

United Paper Industries BSC ©

Disclosure of financial impact of Covid-19 for the financial year ended 31 March 2021

Further to the CBB letter dated 14- July 2020 (ref OG/259/2020), the Group discloses herewith additional information pertaining to the financial impact of COVID-19 on its financial statements.

On March 2020 the Coronavirus (COVID-19) outbreak was declared a pandemic by the World Health Organization (WHO) and has evolved rapidly across the world. This has resulted in a global economic slowdown.

The group operations are still exposed to risks associated with the COVID-19 pandemic creating uncertainties for its operations. The challenges posed by restriction in travel, Lockdowns, Causeway movements, limits on public and private gatherings and the resultant general economic slowdown has affected the operations of the group. The main impact on the Group are shown below.

- The sales has come down by around 10% during the year 2020-2021 as compared to 2019-2020.
- Decrease in Net profit of the Group by 7% for the same period.
- Increase in raw material cost during the current year 2021-2022, although strong resistance by customers to attempts at increasing the selling price of the group of its products.
- Slowdown in Debtor's Collection.
- Effects on the human resources of the company.

In spite of the above factors our liquidity position is strong with improved cash balances.

The management of the company is closely monitoring the impact of the COVID-19 on its operations and business relationships with customers and suppliers. There still exist the uncertainties about the development of the pandemic and hence difficulty in forecasting further impact on future business.

However, the management is of the view that it can cope with the situation without major disruptions in its servicing of the customers and effective mitigation of the adverse effects on the operations. It is also the view of the management that its going concern position will continue and remain unchanged.


Hamed Faleh
General Manager



UNITED PAPER INDUSTRIES B.S.C.(c)

P.O. BOX : 2004, MANAMA, KINGDOM OF BAHRAIN

TEL.: (+973) 17732626 FAX : (+973) 17735995

C.R. NO. : 29242-01

E-mail: info@bahrainpack.com, sales@bahrainpack.com

bahrain_pack WEBSITE: www.bahrainpack.com



الشركة المتحدة لصناعة الورق ش.م.ب (مقتلة)

ص.ب: ٢٠٠٤ - المنامة - مملكة البحرين

تليفون: ١٧٧٣٢٦٢٦ (+٩٧٣) - فاكس: ١٧٧٣٥٩٩٥ (+٩٧٣)

س.ت: ٠١-٢٩٢٤٢

E-mail: info@bahrainpack.com, sales@bahrainpack.com

bahrain_pack WEBSITE: www.bahrainpack.com