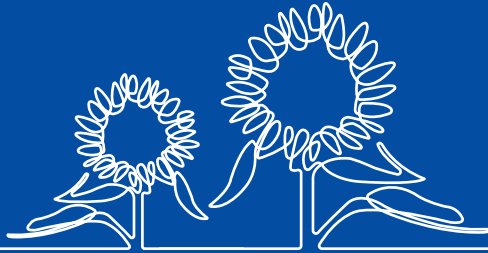
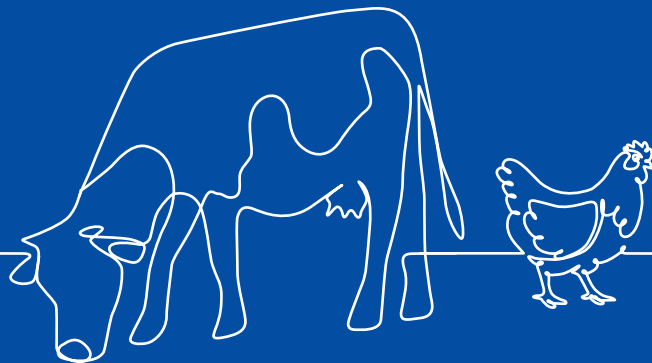
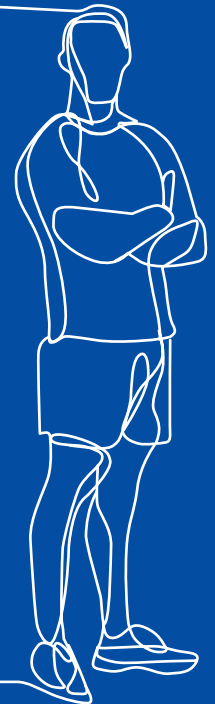


Report for the Quarter Ended  
September 30, 2023



# Journey of **Enriching Lives**



LUCKY CORE INDUSTRIES



# Contents

02 Company Information

## Condensed Interim Unconsolidated Financial Information

03 Review of the Directors Unconsolidated (English/اردو)

19 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

## Condensed Interim Consolidated Financial Information

35 Review of the Directors Consolidated (English/اردو)

37 Statement of Financial Position

38 Statement of Profit or Loss

39 Statement of Other Comprehensive Income

40 Statement of Changes in Equity

41 Statement of Cash Flows

42 Notes to the Financial Statements

# Company Information

## Board of Directors

**Muhammad Sohail Tabba** – Chairman (Non-Executive Director)  
**Muhammad Ali Tabba** – Vice Chairman (Non-Executive Director)  
**Jawed Yunus Tabba** – Non-Executive Director  
**Amina A. Aziz Bawany** – Non-Executive Director  
**Asif Jooma** – Chief Executive  
**Muhammad Abid Ganatra** – Executive Director  
**Adnan Afridi** – Independent Director  
**Syed Muhammad Shabbar Zaidi** – Independent Director

## Audit Committee

**Syed Muhammad Shabbar Zaidi** – Chairman  
**Adnan Afridi** – Member  
**Muhammad Ali Tabba** – Member  
**Jawed Yunus Tabba** – Member

## HR & Remuneration (HR&R) Committee

**Adnan Afridi** – Chairman  
**Muhammad Sohail Tabba** – Member  
**Muhammad Ali Tabba** – Member  
**Jawed Yunus Tabba** – Member  
**Asif Jooma** – Member

## Banking Committee

**Asif Jooma** – Chairman  
**Muhammad Abid Ganatra** – Member  
**Adnan Afridi** – Member

## Shares Transfer Committee

**Jawed Yunus Tabba** – Chairman  
**Asif Jooma** – Member  
**Muhammad Abid Ganatra** – Member

## Executive Management Team (EMT)

**Asif Jooma** – Chief Executive  
**Atif Aboobukar** – Chief Financial Officer\*  
**Nauman Shahid Afzal** – Chief Operating Officer, Polyester Business  
**Arshaduddin Ahmed** – Chief Operating Officer, Chemicals & Agri Sciences Business  
**Laila Bhatia Bawany** – Chief Legal Officer & Company Secretary  
**Muhammad Abid Ganatra** – Chief Operating Officer, Soda Ash Business  
**Eqan Ali Khan** – Chief Strategy & Innovation Officer  
**Aamer Mahmud Malik** – Chief Operating Officer, Pharmaceuticals Business  
**Muhammad Farrukh Rasheed** – Chief People Officer

\*Alphabetised as per the last name

## Chief Financial Officer

**Atif Aboobukar**

## Company Secretary

**Laila Bhatia Bawany**

## Head of Internal Audit

**Khalid Munif Khan**

## 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  
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 | Fax: (021) 32311739  
Website: [www.luckycore.com](http://www.luckycore.com)

## Shares Registrar

FAMCO Associates (Private) Limited  
8 – F, Nursery,  
Block – 6, P.E.C.H.S  
Shahrah-e-Faisal, Karachi.  
Tel: (021) 34380101-5 | Fax: (021) 34380106  
Website: [www.famco.com.pk](http://www.famco.com.pk)

## External Auditors

A.F. Ferguson & Co.  
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 (Unconsolidated)

## for the Quarter Ended September 30, 2023

The Directors are pleased to present their review, together with the unaudited financial statements of the Company, for the quarter ended September 30, 2023.

Net Turnover for the quarter at PKR 29,100 million is 20% higher compared to the same period last year (SPLY) primarily resulting from additional volumes and cost-push price adjustments across all businesses due to inflationary increases on account of the devaluation of the Pak Rupee. Net Turnover for the Soda Ash business was higher by 29% compared to the SPLY on the back of additional export volumes owing to the successful commissioning of the 60,000 tonnes per annum (TPA) Soda Ash expansion project in the prior fiscal year. Net Turnover of the Chemical & Agri Sciences, Pharmaceuticals, Animal Health and Polyester businesses also witnessed an increase of 50%, 24%, 10% and 5% respectively versus the SPLY.

The Operating Result for the quarter at PKR 4,100 million is 33% above the SPLY. All business segments contributed to this robust performance. Chemicals & Agri Sciences, Pharmaceuticals, Soda Ash and Animal Health businesses delivered higher Operating Results by 222%, 68%, 30% and 15% respectively as compared to the SPLY. Operating result for the Polyester business was lower by 26% compared to the SPLY as volumes were negatively impacted on account of a slow-down in textile exports and sluggish domestic market conditions, an increase in energy cost and volatile commodity prices throughout the quarter.

The Soda Ash business's performance was driven mainly by higher export volumes post-completion of expansion project in the prior year whereas the Chemicals & Agri Sciences business delivered strong financial performance on the back of improved demand in the Chemicals and Masterbatch segments. The Pharmaceuticals business's performance showed some recovery owing to a focus on optimising manufacturing processes and commercial efforts, coupled with a one-off price adjustment. The Animal Health business continued its growth trajectory on the back of operational efficiencies and a favourable product mix. The

Polyester business on the other hand remained under pressure due to slow off-take in downstream markets resulting from the global economic situation amidst monetary tightening along with increased energy costs.

The Company's business operations continued to face macroeconomic challenges on account of higher costs due to inflationary pressures, volatile exchange rates, an elevated tax incidence, high interest rates, and an uncertain demand outlook. Though there was some respite in the form of easing import restrictions, the prolonged monetary tightening measures have negatively impacted the consumers' purchasing power resulting in a significant demand compression across all segments of the economy.

During the period in review, the Board of Directors granted an in principle approval for a capacity expansion of 200,000 tonnes per annum (TPA) at the Company's Soda Ash plant in Khewra. Following the successful completion of the proposed expansion the total installed capacity of the Soda Ash plant will increase from the current 560,000 TPA to 760,000 TPA.

The Company entered into a Share Purchase Agreement with Lotte Chemicals Corporation on January 26, 2023, which was subsequently assigned to Lucky Core Ventures (Private) Limited (LCV) (wholly owned subsidiary) for the acquisition of approximately 75.01% of the issued share 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 Share Purchase Agreement, including receipt of requisite approvals and completion of other closing conditions. Going forward, up to 49% shareholding of LCV may be collectively acquired by Yunus Textile Mills Limited (YTML), Lucky Textile Mills Limited (LTML) and Lucky Cement Limited (LCL). An amended and restated public announcement of intention was issued by LCV in this regard. The shareholding proportion of each of the said entities in LCV shall be determined at a later stage. Direct majority shareholding and control of LCV is however intended to remain with LCI.

Profit after Tax (PAT) at PKR 2,513 million for the quarter under review is 31% higher than the SPLY primarily on account of higher Operating Results, exchange gain and other income resulting from dividend income of PKR 646 million derived from the short-term investments.

The significant increase in finance cost by 129% is attributable to a 700 basis point increase in the policy rate compared to the SPLY coupled with an increase in average debt levels to support

the Company's working capital requirements on account of increases in commodity prices and currency devaluation. In comparison to SPLY, Pak Rupee on average lost 30% value against the US Dollar, however, during the period, the Rupee recovered significant ground towards the end of the quarter and closed at PKR 287.7 after reaching an all-time high of PKR 307.09, resulting in exchange gain of PKR 22 million against exchange loss of PKR 221 million in the SPLY.

Earnings per Share (EPS) for the quarter at PKR 27.21 is 31% higher than the SPLY.

PKR million	Quarter Ended September 2023	Quarter Ended September 2022	Increase/ (Decrease) %
Net Turnover	29,100	24,232	20%
Gross Profit	6,303	4,886	29%
Operating Result	4,100	3,093	33%
Profit Before Tax	3,753	2,649	42%
Profit After Tax	2,513	1,916	31%
Earnings Per Share (PKR)	27.21	20.74	31%

#### Net Turnover (PKR m)



#### Profit before Tax (PKR m)



#### Profit after Tax (PKR m)



#### Earnings per Share (PKR)



# Polyester Staple Fibre Business (PSF)

## Net Turnover (PKR m)



## Operating Result (PKR m)



During the period under review, the global economy experienced slower than anticipated growth following the global recession in FY 2022-23 with the world's largest economies, i.e. US, China and Europe experiencing sharp economic slowdowns. As a result, the textile industry also witnessed the impact of reduced demand, influenced by high inflation and declining real incomes amongst end consumers.

Net Turnover of the Polyester business for the three month period under review was higher by 5%, the increase being attributable to higher PSF selling prices primarily due to PKR devaluation which were partially muted due to lower sales volumes as downstream markets witnessed a significant slowdown owing to challenging economic conditions both locally and internationally.

During the first quarter of FY 23-24, the average price of crude oil was 12% lower as compared to the SPLY. Tracking the crude oil prices, average prices of PX, PTA, and MEG decreased by 3%, 6% and 8% respectively, as compared to the SPLY. In addition to this, the PKR on average lost 30% of its value vis a vis the USD compared to the SPLY. Despite significant PKR devaluation, the domestic PSF average price increase was limited to 16% above the SPLY.

On the cotton front, lacklustre global demand weighed down on cotton prices. The international and domestic average prices of cotton decreased by 18% and 6% respectively, as compared to the SPLY.

During the period, energy costs rose by 67% compared to the SPLY due to PKR devaluation coupled with increased prices of coal and furnace oil by 35% and 8% respectively. Energy cost was further impacted by a reduction in energy subsidy for the textile sector by the Government. As a consequence, the price of gas to the textile sector was increased due to the implementation of a 50:50 system of RLNG:NG against a subsidised rate of USD 6.5 per mmbtu in the SPLY. Resultantly, the business' Operating Result at PKR 412 million was 26% lower compared to the SPLY due to the aforementioned demand dip and reduced margins on account of higher energy and other costs.

Going forward, recent oil output cuts announced by Saudi Arabia and Russia are expected to support crude oil markets. However, the impact of the recession is expected to continue to impact the demand for non-essential items including textiles. The uncertain economic outlook in Pakistan amid volatile FX parity, and high energy and finance costs is expected to hinder business operations in the country.

# Soda Ash Business

## Net Turnover (PKR m)



During the period in review, the domestic soda ash market faced consistent strain, primarily attributed to currency fluctuation, inflationary pressures, and high interest rates. Combined, these challenges led to lower purchasing power of consumers and consequently exerted pressure on demand. As a result, total domestic sales fell by 8% due to lower off take by all major segments, particularly the Glass and Detergent segments. Export sales grew as compared to the SPLY as the business expanded its footprint in the international market.

During the period under review, despite the prevailing economic challenges, the business delivered a Net Turnover of PKR 12,245 million and an Operating Result of PKR 2,446 million, posting a growth of 29% and 30% respectively against the SPLY. The improved results were driven mainly by higher export volumes following the commissioning of the 60,000 TPA expansion

## Operating Result (PKR m)



completed in March 2023, efficient plant operations and higher selling prices on the back of higher input costs.

On the domestic front, the current economic landscape of the country depicts a bleak picture for the local industries and offers limited room for growth. The declining purchasing power of customers owing to inflation is expected to pose a significant headwind in the domestic market, particularly in the Bazaar and Textile segments. In the Textile segment, the severity of the aforementioned economic challenges has translated into a severe crunch, forcing many units to close down.

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

## Net Turnover (PKR m)



## Operating Result (PKR m)



The pharmaceutical industry over the last one year has witnessed tremendous volatility, both in the demand and supply of pharmaceutical products. The demand has been erratic due to inconsistent government policies on the fiscal front, while the supply has been impacted both by an escalation of international raw and packing material prices and constraints on imports caused by record-low foreign currency reserves held by the State Bank of Pakistan. Input costs for the pharmaceutical industry over the last one year were up both due to the escalation of international prices and the rapid devaluation of the PKR against the USD. The imposition of sales tax has added to the industry's woes, with several life-saving products becoming uneconomic to produce and sell. Though the government has recently given some relief to the industry through a price increase, this increase is well short of the adjustments required to compensate for the operating and financing cost increases over the last year.

Facing a challenging economic environment, LCI's Pharmaceutical business focused on improvements on multiple fronts, including launching new therapies, driving sales volume growth, streamlining manufacturing processes, investing to increase plant efficiencies, and optimising working capital deployment. These factors together with the price increase mentioned above, helped the business achieve a Net Turnover of PKR 2,701 million and an Operating Result of PKR 465 million for the period under review, which are respectively 24% and 68% higher than the SPLY.

For the continued viability of the industry and to ensure the availability of life-saving medicines in the market it is imperative that an enabling environment be provided to the pharmaceutical industry. In this regard, it is essential that the government not only deregulate the pricing of non-essential medicines to align with pricing in regional countries but also consistently adhere to agreed pricing mechanisms with the industry.



# Animal Health Business

## Net Turnover (PKR m)



## Operating Result (PKR m)



The current economic conditions in Pakistan have had an adverse impact on the animal health sector. The industry has faced several challenges, including rising prices and shortages of vital raw materials. Persistent inflation, coupled with elevated input costs and farmers' inability to pass on the increased production costs to consumers, adversely impacted the commercial viability of industry players. As a result, there has been a noticeable decrease in the overall market size for this sector.

During the quarter, the business delivered a Net Turnover of PKR 1,555 million and an Operating Result of PKR 246 million, posting double digit growth of 10% and 15% respectively in comparison to the SPLY. The improved performance is primarily due to operational efficiencies and an effective product mix.

The escalation of production costs have increased the selling prices of feed, resulting in diminished profit margins for poultry and livestock farmers while also impacting demand for animal feed products.

The near-term outlook for the business appears uncertain owing to rising costs and challenging macroeconomic policies, making long-term planning difficult. The business is actively monitoring the situation and taking proactive steps to mitigate the effects of the aforementioned challenges.

# Chemicals & Agri Sciences Business

## Net Turnover (PKR m)



## Operating Result (PKR m)



The Chemicals and Agri Sciences business achieved a Net Turnover of PKR 3,313 million for the quarter under review, which is 50% higher than the SPLY. The Operating Result for the quarter was recorded at PKR 531 million which is 222% higher than the SPLY.

During the quarter under review, the Chemicals and Masterbatches segments witnessed an improved demand compared to the SPLY. This, coupled with effective margin management and cost optimisation resulted in strong performance against the SPLY.

The Agri Sciences segment saw comparatively favourable weather conditions versus the catastrophic monsoon floods in the SPLY.

This, together with a consistent focus on portfolio diversification and effective margin management, led to an improved performance compared to the SPLY.

While the focus on stabilising the economy is clearly visible, long-standing structural weaknesses of the economy and recurring monetary tightening measures pose serious risks to the business environment. Consequently, effective and timely implementation of broad-based reforms by the Government will be critical for a sustained recovery. Moving ahead, the business will continue its focus on operational excellence and cost optimisation to deliver robust results.

## Future Outlook

The global growth outlook remains uncertain and is anticipated to be lower than FY 22-23 due to a weaker recovery in China and continued monetary tightening measures across major economies. Though headline inflation has started to decline, core inflation continues to persist as further disruptions to energy and food markets are still possible keeping in view recent oil output cuts announced by Saudi Arabia and Russia which will support the crude oil markets. Further, higher inflation levels will keep demand for non-essentials in check.

Compounded by global factors, Pakistan's economy is also grappling with addressing structural reforms both on the fiscal and external sides. Although recent monetary tightening, fiscal consolidation and gradual elimination of energy subsidies have helped to streamline imbalances, but the significant challenges faced by businesses in the form of volatile exchange rates, higher borrowing and energy costs, and lower purchasing power of the consumers will negatively impact growth going forward. Some recovery was witnessed in the exchange rate parity consequent to administrative measures taken by the regulator; however, sustained efforts will be imperative to improve the confidence of investors and businesses.

World Bank, in its latest review, predicts Pakistan's economic outlook as 'challenging' with a gradual recovery in real GDP growth to 1.7% contingent on maintaining fiscal discipline, securing external financing, and implementing IMF measures.

Looking ahead, the economic outlook will be shaped by the continued implementation of reforms aimed at stabilising the economy to restore fiscal and external buffers, restoration of political stability, flood relief support from the international community, assistance from friendly nations, along continuance of the IMF programme. However, these measures will keep demand in check and inflation high in the short term. The above factors will continue to impact overall industrial activity and the demand for LCI's products. The Company remains committed to leveraging its diverse product portfolio and implementing cost rationalisation efforts to minimise any 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

Date: October 23, 2023  
Karachi



**Asif Jooma**  
Chief Executive

## مستقبل کا منظر نامہ

دوست ممالک کی امداد اور آئی ایم ایف پروگرام کو جاری رکھنے کے مقصد سے اصلاحات کے مسلسل نفاذ سے تشکیل پائے گا۔ تاہم ان اقدامات سے قلیل مدت میں طلب میں کمی اور افراط زر کی شرح بلند رہے گی۔ مندرجہ بالا عوامل مجموعی صنعتی سرگرمی اور LCI کی مصنوعات کی طلب کو متاثر کرتے رہیں گے۔ کمپنی اپنے متنوع پراڈکٹ پورٹ فولیو سے فائدہ اٹھانے اور کسی بھی قسم کے منفی اثرات کو کم سے کم کرنے اور پائیدار نتائج فراہم کرنے کے لئے لاگت کو معقول بنانے کی کوششوں کے لئے پرعزم ہے۔

### بورڈ کی تشکیل

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تقاضوں کے مطابق کمپنی اپنے بورڈ میں آزاد اور نان ایگزیکٹو ڈائریکٹرز کی نمائندگی کے ساتھ ساتھ صنفی تنوع کی بھی حوصلہ افزائی کرتی ہے۔

### بورڈ کی موجودہ تشکیل درج ذیل ہے

ڈائریکٹرز کی کل تعداد

(الف) مرد 7

(ب) خواتین 1

### ساخت

(i) آزاد ڈائریکٹرز 2

(ii) نان ایگزیکٹو ڈائریکٹرز 4

(iii) ایگزیکٹو ڈائریکٹرز 2

چین میں معیشت کی کمزور بحالی اور بڑی معیشتوں میں مسلسل سخت مالیاتی اقدامات کی وجہ سے عالمی نمو کا منظر نامہ غیر یقینی دکھائی دیتا ہے اور مالی سال 2022-23 کے مقابلے میں شرح نمو کم رہنے کا امکان ہے۔ اگرچہ ہیڈ لائن افراط زر میں کمی آنا شروع ہو گئی ہے لیکن بنیادی افراط زر بدستور برقرار ہے کیونکہ سعودی عرب اور روس کی طرف سے تیل کی پیداوار میں حالیہ کٹوتیوں کے اعلان کو مد نظر رکھتے ہوئے توانائی اور خوراک کی مارکیٹوں میں مزید ابتری اب بھی ممکن ہے، جس سے خام تیل کی منڈیوں کو بہر حال مدد ملے گی۔ مزید برآں، افراط زر کی بلند سطح غیر ضروری اشیاء کی طلب کو قابو میں رکھے گی۔

ان عالمی عوامل کے ساتھ پاکستان کی معیشت کو مالی اور بیرونی دونوں پہلوؤں سے ڈھانچا جاتی اصلاحات میں مشکلات کا سامنا ہے۔ اگرچہ حالیہ مالیاتی سختی، مالی استحکام اور توانائی پر سبسڈی کے بتدریج خاتمے نے عدم توازن کو کم کرنے میں مدد دی ہے لیکن غیر مستحکم شرح مبادلہ، زائد قرضے، توانائی کی زیادہ لاگت اور صارفین کی کم قوت خرید کی صورت میں کاروباری اداروں کو درپیش اہم چیلنجز مستقبل میں ترقی پر منفی اثر ڈالیں گے۔ ریگولیٹری جانب سے کئے گئے انتظامی اقدامات کے نتیجے میں شرح تبادلہ میں کچھ بہتری دیکھی گئی ہے۔ تاہم سرمایہ کاروں اور کاروباری اداروں کے اعتماد کو بڑھانے کے لئے مستقل کوششیں ضروری ہوں گی۔

عالمی بینک نے اپنے تازہ ترین جائزے میں پاکستان کے معاشی منظر نامے کو ”چیلنجنگ“ قرار دیتے ہوئے پیش گوئی کی ہے کہ مالی نظم و ضبط برقرار رکھنے، بیرونی فنانسنگ کے حصول اور آئی ایم ایف سے متعلق اقدامات پر عمل درآمد پر انحصار کرتے ہوئے حقیقی جی ڈی پی کی شرح نمو بتدریج 1.7 فیصد تک پہنچ جائے گی۔

مستقبل کو دیکھتے ہوئے ملک کا معاشی منظر نامہ، مالیاتی اور بیرونی بفرز (Buffers) کی بحالی، سیاسی استحکام کی واپسی، بین الاقوامی برادری کی طرف سے سیلاب ریلیف سپورٹ،

محمد سہیل ثناء

آصف جمہ  
چیف ایگزیکٹو

محمد سہیل ثناء

چیرمین

تاریخ: 23 اکتوبر، 2023  
کراچی

## کیمیکلز اینڈ ایگری سائنسز بزنس

خالص مجموعی فروخت (ملین پاکستانی روپے)



آپریٹنگ نتیجہ (ملین پاکستانی روپے)



میئنجنٹ پر مستقل توجہ کے ساتھ مل کر، گزشتہ سال کے اسی عرصے کے مقابلے میں بہتر کارکردگی کا سبب بنا۔

اگرچہ معیشت کو مستحکم کرنے پر توجہ واضح طور پر نظر آتی ہے، تاہم معیشت کی دیرینہ اسٹرکچرل کمزوریاں اور بار بار سخت مانیٹری اقدامات کاروباری ماحول کے لئے سنگین خطرات پیدا کرتے ہیں، چنانچہ حکومت کی جانب سے وسیع البینا اصلاحات کا موثر اور بروقت نفاذ پائیدار بحالی کے لیے انتہائی اہم ہوگا۔ آگے بڑھتے ہوئے، کیمیکلز اینڈ ایگری سائنسز بزنس بہتر نتائج فراہم کرنے کے لئے بہترین آپریشنل کارکردگی اور لاگت میں بہتری لانے پر اپنی توجہ جاری رکھے گا۔

کیمیکلز اینڈ ایگری سائنسز بزنس نے اس سہ ماہی کے دوران 3,313 ملین روپے کی خالص مجموعی فروخت حاصل کی جو گزشتہ سال کے اسی عرصے کے مقابلے میں 50 فیصد زیادہ ہے جبکہ سہ ماہی کے لئے آپریٹنگ نتیجہ 531 ملین روپے ریکارڈ کیا گیا جو گزشتہ سال کے اسی عرصے کے مقابلے میں 222 فیصد زیادہ ہے۔

زیر جائزہ سہ ماہی کے دوران کیمیکلز اور ماسٹر بیچیں کے شعبوں میں گزشتہ سال کے اسی عرصے کے مقابلے میں بہتر طلب دیکھی گئی۔ اس کے ساتھ ساتھ مؤثر مارجن میئنجنٹ اور لاگت کو موثر بنانے کے نتیجے میں گزشتہ سال کے اسی عرصے کے مقابلے میں بہتر کارکردگی پر مبنی نتیجہ نکلا۔

ایگری سائنسز سیکٹور میں گزشتہ سال کے اسی عرصے کے دوران تباہ کن مون سون سیلاب کے مقابلے میں نسبتاً سازگار موسمی حالات دیکھے گئے۔ پورٹ فولیو تنوع، مؤثر مارجن

## انیمیل ہیلتھ بزنس

خالص مجموعی فروخت (ملین پاکستانی روپے)



آپریٹنگ نتیجہ (ملین پاکستانی روپے)



پیداواری لاگت میں اضافے سے پولٹری فیڈ کی قیمت فروخت میں اضافہ ہوا، جس کے نتیجے میں پولٹری اور لائیو سٹاک فارمرز کے منافع کی شرح میں کمی واقع ہوئی جبکہ جانوروں کی فیڈ کی طلب بھی متاثر ہوئی ہے۔

بڑھتے ہوئے اخراجات اور چیلنجنگ میکرو اکنامک پالیسیوں کی وجہ سے اس کاروبار کے لئے مستقبل قریب کا منظر نامہ غیر یقینی نظر آتا ہے، جس سے طویل مدتی منصوبہ بندی مشکل ہو جاتی ہے۔ انیمیل ہیلتھ بزنس فعال طور پر صورتحال کی نگرانی کر رہا ہے اور مدد کو رہا ہوا چیلنجوں کے اثرات کو کم کرنے کے لئے موثر اقدامات کر رہا ہے۔

پاکستان میں موجودہ معاشی حالات نے انیمیل ہیلتھ سیکٹر پر منفی اثرات مرتب کیے ہیں۔ اس صنعت کو کئی چیلنجوں کا سامنا کرنا پڑا، جن میں بڑھتی ہوئی قیمتیں اور اہم خام مال کی کمی شامل ہیں۔ مسلسل افراط زر کے ساتھ ساتھ بڑھتی ہوئی پیداواری لاگت اور اضافی لاگت صارفین کو منتقل کرنے میں کسانوں کی ناکامی نے اس صنعت کے کھلاڑیوں کی تجارتی نمویذیری کو بری طرح متاثر کیا۔ جس کے نتیجے میں اس شعبے کے لئے مجموعی مارکیٹ کے سائز میں نمایاں کمی آئی ہے۔

اس سہ ماہی کے دوران انیمیل ہیلتھ بزنس نے 1,555 ملین روپے کی خالص مجموعی فروخت اور 246 ملین روپے کا آپریٹنگ نتیجہ فراہم کیا، جس نے گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 10 فیصد اور 15 فیصد کا ڈبل ڈیجٹ اضافہ درج کیا۔ یہ بہتر کارکردگی بنیادی طور پر آپریشنل فعالیت اور ایک موثر پراڈکٹ مکس کی وجہ سے ممکن ہوئی۔

## فارماسیوٹیکل بزنس

خالص مجموعی فروخت (ملین پاکستانی روپے)



آپریٹنگ نتیجہ (ملین پاکستانی روپے)



چیلنجنگ معاشی ماحول کا سامنا کرتے ہوئے LCI کے فارماسیوٹیکل بزنس نے متعدد محاذوں پر بہتری پر توجہ مرکوز کی، بشمول نئی تھراپیوں لانچ کرنا، فروخت کے حجم میں اضافہ کرنا، مینوفیکچرنگ کے عمل میں روانی لانا، پلانٹ کی کارکردگی کو موثر کرنا اور ورکنگ کیپٹل ڈیپلائمنٹ کو بہتر بنانا۔ قیمتوں میں مذکورہ اضافے کے ساتھ ان عوامل نے کاروبار کو 2,701 ملین روپے کی خالص مجموعی فروخت اور 465 ملین روپے کا آپریٹنگ نتیجہ حاصل کرنے میں مدد کی، جو گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 24 فیصد اور 68 فیصد زیادہ ہے۔

اس صنعت کی نمونہ پذیری اور مارکیٹ میں زندگی بچانے والی ادویات کی دستیابی کو یقینی بنانے کے لئے ضروری ہے کہ فارماسیوٹیکل انڈسٹری کو سازگار ماحول فراہم کیا جائے۔ اس سلسلے میں یہ بھی ضروری ہے کہ حکومت نہ صرف غیر لازم ادویات کی قیمتوں کو ڈی ریگولیشن کرے تاکہ ان کی قیمتیں دیگر علاقائی ممالک کی قیمتوں کے مطابق ہو سکیں بلکہ فارماسیوٹیکل انڈسٹری کے ساتھ طے شدہ قیمتوں کے میکانزم پر بھی مستقل طور پر عملدرآمد کو یقینی بنائے۔

گزشتہ ایک سال کے دوران دو سازی کی صنعت نے فارماسیوٹیکل مصنوعات کی طلب اور رسد دونوں میں زبردست اتار چڑھاؤ دیکھا ہے۔ مالی محاذ پر غیر متوازن حکومتی پالیسیوں کی وجہ سے طلب ڈانواڈول رہی ہے جبکہ بین الاقوامی سطح پر خام مال اور پیکنگ کے سامان کی قیمتوں میں اضافے اور اسٹیٹ پیک آف پاکستان کے پاس موجود غیر ملکی زرمبادلہ کے ریکارڈ کم ذخائر کی وجہ سے درآمدات پر رکاوٹوں کے باعث رسد متاثر ہوئی۔ اسی عرصے کے دوران بین الاقوامی قیمتوں میں اضافے اور امریکی ڈالر کے مقابلے میں روپے کی قدر میں تیزی سے کمی کی وجہ سے فارماسیوٹیکل انڈسٹری کے لئے ان پیٹ لاگت میں اضافہ ہوا۔ سیلز ٹیکس کے نفاذ نے اس صنعت کی مشکلات میں اضافہ کر دیا ہے، زندگی بچانے والی بہت سی ادویات، پیداوار اور فروخت کے لحاظ سے غیر منافع بخش بن گئی ہیں۔ اگرچہ حکومت نے حال ہی میں قیمتوں میں اضافے کے ذریعے اس صنعت کو کچھ ریلیف دیا ہے لیکن یہ اضافہ پچھلے سال کے دوران آپریٹنگ اور فنانسنگ لاگت میں اضافے کی تلافی کے لئے درکار ایڈجسٹمنٹ سے کافی کم ہے۔

## سوڈالیش بزنس

خالص مجموعی فروخت (ملین پاکستانی روپے)



آپریٹنگ نتیجہ (ملین پاکستانی روپے)



60,000 ٹی پی اے کی توسیع کے نتیجے میں برآمدات کے حجم میں اضافہ، پلاسٹ کے موثر آپریشنز اور زائد ان پٹ لاگت کی وجہ سے زائد قیمت فروخت شامل تھی۔

اندرونی محاذ پر ملک کا موجودہ معاشی منظر نامہ مقامی صنعتوں کے لئے ایک تاریک تصویر پیش کرتا ہے اور ترقی کے لئے محدود گنجائش فراہم کرتا ہے۔ افراط زر کی وجہ سے صارفین کی قوت خرید میں کمی کے مقامی مارکیٹ بالخصوص بازار اور ٹیکسٹائل کے شعبوں کی ترقی میں نمایاں رکاوٹ بن جانے کا خدشہ ہے۔ ٹیکسٹائل کے شعبے میں مذکورہ بالا معاشی چیلنجز کی سنگینی نے شدید بحران پیدا کر دیا ہے جس کی وجہ سے بہت سے یونٹس بند ہو گئے۔

برآمدات کے حوالے سے سوڈالیش بزنس نے نئے اور زیادہ پائیدار برآمدی مقامات تلاش کرتے ہوئے موجودہ مارکیٹوں میں اپنے قدم جمانے کے ذریعہ عالمی مارکیٹ میں اپنی شناخت قائم کرنے کا سلسلہ جاری رکھا ہے۔

زیر جائزہ مدت کے دوران، ملکی سوڈالیش مارکیٹ کو مسلسل دباؤ کا سامنا کرنا پڑا، جس کی بنیادی وجہ کرنسی میں اتار چڑھاؤ، افراط زر کا دباؤ اور زائد شرح سود رہی۔ مجموعی طور پر ان چیلنجز کی وجہ سے صارفین کی قوت خرید کم ہوئی اور اس کے نتیجے میں طلب پر دباؤ پڑا۔ تمام بڑے شعبوں خاص طور پر گلاس اور ڈٹرجنٹ سیکٹرز کے کم کاروباری حجم کی وجہ سے مجموعی ملکی فروخت میں 8 فیصد کمی واقع ہوئی۔ گزشتہ سال کے اسی عرصے کے مقابلے میں برآمدی فروخت میں اضافہ ہوا کیونکہ سوڈالیش بزنس بین الاقوامی مارکیٹ میں اپنے قدم جمانے میں کامیاب رہا۔

موجودہ معاشی چیلنجز کے باوجود اس عرصے کے دوران سوڈالیش بزنس نے 12,245 ملین روپے کی خالص مجموعی فروخت اور 2,446 ملین روپے کا آپریٹنگ نتیجہ فراہم کیا، جس میں گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 29 فیصد اور 30 فیصد اضافہ ریکارڈ کیا گیا۔ بہتر نتائج کی بنیادی وجوہات میں مارچ 2023 میں مکمل ہونے والی



## پولیسٹر اسٹیل فائبر بزنس (PSF)

خالص مجموعی فروخت (ملین پاکستانی روپے)



آپریٹنگ نتیجہ (ملین پاکستانی روپے)



کپاس کے محاذ پر عالمی طلب میں کمی کی وجہ سے کپاس کی قیمتوں پر اثر پڑا۔ گزشتہ سال کے اسی عرصے کے مقابلے میں کپاس کی بین الاقوامی اور مقامی اوسط قیمتوں میں بالترتیب 18 فیصد اور 6 فیصد کمی واقع ہوئی۔

اس عرصے کے دوران روپے کی قدر میں کمی کے نتیجے میں گزشتہ سال کے اسی عرصے کے مقابلے میں توانائی کی لاگت میں 67 فیصد اضافہ ہوا، اس کے ساتھ ہی کونکے اور فرانس آئل کی قیمتوں میں بھی بالترتیب 35 فیصد اور 8 فیصد اضافہ دیکھنے میں آیا۔ حکومت کی جانب سے ٹیکسٹائل سیکٹر کے لیے توانائی کی سبسڈی میں کمی سے اس کی لاگت پر مزید اثر پڑا۔ اس کے نتیجے میں ٹیکسٹائل سیکٹر کے لیے RLNG:NG کے 50:50 نظام کے نفاذ کی وجہ سے گیس کی قیمت میں اضافہ ہو گیا جبکہ گزشتہ سال کے اسی عرصے کے دوران 6.5 امریکی ڈالر فی ایم ایم بی ٹی پو کی رعایتی شرح نافذ تھی۔ اس کے نتیجے میں اس بزنس کا 412 ملین روپے کا آپریٹنگ نتیجہ گزشتہ سال کے اسی عرصے کے مقابلے میں 26 فیصد کم رہا، جس کی وجہ مذکورہ بالا طلب میں کمی اور توانائی و دیگر اخراجات میں اضافے کی وجہ سے مارجن میں کمی تھی۔

سعودی عرب اور روس کی جانب سے تیل کی پیداوار میں حالیہ کٹوتیوں سے خام تیل کی منڈیوں کو سہارا ملنے کی توقع ہے۔ تاہم، کساد بازاری کے اثرات کے ٹیکسٹائل سمیت غیر لازم اشیاء کی طلب پر اثر انداز ہوتے رہنے کا امکان ہے۔ غیر مستحکم شرح تبادلہ اور توانائی و مالی اخراجات میں اضافے کے تناظر میں پاکستان کے غیر یقینی معاشی منظر نامے کی وجہ سے ملک میں کاروباری سرگرمیوں میں خلل پیدا ہونے کا خدشہ ہے۔

مالی سال 2022-23 کی عالمی کساد بازاری کے بعد دنیا کی سب سے بڑی معاشی طاقتیں یعنی امریکا، چین اور یورپ شدید معاشی سست روی کا ہوئیں اور زیر جائزہ مدت کے دوران عالمی معیشت کو توقع سے کم شرح نمو حاصل ہوئی۔ اس کے نتیجے میں ٹیکسٹائل کی صنعت میں بھی طلب میں کمی دیکھی گئی، جو افراط زر میں اضافے اور صارفین کی حقیقی آمدنی میں کمی کی وجہ سے تھی۔

زیر جائزہ سہ ماہی کے دوران پولیسٹر کاروبار کی خالص مجموعی فروخت 5 فیصد زیادہ رہی، جس کی بنیادی وجہ PSF کی قیمت فروخت میں اضافہ تھا، جس کا بنیادی سبب روپے کی قدر میں ہونے والی کمی تھی، تاہم فروخت کے کم حجم کی وجہ سے ان کے اثرات جزوی طور پر غیر موثر ثابت ہوئے کیونکہ مقامی اور بین الاقوامی سطح پر مشکل معاشی حالات کی وجہ سے ڈاؤن اسٹریم مارکیٹوں میں نمایاں سست روی دیکھی گئی۔

مالی سال 2023-24 کی پہلی سہ ماہی کے دوران گزشتہ سال کے اسی عرصے کے مقابلے میں خام تیل کی اوسط قیمت 12 فیصد کم رہی۔ خام تیل کی قیمتوں کو مد نظر رکھتے ہوئے، PX، PTA اور MEG کی اوسط قیمتوں میں گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 3 فیصد، 6 فیصد اور 8 فیصد کمی واقع ہوئی۔ اس کے علاوہ، گزشتہ سال کے اسی عرصے کے مقابلے میں امریکی ڈالر کے مقابلے میں روپے کی قدر میں اوسطاً 30 فیصد کمی واقع ہوئی۔ روپے کی قدر میں نمایاں کمی کے باوجود، گزشتہ سال کے اسی عرصے کے مقابلے میں اندرون ملک PSF کی اوسط قیمت میں اضافہ 16 فیصد تک محدود رہا۔

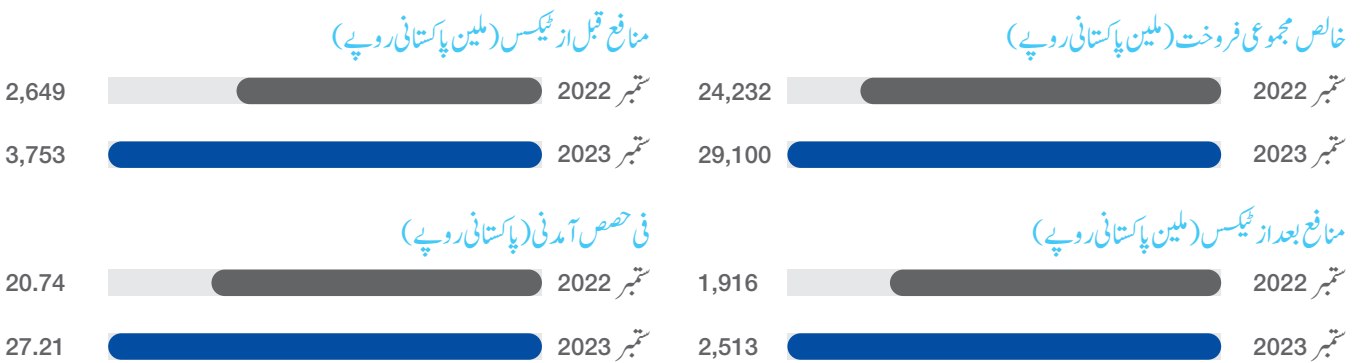
اضافے اور کرنسی کی قدر میں کمی کی وجہ سے کمپنی کی ورکنگ کیپیٹل کی ضروریات کو پورا کرنے کے لئے اوسط قرض کی سطح میں اضافے کی وجہ سے ہوا۔ گزشتہ سال کے اسی عرصے کے مقابلے میں پاکستانی روپے کی قدر میں اوسطاً 30 فیصد کمی واقع ہوئی، تاہم اس عرصے کے دوران سہ ماہی کے اختتام پر روپے کی قدر میں نمایاں بہتری آئی اور یہ 307.09 روپے کی تاریخ کی بلند ترین سطح پر پہنچنے کے بعد 287.7 روپے پر بند ہوا، جس کے نتیجے میں گزشتہ سال کے اسی عرصے میں 221 ملین روپے کے زرمبادلہ نقصان کے مقابلے میں 22 ملین روپے کا فائدہ ہوا۔

زیر جائزہ سہ ماہی کے دوران 2,513 ملین روپے کا بعد از ٹیکس منافع (PAT) گزشتہ سال کے اسی عرصے کے مقابلے میں 31 فیصد زیادہ ہے، جس کی بنیادی وجہ بہتر آپریٹنگ نتائج، مبادلہ منافع اور قلیل المدت سرمایہ کاری سے ہونے والی 646 ملین روپے کی ڈیویڈنڈ آمدنی پر مشتمل دیگر آمدنی ہے۔

فنانس لاگت میں 129 فیصد کا نمایاں اضافہ گزشتہ سال کے اسی عرصے کے مقابلے میں پالیسی ریٹ میں 700 بیسس پوائنٹس کے اضافے کے ساتھ ساتھ اجناس کی قیمتوں میں

سہ ماہی کے لئے 27.21 روپے فی حصص آمدنی (EPS) گزشتہ سال کے اسی عرصے کے مقابلے میں 31 فیصد زیادہ ہے۔

اضافہ / (کمی) %	3 ماہ ختم شدہ 30 ستمبر 2022	3 ماہ ختم شدہ 30 ستمبر 2023	(ملین پاکستانی روپے)
20%	24,232	29,100	خالص مجموعی فروخت
29%	4,886	6,303	کل منافع
33%	3,093	4,100	آپریٹنگ نتیجہ
42%	2,649	3,753	منافع قبل از ٹیکس
31%	1,916	2,513	منافع بعد از ٹیکس
31%	20.74	27.21	فی حصص آمدنی (پاکستانی روپے)



## ڈائریکٹرز کا جائزہ

برائے 30 ستمبر 2023ء کو ختم ہونے والی سہ ماہی کے لیے۔ ان کنسولیدیشن

ڈائریکٹرز 30 ستمبر 2023ء کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشواروں کے ساتھ اپنا جائزہ بمسرت پیش کرتے ہیں۔

زیر جائزہ سہ ماہی کے دوران 29,100 ملین روپے کی خالص مجموعی فروخت گزشتہ سال کے اسی عرصے کے مقابلے میں 20 فیصد زیادہ ہے، جس کی بنیادی وجہ اضافی کاروباری حجم اور پاکستانی روپے کی قدر میں کمی کی وجہ سے افراط زر میں اضافے کے باعث لاگت میں اضافے کے نتیجے میں قیمتوں میں کمی کی جانے والی ایڈجسٹمنٹ ہے۔

گزشتہ مالی سال کے دوران 60,000 ٹن سالانہ (ٹی پی اے) کے حامل سوڈائش توسیعی منصوبے کے کامیاب آغاز کی وجہ سے اضافی برآمدی حجم کے سبب سوڈائش کاروبار کی خالص مجموعی فروخت گزشتہ سال کے اسی عرصے کے مقابلے میں 29 فیصد زیادہ رہی۔ کیمیکل اینڈ ایگری سائنسز، فارماسیوٹیکلز، اینیمل ہیلتھ اور پولیمر کاروبار کی خالص مجموعی فروخت میں بھی گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 50 فیصد، 24 فیصد، 10 فیصد اور 5 فیصد کا اضافہ دیکھا گیا۔

سہ ماہی کے لئے آپریٹنگ نتیجہ 4,100 ملین روپے ہے جو گزشتہ سال کے اسی عرصے سے 33 فیصد زیادہ ہے۔ تمام کاروباری شعبوں نے اس موثر کارکردگی میں حصہ ڈالا۔ کیمیکل اینڈ ایگری سائنسز، فارماسیوٹیکلز، سوڈائش اور اینیمل ہیلتھ کے کاروبار نے گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 222 فیصد، 68 فیصد، 30 فیصد اور 15 فیصد زیادہ آپریٹنگ نتائج فراہم کیے۔ پولیمر کاروبار کے لئے آپریٹنگ نتائج گزشتہ سال کے اسی عرصے کے مقابلے میں 26 فیصد کم تھے کیونکہ سہ ماہی کے دوران ٹیکسٹائل برآمدات میں سست روی اور ملکی مارکیٹ میں مندی، توانائی کی لاگت میں اضافے اور اجناس کی قیمتوں میں اتار چڑھاؤ کی وجہ سے حجم پر منفی اثر پڑا۔

سوڈائش کے کاروبار کی اچھی کارکردگی بنیادی طور پر گزشتہ سال توسیعی منصوبوں کی تکمیل کے بعد برآمدات کے حجم میں اضافے کی وجہ سے تھی جبکہ کیمیکل اور ایگری سائنسز کے کاروبار نے کیمیکل اور ماسٹر پیچ شعبوں میں طلب بڑھنے کی وجہ سے بہتر مالی کارکردگی کا مظاہرہ کیا۔ فارماسیوٹیکل بزنس کی کارکردگی میں کچھ بہتری دیکھنے میں آئی، جس کی وجہ

مینیجمنٹ کے عمل اور تجارتی کوششوں کو بہتر بنانے پر توجہ مرکوز کرنے کے علاوہ قیمتوں میں ایک ہی بار کی جانے والی ایڈجسٹمنٹ ہے۔ اینیمل ہیلتھ بزنس نے موثر آپریشنل کارکردگی اور سازگار پراڈکٹس کے بل پر اپنی ترقی کے سفر کو جاری رکھا۔ دوسری جانب عالمی اقتصادی صورتحال اور توانائی کی بڑھتی ہوئی لاگت کے تناظر میں ڈاؤن اسٹریٹ مارکیٹوں میں سست روی کی وجہ سے پولیمر کاروبار کا بارڈر کا شکار رہا۔

کمپنی کے کاروباری آپریشنز کو زیادہ کاروباری لاگت، غیر مستحکم شرح تبادلہ، زائد شرح سود، زائد ٹیکس کے بوجھ اور طلب کے غیر یقینی منظر نامے کی وجہ سے میکرو اکنامک چیلنجز کا سامنا کرنا پڑا۔ اگرچہ درآمدی پائپ لائنوں میں نرمی کی شکل میں کچھ ریلیف ملا لیکن طویل المدتی سخت مالیاتی اقدامات نے صارفین کی قوت خرید پر منفی اثر ڈالا ہے، جس کے نتیجے میں معیشت کے تمام شعبوں میں طلب میں نمایاں کمی واقع ہوئی ہے۔

زیر جائزہ مدت کے دوران، بورڈ آف ڈائریکٹرز نے کھیوڑہ میں کمپنی کے سوڈائش پلانٹ کی پیداواری استعداد میں سالانہ 200,000 ٹن (ٹی پی اے) اضافے کی اصولی منظوری دی۔ مجوزہ توسیع کی کامیاب تکمیل کے بعد سوڈائش پلانٹ کی کل نصب شدہ صلاحیت موجودہ 560,000 ٹن پی اے سے بڑھ کر 760,000 ٹن پی اے ہو جائے گی۔

کمپنی نے 26 جنوری، 2023 کو لوئے ٹیکمیکلز کارپوریشن کے ساتھ حصص کی خریداری کا معاہدہ کیا، جو بعد میں لوئے ٹیکمیکلز پاکستان لمیٹڈ کے جاری کردہ حصص کے سرمائے کا تقریباً 75.01 فیصد، جو 1,135,860,105 عام حصص پر مشتمل ہے، کو حاصل کرنے کے لئے لکی کور وینچرز (پرائیویٹ) لمیٹڈ (LVC) (مکمل ملکیتی ذیلی ادارے) کے سپر دکر دیا گیا۔ اس سودے کی تکمیل حصص خریداری کے معاہدے کی شرائط سے مشروط ہے، جس میں مطلوبہ منظوری کا حصول اور دیگر اختتامی شرائط کی تکمیل شامل ہے۔ مستقبل میں پونس ٹیکسٹائل ملز لمیٹڈ (YTML)، لکی ٹیکسٹائل ملز لمیٹڈ (LTML) اور لکی سینٹ لمیٹڈ (LCL) مشترکہ طور پر LCV کے 49 فیصد حصص حاصل کر سکتے ہیں۔ اس سلسلے میں LCV کی طرف سے ایک ترمیم شدہ اور از سر نو بیان کردہ عوامی اعلامیے میں اپنے ارادے کا اظہار کیا گیا تھا۔ مذکورہ اداروں میں سے ہر ایک کے حصص کے تناسب کا تعین بعد کے مرحلے میں کیا جائے گا۔ تاہم براہ راست اکثریتی شیئر ہولڈنگ اور حاصل کنندہ کا اختیار، LCI کے پاس ہی رہے گا۔

# Condensed Interim Unconsolidated Statement of Financial Position

As at September 30, 2023

Amounts in PKR '000

	Note	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	27,318,581	27,508,258
Intangible assets	5	1,667,523	1,663,883
Right-of-use assets		92,608	116,707
		<b>29,078,712</b>	<b>29,288,848</b>
Long-term investments	6	2,687,891	2,687,891
Long-term loans		561,120	535,698
Long-term deposits and prepayments		80,288	78,319
		<b>3,329,299</b>	<b>3,301,908</b>
		<b>32,408,011</b>	<b>32,590,756</b>
<b>Current assets</b>			
Stores, spares and consumables		2,787,819	4,899,883
Stock-in-trade	7	17,050,078	18,731,542
Trade debts	8	5,274,944	5,197,491
Loans and advances		1,461,243	1,085,680
Short-term deposits and prepayments		2,650,347	2,586,146
Other receivables	9	1,762,237	2,343,406
Short term investment	10	13,223,618	12,674,655
Cash and bank balances		665,532	900,255
		<b>44,875,818</b>	<b>48,419,058</b>
<b>Total assets</b>		<b>77,283,829</b>	<b>81,009,814</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised capital			
1,500,000,000 (June 30, 2023: 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, 2023: 92,359,050) ordinary shares of PKR 10 each		923,591	923,591
Capital reserves		309,643	309,643
Revenue reserve - unappropriated profit		36,062,925	36,597,410
<b>Total equity</b>		<b>37,296,159</b>	<b>37,830,644</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions for non-management staff gratuity		125,026	119,701
Long-term loans	11	3,696,427	3,962,751
Lease liabilities		12,338	29,064
Deferred tax liability - net	12	2,285,021	2,366,410
Deferred income - Government grant	13	961,022	1,002,384
		<b>7,079,834</b>	<b>7,480,310</b>
<b>Current liabilities</b>			
Trade and other payables		11,914,421	14,254,895
Accrued mark-up		924,012	927,035
Short-term financing	14	10,618,956	15,000,646
Current portion of long-term loans		707,755	820,080
Current portion of lease liabilities		60,384	80,807
Current portion of deferred income - Government grant		208,097	207,552
Taxation - net		5,302,956	4,283,315
Unpaid dividend		3,047,849	-
Unclaimed dividend		123,406	124,530
		<b>32,907,836</b>	<b>35,698,860</b>
<b>Total equity and liabilities</b>		<b>77,283,829</b>	<b>81,009,814</b>

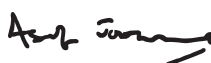
Contingencies and commitments

15

The annexed notes from 1 to 25 form an integral part of these condensed interim unconsolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Joona**  
Chief Executive



**Atif Aboobukar**  
Chief Financial Officer

# Condensed Interim Unconsolidated Statement of Profit or Loss (Unaudited)

For the Quarter Ended September 30, 2023

Amounts in PKR '000

	Note	For the 3 months ended September 30, 2023	For the 3 months ended September 30, 2022
<b>Net turnover</b>	16	<b>29,100,366</b>	24,231,830
Cost of sales	16 & 17	<b>(22,797,303)</b>	(19,345,840)
<b>Gross profit</b>		<b>6,303,063</b>	4,885,990
Selling and distribution expenses	16	<b>(1,641,493)</b>	(1,332,868)
Administration and general expenses	16	<b>(561,413)</b>	(460,196)
<b>Operating result</b>	16	<b>4,100,157</b>	3,092,926
Finance costs		<b>(1,096,803)</b>	(478,409)
Exchange gain / (loss)		<b>22,177</b>	(221,403)
Workers' profit participation fund		<b>(102,482)</b>	(95,472)
Workers' welfare fund		<b>(58,640)</b>	(37,322)
Other charges		<b>(23,299)</b>	(21,506)
		<b>(1,259,047)</b>	(854,112)
Dividend income from subsidiary		-	300,000
Other income	18	<b>911,861</b>	109,955
<b>Profit before taxation</b>		<b>3,752,971</b>	2,648,769
Taxation	19	<b>(1,239,607)</b>	(733,206)
<b>Profit after taxation</b>		<b>2,513,364</b>	1,915,563
<b>Basic and diluted earnings per share (PKR)</b>		<b>27.21</b>	20.74

The annexed notes from 1 to 25 form an integral part of these condensed interim unconsolidated financial statement:



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Atif Aboobakar**  
Chief Financial Officer

# Condensed Interim Unconsolidated Statement of Other Comprehensive Income (Unaudited)

For the Quarter Ended September 30, 2023

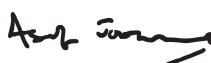
Amounts in PKR '000

	For the 3 months ended September 30, 2023	For the 3 months ended September 30, 2022
<b>Profit after taxation</b>	<b>2,513,364</b>	1,915,563
<b>Other comprehensive income</b>		
Net gain on cash flow hedges	-	-
<b>Total comprehensive income for the period</b>	<b>2,513,364</b>	1,915,563

The annexed notes from 1 to 25 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 Changes in Equity (Unaudited)

For the Quarter Ended September 30, 2023

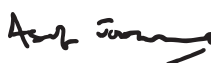
Amounts in PKR '000

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserve - Unappropriated profit	Total
<b>As at July 1, 2022 (Audited)</b>	<b>923,591</b>	<b>309,643</b>	<b>25,157,888</b>	<b>26,391,122</b>
Final dividend of PKR 15.00/- per share for the year ended June 30, 2022	-	-	(1,385,386)	(1,385,386)
Profit after taxation for the period	-	-	1,915,563	1,915,563
Other comprehensive loss for the period - net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>1,915,563</b>	<b>1,915,563</b>
<b>As at September 30, 2022 (Unaudited)</b>	<b>923,591</b>	<b>309,643</b>	<b>25,688,065</b>	<b>26,921,299</b>
Interim dividend of PKR 10.00/- per share for the year ended June 30, 2023	-	-	(923,591)	(923,591)
Profit after taxation	-	-	11,856,846	11,856,846
Other comprehensive loss for the period - net of tax	-	-	(23,910)	(23,910)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>11,832,936</b>	<b>11,832,936</b>
<b>As at June 30, 2023 (Audited)</b>	<b>923,591</b>	<b>309,643</b>	<b>36,597,410</b>	<b>37,830,644</b>
Final dividend of PKR 33.00/- per share for the year ended June 30, 2023	-	-	(3,047,849)	(3,047,849)
Profit after taxation	-	-	2,513,364	2,513,364
Other comprehensive income for the period - net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>2,513,364</b>	<b>2,513,364</b>
<b>As at September 30, 2023 (Unaudited)</b>	<b>923,591</b>	<b>309,643</b>	<b>36,062,925</b>	<b>37,296,159</b>

The annexed notes from 1 to 25 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 Quarter Ended September 30, 2023

Amounts in PKR '000

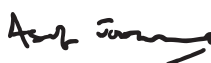
	For the 3 months ended September 30, 2023	For the 3 months ended September 30, 2022
<b>Cash flows from operating activities</b>		
Cash generated from operations - note 20	6,373,026	1,235,113
Payments for :		
Non-management staff gratuity and eligible retired employees' medical scheme	(154)	(10,906)
Staff retirement benefit plan	(5,616)	(10,017)
Taxation	(301,355)	(851,350)
Interest paid	(1,097,489)	(356,674)
<b>Net cash generated from operating activities</b>	<b>4,968,412</b>	<b>6,166</b>
<b>Cash flows from investing activities*</b>		
Capital expenditure	(621,910)	(1,569,192)
Proceeds from disposal of operating fixed assets	4,945	2,000
Interest income received	118,177	4,520
Dividend income received	645,565	-
<b>Net cash used in investing activities</b>	<b>146,777</b>	<b>(1,562,672)</b>
<b>Cash flows from financing activities*</b>		
Long-term loans obtained	-	573,323
Long-term loans repaid	(378,649)	(541,926)
Payment against lease liabilities	(39,486)	(30,469)
Dividends paid	(1,124)	(381)
<b>Net cash (used in) / generated from financing activities</b>	<b>(419,259)</b>	<b>547</b>
Net increase / (decrease) in cash and cash equivalents	4,695,930	(1,555,959)
Cash and cash equivalents at the beginning of the period	(1,425,736)	(10,972,497)
<b>Cash and cash equivalents at the end of period</b>	<b>3,270,194</b>	<b>(12,528,456)</b>
<b>Cash and cash equivalents at the end of period comprise of:</b>		
Cash and bank balances	665,532	317,248
Short term investments - note 10	13,223,618	-
Short-term financing - note 14	(10,618,956)	(12,845,704)
	<b>3,270,194</b>	<b>(12,528,456)</b>

\* No non-cash items are included in these activities

The annexed notes from 1 to 25 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



# Notes to the Condensed Interim Unconsolidated Financial Statements

For the Quarter Ended September 30, 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.

## 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, 2023.

## 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, 2023.

	Amounts in PKR '000	
	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
<b>4 Property, plant and equipment</b>		
Operating fixed assets - at net book value	24,691,927	24,673,221
Capital work-in-progress - at cost - note 4.2	2,626,654	2,835,037
<b>Total property, plant and equipment</b>	<b>27,318,581</b>	<b>27,508,258</b>

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	
	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
Lime beds on freehold land	16,704	76,916	-	-
Buildings on freehold land	7,951	45,932	-	-
Buildings on leasehold land	288,214	669,377	-	-
Plant and machinery	496,558	6,527,237	-	(313)
Rolling stock and vehicles	-	275	-	-
Furniture and equipment	15,406	85,574	(118)	-
	<b>824,833</b>	<b>7,405,311</b>	<b>(118)</b>	<b>(313)</b>

## 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
<b>As at September 30, 2023</b>						
Opening balance	47,611	1,595,652	110,507	838,283	242,984	2,835,037
Additions during the period	91,072	463,629	4,812	50,268	3,956	613,737
Transferred to operating fixed assets during the period	(91,691)	(463,486)	(15,503)	(4,500)	(246,940)	(822,120)
Closing balance	46,992	1,595,795	99,816	884,051	-	2,626,654
<b>As at June 30, 2023</b>						
Opening balance	123,880	4,926,936	78,595	1,179,323	288,881	6,597,615
Additions during the period	790,427	2,618,137	74,365	156,297	-	3,639,226
Transferred to operating fixed assets during the year	(866,696)	(5,949,421)	(42,453)	(497,337)	(45,897)	(7,401,804)
Closing balance	47,611	1,595,652	110,507	838,283	242,984	2,835,037

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

	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
<b>5 Intangible assets</b>		
Intangible assets - at net book value - note 5.1	<b>1,667,523</b>	1,663,883
<b>5.1</b> Following is the detail of intangible assets:		
Brands	<b>1,437,679</b>	1,437,679
Goodwill	<b>206,374</b>	206,374
Others	<b>23,470</b>	19,830
	<b>1,667,523</b>	1,663,883
<b>5.2</b> Addition to intangible assets	<b>6,109</b>	10,559

<b>September 30, 2023 (Unaudited)</b>	June 30, 2023 (Audited)
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**6 Long-term investments****Unquoted - at cost***Subsidiaries*

- Lucky Core PowerGen Limited (wholly owned) 7,100,000 ordinary shares (June 30, 2023: 7,100,000 ordinary shares) of face value PKR 100/- each	<b>710,000</b>	710,000
Provision for impairment loss	<b>(209,524)</b>	(209,524)
	<b>500,476</b>	500,476
- Lucky Core Ventures (Private) Limited (wholly owned) 10,000 ordinary shares (June 30, 2023: 10,000 ordinary shares) of face value of PKR 10/- each	<b>100</b>	100
- Lucky TG (Private) Limited (51% owned) 28,050,000 ordinary shares (June 30, 2023: 28,050,000 ordinary shares) of face value of PKR 10/- each	<b>280,500</b>	280,500
<i>Associate</i>		
- NutriCo Morinaga (Private) Limited (24.5% holding) 20,121,621 ordinary shares (June 30, 2023: 20,121,621 ordinary shares) of face value of PKR 100/- each	<b>1,904,315</b>	1,904,315
<b>Others</b>		
<i>Equity</i>		
- Arabian Sea Country Club Limited 250,000 ordinary shares (June 30, 2023: 250,000) of PKR 10 each	<b>2,500</b>	2,500
	<b>2,687,891</b>	2,687,891

**6.1** The principal place of business of all the investees is in Pakistan.**7 Stock-in-trade**

Raw and packing material includes in-transit PKR 1,532.003 million (June 30, 2023: PKR 2,449.056 million)	<b>8,699,589</b>	10,047,283
Work-in-process	<b>608,269</b>	450,271
Finished goods include in-transit PKR 131.897 million (June 30, 2023: PKR 291.843 million)	<b>8,026,326</b>	8,526,811
	<b>17,334,184</b>	19,024,365
Provision for slow moving and obsolete stock-in-trade	<b>(284,106)</b>	(292,823)
	<b>17,050,078</b>	18,731,542

**7.1** Stock amounting to PKR 32.637 million (June 30, 2023: PKR 350.435 million) is measured at net realisable value and expense amounting to PKR 5.501 million (June 30, 2023: expense of PKR 195.195 million) has been recognised in statement of profit or loss.

	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
<b>8 Trade debts</b>		
<i>Considered good</i>		
- Secured	2,068,793	2,084,328
- Unsecured		
Due from associated companies	35,766	37,355
Others	3,861,729	3,596,055
	5,966,288	5,717,738
<i>Considered doubtful</i>	114,257	121,640
	6,080,545	5,839,378
- Allowance for Expected Credit Loss (ECL)	(114,257)	(121,640)
- Provision for price adjustments, discounts and sales returns	(691,344)	(520,247)
	(805,601)	(641,887)
	5,274,944	5,197,491
<b>9 Other receivables</b>		
<i>Considered good</i>		
Sales tax refundable	872,316	1,800,115
Commission and discounts receivable	55,947	44,349
Due from subsidiaries	-	1,875
Due from associated companies	42,708	49,508
Accrued interest income	273,107	138,408
Receivable from principal	49,245	103,811
Others	468,914	205,340
	1,762,237	2,343,406
<i>Considered doubtful</i>	13,382	18,273
	1,775,619	2,361,679
Allowance for ECL on receivables	(13,382)	(18,273)
	1,762,237	2,343,406
<b>10 Short term investment</b>		
<i>At fair value through profit or loss</i>		
Investments in mutual funds	13,223,618	12,674,655
<p>This represents amount received from sale proceeds of disposal of interest in NutriCo Morinaga (Private) Limited including the associated dividend income from investment in mutual funds. The amount is invested in units of Shariah Compliant mutual funds, which are readily encashable.</p>		
<b>11 Long-term loans</b>		
Long-term loans	4,404,182	4,782,831
Current portion shown under current liabilities	(707,755)	(820,080)
	3,696,427	3,962,751

**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, 2023.

	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
<b>12 Deferred tax liability - net</b>		
<b>Deductible temporary differences</b>		
Provisions for retirement benefits, doubtful debts and others	(534,543)	(481,249)
Retirement funds provision	(216,988)	(217,014)
<b>Taxable temporary differences</b>		
Property, plant and equipment	3,036,552	3,064,673
	<b>2,285,021</b>	<b>2,366,410</b>
<b>13 Deferred income - Government grant</b>		
Government grant	1,169,119	1,209,936
Current portion of government grant	(208,097)	(207,552)
	<b>961,022</b>	<b>1,002,384</b>
<b>14 Short-term financing</b>		
Export Refinance Facility	1,306,000	1,879,578
Money market loan	1,800,000	1,800,000
Short-term running finance - Secured	7,512,956	11,321,068
	<b>10,618,956</b>	<b>15,000,646</b>

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, 2023.

#### 15 Contingencies and commitments

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

Local bodies	84,500	84,500
Others	1,317,621	1,317,621
	<b>1,402,121</b>	<b>1,402,121</b>

##### 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, 2023.

	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
<b>15.3</b> Commitments in respect of capital expenditure including various projects:	<b>1,034,152</b>	606,522
<b>15.4</b> Commitments for rentals under Ijarah contracts in respect of vehicles are as follows:		
<u>Year</u>		
<b>2022-23</b>	-	5,004
<b>2023-24</b>	7,128	6,693
<b>2024-25</b>	7,591	7,128
<b>2025-26</b>	8,084	7,591
<b>2026-27</b>	8,584	8,084
<b>2027-28</b>	38,080	-
	<b>69,467</b>	<b>34,500</b>
Payable not later than one year	9,026	5,004
Payable later than one year but not later than five years	60,441	29,496
	<b>69,467</b>	<b>34,500</b>
<b>15.5</b> Outstanding letter of credit - unutilized PKR 15,991 million (June 30, 2023: 12,866 million)	<b>7,972,991</b>	6,415,837
<b>15.6</b> Outstanding letter of guarantee - unutilized PKR 147.68 million (June 30, 2023: 146.07 million)	<b>3,695,880</b>	3,421,355
<b>15.7</b> Commitments in respect of Post dated cheques	<b>1,456,037</b>	552,082

## 16 Operating Segment results (Unaudited)

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 September 30, 2023	For the 3 months ended September 30, 2022	For the 3 months ended September 30, 2023	For the 3 months ended September 30, 2022	For the 3 months ended September 30, 2023	For the 3 months ended September 30, 2022
<b>Turnover - note 16.1 &amp; 16.2</b>	<b>11,046,861</b>	10,381,329	<b>14,607,027</b>	11,160,606	<b>3,465,807</b>	2,967,660
Sales tax	(1,593,336)	(1,438,723)	(1,739,993)	(1,461,535)	(38,022)	(32,819)
Commission and discounts/ price adjustment	(77,668)	(12,012)	(622,060)	(183,632)	(727,144)	(760,117)
	<b>(1,671,004)</b>	(1,450,735)	<b>(2,362,053)</b>	(1,645,167)	<b>(765,166)</b>	(792,936)
<b>Net turnover</b>	<b>9,375,857</b>	8,930,594	<b>12,244,974</b>	9,515,439	<b>2,700,641</b>	2,174,724
Cost of sales - note 16.1 and 17	(8,875,029)	(8,148,813)	(8,912,953)	(7,122,587)	(1,680,265)	(1,428,260)
<b>Gross profit</b>	<b>500,828</b>	781,781	<b>3,332,021</b>	2,392,852	<b>1,020,376</b>	746,464
Selling and distribution expenses	(50,510)	(192,374)	(572,430)	(262,263)	(461,562)	(398,592)
Administration and general expenses	(38,688)	(32,741)	(313,884)	(250,262)	(93,623)	(70,926)
<b>Operating result</b>	<b>411,630</b>	556,666	<b>2,445,707</b>	1,880,327	<b>465,191</b>	276,946

	Polyester		Soda Ash		Pharma	
	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
<b>Segment Assets</b>	<b>17,643,953</b>	18,331,780	<b>45,216,734</b>	50,438,332	<b>9,787,945</b>	9,717,738
<b>Segment Liabilities</b>	<b>16,261,940</b>	16,622,712	<b>6,663,267</b>	11,605,768	<b>5,467,514</b>	5,525,944

	Animal Health		Chemicals and Agri Sciences		Company	
	For the 3 months ended September 30, 2023	For the 3 months ended September 30, 2022	For the 3 months ended September 30, 2023	For the 3 months ended September 30, 2022	For the 3 months ended September 30, 2023	For the 3 months ended September 30, 2022
<b>Turnover - note 16.1 &amp; 16.2</b>	<b>2,114,539</b>	1,872,417	<b>4,147,635</b>	2,707,818	<b>35,293,459</b>	29,077,443
Sales tax	(33,326)	(44,027)	(421,884)	(253,843)	(3,826,561)	(3,230,947)
Commission and discounts/ price adjustment	(526,433)	(419,066)	(413,227)	(239,839)	(2,366,532)	(1,614,666)
	<b>(559,759)</b>	(463,093)	<b>(835,111)</b>	(493,682)	<b>(6,193,093)</b>	(4,845,613)
<b>Net turnover</b>	<b>1,554,780</b>	1,409,324	<b>3,312,524</b>	2,214,136	<b>29,100,366</b>	24,231,830
Cost of sales - note 16.1 and 17	(1,071,098)	(969,656)	(2,346,368)	(1,688,911)	(22,797,303)	(19,345,840)
<b>Gross profit</b>	<b>483,682</b>	439,668	<b>966,156</b>	525,225	<b>6,303,063</b>	4,885,990
Selling and distribution expenses	(204,761)	(201,641)	(352,230)	(277,998)	(1,641,493)	(1,332,868)
Administration and general expenses	(32,437)	(24,134)	(82,781)	(82,133)	(561,413)	(460,196)
<b>Operating result</b>	<b>246,484</b>	213,893	<b>531,145</b>	165,094	<b>4,100,157</b>	3,092,926

	Animal Health		Chemicals and Agri Sciences		Company	
	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
<b>Segment Assets</b>	<b>6,159,252</b>	6,388,454	<b>13,846,654</b>	15,123,383	<b>92,654,538</b>	99,999,687
<b>Unallocated Assets</b>					<b>2,187,415</b>	2,187,415
<b>Intersegment eliminations</b>					<b>(17,558,124)</b>	(21,177,288)
					<b>77,283,829</b>	81,009,814
<b>Segment Liabilities</b>	<b>770,639</b>	990,891	<b>2,263,419</b>	3,282,850	<b>35,769,639</b>	38,028,165
<b>Unallocated Liabilities</b>					<b>21,776,155</b>	26,328,293
<b>Intersegment eliminations</b>					<b>(17,558,124)</b>	(21,177,288)
					<b>39,987,670</b>	43,179,170

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

	<b>For the 3 months ended September 30, 2023</b>	For the 3 months ended September 30, 2022
	<b>(Unaudited)</b>	
<b>16.1 Turnover and cost of sales</b>		
Inter-segment sales and purchases	<b>88,410</b>	12,387
<b>16.2</b> Includes export sales made to various countries	<b>2,809,102</b>	1,361,093
<b>17 Cost of sales</b>		
Opening stock of raw and packing materials	<b>9,873,841</b>	12,062,852
Purchases	<b>10,870,668</b>	13,170,994
	<b>20,744,509</b>	25,233,846
Closing stock of raw and packing materials	<b>(8,607,901)</b>	(12,239,061)
Raw and packing materials consumption	<b>12,136,608</b>	12,994,785
Manufacturing costs	<b>7,348,102</b>	6,770,506
	<b>19,484,710</b>	19,765,291
Opening stock of work-in-process	<b>450,272</b>	329,612
	<b>19,934,982</b>	20,094,903
Closing stock of work-in-process	<b>(608,269)</b>	(482,850)
Cost of goods manufactured	<b>19,326,713</b>	19,612,053
Opening stock of finished goods	<b>8,407,429</b>	4,276,469
Finished goods purchased	<b>2,897,069</b>	1,834,544
	<b>30,631,211</b>	25,723,066
Closing stock of finished goods	<b>(7,833,908)</b>	(6,377,226)
	<b>22,797,303</b>	19,345,840
<b>18 Other income</b>		
This includes PKR 645.565 million (September 30, 2022: nil) on account of dividend income from investment in mutual funds - note 10.		
<b>19 Taxation</b>		
Current	<b>1,320,996</b>	632,217
Deferred	<b>(81,389)</b>	100,989
	<b>1,239,607</b>	733,206

	<b>For the 3 months ended September 30, 2023</b>	For the 3 months ended September 30, 2022
<b>20 Cash flows from operations</b>		
Profit before taxation	<b>3,752,971</b>	2,648,769
Adjustments for:		
Depreciation and amortisation	<b>831,928</b>	730,878
Gain on disposal of operating fixed assets	<b>(4,827)</b>	(1,598)
Provision for non-management staff gratuity and eligible retired employees' medical s	<b>11,492</b>	9,855
Provision for staff retirement benefit plan	<b>11,137</b>	10,336
Interest income	<b>(233,651)</b>	(4,520)
Dividend income	<b>(645,565)</b>	-
Interest expense	<b>1,096,803</b>	478,409
Provision for doubtful trade debts	<b>(7,383)</b>	18,325
Provision for slow moving and obsolete stock-in-trade	<b>(8,717)</b>	25,586
Allowance for expected credit loss	<b>(1,050)</b>	(200)
Deferred income - Government grant	<b>(40,817)</b>	(47,459)
	<b>4,762,321</b>	3,868,381
Movement in:		
Working capital - note 20.1	<b>1,638,096</b>	(2,608,573)
Long-term loans	<b>(25,422)</b>	(24,695)
Long-term deposits and prepayments	<b>(1,969)</b>	-
<b>Cash generated from operations</b>	<b>6,373,026</b>	1,235,113
<b>20.1 Movement in working capital</b>		
<b><i>(Increase) / decrease in current assets</i></b>		
Stores, spares and consumables	<b>2,112,064</b>	(28,669)
Stock-in-trade	<b>1,690,181</b>	(2,455,791)
Trade debts	<b>(64,745)</b>	(399,636)
Loans and advances	<b>(374,513)</b>	(155,751)
Trade deposits and short-term prepayments	<b>(64,201)</b>	(391,519)
Other receivables	<b>696,642</b>	(217,334)
	<b>3,995,428</b>	(3,648,700)
<b><i>Increase in current liabilities</i></b>		
Trade and other payables	<b>(2,357,332)</b>	1,040,127
	<b>1,638,096</b>	(2,608,573)



**21 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:

		<b>For the 3 months ended September 30, 2023</b>	For the 3 months ended September 30, 2022
<b>Relationship with the Company</b>	<b>Nature of transaction</b>		
<i>Parent Company</i>	Sale of goods and material	<b>10,021</b>	7,852
	Purchase of goods, materials and services	<b>9,863</b>	15,891
	Dividend paid	-	761,970
<i>Subsidiary Companies</i>	Purchase of goods, materials and services	<b>518,935</b>	550,928
	Sale of goods, material and asset	<b>49,336</b>	26
	Dividend income from subsidiary	-	300,000
	Reimbursement of expenses	-	1,074
	Provision of services and other receipts	-	495
<i>Associated Companies</i>	Sale of goods, materials and services	<b>1,171,580</b>	1,342,425
	Purchase of goods, materials and services	<b>88,375</b>	192,014
	Donation	<b>5,494</b>	31,987
	Reimbursement of expenses	<b>7,804</b>	-
	Dividend paid	-	367,684
	Royalty	-	193,129
<i>Others</i>	Staff retirement benefits	<b>104,914</b>	94,895
<i>Key management personnel</i>	Remuneration paid	<b>297,318</b>	279,315
	Post employment benefits	<b>12,937</b>	11,494
	Director's meeting fee	<b>1,219</b>	975
	Dividend paid	-	35,512

## 22 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, 2023.

## 23 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, 2023.

## 24 Date of authorisation

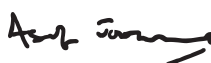
These condensed interim unconsolidated financial statements were authorised for issue in the Board of Directors meeting held on October 23, 2023.

## 25 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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# Lucky Core Industries Limited and its Subsidiary Companies Consolidated Financial Statements

# Review of the Directors (Consolidated)

## for the Quarter Ended September 30, 2023

The Directors are pleased to present their review together with the unaudited Group results of Lucky Core Industries Limited for the quarter ended September 30, 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 quarter ended September 30, 2023, has been presented separately.

The Net Turnover of PowerGen for the quarter ended at PKR 488 million, which is 5% lower as compared to the SPLY. This

was mainly due to lower sales of electricity units partially offset by an increase in electricity prices backed by higher HFO prices. The Operating Result declined by 18% against the SPLY due to lower volumes and higher cost of sales.

On a consolidated basis, Net Turnover for the quarter from continuing operations under review at PKR 28,994 million is higher by 19% over the SPLY. Whereas the Operating Result from continuing operations at PKR 4,134 million is higher by 32% in comparison to SPLY. PAT for the quarter at PKR 2,537 million is 31% higher than the SPLY, whereas EPS attributed to the owners of the holding company at PKR 27.48 is 41% higher than the SPLY mainly owing to improved operating performance.



**Muhammad Sohail Tabba**  
Chairman

Date: October 23, 2023  
Karachi



**Asif Jooma**  
Chief Executive

# ڈائریکٹرز کا جائزہ برائے 30 ستمبر 2023ء کو ختم ہونے والی سہ ماہی کے لیے۔ کنسولیدیشن

سے گزشتہ سال کے اسی عرصے کے مقابلے میں آپریٹنگ نتائج میں 18 فیصد کمی واقع ہوئی۔

مجموعی بنیادوں پر سہ ماہی کے دوران زیر جائزہ جاری آپریٹنگ سے حاصل ہونے والی 28,994 ملین روپے کی خالص مجموعی فروخت، گزشتہ سال کے اسی عرصے کے مقابلے میں 19 فیصد زیادہ ہے جبکہ جاری آپریٹنگ کا 4,134 ملین روپے کا آپریٹنگ نتیجہ گزشتہ سال کے اسی عرصے کے مقابلے میں 32 فیصد زیادہ ہے۔

سہ ماہی کے لیے 2,537 ملین روپے کا ”بعد از ٹیکس منافع“ (PAT)، گزشتہ سال کے اسی عرصے کے مقابلے میں 31 فیصد زیادہ ہے جبکہ ہولڈنگ کمپنی کے مالکان کی جانب سے پیش کردہ 27.48 روپے ”فی حصص آمدنی“ (EPS) بہتر آپریٹنگ کارکردگی کی وجہ سے گزشتہ سال کے اسی عرصے کے مقابلے میں 41 فیصد زیادہ ہے۔

ڈائریکٹرز 30 ستمبر 2023ء کو ختم ہونے والی سہ ماہی کے لئے لکی کور انڈسٹریز لمیٹڈ کے غیر آڈٹ شدہ گروپ نتائج کے ساتھ اپنا جائزہ بمسرت پیش کرتے ہیں۔ لکی کور انڈسٹریز گروپ میں لکی کور انڈسٹریز لمیٹڈ، اس کے ذیلی ادارے: لکی کور پاور جن لمیٹڈ (پاور جن)، لکی ٹی جی (پرائیویٹ) لمیٹڈ (لکی ٹی جی)، لکی کور اینرجیز (پرائیویٹ) لمیٹڈ (ایل سی وی) اور اس سے وابستہ ادارہ: نیوٹری کو مورینا گالا (پرائیویٹ) لمیٹڈ (این ایم پی ایل) شامل ہیں۔

ڈائریکٹرز کی رپورٹ کو، جس میں 30 ستمبر 2023ء کو ختم ہونے والی سہ ماہی کے لئے لکی کور انڈسٹریز لمیٹڈ کی کارکردگی پر تبصرہ موجود ہے، علیحدہ پیش کیا گیا ہے۔

اختتام پذیر ہونے والی سہ ماہی کے لئے ”پاور جن“ کی خالص مجموعی فروخت 488 ملین روپے رہی، جو گزشتہ سال کے اسی عرصے کے مقابلے میں 5 فیصد کم ہے۔ اس کی بنیادی وجہ بجلی کے یونٹس کی کم فروخت تھی، جس کی جزوی تلافی HFO کی قیمتیں بڑھنے کی وجہ سے بجلی کے نرخوں میں ہونے والے اضافے سے ہوئی۔ کم حجم اور فروخت کی زیادہ لاگت کی وجہ

محمد سہیل شبا  
چیئرمین / ڈائریکٹر

آصف جمعہ  
چیف ایگزیکٹو

تاریخ: 23 اکتوبر، 2023  
کراچی

# Condensed Interim Consolidated Statement of Financial Position

As at September 30, 2023

Amounts in PKR '000

	Note	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	27,406,326	27,598,290
Intangible assets	5	1,667,523	1,663,883
Right-of-use assets		92,608	116,707
		<b>29,166,457</b>	<b>29,378,880</b>
Long-term investments	6	10,983,334	10,994,914
Long-term loans		563,505	536,961
Long-term deposits and prepayments		80,288	78,319
		<b>11,627,127</b>	<b>11,610,194</b>
		<b>40,793,584</b>	<b>40,989,074</b>
<b>Current assets</b>			
Stores, spares and consumables		2,926,667	4,988,109
Stock-in-trade	7	17,135,549	18,785,237
Trade debts	8	5,306,588	5,197,027
Loans and advances		1,989,228	1,608,251
Trade deposits and short-term prepayments		2,650,359	2,586,442
Other receivables	9	1,794,081	2,379,569
Short term investments	10	13,223,618	12,674,655
Cash and bank balances		866,609	1,027,727
		<b>45,892,699</b>	<b>49,247,017</b>
<b>Total assets</b>		<b>86,686,283</b>	<b>90,236,091</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised capital			
1,500,000,000 (June 30, 2023: 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, 2023: 92,359,050) ordinary shares of PKR 10 each		923,591	923,591
Capital reserves		309,643	309,643
Revenue reserve - unappropriated profit		41,948,098	42,458,096
Attributable to the equity holders of the holding company		43,181,332	43,691,330
Non-controlling interests		262,467	262,906
<b>Total equity</b>		<b>43,443,799</b>	<b>43,954,236</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions for non-management staff gratuity		126,591	121,266
Long-term loans	11	3,696,427	3,962,751
Lease liabilities		12,338	29,064
Deferred tax liability - net	12	5,826,041	5,910,788
Deferred income - Government grant	13	961,022	1,002,384
		<b>10,622,419</b>	<b>11,026,253</b>
<b>Current liabilities</b>			
Trade and other payables		11,614,401	13,799,483
Accrued mark-up		924,012	927,035
Short-term financing	14	10,618,956	15,000,646
Current portion of long-term loans		707,755	820,080
Current portion of lease liabilities		60,384	80,807
Current portion of deferred income - Government grant		208,097	207,552
Taxation - net		5,315,205	4,295,469
Unpaid dividend		3,047,849	-
Unclaimed dividend		123,406	124,530
		<b>32,620,065</b>	<b>35,255,602</b>
<b>Total equity and liabilities</b>		<b>86,686,283</b>	<b>90,236,091</b>

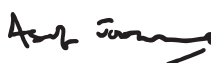
## Contingencies and commitments

15

The annexed notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Atif Aboobukar**  
Chief Financial Officer

# Condensed Interim Consolidated Statement of Profit or Loss (Unaudited)

For the Quarter Ended September 30, 2023

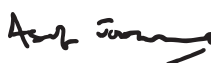
Amounts in PKR '000

	Note	For the 3 months ended September 30, 2023	For the 3 months ended September 30, 2022
<b>Net turnover</b>	16	<b>28,993,840</b>	24,295,762
Cost of sales	16 & 17	<b>(22,655,801)</b>	(19,367,607)
<b>Gross profit</b>		<b>6,338,039</b>	4,928,155
Selling and distribution expenses	16	<b>(1,641,493)</b>	(1,332,868)
Administration and general expenses	16	<b>(562,491)</b>	(460,260)
<b>Operating result</b>	16	<b>4,134,055</b>	3,135,027
Finance costs		<b>(1,097,152)</b>	(478,409)
Exchange loss		<b>22,867</b>	(221,749)
Workers' profit participation fund		<b>(104,192)</b>	(97,520)
Workers' welfare fund		<b>(58,642)</b>	(37,325)
Other charges		<b>(23,299)</b>	(21,506)
		<b>(1,260,418)</b>	(856,509)
Other income	18	<b>911,699</b>	109,271
Share of loss from associate		<b>(11,580)</b>	-
<b>Profit before taxation</b>		<b>3,773,756</b>	2,387,789
Taxation	19	<b>(1,236,344)</b>	(733,246)
<b>Profit after taxation from continuing operations</b>		<b>2,537,412</b>	1,654,543
<b>Discontinued operations</b>			
Profit after taxation from discontinued operations		-	285,562
<b>Profit after taxation</b>		<b>2,537,412</b>	1,940,105
<b>Attributable to:</b>			
Owners of the Holding Company		<b>2,537,851</b>	1,800,180
Non-controlling interests		<b>(439)</b>	139,925
		<b>2,537,412</b>	1,940,105
<b>Basic and diluted earnings per share (PKR)</b>			
- continuing operations		<b>27.48</b>	17.91
- discontinued operations		-	1.58
		<b>27.48</b>	19.49

The annexed notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Atif Aboobukar**  
Chief Financial Officer

# Condensed Interim Consolidated Statement of Other Comprehensive Income (Unaudited)

For the Quarter Ended September 30, 2023

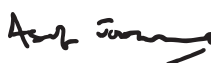
Amounts in PKR '000

	<b>For the 3 months ended September 30, 2023</b>	For the 3 months ended September 30, 2022
<b>Profit after taxation</b>	<b>2,537,412</b>	1,654,543
<b>Other comprehensive Income</b>		
Net gain on cash flow hedges	-	-
<b>Total comprehensive income for the period from continuing operations</b>	<b>2,537,412</b>	1,654,543
<b>Discontinued operations</b>		
Profit after taxation from discontinued operations	-	285,562
<b>Total comprehensive income for the period from discontinued operations</b>	<b>-</b>	285,562
<b>Total comprehensive income for the period</b>	<b>2,537,412</b>	1,940,105
<b>Attributable to:</b>		
Owners of the Holding Company	<b>2,537,851</b>	1,514,618
Non-controlling interests	<b>(439)</b>	139,925
	<b>2,537,412</b>	1,654,543

The annexed notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Atif Aboobukar**  
Chief Financial Officer



# Condensed Interim Consolidated Statement of Changes in Equity (Unaudited)

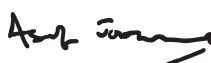
For the Quarter Ended September 30, 2023

Amounts in PKR '000

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserve - Unappropriated profit	Total Reserves	Non- controlling interests	Total
<b>As at July 01, 2022 (Audited)</b>	<b>923,591</b>	<b>309,643</b>	<b>27,229,297</b>	<b>27,538,940</b>	<b>4,828,721</b>	<b>33,291,252</b>
Final dividend of PKR 15.00 per share for the year ended June 30, 2022	-	-	(1,385,386)	(1,385,386)	-	(1,385,386)
Profit after taxation for the period	-	-	1,800,180	1,800,180	139,925	1,940,105
Other comprehensive income for the period - net of tax	-	-	-	-	-	-
Total comprehensive income	-	-	1,800,180	1,800,180	139,925	1,940,105
<b>As at September 30, 2022 (Unaudited)</b>	<b>923,591</b>	<b>309,643</b>	<b>27,644,091.0</b>	<b>27,953,734</b>	<b>4,968,646</b>	<b>33,845,971</b>
Interim dividend of PKR 10.00/- per share for the year ended June 30, 2023	-	-	(923,591)	(923,591)	-	(923,591)
Derecognition due to disposal of subsidiary	-	-	-	-	(5,046,487)	(5,046,487)
Acquisition of subsidiary	-	-	-	-	269,500	269,500
Profit after taxation	-	-	15,761,506	15,761,506	71,247	15,832,753
Other comprehensive income for the period - net of tax	-	-	(23,910)	(23,910)	-	(23,910)
Total comprehensive income for the period	-	-	15,737,596	15,737,596	71,247	15,808,843
<b>As at June 30, 2023 (Audited)</b>	<b>923,591</b>	<b>309,643</b>	<b>42,458,096</b>	<b>42,767,739</b>	<b>262,906</b>	<b>43,954,236</b>
Final dividend of PKR 33.00/- per share for the year ended June 30, 2023	-	-	(3,047,849)	(3,047,849)	-	(3,047,849)
Profit after taxation	-	-	2,537,851	2,537,851	(439)	2,537,412
Other comprehensive income for the period - net of tax	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>2,537,851</b>	<b>2,537,851</b>	<b>(439)</b>	<b>2,537,412</b>
<b>As at September 30, 2023 (Unaudited)</b>	<b>923,591</b>	<b>309,643</b>	<b>41,948,098</b>	<b>42,257,741</b>	<b>262,467</b>	<b>43,443,799</b>



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Atif Aboobukar**  
Chief Financial Officer

# Condensed Interim Consolidated Statement of Cash Flows (Unaudited)

For the Quarter Ended September 30, 2023

Amounts in PKR '000

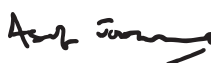
	September 30, 2023	September 30, 2022
<b>Cash flows from operating activities</b>		
Cash generated from operations - note 21	6,535,865	1,177,655
Payments for :		
Non-management staff gratuity and eligible retired employees' medical scheme	(154)	(10,906)
Staff retirement benefit plan	(5,815)	(10,054)
Taxation	(301,355)	(851,350)
Interest paid	(1,097,489)	(356,674)
Discontinued operations	-	555,206
<b>Net cash generated from operating activities</b>	<b>5,131,052</b>	<b>503,877</b>
<b>Cash flows from investing activities*</b>		
Capital expenditure	(627,880)	(1,573,650)
Proceeds from disposal of operating fixed assets	4,945	2,000
Interest income received	118,177	4,520
Dividend income received	645,565	-
Discontinued operations	-	3,082
<b>Net cash generated from / (used in) investing activities</b>	<b>140,807</b>	<b>(1,564,048)</b>
<b>Cash flows from financing activities*</b>		
Long-term loans obtained	-	573,323
Long-term loans repaid	(378,649)	(541,926)
Payment against lease liabilities	(39,486)	(30,469)
Discontinued operations	-	(181,407)
Dividends paid	(1,124)	(381)
<b>Net cash used in financing activities</b>	<b>(419,259)</b>	<b>(180,860)</b>
Net increase / (decrease) in cash and cash equivalents	4,852,600	(1,241,031)
Cash and cash equivalents at the beginning of the period	(1,381,329)	(13,011,748)
<b>Cash and cash equivalents at the end of the period</b>	<b>3,471,271</b>	<b>(14,252,779)</b>
<b>Cash and cash equivalents at the end of period comprise of:</b>		
Cash and bank balances	866,609	547,189
Short term investments - note 10	13,223,618	-
Short-term financing - note 14	(10,618,956)	(14,799,968)
	<b>3,471,271</b>	<b>(14,252,779)</b>

\* No non-cash items are included in these activities

The annexed notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Atif Aboobukar**  
Chief Financial Officer

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Quarter Ended September 30, 2023

## 1 Status and nature of business

The Group consists of Lucky Core Industries Limited (the "Holding Company") and the following subsidiaries:

- Lucky Core PowerGen Limited ("PowerGen");
- Lucky TG (Private) Limited ("Lucky TG"); and
- Lucky Core Venture (Private) Limited ("LCV").

The Holding Company was 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 merchandising of general chemicals and manufacturing of Masterbatches. It also acts as an indenting agent and toll manufacturer.

PowerGen was 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 was incorporated in Pakistan as a private company as part of the agreement with Tariq Glass Industries Limited to set up a green field state-of-the-art float glass manufacturing facility. The Holding Company holds 51% of the shares of Lucky TG.

LCV was incorporated in Pakistan as a private company and is a wholly owned subsidiary of the Holding Company. The principal line of the business is to function as holding company of its subsidiaries and associated companies and render advisory services for promotion of their business, development and marketing for the group.

NutriCo Morinaga (Private) Limited ("NutriCo Morinaga") is the associate 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 September 30, 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.

## 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, 2023.

## 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, 2023.

		Amounts in PKR '000	
		September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
<b>4</b>	<b>Property, plant and equipment</b>		
	Operating fixed assets - at net book value	24,766,593	24,736,363
	Capital work-in-progress - at cost - note 4.2	2,639,733	2,861,927
	<b>Total property, plant and equipment</b>	<b>27,406,326</b>	<b>27,598,290</b>

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	
	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)
Lime beds on freehold land	16,704	76,916	-	-
Buildings on freehold land	7,951	45,932	-	-
Buildings on leasehold land	288,214	669,377	-	-
Plant and machinery	516,340	6,549,835	-	(313)
Rolling stock and vehicles	-	275	-	-
Furniture and equipment	15,406	85,574	(118)	-
	<b>844,615</b>	<b>7,427,909</b>	<b>(118)</b>	<b>(313)</b>

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 September 30, 2023						
Opening balance	47,611	1,611,820	121,229	838,283	242,984	2,861,927
Additions during the period	91,072	473,880	4,812	50,268	3,956	623,988
Transferred during the period	(91,691)	(487,548)	(15,503)	(4,500)	(246,940)	(846,182)
Closing balance	46,992	1,598,152	110,538	884,051	-	2,639,733
As at June 30, 2022						
Opening balance	126,119	4,958,789	88,902	1,179,323	291,277	6,644,410
Additions during the period	790,427	2,650,637	74,365	156,297	-	3,671,726
Disposal of Subsidiary	-	(21,340)	-	-	-	(21,340)
Transferred during the period	(868,935)	#####	(42,038)	(497,337)	(48,293)	(7,432,869)
Closing balance	47,611	1,611,820	121,229	838,283	242,984	2,861,927

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

	September 30, 2023 (Unaudited)	June 30, 2023 (Audited)

## 5 Intangible assets

Intangible assets - at net book value - note 5.1	1,667,523	1,663,883
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5.1 Following is the detail of intangible assets:

Brands	1,437,679	1,437,679
Goodwill	206,374	206,374
Others	23,470	19,830
	<b>1,667,523</b>	<b>1,663,883</b>

5.2 Additions to intangible assets:	6,109	9,402
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	<b>September 30, 2023 (Unaudited)</b>	June 30, 2023 (Audited)
<b>6 Long-term investments</b>		
<b>Unquoted</b>		
<i>Associate</i>		
- NutriCo Morinaga (Private) Limited (24.5% holding) 20,121,621 ordinary shares (June 30, 2023: 20,121,621 ordinary shares) of face value of PKR 100/- each	<b>10,980,834</b>	10,992,414
<b>Others</b>		
<i>Equity</i>		
- Arabian Sea Country Club Limited 250,000 ordinary shares (June 30, 2023: 250,000) of PKR 10 each	<b>2,500</b>	2,500
	<b>10,983,334</b>	10,994,914
<b>7 Stock-in-trade</b>		
Raw and packing material includes in-transit PKR 1,532.003 million (June 30, 2023: PKR 2,449.056 million)	<b>8,785,059</b>	10,100,978
Work-in-process	<b>608,270</b>	450,271
Finished goods include in-transit PKR 131.897 million (June 30, 2023: PKR 291.843 million)	<b>8,026,326</b>	8,526,811
	<b>17,419,655</b>	19,078,060
Provision for slow moving and obsolete stock-in-trade	<b>(284,106)</b>	(292,823)
	<b>17,135,549</b>	18,785,237
<b>7.1</b> Stock amounting to PKR 32.637 million (June 30, 2023: PKR 350.435 million) is measured at net realisable value and expense amounting to PKR 5.501 million (June 30, 2023: expense of PKR 195.195 million) has been recognised in statement of profit or		
<b>8 Trade debts</b>		
<b>Considered good</b>		
- Secured	<b>1,725,883</b>	2,084,328
- Unsecured		
Due from associated companies	<b>35,766</b>	37,355
Others	<b>4,236,283</b>	3,595,591
	<b>5,997,932</b>	5,717,274
<b>Considered doubtful</b>	<b>114,257</b>	121,640
	<b>6,112,189</b>	5,838,914
- Allowance for ECL	<b>(114,257)</b>	(121,640)
- Provision for price adjustments and discounts	<b>(691,344)</b>	(520,247)
	<b>(805,601)</b>	(641,887)
	<b>5,306,588</b>	5,197,027

	<b>September 30, 2023 (Unaudited)</b>	June 30, 2023 (Audited)
<b>9 Other receivables</b>		
<b>Considered good</b>		
Sales tax	951,516	1,835,583
Commission and discounts receivable	55,947	44,349
Due from associated companies	42,708	49,508
Interest income receivable	273,107	138,408
Receivable from principal	49,245	103,811
Others	421,558	207,910
	<b>1,794,081</b>	<b>2,379,569</b>
<b>Considered doubtful</b>	<b>60,615</b>	<b>65,506</b>
	<b>1,854,696</b>	<b>2,445,075</b>
Allowance for ECL on receivables	<b>(60,615)</b>	<b>(65,506)</b>
	<b>1,794,081</b>	<b>2,379,569</b>
<b>10 Short term investment</b>		
<b>At fair value through profit or loss</b>		
Investments in mutual funds	<b>13,223,618</b>	<b>12,674,655</b>
	This represents amount received from sale proceeds of disposal of interest in NutriCo Morinaga (Private) Limited including the associated dividend income from investment in mutual funds. The amount is invested in units of Shariah Compliant mutual funds, which are readily encashable.	
<b>11 Long-term loans</b>		
Long-term loans	<b>4,404,182</b>	4,782,831
Current portion shown under current liabilities	<b>(707,755)</b>	(820,080)
	<b>3,696,427</b>	<b>3,962,751</b>
<b>11.2</b>	There is no material change in the terms and conditions of the long-term loans as disclosed in the Company's annual consolidated financial statements for the year ended June 30, 2023.	
<b>12 Deferred tax liability - net</b>		
<b>Deductible temporary differences</b>		
Provisions for retirement benefits, doubtful debts and others	<b>(534,543)</b>	(481,249)
Retirement funds provision	<b>(216,988)</b>	(217,014)
<b>Taxable temporary differences</b>		
Investment in associate	<b>3,541,020</b>	3,544,378
Property, plant and equipment	<b>3,036,552</b>	3,064,673
	<b>5,826,041</b>	<b>5,910,788</b>
<b>13 Deferred Income - Government grant</b>		
Government grant	<b>1,169,119</b>	1,209,936
Current portion of government grant	<b>(208,097)</b>	(207,552)
	<b>961,022</b>	<b>1,002,384</b>

	<b>September 30, 2023 (Unaudited)</b>	June 30, 2023 (Audited)
<b>14 Short-term financing</b>		
Export Refinance Facility (ERF)	<b>1,306,000</b>	1,879,578
Money market	<b>1,800,000</b>	1,800,000
Short-term running finance - secured	<b>7,512,956</b>	11,321,068
	<b>10,618,956</b>	15,000,646

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, 2023.

## 15 Contingencies and commitments

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

Local bodies	<b>84,500</b>	84,500
Others	<b>1,317,621</b>	1,317,621
	<b>1,402,121</b>	1,402,121

Amounts in PKR '000

### 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, 2023.

	<b>September 30, 2023 (Unaudited)</b>	June 30, 2023 (Audited)
<b>15.3</b> Commitments in respect of capital expenditure	<b>1,034,152</b>	606,522

### 15.4 Commitments for rentals under Ijarah contracts in respect of vehicles are as follows:

<u>Year</u>		
2022-23	-	5,004
2023-24	<b>7,128</b>	6,693
2024-25	<b>7,591</b>	7,128
2025-26	<b>8,084</b>	7,591
2026-27	<b>8,584</b>	8,084
2027-28	<b>38,080</b>	-
	<b>69,467</b>	34,500
Payable not later than one year	<b>9,025</b>	5,004
Payable later than one year but not later than five years	<b>60,442</b>	29,496
	<b>69,467</b>	34,500

<b>15.5</b> Outstanding letter of credit - unutilized PKR 16,036 million (June 30, 2023: 12,866 million)	<b>7,965,181</b>	6,415,837
<b>15.6</b> Outstanding letter of guarantee - unutilized PKR 147.68 million (June 30, 2023: 146.07 million)	<b>3,745,880</b>	3,421,355
<b>15.7</b> Commitments in respect of post dated cheques	<b>1,456,037</b>	600,656





<b>For the 3 months ended September 30, 2023</b>	<b>For the 3 months ended September 30, 2022</b>
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(Unaudited)

<b>16.1 Turnover</b>		
Inter-segment sales and purchases have been eliminated from the total	<b>682,833</b>	460,841
<b>16.2</b> Turnover includes export sales made to various countries amounting to:	<b>2,809,102</b>	1,361,093
<b>17 Cost of sales</b>		
Opening stock of raw and packing materials	<b>9,927,537</b>	12,157,401
Purchases	<b>10,803,615</b>	13,134,795
	<b>20,731,152</b>	25,292,196
Closing stock of raw and packing materials	<b>(8,693,372)</b>	(12,297,770)
Raw and packing materials consumption	<b>12,037,780</b>	12,994,426
Manufacturing costs	<b>7,373,482</b>	6,792,631
	<b>19,411,262</b>	19,787,057
Opening stock of work-in-process	<b>450,272</b>	329,612
	<b>19,861,534</b>	20,116,669
Closing stock of work-in-process	<b>(608,269)</b>	(482,850)
Cost of goods manufactured	<b>19,253,265</b>	19,633,819
Opening stock of finished goods	<b>8,407,429</b>	4,276,469
Finished goods purchased	<b>2,829,015</b>	1,834,546
	<b>30,489,709</b>	25,744,834
Closing stock of finished goods	<b>(7,833,908)</b>	(6,377,227)
	<b>22,655,801</b>	19,367,607
<b>18 Other income</b>		
This includes PKR 645.565 million (September 30, 2022: nil) on account of dividend income from short-term investment in mutual funds.		
<b>19 Taxation</b>		
Current	<b>1,321,091</b>	632,257
Deferred	<b>(84,747)</b>	100,989
	<b>1,236,344</b>	733,246

	<b>For the 3 months ended September 30, 2023</b>	For the 3 months ended September 30, 2022
<b>20 Cash flows from operating activities</b>		
Profit before taxation	<b>3,773,756</b>	2,387,789
Adjustments for:		
Depreciation and amortisation	<b>840,186</b>	737,433
Gain on disposal of operating fixed assets	<b>(4,827)</b>	(1,598)
Share of loss of associate	<b>11,580</b>	-
Provision for non-management staff gratuity and eligible retired employees' mec	<b>11,492</b>	9,855
Provision for staff retirement benefit plan	<b>11,336</b>	10,373
Deferred income- Government grant	<b>(40,817)</b>	(47,459)
Interest income	<b>(233,303)</b>	(4,520)
Dividend income	<b>(645,565)</b>	-
Interest expense	<b>1,096,803</b>	478,409
Allowance for expected credit loss	<b>(1,050)</b>	(200)
Provision for slow moving and obsolete stock-in-trade	<b>(8,717)</b>	25,586
Provision for doubtful trade debts	<b>(7,383)</b>	18,325
	<b>4,803,491</b>	3,613,993
Movement in:		
Working capital - note 21.1	<b>1,758,642</b>	(2,412,736)
Long-term loans	<b>(24,299)</b>	(23,602)
Long-term deposits and prepayments	<b>(1,969)</b>	-
<b>Cash generated from operations</b>	<b>6,535,865</b>	1,177,655
<b>20.1 Movement in working capital</b>		
<b>(Increase) / decrease in current assets</b>		
Stores, spares and consumables	<b>2,061,443</b>	(24,343)
Stock-in-trade	<b>1,658,406</b>	(2,419,949)
Trade debts	<b>137,868</b>	(442,480)
Loans and advances	<b>(379,928)</b>	(202,700)
Trade deposits and short-term prepayments	<b>(64,212)</b>	(391,872)
Other receivables	<b>700,960</b>	(68,773)
	<b>4,114,537</b>	(3,550,117)
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	<b>(2,355,895)</b>	1,137,381
	<b>1,758,642</b>	(2,412,736)

**21 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:

Relationship with the group	Nature of Transaction	For the	For the
		3 months ended September 30, 2023	3 months ended September 30, 2022
<i>Parent Company</i>	Sale of goods and materials	10,021	7,852
	Purchase of goods, materials and services	9,863	15,891
	Dividend	-	761,970
<i>Associated Companies</i>	Sale of goods and materials	1,171,580	1,342,425
	Purchase of goods, materials and services	88,375	192,014
	Donations paid	5,494	31,987
	Reimbursement of expenses	7,804	-
	Royalty	-	193,129
	Dividend	-	367,684
<i>Others</i>	Staff retirement benefits	105,214	94,895
<i>Key management personnel</i>	Remuneration paid	297,318	279,315
	Post employment benefits	12,937	11,494
	Director's meeting fee	1,219	975
	Dividend	-	35,512

**22 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, 2023.

**23 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, 2023.

**24 Date of authorisation**

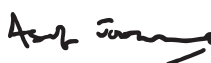
The condensed interim consolidated financial information was authorised for issue in the Board of Directors meeting held on October 23, 2023.

**25 General**

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



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Joona**  
Chief Executive



**Atif Aboobukar**  
Chief Financial Officer

A publication of the Corporate Communications  
& Public Affairs Department

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