

# ANALYST BRIEFING

(Via Zoom)

Date: Friday, 17 November, 2023

Time: 3:30 PM

*Packaging your Future*

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GHULAM FARUQUE  
GROUP

# THE FOUNDER – LATE MR. GHULAM FARUQUE (CIE, HPK, OBE)



- A visionary and highly respected name in industry circles
- Spearheaded development of Pakistan's industry and laid the foundation of country's industrialization.

## HONOURS CONFERRED

- Office of the Order of the British Empire, 1944
- Companion of the Order of the Indian Empire, 1946
- Commander of the Order of Merit, Spain, 1956
- Hilal-e-Pakistan, 1958 (highest-ranking civilian award of Pakistan)
- Honorary Doctorate of Science, West Pakistan University of Engineering and Technology, 1966
- Fellow of the Chartered Institute of Transport, London
- Member of the Association of Iron and Steel Engineers, USA

# GROUP STRUCTURE

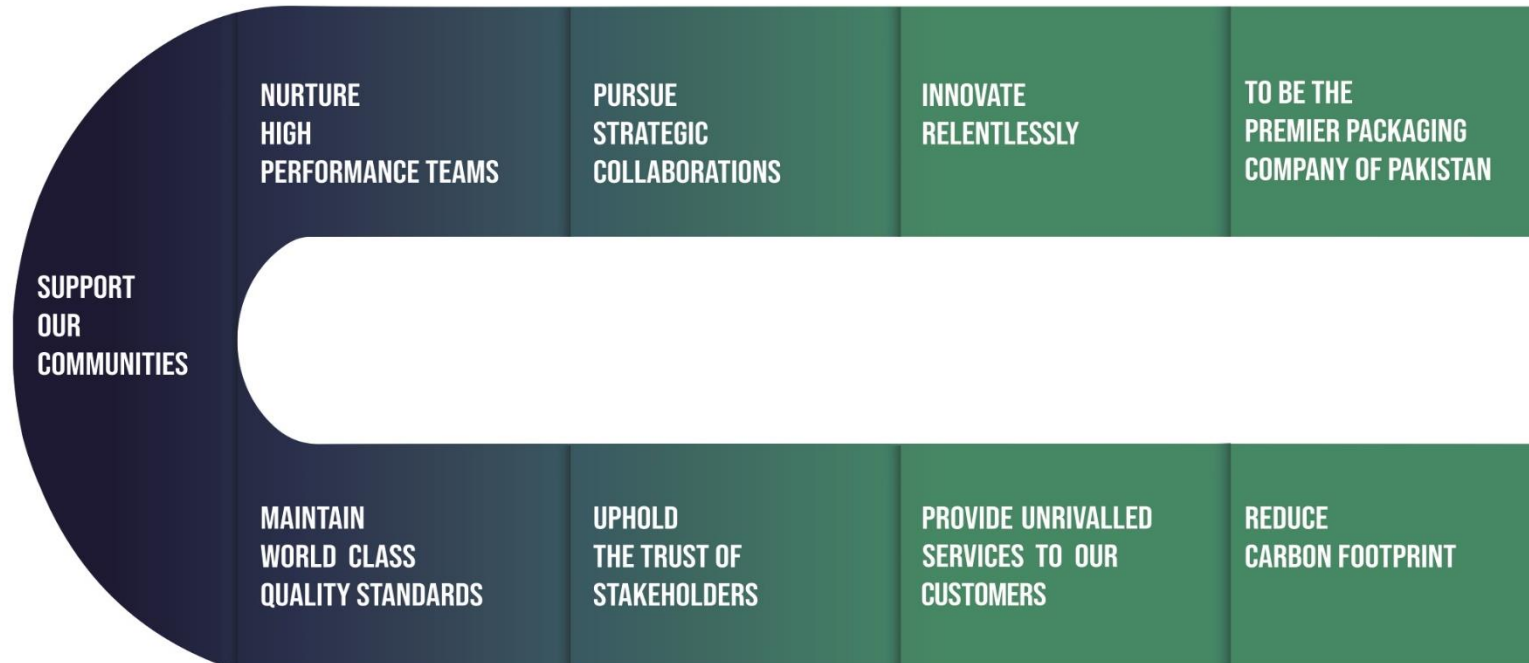


## VISION



PACKAGING  
YOUR **FUTURE** „

## MISSION STATEMENT



# JOURNEY AT A GLANCE

1992

Cherat Packaging Limited started production with one Tuber and one Bottomer having installed capacity of 50 million papersacks per annum.

1996

Installed 2nd Bottomer to the production line.

1998

Acquired ISO 9001 QMS Certificate.

2003

Added 2nd Tuber to the production line and thus increasing the total production capacity to 105 million paper bags per annum.

2006

Added 3rd Tuber and Bottomer to production line, making the total effective production capacity to 160 million paper bags per annum.

2009

Added 4th Tuber and Bottomer to production line. With this addition the total installed capacity reached 265 million paper bags per annum.

2012

Installed 1st PP Line having capacity of 65 million PP bags per annum.

2013

Installed 1st convertex of 2nd PP line increasing total capacity to 105 million PP bags per annum.

2014

Installed 2nd convertex of 2nd PP Line and increased the capacity to 145 million PP bags per annum.

2016

Installation of 3rd PP Line having annual capacity of 50 million bags per annum.

2017

Arrival of Universal Papersack line with an annual capacity of 135 million bags per annum. Decision to enter in to the field of Flexible Packaging and signing of contract for acquiring main plant of Flexible Packaging project with Windmoller & Holscher and other suppliers.

2018

Installation of Universal Papersack Line –Installation of Roto & Flexo printers and laminator of the Flexible Packaging Division.

2019

Completion of Flexible Packaging Project enhancing production capacity from 7.2 million Kgs to 12.6 million Kgs per annum.

2021

Established LC for the import of 4th line of PP having production capacity of 65 million bags per annum.

2022

Commissioning of 4th PP Line having a capacity of 65 million bags per annum. Established LCs for 2nd Rotogravure printer and allied equipment.

2023

Commissioning of 2nd Rotogravure printer having capacity of 3.6 million Kgs per annum.

Established LC for 2nd Flexo Line Printer.

# OUR PRODUCT LINES

- FLEXIBLE PACKAGING MATERIAL



- KRAFT PAPER BAGS
- POLYPROPYLENE BAGS



# MAIN EVENTS FY 2022-23

- Decrease in cement demand
- Increase in raw material cost
- Major devaluation of Pak Rupee
- Increase in discount rates by SBP
- Restriction on imports by SBP
- Upward spiral trend of energy cost and POL products
- Increase in Super tax rate
- Shifting from Kraft Paper to Polypropylene bags by Cement Industry
- Addition of several reputable customers in Flexible Packaging Division



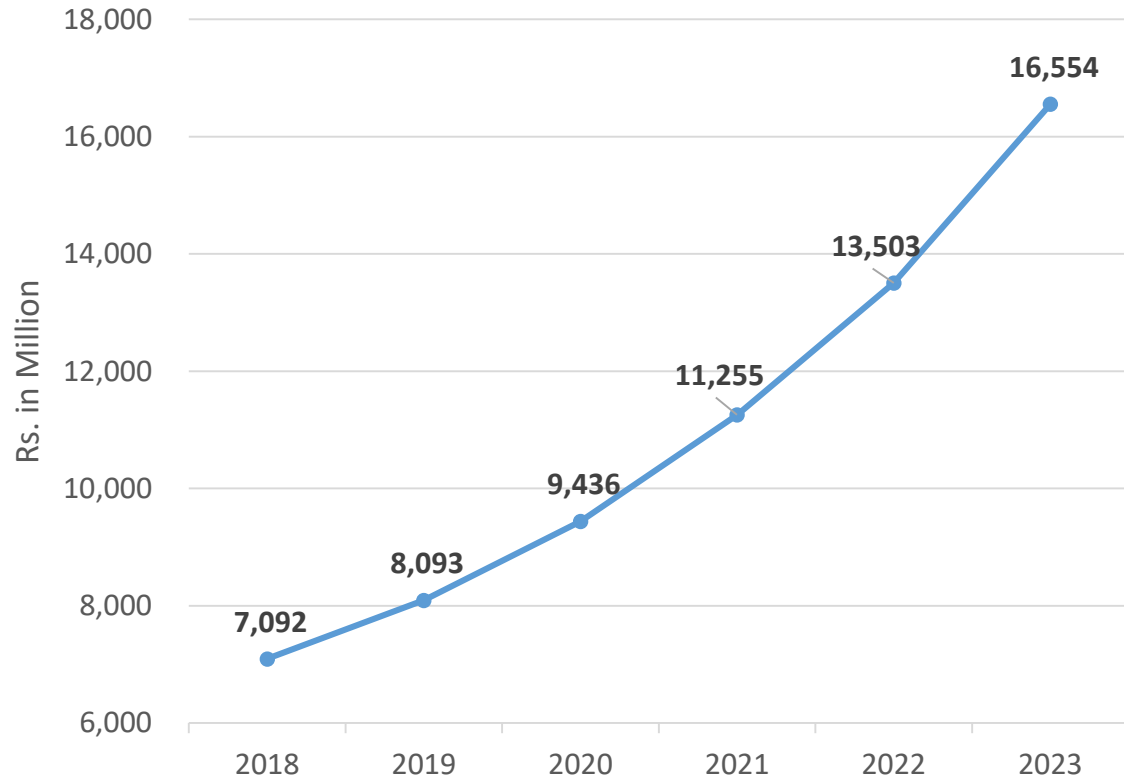


# STATEMENT OF PROFIT OR LOSS

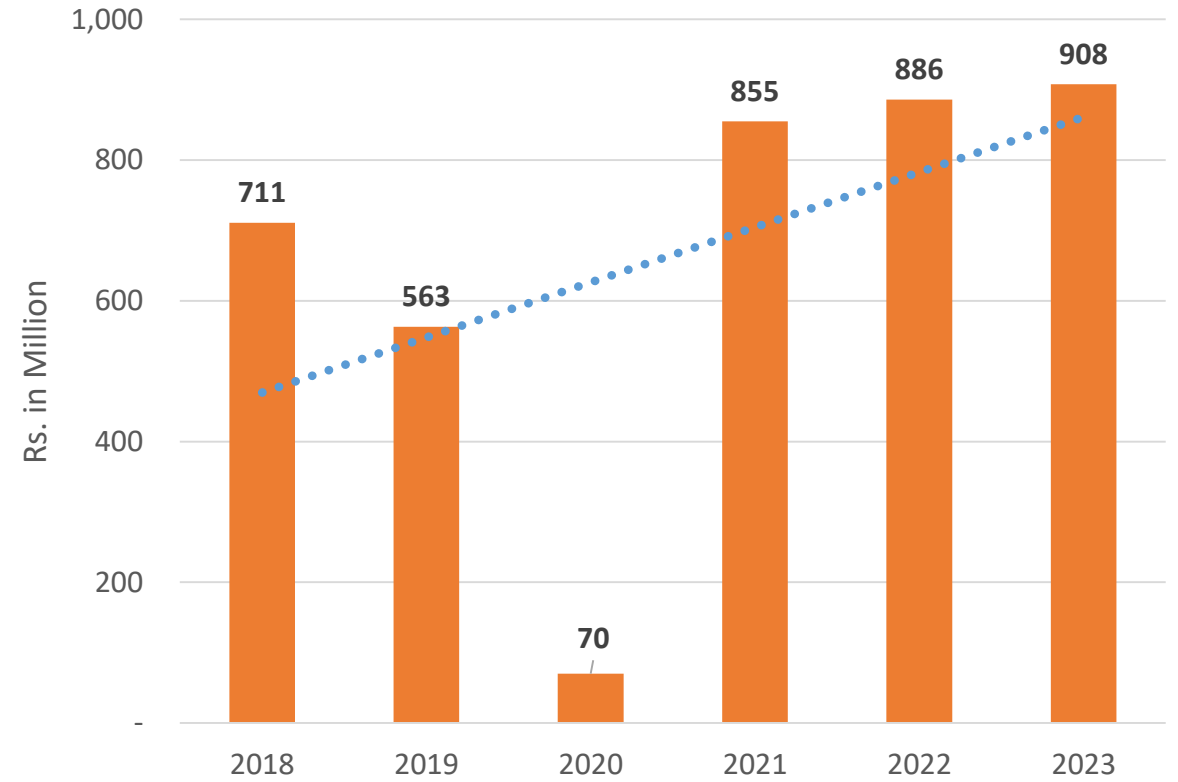
	2023	2022	Variance	%
	----- Rupees in '000 -----			
Revenue	16,554,262	13,502,519	3,051,743	22.60%
Cost of goods sold	<u>(13,277,189)</u>	<u>(11,187,790)</u>	<u>(2,089,399)</u>	18.68%
<b>Gross profit</b>	<b>3,277,073</b>	<b>2,314,729</b>	<b>962,344</b>	<b>41.57%</b>
Selling expenses	(244,831)	(254,813)	9,982	-3.92%
Admin expenses	(180,802)	(143,015)	(37,787)	26.42%
Other expenses	(77,182)	(75,881)	(1,301)	1.71%
Other income	<u>95,984</u>	<u>39,668</u>	<u>56,316</u>	141.97%
<b>Operating profit</b>	<b>2,870,242</b>	<b>1,880,688</b>	<b>989,554</b>	<b>52.62%</b>
Finance cost	<u>(1,201,904)</u>	<u>(485,303)</u>	<u>(716,601)</u>	147.66%
<b>Profit before tax</b>	<b>1,668,338</b>	<b>1,395,385</b>	<b>272,953</b>	<b>19.56%</b>
Taxation	<u>(760,088)</u>	<u>(509,876)</u>	<u>(250,212)</u>	49.07%
<b>Profit after tax</b>	<b><u>908,250</u></b>	<b><u>885,509</u></b>	<b><u>22,741</u></b>	<b>2.57%</b>

# PERFORMANCE TREND

## Revenue



## Net profit



# KEY FINANCIAL RATIOS

## GROSS PROFIT

JUN 2023	JUN 2022
20%	17%

## PROFIT BEFORE TAXATION

JUN 2023	JUN 2022
10%	10%

## PROFIT AFTER TAXATION

JUN 2023	JUN 2022
5.5%	6.6%

## EARNINGS PER SHARE

JUN 2023	JUN 2022
Rs. 18.50	Rs. 18.04

## DEBT TO EQUITY RATIO

JUN 2023	JUN 2022
30:70	30:70

## INTEREST COVER RATIO

JUN 2023	JUN 2022
2.39	3.88

## CURRENT RATIO

JUN 2023	JUN 2022
1.60	1.50

## QUICK/ACID TEST RATIO

JUN 2023	JUN 2022
0.66	0.71

# FUTURE OUTLOOK

1. Cement Demand
2. Realignment of existing business and expansion strategy
3. Exchange rate
4. Discount rates
5. Inflation
6. Government policies
7. Power Cost
8. Export opportunities
9. International geo-political impact

THANK YOU FOR YOUR  
ATTENTION

Q&A

