



Abbott Pakistan

Un-Audited Financial Statements for the Quarter
and Nine Months Ended September 30, 2021



CORPORATE INFORMATION

BOARD OF DIRECTORS

Munir A. Shaikh (Chairman) (Non-Executive Director)
Syed Anis Ahmed (Chief Executive Officer)
Ehsan Ali Malik (Independent Director)
Ayla Majid (Independent Director)
Mohsin Ali Nathani (Independent Director)
Muhammad Anjum Latif Rana (Non-Executive Director)
Seema Khan (Executive Director)

AUDIT COMMITTEE

Ehsan Ali Malik (Chairman)
Ayla Majid
Muhammad Anjum Latif Rana

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mohsin Ali Nathani (Chairman)
Munir A. Shaikh
Syed Anis Ahmed

RISK MANAGEMENT COMMITTEE

Ayla Majid (Chairperson)
Syed Anis Ahmed
Muhammad Anjum Latif Rana
Seema Khan

SHARE TRANSFER COMMITTEE

Syed Anis Ahmed (Chairman)
Muhammad Anjum Latif Rana
Seema Khan

BANKING COMMITTEE

Mohsin Ali Nathani (Chairman)
Syed Anis Ahmed
Seema Khan

NOMINATION COMMITTEE

Munir A. Shaikh (Chairman)
Syed Anis Ahmed
Mohsin Ali Nathani
Ehsan Ali Malik

CHIEF FINANCIAL OFFICER

Syed Tabish Aseem

COMPANY SECRETARY

Humayun Altaf

CHIEF INTERNAL AUDITOR

Fahad Rehman

AUDITORS

EY Ford Rhodes, Chartered Accountants
(a member firm of Ernst & Young Global Limited)

LEGAL ADVISORS

Orr, Dignam & Co.
SurrIDGE & Beecheno

BANKERS

Standard Chartered Bank (Pakistan) Limited
Deutsche Bank AG
Habib Bank Limited

National Bank of Pakistan
MCB Bank Limited
Faysal Bank Limited

SENIOR MANAGEMENT TEAM

Syed Anis Ahmed
(Chief Executive Officer)
Syed Tabish Aseem
(Chief Financial Officer)
Ihsan Ullah Khan Khattak
(Director Operations)
Asim Shafiq
(General Manager, Abbott Nutrition
International Pakistan)
Habib Ahmed
(Country Manager, Abbott Diagnostics
Division Pakistan)
Dr. Shaikh Adnan Lateef
(Head of Abbott Diabetes Care Pakistan)
Asghar Huda
(Director Human Resource)

SHARE REGISTRAR

FAMCO Associates (Pvt) Limited,
8-F, Next to Hotel Faran, Nursery Block 6,
P.E.C.H.S, Shahrah-e-Faisal, Karachi.

FACTORY LOCATIONS

Plot No. 258 & 324, Opposite Radio
Pakistan Transmission Centre,
Hyderabad Road, Landhi, Karachi, Pakistan.

Plot No. 13, Sector 20,
Korangi Industrial Area, Karachi.

SALES OFFICES

House No. 25/III/B, Jamrud Lane,
University Town, Peshawar, Pakistan.

House No. 187, Aurangzeb Block,
Near Garden Town, Lahore, Pakistan.

House No. 168-F, Adamjee Road,
Near Panj Sarki Chowk,
Rawalpindi Cantt, Pakistan.

WAREHOUSES

Plot No. 136, Street # 9, Sector 1-10/3,
Industrial Area, Islamabad, Pakistan-44800.

16 KM Shahpur Kanjran,
Multan Road, Lahore, Pakistan.

Hasanabad Gate # 2,
Near Pak Arab Fertilizers,
Khanewal Road, Multan, Pakistan-60650.

WEBSITE

www.pk.abbott

DIRECTORS' REPORT

The Directors are pleased to present the un-audited condensed interim financial statements of your Company, for the nine months ended September 30, 2021 as well as for the third quarter ended September 30, 2021.

FINANCIAL HIGHLIGHTS

For nine months' period ended September 30, 2021

Sales for the nine months increased by 26% over the same period last year. Pharmaceutical sales increased by 19%, whereas Nutritional sales increased by 28% mainly driven by increase in sales of adult nutritional supplements.

Gross profit margin of your Company improved to 39% versus 35% during the same period last year mainly driven by price adjustments and product mix. Gross profit margin for the pharmaceutical segment increased to 37% from 32% whereas the gross profit margin for Nutritional increased to 47% from 45% for the same period last year.

Selling and distribution expenses increased by 33% over the same period last year mainly due to higher expenditure on advertisement and sales promotion. Overall, the profit after tax as a percentage of sales improved to 14% versus 12% over the same period last year due to the reasons mentioned above

For third quarter ended September 30, 2021

Sales for the quarter increased by 26% over the same period last year, mainly contributed by the pharmaceutical sales growth of 30% on account of sustained performance of established brands.

Similar to the year-to-date results, gross profit margin of the Company improved to 37% from 34% during the same period last year. Operating expenses increased by 28% over the same period last year, owing to the increased promotional activities versus the same period last year. Other charges increased by 108% due to higher statutory charges on account of higher profitability and exchange losses over the same period last year.

As a result of reasons mentioned above, profit after tax has increased by Rs. 224.5 million in the quarter.

FUTURE OUTLOOK

The Covid pandemic has recently shown signs of regression but the threat of a relapse still looms. Your Company remains equipped to deal with any potential disruption that it may cause. The vaccination drives conducted by the Government has contributed in improving the business operational environment and eased up the pressure on the healthcare facilities throughout the country.

Your Company continues to evaluate the impact of this pandemic on its operations and financial performance and is realigning its strategy to better cope with the posed challenges. Your company remains cognizant of the challenges and would continue to make all efforts to improve productivity.



Syed Anis Ahmed
Chief Executive



Ehsan Ali Malik
Director

Karachi: October 26th, 2021


ڈائریکٹران کی رپورٹ

درج بالا وجوہ کے نتیجے میں رواں سال کی تیسری سہ ماہی میں بعد از ٹیکس ادائیگی منافع میں 224.5 ملین روپے اضافہ ہوا۔


مستقبل کا منظر نامہ

Covid-19 کے بحران کی تباہ کاریوں میں حالیہ مدت میں کمی نظر آرہی ہے لیکن بحران میں شدت کا خطرہ ٹلا نہیں ہے، آپ کی کمپنی کسی بھی قسم کی غیر معمولی صورتحال سے نمٹنے کے لئے پوری طرح سے تیار ہے، حکومت کی جانب سے ویکسینیشن مہم سے تجارتی سرگرمیوں میں بہتری آئی ہے اور طلبی اداروں پر دباؤ کم ہوا ہے۔

آپ کی کمپنی کرونا بحران سے تجارتی سرگرمیوں اور مالیاتی کارکردگی پر اثرات کا بغور جائزہ لے رہی ہے، درپیش چیلنجز سے نمٹنے کیلئے حکمت عملی بنا رہی ہے اور پیداوار کا معیار بہتر بنانے کے اقدامات کر رہی ہے۔



ڈائریکٹر



چیف ایگزیکٹو

کراچی: 26 اکتوبر 2021ء

ڈائریکٹران کی رپورٹ

ڈائریکٹران آپ کی کمپنی کے 30 ستمبر 2021 کو ختم ہونے والی نو ماہ کی مدت کے غیر آڈٹ شدہ عبوری مالی گوشوارے اور ساتھ ساتھ 30 ستمبر 2021 کو ختم ہونے والی تیسری سہ ماہی کے مالی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالی جھلکیاں

30 ستمبر کو ختم ہونے والی نو ماہ کی مدت کے لئے

نو ماہی مدت کے دوران سیلز میں گزشتہ سال کی اسی مدت کے مقابلے میں 26 فیصد اضافہ ہوا، فارماسیوٹیکلز کی سیلز میں 19 فیصد اضافہ ہوا جبکہ نیوٹریشل سپلیمنٹ کی سیلز بڑھنے سے نیوٹریشل کی سیلز میں 28 فیصد اضافہ ہوا۔

اس عرصے کے دوران پرائس ایڈجسٹمنٹ اور پراڈکٹ مکس کی بدولت گزشتہ سال کے اسی عرصے میں 35 فیصد کے مقابلے میں مجموعی منافع میں 39 فیصد اضافہ ہوا، فارماسیوٹیکلز زمرے میں گزشتہ سال اسی مدت کے 32 فیصد منافع کی نسبت رواں نو ماہ کی مدت میں 37 فیصد زائد خام منافع ہوا جبکہ نیوٹریشل زمرے میں گزشتہ سال اسی مدت کے دوران 45 فیصد کے مقابلے میں رواں نو ماہ کی مدت کے دوران 47 فیصد زائد خام منافع ہوا۔

اشتہارات اور سیلز پروموشن کے بھاری اخراجات کے باعث سیلز اور ڈسٹری بیوشن اخراجات میں گزشتہ سال کی اسی مدت کے مقابلے میں رواں نو ماہ کی مدت میں 33 فیصد اضافہ ہوا، سیلز کی فیصد کے طور پر ٹیکس ادا کیگی کے بعد خالص منافع میں گزشتہ سال اسی مدت میں 12 فیصد کی نسبت رواں نو ماہ کی مدت میں 14 فیصد اضافہ ہوا جس کی وجہ اوپر بیان کی گئی ہیں۔

30 ستمبر کو ختم ہونے والی تیسری سہ ماہی کے لئے

رواں سال کی تیسری سہ ماہی کے دوران گزشتہ سال کی اسی مدت کے مقابلے میں سیلز میں 26 فیصد کا اضافہ ہوا، فارماسیوٹیکلز سیلز میں 30 فیصد اضافہ ہوا جس میں مستحکم برانڈز کی پرفارمنس کا اہم کردار ہے

گزشتہ سال کی اسی مدت کے دوران 34 فیصد کے مقابلے میں رواں سال کی تیسری سہ ماہی میں مجموعی منافع میں 37 فیصد اضافہ ہوا، آپریٹنگ اخراجات میں گزشتہ سال اسی مدت کی نسبت 28 فیصد اضافہ ہوا جس کی وجہ گزشتہ سال اسی مدت کی نسبت رواں سال تیسری سہ ماہی میں پروموشنل سرگرمیوں میں اضافہ ہے، دیگر اخراجات 108 فیصد بڑھ گئے جس کی وجہ گزشتہ سال کی نسبت رواں سال کی تیسری سہ ماہی میں زیادہ منافع کا حصول زر مبادلہ کے نقصانات میں اضافہ اور آئینی اخراجات میں اضافہ ہے

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2021

| | Note | (Un-audited) September 30, 2021 | (Audited) December 31, 2020 |
|---|------|---------------------------------------|-----------------------------------|
| ----- Rupees in '000 ----- | | | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 6 | 9,652,701 | 9,070,460 |
| Intangible assets | | 54,649 | 66,255 |
| Long-term loans and advances | | 72,523 | 68,033 |
| Long-term deposits | | 7,513 | 7,513 |
| Long-term prepayments | | 1,315 | 1,746 |
| | | <u>9,788,701</u> | <u>9,214,007</u> |
| CURRENT ASSETS | | | |
| Stores and spares | | 283,694 | 244,519 |
| Stock-in-trade | 7 | 7,080,552 | 4,981,489 |
| Trade debts | | 965,893 | 935,468 |
| Loans and advances | 8 | 440,028 | 277,661 |
| Trade deposits and short-term prepayments | 9 | 597,361 | 425,048 |
| Other receivables | | 297,066 | 420,836 |
| Taxation - net | | 518,750 | 921,431 |
| Short-term investments | 10 | 6,569,473 | 6,506,404 |
| Cash and bank balances | 11 | 2,397,952 | 988,881 |
| | | <u>19,150,769</u> | <u>15,701,737</u> |
| TOTAL ASSETS | | <u>28,939,470</u> | <u>24,915,744</u> |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorised capital | | | |
| 200,000,000 ordinary shares of Rs.10 each | | <u>2,000,000</u> | <u>2,000,000</u> |
| Issued, subscribed and paid-up capital | | | |
| | 12 | 979,003 | 979,003 |
| Reserves | | | |
| Capital | | 858,776 | 767,608 |
| Revenue | | 13,930,030 | 13,843,641 |
| | | <u>14,788,806</u> | <u>14,611,249</u> |
| | | 15,767,809 | 15,590,252 |
| NON-CURRENT LIABILITIES | | | |
| Deferred taxation | | 383,496 | 227,587 |
| Staff retirement benefits | | 1,541,259 | 1,464,964 |
| Long-term portion of Gas Infrastructure Development Cess payable | | 128,429 | 172,825 |
| Long-term lease liabilities | 13 | 160,162 | 626,294 |
| | | <u>2,213,346</u> | <u>2,491,670</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 14 | 9,463,603 | 6,593,576 |
| Current maturity of lease liabilities | 13 | 60,498 | 189,955 |
| Unclaimed dividends | | 61,544 | 50,291 |
| Unpaid dividends | 15 | 1,372,670 | - |
| | | <u>10,958,315</u> | <u>6,833,822</u> |
| CONTINGENCIES AND COMMITMENTS | | | |
| TOTAL EQUITY AND LIABILITIES | 16 | <u>28,939,470</u> | <u>24,915,744</u> |

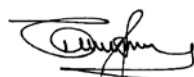
The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Unaudited)

For the nine months and three months ended September 30, 2021

| | Nine Months Ended | | Three Months Ended | |
|---|----------------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Note | ----- Rupees in '000 ----- | | | |
| SALES - NET | | | | |
| Local | 29,813,937 | 23,762,055 | 10,060,977 | 7,764,920 |
| Export | 1,633,352 | 1,209,857 | 588,329 | 673,321 |
| | <u>31,447,289</u> | <u>24,971,912</u> | <u>10,649,306</u> | <u>8,438,241</u> |
| Cost of sales | (19,315,396) | (16,311,076) | (6,755,201) | (5,537,482) |
| GROSS PROFIT | <u>12,131,893</u> | <u>8,660,836</u> | <u>3,894,105</u> | <u>2,900,759</u> |
| Selling and distribution expenses | (4,885,453) | (3,662,381) | (1,699,020) | (1,325,387) |
| Administrative expenses | (550,611) | (480,637) | (216,455) | (166,129) |
| Other charges | (752,640) | (565,592) | (330,907) | (159,391) |
| Other income | 526,335 | 583,200 | 146,425 | 116,265 |
| 17 | (5,662,369) | (4,125,410) | (2,099,957) | (1,534,642) |
| | <u>6,469,524</u> | <u>4,535,426</u> | <u>1,794,148</u> | <u>1,366,117</u> |
| Finance costs | (50,218) | (41,247) | (9,150) | (13,179) |
| PROFIT BEFORE TAXATION | <u>6,419,306</u> | <u>4,494,179</u> | <u>1,784,998</u> | <u>1,352,938</u> |
| TAXATION | | | | |
| - Current | (1,784,701) | (1,339,852) | (500,416) | (354,098) |
| - Prior | 13,207 | (1,220) | 13,207 | - |
| - Deferred | (155,909) | (47,599) | (87,876) | (13,396) |
| | <u>(1,927,403)</u> | <u>(1,388,671)</u> | <u>(575,085)</u> | <u>(367,494)</u> |
| NET PROFIT FOR THE PERIOD | <u>4,491,903</u> | <u>3,105,508</u> | <u>1,209,913</u> | <u>985,444</u> |
| BASIC AND DILUTED EARNINGS PER SHARE (Rs. per share) | <u>45.88</u> | <u>31.72</u> | <u>12.36</u> | <u>10.07</u> |

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

For the nine months and three months ended September 30, 2021

| | Nine Months Ended | | Three Months Ended | |
|---|----------------------------|--------------------|--------------------|--------------------|
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| | ----- Rupees in '000 ----- | | | |
| Profit for the period | 4,491,903 | 3,105,508 | 1,209,913 | 985,444 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income for the period | <u>4,491,903</u> | <u>3,105,508</u> | <u>1,209,913</u> | <u>985,444</u> |

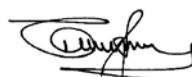
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CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CASH FLOWS (Unaudited)

For the nine months ended September 30, 2021

| | (Un-audited) September 30, 2021 | (Un-audited) September 30, 2020 |
|---|---------------------------------------|---------------------------------------|
| Note | ---- Rupees in '000 ---- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash generated from operations | 18 7,578,364 | 6,201,655 |
| Income taxes paid | (1,368,813) | (1,121,444) |
| Long-term loans and advances - net | (4,490) | (13,803) |
| Long-term prepayments - net | 431 | 1,819 |
| Net cash inflow from operating activities | <u>6,205,492</u> | <u>5,068,227</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Additions to property, plant and equipment | (1,368,848) | (584,730) |
| Investments in term deposit receipts | (3,000,000) | - |
| Addition to intangible asset | - | (9,879) |
| Sale proceeds from disposal of property, plant and equipment | 75,439 | 58,376 |
| Interest income received | 346,666 | 250,894 |
| Net cash outflow from investing activities | <u>(3,946,743)</u> | <u>(285,339)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Finance costs paid | (20,645) | (2,815) |
| Lease rentals paid | (152,358) | (134,413) |
| Settlement of lease liabilities | (655,084) | - |
| Dividends paid | (3,021,591) | (2,193,967) |
| Net cash outflow from financing activities | <u>(3,849,678)</u> | <u>(2,331,195)</u> |
| NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS | (1,590,929) | 2,451,693 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 7,488,881 | 2,757,519 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 18.2 <u>5,897,952</u> | <u>5,209,212</u> |

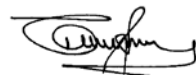
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CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Unaudited)

For the nine months ended September 30, 2021

| Share Capital | Reserves | | | | | Total Equity |
|---------------|---------------------------|-------|------------------|------------------------|-------|--------------|
| | Capital Reserves | | Revenue Reserves | | Total | |
| | Reserve Arising on Merger | Other | General Reserve | Un-appropriated Profit | | |

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

| | | | | | | | |
|---|----------------|---------------|----------------|------------------|------------------|-------------------|-------------------|
| Balance as at January 1, 2020 (Audited) | 979,003 | 46,097 | 603,373 | 5,338,422 | 6,405,498 | 12,393,390 | 13,372,393 |
| Transactions with owners, recorded directly in equity | | | | | | | |
| Final dividend for the year ended December 31, 2019 @ Rs. 7.5 per share declared subsequent to the year end | - | - | - | - | (734,252) | (734,252) | (734,252) |
| Interim dividend for the year ended December 31, 2020 @ Rs. 15.0 per share declared subsequent to the year end | - | - | - | - | (1,468,505) | (1,468,505) | (1,468,505) |
| Capital contribution from Abbott Laboratories, USA | - | - | 86,199 | - | - | 86,199 | 86,199 |
| Total comprehensive income for the period ended September 30, 2020 | | | | | | | |
| Net profit for the period | - | - | - | - | 3,105,508 | 3,105,508 | 3,105,508 |
| Other comprehensive income for the period | - | - | - | - | - | - | - |
| | - | - | - | - | 3,105,508 | 3,105,508 | 3,105,508 |
| Balance as at September 30, 2020 (Un-audited) | <u>979,003</u> | <u>46,097</u> | <u>689,572</u> | <u>5,338,422</u> | <u>7,308,249</u> | <u>13,382,340</u> | <u>14,361,343</u> |
| Balance as at January 01, 2021 (Audited) | 979,003 | 46,097 | 721,511 | 5,338,422 | 8,505,219 | 14,611,249 | 15,590,252 |
| Transactions with owners, recorded directly in equity | | | | | | | |
| Final dividend for the year ended December 31, 2020 @ Rs. 25.0 per share declared subsequent to the year end | - | - | - | - | (2,447,508) | (2,447,508) | (2,447,508) |
| Interim dividend for the year ending December 31, 2021 @ Rs. 20.0 per share declared subsequent to the year end | - | - | - | - | (1,958,006) | (1,958,006) | (1,958,006) |
| Capital contribution from Abbott Laboratories, USA | - | - | 91,168 | - | - | 91,168 | 91,168 |
| Total comprehensive income for the period ended September 30, 2021 | | | | | | | |
| Net profit for the period | - | - | - | - | 4,491,903 | 4,491,903 | 4,491,903 |
| Other comprehensive income for the period | - | - | - | - | - | - | - |
| Balance as at September 30, 2021 (Un-audited) | <u>979,003</u> | <u>46,097</u> | <u>812,679</u> | <u>5,338,422</u> | <u>8,591,608</u> | <u>14,788,806</u> | <u>15,767,809</u> |

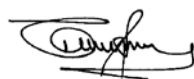
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CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the nine months ended September 30, 2021

1. THE COMPANY AND ITS OPERATIONS

Abbott Laboratories (Pakistan) Limited (the Company) is a public limited Company incorporated in Pakistan on July 02, 1948, and its shares are quoted on Pakistan Stock Exchange. The address of its registered office is Plot No. 258 & 324, opposite Radio Pakistan Transmission Centre, Hyderabad Road, Landhi, Karachi. The Company is principally engaged in the manufacture, import and marketing of branded generic pharmaceutical, nutritional, diagnostic, diabetes care, molecular devices, hospital and consumer products.

2. STATEMENT OF COMPLIANCE AND 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 which comprise of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2020.

These condensed interim financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2020, except for the adoption of new standards, amendments and improvements to International Financial Reporting Standards (IFRSs) as disclosed in note 4.

4. NEW STANDARDS, AMENDMENTS AND IMPROVEMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

There are no amendments, interpretations or improvements to International Financial Reporting Standards (IFRSs) which became effective during the current period except for:

- Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

The adoption of the above amendments to accounting standards did not have any material effect on these condensed interim financial statements.

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND FINANCIAL RISK MANAGEMENT

The preparation of condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended December 31, 2020.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the nine months ended September 30, 2021

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended December 31, 2020.

| | Note | (Un-audited) September 30, 2021 | (Audited) December 31, 2020 |
|---|-----------|---------------------------------------|-----------------------------------|
| ---- Rupees in '000 ---- | | | |
| 6. PROPERTY, PLANT AND EQUIPMENT | | | |
| Operating fixed assets | 6.1 & 6.2 | 8,313,840 | 7,346,918 |
| Capital work-in-progress | 6.1 | 1,097,230 | 911,993 |
| Right-of-use assets [ROUA] | 6.3 | 241,631 | 811,549 |
| | | <u>9,652,701</u> | <u>9,070,460</u> |

6.1 Following were the additions, disposals and transfers of operating fixed assets and capital work-in-progress during the period:

| | Additions | | Disposals | | Transfers from ROUA | |
|--|------------------|----------------|--------------------------|----------------|--------------------------|---|
| | Cost | Cost | Accumulated Depreciation | Cost | Accumulated Depreciation | |
| ----- Rupees in '000 ----- | | | | | | |
| Plant and machinery | 713,364 | - | - | - | - | - |
| Vehicles | 27,250 | 73,873 | 40,320 | 740,069 | 141,357 | |
| Computers | 8,290 | 52,260 | 52,260 | - | - | |
| Service equipment | 473,717 | 70,064 | 56,350 | - | - | |
| Capital work-in-progress - net additions | 146,227 | - | - | 39,010 | - | |
| | <u>1,368,848</u> | <u>196,197</u> | <u>148,930</u> | <u>779,079</u> | <u>141,357</u> | |

6.2 Depreciation charge for the period ended September 30, 2021 amounted to Rs. 807.144 million (September 30, 2020: Rs. 708.963 million).

6.3 Right-of-use assets

| | Note | (Un-audited) September 30, 2021 | (Audited) December 31, 2020 |
|---|---------------|---------------------------------------|-----------------------------------|
| ---- Rupees in '000 ---- | | | |
| Vehicles | | - | 523,635 |
| Warehouses, sales offices and city office | | 241,631 | 287,914 |
| | 6.3.1 & 6.3.2 | <u>241,631</u> | <u>811,549</u> |

6.3.1 Following were the additions, disposals and transfers of right-of-use assets during the period:

| | Additions | | Disposals | | Transfers to operating fixed assets and capital work in progress | |
|---|----------------|---------------|--------------------------|------------------|--|--|
| | Cost | Cost | Accumulated Depreciation | Cost | Accumulated Depreciation | |
| ----- Rupees in '000 ----- | | | | | | |
| Vehicles | 175,239 | 18,952 | 6,510 | (779,079) | (141,357) | |
| Warehouses, sales offices and city office | 7,041 | - | - | - | - | |
| | <u>182,280</u> | <u>18,952</u> | <u>6,510</u> | <u>(779,079)</u> | <u>(141,357)</u> | |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the nine months ended September 30, 2021

6.3.2 Depreciation charge on right-of-use assets for the period ended September 30, 2021 amounted to Rs.102.034 million (September 30, 2020: Rs. 71.323 million).

| 7. STOCK-IN-TRADE | (Un-audited) September 30, 2021 | (Audited) December 31, 2020 |
|--|--|--|
| | ---- Rupees in '000 ---- | |
| Raw and packing materials | 3,785,635 | 2,816,482 |
| Work-in-process | 412,543 | 263,213 |
| Finished goods | 3,252,727 | 2,405,697 |
| | <u>7,450,905</u> | <u>5,485,392</u> |
| less: provision for slow moving and obsolete items | (370,353) | (503,903) |
| | <u>7,080,552</u> | <u>4,981,489</u> |

8. LOANS AND ADVANCES

Represent loans and advances amounted to Rs. 34.332 million and Rs. 405.696 million (December 31, 2020: Rs. 32.673 million and Rs. 244.988 million), respectively, net of allowance.

9. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

Represent trade deposits and short-term prepayments amounted to Rs. 195.217 million and Rs. 402.144 million (December 31, 2020: Rs. 261.517 million and Rs. 102.498 million), respectively, net of allowance.

| | | (Un-audited) September 30, 2021 | (Audited) December 31, 2020 |
|---|--------|--|--|
| | Note | ---- Rupees in '000 ---- | |
| 10. SHORT-TERM INVESTMENTS | | | |
| At amortised cost | | | |
| Term deposit receipts | 10.1 | 6,500,000 | 6,500,000 |
| Accrued profit thereon | | 69,473 | 6,404 |
| | | <u>6,569,473</u> | <u>6,506,404</u> |
| 10.1 Term deposit receipts | | | |
| Having less than three months maturity period | | 3,500,000 | 6,500,000 |
| Having more than three months maturity period | | 3,000,000 | - |
| | 10.1.1 | <u>6,500,000</u> | <u>6,500,000</u> |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the nine months ended September 30, 2021

- 10.1.1** Represents term deposit receipts up to maturity of six months with a commercial bank under conventional banking relationship carrying profit at the rate ranging from of 6.20% to 6.65% (December 31, 2020: 6.25%) per annum and having maturity up to November 22, 2021.

| Note | (Un-audited) September 30, 2021 | (Audited) December 31, 2020 |
|------|---------------------------------------|-----------------------------------|
| | ---- Rupees in '000 ---- | |

11. CASH AND BANK BALANCES

With banks

Saving accounts:

| | | | |
|------------------|------|-----------|---------|
| - local currency | 11.1 | 1,753,489 | 459,642 |
|------------------|------|-----------|---------|

Current accounts:

| | | | |
|--------------------|--|---------|---------|
| - local currency | | 7,738 | 7,251 |
| - foreign currency | | 629,197 | 515,015 |
| | | 636,935 | 522,266 |

In hand

| | | | |
|--------------------|--|-----------|---------|
| - local currency | | 2,498 | 5,433 |
| - foreign currency | | 5,030 | 1,540 |
| | | 7,528 | 6,973 |
| | | 2,397,952 | 988,881 |

- 11.1** These saving accounts carrying mark-up at the rate of 5.50% (December 31, 2020: 5.50%) per annum.

12. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

As at September 30, 2021, Abbott Asia Investments Limited, UK (the Holding Company) held 76,259,454 (December 31, 2020: 76,259,454) shares. The ultimate Holding Company is Abbott Laboratories, USA.

13. LEASE LIABILITIES

Following is the maturity analysis of lease liabilities recognised by the Company:

| Note | (Un-audited) September 30, 2021 | (Audited) December 31, 2020 |
|---|---------------------------------------|-----------------------------------|
| | ---- Rupees in '000 ---- | |
| Not later than one year | 60,498 | 189,955 |
| Later than one year but not later than five years | 160,162 | 626,294 |
| 13.1 | 220,660 | 816,249 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the nine months ended September 30, 2021

| | (Un-audited) September 30, 2021 ---- Rupees in '000 ---- | (Audited) December 31, 2020 |
|---|---|-----------------------------------|
| 13.1 Movement of lease liabilities | | |
| Balance at beginning of the period / year | 816,249 | 381,139 |
| Additions | 182,887 | 619,161 |
| Accretion of interest | 29,573 | 70,390 |
| Payments | (152,965) | (254,441) |
| Early settlement | (655,084) | - |
| Balance at end of the period / year | <u>220,660</u> | <u>816,249</u> |

14. TRADE AND OTHER PAYABLES

Includes accrued liabilities amounted to Rs. 4,407.801 million (December 31, 2020: Rs. 2,888.270 million), bills payable of Rs. 2,356.421 million (December 31, 2020: Rs. 1,422.913 million) and current maturity of gas infrastructure development cess of Rs. 58.526 million (December 31, 2020: Rs. 54.618 million).

15. UNPAID DIVIDENDS

Represents amount payable to Abbott Asia Investments Limited (the Holding Company) on account of interim dividend declared for the financial year 2021, which has not yet been paid.

16. CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

16.1.1 Following are the change in the status of contingencies as reported in annual financial statements for the year ended December 31, 2020:

During the period, the Deputy Commissioner Inland Revenue (DCIR) while finalizing the Sales Tax audit for tax period January to December 2017 has issued an order raising a demand of Rs. 321.798 million along with penalty amounting to Rs. 16.089 million mainly on the contention that the Company has allegedly claimed/adjusted excess input tax in its sales tax returns. The Company filed an appeal with the Commissioner Inland Revenue (Appeals) (CIRA) against the order of DCIR and obtained stay against recovery of impugned from the Honourable Sindh High Court. The Company's appeal to CIRA in respect of the aforementioned proceedings is pending for adjudication.

Based on the tax advisor's opinion, management is of the view that the position of the Company is sound and the eventual outcome is expected to be in the Company's favour.

16.1.2 The Additional Commissioner Inland Revenue (ACIR) while finalising the amendment of assessment proceedings u/s 122(5A) of the Income Tax Ordinance, 2001 for tax year 2019 has issued an order reducing the tax refundable by Rs. 305.111 million on account of various contentions. The Company, in line with the advice of its legal and tax advisors filed an appeal before the CIRA. Subsequent to the year end, the Company's appeal to CIRA in respect of the aforementioned proceedings were finalised, whereby CIRA deleted the existing demand and remanded back most of the matters included therein to the learned officer for re-assessment, whilst additions amounting to Rs. 1.043 million were decided in favour of the tax department. During 2021, the tax department proceeded with filing an appeal with the Appellate Tribunal Inland Revenue (ATIR) in respect of the Gas Infrastructure Development Cess matter and the related additions deleted by (CIRA) in favour of the Company. The appeal in ATIR is pending adjudication.

Based on the legal advisor's opinion, management is of the view that the position of the Company is sound and the eventual outcome is expected to be in the Company's favour.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the nine months ended September 30, 2021

16.1.3 In addition to the above, the Company is defending various suits filed against it in various courts in Pakistan related to its business operations. The Company's management is confident, based on the advice of its legal advisors, that these suits will be decided in the Company's favour.

16.2 Commitments

16.2.1 Commitments for capital expenditure as at September 30, 2021 aggregated to Rs. 670.404 million (December 31, 2020: Rs. 191.262 million).

16.2.2 Commitments in respect of letters of credit as at September 30, 2021 aggregated to Rs. 758.100 million (December 31, 2020: Rs. 747.263 million).

16.2.3 The Company has given bank guarantees as at September 30, 2021 of Rs. 273.296 million (December 31, 2020: Rs. 269.858 million) to the Customs Department, a utility company and other institutions against tenders.

16.2.4 The Company has obtained short-term financing facilities from various commercial banks amounting to Rs. 3,150 million (December 31, 2020: Rs. 2,150 million). These facilities can be utilised for letters of credit, guarantees and running finance / short-term loans. However, the running finance / short-term loan utilisation cannot exceed Rs. 1,290 million (December 31, 2020: Rs. 250 million). The running finance / short-term loan carries mark-up at rates ranging from KIBOR plus 1% to KIBOR plus 2% (December 31, 2020: KIBOR plus 1% to KIBOR plus 2%) per annum and are secured against first joint pari passu hypothecation charge over stocks and book debts of the Company, ranking hypothecation charge over stocks and book debts of the Company, promissory notes, and counter guarantees. The Company has not borrowed any amount against running finance / short-term loan facilities at the statement of financial position date.

| | |
|---------------------------|--------------------|
| (Un-audited) | (Un-audited) |
| Nine months ended | Nine months ended |
| September 30, 2021 | September 30, 2020 |

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

17. OTHER INCOME

Income from financial assets

| | | |
|-----------------------|---------|---------|
| Term deposit receipts | 351,449 | 211,515 |
| Saving accounts | 58,286 | 39,618 |
| | 409,735 | 251,133 |

Income from non-financial assets

| | | |
|---|----------------|----------------|
| Gain on disposal of property, plant and equipment - net | 15,730 | 976 |
| Reversal of expected credit losses on trade debts | 31,003 | - |
| Scrap sales | 12,286 | 9,060 |
| Liabilities no longer required written back | - | 253,572 |
| Others | 57,581 | 68,459 |
| | 116,600 | 332,067 |
| | <u>526,335</u> | <u>583,200</u> |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the nine months ended September 30, 2021

| | | (Un-audited) Nine months ended September 30, 2021 | (Un-audited) Nine months ended September 30, 2020 |
|---|-------|---|---|
| | Note | ---- Rupees in '000---- | |
| 18. CASH GENERATED FROM OPERATIONS | | | |
| Profit before taxation | | 6,419,306 | 4,494,179 |
| Adjustment for non-cash changes and other items: | | | |
| Depreciation of operating fixed assets | 6.2 | 807,144 | 708,963 |
| Depreciation of right-of-use assets | 6.3.2 | 102,034 | 71,323 |
| Amortisation of intangible assets | | 11,606 | 16,455 |
| Gain on disposal of property, plant and equipment | 17 | (15,730) | (976) |
| Interest income | 17 | (409,735) | (251,133) |
| Expense recognized in profit or loss in respect of equity-settled shared-based compensation | | 91,168 | 86,199 |
| Staff retirement benefits - net | | 76,295 | - |
| Finance costs | | 50,218 | 41,247 |
| Working capital changes | 18.1 | 446,058 | 1,035,398 |
| | | <u>7,578,364</u> | <u>6,201,655</u> |
| 18.1 Working capital changes | | | |
| (Increase) / decrease in current assets | | | |
| Stores and spares | | (39,175) | 17,318 |
| Stock-in-trade | | (2,099,063) | (767,354) |
| Trade debts | | (30,425) | 378,001 |
| Loans and advances | | (162,367) | (301,036) |
| Trade deposits and short-term prepayments | | (172,313) | (7,277) |
| Other receivables | | 123,770 | 233,180 |
| | | <u>(2,379,573)</u> | <u>(447,168)</u> |
| Increase in current liabilities | | | |
| Trade and other payables | | 2,825,631 | 1,482,566 |
| | | <u>446,058</u> | <u>1,035,398</u> |
| 18.2 Cash and cash equivalents | | | |
| Cash and bank balances | | 2,397,952 | 1,109,212 |
| Term deposit receipts | | 3,500,000 | 4,100,000 |
| | | <u>5,897,952</u> | <u>5,209,212</u> |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the nine months ended September 30, 2021

19. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise the holding company, ultimate holding company, group companies, employee retirement benefit plans, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of Directors of the Company. Transactions with related parties during the period are as follows:

| | (Un-audited) Nine months ended September 30, 2021 | (Un-audited) Nine months ended September 30, 2020 |
|---|---|---|
| | ----- Rupees in '000----- | |
| Group companies | | |
| Sale of goods | 648,802 | 451,529 |
| Purchase of materials | 7,453,511 | 4,876,118 |
| Technical service fee | 156,565 | 137,696 |
| Reimbursement of expenses - net | 111,651 | 331,793 |
| Other income | 57,581 | 68,459 |
| Retirement fund: | | |
| Contribution to Pension fund | 176,343 | 171,758 |
| Contribution to Provident fund | 93,219 | 86,768 |
| Contribution to Gratuity fund | 10,416 | 2,364 |
| Dividend: | | |
| Payable / paid to Abbott Asia Investments Limited | 3,431,675 | 1,715,838 |
| Paid to Pension Fund | 19,741 | 9,871 |
| Paid to Provident Fund | 22,092 | 11,046 |
| Key management personnel: | | |
| Remuneration and other short-term employee benefits | 306,835 | 258,536 |
| Post-employment benefits | 30,709 | 25,354 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the nine months and three months ended September 30, 2021

20. SEGMENT ANALYSIS

20.1 Segment wise operating results for nine months ended (Un-audited):

| | September 30, 2021 | | | | | September 30, 2020 | | | | |
|-----------------------------------|----------------------------|-------------|-------------|-----------|--------------|--------------------|-------------|-------------|-----------|--------------|
| | Pharmaceutical | Nutritional | Diagnostic | Others | Total | Pharmaceutical | Nutritional | Diagnostic | Others | Total |
| | ----- Rupees in '000 ----- | | | | | | | | | |
| Sales | 22,015,396 | 9,339,891 | 2,813,595 | 900,542 | 35,069,424 | 18,489,848 | 7,282,019 | 1,392,569 | 687,747 | 27,852,183 |
| Less: | | | | | | | | | | |
| Sales return and discount | 1,884,004 | 526,930 | 124,571 | 53,261 | 2,588,766 | 1,574,416 | 441,390 | 57,251 | 55,733 | 2,128,790 |
| Sales tax and excise duty | - | 951,618 | 22,300 | 59,451 | 1,033,369 | - | 699,583 | 10,436 | 41,462 | 751,481 |
| Sales - net | 20,131,392 | 7,861,343 | 2,666,724 | 787,830 | 31,447,289 | 16,915,432 | 6,141,046 | 1,324,882 | 590,552 | 24,971,912 |
| Cost of sales | (12,753,832) | (4,130,246) | (1,939,320) | (491,998) | (19,315,396) | (11,428,691) | (3,378,632) | (1,099,292) | (404,461) | (16,311,076) |
| Gross profit | 7,377,560 | 3,731,097 | 727,404 | 295,832 | 12,131,893 | 5,486,741 | 2,762,414 | 225,590 | 186,091 | 8,660,836 |
| Selling and distribution expenses | (3,267,268) | (1,244,129) | (167,454) | (206,602) | (4,885,453) | (2,572,370) | (844,057) | (138,856) | (107,098) | (3,662,381) |
| Administrative expenses | (463,663) | (72,889) | (14,059) | - | (550,611) | (413,059) | (54,479) | (13,099) | - | (480,637) |
| Segment result | 3,646,629 | 2,414,079 | 545,891 | 89,230 | 6,695,829 | 2,501,312 | 1,863,878 | 73,635 | 78,993 | 4,517,818 |

20.2 Segment wise operating results for the three months ended (Un-audited):

| | September 30, 2021 | | | | | September 30, 2020 | | | | |
|-----------------------------------|---------------------------|-------------|------------|-----------|-------------|--------------------|-------------|------------|-----------|-------------|
| | Pharmaceutical | Nutritional | Diagnostic | Others | Total | Pharmaceutical | Nutritional | Diagnostic | Others | Total |
| | ----- (Rupees '000) ----- | | | | | | | | | |
| Sales | 7,533,970 | 3,029,650 | 1,009,023 | 282,438 | 11,855,081 | 5,786,546 | 2,975,622 | 450,193 | 246,116 | 9,458,477 |
| Less: | | | | | | | | | | |
| Sales return and discount | 621,453 | 171,032 | 58,617 | 20,495 | 871,597 | 484,467 | 178,514 | 27,152 | 4,910 | 695,043 |
| Sales tax and excise duty | - | 309,056 | 6,507 | 18,615 | 334,178 | - | 300,851 | 4,614 | 19,729 | 325,194 |
| Sales - net | 6,912,517 | 2,549,562 | 943,899 | 243,328 | 10,649,306 | 5,302,079 | 2,496,257 | 418,427 | 221,477 | 8,438,241 |
| Cost of sales | (4,456,943) | (1,453,749) | (689,276) | (155,233) | (6,755,201) | (3,722,975) | (1,294,450) | (358,452) | (161,605) | (5,537,482) |
| Gross profit | 2,455,574 | 1,095,813 | 254,623 | 88,095 | 3,894,105 | 1,579,104 | 1,201,807 | 59,975 | 59,872 | 2,900,759 |
| Selling and distribution expenses | (1,134,285) | (440,485) | (58,170) | (66,080) | (1,699,020) | (945,106) | (301,019) | (38,081) | (41,181) | (1,325,387) |
| Administrative expenses | (185,761) | (26,245) | (4,449) | - | (216,455) | (146,407) | (17,545) | (2,177) | - | (166,129) |
| Segment result | 1,135,528 | 629,083 | 192,004 | 22,015 | 1,978,630 | 487,591 | 883,243 | 19,717 | 18,691 | 1,409,243 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the nine months and three months ended September 30, 2021

20.3 Reconciliation of segment results with profit before taxation (Un-audited)

| | Nine months ended | | Three Months Ended | |
|-------------------------------|----------------------------|------------------|--------------------|------------------|
| | Sep 30, 2021 | Sep 30, 2020 | Sep 30, 2021 | Sep 30, 2020 |
| | ----- Rupees in '000 ----- | | | |
| Total segment results | 6,695,829 | 4,517,818 | 1,978,630 | 1,409,243 |
| Other income | 526,335 | 583,200 | 146,425 | 116,265 |
| Other charges | (752,640) | (565,592) | (330,907) | (159,391) |
| Finance costs | (50,218) | (41,247) | (9,150) | (13,179) |
| Profit before taxation | 6,419,306 | 4,494,179 | 1,784,998 | 1,352,938 |

20.4 Geographical information (Un-audited)

Sales to external customers, net of returns, discounts, sales tax and excise duty

| | | | | |
|-------------|-------------------|-------------------|-------------------|------------------|
| Pakistan | 29,813,937 | 23,762,055 | 10,060,977 | 7,764,920 |
| Afghanistan | 972,904 | 715,265 | 293,598 | 484,587 |
| Srilanka | 11,646 | 43,063 | 4,679 | 5,418 |
| Switzerland | 648,802 | 451,529 | 290,052 | 183,316 |
| | 31,447,289 | 24,971,912 | 10,649,306 | 8,438,241 |

20.5 Segment Assets and Liabilities

| | UNAUDITED | | | | | AUDITED | | | | |
|-----------------------------------|---------------------------|-------------|-------------|---------|-------------------|-------------------|-------------|-------------|--------|-------------------|
| | September 30, 2021 | | | | | December 31, 2020 | | | | |
| | Pharmaceutical | Nutritional | Diagnostics | Others | Total | Pharmaceutical | Nutritional | Diagnostics | Others | Total |
| | ----- (Rupees '000) ----- | | | | | | | | | |
| Segment assets employed | 13,440,426 | 2,145,063 | 3,084,460 | 123,874 | 18,793,823 | 11,593,408 | 1,089,473 | 3,205,432 | 68,517 | 15,954,830 |
| Unallocated corporate assets | | | | | 10,145,647 | | | | | 8,960,914 |
| Total reported assets | | | | | 28,939,470 | | | | | 24,915,744 |
| Segment liabilities | 7,575,938 | 1,136,892 | 1,290,502 | 144,483 | 10,147,815 | 5,221,834 | 972,307 | 714,521 | 80,073 | 6,988,735 |
| Unallocated corporate liabilities | | | | | 3,023,846 | | | | | 2,336,757 |
| Total liabilities | | | | | 13,171,661 | | | | | 9,325,492 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the nine months and three months ended September 30, 2021


21. RECLASSIFICATION

Certain corresponding figures have been reclassified for better presentation, however, there is no material reclassification to report except as follows:

| From | To | Rupees in '000 |
|-----------------------------------|---|----------------|
| Cash and bank balances | Short-term Investments | 6,500,000 |
| Interest accrued | Short-term Investments | 6,404 |
| Selling and distribution expenses | Cost of sales | 195,762 |
| Other receivables | Trade deposits and short-term prepayments | 61,033 |

22. DATE OF AUTHORISATION

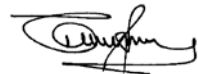
These condensed interim financial statements were authorised for issue on October 26, 2021 by the Board of Directors of the Company.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

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