

Otsuka

Otsuka Pakistan Ltd.

(A Company of Otsuka Group Japan)

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# Quarterly Reports

for the period ended March 31, 2026

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## COMPANY INFORMATION

<b>BOARD OF DIRECTORS</b>	: Mr. Mikio Bando (Chairman) (Alternate: Mr. Hideshi Tsunazawa) Mr. Moin ur Rehman (Director and Chief Executive Officer) Mr. Kimitaka Naito Mr. Tariq Mehtab Feroz Mr. Suhari Mukti (Alternate: Mr. Tauseef Ahmed Shaikh) Mr. Abid Hussain (Independent Director) Mrs. Navin Salim Merchant (Independent Director)
<b>CHIEF FINANCIAL OFFICER</b>	: Mr. Tauseef Ahmed Shaikh
<b>COMPANY SECRETARY</b>	: Mr. Shahab Khalid Subzwari
<b>AUDIT SUB COMMITTEE OF THE BOARD</b>	: Mr. Abid Hussain (Chairman) Mr. Kimitaka Naito (Member) Mr. Tariq Mehtab Feroz (Member)
<b>HEAD OF INTERNAL AUDIT:</b>	Mr. Jawaid Noor (Secretary)
<b>RISK MANAGEMENT AND SUSTAINABILITY (ESG) COMMITTEE</b>	: Mr. Abid Hussain (Chairman) Mr. Kimitaka Naito (Member) Mr. Moin ur Rehman (Member) Mrs. Navin Salim Merchant (Member ESG) Mr. Tauseef Ahmed Shaikh (Secretary)
<b>HUMAN RESOURCES REMUNERATION &amp; NOMINATION SUB-COMMITTEE OF THE BOARD</b>	: Mrs. Navin Salim Merchant (Chairperson) Mr. Moin ur Rehman (Member) Mr. Kimitaka Naito (Member) Mr. Tariq Mehtab Feroz (Member) Mr. David Sunil (Secretary)
<b>AUDITORS (EXTERNAL)</b>	: Yousuf Adil Chartered Accountants (An Independent Correspondent Firm to Deloitte Touche Tohmatsu Limited)
<b>AUDITORS (INTERNAL)</b>	: M.M. Hussain & Co. (Chartered Accountants)
<b>LEGAL ADVISORS</b>	: Dr. Moneeba Hamid
<b>BANKERS</b>	: Citibank N.A., Habib Metropolitan Bank Limited Bank Alfalah Limited Bank Alfalah Islamic Bank Al-Habib Limited Meezan Bank Limited Habib Bank Limited, Allied Bank Limited MCB Bank Limited, National Bank of Pakistan
<b>REGISTERED OFFICE</b>	: <b>Head Office:</b> 30-B, Sindhi Muslim Co-operative, Housing Society, Karachi-74400 Tel.: 34528651 – 4, <b>E-mail:</b> secretarialcompliance@otsuka.pk <b>Web site:</b> www.otsuka.pk <b>Factory:</b> Plot No. F/4-9, Hub Industrial Trading Estate, Distt. Lasbella (Balochistan) Tel.: (0853) 303517-8, Fax: (0853) 303519
<b>SHARE REGISTRAR</b>	: 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

The directors are pleased to present accounts of the Company for the nine (9) months ended March 31, 2026.

### 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. Kimitaka Naito	
	Mr. Suhari Mukti**	
Independent Directors	Mr. Abid Hussain	Female
	Mrs. Navin Salim Merchant	

\* Mr. Hideshi Tsunazawa is the alternate director of Mr. Mikio Bando.

\*\*Mr. Tauseef Ahmed Shaikh is the alternate director of Mr. Suhari Mukti.

### Board Sub-Committees

NAME OF BOARD SUB-COMMITTEE	NAME OF MEMBER
Audit Committee	Mr. Abid Hussain (Chairman) Mr. Kimitaka Naito Mr. Tariq Mehtab Feroz Mr. Jawaid Noor (Secretary)
Human Resource, Remuneration & Nomination Committee	Mrs. Navin Salim Merchant (Chairperson) Mr. Moin ur Rehman Mr. Kimitaka Naito Mr. Tariq Mehtab Feroz Mr. David Sunil (Secretary)
Risk Management & Sustainability (ESG) Committee	Mr. Abid Hussain (Chairman) Mr. Moin ur Rehman Mr. Kimitaka Naito Mrs. Navin Salim Merchant (Member ESG) Mr. Tauseef Ahmed Shaikh (Secretary)

### Directors' Remuneration

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 *	19,261
Non-Executive Directors	Mr. Mikio Bando (Chairman)	Not applicable	Nil
	Mr. Tariq Mehtab Feroz	Meeting fees	225
	Mr. Kimitaka Naito	Not applicable	Nil
	Mr. Suhari Mukti	Not applicable	Nil
Independent Directors	Mr. Abid Hussain	Meeting fees	300
	Mrs. Navin Salim Merchant	Meeting fees	300
* CEO is entitled to full time working salaries and company benefits as recommended by the Board of Directors which was duly approved by the shareholders of the Company.			

## Business Review

Sales for the nine months ended reflect a growth of 14%. However, the third quarter recorded a decline of 12% compared to the corresponding period last year. This downturn was primarily attributable to decreased demand due to off-season, the continued closure of the Pakistan–Afghanistan border which halted exports, and the cessation of Afghan citizens seeking treatment in Pakistan. Despite these challenges, the gross profit margin improved significantly to 34% from 21% in the prior year, driven by price adjustments and effective cost control measures.

Selling and distribution expenses rose by 40% during the nine-month period, with a 14% increase in the quarter under review. The substantial rise in expenses was mainly due to higher advertising and promotional activities associated with the launch of two new Enteral Nutrition (EN) products — *Neo-Mune* and *Once-Dialyze* — the induction of a dedicated EN sales team, and increased outward freight costs following the adoption of a door-to-door, distributor warehouse-based logistics model implemented last year. Other income increased markedly by 146%, while other expenses decreased by 39% compared to the same nine-month period last year. This was largely due to the appreciation of the local currency, resulting in a net exchange gain of Rs. 122 million on the foreign currency loan of the parent company for the nine months ended March 31, 2026. Consequently, earnings per share rose substantially to Rs. 31.41, compared to Rs. 4.91 in the corresponding period last year.

## Future/Strategic Outlook

While ageing machinery, regulatory complexities, intense price competition in BIV segment, and rising imported raw material cost continue to present structural challenges, the Company anticipates stable performance in FY2025–26, building upon the momentum achieved thus far. The newly launched Clinical Nutrition products are expected to support sales growth and enhance revenue diversification in the coming quarters. These products are designed to deliver

a unique value proposition, thereby strengthening both top-line and bottom-line performance in the years ahead.

Nevertheless, geopolitical risks remain a concern. The ongoing conflict in the Persian Gulf involving the US, Israel, and Iran has led to rising oil prices, which poses a significant risk to the Company given that LDPE, a petroleum by-product, constitutes a major component of product costs. Additionally, potential supply chain disruptions linked to the conflict present further challenges. Although Pakistan's current macroeconomic indicators remain positive, spillover effects from regional instability could materially impact the Company's operations.

Despite all these challenges, Otsuka Pakistan remains well positioned to achieve sustainable long-term growth through operational excellence, strategic diversification, and disciplined execution.

### ***Acknowledgement***

We would like to express our sincere appreciation for the dedicated efforts of our employees and business partners. We also extend our heartfelt gratitude to our shareholders for their unwavering trust, which continues to inspire us as we remain committed to our journey.

A handwritten signature in blue ink, appearing to read "Moin ur Rehman".

**Moin ur Rehman**  
Chief Executive Officer

A handwritten signature in blue ink, appearing to read "Abid Hussain".

**Abid Hussain**  
Director

Dated: April 22, 2026

## ڈائریکٹرز رپورٹ

ڈائریکٹرز خوشی کے ساتھ کمپنی کے گوارنٹری اکاؤنٹس پیش کر رہے ہیں جو 31 مارچ 2026 کو ختم ہونے والے نو (9) مہینوں پر مشتمل ہیں۔

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

درجہ بندی	نام	جنس
ایگزیکٹو ڈائریکٹر	جناب معین الرحمن (سی ای او)	مرد
نان ایگزیکٹو ڈائریکٹرز	جناب میکو بانڈو (چیرمین) جناب طارق مہتاب فیروز جناب کیمیتا کاناٹو جناب سہاری مکتی	مرد
آزاد ڈائریکٹرز	جناب عابد حسین مسز نوین سلیم مرچنٹ	مرد خاتون

\* جناب ہدیشی تسونیزاوا، جناب میکو بانڈو کے متبادل ڈائریکٹر ہیں۔  
\*\* جناب توصیف احمد شیخ، جناب سہاری مکتی کے متبادل ڈائریکٹر ہیں۔

بورڈ کی ذیلی کمیٹیاں	ممبر کا نام
آڈٹ کمیٹی	جناب عابد حسین (چیرمین) جناب کیمیتا کاناٹو جناب طارق مہتاب فیروز جناب جاوید نور (یکریٹری)
ہیومن ریسورسز و معاوضہ اور نامزدگی کمیٹی	محترمہ نوین سلیم مرچنٹ (چینرپرسن) جناب معین الرحمن صاحب جناب کیمیتا کاناٹو جناب طارق مہتاب فیروز جناب ڈیوڈ سنیل (یکریٹری)
رسک مینجمنٹ کمیٹی	جناب عابد حسین (چیرمین) جناب معین الرحمن صاحب جناب کیمیتا کاناٹو جناب توصیف احمد شیخ (یکریٹری)

### ڈائریکٹرز کے معاوضے کی تفصیلات:

بورڈ کے پاس اپنے ڈائریکٹرز کے معاوضے کے لیے کمپنیز ایکٹ، 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے مطابق ایک رسمی پالیسی اور شفاف طریقہ کار موجود ہے۔ اس وقت، دو آزاد ڈائریکٹرز اور ایک غیر فعال متبادل ڈائریکٹر بورڈ اور اس کی کمیٹیوں کی میٹنگز میں شرکت کے لیے مقررہ فیس وصول کر رہے ہیں۔ اس مدت کے دوران کمپنی کے ہر ڈائریکٹر کو ادا کیے گئے مجموعی معاوضے کی رقم درج ذیل ہے:

پاکستانی روپے '000	معاوضے کی تفصیلات	نام	عہدے
19,261	تنخواہیں اور مراعات	جناب معین الرحمن (سی ای او)	ایگزیکٹو ڈائریکٹر
-	قابل اطلاق نہیں	مکیو ماڈو (چیزمین)	نان ایگزیکٹو ڈائریکٹر
225	میٹنگ فیس	طارق مہتاب بیروز	
-	قابل اطلاق نہیں	جناب کیمپیتا کاناٹو	
-	قابل اطلاق نہیں	سہاری سٹی	
300	میٹنگ فیس	جناب عابد حسین	آزاد ڈائریکٹر
300	میٹنگ فیس	مزنوین سلیم مرچنٹ	

\* چیف ایگزیکٹو آفیسر کو بورڈ آف ڈائریکٹرز کی سفارش کے مطابق فل ٹائم تنخواہ اور کمپنی کے مراعات کا حق حاصل ہوگا، جس کی کمپنی کے شیئر ہولڈرز نے باقاعدہ منظوری دی ہے۔

## کاروباری جائزہ

نو ماہ کے اختتام تک فروخت میں 14 فیصد اضافہ ریکارڈ کیا گیا۔ تاہم، تیسری سہ ماہی میں گزشتہ سال کے اسی عرصے کے مقابلے میں 12 فیصد کمی دیکھنے میں آئی۔ اس کمی کی بنیادی وجوہات میں آف سیزن کے باعث طلب میں کمی، پاکستان-افغانستان سرحد کی مسلسل بندش جس سے برآمدات متاثر ہوئیں، اور پاکستان میں علاج کی غرض سے آنے والے افغان شہریوں کی آمد کا رک جانا شامل ہیں۔ چیلنجز کے باوجود، مجموعی منافع کا تناسب نمایاں طور پر 21 فیصد سے بڑھ کر 34 فیصد ہو گیا، جس کی وجہ قیمتوں میں رد و بدل اور مؤثر لاگت پر قابو پانے کے اقدامات تھے۔

نو ماہ کے دوران فروخت اور تقسیم کے اخراجات میں 40 فیصد اضافہ ہوا، جبکہ زیر جائزہ سہ ماہی میں یہ 14 فیصد بڑھے۔ اخراجات میں یہ نمایاں اضافہ بنیادی طور پر دو نئی غذائی مصنوعات — نیو میون اور ونس ڈائلائز — کے اجراء سے متعلق اشتہاری اور تشہیری سرگرمیوں، ایک مخصوص فروختی ٹیم کی تشکیل، اور گزشتہ سال متعارف کروائے گئے گھر تک ترسیل اور تقسیم کار کے گودام پر مبنی نظام کے باعث ترسیلی اخراجات میں اضافے کی وجہ سے ہوا۔ دیگر آمدنی میں 146 فیصد کا نمایاں اضافہ ہوا، جبکہ دیگر اخراجات گزشتہ سال کے اسی نو ماہ کے عرصے کے مقابلے میں 39 فیصد کم ہو گئے۔ اس کی بڑی وجہ مقامی کرنسی کی قدر میں بہتری تھی، جس کے نتیجے میں 31 مارچ 2026 کو ختم ہونے والے نو ماہ کے دوران غیر ملکی کرنسی کے فرض پر 122 ملین روپے کا خالص زر مبادلہ منافع حاصل ہوا۔ نتیجتاً، فی حصص آمدنی میں نمایاں اضافہ ہوا اور یہ 31.41 روپے تک پہنچ گئی، جبکہ گزشتہ سال کے اسی عرصے میں یہ 4.91 روپے تھی۔

اگرچہ پرانی مشینری، ریگولٹری پیچیدگیاں، بی آئی وی شعبے میں شدید قیمتوں کا دباؤ، اور درآمدی خام مال کی بڑھتی ہوئی لاگت جیسے ساختی چیلنجز بدستور موجود ہیں، تاہم کمپنی مالی سال 2025-26 میں مستحکم کارکردگی کی توقع رکھتی ہے اور اب تک حاصل ہونے والی رفتار کو مزید مضبوط کرنے کی کوشش کر رہی ہے۔ نئی متعارف کردہ کلینیکل نیوٹریشن مصنوعات سے آئندہ سہ ماہیوں میں فروخت میں بہتری اور آمدنی کے ذرائع میں تنوع آنے کی توقع ہے۔ یہ مصنوعات ایک منفرد قدر کی پیشکش کے ساتھ تیار کی گئی ہیں، جو آنے والے برسوں میں نہ صرف آمدنی بلکہ منافع کی مجموعی کارکردگی کو بھی مستحکم بنانے میں مددگار ثابت ہوں گی۔ تاہم، جغرافیائی سیاسی خطرات بدستور ایک اہم تشویش ہیں۔ خلیج فارس میں امریکا، اسرائیل اور ایران کے درمیان جاری تنازع کے باعث تیل کی قیمتوں میں اضافہ ہوا ہے، جو کمپنی کے لیے ایک نمایاں خطرہ ہے کیونکہ ایل ڈی پی ای، جو پیٹرولیم سے حاصل ہونے والی ایک اہم ضمنی مصنوعات ہے، کمپنی کی پیداوار کا بنیادی جزو ہے۔

## اظہار تشکر

ہم اپنے ملازمین اور کاروباری شراکت داروں کی محنت اور لگن بھرے تعاون کے لیے دل کی گہرائیوں سے شکریہ ادا کرتے ہیں۔ ہم اپنے شیئر ہولڈرز کے غیر متزلزل اعتماد پر بھی تہ دل سے مشکور ہیں، جو ہمیں مسلسل حوصلہ اور تحریک فراہم کرتا ہے، اور ہم اپنے سفر میں اسی عزم کے ساتھ آگے بڑھنے کے لیے پرعزم ہیں۔

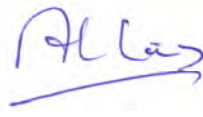
مورخہ: 22 اپریل 2026

بورڈ کی جانب سے



معین الرحمان

چیف ایگزیکٹو آفیسر



عابد حسین

ڈائریکٹر

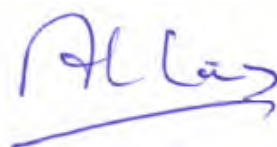
**OTSUKA PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS**  
**AT MARCH 31, 2026**

	Note	(Un-audited) March 31, 2026	(Audited) June 30, 2025
----- (Rupees in '000) -----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	673,766	614,178
Intangible assets		1,316	446
Loan to employees		6,088	6,860
Long-term deposits		1,463	1,463
Deferred tax asset		63,640	87,113
		<b>746,273</b>	<b>710,060</b>
<b>Current assets</b>			
Stores and spares		66,987	63,555
Stock-in-trade		1,252,716	1,039,093
Trade debts		273,965	89,744
Loans and advances		44,323	86,853
Trade deposits, short-term prepayments and other receivables		28,864	31,931
Sales tax refundable		47,172	47,172
Prepaid levies		-	49,463
Advance tax - net		6,345	51,797
Short-term investment		164,610	264,610
Bank balances	7	135,615	114,207
		<b>2,020,597</b>	<b>1,838,425</b>
<b>Total assets</b>		<b>2,766,870</b>	<b>2,548,485</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	8	121,000	121,000
Revenue reserves		954,847	574,779
<b>Total shareholder's equity</b>		<b>1,075,847</b>	<b>695,779</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liability		-	-
<b>Current liabilities</b>			
Short-term loan from a related party	9	961,895	1,083,500
Trade and other payables		703,800	764,912
Current portion of lease liability		21,524	-
Unclaimed dividend		1,907	1,955
Mark-up accrued		1,897	2,339
		<b>1,691,023</b>	<b>1,852,706</b>
<b>Total equity and liabilities</b>		<b>2,766,870</b>	<b>2,548,485</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	10		

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.



**Moin ur Rehman**  
Chief Executive Officer



**Abid Hussain**  
Director



**Tauseef Ahmed Shaikh**  
Chief Financial Officer

**OTSUKA PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2026**

Note	Nine Months ended March 31,		Quarter ended March 31,		
	2026	2025	2026	2025	
	----- (Rupees in '000) -----		----- (Rupees in '000) -----		
Revenue from contracts with customers	11	3,040,721	2,668,461	774,178	884,757
Cost of sales		(1,999,703)	(2,094,747)	(511,661)	(653,443)
<b>Gross profit</b>		<b>1,041,018</b>	<b>573,714</b>	<b>262,517</b>	<b>231,314</b>
Selling and distribution expenses		(471,777)	(336,468)	(148,457)	(130,786)
Administrative and general expenses		(149,224)	(135,495)	(51,439)	(48,563)
(Provision) / reversal against expected credit loss on trade debts		-	43,424	-	-
		<b>420,017</b>	<b>145,175</b>	<b>62,621</b>	<b>51,965</b>
Other income		<b>237,123</b>	<b>96,369</b>	<b>40,369</b>	<b>28,010</b>
		<b>657,140</b>	<b>241,544</b>	<b>102,990</b>	<b>79,975</b>
Other expenses		(59,390)	(96,864)	(9,716)	(49,225)
<b>Operating profit</b>		<b>597,750</b>	<b>144,680</b>	<b>93,274</b>	<b>30,750</b>
Finance cost		(6,863)	(3,602)	(2,206)	(984)
<b>Profit before levies and income tax</b>		<b>590,887</b>	<b>141,078</b>	<b>91,068</b>	<b>29,766</b>
Levies		-	(5,046)	-	(2,526)
<b>Profit before income tax</b>		<b>590,887</b>	<b>136,032</b>	<b>91,068</b>	<b>27,240</b>
Taxation		(210,819)	(76,589)	(40,752)	(14,650)
<b>Profit for the period</b>		<b>380,068</b>	<b>59,443</b>	<b>50,316</b>	<b>12,590</b>
----- (Rupees) -----					
<b>Earnings per share - basic and diluted</b>		<b>31.41</b>	<b>4.91</b>	<b>4.16</b>	<b>1.04</b>

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.



**Moin ur Rehman**  
Chief Executive Officer



**Abid Hussain**  
Director



**Tauseef Ahmed Shaikh**  
Chief Financial Officer

**OTSUKA PAKISTAN LIMITED  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2026**

	Nine Months ended March 31,		Quarter ended March 31,	
	2026	2025	2026	2025
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
<b>Profit for the period</b>	<b>380,068</b>	59,443	<b>50,316</b>	12,590
<b>Other comprehensive income</b>				
Items that will be subsequently classified into profit and loss statement	-	-	-	-
Items that will not be subsequently classified into profit and loss statement	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>380,068</b>	59,443	<b>50,316</b>	12,590

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.



**Moin ur Rehman**  
Chief Executive Officer



**Abid Hussain**  
Director



**Tauseef Ahmed Shaikh**  
Chief Financial Officer

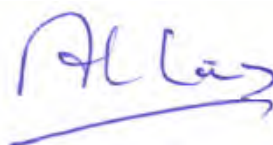
**OTSUKA PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	Note	Nine Months ended March 31,	
		2026 ----- (Rupees in '000) -----	2025
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the period before taxation		590,887	141,078
<b>Adjustment for non-cash charges and other items:</b>			
Depreciation and amortisation		94,627	58,513
Gain on disposal of operating fixed asset - net		(5,836)	(27)
Reversal of provision against slow moving and obsolete stock-in-trade - net		(22,317)	(13,490)
Workers' profits participation fund		31,734	5,997
Workers' welfare fund		12,059	2,629
Central research fund		6,411	1,211
Unrealised exchange (gain) / loss - net		(121,605)	72,655
Reversal of provision against expected credit on trade debtors		-	(43,424)
Finance cost		6,862	3,602
<b>Operating cash flows before working capital changes</b>		<b>592,822</b>	<b>228,744</b>
<b>(Increase) / decrease in current assets</b>			
Stores and spares		(3,432)	(6,607)
Stock-in-trade		(186,884)	17,420
Trade debts - unsecured		(184,221)	128,569
Loans and advances		42,530	(98,919)
Trade deposits, short-term prepayments and other receivables		3,067	3,375
		(328,940)	43,838
<b>Increase / (decrease) in current liabilities</b>			
Trade and other payables		(115,773)	(44,558)
<b>Cash generated from operations</b>		<b>148,109</b>	<b>228,024</b>
Finance cost paid		(7,305)	(18,634)
Income tax paid		(92,430)	(56,310)
Decrease in long-term deposits		-	2,236
Increase in long-term loans		772	(394)
<b>Net cash generated from operating activities</b>		<b>49,146</b>	<b>154,922</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment		(133,659)	(129,679)
Additions to intangible assets		(1,224)	-
Proceeds from disposal of operating fixed assets		12,440	2,810
<b>Net cash used in investing activities</b>		<b>(122,443)</b>	<b>(126,869)</b>
Dividend paid		(48)	-
Lease rentals paid		(5,247)	(24,826)
<b>Net cash used in financing activities</b>		<b>(5,295)</b>	<b>(24,826)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(78,592)</b>	<b>3,227</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>378,817</b>	<b>311,646</b>
<b>Cash and cash equivalents at the end of the period</b>	14	<b>300,225</b>	<b>314,873</b>

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.



**Moin ur Rehman**  
Chief Executive Officer



**Abid Hussain**  
Director



**Tauseef Ahmed Shaikh**  
Chief Financial Officer

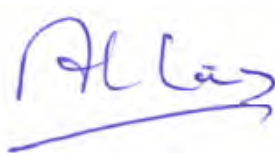
**OTSUKA PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	Issued, subscribed and paid-up capital	Revenue reserves			Total
		General reserve	Unappropriated profit	Sub-total	
----- (Rupees in '000) -----					
<b>Balance as at June 30, 2024 (Audited)</b>	121,000	491,980	62,715	554,695	675,695
Profit for the period	-	-	59,443	59,443	59,443
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period ended March 31, 2025	-	-	59,443	59,443	59,443
<b>Balance as at March 31, 2025 (Un-Audited)</b>	121,000	491,980	122,158	614,138	735,138
<b>Balance as at June 30, 2025 (Audited)</b>	121,000	491,980	82,799	574,779	695,779
Profit for the period	-	-	380,068	380,068	380,068
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period ended March 31, 2026	-	-	380,068	380,068	380,068
<b>Balance as at March 31, 2026 (Un-Audited)</b>	121,000	491,980	462,867	954,847	1,075,847

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.



**Moin ur Rehman**  
Chief Executive Officer



**Abid Hussain**  
Director



**Tauseef Ahmed Shaikh**  
Chief Financial Officer

**OTSUKA PAKISTAN LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2026**

**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 (the Act)) 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.

Registered Office In Karachi	Purpose	Manufacturing Facility	Purpose
30-B, S.M.C.H. Society, Karachi	Head Office	Plot No. F/4-9, Hub Industrial Trading Estates, District Lasbella, 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 Act, differ from the requirements of IAS-34, the provisions of and directives issued under the Act, have been followed.

**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, 2025 for calculating the amount of provision and incorporated the resultant in these condensed interim financial statements.

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, 2025. 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.

**2.3 Functional and presentation currency**

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

**3. Changes in accounting standards, interpretations and pronouncements**

The following amendments are effective for the quarter ending March 31, 2026. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's condensed interim financial statements other than certain additional disclosures:

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability.

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION

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, 2025.

Estimates and judgements 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, 2025.

#### 5. 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, 2025.

		(Un-audited) March 31, 2026	(Audited) June 30, 2025
----- (Rupees in '000) -----			
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	6.1	606,490	565,482
Capital work-in-progress	6.2	42,736	41,271
Right-of-use asset		24,540	7,425
		<u>673,766</u>	<u>614,178</u>

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

	(Un-audited) Nine Months ended March 31, 2026		(Un-audited) Nine Months ended March 31, 2025	
	Addition / transfer - at cost	Disposal - at net book value	Addition / transfer - at cost	Disposal - at net book value
----- (Rupees '000) -----				
<b>Operating fixed assets</b>				
Building on leasehold land	20,176	-	24,195	-
Plant and machinery	46,734	179	16,969	-
Furniture, fixtures and equipment	20,424	957	13,201	-
Vehicles	44,860	5,468	39,035	2,783
<b>Total</b>	<u>132,194</u>	<u>6,604</u>	<u>93,400</u>	<u>2,783</u>

		(Un-audited) March 31, 2026	(Audited) June 30, 2025
----- (Rupees in '000) -----			
<b>6.2 Capital work-in-progress</b>			
Stores and spares held for capital expenditure		23,051	37,251
Operating fixed asset		19,685	4,020
		<u>42,736</u>	<u>41,271</u>

	(Un-audited) March 31, 2026	(Audited) June 30, 2025
	----- (Rupees in '000) -----	
<b>7. Bank Balance</b>		
- Current accounts	49,373	37,802
- Saving accounts	86,242	76,405
	<u>135,615</u>	<u>114,207</u>

The return on these balances range between 6% to 8% (June 30, 2025 6% to 8%) per annum

## 8. SHARE CAPITAL

	March 31, 2026	June 30, 2025		March 31, 2026	June 30, 2025
	(Number of shares)			----- (Rupees in '000) -----	
	<u>20,000,000</u>	<u>20,000,000</u>	<b>Authorised capital:</b>	<u>200,000</u>	<u>200,000</u>
			Ordinary shares of Rs. 10 each		
	<u>12,100,000</u>	<u>12,100,000</u>	<b>Issued, subscribed and paid-up capital</b>	<u>121,000</u>	<u>121,000</u>
			Ordinary shares of Rs. 10 each		

		(Un-audited) March 31, 2026	(Audited) June 30, 2025
		----- (Rupees in '000) -----	
<b>9. SHORT-TERM LOAN FROM A RELATED PARTY - UNSECURED</b>	<b>Note</b>		
In foreign currency			
Loan from Otsuka Pharmaceutical Factory, Inc.	9.1	<u>961,895</u>	<u>1,083,500</u>

**9.1** 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. As at March 31, 2026, all three tranches payable on February 25th, April 10th and April 26th were further extended and are now repayable on or before February 25, 2027, April 10, 2027 and April 26, 2027 respectively.

Mark-up is being charged on the outstanding amount at TIBOR + 0.10% (June 30, 2025: TIBOR + 0.10%) per annum and is payable semi-annually in arrears.

	March 31, 2026	June 30, 2025
	----- (Rupees in '000) -----	
<b>10. CONTINGENCIES AND COMMITMENTS</b>		
<b>10.1</b> Commitments in respect of:		
Letters of credit	<u>47,948</u>	<u>63,755</u>
Letters of guarantee	<u>55,657</u>	<u>47,173</u>

**10.2** There has been no material change in contingencies as disclosed in note 23 to the annual audited financial statements of the Company for the year ended June 30, 2025.

**10.3** There were no other contingencies outstanding as on March 31, 2026.

		(Un-audited)	
		March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----	
<b>11.</b>	<b>REVENUE FROM CONTRACTS WITH CUSTOMERS</b>		
	Sales (net of returns of 19.96 millions; March 31,2025: 2.09 million)	11.1	3,289,217
	Less: sales tax		2,851,973
			(64,351)
			<u>3,224,866</u>
			2,793,691
	Less: discounts		(184,145)
			<u>125,230</u>
			<u><u>3,040,721</u></u>
			<u>2,668,461</u>

**11.1** The sales is segregated on the basis of product type and geographical location as disclosed in note 13 to the condensed interim financial statements.

## 12. TRANSACTIONS AND BALANCES 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:

Details of these transactions with the related parties and balances with them as at period end other than those which have been already disclosed elsewhere are as follows:

Name of related party	Relationship with the Company	Nature of transaction	(Un-audited)	
			March 31, 2026	March 31, 2025
			----- (Rupees in '000) -----	
Otsuka Pharmaceutical Factory Inc.	Associated undertaking	Mark up on loan	6,695	3,046
Otsuka Pharmaceutical Co. Limited	Parent Company	Purchases	68,826	86,081
Guangdong Otsuka Pharmaceutical Co., Limited	Associated undertaking	Purchases	23,740	14,921
Thai Otsuka Pharmaceutical Co. Limited	Associated undertaking	Purchases	94,543	69,828
PT. Otsuka Indonesia	Associated Undertaking	Purchases	16,124	14,631
Qubittech	Others	Purchases	-	2,828
Otsuka staff provident fund	Employees Provident fund	Contribution during the period to the fund	14,921	11,906
Otsuka staff gratuity fund	Staff Retirement Benefit fund	Contribution during the period to the fund	13,029	6,056

Name of related party	Relationship with the Company	Nature of transaction	(Un-audited)	
			March 31, 2026	March 31, 2025
			----- (Rupees in '000) -----	
Key Management Personnel	Key Management Personnel	Remuneration paid	69,570	58,578
Director	Director	Meeting fees	825	475

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. 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 balance	(Un-audited)	(Audited)
			March 31, 2026	June 30, 2025
			----- (Rupees in '000) -----	
Otsuka Pharmaceutical Factory Inc.	Associated undertaking	Short term loan payable	961,895	1,083,500
		Markup payable	1,897	2,339
Otsuka Pharmaceutical Company Limited	Parent Company	Payable against purchases	8,745	59,060
Thai Otsuka Pharmaceutical Co. Limited	Associated undertaking	Payable against purchases	-	40,793
Shareholders	Shareholders	Payable to shareholders	363	363
Otsuka staff gratuity fund	Staff Retirement Benefit fund	Payable to staff retirement benefit fund	10,786	13,029
Otsuka staff provident fund	Employees Provident fund	Payable to employees provident fund	4,949	4,777
Key Management Personnel	Key Management Personnel	Advance from key management personnel	330	330

### 13. SEGMENT INFORMATION

13.1 These condensed interim financial statements have been prepared on the basis of a single reportable segment.

13.2 Sales from Intravenous Solutions (I.V Solutions) represent 88.65% while sales from others represent 11.35% (March 31, 2025: 85.21% and 14.79%) respectively of the total sales of the Company.

13.3	The geographic segmentation of sales is as follows:	(Un-audited)	(Un-audited)
		March 31, 2026	March 31, 2025
		----- (In percent) -----	
	Pakistan	96.09	94.32
	Afghanistan	3.91	5.68
		<u>100.00</u>	<u>100.00</u>

13.4 All non-current assets of the Company as at March 31, 2026 are located in Pakistan.

#### 14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the condensed interim statement of cash flows comprise the following items included in the condensed interim statement of financial position:

	Note	(Un-audited)	
		March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----	
Bank balances		135,615	300,263
Short-term investments		164,610	14,610
<b>Cash and cash equivalent as per cash flow</b>		<b>300,225</b>	<b>314,873</b>

#### 15. GENERAL

15.1 Figures in these condensed interim financial statements have been rounded off to the nearest thousand rupees unless otherwise stated.

#### 16. 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 these condensed interim financial statements.

#### 17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on **April 22, 2026** by the Board of Directors of the Company.



**Moin ur Rehman**  
Chief Executive Officer



**Abid Hussain**  
Director










**Tauseef Ahmed Shaikh**  
Chief Financial Officer










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