

ANNUAL REPORT  
**2025**



**CITI PHARMA LIMITED**



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# COMPANY INFORMATION

## Board of Directors

### Mr. Nadeem Amjad

Chairman

### Mr. Rizwan Ahmad

Chief Executive Officer

### Zameer Ul Hassan Shah

Executive Director

### Ms. Saira Aslam

Non-Executive Director

### Mr. Muhammad Naeem

Non-Executive Director

### Mr. Abdul Jaleel Shaikh

Independent Director

### Ms. Saima Shafi Rana

Independent Director

## Audit Committee

Mr. Abdul Jaleel Shaikh

(Independent Director)

Mr. Nadeem Amjad

(Non-Executive Director)

Mr. Muhammad Naeem

(Non-Executive Director)

Mr. Ghulam Dastgeer

(Secretary to Audit Committee)

## Human Resource & Remuneration Committee

Ms. Saima Shafi Rana

(Independent Director)

Mr. Zameer Ul Hassan Shah

(Executive Director)

Mr. Rizwan Ahmad

(Executive Director)

Mr. Ghulam Dastgeer

(Secretary to HR & Remuneration  
Committee)

## Chief Financial Officer

Mr. Asif Iqbal

## Company Secretary

Mr. Ghulam Dastgeer

## Head of Internal Auditor

Muhammad Ishaq

## External Auditors

Aslam Malik & Co

Chartered Accountants

## Legal Advisor's

M. Haroon Farrukh

Lawmen Associates

## Share Registrar

F.D Registrar Services (Pvt) Ltd

## Bankers

Habib Bank Limited (Islamic)

Meezan Bank Limited

Bank Al Habib Limited

United Bank Limited

The Bank of Punjab

The Bank of Khyber

National Bank of Pakistan

Samba Bank Limited

Soneri Bank Limited

The Pak Brunei Investment Company Limited

Askari Bank Limited

Standard Chartered Bank (Pakistan) 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](mailto:corporate@citipharma.com.pk)

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

# CHAIRMAN'S REVIEW

## ON BOARD'S OVERALL PERFORMANCE U/S 192 OF THE COMPANIES ACT 2017

This review report has been provided under the requirement of section 192 of the Companies Act 2017.

It is my distinct privilege to present the Chairman's Review Report to the shareholders on the performance and effectiveness of the Board in steering Citi Pharma Limited towards its strategic objectives during the financial year ended 30 June 2025.

### Review of Overall Performance of the Board

The Board of Directors has continued to provide strong governance, strategic vision and effective oversight throughout the year. Several key initiatives, including the strengthening of international collaborations, expansion into new therapeutic segments and efficient cost management measures, were approved and implemented under the guidance of the Board.

In line with its responsibilities, the Board has remained focused on risk management, compliance and sustainability. The Company has further enhanced its adherence to regulatory requirements, particularly in health, safety and environmental standards, ensuring Citi Pharma Limited's reputation as a responsible and forward-looking organization.

The Board also prioritized the establishment of new ventures, including initiatives in veterinary pharmaceuticals and research facilities, which are expected to diversify revenue streams and create long-term shareholder value. By fostering innovation, encouraging adaptability and reinforcing strong corporate governance practices, the Board has ensured Citi Pharma Limited remains agile in responding to evolving market dynamics.

After conducting a comprehensive assessment, we are pleased to confirm that the overall performance

of the Board and its committees during the year have been satisfactory, effective and in line with best governance standards.

### Future Outlook

Looking ahead, the Board remains optimistic about Citi Pharma Limited's growth trajectory. With expanding collaborations, diversification into new sectors and continued emphasis on operational excellence, the Company is well-positioned to achieve stronger financial results in the coming years. The Board reaffirms its commitment to sustainable growth, innovation and creating long-term value for all stakeholders.

### Acknowledgment

On behalf of the Board, I extend my sincere appreciation to our shareholders for their trust, to our employees for their dedication and to our stakeholders and partners for their continued support. The unwavering commitment of our teams has been central to the success achieved in 2025.



**Nadeem Amjad**  
Chairman

Date: October 02, 2025

# CEO MESSAGE

I am honored to once again address our esteemed shareholders, partners and employees, as we reflect on the performance of Citi Pharma Limited for the financial year ended 30 June 2025. This year, much like the last, was shaped by a complex global and domestic landscape marked by geopolitical tensions, inflationary pressures and continued economic and political uncertainty in Pakistan. Despite these challenges, Citi Pharma Limited has sustained its growth trajectory, strengthened its foundations and delivered solid results across all segments of its operations.

During the year under review, the pharmaceutical industry continued to experience pricing pressures, raw material volatility and regulatory challenges. Yet, through effective planning, operational discipline and the resilience of our team, Citi Pharma not only overcame these headwinds but also made tangible progress on its strategic priorities. Gross profit margins improved compared to last year, earnings grew steadily and we further diversified our portfolio to better position ourselves in the local and export markets.

We remain mindful of the macroeconomic headwinds that persist, particularly in terms of fiscal adjustments and fluctuating interest rates. However, Citi Pharma Limited is well-prepared to navigate these challenges through forward and backward integration, strategic collaborations and investment in advanced technologies aimed at improving efficiency and reducing external dependencies.

Significant strides have also been made on our healthcare initiatives, particularly in the development of high-value therapeutic areas, including oncology and biosimilars, as well as the establishment of a Bioequivalence & Research Center and veterinary pharmaceuticals and research facilities, which remain central to our long-term vision. These projects, coupled with expansion in our API and formulation

facilities, reflect our commitment not only to business growth but also to contributing meaningfully to Pakistan's healthcare and education sectors.

At the heart of our success remains our dedication to protecting the interests of all stakeholders. We continue to prioritize sustainable returns, strong governance practices and prudent risk management. The trust placed in us by our investors, customers and employees is our greatest strength and we remain fully committed to honoring it.

Looking forward, Citi Pharma is determined to build on the momentum achieved in FY 2025. With new growth opportunities emerging in both domestic and international markets, a strengthened balance sheet and a highly motivated team, we are confident of continuing to deliver value to our stakeholders.

I extend my heartfelt gratitude to all our stakeholders including shareholders and customers, for their steadfast trust and support during these trying times. Together, let us seize the opportunities that lie ahead and strive for another successful chapter in our journey.



**Rizwan Ahmad**  
Chief Executive

Date: October 02, 2025



## VISION STATEMENT

We aim to be among the top pharmaceutical companies in Pakistan by constantly evolving and bringing home innovative products in healthcare segment.

## MISSION STATEMENT

Citi Pharma's mission is to dedicate itself exceptional value through creation of innovative & cost-effective pharma products and develop a corporate culture that rewards initiative, enthusiasm and ethical practices.

## DIRECTOR'S PROFILE



**Mr. Nadeem Amjad**

Chairman

Mr. Amjad is also an early age entrepreneur with over 3 decades of profession business experience. Early on in his career, he has remained involved with trading businesses, dealing in Jewelry, Computer Micro-chips & Hardware, Telecommunications business.

He is a well-organized entrepreneur with an impeccable reputation of successful business ventures across the far east, middle east and Pakistan. He was the person behind the growth of the family businesses into various fields as well as geographies. He expanded the family business into the Hong Kong Real Estate business as well as hospitality.

He holds an MBA from University of London.



**Mr. Rizwan Ahmad**

CEO

Mr. Rizwan Sheikh is the Chief Executive Officer of the Company. He is widely recognized as one of the leading thought leaders, entrepreneurs and Chief Executives in Pakistan's pharma sector.

Mr. Sheikh entered into the world of business at an early age, when he joined the family telecommunications business under the name of Citi Phones (Pvt.) Limited. He gained considerable success as he graduated the business from a retailer to an importer. Later on, he joined the family business in Hong Kong and ventured into telecommunications, real estate, hospitality (restaurants) and pharma (API) trading. In 2007, Mr. Sheikh established a mobile phone manufacturing plant in Chinese province of Shenzhen and set up a trading company, "Discover Wireless" in Dubai, UAE. Since 2012, he has been spearheading CPHL successfully, transforming the Company from a loss-making entity to a profitable one.

Mr. Rizwan holds an LLB (Bachelors of Law) from University of Punjab. After completing his bachelors, he studied law further from the University Law College.

Until recently, he was a Member Board of Management, Pakistan Drugs Testing and Research Center (a Government of Punjab undertaking), which is an independent contract research organization carrying out drugs' testing and bioavailability/bioequivalence (BA/BE) studies and providing clinical, analytical and bio analytical chemistry services. He was also a member of the Expert Panel (Ministry of Health, Pakistan) for inspection of bioequivalence centers.

# DIRECTOR'S PROFILE



**Mr. Abdul Jaleel Sheikh**

Independent Director

Mr. Shaikh has been associated with Pak Brunei since inception and is currently serving as the Chief Risk Officer. Mr. Shaikh carries with him over four decades of diversified professional work experience in Project Management & Civil Engineering, Corporate and Project Finance, Project Monitoring, Special Asset Management, Credit and General Administration. Mr. Shaikh worked as a civil engineer for ten years in Saudi Arabia before joining Saudi Pak Industrial & Agricultural Investment Company. He remained with Saudi Pak for over twenty years and was a key member of the senior management team involved in all strategic business decisions. He represented Saudi Pak on the boards of various manufacturing and service sector companies, many of which were newly established companies and subsidiaries. Amongst other, these included Saudi Pak Commercial Bank, Saudi Pak Insurance Company, Fecto Cement Co. Ltd., and First General Modaraba Services (Pvt) Limited. Currently, he represents Pak Brunei as nominee director for Primus Leasing Limited, Awwal Corporate Restructuring Company limited and Awwal Modaraba Management Limited. He is also an independent director on the Boards of Nimir Industrial Chemicals Limited, Citi Pharma Limited and Yaqeen Developers Private Limited. Mr. Shaikh brings an in-depth knowledge of markets and detailed understanding of systems for efficient operations. He is a key member of all management committees driving operational and strategic direction of the Company.



**Saima Shafi Rana**

Independent Director

Saima Shafi Rana is a seasoned professional with more than a decade of experience in capital markets regulation, compliance, corporate governance, and business development across sectors including financial markets, technology, and fashion. She brings strong expertise in regulatory frameworks, international growth strategies, and strategic leadership at the board level.

Ms. Rana began her career at the Securities and Exchange Commission of Pakistan (SECP), where she dedicated nearly 12 years to advancing the regulatory framework for the demutualization of stock exchanges in Pakistan. Her work involved overhauling legal structures for intermediaries, conducting inspections and investigations to enforce compliance with securities laws, and contributing to initiatives that enhanced market governance. Additionally, she played a key role in the Financial Market Governance Program (FMGP) and collaborated

with the Asian Development Bank (ADB) on the Second Tranche Conditions of ADB's Financial Market (Non-Bank) Governance Program.

She has held the position of Director of International and Local Business Development & Event Management at Urban Silhouette, an apparel and fashion brand. Additionally, she is a certified board director with extensive experience serving on the boards of listed companies.

## DIRECTOR'S PROFILE



**Mrs. Saira Aslam**

Non-Executive Director

Mrs. Saira Aslam is an Bsc from Lahore Garrison College and is associated with CPHL as a Director. She actively participates in the philanthropy in the city of Lahore and is considered to be one of the active philanthropists in the city.



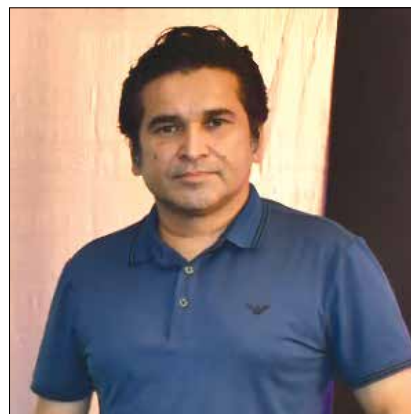
**Dr. Zameer UI Hassan**

Director

Dr. Shah is an experienced pharmaceutical sector professional with over 2 decades of experience in leading local and MNC companies. He is currently working as Director Operations of CPHL and is in charge of all production related matters. Prior to joining CPHL in 2002, Dr. Shah was involved with leading pharma sector players such as Global Pharmaceuticals (Pvt.) Limited, Caraway Pharmaceuticals, Cirin Pharmaceuticals Pvt. Limited, Merck Marker in Pakistan. He has also worked internationally with Tabuk Pharmaceutical Manufacturing Company "â€" Riyadh, Saudi Arabia and Shifa Jeddah Polyclinics.

Throughout his career, he has been involved with the production of various penicillin, cephalosporin and psychotropic medicines.

He has completed his Master of Philosophy in Pharmaceutics from Gomal University (D.I. Khan). During his M. Phil, his thesis was on Bioequivalence Study of 400mg dispersible tablets (deferasirox) in comparison to Asuma 400 mg dispersible tablets by a leading MNC.



**Mr. Muhammad Naeem**

Non-Executive Director

He has more than 25 years of experience in retail sector, covering mostly electronic items and mobile phones. He serves as the Director of Citi Pharma Limited.

# PROFILE OF KEY MANAGEMENT



**Mr. Asif Iqbal**

Chief Financial Officer

Mr. Asif Iqbal has been serving as the Chief Financial Officer at CPHL for the past four years. He has more than 13 years experience which spans various financial matters including raising debt and equity financing, financial reporting, corporate and taxation laws.

Under Mr. Asif Iqbal's astute guidance, CPHL has achieved a significant milestone by successfully listing on the Pakistan Stock Exchange.

Furthermore, his adept management skills played a pivotal role in orchestrating a prosperous Initial Public Offering (IPO) for CPHL in collaboration with renowned financial consultants. Further, CPHL has achieved significant financial growth and stability under his leadership.

Mr. Asif's strategic financial planning has contributed to CPHL's profitability and growth. He has implemented cost-saving measures and optimized financial resources, resulting in improved financial performance for the company.

Mr. Asif's established relationships and sterling reputation within the financial markets have positioned CPHL for sustained growth and success, making him an integral part of our leadership team.

Mr. Asif is a respected member of the Pakistan Institute of Public Finance Accountants. His educational background includes a Certificate in Accounting and Finance (CAF) from the Institute of Chartered Accountants of Pakistan, complementing his practical experience in finance. He also holds Bachelor's in Commerce (B. Com).



**Mr. Ghulam Dastgeer**

Company Secretary

Mr. Ghulam Dastgeer is an accomplished Chartered Accountant with a wealth of experience spanning various industries. He joined Citi Pharma Limited in February 2025 as the Company Secretary, bringing extensive expertise in corporate governance, finance, and business strategy.

Mr. Dastgeer has previously held the position of Head of Department (HOD) at Government Foods, where he was responsible for overseeing key operations and driving organizational growth. Additionally, he served as the Group General Manager at United Group of Industries, where he played a pivotal role in strategic decision-making and managing large-scale business operations.

With his strong financial expertise and skills, Mr. Dastgeer continues to contribute to Citi Pharma Limited's governance and operational excellence.

# DIRECTOR'S REPORT

The Directors of Citi Pharma Limited are pleased to present the Annual Report together with the Audited Financial Statements of the Company for the year ended June 30, 2025.

This Report has been prepared in compliance with the requirements of Section 227 of the Companies Act, 2017, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other applicable laws and regulations.

## PRINCIPAL ACTIVITIES

The principal activity of the company is manufacturing and sale of pharmaceuticals, medical chemicals and botanical products.

## OVERVIEW OF ECONOMY AND BUSINESS

The financial year ended June 30, 2025, witnessed gradual signs of stabilization in Pakistan's macroeconomic environment. Monetary policy was eased during the year and inflationary pressures, though still present, remained relatively lower as compared to the preceding years. These measures, coupled with improvements in external sector performance, helped restore a degree of business confidence across industries.

The pharmaceutical sector continued to demonstrate resilience, supported by sustained demand for both essential medicines and specialized formulations. Rising healthcare awareness, population growth and ongoing government focus on strengthening the regulatory framework provided a steady platform for growth.

However, challenges persisted, particularly relating to drug pricing regulations and the industry's reliance on imported Active Pharmaceutical Ingredients (APIs) and packaging material which exposed manufacturers to exchange rate fluctuations and supply chain risks. Active engagement with the Drug Regulatory Authority of Pakistan (DRAP) remained essential to ensure a balance between patient affordability and the sustainability of local manufacturers.

Despite these challenges, the industry benefitted from positive developments including increased emphasis

on local API production, expansion of export markets and opportunities arising through international collaborations. Pharmaceutical exports continued to show encouraging growth, particularly to USA, Africa and the Middle East. Overall, with easing inflation, a more accommodative monetary policy and structural opportunities in domestic and export markets, the pharmaceutical industry remains on a growth trajectory. Citi Pharma Limited, with its strategic expansion, partnerships with international players and focus on both API and formulation segments, is well positioned to leverage these opportunities and deliver sustainable growth in the coming years.

## OVERVIEW OF FINANCIAL PERFORMANCE

During the year under review, the Company achieved a sales revenue of PKR 13.15 billion, reflecting a growth of 6% over the previous year. The gross profit margin improved to 15%, compared to 12.4% in the preceding year, demonstrating enhanced operational efficiency and better cost management. Net profit for the year increased from PKR 833 million to PKR 892 million while Earnings Per Share (EPS) rose from PKR 3.65 to PKR 3.90, showing consistent improvement in shareholders' value.

This growth has been achieved despite the Company's ongoing investment in the commercial sector, underscoring the resilience of our business model and the strength of our core operations. The improved margins and profitability position, the Company on a stronger footing to deliver sustainable growth in the coming years.

## EARNING PER SHARE

The diluted earnings per share for the current year is Rs. 3.90, compared to Rs. 3.65 last year, indicating a steady increase in profit margins.

## DIVIDEND

Your Company remains committed to delivering exceptional returns to its shareholders. Based on the strong performance reported, the directors are pleased to announce a final cash dividend of Rs. 3.5 per share, representing a 35% payout.

# DIRECTOR'S REPORT

## COMPOSITION OF BOARD OF DIRECTORS

Citi Pharma Limited has an independent and objective Board of Directors, ensuring sound governance and balanced decision-making. The roles of the Chairman and the Chief Executive Officer are distinct, with each having a clearly defined role and responsibility. Additionally, the Audit and HR Committees are both chaired by independent directors, further enhancing the Board's impartiality.

The Board is composed of seven members, including two female directors and five male directors. The current composition of the Board is as follows:

Sr. No.	Category	Name
1	Independent Director	1. Mr. Abdul Jaleel Shaikh 2. Ms. Saima Shafi Rana
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

## COMMITTEES OF THE BOARD

### a. Audit Committee

Audit committee comprises of three members from the Board. The chairman of the Board is an independent director as required in the CCG Regulations 2019 while the two are non-executive directors. The Board of Directors has set out terms of reference for the audit committee. The audit committee reviews the annual and quarterly financial statements, internal audit reports and holds its meeting prior to the Board meetings. The following are the members of the audit committee.

Name	Designation
Mr. Abdul Jaleel Shaikh	Chairman/Independent Director
Mr. Nadeem Amjad	Non-Executive Director
Mr. Muhammad Naeem	Non-Executive Director
Mr. Ghulam Dastgeer	Secretary to the Audit Committee

### b. Human Resource & Remuneration Committee

The committee consists of three members from the Board; one is independent director and two are executive directors. The Chairman of the committee is the independent director. The committee reviews and formulates the HR & management policies of the company. The Committee is also responsible for the remuneration of employees and ensures that it is aligned with the Company's business strategy and long-term interests. The following are the members of the Human Resource committee:

Name	Designation
Ms. Saima Shafi Rana	Independent Director
Mr. Rizwan Ahmad	Executive Director
Mr. Zameer Ul Hassan Shah	Executive Director
Mr. Ghulam Dastgeer	Secretary to HR & Remuneration

## BOARD OF DIRECTOR'S MEETING AND ATTENDANCE

The board of directors met four (6) times during the financial Year 2024-25 and all these meeting were held in the Pakistan.

### AUDIT COMMITTEE

Board Audit Committee: Four (4) meetings have been convened during the financial year ended June 30, 2025.

### Human Resource and Remuneration Meetings

Human Resource and Remuneration Committee Meetings were held Two (1) time during the financial year ended June 30, 2025.

### DIRECTOR'S TRAINING PROGRAM

Of the seven Directors of the Company, all the Directors have successfully completed the training under the Director's Training Program.

All Directors are well aware of their duties and responsibilities being a corporate body, Directors.

# DIRECTOR'S REPORT

## COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

The Board is familiar with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and has collaborated with Management to implement the necessary measures for compliance. For further details, please refer to the review report on the Statement of Compliance issued by the Company's external auditors in the Annual Report, as mandated by the Listed Companies (Code of Corporate Governance) Regulations, 2019.

## ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board has put in place robust internal financial controls throughout all functions. The independent Internal Audit team of your Company continuously monitors the enforcement of these financial controls, which are then reviewed by the Audit Committee.

## CORPORATE AND FINANCIAL REPORTING FRAMEWORK

- The financial statements prepared by the management of the Company, represent fairly its state of affairs, the result of the operations, cash flows and changes in equity.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgement.
- Proper books of accounts have been maintained by the Company.
- Financial reporting is based on the approved International Accounting Standards as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed and explained.
- There is no significant doubt about the Company's ability to continue as a going concern.
- The system of internal control is sound in design. The system is being continuously monitored by Internal Audit and through other such monitoring procedures. The
- process of monitoring internal controls will continue as an ongoing process with the objective to further

strengthen the controls and bring improvements in the system.

## RELATED PARTY TRANSACTIONS

The Company ensures compliance with Code of Corporate Governance for all the related party transactions. The details of these transactions are provided in note no. 36 of the annexed financial statements.

## OPERATING AND FINANCIAL DATA

Operating and financial data of the company for the last six years is annexed.

## SUBSEQUENT EVENTS

No material changes affecting the Company's financial position have occurred between the statement of financial position date and date of this report.

## MATERIAL CHANGES

There have been no material changes and the company has not consciously entered into any commitment that will affect its financial position.

## PATTERN OF SHAREHOLDING

A statement of the pattern of shareholding in the Company as at 30 June 2025 is in subsequent pages.

## AUDITORS

The present external auditors' Messrs. Aslam Malik & Co, Chartered Accountants, retire and being eligible, have offered themselves for re-appointment. The Board of Directors recommended the recommendation of the Audit Committee for their re-appointment as auditors of the Company for the financial year ending June 30, 2026 at a mutually agreed fee.

## RISK OF MANAGEMENT

In fulfilling its responsibilities, the Board of Directors has consistently monitored the socio-economic environment and the associated internal and external

# DIRECTOR'S REPORT

risks that could affect the Company's safe and smooth operations. They have remained vigilant in identifying and addressing these risks throughout the year. The Board has recognized potential risks, evaluated their impact on the Company and developed strategies to mitigate all foreseeable business risks. These strategies will be implemented through the Audit Committee to ensure comprehensive risk mitigation without any gaps.

## RISK ASSESSMENT

Businesses encounter various uncertainties that could threaten their objectives, potentially leading to preventable losses if not addressed. The Board has conducted a careful and thorough assessment of both internal and external risks the company may face. Factors such as rising financing costs, fuel and energy expenses and their impact on trade and communication along with the depreciation of the local currency and the depletion of foreign reserves, have heightened the vulnerability of these risks.

## CORPORATE SOCIAL RESPONSIBILITY

As part of its CSR mandate, Citi Pharma Limited makes significant investments in community upliftment and the promotion of human rights. Our social initiatives primarily focus on areas surrounding our plant site, emphasizing education, livelihood opportunities, healthcare and vocational training for underprivileged individuals, as well as providing free medical services to those in need near our facility.

## ENVIRONMENT, HEALTH AND SAFETY

The Company is committed to maintaining a safe and secure environment and believes, it is our responsibility to ensure that everyone working with us understands how to work safely and without risking their health. The health and safety of our employees and visitors is a top priority of the Company. So, we continuously identify, assess and manage any potential hazards associated with our operations to eliminate or minimize risks.

## DIVERSITY, EQUITY AND INCLUSION

The Company is dedicated to promoting Diversity Equity and Inclusion (DE & I) throughout its operations. The Company has implemented policies and initiatives aimed at creating a diverse and inclusive workplace. The efforts are focused on ensuring equal opportunities for all employees and to ensure that all employees feel valued, respected and empowered, fostering an inclusive culture and supporting a wide range of perspectives. These measures are regularly reviewed and updated to align with Company's core values and contribute to the overall success and sustainability of the Company.

## REMUNERATION POLICY

The Independent Directors of the Company are entitled to a remuneration recommended by Human Resource and Remuneration Committee (HR&RC) and approved by the Board, based on market benchmark of the consumer healthcare industry and other similar style of business.

## REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, DIRECTOR AND EXECUTIVES

A detailed note on the remuneration of the Chief Executive Officer, Directors and Executives for the year 2025 are provided in note no. 37 of the annexed financial statements.

## CAPITAL EXPENDITURE

The capital expenditure for the year 2025 amounted to Rs. 250.9 million.

## FUTURE OUTLOOK AND CHALLENGES

Looking ahead, Citi Pharma Limited remains committed to strengthening its position as a leading player in the pharmaceutical sector of Pakistan. The Company is strategically focused on.

- Expanding into high value therapeutic areas, including oncology and biosimilars.

# DIRECTOR'S REPORT

- Establishing a Bioequivalence & research Center to ensure compliance with global regulatory requirements.
- Commissioning Specialized plans for Meropenem and other Antibiotics facilities aimed at reducing reliance on Imports.
- Entering the veterinary pharmaceutical segment, serving livestock and poultry health needs.
- Exploring export opportunities and international Joint Ventures to enhance the company's global footprint. venturing into oncology and biosimilars, which are expected to open significant revenue streams in the coming years.

These initiatives, coupled with prudent financial management and strong governance practices, will not only enhance shareholder value but also contribute positively to the healthcare infrastructure of Pakistan. With a robust pipeline and expansion strategy in place, the Board is confident that Citi Pharma Limited is well-positioned to achieve sustainable growth and long-term success.

## ACKNOWLEDGMENT

The Company expresses its gratitude to its shareholders, employees, business partners and all other stakeholders for their trust and support throughout our journey toward growth and prosperity. We anticipate another year of success and are committed to our mission of creating sustainable value for all our stakeholders.

For and on behalf of the of Board



**Rizwan Ahmed**  
Chief Executive Officer



**Nadeem Amjad**  
Director

Lahore

Dated: October 02, 2025

# ڈائریکٹرز رپورٹ

سٹی فارما لمیٹڈ (Citi Pharma Limited) کے ڈائریکٹرز 30 جون، 2025 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ سالانہ رپورٹ پیش کرتے ہیں۔

یہ رپورٹ کمپنیز ایکٹ 2017 کے سیکشن 227، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 اور دیگر قابل اطلاق قوانین و ضوابط کے تقاضوں کے مطابق تیار کی گئی ہے۔

## اہم سرگرمیاں

کمپنی کی اہم سرگرمی فارماسیوٹیکلز، طبی کیمیکلز اور نباتاتی مصنوعات کی تیاری اور فروخت ہے۔

## معاشی اور کاروباری جائزہ

مالی سال جو 30 جون 2025 کو ختم ہوا، اس میں پاکستان کے میکرو اقتصادی ماحول میں استحکام کی تدریجی علامات دیکھنے کو ملیں۔ سال کے دوران مانیٹری پالیسی میں نرمی کی گئی اور افراط زر کا دباؤ، اگرچہ موجود تھا، پر بھی گزشتہ سالوں کی نسبت یہ دباؤ نسبتاً کم رہا۔ ان اقدامات اور بیرونی شعبے کی کارکردگی میں بہتری کے اقدامات نے مل کر مختلف صنعتوں میں کاروباری اعتماد کی بحالی میں مدد فراہم کی۔

ضروری ادویات اور خصوصی فارمولیشنز کی مسلسل مانگ کی وجہ سے فارماسیوٹیکل شعبے نے مضبوطی کا مظاہرہ جاری رکھا۔ صحت کے شعبے میں بڑھتی ہوئی آگاہی، آبادی کا اضافہ اور حکومتی توجہ کے نتیجے میں ضوابطی ڈھانچے کو مضبوط کرنے پر توجہ مرکوز کی گئی، جس نے ترقی کے لیے ایک مستحکم پلیٹ فارم فراہم کیا۔

تاہم، چیلنجز بدستور موجود رہے، خاص طور پر دوا کی قیمتوں کے ضوابط اور صنعت کی درآمد شدہ فعال فارماسیوٹیکل اجزاء (APIs) اور پیکیجنگ مواد پر انحصار کے حوالے سے، جس نے تیار کنندگان کو زر مبادلہ کی شرح میں اتار چڑھاؤ اور سپلائی چین کے خطرات کا سامنا کرایا۔ ڈرگ ریگولٹری اتھارٹی آف پاکستان (DRAP) کے ساتھ فعال مشغولیت ضروری رہی تاکہ مریضوں کی استطاعت اور مقامی تیار کنندگان کی پائیداری کے درمیان توازن قائم رکھا جا سکے۔

ان چیلنجز کے باوجود، صنعت کو مثبت پیش رفت سے فائدہ پہنچا، جن میں مقامی API کی پیداوار پر بڑھتی ہوئی توجہ، برآمدی منڈیوں کی توسیع اور بین الاقوامی تعاون کے ذریعے پیدا ہونے والے مواقع شامل ہیں۔ فارماسیوٹیکل برآمدات نے خاص طور پر امریکہ، افریقہ اور مشرق وسطیٰ کو برآمدات میں حوصلہ افزا اضافہ دکھایا۔ مجموعی طور پر، افراط زر میں نرمی، زیادہ لچکدار مانیٹری پالیسی اور داخلی و برآمدی منڈیوں میں ساختی مواقع کے ساتھ، فارماسیوٹیکل صنعت ترقی کے راستے پر قائم رہی۔ Citi Pharma Limited نے اپنی اسٹریٹجک توسیع، بین الاقوامی ہم منصبوں کے ساتھ شراکت داری اور API اور فارمولیشن کے دونوں حصوں پر توجہ مرکوز کرتے ہوئے ان مواقع سے بھرپور فائدہ اٹھانے اور آئندہ سالوں میں پائیدار ترقی فراہم کرنے کے لیے بہترین مقام حاصل کر لیا ہے۔

## مالی کارکردگی کا جائزہ

جاری سال کے دوران، کمپنی نے 13.15 بلین روپے کی فروخت کی آمدنی حاصل کی، جو پچھلے سال کے مقابلے میں 6% کی ترقی کو ظاہر کرتی ہے۔ گراس پروفٹ مارجن 15% تک بہتر ہو گیا، جب کہ پچھلے سال یہ 12.4% تھا، جو آپریشنل کارکردگی میں بہتری اور بہتر لاگت کے انتظام کو ظاہر کرتا ہے۔ سال کے دوران نیٹ پروفٹ 833 ملین روپے سے بڑھ کر 892 ملین روپے تک پہنچا، جبکہ ارننگز پر شیئر 3.65 (EPS) روپے سے بڑھ کر 3.90 روپے تک پہنچا، جو شیئر ہولڈرز کی ویلیو (value) میں تسلسل سے بہتری کو ظاہر کرتا ہے۔

یہ ترقی کمپنی کی تجارتی شعبے میں جاری سرمایہ کاری کے باوجود حاصل کی گئی، جو ہمارے کاروباری ماڈل کی مضبوطی اور ہمارے بنیادی آپریشنز کی طاقت کو اجاگر کرتی ہے۔ بہتر مارجن اور منافع کی پوزیشن کی وجہ سے، کمپنی آنے والے سالوں میں پائیدار ترقی کی فراہمی کے لیے مضبوط بنیادوں پر ہے۔

## ارننگ پر شیئر (EARNING PER SHARE)

موجودہ سال کے لیے ڈیلیوڈ ارننگز پر شیئر 3.90 روپے ہے، جو پچھلے سال 3.65 روپے تھا، جو مارجن میں مستقل اضافہ کو ظاہر کرتا ہے۔

## منافع

آپ کی کمپنی اپنے شیئر ہولڈرز کو بہترین منافع فراہم کرنے کے لیے پرعزم ہے۔ رپورٹ کردہ مضبوط کارکردگی کی بنیاد پر، ڈائریکٹرز خوش ہیں کہ وہ 3.5 روپے فی شیئر کیش منافع کا اعلان کر رہے ہیں، جو 35% کی ادائیگی کو ظاہر کرتا ہے۔

## بورڈ آف ڈائریکٹرز کی ترکیب

## ڈائریکٹرز رپورٹ

Citi Pharma Limited کا ایک خود مختار اور بامقصد بورڈ آف ڈائریکٹرز ہے، جو اچھی گورننس اور متوازن فیصلے کرنے کو یقینی بناتا ہے۔ چیئرمین اور چیف ایگزیکٹو آفیسر کے کردار مختلف ہیں، ہر ایک کا ایک واضح کردار اور ذمہ داری ہے۔ اس کے علاوہ، آڈٹ اور ایچ آر کمیٹیاں دونوں خود مختار ڈائریکٹرز کی زیر صدارت ہیں، جو بورڈ کی غیرجانبداری کو مزید بڑھاتی ہیں۔ بورڈ میں سات ارکان شامل ہیں، جن میں دو خواتین ڈائریکٹرز اور پانچ مرد ڈائریکٹرز ہیں۔ بورڈ کی موجودہ ترکیب درج ذیل ہے:

### بورڈ آف ڈائریکٹرز کی ترکیب

سیریل نمبر	زمرہ	نام
1.	1. خود مختار ڈائریکٹر	1. محترم عبدالجلیل شیخ
		2. محترمہ صائمہ شفیع رانا
3.	3. ایگزیکٹو ڈائریکٹر	1. محترم رضوان احمد
		2. محترم ڈاکٹر ضمیر الحسن شاہ
4.	4. غیر ایگزیکٹو ڈائریکٹر	1. محترم ندیم امجد
		2. محترم محمد نعیم
		3. محترمہ سائرہ اسلم

### بورڈ کی کمیٹیاں

#### الف) آڈٹ کمیٹی

آڈٹ کمیٹی بورڈ کے تین ارکان پر مشتمل ہے۔ بورڈ کا چیئرمین ایک خود مختار ڈائریکٹر ہے جیسا کہ CCG ریگولیشنز 2019 میں ضروری ہے، جبکہ باقی دو غیر ایگزیکٹو ڈائریکٹرز ہیں۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کے لیے کام کے حدود طے کیے ہیں۔ آڈٹ کمیٹی سالانہ اور سہ ماہی مالیاتی گوشوارے، داخلی آڈٹ رپورٹس کا جائزہ لیتی ہے اور بورڈ میٹنگز سے قبل اپنی ملاقاتیں کرتی ہے۔ آڈٹ کمیٹی کے ارکان درج ذیل ہیں:

نام	عہدہ
محترم عبدالجلیل شیخ	چیئرمین/خود مختار ڈائریکٹر
محترم ندیم امجد	غیر ایگزیکٹو ڈائریکٹر
محترم محمد نعیم	غیر ایگزیکٹو ڈائریکٹر
محترم غلام دستگیر	آڈٹ کمیٹی کے سیکرٹری

#### ب) بیومن ریسورس اور معاوضہ کمیٹی

یہ کمیٹی بورڈ کے تین ارکان پر مشتمل ہے؛ ایک خود مختار ڈائریکٹر اور دو ایگزیکٹو ڈائریکٹرز۔ کمیٹی کے چیئرمین خود مختار ڈائریکٹر ہیں۔ کمیٹی کمپنی کی بیومن ریسورس اور انتظامی پالیسیوں کا جائزہ لیتی اور تیار کرتی ہے۔ کمیٹی ملازمین کے معاوضے کی ذمہ دار ہے اور یہ اس بات کو یقینی بناتی ہے کہ معاوضہ کمپنی کی کاروباری حکمت عملی اور طویل مدتی مفادات کے مطابق ہو۔ بیومن ریسورس کمیٹی کے ارکان درج ذیل ہیں:

نام	عہدہ
محترمہ صائمہ شفیع رانا	خود مختار ڈائریکٹر
محترم رضوان احمد	ایگزیکٹو ڈائریکٹر
محترم ضمیر الحسن شاہ	ایگزیکٹو ڈائریکٹر
محترم غلام دستگیر	بیومن ریسورس اور معاوضہ کمیٹی کے سیکرٹری

# ڈائریکٹرز رپورٹ

## بورڈ آف ڈائریکٹرز کی میٹنگز اور حاضری

بورڈ آف ڈائریکٹرز نے مالی سال 2024-25 کے دوران چھ (6) بار میٹنگز کیں، اور یہ تمام میٹنگز پاکستان میں منعقد ہوئیں۔

## آڈٹ کمیٹی

بورڈ آڈٹ کمیٹی: 30 جون 2025 کو مالی سال ختم ہونے کے پہلے چار (4) میٹنگز منعقد کی گئیں۔

## بیومن ریسورس اور معاوضہ کمیٹی کی میٹنگز

بیومن ریسورس اور معاوضہ کمیٹی کی میٹنگز مالی سال 30 جون 2025 کو ختم ہونے سے پہلے ایک بار منعقد کی گئیں۔

## ڈائریکٹرز ٹریننگ پروگرام

کمپنی کے سات ڈائریکٹرز میں سے تمام ڈائریکٹرز نے ڈائریکٹرز ٹریننگ پروگرام کے تحت کامیابی سے ٹریننگ مکمل کی۔ تمام ڈائریکٹرز اپنے فرائض اور ذمہ داریوں سے بخوبی آگاہ ہیں جو کہ ایک کارپوریٹ ادارہ ہونے کے ناطے ان پر عائد ہوتی ہیں۔

## لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی تعمیل

بورڈ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تقاضوں سے آگاہ ہے اور اس نے انتظامیہ کے ساتھ مل کر ان کی تعمیل کے لیے ضروری اقدامات کیے ہیں۔ مزید تفصیلات کے لیے براہ کرم کمپنی کے سالانہ رپورٹ میں جاری کردہ اسٹیٹمنٹ آف کمپلائنس کے آڈٹ کے رپورٹ کا حوالہ دیں، جیسا کہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تحت ضروری ہے۔

## اندرونی مالیاتی کنٹرولز کی مناسبت

بورڈ نے تمام افعال میں مضبوط اندرونی مالیاتی کنٹرولز قائم کیے ہیں۔ کمپنی کی آزاد داخلی آڈٹ ٹیم ان مالیاتی کنٹرولز کے نفاذ کی مسلسل نگرانی کرتی ہے، جن کا جائزہ آڈٹ کمیٹی بھی لیتی ہے۔

## کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

• کمپنی کے انتظامیہ کی طرف سے تیار کردہ مالیاتی گوشوارے اس کے کاروباری معاملات، آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کو درست طور پر ظاہر کرتے ہیں۔

• مالیاتی گوشوارے تیار کرنے میں مناسب اکاؤنٹنگ پالیسیوں کا تسلسل سے اطلاق کیا گیا ہے اور اکاؤنٹنگ اندازے معقول اور محتاط فیصلوں پر مبنی ہیں۔

• کمپنی کی طرف سے کھاتوں کا حساب (books of accounts) رکھا گیا ہے۔

• مالیاتی رپورٹنگ پاکستان میں لاگو بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز کے مطابق کی گئی ہے، اور اگر کسی انحراف کا سامنا کیا گیا ہے تو اسے مناسب طور پر افشاء اور وضاحت کی گئی ہے۔

• کمپنی کے مالی استحکام کے بارے میں کوئی سنجیدہ خدشات نہیں ہیں اور یہ اپنی کاروباری سرگرمیاں جاری رکھنے کے قابل سمجھی جاتی ہے۔

• اندرونی کنٹرول کا نظام مضبوط ہے۔ اس نظام کی مسلسل نگرانی داخلی آڈٹ اور دیگر مانیٹرنگ طریقوں سے کی جا رہی ہے۔

• اندرونی کنٹرولز کی نگرانی کا عمل ایک جاری عمل کے طور پر جاری رہے گا جس کا مقصد مزید کنٹرولز کو مستحکم کرنا اور نظام میں بہتری لانا ہے۔

## متعلقہ فریقوں کے ساتھ لین دین

کمپنی متعلقہ فریقوں کے ساتھ تمام لین دین کے لیے کارپوریٹ گورننس کے کوڈ کی تعمیل کو یقینی بناتی ہے۔ ان لین دین کی تفصیلات مالیاتی گوشواروں کے نوٹ نمبر 36 میں فراہم کی گئی ہیں۔

## آپریٹنگ اور مالیاتی ڈیٹا

کمپنی کا آپریٹنگ اور مالیاتی ڈیٹا پچھلے چھ سالوں کے لیے منسلک ہے۔

## بعد کے واقعات

مالی حالت کے بیان کی تاریخ اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت پر کوئی مادی تبدیلی نہیں آئی ہے۔

## مادی تبدیلیاں

کمپنی کی مادی حالت میں کوئی بڑی تبدیلی نہیں آئی اور اس نے کوئی ایسا معاہدہ نہیں کیا جس سے اس کی مالی صورتحال پر منفی اثر پڑے۔

# ڈائریکٹرز رپورٹ

## شیئر ہولڈنگ کا پیٹرن

کمپنی میں شیئر ہولڈنگ کا پیٹرن 30 جون 2025 کی تاریخ کے مطابق اگلے صفحات میں دیا گیا ہے۔  
آڈٹرز

موجودہ خارجی آڈٹرز، مسٹر اسلم ملک اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو رہے ہیں اور اہل بونے کے ناطے، انہوں نے خود کو دوبارہ تقرر کے لیے پیش کیا ہے۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر ان کے دوبارہ تقرر کی سفارش کی ہے تاکہ وہ مالی سال 30 جون 2025 کے اختتام پر ایک باہمی طور پر متفقہ فیس پر کمپنی کے آڈٹرز کے طور پر کام کریں۔

## انتظامیہ کے خطرات

اپنی ذمہ داریوں کو پورا کرتے ہوئے، بورڈ آف ڈائریکٹرز نے مسلسل معاشی اور سماجی ماحول کا جائزہ لیا اور ان داخلی اور خارجی خطرات کو مانیٹر کیا جو کمپنی کے محفوظ اور ہموار آپریشنز کو متاثر کر سکتے ہیں۔ انہوں نے پورے سال میں ان خطرات کی شناخت اور ان کا حل کرنے میں ہوشیاری دکھائی۔ بورڈ نے ممکنہ خطرات کو تسلیم کیا، ان کے اثرات کا تجزیہ کیا اور ان تمام کاروباری خطرات کو کم کرنے کے لیے حکمت عملی تیار کی۔ یہ حکمت عملی آڈٹ کمیٹی کے ذریعے نافذ کی جائیں گی تاکہ جامع خطرہ کم کرنے کو یقینی بنایا جا سکے۔

## خطرات کا جائزہ

کاروبار مختلف غیر یقینی صورتحال کا سامنا کرتے ہیں جو ان کے مقاصد کو خطرے میں ڈال سکتی ہیں، جو اگر حل نہ کی جائیں تو قابلِ بچاؤ نقصانات کا باعث بن سکتی ہیں۔ بورڈ نے کمپنی کو درپیش داخلی اور خارجی خطرات کا محتاط اور مکمل جائزہ لیا ہے۔ ایسے عوامل جیسے بڑھتے ہوئے مالیاتی اخراجات، ایندھن اور توانائی کی قیمتیں، اور ان کا تجارت اور مواصلات پر اثر، ساتھ ہی مقامی کرنسی کی قدر میں کمی اور غیر ملکی ذخائر کی کمی نے ان خطرات کی حساسیت کو بڑھا دیا ہے۔

## کارپوریٹ سماجی ذمہ داری (CSR)

اپنے CSR مینڈیٹ کے حصے کے طور پر، Citi Pharma Limited کمیونٹی کی فلاح و بہبود اور انسانی حقوق کے فروغ میں اہم سرمایہ کاری کرتی ہے۔ ہماری سماجی کوششوں کا بنیادی فوکس ہماری پلانٹ سائٹ کے ارد گرد کے علاقے میں، جہاں تعلیم، روزگار کے مواقع، صحت کی دیکھ بھال اور غریب افراد کے لیے پیشہ ورانہ تربیت فراہم کی جاتی ہے، نیز ہمارے ادارے کے قریب ضرورت مند افراد کو مفت طبی خدمات فراہم کی جاتی ہیں۔

## ماحولیاتی تحفظ، صحت اور حفاظت

کمپنی ایک محفوظ اور محفوظ ماحول برقرار رکھنے کے لیے پُر عزم ہے اور یہ سمجھتی ہے کہ یہ ہماری ذمہ داری ہے کہ ہم اپنے ساتھ کام کرنے والے ہر فرد کو یہ سمجھائیں کہ وہ کس طرح محفوظ طریقے سے کام کر سکتا ہے اور اپنی صحت کو خطرے میں ڈالے بغیر۔ ہمارے ملازمین اور وزیٹرز کی صحت اور حفاظت کمپنی کی ترجیح ہے۔ لہذا، ہم اپنے آپریشنز سے متعلق کسی بھی ممکنہ خطرات کی شناخت، جائزہ اور انتظام کرتے ہیں تاکہ خطرات کو ختم یا کم کیا جا سکے۔

## تنوع، مساوات اور شمولیت

کمپنی اپنے تمام آپریشنز میں تنوع، مساوات اور شمولیت (DE & I) کو فروغ دینے کے لیے پُر عزم ہے۔ کمپنی نے ایسی پالیسیوں اور اقدامات کو نافذ کیا ہے جو ایک متنوع اور شمولیت پسند ورک پلیس تخلیق کرنے کی طرف کام کرتے ہیں۔ ان اقدامات کا مقصد تمام ملازمین کے لیے مساوی مواقع فراہم کرنا اور یہ یقینی بنانا ہے کہ تمام ملازمین کو قدر، احترام اور طاقت کا احساس ہو، جس سے ایک شامل ثقافت کو فروغ ملے اور مختلف نقطہ نظر کی حمایت کی جائے۔ یہ اقدامات باقاعدگی سے جائزہ اور اپ ڈیٹ کیے جاتے ہیں تاکہ کمپنی کی بنیادی اقدار سے ہم آہنگ رہیں اور کمپنی کی مجموعی کامیابی اور پائیداری میں مدد فراہم کریں۔

## منافع کی پالیسی

کمپنی کے خودمختار ڈائریکٹرز کو ایک منافع ملتا ہے جو ہیومن ریسورس اور معاوضہ کمیٹی (HR&RC) کی سفارش اور بورڈ کی منظوری کے مطابق مارکیٹ کے معیارات کے مطابق ہوتا ہے جو صارفین کی صحت کی دیکھ بھال کی صنعت اور دوسرے کاروباری ماڈلز سے تعلق رکھتے ہیں۔

## چیف ایگزیکٹو آفیسر، ڈائریکٹرز اور ایگزیکٹو کی تنخواہیں

چیف ایگزیکٹو آفیسر، ڈائریکٹرز اور ایگزیکٹو کی تنخواہوں کے بارے میں تفصیلی نوٹ مالیاتی گوشواروں کے نوٹ نمبر 37 میں فراہم کیا گیا ہے۔

# ڈائریکٹرز رپورٹ

## سرمایہ خرچ

مالی سال 2025 کے لیے سرمایہ خرچ 250.9 ملین روپے رہا۔

## مستقبل کی توقعات اور چیلنجز

آگے دیکھتے ہوئے، Citi Pharma Limited پاکستان کے فارماسیوٹیکل شعبے میں اپنی پوزیشن کو مستحکم کرنے کے لیے پُر عزم ہے۔ کمپنی اسٹریٹجک طور پر درج ذیل امور پر مرکوز ہے:

- اونکولوجی اور بائیوسملرز سمیت زیادہ ویلیو والے تھراپیٹک فیلڈ میں توسیع۔
- عالمی ضوابطی ضروریات کے مطابق عمل کو یقینی بنانے کے لیے بائیوایکویولنس اور تحقیقاتی مرکز قائم کرنا۔
- مرپینیم اور دیگر اینٹی بائیوٹکس کی سہولتوں کے لیے خصوصی پلانٹس کی کمیپیشننگ، جس کا مقصد درآمدات پر انحصار کو کم کرنا ہے۔
- ویٹرنری فارماسیوٹیکلز کے شعبے میں داخل ہونا، جو مویشیوں اور پولٹری کی صحت کی ضروریات کو پورا کرتا ہے۔
- برآمدی مواقع اور بین الاقوامی جوائنٹ وینچرز کی تلاش تاکہ عالمی سطح پر کمپنی کے اثر و رسوخ کو بڑھایا جاسکے۔

یہ اقدامات، محتاط مالیاتی انتظام اور مضبوط حکومتی پریکٹس کے ساتھ، نہ صرف شیئر ہولڈرز کی ویلیو بڑھائیں گے بلکہ پاکستان کی صحت کی دیکھ بھال کے انفراسٹرکچر میں بھی مثبت کردار ادا کریں گے۔ ایک مضبوط پائپ لائن اور توسیعی حکمت عملی کے ساتھ، بورڈ کو یقین ہے کہ Citi Pharma Limited پائیدار ترقی اور طویل مدتی کامیابی حاصل کرنے کے لیے بہترین مقام پر ہے۔

## شکریہ

کمپنی اپنے شیئر ہولڈرز، ملازمین، کاروباری شراکت داروں اور تمام دیگر اسٹیک ہولڈرز کا شکریہ ادا کرتی ہے جنہوں نے ہمارے ترقی اور خوشحالی کے سفر میں اپنا اعتماد اور تعاون فراہم کیا۔ ہم کامیابی کے ایک اور سال کی توقع رکھتے ہیں اور اپنے تمام اسٹیک ہولڈرز کے لیے پائیدار ویلیو تخلیق کرنے کے مشن پر پُر عزم ہیں۔

بورڈ کی طرف سے

  
ندیم امجد  
ڈائریکٹر

  
رضوان احمد  
چیف ایگزیکٹو آفیسر

لاہور

تاریخ: 2 اکتوبر، 2025



We maintain participative relationship with the society and being a pharma company, continuously invest in the interventions related to health. In addition to our communities, we ensure the well-being and safety of all the stakeholders in our value chain through continuous engagement with relevant stakeholders to uphold the best practices in social responsibility. Giving away our share of kindness is not a part of a larger social responsibility that the society itself has entrusted upon us. We conduct different health awareness programs.



# CSR (CORPORAT SOCIAL RESPONSIBILITY)



# COMPANY KEY PRODUCTS

## I. PRODUCTS PORTFOLIO

### API segment

1. **Paracetamol**, Paracetamol, also known as acetaminophen, is a medication used to treat pain and fever. Paracetamol was first developed in 1877 and is the most commonly used medication for pain and fever across the world. It is on the World Health Organization's List of Essential Medicines. Paracetamol is available as a generic medication, with brand names including Tylenol and Panadol among others.

2. **Penicillin/Amoxicillin** is an antibiotic used to treat a number of bacterial infections. These include middle ear infection, strep throat, pneumonia, skin infections, and urinary tract infections, among others. It is taken orally, or less commonly by injection. Amoxicillin was discovered in 1958 and came into medical use in 1972. It is on the World Health Organization's List of Essential Medicines. It is one of the most commonly prescribed antibiotics in children. Amoxicillin is available as a generic medication.



3. **Levofloxacin** is used to treat a variety of bacterial infections. This medication belongs to a class of drugs known as quinolone antibiotics. It works by stopping the bacterial growth and is used to treat bacterial infections. It will not work for viral infections (such as common cold, flu). Levofloxacin was first approved by the FDA in 1996, and was approved in Canada and several South American countries soon after.

4. **Cefixime/Cephalosporin**, is an antibiotic medication used to treat a number of bacterial infections. Cefixime was patented in 1979 and approved for medical use in the United States in 1989. It is on the World Health Organization's List of Essential Medicines. It is available as a generic medication.

5. **Ciprofloxacin** is an antibiotic used to treat a number of bacterial infections. This includes bone and joint infections, intra-abdominal infections, certain type of infectious diarrhea, respiratory tract infections, skin infections, typhoid fever, and urinary tract infections, among others. Ciprofloxacin was patented in 1980 and introduced in 1987. It is on the World Health Organization's List of Essential Medicines and is classified as critically important for human medicine. It is available as a generic medication.

6. **Cephradine** is in a group of drugs called cephalosporin antibiotics. Cephradine fights bacteria in the body. Cephradine is used to

treat infections caused by bacteria, including upper respiratory infections, ear infections, skin infections, and urinary tract infections.

7. **Norfloxacin** is a synthetic chemotherapeutic antibacterial agent occasionally used to treat common as well as complicated urinary tract infections. Norfloxacin is a broad-spectrum antibiotic that is active against both Gram-positive and Gram-negative bacteria. It functions by inhibiting DNA gyrase, a type II topoisomerase, and topoisomerase IV, enzymes necessary to separate bacterial DNA, thereby inhibiting cell division.

# COMPANY KEY PRODUCTS

8. **Aspirin** is used to reduce fever and relieve mild to moderate pain from conditions such as muscle aches, toothaches, common cold, and headaches. It may also be used to reduce pain and swelling in conditions such as arthritis. Aspirin is known as a salicylate and a nonsteroidal anti-inflammatory drug (NSAID). It works by blocking a certain natural substance in your body to reduce pain and swelling. This effect reduces the risk of stroke and heart attack.
8. **Ibuprofen** is a nonsteroidal, anti-inflammatory drug (NSAID) class that is used for treating pain, fever, and inflammation. Ibuprofen was discovered in 1961 by Stewart Adams at Boots UK Limited and initially marketed as Brufen. It is available under a number of trade names, including Nurofen, Advil and Motrin. It was first marketed in 1969 in the United Kingdom and in the United States in 1974. It is on the World Health Organization's List of Essential Medicines. It is available as a generic medication.



# COMPANY KEY PRODUCTS



## Formulation segment

General formulation facility plays a crucial role in the development and production of a wide range of pharmaceutical products. This facility is equipped to create various dosage forms, including tablets, capsules, syrups, and injectable solutions, ensuring that medications are delivered effectively and safely to patients. The formulation process involves multiple stages, beginning with the selection of active pharmaceutical ingredients (APIs) and excipients. Highly trained scientists and pharmacists work collaboratively to optimize the formulation for stability, bioavailability, and patient compliance. Rigorous quality control measures are implemented throughout the process, adhering to Good Manufacturing Practices (GMP) to ensure that all products meet regulatory standards. In addition to manufacturing, your facility may also focus on research and development, continually seeking innovative formulations that address unmet medical needs. This can involve customizing products to meet specific therapeutic requirements or developing new delivery systems to enhance the efficacy of existing medications. By staying at the forefront of pharmaceutical technology and regulatory compliance, your general formulation facility contributes to improved health outcomes and patient satisfaction.

## Cephalosporin formulation

Cephalosporins are a class of antibiotics originally derived from the fungus *Cephalosporium acremonium*. The first cephalosporin, cephalosporin C, was discovered in the 1940s and later led to the development of various derivatives that are effective against a broad range of bacterial infections. Our Cephalosporin Formulation facility focuses on the formulation of these antibiotics, which involves developing and producing various dosage forms, such as tablets, capsules, suspensions and injectables. This process requires stringent adherence to quality control and regulatory standards to ensure efficacy and safety. Our Cephalosporin Formulation facility was inaugurated on 29 June 2021 by the Governor of Namangan, Uzbekistan.

## Nutraceuticals

Cephalosporins are a class of antibiotics originally derived from the fungus *Cephalosporium acremonium*. The first cephalosporin, cephalosporin C, was discovered in the 1940s and later led to the development of various derivatives that are effective against a broad range of bacterial infections. Our Cephalosporin Formulation facility focuses on the formulation of these antibiotics, which involves

# COMPANY KEY PRODUCTS

developing and producing various dosage forms, such as tablets, capsules, suspensions and injectables. This process requires stringent adherence to quality control and regulatory standards to ensure efficacy and safety. Our Cephalosporin Formulation facility was inaugurated on 29 June 2021 by the Governor of Namangan, Uzbekistan.

In the formulation process, a team of skilled Herbalists and Pharmacists meticulously selects high-quality botanical ingredients, ensuring that they are sourced sustainably and processed with care. The facility emphasizes the importance of maintaining the integrity of the herbs and employing advanced extraction techniques to preserve their active compounds. This approach not only enhances the efficacy of the products but also ensures safety and quality for consumers. Quality control is paramount in herbal formulation, and your facility adheres to stringent standards and regulatory guidelines. Each batch undergoes rigorous testing to verify potency, purity, and consistency, providing confidence to consumers in the effectiveness of the herbal products. Additionally, your facility may focus on research and development to explore new formulations and innovative delivery methods, aiming to expand the range of health benefits offered by herbal remedies. By combining traditional knowledge with modern science, your herbal formulation facility contributes to the growing acceptance and appreciation of herbal medicine in contemporary healthcare. The Nutraceuticals facility was Inaugurated on 9th June 2022 by the CEO of HALEON.

## ii. Demand for the products

### API segment

Historically, the growth rate in API segment has remained impressive. CPL deals in 9 primary APIs, including Paracetamol, Ciprofloxacin, Cefixime (Cephalosporin), and Amoxicillin (Penicillin). Consistent growth is achieved across the board in all segments mainly due to population growth, availability of health care facilities to the masses, awareness and increasing trend of prescription of generic salts from the practitioners. CPL has developed its expertise in research and development to develop more molecules within its production facilities. Recent COVID-19 pandemic has also triggered sales growth in Paracetamol and Ciprofloxacin categories. However, margins in this segment are relatively low. Higher sales volume requires more working capital in this category, being a B2B segment where larger formulations' producers take longer credit terms. The demand for API segment is also derived from growth in the formulation segment, which is dependent upon various factors such

as healthcare awareness, introduction of new products, etc.

CPL intends to expand its presence in the formulation segment and is aggressively working towards development of its own brands in various widely used prescriptions. The margins in this segment are relatively higher but being a new segment, sales volumes are expected to grow gradually by establishing an extensive distribution channel across Pakistan. Moreover, CPL product line will include injectables, capsules, syrups etc. This will be a B2C segment and demand of this segment is related to population increase, availability of health care facilities to the masses, awareness and many other factors, as already outlined above.

## iii. Future prospects, demand outlook

Citi Pharma Limited (CPL) is one of Pakistan's leading API manufacturing companies. The management is highly skilled in adopting and leveraging new technology, while remaining fully committed to complying with Good Manufacturing Practices (GMP). Continuously striving to incorporate the latest technological advancements, CPL understands the critical importance of staying ahead in technology. This gives the company a significant advantage by ensuring compliance with GMP standards while utilizing state-of-the-art production technologies. Recent agreements with international firms like Hangzhou Newsea Technology Co., Ltd. and Murli Krishna Pharma Private Ltd. are expected to fuel CPL's future growth, despite ongoing economic uncertainties. These partnerships will enhance the company's position in the API and formulation sectors, where there is a strong demand for local API products. The agreement with Murli Krishna Pharma is anticipated to introduce new APIs, providing an import substitution opportunity that will likely appeal to local formulation players due to cost savings on customs duties and favorable exchange rates, pending quality checks. The company's future plans include:

- Expanding production capacity in both the API and formulation segments, with the addition of new APIs such as Chloroquine Phosphate and Hydroxychloroquine Sulfate, and their subsequent formulations.
- Adding psychotropic and narcotic products to its formulation portfolio, while increasing production capacity for penicillin.
- Establishing a hospital facility in Lahore as part of a vertical diversification strategy.
- A committee has been formed to study and address the upcoming changes.
- Set up a hospital facility in Lahore (as part of vertical diversification)

# COMPANY KEY PRODUCTS

## iv. Social Welfare Activities

A dispensary in conjunction with Citi Pharma plant demonstrates a profound commitment to community welfare and health improvement. This initiative is designed to provide local residents with access to essential medical services and treatments, particularly in areas where healthcare resources may be limited. By offering a range of services, including consultations, basic health assessments, and access to medications, the dispensary plays a vital role in enhancing the overall well-being of the community.

The dispensary not only serves as a healthcare resource but also as an educational platform. Health awareness campaigns can be conducted to inform local residents about preventive measures, proper medication use, and the importance of maintaining a healthy lifestyle. This focus on education empowers individuals to take charge of their health and make informed decisions, fostering a culture of wellness within the community.

Moreover, the dispensary strengthens the bond between your organization and the local population,

promoting trust and collaboration. By actively engaging with community members and addressing their health concerns, you demonstrate a genuine commitment to their welfare. This initiative not only improves health outcomes but also enhances the quality of life for residents, reinforcing the idea that corporate responsibility extends beyond business operations to encompass social impact. Through this dispensary, you are not just providing healthcare services; you are investing in the future of the community and contributing to its sustainable development.

# KEY OPERATING & FINANCE DATA FOR LAST SIX YEARS

FINANCIAL POSITION	2025	2024	2023	2022	2021	2020
Fixed assets net	8,687,898,852	3,552,249,952	3,051,888,220	2,244,062,582	1,734,765,860	814,458,386
Total assets	18,439,450,481	11,402,428,642	9,984,164,614	8,127,152,498	6,499,162,737	2,471,348,598
Paid - up Capital	2,284,612,000	2,284,612,000	2,284,612,000	2,284,612,000	1,350,000,000	450,000,000
Equity	10,867,578,681	5,633,129,441	5,373,073,310	4,713,978,328	4,366,045,109	4,366,045,109
Long term liabilities	-	-	8,541,062	402,853,766	297,605,788	241,961,797

STATEMENT OF PROFIT OR LOSS						
Net Sales	13,153,521,857	12,409,238,742	12,396,982,521	9,779,879,938	5,795,403,997	3,527,625,000
Gross Profit	2,017,608,317	1,586,195,116	1,507,112,978	1,363,082,659	780,474,326	436,949,856
Operating Profit/(Loss)	1,604,248,261	1,205,641,253	1,167,477,796	993,483,374	570,970,333	254,114,103
Profit/(Loss) before tax	1,354,509,829	1,281,201,708	957,254,344	1,060,576,110	499,746,398	202,527,899
Profit/(Loss) after tax	892,038,933	833,463,846	657,984,360	653,692,059	351,768,295	143,416,468

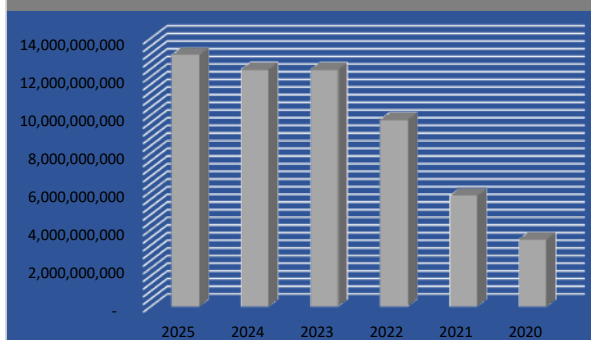
PROFITABILITY RATIOS						
Gross Profit	15.34%	12.78%	12.16%	13.94%	13.47%	12.39%
Net Profit Ratio	6.78%	6.72%	5.31%	6.68%	6.07%	4.07%

RETURN TO SHAREHOLDER						
Return on Capital Employed	15%	22.55%	21.11%	19.42%	13.08%	25.97%
Earning per share- Basic	3.90	3.65	2.88	2.88	3.64	31.87

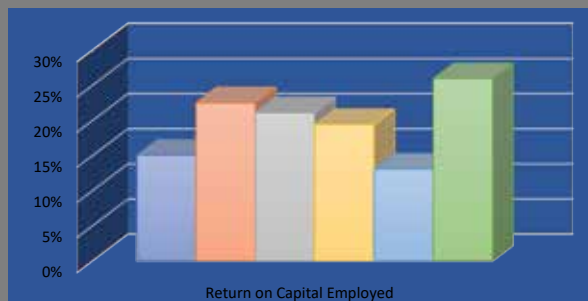
LIQUIDITY/LEVERAGE						
Current Ratio	1.30	1.36	1.48	1.859	2.453	1.114
Break up Value Per Share (With Revaluation)	47.57	24.66	23.52	20.63	32.34	217.4
Break up Value Per Share (Without Revaluation)	24.00	23.30	22.16	19.28	30.05	217.4
Debt To Equity Ratio	70%	25%	29%	21%	15%	46%

ACTIVITY						
Sales to total assets	0.88	1.09	1.24	1.20	0.89	1.43
Sales to fixed assets	2.06	3.49	4.06	4.36	3.34	4.33

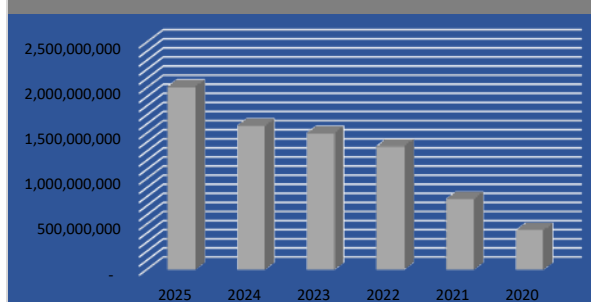
### Net Sales



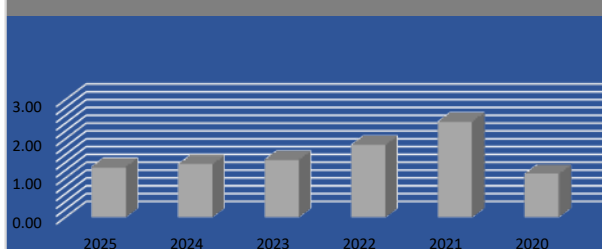
### Return on Capital Employed



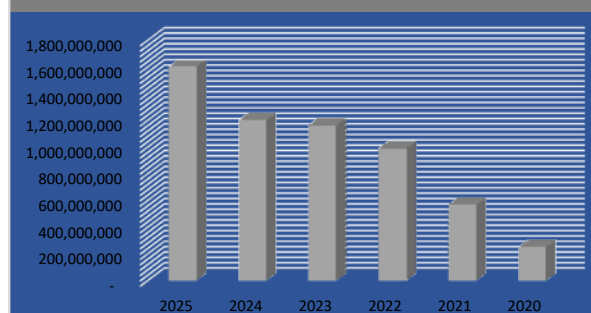
### Gross Profit



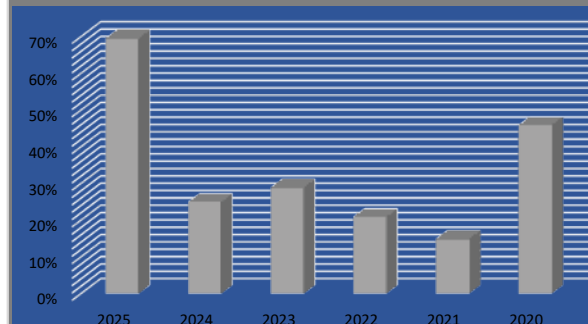
### Current Ratio



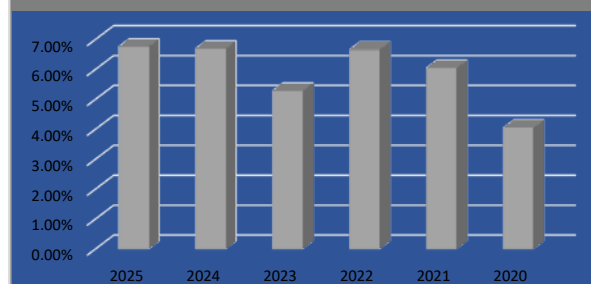
### Operating Profit/(Loss)



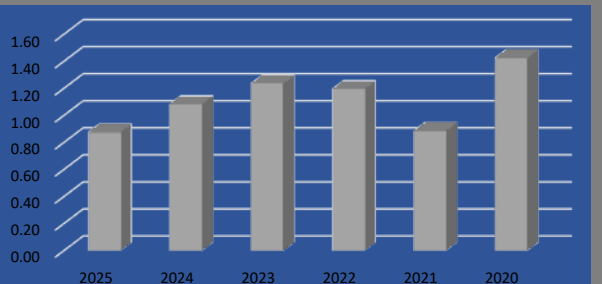
### Debt To Equity Ratio



### Net Profit Ratio



### Sales to total assets



# HORIZONTAL ANALYSIS

	2025	2024	2023	2022	2021	2020
<b>EQUITY AND LIABILITIES</b>						
<b>SHARE CAPITAL AND RESERVES</b>						
Issued, subscribed and Paid up:	0%	0%	0%	69%	200%	0%
Share Deposit Money	0%	0%	0%	-100%	100%	0%
Share Premium	0%	0%	0%	100%	0%	0%
Unappropriated profits	9.7%	19%	90%	86%	-28%	37%
Revaluation Surplus on Land	1640.9%	0%	0%	0%	100%	0%
<b>NON CURRENT LIABILITIES</b>						
Long Term Financing - Secured	0%	-100%	-97%	32%	15%	127%
Deferred Liabilities	-2.4%	43%	27%	25%	45%	11%
Deferred Grant	-100%	-100%	-98%	247%	1525%	0%
Lease Liabilities	100%	-100%	-30%	-19%	-44%	38%
<b>CURRENT LIABILITIES</b>						
Trade and other payables	7.2%	65%	14%	79%	-19%	2253%
Director's Loan	-86.9%	-85%	2338%	0%	-29%	0%
Short Term Borrowings-Secured	105.5%	-5%	189%	100%	60%	-1%
Current Portion of Long Term Financing-Secured	-16.2%	-71%	-64%	53%	57%	56%
Unclaimed Dividend	192.5%	201%	-31%	100%	0%	0%
Accrued Mark Up	-46.5%	16%	383%	2724%	-50%	27%
Provision for taxation	10.4%	20%	-3%	207%	122%	76%
Contingencies and Commitments	20%	-	-	-	-	-
<b>Total Equity And Liabilities</b>	<b>61.2%</b>	<b>14%</b>	<b>23%</b>	<b>25%</b>	<b>163%</b>	<b>87%</b>
<b>ASSETS</b>						
<b>NON CURRENT ASSETS</b>						
Property, plant and equipment	146.1%	11%	36%	29%	113%	11%
Long term security deposits	25.8%	-14%	35%	103%	0%	45%
Long Term Advance	0.0%	0%	0%	0%	100%	48%
<b>CURRENT ASSETS</b>						
Stock in Trade	22.7%	23%	54%	117%	-13%	774%
Trade Debts- Unsecured	40.1%	15%	34%	215%	48%	87%
Advances deposits and prepayments	7.5%	56%	3%	130%	80%	118%
Short Term Investment	-26.8%	-14%	-23%	100%	0%	0%
Cash and bank balance	586.6%	61%	99%	-99%	3337%	2%
<b>Total Assets</b>	<b>61.2%</b>	<b>14%</b>	<b>23%</b>	<b>25%</b>	<b>163%</b>	<b>87%</b>

# HORIZONTAL ANALYSIS

	2025	2024	2023	2022	2021	2020
<b>Turnover -Net</b>	6.00%	0.10%	27%	69%	64%	35%
Cost of sales	2.89%	-0.61%	29%	68%	62%	36%
<b>Gross profit</b>	27.20%	5.25%	10%	73%	79%	32%
Administrative expenses	8.80%	8%	-29%	141%	17%	-9%
Selling expenses	8.41%	17%	47%	4%	12%	-2%
	8.62%	12%	-8%	76%	15%	-6%
<b>Operating Profit</b>	33.06%	3%	18%	72%	125%	86%
Financial Charges	9.93%	-22%	444%	74%	-7%	138%
	40.72%	16%	-15%	72%	152%	78%
Other income	-59.51%	68%	26%	4693%	-35%	57%
	5.55%	30%	-7%	107%	146%	77%
Other Expenses	3.62%	-2%	25%	23%	133%	79%
<b>Profit before Taxation</b>	5.72%	34%	-10%	107%	147%	77%
Taxation	4.06%	50%	-26%	168%	150%	-32%
<b>Profit after Taxation</b>	7.03%	27%	1%	81%	145%	416%

# VERTICAL ANALYSIS

	2025	2024	2023	2022	2021	2020
<b>EQUITY AND LIABILITIES</b>						
<b>SHARE CAPITAL AND RESERVES</b>						
Issued, subscribed and Paid up:	12.39%	20.04%	22.88%	28.11%	20.72%	18.21%
Share Premium	7.55%	12.20%	13.94%	17.12%	0.00%	0.00%
Unappropriated profits	9.80%	14.45%	13.90%	8.96%	6.00%	21.38%
Revaluation Surplus on Land	29.20%	2.71%	3.10%	3.81%	4.75%	0.00%
	58.94%	49.40%	53.82%	58.00%	67.17%	39.59%
<b>NON CURRENT LIABILITIES</b>						
Long Term Financing - Secured	0.00%	0.00%	0.09%	3.08%	2.90%	6.66%
Deferred Liabilities	1.09%	1.81%	1.45%	1.41%	1.40%	2.55%
Deferred Grant	0.00%	0.00%	0.01%	0.40%	0.14%	0.02%
Lease Liabilities	0.35%	0.00%	0.04%	0.08%	0.12%	0.56%
	1.45%	1.81%	1.58%	4.96%	4.57%	9.79%
<b>CURRENT LIABILITIES</b>						
Trade and other payables	20.93%	31.25%	21.69%	23.27%	16.24%	36.19%
Due to Related Parties	0.03%	0.38%	2.98%	0.15%	0.19%	0.70%
Short Term Borrowings-Secured	15.53%	12.22%	14.73%	6.27%	0.00%	8.22%
Current Portion of Long Term Financing-Secured	0.09%	0.17%	0.65%	2.21%	1.80%	3.17%
Unclaimed Dividend	0.02%	0.01%	0.00%	0.01%	0.00%	0.00%
Accrued Mark Up	0.21%	0.63%	0.62%	0.16%	0.01%	0.04%
Provision for taxation	2.82%	4.13%	3.94%	4.97%	2.02%	2.32%
	39.62%	48.78%	44.60%	37.04%	28.26%	50.62%
Contingencies and Commitments	-	-	-	-	-	-
Total Equity And Liabilities	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<b>ASSETS</b>						
<b>NON CURRENT ASSETS</b>						
Property, plant and equipment	47.12%	29.82%	30.57%	27.61%	26.63%	32.96%
Long term security deposits	0.14%	0.18%	0.24%	0.22%	0.13%	0.35%
Long Term Advance	1.38%	2.23%	2.55%	3.13%	3.91%	10.30%
	48.63%	33.56%	34.06%	31.14%	30.67%	43.60%
<b>CURRENT ASSETS</b>						
Stock in Trade	21.31%	28.09%	26.13%	20.81%	11.94%	36.08%
Trade Debts- Unsecured	16.69%	18.94%	18.85%	17.25%	6.82%	12.12%
Advances deposits and prepayments	4.90%	7.17%	7.94%	6.22%	3.38%	4.58%
Short Term Investments	5.19%	11.46%	15.17%	24.24%	0.00%	0.00%
Cash and bank balance	3.27%	0.77%	0.55%	0.34%	47.19%	3.62%
	51.37%	66.44%	65.94%	68.86%	69.33%	56.40%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

# VERTICAL ANALYSIS

	2025	2024	2023	2022	2021	2020
<b>Turnover -Net</b>	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of sales	-84.66%	-87.22%	-87.84%	-86.06%	-86.53%	-87.61%
<b>Gross profit</b>	15.34%	12.78%	12.16%	13.94%	13.47%	12.39%
Administrative expenses	1.69%	1.65%	1.52%	2.72%	1.91%	2.68%
Selling expenses	1.45%	1.42%	1.22%	1.05%	1.71%	2.51%
	-3.14%	3.07%	-2.74%	-3.78%	-3.62%	-5.18%
<b>Operating Profit</b>	12.20%	9.72%	9.42%	10.16%	9.85%	7.20%
Financial Charges	-2.51%	-2.42%	-3.12%	-0.73%	-0.70%	-1.25%
	9.69%	7.30%	6.30%	9.43%	9.15%	5.96%
Other income	1.51%	3.95%	2.36%	2.36%	0.08%	0.21%
	11.20%	11.24%	6.30%	11.80%	9.23%	6.17%
Other Expenses	-0.90%	-0.92%	-0.94%	-0.95%	-0.61%	-0.43%
<b>Profit before Taxation</b>	10.30%	10.32%	7.72%	10.84%	8.62%	5.74%
Taxation	-3.52%	-3.61%	-2.41%	-4.16%	-2.55%	-1.68%
<b>Profit after Taxation</b>	6.78%	6.72%	5.31%	6.68%	6.07%	4.07%

# STATEMENT OF COMPLIANCE

## Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

Citi Pharma Limited (the "Company") has complied with the requirement of the Regulations in the following manner:

1. The total number of directors are seven as per the following
  - a. Male Five (5)
  - b. Female Two (2)
2. The composition of the board is as follows:
  - a. Independent Directors 02
  - b. Non-Executive Directors 03
  - c. Executive Directors 02

Category	Names
Independent Directors <ul style="list-style-type: none"> <li>• Male</li> <li>• Female</li> </ul>	1. Mr. Abdul Jaleel Shaikh 2. Ms. Saima Shafi Rana
Executive Directors	1. Mr. Rizwan Ahmad 2. Mr. Zameer Ul Hassan Shah
Non-Executive Directors	1. Mr. Nadeem Amjad 2. Mr. Muhammad Naeem 3. Mr. Saira Aslam

\* In order to comply with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019, two independent directors were elected on the Board of Directors upon maturity of existing term, whereas the code requires to appoint at-least two or one-third of the board members (whichever is higher). The fraction of 0.33 was not rounded up as the two appointed independent directors fairly protected the interests of the shareholders. at-least two or one-third of the board members (whichever is higher). The fraction of 0.33 was not rounded up as the two appointed independent directors fairly protected the interests of the shareholders.

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this, Company.
4. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved, updated or amended has been maintained.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board complied with requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the meeting of Board.
8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.
9. The Directors were apprised of their duties and responsibilities from time to time. Seven directors have either already attended the directors' training program as required in previous years or meet the exemption criteria as contained in the Regulations
10. The Board has approved appointment of Chief financial officer and Company Secretary including their remuneration and terms and conditions of appointment and complied with relevant requirements of the Regulations.
11. The Financial statements of the Company were duly endorsed by the chief executive officer and chief financial officer before approval of the Board;

# STATEMENT OF COMPLIANCE

## Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

12. The Board has formed committees comprising members given below:

**a. Audit Committee**

Name	Designation
Mr. Abdul Jaleel Shaikh	Chairman/Independent Director
Mr. Nadeem Amjad	Non-Executive Director
Mr. Muhammad Naeem	Non-Executive Director
Mr. Ghulam Dastageer	Secretary to Audit Committee

**b. Human Resource & Remuneration committee**

Name	Designation
Mrs. Samia Shafi Rana	Chairman/Independent Director
Mr. Rizwan Ahmad	Executive Director
Mr. Zameer Ul Hassan Shah	Executive Director
Mr. Ghulam Dastgeer	Secretary to HR & Remuneration Committee

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following;

- a) Audit Committee (Quarterly)
- b) HR and Remuneration Committee (Yearly)

15. The Board has set up an effective internal audit function, which is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

# STATEMENT OF COMPLIANCE

## Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

18. We confirm that all requirements of regulation 3,6,7,8,9,19,27,32,33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,9,19,27,32,33 and 36 are below:

S.No	Non-Mandatory Requirement	Explanation	Reg. No.
1	Nomination Committee:  The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The responsibilities as prescribed for the nomination committee are being performed by the HR and Remuneration Committee	29(1)
2	Sustainability Committee:  Role of the Board and its members to address sustainability risk and opportunities. The Board is responsible for setting the Company's sustainability strategies, priorities, and targets to create long term corporate value. The Board may establish a dedicated sustainability committee	At present the Board provides governance and oversight in relation to Company's initiatives on Environmental, Social and Governance (ESG) matters. Nevertheless, the requirements introduced recently by SECP through notification dated June 12, 2024, will be complied with in due course.	10(A)

For and behalf of the Board



**Mr. Nadeem Amjad**  
Chairman



**Mr. Rizwan Ahmad**  
CEO

**Date: October 02, 2025**



## Aslam Malik & Co. Chartered Accountants



### INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Citi Pharma Limited

#### Review report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Citi Pharma Limited for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2025.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the paragraph reference where it is stated in the statement of Compliance.

Paragraph Reference	Description
9	The Company has not arranged the directors training program or obtained the exemption from directors training program from the commission as required under clause 19 of the Regulations.

The engagement partner on the review resulting in this independent auditors' review report is Muhammad Kamran Aslam.

*Muhammad Kamran Aslam*

Chartered Accountants

October 03, 2025

Lahore

UDIN: CR20251082716H8kGQXD



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## INDEPENDENT AUDITOR'S REPORT

To the members of Citi Pharma Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the annexed financial statements of **Citi Pharma Limited** (the Company), which comprise the statement of financial position as at **June 30, 2025**, and the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1.	<p><b>Revenue Recognition</b></p> <p>Refer note 23 to the financial statements and the accounting policy in note 3.8 to the financial statements regarding the sale of goods.</p> <p>The Company is engaged in the manufacturing and sale of pharmaceuticals, medical chemicals, and botanical products.</p> <p>The Company recognized net revenue of Rs. 13,153 million from the sale of goods to customers during the year ended 30 June 2025.</p> <p>We identified recognition of revenue against the sale of goods as a key audit matter because revenue is one of the key performance indicators of the Company and gives rise to a risk that revenue is recognized without transferring control.</p>	<p>Our key audit procedures in this area amongst others included the following:</p> <ul style="list-style-type: none"> <li>➤ Obtaining an understanding of the process relating to recording of sales and testing the design, implementation, and operating effectiveness of relevant key internal controls;</li> <li>➤ Assessing the appropriateness of the Company's accounting policies for recording sales and compliance of those policies with applicable accounting standards;</li> <li>➤ Comparing a sample of sale transactions recorded during the year with sales orders, sales invoices, delivery documents, and other relevant underlying documents;</li> <li>➤ Performing cut-off procedures to ensure that the revenue was recognized in the correct accounting period.</li> <li>➤ Performing journal entry testing using a risk-based criterion, on a sample basis, relating to revenue transactions recorded by the Company and reviewing underlying documentation and business rationale of such journal entries.</li> <li>➤ Assessing the adequacy of the Company's disclosures in accordance with the applicable financial reporting framework.</li> </ul>

#### Information Other Than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Board of Directors for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under Section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditors' report is **Muhammad Kamran Aslam**.

*Muhammad Kamran Aslam*  
Chartered Accountants



Date: October 03, 2025  
Lahore  
UDIN: AR2025108279xP8470Tr

# STATEMENT OF FINANCIAL POSITION

As at June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital:			
300,000,000 Ordinary shares of Rs. 10/- each		3,000,000,000	3,000,000,000
<b>SHARE CAPITAL</b>			
Issued, subscribed and paid up capital	4	2,284,612,000	2,284,612,000
<b>CAPITAL RESERVES</b>			
Share premium	5	1,391,532,000	1,391,532,000
Surplus on revaluation of freehold land	6	5,384,617,300	309,294,525
		6,776,149,300	1,700,826,525
<b>REVENUE RESERVE</b>			
Unappropriated Profit		1,806,817,381	1,647,690,917
		10,867,578,681	5,633,129,442
<b>NON-CURRENT LIABILITIES</b>			
Long Term Financing - Secured	7	-	-
Deferred Liabilities	8	201,763,862	206,710,153
Deferred Grant	9	-	-
Lease Liabilities	10	64,864,123	-
		266,627,986	206,710,153
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	3,858,531,251	3,600,331,259
Due to Related Parties	12	5,686,383	43,420,000
Short Term Borrowings-Secured	13	2,863,211,696	1,393,095,588
Current portion of long term liabilities	14	15,802,536	18,865,031
Unclaimed Dividend		4,065,868	1,389,901
Accrued Mark Up		38,268,523	71,473,816
Provision for taxation		519,677,557	470,831,450
		7,305,243,814	5,599,407,045
Contingencies and commitments	15	-	-
		18,439,450,481	11,439,246,640
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	16	8,687,898,852	3,529,694,352
Long term Security Deposits		25,443,117	20,217,776
Long Term Advance	17	254,540,900	254,540,900
		8,967,882,869	3,804,453,028
<b>CURRENT ASSETS</b>			
Stock in Trade	18	3,929,701,530	3,203,374,300
Trade Debts- Unsecured	19	3,078,215,648	2,196,877,403
Advances, Deposits, prepayments & other Receivables	20	903,708,936	840,351,401
Short Term Investments	21	956,388,685	1,306,290,577
Cash and Bank Balances	22	603,552,814	87,899,930
		9,471,567,612	7,634,793,612
		18,439,450,481	11,439,246,640

The annexed from 1 to 44 notes form an integral part of these financial statements.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

# STATEMENT OF PROFIT OR LOSS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>SALES - NET</b>	23	13,153,521,857	12,409,238,742
Cost of sales	24	(11,135,913,539)	(10,823,043,626)
<b>GROSS PROFIT</b>		2,017,608,318	1,586,195,116
Administrative and general expenses	25	222,111,434	204,140,660
Marketing and distribution expenses	26	191,248,622	176,413,202
		(413,360,056)	(380,553,862)
<b>OPERATING PROFIT</b>		1,604,248,262	1,205,641,254
Financial Charges	27	(329,672,942)	(299,906,390)
		1,274,575,320	905,734,864
Other income	28	198,270,120	489,667,362
		1,472,845,440	1,395,402,226
Other Expenses	29	(118,335,610)	(114,200,518)
<b>PROFIT BEFORE INCOME TAXES AND FINAL TAXES</b>		1,354,509,830	1,281,201,708
Taxation - Final taxes	30	-	(3,296,190)
<b>PROFIT BEFORE INCOME TAX</b>		1,354,509,830	1,277,905,518
Taxation - Income tax		(462,470,896)	(444,441,671)
<b>Profit after income tax</b>		892,038,934	833,463,847
<b>EARNINGS PER SHARE- BASIC AND DILUTIVE (RUPEES)</b>	31	3.90	3.65

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

# STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2025

	June 30, 2025 Rupees	June 30, 2024 Rupees
Profit after income tax	892,038,934	833,463,847
OTHER COMPREHENSIVE (LOSS) / INCOME		
ITEMS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED IN PROFIT OR LOSS:		
Revaluation surplus on freehold Land	5,075,322,775	-
Experience adjustment on remeasurement of staff retirement	13,502,018	(3,696,255)
Related deferred tax impact	(3,915,585)	1,441,539
	9,586,433	(2,254,716)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>5,976,948,141</b>	<b>831,209,131</b>

The annexed from 1 to 44 notes form an integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

# STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2025

PARTICULARS	CAPITAL RESERVES			REVENUE RESERVES	TOTAL
	SHARE CAPITAL	SURPLUS ON REVALUATION OF FREEHOLD LAND	SHARE PREMIUM	UN-APPROPRIATED PROFIT	
----- (Rupees) -----					
Balance as at June 30, 2023	2,284,612,000	309,294,525	1,391,532,000	1,387,634,786	5,373,073,311
Final Dividend Paid for the year ended June 2023 @ 25%	-	-	-	(571,153,000)	(571,153,000)
Profit for the year				833,463,847	833,463,847
Other Comprehensive loss (Net of tax)	-	-	-	(2,254,716)	(2,254,716)
Balance as at June 30, 2024	2,284,612,000	309,294,525	1,391,532,000	1,647,690,917	5,633,129,442
Final Dividend Paid for the year ended June 2024 @ 32.5%	-	-	-	(742,498,902)	(742,498,902)
Surplus on revaluation of property, plant & equipment	-	5,075,322,775	-	-	5,075,322,775
Profit for the year	-	-	-	892,038,934	892,038,934
Other Comprehensive income (Net of tax)	-	-	-	9,586,433	9,586,433
Balance as at June 30, 2025	2,284,612,000	5,384,617,300	1,391,532,000	1,806,817,381	10,867,578,681

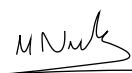
The annexed from 1 to 44 notes form an integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

# STATEMENT OF CASH FLOWS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>CASH FLOWS FROM OPEARTING ACTIVITIES</b>			
Profit before income taxes and final taxes		1,354,509,830	1,281,201,708
Adjustments For Non- Cash Items And Other Line Items:			
Depreciation	16.1	168,085,212	138,220,523
Gratuity Expense	8.1	33,273,698	29,639,062
Allowance for expected credit loss		2,200,916	4,776,739
Unrealized Exchange Loss			-
Amortization of Deferred Grant	9	-	(3,043,317)
Unrealized Loss on Investment in Shares		(1,969,680)	-
Un-Realized gain on investment in shares		329,672,942	(29,281,380)
Accrued Interest		72,611,424	(7,049,476)
Financial Charges		27,051,315	299,906,390
Worker's Profit Participation Fund		299,906,390	68,780,302
Worker's Welfare Fund	29	25,624,034	25,624,034
		633,715,864	527,572,877
Profit before working capital changes		1,988,225,694	1,808,774,585
<b>EFFECT OF WORKING CAPITAL CHANGES:</b>			
Advances, Deposits And Prepayments		78,125,799	(146,787,981)
Trade Debts		(885,740,076)	(282,687,404)
Stock In Trade		(726,327,230)	(594,390,726)
Trade and other payables		227,317,555	1,358,957,848
		(1,306,623,951)	335,091,737
Financial Charges Paid		(356,832,457)	(289,990,951)
Income Tax Paid		(573,995,150)	(461,131,101)
Gratuity Paid	8.1	(2,697,050)	(1,055,955)
Worker's Profit Participation Fund paid	11.2	(68,780,302)	(54,091,160)
		(1,002,304,959)	(806,269,167)
Net cash flow from operating activities	A	(320,703,217)	1,337,597,155
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property And Equipment	16.1	(86,123,857)	(326,942,164)
Capital Work in Progress		(63,940,621)	(241,253,833)
Long Term Security Deposits		(5,225,341)	3,427,788
Short Term Investments		42,307,825	52,829,364
Net cash flow from investing activities	B	(112,981,993)	(511,938,845)

# STATEMENT OF CASH FLOWS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Long-term loans repaid		(12,859,000)	(51,558,110)
Current portion of deferred grant		(582,494)	
Liability Against Assets Subject To Finance Lease	13	(32,294,240)	(4,609,309)
Due to Related Parties		(37,733,617)	(254,060,434)
Dividend Paid		(739,822,935)	(571,153,000)
Short Term Borrowings	14	1,470,116,108	(77,475,888)
<b>Net Cash flow From financing Activities</b>	<b>C</b>	<b>646,823,823</b>	<b>(958,856,741)</b>
<b>Net Increase/ (Decrease) In Cash And Cash Equivalents</b>	<b>A+B+C</b>	<b>213,138,613</b>	<b>(133,198,431)</b>
Cash And Cash Equivalents At Beginning of the Year		1,278,333,631	1,411,532,062
<b>Cash And Cash Equivalents At End Of The Year</b>		<b>1,491,472,244</b>	<b>1,278,333,631</b>
<b>Cash and cash equivalents comprise of:</b>			
Cash in hand		844,147	26,505
Cash at bank		602,708,667	87,873,425
Short Term Investments		887,919,430	1,190,433,701
		<b>1,491,472,244</b>	<b>1,278,333,631</b>

The annexed from 1 to 44 notes form an integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 1 LEGAL 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. The 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 Basis of measurement

These financial statements have been prepared under the historical cost convention modified by revaluation of freehold land referred to in note 3.1, certain financial instruments which are carried at their fair values and the Company's liability under defined benefit plan (gratuity) is determined on the present value of defined benefit obligations as determined by an independent actuary.

### 2.2 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise:

International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### 2.3 Functional and presentation currency

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

### 2.4 Use of estimates and judgments

The preparation of financial statements in conformity with the 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 historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the process of applying the Company's accounting policies, the management has made the following estimates and judgments which are significant to the financial statements:

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note
- assumptions and estimates used in determining the recoverable amount, residual values and useful lives of operating fixed assets	16.1
- assumptions and estimates used in revaluation of land	6
- assumptions and estimates used in determining the useful lives and residual values of intangible assets	3.2
- assumptions and estimates used in calculating the provision for impairment for trade debts	19
- assumptions used in determination of current and deferred taxation	3.16
- assumptions and estimates used for valuation of present value of defined benefit obligation	3.18
- assumptions and estimates used in determining current taxation	30

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.

## 2.5 Initial application of a standard, amendment or an interpretation to an existing standard

Amendments to published accounting and reporting standards which are effective for the year ended June 30, 2025

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial statements.

Standards, interpretations and amendments to approved accounting standards that are not yet effective  
Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

	Effective date (annual reporting periods beginning on or after)
IAS 21 The Effect of Changes in Foreign Exchange Rates (Amendments)	January-01-2025
IFRS 7 Financial Instruments: Disclosures (Amendments)	January-01-2026
IFRS 9 Financial Instruments: Classification and Measurement (Amendments)	January-01-2026
IFRS 17 Insurance Contracts	January-01-2026
Annual improvements to IFRS 7, IFRS 9, IFRS 10 (consolidated financial statements) and IAS 7 (statements of cashflows)	January-01-2026

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2025;

IFRS 1 First-time Adoption of International Financial Reporting Standards

IFRIC Service Concession Arrangement

12

IFRS Presentation and Disclosures in Financial Statements

18

IFRS Subsidiaries without Public Accountability: Disclosures

19

2.5.2 Standard, amendments to published accounting and reporting standards and interpretations that are not yet effective and have not been early adopted by the Company

There are certain new standards and certain amendments to the accounting and reporting standards that will become mandatory for the Company's annual accounting periods beginning on or after July 1, 2024. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipments

a Owned assets

Property, plant and equipment except freehold land is stated at cost less accumulated depreciation and identified impairment losses. Freehold land is stated at Revalued amount. Cost of property, plant and equipment consists of historical cost, borrowing cost pertaining to the construction and erection period and directly attributable cost of bringing the assets into working condition.

Depreciation is charged to income on reducing balance method at the rates specified in Note 16. Full month's depreciation is charged on additions during the month, whereas no depreciation is charged on the assets disposed off during the month. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and replacements are capitalized. Gains or losses on disposal of property, plant and equipment are included in the current year income.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

Residual values and useful lives are reviewed at each balance sheet date and adjusted if expectations differ significantly from previous estimates. The management estimates that the financial impact of changes in the residual values and the useful lives during the year is immaterial.

Residual values are determined by the management as the amount expects it would receive currently for an item of property, plant and equipment if it was already of the age and in the condition expected at the end of the life based on the prevailing market prices of the similar assets already at the end of its useful lives.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

## **b Right of use assets**

The right-of-use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated at reducing balance method from the date of recognition to the earlier of the end of useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

## **c Capital work in progress**

Capital work-in-progress is stated at cost less impairment, if any. It consists of expenditure incurred and advances made in respect of items of property, plant and equipment in the course of their acquisition, construction and installation. Transfers are made to the relevant category of assets when assets are available for intended use.

## **3.2 Intangible assets**

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses. The depreciable amount of intangible asset is amortized over the estimated useful life using the reducing balance method at the rate stated in the relevant note to the financial statements.

## **3.3 Impairment of non-financial assets**

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds the recoverable amount. Impairment losses are recognized in the statement of profit or loss and other comprehensive income. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If there is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the assets in prior year. Such reversal is recognized in the statement of profit or loss and other comprehensive income.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 3.4 Stock in trade

Inventories are valued at lower of cost and net realizable value as per requirements of IAS 2. Cost of major stock items is determined as follows;

- Raw material	At weighted average cost
- Packing material	At weighted average cost
- Finished goods	Comprised of direct material, labor, and appropriate manufacturing overheads.
- Material in transit	Are stated at invoice value plus other charges incurred thereon.

Net realizable value signifies the estimates selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale.

## 3.5 Trade and other receivables

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

## 3.6 Cash and cash equivalents

Cash and cash equivalents comprise running finances, cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

## 3.7 Revenue recognition

The Company recognizes revenue when it transfers control over goods to its customers, being when the products are delivered to the customer and there is no unfulfilled obligation that could effect the customer's acceptance of the product. Revenue is recognized at an amount that reflects the consideration, to which the Company expects to be entitled in exchange for transferring of goods to its customers net of discount and sales related indirect taxes. The sales related indirect taxes are regarded as collected on behalf of statutory authorities. The Company generates revenue by supplying products to the customers, including export product.

- i) Revenue from sales is recognized on delivery of products to the customers with the exception that export sales if any are recognized at the time of issuance of bill of lading.
- ii) Dividend income is recognized when the right to receive dividend is established.
- iii) Income on bank deposits and short term investments are recognized using the effective yield method.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 3.8 Revenue from contract with customers

### Sale of Goods

Sale of goods is recognized when the Company has transferred control of the products to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

### Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due.

### Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

## 3.9 Borrowings and borrowing costs

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of that asset.

## 3.10 Provisions

Provision is recognized when the Company has a legal and constructive obligation as a result of past event and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of obligation. Provision is reviewed at each date of statement of financial position and adjusted to reflect current best estimate.

## 3.11 Trade and other payables

Trade and other payables are recognized initially at fair value net of directly attributable cost, if any.

## 3.12 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the board of directors, it is in the interest of the Company to do so.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 3.13. Financial instruments

All financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

### 3.13.1 Financial Assets

#### Classification

The Company classifies its financial assets in the following measurement categories:

- a) Amortized cost where the effective interest rate method will apply;
- b) fair value through profit or loss;
- c) fair value through other comprehensive income.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

'For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

#### Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

## Debt Instrument

'Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

### a) Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other operating gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

### b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit or loss and recognized in other income/charges. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/charges and impairment expenses are presented as separate line item in the statement of profit or loss.

### c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the statement of profit or loss and presented net within other operating gains/(losses) in the period in which it arises.

## De-recognition of financial assets

A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is derecognized when:

- i. The rights to receive cash flows from the asset have expired

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset.

In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## Impairment of financial assets

The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Trade debts
- Loans, advances, deposits, prepayments and other receivables
- Short term investments
- Cash and bank balances

## Simplified approach for trade debts

The Company recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

Trade debts are separately assessed for ECL measurement. The lifetime expected credit losses are estimated using the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

## Recognition of loss allowance

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 120 days past due in making a contractual payment.

## Write-off

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

### 3.13.2 Financial Liabilities

#### Classification, initial recognition and subsequent measurement

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss; and
- other financial liabilities

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

#### a) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## b) Amortised cost

After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the statement of profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

## De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss.

### 3.13.3 Off-setting of financial assets and financial liabilities.

A financial asset and a financial liability is offset and the net amount is reported in the financial statements if the company has legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

### 3.14 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability; or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market is accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

- a. Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- b. Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- c. Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Chief Financial Officer determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers may be involved for valuation of significant assets and significant liabilities. For the purpose of fair value disclosures, the Company determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

## 3.15 Contingent liabilities

Contingent liabilities are disclosed when there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company; or there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

## 3.17 Taxation

### Current Tax

Provision for current taxation is based on taxable income for the year at the current rates of taxation after taking into account tax credits and tax rebates available, if any.

### Deferred Tax

Deferred tax is recognized using the liability method, on all temporary differences at the balance sheet date calculated at the prevailing rates, between the tax bases of assets and liabilities and their carrying costs for the purposes of financial reporting. Deferred tax liabilities are recognized for all taxable temporary differences to the extent that such differences will reverse in the due future and taxable income will be available for deducting temporary differences.

The carrying amount of deferred tax asset is reviewed on the balance sheet date and is reduced to the extent that it is no longer probable that the sufficient taxable profit will be available to allow in all or part of it for the deferred tax asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realized or the liability is settled based on the tax rates that have been enacted currently or subsequently at the balance sheet date.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it becomes probable future taxable profits will allow deferred tax asset to be recovered.

## 3.17 Research and development cost

Research expense is recognized in profit or loss account in the year of expense and development cost is capitalized in the year when meets the development criteria.

## 3.8 Staff retirement benefits

The Company operates approved un-funded gratuity scheme for its workers who have completed the minimum qualifying period of service as defined under the respective scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to statement of profit or loss.

The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if, any excluding interest), are recognized immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan is recognized in statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

## 3.19 Lease liability

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

Subsequently lease liabilities are measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

## 3.20 Off setting:

Financial assets and liabilities are offset and the amount is reported in the financial statements only when there is legally enforceable right to set-off the recognized amount and the company intends either to settle on a net basis, or to realize the assets and to settle the liability simultaneously.

## 3.21 Earning per share:

The company presents basic and diluted earning per share (EPS) for its ordinary shares. Basis EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects for all dilutive potential ordinary shares.

## 3.22 Foreign currency transactions

Foreign currency transactions are recorded at the official exchange rate applicable at the transaction date. Monetary assets and liabilities are translated into rupees using official exchange rates applicable at the statement of financial position date. All gains and losses on settlement and transaction at year-end are recognized in the income statement.

## 3.23 Government grant

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

The Company recognizes government grants when there is reasonable assurance that grants will be received and the Company will be able to comply with conditions associated with grants.

Government grants are recognized at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

A loan is initially recognized and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

## 3.24 Dividend to ordinary shareholders

Dividend to ordinary shareholders is recognized as a deduction from accumulated profit in the statement of changes in equity and as a liability in the Company's financial statements in the year in which the dividends are approved by the Board of Directors or the Company's shareholders as the case may be.

## 3.25 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

## 3.26 Ijarah

In ijarah transactions, significant portion of the risks and rewards of ownership are retained by the lessor. Islamic Financial Accounting Standard 2 - 'Ijarah' requires the recognition of 'Ujrah payments' (lease rentals) against ijarah financing as an expense in the statement of profit or loss on a straight line basis over the ijarah term.

## 3.27 Investment in associates

The Company's interest in equity-accounted investees represents interest in associates. Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. These are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Company's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence ceases.

## 3.28 Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategic decisions.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>4 SHARES CAPITAL</b>			
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
		<b>2,284,612,000</b>	<b>2,284,612,000</b>

- 4.1 The Company has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company's residual assets.

## 5 SHARE PREMIUM

Share Premium		1,391,532,000	1,391,532,000
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Share Premium Reserve can be utilized by the Company only for the purposes specified in Section 81 of the Companies Act, 2017.

## 6 SURPLUS ON REVALUATION OF FREEHOLD LAND

Revaluation Surplus on Free Hold Land	6.1	5,384,617,300	309,294,525
<b>6.1</b> Movements in revaluation surplus during the year were as follows:	6.2		
Balance at beginning of year		309,294,525	309,294,525
Revaluation increase during year		5,075,322,775	-
Transferred to retained earnings		-	-
Balance at end of year		<b>5,384,617,300</b>	<b>309,294,525</b>

6.2	Land Description	Date of revaluation	Book Value	Revalued Amount	Revaluation Surplus
	3.5 KM, Head Balloki Road, Phool Nagar, Kasur	25-Jul-24	591,200,000	1,385,700,000	794,500,000
	Hadbast Mouza Mangial Tehsil Fateh Jhang and District Attock	17-May-25	154,157,225	643,630,000	489,472,775
	71-E, Hali Road, Lahore	17-May-25	347,480,000	1,145,200,000	797,720,000
	Hadbast Mouza haloki Near Khayaban-E-Zafar, Tehsil Model town Lahore	17-May-25	661,650,000	3,609,000,000	2,947,350,000
	588-Q Block, Johar Town, Lahore	25-Jun-25	110,500,000	156,780,000	46,280,000
			<b>1,864,987,225</b>	<b>6,940,310,000</b>	<b>5,075,322,775</b>

The latest revaluation of freehold land has been carried out as at different dates, by Independent Valuers on the basis of their professional assessment of present market value, based on enquiries made about the cost of land of similar nature, size and location.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>7 LONG TERM FINANCING - SECURED</b>			
Finance of Machinery in SBP (TERF) from Bank Al-Habib Limited	7.1	-	12,859,000
		-	
Current Portion shown under current liabilities	14	-	(12,859,000)
		-	-

- 7.1 The Company obtained long term loan from Bank Al-Habib Limited for import of plant and machinery, which is secured against the same plant and machinery. The rate of markup is 5% per annum which includes 4% BAHIL 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>8 DEFERRED LIABILITIES</b>			
Staff retirement benefits - gratuity	8.1	99,695,303	82,620,673
Deferred Taxation	8.2	102,068,559	124,089,480
		201,763,862	206,710,153
<b>8.1 Staff retirement benefits - gratuity</b>			
Net liability recognized in the statement of financial position			
Present value of defined benefit obligations		99,695,303	82,620,673
<b>8.1.1 Movement in the net liability recognized in the statement of financial position</b>			
Net liability as at 1st July	8.1.3	82,620,673	50,341,311
Expense recognized in the income statement		33,273,698	29,639,062
Benefits paid during the year		(2,697,050)	(1,055,955)
Remeasurement changes chargeable to other comprehensive income	8.1.4	(13,502,018)	3,696,255
Net liability as at 30th June		99,695,303	82,620,673

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
8.1.2	Movement in the present value of defined benefit obligation is as follows:		
	Present value of defined benefit obligation as at 1st July	82,620,673	50,341,311
	Current service cost	21,895,597	19,265,400
	Past Service Cost	-	2,528,062
	Interest cost on defined benefit obligation	11,378,101	7,845,600
	Benefits due but not paid (payables)	-	-
	Benefit paid	(2,697,050)	(1,055,955)
	Remeasurement of obligation	(13,502,018)	3,696,255
	Present value of defined benefit obligation as at 30th June	99,695,303	82,620,673
8.1.3	Amount Chargeable to Statement of Profit or Loss		
	Service Cost	21,895,597	19,265,400
	Past service cost	-	2,528,062
	Interest cost on defined benefit obligation	11,378,101	7,845,600
		33,273,698	29,639,062
8.1.4	Amount recognized in other comprehensive income are:		
	Actuarial loss / (gain) due to experience adjustments	(13,502,018)	3,696,255
8.1.5	Key actuarial assumptions used:		
	Financial assumptions		
	Discount rate used for Interest Cost in P&L Charge	12.50%	15.75%
	Discount rate used for year end obligation	14.00%	14.00%
	Demographic Assumptions		
	Mortality Rates	SLIC 2001 - 2005	SLIC 2001 - 2005
8.1.6	Sensitivity analysis for actuarial assumptions:		
	The sensitivity of the defined benefit obligation to changes in the weighted principle assumption is:		
		Change in assumption	Increase in assumption
	Discount rate	+ - by 100 bps	88,839,926
	Salary increase	+ - by 100 bps	113,249,592
			88,494,580

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

		June 30, 2025
8.1.7	Estimated Expenses to be Charged to P&L in FY 2025	
	Current service cost	21,895,597
	Interest cost on defined benefit obligation	11,378,101
8.1.8	Expected Benefit Payments for the Next 10 Years and Beyond	
	FY 2026	10,987,544
	FY 2027	12,056,808
	FY 2028	13,440,557
	FY 2029	14,412,775
	FY 2030	15,199,035
	FY 2031	15,872,887
	FY 2032	16,425,533
	FY 2033	16,803,902
	FY 2034	17,175,947
	FY 2035	17,415,973
	FY 2036 onwards	17,636,947
	The average duration of the defined benefit obligation is	6,519,835,262

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
8.2	Deferred Taxation		
	Opening deferred tax liability	8.2.1 102,068,559	124,089,480
8.2.1	Deferred taxation liability		
	Accelerated tax depreciation	128,669,283	179,252,577
	Staff retirement benefits - gratuity	(28,911,638)	(32,222,062)
	Lease Liability	4,566,838	441,867
	Allowance for expected credit loss	(2,023,520)	(1,862,928)
	Investment in Shares	(232,404)	(21,519,974)
	Net Deferred Tax Liability	102,068,559	124,089,480
8.2.2	Movement in deferred tax liability		
	Balance at beginning of year	124,089,480	94,242,878
	Recognized in profit or loss	(18,105,335)	31,288,141
	Recognized in other comprehensive income	(3,915,585)	(1,441,539)
	Recognized directly in equity	-	-
	Balance at end of year	102,068,559	124,089,480

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>8.2.3 Deferred tax charged / (reversal) to profit or loss</b>			
accelerated tax depreciation		(50,583,295)	40,248,407
Staff retirement benefits - gratuity		7,226,010	(11,147,412)
Lease Liability		4,124,971	(617,418)
Allowance for expected credit loss		(160,592)	(1,862,928)
Investment in Shares		21,287,570	4,667,492
		(18,105,335)	31,288,141
<b>8.2.4 Deferred tax reversal to other comprehensive income</b>			
Employees' retirement benefits		(3,915,585)	(1,441,539)
<b>9 DEFERRED GRANT</b>			
As at 01 July		-	3,625,811
Derecognition of Grant		-	-
Amortization	14	-	(3,043,317)
		-	582,494
Current portion		-	(582,494)
As at 30 June		-	-
<b>10 LEASE LIABILITIES</b>			
Lease Liability		64,864,123	-
<b>10.1 Movements in lease liabilities during the year are as follows:</b>			
Balance at beginning of year		5,423,537	10,032,846
Add: New leases recognized		83,404,967	-
Add: Interest expense		(2,736,188)	(272,012)
Less: Lease payments made		(5,425,657)	(4,337,297)
Less: Termination / modification		-	-
		80,666,659	5,423,537
<b>10.2 The maturity analysis of lease liabilities is as follows:</b>			
Not later than one year		25,731,853	5,695,549
Later than one year but not later than five years		83,045,912	-
Total undiscounted lease payments		108,777,765	5,695,549
Less: Finance charge		(28,111,106)	(272,012)
Present Value of Lease Liability		80,666,659	5,423,537
Less: Current maturity of long term obligation	14	(15,802,536)	(5,423,537)
		64,864,123	-

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
Payable within one year		15,802,536	5,423,537
Payable after one year		64,864,123	-
		80,666,659	5,423,537

- 10.3 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 3 months KIBOR + 1.3% 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.

## 11 CREDITORS, ACCRUED AND OTHER LIABILITIES

Trade creditors	11.1	3,183,626,168	1,938,471,667
Accrued expenses	11.2	43,625,941	17,806,985
Worker's Profit Participation Fund	11.3	68,780,302	54,091,160
Worker's Welfare Fund	11.4	72,443,773	46,819,739
Sales Tax Payable		13,208,223	26,345,740
Other Liabilities		181,828,854	81,635,152
		3,563,513,261	2,165,170,443

- 11.1 This includes secured foreign creditors amounting Rs. 2,929.5 million (2024: Rs. 1,778.61 million) against import of raw material.
- 11.2 This includes an amount of Rs. Nil (2024: Rs. 0.570 million) in respect of gratuity payable to outgoing employees. This also includes payable to directors amounting to Rs. 2.835 million (2024: Rs. 2.34 million).

11.3	<b>Worker's Profit Participation Fund</b>		
	Balance as at July 01	54,091,160	57,711,711
	Expense recognised during the year	68,780,302	51,802,413
		122,871,462	109,514,124
	Less: Payments during the year	(54,091,160)	(55,422,964)
	Balance as at June 30	68,780,302	54,091,160
11.3	<b>Worker's Welfare Fund</b>		
	Balance as at July 01	72,443,773	46,819,739
	Expense recognized during the year	27,051,315	25,624,034
		99,495,088	72,443,773
	Less: Payments during the year	-	-
	Balance as at June 30	99,495,088	72,443,773

## 12 DUE TO RELATED PARTIES

Director's Loan	12.1	-	43,420,000
Loan from Associated Company		5,686,383	-
		5,686,383	43,420,000

- 12.1 This represents interest-free loan and is payable on demand.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>13 SHORT TERM BORROWINGS-SECURED</b>			
From banking companies - secured			
Running Finance	13.1	1,363,211,696	1,393,095,588
Short term Sukuks	13.1	1,500,000,000	-
		<b>2,863,211,696</b>	<b>1,393,095,588</b>

13.1 Running Finance facilities aggregate sanction limit of Rs. 1,637.5 million (2024: 1,487.5 million) and other working facilities has been obtained from different banks to meet the working capital requirements and carries markup ranging from 1-3 months KIBOR Plus 0.5% to 1.5% and is secured against first pari passu charge and deposits.

13.2 The Company has raised funds through issuance of short-term Sukuks amounting to PKR 1500 million. These Sukuks were issued under Shariah-compliant arrangements approved by the Company's Shariah Advisor, for the purpose of meeting working capital requirements / funding operational needs.

Key terms of the Sukuks are as follows:

Particulars	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
Facility limit		PKR 1500 million	-
Outstanding balance		PKR 1500 million	-
Tenor		6 months	-
Profit rate		[KIBOR + 0.8 %]	-
Security		Unsecured	-
Maturity date		July 23, 2025	-

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>14 CURRENT PORTION OF LONG TERM LIABILITIES</b>			
Current portion of long term finances	7	-	12,859,000
Current portion of deferred grant	9	-	582,494
Current portion of lease liabilities	10	15,802,536	5,423,537
		15,802,536	18,865,031
<b>15 CONTINGENCIES AND COMMITMENTS</b>			
<b>15.1 Contingencies</b>			
15.1.1	The company has filed an appeal against an order issued by the Federal Board of Revenue (FBR) under section 122(5)/205 for the tax year 2023, amounting to Rs. 111.9 million and the appeal is pending with the Appellate Tribunal. Based on the opinion of the company's tax advisor, the management believes that the appeal is likely to result in the nullification of the FBR order. Consequently, no provision has been made for the amount assessed.		
<b>15.2 Commitments</b>			
15.2.1	Letters of credit issued by various banks on behalf of the Company in ordinary course of the business PKR 3,145 million (2025) and PKR 2,929 million (2024).		
15.2.2	The Company has given bank guarantees of Rs. 175 million (2024: Rs. 111.8) to a utility company and other institutions against tenders.		
<b>15.2.3 Commitments under Ijarah Agreements</b>			
	The future aggregate payments under Ijarah arrangements are as follows:		
		11,060,592	11,060,592
		7,854,063	18,914,655
		18,914,655	29,975,247
<b>16 PROPERTY PLANT &amp; EQUIPMENT</b>			
Operating assets		8,687,898,852	3,529,694,352
<b>16.1 Operating Fixed Assets</b>	16.1	8,542,377,585	3,393,093,808
Right of Use Assets	16.1	96,414,377	6,556,529
Capital Work-in-Progress	16.5	49,106,889	130,044,015
		8,687,898,852	3,529,694,352

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

16.1 Operating Fixed Assets

DESCRIPTION	COST				RATE		DEPRECIATION		WDV As At June 30, 2025
	As At June 30, 2024	Addition/ (deletion)	Revaluation Surplus	revaluation Surplus	As At June 30, 2025	%	As At June 30, 2024	For the year	
Rupees									
Owned Asset:									
Freehold Land	1,864,987,225	-	-	- 5,075,322,775	6,940,310,000	-	-	-	- 6,940,310,000
Building on Freehold Land	661,557,234	5,108,640	7,280,779	-	673,946,653	10%	161,515,900	50,554,691	- 212,070,592
Plant & Machinery	1,415,355,252	60,630,587	137,596,968	-	1,613,582,806	10%	440,019,564	101,061,979	- 541,081,543
Vehicles	42,049,372	779,000	13,996,000	-	56,824,372	20%	33,228,678	2,292,291	8,282,659
Office Equipment	39,552,032	14,343,765	-	-	53,895,797	15%	14,781,297	4,933,657	- 19,714,954
Books	181,500	-	-	-	181,500	10%	72,165	10,933	- 83,099
Furniture & Fixtures	21,822,045	3,334,655	-	-	25,156,700	15%	5,772,637	2,682,769	- 8,455,406
Computer	6,467,038	1,927,209	-	-	8,394,247	30%	3,487,647	1,217,622	- 4,705,269
	4,051,971,697	86,123,857	158,873,747	-	9,372,292,075		658,877,889	162,753,942	8,282,659
Right of Used Assets:									
Vehicle	13,996,000	100,902,459	13,996,000	-	100,902,459	20%	7,439,471	5,331,269	(8,282,659)
	13,996,000	100,902,459	-	-	100,902,459		7,439,471	5,331,269	(8,282,659)
As at June 30, 2025	4,065,967,697	187,026,316	158,873,747	-	9,473,194,534		666,317,360	168,085,212	834,402,572
									8,638,791,962

DESCRIPTION	COST			RATE		DEPRECIATION		WDV As At June 30, 2025	
	As At June 30, 2024	Addition/ (deletion)	Revaluation Surplus	revaluation Surplus	As At June 30, 2025	% Rupees	For the year		Transfer during the year
Owned Asset:									
Freehold Land	1,864,987,225	-	-	-	1,864,987,225	-	-	-	1,864,987,225
Building on Freehold Land	485,033,444	176,523,790	-	-	661,557,234	10%	123,266,318	38,249,583	161,515,900
Plant & Machinery	1,129,381,984	285,973,268	-	-	1,415,355,252	10%	350,548,344	89,471,220	440,019,564
Vehicles	18,587,322	1,901,850	21,560,200	-	42,049,372	20%	14,105,460	1,205,657	33,228,678
Office Equipment	26,884,214	12,667,818	-	-	39,552,032	15%	11,230,470	3,550,827	14,781,297
Books	181,500	-	-	-	181,500	10%	60,017	12,148	72,165
Furniture & Fixtures	14,143,901	767,814	-	-	21,822,045	15%	3,517,889	2,254,748	5,772,637
Computer	5,229,268	1,237,770	-	-	6,467,038	30%	2,561,101	926,546	3,487,647
	3,544,428,858	485,982,640	21,560,200	-	4,051,971,697		505,289,598	135,670,731	658,877,889
Right of Used Assets:									
Vehcle	35,556,200	-	(21,560,200)	-	13,996,000	20%	22,807,240	2,549,792	7,439,471
	35,556,200	-	-	-	13,996,000		22,807,240	2,549,792	25,357,032
As at June 30, 2025	3,579,985,058	485,982,640	-	-	4,065,967,697		528,096,838	138,220,523	684,234,921
									3,399,650,337

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 16.2 Allocation of Depreciation

	Cost of Sales	Administrative Expense	Selling Expense	Total
Building	35,388,283.93	7,583,204	7,583,204	50,554,691
Plant & Machinery	101,061,979	-	-	101,061,979
Vehicles	1,146,145	573,073	573,073	2,292,291
Office Equipment	-	4,933,657	-	4,933,657
Leased vehicle	2,132,508	1,599,381	1,599,381	5,331,269
computer	-	852,335.23	365,286.53	1,217,622
Furniture	-	2,682,769	-	2,682,769
Books	10,933	-	-	10,933
Depreciation for the year 2025	139,739,924	18,224,434	10,120,959	168,085,212

16.3 Had there been no revaluation carrying amount of Land would be Rupees PKR 1,165,372,700

16.4 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location / Address	Usage of immovable property	"Total Area (In Kanals)"	"Covered Area (In sq. ft.)"	Forced Sale Value	Revalued Amount
3.5 KM, Head Balloki Road, Phool Nagar, Kasur	Production Unit	369.5	579,405	1,177,845,000	1,385,700,000
71-E, Hali Road, Lahore	Corporate office will be constructed	4	N/A	916,160,000	1,145,200,000
588-Q Block, Johar Town, Lahore	Head Office	1	15,050	125,424,000	156,780,000
Hadbast Mouza haloki Near Khayaban-E-Zafar, Tehsil Moden town Lahore	Medical, Educational, Research and Teaching University will be constructed	60.3	N/A	2,887,200,000	3,609,000,000
Hadbast Mouza Mangial Tehsil Fateh Jhang and District Attock	Botanical Garden will be established	99.1	N/A	514,904,000	643,630,000
				5,621,533,000	6,940,310,000

	June 30, 2025 Rupees	June 30, 2024 Rupees
16.5 Capital Work in Progress		
Opening Balance	130,044,015	70,386,258
Additions	63,940,621	218,698,233
Transfers	(144,877,747)	(159,040,476)
Closing	49,106,889	130,044,015

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>17 LONG TERM ADVANCE</b>			
Long term advance		254,540,900	254,540,900
17.1	This represents advance for purchase of shares of associated company - Yaqeen Developers Limited. The maximum aggregate balance due from the associated company with reference to any month-end was Rs. 254.541 million (2024: Rs. 254.541). The entire balance is unsecured but considered good.		
<b>18 STOCK IN TRADE</b>			
Raw material		1,395,761,449	1,242,586,556
Finished goods		1,890,492,660	1,405,483,939
Packing Material		410,540,167	213,545,447
Stock in transit		200,783,511	301,603,680
Work in process		32,123,742	40,154,678
		3,929,701,530	3,203,374,300
<b>19 TRADE DEBTS- UNSECURED</b>			
Unsecured but considered good		3,085,193,302	2,201,654,142
Allowance for expected credit loss	19.1	(6,977,655)	(4,776,739)
		3,078,215,648	2,196,877,403
19.1 Allowance for expected credit loss			
Balance at beginning of the year		4,776,739	-
Charge for the year		2,200,916	4,776,739
Balance at end of the year		6,977,655	4,776,739
<b>20 ADVANCES DEPOSITS, PREPAYMENTS &amp; OTHER RECEIVABLES</b>			
Advance income tax	20.1	646,420,541	511,986,684
Mark up Receivable from Yaqeen Developers Limited (Related Party)		150,024,950	158,677,563
Advance to employees- unsecured		17,602,682	6,425,478
Advance Against land commercialization		22,555,600	22,555,600
Other Advances and Prepayments- unsecured		31,731,785	8,929,211
Short Term Deposits		29,704,233	24,055,641
Advances to Suppliers		5,669,145	63,135,981
Due from related party	20.2	-	44,585,244
		903,708,936	840,351,401

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
20.1	Advance income tax		
	Opening balance	511,986,684	511,986,684
	Tax deducted during the year	573,995,151	573,995,151
	Tax adjusted for the year	(439,561,294)	(439,561,294)
		646,420,541	646,420,541

20.2 This represents balance receivable from the associated company. The maximum aggregate balance due from the associated company with reference to any month-end was Rs. Nil (2024: Rs. 44.976 million). The entire balance is unsecured but considered good.

21	SHORT TERM INVESTMENTS			
	At amortized Cost			
	Term deposits receipts (TDRs)	21.1	565,851,000	865,850,673
	Accrued profit thereon		1,969,680	7,049,476
	Deposit Account	21.2	322,068,430	324,583,028
	At fair value through profit or loss			
	Investment in Shares- Quoted (Listed Companies)	21.3	66,499,575	108,807,400
			956,388,685	1,306,290,577

21.1 These carry mark up ranging from 9.3% to 19.37%.

21.2 This represents deposit account in a Banking Company which is fixed for three months and roll over and carries mark up of 10.5%/annum.

21.3 Quoted - Investments

The Company holds investments in ordinary shares of listed companies. The face value of the shares is Rs. 10 per share unless otherwise stated. Details are as follows:

2025 Number of shares	2024	Name of investee company	2025 Rupees	2024 Rupees
-	21420000	THE BANK OF PUNJAB	-	104,315,400
100000	100000	ENGRO POLYMER & CHEMICALS LIMITED	3,155,000	4,492,000
3927128		ZAREA LIMITED	63,344,575	-
			66,499,575	108,807,400

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>22 CASH AND BANK BALANCE</b>			
Cash in hand		844,146	26,505
Cash at banks:			
Current Accounts		494,755,989	59,946,088
Saving Accounts	22.1	107,952,678	27,927,337
		602,708,667	87,873,425
		603,552,814	87,899,930

22.1 The Rate of Return on Saving Accounts is Ranging from 6.2% to 13.1% (2024: 17.50% to 20.10%).

<b>23 SALES - NET</b>			
Sales-Net		12,996,069,192	12,522,288,535
Sales Discount		(211,452,532)	(137,791,002)
		12,784,616,660	12,384,497,533
Sales Tax		368,905,197	24,741,209
		13,153,521,857	12,409,238,742

23.1 Revenue has been recognized at a point in time for local sales made during the year.

<b>24 COST OF SALES</b>			
Raw material consumed	24.1	10,354,714,701	9,975,084,829
Salaries, Wages & Other benefits	24.2	386,309,300	320,436,371
Electricity		172,341,126	183,833,211
Wood/corn cube		188,697,020	230,115,018
Packing Material Consumed		242,220,051	319,157,684
Depreciation		139,739,924	117,880,822
Fuel and Power		11,551,503	5,718,815
Repair & maintenance		52,869,831	34,378,295
Other Production Expenses		42,744,742	23,885,019
QC Expenses		13,131,769	13,864,849
Fee & Subscription		8,571,358	5,393,885
		11,612,891,324	11,229,748,798
<b>Work in Process:</b>			
Opening Work in Process		40,154,678	17,235,429
Closing Work in Process		(32,123,742)	(40,154,678)
		8,030,936	(22,919,249)
Cost of goods manufactured		11,620,922,260	11,206,829,549
<b>Finished goods:</b>			
Opening finished goods		1,242,586,556	1,178,950,452
Closing finished goods		10,688,766,490	10,038,720,934
		(180,876,896)	-
		(1,395,761,449)	(1,242,586,556)
		10,354,714,701	9,975,084,829

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
24.1 Raw material consumed			
Opening Stock		1,242,586,556	1,178,950,452
Raw Material Purchases		10,688,766,490	10,038,720,934
Rebate on Bulk Purchasing		(180,876,896)	-
Closing stock		(1,395,761,449)	(1,242,586,556)
		10,354,714,701	9,975,084,829

24.2 This includes Rs. 21.9 million (2024: Rs. 19.5 million), in respect of employee benefits - gratuity scheme.

25 ADMINISTRATION EXPENSES			
Salaries, Wages & benefits	25.1	121,309,869	121,492,992
Legal and Professional Charges		11,023,911	769,406
Entertainment Expense		11,422,253	19,795,152
Depreciation		18,224,434	13,257,947
Fee and Subscription		24,650,469	8,829,997
Auditor's remuneration	25.2	2,300,000	2,150,000
Charity and Donation	25.3	5,336,085	6,900,321
General Repair & Maintenance		2,260,631	919,768
Vehicle Running & Maintenance		4,180,062	6,187,805
Travelling and Conveyance		3,316,530	1,750,167
Electricity bill		7,780,760	3,716,450
Printing & stationery expense		1,648,385	1,615,933
Miscellaneous Expenses		5,385,919	9,887,698
Gardening expense		327,520	557,500
Water & sanitation		198,630	81,850
Uniforms expense		310,250	2,361,989
Insurance Expenses		984,888	2,792,710
Communication		701,578	483,007
Postage and courier		749,260	589,968
		222,111,434	204,140,660

25.1 This includes Rs. 7.4 million (2024: Rs. 4.67 million), in respect of employee benefits - gratuity scheme.

25.2 Auditor's remuneration:			
Statutory audit fee		1,900,000	1,800,000
Other Services/Certifications		400,000	350,000
		2,300,000	2,150,000

25.3 None of the directors or their spouses have any interest in the done. No donation exceeding Rs. 1 million has been paid to a single party during the year.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>26</b>	<b>MARKETING AND DISTRIBUTION EXPENSES</b>		
Salaries & benefits	26.1	51,044,152	42,712,516
Delivery/courier expense		69,942,929	66,977,277
Marketing, Promotional & Selling Expenses		47,114,542	41,540,365
Miscellaneous expense		11,385,992	15,367,877
Depreciation		10,120,959	7,081,753
Communication Expenses		1,640,048	2,733,414
		<b>191,248,622</b>	<b>176,413,202</b>
26.1 This includes Rs. 2.9 million (2024: Rs. 2.67 million), approximately, in respect of employee benefits - gratuity scheme.			
<b>27</b>	<b>FINANCIAL CHARGES</b>		
Mark up on Short Term Financing		304,372,484	280,379,542
Ijara Rentals (Operating Lease)		11,680,766	13,946,064
Markup on Finance Lease		1,600,058	1,103,666
Bank Charges		5,973,857	4,477,118
Exchange loss - net		6,045,777	-
		<b>329,672,942</b>	<b>299,906,390</b>
<b>28</b>	<b>OTHER INCOME</b>		
<b>Income from financial assets</b>			
Profits on Term Deposit Receipts (TDRs)		135,621,719	294,535,408
Markup on Investment in Yaqeen Developers Limited (Related Party)		44,347,388	62,382,619
Gain on investment in shares- net		16,384,771	11,136,524
Dividend Income		-	21,974,600
Exchange gain		-	65,522,455
Un-Realized Gain on investment in shares		-	29,281,380
Bank Profits on Saving Accounts		1,916,242	1,791,059
<b>Income from non-financial assets</b>			
Amortisation of Grant Income		-	3,043,317
		<b>198,270,120</b>	<b>489,667,362</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>29 OTHER EXPENSES</b>			
Worker's Profit Participation Fund		72,611,424	68,780,302
Worker's Welfare Fund		27,051,315	25,624,034
Loss on Investment in Shares- net		13,681,917	15,019,443
Allowance for expected credit loss		2,200,916	4,776,739
Central Research Fund		2,790,037	-
un-realized Loss on Investment in Shares		118,335,610	114,200,518
<b>30 TAXATION - INCOME TAX AND FINAL TAXES</b>			
Final taxes	30.1	-	3,296,190
Income tax			
Current year tax expense		519,677,557	467,535,260
Prior year reversal		(31,270,156)	(54,381,729)
Deferred tax		(25,936,505)	31,288,140
		462,470,896	444,441,671
		462,470,896	447,737,861

30.1 This represents final tax paid under section 150 of the Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.

30.2	Reconciliation of current tax charged as per tax laws for the year, with current tax recognised in the statement of profit or loss, is as follows:		
	Current tax liability for the year as per applicable tax laws	519,677,557	470,831,450
	Portion of current tax liability as per tax laws, representing income tax under IAS 12	(519,677,557)	(467,535,260)
	Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	-	(3,296,190)

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>30.3 Relationship between tax expense and accounting profit</b>			
Accounting profit before income tax		1,354,509,830	1,281,201,708
Corporate tax rate with super tax impact		39%	39%
Tax on accounting profit		528,258,834	499,668,666
Effect of:			
- Prior year tax reversal		(31,270,156)	(54,381,729)
- Amounts not deductible for tax purposes		120,961,896	107,267,412
- Amounts deductible for tax purposes but not taken to the statement of profit or loss		(129,543,173)	(139,400,818)
- Reversal of deferred tax adjustment		(25,936,505)	31,288,140
- Income subject to final tax regime		-	3,296,190
- deferred tax adjustment		(65,787,938)	(51,930,804)
		462,470,896	447,737,862
		34%	35%
<b>31 EARNING PER SHARE- BASIC</b>			
Net profit after taxation Rupees		892,038,934	833,463,847
Weighted Average No. of Shares Outstanding at the year end Number		228,461,200	228,461,200
Earning Per Share-Basic Rupees		3.90	3.65
<b>EARNING PER SHARE- DILUTIVE</b>			
Net profit after taxation Rupees		892,038,934	833,463,847
Weighted Average No. of Shares Outstanding at the year end Number		228,461,200	228,461,200
Earning Per Share-Basic Rupees		3.90	3.65

## 32 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

### Risk management framework

'The Company's Board of Directors ("the Board") has overall responsibility for establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

'The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of Directors reviews and agrees upon the policies for managing each of these risks.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 32.1 Credit risk

'Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. To manage credit risk the Company maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits. As part of these processes the financial viability of all counterparties is regularly monitored and assessed.

### 32.1.1 Exposure to credit risk

'The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at the end of the reporting period was as follows:

	June 30, 2025 Rupees	June 30, 2024 Rupees
Trade Debts- Unsecured	3,078,215,648	2,196,877,403
Short Term Investments	956,388,685	1,306,290,577
Bank Balances	603,552,814	87,899,930
Long term Security Deposits	25,443,117	20,217,776

### 32.1.2 Concentration of credit risk

The Company identifies concentrations of credit risk by reference to type of counter party. Maximum exposure to credit risk by type of counterparty is as follows:

	June 30, 2025 Rupees	June 30, 2024 Rupees
Customers	3,078,215,648	2,196,877,403
Banking companies	603,552,814	87,899,930

### 32.1.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to historical information about counterparty default rates. All counterparties, with the exception of customers, have external credit ratings determined by various credit rating agencies. Credit quality of customers is assessed by reference to historical defaults rates and present ages.

#### 32.1.3(a) Counterparties with external credit ratings

'These include banking companies and financial institutions, which are counterparties are bank balances and short term investments. These counterparties have reasonably high credit ratings as determined by various credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company. Following are the credit ratings of counterparties with external credit ratings:

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Agency	Rating Short Term
Bank Al-Habib Limited	PACRA	A-1+
The Bank of Khyber	PACRA	A-1
Askari Bank Limited	PACRA	A-1+
Meezan Bank Limited	VIS	A-1+
Allied Bank Limited	PACRA	A-1+
Bank Alfalah Limited	PACRA	A-1+
Faysal Bank Limited	PACRA	A-1+
Habib Bank Limited	VIS	A-1+
National Bank of Pakistan	PACRA	A-1+
Bank of Punjab	PACRA	A-1+
Standard Chartered Bank	PACRA	A-1+
United Bank Limited	VIS	A-1+

## 32.1.3(b) Counterparties without external credit ratings

These include customers which are counter parties to trade debts. The Company is exposed to credit risk in respect of trade debts. The analysis of ages of trade debts of the Company as at the reporting date is as follows:

	June 30, 2025 Rupees		June 30, 2024 Rupees	
	Gross Carrying Amount	Gross Carrying Amount	Gross Carrying Amount	Gross Carrying Amount
Not Past Due	1,045,626,556	-	668,542,388	-
1- 30 Days	871,278,530	980,210	551,940,179	620,946
31- 60 Days	465,363,339	1,396,090	483,384,244	1,450,153
61- 90 Days	404,648,834	1,618,594	378,705,591	1,514,822
91 or more	298,276,044	2,982,760	119,081,741	1,190,817
	3,085,193,303	6,977,655	2,201,654,142	4,776,739

\*The 'Not Past Due' category primarily relates to receivables from government institutions. Historically, these have not been subjected to any bad debt provisions; therefore, no credit losses are anticipated in this respect.

## 32.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner unfavorable to the Company. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and availability of adequate funds through committed credit facilities. The Company finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 32.2.1 Exposure to liquidity risk

### 33.2.1(a) Contractual maturities of financial liabilities, including estimated interest payments

The following are the remaining contractual maturities at the reporting date. The amounts are grossed and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

	Carrying Amount Rupees	Contractual Cash Flows Rupees	Less than 1 year Rupees	More than 1 Year Rupees
<b>Non-derivative financial liabilities</b>				
At June 30, 2025				
Staff retirement benefits - gratuity	99,695,303	99,695,303	99,695,303	99,695,303
Lease Liabilities	80,666,659	80,666,659	80,666,659	64,864,123
Trade and other payables	3,858,531,251	3,858,531,251	3,858,531,251	-
Short Term Borrowings-Secured	2,863,211,696	2,863,211,696	2,863,211,696	-
Accrued Mark Up	38,268,523	38,268,523	38,268,523	-
Unclaimed Dividend	4,065,868	4,065,868	4,065,868	-
<b>At June 30, 2024</b>				
Long Term Loans	12,859,000	12,859,000	12,859,000	-
Staff retirement benefits - gratuity	82,620,673	82,620,673	82,620,673	-
Lease Liabilities	5,423,537	5,423,537	5,423,537	-
Trade and other payables	3,563,513,261	3,563,513,261	3,563,513,261	-
Due to Related Parties	43,420,000	43,420,000	43,420,000	-
Short Term Borrowings-Secured	1,393,095,588	1,393,095,588	1,393,095,588	-
Accrued Mark Up	71,473,816	71,473,816	71,473,816	-
Unclaimed Dividend	1,389,901	1,389,901	1,389,901	-

## 32.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.

### 32.3.1 Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which advances, sales and purchases and bank balances are denominated and the respective functional currency of the Company. The functional currency of the Company is Pak Rupee. The liability is mainly denominated in US Dollars.

At June 30, 2025, if the Pakistan Rupee had weakened / strengthened by 5% against the US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by as follows:

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Effect on profit before taxation	
	June 30, 2025	June 30, 2024
	Rupees	Rupees
Increase in Dollar Rate	(157,275,704)	(146,477,888)
Decrease in Dollar Rate	157,275,704	146,477,888

## 32.3.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

### 32.3.2(a) Mark-up bearing financial instruments

The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest / mark-up bearing financial instruments as at the reporting date are as follows:

	Financial liability	
	June 30, 2025	June 30, 2024
	Rupees	Rupees
Fixed rate instruments	-	12,859,000
Variable rate instruments	2,943,878,355	1,398,519,125

	Financial Assets	
	June 30, 2025	June 30, 2024
	Rupees	Rupees
Fixed rate instruments	887,919,430	1,190,433,701
Variable rate instruments	107,952,678	27,927,337

### 32.3.2(b) Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit by amounts shown below. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

	Effect on profit before taxation	
	June 30, 2025	June 30, 2024
	Rupees	Rupees
Increase of 100 basis points	(28,359,257)	(13,705,918)
Decrease of 100 basis points	28,359,257	13,705,918

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 32.3.2(c) Interest rate risk management

The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company's borrowings are based on variable rate pricing that is mostly dependent on Karachi Inter Bank Offer Rate ("KIBOR") as indicated in respective notes.

## 32.3.3 Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors acting all similar financial instrument traded in the market.

A 5% increase / decrease in share prices of listed companies at the reporting date would have increased / decreased the Company's unrealized gain on investments at fair value through profit and loss as follows:

	Effect on profit before taxation	
	June 30, 2025 Rupees	June 30, 2024 Rupees
Increase in Prices	3,324,979	5,440,370
Decrease in Prices	(3,324,979)	(5,440,370)

## 33 CAPITAL MANAGEMENT

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 34 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

As at year end, the net fair value of all financial assets and financial liabilities are estimated to approximate their carrying values.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The fair values of all other financial assets and liabilities are not considered to be significantly different from their carrying values.

The Company classifies the financial instruments measured in the statement of financial position at fair value in accordance with the following fair value measurement hierarchy:

Level 1	Quoted market prices
Level 2	Valuation techniques (market observable)
Level 3	Valuation techniques (non market observable)

	Level 1	Level 2	Level 3	Total
June-25				
Assets				
At fair value through profit or loss - Short Term Investment				
Investment in Shares- Quoted (Listed Companies)	66,499,575	-	-	-
June -24				
Assets				
At fair value through profit or loss - Short Term Investment				
Investment in Shares- Quoted (Listed Companies)	108,807,400	-	-	132,355,384

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 34.1 Fair Value of Land

Valuation of the freehold land owned by the Company was valued by independent valuers to determine the fair value of the land as at December 01, 2020. The revaluation surplus was credited to other comprehensive income and is shown as 'surplus on revaluation of freehold land'.

Fair value of land has been determined using level 2 fair values under following valuation technique.

Level 2 fair value of land has been derived using the sales comparison approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot and a slight change in the estimated price per square foot of the land would result in a significant increase in the fair value of the freehold land.

There has been no change to the valuation technique during the year.

	June 30, 2025 Rupees	June 30, 2024 Rupees
<b>35 FINANCIAL INSTRUMENTS BY CATEGORIES</b>		
<b>Financial asset as at amortized cost</b>		
Trade Debts	3,078,215,648	2,196,877,403
Short Term Investment in TDR's	567,820,680	872,900,149
Deposit Account	322,068,430	324,583,028
Cash and Bank Balances	603,552,814	87,899,930
Trade Deposits and Other Receivables	29,704,233	24,055,641
Long term Security Deposits	25,443,117	20,217,776
<b>Financial assets - at FVTPL</b>		
Short Term Investments in Shares- Quoted	66,499,575	108,807,400
<b>Financial liabilities at amortized cost</b>		
Long Term Financing - Secured	-	12,859,000
Lease Liabilities	80,666,659	5,423,537
Trade and other payables	3,295,079,094	3,229,483,553
Due to Related Parties	5,686,383	43,420,000
Short Term Borrowings	2,863,211,696	1,393,095,588

## 35.1 Fair values of financial assets and liabilities

Carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 36 TRANSACTION WITH RELATED PARTIES

The related parties of the Company comprise associated companies, directors and key management personnel. The Company in the normal course of business carried out transactions with these related parties. Remuneration and benefits to key management personnel are disclosed in Note 37. Balances of related parties are shown in the relevant notes. Transactions with related parties during the year other than those which have been specifically disclosed elsewhere in these financial statements, are as follows:

Nature / name of related party and basis of relationship	% of Shareholding	Nature of Transactions	June 30, 2025	June 30, 2024
			Rupees	Rupees
Associated Companies				
Citi Technologies (Pvt.) Ltd.	-	Funds Received	44,585,244	-
(Common Directorship)		Funds Paid	-	234,946,678
		Payments on behalf of the Company	-	301,000
Yaqeen Developers Ltd.	-	Markup Income	44,347,388	62,382,619
(Common Directorship)		Funds Received	53,000,000	-
Citi Innovations (Pvt.) Ltd.				
	-	Funds Received	11,215,933	-
(Common Directorship)		Funds Paid	5,500,000	-
		Payments on behalf of the Company	-	-
Directors				
Mr. Rizwan Ahmad	19.97%	Loan obtained	-	-
(Directorship / CEO)		Loan repaid	31,220,000	64,000,000
Mr. Nadeem Amjad	12.19%	Loan obtained	-	-
Chairman		Loan repaid	12,200,000	-

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 37 REMUNERATION OF CHIEF EXECUTIVES, DIRECTORS AND EXECUTIVES

	2025			
	Chief Executive	Directors	Executives	Total
Managerial remuneration	13,200,000	19,200,000	65,050,130	97,450,130
Bonuses	1,100,000	1,600,000	-	2,700,000
Meeting Fees (Independent Directors)	-	1,682,000	-	1,682,000
	14,300,000	22,482,000	65,050,130	101,832,130
No. of persons	1	6	24	31
	2024			
	Chief Executive	Director	Executives	Total
Managerial remuneration	13,900,000	20,126,560	51,070,169	85,096,729
Bonuses	1,263,636	1,677,213	-	2,940,849
Meeting Fees (Independent Directors)	-	740,000	-	740,000
	15,163,636	22,543,773	51,070,169	88,777,578
No. of persons	1	6	23	30

37.1 The Chief executive, directors and executive have not been provided any other perquisites and benefits.

37.2 An executive is defined as an employee, other than the chief executive and directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

## 38 OPERATING SEGMENT

For management purposes, the activities of the Company are organized into one operating segment. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in these financial statements are related to the Company's only reportable segment.

38.1 Revenue from sale of API and Formulation items represent 76.4% and 23.6% (2024: 83% and 17%) of the Company's total revenue respectively.

38.2 During the year, sales to local customers amounted to 12,799 million, while export sales amounted to 364 million.

## 39 NUMBER OF EMPLOYEES

Total Average number of employees during the year and as at the year end are as follows:-

	Note	June 30, 2025	June 30, 2024
Number of employees as at the year-end	39.1	627	615
Average number of employees during the year		618	626

39.1 This includes 96 (2024: 193) temporary employees.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 40 PLANT CAPACITY AND ACTUAL PRODUCTION

The capacity and production of the Company's plant is indeterminable as it is a multi-product plant involving varying processes of manufacture.

## 41 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)
<b>API Segment</b>				
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	-
<b>Formulation Segment</b>				
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	-
<b>Reallocation of IPO Funds in light of public offering regulations 2017 section 16A</b>				
Biotech Formulation - (Ampoules)	339,114,648	16.7%		(339,114,648)
Carbapenem Formulation - (3-Sections)	238,651,538	11.7%	-	(238,651,538)
Penicillin Formulation - (4-Sections)	344,785,314	16.9%	-	(344,785,314)
	922,551,500	45.33%	-	(922,551,500)
<b>Utilization of Excess Proceeds</b>				
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	-

- 41.4** In accordance with Section 16A of the Public Offering Regulations, 2017, which requires offering an exit opportunity in the event of a change in the principal purpose of issue as disclosed in the prospectus, the Company, in its Extra Ordinary General Meeting (EOGM) held on 26 June 2025, approved the reallocation of unutilized IPO proceeds amounting to Rs. 922.5 million originally earmarked for the hospital facility.

"The Company has duly complied with the requirements of the IPO Regulations, including:

\*Preparation and disclosure of the statement of facts setting out the reasons and rationale for the proposed reallocation; and

\*Provision of the required exit opportunity to dissenting shareholders in accordance with applicable laws and regulations"

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 42 CORRESPONDING FIGURES

Corresponding figures have been re-arranged or reclassified, wherever necessary, to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan. However, there has been no material reclassification to report.

Nature		JUNE 30, 2024	
Statement of financial Position			
Addition in:	Trade and other Payables	42.1	36,817,997
Addition in:	Trade debtors	42.1	36,817,997
Addition in:	Advances, Deposits, prepayments & other Receivables	42.2	22,555,600
Deleted From: From:	Capital work in Progress	42.2	(22,555,600)

42.1 In the financial year 2024, trade debtors were presented net of contract liabilities. During the current year, these have been reclassified in accordance with the applicable financial reporting framework.

42.2 Advance against commercialization of land has been reclassified from Capital Work-in-Progress to Advances, Deposits, prepayments & other Receivables.

## 43 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Company have proposed a final dividend for the year ended June 30, 2025 of Rs. 3.5 (2024: Rs. 3.25) per share at their meeting held on October 02, 2025.

## 44 DATE OF AUTHORIZATION FOR ISSUE

The financial statements have been authorized for issue on October 02, 2025 by the board of directors of the company.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

# PATTERN OF SHAREHOLDING

As At June 30, 2025

No. of Shareholders	Shareholding		Total Shares held
	From	To	
3437	1	100	148,249
3735	101	500	1,189,498
2978	501	1000	2,347,977
4417	1001	5000	10,499,120
917	5001	10000	6,927,489
280	10001	15000	3,577,512
163	15001	20000	2,936,279
130	20001	25000	3,043,522
62	25001	30000	1,777,996
40	30001	35000	1,312,051
28	35001	40000	1,075,657
23	40001	45000	973,536
44	45001	50000	2,154,732
15	50001	55000	792,461
12	55001	60000	693,350
12	60001	65000	753,661
10	65001	70000	680,970
13	70001	75000	962,875
4	75001	80000	320,000
8	80001	85000	665,287
2	85001	90000	180,000
8	90001	95000	739,711
13	95001	100000	1,287,140
5	100001	105000	514,648
5	105001	110000	545,558
3	110001	115000	338,349
4	115001	120000	476,889
2	120001	125000	245,244
3	125001	130000	386,500
1	130001	135000	134,000
2	135001	140000	278,900
2	140001	145000	290,000
9	145001	150000	1,349,730
4	150001	155000	611,510
1	155001	160000	160,000
3	170001	175000	520,000
1	175001	180000	175,192
1	180001	185000	181,500
6	195001	200000	1,200,000
1	200001	205000	202,051
1	220001	225000	220,500
4	225001	230000	908,411
2	230001	235000	464,000
1	235001	240000	237,642

# PATTERN OF SHAREHOLDING

As At June 30, 2025

No. of Shareholders	Shareholding		Total Shares held
	From	To	
1	240001	245000	245,000
1	245001	250000	250,000
1	255001	260000	255,483
1	265001	270000	267,000
1	285001	290000	290,000
1	295001	300000	300,000
1	305001	310000	306,500
2	310001	315000	623,669
1	330001	335000	330,500
2	385001	390000	777,400
1	400001	405000	404,134
1	405001	410000	407,000
1	410001	415000	414,341
1	420001	425000	424,000
1	435001	440000	437,000
1	445001	450000	450,000
1	480001	485000	482,500
2	495001	500000	1,000,000
1	565001	570000	565,843
1	600001	605000	600,175
2	610001	615000	1,228,913
1	695001	700000	700,000
1	745001	750000	750,000
1	915001		917,392
1	965001	970000	970,000
1	1065001	1070000	1,070,000
1	1545001	1550000	1,550,000
1	1765001	1770000	1,770,000
1	1845001	1850000	1,848,298
1	2340001	2345000	2,340,628
1	2420001	2425000	2,422,277
1	2755001	2760000	2,759,567
1	2815001	2820000	2,819,567
1	5195001	5200000	5,200,000
3	14845001	14850000	44,550,000
1	21845001	21850000	21,850,000
1	27850001	27855000	27,854,316
1	44545001	44550000	44,550,000
16456			228,461,200

# DETAILS OF PATTERN OF SHAREHOLDINGS

As At June 30, 2025

S. No.	Categories Shareholders	Shares Held	% Age
<b>1</b>	<b>Directors, CEO, Their Spouses And Minor Childern</b>	<b>88,325,556</b>	<b>38.66</b>
	MR. RIZWAN AHMAD - DIRECTOR / CEO	45,620,000	
	MR. NADEEM AMJAD - DIRECTOR	27,854,316	
	MR. MUHAMMAD NAEEM - DIRECTOR	14,850,134	
	MR. ABDUL JALEEL SHAIKH - DIRECTOR	550	
	MR. USMAN HASSAN - DIRECTOR	550	
	DR. ZAMEER UL HASSAN - DIRECTOR OPERATIONS	3	
	MS. SAIRA ASLAM - DIRECTOR	3	
<b>2</b>	<b>Modaraba and Mutual Funds</b>	<b>5,100,407</b>	<b>2.23</b>
	CDC - TRUSTEE ALFALAH GHP STOCK FUND	1,848,298	
	CDC - TRUSTEE MEEZAN ISLAMIC FUND	970,000	
	CDC - TRUSTEE ALFALAH GHP ISLAMIC STOCK FUND	917,392	
	CDC - TRUSTEE ALFALAH GHP ALPHA FUND	424,000	
	MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND	245,000	
	CDC - TRUSTEE MEEZAN BALANCED FUND	150,000	
	CDC - TRUSTEE ALFALAH GHP DEDICATED EQUITY FUND	100,000	
	CDC - TRUSTEE ALFALAH GHP VALUE FUND	70,000	
	TRUST MODARABA	50,000	
	CDC TRUSTEE - MEEZAN DEDICATED EQUITY FUND	50,000	
	CDC - TRUSTEE FAYSAL ASSET ALLOCATION FUND	38,000	
	CDC - TRUSTEE MEEZAN ASSET ALLOCATION FUND	34,000	
	CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	34,000	
	CDC - TRUSTEE FAYSAL STOCK FUND	28,800	
	FIRST ALNOOR MODARABA	25,000	
	CDC - TRUSTEE GOLDEN ARROW STOCK FUND	25,000	
	CDC - TRUSTEE AGIPF EQUITY SUB-FUND	25,000	
	CDC - TRUSTEE AGPF EQUITY SUB-FUND	22,600	
	CDC - TRUSTEE AWT STOCK FUND	20,500	
	CDC - TRUSTEE ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND	18,817	
	FIRST ELITE CAPITAL MODARABA	4,000	
<b>3</b>	<b>Insurance Companies and Takaful</b>	<b>1,297,749</b>	<b>0.57</b>
	E. F. U. GENERAL INSURANCE LIMITED	750,000	
	ASKARI GENERAL INSURANCE COMPANY LIMITED	437,000	
	DAWOOD FAMILY TAKAFUL LIMITED	110,749	
<b>4</b>	<b>Banks Development Financial Institutions, Non Banking Financial Institutions</b>	<b>1,600,000</b>	<b>0.70</b>
	BANK ALFALAH LIMITED	1,770,000	
	AFC UMBRELLA FUND	700,000	
	PAK-OMAN INVESTMENT COMPANY LTD.	75,000	
	SAMBA BANK LIMITED	46,500	

# DETAILS OF PATTERN OF SHAREHOLDINGS

S. No.	Categories Shareholders	Shares Held	% Age
5	<b>Joint Stock Companies</b>	<b>4,497,804</b>	<b>1.97</b>
	TRADING ENTERPRISES (PVT) LTD	482,500	
	ZAHID LATIF KHAN SECURITIES (PVT) LTD.	414,341	
	INTERMARKET SECURITIES LTD(FORMERLY EFG HERMES PAK.LTD) - MF	390,000	
	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LTD. - MF	387,400	
	Y. B. PAKISTAN LIMITED	313,000	
	JS GLOBAL CAPITAL LIMITED - MF	237,642	
	ARIF HABIB LIMITED	227,365	
	PAIR INVESTMENT COMPANY LIMITED	200,000	
	MAAN SECURITIES (PRIVATE) LIMITED	170,500	
	TOPLINE SECURITIES LIMITED - MF	140,000	
	JADEED FEEDS INDUSTRIES (PRIVATE) LIMITED	100,000	
	EUROASIA TERMINAL (PRIVATE) LIMITED	100,000	
	MRA SECURITIES LIMITED - MF	90,500	
	SHERMAN SECURITIES (PRIVATE) LIMITED	85,000	
	MJM ENERGY & RESOURCES (PRIVATE) LIMITED	75,000	
	SEVEN STAR SECURITIES (PVT.) LTD.	64,000	
	PEARL FABRICS COMPANY	60,000	
	ADAM SECURITIES LIMITED	56,500	
	ABA ALI HABIB SECURITIES (PVT) LIMITED	55,500	
	ROCK WELL ENTERPRISES (PRIVATE) LIMITED	51,400	
	ADAM USMAN SECURITIES (PRIVATE) LIMITED	51,000	
	JS GLOBAL CAPITAL LIMITED	50,000	
	FDM CAPITAL SECURITIES (PVT) LIMITED	50,000	
	PEARL SECURITIES LIMITED - MF	32,500	
	PEARL SECURITIES LIMITED	30,000	
	AXIS GLOBAL LIMITED	28,500	
	ALTAF ADAM SECURITIES (PVT) LTD.	26,000	
	NINI SECURITIES (PRIVATE) LIMITED	25,000	
	TRUST SECURITIES & BROKERAGE LIMITED - MF	22,500	
	HH MISBAH SECURITIES (PRIVATE) LIMITED	20,000	
	H & RS INTERNATIONAL (SMC-PRIVATE) LIMITED	20,000	
	AL-RAHIM TRADING COMPANY (PRIVATE) LIMITED	20,000	
	CRESCENT STEEL AND ALLIED PRODUCTS LTD.	20,000	
	WORLDCALL BUSINESS SOLUTIONS (PRIVATE) LIMITED	20,000	
	ADAM SECURITIES LTD. - MF	20,000	
	ASDA SECURITIES (PVT.) LTD.	17,500	
	BHAYANI SECURITIES (PVT) LTD.	16,500	
	Z. A GHAFAR SECURITIES (PRIVATE) LIMITED	15,000	
	KAISAR SHAHZADA (PVT) LTD	15,000	
	SPECTRUM SECURITIES LIMITED	15,000	
	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LIMITED	14,000	
	MRA SECURITIES LIMITED	14,000	
	MANAGEMENT AND EDUCATIONAL SERVICES (PRIVATE) LIMITED	14,000	
	RAFI SECURITIES (PRIVATE) LIMITED	13,100	
	B.R.R. GUARDIAN LIMITED	10,000	
	B. R. R. INVESTMENT (PRIVATE) LIMITED	10,000	

# DETAILS OF PATTERN OF SHAREHOLDINGS

S. No.	Categories Shareholders	Shares Held	% Age
	GMI CAPITAL SECURITIES (PVT) LTD.	10,000	
	DALAL SECURITIES (PVT) LTD.	10,000	
	ZAFAR SECURITIES (PVT) LTD.	10,000	
	RAFI SECURITIES (PRIVATE) LIMITED - MF	10,000	
	SAAK OVERSEAS (PRIVATE) LIMITED	10,000	
	SPECTRUM SECURITIES LIMITED - MF	10,000	
	N. U. A. SECURITIES (PRIVATE) LIMITED - MF	10,000	
	SIDDIQ LEATHER WORKS (PVT) LIMITED	9,000	
	DARSON SECURITIES (PRIVATE) LIMITED - MF	9,000	
	FAWAD YUSUF SECURITIES (PRIVATE) LIMITED - MF	9,000	
	ORIENTAL SECURITIES (PRIVATE) LIMITED - MF	8,766	
	DARSON SECURITIES (PRIVATE) LIMITED	8,000	
	ABA ALI HABIB SECURITIES (PVT) LIMITED - MF	7,000	
	INVESTLINK ADVISOR (PRIVATE) LIMITED	6,000	
	INTERACTIVE SECURITIES (PVT) LIMITED	6,000	
	AL-ZAMIN MODARABA MANAGEMENT (PRIVATE) LIMITED	5,000	
	CAPITAL FINANCIAL SERVICES (PVT.) LIMITED	5,000	
	JSK SECURITIES LIMITED	5,000	
	CREATIVE CAPITAL SECURITIES (PRIVATE) LIMITED - MF	5,000	
	HUMANITAS EDUCATION SYSTEM (PVT.) LIMITED	5,000	
	ALPHA BETA CORE SOLUTIONS (PRIVATE) LIMITED	4,500	
	HYPERDATA COMPUTING (PRIVATE) LIMITED	4,000	
	BABS CONSULTANTS (PRIVATE) LIMITED	3,500	
	CORAL TRADING (PVT) LIMITED	3,500	
	PETROMARK (PRIVATE) LIMITED	3,000	
	BAWA SECURITIES (PVT) LTD. - MF	3,000	
	BMA CAPITAL MANAGEMENT LTD. - MF	3,000	
	EDULJEE DINSHAW HOLDING COMPANY (PVT) LTD	2,500	
	FRAMROZE E. DINSHAW (PRIVATE) LIMITED	2,500	
	EDDIE COMPANY (PRIVATE) LIMITED	2,500	
	AVI DINSHAW (PRIVATE) LIMITED	2,500	
	KHURSHEED SALT WORKS (PRIVATE) LIMITED	2,500	
	ABBASI & COMPANY (PRIVATE) LIMITED	2,500	
	A B M SECURITIES (PVT.) LIMITED	2,200	
	MULTILINE SECURITIES LIMITED - MF	2,000	
	ADAM USMAN SECURITIES (PRIVATE) LIMITED - MF	1,000	
	ORBIT SECURITIES (PRIVATE) LIMITED - MF	1,000	
	KHYBER INTERNATIONAL PAK (PVT) LTD	1,000	
	TECHNOLOGY LINKS (PVT) LTD.	1,000	
	ARIF HABIB LIMITED - MF	950	
	AHSAM SECURITIES (PRIVATE) LIMITED	600	
	BACKERS & PARTNERS (PRIVATE) LIMITED - MF	500	
	CONTINENTAL CAPITAL MANAGEMENT (PVT) LTD	16	
	K & I GLOBAL CAPITAL (PRIVATE) LIMITED	12	
	MEPCEL ENGINEERS (PRIVATE) LIMITED ZAREA LIMITED	10	
	MEPCEL ENGINEERS (PRIVATE) LIMITED ZAREA LIMITED	1	
	LIZAZ PROPERTIES (PRIVATE) LIMITED	1	

# DETAILS OF PATTERN OF SHAREHOLDINGS

S. No.	Categories Shareholders	Shares Held	% Age
6	Others	2,856,958	1.25
	NCC - PRE SETTLEMENT DELIVERY ACCOUNT	2,422,277	
	TRUSTEES OF HAMDARD LABORATORIES (WAQF) PAKISTAN.	300,000	
	TRUSTEES OF FRIENDS EDUCATIONAL AND MEDICAL TRUST	32,000	
	TRUSTEE ALOO & MINOCHER DINSHAW CHARITABLE TRUST	30,000	
	KHATIJA ADAMJEE FOUNDATION	25,000	
	PHILIP MORRIS (PAK) LTD. EMPLOYEES GRATUITY FUND	12,500	
	TRUSTEE-FIRST DAWOOD INV. BANK LTD. & OTHER EMPOLYEES P.FUND	10,000	
	PHILIP MORRIS (PAK) LIMITED EMPLOYEES CONTRIBUTORY PROV FUND	7,500	
	TRUSTEES HOMMIE&JAMSHED NUSSERWANJEE C.T	7,150	
	TRUSTEE ILM-O-FLAH FOUNDATION	7,000	
	ALOO & MINOCHER DINSHAW CHARITABLE TRUST	2,575	
	A.M.MANSUR LLP	500	
	CHEVRON PAKISTAN LUBRICANTS (PVT.) LTD. EPF	443	
	GETZ PHARMA (PRIVATE) LIMITED EMPLOYEES PROVIDENT FUND	13	
	<b>General Public</b>	<b>123,791,226</b>	<b>54.18</b>
	<b>Total</b>	<b>228,461,200</b>	<b>100.00</b>

## Shareholders Holding Ten Percent Or More In The Company

MR. RIZWAN AHMAD	45,620,000	19.97
MR. NADEEM AMJAD	27,854,316	12.19

# NOTICE OF ANNUAL GENERAL MEETING

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given to the members that the Annual General Meeting of Citi Pharma Limited will be held on October 27, 2025, Monday, at 12:30 PM at 588- Q Block, M.A Johar Town, Lahore to transact the following businesses:

### Ordinary Business

1. To confirm the minutes of last Extra Ordinary General Meeting (EOGM) held on June 26, 2025.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2025 together with Directors' and Auditors' Report thereon.
3. To appoint statutory auditors of the Company for the year ending on June 30, 2026 and fix their remuneration. The Board of Directors upon recommendations of Audit Committee has recommended M /s Aslam Malik & Co. Chartered Accountant, being eligible for re-appointment and have offered themselves for re-appointment at a fee to be mutually agreed and reimbursements of out-of-pocket expenses at actuals.
4. To approve payment of final cash dividend of Rs. 3.5 per share i.e. 35% for the year ended June 30, 2025, as recommended by the Board of Directors.
5. To elect seven (07) Directors of the Company as fixed by the Board of Directors, for a term of three years commencing from October 27, 2025 in accordance with the provisions of the Companies Act, 2017 in place of retiring Directors namely:
  1. Mr. Nadeem Amjad
  2. Mr. Rizwan Ahmad
  3. Mr. Zamir Ul Hassan Shah
  4. Mr. Muhammad Naeem
  5. Mr. Abdul Jaleel Sheikh
  6. Mrs. Saima Shafi Rana
  7. Mrs. Saira Aslam

Statement under section 166(3) pertaining to Election of Directors being circulated to the members along with notice of the meeting.

6. To transact any other business with the permission of the Chair.

By the Order of the Board

Ghulam Dastgeer  
Company Secretary

October 6, 2025  
Lahore

### Notes

#### 1. Closure of Share Transfer Books

The Share Transfer books of the Company will remain closed from October 21, 2025 to October 27, 2025 (both days inclusive). Transfers received in order at the office of Company's Share Registrar, M/s F.D Registrar Services (Pvt.) Limited, 17th Floor, Saima Trade Tower-A, I.I Chundrigar Road, Karachi at the close of business on October 20, 2025 will be treated in time for the purpose of above entitlement to the transferees and for the purposes of attending the Annual General Meeting (AGM).

# NOTICE OF ANNUAL GENERAL MEETING

## 2. Participation in the AGM Proceeds via video conferencing facility:

a) A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote. A proxy form is enclosed.

b) The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarized/ attested copy of power of attorney must be deposited at the Head Office of the Company situated at 588 Q Block, Johar Town, Lahore at least 48 hours before the time of the AGM i.e., latest by Saturday, October 25, 2025 at 11:00 am.

c) Shareholders interested in attending the AGM through Zoom application, a video-link facility, are hereby requested to get themselves registered with the Company at least two (2) - days before the time of AGM i.e., by Saturday, October 25, 2025, 11:00 a.m. by sending an email with subject: "Registration for CPHL AGM" at the given email address corporate@citipharma.com.pk or WhatsApp No. 0312-8569507 along with a valid scanned copy of their CNIC.

Shareholders are advised to provide the following details:

Full Name	CNIC Number	F o l i o / C D C Account No.	Email Address	Cell Number	No. of Shares

Video-link for the meeting will be sent to members at their provided email addresses enabling them to attend the meeting on the given date and time.

Login facility will be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after the identification process. Shareholders will be able to login and participate in the AGM proceedings through their devices after completing all the formalities required for the identification and verification of the shareholders.

## 3. Guidelines for CDC Account Holders

CDC Account Holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

### A. For attending the meeting:

i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.

ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

### B. For appointing proxies:

i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form accordingly.

ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.

iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iv) The Proxy shall produce his/her original CNIC or original passport at the time of the meeting.

v) In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

# NOTICE OF ANNUAL GENRAL MEETING

## 4. Notification for change in address

Members holding shares in physical form are requested to promptly notify Share Registrar of the Company of any change in their addresses. Shareholders maintaining their shares in electronic form should get their address updated with their participant or CDC Investor Account Services.

## 5.Submission of copy of CNIC/NTN (Mandatory)

Individual members who have not yet submitted photocopy of their valid CNIC to the Company/Share Registrar, are once again requested to send their CNIC (copy) at the earliest directly to the Company's Share Registrar, M/s F.D Registrar Services (Pvt.) Limited, 17th Floor, Saima Trade Tower-A, I.I Chundrigar Road, Karachi. Corporate Entities are requested to provide their National Tax Number (NTN). Please also give Folio Number with the copy of CNIC/NTN details.

## 6.Payment of Cash Dividend Electronically (Mandatory)

In accordance with the provisions of Section 242 of the Companies Act, 2017 and Regulation no. 4 of the Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive dividend directly into their bank account, shareholders are requested to fill in "E-Dividend Mandate Form" available on Company's website (<http://www.citipharma.com.pk>) and send it duly signed along with a copy of CNIC to the Company's Share Registrar, M/s F.D Registrar Services (Pvt.) Limited, 17th Floor, Saima Trade Tower-A, I.I Chundrigar Road, Karachi, in case of physical shares.

In case shares are held in CDC then "E-Dividend Mandate Form" must be submitted directly to shareholder's broker/participant/CDC Investor Account Services.

Please note that as per Section 243 of the Companies Act, 2017 and Regulation No. 6 of the Companies (Distribution of Dividends) Regulations, 2017, listed companies are entitled to withhold payment of dividend, if necessary, information is not provided by the shareholders.

## 7.Withholding Tax on Dividend Income

The rates of deduction of income tax from dividend payments under the Income Tax Ordinance, 2001 are as follows:

- i)Rate of tax deduction for persons appearing in Active Taxpayer List (ATL) | 15%
- ii)Rate of tax deduction for persons not appearing in Active Taxpayer List 30%

In this regard, all shareholders who hold shares with Joint Shareholder(s) are requested to provide shareholding proportions of and Joint Shareholder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Folio/CDC Account #	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

Note: The required information must reach the Company's Share Registrar by Monday, October 20, 2025; otherwise, it will be assumed that the shares are equally held by Principal Shareholder and Joint Shareholder(s).

To enable the Company to make tax deductions on the amount of cash dividend @15% instead of 30%, shareholders are requested to please check and ensure Filer status from Active Taxpayer List ("ATL") available at FBR website <http://www.fbr.gov.pk/> as well as ensure that their CNIC/Passport number has been recorded by the Participant/Investor Account Services or by Share Registrar (in case of physical shareholding). Corporate entities (non-individual shareholders) should ensure that their names and National Tax Numbers (NTN) are available in ATL at FBR website and recorded by respective Participant/Investor Account Services or in case of physical shareholding by Company's Share Registrar.

Withholding tax exemption from dividend income, shall only be allowed if a copy of valid tax exemption certificate is made available to the Company's Share Registrar by Monday, October 20, 2025.

# NOTICE OF ANNUAL GENERAL MEETING

## 8. Availability of Annual Audited Financial Statements on the Company's website

In accordance with the provisions of Section 223(7) of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2025, are available on the Company's website (<http://www.citipharma.com.pk>).

## 9. Transmission of Financial Statements to the Members through e-mail

In terms of the approval of the members of the Company in their Annual General meeting held on October 27, 2023 and pursuant to the SECP's Notification No. 389(I)/2023 dated March 21, 2023, the annual report of the Company containing audited financial statements of the Company for the year ended June 30, 2025 along with Auditors and Directors Report thereon, the Chairperson's Review and notice of AGM etc. have been placed on the website of the Company which can be downloaded from the following link and / or QR code:

Weblink	QR Code
<a href="http://www.citipharma.com.pk">http://www.citipharma.com.pk</a>	

The shareholders who wish to receive hard copy of the Annual Report may send their request to the Company Secretary / Share Registrar, the Standard Request Form available on the website of the company and they will supply hard copy of the Annual Report to the Shareholders on demand, free of cost, within one week of such demand.

## 10. Conversion of Physical Shares into Book Entry Form

As per section 72 of the Companies Act, 2017 every listed Company is required to replace its physical shares with book-entry form. Therefore, the shareholders having physical shares are requested to convert the shares into book entry.

## 11. Election of Directors:

A. Any person who seeks to contest the election for the office of Director shall, whether he is a retiring director or otherwise, file following documents/ information with the Company at its Registered Office, no later than fourteen (14) days before the date of meeting:

a. Notice of his/her intention to offer himself/herself for election of Directors in terms of Section 159(3) of the Companies Act, 2017.

b. Consent to act as Director under section 167 of the Companies Act, 2017 on "Appendix to Form-9" as prescribed in the Companies Regulations, 2024, along with copy of attested copy of CNIC, NTN or Passport.

c. A detailed profile of the Candidate including his/her office address for placement onto the Company's website as required under SECP's SRO 1196(I)/ 2019 dated October 03, 2019.

d. A declaration in respect of being:

i. Compliant with all the applicable laws and regulations including without limiting the requirements of the Code of Corporate Governance Regulations and eligibility criteria as set out in Section 155 & Section 156 of the Act, to act as director of a Public Listed Company.

ii. That he/she is not ineligible to become Director of a listed company under Section 153 & 177 of the Act or any other applicable law.

e. Copy of valid CNIC (in case of Pakistani national)/ Passport (in case of foreign national), and NTC and Folio Number/ CDC Investors Account No. /CDC Sub-Account No (applicable for person filing consent for the first time).

B. Independent Directors shall be elected through a process of Election of Directors required under section 159 of the Companies Act, 2017. Independent Director(s) shall meet the criteria laid down in Section 166 of the Companies Act,

# NOTICE OF ANNUAL GENRAL MEETING

2017 as well as the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

## 12. E-Voting/ Postal Ballot:

In accordance with the Companies (Postal Ballot) Regulations, 2018, for the purpose of Election of Directors and for any other agenda item subject to the requirements of Section 143 to 145 of the Companies Act, 2017, shareholders will be allowed to exercise their right of vote through postal ballot i.e., by post or e-voting, in the manner and subject to conditions contained in aforesaid Regulations.

M/s Aslam Malik & Co Chartered Accountants has been appointed as "Scrutinizer" in terms of Companies (Postal Ballot) Regulations 2018, for the purpose of voting at the meeting. The firm is also the statutory auditors of the Company and meets the QCR rating from ICAP. The Scrutinizer has the necessary knowledge and experience to independently scrutinize the voting process. Furthermore, M/s CDC Share Registrar Services Limited, have been appointed as "e-voting service provider" as per requirement of the Regulations.

## 13. Consent for Video-Link Facility

Members may participate in the meeting via video-link facility, if the Company receives a demand from members holding an aggregate 10% or more shareholding residing at a geographical location outside Karachi, to participate in the meeting through video-link at least 7 days prior to the date of meeting, the Company will arrange video-link facility in that city.

In this regard, members who wish to participate through video-link facility, should send a duly signed request as per the following format to the Registered Address of the Company.

I/We, \_\_\_\_\_ of \_\_\_\_\_ being a member of  
Citi Pharma Limited, holder of ordinary share(s) as per Registered Folio/CDC Account No. hereby opt for video-link  
facility at

Signature of Member

## 101

# GENDER PAY GAP DISCLOSURE

**Citi Pharma Limited (CPHL)** is committed to transparency in pay practices and fair compensation for all employees. In line with the SECP's directive on gender pay gap disclosure, CPHL has reviewed its wage data across the organization.

While differences exist due to variations in role, experience, and systemic business factors, CPHL is taking steps to reduce the gender pay gap by ensuring consistent pay structures, benchmarking compensation against business best practices, and actively promoting women into higher-level roles.

The current gender pay gap analysis is as follows:

**Mean Gender Pay Gap:** 28.6%  
**Median Gender Pay Gap:** 15.2%

	Male (PKR)	Female (PKR)
Mean Hourly Wage Rate	884.25	665.42
Median Hourly Wage Rate	560.45	486.55

# PROXY OF FORM

I/We \_\_\_\_\_ of \_\_\_\_\_ being  
a member of Citi Pharma Limited hereby appoint Mr. \_\_\_\_\_ another member of  
the company as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual  
General Meeting of the Company to be held on Monday, October 27, 2025, at 12:30 AM at 588-Q Block, M.A Johar  
Town, Lahore and any adjournment thereof.

Signed \_\_\_\_\_ day of \_\_\_\_\_ 2025.

SIGNATURE OF MEMBER

## Note

1. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to at-  
tend and vote his/her behalf. Proxies in order to be effective must be received at the Registered Office of the  
Company not less than 48 hours before the meeting.
2. The instrument appointing a proxy should be signed by the member or by his attorney duly authorized in  
writing. If a member is a corporation, its common seal should be affixed to the instrument.

Second Fold

Affix Revenue  
Stamp

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

Third Fold and Tuck In

First Fold





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588 - Q, Johar Town Lahore

Email: [corporate@citipharma.com.pk](mailto:corporate@citipharma.com.pk)

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

Tel: +92-42-35316587

