



CONDENSED INTERIM HALF YEARLY FINANCIAL STATEMENTS DECEMBER 2022

CITI PHARMA

Email: info@citipharma.com.pk

Tel: 042 - 35316587

Website: www.citipharma.com.pk

Address: 588-Q, Johar Town Lahore



TABLE OF CONTENTS

Company Information

Company Profile	3
Director's Report	5
Auditor's Review Report.....	10
Financial Statements	11

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

We are pleased to present the unaudited condensed interim financial statements of the Company for the six months ended December 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 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 net sales of the company has improved to Rs. 6,170 million as compared to last corresponding last half year Rs. 4,841 million and registered a growth of 27.46%. Similarly, the Gross Profits has improved to Rs. 915 million as compared to last half year ended December 31, 2021 of Rs. 701 million. Net Profit of the Company also improved from Rs. 343 million to Rs. 440 million which is growth of 28%.

The summary of financial results is as follows:

CITI PHARMA LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Notes	Three month ended		Six Month Ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
		-----Rupees-----			
Sales- Net		3,052,797,729	2,850,278,592	6,170,872,085	4,841,231,409
Cost of Sales		(2,507,759,970)	(2,445,219,540)	(5,255,444,173)	(4,139,830,800)
Gross Profit		545,037,759	405,059,052	915,427,912	701,400,609
Administrative Expenses		51,873,819	43,832,345	101,588,824	203,720,687
Selling Expenses		32,818,897	28,940,392	70,482,274	54,359,913
		(84,692,716)	(72,772,737)	(172,071,098)	(258,080,600)
Operating Profit		460,345,042	332,286,314	743,356,813	443,320,008
Financial Charges		35,451,281	(25,925,319)	(121,602,607)	(34,127,097)
		495,796,323	306,360,995	621,754,206	409,192,911
Other Income/(Loss)	10	4,935,455	58,402,733	52,533,589	89,254,858
		500,731,778	364,763,727	674,287,795	498,447,768
Other Expenses		(38,150,815)	(24,596,263)	(42,370,485)	(33,360,465)
Profit Before Taxation		462,580,963	340,167,464	631,917,310	465,087,303
Taxation		(167,752,676)	(78,469,740)	(191,280,386)	(122,032,906)
Profit for the Period		294,828,287	261,697,724	440,636,924	343,054,397
Earnings per share (EPS)					
- Basic and Diluted		1.29	1.11	1.93	1.52

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; these will also add formulation products of the same to the Company's portfolio.

Formulation Segment

Cephalosporin facility is built and some other projects of the company are in progress and will complete within stipulated time period.

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 Ahmad)
Chief Executive Officer



(Nadeem Amjad)
Chairman

Lahore

Dated: February 27, 2023

ڈائریکٹر رپورٹ

ہمیں 31 دسمبر 2022 کو ختم ہونے والی ششماہی کے لیے کمپنی کے غیر آڈٹ شدہ کنڈینسڈ عبوری مالیاتی گوشواروں کو پیش کرتے ہوئے خوشی ہو رہی ہے۔ یہ مالیاتی گوشوارے 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 سڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے باب XII کے مطابق تیار کی گئی ہے۔

بورڈ کی تشکیل

ڈائریکٹر کی کل تعداد 7 حسب ذیل کے مطابق ہے:

1- مرد 5

2- خاتون 1

نمبر شمار	کیٹگری	نام
1	غیر جانبدار ڈائریکٹر	1- جناب عبدالکلیل شیخ 2- محترمہ فرزین خان
2	ایگزیکٹو ڈائریکٹر	1- جناب رضوان احمد 2- جناب ڈاکٹر ضمیر الحسن شاہ
3	نان ایگزیکٹو ڈائریکٹر	1- جناب ندیم امجد 2- جناب محمد نعیم 3- محترمہ سائرہ اسلم

مالیاتی جھلکیاں

زیر جائزہ مدت میں کمپنی کی خالص فروخت گزشتہ اسی ششماہی میں 4,841 ملین روپے کے مقابلے بڑھ کر 6,170 ملین روپے ہو گئی اور 27.46 فیصد کی نمو درج کی گئی۔ اسی طرح مجموعی منافع 31 دسمبر 2021 کو ختم ہونے والی گزشتہ ششماہی کے 701 ملین روپے کے مقابلے میں بڑھ کر 915 ملین روپے ہو گیا۔ کمپنی کا خالص منافع بھی 343 ملین روپے سے بڑھ کر 440 ملین روپے ہو گیا جو کہ 28 فیصد کا اضافہ ہے۔

مالیاتی نتائج کا خلاصہ حسب ذیل ہے:

سٹی فارم لینڈ

31 دسمبر کو ختم ہونے والی ششماہی کے لیے نفع و نقصان (غیر آڈٹ شدہ) کا کنڈینسڈ عبوری بیان

مختتمہ سہ ماہی	مختتمہ سہ ماہی	مختتمہ سہ ماہی	مختتمہ سہ ماہی	
31 دسمبر 2022	31 دسمبر 2021	31 دسمبر 2022	31 دسمبر 2021	
3,052,797,729	2,850,278,592	6,170,872,085	4,841,231,409	فروخت - خالص
(2,507,759,970)	(2,445,219,540)	(5,255,444,173)	(4,139,830,800)	فروخت کی لاگت

701,400,609	915,427,912	405,059,052	545,037,759	مجموعی منافع
203,720,687	101,588,824	43,832,345	51,873,819	انتظامی اخراجات
54,359,913	70,482,274	28,940,392	32,818,897	فروخت کے اخراجات
(258,080,600)	(172,071,098)	(72,772,737)	(84,692,716)	
443,320,008	743,356,813	332,286,314	460,345,042	آپریٹنگ منافع
(34,127,097)	(121,602,607)	(25,925,319)	35,451,281	مالیاتی چارجز
409,192,911	621,754,206	306,360,995	495,796,323	
89,254,858	52,533,589	58,402,733	104,935,455	دیگر آمدنی/(تفصیل)
498,447,768	674,287,795	364,763,727	500,731,778	
(33,360,465)	(42,370,485)	(24,596,263)	(38,150,815)	دیگر اخراجات
465,087,303	631,917,310	340,167,464	462,580,963	نیکس سے پہلے منافع
(122,032,906)	(191,280,386)	(78,469,740)	(167,752,676)	ٹیکسیشن
343,054,397	440,636,924	261,697,724	294,828,287	مدت کے لیے منافع
1.52	1.93	1.11	1.29	فی شخص آمدنی (EPS) - بنیادی اور مختل

مستقبل کے چیلنجز اور امکانات

نیکس کے منفی اقدامات اور ادویات کی قیمتوں کا تعین کرنے کے موثر طریقہ کار کی کمی کے ساتھ موجودہ میکرو اکنامکس عوامل دو سازی 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 اضافہ کا سامنا کرنا پڑ رہا ہے جس کے نتیجے میں ہمارے مارجن میں کمی واقع ہوئی ہے۔ ہمیں امید ہے کہ حکومت ملک میں معاشی اور سیاسی استحکام کو یقینی بنانے کے لیے خاطر خواہ اقدامات کرے گی۔

مندرجہ ذیل توسیع جاری ہے:

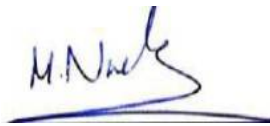
API سیکٹ:

CPHL نے پیرامیٹروں کی موجودہ صلاحیت کو 3,600 ٹن سالانہ سے بڑھا کر 4,800 ٹن سالانہ تک اضافہ حاصل کیا ہے اور اسے 6,000 ٹن سالانہ تک بڑھانے کا ارادہ رکھتی ہے۔ اس کے علاوہ اس کاربک ایئرڈ کو شامل کیا گیا اور اپنی موجودہ پروڈکٹ لائن میں نئے APIs کا اضافہ کیا گیا، یعنی (i) کلوروکوئن فاسفیٹ، اور (ii) ہائیڈروکسی کلوروکوئن سلفیٹ؛ یہ کمپنی کے پورٹ فولیو میں اسی کی فارمولیشن مصنوعات کو بھی شامل کریں گے۔

فارمولیشن سیکٹ

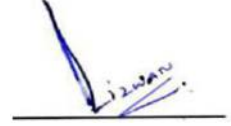
سیفا لوسپورن سہولت تعمیر کی گئی ہے اور کمپنی کے کچھ دوسرے منصوبے جاری ہیں اور مقررہ مدت میں مکمل ہو جائیں گے۔ ہم ریگولیٹری اتھارٹیز، ڈیٹرز، ایپس صارفین، ویٹرز اور ملازمین کی طرف سے فراہم کردہ تعاون اور مسلسل مدد کے لیے بے حد مشکور ہیں۔

مختار پورڈ



ندیم امجد

چینرمن



رضوان احمد

چیف ایگزیکٹو آفیسر

لاہور

بتاریخ: 27 فروری 2023



Aslam Malik & Co. (Est. 1971)
Chartered Accountants

www.aslammalik.com
info@aslammalik.com
aslammalik@brain.net.pk
Building Better Together

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of CITI PHARMA LIMITED
Report on Review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of CITI PHARMA LIMITED as at December 31, 2022 and the related condensed interim statement of profit or loss, the condensed interim statement of other comprehensive income, condensed interim statement of cash flows, and condensed interim statement of changes in equity, and notes to the financial statements for the six-months period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for three-month period ended December 31, 2022 and 2021 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended December 31, 2022.

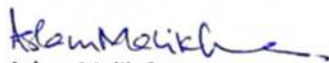
Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information does not give a true and fair view of the financial position of the entity as at December 31, 2022, and of its financial performance and its cash flows for the six-month period then ended in accordance with International Financial Reporting Standards.

The engagement partner on the review resulting in this independent auditor's report is Hafiz Muhammad Ahmad Saleem.



Aslam Malik & Co.
Chartered Accountants
Place: Lahore
Date: February 27, 2023
UDIN: RR2022101487hwCFKJs8



Lahore Office (Head Office)
Suite # 18-19 FF Floor, Central
Plaza, Civic Centre, New Garden
Town, Lahore ☎ aslammalik@brain.net.pk
042-35858693, 042-35858694

Islamabad Office
House # 726, Street # 34,
Margalla Town, Off Murree
Road, Islamabad.
051-2374282, 051-2374283

Karachi Office
1001-1003 10th Floor, Chapal
Plaza, Hasrat Mohani Road, Off
I.I Chundrigar Road, Karachi
021-32425911, 021-32425912

Quetta Office
1st Floor, Haji Fateh
Khan Center, Adalat
Road, Quetta
081-2823837

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

		December 31, 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
Share Capital and Reserves:			
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		1,141,067,945	700,431,021
Revaluation Surplus On Land		309,294,525	309,294,525
		5,126,506,470	4,685,869,546
NON CURRENT LIABILITIES			
Long Term Financing - Secured	5	26,359,704	250,173,743
Deferred Liabilities		92,050,736	114,246,582
Deferred Grant	6	2,952,518	32,166,032
Lease Liabilities	7	4,254,418	6,267,409
		125,617,376	402,853,766
CURRENT LIABILITIES			
Trade and Other Payables		2,770,883,179	1,887,973,258
Director's Loan		12,200,000	12,200,000
Short Term Borrowings-Secured		400,440,383	509,371,276
Current Portion of Long Term Liabilities-Secured		84,642,714	179,971,199
Dividend Payable		670,003	670,003
Accrued Mark Up		12,016,553	12,754,350
Provision For Taxation		307,087,536	389,714,162
		3,587,940,368	2,992,654,248
Contingencies and Commitments	8	-	-
TOTAL EQUITY AND LIABILITIES		8,840,064,214	8,081,377,560
ASSETS			
NON CURRENT ASSETS			
Property, Plant and Equipment	9	2,207,511,745	2,244,062,582
Work in Progress		357,494,234	14,329,827
Long Term Security Deposits		17,519,200	17,519,200
Investment in Associated Company		254,540,900	254,540,900
		2,837,066,079	2,530,452,509
CURRENT ASSETS			
Stock in Trade		2,269,051,365	1,691,637,034
Trade Debts- Unsecured		1,399,589,467	1,401,564,821
Advances Deposits, Prepayments and Other Receivables		437,887,825	459,815,080
Short Term Investments		1,717,277,693	1,970,426,861
Cash And Bank Balances		179,191,785	27,481,255
		6,002,998,135	5,550,925,051
TOTAL ASSETS		8,840,064,214	8,081,377,560

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


Chief Executive Officer


Chief Financial Officer


Director

CITI PHARMA LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

Notes	Three month ended		Six Month Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	-----Rupees-----			
Sales- Net	3,052,797,729	2,850,278,592	6,170,872,085	4,841,231,409
Cost of Sales	(2,507,759,970)	(2,445,219,540)	(5,255,444,173)	(4,139,830,800)
Gross Profit	545,037,759	405,059,052	915,427,912	701,400,609
Administrative Expenses	51,873,819	43,832,345	101,588,824	203,720,687
Selling Expenses	32,818,897	28,940,392	70,482,274	54,359,913
	(84,692,716)	(72,772,737)	(172,071,098)	(258,080,600)
Operating Profit	460,345,042	332,286,314	743,356,813	443,320,008
Financial (Cost) /Income	35,451,281	(25,925,319)	(121,602,607)	(34,127,097)
	495,796,323	306,360,995	621,754,206	409,192,911
Other Income/(Loss)	10 4,935,455	58,402,733	52,533,589	89,254,858
	500,731,778	364,763,727	674,287,795	498,447,768
Other Expenses	(38,150,815)	(24,596,263)	(42,370,485)	(33,360,465)
Profit Before Taxation	462,580,963	340,167,464	631,917,310	465,087,303
Taxation	(167,752,676)	(78,469,740)	(191,280,386)	(122,032,906)
Profit for the Period	294,828,287	261,697,724	440,636,924	343,054,397
Earnings per share (EPS)				
- Basic and Diluted	1.29	1.11	1.93	1.52

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


Chief Executive Officer


Chief Financial Officer


Director

CITI PHARMA LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Note	Three month ended		Six Month Ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
		-----Rupees-----			
Profit for the period		294,828,287	261,697,724	440,636,924	343,054,397
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		294,828,287	261,697,724	440,636,924	343,054,397

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


Chief Executive Officer


Chief Financial Officer


Director

CITI PHARMA LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

December 31, 2022 **December 31, 2021**
-----Rupees-----

CASH FLOW FROM OPEARTING ACTIVITIES

Profit Before Taxation for the period

Adjustments For Non- Cash Items And Other Line Items:

Depreciation	43,572,953	38,726,998
Financial Charges	121,602,607	34,127,097
Accrued Interest Income	(26,632,788)	(34,316,164)
Unrealized Loss on Investment in Shares	62,739,607	-
Amortisation and Extinguishment of Deferred Grant	(20,033,172)	(5,952,716)
Gratuity Expense	3,169,688	2,270,531
Worker's Profit Participation Fund	33,714,390	24,922,388
Worker's Welfare Fund	12,086,878	8,438,077
	230,220,163	68,216,211

Profit/ (Loss) before working capital changes

Effect of working capital changes

Advances, Deposits And Prepayments	(34,859,575)	48,542,306
Trade Debts	1,975,354	(151,838,494)
Stock In Trade	(577,414,331)	(811,497,513)
Trade And Other Payables	892,531,616	656,907,338
	282,233,064	(257,886,364)

Financial Charges Paid
Income Tax Paid
Worker's Profit Participation Fund
Worker's Welfare Fund

(122,340,404)	(23,049,889)
(241,925,386)	(185,849,838)
(55,422,964)	(26,750,855)
-	(8,519,855)
(419,688,753)	(244,170,436)

Net cash flow from operating activities

A **724,681,784** **31,246,713**

CASH FLOW FROM INVESTING ACTIVITIES

Purchase Of Property, Plant & Equipment	(7,022,116)	(6,115,276)
Paid for Capital Work in Progress	(343,164,407)	(64,510,862)
Paid for Long Term Security Deposits	-	(1,061,400)
Long Term Investment	-	(96,250,000)
Short Term Investments	252,429,308	(2,558,979,484)

Net cash flow from investing activities

B **(97,757,215)** **(2,726,917,022)**

CASH FLOW FROM FINANCING ACTIVITIES

Proceeds less repayment of Long Term Financing	(363,293,218)	205,686,353
Payable to General Public	-	(521,384,357)
Lease Rentals Paid	(2,989,928)	(1,465,453)
Dividend Paid	-	(307,127,348)
Short Term Borrowings	(108,930,893)	285,617,262

Net Cash flow From Investing Activities

C **(475,214,039)** **(338,673,543)**

Net Increase/ (decrease) in cash and cash equivalents

A+B+C **151,710,530** **(3,034,343,852)**

Cash and cash equivalents at beginning of the period

27,481,255	3,074,424,503
------------	---------------

Cash and cash equivalents at end of the period

179,191,785	40,080,651
-------------	------------

Cash and cash equivalents compromise of:

Cash in hand	608,193	352,424
Cash at banks	178,583,592	39,728,227
	179,191,785	40,080,651

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


Chief Executive Officer


Chief Financial Officer


Director

CITI PHARMA LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

PARTICULARS	SHARE CAPITAL	SHARE DEPOSIT MONEY	SHARE PREMIUM	REVENUE RESERVES	REVALUATION SURPLUS	TOTAL
----- Rupees -----						
Balance as at July 01, 2021	1,350,000,000	2,326,144,000	-	380,606,584	309,294,525	4,366,045,109
Total Comprehensive Income for the six months						
Profit for the period	-	-	-	343,054,397	-	343,054,397
Other comprehensive income	-	-	-	-	-	-
	-	-	-	343,054,397	-	343,054,397
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)	-	(311,538,000)
Issuance of Bonus Shares at the rate of 10% for every one share held	207,692,000	-	(207,692,000)	-	-	-
Balance as at December 31, 2021	2,284,612,000	-	1,391,532,000	412,122,981	309,294,525	4,397,561,506
Balance as at July 01, 2022	2,284,612,000	-	1,391,532,000	700,431,021	309,294,525	4,685,869,546
Total Comprehensive Income for the six months						
Profit for the period	-	-	-	440,636,924	-	440,636,924
Other comprehensive income	-	-	-	-	-	-
	-	-	-	440,636,924	-	440,636,924
Balance as at December 31, 2022	2,284,612,000	-	1,391,532,000	1,141,067,945	309,294,525	5,126,506,470

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


Chief Executive Officer


Chief Financial Officer


Director

CITI PHARMA LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 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. The company was converted into public unlisted company with effect from October 13, 2020 and 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 financial statements for the year ended June 30, 2022, 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 un-audited condensed interim financial statements for the six months ended December 31, 2022.

2.2 Basis of Measurement

These condensed interim 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 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 approved accounting standards which are effective during the year ending June 30, 2023:

There are certain amendments to approved accounting standards which are mandatory for accounting periods beginning on or after July 1, 2022 but are considered not to be relevant or have any significant effect on the Company's financial reporting.

3.1.2 New standards and amendments to approved accounting standards that are effective for the Company's accounting periods beginning on or after July 1, 2023:

There is a new standard and certain amendments to approved accounting standards that will be mandatory for accounting periods beginning on or after July 1, 2023 but are considered not to be relevant or expected to have any significant effect on the Company's financial reporting.

CITI PHARMA LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Notes	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		-----Rupees-----	
4 SHARES CAPITAL			
Authorized share capital		3,000,000,000	3,000,000,000
300,000,000 Ordinary shares of Rs. 10/- each			
Issued, subscribed and paid up capital			
117,692,000 Ordinary shares of Rs. 10 each, fully paid in cash		1,176,920,000	1,176,920,000
110,769,200 Ordinary Share of Rs. 10 each issued as fully paid Bonus shares		1,107,692,000	1,107,692,000
228,461,200 Ordinary shares of Rs. 10/- each		2,284,612,000	2,284,612,000
5 LONG TERM FINANCING - SECURED			
Long term loan from Pak Brunei Investment Company		45,833,348	77,083,346
Term finance against purchase of machinery from Bank Al-Habib Limited		15,631,000	21,750,000
Term Loan For Salary & Wages Under SBP Refinance Scheme from Bank Al-Habib Limited		-	15,039,310
Finance of Machinery in SBP (TERF) from Bank Al-Habib Limited		42,615,004	51,817,114
Term Finance under RFCC from Bank of Punjab		-	296,745,885
		104,079,352	462,435,655
Deferred Grant		-	(51,568,138)
Current Portion shown under current liabilities		(77,719,648)	(160,693,774)
		26,359,704	250,173,743
5.1	There has been no change in the terms and conditions as disclosed in note 7 to the companies financial statements for the year ended June 30, 2022.		
6 DEFERRED GRANT			
As at 01 July		46,671,793	9,273,279
Received during the year		-	51,568,138
Amortization and Derecognition of Grant		(40,675,958)	(14,169,624)
		5,995,835	46,671,793
Current potion		(3,043,317)	(14,505,760)
As at Period/ Year End		2,952,518	32,166,032
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		4,829,321	6,040,936
Later than one year but not later than five years		5,014,772	7,254,819
		9,844,093	13,295,755
Less: Finance charge		(1,709,926)	(2,256,682)
		8,134,167	11,039,073
Less: Current maturity of long term obligation		(3,879,749)	(4,771,664)
		4,254,418	6,267,409
Payable within one year		3,879,749	4,771,664
Payable after one year		4,254,418	6,267,409
		8,134,167	11,039,073
8 CONTINGENCIES AND COMMITMENTS			
The Company has filed Writ Petition before the Honorable Lahore High Court challenging the ultra vires of section 4C of the Income Tax Ordinance, 2001. The Honorable Lahore High Court has granted interim relief in the afore-mentioned petition till the final decision of Court. The financial impact of Super Tax u/s 4C of the Income Tax Ordinance, 2001 amounting to Rs. 102.56 million for Tax Year 2022 has been already recognized.			
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 except mentioned above.			
9 PROPERTY PLANT & EQUIPMENT			
Operating fixed assets	9.1	2,193,169,165	2,228,126,382
Right of Use Assets	9.2	14,342,580	15,936,200
		2,207,511,745	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	9.1.1	7,022,116	586,125,362
Disposal during the period/year		-	-
		7,022,116	586,125,362
Depreciation charged for the period/ year		(41,979,333)	(72,844,590)
Closing written down value		2,193,169,165	2,228,126,382
9.1.1	Details of additions during the period/year as follows:		
Freehold Land		-	372,308,325
Building on Freehold Land		-	94,373,453
Plant & Machinery		1,205,000	107,345,432
Vehicles		-	49,500
Office Equipments		4,910,903	1,904,698
Furniture and Fixtures		906,213	8,019,893
Computers		-	2,124,061
		7,022,116	586,125,362

	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	-----Rupees-----	
9.2 Right of Use Assets		
Opening Balance	15,936,200	19,920,250
Addition during the period/year	-	-
Depreciation charged during the period/year	(1,593,620)	(3,984,050)
Closing Balance	14,342,580	15,936,200

10 OTHER INCOME

Other Income represents Profits on Savings accounts, Profit on Term Deposits Receipts, dividend income, amortisation of grant income and gain/(Loss) on investment in shares.

11 TRANSACTION WITH RELATED PARTIES

The Related parties comprise principal shareholders and their affiliates, directors, companies with common directorship and key management personnel. Detail 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:

	Half year ended	
	December 31, 2022 (Un-audited)	December 31, 2021 (Un-audited)
	-----Rupees-----	

11.1 Transaction for the period

Nature	Relationship		
Salary	CEO	6,600,000	4,200,000
Salary	Directors	10,200,000	5,700,000
Dividend Paid	CEO	-	60,750,000
Dividend Paid	Directors	-	101,249,982
Meeting Fees	Directors	370,000	555,000

11.2 Balance as at period/year end

Name of Related Party	Nature	Relationship		
- Yaqeen Developers Limited	Investment	Associated	254,540,900	254,540,900
- Short Term Loan from directors	Loan	Directors	12,200,000	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, 200 bed hospital facility.

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%	82,355,978	(67,644,022)
Procurement of Plant and Machinery	405,194,500	20%	196,047,744	(209,146,756)
	555,194,500	27.28%	278,403,722	(276,790,778)
Formulation Segment				
Civil Works	250,000,000	12%	110,854,595	(139,145,405)
Procurement of Plant and Machinery	307,630,000	15%	169,954,802	(137,675,198)
	557,630,000	27.40%	280,809,397	(276,820,603)
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	45.33%	-	(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	-

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, 2022. 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).

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: those involving inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets - fair value through profit or loss				
- Short-term investment (shares of PSX)	140,027,434	-	-	140,027,434
	December 31, 2021			
Financial assets - fair value through profit or loss				
- Short-term investment (shares of PSX)	117,722,622	-	-	117,722,622

14 SEGMENT REPORTING

The chief operating decision maker (i.e. the Board of Directors) consider the whole business as one operating segment.

15 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **February 27, 2023** 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 Officer
Chief Financial Officer
Director