



# Together for Better Health

HALF YEAR REPORT

25



# Corporate Information

As at June 30, 2025

## 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

**Ms. Ana Paula De Freitas Passos**  
Non-Executive Director

## Audit Committee

**Mr. Muneer Kamal**  
Chairman

**Ms. Lai Kuen Goh**  
Member

**Ms. Ana Paula De Freitas Passos**  
Member

**Mr. Mehmood Mandviwalla**  
Member

**Ms. Maheen Rahman**  
Member

**Mr. Kashif Rafiq**  
Secretary

## Human Resource & Remuneration Committee

**Ms. Maheen Rahman**  
Chairperson

**Mr. Mehmood Mandviwalla**  
Member

**Ms. Lai Kuen Goh**  
Member

**Ms. Ana Paula De Freitas Passos**  
Member

**Ms. Erum Shakir Rahim**  
Member

**Ms. Sabiqa Kiyani**  
Secretary

## Disclosure Committee

**Ms. Erum Shakir Rahim**  
Chairperson

**Ms. Lai Kuen Goh**  
Member

**Ms. Hina Mir**  
Member

**Mr. Hasham Ali Baber**  
Secretary

## Management Committee

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

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

**Ms. Hina Mir**  
Legal Director

**Dr. Tariq Farooq**  
Director Business Unit 1 & 2

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

**Mr. Rafay Ahmed**  
Director Commercial Operations

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

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

**Dr. Yousuf Hasan Khan**  
Director Medical

**Syed Nabigh Raza Alam**  
Tech Head

**Ms. Sabiqa Kiyani**  
HR Country Head

**Mr. Yasir Rehman\***  
Head of Adult Vaccine

**Andleeb Ahmed\*\***  
Director Communications & Government Affairs

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

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

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

## Company Secretary

**Ms. Hina Mir**

## Chief Financial Officer

**Mr. Hasham Ali Baber**

## Chief Internal Auditor

**Mr. Kashif Rafiq**

## 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

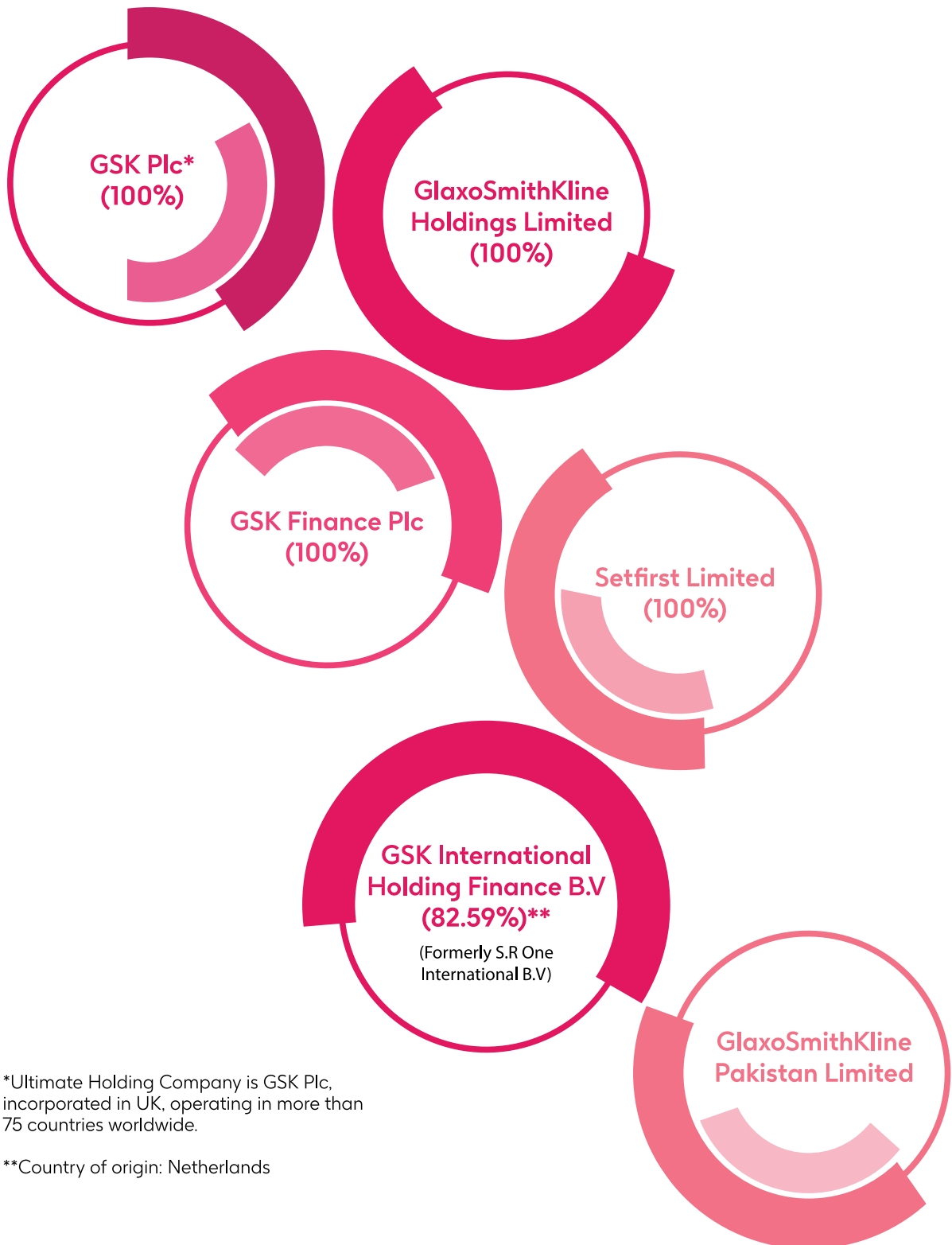
CDC Share Registrar Services Limited  
CDC House, 99 – B, Block 'B',  
S.M.C.H.S., Main Shahra-e-Faisal  
Karachi – 74400, Pakistan  
Tel: Customer Support Services  
(Toll Free) 0800-CDCPL (23275)  
Fax: (92-21) 34326053  
Email: [info@cdcsrsl.com](mailto:info@cdcsrsl.com)  
Website: [www.cdcsrsl.com](http://www.cdcsrsl.com)

\* Mr. Yasir Rehman resigned on May 30th, 2025.

\*\* Ms. Andleeb Ahmed appointed as Director Communications & Government Affairs on May 15th, 2025.



# Group Ownership Structure



\*Ultimate Holding Company is GSK Plc, incorporated in UK, operating in more than 75 countries worldwide.

\*\*Country of origin: Netherlands

# Directors' Report to Shareholders

## Directors' Report to the Shareholders

The Directors of GlaxoSmithKline Pakistan Limited (the "Company") are pleased to present the un-audited financial information of your Company for the six months period ended June 30, 2025. This financial information is submitted in accordance with Section 227 of the Companies Act, 2017.

### Business environment and challenges:

The economy showed modest improvement in the first half of FY 2025, with GDP growth reaching 2.7 percent, inflation gradually easing, and a reduction in the policy rate. While the government's stabilization measures have provided some relief, there are still challenges that persist, such as a dollar shortage, energy pricing, poverty, and unemployment. We are hopeful that the Government will take the right measures for macroeconomic improvements.

The recent budget, with its fiscal consolidation measures aimed at stabilizing the economy, fell short in addressing critical areas such as tax reforms, human capital development, and climate resilience. Higher tax rates, without widening the tax base, could lead to a decline in economic activity, investment, and growth.

The Company remains dedicated to leading the way in addressing the healthcare needs of the country. Our focus is on ensuring patients have access to high-quality medicines while also striving to improve profitability. This is accomplished through sustainability measures, increased efficiency, and cost-effective initiatives designed to maximize returns for shareholders.

### Review of Operating Results:

For the period ended June 30, 2025, the Company achieved net sales of Rs. 30.3 billion. The total net sales also include Haleon Pakistan Limited (Haleon) of Rs. 0.57 billion as compared to Rs. 0.89 billion in the same period last year. Excluding these specific sales, the underlying sales growth is 6.3%. This growth is mainly driven by price increase.

The gross margin of the Company for the period was 35% showing an increase of 16% from the last period. This higher gross profit percentage is due to price increases through deregulation of non-essential products, CPI price increase, and various profitability and sustainability measures.

During the quarter, the Company continued to prudently invest behind key business drivers to deliver competitive growth and higher return on investment.

Earnings per share for this period increased from Rs. 5.19 to Rs. 13.17.

The Board is pleased to announce a cash dividend of Rs 5.00 per share for half year ended June 30, 2025.

### Future Outlook

Amid geopolitical tensions that could disrupt supply chains and impact commodity prices, the gradual recovery in international markets and the easing of inflationary pressures globally have provided some relief to businesses. Policy reforms and strengthened diplomatic ties play a crucial role in mitigating these risks, leading to reduced reciprocal tariffs and prospective investment in Pakistan's infrastructure, though the long-term impact of these measures remains to be assessed.

The Company continues to enhance its competencies and evaluate strategies to ensure they remain relevant to the evolving business landscape, focus on innovation, and manage costs efficiently. Recognizing the importance of employees, the company is committed to keep nurturing a supportive and creative workplace to benefit both its employees and the patients they 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



**Hasham Ali Baber**  
Director

Karachi  
August 26, 2025

## ڈائریکٹرز کی شیئر ہولڈرز کے نام رپورٹ

کے مطابق قیمتوں میں اضافے، اور منافع اور پائیداری کے لیے اٹھائے گئے مختلف اقدامات کی وجہ سے ہے۔

اس سہ ماہی کے دوران، کمپنی نے محتاط حکمت عملی کے ساتھ اہم کاروباری عوامل میں سرمایہ کاری کے سلسلے کو جاری رکھا تاکہ مسابقتی گروتھ اور سرمایہ کاری پر زیادہ منافع کو یقینی بنایا جاسکے

اس مدت کے لیے فی شیئر منافع 5.19 روپے سے بڑھ کر 13.17 روپے ہو گیا۔

بورڈ خوشی سے اعلان کرتا ہے کہ 30 جون 2025 کی سہ ماہی کے لیے فی شیئر 5.00 روپے نقد منافع دیا جائے گا۔

### مستقبل کا منظر نامہ

جغرافیائی سیاسی کشیدگی کے دوران، جو سپلائی چین کو متاثر کرنے کے ساتھ ساتھ ایشیا کی قیمتوں پر اثر انداز ہو سکتی ہے، بین الاقوامی مارکیٹس میں بتدریج بحالی اور عالمی سطح پر مہنگائی کے دباؤ میں کمی نے کاروباروں کو کچھ ریلیف فراہم کیا ہے۔ پالیسی اصلاحات اور مضبوط سفارشی تعلقات ان خدشات کو کم کرنے میں اہم کردار ادا کرتے ہیں، جو باہمی ٹیرف میں کمی اور پاکستان کے انفراسٹرکچر میں متوقع سرمایہ کاری کا باعث بنتے ہیں، تاہم ابھی ان اقدامات کے طویل مدتی اثرات کا جائزہ لینا باقی ہے۔

کمپنی اپنی صلاحیتوں میں اضافے اور حکمت عملیوں کا جائزہ لینے کے سلسلہ جاری رکھے ہوئے ہے تاکہ وہ بدلتے ہوئے کاروباری ماحول میں اپنی جگہ برقرار رکھنے کو یقینی بنا سکے، جدت پر توجہ مرکوز رکھے، اور اخراجات کو موثر انداز میں منظم کر سکے۔ ملازمین کی اہمیت کو تسلیم کرتے ہوئے، کمپنی تعاون پر مبنی اور تخلیقی ماحول کو فروغ دینے کے لیے پرعزم ہے تاکہ اس کے فوائد ملازمین اور ان کے ساتھ ساتھ ان مریضوں تک پہنچا سکیں جنہیں وہ اپنی خدمات فراہم کرتی ہے۔

### اظہار تشکر

بورڈ آف ڈائریکٹرز اس موقع پر اپنے ملازمین کے عزم، ثابت قدمی، حوصلے اور لگن پر انہیں دلی طور پر سراہتا ہے۔ ہم اپنے معزز صارفین، سپلائرز، بینکرز اور شیئر ہولڈرز کی جانب سے حاصل رہنے والے مسلسل تعاون اور حمایت کا اعتراف کرتے ہیں اور کمپنی اور اس کی پراڈکٹس پر بھروسہ کرنے پر ان کا تہہ دل سے شکریہ ادا کرتے ہیں۔

بحکم بورڈ



ہشام علی باہر  
ڈائریکٹر



ارم شاکر رحیم  
چیف ایگزیکٹو آفیسر

کراچی

26 اگست 2025

گلیکسو اسمتھ کلائن پاکستان لیمنڈ (کمپنی) کے ڈائریکٹرز 30 جون 2025 کو ختم ہونے والی ششماہی کے لیے کمپنی کی غیر آڈٹ شدہ مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں یہ مالیاتی معلومات کمپنیز ایکٹ 2017 کے سیکشن 227 کے مطابق جمع کرائی جا رہی ہیں

### کاروباری ماحول اور چیلنجز

معاشی سال 2025 کے پہلے نصف حصے میں معیشت میں مناسب بہتری دیکھنے میں آئی، جہاں جی ڈی پی گروتھ 2.7 فیصد تک پہنچ گئی مہنگائی بتدریج کم ہوئی اور پالیسی ریٹ میں کمی واقع ہوئی۔ اگرچہ حکومت کے معاشی استحکام سے متعلق اقدامات نے کچھ ریلیف فراہم کیا ہے، تاہم اب بھی ڈالر کی کمی، توانائی کی قیمتوں، غربت اور بے روزگاری جیسے مسائل برقرار ہیں۔ ہمیں امید ہے کہ حکومت میکرو آکنامک بہتری کے لیے درست اقدامات کرے گی۔

حالیہ بجٹ، جس میں معیشت کو مستحکم کرنے کے لیے مالی استحکام کے حوالے سے اقدامات شامل کیے گئے، اہم شعبوں جیسے ٹیکس اصلاحات، ہیومن کیپیٹل ڈویلپمنٹ، اور ماحولیاتی اثرات کو موثر طور پر حل کرنے میں ناکام رہا۔ ٹیکس کے دائرہ کار کو وسیع کیے بغیر بلند شرح ٹیکس معاشی سرگرمی، سرمایہ کاری اور گروتھ میں کمی کا سبب بن سکتی ہے

کمپنی ملک کی صحت کی ضروریات کو پورا کرنے میں آگے بڑھ کر کردار ادا کرنے کے لیے پرعزم ہے۔ ہماری بنیادی توجہ مریضوں کے لیے اعلیٰ معیار کی ادویات تک رسائی کو یقینی بناتے ہوئے منافع میں بہتری پر مرکوز ہے۔ یہ ہدف پائیداری کے حوالے سے اٹھائے گئے اقدامات، کارکردگی میں اضافے اور کم لاگت پر مبنی اقدامات کے ذریعے حاصل کیا جاتا ہے، جو شیئر ہولڈرز کے زیادہ سے زیادہ منافع کو یقینی بنانے کے لیے اٹھائے گئے ہیں۔

### آپریٹنگ نتائج کا جائزہ

30 جون 2025 کو ختم ہونے والی مدت کے لیے، کمپنی نے خالص سیلز 30.3 ارب روپے حاصل کی۔ کل خالص سیلز میں ہیلیون پاکستان لیمنڈ (ہیلیون) کی 0.57 ارب روپے کی سیلز بھی شامل ہے۔ جو گزشتہ سال اسی مدت میں 0.89 ارب روپے تھی۔ ان مخصوص سیلز کو نکالنے کے بعد، بنیادی سیلز میں اضافہ 6.3% فیصد رہا۔ یہ اضافہ بنیادی طور پر قیمتوں میں اضافے کے باعث ہوا۔

اس مدت کے دوران کمپنی کا مجموعی منافع مارجن 35% فیصد رہا، جو گزشتہ مدت کے مقابلے میں 16% فیصد اضافہ ظاہر کرتا ہے۔ یہ زیادہ مجموعی فیصد منافع بنیادی طور پر ضروری پراڈکٹس کے زمرے میں نہ آنے والی مصنوعات کی ڈی ریگولیشن کی بنا پر قیمتوں میں اضافے، سی پی آئی



# INDEPENDENT AUDITOR'S REVIEW REPORT

## TO THE MEMBERS OF GLAXOSMITHKLINE PAKISTAN LIMITED

### Report on review of Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **GlaxoSmithKline Pakistan Limited** as at **June 30, 2025** and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these 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.

#### 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 condensed 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.

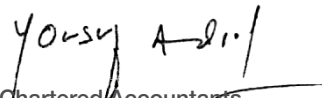
#### Conclusion

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

#### Other matter

Pursuant to requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year ended June 30, 2025, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim profit or loss and condensed interim statement of comprehensive income for the three months period ended June 30, 2025 and June 30, 2024 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's review report is Arif Nazeer.

  
Chartered Accountants

Place: Karachi

Date: August 28, 2025

UDIN: RR202510099qYc9iKmg3

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

		Un-audited June 30, 2025	Audited December 31, 2024
	Note	Rupees in '000	
ASSETS			
Non-current assets			
Property, plant and equipment	4	13,605,703	13,262,356
Intangibles		955,742	955,742
Long-term loans to employees		87,702	88,750
Long-term deposits		50,147	50,147
		14,699,294	14,356,995
Current assets			
Stores and spares		307,366	256,608
Stock-in-trade	5	14,197,409	11,190,173
Trade receivables		331,998	555,139
Loans and advances		2,239,865	1,660,823
Trade deposits and prepayments		317,231	185,054
Refunds due from Government	6	1,242,846	1,242,846
Other receivables		8,247,429	9,094,374
Cash and bank balances		6,525,646	6,513,447
		33,409,790	30,698,464
Total assets		48,109,084	45,055,459
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		3,184,672	3,184,672
Reserves		26,102,553	25,091,869
Total equity		29,287,225	28,276,541
LIABILITIES			
Non-current liabilities			
Staff retirement benefits		732,983	636,364
Deferred taxation		1,007,732	1,064,177
Lease liabilities		347,861	145,758
		2,088,576	1,846,299
Current liabilities			
Trade and other payables	7	15,185,199	13,179,015
Taxation - provision less payments		1,173,619	1,442,868
Provisions	8	202,787	150,550
Current portion of lease liabilities		13,748	27,894
Unclaimed dividend		157,930	132,292
		16,733,283	14,932,619
Total liabilities		18,821,859	16,778,918
Total equity and liabilities		48,109,084	45,055,459
Contingencies and commitments			
	9		

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director



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

FOR THE HALF YEAR ENDED JUNE 30, 2025

		Quarter ended		Half year ended	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Note		----- Rupees in '000 -----			
Revenue from contracts with customers - net	10	14,720,667	13,254,797	30,300,807	28,870,923
Cost of sales		(9,344,065)	(10,023,208)	(19,598,316)	(23,370,476)
Gross profit		5,376,602	3,231,589	10,702,491	5,500,447
Selling, marketing and distribution expenses	11	(1,521,892)	(970,569)	(2,586,108)	(2,087,244)
Administrative expenses		(479,878)	(495,347)	(1,018,030)	(1,023,542)
Other operating expenses		(304,901)	(158,327)	(613,537)	(249,392)
Other income	12	525,529	415,163	744,793	892,603
Operating profit		3,595,460	2,022,509	7,229,609	3,032,872
Financial charges		(100,317)	(166,115)	(214,416)	(216,573)
Profit before levies and income tax		3,495,143	1,856,394	7,015,193	2,816,299
Levies - Minimum tax		(47,055)	(43,315)	(47,055)	(43,315)
Profit before income tax		3,448,088	1,813,079	6,968,138	2,772,984
Income tax - net	13	(1,379,277)	(724,210)	(2,772,781)	(1,118,834)
Profit after taxation		2,068,811	1,088,869	4,195,357	1,654,150
Other comprehensive income		-	-	-	-
Total comprehensive income		2,068,811	1,088,869	4,195,357	1,654,150
Earnings per share - Rupees	14	6.50	3.42	13.17	5.19

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY UN-AUDITED

FOR THE HALF YEAR ENDED JUNE 30, 2025

	Share capital	Capital reserve Reserve arising on schemes of arrangements	Revenue reserves		Total Reserves	Total
			General reserve	Unappropriated profit		
	Rupees in '000					
Balance as at January 1, 2024	3,184,672	1,126,923	3,999,970	13,364,276	18,491,169	21,675,841
Total comprehensive income for the half year ended June 30, 2024	-	-	-	1,654,150	1,654,150	1,654,150
<b>Balance as at June 30, 2024</b>	<u>3,184,672</u>	<u>1,126,923</u>	<u>3,999,970</u>	<u>15,018,426</u>	<u>20,145,319</u>	<u>23,329,991</u>
Balance as at January 1, 2025	3,184,672	1,126,923	3,999,970	19,964,976	25,091,869	28,276,541
<b>Transactions with owner recorded directly in equity - distribution</b>						
Final dividend for the year ended December 31, 2024 @ Rs. 10 per share	-	-	-	(3,184,673)	(3,184,673)	(3,184,673)
<b>Total comprehensive income for half year ended June 30, 2025</b>	-	-	-	4,195,357	4,195,357	4,195,357
<b>Balance as at June 30, 2025</b>	<u>3,184,672</u>	<u>1,126,923</u>	<u>3,999,970</u>	<u>20,975,660</u>	<u>26,102,553</u>	<u>29,287,225</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director



# CONDENSED INTERIM STATEMENT OF CASH FLOWS UN-AUDITED

FOR THE HALF YEAR ENDED JUNE 30, 2025

		Half year ended	
		June 30, 2025	June 30, 2024
Note		----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	6,987,452	2,537,444
Contribution to staff retirement benefit fund		(79,942)	(85,253)
Income taxes paid		(3,145,530)	(702,583)
(Decrease) / increase in long-term loans to employees		1,048	(3,530)
Net cash generated from operating activities		3,763,028	1,746,078
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures		(934,713)	(1,100,747)
Proceeds from disposal of operating assets		166,128	74,119
Return received on bank balances and investments		204,639	153,420
Net cash used in investing activities		(563,946)	(873,208)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease rentals paid		(27,848)	(11,378)
Dividend paid		(3,159,035)	(1,755)
Net cash used in financing activities		(3,186,883)	(13,133)
Net increase in cash and cash equivalents during the period		12,199	859,736
Cash and cash equivalents at beginning of the period		6,513,447	3,610,757
Cash and cash equivalents at end of the period	16	6,525,646	4,470,493

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director



# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS UN-AUDITED

FOR THE HALF YEAR ENDED JUNE 30, 2025

## 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, 2024.
- 2.2** These condensed interim financial statements are unaudited. However, a limited scope review of these condensed interim financial statements has been performed by the external auditors of the Company in accordance with the requirements of Rule Book of Pakistan Stock Exchange Limited and they have issued their review report thereon. These condensed interim financial statements are submitted to the shareholders as required by section 237 of the Companies Act, 2017.
- 2.3** The comparative condensed interim statement of financial position presented has been extracted from annual audited financial statements for the year ended December 31, 2024, whereas comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the un-audited condensed interim financial statements for the half year ended June 30, 2024.
- 2.4** Application of new standards, interpretations and amendments to the published approved accounting and reporting standards that are effective during the period



The following amendments are effective for the year ending December 31, 2025. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's condensed interim financial statements other than certain additional disclosures:

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

### 3. MATERIAL ACCOUNTING POLICIES, RISK MANAGEMENT POLICIES, ESTIMATES AND JUDGEMENTS

#### 3.1 Material accounting policies

The material accounting policies applied in the preparation of these condensed financial statements are the same as those applied in the preparation of the audited financial statements of the Company for the year ended December 31, 2024.

#### 3.2 Financial risk management

The Company's financial risk management objective and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended December 31, 2024.

#### 3.3 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, 2024.

### 4. PROPERTY, PLANT AND EQUIPMENT

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	----- Rupees in '000 -----	
Operating assets	4.1	10,445,433	9,755,346
Capital work-in-progress		2,506,183	3,086,669
Right-of-use assets - land and building		323,623	151,405
Major spare parts		330,464	268,936
		<b>13,605,703</b>	<b>13,262,356</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)	
	Half year ended		Half year ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	----- Rupees in '000 -----			
Buildings on leasehold land	275,342	31,050	-	-
Plant and machinery	256,867	96,110	1,337	-
Furniture and fixtures	84,783	44,977	-	-
Vehicles	513,043	235,059	123,953	58,083
Office equipments	323,623	223,867	379	-
	<b>1,453,658</b>	<b>631,063</b>	<b>125,669</b>	<b>58,083</b>

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

#### 5. STOCK-IN-TRADE

Raw and packing material	6,761,829	5,219,106
Work-in-process	952,570	321,377
Finished goods	7,302,271	6,406,240
	<b>15,016,670</b>	<b>11,946,723</b>
Less: Provision for slow moving, obsolete and damaged items	(819,261)	(756,551)
	<b>14,197,409</b>	<b>11,190,172</b>

- 5.1 Finished goods includes items costing Rs. 1.85 billion (December 31, 2024: Rs. 1.72 billion) valued at net realizable value of Rs. 1.48 billion (December 31, 2024: Rs. 1.25 billion). Raw and packing materials have been lowered by Rs. 113.81 million (December 31, 2024: Rs. 157.05 million) and WIP has been lowered by Rs. 71.38 million (December 31, 2024: Rs. 50.79 million) respectively to recognize them at net realizable value.

#### 6. REFUNDS DUE FROM GOVERNMENT

Prior to enactment of Finance (Supplementary) Act, 2022 (The Act) issued on January 15, 2022, the pharmaceutical sector was exempt from levy of sales tax. The Act converted the aforesaid exemption regime into a zero-rating regime for import and local supplies for finished items of pharmaceutical sector, however, sales tax was imposed on purchase / import of Active Pharmaceutical Ingredients (API). As a result, the pharmaceutical sector was allowed to claim sales tax refund on all purchases including APIs and provincial sales tax on services. As at December 31, 2024 a sales tax refund amounting to Rs. 1.17 billion was outstanding. During the period ended, the Company was issued a Refund Payment Order (RPO) amounting to Rs. 0.289 billion, the amount of which is yet to be received.



Through Finance Act, 2022, effective from July 1, 2022, a special tax regime for pharmaceutical sector was introduced whereby manufacture or import of substances registered as drugs under the Drugs Act, 1976 shall be subject to 1% sales tax with the condition that such tax shall be final discharge of tax in the supply chain and no input tax shall be allowed to the importer and manufacturer of such goods. Therefore, the input tax is becoming part of cost.

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

## 7. TRADE AND OTHER PAYABLES

Creditors and bills payable	5,174,872	3,542,751
Accrued liabilities	5,309,836	5,378,844
Others liabilities	2,852,638	2,286,413
Contract liabilities	1,847,853	1,971,007
	<b>15,185,199</b>	<b>13,179,015</b>

## 8. PROVISIONS

Provisions include restructuring costs and government levies of Rs. 31.81 million and Rs. 170.98 million (December 31, 2024: Rs. 12.78 million and Rs. 137.77 million) respectively.

## 9. CONTINGENCIES AND COMMITMENTS

- 9.1 The changes in the status of contingencies as reported in the audited financial statements for the year ended December 31, 2024 are followings;

### Income tax

(i) During the year ended December 31, 2021, the AO raised aggregate demand of Rs. 801.87 million in tax year 2017 on account of disallowance of various expenses. CIRA granted relief from certain additions against order dated 7 March 2022 reducing demand to Rs. 222.9 million. Against the decision of CIRA, the Company has filed an appeal before ATIR which is pending adjudication. On May 25, 2025, the AO issued the appeal effect order, reducing the outstanding demand to Rs. 559.55 million by resolving certain matters in favor of the company. Identifying errors in the order, the company filed a rectification application under Section 221 of the Ordinance and also submitted an appeal before ATIR to contest unresolved issues. The appeal is currently pending adjudication.

### Sales tax

(i) During the year ended December 31, 2016, the Company received a show cause notice from the Punjab Revenue Authority (PRA) demanding Rs. 121.80 million as Punjab Sales Tax on Royalty accrued from 2012 to 2015. At the time, the Company was depositing sales tax on royalties entirely with the Sindh Revenue Board (SRB). The Company filed an appeal in the Lahore High Court (LHC), which granted a stay against the notice. On July 21, 2025, the Company received an LHC order dated March 19, 2024, wherein the petition filed by the Company was combined with similar petitions from other parties and dismissed in favor of the Company.

(ii) During the year ended December 31, 2024, the company received multiple show cause notices from the FBR relating to the periods from February 2022 to June 2022. The assessing officer asserted that the company had claimed inadmissible input tax. In response, the company addressed the show cause notices, but the officer passed orders disallowing sales tax refunds of Rs. 0.19 million, Rs. 0.23 million, Rs. 6.4 million, Rs. 9.7 million, and Rs. 19.6 million, respectively. The company filed appeals against all these orders. The appeals filed before CIRA in relation to the tax period from Feb 2022 to May 2022 have been decided whereas the appeal filed before ATIR for June 2022 is pending for decision. The company filed an appeal before Honourable High Court of Sindh for the period of May 2022 whereas an appeal was filed before ATIR for the period

of April 2022 against the order of CIRA which is pending for adjudication. Additionally, CIRA remanded back the orders for the periods of February 2022 and March 2022, and the related proceedings are yet to be initiated by the department.

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.

**9.2** Commitments for capital expenditure outstanding as at June 30, 2025, amounted to Rs. 697.34 million (December 31, 2024: Rs. 525.85 million).

**9.3** The facilities for opening letters of credit and guarantees as at June 30, 2025, amounted to Rs. 6.82 billion (December 31, 2024: Rs. 6.57 billion) of which the amount remaining unutilised at period end was Rs. 5.79 billion (December 31, 2024: Rs. 4.74 billion).

## **10. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET**

**10.1** This include sales of Over the Counter Products (OTC) amounting to Rs. 0.57 billion (June 30, 2024: Rs. 0.89 billion) to Haleon Pakistan Limited being manufactured by the Company due to pending transfer of marketing authorisations by DRAP - refer note 1.1.

## **11. SELLING, MARKETING AND DISTRIBUTION EXPENSES**

This includes advertising and sales promotion expenses of Rs. 485.07 million (June 30, 2024: Rs. 340.08 million).

## **12. OTHER INCOME**

### **Income from financial assets**

	Un-audited			
	Quarter ended		Half year ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Income on savings and deposit accounts	199,833	103,946	204,639	153,420

### **Income from non-financial assets**

Gain on disposal of operating assets	31,018	12,214	40,459	16,036
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### **Others**

Scrap sales	27,179	23,819	47,338	39,500
Promotional allowance	241,880	245,529	395,926	639,264
Service fee	3,993	3,300	7,986	6,600
Others	21,626	26,355	48,445	37,783
	525,529	415,163	744,793	892,603

**12.1** This represents allowance from GSK Group against various promotional activities for brand building and sustainable returns on investments.



### 13. TAXATION - NET

The Government of Pakistan through Finance Act, 2022 introduced section 4C in the Income Tax Ordinance, 2001 through which super tax was levied on high earning persons. The Company along with other entities (petitioners), in connected petitions, challenged the vires of section 4C before Sindh High Court (SHC). The SHC vide order dated December 22, 2022, declared that section 4C shall not be applicable for TY 2022.

The aforesaid judgment was challenged by the department before the Supreme Court of Pakistan (SC). The SC vide order dated February 16, 2023, gave directions to deposit super tax @ 4% and to furnish Bank Guarantee for the remaining 6% as an interim relief till final judgment is passed. The Company complied with aforesaid directions.

The Government of Pakistan through Finance Act, 2023 has enhanced the rates of super tax under section 4C of the Income Tax Ordinance, 2001 for tax year 2023 and onwards on high earning persons. The tax will be applicable at different rates on all persons (including company) earning more than Rs. 150 million. Accordingly, the Company booked a prior year charge of Rs. 302.44 million on account of super tax in financial year 2023.

"In December 2023, the Company along with other petitioners have challenged the amendment in super tax rates for tax year 2023 in the Islamabad High Court (IHC). The Hon'ble IHC has granted stay against increase in super tax rates from 4% to 10% and decided in favor of the petitioners on the issue of maintainability raised by the tax department. The tax department has challenged the orders of IHC before the Supreme Court of Pakistan (SC), which vide order dated 27 February 2024 remanded back the case to IHC with directions to pass detailed order on the issue of maintainability of jurisdiction and then decide on interim relief. Following the order of SC, the hon'ble IHC has passed interim order dated 4 March 2024 and directed the Chief Commissioner Karachi for not taking any coercive measures till the final decision of main appeal pending before IHC.

Pursuant to the order of SC, the IHC has passed an order on March 15, 2024, whereby the petitions of the taxpayers were held maintainable. The increase in super tax rates from 4% to 10% has declared null and void by the court, citing its earlier judgment and deeming the retrospective increase in tax, as invalid. The tax department filed an Intra-Court Appeal (ICA), against the order of IHC. However, all the super tax cases have been transferred to the Supreme Court of Pakistan (SCP). Same are currently pending for hearing before the SCP.

### 14. EARNINGS PER SHARE - BASIC AND DILUTED

	Un-audited			
	Quarter ended		Half year ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	----- Rupees in '000 -----			
Profit after taxation	<b>2,068,811</b>	1,088,869	<b>4,195,357</b>	1,654,150
Weighted average number of shares	<b>318,467,278</b>	318,467,278	<b>318,467,278</b>	318,467,278
	----- Rupees -----			
Earnings per share - basic and diluted	<b>6.50</b>	3.42	<b>13.17</b>	5.19

- 14.1** A diluted earnings per share has not been presented as the Company did not have any convertible instruments in issue which would have any effect on the earnings per share if the option to convert is exercised.



(Un-audited)	(Un-audited)
Half year ended	Half year ended
June 30, 2025	June 30, 2024
----- Rupees in '000 -----	

## 15. CASH GENERATED FROM OPERATIONS

Profit before taxation	7,015,193	2,816,299
<b>Add / (less): Adjustments for non-cash charges and other items</b>		
Depreciation and impairment	661,127	568,611
Provision for slow moving, obsolete and damaged stock-in-trade net of stock written off	707,086	246,204
Gain on disposal of operating fixed assets	(40,459)	(16,036)
Interest income	(204,639)	(153,420)
Interest on lease liabilities	20,375	16,211
Provision for staff retirement benefits	176,561	149,427
Unrealised exchange loss / (gain)	93,470	(25,989)
Profit before working capital changes	8,428,714	3,601,307
<b>Effect on cash flow due to working capital changes</b>		
(Increase) / decrease in current assets		
Stores and spares	(50,758)	(22,379)
Stock-in-trade	(3,714,322)	(3,500,247)
Trade receivables	223,141	293,615
Loans and advances	(579,042)	(41,478)
Trade deposits and prepayments	(132,177)	(55,420)
Other receivables	846,945	(768,901)
	(3,406,213)	(4,094,810)
Increase / (decrease) in current liabilities		
Trade and other payables	1,912,714	3,041,514
Provisions	52,237	(10,567)
	1,964,951	3,030,947
	6,987,452	2,537,444



Un-audited June 30, 2025	Audited December 31, 2024	Un-audited June 30, 2024
----- Rupees in '000 -----		

## 16. CASH AND CASH EQUIVALENTS

Cash and bank balances	6,525,646	6,513,447	4,470,493
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## 17. TRANSACTIONS WITH RELATED PARTIES

The related parties include holding company, associated companies, directors and key management personnel of the Company and companies where directors also hold directorships. 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 condensed interim financial statements, are as follows:

(Un-audited) Half year ended June 30, 2025	(Un-audited) June 30, 2024
----- Rupees in '000 -----	

### 17.1 Transactions carried out during the period are as follows:

Relationship	Nature of transactions		
Associated companies / undertakings	a. Royalty expense charged	324,101	326,966
	b. Purchase of goods	1,917,337	1,967,173
	c. Sale of goods	12,299	891
	d. Recovery of expenses	733,814	650,976
	e. Promotional allowance	395,926	639,264
Staff retirement funds:	b. Payments to retirement benefit plans	187,929	185,146
Key management personnel:	a. Salaries and other employee benefits	337,909	358,502
	b. Post employment benefits	24,051	20,082
	c. Sale of assets - sales proceeds	21,007	5,777

Un-audited June 30, 2025	Audited December 31, 2024
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### 17.2 Outstanding balances as at period / year end are as follows:

#### Associated companies:

Other receivable	8,115,304	6,830,485
Trade and other payables	2,606,649	5,921,567

Provision for staff retirement benefits	732,983	636,364
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## 18. FAIR VALUE MEASUREMENTS

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It requires categorization of fair value measurements into different levels of fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

**Level 3:** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at June 30, 2025, the Company does not have any financial instruments carried at fair values which are measured using method falling under above categories, and carrying value of financial assets and liabilities approximate their fair value at the reporting date.

## 19. SUBSEQUENT EVENTS

The Board of Directors in its meeting held on August 26, 2025 have declared and approved an interim cash dividend for the period ended of Rs. 5 per share (June 30, 2024: Rs. Nil per share) amounting to Rs. 1,592 million (June 30, 2024: Rs. Nil).

## 20. 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 August 26, 2025.



Chief Executive Officer



Chief Financial Officer



Director

**GlaxoSmithKline Pakistan Limited**

35 - Dockyard Road, West Wharf, Karachi - 74000

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GSK group of Companies.

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