



Welcome to Bestway Group

Bestway Group is a diversified multinational family-owned business with annualized turnover in excess of £4.5 billion. Starting off as a chain of retail convenience stores, the Group has grown to become a diversified multinational business with interests across the wholesale, pharmacy, real estate, cement and banking sectors. The Group is also the largest overseas investor in Pakistan.

Owned by the Pervez, Choudrey and Sheikh families, Bestway Group was founded in 1976 by Sir Anwar Pervez OBE HPK, who remains Chairman. Serving over 12 million customers and employing over 28,000 individuals, the Group supports and serves communities through its operations across the UK, Pakistan and the Middle East.

Bestway Group consists of:



Bestway Wholesale

the UK's largest independent food wholesaler



Bestway Cement Limited

Pakistan's largest cement manufacturer



Bestway Healthcare

the UK's 2nd retail pharmacy chain
& 4th largest pharmaceutical wholesaler



United Bank Limited

Pakistan's 2nd largest private bank



Real Estate

a UK investment property portfolio



Bestway Foundation

a charitable foundation

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Chairman's Statement

On behalf of the Board of Directors, I am pleased to present the financial report and amalgamated financial statements of Bestway Group Limited and Bestway Group UK Limited (together "Bestway Group") for the year ended 30 June 2023.

Business Overview

The Group continues to boast a portfolio consisting of the 2nd largest food wholesaler and 2nd largest UK retail pharmacy chain in the UK, alongside the largest cement manufacturer and 2nd largest private bank in Pakistan. In addition, the Group holds significant property investments both in the UK and Pakistan.

Group turnover for the year ended 30 June 2023 totalled £4.74 billion compared to £4.51 billion in the previous year, an increase of 5% driven by increase in all businesses. Profit before tax totalled £420.9 million compared to £398.8 million in the previous year, an increase of 6%. The increase in profitability is testament to the Group's strategic and operating model which has withstood the difficult global macroeconomic backdrop.

Social Responsibility





Bestway Group is committed to giving back to the communities it operates in through its charitable arm Bestway Foundation as well as through its various subsidiaries with donations for the year totalling more than £2m.

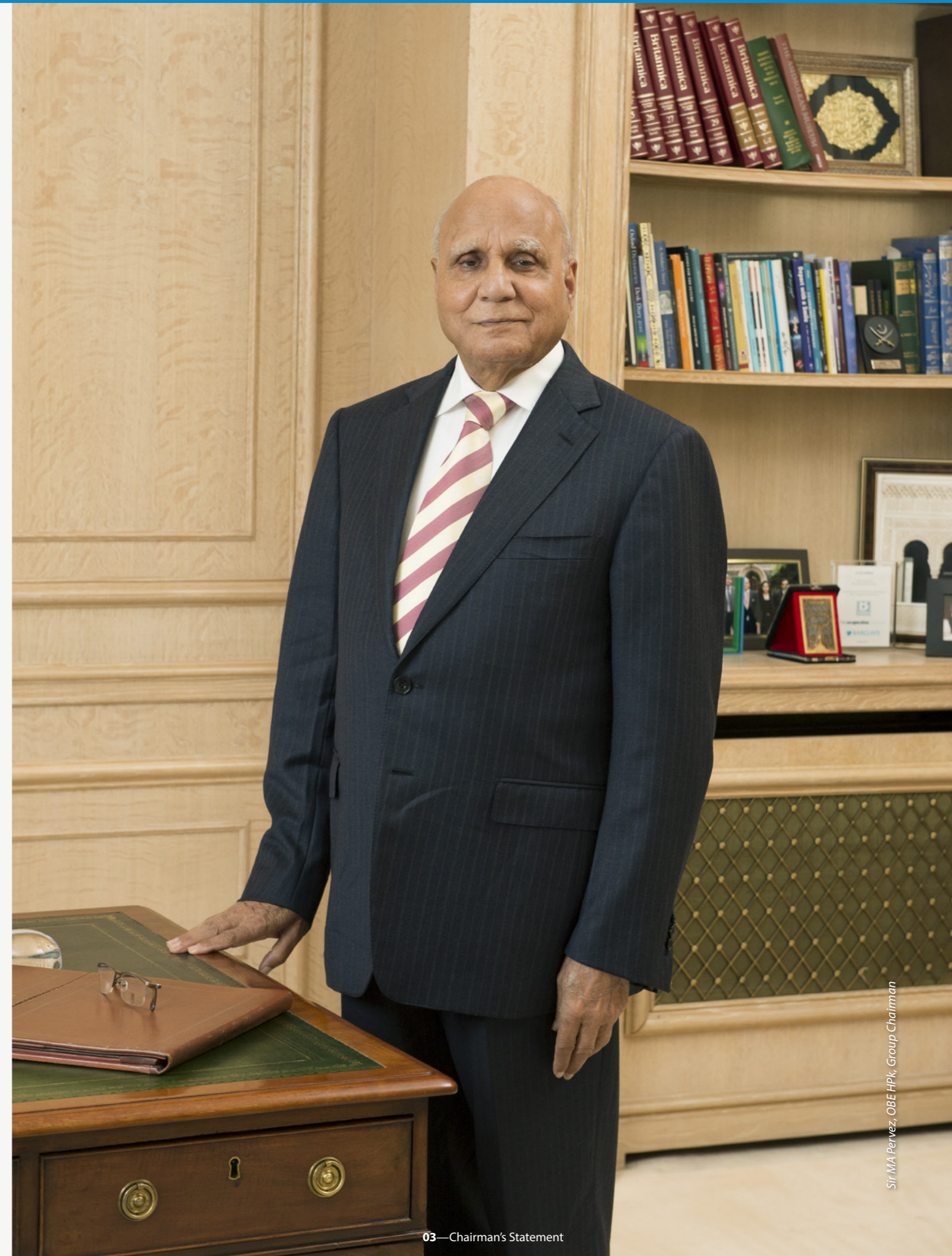
During the year under review, the Bestway Foundation continued to provide grants in excess of £230,000 to students of South Asian origin to attend a number of universities in the United Kingdom. Over £177,000 were donated to support local and national charities such as The Duke of Edinburgh Award, Queen Elizabeth's Foundation for Disabled People, Barnardo's and Crimestoppers.

Bestway Foundation's Pakistan Flood Relief Appeal

Bestway Foundation launched its Pakistan Flood Relief Appeal in November 2022 with an ambitious target to raise \$1.5 million. I am delighted to announce that we materially exceeded our targets and raised over \$3 million. This was entirely down to the hard work of our local teams and Bestway Group staff that contributed over 12,000 man-hours to facilitate our original activities and deliver the following impact goals:

As a consequence of the hard work and operational efficiency of our local teams, the journey that began with the desire to provide temporary relief and rehabilitation; culminated with the provision of 500 permanent homes.

Target	Achievement	Status
 Provision of food to 20,000 individuals	Over 20,000 ration bags and 21,000 cooked meals provided for the benefit of 100,000 individuals.	Completed and over-achieved by 5X
 Provision of 1 million litres of clean drinking water to 100,000 individuals	Over 20,000 water filtration units distributed in 55 villages across the country, thus providing over 1 million litres of clean drinking water.	Completed and achieved
 Provision of medicines to 20,000 individuals	Over 20,000 tonnes of medicines airlifted from UK & donated to the National Disaster Management Authority for the benefit of 100,000 individuals. Further over 3,000 individuals provided medical assistance.	Completed and over-achieved by 5X
 Provision of shelter to 5,000 families	After providing 5,000 tents across 53 villages for the benefit of 100,000 individuals and thanks to the operational efficiencies achieved we shifted our focus on building permanent accommodation. We have delivered 500 houses in Issa Khel, Mianwalli, Paroa & Daraban, D I Khan to date to the affected communities.	Completed and over-achieved



Sir MA Pervez, OBE, FICPA, Group Chairman



Above: Bestway Foundation School, Chakwal, Pakistan; below: Kiln light-up inauguration.

Chairman's Statement (contd)

‘I remain indebted to our fantastic colleagues across all our businesses and their continued efforts. They have all gone above and beyond to ensure the Group grows and that we continue to service the communities we operate in both in the UK and Pakistan.’

Awards and Recognition

During the year, Bestway Group and its subsidiaries won a number of accolades, including Bestway Foundation winning The Philanthropy Award at the Asian Business Awards for its relief efforts for those affected by the Pakistan Floods.

Separately, Bestway Cement Limited was acknowledged for its vision and relentless pursuit of environment excellence by receiving the “Carbon Neutralization Pioneer Award” from LONGi Green Energy Technology Co. Ltd., at a prestigious event held in Dubai to recognize organisations at the forefront of renewable energy revolution.

Outlook

We anticipate a challenging operating environment in the year ahead both in the UK and Pakistan as central banks grapple with persistent inflation. However, we acknowledge that there may be some easing towards the end of the financial year. We believe that our fundamental strengths and the benefits of our business model make us resilient and able to perform well in these market conditions.

Looking to the future, we aim to grow all of our business organically and also support them in pursuing strategic investments and acquisitions to better serve our customer base. I am confident that the combination of our experienced Board, and long-term growth objectives, puts Bestway on course for a successful future.

I remain indebted to our fantastic colleagues across all our businesses and their continued efforts. They have all gone above and beyond to ensure the Group grows and that we continue to service the communities we operate in both in the UK and Pakistan.

Sir MA Pervez OBE HPK
Chairman

Key Highlights

Bestway Foundation launched its Pakistan Flood Relief Appeal in November 2022 with an ambitious target to raise \$1.5 million, and exceeded our targets and raised over \$3 million.

Over £177,000 donated to support local and national charities such as The Duke of Edinburgh Award, Queen Elizabeth's Foundation for Disabled People, Barnardo's and Crimestoppers.

Key Facts

£2m+
Donated to worthy causes by Bestway Foundation

Bestway Foundation wins **The Philanthropy Award** at the **Asian Business Awards 2023**

Bestway Cement awarded **Carbon Neutralization Pioneer Award**

\$3m+
Bestway raised over \$3 million for the **Pakistan Flood Relief Appeal**

Group Chief Executive's Review

On behalf of the Board of Directors, I am pleased to present the Annual Report and amalgamated financial statements for Bestway Group Limited and Bestway Group UK Limited (together "Bestway Group") for the year ended 30 June 2023.

Principal Activities

The principal activities of the Group during the year were in the wholesale, pharmacy, property, cement and financial services sectors.

Review of Business & Group Financial Performance

Bestway Group

The year ended 30th June 2023 has been an extremely volatile environment as the world has continued to grapple with significant inflation and a rising interest rate environment. Given our global presence, this has added significant complexity to our operations as we have had to react to the varying policies of the economies we operate in.

Trading conditions in the UK have been characterised by inflation flowing into both wage costs as well as input costs into both our businesses. Given the defensive nature of the sectors that we operate we have been fortunate that volumes were not materially impacted, and we kept a tight focus on cost control. We also took the opportunity to grow our pharmacy business through the acquisition of Lexon UK Holdings and Asurex Limited, a family-owned pharmaceutical wholesaler.

Trading conditions in Pakistan were also volatile with a significant rising rate environment as well as high levels of inflation as energy prices continued to be impacted by the Russia-Ukraine conflict. Pakistan has been trying to balance economic growth alongside austerity measures emanating from the IMF whilst also managing an inflationary environment as well as its foreign reserves position.

Key Highlights

Group turnover for the year ended 30 June 2023 totalled £4.74 billion (£4.51 billion in 2022), an increase of 5% driven by increase in all businesses.

Profit before tax totalled £420.9 million compared to £398.8 million in the previous year, an increase of 6%.

Key Figures

£4.74bn
Group turnover
(£4.51 billion, 2022)

£420.9m
Group profit before tax
(£398.8 million, 2022)

Key Facts



Bestway Wholesale

No.1

Independent food wholesaler in UK

14%

Market share



Bestway Healthcare

No.2

Retail pharmacy chain in UK

No.4

Pharmaceutical wholesaler



Bestway Cement Limited ('BCL')

No.1

Cement manufacturer in Pakistan

15Mt

Million Tonnes per annum total capacity



United Bank Limited ('UBL')

2nd

Largest private bank in Pakistan

£12bn

Asset base



Lord Z M Choudrey CBE, SJ Pk, BA (Hons), FCA, Group Chief Executive

Group Chief Executive's Review (contd)

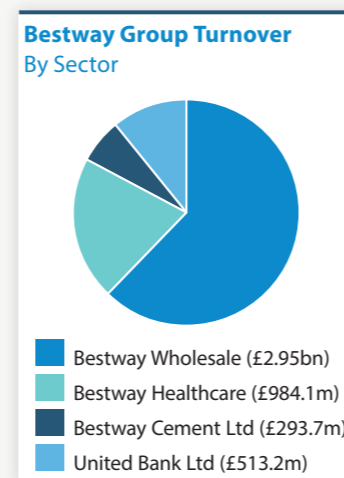
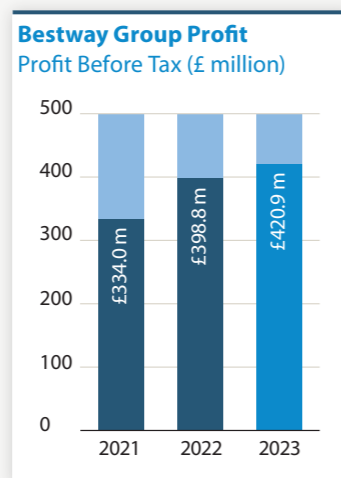
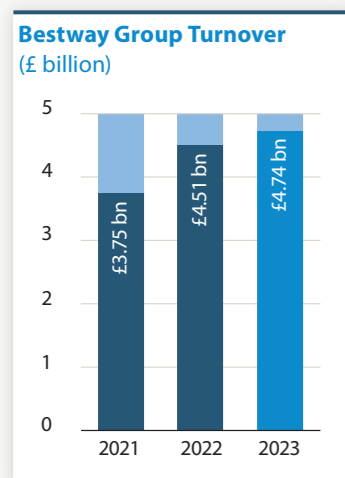
‘Group turnover for the year ended 30 June 2023 totalled £4.74 billion compared to £4.51 billion in the previous year, an increase of 5% driven by increase in all businesses.’

Despite the challenging macroeconomic backdrop all our businesses have shown resilience and the Group has exhibited both growth and profitability. Group turnover for the year ended 30 June 2023 totalled £4.74 billion compared to £4.51 billion in the previous year, an increase of 5% driven by increase in all businesses.

Profit before tax totalled £420.9 million compared to £398.8 million in the previous year, an increase of 6%. The increase in profitability is testament to the Group's strategic and operating model.

Property, plant and equipment after depreciation as at 30 June 2023 stood at £1,223.3 million, compared to £1,365.7 million in the previous year.

The Trading Group had cash balances of £646.2 million in 2023 compared to £565.8 million in the previous year.





Bestway Wholesale, Acton depot

Bestway Wholesale

‘The business remains focused on being our customer’s partner of choice.’

The UK’s largest independent food wholesaler

The Wholesale business has retained the agility it showcased in prior years, which has been much needed with the supply chain challenges that have continued to affect the market. The business remains focused on being our customer’s partner of choice and the business has been focused on delivering strong value and stock availability to its customer base.

Revenue in the Wholesale business remained steady at £2.95 billion in 2023 from £2.94 billion in 2022, whilst profit before tax increased to £72.7 million in 2023 from £70.8 million in 2022. The increase in profitability has been driven by the business’ continued focus on optimising margin and controlling its cost base.

The market conditions in the wholesale sector remained challenging. Issues with supply chain and staff availability persisted with the added complexity of significant inflation in input and product costs.

Total inventory balances as at 30 June 2023 amounted to £204.0 million, compared to £186.3 million in the previous year.

Despite these challenges, Bestway Wholesale has remained committed to its strategic plans of offering improved service and convenience to customers and remained focused on managing product inflation to offer our customers the best possible value.

Key Figures

£2.95bn

Revenue.
+3% increase
(£2.94bn, 2022)

£72.7m

Profit before tax.
+3% increase
(£70.8.2m, 2022)

Wholesale Revenue

(£ billion)



No. of Depots

62

35 Bestway; 22 Batleys;
3 Best Pets;
2 Central Distribution

Product Lines

25,000

B2B Customers

3000+

Branded stores supplying
3,000+ franchises and
operating 200+ company
operated & leased stores



Vans business operating
across UK



Bestway Healthcare

‘Revenue for the year in the Pharmacy business grew by 18.2% to £984.1 million in 2023 from £832.5 million in 2022.’

The UK's 2nd largest retail pharmacy chain & the UK's 4th largest pharmaceutical wholesaler

Well has been focused on maintaining a seamless service for its customers and ensuring the country's medicine supply chain remains robust. Well's strategy remains unchanged with focus on growing market share and delivering on the NHS' services agenda through both traditional and digital channels.

During the year, the business completed the acquisition of Lexon UK Holdings and Asurex Limited, a family-owned pharmaceutical wholesaler with five distribution centres and a network of 42 community pharmacies. The business has been in operation for over 25 years, servicing over 3,000 retail pharmacy customers and is also a specialist developer and manufacturer of generic pharmaceuticals.

As a result of the acquisition, the division has been rebranded to "Bestway Healthcare". We are confident that this acquisition will deliver value to shareholders and better position the business to take advantage of the growth opportunities in the wider pharmaceutical sector. The business is focused on integrating the business and delivering the associated synergies. As a result of the acquisition, Bestway Healthcare will consist of the UK's 2nd largest retail pharmacy chain as well as the UK's 4th largest pharmaceutical wholesaler. The Group owned 782 pharmacies at the end of the year (2022: 742).

Revenue for the year in the Pharmacy business grew by 18.2% to £984.1 million in 2023 from £832.5 million in 2022. The increase in revenue was driven predominantly by the inclusion of 3 months of performance of Lexon business group, which was acquired on in February 2023, as well as growth in the underlying business.

The business incurred a loss before tax of £17.9m in 2023 compared to a profit before tax of £15.9m in the prior year. This was due to a number of one-off items during the year, including acquisition integration costs and the temporary closure of the business' healthcare distribution centre during the year for remedial works. This operationally impacted the business, but the healthcare distribution centre is now fully operational. In addition, the business continued to be flat funded by the NHS despite material cost inflation in the business and lower pharmacist availability, which contributed to the reduction in operating profit.

We continue to invest in our sector showing our commitment to pharmacy and offering accessible healthcare services to local communities. The future objective of the Group is to improve gross margins and maximise profitability by continuing to grow top line revenues and realising efficiencies within the business, specifically the acquisition associated synergies. There has remained a focus on leveraging technology assets to help drive both market share and efficiency gains via our Central Fulfilment and other central automation, digital, and interoperability of our technology assets allowing for greater patient choice.

Key Highlights

We continue to invest in our sector showing our commitment to pharmacy and offering accessible healthcare services to local communities.

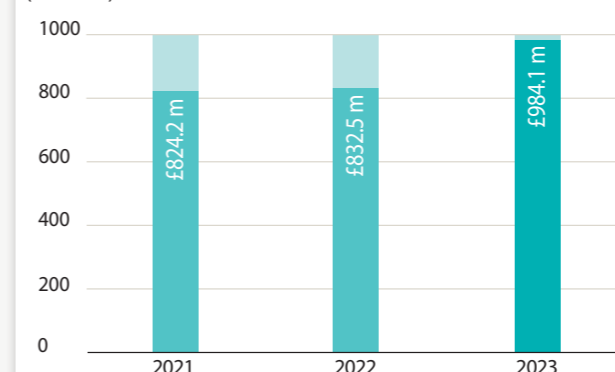
During the year, the business completed the acquisition of Lexon UK Holdings and Asurex Limited.

Key Figures

£984.1m
Revenue
(£832.5 million, 2022)

+18.2%
Increase
in Revenue

Bestway Healthcare Revenue (£ million)



Bestway Healthcare

- 782** Branches nationwide
- 3rd** Largest UK digital pharmacy
- No.2** 2nd largest retail pharmacy chain in the UK.

Key Facts

- 2m+** Patients annually
- 72m+** Prescription annual volume
- c. 6,000** Employees

Bestway Cement Limited ('BCL')

Pakistan's largest cement manufacturer

Trading conditions in Pakistan worsened during FY23 as the economy continued to suffer from an uncertain political environment, hyperinflation, depleting foreign exchange reserves, significant devaluation and interest rates increasing to 22%. This resulted in sharp increase in cost of production and dented consumer confidence. Despite the difficult macroeconomic environment, Bestway Cement was able to grow its profitability.

GBP/PKR FX deterioration of 45% during the year. In local currency Bestway Cement grew revenues and profit before tax by 16% and 14% respectively.

For the year ended 30 June 2023, BCL declared total dividends of 21 PKR per share (£0.08 per share) (2022: 16 PKR per share (£0.06 per share)).

Bestway Cement continued to invest in the business and during the year two new cement lines were brought into production, a 7,200 TPD brownfield plant at Hattar as well as a 7,200 TPD greenfield plant at Mianwali. As a result of these investments, Bestway Cement has grown its annual production capacity to 15.3 million tonnes and has consolidated its position as the largest cement player in the market.

Bestway Cement has always been committed to sustainability and has therefore set up solar power plants at all five of its manufacturing locations. The current solar capacity of 89.6 MW is the largest distributed captive power generation capacity to date, not only in Pakistan but also in the entire region. The solar power generation has not only reduced the Company's reliance on the National Grid further but has also enabled it to reduce its carbon footprint by more than 5.5 million tonnes of CO₂ emissions over the life of the project, which is equal to plantation of approximately 8.7 million trees.

BCL's cement dispatches decreased by 16% from 7.8 million tonnes in 2022 to 6.6 million tonnes in 2023, in line with the broader market. The decrease in volumes was driven primarily by the higher rate and inflationary environment dampening demand.

Revenue was £293.7 million in the year ended 30 June 2023, 4% lower compared to £307.2 million during last year. Profit before tax amounted to £63.2 million compared to £74.3 million during last year. The decrease in revenue and profitability is driven by



Bestway Cement Plant, Kalar Kahar, Pakistan

Key Highlights

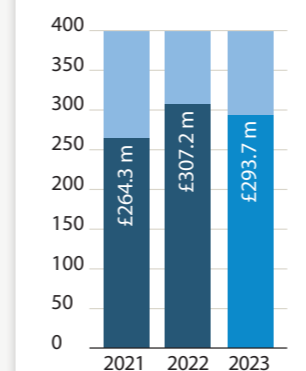
- Solar power plants set up at all five of its manufacturing locations
- Current solar capacity of 89.6 MW is the largest distributed captive power generation capacity in the entire region

Key Figures

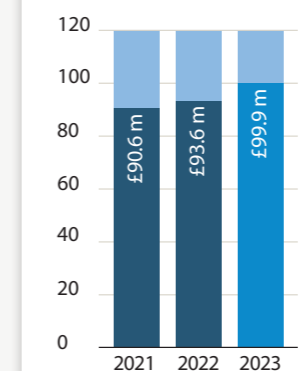
£293.7m
Revenue
(£307.2 million, 2022)

£63.2m
Profit before tax
(£74.3 million, 2022)

Bestway Cement Revenue
(£ million)



Bestway Cement EBITDA
(£ million)



Bestway Cement Fast Facts

- 5** Plant sites
- 89.6 MW** Solar capacity
- 4** Waste Heat Recovery Power Plants

BCL Capacity

(Million Tonnes)

- No. 1** Largest cement manufacturer in Pakistan
- 15 Mt** Existing annual capacity
- 5 Mt** CO₂ emissions

United Bank Limited ('UBL')

‘As the Bank steps into the development and execution of its long term strategy, its focus remains on enhancing shareholder value while building a sustainable business momentum.’

Pakistan’s 2nd largest private bank

During the year UBL operated in a volatile economic environment with material currency devaluation as the State Bank of Pakistan grappled with hyperinflation and increased its policy rate to 22% by the end of the year.

Despite the challenging environment UBL maintained its momentum with another year of stable returns. Profit before tax (PBT) was recorded at £274.4 million in 2023 (2022: £246.7 million). The improvement in profitability was driven by higher net interest income in the context of a higher interest rate environment partially offsetting the impact of GBP/PKR devaluation.

These results were delivered by the highly dedicated UBL team, who have worked with tremendous discipline and perseverance in the face of a challenging backdrop. As at 30 June 2023, the Bank’s total assets were £9.5 billion, total deposits stood at £6.7 billion and net advances were £2.9 billion and in local terms grew by 13%, 12% and 15% respectively.

As the Bank steps into the development and execution of its long-term strategy, its focus remains on enhancing shareholder value while building a sustainable business momentum. It has clearly defined its priorities for 2024 where the teams will lead a unified effort to deliver aggressively and rebuild business levels to their true potential. It will focus on repositioning the branch network, leveraging technology enhancements and prudent balance sheet and credit growth.

The bank declared a total dividend of 35 PKR (£0.12) per share during the year ended 30 June 2023 (2022: 19 PKR (£0.08) per share).

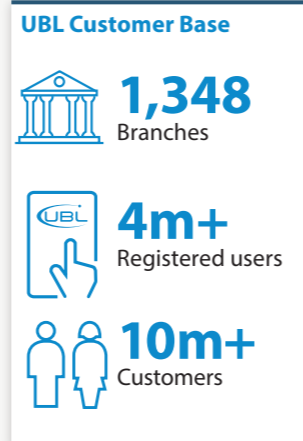
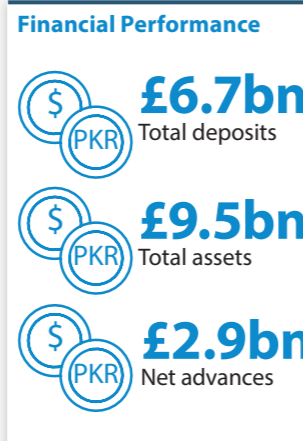
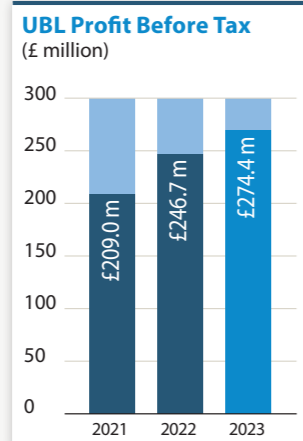
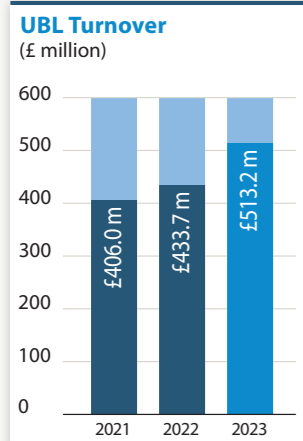
Key Highlights

The Bank’s results were delivered by the highly dedicated UBL team, who have worked with the tremendous discipline and perseverance in the face of a challenging backdrop.

Key Figures

£513.2m Gross revenue
(£433.7m, 2022)

£274.4m Profit before tax
(£246.7m, 2022)



UBL Building, Lahore, Pakistan

Other Businesses

Bestway Real Estate

Over the course of the years and where possible, the Group has acquired the freehold properties that underpin its businesses in both the UK and Pakistan. In addition, the Group has acquired predominantly commercial properties with a preference for development opportunities and properties located adjacent to existing sites.

With more than 6 million square feet of warehousing space, the UK portfolio consists mainly of commercial properties with some residential elements and is weighted towards London and the South East. The on-going maintenance of the portfolio and the development process are managed by an internally dedicated property team.

UBL Insurers Limited

Founded in January 2007, UBL Insurers Limited is Pakistan's fifth largest general insurance provider with a nationwide branch network. Its products include healthcare, home, motor and life insurance, amongst others in terms of gross premium written.

Bestway Consultancy Services (BSCS)

Founded in 2020, BSCS is a Global Business Service company based in Pakistan providing off-shore business services which include finance, accounting, HR, IT, helpdesk and transformation consulting to allied businesses. BSCS has a dedicated and growing workforce of over 500 individuals services clients worldwide.

Bestway Packaging Limited (BPL)

Founded in 2021, BPL is the manufacturer of Polypropylene bags used in the packing of cement, with an annual production capacity of 200 million bags and a 10% market share.

Bestway Renewables Technology Limited (BReT)

Founded in 2021, and on the back of Bestway's excellent track record of embracing green and renewable energy solutions, BReT is an exclusive renewable energy services company catering to both Pakistan and International markets, offering installation of solar and other renewable energy projects of any scale.

Bestway Real Estate — Key Facts

72
Properties

56%
in London & South East

6m sq. ft
Warehousing space



Bestway Packaging — Key Facts

10%
Market share

200m
Bags annual capacity



Bestway Consultancy Services — Key Facts

500+
Staff

Global
Client base



Bestway Renewables Technology — Key Facts

Leading Solar Panel Green Energy provider

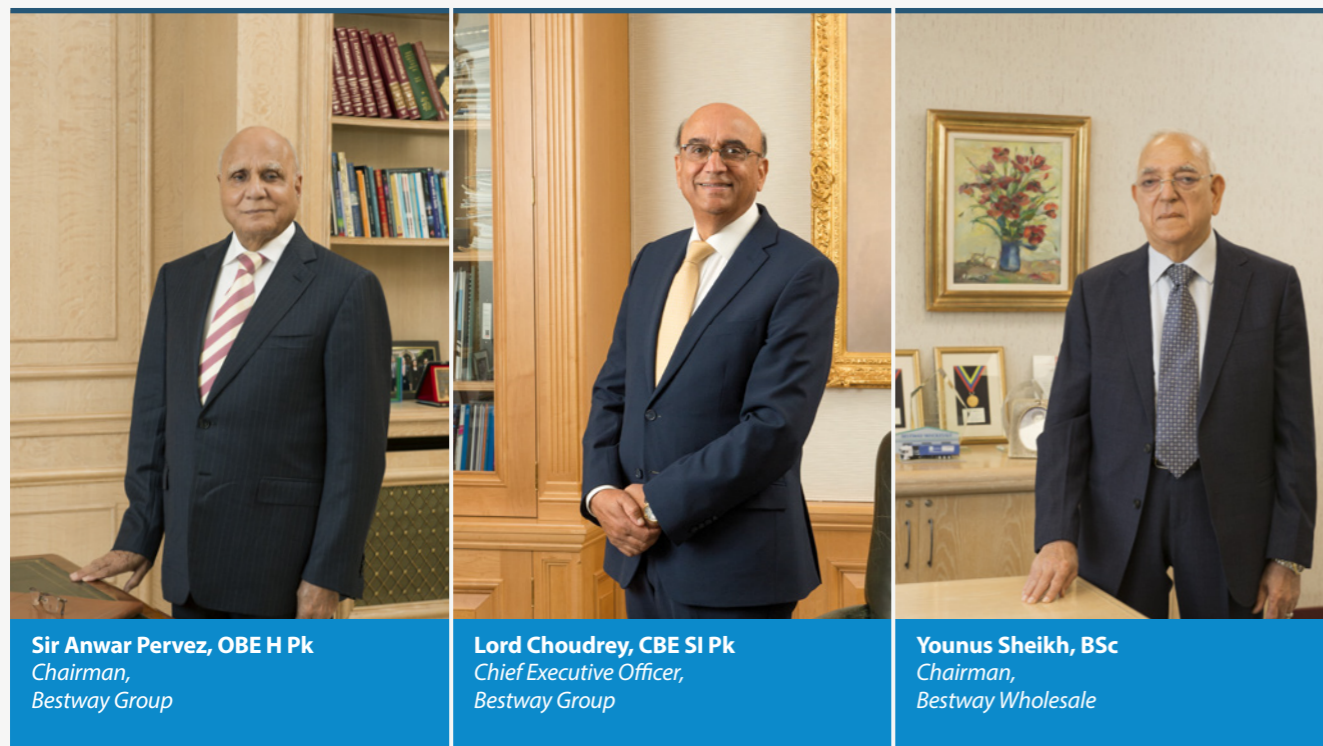
UBL Insurers Limited — Key Facts

5th Fifth largest insurers in Pakistan



Above: LM Retail, Staples, Corner Shopping Park
Below: solar power generation at BCL Mianwali plant

Group Chief Executive's Review (contd)



Principal Risks & Uncertainties

The Group faces a range of risks and uncertainties as a result of changing external environments such as regulation, economic conditions, competition and consumer trends. The Group has taken the necessary measures to reduce the impact of key risks in the business with appropriate policies where possible, however, not all risks and uncertainties can be controlled.

Due to the global inflationary environment being experienced, economies globally are facing heightened financial risk as a result of a rising interest rate environment in both the UK and Pakistan. The Group has undertaken a review of its sensitivity to interest rates and is confident this risk can be managed due to the low financial leverage position of the Group.

Supply chain and inflation risks are of key concerns in both the UK and Pakistan. Globally, economies are dealing with the impact of supply chain issues across sectors, and this is also contributing to a higher inflationary environment. The Group has built best practice with agile teams focusing on stock availability across business. In terms of inflationary increases, the Group periodically undertakes review of costs and assess various strategies to unlock efficiencies.

Competition is another key risk across all of the Group's businesses due to the landscape in which we operate. Competitiveness has increased due to an increase in market entrants within the cement and banking businesses, whilst there are market cost and pricing pressures within the UK businesses. The Group ensures that it has robust strategic planning and budgetary monitoring processes and that it leverages market intelligence to ensure our subsidiaries remain relevant in the market.

Regulation is a key risk across all of the Group's businesses given the sectors that we operate in. Regulation has increased across all subsidiaries with a focus on data protection, environmental standards as well as capital adequacy in the banking sector. The Group ensures that it remains apprised on the changing regulatory landscape and its impact on the business. The Group also ensure it has robust project teams that oversee operational compliance.

IT & Cyber is an increasing risk across all Group businesses given the increased focus on digital systems of record and transacting. The Group ensures that it undertakes periodic cyber assessments and system penetration testing with subject matter experts. The threat environment is then systematically managed, and its security is enhanced via improvement programmes.

Group Chief Executive's Review (contd)



Key Performance Indicators

Among the financial performance indicators within the wholesale business, the key performance indicators are like for like sales, sales per department gross profit margin, sales per depot, sales per department, operating expenses, wage cost per depot, stock availability, stock levels and cash generation.

The financial performance indicators within the pharmacy business are prescription growth, over the counter sales growth, profitability per branch, operating expenses, stock levels, cost per prescription and cash generation.

Financial performance indicators in the cement business are net retention, gross margin, operating expenses, daily despatches and cost of production.

Among the financial performance indicators within the banking business, the key performance indicators are deposit levels, assets under management, return on assets, return on equity, net interest margin, non-financial income, operating expenses, cost to income ratio, cost of deposits and capital adequacy ratio.

General non-financial performance indicators are staff turnover, staff, supplier and customer satisfaction and health and safety reports, amongst others.

The Board is of the belief that the monitoring of the indicators is an important aspect of the regular business performance reviews conducted by management.



Group Chief Executive's Review (contd)

‘All of our businesses have been able to maintain or grow market share and are well positioned to sustain this going forward.’

Future Outlook

We see challenges in both the UK and Pakistani economies as they look to grapple with the high inflation and higher interest rate environment globally. However, in both economies we can see that inflation is being managed and we can foresee interest rate cuts in the future which will improve the operating environment. We believe the Group is in a strong position to withstand these pressures, as evidenced by the resilience our operations showed during the financial year and we are confident our businesses will be able to continue to gain share within their respective markets.

United Bank Limited will rebalance its investment portfolio in the higher interest rate environment. It will also continue to retain its focus on managing corporate accounts during these turbulent economic times whilst also leveraging digital capabilities to enable it to increase its market share of deposits and reduce its cost to income ratio. UBL will also remain focused on rationalising and de-risking its portfolio and ensure adherence to international compliance standards across the organisation.

Bestway Wholesale will continue to focus on growing share in a competitive market by leveraging its scale infrastructure. The business will also be focused on delivering operational efficiencies and focus on providing customers with the best price and availability to support end-customers given the increase in the cost of living.

It has been a challenging twelve months, however, notwithstanding these pressures, we have been able to show the resilience of our business model. I would like to sincerely thank all of our colleagues for the dedication and commitment they have shown. I would also like to thank my fellow Directors and the Executive Management Teams of each of our investments for their contribution to our strategic and operational priorities.

Bestway Healthcare will continue to focus on outperforming the market in both prescription volumes and margin delivery by investing in technology initiatives that will enable us to reduce our cost to serve as well as grow our market share. The business will also focus on integrating its newly acquired business, delivering synergies and leveraging the platform for further growth. The business will also look to grow on the strong engagement it has had with customers across services lines on delivery of the service proposition and efficiency gains implicit in the NHS forward view and the recently launched Pharmacy First scheme.

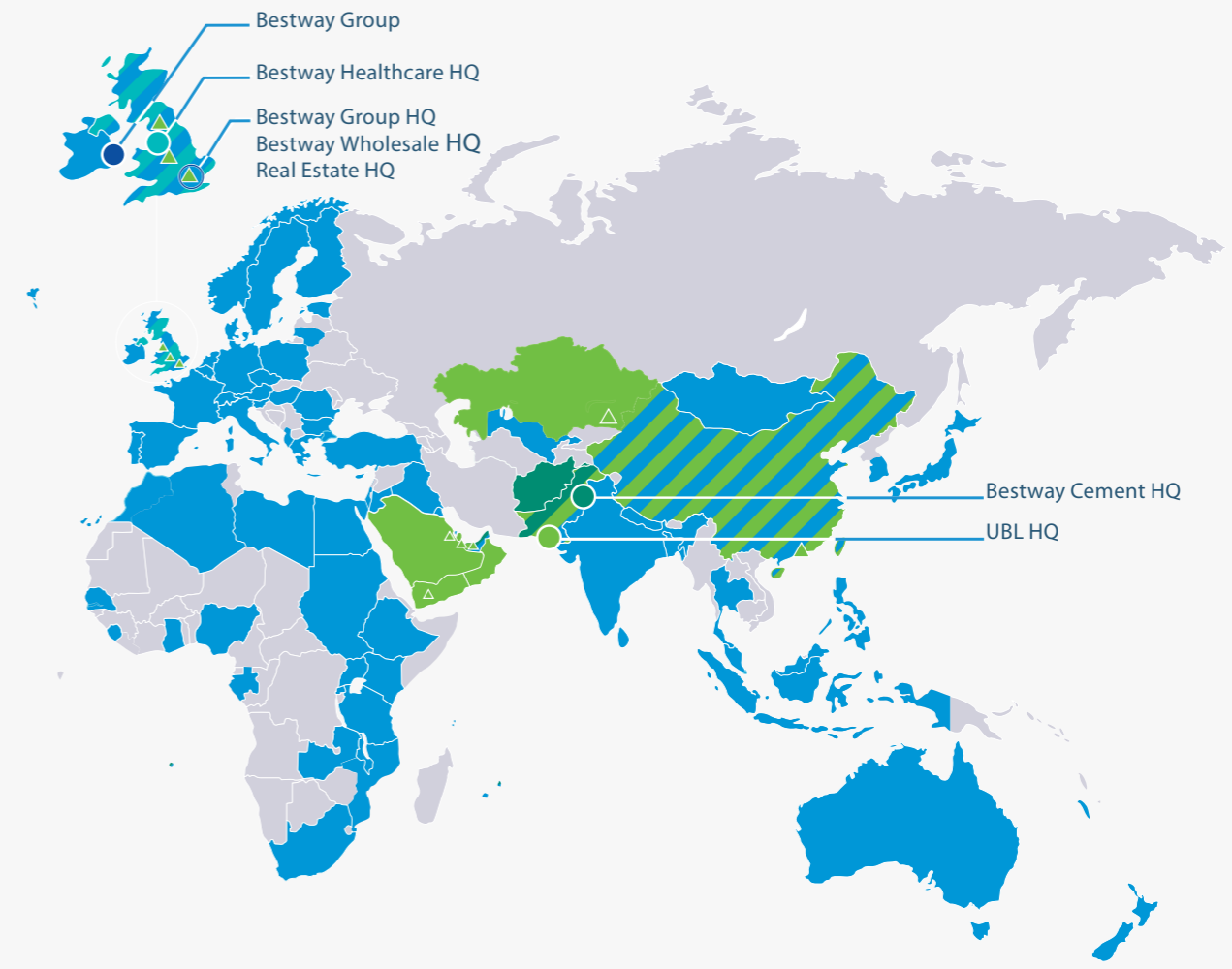
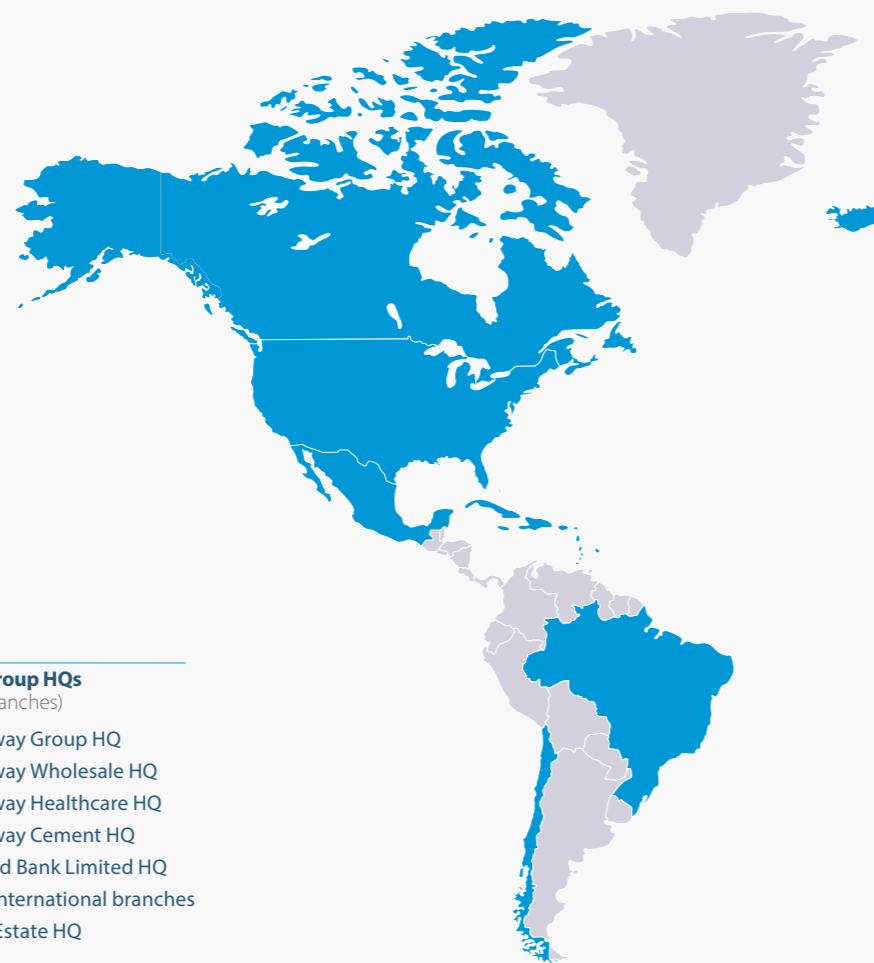
Bestway Cement will remain focused on reducing its operational and administrative cost base and retain its status as the lowest cost operator in the sector to better enable it to withstand sustained margin pressure.

Lord Z M Choudrey CBE, SI Pk, BA (Hons), FCA
Group Chief Executive



UBL branch, Karachi, Pakistan; BCL plant, Chakwal, Pakistan; Well Pharmacy branch, Northenden, UK; Bestway Wholesale and BB foodservice lorries, Park Royal, UK

Bestway in Numbers



Bestway Group

£4.74bn
Turnover

£420.9m
Profit before tax

£581.7m
EBITDA

Bestway Wholesale

£2.95bn
Revenue

No.1
Largest Independent Food Wholesaler

No. of Depots

62

- 35 Bestway
- 22 Batleys
- 3 Best Pets
- 2 Central Distribution

Bestway Cement Limited

£293.7m
Revenue

Capacity (Million Tonnes)

15 Mt
Existing capacity

No.1 Largest in Pakistan

United Bank Limited

£513.2m
Turnover

£274.4m
Profit before tax

UBL No. of Branches

- 1,348** Worldwide
- 1,340** in Pakistan
- 38,5k +** Omni points

Bestway Healthcare

No.2
Second largest UK retail pharmacy chain

No.4
Fourth largest pharmaceutical wholesaler

Branch Estate

- 782** Branches
- 5,000+** B2B Pharmacy & Care Home Customers

Bestway Group Workforce

28,000+
Global work force

No. of Customers

12m+
Customers

Wholesale B2B Customers

- 130,000** Retailers
- 3,000+** Franchises

Wholesale Digital Sales

- +14%** AOV Website Average Order Value
- +10%** App sales

Bestway Cement Fast Facts

- 89.6 MW** Solar power capacity
- 5** Plant sites
- 4** Waste Heat Recovery Power Plants

UBL Advances

- £2.9bn** Advances
- £6.7bn** Total Deposits
- £9.5bn** Total Assets

UBL Digital Sales

- 4m+** Registered users (app and website banking)
- 1m+** Transacting digital customers

No. of Patients

- 2m+** Patients annually
- 72m** Prescription volume

Digital

- £697k** Sales via mobile app
- 3rd** Largest UK digital pharmacy

Consolidated Income Statement

For the year ended 30 June 2023

	Trading Group 2023	Banking Group 2023	Total Combined 2023	Trading Group 2022	Banking Group 2022	Total Combined 2022
	£000	£000	£000	£000	£000	£000
Revenue	4,236,655	-	4,236,655	4,080,649	-	4,080,649
Cost of sales	(3,633,641)	-	(3,633,641)	(3,511,772)	-	(3,511,772)
Gross profit	603,014	-	603,014	568,877	-	568,877
Interest income	(0)	1,166,239	1,166,239	49	802,608	802,657
Interest expense	-	(718,667)	(718,667)	-	(439,668)	(439,668)
Net interest income	-	447,572	447,572	49	362,940	362,989
Gross written premium	-	21,562	21,562	-	21,247	21,247
Premium ceded to reinsurer	-	(13,489)	(13,489)	-	(12,336)	(12,336)
Net written premiums	-	8,073	8,073	-	8,911	8,911
Gross benefits and claims paid	-	(10,193)	(10,193)	-	(10,691)	(10,691)
Claims ceded to reinsurer	-	6,455	6,455	-	6,953	6,953
Movement in technical provisions	-	(503)	(503)	-	(237)	(237)
Net benefits and claims	-	(4,241)	(4,241)	-	(3,974)	(3,974)
Fee, commission and brokerage income	-	65,814	65,814	-	65,814	65,814
Fee, commission and brokerage expense	-	-	-	-	-	-
Net fee and commission income	-	61,846	61,846	-	65,814	65,814
Gross profit	603,014	513,250	1,116,264	568,926	433,691	1,002,617
Dividend income from investments	-	6,500	6,500	-	8,452	8,452
Other operating income	93,301	26,303	119,604	17,915	6,072	23,987
Gains and losses on investments	-	19,269	19,269	-	38,159	38,159
Other gains and losses	-	-	-	-	-	-
Administrative expenses	(476,036)	(287,307)	(763,343)	(403,633)	(240,160)	(643,793)
Share of profits of equity accounted investees net of tax	-	(3,766)	(3,766)	-	494	494
Other operating expenses	(20,170)	(89)	(20,259)	(9,211)	-	(9,211)
Exceptional Costs	-	-	-	-	-	-
Total operating profit	200,109	274,160	474,269	173,997	246,708	420,705
Finance income	14,882	-	14,882	179	-	179
Finance expense	(68,247)	(27)	(68,274)	(22,048)	(22)	(22,070)
Net finance expense	(53,365)	(27)	(53,392)	(21,869)	(22)	(21,891)

Continued overleaf >



Consolidated Income Statement (contd)

For the year ended 30 June 2023

	Trading Group 2023	Banking Group 2023	Total Combined 2023	Trading Group 2022	Banking Group 2022	Total Combined 2022
	£000	£000	£000	£000	£000	£000
Profit before tax from continuing operations	146,744	274,133	420,877	152,128	246,686	398,814
Taxation for the year	(46,410)	(128,966)	(175,376)	(55,722)	(134,345)	(190,067)
Profit from continuing operations	100,334	145,167	245,501	96,406	112,341	208,747
Profit after taxation from discontinued operations attributable	-	-	-	-	(493)	(493)
Profit for the year	100,334	145,167	245,501	96,406	111,848	208,254
Attributable to:						
Equity holders of the parent	88,380	79,735	168,115	80,984	61,547	142,531
Non-controlling interests	11,954	65,341	77,295	15,423	49,703	65,126
Investors of UBL funds	-	91	91	-	597	597
Profit for the year	100,334	145,167	245,501	96,407	111,847	208,254

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2023

	Trading Group 2023	Banking Group 2023	Total Combined 2023	Trading Group 2022	Banking Group 2022	Total Combined 2022
	£000	£000	£000	£000	£000	£000
Profit after taxation	100,334	145,167	245,501	96,406	111,848	208,254
Items that will not be reclassified subsequently to profit or loss:						
Profit attributable to investors of UBL funds	-	(93)	(93)	-	(601)	(601)
Revaluation of Property Plant and Equipment	(23,303)	-	(23,303)	291,963	-	291,963
Net gains on investments on equity instruments designated at FVOCI	-	1,592	1,592	-	1,226	1,226
Remeasurement of net defined benefit liability	(3,404)	4,206	802	(48,339)	5,608	(42,731)
	(26,707)	5,705	(21,002)	243,624	6,233	249,857
Items that are or may be reclassified subsequently to profit or loss when specific conditions have been met:						
Surplus / (loss) arising on revaluation of fixed assets	-	5,415	5,415	-	853	853
Surplus / (loss) arising on available for sale securities 'at FVOCI' net of tax	(268)	(79)	(347)	1,038	5	1,043
Reclassification adjustments for gains / (losses) included in profit net of deferred tax effects	(395)	-	(395)	(408)	-	(408)
Net loss on investments in debt instruments classified as 'at FVOCI'	-	(20,421)	(20,421)	-	6,151	6,151
Exchange (loss) / gain on translation of foreign operations	(47,713)	(198,320)	(246,034)	5,964	56,114	62,077
	(48,376)	(213,405)	(261,782)	6,594	63,123	69,716
Other comprehensive income for the year	(75,083)	(207,700)	(282,784)	250,217	69,356	319,573
Total comprehensive income for the year	25,251	(62,533)	(37,283)	346,623	181,204	527,827
Total comprehensive income attributable to:						
Owners of the Company	33,406	(33,393)	13	343,789	151,984	495,773
Non-controlling interests	(8,155)	(29,141)	(37,296)	2,836	29,221	32,056
Total comprehensive income for the year	25,251	(62,534)	(37,283)	346,625	181,204	527,829

Consolidated Balance Sheet

For the year ended 30 June 2023

	At 30 June 2023	At 30 June 2022
	£000	£000
Non-current assets		
Group Goodwill	32,697	32,924
Trading Group		
Other intangible assets	376,317	341,458
Property, plant and equipment	994,653	1,052,516
Investment property	167,879	164,138
Other long term receivables	2,569	3,751
Derivatives	13,751	6,725
Banking Group		
Other intangible assets	5,867	10,206
Property, plant and equipment	228,682	313,211
Investment property	108	855
Reinsurance assets	12,447	10,790
Investments in equity accounted investees	17,025	33,681
Other financial assets classified as held for sale	4,429,218	4,348,954
Lendings to financial institutions and advances	1,622,679	1,795,962
Employee Benefits	6,707	-
Deferred tax asset	84,025	55,857
TOTAL FIXED ASSETS	7,994,624	8,171,028
Current assets		
Trading Group		
Tax receivable	12,125	9,364
Inventories	376,193	315,070
Trade and other receivables	336,806	291,884
Short term investments	297,119	152,316
Cash and cash equivalents	646,233	565,999
Banking Group		
Tax receivable	0	0
Other financial assets classified as held for sale	824,310	2,603,018
Trade and other receivables	92,624	157,934
Lendings to financial institutions and advances	1,261,094	1,878,140
Cash and cash equivalents	906,786	1,100,055
TOTAL CURRENT ASSETS	4,753,290	7,073,780
TOTAL ASSETS	12,747,914	15,244,808
Current liabilities		
Trading Group		
Tax payable	2,003	8,125
Bank overdraft	225	257
Trade and other payables	753,660	708,820
Deferred Tax Liabilities	(2,321)	(2,321)
Other interest-bearing loans and borrowings	87,922	67,692
Provisions	13,281	10,161
Lease liabilities	20,105	21,607
Banking Group		
Trade and other payables	167,596	261,468
Deposits and other accounts	5,997,298	7,995,700
Payable to investors of UBL funds	2,816	14,963
Bills payable	68,759	128,675
Other interest-bearing loans and borrowings	1,667,901	2,117,473
TOTAL CURRENT LIABILITIES	8,779,245	11,332,620

Consolidated Balance Sheet (contd)

For the year ended 30 June 2023

	At 30 June 2023	At 30 June 2022
	£000	£000
Non-current liabilities		
Trading Group		
Other interest-bearing loans and borrowings	761,594	575,811
Preference shares	58,482	58,482
Deferred tax liabilities	190,179	176,205
Employee benefits	1,454	1,646
Provisions	4,078	4,035
Lease liabilities	104,412	112,906
Banking Group		
Other financial liabilities	21,530	22,585
Deposits and other accounts	734,599	711,141
Other interest-bearing loans and borrowings	104,726	102,287
Subordinated loan	28,636	41,311
Employee benefits	46	(245)
Technical provisions	16,708	15,865
TOTAL NON-CURRENT LIABILITIES	2,026,444	1,822,029
TOTAL LIABILITIES	10,805,689	13,154,649
TOTAL NET ASSETS	1,942,225	2,090,159
Equity		
Share capital	100,000	100,000
Share premium	1,579,217	1,579,210
Revaluation reserve	319,673	400,364
Merger reserve	(934,751)	(1,088,346)
Statutory reserve	244,478	229,977
Reserve pertaining to UBL funds	5,561	4,026
Translation reserves	(19,919)	113,259
Retained earnings	238,491	232,037
Equity attributable to owners of the Company	1,532,750	1,570,527
Non-controlling interests		
Non-controlling interests equity	409,475	519,631
TOTAL EQUITY	1,942,225	2,090,159

Consolidated Statement of Changes in Equity

For the year ended 30 June 2023

	Share capital account	Share premium account	Revaluation reserve	Capital redemption reserve	Merger difference reserve	Statutory reserve
	£000	£000	£000	£000	£000	£000
At 1 July 2021	100,000	1,579,217	182,191	-	(982,937)	248,617
Profit for the period	-	-	-	-	-	-
Other comprehensive income for the period	-	-	218,173	-	-	-
Total comprehensive income for the period	-	-	218,173	-	-	-
Issue of ordinary shares	-	1,579,217	-	-	(105,409)	-
Dividends paid	-	-	-	-	-	-
Repurchase of own shares	-	-	-	-	-	-
Change in non-controlling interest	-	-	-	-	-	-
Issuance and repurchase	-	-	-	-	-	-
Transfers	-	-	-	-	-	(18,640)
At 30 June 2022	100,000	1,579,217	400,364	0	(1,088,346)	229,977
At 1 July 2022	100,000	1,579,217	400,364	0	(1,088,346)	229,977
Profit for the period	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-23,303	-	-	-
Total comprehensive income for the period	-	-	-23,303	-	-	-
Issue of ordinary shares	-	-	-	-	-	-
Movement in the year	-	-	-57,388	-	153,595	-
Dividends paid	-	-	-	-	-	-
Repurchase of own shares	-	-	-	-	-	-
Change in non-controlling interest	-	-	-	-	-	-
Issuance and repurchase	-	-	-	-	-	-
Transfers	-	-	-	-	-	14,501
At 30 June 2023	100,000	1,579,217	319,673	-	(934,751)	244,478

Consolidated Statement of Changes in Equity

For the year ended 30 June 2023

	Reserve pertaining to UBL funds	Translation reserve	Retained earnings	Total attributable to owners	Non-controlling interest	Total
	£000	£000	£000	£000	£000	£000
At 1 July 2021	3,008	26,060	22,997	1,179,153	553,289	1,732,442
Profit for the period	-	-	142,531	142,531	65,723	208,254
Other comprehensive income for the period	-	87,199	47,869	353,242	-	-
Total comprehensive income for the period	-	87,199	190,400	495,773	32,056	527,829
Issue of ordinary shares	-	-	-	(105,409)	-	(105,409)
Dividends paid	-	-	-	-	(65,714)	(65,714)
Repurchase of own shares	-	-	-	-	-	-
Change in non-controlling interest	-	-	-	-	-	-
Issuance and repurchase	1,018	-	-	1,018	-	1,018
Transfers	-	-	18,640	-	-	-
At 30 June 2022	4,026	113,259	232,037	1,570,535	519,631	2,090,166
At 1 July 2022	3,008	113,259	232,037	1,570,535	519,631	2,090,166
Profit for the period	-	-	168,115	168,115	77,386	245,501
Other comprehensive income for the period	93	-	-144,614	-168,010	-120,006	(288,016)
Total comprehensive income for the period	93	-	23,501	105	-42,620	(42,515)
Issue of ordinary shares	-	-	-	-	-	-
Movement in the year	-	-133,178	(2545)	(39,516)	-	(107,053)
Dividends paid	-	-	-	-	-	-
Repurchase of own shares	-	-	-	-	-	-
Change in non-controlling interest	-	-	-	-	(67537)	(67537)
Issuance and repurchase	1,628	-	-	1,628	-	1,628
Transfers	-	-	-14,501	-	-	-
At 30 June 2023	5,561	(19,919)	238,491	1,532,750	409,475	1,942,225

Consolidated Cash Flow Statement

For the year ended 30 June 2023

	Trading Group 2023	Banking Group 2023	Total Combined 2023	Trading Group 2022	Banking Group 2022	Total Combined 2022
	£000	£000	£000	£000	£000	£000
Cash flows from operating activities						
Profit before tax	146,744	274,133	420,877	152,128	246,686	398,815
<i>Adjustments for:</i>						
Share of profit of equity accounted investees	12	3,766	3,778	-	(494)	(494)
Finance income	893	-	893	(18)	-	(18)
Other gains and losses	145	(6,343)	(6,198)	(7,251)	(8,666)	(15,917)
Finance costs	61,971	4,234	66,205	12,759	4,291	17,050
Depreciation of property, plant and equipment	98,552	20,937	119,489	54,821	19,956	74,777
Amortisation of intangible assets	6,172	3,341	9,513	42,782	3,720	46,502
Profit / (loss) on disposal of property, plant and equipment	(370)	(1,498)	(1,868)	(2,218)	(287)	(2,505)
Profit / (loss) on disposal of investment property	-	-	-	-	-	-
Change in value of investment property	(785)	-	(785)	-	-	-
Increase / (decrease) in provisions	-	50,113	50,113	-	21,487	21,487
Increase / (decrease) in pension provision	-	10,048	10,048	-	10,923	10,923
Impairment/ (reversal) of fixed assets	682	-	682	3,217	-	3,217
Impairment of goodwill	(11)	-	(11)	5,937	-	5,937
Impairment/ (reversal) of intangible assets	-	-	-	324	-	324
Operating cash flows before movements in working capital	314,005	358,731	672,736	262,481	297,616	560,098
(Increase) / decrease in inventories	(48,173)	-	(48,173)	(33,546)	-	(33,546)
Decrease / (increase) in receivables	(224,891)	-	(224,891)	74,825	-	74,825
(Decrease) / increase in payables	46,008	-	46,008	13,060	-	13,060
Decrease / (increase) in lending to financial institutions and advances	-	(514,204)	(514,204)	-	(1,128,786)	(1,128,786)
Increase / (decrease) in deposits and other accounts	-	1,228,054	1,228,054	-	2,050,707	2,050,707
Decrease / (increase) in investments	-	(698,836)	(698,836)	-	(1,090,558)	(1,090,558)
	-	-	-	-	-	-
Tax paid	(47,387)	(151,169)	(198,556)	(35,138)	(105,867)	(141,005)
Net cash from / (used in) operating activities	39,562	222,576	262,138	281,683	23,112	304,796
Cash flows from investing activities						
Interest received	112,795	-	112,795	71,182	-	71,182
Proceeds on disposal of property, plant and equipment	305,687	33,163	338,850	3,496	1,607	5,103
Proceeds on disposal of investment property	-	-	-	45	-	45
Purchases of property, plant and equipment	(27,347)	(39,638)	(66,985)	(19,091)	(28,997)	(48,088)
Purchase of investment property	-	-	-	(199)	-	(199)
Purchase of investments	(282,290)	-	(282,290)	-	-	-
Purchase of intangible assets	(7,559)	-	(7,559)	(10,685)	-	(10,685)
Acquisition of subsidiary net of cash	212,418	(1,531)	(213,948)	144,127	-	(144,127)
Dividends received / (paid)	8,790	-	8,790	7,561	-	7,561
Dividends paid to Owners of the Company	(58,930)	-	(58,930)	(35,126)	-	(35,126)
Dividends paid to non-controlling interest	-	(125,110)	(125,110)	-	(98,792)	(98,792)
Net cash (used in) investing activities	(161,271)	(133,116)	(294,387)	(126,944)	(126,182)	(253,126)

Consolidated Cash Flow Statement (contd)

For the year ended 30 June 2023

	Trading Group 2023	Banking Group 2023	Total Combined 2023	Trading Group 2022	Banking Group 2022	Total Combined 2022
	£000	£000	£000	£000	£000	£000
Cash flows from financing activities						
Net borrowings to / (from) third parties	(63,959)	-	(63,959)	444,323	-	444,323
Interest paid	(49,870)	-	(49,870)	(10,963)	(184)	(11,147)
Principal elements of lease payments	-	-	-	-	-	-
Net borrowings to / (from) subordinated loan	-	-	-	-	-	-
Net borrowings related party	402,615	-	402,615	(144,643)	-	(144,643)
Paid up share capital	-	-	-	(23,041)	-	(23,041)
Movement in unit holders funds	-	-	-	-	-	-
Proceeds from the issue of shares	-	-	-	(6,134)	-	(6,134)
Net cash (used in) / from financing activities	288,786	-	288,786	259,541	(184)	259,357
Net increase / (decrease) in cash and cash equivalents	167,076	89,461	256,537	414,280	(103,254)	311,026
Cash and cash equivalents at beginning of year	718,315	1,100,055	1,818,370	255,798	1,286,514	1,542,312
Effect of foreign exchange rate changes	57,962	(282,729)	(224,767)	48,237	(83,205)	(34,968)
Cash and cash equivalents at end of year	943,352	906,786	1,850,138	718,315	1,100,055	1,818,370

Company Information

Registered number	68536
Head Office	Bestway Group Limited 2 Abbey Road Park Royal London NW10 7BW United Kingdom
Directors	Sir MA Pervez OBE HPk <i>(Group Chairman)</i> Lord Z M Choudrey CBE, SI Pk, BA (Hons), FCA <i>(Group Chief Executive)</i> MY Sheikh R Pervez, ACA D Pervez, BA (Hons), MA Oxon, Solicitor H Z Choudrey, MA (Hons) Cantab, ACA
Secretary	Rabiah Sheikh Khokhar, BA (Hons), Solicitor
Solicitors	Hogan Lovells International LLP Atlantic House Holborn Viaduct London EC1A 2FG

