



# CONDENSED INTERIM FINANCIAL STATEMENTS MARCH QTR 2022

## CITI PHARMA

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## **Board of Directors**

### **Mr. Rizwan Ahmad**

Chief Executive Officer

### **Mr. Nadeem Amjad**

Chairman

### **Dr. Zameer Ul Hassan**

Executive Director

### **Ms. Saira Aslam**

Non-Executive Director

### **Mr. Muhammad Naeem**

Non-Executive Director

### **Mr. Abdul Jaleel Shaikh**

Independent Director

### **Ms. Farzin Khan**

Independent Director

### **Chief Financial Officer**

Mr. Asif Iqbal

### **Company Secretary**

Mr. Muhammad Riaz

### **Head of Internal Auditor**

Muhammad Ishaq

### **External Auditors**

Aslam Malik & Co.

Chartered Accountants

### **Legal Advisors**

Lexium (Attorneys at Law)

### **Share Registrar**

F.D Registrar Services (Pvt.) Ltd.

### **Bankers**

Faysal Bank Limited

Askari Bank Limited

Meezan Bank Limited

Habib Metropolitan Bank Limited

Bank of Khyber

Bank Alfalah Limited

Bank Al-Habib Limited

## **AUDIT COMMITTEE**

**Mr. Abdul Jaleel Shaikh**

(Independent Director)

**Mr. Nadeem Amjad**

(Non-Executive Director)

**Mr. Muhammad Naeem**

(Non-Executive Director)

## **Human Resource & Remuneration Committee**

Ms. Farzin Khan (Independent Director)

Mr. Zameer Ul Hassan Shah (Executive Director)

Mr. Rizwan Ahmad (Executive Director)

## **Registered Office**

3-KM, Head Balloki Road, Bhai Pheru, Distt Kasur

Tel: +92-49-4510189, 4513392

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E-Mail: [corporate@citipharma.com.pk](mailto:corporate@citipharma.com.pk)

Website: [www.citipharm.com.pk](http://www.citipharm.com.pk)

## DIRECTORS' REVIEW REPORT

We are pleased to present the unaudited condensed interim financial statements of the Company for the nine months ended March 31, 2022. These financial statements have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 'Interim Financial Reporting' and the director report is prepared in accordance with section 227 of Companies Act, 2017 and Chapter XII of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

### COMPOSITION OF BOARD

The total number of directors are 7 as the following:

1. Male                 5
2. Female             2

Sr. No.	Category	Name
1	Independent Director	1. Mr. Abdul Jaleel Shaikh 2. Ms. Farzin Khan
2	Executive Director	1. Mr. Rizwan Ahmad 2. Mr. Dr. Zameer UI Hassan Shah
3	Non-Executive Director	1. Mr. Nadeem Amjad 2. Mr. Muhammad Naeem 3. Ms. Saira Aslam

### FINANCIAL HIGHLIGHTS

The Sales of the Company in nine months is increased by 89% over the same period last year and Net Profit also increased by 118% over the same period last year.

The financial results are summarized below: -

Description	Quarter Ended March 31, 2022	Quarter Ended December 31, 2021	Quarter Ended September 30, 2021	Nine Months Ended March 31, 2022	Nine Months Ended March 31, 2021
Sales	2,748,139,247	2,850,278,592	1,990,952,817	7,589,370,656	4,015,415,064
Profit before tax (pbt)	315,166,857	340,167,464	124,919,840	780,254,160	369,870,023
Profit before tax %	11.47%	11.93%	6.27%	10.28%	9.21%
Net profit after tax	207,449,228	261,697,724	81,356,674	550,690,450	252,436,315
Net profit after tax %	7.55%	9.18%	4.09%	7.26%	6.29%

## FUTURE PROSPECTS

The following expansion is underway:

### API segment:

In the wake of the COVID-19 pandemic, demand for Paracetamol witnessed a surge. Moreover, health awareness and health spending has also risen. Hence, CPHL intends to expand their existing capacity of 3,600 tons per annum of Paracetamol to 6,000 tons per annum. Further to this, CPHL plans to add new APIs to its existing product line, i.e. (i) Ascorbic Acid, (ii) Chloroquine Phosphate, and (iii) Hydroxychloroquine Sulfate; subsequently, these will also add formulation products of the same to the Company's portfolio.

Particulars	Capacity (Tons) Per Annum
Ascorbic Acid	1,200
Chloroquine Phosphate	50
Hydroxychloroquine Sulfate	50

### Formulation Segment

In the Formulation Segment, the Company intends to build three manufacturing facilities taking total capacity to 200,000 vials/injectable per day, dry powder/suspension 60,000 bottles per day, capsules 4,200,000 per day, and tablets 4,500,000 per day. These include dedicated lines for:

- Penicillin 36;
- Cephalosporin; and
- Psychotropic & Narcotics drugs<sup>37</sup>.

As per guidelines of DRAP, in API manufacturing a separate dedicated line is required to eliminate any chances of cross contamination. CPHL's in-house engineering team shall be responsible for civil, electrical and mechanical work for both API and formulation. Further, they will also be responsible for procurement and installation of machinery for both the API and Formulation.

For and on behalf of the of Board



Chief Executive Officer



Director

Lahore

Dated: April 19, 2022

## ڈائریکٹرز کی جائزہ رپورٹ

ہمیں 31 مارچ 2022 کو ختم ہونے والے نو مہینوں کے لیے کمپنی کے غیر آڈٹ شدہ کنڈینسڈ عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی ہو رہی ہے۔ یہ مالیاتی بیانات بین الاقوامی اکاؤنٹنگ اسٹینڈرڈ 34 (IAS) 'انٹرم فنانشل رپورٹنگ' کے تقاضوں کے مطابق تیار کیے گئے ہیں اور ڈائریکٹر رپورٹ کمپنیز ایکٹ 2017 کے سیکشن 227 اور لسٹڈ کمپنیوں (کوڈ) کے باب XII کے مطابق تیار کی گئی ہے۔ کارپوریٹ گورننس ریگولیشنز، 2019۔

### بورڈ کی تشکیل

ڈائریکٹرز کی کل تعداد 7 درج ذیل ہے۔

5 مرد

2 عورت

سیریل نمبر	قسم	نام
1	آزاد ڈائریکٹر	1. عبدالجلیل شیخ 2. فرزین خان
2	ایگزیکٹو ڈائریکٹر	1. رضوان احمد 2. ڈاکٹر ضمیر الحسن شاہ
3	نان ایگزیکٹو ڈائریکٹر	1. ندیم امجد 2. محمد نعیم 3. سائرہ اسلم

### مالیاتی جھلکیاں

نو مہینوں میں کمپنی کی فروخت میں پچھلے سال کی اسی مدت کے مقابلے میں 89% اضافہ ہوا ہے اور خالص منافع میں بھی پچھلے سال کی اسی مدت کے مقابلے میں 118% اضافہ ہوا ہے۔  
مالیاتی نتائج کا خلاصہ ذیل میں دیا گیا ہے :-

تفصیل	سہ ماہی اختتام مارچ 2022 31	سہ ماہی اختتام دسمبر 2021 31	سہ ماہی اختتام ستمبر 2021 30	نو ماہ اختتام مارچ 2022 31	نو ماہ اختتام مارچ 2021 31
سیلز	2,748,139,247	2,850,278,592	1,990,952,817	7,589,370,656	4,015,415,064
منافع قبل از محصول	315,166,857	340,167,464	124,919,840	780,254,160	369,870,023
منافع قبل از محصول %	11.47%	11.93%	6.27%	10.28%	9.21%
ٹیکس کے بعد خالص منافع	207,449,228	261,697,724	81,356,674	550,690,450	252,436,315
ٹیکس کے بعد خالص منافع %	7.55%	9.18%	4.09%	7.26%	6.29%

#### مستقبل کے امکانات

#### API سیگمنٹ:

COVID-19 وبائی امراض کے تناظر میں، پیراسیٹامول کی مانگ میں اضافہ دیکھا گیا۔ مزید یہ کہ صحت سے متعلق آگاہی اور صحت کے اخراجات میں بھی اضافہ ہوا ہے۔ لہذا، سی پی ایچ ایل پیراسیٹامول کی اپنی موجودہ 3,600 ٹن سالانہ صلاحیت کو 6,000 ٹن سالانہ تک بڑھانے کا ارادہ رکھتا ہے۔ اس کے علاوہ، CPHL اپنی موجودہ پروڈکٹ لائن میں نئے APIs شامل کرنے کا ارادہ رکھتا ہے، یعنی (i) Ascorbic Acid، (ii) Chloroquine Phosphate، اور (iii) Hydroxychloroquine سلفیٹ؛ اس کے بعد، یہ کمپنی کے پورٹ فولیو میں اسی کے فارمولیشن پروڈکٹس کو بھی شامل کریں گے

تفصیلات	صلاحیت (ٹن) سالانہ
ایسکوربک ایسڈ	1,200
کلوروکین فاسفیٹ	50
ہائیڈروکسی کلوروکوئن سلفیٹ	50

#### فارمولیشن سیگمنٹ

فارمولیشن سیگمنٹ میں، کمپنی تین مینوفیکچرنگ سہولیات بنانے کا ارادہ رکھتی ہے جس کی کل گنجائش 200,000 شیشیوں/انجیکٹ ایبل یومیہ، ڈرائی پاؤڈر/سسپنشن 60,000 بوتلیں یومیہ، کیپسول 4,200,000 یومیہ، اور ٹیبلیٹ 4,500,000 یومیہ ہے۔ ان کے لیے وقف شدہ لائینیں شامل ہیں:

• پینسلن 36;

• سیفالوسپورن؛



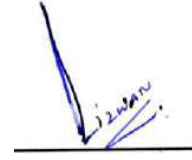
- اورسائیکو ٹراپک اور نارکوٹکس دوائیں 37۔

DRAP کے رہنما خطوط کے مطابق، API مینوفیکچرنگ میں کراس آلودگی کے کسی بھی امکانات کو ختم کرنے کے لیے ایک علیحدہ سرشار لائن کی ضرورت ہے۔ CPHL کی اندرون خانہ انجینئرنگ ٹیم API اور فارمولیشن دونوں کے سول، الیکٹریکل اور مکینیکل کام کے لیے ذمہ دار ہوگی۔ اس کے علاوہ، وہ API اور فارمولیشن دونوں کے لیے مشینری کی خریداری اور تنصیب کے بھی ذمہ دار ہوں گے۔

بورڈ کے لیے اور اس کی جانب سے



ڈائریکٹر



چیف ایگزیکٹو آفیسر

لاہور

بتاریخ: 19 اپریل 2022

**CITI PHARMA LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2022**

	March 31, 2022 (Un-audited)	June 30, 2021 (Audited)
Note	-----Rupees-----	
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
<b>Authorised Capital:</b>		
300,000,000 Ordinary shares of Rs. 10/- each	3,000,000,000	3,000,000,000
<b>Issued, subscribed and Paid up Capital:</b>		
228,461,200 ( June 2021: 135,000,000) Ordinary shares of Rs. 10/- each	2,284,612,000	1,350,000,000
Share Deposit Money	-	2,326,144,000
Share Premium	1,391,532,000	-
Revenue reserves-Unappropriated profits	619,759,034	380,606,584
Revaluation Surplus on Land	309,294,525	309,294,525
	<b>4,605,197,559</b>	<b>4,366,045,109</b>
<b>NON CURRENT LIABILITIES</b>		
Long Term Financing - Secured	278,976,764	189,157,811
Deferred Liabilities	85,611,992	91,419,343
Deferred Grant	42,599,964	9,273,278
Lease Liabilities	6,169,574	7,755,356
	<b>413,358,294</b>	<b>297,605,788</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	1,988,865,551	1,051,670,069
Director's Loan	12,200,000	12,200,000
Payable to Investors Against Excess Proceeds	-	521,384,357
Short Term Borrowings-Secured	224,866,975	-
Current Portion of Long Term Liabilities-Secured	186,814,195	122,936,714
Dividend Payable	4,410,652	-
Accrued Mark Up	9,914,909	451,598
Provision for taxation	233,177,586	126,869,102
	<b>2,660,249,868</b>	<b>1,835,511,840</b>
Contingencies and Commitments	-	-
	<b>7,678,805,721</b>	<b>6,499,162,737</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	1,913,438,636	1,734,765,860
Work in Progress	134,690,924	-
Long term security deposits	9,675,350	8,613,950
Long Term Investments	395,790,900	254,540,900
	<b>2,453,595,810</b>	<b>1,997,920,710</b>
<b>CURRENT ASSETS</b>		
Stock in Trade	1,769,339,101	778,194,441
Trade Debts- Unsecured	1,093,555,657	444,545,802
Short Term Investments (TDRs)	433,979,484	-
Advances deposits, prepayments and other receivables	575,884,720	204,077,281
Cash and bank balance	1,352,450,950	3,074,424,503
	<b>5,225,209,911</b>	<b>4,501,242,027</b>
	<b>7,678,805,721</b>	<b>6,499,162,737</b>

Auditor's report is annexed.

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



Chief Executive



Chief Financial Officer



Director

**CITI PHARMA LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2022**

	Three month ended		Nine Months Ended	
	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)	March 31, 2022 (Un-audited)	March 31, 2021 (Audited)
Notes	-----Rupees-----			
<b>Sales- Net</b>	2,748,139,247	1,779,988,933	7,589,370,656	4,015,415,064
Cost of sales	(2,394,782,158)	(1,604,806,678)	(6,534,612,959)	(3,410,122,993)
<b>Gross profit</b>	<b>353,357,089</b>	<b>175,182,255</b>	<b>1,054,757,697</b>	<b>605,292,071</b>
Administrative expenses	35,229,626	18,795,558	238,950,314	91,714,310
Selling expenses	6,296,697	2,351,234	60,656,610	96,642,891
	<b>(41,526,323)</b>	<b>(21,146,792)</b>	<b>(299,606,924)</b>	<b>(188,357,201)</b>
<b>Operating Profit</b>	<b>311,830,765</b>	<b>154,035,462</b>	<b>755,150,774</b>	<b>416,934,870</b>
Financial Charges	(18,206,305)	(18,714,184)	(52,333,402)	(22,061,842)
	<b>293,624,461</b>	<b>135,321,278</b>	<b>702,817,371</b>	<b>394,873,028</b>
Other income/(Loss)	45,264,633	2,731,558	134,519,491	2,091,243
10	<b>338,889,094</b>	<b>138,052,837</b>	<b>837,336,862</b>	<b>396,964,271</b>
Other Expenses	(23,722,237)	(8,176,462)	(57,082,702)	(27,094,249)
<b>Profit before Taxation</b>	<b>315,166,857</b>	<b>129,876,375</b>	<b>780,254,160</b>	<b>369,870,023</b>
Taxation	(107,717,629)	(30,544,394)	(229,563,711)	(117,433,708)
<b>Profit for the period</b>	<b>207,449,228</b>	<b>99,331,981</b>	<b>550,690,450</b>	<b>252,436,315</b>
<b>Earnings per share (EPS)</b>				
- Basic and Diluted	<b>0.92</b>	<b>0.74</b>	<b>2.43</b>	<b>3.30</b>

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



**Chief Executive**



**Chief Financial Officer**



**Director**

CITI PHARMA LIMITED  
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE NINE MONTHS ENDED MARCH 31, 2022

Note	Three month ended		Nine Months Ended	
	December 31, 2021 (Un-audited)	MARCH 31, 2021 (Audited)	MARCH 31, 2022 (Un-audited)	MARCH 31, 2021 (Audited)
	-----Rupees-----			
<b>Profit for the period</b>	207,449,228	99,331,981	<b>550,690,450</b>	<b>252,436,315</b>
Other comprehensive income for the period	-	-	-	-
<b>Item that will not be reclassified subsequently to Profit or Loss</b>				
Revaluation Surplus on Land	-	-	-	709,294,525
<b>Total comprehensive income for the Period</b>	<b>207,449,228</b>	<b>99,331,981</b>	<b>550,690,450</b>	<b>961,730,840</b>

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



Chief Executive



Chief Financial Officer



Director

**CITI PHARMA LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2022**

**MARCH 31, 2022**      **MARCH 31, 2021**  
**(Un-audited)**      **(Audited)**  
-----Rupees-----

**CASH FLOW FROM OPEARTING ACTIVITIES**

	<b>780,254,160</b>	<b>369,870,023</b>
<b>Profit Before Taxation for the period</b>		
<b>Adjustments For Non- Cash Items And Other Line Items:</b>		
Depreciation	55,377,913	41,156,728
Financial Charges	34,127,097	22,061,842
Accrued Interest Income	(5,286,731)	-
Amortisation of Deferred Grant	(4,187,506)	(288,030)
Gratuity Expense	2,270,531	-
Worker's Profit Participation Fund	42,476,428	19,848,214
Worker's Welfare Fund	15,459,693	7,246,035
	<b>140,237,425</b>	<b>90,024,788</b>
<b>Profit/ (Loss) before working capital changes</b>	<b>920,491,585</b>	<b>459,894,811</b>
<b>Effect of working capital changes</b>		
Advances, Deposits And Prepayments	(244,352,769)	43,857,286
Trade Debts	(649,009,855)	29,865,806
Stock In Trade	(991,144,660)	(210,247,359)
Trade And Other Payables	915,229,492	61,918,369
	<b>(969,277,792)</b>	<b>(74,605,897)</b>
Financial Charges Paid	(42,870,091)	(21,283,958)
Income Tax Paid	(250,709,896)	(93,397,448)
Worker's Profit Participation Fund	(26,750,855)	(11,100,883)
Worker's Welfare Fund	(8,519,855)	(2,676,881)
	<b>(328,850,697)</b>	<b>(128,459,170)</b>
<b>Net cash flow from operating activities</b>	<b>A (377,636,904)</b>	<b>256,829,744</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase Of Property, Plant & Equipment	(229,805,088)	(100,001,000)
Paid for Capital Work in Progress	(134,690,924)	(90,877,355)
Paid for Long Term Security Deposits	(1,061,400)	-
Long Term Investment	(141,250,000)	-
Short Term Investments	(433,979,484)	-
<b>Net cash flow from investing activities</b>	<b>B (940,786,896)</b>	<b>(190,878,355)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds less repayment of Long Term Financing	201,277,764	(8,410,547)
Paid to Investors Against Excess Proceeds	(521,384,357)	-
Lease Rentals Paid	(1,182,787)	(4,323,104)
Dividend Paid	(307,127,348)	-
Short Term Borrowings	224,866,975	(123,574,565)
<b>Net Cash flow From Investing Activities</b>	<b>C (403,549,753)</b>	<b>(136,308,216)</b>
<b>Net Increase/ (decrease) in cash and cash equivalents</b>	<b>A+B+C (1,721,973,553)</b>	<b>(70,356,827)</b>
Cash and cash equivalents at beginning of the period	3,074,424,503	89,444,317
<b>Cash and cash equivalents at end of the period</b>	<b>1,352,450,950</b>	<b>19,087,490</b>
<b>Cash and cash equivalents compromise of:</b>		
Cash in hand	352,424	164,356
Cash at bank	1,352,098,526	18,923,134
	<b>1,352,450,950</b>	<b>19,087,490</b>

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

  
Chief Executive

  
Chief Financial Officer

  
Director

**CITI PHARMA LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MACRH 31, 2022**

PARTICULARS	SHARE CAPITAL	SHARE DEPOSIT MONEY	SHARE PREMIUM	REVENUE RESERVES	REVALUATION SURPLUS	TOTAL
----- Rupees -----						
<b>Balance as at June 30, 2020- (Audited)</b>	<b>450,000,000</b>	-	-	<b>533,385,966</b>	-	<b>983,385,966</b>
<b>Total Comprehensive Income for the nine months</b>						
Profit for the period	-	-	-	252,436,315	-	252,436,315
Other comprehensive income	-	-	-	-	709,294,525	709,294,525
Issuance of Bonus Shares	900,000,000	-	-	(500,000,000)	(400,000,000)	-
	900,000,000	-	-	(247,563,685)	309,294,525	<b>961,730,840</b>
<b>Balance as at March 31, 2021- (Un-audited)</b>	<b>1,350,000,000</b>	-	-	<b>285,822,281</b>	<b>309,294,525</b>	<b>1,945,116,806</b>
<b>Balance as at June 30, 2021- (Audited)</b>	<b>1,350,000,000</b>	<b>2,326,144,000</b>	-	<b>380,606,584</b>	<b>309,294,525</b>	<b>4,366,045,109</b>
<b>Total Comprehensive Income for the nine months</b>						
Profit for the period	-	-	-	550,690,450	-	<b>550,690,450</b>
Other comprehensive income	-	-	-	-	-	-
	-	-	-	550,690,450	-	<b>550,690,450</b>
72,692,000 shares issued to general public at a strike price of Rs. 32 each	726,920,000	(2,326,144,000)	1,599,224,000	-	-	-
Final Dividend Paid for the year ended June 2021 @ 15%	-	-	-	(311,538,000)	-	<b>(311,538,000)</b>
Issuance of Bonus Shares at the rate of 10% for every one share held	207,692,000	-	(207,692,000)	-	-	-
<b>Balance as at March 31, 2022- (Un-audited)</b>	<b>2,284,612,000</b>	-	<b>1,391,532,000</b>	<b>619,759,034</b>	<b>309,294,525</b>	<b>4,605,197,559</b>

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

  
 Chief Executive

  
 Chief Financial Officer

  
 Director

**CITI PHARMA LIMITED**  
**CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2022**

**1 STATUS AND NATURE OF BUSINESS**

- 1.1** The company was incorporated as a private limited company in Pakistan under the Repealed Companies Ordinance, 1984 on October 08, 2012. The principal activity of the company is manufacturing and sale of pharmaceuticals, medical chemicals and botanical products. During the year, the company was converted into public unlisted company with effect from October 13, 2020 and also the Company offered 72.69 million ordinary shares of Rs. 10 each to general public at the strike price of Rs. 32 per share including premium of Rs. 22 per share which resulted in IPO proceeds of Rs. 2.326 billion. However, during the period Company was listed on Pakistan Stock Exchange on July 09, 2021. The registered office of the company is situated at 3.5 KM, Head Balloki Road, Phool Nagar, Kasur. The Head office of the company situated at 588 Q Block, Johar Town, Lahore.

**2 BASIS OF PREPARATION**

**2.1 Statement of Compliance**

This condensed interim financial information are unaudited and 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:

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The Comparative condensed interim statement of financial position presented has been extracted from annual financial statements for the year ended June 30, 2021, whereas the comparative condensed interim profit or loss and condensed interim statement of other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been extracted from audited condensed interim financial statements for the nine months ended March 31, 2021.

**2.2 Basis of Measurement**

These financial statements have been prepared under the historical cost convention using accrual basis of accounting, except for condensed interim statement of cash flows.

**2.3 Functional and presentation currency**

These financial statements are presented in Pakistan Rupees which is Company's functional currency.

**2.4 Accounting Estimates and Judgement Used**

The preparation of this condensed interim financial information in conformity with the approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that apply to the financial statements for the year ended June 30, 2021.

**3 SIGNIFICANT ACCOUNTING POLICIES**

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 unconsolidated annual audited financial statements for the year ended June 30, 2021.

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

**3.1.1 Amendments to published accounting and reporting standards which 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 unconsolidated condensed interim financial statements.

**3.1.2 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 July 1, 2022. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

**CITI PHARMA LIMITED**  
**CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2022**

	Notes	March 31, 2022 (Un-audited)	June 30, 2021 (Audited)
-----Rupees-----			
<b>4 SHARES CAPITAL</b>			
<b>Authorized share capital</b>		<b>3,000,000,000</b>	<b>3,000,000,000</b>
300,000,000 Ordinary shares of Rs. 10/- each			
<b>Issued, subscribed and paid up capital</b>			
<b>Opening Balance</b>			
45,000,000 Ordinary shares of Rs. 10 each, fully paid in cash		450,000,000	450,000,000
90,000,000 Ordinary Share of Rs. 10 each issued as fully paid Bonus shares		900,000,000	-
<b>Movement During the period / year</b>			
72,692,000 ordinary shares issued through IPO at a premium of Rs. 22		726,920,000	-
20,769,200 (June 2021: 90,000,000) Ordinary Share of Rs. 10 each issued as fully paid Bonus shares		207,692,000	900,000,000
<b>Closing Balance</b>			
45,000,000 (June 2021: 4,500,000) Ordinary shares of Rs. 10 (2020: 100) each, fully paid in cash		1,176,920,000	450,000,000
90,000,000 Ordinary Share of Rs. 10 each issued as fully paid Bonus shares		1,107,692,000	900,000,000
228,461,200 ( June 2021: 135,000,000) Ordinary shares of Rs. 10/- each		<b>2,284,612,000</b>	<b>1,350,000,000</b>
<b>5 LONG TERM FINANCING - SECURED</b>			
Long term loan from Pak Brunei Investment Company	5.1	92,708,345	139,583,342
Term finance against purchase of machinery from Bank Al-Habib Limited	5.2	18,343,170	32,393,013
Term Loan For Salary & Wages Under SBP Refinance Scheme from Bank Al-Habib Limited	5.3	22,308,963	59,108,483
Finance of Machinery in SBP (TERF) from Bank Al-Habib Limited	5.4	56,508,109	84,642,658
Term Finance under RFCC from Bank of Punjab	5.5	257,451,272	-
		<b>447,319,860</b>	<b>315,727,496</b>
Deferred Grant		-	(17,863,734)
Current Portion shown under current liabilities		(168,343,095)	(108,705,951)
		<b>278,976,764</b>	<b>189,157,811</b>
<b>5.1</b>	This loan is obtained from Pak Brunei Investment company which carries mark up of three months KIBOR + 250 bps and is repayable in 48 installments. The arrangement is secured against Fixed Assets and Personal guarantees of all directors of the company.		
<b>5.2</b>	Term Finance Facility is obtained from the Bank Al Habib Limited with mark up of three months KIBOR + 225 bps and is repayable in 48 installments.		
<b>5.3</b>	The Company has obtained long term loans from Bank Al Habib Limited amounting Rs. 61.27 million for financing its salaries and wages under SBP Refinance Scheme for payment of wages and salaries, earmarked from running finance limit, which is secured against first Joint Pari Passu Hypothecation charge over stock and book debts. The rate of markup on these loans are at 3% per annum. These loans are for two and half years and are repayable in eight equal quarterly instalments.		
<b>5.4</b>	The Company has also obtained long term loans of Rs. 84.64 million for financing import of plant and machinery from Bank Al-Habib Limited, which is secured against first Joint Pari Passu Hypothecation charge over stock and book debts. The rate of markup on these loans are at 5% per annum which include 4% BAH share and 1% SBP share. These loans are for four years and are repayable in fifteen equal quarterly instalments under SBP TERF scheme including three month grace period from the date of disbursement and mark up to be recoverable on quarterly basis		
<b>5.5</b>	In addition to the above, the company has also obtained TF under RFCC for SBP financing civil work of building & procurement of medical equipment and machinery for setting up a new hospital comprising of 50 beds from Bank of Punjab at the rate of SBP Refinance rate + 3% p.a while SBP Rate of Refinance will be 0% or as per time to time. Principal is repayable in equal 18 quarterly installments with grace period of six months while mark up is payable in 20 installment on quarterly basis.		
<b>6 DEFERRED GRANT</b>			
As at 01 July		60,747,117	570,828
Received during the year		-	17,863,734
Amortization		(4,187,506)	(3,302,867)
		56,559,611	15,131,695
Current portion		(13,959,646)	(5,858,417)
As at 30th June		<b>42,599,964</b>	<b>9,273,278</b>
<b>7 LEASE LIABILITIES</b>			
The amount of future minimum lease payments along with their present value and the period during which they fall due are as under:			
Not later than one year		5,667,596	3,802,816
Later than one year but not later than five years		7,301,454	8,825,767
		12,969,050	12,628,583
Less: Finance charge		(2,288,023)	(1,883,332)
		<b>10,681,027</b>	<b>10,745,251</b>
Less: Current maturity of long term obligation		(4,511,453)	(2,989,895)
		<b>6,169,574</b>	<b>7,755,356</b>
Payable within one year		4,511,453	2,989,895
Payable after one year		6,169,574	7,755,356
		<b>10,681,027</b>	<b>10,745,251</b>
<b>7.1</b>	The Company entered into lease agreements with financial institutions to acquire vehicles. The liabilities under the lease agreements are payable in equal monthly installments and are subject to finance charges at the rates ranging from 6 months KIBOR + 2.5% per annum (June 30, 2021 : 6 months KIBOR + 2.5% per annum). The lease liabilities are secured against security deposits, post dated cheques, and also secured against financed vehicles.		



## 8 CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies

There has been no material change in the status of contingencies and commitments disclosed in note 15 to the Company's Audited financial statements for the year ended June 30, 2021.

	Notes	March 31, 2022 Rupees	June 30, 2021 Rupees
<b>9 PROPERTY PLANT &amp; EQUIPMENT</b>			
Operating fixed assets	9.1	1,892,260,823	1,714,845,610
Right of Used Assets	9.2	21,177,813	19,920,250
		<b>1,913,438,636</b>	<b>1,734,765,860</b>
<b>9.1 Operating Fixed Assets</b>			
Opening Written down value as at July 01, 2021		1,714,845,610	789,558,074
Addition during the period/year	9.1.1	229,805,088	276,701,531
Disposal during the period/year		-	-
Revaluation Surplus on Land		-	709,294,525
		<b>229,805,088</b>	<b>985,996,056</b>
Depreciation charged for the period/ year		(52,389,875)	(60,708,520)
Closing written down value		<b>1,892,260,823</b>	<b>1,714,845,610</b>
<b>9.1.1 Details of additions during the period/year as follows:</b>			
Land		220,100,000	-
Plant & Machinery		-	270,508,851
Vehicles		-	153,000
Office Equipments		1,476,950	1,468,670
Books		400,000	30,000
Furniture and Fixtures		6,004,147	2,496,435
Computers		1,823,991	2,044,575
		<b>229,805,088</b>	<b>276,701,531</b>
<b>9.2 Right of Used Assets</b>			
Opening Balance		19,920,250	24,900,313
Addition during the period/year		4,245,600	-
Depreciation charged during the period/year		(2,988,038)	(4,980,063)
Closing Balance		<b>21,177,813</b>	<b>19,920,250</b>

## 10 OTHER INCOME

Other Income represents Profits on Savings accounts, Profit on Term Deposits Receipts, dividend income, amortisation of grant income and gain on investmet in shares

## 11 TRANSACTION WITH RELATED PARTIES

The Related parties comprise principal shareholders and their afdilates, directors, companies with common directorship and key management personeel. Details of transactions and balances at period end with related parties, other than those which have been disclsoed elsewhere in these condensed interim financial statements, are as follows:

			Nine Months ended	
			March 31, 2022	March 31, 2021
			-----Rupees-----	
<b>11.1 Transaction for the period</b>				
	<b>Nature</b>	<b>Relationship</b>		
	Salary	CEO	4,200,000	1,625,000
	Salary	Directors	5,700,000	1,300,000
	Meeting Fees Paid	Directors	480,000	-
<b>11.2 Balance as at period/ year end</b>				
	<b>Name of Related Party</b>	<b>Nature</b>	<b>Relationship</b>	
-	Yaqeen Developers Limited	Investment	Associated Company	254,540,900
-	Short Term Loan from directors	Loan Obtained	Directors	12,200,000

**12 UTILIZATION OF PROCEEDS FROM INITIAL PUBLIC OFFERING**

The principal purpose of the issue was to increase the capacity in both segment of Active Pharmaceutical Ingredients (API) and Formulation and to set up a state of the art, 50 bed hospital facility in Gulberg III, Lahore.

Estimated break-up of utilization of the IPO proceeds is mentioned below:

Description	Funds Required (Rupees)	Allocation (%)	Actual Expenditure (Rupees)	Excess/ (Less) Incurred (Rupees)
<b>API Segment</b>				
Civil Works	150,000,000	7%	70,368,059	(79,631,941)
Procurement of Plant and Machinery	405,194,500	20%	47,815,343	(357,379,157)
	<b>555,194,500</b>	<b>27.28%</b>	<b>118,183,402</b>	<b>(437,011,098)</b>
<b>Formulation Segment</b>				
Civil Works	250,000,000	12%	95,104,023	(154,895,977)
Procurement of Plant and Machinery	307,630,000	15%	191,912,350	(115,717,650)
	<b>557,630,000</b>	<b>27.40%</b>	<b>287,016,373</b>	<b>(270,613,627)</b>
<b>Hospital Facility</b>				
Civil Work of Hospital Building (incl. Electrical and Mechanical work)	668,000,000	33%	-	(668,000,000)
Plant and Machinery for Hospital	254,551,500	13%	-	(254,551,500)
	<b>922,551,500</b>	<b>45.33%</b>	<b>-</b>	<b>(922,551,500)</b>
<b>Utilization of Excess Proceeds</b>				
Repayment of Borrowings	54,197,497	19%	54,197,497	-
Working Capital Requirement	108,902,639	37%	108,902,639	-
IPO Expenses	127,667,864	44%	127,667,864	-
	<b>290,768,000</b>	<b>100%</b>	<b>290,768,000</b>	<b>-</b>

**13 FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES****13.1 Financial risk management information and disclosures**

These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2021. There have been no change in any risk management policies since the year end.

**13.2 Fair Value of Financial Instrument**

IFRS - 13 Fair Value Measurement establishes a single source of guidance under the IFRS for the fair value measurements and disclosures about the fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date (i.e. an exit price).

**14 EVENTS AFTER THE REPORTING PERIOD**

There are no other significant events after the reporting period which may require adjustment of and/or disclosure in these financial statements.

**15 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on **April 19, 2022** by the board of directors of the company.

**16 GENERAL**

The figures have been rounded off to the nearest rupees.

Corresponding figures have been rearranged, and reclassified, where necessary, for better presentation and disclosure.



Chief Executive



Chief Financial Officer



Director