



CONDENSED INTERIM FINANCIAL STATEMENTS SEPTEMBER 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 & Head of Legal

Mr. Muhammad Riaz

Head of Internal Auditor

Muhammad Ishaq

External Auditors

Aslam Malik & Co.

Chartered Accountants

Share Registrar

F.D Registrar Services (Pvt.) Ltd.

Bankers

Habib Metropolitan Bank Limited

Habib Bank Limited- Islamic

Bank Al-Habib Limited

Samba Bank Limited

Soneri Bank Limited

Bank of Punjab

National Bank of Pakistan

Meezan Bank 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

Fax: +92-49-4510191

E-Mail: corporate@citipharma.com.pk

Website: www.citipharm.com.pk

DIRECTORS' REPORT

On behalf of the Board of Directors of Citi Pharma Limited (CPHL), we are pleased to present the unaudited condensed interim financial statements of the Company for the three months ended September 30, 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 Ul Hassan Shah
3	Non-Executive Director	1. Mr. Nadeem Amjad 2. Mr. Muhammad Naeem 3. Ms. Saira Aslam

FINANCIAL HIGHLIGHTS

In the period under review compared to last corresponding quarter ended September 30, 2021, net sales of the Company has improved to Rs. 3,118 million (Rs. 1,990 million) registered a growth of 57%. Similarly, the Gross Profits has improved to Rs. 370 million (Rs. 296 million). Net profit of the Company has improved to Rs. 145 million (Rs. 81 million) an increase of almost 79% in spite of exchange loss of Rs 130 million due to continued devaluation of the Pak Rupee.

The Earning per share of the Company also improved from Rs. 0.37 per share to Rs. 0.64 per share almost an increase of 72% from last period.

FUTURE CHALLENGES & PROSPECTS

The prevailing macroeconomics factors coupled with adverse taxation measures and lack of effective drug pricing mechanism, poses significant challenges for the Pharmaceutical industry. The Company continues to face significant escalation of costs caused by the devaluation of local currency and inflation resulting in the depletions of our margins. We hope that the Government will take adequate measures to ensure economic and political stability in the Country.

The following expansion is underway:

API segment:

The CPHL has achieved the increase in existing capacity of Paracetamol from 3,600 ton per annum to 4,800 ton per annum and intends to expand it to the 6,000 tons per annum. Also added Ascorbic Acid and working add new APIs to its existing product line, i.e. (i) Chloroquine Phosphate, and (ii) Hydroxychloroquine Sulfate; subsequently, these will also add formulation products of the same to the Company's portfolio.

Formulation Segment

CPHL has started the following project in the formulation:

- Penicillin 36;
- Cephalosporin; and
- Psychotropic & Narcotics drugs³⁷.

Out of above the Cephalosporin facility is built and rest are under process.

We are very much thankful for the cooperation and continuous support provided by the Regulatory Authorities, Shareholders, our Customers, Vendors and the Employees as well.

For and on behalf of the of Board

(Rizwan Ahmed)
Chief Executive Officer



(Nadeem Amjad)
Director

Lahore

Dated: October 28, 2022

ٹروپر ہز ناجیڈ زرتکیر ناڈ ڈائریکٹرز کی رپورٹ

Citi Pharma Limited کے بورڈ آف ڈائریکٹرز کی جانب سے، ہمیں 30 ستمبر 2022 کو ختم ہونے والے تین مہینوں کے لیے کمپنی کے غیر آڈٹ شدہ کنڈنسڈ عبوری مالیاتی گوشواروں کو پیش کرتے ہوئے خوشی ہو رہی ہے۔ یہ مالیاتی بیانات ضروریات کے مطابق تیار کیے گئے ہیں۔ انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈ 34 (IAS) کی 'انٹرم فنانشل رپورٹنگ' اور ڈائریکٹر رپورٹ کمپنیز ایکٹ 2017 کے سیکشن 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے باب XII کے مطابق تیار کی گئی ہے۔

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

ڈائریکٹرز کی کل تعداد 7 درج ذیل ہے۔

مالیاتی جھلکیاں

30 ستمبر 2021 کو ختم ہونے والی آخری اسی سہ ماہی کے مقابلے میں زیر جائزہ مدت میں، کمپنی کی خالص فروخت بڑھ کر روپے ہو گئی ہے۔ 3,118 ملین (1,990 ملین روپے) میں 57 فیصد اضافہ ہوا۔ اسی طرح مجموعی منافع بڑھ کر روپے ہو گیا ہے۔ 370 ملین (296 ملین روپے)۔ کمپنی کا خالص منافع

بڑھ کر روپے ہو گیا ہے۔ 145 ملین (81 ملین روپے) کا اضافہ کمپنی کا خالص منافع بڑھ کر روپے ہو گیا ہے۔ پاکستانی روپے کی مسلسل قدر میں کمی کے باعث 130 ملین روپے کے زر مبادلہ کے نقصان کے باوجود 145 ملین (81 ملین روپے) تقریباً 79 فیصد کا اضافہ ہوا۔ کمپنی کی فی حصص آمدنی بھی روپے سے بہتر ہوئی۔ 0.37 فی حصص سے روپے 0.64 فی حصص پچھلی مدت کے مقابلے میں تقریباً 72 فیصد اضافہ ہے۔

Notes	سہ ماہی ختم	
	ستمبر 2022 (غیر آڈٹ شدہ)	ستمبر 2021 (غیر آڈٹ شدہ)
سیلز - نیٹ	3,118,074,356	1,990,952,817
فروخت کی قیمت	(2,747,684,203)	(1,694,611,260)
کل منافع	370,390,153	296,341,557
انتظامی اخراجات	49,715,005	159,888,341
فروخت اور تقسیم کے اخراجات	37,663,377	25,419,521
	(87,378,383)	(185,307,862)
آپریٹنگ منافع	283,011,771	111,033,695
مالیاتی چارجز	(157,053,888)	(8,201,778)
	125,957,882	102,831,917
دیگر آمدنی/(نقصان)	47,598,134	30,852,125
	173,556,016	133,684,042
دوسرے اخراجات	(4,219,670)	(8,764,202)
ٹیکس سے پہلے منافع	169,336,346	124,919,840
ٹیکس لگانا	(23,527,710)	(43,563,166)
مدت کے لیے منافع	145,808,636	81,356,674
فی شیئر آمدنی	0.64	Restated 0.37

مستقبل کے چیلنجز اور امکانات

ٹیکس کے منفی اقدامات اور ادویات کی قیمتوں کا تعین کرنے کے مؤثر طریقہ کار کی کمی کے ساتھ موجودہ میکرو اکنامکس عوامل دواسازی کی صنعت کے لیے اہم چیلنجز کا باعث ہیں۔ کمپنی کو مقامی کرنسی کی قدر میں کمی اور افراط زر کی وجہ سے لاگت میں نمایاں اضافے کا سامنا کرنا پڑتا ہے جس

کے نتیجے میں ہمارے مارجن میں کمی واقع ہوتی ہے۔ ہمیں امید ہے کہ حکومت ملک میں معاشی اور سیاسی استحکام کو یقینی بنانے کے لیے خاطر خواہ اقدامات کرے گی۔

API سیگمنٹ:

سی پی ایچ ایل نے پیراسیٹامول کی موجودہ صلاحیت کو 3,600 ٹن سالانہ سے بڑھا کر 4,800 ٹن سالانہ تک حاصل کیا ہے اور اسے 6,000 ٹن سالانہ تک بڑھانے کا ارادہ رکھتا ہے۔ اس کے علاوہ Ascorbic Acid کو بھی شامل کیا گیا اور اس کی موجودہ پروڈکٹ لائن میں نئے APIs کا اضافہ کیا گیا، یعنی (i) کلوروکوئن فاسفیٹ، اور (ii) ہائیڈروکسی کلوروکوئن سلفیٹ؛ اس کے بعد، یہ کمپنی کے پورٹ فولیو میں اسی کے فارمولیشن پروڈکٹس کو بھی شامل کریں گے۔

فارمولیشن سیگمنٹ

سی پی ایچ ایل نے فارمولیشن میں درج ذیل پروجیکٹ شروع کیا ہے

• پینسلن 36

• سیفالوسپورن؛ اور

سائیکو ٹراپک اور نارکوٹکس دوائیں 37۔

ہم ریگولیٹری اتھارٹیز، شیئر ہولڈرز، اپنے صارفین، وینڈرز اور ملازمین کی طرف سے فراہم کردہ تعاون اور مسلسل تعاون کے لیے بے حد مشکور ہیں۔

بورڈ کے لیے اور اس کی جانب سے



ندیم امجد

ایگزیکٹو

چیئرمین



رضوان احمد

چیف

آفیسر

لاہور

بتاریخ: 28 اکتوبر 2022

CITI PHARMA LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022

		September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
Note		-----Rupees-----	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital:			
300,000,000 Ordinary shares of Rs. 10/- each		3,000,000,000	3,000,000,000
Issued, subscribed and Paid up Capital:			
228,461,200 (June 2022: 228,461,200) Ordinary shares of Rs. 10/- each	4	2,284,612,000	2,284,612,000
Share Premium		1,391,532,000	1,391,532,000
Revenue reserves-Unappropriated profits		846,239,657	700,431,021
Revaluation Surplus on Land		309,294,525	309,294,525
		4,831,678,182	4,685,869,546
NON CURRENT LIABILITIES			
Long Term Financing - Secured	5	34,211,892	250,173,743
Deferred Liabilities		103,189,274	114,246,582
Deferred Grant	6	3,762,441	32,166,032
Lease Liabilities	7	5,970,317	6,267,409
		147,133,925	402,853,766
CURRENT LIABILITIES			
Trade and other payables		2,572,062,135	1,887,973,258
Director's Loan		12,200,000	12,200,000
Short Term Borrowings-Secured		284,292,841	509,371,276
Current Portion of Long Term Liabilities-Secured		107,678,987	179,971,199
Dividend Payable		670,003	670,003
Accrued Mark Up		16,034,357	12,754,350
Provision for taxation		425,257,453	389,714,162
		3,418,195,775	2,992,654,248
Contingencies and Commitments	8	-	-
TOTAL EQUITY AND LIABILITIES		8,397,007,882	8,081,377,560
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	9	2,226,018,208	2,244,062,582
Work in Progress		294,964,162	14,329,827
Long term security deposits		17,519,200	17,519,200
Long Term Investments		254,540,900	254,540,900
		2,793,042,470	2,530,452,509
CURRENT ASSETS			
Stock in Trade		1,573,523,091	1,691,637,034
Trade Debts- Unsecured		1,650,229,553	1,401,564,821
Short Term Investments (TDRs)		1,640,292,398	1,970,426,861
Advances deposits, prepayments and other receivables		572,680,357	459,815,080
Cash and bank balance		167,240,013	27,481,255
		5,603,965,412	5,550,925,051
TOTAL ASSETS		8,397,007,882	8,081,377,560

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



Chief Executive



Chief Financial Officer



Director

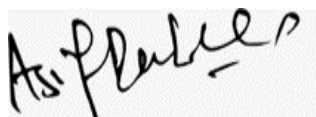
CITI PHARMA LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	Quarter Ended	
	September 30, 2022	September 30, 2021
	(Un-audited)	(Un-audited)
Notes		
Sales- Net	3,118,074,356	1,990,952,817
Cost of sales	(2,747,684,203)	(1,694,611,260)
Gross profit	370,390,153	296,341,557
Administrative expenses	49,715,005	159,888,341
Selling and Distribution expenses	37,663,377	25,419,521
	(87,378,383)	(185,307,862)
Operating Profit	283,011,771	111,033,695
Financial Charges	(157,053,888)	(8,201,778)
	125,957,882	102,831,917
Other income/(Loss)	47,598,134	30,852,125
	173,556,016	133,684,042
Other Expenses	(4,219,670)	(8,764,202)
Profit before Taxation	169,336,346	124,919,840
Taxation	(23,527,710)	(43,563,166)
Profit for the period	145,808,636	81,356,674
Earnings per share (EPS)		Restated
- Basic and Diluted	0.64	0.37

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



Chief Executive



Chief Financial Officer



Director

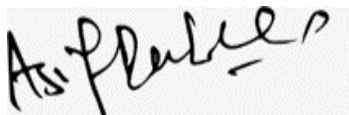
CITI PHARMA LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	Note	Quarter Ended	
		September 30, 2022 (Un-audited)	September 30, 2021 (Un-audited)
Profit for the period		145,808,636	81,356,674
Other comprehensive income for the period		-	-
Item that will not be reclassified subsequently to Profit or Loss			
Revaluation Surplus on Land		-	-
Total comprehensive income for the Period		145,808,636	81,356,674

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 PERIOD ENDED SEPTEMBER 30, 2022

September 30, 2022 September 30, 2021
(Un-audited) (Un-audited)
-----Rupees-----

CASH FLOW FROM OPEARTING ACTIVITIES

Profit Before Taxation for the period

Adjustments For Non- Cash Items And Other Line Items:

Depreciation	169,336,346	124,919,840
Financial Charges	21,617,496	18,099,689
Accrued Interest Income	157,053,888	8,201,778
Amortisation of Deferred Grant	17,546,713	-
Gratuity Expense	(20,695,433)	(1,599,796)
Worker's Profit Participation Fund	958,272	-
Worker's Welfare Fund	2,161,912	6,684,202
	2,057,758	2,080,000
	180,700,606	33,465,873
Profit/ (Loss) before working capital changes	350,036,952	158,385,713

Effect of working capital changes

Advances, Deposits And Prepayments	4,002,787	(14,678,565)
Trade Debts	(248,664,732)	(129,946,802)
Stock In Trade	118,113,943	(135,045,001)
Trade And Other Payables	735,292,171	(57,658,541)
	608,744,169	(337,328,909)

Financial Charges Paid

Income Tax Paid

Worker's Profit Participation Fund

Worker's Welfare Fund

(153,773,881)	(7,268,503)
(118,255,539)	(31,469,242)
(28,581,969)	(26,750,855)
-	(8,519,855)
(300,611,389)	(74,008,455)

Net cash flow from operating activities

A 658,169,732 (252,951,651)

CASH FLOW FROM INVESTING ACTIVITIES

Purchase Of Property, Plant & Equipment

Paid for Capital Work in Progress

Short Term Investments

(3,573,121)	(47,545,000)
(280,634,335)	-
320,012,246	(2,123,074,900)

Net cash flow from investing activities

B 35,804,790 (2,170,619,900)

CASH FLOW FROM FINANCING ACTIVITIES

Proceeds less repayment of Long Term Financing

Paid to Investors Against Excess Proceeds

Lease Rentals Paid

Short Term Borrowings

(327,726,794)	(44,926,691)
-	(521,384,357)
(1,410,535)	(808,923)
(225,078,435)	(71,696,949)

Net Cash flow From Investing Activities

C (554,215,765) (638,816,920)

Net Increase/ (decrease) in cash and cash equivalents

A+B+C 139,758,757 (3,062,388,471)

Cash and cash equivalents at beginning of the period

27,481,255	3,074,424,503
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Cash and cash equivalents at end of the period

167,240,013	12,036,032
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Cash and cash equivalents comprise of:

Cash in hand

Cash at bank

283,763	317,864
166,956,250	11,718,168
167,240,013	12,036,032

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


Chief Executive


Chief Executive Officer


Director

CITI PHARMA LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

PARTICULARS	SHARE CAPITAL	SHARE DEPOSIT MONEY	SHARE PREMIUM	REVENUE RESERVES	REVALUATION SURPLUS	TOTAL
----- Rupees -----						
Balance as at June 30, 2021- (Audited)	1,350,000,000	2,326,144,000	-	380,606,584	309,294,525	4,366,045,109
Total Comprehensive Income for the Quarter						
Profit for the period	-	-	-	81,356,674	-	81,356,674
Other comprehensive income	-	-	-	-	-	-
	-	-	-	81,356,674	-	81,356,674
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	-	-	-
Balance as at September 30, 2021- (Un-audited)	2,076,920,000	-	1,599,224,000	461,963,258	309,294,525	4,447,401,783
Balance as at June 30, 2022- (Audited)	2,284,612,000	-	1,391,532,000	700,431,021	309,294,525	4,685,869,546
Total Comprehensive Income for the Quarter						
Profit for the period	-	-	-	145,808,636	-	145,808,636
Other comprehensive income	-	-	-	-	-	-
	-	-	-	145,808,636	-	145,808,636
Balance as at September 30, 2022- (Un-audited)	2,284,612,000	-	1,391,532,000	846,239,657	309,294,525	4,831,678,182

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


Chief Executive


Chief Executive Officer


Director

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. The company was converted into public unlisted company with effect from October 13, 2020 and Company was listed on Pakistan Stock Exchange on July 09, 2021. The registered office of the company is situated at 3 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 audited financial statements for the year ended June 30, 2022, whereas the comparative condensed interim profit or loss, 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 unaudited condensed interim financial statements for the three months ended September 30, 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, 2022.

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, 2022.

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 condensed interim financial statements.

September 30, 2022
(Un-audited) June 30, 2022
(Audited)
-----Rupees-----

4 SHARES CAPITAL**Authorized share capital**

300,000,000 Ordinary shares of Rs. 10/- each

Issued, subscribed and paid up capital**Opening Balance**

117,692,000 (June 2022: 45,000,000) Ordinary shares of Rs. 10 each, fully paid in cash

110,769,200 (June 2022: 90,000,000) Ordinary Share of Rs. 10 each issued as fully paid Bonus shares

Movement During the period / year

Nil (June 30 2022: 72,692,000 ordinary shares issued through IPO at a premium of Rs. 22)

Nil (June 30, 2022: 20,769,200 Ordinary Share of Rs. 10 each issued as fully paid Bonus shares)

Closing Balance

117,692,000 Ordinary shares of Rs. 10 each, fully paid in cash

110,769,200 Ordinary Share of Rs. 10 each issued as fully paid Bonus shares

228,461,200 (June 2022: 228,461,200) Ordinary shares of Rs. 10/- each

5 LONG TERM FINANCING - SECURED

Long term loan from Pak Brunei Investment Company

Term finance against purchase of machinery from Bank Al-Habib Limited

Term Loan For Salary & Wages Under SBP Refinance Scheme from Bank Al-Habib Limited

Finance of Machinery in SBP (TERF) from Bank Al-Habib Limited

Term Finance under RFCC from Bank of Punjab

Deferred Grant

Current Portion shown under current liabilities

- 5.1** 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 loan was secured against fixed assets and now it is collateralized against Joint Pari Passu Charge.
- 5.2** 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 , which is secured against the specific assets.
- 5.3** 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 Term Deposits. 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.
- 5.4** 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 the specific assets. 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.
- 5.5** 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 200 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.

6 DEFERRED GRANT

As at 01 July

Received during the year

Amortization

Current potion

As at 30th June

7 LEASE LIABILITIES

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

Later than one year but not later than five years

Less: Finance charge

Less: Current maturity of long term obligation

Payable within one year

Payable after one year

September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
-----Rupees-----	
3,000,000,000	3,000,000,000
1,176,920,000	450,000,000
1,107,692,000	900,000,000
-	726,920,000
-	207,692,000
1,176,920,000	1,176,920,000
1,107,692,000	1,107,692,000
2,284,612,000	2,284,612,000
61,458,347	77,083,346
18,373,569	21,750,000
7,605,956	15,039,310
47,270,988	51,817,114
-	296,745,885
134,708,860	462,435,655
-	(51,568,138)
(100,496,968)	(160,693,774)
34,211,892	250,173,743
46,671,792	9,273,279
-	51,568,138
(39,702,871)	(14,169,624)
6,968,921	46,671,792
(3,206,480)	(14,505,760)
3,762,441	32,166,032
3,415,072	6,040,936
8,795,113	7,254,819
12,210,185	13,295,755
(2,264,329)	(2,256,682)
9,945,856	11,039,073
(3,975,539)	(4,771,664)
5,970,317	6,267,409
3,975,539	4,771,664
5,970,317	6,267,409
9,945,856	11,039,073

- 7.1 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, 2022 : 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 16 to the Company's financial statements for the year ended June 30, 2022.

8.2 Commitments

Commitments of the Company under Ijarah Lease is as follow:

The amount of future Payments under Ijarah lease and the period under which these become due are as follows:

	Quarter Ended	
	September 30, 2022 Rupees	June 30, 2022 Rupees
Not later than one year	5,255,411	2,120,000
Later than one year but not later than five years	10,237,362	2,093,266
Later than five years	-	-
	15,492,773	4,213,266

9 PROPERTY PLANT & EQUIPMENT

Operating fixed assets

9.1

Right of Used Assets

9.2

2,210,878,818	2,228,126,382
15,139,390	15,936,200
2,226,018,208	2,244,062,582

9.1 Operating Fixed Assets

Opening Written down value as at July 01

2,228,126,382	1,714,845,610
---------------	---------------

Addition during the period/year

3,573,121	586,125,362
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Disposal during the period/year

-	-
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Revaluation Surplus on Land

-	-
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3,573,121	586,125,362
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Depreciation charged for the period/ year

(20,820,686)	(72,844,590)
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Closing written down value

2,210,878,818	2,228,126,382
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9.1.1 Details of additions during the period/year as follows:

Freehold Land

-	372,308,325
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Building on Freehold Land

-	94,373,453
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Plant & Machinery

1,205,000	107,345,432
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Vehicles

-	49,500
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Office Equipments

1,596,533	1,904,698
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Books

-	-
---	---

Furniture and Fixtures

771,588	8,019,893
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Computers

-	2,124,061
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3,573,121	586,125,362
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9.2 Right of Used Assets

Opening Balance

15,936,200	19,920,250
------------	------------

Addition during the period/year

-	-
---	---

Depreciation charged during the period/year

(796,810)	(3,984,050)
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Closing Balance

15,139,390	15,936,200
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10 TRANSACTION WITH RELATED PARTIES

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

10.1 Transaction for the period

Nature	Relationship		
Salary	CEO	3,300,000	900,000
Salary	Directors	4,050,000	1,650,000
Directors Meeting Fee	Directors	185,000	335,000

10.2 Balance as at period/ year end

Name of Related Party	Nature		
- Yaqeen Developers Limited	Investment	254,540,900	254,540,900
- Short Term Loan from directors	Loan Obtained	12,200,000	12,200,000

11 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, 200 bed hospital facility in 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)
API Segment				
Civil Works	150,000,000	7%	75,283,676	(74,716,324)
Procurement of Plant and Machinery	405,194,500	20%	164,844,179	(240,350,321)
	555,194,500	27%	240,127,855	(315,066,645)
Formulation Segment				
Civil Works	250,000,000	12%	101,378,466	(148,621,534)
Procurement of Plant and Machinery	307,630,000	15%	155,176,726	(152,453,274)
	557,630,000	27%	256,555,192	(301,074,808)
Hospital Facility				
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)
	922,551,500	46%	-	(922,551,500)
Utilization of Excess Proceeds				
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	-
	290,768,000	100%	290,768,000	-

12 FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

12.1 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, 2022. There have been no change in any risk management policies since the year end.

12.2 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).

13 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.

14 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **October 28, 2022** by the board of directors of the company.


15 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