



EMPOWERING

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TOGETHER TOGETHER

FIRST QUARTER REPORT MARCH 2024



# CORPORATE INFORMATION

As at March 31, 2024

## Board of Directors

**Ms. Lai Kuen Goh**  
Chairperson

**Ms. Erum Shakir Rahim**  
Chief Executive Officer

**Mr. Hasham Ali Baber**  
Chief Financial Officer

**Ms. Maheen Rahman**  
Independent Director

**Mr. Muneer Kamal**  
Independent Director

**Mr. Mehmood Mandviwalla**  
Non-Executive Director

**Mr. Simon Foster**  
Non-Executive Director

## Audit Committee

**Mr. Muneer Kamal**  
Chairman

**Ms. Lai Kuen Goh**  
Member

**Mr. Simon Foster**  
Member

**Mr. Mehmood Mandviwalla**  
Member

**Ms. Maheen Rahman**  
Member

**Mr. Ovais Farooq**  
Secretary

## Human Resource & Remuneration Committee

**Ms. Maheen Rahman**  
Chairperson

**Mr. Mehmood Mandviwalla**  
Member

**Ms. Lai Kuen Goh**  
Member

**Mr. Simon Foster**  
Member

**Ms. Erum Shakir Rahim**  
Member

**Mr. Paul Banks**  
Secretary

## Disclosure Committee

**Ms. Erum Shakir Rahim**  
Chairperson

**Ms. Lai Kuen Goh**  
Member

**Agha Salman Taimur**  
Member

**Mr. Hasham Ali Baber**  
Secretary

## Management Committee

**Ms. Erum Shakir Rahim**  
Chief Executive Officer

**Mr. Hasham Ali Baber**  
Chief Financial Officer

**Hina Mir\***  
Legal Director

**Dr. Tariq Farooq**  
Director Business Unit 1

**Syed Nasir Farid**  
Director Business Unit 2

**Dr. Naved Masoom Ali**  
Director Business Unit 3 & CTC

**Mr. Rafay Ahmed**  
Director Commercial Operations

**Dr. Gohar Nayab Khan**  
Head of Regulatory Affairs

**Ms. Sumera Naveed**  
Director Communication &  
Government Affairs

**Mr. Faisal Ahmed**  
Country Ethics & Compliance Head

**Dr. Yousuf Hasan Khan**  
Director Medical

**Syed Nabigh Raza Alam**  
Tech Head

**Ms. Mariam Siraj**  
Interim Country Head - HR

**Mr. Yasir Rehman**  
Head of Transformation

**Mr. Khurshand Iqbal**  
Site Director - F/268

**Mr. Muhammad Kashif Ayub**  
Site Director - West Wharf

**Mr. Masood Khan**  
Interim Site Director - Korangi

## Company Secretary

Agha Salman Taimur

## Chief Financial Officer

Mr. Hasham Ali Baber

## Chief Internal Auditor

Mr. Ovais Farooq

## Bankers

Standard Chartered Bank (Pakistan) Ltd  
Citibank NA Pakistan  
Deutsche Bank A.G. Pakistan Operations  
Habib Bank Limited  
Meezan Bank Limited

## Auditors

Yousuf Adil Chartered Accountants

## Legal Advisors

Hashmi & Hashmi  
Faisal, Mahmood Ghani and Co  
Legal Consultancy Inc.

## Registered Office

35 - Dockyard Road, West Wharf,  
Karachi - 74000.  
Tel: 92-21-111-475-725  
(111-GSK-PAK)  
Website: [www.pk.gsk.com](http://www.pk.gsk.com)

## Share Registrar

CDC Share Registrar Services Limited  
CDC House, 99 – B, Block 'B',  
S.M.C.H.S., Main Shahra-e-Faisal  
Karachi – 74400, Pakistan  
Tel: Customer Support Services  
(Toll Free) 0800-CDCPL (23275)  
Fax: (92-21) 34326053  
Email: [info@cdcsrcsl.com](mailto:info@cdcsrcsl.com)  
Website: [www.cdcsrcsl.com](http://www.cdcsrcsl.com)

\* Ms. Hina Mir appointed as Legal director as at March 08, 2024.

# GROUP OWNERSHIP STRUCTURE





# Directors' Report to Shareholders

The Directors of GlaxoSmithKline Pakistan Limited (the "Company") are pleased to present the un-audited financial information of your Company for the three months period ended March 31, 2024. This financial information is submitted in accordance with Section 227 of the Companies Act, 2017.

## Business environment and challenges:

Post the democratic elections in Pakistan and subsequent formation of Government, the macroeconomic indicators are yet to show any improvement. The exchange rate has remained consistent since the past few quarters and the interest rate has remained at the same level but is expected to reduce. The consumer price index has reduced from the previous quarter.

The pharma industry continued advocacy building, to have a more enabling business environment, by creating the understanding of the issues faced by the industry at levels of the government. As a result, recent SRO was issued by Government on deregulation of non-essential pharmaceutical products and approved the pending hardship cases for essential products. We are grateful for this welcome development and remain committed to working towards the betterment of healthcare in Pakistan.

## Review of Operating Results:

For the period ended March 31, 2024, the Company achieved net sales of Rs. 15.6 billion. The total net sales also include Haleon Pakistan Limited (Haleon) of Rs. 0.45 billion as compared to Rs. 0.39 billion in the same period last year. The sale to Haleon Pakistan Limited is on account of products manufactured by the Company for which market authorization rights remain with GlaxoSmithKline Pakistan Limited. The underlying sales growth, excluding sales to Haleon, is 38%. The growth is driven by sharpened execution, robust HCP engagement, use of digital channels, and price increase versus same period last year. Resulting in key brands showing double digit growth.

The gross margin of the Company for the year was 14.5% showing an increase of 5% from last year. The higher gross profit percentage this year is due to price increase offset by increase in cost due to devaluation of currency and inflation.

During the quarter, the Company continued to prudently invest behind key business drivers to deliver competitive

growth and higher return on investment. As a result, operating expenses as a percentage of sales decreased by 2% vs same period LY.

Earnings per share for this quarter increased from Rs. 1.35 to Rs. 1.78.

## Future Outlook

Establishing a conducive business environment in Pakistan is crucial for upholding the highest standards of quality and safety in our products. We believe that collaboration between the government, regulatory bodies and industry stakeholders is vital in tackling this issue and safeguarding the health of the population. We aim to work with the relevant stakeholders to create a robust regulatory framework that promotes the production and distribution of safe and effective medicines, ultimately benefiting patients across the country.

Furthermore, we recognize the value of investing in our human capital. We will continue to foster a caring culture that encourages collaboration, creativity, and innovation. By nurturing our talented employees and providing them with the support and resources they need, we can drive positive outcomes for both our company and the patients we serve.

## Acknowledgment:

The Board of Directors would like to take this opportunity to express its deep appreciation of the commitment, resilience, courage, and dedication of its employees. We would also like to acknowledge the continued support and cooperation received from our esteemed customers, suppliers, bankers, shareholders and thank them for their confidence in our Company and products.

## By order of the Board



**Erum Shakir Rahim**  
Chief Executive Officer

Karachi  
April 26, 2024



**Hasham Ali Baber**  
Director

## ڈائریکٹرز کی رپورٹ برائے شیئر ہولڈرز

گلیکو اسمتھ کلائن پاکستان لمیٹڈ ("کمپنی") کے ڈائریکٹر غیر آڈٹ شدہ مالیاتی معلومات برائے تین ماہ از اختتام مدت 31 مارچ 2024ء پیش کرتے ہوئے انتہائی مسرت محسوس کر رہے ہیں۔ یہ مالیاتی معلومات کمپنیز ایکٹ 2017ء کے سیکشن 227 کے مطابق جمع کروائی گئی ہیں۔

اس سہ ماہی کے دوران کمپنی نے کلیدی کاروباری محرکات میں محتاط سرمایہ کاری کی تاکہ مسابقتی ترقی اور سرمایہ کاری پر بہتر منافع حاصل ہو سکے۔ نتیجتاً عملی اخراجات سیلز کے تناسب سے گزشتہ سال کے مقابلے میں 2 فیصد کم ہو گئے۔

آمدنی فی شیئر اس سہ ماہی میں 1.35 روپے سے 1.78 روپے تک بڑھ گئی۔

### مستقبل کا جائزہ:

پاکستان میں کاروبار کے لئے سازگار ماحول کا قیام، ہماری مصنوعات میں اعلیٰ ترین معیار اور تحفظ کے لئے نہایت اہم ہے۔ ہمیں یقین ہے کہ حکومت، انضباطی اداروں اور صنعت کے حصے داروں کا اشتراک مسائل کے حل اور آبادی کی صحت کے تحفظ کے لئے لازمی ہے۔ ہمارا عزم متعلقہ حصے داروں کے ساتھ ایک ایسے مضبوط انضباطی ڈھانچے کی تشکیل کے لئے کام کرنا ہے جو محفوظ اور موثر ادویات کی تیاری اور تقسیم کو فروغ دے تاکہ ملک بھر میں مریضوں کو فائدہ پہنچ سکے۔

مزید برآں، ہم انسانی وسائل میں سرمایہ کاری کی اہمیت سے واقف ہیں۔ ہم ایک ایسے ماحول کی ترویج جاری رکھیں گے جو اشتراک، تخلیق اور اختراعات کی حوصلہ افزائی کرے۔ اپنے باصلاحیت ملازمین کی دیکھ بھال اور انہیں ضروری سپورٹ اور وسائل فراہم کر کے، ہم نہ صرف کمپنی کے لئے بلکہ ان مریضوں کے لئے بھی مثبت نتائج حاصل کر سکتے ہیں جن کی خدمت ہمارا فرض ہے۔

### ستائشی کلمات:

بورڈ آف ڈائریکٹرز اس موقع پر کمپنی کے ملازمین کے گرانقدر جذبے، ثابت قدمی، حوصلے اور عزم کا دل کی گہرائیوں سے شکریہ ادا کرتے ہیں۔ ہم اپنے معزز کسٹمرز، سپلائرز، بینکرز اور شرکاء داروں کی مسلسل سپورٹ اور تعاون کے لئے بھی ممنون ہیں اور کمپنی اور اس کی پراڈکٹس پر ان کے اعتماد کے لئے شکر گزار ہیں۔

### بجگم بورڈ

  
حشام علی باہر  
ڈائریکٹر

  
ارم شاکر رحیم  
چیف ایگزیکٹو آفیسر

کراچی 26 اپریل، 2024

### کاروباری ماحول اور مشکلات:

پاکستان میں جمہوری انتخابات اور ان کے نتائج کے مطابق حکومت تشکیل ہونے کے بعد کلاں معاشی اشاروں نے کوئی بہتری نہیں دکھائی ہے۔ ایکسچینج ریٹ گزشتہ چند ماہوں سے مستحکم ہے اور سود کی شرح اسی سطح پر قائم ہے لیکن اس میں کمی کی توقع ہے۔ صارفی قیمت کا اشاریہ گزشتہ سہ ماہی کے مقابلے میں کم ہوا ہے۔

دوا سازی کی صنعت نے کاروبار کے لئے سازگار ماحول کی خاطر حمایت سازی کو جاری رکھا۔ اس مقصد سے حکومت کی ہر سطح پر صنعت کو پیش آنے والے مسائل سے آگاہی پہنچائی گئی۔ نتیجتاً حکومت کی جانب سے حال ہی میں غیر لازمی فارماسیوٹیکل مصنوعات کی ڈی ریگولیشن پراہم ایس آر او جاری ہوا، اور لازمی مصنوعات سے متعلق مشکلات کے کیس منظور ہوئے۔ ہم نہایت مسرت کے ساتھ اس تبدل کا خیر مقدم کرتے ہیں اور پاکستان میں صحت عامہ کی بہتری کے لئے کام کرنے کے عزم پر قائم ہیں۔

### عملی نتائج کا جائزہ:

از اختتام مدت 31 مارچ 2024ء، کمپنی نے 15.6 بلین روپے کی نیٹ سیلز حاصل کی۔ مجموعی نیٹ سیل میں ہیلیون پاکستان لمیٹڈ کے ذریعے حاصل ہونے والے 0.45 بلین روپے کی آمدنی بھی شامل ہے جو گزشتہ سال اسی عرصے میں 0.39 بلین تھی۔ اس سیلز کا تعلق ہیلیون پاکستان لمیٹڈ کی ان مصنوعات سے ہے جو کمپنی تیار کرتی ہے اور جن کی مارکیٹنگ کے اختیاری حقوق بھی گلیکو اسمتھ کلائن پاکستان لمیٹڈ کے پاس محفوظ ہیں۔ ہیلیون کی سیلز کے علاوہ، سیلز کی بنیادی ترقی 38% فیصد رہی۔ اس ترقی کی وجوہات جامع عمل درآمد، مختلف ذرائع سے ہیلتھ کیئر پروفیشنلز کے ساتھ موثر روابط، اور گزشتہ سال اسی عرصے کے مقابلے میں قیمتوں میں اضافہ رہیں۔ نتیجتاً کلیدی برانڈز نے دہرے اعداد میں ترقی حاصل کی۔

سال کے لئے کمپنی کا مجموعی مارجن 14.5 فیصد تھا جو گزشتہ سال اسی عرصے کے مقابلے میں 5% فیصد کی ترقی تھی۔ منافع میں اس ترقی کی وجہ قیمتوں میں اضافہ تھا جو کرنسی کی قدر میں کمی اور مہنگائی کے باعث کیا گیا۔

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

	Note	Un-audited March 31, 2024	Audited December 31, 2023
----- Rupees in '000 -----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	12,190,201	11,700,561
Intangibles		955,742	955,742
Long-term loans to employees		78,857	83,809
Long-term deposits		50,147	50,147
		<b>13,274,947</b>	<b>12,790,259</b>
<b>Current assets</b>			
Stores and spares		244,296	225,107
Stock-in-trade		12,687,029	11,568,858
Trade receivables		1,373,875	1,028,474
Loans and advances		1,151,124	1,182,679
Trade deposits and prepayments		258,209	218,946
Refunds due from Government		1,242,846	1,242,846
Other receivables		6,854,169	6,262,973
Cash and bank balances		3,073,029	3,610,757
		<b>26,884,577</b>	<b>25,340,640</b>
<b>Total assets</b>		<b>40,159,524</b>	<b>38,130,899</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		3,184,672	3,184,672
Reserves		19,056,450	18,491,169
<b>Total equity</b>		<b>22,241,122</b>	<b>21,675,841</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Staff retirement benefits		629,042	593,709
Deferred taxation		1,064,658	1,180,595
Lease liabilities		109,399	116,035
		<b>1,803,099</b>	<b>1,890,339</b>
<b>Current liabilities</b>			
Trade and other payables	5	15,476,365	14,187,716
Taxation - provision less payments		304,819	68,689
Provisions	6	156,773	138,332
Current portion of lease liabilities		43,742	35,935
Unclaimed dividend		133,604	134,047
		<b>16,115,303</b>	<b>14,564,719</b>
<b>Total liabilities</b>		<b>17,918,402</b>	<b>16,455,058</b>
<b>Total equity and liabilities</b>		<b>40,159,524</b>	<b>38,130,899</b>
<b>Contingencies and commitments</b>			
	7		

The annexed notes 1 to 15 form an integral part of this condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the quarter ended March 31, 2024 (Unaudited)

		March 31, 2024	March 31, 2023
	Note	----- Rupees in '000 -----	
Revenue from contracts with customers - net	8	15,616,126	11,399,120
Cost of sales		(13,347,268)	(10,286,273)
<b>Gross profit</b>		<b>2,268,858</b>	<b>1,112,847</b>
Selling, marketing and distribution expenses	9	(1,116,675)	(1,061,572)
Administrative expenses		(528,195)	(438,816)
Other operating expenses		(91,065)	(59,151)
Other income	10	477,440	1,798,279
<b>Operating profit</b>		<b>1,010,363</b>	<b>1,351,587</b>
Financial charges		(50,458)	(688,345)
<b>Profit before taxation</b>		<b>959,905</b>	<b>663,242</b>
Taxation - net		(394,624)	(232,680)
<b>Profit after taxation</b>		<b>565,281</b>	<b>430,562</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>		<b>565,281</b>	<b>430,562</b>
Earnings per share - basic and diluted	11	<b>Rs. 1.78</b>	Rs. 1.35

The annexed notes 1 to 15 form an integral part of this condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the quarter ended March 31, 2024 (Unaudited)

	Share capital	Reserves			Total Reserves	Total
		Capital reserve	Revenue reserves			
		Reserve arising on schemes of arrangements	General reserve	Unappropriated profit		
----- Rupees in '000 -----						
Balance as at January 1, 2023	3,184,672	1,126,923	3,999,970	12,741,542	17,868,435	21,053,107
<b>Total comprehensive income for the quarter ended March 31, 2023</b>	-	-	-	430,562	430,562	430,562
<b>Balance as at March 31, 2023</b>	<u>3,184,672</u>	<u>1,126,923</u>	<u>3,999,970</u>	<u>13,172,104</u>	<u>18,298,997</u>	<u>21,483,669</u>
Balance as at January 1, 2024	<b>3,184,672</b>	<b>1,126,923</b>	<b>3,999,970</b>	<b>13,364,276</b>	<b>18,491,169</b>	<b>21,675,841</b>
<b>Total comprehensive income for quarter ended March 31, 2024</b>	-	-	-	565,281	565,281	565,281
<b>Balance as at March 31, 2024</b>	<u><b>3,184,672</b></u>	<u><b>1,126,923</b></u>	<u><b>3,999,970</b></u>	<u><b>13,929,557</b></u>	<u><b>19,056,450</b></u>	<u><b>22,241,122</b></u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the quarter ended March 31, 2024 (Unaudited)

	Note	March 31, 2024	March 31, 2023
----- Rupees in '000 -----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from / (used in) operations	12	753,037	(1,557,578)
Contribution to retirement benefits fund		(40,225)	(25,000)
Income taxes paid		(274,431)	(584,312)
Decrease in long-term loans to employees		4,952	271
<b>Net cash generated from / (used in) operating activities</b>		<b>443,333</b>	<b>(2,166,619)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(803,912)	(341,058)
Proceeds from sale of operating assets		34,853	55,418
Return received on bank balances and investments		49,474	154,070
<b>Net cash used in investing activities</b>		<b>(719,585)</b>	<b>(131,570)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease rental		(7,855)	(2,642)
Dividend paid		(443)	-
<b>Net cash used in financing activities</b>		<b>(8,298)</b>	<b>(2,642)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(284,550)</b>	<b>(2,300,831)</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>3,037,824</b>	<b>4,470,382</b>
<b>Cash and cash equivalents at end of the period</b>	13	<b>2,753,274</b>	<b>2,169,551</b>

The annexed notes 1 to 15 form an integral part of this condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

# Notes to the Condensed Interim Financial Statements

For the quarter ended March 31, 2024 (Unaudited)

## 1. THE COMPANY AND ITS OPERATIONS

GlaxoSmithKline Pakistan Limited (the Company) is incorporated in Pakistan as a limited liability company and is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 35 - Dockyard Road, West Wharf, Karachi, Sindh. It is engaged in manufacturing and marketing of research based ethical specialties and pharmaceutical products.

The Company is a subsidiary of GSK International Holding and Finance B.V., incorporated in Netherlands, whereas its ultimate parent company is GSK plc, UK.

- 1.1 Due to the pending transfer of marketing authorisations and permissions for certain Over the Counter (OTC) products of Haleon Pakistan Limited with Drug Regulatory Authority of Pakistan (DRAP), the Company, for and on behalf of Haleon Pakistan Limited was engaged in the procurement, manufacturing and managing the related inventory and receivable balances pertaining to such products against a service fee charged by the Company. The marketing authorisation and permissions for certain OTC products were transferred to Haleon Pakistan Limited and therefore, Haleon Pakistan Limited is now involved in procurement, manufacturing and managing of such inventory items since approval date.

## 2. BASIS OF PREPARATION

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 (the Act); and
- Provisions of and directives issued under the Act.

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.

- 2.1 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 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 December 31, 2023.

## 3. ACCOUNTING POLICIES

### 3.1 Material accounting policies

- 3.1.1 The accounting policies 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 of the Company for the year ended December 31, 2023.

- 3.1.2 Taxes on income are accrued using the average tax rate that is expected to be applicable to the full financial year.

- 3.1.3 Actuarial valuations are carried out on annual basis. The last actuarial valuation was carried out on December 31, 2023, therefore, no impact of actuarial gain / loss has been calculated for the current period and comparative condensed financial statements has also not been adjusted for the same reason.

### 3.2 Application of new standards, amendments and interpretations to the published approved accounting and reporting standards

#### 3.2.1 Amendments to IFRS that are effective for the year ending December 31, 2024

The following amendments are effective for the year ending December 31, 2024. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	Effective from accounting periods beginning on or after
- Amendments to IFRS16 'Leases' -Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with Convents along with Classification of liabilities as current or non-current	January 01, 2024
- Amendments to IAS7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024

### 3.3 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 December 31, 2023.

### 3.4 Fair value of financial assets and liabilities

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

### 3.5 Estimates and judgments

Estimates and judgments made by management in the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual audited financial statements of the Company for the year ended December 31, 2023.

	Note	(Un-audited) March 31, 2024	(Audited) December 31, 2023
----- Rupees in '000 -----			
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating assets	4.1	10,067,250	10,019,748
Capital work-in-progress		1,748,136	1,294,573
Right-of-use assets - land and building		153,412	163,551
Major spare parts		221,403	222,689
		<b>12,190,201</b>	<b>11,700,561</b>

**4.1 Details of additions to and disposals of operating assets are as follows:**

	(Un-audited) Additions (at cost)		(Un-audited) Disposals (at net book value)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- Rupees in '000 -----			
Improvements on buildings	4,614	-	-	-
Plant and machinery	70,378	-	-	6,584
Furniture and fixtures	21,561	-	-	-
Vehicles	90,971	154,799	31,031	32,723
Office equipments	161,603	8,052	-	685
	<b>349,127</b>	162,851	<b>31,031</b>	39,992

(Un-audited)                      (Audited)  
**March 31,**                      December 31,  
**2024**                              2023  
----- Rupees in '000 -----

**5. TRADE AND OTHER PAYABLES**

Creditors and bills payable	<b>6,322,005</b>	5,949,794
Accrued liabilities	<b>5,142,170</b>	4,187,314
Others	<b>4,012,190</b>	4,050,608
	<b>15,476,365</b>	14,187,716

**6. PROVISIONS**

During the period ended March 31, 2024, Provisions include restructuring costs and government levies of Rs. 40.96 million and Rs. 115.81 million (2023: Rs. 40.96 million and Rs. 97.37 million) respectively.

**7. CONTINGENCIES AND COMMITMENTS**

**7.1** As at March 31, 2024, there is no change in the status of contingencies as reported in the financial statements for the year ended December 31, 2023:

The management is confident that the ultimate decision in the above case will be in favour of the Company, hence, no provision has been recognised in respect of the aforementioned matter.

**7.2** Commitments for capital expenditure outstanding as at March 31, 2024, amounted to Rs. 606.41 million (2023: Rs. 831.09 million).

## 8. REVENUE FROM CONTRACT WITH CUSTOMERS - NET

- 8.1 The revenue from contract with customers include sales of Over the Counter products amounting to Rs. 0.45 billion (March 31, 2023: Rs. 0.39 billion) to Haleon Pakistan Limited being manufactured by the Company due to pending transfer of marketing authorisations by Drug Regulatory Authority of Pakistan ('DRAP') - refer note 11.

## 9. SELLING, MARKETING AND DISTRIBUTION EXPENSES

This includes advertising and sales promotion expenses of Rs. 185.23 million (March 31, 2023: Rs. 166.47 million).

## 10. OTHER INCOME

### Income from financial assets

Income on savings and deposit accounts

### Income from non-financial assets

Gain on disposal of operating assets

### Others

Scrap sales

Promotional allowance - note 10.1

Service fee

Liabilities no longer required written back

Others

	Quarter ended	
	March 31, 2024	March 31, 2023
	----- Rupees in '000 -----	
	49,474	151,637
	3,822	15,426
	15,681	25,053
	393,735	1,535,514
	3,300	3,300
	-	54,969
	11,428	12,380
	<b>477,440</b>	<b>1,798,279</b>

- 10.1 This represents allowance from GSK group against various promotional activities for brand building and sustainable return on investments.

## 11. EARNINGS PER SHARE - BASIC AND DILUTED

Profit after taxation

Weighted average number of shares  
outstanding during the period (in thousand)

Earnings per share - basic and diluted

	(Un-audited) March 31, 2024	(Un-audited) March 31, 2023
	----- Rupees in '000 -----	
	565,281	430,562
	318,467	318,467
	1.78	1.35

- 11.1 A diluted earnings per share has not been presented as the Company did not have any convertible instruments in issue as at March 31, 2024 which would have any effect on the earnings per share if the option to convert is exercised.

(Un-audited)                      (Un-audited)  
**March 31,**                      March 31,  
**2024**                              2023  
----- Rupees in '000 -----

## 12. CASH GENERATED FROM OPERATIONS

Profit before taxation	<b>959,905</b>	663,242
<b>Add / (less): Adjustments for non-cash charges and other items</b>		
Depreciation and impairment	<b>283,241</b>	221,242
Provision for slow moving, obsolete and damaged stock-in-trade net of stock written off	<b>84,545</b>	17,882
Gain on disposal of operating fixed assets	<b>(3,822)</b>	(15,426)
Interest income	<b>(49,474)</b>	(151,637)
Interest on lease liabilities	<b>9,026</b>	1,067
Provision for staff retirement benefits	<b>75,558</b>	58,778
Profit before working capital changes	<b>1,358,979</b>	795,148
<b>Effect on cash flow due to working capital changes</b>		
(Increase) / decrease in current assets		
Stores and spares	<b>(19,189)</b>	(8,973)
Stock-in-trade	<b>(1,202,716)</b>	(2,172,075)
Trade receivables	<b>(345,401)</b>	(321,161)
Loans and advances	<b>31,555</b>	58,323
Trade deposits and prepayments	<b>(39,263)</b>	(80,026)
Refunds due from the government	<b>-</b>	9,024
Other receivables	<b>(591,196)</b>	(1,771,929)
	<b>(2,166,210)</b>	(4,286,817)
Increase in current liabilities		
Trade and other payables	<b>1,541,827</b>	1,917,857
Provisions	<b>18,441</b>	16,234
	<b>(605,942)</b>	(2,352,726)
	<b>753,037</b>	(1,557,578)

(Un-audited)  
March 31,  
2024

(Un-audited)  
March 31,  
2023

----- Rupees in '000 -----

### 13. CASH AND CASH EQUIVALENTS

Cash and bank balances	3,073,029	2,314,725
Book overdraft	(319,755)	(145,174)
	2,753,274	2,169,551

### 14. TRANSACTIONS WITH RELATED PARTIES

The related parties include associated companies, directors and key management personnel of the Company. The transactions with related parties are carried out in the normal course of business at contracted rates. Details of transactions with related parties and balances with them at period end, other than those which have been disclosed elsewhere in these financial statements, are as follows:

(Un-audited)  
March 31,  
2024

(Un-audited)  
March 31,  
2023

----- Rupees in '000 -----

#### 14.1 Details of transactions carried out during the period with the related parties are as follows:

Relationship	Nature of transactions		
Associated companies:	a. Royalty expense charged	171,424	111,017
	b. Purchase of goods	1,116,173	2,539,659
	c. Sale of goods	891	-
	d. Recovery of expenses	311,249	185,584
	e. Promotional allowance	393,735	1,535,514
Staff retirement funds:	b. Payments to retirement benefit plans	87,088	51,668
Key management personnel:	a. Salaries and other employee benefits	288,536	225,895
	b. Post employment benefits	9,918	8,445
	c. Proceeds from sale of fixed assets	777	-

### 15. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on April 26, 2024.



Chief Executive Officer



Chief Financial Officer



Director



EMPOWERING TOMORROW,  
TOGETHER

**GlaxoSmithKline Pakistan Limited**

35 - Dockyard Road, West Wharf, Karachi - 74000

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