

*Otsuka-People Creating New Products
For Better Health Worldwide*

QUARTERLY REPORT

for the third quarter ended March 31, 2025



Otsuka

Otsuka Pakistan Limited

(A Company of Otsuka Group Japan)

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COMPANY INFORMATION

BOARD OF DIRECTORS	:	Mr. Mikio Bando (Chairman) (Alternate: Mr. Muhammad Taufiq Feroz) Mr. Moin ur Rehman (Director and Chief Executive Officer) Mr. Koichi Okada Mr. Tariq Mehtab Feroz Mr. Suhari Mukti (Alternate: Mr. Sajid Ali Khan) Mr. Abid Hussain (Independent Director) Mrs. Navin Salim Merchant (Independent Director)
COMPANY SECRETARY	:	Mr. Rao Sajid Ali Khan
AUDIT SUB COMMITTEE OF THE BOARD	:	Mr. Abid Hussain (Chairman) Mr. Koichi Okada (Member) Mr. Tariq Mehtab Feroz (Member)
HEAD OF INTERNAL AUDIT:	:	Mr. Jawaid Noor (Secretary)
RISK MANAGEMENT COMMITTEE	:	Mr. Abid Hussain (Chairman) Mr. Koichi Okada (Member) Mr. Moin ur Rehman (Member) Mr. Sajid Ali Khan (Secretary)
HUMAN RESOURCES REMUNERATION & NOMINATION SUB-COMMITTEE OF THE BOARD	:	Mrs. Navin Salim Merchant (Chairperson) Mr. Moin ur Rehman (Member) Mr. Koichi Okada (Member) Mr. Tariq Mehtab Feroz (Member) Mr. David Sunil (Secretary)
AUDITORS (EXTERNAL)	:	Yousuf Adil Chartered Accountants (An Independent Correspondent Firm to Deloitte Touche Tohmatsu Limited)
AUDITORS (INTERNAL)	:	Suriya Nauman Rehan & Co. (Chartered Accountants)
LEGAL ADVISORS	:	Dr. Moneeba Hamid
BANKERS	:	Citibank N.A., Habib Bank Limited, The Bank of Punjab, MCB Bank Limited, Habib Metropolitan Bank Limited, Bank Al-Habib Limited, Allied Bank Limited, National Bank of Pakistan, Meezan Bank Limited, Bank Alfalah Limited, Bank Alfalah Islamic
REGISTERED OFFICE	:	Head Office: 30-B, Sindhi Muslim Co-operative, Housing Society, Karachi-74400 Tel.: 34528651 – 4, E-mail: secretarialcompliance@otsuka.pk Web site: www.otsuka.pk Factory: Plot No. F/4-9, Hub Industrial Trading Estate, Distt. Lasbella (Balochistan) Tel.: (0853) 303517-8, Fax: (0853) 303519
SHARE REGISTRAR	:	M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street # 2, D.H.A., Phase VII, Karachi. Customer Support Services Tel No. (0092-21) 111-000-322 Fax: (0092-21) 35310191 Email: sfc@thk.com.pk.

DIRECTORS' REPORT

On behalf of the Board of Directors, we are pleased to present your Company's unaudited condensed financial statements for the nine (9) months ended March 31, 2025.

Board of Directors

The composition of Board of Directors ("the Board") and its sub-committees are as follows:

CATEGORY	NAMES	GENDER
Executive Director	Mr. Moin ur Rehman (CEO)	Male
Non-Executive Directors	Mr. Mikio Bando (Chairman)	
	Mr. Tariq Mehtab Feroz	
	Mr. Koichi Okada	
	Mr. Suhari Mukti	
Independent Directors	Mr. Abid Hussain	Female
	Mrs. Navin Salim Merchant	

Board Sub-Committees

NAME OF BOARD SUB-COMMITTEE	NAME OF MEMBER
Audit Committee	Mr. Abid Hussain (Chairman) Mr. Koichi Okada Mr. Tariq Mehtab Feroz Mr. Jawaid Noor (Secretary)
Human Resource, Remuneration & Nomination Committee	Mrs. Navin Salim Merchant (Chairperson) Mr. Moin ur Rehman Mr. Koichi Okada Mr. Tariq Mehtab Feroz Mr. David Sunil (Secretary)
Risk Management Committee	Mr. Abid Hussain (Chairman) Mr. Koichi Okada Mr. Moin ur Rehman Mr. Sajid Ali Khan (Secretary)

The Board has a formal policy and transparent procedures for the remuneration of its Directors in accordance with the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations 2019. Currently, the two independent directors and a non-working alternate director are getting fixed fees for attending the Board and its committee meetings. The aggregate amount of remuneration paid to each director of the Company during the period is given below:

CATEGORY	NAMES	NATURE OF REMUNERATION	Amount (Rs. In '000)
Executive Director	Mr. Moin ur Rehman (CEO)	Salaries and benefits *	12,147
Non-Executive Directors	Mr. Mikio Bando (Chairman)	Not applicable	NIL
	Mr. Tariq Mehtab Feroz	Not applicable	75
	Mr. Koichi Okada	Not applicable	NIL
	Mr. Suhari Mukti	Not applicable	NIL
Independent Directors	Mr. Abid Hussain	Meeting fees	225
	Mrs. Navin Salim Merchant	Meeting fees	175
* CEO is entitled to full time working salaries and company benefits as recommended by the Board of Directors.			

Business Review

The Company recorded a net sales of Rs. 2.67 billion for the nine-month period ended March 31, 2025 reflecting a growth of 25% over the same period last year. This increase has been driven by growth and market penetration of our brands duly supported by strategic price adjustments. In addition, the successful launch of our new product Fatolip in February 2025 received a positive market response. Our strategic CN portfolio and existing brands like Aminovel, Panamin-G and Aminoleban are growing in double digits contributing to both top line and bottom line. The launch of Fatolip has further reinforced our presence in the CN segment and broadened our portfolio of clinical nutrition.

The company reported net sales of Rs. 885 million in third quarter reflecting a growth of 56% over the same period last year and Gross profit improved to 26% from 18% for the same period.

However, despite the notable increase in the Company's revenue, gross profit remained steady at 21% for nine months (July 2024 to March 2025) consistent with the same period last year. It was mainly due to an increase in production costs and scheduled annual maintenance of our plant, conducted in January 2025.

Selling and distribution expenses for the nine-month period ended March 31, 2025 increased by 27% due to increase sales personnel cost owing to new hiring and dedicated IV, CN and EN teams' higher sales promotion activities aimed at strengthening market share. Further, absorption of freight costs in south region. Administrative expenses rose by 38% compared to the corresponding period of the previous year mainly due to salaries, legal matters and renovations. The other expenses increased significantly mainly attributable to a net exchange loss of Rs. 82 million, arising from the mark-to-market valuation of foreign currency-denominated loans.

On a positive note, the Company recorded a substantial reduction in finance costs during the period, supported by improved cash flows stemming from a shift in credit policy-from, credit-based transactions to advance payment terms.

As a result, the Company reported earnings of Rs. 4.91 per share for the nine-month period ended March 31, 2025 with a significant increase compared to Rs. 1.93 per share same period last year.

Strategic Outlook

The Company is well-positioned to grow its strategic CN / EN business and non-strategic IV business in competitive environment and maintain its market standing through its continued focus on launching innovative and value-added products. Sustained economic stability, coupled with stable exchange rate is expected to support the Company to achieve its desired objective in this direction.

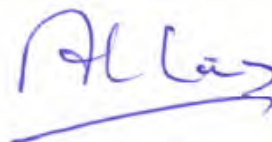
Acknowledgement

We would like to express our sincere gratitude to all stakeholders for their continued trust and support. We also extend our heartfelt appreciation to our employees for their dedicated efforts, which have played a pivotal role in manufacturing and providing quality healthcare products to customers and society at large.

On behalf of the Board



Moin ur Rehman
Chief Executive Officer



Abid Hussain
Director

Dated: April 21, 2025

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے، ہمیں آپ کی کمپنی کے 31 مارچ 2024 کو ختم ہونے والے نو (9) مہینوں کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی بیانات پیش کرتے ہوئے خوشی ہو رہی ہے۔

بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز ("بورڈ") اور اس کی ذیلی کمیٹیوں کی تشکیل حسب ذیل ہے:

درجہ بندی	نام	جنس
ایگزیکٹو ڈائریکٹر	جناب معین الرحمن صاحب (سی ای او)	مرد
نان ایگزیکٹو ڈائریکٹر	جناب میکو بانڈو (چیئرمین) جناب طارق مہتاب فیروز جناب کوچی او کاڈا جناب سوہاری مکتی	مرد
آزاد ڈائریکٹر	جناب عابد حسین مسز نوین سلیم مرچنٹ	مرد خاتون

بورڈ کمیٹی:

بورڈ کی ذیلی کمیٹیاں	ممبر کا نام
آڈٹ کمیٹی	جناب عابد حسین (چیئرمین) جناب کوچی او کاڈا جناب طارق مہتاب فیروز
ہیومن ریسورسز و معاوضہ اور نامزدگی کمیٹی	مسز نوین سلیم مرچنٹ (چیئر پرسن) جناب کوچی او کاڈا جناب معین الرحمن صاحب جناب طارق مہتاب فیروز
رسک مینجمنٹ کمیٹی	جناب عابد حسین (چیئرمین) جناب کوچی او کاڈا جناب ساجد علی خان جناب معین الرحمن صاحب

بورڈ پہلے ہی کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے مطابق اپنے ڈائریکٹرز کے معاوضے کے لیے ایک باضابطہ پالیسی اور شفاف طریقہ کار وضع کر چکا ہے۔ فی الحال، دو آزاد ڈائریکٹرز اور ایک نان ایگزیکٹو متبادل ڈائریکٹر بورڈ اور اس کی کمیٹی کے اجلاسوں میں شرکت کے لیے مقررہ فیس وصول کر رہے ہیں۔ اس مدت کے دوران کمپنی کے ہر ڈائریکٹر کو ادا کیے گئے معاوضے کی مجموعی رقم ذیل میں دی گئی ہے:

عہدے	نام	معاونت کی تفصیلات	پاکستانی روپے '000
ایگزیکٹو ڈائریکٹر	معین الرحمان (سی ای او) *	تنخواہیں اور مراعات	12,147
نان ایگزیکٹو ڈائریکٹر	مکیو بانڈو چیئر مین	قابل اطلاق نہیں	NIL
	ظرف مہتاب فیروز	قابل اطلاق نہیں	75
	کوچی اوکاڈا	قابل اطلاق نہیں	NIL
	سوپاری کتی	قابل اطلاق نہیں	NIL
آزاد ڈائریکٹر	جناب عابد حسین	مینگ فیس	225
	مسز نوین سلیم مرچنٹ	مینگ فیس	175

CEO بورڈ آف ڈائریکٹرز کے ذریعہ تجویز کردہ کل وقتی کام کرنے والی تنخواہوں اور کمپنی کے فوائد کا حقدار ہے۔

کاروباری جائزہ:

کمپنی نے 31 مارچ 2025 کو ختم ہونے والی نو ماہ کی مدت کے لیے 2.67 بلین روپے کی خالص فروخت ریکارڈ کی جو گزشتہ سال کی اسی مدت کے مقابلے میں 25 فیصد اضافے کی عکاسی کرتی ہے۔ یہ اضافہ ہمارے برانڈز کی ترقی اور مارکیٹ میں رسائی کی وجہ سے ہوا ہے جس کی سربجک قیمتوں میں ایڈجسٹمنٹ کی حمایت کی گئی ہے۔ اس کے علاوہ، فروری 2025 میں ہماری نئی پروڈکٹ Fatolip کی کامیاب لانچ کو مارکیٹ میں مثبت رد عمل ملا۔ ہمارا اسٹریٹجک CN پورٹ فولیو اور موجودہ برانڈز جیسے Aminovel، Panamin-G اور Aminoleban دہرے ہندسوں میں بڑھ رہے ہیں جس سے ٹاپ لائن اور باٹم لائن دونوں میں حصہ ڈالا جا رہا ہے۔ Fatolip کے آغاز نے CN طبقہ میں ہماری موجودگی کو مزید تقویت بخشی ہے اور کلینیکل نیوٹریشن کے ہمارے پورٹ فولیو کو وسیع کیا ہے۔

کمپنی نے تیسری سہ ماہی میں 885 ملین روپے کی خالص فروخت ریکارڈ کی جو پچھلے سال کی اسی مدت کے مقابلے میں 56% کے اضافے کی عکاسی کرتی ہے اور مجموعی منافع بھی اسی مدت کے لیے 18% سے بڑھ کر 26% ہو گیا ہے۔

تاہم، کمپنی کی آمدنی میں قابل ذکر اضافے کے باوجود، مجموعی منافع پچھلے سال کی اسی مدت کے ساتھ نو ماہ (جولائی 2024 تا مارچ 2025) کے لیے 21% پر منہمک رہا۔ اس کی بنیادی وجہ پیداواری لاگت میں اضافہ اور جنوری 2025 میں ہمارے پلانٹ کی طے شدہ سالانہ سروس اور دیکھ بھال تھی۔

31 مارچ 2025 کو ختم ہونے والی نو ماہ کی مدت کے لیے فروخت اور تقسیم کے اخراجات میں 27% کا اضافہ ہوا ہے جس کی وجہ سے CN، IV اور EN سیکمنٹس کے لیے اعلیٰ فروخت کے فروغ کی سرگرمیوں کے لیے نئی سلیڈ ٹیموں کا تقرر کیا گیا ہے جس کا مقصد جنوبی علاقے میں مال برداری کے اخراجات کو کنٹرول کرنے کے ساتھ ساتھ مارکیٹ شیئر کو مضبوط بنانا ہے۔ انتظامی اخراجات میں پچھلے سال کی اسی مدت کے مقابلے میں 38 فیصد اضافہ ہوا جس کی بنیادی وجہ تنخواہوں، قانونی معاملات اور تزیین و آرائش تھی۔ دیگر اخراجات میں نمایاں اضافہ ہوا جو بنیادی طور پر 82 ملین روپے کے خالص زر مبادلہ کے نقصان سے منسوب ہے، جس کی وجہ غیر ملکی کرنسی سے متعین قرضوں کی مارک ٹو مارکیٹ ویلیویشن ہے۔

ایک مثبت نوٹ پر، کمپنی نے اس مدت کے دوران مالیاتی اخراجات میں خاطر خواہ کمی ریکارڈ کی جس کی حمایت کریڈٹ پالیسی کی وجہ سے بہتر کمیشن فلو سے ہو رہی ہے، جس سے کریڈٹ پر مبنی لین دین پیشگی ادائیگی کی شرائط میں تبدیل ہو گئے ہیں۔

نتیجے کے طور پر، کمپنی نے 31 مارچ 2025 کو ختم ہونے والی نو ماہ کی مدت کے لیے 4.91- روپے فی شیئر کی آمدنی گزشتہ سال کی اسی مدت کے 1.93- روپے فی حصص کے مقابلے میں نمایاں اضافے کے ساتھ ریکارڈ کی ہے۔

اسٹریٹجک نقطہ نظر

کمپنی مسابقتی مارکیٹ میں اپنی اسٹریٹجک CN/EN پروڈکٹس اور غیر اسٹریٹجک IV کاروبار کو بڑھانے اور اختزاعی اور ویلیو ایڈڈ پروڈکٹس کو لانچ کرنے پر اپنی مسلسل توجہ کے ذریعے اپنی مارکیٹ کی پوزیشن کو برقرار رکھنے کے لیے اچھی پوزیشن میں ہے۔ منہمک اقتصادی استحکام کے ساتھ ساتھ منہمک شرح مبادلہ سے توقع کی جاتی ہے کہ کمپنی کو اس سمت میں اپنے مطلوبہ مقصد کو حاصل کرنے میں مدد ملے گی۔

انتہاف

ہم تمام اسٹیک ہولڈرز کے مسلسل اعتماد اور تعاون کے لیے ان کا تہہ دل سے شکریہ ادا کرنا چاہیں گے۔ ہم اپنے ملازمین کو ان کی سرشار کوششوں کے لیے بھی تہہ دل سے خراج تحمیں پیش کرتے ہیں، جنہوں نے بڑے پیمانے پر صارفین اور معاشرے کو معیاری صحت کی دیکھ بھال کی مصنوعات تیار کرنے اور فراہم کرنے میں اہم کردار ادا کیا ہے۔

بتاریخ: 21 اپریل 2025

بورڈ کی جانب سے



معین الرحمان

چیف ایگزیکٹو آفیسر



عابد حسین

ڈائریکٹر

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2025

	Note	(Un-audited) March 31, 2025 -----Rupees in '000-----	(Audited) June 30, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	507,033	439,945
Intangible assets		524	761
Long-term loans		7,822	7,428
Long-term deposits		1,463	3,699
Deferred tax asset		108,859	127,062
		625,701	578,895
Current assets			
Stores and spares		51,155	44,548
Stock-in-trade		955,276	959,205
Trade debts		75,319	160,464
Loans and advances		163,614	64,695
Trade deposits, short-term prepayments and other receivables		31,522	34,897
Sales Tax Refundable		47,172	47,172
Advance Tax - net		85,245	92,367
Short-term investment		14,610	124,610
Bank balances		300,263	187,036
		1,724,176	1,714,994
Total assets		2,349,877	2,293,889
EQUITY AND LIABILITIES			
EQUITY			
Share capital	5	121,000	121,000
Revenue reserves		614,138	554,695
Total shareholder's equity		735,138	675,695
LIABILITIES			
Non-current liabilities			
Lease liability		-	12,831
Current liabilities			
Short-term loan from a related party	6	1,024,045	951,390
Trade and other payables		587,745	623,997
Current portion of lease liability		-	11,995
Unclaimed Dividends		1,955	1,955
Mark-up accrued		994	16,026
		1,614,739	1,605,363
Total equity and liabilities		2,349,877	2,293,889
CONTINGENCIES AND COMMITMENTS			
	7		

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Moin ur Rehman
Chief Executive Officer



Abid Hussain
Director

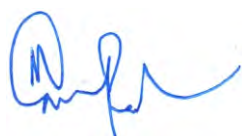


Tauseef Ahmed Shaikh
Chief Financial Officer

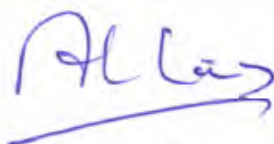
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2025**

	Note	Nine Month ended March 31,		Quarter ended March 31,	
		2025	2024	2025	2024
		----- Rupees in '000 -----		----- Rupees in '000 -----	
Revenue from contracts with customers	8	2,668,461	2,140,072	884,757	566,398
Cost of sales		(2,094,747)	(1,698,042)	(653,443)	(463,316)
Gross profit		<u>573,714</u>	<u>442,030</u>	<u>231,314</u>	<u>103,082</u>
Selling and distribution expenses		(336,468)	(264,987)	(130,786)	(94,282)
Administrative and general expenses		(135,495)	(98,528)	(48,563)	(34,882)
Reversal / (provision) against expected credit loss on trade debts		43,424	(19,619)	-	-
		<u>145,175</u>	<u>58,896</u>	<u>51,965</u>	<u>(26,082)</u>
Other income		96,369	111,395	28,010	48,874
		<u>241,544</u>	<u>170,291</u>	<u>79,975</u>	<u>22,792</u>
Other expenses		(96,864)	(20,159)	(49,225)	(1,861)
Operating profit / (loss)		<u>144,680</u>	<u>150,132</u>	<u>30,750</u>	<u>20,931</u>
Finance cost		(3,602)	(85,634)	(984)	(30,938)
Profit / (Loss) for the period before levies and income tax		<u>141,078</u>	<u>64,498</u>	<u>29,766</u>	<u>(10,007)</u>
Levies		(5,046)	(5,321)	(2,526)	(1,314)
Profit / (Loss) for the period before income tax		<u>136,032</u>	<u>59,177</u>	<u>27,240</u>	<u>(11,321)</u>
Taxation - net		(76,589)	(35,765)	(14,650)	(3,261)
Profit / (Loss) for the period after taxation		<u><u>59,443</u></u>	<u><u>23,412</u></u>	<u><u>12,590</u></u>	<u><u>(14,582)</u></u>
----- Rupees -----					
Earnings/(Loss) per share - basic and diluted		<u><u>4.91</u></u>	<u><u>1.93</u></u>	<u><u>1.04</u></u>	<u><u>(1.21)</u></u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Moin ur Rehman
Chief Executive Officer



Abid Hussain
Director

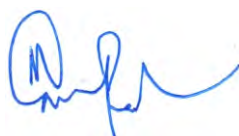


Tauseef Ahmed Shaikh
Chief Financial Officer

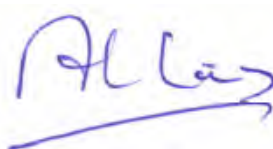
**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2025**

	Nine Month ended March 31,		Quarter ended March 31,	
	2025	2024	2025	2024
	----- Rupees in '000 -----		----- Rupees in '000 -----	
Profit / (Loss) for the period after taxation	59,443	23,412	12,590	(14,582)
Other comprehensive income / (loss):				
Total comprehensive income / (loss) for the period	59,443	23,412	12,590	(14,582)

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Moin ur Rehman
Chief Executive Officer



Abid Hussain
Director



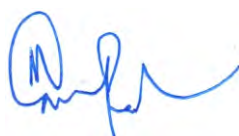
Tauseef Ahmed Shaikh
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

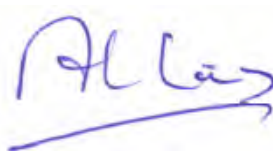
Note	Nine Month ended Mar-31	
	2025	2024
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) for the period before levies and income tax	141,078	64,498
Adjustment for non-cash charges and other items:		
Depreciation & Amortisation	58,513	81,562
Gain on disposal of Fixed Asset - net	(27)	(13,619)
Provision against slow moving and obsolete stock-in-trade	(13,490)	4,968
Workers' profits participant fund	5,997	4,040
Workers' welfare fund	2,629	2,261
Central research fund	1,211	816
Unrealized exchange (gain) / loss - net	72,655	(39,025)
(Reversal of provision) / provision against expected credit losses on trade debtors	(43,424)	19,619
Finance cost	3,602	85,634
Operating Surplus before working capital changes	228,744	210,754
(Increase) / decrease in current assets		
Stores and spares	(6,607)	4,181
Stock-in-trade	17,420	(208,963)
Trade debts - unsecured	128,569	123,227
Loans and advances	(98,919)	(4,286)
Sales Tax Refundable	-	43,091
Trade deposits, short-term prepayments and other receivables	3,375	(394)
	43,838	(43,144)
Increase/ (decrease) in current liabilities		
Trade and other payables	(44,558)	43,688
Cash generated from / (used in) operations	228,024	211,298
Interest paid	(18,634)	(78,033)
Taxes paid	(56,310)	(66,609)
Decrease / (Increase) in long-term deposits	2,236	-
Decrease / (Increase) in long-term loans	(394)	1,440
Net cash generated from / (used in) operations	154,922	68,096
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(129,679)	(111,702)
Proceeds from disposal of operating fixed assets	2,810	17,682
Net cash used in investing activities	(126,869)	(94,020)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend Paid	-	(5,638)
Lease Rentals Paid	(24,826)	(2,219)
Net cash used in financing activities	(24,826)	(7,857)
Net decrease in cash and cash equivalents	3,227	(33,781)
Cash and cash equivalents at the beginning of the period	311,646	(430,745)
Cash and cash equivalents at the end of the period	314,873	(464,526)

10

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Moin ur Rehman
Chief Executive Officer



Abid Hussain
Director

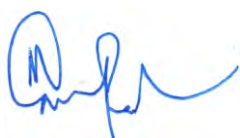


Tauseef Ahmed Shaikh
Chief Financial Officer

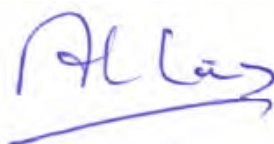
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2025

	Issued, subscribed and paid-up capital	Revenue reserves			Total
		General reserve	Unappropriated profit	Sub-total	
	Rupees in '000				
Balance as at June 30, 2023 (Audited)	121,000	491,980	84,543	576,523	697,523
Final dividend for the year ended June 30, 2023 @ 1.50 per share	-	-	(18,150)	(18,150)	(18,150)
Total comprehensive income / (loss) for the period ended March 31, 2024	-	-	23,412	23,412	23,412
Balance as at March 31, 2024 (Un-audited)	121,000	491,980	89,805	581,785	702,785
Balance as at June 30, 2024 (Audited)	121,000	491,980	62,715	554,695	675,695
Total comprehensive income / (loss) for the period ended March 31, 2025	-	-	59,443	59,443	59,443
Balance as at March 31, 2025 (Un-audited)	121,000	491,980	122,158	614,138	735,138

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Moin ur Rehman
Chief Executive Officer



Abid Hussain
Director



Tauseef Ahmed Shaikh
Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2025

1. THE COMPANY AND ITS OPERATIONS

- 1.1 Otsuka Pakistan Limited (the Company) was incorporated in Pakistan in the month of February 1988 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacturing, marketing and distribution of intravenous infusions and trading in pharmaceutical products, nutritional foods and medical equipment. The Company is an indirect subsidiary of Otsuka Pharmaceutical Company Limited, Japan.

The geographical location and address of the Company's business units, including mill / plants, is as under:

Registered Office in Karachi	Purpose	Hub	Purpose
30-B, S.M.C.H. Society, Karachi	Head office	F/4-9, H.I.T.E., Hub, Balochistan, Hub Industrial And Trading Estates, Hub, Las Bela, Balochistan	Factory

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of :

- International Accounting Standard 34: 'Interim Financial Reporting' (IAS - 34) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS-34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS-34. These condensed interim financial statements do not include all the information and disclosures which are required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance since the latest annual financial statements of the Company. These condensed interim financial statements are unaudited.

The comparatives in the condensed interim statement of financial position as at March 31, 2025 have been extracted from the audited financial statements of the Company for the year ended June 30, 2024, whereas, the comparatives in the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been extracted from the unaudited condensed interim financial statements of the Company for the nine month period ended March 31, 2024.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except obligations in respect of certain staff retirement benefits that are carried at present value of defined benefit obligation less fair value of plan assets. The Company follows the practice of conducting valuation of staff gratuity annually and the impacts of such valuation are incorporated in the annual financial statements at every year end. For staff retirement benefits, the management has used the assumptions of their appointed experts as of June 30, 2024 for calculating the amount of provision and incorporated the resultant in these condensed interim financial statements.

2.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees which is the functional and presentation currency of the Company.

3. MATERIAL ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES AND JUDGMENTS

3.1 Material accounting policy information

- 3.1.1 The material accounting policy information and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended June 30, 2024.

3.1.2 Changes in accounting standards, interpretations and pronouncements

(a) Standards and amendments to approved accounting standards that are effective:

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024 including IFRS 16, IAS 1 and IAS 7. However, these do not have any significant impact on the Company's financial reporting.

(b) Standards and amendments to approved accounting standards that are not yet effective:

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2025. However, these will not have any impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

3.2 Financial risk management

The Company's financial risk management objective and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2024.

3.3 Fair value of financial asset and liabilities

The carrying value of financial assets and financial liabilities reported in these condensed interim financial statements approximates their fair values.

3.4 Estimates and Judgements

Estimates and judgments made by management in the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2024.

	Note	(Un-audited) March 31, 2025	(Audited) June 30, 2024
		-----Rupees in '000-----	
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets		363,816	318,437
Capital work-in-progress	4.2	132,822	96,543
Right-of-use asset		10,395	24,965
		<u>507,033</u>	<u>439,945</u>

4.1 The following additions to and disposals of operating fixed assets have been made during the period:

	(Un-audited) Nine Months ended March 31, 2025		(Un-audited) Nine Months ended March 31, 2024	
	Addition / transfer - at cost	Disposal - at net book value	Addition / transfer - at cost	Disposal - at net book value
	----- (Rupees '000) -----		----- (Rupees '000) -----	
Operating fixed assets				
Right of use assets	-	-	23,760	-
Building on leasehold land	24,195	-	17,021	-
Plant and machinery	16,969	-	138,904	-
Furniture, fixtures and equipment	13,201	-	18,366	-
Fork Lifter	2,118	-	-	-
Vehicles	36,917	2,783	21,174	4,063
Total	<u>93,400</u>	<u>2,783</u>	<u>219,225</u>	<u>4,063</u>

	(Un-audited) March 31, 2025	(Audited) June 30, 2024
	-----Rupees in '000-----	
4.2 Capital work-in-progress		
Stores and spares held for capital expenditure	53,870	43,659
Projects	78,952	52,884
	<u>132,822</u>	<u>96,543</u>

5 SHARE CAPITAL

March 31, 2025 (Number of shares in '000')	June 30, 2024		March 31, 2025 (Rupees in '000)	June 30, 2024
<u>20,000,000</u>	<u>20,000,000</u>	Authorised capital:	<u>200,000</u>	<u>200,000</u>
		Ordinary shares of Rs. 10 each		
<u>March 31, 2025 (Number of shares)</u>	<u>June 30, 2024</u>	Issued, subscribed and paid-up capital	<u>March 31, 2025 (Rupees in '000)</u>	<u>June 30, 2024</u>
<u>12,100,000</u>	<u>12,100,000</u>	Ordinary shares of Rs. 10 each	<u>121,000</u>	<u>121,000</u>

Note (Un-audited) (Audited)
March 31, June 30,
2025 2024
-----Rupees in '000-----

6 SHORT-TERM LOAN FROM A RELATED PARTY - UNSECURED

In foreign currency

Loan from Otsuka Pharmaceutical Factory, Inc.

6.1 1,024,045 951,390

- 6.1 This represents foreign currency denominated loan. The loan was obtained in two tranches of JPY 125 million each, drawn down on February 26, 2015, April 27, 2015 and one tranche of JPY 300 million drawn down on May 17, 2024 repayable on or before February 25, 2016, April 26, 2016 and April 10, 2025 respectively. Tranches drawn down on February 26, 2015, April 27, 2015 were rolled forward annually multiple times and are now repayable on or before February 25, 2026 and April 26, 2026 respectively.

Mark-up is being charged on the outstanding amount at TIBOR + 0.10% (June 30, 2024: TIBOR + 0.10%) per annum and is payable semi-annually in arrears.

(Un-audited) (Audited)
March 31, June 30,
2025 2024
-----Rupees in '000-----

7 CONTINGENCIES AND COMMITMENTS

7.1 Commitments in respect of:

Letters of credit	<u>36,293</u>	<u>86,940</u>
Letters of guarantee	<u>56,291</u>	<u>69,900</u>

- 7.2 There has been no significant change in contingencies disclosed in notes 24.1 to the annual audited financial statements of the Company for the year ended June 30, 2024.

Note (Un-audited) (Un-audited)
March 31, March 31,
2025 2024
-----Rupees in '000-----

8 NET SALES

Sales (net of returns of 2.09 million; March 31, 2024:
Rs. 46.17 million)

8.1 2,851,973 2,396,071

Less: sales tax

(58,282) (51,608)

Less: discounts

2,793,691 2,344,463
(125,230) (204,391)
2,668,461 2,140,072

- 8.1 The sales is segregated on the basis of product type and geographical location as disclosed in note 11.

9. TRANSACTIONS WITH RELATED PARTIES

Related parties include Otsuka Pharmaceutical Company Limited the holding company, associated companies / undertakings (namely Otsuka Pharmaceutical Factory Incorporation, Japan, Thai Otsuka Pharmaceutical Company Limited, Thailand, P.T. Otsuka Indonesia, Otsuka Pharmaceutical Company, Shanghai Micro port Medical (Group) Company Limited, etc.), Danish Enterprises, Qubittech, staff retirement funds and the key management personnel. Details of the transactions with the related parties and the balances with them as at period end other than those which have been disclosed else where are as follows:

Name of related party	Relationship with the Company	Nature of transaction	(Un-audited) March 31, 2025 ----- Rupees in '000 -----	(Audited) March 31, 2024 -----
Otsuka Pharmaceutical Factory Inc.	Ultimate Parent	Purchases Mark up on	- 3,046	33,287 2,440
Otsuka Pharmaceutical Co, Ltd.	Parent Company	Purchases	86,081	133,314
Thai Otsuka Pharmaceutical Co. Ltd.	Associated undertaking	Purchases	69,828	52,391
PT. Otsuka Indonesia	Associated Undertaking	Purchases	14,631	14,227
Shanghai Microport EPMED Tech Co. Limited	Associated Undertaking	Purchases	-	33,075
Guangdong Otsuka Pharmaceutical Co., Ltd	Associated Undertaking	Purchases	14,921	-
Danish Enterprises	Others	Purchases	-	2,129
Qubitech	Others	Purchases	2,828	2,335
Director	Independent Director	Meeting fees	475	500
Otsuka staff provident fund	Provident fund	Contribution during the year	11,906	11,300
Otsuka staff gratuity fund	Gratuity fund	Contribution during the year	6,056	5,429
Key Management Personnel	Key Management	Remuneration paid	58,578	51,851

The Company enters into transactions with related parties for the sale of its products, purchase of raw materials, finished goods and spare parts for rendering of certain services. In addition, the Company has also entered into financing arrangement with the group company. The Company allows discount to the distributor on trade price based on the agreed terms. Purchases from related parties primarily represent purchase of raw materials and finished goods from Otsuka group companies.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers all members of their management team, including the Chief Executive Officer and working directors to be its key management personnel.

Name of related party	Relationship with the Company	Nature of transaction	(Un-audited) March 31, 2025 ----- Rupees in '000 -----	(Audited) June 30, 2024 -----
Otsuka Pharmaceutical Factory Inc.	Ultimate Parent	Short term loan	1,024,045	951,390 -
Otsuka Pharmaceutical Co, Ltd.	Parent company	Payable against purchases	32,600	38,230
Otsuka Pharmaceutical Factory .,INC.	Associated undertaking	Payable against purchases	-	14,385
Thi Otsuka Pharmaceutical Co.	Associated undertaking	Payable against purchases	-	17,679
Shareholders	Shareholders	Payable to shareholders	363	363
Otsuka staff provident fund	Provident fund	Payable to Employees Provident Fund	4,489	3,934
Otsuka staff gratuity fund	Gratuity fund	Payable to Staff Retirement Benefit Fund	3,413	(76)
Key Management Personnel	Key Management	Advance from key management personnel	330	1,124

10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the condensed interim cash flow statement comprise the following items included in the condensed interim balance sheet:

	(Un-audited) March 31, 2025 ----Rupees in '000----	(Un-audited) March 31, 2024 ----Rupees in '000----
Bank balances	300,263	20,551
Short-term investments	14,610	14,610
Short-term running finance	-	(499,687)
	<u>314,873</u>	<u>(464,526)</u>

11 SEGMENT INFORMATION

11.1 This condensed interim financial information has been prepared on the basis of a single reportable segment.

11.2 Sales from Intravenous Solutions represent 85.21 percent while sales from others represent 14.79 percent (March 31, 2024: 83.88 percent and 16.12 percent) respectively of the total sales of the Company.

	(Un-audited) March 31, 2025 ----- In percent -----	(Un-audited) March 31, 2024 ----- In percent -----
11.3 The geographic segmentation of sales is as follows:		
Pakistan	94.32%	95.39%
Outside Pakistan (Exports)	5.68%	4.61%

11.4 All non-current assets of the Company as at March 31, 2025 are located in Pakistan.

12 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified wherever necessary for the purpose of comparison and better presentation. There were no major reclassifications in this condensed interim financial information during the current period.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 21, 2025 by the Board of Directors of the Company.,

14 GENERAL

Figures in this condensed interim financial information have been rounded off to the nearest thousand rupees unless otherwise stated.



Moin ur Rehman
Chief Executive Officer



Abid Hussain
Director










Tauseef Ahmed Shaikh
Chief Financial Officer










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