



# CONDENSED INTERIM NINE MONTHS FINANCIAL STATEMENTS MARCH 31, 2023

## CITI PHARMA

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## **Board of Directors**

**Mr. Rizwan Ahmad**  
Chief Executive Officer

**Mr. Nadeem Amjad**  
Chairman

**Dr. Zameer Ul Hassan**  
Executive Director

**Ms. Saira Aslam**  
Non-Executive Director

**Mr. Muhammad Naeem**  
Non-Executive Director

**Mr. Abdul Jaleel Shaikh**  
Independent Director

**Ms. Farzin Khan**  
Independent Director

**Chief Financial Officer**  
Mr. Asif Iqbal

**Company Secretary & Head of Legal**  
Mr. Muhammad Riaz

**Head of Internal Auditor**  
Muhammad Ishaq

**External Auditors**  
Aslam Malik & Co.  
Chartered Accountants

**Share Registrar**  
F.D Registrar Services (Pvt.) Ltd.

**Bankers**  
Habib Metropolitan Bank Limited  
Habib Bank Limited- Islamic  
Bank Al-Habib Limited  
Samba Bank Limited  
Soneri Bank Limited  
Bank of Punjab  
National Bank of Pakistan  
Meezan Bank Limited

## **AUDIT COMMITTEE**

**Mr. Abdul Jaleel Shaikh**

(Independent Director)

**Mr. Nadeem Amjad**

(Non-Executive Director)

**Mr. Muhammad Naeem**

(Non-Executive Director)

## **Human Resource & Remuneration Committee**

Ms. Farzin Khan (Independent Director)

Mr. Zameer Ul Hassan Shah (Executive Director)

Mr. Rizwan Ahmad (Executive Director)

## **Registered Office**

3-KM, Head Balloki Road, Bhai Pheru, Distt  
Kasur

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Fax: +92-49-4510191

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

## DIRECTORS' REPORT

On behalf of the Board of Directors of Citi Pharma Limited, we are pleased to present directors' review on unaudited condensed interim financial statements of the Company for the nine months ended March 31, 2023. These financial statements have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 'Interim Financial Reporting' and the Directors' Report is prepared in accordance with section 227 of Companies Act, 2017 and Chapter XII of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

### COMPOSITION OF BOARD

The total number of directors are 7 as the following:

1. Male 5
2. Female 2

Sr. No.	Category	Name
1	Independent Director	1. Mr. Abdul Jaleel Shaikh 2. Ms. Farzin Khan
2	Executive Director	1. Mr. Rizwan Ahmad 2. Mr. Dr. Zameer Ul Hassan Shah
3	Non-Executive Director	1. Mr. Nadeem Amjad 2. Mr. Muhammad Naeem 3. Ms. Saira Aslam

### FINANCIAL HIGHLIGHTS

In the period under review net sales of the company has improved to Rs. 8,860 million as compared to last corresponding nine months amounting to Rs. 7,589 million and registered a growth of 16.74%. Similarly, the Gross Profits has improved to Rs. 1,265 million as compared to last nine months ended March 31, 2023 of Rs. 1,054 million. Net Profit of the Company reduced from Rs. 551 million to Rs. 533 million compared to corresponding period of last period due to exchange loss caused by frequent upward variation in forex rates.

The Company has improved performance in its topline compared to corresponding period of last year but maintained the net profit almost with the corresponding period due to political and economic challenges in the country resulting in extra ordinary hike in financial cost and depreciation of country's currency.

## **FUTURE CHALLENGES & PROSPECTS**

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

The following expansion is underway:

### **API segment:**

The CPHL has achieved the increase in existing capacity of Paracetamol from 3,600 ton per annum to 4,800 ton per annum and intends to expand it to the 6,000 tons per annum. Also added Ascorbic Acid and working to add new APIs to its existing product line which will also add formulation products of the same to the Company's portfolio.

### **Formulation Segment**

Cephalosporin facility has been completed, some other projects are in progress and completion of these before year end will benefit the operational and financial results of the Company.

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

For and on behalf of the of Board



**(Rizwan Ahmad)**  
**Chief Executive Officer**



**(Nadeem Amjad)**  
**Chairman**

Lahore

Dated: April 28, 2023

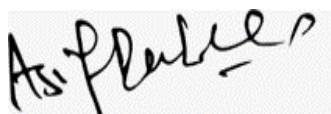
**CITI PHARMA LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2023**

	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
Note	-----Rupees-----	
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
<b>Authorised Capital:</b>		
300,000,000 Ordinary shares of Rs. 10/- each	3,000,000,000	3,000,000,000
<b>Share Capital and Reserves:</b>		
228,461,200 ( June 2022: 228,461,200) Ordinary Shares Of Rs. 10/- Each	2,284,612,000	2,284,612,000
Share Premium	1,391,532,000	1,391,532,000
Revenue Reserves-Unappropriated Profits	1,233,834,042	700,431,021
Revaluation Surplus On Land	309,294,525	309,294,525
	<b>5,219,272,567</b>	<b>4,685,869,546</b>
<b>NON CURRENT LIABILITIES</b>		
Long Term Financing - Secured	16,810,195	250,173,743
Deferred Liabilities	111,565,036	114,246,582
Deferred Grant	2,202,111	32,166,032
Lease Liabilities	3,811,056	6,267,409
	<b>134,388,398</b>	<b>402,853,766</b>
<b>CURRENT LIABILITIES</b>		
Trade and Other Payables	3,183,842,500	1,887,973,258
Director's Loan	12,200,000	12,200,000
Short Term Borrowings-Secured	1,007,822,014	509,371,276
Current Portion of Long Term Liabilities-Secured	70,218,690	179,971,199
Dividend Payable	477,033	670,003
Accrued Mark Up	11,912,045	12,754,350
Provision For Taxation	353,017,097	389,714,162
	<b>4,639,489,379</b>	<b>2,992,654,248</b>
Contingencies and Commitments	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>9,993,150,344</b>	<b>8,081,377,560</b>
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property, Plant and Equipment	2,624,529,166	2,244,062,582
Work in Progress	492,021,876	14,329,827
Long Term Security Deposits	17,519,200	17,519,200
Investment in Associated Company	254,540,900	254,540,900
	<b>3,388,611,142</b>	<b>2,530,452,509</b>
<b>CURRENT ASSETS</b>		
Stock in Trade	3,241,412,494	1,691,637,034
Trade Debts- Unsecured	1,354,825,894	1,401,564,821
Advances Deposits, Prepayments and Other Receivables	464,776,059	459,815,080
Short Term Investments	1,082,312,010	1,970,426,861
Cash and Bank Balances	461,212,745	27,481,255
	<b>6,604,539,202</b>	<b>5,550,925,051</b>
<b>TOTAL ASSETS</b>	<b>9,993,150,344</b>	<b>8,081,377,560</b>

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



Chief Executive Officer



Chief Financial Officer



Director

**CITI PHARMA LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2023**

Notes	Three month ended		Nine Months Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	-----Rupees-----			
<b>Sales- Net</b>	2,688,727,730	2,748,139,247	8,859,599,815	7,589,370,656
Cost of Sales	(2,338,312,529)	(2,394,782,158)	(7,593,756,702)	(6,534,612,959)
<b>Gross Profit</b>	<b>350,415,201</b>	<b>353,357,089</b>	<b>1,265,843,113</b>	<b>1,054,757,697</b>
Administrative Expenses	38,666,898	35,229,626	140,255,722	238,950,314
Selling Expenses	23,395,988	6,296,697	93,878,262	60,656,610
	<b>(62,062,886)</b>	<b>(41,526,323)</b>	<b>(234,133,984)</b>	<b>(299,606,924)</b>
<b>Operating Profit</b>	<b>288,352,315</b>	<b>311,830,765</b>	<b>1,031,709,129</b>	<b>755,150,774</b>
Financial (Cost) /Income	(156,023,397)	(18,206,305)	(277,626,004)	(52,333,402)
	<b>132,328,917</b>	<b>293,624,461</b>	<b>754,083,124</b>	<b>702,817,371</b>
Other Income/(Loss)	17,328,987	45,264,633	69,862,576	134,519,491
	<b>149,657,905</b>	<b>338,889,094</b>	<b>823,945,701</b>	<b>837,336,862</b>
Other Expenses	(10,476,053)	(23,722,237)	(52,846,538)	(57,082,702)
<b>Profit Before Taxation</b>	<b>139,181,851</b>	<b>315,166,857</b>	<b>771,099,162</b>	<b>780,254,160</b>
Taxation	(46,415,756)	(107,717,629)	(237,696,142)	(229,563,711)
<b>Profit for the Period</b>	<b>92,766,096</b>	<b>207,449,228</b>	<b>533,403,021</b>	<b>550,690,450</b>
<b>Earnings per share (EPS)</b>				
- Basic and Diluted	0.41	0.92	2.33	2.43

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

  
**Chief Executive Officer**

  
**Chief Financial Officer**

  
**Director**



CITI PHARMA LIMITED  
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Note	Three month ended		Nine Month Ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		-----Rupees-----			
<b>Profit for the period</b>		92,766,096	207,449,228	533,403,021	550,690,450
Other comprehensive income for the period		-	-	-	-
<b>Item that will not be reclassified subsequently to Profit or Loss</b>					
Revaluation Surplus on Land		-	-	-	-
<b>Total comprehensive income for the Period</b>		<b>92,766,096</b>	<b>207,449,228</b>	<b>533,403,021</b>	<b>550,690,450</b>

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



Chief Executive Officer



Chief Financial Officer



Director

CITI PHARMA LIMITED  
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2023

March 31, 2023      March 31, 2022  
-----Rupees-----

**CASH FLOW FROM OPEARTING ACTIVITIES**

**Profit Before Taxation for the period**

**Adjustments For Non- Cash Items And Other Line Items:**

	771,099,162	780,254,160
Depreciation	71,319,332	55,377,913
Financial Charges	277,626,004	34,127,097
Accrued Interest Income	(1,850,620)	(5,286,731)
Unrealized Loss on Investment in Shares	96,965,741	-
Amortisation and Extinguishment of Deferred Grant	(20,783,579)	(4,187,506)
Gratuity Expense	9,509,065	2,270,531
Worker's Profit Participation Fund	44,783,909	42,476,428
Worker's Welfare Fund	16,514,685	15,459,693
	494,084,537	140,237,425

**Profit/ (Loss) before working capital changes**

**1,265,183,699      920,491,585**

**Effect of working capital changes**

Advances, Deposits And Prepayments	43,322,108	(244,352,769)
Trade Debts	46,738,927	(649,009,855)
Stock In Trade	(1,549,775,460)	(991,144,660)
Trade And Other Payables	1,270,695,881	915,229,492
	<b>(189,018,544)</b>	<b>(969,277,792)</b>

Financial Charges Paid

(278,468,310)      (42,870,091)

Gratuity Paid

(660,776)      -

Income Tax Paid

(347,147,532)      (250,709,896)

Worker's Profit Participation Fund

(55,422,964)      (26,750,855)

Worker's Welfare Fund

-      (8,519,855)

(681,699,582)      (328,850,697)

**Net cash flow from operating activities**

**A      394,465,573      (377,636,904)**

**CASH FLOW FROM INVESTING ACTIVITIES**

Purchase Of Property, Plant & Equipment	(451,785,916)	(229,805,088)
Paid for Capital Work in Progress	(477,692,049)	(134,690,924)
Paid for Long Term Security Deposits	-	(1,061,400)
Long Term Investment	-	-
Short Term Investments	862,132,489	(575,229,484)

**Net cash flow from investing activities**

**B      (67,345,476)      (940,786,896)**

**CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds less repayment of Long Term Financing	(387,084,789)	201,277,764
Payable to General Public	-	(521,384,357)
Lease Rentals Paid	(4,754,557)	(1,182,787)
Dividend Paid	-	(307,127,348)
Short Term Borrowings	498,450,738	224,866,975

**Net Cash flow From Investing Activities**

**C      106,611,392      (403,549,753)**

**Net Increase/ (decrease) in cash and cash equivalents**

**A+B+C      433,731,490      (1,721,973,553)**

Cash and cash equivalents at beginning of the period

27,481,255      3,074,424,503

**Cash and cash equivalents at end of the period**

**461,212,745      1,352,450,950**

**Cash and cash equivalents comprise of:**

Cash in hand	608,193	352,424
Cash at banks	460,604,552	1,352,098,526
	<b>461,212,745</b>	<b>1,352,450,950</b>


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



Chief Executive Officer



Chief Financial Officer



Director

CITI PHARMA LIMITED  
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
 FOR THE NINE MONTHS ENDED MARCH 31, 2023

PARTICULARS	SHARE CAPITAL	SHARE DEPOSIT MONEY	SHARE PREMIUM	REVENUE RESERVES	REVALUATION SURPLUS	TOTAL
<b>Balance as at July 01, 2021</b>	1,350,000,000	2,326,144,000	-	380,606,584	309,294,525	<b>4,366,045,109</b>
<b>Total Comprehensive Income for the nine months</b>						
Profit for the period	-	-	-	550,690,450	-	<b>550,690,450</b>
Other comprehensive income	-	-	-	-	-	-
				550,690,450	-	<b>550,690,450</b>
72,692,000 shares issued to general public at a strike price of Rs. 32 each	726,920,000	(2,326,144,000)	1,599,224,000	-	-	-
Final Dividend Paid for the year ended June 2021 @ 15%	-	-	-	(311,538,000)	-	<b>(311,538,000)</b>
Issuance of Bonus Shares at the rate of 10% for every one share held	207,692,000	-	(207,692,000)	-	-	-
<b>Balance as at March 31, 2022</b>	<b>2,284,612,000</b>	<b>-</b>	<b>1,391,532,000</b>	<b>619,759,034</b>	<b>309,294,525</b>	<b>4,605,197,559</b>
<b>Balance as at July 01, 2022</b>	<b>2,284,612,000</b>	<b>-</b>	<b>1,391,532,000</b>	<b>700,431,021</b>	<b>309,294,525</b>	<b>4,685,869,546</b>
<b>Total Comprehensive Income for the nine months</b>						
Profit for the period	-	-	-	533,403,021	-	<b>533,403,021</b>
Other comprehensive income	-	-	-	-	-	-
				533,403,021	-	<b>533,403,021</b>
<b>Balance as at March 31, 2023</b>	<b>2,284,612,000</b>	<b>-</b>	<b>1,391,532,000</b>	<b>1,233,834,042</b>	<b>309,294,525</b>	<b>5,219,272,567</b>

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



Chief Executive Officer



Chief Financial Officer



Director

**CITI PHARMA LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2023**

**1 STATUS AND NATURE OF BUSINESS**

- 1.1** The company was incorporated as a private limited company in Pakistan under the Repealed Companies Ordinance, 1984 on October 08, 2012. The principal activity of the company is manufacturing and sale of pharmaceuticals, medical chemicals and botanical products. The company was converted into public unlisted company with effect from October 13, 2020 and was listed on Pakistan Stock Exchange on July 09, 2021. The registered office of the company is situated at 3 KM, Head Balloki Road, Phool Nagar, Kasur. The Head office of the company situated at 588 Q Block, Johar Town, Lahore.

**2 BASIS OF PREPARATION**

**2.1 Statement of Compliance**

This condensed interim financial information are unaudited and have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard 34, 'Interim Financial Reporting, issued by International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The Comparative condensed interim statement of financial position presented has been extracted from annual financial statements for the year ended June 30, 2022, whereas the comparative condensed interim profit or loss and condensed interim statement of other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been extracted from un-audited condensed interim financial statements for the nine months ended March 31, 2022.

**2.2 Basis of Measurement**

These condensed interim financial statements have been prepared under the historical cost convention using accrual basis of accounting, except for condensed interim statement of cash flows.

**2.3 Functional and presentation currency**

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

**2.4 Accounting Estimates and Judgement Used**

The preparation of this condensed interim financial information in conformity with the approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that apply to the financial statements for the year ended June 30, 2022.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended June 30, 2022.

**3.1 Change in accounting standards, interpretations and amendments to published accounting and reporting standards**

**3.1.1 Amendments to approved accounting standards which are effective during the year ending June 30, 2023:**

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

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

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

CITI PHARMA LIMITED  
CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED MARCH 31, 2023

Notes	March 31, 2023	June 30, 2022	
	(Un-audited)	(Audited)	
-----Rupees-----			
<b>4 SHARES CAPITAL</b>			
<b>Authorized share capital</b>	<b>3,000,000,000</b>	<b>3,000,000,000</b>	
300,000,000 Ordinary shares of Rs. 10/- each			
<b>Issued, subscribed and paid up capital</b>			
117,692,000 Ordinary shares of Rs. 10 each, fully paid in cash	1,176,920,000	1,176,920,000	
110,769,200 Ordinary Share of Rs. 10 each issued as fully paid Bonus shares	1,107,692,000	1,107,692,000	
228,461,200 Ordinary shares of Rs. 10/- each	<b>2,284,612,000</b>	<b>2,284,612,000</b>	
<b>5 LONG TERM FINANCING - SECURED</b>			
Long term loan from Pak Brunei Investment Company	30,208,349	77,083,346	
Term finance against purchase of machinery from Bank Al-Habib Limited	12,571,500	21,750,000	
Term Loan For Salary & Wages Under SBP Refinance Scheme from Bank Al-Habib Limited	-	15,039,310	
Finance of Machinery in SBP (TERF) from Bank Al-Habib Limited	37,507,932	51,817,114	
Term Finance under RFCC from Bank of Punjab	-	296,745,885	
	<b>80,287,781</b>	<b>462,435,655</b>	
Deferred Grant	-	(51,568,138)	
Current Portion shown under current liabilities	(63,477,586)	(160,693,774)	
	<b>16,810,195</b>	<b>250,173,743</b>	
<b>5.1</b> There has been no change in the terms and conditions as disclosed in note 7 to the companies financial statements for the year ended June 30, 2022.			
<b>6 CONTINGENCIES AND COMMITMENTS</b>			
The Company has filed Writ Petition before the Honorable Lahore High Court challenging the ultra vires of section 4C of the Income Tax Ordinance, 2001. The Honorable Lahore High Court has granted interim relief in the afore-mentioned petition till the final decision of Court. The financial impact of Super Tax u/s 4C of the Income Tax Ordinance, 2001 amounting to Rs. 102.56 million for Tax Year 2022 has been already recognized.			
There has been no material change in the status of contingencies and commitments disclosed in note 16 to the Company's financial statements for the year ended June 30, 2022 except mentioned above.			
<b>7 PROPERTY PLANT &amp; EQUIPMENT</b>			
Operating fixed assets	<b>7.1</b>	2,610,983,396	2,228,126,382
Right of Use Assets	<b>7.2</b>	13,545,770	15,936,200
		<b>2,624,529,166</b>	<b>2,244,062,582</b>
<b>7.1 Operating Fixed Assets</b>			
Opening Written down value as at July 01		2,228,126,382	1,714,845,610
Addition during the period/year	<b>7.1.1</b>	451,785,916	586,125,362
Disposal during the period/year		-	-
		<b>451,785,916</b>	<b>586,125,362</b>
Depreciation charged for the period/ year		(68,928,902)	(72,844,590)
Closing written down value		<b>2,610,983,396</b>	<b>2,228,126,382</b>
<b>7.1.1</b> Details of additions during the period/year as follows:			
Freehold Land		443,498,900	372,308,325
Building on Freehold Land		-	94,373,453
Plant & Machinery		1,205,000	107,345,432
Vehicles		-	49,500
Office Equipments		6,175,803	1,904,698
Furniture and Fixtures		906,213	8,019,893
Computers		-	2,124,061
		<b>451,785,916</b>	<b>586,125,362</b>
<b>7.2 Right of Use Assets</b>			
Opening Balance		15,936,200	19,920,250
Addition during the period/year		-	-
Depreciation charged during the period/year		(2,390,430)	(3,984,050)
Closing Balance		<b>13,545,770</b>	<b>15,936,200</b>
<b>8 OTHER INCOME</b>			
Other Income represents Profits on Savings accounts, Profit on Term Deposits Receipts, dividend income, amortisation of grant income and gain/(Loss) on investment in shares.			

## 9 TRANSACTION WITH RELATED PARTIES

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

			Nine Months ended	
			March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)
			-----Rupees-----	
<b>9.1 Transaction for the period</b>				
	Nature	Relationship		
	Salary	CEO	10,450,000	4,200,000
	Salary	Directors	13,950,000	5,700,000
	Meeting Fees	Directors	555,000	480,000
<b>9.2 Balance as at period/ year end</b>				
	Name of Related Party	Nature	Relationship	
-	Yaqeen Developers Limited	Investment	Associated	254,540,900
-	Short Term Loan from directors	Loan	Directors	12,200,000

## 10 UTILIZATION OF PROCEEDS FROM INITIAL PUBLIC OFFERING

The principal purpose of the issue was to increase the capacity in both segment of Active Pharmaceutical Ingredients (API) and Formulation and to set up a state of the art, 200 bed hospital facility.

Estimated break-up of utilization of the IPO proceeds is mentioned below:

Description	Funds Required (Rupees)	Allocation (%)	Actual Expenditure (Rupees)	Excess/ (Less) Incurred (Rupees)
<b>API Segment</b>				
Civil Works	150,000,000	7%	139,997,007	(10,002,993)
Procurement of Plant and Machinery	405,194,500	20%	216,187,580	(189,006,920)
	<b>555,194,500</b>	<b>27.28%</b>	<b>356,184,588</b>	<b>(199,009,912)</b>
<b>Formulation Segment</b>				
Civil Works	250,000,000	12%	136,596,989	(113,403,011)
Procurement of Plant and Machinery	307,630,000	15%	200,959,184	(106,670,816)
	<b>557,630,000</b>	<b>27.40%</b>	<b>337,556,173</b>	<b>(220,073,827)</b>
<b>Hospital Facility</b>				
Civil Work of Hospital Building (incl. Electrical and Mechanical work)	668,000,000	33%	-	(668,000,000)
Plant and Machinery for Hospital	254,551,500	13%	-	(254,551,500)
	<b>922,551,500</b>	<b>45.33%</b>	-	<b>(922,551,500)</b>
<b>Utilization of Excess Proceeds</b>				
Repayment of Borrowings	54,197,497	19%	54,197,497	-
Working Capital Requirement	108,902,639	37%	108,902,639	-
IPO Expenses	127,667,864	44%	127,667,864	-
	<b>290,768,000</b>	<b>100%</b>	<b>290,768,000</b>	-

## 11 FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

### 11.1 Financial risk management information and disclosures

These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2022. There have been no change in any risk management policies since the year end.

### 11.2 Fair Value of Financial Instrument

IFRS - 13 Fair Value Measurement establishes a single source of guidance under the IFRS for the fair value measurements and disclosures about the fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date (i.e. an exit price).

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

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

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

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

	March 31, 2023			Total
	Level 1	Level 2	Level 3	
<b>Financial assets - fair value through profit or loss</b>				
- Short-term investment (shares of PSX)	135,111,155	-	-	135,111,155
	March 31, 2022			
- Short-term investment (shares of PSX)	117,722,622	-	-	117,722,622

**SEGMENT REPORTING**

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

**DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on **April 28, 2023** by the board of directors of the company.

**GENERAL**

The figures have been rounded off to the nearest rupees.

Corresponding figures have been rearranged, and reclassified, where necessary, for better presentation and disclosure.



Chief Executive Officer



Chief Financial Officer



Director