

Condensed Interim Financial Statements

For the 9-Month Period
Ended 31st March 2024
(Unaudited)



Manufacturers Of Quality PET Bottles & Preforms

EcoPack Ltd



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A scenic landscape featuring a wooden boat on a lake and a wooden staircase leading down to it. The boat is positioned in the foreground, with a wooden staircase leading down to it. The lake is surrounded by steep, rocky mountains and dense green forests. The sky is filled with soft, white clouds. The overall scene is peaceful and natural.

QUALITY
IS OUR FORTÉ

Vision & Mission Statement

To Systematically and cost effectively manufacture and supply consistently high quality products and services thus achieving customer satisfaction profitably, thereby ensuring the financial well being of the company and maximum returns to the shareholders.



The image is a composite graphic. The background shows a city skyline at night with various skyscrapers. A large, glowing, semi-transparent globe is positioned behind the skyline. In the foreground, a chessboard is visible, with a king piece prominently placed in the center, illuminated by a bright light source. The overall color palette is dominated by warm, golden-yellow and blue tones.

Corporate Strategy

**Retain market share leadership through
quality and price competitiveness while
creating value as a low cost producer**

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Muhammad Kamran Nasir	Chairman of the Board
Mr. Hussain Jamil	Chief Executive Officer
Mr. Ameen Jan	Non-Executive Director
Mr. Omer Tariq	Non-Executive Director
Mr. Arif Ahmed Siddiqui	Non-Executive Director
Mr. M. Junaid Hameed Dagia	Non-Executive Director
Mrs. Sonya Jamil	Non-Executive Director

AUDIT COMMITTEE

Mr. Ameen Jan	Chairman
Mr. Arif Ahmed Siddiqui	Member
Mr. Omer Tariq	Member
Mrs. Sonya Jamil	Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. M. Junaid Hameed Dagia	Chairman
Mr. Arif Ahmed Siddiqui	Member
Mr. Omer Tariq	Member
Mrs. Sonya Jamil	Member

CHIEF OPERATING OFFICER

Mr. Mohammad Raza Chinoy

CHIEF FINANCIAL OFFICER

Mr. Muhammed Ali Adil

COMPANY SECRETARY

Mr. Ali Abdullah

BANKERS

Bank Al-Habib Limited	Habib Bank Limited
JS Bank Limited	PAIR Investment Co. Ltd.
Askari Bank Limited	

EXTERNAL AUDITORS

A. F. Ferguson & Co.	Chartered Accountants
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INTERNAL AUDITORS (OUTSOURCED)

BDO Ebrahim & Co.	Chartered Accountants
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LEGAL ADVISOR

M/s. Ali Khan Law Associates	Advocate & Corporate Counsel
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SHARE REGISTRAR

M/s. THK Associates (Pvt.) Limited Ballotter, Share Registrar & Transfer Agent
 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi 75400, Pakistan

REGISTERED OFFICE AND FACTORY

112-113, Phase-V, Hattar Industrial Estate, Hattar, District Haripur, Khyber Pakhtunkhwa
 Tel: (0995) 617720 & 23, 617347, Fax: (0995) 617074, Web: www.ecopack.com.pk

DIRECTORS' REPORT

The Board of directors of EcoPack Limited is pleased to present the company's unaudited financial statements along with the Directors' Report for the 9-month period and 3rd quarter ended 31st March 2024:

OVERVIEW

While the half-year ended 31st December 2023 reflected a very positive trajectory, both in demand and sales of the company's products, the third quarter (Q3FY24) witnessed a decline in sales compared to the previous year's quarter YoY (Q3FY23). This is primarily attributed to the corrosive impact of the rampant ongoing inflation reaching a peak of almost 29% YoY, consequently biting severely into the purchasing power of the average consumer class which forms the mass consumption base of the 'Food & Beverage' (F&B) industry. After accounting for essentials such as fuel for transport, domestic electricity bills, food provisions, rent, school fees, etc., there would be little left in the family purse for other expenditure. Thus, the entire beverage industry fell significantly behind in sales on a YoY and QoQ basis compared to the previous period under review.

Apart from the widespread rampant inflationary trends affecting the cost of living and doing business, your company's COGS structure went through substantial increases due to (i) high commodity prices worldwide coupled with crude oil prices internationally (ii) high interest rates further exacerbated financial charges on account of high costs of raw and packing materials and (iii) the recently changed 'axle-load' trucking regime by the GOP where the reduced limit of carrying goods per truck caused an increase of over 30 percent in transportation costs. Electricity charges also went up by a significant 40 percent compared to the commensurate 9-month period last year. This was further compounded by a sharp fall in our sales in Q3 to some of the multinational customers facing a negative sentiment in the wake of ongoing middle eastern conflict.

Your management was mostly able to adjust prices in a rational way to mitigate the sharp cost upsurge, but it came at the expense of compromising some of the aggressive sales projected. Thus, preform sales fell by a sharp 40% and bottle sales by 13% in the last quarter against the same 3-months (Q3) of the previous year. Consequently, this increased the company's fixed cost of production on a unit cost basis. Despite the unfavorable cost realities of the market, your company was able to increase its bottle sales by 6% on a 9-month basis while preform sales remained almost stagnant YoY.

SALES & FINANCIAL HIGHLIGHTS

Topline revenue has increased by 6% i.e., from Rs. 3.9 billion to Rs. 4.1 billion during the nine-month period ended March 31, 2024 as compared to the same period last year. This increase is representative of a growth in sales volume of Bottles by 6% against 9MFY23 last year. Accordingly, production volumes also increased commensurately thereby increasing capacity utilization to 61% in Bottles from 58% last year. There has been an enormous increase in electricity costs as compared to 9MFY23, by almost 40%. Due to the comparatively higher volumes of Bottles and better pricing, we have recorded a gross profit of Rs. 373 million in 9MFY24 against gross profit of Rs. 335 million for the same period last year, which is an increase of Rs. 38 million i.e., 11%. Operating profit increased by 6% i.e., from Rs. 147 million to Rs. 155 million as compared to the same period last year.

Financial charges increased from Rs. 155 million last year to Rs. 180 million in the nine-month period under review, an increase of 16% mainly on account of the substantial increase in KIBOR and the SBP discount rate. KIBOR increased from an average of 17.42% last year to 21.46% YoY i.e., an increase of 23%.

Due to the increase in financial costs, mainly due to the rise in KIBOR, pre-tax loss has been recorded at Rs. 25.2 million against a pre-tax loss of Rs. 8.3 million in the corresponding nine-month period last year. However, post-tax loss comes to Rs. 30.1 million against a post-tax loss of Rs. 22.9 million in the same period last year.

Loss per share (basic and diluted) for the first nine-month period of FY 2024 is Re. 0.62 per share against loss per share of Re. 0.48 per share for the same period last year.

FUTURE OUTLOOK

Although the overall economic scenario is becoming increasingly more challenging mainly due to continuing high inflation and reduced consumer purchasing power, your company has diversified its customer and product base in the last few years which has now started to bear fruit. Our entry into large containers for the edible oil, chemicals, juices and red syrup sectors, among others, enables us to achieve a balanced business plan which protects the company from being dependent on just one or two segments of the F&B industry. This has somewhat spread and mitigated the business risk in an environment fraught with frequent upheavals, both domestically and internationally.

As the macro-economic scenario continues to stabilize with an expected new IMF program, your management remains cautiously optimistic about its own growth dove tailed to a robust and dynamic Beverage sector as it bounces back to it's normal growth, brimming with hope on back of the new investments in the enhanced production capacities recently undertaken. New offerings at competitive pricing to fit the consumers pocket size by appropriate segmentation, seems to be the way forward to instigate and meet market demand.

RISK

The geo-political imbroglio and tension in the Middle-East spilling over in the wider region remains the most critical challenge to the world economy in general and Pakistan in particular. Crude oil price spikes and supply-chain & shipping disruptions could spin out of control in the near term, spelling chaos for weaker economies of the region already struggling with their economic woes. However, if this is short lived and a better sense prevails toward stabilization, we could see crude oil prices under pressure to decline which could easily bring significant savings and ease budgetary pressures.

OTHER MATTERS

There is a Civil Suit No. 1954 of 2022 at the Honorable Sindh High Court (SHC) filed by the CEO of the Company against the Company, some Shareholders and the Board of Directors which is pending adjudication. In the suit, the incumbent CEO has challenged, inter alia, his removal as the CEO and acquisition of shares in the Company by certain shareholders in alleged violation of takeover laws.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



DIRECTOR

Date: April 27, 2024



HUSSAIN JAMIL

CHIEF EXECUTIVE OFFICER

"ANNEXURE A" TO THE DIRECTORS' REPORT

1. The Composition of Board is as follows:
 - a. Male : 06
 - b. Female : 01
2. The composition of Board is as follows:
 - a) **Independent Directors**
(1) Mr. Ameen Jan (2) Mr. M. Junaid Hameed Dagia
 - b) **Non-executive Directors**
(1) Mr. Muhammad Kamran Nasir (2) Mr. Omer Tariq (3) Mr. Arif Ahmed Siddiqui
 - c) **Executive Director**
Mr. Hussain Jamil (Chief Executive Officer)
 - d) **Female Director**
Mrs. Sonya Jamil (Non-Executive Director)
3. The Board has formed committees comprising of members given below:
 - A **Audit Committee (Prevailing)**
 - 1) Mr. Ameen Jan - Chairman
 - 2) Mr. Arif Ahmed Siddiqui - Member
 - 3) Mr. Omer Tariq - Member
 - 4) Mrs. Sonya Jamil - Member
 - B **Human Resource and Remuneration (HR & R) Committee (Prevailing)**
 - 1) Mr. M. Junaid Hameed Dagia - Chairman
 - 2) Mr. Arif Ahmed Siddiqui - Member
 - 3) Mr. Omer Tariq - Member
 - 4) Mrs. Sonya Jamil - Member
4. Board has approved the Remuneration Policy of Directors; significant features are as follows:
 - The Board of Directors ("BOD") shall, from time to time, determine and approve the remuneration of the members of the BOD for attending Board Meetings. Such level of remuneration shall be appropriate and commensurate with the level of responsibility and expertise offered by the members of the BOD and shall be aimed at attracting and retaining members needed to govern the Company successfully and creating value addition.
 - No single member of the BOD shall determine his/her own remuneration.

For & on behalf of the Board of Directors



DIRECTOR
Date: April 27, 2024



HUSSAIN JAMIL
CHIEF EXECUTIVE OFFICER

ڈائریکٹرز رپورٹ

ایکویپک لمیٹڈ کے بورڈ آف ڈائریکٹرز کو 31 مارچ 2024 کو ختم ہونے والی 9 ماہ کی مدت اور تیسری سہ ماہی کے لئے ڈائریکٹرز کی رپورٹ کے ساتھ کمپنی کے غیر آڈٹ شدہ مالیاتی بیانات پیش کرنے پر خوشی ہے:

جائزہ

اگرچہ 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں کمپنی کی مصنوعات کی طلب اور فروخت دونوں میں بہت مثبت رجحان کی عکاسی ہوتی ہے، لیکن مالی سال 2024 کی تیسری سہ ماہی میں گزشتہ سال کی سہ ماہی (مالی سال 2023 کی تیسری سہ ماہی) کے مقابلے میں فروخت میں کمی دیکھی گئی۔ اس کی بنیادی وجہ یہ ہے کہ سال بہ سال تقریباً 29 فیصد کی بلند ترین سطح پر جاری افراط زر کے تباہ کن اثرات ہیں، جس کے نتیجے میں اوسط صارف طلبے کی قوت خرید بری طرح متاثر ہوئی ہے جو 'Food & Beverages' (F&B) صنعت کی بڑے پیمانے پر کھپت کی بنیاد ہے۔ ترسیلات کے لیے ایندھن، گھریلو بجلی کے بل، کھانے پینے کا انتظام، کرایہ، اسکول فیس وغیرہ جیسی ضروری چیزوں کا حساب کتاب کرنے کے بعد، فیملی کے پاس دیگر اخراجات کے لیے بہت کم رقم بچتی ہے۔ اس طرح مشروبات کی پوری صنعت گزشتہ عرصے کے مقابلے میں سالانہ اور سہ ماہی بنیاد پر فروخت میں نمایاں طور پر پیچھے رہ گئی۔

زندگی گزارنے اور کاروبار کرنے کی لاگت کو متاثر کرنے والے بڑے پیمانے پر افراط زر کے رجحانات کے علاوہ، آپ کی کمپنی کے COGS ڈھانچے کو (i) دنیا بھر میں اجناس کی اونچی قیمتوں کے ساتھ ساتھ بین الاقوامی سطح پر خام تیل کی قیمتوں میں اضافے کی وجہ سے کافی اضافے کا سامنا کرنا پڑا (ii) بلند شرح سود نے خام اور پیکنگ مواد کی زیادہ لاگت کی وجہ سے مالی چارجز کو مزید بڑھا دیا اور (iii) حکومت پاکستان کی طرف سے حال ہی میں تبدیل شدہ ایکسل لوڈ ٹرانکنگ نظام جہاں فی ٹرک سامان لے جانے کی حد کو کم کر دیا گیا جو کہ نقل و حمل کے اخراجات میں 30 فیصد سے زائد اضافہ کا سبب بنا۔ بجلی کی قیمتوں میں بھی گزشتہ سال کے 9 ماہ کے مقابلے میں 40 فیصد اضافہ ہوا ہے۔ مشرق وسطیٰ کے جاری تنازعات کے تناظر میں منفی جذبات کا سامنا کرنے والے کچھ کثیر القومی صارفین کے لیے Q3 میں ہماری فروخت میں تیزی سے کمی کے باعث اس میں مزید اضافہ ہوا۔

آپ کی انتظامیہ زیادہ تر قیمتوں میں اضافے کو کم کرنے کے لئے مناسب طریقے سے قیمتوں کو ایڈجسٹ کرنے کے قابل تھی، لیکن یہ پیش کردہ کچھ چارجز فروخت پر سمجھوتہ کرنے کی قیمت پر آیا۔ اس طرح گزشتہ سہ ماہی میں Preforms کی فروخت میں 40 فیصد اور بوتلوں کی فروخت میں 13 فیصد کمی واقع ہوئی جو گزشتہ سال کی اسی 3 ماہ (تیسری سہ ماہی) کے مقابلے میں کم ہوئی تھی۔ نتیجتاً، اس نے یونٹ لاگت کی بنیاد پر کمپنی کی مقررہ پیداواری لاگت میں اضافہ کیا۔ مارکیٹ کی ناسازگار لاگت کے حقائق کے باوجود، آپ کی کمپنی 9 ماہ کی بنیاد پر اپنی بوتلوں کی فروخت میں 6 فیصد اضافہ کرنے میں کامیاب رہی جبکہ Preforms کی فروخت اپنے سالانہ دورانیے کے دوران مجموعی طور پر جمود کا شکار رہی۔

فروخت اور مالیاتی جھلکیاں

گزشتہ سال کے اسی عرصے کے مقابلے میں 31 مارچ 2024 کو ختم ہونے والے نو ماہ کے عرصے کے دوران Topline آمدنی 6 فیصد یعنی 3.9 ارب روپے سے بڑھ کر 4.1 ارب روپے ہو گئی ہے۔ یہ اضافہ بوتلوں کی فروخت کے حجم میں گزشتہ سال مالی سال 2023 کے 9 ماہ کے مقابلے میں 6 فیصد اضافے کی نمائندگی کرتا ہے۔ اس کے مطابق، پیداوار کے حجم میں بھی اسی طرح اضافہ ہوا جس سے بوتلوں میں صلاحیت کا استعمال پچھلے سال کے 58 فیصد سے بڑھ کر 61 فیصد رہا۔ مالی سال 2023 کے 9 ماہ کے مقابلے میں بجلی کی قیمتوں میں تقریباً 40 فیصد اضافہ ہوا۔ بوتلوں کے نسبت زیادہ حجم اور بہتر قیمتوں کی وجہ سے ہم نے مالی سال 2024 کے 9 ماہ میں 373 ملین روپے کا مجموعی منافع ریکارڈ کیا ہے جبکہ گزشتہ سال کے اسی عرصے میں مجموعی منافع 335 ملین روپے تھا، جو 38 ملین روپے یعنی 11 فیصد کا اضافہ ہوا۔ انتظامی نفع گزشتہ سال کے اسی عرصے کے مقابلے میں 6 فیصد یعنی 147 ملین روپے سے بڑھ کر 155 ملین روپے رہا۔

مالی اخراجات گزشتہ سال کے 155 ملین روپے سے بڑھ کر اس 9 ماہ کے عرصے میں 180 ملین روپے ہو گئے، جس کی بنیاد وجہ KIBOR اور اسٹیٹ بینک رعایتی نرخوں میں خاطر خواہ اضافہ ہے۔ KIBOR گزشتہ سال کے اوسط 17.42 فیصد سے بڑھ کر سال بہ سال 21.46 فیصد یعنی 23 فیصد اضافہ ہوا۔

مالی اخراجات میں اضافے کی وجہ سے، بنیادی طور پر KIBOR میں اضافے کی وجہ سے، قبل از ٹیکس خسارہ 25.2 ملین روپے ریکارڈ کیا گیا ہے جبکہ گزشتہ سال اسی عرصے میں 8.3 ملین روپے کا قبل از ٹیکس نقصان رہا۔ تاہم بعد از ٹیکس نقصان 30.1 ملین روپے ہے جبکہ گزشتہ سال کے اسی عرصے میں 22.9 ملین روپے کا بعد از ٹیکس نقصان ہوا تھا۔ مالی سال 2024ء کے پہلے نو ماہ کے دوران فی حصص خسارہ (basic & diluted) 0.62 روپے فی حصص ہے جبکہ پچھلے سال کی اسی مدت کے لئے 0.48 روپے فی حصص کا نقصان رہا تھا۔

مستقبل کے امکانات

اگرچہ مجموعی طور پر معاشی منظر نامہ مسلسل افراط زر اور صارفین کی قوت خرید میں کمی کی وجہ سے انتہائی مشکل ہوتا جا رہا ہے، آپ کی کمپنی نے گزشتہ چند سالوں میں اپنے صارفین اور مصنوعات کی بنیاد کو متنوع بنایا ہے جس کے ثمرات کا حصول اب شروع ہو چکا ہے۔ البتہ خوردنی تیل، کیمیکلز، جوس اور لال شربت کے شعبوں کے لئے بڑے کنٹینرز میں ہمارا داخلہ، ہمیں ایک متوازن کاروباری منصوبہ حاصل کرنے کے قابل بناتا ہے جو کمپنی کو Food & Beverage صنعت کے صرف ایک یا دو حصوں پر منحصر ہونے سے بچاتا ہے۔ جس نے ایک ایسے ماحول میں کاروباری خطرے کو کسی حد تک پھیلا یا اور کم کیا ہے جو گھریلو اور بین الاقوامی سطح پر بار بار اتار چڑھاؤ سے بھرپور رہا۔

IMF کے متوقع نئے پروگرام کے ساتھ میکرو اکنامک منظر نامہ مستحکم ہو رہا ہے، آپ کی انتظامیہ اپنی ترقی کے بارے میں محتاط طور پر پر امید ہے جو ایک مضبوط اور متحرک مشروبات کے شعبے کی طرف گامزن ہے کیونکہ یہ اپنی معمول کی نمو کی طرف لوٹ رہا ہے، جو حال ہی میں بڑھتی ہوئی پیداواری صلاحیتوں میں نئی سرمایہ کاری کی امید رکھتا ہے۔ مناسب تقسیم کے ذریعہ صارفین کی استطاعت کے مطابق مسابقتی قیمتوں پر نئی پیش کشیں مارکیٹ کی طلب کو متحرک کرنے اور پورا کرنے کا راستہ معلوم ہوتی ہیں۔

خطرات

مشرق وسطیٰ میں جغرافیائی و سیاسی خلفشار اور تناؤ خطے میں پھیل رہا ہے جو بالعموم عالمی معیشت اور خاص طور پر پاکستان کے لیے سب سے اہم چیلنج ہے۔ خام تیل کی قیمتوں میں اضافہ اور سپلائی چین اور شپنگ میں خلل مستقبل قریب میں بے قابو ہو سکتا ہے، جس سے خطے کی کمزور معیشت کے لئے افزائی پیدا ہو سکتی ہے جو پہلے سے ہی اپنی معاشی مشکلات سے دوچار ہیں۔ تاہم، اگر یہ قلیل مدتی ہے اور استحکام کی طرف جانے کی امید موجود ہے، جس کی وجہ سے خام تیل کی قیمتوں میں کمی متوقع ہے جو آسانی سے اہم بچت لا سکتا ہے اور بجٹ کے دباؤ کو کم کر سکتا ہے۔

دیگر معاملات

کمپنی کے سی ای او کی جانب سے کمپنی، کچھ شیئرز ہولڈرز اور بورڈ آف ڈائریکٹرز کے خلاف سندھ ہائی کورٹ میں 2022 کا سول مقدمہ نمبر 1954 دائر ہے جس کا فیصلہ زیر التوا ہے۔ اس مقدمے میں موجودہ سی ای او نے دیگر باتوں کے ساتھ ساتھ سی ای او کے عہدے سے ان کی برطرفی اور کمپنی میں کچھ شیئرز ہولڈرز کے ذریعے حصص کے حصول کو چیلنج کیا ہے۔ ایکویٹک لمیٹڈ کے بورڈ آف ڈائریکٹرز کے لیے بورڈ کی جانب سے



چائیرمین
 تاریخ: 27 اپریل 2024



حسین جمیل
 چیف ایگزیکٹو آفیسر

ڈائریکٹرز رپورٹ کے مطابق "ضمیمہ الف"

1. ڈائریکٹرز کی کل تعداد سات درج ذیل ہے:

- a. مرد: 06
b. خواتین: 01

2. بورڈ کی تشکیل درج ذیل ہے:

- (a) آزاد ڈائریکٹرز
(1) جناب امین جان (2) جناب محمد جنید حمید ڈاگیا
- (b) نان ایگزیکٹو ڈائریکٹرز
(1) جناب محمد کامران ناصر (2) جناب عارف احمد صدیقی (3) جناب عمر طارق
- (c) ایگزیکٹو ڈائریکٹرز
(1) جناب حسین جمیل
- (d) خاتون ڈائریکٹر
(1) مسز سونیا جمیل (نان ایگزیکٹو ڈائریکٹر)

3. بورڈ نے ارکان پر مشتمل کمیٹیاں تشکیل دی ہیں جیسا کہ ذیل میں دیا گیا ہے:

(a) آڈٹ کمیٹی

- (1) جناب امین جان چیئرمین
(2) جناب عارف احمد صدیقی رکن
(3) جناب عمر طارق رکن
(4) مسز سونیا جمیل رکن

(b) انسانی وسائل اور معاوضہ (ایچ آر آر) کمیٹی

- (1) جناب محمد جنید حمید ڈاگیا چیئرمین
(2) جناب عارف احمد صدیقی رکن
(3) جناب عمر طارق رکن
(4) مسز سونیا جمیل رکن

4. بورڈ نے ڈائریکٹرز کے لیے معاوضے کی پالیسی منظور کی ہے جس کے نمایاں پہلو مندرجہ ذیل ہیں:

- بورڈ آف ڈائریکٹرز (BOD) وقتاً فوقتاً بورڈ آف ڈائریکٹرز کے اراکین کے لیے بورڈ اجلاسوں میں شرکت کے عوض معاوضے کا تعین اور منظوری دے گا۔ ایسا معاوضہ ذمہ داری کی سطح اور BOD اراکین کی پیش کردہ مہارت کے ہم پلہ ہو گا اور اس کا مقصد ایسے اراکین کو اپنی طرف کشش دلانا اور اپنے ساتھ رکھنا جن کی کمپنی کو کامیابی سے چلانے اور قدرتی قیمت پیدا کرنے کے لیے ضرورت ہے۔
- BOD کا کوئی رکن انفرادی طور پر اپنے معاوضے کا تعین نہیں کرے گا۔

بورڈ آف ڈائریکٹرز کی جانب سے



حسین جمیل
چیف ایگزیکٹو آفیسر



ڈائریکٹر
تاریخ: 27 اپریل 2024

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT MARCH 31, 2024

	Note	Un-audited March 31, 2024	Audited June 30, 2023
Rupees in thousand			
NON CURRENT ASSETS			
Property, plant & equipment	4	1,506,535	1,548,259
Intangible assets		3,369	3,663
Long term deposits		14,506	13,821
Deferred tax asset - net	12	14,402	-
		1,538,812	1,565,743
CURRENT ASSETS			
Stores, spares and loose tools	5	96,577	80,970
Stock-in-trade	6	468,192	505,528
Trade debts		505,955	545,334
Loans and advances	7	148,524	181,840
Deposits, prepayments and other receivables		15,014	12,539
Advance tax - net		23,468	-
Cash and bank balances		54,571	84,328
		1,312,301	1,410,539
TOTAL ASSETS		2,851,113	2,976,282
SHARE CAPITAL AND RESERVES			
Authorised capital		500,000	500,000
Issued, subscribed and paid-up capital	8	482,584	482,584
Revenue reserve - Unappropriated profits		411,658	419,483
Capital Reserve			
Surplus on revaluation of property, plant and equipment	9	251,011	273,254
		1,145,253	1,175,321
NON-CURRENT LIABILITIES			
Long term finances - secured	10	43,159	54,530
Deferred government grant		276	936
Lease liabilities	11	51,645	51,140
Deferred tax liabilities - net	12	-	32,825
		95,080	139,431
CURRENT LIABILITIES			
Employees' retirement benefits		50,966	43,738
Trade and other payables	13	549,359	400,186
Contract liabilities		12,664	20,296
Unclaimed dividend		3,615	3,396
Taxation - net		-	3,820
Short term borrowings and running finance - secured		927,992	1,124,271
Current maturity of non-current liabilities		66,184	65,823
		1,610,780	1,661,530
Contingencies and commitments	14	-	-
TOTAL EQUITY AND LIABILITIES		2,851,113	2,976,282

The annexed notes 1 to 24 form an integral part of these financial statements.



Chief Financial
Officer



Chief Executive
Officer



Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
 FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2024

	Note	Three month period ended		Nine month period ended	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Rupees in thousand					
Revenue from contracts with customers		1,932,276	2,383,664	4,861,926	4,567,344
Sales tax and discounts		(295,308)	(359,183)	(742,467)	(677,853)
Revenue from contracts with customers - net	15	1,636,968	2,024,481	4,119,459	3,889,491
Cost of sales	16	(1,435,178)	(1,686,528)	(3,746,100)	(3,554,292)
GROSS PROFIT		201,790	337,953	373,359	335,199
Selling & distribution expenses		(42,386)	(42,307)	(110,324)	(94,375)
Administrative and general expenses		(32,625)	(28,357)	(100,843)	(95,514)
Other expenses		441	515	(8,639)	(118)
Other income		320	1,868	1,768	5,271
Net impairment loss on financial assets		-	-	-	(3,583)
		(74,250)	(68,281)	(218,038)	(188,319)
OPERATING PROFIT		127,540	269,672	155,321	146,880
Finance cost		(61,717)	(63,422)	(180,571)	(155,216)
PROFIT / (LOSS) BEFORE TAXATION		65,823	206,250	(25,250)	(8,336)
Taxation	12	(33,961)	(65,270)	(4,818)	(14,640)
PROFIT / (LOSS) FOR THE PERIOD		31,862	140,980	(30,068)	(22,976)
Earnings/ (loss) per share - basic and diluted (l	17.1	0.66	2.92	(0.62)	(0.48)

The annexed notes 1 to 24 form an integral part of these financial statements.



Chief Financial
Officer



Chief Executive
Officer



Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)**

FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2024

	Three month period ended		Nine month period ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Rupees in thousand			
PROFIT / (LOSS) FOR THE PERIOD	31,862	140,980	(30,068)	(22,976)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to statement of profit or loss:				
Surplus on revaluation of property, plant and equipment	-	-	-	-
Less: Deferred tax on surplus on revaluation of property, plant and equipment	-	3,199	-	3,199
Other comprehensive income	-	3,199	-	3,199
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	31,862	144,179	(30,068)	(19,777)

The annexed notes 1 to 24 form an integral part of these financial statements.



Chief Financial
Officer



Chief Executive
Officer



Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
 FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2024

	Share Capital	Unappropriated profits	Surplus on revaluation of property and plant	Total
	----- Rupees in thousand -----			
Balance as at July 1, 2022	419,638	427,835	183,580	1,031,053
- Loss for the period	-	(22,976)	-	(22,976)
- Other comprehensive Income	-	-	3,199	3,199
Total comprehensive income / (loss) for the period	-	(22,976)	3,199	(19,777)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period - net of deferred taxation	-	15,477	(15,477)	-
Transaction with members recorded directly in equity				
<i>Distribution to members</i>				
- Issuance of bonus shares @ 15%	62,946	(62,946)	-	-
Balance as at March 31, 2023 - un-audited	482,584	357,390	171,302	1,011,276
Balance as at July 1, 2023	482,584	419,483	273,254	1,175,321
- Loss for the period	-	(30,068)	-	(30,068)
- Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	-	(30,068)	-	(30,068)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period - net of deferred taxation	-	22,243	(22,243)	-
Balance as at March 31, 2024 - un-audited	482,584	411,658	251,011	1,145,253

The annexed notes 1 to 24 form an integral part of these financial statements.



 Chief Financial
 Officer



 Chief Executive
 Officer



 Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
 FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2024

	<u>Nine month period ended</u>	
	March 31, 2024	March 31, 2023
Note	(Rupees in thousand)	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the period - before taxation	(25,250)	(8,336)
Adjustments for non-cash items:		
Depreciation and amortization	126,284	109,229
Gain on disposal of property, plant and equipment	(610)	(1,011)
Provision for slow moving stock in trade	6 1,450	118
Provision for Workers' Welfare Fund	82	-
Reversal of liabilities no longer required	-	(2,704)
Provision for obsolete stores and spares	5 6,198	-
Impairment of idle fixed assets	4.1 6,618	-
Expected credit losses on trade debts	-	3,583
Provision for gratuity	9,331	6,193
Finance cost	180,571	155,216
	<u>304,674</u>	<u>262,289</u>
Changes in working capital		
Decrease / (increase) in inventories	5 & 6 14,081	(207,260)
Decrease/ (increase) in trade debts	31,747	(148,064)
(Increase) in loans and advances	7 (2,573)	(19,529)
(Increase) in deposits, prepayments and other receivables	(2,475)	(7,028)
Increase/ (decrease) in trade and other payables	189,644	(77,955)
	<u>230,424</u>	<u>(459,836)</u>
	535,098	(197,547)
Finance cost paid - short term borrowings	(182,494)	(97,622)
Workers' Profit Participation Fund paid	(4,224)	(7,272)
Workers Welfare Fund paid	(440)	-
Contributions to gratuity	(2,102)	(5,220)
Income taxes paid	(79,335)	(21,342)
Net cash generated from/ (used in) operating activities	<u>266,503</u>	<u>(329,003)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment - net	(79,538)	(38,186)
Investment in intangible assets	(358)	-
Change in long term security deposits	(685)	(1,212)
Sale proceeds from disposal of property, plant and equipment	4,007	13,648
Net cash used in investing activities	<u>(76,574)</u>	<u>(25,750)</u>

	2024	2023
	(Rupees in thousand)	
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(38,895)	(74,213)
Proceeds from long-term finances	34,379	-
Repayment of long-term finances	(30,170)	(60,392)
Interest on unclaimed dividend	219	201
Short-term borrowings (repaid) / received	(191,069)	482,458
Finance cost paid on long-term finances and lease liabilities	(14,514)	(11,441)
Net cash (used in) / generated from financing activities	(240,050)	336,612
NET DECREASE IN CASH AND CASH EQUIVALENTS	(50,121)	(18,141)
Cash and cash equivalents at beginning of the period	59,740	25,513
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	9,619	7,372

The annexed notes 1 to 24 form an integral part of these financial statements.


 Chief Financial
 Officer


 Chief Executive
 Officer


 Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2024

1. LEGAL STATUS AND OPERATIONS

Ecopack Limited (the Company) was incorporated in Pakistan on August 25, 1991 as a private limited company and converted to a public limited company on April 29, 1992 under the then Companies Ordinance, 1984 (repealed upon enactment of the Companies Act, 2017) and commenced its commercial production in 1993. The Company has its shares quoted on the Pakistan Stock Exchange Limited. The Company is principally engaged in manufacturing and sale of Polyethylene Terephthalate (PET) bottles and preforms for beverages and other liquid packaging industry. The head office of the Company is situated at 19, Main Street City Villas, Near High Court Road, Rawalpindi and its registered office and manufacturing facility is located at Hattar Industrial Estate, Khyber Pakhtunkhwa.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements for the six month ended March 31, 2024 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Where provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The disclosures in these condensed interim financial statements does not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2023.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and significant judgements made in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the audited financial statements for the year ended June 30, 2023.

	Note	Un-audited March 31, 2024	Audited June 30, 2023
Rupees in thousand			
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	1,457,118	1,511,155
Capital work-in-progress	4.3	8,767	181
Capital spares		40,650	36,923
		<u>1,506,535</u>	<u>1,548,259</u>
4.1 Operating fixed assets - at net book value			
Net book value at the beginning of the period / year		1,511,155	1,385,930
Additions during the period / year	4.1.1	81,610	134,793
Revaluation during the period / year		-	164,863
Disposals during the period / year		(3,397)	(12,737)
Impairment charged for the period / year		(6,618)	(13,188)
Depreciation charged for the period / year		(125,632)	(148,506)
Net book value at the end of the period / year		<u>1,457,118</u>	<u>1,511,155</u>
4.1.1 Additions during the period / year			
Factory building and roads on lease-hold land		3,078	1,577
Plant and Machinery - owned		14,896	50,482
Factory equipment		50,703	37,864
Office equipment		2,631	2,652
Furniture & fixtures		-	101
Vehicle - owned		969	1,770
Vehicle - right of use		9,333	40,347
		<u>81,610</u>	<u>134,793</u>
4.2 Right of use asset			
Net book value at the beginning of the period / year		213,551	362,145
Additions during the period / year		9,333	40,347
Transfers from right of use asset to owned assets		(132,412)	(147,487)
Net book value of disposals		(1,698)	(4,075)
Depreciation charge		(14,787)	(37,379)
Net book value at the end of the period / year		<u>73,987</u>	<u>213,551</u>
4.3 Capital work-in-progress			
Net book value at the beginning of the period / year		181	12,890
Additions during the period / year		20,831	18,566
Capitalized during the period / year		(12,245)	(31,275)
Net book value at the end of the period / year		<u>8,767</u>	<u>181</u>

	Note	Un-audited March 31, 2024	Audited June 30, 2023
		Rupees in thousand	
5. STORES, SPARES AND LOOSE TOOLS			
Stores and spares		151,011	125,855
Loose tools		2,829	2,453
		<u>153,840</u>	<u>128,308</u>
Provision for obsolete stores and spares		(16,613)	(10,415)
Capital spares transferred to property, plant and equipment		(40,650)	(36,923)
		<u>96,577</u>	<u>80,970</u>
6. STOCK-IN-TRADE			
Raw materials		83,860	126,751
Packing materials		32,259	38,990
Work in process - preforms		193,967	228,532
Finished goods - bottles		159,997	111,696
		<u>470,083</u>	<u>505,969</u>
Provision for obsolescence		(1,891)	(441)
		<u>468,192</u>	<u>505,528</u>
7. LOANS AND ADVANCES			
Suppliers and contractors - unsecured		135,713	171,602
Employees:			
Personal - secured		5,781	6,288
Operational - unsecured		7,030	3,950
		<u>148,524</u>	<u>181,840</u>
8. SHARE CAPITAL			
8.1 Authorized share capital			
This represents 50,000,000 (June 30, 2023: 50,000,000) ordinary shares of Rs 10 each.			
8.2 Issued, subscribed and paid-up capital			
Un-audited	Audited	Un-audited	Audited
March 31,	June 30,	March 31,	June 30,
2024	2023	2024	2023
Number of shares		Rupees in thousand	
10,262,664	10,262,664	102,627	102,627
37,995,753	37,995,753	379,957	379,957
<u>48,258,417</u>	<u>48,258,417</u>	<u>482,584</u>	<u>482,584</u>

9 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

The Company follows revaluation model for lease-hold land, factory building and roads on lease-hold land and plant & machinery. The fair value of these items were assessed by management based on independent valuation performed by an external valuation expert property valuation expert as on June 30, 2023. For valuation of these items, the current market price or depreciated replacement cost method is used, whereby, current purchase / construction cost of similar items in similar locations has been adjusted using suitable depreciation rates to arrive at present market value. This technique requires significant judgment as to estimating the revalued amount in terms of their quality, structure, layout and locations. Movement during the year is as follows:

Note	Un-audited March 31, 2024 Rupees in thousand	Audited June 30, 2023
Balance at the beginning of the period / year	357,675	227,635
Add: surplus on revaluation carried-out during the period	-	164,863
Reversal of surplus on recognition of impairment loss on idle machinery	-	(5,101)
Incremental depreciation transferred to unappropriated profits	<u>(33,199)</u>	<u>(29,722)</u>
	324,476	357,675
Less: deferred tax on:		
- Balance as at beginning of the period / year	(84,421)	(44,055)
- revaluation surplus for the period / year	-	(51,857)
- reversal of revaluation surplus for the period / year	-	1,683
- Incremental depreciation charged during the period / year	10,956	9,808
	(73,465)	(84,421)
Balance at the end of the period	<u>251,011</u>	<u>273,254</u>

10. LONG TERM FINANCES - SECURED

Loans from banking companies - secured

Bank Al-Habib Limited - I	10.1	24,000	36,000
Bank Al-Habib Limited - II	10.2	22,958	28,523
Bank Al-Habib Limited - III	10.3	26,739	-
PAIR Investment Company Limited	10.4	16,671	20,976
		<u>90,368</u>	<u>85,499</u>
Less: current portion of long term finances		<u>(47,209)</u>	<u>(30,969)</u>
Amount due after March 31, 2025		<u>43,159</u>	<u>54,530</u>

- 10.1** This represents term loan obtained in year 2019 for letter of credit arrangements of the capital expenditure. Tenor of the loan is five years, including six months grace period. This is repayable in 20 equal quarterly installments started from May 24, 2019. It carries mark-up at 3 months KIBOR plus 1.5% per annum payable on quarterly basis. This loan is secured by specific (first exclusive) charge of Rs 140,640 thousand on imported / purchased machinery. Principal repayments of the loan were deferred for a period of one year in pursuance of BPRD Circular No. 6 dated April 10, 2020.

- 10.2** This represents subsidized rate term loan obtained during the year 2020 under Temporary Economic Refinance Facility (TERF) of State Bank of Pakistan (SBP) for letter of credit arrangements of the capital expenditure. Tenor of the loan is six years, including one year grace period. This is repayable in 20 equal quarterly installments starting from March 1, 2022. It carries mark-up at 5% per annum payable on quarterly basis. This loan is secured by specific (first exclusive) charge of Rs 140,640 thousand over imported / purchased machinery.

Loan proceeds of subsidized loan has been recognized at present value of future cashflows discounted at market interest rate. The difference between loan proceeds and the present value of future cashflows has been recognized as deferred government grant.

- 10.3** This represents term loan obtained in fiscal year 2023-24 for letter of credit arrangements of the capital expenditure. Tenor of the loan is three years. This is repayable in 36 equal monthly installments. The loan is priced at 1.5% per annum over 3 months KIBOR. This loan is secured by first exclusive charge over fixed assets (plant & machinery) for Rs. 55 million duly registered with SECP over machinery imported.

During the period, Bank Al-Habib Limited has further extended the facility till February 28, 2025.

- 10.4** This represents finance obtained from PAIR Investment Company Limited under sale and lease back arrangement. As per terms of agreement, the Company has an option to repurchase the assets back upon expiry of lease term, accordingly proceeds through this arrangement are classified as a financial liability in accordance with IFRS 9. Tenor of the arrangement is 5 years and with 60 equal monthly installments. It carries mark-up at 3 months KIBOR plus 1.5% per annum. The loan is secured by charge over plant and machinery of the Company amounting to Rs 54,710 thousand.

Un-audited Audited
March 31, June 30,
2024 2023
Rupees in thousand

11. LEASE LIABILITIES

Balance at the beginning of the period / year	81,674	177,537
Additions during the period / year	14,649	27,218
Unwinding of interest on lease liabilities	8,003	18,484
Payments made during the period / year	(38,895)	(141,565)
Balance at the end of the period / year	65,431	81,674
Less: Current portion shown under current liabilities	(13,786)	(30,534)
	51,645	51,140

12. INCOME TAX

The deferred tax asset has been recognised taking into account the availability of future taxable profits as per business plan of the Company. The existence of future taxable profits is based on business plan which involves making judgements regarding key assumptions underlying the estimation of the future taxable profits of the Company. These assumptions, if not met have significant risk of causing a material adjustment to the carrying amount of deferred tax.

	Un-audited March 31, 2024	Audited June 30, 2023
	Rupees in thousand	
13. TRADE AND OTHER PAYABLES		
Trade creditors	376,451	284,339
Accrued and other liabilities	131,372	71,006
Payable to provident fund	1,942	-
Sales tax payable	36,132	35,652
Withholding taxes payable	2,806	3,951
Workers' profit participation fund payable	656	4,880
Workers' welfare fund payable	-	358
	<u>549,359</u>	<u>400,186</u>

14. CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

14.1.1 There has been no significant change in the status of contingencies as disclosed in note 27 to the audited financial statements of the Company for the year ended June 30, 2023

14.2 Commitments

14.2.1 Bank guarantees have been issued by two financial institutions of the Company for an aggregate amount of Rs 7.15 million (2023: Rs 7.15 million) in favor of the Company's fuel and utility suppliers.

15. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

	Three month period ended		Nine month period ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Rupees in thousand			
Sales-Local				
- PET Preforms	593,014	916,708	1,772,186	1,697,723
- PET Bottles	1,339,262	1,466,956	3,089,740	2,869,621
	1,932,276	2,383,664	4,861,926	4,567,344
Less: Sales tax				
- PET Preforms	(90,859)	(138,593)	(270,875)	(252,107)
- PET Bottles	(204,449)	(220,590)	(471,592)	(424,388)
- Sales returns and discounts	-	-	-	(1,358)
	(295,308)	(359,183)	(742,467)	(677,853)
	1,636,968	2,024,481	4,119,459	3,889,491

16. COST OF SALES

Raw material consumed	939,992	1,125,440	2,456,659	2,731,648
Packing material consumed	61,503	75,885	165,423	157,441
Stores, spares and loose tools consumed	33,513	30,290	62,632	75,166
Salaries, wages and other benefits	106,429	85,611	307,048	224,912
Utilities	220,335	161,008	538,344	384,415
Travelling and conveyance	4,981	5,376	14,783	13,465
Vehicle running and maintenance	4,023	3,561	13,811	10,856
Rent	10,468	11,345	27,572	26,491
Repair and maintenance	4,866	3,564	11,065	8,487
Safety and security	4,839	3,568	14,906	10,288
Medical	3,195	2,089	7,943	6,790
Communication charges	645	632	2,043	1,838
Printing, postage and stationery	1,269	893	3,314	2,561
Technical testing and analysis	248	265	944	691
Fees, subscription and professional charges	867	855	1,651	1,969
Entertainment	155	188	524	610
Staff welfare & support	4,003	2,184	8,012	4,955
Depreciation	38,913	35,013	115,364	99,810
Provision for slow moving in inventories	905	-	1,449	-
Provision for obsolete stores and spares	-	-	6,198	-
Other expenses	52	43	151	168
	1,441,201	1,547,811	3,759,836	3,762,562
Work-in-process - opening	217,776	474,586	228,532	117,973
Work-in-process - closing	(193,967)	(289,201)	(193,967)	(289,201)
	23,809	185,385	34,565	(171,228)
Cost of goods manufactured	1,465,010	1,733,196	3,794,401	3,591,334
Finished goods - opening	130,165	119,189	111,696	128,815
Finished goods - closing	(159,997)	(165,857)	(159,997)	(165,857)
	(29,832)	(46,668)	(48,301)	(37,042)
	1,435,178	1,686,528	3,746,100	3,554,292

	Three month period ended		Nine month period ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
17. EARNINGS/ (LOSS) PER SHARE - BASIC AND DILUTED				
17.1 Basic				
Profit / (Loss) after taxation (Rupees in '000')	<u>31,862</u>	<u>140,980</u>	<u>(30,068)</u>	<u>(22,976)</u>
Weighted average number of ordinary shares	<u>48,258,417</u>	<u>48,258,417</u>	<u>48,258,417</u>	<u>48,258,417</u>
Earnings / (loss) per share - basic (Rupees)	<u>0.66</u>	<u>2.92</u>	<u>(0.62)</u>	<u>(0.48)</u>

17.2 Diluted

There is no dilution effect on the basic earnings per share of the Company as the Company has no convertible potential dilutive instruments outstanding as on March 31, 2024 which would have effect on the basic EPS, if the option to convert would have been exercised.

	Un-Audited	Un-Audited
	March 31, 2024	March 31, 2023
18. CASH AND CASH EQUIVALENTS		
	Rupees in thousand	
Cash and bank balances	<u>54,571</u>	<u>35,897</u>
Short-term running finance	<u>(44,952)</u>	<u>(28,525)</u>
	<u>9,619</u>	<u>7,372</u>

19. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to variety of financial risk namely market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

There have been no changes in the financial risk management policies of the Company during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

Fair value estimation

The carrying value of financial assets and liabilities reflected in financial statements approximate their respective fair value.

Fair value hierarchy

Certain property, plant and equipment of the Company was valued by independent valuer to determine the fair value of property, plant and equipment as at June 30, 2023. The revaluation surplus was credited to other comprehensive income and is shown as 'surplus on revaluation of property, plant and equipment'. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Level 2 fair value of certain property, plant and equipment has been derived using the comparison approach. Sales prices of comparable property, plant and equipment in identical circumstances or close proximity are adjusted for differences in key attributes such as property size, structure, location, capacity etc. The most significant inputs into this valuation approach are price per marla, price per square feet, depreciated replacement cost etc.

20. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Company has related party relationship, with its directors, key management personnel and employee benefit plan. The Company in the normal course of business carries out transactions with various related parties. There were no transactions with key management personnel other than under the terms of employment. Aggregate transactions with the related parties during the period were as follows:

	Three-month period ended		Nine month period ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Transactions during the period				
Contribution to staff provident fund	5,818	6,701	15,274	16,521
Contribution to employees' gratuity fund	2,030	3,210	2,102	5,245
Remuneration to key management personnel	16,997	16,001	50,992	48,002
Directors fee	2,100	-	4,700	3,200
Bonus shares issued	-	-	-	15%
			Un-audited March 31, 2024	Audited June 30, 2023
			Rupees in thousand	
Payable / as on date of statement of financial position with:				
Ecopack Employees' Provident Fund Trust			1,942	-
Ecopack - Employees' Gratuity Fund Trust			50,966	43,738

21. FINANCIAL INSTRUMENTS

21.1 Financial assets and liabilities

	Amortised Cost	Fair value through profit and loss	Fair value through other comprehensive income	Total
	----- Rupees in thousand -----			
March 31, 2024				
Financial assets:				
Maturity upto one year				
Trade debts	505,955	-	-	505,955
Loans and advances	5,781	-	-	5,781
Deposits, prepayments and other receivables	7,127	-	-	7,127
Cash and bank balances	54,571	-	-	54,571
Maturity above one year				
Long term deposits	-	14,506	-	14,506
	<u>573,434</u>	<u>14,506</u>	<u>-</u>	<u>587,940</u>
Financial liabilities:				
Maturity upto one year				
Employees' retirement benefits	50,966	-	-	50,966
Trade and other payables	507,823	-	-	507,823
Unclaimed dividend	3,615	-	-	3,615
Short term borrowings and running finance - secured	927,992	-	-	927,992
Current maturity of non-current liabilities	66,184	-	-	66,184
Maturity above one year				
Long term finances - secured	43,159	-	-	43,159
Lease liabilities	51,645	-	-	51,645
	<u>1,651,384</u>	<u>-</u>	<u>-</u>	<u>1,651,384</u>
June 30, 2023				
Financial assets:				
Maturity upto one year				
Trade debts	545,334	-	-	545,334
Loans and advances	10,238	-	-	10,238
Deposits, prepayments and other receivables	11,104	-	-	11,104
Short-term investments	-	-	-	-
Cash and bank balances	84,328	-	-	84,328
Maturity above one year				
Long term deposits	-	13,821	-	13,821
	<u>651,004</u>	<u>13,821</u>	<u>-</u>	<u>664,825</u>
Financial liabilities:				
Maturity upto one year				
Employees' retirement benefits	43,738	-	-	43,738
Trade and other payables	355,345	-	-	355,345
Unclaimed dividend	3,396	-	-	3,396
Short term borrowings and running finance - secured	1,124,271	-	-	1,124,271
Current maturity of non-current liabilities	65,823	-	-	65,823
Maturity above one year				
Long term finances - secured	54,530	-	-	54,530
Lease liabilities	51,140	-	-	51,140
	<u>1,698,243</u>	<u>-</u>	<u>-</u>	<u>1,698,243</u>

22. OPERATING SEGMENTS

22.1 Description of operating segments

The company's primary format for segment reporting is based on business segments. The business segments are determined based on the Company's management and internal reporting structure. Segment results and other information is provided on the basis of products.

22.2 Segment Information

The operating information of the reportable business segments is as follows:

	INJECTION (PREFORMS)						BLOWING (BOTTLES)						TOTAL	
	For the three-months ended		For the nine-month ended		For the three-months ended		For the nine-month ended		For the three-months ended		For the nine-month ended			
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Total Sales	1,017,428	1,266,866	2,771,232	2,672,477	1,134,812	1,246,366	2,618,147	2,443,899	5,389,379	5,116,376				
Less: Intersegment sales (eliminated)	(515,272)	(488,751)	(1,269,920)	(1,226,885)	-	-	-	-	(1,269,920)	(1,226,885)				
Sales-net	502,156	778,115	1,501,312	1,445,592	1,134,812	1,246,366	2,618,147	2,443,899	4,119,459	3,889,491				
Total Cost of Sales	(431,049)	(627,281)	(1,408,496)	(1,356,235)	(1,519,402)	(1,547,998)	(3,607,524)	(3,424,942)	(5,016,020)	(4,781,177)				
Less: Intersegment cost (eliminated)	(431,049)	(627,281)	(1,408,496)	(1,356,235)	515,272	488,751	1,269,920	1,226,885	1,269,920	1,226,885				
Cost of sales-net	71,108	(627,281)	(1,408,496)	(1,356,235)	(1,004,130)	(1,059,247)	(2,337,604)	(2,198,057)	(3,746,100)	(3,554,292)				
Gross (loss) / profit	431,049	150,834	92,816	89,357	130,682	187,119	280,543	245,842	373,359	335,199				
Distribution expenses	(12,863)	(29,139)	(40,207)	(35,076)	(29,523)	(13,188)	(70,117)	(59,299)	(110,324)	(94,375)				
Administrative expenses	(9,296)	(11,464)	(36,752)	(35,499)	(23,329)	(16,893)	(64,091)	(60,015)	(100,843)	(95,514)				
Impairment loss on Trade debts	-	(50)	-	(1,332)	-	50	-	(2,251)	-	(3,583)				
	(22,159)	(40,653)	(76,959)	(71,907)	(52,852)	(30,011)	(134,208)	(121,565)	(211,167)	(193,472)				
Profit/ (loss) from operations	48,949	110,181	15,857	17,450	77,830	157,108	146,335	124,277	162,192	141,727				
	March 31, 2024	June 30, 2023	March 31, 2024	June 30, 2023	March 31, 2024	June 30, 2023	March 31, 2024	June 30, 2023	March 31, 2024	June 30, 2023				
Segment assets	1,306,027	1,487,969			1,348,079	1,222,795			2,654,106	2,710,764				
Unallocated assets	-	-			-	-			197,007	265,518				
	1,306,027	1,487,969			1,348,079	1,222,795			2,851,113	2,976,282				
Segment liabilities	836,925	878,788			765,005	839,041			1,601,929	1,717,829				
Unallocated liabilities	-	-			-	-			103,931	83,132				
	836,925	878,788			765,005	839,041			1,705,860	1,800,961				
Capital expenditure	14,108	64,660			36,261	23,785			50,369	98,425				
Unallocated capital expenditure	-	-			-	-			31,241	46,368				
	14,108	64,660			36,261	23,785			81,610	134,793				

22.3 Reconciliations of information on reportable segments to the amounts reported in the interim statement of profit or loss:

	March 31, 2024	March 31, 2023
	Rupees in thousand	
Operating profit of the reportable segments	162,192	141,727
Add: other income	1,768	5,271
Less: other expenses	(8,639)	(118)
Less: finance cost	(180,571)	(155,216)
(Loss) before taxation as per interim statement of profit or loss	<u>(25,250)</u>	<u>(8,336)</u>

23. GENERAL

23.1 Seasonality

The Company's major customers are manufacturers of beverages, sales of which decrease in winter season. This ultimately impacts Company's sales. Due to the seasonal nature of business of the Company, higher revenues and profitability are usually expected in first and last quarters of the year.

23.2 Rounding off

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

23.3 Corresponding figures

Corresponding figures have been re-arranged and re-classified, where required, for the purposes of comparison and alignment with annual financial statements.

24. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for circulation to the shareholders by the Board of Directors of the Company on April 27, 2024.



**Chief Financial
 Officer**



**Chief Executive
 Officer**



Director

Manufacturers Of Quality PET Bottles & Preforms

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