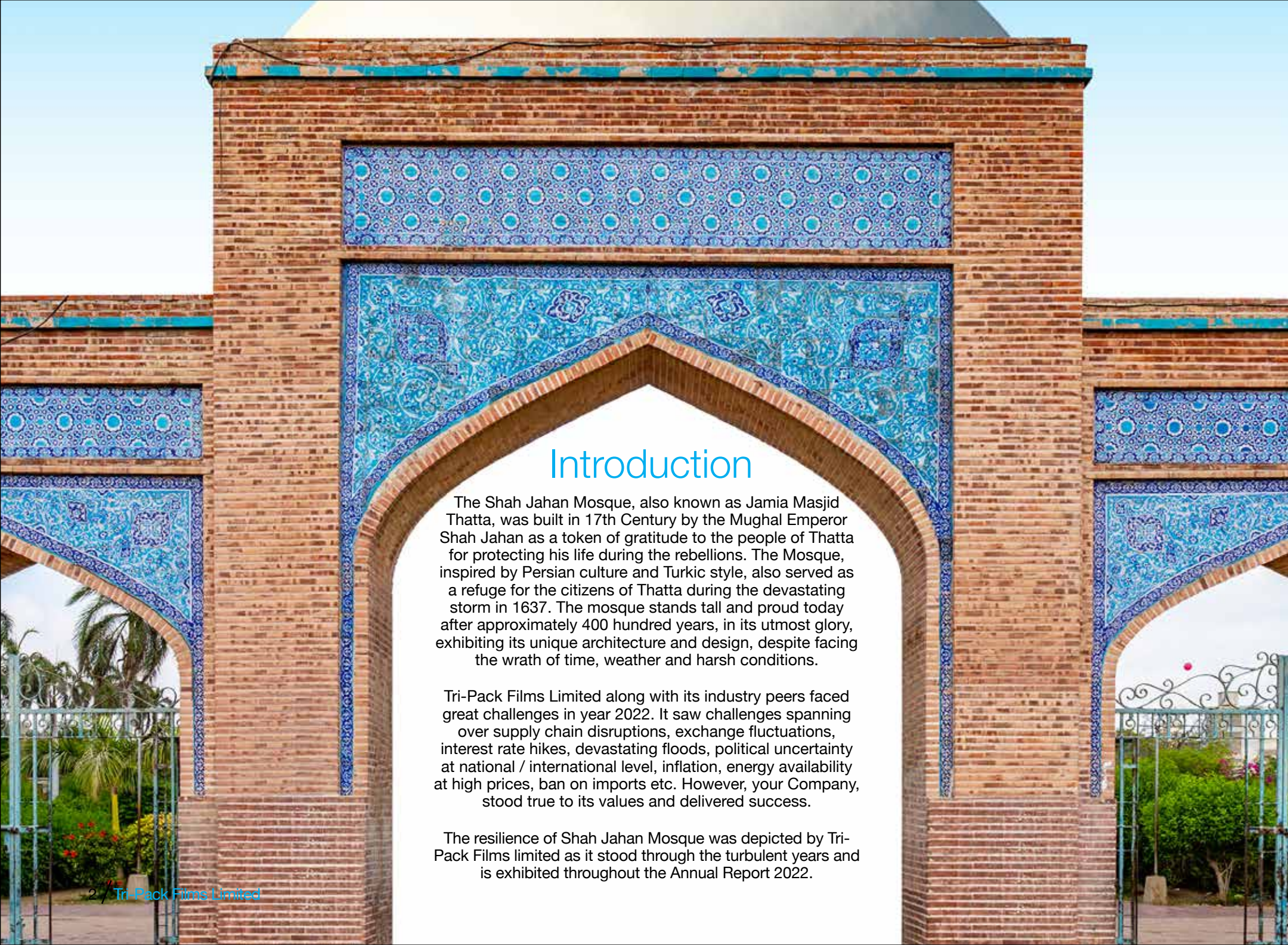
Tri-Pack Films Limited

Annual Report 2022

Our Legacy: Withstanding the Odds



Introduction

The Shah Jahan Mosque, also known as Jamia Masjid Thatta, was built in 17th Century by the Mughal Emperor Shah Jahan as a token of gratitude to the people of Thatta for protecting his life during the rebellions. The Mosque, inspired by Persian culture and Turkic style, also served as a refuge for the citizens of Thatta during the devastating storm in 1637. The mosque stands tall and proud today after approximately 400 hundred years, in its utmost glory, exhibiting its unique architecture and design, despite facing the wrath of time, weather and harsh conditions.

Tri-Pack Films Limited along with its industry peers faced great challenges in year 2022. It saw challenges spanning over supply chain disruptions, exchange fluctuations, interest rate hikes, devastating floods, political uncertainty at national / international level, inflation, energy availability at high prices, ban on imports etc. However, your Company, stood true to its values and delivered success.

The resilience of Shah Jahan Mosque was depicted by Tri-Pack Films limited as it stood through the turbulent years and is exhibited throughout the Annual Report 2022.

Chief Executive Welcome Note for Annual Report 2022

Dear Stakeholders

I present to you the Annual Report on your Company's performance for the year 2022.

At the outset, I place my highest regards and gratitude to our valued Shareholders, Board of directors, customers, suppliers, employees and other stakeholders for their continued support, contribution and trust in the organization.

This year our economy faced myriad of challenges in the form of floods, depletion of foreign exchange reserves, increasing cost of energy, spiking inflation coupled with decline in global demand. Lower purchasing power of the consumer continued to affect demand and performance of the business.

However, with our well-timed and prompt decisions, we were able to conclude another year with remarkable performance amidst these uncertain times.

During the year, the Company was able to successfully increase its customer base both in local and international market in line with its business strategy.

We remain strongly dedicated towards compliance with safety, health and environmental standards and regulations. We place great emphasis on strengthening our culture i.e. putting our customers first, acting with quality and integrity, taking ownership, learning & improving every step of the way, and investing on our Human Resource Development.

Your Company was able to post an operating profit of Rs. 2,555 million as compared to Rs. 2,245 million in the previous year.

The commissioning of new BOPP line is progressing as per timelines although the recent economic circumstances may deter its timely commissioning. However, I am confident that the expansion will enable us to meet the increasing local demand as well as address the needs of the global markets.

Karachi:
February 8, 2023

Nasir Jamal
Chief Executive Officer

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Company Information

Board of Directors
Syed Babar Ali (Chairman)
Mr. Asghar Abbas
Syed Hyder Ali
Mr. Khurram Raza Bakhtayari
Ms. Nermeen Towfiq Chinoy
Mr. Asif Qadir
Mr. Saquib Hussain Shirazi
Mr. Naisr Jamal (Deemed Director)

Chief Executive Officer
Mr. Nasir Jamal

Audit Committee
Ms. Nermeen Towfiq Chinoy (Chairperson)
Mr. Khurram Raza Bakhtayari
Mr. Asif Qadir
Mr. Shahzeb Haider (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. Iqra Sajjad

Head of Internal Audit
Mr. Shahzeb Haider

Auditors and Tax Advisor
A.F. Ferguson & Co. 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 Limted
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
Habib Bank Limted
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limted
National Bank of Pakistan
The Bank of Punjab

Investment Company
Pak Kuwait Investment Company (Private) Limited

* In alphabetical order by last name

About us and Our Business

Tri-Pack Films Limited (Tri-Pack) – a subsidiary of 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. The expansion project of new BOPP line was approved by the board on December 02, 2020 and will be commissioned in 2024.

At Tri-Pack, our passion to cater 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.

Care
Fairness and consideration are integral to our culture.

Respect
We treat people with respect and dignity.

Lead
We aspire to lead in everything that we do.

Honesty
Truthfulness, integrity and trust form the backbone of all our activities.

Courage
We stand up for what we believe in.

CARE
Fairness and consideration are integral to our culture

RESPECT
We treat people with respect and dignity.

LEAD
We aspire to lead in everything that we do.

HONESTY
Truthfulness, integrity and trust form the

COURAGE
We stand up for what we believe in.

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 directions. 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 that person 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
- 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 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 compliant 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, intimidator, 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.

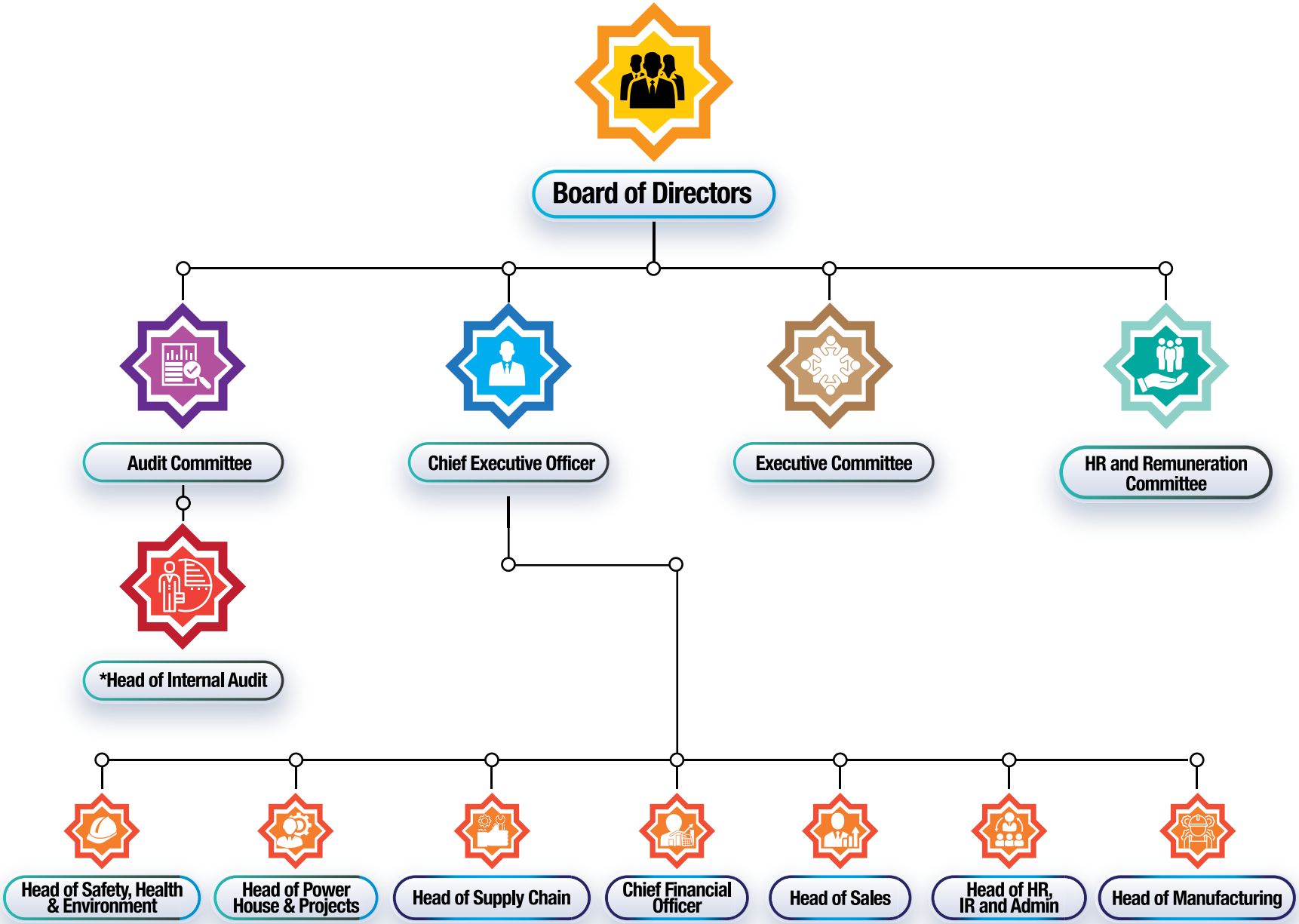
Code of conduct for partners

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



*Internal Audit is managed by Packages Limited (Parent Company).

Group Structure

Packages Limited was established in 1957 as a joint venture between the Ali Group of Pakistan and Akerlund & Rausing of Sweden, to convert paper and paperboard into packaging for consumer industry. Over the years, Packages Limited continued to enhance its facilities to meet the growing demand of packaging products and in the year 2019, its BOD approved the internal restructuring to develop operating synergies across businesses and managing operations in a focused manner while streamlining the ownership structure. Since then it is operating as a holding company, managing its investments in subsidiary companies, associated companies and joint ventures, engaged in various businesses.

SUBSIDIARIES

DIC Pakistan Limited

DIC Pakistan Limited is the leading manufacturer of quality printing inks in Pakistan as joint venture company between M/s Packages Ltd of Pakistan and DIC Asia Pacific (Formerly Dainippon Ink & Chemicals) of Singapore. The company started its operations from July 1994.

Bulleh-Shah Packaging (Private) Limited

Bulleh Shah Packaging, a Packages Group Company, aims to provide responsible packaging solutions for brands in Pakistan. BSP is leading the market of corrugated packaging together with being the largest Renewable Packaging facility and the only Liquid Packaging Board providing facility throughout the nation. The company started its operations in 2005.

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 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 its inception it has grown to become one of the leading packaging companies in Sri Lanka equipped with latest state-of-the-art European machinery.

Anemone Holdings Limited

Anemone Holdings Limited, Mauritius is a special purpose vehicle established in 2015 for the acquisition of operations of a flexible packaging company in South Africa.

Packages Investments Limited

Packages Investments Limited was incorporated in Pakistan as a public company limited by shares on May 28, 2019. The company is in setup phase and will start its operation whereby the principal activity of the company will be to hold investments in various companies.

Starch Pack (Private) Limited

Starch Pack (Private) Limited is a wholly owned subsidiary of Packages Limited and is principally engaged in the manufacture and sale of corn based starch products, its derivatives, by-products and trading of corn. It has state of art and modern equipment to meet its objectives.

Tri-Pack Films Limited

Tri-Pack Films Limited (Tri-Pack) was a joint venture between Packages Limited of Pakistan and Mitsubishi Corporation of Japan was incorporated as a Public Limited Company on April 29, 1993. It is principally engaged in the manufacturing and sale of Biaxially Oriented Polypropylene (BOPP) and Cast Polypropylene (CPP) film. In 2022, Packages Limited acquired representing 19.33% equity of Tri-Pack from Mitsubishi Corporation and now holds 69.26% shareholding in Tri-Pack and hence Tri-Pack is now a subsidiary of Packages Limited.

Linnaea Holdings Inc.

It is the intermediate holding company of Chantler Packages Inc.

Chantler Packages Inc.

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.

ASSOCIATE

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 Convertors Limited

Subsequent to internal restructuring in 2019-20, Packages Limited transferred its manufacturing businesses including folding cartons, flexible packaging, consumer product etc. to Packages Convertors Limited, its wholly owned subsidiary. PCL is principally engaged in the manufacture and sale of packaging materials, tissue and personal hygiene products.

IGI Holdings Limited

IGI Holdings Limited - formerly IGI Insurance Limited, a Packages Group Company, is a public listed company and was incorporated in 1953. Objects of IGI Holdings Limited now includes to act as an investment holding company and for that purpose invest, acquire, sell and hold the securities and financial instruments subject to compliance by relevant laws prevailing in Pakistan from time to time.

JOINT VENTURE

OmyaPack (Private) Limited

Omya provides versatile product solutions that contribute to multiple industries such as Construction, Printing & Writing, Packaging, Food, Personal & Home Care, Pharmaceuticals, Agriculture and Forestry, Water and Energy.

SUBSIDIARIES

Packages Trading FZCO

Packages Trading FZCO has been incorporated under the Dubai Integrated Economic Zones Authority Implementing Regulations, 2022, and registered with Dubai Integrated Economic Zones Authority. It is a wholly-owned subsidiary of Packages Limited. It is primarily engaged in commercial trading with import, export, distribution, and warehousing as its ancillary activities.

Flexible Packages Convertors (Pty) Limited

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.

IGI Investments (Private) Limited

IGI Finex Securities (Pvt) Limited

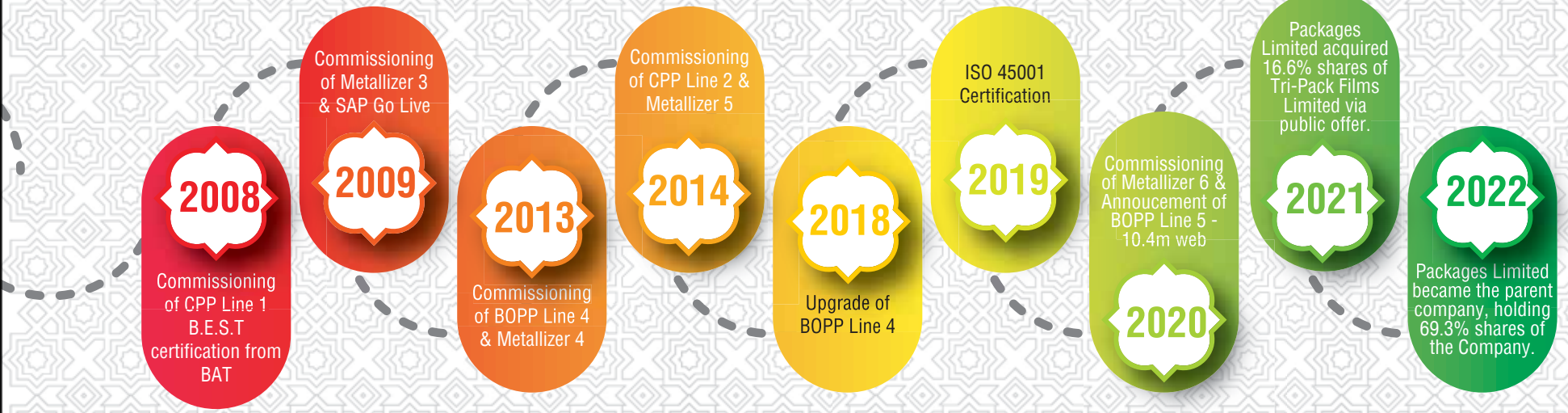
IGI Life Insurance Limited

IGI General Insurance

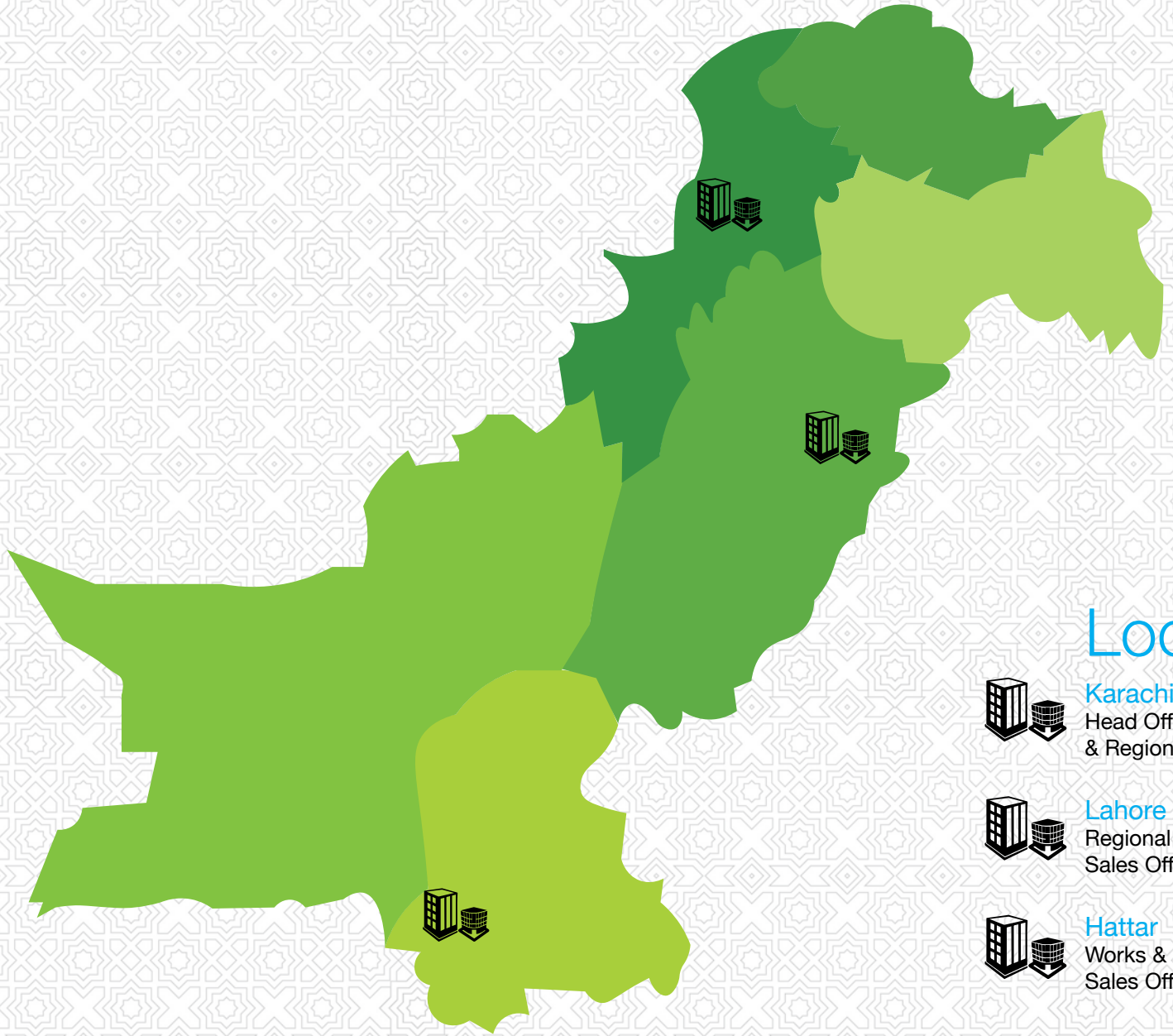
IGI FSI (Private) Limited

Milestones

1993
Signing of Joint Venture Agreement
1995
Commissioning of BOPP Line 1
1998
ISO 9001 Certification
2001
Commissioning of BOPP Line 2
2002
Commissioning of Metallizer 1
2004
ISO Certification
2004
Commissioning of BOPP Line 3
2006
Commissioning of Metallizer 2
2007
OHSAS 18001 Certification


2008
Commissioning of CPP Line 1 B.E.S.T certification from BAT
2009
Commissioning of Metallizer 3 & SAP Go Live
2013
Commissioning of BOPP Line 4 & Metallizer 4
2014
Commissioning of CPP Line 2 & Metallizer 5
2018
Upgrade of BOPP Line 4
2019
ISO 45001 Certification
2020
Commissioning of Metallizer 6 & Annoucement of BOPP Line 5 - 10.4m web
2021
Packages Limited acquired 16.6% shares of Tri-Pack Films Limited via public offer.
2022
Packages Limited became the parent company, holding 69.3% shares of the Company.

Geographical Presence



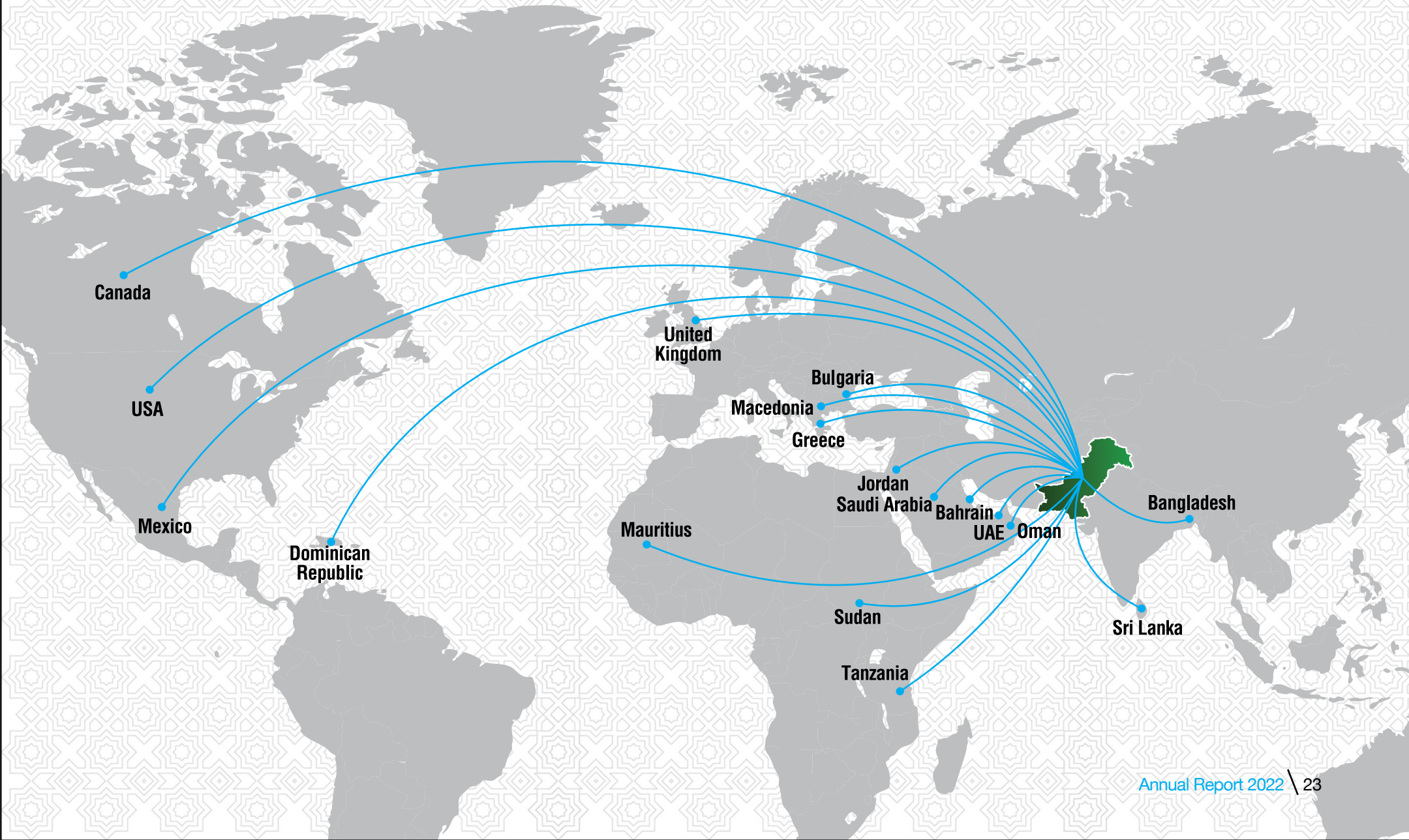
Local

Karachi
Head Office, Works
& Regional Sales Office

Lahore
Regional
Sales Office

Hattar
Works & Regional
Sales Office

International Markets Served



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.

Ultra Low Temperature Sealable Film

Tri-Pack has also developed ultra low temperature sealable films in transparent and metallized printable grade films with excellent slip properties. Their superior seal integrity at low temperature makes it recommended to use sustainable structures.

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 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 and 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.

Perforated 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.

Low Density Label films

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 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 High barrier 15 microns being used as a main barrier film in chips and biscuit packaging 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.

Heat Resistive BOPP Film

Tri-Pack has developed a new transparent printable Bi-axially Oriented Polypropylene (BOPP) film with a higher heat resistance compared to conventional BOPP film. The entire packaging industry are aiming to promote sustainability & green environment by recycling waste generated from flexible packaging. BOPP films have an excellent recyclability however most of the flexible packaging is made with different plastic materials with their specific properties making it difficult to recycle. Our HR BOPP film has been engineered to work as a printing layer allowing mono material structures in multi-layer laminates for various packaging applications in both food and non-food segments. The film has excellent slip properties, good machinability and has a great performance on high-speed VFFS and HFFS machines. It has good thermal stability (no shrinkage) compared to conventional BOPP films. It will prove to be a good replacement in packaging machines where the sealing temperatures are higher.

Cold Seal

Tri -Pack also offers Cold Seal films which is engineered to anchor the cold seal adhesive on one surface with easy release from another surface. The principal benefit of cold-seal packaging is the increase in packaging speed over heat-seal packaging and regulations. Moreover, it is highly recommended for heat sensitive products like chocolates bars, cereal bars etc which must be protected from heat to avoid melting while sealing operation

BOPE

Tri-Pack has again broadened its product portfolio by adding newly developed BOPE films. It is available in both Transparent & Metallized grades. Its main features include Excellent Printability, Low Temperature Sealable with excellent seal integrity, High Barrier Properties & High Stiffness & Tensile Strength compared to conventional Blown PE films. These properties make it to replace conventional Blown PE films with low gram-mage BOPE films in Detergents, Soaps, Ketchup & Mayonnaise Pouches etc

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

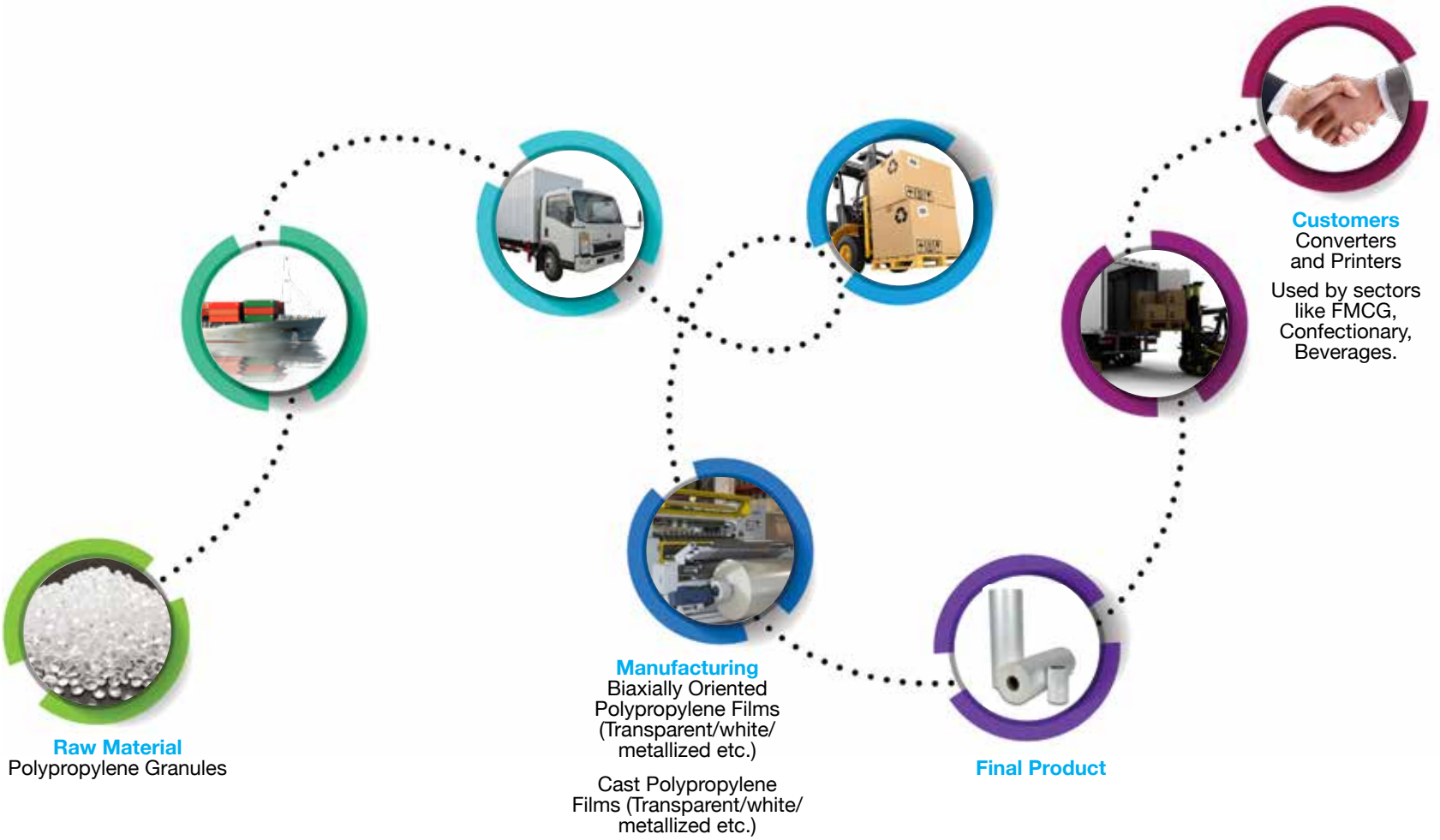
Tri-Pack has successfully accomplished the production of CPP metallized low heat sealable film in low micron for high speed machines. This metallized film has improved metal anchorage and good oxygen and moisture barrier with brilliant shine.

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

	P	E	S	T	E	L
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 including demand.	The economy of the country remained uncertain with rising interest rates and depreciation of Pak Rupee against major currencies. Depleting foreign exchange reserves led to limited importing capacity coupled with recent devastating floods in Pakistan profoundly affected the business conditions. These economic factors are regularly being monitored by the management taking proactive measures to consolidate on positive economic indicators while countering the negative ones. The difficulties in the business and economy is expected to remain a challenge for the Company.	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.	Due to balance of payment crisis, import restrictions are affecting operations and timely profit execution. Adequate measures are taken to overcome them.	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. The company took the initiative to induct differentially abled persons in its departments.	Tri-Pack has a dedicated Research and Development department which is persistent in product development and innovation along with reducing the cost of production through technological advancement. Further, 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 with 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

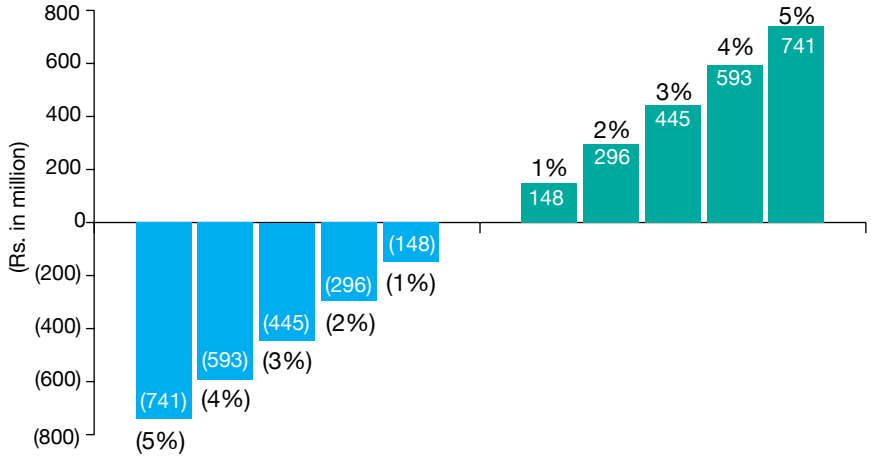
On June 08, 2021, Packages Limited entered into a Share Purchase Agreement with Mitsubishi Corporation (MC) for purchase of 7,500,000 ordinary shares representing approximately 19.33% shareholding in the Company. Consequently, Packages Limited made a public offer to acquire up to 6,438,598 shares (representing 16.6% of the total issued paid up share capital of the Company) from general public in accordance with the provisions of Securities Act, 2015 and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017. Public offer procedures were concluded and shares were transferred to Packages Limited on December 31, 2021. Subsequently, on February 15, 2022 Mitsubishi Corporation transferred its 7,500,000 shares following requisite regulatory approvals including payment.

As a result of the above transactions Packages Limited has become the parent company, holding 69.3% shares of the Company.

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. 741 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 Polyporopylene (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 our 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 harsh 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 contests against 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 gives us precedence 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 convertors who purchase films from us and convert them as per the branding requirements. Due to our wide range of film type we possess 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 Long Term Objectives & Strategies in Place

36 Liquidity Strategy and Financing Position

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Short, Medium & Long Term Objectives and Strategies in Place

The overall objective of the Company are Specific, Measurable, Achievable, Relevant and Time related (SMART) aligned with the Company's vision and mission statement. The objectives of the Company are set by the Board and performance against those objectives is timely reported. These objectives are:

SHORT TERM

- Maximize profits and control cost through operational efficiencies.
- Effective working capital management by regularly monitoring the external factors.
- Waste improvement.
- Strengthen relationships with all stakeholders.
- Internally developing talent through training and providing growth opportunities.

MEDIUM TERM

- Evaluating areas of expansion to increase our market reach through acquiring state-of-the-art machines and equipment.
- We also strive towards betterment of the society, minimizing our environmental footprint.
- Providing sustainable solutions through an in-house Research and Quality department.

LONG TERM

- Our long term objective is to achieve sustained growth in line with our Company's mission statement, vision and corporate strategy.
- We aim to create long term value for shareholders by catering demands in a safe and responsible environment.

PLL

Liquidity Strategy and Financing Position

Vigilant monitoring and timely decision making is the core fundamental behind effectively managing our operating working capital. A balance is maintained between liabilities and receivable while maintaining inventory at an adequate level, taking into account the business dynamics.

Current Liquidity strategy

Tri-Pack Films Limited ensures a stable liquidity position. Daily fund position is monitored. This helps us to manage the available funds and ensure timely payments are made to vendors without any delays.

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 has obtained long-term loans to finance expansion projects at attractive mark-up rates, the repayment of which is as per schedule. In this way, gearing levels are kept in check and we ensure covenants are fulfilled.

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 to its customers.

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, their fianancial impact, 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). These risks are mentionet in section 'Risks and Opportunities' on page no. 44 and 45.

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 Societal Issues, Technological Change & 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	• Human • Manufactured • Intellectual • Social & Relationship	• Manufactured • Financial • Intellectual	• 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.	Energy crises, 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. Diversity and inclusion 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.	We try to reduce our carbon footprint and emission. We have invested in recycling machines to recycle and reuse wastages from the production process. Heat generation from our generators is recovered and used to run our chillers. We are deploying solar project.

Resource Allocation Plan

Human Capital

Our people are behind every aspect of our strategy. On the organization's part, through on-job or external trainings, workshops, job rotation opportunities, individual coaching, or knowledge transfer through special projects & assignments. We aspire 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. We endeavor to attract and retain right talent for the Company and provide them growth opportunities.

Manufactured Capital

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

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

Financial Capital

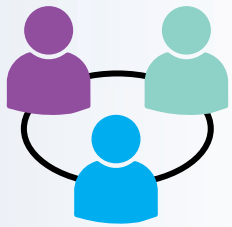
As at December 31, 2022, the Company has a debt to equity ratio of 59:41 and an outstanding long term loan of Rs 3.1 billion (including current maturity). Further, short term borrowings were at Rs 4.3 billion. We invest in high margins and growth products. Investment into new machines are only made after they are financially feasible and meets the minimum return benchmarks.

Intellectual Capital

The Company is operating in a highly competitive and challenging environment where the needs of our customers are dynamically evolving. Corporates and consumers are moving towards economic, efficient and sustainable alternatives. We have a competent team of individuals driving the research and development department, which strives to not only develop new products but to also enhance the properties of the existing ones. Our intellectual capital is vested in our experts who formulate carefully the technique and process of film manufacturing while ensuring that maximum utility is gained from minimum and efficient use of machinery and resources.

Social and Relationship Capital

We believe that regular communication with stakeholders is an important part of creating an open and constructive environment. 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. In dealings with supply and financing partners, we support open communication and aspire to engage for a long term relationship.

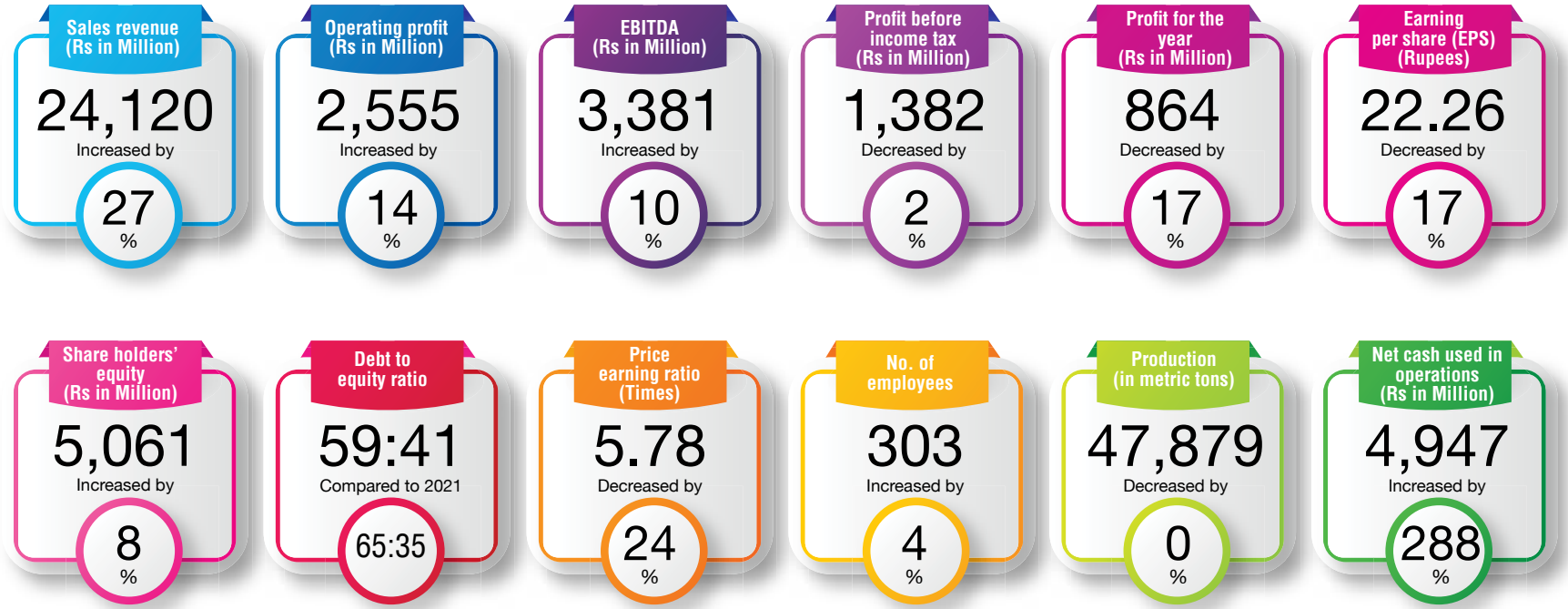


Natural Capital

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 Indicators

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.

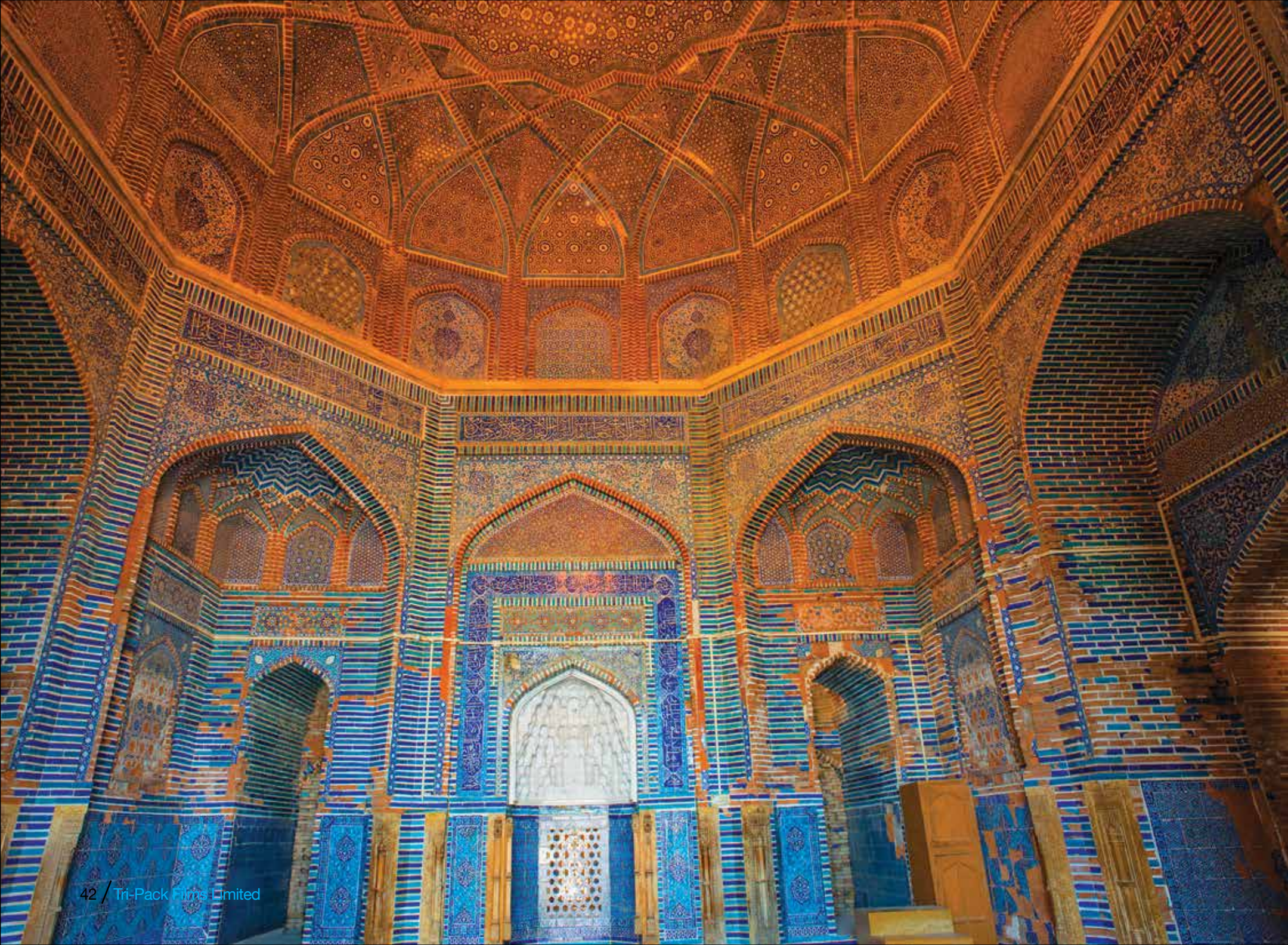
Considering debt to equity ratio of 59:41, monitoring of debt levels is our top priority. We ensure to meet all our covenants as set by the financing institutions.

The cash generated 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 Indicators

Capital Forms	Objective	KPI Monitored	Future Relevance
Human Capital	Training needs	Number of training man-hours	Human resource function is crucial to achieve Company's mission and will always be!
	Health and safety	Zero lost time injury, number of near misses, unsafe acts etc.	
Manufactured Capital	Maintain market share	Market share of BOPP and CPP films	Considering the competitive nature of the industry, achieving operational efficiencies shall always be our KPI.
	Overall Equipment Effectiveness (OEE)	Monitoring of machine availability, performance and product quality against benchmarks	
	Focus on quality	Number of customer complaints /customer retention ratio	
Intellectual Capital	Upgrade automated systems	Timely upgradation of automated systems and conversion of manual workflows to automated workflows.	We shall continue to innovate and expand our reach, making opportunities for the Company to expand.
	Product development and innovation	Increase in share of specialized films against commodity film volumes	
Social and Relationship Capital	Customer relationship	Quality of product, OTIF delivery and customer feedback	We foucus on strengthening our relationship with all our stakeholders and shall continue to do so.
	Employee engagement level	Employee Engagement Score (EES)	
	Supplier relationship	Timely payment and supplier feedback	
Natural Capital	Compliance with all environmental regulations	Full compliance of all the relatable laws	We shall nurture and inculcate a culture based on high ethical standards to meet our obligations towards the environment.



Risks and Opportunities

44 Risks and Opportunities

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

47 Materiality Approach

47 Capital Structure

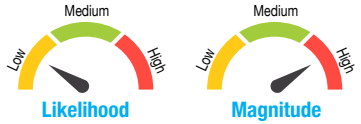
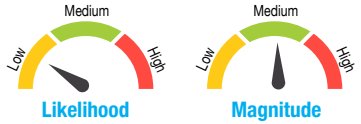
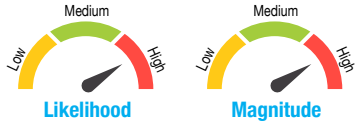
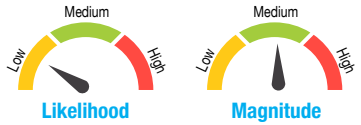
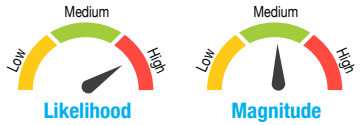
47 Company Initiatives taken in Promoting and Enabling Innovation

Risks and Opportunities

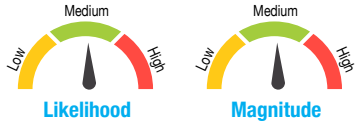
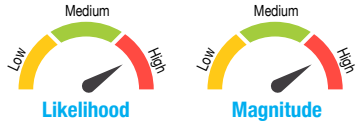
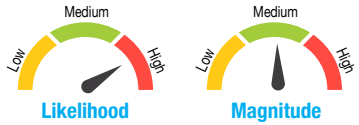
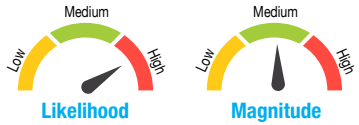
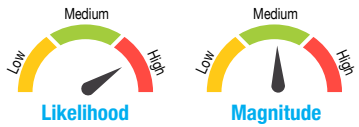
The board and management of Tri-Pack Films Limited is strongly committed to assess, analyze and avail opportunities to increase its market footprint and enhance shareholders value while monitoring and mitigating any potential risks that may harm the Company's repute and value. Our motto is to act in the best interest of the business.

Risks

Risks	Source	Capital	Term Categorisation	Mitigating Factor	Associated Strategic Objective
Availability of Raw Material	External	- Manufactured	- Short term - Medium term - Long term	Ensure timely procurement of Raw Material and adequate buffer stock is in place for tough times.	To satisfy our customer with timely supply of products as per their requirement.
High Cost of Imported Raw Material	External	- Financial	- Medium term - Long term	Negotiating long term contracts with our value driver suppliers at best available prices.	To supply our products at economic prices whilst ensuring top quality.
Gas availability Reduction in gas pressure or deterioration in gas quality resulting in low load on engines and production losses.	External	- Financial - Manufactured	- Short term - Medium term	In case of recurrent gas load management / shut down, generators are rented at significant cost. Also, quality of gas is 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 sources of energy in the form of KE and Solar power connection.	To be able to provide our customers with continuous and timely supply of goods at economic prices.
Changes in tariff / dumping. Increase in duty of raw materials. Increase in imports at dumped prices.	External	- Financial	- Medium term - Long term	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. In case of removal of regulatory duties, there will be an irreparable loss to the local industry.	To continue to meet the expectations of our customers and other stakeholders. Add value to the economy in the form of decreased imports of finished films.

Risk	Source	Capital	Term Categorisation	Mitigating Factor	Associated Strategic Objective
Cyber security threat; Compromised information integrity; Information leakage. 	External	- Intellectual - Financial - Social and relationship	- Short term - Medium term - Long term	Both hardware and software firewalls are installed and updated on real time basis. Updated anti virus is installed on computers / servers. Vulnerability testings are conducted regularly.	To ensure that data (whether internal or external) is not at risk at any cost.
Machine breakdown/Hazards 	Internal	- Manufactured - Financial	- Short term - Medium term	Timely repair and preventive maintenance of machines are conducted at regular intervals to avoid risk of breakdown.	To be able to provide our customers with continuous and timely supply of goods at economic prices.
Fluctuation in exchange rates will have a significant impact on the profitability of the Company as all of our raw material is imported. 	External	- Financial	- 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.
Credit Risk 	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.
Increasing policy rates will decrease the profitability of the Company as our working capital and expansion project financing is debt based. 	External	- Financial	- Short term - Medium term - Long term	To ensure timely recovery of receivables. Efficient working capital management strategies. To negotiate best possible rates with our lenders.	To enhance shareholder's value and make business profitable.

Opportunities

Opportunities	Source	Capital	Term Categorisation	How to Achieve Them?	Associated Strategic Objective
To move towards specialized films 	Internal	- Intellectual - Financial - Manufactured	- Short term - Long term	We have a devoted research and development department where trials and testing of films bearing enhanced properties of strength etc. are conducted. Investment proposals for machinery use in specialized films have also been approved by the Board in this aspect.	The Company is in a great position to secure more market share and enjoy benefits of economies of scale.
Utilize available capacity to diversify products and cater large orders 	External / Internal	- Manufactured - Intellectual - Financial	- 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.
Reduction in cost of production by adopting latest technology solutions 	Internal	- Manufactured - Intellectual - Financial	- 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.
Exploring potential market opportunities 	External	- Social and relationship - Intellectual - Financial	- Medium term - Long term	The Company is focused on innovation and product development to enter new markets and attract demand. Further, we are entering untapped local and international markets. In 2022, we stepped in 4 new countries for export.	To continue developing new products and markets (local and international) to increase presence.
Building synergies within Packages Group to enhance the value of the business. 	External / Internal	- Financial - Intellectual - Social	- Short term - Medium term - Long term	By taking advantage of strengths of different related businesses within the Group. Negotiating with common suppliers and customers for value. Enhancing stakeholders reach.	To enhance value of shareholders. To provide a complete value package to our stakeholders.

Risk Management Framework & Board's Role in the Risk Management of the Company

The Board of the company closely monitors the environment at all times to avoid any disruption on Tri-pack's performance and operations.

The Board identifies potential risks (business, operational, financial, etc.), assesses their impact and formulates strategies to mitigate risks to the business. Further, the evaluation of risk by the Board is also covered in the annexed Director's Report under the heading 'Risk and uncertainties'.

As part of determining the Company's level of risk tolerance, the board has formulated and 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.

The Risk Management process is embedded across the Company and as such a culture / environment shall be produced where employees recognize and assume responsibility for managing operational risk.

Policy

- **Credit Risk**
  Credit shall be extended with adequate and reasonable conditions pursuant to a detailed review of credit history of the customer.
- **Market Risk**
  The volatility and liquidity of each commodity shall be cautiously considered.
- **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.
- **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.
- **Operational Risk**
  The Risk and Control Evaluation Matrix (RCEM) and Segregation of Duties Matrix (SODM) shall be reviewed on yearly basis and any deficiency shall be controlled. 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.
- Relevant regulatory requirements, laws and codes of conduct shall be observed and implemented as appropriate.

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 59:41. This has decreased as compared to 2021 as the Company was able to generate higher operating cashflows which enabled Company to utilize less short term loan for its working capital management. 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. 56.

Sustainability and Corporate Social Responsibility

50 Safety, Health and Environment (SH&E) Strategy & Developments

52 Corporate Social Responsibility Philosophy

56 Research & Development

57 Quality Control

As a conscientious employer, we want to do what is right and seriously take pride in our progress across all dimensions 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 to the United Nations Sustainable Development Goals (SDGs).

Our focus has been to engage and train people and take their consultation through participation in an objective setting. Our policy is reflected in our business decisions and impacts our system, surroundings, habitat, and the community we live in. We ensured the allocation of adequate resources and strategies, necessary for the efficacious implementation of SH&E and compliance with the Company standards and applicable legal requirements. Performance monitoring against goals and objectives has served as a guiding path towards continual improvement along with collaboration with our sponsors, contractors, suppliers, and customers. We are periodically reviewing the Company's performance in implementing the SH&E management system. Behavior-based Safety campaign was also organized to strengthen the culture, engagement, and capability of teams at all levels.

Safety, Health and Environment (SH&E) Strategy & Developments

By taking an enterprise view of Employee Health and Safety, SH&E department helps safeguard not only people, and the assets of Tri-Pack Films Limited but also environment by ensuring visible leadership commitment. We do this by establishing an effective control framework and by embedding a strong SH&E culture throughout the business. In addition to our ongoing work to protect the planet, we have set challenging sustainability targets to reduce our longer-term environmental impact.

Our risk-based, proactive approach is articulated in our SH&E policy and is detailed in our systems & procedures against which we ensure compliance in all our operations. We ensure hazards are appropriately controlled through the safe design of facilities, plant, and equipment and by following rigorous procedures that help us provide effective barriers to protect employees' safety and well-being.

In 2022, SH&E remained among the top priorities of the Company. A focused approach has been adopted to incorporate a safety culture across the entire organization. Almost 2 years' post-pandemic life, processes, and approaches changed dynamically across the globe. The commitment to focus and prioritize Safety, Health, and Environment with the addition of the element of "Sustainability" remains intact towards the consumption of natural resources. Tri-Pack Films Limited successfully went through its 1st Surveillance Audit for Integrated Management Systems (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018) and 2nd Surveillance audit of FSSC 22000 v5.1 without incurring a single major Non-Conformance.

Excellence is achieved with rigorous work and continued stability of systems and procedures. This is vetted via external recognitions and awards from credible agencies. In 2022, Tri-Pack Films Limited won the 12th Fire Safety Award 2022 from the National Forum of Environment & Health (NFEH) and Fire Protection Industry of Pakistan (FPIP) for its commitment to safety, emergency response, and reactive approaches to fire safety throughout its business operations. Furthermore, Tri-Pack Films Limited was recognized by the Employee Federation of Pakistan (EFP) in the 16th Annual OSHW (Occupational Safety, Health & Wellbeing) under the "Processing & Allied Sector" category.

Sustainability

Sustainability movement has been gaining steam in recent years, as more and more businesses are taking it upon themselves to be good stewards of their local communities and the environment. Tri-Pack Films Limited, also being a strong advocate of sustainability established an exclusive department which can keep track of our progress in sustainable practices in a focused and pro-active manner. This testament is apparent as Tri-Pack, for the 3rd time in a row, has been bestowed upon by the National Forum of Environment & Health (NFEH) with an award under the ambit of the 19th Annual Environmental Excellence Award for its contribution and accomplishment directly linked to Environmental conservation and UN's Sustainable Development Goal #13 Climate Action & #15 Life on Land of which Packages Group is a signatory. Additionally, Quarterly Gazettes, Monthly Dashboards, and Green House Gases (GHG) calculations have been running activities during 2022.

Tri-Pack Films Limited has registered itself on various sustainability platform to showcase its commitment to sustainability. In confirmity to same Tri-Pack Films Limited has been awarded a Bronze Medal by EcoVadis in 2022, which is one of the leading and most trusted provider of business sustainability ratings, creating a global network of more than 100,000+ rated companies. This result places Tri-Pack Films Limited among the top 50 percent of companies assessed by EcoVadis.

Carbon Footprint accounting and reporting has been initiated within the company with the inclusion and expansion of scope 1 and scope 2 of GHG emissions which will lead to ISO-14064 certification in 2023. The UN SDGs training agenda has covered the reporting of the stakeholder engagement matrix in which we have engaged 1052 employees in different activities in 2022 such as Environment Week, Global Recycling Day, World Earth Day, Fuel & Energy Campaign etc. Furthermore, Tri-Pack Films Limited in collaboration with WWF Pakistan under the ambit of Rung Do Pakistan shall plant 1000 Mangroves trees at Indus Delta & 500 trees inside the facility are planned for the year 2023.

SH&E 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 with its best quality product made by using state-of-the-art machines and by the continuous acquisition of knowledge and skills.
- Establish, implement, and review objectives & targets to ensure continuous improvement in our SH&E management system and inculcate behavior-based concepts to encourage employees in contributing towards every aspect of Safety, Health, Environment, Quality, and Food Safety Management System.
- Comply with all regulatory requirements on SHEQ & FSSC Management System. Protect employees and community from health & safety hazards and prevent environmental degradation.
- Promote and adopt eco-friendly sustainable initiatives to minimize adverse impacts on the environment from its activities.
- Ensure responsible sourcing of raw materials, manage waste efficiently, increase the recyclability of product waste to prevent landfills, and conserve natural resources.
- Communicate to all stakeholders about our occupational and health 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 instire 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 the availability of personal protective equipment to all and have developed robust standard operating procedures and training programs for our employees.

Going forth, Tri-Pack will continue its efforts to ensure continuous improvement across its SH&E and Sustainability agenda and will be at the forefront to ensure that its system and processes are managed in a way which is consistent with its vision and mission statement.

Our sustainable practices demonstrate proven measurable benefits in the following areas as compared to the relevant benchmarks practices:

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

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

Company’s Corporate Social Responsibility Philosophy

Tri-Pack Films Limited is determined to achieve the highest standards in social and environmental responsibility. Our passion to achieve those standards drives our operations. We fully recognize our responsibility towards our customers, stakeholders and the communities in which we operate in and are fortunate to be able to deliver on Sustainable Development Goals (UN’s SDGs) in areas of Sustainable Operations, Community Development, Diversity & Inclusion, Women Empowerment, Environment, Health & Safety.

Efforts to secure Environment (SDG 11: Sustainable Cities & Communities, SDG 13: Climate Action, SDG 14: Life on Land, SDG 15: Life on Water)

We recognize the significance of environment protection & conservation of resources and how it needs to originate from the individual’s own self to play an active role in safeguarding our planet. Hence, each year the Company dedicates an entire week to celebrate this message under its annual “Environment Week”. To that end and to further strengthen Environment Protection & Conservation our Green Office Initiatives (WWF Green Office Certified) and responsible reporting has resulted in achievement of the 19th Annual Environmental Excellence Award by the National Forum of Environment and Health in August 2022.

Efforts to maintain Good Health and Well-being (SDG 03: Good Health & Well-being)

Tri-Pack is committed to ensuring the health, safety, well-being and welfare of its employees. We apply high standards throughout the organization in the management and control of our operations. These standards are designed to ensure that, in all our activities, we properly safeguard those who work for us and those who may be affected by what we do. We have been awarded the Recognition Award by Employer's Federation of Pakistan in its 18th Occupational Safety, Health & Well-being Awards 2021, held on May 23rd 2022.

We have held various health and well-being campaigns such as on-site hepatitis vacination and testing, mental health awarness session and annual medical examination of all staff in cor-ordination with our partners in health care.

Corporate Social Responsibility Activities

Environment Week (SDG 13: Climate Action, SDG 14: Life on Land, SDG 15: Life on Water)

To advocate for environmental change and call to act, at Tri-Pack, we planned an entire week geared towards bringing awareness and engaging our employees & their families on the subject. Our intent being, to play our part in safeguarding our environment and restoring our eco-systems through responsible conduct.

During the said week, we partnered with World Wildlife Federation (WWF) for a key note session, conducted Environmental Audits at our Port Qasim manufacturing facility, followed by a Beach Cleaning Initiative at Karachi – Clifton beach and an Environmental Safety Awareness poster competition for our employees' children.

Creating Dignified Workplaces (SDG 05: Gender Equality, SDG 10: Reduced Inequalities)

Tri-Pack recognizes that creating and maintaining a positive workplace culture that fosters respect and dignity takes effort and diligence, as well as, a proactive approach to keeping up to date with evolving attitudes, expectations and legislations.

For positive reinforcement of the desired workplace behaviors and our values of Care, Respect, Honesty, Lead & Courage, Tri-Pack has developed and executed an in-house training program for all staff including 3rd parties on 'Creating Dignified Workplaces'.

Flood Relief

To support millions of people in the country affected by heavy rainfall, flash floods and landslides since July, Packages Group and Tri-Pack in association have dedicated its efforts to raise funds to assist in relief work in the flood-hit areas of Pakistan by rebuilding homes and livelihoods for displaced families. To that end, we have further

collaborated with the Shahid Afridi Foundation to maximize the outreach of relief work in Balochistan.

Other CSR Activities (2022):

1. Zero Food Loss / Waste Campaign (SDG 02: Zero Hunger)
2. Sponsorship to Shaukat Khanum – Fundraising Event: Floral Spectacular (SDG 03: Good Health & Well-being)
3. Sponsorship to Childlife Foundation (SDG 04: Quality Education)
4. Sponsorship to International Science Conference – University of Karachi (SDG 04: Quality Education)
5. Internship Opportunity to Differently Abled persons – Pakistan Foundation Fighting Blindness (SDG 08: Decent Work & Economic Growth, SDG 10: Reduced Inequalities)

UN's Sustainable Development Goals

The United Nations Sustainable Development Goals (SDG's) set out a vision to eradicate & alleviate the challenges faced by humanity by year 2030 and we can proudly say that Tri-Pack contributes by fulfilling its environmental and social obligations by making a positive difference at an organizational level.

Our resolution from yesteryears and beyond, remain to focus on the following goals: SDG 02: Zero Hunger; SDG 03: Good Health; SDG 05: Gender Equality; SDG 07: Affordable and Clean Energy, SDG 10: Reduced Inequalities; SDG 13: Climate Action.

Code of Conduct and Legal Compliance

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

In addition to pursuing our business objectives, we aim to be responsible partners for our community, acting with integrity towards our internal and external stakeholders.

Business Ethics and Anti-Corruption Measures

Business ethics is our fundamental value and lies at the heart of our achievements at Tri-Pack Films Limited. The Board of Directors of the Company univocally set down the acceptable business practices and code of conduct as our standard operating procedures. In addition, multiple channels have been established for speak-ups and to identify and report unacceptable practices and behaviors that go against our fundamental core values.

Diversity & Inclusion (D&I)

We focus on creating a diverse, inclusive and equitable environment for all our employees to feel secure, supported and respected with a feeling of sense of belonging. Diversity, equity and inclusion have been embedded into the Company's recruitment, retention, engagement, and career advancement processes as well as culture.

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 as equal representation but to empower (UN Women Empowerment Principles), break stereotypes, sensitize our people & fight biasness.

In our other initiatives to make the organization diverse and inclusive we have also joined hands with M/S Akhuwat, M/S NOWPDP and M/S Pakistan Foundation for fighting blindness to provide employment to trans, differently-abled and those individuals fighting blindness (SDG 04: Gender Equality, SDG 10: Reduced Inequality).

These successful collaborations led to onboarding of such individuals and this success keeps us motivated to strive and do our part to support, develop and retain them.

Women Empowerment

Our commitment to empower women remains a top agenda driven by our Executive Leadership Team, who remain personally invested in improving and sustaining talented females in respective job functions, helping them realize their true potential and magnifying their contributions to the organization.

Over the last four years, we have attained a rising trend in female representation at Tri-Pack Films Limited, more than doubling the female head-count, starting with 16 females in 2018 and closing 2022 with a head count of 36 at shop floor & executive level.

We continuously transform our workplace, to be a better fit for our female staff, implementing female-friendly policies and several other best practices inspired by the Global Diversity & Inclusion Benchmarks (GDIB). We also participated in sensitization workshops on unconscious bias against genders by UN and workplace harassment by International Labor Organization Pakistan, to ensure decent & respectful and then conducted awareness sessions by creating an in-house program "Creating Dignified Workplaces" advocating zero tolerance for workplace harassment for our complete workforce.

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 an essential component in our Company' talent management strategy and culture. An integral part of our culture is to reward our people on 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 also monitor the policies and practices in relation to the same, to ensure that we meet the market standards. Our policies look at both sides "what" we do, and "how" we do it.

Talent Development & Career Advancement Opportunities

Every year, Tri-Pack invests in developmental plans for all their employees, focused towards enhancing their critical skills, for the present and future, as identified by the business. Our career / talent growth model facilitates this aspect, by giving our workforce the opportunity to not only gain relevant experiences that support our business strategy but to also strengthen their skillset.

Today, our business is driven by demand in technology, automation, cloud and analytics and such rapid development requires a shift in focus on our learning and development programs agenda. To that end, our learning and development agenda has made training accessible to our employees round the clock and making them accountable for their personal development.

Social Campaigns

In 2022, 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)

e) Mental Health Awareness Day (SDG 03- Good Health & Well-being)

f) Safety Week (SDG 03- Good Health & Well-being)

g) World Hepatitis Day (SDG 03- Good Health & Well-being)

h) World Health Day (SDG 03- Good Health & Well-being)

i) Breast Cancer Awareness Day (SDG 03- Good Health & Well-being)

Research & Development

Tri-Pack Film's Limited R&D team work around 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 for markets we currently operate in, or developing new applications for products we already produce.

Tri-Pack Film's Limited R&D team consisting highly motivated, experienced and skillful professionals having wide expertise of packaging materials, packaging films, converter & end consumer processing, that 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 and very low sealing initiative temperature metallized 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 which can be exhibited by a few of our marvellous acheivements listed below:

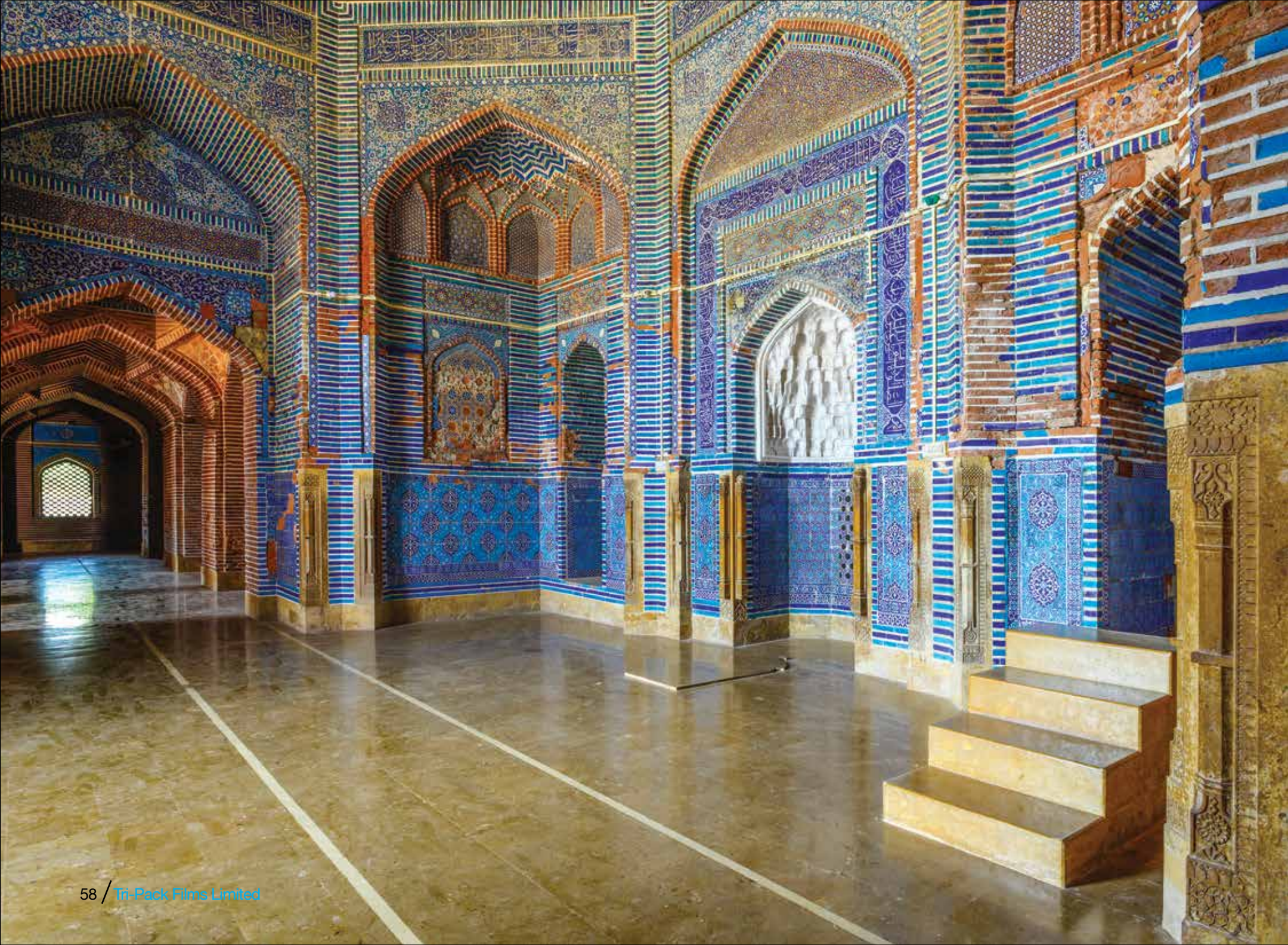
- We produce Metallized CPP-20 micron low sealing temperature to enhance lamination properties at high speed machines which maximize the customers productivity.
- We down gauge composite 40 LTS to composite 30 LTS for soap packaging with same run-ability on packaging machines so as to provide cost effective solutions.
- New variant of Labellite 38 micron with 0.64 density was produced, increasing yield at convertor's end.
- Developed BOPP cold-seal film for heat sensitive products like chocolates, ice creams etc.

Quality Control

Tri-pack's vision and mission revolves 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 Melt flow index to measure the raw material and recycled material flow behavior. Climate Chamber to check the behavior of film with respect to environment.

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



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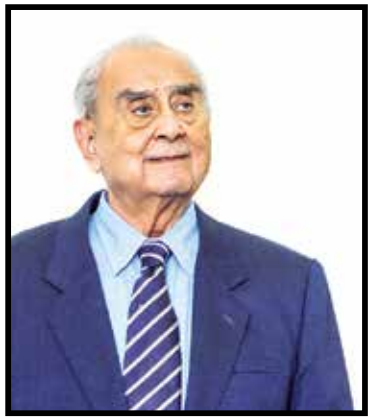
Leadership Structure



Syed Babar Ali
Chairman

Syed Babar Ali is the founder of various industries and social welfare institutions. He is the Chairman of the Board of Directors since the 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, Tetra Pak Pakistan Limited and Tri-Pack Films Ltd. Mr. Ali is also a Director in Nestle Pakistan Limited and a Board member of the Gurmani Foundation. He is serving on the Board of Trustees of The Layton Rahmatulla Benevolent Trust and is a member of Governing Body of Lahore University of Management Sciences (LUMS) and Aitchison College, Lahore.

During the year 2022, Syed Babar Ali was also inducted to the prestigious American Academy of Arts and Science class of 2020.

Syed Hyder Ali

Syed Hyder Ali is a Non-Executive Member of the Board since its inception. Syed Hyder Ali joined Packages Limited in July 1987 and currently holds the position of Managing Director and CEO. He holds a Master in Sciences from the Institute of Paper Chemistry at Lawrence University of Wisconsin, USA. He is the 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, Bulleh Shah Packaging (Private) Limited, Packages Trading FZCO 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, and Babar Ali Foundation. He is serving as a member on the board of the Ali Institute of Education, International Chamber of Commerce, World Wide Fund for Nature and Lahore University of Management Sciences. He is also serving on the Board as a Trustee of Packages Foundation.

Mr. Saquib Hussain Shirazi

Mr. Shirazi was appointed as an Independent Director of the Company. He is the Chief Executive Officer and Director of Atlas Honda Limited. In the past, he has served on the boards of Pakistan Petroleum, National Refinery, Sui Southern Gas Company, Cherat Cement, Cherat Paper, Pakistan Cables, Privatization Commission and as Chairman PAMA. He was Harvard Business School's Global Alumni Board President for the years 2006-2008. At present, he is also serving on the boards of Atlas Honda Limited, 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, Pakistan Mobile Communications Limited, SF Global Holdings Limited, Shirazi Investments (Private) Limited and Shirazi Trading Company (Private) Limited.

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 was elected as a Non-Executive Independent Director of the Company on October 03, 2012. He also serves on the boards of Descon Oxychem Limited, Thal Limited, UNICOL, Cherat Cement Limited and Century Paper Limited. He is also a member of governing body of Liaquat National Hospital.

Mr. Khurram Raza Bakhtayari

Mr. Bakhtayari, currently the Chief Financial Officer of Packages Limited, is a 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 18 years of experience in Pakistan in the field of corporate finance, accountancy, treasury, auditing, corporate affairs and administration. He is the CEO and Director of Packages Real Estate (Private) Limited. He also 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, Packages Trading FZCO and S.C. Johnson & Son of Pakistan (Private) Limited.

Ms. Nermeen Towfiq Chinoy

Ms. Chinoy 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 of CityFM89, 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 schooling in Karachi and subsequently earned her undergraduate degree in Economics from Smith College, USA. She holds a directorship on the board of Yaqeen Steels Limited.

Mr. Asghar Abbas

Mr. Asghar Abbas is a mechanical engineer and holds a Masters's degree in business administration from Nanyang Technological University (NTU). He joined Packages Limited in 1998 and developed strategic and functional level expertise in the 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 and Director at Bulleh Shah Packaging (Private) Limited and Packages Power (Private) Limited. He is also the 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 the packaging industry, he is serving on the boards of various companies of Packages Group including Packages Lanka (Private) Limited, Anemone Holdings Limited, Flexible Packages Convertors (Proprietary) Limited, Omya Pack (Private) Limited, Packages Trading FZCO, and Chantler Packages Inc.

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 a multitude of senior positions at different financial and manufacturing organizations, with his last 8 years of service at ICI Pakistan Limited as General Manager of Finance. Mr. Jamal is a fellow member of the Institute of Chartered Accountants of Pakistan. He holds a directorship in Packages Trading FZCO.

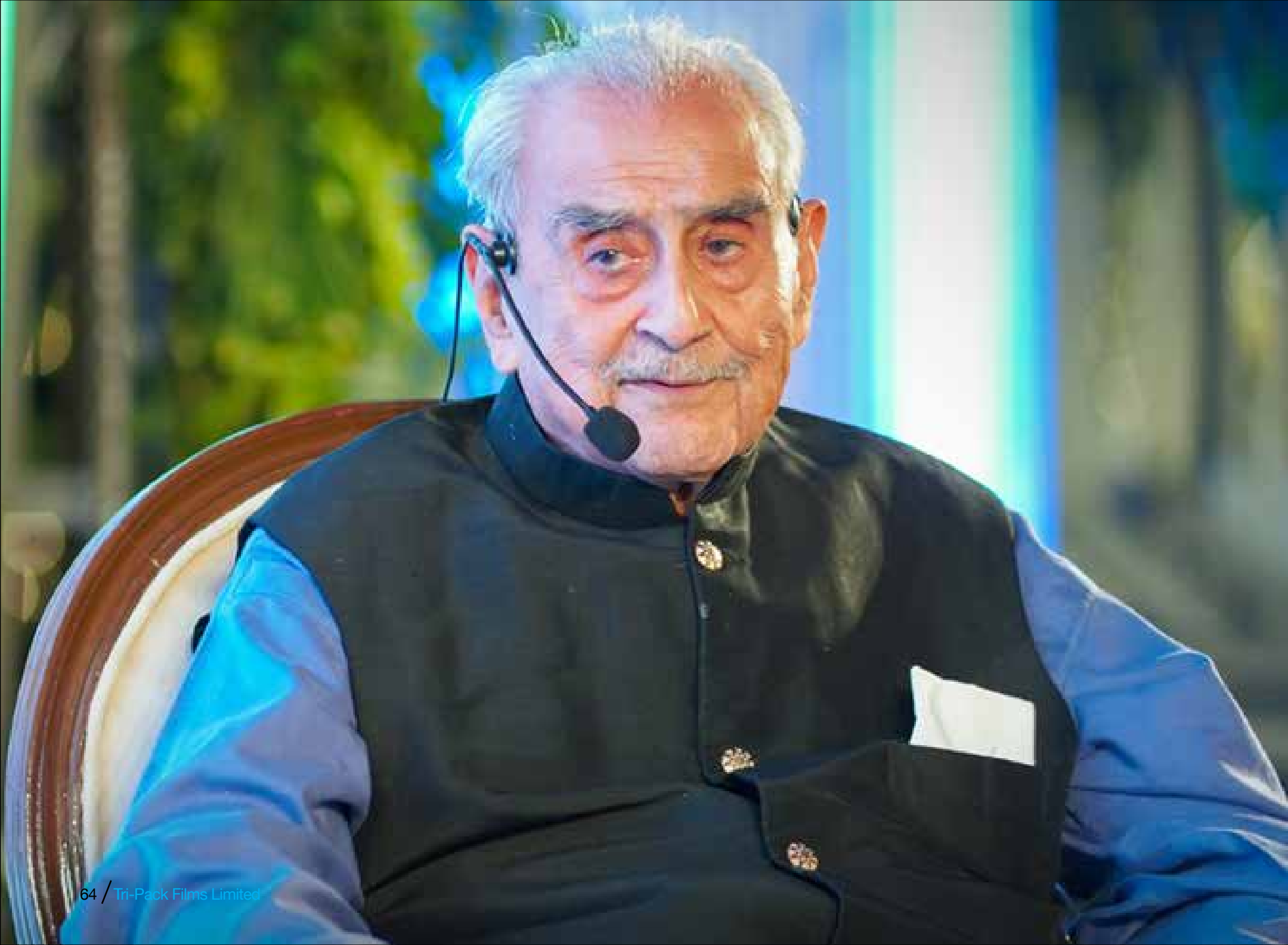
Executive Management Team

Seated Left to Right:

Mr. Mohammad Monir Khan - Head of Power House and Projects
Mr. Nasir Jamal - Chief Executive Officer
Mr. Adnan Sultan - Head of Supply Chain
Mr. Mohammad Omar Khan - Head of Sales

Standing Left to Right:

Mr. Ahmad Akhtar Rehman - Head of Safety, Health and Environment
Mr. Muhammad Zuhair Damani - Chief Financial Officer
Mr. Taimoor Ahmed - Head of Human Resources and Administration



Chairman's Review

For the year ended December 31, 2022

Dear Stakeholders,

I am glad to present you a review on the financial results of Tri-Pack Films Limited for the year ended December 31, 2022.

The current year was full of headwinds as our national economy suffered on the back of political turbulence, historic floods and monsoon rains. Rocketing inflation, depleting foreign reserves, increasing cost of energy along with global economic crisis posed a great challenge to the economy in general and to the Company's profitability and performance in particular.

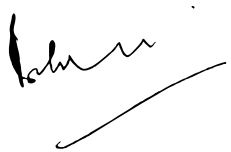
However, with proactive measures and timely decisions coupled with operational efficiencies, process improvement and cost reduction initiatives, we were able to achieve more than our expected results.

The management of the Company is monitoring the drastically evolving situation minutely and acting promptly under the guidance and direction given by the Board of Directors in terms of business continuity, liquidity and risk management, business strategy, talent development and diversification.

I am confident that despite external pressures and volatility in the economic environment, the Company will perform well, going forward also, as it is ever more committed to improvements in its operations, upgradations, product development and working capital management.

With the new investment, Company will be in a much better position in future to cope up with the market requirements and majorly expand its export base. The current economic situation of the country and the recent measures taken by State Bank of Pakistan in establishment of import LCs may cause some hiccups towards the smooth completion of the project.

I thank all our stakeholders for the trust reposed on the Company and their persistent support.



Syed Babar Ali
Chairman

Karachi:
February 08, 2023

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, 2022.

The Company remained dedicated to compliance with the applicable laws, safety, health & environment (SHE) policies and procedures in everything it does. As already communicated, a fire incident occurred at one of our BOPP film line compartments on October 3rd 2022. No major injury was reported or significant change to the critical equipment. The machinery was up and running within few weeks.

Market and Business Overview

The year 2022 witnessed different kind of challenges driven by political and economic factors. Depleting foreign exchange reserves led to limited importing capacity coupled with major rupee devaluation. This with recent devastating floods in Pakistan profoundly affected the business conditions.

This lead us to renewed focus on efficiencies and effectiveness of production, working capital and cost management.

Domestic demand was badly affected by economic challenges and reduced purchasing power of consumers.

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 was higher by 4% compared to last year. Similarly, revenue was higher by 27% in line backed by increased raw material prices.

The gross profit was higher by 19% compared to last year backed by to effective margin management coupled with improved operational efficiencies, cost saving initiatives, re-organizing of sellable product portfolio and better margins on exports.

Administrative and distribution expenses were higher primarily on the back of higher fuel cost.

Operating profit was at Rs. 2,555 million compared to Rs. 2,245 million in 2021.

Interest cost increased by 135% to last year owing to higher rates.

The Company posted profit before tax of Rs. 1,382 million in 2022 compared to Rs. 1,415 million in 2021. Consequently, profit after tax of Rs. 864m has been recorded which is lower by 17% compared to last year primary due to higher applicable taxes.

During the year we were graced with the "Best Corporate Reporting Award" by ICAP/ICMAP for our annual report 2021. This exhibits our continued effort to ensure all relevant information is shared with our valuable stake holders in the most comprehensive manner.

Key Financial Highlights are as follows:

	2022	2021
Sales Volume (M. Tonnes) - Local	43,165	42,810
Sales Volume (M. Tonnes) - Export	5,602	3,985
Net Sales Value - (Rs in Million)	24,120	19,054
Gross Profit - (Rs in Million)	3,807	3,206
Gross Profit (%)	15.78%	16.80%
Operating profit (Rs M)	2,555	2,245
Interest cost (Rs in Million)	1,153	491
Exchange loss (Rs in Million)	19	229
Loss on re-measurement of GIDC	-	106
Net Profit (Rs in Million)	864	1,042
Earnings per share (Rs)	22.26	26.85

Dividend

The directors have recommended a cash dividend of 50% i.e. Rs. 5 per share (2021: Rs. 13.0/- per share)

Names of the Board and Board Committees Members

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

Difficult national economic outlook, depleting exchange reserves and uncertain exchange rates are expected to remain a major concern in the upcoming quarters as well.

Going forward due to unavailability of foreign exchange the industry may face a stock out situation. Similar situation may be witnessed in the downstream industry.

Higher interest rates and inflation will also affect the cost of doing business. Besides the above, decline in domestic demand is also expected, in the same manner we are expecting lower global demand.

Project is progressing as per plan though changes in import regulations are creating serious challenges.

Cash Flow Strategy

During the year, cash generated from operations amounted to Rs. 4,947m (2021: used of Rs. 2,628m) largely driven by improved financial performance. Trade debts increased in line with increased sales value. Adequate funding lines and security are available with the Company to steer through the debt requirement.

Risks and uncertainties

The Company is familiar with the interest rate risk on account of the increase in benchmark policy rates and the foreign exchange risk hovering over rupee.

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 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 are regularly updated and reviewed. 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 nominated, 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 are 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 2022, Safety, Health & Environment (SHE) remained among the top priorities of the Company. The commitment of consistent focus and top priority on Safety, Health and Environment continued with addition of "Sustainability" element to ensure conservative approach remains intact towards consumption of natural resources. Tri-Pack Films Limited successfully went through its Surveillance Audit for Integrated Management Systems (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018) and achieved yet another milestone.

Tri-Pack is considering the need of global presence on sustainability platforms and has registered the company on UNGPs like SEDEX & Eco-Vadis.

We were awarded Fire Safety Award by National Forum of Environment & Health (NFEH) & Fire Protection Industry of Pakistan (FPIP), the 16th Annual OSHW (Occupational Safety, Health & Wellbeing) Award by Employees Federation of Pakistan under "Processing & Allied Sector" category and 19th Annual Environmental Excellence Award 2021 by National Forum of Environment & Health.

Carbon Footprint accounting and reporting has been initiated within the company with inclusion and expansion of scope 1 and scope 2 of GHG emissions which will lead to ISO-14064 certification. The UN SDGs training agenda has covered the reporting of stakeholder engagement matrix in which we have engaged 1052 employees in different activities in 2022 like 'Environment Week' for the 1st time. 1000 Mangroves Trees Plantation in collaboration with WWF Pakistan under the ambit of Rung Do Pakistan & 500 trees inside our facility are planned for the year 2023.

Corporate Social Responsibility

We fully recognize our responsibility towards our customers, stakeholders and the communities in which we operate in and are fortunate to be able to deliver on Sustainable Development Goals (UN's SDGs) in areas of Sustainable Operations, Community Development, Diversity & Inclusion, Women Empowerment, Environment, Health & Safety.

Further, we promote various health & well-being campaigns in an effort to boost health & well-being of our staff, be it on-site Hepatitis Vaccination & Testing, Mental Health, Diabetes Day or Breast Cancer Awareness sessions.

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. Tri-Pack recognizes that creating and maintaining a positive workplace culture that fosters respect and dignity takes effort and diligence, as well as, a proactive approach to keeping up to date with evolving attitudes, expectations and legislations.

To support the millions of people in the Country affected by heavy rainfall, flash floods and landslides since July, Packages Group and Tri-Pack in association dedicated its efforts to raise funds to assist in relief work in the flood-hit areas of Pakistan by rebuilding homes and livelihoods for displaced families. To that end, we partnered with Shahid Afridi Foundation to maximize the outreach of relief work in Balochistan.

Management Information Systems

Our focus remains on maximum utilization of our ERP to ensure effective planning and robust internal controls. We have a dedicated team who constantly strives 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, our focus is on delivering HR Excellence and re-imaging the future of HR.

We 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.

Moreover, our hallmark programs like the Summer Internship, Management Trainee Program and Trade Apprenticeship Program enables 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 then those become the backbone of our operations.

Quality Management

Quality has been the essence of our products. 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 Regulations 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 annexed as 'Wealth generated and distributed' on page 162 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.

xi) The value of investments of provident and gratuity funds, as at June 30th 2022 based on their un-audited accounts is as follows:

	Rs '000
Provident Fund	202,784
Gratuity Fund	147,494

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	NIL
Chief Executive Officer	NIL
Chief Financial Officer	NIL
Company Secretary	NIL
Head of Internal Audit	NIL
Other Executives	NIL
Spouses	NIL
Minor children	NIL
Sale of Shares:	NIL

Board of Directors

Syed Babar Ali	(Chairman - Non-Executive Director)
Syed Hyder Ali	(Non-Executive Director)
Mr. Khurram Raza Bakhtayari	(Non-Executive Director)
Mr. Asif Qadir	(Non-Executive Director)
Mr. Asghar Abbas	(Non-Executive Director)
Ms. Nermeen Towfiq Chinoy	(Independent Director)
Mr. Saquib Hussain Shirazi	(Independent Director)
Mr. Nasir Jamal	(Deemed Director)

Change in the Composition of the Board

There was no change in the Composition of the Board during the year 2022.

Composition of Board

The Board of directors of the Company consists of:

(a)	Male	7
(b)	Female	1

Composition:

(i)	Independent Directors	2
(ii)	Non-Executive Directors	5
(iii)	Executive Directors	1*
(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 2022, five (5) 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	4
2.	Syed Hyder Ali	5
3.	Mr. Asif Qadir	5
4.	Ms. Nermeen Towfiq Chinoy	4
5.	Mr. Saquib Hussain Shirazi	5
6.	Mr. Khurram Raza Bakhtayari	5
7.	Mr. Asghar Abbas	4
8.	Mr. Nasir Jamal	5

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

Board Audit Committee

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

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	4
2.	Mr. Asif Qadir	4
3.	Mr. Khurram Raza Bakhtayari	4

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

Human Resource and Remuneration Committee

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

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	1
2.	Mr. Khurram Raza Bakhtayari	1
3.	Mr. Asghar Abbas	1

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

Directors' Remuneration

The Company has approved the Director's Remuneration Policy. The policy as set out by the Board has been given on page 74 of the annual report.

Further, details of aggregate amount of remuneration to executive and non-executive directors is mentioned in the Financial Statements, note 30, page 216 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. 4.9 billion in the year 2022.

Pattern of Shareholding

A statement of the pattern of shareholding of certain class of shareholders as at December 31, 2022, disclosure of which is required under the reporting framework, is included in the annexed shareholders' information given on page 229 of the annual report.

Board's Performance Evaluation By External Consultant Once In Three Years

The Board has carried out an independent / external performance evaluation of the Board and its Committees. The evaluation identified areas for further improvement in line with global best practices. The main focus remained on strategic growth, business opportunities, risk management, Board composition and providing oversight to the management. Please refer to page no. 73 of the Annual Report for further details regarding the evaluation.

As per the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019 and S.R.O. 301 (I)/2020 dated 9 April 2020, the Company appointed the Pakistan Institute of Corporate Governance (PICG) to conduct an external assessment of the Board for the year 2022, so as to obtain an independent assessment of the strengths and capabilities of the board and its committees.

External Auditors

The present auditors' M/s A. F. Ferguson & Co., Chartered Accountants are retiring and being eligible, offer 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.

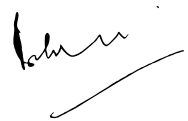
Chairman's Review

The Chairman's review is part of the Annual Report given on page 65 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
Karachi, February 08, 2023



Syed Babar Ali
Director

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 Cheif Executive officer 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 Cheif Executive officer 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 Cheif Executive officer 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.

However, this year, In order to ensure objectivity in the performance evaluation process, Pakistan Institute of Corporate Governance (PICG) was appointed to evaluate the performance of the Board, its Committees and Members.

Director's Orientation and Training

No new directors were appointed on the Board during the year ended December 30, 2022. New directors receive sufficient induction training to be effective in their roles. With regards to the same, the Board Members are regularly provided with an update on new applicable laws, rules and regulations including amendments thereto to apprise them with their powers, duties, responsibilities, Company's Corporate Governance structure and undertaking training on Packages' Group Code of Conduct.

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 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 it 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.

Leadership commitment to gender equality is essential to truly create an inclusive environment, therefore, each year we endeavor to increase the representation of women in the workforce by incorporating Gender Diversity as an essential corporate goal. In 2022, we set a hiring target for female executives at 25% of new hires, and achieved a success rate (%) of 33% of new hires, instead. We understand that we have a long way to go in closing the representation gap, however, faced with these challenges, we are committed to re-writing the gender playbooks so that we can change the fabric of everyday work life by encouraging relentless execution, fresh ideas, and courageous personal actions.

We always 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), promote & develop, 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 individuals from the trans community and 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 35 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 2022 along with basis of relationship and aggregate % of shareholding has been taken into account in note 35 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 5 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.

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

Statement of Policy

The plan relates to response(s) to disruptions in day to day business affairs that could potentially affect physical property, data & records and personnel. This plan details the Company's continuity and recovery of critical business functions, necessary operations and essential services on a priority basis when triggered at the time of any disaster or disruption. It is designed to reduce the risk of occurrence and resulting losses from an unexpected disruption of the critical functions / operations.

Purpose

The plan is developed for smooth continuity, restoration and recovery of business operations in the event of an emergency. Proper execution of this plan will assist in facilitating continuity and timely recovery of critical business functions while' keeping disruption losses and recovery downtime well within the management defined tolerance levels. The Tri-Pack's Business Continuity Plan is designed to reduce the risk to an acceptable level by ensuring the restoration of Critical processing.

Scope
It is developed to identify:

- Systems, tasks and processes which are crucial to the operation of business functions and define back-up procedures for business continuity.
- Personnel responsible for business continuity activities and to specify their roles and responsibilities in relation to BCP.
- Steps and resources required to ensure business continuity and restoration at the time of emergency.

Objective

- Protect technology assets and information resources from damage.
- Minimize economic / opportunity losses resulting from disruptions to business functions.
- Provide an action plan to facilitate an orderly business continuity, restoration and recovery of identified critical business functions. All the departments will have to develop action plans pertinent to their activities and processes in order to assist the overall action plan.
- Make decisions and to document reasoning and responses before, while and after a disruption occurs.
- Identify and document the process of disaster declaration, BCP invocation and disaster management.
- Identify key individuals who will manage the process of recovery and restoration of businesses after an emergency and those who will complete the specific activities necessary to continue critical business functions.
- Maintain catalogue of outsourced services required (e.g. names and details of contractors), necessary equipment and other internal / external resources that could assist in the recovery process.

Beneficial Ownership

Details in relation to beneficial ownership and any change there in can be found in note 1, 11 and 35 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

Mrs. Nermeen Towfiq Chinoy , Chairman Audit Committee (at that time) was present at the 30th Annual General Meeting of Tri pack Films Limited dated April 10, 2022 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 Packages Group Internal Audit Function. 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.

Conflict of Interest Policy

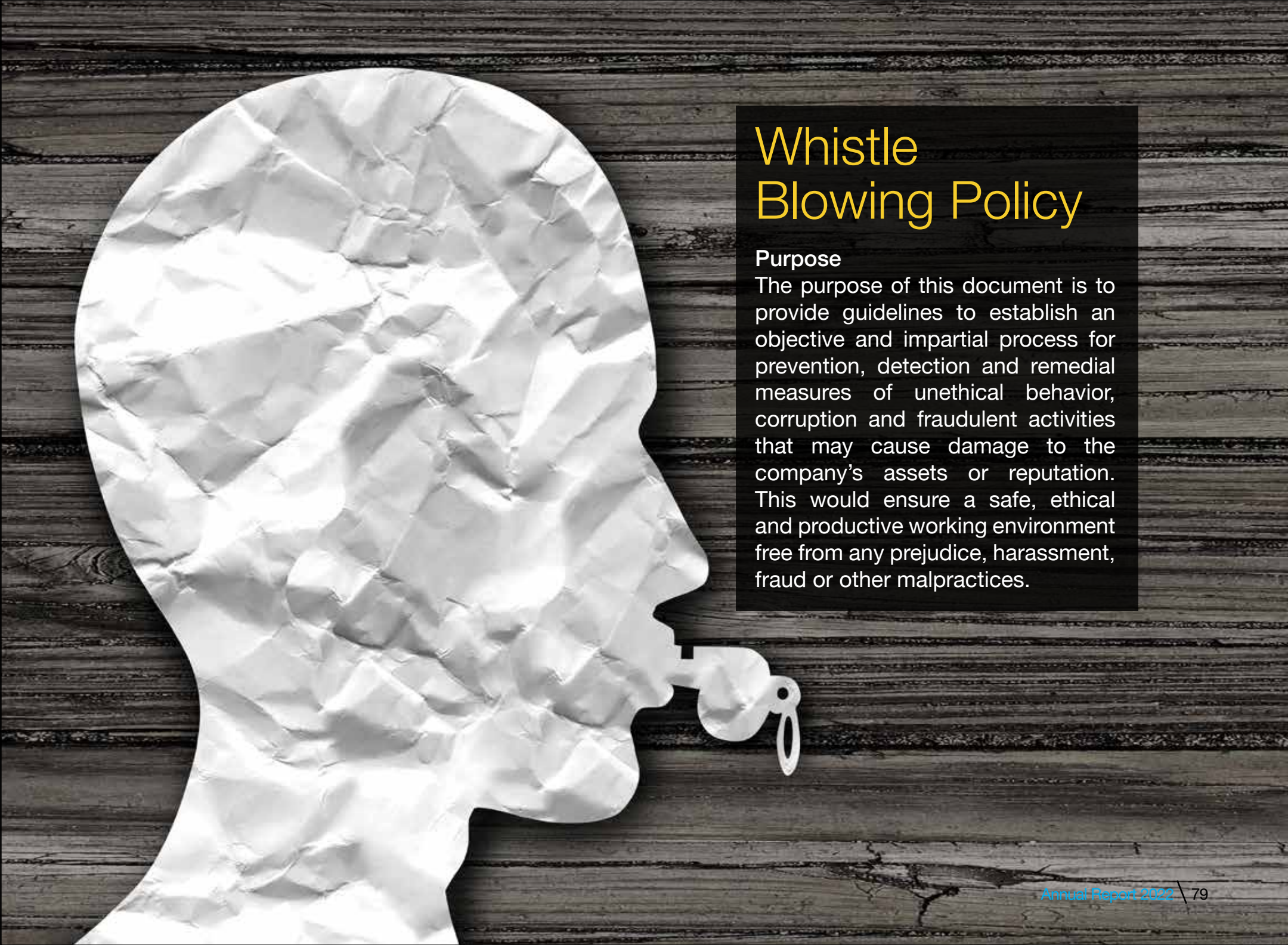
Tri-Pack Films Limited expects all employees to be free from actual or potential conflicts of interest.

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.

- 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.

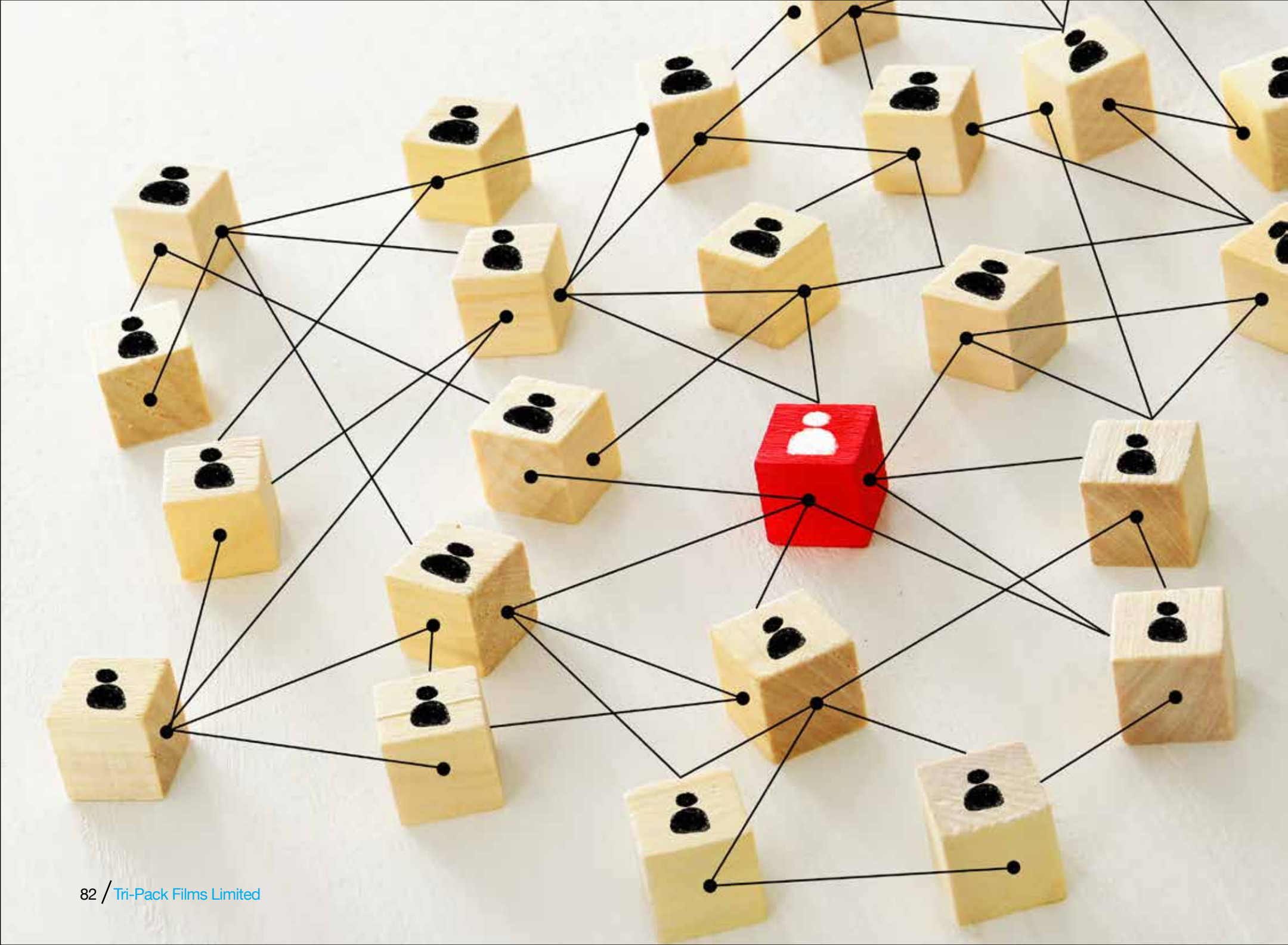
MANAGEMENT & REPORTING OF COMPLAINTS

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 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
1/4
4/4
+10,8 %

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.

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 - Truthfulness, integrity, transparency and trust
  Lead - We stand up for what we believe in
  Honesty - Treat people with respect and dignity
  Courage - We aspire to lead in everything we do

- 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.

HARASSMENT

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. 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 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 mangers, 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

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.

Packages Group

Principal Board Committees

Board of Directors

(i)	Syed Babar Ali	(Chairman)
(ii)	Syed Hyder Ali	
(iii)	Mr. Asif Qadir	
(iv)	Mr. Khurram Raza Bakhtayari	
(v)	Ms. Nermeen Towfiq Chinoy	
(vi)	Mr. Saquib Hussain Shirazi	
(vii)	Mr. Asghar Abbas	
(viii)	Mr. Nasir Jamal	(Chief Executive Officer)

Audit Committee Members

(i)	Ms. Nermeen Towfiq Chinoy	(Chairperson)
(ii)	Mr. Asif Qadir	
(iii)	Mr. Khurram Raza Bakhtayari	

Human Resource and Remuneration (HR&R) Committee Members

(i)	Ms. Nermeen Towfiq Chinoy	(Chairperson)
(ii)	Mr. Asghar Abbas	
(iii)	Mr. Khurram Raza Bakhtayari	

Executive Committee Members

(i)	Syed Hyder Ali	(Chairman)
(ii)	Mr. Khurram Raza Bakhtayari	
(iii)	Mr. Asghar Abbas	

Terms of Reference of the 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 characterized 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.

TERMS OF REFERENCE OF EXECUTIVE COMMITTEE

A. Purpose- A Sub Committee of the Board with the following objectives:

(i) The Committee shall comprise of atleast three Board members.

(ii) The Chair of the Committee shall be the Non-Executive Director on the Board.

(iii) The Company Secretary shall act as the Secretary to the Committee.

B. Composition

(i) The Committee shall comprise of atleast three Board members.

(ii) The Chair of the Committee shall be the Non-Executive Director on the Board.

(iii) The Company Secretary shall act as the Secretary to the Committee.

C. Term

(i) Unless otherwise determined by the Board, the duration of appointment will be for a continuous term.

D. Frequency of meetings

(i) The Committee shall meet as often as required.

(ii) Meetings of the Committee may be called at any time to consider any matters falling within these Terms of Reference or the resolution could be passed through circulation.

(iii) The minutes of Committee meetings or the resolutions passed by the Committee will be circulated to all Board members unless, exceptionally, it would be inappropriate to do so.

(iv) Minutes of each Committee meeting or the resolutions passed by the Committee will be disclosed at the next meeting of the Board following their approval.

E. Quorum

(i) The quorum for any meeting of the Executive Committee shall be two. For any resolution requiring approval through circulation the Quorum is two members.

(ii) A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

F. Responsibilities

(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:

a) Opening/ closing of bank accounts

b) Securing bank's normal funded and non-funded facilities.

c) Approval of share transfers

d) 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).

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.

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, 2022.

We would like to make the following submissions on Adherence to the Code of Corporate Governance The Board Audit Committee has concluded its annual review of the conduct and operations of the company for the year ended December 31, 2022 and reports that:

- 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 financial statements. Applicable accounting standards were followed in preparation of the financial statements of the company on a going concern basis for the financial year ended December 31, 2022, which present fairly the state of affairs, results of operations, profits, cash flows and changes in equity of the company for the year under review.

- The Chief Executive Officer and the Chief Financial Officer have reviewed the financial statements of the Company and the Chairman & Board of Directors Report. They acknowledge their responsibility for true and fair presentation of the financial statements, 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 such transactions have been disclosed.

INTERNAL AUDIT FUNCTION

- The internal control framework was effectively implemented through outsourcing the internal audit function to M/s EY Ford Rhodes, Chartered Accountants, previously. Presently the Company's internal Audit function is being looked after by the Chief Internal Auditor in compliance of the Code of Corporate Governance, who is assisted by in house staff. The Chief Internal Auditor reports directly to the Chairman of the Board Audit Committee. The Chief Internal Auditor has the required qualifications as prescribed under the Regulations.

- The company's system of internal control is sound in design and has been continually evaluated for effectiveness and control.

- The Board Audit Committee has ensured the achievement of operational, compliance and financial reporting objectives, safeguarding of the assets of the company and the shareholder's wealth through effective financial, operational and compliance controls and risk management at all levels within the company.

- Coordination between the external and internal auditors was facilitated to ensure efficiency and contribution to the company's objectives, including a reliable financial reporting system and compliance with laws and regulations

EXTERNAL AUDITORS

- The statutory auditors of the company, 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, 2022 and shall retire on the conclusion of the 31th 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 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 Programme 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 as auditors.

- 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, 2023 on terms & remuneration negotiated by the Chief Executive Officer.

Ms. Narmeen Towfiq Chinoy
Chairperson - BAC

Statement of Compliance

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

For the year ended December 31, 2022

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

1. The total number of directors are 8 as per the following:
   a. Male: 7
   b. Female: 1

2. The composition of the Board is as follows:
   i. Independent Directors (Female) 1
   ii. Independent Director (Male) 1
   iii. Non-executive Directors 5
   iv. Executive Directors 1

*Determination of number of independent directors under Regulation 6 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 possess requisite competencies, skills, knowledge and experience to hold the office as such and 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, (the Act).

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. Iqra Sajjad was appointed as the Company Secretary in place of Ms. Arjumand Ahmed Shah and Mr. Shahzeb Haider was appointed as the Head of Internal Audit in place of Mr. Hammad Ahmed Butt.

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

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.

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. During the year, the internal audit function was shifted to Group Internal Audit function from EY Ford Rhodes. The function has been set up by the Board and is considered effective, suitably qualified and experienced for the purpose and is 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 requirement, other than regulations 3, 6, 7, 8, 27 ,32 ,33 and 36 is stated in clause 12.

MR. NASIR JAMAL
Chief Executive Officer

(Syed Babar Ali)
Chairman

Karachi:
Date: February 08, 2023

Independent Auditor's Review Report

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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, 2022 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, 2022.

Chartered Accountants
Karachi
Dated: 14 March 2023
UDIN:CR202210073AfU5SrJDN

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
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■ KARACHI ■ LAHORE ■ ISLAMABAD

IT Governance and Cyber Security

110 Information Technology Policy

110 IT Governance and Security

111 Disaster Recovery Plan (DRP)

Information Technology Policy (IT)

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.

IT Goverance & Security

At Tri-Pack Films Limited, IT governance and cybersecurity is reviewed at Board Audit Committee level. As per the internal audit plan, Information System (IS) & Information Technology (IT) General Controls including IT governance and cybersecurity audit is conducted annually and report presented to Board Audit Committee. Our IT policies and practices are consistent with those of our Packages Group IT as well. Group IT function is supervised by an IT Steering Committee of which our director Mr. Khurram Raza Bakhtayari is a member.

Following reviews and tests are conducted on a defined frequency to uphold and continue to rely on our IT frameworks and network integrity. The same are reported and reviewed by our top management and in case of any identified threats, the same is communicated to the Board Audit Committee with action plans on addressing the same:

- Risk assessment of overall IS and IT function (last such review conducted in Dec 2022)
- Internal and external penetration tests by Group IT department and external experts to assess vulnerability of our IT networks to potential threats and breaches.
- New patches (including security upgrades) released by respective IT equipment manufacturers are timely and regularly updated without fail and the same is monitored on regular basis.
- Internet traffic is controlled through firewalls with adequate protocols for minimum required access at every level.
- Internet traffic is monitored and reviewed to identify potential threats and appropriate steps are immediately taken.
- To increase awareness among employees, IT security awareness training is being conducted on frequent basis which covers password security, internet security, safe browsing protocols, portable device access protocols, email security, ransom ware knowledge and safeguards, etc.

Our code of conduct also covers email, computers and network security and is obligatory on all employees to ensure adherence to the same.

Tri-Pack invests in its ERP (SAP) system to continuously upgrade adapt

to the industry best practices. System controls are focused and relied upon rather than manual controls for smooth workflows and consistent control application. New upgrades in ERP are implemented after reviewing the benefits like for e.g. SAP WMS (Warehouse Management System) module was implemented during the year which provides clear visibility to inventory and minimized time and effort required in efficiently managing our finished goods inventory.

Disaster Recovery Plan (DRP)

Disaster Recovery Plan (DRP) is a part of overall Business Continuity Plan (BCP) at TPFL. While the BCP covers the entire spectrum of businesses and activities carried out by TPFL, DRP is focused chiefly on procedures to recover and protect the IT infrastructure.

The purpose is to prepare Tri-Pack Films Limited in the event of disruptions affecting corporate local area networks (LAN), wide area networks (WAN), Internet access and Data services due to factors beyond our control (e.g., natural disasters or man-made events). This plan will also guide restoration of IT systems integrity and normal operations to the widest extent possible in a minimum time frame.

The scope of this plan is limited to Information Technology assets and processes and the related data. This is a disaster recovery (DR) plan, not a daily problem resolution procedures document.

At Tri-Pack, we have a separate DRP in place which is designed to mitigate the risk of system and service unavailability by providing written and cost effective contingency solutions for the prompt and effective continuation or resumption of mission-critical services in the event of a disaster.

Performance and Position

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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	45%	Other receivables	4%
Intangibles	0%	Refunds due from government - sales tax	0%
Long term deposits	0%	Income tax - refundable	8%
Inventories	23%	Cash and bank balances	5%
Trade debts - net	14%		100%
Advances and prepayments	1%		

Non-Current and Current Assets

Property, plant and equipment	41%	Other receivables	2%
Intangibles	0%	Refunds due from government - sales tax	2%
Long term deposits	0%	Income tax - refundable	9%
Inventories	27%	Cash and bank balances	1%
Trade debts - net	17%		100%
Advances and prepayments	1%		

Equities and Liabilities

Equity & Reserves	30%	Deferred Liability	6%
Long-term Financing Facility	15%	Current Liabilities	49%
			100%

Equities and Liabilities

Equity & Reserves	28%	Deferred Liability	4%
Long-term Financing Facility	16%	Current Liabilities	52%
			100%

Ratio Analysis

	Year to December 31 2022	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
Profitability Ratios						
Cost/Income Ratio	49.0%	42.8%	57.2%	112.3%	99.6%	50.1%
Return on equity	17.1%	22.1%	15.8%	-9.5%	4.2%	14.5%
Return on capital employed	19.6%	20.4%	19.1%	8.6%	7.4%	13.6%
Gross profit ratio	15.8%	16.8%	16.2%	10.1%	10.4%	14.4%
Net profit/Loss to sale	3.6%	5.5%	4.1%	-2.1%	1.2%	4.7%
EBITDA margin to sale	14.0%	16.1%	14.9%	9.1%	10.1%	14.6%
Leverage ratio	0.5	1.7	43.8	0.2	(5.2)	(3.7)
Shareholders Funds	8.3%	8.3%	10.5%	11.3%	11.0%	12.4%
Return on shareholder funds	62.3%	75.1%	44.3%	-22.3%	11.3%	41.3%
Liquidity Ratios						
Current ratio	1.1	1.1	1.0	0.8	0.9	0.9
Quick / Acid test ratio	0.7	0.6	0.6	0.5	0.5	0.6
Cash to Current Liabilities	0.1	(0.1)	(0.2)	(0.3)	(0.3)	0.0
Cash flow from Operations to Sales	0.2	(0.1)	0.2	0.2	0.0	0.0
Cash flow to Caplital Expeniture	3.4	(3.8)	1.4	6.2	(0.7)	0.2
Cash flow Coverage Ratio	0.67	(0.3)	0.5	0.7	0.0	0.0
Activity / Turnover Ratios						
Inventory turnover	6.6	4.0	6.7	7.6	5.5	7.2
No. of Days in Inventory	55.3	91.0	54.6	47.9	66.0	50.6
Debtor turnover ratio	12.2	7.6	10.4	7.5	6.7	8.7
No. of Days in Receivables	30.0	48.0	35.2	48.9	54.5	42.0
Creditors turnover ratio	89.5	49.8	5.0	4.8	27.3	22.9
No. of Days in payables	4.1	7.3	72.6	75.7	13.4	15.9
Total Assets turnover ratio	1.4	1.1	1.1	1.2	1.0	1.1
Fixed Assets turnover ratio	3.2	2.8	2.1	2.4	2.2	2.0
Opearting Cycle	81.1	131.7	17.2	21.1	107.2	76.7
Employee Productivity Ratio						
production per employee (tons)	158.0	164.8	157.4	153.4	150.7	153.3
Revenue per employee (Rs.000)	79,605	65,479	48,520	46,911	41,069	36,584
Staff turnover ratio	-3.9%	6.8%	0.6%	2.8%	3.9%	9.4%
Spares Inventory as a % of asset cost	3.0%	2.9%	3.9%	3.2%	3.0%	3.1%
Maintenance cost as a % of operating expenses	2.5%	2.7%	3.1%	2.5%	2.7%	2.9%
Capital Structure Ratios						
Net assets per share	130.4	121.3	99.9	84.0	96.2	101.9
Financial Leaverage ratio	1.5	1.9	1.2	1.5	1.8	1.3
Weighted average cost of debt	15.5	6.7	13.0	15.6	7.1	5.8
Total Debt to equity ratio	59:41	65:35	54:46	60:40	65:35	57:43
Long Term Debt to Equity Ratio	38:62	39:61	38:62	28:72	34:66	40:60
Interest coverage	2.3	2.8	2.1	1.0	1.5	3.4

	Year to December 31 2022	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
Investment / Market Ratios						
Earnings per share (EPS)	22.3	26.9	15.8	(8.0)	4.1	14.8
Price earning ratio	5.8	7.6	10.3	(10.5)	26.4	9.5
Price to Book ratio	30.0	47.1	48.1	26.5	33.0	48.5
Dividend %	50%	130%	50%	-	40%	100%
Dividend Yield ratio	3.9	6.4	3.1	-	3.7	7.1
Dividend Payout ratio	22.5	48.4	31.6	-	98.6	67.8
Dividend Cover ratio	4.5	2.1	3.2	-	1.0	1.5
Cash dividend per share/stock dividend per share	0.2	0.5	0.3	-	1.0	0.7
Break-up Value per share	130.4	121.3	99.9	84.0	96.2	101.9
Market value per share	125.4	203.1	162.8	84.2	107.1	140.0
Highest Market value per share during the period	203.1	236.6	198.0	120.1	183.2	327.0
Lowest Market value per share during the period	123.3	154.0	63.1	47.5	99.9	130.0

Profitability Ratios

Year 2018 and 2019 performance was under pressure due to entry of competition leading to supply overhang in the market. Also, higher raw material and energy cost led to reduced profitability. 2020, although pandemic stricken was a better year in terms of profitability coupled with major reduction in finance cost. The Company continued this performance in 2021, as it generated highest ever profit since inception. Owing to timely decisions with respect to pricing and cost cutting amidst challenges of raw material availability and prices, shipment delays and exchange rate fluctuation. In 2022, despite various challenges in the form of floods, depletion of foreign exchange reserves, higher fuel cost, spiking inflation coupled with decline in global demand, the Company was able to conclude another remarkable year with its well-timed and prompt decisions.

Liquidity Ratios

The current and quick ratios shows a healthy trend and gradual improvement.

Activity/Turnover Ratios

Our focus remained on recoveries from customers amidst the economic and global challenges, resulting in reduction in trade receivables. Lower payable days depict that the Company is operating on sight payment terms, due to the uncertainty and hike in exchange rates leading to decline in operating cycle.

Investment/Market Ratios

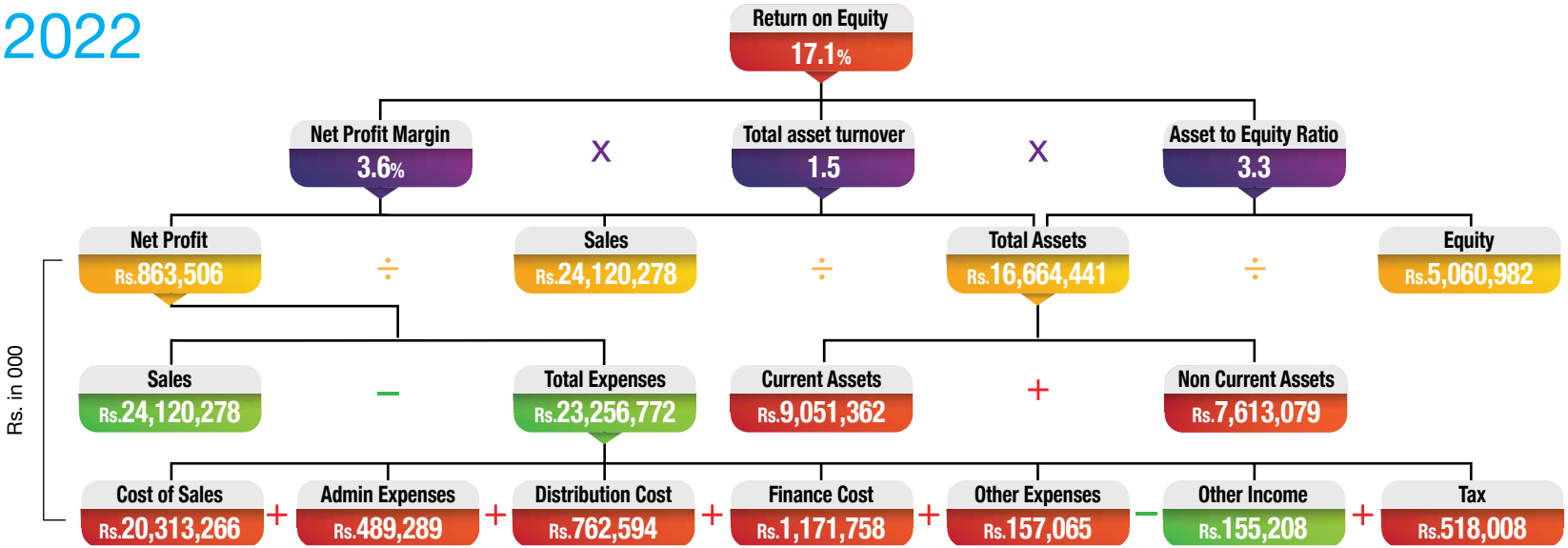
The share price of the company and the ratios are in effect a reflection of the market's confidence in the Company and its healthy performance.

Capital Structure Ratio

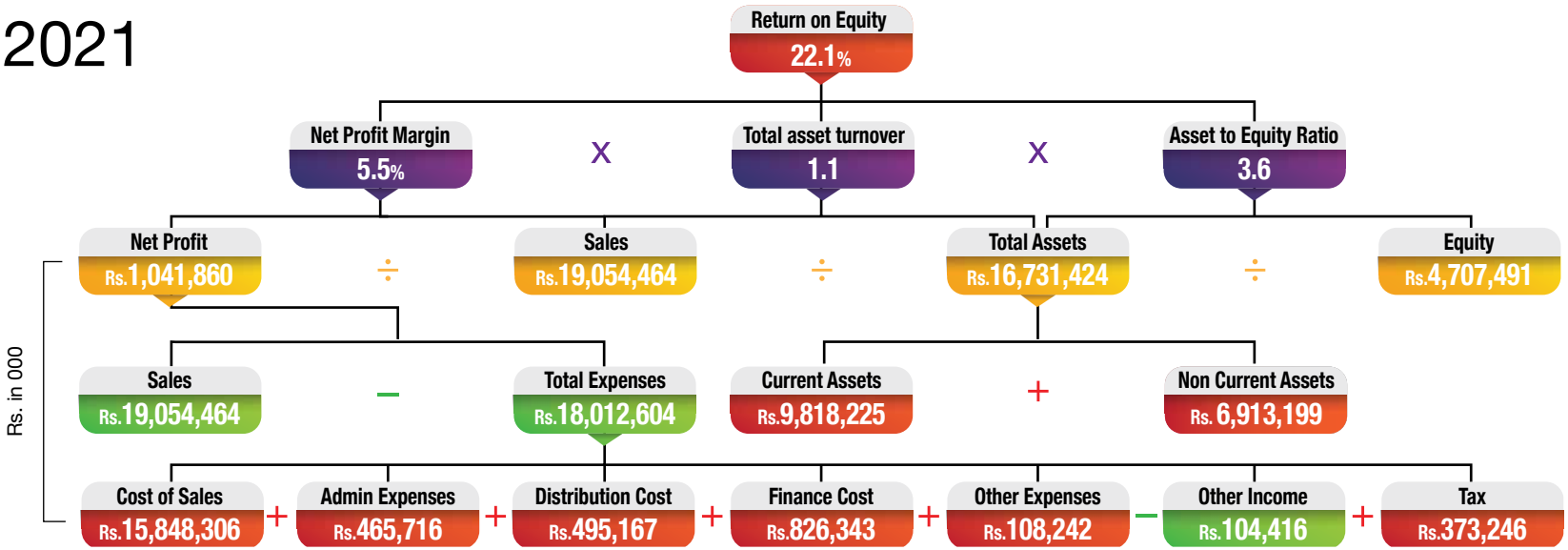
Consistent high profits and improved cash generation are resulting in reduction in overall debt levels despite higher short term debt levels to finance working capital requirement.

DuPont Analysis

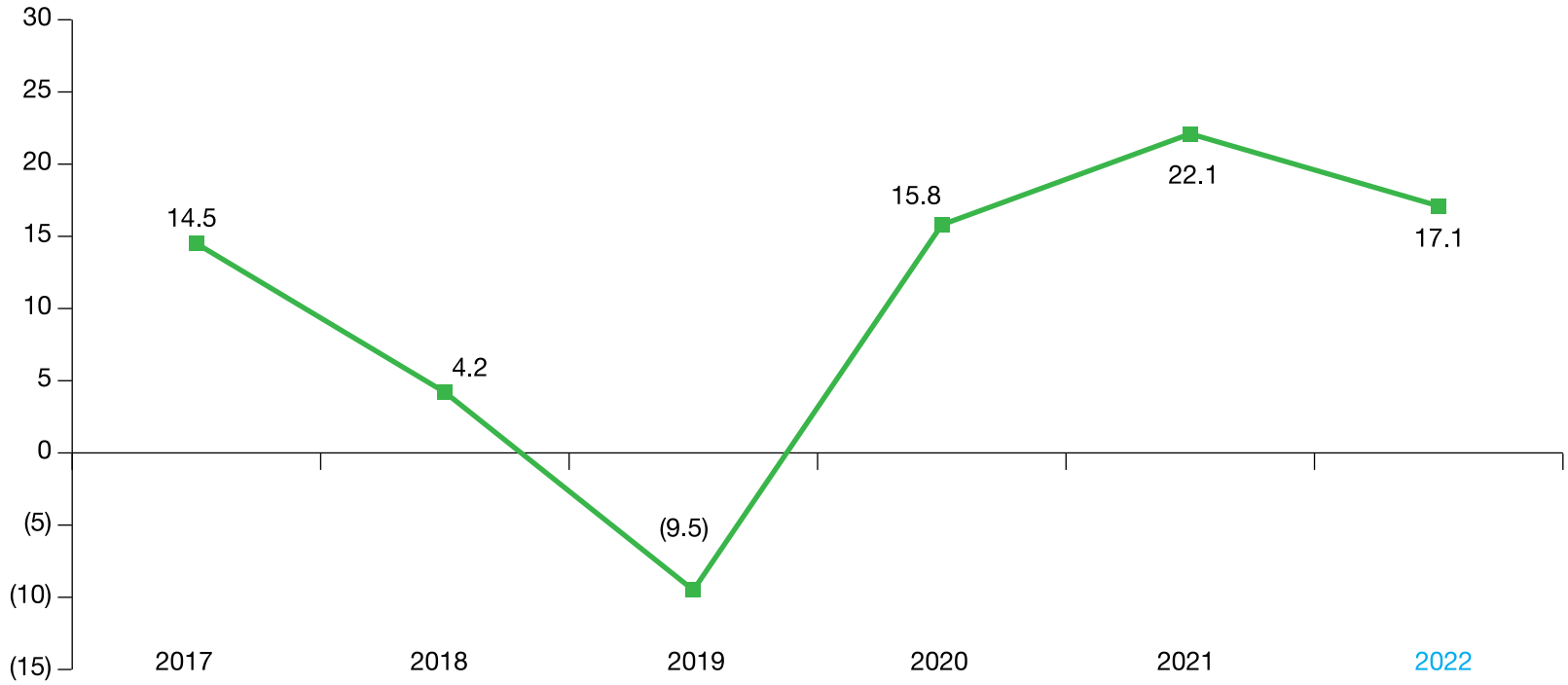
2022



2021



Graphical Presentation of DuPont Analysis



Comment / Analysis

Despite healthy revenue growth, net profit margins were lower due to significant increase in interest cost (rate impact) and tax charge (owing to retrospective imposition of super tax). This led to lower return on equity for the year compared to year 2021.

Horizontal Analysis

	2022		2021		2020		2019		2018		2017	
	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	5,060,982	7.5	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
Long term financing facilities	2,491,228	(4.3)	2,603,142	22.6	2,123,085	144.0	870,002	(18.7)	1,070,001	(24.9)	1,424,024	(44.0)
Non Current Liability	970,594	46.2	663,679	(25.4)	889,329	135.7	377,377	38.6	272,307	(36.6)	429,350	96.9
Current Liabilities	8,141,638	(7.0)	8,757,112	39.8	6,264,771	(19.9)	7,822,735	3.9	7,531,001	39.8	5,386,771	17.6
	16,664,441	(0.4)	16,731,424	27.2	13,153,110	6.7	12,329,474	(2.2)	12,604,788	12.6	11,194,614	0.4
Property Plant and Equipment	7,571,398	9.7	6,900,023	(1.7)	7,022,510	16.3	6,038,793	(0.6)	6,073,755	(1.6)	6,174,706	(2.7)
Other Non-Current Assets	41,681	216.3	13,176	(23.5)	17,234	(25.6)	23,155	204.7	7,599	(11.9)	8,629	38.0
Current Assets	9,051,362	(7.8)	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
Inventories	3,701,040	(18.3)	4,527,514	83.7	2,464,747	11.7	2,206,552	(14.3)	2,575,128	38.9	1,854,103	3.6
Trade recievables	2,283,807	(21.5)	2,910,764	71.6	1,696,150	(26.0)	2,292,142	(1.4)	2,324,698	40.6	1,653,372	9.6
Advances and prepayments	106,922	(20.1)	133,819	45.6	91,901	19.7	76,804	(26.4)	104,392	6.4	98,112	(0.7)
Refunds due from government - sales tax	29,886	(91.3)	344,828	43.6	240,160	88.8	127,209	(16.3)	151,956	363.8	32,762	-
Other receivables	712,034	178.0	256,106	9.4	234,054	121.4	105,715	(22.2)	135,853	20.9	112,346	(5.8)
Icome Tax refundable	1,313,483	(8.7)	1,438,326	15.2	1,248,996	0.2	1,246,809	5.0	1,187,537	12.5	1,055,560	(4.0)
Cash and bank balances	904,190	337.1	206,868	50.6	137,358	(35.3)	212,295	383.9	43,870	(78.6)	205,024	16.0
	16,664,441	(0.4)	16,731,424	27.2	13,153,110	6.7	12,329,474	(2.2)	12,604,788	12.6	11,194,614	0.4
Profit & Loss												
Revenue from Contract with Customers	24,120,278	26.6	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
Gross profit	3,807,012	18.7	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)
Administration and selling expenses	1,251,883	30.3	960,883	8.2	887,688	12.6	788,218	14.8	686,823	16.5	589,666	(3.2)
Operating profit	2,555,129	13.8	2,245,275	44.6	1,553,122	121.4	701,606	1.8	689,370	(41.4)	1,176,238	(15.0)
Finance Cost	1,171,758	41.8	826,343	2.1	808,992	(1.3)	819,480	61.5	507,524	42.9	355,197	(21.9)
Profit/(loss) before taxation	1,381,514	(2.4)	1,415,106	82.9	773,512	(4,146.0)	(19,118)	(108.7)	220,069	(72.9)	811,016	(11.2)
Provision for taxation	518,008	38.8	373,246	134.2	159,401	(45.2)	290,696	363.5	62,712	(73.7)	238,374	49.8
Profit/(loss) after taxation	863,506	(17.1)	1,041,860	69.7	614,111	298.2	(309,814)	(296.9)	157,357	(72.5)	572,642	(24.1)

Vertical Analysis

	2022		2021		2020		2019		2018		2017	
	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%
Statement of Financial Position												
Equity and Reserves	5,060,982	30.4	4,707,491	28.1	3,875,925	29.5	3,259,360	26.4	3,731,479	29.60	3,954,469	35.3
Long term financing facilities	2,491,228	14.9	2,603,142	15.6	2,123,085	16.1	870,002	7.1	1,070,001	8.49	1,424,024	12.7
Non Current Liability	970,594	5.8	663,679	4.0	889,329	6.8	377,377	3.1	272,307	2.16	429,350	3.8
Current Liabilities	8,141,638	48.9	8,757,112	52.3	6,264,771	47.6	7,822,735	63.4	7,531,001	59.75	5,386,771	48.1
	16,664,441	100.0	16,731,424	100.0	13,153,110	100.0	12,329,474	100.0	12,604,788	100.0	11,194,614	100.0
Property Plant and Equipment	7,571,398	45.4	6,900,023	41.2	7,022,510	53.4	6,038,793	49.0	6,073,755	48.2	6,174,706	55.2
Other Non Current Assets	41,681	0.3	13,176	0.1	17,234	0.1	23,155	0.2	7,599	0.1	8,629	0.1
Current Assets	9,051,362	54.3	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
Inventories	3,701,040	22.2	4,527,514	27.1	2,464,747	18.7	2,206,552	17.9	2,575,128	20.4	1,854,103	16.6
Trade debts	2,283,807	13.7	2,910,764	17.4	1,696,150	12.9	2,292,142	18.6	2,324,698	18.4	1,653,372	14.8
Advances and prepayments	106,922	0.6	133,819	0.8	91,901	0.7	76,804	0.6	104,392	0.8	98,112	0.9
Refunds due from government - sales tax	29,886	0.2	344,828	2.1	240,160	1.8	127,209	1.0	151,956	1.2	32,762	0.3
Other receivables	712,034	4.3	256,106	1.5	234,054	1.8	105,715	0.9	135,853	1.1	112,346	1.0
Icome Tax refundable	1,313,483	7.9	1,438,326	8.6	1,248,996	9.5	1,246,809	10.1	1,187,537	9.4	1,055,560	9.4
Cash and bank balances	904,190	5.4	206,868	1.2	137,358	1.0	212,295	1.7	43,870	0.3	205,024	1.8
	16,664,441	100.0	16,731,424	100.0	13,153,110	100.0	12,329,474	100.0	12,604,788	100.0	11,194,614.0	100.0
Profit & Loss												
Revenue from Contract with Customers	24,120,278	100.0	19,054,464	100.0	15,089,802	100.0	14,683,267	100.0	13,224,068	100.0	12,255,793	100.00
Gross profit	3,807,012	15.8	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
Administration and selling expenses	1,251,883	5.2	960,883	5.0	887,688	5.9	788,218	5.4	686,823	5.2	589,666	4.8
Operating profit	2,555,129	10.6	2,245,275	11.8	1,553,122	10.3	701,606	4.8	689,370	5.2	1,176,238	9.6
Finance Cost	1,171,758	4.9	826,343	4.3	808,992	5.4	819,480	5.6	507,524	3.8	355,197	2.9
Profit/(loss) before taxation	1,381,514	5.7	1,415,106	7.4	773,512	5.1	(19,118)	(0.1)	220,069	1.7	811,016	6.6
Provision for taxation	518,008	2.1	373,246	2.0	159,401	1.1	290,696	2.0	62,712	0.5	238,374	1.9
Profit/(loss) after taxation	863,506	3.6	1,041,860	5.5	614,111	4.1	(309,814)	(2.1)	157,357	1.2	572,642	4.7

Combined Analysis of Horizontal and Vertical Analysis

Statement of Financial Position

Equity and Reserves
In 2021 and 2022, significant growth can be seen on the back of record profitability.

Long Term Borrowings
Long term debt is increasing due to Company drawing funds to pay advances to its suppliers in respect of new BOPP line project.

Current Liability
Lower short term borrowings owing to effective working capital management and trade debt recoveries lad to reduction.

Property, Plant and Equipment
Project capital expenditure (new BOPP line) as resulting in higher value.

Current Assets
Trade debts have decreased due to improved recovery from customers. Stock levels were optimized to generate cash.

Statement of Profit and Loss

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 hike in raw material prices and exchange fluctuation which was effectively passed on to the customers.

Gross Profit
The Company made the highest Gross Profit over the last six years mainly due to effective margin management.

Finance Cost
Finance Cost was higher due to hike in interest rates.

Profit Before Tax
Despite higher costs and interest rate, almost similar level of profit was earned in the year compared to 2021.

Taxation
The increase in taxation is due to prior year charge and retrospective imposition of super tax.

Sources and Application of Funds

	2022	2021	2020	2019	2018	2017
	(Rupees in thousand)					
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash (used in) / generated from operations	5,414,154	(2,149,485)	2,689,190	3,908,112	60,171	333,674
Payment on account of accumulated compensated absences	(7,987)	(4,854)	(4,087)	(7,191)	(7,741)	(11,648)
(Increase) / decrease in long term deposits	(21,650)	(95)	3,958	(4,999)	(948)	(941)
Staff retirement benefits paid	(46,643)	(70,076)	(69,273)	(64,477)	(145,752)	(96,798)
Income taxes (paid)/received	(390,698)	(403,970)	(201,151)	(255,018)	(266,141)	(114,152)
Net cash inflow/(outflow) from operating activities	**4,947,176**	**(2,628,480)**	**2,418,637**	**3,576,427**	**(360,411)**	**110,135**
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of property, plant and equipment	(1,424,574)	(681,048)	(1,673,645)	(562,228)	(544,461)	(448,553)
Purchase of intangibles	(12,144)	(3,866)	(4,365)	(16,217)	(348)	(4,337)
Investment in Term Deposit Receipt	(50,000)					
Profit received on bank balances	5,412	1,188	2,335	384	708	914
Sale proceeds on disposal of PPE	1,046	505	2,135	8,219	6,475	6,183
Net cash outflow from investing activities	**(1,480,260)**	**(683,221)**	**(1,673,540)**	**(569,842)**	**(537,626)**	**(445,793)**
CASH FLOWS FROM FINANCING ACTIVITIES						
Long-term borrowings paid	(419,897)	(170,000)	(400,000)	(854,021)	(1,224,249)	(1,016,521)
Long-term borrowings acquired	829,874	1,145,438	1,296,012	200,000	500,000	-
Payments against Gas Infrastructure Development Cess	(45,508)	(263,187)	-	-	-	-
Short term borrowings - net	(399,500)	3,630,000	(628,000)	(1,414,000)	420,000	1,742,000
(Repayment) / proceeds from salary refinancing scheme	(135,043)	(134,426)	268,852	-	-	-
Finance cost, bank charges & Transaction charges paid	(1,110,997)	(585,621)	(597,714)	(735,757)	(444,738)	(290,141)
Dividends paid	(500,897)	(192,573)	(243)	(154,765)	(385,232)	(386,484)
Net cash (out flow)/inflow from financing activities	**(1,781,967)**	**3,429,631**	**(61,093)**	**(2,958,543)**	**(1,134,219)**	**48,854**
Net cash inflow/(outflow)	**1,684,949**	**117,930**	**684,004**	**48,042**	**(2,032,256)**	**(286,804)**

Comments / Analysis

Cash Flows from Operating Activities

The Company was able to generate cash of Rs. 5.4 billion due to improvement in working capital management as a result of recoveries from customers and efficient inventory management.

Cash Flows from Investing Activities

The capital expenditure increased in 2022 due to progress in new BOPP line as advances are being paid to vendors and routine sustenance capital expendidure.

Cash Flows from Financing Activities

In 2022, there was a major decrease in short term debt requirement due to efficient working capital management. Long term loans have been acquired for expansion project. Higher interest payments led to reduction in cash flow from financing activities.

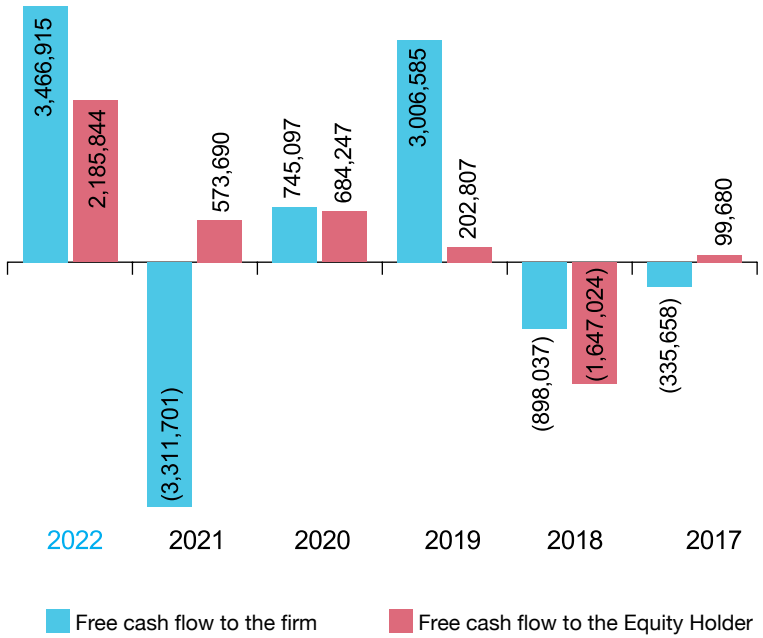
	2022	2021
	(Rupees in millions)	
Cash and Cash Equivalents - Opening	(1,404)	(1,522)
Loan Acquired/(Paid) - net	410	975
Short term financing - net	(399)	3,630
Finance Cost	(1,111)	(586)
Dividends	(501)	(193)
Repayment from salary refinancing scheme	(135)	(134)
Payment against GIDC	(46)	(263)
Capital Expenditure	(1,480)	(683)
Investment in Term Deposit Receipt (TDR)	(50)	-
Cash inflow / (out flow) from Operations	4,947	(2,628)
Cash and Cash Equivalents - Closing	281	(1,404)

Cash Flow - Direct Method

	2022	2021
	Rupees in thousand	
Cash Flows from Operating Activities		
Cash received from customers	28,987	18,090
Cash paid to vendors	(23,650)	(20,315)
Net income tax paid	(391)	(404)
Net cash generated from operating activities	4,947	(2,628)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,425)	(681)
Purchase of intangibles	(12)	(4)
Profit received on bank balances	5	1
Investment in Term Deposit Receipt	(50)	-
Sale proceeds from disposal of Property, Plant and Equipment	1	1
Net cash used in investing activities	(1,480)	(683)
Cash flows from financing activities		
Dividend paid	(501)	(193)
Long term borrowings paid	(420)	(170)
Long term borrowings acquired	830	1,145
Proceeds from salary refinancing	(135)	(134)
Payments against Gas Infrastructure Development Cess	(46)	(263)
Short term borrowings - net	(399)	3,630
Finance Cost Paid	(1,028)	(414)
Transaction cost paid	(4)	(114)
Bank Charges Paid	(79)	(57)
Net cash (used in) financing activities	(1,782)	3,430
Net Increase in cash and cash equivalents	1,685	118
Cash and cash equivalents at beginning of the year	(1,404)	(1,522)
Cash and cash equivalents at end of the year	281	(1,404)

Free Cash Flows

	2022	2021	2020	2019	2018	2017
	(Rupees in thousand)					
Cash generated from / (used in) operations	5,414,154	(2,149,485)	2,689,190	3,908,112	60,171	333,674
Payment on account of accumulated compensated absences	(7,987)	(4,854)	(4,087)	(7,191)	(7,741)	(11,648)
Increase in long term deposits	(21,650)	(95)	3,958	(4,999)	(948)	(941)
Staff retirement benefits paid	(46,643)	(70,076)	(69,273)	(64,477)	(145,752)	(96,798)
Income taxes paid	(390,698)	(403,970)	(201,151)	(255,018)	(266,141)	(114,152)
	4,947,175	(2,628,480)	2,418,637	3,576,427	(360,411)	110,135
Capital expenditure	(1,436,718)	(684,914)	(1,678,010)	(578,445)	(544,809)	(452,890)
Other investing cash flows	(43,542)	1,693	4,470	8,603	7,183	7,097
Free cash flow to the firms	3,466,915	(3,311,701)	745,097	3,006,585	(898,037)	(335,658)
Debt cash flows	(1,281,071)	3,885,391	(60,850)	(2,803,778)	(748,987)	435,338
Free cash flow to the Equity Holders	2,185,844	573,690	684,247	202,807	(1,647,024)	99,680



Comments

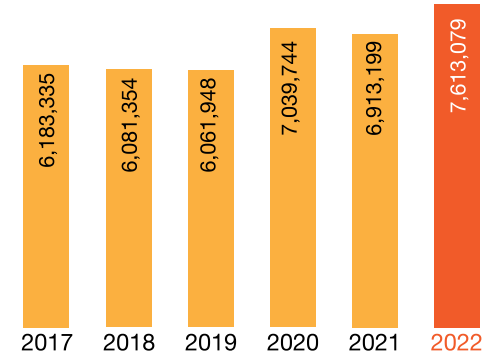
FCFF:
Free cash flows to the firm is the cash flow available for distribution among all the funding providers in the business. The Company generated highest free cash flows to the firm in 2022 in the last 6 years.

FCFE:
Free cash flows to the equity holder is the cash flow available for distribution to the equity holders, which were highest in the last 6 years.

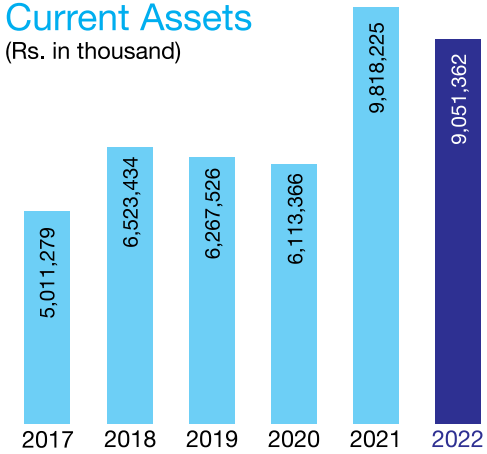
Graphical Presentation

Statement of Financial Position

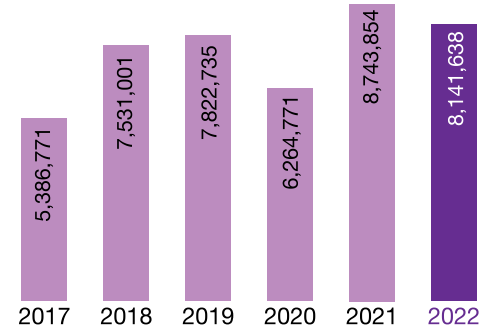
Non-Current Assets
(Rs. in thousand)



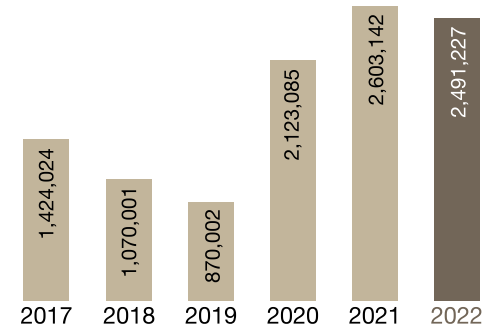
Current Assets
(Rs. in thousand)



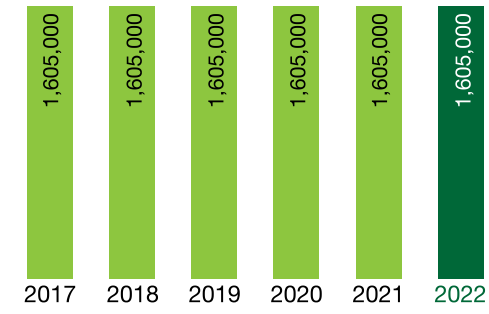
Current Liabilities
(Rs. in thousand)



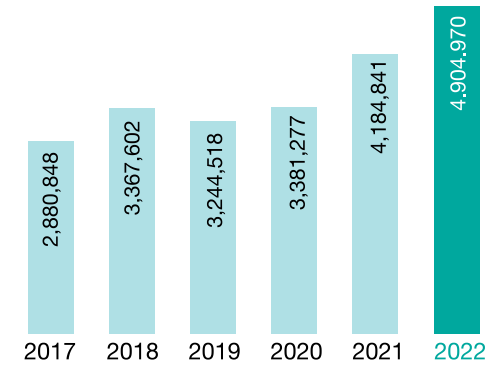
Long Term Borrowing
(Rs. in thousand)



Equity & Reserves
(Rs. in thousand)

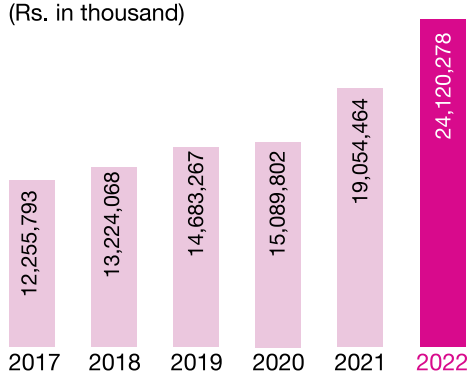


Contribution to National Exchequer
(Rs. in thousand)

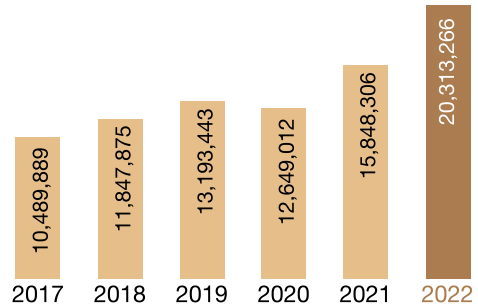


Statement of Profit or Loss and Other Comprehensive Income

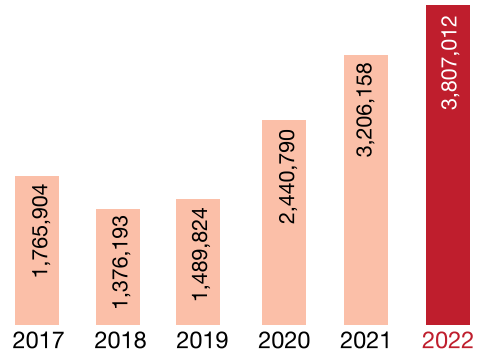
Revenue from contracts with customers
(Rs. in thousand)



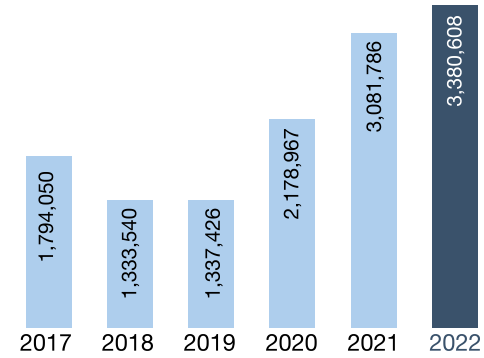
Cost of Sales
(Rs. in thousand)



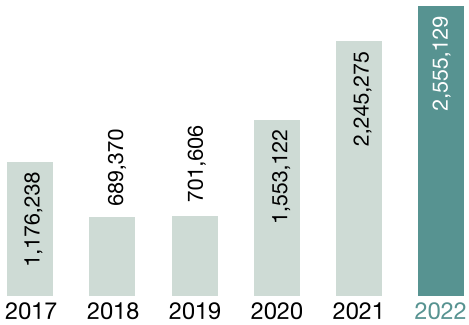
Gross Profit
(Rs. in thousand)



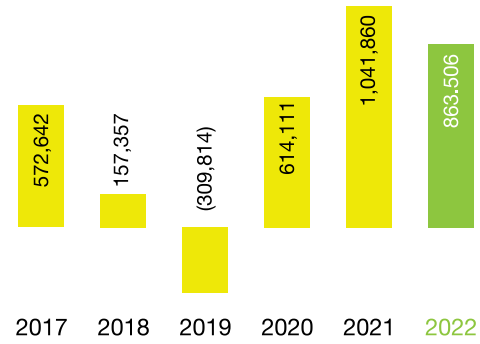
EBITDA
(Rs. in thousand)



Operating Profit
(Rs. in thousand)

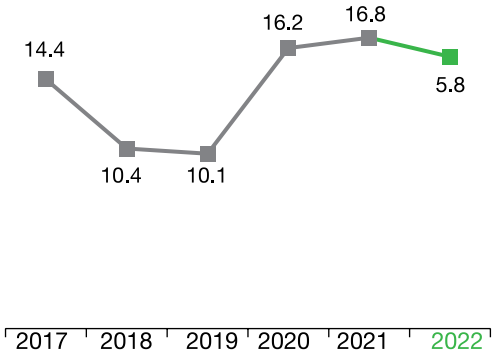


Net Profit / (Loss) after tax
(Rs. in thousand)

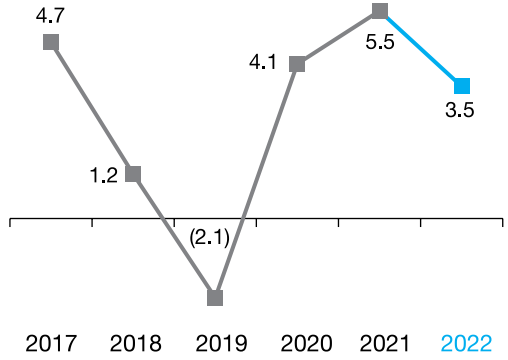


Ratio Analysis

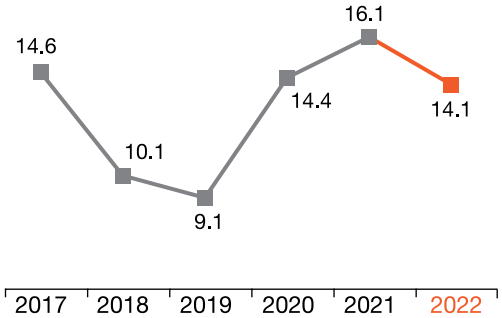
Gross Profit Margin
(In percentage)



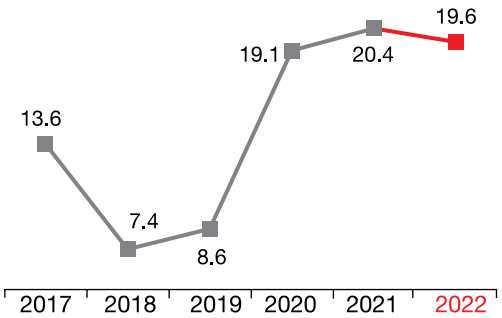
Net Profit / (Loss) Margin
(In percentage)



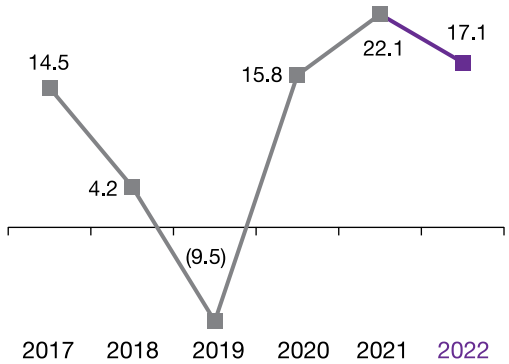
EBITDA Margin to Sales
(In percentage)



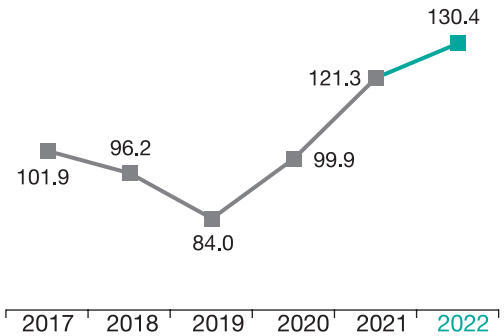
Return on Capital Employed
(In percentage)



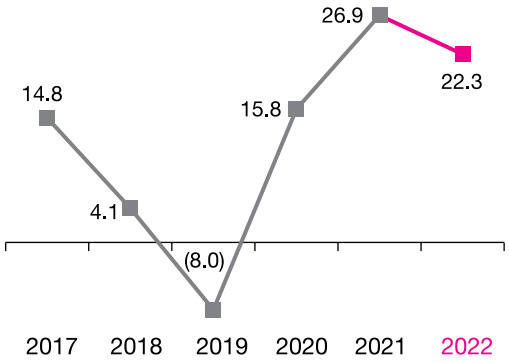
Return on Equity
(In percentage)



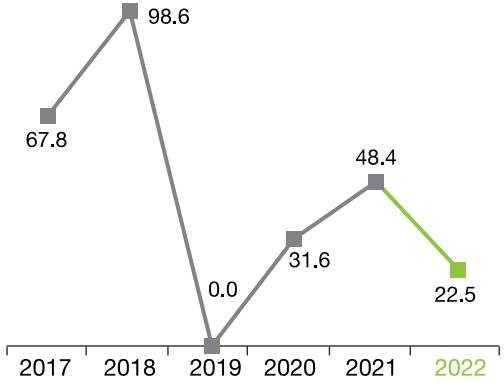
Breakup Value Per Share
(Rupees)



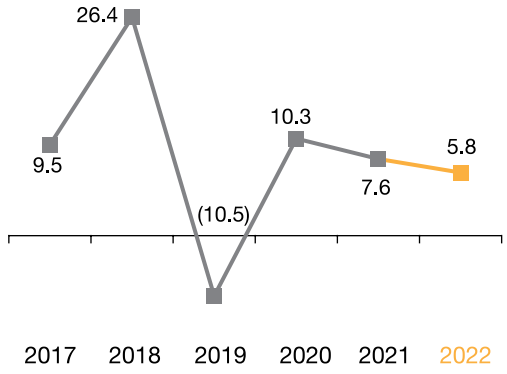
Earning Per Share
(Rupees)



Dividend Payout
(In percentage)

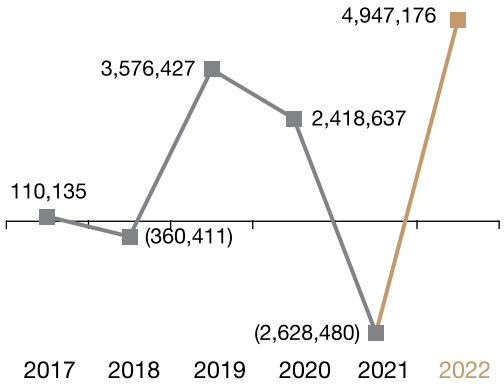


Price Earning Ratio
(In times)

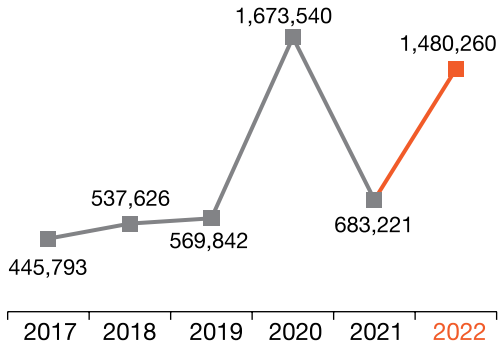


Statement of Cash Flows

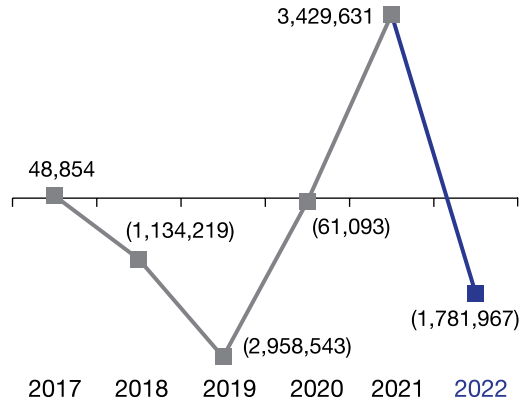
Cash Inflows / (Outflows) from Operating Activities
(Rs in thousands)



Cash Outflows from Investing Activities
(Rs in thousands)

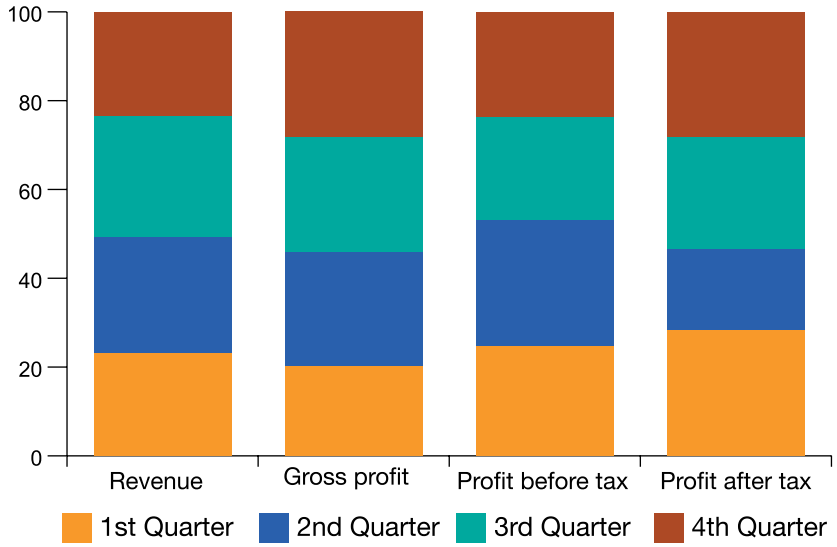


Cash Inflows / (Outflows) from Financing Activities
(Rs in thousands)



Quarterly Analysis

Particulars	2022				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
	Rupees in thousand				
Revenue from Contract with Customers	5,564,923	6,316,133	6,537,868	5,701,354	24,120,278
Gross profit	768,651	975,738	990,592	1,072,031	3,807,012
Gross Profit Margin	14%	15%	15%	19%	16%
Operating Profit	526,589	697,793	653,188	677,559	2,555,129
Operating Profit to Sales %	9%	11%	10%	12%	11%
Finance costs	(214,456)	(320,432)	(349,687)	(287,183)	(1,171,758)
Profit before income tax	340,283	393,694	317,903	329,634	1,381,514
Income Tax - Net	(96,838)	(234,793)	(100,866)	(85,511)	(518,008)
Profit for the year	243,445	158,901	217,037	244,123	863,506
Net (loss)/profit to sales ratio	4%	3%	3%	4%	4%



Comments / Analysis

Quarter 1:

The quarter witnessed an increase in sales by 18% compared to SPLY owing to higher selling prices The overall sales volumes remained in line with SPLY. Sales in local market were kept lower as the Company strategized to focus on increasing the exports.

Quarter 2:

There was an increase in sales value by 64% compared to SPLY owing to increase in sales volumes coupled with higher selling prices to recover the raw material price and other cost impacts. Interest cost was higher by 163% versus SPLY on account of increasing policy rates and higher pressure on debt due to Company operating on 100% sight LC terms amidst the foreign exchange volatility. Exchange loss amounting to Rs 41m was incurred in Q2 2022 which was 34% lower compared to SPLY. Higher export receivables provided the much needed natural hedge against the exchange impacts.

Also, the retrospective imposition of super tax under the Finance Act, 2022 led to recognition of prior period tax charge increasing the effective tax rate to over 40% in the quarter.

Quarter 3:

Political uncertainty, highly volatile exchange rates and immense pressure on the foreign exchange reserves remained a major challenge. Inflation rocketed to 25.1% which was further aggravated by heavy monsoon rainfall resulting in floods causing significant human and livestock casualties and widespread damage to private property and public infa structure facility.

The quarter witnessed an increase in sales revenue by 23% compared to SPLY owing to an increase in sales volumes (mainly exports) coupled with timely selling price adjustments. Interest cost was 205% higher versus SPLY on account of increased policy rates and higher debt utilization due to continuing with 100% sight import LC terms given the foreign exchange volatility. The Company managed to post profit before tax of Rs 318 million for the quarter.

Quarter 4:

Q4 witnessed a new myriad of challenges as Pakistan's economy suffered during the quarter. Depleting foreign reserves, increasing cost of energy and spiking inflation coupled with political unrest contributed to the ever deteriorating situation of the country's economic dynamics. The global slowdown due to supply chain disruptions, higher inflation, and monetary tightening toned down the overall demand at international level which have its implications on the performance of manufacturing industries in Pakistan. Import compression strategies, tightening of monetary policy and lower purchasing power of the consumer continued to compress the performance of business.

The State Bank of Pakistan in accordance with the above mentioned challenges increased the policy rate to 16%. Interest cost was 283% higher compared to SPLY on account of rocketing policy rates and higher debt utilization as we continued to import with payment terms at sight to address the adverse impact of exchange rate. We were able to provide a natural hedge against the foreign currency volatility by building up and expanding our export footprint.

Consequently, the profit before tax for the last quarter stood at Rs 329 million.

Economic Value Added

	2022	2021
	Rupees in thousand	
Operating profit	2,555,129	2,245,275
Income tax - net	(518,008)	(373,246)
Net Operating profit after tax	2,037,121	1,872,029
Cost of Capital (A)	(1,525,723)	(1,067,229)
Economic value added	511,398	804,800
Total Assets	16,664,441	16,731,424
Current liabilities	(8,141,638)	(8,743,854)
Invested Capital	8,522,803	7,987,570
WACC	17.9%	13.4%
Cost of capital (A)	1,525,723	1,067,229

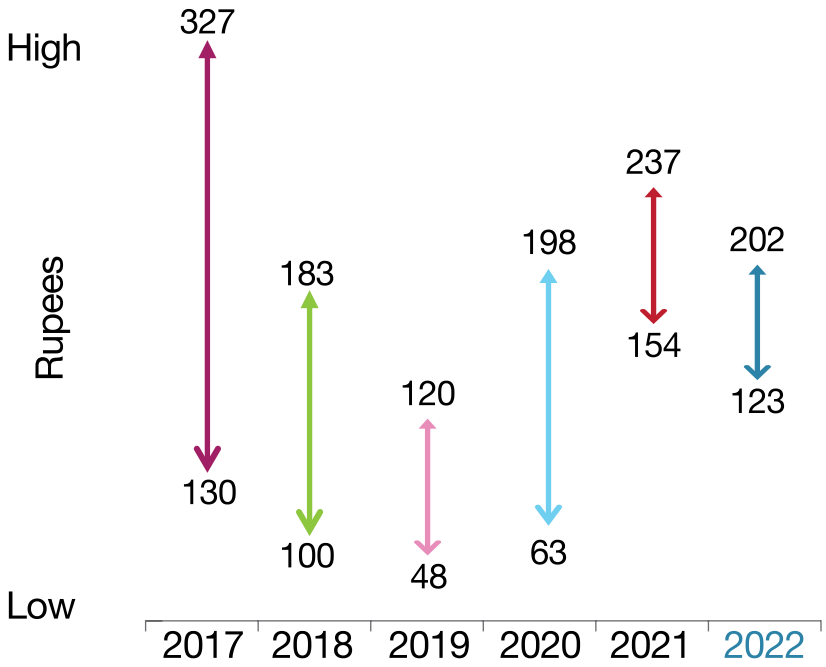
Comments

Economic Value Added (EVA) is a performance measure based on the Residual Income that serves as an indicator of the profitability of the business. Its underlying premise consists of the idea that real profitability occurs when additional wealth is created for shareholders and it measures whether the operating profit is sufficient enough to cover cost of capital.

The Company generated positive Economic Value of Rs. 511 million. However EVA declined as compared to last year owing to higher cost of capital due to high interest rates.

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 factor 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. During the current year the Company faced with the challenge of depreciation of Pak Rupee against major currencies 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. Political instability, global economic issues, deteriorating situation of country's economic dynamics has majorly affected the business and economic environment.

Fiscal Policy

The higher tax charge is on account of super tax under the Finance Act, 2022.

Monetary Policy

The Company is exposed to interest rate risk. Any change in interest rates directly affects the bottom line of the Company.

Inflation

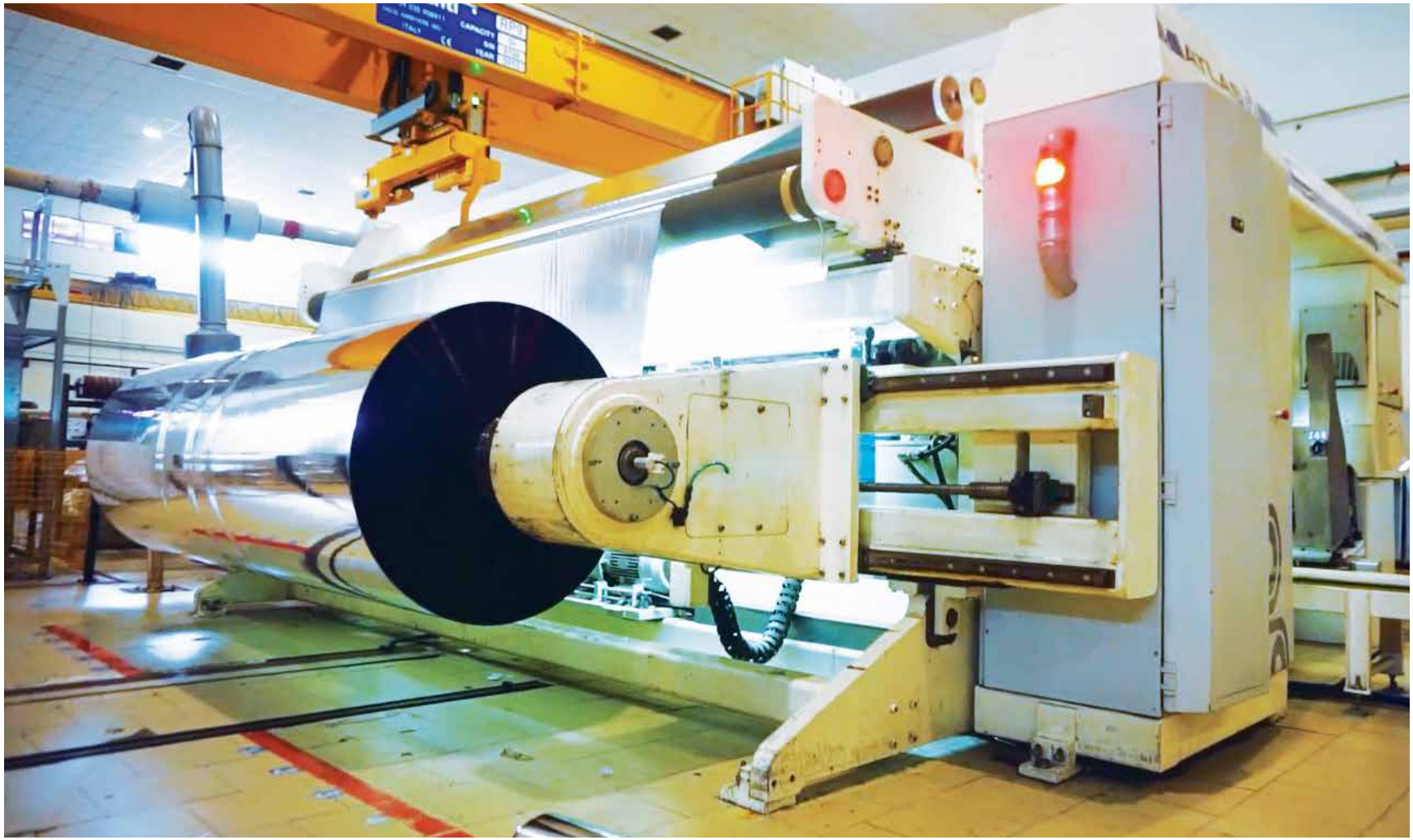
Rising prices in the country adversely impacts the purchasing power of individuals thus affecting the demand of films and in turn the share price.

Stock Market Performance

The unexpected macro adjustment such as deprecation of exchange rate, increased interest rates, and political and economic instability continued to influence the stock market throughout 2022.

Business Rationale of Major Capital Expenditure/Projects

Tri-Pack Films Limited had 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.



SWOT Analysis

STRENGTHS

- Market Leader in both BOPP and CPP markets in Pakistan.
- Fully equipped R&D function for product innovation and improvement.
- Strong Brand reputation
- Increasing production capacity – new BOPP line
- State of the art technology
- Diversity & inclusion
- Best in class management and governance practices
- Eco-friendly and sustainable product range and projects
- Competent, sound and skilled workforce
- Increasing international footprint

WEAKNESSES

- High dependency on imported raw materials
- Energy shortage may affect production.
- Higher debt levels

OPPORTUNITIES

- Growth of local demand
- Potential to explore and expand in international market.
- Portfolio diversification in line with increasing emphasis on packaged products
- Adopting latest technology solutions.
- Explore new niche markets.
- Explore new sources of energy for consumption.

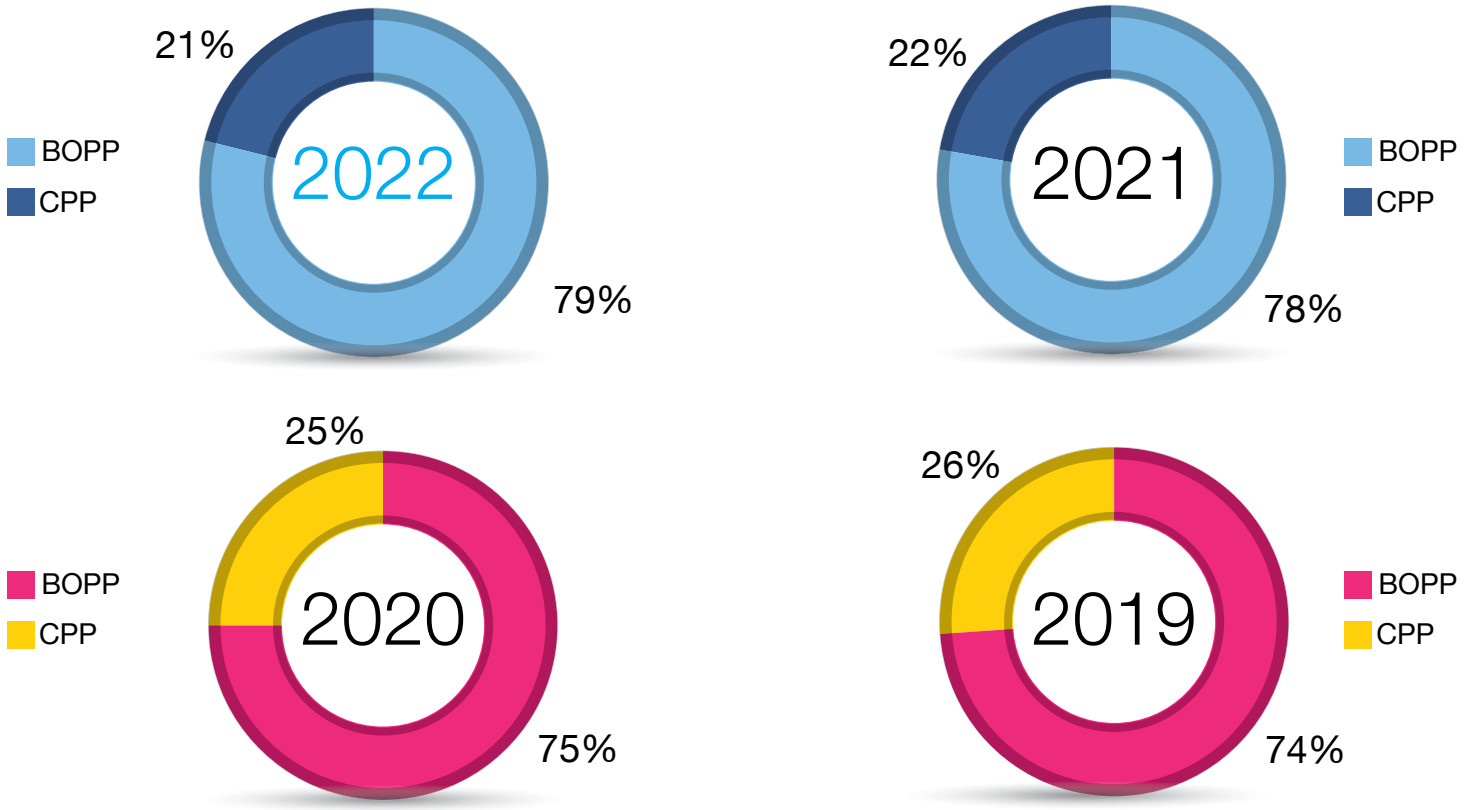
THREATS

- Currency exchange volatility
- Interest rate fluctuation due to economic instability
- Rising Prices of Raw materials.
- New entrants in the market.
- Unfavorable law and order situation
- Restriction on import of raw materials

Divisional Review of Business Performance

In 2022, market was fully operational as demand for BOPP and CPP increased in the first three quarters, dip in sales volume was witnessed in last quarter after the devastating flood hit the major provinces of Pakistan due to which sales volume declincd.

Percentage in terms of volumes



Debt Repayment

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

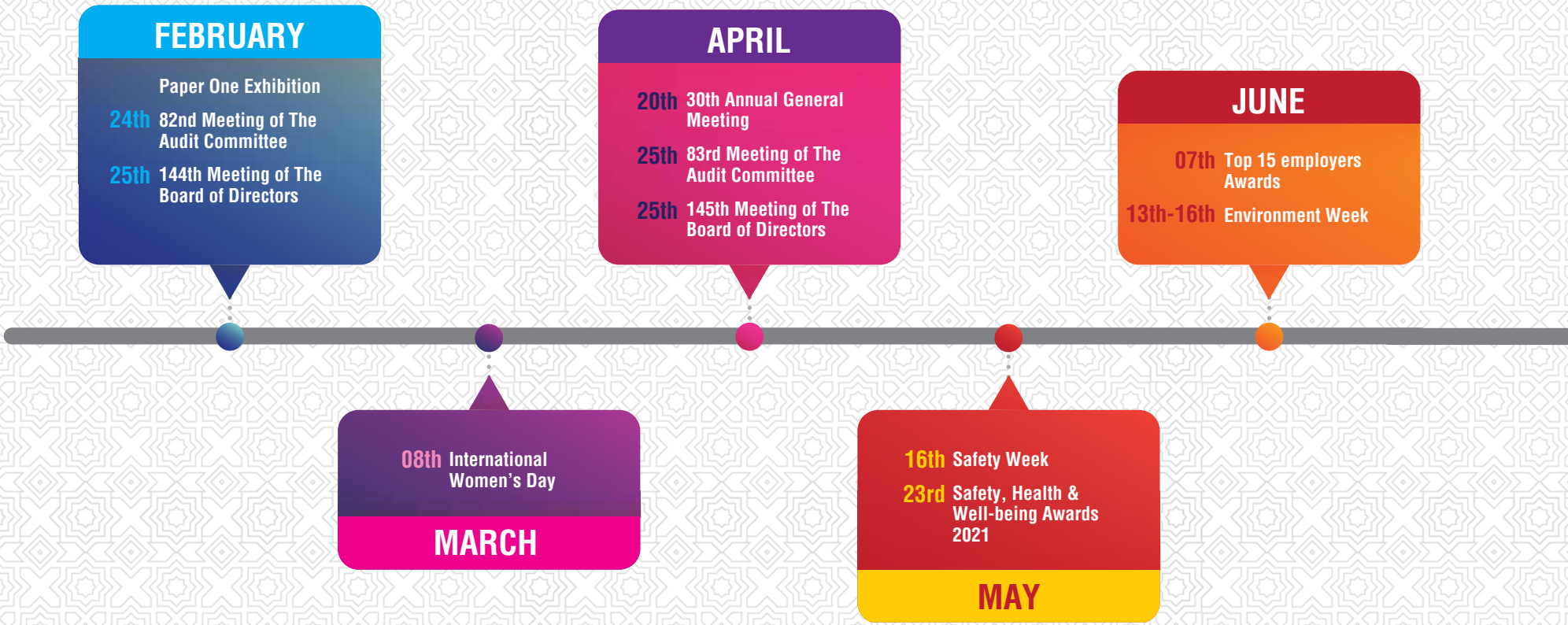
The performance of the Company has been extensively discussed in different sections of the annual report. Various analysis have been shared in this section to give our stakeholders valuable insights in terms of our performance.

Dividend Declaration & Payment of Levies

As stated in Director's report, the directors have recommended a cash dividend of 50% i.e. Rs 5/- per share (2021: Rs 13/- 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 2022



JULY

01st Summer Internship Program

28th World Hepatitis Day

AUGUST

01st International Day of Awareness of Food Loss & Waste

14th Independence Day Celebrations

16th 19th Annual Environmental Excellence Awards 2021

16th 84th Meeting of The Audit Committee

17th 146th Meeting of The Board of Directors

SEPTEMBER

27th Best Corporate Reporting Awards

30th Participation on Conference in Collaboration with WPO & Flex

OCTOBER

18th Awareness Session on Mental Health

19th 85th Meeting of The Audit Committee

19th 147th Meeting of The Board of Directors

20th-21st Employee Engagement Sessions

27th Awareness session on Breast Cancer

NOVEMBER

15th-16th Participation in the Middle-East Expo

17th Awareness Session on Diabetes

22nd Fire Safety Award 2022 NFEH

23rd Fire Protection Industry of Pakistan

DECEMBER

02nd Annual Medical Screening

20th Coca Cola (CCI) Team visited Tri-Pack Films Ltd.

21st Budget Session

23rd Corporate Briefing Session

ICMA
lead strategically
CA
PAKISTAN

Awards and Recognition

18th Annual Environment Excellence Awards 2021

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

15th OSH Award 2019 -1st Prize

Best Corporate Report 2016 Award-5th position

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

19th Annual Environment Excellence Award 2022

Best Corporate Report 2021 Award-3rd position

Outlook

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

150 Status of the Projects

151 Sources of Information/Assumption

Forward Looking Statement

Year 2023 is very challenging right from the beginning. Raw material availability due to LC issues has become a major threat to business continuity. Volatile exchange parity, increasing interest rates and inflationary pressures are proving to be detrimental to demand of films. Purchasing power of masses is eroding rapidly and they are forced to spend on essential items only. We are witnessing demand slow down in local and international markets.

The volume and profitability targets for 2023 have already become irrelevant. We are striving to ensure business continuity and are availing all options in this respect. We expect low demand and resultantly low profitability in the year 2023.

UNCERTAINTIES	DESCRIPTION OF UNCERTAINTY AND ORGANIZATION'S RESPONSE	TERM CATEGORISATION
Increase in interest rates	**Description:** : Currently the SBP benchmark policy rate stands at 16%. Despite improving the overall debt levels, any increase in policy rate by the Central Bank will directly affect the profitability of the Company. Financial impact of this risk is covered in detail in note 34 to the annexed financial statements. **Company's response:** The Company continually monitors its debt levels and raw material import terms to ensure the impact of increase in interest rate is reduced.	- Short term - Medium term
Exchange rate fluctuation	**Description:** USD closed at Rs 226.4 in 2022. Any further unfavorable movement of exchange rate will result in exchange loss to the Company on its foreign currency import liabilities. Financial impact of this risk is covered in detail in note 34 of the annexed financial statements. **Company's response:** The Company keeps the exchange risks under check and maintains an optimal mix. Further, timely price hikes are taken to ensure unfavorable exchange impact is passed on to the consumers. This was also successfully done in 2022.	- Short term - Medium term
Increase in raw material prices	**Description:** Granule prices lowered to $950 per ton in 2022. However, any increase in granule prices would increase the cost of production of the Company and would reduce the margins. **Company's response:** Timely price increases are taken to ensure raw material price increased are passed on to the consumers. This was also successfully done in 2022.	- Short term - Medium term
Operational breakdowns	**Description:** Any major breakdown would result in production and profitability loss to the Company. However, the Company continuously monitors the performance of the machines and takes appropriate measures. **Company's response:** The Company has proper preventive maintenance schedules in place which are strictly followed. Further, the Company also remains in touch with the OEMs to ensure there is no additional down time.	- 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 national and global level affects stability and may disrupt the overall business and operational environment.	- Medium term - Long term	- Social and Relationship
Economic	Economic policies always play a vital part in the growth of industries. Any further increase in the current policy rates by the government would affect the Company's profitability.	- Short term - Medium term	- 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 committed to do the same.	- Medium term - Long term	- Social and Relationship
Technological	Technological advancement is a key factor that companies are focusing on to achieve operation efficiency and better quality. Tri-Pack has also remained committed to it and as result regular capital expenditure will be done to ensure technological advancements are done timely. In line with this commitment, the Company has also announced new state-of-the-art BOPP manufacturing line which is expected to commission in 2024.	- Short term - Medium term - Long term	- 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 custumers.	- Medium term - Long term	- 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.	- Short term - Medium term - Long term	- Social and Relationship

Performance of the entity as compared to last year's disclosures

The year 2022 witnessed political instability, high interest rates, spiking inflation coupled with shortages of raw material that was observed in Q4 due to deteriorating foreign exchange situation and policies amendments by State Bank of Pakistan which affected the timely supply of material both at our and customer end.

The first half of the year witnessed economic growth in the country and led to an increase in demand. Our export margins also improved as we stepped in four new international markets. However, in the latter half of the year resumption of exchange volatility and hike in interest rates again effected the volumes and business.

To these issues, timely and appropriate measures were taken by the management due to which the Company was able to perform well and deliver desirable results.

Further, due to unfavorable movement in exchange rate, the Company maintained its stance to keep its payment terms at sight for raw material imports.

Status of the projects

Solar project is progressing as per timlines and will be operational in 2023.

New BOPP Line update:

- LC for remaining machinery components is being a major hurdle given the SBP guidelines for machinery LCs. We are looking into various options to ensure project is delivered on originally planned deadlines
- 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 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 sources which is obtained and reviewed regularly and acted upon thereon. 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.

Various projections and feasibility were produced along with different options at the time of evaluation of new BOPP Line. A 10-year feasibility was prepared based on certain assumptions, market, macro-economic factors and internal SWOT analysis. Further, these assumptions are continually updated keeping in view the changing circumstances and environment.

Further, banks were also engaged on various levels to evaluate our assumptions regarding interest rate and exchange rate fluctuation.

Business Model

154 Business Model

Basis of our Business Model

Customer centricity lies at the very heart of our business model as we strive to provide economical and quality films to our end users. We offer an extensive range of Biaxially Oriented and Cast Polypropylene (BOPP & CPP) packaging films, which are customized to fulfill the requirements of our customers.

We aim to go the extra mile to achieve results, operate responsibly, apply innovative technology, execute with excellence, and capture new opportunities to create a wonderful world today as well as for generations to come.

INPUTS → BUSINESS ACTIVITIES

Financial
- Total debt to equity ratio as at December 31, 2022 = 59:41
- Net asset base of 5.1bn
- Cash flow generated from operations: Rs 4.9bn
- Strong financial group position

Human
- Total employees: 303
- Focus on training and continuous improvement
- Employee focused environment
- Diversity and inclusion

Manufactured
- 4 BOPP lines
- 2 CPP lines
- Slitting and Metalizing machines for better quality and productivity.
- New state-of-the-art BOPP line 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

Intellectual
- Dedicated Research & Development department
- Optimum receipe mix for various films

Natural Capital
- RO plant
- Absorption chiller
- Erema machine
- Solar power

How does 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 approach 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.

Raw Material

Customer

Dispatch

Manufacturing Line

Slitting

Packing

OUTPUTS

Financial
- Profit after tax: **Rs 1,382 million**
- Proposed dividend per share: **Rs 5/-**
- Operating profit: **Rs 2,555 million**
- Earnings per share: **Rs. 22.26**

Human
- Improved culture of the organization
- Increase diversity and inclusion
- Employee satisfaction

Manufactured
- New products range developed through research and development
- Operational efficiencies

Social & Relationship
- Increased customer base and customer satisfaction
- Contribution to national exchequer: **Rs 4.9 billion**
- Donation being made as part of corporate social responsibility
- Increased global footprints in the form of increased export sales by **77%.**

Intellectual
- Diverse range of films as per customer requirements.

Natural

- Recycled more than **70%** of BOPP waste
- ISO Certification
- 18th Annual Environmental Excellence Award
- Energy efficient

OUTCOME

Financial
- Long-term value for shareholders by catering to growing demands.
- 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.

Human
- Shareholders and other stakeholders' trust and confidence.
- Successful in being an employer of choice.
- Mantains cordial and cordinated relations with all stakeholders.

Manufactured
- Expansion of manufacturing capacity to cater to local and international demand.
- Efficient and smooth production operations.

Social & Relationship
- A responsible corporate citizen of the country.
- Front runners in delivering to our customers, shareholders and community.
- Satisfy our customers' needs through timely supply of goods and ensuring there is no compromise on quality.

Intellectual
- Retention of skilled and competent workforce.
- Upgrading in line with latest software.
- Strong network security.
- Diversified range of product porfolio.

Natural
- Conserving natural resources for a sustainable future.

Stakeholders' Relationship and Engagement

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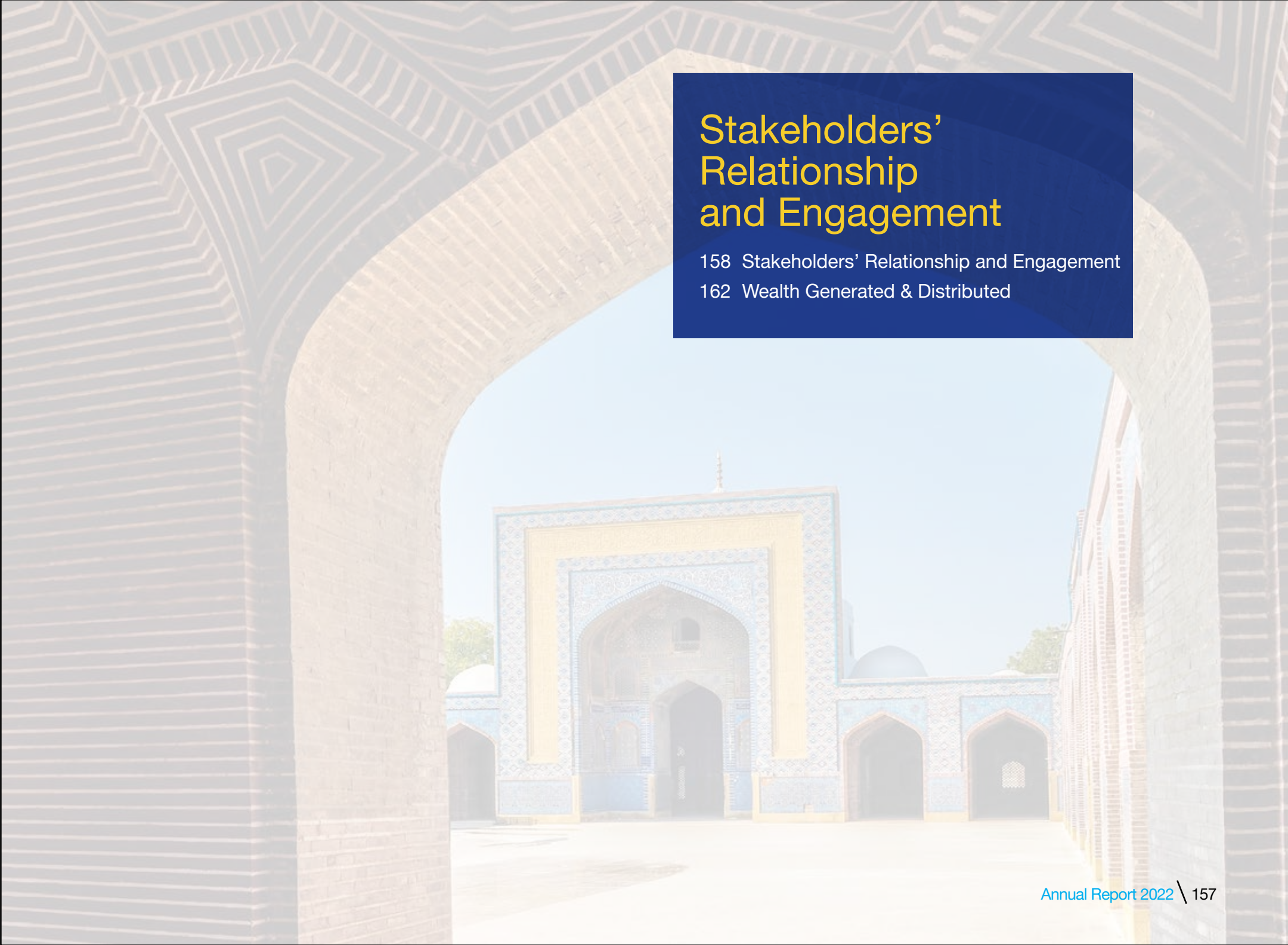
162 Wealth Generated & Distributed



Stakeholders' Relationship and Engagement

MANAGEMENT OF STAKEHOLDERS	FREQUENCY OF ENGAGEMENT	ENGAGMENT PROCESS	INTEREST/EXPECTATIONS
SHAREHOLDERS Tri-Pack Films Limited believes that regular communication with shareholders is important.	- Quarterly - Annually - As needed	- Annual General Meeting - Annual, Half yearly and Quaterly Report - Corporate Briefing Session	- Company's financial and Non-Financial informations - Growth prespectives - Earning and dividends - Effective governance - Business value
CUSTOMERS Frequent 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 the customer relationship management.	- Continuous	- Customer visits and engagement - After sales assistance	- Timely supply of goods - Product's quality - Availaibility & accessibility
SUPPLIERS Our relationship with the banks is phenomenal. This is evident by the belief shown by the banks in our commitments by providing signifiant finance to fund our project.	- Regular - As needed	- Frequent meeting with the banks - Site visits arranged for banks - Corporate briefing session	- Better rates for financing - Keeping the banks onboard wih the strategies and latest developments of the Company.
BANKS Our continuous and sustainable growth is also attributable in engaging reputed and dependable suppliers as business partners. Tri-Pack has partnered with the vendors around the world to ensure consistent quality of our product. Therefore, the relationship with the supplier are an important factor in allowing us both to maintain high standards of product supply and to respond to anticipated future customer needs.	- Regular - As needed	- Continuous engagement for a healthy relationship. - Arranging formal and informal meetings	- Value for money - Choice of Product

MANAGEMENT OF STAKEHOLDERS	FREQUENCY OF ENGAGEMENT	ENGAGMENT PROCESS	INTEREST/EXPECTATIONS
REGULATORS Our commitment to compliance with laws and regulations is evident from our Corporate and legal teams' continued efforts in this direction.	- Frequent - As needed	- Responding to enquiries and meetings as and when requested. - Timely submission of data for review and compliance.	- Improved level of compliance.
COMMUNITY At Tri-Pack Films Limited, we genuinely care about giving our community back. The company contributes to various social and charitable causes including health, education and social sectors.	- Regular - As needed	- Active participation In various social initiatives as part of our corporate social responsility.	- Building trust with the community.
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.	- Regular	- Conferences and other engagement activities - Employee portal - Trainings	- Improved employee engagement

Corporate Briefing session

This year the Company conducted a corporate briefing session at PSX auditorium 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 30th Annual General Meeting (AGM) of Tri-Pack Films Limited was held on 10th April 2022 at 10:30 A.M. 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 to the satisfaction of shareholders.

Further, final cash dividend of Rs. 13.00 per share for the year ended December 31, 2021 amounting to Rs. 501 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.

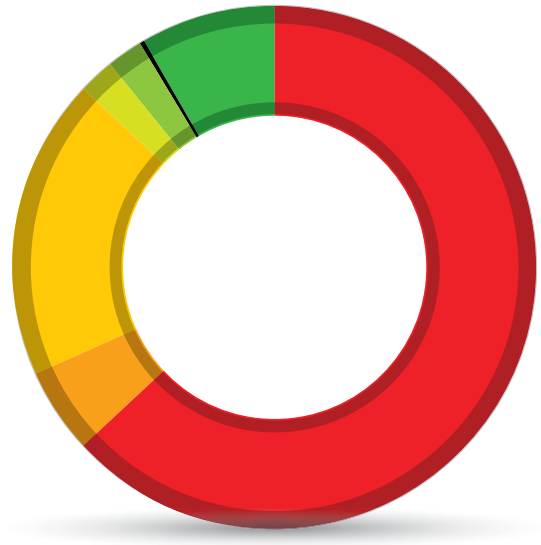
	2022		2021	
	(Rs in thousand)	%	(Rs in thousand)	%
Wealth Generated				
Sales	27,810,438	99.45	22,134,478	99.53
Other Income	155,208	0.6	104,416	0.5
	27,965,646	100.0	22,238,894	100.0
Wealth Distributed				
Bought-in-material & services	18,800,469	67.2	14,058,290	63.2
To Employees				
Remuneration, benefits and facilities	1,215,262	4.3	1,140,449	5.1
To Government				
Income Tax, Sales Tax, Custom & Excise Duties, WPPF, WWF, EOBI, Social Security, Professional & Local Taxes	4,904,970	17.5	4,184,841	18.8
To Providers of Capital				
Cash dividend proposed	194,000	0.7	504,400	2.3
To Lenders				
Mark up & finance cost	1,147,834	4.1	485,841	2.2
To Society				
Donations	19,740	0.1	21,888	0.1
Retained for Reinvestment & Future Growth				
Unappropriated Profit, Depreciation & Amortization	1,683,370	6.0	1,843,185	8.3
	27,965,646	100.0	22,238,894	100.0

2022

	Amount (Rs in '000)	%
Bought-in-material & services	18,801,356	84.54
To Employees	1,215,262	5.46
To Government	4,904,970	22.06
To Shareholder	194,000	0.87
To Lenders	1,147,834	5.16
To Society	19,740	0.09
Retained for Reinvestment & Future Growth	1,682,484	7.57
Total	27,965,646	125.75

2021

	Amount (Rs in '000)	%
Bought-in-material & services	14,058,290	63.21
To Employees	1,140,449	5.13
To Government	4,184,841	18.82
To Shareholder	504,400	2.27
To Lenders	485,841	2.18
To Society	21,888	0.10
Retained for Reinvestment & Future Growth	1,843,185	8.29
Total	22,238,894	100.00



Striving for Excellence in Corporate Reporting

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166 Reporting Period
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167 Intergrated Reporting Framework
167 Disclosure Beyond BCR Criteria

Unreserved Statement of Compliance

Tri-Pack Films Limited has prepared its Annual Report Financial Statement for 2022 as annexed in section 12 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:
- Provisions of and directives issued under the Act:
- Regulations of the listed companies code of Corporate governance (2019) and the Rule Book of Pakistan Stock Exchange (PSX):
- Best practices on companies reporting as promoted by Joint Committee of Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost and Management Accounting (ICMA); and
- Integrated Reporting (IR) framework issued by International Integrated Reporting Council (IIRC).

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.

Reporting Period

This Annual Report covers reporting period from January 01, 2022 till December 31, 2022. Any subsequent events till the Board Approval date i.e. February 08, 2023 have also been mentioned in line with relevant reporting standards.

Shariah Advisor Report

The Company is not required to have a Shariah Advisory Board hence there is no Sharia Advisory report during the Financial Year Ended 2022.

Integrated Reporting Framework

Integrated Reporting:
The Annual Report 2022 of Tri-Pack Films Limited has been prepared and designed in adherence to the International Integrated Reporting Framework (IIRF). The financial and non-financial information disclosed will not only empower our valuable stakeholder to better comprehend the dynamics of the organization but also lead them to make informed decisions as well.

The management of the company is firmly committed to improve continuously the quality of information available and strives to enhance its process of corporate reporting and compliance with each passing year. We believe that our shareholders, suppliers, customers, vendors, employees, regulations are our partners in creating value in our business.

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).
- 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'.

The annual report 2022 exhibits the following guidelines and fundamental concepts as prescribed in the International Integrated Reporting Framework (IIRF).

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

Disclosure Beyond BCR Criteria

Tri-Pack Films Limited has designed its annual report with disclosures of United Nations Sustainable Development Goals which are beyond the criteria of BCR by ICAP and ICMAP to ensure transparency, consistency, comparability and presentation of information for its stakeholders.

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

Financial Statements

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176 Statement of Profit or Loss and Other Comprehensive Income
177 Statement of Changes in Equity
178 Statement of Cash Flows
179 Notes to and Forming Part of Financial Statements

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, 2022, 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, 2022 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
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Following is the Key audit matter:

S.No.	Key audit matter	How the matter was addressed in our audit
i.	Trade Receivables *(Refer note 7 to the Financial Statements)* The Company's trade receivables as at December 31, 2022 amount to Rs. 2283.8 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. Moreover, as at December 31, 2022 trade receivables of Rs. 680.3 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. We have considered trade receivables area as a key audit matter due to the significance of amount and estimates involved.	Our audit procedures included the following: • Tested the design, implementation and operating effectiveness of key controls over the receivable process; • Checked accuracy of the ageing report by ensuring that due invoices are classified within the appropriate ageing brackets; • Sent confirmations to customers on sample basis and performed alternate testing on those balances against which we have not received direct responses; • For sales orders breaching the credit limit, reviewed approvals from authorised officials on sample basis; • Checked the history of past payments trends and credit defaults of customers and ensured compliance to receivables provisioning policy; • Checked the adequacy of the disclosures made by the Company in this area with regard to applicable accounting and reporting standards.
ii.	Revenue from Contracts with Customers *(Refer note 21 to the Financial Statements)* The Company recognizes revenue from domestic as well as export customers when the performance obligation is satisfied by transferring control of a promised good to the customers. During the year, net sales to the domestic and export customers have increased significantly by 21.1% and 76.8 % respectively.	Our audit procedures included the following: • Tested the design, implementation and operating effectiveness of key controls over the revenue process; • Performed verification of sales with underlying documentation including gate pass, delivery order and invoice; • Performed cut-off procedures on sample basis to ensure sales has been recorded in the correct period; • Verified that sales prices are approved by appropriate authority;

S.No.	Key audit matter	How the matter was addressed in our audit
	We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company and for the year revenue has increased significantly as compared to the last year. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	• Recalculated the commission as per Company's policy and verified related distribution expenses; and • 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:

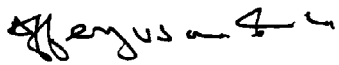
a. proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

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. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: March 14, 2023
UDIN: AR202210073dDk8oCxnP

Statement of Financial Position

As at December 31, 2022

	Note	2022	2021
		(Rupees in thousand)	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	7,571,398	6,900,023
Intangibles	5	13,648	6,793
Long-term deposits		28,033	6,383
		7,613,079	6,913,199
CURRENT ASSETS			
Inventories	6	3,701,040	4,527,514
Trade receivables	7	2,283,807	2,910,764
Advances and prepayments	8	106,922	133,819
Other receivables	9	712,034	256,106
Refunds due from government - sales tax		29,886	344,828
Income tax refundable		1,313,483	1,438,326
Cash and bank balances	10	904,190	206,868
		9,051,362	9,818,225
TOTAL ASSETS		16,664,441	16,731,424

	Note	2022	2021
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	11	388,000	388,000
Share premium		999,107	999,107
General reserve		1,605,000	1,605,000
Unappropriated profit		2,068,875	1,715,384
		5,060,982	4,707,491
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term borrowings	12	2,491,228	2,603,142
Deferred income - Government grant	13	425,445	140,370
Lease liability		34,655	33,003
Deferred taxation - net	14	380,374	377,907
Staff retirement benefits	15	95,347	80,888
Accumulated compensated absences	16	34,772	31,511
		3,461,821	3,266,821
CURRENT LIABILITIES			
Trade and other payables	17	3,024,007	2,397,626
Unclaimed dividend		21,662	18,159
Accrued mark-up	18	159,896	120,033
Short-term borrowings	19	4,324,009	5,761,136
Current portion of long-term lease liability		3,118	3,334
Current portion of long-term borrowings	12	608,946	456,824
		8,141,638	8,757,112
TOTAL LIABILITIES		11,603,459	12,023,933
CONTINGENCIES AND COMMITMENTS	20		
TOTAL EQUITY AND LIABILITIES		16,664,441	16,731,424

The annexed notes 1 to 40 form an integral part of these financial statements.

Nasir Jamal
Chief Executive Officer

Syed Baber Ali
Chairman

Muhammad Zuhair Damani
Chief Financial Officer

Statement of Profit or Loss and Other Comprehensive Income

For the year ended December 31, 2022

	Note	2022	2021
		(Rupees in thousand)	
Revenue from contracts with customers	21	24,120,278	19,054,464
Cost of sales	22	(20,313,266)	(15,848,306)
Gross profit		3,807,012	3,206,158
Distribution costs	23	(762,594)	(495,167)
Administrative expenses	24	(489,289)	(465,716)
		(1,251,883)	(960,883)
		2,555,129	2,245,275
(Loss) / reversal allowance on trade receivable		(33,073)	18,892
Other income	25	155,208	104,416
		2,677,264	2,368,583
Other expenses	26	(123,992)	(127,134)
Finance cost - net	27	(1,171,758)	(826,343)
		(1,295,750)	(953,477)
Profit before income tax		1,381,514	1,415,106
Income tax - net	28	(518,008)	(373,246)
Profit for the year		863,506	1,041,860
Other comprehensive loss for the year:			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of staff retirement benefits	15.4.6	(5,615)	(16,294)
Total comprehensive income for the year		857,891	1,025,566
Earnings per share - basic and diluted (Rupees)	29	22.26	26.85

The annexed notes 1 to 40 form an integral part of these financial statements.

Nasir Jamal
Chief Executive Officer

Syed Baber Ali
Chairman

Muhammad Zuhair Damani
Chief Financial Officer

Statement of Changes in Equity

For the year ended December 31, 2022

	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, 2021	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
Final cash dividend for the year ended December 31, 2021 @ Rs. 13.00 per share	-	-	-	(504,400)	(504,400)	(504,400)
Total comprehensive income for the year ended December 31, 2022						
Profit for the year ended December 31, 2022	-	-	-	863,506	863,506	863,506
Other comprehensive loss	-	-	-	(5,615)	(5,615)	(5,615)
	-	-	-	857,891	857,891	857,891
Balance as at December 31, 2022	388,000	999,107	1,605,000	2,068,875	4,672,982	5,060,982

The annexed notes 1 to 40 form an integral part of these financial statements.

Nasir Jamal
Chief Executive Officer

Syed Baber Ali
Chairman

Muhammad Zuhair Damani
Chief Financial Officer

Statement of Cash Flows

For the year ended December 31, 2022

	Note	2022	2021
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	31	5,414,154	(2,149,485)
Payment on account of accumulated compensated absences	16	(7,987)	(4,854)
Increase in long term deposits		(21,650)	(95)
Staff retirement benefits paid		(46,643)	(70,076)
Income taxes paid - net		(390,698)	(403,970)
Net cash generated from / (used in) operating activities		4,947,176	(2,628,480)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,424,574)	(681,048)
Purchase of intangibles	5	(12,144)	(3,866)
Profit received on bank balances	25	5,412	1,188
Investment in Term Deposit Receipt	10	(50,000)	-
Sale proceeds on disposal of property, plant and equipment		1,046	505
Net cash used in investing activities		(1,480,260)	(683,221)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(500,897)	(192,573)
Long-term borrowings paid		(419,897)	(170,000)
Long-term borrowings acquired		829,874	1,145,438
Repayments of salary refinancing scheme		(135,043)	(134,426)
Payments against Gas Infrastructure Development Cess	17.5	(45,508)	(263,187)
Short term borrowings - net		(399,500)	3,630,000
Finance cost paid		(1,024,660)	(411,213)
Lease rental paid		(3,551)	(3,133)
Transaction cost paid		(3,795)	(114,202)
Bank charges paid	27	(78,990)	(57,073)
Net cash (used in) / generated from financing activities		(1,781,967)	3,429,631
Net increase in cash and cash equivalents		1,684,949	117,930
Cash and cash equivalents at beginning of the year		(1,404,268)	(1,522,198)
Cash and cash equivalents at end of the year	32	280,681	(1,404,268)

The annexed notes 1 to 40 form an integral part of these financial statements.

Nasir Jamal
Chief Executive Officer

Syed Baber Ali
Chairman

Muhammad Zuhair Damani
Chief Financial Officer

Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2022

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 (now Companies Act, 2017) 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-B, Sir Abdullah Haroon Road, Near Marriott Hotel, Karachi; and
  · Unit No 4, 17 Aziz Avenue, Canal Bank, Lahore.

1.1. On June 08, 2021, Packages Limited entered into a Share Purchase Agreement with Mitsubishi Corporation (MC) for purchase of 7,500,000 ordinary shares representing approximately 19.33% shareholding in the Company. Consequently, Packages Limited made a public offer to acquire up to 6,438,598 shares (representing 16.6% of the total issued paid up share capital of the Company) from general public in accordance with the provisions of Securities Act, 2015 and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017. Public offer procedures were concluded and shares were transferred to Packages Limited on December 31, 2021. Subsequently, on February 15, 2022 Mitsubishi Corporation transferred its 7,500,000 shares following requisite regulatory approvals including payment.

As a result of the above transactions Packages Limited has become the parent company, holding 69.3% shares of the Company.

1.2. The prevalent economic conditions of the Country including depleting foreign exchange reserves and high inflation are impacting overall business activity including imports. The Company is closely monitoring this situation and is striving to ensure business continuity in these uncertain and challenging economic times.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented.

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 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, 2022. 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, 2023. 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, 2022. 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 - 14.5% (2021: 12.25%) per annum;
- Expected rate of increase in salary levels - 12.5% (2021: 10.25%) per annum; and
- 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 - 14.5% (2021: 11.75%) per annum;
- Expected rate of increase in pension level - 0% for first year and at 7.75% thenceforth (2021:0% for first year and at 5% 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 - 14.5% (2021: 12.25%) per annum; and
- Expected rate of increase in salary levels - 12.5% (2021: 10.25%) 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. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right offset and intend, either to settle on a net basis, or to realise the asset and settle the liability.

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 and contingent liabilities

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.

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

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 which is stated at cost.

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	16.67 to 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 to 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 120 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.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

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 interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payment that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. 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. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. 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 elected to apply the practical expedient not to recognise right-of-use asset 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 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 15.

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 5) 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.

3.6 Expected credit losses on trade receivables

Estimates related to expected credit losses on trade receivables are disclosed in note 2.22.1.

4. PROPERTY, PLANT AND EQUIPMENT

	Note	2022	2021
		(Rupees in thousand)	
Operating fixed assets	4.1	5,565,423	6,080,962
Capital-work-in-progress	4.2	1,859,418	702,221
Major spare parts and stand-by equipments	4.3	146,557	116,840
		7,571,398	6,900,023

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	Sub total	Leasehold land	Total
	(Rupees in thousand)								
Year ended December 31, 2022									
Opening net book value	656,714	4,993,163	122,752	34,942	61,462	6,809	5,875,842	205,120	6,080,962
Additions	33,634	231,776	-	18,099	13,589	8,181	305,279	-	305,279
Disposals - note 4.1.5	-	(56)	-	(177)	(312)	(83)	(628)	-	(628)
Depreciation charge	(72,134)	(692,128)	(13,078)	(11,192)	(24,789)	(701)	(814,022)	(6,168)	(820,190)
Closing net book value	618,214	4,532,755	109,674	41,672	49,950	14,206	5,366,471	198,952	5,565,423
At December 31, 2022									
Cost	1,439,716	12,922,020	314,704	134,748	192,669	31,296	15,035,153	267,921	15,303,074
Accumulated depreciation	(821,502)	(8,389,265)	(205,030)	(93,076)	(142,719)	(17,090)	(9,668,682)	(68,969)	(9,737,651)
Net book value	618,214	4,532,755	109,674	41,672	49,950	14,206	5,366,471	198,952	5,565,423
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	197,155	6,465,137
Additions	22,356	366,537	3,877	11,022	9,205	435	413,432	13,629	427,061
Disposals	-	-	-	(36)	(17)	(1,583)	(1,636)	-	(1,636)
Depreciation charge	(69,698)	(686,080)	(12,545)	(11,436)	(24,094)	(83)	(803,936)	(5,664)	(809,600)
Closing net book value	656,714	4,993,163	122,752	34,942	61,462	6,809	5,875,842	205,120	6,080,962
At December 31, 2021									
Cost	1,406,082	12,691,517	326,187	124,115	193,703	23,875	14,765,479	267,921	15,033,400
Accumulated depreciation	(749,368)	(7,698,354)	(203,435)	(89,173)	(132,241)	(17,066)	(8,889,637)	(62,801)	(8,952,438)
Net book value	656,714	4,993,163	122,752	34,942	61,462	6,809	5,875,842	205,120	6,080,962

4.1.2 Depreciation charge for the year has been allocated as follows:

	Note	2022	2021
		(Rupees in thousand)	
Cost of goods manufactured	22.1	800,654	790,255
Distribution costs	23	961	996
Administrative expenses	24	18,575	18,349
		820,190	809,600

4.1.3 Operating fixed assets include assets having cost of Rs. 4.54 billion (2021: Rs. 4.46 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.

4.1.6 During the year i.e. on October 03, 2022, a fire incident occurred at one of the Company's film manufacturing line sections at Port Qasim facility. Their was no significant damage to the critical equipment. The Company is currently in the process of lodging the insurance claim with the insurance provider.

4.2 Capital Work in Progress

	2022				2021			
	Balance as at January 1, 2022	Additions during the year-note 4.2.1 & 4.2.2	Transfers / Adjustment	Balance as at December 31, 2022	Balance as at January 1, 2021	Additions during the year	Transfers / Adjustment	Balance as at December 31, 2021
	(Rupees in thousand)							
Plant and machinery	185,071	52,088	(120,170)	116,989	369,540	109,406	(293,875)	185,071
Building and civil works	31,664	255,976	(23,537)	264,103	12,040	31,718	(12,094)	31,664
Advances to suppliers and contractors	485,486	992,840	-	1,478,326	126,298	478,752	(119,564)	485,486
Total	702,221	1,300,904	(143,707)	1,859,418	507,878	619,876	(425,533)	702,221

4.2.1 These include borrowing cost, net of government grant, capitalised amounting to Rs. 60.4 million (2021: Rs. 7.70 million) during the year. The borrowing cost is capitalised at an internal rate of returns ranging between 3.6% to 103.4% (2021: 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. 971.3 million (2021: Rs. 413.26 million) and Rs. 32.18 million (2021: 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

	2022	2021
	(Rupees in thousand)	
Balance at beginning of the year	116,840	49,495
Additions during the year	45,963	91,254
Transfers made during the year	(16,246)	(23,909)
Balance at end of the year	146,557	116,840

5. INTANGIBLES

Computer software

	2022	2021
	(Rupees in thousand)	
At January 1		
Cost	77,867	74,001
Accumulated amortisation	(71,074)	(63,055)
Net book value	6,793	10,946
Additions during the year	12,144	3,866
Amortisation for the year	(5,289)	(8,019)
Net book value as at December 31	13,648	6,793
At December 31		
Cost	90,011	77,867
Accumulated amortisation	(76,363)	(71,074)
Net book value	13,648	6,793

5.1 Amortisation charge for the year has been allocated to administrative expenses.

6. INVENTORIES

	Note	2022	2021
		(Rupees in thousand)	
Stores		117,908	82,948
Spares		584,296	579,343
Stores and spares in transit		15,343	2,292
		717,547	664,583
Less: provision for obsolescence	6.1	(91,520)	(89,020)
		626,027	575,563
Raw materials			
- In hand		1,908,965	2,078,651
- In transit		100,544	497,715
		2,009,509	2,576,366
Less: provision for obsolescence	6.2	(84,631)	(72,665)
		2,550,905	3,079,264
Packing material		37,816	31,410
Work-in-process		476,251	525,222
Finished goods		636,068	891,618
		3,701,040	4,527,514

6.1 Provision for obsolescence of stores and spares

Balance as at January 1		89,020	-
Provision during the year	6.1.1	2,500	89,020
Balance as at December 31		91,520	89,020

6.1.1 The cost of such stores and spares amounts to Rs. 5.19 million (2021: Rs. 130.36 million).

6.2 Provision for obsolescence of raw materials

Balance as at January 1		72,665	64,484
Provision during the year	6.2.1	11,966	8,181
Balance as at December 31		84,631	72,665

6.2.1 The cost of such raw material amounts to Rs. 46.65 million (2021: Rs. 8.18 million).

7. TRADE RECEIVABLES

	Note	2022	2021
		(Rupees in thousand)	
Unsecured			
Considered good			
Due from related parties	7.1	308,441	210,809
Others		1,390,517	1,822,191
		1,698,958	2,033,000
Considered doubtful - others	7.2	93,142	117,752
Secured			
Considered good	7.3	584,849	877,764
		2,376,949	3,028,516
Less: loss allowance on doubtful receivables	7.2	(93,142)	(117,752)
		2,283,807	2,910,764

7.1 This represent amounts due from following related parties in the normal course of business and are interest free:

	2022	2021
	(Rupees in thousand)	
Packages Converters Limited	296,916	182,129
Packages Lanka (Private) Limited	11,525	27,797
Bulleh Shah Packaging (Private) Limited	-	351
Chantler Packages Inc.	-	532
	308,441	210,809

7.1.1 The maximum amount receivable from any related party during the year was Rs 863.89 million (2021: Rs 433.99 million).

7.2 Loss allowance on doubtful receivables

	Note	2022	2021
		(Rupees in thousand)	
Balance at beginning of the year		117,752	136,644
Provision for the year		58,933	10,790
Reversals during the year	7.4	(25,860)	(29,682)
Write offs during the year		(57,683)	-
Balance at end of the year		93,142	117,752

7.3 These include trade receivable balances secured against letter of credit and credit insurance policy.

7.4 These reversal were made in the ordinary course of business.

7.5 The age analysis of trade receivables past due but not impaired is as follows:

	2022	2021
	(Rupees in thousand)	
Up to 2 months	553,589	529,812
Over 2 - 4 months	77,527	60,827
Over 4 - 6 months	19,405	19,721
More than 6 months	29,730	11,714
	680,251	622,074

7.6 The age analysis of trade receivables past due but not impaired from related parties is as follows:

	2022	2021
	(Rupees in thousand)	
Up to 2 months	36,834	47,541
Over 2 - 4 months	46,045	11,173
Over 4 - 6 months	-	7,449
More than 6 months	8,349	8,851
	91,228	75,014

8. ADVANCES AND PREPAYMENTS

	Note	2022	2021
		(Rupees in thousand)	
Considered good			
Due from employees	8.1	10,033	9,691
Advances to suppliers		14,494	25,575
Advances to clearing agents		21,611	44,478
Deferred transaction cost		40,500	38,400
Other prepayments		20,284	15,675
		106,922	133,819

8.1 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 1.85 million (2021: Rs 2.86 million).

9. OTHER RECEIVABLES

	Note	2022	2021
		(Rupees in thousand)	
Rebate receivable from supplier		155,932	175,000
Car advances to employees	9.1	74,310	36,544
Margin against Letter of Credit	9.2	314,172	1,867
Margin against bank guarantee	9.3	160,392	-
Others		7,228	42,695
		712,034	256,106

9.1 These represent advance to employees against purchase of vehicles for a period of upto 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.

9.2 This represents LC margin kept with scheduled banks in relation to import of specified items.

9.3 This includes amounts held by bank under lien against bank guarantees issued on behalf of the Company in respect of the Sindh Development and Maintenance of Infrastructure Cess, 2017 as mentioned in the note 17.5 of these financial statements. This also includes amount kept in bank against security submitted to the Nazir of the Sind High Court in relation to petition filed by the Company in the Court against chargeability of Super Tax.

10. CASH AND BANK BALANCES

	Note	2022	2021
Cash with banks in Current accounts		(Rupees in thousand)	
Local currency	10.1	215,896	83,927
Foreign currency	10.1	96,655	63,950
Mark-up bearing savings account	10.2	541,339	58,937
Term Deposit Receipt (TDR)	10.3	50,000	-
Cash in hand		300	54
		904,190	206,868

10.1 These bank balances are maintained under current accounts and do not carry any interest.

10.2 The rates of mark-up on local currency savings accounts ranged from 8.25% to 14.50% per annum (2021: 5.5% to 7.25% per annum).

10.3 This represents 100% cash margin against bank guarantee booked under TDR carrying profit at 14.5% per annum.

11. SHARE CAPITAL

Number of shares		2022	2021
		(Rupees in thousand)	
Authorised			
100,000,000	Ordinary shares of Rs. 10 each	1,000,000	1,000,000
Issued, subscribed and paid-up			
2022	2021		
(Number of Shares)			
38,800,000	38,800,000	Ordinary shares of Rs. 10 each fully paid in cash	388,000	388,000

11.1 Packages Limited and IGI Insurance Limited held 26,871,931 (2021: 19,371,931) and 3,750,417 (2021: 3,750,417) ordinary shares of the Company respectively, as at December 31, 2022. (note 1.)

12. LONG TERM BORROWINGS

	Note	2022	2021
		(Rupees in thousand)	
Secured			
Borrowing - 1		666,667	1,000,000
Borrowing - 2		-	144,715
Borrowing - 3		493,920	538,821
Borrowing - 4		1,000,000	1,000,000
Borrowing - 5		160,775	165,380
Borrowing - 6	12.4	1,189,672	357,560
Borrowing - 7	12.5	32,168	27,425
		3,543,202	3,233,901
Less: deferred government grant		(443,028)	(173,935)
		3,100,174	3,059,966
Less: current portion of long-term borrowings		(608,946)	(456,824)
		2,491,228	2,603,142

12.1 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):

	Note	2022	2021
		(Rupees in thousand)	
Balance at beginning of the year		3,059,966	2,414,871
During the year;			
Acquisition		829,875	1,145,438
Repayment		(554,941)	(304,426)
Amortisation - net of payment		88,989	33,826
Government grant adjusted		(322,020)	(153,941)
Transaction cost adjusted		(1,695)	(75,802)
Balance at end of the year		3,100,174	3,059,966

12.2

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)	2022	2021			
Borrowing 1	Term-loan	12 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 0.10%	13.07%	7.48%	1,000,000	November 2018	November 2024
Borrowing 2	Payroll refinance	8 Quarterly (6 month grace period)	Quarterly	SBP rate + 1.00%	1.00%	1.00%	268,853	June 2020	November 2022
Borrowing 3	Term-loan	12 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 0.15%	13.48%	7.64%	696,011	July 2020	July 2025
Borrowing 4	Term-loan	10 Semi-Annual (2 years grace period)	Quarterly	3 month Kibor + 0.50%	13.88%	8.34%	1,000,000	December 2020	December 2028
Borrowing 5	TERF	32 Quarterly (2 years grace period)	Quarterly	SBP rate + 0.75%	1.75%	1.75%	157,190	April 2021	April 2031
Borrowing 6	TERF	32 Quarterly (2 years grace period)	Quarterly	SBP rate + 1.40%	4.89%	6.72%	2,500,000	May 2021	July 2032
Borrowing 7	LTFF	32 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 0.45%	10.30%	11.50%	4,000,000	September 2021	September 2032

12.3 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.

12.4 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. 3.67 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 13).

12.5 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 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 13).

13. DEFERRED INCOME - GOVERNMENT GRANT

	Note	2022	2021
		(Rupees in thousand)	
Balance as at January 1		153,628	18,394
Government grant received during the year			
		322,020	153,941
Government grant deducted from borrowing cost		(19,150)	(6,136)
Government grant recoginsed in other income	25	(13,470)	(12,571)
		443,028	153,628
Less: current portion of deferred income - Government grant	17	(17,583)	(13,258)
Balance as at December 31		425,445	140,370

13.1 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.

14. DEFERRED TAXATION - NET

	Accelerated tax depreciation	Amortisation allowance	Provision for Obsolescence	Provision against Gas Infrasturture Development Cess	Provision for accumulated compensated absences	Loss allowanc for doubtsul recievable	Minimum Tax	Alternative corporate Tax	Total
	(Rupees in thousand)								
January 1, 2022	**635,110**	**(5,007)**	**(43,633)**	**(172,753)**	**(9,215)**	**(26,595)**	**-**	**-**	**377,907**
Charge / (credit) to profit or loss for the year	**11,460**	**5,055**	**(8,305)**	**(2,890)**	**(1,038)**	**(1,815)**	**-**	**-**	**2,467**
December 31, 2022	**646,570**	**48**	**(51,938)**	**(175,643)**	**(10,253)**	**(28,410)**	**-**	**-**	**380,374**
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	635,110	(5,007)	(43,633)	(172,753)	(9,215)	(26,595)	-	-	377,907

14.1 Deferred tax liability is restricted to 89.37% (2021: 93.06%) 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.

14.2 Under the Finance Act, 2020, corporate rate of tax has been fixed at 29% for tax year 2020 and onwards. As per Finance Act, 2022, companies operating in certain sectors are liable to pay super tax at specified rates. Accordingly, deferred tax assets and liabilities have been recognised accordingly using the expected applicable rate of 33%.

14.3 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.

15. STAFF RETIREMENT BENEFITS

15.1 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, 2022.

15.2 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.

15.3 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.

15.4 The latest actuarial valuations of the Plans as at December 31, 2022 were carried out using the Projected Unit Credit Method. Details of the Funds as per the actuarial valuations are as follows:

		Note	2022	2021	2022	2021
			Pension Fund		Gratuity Fund	
			(Rupees in thousand)			
15.4.1	The amounts recognised in the statement of financial position are as follows:					
	Present value of defined benefit obligation	15.4.3	66,406	64,050	216,333	186,556
	Fair value of plan assets	15.4.4	(21,493)	(27,250)	(169,532)	(144,490)
	Payables to employees		-	-	3,633	2,022
	Net liability as at December 31		44,913	36,800	50,434	44,088
15.4.2	Net liability as at January 1		36,800	10,930	44,088	47,487
	Charge to profit or loss		4,324	1,066	23,092	22,750
	Loss / (gain) charged to other comprehensive income		3,789	24,804	1,826	(7,448)
	Contribution by the Company		-	-	(18,572)	(18,701)
	Net liability as at December 31		44,913	36,800	50,434	44,088

	2022	2021	2022	2021
	Pension Fund		Gratuity Fund	
	(Rupees in thousand)			
15.4.3 The movement in the present value of defined benefit obligation is as follows:				
Present value of defined benefit obligation as at January 1	64,050	60,401	186,556	176,192
Current service cost	-	-	19,221	19,002
Interest cost on defined benefit obligation	7,135	5,576	22,084	17,247
Benefits due but not paid (payables)	-	-	(2,361)	(1,097)
Adjustment for last year's payables	-	-	160	-
Benefits paid	(6,655)	(6,420)	(10,197)	(14,760)
Actuarial losses / (gains) from changes in financial assumptions	1,703	1,246	4,649	(5,558)
Experience adjustments	173	3,247	(3,779)	(4,470)
Present value of defined benefit obligation as at December 31	66,406	64,050	216,333	186,556
15.4.4 The movement in fair value of plan assets is as follows:				
Fair value as at January 1	27,250	49,471	144,490	129,729
Contributions made by employer	-	-	18,573	18,701
Income on plan assets	2,811	4,510	18,213	13,499
Return on plan assets excluding interest income	(1,913)	(20,311)	(957)	(2,581)
Benefits paid	(6,655)	(6,420)	(10,787)	(14,858)
Fair value as at December 31	21,493	27,250	169,532	144,490
15.4.5 The amounts recognized in the profit or loss are as follows:				
Current service cost	-	-	19,221	19,002
Interest cost on defined benefit obligation	7,135	5,576	22,084	17,247
Interest income on plan assets	(2,811)	(4,510)	(18,213)	(13,499)
	4,324	1,066	23,092	22,750
15.4.6 The amounts recognized in the other comprehensive income are as follows:				
Experience adjustments	1,876	4,493	869	(10,028)
Return on plan assets excluding interest income	1,913	20,311	957	2,581
	3,789	24,804	1,826	(7,447)

15.4.7 Plan assets are comprised of as follows:

	2022	2021	2022	2021
	Pension Fund		Gratuity Fund	
	(Rupees in thousand)			
Debt	15,432	18,966	25,210	23,985
Equity - listed companies	-	-	427	433
Government securities	6,018	8,175	133,998	115,475
Cash	43	109	9,897	4,597
	21,493	27,250	169,532	144,490

15.5 The Company ensures asset / liability matching by investing in government securities, bank deposits, mutual funds and does not use derivatives to manage its risk.

15.6 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	62,272	197,783
Discount rate	- 100 bps	71,067	237,536
Salary increase	+ 100 bps	71,698	237,971
Salary increase	- 100 bps	61,669	197,102

- Average expected remaining working life time of gratuity management employees is 9 years.
- Average expected remaining working 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.

16. ACCUMULATED COMPENSATED ABSENCES

	Note	2022	2021
		(Rupees in thousand)	
Opening balance at the beginning of the year		31,511	31,804
Expense recognised during the year		11,248	4,561
Payments made during the year		(7,987)	(4,854)
Closing balance at the end of the year		34,772	31,511

17. TRADE AND OTHER PAYABLES

Creditors	17.1	66,117	55,059
Accrued liabilities	17.2	1,969,684	1,287,907
Advances from customers	17.3	114,452	67,577
Liability for imported goods		106,347	238,865
Retention money		13,133	4,523
Current portion of provision for Gas Infrastructure Development Cess	17.5	594,636	640,144
Rebate payable against export		27,712	6,068
Deferred income - Government grant	13	17,583	13,258
Payable to provident fund		3,955	3,660
Workers' profits participation fund	17.6	4,919	3,803
Workers' welfare fund	17.7	105,469	76,762
		3,024,007	2,397,626

17.1 Creditors include Rs. Nil (2021: Rs 9.04 million) payable to associated undertakings.

17.2 These include Rs. 566.34 million (2021: Rs. 379.86 million) levied through The Sindh Development and Maintenance of Infrastructure Cess, 2017, which superseded the previous levy under Sindh Finance Act, 1994. As per order dated September 1, 2021, the Honorable Supreme Court of Pakistan has directed the petitioners to provide 100% bank guarantees towards the Cess.

17.3 During the year, the Company has shipped 100% goods against last year advances and have no liability against them.

17.4 The maximum amount due to any related party during the year was Rs. 20.84 million (2021: Rs 6.30 million).

17.5 Current portion of provision for Gas Infrastructure Development Cess

	2022	2021
	(Rupees in thousand)	
Opening as at January 1	640,144	796,886
Repayment	(45,508)	(263,187)
Remeasurement loss of financial liability	-	106,445
Closing as at December 31	594,636	640,144

17.5.1 During the period, the Company stopped making payments of installments as stay order has been obtained by the Company from the Honorable High Court of Sindh.

	Note	2022	2021
		(Rupees in thousand)	
17.6 Workers' profits participation fund			
Payable at the beginning of the year		3,803	29,365
Allocation for the year		75,545	75,800
		79,348	105,165
Payments during the year		(74,429)	(101,362)
Payable at the end of the year		4,919	3,803
17.7 Workers' welfare fund			
Payable at the beginning of the year		76,762	48,447
Allocation for the year		28,707	28,315
		105,469	76,762
18. ACCRUED MARK-UP			
On long-term borrowings		30,368	23,012
On short-term borrowings		129,528	97,021
		159,896	120,033
19. SHORT-TERM BORROWINGS			
Secured conventional financing			
Short-term money market loans	19.1 & 19.2	3,750,500	3,650,000
Short-term running finance	19.3	219,929	769,459
Secured islamic financing			
Short-term istisna cum wakala	19.1 & 19.4	-	500,000
Short-term running musharaka	19.4	353,580	841,677
		4,324,009	5,761,136

19.1 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):

	2022	2021
	(Rupees in thousand)	
Balance as at January 1	4,150,000	520,000
Utilisation during the year	5,450,000	9,070,000
Repayment	(5,849,500)	(5,440,000)
Balance as at December 31	3,750,500	4,150,000

19.2 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 8.22% to 17.07% (2021: 7.34% to 10.02%) per annum. The facilities are available for the maximum period of one year from the date of agreement with the latest facility expiring on September 30, 2023.

19.3 Short-term running finances have been obtained under mark-up arrangements from commercial banks payable on various maturity dates up to September 30, 2023. 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 10.64% to 17.36% (2021: 7.50% to 10.27%) per annum.

19.4 This represents Istisna facilities aggregating to Rs. 500 million (2021: Rs. 500 million) and Musharakah facilities aggregating to Rs. 1,000 million (2021: 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. 1,146.42 million (2021: Rs. 158.32 million).

19.5 Total short-term facilities available under mark-up arrangements aggregated Rs 9,600 million (2021: Rs 7,410 million) out of which the amount unavailed at the year end was Rs 5,276 million (2021: Rs 1,649 million).

20. CONTINGENCIES AND COMMITMENTS

	2022	2021
	(Rupees in thousand)	
Contingencies		
Guarantees issued by banks on behalf of the Company	851,415	701,415
Commitments		
- for purchase of raw materials and spares	1,196,879	1,155,085
- capital expenditure	3,132,404	3,311,807

20.1 Aggregate commitments in respect of ijarah arrangements of motor vehicles amount to Rs. 41.57 million (2021: Rs. 25.71 million) and are payable as follows:

	2022	2021
	(Rupees in thousand)	
Not later than 1 year	12,411	8,644
Later than 1 year but not later than 5 years	29,159	17,067
	41,570	25,711

20.2 The facilities for opening of letter of credits and for guarantees as at December 31, 2022 amounting to Rs. 21,250 million (2021: Rs. 20,750 million) and Rs. 1,674 million (2021: Rs. 1,574 million) respectively, of which the amount remaining unutilised is of Rs. 17,041 million (2021: Rs. 16,521 million) and Rs. 822.09 million (2021: Rs. 872.59 million) respectively.

20.3 In respect of tax years 2008, 2010 and 2011 the ACIR raised tax demands of Rs. 56.35 million, Rs. 8.7 million and Rs. 23.68 million under section 122(5A) through orders dated March 20, 2014, April 03, 2014 and April 08, 2014 respectively. The appeals were filed by the Company in the CIRA which were disposed off by CIRA through orders dated May 19, 2015 for tax year 2008 and April 30, 2015 for tax years 2010 and 2011 against the Company on certain disallowances. The appeal was filed by the Company and the Department in the ATIR. In respect of tax years 2010 and 2011, the ATIR has decided the appeal in favour of the Company through Combined Appellate Order dated January 21, 2021 on the issue of post retirement benefits. Further subsequent to the year end, the ATIR in another appeal in respect of tax year 2008 has annulled the amended order as being time barred thus restoring the position as per return. Based on the advice of the tax consultants, the appeal pending before ATIR for tax year 2010 and 2011 will be decided in favour of the Company.

20.4 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.

20.5 In respect of tax years 2015, 2018 and 2019, the Assistant Commissioner Inland Revenue (ACIR) through order dated August 31, 2020, levied super tax u/s 4B on exparte basis amounting to Rs. 53.88 million, Rs. 17.7 million and Rs. 35.13 million respectively. However , the demands were subsequently rectified for tax year 2015 to Nil, tax year 2018 to Rs. 24.4 million and tax year 2019 to Rs. 17.68 million. Subsequently, the Company received a combined Appellate order dated December 31, 2021 for tax years 2015, 2018 and 2019 upholding the legal basis of super tax. During the year, the Company filed an appeal on the basis of the rectified order for the tax years 2018 and 2019 which is pending before ATIR. Based on the advise of its tax consultants, the Company is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favour.

20.6 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. During the year, an order dated June 29, 2022 under section 161 (1) of the Ordinance has been received on the basis of which a demand of Rs. 9.64 million has been raised. In relation to this, the Company has filed an appeal before CIRA which is still pending. 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.

21. REVENUE FROM CONTRACTS WITH CUSTOMERS

	Note	2022	2021
		(Rupees in thousand)	
Sale of goods less returns:			
- Local		25,523,952	21,071,125
Less: Discounts		(344,446)	(424,962)
Less: Sales tax		(3,690,160)	(3,080,014)
		21,489,346	17,566,149
- Export		2,630,932	1,488,315
		24,120,278	19,054,464

22. COST OF SALES

Opening stock of finished goods		891,618	416,849
Cost of goods manufactured	22.1	20,057,716	16,323,075
Less: closing stock of finished goods		(636,068)	(891,618)
		20,313,266	15,848,306

22.1 Cost of goods manufactured

Opening stock of work-in-process		525,222	350,386
Raw materials consumed	22.2	15,390,307	12,731,014
Packing materials consumed	22.3	598,313	491,939
Repair and maintenance	22.4	521,662	449,879
Salaries, wages and other benefits	22.5	823,852	763,386
Fuel, power and water		1,671,292	1,108,773
Insurance		49,183	46,636
Vehicle running and maintenance	22.6	69,542	57,705
Travelling		22,013	4,843
Depreciation	4.1.2	800,654	790,255
Staff training and development		3,073	1,399
Legal and professional services		10,117	14,751
Other expenses		48,737	37,331
		20,533,967	16,848,297
Less: closing stock of work-in-process		(476,251)	(525,222)
		20,057,716	16,323,075

22.2 Raw materials consumed

Opening stock		2,576,366	1,150,362
Purchases		14,823,450	14,157,018
Less: closing stock		(2,009,509)	(2,576,366)
		15,390,307	12,731,014

22.3 Packing materials consumed

	2022	2021
	(Rupees in thousand)	
Opening stock	31,410	37,846
Purchases	604,719	485,503
Less: closing stock	(37,816)	(31,410)
	598,313	491,939

22.4 These include stores and spares consumed amounting to Rs. 98.96 million (2021: Rs. 265.40 million).

22.5 These include Rs. 13.57 million (2021: Rs. 13.43 million) in respect of contribution to provident fund, Rs. 16 million (2021: Rs. 37.33 million) in respect of gratuity fund, Rs. 15.24 million (2021: Rs. 17.83 million) in respect of pension fund, Rs. 6.92 million (2021: Rs. 2.81 million) in respect of compensated absences.

22.6 This includes Rs. 2.09 million (2021: Rs. 1.28 million) in respect of rentals under ijarah arrangements.

23. DISTRIBUTION COSTS

	Note	2022	2021
		(Rupees in thousand)	
Outward freight		520,182	304,994
Salaries, wages and other benefits	23.1	97,457	99,165
Commission on export sales		96,698	48,431
Travelling		6,872	2,990
Rent, rates and taxes		5,586	11,669
Repairs and maintenance		1,970	3,490
Vehicle running and maintenance	23.2	4,675	2,749
Insurance		9,310	3,361
Depreciation	4.1.2	961	996
Staff training and development		1,813	743
Other expenses		17,070	16,579
		762,594	495,167

23.1 These include Rs. 2.22 million (2021: Rs. 2.2 million) in respect of contribution to provident fund, Rs. 1.54 million (2021: Rs. 3.29 million) in respect of gratuity fund, Rs. 5.51 million (2021: Rs. 4.81 million) in respect of pension fund and Rs. 1.27 million (2021: Rs. 0.51 million) in respect of compensated absences.

23.2 This includes Rs. 0.04 million (2021: Rs. 0.17 million) in respect of rentals under ijarah arrangements.

24. ADMINISTRATIVE EXPENSES

	Note	2022	2021
		(Rupees in thousand)	
Salaries, wages and other benefits	24.1	293,952	277,899
Rent, rates and taxes		5,644	6,494
Printing, stationery and periodicals		8,328	7,777
Postage and telephone		5,479	5,357
Repairs and maintenance		10,388	13,045
Vehicle running and maintenance	24.2	27,256	17,276
Travelling and entertainment		23,574	19,420
Insurance		4,080	3,994
Staff training and development		4,103	1,621
Auditors' remuneration	24.3	10,117	9,857
Legal and professional expenses		64,812	66,664
Depreciation	4.1.2	18,575	18,349
Amortisation	5.1	4,403	8,019
Electricity, gas and water		6,301	7,860
Advertisement		2,277	2,084
		489,289	465,716

24.1 These include Rs 6.62 million (2021: Rs 6.52 million) in respect of contribution to provident fund, Rs 5 million (2021: Rs 11.13 million) in respect of gratuity fund, Rs 12.19 million (2021: Rs 11.35 million) in respect of pension fund and Rs 1.68 million (2021: Rs 1.24 million) in respect of compensated absences.

24.2 This includes Rs 9.9 million (2021: Rs 5.87 million) in respect of rentals under ijarah arrangements.

24.3 Auditors' remuneration

	2022	2021
	(Rupees in thousand)	
Audit fee	2,657	2,415
Review of half yearly accounts, review of statement of compliance on best corporate practices, audit of employees' retirement funds and other special reviews	1,750	1,388
Special audit	500	1,000
Tax services	3,669	3,674
Out of pocket expenses	1,541	1,380
	10,117	9,857

25. OTHER INCOME

	Note	2022	2021
		(Rupees in thousand)	
Income from financial assets Profit on bank balances		5,412	1,188
Others			
Gain on disposal of property, plant and equipment"		418	-
Sale of scrap materials		135,908	90,657
Government grant	13	13,470	12,571
		149,796	103,228
		155,208	104,416

26. OTHER EXPENSES

Workers' profits participation fund	17.6	75,545	75,800
Workers' welfare fund	17.7	28,707	28,315
Donations	26.1	19,740	21,888
Loss on disposal of property, plant and equipment		-	1,131
		123,992	127,134

26.1 These include Rs. 17.22 million (2021: Rs. 20.84 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.

27. FINANCE COST - NET

	Note	2022	2021
		(Rupees in thousand)	
Amortisation of lease liability		4,987	4,770
Mark-up on long term borrowings		330,484	172,797
Mark-up on short term borrowings		738,360	255,971
Bank and other charges		78,990	57,073
Exchange loss - net - note 27.1		18,937	229,287
Loss on remeasurement of provision for Gas Infrastructure Development Cess	17.5	-	106,445
		1,171,758	826,343

27.1 This is net of exchange gain on export sales amounting to Rs. 253.85 million (2021: Rs. 49. 76 million)

28. INCOME TAX - NET

	2022	2021
	(Rupees in thousand)	
Current	411,106	417,779
Prior - note 28.1 and 28.2	104,411	-
Deferred	2,491	(44,533)
	518,008	373,246

28.1 This includes super tax charged amounting to Rs. 57.89 million at 4% for Tax Year 2022 as per the Finance Act, 2022. High Court of Sindh subsequently declared the retrospective application as ultra vires. However, the Federal Board of Revenue has the right to challenge the same at Supreme Court of Pakistan.

28.2 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 2021, 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 Honorable Supreme Court of Pakistan. During the year, that matter was decided against the Company, hence a provision has been recorded in these financial statements amounting to Rs. 46 million.

28.3 Tax reconciliation

	2022	2021
	(Rupees in thousand)	
Profit before income tax	1,381,514	1,415,106
Tax @ 29% (2021: 29%)	400,639	410,381
Effect of		
- Final tax regime	(76,289)	(31,115)
- Prior year charge	104,411	-
- Super Tax	50,325	-
- Effect of change of rate	47,871	-
- Others	(8,949)	(6,020)
	518,008	373,246
Effective tax rate	37.50%	26.38.%

29. EARNINGS PER SHARE - basic and diluted

	2022	2021
	(Rupees in thousand)	
Profit for the year attributable to ordinary shareholders	863,506	1,041,860
	Number of shares (in thousand)	
Weighted average number of ordinary shares outstanding during the year - note 29.1	38,800	38,800
Basic and diluted earnings per share	22.26	26.85

29.1 There were no convertible dilutive potential ordinary shares outstanding as at December 31, 2022 and 2021.

30. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Note	2022		2021	
		Chief Executive	Executives	Chief Executive	Executives
		(Rupees in thousand)			
Managerial remuneration including bonus		40,032	172,079	35,487	156,935
Staff retirement benefits	30.1	8,491	29,813	7,372	27,037
Housing		11,077	68,083	9,617	62,246
Utilities		2,215	17,023	1,923	15,573
Leave fare assistance		1,846	7,093	1,603	6,488
Medical expenses		192	5,484	22	5,448
Other allowances and benefits		8,658	33,970	6,042	22,644
		72,511	333,545	62,066	296,371
Number of persons		1	38	1	35

30.1 Staff retirement benefits include amount contributed towards various retirement benefit plans.

30.2 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.

30.3 Remuneration to non-executive directors

Aggregate amount charged in these financial statements for meetings fee to Three (2021: Three) non-executive directors was Rs 2.15 million (2021: Rs 2.33 million).

31. CASH GENERATED FROM / (USED IN) OPERATIONS

	Note	2022	2021
		(Rupees in thousand)	
Profit before income tax		1,381,514	1,415,106
Adjustments for non-cash charges and other items:			
Depreciation		820,190	809,600
Amortisation expense		5,289	8,019
Finance cost		1,152,821	490,611
Government grant recognised in income		(13,470)	(12,571)
Unrealised exchange gain - net		(3,146)	(36,214)
Profit on bank balances		(5,412)	(1,188)
Provision for accumulated compensated absences		11,248	4,561
Provision for staff retirement benefits		55,487	76,253
(Gain) / loss on disposal of property, plant and equipment		(418)	1,131
Loss on remeasurement of provision for Gas Infrastructure Development Cess		-	106,445
Working capital changes	31.1	2,010,051	(5,011,238)
		4,032,640	(3,564,591)
		5,414,154	(2,149,485)

31.1 Working capital changes

Decrease / (increase) in current assets:			
Inventories		826,474	(2,062,767)
Trade receivables		627,989	(1,214,614)
Advances and prepayments		26,897	(3,518)
Refunds due from government - sales tax		314,942	(104,668)
Other receivables		(455,928)	(22,052)
		1,340,374	(3,407,619)
Increase / (decrease) in current liabilities:			
Trade and other payables		669,677	(1,603,619)
		2,010,051	(5,011,238)

32. CASH AND CASH EQUIVALENTS

Short term running finance	19	(573,509)	(1,611,136)
Cash and bank balances	10	854,190	206,868
		280,681	(1,404,268)

33. 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		-	-	-	-	28,033	28,033	28,033
Trade receivables		-	-	-	2,283,807	-	2,283,807	2,283,807
Advances		-	-	-	10,033	-	10,033	10,033
Other receivables		-	-	-	712,034	-	712,034	712,034
Cash and bank balances		591,339	-	591,339	312,851	-	312,851	904,190
	2022	591,339	-	591,339	3,318,725	28,033	3,346,758	3,938,097
FINANCIAL LIABILITIES								
At amortised cost								
Long-term borrowings		608,946	2,491,228	3,100,174	-	-	-	3,100,174
Trade and other payables		-	-	-	1,588,944	-	1,588,944	1,588,944
Accrued mark-up		-	-	-	159,896	-	159,896	159,896
Short-term borrowings		4,324,009	-	4,324,009	-	-	-	4,324,009
Lease liability		3,118	34,655	37,773	-	-	-	37,773
Unclaimed dividend		-	-	-	21,662	-	21,662	21,662
	2022	4,936,073	2,525,883	7,461,956	1,770,502	-	1,770,502	9,232,458

		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		-	-	-	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	58,937	-	58,937	3,324,492	6,383	3,330,875	3,389,812
FINANCIAL LIABILITIES								
At amortised cost								
Long-term borrowings		456,824	2,603,142	3,059,966	-	-	-	3,059,966
Trade and other payables		-	-	-	1,206,496	-	1,206,496	1,206,496
Accrued mark-up		-	-	-	120,033	-	120,033	120,033
Short-term borrowings		5,761,136	-	5,761,136	-	-	-	5,761,136
Lease liability		3,334	33,003	36,337	-	-	-	36,337
Unclaimed dividend		-	-	-	18,159	-	18,159	18,159
	2021	6,221,294	2,636,145	8,857,439	1,344,688	-	1,344,688	10,202,127

34. 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:

34.1 Market risk

34.1.1 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 12), short term borrowings (note 19) and cash with bank in mark-up bearing savings account (note 10).

At December 31, 2022, 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:

	2022		2021	
	At higher interest rate	At lower interest rate	At higher interest rate	At lower interest rate
	(Rupees in thousand)			
Finance cost	34,611	(34,611)	38,647	(38,647)
Taxation	(10,037)	10,037	(11,208)	11,208
Net impact on profit after taxation	24,574	(24,574)	27,439	(27,439)

34.1.2 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 10), trade recievables (note 7) in respect of export sales and trade and other payables (note 17) 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, 2022, 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 11.37 million (2021: Rs 29.72 million), mainly as a result of foreign exchange losses / gains on translation of financial assets and liabilities denominated in foreign currencies.

34.1.3 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, 2022 (2021: Nil).

34.2 Concentration of credit risk

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. 3,938 million (2021: Rs. 3,390 million).

The carrying amounts of financial assets which are neither past due nor impaired are as under:

	2022	2021
	(Rupees in thousand)	
Long-term deposits	28,033	6,383
Trade receivables	1,603,556	2,288,690
Advances	10,033	9,691
Other receivables	712,034	256,106
Cash and bank balances	904,190	206,868
	3,257,846	2,767,738

Total bank balance of Rs 853.89 million (2021: Rs 206.81 million) has been placed with banks which have a short term credit rating of at least A-1 as assigned by PACRA or JCR-VIS.

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.

34.3 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	Later than 5 years
	(Rupees in thousand)				
Long term borrowings	3,100,174	608,946	801,317	1,047,466	642,445
Trade and other payables	1,588,944	1,588,944	-	-	-
Accrued mark-up	159,896	159,896	-	-	-
Short term borrowings	4,324,009	4,324,009	-	-	-
Lease Liability	37,773	3,118	2,863	9,294	22,498
	9,210,796	6,684,913	804,180	1,056,760	664,943

34.4 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, 2022 and 2021 were as follows:

	Note	2022	2021
		(Rupees in thousand)	
Long term borrowings (including current maturity)	12	3,543,202	3,309,703
Total equity		5,060,982	4,707,491
Total		8,604,184	8,017,194
Debt equity ratio		41:59	41:59

34.5 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:

a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and

c) 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.

35. 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	2022	2021
		(Rupees in thousand)	
Group shared cost	Parent company	43,931	-
Group shared cost	Associated undertaking	-	39,974
Purchase of goods and services	Associated undertaking	136,698	144,512
Sale of goods	Associated undertaking	3,024,306	2,308,013
Donations	Associated undertaking	17,223	20,837
Dividend paid	Associated undertaking and Directorship	420,722	129,994
Contributions to staff retirement benefit funds	Retirement benefit funds	75,000	72,714
Salaries and other employee benefits	Key management personnel*	176,612	159,485

** 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.

35.1 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	Parent Company	69.30%
2.	Bulleh Shah Packaging (Private) Limited	Associated Company	N/A
3.	Chantler Packaging Inc.	Associated Company	N/A
4.	IGI General Insurance Limited	Associated Company	9.67%
5.	IGI Life Insurance Company Limited	Associated Company	N/A
6.	Packages Lanka (Private) Limited	Associated Company	N/A
7.	Packages Converters Limited	Associated Company	N/A
8.	Packages Foundation	Associated Company	N/A

35.2 Following are the countries of incorporation of the associated companies incorporated outside Pakistan:

S.No	Company Name	Country of Incorporation
1.	Chantler Packaging Inc.	Canada
2.	Packages Lanka (Private) Limited	Sri Lanka
3.	Flexible Packaging Converter (Pty) Limited	South Africa
4.	Anemone Holdings (Private) Limited	India
5.	Packages Trading FZCO	UAE

36. PLANT CAPACITY AND ACTUAL PRODUCTION

	2022	2021
	(Metric tons)	
Operational capacity	83,800	83,800
Production	47,879	47,944

36.1 Production of films during the year is based on market demand.

37. NUMBER OF EMPLOYEES

The total average number of employees during the year and as at December 31, 2022 and 2021 respectively are as follows:

	2022	2021
Average number of employees during the year	305	294
Number of employees as at December 31	303	291

38. 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.

39. GENERAL

39.1 Non-adjusting event after balance sheet

The Board of Directors in its meeting held on February 8, 2023, proposed a final cash dividend for the year ended December 31, 2022 of Rs. 5 per share amounting to Rs. 194 million. (2021: Rs. 504.4 million) subject to the approval of the Company in the forthcoming annual general meeting.

39.2. Corresponding figure

The Company has presented the Right-of-Use Asset, which was previously presented as a separate line item in the statement of financial position, into Property, Plant and Equipment to align with the presentation in the financial statements of the Parent Company.

40. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on February 8, 2023 by the Board of Directors of the Company.

Nasir Jamal
Chief Executive Officer

Syed Baber Ali
Chairman

Muhammad Zuhair Damani
Chief Financial Officer

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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

The equity shares of Tri-Pack Films Limited (the "Company") are listed on the Pakistan Stock Exchange Limited (PSX).

Stock Code

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

Shares Registrar

The shares registrar of the Company is managed by FAMCO Associates (Pvt.) Limited and serves about 1,663 shareholders. It is managed by a well-experienced team of professionals and is equipped with the necessary infrastructure in terms of computer facilities and a 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 the 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 the details appearing below:

Contact Persons

Mr. Ubaid Hussain
Tel. # 92 21 35874047-49 Ext.: 237
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

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:

	For requests received through post
Transfer of shares	15 days after receipt
Transmission of shares	15 days after receipt
Issue of duplicate share certificates	30 days after receipt
Updating of IBAN	15 working days after receipt
Change of address	2 days after receipt

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

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, 63.25% 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 complaint 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 of December 31, 2022 is as follows:

Shareholding		Number of Shareholders	Total Shares Held
From	To		
1	100	431	15,480
101	500	610	253,046
501	1,000	164	133,383
1,001	5,000	308	754,299
5,001	10,000	53	393,161
10,001	15,000	30	393,411
15,001	20,000	9	155,648
20,001	25,000	5	114,054
25,001	30,000	3	84,345
30,001	35,000	7	228,762
35,001	40,000	2	75,095
40,001	45,000	2	86,079
45,001	50,000	7	337,277

Shareholding		Number of Shareholders	Total Shares Held
From	To		
50,001	55,000	1	50,058
55,001	60,000	1	57,000
60,001	65,000	4	251,486
65,001	70,000	1	65,959
70,001	75,000	1	72,426
75,001	80,000	2	151,812
85,001	90,000	1	89,300
95,001	100,000	1	100,000
100,001	105,000	2	203,082
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
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
420,001	425,000	1	421,228
505,001	510,000	1	509,076
535,001	540,000	1	536,975
680,001	685,000	1	682,260
3,750,001	3,755,000	1	3,750,417
12,935,001	12,940,000	1	12,936,063
13,935,001	13,940,000	1	13,935,868
		1,663	**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. PACKAGES LIMITED		2	26,871,931
M/S. BABAR ALI FOUNDATION		2	253,897
IGI INVESTMENTS (PVT.) LIMITED		1	3,750,417
	Total:	5	30,876,245
iii. Executives		NIL	NIL
	Total:	NIL	NIL
iv. Shareholders holding 10% or more voting rights			
M/S. PACKAGES LIMITED		2	26,871,931
	Total:	2	26,871,931

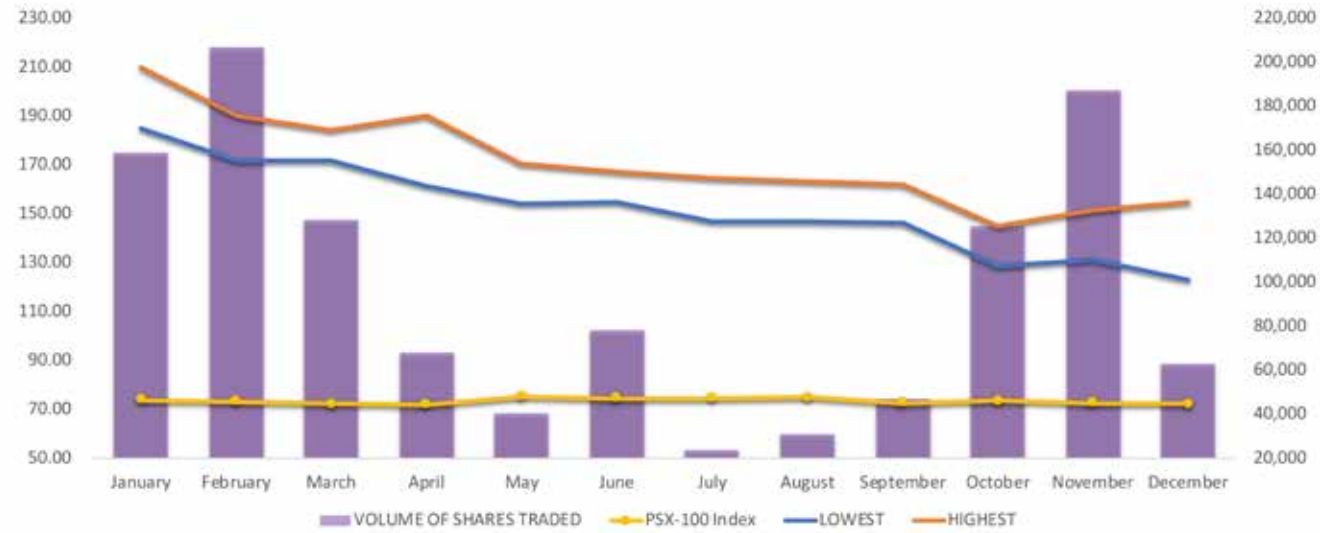
Categories of Shareholding

S.No.	Name of Shareholders	Number of Shareholders	Number of Shares	%
1	Directors, Chief Executive Officer, and their spouses and minor children	6	875,499	2.26
2	Associated Companies, Undertakings, and related Parties	5	30,876,245	79.58
3	NIT and ICP			
4	Banks, Development Financial Institutions, Non-Banking Financial Institutions	2	63	0.00
5	Insurance Companies	2	684,232	1.76
6	Modarabas and Mutual Funds	5	108,700	0.28
7	Foreign Companies	1	5,900	0.02
8	General Public:			
	a. local	1,543	4,745,655	12.23
	b. Foreign/Non-Resident	63	140,651	0.36
9	Others	36	1,363,055	3.51
	Total	1,663	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 2022 are as under:

Month	Share price on the PSX (Rs.)		Volume of shares traded	PSX-100 Index
	Highest	Lowest		Closing
January	209.95	185.00	158,900	45,374.68
February	190.00	172.00	207,000	44,461.01
March	183.95	171.51	128,100	44,928.83
April	190.00	161.60	68,100	45,249.41
May	170.50	154.00	40,600	43,078.14
June	167.00	155.00	78,600	41,540.83
July	164.75	147.00	23,900	40,150.36
August	163.63	147.00	30,800	42,351.15
September	162.00	146.00	46,800	41,128.67
October	145.00	128.55	125,900	41,264.66
November	151.40	131.00	187,500	42,348.63
December	154.80	123.00	63,000	40,420.45



Notice of Annual General Meeting

Notice is hereby given that the 31st Annual General Meeting of the shareholders of Tri-Pack Films Limited (the "Company") will be held at Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Block 8 Clifton, Karachi, on Monday, April 10, 2023 at 10:30 a.m and virtually via zoom to transact the following business:

ORDINARY BUSINESS

1) To confirm the minutes of the last Annual General Meeting of the Company held on April 20, 2022.

2) To receive, consider and adopt the audited Financial Statements together with the Directors' and Auditors' Report thereon for the year ended December 31, 2022.

3) To consider, approve and declare the dividend on the ordinary shares of the Company. The Directors have recommended a final cash dividend of 50% (Rs. 5.00 per ordinary share of Rs. 10 each), for the year ended December 31, 2022.

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 20, 2023

Notes:

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 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 name, folio number, email address by the close of business hours on April 7, 2023. The log-in credentials and link to participate in the AGM would be provided to the registered shareholders via response email.

As always, Tri-Pack Films Limited intends, 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 4, 2023 to April 10, 2023 (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 3, 2023 (Monday) 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 3, 2023; 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 also 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 03, 2023.

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 03, 2023. 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 the 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 and/or NTN (MANDATORY):

Further to SECP's directives, including SRO 831(1)/2012 and other relevant rules, for processing of electronic dividend the shareholder should provide CNIC number 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)/and as they case maybe.

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 Zakat Declaration Form "CZ-50" on NJSP of Rs. 50/- to the Share Registrar. In case shares are held in scrip less form such Zakat Declaration Form (CZ -50) must be uploaded in the CDC account of the shareholder, through their participant / Investor Account Services. Further, Non-Muslim shareholders are also required to file Solemn Affirmation (on format available on Company's website) with the Share Registrar of the Company in case of shares are held in physical certificates or with CDC Participant / Investor Account Services in case shares are in scrip less form. No exemption from deduction of zakat will be allowed unless the above documents complete in all respects have been made available as above.

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 the Company is required to approach shareholders to claim their unclaimed dividends. In this regard the Company has previously discharged its responsibility by publishing notices in news paper after sending individual letters to shareholders.

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. 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 scrip less 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 to do so in one of its Annual General Meeting in this regard and has sent its Annual Report 2021 to its shareholders in the form of CD. Members may view complete Annual Report on Company's website. Those 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 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

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1	**Organizational Overview and External Environment** *What does the organization do and circumstances under which it operates*	
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1.02	Geographical location and address of all business units including sales units and plants.	6, 22-23
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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).	153-155
1.07	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
1.08	Significant factors effecting the external environment and the associated organization's response. Also describe the effect of seasonality on business in terms of production and sales. (External environment includes commercial, political, economic, social, technological, environmental and legal environment).	28
1.09	The legitimate needs, interests of key stakeholders and industry trends.	157-159
1.10	SWOT Analysis of the company.	137
1.11	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
1.12	The legislative and regulatory environment in which the organization operates.	166
1.13	The political environment where the organization operates and other countries that may affect the ability of the organization to implement its strategy.	28
1.14	Significant changes from prior years (regarding the information disclosed in this section).	29
1.15	History of major events.	20-21
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2.02	Strategies in place or intended to be implemented to achieve the strategic objectives.	34
2.03	Resource allocation plans to implement the strategy and financial capital structure. Resource mean CAPITALS including: a. financial capital (e.g. liquidity, cash flows, financing arrangements); human capital; b. manufactured capital (e.g. building, equipment, infrastructure); c. intellectual capital (e.g. patents, copyrights, software, licenses, knowledge, system, procedures); d. human capital; e. social and relationship capital; and f. natural capital. Explanation: Disclosures about the capitals should include the factors that affect the availability, quality and affordability of relevant capitals and the organization's expectations of its ability to produce flows from them to meet future demand. Demonstrating the connectivity of financial performance with performance and outcomes regarding the other capitals & how the organization's strategy and resource allocation plans affect key capitals and risk management arrangements related to them should be included under capital reporting.	38-39
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2.08	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
2.09	Board's statement on the following: a) significant plans and decisions such as corporate restructuring, business expansion, or discontinuance of operations; b) business rationale of major capital expenditure or projects started during the year and those planned for next year etc.	36,136
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S.No.	Framework for Annual Reporting Best Corporate Report Awards 2022	Page Reference
3	**Risks and Opportunities** *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*	
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5	**Governance** *How does the organization's governance structure support its ability to create value in the short, medium and long term*	
5.01	Board composition: a) Leadership structure of those charged with governance. b) Name of independent directors indicating justification for their independence. c) Diversity in the board i.e. competencies, requisite knowledge & skills, and experience. d) Profile of each director including education, experience and involvement /engagement of in other entities as CEO, Director, CFO or Trustee etc. e) No. of companies in which the executive director of the reporting organization is serving as non-executive director.	60-62 70-71 60-62 60-62 74
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5.07	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.	74
5.08 5.09	Description of external oversight of various functions like systems audit or internal audit by an external specialist and other measures taken to enhance credibility of internal controls and systems. a) Approved policy for related party transactions. b) Details of all related parties transactions, along with the basis of relationship describing common directorship and percentage of shareholding. c) 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. d) Disclosure of director's interest in related party transactions. e) In case of conflict, disclosure that how such a conflict is managed and monitored by the board.	77 75,86-87 223-224 12, 77-78
5.10	Disclosure of Board's Policy on the following significant matters: a) Governance of risk and internal controls. b) Diversity (including gender), any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives. c) Disclosure of director's interest in significant contracts and arrangements. d) Remuneration of non-executive directors including independent directors for attending board meetings and general meetings. e) Retention of board fee by the executive director earned by him against his services as non-executive director in other companies. f) Security clearance of foreign directors. g) Board meetings held outside Pakistan.	67-68,103 54-55,75 74 76

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2022	Page Reference
5	**Governance** *How does the organization's governance structure support its ability to create value in the short, medium and long term*	
	e) Retention of board fee by the executive director earned by him against his services as non-executive director in other companies. f) Security clearance of foreign directors. g) Board meetings held outside Pakistan. h) Human resource management including preparation of succession plan. i) Social and environmental responsibility. j) Communication with stakeholders. k) Investors' relationship and grievances. l) Employee health, safety and protection. m) Whistle blowing policy including mechanism to receive and handle complains in a fair and transparent manner and providing protection to the complainant against victimization and reporting in Audit Committee's report. n) Safety of records of the company. o) Providing reasonable opportunity to the shareholder for participation in the AGM.	82-83 96 76,158-160 160,229 50-52 79-81 76 160
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5.13	Compliance with the Best Practices of Code of Corporate Governance (No marks in case of any non-compliance).	105-106
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5	**Governance** *How does the organization's governance structure support its ability to create value in the short, medium and long term*	
	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. j) Disclosure of the number of whistle-blowing incidences reported to the Audit Committee during the year.	
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6.01	Analysis of the financial and non-financial performance using both qualitative and quantitative indicators showing linkage between: (a) Past and current performance; (b) Performance against targets /budget; and (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.	40-41 115 116-117 66-72
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6.11	a) 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. b) Composition of local versus imported material and sensitivity analysis in narrative form due to foreign currency fluctuations	135 29
6.12	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.	139
6.13	CEO presentation video on the company's business performance of the year covering the company business strategy to improve and future outlook. (Please provide relevant webpage link of the video in the company's annual report).	

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2022	Page Reference
7	**Disclosures on IT Governance and Cybersecurity** *How the Board evaluate the company's IT governance and cybersecurity risk and how the Board manages those risks that threaten the company's operations*	
7.1	The Board responsibility statement on the evaluation and enforcement of legal and regulatory implications of cyber risks and the responsibilities of the board in case of any breaches.	109-111
7.2	Disclosure related to IT governance and cybersecurity programs, policies and procedures and industry specific requirements for cybersecurity and strategy in place.	109-111
7.3	Disclosures about how cybersecurity fits into the board's risk oversight function and how the board is engaging with management on this issue.	109-111
7.4	Disclosure that at least one board-level committee is charged with oversight of IT governance and cybersecurity matters and how the board administers its IT risk oversight function related to these risks.	109-111
7.5	Disclosure about Company's controls and procedures about an "early warning system" that enables the company to identify, assess, address, make timely disclosures and timely communications to the board about cybersecurity risks and incidents.	109-111
7.6	Disclosure of policy related to independent comprehensive security assessment of technology environment, including third party risks and when last such review was carried out.	109-111
7.7	Disclosure about resilient contingency and disaster recovery plan in terms of dealing with a possible IT failure or cyber breach and details about company's cyber insurance.	109-111
7.8	Disclosure of advancement in digital transformation on how the organization has leveraged 4.0 Industrial revolution (RPA, Block Chain, AI, Cloud Computing etc.) to improve transparency, reporting and governance.	109-111
7.9	Disclosure about education and training efforts of the Company to mitigate cybersecurity risks.	109-111

Explanatory Note

Companies are recommended to assess the risks related to the potential theft or compromise of their technology, data or intellectual property in connection with their operations, as well as how the recognition of these risks may impact their business, including their financial condition and results of operations, and any effects on their reputation, stock price and long-term value. Where these risks are material to investment and voting decisions, they should be disclosed, and we encourage companies to provide disclosure that allows investors to evaluate these risks through the eyes of management. Please note that disclosure about these risks should be specifically fit to a company's unique facts and circumstances. We trust that corporations should continue to consider this growing area of risk and evaluate its materiality on an ongoing basis.

Further, the Company should not make such detailed disclosures that could compromise its cybersecurity efforts – for example, by providing a "roadmap or product details" for those who seek to penetrate a company's security protections. However, companies should disclose IT governance and cybersecurity risks and incidents that are material to investors, including the associated financial, legal, or reputational consequences, if any.

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2022	Page Reference
8	**Future Outlook** *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*	
8.1	Forward looking statement in narrative and quantitative form including projections or forecasts about known trends and uncertainties that could affect the company's resources, revenues and operations in the short, medium and long term.	148-149
8.2	Explanation of 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.	149
8.3	Explanation as to how the performance of the company meets the forward looking disclosures made in the previous year.	150
8.4	Status of the projects in progress and were disclosed in the forward looking statement in the previous year.	150
8.5	Sources of information and assumptions used for projections / forecasts in the forward looking statement and assistance taken by any external consultant.	151
8.6	How the organization is currently equipped in responding to the critical challenges and uncertainties that are likely to arise.	148-149

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2022	Page Reference
9	**Stakeholders Relationship and Engagement** *State of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests*	
9.1	Stakeholders engagement policy of the company and how the company has identified its stakeholders.	158-159
9.2	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 company, 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.	158-159
9.3	Steps taken by the management to encourage the minority shareholders to attend the general meetings.	160
9.4	Investors' Relations section on the corporate website.	160
9.5	Issues raised in the last AGM, decisions taken and their implementation status.	160
9.6	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.	162
9.7	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.	160
9.8	Highlights about redressal of investors' complaints.	160

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2022	Page Reference
10	**Business Model** *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*	
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 Framework).	153-155
11	**Striving for Excellence in Corporate Reporting**	
11.1	Board's responsibility statement on full compliance of financial accounting and reporting standards as applicable in Pakistan (i.e. International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB)).	166
11.2	Adoption of IR Framework by fully applying the 'Fundamental Concepts', 'Content Elements' and 'Guiding Principles' in the IR Framework.	167
9.3	BCR criteria cross referred with page numbers of the annual report. (details can be maintained by companies on the Investor Relation section of the company's website).	237-248
9.4	Disclosures beyond BCR criteria (The participating organization to send the list of additional disclosures to BCR Committee).	237-248

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2022	Page Reference
	Annexure II - Specific Disclosures (refer section 12 of the criteria) *Specific Disclosures of the Financial Statements*	
1	Fair value of Property, Plant and Equipment.	N/A
2	Reconciliation of weighted average number of shares for calculating EPS and diluted EPS.	N/A
3	Particulars of significant/ material assets and immovable property including location and area of land.	194
4	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).	225
5	Disclosure of product wise data mentioning, product revenue, profit etc.	N/A
6	Capacity of an industrial unit, actual production and the reasons for shortfall.	224
7	Disclosure of discounts on revenue.	211
8	Sector wise analysis of deposits and advances.	198
9	Complete set of financial statements (Balance sheet, Income statement & Cash flow) for Islamic banking operations.	N/A
10	Status for adoption of Islamic Financial Accounting Standards (IFAS) issued by the ICAP.	180

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2022	Page Reference
	Annexure II - Specific Disclosures (refer section 12 of the criteria) *Specific Disclosures of the Financial Statements*	
11	Summary of significant transactions and events that have affected the company's financial position and performance during the year.	180
12	Forced sale value in case of revaluation of Property, Plant and Equipment or investment property.	N/A
13	Distribution of shareholders (Number of shares as well as category, e.g. Promoter, Directors/Executives or close family member of Directors/Executives etc.).	200
14	Particulars of major foreign shareholders, other than natural person, holding more than 5% of paid up capital in the company in Pattern of Shareholding.	200
15	Particulars where company has given loans or advances or has made investments in foreign companies or undertakings.	N/A
16	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.	197
17	Treasury shares in respect of issued share capital of a company.	N/A
18	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.	209-210
19	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.	1209-210
20	Income tax reconciliation as required by IFRS and applicable tax regime for the year.	215
21	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.	198-199
22	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).	203-207, 211-213, 216, 225
23	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
24	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
25	Standards, amendments and interpretations adopted during the current year along with their impact on the company's financial statements.	180
26	Standards, amendments and interpretations, not yet effective and not adopted along with their impact on the company's financial statements.	180

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2022	Page Reference
	Disclosure beyond BCR criteria	
1	Milestone	21
2	Chief Executive Review.	1
3	Social Media Policy	90-91
4	Quarterly Analysis	132-133
5	Insider Trading Policy	85
6	Work Place Harassment	95

Proxy Form

Tri-Pack Films Limited

31st 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 31stAnnual General Meeting of the Company to be held on Monday, April 10, 2023 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 this ……day of…….2023

WITNESSES:

Signature

1. Signature: _____
   Name: _____
   Address: _____
   _____
   CNIC or _____
   Passport No: _____

2. Signature: _____
   Name: _____ _____
   Address: _____
   _____
   CNIC or _____
   Passport No: _____

_____

Signature

(Signature should agree with the specimen signature registered with the Company)

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.

AFFIX
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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.

Tri-Pack Films Limited

تشکیلِ نیابت داری

31واں سالانہ اجلاسِ عام

میں/ہم _____

ساکن _____ بطور ٹرائی پیک فلمز لمیٹڈ _____

رکن وحامل _____ عام حصص بمطابق شیئر رجسٹر ڈ فولیو نمبر _____ (حصص کی تعداد) _____

اور ذیلی کھاتہ نمبر _____ یا بصورت دیگر _____

ساکن _____ یا بصورت دیگر _____ ساکن _____

کو اپنی جگہ بروز پیر مورخہ 10 اپریل 2023 بوقت صبح 10:30 بجے بمقام انسٹیٹوٹ آف چارٹرڈ اکاؤنٹنٹس، چارٹرڈ اکاؤنٹنٹس ایونیو، بلاک 8 کلفٹن کراچی میں منعقد یا ملتوی ہونے والا سالانہ اجلاسِ عام میں رائے دہندگی کے لئے اپنا نمائندہ مقرر کرتا/کرتی ہوں۔

دستخط کیے گئے مورخہ _____ 2023

گواہان:

۱ دستخط: _____

نام: _____

پتہ: _____

_____

سی این آئی سی یا پاسپورٹ نمبر: _____

۲ 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 مؤثر 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 ائزڈ قومی شناختی کارڈ نمبر یا پاسپورٹ کی تصدیق کا پی پراکسی فارم کے ساتھ کمپنی میں جمع کرائیں۔

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.

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 کراسکتے ہیں۔ اس کے کئی 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 SRO 470(1)/2016 مورخہ 31 مئی 2016 کے ذریعے کمپنیز کو اجازت دی ہے کہ وہ سالانہ بیلنس شیٹ، نفع ونقصان کے اکاؤنٹ، آڈٹ شدہ رپورٹ اور ڈائریکٹرز کی رپورٹ وغیرہ (سالانہ آڈٹ شدہ اکاؤنٹس) اپنے ممبرز کو سی ڈی ڈی وی ڈی یو ایس بی کے ذریعے ان کے رجسٹرڈ پتے پر ارسال کریں۔ کمپنی نے اس سلسلے میں اپنے سابقہ سالانہ اجلاس عام میں سے ایک میں ایسا کرنے کے لیے شیئر ہولڈرز کی منظوری حاصل کرلی ہے اور اپنے شیئرہولڈرز کواپنی سالانہ رپورٹ 2021 سی ڈی کی شکل میں بھجودی۔ کوئی بھی ممبر مکمل سالانہ رپورٹ کمپنی کی ویب سائٹ پر دیکھ سکتاہے یا پرنٹ شدہ کاپی درکار ہویا 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 ہر بھی موجودہے، بھیج دیں۔ ممبران کو مطلع کیا جاتا ہے کہ کمپنیز ایکٹ 2017 کے سیکشن 223(6) اور 473 کے تحت آڈٹ شدہ مالیاتی اسٹیٹمنٹس 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 بلاقیمت درخواست کی وصولی کے سات دن کے اندر فراہم کردی جائے گی۔

پوسٹل بیلٹ ای ووٹنگ

کمپنیز (پوسٹل بیلیٹ) ریگولیشنز 2018 برائے ڈائریکٹرز کے انتخابات یا کمپنیز ایکٹ 2017 کے سیکشن 143 اور 144 کی شرائط کے مطابق کسی اور موضوع کے ایجنڈا آئٹم کے لئے ہے۔ جو ممبران 10% یا قانون کے مطابق زیادہ شیئر ہولڈنگ پوسٹل بیلیٹ 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۔

کہ شیئر ہولڈرز کو اثرو 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 ان پرویژنز میں درج ہے، شیئر ہولڈرز کوئی ایسا سامان اپنے ساتھ نہیں لائیں گے جو شرکا ء یا اے جی ایم کے منعقد ہونے کی حدود میں کسی خطرے کا باعث ہو، اور خود کو اے جی ایم کے نوٹس میں شامل ایجنڈا 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 شیئر ہولڈرز کو کسی بھی شکل میں تحائف تقسیم کرنے اجازت نہیں ہے۔

کیش ڈیویڈنڈ کی الیکٹرونک ذریعہ سے ادائیگی (لازمی)

کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈز) ریگولیشنز 2017 کے مطابق، شیئر ہولڈرز کو ہدایت کی جاتی ہے کہ وہ اپنا شناختی نمبر کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) نمبر اورانٹرنیشنل بینک اکاؤنٹ نمبر(آئی بی اے این) کی تفصیلات، اگر پہلے فراہم نہ کی ہوں، تو ہمارے شیئر رجسٹرار کو(اگر شیئرز فزیکل کی صورت میں ہیں)ان کے مذکورہ بالا دفتر کے پتے پرفراہم کریں یا متعلقہ شرکا بروکر کو (اگر شیئرز سی ڈی سی اکاؤنٹ میں ہیں) مطلع کریں معلومات وصول نہ ہونے کی صورت میں کمپنی ڈیویڈنڈز کے ڈیویڈنز کی ادائیگی روکنے پر مجبور ہوگی۔

سی این آئی سی اور / یا این ٹی این کی کاپی جمع کرانا (لازمی)

ایس ای سی پی کی ہدایات کے علاوہ، بشمول SRO 831(1)/2012 اور دیگر متعلقہ قواعد, الیکٹرانک ڈیویڈنڈ کی پروسیسنگ کے لیے ، شیئر ہولڈر کو CNIC نمبر فراہم کرنا چاہیے ماسوائے نابالغ اور کارپوریٹ شیئرہولڈرز۔

کمپنیز(ڈسٹری بیوشن آف ڈیویڈنڈ) ریگولیشنز2017 کے ریگولیشن6 اور کمپنیز ایکٹ2017 کے سیکشن 243(3) کی رو سے، کمپنی ان شیئرہولڈرزکے ڈیویڈنڈ کی ادائیگی روک لے گی جن شیئر ہولڈرز یا مجاز فرد کے شناختی نمبر(سی این آئی سی یا این ٹی این) نمبر دستیاب نہیں ہوں گے۔

اسی طرح جن انفرادی ممبرز نے اپنے کارآمد سی این آئی سی کی 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 اس جلد کمپنی کے شیئر رجسٹرار میسرز فیمکو ایسوسی 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 فولیو نمبرمع مجاز نمائندے کے سی این آئی سی کی کاپی فراہم کریں۔

زکوٰۃ کی کٹوتی

زکوٰۃ کی لازمی کٹوتی سے استثنیٰ کا دعویٰ کرنے کے لیے، شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ NJSP پر زکوٰۃ اعلامیہ فارم "CZ-50" کی 50/- روپے کی ایک نوٹرائز کاپی شیئر رجسٹرار کو جمع کرائیں۔ اگر حصص اسکرپ سے کم شکل میں رکھے گئے ہیں تو اس طرح کے زکوٰۃ اعلامیہ فارم (CZ-50) کو شیئر ہولڈر کے سی ڈی سی اکاؤنٹ میں، ان کے شریک/سرمایہ کار اکاؤنٹ سروسز کے ذریعے اپ لوڈ کیا جانا چاہیے۔ مزید برآں، غیر مسلم شیئر ہولڈرز کو بھی لازمی ہے کہ وہ کمپنی کے شیئر رجسٹرار کے پاس (کمپنی کی ویب سائٹ پر دستیاب فارمیٹ پر) حصص کی صورت میں فزیکل سرٹیفکیٹ میں یا سی ڈی سی کے شراکت دار / سرمایہ کار اکاؤنٹ کی خدمات کے پاس حصص کی صورت میں تصدیق کی تصدیق کریں۔ اسکرپ کم فارم. زکوٰۃ کی کٹوتی سے اس وقت تک کوئی رعایت نہیں دی جائے گی جب تک کہ مندرجہ بالا تمام دستاویزات مکمل طور پر دستیاب نہ کر دی جائیں۔

پتے اور یا ای میل ایڈریس میں تبدیلی

فزیکل شیئرز کے حامل شیئرہولڈرزسے درخواست کہ اپنے ڈاک کے پتے 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 ہولڈرزسے 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 ایکٹ2017 کے سیکشن244 کے تحت کمپنی نے شیئر ہولڈرز سے رابطہ کیا کہ وہ قانون کے مطابق اپنے غیر دعوی شدہ ڈیویڈنڈکا دعوی کریں. اِس سلسلے میں کمپنی پہلے ہی شیئر ہولڈرز کو انفرادی خطوط بھیجنے کے بعد اخبارات میں نوٹس شائع کر کے اپنی ذمہ داری ادا کرچکی ہے۔

وہ شیئر ہولڈرز جنہوں نے اپنے ڈیویڈنڈ کا دعوی نہیں کیا ہے ان سے ایک بار پھر درخواست کی جاتی ہے کہ وہ اِس بات کو یقینی بنائیں کہ غیر دعوی کردہ ڈیویڈنڈ کی رقم اور / یا شیئر سرٹیفکیٹ کے لئے فوری طور پر دعویٰ درج کروائیں۔

فزیکل شیئرز کو سی ڈی سی اکاؤنٹ میں جمع کرانا

کمپنیز ایکٹ 2017کے سیکشن 72 کے مطابق ہر موجودہ لسٹڈ کمپنی کوایس ای سی پی کے مقررکردہ طریقے اور تاریخ کے لحاظ سے فزیکل شیئرز بک انٹری فارم میں تبدیل کرانا لازمی ہے ۔ جن شیئر ہولڈرز کے

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 ایسی تمام دستاویز ساتھ لانا ہون گی جو سیکورٹی اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کے سرکلر نمبر1 مجریہ 26 جنوری2000 کے تحت اس مقصد کے لئے درکار ہیں۔ پراکسی فارم کمپنی کی ویب سائٹ www.tripack.com.pk پر بھی دستیاب ہے۔

ڈیویڈنڈ کی آمدنی پر ودہولڈنگ ٹیکس کی تجدید.

برائے مہربانی یہ بھی نوٹ فرمالیں کہ انکم ٹیکس آرڈیننس2001 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 ودہولڈنگ ٹیکس کی کٹوتی کی جائے گی۔ فیڈرل بورڈآف ریوینیو (ایف بی آر) کی جانب سے وصول ہونے والی وضاحت کے مطابق ودہولڈنگ ٹیکس کا تعین پرنسپل شیئرہولڈرزاورجوائنٹ اکاؤنٹ کی صورت میں جوائنٹ ہولڈرز سے علیحدہ علیحدہ ان کے پاس موجود شیئرز کے تناسب سے ایکٹیو ان ایکٹیو کی بنیاد پر کٹوتی کی جائے گی۔

اس سلسلے میں تمام شیئر ہولڈرز سے، جن کے شیئرز جوائنٹ اکاؤنٹ میں ہیں، درخواست ہے کہ وہ پرنسپل شیئر ہولڈر اور جوائنٹ ہولڈر(ز) کے شیئر ہولڈنگ کا تناسب ہمارے رجسٹرار کو تحریری طور پر درج ذیل کے مطابق فراہم کریں:

فولیو سی ڈی ایس اکاؤنٹ نمبر	کل شیئرز	پرنسپل شیئر ہولڈر		جوائنٹ شیئر ہولڈر	
		نام اور سی این آئی سی نمبر	شیئر ہولڈنگ کا تناسب	نام اور سی این آئی سی نمبر	شیئر ہولڈنگ کا تناسب

نوٹس:

ا۔ مطلوبہ معلومات ہمارے شیئررجسٹرار کو3 اپریل2023 تک پہنچ جانی چاہئیے ، ورنہ یہ تصور کیا جائے گا کہ پرنسپل شیئر ہولڈر اور جوائنٹ ہولڈر(ز) کے پاس برابر برابر کے شیئرز ہیں اور اسی تناسب سے ٹیکس کی کٹوتی کی جائے گی۔

ب۔ اس لئے شیئر ہولڈرز سے درخواست ہے کہ وہ برائے مہربانی ایف بی آر کی ویب سائٹ http://www.fbr.gov.pk/پرموجود ایکٹیو ٹیکس پیئر لسٹ (اے ٹی ایل) میں اپنی حیثیت چیک کرلیں اور اطمینان کرلیں اور یہ بھی اطمینان کرلیں کہ ان کے سی این آئی سی پاسپورٹ نمبر ، شریک انویسٹر اکاؤنٹ سروسز کے پاس یا شیئررجسٹرار کےریکارڈ میں (فزیکل شیئر ہونے کی صورت میں) موجود ہیں۔ کارپوریٹ ادارے (غیر انفرادی شیئر ہولڈرز) کو بھی اطمینان کرلینا ضروری ہے کہ ان کے نام اور نیشنل ٹیکس نمبر (این ٹی این) ایف بی آر کی اے ٹی ایل میں دستیاب ہیں اور متعلقہ شریک انویسٹر اکاؤنٹ سروسز میں یا فزیکل شیئر ہولنڈنگ کی صورت میں کمپنی کے شیئر رجسٹرار کے پاس موجود ہیں۔

ج۔ ڈیویڈنڈ انکم سے ودہولڈنگ ٹیکس سے استثنیٰ کی صرف اسی صورت میں اجازت ہوگی جب کارآمد ٹیکس سے استثنیٰ کا سرٹیفکیٹ کی کاپی کمپنی کے شیئر رجسٹرار کو 3اپریل 2023تک پہنچادی جائے۔

د۔ انکم ٹیکس آرڈیننس 2001کے سیکشن 82 برائے رہائشی کی حیثیت کاتعین کی تفصیل کے تحت ڈیویڈنڈ پر ٹیکس کی کٹوتی کےلئے غیر رہائشی شیئر ہولڈر کو انڈرٹیکنگ کے ڈکلریشن مع کارآمد پاسپورٹ کی کاپی شیئر رجسٹرار میسرز فیمکو ایسو سی ایٹس پرائیویٹ لمیٹڈ کو بھیجیں یا بذریعہ ای میل info.shares@famco.com.pk پر زیادہ سے زیادہ 03 اپریل2023 تک فراہم کردیں۔ مبررجسٹرار اور کمپنی کی درج ذیل ویب سائٹس پر دستیاب مقررہ فارمیٹ استعمال کرتے ہوئے ڈکلریشن بھیج سکتے ہیں۔

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سالانہ اجلاس میں قانونی ضابطہ اخلاق

ممبران سے درخواست ہے کہ وہ کمپنیز ایکٹ2017 کے سیکشن215اور کمپنیز(جنرل پرویژن اینڈ فارمس) ریگولیشنز2018 کے ریگولیشن 28 کے مطابق اے جی ایم میں قانونی ضابطہ اخلاق کی پابندی کریں، جب

اطلاع برائے سالانہ اجلاس عام

بذریعہ ہٰذا مطلع کیا جاتا ہے کہ ٹرائی پیک فلمز لمیٹڈ کا اکتیسواں سالانہ اجلاس بروز پیر 10 اپریل2023 بوقت 10:30 بجے صبح بمقام انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (آئی اے سی پی)، چارٹرڈ اکاؤنٹنٹس ایوینیو، بلاک-8، کلفٹن، کراچی اور ورچوئل بذریعہ زوم (ویڈیو) میں درج ذیل امور کی انجام دہی کے لئے منعقد ہوگا۔

عمومی امور

1۔ کمپنی کے گزشتہ غیر معمولی اجلاس عام منعقدہ 20 اپریل 2022 کی کارروائی کی توثیق ۔

2۔ آڈٹ شدہ مالیاتی اسٹیٹمنٹس مع ڈائریکٹرز کی رپورٹ برائے سال مختتمہ 31 دسمبر2022 وصول کرنا، ان پر غور کرنا اور ان کو اختیار کرنا۔

3۔ کمپنی کے عمومی شیئرز پر ڈیویڈنڈ پر غور کرنا، منظوری دینا اور اعلان کرنا۔ ڈائریکٹرز نے حتمی کیش ڈیویڈنڈ کی50 فیصد (5 روپے فی10 روپے والے شیئر) برائے سال مختتمہ31 دسمبر2022 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 آڈیٹر 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

اقرا سجاد
کمپنی سیکرٹری

کراچی: 20 مارچ، 2023

تصریحات:

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس 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 کوائف مقررہ ای میل ایڈریس shares.desk@tripack.com.pk پر بھیج کر خود کو رجسٹر کروالیں جن میں ان کا نام، فولیو نمبر، اپنا ای میل ایڈریس ہو،مورخہ 7 اپریل2023 تک کاروباری اوقات کے اختتام تک مل جانے چاہئیں۔اے جی ایم میں شرکت کے لئے لاگ اِن اور لنک کی تفصیلات رجسٹرڈ شیئر ہولڈرز کو ای میل کے ذریعے فراہم کردی جائیں گی۔

ہمیشہ کی طرح ٹرائی پیک 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 اہلیت کا تعین کرنے کے لئے4اپریل 2023 تا 10اپریل 2023 (بشمول دونوں ایام) بند رہیں گی۔ تاہم کمپنی کے رجسٹرار میسرز فیمکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ،F-8 متصل ہوٹل فاران، نرسری، بلاک- 6،پی ای سی ایچ ایس، شاہراہ فیصل، کراچی میں 3 اپریل 2023 (پیر) 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 کرسکتا ہے۔ پراکسی کی تقرری کی دستاویز کمپنی کے رجسٹرڈ دفتر واقع چوتھی منزل، دی فورم، سوٹ نمبر422-416، G-20، بلاک -9،خیابان جامی، کلفٹن، کراچی کے پتے پر اجلاس کے وقت سے کم از کم 48 گھنٹے قبل جمع کرادینی چاہئیے۔

3۔ فزیکل شیئر کے حامل شیئر ہولڈرز کو اپنا اصل سی این آئی سی اور یا شیئر ہولڈر(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۔

درخواست فارم برائے ترسیل سالانہ رپورٹ/نوٹس

سیکورٹی اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ ایس آر او 787(1)/2014مورخہ 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 کرسکتی ہے۔ وہ شیئر ہولڈرزجو 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 فیمکو ایسو سی ایٹس (پرائیویٹ) لمیٹڈ کو فراہم کردیں۔

برائے مہربانی آگاہ رہیں کہ سالانہ رپورٹس کی بذریعہ ای میل وصولی اختیاری ہے اور لازمی نہیں ہے۔

تاریخ _____

شئیر رجسٹرار
فیمکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ
ایف8، بلاک۔6، پی ای سی ایچ ایس ، نرسری،
متصل ہوٹل فاران،شاہراہ فیصل کراچی۔

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے ان کے ایس آر او ر2014/(1)787مورخہ 8 ستمبر2014 کے ذریعے دی گئی ہدایات کے مطابق میں جناب/محترمہ _____
ولد/دختر/زوجہ _____ بذریعہ ہذا اجازت دیتا/دیتی ہوں کہ ٹرائی پیک فلمز لمیٹڈ کے آڈٹ شدہ مالیاتی حسابات اور سالانہ اجلاس عام کے نوٹس وغیرہ مجھے بذریعہ ای میل ذیل میں فراہم کردہ ای میل ایڈریس پرارسال کردیئے 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 اجارت نامہ واپس لینے کے بارے میں تحریری طور پر کمپنی اور اس کے شیئر رجسٹرار کو آگاہ کردوں گا/گی۔

_____
ممبر/ شیئر ہولڈر کے دستخط

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G-20, Block No. 9, Clifton, Khayaban-e-Jami,
Karachi-75600, Pakistan.

الیکٹرونک ڈیوڈنڈ کریڈٹ مینڈیٹ کافارم

Tri-Pack Films Limited

ہم آپ کو مطلع کرنا چاہتے ہیں کہ کمپنیز ایکٹ 2017 کے سیکشن 242 کی شقوں کے مطابق ایک لسٹڈ کمپنی کے لئے یہ ضروری ہے کہ وہ اپنے شیئر ہولڈرز کو نقد منافع منقسمہ کی ادائیگی صرف بذریعہ الیکٹرونک طریقہ کار براہ راست استحقاق کے حامل شیئر ہولڈرز کی جانب سے نامزد کردہ بینک اکاؤنٹ میں کرے۔

اپنے منافع منقسمہ کو براہ راست اپنے بینک اکاؤنٹ میں وصولی کی غرض سے برائے مہربانی ذیل میں درج کوائف کو مکمل کریں اور اس لیٹر کو باقاعدہ دستخط کر کے اپنے سی این آئی سی کی کاپی کے ہمراہ کمپنی کے رجسٹرار میسرز فیمکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 8-ایف، نزد ہوٹل فاران، نرسری، بلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی کو جمع کرادیں۔

اگر آپ کے شیئرز سی ڈی سی میں جمع ہیں تو آپ کو لازماً منافع منقسمہ کے مینڈیٹ کے اس فارم کو براہ راست اپنے بروکر/پارٹیسپینٹ/سی ڈی سی اکاؤنٹ سروسز کو جمع کرانا ہوگا۔

آپ کا مخلص
ٹرائی پیک فلمز لمیٹڈ

اقراء سجاد
کمپنی سیکریٹری

شیئر ہولڈرز پُر کریں:

میں بذریعہ ہذا اطلاع دیتا ہوں کہ آئندہ میں اپنے منافع منقسمہ کو براہ راست نیچے بینک اکاؤنٹ میں درج ذیل تفصیل کے مطابق وصول کروں گا۔

شیئر ہولڈر کا نام :----------

فولیو نمبر/سی ڈی سی پارٹیسپینٹ آئی ڈی اور اکاؤنٹ نمبر :---------- کمپنی کا نام: ٹرائی پیک فلمز لمیٹڈ

شیئر ہولڈر کا رابطہ نمبر :لینڈ لائن نمبر:---------- موبائل فون نمبر:----------

بینک کا نام :----------

بینک برانچ اور ڈاک کا مکمل پتہ :----------

آئی بی اے این نمبر (نیچے درج نوٹ ملاحظہ فرمائیں) :----------

اکاؤنٹ کا ٹائٹل :----------

سی این آئی سی نمبر (کاپی منسلک کریں) :----------

این ٹی ایں (کارپوریٹ ادارے کی صورت میں) :----------

آگاہ کیا جاتا ہے کہ میری جانب سے فراہم کردہ مذکورہ بالا کوائف درست اور میری معلومات کے عین مطابق ہیں اور میں آئندہ ان کوائف میں کسی بھی تبدیلی کی صورت میں کمپنی/پارٹیسپینٹ/سی ڈی سی انویسٹر اکاؤنٹ سروسز کو مطلع کرتا رہوں گا۔

نمبر:---------- سی این آئی سی نمبر ----------
(کاپی منسلک کریں)

شیئر ہولڈر کے دستخط

نوٹ:

برائے مہربانی اپنا مکمل آئی بی اے این اپنی متعلقہ برانچ سے چیک کرنے کے بعد فراہم کریں تا کہ الیکٹرونک کریڈٹ براہ راست آپ کے بینک اکاؤنٹ میں ممکن ہو سکے۔ نقد منافع منقسمہ کی ادائیگی صرف اکاؤنٹ نمبر کی بنیاد پر عمل میں لائی جائے گی۔ آپ کی کمپنی آپ کی ہدایات کے مطابق اکاؤنٹ نمبر پر انحصار کرنے کا استحقاق رکھتی ہے۔ کمپنی ایسے کسی بھی نقصان، ضیاع، مالی ذمے داری یا دعویٰ کے لئے بلواسطہ یا بلاواسطہ قطعی ذمے دار نہ ہوگی جو کسی غلطی، تاخیر ایسی کسی مالی ادائیگی کر پرفارمنس میں ناکامی کی صورت میں سامنے آئے جو ادائیگی کی غلط اور نامناسب ہدایات کی وجہ سے ہو اور/یا کسی ایسے واقعے کے باعث پیش آئے جس پر کمپنی کا کوئی اختیار نہ ہو۔

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بورڈ آڈٹ کمیٹی

بورڈ کی آڈٹ کمیٹی کوڈ آف کارپوریٹ گورننس کے نفاذ سے قائم ہے ۔ یہ دو (2) نان ایگزیکٹیو ڈائریکٹرز اور ایک (1) خود مختار ڈائریکٹر بشمول چیئرپرسن پر مشتمل ہے۔

سال کے دوران میں آڈٹ کمیٹی کے چار (4) اجلاس منعقد ہوئے ۔ ہر ممبر کی حاضری کی تعداد درج ذیل ہے۔

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری کی تعداد
1۔	مس نرمین توفیق چنائے	4
2۔	جناب اصف قادر	4
3۔	جناب خرم رضا بختیاری	4

آڈٹ کمیٹی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 (ضمیمہ 'بی') میں فراہم کردہ ٹرمز آف ریفرنس اختیار کرلی ہیں۔

انسانی وسائل اور اجرتی کمیٹی

انسانی وسائل اور اجرتی کمیٹی دو(2) نان ایگزیکٹیو ڈائریکٹرز اور ایک چیئرپرسن پر مشتمل ہے جو خود مختار ڈائریکٹر ہے۔

سال کے دوران میں انسانی وسائل اور اجرتی کمیٹی کا ایک (1) اجلاس منعقد ہوا۔ ہر ممبر کی حاضری کی تعداد درج ذیل ہے:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری کی تعداد
1۔	مس نرمین توفیق چنائے	1
2۔	جناب خرم رضا بختاری	1
3۔	جناب اصغر عباس	1

انسانی وسائل اور اجرتی کمیٹی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 (ضمیمہ 'بی') میں فراہم کردہ ٹرمز آف ریفرنس اختیار کرلی ہیں۔

ڈائریکٹرز کے معاوضے

کمپنی نے ڈائریکٹرز کے معاوضوں کی پالیسی منظور کرلی ہے ۔ بورڈ کی تشکیل کردہ پالیسی سالانہ رپورٹ کے صفحہ 74 پر درج ہے۔

اس کے علاوہ ایگزیکٹیو اور نان ایگزیکٹیو ڈائریکٹرز کے معاوضوں کی مجموعی رقم کی تفصیلات سالانہ رپورٹ میں فنانشل اسٹیٹمنٹ کے نوٹ مین صفحہ نمبر216 پر درج ہے۔

قومی خزانے میں حصہ

کمپنی نے 2022 میں سیلز ٹیکس، کسٹم ڈیوٹیز اور انکم ٹیکس وغیرہ کی صورت میں ۔۔۔ بلین روپے جمع کرائے ہیں۔

شیئر ہولڈنگ کا طرز

شیئر ہولڈرز کی مخصوص کلاس کی شیئر ہولڈنگ کے طرز کا اسٹیٹمنٹ بمطابق 31 دسمبر2022جو رپورٹنگ فریم ورک کے تحت مطلوب ہے ، سالانہ رپورٹ کے شیئر ہولڈرز کی معلومات کے ضمیمے مین صفحہ نمبر229پر درج ہے۔

بیرونی آڈیٹرز

موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہوگئے ہیں اور اہل ہونے کی بنیا پر انہوں نے خود کو دوبارہ تقرر کےلئے پیش کیا ہے۔ بورڈ آف ڈائرکٹرز نے آڈٹ کمیٹی کی جانب سے میسرز اے ایف فرگوسن اینڈ کمپنی ، چارٹرڈ اکاؤنٹنٹس کی بطور آڈیٹر اگلے سالانہ اجلاس عام تک باہمی متفقہ فیس پر تقرر کی تجویز اور سفارش پر منظوری دیدی ہے۔

چیئرمین کا جائزہ

چیئرمین کا جائزہ سالانہ رپورٹ کے صفحہ نمبر65 پر سالانہ رپورٹ کا حصہ ہے۔

اعتراف

ہم اپنے قابل قدر استیک ہولڈرز بشمول صارفین، بینکس، سپلائرز، کنٹریکٹرز اور شیئر ہولڈرز کے ان کے غیر معمولی تعاون اور ہم پر اعتماد کے شکر گزار ہیں۔ ہم پورت سال کے دوران میں اپنے ملازمین کی سخت کاوشوں اور عزم کے ساتھ محنت کرنے پر شکریہ ادا کرتے ہیں۔

ناصر جمال
چیف ایگزیکٹیو
کراچی 08 فروری 2023

سید بابر علی
ڈائریکٹر

سی ای او/ڈائریکٹرز اور ایگزیکٹیوز کی شیئرز کی تجارت میں شرکت

ڈائریکٹرز،چیف ایگزیکٹوزآفیسرز،چیف فنانشل آفیسر، کمپنی سیکریٹری،انٹرنل آڈٹ کے سربراہ، دیگر ایگزیکٹیوز، ان کے شریک حیات اور چھوٹے بچوں کی شیئرز کی تجارت کی تفصیلات درج ذیل ہیں:

شیئرز کے خریدار	شیئرز کی تعداد
ڈائریکٹر	-
چیف ایگزیکٹوآفیسر	-
چیف فنانشل آفیسر	-
کمپنی سیکریٹری	-
انٹرنل آڈٹ کے سربراہ	-
دیگر ایگزیگٹوز	-
شریکِ حیات	-
چھوٹے بچے	-
شیئرز کی فروخ	-

بورڈ آف ڈائریکٹرز

سید بابر علی	(چیئرمین – نان ایگزیکٹیو ڈائریکٹر)
سید حیدر علی	(نان ایگزیکٹیو ڈائریکٹر)
جناب خرم رضا بختیاری	(نان ایگزیکٹیو ڈائریکٹر)
جناب آصف قادر	(نان ایگزیکٹیو ڈائریکٹر)
جناب اصغر عباس	(نان ایگزیکٹیو ڈائریکٹر)
نرمین توفیق چنائے	(خود مختار ڈائریکٹر)
جناب ثاقب حسین شیرازی	(خود مختار ڈائریکٹر)
جناب ناصر جمال	(ایگزیکٹیو ڈائریکٹر)

بورڈ کی ترتیب میں تبدیلیاں

سال 2022 میں بورڈ کی ترتیب میں کوئی تبدیلی نہیں ہوئی۔

بورڈ کی تشکیل

کمپنی کا بورڈ آف ڈائریکٹرز کی تشکیل اس طرح ہے:

ا) مرد	7
ب) خواتین	1

ساخت

(ا) خود مختار ڈائریکٹرز	2
ب) نان ایگزیکیٹو ڈائریکٹرز	5
ج) ایگزیکٹیو ڈائریکٹر	1
ح) خاتون (بشمول خود مختار ڈائریکٹرز)	1

کمپنی کے چیف ایگزیکٹیو آفیسر جناب ناصر جمال ا جیسا کہ کمپنیز ایکٹ 2017 کے سیکشن188(3) کے تحت ڈائریکٹر تصور کئے جائیں گے۔

بورڈ آف ڈائریکٹرز کے اجلاس

سال 2022کے دوران میں بورڈ آف ڈائریکٹرز کے پانچ (5) اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری درج ذیل کے مطابق ہے

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری کی تعداد
1۔	سید بابر علی	4
2۔	سید حیدر علی	5
3۔	جناب آصف قادر	5
4۔	مس نرمین توفیق چنائے	4
5۔	جناب ثاقب حسین شیرازی	5
6۔	جناب خرم رضا بختیاری	5
7۔	جناب اصغر عباس	4
8۔	جناب ناصر جمال	5

بورڈ کے اجلاسوں میں شرکت نہ کرسکنے والے ڈائریکٹرز کی چھٹی کی درخواست منظو ر کرلی گئی۔

ہم مشین کی استعداد اور پروسس میں ضیاع کو کم سے کم کرکے، ایکویپمنٹ سپلائرز اور صنعت کے ماہرین کے ساتھ مشاورت کرکے پیداواری صلاحیت میں اضافہ کرتے ہیں۔

متعلقہ کاروباری فریقوں کے ساتھ لین دین

کمپنیز ایکٹ 2017 کے سیکشن 208 اور کمپنیز (متعلقہ پارٹی کے ساتھ لین دین اور متعلقہ ریکارڈ کی دیکھ بھال) ریگولیشنز 2018 کے مطابق کمپنی نے:

ا۔ متعلقہ پارٹیز کے ساتھ لین دین کی ایک پالیسی تشکیل دی ہے جس کو بورڈ نے باقاعدہ طور پر منظور کیا ہے۔

ب۔ متعلقہ پارٹیز کے ساتھ لین دین کی شرائط مقرر کی ہیں جن کو کے لحاظ سے مرتب کیا گیا ہے. "arm's length transactions".

ج۔ متعلقہ پارٹیز کے لین دین کی منظوری کے لئے کم سے کم مطلوبہ معلومات فراہم کردی گئی ہیں اور بورڈ پیپرز میں ڈائریکٹرز کے لئے ظاہر 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 کرلی گئی ہیں جن پر باقاعدگی کے ساتھ عمل کیا جاتا ہے ۔اس سے متعلق اسٹیٹمنٹ اس رپورٹ کے ساتھ منسلک ہے۔

اجتماعی اور مالیاتی رپورٹنگ فریم ورک

ا) کمپنی کی انتظامیہ جانب سے تیارکردہ مالی گوشواروں میں کمپنی کے معاملات، آپریشنز کے نتائج، نقد رقوم کے بہاؤ اور ایکویٹی میں تبدیلی کو شفاف طور پر پیش کیا گیا ہے۔

ب) کمپنی کے کھاتے کی کتابوں کو مناسب طریقے سے برقرار رکھا گیا ہے۔

ج) مالیاتی اسٹیٹمنٹ اور اکاؤنٹنگ کے تخمینے کی تیاری میں درست اکاؤنٹ پالیسیز لاگو کی گئی ہیں ماسوائے ان تبدیلیوں کے جو فنانشل اسٹیٹمنٹس کے نوٹس میں بیان کی گئی ہیں۔ اکاؤنٹس کی پالیسیز موزوں اورمحتاط فیصلوں پر مبنی ہیں۔

د) مالیاتی اسٹیٹمنٹس، پاکستان میں لاگو انٹرنیشنل فنانشیل رپورٹنگ اسٹینڈرڈ ز کی بنیاد پر تیار کئے گئے ہیں۔

ر) اندرونی کنٹرول کا نظام اپنی ساخت میں مستحکم ہے اور موثر طور پر نافذالعمل ہے اور اس کی نگرانی کی جاتی ہے۔ اندرونی آڈٹ اور مانیٹرنگ کے ایسے دوسرے طریقوں کے ذریعہ نظام کی مستقل نگرانی کی جاتی ہے۔ اندرونی کنٹرول کی نگرانی ایک مسلسل عمل کے طورپر جاری ہے اور کنٹرول کی مزید مضبوطی کے عزم کے ساتھ جاری و ساری رہے گی۔

س) موجودہ سال کے دوران میں کمپنی کے کاروباری عمل کے نتائج میں گزشتہ سال کے مقابلے میں ہونے والی نمایاں تبدیلیوں کی تفصیلات اور مستقبل کے منافع کے امکانات کے لئے نمایاں منصوبہ جات اور فیصلے اس رپورٹ میں درج ہیں۔

ص) گزشتہ چھ سال کا کلیدی آپریٹنگ اور فنانشل ڈیٹا منسلک ہے۔

ط) ٹیکسز اور محصولات کے بارے میں معلومات 'ویلتھ جنریٹڈ اینڈ ڈسٹری بیوٹڈ' کے عنوان کے تحت سالانہ رپورٹ کے صفحہ 162 پر درج ہیں۔

ظ) کاروبارکو آگے بڑھانے میں کمپنی کی صلاحیت پر کوئی شک و شبہ نہیں ہے۔

ع) لسٹنگ ریگولیشنز میں درج تفصیل کے مطابق کارپوریٹ گورننس کے بہترین معمولات سے کوئی مادی اعراض نہیں کیا گیا ہے۔

ف) پراویڈنٹ اور گریجویٹی فنڈز کی سرمایہ کاری کی قدر بمطابق 30 جون 2022 غیر آڈٹ شدہ اکاؤنٹس پر مبنی ہے جو درج ذیل ہے:

	روپے
پراویڈنٹ فنڈ	202,784
گریجویٹی فنڈ	147,494

ق) تمام ڈائریکٹرز نے یا تو ٹریننگ پروگرام میں شرکت کی ہے یا کم از کم 14 سال کی تعلیم اور بورڈ آف لسٹڈ کمپنیز میں کام کے 15 سالہ تجربہ کے حامل ہیں اور اس بناء پر ڈائریکٹرز ٹریننگ پروگرام سے مستثنیٰ ہیں۔

اور مزید ایک سنگ میل عبور کرلیا۔(ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 ٹرائی پیک استحکام کے پلیٹ فارمز پرعالمی سطح پر موجودگی کی ضرورت پر غور کررہی ہے اور کمپنی نے کی طرح یو این جی پیز پر رجسٹرڈ کروالیا ہے۔SEDEX & Eco-Vadis ہمیں نیشنل فورم آف انوئیرنمنٹ اینڈ ہیلتھ (این ایف ای ایچ) اور فائر پروٹیکشن انڈسٹری آف پاکستان (ایف پی آئی پی) کی جانب سے فائر سیفٹی ایوارڈ سے نوازا گیا جبکہ ایمپلائز فیڈریشن آف پاکستان کی جانب سے "پروسیسینگ اینڈ الائیڈ سیکٹر" کے تحت 16واں سالانہ اوایس ایچ ڈبلیو (اوکیپیشنل سیفٹی، ہیلتھ اینڈ ویل بیئنگ)ایوارڈ عطا کیا گیا اور ہم نے نیشنل فورم آف انوائرنمنٹ اینڈ ہیلتھ کی جانب سے 19واں سالانہ انوائرنمنٹل ایکسلنس ایوارڈ2021 بھی جیت لیا ہے۔

کمپنی کے اسکوپ 1 اور اسکوپ 2 کی شمولیت اور توسیع سے کاربن کے اثرات کی جانچ اور رپورٹنگ GHG کا عمل شروع کردیا گیا ہے جو آئی ایس او 14064 سرٹیفکیشن کا باعث ہوگا۔ یو این ایس ڈی جیز ٹریننگ ایجنڈا نے اسٹیک ہولڈر کی مصروفیت کے سانچے کی رپورٹنگ کو کور کرلیا ہے جس کے تحت ہم نے 2022 میں 1052 ایمپلائز کو مختلف سرگرمیوں جیسے "انوائرنمنٹ ویک"میں شامل کرلیا گیا۔

پاکستان کے اشتراک سے رنگ دو پاکستان کی مہم کے تحت 1000 مینگرووزکے درخت لگائے گئے اور WWF سال 2023 میں ہماری فیسلیٹی کے اندر 500 درخت لگائے گئے۔

اجتماعی سماجی ذمہ داری

ہم اپنے صارفین، اسٹیک ہولڈرزاوراپنے کام کے گردونواح میں کمیونٹیز کے بارے میں اپنی ذمہ داریوں سے بخوبی آگاہ ہیں اور خوش قسمتی سے سسٹین ایبل آپریشنز، کمیونٹی ڈیولپمنٹ، ڈائیورسٹی اینڈ انکلوژن، ویمن ایمپاورمنٹ، انوائرنمنٹ، ہیلتھ اینڈ سیفٹی کے شعبوں میں سسٹین ایبل ڈیولپمنٹ گولز (یو این کے ایس ڈی جیز) پر عمل درآمد کے اہل ہیں۔

مزید،براں ہم اپنے اسٹاف کی صحت اور خیرخواہی میں اضافے کی کوششوں کے سلسلے میں صحت اور خیر خواہی کی مہم کو فروغ دیتے ہیں چاہے ہو آن سائٹ ویکسینیشن اینڈ ٹیسٹنگ ہو، ذہنی صحت ، ذیابیطس کا دن ہو یا چھاتی کے سرطان کے بارے میں آگہی کے سیشنزہوں۔

مختلف میدانوں میں، خواہ وہ انسانی ہمدردی ہو، ماحول کا تحفظ، تنوع اور شمولیت اور لیبر کے منصفانہ معاملات ،اس بات کے غماز ہیں کہ ہم اپنے معاشرے کو واپس فائدہ پہنچائیں۔ٹرائی پیک اس بات کو تسلیم کرتا ہے کہ ایک مثبت کلچر کی تخلیق اور اس کو برقرار رکھنے سے احترام وعزت کو فروغ حاصل ہوتا ہے اور اس کے لئے کوششوں اور تندہی سے کام کرنے، نیز نئے ابھرتے ہوئے رویوں، توقعات اور قانون سازی کے مطابق اپ ڈیٹ رکھنے کے لئے مثبت سوچ ضروری ہے۔

جولائی سے ملک میں شدید بارشوں، طوفانی سیلابوں اور لینڈ سلائیڈنگ سے متاثرہ لاکھوں افراد کی مدد کے لئے پیکیجز گروپ اور ٹرائی پیک نے آپس کے اشتراک سے امدادی کاموں کے سلسلے میں فنڈز جمع کرنے کے لئے اپنی خدمات فراہم کیں جس میں گھروں کی دوبارہ تعمیر اور بے گھرہونے والی فیملیز کے لئے روزمرہ کی ضروریات پوری کرنا شامل ہے۔

دوسری طرف ہم نے بلوچستان میں امدادی کاموں کے لئے شاہد آفریدی فاؤنڈیشن کے ساتھ پارٹنرشپ کی انتظامی اطلاعی نظام ہماری توجہ موثر پلاننگ کو یقینی بنانے اور بھرپور اندرونی کنٹرول کے حصول کے لئے ای آر پی کے زیادہ سے زیادہ استعمال پر رہی ۔ ہم نے خاص ٹیم مقرر کی ہے جو ہمارے تمام اسٹیک ہولڈرز کو ماورائے حدود حل پیش کرنے میں مسلسل کوشاں ہے اور اس کے بدلے میں کمپنی کو اپنی کاروباری عمل کی استعداد بڑھانے اور درست ترین رپورٹنگ میں اضافے کے عزم کو پورا کرنے میں مددگار ہوگی۔ انسانی وسائل ٹرائی پیک کے لئے ہماری توجہ ایچ آر ایکسی لنس فراہم کرنے اور ایچ آر کے مستقبل کی تشکیل نو پر مرکوز رہی۔

ہم نے اپنے اسٹیک ہولڈرز کی مصروفیات کےایجنڈے 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 شمولیت کو بہتر بنانے اورآجر اور ملازمین کے تعلقات کو قائم رکھنے پر توجہ دی۔

اس کے علاوہ ہمارے امتیازی پروگرامز جیسے سمر انٹرننگ مینجمنٹ ٹرینی پروگرام اور ٹریڈ اپرنٹس شپ پروگرام سے نہ صرف ہمارے ایمپلائر برانڈ کو بلند ترکرنے میں مدد ملتی ہے بلکہ نئے تازہ دم ذہنوں کے ساتھ ہمارے مستقبل کے ٹیلنٹس کی راہیں مضبوط ہوتی ہیں، جو کام کے روایتی طریقوں کو نیا رخ دیتے ہیں، تبدیلی لانے اوراپنے آئیڈیاز اور جدت طرازی سے ادارے کے کلچر کو نیا انداز دیتے ہیں اور پھر ہمارے کاروباری عمل میں ریڑھ کی ہڈی کی حیثیت اختیارکرتے ہیں۔

معیار کا انتظام

معیار ہماری پروڈکٹ کا جوہر ہے۔ ہم بنیادی کاردگی کے اشارئیے (کے پی آئیز) کے مضبوط نظام اور کام کی اور بیرونی مقامات پر تربیت کے ذریعے تمام لاگو معیارات کی شرائط پر عمل درآمد کو یقینی بناتے ہیں۔

منافع منقسمہ

ڈائریکٹرزنے50٪یعنی 5 روپے فی شیئر نقد منافع منقسمہ کی سفارش کی ہے۔(2021: 0۔13 فی شیئر) ڈائریکٹرز اور ان کی کمیٹیز کے ممبرز کے نام بورڈ کی کمیٹیز کے ممبر زکے نام کمپنی انفارمیشن سیکشن میں سالانہ رپورٹ کے صفحہ نمبر6 پر دیئے گئے ہیں۔

مستقبل کا منظرنامہ

مشکل قومی معاشی صورتحال، زرمبادلہ کے کم ہوتے ہوئے ذخائر اور غیر یقینی شرح مبادلہ آنے والی سہ ماہیوں میں بھی برقرار رہنے کی توقع ہے۔آگے چل کر زرمبادلہ کی عدم دستیابی سے صنعت کو اسٹاک آؤٹ کی صورتحال کا سامنا ہوسکتا ہے۔نچلی سطح کی صنعتوں میں بھی یہی صورتحال پیش آسکتی ہے۔

بلند شرح سود اور افراط زرامورکاروبار کی لاگت پر اثر انداز ہوسکتے ہیں۔ درج بالا کے علاوہ مقامی طلب میں بھی کمی آنے کی توقع ہے اور اسی کے پیش نظر عالمی سطح پر بھی طلب میں کمی ہونے کا امکان ہے۔ پروجیکٹ پر منصوبے کے مطابق کام آگے بڑھ رہا ہے گو کہ درآمدی ضوابط میں تبدیلیوں سے سخت چیلنجز پیدا کررہی ہیں۔

نقد بہاؤ کی حکمت عملی

سال کے دوران میں کاروباری عمل سے حاصل ہونے والی آمدنی4،947ملین روپے (2021: 2،628 ملین روپے میں سےاستعمال کیا گیا)ہے، جس کا بڑا حصہ بہتری مالیاتی کارکردگی سے حاصل ہوا۔ تجارتی قرضہ جات میں سیلز کی اضافہ شدہ قدر کےمطابق اضافہ ہوا۔ کمپنی کے پاس قرضہ کی ضروریات کے مطابق استعمال کرنے کےلئے مناسب فنڈنگ لائن اور سیکورٹی دستیاب ہے۔

خدشات اور غیر یقینی کیفیت

کمپنی بنچ مارک پالیسی کی شرح میں اضافے کے سبب شرح سود کے خدشات اور روپے کے مقابلے میں زرمبادلہ کےخدشات کے بارے میں آگاہ ہے۔خدشات اور مواقع کا تفصیلی تجزیہ ، جس میں اندرونی اور بیرونی عوامل کا احاطہ کیا گیا ہے، سالانہ رپورٹ صفحہ نمبر44 پر دیاگیا ہے۔

بنیادی سرگرمیاں / بڑی پیش رفت / کاروبار کی نوعیت میں تبدیلی

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 ائی۔

اندرونی مالیاتی کنٹرولز

کمپنی کے پاس اندرونی مالیات کنٹرول کا مضبوط فریم ورک موجود ہے۔ مالیاتی کنٹرول کے تفصیلی منوئلز بھی موجود ہیں، جن کو باقاعدگی کے ساتھ اپ ڈیٹ کیا جاتا ہے اورجائزہ لیا جاتا ہے۔ ۔ان مینوئلز میں ڈپارٹمنٹ کے لحاظ سے طریقہءکار کا بہاؤ، ہر سرگرمی پر کنٹرول کی تفصیلات اور قانونی اور آپریشنل امورکی ضروریات پر عمل درآمد کی تفصیل درج ہے۔

اندرونی کنٹرول کا نظام ساخت کے لحاظ سے مضبوط ہےاور اس پر عمل درآمد اور نگرانی کو موثر بنایا گیا ہے۔ اندرونی آڈٹ اور ایسے دیگر مانیٹرنگ کے طریقوں کے ذریعے بھی سسٹم کی مسلسل نگرانی کی جاتی ہے۔ اندرونی کنٹرول کی نگرانی کا سلسلہ کنٹرولز کو مزید مضبوط کرنے کے عزم کے ساتھ جاری رہے گا۔

اکاؤنٹنگ پالیسیز

مالیاتی اسٹیٹمنٹس کی تیاری میں اکاؤنٹنگ کی درست پالیسیز پر مسلسل عمل درآمد کیا گیا ہےسوائے ان تبدیلیوں کے جو مالیاتی اسٹیٹمنٹس کے نوٹس میں بیان کی گئی ہیں۔ اکاؤنٹنگ کی پالیسیز موزوں اور محفوظ فیصلوں پر مبنی ہیں۔ مالیاتی حسابات کی تیاری میں ان بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے جو پاکستان میں نافذالعمل ہیں۔ مالیاتی اسٹیٹمنٹس کوملکی قانون کے مطابق بیرونی آڈیٹرز سے آڈٹ کرایا جاتا ہے۔

اندرونی مالیاتی کنٹرولز کے سلسلے میں ڈائریکٹرز کی ذمہ داریاں

بورڈ آڈٹ کمیٹی(BAC) کا تقرر کردیا گیا ہے جس میں تین ڈائریکٹرزبشمول ایک خود مختار ڈائریکٹر شامل ہیں۔ کوڈ آف کارپوریٹ گورننس کی شرائط کے مطابق بی اے سی کی صدارت خودمختار ڈائریکٹر کرتا ہے اور اس کی ٹرمز آف ریفرنس کا تعین کوڈ آف کارپوریٹ گورننس میں فراہم کردہ رہنما ہدایات کے مطابق بورڈ نے کردیا ہے ۔ ان ٹرمزآف ریفرنس میں مالیاتی معلومات میں نظر اندازہونے والے معاملات ، اندرونی کنٹرول اور کارپوریٹ گورننس شامل ہیں اور یہ اس حد تک محدود نہیں ہیں۔

مادی تبدیلیاں جومالی سال کے اختتام اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیان مالیاتی حیثیت پر اثر انداز ہوئیں۔مالی سال کے اختتام اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیان مالیاتی حیثیت پر اثر انداز ہونے والی مادی تبدیلیاں، اگر کوئی ہیں، اس رپورٹ کےساتھ منسلک آڈٹ شدہ مالیاتی گوشوارے میں درج ہیں۔

حفاظت، صحت اور ماحولیات

2022 میں حفاظت، صحت اور ماحویات (ایس ایچ ای) کمپنی کی اولین ترجیحات میں شامل رہے۔ حفاظت، صحت اور ماحولیات پر مستقل توجہ اور اولین ترجیح کا عمل "استحکام" کے عنصر کے اضافے کے ساتھ جاری رہا تاکہ قدرتی وسائل کے استعمال کے روایتی طریقے کو یقینی بنایا جاسکے۔ ٹرائی پیک فلمز لمیٹڈ نے انٹیگریٹڈ مینجمنٹ سسٹمز کے لئے کامیابی کے ساتھ کڑی نگرانی میں اپنا آڈٹ مکمل کیا۔

ڈائریکٹرز کی رپورٹ برائے شیئر ہولڈرز

کمپنی کے ڈائریکٹرز رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے برائے سال مختتمہ 31 دسمبر2022 پیش کرتے ہوئے خوشی محسوس کررہے ہیں۔

کمپنی کی پالیسیز اور طریقوں کی (SHE) کمپنی اپنے ہر عمل میں لاگو قوانین، تحفظ، صحت اور ماحولیات کی پابند رہی۔جیسا کہ پہلے بتایا جاچکاہے 3 اکتوبر2022کو ہمارے بی او پی پی فلم لائن کمپارٹمنٹس میں سے ایک میں آگ لگنے کا واقعہ پیش آیا۔ کوئی بڑا نقصان رپورٹ نہیں ہوا اور اہم آلات میں سے کسی پر کوئی تبدیلی نہیں ائی۔ مشینری بالکل ٹھیک رہی اور چند ہفتوں میں چلنے لگی تھی۔

مارکیٹ اور کاروبار کا عمومی جائزہ

سال 2022میں سیاسی اور معاشی عوامل کی بناء پر مختلف قسم کے چیلنجز کا سامنا رہا۔ زرمبادلہ کے کم ہوتے ہوئے ذخائر کے نتیجے میں درآمدی گنجائش محدود ہوگئی نیز روپئے کی قدر میں خاصی کمی ہوئی۔ اس کے ساتھ پاکستان میں حالیہ تباہ کن سیلاب نے کاروبار کو شدید نقصان پہنچایا۔

اس کے نتیجے میں ہم نے پروڈکشن ، استعداد اور اثرپذیری، جاری سرمایہ اور لاگت کی مینجمنٹ پر از سر نو توجہ مرکوز کی۔

معاشی چیلنجز کا مقامی طلب پر گہرا اثر پڑا اور صارفین کی قوت خرید میں نمایاں کمی آئی۔

کمپنی تیزی سے ابھرتے ہوئے میکروانوائرمنٹ اور بین الاقوامی رجحانات کے بارے میں پوری طرح باخبر ہے اورپیداواریت اور منفعت پر اس کے اثرات کی تنقیدی جانچ کررہی ہےاور کسی بھی منفی اثر کو کم سے کم کرنے کے لئے ضروری اقدامات کررہی ہے۔

مالیاتی جھلکیاں

سال کے لئے سیلز کا مجموعی حجم گزشتہ سال کے مقابلے میں 4 فیصد بڑھ گیا۔ اسی طرح خام مال کی قیمتوں میں اضافے کے سبب ریونیو میں 27فیصد اضافہ ہوا۔

مجموعی منافع گزشتہ سال کے مقابلے میں 19فیصد زیادہ ہوا جس کا سبب مارجن کی موثر مینجمنٹ کے ساتھ بہتر آپریشنل استعداد، لاگت میں بچت کے اقدامات، قابل فروخت پروڈکٹ پورٹ فولیو کو دوبارہ منظم کرنا اور برآمدات پر بہتر مارجن ہیں۔

انتظامی اور تقسیم کاری کے اخراجات بنیادی طورپر فیول کی بڑھتی ہوئی قیمت کے باعث زیادہ ہوئے۔ آپریٹنگ منافع2021 کے 2،545 ملین روپے کے مقابلے میں 2،555ملین روپے حاصل ہوا۔ شرح سود کے زیادہ ہونے کے سبب سود کی قیمت میں 135فیصداضافہ ہواگزشتہ سال کے مقابلے میں۔

کمپنی کا قبل از ٹیکس منافع 2021 کے 1،415 ملین روپے کے مقابلے میں 1،382ملین روپے رہا۔ اسی طرح بعد از ٹیکس منافع 864ملین روپے حاصل ہوا جو زیادہ لاگو ٹیکسز کے باعث گزشتہ سال سے 17فیصد زیادہ ہوا۔

ICAP/ICMAPکی جانب سے سال کے دوران میں ہمیں اپنی سالانہ رپورٹ 2021کے لئے "بیسٹ کارپوریٹ رپورٹنگ ایوارڈ" کا اعزاز حاصل ہوا۔اس سے ہماری مسلسل کاوشوں کا پتہ چلتا ہے جو ہم بھرپور جامع طریقے سے اپنے قابل قدر استیک ہولڈرز کے ساتھ تمام متعلقہ معلومات شیئر کرنے کو یقینی بناتے ہیں۔

اہم فنانشل جھلکیاں درج ذیل ہیں:

2022	2021
پاک روپےملین میں	
43,165	42,810
5,602	3,985
24,120	19,054
3,807	3,206
15.75%	16.80%
2,555	2,245
1,153	491
19	229
-	106
864	1,042
22.26	26.85

سیلز کا حجم (میٹرک ٹن مین) ۔ مقامی
سیلز کا حجم (میٹرک ٹن مین) ۔ برآمدات
خالص سیلز کی قدر ۔ (ملین روپے میں)
مجموعی منافع ۔ (ملین روپے میں)
مجموعی منافع ۔ (%)
آپریٹنگ منافع (ملین روپے میں)
سود کی لاگت (ملین روپے میں)
زرمبادلہ کا نقصان (ملین روپے میں)
GIDC کی دوبارہ پیمائش پر نقصان
خالص منافع (ملین روپے میں)
فی شیئر آمدنی (روپے)
منافع منقسمہ

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

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.

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

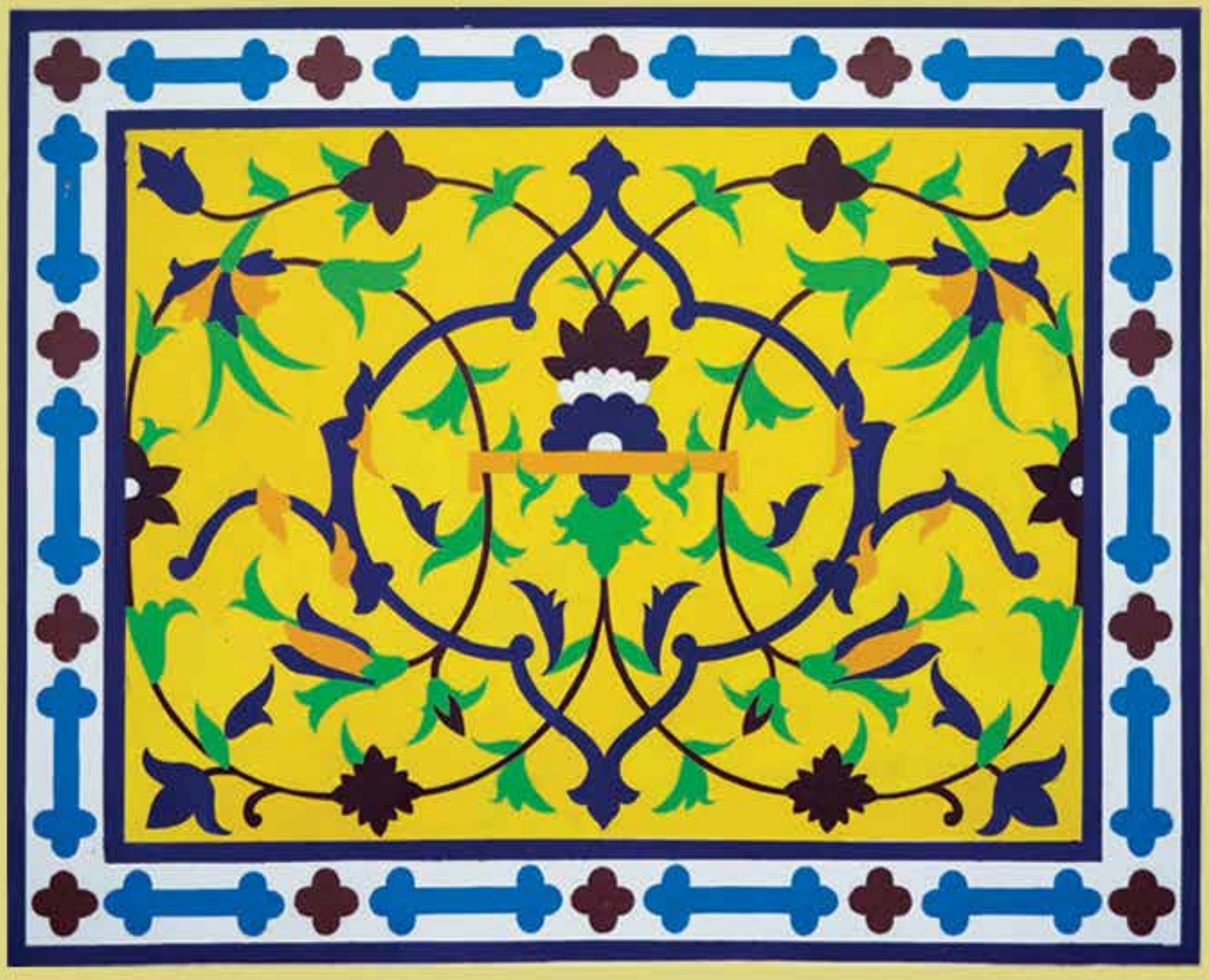
CNIC No. _____
(Copy attached)

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.

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.



Glossary of Terms

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Glossary

AGM	Annual General Meeting
ATIR	Appellate Tribual Inland Revenue
BAC	Board Audit Committee
BCMT	Business Continuity Management Team
BCP	Business Continuity Planning
BCR	Best Corporate Reporting
BOD	Board of Directors
BOPP	Biaxially Oriented Polypropylene
BPS	Basis Points
BSP	Bulleh Shah Packaging (Private) Limited
CAHO	Chief Anti – Harassment Officer
CCG	Code of Corporate Governance
CDC	Central Depository Company of Pakistan
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COCG	Code of Corporate Governance
CPP	Cast Polypropylene
CSR	Corporate Social Responsibility
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Taxes, Depreciation and Ammortization
ECL	Expected Credit Loss
EES	Employee Engagement Score
EFP	Employer's Federation of Pakistan
EOBI	Employee Old Age Benefit Institution
EPS	Earning Per Share
ERP	Enterprise Resource Planning
ESSI	Employee Social Security Institution
EVA	Economic Value Added
FBR	Federal Board of Revenue
FCFF	Free Cash Flow to the Firm
FCFE	Free Cash Flow to the Equity Holder
FMCG	Fast Moving Consumer Goods
FSSC	Food Safety Standard Certification
GDIB	Global Diversity & Inclusion Benchmarks
GHG	Green House Gases
GIDC	Gas Infrastructure Development Cess
HIRA	Hazard identification and risk assessment
HR	Human Resources
HR&R	Human Resources and Remuneration Committee
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICAP	Institute of Chartered Accountants of Pakistan
IFAC	International Federation of accountants
IFAS	Islamic Financial Accounting Standard
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
ILO	International Labor Organization
IMS	Integrated Management System
ISO	International Standards Organization
IT	Information Technology
ITO	Income Tax Ordinance
KIBOR	Karachi Inter Bank Offer Rate
KPI	Key Performance Indicator
LC	Letter of Credit
LTFF	Long Term Financial Facility
LUMS	Lahore University of Management Sciences
NBV	Net Book Value
NCOC	National Command and Operation Center
NFEH	National Forum for Environment & Health
NOWPDP	Network of Organizations Working With People With Disabilities in Pakistan
NSI	Net Sales Income
NTC	National Tarriff Commission
NTN	National Tax Number
OEE	Overall Equipment Effectiveness
OEM	Original Equipment Manufacturer
OHSAS	Occupational Health and Safety Assessment Specification
PAT	Profit After Tax
PBT	Profit Before Tax
PKR	Pakistani Rupee
PPE	Property, Plant and Equipment
PSX	Pakistan Stock Exchange
RCEM	Risk and Control Evaluation Matrix
R&D	Research and Development
Rs.	Rupees
SAP	System Application and Products
SBP	State Bank of Pakistan
SDGs	Sustainable Development Goals
SECP	Security Exchange Commission of Pakistan
SEQS	Sindh Environment & Quality Standards
SGS	Société Générale de Surveillance
SHE	Safety, Health & Environment
SHEQ	Safety, Heath, Environment and Quality
SODM	Segregation of Duties Matrix
SOP	Standard Operating Procedures
SPLY	Same Period Last Year
TERF	Temporary Economic Re-Financing
TPFL	Tri-Pack Films Limited
USD	United States Dollar
WACC	Weighted Average Cost of Capital
WPPF	Workers' Profit Participation Fund
WWF	Workers Welfare Fund

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

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