



Half Yearly
ACCOUNTS
December 31, 2023



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CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN

MEMBERS

Muhammad Fahad Saleem

Ovais Ather Yousuf

Muhammad Usman

Zeeshan Aamir

Syed Jawaid Iqbal

Zara Nadeem Ali

Saad Amarullah Khan

AUDIT COMMITTEE

CHAIRMAN

MEMBERS

Syed Jawaid Iqbal

Muhammad Fahad Saleem

Zeeshan Aamir

HEAD OF INTERNAL AUDIT

Tabish Jaleel Shaikh

HUMAN RESOURCE & REMUNERATION COMMITTEE

CHAIRMAN

MEMBERS

Syed Jawaid Iqbal

Ovais Ather Yousuf

Muhammad Fahad Saleem

CHIEF EXECUTIVE OFFICER

Ovais Ather Yousuf

CHIEF FINANCIAL OFFICER

Abdullah Saleh

COMPANY SECRETARY & SECRETARY TO THE AUDIT COMMITTEE

Moosa Haroon

AUDITORS

Yousuf Adil, Chartered Accountants

LEGAL ADVISORS

Azeem Rashid

BANKERS

Citibank, N.A.

Habib Bank Limited

Standard Chartered Bank

SHARE REGISTRAR

FAMCO Associates (Pvt) Ltd.

Management Consultants,

8-F, Next to Hotel Faran, Nursery, Block-6,

P.E.C.H.S. Shahra-e-Faisal, Karachi

Tel: + (92 21) 34380101-2

REGISTERED OFFICE

11th Floor, The Harbour Front, Dolmen City,

HC-3, Block-4, Abdul Sattar Edhi Avenue,

Clifton, Karachi - 75600, Pakistan.

Tel: + (92 21) 3520 5088

Fax: + (92 21) 3529 6150

Web: www.gillettepakistan.com



DIRECTORS REPORT

For the Half Year Ended December 31, 2023

On behalf of the Board of Directors of Gillette Pakistan Limited ('the Company'), we are pleased to present the un-audited financial statements of the Company for the half year ended Dec 31, 2023. The summary of the financial results are as follows:

		For the Half Year Ended	
		Dec 31, 2023	Dec 31, 2022
Revenue from contract with customers	PKR in '000'	743,763	1,613,133
Gross Profit	PKR in '000'	331,749	718,600
GP	%	44.6%	44.5%
Profit before tax	PKR in '000'	79,448	104,790
Profit before tax	%	10.7%	6.5%
Profit after tax	PKR in '000'	25,087	16,289
Profit after tax	%	3.4%	1.0%
Earnings per share	PKR	0.79	0.51

Despite many challenges in the market and the country's economic conditions, the Company was able to maintain gross profit margins due to proactive decisions. Furthermore, several controls over expenditures were strengthened which helped in expenditure optimization and increased profit margin from 6.5% to 10.7%. Currently, adequate sales initiatives are in place and management believes revenue will have an upward trend by the end of the fiscal year.

The structure of the Board and Committees:

Board of Directors

Muhammad Fahad Saleem	Chairman
Ovais Ather Yousuf	CEO
Muhammad Usman	Director
Zeeshan Aamir	Director
Zara Nadeem Ali	Director
Syed Jawaid Iqbal	Independent Director
Saad Amanullah Khan	Independent Director

Audit Committee:

Syed Jawaid Iqbal	Chairman
Muhammad Fahad Saleem	Member
Zeeshan Aamir	Member

HR & Remuneration Committee:

Syed Jawaid Iqbal	Chairman
Muhammad Fahad Saleem	Member
Ovais Ather Yousuf	Member

On behalf of the Board of Directors, we would like to express appreciation to our Shareholders for their absolute confidence, our valued Customers for their un-paralleled reliance in Company's illustrious product line and the Regulators and other stakeholders for their understanding and support.

On behalf of the Board,

Ovais Ather Yousuf
Chief Executive Officer

Muhammad Fahad Saleem
Director

February 27, 2024
Karachi



ڈائریکٹرز رپورٹ

برائے ششماہی تختہ 31 دسمبر 2023

جیلٹ پاکستان لمیٹڈ ("وی کپنی") کے بورڈ آف ڈائریکٹرز کی جانب سے ہم ہمسرت کپنی کے غیر آڈٹ شدہ مالیاتی اٹیٹیشن برائے ششماہی تختہ 31 دسمبر 2023 پیش کرتے ہیں۔ مالیاتی نتائج کا خلاصہ درج ذیل ہے:

December 31, 2022	December 31, 2023		
1,613,133	743,763	PKR in '000	سیلز - خالص
718,600	331,749	PKR in '000	مجموعی منافع
44.5%	44.6%	%	مجموعی منافع کی شرح
104,790	79,448	PKR in '000	نفع قبل از ٹیکس
6.5%	10.7%	%	نفع قبل از ٹیکس کی شرح
16,289	25,087	PKR in '000	نفع بعد از ٹیکس
1.0%	3.4%	%	نفع بعد از ٹیکس کی شرح
0.51	0.79	PKR	ای پی اے

مارکیٹ میں بہت سے چیلنجوں اور ملک کے معاشی حالات کے باوجود، کپنی فعال فیصلوں کی وجہ سے مجموعی منافع کے کارجن کو برقرار رکھنے میں کامیاب رہی۔ مزید اخراجات پر کئی کنٹرولز کو مضبوط کیا گیا جس سے اخراجات کو بہتر بنانے میں مدد ملی اور منافع کا مارجن 6.5% سے بڑھا کر 10.7% ہو گیا۔ فی الحال، فروخت کے لیے مناسب اقدامات کیے جا رہے ہیں اور انتظامیہ کا خیال ہے کہ مالی سال کے اختتام تک آمدنی میں اضافے کا رجحان ہو گا۔

بورڈ آف ڈائریکٹرز کی جانب سے ہم اپنے شیئر ہولڈرز کے ہم پر بھرپور اعتماد، اپنے معزز صارفین کے کپنی کی معروف پروڈکٹ لائن پر مکمل اطمینان اور ریگولیٹرز اور دیگر اسٹیک ہولڈرز کے اور اک اور تعاون کیلئے بے حد شکرگزار ہیں۔ اس کے ساتھ ہم بورڈ آف ڈائریکٹرز کی ہدایات و رہنمائی کیلئے اور پورے سال میں انتظامیہ اور ملازمین کے مسلسل اور مضبوط عزم، سخت محنت اور تعاون کیلئے شکر یہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

محمد نہد سلیم
ڈائریکٹر

اولیس اطہر یوسف
چیف ایگزیکٹو آفیسر
27 فروری 2024
کراچی

INDEPENDENT AUDITORS' REPORT

To the Members of Gillette Pakistan Limited
Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Gillette Pakistan Limited (the Company) as at December 31, 2023, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the 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 Engagement - 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 condensed interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures for the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarter ended December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2023.

The engagement partner on the review resulting in this independent auditor's review report is Nadeem Yousuf Adil.



Chartered Accountants

Place: Karachi

Date: February 27, 2024

UDIN: RR202310091IHPndJx26

Independent Correspondent Firm to
Deloitte Touche Tohmatsu Limited



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	Note	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
----- (Rupees in '000) -----			
ASSETS	Note	----- Rupees in '000 -----	
Non-current assets			
Property, plant and equipment	4	159,348	170,197
Long-term deposits		215	215
		159,563	170,412
Current assets			
Inventories	5	998,546	1,035,163
Trade debts		153,802	55,799
Trade deposits		271,536	5,243
Other receivables and prepayments	6	495,289	209,765
Other financial assets		-	5,000
Sales tax refundable		32,912	88,274
Advance tax		36,024	41,917
Bank balances	7	620,167	1,482,955
		2,608,276	2,924,116
Total Assets		2,767,839	3,094,529
EQUITY			
Share capital and reserves			
40,000,000 ordinary shares of Rs.10/- each		400,000	400,000
Issued, subscribed and paid-up share capital		318,720	318,720
Unappropriated profit		718,320	693,233
Total Equity		1,037,040	1,011,953
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	8	13,642	15,899
Retirement benefit obligation - gratuity scheme		10,764	9,258
		24,406	25,157
Current liabilities			
Trade and other payables	9	697,014	944,979
Loan from associated company - unsecured	10	930,000	930,000
Contract liabilities		78,240	181,301
Unclaimed dividend		1,139	1,139
		1,706,393	2,057,419
Total Equity and Liabilities		2,767,839	3,094,529
Contingencies and commitments	11		

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

OVAIS ATHER YOUSUF
Chief Executive Officer

ABDULLAH SALEH
Chief Financial Officer

MUHAMMAD FAHAD SALEEM
Director



Condensed Interim Statement of Profit or Loss - (Unaudited)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Note	Half Year Ended		Quarter Ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
----- (Rupees in '000) -----					
Revenue from contract with customers		743,763	1,613,133	290,481	771,627
Cost of goods sold		(412,014)	(894,533)	(71,023)	(330,963)
Gross profit		331,749	718,600	219,458	440,664
Selling, marketing and distribution expenses		(134,444)	(205,850)	(105,155)	(116,887)
Administrative expenses		(79,692)	(36,947)	(2,333)	(9,789)
Other operating expenses		(22,547)	(329,026)	(19,856)	(239,971)
Interest expense		(108,317)	(70,913)	(90,377)	(33,524)
Bank charges		(88)	(47)	(25)	(47)
		(345,088)	(642,783)	(217,746)	(400,218)
Other income		92,788	28,973	41,320	9,702
Profit before tax		79,449	104,790	43,032	50,148
Income tax expense	12	(54,362)	(88,501)	(7,999)	(42,138)
Profit after tax		25,087	16,289	35,033	8,010
----- (Rupees) -----					
Earnings per share - basic and diluted		0.79	0.51	1.10	0.25

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

OVAIS ATHER YOUSUF
Chief Executive Officer

ABDULLAH SALEH
Chief Financial Officer

MUHAMMAD FAHAD SALEEM
Director



Condensed Interim Statement of Comprehensive Income -(Unaudited)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Half Year Ended		Quarter Ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	----- (Rupees in '000) -----			
Profit after tax	25,087	16,289	35,033	8,010
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	25,087	16,289	35,033	8,010

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

OVAIS ATHER YOUSUF
Chief Executive Officer

ABDULLAH SALEH
Chief Financial Officer

MUHAMMAD FAHAD SALEEM
Director



Condensed Interim Statement of Cash Flow - (Unaudited)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

Note	December 31, 2023	December 31, 2022
	----- (Rupees in '000) -----	
Profit before tax	79,449	104,790
CASH FLOWS FROM OPERATING ACTIVITIES		
Adjustments for non-cash charges and other items:		
Inventories written down to net realizable value	15,838	1,434
Provision due to slow moving and obsolete inventory	16	545
Interest income	(92,788)	(26,232)
Inventories written-off	2,331	155,527
Depreciation on right-of-use asset	-	1,401
Depreciation on operating assets	10,980	5,950
Gain on de-recognition on termination of lease	-	(1,719)
Expense recognized on employee benefits	2,863	4,993
	(60,760)	141,896
WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets:		
Inventories	18,432	(179,678)
Trade debts	(98,003)	(251,385)
Trade deposits	(266,293)	89,118
Sales tax refundable	55,362	12,417
Other receivables and prepayments	(285,524)	(737,258)
	(576,026)	(1,066,786)
Increase/ (decrease) in current liabilities:		
Trade and other payables	(234,196)	629,899
Contract liabilities	(103,061)	74,368
	(337,257)	704,267
Net cash used in operations	(894,594)	(115,833)
Defined benefits paid	(15,089)	(3,136)
Interest paid	-	(70,974)
Income taxes paid	(50,856)	(98,301)
Net cash used in operating activities	(960,576)	(288,244)
CASH FLOWS FROM INVESTING ACTIVITIES		
Other financial assets	5,000	-
Additions to capital work-in-progress	-	(1,196)
Interest income received	92,788	23,668
Net cash generated from investing activities	97,788	22,472
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease payments - principal	-	(2,326)
Dividend paid	-	(12,011)
Loan from associated company - unsecured	-	580,000
Net cash generated from / (used in) financing activities	-	565,663
Net decrease in cash and cash equivalents	(862,788)	299,891
Cash and cash equivalent at the beginning of the period	1,482,955	41,525
Cash and cash equivalents at the end of the period	7 <u>(620,167)</u>	<u>341,416</u>

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

OVAIS ATHER YOUSUF
Chief Executive Officer

ABDULLAH SALEH
Chief Financial Officer

MUHAMMAD FAHAD SALEEM
Director



Condensed Interim Statement of Changes in Equity - (Unaudited)

For the Half Year Ended December 31, 2023

	Issued, sub- scribed and paid- up capital	Unappropriated profit	Total
	----- (Rupees in '000) -----		
Balance as at July 01, 2022	318,720	593,403	912,123
Profit after taxation for the period ended December 31, 2022	-	16,289	16,289
Other comprehensive income for the period ended December 31, 2022	-	-	-
Total comprehensive income for the period ended December 31, 2022	-	16,289	16,289
Balance as at December 31, 2022	<u>318,720</u>	<u>609,692</u>	<u>928,412</u>
Balance as at July 01, 2023	318,720	693,233	1,011,953
Profit after taxation for the period ended December 31, 2023	-	25,087	25,087
Other comprehensive income for the period ended December 31, 2023	-	-	-
Total comprehensive income for the period ended December 31, 2023	-	25,087	25,087
Balance as at December 31, 2023	<u>318,720</u>	<u>718,320</u>	<u>1,037,040</u>

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

OVAIS ATHER YOUSUF
Chief Executive Officer

ABDULLAH SALEH
Chief Financial Officer

MUHAMMAD FAHAD SALEEM
Director



Notes to the Condensed Interim Financial Statements - (Unaudited)

For the Half Year Ended December 31, 2023

1 STATUS AND NATURE OF BUSINESS

- 1.1 Gillette Pakistan Limited ("the Company") was incorporated on December 09, 1986 as a public limited company under the repealed Companies Ordinance, 1984 (now Company's Act, 2017) and is a subsidiary of The Series Acquisition B.V. Netherlands (which is a wholly owned subsidiary of The P&G Company, USA). The registered office of the Company is situated at 11th Floor, Harbour Front, Dolmen City, HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi-75600, Pakistan and the Company is listed on Pakistan Stock Exchange Limited. The principal activities of the Company include marketing and selling of blades and razors.

2 BASIS OF PREPARATION

2.1 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 comprises 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.

- 2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended June 30, 2023.
- 2.3 These condensed interim financial statements are unaudited. However, a limited scope review of these condensed interim financial statements have 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 being submitted to the shareholders as required by section 237 of the Companies Act, 2017.
- 2.4 The comparative statement of financial position presented has been extracted from annual financial statements for the year ended June 30, 2023, whereas 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 stated from the unaudited condensed interim financial statements for the half year ended December 31, 2022. Condensed interim statement of profit or loss and condensed interim statement of comprehensive income for quarter ended December 31, 2023 was not subject to review by external auditors.

2.5 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees which is also the Company's functional currency and figures presented in these condensed interim financial statements have been rounded off to the nearest thousand rupee.



Notes to the Condensed Interim Financial Statements - (Unaudited)

For the Half Year Ended December 31, 2023

2.6 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

(a) Amendments to published approved accounting standards which are effective during the six months period ended December 31, 2023

There are certain amendments to approved accounting standards which are mandatory for the Company's annual accounting period which began on July 1, 2023. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in this condensed interim financial statements.

(b) Standards and amendments to published approved accounting standards that are not yet effective

Certain new standards and amendments to the approved accounting standards will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2023. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

2.7 Accounting Convention

These condensed interim financial statements have been prepared under the historical cost convention, except staff retirement benefits which have been carried at present values as determined under the International Accounting Standards (IAS) 19 (revised) 'Employee Benefits'.

2.8 Significant Accounting Estimates and Judgements

The preparation of these condensed interim financial statements in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use of judgments that affects the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key source of estimation and uncertainty were the same as those applied to the financial statements for the year ended June 30, 2023.

3 MATERIAL ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2023.



Notes to the Condensed Interim Financial Statements - (Unaudited)

For the Half Year Ended December 31, 2023

		(Un-Audited) December 31, 2023	(Audited) June 30, 2023
	Note	----- (Rupees in '000) -----	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	<u>159,348</u>	<u>170,197</u>
4.1 Operating fixed assets			
Cost			
Opening as at		187,414	28,474
Additions / transfers during the period / year		131	158,940
Disposals		-	-
Closing as at		187,545	187,414
Accumulated Depreciation			
Opening as at		17,217	316
Charge for the period / year		10,980	16,901
Closing as at		28,197	17,217
Written down value at end of the period / year		<u>159,348</u>	<u>170,197</u>
5. INVENTORIES			
Finished goods			
- in transit		495,245	598,269
- on hand	5.1	26,439	34,722
- manufacturing segment		370,724	564,876
- trading segment	5.2	<u>892,408</u>	<u>1,197,867</u>
Provision due to slow-moving and obsolete inventory		(9)	(428)
Inventory written-off		(2,323)	(183,560)
		(2,332)	(183,988)
Work-in-process		2,692	4,788
		2,692	4,788
Raw and packing materials			
- manufacturing segment		104,815	16,268
- trading segment		978	1,019
Less: stock written off		(8)	(771)
Provision due to slow-moving and obsolete inventory		(7)	(20)
		105,778	16,496
		<u>998,546</u>	<u>1,035,163</u>

5.1 Finished goods are held at a third party warehouse under a service agreement.

5.2 Inventories includes goods costing Rs. 64.952 million (June 30, 2023: 69.15 million) written down by Rs. 15.838 million (June 30, 2023: Rs. 21.73 million) to net realizable value amounting to Rs. 49.114 million (June 30, 2023: Rs. 47.42 million).



Notes to the Condensed Interim Financial Statements - (Unaudited)

For the Half Year Ended December 31, 2023

	(Un-Audited) December 31, 2023	(Audited) June 30, 2023
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Note ----- (Rupees in '000) -----

6. OTHER RECEIVABLES AND PREPAYMENTS

Cash margin on imports	25,935	46,643
Interest receivable on term deposits	-	461
Prepayments	285	35,952
Receivable from related parties	463,611	124,391
Others	5,458	2,318
	<u>495,289</u>	<u>209,765</u>

6.1 This represents amount receivable from Procter and Gamble International Operations SA, Lancy.

7. CASH AND CASH EQUIVALENTS

	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)	December 31, 2022 (Unaudited)
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---- Rupees in '000 ----

Bank balances	620,167	1,482,955	341,416
	<u>620,167</u>	<u>1,482,955</u>	<u>341,416</u>

8. DEFERRED TAX LIABILITIES

	Statement of financial position		Statement of profit or loss	
	(Un-Audited) December 31, 2023	(Audited) June 30, 2023	(Un-Audited) December 31, 2023	(Un-Audited) December 31, 2022

----- (Rupees in '000) -----

----- (Rupees in '000) -----

Accelerated tax depreciation	(17,431)	(16,567)	(864)	(17,945)
Unutilized tax losses	668	668	-	16,675
Provision for Gratuity	3,121	-	3,122	-
	<u>(13,642)</u>	<u>(15,899)</u>	<u>2,258</u>	<u>(1,270)</u>

	(Un-Audited) December 31, 2023	(Audited) June 30, 2023
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Note ----- (Rupees in '000) -----

9. TRADE AND OTHER PAYABLES

Trade creditors	401,266	559,832
Other payable	145,290	172,123
Accrued liabilities	27,256	184,370
Accrued mark-up on loan from associated company	111,208	2,891
Payable to Workers' Welfare Fund	9,064	9,064
Payable to pension fund	2,930	16,699
	<u>697,014</u>	<u>944,979</u>



Notes to the Condensed Interim Financial Statements - (Unaudited)

For the Half Year Ended December 31, 2023

10. LOAN FROM ASSOCIATED COMPANY - UNSECURED

This represents loan obtained from associated company Procter & Gamble Pakistan (Private) Limited to cover operational and working capital requirements for a period of 12 months. The mark-up is payable at the end of tenor at the rate of 6 months KIBOR + 0.55%.

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

The status of the contingencies which were reported in note 21 to the annual audited financial statements of the Company for the year ended June 30, 2023 have not changed materially in the current period.

11.2 Commitments

There are no commitments in the current period.

	(Un-Audited) December 31, 2023	(Un-Audited) December 31, 2022
Note	----- (Rupees in '000) -----	

12. INCOME TAX EXPENSE

Current tax expense	(56,620)	(89,771)
Deferred income - net	2,258	1,270
	(54,362)	(88,501)

13. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise the parent company (The Series Acquisition B.V., Netherlands), the ultimate parent company (The Procter and Gamble Company USA), related group companies, companies in which directors are interested, staff retirement benefit plans, directors, key management personnel and close member of the family of all the aforementioned related parties. The Company carries out transactions with various related parties at agreed terms. Significant transactions with related parties are as follows:



Notes to the Condensed Interim Financial Statements - (Unaudited)

For the Half Year Ended December 31, 2023

13.1 Significant transactions with related parties are as follows:

Name	Relationship with the Company	Nature of transaction	Half Year Ended	
			December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)
			---- Rupees in '000 ----	
Procter and Gamble International Operations, SA	Associate due to common parent Company	Purchase of finished goods	480,022	514,920
Procter and Gamble Pakistan (Private) Limited	Associate due to common parent Company	Services received	66,545	41,365
		Unsecured loan	930,000	646,642
		Services rendered	9,397	6,469
P&G Philippines Business Services, Inc.	Associate due to common parent Company	Services received	9,234	3,502
Procter & Gamble International Operations S.A Singapore	Associate due to common parent Company	Purchases of finished goods	-	17,372
Gillette Pakistan Provident Fund	Contribution plan	Contribution to provident fund	1,506	990
Gillette Pakistan Pension Fund	Retirement benefits plan	Expense from pension fund	1,357	1,029
Key management personnel		Short term compensation	25,523	16,486

13.2 Amounts (due to) / due from related parties as at period end are shown as under:

Name	Relationship with the Company	December 31, 2023	June 30, 2023
		(Unaudited)	(Audited)
		---- Rupees in '000 ----	
Procter and Gamble International Operations SA	Associate due to common parent Company	463,311	124,391
Procter and Gamble Pakistan (Private) Limited.	Associate due to common parent Company	(937,285)	(969,461)
Procter and Gamble Distributing LLC	Associate due to common parent Company	-	(236,149)
P&G Philippines Business Services, Inc.	Associate due to common parent Company	(41,322)	(32,088)
Gillette Pakistan Pension Fund	Retirement benefit plan	(2,930)	(16,699)



Notes to the Condensed Interim Financial Statements - (Unaudited)

For the Half Year Ended December 31, 2023

14. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

There have been no changes in the risk management policies during the period, consequently these condensed interim financial statements does not include all the financial risk management information and disclosures required in the audited annual financial statements.

15. FAIR VALUE ESTIMATE

The Company does not hold any financial instruments, which can be categorized using fair value hierarchy as per the requirements of IFRS 13 "Fair Value Measurement". However, fair values of other financial assets and liabilities approximate their carrying values.

16. GENERAL

16.1 Figures have been rounded off to the nearest thousand of Pakistani Rupee, unless otherwise stated.

16.2 Comparative figures have been rearranged and / or reclassified, wherever necessary, for the purpose of comparison in these condensed interim financial statements. However, no material reclassification has been made.

17. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue by the Board of Directors of the Company on February 26, 2024.

OVAIS ATHER YOUSUF
Chief Executive Officer

ABDULLAH SALEH
Chief Financial Officer

MUHAMMAD FAHAD SALEEM
Director

