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**LANDMARK SPINNING INDUSTRIES LIMITED**

Condensed Interim Financial Statements

For the period ended  
December 31, 2022

 **Parker Russell-A. J. S.**  
CHARTERED ACCOUNTANTS



**Independent Auditors' Review Report to the Members of Landmark Spinning Industries Limited**

**Report on Review of the Interim Financial Statements**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Landmark Spinning Industries Limited** (the "Company") as at December 31, 2022 and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows and notes to the condensed interim financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the three months period ended December 31, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended December 31, 2022.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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**Parker Russell-A. J. S.**

CHARTERED ACCOUNTANTS

**Emphasis of Matter**

Without modifying our opinion, we draw attention to the content of:

1. Note 1.2 to the condensed interim financial statements which describes that the accumulated losses of the Company stood at Rs. 285,837,570 as at reporting date which resulted in negative equity of Rs. 116,607,328 along with other matters, hence, the condensed interim financial statements have been prepared on a basis other than going concern.

The engagement partner on the audit resulting in independent auditors' report is Muhammad Shabbir Kasbati.

*Parker Russell AJS*

**(Chartered Accountants)**

Date: February 27, 2023  
Karachi

UDIN: RR202210192b0YhaSUu3

**LANDMARK SPINNING INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT DECEMBER 31, 2022**

|   | Note | December 31,<br>2022<br>----- (Rupees) ----- | June 30,<br>2022          |
|---|------|--|---------------------------|
| <b>ASSETS</b>   |      |  |                           |
| <b>Non-current assets</b>   |      |  |                           |
| Property, plant and equipment   | 3    | 137,995,879                                  | 144,545,935               |
| Long-term deposits  | 4    | 25,000                                       | 25,000                    |
|   |      | <u>138,020,879</u>                           | <u>144,570,935</u>        |
| <b>Current assets</b>   |      |  |                           |
| Bank balance  | 5    | 62,819                                       | 26,928                    |
| <b>TOTAL ASSETS</b>   |      | <u><u>138,083,698</u></u>                    | <u><u>144,597,863</u></u> |
| <b>SHAREHOLDERS EQUITY AND LIABILITIES</b>  |      |  |                           |
| <b>SHARE CAPITAL AND RESERVES</b>   |      |  |                           |
| <b>Authorised share capital</b>   |      |  |                           |
| 15,000,000 (June 30, 2022: 15,000,000) ordinary shares of Rs.10/-each                       |      | <u>150,000,000</u>                           | <u>150,000,000</u>        |
| <b>Issued, subscribed and paid up share capital</b>   |      |  |                           |
| 12,123,700 (June 30, 2022: 12,123,700) ordinary shares of Rs.10/-each<br>fully paid in cash |      | 121,237,000                                  | 121,237,000               |
| <b>Capital reserve</b>  |      |  |                           |
| Surplus on revaluation of property, plant and equipment                                     | 6    | 47,993,242                                   | 51,542,049                |
| <b>Revenue reserve</b>  |      |  |                           |
| Revenue reserve - accumulated loss  |      | (285,837,570)                                | (283,069,500)             |
|   |      | <u>(116,607,328)</u>                         | <u>(110,290,451)</u>      |
| <b>NON-CURRENT LIABILITIES</b>  |      |  |                           |
| Deferred taxation   | 7    | 17,167,947                                   | 18,617,460                |
|   |      | <u>17,167,947</u>                            | <u>18,617,460</u>         |
| <b>CURRENT LIABILITIES</b>  |      |  |                           |
| Loan from related parties   | 8    | 236,699,503                                  | 235,351,608               |
| Trade and other payable   |      | 1,976  | 1,196                     |
| Accrued liabilities   |      | 821,600                                      | 918,050                   |
|   |      | <u>237,523,079</u>                           | <u>236,270,854</u>        |
| Contingencies and commitments   | 9    |  |                           |
| <b>TOTAL EQUITY AND LIABILITIES</b>   |      | <u><u>138,083,698</u></u>                    | <u><u>144,597,863</u></u> |

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

LANDMARK SPINNING INDUSTRIES LIMITED  
 CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)  
 FOR THE HALF YEAR ENDED DECEMBER 31, 2022

|   | For the half year ended |                      | For the quarter ended |                      |
|---|-------------------------|----------------------|-----------------------|----------------------|
|   | December 31,<br>2022    | December 31,<br>2021 | December 31,<br>2022  | December 31,<br>2021 |
|   | -----Rupees-----        |                      | -----Rupees-----      |                      |
| Administrative and<br>general expenses      | (7,766,390)             | (8,786,480)          | (3,703,158)           | (4,866,859)          |
| <b>Operating loss</b>                       | <b>(7,766,390)</b>      | <b>(8,786,480)</b>   | <b>(3,703,158)</b>    | <b>(4,866,859)</b>   |
| Bank charges                                | -                       | (170)                | -                     | -                    |
| <b>Loss before taxation</b>                 | <b>(7,766,390)</b>      | <b>(8,786,650)</b>   | <b>(3,703,158)</b>    | <b>(4,866,859)</b>   |
| Taxation                                    |                         |                      |                       |                      |
| -Current                                    | -                       | -                    | -                     | -                    |
| -Deferred                                   | 1,449,513               | 1,610,569            | 940,857               | 1,001,067            |
|   | 1,449,513               | 1,610,569            | 940,857               | 1,001,067            |
| <b>Loss after taxation</b>                  | <b>(6,316,877)</b>      | <b>(7,176,081)</b>   | <b>(2,762,301)</b>    | <b>(3,865,792)</b>   |
| <b>Loss per share - basic &amp; diluted</b> | <b>(0.52)</b>           | <b>(0.59)</b>        | <b>(0.23)</b>         | <b>(0.32)</b>        |

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

**LANDMARK SPINNING INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

|  | For the half year ended |                      | For the quarter ended |                      |
|--|-------------------------|----------------------|-----------------------|----------------------|
|  | December 31,<br>2022    | December 31,<br>2021 | December 31,<br>2022  | December 31,<br>2021 |
|  | -----Rupees-----        |                      | -----Rupees-----      |                      |
| Loss after taxation                        | (6,316,877)             | (7,176,081)          | (2,762,301)           | (3,865,792)          |
| Other comprehensive income                 | -                       | -                    | -                     | -                    |
| Total comprehensive loss<br>for the period | <u>(6,316,877)</u>      | <u>(7,176,081)</u>   | <u>(2,762,301)</u>    | <u>(3,865,792)</u>   |

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

  
 CHIEF EXECUTIVE OFFICER

  
 CHIEF FINANCIAL OFFICER

  
 DIRECTOR

LANDMARK SPINNING INDUSTRIES LIMITED  
 CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)  
 FOR THE HALF YEAR ENDED DECEMBER 31, 2022

|   | Note | For the<br>half year<br>ended<br>December 31,<br>2022 | For the<br>half year<br>ended<br>December 31,<br>2021 |
|---|------|---|---|
|   |      | ----- (Rupees) -----                                  |   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>               |      |   |   |
| Loss before taxation                                      |      | (7,766,390)   | (8,786,650)   |
| <b>Adjustment for non-cash item</b>                       |      |   |   |
| Depreciation expense                                      |      | 6,550,056   | 7,277,840   |
| Bank charges  |      | -   | 170   |
|   |      | <u>(1,216,334)</u>                                    | <u>(1,508,640)</u>                                    |
| <b>Changes in working capital</b>                         |      |   |   |
| Advances  |      | -   | 400,000   |
| Trade and other payable                                   |      | 780   | (68,180)  |
| Accrued liabilities                                       |      | (96,450)  | 245,699   |
| <b>Net cash used in operations</b>                        |      | <u>(1,312,004)</u>                                    | <u>(931,121)</u>                                      |
| Bank charges paid   |      | -   | (170)   |
| <b>Net cash used in operating activities</b>              |      | <u>(1,312,004)</u>                                    | <u>(931,291)</u>                                      |
| <b>CASH FLOWS FROM FINANCING ACTIVITY</b>                 |      |   |   |
| Loan received from related parties                        | 8    | <u>1,347,895</u>                                      | <u>890,700</u>  |
| <b>Net cash generated from financing activities</b>       |      | <u>1,347,895</u>                                      | <u>890,700</u>  |
| <b>Net decrease in cash and cash equivalents</b>          |      | <u>35,891</u>   | <u>(40,591)</u>                                       |
| Cash and cash equivalents at the beginning of the period  |      | <u>26,928</u>   | <u>48,722</u>   |
| <b>Cash and cash equivalents at the end of the period</b> | 5    | <u><u>62,819</u></u>                                  | <u><u>8,131</u></u>                                   |

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

  
 CHIEF EXECUTIVE OFFICER

  
 CHIEF FINANCIAL OFFICER

  
 DIRECTOR

**LANDMARK SPINNING INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

|  | Issued,<br>subscribed and<br>paid up capital | Surplus on<br>revaluation of<br>property, plant<br>and equipment | Accumulated<br>loss | Total         |
|--|--|--|---------------------|---------------|
|  | -----Rupees-----                             |  |                     |               |
| Balance as at July 01, 2021                  | 121,237,000                                  | 59,428,287   | (276,665,027)       | (95,999,740)  |
| Loss after taxation                          | -  | -  | (7,176,081)         | (7,176,081)   |
| Other comprehensive income                   | -  | -  | -                   | -             |
| Total comprehensive loss for the period      | -  | -  | (7,176,081)         | (7,176,081)   |
| Incremental depreciation net of deferred tax | -  | (3,943,120)  | 3,943,120           | -             |
| Balance as at December 31, 2021              | 121,237,000                                  | 55,485,167   | (279,897,988)       | (103,175,821) |
| Loss after taxation                          | -  | -  | (7,114,630)         | (7,114,630)   |
| Other comprehensive income                   | -  | -  | -                   | -             |
| Total comprehensive loss for the period      | -  | -  | (7,114,630)         | (7,114,630)   |
| Incremental depreciation net of deferred tax | -  | (3,943,118)  | 3,943,118           | -             |
| Balance as at June 30, 2022                  | 121,237,000                                  | 51,542,049   | (283,069,500)       | (110,290,451) |
| Loss after taxation                          | -  | -  | (6,316,877)         | (6,316,877)   |
| Other comprehensive income                   | -  | -  | -                   | -             |
| Total comprehensive loss for the period      | -  | -  | (6,316,877)         | (6,316,877)   |
| Incremental depreciation net of deferred tax | -  | (3,548,807)  | 3,548,807           | -             |
| Balance as at December 31, 2022              | 121,237,000                                  | 47,993,242   | (285,837,570)       | (116,607,328) |

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**



**LANDMARK SPINNING INDUSTRIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

**1. STATUS AND NATURE OF BUSINESS**

- 1.1 Landmark Spinning Industries Limited (the Company) was incorporated in Pakistan, as a private limited company on October 21, 1991 and was converted into a public limited company on April 30, 1992 under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and its shares are listed on Pakistan Stock Exchange Limited. The principal activity of the Company is trading, manufacturing and selling of yarn.

The registered office of the Company is located at 1st floor, Cotton Exchange Building, I.I. Chundrigar Road, Karachi, Pakistan while its manufacturing facility is located at plot no. C-1, Winder Industrial Estate, Sector "C" district Lasbella, Balochistan, Pakistan.

- 1.2 The Company operations were suspended on November 29, 2002 to forestall the recurring losses on account of power breakdowns / frequent load shedding and has been in suspension since then. The accumulated losses of the Company stood at Rs. 285,837,570 (June 30, 2022: Rs. 283,069,500) as at reporting date which resulted in negative equity of Rs. 116,607,328 (June 30, 2022: 110,290,451). Also, its current liabilities exceeded its current assets significantly as at reporting date.

Further, the Securities and Exchange Commission (SECP) in its order dated March 20, 2019 granted sanction to the Registrar, Company Registration Office (CRO), Karachi, to present winding up petition against the Company before the Court under clause (b) of section 304 of the Companies Act, 2017. The Company filed an appeal against the said order, however, the same has been refused by the Commission vide letter No. 5(10) Misc/ABR/19 dated April 22, 2019. The winding-up petition against the Company has not yet been filed and the trading in shares of the Company has been placed at defaulter's counter by the Pakistan Stock Exchange.

Based on facts mentioned above, the Company is not considered to be a going concern entity. Accordingly, the Company may not be able to realise its assets or discharge its liabilities in the normal course of business, hence, the condensed interim financial statements are prepared on a basis other than going concern and the assets / liabilities of the Company are reported at approximate realisable / settlement values respectively in these condensed interim financial statements.

- 1.3 The Board of Directors of the Company in their meeting dated October 28, 2021 authorized the Company and its management to explore the feasibility of a potential merger of the Company with Liven Pharmaceutical (Private) Limited and the Company vide its letter dated October, 29, 2021 intimated the above decision of the Board to the PSX. The Company has also complied with the requirement of listed shell company by the PSX.

The Board of Directors of the Company in their meeting dated April 13, 2022 has duly approved the scheme of merger whereby the Liven Pharmaceuticals (Pvt.) Limited will be merged with and into Landmark Spinning Industries Limited in exchange of issuance ordinary shares of Landmark Spinning Industries Limited against the shares of Liven Pharmaceuticals (Pvt.) Limited.

The Petition for the scheme of arrangement has been filed dated May 17, 2022 with the High Court of Sindh, and order for this is yet to be passed.

The shareholders of the Company have approved the scheme of merger in the Extra Ordinary General Meeting held on June 27, 2022.



## 2. BASIS OF PREPARATION

### 2.1 Basis of measurement

Since the Company is not considered to be a going concern entity (refer note 1.2), these condensed interim financial statements have been prepared on a basis other than going concern. All assets and liabilities are stated at their net realisable values / settlement amounts.

Further, 'Guideline on the basis of preparation of financial statements for companies that are not considered going concern' issued by The Institute of Chartered Accountants of Pakistan (ICAP) is followed in this respect.

### 2.2 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 (IAS) 34, Interim Financial Reporting, issued by International Accounting Standard 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended June 30, 2022.

The condensed interim financial statements is being submitted to the shareholders as required by the listing regulation of PSX vide section 237 of the Companies Act, 2017.

The figures included in condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2022 and December 31, 2021 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended December 31, 2022 and December 31, 2021.

### 2.3 Accounting convention

These condensed interim financial statements have been prepared using the non-going concern basis of accounting on the basis of estimated realizable / settlement values of the assets and the liabilities respectively.

### 2.4 Significant accounting estimates and judgements

The preparation of these condensed interim financial statements in conformity with the 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 historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions in accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The estimates and judgements and methods of computation adopted for the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the Company as at and for the year ended June 30, 2022.



**2.5 Change in accounting standards and interpretations**

Changes in accounting standards, interpretations and amendments to published approved accounting standards that are effective in the current year and in the future does not have any impact on these condensed interim financial statements.

**2.6 Overall valuation policy**

In the view of the matter stated in note 1.2, these condensed interim financial statements have been prepared on a basis other than going concern, whereby all assets are stated at the lower of carrying amount and their realizable values and all liabilities are stated at settlement values. Realizable / settlement values of assets and liabilities respectively as disclosed in these condensed interim financial statements are based on the managements' estimates.

|  |       | December 31,<br>2022<br>(Unaudited) | June 30,<br>2022<br>(Audited) |
|--|-------|-------------------------------------|-------------------------------|
|  | Note  | ----- (Rupees) -----                | -----                         |
| <b>3. PROPERTY, PLANT AND EQUIPMENT</b>  |       |                                     |                               |
| <i>- At net book value</i>   |       |                                     |                               |
| Property, plant and equipment  | 3.1   | <u>137,995,879</u>                  | <u>144,545,935</u>            |
| <b>3.1 Particular of property, plant and equipment:</b>  |       |                                     |                               |
| Leasehold land   | 3.1.1 | 13,545,000                          | 13,545,000                    |
| Building on leasehold land   |       | 84,845,412                          | 89,310,960                    |
| Plant and machinery  |       | 39,436,875                          | 41,512,500                    |
| Others   |       | <u>168,592</u>                      | <u>177,475</u>                |
|  |       | <u>137,995,879</u>                  | <u>144,545,935</u>            |
| <b>3.1.1</b> Lease hold land and building on leasehold land having total area of 10.6 acres is situated at Plot no C-1 Winder Industries Estate, Sector C, Distt Lasbella, Balochistan.  |       |                                     |                               |
| <b>3.1.2</b> On June 30, 2021, the Company revalued its leasehold land, building on leasehold land and plant and machinery from Pakistan Bankers Association's (PBA) approved independent professional valuator, M/s MYK Associates (Private) Limited. The revaluation resulted in net surplus amounting to Rs. 816,745 (June 30, 2020: nil) determined on the basis of forced sales values. |       |                                     |                               |
| <b>3.1.3</b> During the period, there are no additions or disposal in property, plant and equipment. (June 30, 2022: nil)  |       |                                     |                               |
|  |       | December 31,<br>2022<br>(Unaudited) | June 30,<br>2022<br>(Audited) |
|  |       | ----- (Rupees) -----                | -----                         |
| <b>4. LONG TERM DEPOSITS</b>   |       |                                     |                               |
| <i>- At realisable value</i>   |       |                                     |                               |
| Deposit with Central Depository Company  |       | <u>25,000</u>                       | <u>25,000</u>                 |
| <b>5. BANK BALANCE</b>   |       |                                     |                               |
| <i>- At realisable value</i>   |       |                                     |                               |
| Cash at bank - in current account  |       | <u>62,819</u>                       | <u>26,928</u>                 |



|   | Note | Dec 31,<br>2022<br>(Unaudited)<br>----- (Rupees) ----- | June 30,<br>2022<br>(Audited)<br>----- |
|---|------|--|--|
| <b>6. SURPLUS ON REVALUATION OF PROPERTY,<br/>PLANT AND EQUIPMENT</b>   |      |  |  |
| Opening balance   |      | 51,542,049   | 59,428,287                             |
| Transferred to retained earnings in respect<br>of incremental depreciation charged during<br>the period / year- net of deferred tax | 6.1  | <u>(3,548,807)</u>                                     | <u>(7,886,238)</u>                     |
|   |      | <u>47,993,242</u>                                      | <u>51,542,049</u>                      |
| <b>6.1 Movement in revaluation surplus</b>  |      |  |  |
| Opening balance   |      | 70,159,509   | 81,266,886                             |
| Transferred to retained earnings in respect of<br>incremental depreciation charged during the<br>period / year- net of deferred tax |      | (3,548,807)  | (7,886,238)                            |
| Related deferred tax of incremental depreciation<br>charged during period / year  |      | <u>(1,449,513)</u>                                     | <u>(3,221,139)</u>                     |
|   |      | 65,161,189   | 70,159,509                             |
| <b>Related deferred tax</b>   |      |  |  |
| Opening balance   |      | (18,617,460)   | (21,838,599)                           |
| Tax effect on incremental depreciation transferred<br>to retained earnings during the period / year                                 |      | 1,449,513  | 3,221,139                              |
|   |      | <u>(17,167,947)</u>                                    | <u>(18,617,460)</u>                    |
|   |      | <u>47,993,242</u>                                      | <u>51,542,049</u>                      |

6.1.1 The revaluation surplus on property, plant and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

|   | Note | December 31,<br>2022<br>(Unaudited)<br>----- (Rupees) ----- | June 30,<br>2022<br>(Audited)<br>----- |
|---|------|---|--|
| <b>7. DEFERRED TAXATION</b>   |      |   |  |
| Liability / (asset) balances arising in respect of :                            |      |   |  |
| Accumulated tax losses and available tax credit                                 |      | <u>30,113,881</u>   | <u>(26,882,742)</u>                    |
| Deferred tax asset  |      | 8,733,025   | 7,795,995                              |
| Deferred tax asset not recognised   | 7.1  | <u>(8,733,025)</u>  | <u>(7,795,995)</u>                     |
| Deferred tax liability in respect of<br>revaluation net of related depreciation |      | <u>(17,167,947)</u>   | <u>(18,617,460)</u>                    |
|   |      | <u>(17,167,947)</u>   | <u>(18,617,460)</u>                    |

7.1 Deferred tax asset amounting to Rs. 8.733 million (June 30, 2022: 7.795 million) has not been recognised in these condensed interim financial statements as future taxable profits are not expected to be available against which the assets can be utilized due to factor mentioned in note 1.2 of these condensed interim financial statements.



|                                     | Note  | 2022<br>(Unaudited)  | 2022<br>(Audited)  |
|-------------------------------------|-------|----------------------|--------------------|
|                                     |       | ----- (Rupees) ----- |                    |
| <b>8. LOAN FROM RELATED PARTIES</b> |       |                      |                    |
| - <i>At settlement amount</i>       |       |                      |                    |
| Unsecured - interest free           | 8.1   | <u>236,699,503</u>   | <u>235,351,608</u> |
| <b>8.1 Related parties</b>          |       |                      |                    |
| Hassan Ali Rice Export Company      |       | 216,151,228          | 214,803,333        |
| Syndicate Minerals Export           |       | 20,548,275           | 20,548,275         |
|                                     | 8.1.1 | <u>236,699,503</u>   | <u>235,351,608</u> |

8.1.1 This represents unsecured, interest free balances due to related parties of the Company which are repayable on demand. These were obtained for working capital purposes. Maximum amount outstanding calculated with reference to month end balances is Rs. 236.699 million (June 30, 2022: Rs. 235.351 million) respectively.

## 9. CONTINGENCIES AND COMMITMENTS

There has been no significant change in the status of contingencies and commitments as reported in the annual financial statements for the year ended June 30, 2022.

## 10. TRANSACTION WITH RELATED PARTIES

The related parties include entities having directors in common with the Company, major shareholders of the Company, directors and key management personnel.

Transactions with related parties, other than those disclosed elsewhere in the condensed interim financial statements are as under:

| Relationship: Common directorship |   | December 31,<br>2022 | June 30,<br>2022 |
|-----------------------------------|---|----------------------|------------------|
| Name                              | Nature of transaction                   | (Unaudited)          | (Audited)        |
|                                   |   | ----- (Rupees) ----- |                  |
| Hassan Ali Rice Export Co.        | Fund received for salaries and expenses | <u>1,347,895</u>     | <u>2,238,594</u> |

10.1 Balances with related parties are disclosed in relevant notes to these condensed interim financial statements.

## 11. FINANCIAL RISK MANAGEMENT AND INSTRUMENTS

There have been no changes in the risk management policies during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

## 12. GENERAL

Figures have been rounded off to the nearest rupee unless otherwise stated.

*Booris*

13. **CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified for the pupose of better presentation and comparision wherever necessary, however no material reclassifications were made during the period.

14. **AUTHORISATION FOR ISSUE**

These condensed ~~interim~~ <sup>interim</sup> financial statements were authorised for issue in the Board of Directors meeting held on 24 FEB 2023.

CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR



## LANMARK SPINNING INDUSTRIES LIMITED

### Directors' Review

The Board of Directors would like to present the condensed, un-audited interim Financial Statements of the Company for the half year ended December 31, 2022.

#### Business Review

Your Company has sustained a net loss after tax amounting to Rs (6.317) million in the period ended December 31, 2022 compared to a loss after tax of Rs. (7.176) million in the corresponding period. During the year no operational activity has taken place. Hence the loss for the period was mainly because of administrative/ Depreciation expenses.

#### Auditors' Review

The Auditors emphasized on the following issue in their Auditors' Review Report.  
Without modifying our opinion, we draw attention to the contents of;

#### Auditor's Review

The Auditors emphasized on the following issue in their Auditor's Review Report.  
Without modifying opinion, we draw attention to the contents of;

Note 1.2 to the condensed interim financial statement which describes that the accumulated losses of the Company stood at Rs. 285,837,570 as at reporting date which resulted in negative equity of Rs. 116,607,328 along with other matters, hence, the condensed interim financial statements have been prepared on a basis other than going concern.

#### Future Plan

The Company is in the process of a reverse merger with Liven Pharmaceuticals (Pvt.) Ltd with an Operating Unlisted Company and thereafter, pursuant to such reverse merger the Company shall commence operations as a merged Company.

A joint petition was already filed in the High Court of Sindh at Karachi on 20th May 2022, under respective sections of the Companies Act 2017. The proceeding is still in Court and the matter is in progress.

#### Financial Highlights

The comparative financial highlights of your Company for the six months period ended December 31, 2022 and December 31, 2021 are as follows:

|  | 2022                     | 2021    |
|--|--------------------------|---------|
|  | .....Rupees in '000..... |         |
| Sales – Net                                      | 0                        | 0       |
| Cost of Sales                                    | 0                        | 0       |
| Administrative Expenses                          | 7,766                    | 8,786   |
| Other Expenses                                   | 0                        | 0       |
| Loss before Taxation                             | 7,766                    | 8,786   |
| Deferred Tax                                     | 1,450                    | 1,611   |
| Loss after Taxation                              | 6,317                    | 7,176   |
| Accumulated losses carried over to Balance Sheet | 285,838                  | 279,897 |
| (Loss) per share – basic & diluted               | (0.52)                   | (0.59)  |

#### Acknowledgement

The Board of Directors would like to express its sincere appreciation to the Company's valued clients, business partners and other stakeholders. The Board would also like to thank the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange Limited and the Central Depository Company for their continued guidance and professional support.

For and on behalf of the Board.

Director / CEO  
Karachi: February 24, 2023

Chief Executive

Director

## ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز 31 دسمبر 2022 کو ختم ہونے والے ششماہی کے لئے کمپنی کے غیر آڈٹ شدہ عبوری مالیاتی گوشوارے پیش کرنا چاہتے ہیں۔ کاروبار کا جائزہ

آپ کی کمپنی کو 31 دسمبر 2022ء کو ختم ہونے والی مدت میں 6.317 ملین روپے کا بعد از ٹیکس خسارہ ہوا ہے۔ (7.176) ملین اسی مدت میں سال کے دوران کوئی آپریشنل سرگرمی نہیں ہوئی ہے۔ لہذا اس مدت کے لئے نقصان بنیادی طور پر انتظامی / قدر میں کمی کے اخراجات کی وجہ سے تھا۔

### آڈیٹرز کا جائزہ

آڈیٹرز نے اپنی آڈیٹرز کی جائزہ رپورٹ میں درج ذیل امور پر زور دیا۔  
اپنی رائے میں ترمیم کیے بغیر، ہم مندرجات کی طرف توجہ مبذول کرتے ہیں؛

### آڈیٹر کا جائزہ

آڈیٹرز نے اپنی آڈیٹر کی جائزہ رپورٹ میں مندرجہ ذیل مسئلے پر زور دیا۔  
رائے میں ترمیم کیے بغیر، ہم مندرجات کی طرف توجہ مبذول کرتے ہیں؛  
نوٹ 1.2 میں بتایا گیا ہے کہ رپورٹنگ کی تاریخ تک کمپنی کا جمع شدہ خسارہ 285,837,570 روپے تھا جس کے نتیجے میں دیگر معاملات کے ساتھ 116,607,328 روپے کی منفی ایکویٹی پیدا ہوئی، لہذا، مختصر عبوری مالی گوشوارے تشویش کے علاوہ کسی اور بنیاد پر تیار کیے گئے ہیں۔

### مستقبل کی منصوبہ بندی

کمپنی لیوین فارماسیوٹیکل (پرائیویٹ) لمیٹڈ کے ساتھ ایک آپریشننگ ان لسٹڈ کمپنی کے ساتھ ریورس انضمام کے عمل میں ہے اور اس کے بعد، اس طرح کے ریورس انضمام کے بعد، کمپنی ایک ضم شدہ کمپنی کے طور پر کام شروع کرے گی۔  
کمپنیز ایکٹ 2017 کی متعلقہ دفعات کے تحت 20 مئی 2022 کو کراچی میں سندھ ہائی کورٹ میں ایک مشترکہ درخواست دائر کی جا چکی ہے۔ کارروائی اب بھی عدالت میں ہے اور معاملہ چل رہا ہے۔

### مالی جھلکیاں

31 دسمبر، 2022 اور 31 دسمبر، 2021 کو ختم ہونے والے چھ ماہ کی مدت کے لئے آپ کی کمپنی کی تقابلی مالی جھلکیاں درج ذیل ہیں:

| 2021    | 2022    |   |
|---------|---------|---|
| 0       | 0       | Net-Sales   |
| 0       | 0       | فروخت کی قیمت                                     |
| 8,786   | 7,766   | انتظامی اخراجات                                   |
| 0       | 0       | دیگر اخراجات                                      |
| 8,786   | 7,766   | ٹیکس سے پہلے نقصان                                |
| 1,611   | 1,450   | موخر ٹیکس   |
| 7,176   | 6,317   | ٹیکس کے بعد نقصان                                 |
| 279,897 | 285,838 | جمع شدہ نقصانات کو بیلنس شیٹ میں منتقل کر دیا گیا |
| (0.59)  | (0.52)  | (نقصان) فی حصص - بنیادی اور بتلا                  |

### اعتراف

بورڈ آف ڈائریکٹرز کمپنی کے قابل قدر گاہکوں، کاروباری شراکت داروں اور دیگر اسٹیک ہولڈرز کا تہہ دل سے شکریہ ادا کرنا چاہتے ہیں۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج لمیٹڈ اور سینٹرل ڈبازٹری کمپنی کا بھی ان کی مسلسل رہنمائی اور ہیشہ ورانہ تعاون پر شکریہ ادا کرنا چاہتا ہے۔

بورڈ کے لئے اور بورڈ کی طرف سے۔



ڈائریکٹر



چیف ایگزیکٹو

ڈائریکٹر / سی ای او

کراچی: فروری 24، 2023