

**Wyeth**

**Leading the way to  
a Healthier World**

Condensed Interim  
Financial Statements for the  
nine months period ended  
August 31, 2020

**WYETH PAKISTAN LIMITED**

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## **Company Information**

### **BOARD OF DIRECTORS**

Iftikhar Soomro  
S. M. Wajeehuddin  
M. Z. Moin Mohajir  
Badaruddin F. Vellani  
Iqbal Bengali  
Shoaib Mir  
Rashid Muhammad Khan

Chairman  
Chief Executive

### **COMPANY SECRETARY**

Tafazzul Khan

### **CHIEF FINANCIAL OFFICER**

Kashif Shafi

### **AUDIT COMMITTEE**

M.Z. Moin Mohajir  
Iftikhar Soomro  
Badaruddin F. Vellani  
Shoaib Mir

Chairman

### **HUMAN RESOURCES AND REMUNERATION COMMITTEE**

Badaruddin F. Vellani  
Iftikhar Soomro  
S. M. Wajeehuddin

### **SHARE TRANSFER COMMITTEE**

S. M. Wajeehuddin  
M.Z. Moin Mohajir  
Rashid Muhammad Khan

Chairman

### **BANKERS**

Citibank, N.A.  
Standard Chartered Bank (Pakistan) Limited

## **AUDITORS**

KPMG Taseer Hadi & Co.  
Chartered Accountants

## **LEGAL ADVISORS**

Vellani & Vellani  
Mohammad Mitha

## **SHARE REGISTRAR**

**THK Associates (Pvt.) Ltd.**  
1st Floor, 40-C, Block-6 P.E.C.H.S., Karachi - 75400  
UAN: 021 111-000-322, Fax 021-34168271

## **HEAD OFFICE / REGISTERED OFFICE**

Room No. 002 & 003, PGS Admin Block,  
First Floor, B-2, S.I.T.E., Karachi.  
Ph. # 92-21-32570621-5 Fax # 92-21-32331045-32577023  
Website: [www.wyethpakistan.com](http://www.wyethpakistan.com)

**Note:** These accounts are also available on our website.

## **DIRECTORS' REVIEW**

We are pleased to present the un-audited condensed interim financial statements of your Company for the nine months period ended August 31, 2020. The condensed interim financial statements have been prepared in accordance with applicable requirements of International Financial Reporting Standards (IAS 34 - Interim Financial Reporting) and the Companies Act, 2017.

COVID-19 continues to impact Pakistan on economic as well as social fronts, though, there has been some ease in lockdown restrictions towards the end of the reporting period. Sales for the nine months period under review is reflecting negative growth in view of continued impact of COVID-19 on the economy and businesses, which was also explained in our half yearly review. Furthermore rupee devaluation and its impact on costs have impacted the gross margin of the Company as compared to same period last year.

Despite slow recovery, sales for the quarter have improved as compared to the corresponding period last year. Further, management has made efforts to control expenses, which resulted in lower operating expenses by 7% versus same period last year. As a result, loss before tax for the nine months period under review has been reduced to Rs. 52m.

The Board of Directors appreciate and recognize the untiring efforts of all our colleagues in the pandemic.



**Iftikhar Soomro**  
Chairman



**S.M. Wajeehuddin**  
Chief Executive

Dated: 28 September, 2020

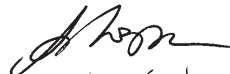
## ڈائریکٹران کا جائزہ


ہم آپ کی کمپنی کے غیر آڈٹ شدہ اختصاری عبوری مالیاتی گوشوارے برائے نو ماہی مدت مختتمہ 31 اگست 2020 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔ اختصاری عبوری مالیاتی گوشوارے عالمی مالیاتی رپورٹنگ معیارات (IAS 34) - عبوری مالیاتی رپورٹنگ) اوکٹینیز ایکٹ 2017 کے تقاضوں کے تحت تیار کئے گئے ہیں۔

COVID-19 تسلسل کے ساتھ پاکستان کے معاشی اور سماجی محاذ پر بھی اثرات مرتب کر رہا ہے، اگرچہ کہ رپورٹنگ کی مدت کے اختتام پر لاک ڈاؤن کی پابندیوں میں نرمی ہوئی ہے۔ تاہم COVID-19 کے معیشت اور کاروبار پر مسلسل اثرات کی وجہ سے زیر جائزہ نو ماہی مدت کی فروخت منفی نمونہ پیش کر رہی ہے جس کی وضاحت ششماہی جائزہ میں بھی کی گئی تھی۔ مزید برآں، گزشتہ سال اسی مدت کی بنسبت روپے کی قدر میں کمی اور لاگتوں پر اس کے اثرات نے کمپنی کے خام منافع پر اثرات ڈالے ہیں۔

سست بحالی کے باوجود اس سہ ماہی کی فروخت میں گزشتہ سال اسی مدت کی نسبت بہتری آئی ہے۔ مزید یہ کہ انتظامیہ نے اخراجات کو قابو کرنے کی کوششیں کی ہیں، جس کے نتیجے میں کاروباری اخراجات میں گزشتہ سال اسی مدت کی بانسبت 7% فیصد کمی آئی ہے۔ جس کے نتیجے میں قبل از ٹیکس خسارہ برائے زیر جائزہ نو ماہی مدت کم ہو کر 52 ملین روپے رہ گیا ہے۔

بورڈ آف ڈائریکٹرز عالمی وباء میں اپنے تمام ساتھیوں کی انتھک محنت کو تسلیم کرتا ہے اور ان کا معترف ہے۔

  
ایس ایم وجیہ الدین  
چیف ایگزیکٹو


  
افتخار سومرو  
چیرمین

کراچی: 28 ستمبر، 2020


**Condensed Interim Statement of Financial Position (Unaudited)  
As at August 31, 2020**

	Note	August 31, 2020 (Unaudited)	November 30, 2019 (Audited)
<b>(Rupees in '000)</b>			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	10,784	15,123
Long-term loans to employees		10,736	8,127
Long-term deposits		145	145
Deferred taxation	7	-	-
		<u>21,665</u>	<u>23,395</u>
<b>Current assets</b>			
Stock-in-trade	8	442,667	567,552
Trade debts		-	2,545
Loans and advances		47,938	51,483
Deposits, prepayments and other receivables		52,169	40,876
Interest accrued		3,390	16,902
Taxation - net		176,798	142,787
Cash and bank balances		691,883	1,149,185
		<u>1,414,845</u>	<u>1,971,330</u>
<b>TOTAL ASSETS</b>		<u><b>1,436,510</b></u>	<u><b>1,994,725</b></u>
<b>EQUITY AND LIABILITIES</b>			
Share capital and reserves			
Authorised share capital 5,000,000 ordinary shares of Rs. 100 each			
		<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid-up capital			
Reserves		<u>142,161</u>	<u>142,161</u>
		<u>871,563</u>	<u>1,095,558</u>
		<u><b>1,013,724</b></u>	<u><b>1,237,719</b></u>
<b>LIABILITIES</b>			
Current liabilities			
Trade and other payables		<u>411,808</u>	<u>745,821</u>
Unclaimed dividend		<u>10,978</u>	<u>11,185</u>
		<u><b>422,786</b></u>	<u><b>757,006</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>1,436,510</b></u>	<u><b>1,994,725</b></u>
Contingencies and commitments	9		

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

  
S. M. Wajeehuddin  
Chief Executive


  
M. Z. Moin Mohajir  
Director

  
Kashif Shafi  
Chief Financial Officer

**Condensed Interim Statement of Profit or Loss (Unaudited)  
For the nine months period ended August 31, 2020**

Note	Nine months period ended		Three months period ended	
	August 31, 2020	August 31, 2019	August 31, 2020	August 31, 2019
----- (Rupees in '000) -----				
Net sales	696,678	723,841	232,411	185,325
Cost of sales	(739,924)	(631,386)	(204,367)	(187,969)
Gross (loss) / profit	(43,246)	92,455	28,044	(2,644)
Selling, marketing and distribution expenses	(85,386)	(95,617)	(14,052)	(22,201)
Administrative expenses	(34,312)	(33,204)	(9,624)	(13,703)
	(119,698)	(128,821)	(23,676)	(35,904)
	(162,944)	(36,366)	4,368	(38,548)
Other income	10 111,263	101,673	17,333	49,760
Finance costs	(506)	(32,715)	(176)	(10,694)
	110,757	68,958	17,157	39,066
(Loss) / profit before taxation	(52,187)	32,592	21,525	518
Taxation	(31,207)	(42,346)	(14,901)	(18,719)
(Loss) / profit for the period	(83,394)	(9,754)	6,624	(18,201)
----- (Rupees) -----				
	(58.66)	(6.86)	4.66	(12.80)

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

  
S. M. Wajeehuddin  
Chief Executive

  
M. Z. Moin Mohajir  
Director


  
Kashif Shafi  
Chief Financial Officer



**Condensed Interim Statement  
of Comprehensive Income (Unaudited)  
For the nine months period ended August 31, 2020**

Note	Nine months period ended		Three months period ended	
	August 31, 2020	August 31, 2019	August 31, 2020	August 31, 2019
	----- (Rupees in '000) -----			
(Loss) / profit for the period	<b>(83,394)</b>	(9,754)	<b>6,624</b>	(18,201)
Other comprehensive income	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b><u>(83,394)</u></b>	<u>(9,754)</u>	<b><u>6,624</u></b>	<u>(18,201)</u>

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

  
**S. M. Wajeehuddin**  
Chief Executive


  
**M. Z. Moin Mohajir**  
Director

  
**Kashif Shafi**  
Chief Financial Officer


## Condensed Interim Cash Flow Statement (Unaudited) For the nine months period ended August 31, 2020

	Note	Nine months period ended	
		August 31, 2020	August 31, 2019
(Rupees in '000)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash (used in) / generated from operations	11	(327,883)	353,130
Taxes paid		(65,218)	(64,639)
(Decrease) / increase in long-term loans to employees		(2,609)	980
Decrease in long-term deposits		-	950
Net cash (used in) / generated from operating activities		(395,710)	290,421
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure incurred		-	(10,037)
Profit received on bank deposits		80,776	75,015
Proceeds from disposal of property, plant and equipment		-	2,855
Net cash inflow from investing activities		80,776	67,833
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(142,368)	(70,629)
Net (decrease) / increase in cash and cash equivalents		(457,302)	287,625
Cash and cash equivalents at beginning of the period		1,149,185	907,654
Cash and cash equivalents at end of the period		691,883	1,195,279

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

  
**S. M. Wajeehuddin**  
Chief Executive

  
**M. Z. Moin Mohajir**  
Director


  
**Kashif Shafi**  
Chief Financial Officer

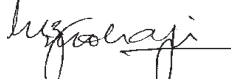
## Condensed Interim Statement of Changes in Equity (Unaudited) For the nine months period ended August 31, 2020

	Issued, subscribed and paid- up capital	Reserves			Sub total	Total
		Revenue Reserve		Capital Reserve		
		General reserve	Unappro- priated profit / loss	Others*		
.....(Rupees in '000).....						
Balance as at December 1, 2018 (audited)	142,161	505,270	596,852	23,736	1,125,858	1,268,019
<b>Total comprehensive income for the period</b>						
Profit for the period	-	-	(9,754)	-	(9,754)	(9,754)
Other comprehensive income for the period	-	-	-	-	-	-
	-	-	(9,754)	-	(9,754)	(9,754)
<b>Transactions with owners recognised directly in equity</b>						
Final dividend for the year ended November 30, 2018 at Rs. 50 per share	-	-	(71,080)	-	(71,080)	(71,080)
Share-based payments	-	-	-	1,235	1,235	1,235
	-	-	(71,080)	1,235	(69,845)	(69,845)
Transfer to general reserve	-	400,000	(400,000)	-	-	-
<b>Balance as at August 31, 2019 (unaudited)</b>	<u>142,161</u>	<u>905,270</u>	<u>116,018</u>	<u>24,971</u>	<u>1,046,259</u>	<u>1,188,420</u>
<b>Balance as at December 1, 2019 (audited)</b>	142,161	905,270	164,472	25,816	1,095,558	1,237,719
<b>Total comprehensive loss for the period</b>						
Loss for the period	-	-	(83,394)	-	(83,394)	(83,394)
Other comprehensive income for the period	-	-	-	-	-	-
	-	-	(83,394)	-	(83,394)	(83,394)
<b>Transactions with owners recognised directly in equity</b>						
Final dividend for the year ended November 30, 2019 at Rs. 100 per share	-	-	(142,161)	-	(142,161)	(142,161)
Share-based payments	-	-	-	1,560	1,560	1,560
	-	-	(142,161)	1,560	(140,601)	(140,601)
<b>Balance as at August 31, 2020 (unaudited)</b>	<u>142,161</u>	<u>905,270</u>	<u>(61,083)</u>	<u>27,376</u>	<u>871,563</u>	<u>1,013,724</u>

\* Others represent reserve for share based payment plan.

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

  
**S. M. Wajeehuddin**  
Chief Executive

  
**M. Z. Moin Mohajir**  
Director

  
**Kashif Shafi**  
Chief Financial Officer

**Notes to the Condensed Interim  
Financial Statements (Unaudited)  
For the nine months period ended August 31, 2020**

**1. STATUS AND NATURE OF BUSINESS**

Wyeth Pakistan Limited ("the Company") is a public limited Company incorporated in 1949 in Pakistan. The Company is listed on the Pakistan Stock Exchange and is engaged in import, marketing, distribution and sale of pharmaceutical products.

The Company's registered office is situated at Room No. 002 & 003, PGS Admin Block, First Floor, B-2, S.I.T.E., Karachi.

Pfizer Inc. is the ultimate parent of the Company. Wyeth LLC, USA and Wyeth Holding LLC USA, which are subsidiaries of Pfizer Inc. are the principal shareholders of the Company.

**2. SUMMARY OF SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING PERIOD**

A novel strain of coronavirus (COVID-19) that first surfaced in China was classified as a pandemic by the World Health Organization on March 11, 2020, impacting countries globally including Pakistan. Government of Pakistan has taken measures to reduce the spread of the Covid-19 including lock down of businesses, suspension of flight operations, intercity movements, cancellation of major events, etc. These measures have resulted in overall economic slowdown, disruptions to various businesses and significant volatility in the Pakistan Stock Exchange (PSX). However, currently, the potential impacts of COVID-19 remain uncertain, including, among other things, on economic conditions, businesses and consumers. The Company is conducting business with some modifications to employee working and cancellation/deferment of certain events, among other modifications while following all necessary Standard Operating Procedures (SOPs). The Company is actively monitoring the situation and may take further actions that alter its business operations as may be required by Federal, Provincial or local authorities or that are in the best interest of the employees, customers, suppliers and stakeholders.

However, based on management's assessment, the impact of COVID 19 on the Company is not likely to be significant considering the Pharmaceutical Sector which falls under the essential industry, demand from its customers, availability of imports and measures taken by Government to support the industry in which the Company operates

**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 comprise of:

- International Accounting Standard 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.

### **3.2 Basis of measurement**

These condensed interim financial statements have been prepared under the historical cost convention except as stated otherwise and should be read in conjunction with the annual audited financial statements of the Company for year ended 30 November 2019.

### **3.3 Functional and presentation currency**

These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency.

## **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- 4.1** The accounting policies and method of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in preparation of the published annual audited financial statements of the Company for the year ended 30 November 2019 except for the changes in accounting policies on applicability of IFRS 16 'Leases' as of 1 December 2019 as explained in note 4.3.1 to these condensed interim financial statements.

- 4.2** New standards, interpretations and amendments adopted by the Company

International Accounting Standards Board (IASB) introduced IFRS 16 'Leases' which had a mandatory effective date for annual reporting periods beginning on or after 1 January 2019. By virtue of SRO 434(I)/2018, SECP made mandatory for all classes of companies to adopt IFRS 16 'Leases' for annual reporting periods beginning on or after 1 January 2019.

IFRS 16 'Leases' became applicable from 1 December 2019. The impact of adoption of IFRS 16 and related accounting policies are disclosed in note 4.3.1 below. A number of other new standards are effective from 1 December 2019 but they do not have a significant effect on the Company and are therefore not stated in these condensed interim financial statements.

### **4.3 Change in accounting policy**

- 4.3.1** IFRS 16 has introduced a single, on-balance sheet accounting model for lessees, which requires a lessee to recognize right-of-use asset representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments.

The details of the changes in accounting policies are disclosed below.

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The entity mainly leases properties for its operations. The entity recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

However, as allowed by IFRS 16, the Company has elected not to recognize right-of-use-assets and lease liabilities for leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. Accordingly, adoption of IFRS 16 did not have any financial impact on the Company's financial position.

#### **4.4 Standards, Interpretations and Amendments to Published Approved Accounting and Reporting Standards that are not yet effective**

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 December 2020:

- Amendment to IFRS 3 'Business Combinations' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards.

In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards.

- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallise. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020 unless the new guidance contains specific scope outs.
- Interest Rate Benchmark Reform which amended IFRS 9, IAS 39 and IFRS 7 is applicable for annual financial periods beginning on or after 1 January 2020. The G20 asked the Financial Stability Board (FSB) to undertake a fundamental review of major interest rate benchmarks. Following the review, the FSB published a report setting out its recommended reforms of some major interest rate benchmarks such as IBORs. Public authorities in many jurisdictions have since taken steps to implement those recommendations. This has in turn led to uncertainty about the long-term viability of some interest rate benchmarks. In these amendments, the term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark including its replacement with an alternative benchmark rate, such as that resulting from the FSB's recommendations set out in its July 2014 report 'Reforming Major Interest Rate Benchmarks' (the reform). The amendments made provide relief from the potential effects of the uncertainty caused by the reform. A company shall apply the exceptions to all hedging relationships directly affected by interest rate benchmark reform. The amendments are not likely to affect the financial statements of the Company.

## **5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements of the Company for the year ended 30 November 2019, except for the changes as stated in note 4.3.1 above.

	Note	August 31, 2020 (Unaudited)	November 30, 2019 (Audited)
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>		<b>(Rupees in '000)</b>	
Operating fixed assets	6.1	<u>10,784</u>	<u>15,123</u>
		<u>10,784</u>	<u>15,123</u>
<b>6.1</b>	Operating fixed assets include following additions and disposals during the period:		
		<b>Nine months period ended</b>	
		<u>August 31, 2020</u>	<u>August 31, 2019</u>
		<b>(Rupees in '000)</b>	
<b>Additions:</b>			
Vehicles		<u>-</u>	<u>10,037</u>
		<u>-</u>	<u>10,037</u>
Disposal of vehicles - sale proceeds [having a net book value of Nil (2019: Nil)]		<u>-</u>	<u>2,855</u>
		<u>-</u>	<u>2,855</u>
<b>7. DEFERRED TAXATION</b>			
<b>7.1</b>	The Company has not recognized deferred tax assets of Rs. 35.145 million (30 November 2019: Rs. 36.809 million) as sufficient tax profits may not be available to set these off in the foreseeable future.		
	Note	August 31, 2020 (Unaudited)	November 30, 2019 (Audited)
<b>8. STOCK-IN-TRADE</b>		<b>(Rupees in '000)</b>	
Raw and packing materials		<u>9,744</u>	<u>4,755</u>
Work-in-process		<u>122,002</u>	<u>73,204</u>
Finished goods	8.1	<u>302,748</u>	<u>502,724</u>
Stock-in-transit		<u>9,893</u>	<u>-</u>
		<u>444,387</u>	<u>580,683</u>
Less: Provision for slow moving and obsolete stocks	8.2	<u>1,720</u>	<u>13,131</u>
		<u>442,667</u>	<u>567,552</u>



- 8.1 Finished goods include items costing Rs. 99.003 million (30 November 2019: Rs. 0.311 million) which have been recognised at a net realisable value of Rs. 66.008 million (30 November 2019: Rs. Nil).
- 8.2 During the period, provision of Rs. 3.008 million has been reversed and stock-in-trade valued at Rs. 8.403 million has been written off from provision, while stock-in-trade valued at Rs. 0.344 million has been written off directly.

## 9. CONTINGENCIES AND COMMITMENTS

### 9.1 Contingencies

There is no change in the status of contingencies as disclosed under note 15 of the annual audited financial statements of the Company for the year ended November 30, 2019.

### 9.2 Commitments

The Company has no commitments as on 31 August 2020.

	August 31, 2020	November 30, 2019
	<b>(Rupees in '000)</b>	
<b>10. OTHER INCOME</b>		
<b>Income from financial assets</b>		
Profit on saving accounts and term deposits	<b>67,264</b>	82,857
<b>Income from non-financial assets</b>		
Gain on disposal of property, plant and equipment - net	-	2,100
Exchange gain	<b>10,577</b>	-
Miscellaneous income	-	1,962
Liabilities no longer payable written back	<b>33,422</b>	9,916
Recovery of doubtful margin deposit of bank guarantee	-	4,838
	<b><u>111,263</u></b>	<u>101,673</u>

	Note	Nine months period ended	
		August 31, 2020	August 31, 2019
<b>11 CASH (USED IN) / GENERATED FROM OPERATIONS</b>		<b>(Rupees in '000)</b>	
(Loss) / Profit after taxation for the period		<b>(83,394)</b>	(9,754)
<b>Adjustments for non-cash charges and other items:</b>			
Net increase in reserve for equity-settled share-based payment plans		<b>1,560</b>	1,235
Depreciation		<b>4,339</b>	5,506
Reversal of slow moving and obsolete stock in trade		<b>(11,411)</b>	(51,245)
Gain on disposal of property, plant and equipment		-	(2,100)
Profit on deposit accounts		<b>(67,264)</b>	(82,857)
Tax expense		<b>31,207</b>	42,346
Liabilities no longer payable written back		<b>(33,422)</b>	(9,916)
Working capital changes	11.1	<b>(169,498)</b>	459,915
		<b>(327,883)</b>	353,130

	Note	Nine months period ended	
		August 31, 2020	August 31, 2019
<b>11.1 Working capital changes</b>		<b>(Rupees in '000)</b>	
(Increase) / decrease in current assets			
Stock-in-trade		<b>136,296</b>	(41,533)
Trade debts		<b>2,545</b>	17,405
Loans and advances		<b>3,545</b>	37,997
Deposits, prepayments and other receivables		<b>(11,293)</b>	276,224
		<b>131,093</b>	290,093
(Decrease) / increase in current liabilities:			
Trade and other payables		<b>(300,591)</b>	169,822
		<b>(169,498)</b>	459,915

## 12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise the ultimate parent company (Pfizer Inc., USA), related group companies, staff retirement benefits plans, directors, key management personnel and close members of the family of all the aforementioned related parties. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties are as follows:

	Nine months period ended	
	August 31, 2020	August 31, 2019
<b>Transactions for the period</b>	<b>(Rupees in '000)</b>	
Goods purchased from associated companies	546,293	637,964
Services from associated companies*	8,934	4,751
Services to associated companies	61,292	72,076
Dividend to Parent Company	102,503	51,252
Contribution to retirement benefit scheme	13,409	14,204
Legal and professional charges	-	58
Directors meeting fee and related expenses	3,435	2,051

\* This amount includes allocation of remuneration of key management personnel of Rs. 2.277 million (2019: Rs. 2.277 million)

### Balance receivable from / payable to associated companies


	August 31, 2020 (Unaudited)	November 30, 2019 (Audited)
	<b>(Rupees in '000)</b>	
Trade payable in respect of goods purchased from associated companies	116,577	448,631
Other receivables from associated companies	27,919	17,987
Receivable from retirement benefit scheme	8,120	7,491
Loan receivable from retirement benefit scheme	40,000	40,000
Payable to the retirement benefit scheme	103,577	98,069

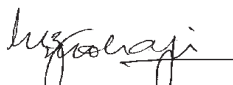
## 13. FINANCIAL ASSETS AND LIABILITIES

	August 31, 2020		
	Carrying Amount		
	Amortized cost	Financial liabilities	Total
	----- (Rupees in '000) -----		
<b>Financial assets not measured at fair value</b>			
Loans to employees	15,810	-	15,810
Long term deposit	145	-	145
Loans and advances	42,688	-	42,688
Deposits and other receivables	50,730	-	50,730
Interest accrued	3,390	-	3,390
Cash and bank balances	691,883	-	691,883
<b>As at 31 August 2020</b>	<b>804,646</b>	<b>-</b>	<b>804,646</b>
As at 30 November 2019	1,263,653	-	1,263,653
<b>Financial liabilities not measured at fair value</b>			
Trade and other payables	-	374,455	374,455
Unclaimed dividend	-	10,978	10,978
<b>As at 31 August 2020</b>	<b>-</b>	<b>385,433</b>	<b>385,433</b>
As at 30 November 2019	-	736,954	736,954

## 14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on September 28, 2020 by the Board of Directors of the Company.

  
S. M. Wajeehuddin  
Chief Executive

  
M. Z. Moin Mohajir  
Director

  
Kashif Shafi  
Chief Financial Officer