

# **Arpak International Investments Limited**

**CONDENSED INTERIM STATEMENT  
OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2024**

**ARPAK INTERNATIONAL INVESTMENTS LIMITED**  
**COMPANY INFORMATION**

**Board of Directors**

Mr. Abbas Sarfaraz Khan	Chief Executive
Ms. Najda Sarfaraz	Chairperson
Zarmine Sarfaraz	Director
Mr. Iskander M. Khan	Director
Mr. Babar Ali Khan	Director
Mr. Faiysal Ali Khan	Independent Director
Mr. Sher Ali Jafar Khan	Independent Director

**Company Secretary**

Mr. Mujahid Bashir

**Chief Financial Officer**

Mr. Rizwan Ullah Khan

**Head of Internal Audit**

Mr. Zaheer Mir

**Auditors**

M/s Shine Wing Hameed Chaudhri & Co.,  
Chartered Accountants

**Legal Advisor**

Mr. Zahoor Alam  
Advocate

**Shares Registrar**

Messers Hameed Majeed Associates (Pvt) Limited  
H.M. House, 7-Bank Square, Lahore.  
Phone No. :042-37235081  
Fax No. : 042-37235083

**Bankers**

MCB Bank Limited  
Bank Al-Habib Limited

## ARPAK INTERNATIONAL INVESTMENTS LIMITED

### DIRECTOR'S REVIEW REPORT

The Board of Directors of Arpak International Investments Limited takes pleasure in presenting the review on the operational and financial performance of the Company for threemonths period ended September 30, 2024.

### **OPERATIONS**

During the period under review, the Company earned Rs. 0.0614million (September 30, 2023: Rs.3.087 million). After incorporating the share of lossand provision made for impairment in Associated Company, the Company's pre-tax lossis Rs. 50.67 million for the period.

### **FUTURE OUTLOOK**

The Company In line with its policy to invest in the best available options the company has committed to a strategic investment in Premier Grain Ethanol Limited (PGEL), a newly established entity focused on the manufacturing, production, and sale of ethanol and related products derived from grain. The Board has approved an investment of Rs. 50 million in PGEL, of which Rs. 32 million has already been paid.

### **ACCOUNTING POLICIES**

The accounting policies adopting in the preparation of thisquarterly condensed interim financial information are the same as applied in the preparation of the preceding annual financial statements of the Company.

### **ACKNOWLEDGEMENT**

The Directors appreciate the hard work and dedication displayed by the employees of the Company.

Islamabad

October 28, 2024

  
(Abbas Sarfaraz Khan)  
Chief Executive

  
(Iskander M. Khan)  
Director

# ارپاک انٹرنیشنل انوسٹمنٹ لمیٹڈ

## ڈائریکٹرز کی جائزہ رپورٹ

ارپاک انٹرنیشنل انوسٹمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 ستمبر 2024ء کو ختم ہونے والی تین ماہ کی مدت کے لئے کمپنی کی آپریشنل اور مالی کارکردگی کا جائزہ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

آپریشنز

زیر غور مدت کے دوران، کمپنی نے 0.0614 ملین روپے کمائے جبکہ 30 ستمبر 2023: 3.087 ملین روپے) تھے۔ ایسوی اینڈ کمپنی میں خسارے کا حصہ اور خرابی کے لیے کی گئی شق کو شامل کرنے کے بعد اس مدت کے لیے کمپنی کا قبل از ٹیکس خسارہ 50.67 ملین روپے ہو گیا ہے۔

مستقبل کا نقطہ نظر

کمپنی نے بہترین دستیاب اختیارات میں سرمایہ کاری کرنے کی اپنی پالیسی کے مطابق پریمیر گرین ہتھنول لمیٹڈ (پی جی ای ایل) میں اسٹریٹجک سرمایہ کاری کا عہد کیا ہے، جو ہتھنول اور اناج سے حاصل ہونے والی متعلقہ مصنوعات کی مینوفیکچرنگ، پیداوار اور فروخت پر توجہ مرکوز کرنے والا ایک نیا ادارہ ہے۔ بورڈ نے پی جی ای ایل میں 50 ملین روپے کی سرمایہ کاری کی منظوری دی ہے جس میں سے 32 ملین روپے پہلے ہی ادا کیے جا چکے ہیں۔

اکاؤنٹنگ پالیسیاں

اس سہ ماہی عبوری مالی معلومات کی تیاری میں اختیار کی جانے والی اکاؤنٹنگ پالیسیاں وہی ہیں جو کمپنی کے پچھلے سالانہ مالی بیانات کی تیاری میں لاگو ہوتی ہیں۔

اعتراف

ڈائریکٹرز کمپنی کے ملازمین کی جانب سے دکھائی جانے والی محنت اور لگن کو سراہتے ہیں۔



(اسکندر محمد خان)

ڈائریکٹر



(عباس سرفراز خان)

چیف ایگزیکٹو

اسلام آباد

28 اکتوبر 2024

**ARPAK INTERNATIONAL INVESTMENTS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2024**

	Un-audited September 30, 2024	Audited June 30, 2024
Note	Rupees	Rupees
<b>Equity and Liabilities</b>		
<b>Share Capital and Reserves</b>		
Authorised capital		
5,000,000 ordinary shares of Rs.10 each	<u>50,000,000</u>	<u>50,000,000</u>
Issued, subscribed and paid-up capital		
4,000,000 ordinary shares of Rs.10 each issued for cash	40,000,000	40,000,000
Reserves	12,840,781	12,840,781
Accumulated loss	(275,120,554)	(323,348,568)
Share of surplus on revaluation of property, plant and equipment of Associated Companies	579,662,536	609,824,244
	<u>357,382,763</u>	<u>339,316,457</u>
<b>Deferred taxation</b>	988,006	954,978
<b>Current Liabilities</b>		
Accruals and other payables	6,235,347	7,829,281
Unclaimed dividend	1,039,042	1,039,042
Provision for tax levies	620,223	620,223
Taxation	2,726,820	2,319,512
	10,621,432	11,808,058
<b>Contingencies and Commitments</b>	4	
	<u>368,992,201</u>	<u>352,079,493</u>
<b>Assets</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	73,941	78,381
Investment property	8,830,680	8,784,762
Long term investments	5 285,982,051	267,541,568
Loan to an Associated Company	6 12,500,000	6,250,000
	<u>307,386,672</u>	<u>282,654,711</u>
<b>Current Assets</b>		
Current portion of loan to an Associated Company	12,500,000	18,750,000
Advance against shares	32,000,000	32,000,000
Short term investment	7 503,510	479,346
Advance to employees - considered good	139,750	139,750
Accrued profit and mark-up	12,004,922	11,667,811
Advances, prepayments and other receivables	483,654	-
Prepaid tax levies	620,223	620,223
Advance income tax and tax deducted at source	3,300,180	3,291,721
Bank balances	53,290	2,475,931
	61,605,529	69,424,782
	<u>368,992,201</u>	<u>352,079,493</u>

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

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**

**ARPAK INTERNATIONAL INVESTMENTS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)**  
**FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

	September 30, 2024	September 30, 2023
	-----Rupees-----	
<b>Income</b>	<b>3,241,259</b>	6,083,770
<b>Operating and General Expenses</b>	<b>(3,179,847)</b>	(2,996,137)
<b>Operating Profit</b>	<b>61,412</b>	3,087,633
<b>Bank Charges</b>	<b>(3,802)</b>	(6,650)
	<b>57,610</b>	3,080,983
<b>Share of loss from Associated Companies-net of taxation</b>	<b>(198,872,433)</b>	(20,062,721)
Reversal/(provision made) for impairment in investment in an Associated Company	<b>148,145,123</b>	7,752,603
<b>Loss before taxation and final tax levies</b>	<b>(50,669,700)</b>	(9,229,135)
Final tax levies	<b>-</b>	(140,823)
<b>Loss before taxation</b>	<b>(50,669,700)</b>	(9,369,958)
<b>Taxation</b>	<b>(431,787)</b>	(444,693)
<b>Loss after taxation</b>	<b>(51,101,487)</b>	(9,814,651)
<b>Loss per share</b>	<b>(12.78)</b>	(2.45)

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



Chief Executive



Director



Chief Financial Officer

**ARPAK INTERNATIONAL INVESTMENTS LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)**  
**FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

	September 30, 2024 Rupees	September 30, 2023 Rupees
Loss after taxation	(51,101,487)	(9,814,651)
Other Comprehensive Income		
Items that may be reclassified subsequently to profit and loss:		
Fair value (loss) / gain on re-measurement of available-for-sale investments	-	-
Share of other comprehensive profit from Associated Company - net	-	-
	-	-
Total Comprehensive Loss for the period	(51,101,487)	(9,814,651)

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

  
Chief Executive

  
Director

  
Chief Financial Officer

**ARPAK INTERNATIONAL INVESTMENTS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)**  
**FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

	September 30, 2024 Rupees	September 30, 2023 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss for the quarter - before taxation and share of profit/ (loss) of Associated Companies	57,610	3,080,983
<i>Adjustments for non-cash charges and other items:</i>		
Depreciation on property, plant and equipment	4,440	5,852
Depreciation on investment property	45,917	48,971
Mark-up on loan to an Associated Company	(1,342,685)	(1,871,686)
Dividend income	-	(938,823)
Fair value (gain)/loss on measurement of investments	(26,586)	(331,007)
Gain on redemption of short term investments - net	-	-
<b>Loss before working capital changes</b>	<b>(1,261,304)</b>	<b>(5,710)</b>
<b>Effect on cash flow due to working capital changes</b>		
(Increase) / decrease in current assets		
Investments - net	2,422	(797,996)
Advance to employees	-	-
Prepayments	(483,654)	(314,877)
Increase / (decrease) in current liabilities		
Accruals and other payables	(1,671,557)	(1,130,828)
	<b>(2,152,789)</b>	<b>(2,243,701)</b>
<b>Cash used in operating activities</b>	<b>(3,414,093)</b>	<b>(2,249,411)</b>
Income tax paid	(8,548)	(333,956)
<b>Net cash used in operating activities</b>	<b>(3,422,641)</b>	<b>(2,583,367)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Mark-up received on loan to an Associated Company	1,000,000	-
Dividend received	-	938,823
<b>Net cash generated from investing activities</b>	<b>1,000,000</b>	<b>938,823</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(2,422,641)</b>	<b>(1,644,544)</b>
<b>Cash and cash equivalents - at beginning of the period</b>	<b>2,475,931</b>	<b>8,319,166</b>
<b>Cash and cash equivalents - at end of the period</b>	<b>53,290</b>	<b>6,674,622</b>

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

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**



**ARPAK INTERNATIONAL INVESTMENTS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY (Un-audited)**  
**FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

Share capital	Reserves			(Accumulated loss)/ Unappropriated profit	Share of surplus on revaluation of property, plant and equipment of an Associated Company	Total
	Capital Reserves	General Reserves	Unrealised gain on long term investments			

-----Rupees-----

Balance as at July 01, 2023	40,000,000	7,440,781	5,400,000	-	(145,267,882)	480,869,418	388,442,317
Total Comprehensive Income for the quarter ended September 30, 2023	-	-	-	-	(9,814,651)	-	(9,814,651)
Effects of items directly credited in equity by Associated Companies	-	-	-	-	(233,882)	-	(233,882)
Share of surplus on revaluation of property, plant and equipment realised during the year by an Associated Company on account of incremental depreciation and upon sale of revalued assets - (net of deferred taxation)					(8,331,413)	8,331,413	-
<b>Balance as at September 30, 2023</b>	<b>40,000,000</b>	<b>7,440,781</b>	<b>5,400,000</b>	<b>-</b>	<b>(163,647,828)</b>	<b>489,200,831</b>	<b>378,393,784</b>
Balance as at July 01, 2024	40,000,000	7,440,781	5,400,000	-	(323,348,568)	609,824,244	339,316,457
Total Comprehensive Income for the quarter ended September 30, 2024	-	-	-	-	(51,101,487)	-	(51,101,487)
Effects of items directly credited in equity by Associated Companies	-	-	-	-	69,167,793	-	69,167,793
Share of surplus on revaluation of property, plant and equipment realised during the year by an Associated Company on account of incremental depreciation and upon sale of revalued assets - (net of deferred taxation)	-	-	-	-	30,161,708	(30,161,708)	-
<b>Balance as at September 30, 2024</b>	<b>40,000,000</b>	<b>7,440,781</b>	<b>5,400,000</b>	<b>-</b>	<b>(275,120,554)</b>	<b>579,662,536</b>	<b>357,382,763</b>

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



Chief Executive



Director



Chief Financial Officer

**ARPAK INTERNATIONAL INVESTMENTS LIMITED**  
**SELECTED NOTES TO AND FORMING PART OF THE**  
**CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

**1. CORPORATE INFORMATION**

Arpak International Investments Limited (the Company) was incorporated in Pakistan on 26 July, 1977 as a Public Company and its shares are quoted on Lahore and Karachi Stock Exchanges. The registered office of the Company is situated at 20-A, Markaz F-7, Islamabad. It is principally engaged in investment business of various forms.

**2. BASIS OF PREPARATION**

**2.1. Statement of compliance**

**2.1.1** These condensed interim financial statements for the first quarter ended September 30, 2024 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- i) International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- ii) Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**2.1.2** These condensed interim financial statements do not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2024. These condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

**2.2. New standards, amendments to approved accounting standards and interpretations that are effective during the period**

The new standards, amendments to approved accounting standards and interpretations that are mandatory for the accounting periods beginning on July 1, 2024 are considered not to be relevant or to have any significant effect on the Company's interim financial reporting and are, therefore, not detailed in these condensed interim financial statements.

**2.3. ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of audited annual financial statements of the Company for the year ended June 30, 2024.

**3. ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of this condensed interim financial information in conformity with the 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 historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

#### 4. CONTINGENCIES AND COMMITMENTS

There was no known contingency and commitment outstanding as at September 30, 2024, and June 30, 2024.

#### 5. LONG TERM INVESTMENTS

Associated Companies: Quoted:		Un-audited Period ended September 30, 2024 Rupees	Audited Year ended June 30, 2024 Rupees
Carrying Value- under equity method	5.1.	849,484,990	979,189,630
Less: Impairment loss	5.1.1.	(647,044,507)	(795,189,630)
		202,440,483	184,000,000
<b>Premier Board Mills Ltd. (PBML)- unquoted</b>	<b>5.2.</b>	<b>83,541,568</b>	<b>83,541,568</b>
		<b>285,982,051</b>	<b>267,541,568</b>

5.1. Investment in PSM represents 400,000 fully paid ordinary shares of Rs.10 each representing 10.67% (June 30, 2024: 10.67%) of PSM's issued, subscribed and paid-up capital as at September 30, 2018. PSM was incorporated on July 24, 1944 as a public limited company and its shares are quoted on Pakistan Stock Exchange. The principal activity of PSM is manufacturing and sale of white sugar and spirit. PSM is an associate of the Company due to common directorship.

5.1.1 The Company has recognised impairment on its investment in PSM based on the market value of PSM's shares as at reporting date. Market Value of the PSM's shares as at September 30, 2024 was Rs. 506 (June 30, 2024: Rs. 460) per share.

5.2. Investment in PBML represents 600,000 fully paid ordinary shares of Rs.10 each representing 10.63% (June 30, 2024: 10.63%) of PBML's issued, subscribed and paid-up capital as at June 30, 2018. PBML was incorporated on May 12, 1980 as a public company and it is evaluating certain proposals for setting-up some industrial unit. PBML is an associate of the Company due to common directorship.

5.2.1 Carrying values of investments in PBML as at September 30, 2024 have not been accounted for using the equity method as required by IAS 28 (Investments in Associates) due to nonavailability of financial statements for the quarter ended September 30, 2024.

#### 6. LOAN TO AN ASSOCIATED COMPANY

All the term and conditions of the loan are same as disclosed in audited annual financial statements of the Company for the year ended June 30, 2024.

#### 7. SHORT TERM INVESTMENTS - at fair value through profit or loss

This represents investment in 4,709.33 (June 30, 2024: 4,709.33) units of First Habib Cash Fund.

## 8. REMUNERATION OF DIRECTORS AND EXECUTIVES

8.1 The Company has not paid any remuneration or meeting fee to any of its directors during the current and preceding financial years.

### 8.2 Salaries and benefits paid to key management personnel:

	Un-audited Three months ended September 30,	
	2024	2023
	---- Rupees ----	
Managerial remuneration	1,377,876	1,377,876
Medical and utility allowances	37,547	48,860
Expenses reimbursed	870,700	226,062
	<u>2,286,123</u>	<u>1,652,798</u>
No. of person	1	1

## 9 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the Associated Companies, directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of related parties (with whom the Company has transacted) along with relationship and transactions with a related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

The Company has carried out following transactions with Chashma Sugar Mills Ltd. an Associated Company due to common directorship.

	Un-audited Three months ended September 30,	
	2024	2023
	---- Rupees ----	
Mark-up charged on loan to an Associated Company	1,342,685	1,871,686
Mark-up received from Associated Company	<u>1,000,000</u>	<u>-</u>

There were no transactions with key management personnel other than under the terms of employment and remuneration of key management personnel is disclosed in note 8.

## 10. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

There has been no change in the Company's sensitivity to these risks since June 30, 2024. There have been no change in risk management objectives and policies of the Company during the period.

This condensed interim financial information does not include all financial risk management information and disclosures as are required in the audited annual financial statements and should be read in conjunction with the Company's audited annual financial statement as at June 30, 2024.

## 11. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of all financial assets and liabilities reflected in the financial statements approximate their fair values.

Given below is the analysis of financial instruments, carried at fair value, by valuation method. The different levels have been defined as follows:

**Level:1** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level:2** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

**Level:3** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The Company's investment in Mutual Fund has been measured at fair value using period-end Net Assets Value as computed by the respective Assets Management Company. Fair value of these investments falls within level 2 of fair value hierarchy as mentioned above.

## 12. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34 'Interim Financial Reporting', the condensed interim balance sheet has been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity have been compared with the balances of comparable period of the immediately preceding financial year.

## 13. GENERAL

This condensed interim financial information was approved by the Board of Directors and authorised for issue on October 28, 2024.



Chief Executive



Director



Chief Financial Officer

**BOOK POST**

**Printed Matter**

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