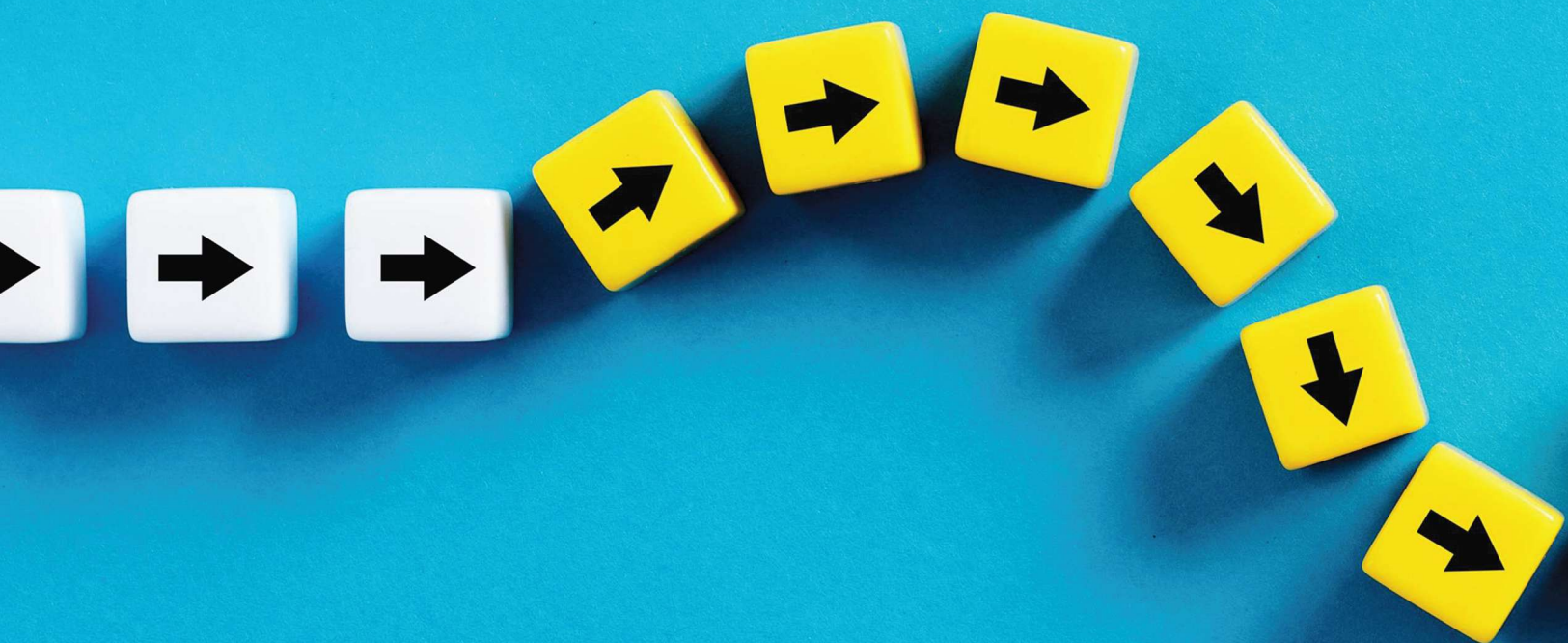




Half Yearly Report
December 2024

 **Adapt**
Elevate
Dominate

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Company Information

Board of Directors

| | |
|------------------------|-------------|
| Ms. Aameena Saiyid | Chairperson |
| Mr. Munis Abdullah | Director |
| Mr. S. Nadeem Ahmed | Director |
| Mr. Mufti Zia Ul Islam | Director |
| Mr. Zubair Palwala | Director |
| Mr. Atta ur Rehman | Director |
| Mr. Shuja Malik | Director |

Audit Committee

| | |
|--------------------|----------|
| Mr. Shuja Malik | Chairman |
| Mr. Zubair Palwala | Member |
| Ms. Aameena Saiyid | Member |

Human Resource & Remuneration Committee

| | |
|---------------------|----------|
| Mr. Shuja Malik | Chairman |
| Mr. S. Nadeem Ahmed | Member |
| Ms. Aameena Saiyid | Member |

Chief Executive Officer

Mr. Sheraz Khan

Chief Financial Officer

Mr. Hammad Bin Kafeel

Company Secretary

Mr. Hussain Murtaza

Auditors

A.F. Ferguson & Co., Chartered Accountants

Internal Auditors

Grant Thornton Anjum Rahman

Legal Advisor

Mohsin Tayabaly & Co.

Bankers

Habib Bank Limited
National Bank of Pakistan
Summit Bank Limited
Soneri Bank Limited
Habib Metropolitan Bank Limited
Al-Baraka Bank (Pakistan) Limited
Dubai Islamic Bank Pakistan Limited
Meezan Bank Limited
Bank Al Falah Limited

Registered Office

2nd Floor, One Ibl Centre,
Block 7&8, Dmchs
Tipu Sultan Road,
Off: Shahrah-e-faisal, Karachi

Share Registrar

Central Depository Company
Of Pakistan Limited
Cdc House, 99-b, Block-b, Smchs
Shahrah-e-faisal, Karachi – 74400

DIRECTORS' REPORT

We are pleased to present the unconsolidated interim financial information of the company for the half year ended December 31, 2024. These financial statements have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 – 'Interim Financial Reporting'. The directors' report is prepared in accordance with section 227 of the Companies Act, 2017 and Chapter XII of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

OVERVIEW OF FINANCIAL PERFORMANCE

The principal activities of the Company include marketing, selling and distribution of healthcare, consumer and medical devices portfolios.

During the period under review, revenue increased by 5.7% i.e. to PKR 2,196 million from PKR 2,079 million for the same period last year. Gross profit margins have improved from 26% as reported in the annual report for the year ended June 30, 2024, to 31% in the current period. While this is lower than the 33% during the same period last year, it reflects the strong focus of the Company towards delivering value to its stakeholders.

Furthermore, through management efforts, the Company was able to reduce operating expenses by 6% as compared with the same period last year. However, due to higher tax incidence and absence of exchange gains, the profit after tax remained at 4.6%, as compared with 6.3% during the same period last year.

| | December 31, | |
|--|-----------------------|----------------|
| | 2024 | 2023 |
| | (Rupees in thousands) | |
| Revenue | 2,196,675 | 2,078,698 |
| Cost of sales | (1,521,856) | (1,391,039) |
| Gross profit | 674,819 | 687,679 |
| Operating expenses | (453,898) | (482,481) |
| Other income | 195 | 26,838 |
| Finance cost | (33,214) | (38,345) |
| Profit before levies and income tax | 187,902 | 193,691 |
| Levies and income tax | (87,874) | (62,660) |
| Profit after taxation | 100,028 | 131,031 |

FUTURE OUTLOOK

The Company is committed to sustainable growth and enhancing shareholder value. By delivering superior products and services with unwavering integrity, we are confident in our ability to create greater value for all our stakeholders. Our steadfast adherence to ethical practices ensures that every decision is aligned with our core values and principles.



Chief Executive Officer



Director

February 26, 2025
Karachi

ڈائریکٹرز کی رپورٹ

ہمیں 31 دسمبر 2024 کو ختم ہونے والے ششماہی کے لیے کمپنی کی غیر متفقہ عبوری مالیاتی معلومات پیش کرتے ہوئے خوشی ہو رہی ہے۔ یہ مالیاتی بیانات بین الاقوامی اکاؤنٹنگ اسٹینڈرڈ 34 (IAS) - 'عبوری مالیاتی رپورٹنگ' کے تقاضوں کے مطابق تیار کیے گئے ہیں۔ ڈائریکٹرز کی رپورٹ کمپنیز ایکٹ 2017 کے سیکشن 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے باب XII کے مطابق تیار کی گئی ہے۔

مالیاتی کارکردگی کا جائزہ

کمپنی کی بنیادی سرگرمیوں میں صحت کی دیکھ بھال، صارفین اور طبی آلات کے پورٹ فولیو کی مارکیٹنگ، فروخت اور تقسیم شامل ہیں۔

زیر جائزہ مدت کے دوران، ریونیو 5.7 فیصد بڑھ کر 2,196 ملین PKR ہو گیا جو گزشتہ سال کی اسی مدت کے PKR 2,079 ملین تھا۔ مجموعی منافع کا مارجن 26% سے بہتر ہوا ہے جیسا کہ 30 جون 2024 کو ختم ہونے والے سال کی سالانہ رپورٹ میں بتایا گیا ہے، موجودہ مدت میں 31% ہو گیا ہے۔ جبکہ یہ پچھلے سال کی اسی مدت کے 33% سے کم ہے، یہ کمپنی کی اپنے اسٹیک ہولڈرز کو قدر کی فراہمی کی طرف مضبوط توجہ کی عکاسی کرتا ہے۔

مزید برآں، انتظامی کوششوں کے ذریعے، کمپنی پچھلے سال کی اسی مدت کے مقابلے آپریٹنگ اخراجات میں 6% کمی کرنے میں کامیاب رہی۔ تاہم، زیادہ ٹیکس کے واقعات اور تبادلے کے منافع کی عدم موجودگی کی وجہ سے، ٹیکس کے بعد منافع 4.6 فیصد رہا، جو گزشتہ سال کی اسی مدت کے دوران 6.3 فیصد تھا۔

| | December 31, | |
|--|-----------------------|----------------|
| | 2024 | 2023 |
| | (Rupees in thousands) | |
| Revenue | 2,196,675 | 2,078,698 |
| Cost of sales | (1,521,856) | (1,391,039) |
| Gross profit | 674,819 | 687,679 |
| Operating expenses | (453,898) | (482,481) |
| Other income | 195 | 26,838 |
| Finance cost | (33,214) | (38,345) |
| Profit before levies and income tax | 187,902 | 193,691 |
| Levies and income tax | (87,874) | (62,660) |
| Profit after taxation | 100,028 | 131,031 |

مستقبل کا اؤٹ لک

کمپنی پائیدار ترقی اور شیئر ہولڈرز کی قدر بڑھانے کے لیے پرعزم ہے۔ غیر متزلزل سالمیت کے ساتھ اعلیٰ مصنوعات اور خدمات کی فراہمی کے ذریعے، ہمیں اپنے تمام اسٹیک ہولڈرز کے لیے زیادہ قدر پیدا کرنے کی اپنی صلاحیت پر یقین ہے۔ اخلاقی طریقوں پر ہماری ثابت قدمی اس بات کو یقینی بناتی ہے کہ ہر فیصلہ ہماری بنیادی اقدار اور اصولوں کے ساتھ ہم آہنگ ہو۔

ڈائریکٹر

چیف ایگزیکٹو آفیسر

26 فروری 2025

کراچی



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of IBL HealthCare Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of IBL HealthCare Limited as at December 31, 2024 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and 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. The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2024 and December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2024.

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 the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Syed Muhammad Hasnain.

A.F.Ferguson & Co.
Chartered Accountants
Karachi

Date: February 27, 2025

UDIN: RR202410073hrfcP1xBD

*A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>*

IBL HEALTHCARE LIMITED

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024**

| | | (Unaudited) December 31, 2024 | (Audited) June 30, 2024 |
|---|------|-------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| ASSETS | | | |
| Non-current assets | | | |
| Furniture and equipment | 5 | 4,628 | 4,729 |
| Right-of-use asset | | 442 | 2,123 |
| Investment properties | | 587,374 | 587,374 |
| Intangible assets | | 1,977 | 2,466 |
| Deferred taxation - net | | 16,187 | 15,970 |
| | | <u>610,608</u> | <u>612,662</u> |
| Current assets | | | |
| Inventories | 6 | 1,042,129 | 905,328 |
| Trade and other receivables | 7 | 1,610,737 | 1,331,816 |
| Loans, advances, deposits and prepayments | 8 | 124,338 | 62,100 |
| Taxation - payments less provision | | 31,271 | 39,258 |
| Cash and bank balances | 9 | 74,218 | 375,594 |
| | | <u>2,882,693</u> | <u>2,714,096</u> |
| Total assets | | <u><u>3,493,301</u></u> | <u><u>3,326,758</u></u> |
| EQUITY AND LIABILITIES | | | |
| Share capital and reserves | | | |
| Share capital | | | |
| Issued, subscribed and paid up capital | 10 | 856,748 | 856,748 |
| Capital reserve | | | |
| Share premium | | 119,600 | 119,600 |
| Revenue reserve | | | |
| Unappropriated profit | | 1,238,359 | 1,138,331 |
| | | <u>2,214,707</u> | <u>2,114,679</u> |
| LIABILITIES | | | |
| Non-current liability | | | |
| Lease liability | | - | - |
| Current liabilities | | | |
| Trade and other payables | 11 | 796,438 | 1,131,066 |
| Sales tax payable | | 3,325 | 3,206 |
| Advance from customers | | 67,054 | 34,155 |
| Short term borrowings | 12 | 389,828 | 19,267 |
| Current portion of lease liability | | 855 | 3,128 |
| Unclaimed dividend | | 7,059 | 7,105 |
| Unpaid dividend | 13 | 14,035 | 14,152 |
| | | <u>1,278,594</u> | <u>1,212,079</u> |
| Contingencies and commitments | 14 | | |
| Total equity and liabilities | | <u><u>3,493,301</u></u> | <u><u>3,326,758</u></u> |

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

IBL HEALTHCARE LIMITED

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2024 - UNAUDITED**

| | Note | Quarter ended | | Half year ended | |
|--------------------------------------|------|----------------------|----------------------|----------------------|----------------------|
| | | December 31, 2024 | December 31, 2023 | December 31, 2024 | December 31, 2023 |
| ----- Rupees '000 ----- | | | | | |
| Revenue from contract with customers | 15 | 1,117,721 | 1,017,501 | 2,196,675 | 2,078,698 |
| Cost of sales | 16 | (782,786) | (683,185) | (1,521,856) | (1,391,019) |
| Gross profit | | 334,935 | 334,316 | 674,819 | 687,679 |
| Other income | 17 | 1,787 | 24,185 | 195 | 26,838 |
| Marketing and distribution expenses | | (200,368) | (234,858) | (385,542) | (429,555) |
| Administrative and general expenses | | (34,150) | (28,873) | (68,356) | (52,926) |
| Finance cost | 18 | (20,825) | (20,355) | (33,214) | (38,345) |
| Profit before levies and income tax | | 81,379 | 74,415 | 187,902 | 193,691 |
| Levies - minimum tax | 19 | (10,378) | - | (17,624) | - |
| Profit before taxation | | 71,001 | 74,415 | 170,278 | 193,691 |
| Income tax expense | 20 | (30,836) | (23,295) | (70,250) | (62,660) |
| Profit after taxation | | 40,165 | 51,120 | 100,028 | 131,031 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income | | 40,165 | 51,120 | 100,028 | 131,031 |
| Basic and diluted earnings per share | 21 | Rs. 0.47 | Rs. 0.60 | Rs. 1.17 | Rs. 1.53 |

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

IBL HEALTHCARE LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2024 - UNAUDITED

| | Issued, subscribed and paid up capital | Capital reserve | | Revenue reserve | Total Equity |
|---|---|------------------|-----------------------------|---------------------------|------------------|
| | | Share Premium | Issue of bonus shares | Unappropria ted profit | |
| ----- Rupees in '000 ----- | | | | | |
| Balance at July 01, 2023 | 713,956 | 119,600 | - | 1,273,568 | 2,107,124 |
| Total comprehensive income for the period | - | - | - | 131,031 | 131,031 |
| Transaction with owners | | | | | |
| Transfer to reserve for issuance of bonus shares | - | - | 142,792 | (142,792) | - |
| Bonus shares issued during the period in the ratio of 20 shares for every 100 shares held | 142,792 | - | (142,792) | - | - |
| Balance at December 31, 2023 | <u>856,748</u> | <u>119,600</u> | <u>-</u> | <u>1,261,807</u> | <u>2,238,155</u> |
| Balance at July 01, 2024 | 856,748 | 119,600 | - | 1,138,331 | 2,114,679 |
| Total comprehensive income for the period | - | - | - | 100,028 | 100,028 |
| Balance at December 31, 2024 | <u>856,748</u> | <u>119,600</u> | <u>-</u> | <u>1,238,359</u> | <u>2,214,707</u> |

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

IBL HEALTHCARE LIMITED

**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED DECEMBER 31, 2024 - UNAUDITED**

| | | December 31, 2024 | December 31, 2023 |
|---|------|----------------------------|----------------------|
| | Note | ----- Rupees in '000 ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash (used in) / generated from operations | 22 | (560,688) | 76,724 |
| Income tax and levies paid | | (80,104) | (79,534) |
| Finance cost paid | | (27,911) | (35,294) |
| Net cash used in operating activities | | (668,703) | (38,104) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for acquisition of furniture and equipment | | (798) | (1,106) |
| Proceeds from sale of furniture and equipment | | - | 89 |
| Payments in respect of investment property | | - | (8,908) |
| Net cash used in investing activities | | (798) | (9,925) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Dividend paid | | (163) | (15) |
| Payment against lease liability | | (2,273) | (2,153) |
| Net cash used in financing activities | | (2,436) | (2,168) |
| Net decrease in cash and cash equivalents | | (671,937) | (50,197) |
| Cash and cash equivalents at beginning of the period | | 356,327 | (194,742) |
| Cash and cash equivalents at end of the period | 23 | (315,610) | (244,939) |

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2024****1. LEGAL STATUS AND OPERATIONS**

IBL HealthCare Limited (the Company) was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a private limited company on July 14, 1997. In November 2008, the Company was converted into public limited company. The shares of the Company are quoted on the Pakistan Stock Exchange.

The principal activities of the Company include marketing, selling and distribution of healthcare products.

The Company is a subsidiary of The Searle Company Limited (the Parent Company) and International Brands Limited (the Ultimate Parent Company).

The geographical locations and addresses of the Company's business units are as under:

- The registered office of the Company is located at One IBL Centre, 2nd floor, Plot No.1, Block 7 and 8, D.M.C.H.S. Tipu Sultan Road, Off Shahrah-e-Faisal, Karachi.
- The Company also has a distribution warehouse in Korangi Industrial Area, Karachi.

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 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 required for full financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2024.

2.2 Changes in accounting standards, interpretations and pronouncements

a) Standards, interpretations and amendments to published approved accounting

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial reporting.

b) Standards, interpretations and amendments to published approved accounting

The other new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after July 1, 2025 are considered not to be relevant to the Company's financial statements and hence have not been detailed here.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material 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 financial statements for the year ended June 30, 2024.

4. ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

4.1 The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

However, management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in these condensed interim financial statements.

4.2 Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended June 30, 2024.

4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2024.

4.4 Due to the current economic situation prevalent in the country in relation to the foreign reserves and its consequential impact on imports, the Company is closely monitoring the current situation and has been able to procure essential stocks to ensure business continuity. Further, since the Company is dealing in essential items which includes blood bags, nutrition products & dialyzers, therefore minimizing the risk of current uncertain economic condition on the Company.

5. FURNITURE AND EQUIPMENT

Additions and disposals of operating assets during the period are as follows:

| | Additions (at cost) | | Disposals (at net book value) | |
|------------------|----------------------------|----------------------|-------------------------------------|-------------------------------|
| | December 31, 2024 | December 31, 2023 | December 31, 2024 | December 31, 2023 |
| | ----- Rupees in '000 ----- | | | |
| Office equipment | <u>798</u> | <u>1,106</u> | <u>-</u> | <u>89</u> |
| | | | (Unaudited) December 31, 2024 | (Audited) June 30, 2024 |
| | | | ----- Rupees in '000 ----- | |

6. INVENTORIES

| | | |
|-------------------------------------|------------------|---------|
| Inventory in hand - note 6.1 | 705,425 | 625,570 |
| Inventory in transit | 336,704 | 279,758 |
| | 1,042,129 | 905,328 |
| Provision for slow moving inventory | - | - |
| | 1,042,129 | 905,328 |

6.1 Inventories include Rs. 23.79 million (June 30, 2024: Rs. 24.28 million) held with third party.

| | | |
|--|-------------------------------------|-------------------------------|
| | (Unaudited) December 31, 2024 | (Audited) June 30, 2024 |
| | ----- Rupees in '000 ----- | |

7. TRADE AND OTHER RECEIVABLES

| | | |
|------------------------------|------------------|-----------|
| Trade receivables - note 7.1 | 1,525,152 | 1,245,559 |
| Other receivables | 85,585 | 86,257 |
| | 1,610,737 | 1,331,816 |

7.1 Trade receivables - unsecured

Considered good

| | | |
|---------------------------------------|------------------|-----------|
| Due from related parties - note 7.1.1 | 770,795 | 733,582 |
| Others | 781,424 | 539,044 |
| | 1,552,219 | 1,272,626 |

Considered doubtful

| | | |
|--|------------------|-----------|
| | - | - |
| | 1,552,219 | 1,272,626 |
| Less: Provision for doubtful receivables | (27,067) | (27,067) |
| | 1,525,152 | 1,245,559 |

| | (Unaudited) December 31, 2024 | (Audited) June 30, 2024 |
|---|--|--|
| | ----- Rupees in '000 ----- | |
| 7.1.1 | Related party balances of the company represents: | |
| IBL Operations (Private) Limited (Associated Company) | 673,201 | 670,506 |
| United Brands Limited (Associated Company) | 97,546 | 63,028 |
| United Retail (SMC-Private) Limited (Associated Company) | 48 | 48 |
| | <u>770,795</u> | <u>733,582</u> |
| 8. | LOANS, ADVANCES, DEPOSITS AND PREPAYMENTS | |
| Advances | | |
| - against imports | 33,094 | 8,011 |
| - to suppliers | 26,882 | 7,908 |
| - to employees | 6,881 | 2,970 |
| - others | 385 | 602 |
| | <u>67,242</u> | <u>19,491</u> |
| Deposits to customers | 53,823 | 41,556 |
| Prepayments | 3,273 | 1,053 |
| | <u>124,338</u> | <u>62,100</u> |
| 9. | CASH AND BANK BALANCES | |
| Cash at bank | | |
| Conventional | | |
| - on current accounts | 18,218 | 50,614 |
| Islamic | | |
| - on current accounts | 55,941 | 86,604 |
| Cash in hand | 59 | 65 |
| Cheques in hand | - | 238,311 |
| | <u>74,218</u> | <u>375,594</u> |

10. SHARE CAPITAL**Authorised share capital**

| (Unaudited) December 31, 2024 | (Audited) June 30, 2024 | | (Unaudited) December 31, 2024 | (Audited) June 30, 2024 |
|-------------------------------------|-------------------------------|--------------------------------|-------------------------------------|-------------------------------|
| | | | ----- Rupees in '000 ----- | |
| <u>105,000,000</u> | <u>105,000,000</u> | Ordinary shares of Rs. 10 each | <u>1,050,000</u> | <u>1,050,000</u> |

Issued, subscribed and paid up capital

| (Unaudited) December 31, 2024 | (Audited) June 30, 2024 | | (Unaudited) December 31, 2024 | (Audited) June 30, 2024 |
|-------------------------------------|-------------------------------|--|-------------------------------------|-------------------------------|
| | | | ----- Rupees in '000 ----- | |
| 22,990,000 | 22,990,000 | Shares allotted for consideration paid in cash | 229,900 | 229,900 |
| 62,684,765 | 62,684,765 | Shares allotted as bonus shares | 626,848 | 626,848 |
| <u>85,674,765</u> | <u>85,674,765</u> | | <u>856,748</u> | <u>856,748</u> |
| | | | (Unaudited) December 31, 2024 | (Audited) June 30, 2024 |
| | | | ----- Rupees in '000 ----- | |

11. TRADE AND OTHER PAYABLES

| | | |
|--------------------------------------|----------------|------------------|
| Creditors | 477,082 | 556,716 |
| Due to related parties - note 11.1 | 171,460 | 426,711 |
| Accrued liabilities | 105,612 | 119,307 |
| Accrued mark-up | 17,378 | 12,075 |
| Withholding tax payable | 5,698 | 4,754 |
| Security deposits | 500 | 4,075 |
| Payable to employees' provident fund | 1,973 | 1,817 |
| Other Payables | 16,735 | 5,611 |
| | <u>796,438</u> | <u>1,131,066</u> |

| | (Unaudited) December 31, 2024 | (Audited) June 30, 2024 |
|--|--|--|
| | ----- Rupees in '000 ----- | |
| 11.1 | Related party balances of the company represents: | |
| | | |
| The Searle Company Limited (the Holding Company) | 115,221 | 85,409 |
| International Brands (Private) Limited (Formerly International Brands Limited - the Ultimate Parent Company) | 27,920 | 17,420 |
| Searle Pakistan Limited (Associated Company) | - | 18,165 |
| United Brands Limited (Associated Company) | 19,624 | 20,792 |
| IBL Logistics (Private) Limited (Associated Company) | 8,695 | 4,198 |
| IBL Operations (Private) Limited (Associated Company) | - | 280,394 |
| United Retail (Private) Limited (Associated Company) | - | 333 |
| | <u>171,460</u> | <u>426,711</u> |

12. SHORT TERM BORROWINGS

The Company obtained running musharakah facilities from various banks amounting to Rs. 439 million (June 30, 2024: Rs. 439 million) out of which the amount unavailed at the period ended was Rs. 49.20 million (June 30, 2024: Rs. 419.73 million). Rates of profit range from one month KIBOR plus 1% (June 30, 2024: one month KIBOR plus 1%) to three months KIBOR plus 1.5% (June 30, 2024: three month KIBOR plus 1.5%) per annum. These facilities have been secured by way of hypothecation of first pari passu charge over present and future current assets amounting to Rs. 585 million (June 30, 2024: Rs. 585 million).

13. UNPAID DIVIDEND

Unpaid dividend in respect of dividend withheld due to non-compliance of certain legal / regulatory requirements by the shareholders.

14. CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

There has been no significant change during the period in the contingencies reported in the annual financial statements for the year ended June 30, 2024 except as disclosed in notes 14.1.1 and 14.1.2 below:

14.1.1 On October 31, 2024, the Company filed a suit before the High Court of Sindh challenging the refusal by the Customs Authorities of exemption on the dietary food for medical purposes being imported by the Company from Nestle Health Sciences GmbH, Deutschland (Germany). The Court has restrained the Custom Authorities from disallowing exemption to the Company till the hearing of injunction application. The exposure of the Company on account of Custom Duties is Rs. 23.38 million. The management believes that the likelihood of liability is low and based on the advice of legal consultant, no provision is required.

14.1.2 In note 20.1.2 to the annual financial statements of the Company for the year ended June 30, 2024, exposure of the Company on account of Custom Duties has increased to Rs. 64.03 million.

14.2 Commitments

The facility for opening letter of credit and guarantees as at December 31, 2024 amounted to Rs. 800 million (June 30, 2024: Rs. 650 million) and Rs. 20 million (2024: Rs. 20 million) of which the amount remaining unutilised at the end of period was Rs. 311.74 million (June 30, 2024: Rs. 134 million) and Rs. 5.96 million (2024: Rs. 5.96 million) respectively.

| | Half year ended | |
|---|-----------------------------------|---------------------|
| | (Unaudited) | |
| | December 31, | December 31, |
| | 2024 | 2023 |
| | ----- Rupees in '000 ----- | |
| 15. REVENUE FROM CONTRACT WITH CUSTOMERS | | |
| Gross revenue | 2,974,800 | 2,614,239 |
| Less: Sales tax | (267,800) | (175,458) |
| | 2,707,000 | 2,438,781 |
| Less: | | |
| - Discounts | (349,884) | (282,721) |
| - Sales returns | (160,441) | (77,362) |
| | (510,325) | (360,083) |
| | 2,196,675 | 2,078,698 |
| 16. COST OF SALES | | |
| Opening Inventory | 905,328 | 1,191,225 |
| Add: Purchases | 1,688,247 | 1,330,209 |
| | 2,593,575 | 2,521,434 |
| Cost of samples | (17,513) | (21,042) |
| Inventory written off | (12,077) | (2,854) |
| Closing Inventory | (1,042,129) | (1,106,519) |
| | (1,071,719) | (1,130,415) |
| | 1,521,856 | 1,391,019 |

| | | Half year ended (Unaudited) | |
|------------|--|--|------------------------------|
| | | December 31, 2024 | December 31, 2023 |
| | | ----- Rupees in '000 ----- | |
| 17. | OTHER INCOME | | |
| | Income from non-financial assets | | |
| | Rental income from investment property | 2,684 | 2,684 |
| | Scrap sales | 20 | - |
| | Net foreign exchange (losses) / gain | (2,509) | 24,154 |
| | | 195 | 26,838 |
| 18. | FINANCE COST | | |
| | Mark-up expense on short-term borrowings | 31,773 | 36,848 |
| | Bank and other charges | 1,347 | 1,226 |
| | Interest on lease liability | 94 | 271 |
| | | 33,214 | 38,345 |
| 19. | LEVIES - MINIMUM TAX | | |
| | This represents minimum tax differential under section 148 of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 37. | | |
| | | Half year ended (Unaudited) | |
| | | December 31, 2024 | December 31, 2023 |
| | | ----- Rupees in '000 ----- | |
| 20. | INCOME TAX EXPENSE | | |
| | Current | | |
| | - for the period | 70,467 | 74,964 |
| | - deferred tax | (217) | (9,275) |
| | - prior year charge | - | (3,029) |
| | | 70,250 | 62,660 |
| 21. | BASIC AND DILUTED EARNINGS PER SHARE | | |
| | | For the quarter ended | |
| | | December | December |
| | | 2024 | 2023 |
| | | ----- Rupees in '000 ----- | |
| | Profit for the period attributable to ordinary shareholders | 40,165 | 51,120 |
| | Weighted average number of ordinary shares outstanding during the period | 85,675 | 85,675 |
| | Basic and diluted earnings per share | Rs. 0.47 | Rs. 0.60 |
| | | For the half year ended | |
| | | December | December |
| | | 2024 | 2023 |
| | Profit for the period attributable to ordinary shareholders | 100,028 | 131,031 |
| | Weighted average number of ordinary shares outstanding during the period | 85,675 | 85,675 |
| | Basic and diluted earnings per share | Rs. 1.17 | Rs. 1.53 |

Diluted earnings per share has not been presented as the Company did not have any convertible instruments in issue as at December 31, 2024 and December 31, 2023 which would have any effect on the earnings per share if the option to convert is exercised.

| | Half year ended (Unaudited) | |
|--|--|------------------------------|
| | December 31, 2024 | December 31, 2023 |
| | ----- Rupees in '000 ----- | |
| 22. CASH (USED IN) / GENERATED FROM OPERATIONS | | |
| Profit before levies and income tax | 187,902 | 193,691 |
| Adjustments for non-cash income and expenses: | | |
| Depreciation of furniture and equipment | 899 | 870 |
| Depreciation of right-of-use asset | 1,681 | 1,619 |
| Amortisation of intangible assets | 489 | 1,412 |
| Provision for doubtful receivable | - | 10,100 |
| Finance cost | 33,214 | 38,345 |
| | 36,283 | 52,346 |
| | 224,185 | 246,037 |
| Changes in working capital: | | |
| (Increase) / Decrease in current assets: | | |
| Inventories | (136,801) | 84,706 |
| Trade and other receivables | (278,921) | (403,004) |
| Loans, advances, deposits and prepayments | (62,238) | 171,942 |
| | (477,960) | (146,356) |
| (Decrease) / Increase in current liabilities: | | |
| Trade and other payables | (339,931) | (62,060) |
| Sales tax payable | 119 | 32,849 |
| Advance from customers | 32,899 | 6,254 |
| | (306,913) | (22,957) |
| | (560,688) | 76,724 |
| 23. CASH AND CASH EQUIVALENTS | | |
| Cash and bank balances - note 9 | 74,218 | 54,923 |
| Short term borrowings - note 12 | (389,828) | (299,862) |
| | (315,610) | (244,939) |
| 24. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES | | |
| Financial risk factors | | |
| The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2024. | | |
| Fair value estimation and hierarchy | | |
| As at December 31, 2024 all financial assets and financial liabilities are carried at amortized cost. | | |
| The valuation techniques and fair value hierarchy of the financial assets of the Company are consistent with those given in the financial statements for the year ended June 30, 2024. | | |

25. RELATED PARTY TRANSACTIONS

Disclosure of transactions with related parties during the period are as follows:

| S.No. | Nature of relationship | Nature of transaction | Half year ended (Unaudited) | |
|-------|--|--|--------------------------------|----------------------|
| | | | December 31, 2024 | December 31, 2023 |
| | | | Rupees in '000 | |
| i. | Ultimate parent company | | | |
| | International Brands (Private) Limited | - Corporate service charges | 10,500 | 10,500 |
| ii. | Holding Company | | | |
| | The Searle Company Limited | - Sale of goods | 147,250 | - |
| | | - Reimbursement of expenses | 54,918 | 18,000 |
| | | - Rent paid | 2,367 | 2,152 |
| | | - Purchase of goods | 300,457 | 156,544 |
| | | - Utilities | 1,454 | 1,298 |
| iii. | Associated Company | | | |
| | IBL Operations (Private) Limited | - Sale of goods | 803,683 | 678,635 |
| | | - Discounts | 97,348 | 66,649 |
| | | - Shared cost | 9,240 | 8,680 |
| | United Brands Limited | - Sale of goods | 58,797 | 29,669 |
| | | - Discounts | 8,753 | 2,973 |
| | Searle Pakistan Limited | - Purchase of goods | 22,592 | 16,589 |
| | | - Purchase return | 11,768 | 11,709 |
| | IBL Logistics (Private) Limited | - Cartage & Freight | 13,090 | 3,027 |
| | United Retail (SMC) Private Limited | - Rental Income | 1,337 | 1,353 |
| | Universal Retail (Private) Limited | - Rental Income | 1,347 | 1,331 |
| iv. | Other Related Parties | | | |
| | Employees' Provident Fund | - Contribution paid | 6,076 | 4,488 |
| v. | Key Management Personnel * | | | |
| | | - Salaries and other employee benefits | 78,456 | 55,342 |
| | | - Directors' fee and conveyance | 1,850 | 1,475 |

* Key management personnel includes CEO, CFO and all Heads of Departments.

26. DATE OF AUTHORISATION FOR ISSUE 1

These condensed interim financial statements were approved and authorized for issue by the Board of Directors of the Company on February 26, 2025.



Chief Executive



Director



Chief Financial Officer

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in



IBL HealthCare Limited

2nd Floor, One IBL Centre, Plot # 1
Block 7 & 8, (DMCHS), Tipu Sultan Road,
off: Shakra-e-Faisal Karachi.

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