



# HALF YEARLY REPORT JANUARY - JUNE **2025**





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Half Yearly Report June 30, 2025



## Company Information

### Board of Directors

Dr. Salomon Jacobus Van Rooijen  
Chairman, Non-Executive Director  
  
Mr. Muhammad Irfan-ul-Haq  
Executive Director & Chief Executive Officer  
  
Mrs. Feriel Ali Mehdi  
Non-Executive Director  
  
Mr. Mubashir Hasan Ansari  
Non-Executive Director  
  
Mr. M. Salman Husain Chawala  
Non-Executive Director  
  
Mr. Ahsan Rashid  
Independent, Non-Executive Director  
  
Mrs. Faeyza Khan Faheem  
Independent, Non-Executive Director

### Board Audit Committee

Mrs. Faeyza Khan Faheem  
Chairperson  
  
Mr. Mubashir Hasan Ansari  
Member  
  
Mr. M. Salman Husain Chawala  
Member

### Human Resource and Remuneratoin Committee

Mr. Ahsan Rashid  
Chairman  
  
Mr. Muhammad Irfan-ul-Haq  
Member  
  
Mr. M. Salman Husain Chawala  
Member

### Board Nomination Committee

Mrs. Feriel Ali Mehdi  
Chairman  
  
Dr. Salomon Jacobus Van Rooijen  
Member  
  
Mr. Muhammad Irfan-ul-Haq  
Member

### Statutory Auditors

BDO Ebrahim & Co. Chartered Accountants

### Chief Financial Officer

Mr. Ata-ur-Rehman Shaikh

### Company Secretary

Mr. Muhammad Shahid

### Secretary HR&R Committee

Mr. Aneel Arshad Ali

### Head of Internal Audit

Mr. Syed Abid Raza Rizvi

### Legal Advisors

A. Qadir & Company

### Registered Office

Ground Floor, Bahria Complex III,  
M. T. Khan Road, Karachi - Pakistan.  
Tel: +9221 35630251-60  
Fax: +9221 35630266  
Website: [www.zil.com.pk](http://www.zil.com.pk)  
Email: [Info@zil.com.pk](mailto:Info@zil.com.pk)

### Factory

Link Hali Road, Hyderabad - 71000

### Bankers

Dubai Islamic Bank  
Habib Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan Limited  
Soneri Bank Limited  
United Bank Limited  
Standard Chartered Bank  
Bank of Khyber

### Shares Registrar

THK Associates (Pvt) Limited  
Plot No. 32, Jami Commercial Street 2,  
D.H.A., Phase VII, Karachi.  
Ph: (021) 111-000-322



## Directors' Review

The Board of Directors of ZIL Limited is pleased to present the Company's financial results for the half-year ended June 30, 2025.

### Operating Performance

The Company achieved 6% revenue growth compared to the corresponding period last year, with net sales of PKR 3.2 billion. Sales rebounded strongly in the second quarter, reflecting a solid recovery and a return to the Company's growth trajectory.

To counter the impact of category challenges stemming from price changes and broader macroeconomic pressures, including inflation and subdued consumer sentiment, the Company implemented effective shopper and consumer initiatives. These actions supported a positive turnaround and drove strong topline and bottom-line growth.

Our pricing strategy, grounded in market benchmarking, along with targeted cost optimization measures, contributed significantly to sustaining profitability. The Company reported a gross profit of PKR 1,025 million, representing an improvement of 499 basis points over the previous year. We remain focused on monitoring market dynamics closely and adjusting our business strategies to preserve competitiveness and long-term value creation.

In line with our growth objectives, marketing investments were substantially increased to support and enhance sales performance. This trend is expected to continue in the coming periods. Operating expenses rose mainly due to investment in human resources, especially in sales and distribution. Consequently, the Company achieved an after-tax profit of PKR 32 million.

### Financial Performance at a Glance

	Jan to Jun	
	2025	2024
	Rs. in Millions	
Net Sales	3,183	3,012
Gross Profit	1,025	820
Gross Profit %	32.2%	27.2%
Profit/(Loss) after taxation	32	(3)
Earnings per share (Rs.)	5.19	(0.57)

### Future Outlook

While certain macroeconomic indicators, such as relative stability and the continuation of low interest rates by the State Bank of Pakistan, provide cautious optimism, significant risks remain. Volatility in the exchange rate, absence of a sustainable long-term economic roadmap, fluctuations in global commodity prices, and geopolitical conflicts could adversely affect business conditions.



Personal Care & Hygiene Products Company

The Company's management remains proactive in assessing these challenges and responding with agility to safeguard operations and performance. Key focus areas include:

- Value chain optimization
- Brand building and portfolio expansion
- New product development
- Consumer pricing competitiveness
- Enhancing customer and consumer satisfaction

These initiatives are expected to strengthen market penetration and ensure sustainable growth.

#### Acknowledgement

The Board would like to express its sincere appreciation to the Company's leadership team and employees for their commitment and dedication, which have been instrumental in driving organizational performance. We also extend our gratitude to our valued business partners, including vendors, financial institutions, distributors, consumers, and other stakeholders, for their continued trust and support.

For and on behalf of the Board of Directors

A handwritten signature in black ink, appearing to read "Muhammad Irfan-ul-Haq".

**Muhammad Irfan-ul-Haq**  
CEO / Director

Karachi: August 28, 2025



## Independent Auditor's Report on Review of Condensed Interim Financial Statements to the Members of ZIL Limited

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of ZIL LIMITED ("the Company") as at June 30, 2025 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred as the "interim financial statements"). Management is responsible for the preparation and fair presentation of these condensed 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 condensed interim 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 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 condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other matters

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, 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 statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended June 30, 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditors' report is Tariq Feroz Khan.

KARACHI

DATED: August 29, 2025

UDIN: RR202510166DvZmq0WIO

BDO EBRAHIM & Co  
CHARTERED ACCOUNTANTS



## Condensed Interim Statement of Financial Position (Un-audited) As at June 30, 2025

	Note	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
		(Rs. in '000)	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	7	636,023	1,466,102
Intangible asset	8	10,414	5,795
Investment property	9	882,303	-
Long term deposits		33,952	23,743
Long term loans to employees		773	873
		<u>1,563,465</u>	<u>1,496,513</u>
<b>CURRENT ASSETS</b>			
Stores and spares		50	283
Stock-in-trade	10	901,524	629,650
Trade debts	11	229,887	279,170
Advances, deposits, prepayments and other receivables	12	39,800	12,173
Advance taxation		146,292	117,140
Short term investments	13	60,000	40,000
Cash and bank balances	14	158,730	151,877
		<u>1,536,283</u>	<u>1,230,293</u>
Assets classified as held for sale	15	488,845	488,845
		<u>3,588,593</u>	<u>3,215,651</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital			
40,000,000 (December 31, 2024: 40,000,000) ordinary shares of Rs. 10/- each		<u>400,000</u>	<u>400,000</u>
Issued, subscribed and paid-up capital		61,226	61,226
Capital reserves			
Surplus on revaluation of property, plant and equipment		1,023,038	1,033,587
Revenue reserves		6,000	6,000
General reserves		301,959	274,940
Unappropriated profit		1,330,997	1,314,527
<b>NON-CURRENT LIABILITIES</b>			
Long term loan	16	861	2,223
Deferred taxation		197,578	212,170
Deferred staff liabilities		217,393	192,489
Lease liabilities		152,002	117,329
		<u>567,834</u>	<u>524,211</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	17	1,353,863	1,034,935
Current maturity of long term liabilities		37,232	26,003
Contract liabilities		145,779	102,685
Short term borrowings	18	31,846	31,846
Taxation		58,237	118,733
Unclaimed dividends		1,579	1,485
		<u>1,628,536</u>	<u>1,315,687</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	19		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>3,588,593</u>	<u>3,215,651</u>

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

  
Chief Financial Officer

  
Chief Executive Officer

  
Director



**Condensed Interim Statement of  
Profit or Loss (Un-audited)  
For the Half Year ended June 30, 2025**

	Note	Half year ended		Quarter ended	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
----- (Rupees in '000) -----					
Sales - net	20	3,183,342	3,012,097	1,973,843	1,602,715
Cost of sales	21	(2,158,121)	(2,192,286)	(1,336,558)	(1,162,632)
<b>Gross profit</b>		<b>1,025,221</b>	<b>819,811</b>	<b>637,285</b>	<b>440,083</b>
Selling and distribution expenses		(664,180)	(543,882)	(427,525)	(332,604)
Administrative expenses		(237,982)	(196,813)	(133,494)	(94,237)
		(902,161)	(740,695)	(561,018)	(426,841)
Other income		18,186	9,726	15,959	2,371
Operating profit		141,246	88,843	92,225	15,613
Other charges		(26,610)	(1,996)	(21,127)	1,991
Financial charges		(47,824)	(59,916)	(23,858)	(29,376)
		(74,434)	(61,912)	(44,985)	(27,384)
Profit/(loss) before levy and minimum tax differential		66,812	26,931	47,240	(11,771)
Levy and minimum tax differential	22	-	(21,943)	1,310	(19,733)
Profit/(loss) before tax		66,812	4,988	48,550	(31,504)
Taxation					
Current - for the period		(49,627)	(15,710)	(34,742)	(302)
- prior the period		-	(463)	-	(435)
Deferred		14,592	7,701	16,846	3,532
		(35,035)	(8,472)	(17,896)	2,796
<b>Profit/(loss) after tax for the period</b>		<b>31,777</b>	<b>(3,484)</b>	<b>30,654</b>	<b>(28,708)</b>
Earnings/(loss) per share - basic and diluted (Rupees)		5.19	(0.57)	5.01	(4.69)

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director



Personal Care & Hygiene Products Company

**Condensed Interim Statement of  
Comprehensive Income (Un-audited)**  
**For the Half Year ended June 30, 2025**

	Half year ended		Quarter ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
----- (Rupees in '000) -----				
Profit/(loss) for the period	31,777	(3,484)	30,654	(28,708)
Other comprehensive income/ (loss) for the period	-	-	-	-
Total comprehensive income/(loss) for the period	<u><u>31,777</u></u>	<u><u>(3,484)</u></u>	<u><u>30,654</u></u>	<u><u>(28,708)</u></u>

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director



## Condensed Interim Statement of Cash Flow (Un-audited) For the Half Year ended June 30, 2025

	Note	June 30, 2025 (Rs. in '000)	June 30, 2024 (Rs. in '000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		66,812	26,930
<b>Adjustments for:</b>			
Depreciation and amortization	21	77,370	57,267
Provision of slow moving obsolete stock	11.1	137	-
Provision for doubtful debts		29,251	-
Gratuity expense		27,500	36,589
Profit on bank deposit		(427)	(2,348)
Dividend income		(185)	(5,034)
Gain on early termination of lease		(1,166)	-
Finance costs		47,824	59,916
Loss on disposal of operating fixed assets		411	453
		<u>180,714</u>	<u>146,843</u>
Operating cashflows before changes in working capital		<u>247,526</u>	<u>173,773</u>
Working capital changes			
Decrease/(increase) in current assets:			
Stores and Spares	10	233	(3)
Stock-in-trade	11	(272,011)	112,752
Trade debts		20,032	(56,697)
Loans to employees		299	783
Long term deposits		(10,209)	(1,650)
Advances, deposits, prepayments and other receivables	12	(27,826)	16,249
		<u>(289,482)</u>	<u>71,434</u>
Increase/(decrease) in current liabilities:			
Contract liabilities	17	43,094	19,607
Trade and other payables		318,702	(43,242)
Cash generated from operations		<u>319,840</u>	<u>221,572</u>
Taxes paid		(139,275)	(36,563)
Staff gratuity paid		(2,597)	(22,231)
Dividend received		185	5,034
Financial charges paid		(35,342)	(54,393)
		<u>(177,029)</u>	<u>(108,153)</u>
<b>Net cash flows from operating activities</b>		<u>142,811</u>	<u>113,419</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Addition in capital expenditure	7.3.1	(89,181)	(105,186)
Short term investments		(20,000)	70,000
Proceeds from disposal of operating fixed assets		12,486	4,990
Profit received on bank deposits		427	2,348
<b>Net cash flows used in investing activities</b>		<u>(96,268)</u>	<u>(27,848)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Lease rentals paid	16	(24,266)	(18,226)
Long term loan repaid		(212)	(103,686)
Short term loan received		-	31,847
Dividend paid		(15,212)	(12,171)
Net cash used in financing activities		<u>(39,690)</u>	<u>(102,236)</u>
Net increase/(decrease) in cash and cash equivalents		6,853	(16,665)
Cash and cash equivalents at the beginning of the period		<u>151,877</u>	<u>127,293</u>
Cash and cash equivalents at the end of the period		<u>158,730</u>	<u>110,628</u>

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director



Personal Care & Hygiene Products Company

## Condensed Interim Statement of Changes in Equity (Un-audited) For the Half Year ended June 30, 2025

Issued, subscribed and paid up capital	Capital Reserves		Revenue Reserves		(Rs. in '000)
	Surplus on revaluation of property, plant and equipment	General Reserve	(Accumulated loss) / Unappropriated profit	Total	

Balance as at January 01, 2024 - (audited) 61,226 958,870 6,000 198,758 1,224,854

### Total comprehensive income for the period

Loss for the period	-	-	-	(3,485)	(3,485)
Other comprehensive income (OCI)					
Transferred from surplus on revaluation of property, plant and equipment - net of tax (incremental depreciation)		(8,051)	-	8,051	-
		(8,051)	-	4,566	(3,485)

### Dividend paid for the year ended

December 31, 2023

Balance as at June 30, 2024 (unaudited) 61,226 950,819 6,000 191,079 1,209,124

Balance as at January 01, 2025 (audited) 61,226 1,033,587 6,000 274,940 1,375,753

### Total comprehensive income for the period

Profit for the period	-	-	-	31,777	31,777
Other comprehensive income (OCI)					
Transferred from surplus on revaluation of property, plant and equipment - net of tax (incremental depreciation)		(10,549)	-	10,549	-

### Dividend paid for the year ended

December 31, 2024

Balance as at June 30, 2025 (unaudited) 61,226 1,023,038 6,000 301,959 1,392,223

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director



Personal Care & Hygiene Products Company

## Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025

### 1 STATUS AND NATURE OF BUSINESS

ZIL Limited ("the Company") was incorporated as a private limited company in February 1960 under the Companies Act, 1913 (repealed Companies Ordinance, 1984 and now the Companies Act, 2017) and was subsequently converted into a public limited company in November 1986. Its shares are listed on the Pakistan Stock Exchange. The principal activity of the Company is to manufacture and sale of home and personal care products.

During the period, TWF Holding L.L.C-FZ ("the Holding Company") had acquired a total of 5,194,514 ordinary shares of Rs. 10 each of the Company, representing 84.84% of the total issued share capital, through a share purchase agreement in March 2025 entered into with M/s New Future Consumer International General Trading L.L.C at Rs. 297.50. The registered office of the Holding Company is situated at Meydan Grandstand, 6th Floor, Meydan Road, Nad Al Sheba, Dubai, United Arab Emirates.

### 2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

Location	Address
Head Office	Bahria Complex III , Plot No. MISC-2, M.T. Khan Road, Karachi.
Land	Link Hali Road, Hyderabad (Refer note 15 to these condensed interim financial statements).
Land	Plot No G-1 Located In Chemical Area Of Eastern Industrial Zone, Port Qasim Authority, Karachi. (Refer note 9 to these condensed interim financial statements).
Warehouse	Plot No. C-6, SITE Area, Near Mirpurkhas Road, S.I.T.E., Hyderabad.
Warehouse	1st Part of Plot No. 21-B, Industrial Estate, Multan.
Warehouse	Khewat No. 55, situated at 16-KM, Multan Road, Lahore.
Regional sales office -Central 2	Naeema Azam Tower 1st floor Office No 08. Commercial Area Phase I Industrial Estate. Multan
Regional sales office-North	Plaza 52, Marina commercial, Cornice road, Phase 4, Bahria Town, Islamabad.
Quality assurance lab & Regional Sales office south	1st Floor, Pardesi House, Plot No. 2/1, RY-16, Old Queens Road, Karachi
Corporate office Central 1	59/A, 31, C-II, Gulberg III, Lahore.
& Regional Sales office Central 1	



Personal Care & Hygiene Products Company

## Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025

### 3 BASIS OF PREPARATION

#### 3.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017;

Where provisions of and directives issued under the Companies Act, 2017 differ from the (IAS) 34, 'Interim Financial Reporting' and IFAS, 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 for full annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended December 31, 2024, which have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended December 31, 2024, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of 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.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended June 30, 2025 and June 30, 2024 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half-years ended June 30, 2025 and June 30, 2024.

#### 3.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except otherwise stated.



## Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025

### 3.3 Functional and presentation currency

This condensed interim financial information are presented in Pakistani rupee ('Rupees' or 'Rs.') which is the functional and presentation currency of the Company.

### 4 ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

#### 4.1 Standards, amendments and interpretations to accounting standards that are effective in the current period

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, not detailed in these condensed interim financial statements.

#### 4.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are various standards, amendments and interpretations to the accounting and reporting standards as applicable in Pakistan which are not yet effective in the current accounting period. These are not likely to have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim unconsolidated financial statements.

### 5 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended December 31, 2024. However, during the period the Company has adopted the following:

#### 5.1 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, including property under construction for such purposes, is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property measured at cost less its accumulated depreciation and impairment loss (if any).

#### 5.2 Rental income

Rental income from investment property is recognised as revenue on charge over the term of the tenancy.

### 6 ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended December 31, 2024.



## Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025

### 7 PROPERTY, PLANT AND EQUIPMENT

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

#### 7.1 Owned assets

Net carrying value basis	1,286,088	1,046,498
Opening net book value	44,982	196,432
Transfer from capital work in progress during the period / year (at cost)	-	83,092
Revaluation	1,331,070	1,326,022
Disposals during the period / year	(12,668)	(15,697)
Depreciation charged during the period / year	(42,844)	(98,438)
Transferred to investment property	(896,287)	-
Reversal of revaluation	-	74,201
Closing net book value	(951,799)	(39,934)
	<u>379,271</u>	<u>1,286,088</u>

#### 7.1.1 Details of transfer from CWIP (at cost) during the period / year are as follows:

Plant and machinery	3,086	8,067
Furniture and fixtures	5,843	17,751
Dies and change part	-	1,100
Vehicles	34,053	151,990
Computers	2,000	17,524
	<u>44,982</u>	<u>196,432</u>

#### 7.1.2 Details of deletion (NBV) during the period / year are as follows:

Plant and machinery	269	195
Computers	273	438
Vehicles	12,126	15,064
	<u>12,668</u>	<u>15,697</u>



## Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025

	Note	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
		(Rs. in '000)	
<b>7.2 Right-of-use assets</b>			
Net carrying value basis		128,917	73,700
Opening net book value		61,280	81,086
Additions (at cost) during the period / year		(3,586)	
Disposal during the period / year		(19,156)	(25,869)
Depreciation charged during the period / year		<u>167,455</u>	<u>128,917</u>
Closing net book value			
<b>7.3 Capital work in progress</b>			
Building on leasehold land		40,076	40,076
Vehicles		33,834	9,422
Plant, machinery and equipment		6,812	239
Furniture & Fixtures		8,057	852
Computers		518	508
7.3.1		<u>89,297</u>	<u>51,097</u>
<b>7.3.1 Movement in capital work in progress</b>			
Balance at the beginning of the period / year		51,097	49,873
Addition during the period / year		83,182	197,656
Transferred to operating fixed asset		(44,982)	(196,432)
Balance at the end of the period / year		<u>89,297</u>	<u>51,097</u>
<b>8 INTANGIBLE ASSET</b>			
Operating intangible asset - net carrying value		4,414	5,795
Capital work in progress		6,000	-
		<u>10,414</u>	<u>5,795</u>
<b>9 INVESTMENT PROPERTY</b>			
Cost		896,287	-
Accumulated amortization		(13,984)	-
Carrying amount as at 30 June		<u>882,303</u>	-
Remaining lease term (in years)		31	-



## Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025

**9.1** The Company entered into a rental arrangement on April 24, 2025 effective from February 01, 2025 with its associated company against its leasehold property measuring 11 acres situated in Chemical Area of Eastern Zone of Port Qasim Authority. As a result, the property has been reclassified from owner occupied leasehold property to Investment Property. In line with requirement of IAS-40 this property has been transferred at its fair value at the date of this arrangement. Subsequent to the transfer, management has opted to apply the cost model for its subsequent measurement and so the property is to be amortised at its remaining lease term. The fair market value of this investment property of amounting to Rs. 896.287 million as of the date of its last valuation.

### 10 STOCK IN TRADE

	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
Raw material		
In hand	<b>329,530</b>	197,004
In transit	<b>2,605</b>	27,507
	<hr/>	<hr/>
Packing material		
105,249	224,511	
Finished goods	<b>469,376</b>	54,532
	<hr/>	<hr/>
Provision for slow moving inventory	<b>906,760</b>	355,706
	<hr/>	<hr/>
	<b>(5,236)</b>	634,749
	<hr/>	<hr/>
	<b>901,524</b>	(5,099)
	<hr/>	<hr/>
	<b>901,524</b>	629,650

### 11 TRADE DEBTS

Unsecured - considered good	<b>229,887</b>	279,170
Considered doubtful	<b>38,648</b>	9,397
	<hr/>	<hr/>
Less: allowance for expected credit loss	<b>268,535</b>	288,567
	<hr/>	<hr/>
	<b>(38,648)</b>	(9,397)
	<hr/>	<hr/>
	<b>229,887</b>	279,170

#### 11.1 Allowance for expected credit loss

Opening balance	<b>9,397</b>	9,397
Allowance charge during the period / year	<b>29,251</b>	-
Closing balance	<b>38,648</b>	9,397



## **Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025**

	Note	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
		(Rs. in '000)	
<b>12 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
<b>Considered good - unsecured</b>			
Advance to employees		1,562	1,761
Advance to suppliers and contractors		19,765	7,367
Prepayments		17,168	2,141
Others receivables		1,305	904
		<u>39,800</u>	<u>12,173</u>
<b>Considered doubtful</b>			
Advances to suppliers and contractors		803	803
Less: allowance for expected credit loss		(803)	(803)
		<u>-</u>	<u>-</u>
		<u>39,800</u>	<u>12,173</u>
<b>13 SHORT TERM INVESTMENTS</b>			
At fair value through profit or loss:			
Meezan Cash Fund	13.1	60,000	40,000
		<u>60,000</u>	<u>40,000</u>

**13.1** This represent investment in Meezan Cash Fund having total number of units at 1,167,312 units (December 31, 2024: 697,883 units of Meezan Sovergin Fund) having net assets value (NAV) of Rs. 51.4.

14 CASH AND BANK BALANCES

Cash in hand	525	429
Cash with banks		
- current / accounts		141,693
- saving accounts	14.1	9,755
	<b>151,495</b>	<b>151,448</b>
	<b>6,710</b>	<b>151,877</b>
	<b>158,205</b>	
	<b>158,730</b>	

**14.1** This carries profit rate at ranges from 9.5% to 10.5% (December 31, 2024: ranges from 11.5% to 20.5%) per annum.



## Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025

	Note	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
		(Rs. in '000)	
<b>15 ASSETS CLASSIFIED AS HELD FOR SALE</b>			
Freehold land		400,040	400,040
Building on freehold land		23,378	23,378
Plant, machinery and equipment		65,427	65,427
		<u>488,845</u>	<u>488,845</u>

**15.1** On January 12, 2022, the Board of Directors in their meeting discussed and reviewed the operational difficulties of existing manufacturing facility (comprising of freehold land, building on freehold land, plant and machinery and equipment, capital spares, furniture and fixtures, store and spares tools and other related assets) located at link hali road, Hyderabad due to housing society built in its surrounding area and approved the closure of factory, offering of Voluntarily Separation Scheme to factory staff and shifting of all manufacturing operations to toll manufacturing through third party arrangements. The above decisions had been approved by the shareholders in an extraordinary general meeting held on November 30, 2022 under section 183 (3) of Companies Act, 2017. On December 08, 2023, in the Extra Ordinary General Meeting by the shareholders of the Company has re-approved the disposal of same.

Accordingly, the stated assets have been classified as assets held for sale. The sale of manufacturing facility was expected to be completed within a year from the date of classification. However, due to depressed economic conditions, the availability of prospective buyers offering respectable prices remain restricted and factory assets cannot be sold during the period despite the excessive efforts of the management of the Company. Factory disposal still in progress. Furthermore, in an EOGM held on December 12, 2024, the shareholders reaffirmed their approval for the disposal of the remaining assets.

The Company entered into a contract with a buyer for the disposal of some plant, machinery, building and related assets; delivery of some of those assets have already been completed and related proceeds have appropriately been accounted for. The Company is hopeful that the process will be completed by year end.

	Note	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
		(Rs. in '000)	
<b>16 LONG TERM LOAN</b>			
Diminishing musharaka		3,336	3,549
Less: current maturity shown under current liability		(2,475)	(1,326)
		<u>861</u>	<u>2,223</u>



## Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025

**16.1** The Company had acquired vehicles under diminishing musharaka agreement from First Habib Modaraba. The loan was for a period of four years expiring on May 2027, with an option to purchase the asset at nominal amount. This carries profit at the rate 3 months' KIBOR + 2% per annum (December 31, 2024: 3 months' KIBOR + 2% per annum).

### 17 TRADE AND OTHER PAYABLES

	Note	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
		(Rs. in '000)	
Trade creditors		904,096	637,216
Accrued expenses		312,716	283,312
Sales tax payable		57,390	67,772
Deduction on account of vehicles for the employees		16,138	7,921
Accrued mark-up		162	171
Workers' Welfare Fund		9,630	6,460
Workers' Profit Participation Fund		3,780	5,237
Advances against asset classified as held for sale		38,913	20,000
Other liabilities		11,040	6,846
		<u>1,353,863</u>	<u>1,034,935</u>

### 18 SHORT TERM BORROWINGS

From New Future Consumer International LLC	18.1	31,846	31,846
		<u>31,846</u>	<u>31,846</u>

**18.1** This represents interest free short term loan. The loan is repayable in December 2025.



Personal Care & Hygiene Products Company

## Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025

### 19 CONTINGENCIES AND COMMITMENTS

#### 19.1 Contingencies

The status of other contingencies are same as disclosed in the annual audited financial statements for the year ended December 31, 2024 except for disclosed below:

**19.1.1** On May 21, 2025, an order under section 122(5A) of the Income Tax Ordinance, 2001 was passed by the Additional Commissioner Inland Revenue (ADCIR) for the financial year 2022 (Tax Year 2023) in which certain expenses were disallowed amounting to Rs. 78.538 million. Disagreeing to the above the company has filed an Appeal before the CIR(A) against the alleged order of ADCIR which is pending decision. Based on the Company's tax advisor's view, a favourable decision is expected and therefore the subject demand is expected to be quashed. Accordingly, no provision of above demand, has been made in these financial statements.

**19.1.2** On June 05, 2025, an order under section 221/122(5A) of the Income Tax Ordinance, 2001 was passed by the Additional Commissioner Inland Revenue (ADCIR) for the financial year 2023 (Tax Year 2024) in which certain expenses were disallowed amounting to Rs. 25.758 million. Disagreeing to the above the company has filed an Appeal before the CIR(A) against the alleged order of ADCIR which is pending decision. Based on the Company's tax advisor's view, a favourable decision is expected and therefore the subject demand is expected to be quashed. Accordingly, no provision of above demand, has been made in these financial statements.

#### 19.2 Commitment

- 19.2.1** Commitment under letters of credit and contracts for the import of stock-in-trade items amounted to Rs. 159.895 million (December 31, 2024: Rs. 61.9 million).
- 19.2.2** The Company has entered into Ijarah arrangements for vehicles with bank. Aggregate commitments for these Ijarah arrangements as at reporting date are Rs. 24.8 million (December 31, 2024: Rs. 41.469 million).

20 SALES - NET	Half-year ended		Quarter ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Un-audited)		(Un-audited)	
<hr/>				
Gross sales	4,507,432	4,230,621	2,817,806	2,266,303
Less: Sales tax	(757,468)	(711,133)	(474,512)	(381,401)
Trade discount	(566,041)	(505,990)	(369,203)	(280,947)
Sales return and rebate	(581)	(1,401)	(247)	(1,240)
Net sales	<u>(1,324,090)</u>	<u>(1,218,524)</u>	<u>(843,963)</u>	<u>(663,588)</u>
	<u>3,183,342</u>	<u>3,012,097</u>	<u>1,973,843</u>	<u>1,602,715</u>



**Notes to the Condensed Interim  
Financial Statements (Un-audited)  
For the Half Year ended June 30, 2025**

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

**21 COST OF SALES**

Raw & packing material consumed	2,088,044	2,028,235	1,017,684	981,891
Salaries, wages and other benefits	62,340	62,979	32,183	32,544
Toll Manufacturing	89,525	68,547	43,858	33,521
Depreciation and amortisation	8,682	19,862	4,505	10,182
Fuel and power	1,226	3,383	704	2,431
Freight and handling charges	3,320	4,128	1,212	2,299
Stores and spares consumed	1,754	1,999	1,084	1,124
Rent, rates and taxes	3,364	3,821	2,036	2,002
Travelling and conveyance	5,569	8,926	2,797	5,545
Insurance	1,250	1,057	980	644
Repair and maintenance	139	68	76	37
Postage and telephones	203	210	76	120
Legal and professional charges	120	60	60	-
Printing and stationery	24	51	14	37
Subscription charges	209	360	-	150
Provision for slow moving stock-in-trade	137	-	137	-
Product research and development	3,416	5,643	2,753	1,691
Others	2,466	2,016	1,162	935
	2,271,791	2,211,345	1,111,323	1,075,155
Opening work in process	-	-	-	208
Closing work in process	-	-	-	-
	-	-	-	208
Cost of goods manufactured	2,271,791	2,211,345	1,111,323	1,075,363
Opening stock of finished goods	355,706	375,033	694,612	481,362
Closing stock of finished goods	(469,376)	(394,092)	(469,376)	(394,092)
	(113,670)	(19,059)	225,235	87,269
	2,158,121	2,192,286	1,336,558	1,162,632

**22** This represents portion of minimum tax paid under section 113 of Income Tax Ordinance, 2001 representing levy in terms of requirement of IFRIC 21/IAS 37.



## Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025

### 23 TRANSACTIONS WITH RELATED PARTIES

Related parties of the company comprise of the parent company, major shareholders, retirement funds, 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. Detail of transactions with related parties during the period, other than disclosed elsewhere in the condensed interim financial statements, are as follows:

#### 23.1 Names of related parties, nature and basis of relationship

Name of related parties	Note	Nature and basis of Relationship	Percentage of shareholding in the Company
TWF Holding L.L.C-FZ	23.1.1	Parent Company	84.84%
Mrs. Ferial Ali Mehdi		Director	10.01%

23.1.1 Country of incorporation is Dubai, United Arab Emirates (UAE).

	Note	Half year ended	
		June 30, 2025	June 30, 2024 (Un-audited)
<b>23.2 Transactions during the period:</b>		<b>(Rs. in '000)</b>	
<b>Associated Company</b>			
Short term loan obtained		-	31,846
Dividend paid		12,986	10,389
Rental income		16,111	-
<b>Other related parties</b>			
Contribution to the employees' Provident fund	23.3	14,290	10,627
<b>Directors and chief executive officer (key management personnel)</b>			
Remuneration	23.4	50,049	46,327
Other directors remuneration -meeting fees	23.4	1,040	1,280
Repayment of long term loan to a Director		-	100,000
Interest on loan from director		-	4,840
Dividend paid		1,532	1,230
<b>Other key management personnel</b>			
Managerial remuneration (excluding directors and chief executive officer)		200,607	176,221



## Notes to the Condensed Interim Financial Statements (Un-audited) For the Half Year ended June 30, 2025

**23.3** Contribution to the provident fund is made in accordance with the requirements of staff service rules.

**23.4** Remuneration of the key management personnel is in accordance with the terms of their employment. Directors' meeting fee is as approved by the board of directors.

### **24 FINANCIAL RISK MANAGEMENT**

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

### **25 CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation.

### **26 GENERAL**

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

### **27 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements have been authorized for issue on 28-08-2025 by the Board of Directors of the Company.

A handwritten signature in black ink.

Chief Financial Officer

A handwritten signature in black ink.

Chief Executive Officer

A handwritten signature in black ink.

Director

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Personal Care & Hygiene Products Company

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