

*Otsuka-People*  
*Creating New Products*  
*For Better Health Worldwide*



# **ANNUAL REPORT 2024-25**

FOR THE YEAR ENDED JUNE 30, 2025

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## COMPANY INFORMATION

<b>BOARD OF DIRECTORS</b>	:	Mr. Mikio Bando (Chairman) (Alternate: Mr. Hideshi Tsunazawa) Mr. Moin ur Rehman (Director and Chief Executive Officer) Mr. Kimitaka Naito Mr. Tariq Mehtab Feroz Mr. Suhari Mukti (Alternate: Mr. Sajid Ali Khan) Mr. Abid Hussain (Independent Director) Mrs. Navin Salim Merchant (Independent Director)
<b>COMPANY SECRETARY</b>	:	Mr. Rao Sajid Ali Khan
<b>AUDIT SUB COMMITTEE OF THE BOARD</b>	:	Mr. Abid Hussain (Chairman) Mr. Kimitaka Naito (Member) Mr. Tariq Mehtab Feroz (Member)
<b>HEAD OF INTERNAL AUDIT:</b>	:	Mr. Jawaid Noor (Secretary)
<b>RISK MANAGEMENT &amp; SUSTAINABILITY (ESG) COMMITTEE</b>	:	Mr. Abid Hussain (Chairman) Mr. Kimitaka Naito (Member) Mr. Moin ur Rehman (Member) Mr. Sajid Ali Khan (Secretary)
<b>HUMAN RESOURCES REMUNERATION &amp; NOMINATION SUB-COMMITTEE OF THE BOARD</b>	:	Mrs. Navin Salim Merchant (Chairperson) Mr. Moin ur Rehman (Member) Mr. Kimitaka Naito (Member) Mr. Tariq Mehtab Feroz (Member) Mr. David Sunil (Secretary)
<b>AUDITORS (EXTERNAL)</b>	:	Yousuf Adil Chartered Accountants
<b>AUDITORS (INTERNAL)</b>	:	Suriya Nauman Rehan & Co. (Chartered Accountants)
<b>LEGAL ADVISORS</b>	:	Dr. Moneeba Hamid
<b>BANKERS</b>	:	Citibank N.A., Habib Bank Limited, Bank Alfalah Islamic MCB Bank Limited, Habib Metropolitan Bank Limited Bank Al-Habib Limited Allied Bank Limited National Bank of Pakistan Meezan Bank Limited Bank Alfalah Limited
<b>REGISTERED OFFICE</b>	:	<div> <b>Head Office:</b>                      30-B, Sindhi Muslim Co-operative,                      Housing Society, Karachi-74400                      Tel.: 34528651 – 4,  <b>E-mail:</b> secretarialcompliance@otsuka.pk  <b>Web site:</b> www.otsuka.pk                 </div> <div> <b>Factory:</b>                      Plot No. F/4-9,                      Hub Industrial Trading Estate,                      Distt. Lasbella (Balochistan)                      Tel.: (0853) 303517-8, Fax: (0853) 303519                 </div>
<b>SHARE REGISTRAR</b>	:	M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street # 2, D.H.A., Phase VII, Karachi. Customer Support Services Tel No. (0092-21) 111-000-322 Fax: (0092-21) 35310191 Email: sfc@thk.com.pk.

## Vision

Otsuka people creating new products for better health worldwide.

## Mission

To provide quality healthcare products while maintaining leadership position in chosen segments by working efficiently towards customer satisfaction, rapid growth and enhanced stakeholders value.

## Objectives

- To retain its position of market leader in IV Solutions and clinical nutrition through continuous education, new product launches and support to the medical profession and community at large.
- To offer world class quality products and support services to our customers at reasonable prices through resource optimization.
- To develop and retain efficient network of distributors and suppliers for enhancement of our present level of support services for customer satisfaction.
- To provide equal opportunity for growth and development to all its team members to build a highly motivated and committed team of professionals delivering world class quality products and services.
- To contribute in community services for betterment of society and environment.
- To generate adequate earnings for meeting current and future needs, leading to enhancement of shareholder's value.

## Focus

Medical  
Profession  
&  
Patients

Patients

Distributors  
&  
Suppliers

Employees

Community

Shareholders

# For Life .

Realizing  
the hidden power  
within.



## NOTICE OF MEETING

### NOTICE OF MEETING

Notice is hereby given that the Thirty Seventh (37<sup>th</sup>) Annual General Meeting of Otsuka Pakistan Limited ("the Company") will be held on Tuesday, October 28, 2025 at 10:30 a.m. at the Ballroom A & B, Mövenpick Hotel, Club Road, P.O. Box 3918, Karachi, as well as through Electronic means / Online meeting facility to transact the following businesses:

#### ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Accounts for the year ended June 30, 2025, together with the Chairman's review and Directors' and Auditors' reports thereon
2. To appoint statutory auditors and fix their remuneration for the year ending June 30, 2026
3. To transact any other business with the permission of the Chair

#### By order of the Board

Rao Sajid Ali Khan  
Company Secretary

Karachi:

October 2, 2025

#### Notes:

#### ONLINE PARTICIPATION IN ANNUAL GENERAL MEETING

Shareholders are encouraged to attend the AGM proceedings via video-conferencing facility, which shall be made available by the Company and with Company's Share Registrar i.e. M/s. THK Associates (Pvt.) Limited.

Interested shareholders and proxies on behalf of shareholders attending the meeting through video conferencing are requested to email the following information with the subject "Registration for 37<sup>th</sup> Annual General Meeting," along with valid copy of their CNIC to the company on email: [secretarialcompliance@otsuka.pk](mailto:secretarialcompliance@otsuka.pk) and / or share registrar on email: [sfc@thk.com.pk](mailto:sfc@thk.com.pk). Video link and login credentials will be shared with ONLY those Members, whose email, containing particulars (i.e.: Name, Folio No./CDC Account No., CNIC No./NTN and Cell No.) are received from official Email ID, at least 48 hours before the AGM.

#### A. BOOK CLOSURE AND PROXY:

- (i) The Share Transfer Books of the Company will remain closed from October 22, 2025 to October 28, 2025 (both days inclusive).
- (ii) A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his / her behalf. A proxy need not be a member of the company. Instrument of appointing proxy and the power of attorney or other authority under which it is signed or a notarial certified copy of the power or authority must be submitted at the Registered Office of the Company at least 48 hours before the time of the Meeting.

- (iii) 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 Regulations, shall submit the proxy form as per the above requirement.
- (iv) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- (v) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- (vi) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- (vii) In case of 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.
- (viii) CDC Account Holders will have to follow the under-mentioned guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan (SECP).

#### **B. 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 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.

#### **C. AVAILABILITY OF THE AUDITED FINANCIAL STATEMENTS ON COMPANY'S WEBSITE**

Circulation of Annual Report through QR Code and through Web link in accordance with the Section 223 of the Companies Act, 2017 and pursuant to SRO 389(1)/2023 dated: March 21, 2023 of the Securities & Exchange Commission, the Company has obtained Shareholders' approval in the Annual General Meeting of the Company held on October 2, 2023 to circulate the Annual Report of the Company to Members through QR enabled Code and Web link. The Annual Report is available through following QR Code and Web link.



[https://otsuka.pk/uploads/files/Accounts\\_30-06-2025\\_%282%29.pdf](https://otsuka.pk/uploads/files/Accounts_30-06-2025_%282%29.pdf)

#### **E. DISTRIBUTION OF ANNUAL REPORT AND NOTICE OF MEETINGS THROUGH EMAIL (OPTIONAL):**

Pursuant to the provisions of section 223(6) of the Companies Act, 2017, the companies are permitted to circulate their Annual Audited Financial Statements, along with Auditor's Report, Directors' Report etc. ("Annual Report") and the Notice of AGM ("Notice"), to its shareholders by email. The Annual Report of the Company for the year ended June 30, 2025 is also available on the Company's website ([www.otsuka.pk](http://www.otsuka.pk))



**F. SUBMISSION OF CNIC/NTN DETAILS AND UPDATING PARTICULARS (MANDATORY REQUIREMENT):**

Individual Shareholders are once again reminded to submit a copy of their valid CNIC, if not provided earlier to the Company's Share Registrar. In case of non-availability of a valid copy of the Shareholders' CNIC in the records of the Company, the company shall withhold the Dividend under the provisions of Section 243 of the Companies Act, 2017.

The Shareholders are requested to promptly notify change in their address, if any, to the Company's Share Registrar. In case of Corporate entity, the shareholders are requested to promptly notify change in their particulars of their authorized representative, if applicable.

**G. UNPAID DIVIDEND ACCOUNT:**

The Company has previously discharged its responsibility under Section 244 of the Companies Act, 2017 whereby the Company approached the shareholders to claim their unclaimed dividend(s) and undelivered share certificate(s) in accordance with the law.

Shareholders, whose dividends still remain unclaimed and/or undelivered share certificates are available with the Company are hereby once again requested to approach the Share Registrar or the Company to claim their outstanding dividend amounts and/or undelivered share certificates as the same will be deposited with Securities and Exchange Commission of Pakistan as per the provision of Section 244(2) of Companies Act, 2017, as prescribed.

**H. CONVERSION OF PHYSICAL SHARES (WITH BOOKENTRY) INTO CDC ACCOUNT:**

Section 72 of the Companies Act, 2017, requires all listed companies to replace the shares held in physical form with the shares to be issued in Book-Entry Form within four (4) years from the date of the promulgation of the Companies Act 2017. Pursuant to the SECP letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021, the Company is following up with all shareholders holding shares in physical form with the request to convert their shares in Book-Entry Form in order to comply with the provisions of the Companies Act, 2017. Shareholders are again requested to contact the Company's Share Registrar to understand and complete the process of conversion of shares held in physical form, into the Book-Entry Form.

**I. POSTAL BALLOT**

Pursuant to Companies (Postal Ballot) Regulations 2018, for the purpose for any other agenda item subject to the requirements of section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right of vote through postal ballot, that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid Regulations.

**J. E-VOTING & POSTAL BALLOT FACILITY**

The shareholders will be allowed to exercise their right to vote through e-voting and postal ballot subject to the requirements of the Companies Act, 2017 and Companies (Postal Ballot) Regulations, 2018.

Proxy, e-mandate, ballot paper and consent for video conferencing facility forms can be downloaded from our website: [www.otsuka.pk](http://www.otsuka.pk)



**NOTE:** Shareholders are requested to promptly notify any change in their addresses 'if any' to Company's Share Registrar **M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street # 2, D.H.A., Phase VII, Karachi** Tel: Customer Support Services Tel No. (0092-21) 111-000-322 Fax: (0092-21) 35310191 Email: [sfc@thk.com.pk](mailto:sfc@thk.com.pk).

For any query/problem/information, the investors may contact to the Share Registrar on the above-said contact details &/or the Company Secretary at the following contact details:

**Mr. Rao Sajid Ali Khan, Company Secretary, Otsuka Pakistan Limited, 30-B, S.M.C.H.S., Karachi-74400, Tel: 34528652 – 4 Lines (Ext. No. 356), Fax: (92-21) 34549857, Email: [secretarialcompliance@otsuka.pk](mailto:secretarialcompliance@otsuka.pk).**

## 1. پوسٹل بیلٹ:

کینیڈا (پوسٹل بیلٹ) ریگولیشنز 2018 کے مطابق، ڈائریکٹرز کے انتخاب کے مقصد کے لیے اوکٹوبر 2017 کے سیکشن 143 اور 144 کے تقاضوں سے مشروط کسی دیگر ایجنڈے کے اختتام کے لیے ممبران کو پوسٹل بیلٹ کے ذریعے اپنے ووٹ کا حق استعمال کرنے کی اجازت ہوگی، جو کہ ڈاک کے ذریعے یا کسی بھی الیکٹرانک موڈ کے ذریعے، مذکورہ ضوابط میں موجود تقاضوں اور طریقہ کار کے مطابق ہو۔

## 2. ای ووٹنگ اور پوسٹل بیلٹ کی سہولت:

کینیڈا ایکٹ 2017 اور کینیڈا (پوسٹل بیلٹ) ریگولیشنز 2018 کے تقاضوں کے تحت ممبران یا ڈائریکٹرز کو ای ووٹنگ اور پوسٹل بیلٹ کے ذریعے اپنے ووٹ کا حق استعمال کرنے کی اجازت ہوگی۔

پراکسی، ای-مینڈیٹ، بیلٹ پیپر اور ویڈیو کاغذنگ کی سہولت کے لیے رضامندی فارم ہماری ویب سائٹ سے ڈاؤن لوڈ کیے جاسکتے ہیں: [www.otsuka.pk](http://www.otsuka.pk)

نوٹ: ممبران یا ڈائریکٹرز سے استدعا ہے کہ وہ اپنی پیمانی کی تبدیلی کی صورت میں فوری طور پر کینیڈا کے شیئرز رجسٹرار میسرز THK الیوی اسٹیشن (پرائیویٹ) لمیٹڈ، پلاٹ نمبر C-32، جانی کرشل اسٹریٹ نمبر 2، DHA، فیر

VII، کراچی، ٹیلیفون: کمپیوٹر سروسز ٹیلیفون نمبر 322-000-111 (21-0092)، فیکس: 35310191 (21-0092) مانیٹل: [sfc@thk.com.pk](mailto:sfc@thk.com.pk) کو مطلع کریں۔

مزید کسی سوال/معلومات کیلئے دسریہ کار مذکور بالا تفصیلات پر شیئرز رجسٹرار سے یا کینیڈا کے شیئرز سے مندرجہ ذیل تفصیلات پر سے رابطہ کر سکتے ہیں:

جناب راؤ ساجد علی خان، کینیڈا کے شیئرز، راؤ سکا پاکستان ایجنڈہ، 30-B، S.M.C.H.S.، کراچی-74400، ٹیلیفون: 34528652 - 4 لائنز، (301 خطے) ای میل: [secretarialcompliance@otsuka.pk](mailto:secretarialcompliance@otsuka.pk)

## C. کمپنی کی ویب سائٹ پر آڈٹ شدہ مالیاتی حسابات کی دستیابی:

D. کمپنیز ایکٹ 2017 کی دفعہ 223 کے مطابق اور سیکورٹیز اینڈ ایکسچینج کمیشن کے SRO نمبر 389(I)/2023 مؤرخہ 21 مارچ 2023 کے تحت QR کوڈ اور ویب لنک کے ذریعے سالانہ رپورٹ کی ترسیل کی اجازت دی گئی ہے۔ کمپنی نے 12 اکتوبر 2023 کو مندرجہ ذیل گزشتہ سالانہ اجلاس عام میں کمپنی کی سالانہ رپورٹ اراکین کو QR کوڈ اور ویب لنک کے ذریعے فراہم کرنے کی حصص یافتگان سے منظوری حاصل کر لی ہے۔ سالانہ رپورٹ درج ذیل QR کوڈ اور ویب لنک کے ذریعے دستیاب ہے۔



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## E. ای میل کے ذریعے سالانہ رپورٹ اور اجلاس کے نوٹس کی ترسیل (اختیاری):

کمپنیز ایکٹ 2017 کی دفعہ 223(6) کی دفعات کے تحت، کمپنیاں کو اجازت دی گئی ہے کہ وہ اپنے آڈٹ شدہ مالیاتی حسابات، آڈیٹر کی رپورٹ، ڈائریکٹرز کی رپورٹ وغیرہ ("سالانہ رپورٹ") اور سالانہ اجلاس عام ("نوٹس") کے نوٹس کو اپنے حصص یافتگان کو ای میل کے ذریعے ارسال کریں۔ 30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کی سالانہ رپورٹ کمپنی کی ویب سائٹ ([www.otsuka.pk](http://www.otsuka.pk)) پر بھی دستیاب ہے۔

## F. NTN/CNIC تفصیلات کی جمع آوری اور کوائف کو اپ ڈیٹ کرنا (لازمی تقاضہ):

انفرادی حصص یافتگان کو ایک بار پھر اپنا رجسٹرڈ نام اپ ڈیٹ کرنا چاہیے کہ وہ اپنے درست CNIC کی ایک کاپی جمع کرائیں، اگر کمپنی کے شیئر رجسٹرار کو پہلے فراہم شدہ نام کی کاپی ہو۔ کمپنی کے رجسٹرار ڈیس حصص یافتگان کے CNIC کی درست کاپی کی عدم دستیابی کی صورت میں، کمپنی کمپنیز ایکٹ 2017 کے سیکشن 243 کے تحت ڈیوٹیڈ نوٹس کے ذریعے اطلاع دے گی۔

حصص یافتگان سے درخواست کی جاتی ہے کہ وہ اپنے پتے میں اگر کوئی تبدیلی ہو تو کمپنی کے شیئر رجسٹرار کو ذریعہ طور پر مطلع کریں۔ کارپوریٹ ادارے کی صورت میں، حصص یافتگان سے درخواست کی جاتی ہے کہ اگر قابل اطلاق ہو تو اپنے رجسٹرڈ نام کے کوائف میں تبدیلی کو ذریعہ طور پر مطلع کریں۔

## G. غیر ادا شدہ ڈیویڈنڈ اکاؤنٹ:

کمپنی نے کمپنیز ایکٹ 2017 کی دفعہ 244 کے تحت اپنی ذمہ داری گزشتہ سال ادا کر دی ہے، جس کے تحت کمپنی نے حصص یافتگان سے رابطہ کیا تاکہ وہ اپنے غیر معمولی شدہ منافع منقسمہ اور غیر فراہم کردہ شیئرز سرٹیفیکیٹس کے حصول کے لیے قانون کے مطابق درخواست دیں۔

حصص یافتگان، جن کے منافع ابھی تک غیر معمولی شدہ ہیں اور یا جن کے غیر فراہم کردہ شیئرز سرٹیفیکیٹس کمپنی کے پاس موجود ہیں، ان سے ایک بار پھر درخواست کی جاتی ہے کہ وہ شیئر رجسٹرار یا کمپنی سے اپنے ذمہ داری منافع منقسمہ کی رقم اور یا غیر فراہم کردہ شیئرز سرٹیفیکیٹس کا دعویٰ کر کے کیلئے رجوع کریں، کیونکہ یہ یکایک رجسٹرڈ اینڈ ایکسچینج کمیشن آف پاکستان میں جمع کرائے جائیں گے، جیسا کہ کمپنیز ایکٹ 2017 کی دفعہ 244(2) میں درج ہے۔

## H. سی ڈی سی اکاؤنٹ میں فزیکل شیئرز کی تبدیلی (بک انٹری کے ساتھ):

کمپنیز ایکٹ 2017 کی دفعہ 72 کے تحت، تمام سٹاک ہولڈرز کو یہ ہدایت دی گئی ہے کہ وہ فزیکل شکل میں رکھے گئے شیئرز کو بک انٹری کی شکل میں تبدیل کریں، جو کمپنیز ایکٹ 2017 کے ترمیم کی تاریخ سے چار (4) سال کے اندر ہونا لازمی ہے۔ SECP کے لیٹر نمبر CSD/ED/Misc./2016-639-640 مؤرخہ 26 مارچ 2021 کے مطابق، کمپنی فزیکل شکل میں شیئرز رکھنے والے تمام حصص یافتگان سے رابطہ کر رہی ہے اور درخواست کر رہی ہے کہ وہ اپنے شیئرز کو بک انٹری کی شکل میں تبدیل کریں تاکہ کمپنیز ایکٹ 2017 کی دفعات کے مطابق عمل کیا جاسکے۔ حصص یافتگان سے ایک بار پھر درخواست کی جاتی ہے کہ وہ کمپنی کے شیئر رجسٹرار سے رابطہ کریں تاکہ وہ فزیکل شکل میں رکھے گئے شیئرز کو بک انٹری کی شکل میں تبدیل کرنے کے عمل کو سمجھ سکیں اور اس کی قیاس کریں۔



# اوٹسوکا پاکستان لمیٹڈ

## اطلاع برائے اجلاس

مطلع کیا جاتا ہے کہ اوٹسوکا پاکستان لمیٹڈ کا سیتھ سوئس (37 ویں) سالانہ اجلاس بروز منگل، 28 اکتوبر 2025 کو وقت صبح 10:30 بجے بمقام مردم A&B، مولن پک ہوٹل، کھب روڈ، پی او باکس 3918، کراچی میں فزیکل کے ساتھ ساتھ الیکٹرانک ذرائع/آن لائن اجلاس کی سہولت کے ذریعے مندرجہ ذیل امور کی انجام دہی کیلئے منعقد کیا جائیگا۔

### عمومی امور:

- 1- 30 جون 2025ء کو ختم ہونے والے سال کیلئے سالانہ آڈٹ شدہ اکاؤنٹس مع جزیئین رپورٹس، ڈائریکٹر اور آزاد ڈائریکٹر کی رپورٹس کی وصولی، غور و خوض اور منظوری۔
- 2- 30 جون 2026ء کو ختم ہونے والے آئندہ سال کیلئے آڈٹ کی تقرری اور ان کے مشاہدہ کا تعین۔
- 3- جزیئین کی اجازت سے دیگر امور کی انجام دہی۔

### بحکم بورڈ

رائو ساجد علی خان  
کمپنی سیکریٹری

کراچی

02 اکتوبر 2025ء

نوٹس:

### سالانہ اجلاس عام میں آن لائن شرکت:

تخصیص یافتہ آن لائن کوڈ یا پروفائزنگ کی سہولت کے ذریعے سالانہ اجلاس عام (AGM) کی کارروائی میں شرکت کی ترغیب دی جاتی ہے، جو کمپنی اور کمپنی کے شیئر رجسٹریشن نمبرز THK ایسوسی ایشن (پرائیویٹ) لمیٹڈ کے ذریعے فراہم کی جائے گی۔

وہ تخصیص یافتگان اور نمائندے جو ویڈیو کنفرننگ کے ذریعے اجلاس میں شرکت کرنے کے خواہشمند ہیں، ان سے درخواست ہے کہ وہ کمپنی کو ای میل: [secretarialcompliance@otsuka.pk](mailto:secretarialcompliance@otsuka.pk) یا شیئر رجسٹر اراکو ای میل: [sfc@thk.com.pk](mailto:sfc@thk.com.pk) پر 37 ویں سالانہ اجلاس عام کے لیے رجسٹریشن کے عنوان کے ساتھ اپنی معلومات اور CNIC کی درست کاپی بھیجیں۔ ویڈیو لنک اور لاگ ان کی تفصیلات صرف آن لائن ممبران کو فراہم کی جائیں گی جن کی ای میل، جس میں تفصیلات (یعنی نام، فونل نمبر/ CDC اکاؤنٹ نمبر، CNIC نمبر/ INTN اور موبائل نمبر) شامل ہیں، AGM سے کم از کم 48 گھنٹے قبل موصول ہو جائیں۔

### A. کتاب کی بندش اور پراکسی:

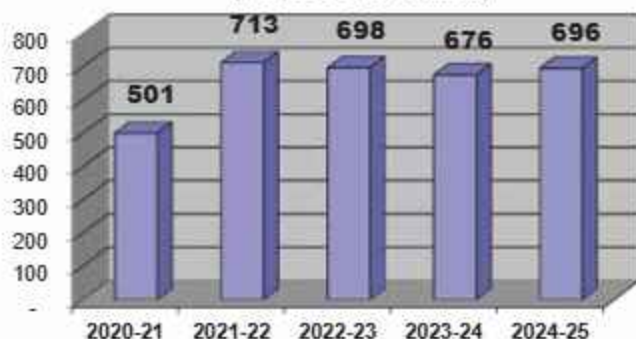
- (i) کمپنی کی منگلی حصص کتب 22 اکتوبر 2025ء سے 28 اکتوبر 2025ء تک (بشمول دونوں ایام) بند ہیں گی۔
- (ii) سالانہ اجلاس میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کیلئے اپنا پراکسی مقرر کر سکتا ہے۔ پراکسی کا کمپنی کا ممبر ہونا ضروری نہیں۔ نوٹری سے تصدیق شدہ پراکسی کی تقرری کا دستاویز اور پاور آف اٹارنی اور دیگر اٹارنی مع پاور آف اٹارنی کی دستخط شدہ اور نوٹری سے تصدیق شدہ کاپی اجلاس ہذا کے انعقاد سے کم از کم اڑتالیس (45) گھنٹے قبل کمپنی کے رجسٹر آفس میں داخل کرانی ہوگی۔
- (iii) انفرادی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ فرد کو جس کی سیکورٹیز گروپ اکاؤنٹ میں ہوں اور اس کی رجسٹریشن تفصیلات ریگولیشنز کے مطابق آپ لوڈ ہوں، پراکسی فارم مندرجہ بالا شرائط کے تحت جمع کرانیں۔
- (iv) پراکسی فارم پر دو افراد کی گواہی ہونی چاہئے جن کے نام پہلے اور کیپیٹل انٹراڈیٹن کارڈ نمبر (CNIC) فارم میں درج ہوں۔
- (v) فیڈبیکل اوٹریکشن شناختی کارڈ (CNIC) یا سپیڈٹ کی نوٹری چٹک سے تصدیق شدہ کاپیاں پراکسی فارم کے ہمراہ منسلک ہوں۔
- (vi) پراکسی اجلاس کے وقت اپنا اصل کیپیٹل انٹراڈیٹن شناختی کارڈ (CNIC) یا اصل پاسپورٹ پیش کرے گا۔
- (vii) کاروباری ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد پاور آف اٹارنی مع حذر و کے دستخط (اگر پہلے فراہم نہ کیا گیا ہو) پراکسی فارم کے ہمراہ منسلک کرنے ہوں گے۔
- (viii) سی ڈی سی اکاؤنٹس ہولڈرز کو سیکورٹیز رجسٹر اراکس پیجنگ کمیشن آف پاکستان (SECP) کے سرکل نمبر 1 بتاریخ 26 جنوری 2000 میں درج کردہ ہدایات پر عمل کرنا ہوگا۔

### B. برائے اجلاس میں شرکت:

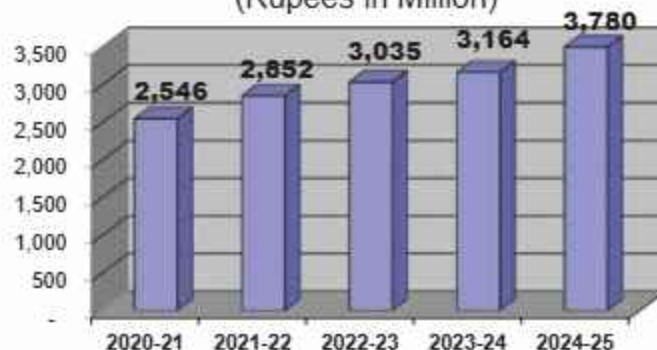
- (i) انفرادی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا اس فرد کو جس کی سیکورٹیز گروپ اکاؤنٹ میں ہوں اور اس کی رجسٹریشن تفصیلات ریگولیشنز کے مطابق آپ لوڈ ہوں، اجلاس میں شرکت کے موقع پر اپنی شناخت کی تصدیق کیلئے اصل کیپیٹل انٹراڈیٹن شناختی کارڈ (CNIC) یا اصل پاسپورٹ پیش کرنا ہوگا۔
- (ii) کاروباری ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد پاور آف اٹارنی مع حذر و کے دستخط (اگر پہلے فراہم نہ کئے گئے ہوں) اجلاس کے موقع پر پیش کرنا ہوں گے۔

# Five Years at a Glance

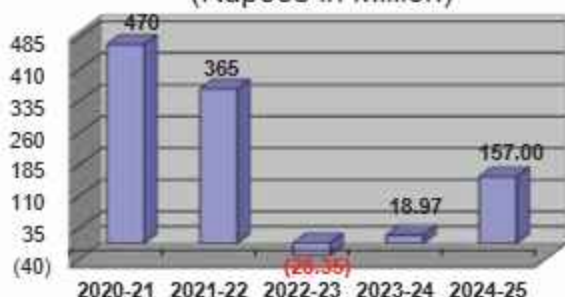
**Shareholders' Equity**  
(Rupees in Million)



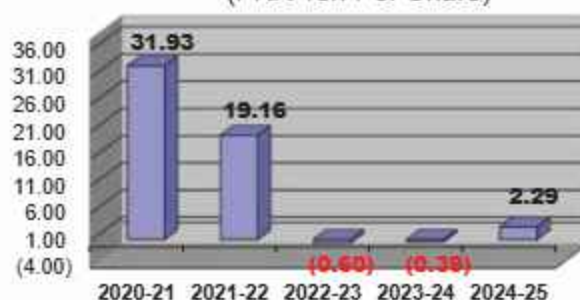
**Sales**  
(Rupees in Million)



**Profit / (Loss) Before Tax**  
(Rupees in Million)



**Earning / (Loss) Per Share**  
(PKR Ten Per Share)







## CHAIRMAN REVIEW

### INTRODUCTION

It gives me the great pleasure to present this report as per the requirements of Section 192 of the Companies Act, 2017. During the financial year 2024-25, Pakistan's macroeconomic landscape began showing tentative signs of stabilization, marked by a significant reduction in the policy rate and gradual improvement in business confidence. The improved liquidity conditions and a more accommodative monetary policy stance are expected to stimulate economic activity in the coming year.

### BUSINESS AND ECONOMIC ENVIRONMENT

The Company remains dedicated to leading the way in addressing the healthcare needs of the country. Our focus is on ensuring patients have access to high-quality medicines while also striving to improve profitability. This is accomplished through sustainability measures, increased efficiency, and cost-effective initiatives designed to maximize returns for shareholders.

During the year, the Company faced production constraints due to aging machinery. However, proactive measures were taken to address these challenges, with significant support from Otsuka Pharmaceutical Factory, INC., Japan directed toward enhancing product quality and ensuring continued compliance with Good Manufacturing Practices (GMP). The Company has clearly defined Vision, Business Strategy and dedicated teams aligned with this strategy. Furthermore, during the year the Company had a strategic shift in the Company's logistics model transitioning to a door-to-door distributor warehouse-based delivery approach. This change has significantly improved operational efficiency by reducing the rate of product deterioration and shortening the delivery lead time from 3 weeks to 3 days and have contributed positively to overall profitability and cash flow, positioning the Company on stronger operational footing moving forward.

### FINANCIAL RESULTS OF THE COMPANY

Your Company achieved a strong financial turnaround during the year, with revenue rising from Rs. 3.16 billion to Rs. 3.78 billion i.e. growth of 19.5%, driven by strategic focus on Clinical nutrition sales. Operating profit increased significantly from Rs. 121.78 million to Rs. 162.91 million. Finance costs fell to Rs. 5.90 million from Rs. 102.81 due to surplus cash. However, mark-to-market losses from a foreign currency loan continued to affect the bottom line due to currency depreciation. The loan's interest rate revision from LIBOR + 0.4% to TIBOR + 0.1% proved favorable. Overall, the Company reported a net profit of Rs. 27.68 million, compared to a Rs. 4.76 million net loss in the previous year, while EPS improved to Rs. 2.29 from a negative Rs. 0.39, reflecting enhanced operational efficiency.

### BOARD OF DIRECTORS

The Board of Directors will be completing its first year on October 30, 2025, after being elected in the 36<sup>th</sup> Annual General Meeting held on October 30, 2024.

The Board comprises of professionals with diverse background, sound business acumen and profound understanding of pharmaceutical industry. The Board and its associated Committees performed their duties effectively and ensured all the statutory and regulatory requirements applicable upon the Company. The overall performance of the Board and each of its members was satisfactory based on an evaluation of all the integral-components, which had a direct bearing on the Board's role in achievement of the Company's objectives. I appreciate the valuable contributions made by the directors of the Company.

### ENVIRONMENTAL, HEALTH AND SOCIAL RESPONSIBILITY

The Company prioritizes the health, safety and wellbeing of its employees and people connected to it. Robust safety measures were put in place to ensure the health, wellbeing and hygiene of all staff during the year. The Company remain focused on its social, environmental and ethical priorities and aspires to achieve them in the best interest of all the stakeholders. The company has taken several steps for the benefit of its employees like improving the Health Insurance Policy, bringing the Life-Insurance policy at par with industry, Improving Transportation of factory workers & Managers and making an in-house Gym for Otsuka Pakistan Limited's employees. This will have a positive impact on overall employees' engagement and well-being as well resulting into better productivity.

### FUTURE OUTLOOK

The company is focused towards growth in clinical nutrition products particularly both parental and Enteral Nutrition. In this defining year we are entering a new phase of growth, driven by innovation and operational excellence. Plans are underway to expand our product portfolio with the introduction of new Enteral Nutrition (EN) products, designed to meet the evolving demands of patients and healthcare providers. Further we are strengthening our factory production lines following GMP and quality standards and replacing the old machines. This initiative reflects our broader strategy to diversify offerings and address emerging healthcare needs. In parallel, we are accelerating improvements in our operational systems and strengthening our presence across key market segments. However, since economic stability plays pivotal role in this regard, we hope that current scenario of stability for exchange rate, inflation and oil prices will continue at the same pace to enable us to take care of all our valued stakeholders.

### ACKNOWLEDGEMENT

On behalf of the Board of Directors of your Company, I would like to take this opportunity to acknowledge the devoted and sincere efforts of our employees, business partners and are thankful to our shareholders for their utmost trust which inspire us to remain steadfast in our journey.

  
Mikio BANDO  
Chairman



## چیرمین کا پیغام

مجھے یہ رپورٹ پیش کرتے ہوئے بے حد خوشی ہو رہی ہے جو کہ کمپنیز ایکٹ 2017 کی شق 192 کے تقاضوں کے مطابق ہے۔ مالی سال 2024-25 کے دوران پاکستان کی مجموعی معیشت نے استحکام کی ابتدائی علامات دکھانا شروع کیں، جن میں پالیسی ریٹ میں نمایاں کمی اور کاروباری اعتماد میں بتدریج بہتری شامل ہے۔ بہتر لیکویڈیٹی صورت حال اور زیادہ سازگار مالیاتی پالیسی کے باعث آئندہ برس معاشی سرگرمیوں میں تیزی کی توقع ہے۔

### کاروباری اور معاشی ماحول

کمپنی ملک میں صحت کی ضروریات کو پورا کرنے میں قائدانہ کردار ادا کرنے کے لیے پرعزم ہے۔ ہماری توجہ مریضوں کو معیاری ادویات کی فراہمی کے ساتھ ساتھ منافع میں بہتری پر مرکوز ہے۔ یہ پائیداری کے اقدامات، کارکردگی میں اضافہ اور کم لاگت اقدامات کے ذریعے ممکن بنایا جا رہا ہے تاکہ حصص داروں کے لیے زیادہ سے زیادہ منافع یقینی بنایا جاسکے۔

سال کے دوران کمپنی کو پرانی مشینری کے باعث پیداوار میں مشکلات کا سامنا رہا، تاہم ان چیلنجز سے نمٹنے کے لیے بروقت اقدامات کیے گئے۔ جاپان میں اوتسوکا فارماسیوٹیکل فیکٹری انکارپوریٹڈ کی بھرپور معاونت حاصل رہی جس سے مصنوعات کے معیار میں بہتری اور جی ایم پی تقاضوں کی تکمیل کو یقینی بنایا گیا۔ کمپنی نے اپنا ڈیٹن، بزنس اسٹریٹجی اور اس کے ساتھ منسلک پرعزم نہیں واضح طور پر واضح کی ہیں۔ مزید یہ کہ سال کے دوران کمپنی نے لاجسٹکس ماڈل میں اسٹریٹجک تبدیلی کرتے ہوئے ڈسٹری بیوٹر ہاؤس سے ڈور ٹو ڈور ترسیل کا نظام متعارف کرایا۔ اس تبدیلی سے آپریشنل کارکردگی میں نمایاں بہتری آئی ہے، پروڈکٹ کے ضائع ہونے کی شرح کم ہوئی ہے اور ترسیل کا وقت 3 ہفتوں سے کم ہو کر 3 دن ہو گیا ہے۔ اس اقدام نے منافع اور کیش فلو پر مثبت اثر ڈالا ہے اور کمپنی کو زیادہ مستحکم آپریشنل بنیادوں پر کھڑا کیا ہے۔

### مالی نتائج

کمپنی نے سال کے دوران شاندار مالی بھالی حاصل کی۔ آمدنی 3.16 ارب روپے سے بڑھ کر 3.78 ارب روپے ہو گئی، جو 19.5% اضافہ ہے، جس کی بنیاد کلینیکل نیوٹریشن کی فروخت پر مرکوز حکمت عملی رہی۔ آپریٹنگ منافع 121.78 ملین روپے سے بڑھ کر 162.91 ملین روپے رہا۔ فنانس اخراجات 102.81 ملین روپے سے کم ہو کر 5.90 ملین روپے رہ گئے، جس کی وجہ دستیاب سرپلس کیش تھا۔ تاہم غیر ملکی قرض پر کرنسی ڈیپ سی ایٹن کی وجہ سے مارک ٹو مارکیٹ نقصان برقرار رہا۔ قرض کی شرح سود لاہور 0.4% سے ٹیور 0.1% پر نظر ثانی کی گئی جو کمپنی کے لیے قائدہ مند رہی۔ مجموعی طور پر کمپنی نے 27.68 ملین روپے کا خالص منافع رپورٹ کیا جبکہ گزشتہ سال 4.76 ملین روپے کا خسارہ ہوا تھا۔ فی شیئر آمدنی منفی 0.39 روپے سے بہتر ہو کر 2.29 روپے رہی، جو آپریٹنگ کارکردگی میں نمایاں بہتری کی عکاسی کرتی ہے۔

### بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز کا انتخاب 30 اکتوبر 2024 کو 36 ویں سالانہ جنرل میٹنگ میں ہوا تھا۔ اس انتخاب کے بعد بورڈ کی موجودہ میعاد کا پہلا سال 30 اکتوبر 2025 کو مکمل ہونے جا رہا ہے۔ بورڈ میں مختلف پس منظر کے پروفیشنل شامل ہیں جو کاروباری فہم اور فارماسیوٹیکل انڈسٹری کی گہری سمجھ بوجھ رکھتے ہیں۔ بورڈ اور اس کی کمیٹیوں نے اپنی ذمہ داریاں بخوبی انجام دیں اور تمام قانونی و ریگولیٹری تقاضے پورے کیے۔ بورڈ اور اس کے تمام اراکین کی کارکردگی اطمینان بخش رہی۔ میں بورڈ کے ڈائریکٹرز کے قیمتی تعاون کو سراہتا ہوں۔

### ماحولیاتی، صحت اور سماجی ذمہ داری

کمپنی اپنے ملازمین اور وابستہ افراد کی صحت، حفاظت اور فلاح کو اولین ترجیح دیتی ہے۔ اس سال تمام عملے کی صحت و صفائی اور فلاح کو یقینی بنانے کے لیے مضبوط حفاظتی اقدامات کیے گئے۔ کمپنی سماجی، ماحولیاتی اور اخلاقی ترجیحات پر مرکوز ہے اور ان کے حصول کے لیے پرعزم ہے۔ ملازمین کے فائدے کے لیے کئی اقدامات کیے گئے جیسے ہیلتھ انشورنس پالیسی میں بہتری، لائف انشورنس پالیسی کو انڈسٹری کے معیار پر لانا، فیکٹری ورکرز اور مینیجرز کے لیے بہتر ٹرانسپورٹ کا انتظام اور کمپنی کے ملازمین کے لیے اندرون خانہ جم کایام۔ ان اقدامات سے ملازمین کی شمولیت اور فلاح میں اضافہ ہوا گا جس کا مثبت اثر پیداوار پر پڑے گا۔

### مستقبل کا لاچ عمل

کمپنی کلینیکل نیوٹریشن خصوصاً جی بیٹریل اور انٹرل نیوٹریشن کی ترقی پر مرکوز ہے۔ اس اہم سال میں ہم ترقی کے ایک نئے مرحلے میں داخل ہو رہے ہیں جس کی بنیاد جدت اور آپریشنل ایکسیلنس پر ہے۔ انٹرل نیوٹریشن کی نئی مصنوعات متعارف کروانے کے منصوبے زیر غور ہیں تاکہ مریضوں اور ہیلتھ کیئر فراہم کنندگان کی بدلتی ضروریات کو پورا کیا جاسکے۔ اس کے ساتھ ساتھ فیکٹری کی پیداوار لائنوں کو جی ایم پی اور معیار کے تقاضوں کے مطابق اپ گریڈ کیا جا رہا ہے اور پرانی مشینوں کی تبدیلی کی جارہی ہے۔ یہ اقدام ہماری وسیع تر حکمت عملی کا حصہ ہے تاکہ مصنوعات میں تنوع پیدا ہو اور ابھرتی ہوئی صحت کی ضروریات کو پورا کیا جاسکے۔ اسی دوران ہم آپریشنل نظام میں مزید بہتری اور کلیدی مارکیٹ شعبوں میں اپنی موجودگی کو مضبوط کر رہے ہیں۔ تاہم اس سب میں معاشی استحکام بنیادی کردار ادا کرتا ہے اور ہم امید کرتے ہیں کہ ذرا مبالغہ کی شرح، افراط زر اور تیل کی قیمتوں میں موجودہ استحکام برقرار رہے گا تاکہ ہم اپنے تمام اسٹیک ہولڈرز کی بہترین خدمت کر سکیں۔

### شکریہ

بورڈ آف ڈائریکٹرز کی جانب سے میں اس موقع پر کمپنی کے مخلص اور محنتی ملازمین، کاروباری شراکت داروں کا شکریہ ادا کرتا ہوں اور اپنے حصص داروں کی بے پناہ اعتماد کے لیے تہہ دل سے شکریہ گزار ہوں جو ہمیں اپنی جدوجہد میں ثابت قدم رہنے کی تحریک دیتا ہے۔

Mutan Bando  
میکو باندو  
چیرمین

## DIRECTORS' REPORT

The Directors are pleased to present the Annual Report of Otsuka Pakistan Limited (the Company) for the year ended June 30, 2025 prepared in accordance with Section 227 of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations 2019. This report will be submitted to the members at the thirty seventh Annual General Meeting of the Company to be held on October 28, 2025.

### Industry Overview

According to the industry report published by IQVIA Solutions Pakistan (Private) Limited, a leading pharmaceutical research and analytics firm, the pharmaceutical industry in Pakistan reached a total market size of PKR 1,008 billion in the calendar year 2024, reflecting a robust value growth of 21.5% over the previous year.

The PKR 1 Trillion local market growing strongly with 21.5% shows the inherent potential and demand of Pakistani pharmaceutical market. This coupled with de-controlling of prices of Non-Essential products provide a robust growth opportunities in the pharma sector. However, excessive price increases by almost all companies of Non-Essential products have resulted in reduced unit growth.

### Business Review

This fiscal year 2024-2025 Otsuka Pakistan Limited saw a strong recovery in profitability driven by higher sales and better cost management. The company achieved a strong growth of 19.5% in sales. This growth was primarily driven by strengthening of Clinical nutrition product line, which significantly contributed to revenue enhancement. Further, the Company has successfully launched two new products – "Fatolip" and "Gen-DM MF" – during the year. Both products have received very positive feedback from the market, reaffirming our commitment to innovation and meeting evolving patient needs.

Gross Profit increased by 49.6% resulting into a positive turnaround in the net income of the company.

Cost of sales increased by 12.7%, which remained well below the rate of sales growth. This reflects effective cost management and operational efficiency measures implemented across the Company. As a result, the Company's gross profit margin improved from 18.2% to 22.8%, underscoring our focus on sustainable profitability.

Selling and distribution expenses increased by 37.3% during the year. This rise is primarily attributable to hiring of new EN team and strengthening of our existing strategic CN team and outward freight resulted due to strategic shift in the Company's logistics model — transitioning to a door-to-door distributor warehouse-based delivery approach. This change has significantly improved operational efficiency by reducing the rate of product deterioration and shortening the delivery lead time. Administrative expenses registered an increase of 31.8%, mainly due to a rise in salaries and legal and professional charges incurred during the year in connection with regulatory and advisory matters.

Other expenses increased significantly by 248.2%, primarily due to the recognition of a foreign exchange loss of PKR 146 million during the year on foreign currency loans, in contrast to the exchange gain of PKR 92 million recorded in the previous year. This adverse movement in exchange rates substantially impacted the overall expense profile for the year.

### Financial Results

	2025	2024
	----- (PKR in '000) -----	
Profit / (Loss) for the year after taxation	27,677	(4,763)
Other comprehensive (loss) / income -net	(7,593)	1,085
Total comprehensive income / (loss) for the year	20,084	(3,678)
Accumulated profit brought forward	554,695	576,523
Final dividend for the year ended June 30, 2024/2023	-	(18,150)
Accumulated profits carried forward	574,779	554,695



## Declaration of dividend / or reasons for not declaring dividend

The Company recorded a profit of PKR 27.7 million; however, the directors have proposed a "nil" dividend for the year. This decision is primarily due to the heavy burden of a foreign currency loan amounting to approximately PKR 1 billion, which was initially obtained for one year but is now being extended. As the Company is undertaking substantial capital expenditure for major machinery overhauling, the funds are being retained in reserves to meet these requirements.

## Earnings Per Share

The earnings / (loss) per share for the year ended June 30, 2025 works out to be Rs. 2.29 (2024: Rs. 0.39) per share.

## Key operating and financial data

Key operating and financial data of last six years is annexed with this annual report.

## Value of investments of provident and gratuity funds

The value of investments in bank deposits, government and money market securities based on the latest respective audited accounts are given below:

<b>Provident Fund</b>	<b>Rs. 249,340,837 /-</b>
<b>Gratuity Fund</b>	<b>Rs. 141,034,930 /-</b>

## Corporate Governance

As required under Corporate Governance, the Directors are pleased to confirm that:

- the financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity;
- proper books of accounts of the Company have been maintained;
- appropriate accounting policies have been consistently applied in the preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment;
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departures therefrom has been adequately disclosed and explained;
- the system of internal control is sound in design and has been effectively implemented and monitored;
- there are no significant doubts upon the Company's ability to continue as a going concern;
- there has been no material departure from the best practices of corporate governance, as detailed in the listing regulations;
- In accordance with the criteria specified in Code, three directors have a certification under Directors' Training Program. All the Directors on the Board are fully conversant with their duties and responsibilities as Directors of corporate bodies; and
- There are no statutory payments on account of taxes, duties, levies and charges outstanding as on June 30, 2025 except for those already disclosed in the financial statements.

## Board of Directors

The Board of Directors as required under section 159 of the Companies Act, 2017 had fixed the number of Directors have been elected at seven (7) including two (2) independent directors who will represent the minority shareholders of the Company in accordance with the provisions of the Listed Companies (Code of Corporate Governance) Regulations 2019, for a period of three years commenced from November 01, 2024.

**The composition of Board of Directors ("the Board") is as follows:**

CATEGORY	NAMES	GENDER
Executive Director	Mr. Moin ur Rehman (CEO)	Male
Non-Executive Directors	Mr. Mikio Bando (Chairman) **	
	Mr. Tariq Mehtab Feroz	
	Mr. Kimitaka Naito *	
	Mr. Suhari Mukti***	
Independent Directors	Mr. Abid Hussain	Female
	Mrs. Navin Salim Merchant	



\* Mr. Kimitaka Naito has been appointed as director in place of Mr. Koichi Okada w.e.f. April 21, 2025.

\*\* Mr. Hideshi Tsunazawa is the alternate director of Mr. Mikio Bando.

\*\*\*Mr. Sajid Ali Khan is the alternate director of Mr. Suhari Mukti.

## Board Sub-Committees

NAME OF BOARD SUB-COMMITTEE	NAME OF MEMBER
Audit Committee	Mr. Abid Hussain (Chairman) Mr. Kimitaka Naito Mr. Tariq Mehtab Feroz Mr. Jawaid Noor (Secretary)
Human Resource Remuneration & Nomination Committee	Mrs. Navin Salim Merchant (Chairperson) Mr. Moin ur Rehman Mr. Kimitaka Naito Mr. Tariq Mehtab Feroz Mr. David Sunil (Secretary)
Risk Management Committee	Mr. Abid Hussain (Chairman) Mr. Moin ur Rehman Mr. Kimitaka Naito Mr. Sajid Ali Khan (Secretary)

## Directors' Remuneration

The Board has a formal policy and transparent procedures for the remuneration of its directors in accordance with the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations 2017. Currently, the two independent directors and a non-working alternate director are getting fixed fees for attending the board meetings. The aggregate amount of remuneration paid to each director of the Company during the year is given below:

CATEGORY	NAMES	NATURE OF REMUNERATION	AMOUNT (Rs. In '000)
Executive Director	Mr. Moin ur Rehman (CEO)	Salaries and benefits*	19,262
Non-Executive Directors	Mr. Mikio Bando (Chairman)	Not applicable	Nil
	Mr. Tariq Mehtab Feroz	Meeting Fees	150
	Mr. Koichi Okada	Not applicable	Nil
	Mr. Kimitaka Naito	Not Applicable	Nil
	Mr. Suhari Mukti**	Not applicable	Nil
Independent Directors	Mr. Abid Hussain	Meeting Fees	300
	Mrs. Navin Salim Merchant	Meeting Fees	250

## Risk Management

The Risk Management infrastructure of the Company is based upon Enterprise Risk Management framework addressing the major risk categories including Strategic, Operational, Compliance and Financial Reporting Risks. Adequate controls have been designed and communicated to the staff via policies and procedural guidelines. The Board has outsourced the internal audit function to evaluate and oversee the design and operating effectiveness of these controls.

The Board has made the Risk Management and Sustainability Committee comprising of the following members:

NAME	DESIGNATION
Mr. Abid Hussain (Chairman)	Independent Director
Mr. Moin ur Rehman	Executive Director & Chief Executive Officer
Mr. Kimitaka Naito	Non-Executive Director
Mr. Sajid Ali Khan (Secretary)	Company Secretary & Head of Special Project
Mrs. Navin Salim Merchant	Female Director for Sustainability Committee only

## Meetings of the Board, Audit Committee, Human Resource Remuneration & Nomination Committee and Risk Management Committee:

Name of Director	Board Meetings		Audit Committee Meetings		Human Resource Remuneration & Nomination Committee Meetings		Risk Management Meetings	
	Meetings held during the period	Attendance	Meetings held during the period	Attendance	Meetings held during the period	Attendance	Meetings held during the period	Attendance
Mr. Moin ur Rehman (Director and CEO)	4	4	5	5	1	N/A	1	N/A
Mr. Tariq Mehtab Feroz	4	4	5	5	1	1	1	1
Mr. Micio Bando (Chairman)	4	3	5	N/A	1	N/A	1	N/A
Mr. Suhari Mukti	4	2	5	N/A	1	N/A	1	N/A
Mr. Koichi Okada	4	2	5	2	1	1	1	1
Mr. Abid Hussain (Independent Director)	4	4	5	5	1	N/A	1	1
Mrs. Navin Salim Merchant (Independent Director)	4	4	5	N/A	1	1	1	1
Mr. Sajid Ali Khan (I)	4	2	5	N/A	1	N/A	1	N/A

### Pattern of Shareholding

The Pattern of shareholding of the Company as at June 30, 2025 is annexed with this annual report.

### Trading in shares by directors, executives and their spouses and minor children

During the year no trading in shares were reported by directors, executives and their spouses and minor children.

### Corporate Social Responsibility

The Company considers social, environmental and ethical matters in the context of the overall business environment and has paid monetary as well as non-monetary donations in the form of medicines to different institutions as part of its corporate social responsibility. The Company is committed to work in the best interest of all the stakeholders, in particular the community in which we live and forms our customer base.

### Adequacy of Internal Financial Control

The Company has an adequate internal financial controls system in place and the same was operating effectively during the year ended June 30, 2025. The Company's Directors provide reasonable assurance regarding the achievement of operating, reporting and compliance objectives are the means by which:

- Company's full operations are conducted in accordance with prescribed policies and procedures.
- The Company is in compliance with applicable laws and regulations.
- The Company's assets and information are protected from any improper use.

### Holding Company

The Company is an indirect subsidiary of Messrs. Otsuka Pharmaceutical Company Limited, which is incorporated in Japan.

### Subsequent events

There are no other material changes or commitments affecting the financial position of the company have taken place between the end of the financial year and the date of this report.

### Description of principal risks & uncertainties

We expect no principal risks & uncertainties as at the closing period of June 30, 2025.

### Changes occurring in the nature of business

We expect and plan to launch new value-added products in near future nevertheless our main nature of business will remain unchanged.

### Future outlook

Looking ahead, we are optimistic that FY2025 will serve as a pivotal year for the successful execution of our growth initiatives moving towards our strategic direction. Our investment plans are focused on expanding the product portfolio, with the planned launch of new innovative value-added Clinical Nutrition (CN) and Enteral Nutrition (EN) products fulfilling the unmet medical needs of healthcare needs of our patients. Strategic priorities such as system improvements and deeper market penetration will continue to position the Company for long-term and sustainable growth and consolidation across all categories in which we operate.



We will remain focused on delivering sustainable value to our stakeholders particularly patients while contributing to the society at large.

## Main trends/ developments likely to affect future performance

Current pharmaceutical industry growth is largely driven by the implementation of changes in pricing policy, particularly in the pricing regime for non-essential medicines, which enabled manufacturers to adjust prices in line with inflation and cost structures. The policy shift contributed significantly to improved revenue realization across the sector. This will positively impact Otsuka Pakistan Limited business as well.

However, the Company anticipates production constraints due to aging machinery, cost escalation in freight outwards in the coming year. Despite these headwinds, the Company remains resolute in its strategic direction and is committed to achieving its long-term objectives. A key focus will be on expanding the product portfolio with value-added offerings, enabling the Company to sustain growth and deliver value to its stakeholders.

## Loans & Lease Obligations

The Company had deferred the repayment of the loans taken from M/s. Otsuka Pharmaceutical Factory, Inc., Japan (related party) which represents a foreign currency denominated loans. All three tranches were roll forward for another one year. The current loan payable position is given below:

Initial Date of Draw down	Loan Amount (JPY)	Loan Payable (PKR)	Latest Repayment date
26-Feb-2015	125,000,000	246,250,000	25-Feb-26
27-Apr-2015	125,000,000	246,250,000	26-Apr-26
17-May-2024	300,000,000	591,000,000	10-Apr-26
<b>Total</b>	<b>550,000,000</b>	<b>1,083,500,000</b>	

The Company intends to repay above-said all tranches after considering the central bank borrowing rates and internal cash flow of the Company.

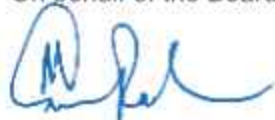
## Auditors

The present auditors, Messrs. Yousuf Adil Chartered Accountants retire at the conclusion of the 37<sup>th</sup> Annual General Meeting and being eligible, offer themselves for reappointment.

## Acknowledgement

The Board wishes to place on record its appreciation for the untiring efforts of all its employees in taking the Company forward.

On behalf of the Board



**Moin Ur Rehman**  
Chief Executive Officer

Karachi

Dated: August 27, 2025



**Abid Hussain**  
Director



موجودہ قرض کی ادائیگی کی صورتحال درج ذیل ہے:

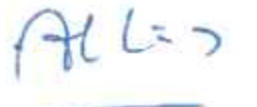
وصولی کی ابتدائی تاریخ	قرضے کی رقم چاہنی کرنسی	قرضے کی ادائیگی پاکستانی روپے میں	ادائیگی کی آخری تاریخ
26-Feb-2015	125,000,000	246,250,000	25-Feb-2026
27-Apr-2015	125,000,000	246,250,000	26-Apr-2026
17-May-2024	300,000,000	591,000,000	10-Apr-2026
	550,000,000	1,083,500,000	

کمپنی کا ارادہ ہے کہ مذکورہ بالا تمام قسطوں کی واپسی مرکزی بینک کے قرضہ نرخوں اور کمپنی کے داخلی نقد بہاؤ کو مد نظر رکھتے ہوئے کی جائے گی۔

آڈیٹرز  
موجودہ آڈیٹرز، میسرز یوسف عدیل چارٹرڈ اکاؤنٹنٹس، 37 ویں سالانہ جنرل میٹنگ کے اختتام پر سبکدوش ہوں گے اور اہل ہونے کے ناطے دوبارہ تقرری کے لیے خود کو پیش کر رہے ہیں۔  
اعتراف

بورڈ اس بات کو یقیناً پر لانا چاہتا ہے کہ کمپنی کو آگے بڑھانے میں تمام ملازمین کی انتھک محنت کے لیے ان کا شکریہ ادا ہے۔

بورڈ کی جانب سے  
  
معین الرحمن  
چیف ایگزیکٹو آفیسر

  
عابد حسین  
ڈائریکٹر  
کراچی  
27 اگست 2025

## اندرونی مالیاتی کنٹرول کی موزعیت

کمپنی کے پاس مناسب اندرونی مالیاتی کنٹرول کا نظام موجود ہے جو سال ختم ہونے پر 30 جون 2025 تک موثر طور پر کام کرنا رہا۔ کمپنی کے ڈائریکٹر معقول یقین دہانی فراہم کرتے ہیں کہ عملیاتی، رپورٹنگ اور تعمیل سے متعلق مقاصد درج ذیل طریقوں سے حاصل کیے جا رہے ہیں:

• کمپنی کی تمام سرگرمیاں مقررہ پالیسیوں اور طریقہ کار کے مطابق انجام دی جا رہی ہیں۔

• کمپنی متعلقہ قوانین اور ضوابط کی مکمل پابندی کر رہی ہے۔

• کمپنی کے اثاثے اور معلومات کسی بھی غلط استعمال سے محفوظ ہیں۔

## ہولڈنگ کمپنی

کمپنی بالواسطہ طور پر سرسزاوٹسو کا فارماسیوٹیکل کمپنی لمیٹڈ کی ذیلی کمپنی ہے، جو جاپان میں رجسٹرڈ ہے۔

## بعد از سالانہ واقعات

مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حیثیت پر اثر انداز ہونے والی کوئی بڑی تبدیلی یا عہد نہیں ہوا۔

## اہم خطرات اور غیر یقینی صورتحال کی وضاحت

30 جون 2025 کو اختتامی مدت کے مطابق ہمیں کسی بڑے خطرے یا غیر یقینی صورتحال کی توقع نہیں ہے۔

## کاروبار کی نوعیت میں تبدیلیاں

ہم قریب مستقبل میں نئی ویلیو ایڈڈ مصنوعات متعارف کرانے کا ارادہ اور منصوبہ رکھتے ہیں، تاہم ہمارا کاروبار کی بنیادی نوعیت بدستور برقرار رہے گی۔

## مستقبل کی چٹک

آگے دیکھتے ہوئے ہمیں یقین ہے کہ مالی سال 2025 ہماری ترقیاتی حکمت عملیوں کی کامیابی کے لیے ایک سنگ میل ثابت ہوگا اور ہمیں اپنی حکمت عملی کی سمت کی جانب بڑھنے میں مدد دے گا۔ ہماری سرمایہ کاری کے منصوبے بالخصوص مصنوعات کے پورٹ فولیو میں وسعت پر مرکوز ہیں، جن میں نئی اور جدید ویلیو ایڈڈ کیمینیکل نیوٹریشن اور اینٹرل نیوٹریشن مصنوعات کی متوقع شروعات شامل ہے تاکہ مریضوں کی غیر پوری شدہ طبی ضروریات کو پورا کیا جاسکے۔ نظام میں بہتری اور مارکیٹ میں زیادہ گہرائی کے ساتھ رسائی جیسی حکمت عملی ترقیجیات کمپنی کو طویل مدتی اور پائیدار ترقی کے ساتھ ساتھ تمام زمروں میں مضبوطی کی پوزیشن پر قائم رکھیں گی جن میں ہم کام کرتے ہیں۔

ہم اپنے شراکت داروں کو خصوصاً مریضوں کو پائیدار قدر فراہم کرنے پر توجہ مرکوز رکھیں گے اور ساتھ ہی ساتھ مجموعی طور پر معاشرے میں اپنا کردار ادا کرتے رہیں گے۔

## مستقبل کی کارکردگی پر اثر انداز ہونے والے اہم رجحانات اور تبدیلیاں

دوائیوں کی صنعت کی موجودہ ترقی بنیادی طور پر قیمتوں کی پالیسی میں تبدیلیوں سے متاثر ہے، خاص طور پر غیر ضروری ادویات کی قیمتوں کے نظام میں۔ ان تبدیلیوں کی بدولت مینوفیکچررز کو قیمتوں کو مہنگائی اور لاگت کے ڈھانچے کے مطابق ایڈجسٹ کرنے کی سہولت حاصل ہوئی ہے، جس سے پورے شعبے میں آمدنی میں قابل قدر اضافہ ہوا ہے۔ یہ مثبت رجحان اوٹسوکا پاکستان لمیٹڈ کے کاروبار کے لیے بھی فائدہ مند ثابت ہوگا۔

تاہم، کمپنی کو آئندہ سال میں ممکنہ چیلنجز کا سامنا ہو سکتا ہے، جیسے کہ پرانی مشینری کی وجہ سے پیداواری حدود اور فراہمی کی لاگت میں اضافے کا خدشہ۔ ان مشکلات کے باوجود، اوٹسوکا پاکستان لمیٹڈ اپنے طویل المدتی اہداف کے حصول میں پرعزم ہے۔ کمپنی کی ترجیح اہم مصنوعات کے پورٹ فولیو کو بڑھانا اور ویلیو ایڈڈ مصنوعات کے ذریعے ترقی کو برقرار رکھنا ہوگی، تاکہ اسٹیک ہولڈرز کے لیے مسلسل قدر فراہم کی جاسکے۔

## قرضے اور کرانے کی ذمہ داریاں

کمپنی نے جاپان کی کمپنی اوٹسوکا فارماسیوٹیکل ٹیکسٹری، انکارپوریٹڈ (متعلقہ فریق) سے لیے گئے قرضوں کی واپسی موثر کر دی تھی، جو غیر ملکی کرنسی میں ہیں۔ تمام تین قسطیں ایک اور سال کے لیے بڑھا دی گئی ہیں۔

نام	عہدہ / منصب
جناب عابد حسین (چیئرمین)	آزاد ڈائریکٹر
جناب معین الرحمن	ایگزیکٹو ڈائریکٹر و چیف ایگزیکٹو آفیسر
جناب کیمیتا کانامو	نان ایگزیکٹو ڈائریکٹر
جناب ساجد علی خان (سیکرٹری)	کمپنی سیکرٹری و ہیڈ آف اسٹیشنل پراجیکٹ
محترمہ نوین سلیم مرچنٹ	صرف پائیداری کمپنی کے لیے خاتون ڈائریکٹر

بورڈ، آڈٹ کمیٹی، ہیومن ریسورسز مینجمنٹ و نوینیشن کمیٹی اور ریسک مینجمنٹ کمیٹی کے اجلاس

ڈائریکٹران کے نام		بورڈ میٹنگ		آڈٹ کمیٹی میٹنگ		ہیومن ریسورسز و معاوضہ کمیٹی	
سال کے دوران ہونے والی میٹنگ	حاضری	سال کے دوران ہونے والی میٹنگ	حاضری	سال کے دوران ہونے والی میٹنگ	حاضری	سال کے دوران ہونے والی میٹنگ	حاضری
معین الرحمن (ڈائریکٹر اینڈ ای او)	4	4	نا قابل اطلاق	نا قابل اطلاق	1	1	1
طارق مہتاب فیروز	4	2	5	5	1	1	1
میکو بانڈو چیئرمین	4	3	نا قابل اطلاق	نا قابل اطلاق	نا قابل اطلاق	نا قابل اطلاق	نا قابل اطلاق
سوپاری کتی	4	2	5	2	نا قابل اطلاق	نا قابل اطلاق	نا قابل اطلاق
کوچی او کاڈا	4	0	نا قابل اطلاق	نا قابل اطلاق	نا قابل اطلاق	نا قابل اطلاق	نا قابل اطلاق
عابد حسین آزاد ڈائریکٹر	4	4	5	5	نا قابل اطلاق	نا قابل اطلاق	نا قابل اطلاق
مسز نوین سلیم مرچنٹ آزاد ڈائریکٹر	4	4	نا قابل اطلاق	نا قابل اطلاق	1	1	1
ساجد علی خان (سیکرٹری)	4	2	5	5	1	1	1

شیئر ہولڈنگ کا بیڑن

کمپنی کا شیئر ہولڈنگ بیڑن مورخہ 30 جون 2025 کو اس سالانہ رپورٹ کے ساتھ منسلک ہے۔

ڈائریکٹروں، افسران اور ان کے شریک حیات اور کم عمر بچوں کی طرف سے حصص میں لین دین

سال کے دوران ڈائریکٹروں، افسران، ان کے شریک حیات اور کم عمر بچوں کی طرف سے حصص کی خرید و فروخت کی کوئی اطلاع موصول نہیں ہوئی۔

سامانی ذمہ داری

کمپنی مجموعی کاروباری ماحول کے تناظر میں سماجی، ماحولیاتی اور اخلاقی معاملات کو اہمیت دیتی ہے اور اپنی سماجی ذمہ داری کے تحت مختلف اداروں کو مالی اور غیر مالی امداد (ادویات کی صورت میں) فراہم کرتی رہی ہے۔ کمپنی تمام فریقین کے بہترین مفاد میں کام کرنے کے لیے پرعزم ہے، خصوصاً اس برادری کے لیے جس میں ہم رہتے ہیں اور جو ہمارے صارفین کی بنیاد تشکیل دیتی ہے۔



\* جناب کیمیتا کاناٹو کو جناب کوچی اوکاوا کی جگہ 21 اپریل 2025 سے بطور ڈائریکٹر مقرر کیا گیا ہے۔

\*\* جناب ہیدیشی سونے زاوا، جناب میکویو یاندو کے متبادل ڈائریکٹر ہیں۔

\*\*\* جناب ساجد علی خان، جناب سہاری ملتی کے متبادل ڈائریکٹر ہیں۔

بورڈ کی ذیلی کمیٹیاں	ممبر کا نام
آڈٹ کمیٹی	جناب عابد حسین (چیئر مین) جناب کیمیتا کاناٹو جناب طارق مہتاب فیروز جناب جاوید نور (یکر ٹری)
ہیومن ریسورسز و معاوضہ اور نامزدگی کمیٹی	مسز نوین سلیم مرچنٹ (چیئر پرسن) جناب معین الرحمن صاحب جناب کیمیتا کاناٹو جناب طارق مہتاب فیروز مسز ڈیوڈ سنیل (یکر ٹری)
رہسہ مینجمنٹ کمیٹی	جناب عابد حسین (چیئر مین) جناب معین الرحمن صاحب جناب کیمیتا کاناٹو جناب ساجد علی خان

## ڈائریکٹر کی معاوضہ جات

بورڈ نے کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2017 کے مطابق ڈائریکٹر کی معاوضہ کے لیے ایک باضابطہ پالیسی اور شفاف طریقہ کار مرتب کیا ہے۔ فی الحال دو آزاد ڈائریکٹر اور ایک غیر عامل متبادل ڈائریکٹر کو صرف بورڈ مینگلز میں شرکت کے عوض مقررہ فیس دی جا رہی ہے۔ کمپنی کے ہر ڈائریکٹر کو سال کے دوران ادا کی گئی مجموعی معاوضہ کی رقم ذیل میں دی گئی ہے:

عہدے	نام	معاوضے کی تفصیلات	پاکستانی روپے '000
ایگزیکٹو ڈائریکٹر	جناب معین الرحمن (سی ای او)	** تنخواہیں اور مراعات	19,262
ٹان ایگزیکٹو ڈائریکٹر	میکو ماٹو (چیئر مین)	قابل اطلاق نہیں	-
	طارق مہتاب فیروز	تسلیمی فیس	150
	کوچی اوکاوا	قابل اطلاق نہیں	-
	جناب کیمیتا کاناٹو	قابل اطلاق نہیں	-
	سہاری ملتی	قابل اطلاق نہیں	-
آزاد ڈائریکٹر	جناب عابد حسین	مینٹل فیس	300
	مسز نوین سلیم مرچنٹ	مینٹل فیس	250

## رہسہ مینجمنٹ

کمپنی کا رہسہ مینجمنٹ انفراسٹرکچر پر انڈر رہسہ مینجمنٹ فریم ورک پر مبنی ہے جو بڑی رہسہ کیمپریز کو کورتا ہے، جن میں اسٹریٹجک، آپریشنل، کمپلائنس اور فنانشل رپورٹنگ رہسہ شامل ہیں۔ اس مقصد کے لیے مناسب کنٹرولز تیار کیے گئے ہیں اور عملے تک پالیسیوں اور طریقہ کار کی رہنمائی کے ذریعے پہنچائے گئے ہیں۔

بورڈ نے داخلی آڈٹ کے فنکشن کو آؤٹ سورس کیا ہے تاکہ ان کنٹرولز کے ڈیزائن اور ان کے مؤثر نفاذ کا جائزہ لیا جاسکے اور نگرانی کی جاسکے۔

بورڈ نے رہسہ مینجمنٹ اور پائیداری کمیٹی تشکیل دی ہے جو درج ذیل اراکین پر مشتمل ہے:

**ڈیویڈنڈ کا اعلان / یاڈویڈنڈ دینے کی وجوہات**  
 کمپنی نے 27.7 ملین روپے کا منافع ریکارڈ کیا ہے، تاہم، ڈائریکٹرز نے سال کے لیے ”مصر“ ڈیویڈنڈ تجویز کیا ہے۔ اس فیصلے کی بنیادی وجہ تقریباً ایک ارب روپے کے غیر ملکی کرنسی کے قرض کا بھاری بوجھ ہے، جو ابتدائی طور پر ایک سال کے لیے حاصل کیا گیا تھا لیکن اب اسے توسیع دی جا رہی ہے۔ مزید برآں، کمپنی بڑے پیمانے پر مشینری کی مرمت و بحالی کے لیے خاطر خواہ سرمایہ جاتی اخراجات کر رہی ہے، لہذا ان ضروریات کو پورا کرنے کے لیے رقوم کو ریزروز میں رکھا جا رہا ہے۔

**حصص فی آمدنی**  
 30 جون 2025 کو ختم ہونے والے سال کے لیے حصص فی آمدنی (یا نقصان) 2.29 روپے رہی (2024: 0.39 روپے فی حصص)۔

**اہم عملی اور مالیاتی اعداد و شمار**  
 گزشتہ چھ سالوں کے اہم عملی اور مالیاتی اعداد و شمار اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔

**پراویڈنٹ اور گریجویٹ فنڈز میں سرمایہ کاری کی مالیت**  
 بینک ڈپازٹس، حکومتی اور منی مارکیٹ سیکیورٹیز میں کئی سرمایہ کاری کی مالیت، متعلقہ تازہ ترین آڈٹ شدہ کھاتوں کی بنیاد پر، ذیل میں دی گئی ہے:

**پراویڈنٹ اور گریجویٹ فنڈز میں سرمایہ کاری کی مالیت**

-	249,340,837	پراویڈنٹ فنڈ
-	141,034,930	گریجویٹ فنڈ

## کارپوریٹ گورننس

- کارپوریٹ گورننس کے تقاضوں کے مطابق ڈائریکٹرز یہ تصدیق کرتے ہیں کہ:
- کمپنی کے مالی بیانات، جو منجبت نے تیار کیے ہیں، درست طور پر کمپنی کی مالی حالت، اس کی کارکردگی، نقدی کے بہاؤ اور انکویٹی میں تبدیلیوں کو پیش کرتے ہیں؛
  - کمپنی کی درست اور مکمل کتب حسابات برقرار رکھی گئی ہیں؛
  - مناسب اکاؤنٹنگ پالیسیوں کو مالی بیانات کی تیاری میں مستقل طور پر اپنایا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور محتاط اندازوں پر مبنی ہیں؛
  - کو مالی بیانات کی تیاری میں اپنایا گیا ہے اور جہاں انحراف کیا گیا ہے وہاں اس کی وضاحت شامل کی گئی ہے؛ (IFRS) • پاکستان میں نافذ العمل بین الاقوامی مالیاتی رپورٹنگ معیارات (کمپنی کا داخلی کنٹرول سسٹم موثر ویزا کن شدہ ہے اور اسے مؤثر طریقے سے نافذ اور مانعہ کیا گیا ہے؛
  - کمپنی کی بطور گریڈنگ کنسرن جاری رہنے کی صلاحیت پر کوئی نمایاں شبہ نہیں ہے؛
  - کارپوریٹ گورننس کی بہترین پریکٹسز سے کوئی نمایاں انحراف نہیں کیا گیا، جیسا کہ لسٹنگ ریگولیشنز میں بیان ہے؛
  - کوڈ میں دیے گئے معیار کے مطابق تین ڈائریکٹرز ڈائریکٹرز گریڈنگ پروگرام کی سرٹیفیکیشن رکھتے ہیں۔ بورڈ کے تمام ڈائریکٹرز اپنی ذمہ داریوں اور فرائض سے بخوبی آگاہ ہیں؛ اور
  - 30 جون 2025 تک کمپنی پریکٹسز، ڈیویڈنڈ، لیویز اور دیگر واجبات کی کوئی قابل ذکر ادائیگی واجب الادا نہیں ہے، ماسوائے ان کے جو مالی بیانات میں پہلے ہی ظاہر کی جا چکی ہیں۔

## بورڈ آف ڈائریکٹرز

کمپنیز ایکٹ 2017 کی دفعہ 159 کے تحت بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کی تعداد سات (7) مقرر کی ہے، جن میں دو (2) آزاد ڈائریکٹرز شامل ہیں جو سنڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی دفعات کے مطابق اقلیتی حصص یافتگان کی نمائندگی کریں گے۔ ان ڈائریکٹرز کی مدت تین سال کے لیے یکم نومبر 2024 سے شروع ہو چکی ہے۔

بورڈ آف ڈائریکٹرز ("بورڈ") کی تشکیل درج ذیل ہے:

درجہ بندی	نام	جنس
ایگزیکٹو ڈائریکٹر	جناب معین الرحمن (سی ای او)	مرد
ٹان ایگزیکٹو ڈائریکٹر	جناب میکو ہاندو (چیرمین) جناب طارق مہتاب فیروز جناب کیمینا کاناٹو جناب مہباری مکتی	مرد
آزاد ڈائریکٹر	جناب عابد حسین مسز نوین سلیم مرچنٹ	مرد خاتون

## ڈائریکٹرز کی رپورٹ

ڈائریکٹرز کو یہ رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے کہ اوتسوکا پاکستان لمیٹڈ (کمپنی) کی سالانہ رپورٹ برائے سال ختم شدہ 30 جون 2025، کمپنیز ایکٹ 2017 کی دفعہ 227 اور لسٹڈ کمپنیز (کارپوریٹ گورننس کوڈ) ریگولیشنز 2019 کے مطابق تیار کی گئی ہے۔ یہ رپورٹ کمپنی کے سینتیسویں سالانہ عام اجلاس میں اراکین کو پیش کی جائے گی جو 28 اکتوبر 2025 کو منعقد ہو گا۔

### صنعت کا جائزہ

آئی کیو وی اے سلوشنز پاکستان (پرائیویٹ) لمیٹڈ، جو کہ ایک معروف دوا ساز تحقیق اور تجزیاتی ادارہ ہے، کی شائع کردہ انڈسٹری رپورٹ کے مطابق پاکستان کی دوا ساز صنعت کا مجموعی حجم کیلنڈر سال 2024 میں 1,008 ارب روپے تک پہنچ گیا، جو پچھلے سال کے مقابلے میں 21.5 فیصد کی نمایاں قدر میں اضافہ ظاہر کرتا ہے۔

پاکستان کی ایک کھرب روپے مالیت کی دوا ساز مارکیٹ، جو 21.5 فیصد کی شرح سے مضبوطی کے ساتھ ترقی کر رہی ہے، پاکستانی فارماسیوٹیکل مارکیٹ کی بنیادی صلاحیت اور مانگ کو اجاگر کرتی ہے۔ اس کے ساتھ ساتھ غیر ضروری مصنوعات کی قیمتوں پر کنٹرول کے خاتمے نے فارماسیوٹیکل میں ترقی کے مضبوط مواقع فراہم کیے ہیں۔ تاہم، تقریباً تمام کمپنیوں کی جانب سے غیر ضروری مصنوعات کی قیمتوں میں ضرورت سے زیادہ اضافہ ہونے کے باعث یونٹ کی بنیاد پر نمونوں کی واقع ہوئی ہے۔

### کاروباری جائزہ

مالی سال 2024-2025 کے دوران اوتسوکا پاکستان لمیٹڈ نے منافع بخش میں نمایاں بہتری ظاہر کی، جو زیادہ فروخت اور بہتر لاگت کے انتظام کے باعث ممکن ہوئی۔ کمپنی نے فروخت میں 19.5 فیصد کی مضبوط ترقی حاصل کی۔ یہ ترقی بالخصوص کلیینیکل نیوٹریشن پروڈکٹ لائن کے استحکام کے نتیجے میں ہوئی، جس نے آمدنی میں اضافے میں نمایاں کردار ادا کیا۔ مزید برآں، کمپنی نے سال کے دوران دو نئی مصنوعات (Gen-DMMP اور "Fatolip") (Innovation) کامیابی کے ساتھ متعارف کرائیں۔ دونوں مصنوعات کو مارکیٹ سے نہایت مثبت پذیرائی ملی، جو اختراع اور مریضوں کی بدلتی ضروریات کو پورا کرنے کے ہمارے عزم کی تصدیق کرتی ہے۔

مجموعی منافع میں 49.6 فیصد اضافہ ہوا جس کے نتیجے میں کمپنی کی خالص آمدنی میں مثبت بہتری واقع ہوئی۔

فروخت کی لاگت میں 12.7 فیصد اضافہ ہوا، جو فروخت کی شرح نمونے کہیں کم رہا۔ یہ مؤثر لاگت کے انتظام اور کمپنی بھر میں نافذ کی گئی عملی کارکردگی کی بہتری کے اقدامات کی عکاسی کرتا ہے۔ اس کے نتیجے میں کمپنی کا مجموعی منافع کاراجن 18.2 فیصد سے بڑھ کر 22.8 فیصد ہو گیا، جو پائیدار منافع بخش پر ہماری توجہ کو اجاگر کرتا ہے۔

سال کے دوران فروخت اور تقسیم کے اخراجات میں 37.3 فیصد اضافہ ہوا۔ اس اضافے کی بنیادی وجہ انٹر نیوٹریشن کی نئی ٹیم کی بھرتی، موجودہ اسٹریٹجک کلیینیکل نیوٹریشن ٹیم کی مضبوطی، اور کمپنی کے لاجسٹکس ماڈل میں حکمت عملی کے تحت کی گئی تبدیلی ہے، جس کے نتیجے میں ڈور ٹو ڈور ڈسٹری بیوٹر ویز ہاؤس پر مبنی ترسیل طریقہ اختیار کیا گیا۔ اس تبدیلی نے عملی کارکردگی میں نمایاں بہتری پیدا کی ہے کیونکہ اس سے مصنوعات کے ضیاع کی شرح کم ہوئی اور ترسیل کا وقت مختصر ہوا۔ انتظامی اخراجات میں 31.8 فیصد اضافہ ریکارڈ کیا گیا، جو بنیادی طور پر تنخواہوں میں اضافے اور سال کے دوران ریگولیٹری و مشاورتی امور سے متعلق قانونی اور پیشہ ورانہ فیسوں کے باعث ہوا۔

دیگر اخراجات میں 248.2 فیصد کا نمایاں اضافہ ہوا، جس کی بنیادی وجہ سال کے دوران غیر ملکی کرنسی کے قرضوں پر 146 ملین روپے کا زرمبادلہ نقصان ریکارڈ کیا جانا تھا، جبکہ گزشتہ سال 92 ملین روپے کا زرمبادلہ منافع درج کیا گیا تھا۔ شرح تبادلہ میں اس منفی تبدیلی نے سال کے مجموعی اخراجات پر نمایاں اثر ڈالا۔

## مالیاتی نتائج

2025	2024
(روپے ملین میں)	
27,677	(4,763)
(7,593)	1,085
20,084	(3,678)
554,695	576,523
-	(18,150)
574,779	554,695 ↓

سال کے بعد ازنگس منافع / (نقصان)

دیگر جامع (نقصان) / آمدنی - خالص

سال کے لئے مجموعی جامع آمدنی / (نقصان)

پچھلا سال منتقل شدہ جمع شدہ منافع

30 جون 2023/2024 کو ختم ہونے والے سال کا حتمی منافع (ڈیویڈنڈ)

آگے منتقل شدہ جمع شدہ منافع



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

**Name of Company: Otsuka Pakistan Limited**

**Year ended: June 30, 2025**

The Company, has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 7 (seven) as per the following:

- a) Male: 6 (six)
- b) Female: 1 (one)

2. The composition of the Board of Directors (the Board) is as follows:

Category	Names
Independent directors*	Mr. Abid Hussain Mrs. Navin Salim Merchant
Non-executive directors	Mr. Mikio Bando - Chairman Mr. Tariq Mehtab Feroz Mr. Kimitaka Naito Mr. Suhari Mukti
Executive director	Mr. Moin ur Rehman - Chief Executive Office

\* The requirement of Independent Directors is at least two or one-third of members of the Board whichever is higher, two independent directors were appointed / elected on the Company's Board and the fraction of 0.33 was not rounded up as one since the Board considers that the two Independent Directors have adequately protected the interests of the minority 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. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company;
- 6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Companies Act 2017, 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 has complied with the requirements of Companies Act 2017 and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
- 8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act 2017 and these Regulations;
- 9. The following directors have acquired the prescribed Directors' Training Program (DTP) certification:
  - a. **Ms. Navin Salim Merchant**
  - b. **Mr. Moin ur Rehman**
  - c. **Mr. Tariq Mehtab Feroz**

*One director is exempt from Directors Training Program as they have the requisite education and experience.*

10. During the period, there was a change in the Chief Financial Officer (CFO), with the new CFO appointed effective January 1, 2025. No further changes were made to the Head of Internal Audit (HoIA) and Company Secretary of the Company during the year ended June 30, 2025. The Board has approved the appointments of CFO, Company Secretary and HoIA, along with their remuneration and terms of employment, in compliance with the relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer had duly endorsed the financial statements before approval of the board.
12. The Board has formed committees comprising of members given below:
  - a) **Audit Committee:**

Mr. Abid Hussain	Chairman
Mr. Kimitaka Naito	Member
Mr. Tariq Mehtab Feroz	Member
Mr. Jawaid Noor	Secretary
  - b) **Human Resource Remuneration & Nomination Committee:**

Mrs. Navin Salim Merchant	Chairperson
Mr. Kimitaka Naito	Member
Mr. Tariq Mehtab Feroz	Member
Mr. Moin ur Rehman	Member
Mr. David Sunil	Secretary
  - c) **Risk Management Committee:**

Mr. Abid Hussain	Chairman
Mr. Kimitaka Naito	Member
Mr. Moin ur Rehman	Member
Mr. Sajid Ali Khan	Secretary
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 of the committees were as per the following:
  - a) **Audit Committee:** Quarterly
  - b) **Human Resource Remuneration & Nomination Committee:** Yearly
  - c) **Risk Management Committee:** As and when needed
15. The Board has outsourced the internal audit function to M/s. Suriya Nauman Rehan & Co., Chartered Accountants, who 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 regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

19. All the directors of the Company had attended the Annual General Meeting.
20. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

S. No.	Non-Mandatory Requirement	Reg. No.	Explanation
1.	<b>Directors' Training Program (DTP)</b> It is encouraged that by June 30, 2022 all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	19	Currently three directors attained DTP certification and one Director is exempt from it and we have obtained his exemption certificate. The Company is encouraging and planning to arrange DTP certification for the remaining directors.
2.	Display of code of conduct and role of the Board and its members to address Sustainability Risks and Opportunities;	10	Last year, the Securities and Exchange Commission of Pakistan issued certain amendments (in relation to Regulation 10) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 through its notification dated June 12, 2024. Currently, the management is assessing these amendments and compliance thereof, as applicable, will be performed in due course of time.

For and behalf of the board



**Moin ur Rehman**  
Chief Executive Officer



**Mikio Bando**  
Chairman



## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF OTSUKA PAKISTAN LIMITED**

### **Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019 for the year ended June 30, 2025**

We have reviewed the enclosed Statement of Compliance (the Statement) with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors (the Board) of **Otsuka Pakistan Limited** (the Company) 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 the Company. Our responsibility is to review whether the Statement 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 a 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 Boards' 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 Boards 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 Boards upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement 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.

  
Chartered Accountants

Place: Karachi

Date: September 09, 2025

UDIN: CR202510057wAbsGJICY

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OTSUKA PAKISTAN LIMITED

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the annexed financial statements of **Otsuka Pakistan 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 comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes comprising of material accounting policy 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 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, 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.

Following are the key audit matters.

S. No.	Key audit matter	How the matter was addressed in our audit
1.	<p><b>Valuation of stock-in-trade</b></p> <p>(Refer notes 4.4 and 10 to the Company's financial statements).</p> <p>As at June 30, 2025 the Company held stock-in-trade of Rs. 1,039.09 million, which is 40.77% of total assets and is net of provision for slow moving, obsolete and damaged stock of Rs. 57.74 million.</p>	<p>Our audit procedures in relation to valuation of stock-in-trade, amongst others, include the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of policies and procedures followed by the Company with respect to valuation of stock-in-trade.</li> </ul>

S. No.	Key audit matter	How the matter was addressed in our audit
	<p>We focused on stock-in-trade as it is a significant portion of Company's total assets and it requires management judgement with respect to determination of net realisable value and obsolescence of stock.</p>	<ul style="list-style-type: none"> <li>Assessed appropriateness of the Company's accounting policies for valuation of stock-in-trade and compliance of those policies with accounting and reporting standards as applicable in Pakistan;</li> <li>On a sample basis, verified supporting documents for purchases of stock-in-trade and the production costs;</li> <li>Tested on a sample basis, management's assessment of the net realizable value of stock-in-trade by comparing to its subsequent sales prices; and</li> <li>Tested provision recorded for obsolete stock-in-trade to ensure that whether it was as per the policy of the Company.</li> </ul>
2.	<p><b>Revenue recognition</b></p> <p>(Refer notes 4.13 and 24 to the Company's financial statements).</p> <p>The Company's revenue is primarily generated from sales of pharmaceutical products. The Company recognised revenue of Rs. 3,779.52 million from the sale of goods to customers during the year.</p> <p>Revenue recognition includes determination of sales prices in accordance with the regulated price regime of the Government and transfer of control of products sold to customers. Further, discounts and claims in respect of revenue recognised are provided to customers.</p> <p>Taking into account that revenue recognition is a key performance indicator for the Company and significant risk area, we considered this as a key audit matter.</p>	<p>Our audit procedures in relation to revenue recognition, amongst others, include the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of determination of sales prices in accordance with policies of Drug Regulatory Authority of Pakistan (DRAP);</li> <li>Tested on sample basis selling prices of regulated pharmaceutical products to ensure compliance with DRAP pricing policies;</li> <li>Obtained an understanding of and testing the design and effectiveness of controls designed to ensure that revenue is recognised in the appropriate accounting period as per the contract terms with the customers;</li> <li>Checked the discounts and claims offered by the Company to its customers on sample basis;</li> <li>Inspected contracts on sample basis to obtain an understanding of contract terms particularly relating to timing and the customer's acceptance of the products and assessing the Company's accounting policies for recognition of revenue with reference to the requirements of the prevailing accounting standards; and</li> <li>Tested on sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation, including the customer's acknowledgement of acceptance to assess whether revenue had been recognised in the appropriate period.</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 of the Company for the year ended June 30, 2025, 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:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of 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;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Hena Sadiq.



**Yousuf Adil**  
Chartered Accountants

Place: Karachi

Date: September 09, 2025

UDIN: AR202510057XR016YrFS

**OTSUKA PAKISTAN LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2025**

AS AT JUNE 30, 2025

		June 30, 2025	June 30, 2024
	Note	(Rupees in '000)	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	614,178	439,945
Intangible assets	6	446	761
Long-term loans	7	6,860	7,428
Long-term deposits		1,463	3,699
Deferred tax asset - net	8	87,113	127,062
		<u>710,060</u>	<u>578,895</u>
<b>Current assets</b>			
Stores and spares	9	63,555	44,548
Stock-in-trade	10	1,039,093	959,205
Trade debts	11	89,744	160,464
Loans and advances	12	86,853	64,695
Trade deposits, short-term prepayments and other receivables	13	31,931	34,897
Sales tax refundable	14	47,172	47,172
Prepaid levies		49,463	-
Advance tax - net		51,797	92,367
Short-term investment	15	264,610	124,610
Bank balances	16	114,207	187,036
		<u>1,838,425</u>	<u>1,714,994</u>
<b>Total assets</b>		<u><b>2,548,485</b></u>	<u><b>2,293,889</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	17	121,000	121,000
Revenue reserves		574,779	554,695
<b>Total equity</b>		<u><b>695,779</b></u>	<u><b>675,695</b></u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liability	18	-	12,831
<b>Current liabilities</b>			
Short-term loan from a related party	19	1,083,500	951,390
Trade and other payables	20	764,912	623,997
Current portion of lease liability	18	-	11,995
Unclaimed dividend		1,955	1,955
Short-term running finance	21	-	-
Mark-up accrued	22	2,339	16,026
		<u>1,852,706</u>	<u>1,605,363</u>
<b>Total equity and liabilities</b>		<u><b>2,548,485</b></u>	<u><b>2,293,889</b></u>
<b>Contingencies and commitments</b>			
	23		

The annexed notes from 1 to 48 form an integral part of these financial statements.



**MoIn Ur Rehman**  
Chief Executive Officer



**Abid Hussain**  
Director



**Tauseef Ahmed Shaikh**  
Chief Financial Officer



**OTSUKA PAKISTAN LIMITED**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

		June 30, 2025	June 30, 2024
	Note	(Rupees in '000)	
Revenue from contract with customers	24	3,779,518	3,163,868
Cost of sales	25	(2,916,119)	(2,586,884)
Gross profit		863,399	576,984
Selling and distribution expenses	26	(508,196)	(369,987)
Administrative and general expenses	27	(195,141)	(148,082)
Reversal / (provision) against expected credit loss on trade debts	11.2.1	49,989	(74,087)
		210,051	(15,172)
Other income	28	128,290	187,332
		338,341	172,160
Other expenses	29	(175,435)	(50,380)
Operating profit		162,906	121,780
Finance cost	30	(5,903)	(102,808)
Profit before levies and taxation		157,003	18,972
Levies	31	(49,463)	(650)
Profit before taxation		107,540	18,322
Taxation - net	32	(79,863)	(23,085)
Income / (loss) for the year		27,677	(4,763)
		(Rupees)	
Earnings / (loss) per share	33	2.29	(0.39)

The annexed notes from 1 to 48 form an integral part of these financial statements.



**MoIn Ur Rehman**  
 Chief Executive Officer



**AbId Hussain**  
 Director



**Tauseef Ahmed Shaikh**  
 Chief Financial Officer

**OTSUKA PAKISTAN LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2025**

		Issued, subscribed and paid- up capital	Revenue reserves			Total equity
			General reserve	Unappropriated profit	Sub-total	
Note			(Rupees in '000)			
Balance as at July 01, 2023		121,000	491,980	84,543	576,523	697,523
Loss for the year ended June 30, 2024		-	-	(4,763)	(4,763)	(4,763)
Other comprehensive income for the year						
Remeasurement gain on defined benefit plan	36.1.5	-	-	1,528	1,528	1,528
Tax on remeasurement of defined benefit plan	8.1	-	-	(443)	(443)	(443)
		-	-	1,085	1,085	1,085
Total comprehensive loss for the year		-	-	(3,678)	(3,678)	(3,678)
Final dividend for the year ended June 30, 2023 @ Rs. 1.50 per share		-	-	(18,150)	(18,150)	(18,150)
Balance as at June 30, 2024		121,000	491,980	62,715	554,695	675,695
Income for the year ended June 30, 2025		-	-	27,677	27,677	27,677
Other comprehensive income for the year						
Remeasurement loss on defined benefit plan	36.1.5	-	-	(10,694)	(10,694)	(10,694)
Tax on remeasurement of defined benefit plan	8.1	-	-	3,101	3,101	3,101
		-	-	(7,593)	(7,593)	(7,593)
Total comprehensive income for the year		-	-	20,084	20,084	20,084
Balance as at June 30, 2025		121,000	491,980	82,799	574,779	695,779

The annexed notes from 1 to 48 form an integral part of these financial statements.



**MoIn Ur Rehman**  
Chief Executive Officer



**Abid Hussain**  
Director



**Tauseef Ahmed Shaikh**  
Chief Financial Officer

**OTSUKA PAKISTAN LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2025**

June 30,                      June 30,  
2025                              2024  
Note ----- (Rupees in '000) -----

Income / (loss) for the year		27,677	(4,763)
Other comprehensive (loss) / income for the year			
Items that will not be subsequently reclassified to statement of profit or loss			
Components of comprehensive income reflected in equity			
Remeasurement (loss) / gain on defined benefit plan	36.1.5	(10,694)	1,528
Tax on remeasurement of defined benefit plan	8.1	3,101	(443)
		(7,593)	1,085
<b>Total comprehensive income / (loss) for the year</b>		<b>20,084</b>	<b>(3,678)</b>

The annexed notes from 1 to 48 form an integral part of these financial statements.



**Moin Ur Rehman**  
Chief Executive Officer



**Abid Hussain**  
Director



**Tauseef Ahmed Shaikh**  
Chief Financial Officer



**OTSUKA PAKISTAN LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

Note	June 30, 2025  ----- (Rupees in '000) -----	June 30, 2024  -----
38	473,108 (95,172) (19,094) 2,237 568 (1,066) - (215) (5,538) (9,393)	518,168 (73,656) (109,581) (8) (2) - (7,292) - (7,247) (2,479)
	<hr/> 345,435	<hr/> 317,903
	(260,136) 7,194	(107,364) 20,409
	<hr/> (252,942)	<hr/> (86,955)
	- -	(17,960) 536,400
18.2	(25,322)	(6,997)
	<hr/> (25,322)	<hr/> 511,443
	67,171	742,391
	<hr/> 311,646	<hr/> (430,745)
34	378,817	311,646

The annexed notes from 1 to 48 form an integral part of these financial statements.



**MoIn Ur Rehman**  
Chief Executive Officer



**AbId Hussain**  
Director



**Tauseef Ahmed Shaikh**  
Chief Financial Officer

**OTSUKA PAKISTAN LIMITED**  
**NOTES COMPRISING OF MATERIAL ACCOUNTING POLICY AND OTHER EXPLANATORY INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2025**

## 1. THE COMPANY AND ITS OPERATIONS

- 1.1 Otsuka Pakistan Limited (the Company) was incorporated in Pakistan in the month of February 1988 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacturing, marketing and distribution of intravenous infusions and trading in pharmaceutical products, nutritional foods and medical equipment. The Company is an indirect subsidiary of Otsuka Pharmaceutical Company Limited, Japan.

Registered Office in Karachi	Purpose	Manufacturing Facility	Purpose
30-B, S.M.C.H. Society, Karachi	Head office	Plot No. F/4-9, Hub Industrial Trading Estates, District Lasbella, Balochistan	Factory

## 2. BASIS OF PREPARATION AND MEASUREMENT

### 2.1 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 of:

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

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

### 2.2 Accounting convention

These financial statements have been prepared under the historical cost convention except that obligations in respect of certain staff retirement benefits are carried at present value less fair value of plan assets.

### 2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pakistani Rupee in thousand, which is the Company's functional and presentation currency.

### 2.4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. Information about the judgements made by management in the application of the accounting policies, that have the most significant effect on the amount recognised in these financial statements, assumptions and estimation uncertainties with significant risk of material adjustment to the carrying amount of asset and liabilities in the next year are described in the following notes:

	Note
- Impairment of trade debts and other receivables	4.7 & 11.2
- Residual values, useful lives and depreciation rates of operating fixed assets	4.1 & 5.1
- Provision against slow moving and obsolete stock-in-trade and stores and spares	4.3, 4.4, 9 & 10
- Estimate of liabilities in respect of staff retirement benefits	4.9 & 36
- Provision for taxation and realisability of deferred tax asset	4.11, 8, 31 & 32
- Provisions and contingencies	4.8 & 23

### 3. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

#### 3.1 New amendments that are effective for the year ended June 30, 2025

The following amendments are effective for the year ended June 30, 2025. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective from accounting period beginning on or after:
- Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 1, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants	January 1, 2024
- Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7' Financial Instruments Disclosures' - Supplier Finance Arrangements	January 1, 2024

#### 3.2 New accounting standard and amendments to IFRS that are not yet effective

The following standard, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective from accounting period beginning on or after
- Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Classification and measurement of financial instruments	January 01, 2026
- IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
- IFRS 7 - Financial Instruments: Disclosures	July 01, 2025
Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 01, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Contracts Referencing Nature-dependent Electricity	January 01, 2026

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 18 – Presentation and Disclosures in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures



## 4. MATERIAL ACCOUNTING POLICIES INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These have been consistently applied to all the years presented, unless otherwise stated.

### 4.1 Property, plant and equipment

#### 4.1.1 Operating fixed assets - owned

These are stated at cost less accumulated depreciation and accumulated impairment losses (if any).

Subsequent costs are included in the asset's carrying amounts or recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss as and when these are incurred.

Depreciation is charged to statement of profit or loss using straight line method whereby the depreciable amount of an asset is written off over its estimated useful life, in accordance with the rates specified in note 5.1 after taking into account residual values, if significant. Assets residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Depreciation on additions is charged from the month in which the assets become available for use, while no depreciation is charged in the month of disposal.

Gains or losses on the disposal or retirement of operating fixed assets are taken to the statement of profit or loss in the month in which the disposal is made.

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment or not. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the statement of profit or loss, for the amount by which the asset's carrying amount exceeds its recoverable amount.

#### 4.1.2 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses (if any). All expenditures connected to the specific assets incurred during installation and construction period (i.e. the period till the related asset become available for use) are carried under capital work-in-progress. These are transferred to the relevant category of operating fixed assets as and when the assets are available for use.

#### 4.1.3 Leases - Lease liabilities and right-of-use assets

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. From July 01, 2020, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease, or if this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments include fixed payments, variable lease payment that are based on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured (at amortised cost) by increasing the carrying amount to reflect interest on the lease liability using the effective interest method and by reducing the carrying amount to reflect the lease payments made. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, 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. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the shorter of lease-term or assets economic life as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Administrative and general expenses" in the statement of profit or loss.

## 4.2 Intangible assets

An intangible asset is recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Company and that the cost of such an asset can be measured reliably.

Intangible assets mainly comprise computer software which are initially recognised at cost. Cost represents the purchase cost of software (license fee). After initial recognition, these are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation on assets with finite useful life is charged at the rate specified in note 6.1 using the straight line method over the useful life of the asset. Amortisation begins from the month the asset is available for use and ceases in the month of disposal / retirement. The amortisation period and amortisation method are reviewed at each reporting date and are adjusted, if appropriate, to reflect the current best estimate.

Costs associated with maintaining the computer software programmes are recognised as an expense when incurred.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that this carrying value may not be recoverable, if any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount.

## 4.3 Stores and spares

These are valued at lower of cost, determined using weighted average method, and net realisable value, less provision for obsolete items (if any). Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

Provision is made for items which are obsolete and slow moving and is determined based on management estimate regarding their future usability.

## 4.4 Stock-in-trade

Stock-in-trade comprises of raw and packing materials, work in process and finished goods. These are valued at the lower of cost (determined using weighted average cost method) and the net realisable value (except for those in transit).

Net realisable value signifies the estimated selling price in the ordinary course of business less the estimated cost of completion and the costs necessary to be incurred to make the sale. Provision against obsolete and slow moving stock in trade is determined based on management's best estimate regarding their future usability.

Items in transit are stated at cost comprising invoice value and other charges incurred. Cost in relation to work in process includes material cost and a portion of labour and other overheads incurred. Cost in relation to finished goods includes cost of direct materials, direct labour, an appropriate portion of production overheads and the related duties.

## 4.5 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost / amortised cost. For the purpose of the cash flow statement, cash and cash equivalents comprise of bank balances, short-term investments and short-term running finance.

## 4.6 Financial instruments

### 4.6.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.



Financial assets are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the statement of profit or loss.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

## Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

## Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

### 4.6.2 Financial liabilities

Financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities on initial recognition.

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

## Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are extinguished, discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss.

### 4.6.3 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.



## 4.7 Impairment

### 4.7.1 Financial assets

The Company recognises a loss allowance for expected credit loss on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade debts and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the 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.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

### 4.7.2 Non - financial assets

The carrying amounts of non-financial assets (except for deferred tax asset and stock-in-trade) are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised as an expense in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## 4.8 Provisions, contingent assets and contingent liabilities

Provisions are recognised when the Company has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent liabilities are not recognised and 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 on the Company; or
- there is a 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.

Contingent assets are not recognised unless an inflow of economic benefits is virtually certain.

## 4.9 Employee benefit schemes

The Company operates:

- a) an approved funded gratuity scheme covering all its permanent management and non-management staff. Employees become eligible upon completing the minimum qualifying period of service. Annual contributions are made to the scheme based on actuarial recommendations. The actuarial valuation is carried out using the Projected Unit Credit Method;

Amounts arising as a result of 'remeasurements', representing the actuarial gains and losses, and the difference between the actual investment returns and the return implied by the net interest cost are recognised in the statement of financial position immediately, with a charge or credit to other comprehensive income in the year in which these occur; and

- b) an approved contributory provident fund for all its permanent employees. Equal monthly contributions are made to the Fund by the Company and the employees in accordance with the rules of the Fund. Benefits are payable to eligible employees on completion of the prescribed qualifying period of service under the scheme.

## 4.10 Employees' compensated absences

The Company accounts for its liability in respect of accumulated absences of employees on unavailed balance of leaves in the period in which these leaves are earned.

## 4.11 Taxation

### i. Current tax

Provision for current taxation is based on taxable income at the enacted / corporate tax rate after taking into account tax credits and rebates available, if any, as per the Income Tax Ordinance, 2001 (ITO).

### ii. Deferred tax

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes after considering, the average effective rate of tax as determined in approach (b) to the guide issued by ICAP.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences and carried forward unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at enacted tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

## 4.12 Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income is classified as levies in the statement of profit or loss as these levies fall under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

### (a) Revenue tax

Revenue tax include levies as per IFRIC 21, minimum tax on imported goods and export sales under ITO. A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- (a) those outflows of resources that are within the scope of other standards.
- (b) fines or other penalties that are imposed for breaches of the legislation.

### (b) Final tax

Final tax includes tax charged / withheld / paid on certain income streams under various provisions of ITO. Final tax is charged / computed under the ITO, without reference to income chargeable to tax at the general rate of tax and final tax computed / withheld or paid for a tax year is construed as final tax liability for the related stream of income under the ITO.

## 4.13 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

For sales of products, the performance obligation is judged to have been satisfied and revenue is therefore recognised upon delivery of the products because legal title, physical possession, significant risk and rewards of ownership of the product are transferred to customer upon delivery, and the customer obtains control over the products.



A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Other income is recognised on an accrual basis and includes certain reversals, gains and other items. The particular recognition criteria of these items is disclosed in the individual policy statements associated with these items.

#### 4.14 Borrowing costs

Borrowing costs are recognised as an expense in the year in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets. Such borrowing costs, if any, are capitalised as part of the cost of the relevant assets.

#### 4.15 Earnings / (loss) per share

The Company presents basic and diluted earnings / (loss) per share data for its ordinary shares. Basic earnings / (loss) per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings / (loss) per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

#### 4.16 Proposed dividends and transfers between reserves

Dividends, if any, declared and transfers between reserves made subsequent to the reporting date are considered as non-adjusting events and are recognised in the financial statements in the year in which such dividends are declared and transfers are made.

#### 4.17 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistan Rupees at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at the rates of exchange approximating those at the statement of financial position date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

#### 4.18 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses that relates to transactions with any of the other components of the Company.

The Board of Directors and the Chief Executive Officer of the Company have been identified as the chief operating decision-makers (CODM), who are responsible for allocating resources and assessing the performance of the operating segments. The management has determined that the Company has a single reportable segment as the CODM views the Company's operations as one reportable segment.

#### 4.19 Commitments

Commitments for capital expenditure contracted for but not incurred are disclosed in the financial statements at committed amounts. Commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in rupee terms at committed amounts.

### 5. PROPERTY, PLANT AND EQUIPMENT

		June 30, 2025	June 30, 2024
Note		(Rupees in '000)	
Operating fixed assets	5.1	565,482	318,437
Capital work-in-progress	5.6	41,271	96,543
Right-of-use asset	5.8	7,425	24,965
		<b>614,178</b>	<b>439,945</b>



## 5.1 Operating fixed assets

Particulars	June 30, 2025							Rate
	Cost			Accumulated depreciation			Written down value at June 30, 2025	
	As at July 01, 2024	Transfers / Additions during the year	Disposals during the year	As at June 30, 2025	As at July 01, 2024	Depreciation for the year on disposals		
								(%)
Lease-hold land	3,953	-	-	3,953	1,429	40	1,469	2,484
Building on lease-hold land	355,622	37,733	-	393,355	337,688	5,060	342,747	50,608
Plant and machinery	1,102,827	184,771	-	1,287,598	892,618	41,370	933,988	353,610
Furniture, fixtures and equipment	101,611	32,330	(100)	133,841	64,112	10,977	(100)	74,989
Vehicles	66,138	64,116	(8,489)	121,765	18,304	11,488	(5,170)	58,852
Fork lifters	17,586	2,118	-	19,704	15,149	1,769	-	97,142
	1,647,737	321,068	(8,589)	1,960,216	1,329,300	70,704	(5,270)	2,786
								565,482

Particulars	June 30, 2024							Rate	
	Cost			Accumulated depreciation			Written down value at June 30, 2024		
	As at July 01, 2023	Transfers / Additions during the year	Disposals during the year	As at June 30, 2024	As at July 01, 2023	Depreciation for the year on disposals			As at June 30, 2024
(Rupees in '000)									
Lease-hold land	3,953	-	-	3,953	1,389	40	1,429	2,524	1.01%
Building on lease-hold land	338,601	17,021	-	355,622	319,883	17,805	-	337,688	5% - 10%
Plant and machinery	990,318	141,422	(28,913)	1,102,827	887,232	54,299	(28,913)	892,618	10% - 50%
Furniture, fixtures and equipment	79,704	22,780	(873)	101,611	57,123	7,862	(873)	64,112	10% - 50%
Vehicles	45,107	32,265	(11,234)	66,138	17,955	7,268	(6,919)	18,304	20%
Fork lifters	18,972	-	(1,386)	17,586	14,842	1,693	(1,386)	15,149	10% - 50%
	1,476,655	213,488	(42,406)	1,647,737	1,278,424	88,967	(38,091)	1,329,300	318,437

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

Location	Usage of immovable property	Covered Area (in sq. meters)
a) Plot no. F/4-9, Hub Industrial Trading Estate, District Lasbela (Balochistan)	Manufacturing facility	26,825

5.3 Included in operating fixed assets are fully depreciated assets which are in use having cost of Rs. 1,224.55 million (June 30, 2024: Rs. 1,199.92 million).

		June 30, 2025	June 30, 2024
Note		(Rupees in '000)	
5.4	The depreciation charge for the year has been allocated as follows:		
	Cost of sales	25	61,233
	Selling and distribution expenses	26	5,232
	Administrative and general expenses	27	4,239
		<b>70,704</b>	<b>88,967</b>

5.5 The details of operating fixed assets disposed during the year having net book value above Rupees five hundred thousand are as follows:

Particulars	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain	Mode of disposals / settlement	Particulars of buyers / purchasers
<hr style="border-top: 1px dashed black;"/> (Rupees in '000) <hr style="border-top: 1px dashed black;"/>							
<b><u>Vehicles</u></b>							
Toyota Corolla	3,615	1,446	2,169	2,196	27	Company Policy	Mr. Khalid Munir - Ex - Employee
Suzuki Swift	2,195	1,580	615	615	-	Company Policy	Mr. Hanif Sattar - Ex - Advisor
June 30, 2025	5,810	3,026	2,784	2,811	27		
June 30, 2024	7,056	3,577	3,479	9,677	6,198		

5.6 Movement in capital work in progress is as follow:

	June 30, 2025			
	Opening balance	Additions during the year	Transfers during the year	Closing balance
	(Rupees in '000)			
Stores and spares held for capital expenditure	21,094	75,323	(59,166)	37,251
Operating fixed assets	75,449	90,717	(162,146)	4,020
	<b>96,543</b>	<b>166,040</b>	<b>(221,312)</b>	<b>41,271</b>
	June 30, 2024			
	Opening balance	Additions during the year	Transfers during the year	Closing balance
	(Rupees in '000)			
Stores and spares held for capital expenditure	4,188	59,700	(42,794)	21,094
Operating fixed assets	198,479	34,390	(157,420)	75,449
	<b>202,667</b>	<b>94,090</b>	<b>(200,214)</b>	<b>96,543</b>

**5.7** These are kept as collateral with a bank under pari-passu charge for obtaining short-term financing. Details are provided in note 21.1.

## **5.8 Right-of-use asset**

The Company has right-of-use assets in respect of head office building and vehicles used in its operations.

		June 30, 2025	June 30, 2024
	---Note-----	(Rupees in '000) -----	
<b>5.8.1</b>	<b>Movement of right-of-use assets</b>		
Opening balance		24,965	12,583
Additions during the year	5.8.2	-	23,760
Vehicles transferred to operating fixed asset		(5,660)	-
Depreciation expense	5.8.3	(11,880)	(11,378)
Closing balance		7,425	24,965

**5.8.2** This includes head office building acquired on lease by the Company for a lease term of 24 months starting from February 16, 2024 and expiring on February 15, 2026.

**5.8.3** The depreciation charge for the year has been allocated as follows:

		June 30, 2025	June 30, 2024
	---Note-----	(Rupees in '000) -----	
Cost of sales	25	-	1,710
Administrative and general expenses	27	11,880	9,668
		11,880	11,378

## **6. INTANGIBLE ASSETS**

Computer software	6.1	446	761
-------------------	-----	-----	-----

### **6.1 Movement in intangible assets**

Opening net book value		761	1,092
Amortisation	27	(315)	(331)
Closing net book value		446	761
Closing value - gross amount			
Cost		5,051	5,051
Accumulated amortisation		(4,605)	(4,290)
Net book value		446	761

		June 30, 2025	June 30, 2024
		(%) -----	
Amortisation rate per annum		20 - 33	20 - 33



		June 30, 2025	June 30, 2024
	Note	(Rupees in '000)	(Rupees in '000)
<b>7. LONG-TERM LOANS</b>			
Loans to employees	7.1	13,693	14,420
Current portion	12	(6,833)	(6,992)
		<u>6,860</u>	<u>7,428</u>

7.1 These are interest-free loans given to the employees as per the terms of employment for purchase of cars, motor cycles and other general purposes. The loans are repayable in 10 to 60 monthly installments depending upon the type of loan. These are recovered through monthly deductions from salaries and are secured against the provident fund balances of the employees. As at June 30, 2025, none of these loans were past due or impaired.

		June 30, 2025	June 30, 2024
		(Rupees in '000)	(Rupees in '000)
<b>8. DEFERRED TAX ASSET - NET</b>			
<b>Deductible / (taxable) temporary differences</b>			
Operating fixed assets		(1,444)	14,795
Employees' short-term compensated absences		8,809	8,326
Impairment of trade debts		13,152	32,529
Minimum tax		35,374	39,661
Other provisions		31,222	31,751
		<u>87,113</u>	<u>127,062</u>

8.1 Deferred tax asset / (liability) comprises deductible / (taxable) temporary differences in respect of the following:

	Opening balance	Deferred tax recognised in		Closing balance
		Profit and loss (Note 32)	Other comprehensive income	
	(Rupees in '000)			
<b>Movement for the year ended June 30, 2025</b>				
Deductible / (taxable) temporary difference arising in respect of				
- Operating fixed assets	14,795	(16,239)	-	(1,444)
- Employees' short-term compensated absences	8,326	483	-	8,809
- Impairment of trade debts	32,529	(19,377)	-	13,152
- Minimum tax	39,661	(4,287)	-	35,374
- Other provisions	31,751	(3,630)	3,101	31,222
	<u>127,062</u>	<u>(43,050)</u>	<u>3,101</u>	<u>87,113</u>

	Opening balance	Deferred tax recognised in		Closing balance
		Profit and loss (Note 32)	Other comprehensive income	
	(Rupees in '000)			
<b>Movement for the year ended June 30, 2024</b>				
Deductible / (taxable) temporary difference arising in respect of				
- Property, plant and equipment	26,170	(11,375)	-	14,795
- Employees' short-term compensated absences	8,049	277	-	8,326
- Impairment of trade debts	11,345	21,184	-	32,529
- Minimum tax	52,842	(13,181)	-	39,661
- Other provisions	17,230	14,964	(443)	31,751
	<u>115,636</u>	<u>11,869</u>	<u>(443)</u>	<u>127,062</u>

June 30,      June 30,  
2025      2024  
Note -----(Rupees in '000)-----

## 9. STORES AND SPARES

Stores		38,952	27,730
Spares			
- in hand		42,023	30,472
- in transit		36	1,579
		42,059	32,051
		81,011	59,781
Provision against slow moving and obsolete stores and spares	9.1	(17,456)	(15,233)
		63,555	44,548

### 9.1 Movement of provision during the year is as follows:

Opening balance		15,233	14,309
Charge		3,557	924
Reversal		(1,334)	-
	29	2,223	924
Closing balance		17,456	15,233

## 10. STOCK-IN-TRADE

Raw and packing materials			
- in hand		318,258	461,717
- in transit		121,648	86,584
	25	439,906	548,301
Work-in-progress	25	9,259	16,112
Finished goods			
- in hand	10.1	628,153	419,106
- in transit		19,510	45,467
	25	647,663	464,573
		1,096,828	1,028,986
Provision against:			
Slow moving and obsolete stock-in-trade	10.2	(48,293)	(55,780)
Stents held with hospitals	10.3	(9,442)	(14,001)
		(57,735)	(69,781)
		1,039,093	959,205

### 10.1 These include items costing Rs. 232.23 million (June 30, 2024: Rs. 207.13 million) that have been valued at their net realisable value amounting to Rs. 187.60 million (June 30, 2024: Rs. 156.29 million).

These include items costing Rs. 232.23 million (June 30, 2024: Rs. 207.13 million) that have been valued at their net realisable value amounting to Rs. 187.60 million (June 30, 2024: Rs. 156.29 million).

**10.2** Movement of provision against slow moving and obsolete stock-in-trade is as follows:

		June 30, 2025	June 30, 2024
Note		(Rupees in '000)	
		55,780	14,820
		(7,487)	40,960
		48,293	55,780

**10.3** This represents stents held with various hospitals for sale on consignment, the revenue from which is recorded on consumption basis. The Company has recorded a full provision against such unsold stents.

		June 30, 2025	June 30, 2024
Note		(Rupees in '000)	
		14,001	21,079
		(4,559)	(7,078)
		9,442	14,001

**11. TRADE DEBTS**

Due from Hospital Supply Corporation (HSC)	11.1	-	169,127
Others		135,094	103,505
		135,094	272,632
Loss allowance	11.2.1	(45,350)	(112,168)
		89,744	160,464

**11.1** During the year, the management and HSC arrived on a final settlement resulting into recovery of Rs. 127 million against outstanding principal. The remaining principal of Rs. 16.83 million was waived by the Company considering its long association with HSC. Remaining provision of Rs. 41.43 million was reversed from the books of accounts.

**11.1.1** The maximum aggregate amount outstanding from related party at any time during the year calculated by reference to month-end balance was Rs. Nil (June 30, 2024: Rs. 367.43 million).

**11.2** Expected lifetime credit losses for trade debts are recognised using the simplified approach. This is based on loss rates calculated from historical and forward-looking data, taking into account the business model, the respective customer and the economic environment of the geographical region.

The Company writes off trade debts when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, for instance when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.



The following table shows the movement in provision against trade debts provision:

	Collectively assessed	Individually assessed	Total
	----- (Rupees in '000) -----		
<b>11.2.1 Movement of loss allowance</b>			
<b>Balance as at July 1, 2023</b>	39,122	-	39,122
Reversal of provision during the year - net	15,821	58,266	74,087
Write-off during the year	(1,041)	-	(1,041)
	14,780	58,266	73,046
<b>Balance as at June 30, 2024</b>	53,902	58,266	112,168
Reversal during the year - net	(8,552)	(41,437)	(49,989)
Write-off during the year	-	(16,829)	(16,829)
	(8,552)	(58,266)	(66,818)
<b>Balance as at June 30, 2025</b>	45,350	-	45,350

**11.2.2** The age analysis of trade debts is as follows:

	June 30, 2025		
	From others	From a formerly related party	Total
	----- (Rupees in '000) -----		
Not yet due	52,995	-	52,995
Past due 1-30 days	13,963	-	13,963
Past due 31-60 days	16,902	-	16,902
Past due 61-90 days	7,740	-	7,740
Past due more than 90 days	43,494	-	43,494
	135,094	-	135,094

	June 30, 2024		
	From others	From a formerly related party	Total
	----- (Rupees in '000) -----		
Not yet due	21,002	-	21,002
Past due 1-30 days	16,608	-	16,608
Past due 31-60 days	10,175	-	10,175
Past due 61-90 days	3,478	-	3,478
Past due more than 90 days	52,242	169,127	221,369
	103,505	169,127	272,632

June 30, 2025      June 30, 2024  
Note ----- (Rupees in '000) -----

## 12. LOANS AND ADVANCES -CONSIDERED GOOD

Loans to employees - current portion

7      6,833      6,992

Advance to:

- employees

12.1      5,525      2,926

- suppliers

74,495      54,777

80,020      57,703

86,853      64,695

- 12.1** These are non-interest bearing advances given to employees to meet business expenses and are settled as and when expenses are incurred.

	June 30, 2025	June 30, 2024
Note	(Rupees in '000)	

**13. TRADE DEPOSITS, SHORT-TERM PREPAYMENTS AND OTHER RECEIVABLES**

Trade deposits	13.1	12,817	8,151
Short-term prepayments		10,726	7,856
Sales tax adjustable		4,957	11,042
Surplus on staff retirement fund	36.1.2	-	76
Other receivables		3,431	7,772
		<u>31,931</u>	<u>34,897</u>

- 13.1** These represents non-interest bearing earnest monies placed with various parties.

	June 30, 2025	June 30, 2024
Note	(Rupees in '000)	

**14. SALES TAX REFUNDABLE**

14.1	<u>47,172</u>	<u>47,172</u>
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- 14.1** Through Finance Act, 2022, effective from July 1, 2022, a special regime for pharmaceutical sector was introduced where by manufacture or import of substances registered as drugs under Drug Act, 1976 shall be subject to 1% sales tax with the condition that such tax will be final discharge of tax in the supply chain and no input tax shall be allowed to the importer and manufacturer of such goods.

However, this refundable pertains to prior years where sales tax was imposed at standard rate of 17% on purchase / import of Active Pharmaceuticals Ingredients (API). As a result, the pharmaceutical sector was allowed claim sales tax refund on all purchases including APIs and provincial sales tax on services. During the year ended June 30, 2025 sales tax refund amounting to Rs. 39.56 million has been processed by Refund Division, LTO Karachi through Refund Payment Orders (RPOs) dated June 05, 2025. The said refund amount will be credited by CSTRO Islamabad in Company's bank account in due course of time.

	June 30, 2025	June 30, 2024
Note	(Rupees in '000)	

**15. SHORT TERM INVESTMENT**

Term Deposit Receipts (TDRs)

-Bank Alfalah Limited	15.1	264,610	64,610
-Allied Bank Limited	15.2	-	60,000
		<u>264,610</u>	<u>124,610</u>

- 15.1** This carries interest rates range between 8% to 9.65% per annum (June 30, 2024 : 19.40%). TDRs of Rs. 14.61 million (June 30, 2024 : Rs. 14.81 million) kept as a 100% Cash Margin security against the outstanding bank guarantees in favor of Collector of Customs.

- 15.2** This carries interest rate at nil (June 30, 2024: 20.5%).

	June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----	
<b>16. BANK BALANCES</b>		
- Current accounts	37,802	187,036
- Saving accounts	76,405	-
	<b>114,207</b>	<b>187,036</b>

The return on these balances range between 6% to 8% (June 30, 2024: nil) per annum.

## 17. SHARE CAPITAL

	June 30, 2025	June 30, 2024			
<b>17.1</b>	----- (Number of shares) -----		<b>Authorised share capital</b>		
	<b>20,000,000</b>	<b>20,000,000</b>	Ordinary shares of Rs. 10 each	<b>200,000</b>	<b>200,000</b>
	<b>Issued, subscribed and paid-up capital</b>				
	<b>10,000,000</b>	<b>10,000,000</b>	Ordinary shares of Rs. 10 each fully paid in cash	<b>100,000</b>	<b>100,000</b>
	<b>2,100,000</b>	<b>2,100,000</b>	Ordinary shares of Rs. 10 issued as bonus shares	<b>21,000</b>	<b>21,000</b>
	<b>12,100,000</b>	<b>12,100,000</b>		<b>121,000</b>	<b>121,000</b>

**17.2** The following shares were held by the holding company, associated companies and other related parties of the Company:

Name of the Company	Note	June 30, 2025		June 30, 2024	
		Shares held	Percentage	Shares held	Percentage
		---(Number)---	-----(%)-----	---(Number)---	-----(%)-----
Otsuka Pharmaceutical Company Limited, Japan	17.2.1	5,420,248	44.80	5,420,248	44.80
P. T. Otsuka Indonesia, Indonesia	17.2.1	1,204,499	9.95	1,204,499	9.95
Otsuka Pharmaceutical Factory, Inc.		1,589,940	13.14	1,589,940	13.14
Directors, their spouses and minor children		100,483	0.83	100,483	0.83
Executives		121	-	121	-

**17.2.1** These include shares held by directors nominated by Otsuka Pharmaceutical Company Limited, Japan and P. T. Otsuka Indonesia, Indonesia. The nominated directors hold only minimum number of shares required to become a director.

	June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----	
<b>18. LEASE LIABILITY</b>		
Lease liability	-	24,826
Current maturity of lease liability	-	(11,995)
	<b>-</b>	<b>12,831</b>



**18.1** The future payments of lease liabilities are as follows:

	June 30, 2025		June 30, 2024	
	Future minimum lease payments	Principal repayments	Future minimum lease payments	Principal repayments
	(Rupees in '000)			
Not later than 1 year	-	-	21,171	19,729
Later than 1 year and not later than 5 years	-	-	6,436	5,097
	-	-	27,607	24,826

**18.2** Reconciliation of lease liability

	June 30, 2025				
	July 1, 2024	Cash inflow	Cash outflow	New Lease arrangement	Finance cost
	(Rupees in '000)				
Lease liability	24,826	-	(25,322)	-	496

	June 30, 2024				
	July 1, 2023	Cash inflow	Cash outflow	New Lease arrangement	Finance cost
	(Rupees in '000)				
Lease liability	8,060	-	(6,997)	21,226	2,537

June 30, 2025      June 30, 2024  
**Note** (Rupees in '000)

**19. SHORT-TERM LOAN FROM A RELATED PARTY - UNSECURED**  
**In foreign currency**

Loan from Otsuka Pharmaceutical Factory, Inc.	19.1	<b>1,083,500</b>	951,390
---	------	------------------	---------

**19.1** This represents foreign currency denominated loan. The loan was obtained in three tranches (two tranches JPY 125 million each and one tranche of JPY 300 million) drawn down on February 26, 2015, April 27, 2015 and May 17, 2024 respectively, repayable on or before February 25, 2016, April 26, 2016 and April 10, 2025 respectively. Out of these two tranches of JPY 125 million each were rolled forward annually multiple times however JPY 300 million was rolled forward annually once. During the financial year ended June 30, 2025 all the tranches have been rolled forward and are now repayable on or before February 25, 2026, April 26, 2026 and April 10, 2026 respectively.

Mark-up is charged at TIBOR (fixed at the time of receipt of loan) + 0.1% (June 30, 2024: TIBOR + 0.1%) per annum and is payable semi-annually in arrears.

June 30,  
2025                      June 30,  
2024

Note ----- (Rupees in '000) -----

**19.2** Movement of the loan is as follows:

Opening balance	951,390	498,075
Exchange loss / (gain)	132,110	(83,085)
Additional loan received	-	536,400
	132,110	453,315
Closing balance	1,083,500	951,390

**20. TRADE AND OTHER PAYABLES**

Creditors		157,071	66,478
Foreign bills payable	20.1	198,249	103,008
Accrued liabilities	20.2	197,375	241,120
Payable to employees provident fund		4,777	3,934
Payable to staff retirement benefit fund	36.1.2	13,028	-
Provision for employees short-term compensated absences		30,375	28,712
Sales tax payable	20.3	24,378	15,487
Retention money		868	902
Security deposits		3,889	2,139
Workers welfare fund		3,389	185
Workers profit participation fund	20.4	8,458	1,066
Central research fund		1,704	215
Contract liabilities	20.5	73,440	114,060
Other liabilities	20.6	47,911	46,691
		764,912	623,997

**20.1** These include amounts payable to the related parties as at the end of the year aggregating to Rs. 99.85 million (June 30, 2024: Rs. 70.29 million) as disclosed in note 37.1.1.

**20.2** The Supreme Court of Pakistan (SCP) through its judgment dated August 13, 2020 ("GIDC Judgment") declared the Gas Infrastructure Development Cess Act, 2015 ("GIDC Act 2015") as valid. The Company filed a review petition on the verdict of Supreme Court of Pakistan over GIDC announced on August 13, 2020, on which no relief was granted. The Company has recorded a full provision in the financial statements. However, the Company is party to the joint legal suit in the Sindh High Court (SHC) on which SHC granted the Company an interim stay. The Company has followed the relevant accounting standards and guidelines issued by the ICAP in this regard.

**20.3** This includes provision for sales tax in respect of imported and local packaging materials (for IV solutions) amounting to Rs. 9.97 million (June 30, 2024: Rs. 9.97 million). The Company filed a suit in the Sindh High Court (SHC) on May 17, 2016 against the imposition of sales tax under the Sales Tax Act, 1990 with respect to packing material being imported and purchased locally by the Company for manufacturing pharmaceutical products. The SHC had passed an interim order in favour of the Company maintaining that items fetching customs duty lesser than ten percent ad valorem, may not be subject to the levy of sales tax. Later on, the case was referred by Customs to the Supreme Court of Pakistan (SCP) and final judgement was announced by SCP on June 27, 2018 in favor of the industry. However, the Customs has taken up this case into their Tribunal and Appellate and the Company is attending the hearings through its appointed lawyer. The case is still opened and being fought on argument basis.

		June 30, 2025	June 30, 2024
	Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>20.4 Workers profit participation fund</b>			
Opening balance		1,066	-
Allocation for the year	29	8,458	1,066
		<u>9,524</u>	<u>1,066</u>
Interest on funds utilised in the Company's business	30	60	-
		<u>9,584</u>	<u>1,066</u>
Paid during the year		(1,126)	-
Closing balance		<u>8,458</u>	<u>1,066</u>

**20.5** During the year, the performance obligations underlying the opening contract liability of Rs. 114.06 million were satisfied in full. Accordingly, the said liability was recorded as revenue during the year. Information regarding the timing of satisfaction of performance obligations underlying the closing contract liability of Rs. 73.44 million is not presented since the expected duration of all the contracts entered into with the customers is less than one year.

**20.6** This includes regulatory duty payable in respect of imported pharmaceutical products as are required for manufacturing purposes. On October 16, 2017, the Federal Board of Revenue imposed regulatory duty on import of specified pharmaceutical products vide SRO 1035 (I)/2017. In this regard, the Company has filed constitutional petitions in the Sindh High Court on April 13, 2018, April 26, 2018, May 9, 2018 and June 27, 2018 against the levy of aforementioned duty. An interim relief has been granted by the Sindh High Court. As per the interim relief, the Company is required to pay half of the regulatory duty. For the remaining half, the Company was required to give security by way of bank guarantee / pay order, either to the satisfaction of the Collectorate concerned or the Nazir of the Court. The Company has paid half of the regulatory duty and has submitted bank guarantees for the remaining half to the Collectorate concerned. Management, as a matter of prudence, has recorded full provision for the amount of regulatory duty given as bank guarantee amounting to Rs. 10.90 million (June 30, 2024: Rs. 10.90 million) in these financial statements. From January 2020 onwards, the Company is paying full regulatory duty on these imported products.

		June 30, 2025	June 30, 2024
	Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>21. SHORT-TERM RUNNING FINANCE</b>			
<b>From banking companies - Secured</b>			
Short-term running finance facilities utilised under mark-up arrangements - secured	21.1	-	-

**21.1** Particulars of short-term running finance - secured

Bank	Limit in as at June 30, 2025	Limit in as at June 30, 2024	Mark up rate	Current security	Frequency of mark-up payment	Facility expiry date	Avalued June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----	----- (Rupees in '000) -----	(%)				----- (Rupees in '000) -----	----- (Rupees in '000) -----
Citi Bank *	925,000	925,000	1 month KIBOR  +  0.65% p.a.	(a) SECP Registered Joint Pari-passu Charge on Fixed Assets of Plant & Machinery for Rs. 432 million.  b) SECP Registered Joint Pari-passu Charge on Current Assets for Rs. 778 million	Quarterly	June 30 ,2025	-	-
	<u>925,000</u>	<u>925,000</u>					<u>-</u>	<u>-</u>

\* This short term running finance facility is interchangeable with letter of credit and letter of guarantee.

**21.2 Details of import letters of credit (sight / usance / acceptance) and letters of guarantee**

**21.2.1** The Company is availing the sub-limit facilities relating to the import letter of credit (sight / usance / acceptance) and letter of guarantee available from the banks as at June 30, 2025 amounting to Rs. 289.61 million (June 30, 2024: Rs. 289.61 million) out of which Rs. 178.68 million (June 30, 2024: Rs. 132.77 million) are available for utilisation of import letter of credit and letter of guarantee.



	June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----	
<b>22. MARK-UP ACCRUED</b>		
- Short-term running finance - secured	-	15,197
- Short-term loan from a related party - unsecured	2,339	829
	<u>2,339</u>	<u>16,026</u>

## 23. CONTINGENCIES AND COMMITMENTS

### 23.1 Contingencies

- 23.1.1** On March 05, 2014, a notice of demand was served on the Company by the Additional Commissioner Inland Revenue (ACIR) for an amount of Rs. 164.77 million (June 30, 2024: Rs. 164.77 million) under Section 122 (5A) of the Income Tax Ordinance (ITO), 2001. The ACIR added back certain items such as exchange loss, claims against provisions and write-offs of inventory, discounts and rebates on sales and trade debts and disallowed finance cost in the income returned for tax year 2012. The Company filed an appeal with the Commissioner Inland Revenue (Appeals) [CIR(A)] who upheld the action of ACIR on certain items against which the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) to review the action of the CIR(A). On January 19, 2017 ATIR's hearing was held and on April 10, 2017 an order was served in which the decision of certain items was given in favour of the Company and certain items were remanded back to the ACIR for further examination.

On December 28, 2017, an appeal effect order was passed by the ACIR under Section 124/122(5A) of the Income Tax Ordinance (ITO), 2001. Through the said order of ACIR (which is in context of the earlier decision by the ATIR dated April 10, 2017 mentioned above) a demand of Rs. 21.41 million was determined. Furthermore, in respect of the matters decided by the ATIR in favour of the Company, the ACIR has filed an appeal in the High Court of Sindh and consequently appeal effect has not been allowed on matters agitated in the SHC.

The Company filed another appeal against the above order of Rs. 21.41 million before the Commissioner Inland Revenue (Appeals-II) [CIR(A)] along with the stay application. Upon request, the CIR(A) acceded to grant stay against recovery till February 15, 2018. On April 13, 2018 an appeal effect order was passed by the ACIR under Section 124/122(5A) of the Income Tax Ordinance (ITO), 2001 whereby relief has been allowed in respect of certain matters whereas disallowance has been maintained in respect of certain other matters. As a result, a demand of Rs. 12.70 million has been raised by the ACIR which has been settled by the Company in previous years under protest through adjustment of refund relating to the tax year 2015. Being prudent management has recorded a provision of Rs. 12.70 million with corresponding adjustment to refund liability to tax year 2015.

- 23.1.2** During the year ended June 30, 2020, electricity charges were increased by Rs. 6.80 million through the imposition of Industrial Support Package Adjustment (ISPA) for the off peak hours with retrospective application from July 01, 2019. The case was filed through a joint Constitutional Petition no. 2581 of 2020 before the High Court of Sindh, at Karachi through the association of M/s. Lasbella Chamber of Commerce and Industry (LCCI) located in LIEDA to challenge the above-said charges. During the financial year ended June 30, 2021, the Company has issued an undated cheque amounting to Rs. 6.80 million in favour of Nazir of Sindh High Court as per the interim directives issued by the High Court of Sindh, thereafter a judgment has been passed by the High Court of Sindh in favour of the Company which has been challenged by K-Electric in the Supreme Court of Pakistan. Management has assessed favorable outcome of the case, however, Being prudent a provision of Rs. 6.80 million has been made in the financial statements.
- 23.1.3** During 2019, the return of income for tax year 2018 was selected for audit under Section 177 of the Income Tax Ordinance (ITO), 2001 by the Deputy Commissioner Inland Revenue (DCIR). Under the notice, certain information was required to be furnished, which was duly submitted by the Company.
- 23.1.4** For the tax year 2019, the Company's assessment was amended twice, firstly through order dated June 24, 2025 under section 122(1) and subsequently through order dated June 29, 2025 under section 122(5A) of the ITO.

In first amendment, certain expenses aggregating Rs. 421.66 million were disallowed including sales discount, unrealised exchange loss, and tax amortisation. Although, first amendment converted business loss into taxable business income, however tax refundable of Rs. 18.11 million being minimum tax remained intact.

In second amendment, total additions aggregating Rs. 258.36 million were made based on apportionment of expenses and disallowing withholding tax claim of Rs. 4.47 million due to which revise business income increases to the extent that its tax crossed minimum tax liability. Consequently, above refundable position converted into tax demand of Rs. 66.11 million.

The Company through its tax consultant has challenged both amended orders by filing appeals before CIR(A) and has a reasonable basis to defend its case.

**23.1.5** During the year ended June 30, 2025, on December 13, 2024, an order of sales tax withholding demand was served on the company by the Commissioner, BRA Quetta, related to the tax periods from July 2019 to June 2024 for an amount of Rs. 19.63 million along with penalty and default surcharge under section 52(6) of the Balochistan Sales tax on Services Act 2015. The Company filed an appeal with the Appellate Tribunal Balochistan Revenue Authority (AT-BRA).

As per tax advisor opinion and based on relevant legal and factual position the management expect a positive outcome of above appeal pending.

**23.1.6** During the year ended June 30, 2025, on May 30, 2025, the company received a sales tax demand of Rs 6.9 million with a penalty of Rs 0.34 from Deputy Commissioner Inland Revenue (DCIR) for the tax year 2020 due to inadmissible input tax and short payments of withholding sales tax. The Company filed an appeal with the Commissioner Inland Revenue Appeals (CIRA) who heard the appeal instantly and reserved for order by CIRA.

		June 30, 2025	June 30, 2024
	Note	(Rupees in '000)	
<b>23.2 Commitments</b>			
Commitments in respect of:			
Letters of credit		63,755	86,940
Letters of guarantee		47,173	69,900

## 24. REVENUE FROM CONTRACT WITH CUSTOMERS

Gross sales	24.1	4,180,475	3,520,307
Sales tax		(87,502)	(75,330)
		4,092,973	3,444,977
Discounts		(313,455)	(281,109)
		3,779,518	3,163,868

**24.1** Gross sales are net of sales return amounting to Rs. 6.32 million (2024: Rs. 54.60 million).

## 25. COST OF SALES

		June 30, 2025	June 30, 2024
	Note	(Rupees in '000)	
Raw and packing material consumed:			
Opening raw and packing material		548,301	700,141
Purchases		1,262,588	1,066,151
Closing raw and packing material	10	(439,906)	(548,301)
		1,370,983	1,217,991
Salaries, wages and benefits	25.1	550,673	473,777
Fuel and power		396,869	379,053
Stores and spares consumed		172,557	108,662
Travelling and vehicle running		70,853	63,171
Depreciation	5.4	61,233	82,858
Rent, rates and taxes		18,872	16,550
Repairs and maintenance		16,102	12,635
Insurance		5,031	3,575
Communication and stationery		818	474
Depreciation right-of-use asset	5.8.3	-	1,710
Other expenses		12,119	13,449
		1,305,125	1,155,914
		2,676,108	2,373,905
Work-in-progress (WIP)			
Opening WIP		16,112	12,533
Closing WIP	10	(9,259)	(16,112)
		16,853	12,533
Cost of goods manufactured		2,682,961	2,370,326
Opening finished goods		464,573	387,193
Finished goods purchased		429,354	305,304
		893,927	692,497
Cost of samples shown under selling and distribution expenses		(13,106)	(11,366)
Closing finished goods	10	(647,663)	(464,573)
		(660,769)	(475,939)
		2,916,119	2,586,884



- 25.1** Salaries, wages and benefits include Rs. 7.05 million (2024: Rs. 5.59 million) and Rs. 9.29 million (2024: Rs. 8.67 million) in respect of staff retirement benefits and provident fund respectively.

		June 30, 2025	June 30, 2024
	Note	(Rupees in '000)	
<b>26. SELLING AND DISTRIBUTION EXPENSES</b>			
Salaries, wages and benefits	26.1	151,022	127,060
Advertising samples and promotional		159,182	111,932
Outward freight and handling		159,119	108,263
Travelling and vehicle running		20,089	9,344
Insurance		7,746	5,433
Rent, rates and taxes		2,268	1,404
Communication and stationery		3,286	1,738
Repairs and maintenance		253	1,402
Depreciation	5.4	5,232	3,411
		<u>508,196</u>	<u>369,987</u>

- 26.1** Salaries, wages and benefits include Rs. 3.53 million (2024: Rs. 3.19 million) and Rs. 4.96 million (2024: Rs. 4.19 million) in respect of staff retirement benefits and provident fund respectively.

		June 30, 2025	June 30, 2024
	Note	(Rupees in '000)	
<b>27. ADMINISTRATIVE AND GENERAL EXPENSES</b>			
Salaries, wages and benefits	27.1	107,618	93,077
Legal and professional charges		18,550	5,950
Travelling and vehicle running		10,183	8,828
Depreciation right-of-use asset	5.8.3	11,880	9,668
Fuel and power		4,152	3,065
Repairs and maintenance		4,302	687
Depreciation	5.4	4,239	2,698
Insurance		3,535	1,495
Subscription		3,934	2,089
Communication and stationery		2,352	1,054
Rent, rates and taxes		65	84
Amortisation	6.1	315	331
General expenses		24,017	19,056
		<u>195,141</u>	<u>148,082</u>

- 27.1** Salaries, wages and benefits include Rs. 1.23 million (2024: Rs. 1.07 million) and Rs. 2.82 million (2024: Rs. 2.26 million) in respect of staff retirement benefits and provident fund respectively.

		June 30, 2025	June 30, 2024
	Note	(Rupees in '000)	
<b>28. OTHER INCOME</b>			
Exchange gain - net		-	92,039
Scrap sales		100,525	46,807
Markup income from Hospital Supply Corporation		-	19,604
Gain on disposal of operating fixed assets - net		3,875	16,094
Reversal of provision against stents held with hospitals	10.3	4,559	7,078
Income from term deposit receipt		8,051	4,627
Reversal of provision against slow moving and obsolete stock-in-trade	10.2	7,487	-
Liabilities no longer payable-written back		-	8
Others		3,793	1,075
		<u>128,290</u>	<u>187,332</u>



		June 30, 2025	June 30, 2024
	-----Note-----	(Rupees in '000) -----	
<b>29. OTHER EXPENSES</b>			
Exchange loss - net		146,554	-
Auditor's remuneration and other professional services	29.1	3,200	2,400
Donations	29.2 & 29.3	91	507
Workers welfare fund		3,205	405
Workers profit participation fund	20.4	8,458	1,066
Central research fund		1,704	215
Provision against slow moving and obsolete stock-in-trade	10.2	-	40,960
Provision against slow moving and obsolete stores and spares	9.1	2,223	924
Bank charges and commission		3,095	3,359
Others		6,905	544
		<u>175,435</u>	<u>50,380</u>
<b>29.1 Auditor's remuneration</b>			
Statutory audit fee		1,516	1,378
Review of condensed interim financial information		673	612
Tax advisory services		438	-
Special certifications		322	292
Out-of-pocket expenses		251	118
		<u>3,200</u>	<u>2,400</u>
<b>29.2</b>	Recipients of donations do not include any donee in whom Chief Executive Officer, directors or their spouse had any interest.		
<b>29.3</b>	Donation to a single party does not exceeds Rs. 500,000 therefore, name of donee is not disclosed and none of the director and his spouse has interest in donees.		
		June 30, 2025	June 30, 2024
	-----Note-----	(Rupees in '000) -----	
<b>30. FINANCE COST</b>			
On:			
-Short-term loan from a related party	19	5,347	3,168
-Short-term running finance		-	97,103
-Utilising Workers profit participation fund	20.4	60	-
-Unwinding of finance cost on lease liability	18.2	496	2,537
		<u>5,903</u>	<u>102,808</u>
<b>31. LEVIES</b>			
Final tax on:			
- export sales	31.1	-	650
Minimum tax / revenue tax	31.2	49,463	-
		<u>49,463</u>	<u>650</u>
<b>31.1</b>	These represent final taxes paid on export sales as per section 154 of the ITO respectively, and are recognised as levy in line with the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.		
<b>31.2</b>	These represents minimum tax provision under section 113 of the ITO. The provision for minimum tax has been recognised as levies in these financial statements as per the requirements of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and guide on IAS 12 issued by ICAP.		

		June 30, 2025	June 30, 2024
	-----Note-----	(Rupees in '000)	-----
<b>32. TAXATION - NET</b>			
Current			
- for the year		7,505	34,954
- for prior years		29,308	-
		<u>36,813</u>	<u>34,954</u>
Deferred tax expense / (income)	8.1	43,050	(11,869)
		<u>79,863</u>	<u>23,085</u>
<b>32.1 Relationship between income tax expense and accounting profit</b>			
Profit before taxation		<u>107,540</u>	<u>18,322</u>
Tax charge @ 29% (2024: 29%)		31,187	5,313
Tax effect of:			
-Prior year tax adjustments		29,308	-
-Expenses that are not deductible in determining taxable profit		33,644	17,772
-Others		(14,276)	-
		<u>79,863</u>	<u>23,085</u>
<b>33. EARNINGS / (LOSS) PER SHARE</b>			
<b>33.1 Basic</b>			
Income / (Loss) for the year (Rupees in '000)		<u>27,677</u>	<u>(4,763)</u>
Weighted average ordinary shares outstanding during the year (Number of shares)	17.1	<u>12,100,000</u>	<u>12,100,000</u>
Earnings / (Loss) per share - basic and diluted (Rupees)		<u>2.29</u>	<u>(0.39)</u>
<b>33.2 Diluted</b>			
The impact of dilution on earnings per share has not been presented as the Company did not have any convertible instruments in issue as at June 30, 2025 and June 30, 2024 which would have had any effect on the earnings per share if the option to convert had been exercised.			
<b>34. CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents included in the statement of cash flows comprise the following items included in the statement of financial position:			
		June 30, 2025	June 30, 2024
	-----Note-----	(Rupees in '000)	-----
- Short term investments	15	264,610	124,610
- Bank balances	16	114,207	187,036
		<u>378,817</u>	<u>311,646</u>

## 35. REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration, including benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

Particulars	Chief Executive Officer		Directors		Executives	
	2025	2024	2025	2024	2025	2024
(Rupees in '000)						
Managerial remuneration	14,216	16,426	-	-	80,120	65,908
Bonus	1,507	389	-	-	9,177	4,314
Medical expenses	-	-	-	-	-	-
Leave fare assistance / encashment	1,829	4,549	-	-	8,095	7,928
Meeting fee	-	-	700	700	-	-
Technical advisory fee / contract fee	-	-	-	1,344	17,780	17,006
Retirement benefits	1,330	1,299	-	-	7,341	5,975
Others	380	363	-	-	1,425	2,632
	19,262	23,026	700	2,044	123,938	103,763
(Number)						
Number of person(s)	1	1	3	4	25	22

35.1 The Chief Executive Officer and certain executives are provided free use of the Company maintained cars and are entitled to certain reimbursable business expenses such as communication charges and fuel expenses as per the terms of employment.

## 36. EMPLOYEE BENEFIT SCHEMES

### 36.1 Defined benefit plan - staff retirement benefits

As mentioned in note 4.9 (a), the Company operates an approved funded gratuity scheme for all its management and non-management staff. The latest actuarial valuation of the fund was carried out at June 30, 2025. The Projected Unit Credit Method with the following significant assumptions was used for the valuation of the scheme:

		June 30, 2025	June 30, 2024
36.1.1	Principal actuarial assumptions		
a)	Discount rate	11.75%	15.00%
b)	Expected rate of return on plan assets	11.75%	15.00%
c)	Expected rate of increase in salary		
	- management staff	11.75%	13.00%
	- non-management staff	11.75%	13.00%
d)	Mortality rates	Adjusted SLIC 2001-	Adjusted SLIC 2001-
e)	Withdrawal rates	High	High
		June 30, 2025	June 30, 2024
		Note ----- (Rupees in '000) -----	
36.1.2	Amount recognised in the statement of financial position		
	Present value of defined benefit obligation	173,495	147,698
	Fair value of plan assets	(160,467)	(147,774)
		36.1.3	(76)



**36.1.3** The movement in net defined benefit liability during the year is as follows:

		June 30, 2025		
		Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liability
Note		(Rupees in '000)		
<b>As at July 1, 2024</b>		<b>147,698</b>	<b>(147,774)</b>	<b>(76)</b>
Current service cost	36.1.4	12,656	-	12,656
Interest expense / (income)	36.1.4	20,666	(21,518)	(852)
Remeasurements:				
- experience adjustments		10,507	187	10,694
Contributions made		-	(9,393)	(9,393)
Benefits paid		(18,032)	18,032	-
<b>As at June 30, 2025</b>		<b>173,495</b>	<b>(160,466)</b>	<b>13,029</b>

		June 30, 2024		
		Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liability
Note		(Rupees in '000)		
<b>As at July 1, 2023</b>		<b>136,398</b>	<b>(142,325)</b>	<b>(5,927)</b>
Current service cost	36.1.4	11,185	-	11,185
Interest expense / (income)	36.1.4	19,419	(20,746)	(1,327)
Remeasurements:				
- experience adjustments		4,387	(5,915)	(1,528)
		4,387	(5,915)	(1,528)
Contributions made		-	(2,479)	(2,479)
Benefits paid		(23,691)	23,691	-
<b>As at June 30, 2024</b>		<b>147,698</b>	<b>(147,774)</b>	<b>(76)</b>

		June 30, 2025	June 30, 2024
		(Rupees in '000)	
<b>36.1.4 Amount recognised in the statement of profit or loss</b>			
Current service cost		12,656	11,185
Interest cost		20,666	19,419
Expected return on plan assets		(21,518)	(20,746)
Expense for the year		11,804	9,858
<b>36.1.5 Amount recognised in the statement of comprehensive income</b>		10,694	(1,528)

## 36.2 Defined contribution plan - staff provident fund

Investments out of provident fund have been made in Defence Savings Certificate and Bank balances in saving accounts and are in accordance with the provisions of section 218 of the Act, and the Rules formulated for this purpose.

## 37. TRANSACTIONS WITH RELATED PARTIES

Related parties include Otsuka Pharmaceutical Company Limited the holding company, associated companies / undertakings (namely Otsuka Pharmaceutical Factory Incorporation, Japan, Thai Otsuka Pharmaceutical Company Limited, Thailand, P.T. Otsuka Indonesia, Otsuka Pharmaceutical Company, Shanghai Micro port Medical (Group) Company Limited, etc.), staff retirement funds and the key management personnel, entities under common directorship namely Danish Enterprises, Qubitech.

Details of the transactions with the related parties and the balances with them as at year end other than those which have been disclosed elsewhere are as follows:

### 37.1 Name and nature of relationship

#### a) Holding company

	June 30, 2025		June 30, 2024	
	Shareholding (%)	Shares held (Number)	Shareholding (%)	Shares held (Number)
Otsuka Pharmaceutical Company Limited, Japan Ultimate Parent	44.8	5,420,248	44.8	5,420,248

#### b) Directors / Individual shareholders

	Shareholding (%)	Shares held (Number)	Shareholding (%)	Shares held (Number)
Mr. Tariq Mehtab	0.8254	99,871	0.8254	99,871
Mr. Mikio Bando	0.0000	1	0.0000	1
Mr. Kimitaka Naito	0.0000	1	0.0000	1
Mr. Suhari Mukti	0.0000	1	0.0000	1
Mr. Abid Hussain	0.0000	500	0.0000	500
Mrs. Navin Salim Merchant	0.0000	509	0.0000	509
Mr. Moin Ur Rehman	0.0008	100	0.0008	100

#### c) Associated Companies due to common directorship and undertaking

	Shareholding (%)	Shares held (Number)	Shareholding (%)	Shares held (Number)
P. T. Otsuka Indonesia, Indonesia	9.95	1,204,499	9.95	1,204,499
Thai Otsuka Pharmaceutical Company Limited, Thailand	-	-	-	-
Shanghai Microport EPMed Tech Co., Limited, China	-	-	-	-
Otsuka Pharmaceutical Factory, Inc., Japan	13.14	1,589,940	13.14	1,589,940
Soneri Bank Limited	-	-	-	-
Exide Pakistan limited	-	-	-	-

Name of related party	Relationship with the Company	Nature of transaction	June 30, 2025	June 30, 2024
			(Rupees in '000) -----	
Otsuka Pharmaceutical Factory Inc.	Associated undertaking	Purchases	-	33,287
		Mark up on loan	5,347	3,168
		Dividend paid	-	2,385
Guangdong Otsuka Pharmaceutical Co., Ltd	Associated undertaking	Purchases	38,031	-
Otsuka Pharmaceutical Co, Ltd,	Parent Company	Purchases	167,496	139,229
		Dividend paid	-	8,131

Name of related party	Relationship with the Company	Nature of transaction	June 30, 2025	June 30, 2024
			(Rupees in '000) -----	
Hospital Supply Corporation (Note: 11.1)	Common Directorship	Late payment surcharge on receivables	-	19,604
		Sales - gross	-	706,943
		Sales return	-	42,701
		Sales discounts / claims	-	260,730
Thai Otsuka Pharmaceutical Co. Ltd.	Associated undertaking	Purchases	134,483	70,049
PT. Otsuka Indonesia	Associated undertaking	Purchases	14,631	40,684
		Dividend	-	1,806
Shanghai Microport EPMED Tech Co. Limited	Associated undertaking	Purchases	-	33,075
Danish Enterprises	Others	Purchases	-	2,129
Qubitech	Others	Purchases	-	2,860
Director	Independent Director and Non Executive director	Meeting fees	700	700
Otsuka staff provident fund	Provident fund	Contribution during the year to the fund	16,680	15,034
Otsuka staff gratuity fund	Gratuity fund	Contribution during the year to the fund	9,393	2,479
Key Management Personnel	Key Management Personnel	Remuneration paid	74,331	68,191
Mr. Mehtabuddin Feroz	Director	Consultancy charges	-	1,344
		Dividend	-	597
Otsuka Pharmaceutical Factory Inc.	Associated undertaking	Short term loan payable	1,083,500	951,390
		Markup payable	2,339	829
		Payable against purchases	-	14,385
Otsuka Pharmaceutical Co. Ltd.	Parent company	Payable against purchases	59,060	38,230
Thai Otsuka Pharmaceutical Co. Ltd.	Associated undertaking	Payable against purchases	40,793	17,679
Shareholders	Shareholders	Payable to shareholders	363	363
Otsuka staff provident fund	Provident fund	Payable to Employees Provident Fund	4,777	3,934
Otsuka staff gratuity fund	Gratuity fund	(Receivable from) / Payable to Staff Retirement Benefit Fund	13,029	(76)
Key Management Personnel	Key Management Personnel	Advance from key management personnel	330	1,124



37.2 Following are the details of associated undertakings incorporated outside Pakistan:

S. No.	Name of undertaking	Registered address	Country of incorporation	Basis of association	Aggregate % of shareholding, including shareholding through other companies or entities
1	Otsuka Pharmaceutical Company Limited, Japan	Osaka Headquarters 3-2-27, Otedori, Chuo-ku, Osaka 540-0021	Japan	Parent / Holding Company	44.80%
2	P. T. Otsuka Indonesia, Indonesia	Pertkantor Hijau Orkadia, Tower A, Lt.3, Jl. Letjen. TB. Simatupang Kav.88, Jakarta	Indonesia	Other associated undertaking	9.95%
3	Thai Otsuka Pharmaceutical Company Limited, Thailand	15th. Floor, Unit No. 1501- 1502, United Center Building, 323 Silom Road, Bangkok	Thailand	Other associated undertaking	N/A
4	Shanghai Microport EPMed Tech Co., Limited, China	Building #28, Lane 588, Tianxiong Road, Pudong New District, Shanghai, P. R.	China	Other associated undertaking	N/A
5	Otsuka Pharmaceutical Factory, Inc., Japan	115 Kuguhara, Tateiwa, Muya-cho, Naruto, Tokushima	Japan	Other associated undertaking	13.14%
6	Guangdong Otsuka Pharmaceutical Co., Ltd	High-tech Industrial Park, Ronggui Street, Shunde District, Foshan City, Guangdong Province, China	China	Associated undertaking	N/A

		June 30, 2025	June 30, 2024
	Note	(Rupees in '000)	
<b>38. CASH GENERATED FROM OPERATIONS</b>			
Profit before levies and taxation		157,003	18,972
<b>Adjustment for non-cash charges and other items:</b>			
Finance cost	30	5,903	102,808
Depreciation	5.4	70,704	88,967
Provision for loss allowance	11.2.1	(49,989)	73,046
Provision / Reversal against slow moving and obsolete stock-in-trade - net	28 & 29	(7,487)	40,960
Depreciation right-of-use asset	5.8.3	11,880	11,378
Provision for staff retirement benefits	36.1.4	11,804	9,858
Provision for employees short-term compensated absences		7,200	8,203
Workers profit participant fund	29	8,458	1,066
Provision against slow moving and obsolete stores and spares	29	2,223	924
Workers welfare fund	29	3,205	405
Amortisation	6.1	315	331
Central research fund	29	1,704	215
Liabilities no longer payable-write back	28	-	(8)
Gain on disposal of operating fixed assets - net	28	(3,875)	(16,094)
Reversal of provision against stents held with hospitals	28	(4,559)	(7,078)
Unrealised exchange loss / (gain)	28 & 29	146,554	(92,039)
Working capital changes	38.1	112,065	276,254
		<b>473,108</b>	<b>518,168</b>

		June 30, 2025	June 30, 2024	
		(Rupees in '000)		
38.1	Working capital changes			
	(Increase) / decrease in current assets			
	Trade debts	120,709	146,167	
	Stock-in-trade	(67,842)	70,881	
	Sales tax refundable	-	43,091	
	Stores and spares	(21,230)	4,843	
	Loans and advances	(22,158)	684	
	Trade deposits, short-term prepayments and other receivables	2,890	(17,465)	
		12,369	248,201	
	Increase in current liabilities			
	Trade and other payables	99,695	28,053	
		112,065	276,254	
		June 30, 2025	June 30, 2024	
		(Number)		
39.	NUMBER OF EMPLOYEES			
	As at	408	345	
	Average during the year	377	354	
40.	OPERATING SEGMENTS			
40.1	These financial statements have been prepared on the basis of a single reportable segment.			
40.2	Sales from Intravenous Solutions represent 86.28% while sales from others represent 13.72% (June 30, 2024: 84.84% and 15.16%) respectively of the total revenue of the Company.			
40.3	Sales percentage by geographic region is as follows:	June 30, 2025 (%)	June 30, 2024 (%)	
	Pakistan	96.00	95.00	
	Afghanistan	4.00	5.00	
40.4	All non-current assets of the Company as at June 30, 2025 are located in Pakistan.			
		June 30, 2025	June 30, 2024	
		(Rupees in '000)		
41.	FINANCIAL INSTRUMENTS BY CATEGORY			
	Financial assets at amortised cost			
	Long-term loans	7	13,693	14,420
	Long-term deposits		1,463	3,699
	Trade debts	11	89,744	160,464
	Trade deposits and other receivables		16,248	15,923
	Short-term investment	15	264,610	124,610
	Bank balances	16	114,207	187,036
			499,965	506,152
	Financial liabilities at amortised cost			
	Short-term loan from a related party	19	1,083,500	951,390
	Trade and other payables		610,140	492,984
	Unclaimed dividend		1,955	1,955
	Mark-up accrued	22	2,339	16,026
	Lease liability	18	-	24,826
			1,697,934	1,487,181

## 42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The Company, currently finances its operations through equity, borrowing and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk and provide maximum return to shareholders. The Company's risk management policies and objectives are as follows:

### 42.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices. Market risk comprises three types of risks: currency risk, yield / interest rate risk and other price risk.

#### 42.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist in foreign currencies. As at June 30, 2025, financial liabilities of Rs. 1,281.75 million (June 30, 2024: Rs. 1,054.34 million) are payable in foreign currencies which have exposed the Company to foreign currency risk. The currency wise details of these liabilities have been provided below:

	Note	June 30, 2025	June 30, 2024
(Rupees in '000)			
<b>Short-term loan from a related party - unsecured</b>			
Yen	19	1,083,500	951,390
<b>Bills payable</b>			
US Dollar		174,565	88,263
Euro		15,805	83
Yen		7,880	14,662
	20	198,250	103,008

The Company manages currency risk by adjusting its timings of settlement of foreign currency denominated liabilities so as to ensure that transactions are settled on terms that are favourable to the Company.

As at June 30, 2025, if the Pakistani Rupee had weakened / strengthened by 10% against foreign currencies with all other variables held constant, profit before tax for the year would have been lower / higher by approximately Rs. 128.17 million (2024: Rs. 105.44 million), mainly as a result of foreign exchange losses / gains on translation of foreign currency denominated financial liabilities.

#### 42.1.2 Yield / interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

##### Sensitivity analysis for fixed rate instruments

Presently, the Company has investment in Term Deposit Receipts (TDR) with a banks. The investment carries fixed return. Since these financial assets are not kept at fair value, it does not expose the Company to any fair value / interest rate risk.

##### Sensitivity analysis for variable rate instruments

Presently, the Company has TIBOR based JPY financing representing financing arrangements obtained from a related party that expose the Company to cash flow interest rate risk. In case of increase / decrease in TIBOR by 100 basis points on the last repricing date with all other variables held constant, the profit before tax for the year ended June 30, 2025 would have change by Rs. 10.84 million.



## 42.1.3 Price risk

Price risk is 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 affecting all similar financial instruments traded in the market. Currently, the Company does not hold any instruments which expose it to price risk.

## 42.2 Credit risk

Credit risk represents the risk of loss if the counter party fails to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the credit worthiness of its counterparties.

The Company's policy is to enter into financial contracts in accordance with the policies and guidelines approved by the management. Credit risk arises from bank balances, term deposit receipts, trade debts, loans and advances, deposits and other receivables. The maximum exposure to credit risk is equal to the carrying amount of the total financial assets i.e. Rs. 499.96 million (2024: Rs. 506.15 million) of which trade debts amounting to Rs. 89.74 million (2024: Rs. 160.46 million) constitute a significant portion. The trade debts (excluding impaired debts) relate to a number of independent customers for whom there is no recent history of default. Loans and advances to employees are secured against their respective balances maintained under employee benefit schemes. The Company is also exposed to counterparty credit risk on balances with banks which is limited as the counterparties are banks having reasonably high credit ratings. The credit quality of the bank balances maintained by the Company is as follows:

BANK	June 30, 2025		June 30, 2024		Rating agency
	Short-term	Long-term	Short-term	Long-term	
Allied Bank Limited	A1+	AAA	A1+	AAA	PACRA
Bank Alfalah Limited	A1+	AA+	A1+	AAA	PACRA
Habib Bank Limited	A1+	AAA	A1+	AAA	JCR - VIS
MCB Bank Limited	A1+	AAA	A1+	AAA	PACRA
National Bank of Pakistan	A1+	AAA	A1+	AAA	PACRA
The Bank of Punjab	A1+	AA-	A1+	AA+	PACRA
Habib Metro Bank	A1+	AA+	A1+	AA+	PACRA
Citi Bank	A+	A-1	A+	A-1	Standard & Poor's
Bank Al Habib Limited	A1+	AAA	A1+	AAA	PACRA
Meezan Bank Limited	A1+	AAA	-	-	PACRA

### Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's total sales are concentrated into one of the distributors which has exposed it to significant risk due to concentration of credit. However, payment pattern exhibits that the risk is maintained at the minimum level.

## 42.3 Liquidity risk

Liquidity risk is the risk that the Company may not be able to settle its financial obligations in full as they fall due or can do so on terms that are materially disadvantageous.

Prudent liquidity risk management implies maintaining sufficient cash and bank balances and availability of funding through an adequate amount of committed credit facilities. The Company aims to maintain flexibility in funding by keeping committed credit lines open.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows:

	As at June 30, 2025			As at June 30, 2024		
	Maturity upto One year	Maturity After One year	Total	Maturity upto One year	Maturity After One year	Total
	(Rupees in '000)			(Rupees in '000)		
Short-term loan from a related party - unsecured	1,083,500	-	1,083,500	951,390	-	951,390
Trade and other payables	610,140	-	610,140	492,984	-	492,984
Unclaimed dividend	1,955	-	1,955	1,955	-	1,955
Mark-up accrued	2,339	-	2,339	-	-	-
Lease liability	-	-	-	21,171	6,436	27,607
<b>Total</b>	<b>1,697,934</b>	<b>-</b>	<b>1,697,934</b>	<b>1,467,500</b>	<b>6,436</b>	<b>1,473,936</b>

## 43. FAIR VALUE MEASUREMENT

IFRS 13 'Fair value Measurement' defines fair value as 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. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

As at June 30, 2025 the Company does not have any assets which are tradable in an open market. The estimated fair values of all assets and liabilities are considered not to be significantly different from carrying values as the items are either short-term in nature or are periodically repriced.

### Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- input other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

As at June 30, 2025 and June 30, 2024, the Company did not have any assets or liabilities which were measured at fair values using any of the aforementioned valuation techniques.

## 44. CAPITAL RISK MANAGEMENT

**44.1** The Company's prime objective when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debts.



- 44.2** Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less bank balances. Total capital is calculated as equity as shown in the statement of financial position plus net debt.

	June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----	
Total borrowings	1,083,500	976,216
Less: bank balances	(114,207)	(187,036)
short term investment	(264,610)	(124,610)
Net debt	704,683	664,570
Total equity	695,779	675,695
Total capital	1,400,462	1,340,265
	----- (%) -----	
<b>Gearing ratio</b>	<b>50.32</b>	<b>49.58</b>

As at June 30, 2025, the Company's gearing ratio has increased due to retranslation of foreign currency loan obtained to meet working capital requirement. As a part of the Company's future strategy, management has prepared a business plan which is sensitive to certain key assumptions. The Management believes that the successful implementation of the business plan would help to improve the financial position of the Company.

## 45. PLANT CAPACITY AND PRODUCTION

	June 30, 2025		June 30, 2024	
Particulars	Capacity	Actual production	Capacity	Actual production
	----- (In million) -----			
I.V. solutions	28.6	18.0	28.6	18.7
Plastic ampoules	14.1	12.1	14.1	11.8
Sachets	4.9	2.7	4.9	2.9

- 46.1** The Company's under-utilised capacity was due to lower than the planned production on account of oversupply situation in the market.

## 46. SUBSEQUENT EVENT

The Board of Directors in its meeting held on proposed nil cash dividend (2024: Rs. Nil) subject to the approval of the members in the forthcoming annual general meeting of the Company.

## 47. DATE OF AUTHORISATION FOR ISSUE

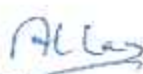
These financial statements were authorised for issue on **August 27, 2025** by the Board of Directors of the Company.

## 48. GENERAL

- 48.1** Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.
- 48.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison, the effects of which are not material.



**Moin Ur Rehman**  
Chief Executive Officer



**Abid Hussain**  
Director



**Tauseef Ahmed Shaikh**  
Chief Financial Officer



**OTSUKA PAKISTAN LIMITED**  
**Pattern of Shareholding Report**  
**As of June 30, 2025**

Categories of Shareholders		Shareholders	Shares Held	Percentage
<b>Directors, Chief Executive Officer and their spouse(s) and minor children</b>				
MR. MIKIO BANDO		1	1	0.00
MR. SUHARI MUKTI		1	1	0.00
MR. KIMITAKA NAITO		1	1	0.00
MR. MOIN UR REHMAN		1	100	0.00
MRS. NAVIN SALIM MERCHANT		1	509	0.00
MR. TARIQ MEHTAB FERAZ		1	99,871	0.83
MR. ABID HUSSAIN		1	500	0.00
<b>Associated Companies, undertakings and related parties</b>		3	8,214,687	67.89
<b>Banks Development Financial Institutions, Non Banking Financial Financial Instit</b>				
		3	8,621	0.07
<b>Insurance Companies</b>		2	2,240	0.02
<b>Modarabas and Mutual Funds</b>		1	120	0.00
<b>General Public</b>				
	a. Local	1457	3,143,170	25.98
	b. Foreign	51	535,074	4.42
<b>Others</b>		25	95,105	0.79
<b>Total</b>		<b>1549</b>	<b>12,100,000</b>	<b>100.00</b>
<b>Share holders holding 10% or more</b>				
			<b>Shares Held</b>	<b>Percentage</b>
M/S OTSUKA PHARMACEUTICAL CO. LIMITED			5,420,248	44.80
M/S. OTSUKA PHARMACEUTICAL FACTORY, INC.			1,589,940	13.14

## OTSUKA PAKISTAN LIMITED

Pattern of Shareholding

As On 30/06/2025

NO. OF SHAREHOLDERS	<---- HAVING SHARES ---->		SHARES HELD	PERCENTAGE
	From	To		
681	1	100	17463	0.1443
483	101	500	116905	0.9662
169	501	1000	129590	1.0710
157	1001	5000	336432	2.7804
23	5001	10000	153466	1.2683
8	10001	15000	100424	0.8300
4	15001	20000	67466	0.5576
1	20001	25000	24090	0.1991
2	25001	30000	52761	0.4360
2	30001	35000	65112	0.5381
1	35001	40000	40000	0.3306
3	45001	50000	149372	1.2345
1	50001	55000	51474	0.4254
3	95001	100000	298113	2.4637
4	395001	400000	1589940	13.1400
1	690001	695000	692705	5.7248
1	1200001	1205000	1204499	9.9545
1	1585001	1590000	1589940	13.1400
1	5420001	5425000	5420248	44.7954
1546		Company Total	12100000	100.0000

## COMPARISON OF LAST 6 YEARS RESULTS

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Share Capital (Rs. In '000)	121,000	121,000	121,000	121,000	121,000	121,000
Unappropriated Profit / (Loss) (Rs. In '000)	(346,193)	37,997	250,014	84,543	62,715	82,799
General Reserve (Rs. In '000)	341,980	341,980	341,980	491,980	491,980	491,980
Capital Employed (Rs. In '000)	116,787	532,880	716,086	704,315	688,526	695,779
Long Term Loans/Lease (Rs. In '000)	-	31,903	3,092	6,792	12,831	-
Sales (Rs. In '000)	2,226,989	2,546,276	2,851,733	3,035,085	3,163,868	3,779,518
Profit / (Loss) Before Tax (Rs. In '000)	107,557	469,535	364,629	(28,352)	18,972	157,003
Taxation - net (Rs. In '000)	(16,491)	(83,204)	(132,832)	21,145	(23,085)	(129,326)
Profit / (Loss) After Taxation (Rs. In '000)	91,066	386,331	231,797	(7,207)	(4,763)	27,677
% of Sales	4%	15%	8%	-0.24%	-0.15%	0.73%
% of Total Assets	5%	26%	13%	-0.31%	-0.21%	1.09%
% of Capital Employed	78%	72%	32%	-1%	-1%	4%
Dividend Amount (Rs. In '000)	-	18,150	18,150	18,150	18,150	-
% of Dividend	-	15%	15%	15%	15%	0%
Bonus Shares Dividend (Rs. In '000)	-	-	-	-	-	-
% of Bonus Issue	-	-	-	-	-	-
Earnings / (Loss) Per Share	7.53	31.93	19.16	(0.60)	(0.39)	2.29
Fixed Assets less Depreciation (Rs. In '000)	304,687	275,096	265,400	210,814	343,402	572,907
Total Assets (Rs. In '000)	1,680,281	1,485,431	1,845,908	2,288,964	2,293,889	2,548,485
Average Number of Employees	391	384	374	368	354	377



## PROXY FORM 37<sup>th</sup> Annual General Meeting

The Secretary  
Otsuka Pakistan Limited,  
30-B S.M.C.H. Society,  
Off Shahrah-e-Faisal,  
Karachi - 74400.

Please quote Folio No.

I/We.....  
of.....Being a member  
of Otsuka Pakistan Limited here by appoint.....  
of.....  
or failing him / her.....  
of.....  
.....

as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the  
Thirty-seventh Annual General Meeting of the Company to be held on Tuesday, October 28,  
2025 and at any adjournment thereof.

As witness my hand this..... day of .....2025  
Signed by the said.....

.....  
in the presence of.....  
.....

Witness

Signature on  
Revenue stamp of  
appropriate value

(Signature should agree with  
the SPECIMEN signature  
registered with the Company)

### Notes:

1. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy to attend and vote instead of him/her.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorized in writing. A proxy need not be a Member of the Company.
3. The instrument appointing a proxy, together with the Power of Attorney, if any under which it is signed or a notarially certified copy thereof, should be deposited at the Registered Office not less than 48 hours before the time of the meeting.
4. In case of Proxy for any individual beneficial owner of CDC, entitled to attend and vote at this meeting, it is necessary to deposit the attested copies of beneficial owner's national identity card, Account and Participant's ID numbers. The Proxy shall produce his original national identity card at the time of the meeting. Representative of corporate members should bring the usual documents for such purpose.

**AFFIX  
CORRECT  
POSTAGE**

**The Company Secretary  
Otsuka Pakistan Limited  
30-B, Sindhi Muslim Co-operative Housing  
Society, Karachi - 74400**

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







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