

CONDENSED INTERIM THREE MONTHS FINANCIAL STATEMENTS SEPTEMBER 30, 2024

CITI PHARMA LIMITED

Email: info@citipharma.com.pk

Website: www.citipharma.com.pk

Tel: 042 - 35316587

Address: 588-Q, Johar Town Lahore



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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Nadeem Amjad
Chairman

Mr. Rizwan Ahmad
Chief Executive Officer

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

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)

Chief Financial Officer

Mr. Asif Iqbal

Company Secretary & Head of Legal

Mr. Ghulam Dastgeer

Head of Internal Auditor

Muhammad Ishaq

External Auditors

Aslam Malik & Co.
Chartered Accountants

Legal Advisors

Mr. Harron Farrukh

Share Registrar

F.D Registrar Services (Pvt) Ltd

Bankers

Habib Metropolitan Bank Limited
Habib Bank Limited- Islamic
Pak Brunei Investment Company Limited
Samba Bank Limited
Soneri Bank Limited
Bank of Punjab Limited
National Bank of Pakistan
Bank Al Habib Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

Head Office

588-Q Block, M.A., Johar Town, Lahore
Tel: +92-42-35316587

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.citipharma.com.pk

DIRECTORS' REPORT

We are pleased to present the unaudited condensed interim financial statements of the Company for the first quarter ended September 30, 2024. 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

During the period under review, the Company experienced an increase in turnover, reaching PKR 3,244.6 million, a growth of 19.38% compared to PKR 2,701.2 million in the corresponding period. Gross profit also rose significantly, amounting to PKR 428.513 million, up from PKR 246.467 million in the corresponding period. Profit after tax stood at PKR 201 million, reflecting a 103% increase over the corresponding period. This substantial rise in profitability was driven by increased formulation sales, lower material costs due to the use of our own API in formulation production, well-managed financial expenses and reduced electricity expenses resulting from the transition to solar energy.

FUTURE CHALLENGES & PROSPECTS

Looking forward, Citi Pharma Limited remains cautiously optimistic about its growth trajectory despite prevailing challenges. The current political climate, high tax rates and ongoing geopolitical conflicts, coupled with inflationary pressures within the country, continue to affect the pharmaceutical industry. Rising costs of raw materials and utilities have created a challenging environment, impacting operational expenses and tightening profit margins across the industry.

Nonetheless, Citi Pharma's strategic initiatives provide a promising outlook. The robust sales performance in our formulation segment, combined with our recent joint ventures, has fortified our market position and allowed us to mitigate some of the effects of these external pressures. Management remains confident that the increasing momentum in formulation sales, along with our expansion plans, positions the company for sustained growth and resilience in the face of ongoing economic headwinds.

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

For and on behalf of the Board



(Rizwan Ahmad)

Chief Executive Officer



(Nadeem Amjad)

Director

Lahore

Dated: October 29, 2024

ڈائریکٹر رپورٹ

ہم 30 ستمبر، 2024 کو ختم ہونے والی تین ماہی کے لئے کمپنی کے غیر آڈٹ شدہ عبوری مالیاتی گواہوں کو پیش کرتے ہوئے خوش ہیں۔ یہ مالی بیانات بین الاقوامی اکاؤنٹنگ اسٹینڈرڈ (آئی اس اے س) 34 'عبوری مالی رپورٹنگ' کے تقاضوں کے مطابق تیار کیے گئے ہیں اور ڈائریکٹر رپورٹ کی تیار کیا گیا ہے۔ 2017 اور بعد کمپنیوں کے 12 ہواں سیکشن (کوڈ آف کارپورٹ گورننس) قواعد و ضوابط، 2019 کے سیکشن 227 کے مطابق تیار کی گئی ہے۔

بورڈ کی تشکیل

ڈائریکٹری کی کل تعداد تین افراد ہیں جن کے مطابق 7 ہے:

- 1- مرد حضرات 5
2- خواتین 2

سیریل نمبر	کیتگری	نام
1	آزاد ڈائریکٹر	1- جناب عبدالجلیل شیخ 2- مسٹر مفرزین خان
2	انگریز کینڈیڈیٹ ڈائریکٹر	1- جناب رضوان احمد 2- جناب ڈاکٹر ضمیر الحسن شاہ
3	انگریز کینڈیڈیٹ ڈائریکٹر	1- جناب مدیم امجد 2- جناب محمد قیوم 3- مسٹر مد سائرہ عالم

مالی جھلکیاں

زیر غور مدت کے دوران، کمپنی نے کاروبار میں اضافے کا تجربہ کیا، جو 3,244.6 ملین روپے تک پہنچ گیا، جو اس سے قبل 2,701.2 ملین روپے کے مقابلے میں 19.38 فیصد اضافہ ہے۔ مجموعی منافع میں بھی نمایاں اضافہ ہوا جو اس سے قبل 246.467 ملین روپے سے بڑھ کر 428.513 ملین روپے ہو گیا۔ بعد ازاں منافع 201 ملین روپے رہا جو اس سے قبل 103 فیصد اضافے کو ظاہر کرتا ہے۔ منافع میں یہ خاطر خواہ اضافہ فارمیٹیشن کی فروخت میں اضافے، فارمیٹیشن کی پیداوار میں ہمارے سچے پائے آئی کے استعمال کی وجہ سے کمزوری اخراجات، باجی طرح سے منظم مالی اخراجات اور شمس توانائی میں منتقلی کے نتیجے میں پیش کی گئی اخراجات میں کمی کی وجہ سے ہوا۔

مستقبل کے چیلنجز اور امکانات


سچی فارما لیمیٹڈ موجودہ چیلنجز کے باوجود اپنی ترقی کی راہ کے بارے میں متناظر طور پر پرامید ہے۔ موجودہ سیاسی ماحول، ٹیکس کی پابندیوں اور جاری جغرافیائی سیاسی تنازعات کے ساتھ ساتھ ملک کے اندر فرما لار کے

دیاؤنے معیشت کو متاثر کرنا جاری رکھا ہوا ہے۔ دو سازی کی صنعت، خام مال اور پمپلیٹیور کی برہمتی ہونی لاگت نے ایک چیلنج ماحول پیدا کیا ہے جس سے آپریشنل اخراجات متاثر ہوئے ہیں اور صنعت بھر میں منافع کے مارجن کو سخت کیا گیا ہے۔

بہر حال، شی فارما کے ستر جنک اقدامات ایک میڈیافرنہ نقطہ نظر فراہم کرتے ہیں۔ ہمارے فارمولیشن سیکٹ میں فروخت کی مضبوط کارکردگی، ہمارے حالیہ مشترکہ منصوبوں کے ساتھ مل کر، نے ہماری مارکیٹ پوزیشن کو مضبوط کیا ہے اور ہمیں ان بیرونی دباؤ کے چھٹاڑات کو کم کرنے کی اجازت دی ہے۔

انتظامیہ کو یقین ہے کہ فارمولیشن کی فروخت میں برہمتی ہونی وقتاً ساتھ ساتھ سستی منصوبوں کے ساتھ، کچھ کو جاری معاشی مشکلات کا سامنا کرنے کے لئے پائیدار ترقی اور پلک کے لئے کھڑا کرتی ہے۔ ہم رنگولیزی تعاون اور مسلسل حمایت پر کام چھٹاڑوں، ہمارے کارکنوں، دکھتاروں، ملازمین اور دستیار سٹیک ہولڈرز کے بہت شکر گزار ہیں۔

بورڈ کے لئے اور بورڈ کی طرف سے



(رضوان احمد)
چیف ایگزیکٹو آفیسر

لاہور

سورس: 29 اکتوبر 2024



ندیم امجد
چیف ایگزیکٹو آفیسر

CITI PHARMA LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

	Note	(UN-AUDITED) SEPTEMBER 30, 2024 Rupees	AUDITED JUNE 30, 2024 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			
Issued, subscribed and paid up capital		2,284,612,000	2,284,612,000
Share Deposit Money		-	-
Capital Reserves			
Share Premium		1,391,532,000	1,391,532,000
Surplus on revaluation of freehold land		309,294,525	309,294,525
		1,700,826,525	1,700,826,525
Revenue Reserve			
Unappropriated Profit		1,849,187,934	1,647,690,917
		5,834,626,459	5,633,129,442
NON-CURRENT LIABILITIES			
Long Term Financing - Secured		-	-
Deferred Liabilities		210,100,366	206,710,153
Deferred Grant		-	-
Lease Liabilities	6	-	-
		210,100,366	206,710,153
CURRENT LIABILITIES			
Trade and other payables		4,026,609,016	3,563,513,261
Due to Related Parties		28,970,000	43,420,000
Short Term Borrowings-Secured		1,419,296,350	1,393,095,588
Current Portion of Long Term Financing-Secured		11,894,429	18,865,031
Unclaimed Dividend		1,389,901	1,389,901
Accrued Mark Up		56,251,021	71,473,816
Provision for taxation		606,242,124	470,831,450
		6,150,652,841	5,562,589,047
Contingencies and Commitments	7	-	-
		12,195,379,666	11,402,428,642
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	3,382,657,555	3,399,650,337
Capital Work in Progress		152,599,615	152,599,615
Long term Security Deposits		23,645,564	20,217,776
Long Term Advance		254,540,900	254,540,900
		3,813,443,634	3,827,008,628
CURRENT ASSETS			
Stock in Trade		3,678,625,359	3,203,374,300
Trade Debts- Unsecured		2,440,248,549	2,160,059,406
Advances, Deposits, prepayments & other Receivables		941,251,731	817,795,801
Short Term Investments		1,265,903,520	1,306,290,577
Cash and Bank Balances		55,906,871	87,899,930
		8,381,936,031	7,575,420,014
		12,195,379,666	11,402,428,642

Auditor's report is annexed.

The annexed notes form an integral part of these 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, 2024

	Note	SEPTEMBER 30, 2024 Rupees	SEPTEMBER 30, 2023 Rupees
Turnover -Net		3,224,644,817	2,701,228,267
Cost of sales		(2,796,131,798)	(2,454,760,271)
Gross profit		428,513,018	246,467,996
Administrative and general expenses		46,396,931	48,262,551
Marketing and distribution expenses		40,695,519	38,634,053
		(87,092,449)	(86,896,605)
Operating Profit		341,420,569	159,571,391
Financial Charges		(64,573,618)	(86,808,489)
		276,846,952	72,762,902
Other income		92,221,819	106,208,183
		369,068,771	178,971,084
Other Expenses		(28,770,866)	(12,344,735)
Profit before income taxes and final taxes		340,297,905	166,626,349
Taxation - Final taxes		(4,004)	(30,353)
Profit before income tax		340,293,901	166,595,996
Taxation - Income tax		(138,796,883)	(72,144,456)
Profit after Taxation		201,497,017	94,451,539
Earnings per share- basic and dilutive (Rupees)		0.88	0.41

The annexed notes form an integral part of these 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, 2024

	Note	SEPTEMBER 30, 2024 Rupees	SEPTEMBER 30, 2023 Rupees
Profit for the period		201,497,017	94,451,539
Other comprehensive income/ (loss)		-	-
Items that will not be subsequently reclassified in profit or loss:			
Other comprehensive income for the period		-	-
Total comprehensive income/(loss) for the period		201,497,017	94,451,539

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



Chief Executive



Chief Financial Officer



Director

CITI PHARMA LIMITED
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD ENDED SEPTEMBER 30, 2024

PARTICULARS	SHARE CAPITAL	SHARE DEPOSIT MONEY	CAPITAL RESERVES		REVENUE RESERVES	TOTAL
			SURPLUS ON REVALUATION OF FREEHOLD LAND	SHARE PREMIUM	UN-APPROPRIATED PROFIT	
			----- Rupees -----			
Balance as at June 30, 2023 (Audited)	2,284,612,000	-	309,294,525	1,391,532,000	1,387,634,786	5,373,073,310
Total Comprehensive income for the period	-	-	-	-	94,451,539	94,451,539
Balance as at September 30, 2023- (Un-audited)	2,284,612,000	-	309,294,525	1,391,532,000	1,482,086,324	5,467,524,849
Balance as at June 30, 2024 (Audited)	2,284,612,000	-	309,294,525	1,391,532,000	1,647,690,917	5,633,129,442
Total Comprehensive income for period	-	-	-	-	201,497,017	201,497,017
Balance as at September 30, 2024- (Un-audited)	2,284,612,000	-	309,294,525	1,391,532,000	1,849,187,934	5,834,626,459

The annexed notes form an integral part of these 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, 2024

	SEPTEMBER 30, 2024 Rupees	SEPTEMBER 30, 2023 Rupees
CASH FLOWS FROM OPEARTING ACTIVITIES		
Profit/ (Loss) Before Taxation	340,297,905	166,626,349
Adjustments For Non- Cash Items And Other Line Items:		
Depreciation	41,085,326	31,186,520
Gratuity Expense	-	5,425,162
Unrealized Exchange gain	-	19,617,724
Amortisation of Deferred Grant	(582,494)	(648,992)
Unrealized Gain on Investment in Shares	(2,703,600)	-
Accrued Interest	(8,541,847)	-
Financial Charges	64,573,618	86,808,489
Worker's Profit Participation Fund	18,268,904	8,948,554
Worker's Welfare Fund	6,811,274	3,396,181
	118,911,180	154,733,638
Profit/ (Loss) before working capital changes	459,209,085	321,359,987
Effect of working capital changes		
Advances, Deposits And Prepayments	47,491,491	(12,278,781)
Trade Debts	(280,189,144)	119,188,132
Stock In Trade	(475,251,059)	(24,310,323)
Trade and other payables	438,015,577	(124,412,857)
	(269,933,135)	(41,813,829)
Financial Charges Paid	(79,796,413)	(76,962,983)
Income Tax Paid	(163,897,944)	(156,871,282)
	(243,694,357)	(233,834,265)
Net cash flow from operating activities	(54,418,407)	45,711,893
	A	
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property And Equipment	(24,092,544)	(12,929,268)
Capital Work in Progress	-	(20,682,836)
Long Term Security Deposits	(3,427,788)	-
Short Term Investments	-	43,115,349
Net cash flow from investing activities	(27,520,333)	9,503,246
	B	
CASH FLOW FROM FINANCING ACTIVITIES		
Long-term loans repaid	(5,516,511)	(14,239,352)
Liability Against Assets Subject To Finance Lease	(871,597)	(1,327,310)
Due to Related Parties	(14,450,000)	(162,565,000)
Short Term Borrowings	26,200,762	103,827,224
Net Cash flow From financing Activities	5,362,653	(74,304,438)
	C	
Net Increase/ (Decrease) In Cash And Cash Equivalents	(76,576,086)	(19,089,299)
	A+B+C	
Cash And Cash Equivalents At Beginning of the Year	1,278,333,631	1,411,532,062
Cash And Cash Equivalents at End Of The Year	1,201,757,544	1,392,442,763
Cash and cash equivalents comprise of:		
Cash in hand	3,584,692	325,341
Cash at bank	52,322,179	43,340,435
Short Term Investments	1,145,850,673	1,348,776,987
	1,201,757,544	1,392,442,763

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


Chief Executive


Chief Financial Officer


Director

4 Issued, subscribed and paid up capital

117,692,000 ordinary shares (2024: 117,692,000) of fully paid in cash	1,176,920,000	1,176,920,000
110,769,200 ordinary shares (2024: 110,769,200) of Rs. 10 each issued as fully paid bonus shares	1,107,692,000	1,107,692,000
	2,284,612,000	2,284,612,000

5 LONG TERM FINANCING - SECURED

Finance of Machinery in SBP (TERF) from Bank Al-Habib Limited	7,342,489	12,859,000
	7,342,489	12,859,000
Deferred Grant	-	-
Current Portion shown under current liabilities	(7,342,489)	(12,859,000)
	-	-

6 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	4,687,180	5,695,549
Later than one year but not later than five years	-	-
	4,687,180	5,695,549
Less: Finance charge	(135,240)	(272,012)
	4,551,940	5,423,537
Less: Current maturity of long term obligation	(4,551,940)	(5,423,537)
	-	-
Payable within one year	4,551,940	5,423,537
Payable after one year	-	-
	4,551,940	5,423,537

- 6.1 The Company entered into lease agreements with financial institutions to acquire vehicles. The liabilities under the lease agreements are payable in equal monthly instalments and are subject to finance charges at the rate 6 months KIBOR + 2.5% per annum (June 30, 2024 : 6 months KIBOR + 2.5% per annum). The lease liabilities are secured against security deposits, post dated cheques and also secured against financed vehicles.

7 CONTINGENCIES AND COMMITMENTS

7.1 Commitments

Letters of credit issued by various banks on behalf of the Company in ordinary course of the business (outstanding at period end)	3,575,793,805	2,929,557,768
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8 PROPERTY PLANT & EQUIPMENT

Operating fixed assets	8.1	3,377,412,332	3,393,093,808
Right of Used Assets	8.2	5,245,223	6,556,529
		3,382,657,555	3,399,650,337

8.1 Operating Fixed Assets

Opening Written down value as at July 01	3,393,093,808	3,039,139,260
Addition during the period/year	24,092,544	485,982,640
Disposal during the period/year	-	21,560,200
	3,417,186,352	3,546,682,099
Depreciation charged for the period/ year	39,774,020	153,588,292
	3,377,412,332	3,393,093,808

	(UN-AUDITED) September 30, 2024	AUDITED June 30, 2024
	Rupees	
Opening Balance	6,556,529	12,748,960
Transfer during the period	-	3,642,639
Depreciation charged during the period/year	1,311,306	2,549,792
Closing Balance	5,245,223	6,556,529

9 TRANSACTION WITH RELATED PARTIES

The related parties comprise associated undertakings, other related companies and key management personnel. The Company in the normal course of business carried out transactions with related parties at arms length basis.

Nature / name of related party and basis of relationship	% of Shareholding	Nature of Transactions	September-24	September-23
Associated Companies			Rupees	
- Citi Technologies (Pvt.) Ltd. (Common Directorship)	-	Loan Recovered/(Repaid)	19,669,150	(106,465,000)
- Yaqeen Developers Ltd. (Common Directorship)	-	Markup Income	13,669,892	14,756,398
Directors				
- Mr. Rizwan Ahmad (Directorship / CEO)	-	Loan Repaid	(16,770,000)	(56,100,000)

10 REMUNERATION OF CHIEF EXECUTIVES, DIRECTORS AND EXECUTIVES

	2024			
	Chief Executive	Directors	Executives	Total
Managerial remuneration	3,475,000	5,031,640	12,767,542	21,274,182
Bonuses	-	-	-	-
Meeting Fees	-	370,000	-	370,000
	3,475,000	5,401,640	12,767,542	21,644,182
No. of persons	1	3	18	22
	2023			
	Chief Executive	Director	Executives	Total
Managerial remuneration	3,300,000	1,700,000	11,490,788	16,490,788
Bonuses	-	-	-	-
Meeting Fees	-	185,000	-	185,000
	3,300,000	1,885,000	11,490,788	16,675,788
No. of persons	1	6	11	16

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%	150,000,000	-
Procurement of Plant and Machinery	405,194,500	20%	405,194,500	-
	555,194,500	27.28%	555,194,500	-
Description	Funds Required (Rupees)	Allocation (%)	Actual Expenditure (Rupees)	Excess/ (Less) Incurred (Rupees)
Formulation Segment				
Civil Works	250,000,000	12%	250,000,000	-
Procurement of Plant and Machinery	307,630,000	15%	307,630,000	-
	557,630,000	27.40%	557,630,000	-
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	108,902,639	37%	108,902,639	-
IPO Expenses	127,667,864	44%	127,667,864	-
	290,768,000	100%	290,768,000	-

12 DATE OF AUTHORIZATION FOR ISSUE

The financial statements have been authorized for issue on October 29, 2024 by the board of directors of the company.

13 GENERAL

Figures have been rounded off to the nearest Pak Rupees, unless otherwise stated.



Chief Executive



Chief Financial Officer



Director