



LUCKY CORE INDUSTRIES

Improving Lives

Report for the Nine Months Ended March 31, 2023



Contents

Lucky Core Industries Limited

| | |
|---------------------|----|
| Company Information | 02 |
|---------------------|----|

Condensed Interim Unconsolidated Financial Information

| | |
|---|----|
| Review of the Directors Unconsolidated (English/اردو) | 03 |
| Statement of Financial Position | 20 |
| Statement of Profit or Loss | 21 |
| Statement of Other Comprehensive Income | 22 |
| Statement of Changes in Equity | 23 |
| Statement of Cash Flows | 24 |
| Notes to the Financial Statements | 25 |

Condensed Interim Consolidated Financial Information

| | |
|---|----|
| Review of the Directors Consolidated (English/اردو) | 37 |
| Statement of Financial Position | 39 |
| Statement of Profit or Loss | 40 |
| Statement of Other Comprehensive Income | 41 |
| Statement of Changes in Equity | 42 |
| Statement of Cash Flows | 43 |
| Notes to the Financial Statements | 44 |

Company's Information

Board of Directors

| | | | |
|-----------------------|-------------------------------|-----------------------|-----------------|
| Muhammad Sohail Tabba | Chairman (Non-Executive) | Asif Jooma | Chief Executive |
| Muhammad Ali Tabba | Vice Chairman (Non-Executive) | Khawaja Iqbal Hassan | Independent |
| Jawed Yunus Tabba | Non-Executive | Muhammad Abid Ganatra | Executive |
| Amina A. Aziz Bawany | Non-Executive | Syed M. Shabbar Zaidi | Independent |

Audit Committee

| | |
|-----------------------|----------|
| Syed M. Shabbar Zaidi | Chairman |
| Khawaja Iqbal Hassan | Member |
| Muhammad Ali Tabba | Member |
| Jawed Yunus Tabba | Member |

HR & Remuneration Committee

| | |
|-----------------------|----------|
| Khawaja Iqbal Hassan | Chairman |
| Muhammad Sohail Tabba | Member |
| Muhammad Ali Tabba | Member |
| Jawed Yunus Tabba | Member |
| Asif Jooma | Member |

Chief Financial Officer

Atif Aboobukar

Company Secretary

Laila Bhatia Bawany

Head of Internal Audit

Khalid Munif Khan

Executive Management Team

Asif Jooma
Chief Executive

Atif Aboobukar*
Chief Financial Officer

Nauman Shahid Afzal
Vice President, Polyester

Arshaduddin Ahmed
Vice President, Chemicals & Agri Sciences

Laila Bhatia Bawany
General Counsel, Company Secretary and Head of Corporate Communications & Public Affairs

Muhammad Abid Ganatra
Vice President, Soda Ash

Eqan Ali Khan
General Manager, Strategy, Business Development & Innovation

Aamer Mahmud Malik
Vice President, Pharmaceuticals

Farrukh Rasheed
General Manager, Human Resources & Administration

**Alphabetised by last name*

Bankers

Allied Bank Limited
Allied Bank Limited – Islamic Banking Group
Askari Bank Limited
Askari Ikhlas – Islamic Banking
Bank Al Habib Limited
Bank Al Habib – Islamic Banking
Bank Alfalah Limited
Bank Alfalah Limited – Islamic Banking Group
Bank Islami Pakistan Limited
Bank of Khyber
Bank of Punjab
Citibank N.A.
Faysal Bank Limited
Habib Bank Limited
Habib Bank Limited – Islamic Banking
Habib Metropolitan Bank Limited
Habib Metropolitan Bank – Sirat Islamic
Industrial and Commercial Bank of China Limited
MCB Bank Limited
MCB – Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Samba Bank Limited
Standard Chartered Bank (Pakistan) Limited
Standard Chartered Bank (Pakistan) Limited – Saadiq
United Bank Limited
UBL Ameen

Registered Office

5 West Wharf,
Karachi-74000
Tel: 111-100-200, (021) 32313717-22
Website: www.luckycore.com

Shares Registrar

FAMCO Associates (Private) Limited
8-F, Next to Hotel Faran, Nursery,
Block-6, P.E.C.H.S.
Shahrah-e-Faisal, Karachi.
Tel: (021) 34380101-5
Fax: (021) 34380106

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisor

Imran Mushtaq & Company
78-B, Mozang Road (opp. British
Council), Lahore
Tel: (042) 36298184-5
Fax: (042) 36298186

Review of the Directors

for the Nine months ended March 31, 2023 - Unconsolidated

The Directors are pleased to present their review, together with the unaudited financial statements of the Company, for the quarter and nine months ended March 31, 2023.

On December 23, 2022, the Company changed its name from ICI Pakistan Limited to Lucky Core Industries Limited. Drawing on the Company's core strengths, the new brand name embodies the Company's central role in Delivering Enduring Value through a diverse portfolio of essential products that are at the 'core' of almost every industry and a part of every home in Pakistan. The new identity allows for enhanced alignment with its majority shareholder Lucky Group while drawing on the brand strength of its parent company, Lucky Cement Limited, a part of the Yunus Brothers Group (YBG) – a leading and diversified Pakistani conglomerate.

Net Turnover for the quarter at PKR 30,895 million is 37% higher compared to the same period last year (SPLY) primarily resulting from additional volumes from the Soda Ash business following the successful commissioning of the 135,000 tonnes per annum (TPA) Soda Ash expansion project. Of the 135,000 TPA, 60,000 TPA were commissioned in March 2023, while the 75,000 TPA expansion was completed in Jun'22. Additional volumes coupled with cost push price adjustments due to inflationary increases on account of the devaluation of the Pak Rupee led to higher revenue by 67% versus the SPLY. Revenues of the Polyester, Chemical & Agri Sciences, Animal Health and Pharmaceuticals businesses increased by 26%, 37%, 35% and 1% respectively versus the SPLY.

The Operating Result for the quarter at PKR 5,120 million is 69% above the SPLY. All business segments contributed towards this robust performance with the exception of the Pharmaceuticals business which remained under pressure, posting Operating Results lower by 18% as compared to the SPLY. The Chemicals & Agri Sciences, Soda Ash, Polyester and Animal Health businesses delivered higher Operating Results by 164%, 86%, 53% and 32% respectively as compared to the SPLY.

The Chemicals & Agri Sciences business delivered robust results driven by strong performance in the oil seeds category and improved margin management. The Soda Ash business' performance was driven mainly by higher volumes as a result of the completion of expansion projects. The Polyester business delivered growth owing to a higher sales volume coupled with healthy unit margins on the back of favourable regional and local dynamics. The Animal Health business continued with its robust performance whereas the Pharmaceuticals business was impacted by a significant cost push due to the depreciation of the Pak Rupee and other inflationary cost increases in a price regulated industry.

The Net Turnover for the nine months under review at PKR 80,309 million is 29% higher compared to the SPLY. Revenue from the Soda Ash, Animal Health, Polyester, Chemical & Agri Sciences and Pharmaceuticals businesses was higher by 72%, 27%, 12%, 10% and 4% respectively, as compared to the SPLY.

The Operating Result for the nine months period under review at PKR 10,417 million is 20% higher than the SPLY. The Soda Ash, Chemicals & Agri Sciences and Animal Health businesses delivered higher Operating Results by 73%, 25% and 20% respectively as compared to the SPLY, whereas the Polyester and Pharmaceuticals businesses posted a decline in Operating Results by 27% and 15% as compared to the SPLY.

During the period under review, the Company's business operations continued to face severe macroeconomic challenges in comparison to the SPLY. Significant increases in the cost of doing business, depreciation of the Pak Rupee in comparison to the US Dollar, hikes in interest rates, import restrictions, changes in the tax regime, and fluctuations in global commodity prices remained the major challenges faced by the Company during the period.

Monetary tightening measures implemented at the start of the current fiscal year were further reinforced during the quarter under review, leading to a substantial slowdown in domestic economic activity. The depletion of forex reserves to an alarmingly low level, amidst import restrictions, has made securing imported raw materials and machinery spares challenging for industries, thereby hindering their ability to streamline uninterrupted operations. The socio-economic consequences of the devastating monsoon flooding, which resulted in the extensive loss of livelihoods are still being felt through surging food prices and unemployment rates. These challenges, combined with elevated energy costs, mounting inflation, increased borrowing costs, and depreciation of the local currency, have resulted in a decline in demand.

In January 2023, the Company successfully concluded the sale of 21,763,125 ordinary shares of NutriCo Morinaga Private Limited ('NMPL') (constituting approximately 26.5% of the issued and paid up share capital of NMPL) at an aggregate price of USD 45,082,657 to Morinaga Milk Industry Co. Ltd Japan ('Morinaga Milk'). Consequently, a sum of PKR 9,842 million was recorded in the standalone financial statements of the Company being the premium for the loss of controlling interest and gain on sale of shares. The Company continues to hold approximately 24.5% of the issued and paid up capital of NMPL, making it an 'Associated Company', whilst Morinaga Milk's shareholding has increased to 51% of the issued and paid up share capital of NMPL. The acquisition of majority shareholding by Morinaga Milk will bode well for the future of NMPL, resulting in accretive value creation for all shareholders.

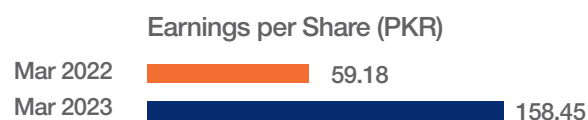
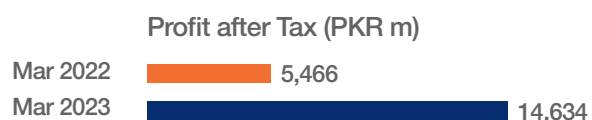
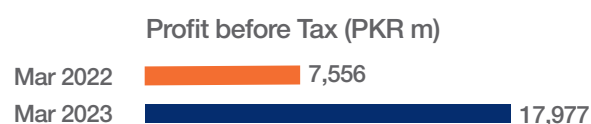
During the period under review, the Company entered into a Share Purchase Agreement with Lotte Chemicals Corporation on January 26, 2023, for the acquisition of approximately 75.01% of the issued and paid up capital of Lotte Chemical Pakistan Limited, comprising 1,135,860,105 ordinary shares. The completion of the transaction remains subject to the terms of the SPA, including receipt of requisite approvals and completion of other closing conditions.

Profit after Tax (PAT) for the nine months period under review at PKR 14,634 million is 168% higher than the SPLY primarily on account of higher Operating Results and a gain of PKR 9,842 million on the divestment of 26.5% shares in NMPL slightly offset by an increase in finance costs and higher exchange loss. Excluding the impact of the aforesaid one-off accounting gain on the divestment of NMPL shares, PAT would have been at PKR 5,672 million, recording an increase of 4% from the SPLY.

The significant increase in finance cost is attributable to a 1,025 basis point increase in the policy rate compared to the SPLY coupled with an increase in overall debt levels to support higher working capital requirements on account of an increase in commodity prices, supply chain disruptions and devaluation. During the period, Pak Rupee lost 37% value against the US Dollar resulting in a significant exchange loss of PKR 934 million. The Company's profitability was additionally affected by a rise in the effective tax rate as a result of the imposition of a Super Tax, which was included in the Federal Budget for the year 2022-23.

Earnings per Share (EPS) for the nine months period under review at PKR 158.45 is 168% higher than the SPLY. Excluding the impact of a one-off gain from the divestment of NMPL shares, EPS would have been at PKR 61.40, recording an increase of 4% from the SPLY.

| | | Nine Month Ended Mar'23 | Nine Month Ended Mar'22 |
|-------------------------------|---------------|----------------------------|----------------------------|
| Net Turnover | (PKR million) | 80,309 | 62,441 |
| Profit before Taxation | (PKR million) | 17,977 | 7,556 |
| Profit after Taxation | (PKR million) | 14,634 | 5,466 |
| Earnings per Share | (PKR) | 158.45 | 59.18 |



Polyester Staple Fibre Business (PSF)



During the period under review, global supply chain disruptions due to the ongoing Russia-Ukraine conflict resulted in product shortages and a substantial increase in energy and food prices as compared to the SPLY.

Net Turnover of the Polyester business for the quarter is 26% higher than the SPLY. This increase is attributable to higher import offers, and a minor rebound in the downstream demand backed by an increase in feedstock prices.

The Operating Result for the quarter is 53% higher than the SPLY. Margins during the quarter remained healthy on the back of favourable regional dynamics and improved efficiencies.

During the quarter under review, the crude oil average price was down by 15% as compared to the SPLY due to low demand on account of tight global economic conditions. Tracking weak crude oil prices, PX, PTA and MEG average prices decreased during the period.

The Net Turnover of the Polyester business for the nine months period at PKR 29,595 million was higher by 12% against the SPLY. The increase was attributable to higher PSF prices due to the devaluation of the Pak Rupee and higher feedstock prices. The impact of higher selling prices was muted due to lower sales volumes particularly in the first half of the year as downstream markets witnessed a significant slowdown owing to challenging economic conditions both locally and internationally. Consequently, the Operating Result at PKR 2,180 million is 27% lower compared to the SPLY due to the aforesaid demand dip, higher energy costs, and a reduction in energy subsidy by the Government to the textile sector.

During the nine months under review, crude oil, PX and PTA average prices were up by 7% as compared to the SPLY. On account of increased supply, the average price of MEG decreased by 29% as compared to the SPLY. Additionally, a 37% devaluation of the Pak Rupee against the US Dollar resulted in a corresponding 27% increase in the average price of domestic PSF as compared to the SPLY.

Fuel prices followed an upward trajectory whereby a hike of 30% was observed in furnace oil prices. Moreover, from October 2022, the price of gas to the textile sector increased to USD 9 per MMBtu from USD 6.5 per MMBtu, which along with the devaluation of the Pak Rupee has caused energy costs to significantly increase by 38% compared to the SPLY.

On the cotton front, improved cotton production and the global recession adversely impacted textile markets. The average price of international cotton decreased by 33%, as compared to the SPLY. However, in Pakistan, the devastating impact of recent flooding has tightened the availability of domestic cotton causing the average price to increase marginally, as compared to the SPLY.

Going forward, the short term global outlook is expected to remain affected by uncertainties impacting the financial sector and high inflation, hence the demand for textiles is expected to remain under pressure. Domestic market demand is expected to remain on the lower side due to ongoing economic challenges. Due to the unexpected production cut announced by OPEC+, crude oil markets are expected to pose a stronger rebound. Furthermore, owing to upcoming seasonal demand, trade activities are expected to improve with reduced operating rates for PX, PTA and PSF markets, causing prices to strengthen.

Soda Ash Business



The domestic soda ash market remained flat in the first nine months of the fiscal year 2022-23 in contrast to the SPLY. The domestic sales volume of the Company's Soda Ash business grew by 13% on the back of imports curtailment during the period under review compared to the SPLY.

The business faced a challenging scenario in the domestic market on the back of unprecedented Pak Rupee devaluation, inflation, interest rate hikes and rising commodity prices. However, during the period under review, the business achieved an Operating Result of PKR 5,456 million, which is 73% higher than the SPLY, primarily on account of higher sales volumes as a result of the expansion of 75,000 TPA completed in June 2022 and 60,000 TPA completed in March 2023 along with efficient plant operations. The successful completion of the expansion, resulting in 560,000 TPA installed plant capacity, marks a new milestone for the business.

On the domestic front, owing to the uncertain economic landscape of the country, local industries are expected to remain under pressure and resultantly the business anticipates a sluggish outlook in the downstream segments.

On the export side, the business continues to establish its mark in the global soda ash market by maintaining its footprint in existing markets whilst exploring new and more sustainable export destinations.

Pharmaceuticals Business



The Pharmaceutical Industry continues to face substantial challenges due to the ongoing currency crisis, with a sharp depreciation of the Pak Rupee by approximately 37% as compared to the previous year. This, along with the rising costs of imported raw and packing materials, has caused a considerable increase in the cost of goods sold. Moreover, the imposition of sales tax on all pharmaceutical inputs and output has further increased the industry's costs, which cannot be passed on to consumers due to regulatory controls by the Federal Government.

During the period under review, the Company's Pharmaceutical business achieved a Net Turnover of PKR 6,744 million, representing a 4% increase over the SPLY which was primarily on account of an improved product mix partly offset by a decline in sales volumes. Despite the sales increase, the Operating Result for the nine months under review at PKR 812 million declined by 15% against the SPLY reflecting a significant cost push caused by the devaluation of the Pak Rupee and other inflationary cost increases.

The immediate outlook for the pharmaceutical industry does not look promising, as the cost of production continues an upward trajectory in the face of a continuing fall in the value of the Pak Rupee against internationally traded currencies. Rising costs and the industry's inability to increase prices due to Government regulated price controls have significantly eroded gross margins across the whole product portfolio. The continuation of this trend coupled with the absence of any relief extended by the Government is expected to render the production of most life-saving drugs uneconomic, hence depriving the patients of cost-effective medicines.

Animal Health Business



The prevailing economic conditions have had an adverse impact on the animal health industry in Pakistan. The industry has faced numerous challenges, including price hikes and shortages due to the unavailability of key raw materials. Persistent inflation and the continuous devaluation of the Pak Rupee, coupled with higher local input costs and the limited ability of farmers to pass on the increase in the cost of production to end users have resulted in a higher cost of production and erosion of margins. Owing to this, a decline in the overall market size has been observed.

Despite the aforementioned challenges, the Animal Health business achieved a Net Turnover of PKR 2,013 million for the quarter under review, which is 35% higher than the SPLY. The Operating Result at PKR 266 million posted a 32% increase compared to the SPLY.

During the nine months under review, the Net Turnover at PKR 5,277 million is 27% higher than the SPLY. The Operating Result at PKR 715 million posted a 20% increase compared to the SPLY.

The business was able to deliver growth through the strong performance of its locally manufactured Farmer's Choice portfolio, in both the livestock and poultry segments. Furthermore, an overall efficient product mix resulted in increased profitability for the business.

The rise in the cost of production, energy, animal fodder and other inputs has led to higher selling prices of feed, resulting in eroding margins and a liquidity crunch for poultry and livestock farmers. In response, farmers are seeking cheaper, albeit low grade locally manufactured alternatives in the market. Additionally, persisting LC delays by banks have limited the business's ability to receive key raw materials. This coupled with the recent increase in sales tax by 1%, has increased costs, negatively affecting business operations and profitability.

The immediate outlook remains vague and rising costs coupled with uncertain macro-economic policies have made long-term planning difficult. With high inflation and a reduction in the end user's purchasing power, demand is expected to shrink likely impacting the business' performance.

The business will continue to closely monitor the situation, and take the necessary measures to mitigate the impact of these challenges remaining committed to delivering high-quality products for the benefit of its stakeholders.

Chemicals & Agri Sciences Business



The Chemicals and Agri Sciences business achieved a Net Turnover of PKR 3,880 million for the quarter which is 37% higher than the SPLY. The Operating Result for the quarter was recorded at PKR 878 million which is 164% higher than the SPLY.

The Net Turnover and Operating Result for the nine-months period under review at PKR 8,581 million and PKR 1,254 million, are higher by 10% and 25% compared to the SPLY, respectively. Despite the unprecedented economic challenges, the business managed its profitability through effective margin management and operational excellence.

The Agri Sciences business effectively overcame the impacts of the catastrophic monsoon floods by leveraging its diversified product portfolio, delivering strong performance in the oil seeds category.

The performance of the Chemicals business was negatively impacted due to uncertain economic conditions with a slowdown in activities across the country, significant demand curtailment in major sectors translating into lower off-takes, plant shutdowns and liquidity constraints across the entire value chain.

The Masterbatches segment continued its upward momentum and posted a volumetric growth of 25% compared to the SPLY, with improved margins. The segment remains focused on new product development and technical excellence, which are in line with the growth and market leadership aspirations of the business.

Continued monetary tightening measures, inflationary pressures and a consequential increase in interest rates, import restrictions to curb the trade deficit, consistent currency devaluation and political unrest have severely hampered the domestic business environment. Going forward, these challenges are expected to keep the business' profitability under pressure. However, the business is committed to maintaining its focus on operational excellence and cost optimisation while delivering robust results.

Future Outlook

The economic impacts of the Russia/Ukraine conflict continue to take a toll on global markets, with weak global economic growth projections for 2023 owing to high inflation, aggressive monetary tightening and broader financial market fragility. Diminishing economic activity has been observed across major economic blocs such as the USA and Europe, however, there are expectations of improved economic performance than earlier estimates.

Pakistan's economy on the other hand is still grappling with the aftermath of recent floods and an expansionary policy response, leading to low foreign reserves and high inflation. Although recent monetary tightening, fiscal consolidation, elimination of energy subsidies, and the removal of the informal exchange rate cap have helped to mitigate imbalances, the significant challenges faced by businesses in the form of import and forex outflow controls, higher borrowing and fuel costs, and persistent policy uncertainty has resulted in a sharp deceleration in growth. In its latest review, the World Bank has further downgraded Pakistan's GDP outlook to 0.4% for FY' 2023. With looming external debt repayments in sight, further delays in the resumption of the IMF loan programme are expected to have far reaching consequences due to restricted access to international capital markets.

Looking ahead, the economic outlook is expected to be shaped significantly by the restoration of political stability, flood relief support from the international community, the revival of the IMF programme, and assistance from friendly nations, along with the continued implementation of reforms aimed at stabilising the economy to restore fiscal and external buffers. However, these measures will keep demand in check and inflation high for the next few quarters.

Going ahead, the above factors will continue to dampen overall industrial activity and the demand for the Company's products. Lucky Core Industries Limited remains committed to leveraging its diverse product portfolio and cost rationalisation efforts to minimise adverse impacts and deliver sustainable results.

Composition of the Board

In line with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company encourages the representation of Independent and Non-Executive Directors, as well as gender diversity, on its Board.

The current composition of the Board is as follows:

Total number of Directors:

- (a) Male: 7
- (b) Female: 1

Composition:

- (i) Independent Directors: 2
- (ii) Non-Executive Directors: 4
- (iii) Executive Directors: 2




Muhammad Sohail Tabba

Chairman / Director

Dated: April 26, 2023

Karachi



Asif Jooma

Chief Executive

بورڈ کی موجودہ تشکیل درج ذیل ہے:

ڈائریکٹرز کی کل تعداد:

(الف) مرد: 7

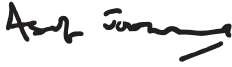
(ب) خواتین: 1

تشکیل:

(i) آزاد ڈائریکٹرز: 2

(ii) نان ایگزیکٹو ڈائریکٹرز: 4

(iii) ایگزیکٹو ڈائریکٹرز: 2



آصف جمعہ
چیف ایگزیکٹو



محمد سہیل بٹا
چیرمین / ڈائریکٹر

تاریخ: 26 اپریل 2023
کراچی

مستقبل پر نظر

روس، یوکرین جنگ کے اقتصادی نقصانات سے عالمی مارکیٹوں پر منفی اثرات میں اضافہ ہوا جس کے نتیجے میں 2023 کے لیے عالمی معاشی ترقی کا کمزور تخمینہ لگایا گیا ہے جس کی بنیادی وجہ مہنگائی بڑھنے، سخت معاشی اقدامات اور نازک ترین اقتصادی صورتحال معلوم ہو رہی ہے۔ عالمی معاشی ترقی کے اہم ارکان مثلاً امریکہ اور یورپ میں بھی معاشی ابتری کی صورتحال دیکھی جا رہی ہے تاہم وہاں پر پہلے سے بہتر معاشی کارکردگی کی توقع کی جا رہی ہے۔

پاکستانی معیشت حالیہ سیلابوں سے ہونے والی تباہی، توسیعی پالیسی اختیار کرنے، زرمبادلہ کے ذخائر میں ہونے والی کمی اور مہنگائی سے شدید متاثر ہوئی ہے۔ تازہ ترین معاشی بحالی کے اقدامات، معاشی اصلاحات، توانائی سے متعلق سبسڈی کے خاتمے اور غیر روایتی ایکنج ریٹ کے خاتمہ سے عدم توازن سے نکلنے میں مدد ملی ہے تاہم درآمدات اور فاریکس آؤٹ فلو سے متعلق بزنس کولاجن مختلف مسائل، قرضہ جات اور فیول کے اخراجات میں اضافہ اور پالیسی کے عدم استحکام سے ترقی کی رفتار سست روی کا شکار ہے۔ عالمی بینک نے اپنے تازہ جائزے میں پاکستان کو ڈاؤن گریڈ کرتے ہوئے مالی سال 2023 کے لیے جی ڈی پی 0.4 فیصد رہنے کی پیش گوئی کی ہے۔ بڑھتے ہوئے بیرونی قرضہ جات کے پس منظر میں، آئی ایم ایف پروگرام کی بحالی میں مزید تاخیر سے عالمی کیپٹل مارکیٹ کی رسائی محدود ہونے سے معاشی نقصانات سنگین ہو سکتے ہیں۔

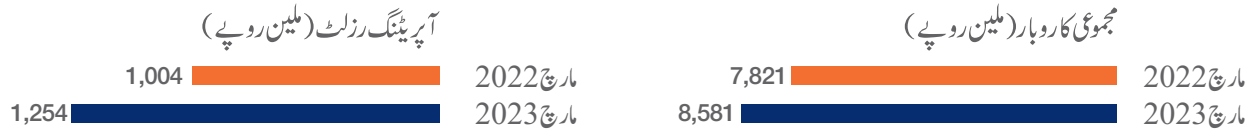
علاوہ ازیں، سیاسی استحکام کی بحالی، عالمی برادری سے فلڈ ریف سپورٹ، انٹرنیشنل مانیٹری فنڈ پروگرام کی بحالی اور دوست ممالک سے مالی تعاون کے ساتھ مالیاتی اور خارجی استحکام کی بحالی کے لیے معیشت کو مستحکم کرنے والے اقدامات پر عمل درآمد سے ہی معاشی مستقبل بہتر ہونے کی توقع ہے۔ البتہ ان اقدامات سے آئندہ کچھ سہ ماہیوں میں طلب کی کمی اور مہنگائی میں اضافہ رہے گا۔

علاوہ ازیں، مذکورہ بالا عوامل سے مجموعی صنعتی سرگرمی اور کمپنی کی پروڈکٹس کی طلب پر منفی اثرات پڑ سکتے ہیں۔ مکی کورانڈسٹریز لمیٹڈ ان مسائل سے نبرد آزما ہونے کے لیے اپنے وسیع پروڈکٹ پورٹ فولیو کے بہتر استعمال اور اخراجات میں کمی سے اعلیٰ نتائج کی فراہمی کے لئے ترقی کے مواقع پیدا کرنے والے اپنے عزم پر موثر انداز میں کوشاں ہے۔

بورڈ کی تشکیل

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی تعمیل میں، کمپنی اپنے بورڈ میں آزاد اور نان ایگزیکٹو ڈائریکٹرز کی نمائندگی کے ساتھ خواتین کی شمولیت کے لیے بھی پرعزم ہے۔

کیمیکلز اینڈ ایگری سائنسز بزنس



کیمیکلز اور ایگری سائنسز بزنس نے زیر جائزہ سہ ماہی کے دوران 3,880 ملین روپے کا مجموعی کاروبار کیا جو کہ گزشتہ سال کی اسی مدت کے مقابلے میں 37 فیصد زائد ہے۔ سہ ماہی کے لیے کاروباری منافع 878 ملین روپے بنتا ہے جو گزشتہ سال کی اسی مدت کے مقابلے میں 164 فیصد زیادہ ہے۔

زیر جائزہ 9 ماہ کے لیے مجموعی آمدنی اور کاروباری منافع 8,581 ملین روپے اور 1,254 ملین روپے بنتا ہے جو کہ گزشتہ سال کی اسی مدت کے مقابلے میں 10 فیصد اور 25 فیصد زائد ہے۔ شدید ترین معاشی مسائل کے باوجود، بزنس نے کاروباری مہارت اور منافع کے موثر انتظام سے اپنے لیے منافع کا حصول یقینی بنایا۔

ایگری سائنسز بزنس نے مون سون کے تباہ کن بارشوں اور سیلاب کے اثرات پر موثر انداز میں قابو پاتے ہوئے اپنے وسیع پروڈکٹ پورٹ فولیو کو بروئے کار لانے میں کامیاب رہا اور آئل سیڈ کیلنگری سے شاندار کارکردگی حاصل کی۔

کیمیکلز بزنس کی کارکردگی پر غیر یقینی معاشی حالات کے نتیجے میں ملک بھر کی تجارتی سرگرمیوں میں سست روی سے منفی اثرات مرتب ہوئے، تمام بڑے شعبہ جات سے طلب میں واضح کمی سے فراہمی کے متاثر ہونے، پلانٹ کی بندش اور پورے ویلیو چین میں لیکویڈیٹی کے مسائل نے کاروبار کو شدید متاثر کیا۔

ماسٹر ہیڈز شعبے نے استحکام دکھایا اور گزشتہ سال کی اسی مدت کے مقابلے میں 25 فیصد اضافی مقدار کے ساتھ بہتر منافع حاصل کرنے میں کامیابی حاصل کی۔ بزنس نے نئی پروڈکٹس کی تیاری اور ٹیکنیکی مہارت پر توجہ مرکوز رکھی تاکہ ترقی اور مارکیٹ کی لیڈر شپ کے اپنے عزائم کا حصول یقینی ہو۔

سخت معاشی اقدامات کے تسلسل، مہنگائی کے دباؤ اور شرح سود میں اضافہ، تجارتی خسارہ کم کرنے کے لیے درآمدات پر پابندیوں، روپے کی مسلسل ناقدری اور سیاسی عدم استحکام نے بزنس کے مقامی ماحول کو شدید متاثر کیا ہے۔ مزید برآں، ان مسائل سے بزنس کے منافع کی صلاحیت پر دباؤ آنے کے امکانات ہیں۔ البتہ، بزنس نے اپنی کاروباری مہارت اور اخراجات پر قابو پانے کے ذریعے مستحکم ترقی کی کوششیں جاری رکھی ہوئی ہیں۔

ہینمیل ہیلتھ بزنس



پاکستان میں ہینمیل ہیلتھ انڈسٹری کو موجودہ معاشی صورتحال کی ابتداء سے منفی اثرات کا سامنا ہے۔ انڈسٹری کو مختلف قسم کے مسائل کا سامنا ہے جس میں قیمتوں کا بڑھنا اور اہم خام مال کی غیر موجودگی اور قلت جیسے مسائل بھی شامل ہیں۔ مہنگائی کے تسلسل اور روپے کی ناقدری برقرار رہنے، مقامی خام مال کی قیمتوں کے بڑھنے سے پیداوار لاگت میں اضافہ اور منافع میں کمی واقع ہو رہی ہے۔ علاوہ ازیں، مجموعی طور پر مارکیٹ سائز میں کمی بھی واقع ہو رہی ہے۔

زیر جائزہ مدت کے دوران، مذکورہ بالا مسائل کے باوجود، ہینمیل ہیلتھ بزنس نے 2,013 ملین روپے کا مجموعی کاروبار کیا جو گزشتہ سال کی اسی مدت کے مقابلے میں 35 فیصد زائد ہے۔ نتیجتاً بزنس کا کاروباری منافع 266 ملین روپے رہا جو گزشتہ سال کی اسی مدت کے مقابلے میں 32 فیصد زائد ہے۔

زیر جائزہ 9 ماہ کے دوران ہینمیل ہیلتھ بزنس نے 5,277 ملین روپے کا مجموعی کاروبار کیا جو گزشتہ سال کی اسی مدت کے مقابلے میں 27 فیصد زائد ہے۔ نتیجتاً بزنس کا کاروباری منافع 715 ملین روپے رہا جو گزشتہ سال کی اسی مدت کے مقابلے میں 20 فیصد زائد ہے۔

بزنس نے اپنے مقامی طور پر تیار کردہ فارمز چوآنس پورٹ فولیو کی شاندار کارکردگی سے ترقی کا سفر جاری رکھتے ہوئے اپنے لائیو اسٹاک اور پولٹری کے شعبوں میں پیش قدمی جاری رکھی۔ مزید برآں، مجموعی طور پر موثر پروڈکٹس کے نتیجے میں بزنس کے منافع کی صلاحیت بڑھانے میں کامیابی حاصل کی۔

پیداواری لاگت، بجلی، جانوروں کے چارے اور دیگر خام مال کی لاگت میں اضافے سے قیمت فروخت میں اضافہ ہوا ہے جس نے پولٹری اور لائیو اسٹاک فارمز کے منافع کو کم کرنے کے ساتھ لیکویڈیٹی میں خلل پیدا کیا ہے۔ نتیجے میں کسان اپنے جانوروں کی صحت سے متعلق نسبتاً سستے حل تلاش کر رہے ہیں۔ علاوہ ازیں، بینکوں کی جانب سے ایل سیز میں تاخیر نے بزنس کی خام مال حاصل کرنے کی صلاحیت کو محدود کر دیا ہے۔ اس کے ساتھ سیلز ٹیکس میں ایک فیصد کے حالیہ اضافے سے اخراجات بڑھ گئے اور کاروباری منافع اور آپریشنز پر منفی اثرات مرتب ہو رہے ہیں۔

مزید برآں، کاروباری اخراجات کے بڑھ جانے، غیر یقینی پر مبنی میکرو اکنامک پالیسیوں سے قلیل مدتی جائزہ میں بزنس پر منفی اثرات مرتب ہونے کی توقع کی جا رہی ہے۔ ہو شر با مہنگائی اور قوت خرید میں کمی کے نتیجے میں طلب سکڑنے اور بزنس کی کارکردگی پر منفی اثرات مرتب ہونے کی توقع ہے۔

بزنس موجودہ صورتحال کا بغور جائزہ لے کر ان مسائل سے نبرد آزما ہونے کے لیے ضروری اقدامات اٹھانے کے لیے تیار ہے تاکہ اپنے شراکت داروں کے منافع کو یقینی بنانے کے لیے اعلیٰ معیار پر پروڈکٹس کی فراہمی جاری رہے۔

فارماسیو ٹیکلز بزنس



فارماسیو ٹیکلز انڈسٹری گزشتہ سال کی اسی مدت کے برعکس پاکستانی روپے کی 37 فیصد ناقدری سے شدید مسائل کا شکار ہے۔ اس کے علاوہ درآمدہ خام مال اور بیکنگ میٹریل کے مہنگے ہونے سے فروخت ہونے والی اشیاء کی لاگت میں ہوشربا اضافہ ہوا ہے۔ فارماسیو ٹیکلز میں استعمال ہونے والے مال اور پیداوار پر سیلز ٹیکس کے نفاذ سے انڈسٹری کے اخراجات بڑھ چکے ہیں جسے وفاقی حکومت کے ریگولیٹری ضابطوں کی وجہ سے صارفین پر منتقل نہیں کیا جاسکتا۔

زیر جائزہ مدت کے لیے فارماسیو ٹیکلز بزنس کا مجموعی کاروبار 6,744 ملین روپے بنتا ہے جو گزشتہ سال کی اسی مدت کے مقابلے میں 4 فیصد زائد ہے۔ اس میں بہتر پروڈکٹ مکس نے فائدہ پہنچایا جبکہ سیلز کی مقدار میں کمی نے جزوی طور پر متاثر کیا۔ سیلز میں اضافے کے باوجود، زیر جائزہ 9 ماہ کے دوران کاروباری منافع گزشتہ سال کی اسی مدت کے مقابلے میں 15 فیصد کمی کے ساتھ 812 ملین روپے بنتا ہے جس میں پاکستانی روپے کی ناقدری اور مہنگائی کے سبب بڑھنے والے اخراجات نے منفی اثرات مرتب کئے۔

فارماسیو ٹیکلز انڈسٹری کا فوری جائزہ اچھا نہیں دکھتا کیونکہ عالمی تجارتی کرنسیوں کے مقابلے میں پاکستانی روپے کی مسلسل ناقدری سے پیداواری اخراجات بڑھتے جا رہے ہیں۔ بڑھتے ہوئے اخراجات اور حکومتی پرائس کنٹرول کے سبب قیمتوں کے بڑھانے سے قاصر رہنے کی صورت میں پورے پروڈکٹ پورٹ فولیو کے منافع پر منفی اثرات مرتب ہوئے ہیں۔ ایسی صورت حال کے جاری رہنے اور حکومت کی جانب کوئی رعایت نہ ملنے کی صورت میں، زندگی بچانے والی اکثر پروڈکٹس کی تیاری غیر منافع بخش رہے گی، نتیجے میں مریضوں کو مناسب قیمت پر ادویات کی دستیابی ممکن نہیں ہوگی۔

سوڈا ایش بزنس



مالیاتی سال 2022-23 کے پہلے 9 ماہ کے دوران مقامی سوڈا ایش کی مارکیٹ گزشتہ سال کی اسی مدت کے مقابلے میں تقریباً یکساں رہی۔ البتہ کمپنی کے سوڈا ایش بزنس کی مقامی سیلز کی مقدار گزشتہ سال کی اسی مدت کے مقابلے میں درآمدات پر پابندیوں کے نتیجے میں 13 فیصد بڑھ گئی۔

پاکستانی روپے کی ناقدری، مہنگائی، شرح سود میں اضافے اور اجناس کی قیمتوں کے بڑھ جانے سے مقامی مارکیٹ کی صورت حال مشکل ترین رہی۔ البتہ زیر جائزہ مدت کے دوران، بزنس نے گزشتہ سال کی اسی مدت کے مقابلے میں 73 فیصد اضافے کے ساتھ 5,456 ملین روپے کا کاروباری منافع کمایا جس میں سیلز کی مقدار بڑھنے سے کامیابی حاصل ہوئی، مذکورہ مقدار کے بڑھنے میں جون 2022 کو مکمل ہونے والے 75,000 TPA کے توسیعی منصوبے کی تکمیل اور مارچ 2023 میں 60,000 TPA کے مزید توسیعی پروجیکٹ مکمل ہونے کے ساتھ پلانٹ کی بھرپور صلاحیتوں کا کردار ہے۔ توسیعی منصوبے کی کامیابی کے ساتھ تکمیل کے نتیجے میں حاصل ہونے والی TPA 560,000 پلانٹ کی صلاحیت بزنس کے لیے ایک اور سنگ میل کی حیثیت رکھتی ہے۔

مقامی سطح پر، ملک میں معاشی غیر یقینی کی صورت حال کے نتیجے میں، مقامی صنعتیں دباؤ کا شکار رہنے کی توقع ہے اور نتیجے میں بزنس کو ڈاؤن اسٹریم شعبہ جات میں سست روی کی صورت حال پیدا ہونے کے امکانات ہیں۔

برآمدات کے اعتبار سے، بزنس اپنی موجودہ بیرونی رسائی کو مضبوط بناتے ہوئے عالمی سوڈا ایش کی مارکیٹ میں اپنی حیثیت قائم کرنے کے لیے کوشاں ہے جبکہ مختلف ایکسپورٹ مارکیٹوں میں اپنی پیش قدمی بڑھانے اور مستحکم مقامات کے حصول میں مصروف ہے۔

پولیسٹر اسٹیل فائبر بزنس (PSF)

| مجموعی کاروبار (ملین روپے) | آپریٹنگ رزلٹ (ملین روپے) |
|----------------------------|--------------------------|
| مارچ 2022 26,461 | مارچ 2022 3,000 |
| مارچ 2023 29,595 | مارچ 2023 2,180 |

زیر جائزہ مدت کے دوران، روس، یوکرین جنگ کے سبب عالمی سپلائی چین پر منفی اثرات، اشیاء کی نقل و حمل اور عالمی تجارت شدید متاثر ہوئی، نتیجے میں توانائی اور خوراک کی قیمتوں میں گزشتہ سال کی اسی مدت کے مقابلے میں واضح اضافہ ہوا۔

زیر جائزہ سہ ماہی کے دوران پولیسٹر بزنس کا مجموعی کاروبار گزشتہ سال کے مقابلے میں 26 فیصد زائد رہا۔ مذکورہ اضافہ بنیادی طور پر زیادہ امپورٹ آفرز اور ڈاؤن اسٹریم طلب میں کچھ اضافے کے ساتھ فیڈ اسٹاک کی قیمتوں میں بہتری کی وجہ سے ہے۔

سہ ماہی کے لیے کاروباری منافع گزشتہ سال کی اسی مدت کے مقابلے میں 53 فیصد زائد رہا۔ سہ ماہی کے دوران سازگار علاقائی صورت حال اور صلاحیتوں کے بہتر استعمال سے منافع میں بہتری حاصل ہوئی۔

زیر جائزہ سہ ماہی کے دوران عالمی طور پر سخت معاشی حالات سے طلب میں کمی کے سبب کروڈ آئل کی اوسط قیمت گزشتہ سال کی اسی مدت کے مقابلے میں 15 فیصد کم رہی۔ کروڈ آئل کی قیمتوں میں کمی کو دیکھتے ہوئے PTA، PX اور MEG کی اوسط قیمت میں بھی کمی دیکھی گئی۔

زیر جائزہ 9 ماہ کی مدت کے لیے پولیسٹر بزنس کی مجموعی آمدنی گزشتہ سال کی اسی مدت کے مقابلے میں 12 فیصد اضافے کے ساتھ 29,595 ملین روپے بنتی ہے۔ اضافے کی بنیادی وجہ روپے کی ناقدری سے PSF اور فیڈ اسٹاک کی قیمتوں کا بڑھنا ہے۔ قیمت فروخت بڑھنے کا اثر سال کی پہلی ششماہی کے دوران سیلزم ہونے سے زائل ہوا کیونکہ ملکی اور عالمی سطح پر سخت معاشی حالات کے نتیجے میں ڈاؤن اسٹریم مارکیٹس بھی بری طرح متاثر ہوئیں۔ نتیجتاً، مذکورہ بالا عوامل جیسا کہ طلب میں کمی، بجلی کے اخراجات بڑھنے، ٹیکسٹائل انڈسٹری کے لیے حکومتی توانائی سبسڈی میں کمی کے نتیجے میں گزشتہ سال کی اسی مدت کے مقابلے میں کاروباری منافع 27 فیصد کمی کے ساتھ 2,180 ملین روپے بنتا ہے۔

زیر جائزہ 9 ماہ کے دوران، کروڈ آئل، PX اور PTA کی اوسط قیمتیں گزشتہ سال کی اسی مدت کے مقابلے میں 7 فیصد زائد رہیں۔ سپلائی میں بہتری کے سبب MEG کی اوسط قیمت گزشتہ سال کی اسی مدت کے مقابلے میں 29 فیصد کم ہو گئی۔ اس کے علاوہ امریکی ڈالر کے مقابلے میں پاکستانی روپے کی 37 فیصد ناقدری کے نتیجے میں مقامی PSF کی اوسط قیمت گزشتہ سال کی اسی مدت کے مقابلے میں 27 فیصد بڑھ گئی۔

فیول کی قیمتوں میں تیزی کارحان دیکھا گیا چنانچہ فرنیس آئل کی قیمت میں 30 فیصد اضافہ دیکھا گیا۔ مزید برآں، اکتوبر 2022 سے ٹیکسٹائل سیلٹر کو فراہم کی جانے والی گیس کی قیمت 16.5 امریکی ڈالر فی ایم ایم بی ٹی یو سے 19 امریکی ڈالر فی ایم ایم بی ٹی یو کر دی گئی، اسی کے ساتھ روپے کی ناقدری کے نتیجے میں گزشتہ سال کی اسی مدت کے مقابلے میں بجلی کے اخراجات 38 فیصد بڑھ گئے۔

کپاس کے محاذ پر، عالمی طور پر منڈلاتی کساد بازاری اور پیداوار بڑھنے سے ٹیکسٹائل کا شعبہ بری طرح متاثر ہوا ہے۔ عالمی طور پر کپاس کی اوسط قیمت گزشتہ سال کی اسی مدت کے مقابلے میں 33 فیصد کم رہی تاہم پاکستان میں حالیہ سیلاب کے تباہ کن اثرات سے مقامی فراہمی پر باؤ بڑھ گیا ہے نتیجتاً کپاس کی اوسط مقامی قیمت گزشتہ سال کی اسی مدت کے مقابلے میں تھوڑی زائد رہی۔

مزید برآں، قلیل مدت کے اعتبار سے، عالمی جائزہ ہوشربا مہنگائی اور معاشی شعبے کی غیر یقینی سے غیر واضح رہے گا تاہم ٹیکسٹائلز کی طلب باؤ کا شکار رہنے کا امکان ہے۔ موجودہ معاشی مسائل کے سبب مقامی طلب میں بھی مندی رہنے کی توقع کی جا رہی ہے۔ دوسری جانب اوپیک پلس کی جانب سے پیداوار میں غیر متوقع کمی لانے سے، کروڈ آئل کی مارکیٹس میں تیزی کے امکانات ہیں۔ اس کے علاوہ، آئندہ سیزنل طلب کی بدولت، تجارتی سرگرمیوں میں بہتری کی توقع کے ساتھ PTA، PX اور PSF مارکیٹس کے کاروباری منافع کم ہونے اور قیمتوں میں اضافے کے امکانات ہیں۔

جنوری 2023 میں، کمپنی نے نیوٹری کو موریناگا (پرائیویٹ) لمیٹڈ کے 21,763,125 عبوری شیئرز کی فروخت کامیابی سے مکمل کی (نیوٹری کو موریناگا (پرائیویٹ) لمیٹڈ کے جاری شدہ اور ادا شدہ شیئر کیپٹل سے 26.5 فیصد پر مشتمل)، جس کی لاگت 45,082,657 امریکی ڈالر تھی۔ نتیجتاً کمپنی کے انفرادی مالیاتی گوشواروں میں 9,842 ملین روپے کو پرمیٹیم فارلوس آف کنزولنگ انٹرسٹ اور گین آن سیل آف شیئرز کی مد میں ریکارڈ کیا گیا ہے۔ مذکورہ لین دین کے بعد کمپنی کے پاس NMPL کا تقریباً 24.5 فیصد جاری شدہ اور ادا شدہ شیئر کیپٹل باقی رہے گا جو اسے ”ایسوسی ایٹس کمپنی“ بناتی ہے جبکہ موریناگا ملک کانویٹری کو موریناگا پاکستان لمیٹڈ میں جاری شدہ اور ادا شدہ شیئر کیپٹل بڑھ کر 51 فیصد ہو جاتا ہے۔ موریناگا ملک کی طرف سے اکثریتی شیئر ہولڈنگ کا حصول NMPL کے مستقبل کے لیے اچھا ہوگا، جس کے نتیجے میں تمام شیئر ہولڈرز کے لیے قدر پیدا ہوگی۔

زیر جائزہ مدت کے دوران، کمپنی نے LOTTE کیمیکل کارپوریشن کے ساتھ 26 جنوری 2023 کو حصص کی خریداری کا معاہدہ کیا جس کے تحت LOTTE کیمیکل پاکستان لمیٹڈ کے 1,135,860,105 عبوری شیئر زپر مشتمل تقریباً 75.01 فیصد جاری شدہ اور ادا شدہ کیپٹل حاصل کیا جائے گا۔ مذکورہ لین دین کی تکمیل شیئر پرجیز ایگریمنٹ کی شرائط کے پورا ہونے اور دیگر ضروری منظوریوں سے مشروط ہے۔

زیر جائزہ 9 ماہ کے لیے بعد از ٹیکس منافع گزشتہ سال کی اسی مدت کے مقابلے میں 168 فیصد اضافے کے ساتھ 14,634 ملین روپے بنتا ہے۔ جس کی بنیادی وجہ زیادہ کاروباری منافع اور NMPL کے شیئرز کی فروخت سے حاصل ہونے والی 9,842 ملین روپے کا ون آف گین ہے جس میں فنانس کے اخراجات اور زیادہ پیجمنٹس کو سسٹم سے کچھ منفی اثر پڑا۔ مذکورہ بالا ون آف گین کو ہٹا کر، بعد از ٹیکس منافع 5,672 ملین روپے بنتا ہے جو کہ گزشتہ سال کے مقابلے میں 4 فیصد اضافہ بنتا ہے۔

پالیسی ریٹ میں گزشتہ سال کی اسی مدت کے مقابلے میں 1,025 بیسیس پوائنٹس بڑھنے سے مالی اخراجات میں اضافہ کے علاوہ اشیاء کی قیمتوں میں اضافے اور مقامی کرنسی کی ناقدری سے سرمایہ کی بڑھتی ہوئی کاروباری ضروریات کو پورا کرنے کے لیے قرض میں اضافہ ہوا۔ علاوہ ازیں گزشتہ سال کی اسی مدت کے مقابلے میں امریکی ڈالر کے مقابلے میں روپے کی 37 فیصد ناقدری سے 934 ملین روپے پر مشتمل زر مبادلہ کا نقصان اٹھانا پڑا۔ مذکورہ بالا کے علاوہ وفاقی بجٹ 23-2022 میں اضافی سپر ٹیکس کے نفاذ سے موثر ٹیکس ریٹ میں اضافہ سے منافع پر منفی اثرات مرتب ہوئے۔

زیر جائزہ 9 ماہ کے لیے ہر ایک شیئر پر منافع (EPS) گزشتہ سال کی اسی مدت کے مقابلے میں 168 فیصد اضافہ کے ساتھ 158.45 روپے بنتا ہے۔ مذکورہ بالا ون آف گین کو ہٹا کر، ہر ایک شیئر پر منافع 61.40 روپے ہوتا ہے جو کہ گزشتہ سال کی اسی مدت کے مقابلے میں 4 فیصد زائد بنتا ہے۔

| 9 ماہ ختم شدہ 31 مارچ 2023 | 9 ماہ ختم شدہ 31 مارچ 2022 | |
|----------------------------|----------------------------|-------------------------------|
| 80,309 | 62,441 | مجموعی کاروبار (ملین روپے) |
| 17,977 | 7,556 | قبل از ٹیکس منافع (ملین روپے) |
| 14,634 | 5,466 | بعد از ٹیکس منافع (ملین روپے) |
| 158.45 | 59.18 | فی شیئر آمدنی (روپے) |
| | | مجموعی کاروبار (ملین روپے) |
| 2022 مارچ | 62,441 | |
| 2023 مارچ | 80,309 | |
| | | قبل از ٹیکس منافع (ملین روپے) |
| 2022 مارچ | 7,556 | |
| 2023 مارچ | 17,977 | |
| | | بعد از ٹیکس منافع (ملین روپے) |
| 2022 مارچ | 5,466 | |
| 2023 مارچ | 14,634 | |
| | | فی شیئر آمدنی (روپے) |
| 2022 مارچ | 59.18 | |
| 2023 مارچ | 158.45 | |

ڈائریکٹر کا جائزہ

برائے 9 ماہ ختم شدہ 31 مارچ 2023۔ ان کنسولیدٹڈ

ڈائریکٹر اپنا جائزہ برائے سہ ماہی اور 9 ماہ ختم شدہ 31 مارچ 2023 بشمول کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

کمپنی نے 23 دسمبر 2022 سے اپنا نام آئی سی آئی پاکستان لمیٹڈ سے لکی کور انڈسٹریز لمیٹڈ کے طور پر تبدیل کر لیا۔ کمپنی کی اصل طاقت اور استحکام کی عکاسی کرتے ہوئے، برانڈ کے نئے نام سے کمپنی کے مرکزی کردار کو تقویت ملتی ہے جس کی بدولت بہت ہی اہمیت کی حامل پروڈکٹس کے وسیع پورٹ فولیو کے ذریعے پائیدار ترقی کی یقین دہانی ہوتی ہے۔ یہ پروڈکٹس تقریباً ہر صنعت کے لیے نمایاں اہمیت کے ساتھ پاکستان کے ہر گھر کی ضرورت ہیں۔ نئی پہچان سے کمپنی کے اکثریتی شیئر ہولڈر لکی گروپ کے ساتھ یکسانیت اور اپنی خاندانی کمپنی لکی سینٹ لمیٹڈ کے برانڈ کی تقویت میں اضافہ بھی یقینی ہے جو کہ پاکستان کے ایک بہت بڑے ادارے یونیس برادرز گروپ (YBG) کا حصہ ہے۔

سہ ماہی کے دوران مجموعی کاروبار 30,895 ملین روپے رہا جو کہ گزشتہ سال کی اسی مدت کے مقابلے میں 37 فیصد زائد ہے جس میں سوڈائش کے بزنس میں 135,000 ٹن سالانہ سوڈائش کے توسیعی منصوبے کے شروع ہونے سے اضافی مقدار کے نتیجے میں شاندار نتائج حاصل ہوئے۔ 135,000 TPA میں سے 60,000 TPA تکمیل مارچ 2023 میں ہوئی جبکہ 75,000 TPA کا توسیعی منصوبہ جون 2022 میں مکمل ہوا تھا۔ اضافی مقدار کے ساتھ پاکستانی روپے کی ناقدری کے سبب ہونے والی مہنگائی کے نتیجے میں قیمتوں میں بھی اضافہ دیکھا گیا اور گزشتہ سال کی اسی مدت کے مقابلے میں 67 فیصد زائد آمدنی حاصل ہوئی۔ پولیسٹر، کیمیکلز اینڈ ایگری سائنسز، اینہمل ہیلتھ اور فارماسیو ٹیکلز بزنسز کی آمدنی میں گزشتہ سال کی اسی مدت کے مقابلے میں بالترتیب 26 فیصد، 37 فیصد، 35 فیصد اور 1 فیصد اضافہ ہوا۔

کمپنی نے سہ ماہی کے لیے آپریٹنگ رزلٹ 5,120 ملین روپے حاصل کیا جو گزشتہ سال کی اسی مدت کے مقابلے میں 69 فیصد زیادہ ہے۔ فارماسیو ٹیکلز بزنس کے علاوہ تمام بزنسز نے شاندار کارکردگی دکھائی البتہ فارماسیو ٹیکلز بزنس دباؤ کا شکار رہا اور اس کا کاروباری منافع گزشتہ سال کی اسی مدت کے مقابلے میں 18 فیصد کم رہا۔ کیمیکلز اینڈ ایگری سائنسز، سوڈائش، پولیسٹر اور اینہمل ہیلتھ بزنسز نے گزشتہ سال کی اسی مدت کے مقابلے میں بالترتیب 164 فیصد، 86 فیصد، 53 فیصد اور 32 فیصد زائد منافع حاصل کیا ہے۔

کیمیکلز اور ایگری سائنسز بزنس نے آئل سیڈ کیلگری میں شاندار کارکردگی اور منافع کے بہتر انتظام کی بدولت زبردست نتائج فراہم کئے۔ سوڈائش بزنس میں توسیعی پروڈیکشن کی تکمیل کے نتیجے میں زیادہ مقدار کے حصول سے بہتر منافع حاصل کئے گئے۔ پولیسٹر بزنس نے منافع بخش علاقائی اور مقامی صورت حال کے نتیجے میں زائد مقدار اور اضافی منافع سے بہترین نتائج حاصل کئے۔ اینہمل ہیلتھ بزنس نے زبردست کارکردگی کا تسلسل جاری رکھا جبکہ فارماسیو ٹیکلز بزنس پر پرائس ریگولیشن صنعت ہونے کے سبب، روپے کی ناقدری اور افراط زر کی وجہ سے بڑھتی ہوئی لاگت کے سبب دباؤ برقرار رہا۔

زیر جائزہ 9 ماہ کا مجموعی کاروبار گزشتہ سال کی اسی مدت کے مقابلے میں 29 فیصد اضافے کے ساتھ 80,309 ملین روپے رہا۔ سوڈائش، اینہمل ہیلتھ، پولیسٹر، کیمیکلز اور ایگری سائنسز اور فارماسیو ٹیکلز بزنسز کی آمدنی گزشتہ سال کی اسی مدت کے مقابلے میں بالترتیب 72 فیصد، 27 فیصد، 12 فیصد، 10 فیصد اور 4 فیصد زائد رہی۔

زیر جائزہ 9 ماہ کے لیے کاروباری منافع گزشتہ سال کی اسی مدت کے مقابلے میں 20 فیصد اضافے کے ساتھ 10,417 ملین روپے رہا۔ سوڈائش، کیمیکلز اور ایگری سائنسز اور اینہمل ہیلتھ بزنسز نے گزشتہ سال کی اسی مدت کے مقابلے میں بالترتیب 73 فیصد، 25 فیصد اور 20 فیصد زائد کاروباری منافع کمایا جبکہ پولیسٹر اور فارماسیو ٹیکلز بزنسز نے گزشتہ سال کی اسی مدت کے مقابلے میں بالترتیب 27 فیصد اور 15 فیصد کم کاروباری منافع حاصل کیا۔

زیر جائزہ مدت کے دوران، کمپنی کے بزنسز کو گزشتہ سال کی اسی مدت کے مقابلے میں شدید میکرو اکنامک مسائل کا سامنا رہا، جن میں کاروباری اخراجات میں ہوشیار اضافہ، امریکی ڈالر کے مقابلے میں پاکستانی روپے کی ناقدری، شرح سود کے بڑھ جانے، امپورٹ کی پابندیاں، ٹیکس معاملات میں تبدیلیاں اور عالمی سطح پر اجناس کی قیمتوں میں بہت زیادہ اضافہ سرفہرست تھے۔

جاری مالی سال کے آغاز میں متعارف کرائے جانے والے معاشی اصلاحات پر مبنی اقدامات سے اس سہ ماہی میں مزید مشکلات بڑھ گئیں، نتیجے میں ملک بھر میں معاشی سرگرمیوں میں شدید مندی رہی۔ زرمبادلہ کے ذخائر خطرناک حد تک کم ہو جانے، درآمدات پر پابندیوں سے صنعتوں کے لیے درآمد کئے جانے والے خام مال اور مشینری ایسی چیز پارٹس کا حصول مشکل ہو چکا ہے، جس کے نتیجے میں صنعتوں کی آپریشنز جاری رکھنے کی اپنی صلاحیت سوالیہ نشان بن چکی ہے۔ مون سون کے دوران غیر معمولی بارشوں سے پیدا ہونے والی سیلابی صورتحال میں روزگار، مویشیوں اور فصلوں کے نقصانات اور سینکڑوں انسانوں کی جانیں ضائع ہونے، گندے پانی سے پیدا ہونے والی بیماریوں اور کھانے پینے کی اشیاء مہنگی ہونے سے سماجی معیشت مزید مشکلات کا شکار ہو کر رہ گئی۔ ان مشکلات کے ساتھ بجلی کی قیمتوں میں اضافہ، بڑھتی ہوئی مہنگائی، شرح سود میں اضافہ اور مقامی کرنسی کی ناقدری سے مانگ میں کمی واقع ہوئی ہے۔

Condensed Interim Unconsolidated Statement of Financial Position

As at March 31, 2023

Amounts in PKR '000

| | Note | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|---|------|----------------------------------|-------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4 | 27,720,782 | 26,867,152 |
| Intangible assets | 5 | 1,666,028 | 1,665,268 |
| Right-of-use assets | | 104,016 | 163,074 |
| | | 29,490,826 | 28,695,494 |
| Long-term investments | 6 | 2,407,291 | 4,466,958 |
| Long-term loans | | 486,398 | 335,032 |
| Long-term deposits and prepayments | | 78,319 | 55,250 |
| | | 2,972,008 | 4,857,240 |
| | | 32,462,834 | 33,552,734 |
| Current assets | | | |
| Stores, spares and consumables | | 1,294,356 | 1,140,973 |
| Stock-in-trade | 7 | 19,652,642 | 16,668,932 |
| Trade debts | 8 | 4,834,040 | 3,613,548 |
| Loans and advances | | 3,848,010 | 1,669,938 |
| Trade deposits and short-term prepayments | | 1,746,474 | 729,034 |
| Other receivables | 9 | 1,574,733 | 2,212,741 |
| Short term investment | 10 | 12,176,895 | - |
| Cash and bank balances | | 2,267,453 | 352,922 |
| | | 47,394,603 | 26,388,088 |
| Total assets | | 79,857,437 | 59,940,822 |
| EQUITY AND LIABILITIES | | | |
| Share capital and reserves | | | |
| Authorised capital | | | |
| 1,500,000,000 (June 30, 2022: 1,500,000,000) ordinary shares of PKR 10 each | | 15,000,000 | 15,000,000 |
| Issued, subscribed and paid-up capital | | | |
| 92,359,050 (June 30, 2022: 92,359,050) ordinary shares of PKR 10 each | | 923,591 | 923,591 |
| Capital reserves | | 309,643 | 309,643 |
| Revenue reserve - unappropriated profit | | 37,483,208 | 25,157,888 |
| Total equity | | 38,716,442 | 26,391,122 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Provisions for non-management staff gratuity | | 106,667 | 117,304 |
| Long-term loans | 11 | 3,916,185 | 4,376,278 |
| Lease liabilities | | 36,296 | 88,182 |
| Deferred tax liability - net | 12 | 2,045,114 | 1,730,364 |
| Deferred income - Government grant | 13 | 1,059,358 | 869,805 |
| Contractor's retention money | | - | 198,259 |
| | | 7,163,620 | 7,380,192 |
| Current liabilities | | | |
| Trade and other payables | | 12,677,423 | 11,387,131 |
| Accrued mark-up | | 579,150 | 356,841 |
| Short-term financing | 14 | 17,326,941 | 11,325,419 |
| Current portion of long-term loans | | 915,852 | 1,321,942 |
| Current portion of lease liabilities | | 60,647 | 96,117 |
| Current portion of deferred income - Government grant | | 196,588 | 163,440 |
| Taxation - net | | 2,095,576 | 1,403,118 |
| Unclaimed dividend | | 125,198 | 115,500 |
| | | 33,977,375 | 26,169,508 |
| Total equity and liabilities | | 79,857,437 | 59,940,822 |

Contingencies and commitments

15

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.

Muhammad Sohail Tabba

Chairman / Director

Asif Jooma

Chief Executive

Atif Aboobakar

Chief Financial Officer

Condensed Interim Unconsolidated Statement of Profit or Loss (Unaudited)

For the Nine Months Ended March 31, 2023

Amounts in PKR '000

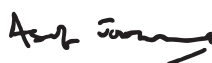
| | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 |
|---|---|---|---|---|
| Net turnover - note 16 | 30,895,116 | 80,308,826 | 22,501,776 | 62,441,013 |
| Cost of sales - note 16 and 17 | (23,826,114) | (64,284,566) | (17,677,000) | (48,659,900) |
| Gross profit | 7,069,002 | 16,024,260 | 4,824,776 | 13,781,113 |
| Selling and distribution expenses - note 16 | (1,308,053) | (3,944,182) | (1,329,640) | (3,737,160) |
| Administration and general expenses - note 16 | (640,682) | (1,663,233) | (472,065) | (1,339,790) |
| Operating result - note 16 | 5,120,267 | 10,416,845 | 3,023,071 | 8,704,163 |
| Finance costs | (800,405) | (1,854,069) | (229,262) | (531,173) |
| Exchange loss | (728,327) | (934,267) | (79,083) | (263,499) |
| Workers' profit participation fund | (132,726) | (283,586) | (136,946) | (397,690) |
| Workers' welfare fund | (105,293) | (176,944) | (49,255) | (152,958) |
| Other charges | (32,521) | (67,908) | (22,721) | (61,186) |
| | (1,799,272) | (3,316,774) | (517,267) | (1,406,506) |
| Dividend income from subsidiary | - | 300,000 | - | - |
| Gain on sale of investment - note 18 | 9,842,154 | 9,842,154 | - | - |
| Other income - note 19 | 522,104 | 734,690 | 95,829 | 258,116 |
| Profit before taxation | 13,685,253 | 17,976,915 | 2,601,633 | 7,555,773 |
| Taxation - note 20 | (2,060,163) | (3,342,617) | (704,742) | (2,089,661) |
| Profit after taxation | 11,625,090 | 14,634,298 | 1,896,891 | 5,466,112 |
| Basic and diluted earnings per share (PKR) | 125.87 | 158.45 | 20.54 | 59.18 |

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.



Muhammad Sohail Tabba

Chairman / Director



Asif Jooma

Chief Executive



Atif Aboobukar

Chief Financial Officer

Condensed Interim Unconsolidated Statement of Other Comprehensive Income (Unaudited)

For the Nine Months Ended March 31, 2023

Amounts in PKR '000

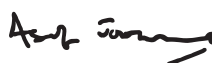
| | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 |
|--|---|---|---|---|
| Profit after taxation | 11,625,090 | 14,634,298 | 1,896,891 | 5,466,112 |
| Other comprehensive income | | | | |
| Net gain on cash flow hedges | - | - | 33,131 | 26,672 |
| Total comprehensive income for the period | 11,625,090 | 14,634,298 | 1,930,022 | 5,492,784 |

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.



Muhammad Sohail Tabba

Chairman / Director



Asif Joona

Chief Executive



Atif Aboobakar

Chief Financial Officer

Condensed Interim Unconsolidated Statement of Changes in Equity (Unaudited)

For the Nine Months Ended March 31, 2023

Amounts in PKR '000

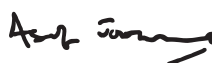
| | Issued, subscribed and paid-up capital | Capital reserves | Revenue reserve - Unappropriated profit | Total |
|--|---|---------------------|--|-------------------|
| As at July 1, 2021 (Audited) | 923,591 | 309,643 | 22,645,974 | 23,879,208 |
| Final dividend of PKR 20.00 per share for the year ended June 30, 2021 | - | - | (1,847,182) | (1,847,182) |
| Interim dividend of PKR 20.00 per share for the year ended June 30, 2022 | - | - | (1,847,182) | (1,847,182) |
| | - | - | (3,694,364) | (3,694,364) |
| Profit after taxation | - | - | 5,466,112 | 5,466,112 |
| Other comprehensive loss for the period - net of tax | - | - | 26,672 | 26,672 |
| Total comprehensive income for the period | - | - | 5,492,784 | 5,492,784 |
| As at March 31, 2022 (Unaudited) | 923,591 | 309,643 | 24,444,394 | 25,677,628 |
| Profit after taxation | - | - | 782,475 | 782,475 |
| Other comprehensive loss for the period - net of tax | - | - | (68,981) | (68,981) |
| Total comprehensive income for the period | - | - | 713,494 | 713,494 |
| As at June 30, 2022 (Audited) | 923,591 | 309,643 | 25,157,888 | 26,391,122 |
| Final dividend of PKR 15.00 per share for the year ended June 30, 2022 | - | - | (1,385,387) | (1,385,387) |
| Interim dividend of PKR 10.00 per share for the year ended June 30, 2023 | - | - | (923,591) | (923,591) |
| | - | - | (2,308,978) | (2,308,978) |
| Profit after taxation | - | - | 14,634,298 | 14,634,298 |
| Other comprehensive income for the period - net of tax | - | - | - | - |
| Total comprehensive income for the period | - | - | 14,634,298 | 14,634,298 |
| As at March 31, 2023 (Unaudited) | 923,591 | 309,643 | 37,483,208 | 38,716,442 |

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.



Muhammad Sohail Tabba

Chairman / Director



Asif Jooma

Chief Executive



Atif Aboobakar

Chief Financial Officer

Condensed Interim Unconsolidated Statement of Cash Flows (Unaudited)

For the Nine Months Ended March 31, 2023

Amounts in PKR '000

| | March 31, 2023 | March 31, 2022 |
|--|--------------------|--------------------|
| Cash flows from operating activities | | |
| Cash generated from operations - note 21 | 6,168,879 | 6,188,116 |
| Payments for : | | |
| Non-management staff gratuity and eligible retired employees' medical scheme | (39,564) | (22,269) |
| Staff retirement benefit plan | (44,856) | (44,392) |
| Taxation | (2,375,218) | (1,534,861) |
| Interest | (1,493,731) | (254,252) |
| Net cash generated from operating activities | 2,215,510 | 4,332,342 |
| Cash flows from investing activities* | | |
| Capital expenditure | (3,413,578) | (7,356,811) |
| Proceeds from disposal of operating fixed assets | 11,230 | 37,835 |
| Interest received on bank deposits | 66,702 | 4,853 |
| Investment in subsidiary | - | (770,180) |
| Proceeds from disposal of shares of subsidiary | 11,901,821 | - |
| Dividend received from subsidiary | 300,000 | - |
| Net cash generated from / (used in) investing activities | 8,866,175 | (8,084,303) |
| Cash flows from financing activities* | | |
| Long-term loans obtained | 684,343 | 2,359,024 |
| Long-term loans repaid | (1,280,970) | (1,231,378) |
| Payment against lease liabilities | (95,875) | (91,954) |
| Dividends paid | (2,299,279) | (3,677,423) |
| Net cash used in financing activities | (2,991,781) | (2,641,731) |
| Net increase / (decrease) in cash and cash equivalents | 8,089,904 | (6,393,692) |
| Cash and cash equivalents at the beginning of the period | (10,972,497) | (1,565,144) |
| Cash and cash equivalents at the end of period | (2,882,593) | (7,958,836) |
| Cash and cash equivalents at the end of period comprise of: | | |
| Cash and bank balances | 2,267,453 | 245,971 |
| Short term investments - note 10 | 12,176,895 | - |
| Short-term financing - note 14 | (17,326,941) | (8,204,807) |
| | (2,882,593) | (7,958,836) |

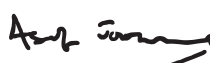
* No non-cash items are included in these activities

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.



Muhammad Sohail Tabba

Chairman / Director



Asif Jooma

Chief Executive



Atif Aboobakar

Chief Financial Officer

Notes to the Condensed Interim Unconsolidated Financial Statements

For the Nine Months Ended March 31, 2023

1 Status and nature of business

Lucky Core Industries Limited ("the Company") is incorporated in Pakistan and is listed on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacturing of polyester staple fibre, POY chips, soda ash, specialty chemicals, sodium bicarbonate, polyurethanes and pharmaceutical products; marketing of seeds, toll manufactured and imported pharmaceuticals and animal health products; and merchandising of general chemicals and manufacturing of masterbatches. It also acts as an indenting agent and toll manufacturer. The Company's registered office is situated at 5 West Wharf, Karachi.

The Company is a subsidiary of Lucky Cement Limited (the Holding Company). Lucky Core PowerGen Limited, Lucky TG (Private) Limited and Lucky Core Venture (Private) Limited are the subsidiaries of the Company.

These are the separate condensed interim unconsolidated financial statements of the Company in which investment in subsidiaries is stated at cost less impairment losses, if any.

1.1 Change of the Company name

The Board of Directors considered and approved the change of name of the Company from ICI Pakistan Limited to Lucky Core Industries Limited in their meeting held on August 01, 2022 and the same has been approved in AGM held on September 27, 2022. This decision has been taken primarily to align the Company's name with its holding Company, Lucky Cement Ltd, which is a part of the Yunus Brothers Group (YBG). The proposed name draws on the strength of the Lucky brand, a leading, progressive, and diversified Pakistani Conglomerate. The proposed name embodies the Company's central role in delivering enduring value for its stakeholders and improving lives across the socio-economic fabric of Pakistan. Revised certificate of incorporation has also been issued by the Securities and Exchange Commission of Pakistan (SECP) on December 23, 2022 in respect of change of name of the Company.

2 Statement of compliance

These condensed interim unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprise of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under Companies Act, 2017 (the Act) and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Act differ with the requirement of IAS 34, the provisions of and directives issued under the Act have been followed.

These condensed interim financial statements are un-audited and are being submitted to the shareholders as required under Section 237 of the Act. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2022.

3 Significant accounting policies

The accounting policies adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2022, except for the adoption of amendments to approved accounting standards which became effective for the current period as disclosed in note 24 to these condensed interim unconsolidated financial statements.

Amounts in PKR '000

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|---|----------------------------------|-------------------------------|
| 4 Property, plant and equipment | | |
| Operating fixed assets - at net book value | 25,083,440 | 20,269,537 |
| Capital work-in-progress - at cost - note 4.2 | 2,637,342 | 6,597,615 |
| Total property, plant and equipment | 27,720,782 | 26,867,152 |

4.1 Following is the cost of operating fixed assets that have been added / disposed off during the period / year:

| | Additions / Transfers | | Disposals at net book value | |
|-----------------------------|----------------------------------|-------------------------------|----------------------------------|-------------------------------|
| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
| Freehold land | - | 171,627 | - | - |
| Lime beds on freehold land | 74,811 | 96,294 | - | - |
| Buildings on freehold land | 45,932 | 183,616 | - | - |
| Buildings on leasehold land | 618,952 | 391,330 | 402 | - |
| Plant and machinery | 6,253,047 | 5,237,252 | - | 6,431 |
| Rolling stock and vehicles | 275 | 30,118 | - | 9,501 |
| Furniture and equipment | 48,908 | 239,595 | - | 365 |
| | 7,041,925 | 6,349,832 | 402 | 16,297 |

4.2 Following is the movement in capital work-in-progress during the period / year:

| | Civil works and buildings | Plant and machinery | Furniture and equipment | Advances to suppliers / contractors | Designing, consultancy and engineering fee | Total |
|--|---------------------------------|------------------------|-------------------------------|---|---|-------------|
| As at March 31, 2023 | | | | | | |
| Opening balance | 123,880 | 4,926,936 | 78,595 | 1,179,323 | 288,881 | 6,597,615 |
| Additions during the period | 905,333 | 2,027,550 | 4,830 | 134,050 | - | 3,071,763 |
| Transferred to operating fixed assets during the period | (756,234) | (4,758,690) | (48,908) | (1,179,323) | (288,881) | (7,032,036) |
| Closing balance | 272,979 | 2,195,796 | 34,517 | 134,050 | - | 2,637,342 |
| As at June 30, 2022 | | | | | | |
| Opening balance | 225,852 | 1,408,603 | 128,215 | 981,177 | 288,798 | 3,032,645 |
| Additions during the period | 472,974 | 8,671,742 | 94,816 | 333,092 | 83 | 9,572,707 |
| Transferred to operating fixed assets during the period | (574,946) | (5,153,409) | (144,436) | (134,946) | - | (6,007,737) |
| Closing balance | 123,880 | 4,926,936 | 78,595 | 1,179,323 | 288,881 | 6,597,615 |

4.2.1 Majority of the closing balance of plant and machinery pertains to the Soda Ash expansion project.

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|--|----------------------------------|-------------------------------|
| 5 Intangible assets | | |
| Intangible assets - at net book value - note 5.1 | 1,666,028 | 1,665,268 |

5.1 Following is the detail of intangible assets:

| | | |
|----------|------------------|-----------|
| Brands | 1,437,679 | 1,437,679 |
| Goodwill | 206,374 | 206,374 |
| Others | 21,975 | 21,215 |
| | 1,666,028 | 1,665,268 |

| | | |
|--|---------------|-----|
| 5.2 Addition to intangible assets | 10,327 | 919 |
|--|---------------|-----|

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|---|----------------------------------|-------------------------------|
| 6 Long-term investments | | |
| Unquoted | | |
| Subsidiaries | | |
| - Lucky Core PowerGen Limited (wholly owned) | | |
| 7,100,000 ordinary shares (June 30, 2022: 7,100,000) of PKR 100 each | 710,000 | 710,000 |
| Provision for impairment loss | (209,524) | (209,524) |
| | 500,476 | 500,476 |
| | | |
| - NutriCo Morinaga (Private) Limited (51% holding) - note 6.1 | | |
| Nil ordinary shares (June 30, 2022: 41,884,746 ordinary shares) of face value of PKR 100 each | - | 3,963,982 |
| | | |
| Associate | | |
| - NutriCo Morinaga (Private) Limited (24.5% holding) - note 6.1 | | |
| 20,121,621 ordinary shares (June 30, 2022: Nil ordinary shares) of face value of PKR 100 each | 1,904,315 | - |
| | | |
| Others | | |
| Equity | | |
| - Arabian Sea Country Club Limited | | |
| 250,000 ordinary shares (June 30, 2022: 250,000) of PKR 10 each | 2,500 | 2,500 |
| | 2,407,291 | 4,466,958 |
| | | |
| 6.1 On September 16, 2022, the Company entered into a Share Purchase Agreement (SPA) with Morinaga Milk Industry Co. Ltd Japan (Morinaga Milk) for partial divestment of its 26.5% shareholding in NutriCo Morinaga (Private) Limited (NMPL) at an aggregate sale price of USD 45,082,657 (approximately USD 2.07 per share). The transaction was approved by shareholders in the Annual General Meeting dated September 27, 2022 and by the Competition Commission of Pakistan on December 08, 2022. The transaction was concluded on 27 January 2023, after which NMPL ceased to be treated as a subsidiary of the Company. After the completion of the transaction, the Company continues to hold approximately 24.5% of the share capital of NMPL and NMPL is treated as an associate. | | |
| | | |
| 7 Stock-in-trade | | |
| Raw and packing material includes in-transit PKR 5,792.536 million (June 30, 2022: PKR 1,168.159 million) | 13,984,175 | 12,135,712 |
| Work-in-process | 437,866 | 329,612 |
| Finished goods include in-transit PKR 254.969 million (June 30, 2022: PKR 278.038 million) | 5,387,856 | 4,329,784 |
| | 19,809,897 | 16,795,108 |
| | | |
| Provision for slow moving and obsolete stock-in-trade | | |
| - Raw material | (82,982) | (72,859) |
| - Finished goods | (74,273) | (53,317) |
| | (157,255) | (126,176) |
| | 19,652,642 | 16,668,932 |
| | | |
| 7.1 Stock amounting to PKR 72.424 million (June 30, 2022: PKR 12.653 million) is measured at net realisable value and expense amounting to PKR 8.770 million (June 30, 2022: expense of PKR 4.685 million) has been recognised in cost of sales. | | |

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|---|----------------------------------|-------------------------------|
| 8 Trade debts | | |
| Considered good | | |
| - Secured | 1,784,446 | 1,142,162 |
| - Unsecured | | |
| Due from associated companies | 18,900 | 25,269 |
| Others | 3,635,049 | 2,759,686 |
| | 5,438,395 | 3,927,117 |
| Considered doubtful | 127,597 | 160,857 |
| | 5,565,992 | 4,087,974 |
| - Allowance for ECL | (127,597) | (160,857) |
| - Provision for price adjustments and discounts | (604,355) | (313,569) |
| | (731,952) | (474,426) |
| | 4,834,040 | 3,613,548 |
| 9 Other receivables | | |
| Considered good | | |
| Sales tax | 1,052,623 | 1,661,704 |
| Commission and discounts receivable | 38,872 | 134,760 |
| Due from subsidiaries | - | 61,875 |
| Due from associated companies | 61,875 | - |
| Interest income receivable | 59,519 | 6,200 |
| Receivable from principal | 141,670 | 101,700 |
| Others | 220,174 | 246,502 |
| | 1,574,733 | 2,212,741 |
| Considered doubtful | 11,322 | 10,028 |
| | 1,586,055 | 2,222,769 |
| Allowance for ECL on receivables | (11,322) | (10,028) |
| | 1,574,733 | 2,212,741 |
| 10 Short term investment | | |
| This represents amount received from sale proceeds of disposal of interest in NutriCo Morinaga (Private) Limited which has been invested in mutual funds - note 6.1 and 18.1. | | |
| 11 Long-term loans | | |
| Long-term loans - note 11.1 | 4,832,037 | 5,698,220 |
| Current portion shown under current liabilities | (915,852) | (1,321,942) |
| | 3,916,185 | 4,376,278 |
| 11.1 Following is the movement in long-term loans during the period / year: | | |
| Opening balance | 5,698,220 | 4,972,617 |
| Obtained during the period / year | 684,343 | 3,054,045 |
| Impact of discounting | (335,289) | (980,795) |
| Accretion of interest | 65,733 | 134,141 |
| Repaid during the period / year | (1,280,970) | (1,481,788) |
| Closing balance | 4,832,037 | 5,698,220 |

- 11.2** There is no material change in the terms and conditions of the long-term loans as disclosed in the Company's annual unconsolidated financial statements for the year ended June 30, 2022 except mentioned below :

The Company has availed Temporary Economic Refinance Facility (TERF) of PKR 684.343 million to meet capex requirement of the Soda ash business during the period. The maturity of these loans is 10 years with grace period of 2 years. The markup rate on this financing is as per SBP regulations.

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|---|----------------------------------|-------------------------------|
| 12 Deferred tax liability - net | | |
| Deductible temporary differences | | |
| Provisions for retirement benefits, doubtful debts and others | (389,160) | (309,601) |
| Retirement funds provision | (161,459) | (158,841) |
| Taxable temporary differences | | |
| Property, plant and equipment | 2,595,733 | 2,198,806 |
| | 2,045,114 | 1,730,364 |
| 13 Deferred income - Government grant | | |
| Government grant - note 13.1 | 1,255,946 | 1,033,245 |
| Current portion of government grant | (196,588) | (163,440) |
| | 1,059,358 | 869,805 |
| 13.1 Following is the movement in government grant during the period / year: | | |
| Opening balance | 1,033,245 | 191,980 |
| Obtained during the period / year | 335,289 | 980,795 |
| Amortisation of deferred income - government grant | (112,588) | (139,530) |
| Closing balance | 1,255,946 | 1,033,245 |
| 14 Short-term financing | | |
| Export Refinance Facility (ERF) | 1,306,000 | 741,000 |
| Short-term running finance - Secured | 16,020,941 | 10,584,419 |
| | 17,326,941 | 11,325,419 |

There is no material change in the terms and conditions of the short-term borrowings and running finance as disclosed in the unconsolidated annual audited financial statements as at and for the year ended June 30, 2022 except mentioned below:

The Company has availed Export Refinance Facility (ERF) of SBP Part 2, amounting to PKR 1,706 million (2022: PKR 741 million) as at December 31, 2022 from various banks. It is secured against charge on current assets of the Company and carries mark-up at State Bank of Pakistan (SBP) rate + 0.20% to 1.00% per annum (2022: SBP rate + 0.15% to 1.00% per annum). This facility is interchangeable with Short Term Running Finance provided by the Banks.

15 Contingencies and commitments

- 15.1** Claims against the Company not acknowledged as debts are as follows:

| | | |
|--------------|---------------|---------------|
| Local bodies | 84,500 | 84,500 |
| Others | 6,192 | 6,192 |
| | 90,692 | 90,692 |

15.2 There are no material changes in the status of contingencies as reported in the annual unconsolidated audited financial statements as at and for the year ended June 30, 2022, except for the following:

15.2.1 A show cause notice dated March 16, 2022 was issued under section 11 of the Sales Tax Act, 1990 by the Federal Board of Revenue [FBR] on account of incorrect apportionment of input tax between taxable and non-taxable supplies. After furnishing all necessary information along with documentary evidences, the FBR finalized the proceedings vide order dated October 10, 2022 whereby sales tax demand of PKR 256 million [including penalty] was raised.

Being aggrieved, the Company filed an appeal before the Commissioner (Appeals) who, vide appellate order dated December 21, 2022, has remanded back the matter to FBR with certain directions. The remand back proceedings are yet to be initiated. The management of the Company is confident that the above case would be decided in Company's favor. Accordingly, no provision in this respect has been made in these condensed interim unconsolidated financial statements.

15.2.2 Through Finance Act, 2022, the Government has levied Super Tax on high earning persons under section 4C of the Income Tax Ordinance, 2001 for tax year 2022 and onwards, in addition to corporate tax rate of 29%. The Company together with other parties challenged the retrospective and discriminatory application of the said levy for tax year 2022 before the High Court of Sindh who, vide order dated December 22, 2022, has decided the matter in favor of the Company being ultra vires to the Constitution of Pakistan.

The Federal Board of Revenue challenged the said decision before the Supreme Court of Pakistan. Through the interim order dated February 16, 2023, the Court has held that the taxpayers shall deposit the super tax at the rate of 4% who were liable to pay super tax at the rate of 10%. Complying with the directions of the Supreme Court of Pakistan, the Company provided security of 4% super tax to the Nazir of High Court which has been encashed and deposited with the Federal Board of Revenue. Since the matter is pending before the Supreme Court of Pakistan, the Company has not reversed the related provision of super tax held in the books.

15.2.3 The department has finalized assessment proceedings under section 122(5A) of the Income Tax Ordinance, 2001 vide order dated March 20, 2023, raising tax demand of PKR 50.24 million on certain issues including disallowance of finance cost and write-offs etc. Although the demand has been paid under protest, an appeal against the order shall be filed before the Commissioner (Appeals) in due course.

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|---|----------------------------------|-------------------------------|
| 15.3 Commitments in respect of capital expenditure | 860,205 | 1,873,196 |
| 15.4 Commitments for rentals under Ijarah contracts in respect of vehicles are as follows: | | |
| <u>Year</u> | | |
| 2021-22 | - | 2,123 |
| 2022-23 | 6,693 | 8,491 |
| 2023-24 | 7,128 | 9,043 |
| 2024-25 | 7,591 | 9,630 |
| 2025-26 | 8,084 | 10,256 |
| | 29,496 | 39,543 |
| Payable not later than one year | 6,693 | 2,123 |
| Payable later than one year but not later than five years | 22,803 | 37,420 |
| | 29,496 | 39,543 |
| 15.5 Outstanding letter of credit (Unutilized PKR 15,990.682 million, June 30, 2022: 11,010.930 million) | 5,539,612 | 4,860,121 |
| 15.6 Commitments in respect of Post dated cheques | 996,829 | 552,082 |

Amounts in PKR '000

Operating segments as disclosed below do not incorporate the results of subsidiaries as these are separate financial statements of the Company:

| | Polyester | | | | | | Soda Ash | | | | | | Pharma | | | | | |
|--|---|---|---|---|---|---|---|---|---|--|---|---|---|---|--|--|--|--|
| | For the 3 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 | | | | |
| Turnover - note 16.1 & 16.2 | 14,143,441 | 11,135,041 | 31,052,972 | 12,680,244 | 35,418,724 | 7,544,377 | 20,991,101 | 3,159,002 | 9,244,225 | 3,433,286 | 9,562,841 | | | | | | | |
| Sales tax | (2,078,145) | (4,931,896) | (1,577,628) | (4,426,165) | (4,579,095) | (892,122) | (2,533,258) | (31,316) | (103,225) | (10,468) | (33,073) | | | | | | | |
| Commission and discounts/ price adjustment | (99,939) | (112,473) | (74,676) | (166,226) | (639,274) | (200,940) | (916,822) | (830,711) | (2,396,669) | (1,158,666) | (3,036,939) | | | | | | | |
| | (2,178,084) | (5,044,369) | (1,652,304) | (4,592,391) | (5,218,369) | (1,093,062) | (3,450,080) | (862,027) | (2,499,994) | (1,169,134) | (3,070,012) | | | | | | | |
| Net turnover | 11,965,357 | 29,594,706 | 9,482,737 | 26,480,581 | 10,788,137 | 30,200,355 | 6,451,315 | 2,296,975 | 6,744,331 | 2,264,152 | 6,492,829 | | | | | | | |
| Cost of sales - note 16.1 and 17 | (10,297,235) | (26,933,335) | (8,245,151) | (22,904,667) | (7,951,671) | (22,971,799) | (4,757,852) | (12,790,865) | (4,534,408) | (1,530,796) | (4,291,822) | | | | | | | |
| Gross profit | 1,668,122 | 2,661,371 | 1,237,586 | 3,555,914 | 2,836,466 | 7,228,556 | 1,693,463 | 4,750,156 | 2,209,923 | 733,356 | 2,201,007 | | | | | | | |
| Selling and distribution expenses | (64,630) | (381,229) | (177,917) | (450,985) | (237,084) | (843,104) | (283,139) | (885,676) | (321,528) | (1,116,606) | (351,972) | | | | | | | |
| Administration and general expenses | (35,484) | (100,349) | (33,542) | (104,619) | (379,209) | (929,473) | (248,962) | (711,616) | (99,675) | (281,561) | (79,533) | | | | | | | |
| Operating result | 1,568,008 | 2,179,793 | 1,026,127 | 3,000,310 | 2,160,173 | 5,455,979 | 1,161,362 | 3,152,864 | 247,998 | 811,756 | 301,851 | | | | | | | |
| | Polyester | | | | | | Soda Ash | | | | | | Pharma | | | | | |
| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | | | | |
| Segment Assets | 18,608,502 | 15,971,757 | 48,990,284 | 36,580,893 | 10,965,758 | 7,480,296 | | | | | | | | | | | | |
| Segment Liabilities | 16,652,587 | 17,906,942 | 9,874,383 | 7,675,488 | 6,483,048 | 5,344,090 | | | | | | | | | | | | |
| | Animal Health | | | | | | Chemicals and Agri Sciences | | | | | | Company | | | | | |
| | For the 3 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2023 | For the 3 months ended December 31, 2021 | For the 9 months ended March 31, 2021 | For the 3 months ended March 31, 2021 | For the 9 months ended March 31, 2021 | For the 9 months ended March 31, 2021 | | | | |
| Turnover - note 16.1 & 16.2 | 2,595,542 | 1,856,671 | 5,265,060 | 4,713,800 | 10,445,968 | 3,462,506 | 9,454,292 | 37,243,024 | 96,517,004 | 27,406,491 | 76,295,861 | | | | | | | |
| Sales tax | (40,913) | (130,330) | (21,522) | (26,485) | (385,678) | (919,190) | (396,263) | (4,139,931) | (10,663,736) | (2,898,003) | (7,997,826) | | | | | | | |
| Commission and discounts/ price adjustment | (541,321) | (1,450,563) | (345,754) | (1,072,235) | (447,778) | (945,463) | (226,676) | (2,207,977) | (5,544,442) | (2,006,712) | (5,857,022) | | | | | | | |
| | (582,234) | (1,580,893) | (367,276) | (1,098,720) | (833,456) | (1,864,653) | (622,939) | (6,347,908) | (16,208,178) | (4,904,715) | (13,854,848) | | | | | | | |
| Net turnover | 2,013,308 | 5,276,529 | 4,165,340 | 3,800,344 | 8,581,315 | 2,839,567 | 7,820,647 | 30,895,116 | 80,308,026 | 22,501,776 | 62,441,013 | | | | | | | |
| Cost of sales - note 16.1 and 17 | (1,474,156) | (3,816,491) | (1,057,139) | (2,956,910) | (6,116,943) | (2,111,452) | (5,755,041) | (23,826,114) | (64,284,566) | (17,677,000) | (48,659,900) | | | | | | | |
| Gross profit | 539,152 | 1,460,038 | 432,256 | 1,208,430 | 2,464,372 | 728,115 | 2,065,606 | 7,069,002 | 16,024,260 | 4,824,776 | 13,781,113 | | | | | | | |
| Selling and distribution expenses | (240,276) | (660,231) | (218,240) | (571,718) | (384,535) | (943,012) | (298,372) | (808,868) | (3,944,182) | (1,329,640) | (3,737,160) | | | | | | | |
| Administration and general expenses | (32,691) | (84,875) | (12,776) | (39,441) | (266,875) | (97,252) | (252,943) | (640,682) | (1,663,233) | (472,065) | (1,339,790) | | | | | | | |
| Operating result | 266,185 | 714,832 | 201,240 | 597,271 | 877,903 | 1,254,485 | 332,491 | 5,120,267 | 10,416,845 | 3,023,071 | 8,704,163 | | | | | | | |
| | Animal Health | | | | | | Chemicals and Agri Sciences | | | | | | Company | | | | | |
| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | | | | |
| Segment Assets | 6,278,710 | 5,032,145 | 14,529,249 | 11,418,054 | 80,045,212 | 55,974,340 | | | | | | | | | | | | |
| Unallocated Assets | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| Segment Liabilities | 771,609 | 773,209 | 2,566,397 | 2,328,549 | 17,020,721 | 13,419,098 | | | | | | | | | | | | |
| Unallocated Liabilities | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |

* Note: Inter unit current account balances of respective businesses have been eliminated from the total.

| | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 |
|--|---|---|---|---|
| (Unaudited) | | | | |
| 16.1 Turnover and cost of sales | | | | |
| Inter-segment sales and purchases have been eliminated from the total | 49,005 | 88,410 | 25,390 | 39,405 |
| 16.2 Turnover includes export sales made to various countries amounting to: | 1,817,902 | 4,318,758 | 1,529,136 | 3,354,686 |
| 17 Cost of sales | | | | |
| Opening stock of raw and packing materials | 12,806,842 | 12,062,852 | 9,440,331 | 6,568,053 |
| Purchases | 15,062,607 | 41,215,939 | 11,111,224 | 34,033,427 |
| | 27,869,449 | 53,278,791 | 20,551,555 | 40,601,480 |
| Closing stock of raw and packing materials | (13,901,193) | (13,901,193) | (9,348,691) | (9,348,691) |
| Raw and packing materials consumption | 13,968,256 | 39,377,598 | 11,202,864 | 31,252,789 |
| Manufacturing costs | 7,718,040 | 21,568,226 | 4,740,857 | 13,316,405 |
| | 21,686,296 | 60,945,824 | 15,943,721 | 44,569,194 |
| Opening stock of work-in-process | 702,951 | 329,611 | 339,418 | 201,744 |
| | 22,389,247 | 61,275,435 | 16,283,139 | 44,770,938 |
| Closing stock of work-in-process | (437,867) | (437,867) | (183,292) | (183,292) |
| Cost of goods manufactured | 21,951,380 | 60,837,568 | 16,099,847 | 44,587,646 |
| Opening stock of finished goods | 6,113,894 | 4,276,469 | 4,697,083 | 4,516,576 |
| Finished goods purchased | 1,074,422 | 4,484,111 | 1,284,285 | 3,959,893 |
| | 29,139,696 | 69,598,148 | 22,081,215 | 53,064,115 |
| Closing stock of finished goods | (5,313,582) | (5,313,582) | (4,404,215) | (4,404,215) |
| | 23,826,114 | 64,284,566 | 17,677,000 | 48,659,900 |
| | | | For the 9 months ended March 31, 2023 | For the 9 months ended March 31, 2022 |
| 18 Gain on sale of investment - note 18.1 | | | 9,842,154 | - |
| 18.1 As mentioned in note 6.1, this represents gain on disposal of 26.5% shares of NutriCo Morinaga (Private) Limited (NMPL). | | | | |
| 18.2 Above disposal was approved by the shareholders in the Annual General Meeting of the Company dated September 27, 2022. In relation thereto, a valuation of NMPL was carried out by an independent valuer of the shares of the subsidiary company on August 05, 2022, wherein various valuation techniques were used to ascertain the total market value of the shares of NMPL as at June 30, 2022. Pursuant to the same, the range of the total market value of the entire NMPL was determined to be between PKR 14.2 billion to PKR 20.6 billion. | | | | |
| 19 Other income | | | | |
| This includes PKR 304.793 million on account of dividend income from investment in mutual funds - note 10. | | | | |

| | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 |
|--|---|---|--|--|
| 20 Taxation | | | | |
| Current | 1,781,739 | 3,027,746 | 716,701 | 2,210,257 |
| Deferred | 278,424 | 314,871 | (11,959) | (120,596) |
| | 2,060,163 | 3,342,617 | 704,742 | 2,089,661 |
| | | | For the 9 months ended March 31, 2023 | For the 9 months ended March 31, 2022 |
| 21 Cash flows from operations | | | | |
| Profit before taxation | | | 17,976,915 | 7,555,773 |
| Adjustments for: | | | | |
| Depreciation and amortisation | | | 2,275,107 | 1,873,573 |
| Gain on disposal of operating fixed assets | | | (10,828) | (24,179) |
| Gain on sale of investment | | | (9,842,154) | - |
| Provision for non-management staff gratuity and eligible retired employees' medical scheme | | | 29,566 | 28,190 |
| Provision for staff retirement benefit plan | | | 31,008 | 31,716 |
| Interest income | | | (126,655) | (4,852) |
| Dividend income from subsidiary | | | (300,000) | - |
| Interest expense | | | 1,854,069 | 531,173 |
| Provision no longer required | | | (1,417) | (17,695) |
| Provision for slow moving and obsolete stock-in-trade | | | 71,722 | 4,246 |
| Allowance for expected credit loss | | | 7,026 | 15,017 |
| Deferred income - Government grant | | | (125,935) | (94,541) |
| Provision for slow moving and obsolete stores, spares and consumables | | | 7,359 | 6,515 |
| | | | 11,845,783 | 9,904,936 |
| Movement in: | | | | |
| Working capital - note 21.1 | | | (5,502,469) | (3,700,018) |
| Long-term loans | | | (151,366) | (1,974) |
| Long-term deposits and prepayments | | | (23,069) | (14,828) |
| Cash generated from operations | | | 6,168,879 | 6,188,116 |
| 21.1 Movement in working capital | | | | |
| <i>(Increase) / decrease in current assets</i> | | | | |
| Stores, spares and consumables | | | (160,742) | (242,919) |
| Stock-in-trade | | | (3,055,432) | (2,654,071) |
| Trade debts | | | (1,227,518) | (864,139) |
| Loans and advances | | | (2,120,572) | (829,663) |
| Trade deposits and short-term prepayments | | | (1,003,592) | 50,694 |
| Other receivables | | | 638,008 | 17,455 |
| | | | (6,929,848) | (4,522,643) |
| <i>Increase in current liabilities</i> | | | | |
| Trade and other payables | | | 1,427,379 | 822,625 |
| | | | (5,502,469) | (3,700,018) |

22 Transactions with related parties

The related parties comprise the Holding company and related group companies, associated company, subsidiary companies, directors of the Company, companies where directors also hold directorship, key employees and staff retirement funds. All the transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim unconsolidated financial statements are as follows:

| | | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 |
|--------------------------------------|---|---|---|---|---|
| Relationship with the Company | Nature of transaction | | | | |
| <i>Parent Company</i> | Dividend paid | 507,980 | 1,269,950 | 1,015,960 | 2,031,920 |
| | Sale of goods and material | 8,637 | 27,182 | 3,113 | 3,246 |
| | Purchase of goods, materials and services | 41,436 | 67,204 | 22,357 | 73,606 |
| | Reimbursement of expenses | 3,390 | 3,390 | - | - |
| <i>Subsidiary Companies</i> | Purchase of electricity | 318,807 | 1,164,583 | 439,140 | 1,383,894 |
| | Provision of services and other receipts | 495 | 1,485 | 495 | 1,485 |
| | Sale of goods, material and asset | 32 | 58 | 56 | 111 |
| | Investment in associate / subsidiary | - | - | - | 770,182 |
| | Reimbursement of expenses | 790 | 2,902 | 1,803 | 4,449 |
| | Dividend income from subsidiary | - | 300,000 | - | - |
| <i>Associated Companies</i> | Royalty | 6,632 | 379,044 | 124,932 | 423,750 |
| | Purchase of goods, materials and services | 98,545 | 1,249,825 | 147,559 | 367,669 |
| | Sale of goods and materials | 1,461,165 | 3,760,790 | 592,213 | 1,299,904 |
| | Dividend paid | 245,123 | 612,807 | 490,245 | 980,491 |
| | Donation | 4,514 | 41,123 | 2,500 | 16,100 |
| <i>Others</i> | Staff retirement benefits | 105,012 | 305,707 | 96,604 | 280,867 |
| <i>Key management personnel</i> | Remuneration paid | 99,018 | 476,158 | 88,363 | 450,879 |
| | Post employment benefits | 12,528 | 36,550 | 21,786 | 33,311 |
| | Director's meeting fee | 844 | 3,375 | 975 | 2,775 |
| | Dividend paid | 23,675 | 59,187 | 51,434 | 102,868 |

23 Estimates

The preparation of these condensed interim unconsolidated financial statements, in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements 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 the estimates. During the preparation of these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the annual audited financial statements of the Company for the year ended June 30, 2022.

24 Standards, amendments and interpretations adopted during the period

The Company has adopted the certain amendments and improvements to the International Financial Reporting Standards (IFRSs) which became effective for the current period as disclosed below. The said amendments did not have any material impact on these condensed interim unconsolidated financial statements.

Amendments to approved accounting standards

| | |
|--------|--|
| IFRS 3 | Reference to the Conceptual Framework (Amendments) |
| IAS 16 | Property, Plant and Equipment: Proceeds before Intended Use (Amendments) |
| IAS 37 | Onerous Contracts – Costs of Fulfilling a Contract (Amendments) |

Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)

| | |
|---------|--|
| IFRS 9 | Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities |
| IAS 41 | Agriculture – Taxation in fair value measurements |
| IFRS 16 | Leases: Lease incentives |

25 Financial risk management

The Company's financial risk management objective and policies are consistent with that disclosed in the annual unconsolidated audited financial statements for the year ended June 30, 2022.

26 Date of authorisation

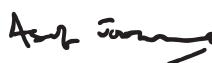
These condensed interim unconsolidated financial statements were authorised for issue in the Board of Directors meeting held on April 26, 2023.

27 General

Figures have been rounded off to the nearest thousand rupees except as stated otherwise.

**Muhammad Sohail Tabba**

Chairman / Director

**Asif Jooma**

Chief Executive

**Atif Aboobukar**

Chief Financial Officer

Lucky Core Industries Limited and its Subsidiary Companies Consolidated Financial Statements

Review of the Directors

for the Nine months ended March 31, 2023 - Consolidated

The Directors are pleased to present their review together with the unaudited Group results of Lucky Core Industries Limited for the nine months ended March 31, 2023. The Lucky Core Industries group comprises Lucky Core Industries Limited, its subsidiaries: Lucky Core PowerGen Limited (PowerGen), Lucky TG (Private) Limited (Lucky TG), Lucky Core Ventures (Private) Limited (LCV) and its associated concern; NutriCo Morinaga (Private) Limited (NMPL).

The Director's report, which provides a commentary on the performance of Lucky Core Industries Limited for the nine months ended March 31, 2023, has been presented separately.

The Net Turnover of PowerGen for the nine months ended stood at PKR 1,067 million, which is 13% lower as compared to the SPLY. This was mainly due to the lower sale of electricity units by 35% from the SPLY partially offset by an increase in electricity prices backed by higher HFO prices. The Operating Result at PKR 91 million, has declined by 21% against the SPLY due to lower volumes and higher cost of sales.

In January 2023, the Company successfully concluded the sale of 21,763,125 ordinary shares of NutriCo Morinaga Private Limited ('NMPL') (constituting approximately 26.5% of the issued and paid up share capital of NMPL) at an aggregate price of USD 45,082,657 to Morinaga Milk Industry Co. Ltd Japan. Consequently, a sum of PKR 9,842 million was recorded in the standalone financial statements of the Company being the premium for the loss of controlling interest and gain on sale of shares. The Company continues to hold approximately 24.5% of the issued and paid up capital of NMPL, making it an 'Associated Company', whilst Morinaga Milk's shareholding has increased to 51% of the issued and paid up share capital of NMPL.

In accordance with IFRS 5 - Non Current Asset Held for Sale and discontinued operation, investment in NMPL in these consolidated group results is classified as 'Discontinued Operations' prior to divestment of the aforementioned shares. Subsequent to divestment, it is classified as an 'Associate.' Consequently, the Share of Profit from Associate amounting to PKR 3.2 million has been recognised in the consolidated financial statements for the period ended 31 March 2023.

On a consolidated basis (including the result of the Company's subsidiary PowerGen), Net Turnover for the nine months from continuing operations under review at PKR 80,429 million is higher by 11% over the SPLY. Whereas the Operating Result from continuing operations at PKR 10,509 million is higher by 3% in comparison to the SPLY. Including the impact of discontinued operations, Net Turnover and Operating Result for the nine months period is higher by 23% and 15% respectively in comparison to the SPLY.

On a consolidated basis, PAT for the nine months period under review for both continuing and discontinued operations at PKR 22,175 million is 172% higher than the SPLY, whereas EPS attributable to the owners of the holding company for both continuing and discontinued operations at PKR 237.74 is 181% higher than the SPLY. The increase is primarily due to the disposal of approximately 26.5% shareholding of NMPL realising a gain of PKR 8,911 million and a one-off notional gain of PKR 8,239 million recorded on account of re-measurement of remaining 24.5% shareholding of NMPL in accordance with the relevant IFRS. Excluding the impact of the aforesaid gain (on disposal and re-measurement), PAT and EPS attributable to the owners of the Holding Company for the nine months period under review for both continuing and discontinued operations would have been PKR 5,904 million and PKR 61.57 respectively which would have been 27% lower than the SPLY. The decline is mainly due to reduction in shareholding of the company in NMPL and a one-off net positive impact of PKR 1,847 million recorded in the SPLY as a consequence of the re-measurement of the previously held equity interest of NutriCo Pakistan (Private) Limited on the acquisition of an additional 11% shareholding.




Muhammad Sohail Tabba

Chairman / Director

Dated: April 26, 2023

Karachi.



Asif Jooma

Chief Executive

ڈائریکٹر کا جائزہ

برائے 9 ماہ ختم شدہ 31 مارچ 2023 - کنسولیدٹڈ

ڈائریکٹر زکی کور انڈسٹریز لمیٹڈ کے غیر آڈٹ شدہ گروپ رزلٹس بشمول جائزہ برائے 9 ماہ ختم شدہ 31 مارچ 2023 پیش کرتے ہوئے خوش محسوس کر رہے ہیں۔ کئی کور انڈسٹریز گروپ، کئی کور انڈسٹریز لمیٹڈ پر مشتمل ہے اور اس کے ذیلی اداروں میں کئی کور پاور جن لمیٹڈ (پاور جن)، کئی TG (پرائیویٹ) لمیٹڈ (کئی TG)، کئی کور وینچرز (پرائیویٹ) لمیٹڈ (LCV) اور ایسوسی ایٹڈ ادارہ نیوٹری کو موریناگا (پرائیویٹ) لمیٹڈ (NMPL) شامل ہیں۔

31 مارچ 2023 کو ختم شدہ 9 ماہ کیلئے کئی کور انڈسٹریز لمیٹڈ کی کارکردگی کی وضاحت پر مشتمل ڈائریکٹر ز رپورٹ علیحدہ سے پیش کی جا چکی ہے۔

پاور جن کا مجموعی کاروبار 9 ماہ کے لئے 1,067 ملین روپے بنتا ہے جو گزشتہ سال کی اسی مدت کے مقابلے میں 13 فیصد کم ہے۔ کئی بنیادی طور پر گزشتہ سال کی اسی مدت کے مقابلے میں 35 فیصد بجلی پورٹس کی کم سیلز کے سبب ہے جس کا کچھ ازالہ HFO کی زائد قیمتوں سے قیمت فروخت میں اضافے سے ہوا۔ کاروباری منافع مجموعی طور پر 91 ملین روپے رہا جو کہ گزشتہ سال کی اسی مدت کے مقابلے میں 21 فیصد کم رہا کیونکہ مقدار میں کمی اور سیلز کے اخراجات زائد رہے۔

جنوری 2023 میں، کمپنی نے نیوٹری کو موریناگا (پرائیویٹ) لمیٹڈ کے 21,763,125 عبوری شیئرز کی فروخت کامیابی سے مکمل کی (نیوٹری کو موریناگا (پرائیویٹ) لمیٹڈ کے جاری شدہ اور ادا شدہ شیئر کیپٹل سے 26.5 فیصد پر مشتمل)، جس کی لاگت 45,082,657 امریکی ڈالر تھی۔ نتیجتاً کمپنی کے انفرادی مالیاتی گوشواروں میں 9,842 ملین روپے کو پرمیئم فارلوس آف کنٹرولنگ انٹر سسٹ اور گین آن سیل آف شیئرز کی مد میں ریکارڈ کیا گیا ہے۔ مذکورہ لین دین کے بعد کمپنی کے پاس NMPL کا تقریباً 24.5 فیصد جاری شدہ اور ادا شدہ شیئر کیپٹل باقی رہے گا جو اسے ”ایسوسی ایٹس کمپنی“ بناتی ہے جبکہ موریناگا ملک کا نیوٹری کو موریناگا پاکستان لمیٹڈ میں جاری شدہ اور ادا شدہ شیئر کیپٹل بڑھ کر 51 فیصد ہو جاتا ہے۔

IFRS 5 ”غیر موجودہ اثاثے برائے فروخت اور غیر جاری آپریشنز“ کے مطابق نیوٹری کو موریناگا (پرائیویٹ) لمیٹڈ مندرجہ بالا شیئرز کی فروخت سے قبل، ان مشترکہ گروپ رزلٹس میں غیر جاری آپریشنز کے زمرے میں آتا ہے۔ فروخت کے بعد اسے ”ایسوسی ایٹ“ کا درجہ حاصل ہے۔ نتیجتاً ایسوسی ایٹ سے ملنے والے منافع کے حصے 3.2 ملین روپے کو 31 مارچ 2023 کو ختم ہونے والی مدت کے لیے مشترکہ مالیاتی گوشواروں میں درج کیا گیا ہے۔

مشترکہ بنیادوں پر کمپنی نے (اپنے ذیلی ادارے پاور جن کے ساتھ) زیر جائزہ 9 ماہ کے دوران جاری آپریشنز سے 80,429 ملین روپے کا مجموعی کاروبار کیا جو کہ گزشتہ سال کے اسی عرصے کے مقابلے میں 11 فیصد زائد ہے جبکہ جاری آپریشنز سے کاروباری منافع 10,509 ملین روپے بنتا ہے جو گزشتہ سال کی اسی مدت کے مقابلے میں 3 فیصد زائد ہے۔ بشمول غیر جاری آپریشنز، 9 ماہ کے لئے مجموعی آمدنی اور کاروباری منافع سال کی اسی مدت کے مقابلے میں بالترتیب 23 فیصد اور 15 فیصد زائد رہا۔

مشترکہ بنیادوں پر، جاری اور غیر جاری آپریشنز دونوں سے زیر جائزہ 9 ماہ کے لیے بعد از ٹیکس منافع 22,175 ملین روپے بنتا ہے جو گزشتہ سال کی اسی مدت کے مقابلے میں 172 فیصد زائد ہے، جبکہ ہولڈنگ کمپنی کے مالکان کو جاری اور غیر جاری آپریشنز سے قابل ادا ہر ایک شیئر پر منافع 237.74 روپے بنتا ہے جو گزشتہ سال کی اسی مدت کے مقابلے میں 181 فیصد زائد ہے۔ اضافے کی بنیادی وجہ نیوٹری کو موریناگا پاکستان (پرائیویٹ) لمیٹڈ کے تقریباً 26.5 فیصد شیئر ہولڈنگ کی فروخت سے 8,911 ملین روپے کا گین اور متعلقہ IFRS کی تعمیل میں NMPL کی بقیہ شیئر ہولڈنگ پر نظر ثانی کے نتیجے میں 8,239 ملین روپے کا ون آف تخمینہ گین حاصل ہونا ہے جو کہ NMPL کے بقیہ 24.5 فیصد شیئر ہولڈنگ کی دوبارہ بیانیہ کی وجہ سے ہے۔ مذکورہ بالا ون آف گین کو ہٹا کر، کمپنی کے مالکان کو ملنے والا بعد از ٹیکس منافع اور ہر ایک شیئر پر منافع برائے زیر جائزہ 9 ماہ، جاری اور معطل آپریشنز سے بالترتیب 5,904 ملین روپے اور 61.57 روپے بنتا ہے جو گزشتہ سال کی اسی مدت کے مقابلے میں 27 فیصد کم ہوتا۔ کئی کی وجہ NMPL میں کمپنی کی شیئر ہولڈنگ کا کم ہونا اور پچھلی مدت میں نیوٹری کو پاکستان (پرائیویٹ) لمیٹڈ میں 11 فیصد کی اضافی شیئر ہولڈنگ لینے کے لئے سابقہ رکھے گئے ایکویٹی انٹر سٹ پر نظر ثانی کے نتیجے میں 1,847 ملین روپے کا ون آف مثبت رجحان ہے۔

Asif Iqbal

آصف جمعہ
چیف ایگزیکٹو

محمد سہیل شاہ

چیزمین / ڈائریکٹر

تاریخ: 26 اپریل 2023

کراچی

Condensed Interim Consolidated Statement of Financial Position

As at March 31, 2023

Amounts in PKR '000

| | Note | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|---|------|----------------------------------|-------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4 | 27,799,328 | 32,296,855 |
| Intangible assets | 5 | 1,666,028 | 9,440,221 |
| Right-of-use assets | | 104,016 | 163,074 |
| | | 29,569,372 | 41,900,150 |
| Long-term investments | 6 | 11,009,769 | 2,500 |
| Long-term loans | | 487,893 | 360,011 |
| Long-term deposits and prepayments | | 78,319 | 55,445 |
| | | 11,575,981 | 417,956 |
| | | 41,145,353 | 42,318,106 |
| Current assets | | | |
| Stores, spares and consumables | | 1,340,245 | 1,235,634 |
| Stock-in-trade | 7 | 19,717,255 | 19,685,162 |
| Trade debts | 8 | 4,833,755 | 4,820,447 |
| Loans and advances | | 3,853,505 | 1,844,931 |
| Trade deposits and short-term prepayments | | 1,746,855 | 793,520 |
| Other receivables | 9 | 1,659,052 | 3,738,493 |
| Short term investments | 10 | 12,176,895 | - |
| Cash and bank balances | | 2,435,103 | 693,356 |
| | | 47,762,665 | 32,811,543 |
| Total assets | | 88,908,018 | 75,129,649 |
| EQUITY AND LIABILITIES | | | |
| Share capital and reserves | | | |
| Authorised capital | | | |
| 1,500,000,000 (June 30, 2022: 1,500,000,000) ordinary shares of PKR 10 each | | 15,000,000 | 15,000,000 |
| Issued, subscribed and paid-up capital | | | |
| 92,359,050 (June 30, 2022: 92,359,050) ordinary shares of PKR 10 each | | 923,591 | 923,591 |
| Capital reserves | | 309,643 | 309,643 |
| Revenue reserve - unappropriated profit | | 46,877,982 | 27,229,297 |
| Attributable to the equity holders of the holding company | | 48,111,216 | 28,462,531 |
| Non-controlling interests | | - | 4,828,721 |
| Total equity | | 48,111,216 | 33,291,252 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Provisions for non-management staff gratuity | | 108,233 | 118,869 |
| Long-term loans | 11 | 3,916,185 | 6,044,640 |
| Lease liabilities | | 36,296 | 88,182 |
| Deferred tax liability - net | 12 | 2,045,114 | 2,812,745 |
| Deferred income - Government grant | 13 | 1,059,358 | 870,055 |
| Contractor's retention money | | - | 198,259 |
| | | 7,165,186 | 10,132,750 |
| Current liabilities | | | |
| Trade and other payables | | 12,319,647 | 14,317,974 |
| Accrued mark-up | | 579,150 | 441,018 |
| Short-term financing | 14 | 17,326,941 | 13,705,104 |
| Current portion of long-term loans | | 915,852 | 1,779,682 |
| Current portion of lease liabilities | | 60,647 | 96,117 |
| Current portion of deferred income - Government grant | | 196,588 | 164,440 |
| Taxation - net | | 2,107,593 | 1,085,812 |
| Unclaimed dividend | | 125,198 | 115,500 |
| | | 33,631,616 | 31,705,647 |
| Total equity and liabilities | | 88,908,018 | 75,129,649 |

Contingencies and commitments

15

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.

Muhammad Sohail Tabba

Chairman / Director

Asif Jooma

Chief Executive

Atif Aboobakar

Chief Financial Officer

Condensed Interim Consolidated Statement of Profit or Loss (Unaudited)

For the Nine Months Ended March 31, 2023

Amounts in PKR '000

| | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 |
|--|---|---|---|---|
| Net turnover - note 16 | 30,846,422 | 80,428,829 | 25,897,271 | 72,521,398 |
| Cost of sales - note 16 and 17 | (23,747,382) | (64,311,951) | (20,233,888) | (56,339,382) |
| Gross profit | 7,099,040 | 16,116,878 | 5,663,383 | 16,182,016 |
| Selling and distribution expenses - note 16 | (1,308,053) | (3,944,182) | (1,590,634) | (4,378,847) |
| Administration and general expenses - note 16 | (640,886) | (1,663,560) | (580,627) | (1,551,644) |
| Operating result - note 16 | 5,150,101 | 10,509,136 | 3,492,122 | 10,251,525 |
| Finance costs | (799,988) | (1,853,652) | (340,162) | (827,618) |
| Exchange loss | (729,441) | (935,371) | (130,997) | (377,345) |
| Workers' profit participation fund | (134,165) | (288,068) | (136,972) | (403,430) |
| Workers' welfare fund | (105,299) | (176,958) | (49,249) | (152,958) |
| Other charges | (32,521) | (68,602) | (22,811) | (61,870) |
| | (1,801,414) | (3,322,651) | (680,191) | (1,823,221) |
| Other income - note 18 | 521,804 | 733,486 | 106,444 | 284,125 |
| Gain on remeasurement of existing interest in NutriCo Pakistan | - | - | - | 1,847,321 |
| Gain on partial disposal of NutriCo Morinaga (Pvt) Limited - note 20.1 | 8,911,412 | 8,911,412 | - | - |
| Gain on remeasurement of interest retained in NutriCo Morinaga (Pvt) Limited - note 20.2 | 8,239,260 | 8,239,260 | - | - |
| Share of profit from associate | 3,154 | 3,154 | - | - |
| Profit before taxation | 21,024,317 | 25,073,797 | 2,918,375 | 10,559,750 |
| Taxation - note 19 | (2,060,217) | (3,342,790) | (795,964) | (2,392,320) |
| Profit after taxation from continuing operations | 18,964,100 | 21,731,007 | 2,122,411 | 8,167,430 |
| Discontinued operations | | | | |
| (Loss) / Profit after taxation from discontinued operations - note 20.5 | (63,086) | 444,421 | - | - |
| Profit after taxation | 18,901,014 | 22,175,428 | 2,122,411 | 8,167,430 |
| Attributable to: | | | | |
| Owners of the Holding Company | 18,931,926 | 21,957,662 | 2,012,114 | 7,802,341 |
| Non-controlling interests | (30,912) | 217,766 | 110,297 | 365,089 |
| | 18,901,014 | 22,175,428 | 2,122,411 | 8,167,430 |
| Basic and diluted earnings per share (PKR) | | | | |
| - continuing operations | 205.33 | 235.29 | 21.79 | 84.48 |
| - discontinued operations | (0.35) | 2.45 | - | - |
| | 204.98 | 237.74 | 21.79 | 84.48 |

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.



Muhammad Sohail Tabba

Chairman / Director



Asif Jooma

Chief Executive



Atif Aboobakar

Chief Financial Officer

Condensed Interim Consolidated Statement of Other Comprehensive Income (Unaudited)

For the Nine Months Ended March 31, 2023

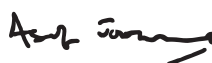
| | Amounts in PKR '000 | | | |
|---|---|---|---|---|
| | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 |
| Profit after taxation | 18,964,100 | 21,731,007 | 2,122,411 | 8,167,430 |
| Other comprehensive Income | | | | |
| Net gain on cash flow hedges | - | - | 33,131 | 26,672 |
| Total comprehensive income for the period from continuing operations | 18,964,100 | 21,731,007 | 2,155,542 | 8,194,102 |
| Discontinued operations | | | | |
| Profit after taxation from discontinued operations | (63,086) | 444,421 | - | - |
| Total comprehensive income for the period from discontinued operations | (63,086) | 444,421 | - | - |
| Total comprehensive income for the period | 18,901,014 | 22,175,428 | 2,155,542 | 8,194,102 |
| Attributable to: | | | | |
| Owners of the Holding Company | 18,931,926 | 21,957,662 | 2,045,245 | 7,829,013 |
| Non-controlling interests | (30,912) | 217,766 | 110,297 | 365,089 |
| | 18,901,014 | 22,175,428 | 2,155,542 | 8,194,102 |

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.



Muhammad Sohail Tabba

Chairman / Director



Asif Joona

Chief Executive



Atif Aboobakar

Chief Financial Officer

Condensed Interim Consolidated Statement of Changes in Equity (Unaudited)

For the Nine Months Ended March 31, 2023

Amounts in PKR '000

| | Issued, subscribed and paid-up capital | Capital reserves | Revenue reserve - Unappropriated profit | Total Reserves | Non- controlling interests | Total |
|--|---|---------------------|--|-------------------|----------------------------------|-------------------|
| As at July 1, 2021 (Audited) | 923,591 | 309,643 | 22,500,442 | 22,810,085 | 1,665,538 | 25,399,214 |
| Final dividend of PKR 20.00 per share for the year ended June 30, 2021 | - | - | (1,847,182) | (1,847,182) | - | (1,847,182) |
| Interim dividend of PKR 20.00 per share for the year ended June 30, 2022 | - | - | (1,847,182) | (1,847,182) | - | (1,847,182) |
| | - | - | (3,694,364) | (3,694,364) | - | (3,694,364) |
| Non-controlling interest arising on step acquisition | - | - | - | - | 1,147,635 | 1,147,635 |
| Profit attributable to non-controlling interest for the year | - | - | - | - | 365,089 | 365,089 |
| Profit for the period | - | - | 7,802,341 | 7,802,341 | - | 7,802,341 |
| Other comprehensive income for the period - net of tax | - | - | 26,672 | 26,672 | - | 26,672 |
| Total comprehensive income | - | - | 7,829,013 | 7,829,013 | - | 7,829,013 |
| As at March 31, 2022 (Unaudited) | 923,591 | 309,643 | 26,635,091 | 26,944,734 | 3,178,262 | 31,046,587 |
| Non-controlling interest arising on step acquisition | - | - | - | - | 1,621,055 | 1,621,055 |
| Profit attributable to non-controlling interest for the year | - | - | - | - | 29,404 | 29,404 |
| Profit for the period | - | - | 663,188 | 663,188 | - | 663,188 |
| Other comprehensive loss for the period - net of tax | - | - | (68,982) | (68,982) | - | (68,982) |
| Total comprehensive income | - | - | 594,206 | 594,206 | - | 594,206 |
| As at June 30, 2022 (Audited) | 923,591 | 309,643 | 27,229,297 | 27,538,940 | 4,828,721 | 33,291,252 |
| Final dividend of PKR 15.00 per share for the year ended June 30, 2022 | - | - | (1,385,386) | (1,385,386) | - | (1,385,386) |
| Interim dividend of PKR 10.00 per share for the year ended June 30, 2023 | - | - | (923,591) | (923,591) | - | (923,591) |
| | - | - | (2,308,977) | (2,308,977) | - | (2,308,977) |
| Profit for the period | - | - | 21,957,662 | 21,957,662 | 217,766 | 22,175,428 |
| Other comprehensive income for the period - net of tax | - | - | - | - | - | - |
| Total comprehensive income | - | - | 21,957,662 | 21,957,662 | 217,766 | 22,175,428 |
| Derecognition due to step disposal | - | - | - | - | (5,046,487) | (5,046,487) |
| As at March 31, 2023 (Unaudited) | 923,591 | 309,643 | 46,877,982 | 47,187,625 | - | 48,111,216 |

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.



Muhammad Sohail Tabba

Chairman / Director



Asif Jooma

Chief Executive



Atif Aboobakar

Chief Financial Officer

Condensed Interim Consolidated Statement of Cash Flows (Unaudited)

For the Nine Months Ended March 31, 2023

Amounts in PKR '000

| | March 31, 2023 | March 31, 2022 |
|--|--------------------|---------------------|
| Cash flows from operating activities | | |
| Cash generated from operations - note 21 | 6,426,904 | 6,900,368 |
| Payments for : | | |
| Non-management staff gratuity and eligible retired employees' medical scheme | (39,564) | (22,269) |
| Staff retirement benefit plan | (44,994) | (47,353) |
| Taxation | (2,375,218) | (1,905,600) |
| Interest | (1,493,731) | (550,962) |
| Discontinued operations - note 20.6 | 341,898 | - |
| Net cash generated from operating activities | 2,815,295 | 4,374,184 |
| Cash flows from investing activities* | | |
| Capital expenditure | (3,446,398) | (7,420,641) |
| Acquisition of 11% interest of NutriCo Pakistan | - | (770,182) |
| Transfer upon acquisition | - | 289,159 |
| Proceeds from disposal of shares of subsidiary | 11,901,821 | - |
| Proceeds from disposal of operating fixed assets | 11,454 | 42,261 |
| Interest received on bank deposits | 66,702 | 8,236 |
| Discontinued operations - note 20.6 | 4,745 | - |
| Net cash generated from / (used in) investing activities | 8,538,324 | (7,851,167) |
| Cash flows from financing activities* | | |
| Long-term loans obtained | 684,343 | 2,359,022 |
| Long-term loans repaid | (1,280,970) | (1,627,092) |
| Payment against lease liabilities | (95,875) | (91,954) |
| Discontinued operations - note 20.6 | (616,552) | - |
| Dividends paid | (2,299,279) | (3,762,921) |
| Net cash used in financing activities | (3,608,333) | (3,122,945) |
| Net increase / (decrease) in cash and cash equivalents | 7,745,286 | (6,599,928) |
| Cash and cash equivalents at the beginning of the period | (13,011,748) | (3,462,419) |
| Cash and cash equivalent of subsidiary at disposal date | 2,551,519 | - |
| Cash and cash equivalents at the end of the period | (2,714,943) | (10,062,347) |
| Cash and cash equivalents at the end of period comprise of: | | |
| Cash and bank balances | 2,435,103 | 246,528 |
| Short term investments - note 10 | 12,176,895 | - |
| Short-term financing - note 14 | (17,326,941) | (10,308,875) |
| | (2,714,943) | (10,062,347) |

* No non-cash items are included in these activities

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.



Muhammad Sohail Tabba

Chairman / Director



Asif Jooma

Chief Executive



Atif Aboobakar

Chief Financial Officer

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Nine Months Ended March 31, 2023

1 Status and nature of business

The Group consists of:

- Lucky Core Industries Limited (the "Holding Company");
- Lucky Core PowerGen Limited ("PowerGen");
- Lucky TG (Private) Limited; and
- Lucky Core Venture (Private) Limited.

The Holding Company is incorporated in Pakistan and is listed on The Pakistan Stock Exchange Limited. The Holding Company's registered office is situated at 5 West Wharf, Karachi. The Holding Company is engaged in the manufacture of polyester staple fibre, POY chips, soda ash, specialty chemicals, sodium bicarbonate and polyurethanes; marketing of seeds, toll manufactured and imported pharmaceuticals and animal health products; and merchanting of general chemicals and manufacturing of Masterbatches. It also acts as an indenting agent and toll manufacturer.

PowerGen is incorporated in Pakistan as an unlisted public company and is a wholly owned subsidiary of the Holding Company. PowerGen is engaged in generating, selling and supplying electricity to the Group.

Lucky TG (Private) Limited is incorporated in Pakistan as a private company and is a subsidiary of the LCI with 51% shareholding. Lucky TG (Private) Limited would undertake the manufacturing, distribution and sales and marketing of float glass and its variants.

Lucky Core Venture (Private) Limited is incorporated in Pakistan as a private company and is a wholly owned subsidiary of the Holding Company.

The condensed interim consolidated financial statements comprise the consolidated statement of financial position of Lucky Core Industries Limited and its subsidiary companies, Lucky Core PowerGen Limited, Lucky TG (Private) Limited and Lucky Core Venture (Private) Limited, as at March 31, 2023 and the related consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow together with the notes forming part thereof.

1.1 Change of the Holding Company name

The Board of Directors considered and approved the change of name of the Holding Company from ICI Pakistan Limited to Lucky Core Industries Limited in their meeting held on August 01, 2022 and the same has been approved in AGM held on September 27, 2022. This decision has been taken primarily to align the Holding Company's name with its holding Company, Lucky Cement Ltd, which is a part of the Yunus Brothers Group (YBG). The proposed name draws on the strength of the Lucky brand, a leading, progressive, and diversified Pakistani Conglomerate. The proposed name embodies the Holding Company's central role in delivering enduring value for its stakeholders and improving lives across the socio-economic fabric of Pakistan. Revised certificate of incorporation has also been issued by the Securities and Exchange Commission of Pakistan (SECP) on December 23, 2022 in respect of change of name of the Holding Company.

2 Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprise of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under Companies Act, 2017 (the Act) and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Act differ with the requirement of IAS 34, the provisions of and directives issued under the Act have been followed.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements of the Group for the year ended June 30, 2022.

3 Significant accounting policies

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended June 30, 2022, except for the adoption of amendments to approved accounting standards which became effective for the current period as disclosed in note 24 to these condensed interim consolidated financial statements.

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|---|---|--|
| 4 Property, plant and equipment | | |
| Operating fixed assets - at net book value | 25,153,954 | 25,652,445 |
| Capital work-in-progress - at cost - note 4.2 | 2,645,374 | 6,644,410 |
| Total property, plant and equipment | 27,799,328 | 32,296,855 |

4.1 Following is the cost of operating property, plant and equipment that have been added / disposed off during the period / year:

| | Additions / Transfers | | Disposals at net book value | |
|-----------------------------|---|--|---|--|
| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
| Freehold land | - | 210,502 | - | - |
| Leasehold land | - | 102,656 | - | - |
| Lime beds on freehold land | 74,811 | 96,294 | - | - |
| Buildings on freehold land | 45,932 | 187,538 | - | - |
| Buildings on leasehold land | 618,952 | 405,962 | 402 | - |
| Plant and machinery | 6,301,057 | 5,265,032 | - | 6,431 |
| Rolling stock and vehicles | 275 | 132,093 | - | 15,013 |
| Furniture and equipment | 48,908 | 256,650 | - | 365 |
| | 7,089,935 | 6,656,727 | 402 | 21,809 |

4.2 The following is the movement in capital work-in-progress during the period / year:

| | Civil works and buildings | Plant and machinery | Furniture and equipment | Advances to suppliers / contractors | Designing, consultancy and engineering fee | Total |
|-------------------------------|--|--------------------------------|------------------------------------|--|---|--------------------|
| As at March 31, 2023 | | | | | | |
| Opening balance | 126,119 | 4,958,789 | 88,902 | 1,179,323 | 291,277 | 6,644,410 |
| Additions during the period | 905,333 | 2,027,550 | 4,830 | 134,050 | - | 3,071,763 |
| Transferred during the period | (758,473) | (4,786,483) | (59,215) | (1,175,351) | (291,277) | (7,070,799) |
| Closing balance | 272,979 | 2,199,856 | 34,517 | 138,022 | - | 2,645,374 |
| As at June 30, 2022 | | | | | | |
| Opening balance | 225,852 | 1,411,280 | 132,545 | 981,177 | 288,798 | 3,039,652 |
| Additions during the period | 475,213 | 8,735,843 | 100,793 | 333,092 | 2,479 | 9,647,420 |
| Transferred during the period | (574,946) | (5,188,334) | (144,436) | (134,946) | - | (6,042,662) |
| Closing balance | 126,119 | 4,958,789 | 88,902 | 1,179,323 | 291,277 | 6,644,410 |

4.2.1 Majority of the closing balance of plant and machinery pertains to the Soda Ash expansion project.

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|--|---|--|
| 5 Intangible assets | | |
| Intangible assets - at net book value - note 5.1 | 1,666,028 | 9,440,221 |

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|---|----------------------------------|-------------------------------|
| 5.1 Following is the detail of intangible assets: | | |
| Brands | 1,437,679 | 1,437,679 |
| Goodwill | 206,374 | 895,520 |
| Distribution Rights | - | 7,059,543 |
| Others | 21,975 | 47,479 |
| | 1,666,028 | 9,440,221 |
| 5.2 Additions to intangible assets: | 10,327 | 919 |
| 6 Long-term investments | | |
| Unquoted Associates | | |
| NutriCo Pakistan (Private) Limited | | |
| Cost of investment - Equity held Nil (June 30, 2022: 200,000 shares) of PKR 1,000 each and premium of PKR 3,800 per share | - | 960,000 |
| Opening post acquisition loss | - | (6,659) |
| Share of profit for the period / year | - | - |
| Dividend received during the period / year | - | - |
| | - | (6,659) |
| | - | 953,341 |
| Derecognition of investment on becoming subsidiary at acquisition date | - | (953,341) |
| | - | - |
| NutriCo Morinaga (Private) Limited - note 20 | | |
| Fair value of investment on date of recognition - Equity held 20,121,621 shares (June 30, 2022: Nil shares) of face value of PKR 100 each | 11,004,115 | - |
| Share of profit for the period / year | 3,154 | - |
| Dividend received during the period / year | - | - |
| | 3,154 | - |
| | 11,007,269 | - |
| Others | | |
| Equity | | |
| - Arabian Sea Country Club Limited | 2,500 | 2,500 |
| 250,000 ordinary shares (June 30, 2022: 250,000) of PKR 10 each | | |
| | 11,009,769 | 2,500 |
| 7 Stock-in-trade | | |
| Raw and packing material includes in-transit PKR 5,792.536 million (June 30, 2022: PKR 1,168.159 million) | 14,048,788 | 12,487,477 |
| Work-in-process | 437,866 | 329,612 |
| Finished goods include in-transit PKR 254.969 million (June 30, 2022: PKR 278.038 million) | 5,387,856 | 6,994,249 |
| | 19,874,510 | 19,811,338 |
| Provision for slow moving and obsolete stock-in-trade | | |
| - Raw material | (82,982) | (72,859) |
| - Finished goods | (74,273) | (53,317) |
| | (157,255) | (126,176) |
| | 19,717,255 | 19,685,162 |
| 7.1 Stock amounting to PKR 72.424 million (June 30, 2022: PKR 12.653 million) is measured at net realisable value and expense amounting to PKR 8.770 million (June 30, 2022: expense of PKR 4.685 million) has been recognised in cost of sales. | | |

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|---|----------------------------------|-------------------------------|
| 8 Trade debts | | |
| <i>Considered good</i> | | |
| - Secured | 1,784,446 | 2,349,163 |
| - Unsecured | | |
| Due from associated companies | 18,900 | 25,269 |
| Others | 3,634,764 | 2,759,584 |
| | 5,438,110 | 5,134,016 |
| <i>Considered doubtful</i> | 127,597 | 160,857 |
| | 5,565,707 | 5,294,873 |
| | | |
| - Allowance for ECL | (127,597) | (160,857) |
| - Provision for price adjustments and discounts | (604,355) | (313,569) |
| | (731,952) | (474,426) |
| | 4,833,755 | 4,820,447 |
| 9 Other receivables | | |
| <i>Considered good</i> | | |
| Sales tax | 1,098,159 | 3,115,928 |
| Commission and discounts receivable | 38,872 | 134,760 |
| Due from associated companies | 61,875 | - |
| Interest income receivable | 59,519 | 6,200 |
| Receivable from principal | 141,670 | 101,700 |
| Others | 258,957 | 379,905 |
| | 1,659,052 | 3,738,493 |
| <i>Considered doubtful</i> | 58,556 | 57,261 |
| | 1,717,608 | 3,795,754 |
| Allowance for ECL on receivables | (58,556) | (57,261) |
| | 1,659,052 | 3,738,493 |
| 10 Short term investment | | |
| This represents amount received from sale proceeds of disposal of interest in NutriCo Morinaga (Private) Limited which has been invested in mutual funds - note 20. | | |
| 11 Long-term loans | | |
| Long-term loans - note 11.1 | 4,832,037 | 7,824,322 |
| Current portion shown under current liabilities | (915,852) | (1,779,682) |
| | 3,916,185 | 6,044,640 |
| 11.1 Following is the movement in long-term loans during the period / year: | | |
| Opening balance | 5,698,220 | 7,559,671 |
| Obtained during the period | 684,343 | 3,054,045 |
| Impact of discounting | (335,289) | (980,795) |
| Accretion of interest | 65,733 | 134,141 |
| Repaid during the period | (1,280,970) | (1,942,740) |
| Closing balance | 4,832,037 | 7,824,322 |

- 11.2** There is no material change in the terms and conditions of the long-term loans as disclosed in the Group's annual consolidated financial statements for the year ended June 30, 2022 except mentioned below :

The Group has availed Temporary Economic Refinance Facility (TERF) of PKR 684.343 million to meet capex requirement of the Soda ash business during the period. The maturity of these loans is 10 years with grace period of 2 years. The markup rate on this financing is as per SBP regulations.

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|---|----------------------------------|-------------------------------|
| 12 Deferred tax liability - net | | |
| Deductible temporary differences | | |
| Provisions for retirement benefits, doubtful debts and others | (389,160) | (305,186) |
| Retirement funds provision | (161,459) | (158,884) |
| Minimum Tax | - | (34,513) |
| Business loss | - | (1,035,869) |
| Taxable temporary differences | | |
| Property, plant and equipment | 2,595,733 | 2,809,548 |
| Intangible Asset | - | 1,537,649 |
| | 2,045,114 | 2,812,745 |
| 13 Deferred Income - Government grant | | |
| Government grant - note 13.1 | 1,255,946 | 1,034,495 |
| Current portion of government grant | (196,588) | (164,440) |
| | 1,059,358 | 870,055 |
| 13.1 Following is the movement in government grant during the period / year: | | |
| Opening balance | 1,034,495 | 193,230 |
| Obtained during the period / year | 334,039 | 980,795 |
| Amortisation of deferred income - government grant | (112,588) | (139,530) |
| Closing balance | 1,255,946 | 1,034,495 |
| 14 Short-term financing | | |
| Export Refinance Facility (ERF) | 1,306,000 | 741,000 |
| Short-term running finance - secured | 16,020,941 | 12,964,104 |
| | 17,326,941 | 13,705,104 |

There is no material change in the terms and conditions of the short-term borrowings and running finance as disclosed in the consolidated annual audited financial statements as at and for the year ended June 30, 2022 except mentioned below:

The Group has availed Export Refinance Facility (ERF) of SBP Part 2, amounting to PKR 1,706 million (2022: PKR 741 million) as at December 31, 2022 from various banks. It is secured against charge on current assets of the Group and carries mark-up at State Bank of Pakistan (SBP) rate + 0.20% to 1.00% per annum (2022: SBP rate + 0.15% to 1.00% per annum). This facility is interchangeable with Short Term Running Finance provided by the Banks.

15 Contingencies and commitments

- 15.1** Claims against the Group not acknowledged as debts are as follows:

| | | |
|--------------|---------------|---------------|
| Local bodies | 84,500 | 84,500 |
| Others | 6,192 | 6,192 |
| | 90,692 | 90,692 |

15.2 There are no material changes in the status of contingencies as reported in the annual consolidated audited financial statements as at and for the year ended June 30, 2022, except for the following:

15.2.1 A show cause notice dated March 16, 2022 was issued under section 11 of the Sales Tax Act, 1990 by the Federal Board of Revenue [FBR] on account of incorrect apportionment of input tax between taxable and non-taxable supplies. After furnishing all necessary information along with documentary evidences, the FBR finalized the proceedings vide order dated October 10, 2022 whereby sales tax demand of PKR 256 million [including penalty] was raised.

Being aggrieved, the Group filed an appeal before the Commissioner (Appeals) who, vide appellate order dated December 21, 2022, has remanded back the matter to FBR with certain directions. The remand back proceedings are yet to be initiated. The management of the Group is confident that the above case would be decided in Group's favor. Accordingly, no provision in this respect has been made in these condensed interim consolidated financial statements.

15.2.2 Through Finance Act, 2022, the Government has levied Super Tax on high earning persons under section 4C of the Income Tax Ordinance, 2001 for tax year 2022 and onwards, in addition to corporate tax rate of 29%. The Group together with other parties challenged the retrospective and discriminatory application of the said levy for tax year 2022 before the High Court of Sindh who, vide order dated December 22, 2022, has decided the matter in favor of the Group being ultra vires to the Constitution of Pakistan.

The Federal Board of Revenue challenged the said decision before the Supreme Court of Pakistan. Through the interim order dated February 16, 2023, the Court has held that the taxpayers shall deposit the super tax at the rate of 4% who were liable to pay super tax at the rate of 10%. Complying with the directions of the Supreme Court of Pakistan, the Group provided security of 4% super tax to the Nazir of High Court which has been encashed and deposited with the Federal Board of Revenue. Since the matter is pending before the Supreme Court of Pakistan, the Group has not reversed the related provision of super tax held in the books.

15.2.3 The department has finalized assessment proceedings under section 122(5A) of the Income Tax Ordinance, 2001 vide order dated March 20, 2023, raising tax demand of PKR 50.24 million on certain issues including disallowance of finance cost and write-offs etc. Although the demand has been paid under protest, an appeal against the order shall be filed before the Commissioner (Appeals) in due course.

| | March 31, 2023 (Unaudited) | June 30, 2022 (Audited) |
|--|---|--|
| 15.3 Commitments in respect of capital expenditure | 977,616 | 1,950,771 |
| 15.4 Commitments for rentals under Ijarah contracts in respect of vehicles are as follows: | | |
| Year | | |
| 2021-22 | - | 2,123 |
| 2022-23 | 6,693 | 8,491 |
| 2023-24 | 7,128 | 9,043 |
| 2024-25 | 7,591 | 9,630 |
| 2025-26 | 8,084 | 10,256 |
| | 29,496 | 39,543 |
| Payable not later than one year | 3,347 | 2,123 |
| Payable later than one year but not later than five years | 26,149 | 37,420 |
| | 29,496 | 39,543 |
| 15.5 Outstanding letter of credit (Unutilized PKR 16,035.862 million, June 30, 2022: 9,392.174 million) | 5,540,161 | 10,392,915 |
| 15.6 Commitments in respect of post dated cheques | 996,829 | 552,082 |

[illegible]

Note: Inter unit current account balances of respective businesses have been eliminated from the total.

| | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 |
|--|---|---|---|---|
| (Unaudited) | | | | |
| 16.1 Turnover | | | | |
| Inter-segment sales and purchases have been eliminated from the total | 381,631 | 1,035,029 | 410,954 | 1,264,905 |
| 16.2 Turnover includes export sales made to various countries amounting to: | 1,817,902 | 4,318,758 | 2,238,277 | 3,354,686 |
| 17 Cost of sales | | | | |
| Opening stock of raw and packing materials | 12,862,323 | 12,157,401 | 9,752,879 | 7,196,354 |
| Purchases | 14,970,194 | 41,147,543 | 11,517,077 | 34,828,559 |
| | 27,832,517 | 53,304,944 | 21,269,956 | 42,024,913 |
| Closing stock of raw and packing materials | (13,965,807) | (13,965,807) | (9,665,965) | (9,665,965) |
| Raw and packing materials consumption | 13,866,710 | 39,339,137 | 11,603,991 | 32,358,948 |
| Manufacturing costs | 7,740,856 | 21,634,072 | 4,895,404 | 13,772,215 |
| | 21,607,566 | 60,973,209 | 16,499,395 | 46,131,163 |
| Opening stock of work-in-process | 702,950 | 329,612 | 339,420 | 201,744 |
| | 22,310,516 | 61,302,821 | 16,838,815 | 46,332,907 |
| Closing stock of work-in-process | (437,866) | (437,866) | (183,292) | (183,292) |
| Cost of goods manufactured | 21,872,650 | 60,864,955 | 16,655,523 | 46,149,615 |
| Opening stock of finished goods | 6,113,894 | 4,276,468 | 6,841,981 | 5,129,214 |
| Transfer upon acquisition / disposal | - | - | - | 1,272,874 |
| Finished goods purchased | 1,074,420 | 4,484,110 | 3,656,761 | 10,708,056 |
| | 29,060,964 | 69,625,533 | 27,154,265 | 63,259,759 |
| Closing stock of finished goods | (5,313,582) | (5,313,582) | (6,920,377) | (6,920,377) |
| | 23,747,382 | 64,311,951 | 20,233,888 | 56,339,382 |
| 18 Other income | | | | |
| This includes PKR 304.793 million on account of dividend income from investment in mutual funds - note 10. | | | | |
| | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 |
| 19 Taxation | | | | |
| Current | 2,395,662 | 3,027,919 | 601,894 | 2,387,559 |
| Deferred | 213,882 | 314,871 | 194,070 | 4,761 |
| | 2,609,544 | 3,342,790 | 795,964 | 2,392,320 |

20 Discontinued Operations

On September 16, 2022, the Group entered into a Share Purchase Agreement (SPA) with Morinaga Milk Industry Co. Ltd Japan (Morinaga Milk) for partial divestment of its 26.5% shareholding in NutriCo Morinaga (Private) Limited (NMPL) at an aggregate sale price of USD 45,082,657 (approximately USD 2.07 per share). The transaction was approved by shareholders in the Annual General Meeting dated September 27, 2022. The effective date of the disposal was January 28, 2023. After the completion of the transaction, the Group continues to hold approximately 24.5% of the share capital of NMPL and NMPL is treated as an associate of the Group. The implication of the gain is as follows:

| | March 31, 2023 (Unaudited) |
|--|----------------------------------|
| 20.1 Total consideration received | 11,901,821 |
| Less: Carrying value of net assets net of non controlling interest (represents 26.5%) - note 20.3 | (2,990,409) |
| Gain on disposal of investment (26.5%) | 8,911,412 |
| 20.2 Fair value of interest retained | 11,004,115 |
| Less: Carrying value of net assets net of non controlling interest (represents 24.5%) - note 20.3 | (2,764,855) |
| Remeasurement gain on interest retained (24.5%) | 8,239,260 |
| 20.3 Carrying value of net assets on the date of disposal - note 20.4 | 10,801,751 |
| Less: Non controlling interest on the date of disposal | (5,046,487) |
| Net assets of the subsidiary net of non controlling interest (represents 51%) | 5,755,264 |
| 20.4 An analysis of assets and liabilities attributable to discontinued operations as at the disposal date is as below: | |
| Assets attributable to discontinued operations | |
| Property & Equipment | 5,142,703 |
| Intangible Assets and goodwill | 7,773,796 |
| Long-term loans | 25,259 |
| Long-term deposits and prepayments | 195 |
| Stores, spares and consumables | 57,779 |
| Stock-in-trade | 4,315,912 |
| Trade debts | 1,073,584 |
| Loans and advances | 245,186 |
| Trade deposits and short-term prepayments | 300,461 |
| Other receivables | 1,862,121 |
| Taxation - net | 452,720 |
| Cash and bank balances | 32,728 |
| Total Assets | 21,282,444 |
| Liabilities associated to discontinued operations | |
| Long term loan | 1,316,330 |
| Trade & other payables | 5,109,313 |
| Short term running finance | 2,584,247 |
| Current portion of long term loans | 448,103 |
| Defer tax liability | 1,022,700 |
| Total Liabilities | 10,480,693 |
| Net assets attributable to discontinued operations | 10,801,751 |

20.5 Financial performance of the discontinued operations is as follows:

| | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 |
|-----------------------------------|---|---|---|---|
| Turnover - net | 1,187,259 | 8,536,961 | 3,395,497 | 10,080,391 |
| Cost of sales | (928,378) | (6,531,073) | (2,604,477) | (7,843,248) |
| Gross Profit | 258,881 | 2,005,888 | 791,020 | 2,237,143 |
| Selling and distribution expenses | (74,348) | (522,791) | (263,177) | (641,357) |
| Administrative and general | (27,268) | (159,828) | (60,940) | (162,855) |
| Operating profit | 157,265 | 1,323,269 | 466,903 | 1,432,931 |
| Other charges | (398) | (882) | (90) | (542) |
| Financial charges | (60,194) | (373,892) | (111,819) | (298,345) |
| Exchange loss - net | (205,091) | (294,777) | (52,236) | (113,418) |
| Other income | 2,859 | 9,602 | 10,946 | 21,342 |
| Profit before taxation | (105,559) | 663,320 | 313,704 | 1,041,968 |
| Taxation | 42,473 | (218,899) | (90,973) | (302,493) |
| Profit after taxation | (63,086) | 444,421 | 222,731 | 739,475 |

20.6 Cash flows attributable to discontinued operations:

| | For the 9 months ended March 31, 2023 | For the 9 months ended March 31, 2022 |
|--|---|---|
| Net cash generated from operating activities | 341,898 | 199,091 |
| Net cash generated from investing activities | 4,745 | (30,281) |
| Net cash used in financing activities | (616,552) | (733,868) |
| Net cash (used in) / generated from discontinued operations | (269,909) | (565,058) |

21 Cash flows from operating activities

| | | |
|--|-------------------|-------------------|
| Profit before taxation | 25,073,797 | 10,559,750 |
| Adjustments for: | | |
| Depreciation and amortisation | 2,295,721 | 2,159,297 |
| Gain on disposal of operating fixed assets | (10,828) | (24,570) |
| Gain on partial disposal of investment | (8,911,412) | - |
| Gain on remeasurement of interest retained in investment | (8,239,260) | - |
| Unrealised gain on acquisition of NutriCo Pakistan shares | - | (1,847,321) |
| Provision for non-management staff gratuity and eligible retired employees' medical scheme | 29,566 | 28,190 |
| Provision for staff retirement benefit plan | 31,145 | 34,677 |
| Deferred income- Government grant | (125,935) | (94,541) |
| Share of profit of associate | (3,154) | - |
| Interest income | (127,073) | (8,236) |
| Interest expense | 1,854,069 | 827,618 |
| Allowance for expected credit loss | 7,026 | 62,250 |
| Provision for slow moving and obsolete stock-in-trade | 71,722 | 4,246 |
| Provision for slow moving and obsolete stores, spares and consumables | 7,359 | 6,515 |
| Provisions and accruals no longer required written back | (1,417) | (17,695) |
| | 11,951,326 | 11,690,180 |
| Movement in: | | |
| Working capital - note 21.1 | (5,350,881) | (4,773,389) |
| Long-term loans | (150,472) | (1,595) |
| Long-term deposits and prepayments | (23,069) | (14,828) |
| Cash generated from operations | 6,426,904 | 6,900,368 |

| | For the 9 months ended March 31, 2023 | For the 9 months ended March 31, 2022 |
|--|---|---|
| 21.1 Movement in working capital | | |
| (Increase) / Decrease in current assets | | |
| Stores, spares and consumables | (153,913) | (277,024) |
| Stock-in-trade | (3,025,497) | (2,973,694) |
| Trade debts | (1,007,190) | (1,792,370) |
| Loans and advances | (2,119,373) | (1,066,009) |
| Trade deposits and short-term prepayments | (1,004,315) | 34,248 |
| Other receivables | 596,129 | (1,052,621) |
| | (6,714,159) | (7,127,470) |
| Increase in current liabilities | | |
| Trade and other payables | 1,363,278 | 2,354,081 |
| | (5,350,881) | (4,773,389) |

22 Transactions with related parties

The related parties comprise the Holding company (Lucky Cement Limited) and related group companies, local associated company, directors of the Company, companies where directors also hold directorship, key employees and staff retirement funds. All the transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Group. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

| | | For the 3 months ended March 31, 2023 | For the 9 months ended March 31, 2023 | For the 3 months ended March 31, 2022 | For the 9 months ended March 31, 2022 |
|---------------------------------|---|---|---|---|---|
| Relationship with the group | Nature of Transaction | | | | |
| <i>Parent Company</i> | Dividend | 507,980 | 1,269,950 | 1,015,960 | 2,031,920 |
| | Sale of goods and materials | 8,637 | 27,182 | 3,113 | 3,246 |
| | Purchase of goods, materials and services | 41,436 | 67,204 | 22,357 | 73,606 |
| | Reimbursement of expenses | 3,390 | 3,390 | - | - |
| <i>Associated Companies</i> | Royalty | 6,632 | 379,044 | 124,932 | 423,750 |
| | Purchase of goods, materials and services | 654,241 | 3,831,004 | 3,215,380 | 5,626,305 |
| | Sale of goods and materials | 1,461,165 | 3,760,790 | 592,213 | 1,299,904 |
| | Donations paid | 4,514 | 41,123 | 2,500 | 16,100 |
| | Reimbursement of expenses | 14,103 | 14,103 | 31,560 | 98,411 |
| | Dividend | 245,123 | 612,807 | 490,245 | 980,491 |
| <i>Others</i> | Staff retirement benefits | 105,306 | 306,301 | 96,877 | 281,716 |
| <i>Key management personnel</i> | Remuneration paid | 101,077 | 490,068 | 88,363 | 461,799 |
| | Post employment benefits | 12,528 | 36,550 | 22,226 | 44,231 |
| | Director's meeting fee | 844 | 3,375 | 975 | 2,775 |
| | Dividend | 23,675 | 59,187 | 51,434 | 102,868 |

23 Estimates

The preparation of these condensed interim consolidated financial statements, in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements 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 the estimates. During the preparation of these condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the annual audited financial statements of the Group for the year ended June 30, 2022.

24 Standards, amendments and interpretations adopted during the period

The Group has adopted the certain amendments and improvements to the International Financial Reporting Standards (IFRSs) which became effective for the current period as disclosed below. The said amendments did not have any material impact on these condensed interim consolidated financial statements.

Amendments to approved accounting standards

| | |
|--------|--|
| IFRS 3 | Reference to the Conceptual Framework (Amendments) |
| IAS 16 | Property, Plant and Equipment: Proceeds before Intended Use (Amendments) |
| IAS 37 | Onerous Contracts – Costs of Fulfilling a Contract (Amendments) |

Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)

| | |
|---------|--|
| IFRS 9 | Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities |
| IAS 41 | Agriculture – Taxation in fair value measurements |
| IFRS 16 | Leases: Lease incentives |

25 Financial risk management

The Group's financial risk management objective and policies are consistent with that disclosed in the financial statements for the year ended June 30, 2022.

26 Date of authorisation

The condensed interim consolidated financial information was authorised for issue in the Board of Directors meeting held on April 26, 2023.


27 General

Figures have been rounded off to the nearest thousand rupees except as stated otherwise.



Muhammad Sohail Tabba

Chairman / Director



Asif Jooma

Chief Executive



Atif Aboobukar

Chief Financial Officer

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