



Tri-Pack Films Limited


Preserving Nature's Value

Annual Report 2021



About the Report

Tri-Pack Films Limited is pleased to present its annual report for the year ended December 31, 2021. This annual report is divided into various sections to make it easier for the stakeholders to navigate through the report.





Scope and boundary of the report:

Organizational Overview and External Environment: Detail about the Company's business and what the organization stands for through its vision and mission statements coupled with the impact the external environment has on the Company.

Strategy and Resource Allocation: Detail of the key resources and how the Company uses these resources to create value in the short, medium and long term.

Risks and Opportunities: Mainly gives the respective stakeholders idea about the risks and opportunities (internal or external) that are faced by the Company and Company's measure to mitigate the risks and capitalize on the opportunities.

Governance: Gives an overview of the governance structure of the organization in terms of board of directors and the executive management team. Further, it also contains directors' review of the Company's performance.

Performance and Position: This area mainly analyses the financial and non-financial performance and position of the Company presented using ratios, charts etc.

Outlook: This section looks into the year 2022. The risks and uncertainties that are expected to be faced and the Company's strategy to tackle them.

Business Model: Identifies the key inputs and processes of the organization and how the create value for the organization through achieving the desired outcomes.

Stakeholders' Relationship and Engagement: Identifies the key stakeholders of the organization and how the Company ensures satisfaction of all the stakeholders in order create a win-win situation for the Company as well as the stakeholders.

Sustainability and Corporate Social Responsibility: This area gives an idea of the Company's approach towards Sustainability and CSR and measures taken the Company to adhere to the principle of giving back to the society.

Striving for Excellence in Corporate Reporting: It reflects the Company's effort in ensuring that maximum integrated information is made available to the stakeholders enabling them in making informed decisions.

Financial Statements: This covers the financial statements of the Company for the year ended 2021 which are prepared in accordance with the accounting and reporting standards as applicable in Pakistan.



Introduction

Nature is what we see around us all the time. We realize that nature plays an enormous and inevitable role in our lives. Nature is our provider; it gives us all the things we need. Everything that we use is rooted to nature in one way or the other.

We, at Tri-Pack Films Limited, continually strive to come up with innovations that not only meet customer needs, but at the same time “Preserve nature’s values”. Our legacy is based on sustainability and it is built in our business model.

Contents

Section 1 05 Organizational Overview and External Environment	Section 2 33 Strategy and resource allocation	Section 3 43 Risks and Opportunities	Section 4 49 Governance	Section 5 109 Performance and Position	Section 6 141 Outlook	Section 7 147 Business Model	Section 8 151 Stakeholders Relationship and Engagement	Section 9 157 Sustainability and Corporate Social Responsibility	Section 10 167 Striving for Excellence in Corporate Reporting	Section 11 170 Financial Statements
---	--	---	---	---	---	---	--	--	---	--





Organizational Overview and External Environment

- 06 Company Information
- 07 About us and our Business
- 08 Vision
- 09 Mission Statement & Corporate Strategy
- 10 Our Values
- 12 Code of Conduct
- 17 Organizational Structure
- 18 Group Structure
- 20 Milestone
- 22 Geographical Presence - Local & International
- 24 Our Products
- 27 Value Chain
- 28 Significant Factors Affecting the External Environment
- 29 Significant Changes from Prior Year
- 29 Composition of Local Versus Imported Material and Sensitivity Analysis Due to Foreign Currency Fluctuation
- 30 Competitive Landscape and Market Positioning

Company Information

Board of Directors

Syed Babar Ali (Chairman)
Mr. Asghar Abbas (Elected on 04 Oct, 2021)
Syed Hyder Ali
Mr. Khurram Raza Bakhtayari
Ms. Nermeen Towfiq Chinoy
Mr. Yukio Hayasawa (Retired on 04 Oct, 2021)
Mr. Asif Qadir
Mr. Yohei Shimoto (Retired on 04 Oct, 2021)
Mr. Saquib Hussain Shirazi

Chief Executive Officer

Mr. Nasir Jamal

Audit Committee

Ms. Nermeen Towfiq Chinoy (Chairperson)
Mr. Khurram Raza Bakhtayari
Mr. Asif Qadir
Mr. Hammad Ahmed Butt (Secretary)

Human Resource and Remuneration (HR&R) Committee

Ms. Nermeen Towfiq Chinoy (Chairperson)
Mr. Asghar Abbas
Mr. Khurram Raza Bakhtayari
Mr. Taimoor Ahmed (Secretary)

Executive Committee

Syed Hyder Ali (Chairman)
Mr. Asghar Abbas
Mr. Khurram Raza Bakhtayari
Ms. Iqra Sajjad (Secretary)

Chief Financial Officer

Mr. Muhammad Zuhair Damani

Company Secretary

Ms. Arjumand Ahmed Shah
*Ms. Iqra Sajjad

*Ms. Iqra Sajjad was appointed as the Company Secretary on 28 February 2022 replacing Ms. Arjumand Ahmed Shah.

Head of Internal Audit

Mr. Hammad Ahmed Butt

Auditors and Tax Advisor

A.F. Ferguson & Co. Chartered Accountants

Internal Auditors

EY Ford Rhodes, Chartered Accountants

Legal Advisors

Sattar & Sattar

Shares Registrar

FAMCO Associates (Pvt.) Ltd
8-F, Next to Hotel Faran, Nursery, Block 6,
P.E.C.H.S., Shahrah-e-Faisal,
Karachi - 75400
Tel : (021) 34380101-2
Fax : (021) 34380106

Website

www.tripack.com.pk

Registered Office

4th Floor, The Forum, Suite No. 416-422, G-20,
Block No. 9, Clifton, Khayaban-e-Jami,
Karachi - 75600, Pakistan.
Tel: (021) 35874047-49, (021) 35831618
Fax: (021) 35860251

Regional Sales & Head Office

House No. 18 B, Sir Abdullah Haroon Road,
Near Marriott Hotel, Karachi, Sindh
Tel: (021) 35224336-37 Fax: (021) 35224338

Works - Karachi

Plot No. D-9 to D-14 & G-1 to G-4 North Western
Industrial Zone, Port Qasim Authority, Karachi
Tel: (021) 34720247-48 Fax: (021) 34720245

Works & Regional Sales Office - Hattar

Plot No. 68, 69, 78/1, Phase IV, Hattar Industrial
Estate, Hattar, Khyber Pakhtunkhwa.
Tel: (0995) 617406-7 Fax: (0995) 617054

Regional Sales Office

Unit No. 4, 17 Aziz Avenue, Canal Bank Road,
Lahore, Punjab
Tel: (042) 35716068-70 Fax: (042) 35716071

Banks

Al-Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited
National Bank of Pakistan
The Bank of Punjab

Investment Company

Pak Kuwait Investment Company (Private) Limited

About us and Our Business

Tri-Pack Films Limited (Tri-Pack) – a joint venture between Mitsubishi Corporation of Japan and Packages Limited of Pakistan was incorporated as a Public Limited Company on April 29, 1993 to produce Biaxially Orientated Polypropylene (BOPP) Films in Pakistan. Its head office is based in Karachi and regional offices are located in Karachi, Lahore and Hattar where focus is to provide customers with dependable, economical and quality films backed by strong customer services. Tri-Pack is indeed proud of making distinctive contributions to the packaging industry in Pakistan.

Since inception the Company has been on a growth trajectory and has come a long way from one BOPP Line of 5,400 tons to four BOPP Lines of 66,800 tons and two CPP Lines of over 17,000 tons.

At Tri-Pack, our passion to cater to the needs of our customers lies at the heart of every endeavour. We go a long mile to get results, operate responsibly, apply innovative technology, execute with excellence, and capture new opportunities to create a wonderful world today for generations to come.

We aim to create long term value for shareholders by catering to growing demands in a safe and responsible way. We not only strive to be a world-class operator, but also a responsible corporate citizen and an employer of choice.

Our people and our products are the hallmark of our success that give us the strength to endeavour to be amongst the front runners in delivering to our customers, shareholders and community.



Vision

To enhance stakeholders' value by being a supplier of first choice whilst maintaining leadership position in domestic market and profitably expanding footprint in the international market.

Mission Statement & Corporate Strategy

We will:

- satisfy our customers with timely supplies of products and services at economic prices, conforming to quality standards.
- achieve sustained growth to meet the demands of our customers' and stakeholders' expectations.
- continue developing new markets, products, applications and solutions in concert with our customers and suppliers.
- employ cost-effective technology to retain our competitive edge.
- nurture and inculcate a culture based on high ethical standards to meet our obligations towards the communities we operate in.
- attract, develop and retain talent through motivation, training, performance based rewards and providing growth opportunities.
- care for health and safety of our employees and stakeholders and play our due role towards the environmental requirements.

Our Values

Values are reasons which we regard as higher than our self interests.





Code of Conduct

Tri-Pack Films Limited has built a reputation for conducting its business with integrity, in accordance with highest standards of ethical behavior and in compliance with the laws and regulations that govern our business. This reputation is among our most valuable assets and ultimately depends upon the individual actions of each of our employees.

Tri-Pack's Code of Conduct has been prepared to assist each of us in our efforts to not only maintain but enhance this reputation. It provides guidance for business conduct in a number of areas and refers to more detailed corporate policies for further direction.

The adherence of all employees to highest standards of integrity and ethical behavior is mandatory and benefits all stakeholders which includes customers, communities, shareholders and ourselves.

CARE

Environment, health and safety: We continually improve our environmental performance. To achieve continual improvements in our environmental performance, we need to understand the potential environmental impacts of all our operations and activities, set improvement targets, take the necessary steps to reach these targets and monitor our progress. It is important that everyone should understand their own roles and responsibilities with respect to environmental issues, in order to make the right decisions. All employees should promote resource conservation and minimize waste of paper and other resources.

HONESTY

Responsible business:

- We comply with all applicable local, national and international laws, regulations and voluntary commitments wherever we do business.
- We conduct business transactions with the best interests of Tri-Pack Films Limited and community in mind.
- We show zero tolerance for corrupt activities of any kind, either in our own operations or when we work with partners.
- We support free and fair competition by never becoming involved in price-fixing, market sharing or other anti-competitive practices.

- We take care of the company's valuable property and safeguard confidential information.
- We communicate with our stakeholders in a clear manner.
- We listen to all our stakeholders and seek to engage with them constructively.

Ethics, transparency, fairness and professionalism: In conducting business, Tri-Pack Films Limited is inspired by and complies with the principles of loyalty, fairness, transparency and efficiency.

Any action, transaction and negotiation performed and generally, the conduct of all employees in the performance of their duties is inspired by the highest principles of fairness, completeness and transparency of information, clarity and truthfulness of all accounting documents, in compliance with the applicable laws in force and internal regulations.

Bribes, illegitimate favors, request for personal benefits of oneself or others, either directly or through third parties, are prohibited without any exception.

Conflict of interest

Tri-Pack Films Limited expects all employees to be free from actual or potential conflicts of interest.

A conflict of interest occurs whenever the prospect of direct or indirect personal gain may influence or appear to influence an employee judgment or actions while conducting the business in which employee has a prime responsibility towards the Company and is expected to avoid activities or transactions that clash directly with the interest of the Company. Such situations could arise in a number of ways.

Confidentiality

Employees shall not keep or make copies of correspondence, documents, records, list of clients or customers without prior approval of the Head of Department. An employee shall not disclose or reveal any information on behalf of the Company to print or electronic media as well as any other information medium, unless he/she is authorized to do so.

Unpublished information may be disclosed to external organization or individual only on “need-to-know” basis upon explicit management approval.

Corruption

Taking or giving bribes is strictly prohibited in our Group companies. We comply vigorously, with the relevant anti-bribery laws. It is also our policy to require all our stake holders working for, or representing, any of the Packages Group Companies, in any capacity, including business partner, suppliers, vendors, consultants, financial advisers, agents, to comply with these laws and practices.

It is also important to remember that offering or accepting gifts, hospitality, or expense payments is prohibited if they are of unreasonably high value more than Rs. 5,000/- (this amount to be reviewed every year) or could inappropriately affect business transactions.

Any gift or hospitality which is of greater value and can potentially impact the business dealings, should be immediately reported to supervisor, Head of internal audit and surrendered to HR for appropriate action.

Professional relationships

Every employee of Tri-Pack Films Limited needs to maintain a professional relationship with suppliers, customers and other stakeholders. They need to ensure that Tri-Pack Films Limited inculcates the value of professionalism in all its subsidiaries and among its employees. So, all employees working in Tri-Pack Films Limited dealing directly with suppliers and customers need to make sure that professional relationship is prior to any personal interest of employee. Being in business everyone has to ensure their professional commitment and reputation of the group.

Anti-Fraud policy: Tri-Pack Films Limited is committed to the highest possible standards of openness, transparency and accountability in all its affairs. The intent is to promote a culture of honesty and opposition to fraud in all its forms.

Fraud in all its forms is wrong and is unacceptable to the Group. All stakeholders must carry out their activities/business in such a way that it prevents fraud from occurring.

All reported instances of fraud including the identity of those providing information will be kept confidential in order to conduct an appropriate, fair and thorough investigation.

Packages Internal Audit department is authorized to blacklist any vendor, service provider, customer, contractor, agency, distributor etc. who are convicted of fraud under this policy.

Responsibility for prevention and detection: All employees are responsible for prevention and detection of fraud, misappropriation and other irregularities.

Dealings in securities/shares and insider trading

Tri-Pack Films Limited employees shall not trade or pass on inside information at any time to any other person, inside or outside Tri-Pack. Inside information refers to the information about Tri-Pack Films Limited, its business, or other companies with which Tri-Pack Films Limited is doing business or negotiating, that is not generally known to the public, but would likely, if known generally, affect the price of a company’s shares or influence a person’s investment decisions.

Tri-Pack Films Limited employee should not pass on inside information at any time to any other person or encourage another person to deal in shares of its listed group companies on the basis of such information, even if the employee does not gain directly from the arrangement.

Tri-Pack Films Limited employee should be aware of and comply with any local laws and regulations governing share dealings.

Whistle blow

Tri-Pack Films Limited is committed to highest standards of ethical, moral and legal business conduct. In line with this commitment and the company’s commitment to open communication, this policy aims to provide an avenue for employees to raise concerns with reassurance that they will be protected from reprisals or victimization for whistle blowing.

The types of issues which can be reported under this policy include but are not limited to:

- Breach of the Code of Conduct;
- Corruption and bribery;

- Harassment;
- Misappropriation of financial data/reports;
- Misuse of company's assets;
- Violation of applicable laws and regulations;
- Actions raising safety, security, and environmental concerns;
- Damage to company's reputation or business; and
- Disrespect and/or discrimination of employees on the basis of race, color, gender, ethnicity, age, nationality, ancestry, religion, physical/ mental disability or marital status.

Note: Complainants have the right to raise complaint anonymously but they are encouraged to include contact information which would be useful during investigation. Confidentiality and protection of complainant's identity would be ensured. Internal Audit Department may involve/ consult relevant departments for investigation of the complaint.

Complaint reporting and Investigation procedure

- Any employee, contractor or stakeholder who believes that he/ she has been a victim of discrimination, harassment, or becomes aware of any activity which is not in the best interests of the Company or breaches the Code of Conduct or law should immediately report the issue. Confidentiality of all complaints would be ensured and appropriate remedial action would be taken after thorough verification/ investigation of underlying facts and details.
- All personnel reporting must ensure confidentiality of the information and must not share or spread any unsubstantiated/ false claims. Spreading false claims could result in disciplinary action against such personnel.
- Whistle blowing complaints can be raised through communication means mentioned in the respective whistle blowing policy or by directly approaching the Head of Internal Audit of respective company or send email to respective company whistle blowing email address.

RESPECT

Equal opportunity employer: Tri-Pack Films Limited recognizes the value of striving for a balanced work force and is committed to the principles of equal opportunity, equality of treatment and creating a dynamic environment where diversity is valued as a source of enrichment and opportunity. All phases of the employment relationship – including recruitment, hiring, training, promotion, compensation, benefits, transfers, layoffs and leaves of absence will be carried out by all managers without regard to any race, color, religion, gender, age, ethnicity, national origin or disability.

Abuse of alcohol or drugs and gambling: All employees shall personally contribute to promoting and maintaining a climate of common respect in the workplace. Particular attention should be paid to respect the feelings of others.

No employee in Tri-Pack Films Limited shall work under the effect of alcohol or drugs, or substances with similar effect.

Workplace harassment

We believe that it is the right of every employee at Tri-Pack to work in a dignified environment. To achieve this and to promote a harmonized work culture, we will provide equal opportunities for development and growth regardless of gender, race, color, creed or religion.

'Harassment' means any unwelcome sexual advance, request for sexual favors or other verbal or written communication or physical conduct of a sexual nature, or sexually demeaning attitudes, causing interference with work performance or creating an intimidating, hostile or offensive work environment, or an attempt to punish the complainant for refusal to comply to such a request or is made a condition for employment. Its scope covers both male and female employees.

There are three significant manifestations of harassment in the work environment:

a) Abuse of authority:

A demand by a person in authority, such as a supervisor, for sexual favors in order for the complainant to keep or obtain certain job

benefits, be it a wage increase, a promotion, training opportunity, a transfer or the job itself.

b) Creating a hostile environment:

Any unwelcome sexual advance, request for sexual favors or other verbal or physical conduct of a sexual nature, which interferes with an individual's work performance or creates an intimidating, hostile, abusive or offensive work environment. The typical "hostile environment" claim, in general, requires finding of a pattern of offensive conduct, however, in cases where the harassment is particularly severe, such as in cases involving physical contact, a single offensive incident will constitute a violation.

c) Retaliation:

The refusal to grant a sexual favor can result in retaliation, which may include limiting the employee's options for future promotions or training, distorting the evaluation reports, generating gossip against the employee or other ways of limiting access to his/her rights. Such behavior is also a part of the harassment.

Process for filing a complaint

1. The employee (the victim) shall raise complaint in accordance with the Anti-Harassment Policy of the respective group company. The complainant may wish to discuss the case with immediate supervisor for guidance in this regard.
2. The Chief Anti-Harassment Officer (CAHO), usually HR Head of respective company, will study the complaint in detail and determine if the complaint comes under the purview of the Anti-Harassment Policy. In case if the complaint is outside the purview of the Anti-Harassment Policy, the complainant would be informed accordingly by giving reason(s). In case the complaint is found to be under the purview of the Anti-Harassment Policy, the CAHO will then forward the complaint to Special Inquiry Committee established for this purpose. During this course, the CAHO may contact the complainant by phone or may require the complainant to meet in person, so that the details of the complaint can be further clarified.

3. In order to block the implication of the misuse of this Policy, the basic requirement for the implementation of its clauses and for formal undertaking of an inquiry, the following two conditions are hereby kept as pre-requisites:

- All allegations must either have at least one witness, or in case of no witness, any other written or recorded or pictorial evidence or in case of no such evidence to support the allegations, at least a circumstantial evidence or an inference based on incidental logic and reasoning.
- The complainant shall declare and disclose her/his full name and correct identity, at the time of filing of the complaint, which will be kept confidential at all times.

4. No anonymous or conditional complaint shall be entertained.
5. All complaints shall be reported and investigated in accordance with this policy and any other applicable laws and regulations on Harassment.

Furthermore, harassment can occur in a variety of circumstances such as:

- Advances, propositions, suggestions or pressure for social activities outside of work, where it has been made clear that these are unwelcome.
- Conduct which is discriminatory, intimidatory, physically or verbally abusive, including the display of explicit material, humor or comments of a sexual or racial nature or related to a person's abilities or disabilities whether directed specifically at any particular individual or not.
- Spreading malicious rumors or insulting someone by word or behavior (particularly on the grounds of age, race, sex, disability, sexual orientation and religion or belief).
- Unfair treatment or misuse of power and position.
- Making threats or comments about job security without foundation.
- For further details please refer anti-harassment policy of respective company.

Email, computers and network security: All employees must follow the Group's policy to limit internet access to official business during work.

Activities that compromise network security are strictly forbidden. The disclosure of system IDs, passwords or information which can cause penetration into our network and security framework, is also not allowed. Employees shall not place Company material (copyrighted software, internal correspondence, etc.) on any publicly accessible Internet computer without proper permission.

The Company reserves the right to inspect the computer system of any employee of Tri-Pack Films Limited for violations of this policy.

Protection of company's assets and proprietary information: Tri-Pack Films Limited's physical and intangible assets, as well as its proprietary information are the key to the Tri-Pack Films Limited's success. They should be used only to achieve business goals and should be protected to preserve their value. Any use of Group Company's assets or proprietary information by any employee in other business or personal activities is forbidden.

All Group employees are responsible for the security and proper use of the Company's physical and intangible assets under their control and of third-party assets in their care.

LEAD

Public activities and relationships with stakeholders Agreements with all our stake holders working for Tri-Pack in any capacity including business partner, suppliers, vendors, financial adviser, agents or consultants shall clearly specify the services to be performed for the Company, the amount to be paid, and all other relevant terms and conditions. All payments and transactions shall be supported by documents.

Relationships and dealings with Government officials, external agencies, parties and individuals at all times should be such that the Company's integrity and its reputation shall not be damaged, if details of the relationships or dealings were to become public knowledge. Payment of any nature to government officials for any reason whatsoever is

strictly prohibited. Furthermore, no employee of Tri-Pack Films Limited shall support any political party or contribute to the funds of the groups whose activities are intended to promote any party interests.

Due care should be taken while discussing the Company performances or plans with outsiders. Any employee having questions on how to comply with this requirement should seek guidance and advice from the respective supervisor.

Code of conduct compliance

Tri-Pack Films Limited will enforce this Code of Conduct by investigating any reports of mis-conduct or rules being broken. Where infringements are proven, actions will be taken to prevent this happening again.

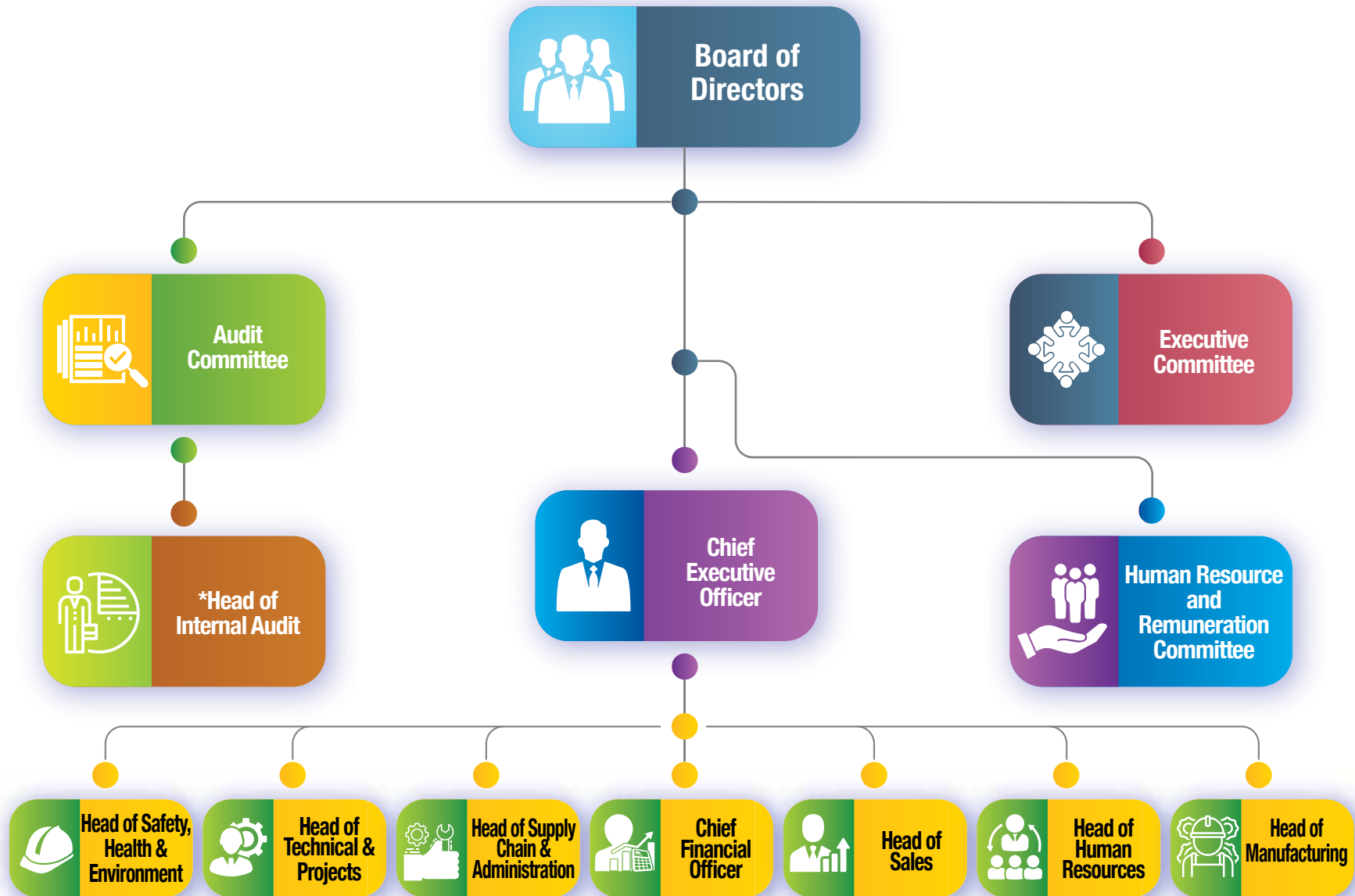
This process will be full and fair for everyone involved. We will ensure confidentiality for anyone reporting violations. Those reporting potential wrongdoings in good faith will not be fired, suspended or discriminated against. Correspondingly, action will not be taken against anyone accused of wrongdoing before an accusation has been duly investigated.

If it is established that the Code of Conduct has been broken, Tri-Pack Films Limited may take disciplinary action and in serious cases even terminate employment agreements.

Code of conduct for partners: We also require all agents, consultants, vendors and business partners who work on behalf of Tri-Pack Films Limited to comply with these same laws and practices that defines our conduct and how we do business (including Tri-Pack Films Limited sustainability requirements for suppliers).

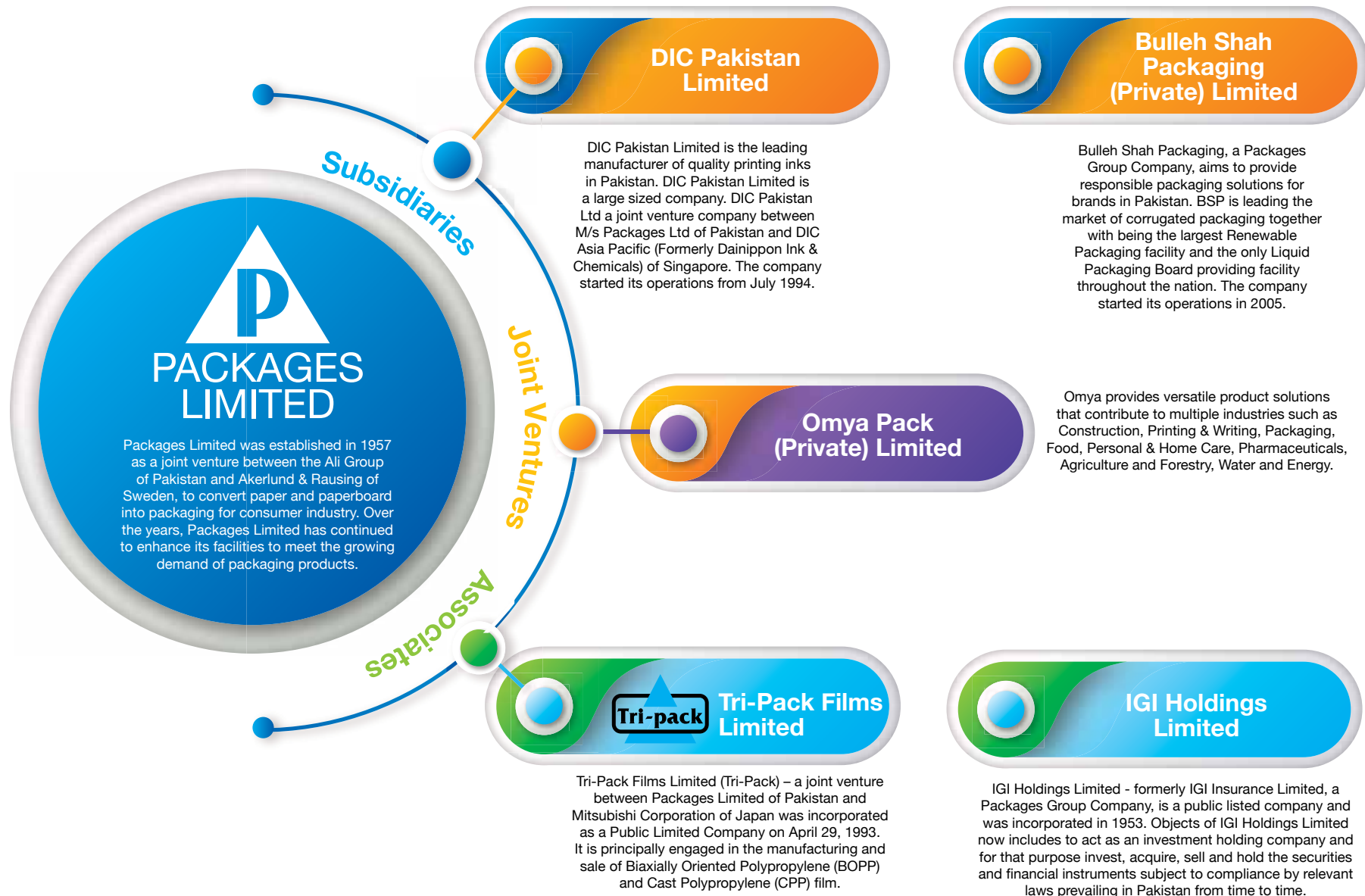
Whom to report: If you see or suspect misconduct, make a report immediately. We encourage you to speak directly to your own supervisor. You can also report your concerns anonymously in confidentiality through whistle blowing channel.

Organizational Structure



*Coordinator. Internal Audit is outsourced to M/s EY Ford Rhodes, Chartered Accountants

Group Structure



Packages Lanka (Private) Limited

Established in 1998 as a subsidiary of Packages Ltd, Pakistan, Packages Lanka (Pvt) Ltd is a leading manufacturer of laminated, Printed/ Unprinted flexible packaging for consumer products by placing it as a market leader in Sri Lanka. Since the inception of our company we have grown to become one of the leading packaging companies in Sri Lanka equipped with latest state-of-the-art European machinery.

Linnaea Holdings Inc.

Chantler Packages Inc.

Country of origin: Canada

Chantler Packaging Inc. and Packages Lanka (Private) Limited (A subsidiary of Packages Limited, Pakistan) announce the creation of a joint venture, Chantler Packages, which will carry on and grow the business operations of Chantler Packaging. The joint venture represents the joining together of a major packaging company with a global footprint, and a long-established Canadian enterprise with a history of innovation.

Packages Real Estate (Private) Limited

Packages Mall is the latest venture of one of Pakistan's most prestigious companies, Packages Limited, founded in 1956. The Mall has been designed on international standards by a team of foreign and local professionals. Packages Mall has rapidly risen since its inception in 2017 to become the new home of entertainment where Lahore comes to shop.

Packages Power (Private) Limited

Packages Power (Private) Limited is a wholly owned subsidiary of Packages Limited formed for the purpose of setting up a 3.1 MW hydropower project as advertised by the Punjab Power Development Board (PPDB).

Packages Investments Limited

Packages Investments Limited is incorporated in Pakistan as a public company limited by shares under the Companies Act, 2017 on May 28, 2019. It is a wholly owned subsidiary of Packages Limited. The company is in setup phase and has not started any commercial operations. The principal activity of the company will be to hold investments in various companies.

Anemone Holdings Limited

Flexible Packages Convertors (Pty) Limited

Country of origin: South Africa

Incorporated in 1998, Flexible Packages Convertors (Pty) Ltd has grown brilliantly to become Southern Africa's leading manufacturer and printer of high quality monolayer and co-extruded flexible packaging solutions.

Packages Convertors Limited

Packages Convertors Limited is a public company limited by shares incorporated in Pakistan under the Companies Act, 2017. It is a wholly owned subsidiary of Packages Limited. It is principally engaged in the manufacture and sale of packaging materials and tissue products.

Milestone

Signing of
Joint Venture
Agreement

1993

ISO 9001
Certification

1998

Commissioning
of Metallizer 1

2002

Commissioning
of BOPP Line 3

2004

OHSAS 18001
Certification

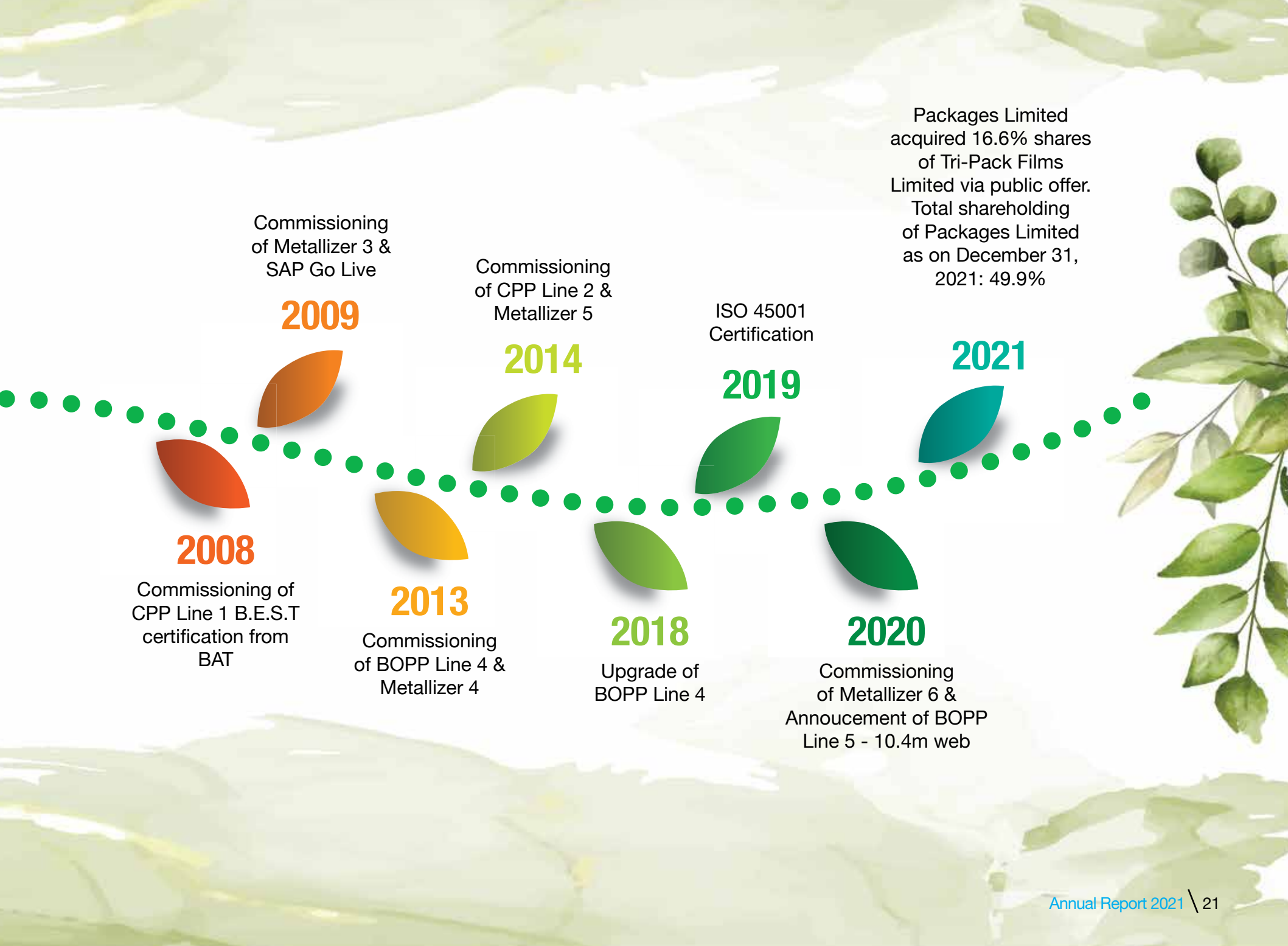
2007

1995
Commissioning
of BOPP Line 1

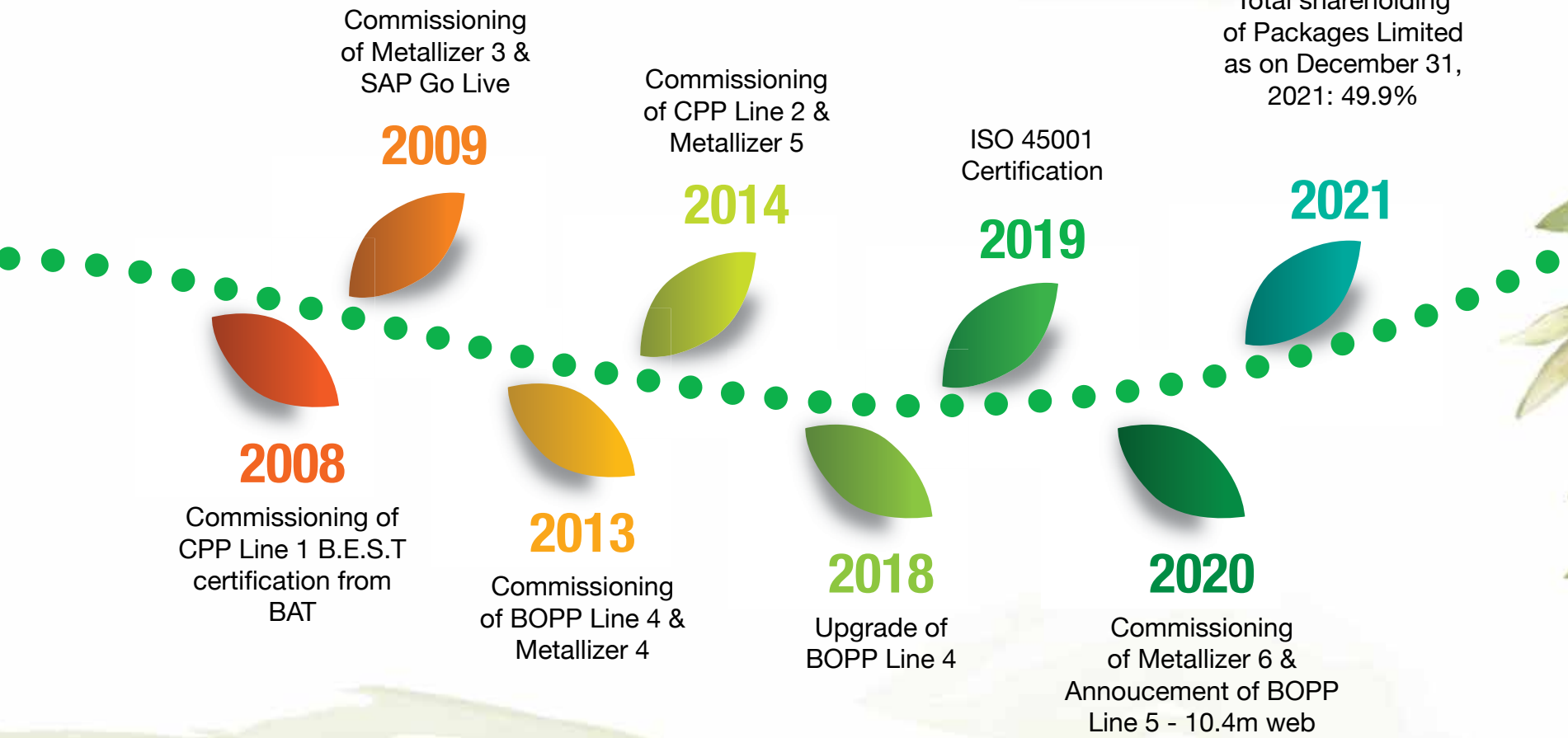
2001
Commissioning
of BOPP Line 2

2004
ISO 14001
Certification

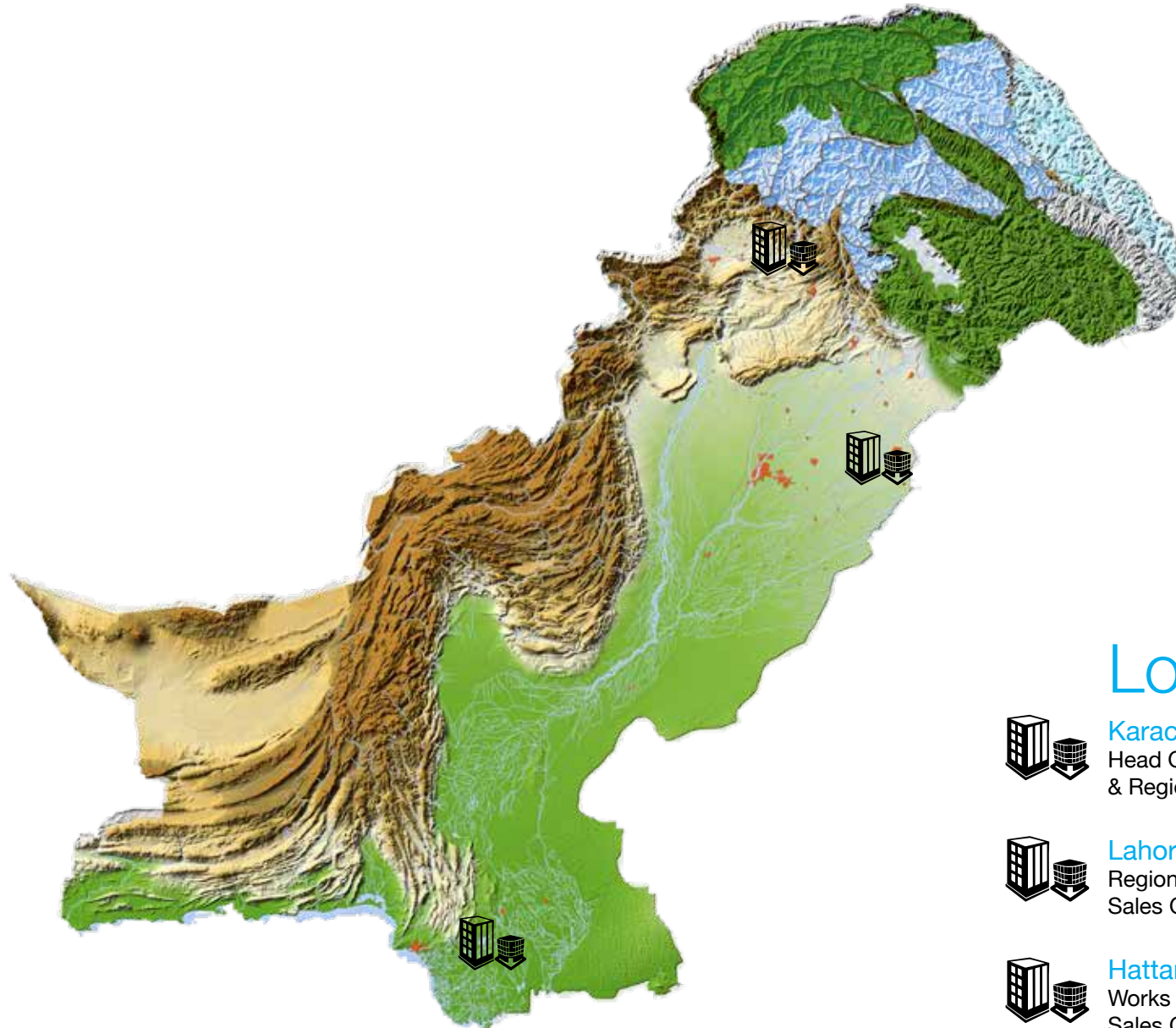
2006
Commissioning
of Metallizer 2



Packages Limited acquired 16.6% shares of Tri-Pack Films Limited via public offer. Total shareholding of Packages Limited as on December 31, 2021: 49.9%



Geographical Presence



Local



Karachi

Head Office, Works
& Regional Sales Office



Lahore

Regional
Sales Office

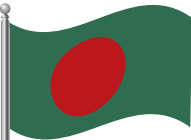


Hattar

Works & Regional
Sales Office

International

Asia



Bangladesh



Bahrain



Oman



Sri Lanka



UAE



Iraq

North America



USA



Canada



Mauritius



Sudan



Tanzania



Dominican Republic

Africa

Europe



Bulgaria



Greece



Macedonia

Our Products

Tri-Pack offers wide range of Biaxially Oriented and Cast Polypropylene (BOPP & CPP) packaging films, which are carefully and diligently produced to not only meet the packaging needs but also outperform the expectations of the market. Our products are best suited for food and beverage applications (snacks, confectionery, dairy food, fresh cut vegetables, beverages etc.) and non-food applications (overwrapping, lamination, bag making etc.).

We have the capability to supply films in various sizes and thickness, ranging from 10 to 150 micron. We manufacture specialized films having unique barrier characteristics for special needs of the market designed to cater the ever-growing demand of our customers.

Our films are designed to capture, enhance and protect the products that they envelope. Be it transparent, metallized or opalescent; simple wrapping or ultra-barrier; low sealing temperature films or specialized films. These films not only extend and enhance shelf life, but they also protect against the supply chain conditions. We have also specialized in developing the following high-grade films:

Low Sealing Temperature Films

Tri-Pack's portfolio conglomerates low sealing temperature films with precise slip properties which can be laminated with other films and in single web laminations for high speed horizontal packaging machines. The main feature includes higher speed packaging, wider process ability on packaging machines especially in HFFS, superb ink adhesion-heat seal strength. The main application is in snacks, biscuits, ice cream & chocolate wrappers. It also includes frozen food items as well as health, medicine, household items such as sanitary, detergent bags and gift wrappings.

Tobacco Non-Coated Transparent Wrap

The new trend in packaging is to replace the carton with clear film for the transparent collation of cigarette packs. While Tri-Pack Films Limited already offers a suitable film for this purpose, the challenge was to develop a non-coated film that shrinks onto the collated packs providing a tight wrap. We are one of the few approved suppliers in the world who are offering such grades which are non-coated. The films are static free and offer a super wide heat-seal range for outstanding machine performance.

Anti-Fog Films

Anti-fog films are generally transparent films which go in fresh fruits / vegetables, salad packaging, meat packaging applications. The high moisture content in these food items lead to mist formation on the film surface thus affecting the visibility and therefore perceived freshness of the food packed inside. An anti-fogging film not only prevents this phenomenon leading to a better visibility of the contents inside but also renders the pack a better shelf appeal owing to its enhanced gloss/optics.

Perforation Films

Tri-Pack now offers specially produced perforated BOPP films to help extend shelf life, improve point of sale displays and maintain the quality and freshness of fruits and vegetables.

Matt Film

Tri-Pack has extended range of products which also includes BOPP Matt film. Thanks to its excellent printability on the gloss side; sealable on the matt side; velvety appearance promoted by the matt side. Matt film creates visual impact with its "paper look" and soft touch effect. Matt films are highly appreciated especially in Monolayer or laminated flexible packaging constructions for cookies, biscuits, snacks, coffee, cereal bars, confectionery, ice-cream and general decorative applications.

In Mould Labels

In Mould Label (IML) Films are getting increasingly popular due to good aesthetics, durability of the label and the elimination of an additional step of labelling the container. Our current portfolio consists of opaque films with excellent orange peel effect.

Labelite

An improved pearl white film which is co-extruded pearl white BOPP film used as a mono layer and with different substrates in bottle label application in beverage industry and in food packaging labels. We are now producing low density pearl films, significantly enhancing the yield at customer end. Tri-Pack has successfully achieved customer specific shade of our pearl white films, meeting the needs of export customers. It is specially designed for speed conversion on HFFS and VFFS machines. Outstanding opacity and great ink conversion widely used in chocolate bar wrappers, ice cream and gift wraps.

High Gloss Label

The right material makes a big difference in the success of your labels. Successful conversion of Line 4 to five layer has allowed us to innovate and develop new films. Our new high gloss Pearl Label BOPP films are best suited for products which need high level of performance and serve variety of markets like beverages, food, bath, beauty, industrial. It offers high gloss, improved tensile strength that facilitates high-speed printing, greater stiffness, excellent printability, moisture and abrasion resistance.

Broad Seal High Barrier

Metallized BOPP film with broad range of heat sealing temperature. It is typically used in lamination with other substrates. We have successfully down gauged our broad-seal high barrier 18 micron to 15 microns while maintaining good metal anchorage, brilliant dimensional stability, excellent oxygen and moisture barrier with additional vibrant shine.

Ultra High Barrier Metallized Film

Metallized BOPP film is a versatile ultra-high oxygen and moisture barrier film. Even with low microns it ensures excellent gas, moisture, aroma and mineral oil barrier for food and non-food applications that can be used in two or three lamination layers and as a foil replacement.

CPP High Speed Lamination Films

Tri-Pack's latest innovative variant of high speed CPP transparent film with good slip properties for pasta and bakery packaging applications.

Paper Bond Film

Tri-Pack also offers specially produced CPP film that bonds with paper for syringe packaging to improve point of sale display.

CPP Metallized Low Temperature Heat Sealable Film

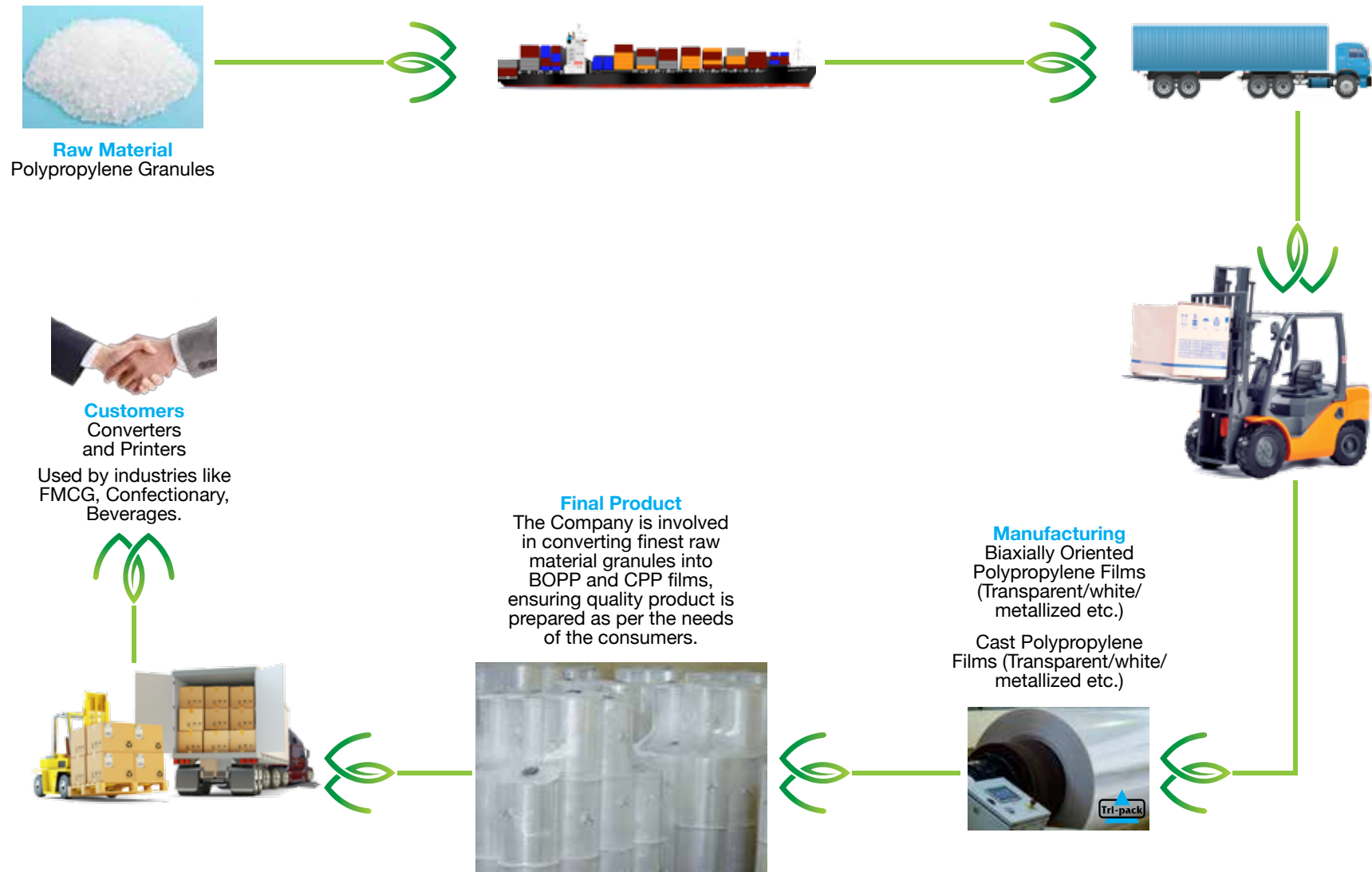
Tri-Pack has successfully accomplished the production of CPP metallized low heat sealable film in low micron for high speed machines. This metallized film has improved metal anchorage and good oxygen and moisture barrier with brilliant shine.

CPP Metallized High Barrier Film







The newly developed heat sealable high barrier CPP film enabling packaging machine to run at good speed with high barrier properties and good metal adhesion. The films is most suitable for biscuits, cookies, and crackers, snack food applications, chocolates and ice-cream.

Value Chain

Tri-Pack has always strived to deliver best quality products to its customers and one of the main factors that helped the Company to execute it efficiently is through an efficient value chain network.



Significant Factors Affecting the External Environment

	 POLITICAL	 ECONOMICAL	 SOCIAL	 TECHNOLOGICAL	 ENVIRONMENTAL	 LEGAL
DEFINITION	Political factors pertain to the extent to which government policies and actions impact the economy, a specific industry and an organization.	Economic factors take into account the various aspects of financial state of the economy and are generally measured and reported by the Central Bank.	Social factors include the cultural and demographic trends of the society. They form the norms, customs, culture and values within which the organization operates.	Technological factors form link to innovations in technology that may affect the operations of the industry and the market favorably or unfavorably.	Environmental factors refer to the ecological conditions and climate changes that affect the Company. Every Company has its impact on the environment.	Legal factors include current and impending legislation that may affect the industry in areas such as employment, competition, and health and safety.
FACTORS AFFECTING EXTERNAL ENVIRONMENT	Political uncertainty may disrupt the overall business and operations environment.	Inflation, interest and exchange rates affect the economy which are on the increasing trend.	The Company considers an obligation towards the betterment and welfare of its employees as well as the society at large.	We believe advancement in technology plays a vital role in the growth of Tri-Pack. Not catching up with technological advancements limits process and product advancement which adversely affects results.	As the weather extremes and the bionomical conditions become more and more critical to the human activities it is of prime importance that organizations educate, spread awareness and take adequate steps to reduce pollution and harmful materials within our surroundings.	Companies are required to follow all the legal requirements that are applicable to the industry it operates in.
ORGANIZATIONS RESPONSE	The Company remains vigilant to the ever changing political environment of the country and takes necessary steps to mitigate and avoid any adverse impact on the Company's business.	Keeping in view the instability in the exchange rates, the Company majorly shifted its raw material import terms from usance to sight to limit the forex risk. The Company is ever more focused on managing its working capital to mitigate the effects of increasing interest rates and cost controlling drives are going on.	The Company has made donations to various organizations working for social causes, provided financial aid to merit student and encouraged women empowerment within the Company. This year the Company took the initiative to induct differently-abled persons in its departments.	Tri-Pack has a dedicated Research and Development department which is persistent in product development and innovation through technological advancement. To cater to the increased demand of BOPP films in Pakistan, the Company has announced a new state-of-the-art BOPP Film manufacturing line. The Company keeps itself updated in IT landscape as well.	Tri-Pack is always committed to have a positive impact on the environment. To operate sustainably and responsibly in our business and yield greater social impact, we have aligned our environmental and social obligations United Nations Sustainable Development Goals (SDGs).	Tri-Pack abides by all the applicable laws like Companies Act 2017, Income tax Ordinance 2001, SECP Act, Code of Corporate Governance, laws related to labor, environment etc.

Significant Changes from Prior Year

On the operational side, the year 2021 observed shortages of raw material due to severe weather and shut downs and major supply chain disruptions on account of shipping lines' issues and container shortages affecting the timely supply of material both at our and customer end. This led to uncertainty in the market and with timely decision making we were able to deliver highest ever profit. Further, to cater the BOPP market we decided to operate our Line 2 (Hattar).

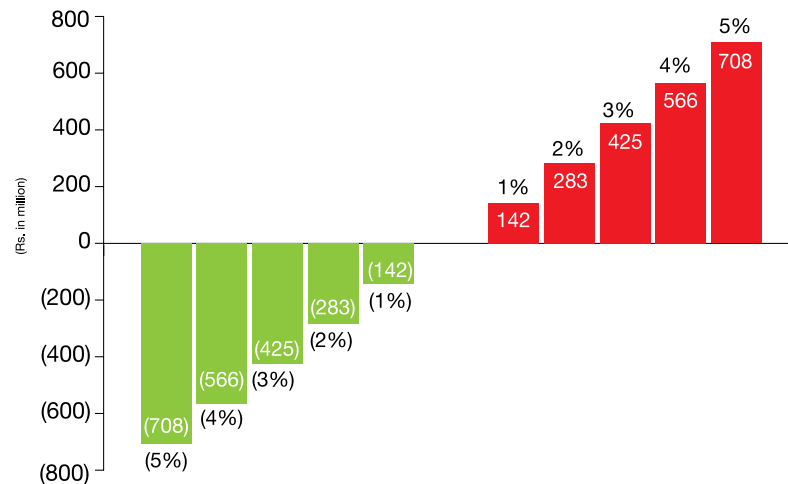
During the year, Packages Limited and Mitsubishi Corporation agreed for the purchase and sale of 7,500,000 shares respectively of the Company under the share purchase agreement (representing 19.3% of the total issued paid up share capital of the Company). Consequent to

above and in accordance with the provisions of Securities Act, 2015 and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017, Packages Limited made a public offer to acquire upto 6,438,598 shares (representing 16.6% of the total issued paid up share capital of the Company) from general public. Public offer procedures were concluded and shares were transferred to Packages Limited on December 31, 2021. Resultantly, as on December 31, 2021, Packages Limited held 49.9% shares of the Company which has increased to 69.3% on February 15, 2022 after transfer of further 7,500,000 shares of Mitsubishi Corporation following requisite regulatory approvals including payment.

Composition of local Versus Imported Material and Sensitivity Analysis due to Foreign Currency Fluctuation

Raw material of the Company is entirely imported from various regions across the globe. Thus the Company is highly exposed to the currency risk and is directly affected by any variation in foreign exchange rates. Keeping all other factors constant an increase or decrease of 5% in exchange rates will have an impact of Rs. 708 million on raw material purchases.

The Company observes minutely any change in the exchange rates and acts accordingly to ensure any adverse impacts are duly mitigated.



Competitive Landscape and Market Positioning

Over more than two decades, Tri-Pack Films Limited has enhanced its product portfolio offering an extensive range of Biaxially Oriented and Cast Polypropylene (BOPP & CPP) packaging solutions keeping in view the varying needs of the market and the evolving trend of sustainable yet eco-friendly packaging. We aim to exceed the expectations of the market and excel in what we do.

Our brand range is well-suited for diversified usage including food and beverage applications (snacks, confectionery, dairy food, fresh cut vegetables, beverages etc.) and non-food applications (overwrapping, lamination, bag making etc.).

Our competitive edge lies in our capacity to supply films in various specifications as required by our esteemed customers. Our specialized films have unique characteristics and are designed to capture, enhance and shield the products they encase. These films have the ability to preserve the product and enhance their shelf life against weather and logistical conditions.

We believe that the secret to maintain the leading market position is to adapt and evolve with the rapidly changing dynamics of the market. We constantly strive to explore and enter new markets nationally as well as internationally. Owing to this we are looking forward to our new BOPP line to enhance our capacity and cater to the market demand.

Competition in the Industry

Despite few producers in the industry, the competition in the film manufacturing industry is quite high. However, Tri-Pack Films Limited maintains its position as the market leader as it continues to cater to the market demand and increase its market share. The company also competes with international players.

Potential of New Entrants into the Industry

Despite removal of anti-dumping duties, the potential of players entering the packaging industry is limited given the high capital requirement. New CPP manufacturing lines have been commissioned

during the year. However, our expertise, strategic positioning and state-of-the-art machinery combined with our commitment to satisfy our stakeholders sets us apart in the packaging industry.

Power of Suppliers

Our raw material is entirely imported from across the globe thus there is an increased reliance on our suppliers. We purchase granules from some of the best international suppliers who are fore-runners in their fields. We hold great regards, maintain cordial relations with them and consider them as our valued associates in business. The company has contracts and agreed pricing mechanisms in place with these vendors. Our supply chain department is dedicated to ensure continuity of plant operations by establishing constant supply of raw materials at finest prices within scheduled timelines.

Power of Customers

To satisfy our customers and meet their demands is prime focus of Tri-Pack's mission statement. Our customers majorly include converters who purchase films from us and convert them as per the branding requirements. Due to our wide range of film type we have a diverse range of customers all of whom are treated at top priorities. We seek to fulfil their requirements and designs by continuously assessing the market trend and evolving our products likewise.

Threat of Substitutes

The drastic climatic changes and the innovation on global level has led to the world being ever more inclined towards eco-friendly and sustainable use of products. Global brands are now concentrating on adopting environmentally safe packaging solutions for their products. Thus, there is a switch expected from other packaging materials to BOPP film packaging since it can be recycled conveniently as well as be sculpted to serve the desired packaging purpose.

We believe that our position in the market is robust as we put in efforts to maintain our edge.







Strategy and Resource Allocation

- 34 Short, Medium and Long Term Objectives
- 34 Strategies in Place
- 35 Liquidity Strategy and Financing Position
- 35 Significant Plans and Decisions
- 35 Significant Changes in Objectives and Strategies
- 35 Business Continuity Plan
- 36 The Effect of Technological Change, Societal Issues & Environmental Challenges
- 38 Resource Allocation Plan
- 40 Key Performance Indicator

Short, Medium and Long Term Objectives

Tri-Pack Films Limited has always focused on setting SMART objectives with the intention to ensure goal congruence. The overall objectives of the Company are set by the Board and performance against those objectives is timely reported.

Short term: Our short term objective is to maximize profits through operational efficiencies, effective working capital management and waste improvement. We also ensure to strengthen our relationships with all stakeholders and internally developing talent through training and providing growth opportunities.

Medium term: Our medium term objectives comprise of evaluating areas of expansion through acquiring state-of-the-art machines and equipment to increase our market reach. We also strive towards betterment of the society, minimizing our environmental footprint. We tend to focus on providing sustainable solutions in the packaging industry, having an in-house Research and Quality department to do the same.

Long term: Our long term objective is to achieve sustained growth in line with our Company mission statement, vision and corporate strategy.

Strategies in Place

The core objective of the management is to transcend in business, expanding its horizon and reaching new heights with the motto; sky is the limit. With continuous guidance provided by the Board, the management has strategies in place which are evaluated on regular basis, simultaneously coming up with new strategies to cope up with the changing business dynamics.

Short term:

Based on the concept of goal congruence, the Company has set its short term objectives in line with long term objectives. Cost control and profit maximization are globally known fundamentals behind any profitable venture. Cost control objectives are made part of individual objectives of staff, with focus on cost center reporting. Further, our focus remains on operational efficiencies through planned maintenance and reduced wastages at each process, benchmarking against international best practices.

Employees, being our most valuable assets, are trained on regular basis according to their professional and academic need. The HR department has a succession planning mechanism in place to develop the talents within the Company.

Sales and procurement team are brand ambassadors of the Company, interacting with the customers and vendors. Their focus is to create smooth operational model to conduct business with Tri-Pack. Customer

satisfaction is ensured through regular visits by the sales team, getting a better insight on their operations and business needs.

The finance team regularly monitors external factors affecting the working capital of the Company, in liaison with the procurement and sales team. The team remains vigilant on changes in monetary policy rate and adverse fluctuation in exchange rates and accordingly, manage the foreign currency exposure.

Medium term:

The Company has always aligned its short term and medium term objectives with its long term objectives and this is reflected in our milestone and history. The Company announced new state-of-the-art machines and equipment considering the change in market and business dynamics.

Long term:

We plan to achieve our long term mission and corporate strategy by focusing on our short and medium term objective, making sure that they are in line with our vision and mission statement. The management timely seeks guidance from the Board to ensure that the direction is clear.

Liquidity Strategy and Financing Position

Current Liquidity strategy

Tri-Pack Films Limited has always ensured a stable liquidity position. Further, funds position is daily monitored which helps us to manage the funds available and ensure timely payments are made to vendors without any delays. On basis of proactive decision making, we maintain good relationship with our vendors and banks. This is reflected in our payment history as we have never failed in debt servicing.

Vigilant monitoring and timely decision making is the core fundamental behind effectively managing our operating working capital. A balance is maintained between payments, receivables and maintaining inventory at a minimum level, taking into account the business dynamics.

Outstanding loan in Company's books is Rs. 8.82 billion out of which Rs. 5.76 billion pertains to short term and Rs. 3.06 billion to long term.

The Company has effectively arranged financing of new state-of-the-art BOPP line, details of which have been disclosed in note no. 13 to the annexed financial statements.

Financing Position

The Company has cordial business relations with all the reputed banks and financial institutions of the country. Adequate unutilized short-term financing facilities are available at the Company's disposal. In the past the Company obtained long term loans to finance expansion projects at attractive mark-up rates, the repayment of which is as per schedule.

Significant Plans and Decisions

The Company has remained committed to achieving process improvements through technological advancements and upgradations. Growth and expansion is depicted in our milestone road map, with the addition of year 2020 as the Company announced to acquire another state-of-the-art BOPP film manufacturing line. The decision was based keeping in view increased demand of BOPP films in Pakistan and offer faster delivery, better quality, greater convenience and increased flexibility. This project is progressing as per timelines and is expected to be operational in Quarter 1, 2024.

Significant Changes in Objectives and Strategies

Objectives and strategies are in line with the mission statement and corporate strategy of the Company and there is no material change in Company's objectives and strategies from the prior years.

Business Continuity Plan

Tri-Pack Films Limited recognizes its responsibility to operate and ascertain protection of business operations from any sort of disruption.

We have a Business Continuity Plan in place identifying the mandate and responsibilities of 'Business Continuity Management Team (BCMT)' and support functions. The BCP is in line with the risk identification and assessment plan that takes into account the risk faced by the Company, its impact and probability, mitigating controls and risks that might affect the operations of the Company. Based on this, disaster classification criteria have been established i.e. Green, Yellow, Brown and Red (Low to High; Left to right). This sums the basis for our 14 step Disaster Recovery plan, assisting the BCMT and Support function in implementing the BCP.

Formal trainings and drills are being conducted to impart and educate the people throughout the organization. Testing of BCP is also carried out as per plan to ensure that the plan remains effective. Any flaw identified during testing is assessed and reviewed by the BCMT and Executive Management Team and changes are updated accordingly.

The Effect of Technological Change, Societal Issues & Environmental Challenges

Tri-Pack Films Limited has a robust mechanism to ensure that the resources are efficiently allocated to implement the strategy and financial capital structure. However, with the ever changing business environment, there are certain challenges that the Company faces in implementing the resource allocation plan:

	Societal Issues	Technological Change	Environmental Challenge
Capital affected	<ul style="list-style-type: none"> • Human • Manufactured • Intellectual • Social & Relationship 	<ul style="list-style-type: none"> • Manufactured • Financial • Intellectual 	<ul style="list-style-type: none"> • Human • Manufactured • Financial • Natural
What are the challenges?	Population and demographic changes, human rights, health, education and poverty.	Ever changing fast paced technology, less competitive, poor product quality, higher process inefficiencies.	Resource shortage, supply disruption, high carbon footprint, poor employee safety.
What are we doing?	Tri-Pack is involved in various CSR activities, based on the idea of giving back to the society. Employee safety is our utmost priority. Medical benefits are provided to employees along with in-house medical team for emergencies. Further, diversity and inclusion also remains our key focus.	Tri-Pack has a history of investing in latest technology to fulfil the market gap and generate process efficiencies. We have a dedicated in-house team for R&D for product innovation and improvement. Under the direction of management, existing processes are improved to reduce wastages and increase productivity.	Tri-Pack has a sustainable portfolio of vendors to ensure continuity of material supply. Through technological advancement, we try to reduce our carbon footprint and emission. We have invested in recycling machines to recycle and reuse wastages from the production process.

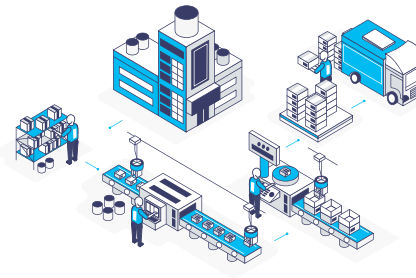


Resource Allocation Plan



Human Capital

Our people are behind every aspect of our strategy and are committed to deliver a superior product and outstanding customer experience. It is very important for us to understand the internal climate of the workplace and gauge engagement and satisfaction levels of our staff. Our employees are invited to participate in an engagement study which allows us to measure engagement levels and identify ways to improve how we do things. Further, on the organization's part, be it through on-job or external trainings, workshops, job rotation opportunities, individual coaching, or knowledge transfer through special projects & assignments, the goal is to nurture our people so that they are motivated and well equipped to have long, fulfilling careers with the Company and deliver future-focused performance.



Manufactured Capital

Tri-Pack Films Limited has installed four BOPP lines and two CPP lines. Besides that, the Company has several metallizers and slitting machines to cater to customer's specific requirements. Considering the market dynamics, we have acquired state-of-the-art metallizer and slitter machines. The Company has also announced investment in new BOPP line.

Further, with the use of advanced recycling machines the Company is able to recycle majority of the plastic waste which is aligned with the Company's ever increasing focus on sustainability. To further improve operational efficiency and reduce process wastages, focus remained on engagements with consultants from equipment suppliers and industry experts.



Financial Capital

As at December 31, 2021, the Company has a debt to equity ratio of 65:35 and an outstanding long term loan of Rs 3.1 billion (including current maturity) which has increased from last year mainly due to advances paid to vendors in respect of new BOPP line. Further, short term borrowing also increased to Rs 5.8 billion. This was mainly due to higher working capital.



Intellectual Capital

The Company is operating in an environment where internal and external stakeholders are being provided with complete technological support when it comes to ERP. Extensive utilization of SAP, automated workflows and portals improve efficiency and costs. Further, the Company has always remained committed in creating value for its customers in terms of providing them with new as well as better quality products which are developed and tested by our research and development department.



Social and Relationship Capital

We believe that regular communication with shareholders is an important part of creating an open and constructive dialogue. We respond to our shareholders' expectations through improvements in business operations, effective governance and corporate reporting framework. When it comes to customers, Tri-Pack has invested significantly over the years in customer relationship management going beyond extending usual credit facilities and trade discounts. Further to fulfill social responsibilities we actively coordinate with various organizations.

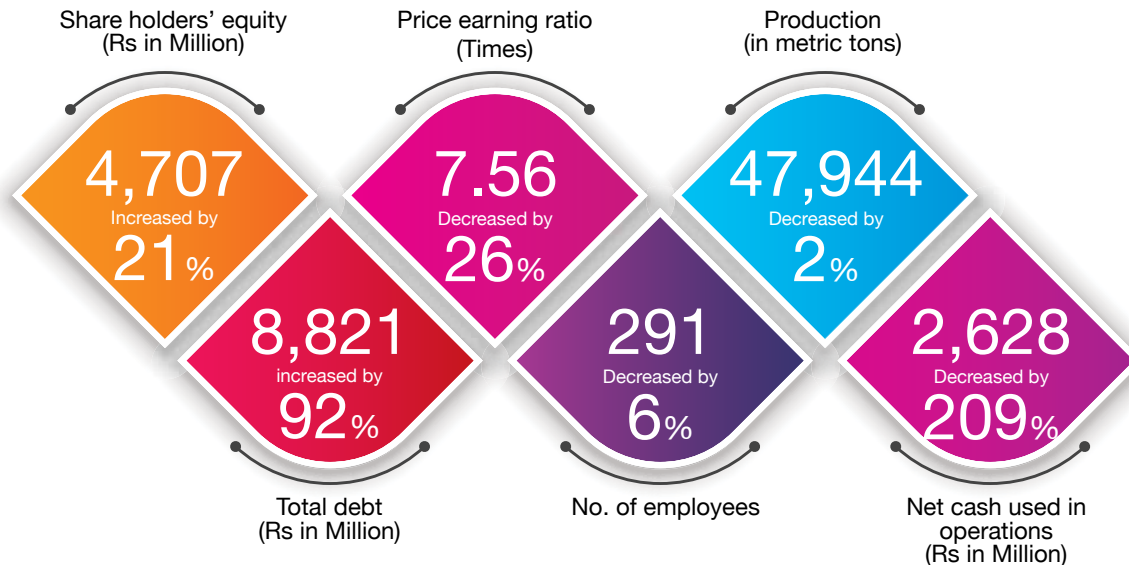
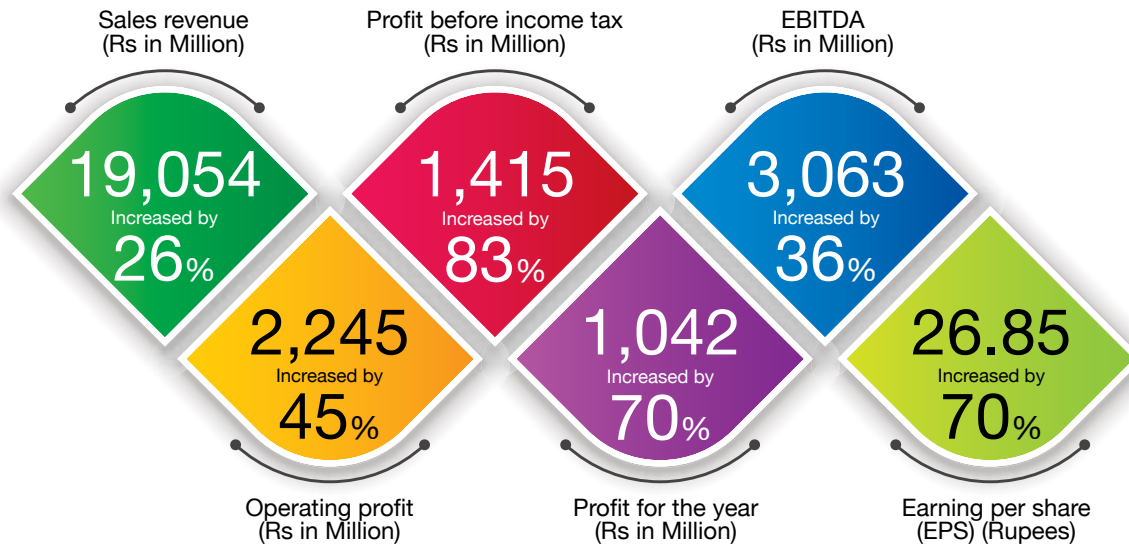


Natural Capital

Natural Capital is the environmental stock or resources of Earth which provide goods and ecological services required to support life. Tri-Pack has always been keen to abide and go beyond the legal requirement of health and safety in its production process which is reflected in our 17th and 18th Annual Environment Excellence Awards by NFEH. We try to minimize the carbon footprint of production process through recyclability or reusability. Emission exhausted by gas engines is used to operate the absorption chillers. We abide by the parameters as set in Sindh Environment Protection Act 2014 for industrial effluents. Any waste generated during production is recycled using recycling machines.

Key Performance Indicator

Financial Indicators



Methods and Assumptions Used

Everyone strives to increase the top and bottom line of a business, trying to gain more market share in an attempt to increase profits and Tri-Pack Films Limited is no different. We vigilantly monitor our KPIs to remain competitive.

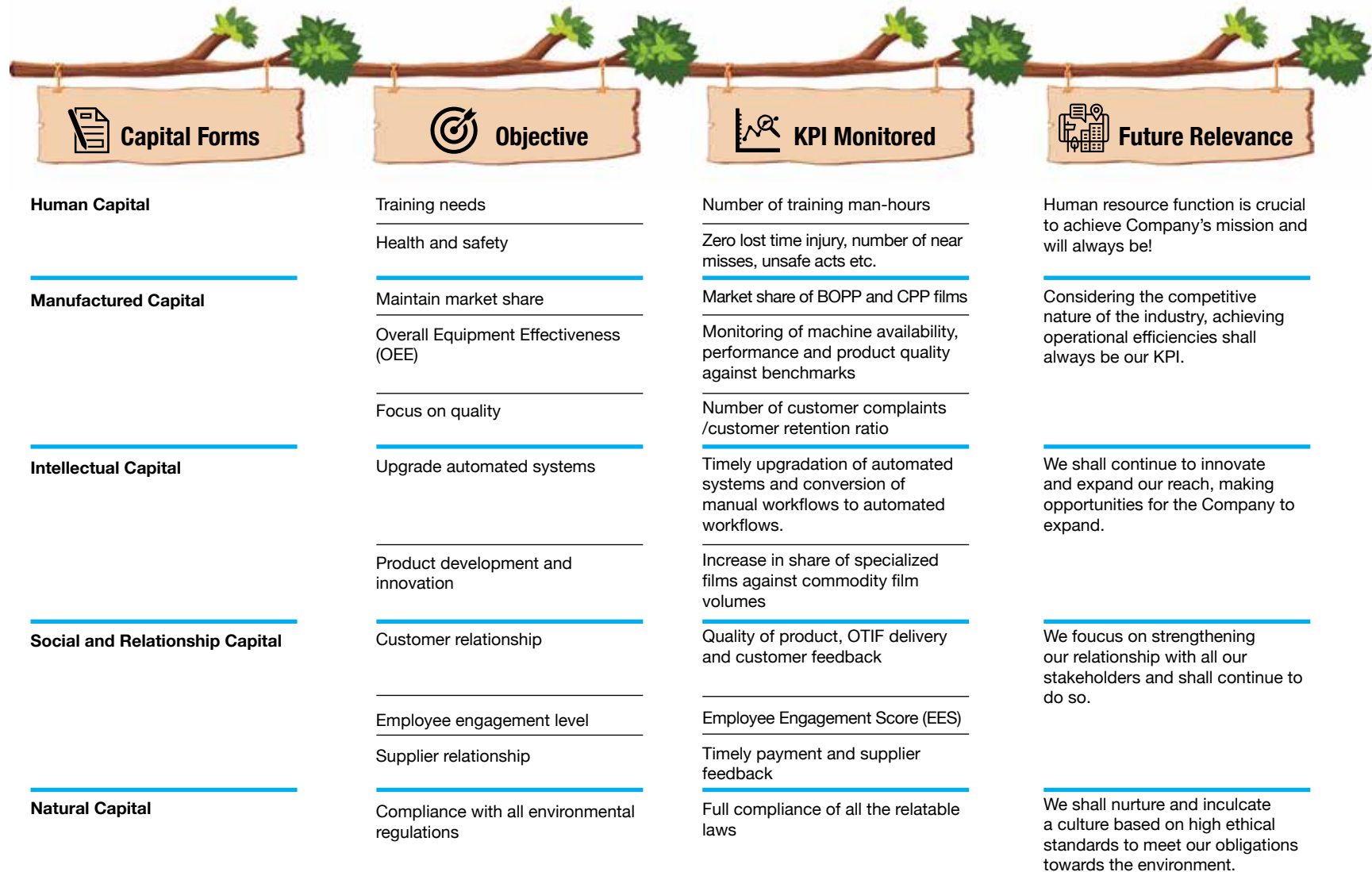
The vision to maximize the wealth of our shareholders reflects in our performance and the same can be seen from our set KPIs. Sales revenue, profitability, earnings per share are basic financial indicators. All of these KPIs eventually reflect in our shareholder equity position.

Considering debt to equity ratio of 65:35, monitoring of debt levels is our top priority. We ensure to meet all our covenants as set by the financing institutions.

The cash used in from operations is directly connected to our higher debt position. In order to sustain, we need to be pragmatic in managing our cash flows and working capital.

These key performance indicators will be relevant for the organization in the future as well. However, these are also assessed regularly and if needed will be changed keeping in view the changing business scenario.

Non-Financial Indicator







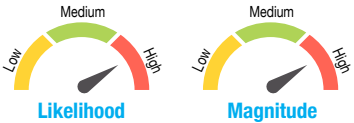
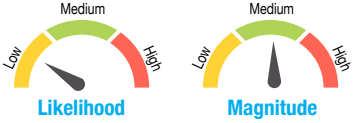
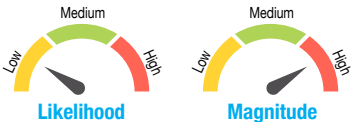
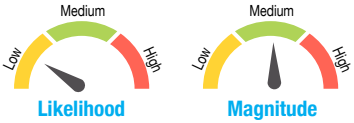
Risks and Opportunities

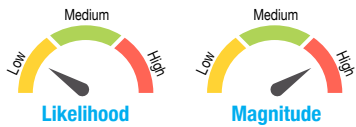
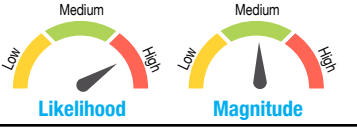
- 44 Risks and Opportunities
- 46 Risk Management Framework & Boards Role in the Risk Management of the Company
- 47 Materiality Approach
- 47 Capital Structure
- 47 Company Initiatives taken in Promoting and Enabling Innovation

Risks and Opportunities

Tri-Pack Films Limited has always been focused to mitigate all possible risks faced by the Company and avail opportunities to increase market share and business. Tri-Pack has always considered the appetite of shareholders before taking decisions ensuring that they are in the best interest of the business.

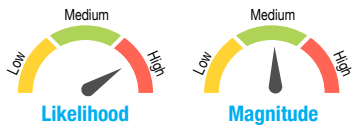
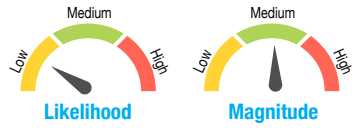
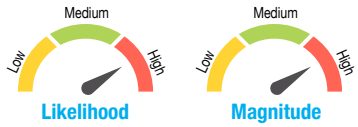
Risks

Risks	Source	Capital	Term Categorisation	Mitigating Factor	Associated Strategic Objective
<p>Changes in tariff / dumping. Increase in duty of raw materials. Increase in imports at dumped prices.</p> 	External	- Financial	- Medium term - Long term	<p>Regulatory Duty is kept in check and coordination with relevant government agencies through external consultants is done regularly. Any new tax is paid on merit basis only and any unconstitutional move is challenged through tax consultants and legal advisors.</p> <p>In case of removal of regulatory duties, there will be an irreparable loss to the local industry.</p>	<p>To continue to meet the expectations of our customers and other stakeholders.</p> <p>Add value to the economy in the form of decreased imports of finished films.</p>
<p>Gas availability Reduction in gas pressure or deterioration in gas quality resulting in low load on engines and production losses.</p> 	External	- Financial - Manufactured	- Short term - Medium term	<p>In case of recurrent gas load management / shut down, generators are rented at significant cost.</p> <p>Also, quality of gas is being monitored on continuous basis and in case of identification of quality issues diesel / furnace oil engines are used to compensate for load reduction. Further, the Company has also arranged for alternate source of energy in the form of KE connection.</p>	To be able to provide our customers with continuous and timely supply of goods at economic prices.
<p>Cyber security threat; Compromised information integrity; Information leakage.</p> 	External	- Intellectual - Financial - Social and relationship	- Short term - Medium term - Long term	Both hardware and software firewalls installed and updated on real time basis. Updated anti virus is installed on computers / servers. Vulnerability testings conducted time and again.	To ensure that data (whether internal or external) is not at risk at any cost.
<p>Credit Risk</p> 	External	- Financial	- Short term - Medium term	Credit limits are regularly monitored and it is ensured that no customer breaches the approved limit.	To ensure that the Company keeps on creating value for the stakeholders.

Risk	Source	Capital	Term Categorisation	Mitigating Factor	Associated Strategic Objective
<p>Machine breakdown</p>  <p>Likelihood Magnitude</p>	Internal	<ul style="list-style-type: none"> - Manufactured - Financial 	<ul style="list-style-type: none"> - Short term - Medium term 	Timely repair and preventive maintenance of machines are conducted to avoid risk of breakdown.	To be able to provide our customers with continuous and timely supply of goods at economic prices.
<p>Fluctuation in exchange rates will have a significant impact on the profitability of the Company as all of our raw material is imported.</p>  <p>Likelihood Magnitude</p>	External	<ul style="list-style-type: none"> - Financial 	<ul style="list-style-type: none"> - Short term - Medium term 	Taking into account the foreign currency exposure, timely monitoring is done and any exchange impact is passed on to the customers.	To be able to provide our customers with continuous and timely supply of goods at economic prices.



Opportunities

Opportunities	Source	Capital	Term Categorisation	How to Achieve Them?	Associated Strategic Objective
<p>Reduction in cost of production by adopting latest technology solutions</p>  <p>Likelihood Magnitude</p>	Internal	<ul style="list-style-type: none"> - Manufactured - Intellectual - Financial 	<ul style="list-style-type: none"> - Medium term - Long term 	To improve productivity and profitability, the Company invests in new technology and related IT capabilities.	Employ cost-effective technology to retain our competitive edge.
<p>Exploring potential market opportunities</p>  <p>Likelihood Magnitude</p>	External	<ul style="list-style-type: none"> - Social and relationship - Intellectual - Financial 	<ul style="list-style-type: none"> - Medium term - Long term 	<p>The Company is focused on innovation and product development to enter new markets and attract demand.</p> <p>Further, we are entering untapped local and international markets.</p>	To continue developing new products and markets (local and international) to increase presence.
<p>Utilize available capacity to diversify products and cater large orders</p>  <p>Likelihood Magnitude</p>	External / Internal	<ul style="list-style-type: none"> - Social and relationship - Manufactured - Financial 	<ul style="list-style-type: none"> - Long term 	The Company is committed to exploit all potential markets, both locally and internationally, to maximize volumes and improve market share. Our investment in new BOPP line is a step in this direction.	To be able to provide our customers with continuous and timely supply of goods at economic prices.

Risk Management Framework & Boards Role in the Risk Management of the Company

As part of determining the Company's level of risk tolerance, the board has approved a risk management policy.

The purpose of the policy is to define and identify risks which may compromise the achievement of business objectives and to implement controls against such risks.

Policy

- To assess and manage **credit risk**, credit shall be extended with adequate and reasonable conditions pursuant to a detailed review of credit history of the customer;
- To assess and manage **market risk**, the volatility and liquidity of each commodity shall be cautiously considered;
- To assess and manage **investment risk**, the significance and purpose of investments shall be clarified and business plan shall be drawn up after analyzing the risk and returns; decision making shall then be conducted in accordance with internal corporate rules;
- To assess and manage **business risk**, business objectives shall be clearly and explicitly identified. The risks to the achievement of objective shall be identified and the likelihood of their occurrence shall be considered;

- To assess and manage **Operational Risk**, following policy shall be followed:
 - The Risk and Control Evaluation Matrix (RCEM) and Segregation of Duties Matrix (SODM) shall be formulated to capture the risks in Company's business. The risks identified shall be ranked in terms of significance and in terms of potential exposures to those risks. The individual departments within Company shall be responsible for assessing the risks and ensuring mitigating controls are in place within the processes;
 - The Operational Risk Management process shall be embedded across the Company and as such a culture / environment shall be produced where employees recognize and assume responsibility for managing operational risk;
 - Relevant regulatory requirements, laws and codes of conduct shall be observed and implemented as appropriate; and,
 - To ensure that appropriate controls are in place and being adhered to, the Head of Departments / Managing Director shall review the Risk and Control Evaluation Matrix on a yearly basis. Where controls are not sufficient, the Head of Departments shall work with the department to develop and deliver upon an action plan to ensure the department is actively managing its own risks.

All the relevant risks, (business, operational, financial, etc.) facing the Company together with the mitigating factors are regularly presented to the board, which the board reviews and gives its inputs on the same.

Further, the evaluation of risk by the Board is also covered in the annexed Director's Report under the heading 'Risks and uncertainties'.

Materiality Approach

Materiality has been approved by the Board of Directors as per the requirement of Code of Corporate Governance. Materiality has been defined on Statement of Profit or Loss and Statement of Financial Position line items. Based on this, the Board of Directors of Tri-Pack Films Limited has approved authority remits and power to the Chief Executive for taking day to day decisions.

In order to execute day to day operations/ transactions delegation of powers has also been defined clearly and formalized procedures are followed.

Capital Structure

The Company is currently operating at a total debt to equity ratio of 65:35. This has increased as compared to 2020 mainly due to higher working capital needs coupled with advances paid in respect of the new BOPP line project. This is offset by higher profitability as compared to 2020. The total debt to equity ratio is considerably better than the bank covenants that are required to be maintained making the current capital structure adequate.

Company Initiatives taken in Promoting and Enabling Innovation

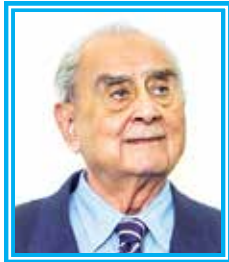
The Company has an in-house Research and Development department which is continuously focused on innovation to provide maximum value to the customers and reduce cost. The detail of this is covered in the Sustainability and Corporate Social Responsibility section under the heading 'Research and development' on page no. 159.



Governance

50	Leadership Structure	67	Governance Practices Exceeding Legal Requirments	79	Insider Trading Policy
53	Executive Management Team	68	Gender Diversity Policy	80	Related Party Policy
55	Chairman Review	68	Inclusion	82	Social Media Policy
57	Chief Executive Review	68	Related Party	87	Sustainability Policy
58	Directors' Report to the Shareholders	69	Details of Board Meetings Held Outside Pakistan	89	Work Place Harassment
66	Corporate Governance Framework	69	Investor Relations & Communications Policy	90	Social and Environmental Responsibility Policy
66	Decision Taken by the Board and Matters Delegated to the Management	69	Safety of Company's Records	91	Role of the Chairman
66	Annual evaluation of the Board, Individual members, Chief Executive Officer (CEO) and the Chairman	69	Business Continuity / Disaster Management Plan	92	Role of Chief Executive
67	Directors' Orientation and Training	70	Beneficial Ownership	92	Chairman's Significant Commitments and any Changes Thereto
67	Female Director	70	Presence of the Chairman of the Audit Committee at the AGM	93	Shareholders' Information
67	Remuneration Policy of Directors Including Non-executive and Independent Directors	70	External Oversight	98	Principal Board Committees
67	Executive Director Serving as Non-executive Director	70	Information Technology Policy	102	Pandemic Recovery Plan
		71	Conflict of Interest Policy	104	Report of the Audit Committee
		73	Whistle Blowing Policy	105	Statement of Compliance
		77	Human Resource Policy	107	Independent Auditor's Review Report

Leadership Structure



Syed Babar Ali
Chairman

Syed Babar Ali is the founder of various industries and social welfare institutions. He is the Chairman of Board of Directors since inception of the Company. Besides Tri-Pack, he is the Chairman of Ali Institute of Education, Babar Ali Foundation, Coca Cola Beverages Pakistan Limited, IGI Holdings Limited, Industrial Technical & Educational Institute, National Management Foundation, Sanofi-Aventis Pakistan Limited, Syed Maratib Ali Religious & Charitable Trust Society and Tetra Pak Pakistan Limited. Syed Babar Ali is also a Director in Nestle Pakistan Limited and a Board member of Gurmani Foundation. He is serving on the Board as Trustee of The Layton Rahmatulla Benevolent Trust and is a member of Governing Body of Lahore University of Management Sciences (LUMS) and Aitchison College, Lahore.



Syed Hyder Ali

Syed Hyder Ali is a Non-Executive member of the Board since the inception of the Company. Syed Hyder Ali joined Packages Limited in July 1987 and currently holds the position of Managing Director and CEO of the Company. He holds a Masters degree in Sciences from Institute of Paper Chemistry Lawrence University of Wisconsin, USA. He is a CEO-Deemed Director of Packages Convertors Limited and holds directorship in several companies including IGI Holdings Limited, IGI Life Insurance Company Limited, IGI General Insurance Limited, IGI Investments (Private) Limited, Nestle Pakistan Limited, Packages Real Estate (Private) Limited, Packages Lanka (Private) Limited, Sanofi-Aventis Pakistan Limited, Tri-Pack Films Limited, Bulleh Shah Packaging (Private) Limited, and Flexible Packages Convertors (Proprietary) Limited, South Africa. He also serves on the Boards of several philanthropic, educational, charitable and business support organizations including Pakistan Centre for Philanthropy, National Management Foundation, Syed Maratib Ali Religious and Charitable Trust Society, Babar Ali Foundation, Ali Institute of Education, International Chamber of Commerce, Lahore University of Management Sciences and World Wide Fund for Nature. He is also serving on the Board of Trustee of Packages Foundation.



Mr. Saquib Hussain Shirazi

Mr. Saquib Shirazi is appointed as an Independent Director of the Company. He is the Chief Executive Officer of Atlas Honda Limited.

He is also serving on the Boards of Atlas Autos (Private) Limited, Atlas DID (Private) Limited, Atlas Engineering (Private) Limited, Atlas Energy Limited, Atlas GCI (Private) Limited, Atlas Global FZE (UAE), Atlas Hitec (Private) Limited, Atlas Power Limited, Atlas Venture Limited (UAE), Honda Atlas Cars (Pakistan) Limited, Oyster International, Holdings Limited, UAE, Pakistan Mobile Communications Limited, SF Global Holdings Limited, Shirazi Investments (Private) Limited, Shirazi Trading Company (Private) Limited. He was Harvard Business School's Global Alumni Board President for the years 2006-2008.

He is a graduate of the Wharton School of Finance and received his MBA from the Harvard Business School.



Mr. Asif Qadir

Mr. Qadir holds a degree in Chemical Engineering from Columbia University, New York, USA. He is a Non-Executive Director of the Company. He serves on the Boards of Descon Oxychem Limited, Thal Limited, UNICOL, Cherat Cement Limited and Century Paper Limited. He is Member Governing Body - Liaquat National Hospital.



Mr. Khurram Raza Bakhtayari

Mr. Bakhtayari, currently the Chief Financial Officer of Packages Limited, is Non – Executive Member of the Board. He did his Bachelors in Commerce in 1997 from the Hailey College of Commerce, University of the Punjab, Lahore and thereafter qualified as a Chartered Accountant in 2002 from the Institute of Chartered Accountants of Pakistan. He became a fellow member of the Institute in January 2013. He has over 17 years of experience in Pakistan in the field of corporate finance, accountancy, treasury, auditing, corporate affairs and administration. He is CEO and Director of Packages Real Estate (Private) Limited. He holds directorships in several other companies including Anemone Holdings Limited, Bulleh Shah Packaging (Private) Limited, DIC Pakistan Limited, Flexible Packages Convertors (Pty) Limited, IGI Life Insurance Company Limited, IGI Investments (Private) Limited, OmyaPack (Private) Limited, Packages Lanka (Private) Limited and S.C. Johnson & Son of Pakistan (Private) Limited.



**Ms. Nermeen
Towfiq Chinoy**

Ms. Chinoy was elected as an Independent Director of the Company. She has over twenty-two years of experience in the varied fields of banking, media, manufacturing, and trading. She began her career in corporate banking at Bank of America NT&SA. Ms. Chinoy went on to join CityFM89, an FM radio network established by The Dawn Media Group. During her ten years as Chief Executive Officer, it became the foremost FM network in Pakistan. Since 2012, Ms. Chinoy has been based in Dubai running her own trading company. Over the years, she has also contributed to several voluntary initiatives and served for ten years on the National Committee for the Aga Khan Foundation (Pakistan). Ms. Chinoy did her O-Levels at the Convent of Jesus and Mary and her A-levels at Karachi Grammer School. She earned her undergraduate degree in Economics from Smith College, USA. She serves on the Board of Yaqeen Steels.



Mr. Asghar Abbas

Mr. Asghar Abbas is a mechanical engineer and holds a masters' degree in business administration from Nanyang Technological University (NTU). He joined Packages Limited in 1998 and developed strategic and functional level expertise in packaging business over the years while serving at various positions in different companies of the Packages Group. Currently, he holds the position of Chief Executive Officer of Bulleh Shah Packaging (Private) Limited and Packages Power (Private) Limited. He is also Director and Head of Packaging Operations of Packages Convertors Limited. He has also served as Managing Director of Packages Lanka (Private) Limited in Sri Lanka. Due to his diverse knowledge of packaging industry, he is also serving on the boards of various companies of the Packages Group including Packages Lanka (Private) Limited, Anemone Holdings Limited, Flexible Packages Convertors (Proprietary) Limited, Omya Pack (Private) Limited and Chantler Packages Canada.



Nasir Jamal

Mr. Nasir Jamal is the CEO of Tri-Pack Films Limited since March 2016 and is therefore a deemed Director of the Company. Before being named as the CEO, Mr. Jamal was Tri-Pack's Chief Commercial & Chief Financial Officer where he was responsible for overseeing the commercial, financial and risk management activities for the domestic and international operations of the Company. He joined the Company in 2013 as Chief Financial Officer. Mr. Jamal has a comprehensive background in Finance and Commercial roles. He has worked for over two decades in multitude of senior positions at different financial and manufacturing organizations, with his last 8 years of service at ICI Pakistan Limited as General Manager Finance. Mr. Jamal is a fellow member of the Institute of Chartered Accountants of Pakistan.

Executive Management Team



Seated Left to Right:

Mr. Mohammad Monir Khan - Head of Technical and Projects
Mr. Mohammad Omar Khan - Head of Sales

Standing Left to Right:

Mr. Muhammad Zuhair Damani - Chief Financial Officer
Mr. Ahmad Mansoor - Head of Safety, Health and Environment
Mr. Nasir Jamal - Chief Executive Officer
Mr. Taimoor Ahmed - Head of Human Resources
Mr. Adnan Sultan - Head of Supply Chain and Administration



Chairman's Review

For the year ended December 31, 2021

Dear Stakeholders,

It gives me pleasure to present to you the review of the financial results of Tri-Pack Films Limited for the year ended December 31, 2021.

Although the global supply chain crisis persisted and raw material availability was constrained, local markets witnessed an increase in trade and business resulting in higher revenues. With timely and appropriate measures with respect to price increases and improved efficiency, the Company was able to deliver its highest ever profit.

The Chief Executive regularly updated us on the operational and financial performance of the Company. The Board continuously provided direction and guidance, focusing on major risks.

We are confident that the Company is poised to perform better in the future owing to its commitment in achieving continued process efficiencies and with a general improvement expected in demand as the economy hopefully improves.

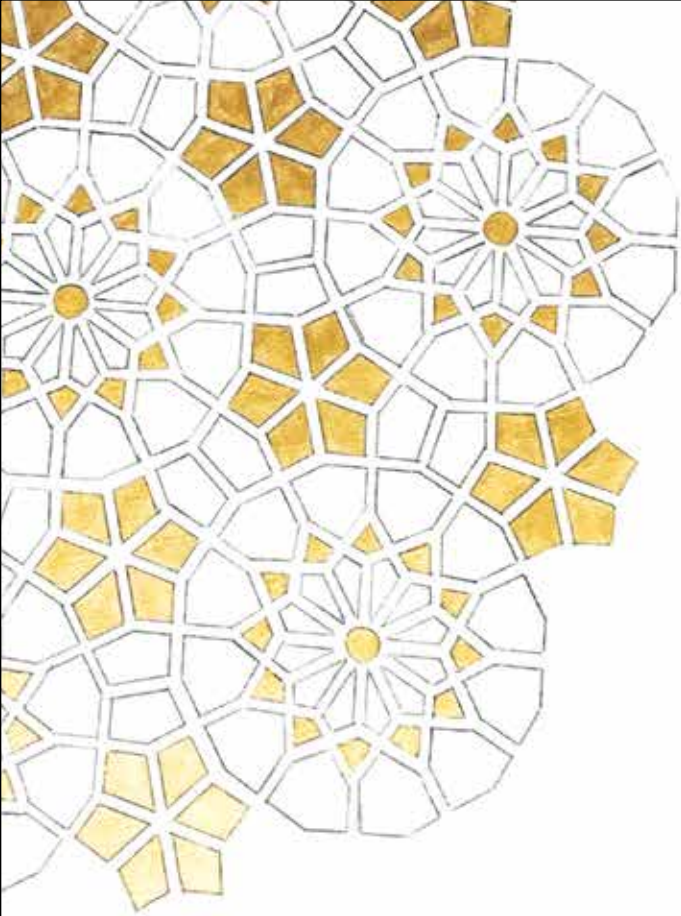
The new Biaxially Oriented Poly Propylene (BOPP) film manufacturing line project is progressing as per planned timelines. Once operational, this would help us in significantly increasing our footprint in international markets.

The Board would like to thank all our stakeholders for the trust reposed in the Company and for their continued support and loyalty.

Karachi:
February 25, 2022



Syed Babar Ali
Chairman



Chief Executive Review

For the year ended December 31, 2021

Dear Stakeholders,

I present to you the Annual Report on your Company's performance for the year 2021.

This year feedstock availability and their fluctuating prices were a major challenge coupled with global supply chain disruptions and shipment delays.

Our focus on effective working capital management, cost reduction, achieving operational efficiencies and prompt steps to maintain appropriate stock levels as well as well-timed decisions led us to achieving the highest profit ever amidst the myriad of challenges.

Owing to the above mentioned factors, your Company posted a Profit before tax of Rs. 1,415 million as compared to the profit before tax of Rs. 774 million in the previous year. The profit after tax is Rs. 1,042 million in comparison to Rs. 614 million last year.

For the year 2021, the directors have proposed a cash dividend of Rs.13 per share i.e. a payout ratio of 130%.

The Company remains committed to its vision, mission and corporate strategy of maintaining the leading position in the market and being the supplier of choice. The plan for commissioning of a new state-of-the-art BOPP film manufacturing line as announced last year is progressing as per the timelines. The expansion will cater to the rising demand in domestic market in the years to come and will add to the company's profitability and value addition.

Our aim is to also increase our international footprint significantly, in line with our expansion plan and current domestic market dynamics.

I remain confident that with focus on better quality of service to our valuable customers, higher productivity, cost reduction initiatives and rigorous working capital management coupled with strategic decision making, we have a good future ahead.

I express my warmest gratitude to all our stakeholders for their continued support and dedicated efforts during the year. Your contribution to the Company has made a positive impact and helped us achieve such results.

Karachi:
February 25, 2022



Nasir Jamal
Chief Executive Officer

Directors' Report to the Shareholders

The Directors of the Company are pleased to submit the report and the audited financial statements for the year ended December 31, 2021.

The Company remained dedicated to comply with the safety, health & environment (SHE) policies and procedures in everything it does.

Market and Business Overview

The year 2021 observed shortages of raw material due to severe weather and shut downs and major supply chain disruptions on account of shipping line issues and container shortages affected the timely supply of material both at our and customer end. Resumption of markets across the globe led to hike in demand (earlier than expected) of commodities and resultantly prices soared across the board.

The first half of the year witnessed economic growth and led to an increase in demand. Our export margins also improved to decent levels. However, in the latter half of the year exchange volatility and hike in interest rates again effected the volumes and business.

Domestic demand for our products remained range bound as the customers used caution and resorted to need based buying most of the times due to price volatility. Our product prices during the year followed the trend of international raw material prices increasing in the earlier part of the year and later on reducing.

Your Company remains vigilant to the rapidly evolving macro environment and international trends, assessing critically its impact on the productivity and profitability and taking necessary measures to minimize any adverse impact.

Financial Highlights

Overall sales volumes for the year remained lower by 3% compared to last year on the back of supply chain disruption as mentioned earlier. However, despite, low sales volume, revenue for the year was higher by 26% compared to last year on the back of higher international prices for raw material.

Effective margin management coupled with improved operational efficiencies and cost saving initiatives, on production floor particularly, led to a better gross profit margin.

Administrative and selling costs were marginally lower than last year despite higher inflationary pressures.

The above mentioned factors led to operating profit of Rs. 2,245 million compared to Rs. 1,553 million in 2020.

Interest cost remained in line with last year despite higher rates in last quarter of 2021. Exchange loss for the year is 12% higher than last year.

The Company posted profit before tax of Rs. 1,415 million in 2021 compared to Rs. 774 million in 2020. Consequently, profit after tax of Rs.1,042m has been posted which is higher by 70% as compared to last year.

During the year we were graced with the “Best Corporate Reporting Award” (2nd position) by ICAP/ICMAP for our annual report 2020. This exhibits our continued effort to ensure all relevant information is shared with our valuable stakeholders in the most comprehensive manner.

Key Financial Highlights are as follows:

	2021	2020
Sales Volume - (M. Tons) – Local	42,810	44,575
Sales Volume - (M. Tons) – Export	3,985	3,397
Net Sales Value - (Rs. in Million)	19,054	15,090
Gross Profit - (Rs. in Million)	3,206	2,441
Operating Profit - (Rs. in Million)	2,245	1,553
Interest Cost - (Rs. in Million)	491	604
Exchange Loss - (Rs. in Million)	229	205
Loss on re-measurement of GIDC (Rs. in Million)	106	-
Net Profit - (Rs. in Million)	1042	614
EPS - (Rs. per share)	26.85	15.83

Dividend

The directors have recommended a cash dividend of 130% i.e. Rs 13.0/- per share (2020: Rs. 5.0/- per share)

Names of the Members of the Directors and their Committees

The members of the committees of the Board are mentioned in the company information section given on page 6 of the annual report.

Future Outlook

Feedstock supply and price situation, supply chain challenges and uncertain exchange rates are expected to remain a concern in the upcoming quarters as well. The Company would remain agile in mitigating these issues to minimize any adverse impact.

Government policies regarding fiscal and monetary front would continue to remain crucial to our business like any other business. However we expect better utilization of our capacities in 2022 with higher exports and better margins.

The expansion project is progressing as per the plans / timelines.

Cash Flow Strategy

During the year, cash used in operations amounted to Rs 2,628m (2020: generation of Rs.2,419m) owing to investment in working capital as towards the later part of year higher stock levels were maintained to overcome supply chain related issues we faced in earlier part of the year. Trade receivables also increased in line with increased sales value. To limit exposure due to exchange rate fluctuations, we moved all of our import payment terms to sight basis. This led to increase in short term debt. Adequate funding lines and security are available with the Company to steer through this debt requirement.

Risks and Uncertainties

Despite pandemic business and trade were allowed to continue with required precautions.

Your Company is cognizant of the foreign exchange risk on account of uncertainty hovering over Pak Rupee value against major currencies and appropriate steps are being taken to minimize the impact of any depreciation in Rupee value.

The company is also familiar with the interest rate risk on account of the increase in benchmark policy rates.

A detailed Risks and Opportunities analysis covering the internal and external factors has been given on page 44 of the annual report.

Principal Activities / Major Developments / Changes in the Nature of the Business

The principal activities of the Company have been given in the annual report on page 7. There have been no significant changes in the nature of the business being conducted by the Company during the year.

Internal Financial Controls

The Company has a thorough internal controls framework in place. Detailed finance control manuals are in place, which have been prepared with the assistance of internal auditors. These manuals contain department-wise process flows, details of controls over each activity and requirements on legal and operational compliance.

The system of internal control is sound in design and has been effectively implemented and monitored. The system is continuously monitored by Internal Audit and through other such monitoring procedures. The process of monitoring internal controls will continue as an ongoing process with an objective to further strengthen the controls.

Accounting Policies

Appropriate accounting policies have been consistently applied in preparation of financial statements except for the changes as stated in Notes to the Financial Statements. The accounting policies are based on reasonable and prudent judgement.

International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.

The financial statements are audited by the external auditors as required by the local statute.

Directors' Responsibility in Respect of Internal Financial Controls

The Board Audit Committee (BAC) has been appointed, which includes three directors including one independent director. As per the requirements of Code of Corporate Governance, the BAC is

chaired by the independent director and its terms of reference have been determined by the Board of Directors and are in line with the guidelines provided in the Code of Corporate Governance. These terms of reference include but not limited to oversight over matters involving financial information, internal controls and corporate governance.

Material Changes Affecting the Financial Position Between the end of Financial year and date of Directors' Report

The material changes, if any, affecting the financial position between the end of financial year and date of directors' report are reflected in the audited annual financial statements annexed to this report.

Safety, Health and Environment

In 2021, Safety, Health & Environment (SHE) remained among the top priorities of the Company. Focused and proactive approach was continued given the COVID 19 pandemic. Robust vaccination drives through involvement of relevant government departments were arranged to achieve 100% inoculation of TPFL employees.

At Tri-Pack, the applicable management systems stand on the backbone of integrated policy, standard practices and procedures, closely monitored to ensure due diligences at all times. Regular assessments of facilities, offices, warehouses are performed to provide assurance to business and stakeholders. We are committed to invest and provide all necessary resources to drive enhanced SHE performance, maintain compliance with applicable laws & regulations and drive continual improvement. Together, this is all tied up with Company's social obligations with the commitment towards the United Nations Sustainable Development Goals (SDGs).

We are also WWF Green Office Certified (SDG 06: Clean Water & Sanitation, SDG 07: Affordable & Clean Energy, SDG 12: Responsible Consumption & Production, SDG 13: Climate Action, SDG 15: Life on Land), with our teams committed to proactively assessing measures which have the biggest impact on the environment and ensuring that we reduce our carbon footprint and increase recycling. To this end, we won the 18th Annual Environmental Excellence Award 2021 by National Forum of Environment & Health in July 2021.

Corporate Social Responsibility

We are committed to managing our operations in socially responsible and environmentally friendly way. At Tri-Pack we implement a systematic strategy to fulfill our corporate social responsibility in line with the United Nations Sustainable Development Goals (SDG's). We bring this commitment to life through our company values, code of conduct, safety health & environment policies and our people.

Our practices in different arenas be it philanthropy, environment conservation, diversity & inclusion and fair labor practices is a testament that we want to give back to our society.

We strive to broaden our horizon with respect to Diversity and Inclusion at the workplace. It remains our key priority, to focus on gender equity and inclusivity of Trans-Genders and Differently-Abled individuals. Our aim is not only equal representation but to empower, Break Stereotypes, Sensitize our People & Fight Biasness & Harassment in alignment with the UN Women Empowerment Principles .

Our most recent initiative, we joined hands with M/S Akhuwat to provide employment to trans-people and M/S NOWPDP to provide employment to differently-abled people at TPFL (SDG 04: Gender Equality, SDG 10: Reduced Inequality).

This successful collaboration led to the onboarding of 1 individual from the trans community and 4 individuals from differently-abled community at Tri-Pack Films Limited. To facilitate our differently-abled employees we have also made our office buildings wheel chair accessible/friendly.

Tri-Pack takes great pride in its CSR initiatives, as they are linked to our business targets which enables us to leverage business and social agendas as one. In 2022, a greater emphasis shall be laid on CSR initiatives to enhance the social well-being of people in our community, be inclusive as a society, and make our surrounding environmental friendly through sustainable operations.

Management Information Systems

Our focus will remain on maximum utilization of our ERP to achieve a paperless work environment and to ensure robust internal controls. We have a dedicated team of ERP specialists who constantly strive to give out of the box solutions to all stakeholders and in turn help the Company to achieve its ambition to enhance operational efficiency and reporting accuracy.

Human Resource

For Tri-Pack, in 2020 and 2021, the focus was on delivering HR Excellence and re-imagining the future of HR.

We yet again successfully delivered on our stakeholder's engagement agenda, strategically drove our talent's learning & development plan, strengthened our future talent pipeline- developing future leaders, whilst improving diversity representation & inclusion at the workplace and maintaining cordial employer-employee relations.

A significant milestone for HR was achieving the Employer of the Year Award - Diamond Award from the Employers' Federation of Pakistan (EFP) in March 2021. We envisioned this milestone back in the Year-2019, when we set our goal for HR Excellence, and hence to become the Employer of Choice in our industry by Year-2022. The award was based on extensive evaluation conducted by an independent Committee of EFP on the basis of high scores achieved by the Company in 'Decent Work Practices'.

Our Careers & Succession Management program enables us to curate effective development plans for our employees, empower them to grow and drive growth of the business by a sturdy mechanism of continuous development & feedback.

Moreover, our hallmark programs like the Summer Internship leading to Management Trainee Program & Trade Apprenticeship Program help us to not only engage Millennials and Gen Z, but enable us to enhance our employer brand, as well as, strengthen our future talent pipeline with young fresh minds, who shake-up the traditional ways of working, transform and re-shape the culture of the organization with their ideas and innovations and become the backbone of our operations

In addition, we reinforced the importance of developing 'self' and encouraged our employees to take lead on the initiative. The LinkedIn Learning solution has enabled our employees, opening learning avenues and ensuring that learning and development programs are available to them when they need it based on their own self-assessment and as per the skill-development plan of the organization.

Quality Management

Quality has been the essence of our product. We ensure compliance with the requirements of all applicable quality standards through a sound system of key performance indicators (KPIs) and both on-job and external trainings.

To further improve productivity through machine efficiency and reduce process wastages, focus remained on engagements with consultants from equipment suppliers and industry experts.

Related Parties Transaction

In accordance with Section 208 of the Companies Act, 2017 and the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018, the Company has:

- a. Established a policy of related party transactions which has been duly approved by the Board.
- b. Set up conditions for transactions with related parties to be characterized as "arm's length transactions."
- c. Circulated and disclosed to the Directors in the Board papers minimum information required for approval of related party transactions.

Code of Corporate Governance

The requirements of the Code of Corporate Governance set out in the listed Companies (Code of Corporate Governance Regulation 2019) have been adopted by the Company and have been duly complied with. A Statement to this effect is annexed to the report.

Corporate and Financial Reporting Framework

- i) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- ii) Proper books of account of the Company have been maintained.
- iii) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates except for the changes as stated in Notes to the Financial Statements. The accounting policies are based on reasonable and prudent judgment.
- iv) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- v) The system of internal control is sound in design and has been effectively implemented and monitored. The system is continuously monitored by Internal Audit and through other such monitoring procedures. The process of monitoring internal controls will continue as an ongoing process with an objective to further strengthen the controls.
- vi) Details of significant changes in the Company's operating results during the current year as compared to last year and significant plans and decisions for the future prospects of profits are stated in this report.
- vii) Key operating and financial data of last six years is annexed.
- viii) Information about the taxes and levies has been given the annexed Wealth generated and distributed on page 154 of the annual report.
- ix) There are no doubts upon the Company's ability to continue as a going concern.
- x) There has been no material departure from the best practices of corporate governance, as detailed in listing regulations.

- xii) The value of investments of provident and gratuity funds, as at June 30, 2021 based on their un-audited accounts is as follows:

	Rs '000
Provident Fund	184,569
Gratuity Fund	128,171

- xii) All Directors have either attended the Directors Training Program or have minimum of 14 years of education and 15 years of experience on the Board of listed companies and therefore are exempt from the Directors Training Program.

Trading of shares by CEO/Directors and Executives

The details of trading of shares by Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit, Other Executives, their spouses and minor children are as under:-

Purchase of shares	No. of shares
Director	100
Chief Executive Officer	NIL
Chief Financial Officer	NIL
Company Secretary	NIL
Head of Internal Audit	NIL
Other Executives	NIL
Spouses	NIL
Minor Children	NIL
Sales of shares	NIL

Board of Directors

Syed Babar Ali	(Chairman – Non Executive Director)
Syed Hyder Ali	(Non-Executive Director)
Khurram Raza Bakhtayari	(Non-Executive Director)
Nermeen Towfiq Chinoy	(Independent Director)
Asif Qadir	(Non-Executive Director)
Saqib Hussain Shirazi	(Independent Director)
Asghar Abbas	(Non-Executive Director)

Changes in the Composition of the Board

Mr. Atsushi Fujii resigned and Mr. Yohei Shiimoto was appointed in his place with effect from 15 March 2021. Furthermore Mr. Hayaswa and Mr. Shiimoto retired and Mr. Asghar Abbas was elected during election held on 4 October 2021.

The Directors wish to place on record the valuable services rendered by Mr. Atsushi Fujii, Mr. Yohei Shiimoto and Mr. Yukio Hayasawa during their tenure as Directors and welcome Mr. Asghar Abbas on the Board of the Company.

Composition of Board

The Board of directors of the company consists of following seven directors:

- | | |
|------------|---|
| (a) Male | 6 |
| (b) Female | 1 |

Composition:

- | | |
|---|---|
| (i) Independent Directors | 2 |
| (ii) Non-Executive Directors | 5 |
| (iii) Executive Directors | - |
| (iv) Female (included in Independent Directors) | 1 |

Mr. Nasir Jamal, the Chief Executive Officer of the Company, is a deemed director as envisaged in Section 188(3) of the Companies Act, 2017.

Meetings of Board of Directors

During the year 2021, six (6) meetings of the Board of Directors were held. The attendance of each Director is as follow:

S.No.	Name of Directors	No.of meetings attended
1.	Syed Babar Ali (Chairman)	4
2.	Mr. Asif Qadir	6
3.	Syed Hyder Ali	5
4.	Mr. Khurram Raza Bakhtayari	6
5.	Ms. Nermeen Towfiq Chinoy	6
6.	Saqib Hussain Shirazi	6

S.No.	Name of Directors	No.of meetings attended
7.	Mr. Yukio Hayasawa (Retired on October 04, 2021)	3
8.	Mr. Atsushi Fujii (Resigned on March 15, 2021)	2
9.	Mr. Yohei Shiimoto (Retired on October 04, 2021)	2
10.	Mr. Asghar Abbas (Elected on October 04, 2021)	1
11.	Mr. Nasir Jamal (Chief Executive Officer-Deemed Director)	6

Leave of absence was granted to the Directors who could not attend the Board meetings.

Audit Committee

An Audit Committee of the Board has been in existence since the enforcement of the Code of Corporate Governance. It comprises of one (1) Independent Director who is the Chairperson and two (2) Non-Executive Directors.

Four (4) meetings of the Audit Committee were held during the year. Attendance of each Member is given hereunder:

S.No.	Name of Directors	No.of meetings attended
1.	Ms. Nermeen Towfiq Chinoy (Chairperson - Independent Director)	4
2.	Mr. Khurram Raza Bakhtayari	4
3.	Mr. Asif Qadir	4
4.	Mr. Atsushi Fujii (Resigned on March 15, 2021)	2
5.	Mr. Yukio Hayasawa (Retired on October 04, 2021)	2
6.	Mr. Yohei Shiimoto (Retired on October 04, 2021)	1

Leave of absence was granted to the Members who could not attend the meetings of the Audit Committee.

The Audit Committee has adopted its terms of reference as provided in the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Human Resource and Remuneration Committee

The Human Resource and Remuneration Committee comprises of one (1) Independent Director who is the Chairperson and two (2) Non-Executive Directors.

One (1) meeting of the Human Resource and Remuneration Committee was held during the year. Attendance of each Member is given hereunder:

S.No.	Name of Directors	No.of meetings attended
1.	Ms. Nermeen Towfiq Chinoy (Chairperson - Independent Director)	1
2.	Mr. Khurram Raza Bakhtayari	1
3.	Mr. Asif Qadir (Retired from this committee on October 04, 2021)	1
4.	Mr. Atsushi Fujii (Resigned on March 15, 2021)	1
5.	Mr. Asghar Abbas (Elected on October 04, 2021)	-

The Human Resource and Remuneration Committee has adopted its terms of reference as provided in the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Executive Committee

The Executive Committee comprises of three (3) Non-Executive Directors.

Ten (10) meetings of the Executive Committee were held during the year. Attendance of each Member is given hereunder -

S.No.	Name of Directors	No.of meetings attended
1.	Syed Hyder Ali (Chairman – Non-Executive Director)	10
2.	Mr. Atsushi Fujii (Resigned on March 15, 2021)	1
3.	Mr. Yohei Shiimoto (Retired on October 04, 2021)	6
4.	Mr. Khurram Raza Bakhtayari	10
5.	Mr. Asghar Abbas (Elected on October 04, 2021)	2

Directors' Remuneration

The Board has approved the Director's Remuneration Policy. The objective of this policy is to have a transparent procedure for determining the remuneration packages of the directors for attending meetings held by the board and its committees:

- i. The remuneration of the Directors for attending meetings of the Board or Committees of Directors shall as and when required be determined by the Board based on market trend.
- ii. Nominee directors of Packages Limited from other group companies shall not be entitled to receive board/committee meeting fees.
- iii. If a director is resident out of the place at which any board meeting is held, and who shall come to that place for the purpose of attending board/committee meetings, the director shall be entitled to be reimbursed at actual.

The policy as set out by the Board has been given on page 67 of the annual report.

Further, details of aggregate amount of remuneration to executive and non-executive directors is mentioned in the Financial Statements, note 32, page 217 of the annual report.

Contribution to National Exchequer

The Company's contribution to the national exchequer in the form of Sales Tax, Custom Duties and Income Taxes etc. is approximately Rs. 4.2 billion in the year 2021.

Pattern of Shareholding

A statement of the pattern of shareholding of certain class of shareholders as at December 31, 2021, disclosure of which is required under the reporting framework, is included in the annexed shareholders' information given on page 94 of the annual report.

External Auditors

The present auditors' M/s A. F. Ferguson & Co., Chartered Accountants are retiring and being eligible, have offered themselves for reappointment. The Board of directors on the recommendation of the Audit Committee proposes the appointment of M/s A. F. Ferguson & Co., Chartered Accountants as the auditors until the next annual general meeting at a fee to be mutually agreed.

Chairman's Review

The Chairman's review is part of the Annual Report given on page 55 of the annual report.

Acknowledgement

We are grateful to our valued stakeholders including customers, banks, suppliers, contractors, and shareholders, for their exceptional support and confidence. We also thank our employees for their diligence and commitment to the organization throughout the year.



Nasir Jamal
Chief Executive Officer



Nermeen Towfiq Chinoy
Director

Karachi, February 25, 2022

Corporate Governance Framework

Our Corporate Governance policy aims to provide guidance on the administration of the Company's affairs and governance structure. The system of corporate governance shall be designed to ensure:

- That the important decisions shall be made in conformity with the law, memorandum and articles of association, business activities shall be conducted in accordance with those decisions and decision making and conduct of business activities shall be subject to proper oversight;
- Sound, transparent and efficient corporate Management. The Company shall make decisions and conduct business activities as appropriate in light of the Company's size, industry sector and relevant laws and regulation;
- An independent supervision and auditing of business activities for proper oversight;
- Proper auditing of accounts to establish reliability of corporate accounts and financial statements;
- That the Managing Director shall while considering the overall interest of stakeholders, strive to maximize corporate value in conformity with the law, internal corporate rules, memorandum and articles of association of the Company;
- That the Managing Director shall following consultative process define the Company's mission and vision statement and shall strive to achieve Management goals by providing leadership to officers and employees; and,
- That the Managing Director shall be aware of the risks and problems facing the Company and, to guard against them, put in place a system for proper conduct of operations.

Decision taken by the Board and Matters Delegated to the Management

The Company has a Corporate Governance Policy in place, which provides guidelines about administration of Board of Directors.

The Board of Directors of the Company meets on quarterly basis as required by the Companies Act 2017. Moreover, the Board meeting can also be convened to approve significant matters such as approval of revenue and capital budget of the Company, to review significant changes in the operations of the Company including plans for expansion, capital and operational restructuring, approval of new policies & procedures and significant amendments to current policies & procedures etc. Due communication is made of all such meetings and their outcome as required by the Securities and Exchange Commission of Pakistan.

Principal Board Committees including Executive Committee, Board Audit Committee and Human Resource and Remuneration Committee are also in place to oversee the operations of the Company.

The Board of Directors systematically designs procedures to ensure sound, transparent and efficient corporate management. The Company makes decisions to conduct business activities in appropriate manner in the light of the size, industry sector and relevant laws and regulations.

The Board has authorized the Chief Executive Officer (CEO) to maximize corporate value in conformity with the law, internal corporate rules, memorandum and articles of association of the Company while considering the overall interest of shareholders. CEO has further been authorized to define the Company's mission / vision statement and ensure the alignment of objectives, from grass root level to the top, with the mission / vision.

The Board regularly evaluates performance of the Company ensuring proper conduct of operations directly and indirectly through Board Committees and the CEO.

Annual Evaluation of the Board, Individual Members, Chief Executive Officer (CEO) and the Chairman

The Board evaluation mechanism recognizes the effectiveness and efficiency of the board in meeting their objectives and to evaluate their performance for providing strategic direction and oversight to the management.

For this purpose, questionnaire has been prepared taking into account the effectiveness, accountability, leadership and strategy formulation by the Board and its committees. Directors are also asked to fill a self-evaluation questionnaire based on the decision taken by the Board member and their contributions in Board meetings.

These questionnaires are circulated across the Board on annual basis and the filled forms are compiled by the Company Secretary ensuring confidentiality.

Director's Orientation and Training

Directors appointed to the Board are given proper orientation regarding the Company information and their roles and responsibilities as Board member. At the EOGM of the Company held on October 4, 2021 two directors Mr. Yohei Shiomoto and Mr. Yukio Hayasawa retired and were replaced by Mr. Asghar Abbas, with effect from October 5, 2021. The directors wish to place on record their appreciation of the support and valuable services rendered by the resigning directors. The directors also welcome the newly elected Mr. Asghar Abbas to the board.

All Directors have either attended the Directors' Training Program or have minimum of 14 years of education and 15 years of experience on the Board of listed companies and therefore are exempt from the Directors' Training Program.

Female Director

Diversity & inclusion has been a core part of Company's corporate objective. Our commitment to the same is reflected by our well-timed compliance to the gender diversity goals for the composition of the Board of Directors as defined by Company laws. The Board of Tri-Pack Films Limited has acquired the services of Ms. Nermeen Towfiq Chinoy as an independent director.

She is not only a member of the BOD but has also been appointed as the chairperson of the BAC during the year 2021.

Remuneration Policy of Directors including Non-Executive and Independent Directors

Tri-Pack Films Limited has implemented a policy purpose of which is to have a transparent procedure for fixing the remuneration packages of individual directors for attending meetings of the board and its committees.

- a. The remuneration of the Directors for attending meetings of the Board or Committees of Directors shall from time to time be determined by the Board.

- b. Nominee directors of Packages from other group companies and Mitsubishi Corporation, Japan shall not be entitled to receive board/committee meeting fees.
- c. If a director is resident out of the place at which any board meeting is held, and who shall come to that place for the purpose of attending board/committee meetings, the director shall be entitled to be reimbursed at actual.

Executive Director serving as Non-Executive Director

Currently, no individual is serving as an Executive Director on the Board of Tri-Pack Films Limited. Chief Executive Officer (deemed director), is also not serving as non-executive director in other companies.

Governance Practices Exceeding Legal Requirements

Tri-Pack Films Limited has always believed in going the extra mile when it comes to corporate governance. In line with this strategy, not only have we complied with all mandatory legal compliances under the Code of Corporate Governance, the Companies Act, 2017 and other applicable rules, regulations and standards, but we have also carried out the following activities in addition to the legal requirements;

1. Other information: The management reports various other essential information in this annual report which is not required by law.
2. Implementation of SHE: The Company has developed and implemented aggressive SHE strategies at its Plants to ensure maximum safety of its people and equipment.
3. Adopting BCR Criteria: The Company prepares its annual report in line with BCR criteria, reflecting on our stance to be transparent in all dealings, disclosing maximum quality information to our shareholders.
4. Integrated reporting: The management tries to ensure that integrated reporting framework is followed for the preparation of the Annual Report.

Gender Diversity Policy

This Policy aims to set out the parameters to maintain a gender balanced Board of Directors.

Board diversity is an essential measure of good governance, be it ethnicity, age or gender. It is a critical attribute of a well-functioning board and contributes to the sustainable development of the Company. To enhance the decision-making capability, a diverse board is more effective in dealing with organizational changes and ensures that the decisions made by the Board have been considered from all points of view.

To achieve its gender diversity aspirations, the Company shall:

- I. Ensure that the Board's composition considers the right balance of skills, experience, knowledge, perspectives and particularly 'gender' in alignment with the strategic needs of the Company.
- II. Foster a culture that promotes and values diversity among staff at all levels.
- III. Integrate gender and diversity objectives in line with this Policy in its strategic plan.
- IV. Review the gender pay gap analysis within the Company, its retention and development of skills of the female employees, provision of a conducive work environment including: Daycare facilities, better maternity leaves, anti-harassment and speak up policies and forums, with a specialized committee overseeing harassment complaints.
- V. Set concrete targets and review its implementation progress annually.
- VI. Ensure that diversity objectives are a part of Key Performance Indicators (KPIs) of Senior Management.
- VII. Encourage the female members who hold management positions to move into senior management or executive level positions and take up additional responsibilities based on their performance. This will help reinforce the Company's culture and public image of diversity and inclusion, thus allowing Company to retain and cultivate their best talent at all levels.

Inclusion

We focus on creating an inclusive, and equitable environment in which our employees feel secure, supported, and respected with a feeling of sense of belonging to prevail. We embed equity and inclusion into the Company processes including recruitment, retention, and sponsorship advancement.

We strive to broaden our horizons with respect to D&I at the workplace. It remains our key priority, focusing on gender equity and inclusivity of Trans-Genders and Differently-Abled individuals. Our aim is not only equal representation but to empower (UN Women Empowerment Principles), Break Stereotypes, Sensitize our People & Fight Biasness.

In our most recent initiative, we joined hands with M/S Akhuwat to provide employment to trans-people and M/S NOWPDP to provide employment to differently-abled people at TPFL (SDG 04: Gender Equality, SDG 10: Reduced Inequality)

This successful collaboration led to the onboarding of 01 individual from the trans community and 04 individuals from differently-abled communities at Tri-Pack Films Limited.

Our success keeps us motivated to strive and do our part to support and develop them.

Related Party

As required under Fourth Schedule to the Companies Act, 2017, detailed disclosures regarding related party transactions have been presented in note 37 to the financial statements presented afterwards in this annual report. Such disclosure is in line with the requirements of the Fourth Schedule to the Companies Act, 2017 and applicable International Financial Reporting Standards.

Name of related party with whom Company had entered into a transaction in year 2021 along with basis of relationship and aggregate % of shareholding has been taken into account in note 37 of the annexed financial statements.

The Company has an approved related party policy which is covered further in the annual report.

Detail of Board Meetings Held Outside Pakistan

The Company conducted 6 Board meeting during the year, all of which were held in Pakistan.

All the meetings were held virtually and attended by directors via video conference facility.

Investor Relations & Communications Policy

Purpose & General Principles

- This Investor Relations and Communication Policy and Guidelines describes the principles and practices that the Company applies in order to provide current and prospective investors with information necessary to make well informed investment decisions and to ensure a level playing field.
- In the course of its Investor Relations and Communication activities, the Company will comply with all applicable securities laws and regulations.
- All material information is disclosed to the Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange.
- Unpublished material is not selectively disclosed.

Communication Guidelines

- The Company endeavor to provide clear, fair and balanced disclosure of pertinent information to its shareholders and the investment community in a timely and effective manner.
- To the extent possible, all disclosures will:
 - (a) be factual and clear;
 - (b) contain sufficient quantitative information to allow investors to evaluate its relative importance to the activities of the Company;
 - (c) be balanced and fair;

- (d) avoid over-technical language; and
- (e) explain the consequences or effects of the information on the Company's future prospects.

Authorized Spokesperson

- The Company communicates only through designated senior spokespersons determined by the CEO who will establish and maintain regular dialogues with shareholders to solicit and understand their views, as well as respond to inquiries from members of the investment community or media.
- Employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community or media, unless specifically authorized by designated senior spokespersons.

Details of authorized personnel handling shareholders' grievances' are mentioned on the Company's website as per below mentioned link and in the Notice to Annual General Meeting on page no. 226:

<https://www.tripack.com.pk/share-holder-information/>

Safety of Company's Records

The company maintains due records of its financial transactions, business activities and other data. All information is stored in the physical form as well as uploaded on the Company's ERP for its safe keeping (Wherever applicable). The Company aims to ensure that all the records are maintained as per the regulations prescribed in The Company's Act 2017 and Income Tax Ordinance.

Further the Company has initiated a Digitization drive whereby all the records held in physical form such as files and folders are scanned and stored in a secured software accessible to those authorized for reuse and reference.

Business Continuity/ Disaster Management Plan

The Board of Tri-Pack Films Limited has approved a business continuity plan designed for smooth continuity, restoration and recovery of business operations in the event of an emergency. A team has been established to

ensure the timely and smooth implementation of business continuity plan, along with roles and responsibilities of the support function. Steps has been clearly identified to be carried while executing the business continuity plan and proper training has been provided to the teams and support functions. Further, the BCP site has been established from where the team shall operations in case of any disaster. The plan is regularly reviewed by the Executive Management Team along with the risk register.

Beneficial Ownership

Details in relation to beneficial ownership and any change there in can be found in note 1, 12 and 37 to the annexed financial statements. The structure within the group and relationships with group companies can be found on page 18 of the report.

Presence of The Chairman of The Audit Committee At The AGM

Mr. Asif Qadir, Chairman Audit Committee (at that time) was present at the 29th Annual General Meeting of Tri pack Films Limited dated April 14, 2021 to answer questions on the Audit Committee's Activities and matters within the scope of the Audit Committee's responsibilities.

External Oversight

The Company's internal audit function is being looked after by the Head of Internal Audit in compliance with the Code of Corporate Governance, who is assisted by M/s EY Ford Rhodes. The Head of Internal Audit, who has the required qualifications as prescribed under the Regulations, reports directly to the Chairperson of the Board Audit Committee.

The Board Audit Committee has ensured safeguarding of the assets of the Company as well as shareholder's wealth through effective operational and compliance controls and risk management.

Policies and procedures are in place for all the areas of the organization whether it be sales, finance, production etc. These policies are strictly followed. Further, these are also regularly reviewed and updated for changes.

Information Technology Policy

Purpose

The purpose of this policy is to promote active, effective use of IT while ensuring appropriate controls of the associated risks and the installation of safe, secure IT infrastructure at a reasonable cost.

Policy

IT strategy and planning

To ensure strategic, systematic implementation of IT investment, an IT strategy and plan should be drawn up based on the Company's strategy and business policies. Standards shall be established on utilization and installation of IT facilities, and the state of installation should be monitored in order to verify regularly that installation is conducted in accordance with the standards.

IT investment and process Management

- Internal corporate rules or procedures on IT investment should be established, and the investments should be decided and evaluated on that basis; and,
- Development, modification, and Management of systems should be conducted in accordance with the prescribed procedures.

Information Security

All information relating to business operations should be treated as information assets subject to information security. An information security policy tailored to the nature of the information should be established and the information assets properly managed on that basis.

Management of information assets

All protected information assets should be categorized, and after analysis of the related risks, appropriate Management methods should be established and the officers and employees thoroughly familiarized with them.

Procedures in case of accidents

Procedures to be followed in case of accidents should be established in advance and officers and employees thoroughly familiarized with them.

Conflict of Interest Policy

Tri-Pack Films Limited expects all employees to be free from actual or potential conflicts of interest.

A conflict of interest occurs whenever the prospect of direct or indirect personal gain may influence or appear to influence an employee judgment or actions while conducting the business in which employee has a prime responsibility towards the Company and is expected to avoid activities or transactions that clash directly with the interest of the Company. Such situations could arise in a number of ways.

Some of the specifically forbidden situations are outlined below. This list is, however, neither exhaustive nor all inclusive. In case of doubt, the advice of the management should be sought.

Some of the specifically forbidden situations are outlined below. This list is, however, neither exhaustive nor all inclusive. In case of doubt, the advice of the management should be sought.

- Any employee or any dependent member of his/her family (for the purpose of this code family includes parents, spouse, children and siblings in a position to influence) having an interest in any organization supplying goods or services to the Company.

- Any employee conducting personal business activities on the company premises or using company facilities for such purposes.
- Gaining personally from, performing any work for, or serving as a consultant, advisor, employee, or director of any competitor, supplier, or customer.
- Using Company equipment, assets, or time to engage in non-Company activities, unless expressly authorized in writing by the CEO.
- Engaging in any financial transaction with or possessing or controlling any financial interest in any competitor, customer, or supplier, whose securities are publicly traded on a stock exchange.
- Family Members can work in Tri-Pack Films Limited, provided they are not working in the same unit or in any capacity where one position might be able to influence the other one. If the employee's family member has applied for a position at Tri-Pack Films Limited, then the employee will not be allowed to participate in the selection or recruitment of that position.

In case a family relationship develops within the organization or within a Group company after employment, then the employee will be required to inform Human Resource (HR) in writing immediately.

- Accepting compensation or anything of material value (equivalent to Rs. 5000 or above) from third parties that have or propose to have a business relationship with the Company.

Reporting Conflicts:

Any actual or potential conflict of interest has to be reported in writing to the HR and Internal Audit Heads.





Whistle Blowing Policy

Purpose

The purpose of this document is to provide guidelines to establish an objective and impartial process for prevention, detection and remedial measures of unethical behavior, corruption and fraudulent activities that may cause damage to the company's assets or reputation. This would ensure a safe, ethical and productive working environment free from any prejudice, harassment, fraud or other malpractices.

POLICY STATEMENT, OBJECTIVE & SCOPE

Policy Statement

All the complaints received through whistle blowing channel would be investigated in a fair and transparent manner. The company has zero tolerance policy against issues relating to non-compliance to the company's code of conduct including corruption, bribery, misappropriation, violation of rules and regulation etc. and strict action would be taken against those convicted in such cases including termination of employment or business relationship.

Objective & Scope

1. The objective of this document is to ensure that the Code of Conduct is upheld through transparent and fair process. Employees are encouraged to question, discuss, and share information regarding any suspected irregularities or non-compliance with the Code of Conduct.
2. The types of issues which may be reported includes but are not limited to:
 - Breach of the code of conduct;
 - Corruption;
 - Harassment;
 - Misappropriation of financial data/reports;
 - Misuse of company's assets;
 - Violation of applicable laws & regulations;
 - Action raising safety, security, and environmental concerns;
 - Damage to Tri-Pack's reputation or business; and Discrimination against a person on the basis of his/her race, sex, identity, age, nationality, ancestry, religion, physical/ mental disability or marital status.

3. This policy and related procedures are applicable to all employees, contractors and other stakeholders of the company to encourage them to raise their concerns rather than overlooking them.
4. Raising concerns does not mean disloyalty to colleagues, subordinates or supervisors; rather it is a valuable contribution towards the colleagues and the company which would prevent inequality, harassment or a harmful trend of dishonesty, unlawful or unethical conduct.
5. An employee will assume full responsibility for accusation placed against a person for any act of discrimination, harassment, breach of the Code of Conduct or unethical business practices. Any wrongful accusation may also call for a disciplinary action.
6. Whistle blowing process has been devised to:
 - Encourage people to raise their concerns and feel confident in questioning and acting upon the Code of Conduct;
 - Provide channels to raise concerns in confidence and receive feedback on any action taken;
 - Ensure that response is provided against concerns; and
 - Assure complainants that their identity would be kept strictly confidential and protected from possible reprisals.
7. HR Department shall take measures for dissemination of the policy to create awareness among the people and encourage them to raise concerns through this procedure.

REPORTING PROCEDURE

1. Any person who believes that he/ she has been a victim of discrimination, harassment, or becomes aware of any activity which breaches the Code of Conduct or law should immediately report the issue under this policy. Confidentiality of all complaints would

be ensured and appropriate remedial action would be taken after thorough verification/ investigation of underlying facts and details.

2. For communication of complaints following modes should be used:

Email to: "whistle@tripack.com.pk" OR
Send mail to: Head of Internal Audit
Shahrah-e-Roomi. P.O. Amer Sidhu Lahore - 54760
Packages Limited Lahore, Pakistan

All complaints would be communicated to the Chairman of Board Audit Committee and Head of Internal Audit through mail forwarding facility.

3. If it is determined that the allegations constitute an act of harassment, breach of the Code of Conduct or law or constitutes unethical business practices; the allegations would be investigated by the Head of Internal Audit by forming an investigation team. Investigation of complaints would be conducted with high level of objectivity, impartiality and fairness.

NON-RETALIATION

1. No hardship, loss, or penalty may be imposed on an employee in response to:
 - Filing or responding to a bonafide complaint.

- Appearing as a witness in the investigation of a complaint.

- Serving as an investigator of a complaint.

2. Retaliation or attempted retaliation in response to lodging a complaint or invoking the complaint process is a violation of this policy. Any person who is found to have violated this aspect of the policy will be subject to sanctions up to and including termination of employment/ business relationship.

MANAGEMENT & REPORTING OF COMPLAINTS

1. Internal Audit Department is responsible for handling all complaints under this policy. A summary of all complaints received as well as the status of the investigation and outcome would be provided to the Board Audit Committee on a quarterly basis by Head of Internal Audit.
2. The Audit Committee has exclusive power to close, direct further investigation or declare an ongoing investigation as dormant.

MODIFICATION

Any changes in this document in whole or in part will be approved by the Board of Directors upon recommendation of the Board Audit Committee.



Human Resource Policy

Purpose

The purpose of this policy is to provide guidance pertaining to human resource administration by facilitating the development of a sound employment and working environment and strengthening the human resource of the Company.

Policy

Personnel shall be hired by the best means available on the basis of a recruitment policy (setting out the number of people to be recruited, the type of people required, etc.) and in accordance with the laws and practices of the country and the conditions of labor market, without distinction of gender, race or any other factor unrelated to the candidate's ability to perform the job. Appointment, retirement and termination of the Chief Executive Officer, Chief Financial Officer, Company Secretary, and Internal Auditor shall be approved by Board of Directors and through its Remuneration Committee shall fix the remuneration of the Chief Executive Officer and his/her direct reportees.

It is the responsibility of the Chief Executive Officer to ensure that Tri-Pack is properly resourced and is capable of sustaining existing operations and meeting strategic business needs. He shall do so by:

- Identifying and developing talent pool;
- Succession planning for all key senior positions, in particular, his direct reportees; and,
- Maintaining, development, careers and succession planning and remuneration in consultation with his executive team in line with better market practices and facilitated by the Head of Human Resource.

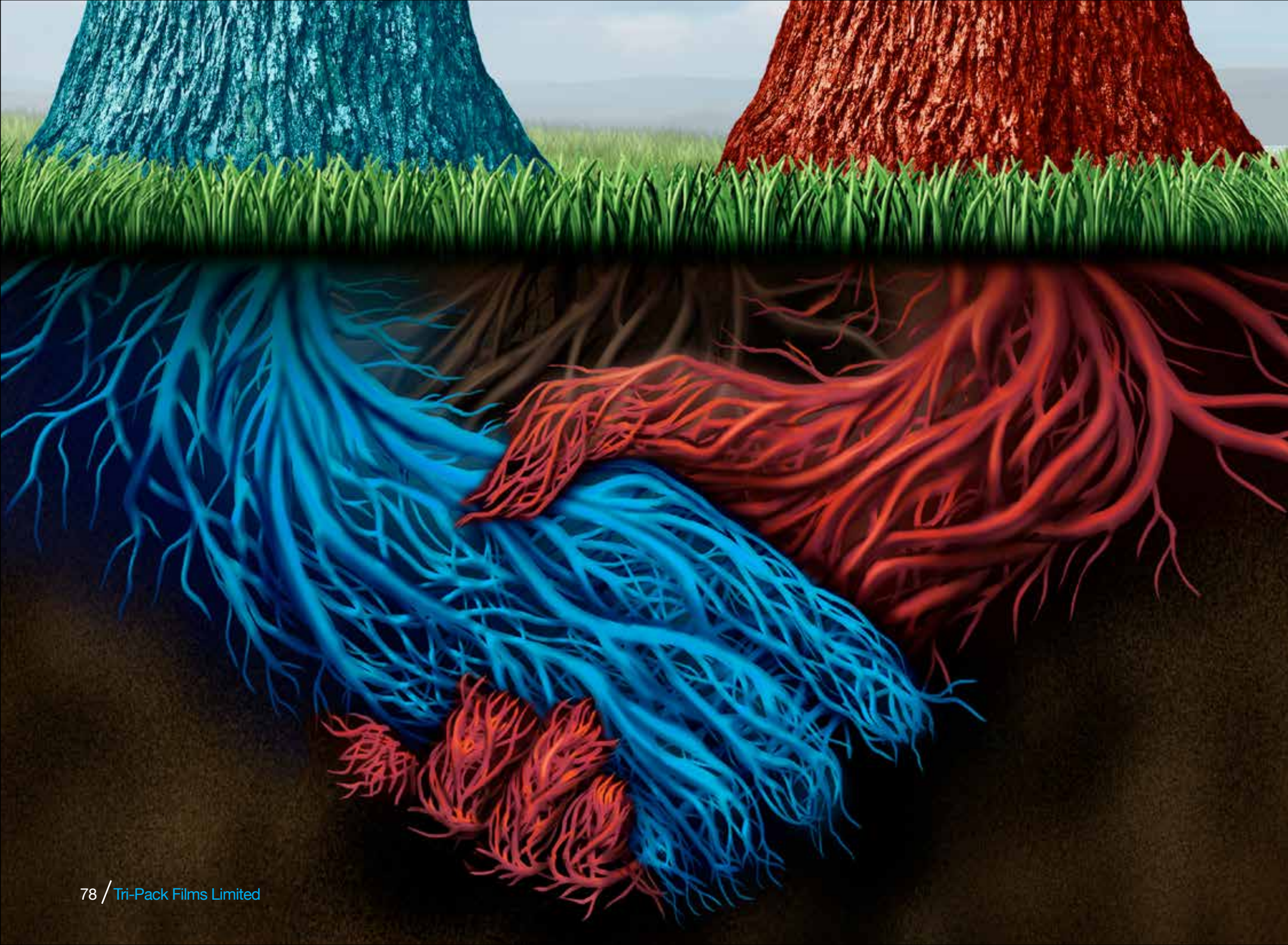
Human Resource Values

Employees are the most valuable asset and a source of competitive advantage for Tri-Pack. Policies and procedures have been formulated to retain professionally competent and motivated employees. Tri-pack believes in respect for individuals, equal opportunities and advancement based on merit, effective communications and the development of a business culture and organization which values and encourages continuous improvement at all levels. Tri-pack gives particular importance to:

- Providing safe, secure and healthy working environment;
- Ensuring that employees are not discriminated on any grounds other than effective job performance;
- Employee evaluation are based on their performance and rewarded accordingly;
- Ensuring that employees are properly equipped and trained to deliver better performance;
- Effective and open communication so that employees may display initiative and innovation in their work;
- Promoting environment free from any fear to exploit the best potential;
- Encouraging curiosity to ask questions;
- Proper segregation of function and duties to avoid concentration of information, power and authority;
- Ensuring gender diversity;
- Sharing of information on need to know basis; and,
- Ensuring that entitlement and benefits as far possible should be clearly specified to avoid element of discretion.

In order to achieve the above mentioned values, good practices are to be adopted in the following areas:

- Employees recruitment and orientation;
- Assessment of training and development needs;
- Performance management review;
- Succession planning;
- Job profile / description;
- Recognition and reward;
- Long term benefits;
- Code of Conduct; and,
- Performance based culture.



Insider Trading Policy

Introduction

The purpose of this Insider Trading Policy (the “Policy”) is to promote compliance with applicable securities laws by the Company and all directors, officers and employees thereof, in order to preserve the reputation and integrity of the Company as well as that of all persons associated with it.

In case there is any conflict in the provisions of this Policy and any other Rules of the Company, then this Policy shall prevail.

Applicability / Scope

The Policy is applicable to all directors, officers and employees of the Company. This Policy also applies to material, unpublished price sensitive information relating to any other company with publicly-traded securities, including the Company’s customers or suppliers, obtained in the course of employment by or association with the Company.

Policy

If a director, officer or any employee of the Company or any agent or advisor of the Company, its subsidiaries and affiliates has material, unpublished price sensitive information relating to the Company, it is the Company’s policy that neither that person nor any Connected Person (as defined below) may buy or sell securities of the Company (the “Company Securities”) or engage in any other action to take advantage of, or pass on to others, that information.

Trading in Other Securities

No director, officer or employee may place purchase or sell orders or recommend that another person place a purchase or sell order in the securities of another company if the person learns of material, unpublished information about the other company in the course of his/her employment with the Company.

Directors, officers and employees, and their Connected Persons may not trade Company Securities or sell Company Securities “short.” In

addition, directors, officers and employees, and their Related Persons may not hold Company Securities in margin accounts.

Prohibition on Trading During Closed Period

As per Clause 5.6.4 of Pakistan Stock Exchange Regulations, no Director, CEO or executive shall, directly or indirectly, deal in the securities of the Company in any manner during the closed period.

The closed period shall start from the day when any document/ statement, which forms the basis of price sensitive information, is sent to the Board of Directors and terminates after the information is made public. It is expected that such a restriction would help minimize the risk of insider trading by key management/directors or employees of the Company.

Reporting

All trades in Company’s shares by all Directors, CEO or Employees, or their spouses, of the Company shall be immediately notified in writing to the Company Secretary. This is to be followed by a written record of the price, number of shares, form of share certificates, (i.e., whether physical or electronic within the Central Depository System), and nature of transaction along with supporting invoice from broker to the Company Secretary within two days of effecting the transaction.

The Company Secretary shall immediately forward all trade in shares, as notified above, to the Exchange for its dissemination to all concerned and shall also place before the Board of Directors at their meeting immediately subsequent to such transactions as required by Clause 5.6.1 (a) of the Pakistan Stock Exchange Regulations.

Consequences for violation of this Policy / Guidelines

Employees who violate this Policy/Guidelines shall be subject to disciplinary action by the Company and the employee may be subject to dismissal.

Related Party Policy

Purpose

The purpose of this policy is to ensure the timely approval of related party transactions that are conducted in the normal course of business and to define the minimum parameters that should be kept into consideration before executing such related party transactions. This policy is defined to govern the approval process to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions as amended from time to time.

Scope

This policy applies to all the transactions executed by the company in the normal course of its business with its related parties as defined in section 208 of the Companies Act, 2017. These transactions may include:

- sale, purchase or supply of any goods or materials;
- selling or otherwise disposing of, or buying, property of any kind;
- leasing of property of any kind;
- availing or rendering of any services;
- appointment of any agent for purchase or sale of goods, materials, services or property; and
- such related party appointment to any office or place of profit in the company, its subsidiary company or associated company.

Related Parties

Related parties include all the persons or parties that are related to the company. As defined in section 208 of the Companies Act, 2017 related party includes:

- a) a director or his relative;
- b) a key managerial personnel or his relative;
- c) a firm, in which a director, manager or his relative is a partner;
- d) a private company in which a director or manager is a member or director;
- e) a public company in which a director or manager is a director or holds along with his relatives, any shares of its paid-up share capital;

- f) anybody corporate whose chief executive or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- g) any person on whose advice, directions or instructions a director or manager is accustomed to act:
Provided that nothing in sub-clauses (f) and (g) shall apply to the advice, directions or instructions given in a professional capacity;
- h) any company which is
 - a. a holding, subsidiary or an associated company of such company; or
 - b. a subsidiary of a holding company to which it is also a subsidiary;
- i) such other person as may be specified;

Potential Risks

The related party transactions are a common feature of business but they may give rise to specific risks depending upon the nature of relationships. The major risks associated with these transactions are listed below:

- related parties may operate through an extensive and complex range of relationships and structures, with a corresponding increase in the complexity of related party transactions;
- information systems may be ineffective at identifying or summarizing transactions and outstanding balances between an entity and its related parties;
- related party transactions may not be conducted under normal market terms and conditions;
- related party transactions executed by the company may be non-complied with the relevant laws and regulations as amended from time to time;
- related party transactions may be motivated solely or by and large to engage in fraudulent financial reporting or conceal misappropriation of assets.

Mitigating Controls

The following mitigating controls are in place to mitigate the potential risks:

- All related parties are identified by the Company Secretarial and Finance departments and an updated list is being maintained.
- Balances and other transactions with the related parties are reported and disclosed separately in the financial statements of the company.
- All the related party transactions are being approved by the board of directors.
- Transactions with related parties are captured in separate ledgers and reported along with the mode of cost determination to BOD for approval.

Pricing Policy

Company executes all the transactions with its related parties at arm's length. The term arm's length transactions mean any transaction carried out in a way, as if:

- The parties to the transaction were unrelated in any way;
- The parties were free from any undue influence, control or pressure;
- Through its relevant decision-makers, each party was sufficiently knowledgeable about the circumstances of the transaction, sufficiently experienced in business and sufficiently well advised to be able to form a sound judgement as to what was in its interests; and
- Each party was concerned only to achieve the best available commercial result for itself in all the circumstances.

Approval of Related Party Transactions

The board shall approve all related party transactions and the following minimum information shall be circulated and disclosed to the directors along with agenda item for board's meeting called for approval of related party transaction:

- Name of the related party;
- Names of the interested or concerned persons or directors;
- Nature of relationship, interest or concern along with complete information of financial or other interest or concern of directors, managers or key managerial personnel in the related party;

- Detail, description, terms and conditions of transactions;
- Amount of transactions;
- Timeframe or duration of the transactions or contracts or arrangements;
- Pricing policy;
- Recommendations to the audit committee, where applicable; and
- Any other relevant and material information that is necessary for the board to make a well-informed decision regarding the approval of related party transactions.

Responsibility of Board

The board of directors shall ensure:

- To educate and train directors and relevant employees so that they can identify and report the related party transactions to the board or other authorized persons;
- To provide direction as to whom a director or employee can consult should they be uncertain if a transaction is a related party transaction;
- For setting general criteria to approve transactions or agreement with related parties at various levels;
- For identifying and determining whether a related party transaction requires members' approval
- To ensure that any related party transactions that require board's approval are put before the board;
- To ensure that any related party transactions that require members' approval are put before members;
- To fix the responsibility for identification and disclosure of related party transactions; and
- To ensure the company meets its legal and regulatory obligations in relation to related party transactions.

Records to be maintained

The company shall maintain a register containing the information of transactions carried out with the related parties. The register shall contain the information that is required to be maintained as per the relevant provisions of law.

week

SOCIAL MEDIA





Social Media Policy

I. **Applicability**

This policy supplements the Packages Group Code of Conduct and other policies and standards issued by the Company/Packages Group (collectively referred to as the “Packages Group”) from time to time and applies to all employees and staff of all companies falling within the Packages Group (collectively referred to as “Employees”).

Social Media Policy

This Policy shall also apply to all business partners, consultants, agents, suppliers, vendors, financial advisors, affiliates, sales representatives, independent contractors, contract workers and third-party service providers of the Packages Group (collectively referred to as “Group Representatives”) when they act on behalf of or represent the Packages Group or any company falling within the Packages Group.

Failure to comply with this Policy may result in disciplinary action, up to and including termination.

II. Scope of the Policy

The policy provides guidance for the use of social media by Employees and Group Representatives and it is expected that that this Policy is adhered to by all Employees and Group Representatives. The term “social media” is broadly understood to include, but not limited to, social networking sites, blogs, message boards, electronic newsletters, online forums, and other sites and services that permit users to share information with others over the internet.

For the purposes of this Policy, “Confidential information” shall mean any data or information, that is valuable to the Company and not generally known to the public or to competitors of the Company including but not limited to financial information, know-how, data, trade secrets, price sensitive information, pricing strategies, sales trends, marketing strategies and plans, business plans, forecasts, customers lists and details of contracts with customers, legal issues, future promotional activities, personal information of customers and Employees and Group Representatives, information which the Packages Group or any company falling within the Packages Group is under an obligation to third parties to maintain as confidential or any other information relating to the Packages Group and any company falling within the Packages Group.

III. Policy Guidelines

The following guidelines apply to the use of social media on behalf of the Packages Group or any company falling within the Packages Group as well as personal use of social media by Employees and Group Representatives when referring to the Packages Group or any company falling within the Packages Group:

- The vision of the Packages Group to achieve sustainable growth is guided by the following core values and it is expected that all Employees and Group Representatives are also committed to such values.

Care - Fairness and consideration are integral

Respect - Treat people with respect and dignity

Lead - We aspire to lead in everything we do

Honesty - Truthfulness, integrity, transparency and trust

Courage - We stand up for what we believe in

- Employees and Group Representatives need to know, understand and adhere to the Packages Group Code of Conduct and other Packages Group policies and applicable laws, rules and regulations when using social media in reference to the Packages Group or any company falling within the Packages Group.
- In all aspects of usage and management of Confidential Information, all Employees and Group Representatives must adhere to the basic principles of confidentiality, integrity and high ethical standards.
- Do not let social media influence and/or interfere with your responsibilities and performance in your role within the Packages Group or any company falling within the Packages Group.
- Employees and Group Representatives should exercise sound judgment [and common sense] when posting content that is either unethical, inappropriate or harmful to the Packages Group or any company falling within the Packages Group or its reputation, brand image, customers, Employees and Group Representatives.
- Employees and Group Representatives should be mindful of the consequences their actions may have on the reputation of the Packages Group or any company falling within the Packages Group whether directly or indirectly.
- An Employee or Group Representative who has posted any content online that is capable of tarnishing the reputation and image of the Packages Group or any company falling within the Packages Group, shall be solely responsible and held liable for such content.

- Employees and Group Representatives should be aware that Packages Group or any company falling within the Packages Group may observe and follow the content published or posted by Employees and Group Representatives on social media relating to the Group.
- Prohibited social media conduct is that which can create a hostile work environment and includes but is not limited to posting commentary, content, or images that are defamatory, harassment, libelous, offensive, abusive, derogatory, discriminatory, false and misleading, illegal, unethical.
- Employees and Group Representatives shall not publish, post or release any information that is considered as Confidential Information or not public.
- If you as an Employee or Group Representative are expressing your personal opinion, do not represent yourself as a spokesperson for, or on behalf of, Packages Group or any company falling within the Packages Group. If you do publish any content online related to the work that you do or the Packages Group or any company falling within the Packages Group, clearly specify the fact that you are not speaking on behalf of the Packages Group and/or any company falling within the Packages Group; and that your views do not represent those of the Packages Group Packages Group or any company falling within the Packages Group, fellow associates, members, customers, suppliers or people working on behalf of the Packages Group or any company falling within the Packages Group.

Further Guidelines for posting on the social media pages of the Packages Group or any company falling within the Packages Group.

- In addition to the foregoing, Employees or Group Representatives or any other persons participating in social media activities on behalf of the Packages Group or any company falling within the Packages Group, on the social media pages, or any other online platform, of the Packages Group or any company falling within the Packages Group, should remember that:
 - Always get appropriate permission before referring to or posting any content relating to current or former employees, clients,

customers, business partners, consultants, agents, suppliers, vendors, financial advisors, affiliates, sales representatives, independent contractors, contract workers and third-party service providers.

- Do not publish Confidential Information or other proprietary information and never violate another's rights including but not limited to intellectual property rights.
- Appropriate permission must be attained from the right-holder prior to using any copyright, copyrighted material, trademarks, publicity rights or other intellectual property.
- Give credit where credit is due – if you are using another party's content or quoting them, ensure that they are given due credit for it in your post.
- Keep your personal social media accounts separate from social media accounts of the Packages Group or any company falling within the Packages Group.
- Any material created for and posted on the social media pages of the Packages Group or any company falling within the Packages Group will remain the property of the Packages Group or any company falling within the Packages Group, as the case may be.
- The Packages Group or any company falling within the Packages Group, reserves the right at all times and at its discretion to remove, or direct the Employee or Group Representative or the social media platform to remove, any damaging or hateful content.

Please think before you post. Remember that online content is permanent and can be viewed globally. When in doubt, refrain from posting any online content. If there is any uncertainty when posting on behalf of the Packages Group or any company falling within the Packages Group, always reach out to the Human Resource Department of the Packages Group or any company falling within the Packages Group.



Sustainability Policy

Scope and Philosophy

This Policy applies to all employees and third parties who undertake activity for and on behalf of Packages Limited. It applies to all goods and services we procure, our direct operations and services we provide to our customers. At Packages Group we are committed to creating a sustainable society, managing our operations in a way that covers the social, environmental, and economic objectives throughout the value chain, with human rights integrated into all that we do. We are guided by our Core Values – Lead, Care, Respect, Honesty and Courage.

Our Sustainability Agenda is based on the Triple Bottom Line approach of People, Planet and Prosperity, supporting the UN Global Compact on human rights, labor, environment and anti-corruption aiming to follow and promote good sustainability practices where we have influence.

All business activities are carried out under this philosophy and aspire for sustainable results for stakeholders' benefits and acceptance. To do this, sustainability considerations are woven throughout a suite of interdependent policies and procedures, which are implemented collectively to deliver the objectives of our Sustainability Policy.

We are committed to accountability and transparency in our sustainability performance.

Objectives

- To promote an ethical company culture that goes beyond complying with regulations
- To integrate sustainability into all our business models and decisions
- To ensure employees are fully aware of our Sustainability Policy and are committed and empowered to implementing and improving it
- To minimize the impact of our activities and products on the environment
- To ensure our products and services respond to a growing awareness of sustainability

- To make partners aware of our Sustainability Policy and encourage them to adopt sound sustainable management practices.

To review, annually report, and to continually strive to improve our sustainability performance.

Policy

Packages Group is committed to contributing to a more sustainable society and to continually improve the positive impacts by:

- Complying with and exceeding where practicable, applicable legislations, regulations, codes of practices and ethical standards.
- Ensuring the human rights of everyone under the influence of the organization are provided as per the United Nations Guiding Principles.
- Ensuring a safe and rewarding workplace for all employees, free of discrimination and harassment while aiming to contribute to the vitality of the communities around our operations.
- Utilizing natural resources with care by creating and seeking approaches and methods of optimized consumption, waste reduction and resource efficiency measures.
- Ensuring our systems and procedures prevent pollution, and minimize resource consumption.
- We ensure responsible sourcing of goods and services.

We articulate our shared values, and wherever possible, establish clear metrics and use them to track our sustainability performance.

Compliance

Packages Group as part of its sustainability objectives is committed to communicating these objectives to its suppliers, employees and other stakeholders and to support, promote and conform with this Policy. This Policy and the actions arising from it will be annually reviewed as part of the business strategy.



Work Place Harassment

We believe that it is the right of every employee at Tri-Pack to work in a dignified environment. To achieve this and to promote a harmonized work culture, we will provide equal opportunities for development and growth regardless of gender, race, color, creed or religion.

Tri-Pack will not tolerate any harassment, discrimination or abuse of authority at the workplace. It includes behavior that creates an offensive, intimidating, humiliating or hostile work environment that unreasonably interferes with another person's work performance. All employees are expected to comply with this policy and to take appropriate measures to ensure that prohibited conduct does not occur.

The following examples of harassment are intended to be guidelines and deemed as violation of the Policy:

- a. Discrimination against a person on the basis of his/her race, sex, gender, identity, age, national origin, ancestry, religion, physical/ mental disability or marital status.
- b. Unwelcome and inappropriate propositions or advances.
- c. Singling out or targeting an individual,
- d. Mistreating individuals, creating an intimidating, hostile, demeaning or offensive work environment for an individual.
- e. Offensive language, jokes or comments.
- f. Displays or electronic transmission of derogatory, demeaning or hostile materials

ROLE AND RESPONSIBILITIES

Managers and Supervisors

It is imperative that managers and supervisors set the tone for the enforcement of this policy. Managers and supervisors have a particular obligation to model appropriate behaviour; promote this policy; assist in the informal resolution of complaints and attend to them promptly; monitor the work environment and seek HR help for complex or serious matters.

HR Department

The HR Department is responsible for regulating and monitoring the policy.

Employees

All employees have the responsibility to comply with this policy; report incidents to the Internal Complaints Committee and not to participate in discriminatory or harassing behavior.

PROCEDURE

Any employee who believes that he or she has been a victim of discrimination, harassment, retaliation or misconduct prohibited by this policy should immediately report to Internal Complaints Committee (names mentioned below). The Committee guarantees confidentiality of all complaints and will take appropriate remedial action.

- i. Complaints may be submitted to the Internal Complaints Committee within 15 days of occurrence, by emailing at whistle@tripack.com.pk
- ii. Every complaint shall be investigated and a report will be issued within 15 days of its receipt. However, if there is more than one complaint then the Chairperson of the Committee may exercise his best judgment, based on the sensitivity of the complaints, to prioritize their investigation.
- iii. The HR Department will be the custodian of the 'Speak Out' email and responsible for its effective functioning. They shall have access to the email account designated above.
- iv. If the Complaints Committee determines that the allegations constitute an act of harassment, they will proceed to investigate the allegation with the assistance of the HR Department.
- v. In case the complaint is found to be false, the complainant shall be liable for appropriate disciplinary action imposed by the Competent Authority, the CEO.
- vi. In case a complaint is received against the Internal Complaints Committee, the complaint shall be forwarded to the CEO.
- vii. In case a complaint is against the CEO, it will be forwarded to the Chairman of TPFL and Group Head of Internal Audit.
- viii. The Committee shall complete the investigation in a timely manner and draft a report communicating its findings and its recommendations for action to the CEO. The report of the committee shall be treated as an inquiry report on the basis of which disciplinary action will be taken against the violator.
- ix. The CEO will direct appropriate action in accordance with the recommendation proposed by the Committee.

DISCIPLINARY ACTION

Disciplinary Action will be appropriate to the breach and may include: an official warning and note on the person's personnel file; a formal apology; counselling; demotion, transfer, suspension; or dismissal for very serious matters.

COMPLAINT COMMITTEE

The Chairman and Members of the Committee are as follows:

- Head of Technical, Chairperson
- Group Head of Internal Audit, Member
- Team Lead Learning & Org. Development, Member

RETALIATION

Retaliation or attempted retaliation in response to lodging a complaint or invoking the complaint process is a violation of this policy. Any person who is found to have violated this aspect of the policy will be subject to sanctions up to and including termination of employment.



Social and Environmental Responsibility Policy

Tri-Pack Films Limited's Policy is to

- ensure customer satisfaction by its best quality product made by using state of the art machines and by continuous acquisition of knowledge and skills.
- establish, implement and review objectives & targets to ensure continuous improvement in our SHE System and inculcate Behavior Based concept to encourage employees in contributing towards every aspect of Safety, Health and Environmental protection.
- comply with all regulatory requirements on Safety, Health and Environment. Protect employees and community from health & safety hazards and to prevent environmental pollution.
- promote and adopt eco-friendly sustainable initiatives to minimize adverse impacts on the environment from its activities.
- use raw materials efficiently, manage waste effectively and economically to conserve resources.
- communicate to all stakeholders about our occupational safety, health and environment and quality policy & performance.
- ensure that any new plant, equipment and processes installed will minimize hazards impacting the environment.
- ensure sustainable use of energy and water resources via RO plant.

Role and Responsibilities of the Chairman

- To preside over the Directors' and General Meetings ("Meetings") of the Company;
- To ensure that requirements of the Articles of Association and of the laws and other applicable regulations are appropriately addressed and complied with by the Company in connection with the Meetings, including the Code of Corporate Governance;
- To ensure that the Meetings are duly convened and properly constituted. It is the responsibility of the Chairman to ensure, on the advice of the Company Secretary, that the Meetings are held after due notice has been given and that all those who are present in the Meetings have a right to be there and that the necessary quorum is present;
- To sign the minutes of the last Meetings after such minutes have been prepared, approved as corrected, if required, by the persons attending immediately next Meeting, or earlier if so required or is necessary, and after such minutes have been entered in the minute books;
- To ensure that the business of every Meeting is conducted in the order set down in the previously circulated agenda, subject to the Chairman's right to change this order;
- To ensure, to the extent possible, that order is maintained in the Meetings so that the business of the Meetings may be smoothly conducted. If any members present at a General Meeting behave in a disorderly manner, the Chairman may instruct them to behave properly. If, in spite of due warning, such members continue to behave in a disorderly manner, if any members use un-parliamentary or abusive language, the Chairman may require them to leave the Meeting, or the Chairman may adjourn the Meeting
- To decide whether the resolutions moved at a Meeting, or the amendments suggested in such resolutions are in order and within the scope of the Meeting;
- To ensure, to the extent possible, that no discussion is allowed in a General Meeting except on a specific motion before the Meeting;
- To ensure that the views of the minority shareholders are properly heard at General Meetings;
- To ensure voting by raising of hands, or where demanded, by poll and declare the results of the voting and to declare as to whether a resolution is adopted or passed by a Meeting;
- To ensure that voting at an election of Directors is conducted in accordance with the Articles of Association and the law and to declare the names of the Directors elected;
- The Chairman shall have the authority to decide all incidental questions of procedure which arise and require decision at any time during the Meetings. The Chairman's decisions will be final and so recorded in the minutes' books;
- To exercise in a proper and business-like manner all the powers which are entrusted to the Chairman in the law or the Articles of Association or which are otherwise delegated by the Board to the Chairman;
- In exercising his powers at any Meeting, the Chairman may seek advice of the Company Secretary and/or the Chief Executive and/or any consultants, including the auditors and legal advisors, present in the Meeting.

Role and Responsibilities of the Chief Executive

The Chief Executive/Managing Director is the chief executive of the Company, and subject to the control and supervision/direction of and any limitations imposed by the Board:

- is entrusted with substantially the whole of the power of management of the business and affairs of the Company;
- has full power (other than the powers required to be exercised at meetings of the Board or the powers which are not delegated by the Board to the Chief Executive) to do all acts, matters and things, deemed necessary, proper or expedient for carrying on the business and concerns of the Company;
- is empowered to undertake the engagement and dismissal of managers, officers, engineers, assistants, clerks and labourers;
- is empowered to make and sign all contracts and to draw, sign, accept, endorse and negotiate, on behalf of the Company, all bills of exchange, promissory notes, cheques, drafts and other instruments; and
- is empowered to delegate all or some of his powers to such other directors, managers or other persons as the Chief Executive/Managing Director may think fit and shall have power to grant to any such persons such powers of attorney as he may deem expedient and to revoke any such powers of attorney;
- is responsible to comply with all such directions and instructions as the Board may from time to time issue and to implement and give effect to all such decisions and resolutions as the Board or the Company in General Meeting may from time to time take, pass or adopt; and
- is responsible to ensure that the Company and its officers and employees comply with all applicable laws and regulations, the Articles of Association of the Company, the agreements and documents signed or adhered to by the Company and regulations of the regulatory bodies, such as (without limitations) the listing and other regulations of the Stock Exchanges on which the Company is listed inclusive of the Code of Corporate Governance.

Chairman's Significant Commitments and any Changes Thereto

Syed Baber Ali is serving Tri-Pack Films Limited as the Chairman of the Board. Details of his commitments are mentioned in the Directors' profile.

Shareholders' Information

Registered Office

4th Floor, The Forum, Suite # 416-422, G-20, Block 9,
Khayaban-e-Jami, Clifton, Karachi-75600,
Tel. # 92 21 35831618 / 35831664 / 35833011 / 35874047 - 49
Fax # 92 21 35860251

Shares Registrar

FAMCO Associates (Pvt.) Ltd
8-F, Next to Hotel Faran Nursery,
Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-75400
Tel. # 92 21 34380101-2 Fax # 92 21 34380106

Listing on Stock Exchange

Tri-Pack's equity shares are listed on the Pakistan Stock Exchange.

Stock Code

The trading symbol for dealing in equity shares of Tri-Pack Films Limited at the PSX is 'TRIPF'.

Service Standards

Tri-Pack has always endeavored to provide investors with prompt services. Listed below are various investor services and the maximum time limits set for their execution, subject to receipt of the complete set of required documents:

Transfer of shares
Transmission of shares
Issue of duplicate share certificates
Updating of IBAN
Change of address

Well qualified personnel of Share Registrar have been entrusted with the responsibility of ensuring that services are rendered within the set time limits.

Shares Registrar

The shares registrar of the Company is managed by FAMCO Associates (Pvt.) Limited and serves about 1,674 shareholders. It is managed by a well-experienced team of professionals and is equipped with the necessary infrastructure in terms of computer facilities and comprehensive set of systems and procedures for conducting the registration function.

The Share Registrar has online connectivity with Central Depository Company of Pakistan Limited (CDC). It undertakes activities pertaining to dematerialization of shares, share transfers, transmissions, issue of duplicate/replaced share certificates, change of address and other related matters.

For assistance, shareholders may contact either the Registered Office or the Share Registrar at details appearing below:

Contact Persons

Mr. Ubaid Hussain
Tel. # 92 21 35874049 Fax # 35860251
Email: shares.desk@tripack.com.pk

Mr. Zeeshan Akhtar
Tel. # 92 21 34380101-5 Fax # 92 21 34380106
Email: info.shares@famco.com.pk

For requests received through post

15 days after receipt
15 days after receipt
30 days after receipt
15 working days after receipt
2 days after receipt

Statutory Compliance

During the year, the Company has complied with all applicable provisions, filed all returns/forms and furnished all the relevant and prescribed information.

Dematerialization of Shares

The equity shares of the Company are under the compulsory dematerialization category. As of date 42.53% of the equity shares of the Company have been dematerialized by the shareholders.

Members holding shares in physical form are encouraged to convert their physical shares into Book-Entry-Form (CDC) pursuant to the requirements of Section 72 of the Companies Act, 2017 (the “Act”).

Investors' Grievances

To date none of the investors or shareholders have filed any letter of complaints against any service provided by the Company to its shareholders.

Legal Proceedings

No case has ever been filed by shareholders against the Company for non-receipt of shares/refund.

Web Presence

Updated information regarding the Company can be accessed at its website, www.tripack.com.pk. The website contains the latest financial results of the Company along with its profile, corporate philosophy and major products.

Pattern of Shareholding

The shareholding pattern of the equity share capital of the Company as at December 31, 2021 is as follows:

Shareholding		Number of Shareholders	Total Shares Held
From	To		
1	100	426	15,566
101	500	618	250,933
501	1,000	180	146,681
1,001	5,000	289	703,714
5,001	10,000	56	417,832
10,001	15,000	30	389,179
15,001	20,000	13	224,648
20,001	25,000	10	232,242
25,001	30,000	6	163,878
30,001	35,000	5	169,100
35,001	40,000	1	35,234
40,001	45,000	2	86,079
45,001	50,000	7	338,708
55,001	60,000	1	57,000

Shareholding		Number of Shareholders	Total Shares Held
From	To		
60,001	65,000	3	186,986
65,001	70,000	1	65,959
70,001	75,000	2	143,527
75,001	80,000	1	76,711
95,001	100,000	1	98,540
100,001	105,000	2	207,646
110,001	115,000	1	111,600
115,001	120,000	1	116,559
120,001	125,000	1	122,400
140,001	145,000	2	283,936
145,001	150,000	1	146,015
150,001	155,000	1	155,000
170,001	175,000	1	172,165
175,001	180,000	1	177,186
240,001	245,000	1	242,868
265,001	270,000	1	269,297
320,001	325,000	1	320,924
405,001	410,000	1	409,076
420,001	425,000	1	421,228
535,001	540,000	1	536,975
680,001	685,000	1	682,260
3,750,001	3,755,000	1	3,750,417
6,435,001	6,440,000	1	6,435,868
7,495,001	7,500,000	1	7,500,000
12,935,001	12,940,000	1	12,936,063
		1,674	38,800,000

Key shareholding

Shareholders' Category	Number of Shareholders	Total Shares Held
i. Directors and their spouse(s) and minor children		
SYED BABAR ALI	1	536,975
SYED HYDER ALI	2	337,324
NERMEEN TOWFIQ CHINOY	1	1,000
ASIF QADIR	1	100
SAQUIB HUSSAIN SHIRAZI	1	100
Total:	6	875,499
ii. Associated Companies, Undertakings and Related Parties		
M/S. MITSUBISHI CORP. – JAPAN	1	7,500,000
M/S. PACKAGES LIMITED	2	19,371,931
M/S. BABAR ALI FOUNDATION	2	253,897
IGI INVESTMENTS (PVT.) LIMITED	1	3,750,417
Total:	6	30,876,245
iii. Executives		
Total:	NIL	NIL
iv. Shareholders holding 5% / 10% or more voting rights		
M/S. MITSUBISHI CORP. – JAPAN	1	7,500,000
M/S. PACKAGES LIMITED	2	19,371,931
Total:	3	26,871,931

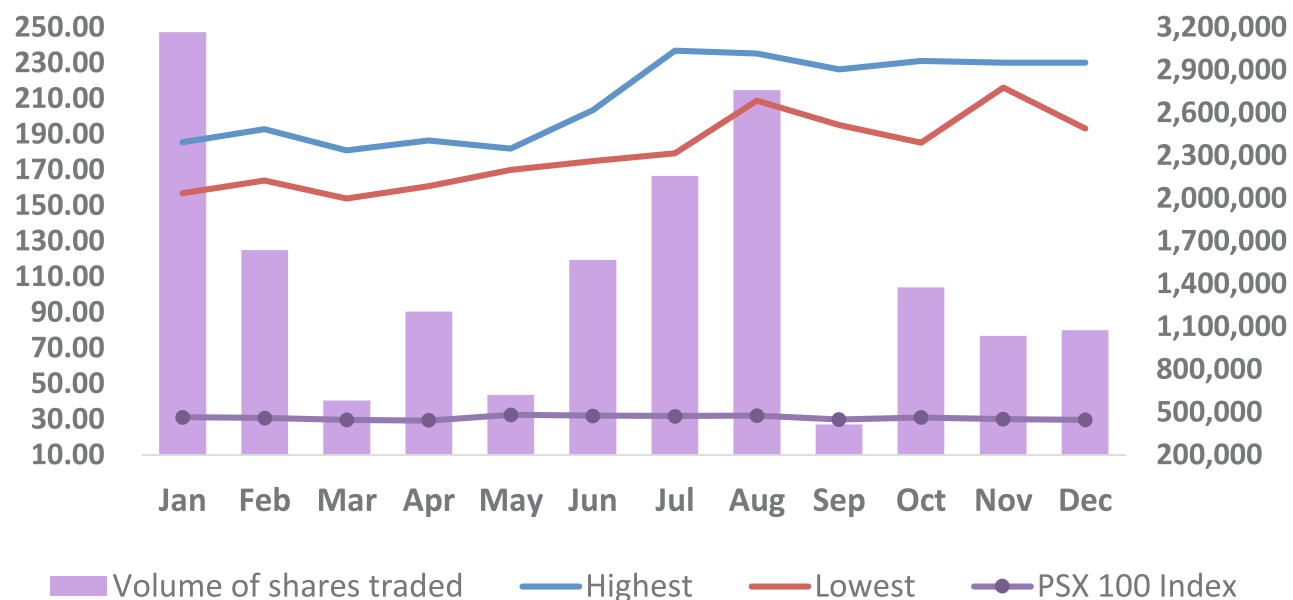
Categories of Shareholding

S.No.	Name of Shareholders'	Number of Shareholders	Number of Shares	%
1	Directors, Chief Executive Officer, and their spouse and minor children	6	875,499	2.26
2	Associated Companies, Undertakings and related Parties	6	30,876,245	79.58
3	Banks, Development Financial Institutions, Non-Banking Financial Institutions	4	31,510	0.08
4	Insurance Companies	3	686,689	1.77
5	Modarabas and Mutual Funds	15	365,850	0.94
6	General Public:			
	a. local	1,598	4,511,966	11.63
	b. Foreign	1	5,900	0.02
7	Others	41	1,446,341	3.73
Total		1,674	38,800,000	100.00

Share Price / Volume

The monthly high and low prices and the volume of shares traded on the Pakistan Stock Exchange during the financial year 2021 are as under:

Month	Share price on the PSX (Rs.)		
	Highest	Lowest	Volume of shares traded
January	185.56	157.00	3,165,400
February	192.85	164.00	1,636,300
March	181.00	154.00	581,800
April	186.50	161.00	1,204,500
May	182.00	170.00	621,300
June	203.48	175.00	1,566,800
July	236.59	179.30	2,155,900
August	234.99	208.60	2,757,900
September	226.20	195.00	412,600
October	231.00	185.11	1,375,600
November	230.00	216.00	1,035,200
December	229.99	193.00	1,073,900



Principal Board Committees

Executive Committee

- Syed Hyder Ali (Chairman)
- Mr. Asghar Abbas
- Mr. Khurram Raza Bakhtayari

The Executive Committee ensures effective and efficient operations of the Company. They meet periodically to assess the progress of the Company against the set targets. The Committee is authorized to conduct every business except the business carried out by the Board of Directors as required by Section 183 of the Companies Act, 2017.

Terms Of Reference Of Executive Committee

The terms of reference of the Executive Committee include the following:

- (i) The Executive Committee shall remain accountable to the Board, and may at its own discretion or at the request of the Board, make available to the Board such information, reports and documents to enable the Board to carry out its duties.
- (ii) The Committee shall primarily be authorized to do the following:
 - Opening/ closing of bank accounts
 - Securing bank's normal funded and non funded facilities.
 - Approval of share transfers
 - Any other routine business and/ or regulatory matter requiring Board approval.
- (iii) The Executive Committee shall in its decision making, give due regard to any relevant legal or regulatory requirements, and associated best practice guidance, as well as to the risk and reputation implications of its decisions (liaising where relevant with the Board and its committees).

Audit Committee

- Ms. Nermeen Towfiq Chinoy (Chairperson)
- Mr. Khurram Raza Bakhtayari
- Mr. Asif Qadir

Terms of Reference of Board Audit Committee

The terms of reference of the Audit Committee include the following:

- a) Determination of appropriate measures to safeguard the Company's assets;
- b) Review of annual and interim financial statements of the Company, prior to their approval by the Board of Directors, focusing on:
 - Major judgmental areas;
 - Significant adjustments resulting from the audit;
 - Going-concern assumption;
 - Any changes in accounting policies and practices;
 - Compliance with applicable accounting standards;
 - Compliance with regulations and other statutory and regulatory requirements; and
 - All related party transactions.
- c) Review of preliminary announcements of results prior to external communication and publication;
- d) Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- e) Review of management letter issued by external auditors and management's response thereto;
- f) Ensuring coordination between the internal and external auditors of the Company;

- g) Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- h) Consideration of major findings of internal investigations of activities characterised by fraud, corruption and abuse of power and management's response thereto;
- i) Ascertaining that the internal control system including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- j) Review of the Company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;
- k) Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive Officer and to consider remittance of any matter to the external auditors or to any other external body;
- l) Determination of compliance with relevant statutory requirements;
- m) Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof;
- n) Review of arrangement for staff and management to report to Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- o) Recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the Company by the external

auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Code of Corporate Governance. The Board of Directors shall give due consideration to the recommendations of the Audit Committee and where it acts otherwise, it shall record the reasons thereof;

- p) Ensuring that risk mitigation measures are robust;
- q) Ensuring that appropriate extent of disclosure of company's risk framework and internal control system is given in the Directors Report; and
- r) Consideration of any other issue or matter as may be assigned by the Board of Directors.

Functional Responsibilities

The Committee shall have the following responsibilities:

Financial statements

- Review of preliminary announcements of the Company's results prior to publication and consider whether they are complete and consistent with the information known to Committee members.
- Review of the quarterly, half-yearly and annual financial statements of the Company prior to their approval by the Board of Directors. The review should focus on:
 - Major judgmental areas
 - Complex or unusual transactions or significant adjustments resulting from the audit
 - Going concern assumption
 - Changes in accounting policies and practices
- Compliance with applicable accounting / reporting standards

- Compliance with listing regulations and other statutory / regulatory requirements
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- If necessary and as determined by the Board Audit Committee, review with management, internal auditors and with Legal department, any litigation, claims or other contingency, including tax assessments that could have a material effect on the Company's financial position or operating results.

Compliance, risk & internal control

- Monitor compliance with best practices of corporate governance by the Company under its management control as well as identification and steps to correct significant violations thereof.
- Review reports on violations of business ethics and conflicts of interest issues at the Company under its management control and monitor compliance with the Company's relevant policies.
- Review and handle complaints according to the Company's whistle blowing Policy.
- Monitor compliance with relevant statutory requirements and review findings of any examinations by regulatory agencies
- Determine the effectiveness of measures to safeguard Company's assets.
- Review business contingency plans for managing high risk areas.
- Review management's policies and practices and ascertain the adequacy and effectiveness of the Company's system of internal control, including financial and operational controls, accounting system and reporting structure, and information technology security and control.

- Review Company's statement on internal control systems prior to endorsement by Board of Directors, and deviations from this system which may cause material affects on its financial position and operating results
- Perform any other overseeing functions as requested by the Board of Directors.

Internal audit

- Review the organizational structure, qualifications, skills set and experience of the Internal Audit function and ensure that it has adequate resources to effectively carry out its role.
- Review the overall internal audit scope and extent, the annual audit plans and all major changes thereto at the Company and monitor implementation.
- Review and concur in the appointment, remuneration and performance of Company's Head of Internal Audit.
- Review internal auditors' findings and recommendations including major findings of internal investigations and management's responses/corrective actions. Report matters of audit significance to the Company's Board.

External audit

- Facilitate the external audit and ensure external auditor's coordination with internal audit including review of internal audit reports by external auditors.
- Review the performance of the Company's external auditors and recommend to the Board on matters regarding their appointment, fees or discharge.
- Review and confirm the independence of the external auditors by obtaining written statements from them regarding any interests, other than auditing fees, that they may have in the Company and nature of

their relationship with the Company, including non-audit services or employment of former employees of the external auditors.

- Examine external auditor's internal control memorandum / management letters on internal accounting controls and other audit findings and also review management's responses thereto.

Reporting responsibilities

- Annually report to the Board of Directors about committee activities, issues, and related recommendations.

Human Resource and Remuneration (HR&R) Committee

- Ms. Nermeen Towfiq Chinoy (Chairperson)
- Mr. Asghar Abbas
- Mr. Khurram Raza Bakhtayari

Terms of Reference of Human Resource and Remuneration (HR&R) Committee

The terms of reference of the Human Resource and Remuneration (HR&R) Committee include the following:

- a) Recommendation to the Board for consideration and approval a policy framework for determining remuneration of Directors (both Executive and Non-Executive Directors and members of senior management). The definition of senior management will be determined by the Board which shall normally include the first layer of management below the Chief Executive Officer level;
- b) Undertaking annually a formal process of evaluation of performance of the Board as a whole and its Committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the Directors' Report disclosing therein name and qualifications of such consultant and major terms of his/its appointment;

- c) Recommending Human Resource Management Policies to the Board;
- d) Recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of Chief Executive Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit;
- e) Consideration and approval on recommendations of Chief Executive Officer on such matters for key management positions who report directly to Chief Executive Officer;
- f) Where human resource and remuneration consultants are appointed, they shall disclose to the Committee their credentials as to whether they have any other connection with the Company;
- g) Considering and making recommendations to the Board in respect of the Board's Committees and the chairmanship of the Board Committees; and
- h) Keeping the structure, size and composition of the Board under regular review and for making recommendations to the Board with regard to any changes necessary.

Pandemic Recovery Plan

Throughout 2021, the efforts of all the departments of the Company, led by the Safety, Health and Environmental were concentrated to ensure that all the COVID 19 protocols remain in place with maximum implementation. For this purpose, numerous tool box talks, training sessions, awareness campaign and dedicated hand washing stations were deployed to ensure the well-being of all the employees, third party workers as well as the contractors. Under the Packages Group guidance, the Company ensured that all the employees are fully vaccinated as part of the drive initiated by the government to counter the effects of the COVID pandemic.

Tri-Pack Response Plan includes:

1. Employees and contractor awareness on the pandemic via training session and tool box talks.
2. Awareness poster in Urdu and English for employee awareness.
3. Screening of employees, contractors and customer before entering Company premises.
4. Disinfection and sterilization of office equipment, work stations and vehicles, focusing on touch-points.
5. Social distancing to reduce the risk of transmission.
6. Masks to be worn as a mandatory practice.
7. Antiseptic disinfectant to be place at key location to minimize transmission through physical contact.
8. Health declaration mechanism deployed for visitors or employees returning to work from leaves.
9. Establish a mechanism to efficiently operate from home, provided employees with resources.
10. Proper disposal of wastages from the pandemic recovery.
11. Disposable cutlery in mess and glasses at dispenser area.





Report of The Audit Committee

The members of the Audit Committee are pleased to present their report to the shareholders for the year ended December 31, 2021.

- The Company has adhered in full, without any material departure, with both the mandatory and voluntary provisions of the listing regulations of the Pakistan Stock Exchange, Code of Corporate Governance, Company's Code of Conduct and Values and the international best practices of governance throughout the year.
- The Company has issued a "Statement of Compliance with the Code of Corporate Governance" which has also been reviewed and certified by the auditors of the Company.
- Appropriate accounting policies have been consistently applied except those disclosed in the financial statements. Applicable accounting standards were followed. The Company is a going concern. The financial statements reproduced present a fair and true view of the operations, profitability, cash flows and changes in equity of the Company for the year under review.
- The Chief Executive Officer and Chief Financial Officer have reviewed the financial statements of the Company. The management acknowledges its responsibility for accuracy of reporting, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the company.
- Accounting estimates are based on reasonable and prudent judgment. Proper, accurate and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017.
- The financial statements comply with the requirements of the Fourth Schedule to the Companies Act, 2017 and applicable International Accounting Standards and International Financial Reporting Standards notified by the SECP.
- All direct and indirect trading in and holdings of the Company's shares by Directors and executives or their spouses were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction. All related party transactions have been disclosed.

INTERNAL AUDIT FUNCTION

- Presently the Company's internal Audit function is being looked after by the Head of Internal Audit in compliance with the Code of Corporate Governance, who is assisted by M/s EY Ford Rhodes. The Head of Internal Audit, who has the required qualifications as prescribed under the Regulations, reports directly to the Chairman of the Board Audit Committee.

- The company's system of internal control is sound in design and is continually evaluated for effectiveness.
- The Board Audit Committee has ensured safeguarding of the assets of the Company as well as shareholder's wealth through effective operational and compliance controls and risk management.
- Coordination between the external and internal auditors was facilitated.

EXTERNAL AUDITORS

- The statutory auditors of the company, M/s A.F. Ferguson & Co, Chartered Accountants, have completed their audit of the Company's financial statements and the Statement of Compliance with the Code of Corporate Governance for the financial year ended December 31, 2021 and shall retire on the conclusion of the 30th Annual General Meeting.
- The final Management Letter is required to be submitted within forty-five (45) days of the date of the Auditors' Report on the financial statements under the listing regulations and shall therefore accordingly be discussed in the next Board Audit Committee meeting.
- The external auditors were allowed direct access to the Audit Committee and also met with the Audit Committee once a year without the presence of the management.
- The Audit firm has been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by ICAP. The auditors have indicated their willingness to continue.
- The Company also obtains taxation related services from M/s A.F. Ferguson & Co, Chartered Accountants. The firm has sound policies and procedures to ensure compliance of independence which includes separate engagement partners and separate teams for both audit and taxation work.
- Being eligible for reappointment under the listing regulations, the Board Audit Committee recommends their reappointment for the financial year ending December 31, 2022.



Ms. Nermeen Towfiq Chinoy
Chairperson - BAC

Statement of Compliance

With Listed Companies (Code of Corporate Governance) Regulations, 2019

For the year ended December 31, 2021

Tri-Pack Films Limited (the Company) has complied with requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors are 7 as per the following:
 - a. Male: 6
 - b. Female: 1
2. The composition of the Board is as follows:
 - i. Independent Directors 2
 - ii. Non-executive Directors 5
 - iii. Executive Directors -
 - iv. Female Director (included in Independent Directors) 1

*Determination of number of independent directors arrives at 2.33 (rounded to 2) which is based on seven elected directors. The fraction is not rounded up since the two (2) elected independent directors have requisite competency, knowledge and experience to discharge and execute their responsibilities as per applicable laws and regulations.

Mr. Nasir Jamal, the Chief Executive Officer of the Company, is a deemed director as envisaged in Section 188(3) of the Companies Act, 2017. During the year, the directors completed their terms of office and 7 new directors were elected on the Board with effect from October 4, 2021.

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or update is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. All Directors have either acquired the Directors' Training Program certificates or are exempt from the requirements of Directors' Training Program;
10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

*During the year Ms. Arjumand Ahmed Shah was appointed as Company Secretary in place of Mr. Sajjad Iftikhar and Mr. Hammad Ahmed Butt was appointed as Head of Internal Audit.

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed Committees comprising of members given below:

a) Audit Committee:

Ms. Nermeen Towfiq Chinoy (Independent Director)	-	Chairperson
Mr. Asif Qadir (Non-Executive Director)	-	Member
Mr. Khurram Raza Bakhtayari (Non-Executive Director)	-	Member

b) **Human Resource and Remuneration Committee:**

Ms. Nermeen Towfiq Chinoy (Independent Director)	-	Chairperson
Mr. Asghar Abbas (Non-Executive Director)	-	Member
Mr. Khurram Raza Bakhtayari (Non-Executive Director)	-	Member

*Mr. Asghar Abbas was appointed as a member of Human Resource and Remuneration Committee and Executive Committee with effect from October 04, 2021.

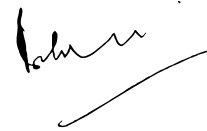
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committees was as per following:
- | | |
|--|-----------|
| a) Audit Committee | Quarterly |
| b) Human Resource and Remuneration Committee | Yearly |
15. The Board has outsourced the internal audit function to EY Ford Rhodes, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit

are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with requirements other than regulations 3, 6, 7, 8, 27, 32, 33, and 36 (non-mandatory requirements) are below:

Since there are no Nomination and Risk Management Committees in place (required under non-mandatory provisions of Regulations 29 & 30), their respective terms of reference, as enumerated in the Regulations, have been incorporated in the terms of reference of Human Resource and Remuneration Committee and Audit Committee respectively.

Karachi:
Date: February 25, 2022


(Syed Babar Ali)
Chairman

Independent Auditor's Review Report



A.F.FERGUSON & CO.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Tri-Pack Films Limited

Review Report on the Statement of Compliance Contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Tri-Pack Films Limited for the year ended December 31, 2021 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2021.

Chartered Accountants
Karachi

Dated: 16 March 2022

UDIN:CR202110073qQWcTj0LI

*A.F.FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>*

■ KARACHI ■ LAHORE ■ ISLAMABAD





Performance and Position

- 110 Analysis of Financial and Non-financial Indicators
- 111 Composition of Statement of Financial Position
- 112 Ratio Analysis
- 114 DuPont Analysis
- 115 Graphical presentation of DuPont Analysis
- 116 Horizontal Analysis
- 117 Vertical Analysis
- 118 Combined Analysis of Horizontal and Vertical Analysis
- 120 Sources and Application of Funds
- 122 Cash Flow - Direct Method
- 123 Free Cash Flows
- 124 Graphical Presentation
- 128 Quarterly Analysis
- 130 Economic Value Added
- 131 Share Price Sensitivity Analysis
- 132 Business Rationale of Major Capital Expenditure/Projects
- 133 SWOT Analysis
- 134 Divisional Review of Business Performance
- 136 History of Major Events
- 138 Awards and Recognition

Analysis of Financial and Non-Financial Indicators

At Tri-Pack, we have a robust mechanism for determining financial and non-financial targets for all the departments. Company wide financial targets are set during the budgeting exercise after taking into consideration inputs from all different departments based on which a master budget is prepared. After review and endorsement by the Executive Management Team, the master budget is approved by the Board of Directors of the Company. These financial targets are cascaded down as key performance indicators at departmental and individual level.

On other hand, non-financial targets of the Company are closely linked with overall objectives and are set as part of the objective setting process of executives and management at the start of the year. These include employee engagement levels, development and enhancement of employee skills, safety, health and environmental benchmarks, quality benchmarks, training and development targets etc.

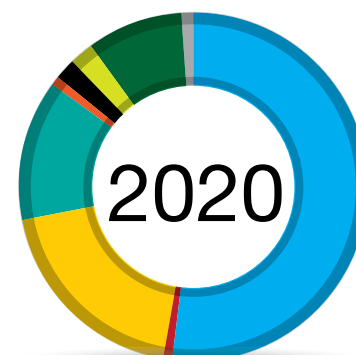


Composition of Statement of Financial Position



Non-Current and Current Assets

Property, plant and equipment	40%	Advances and prepayments	1%
Intangibles	0%	Other receivables	2%
Right-of-use asset	1%	Refunds due from government - sales tax	2%
Long term deposits	0%	Income tax - refundable	9%
Inventories	27%	Cash and bank balances	1%
Trade receivables - net	17%		
			100%



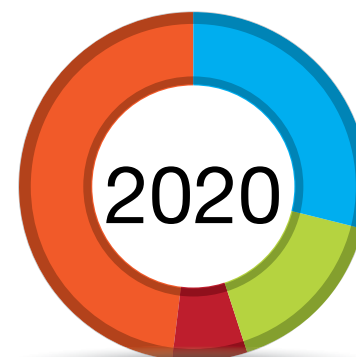
Non-Current and Current Assets

Property, plant and equipment	52%	Advances and prepayments	1%
Intangibles	0%	Other receivables	2%
Right-of-use asset	1%	Refunds due from government - sales tax	2%
Long term deposits	0%	Income tax - refundable	9%
Inventories	19%	Cash and bank balances	1%
Trade receivables - net	13%		
			100%



Equities and Liabilities

Equity & Reserves	28%	Other Non Current Liabilities	4%
Long-term Borrowing	16%	Current Liabilities	52%
			100%



Equities and Liabilities

Equity & Reserves	29%	Other Non Current Liabilities	7%
Long-term Borrowing	16%	Current Liabilities	48%
			100%

Ratio Analysis

	Year to December 31 2021	Year to December 31 2020	Year to December 31 2019	Year to December 31 2018	Year to December 31 2017	Year to December 31 2016
Profitability Ratios						
Cost/Income ratio	42.8%	57.2%	112.3%	99.6%	50.1%	44.0%
Return on equity	22.1%	15.8%	(9.5%)	4.2%	14.5%	19.9%
Return on capital employed	20.4%	19.1%	8.6%	7.4%	13.6%	16.2%
Gross profit ratio	16.8%	16.2%	10.1%	10.4%	14.4%	17.3%
Net profit/(loss) to sale	5.5%	4.1%	(2.1%)	1.2%	4.7%	6.4%
EBITDA margin to sale	16.1%	14.9%	9.1%	10.1%	14.6%	16.7%
Leverage ratio	1.7	43.8	0.2	(5.2)	(3.7)	(8.6)
Shareholders funds	8.3%	10.5%	11.3%	11.0%	12.4%	12.4%
Return on shareholder funds	75.1%	44.3%	(22.3%)	11.3%	41.3%	54.4%
Liquidity Ratios						
Current ratio	1.1	1.0	0.8	0.9	0.9	1.0
Quick / Acid test ratio	0.6	0.6	0.5	0.5	0.6	0.7
Cash to current liabilities	(0.1)	(0.2)	(0.3)	(0.3)	0.0	0.0
Cash flow from operations to sales	(0.1)	0.2	0.2	0.0	0.0	0.2
Activity / Turnover Ratios						
Inventory turnover	4.0	6.7	7.6	5.5	7.2	7.1
No. of days in inventory	91.0	54.6	47.9	66.0	50.6	51.7
Debtor turnover ratio	7.6	10.4	7.5	6.7	8.7	9.2
No. of days in receivables	48.0	35.2	48.9	54.5	42.0	39.8
Creditors turnover ratio	49.8	5.0	4.8	27.3	22.9	4.6
No. of days in payables	7.3	72.6	75.7	13.4	15.9	78.8
Total assets turnover ratio	1.1	1.1	1.2	1.0	1.1	1.1
Fixed assets turnover ratio	2.8	2.1	2.4	2.2	2.0	1.9
Operating cycle	131.7	17.2	21.1	107.2	76.7	12.7
Employee Productivity/Other Ratios						
Production per employee (tons)	164.8	157.4	153.4	150.7	153.4	136.7
Revenue per employee (Rs. 000)	65,479	48,520	46,911	41,069	36,584	32,093
Staff turnover ratio	6.8%	0.6%	2.8%	3.9%	9.4%	10.7%
Spares inventory as % of assets cost	2.9%	3.9%	3.2%	3.0%	3.1%	3.2%
Maintenance cost as % of operating expenses	2.7%	3.1%	2.5%	2.7%	2.9%	2.5%
Capital Structure Ratios						
Net assets per share	121.3	99.9	84.0	96.2	101.9	101.5
Financial Leverage ratio	1.9	1.2	1.5	1.8	1.3	1.1
Weighted average cost of debt	6.7	13.0	15.6	7.1	5.8	10.7
Total Debt to equity ratio	65:35	54:46	60:40	65:35	57:43	52:48
Long Term Debt to Equity Ratio	39:61	38:62	28:72	34:66	40:60	49:51
Interest coverage	2.8	2.1	1.0	1.5	3.4	3.2

	Year to December 31 2021	Year to December 31 2020	Year to December 31 2019	Year to December 31 2018	Year to December 31 2017	Year to December 31 2016
Investment / Market Ratios						
Earnings per share (EPS)	26.9	15.8	(8.0)	4.1	14.8	20.1
Price earning ratio	7.6	10.3	(10.5)	26.4	9.5	14.6
Price to Book ratio	47.1	48.1	26.5	33.0	48.5	98.7
Dividend %	130%	50%	-	40%	100%	100%
Dividend Yield ratio	6.4	3.1	-	3.7	7.1	3.4
Dividend Payout ratio	48.4	31.6	-	98.6	67.8	49.6
Dividend Cover ratio	2.1	3.2	-	1.0	1.5	2.0
Break-up Value per share	121.3	99.9	84.0	96.2	101.9	98.0
Market value per share	203.1	162.8	84.2	107.1	140.0	294.0
Highest Market value per share during the period	236.6	198.0	120.1	183.2	327.0	320.0
Lowest Market value per share during the period	154.0	63.1	47.5	99.9	130.0	169.0

Profitability Ratios

The Company performed well in terms of profitability. In 2016, the Company managed to make a profit of Rs 754 million, highest after 2011 on account of significant reduction in finance cost due to better cash generation and equity injection of Rs 1.1 billion. Profitability declined in 2017 due to increase in raw material prices, inflationary pressure and supply overhang. Also, due to equity injection, return on equity significantly declined from last year. Year 2018 and 2019 performance was under pressure due to competition leading to supply overhang in the market. Also, higher raw material and energy cost led to reduced profitability. Year 2020, despite the pandemic, was a good year in terms of profitability on account of higher margins, timely decision to pass on rising raw material prices coupled with major reduction in finance cost. The Company continued this performance in 2021, as the Company generated highest ever profit. The major contributory factor was the timely decisions taken by the Company with respect to pricing and cost cutting amidst challenges of raw material availability and prices, shipment delays and exchange rate fluctuation.

Liquidity Ratios

These ratios are crucial for the Company given that we are a geared entity and avail short term financing for working capital requirements. The current ratio shows a healthy trend as the company has built its asset base. The Company is extremely focused on managing its working capital in the best way possible though it had to resort to higher working capital levels to overcome supply chain disruptions.

Activity/Turnover Ratios

There has been an increase in the Company's inventories as well as inventory days as compared to previous years due to higher stock levels in order to tackle the supply chain

disruption and raw material availability issues faced in the earlier part of the year. The steps were taken to ensure smooth running of plant operations. There has been an increase in the receivables due to high sales price effect during the year. Lower payable days depict that the Company is operating on sight payment terms, due to the uncertainty and hike in exchange rates.

Employee Productivity/Other Ratios

Employee productivity ratio gives an idea of the operational efficiency of the organization. Increasing trend can be seen in production per employee reflecting the operational efficiency of the organization. Revenue per employee has also increased, however this is mainly due to increase in selling prices. Spares and maintenance cost ratios are in line with previous years.

Investment/Market Ratios

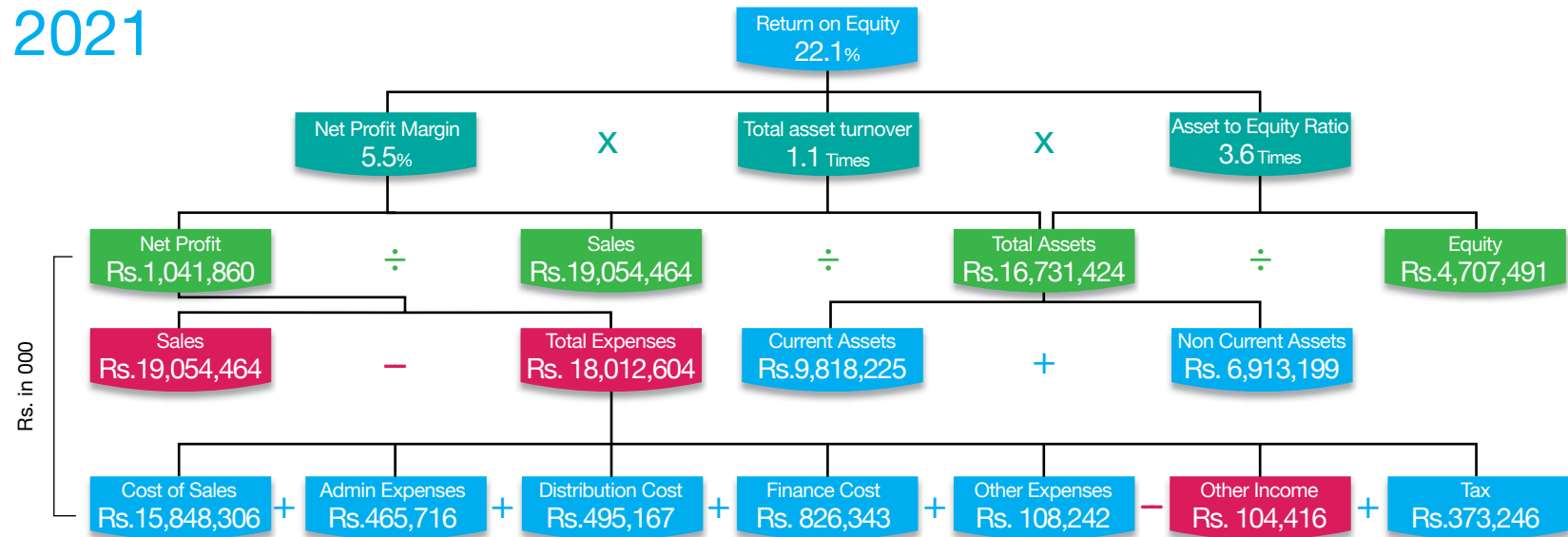
The Company has reported the highest earnings per share of Rs. 26.85. These ratios are in line with the profitability of the Company. The share price of the company and the ratios are in fact a reflection of the market's confidence in the Company and its healthy performance.

Capital Structure Ratio

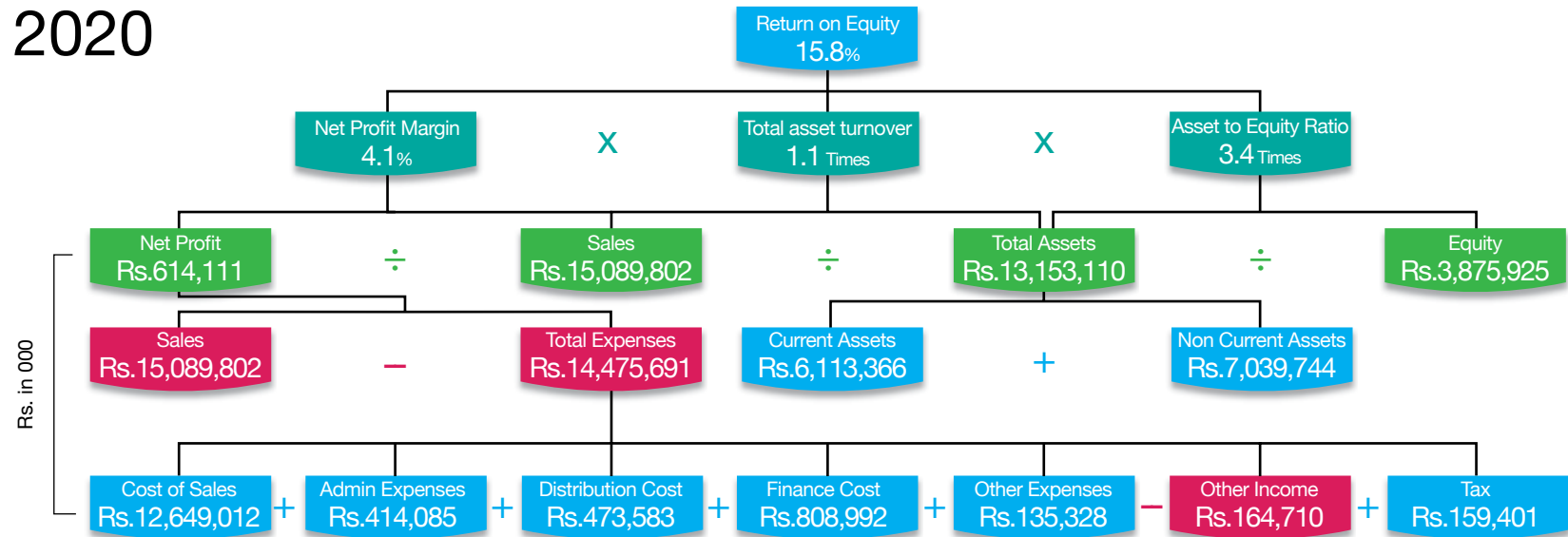
As can be seen from the debt levels, the Company operates on a leveraged model. The total debt to equity ratio of the Company was 65:35 for the year as compared to 54:46 last year. There has been an increase in the debt of the Company mainly due to higher working capital requirements coupled with advance payments to our machine suppliers for the new BOPP line.

DuPont Analysis

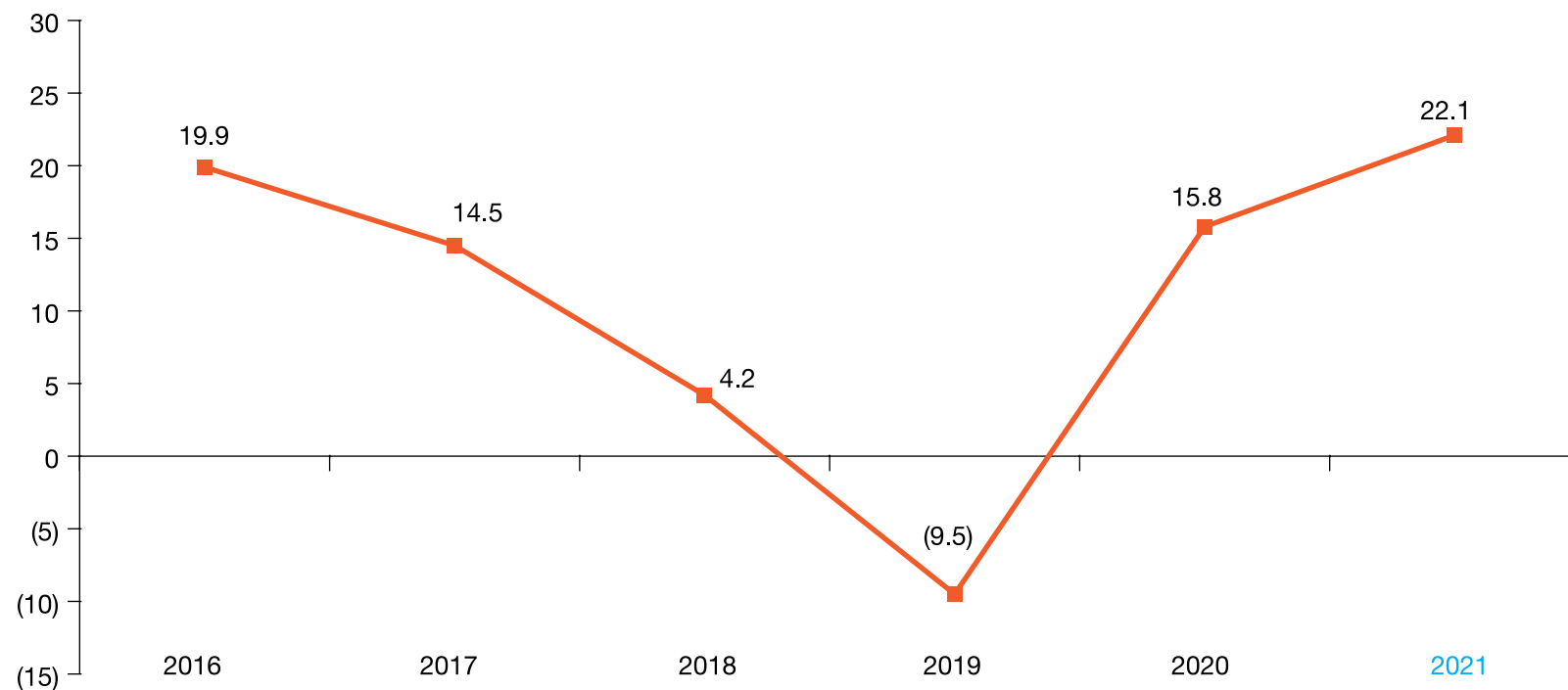
2021



2020



Graphical Presentation of DuPont Analysis



Comment / Analysis

Despite multiple challenges in the form of supply chain disruptions, feedstock availability issues and volatility in exchange rate, the Company aligned itself to making the best out of the situations at hand by focusing on achieving higher margins, reducing costs and operational efficiencies.

The Company generated highest ever profit for the year ended 2021 resulting in a return of 22.1% to the equity holders.

The results of the above are exhibited in our financials as we report a net profit margin of 5.5% as compared to 4.1% last year.

Horizontal Analysis

	2021		2020		2019		2018		2017		2016	
	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %
Statement of Financial Position												
Equity and Reserves	4,707,491	21.5	3,875,925	18.9	3,259,360	(12.7)	3,731,479	(5.6)	3,954,469	4.0	3,800,818	79.8
Long term financing facilities	2,603,142	22.6	2,123,085	144.0	870,002	(18.7)	1,070,001	(24.9)	1,424,024	(44.0)	2,544,408	(30.6)
Non Current Liability	676,937	(23.9)	889,329	135.7	377,377	38.6	272,307	(36.6)	429,350	96.9	218,021	144.5
Current Liabilities	8,743,854	39.6	6,264,771	(19.9)	7,822,735	3.9	7,531,001	39.8	5,386,771	17.6	4,581,833	(15.9)
	<u>16,731,424</u>	<u>27.2</u>	<u>13,153,110</u>	<u>6.7</u>	<u>12,329,474</u>	<u>(2.2)</u>	<u>12,604,788</u>	<u>12.6</u>	<u>11,194,614</u>	<u>0.4</u>	<u>11,145,080</u>	<u>(1.5)</u>
Property Plant and Equipment	6,694,903	(1.9)	6,825,355	17.0	5,835,974	(3.9)	6,073,755	(1.6)	6,174,706	(2.7)	6,346,761	(5.7)
Other Non-Current Assets	218,296	1.8	214,389	(5.1)	225,974	2,873.7	7,599	(11.9)	8,629	38.0	6,255	(38.0)
Current Assets	9,818,225	60.6	6,113,366	(2.5)	6,267,526	(3.9)	6,523,434	30.2	5,011,279	4.6	4,792,064	4.8
	<u>16,731,424</u>	<u>27.2</u>	<u>13,153,110</u>	<u>6.7</u>	<u>12,329,474</u>	<u>(2.2)</u>	<u>12,604,788</u>	<u>12.6</u>	<u>11,194,614</u>	<u>0.4</u>	<u>11,145,080</u>	<u>(1.5)</u>
Statement of Profit or Loss and Other Comprehensive Income												
Revenue from Contracts with Customers	19,054,464	26.3	15,089,802	2.8	14,683,267	11.0	13,224,068	7.9	12,255,793	4.1	11,778,067	(1.5)
Cost of sales	15,848,306	25.3	12,649,012	(4.1)	13,193,443	11.4	11,847,875	13.0	10,489,889	7.2	9,784,453	(3.1)
Gross profit	3,206,158	31.4	2,440,790	63.8	1,489,824	8.3	1,376,193	(22.1)	1,765,904	(11.4)	1,993,614	7.3
Administration and selling expenses	960,883	8.2	887,688	12.6	788,218	14.8	686,823	16.5	589,666	(3.2)	609,467	(3.1)
Operating profit	2,245,275	44.6	1,553,122	121.4	701,606	1.8	689,370	(41.4)	1,176,238	(15.0)	1,384,147	12.7
Other income	104,416	(36.6)	164,710	65.1	99,781	75.8	56,770	21.4	46,770	(24.2)	61,705	1.7
Finance Cost	826,343	2.1	808,992	(1.3)	819,480	61.5	507,524	42.9	355,197	(21.9)	454,983	(41.8)
Other charges	108,242	(20.0)	135,328	13,102.7	1,025	(94.5)	18,547	(67.3)	56,795	(26.4)	77,211	120.8
Profit/(loss) before taxation	1,415,106	82.9	773,512	(4,146.0)	(19,118)	(108.7)	220,069	(72.9)	811,016	(11.2)	913,658	93.5
Provision for taxation	373,246	134.2	159,401	(45.2)	290,696	363.5	62,712	(73.7)	238,374	49.8	159,176	711.9
Profit/(loss) after taxation	<u>1,041,860</u>	<u>69.7</u>	<u>614,111</u>	<u>298.2</u>	<u>(309,814)</u>	<u>(296.9)</u>	<u>157,357</u>	<u>(72.5)</u>	<u>572,642</u>	<u>(24.1)</u>	<u>754,482</u>	<u>51.4</u>

Vertical Analysis

	2021		2020		2019		2018		2017		2016	
	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%
Statement of Financial Position												
Equity and Reserves	4,707,491	28.1	3,875,925	29.5	3,259,360	26.4	3,731,479	29.6	3,954,469	35.3	3,800,818	34.1
Long term financing facilities	2,603,142	15.6	2,123,085	16.1	870,002	7.1	1,070,001	8.5	1,424,024	12.7	2,544,408	22.8
Non Current Liability	676,937	4.0	889,329	6.8	377,377	3.1	272,307	2.2	429,350	3.8	218,021	2.0
Current Liabilities	8,743,854	52.3	6,264,771	47.6	7,822,735	63.4	7,531,001	59.8	5,386,771	48.1	4,581,833	41.1
	<u>16,731,424</u>	<u>100.0</u>	<u>13,153,110</u>	<u>100.0</u>	<u>12,329,474</u>	<u>100.0</u>	<u>12,604,788</u>	<u>100.0</u>	<u>11,194,614</u>	<u>100.0</u>	<u>11,145,080</u>	<u>100.0</u>
Property Plant and Equipment	6,694,903	40.0	6,825,355	51.9	5,835,974	47.3	6,073,755	48.2	6,174,706	55.2	6,346,761	56.9
Other Non Current Assets	218,296	1.3	214,389	1.6	225,974	1.8	7,599	0.1	8,629	0.1	6,255	0.1
Current Assets	9,818,225	58.7	6,113,366	46.5	6,267,526	50.8	6,523,434	51.8	5,011,279	44.8	4,792,064	43.0
	<u>16,731,424</u>	<u>100.0</u>	<u>13,153,110</u>	<u>100.0</u>	<u>12,329,474</u>	<u>100.0</u>	<u>12,604,788</u>	<u>100.0</u>	<u>11,194,614</u>	<u>100.0</u>	<u>11,145,080</u>	<u>100.0</u>
Statement of Profit or Loss and Other Comprehensive Income												
Revenue from Contracts with Customers	19,054,464	100.0	15,089,802	100.0	14,683,267	100.0	13,224,068	100.0	12,255,793	100.0	11,778,067	100.0
Cost of sales	15,848,306	83.2	12,649,012	83.8	13,193,443	89.9	11,847,875	89.6	10,489,889	85.6	9,784,453	83.1
Gross profit	3,206,158	16.8	2,440,790	16.2	1,489,824	10.1	1,376,193	10.4	1,765,904	14.4	1,993,614	16.9
Administration and selling expenses	960,883	5.0	887,688	5.9	788,218	5.4	686,823	5.2	589,666	4.8	609,467	5.2
Operating profit	2,245,275	11.8	1,553,122	10.3	701,606	4.8	689,370	5.2	1,176,238	9.6	1,384,147	11.8
Other income	104,416	0.5	164,710	1.1	99,781	0.7	56,770	0.4	46,770	0.4	61,705	0.5
Finance Cost	826,343	4.3	808,992	5.4	819,480	5.6	507,524	3.8	355,197	2.9	454,983	3.9
Other charges	108,242	0.6	135,328	0.9	1,025	0.0	18,547	0.1	56,795	0.5	77,211	0.7
Profit/(loss) before taxation	1,415,106	7.4	773,512	5.1	(19,118)	(0.1)	220,069	1.7	811,016	6.6	913,658	7.8
Provision for taxation	373,246	2.0	159,401	1.1	290,696	2.0	62,712	0.5	238,374	1.9	159,176	1.4
Profit/(loss) after taxation	<u>1,041,860</u>	<u>5.5</u>	<u>614,111</u>	<u>4.1</u>	<u>(309,814)</u>	<u>(2.1)</u>	<u>157,357</u>	<u>1.2</u>	<u>572,642</u>	<u>4.7</u>	<u>754,482</u>	<u>6.4</u>

Combined Analysis of Horizontal and Vertical Analysis

Statement of Financial Position

Equity and Reserves

The equity and reserves of the Company have increased over the last six years, with dip in 2018 and 2019 due to decreased profitability. In 2020 and 2021, significant growth can be seen on the back of record profitability.

Long Term Borrowings

Long term financing increased compared to last year. The Company majorly operates on leveraged model which is reflected in high debt levels in the last six years. Long term debt trend of the Company has increased mainly due to drawing of funds to pay advances to its suppliers in respect of new BOPP line project.

Current Liability

Current liability mainly comprises of short term borrowings. In 2021, the short term borrowings have increased owing to increased working capital requirements. Further, provision with respect to GIDC has also been classified as current liability keeping in view revised billing.

Property, Plant and Equipment

Property, plant and equipment showed a slight decline despite advances being paid in respect of new BOPP line.

Current Assets

Current assets mainly comprise of trade receivables and inventories. Inventories have increased significantly due to the Company maintaining additional inventory of raw material keeping in view supply chain disruption and issues in availability of raw material. Further, trade receivable have also increased due to effect of increased sales price owing to higher raw material prices.

Revenue from Contracts with Customers

The Company managed to secure the highest ever sales revenue in the last 6 years. This was mainly due to higher sales prices owing to increase in raw material prices.

Gross Profit

The Company made the highest gross profit over the last six years due to effective margin management and cost control.

Finance Cost

The Company utilizes debt obtained from banks for its working capital requirements as well as to finance capital expenditure.

Interest cost for the year has decreased mainly on account of lower SBP policy rate for majority part of the year. Also loss on re-measurement of GIDC was incurred amounting to Rs 106 million.

Profit Before Tax

The Company's profitability declined in 2018 and 2019 due to uncertain micro and macro-economic conditions. As these factors normalized the Company was able to generate profit before tax of Rs 614 million in 2020. In 2021, the Company was able to generate highest ever profit of Rs 1,042 million on the back of operational efficiencies, cost control and timely pricing decisions.

Taxation

The increase in taxation is in line with the increased profitability.

Sources and Application of Funds

	2021	2020	2019	2018	2017	2016
	(Rupees in thousand)					
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash (used in)/generated from operations	(2,149,485)	2,689,190	3,908,112	60,171	333,674	2,209,093
Payment on account of accumulated compensated absences	(4,854)	(4,087)	(7,191)	(7,741)	(11,648)	(7,427)
(Increase)/Decrease in Long-term deposits	(95)	3,958	(4,999)	(948)	(941)	(243)
Staff retirement benefits paid	(70,076)	(69,273)	(64,477)	(145,752)	(96,798)	(69,158)
Income taxes (paid)/received	(403,970)	(201,151)	(255,018)	(266,141)	(114,152)	17,596
Net cash (outflow)/inflow from operating activities	(2,628,480)	2,418,637	3,576,427	(360,411)	110,135	2,149,861
CASH FLOWS FROM INVESTING ACTIVITIES						
Fixed capital expenditure	(681,048)	(1,673,645)	(562,228)	(544,461)	(448,553)	(207,770)
Acquisition of intangibles	(3,866)	(4,365)	(16,217)	(348)	(4,337)	(495)
Profit on bank balances received	1,188	2,335	384	708	914	264
Sale proceeds on disposal of PP&E	505	2,135	8,219	6,475	6,183	15,002
Net cash outflow from investing activities	(683,221)	(1,673,540)	(569,842)	(537,626)	(445,793)	(192,999)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from rights issue - net of issuance cost	-	-	-	-	-	1,087,107
Long-term borrowings paid	(170,000)	(400,000)	(854,021)	(1,224,249)	(1,016,521)	(950,385)
Long-term borrowings acquired	1,145,438	1,296,012	200,000	500,000	-	-
Payments against Gas Infrastructure Development Cess	(263,187)	-	-	-	-	-
Short term borrowings - net	3,630,000	(628,000)	(1,414,000)	420,000	1,742,000	(1,300,000)
(Repayment)/Proceeds from salary refinancing scheme	(134,426)	268,852	-	-	-	-
Finance cost, bank charges & Transaction cost paid	(585,621)	(597,714)	(735,757)	(444,738)	(290,141)	(475,780)
Dividends paid	(192,573)	(243)	(154,765)	(385,232)	(386,484)	(148,124)
Net cash inflow/(outflow) from financing activities	3,429,631	(61,093)	(2,958,543)	(1,134,219)	48,854	(1,787,182)
Net cash inflow/(outflow)	117,930	684,004	48,042	(2,032,256)	(286,804)	169,680

Comments / Analysis

Cash Flows from Operating Activities

The Company witnessed high generation in 2016 on account of improved profitability and significant decrease in Cash inflow in 2017 which was mainly as a result of discontinuation of supplier financing arrangement and conversion of usance LCs to sight terms to avoid foreign currency risk. This was further aggravated in 2018, due to increase in trade receivables and inventories, resulting in cash outflow of Rs 0.4 billion. In 2019, despite lower profitability, the Company managed to generate Rs 3.6 billion from operations mainly on account of working capital changes. Further, improvement in working capital was witnessed as a result of effective inventory management and improved recoveries. In 2020, the Company was able to generate Rs 2.4 billion due to better profitability despite significant decline in working capital inflow as compared to 2020. However, in 2021 higher inventories and trade receivables led to increased working capital requirements thus resulting in cash outflow of Rs 2.6 billion in 2021.

Cash Flows from Investing Activities

Fluctuation in cash flow from investment activities was in the normal course of business. In 2017, capital expenditure was incurred for sustenance and maintenance of machine and in 2018, due to upgrading of manufacturing line, capital expenditure has increased. Cash outflow from investing activities further increased in 2019 mainly on account of sustainability related capital expenditure. However, capital expenditure in year 2020 was the highest in last six years mainly due to acquisition of state of the art metallizer and slitter machines, KE connection to cater gas shortages coupled with sustenance expenditures as well. In 2021, the Company incurred capital expenditure of Rs 683 million in 2021 in respect to sustenance CAPEX including advances paid to vendors in respect of new BOPP line.

Cash Flows from Financing Activities

In 2016, with focus remaining on improving cash flows from operations, the Company generated Rs 1.1 billion from issuance of right shares. In 2017, as a result of discontinuation of supplier financing arrangement, the Company acquired Rs 1.7 billion short-term financing resulting in net cash inflow of Rs 49 million impact of which was also witnessed in 2018. In 2019, improvement in working capital resulted in repayment of short term financing thus cash inflow of Rs 3.0 billion coupled with other factors mentioned in the table above. To finance the capital expenditure as mentioned above, in 2020 the Company acquired long term loan of Rs 1.3 billion coupled with Rs 0.3 billion loan acquired under the Refinance Scheme for Payment of Wages and Salaries. This resulted in cash outflow of Rs 61 million from financing activities. However, in 2021 to finance the project, capital expenditure and working capital requirement, the Company acquired net long term loan of Rs 1 billion and short term loan of Rs 3.6 billion.

	2021	2020
	(Rupees in thousand)	
Cash and Cash Equivalents - Opening	(1,522)	(2,206)
Loan Acquired - net	975	896
Short term financing - net	3,630	(628)
Finance Cost	(586)	(598)
Dividends	(193)	(0)
(Repayment)/Proceeds from salary refinancing scheme	(134)	269
Payment against GIDC	263	-
Capital Expenditure	(683)	(1,674)
Cash (outflow)/inflow from Operations	(2,628)	2,419
Cash and Cash Equivalents - Closing	(1,404)	(1,522)

Cash Flow - Direct Method

Cash Flows from Operating Activities

Cash received from customers
Cash paid to vendors
Net income tax paid
Net cash (used in) / generated from operating activities

Cash flows from investing activities

Purchase of property, plant and equipment
Purchase of intangibles
Profit received on bank balances
Sale proceeds on disposal of Property, Plant and Equipment
Net cash used in investing activities

Cash flows from financing activities

Dividend paid
Long term borrowings paid
Long term borrowings acquired
(Repayment) / Proceeds from salary refinancing scheme
Payments against Gas Infrastructure Development Cess
Short term borrowings - net
Finance Cost paid
Transaction cost paid
Bank Charges paid
Net cash generated from / (used in) financing activities

Net Increase in cash and cash equivalents

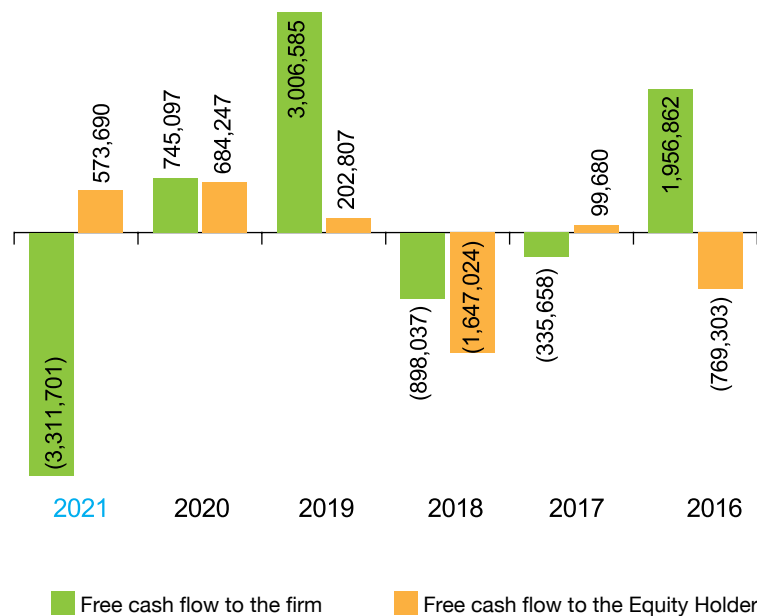
Cash and cash equivalents at beginning of the year

Cash and cash equivalents at end of the year

2021	2020
Rupees in million	
18,090	16,757
(20,315)	(14,137)
(404)	(201)
(2,628)	2,419
(681)	(1,674)
(4)	(4)
1	2
1	2
(683)	(1,674)
(193)	(0)
(170)	(400)
1,145	1,296
(134)	269
(263)	-
3,630	(628)
(414)	(553)
(114)	-
(57)	(45)
3,430	(61)
118	684
(1,522)	(2,206)
(1,404)	(1,522)

Free Cash Flows

	2021	2020	2019	2018	2017	2016
	(Rupees in thousand)					
Cash (used in) / generated from operations	(2,149,485)	2,689,190	3,908,112	60,171	333,674	2,209,093
Payment on account of accumulated compensated absences	(4,854)	(4,087)	(7,191)	(7,741)	(11,648)	(7,427)
Increase in long term deposits	(95)	3,958	(4,999)	(948)	(941)	(243)
Staff retirement benefits paid	(70,076)	(69,273)	(64,477)	(145,752)	(96,798)	(69,158)
Income taxes paid	(403,970)	(201,151)	(255,018)	(266,141)	(114,152)	17,596
	<u>(2,628,480)</u>	<u>2,418,637</u>	<u>3,576,427</u>	<u>(360,411)</u>	<u>110,135</u>	<u>2,149,861</u>
Capital expenditure	(684,914)	(1,678,010)	(578,445)	(544,809)	(452,890)	(208,265)
Other investing cash flows	1,693	4,470	8,603	7,183	7,097	15,266
	<u>(3,311,701)</u>	<u>745,097</u>	<u>3,006,585</u>	<u>(898,037)</u>	<u>(335,658)</u>	<u>1,956,862</u>
Free cash flow to the firm						
Debt cash flows	3,885,391	(60,850)	(2,803,778)	(748,987)	435,338	(2,726,165)
	<u>573,690</u>	<u>684,247</u>	<u>202,807</u>	<u>(1,647,024)</u>	<u>99,680</u>	<u>(769,303)</u>
Free cash flow to the Equity Holder						



Comments

FCFF:

Free cash flows to the firm is the cash flow available for distribution among all the funding providers in the business.

The Company used Rs. 2.1 billion in operations mainly due to change in working capital requirements. Capital expenditure amounted to Rs. 685 million which included sustenance capex as well as advances in respect of new BOPP line. Further, income tax payments of Rs. 404 million were made on account of higher feedstock prices. As a result, free cash outflow to the firm amounted to Rs. 3.3 billion.

FCFE:

Free cash flows to the equity holder is the cash flow available for distribution to the equity holders.

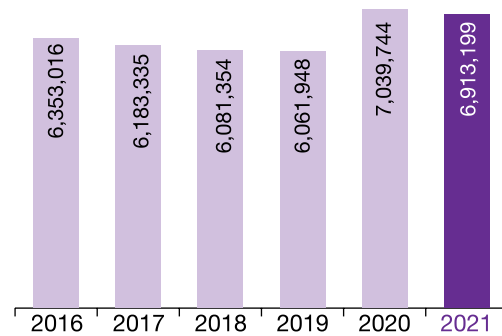
The Company was able to generate free cash flows to equity holders which is in line with the increased profitability.

Graphical Presentation

Statement of Financial Position

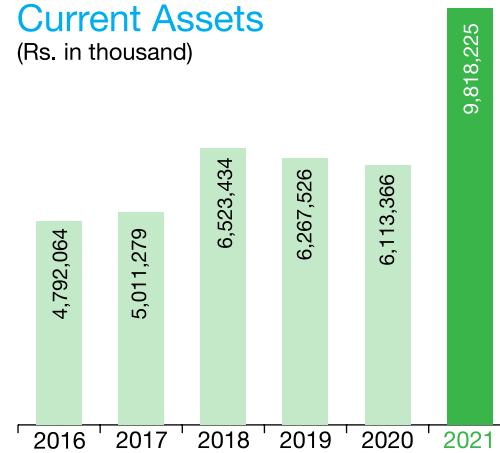
Non-Current Assets

(Rs. in thousand)



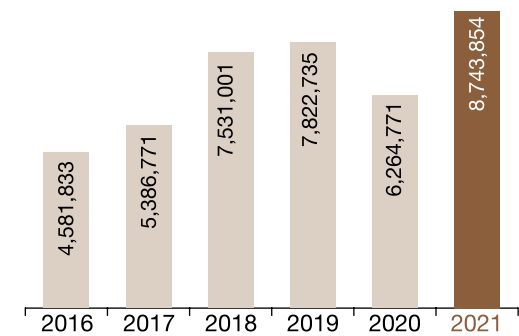
Current Assets

(Rs. in thousand)



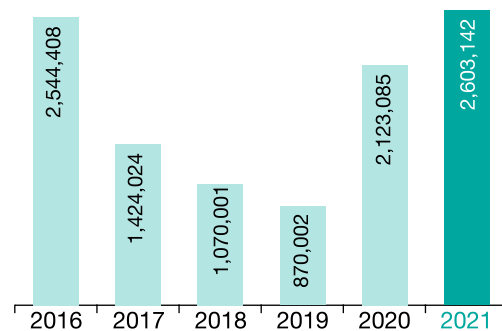
Current Liabilities

(Rs. in thousand)



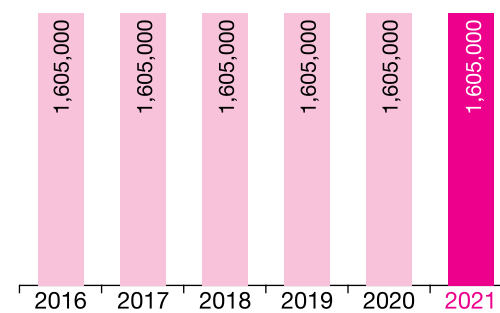
Long Term Borrowing

(Rs. in thousand)



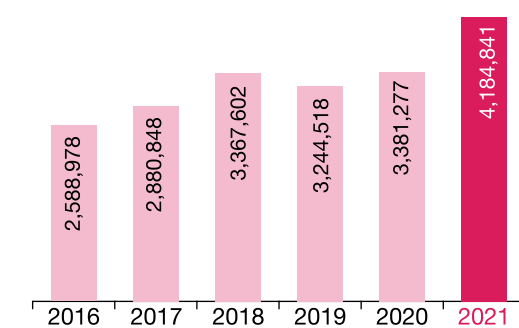
General Reserves

(Rs. in thousand)



Contribution to National Exchequer

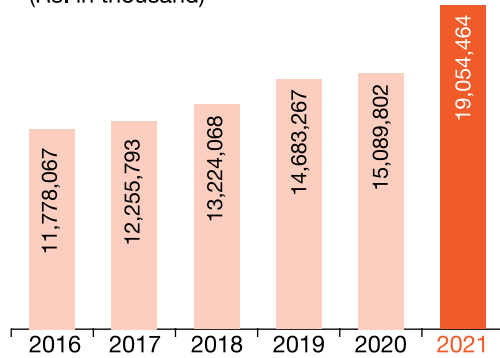
(Rs. in thousand)



Statement of Profit or Loss and Other Comprehensive Income

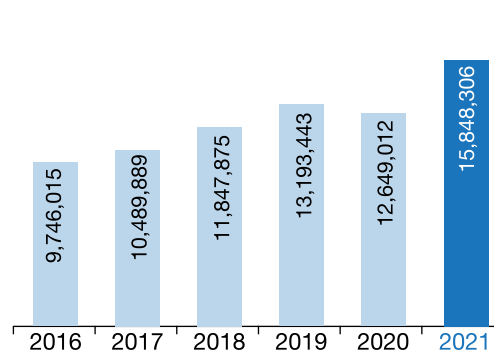
Revenue from contracts with customers

(Rs. in thousand)



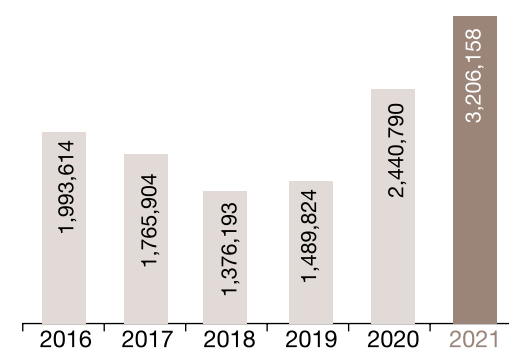
Cost of Sales

(Rs. in thousand)



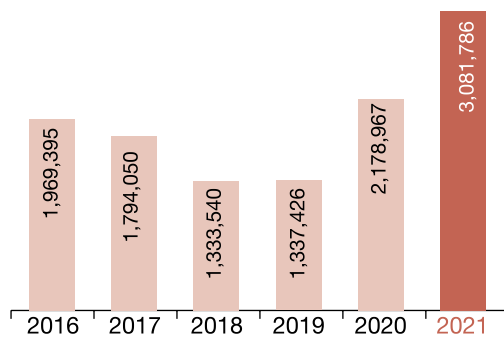
Gross Profit

(Rs. in thousand)



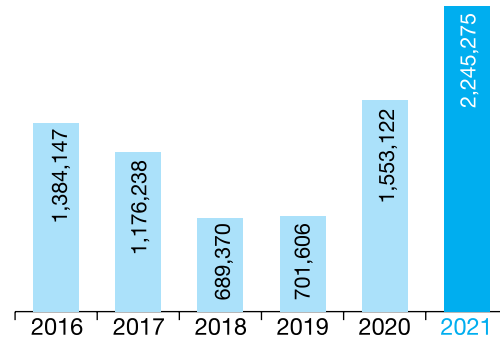
EBITDA

(Rs. in thousand)



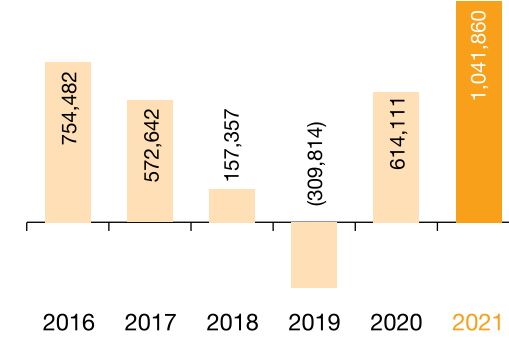
Operating Profit

(Rs. in thousand)



Net Profit / (Loss)

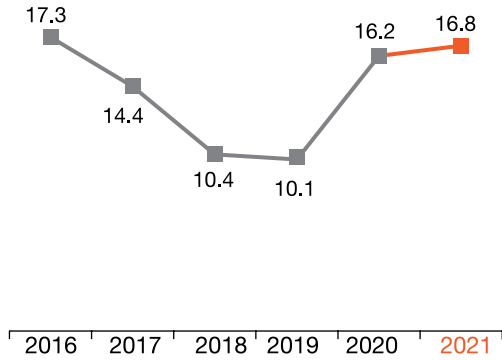
(Rs. in thousand)



Ratio Analysis

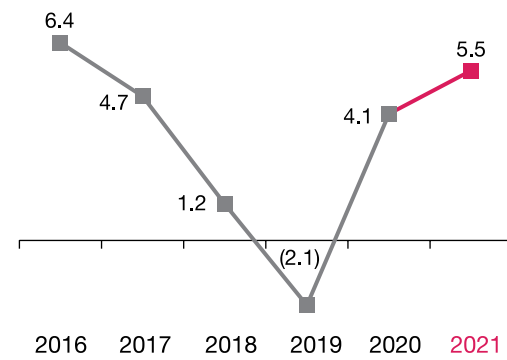
Gross Profit Margin

(In Percentage)



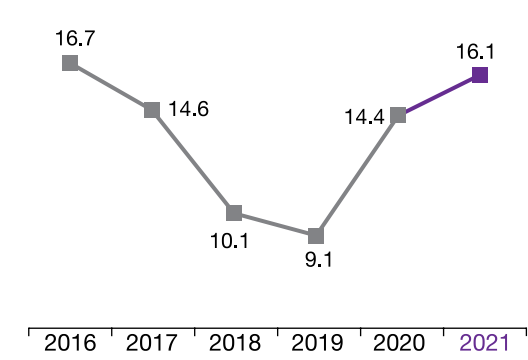
Net Profit / (Loss) Margin

(In Percentage)



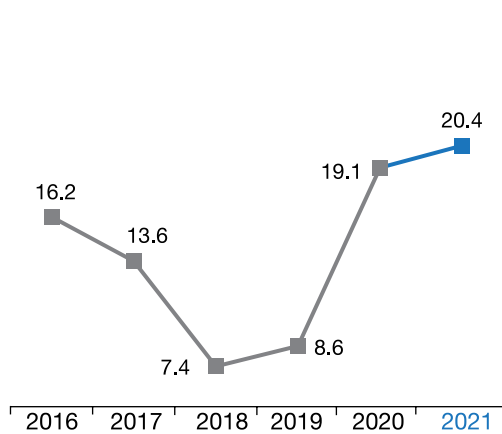
EBITDA Margin to Sales

(In Percentage)



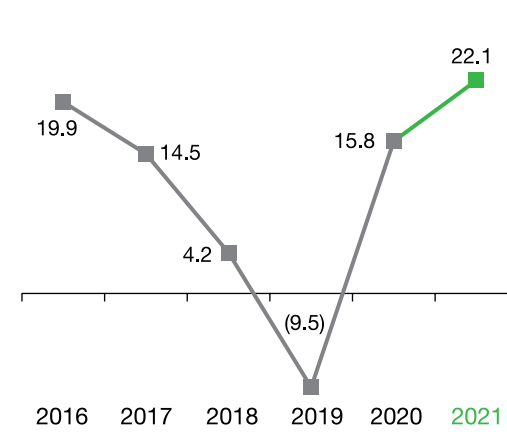
Return on Capital Employed

(In Percentage)



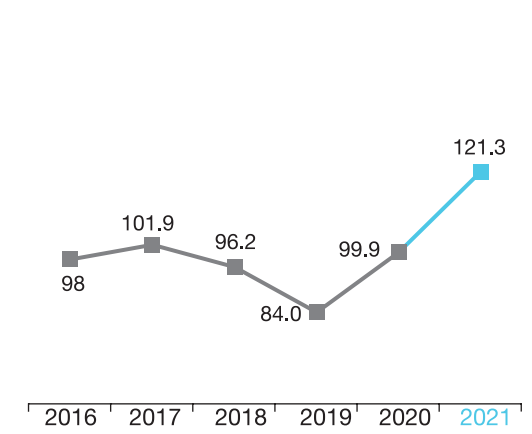
Return on Equity

(In Percentage)

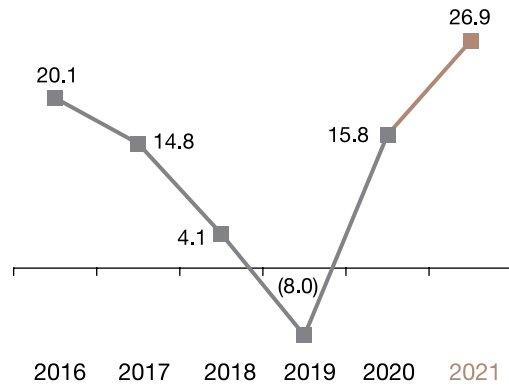


Breakup Value Per Share

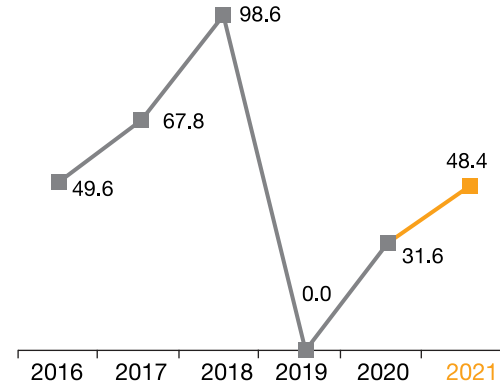
(Rupees)



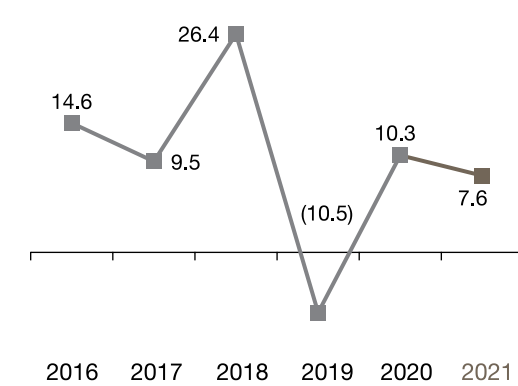
Earning / (Loss) Per Share (Rupees)



Dividend Payout (In Percentage)

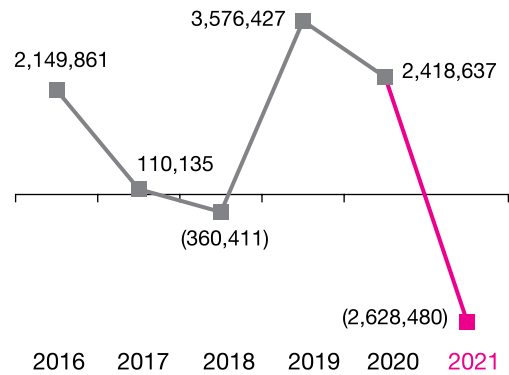


Price Earning Ratio (In Times)

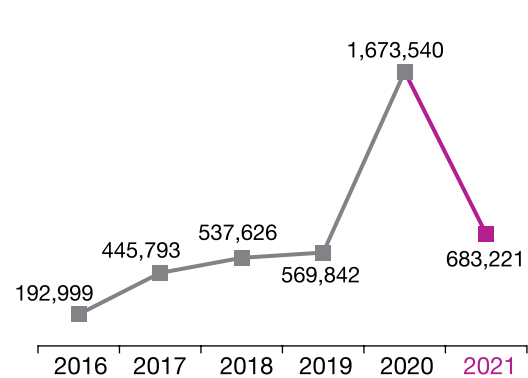


Statement of Cash Flows

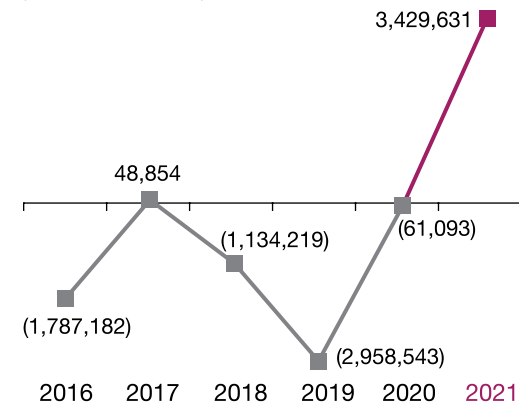
Cash Inflows / (Outflows) from Operating Activities (Rs in Thousands)



Cash Outflows from Investing Activities (Rs in Thousands)

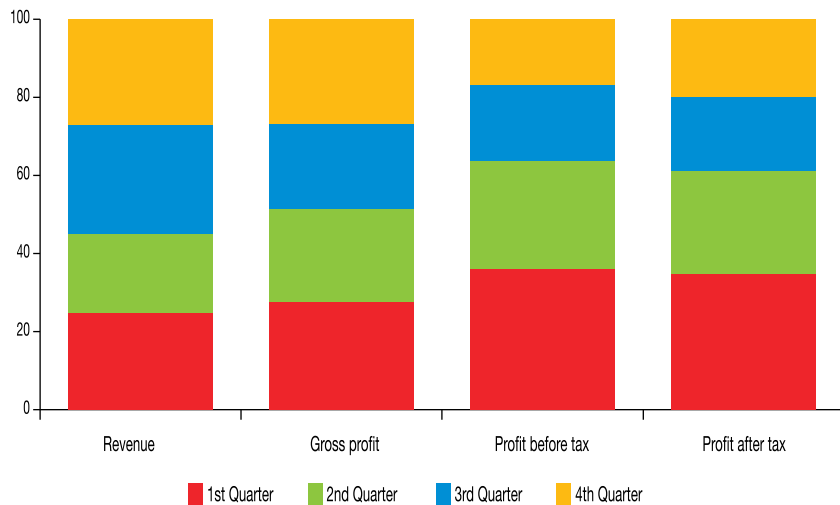


Cash Inflows / (Outflows) from Financing Activities (Rs in Thousands)



Quarterly Analysis

Particulars	2021				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
	Rupees in '000				
Revenue from Contracts with Customers	4,717,488	3,847,015	5,325,331	5,164,630	19,054,464
Cost of sales	(3,831,005)	(3,086,931)	(4,626,193)	(4,304,177)	(15,848,306)
COS to Sales Ratio	81%	80%	87%	83%	83%
Gross profit	886,483	760,084	699,138	860,453	3,206,158
Gross Profit Margin	19%	20%	13%	17%	17%
Distribution costs	(130,409)	(93,987)	(131,472)	(139,299)	(495,167)
Administrative expenses	(119,870)	(88,243)	(70,775)	(186,828)	(465,716)
Operating Profit	636,204	577,854	496,891	534,326	2,245,275
Operating Profit to Sales %	13%	15%	9%	10%	12%
Other income	31,152	21,772	60,704	(9,212)	104,416
Finance costs	(120,324)	(168,840)	(258,477)	(278,702)	(826,343)
Other expenses	(37,873)	(41,416)	(21,726)	(7,227)	(108,242)
Profit before income tax	509,159	389,370	277,392	239,185	1,415,106
Income Tax - Net	(148,254)	(113,145)	(81,348)	(30,499)	(373,246)
Profit for the year	360,905	276,225	196,044	208,686	1,041,860
Net profit to sales ratio	8%	7%	4%	4%	5%



Comments / Analysis

Quarter 1:

Pakistan's economy registered a recovery in current fiscal year. This coupled with increase in demand of packaged products led to increase in volumes by 11% compared to SPLY. An unprecedented increase in raw material prices was observed due to shutdown of US state of Texas (extreme cold weather) cutting off major supply of Polypropylene and Polyethylene. The situation was further aggravated by unplanned shut downs of major regional players.

The increased raw material was passed on to the customers. This coupled with effective margin management, improved product mix and operational efficiencies resulted in profit before tax for quarter of Rs 509m.

Quarter 2:

The unprecedented hike in raw material prices crossing over \$1,850 per ton started to normalize in Q2 2021 as operations resumed at granule plants in US state of Texas and completion of planned maintenance at Middle Eastern players. This resulted in improved supply in the market leading to prices to normalize.

However, revenue for the quarter reduced by 18% compared to Q1 as customers shifted towards need based buying with the expectation of reduced prices resulting in reduction in sales. The Company remained vigilant to fluctuation in Polymer prices in the market, ensuring maximum is passed on to customers.

The above mentioned resulted in normalization of profitability as a result of which the Company booked a profit before tax of Rs 389 million.

Quarter 3:

Raw material availability and prices remained a major challenge coupled with global supply chain issues. Q3 witnessed increase in raw material prices, emanating primarily from feedstock availability issues in the Middle East.

Sales volumes gained traction in Q3 2021 owing to fully operational markets and healthy buying trend compared to Q2 2021. This led to growth in sales by 38% compared to Q2.

However, major unfavorable movement in exchange rate led to exchange loss of Rs 144 million which directly affected the profitability of the Company. Keeping in view the uncertainty surrounding the exchange rates, the Company aimed to minimize the foreign currency liability by converting payment terms from usance to sight basis. This resulted in profit before tax of Rs 277 million.

Quarter 4:

Q4 witnessed fluctuating raw material prices as the middle eastern players resume operations after planned maintenance. However, the prices remain visibly higher than pre-covid levels.

The supply chain disruption due to the pandemic remained a concern as we faced a shortage of shipping containers for booking of raw material due to space availability and reduced shipping vessels. The situation is expected to prevail in the upcoming quarter. Adequate stock levels are being maintained to overcome these challenges.

Finance cost excluding exchange was higher by 52% compared to Q3 majorly on account of increasing policy rates, conversion of import payment terms from usance to sight and higher stock levels thus resulting in higher the debt burden.

An exchange loss Rs 40m was also recognized in Q4 due to further unfavorable movement in exchange rate.

Consequently, the profit before tax for the last quarter stood at Rs 239 million.

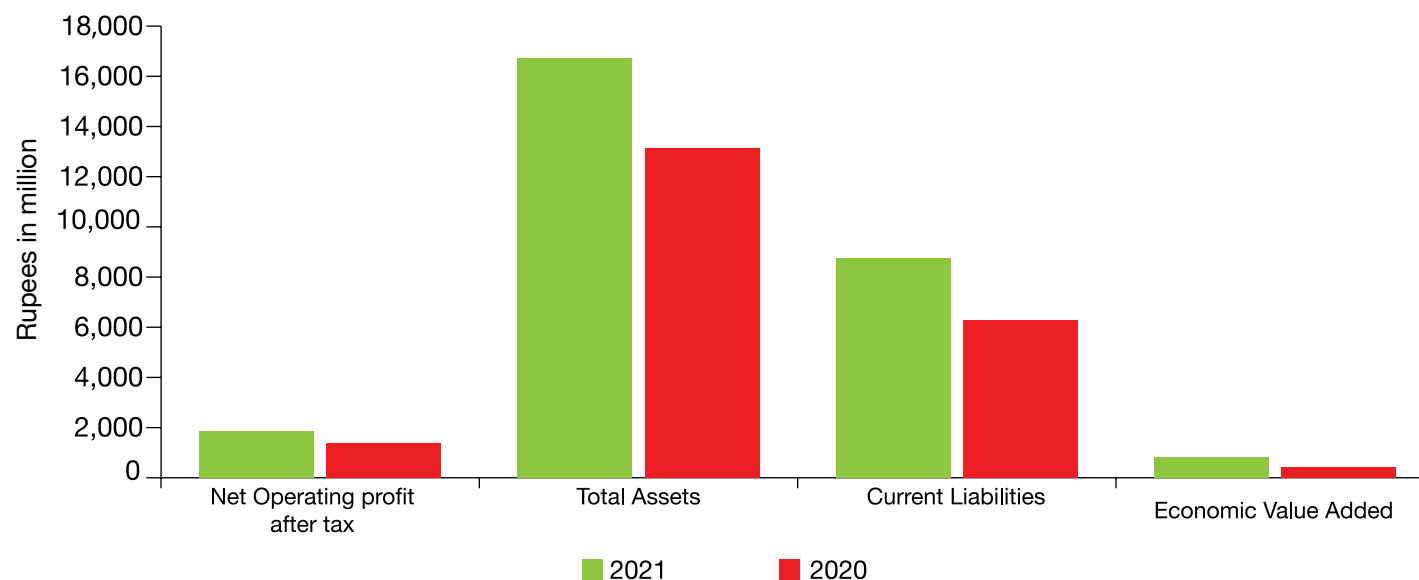
Economic Value Added

	2021	2020
	Rupees in million	
Net Operating profit after tax (A)	1,872,029	1,393,721
Cost of Capital (B)	(1,067,215)	(972,950)
Economic value added	804,814	420,771
Total Assets	16,731,424	13,153,110
Current liabilities	(8,743,854)	(6,264,771)
Invested Capital	7,987,570	6,888,339
WACC	13.4%	14.1%
Cost of capital (B)	1,067,215	972,950
Operating profit	2,245,275	1,553,122
Income tax - net	(373,246)	(159,401)
Net Operating profit after tax (A)	1,872,029	1,393,721

Comments

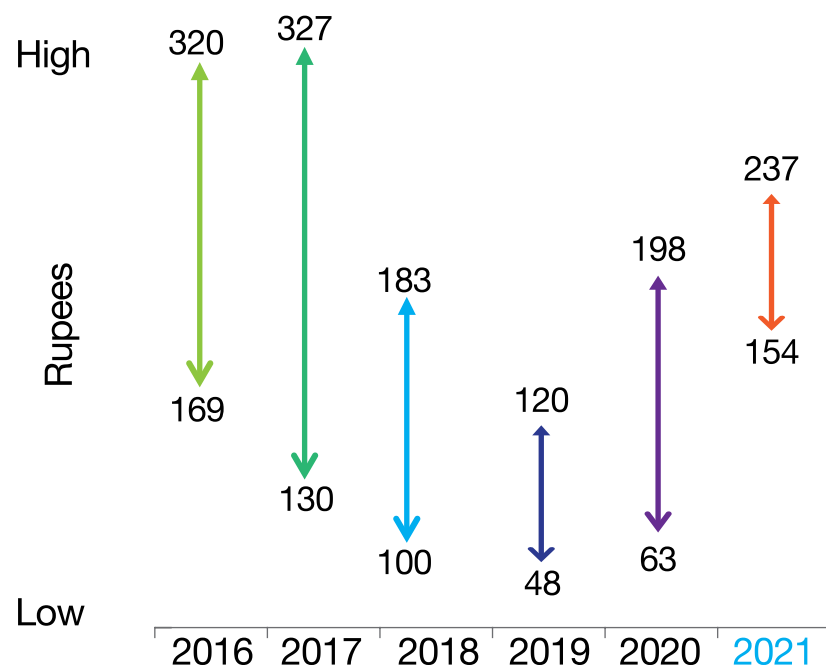
Economic value added (EVA) is a measure that reveals the financial performance of a business based on its residual income. It aims to define the value a company generates with the help of the invested funds and improve the generated returns for shareholders.

The company's EVA has increased significantly as compared to last year mainly due to high operational profitability as a result of effective margin management and continuous focus on cost efficiencies throughout the year. Moreover, lower WACC also contributed to the increasing EVA as the policy rates remained low for majority of the year.



Share Price Sensitivity Analysis

Market Value per Share



The share price of the Company is based on the financial position which may be affected by various internal and external factors. Following are some of the factors that influenced the performance of the Company as well as the share price.

Currency exchange rate

Being an import oriented Company, fluctuation in exchange rate has a direct impact on the cost of production. Due to unfavorable movement in exchange rate in quarter 3, the Company recognized significant exchange loss. However, the Company was successful in passing on this impact to the customers.

Economic State of Affairs

Uncertainty in economic conditions has an adverse impact on the economy and the industries within. Post COVID, situation of the economy improved as markets were resumed however this led to hike in demand of commodities which led to increased prices.

Fiscal Policy

Due to the collective effort of all the related Industry players, industry was out of minimum tax regime at import stage (Finance Act, 2020) leading to normalization of tax charge for the year 2020.

Monetary Policy

Being highly geared, the Company is exposed to interest rate risk. Any change in interest rate directly affects the bottom line of the Company. For majority part of the year, expansionary policy was followed in the form of low policy rates. However, towards the end of the year policy rate was increased by 275 bps resulting in increase in interest cost.

Inflation

Rising prices in the country adversely impacts the purchasing power of individuals thus affecting the demand of films and in turn the share price due to reduced profitability. Owing to resumption of markets and increased demand, there was constant inflationary pressure. Towards the end of the year inflation was around 11%.

Selling price and raw material cost

Feedstock prices directly affect our cost of production. Raw material shortage was witnessed during the year mainly due to severe weather conditions and supply chain issues. This resulted in increased prices of feedstock. This increase in feedstock prices was timely passed on to the consumers in the form of increased selling price.

Stock Market Performance

The unexpected macro adjustment such as depreciation of exchange rate, increased interest rates, and political and economic instability continued to influence the stock market throughout 2021. KSE 100 Index started from 43,755 points and ended at 46,348 points.

Business Rationale of Major Capital Expenditure/Projects

In 2020, the Company made investment to acquire a state of the art metallizer and slitter machines which are fully operational. Further, the Company continually invests in sustenance capex as part of its mission statement to develop new products, improve quality of the existing films and fulfil market requirement.

Tri-Pack Films Limited has announced to invest in a new state of the art Biaxially Oriented Poly Propylene (BOPP) Film manufacturing line to cater increased demand of BOPP Films in Pakistan and offer faster delivery, better quality, greater convenience and increase flexibility.

The project is progressing as per agreed timelines and is expected to be operational in Q1, 2024.



SWOT Analysis



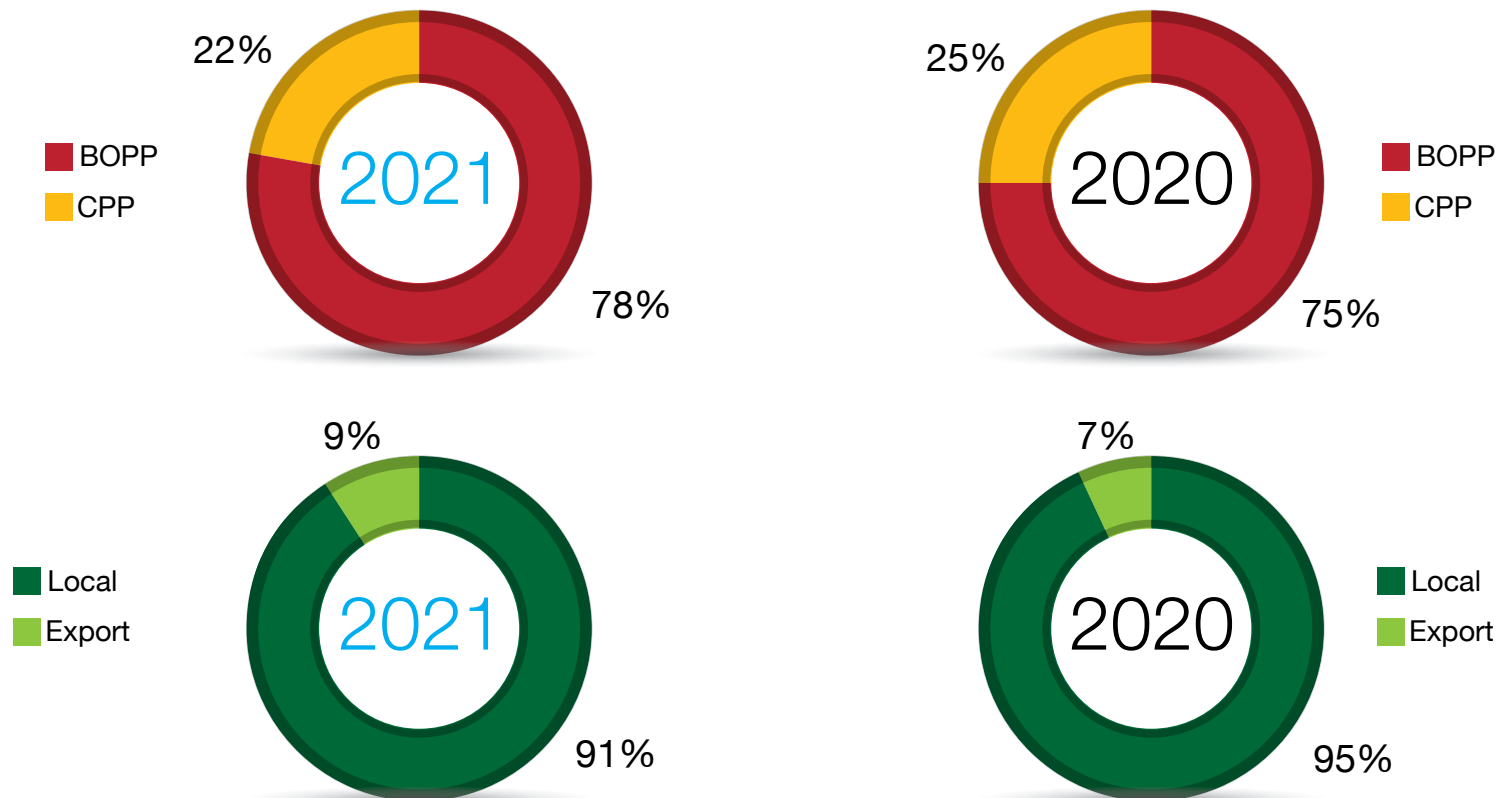
Divisional Review of Business Performance

Tri-Pack Films Limited is the leading manufacturer of Biaxially Oriented and Cast Poly Propylene (BOPP & CPP) packaging films. Product innovation and catering to customer needs has been our hallmark. Our success lies in our continuous focus on providing the best quality products. We aim to remain steadfast in our belief and corporate mission strategy. It is our aim to spread our footprint in the global market with the same enthusiasm.

2021 was a very challenging year as shortage of raw material was observed due to severe weather conditions and shut downs and major supply chain disruptions on account of shipping lines and container shortages affecting the timely supply of material both our and customer end. Resumption of markets across the globe led to hike in demand (earlier than expected) of BOPP and CPP and resultantly prices soared across the board.

Domestic demand for BOPP and CPP remained range bound as customers resorted to need based buying keeping in view fluctuating raw material prices. This resulted in decline in local volumes by 4%. However, this volume loss was partially covered through exports which saw a volumetric increase of 17%.

Percentage in terms of volumes



Debt Repayment

The total debt to equity ratio of the Company in 2021 is 65:35. The Company ensures that debt servicing is done on timely basis as per the respective repayment schedules.

Explanation of Negative Changes in Performance Over the Period

The performance of the Company has been extensively discussed in different sections of the annual report. Various analysis have been shared in this section to give our stakeholders valuable insight in terms of our financials.

Dividend Declaration & Payment of Levies

As stated in Director's report, the directors have recommended a cash dividend of 130% i.e. Rs 13/- per share (2020: Rs 5/- per share).

Further, the Company has ensured that no payment on account of tax, duties, levies etc. is overdue or outstanding.



History of Major Events

JANUARY

2021

78th Meeting of Board Audit Committee (28th)
138th Meeting of Board of Directors (29th)

FEBRUARY

2021

139th Meeting of Board of Directors (12th)

MARCH

2021

Womens' Day Celebrations (08th)
Tri-Pack Cricket Championship 2021 (08th-18th)
Diamond Award in small medium enterprises by Employer Federation of Pakistan (12th)
Appreciation Certificate on Excellent User for 2020, (12th December 2020, awarded in March 2021)
Cross Functional Collaboration Workshop with Group Head HR (24th & 25th)

APRIL

2021

Career Fairs (throughout the month)
Successful Transition on Group IMS Recertification (05th-09th)
Successful completion of Food Safety System Certification (FSSC 22000 v5.1) 1st Surveillance Audit (13th)
Annual General Meeting (14th)
79th Meeting of Board Audit Committee (19th)
140th Meeting of Board of Directors (20th)
Earth Day Celebration/ Tree Plantation Activity (22nd)

MAY

2021

Group Summer Internship Program (21st May 2021-18th September 2021)

"I'm Vaccinated Campaign- COVID-19

JULY

2021

1st Prize awarded to Tri-Pack by Employer Federation of Pakistan on 18th Annual Environmental Excellence Awards (27th)

AUGUST

2021

80th Meeting of Board Audit Committee (9th)
141st Meeting of Board of Directors (10th)
Independence Day Celebrations (14th)
Best Corporate Reporting Award by ICAP & ICMAP (27th)

SEPTEMBER

2021

Green Office Certified by WWF (08th)

OCTOBER

2021

Global Handwashing Day (SHE ran in-house campaign on this day) (Throughout the month)
Pakistan Sign Language Training Workshop (13th)
Safety Week (18th-22nd)
81st Meeting of Board Audit Committee (21st)
142nd Meeting of Board of Directors (21st)
Breast Cancer Awareness Campaign (25th)

NOVEMBER

2021

World Diabetic Day (SHE ran an in-house campaign on this day) (14th)

Industrial Visits conducted for Usman Institute of Technology (24th)

DECEMBER

2021

Behavioral Based Safety & Safe Hand Campaign run by SHE (throughout the month)
Mental Health Awareness Campaign (13th)
Annual Town Hall conducted by CE (14th)
Pakistan Sign Language Training Workshop (17th)
143rd Meeting of Board of Directors (22nd)
Inauguration of Wheel Chair Friendly Office (26th)
New Year's Eve Celebrations (31st)





Awards and Recognition



Best Corporate
Report 2016
Award-5th
position



8th Employer of
the year Award
2020-Diamond
Medium National
Category



15th OSH
Award 2019
-1st Prize



18th Annual Environment
Excellence Awards 2021



Best Corporate Report 2017 Award-4th position



Best Corporate Report 2018 Award-3rd position



Best Corporate Report 2019 Award-Certificate of Merit



Best Corporate Report 2020 Award-2nd position







Outlook

- 142 Forward Looking Statement
- 144 Performance of the Entity as Compared to Last Year's Disclosures
- 144 Status of the Projects
- 144 Sources of Information/Assumption

Forward Looking Statement

In 2021, the Company was able to perform well and deliver highest ever profit after tax of Rs 1,042 million. This profitability was achieved on the back of operational efficiencies, reorganization of product portfolio, lower interest rates and timely price increases to offset the increase in raw material price and exchange effect.

This is expected to continue in 2022 along with market demand growth resulting in increased market share and improved bottom line. However, there are a few uncertainties that could affect the entity's resources, revenue and operations. These mainly include:

UNCERTAINTIES	DESCRIPTION OF UNCERTAINTY AND ORGANIZATION'S RESPONSE	TERM CATEGORISATION
Increase in interest rates	<p>Description: Currently the SBP benchmark policy rate stands at 9.75%. Despite reduction in overall debt levels, any increase in policy rate by the Central Bank will directly affect the profitability of the Company.</p> <p>Financial impact of this risk is covered in detail in note 36 to the annexed financial statements.</p> <p>Company's response: The Company continually monitors its debt levels and strives to generate healthy cash flows to reduce the same to contain the impact of increase in interest rate.</p>	<ul style="list-style-type: none"> - Short term - Medium term
Exchange rate fluctuation	<p>Description: USD closed at Rs 178.2 in 2021. Any further unfavorable movement of exchange rate will result in exchange loss to the Company on its foreign currency import liabilities.</p> <p>Financial impact of this risk is covered in detail in note 36 of the annexed financial statements.</p> <p>Company's response: The Company keeps the exchange exposure under check and maintains an optimal mix. Further, timely price increases are taken to ensure unfavorable exchange impact is passed on to the consumers.</p>	<ul style="list-style-type: none"> - Short term - Medium term
Increase in raw material prices	<p>Description: Increase in granule prices would increase the cost of production and reduce the margins.</p> <p>Company's response: Timely price increases were taken to ensure raw material price increases are passed on to the customer.</p>	<ul style="list-style-type: none"> - Short term - Medium term
Operational breakdowns	<p>Description: Any major breakdown would result in production and profitability loss to the Company.</p> <p>Company's response: The Company has adequate preventive maintenance schedules in place which are strictly followed in accordance with the OEM recommendation. Further, the Company also remains in touch with the OEMs to ensure there is no additional down time.</p>	<ul style="list-style-type: none"> - Short term - Medium term - Long term

Impact of external environment that could be faced by the Company:

EXTERNAL FACTORS	DESCRIPTION AND IMPACT OF THE FACTORS	TERM CATEGORISATION	CAPITAL
Political	The political uncertainty at local and global level affects stability and impacts the Company.	<ul style="list-style-type: none"> - Short term - Medium term 	<ul style="list-style-type: none"> - Social and Relationship
Economic	Economic policies always play a vital part in the growth of the industries. Increase in the policy rates, inflation and exchange rates by the government directly affects the Company's profitability.	<ul style="list-style-type: none"> - Short term - Medium term 	<ul style="list-style-type: none"> - Financial
Social	Companies are becoming more and more aware of the social aspects of the society (such as population demographics, cultural aspects, health consciousness etc.) and how they impact the organizations. Not considering and adapting with these social aspects would negatively impact the Company as well as the society. It is the responsibility of the organizations to give back to the society they operate in. Our Company is also committed to do the same.	<ul style="list-style-type: none"> - Short term - Medium term 	<ul style="list-style-type: none"> - Social and Relationship
Technological	<p>Technological advancement is a key factor that companies are focusing on to achieve operational efficiency and better quality. Tri-Pack has also remained committed to it and as a result regular capital expenditure is done to ensure technological advancements are done timely.</p> <p>In line with this commitment, the Company has announced new state-of-the-art BOPP film manufacturing line which is progressing as per planned timelines.</p>	<ul style="list-style-type: none"> - Short term - Medium term - Long term 	<ul style="list-style-type: none"> - Intellectual - Manufactured
Environmental	There is a global drive to explore environmentally friendly packaging solutions. This means that a global shift is expected to be seen from other plastic packaging to BOPP film packaging since BOPP film can be easily recycled and at the same time meet the packaging needs of the customers.	<ul style="list-style-type: none"> - Short term - Medium term 	<ul style="list-style-type: none"> - Social and Relationship
Legal	The Government is taking measures for documentation of the economy and the Company will continue to remain steadfast in compliance with existing and new regulatory requirements.	<ul style="list-style-type: none"> - Short term - Medium term - Long term 	<ul style="list-style-type: none"> - Social and Relationship

Performance of the Entity as Compared to Last Year's Disclosures

The global economy was able to cope well with the second wave of COVID-19 due to massive vaccination drives and increased awareness. However, the Company during the year 2021 observed shortages of raw material due to severe weather and shut downs and major supply chain disruptions on account of shipping lines issues and container shortages which affected the supply of material.

During the year, we witnessed economic growth in the country which led to an increase in demand. Our export margins also improved to decent levels. Timely and appropriate price measures were taken by the management due to which the Company was able to perform well and deliver highest ever profit.

However, increased working capital requirement remained a challenge.

Status of the Projects

During 2020, the Company had installed state-of-the-art metallizing and slitting machines to achieve operational efficiencies and better quality. These were in full operation during the year 2021.

New BOPP Line update: -

- Project financial close achieved in Q1 2021 under combinations of TERF, LTFF and conventional loans.
- Letter of credit for BOPP new line established in Q2 2021.
- Design meetings are underway with machinery suppliers.
- Looking at all the possibilities of keeping project cost in line with original estimates despite exchange fluctuations and increase in cement and steel prices.
- Expected date of commencement of operations is early Q1 2024.

Sources of Information/Assumption

Information/assumptions are based on the current economic and business environment surrounding the Company and internal risk assessment of the Company. Information is obtained from internal as well as external and reviewed regularly and acted upon. Internal sources include various departments of the Company such as manufacturing, technical, supply chain etc. External sources include legal consultants, technical consultants, financial consultants etc.

Further, financial institutions are also engaged on various levels to evaluate our assumptions regarding interest rate and exchange rate fluctuation.







Business Model

148 Business Model

Business Model

Tri-Pack offers wide range of Biaxially Oriented and Cast Polypropylene (BOPP & CPP) packaging films, which are carefully and diligently produced to fulfill the requirements of the customers.

Key types of capital that the Company depends on are:



INPUTS

Financial

- Total debt equity ratio as at December 31, 2021 is 65:35
- Net asset base of Rs. 4.7bn.
- Sufficient capacity to borrow
- Strong financial group position

Human

- Total employees: 291
- Focus on training and continuous improvement
- Employee focused environment
- Diversity and inclusion

Manufactured

- 2 BOPP lines
- 2 CPP lines
- New state-of-the-art BOPP line already announced in 2020
- Continued focus on technological advancement and research and development

Social & Relationship

- Relationship with customers, suppliers, employees etc.
- Strong compliance framework
- Giving back to the community

Natural Capital

- RO plant
- Absorption chiller
- Erema machine



BUSINESS ACTIVITIES

How the organization differentiates itself in the market place?

The Company possesses state-of-the-art manufacturing plant, producing variants of BOPP and CPP films to fulfil customer needs, with the objective of reducing the environmental footprint.

How does the organization approaches the need to innovate?

Regular customer visits and research on global market helps us identify the needs of the market. We have a dedicated team of R&D professionals, focused on product innovation and improvement.

How has the business model been designed to adapt to change?

The business model is continually assessed to ensure that it is in line with the requirements of our stakeholders, and wherever needed changes are made.





OUTPUTS

Financial

- Profit after tax: Rs. 1,042 million
- Proposed dividend per share: Rs. 13/-
- Operating profit: Rs. 2,245 million
- Earning per share: Rs. 26.85

Human

- Improved culture of the organization
- Increased diversity and inclusion

Manufactured

- New products developed through research and development

Social & Relationship

- Increased customer base and increased customer satisfaction of existing customers
- Uninterrupted supply of raw material
- Contribution to national exchequer: Rs. 4.2 billion
- Donation being made as part of corporate social responsibility
- Increase in export sales by 63%

Natural

- Recycled more than 70% BOPP waste
- ISO certification
- 18th Annual Environmental Excellence Award



OUTCOME

- Compliant business conduct keeping in view all the rules and regulations applicable to the Company
- Sustainable growth in business value and volumes to create value for the stakeholders
- Satisfy our customers' needs through timely supply of goods and ensuring there is no compromise on quality
- Shareholders and other stakeholders' trust and confidence





Stakeholders' Relationship and Engagement

152 Stakeholders' Relationship and Engagement

154 Wealth Generated & Distributed

Stakeholders' Relationship and Engagement

Stakeholder Engagement

Our stakeholders extend valuable contributions towards growth and existence. Our strategy aims to identify emerging trends, possible threats and best available value propositions for all our stakeholders including our shareholders, employees, customers, suppliers, society and regulators. We want our stakeholders to be advocates of Tri-Pack, which is why we have always encouraged an open culture that focuses on trust, integrity, respect, mutuality, commitment and satisfaction.

1. Shareholders

We believe that regular communications with shareholders is an important part of creating an open and constructive dialogue. We respond to our shareholders' expectations through improvements in business operations, effective governance and corporate reporting framework. The Company encourages shareholders' participation at Annual General Meetings and endeavors to provide sound disclosures through its quarterly and annual reports. For inclusion of financial and non-financial information we maintain a website (www.tripack.com.pk) which is updated on frequent basis to ensure all developments are communicated to our stakeholders on timely basis.

2. Customers

Constant engagement with customers is the essence of our customer service, which has always helped us in keeping ourselves ahead of the market. Tri-Pack has invested significantly over the years in customer relationship management going beyond extending credit facilities and trade discounts. It is for this reason that we have a team of dedicated individuals working in close coordination with customers, visiting them on a regular basis to ensure provision of impeccable goods and services that are aimed at improving their productivity and profitability.

3. Suppliers

Our continuous and sustainable growth is also attributable in engaging reputed and dependable suppliers as business partners. Tri-Pack has partnered with vendors from around the world to ensure consistent quality of our products. Therefore, the relationships with our suppliers are an increasingly important

factor in allowing us both to maintain high standards of product supply and to respond to anticipated future customer needs. We have a dedicated department which is constantly engaged with suppliers to maintain a healthy business relationship.

4. Banks

Our business relationship with our banks has been phenomenal. This is evident by the belief shown by banks in our commitments by providing significant finances to fund our projects. We maintain this relationship by actively engaging with our banks through frequent briefing sessions on Company's performance and site visits to keep them on board with our strategies and latest developments.



5. Regulators

Our commitment to compliance with laws and regulations is evident from our Corporate and Legal teams' continued efforts for efficient and effective legal and regulatory obedience. The engagement includes submission of periodic reports, responding to enquiries and meetings as and when required. Active engagement with regulators improves level of compliance.

6. Community

At Tri-Pack we genuinely care about giving back to our community. We actively participate in various social initiatives as part of our corporate social responsibility. Being a conscientious member of the corporate community, the Company contributes to various social and charitable causes including health, education and social sectors.

7. Employees

We believe that the way to grow as a business is to grow our people, enabling personal development and ambitious business results. We take pride in our engagement initiatives including development through a detailed Training Needs Analysis, Annual get-togethers, Conferences and other engagement activities. For our strategy to work we need our employees to believe in us and therefore we assess ourselves through employee engagement survey which measures their overall satisfaction levels of being part of the Company. This helps us in comparing ourselves with other large companies and in identifying ways to improve how we do things.

Number of Employees

The total number of employees at the end of 2021 was 291 (2020: 311). The average number employees during the year was 294 (2020: 309) The total number of factory employees at the end of 2021 was 118 (2020: 128) average number of factory employees during the year was 237.

8. Corporate Briefing session

This year the Company conducted an online corporate briefing session for the shareholders and investors. The session covered market & financial overview, project update and future outlook. It was attended by the shareholders and analyst from various Companies and Institutions. The link to our Corporate Briefing Presentation is available on Company website, under the link: <https://www.tripack.com.pk/>

Minority Shareholders

Tri-Pack Films Limited ensures equal treatment of all its shareholders including minority shareholders to attend, speak and vote at the General meetings, and in its corporate briefing session where we see active participation by minority shareholders. The Company also has a 'Shareholder communication and Investors Relationship Policy' in place to provide shareholders and other investors with information about itself and its governance.

Investor Relations

In order to provide all the information to our shareholders and investor and ensure transparency of the utmost level, we have a separate 'Investor relation' section on our Company website www.tripack.com.pk.

AGM Proceeding

The 29th Annual General Meeting (AGM) of Tri-Pack Films Limited was held on 14th April 2021 at 10:30 A.M. via video conferencing considering the COVID-19 protocol. The meeting was well attended by the Shareholders.

Detailed discussions were conducted on the financial statements of the Company in respect to current financials, future outlook and economic situation impacting the operations of the Company. The questions were answered by the management to the satisfaction of shareholders.

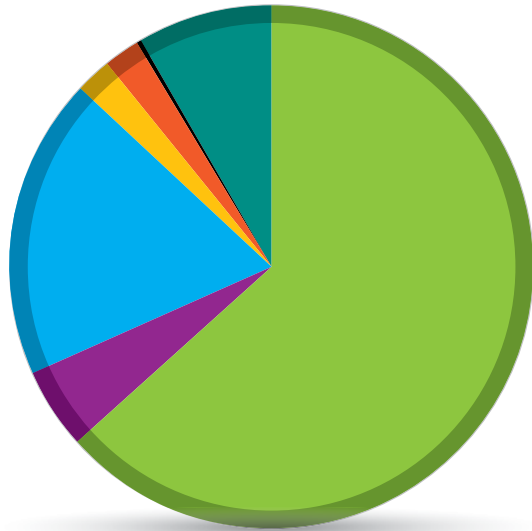
Further, final cash dividend of Rs. 5.00 per share for the year ended December 31, 2020 amounting to Rs. 194 million was approved by the shareholders.

Shareholders also gave approval for re-appointment of M/s. A. F. Ferguson & Co., Chartered Accountants as External Auditors.

Wealth Generated & Distributed

The statement below shows value added by the operations of the Company and its distribution to the stakeholders.

	2021		2020	
	(Rs in '000)	%	(Rs in '000)	%
Wealth Generated				
Sales	22,134,478	99.5	17,580,249	99.1
Other Income	104,416	0.5	164,710	0.9
	<u>22,238,894</u>	<u>100.0</u>	<u>17,744,959</u>	<u>100.0</u>
Wealth Distributed				
Bought-in-material & services	14,058,290	63.2	11,161,370	62.9
To Employees				
Remuneration, benefits and facilities	1,140,449	5.1	1,088,748	6.1
To Government				
Income Tax, Sales Tax, Custom & Excise Duties, WPPF, WWF, EOBI, Social Security, Professional & Local Taxes	4,184,841	18.8	3,381,277	19.1
To Providers of Capital				
Cash dividend (proposed)	504,400	2.3	194,000	1.1
To Lenders				
Mark up & finance cost	485,841	2.2	599,154	3.4
To Society				
Donations	21,888	0.1	7,683	0.0
Retained for Reinvestment & Future Growth				
Unappropriated Profit, Depreciation & Amortization	1,843,185	8.3	1,312,727	7.4
	<u>22,238,894</u>	<u>100.0</u>	<u>17,744,959</u>	<u>100.0</u>

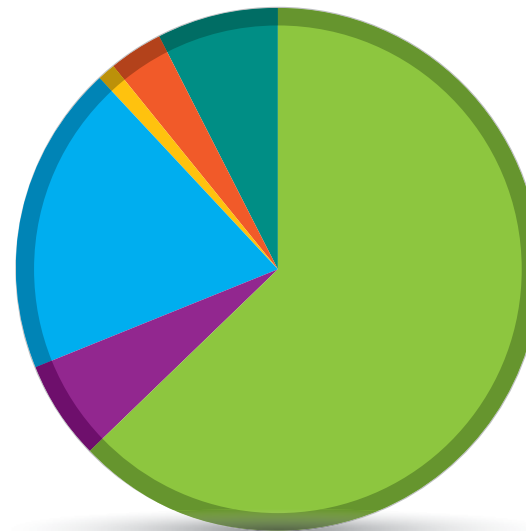


2020

	Amount (Rs in '000)	%
Bought-in-material & services	11,161,370	62.9
To Employees	1,088,748	6.1
To Government	3,381,277	19.1
To Shareholder	194,000	1.1
To Lenders	599,154	3.4
To Society	7,683	0.0
Retained for Reinvestment & Future Growth	1,312,727	7.4
Total	17,744,959	100.0

2021

	Amount (Rs in '000)	%
Bought-in-material & services	14,058,290	63.2
To Employees	1,140,449	5.1
To Government	4,184,841	18.8
To Shareholder	504,400	2.3
To Lenders	485,841	2.2
To Society	21,888	0.1
Retained for Reinvestment & Future Growth	1,843,185	8.3
Total	22,238,894	100.0





An aerial photograph of a mountain valley. In the foreground, a large reservoir with greenish water is visible, surrounded by a rocky and sandy riverbed. The middle ground shows a steep, rocky slope with patches of green grass and scattered evergreen trees. The background is dominated by dense, lush green forests covering the mountain slopes under bright sunlight.

Sustainability and Corporate Social Responsibility

- 158 Safety, Health and Environment (SHE) Strategy & Developments
- 159 Corporate Social Responsibility
- 163 Research & Development
- 164 Quality Control

Safety, Health and Environment (SHE) Strategy & Developments

SHE department is established as a core value and key pillar of business operations. SGS Pakistan has re-validated effectiveness of Integrated Management System which has been upgraded to Group level IMS certification in 2021. The consistent drive toward excellence is reflected through migration from FSSC 22000 v5.0 to v5.1 with exceptional and satisfactory results. At Tri-Pack, we believe in a proactive culture, by inculcating leadership for SHE at all levels.

In 2021, Safety, Health & Environment (SHE) remained among the top priorities of the Company. Focused and proactive approach has been adapted to embed safety culture across the entire organization. COVID-19 Pandemic continued in 2021 as well, hence, all SOPs and preventive measures have been kept intact to ensure the well-being of our employees and contractors. For this purpose, robust vaccination drives have been arranged ensuring 100% inoculation of TPFL employees and contractors.

At TPFL, the applicable management systems stand on the backbone of integrated policy, standard practices and procedures, closely monitored to ensure due diligences at all times. Regular assessments of facilities, offices and warehouses are performed to provide assurance to business and stakeholders. We are committed to invest and provide all necessary resources to drive enhanced SHE performance, maintain compliance with applicable laws & regulations and drive continual improvement. In 2021, TPFL along with other Group companies became part of Group IMS Certification ensuring synergy across all companies in relation to Integrated Management System. Additionally, TPFL has also achieved WWF Green Office Initiative certification for its Plant offices and is recipient of 18th Annual Environmental Excellence Award 2021 – both of which are testaments of our commitment to environmental sustainability conservation efforts.

As a conscientious employer, we want to do what is right and seriously take pride in our progress across all dimension of these programs that are specifically implemented across all business operations, designed

to meet applicable compliance elements as well as to minimize the impact of our business on environment and communities we operate in. Together, this is all tied up with the Company's social obligations with the commitment towards the United Nations Sustainable Development Goals (SDGs).

Our focus has been to engage and train people and take their consultation through participation in objective setting. Our Policy is reflected in our business decisions and impacts our system, surrounding, habitat and the communities we live in. We ensured allocation of adequate resources and strategies, necessary for efficacious implementation of SHE and compliance with the Company standards and applicable legal requirements. Performance monitoring against goals and objectives have served as a guidance path towards our continual improvement along with collaboration with our sponsors, contractors, suppliers and customers. We are periodically reviewing the Company's performance in implementing SHE management system. Behavior Based Safety campaign was also organized to strengthen culture, engagement and capability of teams at all levels. Similarly, with respect to occupational health and safety, Employer Federation of Pakistan (EFP) awarded Tri-Pack Films Limited 1st Prize, recognizing us in the category of Processing and Allied Sector.

SHE Management System comprises of following integrated components:

- Leadership Culture
- Business Integration
- Resource Allocation
- Regulatory Compliance
- Performance Measurement & Continual Improvement
- Stakeholder Collaboration
- Audits & Review
- Ensure customer satisfaction by its best quality product made by using state of the art machines and by continuous acquisition of knowledge and skills.
- Establish, implement and review objectives & targets to ensure continuous improvement in our SHE management system and inculcate behavior based concept to encourage employees in

contributing towards every aspect of Safety, Health, Environment, Quality and Food Safety protection (SHEQ).

- Comply with all regulatory requirements on SHEQ. Protect employees and community from health & safety hazards and to prevent environmental degradation.
- Promote and adopt eco-friendly sustainable initiatives to minimize adverse impacts on the environment from its activities.
- Employ responsible sourcing of raw materials and its usage efficiently, manage waste effectively, increase recyclability of product waste to prevent landfills and conserve resources.
- Communicate to all stakeholders about our occupational SHEQ policy & performance.
- Ensure that any new plant, equipment and processes installed will minimize hazards impacting the environment.
- Ensure sustainable consumption of energy and water resources and actively pursue to conserve and preserve them.

Our main focus has been to inculcate Safety, Health, Environment & Food Safety concepts to cater to the “safety at source” methodology and way of thinking. To strengthen our shop floor safety controls, we conduct a thorough risk assessment, the hierarchy of controls (HIRA), ensure availability of PPEs to all, and have developed robust SOPs and training programs for our employees.

We took the initiative to migrate from Food Safety System Certification version 5.0 to the latest version 5.1 proactively.

Additionally, we now have a uniform Integrated Management System Certification with our Group companies and successfully completed recertification audit of ISO 9001:2015, ISO14001:2015, and ISO 45001:2018 with zero major non-compliance.

Tri-Pack has been persistent in its pursuit to acquire certifications pertaining to the ISO standards, this is a testament of our commitment to our customers, that we are dedicated to provide a healthy and safe

environment to our employees and committed to quality & ethical means of operating.

We shall continue to sustain our efforts to enhance the wellness culture and environmental friendly practices in the organization, as well as, strengthen our Compliance Assurance Mechanisms. Moreover, we shall continue to monitor our carbon footprint by calculating our Green House Gases (GHG) via ISO 14064.

Corporate Social Responsibility

We implement a systematic strategy to fulfill our corporate social responsibility and we can proudly say that we have aligned our environmental and social obligations with the United Nation SDG's to make a positive impact as an organization.

We have partnered in the past and continue to do so with institutions that operate for philanthropic causes, working tirelessly to uplift the community by striving for the rights of and making a significant difference to the quality of life and welfare of people. We remain proud to say, we have built strong alliances with institutions such as Indus Hospital, Akhuwat, NOWPDP, and the academia in Pakistan and will continue to do so to do our part in making a difference in the lives of many.

From an environmental standpoint, we had launched annual tree plantation activity which is linked to our CSR initiative to improve the air quality in our surroundings.

We take great pride in CSR initiatives, as they are linked to our business targets which enables us to leverage business and social agendas.

People & Culture

“It is our people who set us apart from our peers.”

Our people strengthen our ability to deliver our business goals. Therefore, we create a workplace where people are nurtured to be at the best of their abilities to grow and develop. Our talent management & development strategy is deeply rooted in our business priorities.

Fight against COVID-19 – Continued efforts in 2021

In continuation of efforts taken in 2020, we have sustained precautionary measures in the fight to keep our employees safe from the Pandemic. In addition, we have complied with National Command and Operation Center (NCOC) guidelines, to ensure inoculation of all employees and with COVID-19 vaccines.

UN's Sustainable Development Goals

The United Nations Sustainable Development Goals (SDG's) set out a vision to facilitate the challenges faced by humanity and we can proudly say that Tri-Pack fulfills environmental and social obligations, making a positive impact as an organization.

Our CSR & Sustainability initiatives are particularly geared towards contributing to the United Nation SDG's.

Our resolution from yesteryears and beyond remain on focusing on the following goals: SDG 03: Good Health; SDG 05: Gender Equality; SDG 07: Affordable and Clean Energy, SDG 10: Reduced Inequalities; SDG 13: Climate Action.

Environmental Protection Measures

At Tri-Pack, the business strategies take full account of the impact of our operating decisions to ensure clean and green environment. Our engines, oil heaters and other utilities comply with the Sindh Environment & Quality Standards (SEQS). Furthermore, our gas engines and chillers are under "co-generation" model which further reduces the stress on environment when it comes to gaseous emissions.

We ensure that all of our effluent, waste, emissions, noise and ambient air parameters are within the limits of SEQS and our operational activities are governed by rules and regulations of legal and statutory requirements of Provisional and Federal government.

Code of Conduct and Legal Compliance

Tri-Pack is committed to upholding the highest standards of business integrity, ethics and good corporate governance.

While pursuing our business objectives, we aim to be a responsible partner for our community, acting with integrity towards our employees, customers, partners, shareholders and other stakeholders.

Business Ethics and Anti-Corruption Measures

Business ethics is our fundamental value and lies at the heart of everything that we do at Tri-Pack Films Limited. The Board of Directors of the Company has univocally set down the acceptable business practices and code of conduct which is based on values and clarifies the ethics and compliance expectations for everyone who works at Tri-Pack Films Limited. In addition, thereto, multiple channels are available to our Stakeholders to speak-up and identify practices and behaviors that are unacceptable to our fundamental and core values.

Contribution to National Exchequer

Tri-Pack's contribution to the national exchequer in the form of sales tax, custom duties and income taxes etc. is approximately Rs. 4.2 billion in 2021.

Diversity & Inclusion (D&I)

We focus on creating a diverse, inclusive and equitable environment in which all our employees feel secure, supported and respected with a feeling of sense of belonging prevailing. We have embedded equity and inclusion into the Company processes including recruitment, retention and sponsorship advancement.

We strive to broaden our horizons with respect to D&I at the workplace. It remains our key priority, focusing on gender equity and inclusivity of Trans-Genders and Differently-Abled individuals. Our aim is not only equal representation but to empower (UN Women Empowerment Principles), break stereotypes, sensitize our people & fight biasness.

In our most recent initiative, we joined hands with M/S Akhuwat to provide employment to trans-people and M/S NOWPDP to provide employment to differently-abled people at TPFL (SDG 04: Gender Equality, SDG 10: Reduced Inequality).

This successful collaboration led to the onboarding of 01 individuals from the trans community and 04 individual from differently-abled communities at Tri-Pack Films Limited.

Our success keeps us motivated to strive and do our part to support and develop them.

Women Empowerment

Our commitment to women's empowerment remains a top agenda driven by our top management who are personally vested in improving and sustaining talented females in respective job functions, helping them realize their potential and magnifying their contributions to the organization.

Over the last three years, we have attained a rising trend in female representation at Tri-Pack, we have more than doubled the female head-count at our workplace, starting with 16 females in 2018 and closing 2021 with a female head count of 34 at shop floor & executive level.

Moreover, we have reformed our workplace, to be a better fit for women at work, by implementing female-friendly policies and other best practices inspired by the Global Diversity & Inclusion Benchmarks (GDIB). We also participate in sensitization workshops on Unconscious Bias against Genders by UN and Workplace Harassment by ILO Pakistan, to ensure decent & respectful workplace environment/conduct.

Rewarding Performance

We value and develop our people, rewarding them based on their performance, potential and contribution to our values and success.

We believe, the better we perform, the more we grow, the more we explore new business opportunities, and the more value we add and deliver better results to our stakeholders.

Our performance management and reward processes are well rooted in our Company' strategy and culture. An integral part of our culture is to reward our people for sustainable results.

We look for opportunities to simplify and add value wherever possible. Every year we review our existing policies to ensure they are current, purposeful and in alignment with the strategy and spirit of

the Company. We propagate diversity, inclusion and equitability and therefore we benchmark and monitor our policies and practices in relation to the same, to ensure that we meet the market standards and take action where we fall short. Our policies look at both sides "what" we do, and "how" we do it.

Sustainability

Sustainability is an integral part of our business and operations. Tri-Pack is committed to reduce its impact on the environment and deliver more sustainable products to its customers; from producing energy efficient products and deploying cutting-edge safety systems to being the employer of choice for employees, we make decisions based on how the outcome ultimately creates value for our customers and stakeholders, consistent with the long-term preservation and enhancement of environmental, social and financial capital. It is our prime commitment and aspiration to ensure sustainability in our approach, the way we manufacture our products which includes the use of raw materials from responsible sourcing, ensuring ever increasing trend in recyclability of our product internally, reduction in waste generation by increasing machine efficiencies and productivity & taking other relevant measures to protect the environment.

We operate our business in a sustainable and responsible manner to achieve not only efficiencies but to also yield greater social impact. We work in a collective manner with the Packages Group on its environmental and social obligations which are aligned to honor their commitment towards the United Nations Sustainable Development Goals (SDGs).

Tri-Pack aims to create a circular economy, resulting in no production waste and ultimately no pollution. We are strong advocates of the smart use of polypropylene – to reduce, reuse, recycle and take relevant precautions where necessary.

In 2021, on the sustainability front, Tri-Pack Films Limited was the recipient of the 18th Annual Environmental Excellence Awards, the 2nd time in a row which showcases our approach towards environmental sustainability and our efforts to stop the degradation of

natural resources. Our accomplishments are directly linked with UN Sustainable Development Goals (#13 Climate Action & #15 Life on Land) of which Packages Group is a signatory.

We are also Green Office Certified by WWF – committed to ensure efficient resource utilization, reducing carbon footprint, and encouraging recycling. During the year, TPFL has started the initiative to calculate its Greenhouse gases emissions for its scope 1,2 & 3 and improvement initiatives have been devised and will be actively worked on in 2022 to further reduce this number to minimize carbon footprint of TPFL plant operations.

We ensure that our sustainable systems demonstrate proven measurable benefits in the following areas as compared to the relevant benchmarks/best practices:

- Efficient Energy and Water Consumption
- Waste management
- Recyclability and waste reduction
- Clean Energy Technologies

Moreover, our Research & Development teams, continually provide innovative environmentally friendly solutions for the production of Films.

Social Campaigns

In 2021, the following campaigns were delivered in pursuance of the same:

- a. International Day of Awareness of Food Loss & Waste (SDG 03- Good Health & Well-being; SDG 12- Responsible Consumption & Production; SDG 13 - Climate Action; SDG 15- Life on Land)

- b. International Literacy Day (SDG 04 – Quality education; SDG 16 – Peace, Justice & Strong Institutions; SDG 17- Partnerships for the Goals)
- c. Global Handwashing Day (SDG 03- Good Health & Well-being)
- d. World Diabetes Day (SDG 03- Good Health & Well-being)



Talent Development

Tri-Pack invests in multi-year developmental journeys focused on developing critical skills, required in the present and future, as identified by the business. Our Career / Talent Growth Model also facilitates in this aspect, by giving our employees the opportunity to gain relevant experiences to support our business strategy and strengthen their employability.

We understand that our businesses today, are driving demand in technology, automation, cloud, coding and analytics and this rapid development requires a shift in focus for the learning and development programs today.

Research & Development

Tri-pack film's R&D team works round the clock to provide innovative & cost effective packaging solutions that not only grow our expertise but also enhance our client's business of several packaging products varying from the food and beverage industry and several other non-essential industries for the purpose of overwrapping, lamination, bag making etc. Our R&D team enthusiastically operates to continuously improve product quality to better respond to our existing and potential client's demands, maximize productivity by optimizing the parameters of existing packaging machines, and anticipate the marketplace's needs by developing innovative products for markets we currently operate in, or developing new applications for products we already produce.

Tri-Pack Film's R&D team consists of highly motivated, experienced and skillful professionals having wide expertise of packaging materials, packaging films, converter & end consumer processing; which also provide lab testing facilities & effective technical guidance to the customers to resolve their technical issues.

With every year passing, Tri-Pack only moves ahead, stimulating ideas into reality. Our team managed to execute a number of projects successfully this year. We accomplished producing heat resistive BOPP films to provide more sustainable & recyclable structures to the customers and to promote the green environment regulations. We strive for excellence in an effective way, for which we produce Metallized CPP-20 micron low sealing temperature to enhance lamination properties at high speed machines which maximize the customers productivity, down gauged composite 40 LTS to composite 30 LTS for soap packaging with same run-ability on packaging machines so as to provide cost effective solutions. We also improved metal adhesion & high barrier properties of our Metallization in CPP films by optimizing the operating parameters which resulted in reduced de-lamination, weak bonding and metal missing complaints.



Quality Control

Tri-Pack's vision and mission revolve around one basic principal, 'No compromise on quality'. We work diligently to stay one step ahead at all times. Customer satisfaction is exigent for success of any organization and our team works at a positively accelerated pace, as for us, meeting and maintaining that level of satisfaction is momentous. We are committed to ensuring that we have the right quality capability for the business, not only for today but also for the future. We regularly arrange Quality Control & Assurance training programs to enable our employees to build deep quality expertise as well as to develop key business skills and thus ensure we deliver high-quality, safe and sustainable products every single day to our customers. Our team consists of highly competent engineers and chemists, having profound knowledge and sound grip over their subject, having ability to monitor and control the quality from development to production. Tri-Pack has a well-equipped quality control lab, with up-to-date testing equipment from world's best suppliers, assuring highly precise testing results.

This year, we expand our quality control equipment portfolio by adding highly precise 'Contact Angle Goniometer Measurement' instrument which is used to check the treatment levels of printable & laminating films with high accuracy.

Both our R&D and Quality Control teams work passionately to keep Tri-pack par excellence.

Certifications









Striving for Excellence in Corporate Reporting

168 Statement of Compliance

169 Intergrated Reporting Framework

Statement of Compliance



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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRS, the provisions of and directives issued under the Act have been followed.

Changes in accounting standards, interpretations and pronouncements

- a) Standards and amendments to approved accounting standards that are effective:

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for Company's annual accounting period which began on January 1, 2021. However, these do not have any significant impact on the Company's financial reporting.

- b) Standards and amendments to approved accounting standards that are not yet effective

There are standards and certain other amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after January 1, 2022. However, these are considered either not to be relevant or not to have any significant impact on the Company's financial statements and operations and, therefore, have not been disclosed in these financial statements.

Integrated Reporting Framework

Integrated Reporting:

Tri-Pack Films Limited always ensures that its annual report covers the contents of the integrated reporting as much as possible. This financial and non-financial information will enable stakeholders to better understand the position of the Company and in turn will lead to better and more informed decision-making by them.

Fundamental concepts of integrated reporting are:

- Value creation, preservation or erosion for the organization and for others. This includes value for Tri-Pack itself (in the form of financial returns for providers of financial capital) and for external stakeholders (for society at large).
- Capitals. Every organization depends on various forms of capital for their success. Capitals could be categorized under the heading of financial, manufactured, intellectual, human etc.
- Process through which value is created preserved or eroded. This relates to the process by which different types of capitals are used to create

value for the stakeholders. Primarily, Tri-Pack's Board is responsible for oversight of the organization's ability to create value in the short, medium and long term.

Detail in relation to different types of capital and how they are used to create value for the organization is explained under the section 'Resource Allocation Plan' and 'Business Model'.

It has been ensured that our annual report is based on the following guidelines as prescribed in the integrated reporting framework:

- Strategic focus and future orientation
- Connectivity of information
- Stakeholder relationships
- Materiality
- Conciseness
- Reliability and completeness
- Consistency and comparability

All the below mentioned contents of the integrated reporting framework are covered in the annual report:



Financial Statements

171	Independent Auditors' Report
176	Statement of Financial Position
178	Statement of Profit or Loss and Other Comprehensive Income
179	Statement of Changes in Equity
180	Statement of Cash Flows
181	Notes to and Forming Part of Financial Statements
226	Notice of Annual General Meeting
230	BCR Criteria Index
	Proxy Form
	Proxy Form (Urdu Version)
241	Glossary
244	Notice of Annual General Meeting (Urdu Version)
	Request Form for Electronic Transmission of Annual Report Notice (Urdu Version)
	Electronic Dividend Credit Mandate Form (Urdu Version)
255	Directors' Report to the members (Urdu Version)
	Request Form for Electronic Transmission of Annual Report Notice
	Electronic Dividend Credit Mandate Form



Independent Auditors' Report



A·F·FERGUSON & Co.

INDEPENDENT AUDITOR'S REPORT

To the members of Tri-Pack Films Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Tri-Pack Films Limited (the Company), which comprise the statement of financial position as at December 31, 2021, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2021 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

*A.F.FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>*



Following is the Key audit matter:

S.No.	Key audit matter	How the matter was addressed in our audit
i.	<p data-bbox="336 427 830 486">Trade Receivables <i>(Refer note 8 to the Financial Statements)</i></p> <p data-bbox="336 515 1084 767">The Company's trade receivables as at December 31, 2021 amount to Rs 2,911 million. Customers of the Company comprise of registered entities under the Sales tax Act, 1990 and other unregistered parties. There are predefined system-based credit limits and credit periods for various customer groups based on the credit evaluation. Credit limits are also extended on a case-to-case basis. Further, customers are given credit as agreed with them.</p> <p data-bbox="336 804 1084 962">Moreover, as at December 31, 2021 trade receivables of Rs. 622 million were past due but not impaired. The Company considers this amount to be fully recoverable as they are in regular contact with customers, however, due to current market conditions there is a delay in customer payment.</p> <p data-bbox="336 999 1084 1058">We have considered trade receivables area as a key audit matter due to the significance of amount and estimates involved.</p>	<p data-bbox="1138 437 1668 464">Our audit procedures included the following:</p> <ul data-bbox="1138 480 1968 1185" style="list-style-type: none"><li data-bbox="1138 480 1968 539">• Tested the design, implementation and operating effectiveness of key controls over the receivable process.<li data-bbox="1138 571 1968 630">• Inspected, on sample basis, customer confirmations obtained by management as part of their internal confirmation process.<li data-bbox="1138 662 1968 721">• Checked accuracy of the ageing report by ensuring that due invoices are classified within the appropriate ageing brackets.<li data-bbox="1138 753 1968 844">• Sent confirmations to customers on sample basis and performed alternate testing on those balances against which we have not received direct responses.<li data-bbox="1138 876 1968 935">• For sales orders breaching the credit limit, reviewed approvals from authorised officials on sample basis.<li data-bbox="1138 967 1968 1058">• Checked the history of past payments trends and credit defaults of customers and ensured compliance to receivables provisioning policy.<li data-bbox="1138 1090 1968 1181">• Checked the adequacy of the disclosures made by the Company in this area with regard to applicable accounting and reporting standards.



Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Syed Muhammad Hasnain.

A handwritten signature in black ink, appearing to read 'A. F. Ferguson & Co.', is written over a light blue horizontal line.

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Date: March 16, 2022
UDIN: AR202110073oK6fCv5sL

Statement of Financial Position

As at December 31, 2021

ASSETS

NON CURRENT ASSETS

Property, plant and equipment

Right-of-use asset

Intangibles

Long term deposits

CURRENT ASSETS

Inventories

Trade receivables

Advances and prepayments

Other receivables

Refunds due from government - sales tax

Income tax refundable

Cash and bank balances

TOTAL ASSETS

Note	2021	2020
	(Rupees in thousand)	
4	6,694,903	6,825,355
5	205,120	197,155
6	6,793	10,946
	<u>6,383</u>	<u>6,288</u>
	6,913,199	7,039,744
7	4,527,514	2,464,747
8	2,910,764	1,696,150
9	133,819	91,901
10	256,106	234,054
	344,828	240,160
	1,438,326	1,248,996
11	206,868	137,358
	<u>9,818,225</u>	<u>6,113,366</u>
	<u>16,731,424</u>	<u>13,153,110</u>

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Share capital
Share premium
General reserve
Unappropriated profit

LIABILITIES

NON CURRENT LIABILITIES

Long term borrowings
Deferred income - Government grant
Lease liability
Deferred taxation - net
Provision for Gas Infrastructure Development Cess
Staff retirement benefits
Accumulated compensated absences

CURRENT LIABILITES

Trade and other payables
Unclaimed dividend
Accrued mark-up
Short term borrowings
Current portion of long term lease liability
Current portion of long term borrowings

TOTAL LIABILITIES

CONTINGENCIES AND COMMITMENTS

TOTAL EQUITY AND LIABILITIES

The annexed notes 1 to 41 form an integral part of these financial statements.



Nasir Jamal
Chief Executive Officer



Nermeen Towfiq Chinoy
Director



Muhammad Zuhair Damani
Chief Financial Officer

Note	2021	2020
	(Rupees in thousand)	
12	388,000	388,000
	999,107	999,107
	1,605,000	1,605,000
	1,715,384	883,818
	<u>4,707,491</u>	<u>3,875,925</u>
13	2,603,142	2,123,085
14	153,628	18,394
	33,003	31,569
15	377,907	219,301
16	-	529,844
17	80,888	58,417
18	31,511	31,804
	<u>3,280,079</u>	<u>3,012,414</u>
19	2,384,368	3,651,099
	18,159	16,732
20	120,033	122,467
21	5,761,136	2,179,556
	3,334	3,131
13	456,824	291,786
	<u>8,743,854</u>	<u>6,264,771</u>
	12,023,933	9,277,185
22		
	<u>16,731,424</u>	<u>13,153,110</u>

Statement of Profit or Loss and Other Comprehensive Income

For the year ended December 31, 2021

	Note	2021	2020
(Rupees in thousand)			
Revenue from contracts with customers	23	19,054,464	15,089,802
Cost of sales	24	(15,848,306)	(12,649,012)
Gross profit		3,206,158	2,440,790
Distribution costs	25	(495,167)	(473,583)
Administrative expenses	26	(465,716)	(414,085)
		(960,883)	(887,668)
		2,245,275	1,553,122
Reversal / (loss) allowance on trade receivable		18,892	(70,317)
Other income	27	104,416	164,710
		2,368,583	1,647,515
Other expenses	28	(127,134)	(65,011)
Finance cost	29	(826,343)	(808,992)
		(953,477)	(874,003)
Profit before income tax		1,415,106	773,512
Income tax - net	30	(373,246)	(159,401)
Profit for the year		1,041,860	614,111
Other comprehensive (loss) / income for the year:			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of staff retirement benefits	17.4.6	(16,294)	2,454
Total comprehensive income for the year		1,025,566	616,565
Earnings per share - basic and diluted (Rupees)	31	26.85	15.83

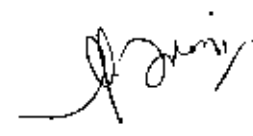
The annexed notes 1 to 41 form an integral part of these financial statements.



Nasir Jamal
Chief Executive Officer



Nermeen Towfiq Chinoy
Director



Muhammad Zuhair Damani
Chief Financial Officer

Statement of Changes in Equity

For the year ended December 31, 2021

	Issued, subscribed and paid-up share capital	Reserves			Total	
		Capital	Revenue			
		Share premium	General reserve	Unappropriated profit		Total Reserves
(Rupees in thousand)						
Balance as at January 1, 2020	388,000	999,107	1,605,000	267,253	2,871,360	3,259,360
Final cash dividend for the year ended December 31, 2019 @ Rs Nil per share	-	-	-	-	-	-
Total comprehensive income for the year ended December 31, 2020						
Profit for the year ended December 31, 2020	-	-	-	614,111	614,111	614,111
Other comprehensive income	-	-	-	2,454	2,454	2,454
	-	-	-	616,565	616,565	616,565
Balance as at December 31, 2020	388,000	999,107	1,605,000	883,818	3,487,925	3,875,925
Final cash dividend for the year ended December 31, 2020 @ Rs 5.00 per share	-	-	-	(194,000)	(194,000)	(194,000)
Total comprehensive income for the year ended December 31, 2021						
Profit for the year ended December 31, 2021	-	-	-	1,041,860	1,041,860	1,041,860
Other comprehensive loss	-	-	-	(16,294)	(16,294)	(16,294)
	-	-	-	1,025,566	1,025,566	1,025,566
Balance as at December 31, 2021	388,000	999,107	1,605,000	1,715,384	4,319,491	4,707,491

The annexed notes 1 to 41 form an integral part of these financial statements.



Nasir Jamal
Chief Executive Officer



Nermeen Towfiq Chinoy
Director



Muhammad Zuhair Damani
Chief Financial Officer

Statement of Cash Flows

For the year ended December 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Cash (used in) / generated from operations
 Payment on account of accumulated compensated absences
 (Increase) / decrease in long term deposits
 Staff retirement benefits paid
 Income taxes paid - net
 Net cash (used in) / generated from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment
 Purchase of intangibles
 Profit received on bank balances
 Sale proceeds on disposal of property, plant and equipment
 Net cash used in investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Dividend paid
 Long term borrowings paid
 Long term borrowings acquired
 (Repayment) / proceeds from salary refinancing scheme
 Payments against Gas Infrastructure Development Cess
 Short term borrowings - net
 Finance cost paid
 Lease rental paid
 Transaction cost paid
 Bank charges paid
 Net cash generated from / (used in) financing activities
 Net increase in cash and cash equivalents

Cash and cash equivalents at beginning of the year

Cash and cash equivalents at end of the year

The annexed notes 1 to 41 form an integral part of these financial statements.



Nasir Jamal
 Chief Executive Officer



Nermeen Towfiq Chinoy
 Director



Muhammad Zuhair Damani
 Chief Financial Officer

Note	2021	2020
	(Rupees in thousand)	
33	(2,149,485)	2,689,190
	(4,854)	(4,087)
	(95)	3,958
	(70,076)	(69,273)
	(403,970)	(201,151)
	<u>(2,628,480)</u>	<u>2,418,637</u>
	(681,048)	(1,673,645)
	(3,866)	(4,365)
	1,188	2,335
	505	2,135
	<u>(683,221)</u>	<u>(1,673,540)</u>
	(192,573)	(243)
	(170,000)	(400,000)
	1,145,438	1,296,012
	(134,426)	268,852
	(263,187)	-
	3,630,000	(628,000)
	(411,213)	(549,547)
	(3,133)	(3,025)
13.7	(114,202)	-
	(57,073)	(45,142)
	<u>3,429,631</u>	<u>(61,093)</u>
	117,930	684,004
	<u>(1,522,198)</u>	<u>(2,206,202)</u>
34	<u>(1,404,268)</u>	<u>(1,522,198)</u>

Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2021

1. THE COMPANY AND ITS OPERATIONS

Tri-Pack Films Limited (the Company) was incorporated in Pakistan on April 29, 1993 as a public limited company under the repealed Companies Ordinance, 1984 and is listed on Pakistan Stock Exchange (PSX). It is principally engaged in the manufacturing and sale of Biaxially Oriented Polypropylene (BOPP) film and Cast Polypropylene (CPP) film.

The geographical locations and addresses of the Company's business units, including plants are as under:

- The registered office of the Company is situated at 4th floor, The Forum, Suite No. 416 to 422, G-20, Block-9, Khayaban-e-Jami, Clifton, Karachi.
- Manufacturing plants are situated as under:
 - Plot No. G-1 to G-4, D-9 to D-14, North Western Industrial Zone, Port Qasim Authority, Karachi; and
 - Plot No. 68, 69, 78/1, Phase IV, Hattar Industrial Estate, Hattar, Khyber Pakhtunkhwa.
- Regional offices are situated as under:
 - House No. 18, Sir Abdullah Haroon Road, Near Marriott Hotel, Karachi; and
 - Unit No 4, 17 Aziz Avenue, Canal Bank, Lahore.

During the year, Packages Limited and Mitsubishi Corporation agreed for the purchase and sale of 7,500,000 shares respectively of the Company under the share purchase agreement (representing 19.3% of the total issued paid up share capital of the Company). Consequent to above and in accordance with the provisions of Securities Act, 2015 and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017, Packages Limited made a public offer to acquire upto 6,438,598 shares (representing 16.6% of the total issued paid up share capital of the Company) from general public. Public offer procedures were concluded and shares were transferred to Packages Limited on December 31, 2021. Resultantly, as on December 31, 2021, Packages Limited held 49.9% shares of the Company which has increased to 69.3% on February 15, 2022 after transfer of further 7,500,000 shares of Mitsubishi Corporation following requisite regulatory approvals including payment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These financial statements have been prepared under the historical cost convention or as otherwise stated below in the respective policy notes.

2.2 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRS, the provisions of and directives issued under the Act have been followed.

2.3 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for Company's annual accounting period which began on January 1, 2021. However, these do not have any significant impact on the Company's financial reporting.

b) Standards and amendments to approved accounting standards that are not yet effective

There are standards and certain other amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after January 1, 2022. However these are considered either not to be relevant or not to have any significant impact on the Company's financial statements and operations and, therefore, have not been disclosed in these financial statements.

2.4 Staff retirement benefits

The Company operates various post-employment benefit schemes, including both defined benefit and defined contribution plans.

2.4.1 Defined contribution plan

The Company operates a recognised provident fund for all its permanent employees who have completed prescribed qualifying period of service. Equal monthly contributions are made, both by the Company and the employees, to the provident fund at the rate of ten percent of basic salary.

2.4.2 Defined benefit plan

Gratuity plan

There is an approved funded defined benefit gratuity plan for all permanent employees. Monthly contributions are made to this fund on the basis of actuarial recommendations at the rate of 8.33% per annum of basic salaries. The latest actuarial valuation for the gratuity scheme was carried out as at December 31, 2021. The actual return on plan assets represent the difference between the fair value of plan assets at the beginning and end of the year and adjusted for contributions and benefits paid.

The future contribution rates of these plans include allowances for deficit and surplus. Projected Unit Credit Method, using the following significant assumptions, is used for valuation of this scheme:

- Discount rate used for year end obligation - 12.25% (2020: 10.25%) per annum;
- Expected rate of increase in salary levels - 10.25% (2020: 8.25%) per annum;
- Expected mortality rate SLIC (2001 - 2005) mortality table with 1 year setback.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognized immediately in the statement of profit or loss and other comprehensive income.

Termination benefits

Termination benefits are payable when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

Pension plan

The defined benefit pension fund plan is managed by Packages Limited (Parent Company) and it currently operates two different plans for its employees:

- Defined contribution plan for all permanent management employees whose date of employment is before March 15, 2018; and
- Defined benefit plan for pensioners who have retired before December 31, 2012.

Projected unit credit method, using the following significant assumptions, is used for valuation of this scheme:

- Discount rate used for year end obligation - 11.75% (2020: 9.75%) per annum;
- Expected rate of increase in pension level - 0% for first year and at 5% thenceforth (2020: 0% for first year and at 3% thenceforth) per annum; and
- Expected mortality rate SLIC (2001 - 2005) mortality table with 1 year setback.

In respect of the defined benefit plan, the Company contributes 20% of members' monthly basic salary to the scheme; whereas, an employee may or may not opt to contribute 6% of his/her monthly basic salary to the scheme.

The liability recognized in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefit will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for the defined benefit plan are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognized immediately in statement of profit or loss and other comprehensive income.

2.4.3 Employee compensated absences

The Company also provides for compensated absences for all eligible employees in accordance with the rules of the Company. The provision is recognised on the basis of actuarial valuation. The valuation is based on the following significant assumptions:

- Discount rate used for year end obligation - 12.25% (2020: 10.25%) per annum; and
- Expected rate of increase in salary levels - 10.25% (2020: 8.25%) per annum.

The Company accounts for the liability in respect of employees' compensated absences in the year in which these are earned. The unrecognised actuarial gains or losses at each valuation date are recognised in statement of profit or loss and other comprehensive income immediately.

2.5 Taxation

Income tax expense comprises of current and deferred tax. Income tax expense is recognised in statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised in other comprehensive income.

2.5.1 Current

The charge for current taxation is determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any.

2.5.2 Deferred

Deferred tax is accounted for using the balance sheet liability method on all temporary differences arising between tax base of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liability is generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is charged to or credited in the statement of profit or loss and other comprehensive income.

Deferred income tax asset is determined using tax rates and prevailing law for taxation on income that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Investment tax credits are viewed as increase of the related asset's tax base. Accordingly, in such situation the deductible temporary difference that arises qualifies for the initial recognition exception as per IAS 12, 'Income taxes'. Therefore, no deferred tax asset is recognised instead the recognition of the total investment tax occurs as a reduction of current tax.

2.6 Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimate.

2.7 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

2.8 Share premium

This reserve can be utilised by the Company only for the purposes specified in section 81 of the Companies Act.

2.9 Dividend

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders / directors, as appropriate.

2.10 Property, plant and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for leasehold land and capital work in progress which are stated at cost. Cost of leasehold land is amortised using the straight line method over the period of lease term.

Operating fixed assets having cost exceeding the minimum threshold as determined by the management are capitalised. All other assets are charged to profit or loss and other comprehensive income in the year when acquired. Depreciation is charged to statement of profit or loss and other comprehensive income on straight line method at the following rates:

Nature of property, plant and equipment	Annual rate of depreciation (%)
- Buildings on leasehold land	5 to 33.33
- Plant and machinery and electrical installations	5 to 50
- Furniture and fittings	10 to 20
- Office and other equipment	5 to 50
- Vehicles	20

Depreciation on additions and deletions during the year is charged from the month when asset is available for use or up to the month immediately before the month in which the asset is disposed off, respectively.

No depreciation is charged if the asset's residual value exceeds its carrying amount.

Residual values and the useful lives are reviewed at each statement of financial position date and adjusted if expectations differ significantly from previous estimates.

Residual values are determined by the management as the amount it expects it would receive currently for an item of property, plant and equipment if it was already of the age and in the condition expected at the end of its useful life based on the prevailing market prices of similar assets already at the end of their useful lives.

Useful lives are determined by the management based on the expected usage of assets, physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

Maintenance and repairs are charged to statement of profit or loss and other comprehensive income as and when incurred. Major renewals and improvements are capitalised in accordance with IAS 16, 'Property, plant and equipment' and depreciated in a manner that represents the consumption pattern and useful lives.

Profit or loss on disposal of operating fixed assets are included in statement of profit or loss and other comprehensive income in the year in which it is realised.

2.11 Capital-work-in-progress

Capital-work-in-progress is stated at cost less any identified impairment loss and represents expenditure incurred on property, plant and equipment during the construction and installation including applicable borrowing costs. Transfers are made to relevant property, plant and equipment category as and when assets are available for use.

2.12 Intangible assets

Intangible assets are recognised when it is probable that the expected future economic benefits will flow to the Company and the cost of the asset can be measured reliably. Cost of the intangible asset includes purchase cost and directly attributable expenses incidental to bring the asset for its intended use.

Costs associated with maintaining intangible assets are recognised as an expense as and when incurred.

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is charged over the estimated useful life of the asset on a systematic basis applying the straight line method at the rate of 33.33%.

Useful lives of intangible assets are reviewed, at each statement of financial position date and adjusted if the impact of amortisation is significant.

2.13 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amount of property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the Company estimates the recoverable amount of the asset and when the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in statement of profit or loss and other comprehensive income.

At the end of each reporting period, the Company also assesses whether there is an indication that an impairment loss recognized in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the Company estimates the recoverable amount of the asset and reverses the impairment loss recognized in previous period such that the increased carrying amount of the asset does not exceed the carrying amount that would have been determined (net of amortization and depreciation) had no impairment loss been recognized for the asset in prior years. Reversal of impairment loss is recognized in statement of profit or loss and other comprehensive income. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs and accordingly recognizes impairment loss or reverses the impairment loss recognized in prior periods.

Recoverable amount of an asset or cash-generating unit is the higher of its fair value less cost of disposal and its value in use.

Value in use is estimated as the present value of estimated future cash flows from the continuing use of an asset / cash generating unit and from its disposal at the end of its useful life. A pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2.14 Inventories

Stock-in-trade is valued at the lower of cost and estimated net realisable value. Cost is determined as follows:

Stages of Inventories

Basis of valuation

Raw materials, work-in-process and finished goods

Weighted average cost

Raw materials / stores and spares in transit

Invoice value and other related charges incurred up to the statement of financial position date

Cost of work-in-process and finished goods comprises cost of direct materials, labour and appropriate manufacturing overheads.

Net realisable value is determined on the basis of the estimated selling price of the product in the ordinary course of business less estimated cost of completion and costs necessary to be incurred for its sale.

Raw material and stores and spares are valued at weighted average cost less allowance for obsolete and slow moving items.

2.15 Government grants

Government grants relating to costs are deferred and recognised in the statement of profit or loss and other comprehensive income over the period necessary to match these with the costs that they are intended to compensate.

2.16 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, demand deposits and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents also include bank overdrafts / short term borrowings that are repayable on demand. Further, contractual borrowings are not part of cash and cash equivalents and are part of financing activities.

2.17 Revenue recognition

Revenue is recognised when control of the goods has been transferred and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Revenue is recognised as follows:

- revenue from local sales is recognised on the delivery of goods to customers.
- revenue from export is recognised on the basis of the terms of sale with the customer.

No element of financing is deemed present as the sales are made with a credit term of up to 180 days, which is consistent with the market practice.

2.18 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit or loss and other comprehensive income in the period in which they are incurred.

2.19 Leases

Lease liability and right-of-use asset

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain different terms and conditions.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease liability is initially measured at the present value of the lease payments over lease term and that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.

Lease payments include fixed payments less any lease incentive receivable, variable lease payment that are based on an index or a rate which are initially measured using the index or rate as at the commencement date, amounts expected to be payable by the Company under residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease if the lease term reflects the lessee exercising that option. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. The lease liability is also remeasured to reflect any reassessment or lease modification, or to reflect revised in-substance fixed lease payment.

The lease liability is remeasured when the Company reassesses the reasonable certainty of exercising the extension or termination option upon occurrence of either a significant event or a significant change in circumstances, or when there is a change in assessment of an option to purchase underlying asset, or when there is a change in amount expected to be payable under a residual value guarantee, or when there is a change in future lease payments resulting from a change in an index or rate used to determine those payment. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss and other comprehensive income if the carrying amount of right-of-use asset has been reduced to zero.

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease, it is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increases the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

The right-of-use asset is initially measured at an amount equal to the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of the costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which the asset is located.

The right-of-use asset is subsequently measured at cost model. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has also elected to apply the practical expedient of not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognised as an expense on a straight line basis over the lease term.

The right-of-use asset comprises of leasehold land used by the Company for its operation. The lessee's incremental borrowing rate that applies to lease is 13.88%.

2.20 Foreign currency transactions and translation

Foreign currency transactions are recognised or accounted for into Pakistan Rupees using the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are converted into Pakistan Rupees at the rates of exchange prevailing on the statement of financial position date. Exchange gain / loss on foreign currency translations are included in income / equity along with any related hedge effects.

2.21 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency.

2.22 Financial Instruments - Initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.22.1 Financial assets

Initial Recognition

Financial assets are classified at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL). The measurement basis is determined by reference to both the business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

- a) Amortised cost - A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as a FVTPL;
 - it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
 - the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;
- b) Fair value through other comprehensive income (FVTOCI) - A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as a FVTPL;
 - the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
 - the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;

- c) Fair value through profit or loss (FVTPL) - Financial assets, that are not measured at amortised cost or at fair value through other comprehensive income on initial recognition, are classified as FVTPL.

All financial assets are recognised at the time when the Company becomes a party to the contractual provisions of the instrument.

Financial assets at amortised cost are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment losses are recognised in profit or loss.

Financial assets carried at FVTOCI are initially and subsequently measured at fair value, with gains and losses arising from changes in fair value recognised in other comprehensive income / (loss).

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in statement of profit or loss and other comprehensive income.

Impairment of financial asset

The Company recognises lifetime expected credit losses for trade receivables that do not constitute a financing transaction. Expected credit losses (ECLs) are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Company expects to receive). Life time ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. For all other financial assets, expected credit losses are measured at an amount equal to 12 months' ECLs i.e. ECLs that result from default event that are possible within 12 months after the reporting date.

2.22.2 Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are recognised initially at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these are measured at amortised cost using the effective interest rate method.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

2.22.3 Offsetting

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognised amounts and intends either, to settle on a net basis or, to realise the asset and settle the liability simultaneously.

2.22.4 Transaction costs

When a financial asset or financial liability is not measured at FVTPL, transaction costs that are directly attributable to the acquisition or issue are added to or deducted from the initial fair value. For financial assets, such costs are added to the amount originally recognised. For financial liabilities, such costs are deducted from the amount originally recognised. This applies to all financial instruments not carried at FVTPL, including instruments carried at FVTOCI. For debt instruments, the transaction costs are recognised as part of interest income using the effective interest method.

For financial instruments that are measured at FVTPL, transaction costs are not added to or deducted from the initial fair value, but they are immediately recognised in statement of profit or loss and other comprehensive income on initial recognition.

Transaction costs expected to be incurred on a financial instrument's transfer or disposal, are not included in the financial instrument's measurement.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

- 3.1** The preparation of financial statements in conformity with approved accounting standards 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 historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. There were no significant judgements involved in the application of Company's accounting policies. The management has made the following estimates which are significant to the financial statements:

3.2 Current and deferred income taxes

In making the estimates for income taxes payable by the Company, management considers current income tax laws and the decisions of appellate authorities on certain cases issued in the past. Where the final outcome is different from the amounts that were initially recorded, such differences will impact the income tax provision in the period in which such final outcome is determined. Deferred taxes are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

3.3 Provision for retirement and other service benefit obligations

The present value of these obligations depends on a number of factors that are determined on actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of these obligations. The present values of these obligations and the underlying assumptions are disclosed in notes 2.4 and 17.

3.4 Property, plant and equipment and intangible assets

Estimates with respect to residual values and useful lives and pattern flow of economic benefit are based on the recommendation of technical teams of the Company. Further, the Company reviews the internal and external indicators for possible impairment of assets on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment (note 4) and intangible assets (note 6) with a corresponding effect on the depreciation charge, amortisation charge and impairment.

3.5 Provisions

Provisions are based on management's best estimate. Any change in the estimates in future years might affect the carrying amounts of the provision with a corresponding affect on the profit or loss of the Company.

4. PROPERTY, PLANT AND EQUIPMENT

	Note	2021	2020
		(Rupees in thousand)	
Operating fixed assets	4.1	5,875,842	6,267,982
Capital-work-in-progress	4.2	702,221	507,878
Major spare parts and stand-by equipments	4.3	116,840	49,495
		<u>6,694,903</u>	<u>6,825,355</u>

4.1 Operating fixed assets

4.1.1 The following is the statement of operating fixed assets.

	Buildings on leasehold land	Plant and machinery	Electrical installations	Furniture and fittings	Office and other equipment	Vehicles	Total
(Rupees in thousand)							
Year ended December 31, 2021							
Opening net book value	704,056	5,312,706	131,420	35,392	76,368	8,040	6,267,982
Additions	22,356	366,537	3,877	11,022	9,205	435	413,432
Disposals - note 4.1.5	-	-	-	(36)	(17)	(1,583)	(1,636)
Depreciation charge	(69,698)	(686,080)	(12,545)	(11,436)	(24,094)	(83)	(803,936)
Closing net book value	656,714	4,993,163	122,752	34,942	61,462	6,809	5,875,842
At December 31, 2021							
Cost	1,406,082	12,691,517	326,187	124,115	193,703	23,875	14,765,479
Accumulated depreciation	(749,368)	(7,698,354)	(203,435)	(89,173)	(132,241)	(17,066)	(8,889,637)
Net book value	656,714	4,993,163	122,752	34,942	61,462	6,809	5,875,842
Year ended December 31, 2020							
Opening net book value	730,353	4,576,156	140,301	36,995	65,897	8,452	5,558,154
Additions	40,737	1,312,511	1,858	9,489	29,446	51	1,394,092
Disposals	-	-	-	(48)	(46)	-	(94)
Depreciation charge	(67,034)	(575,961)	(10,739)	(11,044)	(18,929)	(463)	(684,170)
Closing net book value	704,056	5,312,706	131,420	35,392	76,368	8,040	6,267,982
At December 31, 2020							
Cost	1,383,726	12,324,980	322,310	113,143	184,589	28,273	14,357,021
Accumulated depreciation	(679,670)	(7,012,274)	(190,890)	(77,751)	(108,221)	(20,233)	(8,089,039)
Net book value	704,056	5,312,706	131,420	35,392	76,368	8,040	6,267,982

	Note	2021	2020
		(Rupees in thousand)	
4.1.2 Depreciation charge for the year has been allocated as follows:			
Cost of goods manufactured	24.1	784,591	668,382
Distribution costs	25	996	1,008
Administrative expenses	26	18,349	14,780
		<u>803,936</u>	<u>684,170</u>

4.1.3 Operating fixed assets include assets having cost of Rs. 4.46 billion (2020: Rs. 4.14 billion) which were fully depreciated as at the year end.

4.1.4 Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:

Location	Usage of immovable property	Total area (In acres)
Plot No. G-1 to G-4, D-9 to D-14, North Western Industrial Zone, Port Qasim Authority, Karachi	Production & operational facility	39
Plot No. 68, 69, 78/1, Phase IV, Hattar Industrial Estate, Hattar, Khyber Pakhtunkhwa	Production & operational facility	11.5

4.1.5 The aggregate book value of assets disposed off does not exceed five million rupees.

4.2 Capital Work in Progress

	2021				2020			
	Balance as at January 1, 2021	Additions during the year-note 4.2.1 & 4.2.2	Transfers / Adjustment	Balance as at December 31, 2021	Balance as at January 1, 2020	Additions during the year	Transfers / Adjustment	Balance as at December 31, 2020
	(Rupees in thousand)							
Plant and machinery	369,540	109,406	(293,875)	185,071	159,825	375,614	(165,899)	369,540
Building and civil works	12,040	31,718	(12,094)	31,664	16,056	13,253	(17,269)	12,040
Advances to suppliers and contractors	126,298	478,752	(119,564)	485,486	76,311	126,297	(76,310)	126,298
Total	<u>507,878</u>	<u>619,876</u>	<u>(425,533)</u>	<u>702,221</u>	<u>252,192</u>	<u>515,164</u>	<u>(259,478)</u>	<u>507,878</u>

4.2.1 These include borrowing cost, net of government grant, capitalised amounting to Rs. 7.70 million (2020: Rs. 7.42 million) during the year. The borrowing cost is capitalised at an internal rate of returns ranging between 7.44% to 84.17%. This is mainly on account of entire transaction cost of the respective facility being adjusted against its drawdown.

4.2.2 These include advance payments amounting Rs. 413.26 million and Rs. 32.18 million for the acquisition of new BOPP Line 5 and upgradation of BOPP Line 4 respectively.

4.3 Major spare parts and stand-by equipments

Balance at beginning of the year
Additions during the year
Transfers made during the year
Balance at end of the year

2021	2020
(Rupees in thousand)	
49,495	25,628
91,254	24,924
(23,909)	(1,057)
<u>116,840</u>	<u>49,495</u>

5. RIGHT-OF-USE ASSET

Right-of-use asset
Additions during the period
Depreciation for the year
Net book value

2021	2020
(Rupees in thousand)	
197,155	202,819
13,629	-
(5,664)	(5,664)
<u>205,120</u>	<u>197,155</u>

5.1 The right of use asset is depreciated using annual rate from 1.03% to 2.22% annually, the charge for the year has been allocated to cost of sales. The remaining useful lives of the assets ranges from 34.5 to 85 years.

6. INTANGIBLES

Computer software

At January 1

Cost
Accumulated amortisation
Net book value
Additions during the year
Amortisation for the year
Net book value as at December 31

2021	2020
(Rupees in thousand)	
74,001	69,636
(63,055)	(56,727)
<u>10,946</u>	<u>12,909</u>
3,866	4,365
(8,019)	(6,328)
<u>6,793</u>	<u>10,946</u>

At December 31

Cost
Accumulated amortisation
Net book value

77,867	74,001
(71,074)	(63,055)
<u>6,793</u>	<u>10,946</u>

6.1 Amortisation charge for the year has been allocated to administrative expenses.

7. INVENTORIES

Stores
Spares
Stores and spares in transit

Less: provision for obsolescence

Raw materials
In hand
In transit

Less: provision for obsolescence

Packing materials
Work-in-process
Finished goods

7.1 Provision for obsolescence of stores and spares

Balance as at January 1
Provision during the year - not 7.1.1
Balance as at December 31

7.1.1 The cost of such stores and spares amounts to Rs. 130.36 million.

7.2 Provision for obsolescence of raw materials

Balance as at January 1
Provision during the year - not 7.2.1
Balance as at December 31

7.2.1 The cost of such raw material amounts to Rs. 8.18 million.

Note	2021	2020
	(Rupees in thousand)	
	82,948	60,056
	579,343	503,397
	2,292	10,335
	<u>664,583</u>	<u>573,788</u>
7.1	<u>(89,020)</u>	-
	<u>575,563</u>	<u>573,788</u>
	<u>2,078,651</u>	<u>851,372</u>
	<u>497,715</u>	<u>298,990</u>
	<u>2,576,366</u>	<u>1,150,362</u>
7.2	<u>(72,665)</u>	<u>(64,484)</u>
	<u>3,079,264</u>	<u>1,659,666</u>
	31,410	37,846
	525,222	350,386
	891,618	416,849
	<u>4,527,514</u>	<u>2,464,747</u>
	-	-
	<u>89,020</u>	-
	<u>89,020</u>	-
	64,484	21,000
	8,181	43,484
	<u>72,665</u>	<u>64,484</u>

8. TRADE RECEIVABLES

Unsecured

Considered good
 Due from related parties
 Others

Note	2021	2020
	(Rupees in thousand)	
8.1	210,809	234,189
	1,822,191	1,270,320
	<u>2,033,000</u>	<u>1,504,509</u>

Considered doubtful - others

8.3	117,752	136,644
-----	---------	---------

Secured

Considered good

8.4	877,764	191,641
	<u>3,028,516</u>	<u>1,832,794</u>

Less: loss allowance on doubtful receivables

8.3	(117,752)	(136,644)
	<u>2,910,764</u>	<u>1,696,150</u>

8.1 This represent amounts due from following related parties in the normal course of business and are interest free:

Bulleh Shah Packaging (Private) Limited
 Chantler Packages Inc.
 Packages Converters Limited
 Packages Lanka (Private) Limited

	2021	2020
	(Rupees in thousand)	
	351	351
	532	5,902
	182,129	217,112
	27,797	10,824
	<u>210,809</u>	<u>234,189</u>

8.2 The maximum amount receivable from any related party during the year was Rs 433.99 million (2020: Rs 433.71 million).

8.3 Loss allowance on doubtful receivables

Balance at beginning of the year
 Provision for the year
 Reversal during the year
 Balance at end of the year

Note	2021	2020
	(Rupees in thousand)	
	136,644	66,327
	10,790	73,205
8.5	(29,682)	(2,888)
	<u>117,752</u>	<u>136,644</u>

8.4 These include trade receivable balances secured against letter of credit and credit insurance policy

8.5 These reversal were made in the ordinary course of business.

8.6 The age analysis of trade receivables past due but not impaired is as follows:

	2021	2020
	(Rupees in thousand)	
Up to 2 months	529,812	417,227
Over 2 - 4 months	60,827	75,281
Over 4 - 6 months	19,721	52,676
More than 6 months	11,714	82,786
	<u>622,074</u>	<u>627,970</u>

8.7 The age analysis of trade receivables past due but not impaired from related parties is as follows:

	2021	2020
	(Rupees in thousand)	
Up to 2 months	47,541	31,413
Over 2 - 4 months	11,173	1,449
Over 4 - 6 months	7,449	-
More than 6 months	8,851	6,254
	<u>75,014</u>	<u>39,116</u>

9. ADVANCES AND PREPAYMENTS

Considered good

Due from employees

Advances to suppliers

Advances to clearing agents

Deferred transaction cost

Other prepayments

Note	2021	2020
	(Rupees in thousand)	
9.1	9,691	8,248
	25,575	43,472
	44,478	28,388
13.7	38,400	-
	15,675	11,793
	<u>133,819</u>	<u>91,901</u>

9.1 These advances primarily include advance against travelling and house rent given to executives as per terms of employment. The maximum amount due at the end of any month during the year from executives was Rs 2.86 million (2020: Rs 2.49 million).

10. OTHER RECEIVABLES

Note	2021	2020
	(Rupees in thousand)	
	-	35,145
	175,000	150,000
10.1	36,544	33,973
	44,562	14,936
	<u>256,106</u>	<u>234,054</u>

- 10.1** These represent advance to employees against purchase of vehicles for a period of six years. During this tenure, one third of amount of the loan is recovered from an employee in equal monthly installments. In case an employee leaves earlier, the outstanding amount is recovered.

11. CASH AND BANK BALANCES

Note	2021	2020
	(Rupees in thousand)	
	83,927	68,716
	63,950	68,531
	58,937	-
	54	111
	<u>206,868</u>	<u>137,358</u>

- 11.1** These bank balances are maintained under current accounts and do not carry any interest.

- 11.2** The rates of mark-up on local currency savings accounts ranged from 5.5% to 7.25% per annum (2020: 5.5% to 11.25% per annum).

12. SHARE CAPITAL

Number of shares

Authorised

100,000,000 Ordinary shares of Rs. 10 each

2021	2020
(Rupees in thousand)	
<u>1,000,000</u>	<u>1,000,000</u>

Issued, subscribed and paid-up

2021	2020
(Number of Shares)	
<u>38,800,000</u>	<u>38,800,000</u>

Ordinary shares of Rs. 10 each fully paid in cash

<u>388,000</u>	<u>388,000</u>
----------------	----------------

- 12.1** Packages Limited, Mitsubishi Corporation of Japan and IGI Insurance Limited held 19,371,931 (2020: 12,933,333), 7,500,000 (2020: 7,499,000) and 3,750,417 (2020: 3,750,417) ordinary shares of the Company respectively, as at December 31, 2021. As explained in Note 1, 7,500,000 shares held by Mitsubishi Corporation were transferred to Packages Limited on February 15, 2022.
- 12.2** There is a shareholder agreement signed between Packages Limited and Mitsubishi Corporation which includes clauses related to voting rights, board selection, rights of first refusal and block voting.

13. LONG TERM BORROWINGS

	Note	2021	2020
(Rupees in thousand)			
Secured			
Borrowing - 1		-	100,000
Borrowing - 2		-	70,002
Borrowing - 3		1,000,000	1,000,000
Borrowing - 4		144,715	268,852
Borrowing - 5		538,821	696,011
Borrowing - 6		1,000,000	300,000
Borrowing - 7	13.4	165,380	-
Borrowing - 8	13.5	379,262	-
Borrowing - 9	13.6	81,525	-
		<u>3,309,703</u>	<u>2,434,865</u>
Less: deferred government grant		(173,935)	(19,994)
Less: transaction cost adjusted with financial liability		(75,802)	-
		<u>3,059,966</u>	<u>2,414,871</u>
Less: current portion of long term borrowings		(456,824)	(291,786)
		<u>2,603,142</u>	<u>2,123,085</u>

- 13.1** Following are the changes in the long term borrowings (i.e. for which cash flows have been classified as financing activities in the statement of cash flows):

	2021	2020
(Rupees in thousand)		
Balance at beginning of the year	2,414,871	1,270,001
During the year;		
Acquisition	1,145,438	1,564,864
Repayment	(304,426)	(400,000)
Amortisation - net of payment	33,826	-
Government grant adjusted	(153,941)	(19,994)
Transaction cost adjusted	(75,802)	-
Balance at end of the year	<u>3,059,966</u>	<u>2,414,871</u>

13.2

Facility	Loan Type	Repayment terms - Principal	Mark-up		Effective Rate (%)		Facility Amount (Rs In 000)	Date of drawdown	Last Repayment date
			Payable basis	Rate (per annum)	2021	2020			
Borrowing 1	Term-loan	10 Semi-annual (2 years grace period)	Quarterly	3 month Kibor + 0.75%	8.04%	11.36%	1,000,000	April 2014	April 2021
Borrowing 2	Term-loan	20 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 0.30%	7.63%	11.13%	1,000,000	November 2013	June 2021
Borrowing 3	Term-loan	20 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 0.10%	7.48%	9.42%	1,000,000	November 2018	November 2024
Borrowing 4	Term-loan	4 Semi-annual (6 month grace period)	Quarterly	SBP rate + 1.00%	1.00%	5.02%	268,853	June 2020	November 2022
Borrowing 5	Term-loan	20 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 0.15%	7.64%	7.26%	696,011	July 2020	May 2025
Borrowing 6	Term-loan	12 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 0.50%	8.34%	8.05%	1,000,000	December 2020	December 2028
Borrowing 7	Term-loan	32 Quarterly (2 years grace period)	Quarterly	SBP rate + 0.75%	1.75%	-	157,190	April 2021	April 2031
Borrowing 8	Term-loan	32 Quarterly (2 years grace period)	Quarterly	SBP rate + 1.40%	6.72%	-	2,500,000	May 2021	September 2032
Borrowing 9	Term-loan	32 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 0.45%	11.50%	-	4,000,000	September 2021	December 2031

13.3 The above facilities have been obtained from commercial and Islamic banks and are secured against first pari passu hypothecation / mortgage charges on the Company's present and future fixed assets including but not limited to land, building, plant and machinery, equipment, furniture and fixtures etc.

13.4 This represents an agreement to refinance the acquisition of machinery under the Temporary Economic Refinance Facility by the State Bank of Pakistan. The loan has been discounted using market interest rate and the difference between the respective fair values and proceeds received has been recorded as deferred government grant (as disclosed in Note 14.1).

13.5 This represents a syndicate long term loan agreement under the Temporary Economic Refinance Facility by the State Bank of Pakistan. The loan has been obtained to finance the acquisition of new BOPP Line. The Company has paid Rs. 21.70 million on account of transaction cost, which has been adjusted against the present value of financial liability calculated by discounting the future cashflows at market interest rate. The loan has been discounted using market interest rate and the difference between the respective fair values and proceeds received has been recorded as deferred government grant (as disclosed in Note 14.1).

- 13.6** This represents a bilateral long term loan agreement with a commercial having a sublimit of Rs. 1,000 million under the Long Term Finance Facility by the State Bank of Pakistan. The loan has been obtained to finance the acquisition of new BOPP Line. The Company has paid Rs. 54.90 million on account of transaction cost, which has been adjusted against the present value of financial liability calculated by discounting the future cashflows at market interest rate. The loan has been discounted using market interest rate and the difference between the respective fair values and proceeds received has been recorded as deferred government grant (as disclosed in Note 14.1).
- 13.7** In addition to the above facilities, the Company has entered in to an agreement to a Long Term Finance Facility amounting to Rs. 4,000 million from commercial banks to finance the acquisition of new BOPP Line. The Company has paid Rs. 38.40 million on account of transaction cost, which is capitalized as an asset under IFRS 9 - Financial Instruments

14. DEFERRED INCOME - GOVERNMENT GRANT

	Note	2021	2020
(Rupees in thousand)			
Balance as at January 1		18,394	19,994
Government grant received during the year		153,941	-
Government grant deducted from borrowing cost		(6,136)	-
Government grant recognised in other income	27	(12,571)	(1,600)
		<u>153,628</u>	<u>18,394</u>

- 14.1** This represents the value of benefit of below-market interest rate which has been accounted for as government grant under IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

15. DEFERRED TAXATION - NET

	Accelerated tax depreciation	Amortisation allowance	Provision for Obsolescence	Provision against Gas Infrastructure Development Cess	Provision for accumulated compensated absences	Loss allowance for doubtful receivable	Minimum Tax	ACT (Alternative corporate Tax) 17% of Acc income	Total
(Rupees in thousand)									
January 1, 2021	703,465	(4,455)	(17,764)	(219,528)	(8,761)	(30,517)	(159,336)	(43,803)	219,301
Charge / (credit) to profit or loss for the year	(68,355)	(552)	(25,869)	46,775	(454)	3,922	-	-	(44,533)
Adjusted against current Liability	-	-	-	-	-	-	159,336	43,803	203,139
December 31, 2021	<u>635,110</u>	<u>(5,007)</u>	<u>(43,633)</u>	<u>(172,753)</u>	<u>(9,215)</u>	<u>(26,595)</u>	<u>-</u>	<u>-</u>	<u>377,907</u>
January 1, 2020	731,760	(4,396)	-	-	(8,726)	(19,230)	(396,741)	(43,803)	258,864
Charge / (credit) to profit or loss for the year	(28,295)	(59)	(17,764)	(219,528)	(35)	(11,287)	237,405	-	(39,563)
December 31, 2020	<u>703,465</u>	<u>(4,455)</u>	<u>(17,764)</u>	<u>(219,528)</u>	<u>(8,761)</u>	<u>(30,517)</u>	<u>(159,336)</u>	<u>(43,803)</u>	<u>219,301</u>

- 15.1** Deferred tax liability is restricted to 93.06% (2020: 94.99%) of the total deferred tax liability based on the assumptions that export sales will continue to fall under Final Tax Regime and the current trend of export and local sales ratio will continue to be the same in the future.
- 15.2** Under the Finance Act, 2020, corporate rate of tax has been fixed at 29% for tax year 2020 and onwards. Therefore, deferred tax assets and liabilities have been recognised accordingly using the expected applicable rate of 29%.
- 15.3** The deferred tax assets and deferred tax liabilities relate to income tax in the same jurisdiction and the law allows net settlement. Therefore, they have been offset in the statement of financial position.

16. PROVISION FOR GAS INFRASTRUCTURE DEVELOPMENT CESS

	2021	2020
	(Rupees in thousand)	
Opening as at January 1	796,886	-
Recognised during the year	-	970,555
Repayment	(263,187)	(66,722)
Remeasurement loss / (gain) of financial liability	106,445	(106,947)
Closing as at December 31	640,144	796,886
Current portion	(640,144)	(267,042)
	-	529,844

During the year, the Company started receiving revised bills of Government Infrastructure Development Cess on the basis of which the Company re-measured the amount which is now payable within a year and accordingly Rs. 106.45 million has been recorded as remeasurement loss

17. STAFF RETIREMENT BENEFITS

- 17.1** As stated in note 2.4.2 the company operates approved funded defined benefit gratuity plan for all permanent employees, defined contribution plan for all active employees and defined benefit plan for pensioners who have retired before December 31, 2012 subject to minimum service of prescribed period as per the respective trust deeds. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at December 31, 2021.
- 17.2** Plan assets held in trust are governed by local regulations which mainly include Trust Act, 1882; the Companies Act, 2017; Income Tax Rules, 2002 and the Rules under the respective trust deeds. Responsibility for governance of the Plans, including investment decisions and contribution schedules, lies with the respective Board of Trustees. The Company appoints the trustees among its employees.
- 17.3 Risks on account of defined benefit plan**

The Company faces the following risks on account of defined benefit plan:

Final salary risk - The risk that the final salary at the time of cessation of services is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Demographic Risks

- Mortality Risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.
- Withdrawal Risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

Investment risks - the risk of the investment underperforming and being not sufficient to meet the liabilities.

17.4 The latest actuarial valuations of the Plans as at December 31, 2021 were carried out using the Projected Unit Credit Method. Details of the Funds as per the actuarial valuations are as follows:

	Note	2021	2020	2021	2020	
		Pension Fund		Gratuity Fund		
(Rupees in thousand)						
17.4.1	The amounts recognised in the statement of financial position are as follows:					
	Present value of defined benefit obligation	17.4.3	64,050	60,401	186,556	176,192
	Fair value of plan assets	17.4.4	(27,250)	(49,471)	(144,490)	(129,729)
	Payables to employees		-	-	2,022	1,024
	Net liability as at December 31		<u>36,800</u>	<u>10,930</u>	<u>44,088</u>	<u>47,487</u>
17.4.2	Net liability as at January 1		10,930	21,151	47,487	35,806
	Charge to profit or loss		1,066	2,380	22,750	19,121
	(Gain) / loss charged to other comprehensive income		24,804	(12,601)	(7,447)	10,148
	Contribution by the Company		-	-	(18,701)	(17,588)
	Net liability as at December 31		<u>36,800</u>	<u>10,930</u>	<u>44,089</u>	<u>47,487</u>
17.4.3	The movement in the present value of defined benefit obligation is as follows:					
	Present value of defined benefit obligation as at January 1		60,401	55,003	176,192	141,561
	Current service cost		-	-	19,002	16,316
	Interest cost on defined benefit obligation		5,576	5,844	17,247	16,252
	Benefits due but not paid (payables)		-	-	(1,097)	(346)
	Benefits paid		(6,420)	(6,115)	(14,760)	(6,149)
	Actuarial gains from changes in financial assumptions		1,246	3,910	(5,558)	5,975
	Experience adjustments		3,247	1,759	(4,470)	2,583
	Present value of defined benefit obligation as at December 31		<u>64,050</u>	<u>60,401</u>	<u>186,556</u>	<u>176,192</u>

Note	2021	2020	2021	2020
	Pension Fund		Gratuity Fund	
	(Rupees in thousand)			
17.4.4 The movement in fair value of plan assets is as follows:				
Fair value as at January 1	49,471	33,852	129,729	108,725
Contributions made by employer	-	-	18,701	17,588
Income on plan assets	4,510	3,464	13,499	13,447
Return on plan assets excluding interest income	(20,311)	18,270	(2,581)	(1,590)
Benefits paid	(6,420)	(6,115)	(14,858)	(8,441)
Fair value as at December 31	<u>27,250</u>	<u>49,471</u>	<u>144,490</u>	<u>129,729</u>
17.4.5 The amounts recognized in the profit or loss are as follows:				
Current service cost	-	-	19,002	16,316
Interest cost on defined benefit obligation	5,576	5,844	17,247	16,252
Interest income on plan assets	(4,510)	(3,464)	(13,499)	(13,447)
	<u>1,066</u>	<u>2,380</u>	<u>22,750</u>	<u>19,121</u>
17.4.6 The amounts recognized in the other comprehensive income are as follows:				
Experience adjustments	4,493	5,669	(10,028)	8,558
Return on plan assets excluding interest income	20,311	(18,270)	2,581	1,590
	<u>24,804</u>	<u>(12,601)</u>	<u>(7,447)</u>	<u>10,148</u>
17.4.7 Plan assets are comprised of as follows:				
Debt	18,966	29,188	23,985	23,222
Equity	8,175	20,036	433	7,524
Cash	109	247	120,071	98,983
	<u>27,250</u>	<u>49,471</u>	<u>144,489</u>	<u>129,729</u>
17.5 The Company ensures asset / liability matching by investing in government securities, bank deposits, mutual funds and does not use derivatives to manage its risk.				
17.6 The expected return on respective plan assets has been determined by considering the expected returns available on the assets underlying the current investment policy.				

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption	Impact on defined benefit obligation	
		Pension	Gratuity
(Rupees in thousand)			
Discount rate	+ 100 bps	59,894	169,697
Discount rate	- 100 bps	68,758	205,969
Salary increase	+ 100 bps	69,394	206,395
Salary increase	- 100 bps	59,288	169,050

- Average expected remaining working life time of gratuity management employees is 10 years.
- Average expected remaining life time of pension management employees is 7 years.

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied.

18. ACCUMULATED COMPENSATED ABSENCES

Opening balance at the beginning of the year
Expense recognised during the year
Payments made during the year
Closing balance at the end of the year

Note	2021	2020
(Rupees in thousand)		
	31,804	31,372
	4,561	4,519
	(4,854)	(4,087)
	<u>31,511</u>	<u>31,804</u>

19. TRADE AND OTHER PAYABLES

Creditors
Accrued liabilities
Liability for imported goods
Advances from customers
Retention money
Current portion of provision for Gas Infrastructure Development Cess
Rebate payable against export
Payable to provident fund
Workers' profits participation fund
Workers' welfare fund

19.1	55,059	61,711
19.3	1,287,907	1,132,673
	238,865	1,905,537
	67,577	206,130
	4,523	194
16	640,144	267,042
	6,068	-
	3,660	-
19.4	3,803	29,365
19.5	76,762	48,447
	<u>2,384,368</u>	<u>3,651,099</u>

- 19.1** Creditors include Rs. 9.04 million (2020: Rs 4.51 million) payable to associated undertakings.
- 19.2** The maximum amount due to any related party during the year was Rs. 6.30 million (2020: Rs 49.33 million).
- 19.3** This includes Rs. 379.86 million (2020: Rs. 263.36 million) levied through The Sindh Development and Maintenance of Infrastructure Cess, 2017, which superseded the previous levy under Sindh Finance Act, 1994. The said amount has not been paid as stay order has been obtained by the Company in the Honourable High Court of Sindh. As per order dated September 1, 2021, the Honourable Supreme Court of Pakistan has directed the petitioners to provide 100% bank guarantees towards the Cess.

19.4 Workers' profits participation fund	Note	2021	2020
		(Rupees in thousand)	
Payable / (receivable) at the beginning of the year		29,365	(12,177)
Allocation for the year		75,800	41,542
		<u>105,165</u>	<u>29,365</u>
Payments during the year		(101,362)	-
Payable at the end of the year		<u>3,803</u>	<u>29,365</u>
19.5 Workers' welfare fund			
Payable at the beginning of the year		48,447	32,661
Allocation for the year		28,315	15,786
		<u>76,762</u>	<u>48,447</u>
Payments during the year		-	-
Payable at the end of the year		<u>76,762</u>	<u>48,447</u>
20. ACCRUED MARK-UP			
On long term borrowings		23,012	31,575
On short term borrowings		97,021	90,892
		<u>120,033</u>	<u>122,467</u>
21. SHORT-TERM BORROWINGS			
Secured conventional financing			
Short term money market loans	21.2	3,650,000	520,000
Short term running finance	21.3	769,459	1,659,556
Secured islamic financing			
Short term istisna cum wakala	21.4	500,000	-
Short term running musharaka	21.4	841,677	-
		<u>5,761,136</u>	<u>2,179,556</u>

- 21.1** Following are the changes in the short-term money market loans and istisna cum wakala (i.e. for which cash flows have been classified as financing activities in the statement of cash flows):

	2021	2020
	(Rupees in thousand)	
Balance as at January 1	520,000	1,148,000
Utilisation during the year	9,070,000	7,570,000
Repayment	(5,440,000)	(8,198,000)
Balance as at December 31	4,150,000	520,000

- 21.2** Short-term money market loans have been arranged as a sub-limit of the running finance facility. Rate of mark-up applicable to these facilities ranges between 7.34% to 10.02% (2020: 7.61% to 14.00%) per annum. The facilities are available for the maximum period of one year from the date of agreement with the latest facility expiring on June 30, 2022.
- 21.3** Short-term running finances have been obtained under mark-up arrangements from commercial banks payable on various maturity dates up to August 31, 2022. These facilities are secured by joint hypothecation by way of first floating charge over current assets including but not limited to inventories and trade receivables. Rate of mark-up applicable to these facilities ranges between 7.50% to 10.27% (2020: 7.46% to 15.41%) per annum.
- 21.4** This represents Istisna facilities aggregating to Rs. 500 million and Musharakah facilities aggregating to Rs. 1,000 million repayable with a maximum tenure of 180 days and 1 year from the date of disbursement respectively. As at reporting date, unavailed amount under these facilities amounts to Rs. 158.32 million
- 21.5** Total short-term facilities available under mark-up arrangements aggregated Rs 7,410 million (2020: Rs 6,260 million) out of which the amount unavailed at the year end was Rs 1,649 million (2020: Rs 4,080 million).

22. CONTINGENCIES AND COMMITMENTS

	2021	2020
	(Rupees in thousand)	
Contingencies		
Guarantees issued by banks on behalf of the Company	701,415	516,415
Commitments		
- for purchase of raw materials and spares	1,155,085	741,918
- capital expenditure	3,311,807	175,660

22.1 Aggregate commitments in respect of ijarah arrangements of motor vehicles amounted to Rs 25.71 million (2020: Rs 18.71 million) payable as follows:

	2021	2020
	(Rupees in thousand)	
Not later than 1 year	8,644	5,919
Later than 1 year but not later than 5 years	17,067	12,793
	25,711	18,712

22.2 The facilities for opening of letter of credits and for guarantees as at December 31, 2021 amounting to Rs. 20,750 million (2020: Rs. 10,250 million) and Rs. 1,574 million (2020: Rs. 1,124 million) respectively, of which the amount remaining unutilised was of Rs. 16,521 million (2020: Rs. 7,918 million) and Rs. 872.59 million (2020: Rs. 608 million) respectively.

22.3 In respect of tax year 2005, an appeal effect order dated June 21, 2011 was issued by the DCIR wrongly disallowing expenses and charging sales in respect of trial production resulting in an impact of Rs. 131.40 million. The Company filed an appeal before the CIR(A) who directed to rectify. The department went into appeal in the ATIR against the order of CIR(A). The ATIR held the matter not to be rectifiable.

During the year, the Company filed a reference application in the High Court of Sindh which was dismissed as a result of which the Company filed a constitutional petition before the Honourable Supreme Court of Pakistan and the decision is pending. Based on the advice of its lawyer, the management is confident that the decision would be decided in favour of the Company.

22.4 In respect of tax year 2008, 2010 and 2011, the Commissioner Inland Revenue (Appeals) through appeals order dated May 19, 2015 has disposed of the appeals of the Company maintaining the disallowances on account of the taxation of tenderable gains amounting Rs. 6.74 million. During the year Appellate Tribunal Inland Revenue (ATIR) has disposed off the appeal in favor of the Company allowing the provisions of post retirement benefits amounting Rs. 6.81 million, Rs. 17.62 million and Rs 22.11 million for tax years 2008, 2010 and 2011 respectively.

22.5 In respect of tax year 2009, the Commissioner Inland Revenue (Appeals) through appellate order dated May 19, 2015 has disposed off the appeal in favour of the Company except on maintaining the action of taxation officer on disallowance of finance cost capitalized as part of the cost of Plant and Machinery amounting to Rs. 8.47 million and interest on advance to executives and employees as loan amounting to Rs. 0.27 million. Company has filed an appeal before Appellate Tribunal Inland Revenue in respect of the issue maintained by the Commissioner (Appeals) and the management of the Company, based on the advise of its tax consultants', is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favour.

22.6 In respect of tax year 2016, the Commissioner Inland Revenue (Appeals) through appellate order dated February 13, 2020 has disposed of the appeal of the Company maintaining the taxation of Rs. 5.58 million as gain on disposal of vehicles and disallowance of provision for Gas Infrastructure Development Cess (GIDC) amounting to Rs. 157 million out of which Rs. 19.73 million has already been offered in tax year 2018. Further, disallowance of exchange loss amounting to Rs. 29.28 million has been directed to be allowed on accrual basis whereas the addition of Rs. 150.48 million of various provisions has been remanded back. The matters of adjustments of tax credits for tax

years 2014 and 2015 amounting to Rs. 119.62 and Rs. 68.86 million respectively, adjustment of brought forward losses of Rs. 1,683 million and calculation of levy of Workers' Welfare Fund have been directed to be rectified. The Company has filed an appeal before the Appellate Tribunal Inland Revenue in respect of the matters maintained. The management of the Company, based on the advise of its tax consultants, is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favour.

23. REVENUE FROM CONTRACTS WITH CUSTOMERS

Sale of goods less returns:

- Local
Less: Discounts
Sales tax

- Export

Note	2021	2020
	(Rupees in thousand)	
	21,071,125	16,900,577
	(424,962)	(232,552)
	(3,080,014)	(2,490,447)
	17,566,149	14,177,578
	1,488,315	912,224
	19,054,464	15,089,802

24. COST OF SALES

Opening stock of finished goods
Cost of goods manufactured
Less: closing stock of finished goods

24.1 Cost of goods manufactured

Opening stock of work-in-process
Raw materials consumed
Packing materials consumed
Repair and maintenance
Salaries, wages and other benefits
Fuel, power and water
Insurance
Vehicle running and maintenance
Travelling
Depreciation
Staff training and development
Legal and professional services
Other expenses
Less: closing stock of work-in-process

	416,849	222,720
24.1	16,323,075	12,843,141
	(891,618)	(416,849)
	15,848,306	12,649,012
	350,386	205,104
24.2	12,731,014	9,648,570
24.3	491,939	376,328
24.4	449,879	405,313
24.5	763,386	755,459
	1,108,773	987,762
	46,636	52,488
24.6	57,705	44,881
	4,843	2,491
	790,255	674,046
	1,399	1,981
	14,751	6,231
	37,331	32,873
	16,848,297	13,193,527
	(525,222)	(350,386)
	16,323,075	12,843,141

24.2 Raw materials consumed

	2021	2020
	(Rupees in thousand)	
Opening stock	1,150,362	1,295,788
Purchases	14,157,018	9,503,144
Less: closing stock	<u>(2,576,366)</u>	<u>(1,150,362)</u>
	<u>12,731,014</u>	<u>9,648,570</u>

24.3 Packing materials consumed

Opening stock	37,846	28,288
Purchases	485,503	385,886
Less: closing stock	<u>(31,410)</u>	<u>(37,846)</u>
	<u>491,939</u>	<u>376,328</u>

24.4 These include stores and spares consumed amounting to Rs. 265.40 million (2020: Rs. 163.18 million).

24.5 These include Rs. 13.43 million (2020: Rs. 13.27 million) in respect of contribution to provident fund, Rs. 37.33 million (2020: Rs. 20.13 million) in respect of gratuity fund, Rs. 17.83 million (2020: Rs. 17.95 million) in respect of pension fund, Rs. 2.81 million (2020: Rs. 2.78 million) in respect of compensated absences.

24.6 This includes Rs. 1.28 million (2020: Rs. 0.43 million) in respect of rentals under ijarah arrangements.

25. DISTRIBUTION COSTS

	Note	2021	2020
		(Rupees in thousand)	
Salaries, wages and other benefits	25.1	99,165	86,091
Outward freight		304,994	339,769
Travelling		2,990	1,834
Rent, rates and taxes		11,669	14,409
Repairs and maintenance		3,490	3,176
Vehicle running and maintenance	25.2	2,749	2,853
Insurance		3,361	2,628
Depreciation	4.1.2	996	1,008
Staff training and development		743	296
Commission on export sales		48,431	11,934
Other expenses		<u>16,579</u>	<u>9,585</u>
		<u>495,167</u>	<u>473,583</u>

25.1 These include Rs. 2.2 million (2020: Rs. 1.98 million) in respect of contribution to provident fund, Rs. 3.29 million (2020: Rs. 1.87 million) in respect of gratuity fund, Rs. 4.81 million (2020: Rs 4.68 million) in respect of pension fund and Rs. 0.51 million (2020: Rs. 0.51 million) in respect of compensated absences.

25.2 This includes Rs. 0.17 million (2020: Rs. 0.17 million) in respect of rentals under ijarah arrangements.

26. ADMINISTRATIVE EXPENSES

	Note	2021	2020
(Rupees in thousand)			
Salaries, wages and other benefits	26.1	277,899	247,198
Rent, rates and taxes		6,494	4,413
Printing, stationery and periodicals		7,777	7,738
Postage and telephone		5,357	3,313
Repairs and maintenance		13,045	11,733
Vehicle running and maintenance	26.2	17,276	17,369
Travelling and entertainment		19,420	15,940
Insurance		3,994	4,779
Staff training and development		1,621	1,420
Auditors' remuneration	26.3	9,857	7,549
Legal and professional expenses		66,664	62,699
Depreciation	4.1.2	18,349	14,780
Amortisation	6.1	8,019	6,328
Electricity, gas and water		7,860	8,181
Advertisement		2,084	645
		465,716	414,085

26.1 These include Rs 6.52 million (2020: Rs 5.62 million) in respect of contribution to provident fund, Rs 11.13 million (2020: Rs 5.31 million) in respect of gratuity fund, Rs 11.35 million (2020: Rs 10.56 million) in respect of pension fund and Rs 1.24 million (2020: Rs 1.23 million) in respect of compensated absences.

26.2 This includes Rs 5.87 million (2020: Rs 5.62 million) in respect of rentals under ijarah arrangements.

26.3 Auditors' remuneration

Note	2021	2020
	(Rupees in thousand)	
Audit fee	2,415	2,300
Review of half yearly accounts, review of statement of compliance on best corporate practices, audit of employees' retirement funds and other special reviews	1,388	1,388
Special audit	1,000	-
Tax services	3,674	3,499
Out of pocket expenses	1,380	362
	<u>9,857</u>	<u>7,549</u>

27. OTHER INCOME

Income from financial assets		
Profit on bank balances		2,335
Others		
Gain on disposal of property, plant and equipment		2,041
Sale of scrap materials		43,332
Liabilities no longer considered payable written back		8,455
Government grant	14	1,600
Gain on remeasurement of provision for Gas Infrastructure Development Cess	16	106,947
		<u>162,375</u>
		<u>164,710</u>

28. OTHER EXPENSES

Workers' profits participation fund		41,542
Workers' welfare fund		15,786
Donations	28.1	7,683
Loss on disposal of property, plant and equipment		-
		<u>65,011</u>
		<u>127,134</u>

28.1 These include Rs. 20.84 million (2020: Rs. 6 million) in respect of donation to Packages Foundation Syed Hyder Ali is serving on the board of Tri-Pack Films Limited and Packages Foundation as Director.

29. FINANCE COST

Amortisation of lease liability
Mark-up on long term borrowings
Mark-up on short term borrowings
Bank and other charges
Exchange loss
Loss on remeasurement of provision for Gas Infrastructure Development Cess

Note	2021	2020
	(Rupees in thousand)	
	4,770	4,560
	172,797	152,245
	255,971	401,767
	57,073	45,142
	229,287	205,278
16	106,445	-
	<u>826,343</u>	<u>808,992</u>

30. INCOME TAX - NET

Current
Deferred
Prior

30.1 Tax reconciliation

Profit before income tax
Tax @ 29% (2020: 29%)
Effect of
- Final tax regime
- Prior year (reversal)
- Others

Effective tax rate

	417,779	79,399
	(44,533)	(39,563)
	-	119,565
	<u>373,246</u>	<u>159,401</u>
	1,415,106	773,512
	<u>410,381</u>	<u>224,318</u>
	(31,115)	(7,039)
	-	(45,216)
	(6,020)	(12,662)
	<u>373,246</u>	<u>159,401</u>
	<u>26.38%</u>	<u>20.61%</u>

31. EARNINGS PER SHARE - basic and diluted

Profit for the year attributable to ordinary shareholders

Weighted average number of ordinary shares outstanding during the year

Basic and diluted earnings per share

Note	2021	2020
	(Rupees in thousand)	
	1,041,860	614,111
	Number of shares (in thousand)	
31.1	38,800	38,800
	(Rupees)	
	26.85	15.83

31.1 There were no convertible dilutive potential ordinary shares outstanding as at December 31, 2021 and 2020.

32. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Note	2021		2020	
		Chief Executive	Executives	Chief Executive	Executives
(Rupees in thousand)					
Managerial remuneration including bonus		35,487	156,935	31,557	145,673
Staff retirement benefits	32.1	7,372	27,037	6,399	23,114
Housing		9,617	62,246	8,348	52,216
Utilities		1,923	15,573	1,670	13,030
Leave fare assistance		1,603	6,488	1,391	5,447
Medical expenses		22	5,448	180	3,752
Other allowances and benefits		6,042	22,644	5,302	22,087
		<u>62,066</u>	<u>296,371</u>	<u>54,847</u>	<u>265,319</u>
Number of persons		<u>1</u>	<u>35</u>	<u>1</u>	<u>33</u>

32.1 Staff retirement benefits include amount contributed towards various retirement benefit plans.

32.2 The Chief Executive and other executives are also provided with free use of Company's maintained cars or equivalent monetization, residential telephone reimbursement and other benefits.

32.3 Remuneration to non-executive director

Aggregate amount charged in these financial statements for meetings fee to Three (2020: Two) non-executive director was Rs 2.33 million (2020: Rs 1.20 million).

33. CASH (USED IN) / GENERATED FROM OPERATIONS

Profit before income tax

Adjustments for non-cash charges and other items:

Depreciation

Amortisation expense

Finance cost

Government grant recognised in income

Exchange (gain) / loss - unrealised

Profit on bank balances

Provision for accumulated compensated absences

Provision for staff retirement benefits

Loss / (gain) on disposal of property, plant and equipment

Loss / (gain) on remeasurement of provision for Gas Infrastructure Development Cess

Working capital changes

Note	2021	2020
	(Rupees in thousand)	
	1,415,106	773,512
	809,600	689,834
	8,019	6,328
	490,611	603,714
	(12,571)	(1,600)
	(36,214)	30,072
	(1,188)	(2,335)
	4,561	4,519
	76,253	73,188
	1,131	(2,041)
	106,445	(106,947)
33.1	(5,011,238)	620,946
	(3,564,591)	1,915,678
	(2,149,485)	2,689,190

33.1 Working capital changes

(Increase) / decrease in current assets:

Inventories

Trade receivables

Advances and prepayments

Refunds due from government - sales tax

Other receivables

(Decrease) / increase in trade and other payables

(2,062,767)	(258,195)
(1,214,614)	595,992
(3,518)	(15,097)
(104,668)	(112,951)
(22,052)	(128,339)
(3,407,619)	81,410
(1,603,619)	539,536
(5,011,238)	620,946

34. CASH AND CASH EQUIVALENTS

Short term running finance

Cash and bank balances

21	(1,611,136)	(1,659,556)
11	206,868	137,358
	(1,404,268)	(1,522,198)

35. FINANCIAL INSTRUMENTS BY CATEGORY

	Interest / Mark-up bearing			Non-interest / mark-up bearing			Total
	Maturity up to one year	Maturity after one year	Total	Maturity up to one year	Maturity after one year	Total	
(Rupees in thousand)							
FINANCIAL ASSETS							
At amortised cost							
Long-term deposits	-	-	-	-	6,383	6,383	6,383
Trade receivables	-	-	-	2,910,764	-	2,910,764	2,910,764
Advances and prepayments	-	-	-	9,691	-	9,691	9,691
Other receivables	-	-	-	256,106	-	256,106	256,106
Cash and bank balances	58,937	-	58,937	147,931	-	147,931	206,868
2021	<u>58,937</u>	<u>-</u>	<u>58,937</u>	<u>3,324,492</u>	<u>6,383</u>	<u>3,330,875</u>	<u>3,389,812</u>
2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,040,665</u>	<u>6,288</u>	<u>2,046,953</u>	<u>2,046,953</u>
FINANCIAL LIABILITIES							
At amortised cost							
Long-term borrowings	456,824	2,603,142	3,059,966	-	-	-	3,059,966
Trade and other payables	-	-	-	1,581,831	-	1,581,831	1,581,831
Accrued mark-up	-	-	-	120,033	-	120,033	120,033
Short-term borrowings	5,761,136	-	5,761,136	-	-	-	5,761,136
Unclaimed dividend	-	-	-	18,159	-	18,159	18,159
2021	<u>6,217,960</u>	<u>2,603,142</u>	<u>8,821,102</u>	<u>1,720,023</u>	<u>-</u>	<u>1,720,023</u>	<u>10,541,125</u>
2020	<u>2,471,342</u>	<u>2,123,085</u>	<u>4,594,427</u>	<u>3,239,120</u>	<u>-</u>	<u>3,239,120</u>	<u>7,833,547</u>

36. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk, currency risk and price risk), credit risk and liquidity risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risks managed and measured by the Company are explained below:

36.1 Market risk

36.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market interest rates.

The Company's interest rate risk arises from borrowings which include long term borrowings (note 13), short term borrowings (note 21) and cash with bank in mark-up bearing savings account (note 11).

At December 31, 2021, if interest rates on borrowings had been 50 basis points higher / lower with all other variables held constant, profit after taxation for the year would have been as follows:

	2021		2020	
	At higher interest rate	At lower interest rate	At higher interest rate	At lower interest rate
	(Rupees in thousand)			
Finance cost	38,647	(38,647)	23,072	(23,072)
Taxation	(11,208)	11,208	(6,691)	6,691
Net impact on profit after taxation	<u>27,439</u>	<u>(27,439)</u>	<u>16,381</u>	<u>(16,381)</u>

36.1.2 Currency risk

Currency risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. The Company primarily has foreign currency exposures in EUR, GBP, USD and JPY cash and cash equivalents, deposits with banks (note 11), trade receivables (note 8) in respect of export sales and trade and other payables (note 19) in respect of import of raw materials, stores and spares and plant and machinery. Since the Company's pricing mechanism is mainly linked to cost of raw materials, therefore, the effects, if any, of any adverse movement in exchange rates in above currencies can be passed on to the customers to some extent through increase in prices of its finished goods.

At December 31, 2021, if the Company's functional currency had weakened / strengthened by 5% against above currencies with all other variables held constant, profit for the year would have been lower / higher by Rs 29.72 million (2020: Rs 74.96 million), mainly as a result of foreign exchange losses / gains on translation of financial assets and liabilities denominated in foreign currencies.

36.1.3 Price risk

Price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company has no investments as at December 31, 2021 (2020: Nil).

36.2 Concentration of credit

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparties failed to perform as contracted. The maximum exposure to credit risk is equal to the carrying amount of financial assets amounting to Rs. 3,390 million (2020: Rs. 2,047 million).

The carrying amounts of financial assets which are neither past due nor impaired are as under:

	2021	2020
	(Rupees in thousand)	
Long-term deposits	6,383	6,288
Trade receivables	2,288,690	1,068,180
Advances and prepayments	9,691	8,248
Other receivables	256,106	198,909
Cash and bank balances	206,868	137,358
	<u>2,767,738</u>	<u>1,418,983</u>

Total bank balance of Rs 206.81 million (2020: Rs 137.25 million) has been placed with banks which have a short term credit rating of at least A-1.

A significant component of the receivable balances of the Company relates to amounts due from the local customers. Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by those counter parties on their obligations to the Company. The management continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery.

The Company does not hold any collateral against these assets other than receivable from foreign customers which are secured by way of letter of credits.

36.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The management believes that it will be able to fulfill its financial obligations.

Financial liabilities in accordance with their contractual maturities are presented below:

Contractual cash flows	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Between than 5 years
	(Rupees in thousand)			
Long term borrowings	3,059,966	456,824	583,762	2,019,380
Trade and other payables	1,586,354	1,586,354	-	-
Accrued mark-up	120,033	120,033	-	-
Short term borrowings	5,761,136	5,761,136	-	-
Lease Liability	36,337	3,334	2,863	9,294
	<u>10,563,826</u>	<u>7,927,681</u>	<u>586,625</u>	<u>2,028,674</u>
				<u>20,846</u>

36.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or obtain / repay long term financing from / to financial institutions.

Consistent with others in the industry, the Company monitors capital on the basis of the debt equity ratio. This ratio is calculated as under:

Debt equity ratio = Long term portion of debt plus current maturity divided by long term portion of debt (including current maturity) plus total equity.

The debt equity ratios as at December 31, 2021 and 2020 were as follows:

	Note	2021	2020
		(Rupees in thousand)	
Long term borrowings (including current maturity)	13	3,309,703	2,434,865
Total equity		4,707,491	3,875,925
Total		8,017,194	6,310,790
Debt equity ratio		41:59	39:61

The increase in the debt equity ratio is mainly due to the acquisition of new long term borrowing during the current year.

36.5 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between the carrying value and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The estimated fair value of other financial assets and liabilities is considered not significantly different from carrying values as the items are either short term in nature or periodically repriced.

37. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise related group companies, staff retirement benefits, directors, key management personnel and close members of the family of directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties.

Transactions with related parties are as follows:

Nature of transaction	Nature of relationship	2021	2020
(Rupees in thousand)			
Purchase of goods and services	Associated undertaking	184,486	189,719
Sale of goods	Associated undertaking	2,308,013	2,192,685
Donations	Associated undertaking	20,837	6,000
Dividend paid	Associated undertaking and Directorship	129,994	-
Contributions to staff retirement benefit funds	Retirement benefit funds	72,714	69,273
Salaries and other employee benefits	Key management personnel*	159,485	146,395

* Key management personnel includes CEO, CFO and Head of the departments.

The amounts payable to and receivable from related parties have been disclosed in the relevant notes to these financial statements. These are settled in the ordinary course of business.

37.1 Following are the related parties including associated companies with whom the company had entered into transactions or have arrangement / agreement in place during the year:

S.No	Company Name	Basis of relationship	Aggregate % of Shareholding
1.	Packages Limited	Associated Company	49.93%
2.	Bulleh Shah Packaging (Private) Limited	Associated Company	N/A
3.	Chantler Packaging Inc.	Associated Company	N/A
4.	Allied Rental Modaraba	Associated Company	N/A
5.	IGI General Insurance Limited	Associated Company	9.67%
6.	IGI FSI (Private) Limited	Associated Company	N/A
7.	IGI Life Insurance Company Limited	Associated Company	N/A
8.	Mitsubishi Corporation	Associated Company	19.33%
9.	Packages Lanka (Private) Limited	Associated Company	N/A
10.	Packages Converters Limited	Associated Company	N/A
11.	Packages Foundation	Associated Company	N/A
12.	Syed Maratib Ali Charitable Trust	Associated Company	N/A

37.2 Following are the countries of incorporation of the associated companies incorporated outside Pakistan:

S.No	Company Name	Country of Incorporation
1.	Mitsubishi Corporation	Japan
2.	Chantler Packaging Inc.	Canada
3.	Packages Lanka (Private) Limited	Sri Lanka
4.	Flexible Packaging Converter (Pty) Limited	South Africa

38. PLANT CAPACITY AND ACTUAL PRODUCTION

	2021	2020
	(Metric tons)	
Operational capacity	83,800	83,800
Production	47,944	48,957

38.1 Production of films during the year is based on market demand.

39. NUMBER OF EMPLOYEES

The total average number of employees during the year and as at December 31, 2021 and 2020 respectively are as follows:

	2021	2020
Average number of employees during the year	294	309
Number of employees as at December 31	291	311

40. PROVIDENT FUND RELATED DISCLOSURE

All investment in collective investment schemes, listed equity, and listed debt securities out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the conditions specified thereunder.

41. GENERAL

41.1 Non-adjusting event after balance sheet

The Board of Directors of the Company in their meeting held on February 25, 2022 have proposed a final cash dividend of Rs. 13.00 per share for the year ended December 31, 2021 amounting to Rs. 504.40 million (2020: Rs. 194 million) subject to the approval of the Company in the forthcoming annual general meeting.

41.2 Corresponding figure

Corresponding figures have been re-arranged, wherever necessary, to align these figures with the financial statements for the year ended December 31, 2020. However, the impact is immaterial.

41.3 Date of authorisation for issue

These financial statements were authorised for issue on February 25, 2022 by the Board of Directors of the Company.



Nasir Jamal
Chief Executive Officer



Nermeen Towfiq Chinoy
Director



Muhammad Zuhair Damani
Chief Financial Officer

Notice of Annual General Meeting

Notice is hereby given that the 30th Annual General Meeting of the shareholders of Tri-Pack Films Limited will be held at Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Block 8 Clifton, Karachi, on Wednesday, April 20, 2022 at 10:30 A.M to transact the following business:

ORDINARY BUSINESS

- 1) To confirm the Minutes of the last Extra Ordinary General Meeting of the Company held on October 4, 2021.
- 2) To receive, consider and adopt the audited Financial Statements together with the Directors' and Auditors' Report thereon for the year ended December 31, 2021.
- 3) To consider, approve and declare the dividend on the ordinary shares of the Company. The Directors have recommended a final cash dividend of 130% (Rs.13.00 per ordinary share of Rs. 10 each), for the year ended December 31, 2021.
- 4) To appoint External Auditors of the Company for the ensuing year and to fix their remuneration. The current Auditors, M/s. A.F. Ferguson & Co. (Chartered Accountants), being eligible to do so, have consented to be appointed as auditors and the Board of Directors has recommended their appointment.

ANY OTHER BUSINESS

To transact any other business with the permission of the Chair.

By Order of the Board



IQRA SAJJAD
Company Secretary

Karachi
March 30, 2022

Notes:

In light of the continuing threats posed due to COVID-19 pandemic and to protect wellbeing of the shareholders, the Securities and Exchange Commission of Pakistan ("SECP") has vide its Circulars issued from time to time directed the listed companies to hold general meetings virtually in addition to the requirements of holding physical meeting. The following arrangements have been made by the Company to further facilitate the participation of the shareholders in the AGM:

The shareholders interested in attending the AGM virtually are requested to get themselves registered by sending their particulars at the designated email address shares.desk@tripack.com.pk mentioning their names, folio number, email address by the close of business hours on April 18, 2022. The log-in credentials and link to participate in the AGM would be provided to the registered shareholders.

As always, Tri-Pack Films Limited intends, and undertakes, to hold the meeting in compliance with all applicable laws while ensuring the safety of its shareholders, employees, directors and the public at large.

1. The Share Transfer Books of the Company will be closed for determining the entitlement for the payment of Final Cash Dividend from April 14, 2022 to April 20, 2022 (both days inclusive). Transfer requests received at the Office of the Share Registrar of the Company at M/s Famco Associate (Pvt.) Limited, 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi at the close of business on April 13, 2022 (Wednesday) will be treated in time for the purposes of entitlement to the transferees.
2. A Member entitled to attend and vote at the Meeting may appoint another person as his/her Proxy to attend, speak and vote at the Meeting on his/her behalf. Instrument appointing Proxy must be deposited at the Registered Office of the Company at 4th Floor, The Forum, Suit # 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi not less than 48 hours before the time of the meeting.

3. Shareholders holding physical shares are also required to bring their original CNIC and/or copy of CNIC of shareholder(s) of whom he/she/they hold Proxy(ies). Such shareholder(s) shall not be allowed to attend and/or sign the Register of Shareholders/Members at the AGM without such CNIC(s).
4. The CDC Account Holders and Sub-Account Holders, whose registration details are available in the Share Book Details Report, shall be required to produce their respective original Computerized National Identity Card (CNIC) or original Passport at the time of attending the Annual General Meeting to facilitate identification. Such Account Holders and Sub-Account Holders should also bring / know their respective participation I.D. No. and the CDC Account No. and in case of proxy, he/she must enclose an attested copy of his/her CNIC or Passport. Representative(s) of corporate member(s) should bring attested copy of Board Resolution / Power of Attorney and/ or all such documents that are required for such purpose under Circular No.1 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan (“SECP”). Proxy form is also available on the Company’s website www.tripack.com.pk

Revision of Withholding Tax on Dividend Income

Please further note that under Section 150 of the Income Tax Ordinance, 2001 and pursuant to Finance Act 2020 withholding tax on dividend income will be deducted as per law for persons appearing and not appearing in Active Tax Payer List (ATL). According to clarification received from Federal Board of Revenue (FBR) withholding tax will be determined separately on ‘Active/Inactive’ status of Principal shareholder as well as Joint Holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold shares with joint shareholders are requested to provide shareholding proportions of Principal shareholder and Joint Holder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC #	Shareholding Proportion (%)	Name and CNIC #	Shareholding Proportion (%)

Notes

- a. The required information must reach our Share Registrar by April 13, 2022; otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s) and tax will be deducted accordingly.
- b. Shareholders are therefore requested to please check and ensure the status from Active Taxpayers List (ATL) available at FBR website <http://www.fbr.gov.pk/> as well as ensure that their CNIC/Passport number has been recorded by the Participant/Investor Account Services or by Share Registrar (in case of physical shareholding). Corporate bodies (non-Individual shareholders) should ensure that their names and National Tax Numbers (NTN) are available in ATL at FBR website and recorded by respective Participant/Investor Account Services or in case of physical shareholding by Company’s Share Registrar.
- c. Withholding tax exemption from dividend income shall only be allowed if a copy of valid tax exemption certificate is made available to the Company’s Share Registrar by April 13, 2022.
- d. Non-resident shareholder(s) shall submit declaration of undertaking with copy of valid passport under definition contained in Section 82 of the income Tax Ordinance, 2001 for determination of residential status for the purposes of tax deduction on dividend to the Company Share Registrar’s M/s Famco Associates Pvt. Ltd. or email at info.shares@famco.com.pk at the latest by April 13, 2022. Member may send a declaration using a standard format as placed on Registrar and Company’s websites as mentioned below:
www.famco.com.pk
www.tripack.com.pk

Statutory Code of Conduct at AGM

The members are requested to observe the Statutory Code of Conduct at AGM in accordance with Section 215 of the Companies Act, 2017 and Regulation 28 of the Companies (General Provisions and Forms) Regulations, 2018, whereby shareholders are not permitted to exert influence or approach the management directly for decisions which may lead to creation of hurdles in the smooth functioning of management. As mentioned in these provisions, shareholders shall not bring material that may cause threat to participants or premises where the AGM is being held, confine themselves to the agenda items covered in the notice of the AGM and shall not conduct themselves in a manner to disclose any political affiliation. Additionally, the Company is not permitted to distribute gifts in any form to its shareholders in its meetings as per Section 185 of Companies Act, 2017.

Payment of Cash Dividend Through Electronic Mode (Mandatory)

In accordance with the Companies (Distribution of Dividend) Regulation 2017, shareholders are advised to provide their Identification Number/ Computerised National Identity Card (CNIC) Number and International Bank Account Number (IBAN) details, if they have not already done so, to our Share Registrar (if shares are held in physical form) at their above referred office address or to the respective Participants/Broker (if shares are held through CDS Account). In case of non-receipt of information, the Company will be constrained to withhold payments of dividends.

Submission of Copy of CNIC/NTN (MANDATORY):

Further to SECP's directives, including SRO 831(1)/2012 and other relevant rules, the electronic dividend should also bear CNIC number of the registered shareholder or the authorized person, except in the case of minor(s) and corporate shareholders.

As per Regulation No. 6 of the Companies (Distribution of Dividend) Regulations, 2017 and Section 243(3) of the Companies Act, 2017, the Company will be constrained to withhold payment of dividend to shareholders, in case of non-availability of identification number of the shareholder or authorized person (CNIC or NTN).

Accordingly, the individual Members who have not yet submitted a copy of their valid CNIC to the Company's Share Registrar are once again requested to send their CNIC copy at the earliest directly to the Company's Share Registrar at M/s Famco Associate (Pvt.) Limited, 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi. Corporate entities are requested to provide their National Tax Number (NTN) and Folio Number along with the authorized representative's CNIC copy.

Zakat Deduction

To claim exemption from compulsory deduction of Zakat, shareholders are requested to submit a notarized copy of their Zakat Declaration Form "CZ-50" on NJSP of Rs. 50/- to the Share Registrar.

Change of Address and/or Email Address

Shareholders having physical shares are requested to promptly notify change in their postal address(s) and/or email address if any, to Share Registrar, in writing whereas CDC account holders are requested to update their addresses with their CDC Participant /CDC Investor Account Services.

Unclaimed dividend/shares:

Under Section 244 of the Companies Act, 2017 whereby the Company approached shareholders to claim their unclaimed dividends in accordance with the law. In this regard the Company has previously discharged its responsibility.

Those shareholders, who have not claimed their dividend amounts as yet, are hereby once again requested to ensure that their claims for unclaimed dividend amounts and/or shares certificate are lodged promptly.

Deposit Of Physical Shares into CDC Account

As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four (4) years from the

commencement of the Act, i.e., 30 May 2017. Those shareholders having physical shareholding(s) are encouraged to open a CDC sub - account with any broker or Investor Account directly with CDC to place their physical shares into scriptless form. This is beneficial in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

Circulation of Annual Audited Accounts via CD/DVD/USB or Any Other Media:

SECP through its SRO 470(1)/2016, dated 31 May 2016, has allowed companies to circulate the annual balance sheet, profit and loss account, Auditors' Report and Directors' Report etc. ("annual audited accounts") to its Members through CD/DVD/USB at their registered addresses. The Company has obtained shareholders' approval in its Annual General Meeting in this regard and has sent its Annual Report 2021 to its shareholders in the form of CD. Any Member may view complete Annual Report on Company's website or requiring printed copy or electronic format through email of Annual Report may send a request using a Standard Request Form as annexed and placed on Company's website as well: www.tripack.com.pk Members are hereby informed that pursuant to under Section 223(6) and 473 of the Companies Act 2017, circulation of Audited Financial Statements and Notice of Annual General Meeting has been allowed in electronic format through email.

Members can request a hard copy of the same, which shall be provided free of cost within seven (7) days from receipt of requisition.

Postal Ballot/E-Voting:

In accordance with the Companies (Postal Ballot) Regulations, 2018, for the purpose of election of Directors and for any other agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017, Members holding in aggregate 10% or more shareholding as per law, will be allowed to exercise their right of vote through postal ballot i.e. by post or e-voting, in the manner and subject to conditions contained in aforesaid Regulations

BCR Criteria Index

S. No	Framework for Annual Reporting Best Corporate Report Awards 2021	Page Reference
1	ORGANIZATIONAL OVERVIEW AND EXTERNAL ENVIRONMENT <i>What does the organization do and circumstances under which it operates</i>	
1.01	Principal business activities and markets local and international including key brands, products and services.	7, 24-26
1.02	Geographical location and address of all business units including sales units and plants.	6, 22-23
1.03	Mission, vision, code of conduct, culture, ethics and values.	8-16
1.04	Ownership, operating structure and relationship with group companies (i.e. subsidiary, associated undertaking etc.) and number of countries in which the organization operates. Also name and country of origin of the holding company/subsidiary company, if such companies are a foreign company.	18-19
1.05	Organization chart indicating functional and administrative reporting, presented with legends.	17
1.06	Identification of the key elements of the business model of the company through simple diagram supported by a clear explanation of the relevance of those elements to the organization. (The key elements of business model are Inputs, Business activities, Outputs and Outcomes).	147-149
1.07	Key quantitative information (Number of persons employed as on the date of financial statements and average number of employees during the year, separately disclosing factory employees).	153
1.08	Position of the reporting organization within the value chain showing connection with other businesses in the upstream and downstream value chain. (This disclosure shall be provided by the companies in service and non-service sector organizations through graphical presentation).	27
1.09	Significant factors effecting the external environment and the associated organization's response (external environment includes commercial, political, economic, social, technological, environmental and legal environment). Also describe the effect of seasonality on business in terms of production and sales.	28
1.10	Significant changes from prior years (regarding the information disclosed in this section).	29
1.11	Composition of local versus imported material and sensitivity analysis in narrative form due to foreign currency fluctuations.	29
1.12	Competitive landscape and market positioning (considering factors such as the threat of new competition and substitute products or services, the bargaining power of customers and suppliers, relative strengths and weaknesses of competitors and customer demand and the intensity of competitive rivalry).	30
2	STRATEGY AND RESOURCE ALLOCATION <i>Where does the organization want to go and how does it intend to get there</i>	
2.01	Short, medium and long term strategic objectives.	34
2.02	Strategies in place or intended to be implemented to achieve those strategic objectives.	34
2.03	Resource allocation plans to implement the strategy and financial capital structure. (Resource mean CAPITALS including financial capital (e.g. liquidity, cash flows, financing arrangements); human capital, manufactured capital (e.g. building, equipment, infrastructure); intellectual capital (e.g. patents, copyrights, software, licenses, knowledge, system, procedures); social and relationship capital and natural capital).	38-39
2.04	The effect of technological change, societal issues such as (population and demographic changes, human rights, health, poverty, collective values and educational systems), environmental challenges, such as climate change, the loss of ecosystems, and resource shortages, on the company strategy and resource allocation.	36
2.05	Specific processes used to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues.	12-16, 46-47, 73-75
2.06	Key performance indicators (KPIs) to measure the achievement against strategic objectives including statement as to whether the indicators used will continue to be relevant in the future.	40-41
2.07	Strategy to overcome liquidity problem and the company's plan to manage its repayment of debts and meet operational losses.	35
2.08	Significant plans and decisions such as corporate restructuring, business expansion and discontinuance of operations etc.	35
2.09	Significant changes in objectives and strategies from prior years.	35

S. No	Framework for Annual Reporting Best Corporate Report Awards 2021	Page Reference
3	RISKS AND OPPORTUNITIES <i>Specific risks and opportunities that affect the organization's ability to create value over the short, medium and long term, and how it is dealing with them"</i>	
3.01	Key risks and opportunities effecting availability, quality and affordability of CAPITALS in the short, medium and long term.	44-46
3.02	Description of the Risk Management Framework including risk management methodology.	46-47
3.03	Sources of risks and opportunities (internal and external).	44-46
3.04	The initiatives taken by the company in promoting and enabling innovation.	47
3.05	Assessment of the 'likelihood' that the risk or opportunity will come to fruition and the 'magnitude' of its effect if it does.	44-46
3.06	Specific steps being taken to mitigate or manage key risks or to create value from key opportunities by identifying the associated strategic objectives, strategies, plans, policies, targets and KPIs.	44-46
3.07	Board's efforts for determining the company's level of risk tolerance by establishing risk management policies.	46-47
3.08	A statement from the board of directors that they have carried out a robust assessment of the principal risks facing the company, including those that would threaten the business model, future performance and solvency or liquidity.	46-47, 59
3.09	Inadequacy in the capital structure and plans to address such inadequacy.	47
4	GOVERNANCE <i>How does the organization's governance structure support its ability to create value in the short, medium and long term</i>	
4.01	Board composition: a) Leadership structure of those charged with governance. b) Name of independent directors indicating justification for their independence. c) Profile of each director including education, experience and involvement / engagement of in other entities as CEO, Director, CFO or Trustee etc.	50-52 105-107 50-52
4.02	Review Report by the Chairman of the company on the overall performance of the board and effectiveness of the role played by the board in achieving the company's objectives.	55
4.03	A statement of how the board operates, including a high-level statement of which types of decisions are to be taken by the board and which are to be delegated to management.	66
4.04	Shariah Advisor Report and Profile of the Shariah Advisor / Members' of the Shariah Board.	N/A
4.05	Annual evaluation of performance, along with description of criteria used for the members of the board and its committees, CEO and the Chairman.	66-67
4.06	Disclosure if the board's performance evaluation is carried out by an external consultant once in three years.	N/A
4.07	Details of formal orientation courses for directors.	67
4.08	Directors' Training Program (DTP) attended by directors, female executive and head of department from the institutes approved by the SECP and names of those who availed exemptions during the year.	67
4.09	Description of external oversight of various functions like systems audit / internal audit by an external specialist and other measures taken to enhance credibility of internal controls and systems.	70
4.10	a) Policy for remuneration to non-executive directors including independent directors. b) Policy of retention of board fee by the executive director earned by him against his services as non-executive director in other companies.	67
4.11	Policy for security clearance of foreign directors.	N/A
4.12	How the organization's implemented governance practices exceeding legal requirements.	67
4.13	Board's policy on diversity (including gender), any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.	68
4.14	No. of companies in which the executive director of the reporting organization is serving as non-executive director.	67
4.15	a) Names of related parties in Pakistan and outside Pakistan, with whom the company had entered into transactions or had agreements and / or arrangements in place during the financial year, along with the basis of relationship describing common directorship and percentage of shareholding. b) Contract or arrangement with the related party other than in the ordinary course of business on an arm's length basis, if any along with the justification for entering into such contract or arrangement. c) Approved policy for related party transactions including policy for disclosure of interest by directors in this regard.	68 N/A 80

S. No	Framework for Annual Reporting Best Corporate Report Awards 2021	Page Reference
4.16	Details of board meetings held outside Pakistan during the year.	69
4.17	Disclosure of policy for actual and perceived conflicts of interest relating to members of the board of directors and a disclosure that how such a conflict is managed and monitored.	71
4.18	Investors' grievance policy.	69
4.19	Policy for safety records of the company.	69
4.20	Disclosure of IT Governance Policy.	70-71
4.21	Disclosure of Whistle blowing policy established to receive, handle complains in a fair and transparent manner and providing protection to the complainant against victimization, and disclosure of the number of such incidences reported to the Audit Committee during the year.	72-75
4.22	Human resource management policies including preparation of a succession plan.	76-77
4.23	Social and environmental responsibility policy.	90
4.24	Review by the board of the organization's business continuity plan or disaster recovery plan.	35
4.25	Disclosure of beneficial (including indirect) ownership and flow chart of group shareholding and relationship as holding company, subsidiary company or associated undertaking.	18-19, 94
4.26	Compliance with the Best Practices of Code of Corporate Governance (No marks in case of any non-compliance).	105-107
4.27	A brief description about role of the Chairman and the CEO.	91-92
4.28	Shares held by Sponsors / Directors / Executives.	96
4.29	Salient features of TOR and attendance in meetings of the board committees (Audit, Human Resource, Nomination and Risk management).	98-101, 63-64
4.31	Audit Committee Report should describe the work of the committee in discharging its responsibilities. The report should include: a) Composition of the committee with at least one member qualified as "financially literate and all members are non-executive / Independent directors including the Chairman of the Audit Committee. b) Role of the committee in discharging its responsibilities for the significant issues in relation to the financial statements, and how these issues were addressed with details where particular attention was paid in this regard. c) Committee's overall approach to risk management and internal control, and its processes, outcomes and disclosure. d) Role of Internal Audit to risk management and internal control, and approach to Internal Audit to have direct access to Audit Committee and evaluation of Internal Auditor's performance. e) Review of arrangement for staff and management to report to Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommended instituting remedial and mitigating measures. f) An explanation as to how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, and information on the length of tenure of the current statutory auditor; and if the external auditor provides non-audit services, an explanation as to how auditor's objectivity and independence is safeguarded. g) If Audit Committee recommends external auditors other than the retiring external auditors, before the lapse of three consecutive years, reasons shall be reported. h) The Audit Committee's views whether the Annual Report was fair, balanced and understandable and also whether it provided the necessary information for shareholders to assess the company's position and performance, business model and strategy. i) Results of the self-evaluation of the Audit Committee carried out of its own performance.	104
4.32	Presence of the chairman of the Audit Committee at the AGM to answer questions on the Audit Committee's activities and matters within the scope of the Audit Committee's responsibilities.	70
4.33	Where an external search consultancy has been used in the appointment of the Chairman or a non-executive director, it should be disclosed if it has any other connection with the company.	N/A
4.34	Chairman's significant commitments and any changes thereto.	92
4.35	Disclosure about the Government of Pakistan policies related to company's business/sector in Directors' Report and their impact on the company business and performance.	58-65
4.36	Pandemic Recovery Plan by the management and policy statement.	102

S. No	Framework for Annual Reporting Best Corporate Report Awards 2021	Page Reference
5	PERFORMANCE AND POSITION <i>To what extent has the organization achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals</i>	
5.01	Analysis of the financial and non-financial performance using both qualitative and quantitative indicators showing linkage between: (a) Past and current performance; and (b) Performance against targets /budget (c) Objectives to assess stewardship of management. The analysis should cover significant deviations from previous year in operating results and the reasons for loss, if incurred and future prospects of profits. Note: Analysis of non-financial performance shall be presented for material non-financial KPIs relevant for the business and stakeholders around other forms of capitals as mentioned under International Integrated Reporting Framework <IR>, i.e. human capital, manufactured capital, intellectual capital, social and relationshi capital and natural capital. Inspiration can also be taken from the SpecificStandard Disclosures of G4 Guidelines of the Global Reporting Initiative (GRI) for measurement and reporting on non-financial KPIs.	40-41, 111, 112-113, 58-65
5.02	Analysis of financial statements: a) Financial Ratios (Refer Annexure 'I') b) DuPont Analysis c) Free Cash Flow d) Economic Value Added (EVA)	111, 112-113, 114-115, 123, 130
5.03	Combined analysis both vertical and horizontal of the Balance Sheet and Profit and Loss Account for last 6 years.	116-119
5.04	Summary of Cash Flow Statement for last 6 years.	120-121
5.05	Graphical presentation of the Balance Sheet, Profit & Loss Account and analysis in 5.02, 5.03 and 5.04 above.	124-127
5.06	Explanation of negative change in the performance against prior year including analysis of variation in results reported in interim reports with the final accounts, including comments on the results disclosed as per 5.02, 5.03 and 5.04 above.	135
5.07	Information about defaults in payment of any debts and reasons thereof period.	135
5.08	Methods and assumptions used in compiling the indicators.	40
5.09	Cash Flow Statement based on Direct Method (separate Cash Flow for specific funds e.g. Zakat).	122
5.10	Segmental review of business performance.	134
5.11	Share price sensitivity analysis using key variables (i.e. selling price, raw material cost, interest rate and currency) with the consequent impact on the company's earning.	131
5.12	History of major events during the year.	136
5.13	Business rationale of major capital expenditure /projects during the year and for those planned for next year.	132
5.14	Brief description and reasons; a) For not declaring dividend despite earning profits and future prospects of dividend. b) Where any payment on account of taxes, duties, levies etc. is overdue or outstanding.	135
5.15	CEO presentation video on the organization's website explaining the business overview, performance, strategy and outlook. (Please provide reference / web link on company's annual report).	

S. No	Framework for Annual Reporting Best Corporate Report Awards 2021	Page Reference
6	OUTLOOK <i>Challenges and uncertainties that the organization is likely to encounter in pursuing its strategy, and what are the potential implications for its business model and future performance</i>	
6.01	Forward looking statement in narrative and quantitative form including projections or forecasts about known trends and uncertainties that could affect the entity's resources, revenues and operations in the short, medium and long term. Also explaining the external environment including political, economic, social, technological, environmental and legal environment that is likely to be faced in the short, medium and long term and how it will affect the organization in terms of its business performance, strategic objectives and availability, quality and affordability of capitals.	142-143
6.02	Explanation as to how the performance of the entity meets the forward looking disclosures made in the previous year.	144
6.03	Status of the projects in progress and were disclosed in the forward looking statement in the previous year.	144
6.04	Sources of information and assumptions used for projections / forecasts in the forward looking statement and assistance taken by any external consultant.	144
6.05	How that organization is currently equipped in responding to the critical challenges and uncertainties that are likely to arise.	142-143
7	STAKEHOLDERS RELATIONSHIP AND ENGAGEMENT <i>State of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and inter</i>	
7.01	How the company has identified its stakeholders.	152
7.02	Stakeholders' engagement process and the frequency of such engagements during the year. Explanation on how these relationships are likely to affect the performance and value of the entity, and how those relationships are managed. These engagements may be with: a) Institutional investors; b) Customers & suppliers; c) Banks and other lenders; d) Media; e) Regulators; f) Local committees and g) Analysts.	152
7.03	Steps taken by the management to encourage the minority shareholders to attend the general meetings.	153
7.04	Investors' Relations section on the corporate website.	153
7.05	Issues raised in the last AGM, decisions taken and their implementation status.	153
7.06	Statement of value added and its distribution with graphical presentation: a) Employees as remuneration b) Government as taxes (separately direct and indirect) c) Shareholders as dividends d) Providers of financial capital as financial charges e) Society as donation; and f) Retained within the business	154-155
7.07	Stakeholders engagement policy and steps board has taken to solicit and understand the views of stakeholders through corporate briefing sessions and disclosure of brief summary of Analyst briefing conducted during the year.	153
7.08	Highlights about redressal of investors' complaints.	94

S. No	Framework for Annual Reporting Best Corporate Report Awards 2021	Page Reference
8 SPECIFIC DISCLOSURES OF THE FINANCIAL STATEMENTS		
1	Fair value of Property, Plant and Equipment.	N/A
2	Segment analysis of segment revenue, segment results and profit before tax.	N/A
3	Reconciliation of weighted average number of shares for calculating EPS and diluted EPS.	N/A
4	Particulars of significant/ material assets and immovable property including location and area of land.	196
5	Disclosure of product wise data mentioning, product revenue, profit etc.	N/A
6	Disclosure of discounts on revenue.	212
7	Sector wise analysis of deposits and advances.	200
8	Complete set of financial statements (Balance sheet, Income statement & Cash flow) for Islamic banking operations.	N/A
9	Status for adoption of Islamic Financial Accounting Standards (IFAS) issued by the ICAP.	182
10	Summary of significant transactions and events that have affected the company's financial position and performance during the year.	181
11	Forced sale value in case of revaluation of Property, Plant and Equipment or investment property.	N/A
12	Distribution of shareholders (Number of shares as well as category wise, e.g. Promoter, Directors/Executives or close family member of Directors/Executives etc.).	201-202
13	Particulars of major foreign shareholders, other than natural person, holding more than 5% of paid up capital in the company in Pattern of Shareholding.	201-202
14	Particulars where company has given loans or advances or has made investments in foreign companies or undertakings.	N/A
15	Accounts Receivable in respect of Export Sales - Name of company or undertaking in case of related party and in case of default brief description of any legal action taken against the defaulting parties.	224
16	Treasury shares in respect of issued share capital of a company.	N/A
17	In describing legal proceedings, under any court, agency or government authority, whether local or foreign, include name of the court, agency or authority in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis of the proceeding and the relief sought.	211-212
18	Management assessment of sufficiency of tax provision made in the company's financial statements shall be stated along with comparisons of tax provision as per accounts vis a vis tax assessment for last three years. financial statements shall be stated along with comparisons of tax provision as per accounts vis a vis tax assessment for last three years.	211-212
19	Income tax reconciliation as required by IFRS and applicable tax regime for the year.	216
20	In respect of loans and advances, other than those to the suppliers of goods or services, the name of the borrower and terms of repayment if the loan or advance exceeds rupees one million, together with the collateral security, if any.	200-201
21	Disclosure about Human Resource Accounting (includes the disclosure of process of identifying and measuring the cost incurred by the company to recruit, select, hire, train, develop, allocate, conserve, reward and utilize human assets).	208
22	In financial statements issued after initial or secondary public offering(s) of securities or issuance of debt instrument(s) implementation of plans as disclosed in the prospectus/offering document with regards to utilization of proceeds raised till full implementation of such plans.	N/A
23	Where any property or asset acquired with the funds of the company and is not held in the name of the company or is not in the possession and control of the company, this fact along with reasons for the property or asset not being in the name of or possession or control of the company shall be stated; and the description and value of the property or asset, the person in whose name and possession or control it is held shall be disclosed.	N/A
24	Standards, amendments and interpretations adopted during the current year along with their impact on the company's financial statements.	182
25	Standards, amendments and interpretations, not yet effective and not adopted along with their impact on the company's financial statements.	182

S. No	Framework for Annual Reporting Best Corporate Report Awards 2021	Page Reference
9 SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY		
9.01	Highlights of the entity's performance, policies, initiatives and plans in place relating to the various aspects of sustainability and corporate social responsibility (including environment related obligation applicable on the company and initiatives taken to fulfil during the year and company's responsibility towards the staff, their health & safety).	158-164
9.02	Certifications acquired and international standards adopted for best sustainability and CSR practices.	164
10 BUSINESS MODEL <i>Business model is a system of transforming inputs, through business activities, into outputs and outcomes that aims to fulfil the organization's strategic purposes and create value over the short, medium and long term</i>		
10.1	Describe the business model including inputs, business activities, outputs and outcomes in accordance with the guidance as set out under section 4C of the International Integrated Reporting Framework <IR>.	148-149
11 STRIVING FOR EXCELLENCE IN CORPORATE REPORTING		
11.01	Statement by management of unreserved compliance of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).	168
11.02	Adoption of International Integrated Reporting Framework <IR> by fully applying the 'Fundamental Concepts' and 'Guiding Principles' of <IR> into their corporate reporting in addition to the 'Content Elements' (disclosures) of <IR>, as covered in this criteria.	169
11.03	Disclosures beyond BCR criteria (Note: The participating organization to send the list of additional disclosures to BCR Committee).	Listed Below
13 OTHERS		
13.01	BCR criteria cross referred with page numbers of the annual report.	230
13.02	Brief about contents, scope and boundaries of the annual report.	1-2
13.03	SWOT analysis.	133
Disclosures beyond BCR criteria		
1	Milestone	20
2	Chief Executive Review	57
3	Social Media Policy	83-85
4	Quarterly Analysis	128-129
5	Insider Trading Policy	79
6	Work Place Harrassment	89



30th Annual General Meeting

I/We _____ of _____

_____ being a member of Tri-Pack Films Limited
and holder of _____ Ordinary Shares as per **Share Register Folio No.** _____ and/or **CDC Participant I.D. No.** _____ and **Sub Account**
(Number of Shares)

No. _____ hereby appoint Mr./Ms. _____ of _____ or failing him Mr./Ms. _____ of _____ or
failing him Mr./Ms. _____ of _____ as my/our proxy in my/our absence to vote for me/us and on my/our behalf at the 30th
Annual General Meeting of the Company to be held on Wednesday, April 20, 2022 at 10.30 a.m. at Institute of Chartered Accountants of Pakistan
(ICAP), Chartered Accountants Avenue, Block 8, Clifton Karachi, and at any adjournment thereof.

Signed thisday of.....2022

WITNESSES:

Signature

1. Signature: _____
Name: _____
Address: _____

CNIC or _____
Passport No: _____

Signature
(Signature should agree with the
specimen signature registered
with the Company)

2. Signature: _____
Name: _____
Address: _____

CNIC or _____
Passport No: _____

Note:

Proxies must be received by the Company not less than 48 hours before the meeting. A proxy need not be a member of the Company.

CDC Shareholders and their Proxies are requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy form before submission to the Company.

The Company Secretary:
Tri-Pack Films Limited
4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton, Khayaban-e-Jami,
Karachi-75600, Pakistan.

AFFIX
CORRECT
POSTAGE



Tri-Pack Films Limited

تشکیل نیابت داری

30 واں سالانہ اجلاس عام

میں اہم

ساکن

بطور ثرائی بیک فلم لمیٹیڈ

رکن و حامل

عام حصص بمطابق شیئر رجسٹرڈ فولیو نمبر

(حصص کی تعداد)

اور ذیلی کھاتہ نمبر

یا بصورت دیگر

ساکن

یا بصورت دیگر

ساکن

کو اپنی جگہ بروز بدھ مورخہ 20 اپریل 2022 بوقت صبح 10:30 بجے بمقام انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس، چارٹرڈ اکاؤنٹنٹس ایونیو، بلاک 8 کلغٹن کراچی میں منعقد یا ملتوی ہونے والا سالانہ اجلاس عام میں رائے دہندگی کے لئے اپنا تماشندہ مقرر کرتا/کرتی ہوں۔

دستخط کیے گئے مورخہ 2022

گواہان:

دستخط:

نام:

پتہ:

سی این آئی سی یا پاسپورٹ نمبر:

دستخط:

نام:

پتہ:

سی این آئی سی یا پاسپورٹ نمبر:

دستخط:

(دستخط کمپنی کے پاس درج نمونہ
دستخط کے مطابق ہونے چاہئے)

نوٹ:

پراکسیز کے موثر ہونے کے لئے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔ نیابت دار کا کمپنی کا رکن ہونا ضروری نہیں ہے۔ سی ڈی سی کے حصص یافتگان اور ان کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹر ایڈز قومی شناختی کارڈ نمبر یا پاسپورٹ کی تصدیق کا پی پراکسی فارم کے ساتھ کمپنی میں جمع کرائیں۔

The Company Secretary:
Tri-Pack Films Limited
4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton, Khayaban-e-Jami,
Karachi-75600, Pakistan.

AFFIX
CORRECT
POSTAGE

Glossary

AGM	Annual General Meeting	ILO	International Labor Organization
ATIR	Appellate Tribunal Inland Revenue	IMS	Integrated Management System
BAC	Board Audit Committee	ISO	International Standards Organization
BCMT	Business Continuity Management Team	IT	Information Technology
BCP	Business Continuity Planning	ITO	Income Tax Ordinance
BCR	Best Corporate Reporting	KIBOR	Karachi Inter Bank Offer Rate
BOD	Board of Directors	KPI	Key Performance Indicator
BOPP	Biaxially Oriented Polypropylene	LC	Letter of Credit
BPS	Basis Points	LTFE	Long Term Financial Facility
BSP	Bulleh Shah Packaging (Private) Limited	LUMS	Lahore University of Management Sciences
CAHO	Chief Anti – Harassment Officer	NBV	Net Book Value
CCG	Code of Corporate Governance	NCOC	National Command and Operation Center
CDC	Central Depository Company of Pakistan	NFEH	National Forum for Environment & Health
CEO	Chief Executive Officer	NOWPDP	Network of Organizations Working With People With Disabilities in Pakistan
CFO	Chief Financial Officer	NSI	Net Sales Income
COCG	Code of Corporate Governance	NTC	National Tariff Commission
CPP	Cast Polypropylene	NTN	National Tax Number
CSR	Corporate Social Responsibility	OEE	Overall Equipment Effectiveness
EBIT	Earnings Before Interest and Tax	OEM	Original Equipment Manufacturer
EBITDA	Earnings Before Interest, Taxes, Depreciation and Ammortization	OHSAS	Occupational Health and Safety Assessment Specification
ECL	Expected Credit Loss	PAT	Profit After Tax
EES	Employee Engagement Score	PBT	Profit Before Tax
EFP	Employer's Federation of Pakistan	PKR	Pakistani Rupee
EOBI	Employee Old Age Benefit Institution	PPE	Property, Plant and Equipment
EPS	Earning Per Share	PSX	Pakistan Stock Exchange
ERP	Enterprise Resource Planning	RCEM	Risk and Control Evaluation Matrix
ESSI	Employee Social Security Institution	R&D	Research and Development
EVA	Economic Value Added	Rs.	Rupees
FBR	Federal Board of Revenue	SAP	System Application and Products
FCFF	Free Cash Flow to the Firm	SBP	State Bank of Pakistan
FCFE	Free Cash Flow to the Equity Holder	SDGs	Sustainable Development Goals
FMCG	Fast Moving Consumer Goods	SECP	Security Exchange Commission of Pakistan
FSSC	Food Safety Standard Certification	SEQS	Sindh Environment & Quality Standards
GDIB	Global Diversity & Inclusion Benchmarks	SGS	Société Générale de Surveillance
GHG	Green House Gases	SHE	Safety, Health & Environment
GIDC	Gas Infrastructure Development Cess	SHEQ	Safety, Health, Environment and Quality
HIRA	Hazard identification and risk assessment	SODM	Segregation of Duties Matrix
HR	Human Resources	SOP	Standard Operating Procedures
HR&R	Human Resources and Remuneration Committee	SPLY	Same Period Last Year
IAS	International Accounting Standards	TERF	Temporary Economic Re-Financing
IASB	International Accounting Standards Board	TPFL	Tri-Pack Films Limited
ICAP	Institute of Chartered Accountants of Pakistan	USD	United States Dollar
IFAC	International Federation of accountants	WACC	Weighted Average Cost of Capital
IFAS	Islamic Financial Accounting Standard	WPPF	Workers' Profit Participation Fund
IFRIC	International Financial Reporting Interpretations Committee	WWF	Workers Welfare Fund
IFRS	International Financial Reporting Standards		

اسی طرح جن انفرادی ممبرز نے اپنے کارآمد سی این آئی سی کی کاپی کمپنی کے شیئر رجسٹرار کے پاس جمع نہیں کرائی ہے، ان سے ایک مرتبہ پھر گزارش ہے کہ وہ اپنے سی این آئی سی کی کاپی جلد از جلد کمپنی کے شیئر رجسٹرار میسرز فیکو ایسو سی ایٹس (پرائیویٹ) لمیٹڈ، 8-F متصل ہوٹل فاران، نرسری، بلاک 6 پی ای سی ایچ ایس، شاہراہ فیصل، کراچی کو براہ راست بھیج دیں۔ کارپوریٹ اداروں سے درخواست ہے کہ وہ نیشنل ٹیکس نمبر (این ٹی این) اور فوئیو نمبر مع مجاز نمائندے کے سی این آئی سی کی کاپی فراہم کریں۔

زکوٰۃ کی کٹوتی

زکوٰۃ کی لازمی کٹوتی سے استثنیٰ کا دعویٰ کرنے کے لئے شیئر ہولڈرز سے درخواست ہے کہ اپنے زکوٰۃ ڈکلیئریشن فارم CZ-50 کی نوٹرائیزڈ کاپی 50 روپے کے نان جوڈیشل اسٹیٹ پیپر پر شیئر رجسٹرار کو بھیجیں۔

بچے اور یا ای میل ایڈریس میں تبدیلی

فزیکل شیئرز کے حامل شیئر ہولڈرز سے درخواست کہ اپنے ڈاک کے بچے اور یا ای میل ایڈریس میں تبدیلی، اگر کوئی ہو، تو فوری طور پر شیئر رجسٹرار کو تحریری طور پر مطلع کریں جبکہ سی ڈی سی اکاؤنٹ ہولڈرز سے درخواست ہے کہ وہ اپنے سی ڈی سی شریک سی ڈی سی انویسٹر اکاؤنٹ سروسز کے ساتھ اپ ڈیٹ کریں۔

غیر دعویٰ شدہ ڈیویڈنڈ / شیئرز

کمپنیز ایکٹ 2017 کے سیکشن 244 کے تحت کمپنی نے شیئر ہولڈرز سے رابطہ کیا کہ وہ قانون کے مطابق اپنے غیر دعویٰ شدہ منافع کا دعویٰ کریں اس سلسلے میں کمپنی پہلے ہی اپنی ذمہ داری ادا کر چکی ہے۔

وہ شیئر ہولڈرز جنہوں نے اپنی ڈیویڈنڈ کا دعویٰ نہیں کیا ہے ان سے ایک بار پھر درخواست کی جاتی ہے کہ وہ اس بات کو یقینی بنائیں کہ غیر دعویٰ کردہ ڈیویڈنڈ کی رقم اور / یا شیئر سرٹیفکیٹ کیلئے فوری طور پر دعویٰ درج کروائیں۔

فزیکل شیئرز کو سی ڈی سی اکاؤنٹ میں جمع کرانا

کمپنیز ایکٹ 2017 کے سیکشن 72 کے مطابق ہر موجودہ لسٹڈ کمپنی کو ایس ای سی پی کے مقرر کردہ طریقے اور تاریخ کے لحاظ سے فزیکل شیئرز بک انٹری فارم میں تبدیل کرانا لازمی ہے جو ایکٹ کے لاگو ہونے کی تاریخ یعنی 30 مئی 2017 سے 4 سال کی مدت سے زیادہ نہ ہو۔ جن شیئر ہولڈرز کے پاس فزیکل شیئرز موجود ہیں ان کو مشورہ دیا جاتا ہے کہ کسی بروکر یا انویسٹر اکاؤنٹ میں براہ راست سی ڈی سی کے ساتھ سی ڈی سی سب اکاؤنٹ کھولیں جس میں وہ اپنے فزیکل شیئر کو اسکرپ لیس فارم میں تبدیل کر سکتے ہیں۔ اس کے نئی فائدے ہیں جس میں شیئرز کی محفوظ تحویل اور حسب خواہش شیئرز کی فروخت، کیونکہ موجودہ پاکستان اسٹاک ایکسچینج کے موجودہ ضوابط کے مطابق فزیکل شیئرز کی فروخت کی اجازت نہیں ہے۔

سالانہ آڈٹ شدہ اکاؤنٹ کی سی ڈی / ڈی وی ڈی / یو ایس بی یا کسی اور میڈیا کے ذریعے ترسیل
ایس ای سی پی نے اپنے ایس آر او 2016/470(1) مورخہ 31 مئی 2016 کے ذریعے کمپنیز کو اجازت دی ہے کہ وہ سالانہ بیلنس شیٹ، نفع و نقصان کے اکاؤنٹ، آڈٹ شدہ رپورٹ اور ڈائریکٹرز کی رپورٹ وغیرہ (سالانہ آڈٹ شدہ اکاؤنٹس) اپنے ممبرز کو سی ڈی وی ڈی / یو ایس بی کے ذریعے ان کے رجسٹرڈ پتے پر ارسال کریں۔ کمپنی نے اس سلسلے میں اپنے سالانہ اجلاس عام میں شیئر ہولڈرز کی منظوری حاصل کر لی ہے اور اپنے شیئر ہولڈرز کو اپنی سالانہ رپورٹ 2021 سی ڈی کی شکل میں بھجوا دی۔ کوئی بھی ممبر مکمل سالانہ رپورٹ کمپنی کی ویب سائٹ پر دیکھ سکتا ہے یا پرنٹ شدہ کاپی درکار ہو یا سالانہ رپورٹ ای میل کے ذریعے الیکٹرونک فارمیٹ میں چاہتے ہوں وہ منسلک مقررہ درخواست فارم، جو کمپنی کی ویب سائٹ www.tripack.com.pk پر بھی موجود ہے، بھیج دیں۔ ممبران کو مطلع کیا جاتا ہے کہ کمپنیز ایکٹ 2017 کے سیکشن 6(223 اور 473 کے تحت آڈٹ شدہ مالیاتی گوشوارے اور سالانہ اجلاس عام کی اطلاع بشکل الیکٹرونک فارمیٹ بذریعہ ای میل بھیجنے کی اجازت ہے۔

ممبران ان کی ہارڈ کاپی کے لئے درخواست دے سکتے ہیں جو ان کو بلا قیمت درخواست کی وصولی کے سات دن کے اندر فراہم کر دی جائے گی۔

پوسٹل بیٹ / ای ووٹنگ

کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 برائے ڈائریکٹرز کے انتخابات یا کمپنیز ایکٹ 2017 کے سیکشن 143 اور 144 کی شرائط کے مطابق کسی اور موضوع کے لجنڈا آئٹم کے لئے ہے۔ جو ممبران 10 فیصد یا قانون کے مطابق زیادہ شیئر ہولڈنگ کے حامل پوسٹل بیلٹ کے ذریعے یعنی بذریعہ ڈاک یا ای ووٹنگ اپنے ووٹ دینے کا حق استعمال کریں گے جو مذکورہ ریگولیشنز میں درج شرائط سے مشروط ہے۔

د۔ انکم ٹیکس آرڈیننس 2001 کے سیکشن 82 برائے رہائشی کی حیثیت کا تعین کی تفصیل کے تحت ڈیویڈنڈ پر ٹیکس کی کٹوتی کے لئے غیر رہائشی ٹینئر ہولڈرز کو انڈر ٹیکنگ کے ڈکریشن مع کارآمد پاسپورٹ کی کاپی ٹینئر رجسٹرار سمیرز فیکو ایسو سی ایشن پرائیویٹ لمیٹڈ کو بھیجیں یا بذریعہ ای میل info.shares@famco.com.pk پر زیادہ سے زیادہ 13 اپریل 2022 تک فراہم کر دیں۔

ممبر رجسٹرار اور کمپنی کی درج ذیل ویب سائٹس پر دستیاب مقررہ فارمیٹ استعمال کرتے ہوئے ڈکریشن بھیج سکتے ہیں۔ www.famco.com.pk اور www.tripack.com

سالانہ اجلاس میں ضابطہ اخلاق

ممبران سے درخواست ہے کہ وہ کمپنیز ایکٹ 2017 کے سیکشن 215 اور کمپنیز (جزل پروویژن اینڈ فارمس) ریگولیشنز-2018 کے ریگولیشن 28 کے مطابق اے جی ایم میں قانونی ضابطہ اخلاق کی پابندی کریں، جب کہ ٹینئر ہولڈرز کو اثر و رسوخ پر زور دینے یا فیصلوں کے لئے براہ راست انتظامیہ تک پہنچنے کی اجازت نہیں ہوگی جو انتظامیہ کے لئے امور کی ہموار انجام دہی میں رکاوٹ کا سبب بن سکتے ہیں۔ جیسا کہ اس شق میں درج ہے، ٹینئر ہولڈرز کوئی ایسا مواد اپنے ساتھ نہیں لائیں گے جو شرکاء یا اے جی ایم کے متعلق ہونے کی حدود میں کسی خطرے کا باعث ہو، اور خود کو اے جی ایم کے نوٹس میں شامل لہجندا تک محدود رکھیں گے اور نہ ہی ایسا رویہ اختیار کریں گے جو کسی سیاسی وابستگی کو ظاہر کرتا ہو۔ اس کے علاوہ کمپنیز ایکٹ 2017 کے سیکشن 185 کی رو سے کمپنی کو اپنے اجلاسوں میں ٹینئر ہولڈرز کو کسی بھی شکل میں تحائف تقسیم کرنے کی اجازت نہیں ہے

کیش ڈیویڈنڈ کی الیکٹرونک ذریعہ سے ادائیگی (لازمی)

کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈز) ریگولیشنز 2017 کے مطابق، ٹینئر ہولڈرز کو ہدایت کی جاتی ہے کہ وہ اپنا شناختی نمبر کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) نمبر اور انٹرنیشنل بینک اکاؤنٹ نمبر (آئی بی اے این) کی تفصیلات، اگر پہلے فراہم نہ کی ہوں، تو ہمارے ٹینئر رجسٹرار کو (اگر ٹینئر فزیکل کی صورت میں ہیں) ان کے مذکورہ بالا دفتر کے پتے پر فراہم کریں یا متعلقہ شرکاء بروکر کو (اگر ٹینئر سی ڈی سی اکاؤنٹ میں ہیں) مطلع کریں معلومات وصول نہ ہونے کی صورت میں کمپنی ٹینئر ہولڈرز کے ڈیویڈنڈ کی ادائیگی روکنے پر مجبور ہوگی۔

سی این آئی سی / این ٹی این کی کاپی جمع کرانا (لازمی)

ایس ای سی ٹی کی ہدایات کے مطابق، بشمول ایس آر او 2012/831(1) اور دیگر متعلقہ اصولوں کے علاوہ، الیکٹرونک ڈیویڈنڈ پر رجسٹرڈ ٹینئر ہولڈرز اس کے مجاز شخص کا سی این آئی سی نمبر ہونا چاہئے سوائے اس کے کہ وہ نابالغ ہو اور کارپوریٹ ٹینئر ہولڈر ہو۔

کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈز) ریگولیشنز 2017 کے ریگولیشن 6 اور کمپنیز ایکٹ 2017 کے سیکشن 243(3) کی رو سے، کمپنی ان ٹینئر ہولڈرز کے ڈیویڈنڈ کی ادائیگی روک لے گی جن ٹینئر ہولڈرز یا مجاز فرد کے شناختی نمبر (سی این آئی سی یا این ٹی این) نمبر دستیاب نہیں ہوں گے۔

ڈیویڈنڈ کی آمدنی پر ود ہولڈنگ ٹیکس کی تحدید

برائے مہربانی یہ بھی نوٹ فرمائیں کہ انکم ٹیکس آرڈیننس 2021 کے سیکشن 150 کے تحت اور فنانس ایکٹ 2020 کی پیروی میں ڈیویڈنڈ کی آمدنی سے، ایکٹیو ٹیکس پیئر لسٹ (اے ٹی ایل) میں شامل یا نہ شامل ہونے کے افراد کے لئے لاگو قوانین کے مطابق ود ہولڈنگ ٹیکس کی کٹوتی کی جائے گی۔ فیڈرل بورڈ آف ریونیو (ایف بی آر) کی جانب سے وصول ہونے والی وضاحت کے مطابق ود ہولڈنگ ٹیکس کا تعین پرنسپل ٹینئر ہولڈرز اور جوائنٹ اکاؤنٹ کی صورت میں جوائنٹ ہولڈرز سے علیحدہ علیحدہ ان کے پاس موجود ٹینرز کے تناسب سے ایکٹیو ان ایکٹیو کی بنیاد پر کٹوتی کی جائے گی۔

اس سلسلے میں تمام ٹینئر ہولڈرز سے، جن کے ٹینرز جوائنٹ اکاؤنٹ میں ہیں، درخواست ہے کہ وہ پرنسپل ٹینئر ہولڈرز اور جوائنٹ ہولڈرز (ز) کے ٹینئر ہولڈنگ کا تناسب ہمارے رجسٹرار کو تحریری طور پر درج ذیل کے مطابق فراہم کریں:

سی ڈی ایس اکاؤنٹ	کل ٹینرز	پرنسپل ٹینئر ہولڈرز		جوائنٹ ٹینرز	
		نام اور CNIC نمبر	کا تناسب (%)	نام اور CNIC نمبر	کا تناسب (%)

نوٹس:

1۔ مطلوبہ معلومات ہمارے ٹینئر رجسٹرار کو 13 اپریل 2022 تک پہنچ جانی چاہئے، ورنہ یہ تصور کیا جائے گا کہ پرنسپل ٹینئر ہولڈرز اور جوائنٹ ہولڈرز (ز) کے پاس برابر برابر کے ٹینرز ہیں اور اسی تناسب سے ٹیکس کی کٹوتی کی جائے گی۔

ب۔ اس لئے ٹینئر ہولڈرز سے درخواست ہے کہ وہ برائے مہربانی ایف بی آر کی ویب سائٹ <http://www.fbr.gov.pk> پر موجود ایکٹیو ٹیکس پیئر لسٹ (اے ٹی ایل) میں اپنی حیثیت چیک کر لیں اور اطمینان کر لیں اور یہ بھی اطمینان کر لیں کہ ان کے سی این آئی سی پاسپورٹ نمبر، شریک انویسٹر اکاؤنٹ سروسز کے پاس یا ٹینئر رجسٹرار کے ریکارڈ میں (فزیکل ٹینئر ہونے کی صورت میں) موجود ہیں۔ کارپوریٹ ادارے (غیر انفرادی ٹینئر ہولڈرز) کو بھی اطمینان کر لینا ضروری ہے کہ ان کے نام اور انٹرنیشنل ٹیکس نمبر (این ٹی این) ایف بی آر کی اے ٹی ایل میں دستیاب ہیں اور متعلقہ شریک انویسٹر اکاؤنٹ سروسز میں یا فزیکل ٹینئر ہولڈنگ کی صورت میں کمپنی کے ٹینئر رجسٹرار کے پاس موجود ہیں۔

ج۔ ڈیویڈنڈ انکم سے ود ہولڈنگ ٹیکس سے استثنیٰ کی صورت میں اجازت ہوگی جب کارآمد ٹیکس سے استثنیٰ کا سرٹیفکیٹ کی کاپی کمپنی کے سینئر رجسٹرار کو 13 اپریل 2022 تک پہنچادی جائے۔

سالانہ اجلاس عام کی اطلاع

بذریعہ ہذا مطلع کیا جاتا ہے کہ ٹرائی بیگ فلمز لمیٹڈ کا 30 واں اجلاس بروز بدھ 20 اپریل 2022 بوقت 10:30 بجے صبح بمقام انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP)، چارٹرڈ اکاؤنٹنٹس ایونیو، بلاک 8 کلفٹن، کراچی میں درج ذیل امور کی انجام دہی کے لئے منعقد ہوگا۔

عمومی امور

- 1- کمپنی کے گزشتہ غیر معمولی اجلاس عام منعقدہ 4 اکتوبر 2021 کی کارروائی کی توثیق۔
- 2- آڈٹ شدہ مالیاتی گوشوارے مع ڈائریکٹرز کی رپورٹ برائے سال محترمہ 31 دسمبر 2021 وصول کرنا، ان پر غور کرنا اور ان کو اختیار کرنا۔
- 3- کمپنی کے عمومی شیئرز پر نفع منقسمہ پر غور کرنا، منظوری دینا اور اعلان کرنا۔ ڈائریکٹرز نے حتمی کیش ڈیویڈنڈ کی 130 فیصد (13 روپے فی 10 روپے والے شیئر) برائے سال محترمہ 31 دسمبر 2021 کی سفارش کی ہے۔
- 4- رواں سال کے لئے کمپنی کے بیرونی آڈیٹرز کا تقرر کرنا اور ان کے مشاہرے کا تعین کرنا۔ موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) نے اہل ہونے کی بنا پر بطور آڈیٹرز تقرر کے لئے رضامندی ظاہر کی ہے اور بورڈ آف ڈائریکٹرز نے ان کے تقرر کی سفارش کی ہے۔

کوئی دیگر امور

صدر مجلس کی اجازت سے کسی دیگر امور کی انجام دہی۔

بحکم بورڈ

اقراء سجاد
کمپنی سیکرٹری

کراچی 30 مارچ 2022

تصریحات:

کوڈ-19 کی وبا کے جاری خدشات کے پیش نظر اور شیئر ہولڈرز کی صحت کی حفاظت کے لئے، کوڈ-19 سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (اہل ای سی پی) نے اپنے وقتاً فوقتاً جاری کردہ سرکلرز کے ذریعے لسٹڈ کمپنیز کو ہدایت کی ہے کہ وہ اپنے سالانہ اجلاس فزیکل میٹنگ کی ضروریات کے علاوہ ورچوئل طور پر بھی منعقد کریں۔ کمپنی کی جانب سے شیئر ہولڈرز کو اے جی ایم میں شرکت کے لئے مزید سہولت فراہم کرنے کی غرض سے درج ذیل انتظامات کئے ہیں:

اے جی ایم میں ورچوئل طور پر شرکت کے خواہشمند شیئر ہولڈرز سے درخواست ہے کہ وہ اپنے کوآف مقررہ ای میل ایڈریس Shares.desk@tripack.com.pk پر بھیج کر خود کو رجسٹر کروائیں جن میں ان کا نام، فوئیو نمبر، اپنا ای میل ایڈریس ہو، مورخہ 18 اپریل 2022 تک کاروباری اوقات کے اختتام تک مل جانے چاہئیں۔ اے جی ایم میں شرکت کے لئے لاگ ان اور لنک کی تفصیلات رجسٹرڈ شیئر ہولڈرز کو فراہم کر دی جائیں گی۔

ہمیشہ کی طرح ٹرائی بیگ فلمز لمیٹڈ اپنے شیئر ہولڈرز، ایمپلائز، ڈائریکٹرز اور عام لوگوں کے تحفظ کو یقینی بنانے کے لئے اجلاس کے انعقاد میں تمام لاگو قوانین کی پابندی کرنے کا ارادہ اور ذمہ داری لیتا ہے۔

1- کمپنی کی شیئر ٹرانسفر بکس حتمی ڈیویڈنڈ کی ادائیگی کے سلسلے میں استحقاق کا تعین کرنے کے لئے 14 اپریل 2022 تا 20 اپریل 2022 (بشمول دونوں ایام) بند رہیں گی۔ تاہم کمپنی کے رجسٹرار میسرز فیمکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 8-F متصل ہوٹل فاران، نرسری، بلاک 6 پی ای سی ایچ اہلس۔ شاہراہ فیصل، کراچی میں 13 اپریل 2022 (بدھ) کو کاروباری اوقات کے اختتام تک وصول ہونے والی ٹرانسفر کی درخواستیں ٹرانسفریز کی اہلیت کے لئے بروقت تصور ہوں گی۔

2- کوئی ممبر جو اجلاس میں شرکت کرنے اور ووٹ دینے کا حقدار ہے، وہ اپنی جگہ کسی دوسرے فرد کو شرکت کرنے، بولنے اور ووٹ دینے کے لئے اپنا پراکسی مقرر کر سکتا ہے۔ پراکسی کی تقرری کی دستاویز کمپنی کے رجسٹرڈ دفتر واقع چوتھی منزل، دی فورم، سوٹ نمبر 422-416-G-20 بلاک 9 خیابان جامی، کلفٹن، کراچی کے پتے پر اجلاس کے وقت سے کم از کم 48 گھنٹے قبل جمع کر دینی چاہئے۔

3- فزیکل شیئر کے حامل شیئر ہولڈرز کو اپنا اصل سی این آئی سی اور یا شیئر ہولڈرز (ز) کے سی این آئی سی کی کاپی، جن کی پراکسی کے حامل ہیں، ساتھ لانا ہوگی۔ سی این آئی سی کے بغیر شیئر ہولڈرز کو اے جی ایم میں شرکت کرنے اور یا شیئر ہولڈرز ممبرز کے رجسٹر میں دستخط کرنے کی اجازت نہیں ہوں گی۔

4- سی ڈی سی اکاؤنٹ ہولڈرز اور سب اکاؤنٹ ہولڈرز، جن کے رجسٹریشن کی تفصیلات شیئر بک تفصیلات رپورٹ میں دستیاب ہیں، ان کو سالانہ اجلاس عام میں شرکت کے وقت اپنی شناخت کی تصدیق کے لئے اپنا متعلقہ اصل کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ پیش کرنا ہوگا۔ ایسے اکاؤنٹ ہولڈرز اور سب اکاؤنٹ ہولڈرز کو اپنا متعلقہ شرکت کا آئی ڈی نمبر اور سی ڈی سی اکاؤنٹ نمبر، اور پراکسی ہونے کی صورت میں اپنے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپی منسلک کرنا ہوگی۔ کارپوریٹ ممبر (ز) کے نمائندہ ہونے کی صورت میں بورڈ کی قرارداد پاور آف اٹارنی اور یا اہلی تمام دستاویز ساتھ لانا ہونے کی جو سیکورٹی اینڈ ایکسچینج کمیشن آف پاکستان (اہل ای سی پی) کے سرکلر نمبر 1 مجریہ 26 جنوری 2000 کے تحت اس مقصد کے لئے درکار ہیں۔ پراکسی فارم کمپنی کی ویب سائٹ www.tripack.com.pk پر بھی دستیاب ہے۔

درخواست فارم برائے ترسیل سالانہ رپورٹ / نوٹس

سیکورٹی اینڈ انکیسٹیشن کمیشن آف پاکستان کی جانب سے جاری کردہ لیس آر او 2014/787(1) مورخہ 8 ستمبر 2014 کے ذریعہ حاصل اختیارات کے مطابق کمپنی اپنے آڈٹ شدہ مالیاتی حسابات بشمول کمپنی کے سالانہ اجلاس عام کے نوٹس وغیرہ اپنے شیئر ہولڈرز کو بذریعہ ای میل ارسال کر سکتی ہے۔ وہ شیئر ہولڈرز جو کمپنی کی سالانہ رپورٹس بذریعہ ای میل وصول کرنے کے خواہشمند ہیں، ان سے درخواست ہے کہ وہ مکمل اجازت نامہ کمپنی کے شیئر رجسٹرار فیکو ایسوس ایٹس (پرائیویٹ) لمیٹڈ کو فراہم کر دیں۔

برائے مہربانی آگاہ رہیں کہ سالانہ رپورٹس کی بذریعہ ای میل وصولی اختیاری ہے اور لازمی نہیں ہے۔

تاریخ _____

شیئر رجسٹرار
فیکو ایسوس ایٹس (پرائیویٹ) لمیٹڈ
ایف 8، بلاک 6، پی ای سی ایچ لیس، نرسری،
متصل ہوٹل فاران، شاہراہ فیصل کراچی۔

سیکورٹیز اینڈ انکیسٹیشن کمیشن آف پاکستان کی جانب سے ان کے لیس آر او 2014/787(1) مورخہ 8 ستمبر 2014 کے ذریعے دی گئی ہدایات کے مطابق میں جناب / محترمہ
ولد / دختر / زوجہ _____ بذریعہ ہذا اجازت دیتا / دیتی ہوں کہ ٹرائی پیک فلز لمیٹڈ کے آڈٹ شدہ مالیاتی حسابات اور سالانہ اجلاس عام کے نوٹس وغیرہ مجھے بذریعہ ای میل ذیل
میں فراہم کردہ ای میل ایڈریس پر ارسال کر دیئے جائیں۔

ممبر / شیئر ہولڈر کا نام _____

فولیو / سی ڈی سی اکاؤنٹ نمبر _____

ای میل ایڈریس _____

آگاہ کیا جاتا ہے کہ مذکورہ بالا فراہم کردہ معلومات درست اور حقیقی ہیں اور میں اپنے ای میل ایڈریس میں کسی تبدیلی یا کمپنی کے آڈٹ شدہ مالیاتی حسابات اور سالانہ اجلاس عام کے نوٹس وغیرہ کی ای میل پر ترسیل کے بارے میں اپنا اجازت نامہ واپس لینے کے بارے میں تحریری طور پر کمپنی اور اس کے شیئر رجسٹرار کو آگاہ کر دوں گا / گی۔

ممبر / شیئر ہولڈر کے دستخط _____

The Company Secretary:
Tri-Pack Films Limited
4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton, Khayaban-e-Jami,
Karachi-75600, Pakistan.

AFFIX
CORRECT
POSTAGE

The Company Secretary:
Tri-Pack Films Limited
4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton, Khayaban-e-Jami,
Karachi-75600, Pakistan.

AFFIX
CORRECT
POSTAGE

قومی خزانے میں شراکت

آپ کی کمپنی نے سال 2021 میں سیلز ٹیکس، کسٹم ڈیوٹیز اور انکم ٹیکس وغیرہ کی شکل میں قومی خزانے میں تقریباً 4.2 بلین روپے کی رقم جمع کرائی ہے۔

شینئر ہولڈنگ کا طریقہء کار

شینئر ہولڈرز کے بعض درجے کی شینئر ہولڈنگ کا طرز بمطابق 31 دسمبر 2021 جس کا اظہار رپورٹنگ فریم ورک کے تحت مطلوب ہے، شینئر ہولڈرز کی معلومات کے ساتھ سالانہ رپورٹ کے صفحہ 94 پر منسلک ہے۔

بیرونی آڈیٹرز


موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں اور اہل ہونے کی بنا پر انہوں نے خود کو دوبارہ تقرر کے لئے پیش کیا ہے۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اگلے سالانہ اجلاس عام تک، باہمی مشاورت سے آپس میں طے شدہ فیس پر تقرر کی پیشکش کی ہے۔

چیئرمین کا جائزہ

چیئرمین کا جائزہ سالانہ رپورٹ کے حصے کے طور پر رپورٹ کے صفحہ 55 پر موجود ہے۔

اعتراف

ہم اپنے معزز اسٹیک ہولڈرز بشمول صارفین، بینکنگ، سپلائرز، کنٹریکٹرز اور شینئر ہولڈرز کے بہترین تعاون اور اعتماد پر ان کے شکر گزار ہیں۔ ہم اپنے ملازمین کا بھی اس پوری مدت کے دوران میں ان کے بھرپور توجہ اور خلوص سے سخت محنت کرنے پر شکریہ ادا کرتے ہیں۔


مس زمین توفیق چنائے
ڈائریکٹر


ناصر جمال
چیف ایگزیکٹو

کراچی، 25 فروری 2022

بورڈ آڈٹ کمیٹی

بورڈ کی آڈٹ کمیٹی کوڈ آف کارپوریٹ گورننس کے نفاذ کے ساتھ وجود میں آئی۔
یہ ایک (1) خود مختار ڈائریکٹر، جو چیئر پرسن ہے اور دو (2) نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے۔
رواں سال کے دوران میں آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے۔ ہر ممبر کی حاضری ذریعہ ذیل ہے:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری
1-	محترمہ نرمین توفیق چنائے (چیئر پرسن خود مختار ڈائریکٹر)	4
2-	جناب اتوشی فیوجی (15 مارچ 2021 کو مستعفی ہو گئے)	2
3-	جناب خرم رضا بختیاری	4
4-	جناب آصف قادر	4
5-	جناب یوکیو پایاساوا (14 اکتوبر 2021 کو ریٹائر ہو گئے)	2
6-	جناب یوہی شیوموٹو (14 اکتوبر 2021 کو ریٹائر ہو گئے)	1

آڈٹ کمیٹی کے جو ممبر اجلاس میں شرکت نہ کر سکے، ان کی غیر حاضری کی درخواست منظور کی گئی۔
آڈٹ کمیٹی نے اپنی ٹرمز آف ریفرنس کوڈ آف کارپوریٹ گورننس لسٹڈ کمپنیز ریگولیشنز، 2019 کے مطابق اختیار کیں۔

انسانی وسائل اور اجرتی کمیٹی (HR&R)

انسانی وسائل اور اجرتی کمیٹی ایک (1) خود مختار ڈائریکٹر، جو چیئر پرسن بھی ہے اور دو (2) نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے۔
سال کے دوران میں انسانی وسائل اور اجرتی کمیٹی کا ایک (1) اجلاس منعقد ہوا۔ ہر ممبر کی حاضری درج ذیل ہے:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری
1-	محترمہ نرمین توفیق چنائے (چیئر پرسن خود مختار ڈائریکٹر)	1
2-	جناب آصف قادر (14 اکتوبر 2021 کو اس کمیٹی سے ریٹائر ہوئے)	1
3-	جناب اتوشی فیوجی (15 مارچ 2021 کو مستعفی ہو گئے)	1
4-	جناب خرم رضا بختیاری	1
5-	جناب اصغر عباس (14 اکتوبر 2021 کو منتخب ہوئے)	-

انسانی وسائل اور اجرتی کمیٹی نے اپنی ٹرمز آف ریفرنس کوڈ آف کارپوریٹ گورننس لسٹڈ کمپنیز ریگولیشنز، 2019 کے مطابق اختیار کیں۔

ایگزیکٹو کمیٹی

ایگزیکٹو کمیٹی تین (3) نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے۔

سال کے دوران میں ایگزیکٹو کمیٹی کے دس (10) اجلاس منعقد ہوئے۔ ہر ممبر کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری
1-	سید حیدر علی	10
2-	جناب اتوشی فیوجی (15 مارچ 2021 کو مستعفی ہو گئے)	1
3-	جناب یوہی شیوموٹو (14 اکتوبر 2021 کو ریٹائر ہو گئے)	6
4-	جناب خرم رضا بختیاری	10
5-	جناب اصغر عباس (14 اکتوبر 2021 کو منتخب ہوئے)	2

ڈائریکٹرز کے معاوضے

کمپنی نے ڈائریکٹرز کے معاوضے کی پالیسی کی منظوری دی ہے۔ اس پالیسی کا مقصد انفرادی ڈائریکٹرز کے بورڈ اور اس کی کمیٹیوں کے اجلاس میں حاضری کے لئے شفاف طریقے سے معاوضے کا مقررہ پیکیج تیار کرنا ہے

1- ڈائریکٹرز کے بورڈ یا اس کی کمیٹیوں کے اجلاس میں حاضری کے لئے بورڈ مارکیٹ کے رجحان پر مبنی معاوضے کا تعین کرے گا۔

2- دوسری گروپ کمپنیز سے پیکیجزڈ لیمیٹڈ کے نامزد کردہ ڈائریکٹرز اجلاس کی فیس وصول کرنے کے اہل نہیں ہوں گے۔

3- اگر کوئی ڈائریکٹر بورڈ مینٹنگ کے منعقد ہونے کی جگہ سے باہر کا رہائشی ہے، اور وہ اس جگہ بورڈ / کمیٹی کے اجلاس میں شرکت کے لئے آتا ہے، تو وہ ڈائریکٹر اصل اخراجات کی رقم وصول کرنے کا اہل ہوگا

بورڈ کی جانب سے طے کی گئی پالیسی سالانہ رپورٹ کے صفحہ 67 پر درج ہے۔

اس کے علاوہ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے معاوضے کی مجموعی رقم سالانہ رپورٹ کے مالیاتی اسٹیٹمنٹ کے نوٹ نمبر 32 اور صفحہ 217 پر دی گئی ہے۔

سی ای او / ڈائریکٹرز اور ایگزیکٹوز کی جانب سے شیئرز کی تجارت
ڈائریکٹرز، چیف ایگزیکٹوز آفیسرز، چیف فنانشل آفیسر، کمپنی سیکریٹری، انٹرنل آڈٹ کے سربراہ، دیگر ایگزیکٹوز،
ان کے شریک حیات اور چھوٹے بچوں کی شیئرز کی تجارت کی تفصیلات:

خریدے گئے حصص	شیئرز کی تعداد
ڈائریکٹر	100
چیف ایگزیکٹو آفیسر	-
چیف فنانشل آفیسر	-
کمپنی سیکریٹری	-
انٹرنل آڈٹ کے سربراہ	-
دیگر ایگزیکٹوز	-
شریک حیات	-
چھوٹے بچے	-
شیئرز کی فروخت	-

بورڈ آف ڈائریکٹرز

سید بابر علی	(چیرمین - نان ایگزیکٹو ڈائریکٹر)
سید حیدر علی	(نان ایگزیکٹو ڈائریکٹر)
جناب خرم رضا بختیاری	(نان ایگزیکٹو ڈائریکٹر)
محترمہ نرمین توفیق چنائے	(خود مختار ڈائریکٹر)
جناب آصف قادر	(نان ایگزیکٹو ڈائریکٹر)
جناب ثاقب حسین شیرازی	(خود مختار ڈائریکٹر)
جناب اصغر عباس	(نان ایگزیکٹو ڈائریکٹر)

بورڈ کی ترتیب میں تبدیلیاں

15 مارچ 2021 کو جناب اٹوشی فیوجی نے استعفیٰ دیا اور ان کی جگہ یوہی شیوموٹو کا تقرر کیا گیا۔ جناب بایا ساوا اور جناب شیوموٹو ریٹائر ہو گئے اور 4 اکتوبر 2021 کو ہونے والے انتخابات میں جناب اصغر عباس منتخب ہوئے۔

ڈائریکٹرز جناب اٹوشی فیوجی، جناب یوہی شیوموٹو اور جناب یوکیو ہایاساوا کی بطور ڈائریکٹر اپنی اپنی مدت میں فراہم کی گئی قابل قدر خدمات کا اعتراف کرتے ہیں اور جناب اصغر عباس کو کمپنی کے بورڈ میں خوش آمدید کہتے ہیں۔

بورڈ کی تشکیل

کمپنی کا بورڈ آف ڈائریکٹرز درج ذیل 7 ڈائریکٹرز پر مشتمل ہے

6	(i) مرد
1	(ii) خاتون

تشکیل:

2	(i) خود مختار ڈائریکٹرز
5	(ii) نان ایگزیکٹو ڈائریکٹرز
-	(iii) ایگزیکٹو ڈائریکٹرز
1	(iv) خاتون (شمول خود مختار ڈائریکٹر)

جناب ناصر جمال، کمپنی کے چیف ایگزیکٹو آفیسر / کمپنی ایکٹ 2017 کے سیکشن 188(3) کے مطابق ڈائریکٹر تصور کئے جائیں گے۔

بورڈ آف ڈائریکٹرز کے اجلاس

سال 2021 کے دوران میں بورڈ آف ڈائریکٹرز کے چھ اجلاس منعقد ہوئے۔

ہر ڈائریکٹر کی اجلاسوں میں حاضری درج ذیل ہے:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری کی تعداد
1-	سید بابر علی (چیرمین)	4
2-	جناب ناصر جمال (چیف ایگزیکٹو آفیسر - منصور ڈائریکٹ)	6
3-	جناب آصف قادر	6
4-	سید حیدر علی	5
5-	جناب خرم رضا بختیاری	6
6-	جناب یوکیو ہایاساوا (14 اکتوبر 2021 کو ریٹائر ہو گئے)	3
7-	محترمہ نرمین توفیق چنائے	6
8-	جناب اٹوشی فیوجی (15 مارچ 2021 کو مستعفی ہو گئے)	2
9-	جناب ثاقب حسین شیرازی	6
10-	جناب یوہی شیوموٹو (14 اکتوبر 2021 کو ریٹائر ہو گئے)	2
11-	جناب اصغر عباس (14 اکتوبر 2021 کو منتخب ہوئے)	1

بورڈ کے اجلاسوں میں شرکت نہ کر سکنے والے ڈائریکٹرز کی غیر حاضری کی درخواست منظور کی گئیں۔

آئیڈیاز اور جدت کے ذریعے ادارے کے کلچر کو منتقل کرنے اور تشکیل نو کر کے ہمارے آپریشنز میں ریڈھ کی ہڈی کی حیثیت اختیار کرتے ہیں۔

اس کے علاوہ ہم نے خود کو ڈیولپ کرنے کی اہمیت اور ملازمین کو نئے اقدام کے لئے پیش قدمی کرنے کی اہمیت کا دوبارہ نفاذ کیا ہے۔ لنکڈ ان لرننگ سلوشن نے ہمارے ملازمین کو لیکھنے کی راہیں کھولنے کے قابل کیا ہے اور ضرورت کے مطابق ان کے لئے سیکھنے اور ڈیولپ کرنے کے پروگراموں کی دستیابی کو یقینی بنایا ہے جو ان کی خود جانچ کرنے اور ادارے کے اسکل ڈیولپمنٹ پلان کے مطابق ہے۔

معیار کا نظام

کوآپٹی ہماری پروڈکٹ کا جوہر ہے۔ ہم بنیادی کارکردگی کے اشاریے (کے پی آئی) کے مضبوط نظام اور کام کی اور بیرونی جگہ تربیت کے ذریعے تمام لاگو معیارات کی شرائط پر عمل درآمد کو یقینی بناتے ہیں۔

ہم مشین کی استعداد اور پروسس میں ضیاع کو کم سے کم کر کے، ایکویپمنٹ سپلائرز اور صنعتی ماہرین کے ساتھ مشاورت کے ذریعے پیداواری صلاحیت میں اضافہ کرتے ہیں۔

متعلقہ کاروباری مندریقوں کے ساتھ لین دین

کمپنیز ایکٹ 2017 کے سیکشن 208 اور کمپنیز (ریلیٹڈ پارٹیز ٹرانزیکشن اینڈ مینٹنس آف ریلیٹڈ ریکارڈ) کی بیرونی میں کمپنی نے درج ذیل امور انجام دیئے:

- i- متعلقہ پارٹیز سے لین دین پالیسی تشکیل دی ہے جس کی بورڈ نے باقاعدہ منظوری دی ہے۔
- ii- متعلقہ پارٹیز سے لین دین کی شرائط مرتب کی جن کو "an arm's length transaction" کے طور پر ترتیب دیا گیا ہے۔

iii- متعلقہ پارٹیز کے ساتھ لین دین کی منظوری کے لئے کم سے کم مطلوبہ شرائط کو بورڈ چیپرز میں ڈائریکٹرز کو فراہم اور ظاہر کر دیا گیا ہے۔ کمپنیز ایکٹ 2017 کے چوتھے شیڈول کے مطابق متعلقہ پارٹیز کے ساتھ لین دین کی تفصیلات منسلک آڈٹ شدہ مالیاتی گوشوارے کے صفحے کے نوٹ 36 میں فراہم کردی گئی ہیں۔

کوڈ آف کارپوریٹ گورننس

لسٹڈ کمپنی (کوڈ آف کارپوریٹ گورننس ریگولیشنز 2019) میں درج کوڈ آف کارپوریٹ گورننس کی شرائط کمپنی نے اختیار کی ہیں اور ان پر باقاعدگی سے عمل کیا جاتا ہے۔ اس سلسلے میں ایک ضمیمہ اس رپورٹ کے ساتھ منسلک ہے۔

اجتماعی اور مالیاتی رپورٹنگ فریم ورک

i) مالیاتی حسابات آپ کی کمپنی کی انتظامیہ کے ذریعے تیار کئے گئے ہیں اور اس کے شفاف کاروباری امور اور معاملات، اس کے آپریشنز کے نتائج، نقد فراوانی اور ایکویٹی میں تبدیلیوں کو ظاہر کیا گیا ہے۔

(ii) کمپنی کے کھاتے کی باقاعدہ کتابوں کو مناسب طریقے سے برقرار رکھا گیا ہے۔

(iii) درست اکاؤنٹ پالیسیاں مستقل طور پر مالیاتی حسابات اور اکاؤنٹنگ تخمینہ جات کی تیاری میں لاگو کی جاتی ہیں ماسوائے ان تبدیلیوں کے جو مالیاتی حسابات کے نوٹس میں بیان کردہ نوٹس میں درج ہیں۔ اکاؤنٹس کی پالیسیاں موزوں اور محتاط فیصلوں پر منحصر ہوتی ہیں۔

(iv) مالیاتی اسٹیٹمنٹ پاکستان میں لاگو International Financial Reporting Standards کے معیارات کی بنیاد پر تیار کئے گئے ہیں۔

(v) اندرونی کنٹرول کا نظام مستحکم طور پر تیار کیا گیا ہے اور موثر طور پر نافذ العمل اور زیر نگرانی رہتا ہے۔ سسٹم کی مستقل طور پر اندرونی آڈٹ اور ایسے دیگر مانیٹرنگ طریقہ کار کے ذریعے نگرانی جاری رہتی ہے۔ اندرونی کنٹرول کی نگرانی کا عمل ایک جاری طریقہ کار اور کنٹرول کو مزید مستحکم بنانے کے مقاصد کے ساتھ جاری و ساری رہے گا۔

(vi) سال کے دوران میں کمپنی کے آپریشنل نتائج گزشتہ سال کے مقابلے میں نمایاں تبدیلیوں کی تفصیلات اور منافع کے لئے مستقبل کے امکانات کے حوالے سے اہم مضامین اور فیصلوں کی تفصیل اس رپورٹ میں درج ہے۔

(vii) گزشتہ چھ سال کا کلیدی آپریٹنگ اور فنانشل ڈیٹا منسلک ہے۔

(viii) ٹیکسز اور لیویز کے بارے میں اطلاعات مالیاتی حسابات کے صفحہ نمبر 154 پر درج ہے۔

(ix) کاروبار کو آگے بڑھانے میں کمپنی کی صلاحیت پر کسی قسم کا شک و شبہ نہیں ہے۔

(x) لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں درج تفصیل کے مطابق کارپوریٹ گورننس کے بہترین معمولات سے کوئی مادی اعتراض نہیں کیا گیا ہے۔

(xi) پراویڈنٹ اور گریجویٹی فنڈز کی سرمایہ کاری کی قدر بمطابق 30 جون 2020 غیر آڈٹ شدہ حسابات درج ذیل ہے:

روپے	پراویڈنٹ فنڈ
184,569	گریجویٹی فنڈ
127,171	

(xii) تمام ڈائریکٹرز نے یا تو ڈائریکٹرز ٹریننگ پروگرام میں شرکت کی ہے یا کم از کم 14 سال کا تعلیمی اور بورڈ آف لسٹڈ کمپنیز کے 15 سالہ تجربے کے حامل ہیں لہذا ڈائریکٹرز ٹریننگ پروگرام سے مستثنیٰ ہیں۔

ٹرائی پیک میں ہمیں اجتماعی سماجی ذمہ داری کے اقدامات پر فخر ہے کیونکہ وہ ہمارے کاروباری اہداف سے منسلک ہیں اور جن سے ہمیں اپنے کاروبار کو بڑھانے اور سوشل لیجنڈا کو فروغ دینے کا موقع ملتا ہے۔ اسی لحاظ سے 2022 میں ہماری کمیونٹی میں لوگوں کی سماجی بہبود میں اضافے کے لئے سی ایس آر پر زیادہ زور دیا جائے گا چاہے وہ شمولیت ہو اور مستحکم آپریشنز کے ذریعے ارد گرد کو ماحول دوست بنایا جائے گا۔

انتظامی اطلاعی نظام

ہماری توجہ اپنے بنا کاغذ ماحول اپنانے اور بھرپور اندرونی کنٹرول کے حصول کے لئے ای آر پی کے زیادہ سے زیادہ استعمال پر رہے گی۔ ہم نے ای آر پی کے اسپیشلسٹس کی خاص ٹیم مقرر کی ہے جو ہمارے تمام اسٹیک ہولڈرز کو ادارے حدود حل پیش کرے گی اور اس کے بدلے میں کمپنی کو اپنی کاروباری عمل کی استعداد بڑھانے اور درست ترین رپورٹنگ میں اضافے میں مددگار ہوگی۔

انسانی وسائل

ٹرائی پیک کے لئے 2020 اور 2021 میں ہماری توجہ ایچ آر ایکسی لنس اور ایچ آر کے دوبارہ ابھرتے ہوئے تصور پر مرکوز رہی۔

ہم نے ایک مرتبہ پھر کامیابی کے ساتھ اپنے اسٹیک ہولڈرز کی مصروفیات کے لیجنڈے پر عمل کیا، حکمت عملی کے ساتھ باصلاحیت افراد کے سیکھنے اور ڈیولپمنٹ کے پلان تیار کئے، اپنے مستقبل کے ٹیلنٹ کی لائن مضبوط کرنے، مستقبل کے قائدین کو ڈیولپ کرنے، کام کی جگہ پر متنوع شمولیت کو بہتر بنانے اور اجر اور ملازمین کے تعلقات کو قائم رکھنے پر توجہ دی۔

ایچ آر کے لئے ایک اور نمایاں سنگ میل ایمپلائز آف دی ایئر ایوارڈ ڈائمنڈ ایوارڈ کا حصول تھا جو فیڈریشن آف پاکستان (ای ایف پی) کی جانب سے مارچ 2021 میں دیا گیا۔ ہم نے سال 2019 میں اس سنگ میل کا تصور کیا تھا جب ہم نے ایچ آر ایکسی لنس کے لئے اپنا ہدف مقرر کیا تھا اور اس بناء پر سال 2022 تک اپنی انڈسٹری میں ایمپلائز آف چوائس کی حیثیت اختیار کرنا تھا۔ یہ ایوارڈ ای ایف پی کی ایک خود مختار کمیٹی کی جانب سے منعقدہ وسیع جانچ پر مبنی تھا جو کمپنی نے 'Decent Work Practices' میں زیادہ اسکور کی بنیاد پر حاصل کیا۔

کیرئیر اینڈ سیکسیشن منیجمنٹ پروگرام نے ملازمین کے لئے موثر ڈیولپمنٹ پلان بنانے، ان کو آگے بڑھنے کے لئے بااختیار بنانے اور مسلسل ڈیولپمنٹ اور فیڈ بیک کے مضبوط میٹرز کے ذریعے کاروبار کی ترقی میں معاون ثابت ہوتا ہے۔

اس کے علاوہ ہمارے امتیازی پروگرام جسے سمرائنشپ جو منیجمنٹ ٹریننگ پروگرام اور ٹریڈ اپرنٹس شپ پروگرام تک جاتا ہے، ہمیں نہ صرف مینٹل اور جن زید کو مصروف کرنے میں مدد دیتا ہے بلکہ ہمیں اپنے ایمپلائز برانڈ کو بلند تر کرنے میں معاون ہے اور اس کے ساتھ جوان تازہ دم ذہنوں کے ساتھ مستقبل کے ٹیلنٹ کی راہ کو مضبوط کرتا ہے، جو کام کے روایتی طریقوں کو نیا رخ دیتے ہیں اور اپنے

ٹرائی پیک میں لاگو منیجمنٹ سسٹمز مربوط پالیسی، معیاری طرز عمل اور طریقہ کار کی بنیاد پر قائم ہیں اور مطلوبہ احتیاط کو یقینی بنانے کے لئے ان کو پوری توجہ کے ساتھ مسلسل مانیٹر کیا جاتا ہے۔ کاروبار اور اسٹیک ہولڈرز کی یقین دہانی کے لئے کام کی جگہوں، دفاتر، گودام کی باقاعدگی سے جانچ کی جاتی ہے۔ ہم SHE کی بہترین کارکردگی حاصل کرنے، لاگو قوانین اور ضوابط پر عمل درآمد کو برقرار رکھنے اور مسلسل بہتری کے عمل کے لئے سرمایہ کاری کرنے اور تمام ضروری وسائل مہیا کرنے کے لئے پرعزم ہیں۔ یہ سب کمپنی کی سماجی ذمہ داریوں کے ساتھ مربوط ہے جو یونائیٹڈ نیشنز سسٹمز ایبل ڈیولپمنٹ گولز (ایس ڈی بیزن) کے لئے پرعزم ہیں۔

WWF گرین آفس سرٹیفائیڈ بھی ہیں جس میں درج ذیل شامل ہیں:

SDG 06: Clean Water & Sanitation, SDG 07: Affordable & Clean Energy, SDG 12: (Responsible Consumption & Production, SDG 13: Climate Action, SDG 15: Life on Land اور ہماری سیمیں فعال طور پر جانچ کے اقدامات کر رہی ہیں جس کا ماحولیات پر سب سے بڑا اثر پڑا ہے اور اس کے ساتھ ہم اپنے کاربن کے اثرات کو کم سے کم کرنے اور ری سائیکلنگ بڑھانے کو یقینی بناتے ہیں۔ ہم نے جولائی 2021 میں نیشنل فورم آف انوائرنمنٹ اینڈ ہیلتھ کی جانب سے 18th سالانہ ماحولیاتی ایوارڈ بھی جیتا ہے

اجتماعی سماجی ذمہ داری

ہم اپنے آپریشنز میں سماجی طور پر ذمہ دار اور ماحول دوست طریقے سے منظم کرنے کا عزم رکھتے ہیں۔ ٹرائی پیک میں ہم نے اپنی اجتماعی سماجی ذمہ داری پوری کرنے کے لئے ایک مستحکم عملی کا نفاذ کیا ہے جو یونائیٹڈ نیشنز سسٹمز ایبل ڈیولپمنٹ گولز (SDGs) سے ہم آہنگ ہے۔ ہم اپنی کمپنی کی اقدار، ضابطہ و اخلاق، تحفظ، صحت اور ماحولیات کی پالیسیز اور اپنے لوگوں کے ذریعے اس پر عمل کرنے کے لئے پرعزم ہیں۔

مختلف میدانوں میں، چاہے وہ انسانی ہمدردی ہو، ماحولیاتی بچت، تنوع اور شمولیت اور منصفانہ لیبر کے معاملات اس بات کا ثبوت ہے کہ ہم اپنے عمل کے ذریعے معاشرے کو فائدہ پہنچانا چاہتے ہیں۔

ہم کام کی جگہ پر تنوع اور شمولیت کے لحاظ سے اپنے دائرہ کار کو وسیع کرنا چاہتے ہیں۔ یہ ہماری اولین ترجیح ہے کہ صنفی مساوات اور تیسری جنس کے اور مختلف صلاحیت کے افراد کے مابین شمولیت کا احساس ہو۔ ہمارا مقصد نہ صرف مساوی نمائندگی ہے بلکہ یو این وی این ایمپاورمنٹ کے اصولوں کے مطابق بااختیار بنانا، یکسانیت کو ختم کرنا، اپنے لوگوں کو احساس دلانا اور جانبداری اور ہراس کرنے کے خلاف لڑنا ہے۔

ہمارا تازہ ترین قدم تیسری جنس کے لوگوں کو ملازمت مہیا کرنے کے لئے میسرز اخوت کے ساتھ اشتراک اور مختلف صلاحیتوں کے افراد کو کمپنی میں ملازمت فراہم کرنے کے لئے ناؤ پی ڈی پی کے ساتھ اشتراک ہے۔ (SDG 04: Gender Equality, SDG 10: Reduced Inequality).

اس کامیاب اشتراک سے ٹرائی پیک فلز لیٹڈ میں تیسری جنس سے ایک فرد اور مختلف صلاحیتوں کے چار افراد کو شامل کیا گیا ہے۔ اپنے خصوصی صلاحیت کے افراد کی سہولت کے لئے ہم نے اپنے دفتر کی عمارت میں ویل چیئر کے استعمال کا بھی انتظام کیا ہے۔

مستقبل کا منظر نامہ

خام مال کی فراہمی اور قیمت کی صورت حال، سیلابی چین کے چیلنجز اور غیر یقینی زرمبادلہ کے ریٹس پر تشویش آنے والی سہ ماہی میں بھی برقرار رہنے کی توقع ہے۔ کمپنی منفی اثرات کو کم سے کم کرنے اور مسائل کو حل کرنے کے لئے مستعد رہے گی۔

مالیاتی مجاز پر حکومت کی پالیسیز کسی بھی دوسرے کاروبار کی طرح ہمارے کاروبار کے لئے بھی اہم رہیں گی۔ تاہم ہمیں توقع ہے کہ 2022 میں ہم زیادہ برآمدات اور بہتر مارجن کے ساتھ اپنی صلاحیتوں کا بہتر استعمال کر سکیں گے۔

توسیعی پروجیکٹ مقررہ مدت کے مطابق آگے بڑھ رہا ہے۔

نقد بہاؤ کی حکمت عملی

سال کے دوران میں آپریٹرز میں استعمال ہونے والی نقد رقم 2,628 ملین روپے تھی (2020 میں نقد آمدنی 2,419 ملین روپے تھی) اس کی وجہ اسٹاک میں اضافہ تھا جو کہ خام مال کی فراہمی کے مسائل (جو کہ سال کے پہلے حصہ میں پیش آئے) ان سے بچنے کے لئے تھا۔ اس کی وجہ سے جاری سرمایہ کاری میں اضافہ ہوا۔ تجارتی قرضہ جات میں فروخت سے ہونے والی خالص آمدنی کے مطابق اضافہ ہوا۔ زرمبادلہ کی شرح میں اتار چڑھاؤ کے باعث ایکسپوژر کو محدود رکھنے کے لئے ہم نے اپنی تمام درآمدات کی ادائیگیاں Sight LCs پر منتقل کر دی۔ اس کے نتیجے میں قلیل المدت قرضہ میں اضافہ ہوا۔ کمپنی کے پاس اس لیول کے قرضہ پر کام کے لئے مناسب فنڈنگ لائن اور سیکورٹی دستیاب ہے۔

خدشات اور غیر یقینی کیفیت

کووڈ-19 کی وبا کے باوجود تاہم مطلوبہ احتیاطی اقدامات کے ساتھ کاروبار اور تجارت کرنے کی اجازت دی گئی۔

آپ کی کمپنی دوسری کرنسیوں کے مقابلے میں روپے کی قدر میں کمی کی غیر یقینی کیفیت کے سبب زرمبادلہ کے خدشات سے باخبر ہے اور روپے کی قدر میں کسی کمی کے اثر کو کم سے کم کرنے کے اقدامات کر رہی ہے۔

کمپنی پالیسی ریٹ کی حد میں اضافے کی بنیاد پر شرح سود کے خدشے سے بھی آگاہ ہے۔

خدشات اور مواقع کا ایک تفصیلی تجزیہ، جس میں اندرونی اور بیرونی عوامل کو بھی شامل کیا گیا ہے، سالانہ رپورٹ کے صفحہ 44 پر درج ہیں۔

بنیادی سرگرمیاں / بڑی پیش رفت / کاروبار کی نوعیت میں تبدیلیاں

کمپنی کی بنیادی سرگرمیوں کی تفصیل سالانہ رپورٹ کے صفحہ 7 پر درج ہے۔ سال کے دوران میں کمپنی کے کاروبار کی نوعیت میں کوئی نمایاں تبدیلی نہیں آئی۔

اندرونی مالیاتی کنٹرولز

کمپنی میں اندرونی مالیات کنٹرول کا جامع فریم ورک موجود ہے۔ فنانشل کنٹرول کے تفصیلی مینوئل بھی موجود ہیں، جو اندرونی آڈیٹرز کی مدد سے تیار کئے گئے ہیں۔ ان مینوئلز میں ہر ڈیپارٹمنٹ کے لحاظ سے کام کے بہاؤ، ہر سرگرمی پر کنٹرول کی تفصیلات اور قانونی اور آپریٹنگ امور پر عمل درآمد کی ضروریات درج ہیں۔

اندرونی کنٹرول کے نظام کی ساخت مضبوط ہے اور اس پر عمل درآمد اور نگرانی کو موثر بنایا گیا ہے۔ اندرونی آڈٹ اور ایسے دیگر مانیٹرنگ کے طریقوں کے ذریعے سسٹم کی مسلسل نگرانی کی جاتی ہے۔ اندرونی کنٹرول کی نگرانی کا سلسلہ کنٹرولز کو مزید مضبوط بنانے کے عزم کے ساتھ جاری رہے گا۔

اکاؤنٹنگ کی پالیسیاں

اکاؤنٹنگ کی درست پالیسیاں، مالیاتی حسابات اور ایکاؤنٹنگ کے تخمینہ جات کی تیاری میں مستقل طور پر لاگو کی جاتی ہیں ماسوائے ان تبدیلیوں کے جو کہ مالیاتی حسابات کے نوٹس میں واضح کردی گئی ہیں۔ ایکاؤنٹنگ کی پالیسیز موزوں اور محتاط فیصلوں پر مبنی ہوتی ہیں۔

انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز، جیسا کہ پاکستان میں مروج ہیں، ان کو مالیاتی حسابات کی تیاری میں ملحوظ خاطر رکھا گیا ہے۔

مالیاتی حسابات کے آڈٹ ایکسٹرنل آڈیٹرز کے ذریعے کرائے جاتے ہیں، جیسا کہ مقامی قانون کے تحت لازم ہے۔

اندرونی مالیاتی کنٹرولز کے سلسلے میں ڈائریکٹرز کی ذمہ داری

بورڈ آف ڈائریکٹرز (بی اے سی) کا تقرر کر دیا گیا ہے جس میں تین ڈائریکٹرز بشمول ایک خود مختار ڈائریکٹر ہیں۔ کوڈ آف کارپوریٹ گورننس کی شرائط کے مطابق بی اے سی کی صدارت خود مختار ڈائریکٹر کرتا ہے اور اس کی ٹرمز آف ریفرنس کا تعین بورڈ آف ڈائریکٹرز کی جانب سے کوڈ آف کارپوریٹ گورننس میں فراہم کردہ رہنما ہدایات کے مطابق کیا جاتا ہے۔ ان ٹرمز آف ریفرنس مالیاتی حسابات سے متعلق امور، اندرونی کنٹرول اور کارپوریٹ گورننس کی نگرانی میں شامل ہیں لیکن یہ ان معمولات کی حد تک محدود نہیں۔

مادی تبدیلیاں، جن سے مالی سال کے اختتام اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیانی عرصے میں

مالی پوزیشن پر اثرات مرتب ہوتے

مالیاتی سال کے اختتام اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیان مالیاتی پوزیشن پر اثر انداز ہونے والی نمایاں تبدیلیاں، اگر کوئی ہیں، تو وہ اس رپورٹ کے ساتھ منسلک آڈٹ شدہ سالانہ مالیاتی گوشوارے میں درج ہیں۔

حفاظت، صحت اور ماحولیات

2021 میں تحفظ، صحت اور ماحولیات (SHE) کمپنی کی اولین ترجیحات میں شامل رہیں۔ کووڈ-19 کی وبا پر فوکس کے ساتھ پیشگی کارروائی کا سلسلہ جاری رہا۔ حکومتی اداروں کے اشتراک سے ویکیسینیشن کی بھرپور مہم کا اہتمام کیا گیا اور کمپنی کے ملازمین کے لئے 100 فیصد ویکیسینیشن کا ہدف پورا کیا گیا۔

ڈائریکٹرز کی رپورٹ برائے شیئر ہولڈرز

کمپنی کے ڈائریکٹرز 31 دسمبر 2021 کو ختم ہونے والے سال کی جائزہ رپورٹ مع آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

کمپنی اپنے ہر عمل میں حفاظت، صحت اور ماحولیات کی پالیسیز اور طریقوں کی پابندی رہی۔

بازار اور کاروبار کا جائزہ

سال 2021 میں شدید موسم اور پلانٹس کے بند ہونے اور شیپنگ لائینز اور کنٹینرز کی کمی کے سبب سپلائی چین میں رکاوٹ کی بناء پر خام مال کی قلت پیدا ہوگئی جس کی وجہ سے ہمیں اور حتمی صارف دونوں کیلئے بروقت سپلائی پر اثر پڑا۔ دنیا بھر میں مارکیٹس کے دوبارہ کام شروع ہونے سے اشیاء کی طلب میں (متوقع وقت سے پہلے) اضافہ ہوا، جس کے نتیجے میں ہر جگہ قیمتیں تیزی سے بڑھیں۔

سال کے پہلے نصف عرصے میں ملک میں معاشی ترقی دیکھنے میں آئی اور اس سے طلب میں اضافہ ہوا۔ ہمارے برآمد کے مارجن میں بھی خاصی حد تک بہتری آئی۔ تاہم سال کے دوسرے نصف حصے میں شرح تبادلہ میں اتار چڑھاؤ اور شرح سود میں اضافے سے حجم اور کاروبار پر اثر پڑا۔

ہمارے پروڈکٹس کی مقامی طلب حدود کے مطابق رہیں کیونکہ صارفین نے صورتحال کو بھانپ لیا اور خام مال کی قیمتوں میں اتار چڑھاؤ کے باعث اکثر اوقات صرف ضرورت کی بنیاد پر خریداری کی۔ سال کے دوران میں ہماری پروڈکٹ کی قیمتیں بین الاقوامی خام مال کی قیمتوں کے رجحان کے مطابق رہیں جو سال کے پہلے حصے میں بڑھتی رہیں اور دوسرے حصے میں کم ہو گئیں۔

آپ کی کمپنی تیزی سے ابھرتے ہوئے میکرو ماحول اور بین الاقوامی رجحانات سے باخبر اور ہوشیار رہی اور پیداواریت اور منفعت پر اس کے اثرات کی سختی سے جانچ کی اور منفی اثرات کو کم سے کم کرنے کے لئے ضروری اقدامات کئے۔

مالیاتی جھلکیاں

سال میں مجموعی طور پر فروخت کا حجم گزشتہ سال کے مقابلے میں 3 فیصد کم رہا، جس کی وجہ، جیسا پہلے بیان کیا گیا، سپلائی چین میں رکاوٹیں تھیں۔ تاہم فروخت کے حجم میں کمی کے باوجود سال کی آمدنی خام مال کی بین الاقوامی قیمتوں کے زیادہ ہونے کے باعث گزشتہ سال کے مقابلے میں 26 فیصد زیادہ ہوئی۔

مارجن کی موثر منیجمنٹ مع آپریشن کی بہتر استعداد اور لاگت میں بچت، خاص طور پر پروڈکشن فلور پر، کے سبب منافع کا مارجن بہتر رہا۔

انتظامی اور تقسیم کاری اخراجات، افراط زر کے دباؤ کے باوجود، گزشتہ سال سے کم رہے۔

درج بالا عوامل کے نتیجے میں آپریٹنگ منافع 2,245 ملین روپے حاصل ہوا جب کہ اس کے مقابلے میں 2020 میں 1,553 ملین روپے تھا۔

سال کی آخری سہ ماہی میں شرح سود بڑھنے کے باوجود، سود کی لاگت گزشتہ سال کے برابر رہی، سال کے دوسرے نصف عرصے میں زرمبادلہ کے نقصانات، گزشتہ سال سے 12 فیصد زیادہ ہوئے۔

کمپنی کو 2021 میں 1,415 ملین روپے قبل از ٹیکس منافع ہوا۔ جو کہ گزشتہ سال 774 ملین روپے تھا۔ اس کی وجہ سے بعد از ٹیکس منافع 1,042 ملین روپے ہوا جو کہ گزشتہ سال کے مقابلے میں 70 فیصد زیادہ ہے۔

سال کے دوران میں ہمیں ICMAP/ICAP کی جانب سے بیسٹ کارپوریٹ رپورٹنگ ایوارڈ کا اعزاز حاصل ہوا جو ہماری سالانہ رپورٹ 2020 پر دیا گیا تھا۔ اس سے ظاہر ہوتا ہے کہ ہم تمام متعلقہ معلومات نہایت جامع طور پر اپنے قابل قدر اسٹیک ہولڈرز کے ساتھ شیئر کرنے کو یقینی بنانے کے لئے مسلسل کوشاں رہتے ہیں۔

اہم مالیاتی جھلکیاں درج ذیل ہیں:

2020	2021
44,575	42,810
3,397	3,985
15,090	19,054
2,441	3,206
1,553	2,245
604	491
205	229
-	106
614	1,042
15.83	26.85

منافع منقسمہ

ڈائریکٹرز نے 130 فیصد یعنی 13 روپے فی شیئر نقد منافع منقسمہ کی تجویز کی ہے۔ (2020 -/5 روپے فی شیئر)

ڈائریکٹرز کے اور ان کی کمیٹیوں کے ممبران کے نام

بورڈ کی کمیٹیوں کے ممبران کے نام کمپنی انفارمیشن سیکشن میں سالانہ رپورٹ کے صفحہ نمبر 6 پر دیئے گئے ہیں۔

Request from for Electronic Transmission of Annual Report Notice



Tri-Pack Films Limited

Pursuant to the allowance granted through SRO 787(I)/2014 dated September 8, 2014, by the Securities and Exchange Commission of Pakistan, the Company can circulate its Audited Financial Statements along with the Company's Notice of Annual General Meetings etc., through email to its shareholders. Those shareholders who wish to receive the Company's Annual Reports via email are requested to provide a completed consent form to the Company's Share Registrar, FAMCO Associates (Pvt) Limited.

PLEASE NOTE THAT RECEIPT OF THE ANNUAL REPORTS VIA EMAIL IS OPTIONAL AND NOT COMPULSORY.

Date: _____

The Share Registrar
FAMCO Associates (Pvt) Limited
8F, Block 6, PECHS, Nursery,
Next to Hotel Faran, Shahrah-e-Faisal,
Karachi.

Pursuant to the directions given by the Securities and Exchange Commission of Pakistan through its SRO 787(I)/2014 dated September 8, 2014, I, Mr./Ms. _____ S/o, D/o, W/o _____ hereby consent to have Tri-Pack Films Limited's Audited Financial Statements and Notice of Annual General Meetings etc., delivered to me via email on my email address provided below:

Name of Member/ Shareholder _____

Folio/ CDC Account Number _____

Email Address: _____

It is stated that the above mentioned information is true and correct and that I shall notify the Company and its Share Registrar in writing of any change in my email address or withdrawal of my consent to email delivery of the Company's Audited Financial Statements and Notice of Annual General Meetings etc.

Signature of the Member/ Shareholder

The Company Secretary:
Tri-Pack Films Limited
4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton, Khayaban-e-Jami,
Karachi-75600, Pakistan.

AFFIX
CORRECT
POSTAGE

Electronic Dividend Credit Mandate Form



Tri-Pack Films Limited

We wish to inform you that in accordance with the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

In order to receive your dividends directly in your Bank account, please complete the particulars as mentioned below and return this letter duly signed along with a copy of your CNIC to the Registrar of the Company M/s FAMCO Associates (Pvt.) Limited, 8-F, Near Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi.

In case your shares are held in CDC then you must submit this dividend mandate form directly to your Broker/Participant/CDC Account Services.

Yours sincerely,
For TRI-PACK FILMS LIMITED

Iqra Sajjad
Company Secretary

SHAREHOLDER'S SECTION:

I hereby communicate to receive my future dividends directly in my Bank account as detailed below:

Name of shareholder : _____
Folio No. / CDC Participant ID & A/C No. : _____ Company name: Tri-Pack Films Limited
Contact number of shareholder : Landline: _____ Cell: _____
Name of Bank : _____
Bank branch & full mailing address : _____
IBAN Number (See Note below) : _____
Title of Account : _____
CNIC No. (copy attached) : _____
NTN (in case of corporate entity) : _____

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company /Participant/CDC Investor Account Services informed in case of any change in the said particulars in future.

Shareholder's Signature

CNIC No. _____
(Copy attached)

Note: Please provide complete IBAN, after checking with your concerned branch to enable electronic credit directly into your bank account.

The payment of cash dividend will be processed on the basis of the account number alone. Your company is entitled to rely on the account number as per your instructions. The company shall not be responsible for any loss, damage, liability or claim arising, directly or indirectly, from any error, delay, or failure in performance of any of its obligations hereunder which is caused by incorrect payment instructions and /or due to any event beyond the control of the company.

The Company Secretary:
Tri-Pack Films Limited
4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton, Khayaban-e-Jami,
Karachi-75600, Pakistan.

AFFIX
CORRECT
POSTAGE



Tri-Pack Films Limited

Registered Office:

4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton,
Khayaban-e-Jami, Karachi-75600, Pakistan.
Tel: 92 21-35874047-49, 35831618
Fax: 92 21-35860251

www.tripack.com.pk