



Manufacturers of Quality PET Bottles and Preforms



Condensed Interim Financial Statements
For the Half Year ended December 31, 2018 (Unaudited)

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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 / Independent Director
Mr. Hussain Jamil	Chief Executive Officer
Mr. Shahid Jamil	Non-Executive Director
Mr. Ali Jamil	Non-Executive Director
Mr. Ahsan Jamil	Non-Executive Director
Mr. Asad Ali Sheikh	Independent Director
Ms. Laila Jamil	Non-Executive Director

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

AUDITORS

KPMG Taseer Hadi & Co.	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
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DIRECTORS' REPORT

The Board of Directors of EcoPack Limited is pleased to present the Directors' Report along with the Reviewed financial statements of the company for the 6-month period ended 31st December 2018:

OVERVIEW

The strong inflationary pressures which had already been unleashed during the tenure of the Care-taker government mandated to conduct elections, continued unabated in the first half of the current financial year as the newly elected government grappled with an increasingly deteriorating macro-economic and financial scenario in the country. Thus your company continued to be confronted with strong inflationary headwinds stemming from a weakening Pak Rupee (by almost 26 percent in the last 12 months) adversely impacting its COGS across the board due to the rise of Diesel fuel by nearly 50%, SBP KIBOR(3M) from 6.15% to 10.5% PA and related cost hikes in spare parts, packing materials, etc against the corresponding prior period. As the Beverage industry reeled under such cost pressures, it was constrained to increase the retail prices of soft-drinks & bottled water resulting in weakening of demand for your company's products as we moved into the slow sales winter months of the 2nd financial quarter.

With costs increasing sharply and seasonal demand waning as expected, it was not prudent or possible for your Management to cover the rising losses by adjusting sale prices in this period. Hence the challenge to remedy the hitherto financial decline warrants a very cautious and cost-effective approach with steady hands to steer our ship out of the prevailing choppy waters as we prepare to enter the spring and summer season of high sales ahead. Your company is well poised for high Preform sales as it enters the last two quarters of this financial year armed with a significantly enhanced production capacity installed last year in April 2018 – a very timely and beneficial expansion for all stakeholders! The larger manufacturing footprint achieved due to the capacity expansion has increased the fixed costs which are mostly linear in nature. They negatively impact the winter 'loss quarters' but will be diluted due to high production and sales in the summer 'recovery quarters' having a positive impact on the bottom line. By this token, your company expects to significantly recover the lost ground thus far in the second half of the year.

SALES & FINANCIAL HIGHLIGHTS

Sales revenue has significantly increased by 86% from Rs. 753 million to Rs. 1.4 billion HoH mainly due to increase in sales volume of Preforms by 121% due to expansion in Preform capacity last year. Sales volume of Preforms increased from 51 million to 113 million i.e., an increase of 62 million Preforms. Basic raw material (PET resin) price increased by approximately 54% which also contributed towards the increase in topline revenue. Gross profit decreased by 97% from Rs. 39 million to Rs. 1 million during the half year under review against the same period last year. The decrease in GP has mainly occurred due to the hyper-inflationary impact on the macro- economic situation of Pakistan. Likewise, Operating Loss increased by Rs. 48 million from an operating loss of Rs. 15 million to an operating loss of Rs. 63 million HoH.

Financial charges increased by Rs. 22 million from Rs. 20 million in the same period last year compared to Rs. 42 million due to long term lease finance obtained for expansion last year. Higher KIBOR rates HoH by almost 71% also contributed significantly to this increase.

Pre-tax loss is Rs. 111 million against a pre-tax loss of Rs. 50 million in the corresponding period last year. However, Post-tax loss comes to Rs. 82 million against a post-tax loss of Rs. 55 million in the same period last year. Post tax loss has been reduced due to deferred tax reversal during the period under review.

Loss per share (basic and diluted) for the first half of FY 2019 is Rs. 2.38 per share against Rs. 1.58 loss per share for the same period last year.

FUTURE OUTLOOK

While the outlook for the upcoming high season of bottle & preform sales for your company remains positive due to

the intrinsic growth of population and the ingress of “non-returnable” PET bottles into the peri-urban & rural markets as well as replacement of ‘returnable glass bottles’ (RGB), much of the anticipated double-digit growth depends on the purchasing power and affordability of the lower middle class mass base of consumers as demand for beverages is somewhat “inversely elastic” to price. The strategy of the giant soft-drink companies invariably manages this quite effectively to ensure achievement of their growth targets.

Despite the tough ongoing economic situation for businesses in the country, your company’s management is realistically optimistic of attaining greater profitability than last year as it uses its core strengths of ‘best quality, timely assured supply and competitive pricing’ to win sales orders from its current dedicated customer base as well as take a substantial part of the additional growth from the new local companies recently entering the marketplace.

Your company has embarked on its announced plans for both product and customer diversification with its recent foray into ‘large size PET bottles & containers’ for cooking oil, water and syrups, etc. This project will be up and running at the tail end of the financial year but the real effect will be seen next year, providing the company with both financial stability and profitable growth.

RISKS

Any global and regional misadventures/wars & trade wars could upwardly impact the price of Crude oil and other Petro-chemical derived products, which could play havoc with the prices of our main raw material, PET resin, during the remaining period of the financial year. This in turn could drive costs and prices upwards to the detriment of demand growth and all stakeholders in the industry.

Sharply rising bank interest/mark-up rates remain a serious worry for the company as repayment of loans may become burdensome and impact profits in view of our recently enlarged bank borrowings and loans for expansion.

HR & MANAGEMENT

Your company’s management remains steadfast in its mission to become one of the leading companies in Rigid packaging and Packaging solutions for a wide array of commercial/industrial products.

Good relations among employees and management based on a thriving and transparent culture of ‘trust and accountability’ in place for long now, continues to uplift morale and benefit the company as it prepares to surmount the adverse economic conditions and challenging times ahead.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS



Asad Ali Sheikh
Director

Karachi
February 23, 2019



Hussain Jamil
Chief Executive Officer

اخراجات کے اضافے میں خاطر خواہ کردار ادا کیا۔ قبل از ٹیکس نقصان 111 ملین روپے رہا جو کہ گزشتہ سال کی اسی مدت کے دوران 50 ملین روپے قبل از ٹیکس تھا۔ تاہم بعد از ٹیکس نقصان 82 ملین روپے رہا جو کہ گزشتہ سال کی اسی مدت کے دوران 55 ملین روپے تھا۔ بعد از ٹیکس نقصان زیر جائزہ مدت کے دوران تعطل شدہ ٹیکس رپورسل کی وجہ سے کم ہوا۔ مالیاتی سال 2019 کی پہلی ششماہی کے دوران فی شیئر نقصان 2.38 روپے رہا جو کہ گزشتہ سال کی اسی مدت کے دوران 1.58 روپے فی شیئر تھا۔

مستقبل کے امکانات

جب کہ آبادی میں انتہائی زیادہ اضافہ اور دیہی و شہری علاقوں میں ناقابل واپسی PET بوتلوں کے متعارف ہونے کی وجہ سے اور شیشے کی روایتی بوتلوں کی جگہ پلاسٹک کی بوتلوں کے استعمال کی وجہ سے آپ کی کمپنی آئندہ آنے والے موسم اور فروخت میں ہونے والے اضافے کے لیے پرامید ہے اور پیشگوئی کے مطابق فروخت میں دو ہندسوں والے اضافے کا انحصار چمچی مڈل کلاس سے تعلق رکھنے والے صارفین کی قوت خرید اور اس کی وجہ سے کسی حد تک مشروبات بنانے والی بڑی کمپنیوں کی حکمت عملی پہلو کے مطابق اپنے اہداف کے یقینی حصول کے لیے اس کو زیادہ موثر انداز میں دیکھ رہی ہیں۔

ملک میں کاروبار کے لیے موجودہ مشکل معاشی صورت حال کے باوجود، آپ کی کمپنی کی انتظامیہ گزشتہ سال کی نسبت اس سال زیادہ نفع حاصل کرنے کے لیے حقیقی طور پر پرامید ہے کیونکہ اس نے اپنے موجودہ صارفین سے سیلز آرڈرز جیتنے کے لیے اپنی بنیادی خصوصیت یعنی بہترین معیار، بروقت یقینی سپلائی اور مسابقتی قیمتوں کے ہتھیار کو استعمال کیا ہے اور اس کے ساتھ ساتھ مارکیٹ میں داخل ہونے والی نئی مقامی کمپنیز سے کافی حصہ لیکر اضافی وسعت کے لیے کوشش کی ہے۔ آپ کی کمپنی نے بڑے سائز کی PET بوتلوں اور کوکلوگ آئسل، پانی و سیرپ وغیرہ کے لیے کنٹینرز کی پیداوار کی اپنی حالیہ مہم کے ذریعہ مصنوعات اور صارف دونوں کی کثیر اقسام کے لیے اپنے اعلان کردہ منصوبوں پر کام شروع کر دیا ہے۔ یہ منصوبہ موجودہ مالی سال کے آخر تک فعال ہو جائے گا تاہم اس کا اصل اثر آئندہ سال نظر آئے گا جس سے کمپنی کو مالیاتی استحکام ملنے کے ساتھ ساتھ نفع میں بھی اضافہ متوقع ہے۔

خطرات

کسی طرح کی عالمی اور علاقائی غلط جوئیوں/جنگلوں اور تجارتی جنگلوں کی وجہ سے خام تیل اور پیٹرولیم پیکل سے بننے والی دیگر مصنوعات کی قیمتوں میں اضافہ واقع ہو سکتا ہے جس کی وجہ سے مالیاتی سال کی بقیہ مدت کے دوران ہمارے بنیادی خام مال، PET Resin کی قیمتوں پر شدید اثر پڑ سکتا ہے۔ اس کے نتیجے میں لاگتوں اور قیمتوں میں اضافہ ہو سکتا ہے جو طلب میں اضافے اور تمام صنعتی شراکت داروں کے لیے غیر سودمند ثابت ہو سکتا ہے۔ شرح سود میں تیزی سے ہونے والا اضافہ کمپنی کے لیے ایک سنگین پریشانی کا باعث ہے کیونکہ قرضوں کی واپس ادائیگی پر بوجھ پڑ سکتا ہے اور پیداواری گنجائش میں اضافے کے لئے حال میں حاصل کردہ بڑے بینک قرضہ جات کے تناظر میں نفع کو متاثر کر سکتا ہے۔

افراد کی قوت اور انتظامیہ

آپ کی کمپنی کی انتظامیہ تجارتی و صنعتی مصنوعات کی وسیع اقسام کے لیے مضبوط پیکیج اور پیکیج سلویشن فراہم کرنے والی بڑی کمپنیوں میں سے ایک کمپنی بننے کے مشن کے لیے پرعزم ہے۔ ملازمین اور انتظامیہ کے مابین اچھے تعلقات ایک عرصے سے "اعتماد اور احتساب" کے ایک شفاف اور ترقی پسندانہ ماحول پہنچ رہی ہیں جن کی وجہ سے اعتماد میں اضافہ ہو رہا ہے اور کمپنی کو فائدہ پہنچ رہا ہے کیونکہ کمپنی آئندہ آنے والے سخت معاشی حالات اور چیلنجز سے نمٹنے کے لیے تیاری کر رہی ہے۔

بورڈ آف ڈائریکٹرز کے لیے بورڈ کی جانب سے



اسد علی
ڈائریکٹر



حسین جیل
چیف ایگزیکٹو آفیسر
کراچی

23 فروری 2019

ڈائریکٹرز رپورٹ

ایکویٹیک لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر 2018 کو ختم ہونے والی ششماہی کے لیے ڈائریکٹرز رپورٹ اور کمپنی کی نظر جانی شدہ مالیاتی گوشواروں کو مسرت کے ساتھ پیش کرتے ہیں:

جائزہ

سخت گرائی کا دباؤ، جو ایکشن کروانے کا اختیار رکھنے والی نگران حکومت کے دور میں پہلے ہی سے بے قابو تھا، وہ موجودہ مالی سال کی پہلی ششماہی کے دوران برقرار رہا کیونکہ نئی منتخب کردہ حکومت کو ملک میں تیزی سے تنزلی کا شکار میکرو اکنامک اور مالیاتی صورتحال کا سامنا تھا۔ لہذا آپ کی کمپنی بھی گرائی کی تیز ہواؤں کا سامنا کرتی رہی جس کی بنیادی وجہ گزشتہ ایک سال میں روپے کی قدر میں تقریباً 26 فیصد روٹا ہونے والی کمی تھی جس سے مجموعی طور پر COGS بری طرح متاثر ہوئی کیونکہ ڈیزل فیول کی قیمت میں تقریباً 50 فیصد اضافہ ہوا، اسٹیٹ بینک آف پاکستان کا 3MKIBOR 6.15 فیصد سے بڑھ کر 10.5 فیصد سالانہ تک ہو گیا اور سپینر پارٹس، پینلنگ میٹریل وغیرہ کی قیمتوں میں گزشتہ دورانیے کی نسبت اس تناسب سے اضافہ ہوا۔ چونکہ مشروبات کی صنعت بھی لاگت پر پڑنے والے اس دباؤ سے متاثر ہوئی تو مجبوراً مشروبات اور بوتل بند پانی کی قیمتوں میں بھی اضافہ کرنا پڑا جس کی وجہ سے آپ کی کمپنی کی مصنوعات کی طلب میں اس وقت کمی واقع ہوئی جب ہم دوسری سہ ماہی کے دوران سردیوں کے مہینوں میں داخل ہوئے جن کے دوران فروخت میں کمی واقع ہوتی ہے۔

قیمتوں میں تیزی سے ہونے والے اضافے اور توقع کے عین مطابق موسمی صورتحال کی وجہ سے طلب میں روٹا ہونے والی کمی کی وجہ سے آپ کی انتظامیہ کے لیے یہ ممکن یا قابل عمل نہیں تھا کہ اس دورانیے میں فروخت کی قیمتوں کو ایڈجسٹ کر کے بڑھتے ہوئے نقصانات کا ازالہ کیا جاسکے لہذا مالیاتی اتار کے حل کے پہنچنے سے نمٹنے کے لیے ایک انتہائی احتیاط والی اور موثر بہ لاگت ایسی حکمت عملی کی ضرورت ہے جو مضبوط ہاتھوں کے ذریعے تند و تیز لہروں سے جہاز کو نکلانے والا کام کر سکے کیونکہ ہم بہار اور زیادہ فروخت والے موسم گرما میں داخل ہونے کی تیاری کر رہے ہیں۔ آپ کی کمپنی Preforms کی زیادہ فروخت کے لیے اچھی طرح تیار ہے کیونکہ موجودہ مالی سال کی آخری دوسہ ماہیوں کیلئے اپریل 2018 میں اپنی پیداواری گنجائش میں اچھا خاصا اضافہ کر لیا ہے اور گنجائش میں کیا جانے والا یہ اضافہ تمام سٹیک ہولڈرز کے لیے انتہائی بروقت اور فائدہ مند ہے۔ پیداواری گنجائش میں اضافے کی وجہ سے فکسڈ اخراجات میں غیر معمولی اضافہ ہوا ہے جو کہ اپنی نوعیت کے اعتبار سے زیادہ متوازن ہیں۔ ان کی وجہ سے سرمایہ کی نقصاناتی سہ ماہیوں میں منفی اثر پڑا، تاہم موسم گرما میں زیادہ پیداوار اور فروخت کے ذریعے اس کا ازالہ ہو جائے گا اور چلنی سطح پر اس کا مثبت اثر پڑے گا۔ اس علامت سے، آپ کی کمپنی کو توقع ہے کہ سال کی دوسری ششماہی کے دوران نقصان کا خاطر خواہ ازالہ ہو جائے گا۔

سیلز اور مالیات کے اہم نقاط

فروخت کے حجم میں 86 فیصد کا خاطر خواہ اضافہ ہوا جو کہ گزشتہ سال کی اسی مدت کے دوران ہونے والی 753 ملین کی فروخت سے بڑھ کر 1.4 بلین روپے رہی جس کی بنیادی وجہ گزشتہ سال Preform کی پیداواری گنجائش میں ہونے والا اضافہ تھا جس کی وجہ سے Preforms کی فروخت میں 121 فیصد اضافہ ہوا۔ Preform کی اکائیوں کی فروخت کا حجم 51 ملین سے بڑھ کر 113 ملین روپے تک پہنچ گیا یعنی 62 ملین اکائیوں کا اضافہ ہوا۔ بنیادی خام مال یعنی PET Resin کی قیمت میں تقریباً 54 فیصد اضافہ ہوا جس کی وجہ سے مجموعی آمدنی کی سطح میں بھی اضافہ ہوا۔ جائزہ ششماہی کے دوران گزشتہ سال کی اسی مدت کی نسبت مجموعی نفع 97 فیصد کم ہوا جو کہ 39 ملین روپے سے گھٹ کر 1 ملین روپے رہا۔ مجموعی نفع میں ہونے والی کمی کی بنیادی وجہ پاکستان کی میکرو اکنامک صورتحال میں پیدا ہونے والی شدید گرائی تھی۔ اسی طرح نقصان بعد از انتظامی اخراجات میں بھی اضافہ ہوا جو کہ گزشتہ سال اسی مدت کے دوران ہونے والے 15 ملین روپے کے نقصان سے بڑھ کر 63 ملین روپے تک جا پہنچا جس کی وجہ سے 48 ملین روپے کا اضافی نقصان ہوا۔

گزشتہ سال پیداواری گنجائش کے لیے حاصل کردہ طویل المدتی قرضہ جات کی وجہ سے 42 ملین روپوں کے تقابل میں امسال مالیاتی اخراجات میں 22 ملین روپوں کا اضافہ ہوا جو کہ گزشتہ سال اسی مدت کے دوران 20 ملین روپے تھا۔ اس کے علاوہ KIBOR ریٹ میں بلند ترین اضافہ جو کہ تقریباً 71 فیصد تھا، اس نے بھی مالیاتی

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Ecopack Limited Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Ecopack Limited as at 31 December 2018 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

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

Conclusion

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

Other Matters

1. The financial statements of the Company for the year ended 30 June 2018 and interim financial statements for the period ended 31 December 2017, excluding the retrospective adjustments described in note 18 to the interim financial statements, were audited / reviewed by another auditor whose reports dated 22 February 2018 and 26 September 2018 respectively, expressed an unmodified opinion and conclusion thereon.
2. As part of our review of the interim financial statements for the six-month period ended 31 December 2018, we also reviewed the adjustments described in note 18 that were applied to amend the comparative information presented as at 30 June 2018 and for the six-month period ended 31 December 2017. Nothing has come to our attention that causes us to believe that the adjustments described in note 18 are not appropriate or properly applied. We were not engaged to review, or apply any procedures to the financial statements for the year ended 30 June 2018 and interim financial statements for the period ended 31 December 2017 of the Company, other than with respect to the adjustments described in note 18 to the interim financial statements. Accordingly, we do not express a conclusion or any other form of assurance on those respective financial statements taken as a whole.
3. The figures for the three-month period ended 31 December 2018, in the interim statement of profit or loss and interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the audit resulting in this independent auditors' report is Mr. Riaz Pesnani.

Islamabad
February 23, 2019

KPMG Taseer Hadi & Co.
Chartered Accountants

Condensed Interim Statement of Financial Position (Un-Audited) As at December 31, 2018

		Un-audited December 31, 2018	Audited June 30, 2018 Restated
ASSETS	Note	----- Rupees in '000' -----	
Non-Current Assets			
Property, plant and equipment	4	1,154,683	1,184,186
Security deposits		32,372	31,909
Intangibles		7,013	7,402
		<u>1,194,068</u>	<u>1,223,497</u>
Current Assets			
Stores, spares and loose tools		54,912	58,673
Stock in trade	5	264,552	224,659
Trade debts		101,502	454,623
Loans and advances		39,781	61,510
Deposits, prepayments and other receivables		37,851	9,387
Taxation - net		120,183	118,394
Cash and bank balances		7,383	79,733
		<u>626,164</u>	<u>1,006,979</u>
Total assets		<u>1,820,232</u>	<u>2,230,476</u>
EQUITY AND LIABILITIES			
Share capital	6	346,809	301,573
Accumulated profit		263,140	413,621
Revaluation surplus on property and plant		154,124	161,552
		<u>764,073</u>	<u>876,746</u>
Non-Current Liabilities			
Long term liabilities		13,816	60,746
Liabilities against assets subject to finance lease	7	132,751	140,493
Deferred liabilities		217,092	243,992
		<u>363,659</u>	<u>445,231</u>
Current Liabilities			
Trade and other payables		128,199	297,596
Unclaimed dividend		2,908	1,302
Short term borrowings	8	427,822	484,941
Current portion of non-current liabilities		133,571	124,660
		<u>692,500</u>	<u>908,499</u>
Total equity and liabilities		<u>1,820,232</u>	<u>2,230,476</u>
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR

Condensed Interim Statement of Profit or Loss (Un-Audited)

For the six-month period ended December 31, 2018

	Note	Six-month ended		Three-month ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
		Restated		Restated	
		----- Rupees in '000' -----		----- Rupees in '000' -----	
Sales - net	10	1,400,199	753,589	300,995	216,587
Cost of sales	11	(1,398,926)	(714,203)	(360,144)	(242,108)
Gross profit / (loss)		1,273	39,386	(59,149)	(25,521)
Administrative and general expenses		(64,130)	(54,370)	(35,374)	(26,896)
Loss from operations		(62,857)	(14,984)	(94,523)	(52,417)
Other income		5,377	12,115	259	9,986
Other expenses		(10,545)	(27,428)	466	(20,798)
		(5,168)	(15,313)	725	(10,812)
Finance cost		(42,590)	(19,933)	(15,025)	(10,854)
Loss before taxation		(110,615)	(50,230)	(108,823)	(74,083)
Taxation		28,099	(4,625)	40,451	515
Loss after taxation		(82,516)	(54,855)	(68,372)	(73,568)
Earnings per share - basic and diluted (Rupees)	12	(2.38)	(1.58)	(1.97)	(2.12)

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

Condensed Interim Statement of Other Comprehensive Income (Un-Audited) For the six-month period ended December 31, 2018

	Six-month ended		Three-month ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
	----- Rupees in '000' -----		----- Rupees in '000' -----	
Loss after taxation	(82,516)	(54,855)	(68,372)	(73,568)
Other Comprehensive Income for the period	-	-	-	-
Total comprehensive income for the period	<u>(82,516)</u>	<u>(54,855)</u>	<u>(68,372)</u>	<u>(73,568)</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

Condensed Interim Statement of Cash Flows (Un-Audited)

For the six-month period ended December 31, 2018

	December 31, 2018	December 31, 2017
Note	-----Rupees in '000'-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(110,615)	(50,230)
Adjustment for non-cash charges and other items:		
Depreciation and amortization	60,595	55,468
Gain on disposal of property, plant and equipment	(57)	(554)
Provision for Workers' Profits Participation Fund	-	3,392
Provision for Workers' Welfare Fund	-	1,773
Reversal of Workers' Welfare Fund for prior periods	-	(2,121)
Provision for doubtful debts / doubtful debts written off	-	15,000
Provision for bonus	1,819	-
Provision for gratuity	9,012	7,925
Finance cost	42,590	19,933
	3,344	50,586
<i>Working capital changes</i>		
Decrease in stores, spares and loose tools	3,761	4,267
Increase in stock in trade	(39,892)	(38,802)
Decrease in trade debts	353,121	53,270
Decrease in loans and advances	21,729	1,482
Increase in deposits, prepayments and other receivables	(28,464)	(1,411)
Decrease in trade and other payables	(164,687)	(29,572)
	145,568	(10,766)
<i>Cash generated from operations</i>	148,912	39,820
Finance cost paid	(42,590)	(23,050)
Gratuity paid	(202)	(380)
Workers' Welfare Fund paid	(4,713)	(3,036)
Taxes paid	(9,134)	(11,846)
Increase in long term security deposits	(463)	(373)
Net cash generated from operating activities	91,810	1,135
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(31,707)	(25,285)
Proceeds from disposal of property, plant and equipment	937	752
Additions in intangible assets	-	(2,835)
Net cash used in investing activities	(30,770)	(27,368)
CASH FLOWS FROM FINANCING ACTIVITIES		
Leases acquired during the year	13,531	1,989
Principal repayment of lease obligations	(17,778)	(57,267)
Long term loans obtained	-	7,491
Dividend paid	(28,553)	(28,721)
Repayment of long term loans	(43,471)	(1,215)
Net cash used in financing activities	(76,271)	(77,723)
Net decrease in cash and cash equivalents	(15,231)	(103,956)
Cash and cash equivalents at the beginning of the period	(405,208)	(182,956)
Cash and cash equivalents at the end of the period	13 (420,439)	(286,912)

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

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

For the six-month period ended December 31, 2018

	Share Capital	Revaluation surplus on Property and Plant	Revenue Reserve Accumulated Profit	Total Equity
	(Rupees in '000')			
Balance as at July 1, 2017	287,212	175,887	308,150	771,249
Total comprehensive income for the period				
- Loss after taxation for the period	-	-	(54,855)	(54,855)
- Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	(54,855)	(54,855)
Transfer of incremental depreciation - net of deferred tax	-	(7,451)	7,451	-
	287,212	168,436	260,746	716,394
Transaction with members recorded directly in equity				
- Issuance of bonus shares @ 5%	14,361	-	(14,361)	-
- Final dividend @ 10% for the year ended June 30, 2017	-	-	(28,721)	(28,721)
Total distribution to members	14,361	-	(43,082)	(28,721)
Balance as at December 31, 2017	301,573	168,436	217,664	687,673
Balance as at July 1, 2018, as previously reported	301,573	161,552	407,360	870,485
Effect of restatement - note 18	-	-	6,261	6,261
Restated Balance as at July 1, 2018	301,573	161,552	413,621	876,746
Total comprehensive income for the period				
- Loss after taxation for the period	-	-	(82,516)	(82,516)
- Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	(82,516)	(82,516)
Transfer of incremental depreciation -net of deferred tax	-	(7,428)	7,428	-
	301,573	154,124	338,533	794,230
Transaction with members recorded directly in equity				
- Issuance of bonus shares @ 15%	45,236	-	(45,236)	-
- Final dividend @ 10% for the year ended June 30, 2018	-	-	(30,157)	(30,157)
	45,236	-	(75,393)	(30,157)
Balance as at December 31, 2018	346,809	154,124	263,140	764,073

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited) For the six-month period ended December 31, 2018

1. STATUS AND NATURE OF BUSINESS

Ecopack Limited (the Company) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) 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

These condensed interim financial statements (interim 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:

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

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

The disclosures in the interim financial statements do not include the information reported for full audited annual financial statements and should therefore be read in conjunction with the audited annual financial statements for the year ended June 30, 2018. Comparative statement of financial position is extracted from audited annual financial statements as of June 30, 2018 whereas comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are stated from un-audited condensed interim financial statements for the six months period ended December 31, 2017.

These interim financial statements are un-audited and is being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange.

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

- 3.1 The accounting policies, significant judgments made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these interim financial statements and financial risk management policy are the same as those applied in preparation of audited annual financial statements for the year ended June 30, 2018 except for the changes as indicated below:

3.1.1 IFRS 15 Revenue from Contracts with Customers

The IASB issued IFRS 15 Revenue from Contracts with Customers ("IFRS 15") in May 2014. This IFRS replaces IAS 18 Revenue, IAS 11 Construction Contracts and other revenue-related interpretations. IFRS 15 establishes a single revenue recognition framework which requires an entity to recognize revenue to reflect the transfer of goods and services for the amount it expects to receive when control is transferred to the purchaser. IFRS 15 became applicable to the Company on July 1, 2018 and the Company used the retrospective method to adopt the standard. Under this method cumulative effect of applying the new standard is recognized at the start of the earliest period presented. The Company has reviewed its revenue streams i.e. sale of PET preforms and PET bottles and underlying contracts with customers and, as result of this review, the adoption of IFRS 15 did not have an impact on the Company's statement of profit or loss, statement of comprehensive income and financial position except for reclassification of carriage outward from distribution expenses to cost of sales as detailed in note 18. The Company has expanded the disclosure of note 10 to its interim financial statements as prescribed by IFRS 15 by disclosing the Company's disaggregated revenue streams.

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited) For the six-month period ended December 31, 2018

Accounting policy

Customers obtain control of PET preforms and PET bottles when the goods are delivered to and have been accepted at their premises. Invoices are generated and revenue is recognised at that point in time. Invoices are usually payable within 15-30 days. Generally for such sales, the customer has no right of return. The Company does not have any obligations for return of PET preforms and PET bottles and no material discounts are provided for these products.

3.1.2 Liabilities against assets subject to finance lease

Previously, Company's commercial ljarah facility was accounted for in the financial statements as finance lease. This has now been accounted for as per the requirements of Islamic Financial Accounting Standard (IFAS 2 ljarah). Furthermore, down payments relating to leased assets were previously presented as long term deposits in the statement of financial position which should have been adjusted against Liabilities against assets subject to finance lease as per the requirements of IAS 17 Leases.

Effect of above changes has been applied retrospectively in accordance with the requirement of IAS 8, Accounting policies, change in accounting estimates and errors. Refer note 18 for details of effect on statement of financial position as of June 30, 2018.

Accounting policy

Assets held under ljarah lease agreements are classified as operating leases and are not recognized in the Company's statement of financial position. Rentals payable under ljarah lease agreements are charged to "statement of profit or loss" on a straight line basis over the term of the ljarah lease agreements.

3.2 The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after January 1, 2019 or period / year ending June 30, 2019:

- IFRS 16 Leases	(effective January 01, 2019)
- IFRS 9 Financial Instruments	(effective period / year ending June 30, 2019)
- IFRIC 23 Uncertainty over Income Tax Treatments	(effective January 01, 2019)
- Amendments to IFRS 9: Prepayment Features with Negative Compensation	(effective January 01, 2019)
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement	(effective January 01, 2019)
- Amendment to IAS 28 Investments in Associates and Joint Ventures' - Long term Interests in Associates and Joint Ventures	(effective January 01, 2019)
- Amendments to IFRS 3 Business Combinations	(effective January 01, 2020)
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	(effective January 01, 2020)

Annual improvements to IFRS Standards 2015 - 2017 cycle:

- IFRS 3 Business Combinations and IFRS 11 Joint Arrangement	(effective January 01, 2019)
- Amendments to IAS 12 Income Taxes	(effective January 01, 2019)
- Amendments to IAS 23 Borrowing Costs	(effective January 01, 2019)

The above amendments are not likely to have an impact on the Company's financial statements except for "IFRS 16 Leases", "IFRS 9 Financial Instruments" and "IFRIC 23 Uncertainty over income tax treatments" for which the Company is currently in the process of analyzing the potential impact of adoption of these standards and interpretation.

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited) For the six-month period ended December 31, 2018

	Note	December 31, 2018	Audited June 30, 2018 Restated
		------(Rupees in '000')-----	
4. PROPERTY, PLANT AND EQUIPMENT			
Carrying amount as at beginning of period		1,168,298	989,248
Additions during the period		26,025	322,596
Written down value of assets disposed		(1,004)	(28,162)
Depreciation charge for the period		(60,206)	(115,384)
Operating assets		1,133,113	1,168,298
Capital work in progress		5,081	-
Capital machines' spares		16,489	15,888
Carrying amount as at end of period		1,154,683	1,184,186
5. STOCK IN TRADE			
Raw material		79,913	62,229
Packing material		15,229	14,418
Work in process		166,643	132,514
Finished goods		34,542	51,048
		296,327	260,209
Provision for obsolete stocks		(31,775)	(35,550)
		264,552	224,659
6. SHARE CAPITAL			
Authorized capital			
50,000,000 (2018: 50,000,000) ordinary shares of Rs.10/- each		500,000	500,000
Issued, subscribed and paid up share capital			
10,262,664 (June 2018: 10,262,664) ordinary shares of Rs. 10/- each issued against cash		102,627	102,627
24,418,237 (June 2018: 19,894,607) ordinary shares of Rs. 10/- each issued as bonus shares	6.1	244,182	198,946
		346,809	301,573

6.1 During the period ended December 31, 2018, the Company issued 4,523,590 bonus shares (June 30, 2018: 1,436,060 shares).

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited) For the six-month period ended December 31, 2018

	December 31, 2018	Audited June 30, 2018 Restated
	(Rupees in '000')	
7. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Balance at beginning of period	171,030	11,262
Leases obtained during the period / year	13,531	186,395
Payments made during the period / year	(17,779)	(26,627)
	166,782	171,030
Less: Current portion shown under current liabilities	(34,031)	(30,537)
	132,751	140,493

8. 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 8.43% to 10.63% (June 2018: 7.64% to 8.61%) per annum calculated on daily product basis.

These facilities are secured by first pari passu and ranking hypothecation charges of entire present and future current assets, equitable mortgage of property of the Company and personal guarantee of one original founder / sponsor Director of the Company.

9. CONTINGENCIES AND COMMITMENTS

- 9.1 No contingencies existed at the date of statement of financial position (June 2018: Nil).

	December 31, 2018	Audited June 30, 2018
	(Rupees in '000')	
9.2 Commitments		
Inland letter of credits in respect of procurement of PET	23,120	141,850
Rentals under Ijarah agreement	167,307	190,758

	Six-month ended		Three-month ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
	----- Rupees in '000' -----			
10. SALES				
Sales				
- Preforms	1,015,455	331,089	174,208	79,021
- Bottles	620,719	551,542	178,164	174,618
	1,636,174	882,631	352,372	253,639
Less:				
- Sales tax				
Preforms	(144,853)	(48,132)	(25,312)	(11,484)
Bottles	(90,156)	(80,078)	(25,883)	(25,373)
	(235,009)	(128,210)	(51,195)	(36,857)
- Discounts (Bottles)	(966)	(832)	(182)	(195)
	(235,975)	(129,042)	(51,377)	(37,052)
	1,400,199	753,589	300,995	216,587

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited) For the six-month period ended December 31, 2018

	Six-month ended		Three-month ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
----- Rupees in '000' -----				
	Restated		Restated	
11. COST OF SALES				
Raw material consumed	1,036,973	504,182	169,173	210,593
Packing material consumed	39,218	31,531	7,772	11,770
Salaries, wages and other benefits	93,683	81,336	40,815	37,499
Electricity, gas and water	92,996	72,135	21,168	30,854
Depreciation	56,404	52,635	24,218	26,206
Stores consumed	12,364	18,802	4,943	9,754
Traveling and conveyance	9,437	6,743	4,279	3,272
Rent, rate and taxes	35,151	9,733	30,828	4,681
Repair and maintenance	4,539	4,630	2,387	2,285
Communication charges	1,148	972	708	564
Printing, postage and stationery	983	862	496	430
Entertainment	687	394	201	186
Medical expense	3,128	2,153	1,451	1,116
Insurance	2,350	2,288	1,185	786
Fee, subscription and professional charges	1,415	307	796	149
Freight and logistics charges	4,191	2,057	1,451	765
Vehicle repair and maintenance	4,955	2,845	2,211	1,477
Lab testing	335	524	208	111
Staff welfare and support	1,193	224	843	224
Miscellaneous	87	135	18	83
	1,401,237	794,488	315,150	342,805
Work-in-process - opening	132,514	63,558	198,772	67,928
Work-in-process - closing	(166,643)	(167,437)	(166,643)	(167,437)
	(34,129)	(103,879)	32,129	(99,509)
Cost of goods manufactured	1,367,108	690,609	347,279	243,296
Finished goods - opening	51,048	70,533	45,717	54,697
Finished goods - closing	(34,542)	(58,064)	(34,542)	(58,064)
	16,506	12,469	11,175	(3,367)
Carriage outward	15,312	11,125	1,690	2,179
Cost of sales	1,398,926	714,203	360,144	242,108
12. EARNINGS PER SHARE - basic and diluted				
Loss after taxation (Rupees in '000')	(82,516)	(54,855)	(68,372)	(73,568)
Weighted average number of shares (number)	34,680,900	34,680,900	34,680,900	34,680,900
Loss per share - basic and diluted (Rupees)	(2.38)	(1.58)	(1.97)	(2.12)

12.1 The number of shares for the prior period has also been adjusted for the effect of bonus shares issued during the current period.

12.2 There is no dilution effect on the basic earnings per share of the Company as the Company has no convertible dilutive potential ordinary shares outstanding on December 31, 2018, which would have effect on the basic EPS if the option to convert would have been exercised.

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited) For the six-month period ended December 31, 2018

	December 31, 2018	December 31, 2017
	----- Rupees in '000' -----	
13. CASH AND CASH EQUIVALENTS		
Cash and bank balances	7,383	7,859
Short term investments	-	40,723
Short term borrowings	(427,822)	(335,494)
	<u>(420,439)</u>	<u>(286,912)</u>

14. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of associates, key management personnel of the Company and directors and their close family members and major shareholders of the Company. Transactions with related parties are on arm's length basis. Remuneration and benefits to executives of the Company are in accordance with the terms of the employment. Transactions with related parties during the period, other than those disclosed elsewhere in these interim financial statements, are as follows:

	December 31, 2018	December 31, 2017
	----- Rupees in '000' -----	
Transactions during the year		
Contribution to staff provident fund	1,882	1,651
Remuneration to key management personnel	28,297	22,814
Bonus shared issued	45,236	14,361
Final dividend paid	30,157	28,721
Payable / Receivable as on date of statement of financial position with:		
Employees' provident fund trust	678	788
Payable to Chief Executive	1,819	-

15. SEASONALITY

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

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

16.1 Classification and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited) For the six-month period ended December 31, 2018

	Note	Carrying amount				Fair value			
		Fair value through profit or loss	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
December 31, 2018									
Financial assets not measured at fair value									
Security deposits	16.1.1	-	32,372	-	32,372	-	-	-	-
Trade debts		-	101,502	-	101,502	-	-	-	-
Trade deposits		-	27,251	-	27,251	-	-	-	-
Cash and bank balances		-	7,383	-	7,383	-	-	-	-
		-	168,508	-	168,508	-	-	-	-
Financial liabilities not measured at fair value									
Long term borrowings (including current portion)	16.1.1	-	-	109,034	109,034	-	-	-	-
Liabilities against assets subject to finance lease		-	-	327,982	327,982	-	-	-	-
Trade and other payables		-	-	123,669	123,669	-	-	-	-
Unclaimed dividend		-	-	2,908	2,908	-	-	-	-
Short term running finance		-	-	427,822	427,822	-	-	-	-
		-	-	991,415	991,415	-	-	-	-
June 30, 2018 - Restated									
Financial assets not measured at fair value									
Security deposits	16.1.1	-	31,909	-	31,909	-	-	-	-
Trade debts		-	454,623	-	454,623	-	-	-	-
Deposits and other receivables		-	4,100	-	4,100	-	-	-	-
Cash and bank balances		-	79,733	-	79,733	-	-	-	-
		-	570,365	-	570,365	-	-	-	-
Financial liabilities not measured at fair value									
Long term borrowings (including current portion)	16.1.1	-	-	151,465	151,465	-	-	-	-
Liabilities against assets subject to finance lease		-	-	174,434	174,434	-	-	-	-
Trade and other payables		-	-	284,358	284,358	-	-	-	-
Unclaimed dividend		-	-	1,302	1,302	-	-	-	-
Short term borrowings		-	-	484,941	484,941	-	-	-	-
		-	-	1,096,500	1,096,500	-	-	-	-

1611 Since these financial assets and financial liabilities are either short term in nature or repriced periodically therefore fair value and carrying value of these financial assets and financial liabilities is same.

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited) For the six-month period ended December 31, 2018

17. OPERATING SEGMENTS

(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 (PREFORMS)			BLOWING (BOTTLES)			TOTAL	
	For the six-months ended	For the three-months ended	For the six-months ended	For the six-months ended	For the three-months ended	For the six-months ended	For the six-months ended	For the six-months ended
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
	(Rupees in '000)							
Sales-net	870,602	282,957	148,896	67,537	529,597	470,632	1,400,199	753,589
Cost of sales	(863,709)	(283,642)	(176,132)	(91,000)	(535,217)	(430,561)	(1,398,926)	(714,203)
Gross profit / (loss)	6,893	(685)	(27,236)	(23,463)	(5,620)	40,071	1,273	39,386
Administrative & general expense	(39,874)	(24,592)	(17,499)	(9,982)	(24,256)	(29,778)	(64,130)	(54,370)
Profit / (loss) from operations	(32,981)	(25,277)	(44,735)	(33,445)	(29,876)	10,293	(62,857)	(14,984)
	December 31, 2018	June 30, 2018		December 31, 2018	June 30, 2018		December 31, 2018	June 30, 2018
Segment assets	513,953	998,374		541,871	521,688		1,055,824	1,520,062
Unallocated assets	-	-		-	-		764,408	710,414
	513,953	998,374		541,871	521,688		1,820,232	2,230,476
Segment liabilities	397,278	366,764		402,841	193,264		800,119	560,028
Unallocated liabilities	-	-		-	-		256,040	793,702
	397,278	366,764		402,841	193,264		1,056,159	1,353,730
Capital expenditure	3,164	277,863		5,931	29,340		9,095	307,203
Unallocated capital expenditure	-	-		-	-		16,930	15,393
	3,164	277,863		5,931	29,340		26,025	322,596

Six Month period ended December 31, 2018

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited) For the six-month period ended December 31, 2018

18. COMPARATIVE FIGURES

Following comparatives have been restated / reclassified as detailed in respective notes.

	Note	As previously reported	Effect of Restatement / Reclassification (Rupees in '000')	Balance as restated
18.1 Correction of errors				
Statement of financial position				
June 30, 2018				
Liabilities against assets subject to finance lease	3.1.2	308,550	(168,057)	140,493
Property, plant and equipment	3.1.2	1,362,572	(178,386)	1,184,186
Long-term security deposits	3.1.2	55,849	(23,939)	31,910
Taxation - net	3.1.2	111,248	7,146	118,394
Deferred liabilities	3.1.2	236,580	7,412	243,992
Accumulated profit	3.1.2	407,360	6,261	413,621
Accrued mark up	3.1.2	13,774	(13,774)	-
Short-term borrowings	3.1.2	479,481	5,460	484,941
Current portion of non-current liabilities	3.1.2	157,141	(32,481)	124,660
18.2 Change in accounting policy				
Statement of Profit or loss				
For the period ended December 31, 2017				
Cost of sales	3.1.1	703,078	11,125	714,203
Distribution expenses	3.1.1	24,677	(24,677)	-
Administrative expenses	3.1.1	40,818	(40,818)	-
Administrative and general expenses	3.1.1	-	54,370	54,370
Gross profit	3.1.1	50,511	(11,125)	39,386
Loss before taxation	3.1.1	(50,230)	-	(50,230)

19. DATE OF AUTHORIZATION

These condensed interim financial statements has been authorized for issue on February 23, 2019 by the Board of Directors of the Company.

20. GENERAL

Figures have been rounded off to the nearest thousand rupees.



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