

## News Release

# Lucky Core Industries Announces Results for the Quarter and Six Months ended December 31, 2022.

**The Company announces an interim cash dividend of 100%.**

**Karachi, January 27, 2023**

Following the meeting of the Board of Directors, Lucky Core Industries Limited announced its financial results for the quarter and six months ended December 31, 2022.

### **Financial Highlights**

- During the period under review, the Company entered into a Share Purchase Agreement with Morinaga Milk Industry Co. Ltd Japan (Morinaga Milk), for a partial divestment of approximately 26.5% of the issued and paid up capital of Nutrico Morinaga Private Limited (NMPL). Accordingly, as per IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations, the same has been classified as discontinued operations in the financial statements for the half year ended December 31, 2022.
- On a consolidated basis (including the results of the Company's subsidiaries: Lucky Core PowerGen Limited (PowerGen) (formerly ICI Pakistan PowerGen Limited), Net Turnover for the six months period from continuing operations under review rose by 6% to PKR 49,582 million compared to the same period last year (SPLY).
- Operating Result from continuing operations for the six month period under review is 21% lower at PKR 5,359 million in comparison to the SPLY.
- Including the impact of discontinued operations, Net Turnover for the six months would have been 22% above the SPLY whereas the Operating Result would have been lower by 3% from the SPLY.
- Profit after Tax (PAT) for the six months period under review for both continuing and discontinued operations at PKR 3,274 million is 46% lower than the SPLY. EPS attributable to the owners of the holding company for both continuing and discontinued operations at PKR 32.76 is 48% lower than the SPLY. The decline is due to a one-off net positive impact of PKR 1,847 million recorded in the SPLY as a consequence of the remeasurement of the previously held equity interest of NutriCo Pakistan (Private) Limited on the acquisition of an additional 11% shareholding along with the reduced profitability of the Company on a standalone basis.

### **Safe Harbor Statement**

This press release may contain statements, which address such key issues as ICI Pakistan Ltd.'s growth strategy, future financial results, market positions, product development, products in the pipeline, and product approvals. Such statements should be carefully considered, and it should be understood that many factors could cause forecasted and actual results to differ from these statements. These factors include but are not limited to, price fluctuations, currency fluctuations, developments in raw material and personnel costs, pensions, physical and environmental risks, legal issues, and legislative, fiscal, and other regulatory measures. Stated competitive positions are based on management estimates supported by information provided by specialised external agencies. For a more comprehensive discussion of the risk factors affecting our business please see our latest Annual Report, a copy of which can be found on the Company's corporate website [www.ici.com.pk](http://www.ici.com.pk)



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- On a standalone basis, PAT and EPS for the six months period under review at PKR 3,009 million and PKR 32.58 respectively, are 16% lower than the SPLY.
- The decline in profitability was primarily attributable to macroeconomic challenges, including demand contraction in downstream markets, cost push due to the impact of higher oil prices, exchange losses due to devaluation of the Pak Rupee against the US Dollar, business specific import restrictions, tax regime changes and volatility in global commodity prices. Additionally, a significant increase in financial charges due to higher interest rate by 625 basis points against the SPLY, negatively impacted the profitability.

The Board has approved an interim cash dividend in respect of the financial year ending June 30, 2023, at the rate of 100% i.e. PKR 10/- per share of PKR 10/- each to be payable to the shareholders.

Following the announcement of results for the half-year, Lucky Core Industries Limited's Chief Executive Mr Asif Jooma said "Against the backdrop of a challenging global and domestic economic scenario, Lucky Core Industries Limited remains focused on exploring organic and inorganic growth opportunities that will further our commitment to Delivering Enduring Value whilst Cultivating Growth for ourselves and our stakeholders."

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**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](http://www.luckycore.com)

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