



Condensed Interim Financial Information for the
Third Quarter & Nine Months Period Ended March 31, 2018 (Unaudited)

Contents

Vision & Mission Statement
Corporate Strategy
Company Information
Directors' Report
Condensed Interim Statement of Financial Position
Condensed Interim Profit & Loss Account
Condensed Interim Statement of Comprehensive Income
Condensed Interim Statement of Changes In Equity
Condensed Interim Cash Flow Statement
Notes to the Condensed Interim Financial Information

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

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. Amar Zafar Khan	Chairman
Mr. Hussain Jamil	Chief Executive Officer
Mr. Shahid Jamil	Non-Executive Director
Mr. Ali Jamil	Non-Executive Director
Mr. Talat Mahmood Sadiq	Non-Executive Director
Mr. Asad Ali Sheikh	Non-Executive Director
Ms. Laila Jamil	Non-Executive Director
Mr. Amjad Awan	(Alternate Director of Mr. Talat Mahmood Sadiq)
Mr. Shahan Ali Jamil	(Alternate Director of Mr. Shahid Jamil)

AUDIT COMMITTEE

Mr. Asad Ali Sheikh	Chairman
Mr. Amar Zafar Khan	Member
Ms. Laila Jamil	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Amar Zafar Khan	Chairman
Mr. Hussain Jamil	Member
Mr. Asad Ali Sheikh	Member
Mr. Ali Jamil	Member
Ms. Laila Jamil	Member

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. Muhammed Ali Adil

BANKERS

Habib Bank Limited	Bank of Khyber
JS Bank Limited	Pak Oman Investment Company Limited
Bank Al-Habib Limited	Askari Bank Limited

AUDITORS

Rahman Sarfaraz Rahim Iqbal Rafiq	Chartered Accountants
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SHARE REGISTRAR

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

M/s. Ebrahim Hosain	Advocate & Corporate Counsel
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REGISTERED OFFICE AND FACTORY

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

DIRECTORS' REPORT

The board of directors of EcoPack Limited is pleased to present the unaudited financial statements for the third quarter and 9-months period ended 31st March 2018:

OVERVIEW

The major activity for your company in the third quarter of the financial year was the import and installation of the BMR & Expansion project for enhancing the Preform production capacity of the company. Your management is pleased to report that the project has been successfully implemented although with moderate delays and a small financial overrun in the cost of the imported equipment due to escalation in the US\$ / Pak Rupees parity rate. This timely expansion will allow your company to grow its share in the rapidly growing albeit highly competitive Preform market for supply to the carbonated soft drinks (CSD) and bottled water customers.

The winter quarter of generally slow sales is a period when the Beverage industry goes into its annual maintenance mode, as does your company in preparation for the high sales season as summer approaches.

However, the company's costs are being adversely impacted by the weakness of the PKR versus the USD and other hard currencies, such as imported raw materials and related spares, packing materials, POL products affecting freight charges, etc., are absorbed. Inflationary pressures, therefore, are increasing the company's COGS across the board.

Your company's management is doing its best to mitigate the impact of rising costs through higher output and sales with some success, and continues to push hard in this direction as the peak summer season of high sales sets in.

SALES & FINANCIAL HIGHLIGHTS

Topline revenue increased by Rs. 404 million (34%) to Rs. 1.6 billion from Rs. 1.2 billion last year. An increase of Rs.173 million out of the Rs. 404 million was due to the increase in PET Resin price by 32%. Gross profit increased by Rs. 44 million (34%) during the period under review versus the same period last year. Although the increase in units of Bottles & Preforms sold are the main drivers of the increase in gross profit, we are still striving to handle the inflationary cost push which may impact our year end margins. However, Operating Profit increased by Rs. 32 million from an operating profit of Rs. 39 million to Rs. 71 million against corresponding period last year.

Financial charge for the period has remained at the same level of Rs. 41 million as compared to the same period last year because of additional utilization of working capital finance.

Pre-tax loss is Rs. 3 million against a pre-tax loss of Rs. 0.9 million in the comparative period last year. Accordingly, the Post-tax loss is Rs. 18.5 million against a post-tax loss of Rs. 21.4 million in the same period last year.

Loss per share (basic and diluted) for the first nine months period of FY 2018 is Re. 0.61 per share against Re. 0.71 loss per share (basic and diluted) for the same prior year period.

FUTURE OUTLOOK & RISKS

While the growth in the Beverage industry thus far remains strong, inflationary headwinds due to a weak macro-economic external debt situation of the country are leading to the continuing depreciation of the Pak Rupee. This may cause an increase in the retail sale prices of bottled beverages and water products in the foreseeable future, dampening future growth as the large scale demand of beverages and water is elastic and quite price sensitive. Nevertheless, a fast growing young demographic population and a rising GDP are expected to fuel high consumption which would largely offset the anticipated negative impact on growth – a much desired scenario for your company's growth & consequent profitability in the period ahead.

As your company embarks on its growth drive to acquire greater market share for its products, regular capacity expansions and BMR projects are required to replace the old and cost-inefficient machines and equipment with new state-of-the-art plant & machinery for cost effective production. This entails impairing the obsolete equipment and replacing it with the latest technology giving us the essential competitive edge in our business.

Unplanned and sudden electrical power outages negate the company's ongoing efforts towards cost reduction as wastages and downtime in production creep up. Your company's management is taking the necessary steps to ensure standby electricity generation, despite incurring higher costs, in order to meet its production and sales targets adequately.

Management-employee morale remains high as we encounter the challenges of peak summer sales with the newly enhanced production capacity.

For and on behalf of the Board of Directors

Hussain Jamil

Chief Executive Officer

21 April 2018

Karachi

گذشتہ سال اسی مدت کے دوران قبل از ٹیکس 0.9 ملین روپوں کے خسارے کی نسبت یہ خسارہ اس سال 3 ملین روپے رہا۔ اسی طرح ٹیکس کے بعد یہ خسارہ 18.5 ملین روپے رہا جو سابقہ سال اسی مدت کے دوران 21.4 ملین روپے تھا۔

مالیاتی سال 2018 کے پہلے نو مہینوں کے دوران فی شیئر خسارہ 0.61 روپے فی شیئر رہا جو سابقہ سال کی اسی مدت کے دوران 0.71 روپے تھا۔

مستقبل کے امکانات اور خطرات

جبکہ مشروبات کی صنعت میں وسعت ابھی تک مضبوط ہے، ملک کی میکرو اکنامک بیرونی قرضوں کی کمزور صورتحال کی وجہ سے مہنگائی کی چلنے والی ہوائیں پاکستانی روپے کی قدر میں مسلسل کمی لارہی ہیں۔ اس سے پیش آئندہ مستقل میں بوتل بند مشروبات اور پانی کی ریٹیل قیمت فروخت میں اضافہ ہو سکتا ہے اور مستقل کی ترقی میں کمی آسکتی ہے کیونکہ مشروبات اور پانی کی بڑی طلب لکھدار اور قیمتوں کے متعلق حساس ہے۔ اس کے باوجود، تیزی سے بڑھتی ہوئی نوجوان آبادی اور بڑھی ہوئی جی ڈی پی سے توقع ہے کہ کھپت میں اضافہ ہوگا جس سے ترقی پر پڑھنے والے متوقع منفی اثر میں بڑی حد تک توازن پیدا ہوگا۔ یہ صورتحال آپ کی کمپنی کی ترقی اور آئندہ مدت کے دوران نفع آوری کے سلسلے میں پسندیدہ ہے۔

چونکہ آپ کی کمپنی اپنی ترقی کے سفر میں اپنی مصنوعات کے لیے مارکیٹ میں بڑی جگہ بنانے کا عزم رکھتی ہے لہذا پرانے اور لاگت کے لیے غیر سودمند مشینوں کو لاگت کے لیے سودمند پیداواری صلاحیت والی جدید ترین پلانٹ اور مشینری سے تبدیلی کے لیے بی ایم آر منصوبہ جات اور پیداواری صلاحیت میں باقاعدہ اضافے کی ضرورت ہے۔ اس کے ضروری ہے کہ قدیم آلات کو ترک کر کے جدید ٹیکنالوجی متعارف کروائی جائے جس سے ہمارے کاروبار میں ضروری مسابقت برتری حاصل ہو۔

بجلی کی غیر طے شدہ اور اچانک بندش کی وجہ سے لاگت میں کمی لانے کے لیے کمپنی کی جاری کوششوں پر پانی پھر جاتا ہے کیونکہ یہ ضیاع اور پیداواری بندش کا باعث بنتی ہے۔ اپنے پیداواری اور فروختی کے اہداف کو خاطر خواہ طور پر حاصل کرنے کے لیے آپ کی کمپنی کی انتظامیہ بجلی کی متبادل پیداوار کے سلسلے میں ضروری اقدامات کر رہی ہے۔

انتظامیہ اور ملازمین کا جذبہ بلند رہا کیونکہ ہم نے موسم گرما کی انتہائی سہولت کے چیلنجز کا سامنا نئی بہتر پیداواری صلاحیت کے ذریعے کیا۔

بورڈ آف ڈائریکٹر کی جانب سے

حسین جمیل

چیف ایگزیکٹو آفیسر

21 اپریل 2018

کراچی

ڈائریکٹرز رپورٹ

ایکویک کے بورڈ آف ڈائریکٹرز مسرت کے ساتھ آپ کے سامنے 31 مارچ 2018 کو ختم ہونے والی سہ ماہی اور نو ماہی مدت کے لیے غیر آڈٹ شدہ مالیاتی گوشواروں کو پیش کر رہے ہیں:

جائزہ

مالی سال کی تیسری سہ ماہی کے دوران آپ کی کمپنی کی سب سے بڑی سرگرمی پر بیفام کی پیداواری صلاحیت میں اضافے کے لیے بی ایم آر کی امپورٹ، تنصیب اور توسیعی منصوبے پر مشتمل تھی۔ آپ کی انتظامیہ مسرت سے یہ بتا رہی ہے کہ اگرچہ تھوڑی بہت تاخیر ہوئی اور امریکی ڈالر پاکستانی روپے کی قدر میں فرق بڑھنے کی وجہ سے امپورٹ شدہ آلات کی لاگت میں اضافہ ہوا تاہم منصوبہ کامیابی سے مکمل کر لیا گیا ہے۔ یہ بروقت وسعت آپ کی کمپنی کو تیزی سے پھیلتی ہوئی کاربوئیڈ سافٹ ڈرنس اور بوتل بند پانی کے صارفین کے لیے انتہائی مسابقتی مارکیٹ میں اپنے حصہ بڑھانے کے قابل کرے گی۔

عموماً آہستہ فروخت والی سرمائی سہ ماہی ایک ایسا دورانیہ ہے جب مشروبات کی صنعت سالانہ مرثی امور سرانجام دینے میں مصروف ہوتی ہے، جیسا کہ آپ کی کمپنی نے بھی موسم گرما کے آنے کے ساتھ ہی فروخت کی بلند حد کی تیاری کے سلسلے میں کیا ہے۔

تاہم کمپنی کی لاگت امریکی ڈالر اور دیگر مضبوط کرنسیوں کی نسبت پاکستانی روپے کی کمزوری کی وجہ سے شدید طور پر متاثر ہو رہی ہے۔ مثلاً امپورٹ شدہ خام مال اور متعلقہ سپائر پارٹس، پیکنگ میٹریل، پیٹرولیم پراڈکٹس، فریٹ وغیرہ جذب کیے گئے ہیں۔ افراط زر کے دباؤ کمپنی کی COGS میں اضافہ کر رہے ہیں۔

آپ کی کمپنی کی انتظامیہ بڑھتی ہوئی لاگتوں کے اثر کو کم سے کم کرنے کے لیے کسی قدر کامیابی سے بلند ترین آؤٹ پٹ اور فروخت کے ذریعے اپنی بہترین کوشش کر رہی ہے۔

فروخت اور مالیات کے متعلق اہم نکات

ٹاپ لائن ریونیو گزشتہ سال کے 1.2 بلین روپوں سے 404 بلین روپوں کے اضافے کے ساتھ 1.6 بلین روپے رہا جس سے 34 فیصد اضافہ دیکھنے میں آیا۔ اس 404 بلین میں 173 بلین روپے کا اضافہ پیٹریسن کی قیمتوں میں 32 فیصد اضافے کی وجہ سے تھا۔ زیر جائزہ مدت کے دوران گزشتہ سال کی اسی مدت کی نسبت مجموعی نفع 44 بلین روپے کے اضافے کے ساتھ 34 فیصد زیادہ رہا۔ اگرچہ مجموعی نفع میں اضافے کی وجہ فروخت ہونے والی بوتلوں اور پری فارمز کی تعداد میں اضافہ تھا، تاہم حال افراط زر کی وجہ سے لاگت میں اضافے سے نفع کے لیے بھرپور کوشش کر رہے ہیں جو سال کے آخر میں ہمارے نفعوں پر اثر انداز ہو سکتا ہے۔ سابقہ سال اسی مدت کی نسبت آپریٹنگ نفع 32 بلین روپے کے اضافے کے ساتھ 39 بلین سے بڑھ کر 71 بلین ہو گیا۔

ورکنگ کیپٹل فنانس کے اضافی استعمال کی وجہ سے اس مدت کے دوران مالیاتی اخراجات 41 بلین روپوں کی اسی سطح پر رہے جو کہ گزشتہ سال اسی مدت کے دوران تھے۔

Condensed Interim Statement of Financial Position (Un-Audited)

As on March 31, 2018

		March 31, 2018	(Audited) June 30, 2017
	Note	----- (Rupees in '000') -----	-----
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	1,404,443	1,001,273
Long term security deposits		57,004	7,512
Intangibles		8,924	6,492
		<u>1,470,371</u>	<u>1,015,277</u>
Current Assets			
Stores, spares and loose tools		60,889	56,235
Stock in trade	6	285,431	246,650
Trade debts - unsecured considered good		496,190	149,400
Loans and advances - unsecured considered good		45,430	53,748
Short term deposits, prepayments and other receivables		56,955	16,877
Taxation - net		129,658	109,127
Short term investments		-	36,000
Cash and bank balances		95,407	22,942
		<u>1,169,960</u>	<u>690,979</u>
Total assets		<u><u>2,640,331</u></u>	<u><u>1,706,256</u></u>
EQUITY AND LIABILITIES			
Equity			
Authorized capital			
50,000,000 (2017: 50,000,000) ordinary shares of Rs.10 each		<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid-up capital	7	301,573	287,212
Revaluation reserves		164,710	175,887
Unappropriated profit		<u>257,707</u>	<u>308,150</u>
		<u>723,990</u>	<u>771,249</u>
Non-Current Liabilities			
Long term loans - secured		99,370	145,223
Liabilities against assets subject to finance lease	8	334,591	8,973
Deferred liabilities		<u>269,958</u>	<u>261,565</u>
		<u>703,919</u>	<u>415,761</u>
Current Liabilities			
Trade and other payables		251,116	166,176
Accrued mark-up		10,083	8,950
Short term borrowings - secured	9	822,282	241,898
Current portion of non-current liabilities		<u>128,941</u>	<u>102,222</u>
		<u>1,212,422</u>	<u>519,246</u>
Contingencies and commitments	10		
Total Equity and Liabilities		<u><u>2,640,331</u></u>	<u><u>1,706,256</u></u>

The annexed notes form an integral part of this Condensed interim financial information.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Condensed Interim Profit And Loss Account (Unaudited)

For the nine months and quarter ended March 31, 2018

		For the nine months ended		For the Quarter ended	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Note		(Rupees in '000')			
Sales - net	11	1,603,640	1,199,908	850,051	511,654
Cost of sales	12	(1,431,419)	(1,071,571)	(728,341)	(425,004)
Gross profit		172,221	128,337	121,710	86,650
Distribution expenses		(40,388)	(37,501)	(15,711)	(9,716)
Administrative expenses		(60,254)	(51,298)	(19,436)	(17,292)
		(100,642)	(88,799)	(35,147)	(27,008)
Profit from operations		71,579	39,538	86,563	59,642
Other income		21,896	20,502	9,781	15,735
Other expenses		(55,630)	(20,003)	(28,202)	(3,415)
		(33,734)	499	(18,421)	12,320
Finance cost		(40,881)	(41,031)	(20,948)	(15,816)
(Loss) / Profit before taxation		(3,036)	(994)	47,194	56,146
Taxation		(15,502)	(20,373)	(10,877)	(12,865)
(Loss) / Profit after taxation		(18,538)	(21,367)	36,317	43,281
(Loss) / Earning per share					
Basic and diluted (Rupees)	13	(0.61)	(0.71)	1.20	1.44

The annexed notes form an integral part of this Condensed interim financial information.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Condensed Interim Statement of Other Comprehensive Income (Un-Audited)

For the nine months and quarter ended March 31, 2018

Note	For the nine months ended		For the Quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	(Rupees in '000')			
Profit / (Lose) after taxation	(18,538)	(21,367)	36,317	43,281
Other Comprehensive Income	-	-	-	-
	<u>(18,538)</u>	<u>(21,367)</u>	<u>36,317</u>	<u>43,281</u>

The annexed notes form an integral part of this Condensed interim financial information.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Condensed Interim Statement of Changes in Equity (Un-Audited)

As on March 31, 2018

	Share Capital	Revaluation reserve	Unappropriated Profit	Total
	(Rupees in '000')			
Balance as at July 01, 2016	229,770	157,905	249,747	637,422
<i>Total comprehensive income for the period ended March 31, 2017</i>				
- Loss for the period	-	-	(21,367)	(21,367)
- Transfer to unappropriated profit	-	(8,430)	8,430	-
	-	(8,430)	(12,937)	(21,367)
<i>Transactions with owners</i>				
- Issuance of 25% stock dividend	57,442	-	(57,442)	-
Balance as at March 31, 2017	287,212	149,475	179,368	616,055
<i>Total comprehensive income for the period ended June 30, 2017</i>				
- Profit for the period	-	-	127,228	127,228
- Transfer to retained earnings	-	(5,154)	5,154	-
- Other comprehensive income for the period	-	31,566	(3,600)	27,966
	-	26,412	128,782	155,194
Balance as at June 30, 2017	287,212	175,887	308,150	771,249
<i>Total comprehensive income for the period ended March 31, 2018</i>				
- Loss for the period	-	-	(18,538)	(18,538)
- Transfer to retained earnings	-	(11,177)	11,177	-
	-	(11,177)	(7,361)	(7,361)
<i>Transactions with owners</i>				
- Issuance of 5% stock dividend	14,361	-	(14,361)	-
- Payment of 10% Cash dividend	-	-	(28,721)	(28,721)
Balance as at March 31, 2018	301,573	164,710	257,707	723,990

The annexed notes form an integral part of this Condensed interim financial information.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Condensed Interim Statement of Cash Flows (Un-Audited)

For the nine months ended March 31, 2018

March 31, 2018 March 31, 2017
Note ----- (Rupees in '000') -----

CASH FLOWS FROM OPERATING ACTIVITIES

Loss before taxation (3,036) (994)

Adjustments for:

- Depreciation
- Amortization
- (Gain) / Loss on disposal of property, plant & equipment
- Provision for workers' profit participation fund
- Provision for gratuity
- Provision for slow moving stock
- Provision against doubtful debts
- Finance cost

83,219	79,372
783	94
(554)	19
6,349	2,939
11,882	8,341
33,624	-
-	1,500
40,881	41,031
176,184	133,296
173,148	132,302

Changes in working capital:

- (Increase) in Stores, spares and loose tools
- (Increase) in Stock in trade
- (Increase) in Trade debts
- (Increase)/ Decrease in loans & advances
- (Increase)/ Decrease in short term deposits, prepayments and other receivables
- Increase in Trade and other payables

(4,654)	(1,652)
(72,404)	(79,715)
(346,852)	(30,583)
8,318	(1,545)
(40,078)	20,391
88,470	15,101
(367,200)	(78,003)
(194,052)	54,299

Cash (used in) / generated from operations

Taxes paid	(40,823)	(34,192)
Finance cost paid	(39,748)	(38,768)
Dividend paid	(28,721)	-
Gratuity paid	(380)	(802)
Workers' profit participation fund paid	(8,139)	(7,436)
Net cash used in operating activities	(311,863)	(26,899)

CASH FLOWS FROM INVESTING ACTIVITIES

Fixed capital expenditure	(486,629)	(53,630)
Purchase of Intangible assets	(3,215)	(1,204)
Long term security deposits	(49,492)	(991)
Proceeds from disposal of fixed assets	794	41
Net cash used in investing activities	(538,542)	(55,784)

CASH FLOWS FROM FINANCING ACTIVITIES

Long term loan acquired	7,491	-
Repayment of long term loans	(65,224)	(40,300)
Leases acquired during the year	369,337	6,905
Repayment of finance lease liability	(5,118)	(1,027)
Net cash inflow / (used in) financing activities	306,486	(34,422)
Net decrease in cash and cash equivalents	(543,919)	(117,105)
Cash and cash equivalents at the beginning of the period	(182,956)	(283,839)
Cash and cash equivalents at the end of the period	(726,875)	(400,944)

15

The annexed notes form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited)

For the nine months and quarter ended March 31, 2018

1. STATUS AND NATURE OF BUSINESS

Ecopack Limited (the Company) is a limited liability Company incorporated in Pakistan and is listed on Pakistan Stock Exchange Limited. The registered office and manufacturing facility of the Company is located at Hattar Industrial Estate, Khyber Pakhtunkhwa.

The principal business activity of the Company is manufacturing and sale of Polyethylene Terephthalate (PET) bottles and preforms for the market of Beverages and other liquid packaging industry.

2. BASIS OF PREPARATION

This condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan and provisions of, and directives issued under the Companies Act, 2017; in case, where the requirements of the International Accounting Standard differ, the provisions of, and directives issued under the Companies Act, 2017, have been followed. The interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2017.

The comparative balance sheet presented in these interim financial information has been extracted from the audited financial statements of the Company for the year ended June 30, 2017, whereas the comparative profit and loss account, statement of changes in equity, statement of comprehensive income and cash flow statement are extracted from the unaudited interim financial information for the quarter ended March 31, 2017.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statement are the same as those applied in the preparation of the annual financial statements of the company for the year ended June 30, 2017.

4. ESTIMATES AND JUDGEMENT

The preparation of condensed interim financial information in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited)

For the nine months and quarter ended March 31, 2018

		(Un-audited) March 31, 2018	(Audited) June 30, 2017
	Notes	----- (Rupees in '000') -----	
5. PROPERTY, PLANT & EQUIPMENT			
Operating fixed assets	5.1	943,080	989,248
Capital work in progress - Expansion/ BMR	5.2	444,065	-
Capital work in progress - Major spare parts		17,298	12,025
		<u>1,404,443</u>	<u>1,001,273</u>
5.1 Operating fixed assets			
Opening net book value		989,248	999,085
Addition during the period			
Factory building and roads		956	4,200
Plant & Machinery		14,646	7,547
Factory equipment		18,241	48,479
Office equipment		1,138	2,533
Vehicles		2,310	10,929
		37,291	73,688
Surplus on revaluation of property and plant		-	32,633
Disposal of fixed assets		(240)	(8,999)
Depreciation		(83,219)	(107,159)
		<u>943,080</u>	<u>989,248</u>
5.2 It represents installation of new injection machines related with expansion/ BMR.			
6. STOCK IN TRADE			
Raw material		76,653	105,515
Packing material		13,100	10,572
Work in process		93,311	63,558
Finished goods		139,518	70,533
		<u>322,582</u>	<u>250,178</u>
Provision for obsolete stocks	6.1	(37,151)	(3,528)
		<u>285,431</u>	<u>246,650</u>
6.1 It represents provision for slow and obsolete stocks amounting Rs. 33.6m recorded during the period.			
7. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
10,262,664 (2017: 10,262,664) Ordinary shares of Rs. 10/- each issued against cash		102,627	102,627
19,894,608 (2017: 18,458,547) Ordinary shares of Rs. 10/- each issued as fully paid bonus shares		198,946	184,585
		<u>301,573</u>	<u>287,212</u>
8. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE			
This includes plant and machinery obtained on lease arrangements from financial institutions carrying markup @ 8.11% (2017: 8.54% to 9.12%)			

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited)

For the nine months and quarter ended March 31, 2018

9. SHORT TERM BORROWINGS - SECURED

Short-term running finance and other facilities are obtained under mark-up arrangements from various commercial banks carrying mark-up ranging from 7.66% to 8.16% (2017: 7.54% to 9.12%) per annum calculated on daily product basis.

These facilities are secured by first pari passu charge on entire present and future current assets of the Company.

10. CONTINGENCIES AND COMMITMENTS

No contingencies and commitments existed at the balance sheet date (June, 2017: NIL).

	For the nine months ended		For the Quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	----- (Rupees in '000') -----			
11. SALES				
Gross sales	1,877,757	1,405,326	995,126	599,521
Sales tax	(272,829)	(204,638)	(144,619)	(87,556)
Sales returns and discounts	(1,288)	(780)	(456)	(311)
	(274,117)	(205,418)	(145,075)	(87,867)
	<u>1,603,640</u>	<u>1,199,908</u>	<u>850,051</u>	<u>511,654</u>

12. COST OF SALES

Raw and packing material consumed	1,080,408	830,319	544,695	394,168
Salaries, wages and other benefits	132,174	109,717	50,838	38,628
Electricity, gas and water	129,790	107,408	57,655	47,256
Repair and maintenance	7,166	9,494	2,536	3,478
Store consumed	49,821	22,087	31,019	10,549
Depreciation	78,579	75,404	25,944	24,830
Travelling and conveyance	10,688	9,688	3,945	2,975
Vehicle repair and maintenance	5,123	5,865	2,278	2,100
Rent, rate and taxes	18,789	15,832	9,056	5,867
Insurance	3,222	2,802	934	949
Medical Expenses	3,395	2,785	1,242	1,174
Freight and other charges	4,928	3,163	2,871	1,730
Communication charges	1,367	1,200	395	421
Printing, postage and stationery	1,231	1,179	369	486
Lab tests	633	420	109	148
Entertainment	1,037	523	643	256
Fees and subscription	695	525	388	66
Courses and seminars	224	122	-	27
Amortisation	783	94	721	32
Miscellaneous	104	60	32	15
	<u>1,530,157</u>	<u>1,198,687</u>	<u>735,669</u>	<u>535,154</u>
Work-in-process - opening	63,558	46,824	167,437	99,225
Work-in-process - closing	(93,311)	(152,601)	(93,311)	(152,601)
	(29,753)	(105,777)	74,126	(53,376)
Cost of goods manufactured	<u>1,500,404</u>	<u>1,092,910</u>	<u>809,795</u>	<u>481,778</u>
Finished goods - opening	70,533	76,968	58,064	41,533
Finished goods - closing	(139,518)	(98,307)	(139,518)	(98,307)
	(68,985)	(21,339)	(81,454)	(56,774)
	<u>1,431,419</u>	<u>1,071,571</u>	<u>728,341</u>	<u>425,004</u>

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited)

For the nine months and quarter ended March 31, 2018

13. (LOSS) / EARNINGS PER SHARE - Basic and Diluted

	For the nine months ended		For the Quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
(Loss) Profit / after tax (Rupees in '000)	<u>(18,538)</u>	<u>(21,367)</u>	<u>36,317</u>	<u>43,281</u>
Weighted average number of ordinary shares (Number)	<u>30,157,300</u>	<u>30,157,300</u>	<u>30,157,300</u>	<u>30,157,300</u>
(Loss) / Earnings per share - basic (Rs.)	<u>(0.61)</u>	<u>(0.71)</u>	<u>1.20</u>	<u>1.44</u>

13.1 There were no convertible dilutive potential ordinary shares in issue as at March 31, 2018 and March 31, 2017.

13.2 The number of shares as at March 31, 2017 have been adjusted for the effect of bonus shares issued subsequent to that date.

Notes to the Condensed Interim Financial Information (Un-Audited)

For the nine months and quarter ended March 31, 2018

14. SEASONALITY OF OPERATIONS

Due to the seasonal nature of business of the Company, higher revenues and operating profits are usually expected in first and last quarter of the year.

(a) 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.

(b) Segment Information

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

	INJECTION UNIT			BLOWING UNIT			TOTAL		
	For the Quarter ended			For the Quarter ended			For the Quarter ended		
	Nine months ended March 31, 2018	Nine months ended March 31, 2017	Nine months ended March 31, 2018	Nine months ended March 31, 2017	Nine months ended March 31, 2018	Nine months ended March 31, 2017	Nine months ended March 31, 2018	Nine months ended March 31, 2017	Nine months ended March 31, 2017
(Rupees in '000)									
Sales-net	657,031	462,866	374,074	175,088	946,609	737,042	1,603,640	1,199,908	511,654
Cost of sales	(591,080)	(413,216)	(307,438)	(131,215)	(840,339)	(658,355)	(1,431,419)	(1,071,571)	(425,004)
	65,951	49,650	66,536	43,873	106,270	78,687	172,221	128,337	86,650
Distribution expenses	(16,547)	(14,466)	(7,281)	(2,848)	(23,841)	(23,035)	(40,388)	(37,501)	(9,716)
Administrative expenses	(24,687)	(19,788)	(9,361)	(5,569)	(35,567)	(31,510)	(60,254)	(51,298)	(17,292)
	(41,234)	(34,254)	(16,642)	(8,417)	(59,408)	(54,545)	(100,642)	(88,799)	(27,008)
Operating profit	24,717	15,396	49,994	35,456	46,862	24,142	71,579	39,538	59,642
Finance Cost									
Other Expenses									
Other Income									
							(40,881)	(41,031)	(15,816)
							(55,630)	(20,003)	(3,415)
							21,896	20,502	15,735
							(74,615)	(40,532)	(3,496)
Profit/ (Loss) before Taxation							(3,036)	(994)	56,146
Taxation							(15,502)	(20,373)	(12,865)
Profit/ (Loss) after Taxation							(18,538)	(21,367)	43,281

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited)

For the nine months and quarter ended March 31, 2018

15. CASH AND CASH EQUIVALENTS

For the purposes of cash flow statement, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the condensed interim cash flow statement are reconciled to the related items as follows:

	March 31, 2018	March 31, 2017
	-----Rupees in '000-----	
Cash and bank balances	95,407	5,634
Short term borrowings	(822,282)	(406,578)
	<u>(726,875)</u>	<u>(400,944)</u>

16. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertaking, key management personnel and post employment benefit scheme. The company in the normal course of business carries out transactions with various related parties.

	March 31, 2018	March 31, 2017
	-----Rupees in '000-----	
Contribution to employees' provident fund	4,898	5,538
Payable to employees' provident fund	565	466

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management objectives and policies are consistent with that disclosed in the audited financial statements as at and for the year ended 30 June 2017.

18. DATE OF AUTHORIZATION

This condensed interim financial information has been authorized for issue on April 21, 2018 by the Board of Directors of the Company.

19. GENERAL

Figures have been rounded off to the nearest thousand rupees.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

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