000,000	1,994,789,057	2,626,922,292	1,204,708,319	7,245,419,668
Total comprehensive income for the period	-	-	-	78,164,846	78,164,846
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(28,358,300)	28,358,300	-
<b>Balance as on 31 December 2022 (Un-audited)</b>	1,419,000,000	1,994,789,057	2,598,563,992	1,311,231,465	7,323,584,514

The annexed notes, 1 to 22, form an integral part of these condensed interim unconsolidated financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer

ROSHAN PACKAGES LIMITED  
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2022

	Un-audited Six months ended 2022	Un-audited Six months ended 2021
	Rupees	Rupees
<b>OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	109,319,147	109,320,697
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation on operating fixed assets	87,818,471	80,270,249
Depreciation on right-of-use assets	15,427,218	4,747,039
Interest income on loans	(51,961,658)	(26,234,015)
Finance cost	155,508,653	55,447,300
Provision for gratuity	15,923,334	15,646,668
Profit on bank deposits	(11,737,244)	(22,459,924)
Worker's Profit Participation Fund	6,399,612	5,820,310
Worker's Welfare Fund	2,848,156	2,874,587
Expected credit losses	13,062,967	-
Exchange loss - unrealized	2,899,449	12,896,474
Grant income	(608,658)	(1,191,416)
Operating fixed assets written off	49,516	-
Gain on disposal of operating fixed assets	-	(531,677)
Provision for accumulating compensated absences	1,453,254	1,240,825
	346,402,217	237,847,117
<b>Working capital adjustments:</b>		
<b>(Increase) / decrease in current assets:</b>		
Stores, spares and other consumables	(53,836,499)	(51,058,022)
Stock-in-trade	88,461,713	(476,113,059)
Trade receivables	131,615,341	(320,181,430)
Contract assets	48,423,212	(13,892,605)
Advances, deposits, prepayments and other receivables	173,514,679	(14,355,287)
Sales tax receivable - net	37,855,492	(2,870,682)
	426,033,938	(878,471,085)
<b>(Decrease) / increase in current liabilities:</b>		
Contract liabilities	(66,374,009)	29,974,847
Trade and other payables	(56,897,237)	263,026,368
	(123,271,246)	293,001,215
<b>Net cash generated from / (used in) operations</b>	649,164,909	(347,622,753)
Finance cost paid	(146,886,938)	(50,491,388)
Taxes (paid) / adjusted	(33,453,171)	17,949,249
Payment of Workers' Welfare Fund	-	(9,362,026)
Gratuity paid	(11,463,984)	(5,960,694)
Accumulating compensated absences paid	-	(121,281)
Net increase in long term deposits	(26,639,163)	(5,538,456)
	(218,443,256)	(53,524,596)
<b>Net cash generated from/(used in) operating activities</b>	430,721,653	(401,147,349)

**ROSHAN PACKAGES LIMITED**  
**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2022**

**INVESTING ACTIVITIES**

Purchase of property, plant and equipment	(29,135,001)	(31,097,060)
Long term loan given	(45,000,000)	(30,000,000)
Proceeds from disposal of operating fixed assets	-	826,800
Interest on long term loan received	28,826,864	7,612,476
Profit on bank deposits received	8,798,138	9,937,027
<b>Net cash used in investing activities</b>	<b>(36,509,999)</b>	<b>(42,720,757)</b>

**FINANCING ACTIVITIES**

Repayment of long term loans	(35,773,708)	(66,657,971)
Dividend paid	(43,015)	(153,832)
(Repayment of) / proceeds from short term borrowings - net	(13,631,219)	357,146,573
Repayment of lease liabilities	(18,440,746)	(9,216,601)
<b>Net cash (used in) / generated from financing activities</b>	<b>(67,888,688)</b>	<b>281,118,169</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>326,322,966</b>	<b>(162,749,937)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>264,470,407</b>	<b>635,883,439</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>590,793,373</b>	<b>473,133,502</b>

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The annexed notes, 1 to 22, form an integral part of these condensed interim unconsolidated financial statements.

  
 \_\_\_\_\_  
**Chief Executive**

  
 \_\_\_\_\_  
**Director**

  
 \_\_\_\_\_  
**Chief Financial Officer**

**1 THE COMPANY AND ITS OPERATIONS**

**1.1 Corporate and general information**

Roshan Packages Limited (the Company) was incorporated in Pakistan as a private company limited by shares on 13 August 2002 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017). The Company was converted into a public limited company on 23 September 2016 and got listed on Pakistan Stock Exchange Limited on 28 February 2017. It is principally engaged in the manufacture and sale of corrugation and flexible packaging materials.

**1.2 The geographical locations and addresses of the Company's business units, including production facilities are as under:**

- Head office and registered office: 325 G-III, M.A. Johar Town, Lahore.
- Marketing office: 104, Parsa Tower, PECHS Block-6, Shakra-e-Faisal, Karachi.
- Corrugation packaging plant: 7 km, Sundar Raiwind Road, Lahore.
- Flexible packaging plant: Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.

**1.3 These are separate condensed interim unconsolidated financial statements are of the Company in which investment in the subsidiary namely Roshan Sun Tao Paper Mills (Private) Limited (the Subsidiary) has been accounted for at cost less accumulated impairment losses, if any. Consolidated financial statements are prepared separately.**

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

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

Where provisions of and directives issued under the Act, differ with the requirements of IAS 34, the provisions of and directives issued under the Act, have been followed.

**2.2 These condensed interim unconsolidated financial statements are un-audited, but subject to limited scope review by the auditors, and are being submitted to the shareholders as required under Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019. These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the unconsolidated financial statements of the Company for the year ended 30 June 2022.**

**2.3 Selected explanatory notes are included to explain events and transactions that are significant to the understanding of changes in the Company's financial position and performance since the last annual unconsolidated financial statements.**

**2.4 The figures of the condensed interim unconsolidated statement of profit or loss and other comprehensive income for the three months ended 31 December 2022 and 31 December 2021 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the six months ended 31 December 2022 and 31 December 2021.**

**2.5 These condensed interim unconsolidated financial statements have been prepared under the historical cost convention and are presented in Pak Rupees, which is also the Company's functional currency. All figures have been rounded off to nearest rupees, unless otherwise stated.**

**2.6 Provisions in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.**

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2022, except for the adoption of amendments to approved accounting standards which became effective for the current period as disclosed in note 3.1 to these condensed interim unconsolidated financial statements. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

**3.1 Standards, amendments and interpretations to approved accounting standards that are effective in the current period**

The Company has adopted the following amendments to approved accounting standards which became effective during the current period:

**Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37**

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no impact on the condensed interim unconsolidated financial statements of the Company as there were no such contracts which may become onerous.

**ROSHAN PACKAGES LIMITED**  
**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS**

**Reference to the Conceptual Framework – Amendments to IFRS 3**

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3: Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37: Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21: Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the condensed interim unconsolidated financial statements of the Company as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arising during

**Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16**

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the condensed interim unconsolidated financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

**IFRS 9: Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39: Financial Instruments: Recognition and Measurement.

These amendments had no impact on the condensed interim unconsolidated financial statements of the Company as there were no modifications of the Company's financial instruments during the period.

**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of these condensed interim unconsolidated financial statements, in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim unconsolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the audited unconsolidated financial statements of the Company for the year ended 30 June 2022.

5	PROPERTY, PLANT AND EQUIPMENT	Note	Un-audited	Audited
			31 December 2022	30 June 2022
			Rupees	Rupees
	Operating fixed assets	5.1	5,310,230,898	5,365,747,906
	Capital work-in-progress	5.2	634,199	2,268,762
			<b>5,310,865,097</b>	<b>5,368,016,668</b>
<b>5.1 Movement during the period / year is as follows:</b>				
	Balance at the beginning of the period / year - net book value		5,365,747,906	4,467,326,597
	Additions / transfers during the period / year - cost	5.1.1	30,769,564	65,028,468
	Transfer from right of use asset during the period / year - net book value		1,581,415	5,539,317
	Revaluation adjustment		-	996,578,959
			<b>5,398,098,885</b>	<b>5,534,473,341</b>
Less:				
	Write-offs during the period / year - net book value		(49,516)	-
	Disposals during the period / year - net book value		-	(4,951,349)
	Depreciation during the period / year		(87,818,471)	(163,774,086)
			<b>(87,867,987)</b>	<b>(168,725,435)</b>
Net book value at the end of the period / year			<b>5,310,230,898</b>	<b>5,365,747,906</b>

**ROSHAN PACKAGES LIMITED**  
**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS**

5.1.1	The detail of additions / transfers made during the period / year is as follows:	Un-audited	Audited
		31 December 2022	30 June 2022
		Rupees	Rupees
	Buildings on freehold land	3,368,563	6,088,272
	Plant and machinery	21,383,420	33,275,037
	Electric installations	310,000	4,454,824
	Furniture and fixtures	110,476	1,501,455
	Office equipment	5,368,105	18,182,228
	Vehicles	229,000	1,526,652
		<b>30,769,564</b>	<b>65,028,468</b>

5.2	Capital work in progress	Un-audited	Audited
		2,268,762	493,404
	Opening balance	2,268,762	493,404
	Additions during the period / year	1,734,000	2,125,029
	Transfers during the period / year	(3,368,563)	(349,671)
		<b>634,199</b>	<b>2,268,762</b>

6	INVESTMENT IN SUBSIDIARY	Un-audited	Audited
		160,618,966	160,618,966
	At cost:	160,618,966	160,618,966
	Roshan Sun Tao Paper Mills (Private) Limited	160,618,966	160,618,966
	The Company directly holds 18,562,688 shares representing 100% ownership in Roshan Sun Tao Paper Mills (Private) Limited, a subsidiary company. It has been established to set up business of manufacturing, dealing and supply of corrugated papers. It has not yet commenced its operations.		

7	LONG-TERM LOANS - RELATED PARTIES	Note	Un-audited	Audited
			31 December 2022	30 June 2022
			Rupees	Rupees
<b>At amortized cost:</b>				
	Loan to associated undertaking - Roshan Enterprises	7.1	157,640,891	146,078,867
	Loan to subsidiary - Roshan Sun Tao Paper Mills (Private) Limited	7.2	517,994,071	461,421,301
			<b>675,634,962</b>	<b>607,500,168</b>
Less:				
	current portion of long term loans		(130,864,885)	(130,864,885)
	current portion of markup accrued - associated undertaking		(26,776,006)	(15,213,982)
	current portion of markup accrued - subsidiary		(22,975,533)	(11,402,763)
			<b>495,018,538</b>	<b>450,018,538</b>

7.1	Movement during the period / year is as follows:	Un-audited	Audited
		146,078,867	130,864,885
	Opening balance	146,078,867	130,864,885
	Markup accrued during the period / year:		
	as per original terms	11,131,654	15,213,982
	on account of penalty	430,370	-
		<b>11,562,024</b>	<b>15,213,982</b>
	Closing balance	<b>157,640,891</b>	<b>146,078,867</b>

**7.1.1** This unsecured loan carries markup at the rate of 1-Year KIBOR+2% (30 June 2022: 1-Year KIBOR+2%) per annum or average borrowing cost of the Company, whichever is higher. The effective interest rates ranged from 17.10% to 20.13% (30 June 2022: 10.06% to 17.10%) per annum.

Previously, the Company in its Annual General Meeting held on 28 October 2020, via special resolution and in accordance with requirements of Section 199 of the Companies Act, 2017, granted extension of two years to associated undertaking in repayment of loan, and as per revised terms and conditions, Roshan Enterprises was required to repay the entire principal amount by 28 October 2022. On delay in repayment of principal and markup on due date, in accordance with revised terms and conditions, a penalty of 2% per annum shall be levied in addition to agreed markup, from the due date till the repayment date.

In their meeting held on 22 December 2022, the Board of Directors of the Company have accepted the offer by partners/owners of Roshan Enterprises, who are also the directors of the Company, for full settlement through transfer of land, building and transformer, situated in Tehsil Bhalwal, District Sargodha, Punjab, valued at Rs. 214.87 million (Forced Sale Value of Rs. 182.64 million). The offer has also been approved by shareholders of the Company, via special resolution, in their Extra Ordinary General Meeting held on 16 January 2023. The fair value assessment of property and related equipment was carried out in December 2022 by Unicorn International Surveyors, an independent valuer, registered with Pakistan Banking Association (PBA), having suitable recent pertinent experience of valuation in concerned location and type of assets. Upon transfer of title in the land records of Government of Punjab to and possession of the property by the Company, the Company would derecognize the amount of loan, markup and additional penalty due till January 31, 2023. Any excess consideration, as reduced by transaction/ transfer costs amounting to Rs. 13.38 million, would be adjusted as a transaction between owners in the statement of changes in equity. Accordingly, as of reporting date, allowance for expected credit loss has been estimated to be insignificant and has not been recognized in these condensed interim unconsolidated financial statements. In respect of ongoing settlement, the Company has complied with the related requirements of sections 199 and 208 of the Companies Act, 2017 and other applicable laws and regulations.

**ROSHAN PACKAGES LIMITED**  
**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS**

	Un-audited 31 December 2022	Audited 30 June 2022
	Rupees	Rupees
<b>7.2 Movement in loan to subsidiary during the period / year is as follows:</b>		
Opening balance	461,421,301	387,697,897
Loan disbursed during the period / year	45,000,000	70,901,956
Markup accrued during the period / year	40,399,634	41,639,278
Markup received during the period / year	(28,826,864)	(38,817,830)
Closing balance	<u>517,994,071</u>	<u>461,421,301</u>
<b>7.2.1</b> There is no material change in the terms and conditions of the long-term loan to the subsidiary from those disclosed in the Company's unconsolidated financial statements for the year ended 30 June 2022.		
	Un-audited 31 December 2022	Audited 30 June 2022
	Rupees	Rupees
<b>8 TRADE RECEIVABLES</b>		
Trade receivables	2,350,829,730	2,483,045,071
Less: Allowance for expected credit losses	(229,459,825)	(216,996,858)
	<u>2,121,369,905</u>	<u>2,266,048,213</u>
<b>9 CASH AND BANK BALANCES</b>		
Cash in hand	952,441	1,160,144
Balances with banks:		
Savings accounts	9.1 <u>641,221,677</u>	337,829,597
Current accounts	<u>139,739,188</u>	166,259,770
	<u>780,960,865</u>	504,089,367
	<u>781,913,306</u>	<u>505,249,511</u>
<b>9.1</b> The savings accounts earn interest at floating rates based on daily bank deposit rates ranging from 4.75% to 14.75% (30 June 2022: 5.83% to 13.35%) per annum.		
	Un-audited 31 December 2022	Audited 30 June 2022
	Rupees	Rupees
<b>10 LONG TERM FINANCES - SECURED</b>		
Dubai Islamic Bank Limited - Refinance scheme	10.1 -	18,112,586
Allied Bank Limited - Supplier credit loan	10.2 <u>156,132,321</u>	173,480,355
	<u>156,132,321</u>	191,592,941
Current portion shown under current liabilities	<u>(34,696,068)</u>	(52,808,654)
	<u>121,436,253</u>	<u>138,784,287</u>
<b>10.1 Dubai Islamic Bank Limited - Refinance scheme</b>		
Opening balance	18,112,586	53,467,967
Interest accrued during the period / year	313,088	2,712,611
Repaid during the period / year	<u>(18,425,674)</u>	(38,067,992)
	-	18,112,586
Current portion shown under current liabilities	-	(18,112,586)
Closing balance	<u>-</u>	<u>-</u>
<b>10.2 Allied Bank Limited - Supplier credit loan</b>		
Opening balance	173,480,355	-
Obtained during the period / year	-	173,480,355
Repaid during the period / year	<u>(17,348,034)</u>	-
	<u>156,132,321</u>	173,480,355
Current portion shown under current liabilities	<u>(34,696,068)</u>	(34,696,068)
Closing balance	<u>121,436,253</u>	<u>138,784,287</u>
<b>10.3</b> There is no material change in the terms and conditions of the long-term loans from those disclosed in the Company's unconsolidated financial statements for the year ended 30 June 2022.		

**ROSHAN PACKAGES LIMITED**  
**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS**

	Un-audited 31 December 2022			
	Opening balance	Charge / (Credit) to profit or loss	Charge to other comprehensive income	Closing balance
	------(Rupee s)-----			
<b>11 DEFERRED TAXATION</b>				
<b>Taxable temporary difference</b>				
Accelerated tax depreciation	357,444,723	3,379,223	-	360,823,946
Revaluation surplus	457,889,707	(8,791,071)	-	449,098,636
Right-of-use assets	25,414,510	(5,325,281)	-	20,089,229
<b>Deductible temporary difference</b>				
Allowance for ECL on trade receivables	(67,269,026)	(3,863,520)	-	(71,132,546)
Lease liabilities	(25,916,537)	4,587,357	-	(21,329,180)
Minimum tax	(191,457,239)	(26,456,905)	-	(217,914,144)
Alternative corporate tax	(12,186,950)	-	-	(12,186,950)
	<u>543,919,188</u>	<u>(36,470,197)</u>	-	<u>507,448,991</u>
	Audited 30 June 2022			
	Opening balance	Charge / (credit) to profit or loss	Charge to other comprehensive income	Closing balance
	------(Rupee s)-----			
<b>Taxable temporary difference</b>				
Accelerated tax depreciation	321,200,062	36,244,661	-	357,444,723
Revaluation surplus	390,149,555	(14,910,033)	82,650,185	457,889,707
Right-of-use assets	9,695,212	15,719,298	-	25,414,510
<b>Deductible temporary difference</b>				
Allowance for ECL on trade receivables	(67,820,822)	551,796	-	(67,269,026)
Deferred liabilities	(41,444,442)	41,444,442	-	-
Lease liabilities	(9,671,049)	(16,245,488)	-	(25,916,537)
Minimum tax	(15,272,266)	(176,184,973)	-	(191,457,239)
Alternative corporate tax	(12,186,950)	-	-	(12,186,950)
	<u>574,649,300</u>	<u>(113,380,297)</u>	82,650,185	<u>543,919,188</u>
	Un-audited 31 December 2022	Audited 30 June 2022		
	Rupees	Rupees		
<b>12 SHORT TERM BORROWINGS - SECURED</b>				
Running finance			191,119,933	240,779,104
Term finances:				
- import finance / murabaha			<u>306,262,734</u>	310,233,786
- istisna / wakala			<u>1,168,147,601</u>	1,177,807,768
			<u>1,474,410,335</u>	1,488,041,554
			<u>1,665,530,268</u>	1,728,820,658
<b>12.1 Aggregate limits of borrowings</b>				
Aggregate sanctioned limit of all above facilities including limit for opening letters of credit and guarantees is Rs. 3,740 million (30 June 2022: Rs.3,690 million) in which un-availed credit limit as at 31 December 2022 is Rs. 2,009 million (30 June 2022: Rs. 1,961 million). The aggregate facilities for opening letters of credit and guarantees are secured by a first pari passu charge over current assets of the Company and lien over import documents.				
<b>12.2</b> There is no material change in the terms and conditions of the short-term borrowings from those disclosed in note 28 to the Company's unconsolidated financial statements for the year ended June 30, 2022.				
<b>13 CONTINGENCIES AND COMMITMENTS</b>				
<b>13.1 Contingencies</b>				
There is no significant change in the status of contingencies and commitments set out in note 32 to the Company's unconsolidated financial statements for the year ended June 30, 2022.				
<b>13.2 Commitments</b>				
(a) There has been no significant change in the commitments in respect of contracts for capital expenditure since 30 June 2022; and				
(b) Letters of credit and contracts other than for capital expenditure amounting to Rs. 45.43 million (30 June 2022: Rs.183.50 million).				

**ROSHAN PACKAGES LIMITED**

**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS**

**13.3 Guarantee**

The banks have issued the following guarantees on behalf of the Company:

- (a) Letter of guarantee issued in favor of Sui Northern Gas Pipelines Limited amounting to Rs. 40.19 million (30 June 2022: Rs. 30.07 million); and  
 (b) Letter of guarantee issued in favor of Total Parco Pakistan Limited amounting to Rs. 14.50 million (30 June 2022: Rs. 14.50 million).

**14 REVENUE FROM CONTRACTS WITH CUSTOMERS**

**14.1 Disaggregation of revenue from contracts with customers:**

In the following table, revenue from contracts with customers is disaggregated by major product lines and timing of revenue recognition:

Note	Six months ended (Un-audited)		Three months ended (Un-audited)		
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	
	Rupees	Rupees	Rupees	Rupees	
<b>Major product lines:</b>					
- Made-to-order packaging products	14.2	4,654,487,402	3,622,476,179	2,274,886,262	1,868,838,554
- Standard packaging products		532,254,588	416,932,902	220,729,946	251,041,712
		<b>5,186,741,990</b>	<b>4,039,409,081</b>	<b>2,495,616,208</b>	<b>2,119,880,266</b>
<b>Timing of revenue recognition:</b>					
- Products transferred over time	14.2	4,654,487,402	3,622,476,179	2,274,886,262	1,868,838,554
- Products transferred at a point in time		532,254,588	416,932,902	220,729,946	251,041,712
		<b>5,186,741,990</b>	<b>4,039,409,081</b>	<b>2,495,616,208</b>	<b>2,119,880,266</b>
<b>Geographical market:</b>					
- Pakistan	14.2	5,186,741,990	4,039,409,081	2,495,616,208	2,119,880,266

14.2 This includes unbilled revenue amounting to Rs. 150.83 million (31 December 2021: Rs. 106.2 million).

**14.3 Performance obligation:**

The Company makes sales against advances as well as on credit terms. In case of credit sales, payment is generally due within 7 to 365 days from delivery. The company has determined that for made-to-order packaging products, the customer controls all the work in progress as the products are being manufactured. The customers obtain control of standard packaging when goods are either dispatched or delivered to them and have been accepted at their premises.

	Six months ended (Un-audited)		Three months ended (Un-audited)	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Rupees	Rupees	Rupees	Rupees
<b>15 COST OF REVENUE</b>				
Raw materials consumed	3,780,685,983	3,066,546,089	1,876,775,283	1,605,512,084
Carriage inward expenses	2,209,825	2,575,172	610,037	1,129,170
Packing material consumed	20,020,690	14,506,808	10,415,468	7,400,559
Production supplies	105,339,814	78,434,378	61,539,971	44,201,420
Fuel and power	293,257,504	175,870,714	126,189,079	94,587,595
Salaries, wages and other benefits	208,368,334	170,229,339	101,902,107	80,151,076
Repairs and maintenance	41,537,042	52,314,157	27,453,100	28,187,117
Printing and stationery	953,933	639,147	443,507	363,138
Insurance	3,156,991	2,456,096	1,979,503	1,215,758
Rent	713,143	5,646,270	111,078	5,286,012
Travelling and conveyance	27,370,428	14,133,916	14,870,891	6,557,664
Communication expenses	473,462	401,342	174,415	108,286
Vehicle running expenses	4,896,036	5,861,005	3,180,826	2,839,295
Depreciation on operating fixed assets	85,232,921	77,687,796	40,602,059	40,503,834
Depreciation on right of use assets	10,518,020	217,454	5,218,111	108,727
Others	10,885,753	6,727,280	6,846,217	3,752,291
Cost of goods manufactured	4,595,619,879	3,674,246,963	2,278,311,652	1,921,904,026
Opening stock of finished goods	91,454,493	48,238,056	43,104,756	61,886,318
Closing stock of finished goods	(74,246,348)	(85,557,386)	(74,246,348)	(85,557,386)
	<b>17,208,145</b>	<b>(37,319,330)</b>	<b>(31,141,592)</b>	<b>(23,671,068)</b>
	<b>4,612,828,024</b>	<b>3,636,927,633</b>	<b>2,247,170,060</b>	<b>1,898,232,958</b>

**ROSHAN PACKAGES LIMITED**

**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS**

**16 EARNINGS PER SHARE - BASIC AND DILUTED**

Basic and diluted earnings per share are same because the Company has not issued any convertible bonds, convertible preference shares, options, warrants or employee share options. Thus, earnings per share of the Company are as follows:

	Six months ended (Un-audited)		Three months ended (Un-audited)		
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	
	Profit attributable to owners of the Company	Rupees	78,164,846	187,829,063	34,656,524
Weighted-average number of ordinary shares	Number	141,900,000	141,900,000	141,900,000	141,900,000
Basic earnings per share	Rupees	0.55	1.32	0.24	1.15

**17 CASH AND CASH EQUIVALENTS**

The figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the condensed interim unconsolidated statement of cash flows at reporting date as follows:

	Note	Un-audited	
		31 December 2022	31 December 2021
		Rupees	Rupees
Short term investments		-	482,085,000
Cash and bank balances	9	781,913,306	204,972,099
Short term borrowings - running finance	12	(191,119,933)	(213,923,597)
		<b>590,793,373</b>	<b>473,133,502</b>

**18 TRANSACTIONS WITH RELATED PARTIES**

The Company's related parties consist of its wholly owned subsidiary, associated undertakings, directors and key management personnel and their associates. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties have been disclosed in the respective notes to these condensed interim unconsolidated financial statements other than the following:

Relationship with the Company	Name of related party	Nature of Transactions	Un-audited		Un-audited	
			Six months ended		Three months ended	
			31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Rupees	Rupees	Rupees	Rupees	
Wholly owned subsidiary	Roshan Sun Tao	Long term loan to subsidiary	45,000,000	30,000,000	27,000,000	12,500,000
	Paper Mills (Private) Limited	Markup accrued on loan	40,399,634	19,721,176	40,399,634	10,032,507
		Markup received	28,826,864	7,612,377	35,409,525	-
Associated undertaking	Roshan Enterprises	Markup accrued on long term loan	11,562,024	6,512,304	6,042,260	3,404,765
		Sale of packaging material	-	1,660,975	-	1,660,975
		Receipts during the period	3,188,237	1,965,454	3,188,237	1,965,454
Associated undertaking	Al-Firdusi Exporters	Sale of packaging material	11,338,822	8,027,203	11,338,822	5,429,248
		Receipts during the period	8,980,675	10,196,851	8,980,675	7,691,734
		Trade debts	3,865,400	-	3,865,400	-

**19 FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and other price risk), credit risk and liquidity risk. These condensed interim unconsolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's financial statements for the year ended 30 June 2022.

There have been no changes in the risk management department or in any risk management policies since the year ended 30 June 2022.

**20 FAIR VALUE OF FINANCIAL INSTRUMENTS**

There is no change in the nature and corresponding hierarchies of fair valuation levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended 30 June 2022.

**21 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim unconsolidated financial statements were approved and authorized for issue on **01-March-2023** by the Board of Directors of the Company.

**22 CORRESPONDING FIGURES**

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim unconsolidated statement of financial position has been compared with the balances of annual audited unconsolidated financial statements of preceding financial year, whereas, the condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows have been compared with the amounts/balances of comparable period of immediately preceding financial year.



Chief Executive



Director



Chief Financial Officer



# CONSOLIDATED FINANCIAL RESULTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

# Directors' Report

Dear Shareholders,

The Directors of the Group are pleased to present the Directors' Report along with the condensed interim consolidated Financial Statements of the Group for the half year ended on December 31, 2022.

## Strong Financial Performance

The financial performance of the Group during the first half of the year is contained in the table below:

	Half Year Ended		Quarter Ended	
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
Rupees in Million				
Sales	5,187	4,039	2,496	2,120
Cost of sales	4,613	3,637	2,247	1,898
Gross profit	574	402	249	222
Selling and distribution expenses	185	123	88	67
Finance cost	156	56	81	33
Net profit before tax	55	79	(16)	37
Tax (expense) / income	(31)	79	(4)	103
Net profit after tax	23	158	(20)	140

During the six months ended December 31, 2022, the Group achieved net sales revenue of PKR 5,187 million as compared to PKR 4,039 million in the corresponding period last year, registering an increase by 28.4%. Despite the escalating energy cost and devaluation of currency the Group has managed to improve its gross profit to PKR 574 million as against PKR 402 million in the comparable period last year, reflecting an absolute increase of 42.6% and 110 bps improvement in gross profit margin due to improvement in sales mix and Group's focus on efficient procurement, inventory management, and utilising the resources effectively.

However, the surge in general inflation, devaluation of Pak Rupee and high interest rates have counter balanced the aforesaid increase, keeping the profit before taxation consistent with the last year. Freight and transportation cost has doubled on account of increased fuel prices. The KIBOR rate has jacked up to 18%, thereby resulting in an increase of 176% in the finance cost expense. The aforesaid have resulted in

# Directors' Report

a decrease in profit before tax by PKR 24 million. Moreover, profit after taxation has decreased by PKR 134 million on account of net tax expense of PKR 31 million in the current period as against net deferred tax income in the comparable period, due to recognition of deferred tax asset on minimum and alternative taxation.s

## Future Outlook:

The economy, over the years, has shown strong resilience despite unexpected volatility and uncertainty. The macro-economic outlook seems challenging on account of rising inflation, fiscal slippages and drying up of financial inflows and reserves. Moving forward, it is essential to sustain the reform momentum and focus on policies for securing stability and promoting sustainable growth.

The Group is keeping a close eye on the macro-economic and fiscal challenges and focussing on strategies to counteract the supply chain disruptions arising from import and LC restrictions. Considering the uncertainty and to ensure continuous smooth supplies to our valued corporate customers the Group is also focussed to build local substitutes as a long-term future strategy which will help localization and economic development.

## Acknowledgment:

The Board is thankful to all of its stakeholders for their invaluable continued support to the Group. The Board would also like to acknowledge the dedication, diligence and hard work of the Group's employees during an unprecedented time.

**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

ASSETS	Note	Un-audited	Audited
		31 December 2022	30 June 2022
		Rupees	Rupees
<b>Non-current assets</b>			
Property, plant and equipment	5	6,949,583,452	7,005,666,365
Right of use assets		64,803,963	81,982,291
Long-term loan to related party	6	-	-
Long term deposits		47,992,813	22,463,630
		<b>7,062,380,228</b>	<b>7,110,112,286</b>
<b>Current assets</b>			
Stores, spares and other consumables		332,537,330	278,700,831
Stock-in-trade		1,262,389,147	1,350,850,860
Contract assets		150,832,446	199,255,658
Trade receivables	7	2,121,369,905	2,266,048,213
Current portion of long term loan to related party	6	130,864,885	130,864,885
Advances, deposits, prepayments and other receivables		68,998,849	228,079,246
Tax refunds due from Government		322,950,787	399,842,320
Cash and bank balances	8	782,192,451	505,279,477
		<b>5,172,135,800</b>	<b>5,358,921,490</b>
<b>TOTAL ASSETS</b>		<b>12,234,516,028</b>	<b>12,469,033,776</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Authorized share capital</b>			
200,000,000 (30 June 2022: 200,000,000) ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
<b>Issued, subscribed and paid up share capital</b>		<b>1,419,000,000</b>	<b>1,419,000,000</b>
<b>Capital reserves</b>			
Share premium		1,994,789,057	1,994,789,057
Surplus on revaluation of property, plant and equipment		3,755,345,110	3,783,703,410
		<b>5,750,134,167</b>	<b>5,778,492,467</b>
<b>Revenue reserve</b>			
Un-appropriated profit		1,134,243,529	1,082,408,607
<b>TOTAL EQUITY</b>		<b>8,303,377,696</b>	<b>8,279,901,074</b>
<b>Non-current liabilities</b>			
Long-term financing	9	121,436,253	138,784,287
Lease liabilities		36,417,497	53,809,165
Deferred taxation	10	507,448,991	543,919,188
Deferred liabilities		160,192,367	154,279,763
		<b>825,495,108</b>	<b>890,792,403</b>
<b>Current liabilities</b>			
Current portion of non-current liabilities		67,082,379	83,209,878
Short-term borrowings	11	1,665,530,268	1,728,820,658
Trade and other payables		1,295,212,851	1,346,571,121
Contract liabilities		18,174,239	84,548,248
Accrued finance cost		57,885,486	53,389,378
Unclaimed dividend		1,758,001	1,801,016
		<b>3,105,643,224</b>	<b>3,298,340,299</b>
<b>TOTAL LIABILITIES</b>		<b>3,931,138,332</b>	<b>4,189,132,702</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,234,516,028</b>	<b>12,469,033,776</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	12		

The annexed notes, 1 to 21, form an integral part of these condensed interim consolidated financial statements.

**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2022**

Note	Six months ended		Three months ended	
	(Un-audited)		(Un-audited)	
	2022	2021	2022	2021
	Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers	6,085,811,913	4,716,577,753	2,930,164,624	2,467,442,903
Less: Sales tax	(899,069,923)	(677,168,672)	(434,548,416)	(347,562,637)
<b>Net revenue</b>	<b>5,186,741,990</b>	<b>4,039,409,081</b>	<b>2,495,616,208</b>	<b>2,119,880,266</b>
Cost of revenue	(4,612,828,024)	(3,636,927,633)	(2,247,170,060)	(1,898,232,958)
<b>Gross profit</b>	<b>573,913,966</b>	<b>402,481,448</b>	<b>248,446,148</b>	<b>221,647,308</b>
Administrative expenses	(150,473,211)	(110,033,942)	(80,244,884)	(61,232,162)
Selling and distribution expenses	(185,028,691)	(123,194,330)	(88,269,496)	(67,052,875)
Other operating expenses	(22,310,735)	(8,694,897)	(15,856,945)	(5,017,757)
	<b>(357,812,637)</b>	<b>(241,923,169)</b>	<b>(184,371,325)</b>	<b>(133,302,794)</b>
<b>Operating profit</b>	<b>216,101,329</b>	<b>160,558,279</b>	<b>64,074,823</b>	<b>88,344,514</b>
Other income	24,147,822	30,695,856	12,177,998	15,901,653
Other expenses	(30,107,803)	(55,670,587)	(358,000)	(25,674,310)
Finance cost	(155,510,425)	(56,334,280)	(80,997,629)	(32,685,863)
<b>Profit before taxation</b>	<b>54,630,923</b>	<b>79,249,268</b>	<b>(5,102,808)</b>	<b>45,885,994</b>
Taxation	(31,154,301)	78,508,366	(3,814,855)	103,018,332
<b>Profit for the period</b>	<b>23,476,622</b>	<b>157,757,634</b>	<b>(8,917,663)</b>	<b>148,904,326</b>
<b>Earnings per share - Basic and diluted</b>	<b>0.17</b>	<b>1.11</b>	<b>(0.06)</b>	<b>1.05</b>

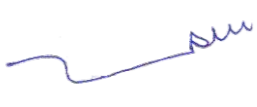
The annexed notes, 1 to 21, form an integral part of these condensed interim consolidated financial statements.

  
 Chief Executive

  
 Director

  
 Chief Financial Officer

  
 Chief Executive

  
 Director

  
 Chief Financial Officer

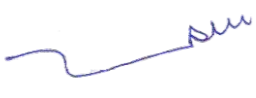


**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2022**

	Six months ended		Three months ended	
	(Un-audited)		(Un-audited)	
	2022	2021	2022	2021
	Rupees	Rupees	Rupees	Rupees
Profit for the period	23,476,622	157,757,634	(8,917,663)	148,904,326
Other comprehensive income - net of tax:				
Items that may be reclassified subsequently to profit or loss:	-	-	-	-
Items that will not be subsequently reclassified to profit or loss:	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>23,476,622</b>	<b>157,757,634</b>	<b>(8,917,663)</b>	<b>148,904,326</b>

The annexed notes, 1 to 21, form an integral part of these condensed interim consolidated financial statements.

  
 \_\_\_\_\_  
 Chief Executive

  
 \_\_\_\_\_  
 Director


  
 \_\_\_\_\_  
 Chief Financial Officer

**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2022**

	Capital reserves		Revenue reserve		Total
	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	Total	
	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Balance as on 01 July 2021 (Un-audited)</b>	1,419,000,000	1,994,789,057	2,903,180,018	856,151,106	7,173,120,181
Total comprehensive income for the period	-	-	-	157,757,634	157,757,634
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(24,399,408)	24,399,408	-
<b>Balance as on 31 December 2021 (Un-audited)</b>	1,419,000,000	1,994,789,057	2,878,780,610	1,038,308,148	7,330,877,815
<b>Balance as on 01 July 2022 (Un-audited)</b>	1,419,000,000	1,994,789,057	3,783,703,410	1,082,408,607	8,279,901,074
Total comprehensive income for the period	-	-	-	23,476,622	23,476,622
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(28,358,300)	28,358,300	-
<b>Balance as on 31 December 2022 (Un-audited)</b>	<b>1,419,000,000</b>	<b>1,994,789,057</b>	<b>3,755,345,110</b>	<b>1,134,243,529</b>	<b>8,303,377,696</b>

The annexed notes, 1 to 21, form an integral part of these condensed interim consolidated financial statements.

  
 \_\_\_\_\_  
 Chief Executive

  
 \_\_\_\_\_  
 Director

  
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 Chief Financial Officer

**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2022**

	Un-audited	Un-audited
	Six months ended	
	2022	2021
	Rupees	Rupees
<b>OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	54,630,923	79,249,268
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation on operating fixed assets	87,899,813	80,270,249
Depreciation on right-of-use assets	15,427,218	4,747,039
Interest income on loan to related party	(11,562,024)	(6,512,839)
Finance cost	155,510,425	56,334,280
Provision for gratuity	15,923,334	15,646,668
Profit on bank deposits	(11,737,244)	(22,459,924)
Worker's Profit Participation Fund	6,399,612	5,820,310
Worker's Welfare Fund	2,848,156	2,874,587
Expected credit losses	13,062,967	-
Exchange loss - unrealized	2,899,449	12,896,474
Grant income	(608,658)	(1,191,416)
Operating fixed assets written off	49,516	-
Gain on disposal of operating fixed assets	-	(531,677)
Provision for accumulating compensated absences	1,453,254	1,240,825
	<b>332,196,741</b>	<b>228,383,844</b>

**Working capital adjustments:**

**(Increase) / decrease in current assets:**

Stores, spares and other consumables	(53,836,499)	(51,058,022)
Stock-in-trade	88,461,713	(476,113,059)
Trade receivables	131,615,341	(320,181,430)
Contract assets	48,423,212	(13,892,605)
Advances, deposits, prepayments and other receivables	173,581,527	(13,217,229)
Sales tax receivable - net	41,943,036	(2,870,682)
	<b>430,188,330</b>	<b>(877,333,027)</b>

**(Decrease) / increase in current liabilities:**

Contract liabilities	(66,374,009)	29,974,847
Trade and other payables	(61,712,951)	261,198,714
	<b>(128,086,960)</b>	<b>291,173,561</b>

**Net cash generated from / (used in) operations**

Finance cost paid	(146,888,710)	(51,378,368)
Taxes (paid) / adjusted	(34,468,538)	17,836,259
Payment of Workers' Welfare Fund	-	(9,362,026)
Gratuity paid	(11,463,984)	(5,960,694)
Accumulating compensated absences paid	-	(121,281)
Net increase in long term deposits	(25,529,183)	(5,538,456)
	<b>(218,350,415)</b>	<b>(54,524,566)</b>
<b>Net cash generated from/(used in) operating activities</b>	<b>415,947,696</b>	<b>(412,300,188)</b>

**INVESTING ACTIVITIES**

Purchase of property, plant and equipment	(30,285,001)	(40,617,517)
Proceeds from disposal of operating fixed assets	-	826,800
Profit on bank deposits received	8,798,138	9,937,027
<b>Net cash used in investing activities</b>	<b>(21,486,863)</b>	<b>(29,853,690)</b>

**FINANCING ACTIVITIES**

Repayment of long term loans	(35,773,708)	(66,657,971)
Dividend paid	(43,015)	(153,832)
(Repayment of) / proceeds from short term borrowings - net	(13,631,219)	357,146,573
Repayment of lease liabilities	(18,440,746)	(9,216,601)
<b>Net cash (used in) / generated from financing activities</b>	<b>(67,888,688)</b>	<b>281,118,169</b>

<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>326,572,145</b>	<b>(161,035,709)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>264,500,373</b>	<b>636,157,262</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>16 591,072,518</b>	<b>475,121,553</b>

The annexed notes, 1 to 21, form an integral part of these condensed interim consolidated financial statements.



Chief Executive



Director



Chief Financial Officer

**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2022**

**1 THE GROUP AND ITS OPERATIONS**

**1.1 Corporate and general information**

The Group comprises of Roshan Packages Limited (the Holding Company) and Roshan Sun Tao Paper Mills (Private) Limited (the Subsidiary), together the Group.

**Holding Company**

Roshan Packages Limited (the Holding Company) was incorporated in Pakistan as a private Company limited by shares on 13 August 2002 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017). The Company was converted into a public limited Company on 23 September 2016 and got listed on Pakistan Stock Exchange Limited on 28 February 2017. It is principally engaged in the manufacture and sale of corrugation and flexible packaging materials.

**Subsidiary**

Roshan Sun Tao Paper Mills (Private) Limited (the Subsidiary, with 100% shareholding of the Holding Company) was incorporated on 08 January 2016 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017) as a private limited company. The Subsidiary has been established to set up business of manufacturing, dealing and supply of corrugated papers. Uptil 21 March 2021, Shandong Yongtai Paper Mills Limited held 40% shareholding in the Subsidiary. Refer to Note 28.3 of consolidated financial statements for the year ended June 30, 2022, for discussion of acquisition of minority shareholding of 40%, in prior year, by the Holding Company. The Subsidiary's financial year ends on 30 June.

**1.2 Condensed interim consolidated financial statements**

These financial statements are the condensed interim consolidated financial statements of Roshan Packages Limited (the Holding Company) and its Subsidiary, together the Group.

The geographical locations and addresses of the Group's business units, including production facilities are as under:

**Holding Company**

- Head office and registered office: 325 G-III, M.A. Johar Town, Lahore.
- Marketing office: 104, Parsa Tower, PECHS Block-6, Shakra-e-Faisal, Karachi.
- Corrugation packaging plant: 7 KM, Sundar Raiwind Road, Lahore.
- Flexible packaging plant: Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.

**Subsidiary**

- The registered office of the Subsidiary is situated at 325-G-III, Johar Town, Lahore.
- The land purchased for setting up the manufacturing facility is situated at M-2 Lahore-Islamabad motorway, district Sheikhpura near village Mandiala and Qaimpur, adjacent to Quaid-e-Azam Industrial Apparel Park.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

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

Where provisions of and directives issued under the Act, differ with the requirements of IAS 34, the provisions of and directives issued under the Act, have been followed.

**2.2** These condensed interim consolidated financial statements are un-audited and are being submitted to shareholders, as required by Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019. These condensed interim consolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended 30 June 2022.

**2.3** Selected explanatory notes are included to explain events and transactions that are significant to the understanding of changes in the Group's financial position and performance since the last annual consolidated financial statements.

**2.4** These condensed interim consolidated financial statements have been prepared under the historical cost convention and are presented in Pak Rupee, which is also the functional currency of the Group.

**2.5** Provisions in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2022, except for the adoption of amendments to approved accounting standards which became effective for the current period as disclosed in note 3.1 to these condensed interim consolidated financial statements. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**3.1 Standards, amendments and interpretations to approved accounting standards that are effective in the current period**

The Group has adopted the following amendments to approved accounting standards which became effective during the current period:

**Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37**

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no impact on the condensed interim consolidated financial statements of the Group as there were no such contracts which may become onerous.

**Reference to the Conceptual Framework – Amendments to IFRS 3**

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3: Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37: Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21: Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the condensed interim consolidated financial statements of the Group as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arising during the period.

**Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16**

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the condensed interim consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

**IFRS 9: Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39: Financial Instruments: Recognition and Measurement.

These amendments had no impact on the condensed interim consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of these condensed interim consolidated financial statements, in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the audited consolidated financial statements of the Group for the year ended 30 June 2022.

**5 PROPERTY, PLANT AND EQUIPMENT**

	Note	Un-audited 31 December 2022 Rupees	Audited 30 June 2022 Rupees
Operating fixed assets	5.1	6,641,584,389	6,697,182,739
Capital work-in-progress	5.2	307,999,063	308,483,626
		<b>6,949,583,452</b>	<b>7,005,666,365</b>

**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**5.1 Movement during the period / year is as follows:**

Balance at the beginning of the period / year- net book value	6,697,182,739	5,798,792,542
Additions / transfers during the period / year - cost	30,769,564	65,162,468
Transfer from right of use asset during the period / year - net book value	1,581,415	5,539,317
Revaluation adjustment	-	996,578,959
	<b>6,729,533,718</b>	<b>6,866,073,286</b>
Less:		
Write-offs during the period / year - net book value	(49,516)	-
Disposals during the period / year - net book value	-	(4,951,349)
Depreciation during the period / year	(87,899,813)	(163,939,198)
	<b>(87,949,329)</b>	<b>(168,890,547)</b>
Net book value at the end of the period / year	<b>6,641,584,389</b>	<b>6,697,182,739</b>

**5.1.1 The detail of additions / transfers made during the period / year is as follows:**

	Un-audited 31 December 2022	Audited 30 June 2022
	Rupees	Rupees
Buildings on freehold land	3,368,563	6,088,272
Plant and machinery	21,383,420	33,275,037
Electric installations	310,000	4,454,824
Furniture and fixtures	110,476	1,501,455
Office equipment	5,368,105	18,316,228
Vehicles	229,000	1,526,652
	<b>30,769,564</b>	<b>65,162,468</b>

**5.2 Capital work in progress**

Opening balance	308,483,626	320,142,005
Additions during the period / year	2,884,000	5,454,038
Transfers during the period / year	(3,368,563)	(17,112,417)
Closing balance	<b>307,999,063</b>	<b>308,483,626</b>

**5.3 Depreciation for the period**

Cost of sales	85,232,921	77,687,796
Administrative expenses	2,303,489	2,094,685
Selling and distribution expenses	363,403	524,629
	<b>87,899,813</b>	<b>80,307,110</b>

**6 LONG-TERM LOAN TO RELATED PARTY**

	Un-audited 31 December 2022	Audited 30 June 2022
	Rupees	Rupees
<b>At amortized cost:</b>		
Loan to associated undertaking - Roshan Enterprises	157,640,891	146,078,867
	<b>157,640,891</b>	<b>146,078,867</b>
Less:		
current portion of long term loans	(130,864,885)	(130,864,885)
current portion of markup accrued - associated undertaking	(26,776,006)	(15,213,982)
	<b>-</b>	<b>-</b>

**6.1 Movement during the period / year is as follows:**

Opening balance	146,078,867	130,864,885
Markup accrued during the period / year:		
as per original terms	11,131,654	15,213,982
on account of penalty	430,370	-
	<b>11,562,024</b>	<b>15,213,982</b>
Closing balance	<b>157,640,891</b>	<b>146,078,867</b>

**6.1.1** This unsecured loan carries markup at the rate of 1-Year KIBOR+2% (30 June 2022:1-Year KIBOR+2%) per annum or average borrowing cost of the Group, whichever is higher. The effective interest rates ranged from 17.10% to 20.13% (30 June 2022: 10.06% to 17.10%) per annum.

Previously, the Holding Company in its Annual General Meeting held on 28 October 2020, via special resolution and in accordance with requirements of Section 199 of the Companies Act, 2017, granted extension of two years to associated undertaking in repayment of loan, and as per revised terms and conditions, Roshan Enterprises was required to repay the entire principal amount by 28 October 2022. On delay in repayment of principal and markup on due date, in accordance with revised terms and conditions, a penalty of 2% per annum shall be levied in addition to agreed markup, from the due date till the repayment date.

In their meeting held on 22 December 2022, the Board of Directors of the Holding Company have accepted the offer by partners/owners of Roshan Enterprises, who are also the directors of the Holding Company, for full settlement through transfer of land, building and transformer, situated in Tehsil Bhalwal, District Sargodha, Punjab, valued at Rs. 214.87 million (Forced Sale Value of Rs. 182.64 million). The offer has also been approved by shareholders of the Holding Company, via special resolution, in their Extra Ordinary General Meeting held on 16 January 2023. The fair value assessment of property and related equipment was carried out in December 2022 by Unicorn International Surveyors, an independent valuer, registered with Pakistan Banking Association (PBA), having suitable recent pertinent experience of valuation in concerned location and type of assets. Upon transfer of title in the land records of Government of Punjab to and possession of the property by the Holding Company, the Group would derecognize the amount of loan, markup and additional penalty due till January 31, 2023. Any excess consideration, as reduced by transaction/ transfer costs amounting to Rs. 13.38 million, would be adjusted as a transaction between owners in the statement of changes in equity. Accordingly, as of reporting date, allowance for expected credit loss has been estimated to be insignificant and has not been recognized in these condensed interim consolidated financial statements. In respect of ongoing settlement, the related requirements of sections 199 and 208 of the Companies Act, 2017 and other applicable laws and regulations have been complied with.

**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

	Un-audited 31 December 2022	Audited 30 June 2022
	Rupees	Rupees
<b>7 TRADE RECEIVABLES</b>		
Trade receivables	2,350,829,730	2,483,045,071
Less: Allowance for expected credit losses	(229,459,825)	(216,996,858)
	<b>2,121,369,905</b>	<b>2,266,048,213</b>

**8 CASH AND BANK BALANCES**

Cash in hand	957,825	1,188,042
Balances with banks:		
Savings accounts	641,221,677	337,829,597
Current accounts	140,012,949	166,261,838
	<b>781,234,626</b>	<b>504,091,435</b>
	<b>782,192,451</b>	<b>505,279,477</b>

**8.1** The savings accounts earn interest at floating rates based on daily bank deposit rates ranging from 4.75% to 14.75% (30 June 2022: 5.83% to 13.35%) per annum.

	Un-audited 31 December 2022	Audited 30 June 2022
	Rupees	Rupees
<b>9 LONG TERM FINANCES - SECURED</b>		
Dubai Islamic Bank Limited - Refinance scheme	-	18,112,586
Allied Bank Limited - Supplier credit loan	156,132,321	173,480,355
	<b>156,132,321</b>	<b>191,592,941</b>
Current portion shown under current liabilities	(34,696,068)	(52,808,654)
	<b>121,436,253</b>	<b>138,784,287</b>

**9.1 Dubai Islamic Bank Limited - Refinance scheme**

Opening balance	18,112,586	53,467,967
Interest accrued during the period / year	313,088	2,712,611
Repaid during the period / year	(18,425,674)	(38,067,992)
	-	18,112,586
Current portion shown under current liabilities	-	(18,112,586)
Closing balance	-	-

**9.2 Allied Bank Limited - Supplier credit loan**

Opening balance	173,480,355	-
Obtained during the period / year	-	173,480,355
Repaid during the period / year	(17,348,034)	-
	<b>156,132,321</b>	<b>173,480,355</b>
Current portion shown under current liabilities	(34,696,068)	(34,696,068)
Closing balance	<b>121,436,253</b>	<b>138,784,287</b>

**9.3** There is no material change in the terms and conditions of the long-term loans from those disclosed in the Group's consolidated financial statements for the year ended 30 June 2022.

**10 DEFERRED TAXATION**

	Un-audited 31 December 2022			
	Opening balance	Charge / (Credit) to profit or loss	Charge to other comprehensive income	Closing balance
	------(Rupees)-----			
<b>Taxable temporary difference</b>				
Accelerated tax depreciation	357,444,723	3,379,223	-	360,823,946
Revaluation surplus	457,889,707	(8,791,071)	-	449,098,636
Right-of-use assets	25,414,510	(5,325,281)	-	20,089,229
<b>Deductible temporary difference</b>				
Allowance for ECL on trade receivables	(67,269,026)	(3,863,520)	-	(71,132,546)
Lease liabilities	(25,916,537)	4,587,357	-	(21,329,180)
Minimum tax	(191,457,239)	(26,456,905)	-	(217,914,144)
Alternative corporate tax	(12,186,950)	-	-	(12,186,950)
	<b>543,919,188</b>	<b>(36,470,197)</b>	<b>-</b>	<b>507,448,991</b>

**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

	Audited			Closing balance
	30 June 2022			
Opening balance	Charge / (credit) to profit or loss	Charge to other comprehensive income	(Rupees )	
<b>Taxable temporary difference</b>				
Accelerated tax depreciation	321,200,062	36,244,661	-	357,444,723
Revaluation surplus	390,149,555	(14,910,033)	82,650,185	457,889,707
Right-of-use assets	9,695,212	15,719,298	-	25,414,510
<b>Deductible temporary difference</b>				
Allowance for ECL on trade receivables	(67,820,822)	551,796	-	(67,269,026)
Deferred liabilities	(41,444,442)	41,444,442	-	-
Lease liabilities	(9,671,049)	(16,245,488)	-	(25,916,537)
Minimum tax	(15,272,266)	(176,184,973)	-	(191,457,239)
Alternative corporate tax	(12,186,950)	-	-	(12,186,950)
	<u>574,649,300</u>	<u>(113,380,297)</u>	<u>82,650,185</u>	<u>543,919,188</u>
		<b>Un-audited</b>	<b>Audited</b>	
		<b>31 December 2022</b>	<b>30 June 2022</b>	
		<b>Rupees</b>	<b>Rupees</b>	
<b>11 SHORT TERM BORROWINGS - SECURED</b>				
Running finance		<b>191,119,933</b>	240,779,104	
Term finances:				
- import finance / murabaha		<b>306,262,734</b>	310,233,786	
- istisna / wakala		<b>1,168,147,601</b>	1,177,807,768	
		<b>1,474,410,335</b>	1,488,041,554	
		<b>1,665,530,268</b>	1,728,820,658	

**11.1 Aggregate limits of borrowings**

Aggregate sanctioned limit of all above facilities including limit for opening letters of credit and guarantees is Rs. 3,740 million (30 June 2022: Rs.3,690 million) in which un-availed credit limit as at 31 December 2022 is Rs. 2,009 million (30 June 2022: Rs. 1,961 million). The aggregate facilities for opening letters of credit and guarantees are secured by a first pari passu charge over current assets of the Group and lien over import documents.

**11.2** There is no material change in the terms and conditions of the short-term borrowings from those disclosed in note 27 to the Group's consolidated financial statements for the year ended June 30, 2022.

**12 CONTINGENCIES AND COMMITMENTS**

**12.1 Contingencies**

There is no significant change in the status of contingencies and commitments set out in note 31 to the Group's consolidated financial statements for the year ended June 30, 2022.

**12.2 Commitments**

- (a) There has been no significant change in the commitments in respect of contracts for capital expenditure since 30 June 2022; and  
(b) Letters of credit and contracts other than for capital expenditure amounting to Rs. 45.43 million (30 June 2022: Rs.183.50 million).

**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**12.3 Guarantee**

The banks have issued the following guarantees on behalf of the Holding Company:

- (a) Letter of guarantee issued in favor of Sui Northern Gas Pipelines Limited amounting to Rs. 40.19 million (30 June 2022: Rs. 30.07 million); and  
(b) Letter of guarantee issued in favor of Total Parco Pakistan Limited amounting to Rs. 14.50 million (30 June 2022: Rs. 14.50 million).

	Note	Six months ended (Un-audited)		Three months ended (Un-audited)	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Rupees	Rupees	Rupees	Rupees
<b>13 REVENUE FROM CONTRACTS WITH CUSTOMERS</b>	<b>13.1</b>	<b>5,186,741,990</b>	<b>4,039,409,081</b>	<b>2,495,616,208</b>	<b>2,119,880,266</b>

**13.1 Disaggregation of revenue from contracts with customers:**

In the following table, revenue from contracts with customers is disaggregated by major product lines and timing of revenue recognition:

	Note	Six months ended (Un-audited)		Three months ended (Un-audited)	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Rupees	Rupees	Rupees	Rupees
<b>Major product lines:</b>					
- Made-to-order packaging products	<b>13.2</b>	<b>4,654,487,402</b>	3,622,476,179	<b>2,274,886,262</b>	1,868,838,554
- Standard packaging products		<b>532,254,588</b>	416,932,902	<b>220,729,946</b>	251,041,712
		<b>5,186,741,990</b>	<b>4,039,409,081</b>	<b>2,495,616,208</b>	<b>2,119,880,266</b>
<b>Timing of revenue recognition:</b>					
- Products transferred over time	<b>13.2</b>	<b>4,654,487,402</b>	3,622,476,179	<b>2,274,886,262</b>	1,868,838,554
- Products transferred at a point in time		<b>532,254,588</b>	416,932,902	<b>220,729,946</b>	251,041,712
		<b>5,186,741,990</b>	<b>4,039,409,081</b>	<b>2,495,616,208</b>	<b>2,119,880,266</b>
<b>Geographical market:</b>					
- Pakistan	<b>13.2</b>	<b>5,186,741,990</b>	4,039,409,081	<b>2,495,616,208</b>	<b>2,119,880,266</b>

**13.2** This includes unbilled revenue amounting to Rs. 150.83 million (31 December 2021: Rs. 106.2 million).

**13.3 Performance obligation:**

The Group makes sales against advances as well as on credit terms. In case of credit sales, payment is generally due within 7 to 365 days from delivery. The Group has determined that for made-to-order packaging products, the customer controls all the work in progress as the products are being manufactured. The customers obtain control of standard packaging when goods are either dispatched or delivered to them and have been accepted at their premises.

	Note	Six months ended (Un-audited)		Three months ended (Un-audited)	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Rupees	Rupees	Rupees	Rupees
<b>14 COST OF REVENUE</b>					
Raw materials consumed		<b>3,780,685,983</b>	3,066,546,089	<b>1,876,775,283</b>	1,605,512,084
Carriage inward expenses		<b>2,209,825</b>	2,575,172	<b>610,037</b>	1,129,170
Packing material consumed		<b>20,020,690</b>	14,506,808	<b>10,415,468</b>	7,400,559
Production supplies		<b>105,339,814</b>	78,434,378	<b>61,539,971</b>	44,201,420
Fuel and power		<b>293,257,504</b>	175,870,714	<b>126,189,079</b>	94,587,595
Salaries, wages and other benefits		<b>208,368,334</b>	170,229,339	<b>101,902,107</b>	80,151,076
Repairs and maintenance		<b>41,537,042</b>	52,314,157	<b>27,453,100</b>	28,187,117
Printing and stationery		<b>953,933</b>	639,147	<b>443,507</b>	363,138
Insurance		<b>3,156,991</b>	2,456,096	<b>1,979,503</b>	1,215,758
Rent		<b>713,143</b>	5,646,270	<b>111,078</b>	5,286,012
Travelling and conveyance		<b>27,370,428</b>	14,133,916	<b>14,870,891</b>	6,557,664
Communication expenses		<b>473,462</b>	401,342	<b>174,415</b>	108,286
Vehicle running expenses		<b>4,896,036</b>	5,861,005	<b>3,180,826</b>	2,839,295
Depreciation on operating fixed assets		<b>85,232,921</b>	77,687,796	<b>40,602,059</b>	40,503,834
Depreciation on right of use assets		<b>10,518,020</b>	217,454	<b>5,218,111</b>	108,727
Others		<b>10,885,753</b>	6,727,280	<b>6,846,217</b>	3,752,291
Cost of goods manufactured		<b>4,595,619,879</b>	3,674,246,963	<b>2,278,311,652</b>	1,921,904,026
Opening stock of finished goods		<b>91,454,493</b>	48,238,056	<b>43,104,756</b>	61,886,318
Closing stock of finished goods		<b>(74,246,348)</b>	(85,557,386)	<b>(74,246,348)</b>	(85,557,386)
		<b>17,208,145</b>	(37,319,330)	<b>(31,141,592)</b>	(23,671,068)
		<b>4,612,828,024</b>	<b>3,636,927,633</b>	<b>2,247,170,060</b>	<b>1,898,232,958</b>

**ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**15 EARNINGS PER SHARE - BASIC AND DILUTED**

Basic and diluted earnings per share are same because the Group has not issued any convertible bonds, convertible preference shares, options, warrants or employee share options. Thus, earnings per share of the Group are as follows:

		Six months ended		Three months ended	
		(Un-audited)		(Un-audited)	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
Profit attributable to owners of the Holding Company	Rupees	23,476,622	157,757,634	(8,917,663)	148,904,326
Weighted-average number of ordinary shares	Number	141,900,000	141,900,000	141,900,000	141,900,000
Basic earnings per share	Rupees	0.17	1.11	(0.06)	1.05

**16 CASH AND CASH EQUIVALENTS**

The figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the condensed interim consolidated statement of cash flows at reporting date as follows:

	Note	Un-audited	Un-audited
		31 December 2022	31 December 2021
		Rupees	Rupees
Short term investments		-	482,085,000
Cash and bank balances	8	782,192,451	206,960,150
Short term borrowings - running finance	11	(191,119,933)	(213,923,597)
		591,072,518	475,121,553

**17 TRANSACTIONS WITH RELATED PARTIES**

The Group's related parties consist of its associated undertakings, directors and key management personnel and their associates. The Group in the normal course of business carries out transactions with various related parties. Significant transactions with related parties have been disclosed in the respective notes to these condensed interim consolidated financial statements other than the

Relationship with the Company	Name of related party	Nature of Transactions	(Un-audited)		(Un-audited)	
			Six months ended		Three months ended	
			31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Rupees	Rupees	Rupees	Rupees	
Associated undertaking	Roshan Enterprises	Markup accrued on long term loan	11,562,024	6,512,304	6,042,260	3,404,765
		Sale of packaging material	-	1,660,975	-	1,660,975
		Receipts during the period	3,188,237	1,965,454	3,188,237	1,965,454
Associated undertaking	Al-Firdusi Exporters	Sale of packaging material	11,338,822	8,027,203	11,338,822	5,429,248
		Receipts during the period	8,980,675	10,196,851	8,980,675	7,691,734
		Trade debts	3,865,400	-	3,865,400	-

**18 FINANCIAL RISK MANAGEMENT**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and other price risk), credit risk and liquidity risk. These condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements for the year ended 30 June 2022.

There have been no changes in the risk management department or in any risk management policies since the year ended 30 June 2022.

**19 FAIR VALUE OF FINANCIAL INSTRUMENTS**

There is no change in the nature and corresponding hierarchies of fair valuation levels of financial instruments from those as disclosed in the audited financial statements of the Group for the year ended 30 June 2022.

**20 DATE OF AUTHORIZATION FOR ISSUE**

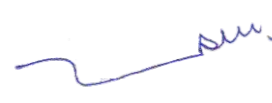
These condensed interim consolidated financial statements were approved and authorized for issue on **01-March-2023** by the Board of Directors of the Holding Company.

**21 CORRESPONDING FIGURES**

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim consolidated statement of financial position has been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas, the condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows have been compared with the amounts/balances of comparable period of immediately preceding financial year.



Chief Executive



Director



Chief Financial Officer