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# **PAKISTAN PAPER PRODUCTS LIMITED**

QUARTERLY FINANCIAL STATEMENTS

3rd QUARTER

March 31, 2025 (UN-AUDITED)

*To,*

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*If undelivered please return to:*

*Pakistan Paper Products Ltd.  
D-58, S.I.T.E., Estate Avenue,  
Karachi - 75700*





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## PAKISTAN PAPER PRODUCTS LIMITED

# CORPORATE PROFILE

### BOARD OF DIRECTORS

Mr. Abbas Sayeed	- Chairman	Non-Executive
Mr. Abid Sayeed	- Chief Executive	Executive
Dr. Asadullah Sayeed		Non-Executive
Mrs. Muleika Sayeed		Non-Executive
Mr. Sayeed Imran		Non-Executive
Ms. Aisha Fariel Salahuddin		Independent Director
Mr. Matiuddin Siddiqui	- NIT	Independent Director

### AUDIT COMMITTEE

Ms. Aisha Fariel Salahuddin	- Chairperson
Mr. Abbas Sayeed	- Member
Dr. Asadullah Sayeed	- Member
Mr. Matiuddin Siddiqui	- Member

### HR AND REMUNERATION COMMITTEE

Mr. Matiuddin Siddiqui	- Chairman
Mr. Abbas Sayeed	- Member
Mr. Sayeed Imran	- Member
Mrs. Muleika Sayeed	- Member

### MANAGEMENT COMMITTEE

Mr. Abbas Sayeed	- Chairman
Mr. Abid Sayeed	- Chief Executive
Mr. Muhammad Yusuf	- Chief Financial Officer

### CHIEF FINANCIAL OFFICER

Mr. Muhammad Yusuf

### COMPANY SECRETARY

Mr. Dawood Ahmed Mapara

### AUDITORS

Faruq Ali & Co.  
Chartered Accountants

### SHARE REGISTRAR

F.D.Registrar Services (SMC-Pvt) Ltd

### BANKERS

Bank Al Habib Limited  
Habib Bank Limited  
National Bank of Pakistan  
Meezan Bank Limited

### REGISTERED OFFICE AND FACTORY

D-58, Estate Avenue, S.I.T.E, Karachi.  
Website : [www.pakpaper.com](http://www.pakpaper.com)



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## PAKISTAN PAPER PRODUCTS LIMITED

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### DIRECTORS' REVIEW

The Board of Directors are pleased to present the financial results of the company for the nine months period ended March 31, 2025.

### Operating Performance

Your company continues to perform well in spite of tough challenges being faced due to very heavy competition in the Ex-Books segment. Turnover declined to Rs 1.423 billion compared to Rs 1.575 billion last year for this period. This top line decline translated all the way down with GP falling by 26.72% to Rs 219.54 million, NP before Tax decreasing by 23.07% to Rs 117.35 million, and finally NP after Tax decreased by 21.70% to Rs 88.10 million compared to Rs 112.51 million last year. As we had earlier mentioned also that the numbers from last year were unusually impressive so in light of that the profitability has seen a decline this year, nevertheless the performance of the company is still very robust.

### Overview

Exercise book sales decline has now been largely arrested as we the reduction in prices has paid off and the markets sales have started to strengthen. The negative side on this being that a lot of our old inventory is being sold at lower prices which has caused a fall in our margins. We have been able to retain all our large institutional orders in which we are able to achieve economies of scale and hence have better margins. There is still a lot of cheap paper availability in the market but due to our reduction in prices we are giving the competition a very tough time as customers still prefer to buy our products. The loss we were facing in the Ex-Books segment for the last two quarters has been stemmed and we are back to profitability. Pro Labels sales remain flat in rupee terms but there was a slight increase in volume. It appears that the inflationary pressure in the country has now caught up with consumers who are reducing purchase of non-essential items. This has led to a decline sale of FMCG companies but oil lubricants and pharmaceuticals have picked up the slack allowing our revenues to remain on the same level as last year. Sales of plain paper and sensitized paper continue to decline and as mentioned earlier we will finish this line once our raw materials are exhausted. We have also decided to terminate sales of plain paper as the market is too volatile and our volumes are not big enough to justify selling this line.

### Future Outlook

The future outlook of the company continues to be very positive as both our business lines are working well with good orders and as mentioned earlier that Exercise books sales have also picked up rapidly during the current season. We hope to continue with the good performance and come out with better results at the end of the year.

### Acknowledgement

The management would like to thank all the customers, financial institutions, suppliers and staff members who have been associated with the company for their support and cooperation.

On behalf of the Board of Directors

**ABBAS SAYEED**

*Chairman*

Karachi: April 24, 2025

**ABID SAYEED**

*Chief Executive*



## PAKISTAN PAPER PRODUCTS LIMITED

### CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Notes	(Un-audited) 31 March 2025	(Audited) 30 June 2024
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	1,376,823,060	1,313,671,838
Intangible assets		--	94,165
Long term deposits		1,989,572	1,675,258
		<b>1,378,812,632</b>	1,315,441,261
<b>CURRENT ASSETS</b>			
Stores and spares		12,105,309	10,037,039
Stock-in-trade		281,712,126	355,983,019
Trade debts		307,556,835	346,734,816
Advances and other receivables		168,149,815	105,612,399
Deposits, advances and short term prepayments		9,368,938	393,030
Cash and bank balances	6	5,391,824	7,125,720
		<b>784,284,846</b>	825,886,023
		<b>2,163,097,478</b>	<b>2,141,327,284</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital 15,000,000 (2024: 15,000,000) Ordinary shares of Rs. 10/- each		150,000,000	150,000,000
Issued, subscribed and paid-up share capital		80,000,000	80,000,000
Revenue reserves		678,046,643	621,942,028
Capital reserve Surplus on revaluation of property, plant and equipment		959,399,936	959,399,936
		<b>1,717,446,579</b>	1,661,341,964
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liability - net		60,906,114	55,141,541
Deferred liability for staff gratuity		21,712,850	19,928,330
Long term loans - secured		80,872,831	62,852,231
Liabilities against assets subject to musharakah financing		958,685	2,878,685
Deferred grant		2,407,987	3,189,610
		<b>166,858,467</b>	143,990,397
<b>CURRENT LIABILITIES</b>			
Current portion shown under current liabilities		38,889,624	26,560,800
Current portion of deferred government grant		1,056,733	1,148,559
Short term borrowings - secured		125,514,209	137,799,954
Creditors, accrued and other liabilities		100,258,810	130,639,788
Unclaimed dividend		13,073,056	12,285,638
Provision for taxation - net		--	27,560,184
		<b>278,792,432</b>	335,994,923
<b>CONTINGENCIES AND COMMITMENTS</b>			
	7	--	--
		<b>2,163,097,478</b>	<b>2,141,327,284</b>

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

**ABBAS SAYEED**  
Chairman

**MUHAMMAD YUSUF**  
Chief Financial Officer

**ABID SAYEED**  
Chief Executive



## PAKISTAN PAPER PRODUCTS LIMITED

### CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited) FOR THE NINE MONTHS ENDED 31 MARCH 2025

	Nine Months Ended		Quarter Ended	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	----- (Rupees) -----			
Sales - net	1,279,741,479	1,427,918,279	535,557,479	517,591,578
Cost of sales	(1,060,198,026)	(1,128,331,904)	(434,967,573)	(384,078,212)
<b>Gross profit</b>	<b>219,543,453</b>	<b>299,586,375</b>	<b>100,589,906</b>	<b>133,513,366</b>
Administrative expenses	(46,607,552)	(42,882,955)	(15,652,367)	(14,676,542)
Selling and distribution expenses	(17,513,984)	(14,732,181)	(5,590,390)	(4,768,996)
Other operating expenses	(8,175,968)	(41,003,498)	(4,294,978)	(32,966,727)
	(72,297,504)	(98,618,634)	(25,537,735)	(52,412,265)
<b>Operating profit</b>	<b>147,245,949</b>	<b>200,967,741</b>	<b>75,052,171</b>	<b>81,101,101</b>
Other income	1,856,484	819,432	862,611	89,846
Finance cost	(31,743,262)	(49,235,628)	(10,330,405)	(14,626,286)
<b>Profit before taxation</b>	<b>117,359,171</b>	<b>152,551,545</b>	<b>65,584,377</b>	<b>66,564,661</b>
Taxation - net	(29,254,556)	(40,038,294)	(7,408,705)	(20,113,237)
<b>Profit for the period</b>	<b>88,104,615</b>	<b>112,513,251</b>	<b>58,175,672</b>	<b>46,451,424</b>
<b>Earnings per share - basic and diluted</b>	<b>11.01</b>	<b>14.06</b>	<b>7.27</b>	<b>5.81</b>

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

**ABBAS SAYEED**  
Chairman

**MUHAMMAD YUSUF**  
Chief Financial Officer

**ABID SAYEED**  
Chief Executive



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**PAKISTAN PAPER PRODUCTS LIMITED**

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**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)  
FOR THE NINE MONTHS ENDED 31 MARCH 2025**

	Nine Months Ended		Quarter Ended	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	----- (Rupees) -----			
Profit for the period	88,104,615	112,513,251	58,175,672	46,451,424
Other comprehensive income	--	--	--	--
<b>Total comprehensive income for the period</b>	<b>88,104,615</b>	<b>112,513,251</b>	<b>58,175,672</b>	<b>46,451,424</b>

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

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**ABBAS SAYEED**  
*Chairman*

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**MUHAMMAD YUSUF**  
*Chief Financial Officer*

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**ABID SAYEED**  
*Chief Executive*



## PAKISTAN PAPER PRODUCTS LIMITED

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited) FOR THE NINE MONTHS ENDED 31 MARCH 2025

	Issued, subscribed and paid-up share capital	Revenue reserves			Surplus on revaluation of property, plant and equipment	Total equity
		General reserves	Unappropriated profit	Total revenue reserves		
----- (Rupees) -----						
Balance as on 1 July 2023	80,000,000	143,900,000	378,732,946	522,632,946	504,841,334	1,107,474,280
Profit for the period ended 31 March 2024	--	--	112,513,251	112,513,251	--	112,513,251
Other comprehensive income	--	--	--	--	--	--
Total comprehensive income for the period	--	--	112,513,251	112,513,251	--	112,513,251
Surplus on revaluation realized on disposal of fixed assets - net of tax	--	--	1,355,306	1,355,306	(1,355,306)	--
Transfer to unappropriated profit on account of incremental depreciation - net of tax	--	--	1,006,089	1,006,089	(1,006,089)	--
<i>Transactions with owners:</i>						
Final cash dividend @ 40% related to the year ended 30 June 2023	--	--	(32,000,000)	(32,000,000)	--	(32,000,000)
Balance as at 31 March 2024	80,000,000	143,900,000	461,607,592	605,507,592	502,479,939	1,187,987,531
Balance as on 1 July 2024	80,000,000	143,900,000	478,042,028	621,942,028	959,399,936	1,661,341,964
Profit for the period ended 31 March 2025	--	--	88,104,615	88,104,615	--	88,104,615
Other comprehensive income	--	--	--	--	--	--
Total comprehensive income for the period	--	--	88,104,615	88,104,615	--	88,104,615
<i>Transactions with owners:</i>						
Final cash dividend @ 40% related to the year ended 30 June 2024	--	--	(32,000,000)	(32,000,000)	--	(32,000,000)
Balance as at 31 March 2025	80,000,000	143,900,000	534,146,643	678,046,643	959,399,936	1,717,446,579

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

**ABBAS SAYEED**  
*Chairman*

**MUHAMMAD YUSUF**  
*Chief Financial Officer*

**ABID SAYEED**  
*Chief Executive*



# PAKISTAN PAPER PRODUCTS LIMITED

## CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited) FOR THE NINE MONTHS ENDED 31 MARCH 2025

	Notes	31 March 2025	31 March 2024
		----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		117,359,171	152,551,545
<i>Adjustments for non-cash and other items:</i>			
Depreciation		36,716,422	30,861,701
Amortization		94,165	105,939
Provision for gratuity		3,185,139	3,205,647
Provision for Sindh Workers' Profit Participation Fund		6,276,757	8,196,450
Provision for Sindh Workers' Welfare Fund		1,899,211	3,181,011
Loss on disposal of fixed assets		--	1,474,711
Finance cost		31,743,262	42,559,961
Exchange loss		(802,799)	6,675,667
Gain on disposal of fixed assets		(153,761)	(664,218)
		<u>78,958,396</u>	<u>95,596,869</u>
		196,317,567	248,148,414
<i>Decrease in current assets</i>			
Stores and spares		(2,068,270)	(3,316,902)
Stock-in-trade		74,270,893	(4,229,532)
Trade debts		39,177,981	20,288,133
Advances and other receivables		(17,327,284)	(3,049,313)
Deposits and short term prepayments		(8,975,908)	3,096,098
		<u>85,077,412</u>	<u>12,788,484</u>
		281,394,979	260,936,898
<i>Decrease in current liabilities</i>			
Creditors, accrued and other liabilities		(19,598,176)	(89,456,649)
<b>Cash generated from operations</b>		<u>261,796,803</u>	<u>171,480,249</u>
<i>Payments for:</i>			
Income taxes net of refund received		(96,260,299)	(7,704,807)
Sindh Workers' Welfare Fund		(5,182,779)	(2,996,893)
Sindh Workers' Profit Participation Fund		(12,436,006)	(7,137,586)
Gratuity		(1,400,619)	(1,057,030)
Finance cost		(32,280,447)	(41,825,396)
<b>Net cash generated from operating activities</b>		<u>114,236,653</u>	<u>110,758,537</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Addition to property, plant and equipment		(100,538,914)	(23,247,516)
Proceeds from disposal of property, plant and equipment	5.1.1	825,031	1,317,260
<b>Net cash used in investing activities</b>		<u>(99,713,883)</u>	<u>(21,930,256)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long term deposits		(314,314)	(300,000)
Long-term finances obtained		51,758,100	--
Repayment of long-term finances		(24,202,125)	(19,920,600)
Dividend paid		(31,212,582)	(30,817,050)
<b>Net cash used in financing activities</b>		<u>(3,970,921)</u>	<u>(51,037,650)</u>
<b>Net increase in cash and cash equivalents</b>		<u>10,551,849</u>	<u>37,790,631</u>
<b>Cash and cash equivalents at the beginning of the period</b>		<u>(130,674,234)</u>	<u>(213,443,131)</u>
<b>Cash and cash equivalents at the end of the period</b>	8	<u>(120,122,385)</u>	<u>(175,652,500)</u>

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

**ABBAS SAYEED**  
Chairman

**MUHAMMAD YUSUF**  
Chief Financial Officer

**ABID SAYEED**  
Chief Executive



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## PAKISTAN PAPER PRODUCTS LIMITED

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### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 MARCH 2025

#### 1 STATUS AND NATURE OF BUSINESS

The Company was incorporated and domiciled in Pakistan as a private limited company in July 1962. It was converted into public company and listed on the Karachi Stock Exchange (now Pakistan Stock Exchange) in July 1964. The main business activity of the Company is the production and sale of exercise books, pro-labels and sensitized papers.

The geographical location and address of Company's business units including plant is as under:

- The registered office of the Company along with its plant is situated at D-58, SITE, Estate Avenue, Karachi.
- The Company also have a sales office in Lahore, Pakistan.

#### 2 BASIS OF PREPARATION

**2.1** These condensed interim financial statements of the Company for the quarter ended 31 March 2025 have been prepared in accordance with the accounting and reporting standards applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

**2.2** These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2024.

#### 3 SIGNIFICANT ACCOUNTING POLICIES

**3.1** The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended 30 June 2024.

#### **3.2 Change in accounting standards, interpretations, and amendments to published accounting and reporting standards**

##### **3.2.1 Amendments to published accounting and reporting standards that became effective during the period:**

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.



## PAKISTAN PAPER PRODUCTS LIMITED

### 3.2.2 Amendments to published accounting and reporting standards that are not yet effective:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after 1 July 2023. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

## 4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these condensed interim financial segments are the same as those applied in the annual audited financial statements of the Company for the year ended 30 June 2024.

	Note	(Un-audited) 31 March 2025	(Audited) 30 June 2024
----- (Rupees) -----			
<b>5 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1	<u>1,376,823,060</u>	<u>1,313,671,838</u>
<b>5.1 Operating fixed assets</b>			
Opening net book value (NBV)		1,313,671,838	862,135,756
Addition (at cost) during the period / year	5.1.1	<u>100,538,914</u>	<u>30,975,425</u>
		1,414,210,752	893,111,181
Revaluation for period / year		--	465,344,007
Disposal (NBV) during the period / year	5.1.2	(671,270)	(2,791,971)
Depreciation charged for the period / year		(36,716,422)	(41,991,379)
Closing net book value (NBV)		<u>1,376,823,060</u>	<u>1,313,671,838</u>
<b>5.1.1 Details of additions (at cost) during the period / year are as follows:</b>			
Factory building on leasehold land		--	5,752,080
Plant and machinery		87,451,204	18,143,920
Furniture and fixture		--	209,500
Factory and other equipment		1,236,545	2,058,300
Electric equipment and fitting		1,077,160	70,000
Computers		174,500	55,000
Vehicles		3,903,000	4,686,625
Solar power system		6,696,505	--
		<u>100,538,914</u>	<u>30,975,425</u>



## PAKISTAN PAPER PRODUCTS LIMITED

	(Un-audited) 31 March 2025	(Audited) 30 June 2024
	----- (Rupees) -----	
<b>5.1.2 Details of disposals (NBV) during the period / year are as follows:</b>		
Factory and other equipment	(2,377)	--
Plant and machinery	(588,714)	(2,569,493)
Vehicles	(80,179)	(222,478)
	<u>(671,270)</u>	<u>(2,791,971)</u>
<b>6 CASH AND BANK BALANCES</b>		
Cash in hand	55,230	110,044
Factory imprest	91,600	125,000
Cash at banks:		
- Current accounts	5,244,994	6,890,676
	<u>5,391,824</u>	<u>7,125,720</u>
<b>7 CONTINGENCIES AND COMMITMENTS</b>		
Commitments under letter of credits	<u>64,465,213</u>	<u>86,188,502</u>
<b>8 CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	5,391,824	7,125,720
Short term borrowings - Secured	<u>(125,514,209)</u>	<u>(137,799,954)</u>
	<u>(120,122,385)</u>	<u>(130,674,234)</u>

### 9 TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS

The related parties and associated undertakings comprise local associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings, other than those which have been specifically disclosed elsewhere in these condensed financial statements, are as follows:

Name of the related party	Relationship and percentage of shareholding	Transactions during the period	(Un-audited) 31 March 2025	(Un-audited) 31 March 2024
			----- (Rupees) -----	
M/s. Sayeed International	A director of the Company is the owner of the business.	Purchases	<u>1,265,432</u>	<u>1,712,180</u>
		Repairing service	<u>--</u>	<u>112,527</u>
		Purchase of Fixed Asset	<u>24,721,000</u>	<u>--</u>
Pakistan Paper Products Limited Employees' Provident Fund Trust	Employees Fund	Contribution	<u>5,608,686</u>	<u>5,238,126</u>



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**PAKISTAN PAPER PRODUCTS LIMITED**

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**10 DATE OF AUTHORISATION**

These condensed interim financial statements have been authorised for issue on 24 April 2025 by the Board of Directors of the Company.

**11 GENERAL**

These condensed interim financial statements is presented in rupees and figures have been rounded off to nearest rupee.

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**ABBAS SAYEED**  
*Chairman*

---

**MUHAMMAD YUSUF**  
*Chief Financial Officer*

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**ABID SAYEED**  
*Chief Executive*

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Development, & Quality Products.**



**PRO LABELS**



➤ Pro Labels - Self Adhesive labels in roll form.



➤ Exercise Books



➤ Photocopy Paper



➤ Plotter Paper



➤ Ammonia Sensitised Paper

Head Office & Factory:

**Pakistan Paper Products Ltd.,**

D/58, S.I.T.E. Estate Avenue, Karachi-75700