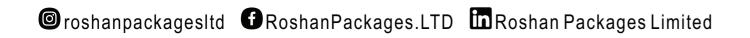


## **Head Office:**

325 G-III, M. A Johar Town, Lahore. Pakistan | +92 42 35290734-8 info@roshanpackages.com.pk | www.roshanpackages.com.pk







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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. Zaki Aijaz

**Non-Executive Director** 

Mr. Khalid Eijaz Qureshi
Non-Executive Director

Mrs. Ayesha Musaddaque Hamid Independent/Non-Executive Director

Mr. Muhammad Naveed Tariq
Independent/Non-Executive Director

#### **Company Secretary**

Miss. Rabia Sharif

#### Chief Financial Officer (CFO)

Mr. Muhammad Adil

#### **Tax Consultant**

A.F. Ferguson & Co.

#### Wehsite

www.roshanpackages.com.pk

#### **Banks**

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

#### **Registered Office**

325 G-III MA 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 Shahra-e-Faisal, Karachi-74400

#### **Statutory Auditor**

EY Ford Rhodes, Chartered Accountants

#### **Head of Internal Audit**

Miss Faiza Khalid

#### **Legal Advisor**

Zahid Irfan

#### **Stock Symbol**

RPL

## At a Glance

#### NET REVENUE

9M 2021-22:6,350 9M 2020-21: 5,225

#### **PBT**

9M 2021-22:260

<sup>2</sup> 9M 2020-21: 339

#### **EBIT**

9M 2021-22:362

<sup>2</sup> 9M 2020-21: 422

#### **EPS**

9M 2021-22 : 2.04

<sup>2</sup> 9M 2020−21: 1.77

#### **CURRENT RATIO**

MAR-22: 1.61

JUN-21: 1.67

## **GROSS PROFIT**

9M 2021-22:714

9M 2020-21: 674

#### **PAT**

9M 2021-22:289

9M 2020-21: 251

#### **EBITDA**

9M 2021-22:490

9M 2020-21: 540

## **TOTAL EQUITY**

MAR-22: 6,353

JUN-21: 6,064

## **QUICK RATIO**

MAR-22:1.13

JUN-21: 1.26



## Directors' Report

#### Dear Shareholders,

The directors of Roshan Packages Limited (the 'Company') are pleased to present the Directors' Report along with the condensed interim unconsolidated financial statements of the Company for the nine months ended March 31, 2022.

#### **Financial performance:**

The table below depicts the financial performance of the Company during the nine months ended March 31, 2022:

	Nine Mon	ths Ended	Quarte	r Ended	
	31-Mar-2022	31-Mar-2021	31-Mar-2022	31-Mar-2021	
		Rupees i	n Million		
Revenue	6,350	5,225	2,310	1,784	
Cost of revenue	5,636	4,551	1,999	1,538	
Gross profit	714	674	311	247	
Profit before taxation	260	339	151	137	
Tax income/(expense)	29	(88)	(49)	(40)	
Net profit after taxation	289	251	101	97	
Earnings per share (Rs.)	2.04	1.77	0.71	0.68	

During the quarter ended March 31, 2022, the Company registered a high double-digit growth in revenue of 29.5%, increasing the revenue to Rs 2,310 million from Rs 1,784 million in the same period last year. Resultantly, the revenue for nine months has increased to Rs 6,350 million from Rs 5,225 million, registering an increase of 21.5%, compared to same period last year. This increase is a result of the Company's focus on customer satisfaction, provision of international quality products and increased market share.

In terms of gross profit and margin, the Company has achieved a 26.3% growth in gross profit, increasing it from Rs 247 million to Rs 311 million, registering an increase of Rs 64 million; the gross profit margin was also sustained at 13.5% compared to 13.8% in same period last year. For the nine months period ended March 31, 2022, the Company earned gross profit of Rs 714 million, which represents an increase of Rs 40 million against the same period last year. The gross profit margin, however, has declined by 1.7%, mainly on account of increase in the cost of imported raw material, which in turn is attributable to significant devaluation of the Pak Rupee. Moreover, the spike in fuel and energy rates resulted in an increase of Rs 113 million in the fuel and power cost, which accounts for 66.4% increase vs the same period last year.

Despite the aforementioned, the profitability for the quarter increased from Rs 97 million to Rs 101 million. Similarly, for the nine months ended March 31, 2022, the Company earned a profit after tax of Rs 289 million as compared to Rs 251 million in the comparable period last year, registering a 15.3% increase.

## Directors' Report

#### Key business activities:

The Company specialises in world-class co-extruded films, flexible packaging, and corrugated packaging materials and solutions, all in tune with current industry trends. The plants and operations of the Company are compliant with international and national quality standards.

#### Future outlook:

Moving forward, the Company will continue its policy and focus towards sustainable growth. We hope to be an important player in Pakistan's new green economy by continuing our efforts, not only to mitigate our impact on the environment, but also help reduce other industries' impact through our recycling program and recyclable packaging options. The investment in Roshan Sun Tao Paper Mills (Private) Limited is a key initiative in the same direction as it will offer both fully recycled and recyclable corrugated products.

We foresee that the current record-high commodity prices and global supply chain disruptions will continue in 2022, which is likely to keep inflation at an elevated level. Being cognizant of the operating environment, the Company is focusing on value chain optimization and improvement in raw material inventory to better manage the rising commodity costs which will help improve profitability, while driving growth in upcoming periods. The Company's management will continue to monitor the situation and ensure that the cost is effectively and fairly reflected in our prices.

#### **Events after the reporting date:**

There are no material events after the reporting date, affecting the period end position.

#### Acknowledgment:

The Board is grateful 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.

Chief Executive Officer

jv//

Chairman

# ڈائر <sup>بیگٹر</sup>ز ربورٹ

## بنیادی کاروباری سرگرمیان:

کمینی موجوده صنعتی رجحانات سے ہم آ ہنگ عالمی معیار کی Corrugated packaging,flexible packaging,co-extruded films کی مصنوعات بنانے میں مہارت رکھتی ہے۔ کمپنی کے پلانٹس اور آپریشنز بین الاقوامی اور قومی معیارات کے عین مطابق ہیں۔

سمپنی آ گے بڑھنے کی پالیسی پر گامزن رہتے ہوئے مشخکم بڑھوتری پر اپنی توجہ مرکوز رکھے گی۔ ہمیں امید ہے کہ ہم پاکستان کی نئی ماحول دوست معیشت (Green Economy) میں اہم کھلاڑی کے طور پر ابھریں گے۔ کیونکہ جاری کوشش ہے کہ نا صرف جاری صنعت کا ماحول پر کم سے کم اثر ہو بلکہ جارے ریبائی کلنگ پروگرام اور ر پیائیکل ایبل پیکجنگ مصنوعات کے ذریعے دیگرصنعتوں کے ماحول پر پڑنے والے انژات کو کم کرنے میں بھی مدد کریں گے۔روثن سن تا ؤپیپر ملز (پرائیویٹ) کمیٹڈ میں سر ماییہ کاری اسی سبت میں ایک اہم قدم ہے کیونکہ میکمل طور پرری سائیکلڈ اورری سائیکل ہونے والی کوروگدیڈ مصنوعات بنائے گ

ہم دیکھر ہے ہیں کہ خام مال اور دیگراشیا کی قیمتوں میں موجودہ ریکارڈاضا فداور عالمی سپلائی چین میں خلل 2022 میں بھی جاری رہے گا ،جس سے افراط زربلند سطح پرر بنے کا امکان ہے۔آ پریٹنگ ماحول سے باخبر ہوتے ہوئے کمپنی خام مال کی بڑھتی ہوئی قیمتوں کوعمدہ انداز سے منظم کرنے کے لیے ویلیوچین کوبہتر بنانے اور خام مال کی انوینٹری میں بہتری پر تو جدم کوز کررہی ہے جوآنے والے ادوار میں بڑھوتری کے ساتھ ساتھ منافع کو بہتر بنانے میں مدد کرے گی۔ کمپنی انتظامیه صورتحال پرنظرر کھتے ہوئے اس بات کویقینی بنائے گی کہ مصنوعات کی لاگت قیمتوں میں مؤثر اور منصفانہ طور پر ظاہر ہو۔

#### ما بعدوا قعات:

ریز جائز ہ مدت کی رپورٹنگ کی تاریخ کے بعد کمپنی کی مالیاتی پوزیش کومتا تڑ کرنے والا کوئی اہم مادی واقعہ رونمانہ ہواہے۔

### اظهارتشكر:

ivII

بورڈا پنے تمام اسٹیک ہولڈرز کا کمپنی کے لیےان کی مسلسل حمایت کے لیے شکر گزار ہے۔ بورڈ کمپنی کے ملاز مین کی لگن، تندی اور محنت کا بھی تہددل سے اعتراف کرتا ہے۔

Janga

# ڈائر <sup>بیٹ</sup>رز رپورٹ

## معززشيئر ہولڈرز!

روشن پیکجز لمیٹڈ (سمپنی) کے ڈائز کیٹرز 31 مارچ 2022 کونتم ہونے والی نو ماہی کے لیے کمپنی کے کنڈینسڈ عبوری ان کنسولیٹیڈ حسابات کے ساتھ ڈائز کیٹرز کی رپورٹ پیش کرتے ہوئے خوشی محسوں کرتے ہیں۔

### مالياتي جائزه:

زیر نظر جدول 31 مارچ 2022 کوختم ہونے والی نو ماہی کے دوران مینی کی مالیاتی کارکردگی کوظاہر کرتا ہے۔

الختتمه	سه ما بی	المختتمه	نومان	
31-Mar-2021	31-Mar-2022	31-Mar-2021	31-Mar-2022	
	وپ	ملين ر		
1,784	2,310	5,225	6,350	آمان
1,538	1,999	4,551	5,636	آ مدن کی لاگت
247	311	674	714	مجموعی منافع منافع <sup>قب</sup> ل ازئیس نئیس آنکم ر( اخراجات )
137	151	339	260	منافع قبل ازئيس
(40)	(49)	(88)	29	نیکس انکم ر(اخراجات)
97	101	251	289	خالص منافع بعداز تیکس فی شیئر منافع (روپ)
0.68	0.71	1.77	2.04	فی شیئر منافع (روپے)

31 مارچ2022 کوختم ہونے والی سہ ماہی کے دوران بمپنی نے اپنی آمدن میں 29.5 فیصد کی اعلیٰ دوہرے ہندسوں کی بڑھوتری دکھائی جوگزشتہ برس اس مدت کے دوران ہونے والی آمدن 1,784 ملین روپے سے بڑھ کر 2,310 ملین روپے رہی جس کے نتیجے میں ،زیر جائز ہ نو ماہی میں آمدن بڑھ کر 6,350 ملین روپے ہوگئی جوگزشتہ برس اس مدت کے دوران 5,225 ملین روپے تھی اس طرح آمدن میں 21.5 فیصدا ضافہ ہوا۔ بیاضافہ مینی کی جانب سے صارفین کے اطمینان، بین الاقوامی معیار کی مصنوعات کی فراہمی

مجموی منافع اور مارجن کے لحاظ ہے، کمپنی کے مجموعی منافع میں 26.3 فیصدا ضافہ ہوا، جو 247 ملین روپے سے بڑھ کر 311 ملین روپے ہو گیا ہے، اس طر 64 کملین روپے کا اضافہ ہوا۔ مجموعی منافع کا مار جن بھی 13.5 فیصد پر برقر ارر ہا جو پچھلے سال اسی مدت میں 13.8 فیصد تھا۔ 31 مار چی 2022 کوختم ہونے والی نو ماہی مدت میں کمپنی نے 714 ملین روپے کا مجموعی منافع کمایا، جوگزشتہ برس کی اسی مدت کے مقالبے میں 40 ملین روپے زیادہ ہے۔ تاہم ،مجموعی منافع کے مارجن میں 1.7 فیصد کی کمی واقع ہوئی جس کی بنیا دی وجہ درآمدی خام مال کی لاگت میں اضافہ اور پاکستانی روپے کی قدر میں نمایاں کمی تھی۔مزید برآں،ایندھن اور توانائی کے نرخوں میں اضافے کے نتیج میں ایندھن اور بکلی کی لاگت میں 113 ملین روپے کا اضافہ ہوا، جو گزشتہ برس کی اسی مدت کے مقابلے میں 66.4 فیصد زیادہ ہے۔

مذکورہ بالا کے باوجود، زیرنظرسہ ماہی کا منافع 97 ملین روپے سے بڑھ کر 101 ملین روپے ہوگیا۔ای طرح، 31 مارچ 2022 کوختم ہونے والے نو ماہی کے لیے، کمپنی نے 15.3 فیصداضا نے کے ساتھ 289 ملین روپے کا بعداز ٹیکس منافع کما یا جو گزشتہ برس اسی مدت کے دوران 251 ملین روپے تھا۔

# ROSHAN PACKAGES LIMITED CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

7.6 7.1 01 111/11/0112			
		Un-audited	Audited
		31 March	30 June
ASSETS	Note	2022	2021
		Rupees	Rupees
Non-current assets			
Property, plant and equipment	5	4,394,544,017	4,467,820,001
Right-of-use assets		26,947,947	33,431,766
Investment in subsidiary		160,618,966	160,618,966
Long-term loans	6	433,116,582	509,981,467
Long-term deposits		20,440,650	14,902,194
		5,035,668,162	5,186,754,394
Current assets			
Stores, spares and other consumables		259,206,266	182,914,819
Stock-in-trade		1,265,277,316	860,632,063
Contract assets	-	105,973,181	148,554,959
Trade receivables	7	2,101,976,398	1,459,777,356
Current portion of long-term loans  Advances, deposits, prepayments and other receivables	6 8	141,211,181	740 740 524
Short term investment	0	556,458,295 248,115,750	748,749,534 545,852,250
Cash and bank balances	9	477,953,103	305,574,793
Cash and bank balances	3	5,156,171,490	4,252,055,774
Total assets		10,191,839,652	9,438,810,168
i otal assets		=======================================	=======================================
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
200,000,000 (30 June 2021: 200,000,000)			
ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up share capital	10	1,419,000,000	1,419,000,000
		.,,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Capital reserves			4 004 700 057
Share premium		1,994,789,057	1,994,789,057
Surplus on revaluation of operating fixed assets		1,709,800,237	1,746,398,900
B		3,704,589,294	3,741,187,957
Revenue reserve		1 220 555 150	002 019 570
Un-appropriated profit		<u>1,229,555,159</u> 6,353,144,453	903,918,570 6,064,106,527
Total equity		0,353,144,453	0,004,100,327
Non-current liabilities			
Supplier's credit			64,192,028
Long-term finances - secured		_	18,522,370
Lease liabilities		19,839,409	24,753,229
Deferred taxation		454,067,971	574,649,300
Deferred liabilities		158,166,119	140,818,763
		632,073,499	822,935,690
Current liabilities			
Current portion of long term liabilities		40,099,606	199,746,644
Short-term borrowings - secured	11	1,732,578,457	966,452,761
Trade and other payables		1,364,205,707	1,350,109,613
Contract liabilities		30,825,309	14,731,994
Accrued finance cost		37,089,865	18,750,357
Unclaimed dividend		1,822,756	1,976,582
		3,206,621,700	2,551,767,951
Total liabilities		3,838,695,199	3,374,703,641
Total equity and liabilities		10,191,839,652	9,438,810,168
CONTINGENCIES AND COMMITMENTS	12		

The annexed notes from 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive Director

Chief Financial Officer

#### 11 | 3<sup>rd</sup> Quarter Report

# ROSHAN PACKAGES LIMITED CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

		Nine months	period ended	Three months	period ended
	Note	(Un-au	dited)	(Un-au	dited)
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
		Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers		7,354,034,929	6,055,543,822	2,637,457,176	2,069,646,901
Less: Sales tax		(1,004,398,403)	(830,418,596)	(327,229,731)	(285,432,904)
Net revenue	13	6,349,636,526	5,225,125,226	2,310,227,445	1,784,213,997
Cost of revenue	14	(5,635,867,693)	(4,550,992,718)	(1,998,940,060)	(1,537,700,812)
Gross profit		713,768,833	674,132,508	311,287,385	246,513,185
Administrative expenses		(156,680,816)	(163,953,533)	(56,110,147)	(65,642,553)
Selling and distribution expenses		(192,170,883)	(142,523,623)	(68,976,553)	(46,963,672)
Other operating expenses		(75,426,536)	(26,085,333)	(11,061,052)	(3,948,944)
		(424,278,235)	(332,562,489)	(136,147,752)	(116,555,169)
Operating profit		289,490,598	341,570,019	175,139,633	129,958,016
Other income		72,835,265	80,845,594	22,418,233	32,545,960
Finance cost		(102,332,437)	(83,577,191)	(46,885,137)	(25,916,017)
Profit before taxation		259,993,426	338,838,422	150,672,729	136,587,959
Taxation	15	29,044,500	(88,127,374)	(49,463,866)	(39,839,125)
Profit for the period		289,037,926	250,711,048	101,208,863	96,748,834
Other comprehensive income				<u> </u>	
Total comprehensive income for the period		289,037,926	250,711,048	101,208,863	96,748,834
Earnings per share - Basic and diluted	16	2.04	1.77	0.71	0.68

The annexed notes from 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.

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**Chief Executive** 

Director

**Chief Financial Officer** 

# ROSHAN PACKAGES LIMITED CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

		Capital	Capital reserves	Revenue reserve	
	Issued, subscribed and paid-up share capital	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	Total
			SadnyRubees		
Balance as on 01 July 2020	1,419,000,000	1,994,789,057	1,795,215,742	653,269,980	5,862,274,779
Total comprehensive income for the period	•	•		250,711,048	250,711,048
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax			(36,601,460)	36,601,460	•
Final cash dividend for the year ended 30 June 2020 (Rs. 1 per share)			•	(141,900,000)	(141,900,000)
Balance as on 31 March 2021 - (Un-audited)	1,419,000,000	1,994,789,057	1,758,614,282	798,682,488	5,971,085,827
Balance as on 01 July 2021	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		•		289,037,926	289,037,926
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax  Balance as on 31 March 2022 - (Un-audited)	1,419,000,000	1,994,789,057	(36,598,663)	36,598,663	6,353,144,453

The annexed notes from 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive

13 | 3<sup>rd</sup> Quarter Report

#### **ROSHAN PACKAGES LIMITED** CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

		Un-au	dited
		31 March	31 March
	Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		Rupees	Rupees
Net cash (used in) / generated from operations	18	(537,901,422)	372,802,887
Finance costs paid		(78,252,262)	(93,303,241
Net tax refunds		36,620,751	43,725,255
Gratuity paid		(7,548,588)	(13,425,662
Accumulated absences paid		(145,281)	(220,328
Net increase in long term deposits		(5,538,456)	-
		(54,863,836)	(63,223,976
Net cash (used in) / generated from operating activities		(592,765,258)	309,578,91
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditure incurred on purchase of property, plant and eq	uipment	(42,862,386)	(65,855,546
Long term loan given		(54,000,000)	(100,583,93
Proceeds from disposal of operating fixed assets		826,800	553,99
Proceeds from markup on long term loans		25,915,973	107,347,25
Profit on bank deposits received		28,440,409	38,879,79
Net cash used in investing activities		(41,679,204)	(19,658,43
CASH FLOWS FROM FINANCING ACTIVITIES			
(Repayment of) / proceeds from long term loans		(83,450,300)	16,596,929
Repayment of supplier's credit		(162,816,180)	(34,553,67
Dividend paid		(153,826)	(140,409,17
Proceeds from / (repayment of) short term borrowings - net	t	742,378,431	(56,598,58
Repayment of lease liabilities		(10,619,118)	(12,077,37
Net cash generated from / (used in) financing activities		485,339,007	(227,041,86
Net (decrease) / increase in cash and cash equivalents		(149,105,455)	62,878,60
Cash and cash equivalents at the beginning of the peri-	od	635,883,439	574,201,28
Cash and cash equivalents at the end of the period	17	486,777,984	637,079,890

The annexed notes from 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.

**Chief Executive** 

Director

**Chief Financial Officer** 

# ROSHAN PACKAGES LIMITED NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

#### 1 CORPORATE AND GENERAL INFORMATION

- 1.1 Roshan Packages Limited (the Company) was incorporated in Pakistan as a private company limited by shares on 13 August 2002 under 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, Shahra-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 the separate condensed interim unconsolidated financial statements of the Company in which investment in subsidiary namely Roshan Sun Tao Paper Mills (Private) Limited [the Subsidiary] has been accounted for at cost less accumulated impairment losses, if any.

#### 2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

- **2.1** These condensed interim unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
  - i) International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017; and
  - ii) 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 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 unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the audited annual unconsolidated financial statements for the year ended 30 June 2021.

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

- 2.3 These condensed interim unconsolidated financial statements have been prepared under the historical cost convention and are presented in Pak Rupee, which is also the functional currency of the Company.
- 2.4 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 unconsolidated financial statements for the year ended 30 June 2021 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.

ROSHAN PACKAGES LIMITED

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

## 3.1 Standards, interpretations and amendments to approved published accounting standards that became effective during the period

#### i) Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- To require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.
- To permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
- To provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the condensed interim unconsolidated financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

#### ii) Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments)

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

However, the Company has not received Covid-19-related rent concessions, but plans to apply the practical expedient if it becomes applicable within allowed period of application.

#### 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 annual audited unconsolidated financial statements of the Company for the year ended 30 June 2021.

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

		Note	(Un-audited) 31 March 2022	(Audited) 30 June 2021
5	PROPERTY, PLANT AND EQUIPMENT	110.00	Rupees	Rupees
	Operating fixed assets - owned	5.1	4,393,788,619	4,467,326,597
	Capital work-in-progress	5.2	755,398 4,394,544,017	493,404 4,467,820,001
5.1	Operating fixed assets - owned			
	Balance at the beginning of the period / year- net book value		4,467,326,597	4,426,415,803
	Additions during the period / year - cost	5.1.1	42,600,392	178,344,622
	Transfer from right of use asset - net book value		5,396,785 4,515,323,774	<u>10,225,284</u> 4,614,985,709
	Less:			
	Disposals during the period / year - net book value		(295,123)	(918,308)
	Depreciation during the period / year		(121,240,032)	(146,740,804) (147,659,112)
	Net book value at the end of period / year		(121,535,155) 4,393,788,619	4,467,326,597
5.1.1	Additions during the period / year - cost			
	Freehold land		_	1,233,200
	Plant and machinery		26,007,776	77,273,039
	Office equipment		13,628,515	96,495,237
	Furniture and fixture		398,400	1,742,495
	Electric installations		98,739	959,739
	Buildings on free hold land		2,466,962 42,600,392	640,912 178,344,622
5.2	Capital work in progress			
	Balance at the beginning of the period / year		493,404	97,745,327
	Additions during the period / year		295,956	19,471,524
	Transfers during the period / year		(33,962)	(116,723,447)
_	Balance at the end of the period / year		755,398	493,404
6	LONG-TERM LOANS			
	At amortized cost:			
	Loan to associated undertaking - Roshan Enterprises Loan to subsidiary - Roshan Sun Tao Paper Mills	6.1	141,211,181	130,864,885
	(Private) Limited	6.2	433,116,582	379,116,582
		6.3	574,327,763	509,981,467
	Less: current portion of long term loans	6.1.1	(141,211,181)	-
			433,116,582	509,981,467
6.1	Movement in loan to associated undertaking during the period / year is as follows:			
	Opening balance		130,864,885	149,249,281
	Markup accrued during the period / year		10,346,296	11,925,889
	Markup received during the period / year			(30,310,285)
	Closing balance		<u>141,211,181</u>	130,864,885
6.1.1	Roshan Enterprises would repay the entire principal amount along with interest has been classified as current.	vith interest by 28 Octobe	r 2022, accordingly	entire loan along
6.2	Movement in loan to subsidiary during the period / year is as follows:			
	Opening balance		379,116,582	168,546,690
	Loan disbursed during the period / year		54,000,000	118,393,386
	Short term loan reclassified from current assets		-	92,186,870
	Markup received during the period / year		-	(32,443,353)
	Loan acquired due to further acquisition  Closing balance		433,116,582	32,432,989 379,116,582
	Closing balance		=======================================	=======================================

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#### **ROSHAN PACKAGES LIMITED**

#### NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

**6.3** There is no material change in the terms and conditions of the long-term loans to above related parties as disclosed in the Company's annual unconsolidated financial statements for the year ended 30 June 2021.

7	TRADE RECEIVABLES  Trade debts - unsecured Less: Allowance for expected credit losses	Note	(Un-audited) 31 March 2022 Rupees 2,335,841,303 (233,864,905) 2,101,976,398	(Audited) 30 June 2021 Rupees 1,693,642,261 (233,864,905) 1,459,777,356
8	ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			1,400,777,000
	Advances:			
	- To employees		10,750,312	9,487,548
	- To suppliers		125,515,602	199,907,626
			136,265,914	209,395,174
	Balances with statutory authorities:			
	- Sales tax receivable - net		65,351,874	101,068,022
	- Income tax receivable - net		329,994,799	420,396,827
			395,346,673	521,464,849
	Prepayments		4,807,200	3,888,343
	Security deposits		2,882,658	2,570,641
	Interest receivable on:		2,975,247	109,172
	- saving accounts - short term investments		1,278,646	2,740,040
	- short term investments		4,253,893	2,849,212
	Interest receivable - subsidiary		12,901,957	8,581,315
	interest receivable - subsidiary		556,458,295	748,749,534
9	CASH AND BANK BALANCES			
	Cash in hand		570,471	112,592
	Balances with banks:			
	- saving accounts	9.1	331,081,190	240,303,589
	- current accounts		146,301,442	65,158,612
			477,382,632	305,462,201
			477,953,103	305,574,793

**9.1** The savings accounts earns interest at floating rates based on daily bank deposit rates ranging 2.71% to 9.9% (30 June 2021: 3% to 7%) per annum.

		(Un-audited)	(Audited)	(Un-audited)	(Audited)	
		31 March	30 June	31 March	30 June	
10	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	2022	2021	2022	2021	
		No. of	shares	Rupe	es	
	Ordinary shares of Rs. 10 each fully					
	paid in cash	57,336,000	57,336,000	573,360,000	573,360,000	
	Ordinary shares of Rs. 10 each issued					
	as bonus shares	79,461,000	79,461,000	794,610,000	794,610,000	
	Ordinary shares of Rs. 10 each fully paid for					
	consideration other than cash (Note 10.1)	5,103,000	5,103,000	51,030,000	51,030,000	
		141,900,000	141,900,000	1,419,000,000	1,419,000,000	

**<sup>10.1</sup>** These shares were issued against the fair value of land acquired which measures 48 kanals and 12 marlas and is situated opposite to Sundar Industrial Estate, Bhai Kot, Raiwind, Lahore.

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

		(Un-audited)	(Audited)
11	SHORT-TERM BORROWINGS - SECURED	31 March	30 June
		2022	2021
	Running finance	239,290,869	215,543,604
	Term finances:		
	- Import finance / Murabaha	312,341,934	28,508,122
	- Istisna / Wakala	1,180,945,654	722,401,035
		1,493,287,588	750,909,157
		1,732,578,457	966,452,761

<sup>11.1</sup> There is no material change in the terms and conditions of the short-term borrowings as disclosed in the annual audited unconsolidated financial statements as at and for the year ended 30 June 2021 except that the Company has obtained another facility of Rs. 300 million from Bank Alfalah Limited against local istisna and import musawamah.

#### 12 CONTINGENCIES AND COMMITMENTS

#### 12.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual audited unconsolidated financial statements for the year ended 30 June 2021.

#### 12.2 Commitments in respect of:

- (a) There was no change in the commitments in respect of letters of credit and contracts for capital expenditure since the date of preceding published annual unconsolidated financial statements.
- (b) Letter of credits and contracts other than for capital expenditure amounting to Rs. 230.01 million (30 June 2021: Rs. 129.16 million).

#### 12.3 Guarantees

There are no significant changes in the guarantees issued by bank on behalf of the Company as reported in the annual audited unconsolidated financial statements for the year ended 30 June 2021, except for the following:

(a) Letter of guarantee issued in the favour of Sui Northern Gas Pipelines Limited amounting to Rs. 30.07 million (30 June 2021: Rs. 25.07 million.

#### 13 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

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

Revenue from contracts with customers, disaggregated by major product lines and timing of revenue recognition is listed below:

	Nine months	Nine months period ended		period ended
	(Un-au	udited)	(Un-au	dited)
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	Rupees	Rupees	Rupees	Rupees
Major product lines:				
- Made-to-order packaging products	5,650,743,478	4,818,649,969	2,028,267,299	1,661,191,586
- Standard packaging products	698,893,048	406,475,257	281,960,146	123,022,411
	6,349,636,526	5,225,125,226	2,310,227,445	1,784,213,997
Timing of revenue recognition:				
- Products transferred over time	5,650,743,478	4,818,649,969	2,028,267,299	1,661,191,586
- Products transferred at a point in time	698,893,048	406,475,257	281,960,146	123,022,411
	6,349,636,526	5,225,125,226	2,310,227,445	1,784,213,997

13.2 This includes unbilled revenue amounting to Rs. 105.97 million (31 March 2021: Rs. 72.51 million).

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#### **ROSHAN PACKAGES LIMITED**

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

		Nine months	period ended	Three months	period ended
		(Un-au	ıdited)	(Un-au	dited)
		31 March	31 March	31 March	31 March
		2022	2021	2022	2021
14	COST OF REVENUE	Rupees	Rupees	Rupees	Rupees
	Raw materials consumed	4,695,295,170	3,873,955,445	1,628,749,081	1,311,275,767
	Salaries, wages and other benefits	265,615,882	209,745,286	95,386,543	72,948,405
	Fuel and power	284,407,334	170,911,388	108,536,620	57,921,960
	Depreciation of operating fixed assets	117,338,014	106,375,201	39,650,218	36,011,432
	Production supplies	124,243,821	89,277,777	45,809,443	31,672,436
	Repairs and maintenance	74,326,378	49,481,428	22,012,221	9,964,662
	Travelling and conveyance	24,800,057	17,063,777	10,666,141	5,316,257
	Packing material consumed	25,289,035	16,722,284	10,782,227	6,138,008
	Insurance	3,617,216	5,050,177	1,161,120	1,655,430
	Vehicle running expenses	7,671,262	3,452,922	1,810,257	1,346,327
	Carriage inward expenses	3,750,752	2,448,528	1,175,580	879,800
	Depreciation of right-of-use assets	389,320	1,385,409	171,866	426,670
	Communication expenses	1,108,699	1,079,966	707,357	294,194
	Rent	12,525,386	820,477	6,879,116	171,800
	Printing and stationery	991,246	784,678	352,099	392,363
	Others	11,083,576	8,457,716	4,356,296	2,982,373
	Cost of goods manufactured	5,652,453,148	4,557,012,459	1,978,206,185	1,539,397,884
	Opening stock of finished goods	48,238,056	11,727,881	85,557,386	16,050,550
	Closing stock of finished goods	(64,823,511)	(17,747,622)	(64,823,511)	(17,747,622)
		(16,585,455)	(6,019,741)	20,733,875	(1,697,072)
		5,635,867,693	4,550,992,718	1,998,940,060	1,537,700,812
15	TAXATION				
	Current tax	91,536,829	641,152	30,945,693	-
	Deferred tax (income) / expense	(120,581,329)	87,486,222	18,518,173	39,839,125
		(29,044,500)	88,127,374	49,463,866	39,839,125

#### 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:

			Nine months	period ended	Three months	period ended
			(Un-au	dited)	(Un-aud	dited)
			31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Profit attributable to owners of the Company	Rupees	289,037,926	250,711,048	101,208,863	96,748,834
	Weighted-average number of ordinary shares	Number	141,900,000	141,900,000	141,900,000	141,900,000
	Basic earnings per share	Rupees	2.04	1.77	0.71	0.68
					(Un-aud	dited)
					31 March	31 March
					2022	2021
17	CASH AND CASH EQUIVALENTS				Rupees	Rupees
	Short term investment				248,115,750	489,593,000
	Cash and bank balances				477,953,103	357,146,104
	Running finance				(239,290,869)	(209,659,214)
					486,777,984	637,079,890

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

(Un-audited)

31 March

31 March

Rupees   Ruper   Rup	
Profit before taxation   259,993,426   338,8	2021
Adjustments to reconcile profit before tax to net cash flows:    Depreciation of operating fixed assets   121,240,032   102,332,437   83.5   102,332,437   83.5   14,016,931   14,016,931   18.8   23,470,002   13.5   16,135,175   8.5   6,135,175	Rupees
Depreciation of operating fixed assets   121,240,032   109,44   83,5   102,332,437   103,34,437   103,32,437   103,32,437   103,32,437   103,32,437   103,32,437   103,401,016,931   104,016,931   104,016,931   105,002   105,0	38,838,422
Finance costs   102,332,437   83,5   14,016,931   14,016,931   14,016,931   14,016,931   12,3470,002   13,5   12,3470,002   13,5   12,3470,002   13,5   12,3470,002   13,5   13	
Provision for Worker's Profit Participation Fund	9,498,865
Provision for gratuity   23,470,002   13,5	83,577,191
Depreciation of right-of-use assets Provision for Worker's Welfare Fund Interest income on loans Grant income Profit on bank deposits Allowance for expected credit losses (Gain) / loss on disposal of operating fixed asset Exchange gain unrealized Provision for accumulating compensated absences  Cashflow before working capital changes:    Cashflow due to working capital changes:   Cashflow due to working capit	18,803,844
Provision for Worker's Welfare Fund	13,565,007
Interest income on loans	8,559,977
Grant income       (1,787,124)       (1,9845,090)         Profit on bank deposits       (29,845,090)       (41,33         Amortization of intangible assets       -       -         Allowance for expected credit losses       -       -         (Gain) / loss on disposal of operating fixed asset       (531,677)       (6,7         Exchange gain unrealized       -       -         Provision for accumulating compensated absences       2,179,881       2,1         Cashflow before working capital changes       462,949,347       530,9         Effect on cash flow due to working capital changes:       (76,291,447)       (12,7         Stores, spares and other consumables       (76,291,447)       (404,645,253)       (42,9         Stock-in-trade       (642,199,042)       (248,3       (248,3         Trade receivables       (642,199,042)       (248,3       8,3         Contract assets       42,581,778       8,3       (99,2         Advances, deposits, prepayments and other receivables       (1,008,655,578)       (394,8	7,205,553
Profit on bank deposits       (29,845,090)       (41,3         Amortization of intangible assets       -       3         Allowance for expected credit losses       -       27,6         (Gain) / loss on disposal of operating fixed asset       (531,677)       (6,7         Exchange gain unrealized       -       2,179,881       2,1         Provision for accumulating compensated absences       2,179,881       2,1         Cashflow before working capital changes       462,949,347       530,9         Effect on cash flow due to working capital changes:       (Increase) / decrease in current assets:       (76,291,447)       (404,645,253)       (42,90,404)         Stock-in-trade       (642,199,042)       (248,30,40)       (248,30,40)       (248,30,40)         Trade receivables       (642,199,042)       (248,30,40)       (248,30,40)       (248,30,40)         Contract assets       42,581,778       42,581,778       8,3         Advances, deposits, prepayments and other receivables       (1,008,655,578)       (394,8)	29,347,089)
Amortization of intangible assets Allowance for expected credit losses (Gain) / loss on disposal of operating fixed asset (Exchange gain unrealized Provision for accumulating compensated absences  Cashflow before working capital changes  Effect on cash flow due to working capital changes:  (Increase) / decrease in current assets:  Stores, spares and other consumables Trade receivables Contract assets Advances, deposits, prepayments and other receivables  (10,008,655,578)  Allowance (531,677) (6,78 (2,76) (6,78 (2,179,881) (1,179	(1,921,575)
Allowance for expected credit losses (Gain) / loss on disposal of operating fixed asset (Exchange gain unrealized (Exchang	11,339,931)
(Gain) / loss on disposal of operating fixed asset       (531,677)         Exchange gain unrealized       -         Provision for accumulating compensated absences       2,179,881         Cashflow before working capital changes       462,949,347         Effect on cash flow due to working capital changes:         (Increase) / decrease in current assets:         Stores, spares and other consumables       (76,291,447)         Stock-in-trade       (404,645,253)         Trade receivables       (642,199,042)         Contract assets       42,581,778         Advances, deposits, prepayments and other receivables       71,898,386         (99,2         (1,008,655,578)       (394,8	362,586
Exchange gain unrealized -	27,636,461
Provision for accumulating compensated absences         2,179,881         2,1           Cashflow before working capital changes         462,949,347         530,9           Effect on cash flow due to working capital changes:         (Increase) / decrease in current assets:           Stores, spares and other consumables         (76,291,447)         (42,90,404)           Stock-in-trade         (404,645,253)         (42,90,404)           Trade receivables         (642,199,042)         (248,30,404)           Contract assets         42,581,778         8,3           Advances, deposits, prepayments and other receivables         71,898,386         (99,2           (1,008,655,578)         (394,8)	75,936
Cashflow before working capital changes       462,949,347       530,9         Effect on cash flow due to working capital changes:	(6,730,340)
Effect on cash flow due to working capital changes:  (Increase) / decrease in current assets:  Stores, spares and other consumables Stock-in-trade Trade receivables Contract assets Advances, deposits, prepayments and other receivables  (76,291,447) (404,645,253) (42,90 (248,30 42,581,778 42,581,778 71,898,386 (99,2 (1,008,655,578) (394,8	2,179,881
(Increase) / decrease in current assets:       (76,291,447)       (12,7         Stores, spares and other consumables       (404,645,253)       (42,98         Stock-in-trade       (642,199,042)       (248,38         Contract assets       42,581,778       8,3         Advances, deposits, prepayments and other receivables       71,898,386       (99,2         (1,008,655,578)       (394,8	30,964,788
Stores, spares and other consumables       (76,291,447)       (12,7         Stock-in-trade       (404,645,253)       (42,9         Trade receivables       (642,199,042)       (248,3         Contract assets       42,581,778       8,3         Advances, deposits, prepayments and other receivables       71,898,386       (99,2         (1,008,655,578)       (394,8	
Stock-in-trade       (404,645,253)       (42,9         Trade receivables       (642,199,042)       (248,3         Contract assets       42,581,778       8,3         Advances, deposits, prepayments and other receivables       71,898,386       (99,2         (1,008,655,578)       (394,8	
Trade receivables       (642,199,042)       (248,3         Contract assets       42,581,778       8,3         Advances, deposits, prepayments and other receivables       71,898,386       (99,2         (1,008,655,578)       (394,8	12,737,036)
Contract assets       42,581,778 Advances, deposits, prepayments and other receivables       8,3 (99,2 (1,008,655,578))         (394,8 (2,000))       (394,8 (2,000))	12,965,128)
Advances, deposits, prepayments and other receivables 71,898,386 (99,2 (1,008,655,578)	18,346,053)
(1,008,655,578) (394,8	8,372,930
	99,210,744)
Increase / (decrease) in current liabilities:	94,886,031)
	•
Contract liabilities 16,093,315 2,2	2,239,794
Trade and other payables (8,288,506) 234,44	34,484,336
<b>7,804,809</b> 236,73	36,724,130
Net working capital changes(1,000,850,769)(158,1	58,161,901)
<b>(537,901,422)</b> 372,8	72,802,887

#### 19 TRANSACTIONS WITH RELATED PARTIES

The related parties include the subsidiary, associated undertaking, related parties on the basis of common directorship, group companies and key management personnel including directors. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables. Significant related party transactions have been disclosed in respective notes in these condensed interim unconsolidated financial statements other than the following:

		Nine months p	eriod ended	Three months p	eriod ended
Name of related party and	-	(Un-audited)		(Un-aud	ited)
relationship	Nature of transaction	31 March 2022	31 March 2021	31 March 2022	31 March 2021
		Rupees	Rupees	Rupees	Rupees
Roshan Sun Tao Paper Mills (Private) Limited - Subsidiary	Markup on loan Markup received during	30,236,516	20,490,747	10,514,904	7,344,380
	the period	25,915,973	65,340,921	18,303,497	6,369,768
	Long term loan given	54,000,000	82,683,935	24,000,000	78,500,000
Roshan Enterprises -	Sales	2,623,316	11,175,149	679,975	5,992,608
Common directorship	Receipts against sales	2,623,316	9,141,170	657,862	3,740,000
	Markup on loan	10,346,296	8,856,342	3,833,992	3,204,844
	Markup received during the period	-	30,310,285	-	-
Al-Firdusi Exporters - Common directorship	Sales	40,584,088	28,963,938	31,192,261	17,146,275
Common directorarily	Receipts against sales	38,174,581	26,656,942	27,977,730	21,914,710
Director and Chief Executive	Salary and other benefits	27,020,946	25,119,696	9,199,041	8,373,232

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# ROSHAN PACKAGES LIMITED NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

#### 20 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual audited unconsolidated financial statements for the year ended 30 June 2021.

#### 21 FAIR VALUE MEASUREMENT

The Company's fair value measurement policies are consistent with that disclosed in the annual audited unconsolidated financial statements for the year ended 30 June 2021.

#### 22 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorized for issue on April 27, 2022 by the Board of Directors of the Company.

#### 23 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
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# CONSOLIDATED

# FINANCIAL RESULTS

FOR THE PERIOD ENDED 31 MARCH 2022

## Directors' Report

#### Dear Shareholders.

The directors of Roshan Packages Limited (the 'Holding Company') are pleased to present the Directors' Report along with the condensed interim consolidated financial statements of the Group for the nine months ended March 31, 2022.

#### **Financial performance:**

The table below depicts the financial performance of the Group during the nine months ended March 31, 2022:

	Nine Mon	ths Ended	Quarter Ended		
	31-Mar-2022	31-Mar-2021	31-Mar-2022	31-Mar-2021	
		Rupees i	n Million		
Revenue	6,350	5,225	2,310	1,784	
Cost of revenue	5,636	4,551	1,999 1	1,538	
Gross profit	714	674	311	247	
Profit before taxation	217	308	138	126	
Tax income/(expense)	29	(88)	(49)	(40)	
Net profit after taxation	246	220	88	86	
Earnings per share (Rs.)	1.73	1.64	0.62	0.64	

During the quarter ended March 31, 2022, the Group registered a high double-digit growth in revenue of 29.5%, increasing the revenue to Rs 2,310 million from Rs 1,784 million in the same period last year. Resultantly, the revenue for nine months has increased to Rs 6,350 million from Rs 5,225 million, registering an increase of 21.5%, compared to same period last year. This increase is a result of the Group's focus on customer satisfaction, provision of international quality products and increased market share.

In terms of gross profit and margin, the Group has achieved a 26.3% growth in gross profit, increasing it from Rs 247 million to Rs 311 million, registering an increase of Rs 64 million; the gross profit margin was also sustained at 13.5% compared to 13.8% in same period last year. For the nine months period ended March 31, 2022, the Group earned gross profit of Rs 714 million, which represents an increase of Rs 40 million against the same period last year. The gross profit margin, however, has declined by 1.7%, mainly on account of increase in the cost of imported raw material, which in turn is attributable to significant devaluation of the Pak Rupee. Moreover, the spike in fuel and energy rates resulted in an increase of Rs 113 million in the fuel and power cost, which accounts for 66.4% increase vs the same period last year.

Despite the aforementioned, the profitability of the quarter increased from Rs 86 million to Rs 88 million. Similarly, for the nine months ended March 31, 2022, the Group earned a profit after tax of Rs 246 million as compared to Rs 220 million in the comparable period last year, registering a 11.8% increase.

## Directors' Report

#### Key business activities:

The Group specializes in world-class co-extruded films, flexible packaging, and corrugated packaging materials and solutions, all in tune with current industry trends. The plants and operations of the Group are compliant with international and national quality standards.

#### Future outlook:

Moving forward, the Group will continue its policy and focus towards sustainable growth. We hope to be an important player in Pakistan's new green economy by continuing our efforts, not only to mitigate our impact on the environment, but also help reduce other industries' impact through our recycling program and recyclable packaging options. The investment in Roshan Sun Tao Paper Mills (Private) Limited – the Subsidiary, is a key initiative in the same direction as it will offer both fully recycled and recyclable corrugated products.

We foresee that the current record-high commodity prices and global supply chain disruptions will continue in 2022, which is likely to keep inflation at an elevated level. Being cognizant of the operating environment, the Group is focussing on value chain optimization and improvement in raw material inventory to better manage the rising commodity costs which will help improve profitability, while driving growth in upcoming periods. The Group's management will continue to monitor the situation and ensure that the cost is effectively and fairly reflected in our prices.

#### **Events after the reporting date:**

There are no material events after the reporting date, affecting the period end position.

#### Acknowledgment:

The Board of the Holding Company is grateful 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.

Chief Executive Officer

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# ROSHAN PACKAGES LIMITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

		Un-audited	Audited
		31 March	30 June
ASSETS	Note	2022	2021
		Rupees	Rupees
Non-current assets			
Property, plant and equipment	5	6,059,258,927	6,118,934,547
Right-of-use assets		26,947,947	33,431,766
Long-term loans	6	- 1	130,864,885
Long-term deposits		21,550,630	16,012,174
		6,107,757,504	6,299,243,372
Current assets			
Stores, spares and other consumables		259,206,266	182,914,819
Stock-in-trade		1,265,277,316	860,632,063
Contract assets		105,973,181	148,554,959
Trade receivables	7	2,101,976,398	1,459,777,356
Current portion of long-term loans	6	141,211,181	-
Advances, deposits, prepayments and other receivables	8	569,304,794	767,204,760
Short term investment		248,115,750	545,852,250
Cash and bank balances	9	479,371,131	305,848,616
		5,170,436,017	4,270,784,823
Total assets		11,278,193,521	10,570,028,195
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
200,000,000 (30 June 2021: 200,000,000)			
ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up share capital	10	1,419,000,000	1,419,000,000
Capital reserves			
Share premium		1,994,789,057	1,994,789,057
Surplus on revaluation of operating fixed assets		2,866,581,355	2,903,180,018
		4,861,370,412	4,897,969,075
Revenue reserve			
Un-appropriated profit		1,138,877,399	856,151,106
Total equity		7,419,247,811	7,173,120,181
Non-current liabilities			
Supplier's credit			64,192,028
Long-term finances - secured		1 1	18,522,370
Lease liabilities		40 020 400	24,753,229
		19,839,409	1 1
Deferred taxation		454,067,971	574,649,300
Deferred liabilities		158,166,119	140,818,763 822,935,690
Current liabilities		632,073,499	022,933,090
Current portion of long term liabilities		40,000,606	199,746,644
	11	40,099,606	
Short-term borrowings - secured	11	1,732,578,457	966,452,761
Trade and other payables		1,384,456,218	1,372,313,986
Contract liabilities		30,825,309	14,731,994
Accrued finance cost		37,089,865	18,750,357
Unclaimed dividend		1,822,756	1,976,582
Total liabilities		3,226,872,211	2,573,972,324
Total liabilities Total equity and liabilities		3,858,945,710	3,396,908,014 10,570,028,195
• •		11,278,193,521	10,570,020,195
CONTINGENCIES AND COMMITMENTS	12		

The annexed notes from 1 to 23 form an integral part of these condensed interim consolidated financial statements.

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Chief Executive Director Chief Financial Officer

# ROSHAN PACKAGES LIMITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

		Nine months	period ended	Three months	period ended
	Note	(Un-au		(Un-au	•
		31 March	31 March	31 March	31 March
		2022	2021	2022	2021
		Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers		7,354,034,929	6,055,543,822	2,637,457,176	2,069,646,901
Less: Sales tax		(1,004,398,403)	(830,418,596)	(327,229,731)	(285,432,904)
Net revenue	13	6,349,636,526	5,225,125,226	2,310,227,445	1,784,213,997
Cost of revenue	14	(5,635,867,693)	(4,550,992,718)	(1,998,940,060)	(1,537,700,812)
Gross profit		713,768,833	674,132,508	311,287,385	246,513,185
Administrative expenses		(168,465,876)	(173,910,675)	(58,431,934)	(68,965,247)
Selling and distribution expenses		(192,170,883)	(142,523,623)	(68,976,553)	(46,963,672)
Other operating expenses		(75,426,536)	(26,085,333)	(11,061,052)	(3,948,944)
		(436,063,295)	(342,519,631)	(138,469,539)	(119,877,863)
Operating profit		277,705,538	331,612,877	172,817,846	126,635,322
Other income		42,598,749	60,354,847	(11,902,893)	25,201,579
Finance cost		(103,221,157)	(83,583,223)	(46,886,877)	(25,922,049)
Profit before taxation		217,083,130	308,384,501	137,833,862	125,914,852
Taxation	15	29,044,500	(88,127,374)	(49,463,866)	(39,839,125)
Profit for the period		246,127,630	220,257,127	88,369,996	86,075,727
Other comprehensive income					
Total comprehensive income for the period		246,127,630	220,257,127	88,369,996	86,075,727
Profit / (loss) attributable to:					
Equity holders of the Holding Company		246,127,630	232,438,695	88,369,996	90,340,273
Non-controlling interest		-	(12,181,568)	-	(4,264,546)
•		246,127,630	220,257,127	88,369,996	86,075,727
Earnings per share - Basic and diluted	16	1.73	1.64	0.62	0.64

The annexed notes from 1 to 23 form an integral part of these condensed interim consolidated financial statements.

Chief Executive Director Chief Financial Officer

# ROSHAN PACKAGES LIMITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGESIN EQUITY FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

	]	Capital	Capital reserves	Revenue reserve			
	Issued, subscribed and paid-up share capital	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	Total	Non-controlling interest	Total equity
				Rupees			
Balance as on 01 July 2020	1,419,000,000	1,994,789,057	1,795,215,742	644,121,246	5,853,126,045	100,584,447	5,953,710,492
Total comprehensive income for the period	•	•		232,438,695	232,438,695	(12,181,568)	220,257,127
Surplus transferred to un-appropriated profit of account of incremental depreciation charged during the period - net of tax	٠	٠	(36,601,460)	36,601,460	٠	٠	•
Final cash dividend for the year ended 30 June 2020 (Rs.1 per share)				(141,900,000)	(141,900,000)	•	(141,900,000)
Balance as on 31 March 2021 - (Un-audited)	1,419,000,000	1,994,789,057	1,758,614,282	771,261,401	5,943,664,740	88,402,879	6,032,067,619
Balance as on 01 July 2021	1,419,000,000	1,994,789,057	2,903,180,018	856,151,106	7,173,120,181		7,173,120,181
Total comprehensive income for the period				246,127,630	246,127,630		246,127,630
depreciation charged during the period - net of tax			(36,598,663)	36,598,663			•
Balance as on 31 March 2022 - (Un-audited)	1,419,000,000	1,994,789,057	2,866,581,355	1,138,877,399	7,419,247,811		7,419,247,811

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ROSHAN PACKAGES LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022

	Un-au	dited
	31 March	31 March
Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES	Rupees	Rupees
Net cash (used in) / generated from operations 18	(550,089,329)	362,646,592
Finance costs paid	(79,140,982)	(93,309,273)
Net tax refunds	36,381,661	43,776,487
Gratuity paid	(7,548,588)	(13,425,662)
Accumulated absences paid	(145,281)	(220,328)
Net increase in long term deposits	(5,538,456)	- 1
	(55,991,646)	(63,178,776)
Net cash (used in) / generated from operating activities	(606,080,975)	299,467,816
Expenditure incurred on purchase of property, plant and equipment Proceeds from disposal of operating fixed assets	(56,486,491) 826,800	(78,593,705) 553,999
Proceeds from markup on long term loans	-	30,310,285
Profit on bank deposits received	28,440,409	38,879,795
Net cash used in investing activities	(27,219,282)	(8,849,626)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment of) / proceeds from long term loans	(83,450,300)	16,596,929
Repayment of supplier's credit	(162,816,180)	(34,553,671)
Dividend paid	(153,826)	(140,409,173)
Proceeds from / (repayment of) short term borrowings - net	742,378,431	(56,598,580)
Repayment of lease liabilities	(10,619,118)	(12,077,374)
Net cash generated from / (used in) financing activities	485,339,007	(227,041,869)
Net (decrease) / increase in cash and cash equivalents	(147,961,250)	63,576,321
Cash and cash equivalents at the beginning of the period	636,157,262	574,246,672
Cash and cash equivalents at the end of the period 17	488,196,012	637,822,993

The annexed notes from 1 to 23 form an integral part of these condensed interim consolidated financial statements

Chief Executive Director Chief Financial Officer

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED PERIOD 31 MARCH 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 Company) was incorporated in Pakistan as a private company limited by shares on 13 August 2002 under 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 Company**

Roshan Sun Tao Paper Mills (Private) Limited (the Subsidiary), a private limited Company registered under the Companies Act, 2017 incorporated on 08 January 2016, is a wholly owned subsidiary of Roshan Packages Limited. At incorporation, 60% shares of Subsidiary were subscribed by the Holding Company and 40% by the Shandong Yongtai Paper Mills Limited and its Directors (the Non-Controlling Interest). Subsequently, on 05 March 2021, the Holding Company entered into a settlement agreement with the Shandong Yongtai Paper Mills Limited and its directors to acquire their interest in the Subsidiary for Rs 81.67 million as a full and final settlement. As a result of the aforementioned acquisition, the Holding Company now holds 100% of the voting securities in the Subsidiary. However, the payment of settlement amount and transfer of shares in name of the Holding Company is subject to requisite approvals from the regulatory authorities.

The principal activity of the Subsidiary Company will be manufacturing, supplying and dealing in corrugated papers. The country of incorporation is also the principal place of business of the Subsidiary and its financial year end is 30 June. As of the reporting date, the Subsidiary Company is in its set up phase and has not yet commenced its commercial operations.

1.2 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, Shahra-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 Company**

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

#### 2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

- 2.1 These condensed interim consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
  - i) International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017; and
  - ii) 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 annual consolidated financial statements for the year ended 30 June 2021.

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

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#### **ROSHAN PACKAGES LIMITED**

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED PERIOD 31 MARCH 2022

- 2.3 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.
- 2.4 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 consolidated financial statements for the year ended 30 June 2021 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.

## 3.1 Standards, interpretations and amendments to approved published accounting standards that became effective during the period

#### i) Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- To require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.
- To permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
- To provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the condensed interim consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

#### ii) Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments)

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

However, the Group has not received Covid-19-related rent concessions, but plans to apply the practical expedient if it becomes applicable within allowed period of application.

#### 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 annual audited consolidated financial statements of the Group for the year ended 30 June 2021.

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED PERIOD 31 MARCH 2022

(Un-audited)

(Audited)

			(Un-audited)	(Audited) 30 June
		Neste	31 March 2022	2021
_	DDODEDTY DI ANT AND EQUIDMENT	Note		Rupees
5	PROPERTY, PLANT AND EQUIPMENT		Rupees	Rupees
	Operating fixed assets - owned	5.1	5,725,364,823	5,798,792,542
	Capital work-in-progress	5.2	333,894,104	320,142,005
		<b></b>	6,059,258,927	6,118,934,547
			.,,	., .,,.
5.1	Operating fixed assets - owned			
	Balance at the beginning of the period / year- net book value		5,798,792,542	4,426,415,803
	Additions during the period / year - cost	5.1.1	42,734,392	353,061,104
	Revaluation adjustment		-	1,156,781,118
	Transfer from right of use asset - net book value		5,396,785	10,225,284
			5,846,923,719	5,946,483,309
	Less:			
	Disposals during the period / year - net book value		(295,123)	(918,308)
	Depreciation during the period / year		(121,263,773)	(146,772,459)
			(121,558,896)	(147,690,767)
	Net book value at the end of period / year		5,725,364,823	5,798,792,542
5.1.1	Additions during the period / year - cost			
	Freehold land		-	175,339,582
	Plant and machinery		26,007,776	77,273,039
	Office equipment		13,762,515	97,105,337
	Furniture and fixture		398,400	1,742,495
	Electric installations		98,739	959,739
	Buildings on free hold land		2,466,962	640,912
			42,734,392	353,061,104
5.2	Capital work in progress			
	Balance at the beginning of the period / year		320,142,005	587,655,324
	Additions during the period / year		13,786,061	23,316,510
	Transfers during the period / year		(33,962)	(290,829,829)
	Balance at the end of the period / year		333,894,104	320,142,005
•	LONG TERM LOANS			
0	LONG-TERM LOANS			
	At amortized cost:			
	Loan to associated undertaking - Roshan Enterprises		141,211,181	130,864,885
		6.1, 6.2 and 6.3	141,211,181	130,864,885
	Less: current portion of long term loans		(141,211,181)	-
	•		-	130,864,885
6.1	Movement in loan to associated undertaking during the period / year is as follows:			
			120 064 005	140 240 204
	Opening balance		130,864,885	149,249,281
	Markup received during the period / year		10,346,296	11,925,889
	Markup received during the period / year Closing balance		141,211,181	(30,310,285)
	Ciosing Dalance		141,411,101	130,004,000

- **6.2** Roshan Enterprises would repay the entire principal amount along with interest by 28 October 2022, accordingly entire loan along with interest has been classified as current.
- 6.3 There is no material change in the terms and conditions of the long-term loans to above related parties as disclosed in the Group's annual consolidated financial statements for the year ended 30 June 2021.

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#### ROSHAN PACKAGES LIMITED

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED PERIOD 31 MARCH 2022

			(Un-audited)	(Audited)
			31 March	30 June
		Note	2022	2021
7	TRADE RECEIVABLES		Rupees	Rupees
	Trade debts - unsecured		2,335,841,303	1,693,642,261
	Less: Allowance for expected credit losses		(233,864,905)	(233,864,905)
			2,101,976,398	1,459,777,356
8	ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
	Advances:			
	- To employees		10,750,312	9,487,548
	- To suppliers		125,515,602	199,907,626
			136,265,914	209,395,174
	Balances with statutory authorities:			
	- Sales tax receivable - net		65,351,874	101,068,022
	- Income tax receivable - net		354,668,639	444,875,106
			420,020,513	545,943,128
	Prepayments		5,881,816	6,446,605
	Security deposits		2,882,658	2,570,641
	Interest receivable on:			
	- saving accounts		2,975,247	109,172
	- short term investments		1,278,646	2,740,040
			4,253,893	2,849,212
			569,304,794	767,204,760
9	CASH AND BANK BALANCES			
	Cash in hand		570,471	112,592
	Balances with banks:			
	- saving accounts	9.1	331,081,190	240,303,589
	- current accounts		147,719,470	65,432,435
			478,800,660	305,736,024
			479,371,131	305,848,616

**9.1** The savings accounts earns interest at floating rates based on daily bank deposit rates ranging 2.71% to 9.9% (30 June 2021: 3% to 7%) per annum.

		(Un-audited)	(Audited)	(Un-audited)	(Audited)
		31 March	30 June	31 March	30 June
10	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	2022	2021	2022	2021
		No. of	shares	Rupe	es
	Ordinary shares of Rs. 10 each fully				
	paid in cash	57,336,000	57,336,000	573,360,000	573,360,000
	Ordinary shares of Rs. 10 each issued				
	as bonus shares	79,461,000	79,461,000	794,610,000	794,610,000
	Ordinary shares of Rs. 10 each fully paid for				
	consideration other than cash (Note 10.1)	5,103,000	5,103,000	51,030,000	51,030,000
		141,900,000	141,900,000	1,419,000,000	1,419,000,000

10.1 These shares were issued against the fair value of land acquired which measures 48 kanals and 12 marlas and is situated opposite to Sundar Industrial Estate, Bhai Kot, Raiwind, Lahore.

# ROSHAN PACKAGES LIMITED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED PERIOD 31 MARCH 2022

11	SHORT-TERM BORROWINGS - SECURED	(Un-audited) 31 March 2022	(Audited) 30 June 2021	
	Running finance	239,290,869	215,543,604	
	Term finances: - Import finance / Murabaha - Istisna / Wakala	312,341,934 1,180,945,654	28,508,122 722,401,035	
		1,493,287,588	750,909,157	
		1,732,578,457	966,452,761	

<sup>11.1</sup> There is no material change in the terms and conditions of the short-term borrowings as disclosed in the audited annual consolidated financial statements as at and for the year ended 30 June 2021 except that the Group has obtained another facility of Rs. 300 million from Bank Alfalah Limited against local istisna and import musawamah.

#### 12 CONTINGENCIES AND COMMITMENTS

#### 12.1 Contingencies

There are no material changes in the status of contingencies as reported in the audited annual consolidated financial statements for the year ended 30 June 2021.

#### 12.2 Commitments in respect of:

- (a) There was no change in the commitments in respect of letters of credit and contracts for capital expenditure since the date of preceding published annual consolidated financial statements.
- (b) Letter of credits and contracts other than for capital expenditure amounting to Rs. 230.01 million (30 June 2021: Rs. 129.16 million).

#### 12.3 Guarantees

There are no significant changes in the guarantees issued by bank on behalf of the Group as reported in the audited annual consolidated financial statements for the year ended 30 June 2021, except for the following:

(a) Letter of guarantee issued in the favour of Sui Northern Gas Pipelines Limited amounting to Rs. 30.07 million (30 June 2021: Rs. 25.07 million by the Holding Company.

#### 13 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

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

Revenue from contracts with customers, disaggregated by major product lines and timing of revenue recognition is listed below:

	Nine months period ended		Three months period ended		
	(Un-audited)		(Un-audited)		
	31 March	31 March	31 March	31 March	
	2022	2021	2022	2021	
	Rupees	Rupees	Rupees	Rupees	
Major product lines:					
- Made-to-order packaging products	5,650,743,478	4,818,649,969	2,028,267,299	1,661,191,586	
- Standard packaging products	698,893,048	406,475,257	281,960,146	123,022,411	
	6,349,636,526	5,225,125,226	2,310,227,445	1,784,213,997	
Timing of revenue recognition:					
- Products transferred over time	5,650,743,478	4,818,649,969	2,028,267,299	1,661,191,586	
- Products transferred at a point in time	698,893,048	406,475,257	281,960,146	123,022,411	
	6,349,636,526	5,225,125,226	2,310,227,445	1,784,213,997	

13.2 This includes unbilled revenue amounting to Rs. 105.97 million (31 March 2021: Rs. 72.51 million).

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#### **ROSHAN PACKAGES LIMITED**

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED PERIOD 31 MARCH 2022

		Nine months	Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
		(Un-au				
		31 March	31 March	31 March	31 March	
		2022	2021	2022	2021	
14	COST OF REVENUE	Rupees	Rupees	Rupees	Rupees	
	Raw materials consumed	4,695,295,170	3,873,955,445	1,628,749,081	1,311,275,767	
	Salaries, wages and other benefits	265,615,882	209,745,286	95,386,543	72,948,405	
	Fuel and power	284,407,334	170,911,388	108,536,620	57,921,960	
	Depreciation of operating fixed assets	117,338,014	106,375,201	39,650,218	36,011,432	
	Production supplies	124,243,821	89,277,777	45,809,443	31,672,436	
	Repairs and maintenance	74,326,378	49,481,428	22,012,221	9,964,662	
	Travelling and conveyance	24,800,057	17,063,777	10,666,141	5,316,257	
	Packing material consumed	25,289,035	16,722,284	10,782,227	6,138,008	
	Insurance	3,617,216	5,050,177	1,161,120	1,655,430	
	Vehicle running expenses	7,671,262	3,452,922	1,810,257	1,346,327	
	Carriage inward expenses	3,750,752	2,448,528	1,175,580	879,800	
	Depreciation of right-of-use assets	389,320	1,385,409	171,866	426,670	
	Communication expenses	1,108,699	1,079,966	707,357	294,194	
	Rent	12,525,386	820,477	6,879,116	171,800	
	Printing and stationery	991,246	784,678	352,099	392,363	
	Others	11,083,576	8,457,716	4,356,296	2,982,373	
	Cost of goods manufactured	5,652,453,148	4,557,012,459	1,978,206,185	1,539,397,884	
	Opening stock of finished goods	48,238,056	11,727,881	85,557,386	16,050,550	
	Closing stock of finished goods	(64,823,511)	(17,747,622)	(64,823,511)	(17,747,622)	
		(16,585,455)	(6,019,741)	20,733,875	(1,697,072)	
		5,635,867,693	4,550,992,718	1,998,940,060	1,537,700,812	
15	TAXATION					
	Current tax	91,536,829	641,152	30,945,693	-	
	Deferred tax (income) / expense	(120,581,329)	87,486,222	18,518,173	39,839,125	
		(29,044,500)	88,127,374	49,463,866	39,839,125	

#### 16 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:

			Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
			31 March	31 March	31 March	31 March
			2022	2021	2022	2021
F	Profit attributable to					
	owners of the Holding Company	Rupees	246,127,630	232,438,695	88,369,996	90,340,273
١	Weighted-average number					
	of ordinary shares	Number	141,900,000	141,900,000	141,900,000	141,900,000
E	Basic earnings per share	Rupees	1.73	1.64	0.62	0.64
					(Un-auc	lited)
					31 March	31 March
					2022	2021
17 (	CASH AND CASH EQUIVALENTS				Rupees	Rupees
,	Short term investment				248,115,750	489,593,000
(	Cash and bank balances				479,371,131	357,889,207
F	Running finance				(239,290,869)	(209,659,214)
	-				488,196,012	637,822,993

# ROSHAN PACKAGES LIMITED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

#### FOR THE NINE MONTHS ENDED PERIOD 31 MARCH 2022

	(U	
	31 March	31 March
	2022	2021
18 CASH FLOWS FROM OPERATIONS	Rupees	Rupees
Profit before taxation	217,083,130	308,384,501
Adjustments to reconcile profit before tax to net cash flow	rs:	
Depreciation of operating fixed assets	121,263,773	109,498,865
Finance costs	103,221,157	83,583,223
Provision for Worker's Profit Participation Fund	14,016,931	18,803,844
Provision for gratuity	23,470,002	13,565,007
Depreciation of right-of-use assets	6,135,175	8,559,977
Provision for Worker's Welfare Fund	6,328,265	7,205,553
Interest income on loans	(10,346,296)	(8,856,342)
Grant income	(1,787,124)	(1,921,575)
Profit on bank deposits	(29,845,090)	(41,339,931)
Amortization of intangible assets	-	362,586
Allowance for expected credit losses	-	27,636,461
(Gain) / loss on disposal of operating fixed asset	(531,677)	75,936
Exchange gain unrealized	-	(6,730,340)
Provision for accumulating compensated absences	2,179,881	2,179,881
Cashflow before working capital changes	451,188,127	521,007,646
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets:		
Stores, spares and other consumables	(76,291,447)	(12,737,036)
Stock-in-trade	(404,645,253)	(42,965,128)
Trade receivables	(642,199,042)	(248,346,053)
Contract assets	42,581,778	8,372,930
Advances, deposits, prepayments and other receivables	73,382,032	(100,670,725)
	(1,007,171,932)	(396,346,012)
Increase / (decrease) in current liabilities:		
Contract liabilities	16,093,315	2,239,794
Trade and other payables	(10,198,839)	235,745,164
	5,894,476	237,984,958
Net working capital changes	(1,001,277,456)	(158,361,054)
	<u>(550,089,329)</u>	362,646,592

#### 19 TRANSACTIONS WITH RELATED PARTIES

The related parties include the associated undertaking, related parties on the basis of common directorship, group companies and key management personnel including directors. The Group in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables. Significant related party transactions have been disclosed in respective notes in these condensed interim consolidated financial statements other than the following:

	Nature of transaction	Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
Name of related party and					
relationship		31 March 2022	31 March 2021	31 March 2022	31 March 2021
		Rupees	Rupees	Rupees	Rupees
Roshan Enterprises -	Sales	2,623,316	11,175,149	679,975	5,992,608
Common directorship	Receipts against sales	2,623,316	9,141,170	657,862	3,740,000
	Markup on loan	10,346,296	8,856,342	3,833,992	3,204,844
	Markup received during				
	the period	-	30,310,285	-	-
Al-Firdusi Exporters - Common directorship	Sales	40,584,088	28,963,938	31,192,261	17,146,275
Common directorship	Receipts against sales	38,174,581	26,656,942	27,977,730	21,914,710
Director and Chief Executive	Salary and other benefits	38,135,946	36,234,696	12,904,041	11,329,698

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# ROSHAN PACKAGES LIMITED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED PERIOD 31 MARCH 2022

#### 20 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objective and policies are consistent with that disclosed in the audited annual consolidated financial statements for the year ended 30 June 2021.

#### 21 FAIR VALUE MEASUREMENT

The Group's fair value measurement policies are consistent with that disclosed in the audited annual consolidated financial statements for the year ended 30 June 2021.

#### 22 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue on April 27, 2022 by the Board of Directors.

#### 23 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