



w e v a l u e l i f e

AGP-Sec./ 345  
October 30, 2024

The General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi.

**SUBJECT: FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**

Dear Sir,

We have transmitted the Standalone and Consolidated Financial Statements of the Company for the Nine Months and Quarter ended September 30, 2024 and the same are also available on the Company's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'Umair', written over a horizontal line.

Umair Mukhtar  
Company Secretary



# A SPIRE ADVANCE CHIEVE



THIRD QUARTERLY REPORT 2024

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# COMPANY INFORMATION

## Board of Directors

Mr. Tariq Moinuddin Khan  
Mr. Zafar Iqbal Sobani  
Ms. Maleeha Humayun Bangash  
Mr. Kamran Nishat  
Mr. Muhammad Kamran Nasir  
Mr. Mahmud Yar Hiraj  
Mr. Muhammad Kamran Mirza

Chairman  
Independent Director  
Independent Director  
Non-Executive Director  
Chief Executive Officer  
Non-Executive Director  
Non-Executive Director

## Audit Committee

Mr. Zafar Iqbal Sobani  
Mr. Kamran Nishat  
Mr. Mahmud Yar Hiraj  
Mr. Muhammad Kamran Mirza

Chairman  
Member  
Member  
Member

## Human Resource and Remuneration Committee

Ms. Maleeha Humayun Bangash  
Mr. Muhammad Kamran Nasir  
Mr. Kamran Nishat  
Mr. Mahmud Yar Hiraj  
Mr. Muhammad Kamran Mirza

Chairperson  
Member  
Member  
Member  
Member

## Chief Financial Officer

Mr. Junaid Aslam

## Company Secretary

Mr. Umair Mukhtar

## Head of Internal Audit

Syed Shah Hussain Qadri

### Bankers

Allied Bank Limited  
Bank Al Habib Limited  
Bank Alfalah Limited  
Bank Islami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited

Industrial and Commercial Bank of China Ltd.  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
SAMBA Bank Limited  
Soneri Bank Limited  
The Bank of Punjab  
MCB Islamic Bank Limited

### Legal Advisor

Sattar & Sattar

### Website

[www.agp.com.pk](http://www.agp.com.pk)

### Auditors

Grant Thornton Anjum Rahman  
Chartered Accountants

### Email

[info@agp.com.pk](mailto:info@agp.com.pk)

### Share Registrar

CDC Share Registrar Services Limited



#### Registered Office & Plant -I

Address:  
B-23-C, S.I.T.E., Karachi  
Tel: +92-21 111-247-247  
Fax: +92-21 32570678



#### Plant-II

Address:  
D-109, S.I.T.E., Karachi  
Tel: +92-21 32572695  
+92-21 32563598  
Fax: +92-21 32564670



#### Plant-III

Address:  
F/46, S.I.T.E.,  
Super Highway  
Phase II, Karachi

# Directors' Review to the Members

On behalf of the Board of Directors, we are pleased to present the Company's standalone and consolidated condensed financial statements for the nine (9) months ended September 30, 2024.

## Economic Environment

The economy showed early signs of recovery, with GDP growth rebounding during the period. Inflation eased by September 2024 and State Bank of Pakistan (SBP) reduced the policy rate to 17.5%. The Pakistani Rupee also stabilized against the USD, supported by IMF assistance and improved foreign exchange reserves, thus contributing to a more stable macroeconomic environment. The pharmaceutical sector is experiencing progressive changes, as the government has deregularized the prices of drugs that are not included in the National Essential Medicines List (NEML). Accordingly, pharmaceutical companies can now align prices in line with market dynamics, creating opportunities for companies with a higher proportion of non-essential products to maximize their revenue potential.

## Operating Results of the Company

The Company achieved revenue of PKR 13 billion, reflecting an exceptional growth of 34% compared to the corresponding period last year. This growth trend was further reinforced in the third (3rd) quarter, where we recorded our its highest-ever quarterly sales of PKR 4.5 billion. In domestic market, our core brands maintained strong market penetration, resulting in a 27% increase in sales, while exports to Afghanistan surged by 59%. Additionally, the topline was supported by the Nutra segment, which delivered a remarkable 55% growth, driven by the successful launch of three (3) new products. Despite rise in production and operational costs, largely attributable to escalating energy costs, the Company managed to improve its gross margins over same period last year due to better sales mix and cost control measures. The gross margins are even better for the third (3rd) quarter of the year, mainly on account of efficient pricing strategies that is suitably designed for each product in the portfolio based on thorough market research and in-depth competitive analysis.

Marketing & Selling expenses and administrative expenses increased predominantly in line with business growth and prevailing inflationary pressures. The finance costs increased substantially, primarily due to long-term financing owing to the injection of equity in its subsidiary, OBS Pakistan (Private) Limited [OBS PK]. Additionally, there has been an upswing in short-term borrowings, driven on account of increase in working capital requirements. The impressive sales performance coupled with lower expense to sales ratio, translated into a standalone net profit of PKR 1,280 million with earnings per share of PKR 4.57, representing an increase of more than 50% over same period last year.

The performance of the subsidiaries has been promising with OBS AGP (Private) Limited achieving a topline of PKR 4.1 billion with a gross profit of PKR 2.1 billion and a net profit of PKR 326 million and OBS PK attaining a topline of PKR 2.4 billion with a gross profit of PKR 1.7 billion. However, due to high finance cost of long-term financing secured for acquisition of the brands, the bottom-line profitability remained under pressure and recorded at a net profit of PKR 95 million.

The consolidated topline performance has achieved new heights of PKR 17.7 billion for the nine (9) months ended September 30, 2024. With this encouraging sales performance, the consolidated gross profit and net profit reached at PKR 9.8 billion and PKR 1.6 billion respectively. The consolidated net profit attributable to the Company stood at PKR 1.5 billion, resulting in earnings per share of PKR 5.26.

## Awards and Achievements

AGP secured 1st place in the Pharmaceutical Category at the Best Corporate & Sustainability Reports (BCSR) Awards 2023, organized by ICAP and ICMAP. For the first time, the Company earned a top spot across all sectors, achieving 4th position overall in the BCSR Awards 2023. This consistent recognition over the years, underscores AGP's commitment to strong governance, adoption of best corporate practices and transparent disclosure of information.

AGP was also honored as one of the 'Top Exporters' at the 7th Pharma Export Summit & Awards 2024. This prestigious award reflects our ongoing efforts to drive global growth and enhance our international presence. Through state-of-the-art manufacturing excellence, AGP remains focused on expanding its footprint across international markets while maintaining the highest standards of quality and innovation.

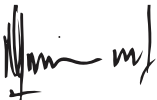
## Future Outlook

Going forward, Pakistan's economy is projected to grow positively, with inflation and policy rate forecasted to trim down further. Expected IMF disbursements are likely to bolster foreign exchange reserves, contributing to the stability of the PKR/USD exchange rate.

AGP remains committed to sustainable growth by leveraging its existing product portfolio and capitalizing on group synergies. The Company's strategic focus includes strengthening its domestic presence and expanding internationally through new and advanced medications that address both current and emerging therapeutic needs. Strategic investments to expand manufacturing capacity will enhance AGP's ability to adapt swiftly to market changes and maintain a competitive edge. The Company will continue to diversify its supplier base by shifting towards local sourcing where feasible, while ensuring compliance with quality standards. The Company is also focused on optimizing inventory levels and achieving cost efficiencies through operational excellence.

## Acknowledgment

We express our sincere gratitude to all our stakeholders for their unwavering trust and support, which continues to be a cornerstone of our success. We extend heartfelt appreciation to our dedicated employees, whose hard work, commitment, and alignment with the Company's vision drive our progress. Their tireless efforts have been instrumental in advancing AGP's mission, contributing meaningfully to enhancing access to quality healthcare for society at large.



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**Muhammad Kamran Nasir**  
Chief Executive Officer



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**Muhammad Kamran Mirza**  
Non-executive Director

## اعزازات اور کامیابیاں

AGP نے ICAP اور ICMAP کے زیر اہتمام بیسٹ کارپوریٹ اینڈ سسٹین ایبلٹی رپورٹس (BCSR) ایوارڈز 2023 میں فارماسیوٹیکل کیٹیگری میں پہلا مقام حاصل کیا۔ پہلی بار، کمپنی نے BCSR ایوارڈز 2023 میں مجموعی طور پر چوتھی پوزیشن حاصل کرتے ہوئے تمام شعبوں میں سرفہرست مقام حاصل کیا۔ پچھلے کئی سالوں سے یہ مسلسل اعتراف، مضبوط گورننس، بہترین کارپوریٹ طریقے اپنانے اور معلومات کے شفاف افشاء کے لیے AGP کا عزم نمایاں کرتی ہے۔

AGP کو 7 ویں فارما ایکسپورٹ سٹ اور ایوارڈز 2024 میں 'ٹاپ ایکسپورٹرز' میں سے ایک کے طور پر بھی نوازا گیا۔ یہ باوقار ایوارڈ عالمی نموا گے بڑھانے اور بین الاقوامی موجودگی میں اضافے کے لیے ہماری جاری کوششوں کی عکاسی کرتا ہے۔ جدید ترین مینوفیکچرنگ ایکسیلنس کے ذریعے، اے جی پی نے معیار اور جدت کے اعلیٰ ترین معیارات برقرار رکھتے ہوئے بین الاقوامی منڈیوں میں اپنے قدموں کے نشانات کو وسعت دینے پر توجہ مرکوز کر رکھی ہے۔

## مستقبل کی توقعات

مستقبل میں پاکستان کی معیشت کے مثبت انداز میں ترقی کرنے جبکہ افراط زر اور پالیسی ریٹ میں مزید کمی کی پیش گوئی کی گئی ہے۔ آئی ایم ایف کی متوقع ادائیگیوں سے زرمبادلہ کے ذخائر میں اضافے کا امکان ہے جس سے پاکستانی روپے/ امریکی ڈالر کی شرح تبادلہ میں استحکام آئے گا۔

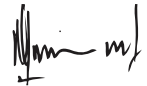
اے جی پی اپنے موجودہ پروڈکٹ پورٹ فولیو سے فائدہ اٹھاتے ہوئے اور گروپ ہم آہنگی پر سرمایہ کاری کر کے پائیدار ترقی کے لیے پرعزم ہے۔ کمپنی کے تزویری ارتکاز میں ملکی مارکیٹ میں اپنی موجودگی مستحکم بنانا اور نئی اور جدید ادویات کے ذریعے بین الاقوامی سطح پر توسیع کرنا شامل ہے جو علاج کی موجودہ اور ابھرتی ہوئی ضروریات پوری کرتی ہیں۔ مینوفیکچرنگ کی صلاحیت بڑھانے کے لیے تزویراتی سرمایہ کاری AGP کی مارکیٹ میں ہونے والی تبدیلیوں سے تیزی سے ہم آہنگ ہونے اور مسابقتی برتری برقرار رکھنے کی صلاحیت بڑھادے گی۔ ہم اپنی سپلائر چین میں فعال طور پر متنوع بنارہے ہیں، جہاں تک قابل عمل ہو، مقامی ذرائع کی طرف منتقل ہو رہے ہیں، جب کہ کوالٹی اسٹینڈرڈز کے اپنے عزم پر بدستور کاربند ہیں۔ علاوہ ازیں، AGP نے برآمدات کی صلاحیت مستحکم کرنے، اپنی انوینٹری کی سطح زیادہ سے زیادہ بڑھانے، اور لاگتوں میں کفایت حاصل کرنے کے لیے عمدہ انداز کار کو آگے بڑھانے پر توجہ مرکوز کر رکھی ہے۔

## اظہار تشکر

ہم کمپنی پر مسلسل اعتماد اور بھروسے پر اپنے قابل احترام اسٹیک ہولڈرز کو تودل سے خراج تحسین پیش کرتے ہیں جو کہ ہماری کامیابی کی بنیاد ہے۔ ہم اپنے ملازمین کی غیر متزلزل لگن کا بھی اعتراف کرنا چاہیں گے، جن کی محنت، عزم، اور کمپنی کے نصب العین کے ساتھ ہم آہنگی ہماری ترقی کو آگے بڑھاتی ہے۔ ان کی انتھک کوششیں AGP کا بڑے پیمانے پر معاشرے کے لیے معیاری صحت کی دیکھ بھال تک رسائی بڑھانے کا مشن کو آگے بڑھانے میں اہم کردار ادا کر رہی ہیں۔



محمد کامران مرزا  
نان ایگزیکٹو ڈائریکٹر



محمد کامران ناصر  
چیف ایگزیکٹو آفیسر

# ڈائریکٹرز کا جائزہ برائے ممبران

بورڈ آف ڈائریکٹرز کی طرف سے ۳۰ ستمبر، ۲۰۲۴ کو ختم ہونے والے نو (۹) ماہ کے لیے کمپنی کے انفرادی (standalone) اور اجتماعی (consolidated) مختصر عبوری مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

## اقتصادی ماحول

معیشت نے اس مدت کے دوران جی ڈی پی نمو کی بازیافت کے ساتھ بحالی کی ابتدائی علامات کا مظاہرہ کیا۔ ستمبر ۲۰۲۳ تک افراط زر میں بھی کمی آئی اور اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی ریٹ ۵.۵٪ تک کم کر دیا۔ آئی ایم ایف کی مدد اور زرمبادلہ کے ذخائر میں بہتری کی بدولت پاکستانی روپیہ بھی امریکی ڈالر کے مقابلے میں مستحکم ہوا، چنانچہ ایک زیادہ مستحکم مجموعی معاشی ماحول میں اپنا حصہ ڈالا۔ فارماسیوٹیکل سیکٹر بتدریج تبدیلیوں کے تجربے سے گزر رہا ہے، کیونکہ حکومت نے ان دوائیوں کی قیمتوں کو ڈی ریگولر انڈر کرایا ہے جو ضروری ادویات کی قومی فہرست (NEML) میں شامل نہیں ہیں، اس کے مطابق فارماسیوٹیکل کمپنیاں مارکیٹ کی نقل و حرکت کے مطابق قیمتیں متوازن کر سکتی ہیں، اس طرح فارما کمپنیاں کے لیے غیر ضروری ادویات کے زیادہ تناسب کے ساتھ آمدنی زیادہ سے زیادہ بڑھانے کے مواقع پیدا ہوں گے۔

## کمپنی کے آپریٹنگ نتائج

کمپنی نے ۱۳ ارب روپے کی آمدنی حاصل کی جو گزشتہ سال کے اسی عرصے کے مقابلے میں ۳۴٪ غیر معمولی اضافے کی عکاسی کرتی ہے۔ تیسری سہ ماہی میں ترقی کے اس رجحان کو مزید تقویت ملی، جہاں ہم نے اپنی اب تک کی سب سے زیادہ سہ ماہی فروخت میں ۲۷٪ اضافہ ہوا، جبکہ افغانستان کو برآمدات میں ۵۹٪ اضافہ ہوا۔ مزید برآں، ٹاپ لائن کو نے مارکیٹ میں مضبوط رسائی برقرار رکھی، جس کے نتیجے میں فروخت میں ۲۷٪ اضافہ ہوا، جبکہ افغانستان کو برآمدات میں ۵۹٪ اضافہ ہوا۔ مزید برآں، ٹاپ لائن کو نیوٹرالیٹیکس کی معاونت حاصل تھی، جس نے تین (۳) نئی مصنوعات کی کامیاب لانچ کی وجہ سے ۵۵٪ قابل ذکر نمو فراہم کی۔ پیداوار اور آپریشنل لاگت میں اضافے کے باوجود، جس کی بڑی وجہ تو انائی کی بڑھتی ہوئی لاگت ہے، کمپنی بہتر سیلز اور لاگت پر کنٹرول جیسے اقدامات کی وجہ سے پچھلے سال کی اسی مدت کے مقابلے میں اپنے مجموعی منافع جات بہتر بنانے میں کامیاب رہی۔ سال کی تیسری سہ ماہی کے لیے مجموعی منافع جات اور بھی بہتر رہے، جس کا بنیادی سبب قیمتوں کے تعین کی موثر حکمت عملی ہے جو پورٹ فولیو میں ہر ایک پروڈکٹ کے لیے کمپل مارکیٹ ریسرچ اور گہرائی سے مسابقتی تجزیہ کی بنیاد پر تیار کی گئی ہیں۔

مارکیٹنگ اور سیلنگ کے اخراجات اور انتظامی اخراجات میں بنیادی طور پر کاروبار کی ترقی اور موجودہ افراط زر کے دباؤ کے مطابق اضافہ ہوا۔ مالیاتی اخراجات میں خاطر خواہ اضافہ ہوا، جس کی بنیادی وجہ ذیلی کمپنی، OBS پاکستان (پرائیویٹ) لمیٹڈ [OBS PK] میں ایکویٹی انجکشن ہے۔ مزید برآں، قلیل مدتی قرضوں میں اضافہ ہوا ہے، جس کی وجہ ورکنگ کپٹل کی ضروریات میں اضافہ ہے۔ سیلز میں متاثر کن کارکردگی کے ساتھ سیلز کے مقابلے میں کم اخراجات کا نتیجہ ۵۷٪ روپے فی شیئر آمدنی کے ساتھ ۱۲۸ ملین روپے کے انفرادی (Standalone) خالص منافع کی شکل میں سامنے آیا، جو گزشتہ سال کی اسی مدت کے مقابلے میں ۵۰٪ سے زائد اضافے کی نشاندہی کرتا ہے۔

ذیلی اداروں کی کارکردگی امید افزا رہی ہے جس میں OBS AGP (پرائیویٹ) لمیٹڈ نے ۲۱ ملین روپے کے مجموعی منافع اور ۳۶ ملین روپے کے خالص منافع کے ساتھ ۲۱ ملین روپے کی ٹاپ لائن حاصل کی، اور OBS پاکستان (پرائیویٹ) لمیٹڈ نے ۱.۷ ملین روپے کے مجموعی منافع کے ساتھ ۲.۴ ملین روپے کی ٹاپ لائن حاصل کی۔ تاہم، برانڈز کے حصول کے لیے حاصل کردہ طویل مدتی فنانسنگ کی بلند مالی لاگت کی وجہ سے، ہائٹ لائن منافع دباؤ میں رہا اور ۹ ملین روپے کا خالص منافع ریکارڈ کیا گیا۔

۳۰ ستمبر ۲۰۲۴ کو ختم ہونے والے نو (۹) ماہ کے لیے اجتماعی ٹاپ لائن کارکردگی نے ۱.۷ ملین روپے کی نئی بلندی حاصل کی ہے۔ سیلز کی اس امید افزا کارکردگی کے ساتھ اجتماعی مجموعی منافع اور اجتماعی خالص منافع کی مالیت بالترتیب ۹.۸ ملین روپے اور ۱.۶ ملین روپے رہی۔ کمپنی سے منسوب اجتماعی خالص منافع ۱.۵ ملین روپے روپے رہا، جس کا نتیجہ ۵.۲۶ روپے فی شیئر آمدنی کی صورت میں سامنے آیا۔

**UNCONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS  
(UN-AUDITED)  
FOR THE NINE MONTHS ENDED  
30 SEPTEMBER 2024**

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

		30 September 2024 (Unaudited)	31 December 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	3,659,213	3,464,465
Intangible assets	6	5,438,021	5,441,839
Long-term investments	7	3,074,211	3,064,629
Long-term deposits and receivables		42,430	22,841
		<b>12,213,875</b>	11,993,774
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		13,312	11,050
Stock-in-trade	8	2,802,735	2,526,624
Trade debts	9	1,850,889	1,449,939
Advances		395,781	400,498
Trade deposits, prepayments and other receivables		219,958	257,973
Taxation – net		159,419	308,724
Cash and bank balances	10	153,705	137,783
		<b>5,595,799</b>	5,092,591
<b>TOTAL ASSETS</b>		<b>17,809,674</b>	17,086,365
<b>EQUITY AND LIABILITIES</b>			
Authorised capital		3,500,000	3,500,000
Issued, subscribed and paid up capital		2,800,000	2,800,000
Revenue reserve – unappropriated profit		8,633,027	8,053,471
		<b>11,433,027</b>	10,853,471
<b>NON-CURRENT LIABILITIES</b>			
Long-term financings	11	1,631,890	2,092,998
Lease Liability	12	57,563	-
Gas infrastructure development cess		7,231	6,996
Deferred tax liabilities – net		195,109	191,075
		<b>1,891,793</b>	2,291,069
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	2,454,716	2,496,656
Unclaimed dividend		2,107	1,853
Accrued interest		72,000	76,540
Short-term borrowings	14	1,218,989	937,954
Current maturity of non-current liabilities		737,042	428,822
		<b>4,484,854</b>	3,941,825
<b>CONTINGENCIES AND COMMITMENTS</b>	15		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>17,809,674</b>	17,086,365

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



Chief Financial Officer



Chief Executive Officer



Director

# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Note	Nine months ended		Quarter ended	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
----- (Rupees in '000) -----					
Revenue from contracts with customers	16	13,033,363	9,759,113	4,489,043	3,715,294
Cost of sales	17	(6,940,438)	(5,367,829)	(2,219,729)	(1,984,372)
<b>Gross profit</b>		<b>6,092,925</b>	4,391,284	<b>2,269,314</b>	1,730,922
Administrative expenses	18	(458,085)	(332,799)	(156,792)	(95,624)
Marketing and selling expenses		(3,001,253)	(2,384,952)	(996,677)	(823,383)
Other expenses		(185,022)	(225,580)	(75,532)	(56,598)
Other income	19	149,213	173,362	14,686	15,825
Finance costs		(683,900)	(357,193)	(217,356)	(218,735)
		(4,179,047)	(3,127,162)	(1,431,671)	(1,178,515)
<b>Profit before taxation</b>		<b>1,913,878</b>	1,264,122	<b>837,643</b>	552,407
Taxation	20	(634,322)	(412,553)	(287,889)	(145,225)
<b>Net profit for the period</b>		<b>1,279,556</b>	851,569	<b>549,754</b>	407,182
<b>Earnings per share – basic and diluted</b>		<b>Rs. 4.57</b>	Rs. 3.04	<b>Rs. 1.96</b>	Rs. 1.45

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



Chief Financial Officer



Chief Executive Officer



Director

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Nine months ended		Quarter ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
	----- (Rupees in '000) -----			
<b>Net profit for the period</b>	<b>1,279,556</b>	851,569	<b>549,754</b>	407,182
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>1,279,556</b>	851,569	<b>549,754</b>	407,182

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



Chief Financial Officer



Chief Executive Officer



Director

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Share capital	Revenue reserve – Unappropriated profit	Total
	----- (Rupees in '000) -----		
<b>Balance as at 31 December 2022 – Audited</b>	2,800,000	7,423,285	10,223,285
Net profit for the period	-	851,569	851,569
<b>Other comprehensive income</b>	-	-	-
Total comprehensive income for the period	-	851,569	851,569
Final dividend for the year ended 31 December 2022 @ Re. 2 per share	-	(560,000)	(560,000)
<b>Balance as at 30 September 2023</b>	<u>2,800,000</u>	<u>7,714,854</u>	<u>10,514,854</u>
<b>Balance as at 31 December 2023 – Audited</b>	<b>2,800,000</b>	<b>8,053,471</b>	<b>10,853,471</b>
Net profit for the period	-	1,279,556	1,279,556
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	1,279,556	1,279,556
Final dividend for the year ended 31 December 2023 @ Rs. 2.5 per share	-	(700,000)	(700,000)
<b>Balance as at 30 September 2024</b>	<u><b>2,800,000</b></u>	<u><b>8,633,027</b></u>	<u><b>11,433,027</b></u>

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



Chief Financial Officer



Chief Executive Officer



Director

# CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

		30 September 2024	30 September 2023
	Note	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	21	2,025,696	822,408
<b>Payments for:</b>			
Finance costs		(291,298)	(132,332)
Taxes		(480,981)	(527,408)
Central Research Fund		(18,502)	(21,754)
Long-term deposits and receivables		(19,589)	(3,965)
<b>Net cash generated from operating activities</b>		<b>1,215,326</b>	<b>136,949</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure incurred		(427,140)	(485,045)
Investment made in subsidiary company		-	(2,324,048)
Dividend received from subsidiary company		97,500	130,000
Proceeds from disposal of operating fixed assets		28,400	15,157
Interest income received		20,473	20,277
<b>Net cash used in investing activities</b>		<b>(280,767)</b>	<b>(2,643,659)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(699,746)	(559,878)
Long-term financing - net		(567,076)	2,239,845
Lease liability - net		67,150	-
Lien released on bank balances		-	52,416
<b>Net cash (used in) / generated from financing activities</b>		<b>(1,199,672)</b>	<b>1,732,383</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(265,113)</b>	<b>(774,327)</b>
Cash and cash equivalents at the beginning of the period		(878,794)	(670,474)
<b>Cash and cash equivalents at the end of the period</b>	22	<b>(1,143,907)</b>	<b>(1,444,801)</b>

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



Chief Financial Officer



Chief Executive Officer



Director

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

## 1 THE COMPANY AND ITS OPERATIONS

- 1.1 AGP Limited (the Company) was incorporated as a public limited company in May 2014 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company got listed on Pakistan Stock Exchange Limited on 05 March 2018. The registered office of the Company is situated at B-23C, S.I.T.E, Karachi. The principal activities of the Company include import, marketing, export, dealership, distribution, wholesale and manufacturing of all kinds of pharmaceutical products.
- 1.2 As of reporting date, Aitkenstuart Pakistan (Private) Limited (the Parent company) holds 55.80% of the share capital of the Company and West End 16 Pte Limited, Singapore is the ultimate parent company.
- 1.3 These are separate condensed interim financial statements of the Company in which investment in subsidiaries is stated at cost less accumulated impairment losses, if any.

## 2 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 requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

## 3 BASIS OF PREPARATION

These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 31 December 2023.

These condensed interim financial statements are presented in Pakistan Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest thousand rupees, unless otherwise stated.

## 4 ACCOUNTING POLICIES, ESTIMATES, JUDGMENTS AND FINANCIAL RISK POLICIES

The accounting policies, estimates, judgments and financial risk policies used in these condensed interim financial statements are the same as those applied in the preparation of annual financial statements for the year ended 31 December 2023 except as follows:

During the period, the Company acquired certain motor vehicles as right of use assets

The Company recognises a right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, if any, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term. The Company recognizes lease liabilities measured at the present value of lease payments to be made as per the lease term. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

5	PROPERTY, PLANT AND EQUIPMENT	Note	30 September	31 December
			2024 (Unaudited)	2023 (Audited)
----- (Rupees in '000) -----				
	Operating fixed assets	5.1	3,029,716	2,975,399
	Right of use asset	5.2	77,865	-
	Capital work-in-progress	5.3	551,632	489,066
			<b>3,659,213</b>	<b>3,464,465</b>

## 5.1 Details of additions and disposals are as follows:

	Additions (at cost)		Disposals (NBV)		
	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2024 (Unaudited)	31 December 2023 (Audited)	
----- (Rupees in '000) -----					
Buildings - factory / office sites	131,450	140,931	-	-	
Plant and machinery	27,699	79,828	4,208	16	
Furniture and fixtures	14,650	2,959	-	-	
Motor vehicles	110	155,550	12,993	6,733	
Office equipment	17,087	6,164	38	89	
Gas and electrical fittings	22,116	13,010	-	-	
Refrigerator and air conditioner	33,673	73,669	-	-	
Laboratory equipment	1,978	97,003	-	-	
Computers and related accessories	26,552	28,426	235	102	
		<b>275,315</b>	<b>597,540</b>	<b>17,474</b>	<b>6,940</b>

## 5.2 Right of use asset - motor vehicles

	30 September 2024 (Unaudited)	31 December 2023 (Audited)
----- (Rupees in '000) -----		
Additions during the period	81,580	-
Depreciation for the period	(3,715)	-
Closing balance	<b>77,865</b>	<b>-</b>

## 5.3 Capital work-in-progress

	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Opening balance	489,066	378,770
Additions during the period	419,461	707,836
Transferred to operating fixed assets during the period	(275,315)	(597,540)
Transferred to right of use asset during the period	(81,580)	-
Closing balance	<b>551,632</b>	<b>489,066</b>

## 6 INTANGIBLE ASSETS

	30 September 2024 (Unaudited)	31 December 2023 (Audited)	
Goodwill	743,226	743,226	
Trademarks	4,641,087	4,641,087	
Computer software	45,233	49,051	
Capital work-in-progress	8,475	8,475	
		<b>5,438,021</b>	<b>5,441,839</b>

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

		30 September 2024 (Unaudited)	31 December 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>7 LONG-TERM INVESTMENTS – Subsidiary companies</b>			
<b>OBS AGP (Private) Limited</b>			
Investment – at cost		715,000	715,000
Corporate guarantee – at fair value		14,531	14,531
		<b>729,531</b>	729,531
<b>OBS Pakistan (Private) Limited</b>			
Investment – at cost		2,324,048	2,324,048
Corporate guarantee – at fair value		20,632	11,050
		<b>2,344,680</b>	2,335,098
		<b>3,074,211</b>	3,064,629
<b>8 STOCK-IN-TRADE</b>			
<b>Raw and packing materials</b>			
In hand		2,065,739	1,765,496
In transit		10,296	14,252
		<b>2,076,035</b>	1,779,748
<b>Work-in-process</b>		267,243	200,205
<b>Finished goods</b>			
– Manufacturing		465,760	552,693
– Trading		24,171	24,452
		<b>489,931</b>	577,145
<b>Provision for obsolescence and slow moving stock</b>		(30,474)	(30,474)
		<b>2,802,735</b>	2,526,624
<b>9 TRADE DEBTS</b>			
<b>Related parties</b>			
– Muller & Phipps Pakistan (Private) Limited		1,199,111	1,019,009
– OBS AGP (Private) Limited		248,678	341,067
– OBS Pharma (Private) Limited		27,723	-
– Aspin Pharma (Private) Limited		6,110	2,842
		<b>1,481,622</b>	1,362,918
<b>Others than related parties</b>		371,571	91,068
		<b>1,853,193</b>	1,453,986
Allowances for ECL		(2,304)	(4,047)
		<b>1,850,889</b>	1,449,939
<b>10 CASH AND BANK BALANCES</b>			
<b>Cash in hand</b>		3,136	3,959
<b>Balances held with banks</b>			
Current accounts			
– local currency		13,168	32,890
– foreign currency		593	620
		<b>13,761</b>	33,510
Deposit accounts	10.1	<b>136,808</b>	100,314
		<b>153,705</b>	137,783

**10.1** The amount included Rs. 78.62 million marked as lien against the bank guarantee given.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

		30 September 2024 (Unaudited)	31 December 2023 (Audited)
		----- (Rupees in '000) -----	
<b>11</b>	<b>LONG-TERM FINANCINGS – secured</b>		
	Note		
	<b>SBP financing scheme for renewable energy</b>	<b>24,350</b>	28,077
	Syndicate term finance	<b>2,311,456</b>	2,474,909
	Corporate guarantee	<b>21,974</b>	17,269
		<b>2,357,780</b>	2,520,255
	<b>Less: current maturity</b>	<b>(725,890)</b>	(427,257)
		<b>1,631,890</b>	2,092,998
<b>12</b>	<b>LEASE LIABILITY</b>		
	Additions during the period	<b>71,011</b>	-
	Interest on lease liabilities	<b>4,089</b>	-
	Lease rentals paid	<b>(7,950)</b>	-
		<b>67,150</b>	-
	Less: Current portion of lease liabilities	<b>(9,587)</b>	-
		<b>57,563</b>	-
<b>13</b>	<b>TRADE AND OTHER PAYABLES</b>		
	Creditors	<b>1,263,483</b>	1,144,004
	Accrued liabilities	<b>588,318</b>	573,925
	Payable to related parties	<b>-</b>	34,996
	Contract liabilities – OBS AGP (Private) Limited	<b>245,479</b>	581,286
	Compensated absences	<b>70,484</b>	55,906
	Provident fund	<b>12,618</b>	10,840
	Workers' Profit Participation Fund	<b>99,993</b>	-
	Workers' Welfare Fund	<b>55,752</b>	17,512
	Central Research Fund	<b>20,698</b>	18,445
	Other payables:		
	- Infrastructure Cess	<b>13,801</b>	13,801
	- Withholding tax	<b>44,350</b>	18,139
	- Sales tax	<b>28,354</b>	23,259
	- Others	<b>11,386</b>	4,543
		<b>2,454,716</b>	2,496,656
<b>13.1</b>	Included herein Rs. 30.53 million (31 December 2023: Rs. 13.31 million) payable to Aspin Pharma (Private) Limited, a related party.		
<b>14</b>	<b>SHORT TERM BORROWINGS – secured</b>		
	Running finance from commercial banks	<b>699,258</b>	212,000
	Running musharakah from Islamic banks	<b>519,731</b>	725,954
		<b>1,218,989</b>	937,954

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

## 15 CONTINGENCIES AND COMMITMENTS

### 15.1 Contingencies

There is no material change in the status of contingencies as disclosed in the annual financial statements of the Company for the year ended 31 December 2023, except the following:

During the period the Sindh Revenue Board (SRB) through Sindh Finance Act, 2024, has made amendments to the Sindh Sales Tax on Services Act 2011 ('Act 2011') according to which the gross amount charged by the service provider for the taxable services provided shall include any amount that is payable for the services provided and any amount of reimbursable expenditure or cost incurred by the service provider and charged, in the course of the provision of a service.

The Company's contention was that the said amendment related to the taxability of reimbursable expenditure is arbitrary, illegal, and ultra vires to the provisions of the Constitution of Pakistan, 1973. Hence being aggrieved the Company has filed a constitutional petition with the Honorable High Court of Sindh (SHC), whereby SHC has granted a stay order against recovery of the amount.

The Company expects a favorable outcome based on the advice from the legal advisor, hence provision of sales tax amounting to Rs. 54.56 million has not been made in these condensed interim financial statements.

### 15.2 Commitments

30 September 2024 (Unaudited)      31 December 2023 (Audited)  
----- (Rupees in '000) -----

Corporate guarantee issued on behalf of subsidiary companies

- OBS AGP (Private) Limited
- OBS Pakistan (Private) Limited

Bank guarantees

Letters of credit

Capital expenditures

1,300,000	1,787,500
6,500,000	6,500,000
136,020	130,855
663,843	1,047,635
930,003	442,450

## 16 REVENUE FROM CONTRACT WITH CUSTOMERS - net

### Sales

- Local

- Manufacturing
- Trading

Export

Less: Trade discounts  
Sales returns  
Sales tax

	Nine months ended		Quarter ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
	----- (Rupees in '000) -----			
12,067,275	8,735,533	4,060,390	3,463,870	
204,435	343,095	111,728	176,750	
12,271,710	9,078,628	4,172,118	3,640,620	
2,298,698	1,452,926	909,328	481,963	
(1,290,887)	(593,621)	(510,245)	(333,210)	
(44,920)	(44,371)	(11,844)	(18,426)	
(201,238)	(134,449)	(70,314)	(55,653)	
(1,537,045)	(772,441)	(592,403)	(407,289)	
13,033,363	9,759,113	4,489,043	3,715,294	

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Nine months ended		Quarter ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
<b>17 COST OF SALES</b>	----- (Rupees in '000) -----			
<b>Cost of sales – manufacturing</b>				
<b>Raw and packing materials consumed</b>				
Opening stock	1,765,496	1,123,154	1,988,995	1,785,514
Purchases	5,409,409	4,406,382	1,813,732	1,622,688
Available for consumption	7,174,905	5,529,536	3,802,727	3,408,202
Closing stock	(2,065,739)	(1,730,381)	(2,065,739)	(1,730,381)
	5,109,166	3,799,155	1,736,988	1,677,821
<b>Manufacturing cost</b>				
Salaries, wages and other benefits	922,771	706,970	321,006	237,752
Stores and spares consumed	40,364	31,289	12,527	11,945
Provision for obsolescence and slow moving stock	73,069	23,985	-	-
Processing charges	17,668	51,622	18,116	30,391
Freight	310,945	6,977	4,444	2,320
Fuel, gas and electricity	147,829	215,350	126,483	95,556
Repairs and maintenance	6,796	91,702	48,446	35,010
Travelling and conveyance	15,535	4,302	2,016	3,414
Insurance	42,001	13,148	5,179	4,425
Laboratory expenses	3,197	53,687	4,754	33,864
Rates and taxes	115,126	1,528	1,023	607
Depreciation	5,788	105,351	38,760	36,358
Amortisation	4,941	6,649	1,891	2,101
Communication	9,406	3,161	1,090	878
Printing and stationery		8,826	2,283	5,051
	1,715,436	1,324,547	588,018	499,672
	6,824,602	5,123,702	2,325,006	2,177,493
<b>Work-in-process</b>				
Opening stock	200,205	185,087	201,712	72,062
Closing stock	(267,243)	(191,390)	(267,243)	(191,390)
	(67,038)	(6,303)	(65,531)	(119,328)
<b>Cost of goods manufactured</b>	6,757,564	5,117,399	2,259,475	2,058,165
<b>Finished goods</b>				
Opening stock	552,693	444,008	338,531	334,597
Closing stock	(465,760)	(453,010)	(465,760)	(453,010)
	86,933	(9,002)	(127,229)	(118,413)
	6,844,497	5,108,397	2,132,246	1,939,752
<b>Cost of samples for marketing and sales promotion</b>	(50,351)	(41,348)	(9,530)	(17,690)
	6,794,146	5,067,049	2,122,716	1,922,062
<b>Cost of sales – trading</b>				
Opening stock	24,452	69,583	23,411	59,834
Purchases	146,011	266,413	97,773	37,692
Closing stock	(24,171)	(35,216)	(24,171)	(35,216)
	146,292	300,780	97,013	62,310
	6,940,438	5,367,829	2,219,729	1,984,372

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Nine months ended		Quarter ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
<b>18 MARKETING AND SELLING EXPENSES</b>	Note ----- (Rupees in '000) -----			
Salaries and other benefits	1,396,156	1,131,401	471,599	390,830
Travelling and conveyance	447,753	395,599	156,436	135,712
Repairs and maintenance	11,694	9,271	2,561	2,933
Insurance	11,161	9,915	3,819	3,601
Depreciation	62,706	66,246	22,193	23,842
Printing and stationery	3,032	5,439	739	1,195
Samples	50,351	41,348	9,530	17,690
Sales promotion expenses	630,471	472,863	179,464	174,687
Meeting and conferences	167,557	122,005	43,216	39,066
Communication	23,947	18,078	11,320	5,656
Subscription	18,139	21,163	8,077	7,809
Product registration fee	63,737	16,517	51,236	4,410
Freight, handling and transportation	114,549	75,107	36,487	15,952
	<b>3,001,253</b>	<b>2,384,952</b>	<b>996,677</b>	<b>823,383</b>
<b>19 FINANCE COSTS</b>				
Mark-up on:				
- long-term financings	404,241	206,741	124,649	141,303
- short term borrowings	249,516	135,224	80,166	67,326
	<b>653,757</b>	<b>341,965</b>	<b>204,815</b>	<b>208,629</b>
Bank charges	30,143	15,228	12,541	10,106
	<b>683,900</b>	<b>357,193</b>	<b>217,356</b>	<b>218,735</b>
<b>20 TAXATION</b>				
Current	629,232	284,808	276,790	132,254
Prior	1,057	85,736	555	-
Deferred	4,033	42,009	10,544	12,971
	<b>634,322</b>	<b>412,553</b>	<b>287,889</b>	<b>145,225</b>

**20.1** Through the Finance Act 2023, new slab rates for supertax were introduced for tax year 2023 (FY 2022) and onwards. As a result, the highest slab rate of 10% instead of 4% will be applicable on tax payers of all sectors having income in excess of Rs. 500 million. The Company filed a petition in the Islamabad High Court (the "IHC") challenging the amendment made through Finance Act, 2023 and a stay order has been granted against the said amendment. During the period, IHC vide judgement dated 15 March 2024 has allowed the case in favour of tax department for super tax to the extent of 6% (Section 4C of the Income Tax Ordinance, 2001) and advance tax relatable to super tax (Section 147 of the Income Tax Ordinance, 2001). However, an intracourt appeal has been filed by the Company and in response, the IHC held that the stay granted earlier will remain in field.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

21	CASH GENERATED FROM OPERATIONS	Note	30 September	30 September
			2024	2023
			----- (Rupees in '000) -----	
	Profit before taxation		1,913,878	1,264,122
	<b>Non - cash adjustments</b>			
	Depreciation		207,245	199,967
	Amortisation		11,490	9,745
	Allowance for ECL		(1,743)	2,168
	Gain on disposal of operating fixed assets - net		(10,926)	(8,299)
	Provision of obsolescence and slow moving stock		-	23,985
	Stock written off during the period		-	(40,214)
	Mark-up on deposits accounts		(20,473)	(20,277)
	Charge / (Reversal) for GIDC		235	(728)
	Corporate guarantee recognized		-	(11,050)
	Amortisation of government grant		-	(376)
	Amortisation of corporate guarantee		(4,876)	(2,916)
	Finance costs		683,900	357,193
	Dividend income		(97,500)	(130,000)
	Workers' Profit Participation Fund		102,743	67,206
	Workers' Welfare Fund		38,241	12,533
	Central Research Fund		20,756	13,577
			929,092	472,514
	<b>Operating profit before working capital changes</b>		<b>2,842,970</b>	<b>1,736,636</b>
	<b>Working capital changes</b>			
	<b>Decrease in current assets</b>			
	Stores, spares and loose tools		(2,262)	(798)
	Stock-in-trade		(276,111)	(574,584)
	Trade debts		(399,207)	(578,808)
	Loans and advances		4,717	(307,997)
	Trade deposits, prepayments and other receivables		38,015	(64,525)
			(634,848)	(1,526,712)
	<b>(Decrease) / increase in current liabilities</b>			
	Trade and other payables		(182,426)	612,484
			<b>2,025,696</b>	<b>822,408</b>
22	<b>CASH AND CASH EQUIVALENTS</b>			
	Cash and bank balances	10	153,705	108,679
	Lien on bank balance		(78,623)	(78,623)
	Short-term borrowings	14	(1,218,989)	(1,474,857)
			<b>(1,143,907)</b>	<b>(1,444,801)</b>

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

## 23 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprises ultimate parent company, parent company, subsidiary companies, group companies, associated companies, staff retirement funds, directors and key management personnel. All transactions with related parties are executed into at agreed terms duly approved by the Board of Directors of the Company. Transactions with related parties, other than those disclosed elsewhere in these condensed interim financial statements, are as follows:

Name and country of Incorporation	Basis of relationship	% of shares held by related parties	Nature of transactions	Nine months ended		Quarter ended	
				30 September 2024 (Unaudited)	30 September 2023	30 September 2024 (Unaudited)	30 September 2023
----- (Rupees in '000) -----							
<b>Parent Company</b>							
Aitkenstuart Pakistan (Private) Limited - Pakistan	Parent Company	55.80%	Expenditure incurred / paid by the Company on behalf of parent	601	580	-	192
			Expenditure incurred / paid by parent on behalf of the Company	2,960	-	-	-
			Dividend paid	390,626	312,501	-	-
<b>Subsidiary Companies</b>							
OBS AGP (Private) Limited - Pakistan	Subsidiary Company	65%	Sale of goods	1,856,126	1,167,286	545,573	491,027
			Expenditure incurred by the Company on behalf of subsidiary	59,933	29,882	17,938	8,255
			Expenditure incurred / paid by the subsidiary on behalf of the Company	2,649	3,614	1,534	-
			Dividend received	97,500	130,000	-	-
OBS Pakistan (Private) Limited - Pakistan	Subsidiary Company	91.82%	Investment in subsidiary	20,240	2,324,048	-	200,000
			Sale of goods	26,639	41,910	10,087	10,968
			Expenditure incurred / paid by the Company on behalf of subsidiary	2,832	18,412	1,633	18,412
			Interest charged				
<b>Group Companies</b>							
Aspin Pharma (Private) Limited - Pakistan	Common directorship	4.79%	Sale of goods	8,356	25,824	2,749	6,399
			Expenditure incurred / paid by the Company on behalf of associate	3,254	6,878	1,228	3,542
			Expenditure incurred / paid by the associate on behalf of the Company	17,209	23,556	6,138	7,299
			Dividend paid	33,500	26,800	-	-
OBS Pharma (Private) Limited - Pakistan	Common directorship	-	Sale of goods	113,029	-	98,486	-
			Expenditure incurred / paid by the Company on behalf of associate	19,669	12,041	8,452	5,375
			associate on behalf of the Company	2,410	-	-	-
			Expenditure incurred / paid by				
<b>Associated Company</b>							
Muller and Phipps Pakistan (Private) Limited - Pakistan	Common directorship	13.54%	Sale of goods	8,560,761	6,926,285	2,877,311	2,695,642
			Settlement of discounts and expenses given / incurred on behalf of the Company	661,380	223,786	231,729	27,339
			Dividend paid	94,800	75,840	-	-
<b>Staff retirement benefits - AGP Limited staff provident fund</b>							
			Contribution paid	48,450	39,105	16,991	13,595
<b>Key management personnel</b>							
			Remuneration and other benefits	313,403	251,694	62,177	49,430
			Dividend paid	16	11	-	-
<b>Directors</b>							
			Board and other meeting fee	5,875	8,875	2,875	2,125
			Dividend paid	1,578	1,262	-	-
<b>Others (due to common directorship)</b>							
Muller and Phipps Express Logistics (Private) Limited - Pakistan			Services incurred	8	93	-	40
The Patients' Behbud Society for AKUH			Donation paid	1,000	-	1,000	-

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

## 24 INFORMATION ABOUT OPERATING SEGMENTS

- 24.1** For management purposes, the activities of the Company are organized into one operating segment i.e. manufacture and sale of pharmaceutical products. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organizational and management structure and internal financial reporting systems. The operating interests of the Company are confined to Pakistan in terms of production/generation capacity. Accordingly, the information and figures reported in these condensed interim financial statements are related to the Company's only reportable segment in Pakistan.
- 24.2** Export sales made to Afghanistan and Srilanka represents geographical component of gross turnover of the Company.
- 24.3** The revenue information is based on the location of the customer. The details of customers with whom the revenue from sales transactions amount to 10% or more of the Company's overall revenue related to manufactured and trading goods is as follows:

	30 September 2024	30 September 2023
	----- (Rupees in '000) -----	
- Muller & Phipps Pakistan (Private) Limited	<u>8,560,770</u>	<u>6,926,285</u>
- Al - Haj Malem Khan Mangal (Export Sales)	<u>1,907,072</u>	<u>1,115,769</u>
- OBS AGP (Private) Limited - Subsidiary Company	<u>1,856,126</u>	<u>1,167,286</u>

- 24.4** Non-current assets of the Company are confined within Pakistan and consist of property, plant and equipment, intangibles assets and long-term deposits and receivables.

## 25 DATE OF AUTHORIZATION

These condensed interim financial statements were authorized for issue on 29 October 2024 by the Board of Directors of the Company.

## 26 SUBSEQUENT EVENTS

The Board of Directors in its meeting held on 29 October 2024 has proposed a interim cash dividend for the period ended September 2024 of Rs. Nil per share (September 2023:Nil), aggregating to Rs. Nil million (September 2023: Nil).



Chief Financial Officer



Chief Executive Officer



Director

**CONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS  
(UN-AUDITED)  
FOR THE NINE MONTHS ENDED  
30 SEPTEMBER 2024**

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

		30 September 2024 (Unaudited)	31 December 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	4,027,499	3,655,592
Intangible assets	5	17,518,642	17,540,245
Long-term deposits and receivables		57,732	37,605
		<b>21,603,873</b>	21,233,442
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		13,312	11,050
Stock-in-trade	6	3,356,354	3,074,862
Trade debts	7	2,838,601	1,912,795
Advances		684,002	434,079
Trade deposits, prepayments and other receivables		241,642	297,263
Taxation – net		64,479	156,446
Short-term investments		76,009	652,518
Cash and bank balances	8	413,451	202,305
		<b>7,687,850</b>	6,741,318
<b>TOTAL ASSETS</b>		<b>29,291,723</b>	27,974,760
<b>EQUITY AND LIABILITIES</b>			
Issued, subscribed and paid-up capital			
Share capital		2,800,000	2,800,000
Reserve arising on reorganisation of group		(128,765)	(128,765)
Revenue reserve – unappropriated profits		9,541,344	8,769,782
		<b>12,212,579</b>	11,441,017
<b>Surplus on revaluation of property, plant &amp; equipment</b>			
Non-controlling interest		984,140	919,165
		<b>13,196,719</b>	12,360,182
<b>NON-CURRENT LIABILITIES</b>			
Long-term financings	9	8,326,655	9,593,747
Lease liability	10	57,563	-
Gas infrastructure development cess		7,231	6,996
Deferred tax liabilities – net		207,579	199,101
		<b>8,599,028</b>	9,799,844
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	3,419,065	2,851,827
Unclaimed dividends		2,107	1,853
Accrued interest		98,042	103,160
Short-term borrowings	12	1,934,633	1,535,666
Current maturity of non-current liabilities		2,042,129	1,322,228
		<b>7,495,976</b>	5,814,734
<b>CONTINGENCIES AND COMMITMENTS</b>			
	13		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>29,291,723</b>	27,974,760

The annexed notes 1 to 25 form an integral part of these consolidated condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Note	Nine months ended		Quarter ended	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
----- (Rupees in '000) -----					
Revenue from contracts with customers - net	14	17,649,675	12,939,026	6,007,611	4,850,799
Cost of sales	15	(7,834,930)	(6,223,629)	(2,484,931)	(2,314,980)
<b>Gross profit</b>		<b>9,814,745</b>	6,715,397	<b>3,522,680</b>	2,535,819
Administrative expenses		(658,937)	(462,356)	(195,342)	(152,816)
Marketing and selling expenses	16	(4,514,016)	(3,454,971)	(1,505,671)	(1,244,527)
Other expenses		(185,766)	(231,960)	(76,268)	(74,183)
Other income		105,448	90,268	27,771	44,203
Finance costs	17	(2,163,655)	(981,724)	(688,346)	(550,051)
		(7,416,926)	(5,040,743)	(2,437,856)	(1,977,374)
<b>Profit before taxation</b>		<b>2,397,819</b>	1,674,654	<b>1,084,824</b>	558,445
<b>Taxation</b>	18	<b>(808,782)</b>	(547,021)	<b>(353,101)</b>	(162,968)
<b>Profit for the period</b>		<b>1,589,037</b>	1,127,633	<b>731,723</b>	395,477
<b>Attributable to:</b>					
Equity holders of the Holding Company		1,471,562	972,875	690,216	338,671
Non-controlling interest		117,475	154,758	41,507	56,806
		<b>1,589,037</b>	1,127,633	<b>731,723</b>	395,477
<b>Earnings per share - basic and diluted</b>		<b>Rs. 5.26</b>	Rs. 3.47	<b>Rs. 2.47</b>	<b>Rs. 1.21</b>

The annexed notes 1 to 25 form an integral part of these consolidated condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Nine months ended		Quarter ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
	----- (Rupees in '000) -----			
<b>Profit for the period</b>	<b>1,589,037</b>	1,127,633	<b>731,723</b>	395,477
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>1,589,037</b>	1,127,633	<b>731,723</b>	395,477
<b>Attributable to:</b>				
Equity holders of the Holding Company	<b>1,471,562</b>	972,875	<b>690,216</b>	338,671
Non-controlling interest	<b>117,475</b>	154,758	<b>41,507</b>	56,806
	<b>1,589,037</b>	1,127,633	<b>731,723</b>	395,477

The annexed notes 1 to 25 form an integral part of these consolidated condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Attributable to owners of the Holding Company					Non-controlling interest	Total equity
	Capital Reserve	Reserve arising on reorganisation of group	Revenue reserve	Unappropriated profits	Total		
	Share capital						
	Rupees in '000						
<b>Balance as at 31 December 2022 - Audited</b>	2,800,000	-	7,747,448	10,547,448	583,623	11,131,071	
<b>Acquisition of a subsidiary company</b>	-	-	-	-	324,007	324,007	
Profit for the period	-	-	972,875	972,875	154,758	1,127,633	
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	972,875	972,875	154,758	1,127,633	
Final dividend for the year ended 31 December 2022 @ Rs. 2 per share	-	-	(560,000)	(560,000)	-	(560,000)	
Final dividend for the year ended 31 December 2022 @ Rs. 20 per share	-	-	-	-	(70,000)	(70,000)	
<b>Balance as at 30 September 2023</b>	<b>2,800,000</b>	<b>-</b>	<b>8,160,323</b>	<b>10,960,323</b>	<b>992,388</b>	<b>11,952,711</b>	
<b>Balance as at 31 December 2023 - Audited</b>	<b>2,800,000</b>	<b>(128,765)</b>	<b>8,769,782</b>	<b>11,441,017</b>	<b>919,165</b>	<b>12,360,182</b>	
Profit for the period	-	-	1,471,562	1,471,562	117,475	1,589,037	
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	1,471,562	1,471,562	117,475	1,589,037	
Final dividend for the year ended 31 December 2023 @ Rs. 2.5 per share	-	-	(700,000)	(700,000)	-	(700,000)	
Final dividend for the year ended 31 December 2023 @ Rs. 10 per share	-	-	-	-	(52,500)	(52,500)	
<b>Balance as at 30 September 2024</b>	<b>2,800,000</b>	<b>(128,765)</b>	<b>9,541,344</b>	<b>12,212,579</b>	<b>984,140</b>	<b>13,196,719</b>	

The annexed notes 1 to 25 form an integral part of these consolidated condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

		30 September 2024	30 September 2023
Note		----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
		<b>3,961,748</b>	4,851,919
	<b>Cash flows generated from operations</b>		
	<b>Payments for:</b>		
	Finance costs	(388,760)	(832,840)
	Taxes	(708,339)	(610,228)
	Central Research Fund	(18,502)	(21,754)
	<b>Net cash flows generated from operating activities</b>	<b>2,846,147</b>	3,387,097
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
	Capital expenditure incurred	(643,585)	(543,682)
	Expenditure incurred for intangible assets	(7,671)	(9,322,683)
	Proceeds from issuance of share capital to minority shareholders	-	324,007
	Proceeds from disposal of operating fixed assets	32,572	15,645
	Proceeds from sale of short term investments	576,509	(11,359)
	Deposits and receivables - net	(20,127)	-
	Interest income received	50,221	64,987
	<b>Net cash flows used in investing activities</b>	<b>(12,081)</b>	(9,473,085)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	Dividend paid	(752,246)	(629,878)
	Long-term financings - net	(2,336,790)	5,476,823
	Lease liability - net	67,150	-
	<b>Net cash flows generated from / (used in) financing activities</b>	<b>(3,021,886)</b>	4,846,945
	<b>Net decrease in cash and cash equivalents</b>	<b>(187,820)</b>	(1,239,043)
	Cash and cash equivalents at the beginning of the period	(1,411,984)	(366,550)
	<b>Cash and cash equivalents at the end of the period</b>	<b>(1,599,804)</b>	(1,605,593)

The annexed notes 1 to 25 form an integral part of these consolidated condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

## 1. The Group and its operations

1.1 The Group consist of AGP Limited ( the "Holding Company" ) and its subsidiary companies, OBS AGP (Private) Limited ( the "OBS AGP" ) and OBS Pakistan (Private) Limited (the OBS PK), that has been consolidated in these condensed interim financial statements. The principal activities of the Group include import, marketing, export, dealership, distribution, wholesale and manufacturing of all kinds of pharmaceutical products.

### 1.2 AGP Limited - the Holding Company

The Holding Company was incorporated as a public limited company in May 2014 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Holding Company got listed on Pakistan Stock Exchange Limited on 05 March 2018. The registered office of the Holding Company is situated at B-23C, S.I.T.E, Karachi.

### 1.3 OBS AGP (Private) Limited - a subsidiary company

OBS AGP was incorporated in Pakistan as a private limited company in November 2020 under Companies Act, 2017. OBS AGP is in the business of trading pharmaceutical products. Since incorporation, OBS AGP was a wholly owned subsidiary of Aitkenstuart Pakistan (Private) Limited. Effective from 14 July 2021, the Holding Company acquired 65% shareholding of OBS AGP from Aitkenstuart Pakistan (Private) Limited at a cost of Rs. 715 million through purchase of ordinary right shares offered by OBS AGP which was renounced by Aitkenstuart Pakistan (Private) Limited.

### 1.4 OBS Pakistan (Private) Limited - a subsidiary company

OBS PK was incorporated in Pakistan as a private limited company in December 2021 under Companies Act, 2017. OBS PK is in the business of trading pharmaceutical products. Since incorporation, OBS PK was a wholly owned subsidiary of Aitkenstuart Pakistan (Private) Limited. During the period from April to September 2023, the holding company acquired 91.82% shareholding of OBS PK i.e. 10.20 million ordinary shares having face value of Rs. 10 each, issued at Rs. 115.88 each, 10.20 million ordinary shares having face value of Rs 10 each, issued at Rs. 92.36 each, and 20 million ordinary shares issued at face value of Rs. 10 each.

1.5 As of reporting date, Aitkenstuart Pakistan (Private) Limited (parent company) holds 55.80% (2023: 55.80%) of the share capital of the Holding Company and West End 16 Pte Limited, Singapore is the ultimate parent company.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of International Financial Reporting Standards (IFRSs), issued by International Accounting Standard Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by Institute of Chartered Accountants of Pakistan (ICAP), as notified under Companies Act, 2017 (the Act) and, provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

These consolidated condensed interim financial statements are unaudited are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 31 December 2023.

### 2.2 Significant Accounting Judgements, Estimates and Assumptions

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

### 2.3 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistan Rupees which is also the Group's functional currency and all financial information presented has been rounded off to the nearest thousand rupees, unless otherwise stated.

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

**2.4** In preparing these consolidated condensed interim financial statements, the significant judgements made by the management in applying the Group's accounting policies and areas where assumptions and estimates are significant are same as those applied to the annual financial statements of the Group as at and for the year ended 31 December 2023, except as presented below. The Group's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Group as at and for the year ended 31 December 2023.

## **2.4.1 Right-of-use assets and leases liabilities – Holding Company as a lessee**

The Holding Company assess at contract inception whether a contract is, or contain a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Holding Company acts as a lessee and applies a single recognition and measurement approach for all the leases except for short-term leases and leases of low value assets (if any). The Holding Company recognises lease liability to make lease payments and right of use assets representing the right to use the underlying assets.

## **2.4.2 Right-of-use assets**

The Holding Company recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, if any, and lease payments made at or before the commencement date less any lease incentives received. Unless the Holding Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. ROU assets are subject to impairment.

## **2.4.3 Lease liabilities**

At the commencement date of the lease, the Holding Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option (if any) reasonably certain to be exercised by the Holding Company and payments of penalties for terminating a lease, if the lease term reflects the Holding Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

At the commencement date of the lease, the Holding Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option (if any) reasonably certain to be exercised by the Holding Company and payments of penalties for terminating a lease, if the lease term reflects the Holding Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

The Holding Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

## **2.4.4 Short-term leases and leases of low-value assets**

The Holding Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

## **3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS**

There are certain amendments to existing accounting and reporting standards that have become applicable to the Group for accounting periods beginning on or after January 01, 2024. These are either considered to not be relevant or do not have any significant impact and accordingly, have not been detailed in these consolidated condensed interim financial statements.

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Note	30 September 2024 (Unaudited)	31 December 2023 (Audited)
----- (Rupees in '000) -----			
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	4.1	3,382,772	3,156,249
Right to use asset	4.2	77,865	-
Capital work-in-progress	4.3	566,862	499,343
		<b>4,027,499</b>	<b>3,655,592</b>

4.1 Details of additions and disposals are as follows:

	Additions (at cost)		Disposals (NBV)	
	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2024 (Unaudited)	31 December 2023 (Audited)
----- (Rupees in '000) -----				
Buildings - factory / office sites	131,450	140,931	-	-
Plant and machinery	27,699	79,828	4,208	16
Furniture and fixtures	14,650	2,959	-	-
Motor vehicles	218,435	182,981	16,597	6,733
Office equipment	17,087	6,164	38	89
Gas and electrical fittings	22,116	13,010	-	-
Refrigerator and air conditioner	33,673	73,669	-	-
Laboratory equipment	1,978	97,003	-	-
Computers and related accessories	36,777	63,810	435	452
	<b>503,865</b>	<b>660,355</b>	<b>21,278</b>	<b>7,290</b>

	30 September 2024 (Unaudited)	31 December 2023 (Audited)
----- (Rupees in '000) -----		
<b>4.2 Right of use asset - motor vehicles</b>		
Opening balance	-	-
Additions during the period	81,580	-
Depreciation for the period	(3,715)	-
Closing balance	<b>77,865</b>	<b>-</b>

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	30 September 2024 (Unaudited)	31 December 2023 (Audited)
	----- (Rupees in '000) -----	
<b>4.3 Capital work-in-progress</b>		
Opening balance	499,343	378,770
Additions during the period / year	652,964	780,928
Transferred during the period / year	(503,865)	(660,355)
Transferred to right of use asset during the period / year	(81,580)	-
Closing balance	<u>566,862</u>	<u>499,343</u>
<b>5. INTANGIBLE ASSETS</b>		
Goodwill	743,226	743,226
Trademarks - indefinite	16,665,957	16,665,957
Trademarks - (finite lives)	52,680	58,456
Computer software	48,304	64,131
Capital work-in-progress	8,475	8,475
	<u>17,518,642</u>	<u>17,540,245</u>
<b>6. STOCK-IN-TRADE</b>		
<b>Raw and packing materials</b>		
In hand	2,065,739	1,765,496
In transit	10,296	14,252
	<u>2,076,035</u>	<u>1,779,748</u>
<b>Work-in-process</b>		
<b>Finished goods</b>		
- Manufacturing	465,760	552,693
- Trading	593,708	573,510
	<u>1,059,468</u>	<u>1,126,203</u>
<b>Provision for obsolescence and slow moving stock</b>	<u>(46,392)</u>	<u>(31,294)</u>
	<u>3,356,354</u>	<u>3,074,862</u>
<b>7. TRADE DEBTS - unsecured</b>		
<b>Related parties</b>		
- Muller & Phipps Pakistan (Private) Limited	2,152,505	1,797,981
- Aspin Pharma (Private) Limited	6,110	2,842
	<u>2,158,615</u>	<u>1,800,823</u>
<b>Other than related parties</b>	682,290	116,019
	<u>2,840,905</u>	<u>1,916,842</u>
Less: Allowances for expected credit losses	(2,304)	(4,047)
	<u>2,838,601</u>	<u>1,912,795</u>

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

		30 September 2024 (Unaudited)	31 December 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>8. CASH AND BANK BALANCES</b>			
<b>Cash in hand</b>		3,199	3,991
<b>Balances held with banks</b>			
Current accounts			
- local currency		37,575	33,069
- foreign currency		593	620
- deposit accounts		372,084	164,625
		<b>410,252</b>	198,314
		<b>413,451</b>	202,305
<b>9. LONG-TERM FINANCINGS - secured</b>			
SBP financing scheme for renewable energy		24,350	28,077
Syndicate term finance		2,311,456	2,474,909
Diminishing musharakah		142,784	72,351
Sukuk [net of transaction cost]		7,879,042	8,339,073
	9.1	<b>10,357,632</b>	10,914,410
Less: current maturity		<b>(2,030,977)</b>	(1,320,663)
		<b>8,326,655</b>	9,593,747
<b>9.1</b>	The movement in long-term financings is as follows:		
Balance at beginning of the period / year		10,914,410	2,595,924
Proceeds received during the period / year		142,411	8,813,955
Related transaction cost			(133,649)
Finance cost for the period / year		1,780,013	1,270,970
Financings repaid during the period / year		<b>(2,479,202)</b>	(1,632,790)
Balance at end of the period / year		<b>10,357,632</b>	10,914,410
<b>10. LEASE LIABILITY</b>			
Additions during the year		71,011	-
Interest on lease liabilities		4,089	-
Lease rentals paid		<b>(7,950)</b>	-
Closing balance		67,150	-
Current portion of lease liabilities		<b>(9,587)</b>	-
		<b>57,563</b>	-

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Note	30 September	31 December
		2024	2023
		(Unaudited)	(Audited)
----- (Rupees in '000) -----			
<b>11. TRADE AND OTHER PAYABLES</b>			
Creditors	11.1	1,774,579	1,374,151
Accrued liabilities		959,295	979,880
Payable to Aitkenstuart Pakistan (Private) Limited – related party		-	125,185
Compensated absences		77,600	64,822
Contract liabilities (advances from customers)		253,284	36,299
Other payables:			
- Provident fund		37,432	23,667
- Infrastructure Cess		13,801	13,801
- Workers' Profit Participation Fund		99,993	-
- Workers' Welfare Fund		55,752	17,512
- Central Research Fund		20,698	18,445
- Withholding tax		70,327	168,298
- Sales tax		30,652	25,224
- Others		25,652	4,543
		<b>3,419,065</b>	<b>2,851,827</b>

11.1 Included herein Rs. 24.39 million (December 2023: 13.31 million) payable to Aspin Pharma (Private) Limited, a related party.

	30 September	31 December
	2024	2023
	(Unaudited)	(Audited)
----- (Rupees in '000) -----		
<b>12. SHORT TERM BORROWINGS – Secured</b>		
Running finance from commercial banks	771,521	809,712
Running musharakah from Islamic banks	1,630,343	725,954
	<b>2,401,864</b>	<b>1,535,666</b>

## 13. CONTINGENCIES AND COMMITMENTS

### 13.1 CONTINGENCIES

13.1.1 There is no material change in the status of contingencies as disclosed in note 21 to the annual consolidated financial statements of the Group for the year ended 31 December 2023 except as discussed below:

During the period the Sindh Revenue Board (SRB) through Sindh Finance Act, 2024, has made amendments to the Sindh Sales Tax on Services Act 2011 ('Act 2011') according to which the gross amount charged by the service provider for the taxable services provided shall include any amount that is payable for the services provided and any amount of reimbursable expenditure or cost incurred by the service provider and charged, in the course of the provision of a service.

The Group's contention was that the said amendment related to the taxability of reimbursable expenditure is arbitrary, illegal, and ultra vires to the provisions of the Constitution of Pakistan, 1973. Hence being aggrieved the parent Company has filed a constitutional petition with the Honorable High Court of Sindh (SHC), whereby SHC has granted a stay order against recovery of the amount.

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

The parent Company expects a favorable outcome based on the advice from the legal advisor, hence provision of sales tax amounting to Rs. 54.56 million has not been made in these condensed interim financial statements.

	30 September 2024 (Unaudited)	31 December 2023 (Audited)
	----- (Rupees in '000) -----	
<b>13.1.2 Guarantees</b>		
Bank guarantees	156,542	151,377
<b>13.2 COMMITMENTS</b>		
Letter of credit	663,843	1,047,635
Capital expenditures	930,003	442,450

## Ijarah Agreement

OBS AGP (Private) Limited (subsidiary company) has entered in an agreement in respect of purchase of vehicles under ijarah arrangement for a period of five years, the rentals of which are payable monthly by the subsidiary company. Future rentals payable are as follows:

	30 September 2024 (Unaudited)	31 December 2023 (Audited)
	----- (Rupees in '000) -----	
Not later than one year	28,655	30,617
Later than one year but not later than five years	57,343	74,092
	<b>85,998</b>	<b>104,709</b>

## 14. REVENUE FROM CONTRACT WITH CUSTOMERS - net

	Nine months ended		Quarter ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
	----- (Rupees in '000) -----			
<b>Sale of goods</b>				
Local				
- Manufacturing	12,067,275	7,568,247	4,060,391	2,995,041
- Trading	5,265,022	5,196,358	1,829,042	1,814,166
	<b>17,332,297</b>	<b>12,764,605</b>	<b>5,889,433</b>	<b>4,809,207</b>
Export	2,298,698	1,452,926	909,328	481,963
Less: Trade discounts	(1,737,036)	(1,099,154)	(714,942)	(401,860)
Sales returns	(41,820)	(44,371)	(5,510)	17,532
Sales tax	(202,464)	(134,980)	(70,698)	(56,044)
	<b>(1,981,320)</b>	<b>(1,278,505)</b>	<b>(791,150)</b>	<b>(440,371)</b>
	<b>17,649,675</b>	<b>12,939,026</b>	<b>6,007,611</b>	<b>4,850,799</b>

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Nine months ended		Quarter ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
	----- (Rupees in '000) -----			
<b>15. COST OF SALES</b>				
<b>Cost of sales – manufacturing</b>				
<b>Raw and packing materials consumed</b>				
Opening stock	1,765,496	1,123,154	1,988,995	1,785,514
Purchases	3,535,784	3,292,593	1,230,318	1,213,151
Available for consumption	5,301,280	4,415,747	3,219,313	2,998,665
Closing stock	(2,065,739)	(1,730,381)	(2,065,739)	(1,730,381)
Raw and packing material consumed	3,235,541	2,685,366	1,153,574	1,268,284
<b>Manufacturing cost</b>				
Salaries, wages and other benefits	923,673	706,970	321,117	232,620
Stores and spares consumed	40,364	31,289	12,527	11,945
Provision against slow moving and obsolete material - net	-	23,985	-	-
Processing charges	73,069	51,622	18,116	30,391
Freight	19,783	6,977	6,559	307
Fuel, gas and electricity	338,215	218,090	149,986	96,616
Repairs and maintenance	155,550	91,702	56,167	34,101
Travelling and conveyance	6,796	4,302	2,016	3,413
Insurance	15,535	13,148	5,179	4,425
Laboratory expenses	42,001	53,687	4,754	33,864
Rates and taxes	3,197	1,528	1,023	607
Depreciation	115,126	105,351	38,760	36,358
Amortisation	5,788	6,649	1,891	2,101
Communication	4,941	3,161	1,090	877
Printing and stationery	9,406	8,826	2,283	5,050
	1,753,444	1,327,287	621,468	492,675
	4,988,985	4,012,653	1,775,042	1,760,959
<b>Work-in-process</b>				
Opening stock	200,205	185,087	201,712	72,062
Closing stock	(267,243)	(191,390)	(267,243)	(191,390)
	(67,038)	(6,303)	(65,531)	(119,328)
	4,921,947	4,006,350	1,709,511	1,641,631
<b>Cost of goods manufactured</b>				
<b>Finished goods</b>				
Opening stock	552,693	444,008	338,531	334,184
Closing stock	(465,760)	(453,010)	(465,760)	(453,010)
	86,933	(9,002)	(127,229)	(118,826)
	5,008,880	3,997,348	1,582,282	1,522,805
<b>Cost of sales – trading</b>				
Opening stock	573,510	435,119	776,823	634,083
Purchases	2,929,052	2,533,571	742,757	870,612
Closing stock	(593,708)	(695,445)	(593,708)	(695,445)
	2,908,854	2,273,245	925,872	809,250
<b>Direct expenses:</b>				
Amortisation of intangible assets	5,777	5,772	1,940	1,945
Provision for obsolescence and slow moving stock - net	2,904	6,789	-	4
Warehousing charges	34,423	35,092	8,308	15,691
	43,104	47,653	10,248	17,640
<b>Cost of samples for marketing and sales promotion</b>	(125,908)	(94,617)	(33,471)	(34,715)
	7,834,930	6,223,629	2,484,931	2,314,980

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Nine months ended		Quarter ended	
	30 September	30 September	30 September	30 September
	2024	2023	2024	2023
<b>16. MARKETING AND SELLING EXPENSES</b>	----- (Rupees in '000) -----			
Salaries and other benefits	2,174,727	1,678,281	728,318	600,353
Travelling and conveyance	663,714	567,553	223,171	196,441
Repairs and maintenance	19,825	19,063	4,601	7,090
Insurance	17,515	12,451	5,682	4,391
Depreciation	114,279	99,765	39,950	36,526
Amortisation	489	488	164	164
Printing and stationery	4,472	7,018	1,545	2,170
Samples	125,908	94,617	33,471	34,715
Sales promotion expenses	817,995	573,377	259,722	226,047
Meeting and conferences	290,844	219,661	80,567	88,157
Communication	40,762	32,206	15,979	11,776
Subscription	30,277	30,319	14,010	7,141
Product registration fee	63,737	16,517	51,199	4,410
Freight, handling and transportation	126,411	78,851	39,815	17,113
Ijarah rental	23,061	24,804	7,477	8,033
	<b>4,514,016</b>	<b>3,454,971</b>	<b>1,505,671</b>	<b>1,244,527</b>
<b>17. FINANCE COSTS</b>				
Mark-up on:				
- long-term financings	1,803,813	767,763	561,724	441,946
- short term borrowings	324,804	198,489	109,363	97,935
	<b>2,128,617</b>	<b>966,252</b>	<b>671,087</b>	<b>539,881</b>
Bank charges	35,038	15,472	17,259	10,170
	<b>2,163,655</b>	<b>981,724</b>	<b>688,346</b>	<b>550,051</b>
<b>18. TAXATION</b>				
Current	799,247	408,805	336,994	149,219
Prior	1,057	93,843	555	607
Deferred	8,478	44,373	15,552	13,142
	<b>808,782</b>	<b>547,021</b>	<b>353,101</b>	<b>162,968</b>

**18.1** Through the Finance Act 2023, new slab rates for supertax has been introduced for tax year 2023 (FY 2022) and onwards. As a result, the highest slab rate of 10% instead of 4% will be applicable on tax payers of all sectors having income in excess of Rs. 500 million. The Group has filed a petition in the Islamabad High Court (the "IHC") challenging the amendment made through Finance Act, 2023 and a stay order has been granted against the said amendment.

During the period, a learned single Judge of the IHC vide judgement dated 15 March 2024 has allowed the case in favour of tax department for supertax to the extent of 6% (section 4C of the income tax ordinance, 2001) and advance tax relatable to super tax (section 147 of the income tax ordinance, 2001). Accordingly, an intracourt appeal has been filed by the Holding Company and in response, the IHC held that the stay granted earlier will remain in field.

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

		30 September 2024	30 September 2023
		----- (Rupees in '000) -----	
<b>19. CASH GENERATED FROM OPERATIONS</b>	<b>Note</b>		
Profit before taxation		2,397,819	1,674,654
<b>Adjustments for:</b>			
Depreciation		259,785	234,752
Amortisation		19,889	12,230
(Reversal) / charge of allowances for expected credit losses		(1,743)	2,168
Gain on disposal of operating fixed assets - net		(11,294)	(8,437)
Provision of obsolescence and slow moving stock		15,098	(11,293)
Mark-up on deposits accounts		(50,221)	(64,987)
Reversal of GIDC		235	(728)
Amortisation of government grant		-	(376)
Finance costs		2,163,655	981,724
Workers' Profit Participation Fund		102,743	67,206
Workers' Welfare Fund		38,241	12,533
Central Research Fund		20,756	13,577
		<b>2,557,144</b>	1,238,369
<b>Operating profit before working capital changes</b>		<b>4,954,963</b>	2,913,023
<b>Working capital changes</b>			
<b>Decrease / (increase) in current assets</b>			
Stores, spares and loose tools		(2,262)	(798)
Stock-in-trade		(296,590)	(869,277)
Trade debts		(924,063)	(740,719)
Loans and advances		(249,923)	(190,857)
Trade deposits, prepayments and other receivables		52,871	29,459
		<b>(1,419,967)</b>	(1,772,193)
<b>Increase in current liabilities</b>			
Trade and other payables		426,752	3,711,089
		<b>3,961,748</b>	4,851,919
<b>20. CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	8	413,451	160,835
Lien on bank balance		(78,623)	120,000
Short-term borrowings	12	(1,934,633)	(1,886,428)
		<b>(1,599,805)</b>	(1,605,593)

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

## 21. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Group comprises parent companies, group companies, associated companies, staff retirement funds, directors and key management personnel. All transactions with related parties are executed into at agreed terms duly approved by the Board of Directors of the Holding Company. Transactions with related parties, other than those disclosed elsewhere in these consolidated financial statements, are as follows:

Name and country of Incorporation	Basis of relationship	% of shares held by related parties	Nature of transactions	Nine months ended		Quarter ended	
				30 September	30 September	30 September	30 September
				2024	2023	2024	2023
				(Un-audited)		(Un-audited)	
				----(Rupees in '000)----			
<b>Parent Company</b>							
Aitken Stuart Pakistan (Private) Limited - Pakistan	Parent Company	55.80%	Expenditure incurred / paid by the Group on behalf of parent	613	2,563	12	1,308
			Expenditure incurred / paid by Parent on behalf of the Group	2,960	-	-	-
			Transaction fee paid	94,025	65,000	-	65,000
			Amount received against issuance of shares	-	36,000	-	-
			Dividend paid	432,626	368,501	-	-
<b>Associated Company</b>							
OBS Pharma (Private) Limited - Pakistan	Common directorship		Sale of goods	113,029	-	98,486	-
			Expenditure incurred by the Group on behalf of associate	19,669	29,083	5,611	22,417
			Expenditure incurred / paid by the associate on behalf of the Group	2,410	-	-	-
Aspin Pharma (Private) Limited - Pakistan	Common directorship	4.79%	Sale of goods	8,356	25,824	2,748	6,399
			Purchase of goods from associate	19,708	-	(9,148)	-
			Expenditure incurred / paid by the Group on behalf of associate	5,606	6,878	1,560	3,542
			Expenditure incurred / paid by associate on behalf of the Group	17,209	23,556	6,137	7,299
			Dividend paid	33,500	26,800	-	-
Muller and Phipps Pakistan (Private) Limited - Pakistan	Common directorship	13.54%	Sale of goods	14,490,168	9,931,734	4,721,544	3,749,066
			Settlement of discounts and expenses given/incurred on behalf of the Group	871,239	510,523	302,665	105,105
			Warehouse and logistic charges	27,631	16,863	11,049	6,122
			Dividend paid	94,800	75,840	-	-
<b>Staff retirement benefits - AGP Limited staff provident fund</b>			Contribution paid	66,708	54,982	23,317	19,740
<b>Key management personnel</b>			Remuneration and other benefits	374,833	291,087	77,095	61,902
			Dividend paid	10,516	14,011	-	-
<b>Directors</b>			Board and other meeting fee	5,875	8,875	2,875	2,125
			Dividend paid	1,578	1,262	-	-
<b>Others (due to common directorship)</b>							
The Patients' Behbud Society for AKUH			Donation paid	1,000	-	1,000	-
Muller and Phipps Express Logistics (Private) Limited - Pakistan			Services incurred	8	55	-	2

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

## 22. INFORMATION ABOUT OPERATING SEGMENTS

22.1 For management purposes, the activities of the Group are organized into one operating segment i.e. manufacture and sale of pharmaceutical products. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organizational and management structure and internal financial reporting systems. The operating interests of the Group are confined to Pakistan in terms of production/generation capacity. Accordingly, the information and figures reported in these condensed interim financial statements are related to the Company's only reportable segment in Pakistan.

22.2 Export sales made to Afghanistan represents geographical component of gross turnover of the Company.

22.3 The revenue information is based on the location of the customer. The details of customers with whom the revenue from sales transactions amount to 10% or more of the Company's overall revenue related to manufactured and trading goods is as follows:

	30 September 2024	30 September 2023
	----- (Rupees in '000)-----	
- Muller & Phipps Pakistan (Private) Limited	14,490,168	9,931,734
- Al - Haj Malem Khan Mangal (Export Sales)	1,907,072	1,115,769

22.4 Non-current assets of the Group are confined within Pakistan and consist of property, plant and equipment, intangibles assets and long-term deposits and receivables.

## 23. DATE OF AUTHORIZATION

These consolidated condensed interim financial statements were authorized for issue on 29 October 2024 by the Board of Directors of the Holding Company.

## 24. SUBSEQUENT EVENTS

24.1 The Board of Directors in its meeting held on 29 October 2024 has proposed a interim cash dividend for the period ended September 30, 2024 of Rs. Nil per share (September 2023:Nil), aggregating to Rs. Nil million (September 2023: Nil).

## 25. GENERAL

Corresponding figures have also been rearranged and reclassified, whereby necessary, for better presentation. However, there has been no material reclassification to report.



Chief Financial Officer




Chief Executive Officer




Director



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