



August 31, 2021

The General Manager  
Pakistan Stock Exchange  
Stock Exchange Building  
Stock Exchange Road  
Karachi – 74000

**Subject: Disclosure of Material Information**

Dear Sir,

In accordance with Sections 96 and 131 of the Securities Act, 2015 and Clause 5.6.1(a) of the Rule Book of Pakistan Stock Exchange Limited, we hereby convey the following information:

**1. INVESTMENT FOR LINE-II UPGRADATION:**

At a meeting of Board of Directors of Otsuka Pakistan Limited ("Company") held on August 31, 2021 the Board discussed the possibility for IV Solutions 1000 mL and Glass Bottles manufacturing facility (Line-II) to be upgraded to improve in accordance with GMP compliance. The entire project expenses estimated up to Rs. 200 million (Pak Rupees Two Hundred Million) and will be completed by March 2023. All the cost of this project will be utilized from overdraft facilities available with bankers of the Company.

In light of the expected benefits to the Company from this upgradation; it has been resolved by the Board to enter into this GMP improvement.

**2. IMPAIRMENT OF OPERATING FIXED ASSETS:**

The Company had recorded an impairment loss of Rs. 6.7 million (Pak Rupees Six Million Seven Hundred Thousand) on account of Orthopedic Kits, Power Tools sets and Femoral Holders due to closure of Orthopedic Knee Implant business.

The above impairment and the closure of Orthopedic Knee import and local trading business is duly approved by the Board of Directors of the Company.

You are requested to disseminate the information to the members of the Exchange accordingly.

Thank you,

Yours truly,

Otsuka Pakistan Ltd.

Company Secretary

CC: The Director (Enforcement Department)  
Securities and Exchange Commission of Pakistan,  
NIC Building, Jinnah Avenue, Blue Area,  
Islamabad.

# Otsuka Pakistan Ltd.

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