

News Release

Lucky Core Industries divests partial stake in NutriCo Morinaga to Morinaga Milk.

Karachi, January 18, 2023

Lucky Core Industries Limited (formerly ICI Pakistan Limited) is pleased to announce that it has successfully concluded the sale of 21,763,125 ordinary shares (constituting approximately 26.5% of the issued and paid up capital) of NutriCo Morinaga (Private) Limited (NutriCo Morinaga) to Morinaga Milk Industry Co., Ltd. Japan (Morinaga Milk). The transaction is in reference to the Share Purchase Agreement dated September 16, 2022, entered into between the Company, certain other shareholders of NutriCo Morinaga, and Morinaga Milk. Following the transaction, Lucky Core Industries continues to hold approximately 24.5% of the issued and paid up capital of NutriCo Morinaga, whilst Morinaga Milk's shareholding has increased to 51%.

Lucky Core Industries partnered with Unibrands in 2014, to market and distribute imported Morinaga infant formula in Pakistan. In 2017, the Company along with Morinaga Milk and Unibrands set up a unit in Sheikhpura for the local manufacture of quality infant and growing-up nutrition products. This represented the first asset investment by a global Japanese dairy and food company in Pakistan. Aligned with Morinaga Milk's corporate slogan - "For Ever Brighter Smiles", NutriCo Morinaga was set up with the collective aim of catering to the growing nutritional needs of Pakistan's future – its children. Moreover, reflective of Morinaga Milk's confidence in the Pakistan market, their decision to become majority shareholders unlocks immense opportunities for NutriCo Morinaga – supported by Morinaga Milk's manufacturing and R&D expertise.

Against the backdrop of the current economic scenario, for a developing nation such as Pakistan, foreign direct investment, import substitution and forex inflows are the need of the hour. The completion of this transaction has brought into Pakistan an aggregate inflow of USD 56.6Mn, with the Company's share being approximately USD 45Mn. Furthermore, this strategic move will allow NutriCo Morinaga to strengthen its line of locally manufactured products, which in turn will increase consumers' access to both quality infant nutrition and growing-up products along with future launches under the NutriCo Morinaga brand.

"While we continue on our journey to strengthen our position in the market, I believe this strategic move will enable the business to better leverage growth opportunities to cultivate growth for the nation's children and its economy.", said Chief Executive Asif Jooma.

-----END-----

About Lucky Core Industries Limited:

Lucky Core Industries Limited, formerly ICI Pakistan Limited, is a leading Pakistan-based manufacturing and trading company consisting of diverse businesses: Polyester, Soda Ash, Chemicals, Agri Sciences, Pharmaceuticals and Animal Health. Through these businesses, the Company manufactures and trades in a wide range of products including polyester staple fibre (PSF), soda ash, general and specialty chemicals, pharmaceuticals, nutraceuticals, animal health products and agricultural products (including chemicals, field crop seeds, vegetable seeds and more). In the nutrition segment, the Company's associated company, NutriCo Morinaga (Private) Limited locally manufactures, imports, markets, and distributes Morinaga Milk Industry Co. Ltd, Japan products in Pakistan.

Lucky Core Industries Limited is part of the Yunus Brothers Group (YBG), one of the fastest-growing and most progressive Pakistani conglomerates with a wide portfolio of businesses including, but not limited to: cement, textiles, power generation and commodity trading.

For more information please visit: www.luckycore.com

For further information, please contact:

Laila Bhatia Bawany

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

Lucky Core Industries Limited

021-111-100-200

Laila.Bawany@luckycore.com