



# CONDENSED INTERIM HALF YEARLY FINANCIAL STATEMENTS DECEMBER 2023

## CITI PHARMA

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# COMPANY INFORMATION

## Board of Directors

Mr. Nadeem Amjad  
Chairman

Mr. Rizwan Ahmad  
Chief Executive Officer

Dr. Zameer Ul Hassan  
Executive Director

Ms. Saira Aslam  
Non-Executive Director

Mr. Muhammad Naeem  
Non-Executive Director

Mr. Abdul Jaleel Shaikh  
Independent Director

Ms. Farzin Khan  
Independent Director

## AUDIT COMMITTEE

Mr. Abdul Jaleel Shaikh (Independent Director)  
Mr. Nadeem Amjad (Non-Executive Director)  
Mr. Muhammad Naeem (Non-Executive Director)

## Human Resource & Remuneration Committee

Ms. Farzin Khan (Independent Director)  
Mr. Zameer Ul Hassan Shah (Executive Director)  
Mr. Rizwan Ahmad (Executive Director)

## Chief Financial Officer

Mr. Asif Iqbal

## Company Secretary & Head of Legal

Mr. Muhammad Riaz

## Head of Internal Auditor

Muhammad Ishaq

## External Auditors

Aslam Malik & Co.  
Chartered Accountants

## Legal Advisors

Muhammad Riaz

## Share Registrar

F.D Registrar Services (Pvt) Ltd

## Bankers

Habib Metropolitan Bank Limited  
Habib Bank Limited- Islamic  
Pak Brunei Investment Company Limited

Samba Bank Limited  
Soneri Bank Limited  
Bank of Punjab Limited  
National Bank of Pakistan  
Bank Al Habib Limited  
Meezan Bank Limited  
Standard Chartered Bank (Pakistan) Limited

## Head Office

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

## Registered Office

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



## DIRECTORS' REPORT

We are pleased to present the unaudited condensed interim financial statements of the Company for the six months ended December 31, 2023. These financial statements have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 'Interim Financial Reporting' and the director report is prepared in accordance with section 227 of Companies Act, 2017 and Chapter XII of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

## COMPOSITION OF BOARD

The total number of directors are 7 as the following:

1. Male 5
2. Female 2

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

## FINANCIAL HIGHLIGHTS

During the reviewed period, the Company witnessed a decline in net sales, reducing to PKR 5,976 million in comparison to the corresponding amount of PKR 6,170 million in the last half-year. Similarly, gross profits decreased to PKR 871 million compared to the PKR 915 million recorded in the last half-year ending on December 31, 2022. Despite these declines, there was an improvement in profit before tax, rising from PKR 631 million to PKR 753 million, reflecting a growth of approximately 20% from the corresponding period. Additionally, the net profit after tax is approximately 7% higher than the corresponding period last year.

## **FUTURE CHALLENGES & PROSPECTS**

The prospective outlook for the upcoming period in the financial year 2023-24 depends on several factors. These include market interest rates, the inflation level, and the exchange rate parity between the dollar and rupees, in addition to the political and economic stability in the country.

The macroeconomic environment presents notable external challenges that need proactive addressing to ensure the industry's sustainable future. Despite these challenges, there are encouraging prospects on the horizon.

Your company continues its dedication to innovation, research, and development, crucial for sustaining competitiveness and addressing the changing healthcare needs of our population. Additionally, it remains committed to exerting every effort to minimize adverse impacts through productivity and cost containment initiatives.

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 Board



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

Lahore

Dated: February 29, 2024

## ڈائریکٹرز رپورٹ

ہمیں 31 دسمبر 2023 کو ختم ہونے والے چھ ماہ کے لئے کمپنی کے غیر آڈٹ شدہ عبوری مالی گوشوارے پیش کرنے پر خوشی ہے۔ یہ مالیاتی بیانات بین الاقوامی اکاؤنٹنگ اسٹینڈرڈ (آئی اے ایس 34) عبوری مالی رپورٹنگ کی ضروریات کے مطابق تیار کیے گئے ہیں اور ڈائریکٹر رپورٹ کمپنیز ایکٹ، 2017 کی دفعہ 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے باب 12 کے مطابق تیار کی گئی ہے۔

### بورڈ کی تشکیل

بورڈ کی تشکیل ڈائریکٹرز کی کل تعداد مندرجہ ذیل کے طور پر 7 ہے

1- مرد 5 .

2- خاتون 2

نمبر	زمرہ	نام
1.	آزاد ڈائریکٹر	- جناب عبدالجلیل شیخ - محترمہ فرزین خان
2.	ایگزیکٹو ڈائریکٹر	جناب -رضوان احمد جناب ڈاکٹر ضمیر - الحسن شاہ
3.	نان ایگزیکٹو ڈائریکٹر	-جناب ندیم امجد جناب -محمد نعیم محترمہ -سائرہ اسلم

جائزے کے دوران کمپنی کی خالص فروخت میں کمی دیکھی گئی جو گزشتہ ششماہی کے 6,170 ملین روپے کے مقابلے میں کم ہو کر 5,976 ملین روپے رہ گئی۔ اسی طرح مجموعی منافع 31 دسمبر 2022ء کو ختم ہونے والی گزشتہ ششماہی کے 915 ملین روپے کے 5,976 مقابلے میں کم ہو کر 871 ملین روپے رہ گیا۔ ان کمیوں کے باوجود قبل از ٹیکس منافع میں بہتری آئی جو 631 ملین روپے سے بڑھ کر 753 ملین روپے تک پہنچ گئی جو اسی عرصے کے مقابلے میں تقریباً 20 فیصد اضافے کی عکاسی کرتی ہے۔ مزید برآں، بعد از ٹیکس 753 خالص منافع گزشتہ سال کی اسی مدت کے مقابلے میں تقریباً 7 فیصد زیادہ ہے۔

#### مستقبل کے چیلنجز اور امکانات

مالی سال 2023-24 میں آنے والی مدت کے لئے ممکنہ نقطہ نظر کئی عوامل پر منحصر ہے۔ ان میں ملک میں سیاسی اور معاشی استحکام کے علاوہ مارکیٹ کی شرح سود، افراط زر کی سطح اور ڈالر اور روپے کے درمیان شرح تبادلہ کی برابری شامل ہیں۔ میکرو اکنامک ماحول قابل ذکر بیرونی چیلنجز پیش کرتا ہے جن سے صنعت کے پائیدار مستقبل کو یقینی بنانے کے لئے فعال حل کی ضرورت ہے۔ ان چیلنجز کے باوجود افق پر حوصلہ افزا امکانات موجود ہیں۔ آپ کی کمپنی جدت طرازی، تحقیق اور ترقی کے لئے اپنی لگن جاری رکھے ہوئے ہے، جو مسابقت کو برقرار رکھنے اور ہماری آبادی کی بدلتی ہوئی صحت کی دیکھ بھال کی ضروریات کو پورا کرنے کے لئے اہم ہے۔ مزید برآں، یہ پیداواری صلاحیت اور لاگت کی روک تھام کے اقدامات کے ذریعے منفی اثرات کو کم سے کم کرنے کے لئے ہر ممکن کوشش کرنے کے لئے پرعزم ہے۔

ہم ریگولیٹری اتھارٹیز، شیئر ہولڈرز، ہمارے گاہکوں، وینڈرز اور ملازمین کی طرف سے فراہم کردہ تعاون اور مسلسل حمایت کے لئے بہت شکر گزار ہیں

بورڈ کے لئے اور بورڈ کی طرف سے .



ندیم امجد  
چیئرمین



رضوان احمد  
چیف ایگزیکٹو آفیسر

لاہور

فروری 29، 2024



# Aslam Malik & Co. Chartered Accountants

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Citi Pharma Limited  
Report on Review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Citi Pharma Limited** as at **December 31, 2023** and the related condensed interim statement of profit or loss, the condensed interim statement of other comprehensive income, the condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-months period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss, the condensed interim statement of other comprehensive income for the quarters ended December 31, 2023 and December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2023.

### Scope of Review

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

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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



Chartered Accountants

UDIN: RR202310148ywao0dtbM

Date: February 29, 2024

Lahore



#### Lahore Head Office

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Khan Center, Adalat  
Road, Quetta  
081-2823837




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

		December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	Note	Rupees	
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized Capital:</b>			
300,000,000 Ordinary shares of Rs. 10/ each		<b>3,000,000,000</b>	<b>3,000,000,000</b>
<b>Share Capital and Reserves:</b>			
228,461,200 ( June 2023: 228,461,200 ) Ordinary Shares Of Rs. 10/ Each	4	2,284,612,000	2,284,612,000
Share Premium		1,391,532,000	1,391,532,000
Revenue Reserves-Unappropriated Profits		1,286,533,968	1,387,634,785
Revaluation Surplus On Land		309,294,525	309,294,525
		<b>5,271,972,493</b>	<b>5,373,073,310</b>
Long Term Financing - Secured	5	-	8,541,062
Deferred Liabilities		175,942,442	144,584,190
Deferred Grant	6	-	582,493
Lease Liabilities	7	2,567,243	4,366,411
		<b>178,509,685</b>	<b>158,074,156</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables		2,476,093,737	2,165,170,443
Due to Related Parties		165,425,434	297,480,434
Short Term Borrowings-Secured		1,133,037,667	1,470,571,476
Current Portion of Long Term Liabilities-Secured		35,547,380	64,585,799
Dividend Payable		1,851,597	461,696
Accrued Mark Up		69,139,965	61,558,378
Provision For Taxation		316,702,001	393,188,922
		<b>4,197,797,780</b>	<b>4,453,017,148</b>
Contingencies and Commitments	8	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,648,279,958</b>	<b>9,984,164,614</b>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	9	3,042,261,341	3,051,888,220
Work in Progress		319,759,052	70,386,258
Long Term Security Deposits		21,514,664	23,645,564
Long Term Advance		254,540,900	254,540,900
		<b>3,638,075,957</b>	<b>3,400,460,942</b>
<b>CURRENT ASSETS</b>			
Stock in Trade		2,619,477,527	2,608,983,575
Trade Debts- Unsecured		1,514,813,565	1,882,148,741
Advances Deposits, Prepayments and Other Receivables		470,621,343	523,058,370
Short Term Investments		1,334,564,128	1,514,904,826
Cash And Bank Balances		70,727,438	54,608,160
		<b>6,010,204,001</b>	<b>6,583,703,672</b>
<b>TOTAL ASSETS</b>		<b>9,648,279,958</b>	<b>9,984,164,614</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 HALF YEAR ENDED DECEMBER 31, 2023**

Notes	Three month ended		Six Month Ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	-----Rupees-----			
<b>Sales- Net</b>	3,275,164,830	3,052,797,729	5,976,393,097	6,170,872,085
Cost of Sales	(2,649,999,438)	(2,507,759,970)	(5,104,759,709)	(5,255,444,173)
<b>Gross Profit</b>	<b>625,165,392</b>	<b>545,037,759</b>	<b>871,633,388</b>	<b>915,427,912</b>
Administrative Expenses	51,252,284	51,873,819	99,514,835	101,588,824
Selling Expenses	31,504,344	32,818,897	70,138,398	70,482,274
	<b>(82,756,628)</b>	<b>(84,692,716)</b>	<b>(169,653,233)</b>	<b>(172,071,098)</b>
<b>Operating Profit</b>	<b>542,408,764</b>	<b>460,345,042</b>	<b>701,980,155</b>	<b>743,356,813</b>
Financial (Cost) /Income	(70,165,726)	35,451,281	(156,974,215)	(121,602,607)
	<b>472,243,038</b>	<b>495,796,323</b>	<b>545,005,940</b>	<b>621,754,206</b>
Other Income/(Loss)	157,403,690	4,935,455	263,611,872	52,533,589
	<b>629,646,727</b>	<b>500,731,778</b>	<b>808,617,812</b>	<b>674,287,795</b>
Other Expenses	(43,148,644)	(38,150,815)	(55,493,379)	(42,370,485)
<b>Profit Before Taxation</b>	<b>586,498,083</b>	<b>462,580,963</b>	<b>753,124,433</b>	<b>631,917,310</b>
Taxation	(210,897,441)	(167,752,676)	(283,072,250)	(191,280,386)
<b>Profit for the Period</b>	<b>375,600,643</b>	<b>294,828,287</b>	<b>470,052,183</b>	<b>440,636,924</b>
<b>Earnings per share (EPS)</b>				
- Basic and Diluted	1.64	1.29	2.06	1.93

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

  
 Chief Executive Officer

  
 Chief Financial Officer

  
 Director

CITI PHARMA LIMITED  
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Note	Three month ended		Six Month Ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
		-----Rupees-----			
<b>Profit for the period</b>		375,600,643	294,828,287	470,052,183	440,636,924
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>375,600,643</b>	<b>294,828,287</b>	<b>470,052,183</b>	<b>440,636,924</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 HALF YEAR ENDED DECEMBER 31, 2023**

December 31, 2023      December 31, 2022  
 -----Rupees-----

**CASH FLOW FROM OPEARTING ACTIVITIES**

<b>Profit Before Taxation for the period</b>	<b>753,124,433</b>	<b>631,917,310</b>
<b><u>Adjustments For Non- Cash Items And Other Line Items:</u></b>		
Depreciation	49,098,973	43,572,953
Financial Charges	156,974,215	121,602,607
Accrued Interest Income	(5,252,855)	(26,632,788)
Unrealized Gain/Loss on Investment in Shares	(63,934,580)	62,739,607
Amortization and Extinguishment of Deferred Grant	(1,321,831)	(20,033,172)
Gratuity Expense	10,850,323	3,169,688
Worker's Profit Participation Fund	40,430,891	33,714,390
Worker's Welfare Fund	15,062,489	12,086,878
	<b>201,907,624</b>	<b>230,220,163</b>
<b>Profit/ (Loss) before working capital changes</b>	<b>955,032,057</b>	<b>862,137,473</b>
<b>Effect of working capital changes</b>		
Advances, Deposits And Prepayments	685,959	(34,859,575)
Trade Debts	367,335,176	1,975,354
Stock In Trade	(10,493,953)	(577,414,331)
Trade And Other Payables	309,521,075	892,531,616
	<b>667,048,258</b>	<b>282,233,064</b>
Financial Charges Paid	(149,392,629)	(122,340,404)
Income Tax Paid	(261,430,584)	(241,925,386)
Gratuity Paid	(244,050)	-
Worker's Profit Participation Fund	(54,091,160)	(55,422,964)
	<b>(465,158,423)</b>	<b>(419,688,753)</b>
<b>Net cash flow from operating activities</b>	<b>A      1,156,921,892</b>	<b>724,681,784</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase Of Property, Plant & Equipment	(39,472,094)	(7,022,116)
Paid for Capital Work in Progress	(249,372,794)	(343,164,407)
Paid for Long Term Security Deposits	2,130,900	-
Short Term Investments	52,829,364	252,429,308
<b>Net cash flow from investing activities</b>	<b>B      (233,884,624)</b>	<b>(97,757,215)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds less repayment of Long Term Financing	(36,658,110)	(363,293,218)
Due to Related Parties	(132,055,000)	-
Lease Rentals Paid	(1,981,203)	(2,989,928)
Dividend Paid	(569,763,099)	-
Short Term Borrowings	(337,533,809)	(108,930,893)
<b>Net Cash flow From Investing Activities</b>	<b>C      (1,077,991,221)</b>	<b>(475,214,039)</b>
<b>Net Increase/ (decrease) in cash and cash equivalents</b>	<b>A+B+C      (154,953,951)</b>	<b>151,710,530</b>
Cash and cash equivalents at beginning of the period	1,411,532,062	27,481,255
<b>Cash and cash equivalents at end of the period</b>	<b>1,256,578,111</b>	<b>179,191,785</b>
<b>Cash and cash equivalents compromise of:</b>		
Cash in hand	551,363	608,193
Cash at banks	70,176,075	178,583,592
Short Term Investments	1,185,850,673	-
	<b>1,256,578,111</b>	<b>179,191,785</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 HALF YEAR ENDED DECEMBER 31, 2023

PARTICULARS	SHARE CAPITAL	SHARE DEPOSIT MONEY	SHARE PREMIUM	REVENUE RESERVES	REVALUATION SURPLUS	TOTAL
----- Rupees -----						
Balance as at July 01, 2022	2,284,612,000	-	1,391,532,000	700,431,021	309,294,525	4,685,869,546
<b>Total Comprehensive Income for the six months</b>						
Profit for the period	-	-	-	440,636,924	-	440,636,924
Other comprehensive income	-	-	-	-	-	-
	-	-	-	440,636,924	-	440,636,924
Balance as at December 31, 2022	2,284,612,000	-	1,391,532,000	1,141,067,945	309,294,525	5,126,506,470
Balance as at July 01, 2023	2,284,612,000		1,391,532,000	1,387,634,785	309,294,525	5,373,073,310
<b>Total Comprehensive Income for the six months</b>						
Final Dividend Paid for the year ended June 2023 @ 25%				(571,153,000)		(571,153,000)
Profit for the period	-	-	-	470,052,183	-	470,052,183
Other comprehensive income	-	-	-	-	-	-
Balance as at December 31, 2023	2,284,612,000	-	1,391,532,000	1,286,533,968	309,294,525	5,271,972,493

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

  
 Chief Executive Officer

  
 Chief Financial Officer

  
 Director

**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, 2023, whereas the comparative condensed interim profit or loss and condensed interim statement of other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been extracted from un-audited condensed interim financial statements for the six months ended December 31, 2022.

**2.2 Basis of Measurement**

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

**2.3 Functional and presentation currency**

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

**2.4 Accounting Estimates and Judgement Used**

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

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that apply to the financial statements for the year ended June 30, 2023.

**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, 2023.

**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, 2023 but are considered not to be relevant or have any significant effect on the Company's financial reporting.

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

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

**CITI PHARMA LIMITED**  
**CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Notes	December 31, 2023 (Un-audited)	June 30, 2023 (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>			
<b>Opening Balance</b>			
117,692,000 (June 2023: 117,692,000) Ordinary shares of Rs. 10 each, fully paid in cash		1,176,920,000	1,176,920,000
110,769,200 (June 2023: 110,769,200) Ordinary Share of Rs. 10 each issued as fully paid Bonus shares		1,107,692,000	1,107,692,000
<b>Movement During the period / year</b>			
(June 2023: 72,692,000) ordinary shares issued through IPO at a premium of Rs. 22		-	-
(June 2023: 20,769,200) Ordinary Share of Rs. 10 each issued as fully paid Bonus shares		-	-
<b>Closing Balance</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		-	21,875,000
Term finance against purchase of machinery from Bank Al-Habib Limited		3,618,000	9,570,716
Finance of Machinery in SBP (TERF) from Bank Al-Habib Limited		24,141,000	32,971,394
		<b>27,759,000</b>	<b>64,417,110</b>
Current Portion shown under current liabilities		(27,759,000)	(55,876,047)
		-	<b>8,541,062</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, 2023.		
<b>6 DEFERRED GRANT</b>			
As at 01 July		3,625,811	46,671,792
Received during the year		-	-
Derecognition of Grant			(38,067,524)
Amortization and Derecognition of Grant		(1,321,831)	(4,978,457)
		2,303,980	3,625,811
Current portion		(2,303,980)	(3,043,317)
As at Period/ Year End		-	<b>582,494</b>
<b>7 LEASE LIABILITIES</b>			
The amount of future minimum lease payments along with their present value and the period during which they fall due are as under:			
Not later than one year		6,152,871	6,750,609
Later than one year but not later than five years		2,617,048	4,651,301
		8,769,919	11,401,910
Less: Un-Accrued Finance charges		(718,276)	(1,369,064)
		<b>8,051,643</b>	<b>10,032,846</b>
Less: Current maturity of long term obligation		(5,484,400)	(5,666,435)
		<b>2,567,243</b>	<b>4,366,411</b>
Payable within one year		5,484,400	5,666,435
Payable after one year		2,567,243	4,366,411
<b>8 CONTINGENCIES AND COMMITMENTS</b>			
There has been no material change in the status of contingencies and commitments disclosed in note 15 to the Company's financial statements for the year ended June 30, 2023.			
<b>9 PROPERTY PLANT &amp; EQUIPMENT</b>			
Operating fixed assets	<b>9.1</b>	3,032,062,173	3,039,139,260
Right of Use Assets		10,199,168	12,748,960
		<b>3,042,261,341</b>	<b>3,051,888,220</b>
<b>9.1 Operating Fixed Assets</b>			
Opening Written down value as at July 01		3,039,139,260	2,228,126,382
Addition during the period/year	<b>9.1.1</b>	39,472,094	898,412,851
Disposal during the period/year		-	-
		<b>39,472,094</b>	<b>898,412,851</b>
Depreciation charged for the period/ year		(46,549,181)	(87,399,973)
Closing written down value		<b>3,032,062,173</b>	<b>3,039,139,260</b>

	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
<b>9.1.1</b> Details of additions during the period/year as follows:		
Freehold Land	-	443,498,900
Building on Freehold Land	-	175,701,678
Plant & Machinery	28,011,994	270,597,054
Vehicles	-	-
Office Equipments	8,230,370	6,421,903
Furniture and Fixtures	3,058,930	1,673,943
Computers	170,800	519,372
	<b>39,472,094</b>	<b>898,412,851</b>
<b>9.2 Right of Use Assets</b>		
Opening Balance	12,748,960	15,936,200
Addition during the period/year	-	-
Depreciation charged during the period/year	(2,549,792)	(3,187,240)
Closing Balance	<b>10,199,168</b>	<b>12,748,960</b>

**Half year ended**

	December 31, 2023 (Un-audited)	December 31, 2022 (Un-audited)
	-----Rupees-----	
<b>10 OTHER INCOME</b>		
Bank Profits on Saving Accounts	1,763,324	1,763,324
Profits on Term Deposit Receipts (TDRs)	129,875,058	93,009,429
Dividend Income	7,105,773	7,391,716
Markup on Investment in Yaqeen Developers Limited (Related Party)	31,843,067	-
Un-Realized Gain/loss on Investment in Shares- Net	63,934,580	(65,456,169)
Realized Gain on Investment in Shares- Net	11,136,524	192,116
Exchange Gain	16,631,716	-
Realized Loss on Sale of LSE Shares	-	(4,400,000)
<b>Income from non-financial assets</b>		
Amortisation of Grant Income	1,321,831	1,876,799
Gain on settlement	-	18,156,373
	<b>263,611,872</b>	<b>52,533,589</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.

**11 TRANSACTION WITH RELATED PARTIES**

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

**11.1 Transaction for the period**

Nature	Relationship		
Salary	CEO	6,600,000	6,600,000
Salary	Directors	10,200,000	10,200,000
Dividend Paid	CEO	111,375,000	-
Dividend Paid	Directors	185,627,730	-
Meeting Fees	Directors	370,000	370,000

**11.2 Balance as at period/ year end**

Name of Related Party	Nature	Relationship		
- Yaqeen Developers	Investment	Associated	254,540,900	254,540,900
- Payable to Citi Technologies (Private) Limited			118,105,434	
- Short Term Loan from directors	Loan	Directors	47,320,000	12,200,000



## 12 UTILIZATION OF PROCEEDS FROM INITIAL PUBLIC OFFERING

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

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

Description	Funds Required (Rupees)	Allocation (%)	Actual Expenditure (Rupees)	Excess/ (Less) Incurred (Rupees)
<b>API Segment</b>				
Civil Works	150,000,000	7%	150,000,000	-
Procurement of Plant and Machinery	405,194,500	20%	291,741,077	(113,453,423)
	<b>555,194,500</b>	<b>27.28%</b>	<b>441,741,077</b>	<b>(113,453,423)</b>
<b>Formulation Segment</b>				
Civil Works	250,000,000	12%	154,219,142	(95,780,858)
Procurement of Plant and Machinery	307,630,000	15%	219,954,802	(87,675,198)
	<b>557,630,000</b>	<b>27.40%</b>	<b>374,173,944</b>	<b>(183,456,056)</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>-</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>	<b>-</b>

## 13 FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

### 13.1 Financial risk management information and disclosures

These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2023. There have been no change in any risk management policies since the year end.

### 13.2 Fair Value of Financial Instrument

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

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

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

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

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

	31-Dec-23			
	Level 1	Level 2	Level 3	Total
<b>Financial assets - fair value through profit or loss</b>				
- Short-term investment (shares of PSX)	143,460,600	-	-	143,460,600
<b>December 31, 2022</b>				
- Short-term investment (shares of PSX)	140,027,434	-	-	140,027,434

## 14 SEGMENT REPORTING

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

## 15 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **February 29, 2024** by the board of directors of the company.

## 16 GENERAL

The figures have been rounded off to the nearest rupees.

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

  
Chief Executive Officer

  
Chief Financial Officer

  
Director