

Six Year Analysis

Statement of Financial Position Analysis

Assets

Non-Current Assets

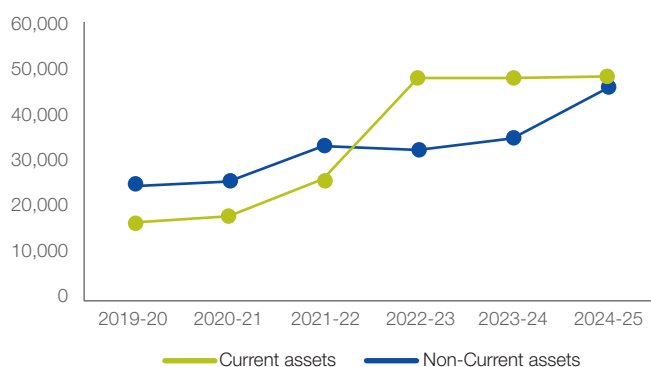
Non-current assets primarily comprise operating fixed assets and investments in subsidiaries and associates. LCI's non-current assets have grown at a compound annual growth rate (CAGR) of 11%, rising from PKR 24,651 million as of June 30, 2020, to PKR 46,257 million as of June 30, 2025. This increase reflects the Company's continued focus on strategic expansion and investment initiatives. Key projects include the phased expansion of the Soda Ash Business (75,000 TPA in Phase 1 and 135,000 TPA in Phase 2) and investment in a 48 TPD unit for producing 100% recycled PET chips used in recycled polyester staple fibre (PSF) used in producing yarn for blended textiles. The Company also acquired selected assets from Pfizer and related entities in alignment with its long-term growth strategy. These investments underscore LCI's commitment to its brand promise of 'Cultivating Growth'.

During the year, non-current assets of the Company increased by 32% primarily due to capital expenditure incurred on expansion and efficiency projects including alternate energy boiler and DAP in Soda Ash Business and the acquisition of assets (including brands) from Pfizer and related entities in Pharmaceuticals Business.

Current Assets

Current Assets, including Inventory and Trade debts, have increased over the last years at a CAGR of 17% i.e. from PKR 16,858 million to PKR 48,822 million. This increase in Current Assets reflects the Company's growth across all businesses during the last six years.

During the year, current assets remained largely in line with the SPly. An increase in short-term investments driven by reinvestment of income thereon was partially offset by a decline in inventory and trade debts.



	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	CAGR
Non-current assets	24,651	25,640	33,553	32,616	35,136	46,257	11%
Current assets	16,858	18,164	26,388	48,451	48,430	48,822	17%
	41,509	43,804	59,941	81,067	83,566	95,079	14%

Equity and Liabilities

Equity

Equity of the Company comprises of share capital, capital reserves and revenue reserves. The shareholder's equity has increased at a CAGR of 18% over the past years primarily due to an increase in retained profits of the Company. The Company's revenue reserves

also witnessed an increase on account of higher profitability while maintaining a consistent dividend payout of approximately 50% over the past six years.

Share capital remained unchanged during the current year, however, the Company announced a subdivision of the face value of its ordinary shares from PKR 10 to PKR 2 per share, aimed at enhancing investor accessibility, improving stock liquidity, and broadening shareholder participation. Following the subdivision of shares, the Company's subscribed and paid-up capital has been restructured, whereby, the number of ordinary shares has increased from 92,359,050 ordinary shares of PKR 10 each to 461,795,250 shares of PKR 2 each, with no change in the rights and privileges attached to the shares. The regulatory formalities to give effect to the stock split were completed after the close of the financial year, on July 19, 2025.

Non-Current Liabilities

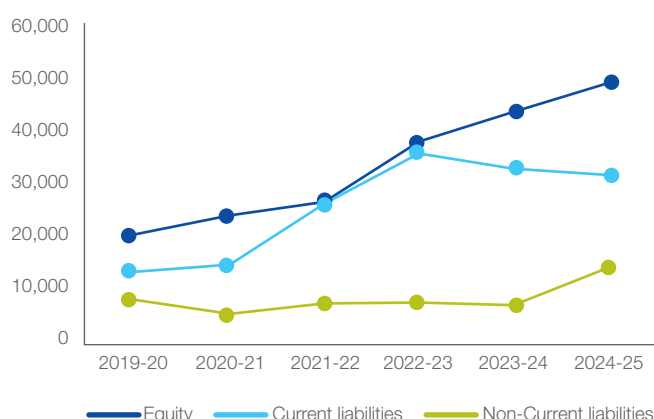
Non-current liabilities mainly comprise of long-term borrowings and deferred tax liabilities. Non-current liabilities have increased at a CAGR of 9% in the past years mainly due to long term financing obtained for various growth and expansion projects.

During the current year, non-current liabilities increased by PKR 7,361 million mainly due to long term financing obtained for capital expenditure requirements for Soda Ash Business and the acquisition of assets from Pfizer and related entities in alignment with its long-term growth strategy.

Current Liabilities

Over the past years, current liabilities have increased at a CAGR of 12% due to an increase in short-term financing to support increasing working capital requirements of the Company. This increase over years is in line with the increase in business of the Company as evident from CAGR of Net Turnover. Moreover, the inflationary effect on prices of raw materials and services has also increased the overall working capital requirements of the Company.

Compared to last year, current liabilities decreased by 4%, primarily due better cash generation and working capital optimisation.



	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	CAGR
Equity	20,232	23,879	26,391	37,831	43,576	48,992	18%
Non-current liabilities	8,024	5,289	7,380	7,505	7,035	14,396	9%
Current liabilities	13,253	14,636	26,170	35,731	32,955	31,691	12%
	41,509	43,804	59,941	81,067	83,566	95,079	14%

Statement of Profit or Loss

Net Turnover

Net Turnover has increased from PKR 53,599 million to PKR 120,013 million at a CAGR of 13% over the past years, owing to improved performances across all businesses on the back of continued investment in expansion projects / new products / Innovations.

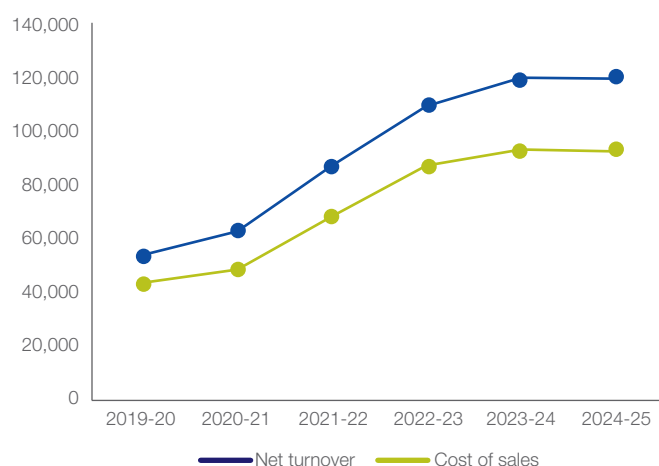
During the year, Net Turnover remained broadly in line with the previous year. Pharmaceuticals Business delivered strong performance mainly due to inflation led price adjustments and acquisition of portfolio of Pfizer and related entities. This has offset by decline in the Soda Ash, Animal Health and Polyester Businesses, while Chemicals & Agri Sciences Business remained same as SPLY. This reflects a resilient topline despite challenging market conditions across key sectors.

Timely and consistent investment in capacity expansion / new projects / lines over the years enabled the Company to cater to increased demand over the years.

Cost of Sales

Cost of sales have increased from PKR 43,042 million to PKR 92,673 million at a CAGR of 11% over the last years which lower than CAGR of Net Turnover.

During the year, Cost of Sales has decreased by 1% which is almost in line with the change in net turnover compared to SPLY.



PKR million

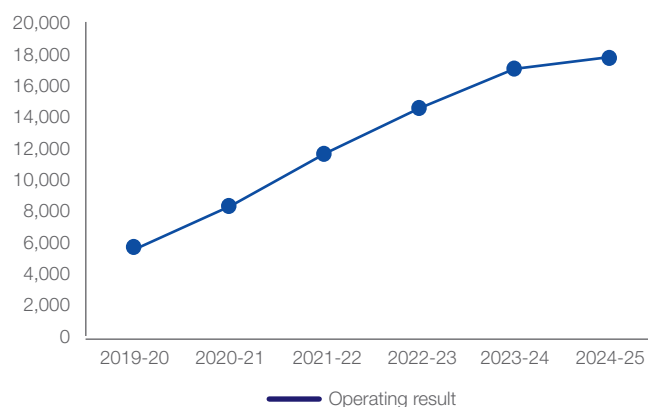
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	CAGR
Net turnover	53,599	62,618	86,972	109,486	120,460	120,013	13%
Cost of sales	43,042	48,270	68,353	87,353	93,569	92,673	11%

Operating Result

Operating Result increased from PKR 5,669 million to PKR 17,920 million at a CAGR of 24% in the last years, owing to improved performances across all businesses. The Company has maintained a constant upward trajectory in its Operating Result, mainly due to growth in each of its businesses, driven by expansion, acquisitions, new product launches and better cost efficiencies. The addition of selected assets and brands of Wyeth Pakistan Limited and Pfizer and related entities, along with investment in the 210,000 TPA Light

Ash capacity expansion projects, 70,000 TPA Dense Ash capacity project, 135,000 TPA project, set up of the PET and expansion of the MasterBatches manufacturing facilities, have significantly strengthened the Company's profile over the years.

Despite economic headwinds, the Company reported an Operating Result of PKR 17,920 million for the year, reflecting a 4% increase over SPLY. Growth was driven by strong performances from the Pharmaceuticals and Animal Health Businesses. Pharma growth was supported by the successful integration of assets acquired from Pfizer and related entities, currency stability, and improved efficiency. Animal Health Business benefitted from a strategic focus on high value products and cost control. Meanwhile, Soda Ash Business faced weak demand particularly in glass segment and unviable export pricing, further impacted by low-priced imports. Chemicals & Agri Sciences and Polyester Businesses continued to face demand-side pressure from reduced consumer purchasing power, heightened competition and low priced imports.



PKR million

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	CAGR
Operating Result	5,669	8,399	11,753	14,653	17,151	17,920	24%

Financial Charges / Exchange Losses

Over the past years, Financial Charges / Exchange Losses have increased from PKR 1,962 million to PKR 2,269 million at a CAGR of 3%, reflecting an increase in Finance Costs on the back of higher borrowings to support expansions, investment in subsidiaries and short-term borrowings to support increased working capital requirements of the Company, as well as an increase in the policy rate by State Bank of Pakistan (SBP) in previous year. Exchange Losses increased over the last 5 years due to the continuous depreciation of the PKR against foreign currencies.

During the year, the Company recorded exchange loss of PKR 59 million owing to a 2% depreciation of the Pak Rupee (PKR) against the USD as compared to the exchange gain of PKR 117 million in SPLY which represented appreciation of PKR after a significant hike in the exchange rates. As the Company relies on imports for a major part of its purchases, the stability of PKR results in sustainable cost of production and cash flow requirements. Finance cost declined by 38% compared to the SPLY primarily due to lower policy rate, the benefit of which was partially offset by higher debt levels resulting from the asset acquisition from Pfizer and related entities and increased capital expenditures undertaken to support business growth and integration.

Other Income

Other income has increased from PKR 955 million to PKR 3,440 million at a CAGR of 43% over the past years. This comprises of dividend income from subsidiary / associate companies, dividend income and capital gains from investments in mutual funds and scrap sales.

In the current year, other income decreased by 4% primarily due to lower income on short term investments following the decline in policy rate.



PKR million

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	CAGR
Financial charges/ Exchange losses	1,962	538	1,365	3,845	3,420	2,269	3%
Other income	955	1,003	375	11,905	3,601	3,440	43%

Profit After Tax

Profit after taxation has increased at a CAGR of 31% over the past years, primarily due to stellar performance across all business segments, leading to a steady increase in post-tax profits. This growth has been driven by factors such as expansion, acquisitions, new product launches, and improved cost efficiencies. Further, the profit after taxation has increased due to the dividend income / capital gains on investment in mutual funds invested from proceeds received on partial divestment of investment in NMPL shares in FY 2022-23.

PAT for the year stood at PKR 11,638 million, reflecting a 4% increase over SPLY. The growth was supported by stronger operating result and a 38% decline in finance cost due to a reduction in the policy rate. This was achieved despite a higher effective tax rate following changes in the export taxation regime and an exchange loss as Pak Rupee depreciated against US Dollar by 2% as compared to SPLY.



PKR million

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	CAGR
Profit after tax	3,096	5,959	6,249	13,772	11,140	11,638	31%

Statement of Cash Flow Analysis

Operating Activities

Over the last years, cash flow from Operating Activities witnessed constant growth, from PKR 7,548 million to PKR 15,596 million at a CAGR of 23%, due to consistent increase in profitability of the Company and improved cash flow generation across all businesses.

During the year, cash flows from Operating Activities increased by 6% as compared to SPLY due to increased profitability coupled with effective working capital management.

Investing Activities

Over the past years cash used in investing activities increased at CAGR of 31% which mainly comprises of investment in growth and sustenance as well as acquisition of businesses, and investment in associate and subsidiary companies offset by income from short term investments received by the Company.

During FY 2021-22, cash used in invested activities at PKR 10,062 million was the highest in the last six years which comprised of investment in 135,000 TPA Light Soda Ash (LSA) expansion project, out of which 75,000 TPA was successfully commissioned during the same year. It also included investment in a 48TPD production unit to produce 100% recycled PET chips for the manufacture of recycled Polyester Staple Fibre (PSF) used in producing yarn for blended textiles. Further, PKR 770 million was also invested to acquire an additional 11% stake in Nutrico Pakistan (Private) Limited (NMPL). In FY 2022-23, the Company used cash for capital expenditure of PKR 3,718 million and acquisition of 51% shareholding in Lucky TG (Private) Limited amounting PKR 281 million. Conversely, disposal of 26.5% of NMPL generated cash of PKR 11,902 which resulted in cash generation of PKR 9,324 million from investing activities.

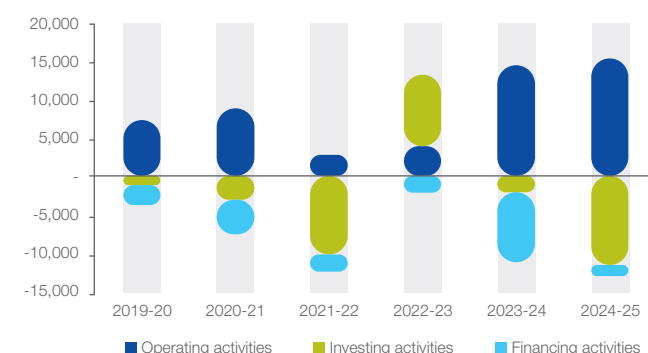
During the year, Cash used in investing activities at PKR 11,405 million represents capital expenditure in expansion and efficiency projects including alternate energy boiler and DAP in Soda Ash Business as well as the acquisition of assets from Pfizer and related entities (including brands) in Pharmaceuticals Business of PKR 14,029 million partially offset by income from short term investments of PKR 2,273 million.

Financing Activities

Cash used in financing Activities increased at a CAGR of 3% over the past years which mainly comprise long-term loans obtained / (repaid) offset by dividend payments to shareholders. The Company has financed its expansion projects and acquisitions as explained above by obtaining long-term loans. Dividend payments have been growing in line with the increase in profitability over the years.

In the current year, the Company has obtained long-term Diminishing Musharika facility of PKR 7,141 million for expansion projects of Soda Ash Business and for acquisition of assets from Pfizer and related entities. This was offset by repayments of long-term loans of PKR 1,127 million and dividend payments of PKR 6,168 million.

Summary of Cash Flow Statement



PKR million

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Operating activities	7,548	9,067	2,877	4,091	14,713	15,596
Investing activities	(1,007)	(2,867)	(10,062)	9,324	(1,907)	(11,405)
Financing activities	(2,617)	(4,613)	(2,223)	(1,989)	(9,131)	(1,505)
	3,924	1,587	(9,408)	11,426	3,674	2,686