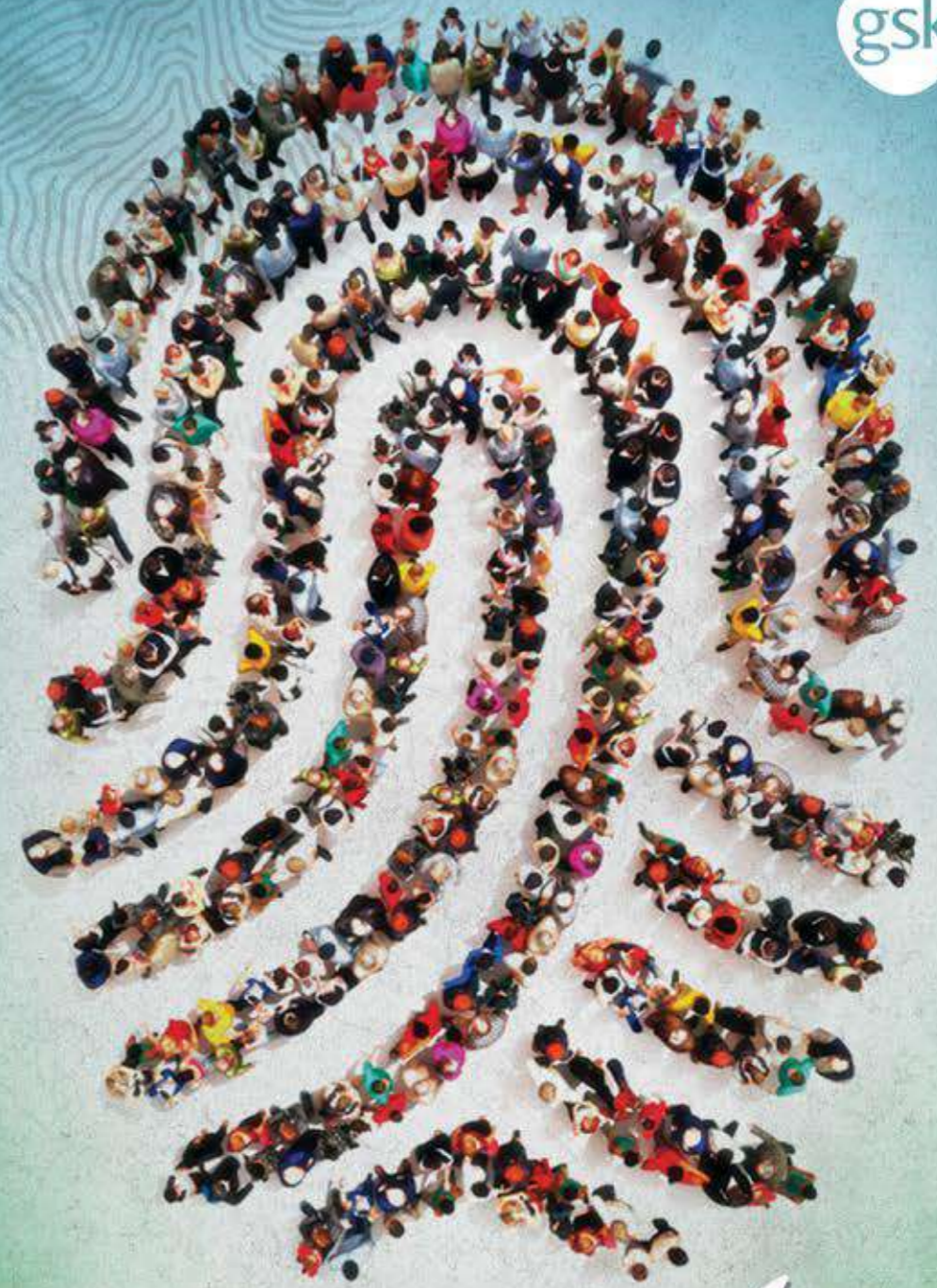


THE BLUE DOT

GlaxoSmithKline Consumer Healthcare Pakistan Limited
35 - Dockyard Road, West Wharf, Karachi - 74000
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is a member of GlaxoSmithKline group of companies.
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ANNUAL REPORT 2018

GLAXOSMITHKLINE CONSUMER HEALTHCARE PAKISTAN LIMITED

GSK Consumer Healthcare Pakistan Limited is proud to present its Annual Report for the year 2018. This report focuses on Stakeholder Information, Corporate Governance, Directors' Report and Financial Statements for the year ended December 31, 2018. For any feedback, suggestions or queries kindly contact the following:

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Chief Financial Officer
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PEHCHAAN

The way a company operates decides its destiny, the people who work there are the inventors creating the company's identity and telling a story – perhaps more importantly creating sequels. Our GSK Consumer Healthcare story of the falcon took flight three years ago, where we stretched our wings across the horizon carrying an ambition and the drive to achieve our goals.

Today we mark our presence with our '**Pehchaan**' created over the years by introducing GSK trusted brands to our consumers, achieving our targets, foreseeing high growth vision to succeed, developing a modern culture and standing true to our words. Indeed, we are a Fast-Moving Consumer Healthcare company in Pakistan.

Our '**Pehchaan**' differentiates and defines us from our competition. Every year when we set our goals, we keep in mind our consumers so that they can do more, feel better and live longer. We stepped in this race together with our stakeholders and stood the trials of time; our every effort was that of a falcon taking its flight marking territories and showcasing its presence. This year, we are pleased to introduce a state-of-the-art manufacturing facility in Jamshoro, expanding our winning brands portfolio and welcoming diversified expertise into our team.

Here at GSK Consumer Healthcare Pakistan we work together as one team and are proud to associate ourselves with the most innovative, best performing and trusted FMCH company in Pakistan. This is our '**Pehchaan**'.

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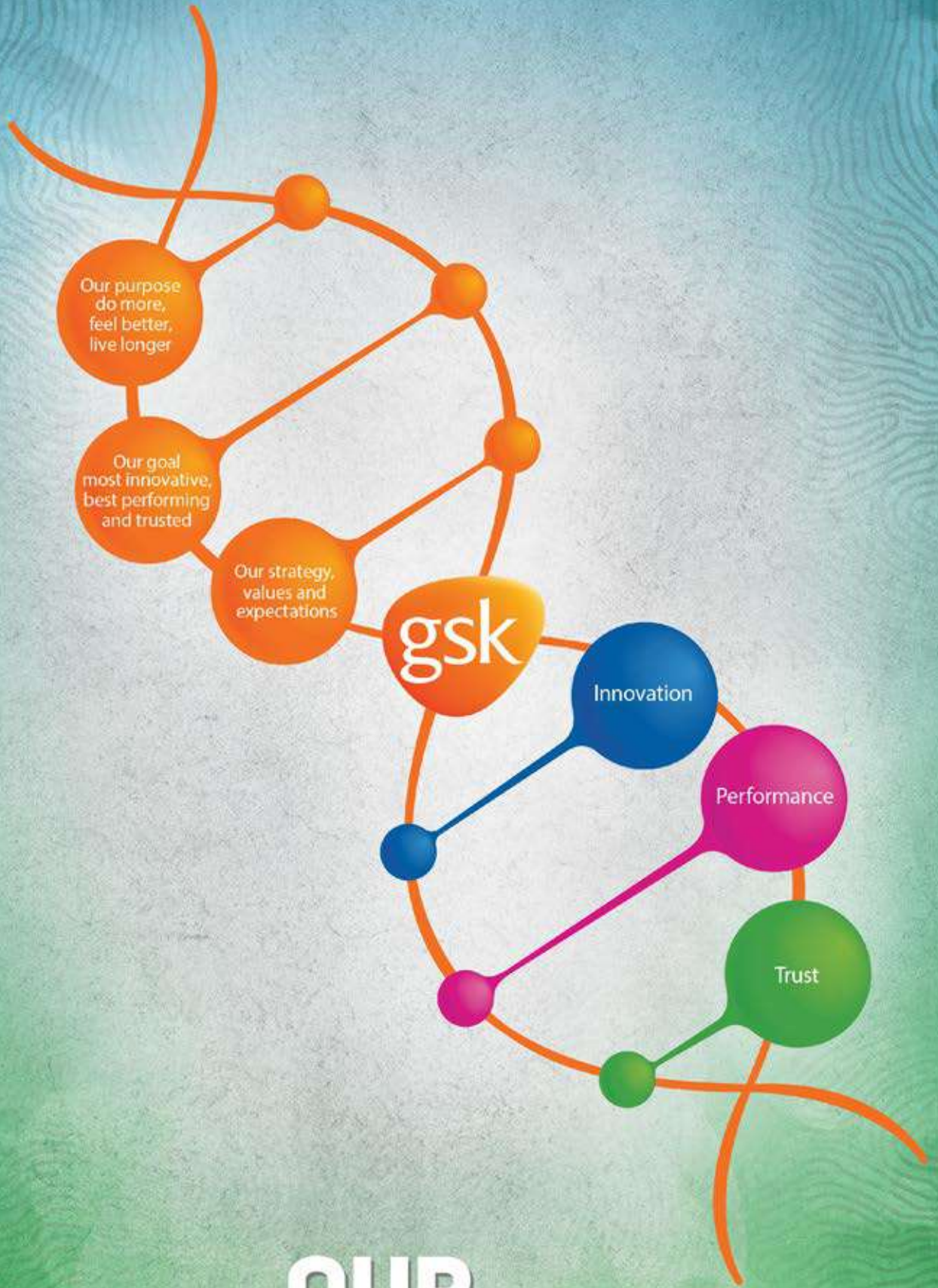
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OUR DNA



Our Story

- **GSK Consumer Healthcare Pakistan Limited** starts operations as an independent company.

2016

- **GSK Consumer Healthcare Pakistan Limited** got listed on Pakistan Stock Exchange.
- Transfer of Market Authorization and Jamshoro manufacturing license to **GSK OTC (Pvt.) Limited**.

2017

- **2015**
- GSK Consumer business demerged from **GSK Pakistan Limited**.
- GSK Consumer Healthcare Pakistan Limited formed.
- **GSK OTC (Pvt.) Limited** formed from Novartis OTC portfolio.

- GSK OTC (Pvt.) Limited merged with and into **GSK Consumer Healthcare Pakistan Limited**.
- **GSK Consumer Healthcare Pakistan Limited** inherits manufacturing facility (Jamshoro) & its portfolio with leading brands like CaC-1000 PLUS & Qalsan-D.

2018



Our Vision

GSK's vision is inspiring:

***“The opportunity
to make a difference
to millions of lives every day”***

At GSK we perform in unison by following our strong value system and ethical guidelines as a source of guidance and inspiration to achieve our vision. Every member of the GSK family plays a vital role in improving the quality of human life. GSK's growth and development can be attributed to the contribution of the skills, talent and passion of its people.

GSK Consumer Healthcare follows its core values of keeping consumers first, demonstrating respect for people, acting with integrity, and operating with transparency. We are proud of our commitment that enables us to enhance the quality of peoples' lives and helps us provide them with quality products.



Our Mission

Our mission is to improve the quality of human life by enabling people to

“Do More, Feel Better, Live Longer”

At GSK our mission acts as an underlying principle to whatever we do. We follow a legacy of great science and innovative healthcare that provides people around the world with healthier and fulfilled lives, every single day.



What We Do

Our Business

We are a science led Global Healthcare Company that researches and develops innovative Consumer Healthcare products.

Our Global Research

GSK has a significant global presence in more than 150 markets, a network of manufacturing sites globally and large R&D centres in the UK, USA, Belgium and China.

How are we structured

Our commercial operations are structured as a combination of regional units and areas of focus. Each business benefits from GSK's global commercial infrastructure, international supply networks, innovative R&D and significant scale.

Consumer Healthcare is a global unit, represented by GlaxoSmithKline Consumer Healthcare Pakistan Limited.



Our Core Values

At GSK Consumer Healthcare, we are committed to delivering results underpinned by our values. These values guide our actions and behaviors and lie at the heart of every decision we make.

Our core values are:

Consumer first

The strength of our business lies in the consumers we reach out to. Our dedicated leadership team drives brands that have strong purpose, and together we ensure that the needs of our consumers are catered to in the best possible way.

Respect

We cultivate an environment of support, inspiration and development, and ensure that as an organization, we create diversity in culture, thought and in how we operate, in order to collectively work towards achieving our shared vision.

Integrity

We must live up to the highest standards of integrity expected of us by our consumers, partners and stakeholders. We go beyond abiding by the law and do all we can to maintain the trust and respect of, and protect the interests of, the organisations and communities we work with.

Transparency

Transparency is vital to the way we work and helps build trust. We strive to be honest and open about what we do and how we do it. This improves how we collaborate with each other and the way we are seen by the communities we work with. It demonstrates that we do not avoid challenge and discussion, and confront problems as a team.



Our Expectations

To thrive in an ever-changing world and achieve our purpose, we need to adapt some of our behaviours to keep us competitive, all while staying true to our values.

Putting our values and expectations at the heart of everything we do, we become a high performing team. One that works together to achieve our goal, in the right way.



Our Strategy

Bring differentiated, high-quality and needed healthcare products to as many people as possible, with our three global businesses, scientific and technical know-how and talented people.

Everyone at GSK will focus on three priorities – Innovation, Performance and Trust:

Innovation

We invest in scientific and technical excellence to develop and launch a pipeline of new products that meet the needs of patients, payers and consumers.

Performance

We aim to achieve industry-leading growth by investing effectively in our business, developing our people and delivering flawlessly.

Trust

We commit to ensuring the quality, safety and reliable supply of our products; and to building trust through our approach to engagement, pricing, global health and being a modern employer.



Management's Objectives



Grow a balanced business

Centered on our category defining brands with healthcare benefits, create a more balanced business and product portfolio, capable of delivering sustainable sales, earnings growth and improved returns to shareholders.



Deliver more products of value

We remain focused on innovation so that we are better able to sustain a pipeline of products that offer valuable improvements in treatment for consumers and healthcare providers.



Simplify the operating model

As our business continues to change shape, we are transforming how we operate so that we can reduce complexity and become more efficient.

This frees up resources to reinvest elsewhere in the business, or return to shareholders wherever we see the most attractive returns.



Responsible business

Being a responsible business is central to our strategy, and how we deliver success is just as important as what we achieve. Ensuring our values are embedded in our culture and decision-making helps us better meet the expectations of society.

Significant changes in objectives and strategies from previous periods

GSK Consumer Healthcare has completed its second full year of operations and intends to follow the same set of objectives.

Furthermore, during the year our objective has been to ensure that the business combination has been executed in a seamless manner through synchronization of legal, regulatory, and other stakeholder communications. Our focus in the times to come will be to drive synergies from the expanded product range, technical expertise, and capacity enhancements inherited through the merger of GSK OTC with and into GSK Consumer Healthcare.

Relationship between results and management's objectives

GSK Consumer Healthcare completed its second full year of operations as an entity, closing with a strong, healthy financial performance and growth across our key categories.

Your Company had several new launches, including the significant additions of variants in Oral Healthcare category and Skin Care variants.

Our restructuring and entity formation process was the most significant milestone achieved in its own right, and our decisions, strategies and numbers are well aligned with the direction we intend to pursue.

Our successful second full year has set the stage for even greater success in the years to come.



Corporate Governance

Conflict of interest among board members

The Board has been constituted in compliance with the provisions of the Companies Act, 2017.

The members of the Board, including Non-Executive and Independent Directors exercise full independence and are expected to highlight and recourse themselves in case of any possible conflict of interest. No potential conflict of interest issue was identified during the year, including but not limited to, with entities under common directorship.

Policy for safeguarding of records

We believe that documentation practices have a direct impact on product quality and consumer safety, and we implement the highest standards of record safeguarding through our Document Management and Control policy. We have strict data lifecycle management guidelines in place which are implemented across all our activities and processes. These guidelines outline procedures for our data approvals, use, access and retention as well as the use of third party archive service. This helps ensure document accuracy, consistency integrity, availability and legibility.

In line with regulatory requirements and our Code of Conduct, we ensure documentation practices meet our requirements for design, management and control of instructions, reports and master documents. We also have checks in place that cover archive requirements for all our stored data, both physical and electronic.

Whistle Blowing Policy

Ethical business conduct is the responsibility of everyone working for and on behalf of GSK. It is the foundation for building trust in our company and protects our licence to operate.

GSK has global procedures on reporting misconduct and safeguarding people who report these concerns.

GSK employees are required to promptly raise concerns of possible misconduct, potential conflicts, or known breaches with the GSK Code of Conduct, and other company policies and procedures. Suspected violations of country laws and regulations must also be reported.

- Non-GSK personnel working on behalf of the Company are also required to report misconduct concerns, with 'Speak Up' integrity line information provided in the GSK Third Party Code of Conduct.
- GSK will take disciplinary action up to and including termination, in accordance with local labor laws, against anyone who threatens, or engages in retaliation or harassment of any person who has reported, or is considering reporting a concern in good faith.

Formal orientation at induction

New members are inducted into your Company's Board through an extensive orientation process, which provides the Directors with an opportunity to enhance and strengthen their management and governance skills. Key features of our formal induction program are as follows:

- Overview of the role and responsibilities of the Director, as outlined by the Companies Act, 2017 including but not limited to the Code of Corporate Governance and other laws applicable within the country

- Our vision and strategic objectives
- Our key performance indicators and measures
- SWOT analysis
- Policy on Directors' fees and other expenses
- Forecasts, budgets and high growth plans
- Latest financial statements

The Board members also attend corporate governance training sessions to strengthen their skills and remain updated with the latest developments in management policies and understand best practices adopted by leading corporations.



Getting it right Critical Performance Indicators

We measure overall success and progress by looking at the following key performance metrics:

Category and Brands	<p>Market Share: Experience growth faster than competitors</p> <p>Brand Equity: Increase value of positive consumer perception</p>
Quality Service and Cost Control	<p>Service levels: Ensure products are delivered on time and in full</p> <p>Cost of Goods Sold: Achieve sustainable savings on COGS</p> <p>Reliable Compliance: Track record of inspections or audits, without business or reputational impact</p>
Commercial Execution	<p>Channel Share: Experience fastest share growth across focus channels</p> <p>Expert recommendation: Develop top expert recommended brands across our categories</p> <p>Sales Force Ranking: Achieve the top 3 ranking in every market for pharmacy and mass market</p>
Talent and Culture	<p>Top Talent: Track and fill key roles with the best talent</p> <p>Employee Engagement: Improved Employee Engagement Survey results year on year</p>
Scientific Innovation	<p>Innovation Sales: Sales from products launched in the last three years</p> <p>Key product launches: Execute brilliantly, achieving the annual target</p>
Purpose and Values	<p>Helping people do more, feel better, live longer</p> <p>Focusing on values: Consumer first, respect, transparency and integrity</p>



BUSINESS OVERVIEW



Calendar of Major Financial Events 2018

29-Jan-18 <i>Meeting of the Board of Directors-4th Quarter 2017</i>	29-Mar-18 <i>Third Annual General Meeting</i>	26-Apr-18 <i>Meeting of the Board of Directors-1st Quarter 2018</i>
5-Jun-18 <i>Additional Board Meeting regarding Merger</i>	20-Aug-18 <i>Meeting of the Board of Directors-2nd Quarter 2018</i>	19-Oct-18 <i>Extraordinary General Meeting</i>
29-Oct-18 <i>Meeting of the Board of Directors-3rd Quarter 2018</i>	12-Dec-18 <i>Sanction of merger by the court</i>	

Calendar of Major Marketing Events 2018

Apr-18 <i>Launch of CAC-Habit of Calcium campaign</i>	Aug-18 <i>Launch of CAC Lemon T-10</i>	Oct-18 <i>Launch of Panadol-Cinderella Campaign</i>
Oct-18 <i>Launch of Physiogel-Confident Campaign 2.0</i>	Oct-18 <i>Re-launch of Sensodyne Rapid Action</i>	Oct-18 <i>Launch of Sensodyne-Faces of Sensitivity campaign</i>

Financial Calendar 2019

18-Mar-19 <i>Meeting of the Board of Directors-4th Quarter 2018</i>	23-Apr-19 <i>Fourth Annual General Meeting</i>	23-Apr-19 <i>Meeting of the Board of Directors-1st Quarter 2019</i>
27-Aug-19 <i>Meeting of the Board of Directors-2nd Quarter 2019</i>	24-Oct-19 <i>Meeting of the Board of Directors-3rd Quarter 2019</i>	Feb-2020 <i>Meeting of the Board of Directors-4th Quarter 2019</i>



Overview of the year 2018

Your company has achieved yet another milestone in 2018 as part of its journey to establish itself as the best Fast-Moving Consumer Healthcare (FMCH) Company.

The journey that started in 2016 as an independent Company driven by science and values, has now achieved its identity. The company now has its own manufacturing facility in Jamshoro and a diverse portfolio acquired by the merger.

The highlights of this year include expansion in Nutrition and Pain Category because of brands like CaC-1000 PLUS, Qalsan-D, and Voltral Emulgel which were acquired by merger along with the relaunch of Sensodyne Rapid Action. With the current financial results, the company is set to perform even better in future by delivering growth, driving innovation and keeping consumers at the heart of our business.



Performance Summary

Turnover
14,875,267,507

Gross Profit
4,340,072,113

Profit After Tax
1,074,551,943

Earnings Per Share
Rs. 9.18

*People Driving
Performance* **60**

Category Leadership
2



SWOT Analysis



Strengths

- 1) Global footprint with operations in nearly 150 countries and diverse portfolio of category defining brands that have established themselves as the leading products in their respective markets.
- 2) Strong distribution network with collaboration of 30 distributors nation-wide.
- 3) Global thinking with local execution, which means that it pursues *global* strategies that make it win the hearts and minds of consumers.
- 4) State of art manufacturing facility in Jamshoro serving three markets, Pakistan, Philippines and Vietnam.



Weaknesses

- 1) Challenging price-controlled environment in the OTC portfolio where absence of conducive policies by the regulatory authorities is a risk.
- 2) Dependence on imported raw material.



Opportunities

- 1) Great potential in the export market to capture new markets and grow consumer base across the globe.
- 2) Strong E-market potential in the Consumer Healthcare business, further enhancing the customer growth.
- 3) Increasing awareness and demand for healthcare products.
- 4) New product innovations and additional variants can grow and diversify the portfolio.



Threats

- 1) Weak implementation of Intellectual Property Rights can cause a damage to market share and reputation.
- 2) Deteriorating exchange rates pose a high risk to our profitability as we are highly impacted by import costs.



Chairperson's Review

Message from the Chairperson

It gives me great pleasure to report another year of key milestones. I am proud to say that despite the economic downturn, regulatory constraints and challenging business dynamics, your Company managed to achieve its goals.

We remain firm in our promise to expand our outreach to every corner of the country and to provide easy access to quality healthcare products. Our priority is to improve performance and focus on new product innovations to drive top line growth and serve our consumers better.

Your Company is committed to enhance shareholder value and continue manufacturing of innovative healthcare products that provide people around the nation with healthier and fulfilled lives, every single day.

Board Evaluation

As part of our internal review process on the performance of Board, we evaluated the Board in terms of their business knowledge, industry knowledge, attendance and contribution in meetings, compliance with rules, and oversight of business as an independent body. The key learnings and insights were adequately deliberated, and necessary steps are being taken to build the collective business knowledge of the Board. From the results, we can conclude that our Directors are well versed with their main responsibilities to facilitate the Company's strategic direction and management.

Training of the Board

Directors are responsible for upholding the corporate governance and giving the Company a strategic direction. To optimize the effectiveness of the Board, it is pertinent for new members to learn the dynamics

and operations of the Company. Your Company conducts various training programs to make sure the entire board is aligned with the organization's missions and corporate governance. Mr. Talal Javed Ahmed who joined us as CFO in October 2018 and nominated as an Executive Director, attended and successfully completed the Pakistan Institute of Corporate Governance (PICG) training in 2018.

Board Changes During the Year

During the year 2018, we welcomed Mr. Talal Javed Ahmed as an Executive Director on the Board and Chief Financial Officer / Finance Director in the Management Committee. He succeeded Mr. Farhan Muhammad Haroon who stepped down in October 2018.

Board of Directors' Meetings and Attendance

The Board of Directors met five times in 2018. All the meetings were held in Pakistan, and each Director's attendance at these meetings is listed below:

Name	Category	Meetings Attended
Ms. Annelize Roberts	Non-Executive Female Director	4
Mr. Sohail Matin	Executive Director	5
Mr. M. Z. Moin Mohajir*	Independent Director	3
Syed Anwar Mahmood	Independent Director	4
Syed Azeem Abbas Naqvi	Non-Executive Director	4
Ms. Emine Tasci Kaya	Non-Executive Female Director	2
Mr. Farhan Muhammad Haroon**	Executive Director	4
Mr. Talal Javed Ahmed***	Executive Director	1

*Mr. M. Z. Moin Mohajir filled in the casual vacancy on the Board on 26th April 2018.

**Mr. Farhan Muhammad Haroon resigned during the year on 5th October 2018.

***Mr. Talal Javed Ahmed filled in the casual vacancy on the Board on 5th October 2018.

Board Committees

GSK Consumer Healthcare consists of three committees to assist the Board for its optimal performance. They have been listed below.

Audit Committee

The Audit Committee consists of 3 members, of whom the Chairman of the committee is an Independent Director and the other member is a Non-Executive Director.

The Committee annually reviews the financial aspects and appropriateness of resources, the corporate accounting and financial reporting process, the effectiveness and adequacy of internal controls, the management of risks and the external and internal audit process. The Head of Internal Audit reports to the

Audit Committee and acts as Secretary of the Committee. The Internal Audit Function utilizes the services of an independent audit firm to continuously examine Company records and operations, ensuring fair financial reporting processes, compliance with applicable laws and adherence with internal control systems.

The terms of reference of this Committee have been determined in accordance with the guidelines provided in the Listing Regulations and advised to the Committee for compliance (refer pages 33).

Human Resource and Remuneration Committee

The Human Resource & Remuneration Committee comprises of 3 members, two of whom are Non-Executive Directors.

This committee assists the Board in fulfilling its responsibilities in the review, formulation, recommendation and implementation of Human Resource policies and the appointment and remuneration of the CEO, CFO, Company Secretary, Head of Internal Auditor.

It also considers and approves recommendations of the CEO on matters related to succession planning of key management positions and ensuring proper compensation to GSK employees.

The terms of reference of the Committee are provided in detail on pages 33 to 34.

Integration and Supply Network Optimization Committee

The Integration and Supply Network Optimization Committee comprises of 4 members of the Board. The purpose of this committee is to explore significant Supply Network opportunities and facilitate a smooth Integration process. The committee is currently focused on assessing the post-merger scenario of GSK OTC and GSK Consumer Healthcare.

Culture of the Company

Our culture and values drive everything we do. We expect our employees to share our values, to act transparently and with integrity.

We motivate our employees to put our values at the heart of every decision they make through strong

leadership, offering individual development opportunities and rewarding employees for how they work as well as what they achieve. We want everyone at GSK to feel proud of the work that they do, the Company they work for, and the difference they make

Acknowledgment

I would like to extend my gratitude to the Board of Directors for their valuable support and commitment. I would also like to sincerely thank our employees for all their efforts, as well as our customers and suppliers for placing their trust in us. It is with your support that we are growing swiftly and expanding this company year by year.

Sincerely,



Annelize Roberts

Chairperson

March 18, 2019



Directors' Report to the Shareholders

We are pleased to present your company's Annual Report along with the audited financial statements for the year ended December 31, 2018.

The Directors' Report has been prepared in accordance with, inter alia, section 227 of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2017.

Operating Results

As per the approval of the shareholders, (in the extra-ordinary general meeting of the Company held on October 19, 2018), the Scheme of Merger sanctioned by the High Court of Sindh, (vide its order dated December 12, 2018), GlaxoSmithKline OTC (Private) Limited, (a wholly owned subsidiary of GlaxoSmithKline Consumer Healthcare B.V., Netherlands) was amalgamated with and into your Company with effect from January 1, 2018. Therefore, the Profit and Loss account of the company for the year ended December 31, 2018, reflects the results of the merged entity, whereas the financial results for the corresponding period, ended December 31, 2017, represent the performance of GlaxoSmithKline Consumer Healthcare Pakistan Limited only, as the corresponding amounts of the merged entities for the period before the transaction occurred have not been restated.

The Board of Directors is pleased to announce a final cash dividend of Rs.5 per share amounting to Rs.585,272,540, subject to approval of the shareholders at the Annual General Meeting to be held on April 23rd, 2019.

Net sales of the Company amounted to Rs. 14,875 million during the current year and profit after tax was Rs. 1,074.5 million, vs. 2017 reported sales and profit after tax of Rs. 8,298 million and Rs. 707 million respectively that did not include results of GSK OTC (Pvt.) Limited.

Holding Company

As at December 31, 2018, GlaxoSmithKline Consumer Healthcare B.V, Netherlands held 100,423,259 shares of Rs. 10 each, representing 85.79 % of the total shares of GlaxoSmithKline Consumer Healthcare Pakistan Limited.

Pattern of Shareholding

The Company's shares are traded on the Pakistan Stock Exchange Limited. The shareholding information as of December 31, 2018 and other related information is set out on pages 120.

Chairperson's Review

The Chairperson's message to the shareholders on pages 16 to 18 deals with:

- Board evaluation, Board changes during the year and Board of Directors' meetings and attendance.
- Board committees which include audit committee, human resource and remuneration committee, integration and supply network optimization committee.
- Culture of the Company.

The Directors of the Company endorse the contents of the same.

Chief Executive Officer's Review

The Chief Executive Officer's message to the shareholders on pages 25 to 27 deals with:

- Economic overview and business performance.
- Performance review of the Company during the year, highlighting the growth trajectories from the previous year along with reasons.
- The present and the future challenges of operating in the healthcare industry in Pakistan.
- Outlook and perspective of the Company in order to further enhance growth and performance.

The Directors of the Company endorse the contents of the same.

Basic Earnings per Share

Basic earnings per share after taxation for the year was Rs. 9.18 as compared to Rs. 7.39 earnings per share in 2017.



Corporate Social Responsibility (CSR)

Your company believes that respect for the environment and people is an integral part of conducting a business, which in turn boosts success and consumer engagement of a brand. As a Healthcare Company, we truly understand the core necessity for outreach programs institutionalizing the importance on health, hygiene, nutrition and other community development programs in Pakistan. Improving environmental sustainability is another key area of concern. Considering that 2018 was the second- full year of operations, your Company kept its major focus on growth and

innovation. We plan to contribute to our communities through supporting social initiatives targeted on progression of education, as well as provision of basic utilities.



Human Resource Development and Succession Planning

GSK Consumer Healthcare takes great pride in being a Company that not only recognizes its people as the key asset but also ensures that this belief is translated into a working environment that provides growth opportunities, respect, empowerment and inspiration. As a Company that is geared towards helping people 'Do More, Feel Better, Live Longer', we ensure that our employees are not only committed to this vision with the utmost passion and sincerity, but are also well equipped to perform and deliver at their best potential.

With this objective in mind, our Human Resource Development team engages and develops policies including training, remuneration, performance evaluation and succession planning. This includes an exposure to a wide range of opportunities as well as international assignments. This is supported through implementation of an internal talent development system that helps provide leaders with the data needed for strategic alignment and decision making. Along with this it carries out a continuous feedback, evaluation and communication program, through which we ensure that our employees are well aligned with, and really believe in, our core values of Being Consumer Focused, Respecting People, Acting with Integrity and Operating with Transparency. In addition to this, we prioritize the highest standards of individual accountability, and are constantly trying

to evolve in terms of our ability to recognize and reward the deserving talent that demonstrate the right mix of commitment and dedication.

Given that we operate within the Fast-Moving Consumer Healthcare business and exist strive to to give our consumers better access to world class brands with health-related benefits. We understand the criticality of having the right team in place. Our recruitment drives and processes are effectively designed to acquire high potential talent, by targeting top tier universities and acquiring the right mix of talent.

With our truly high-performance culture, we are constantly evaluating and building a team that truly considers itself the foundation of GSK Consumer Healthcare.



Environment, Health and Safety (EHS)

GSK Consumer Healthcare is determined to constantly reinforce and improve the measures we take to ensure that our employees have a safe, injury-free working experience and are passionate about the environment they operate in. Furthermore, we work within a framework of operational measures, policies, strategies and stringent environmental monitoring systems to remain committed towards energy conservation, environmental protection and occupational health and safety.



Occupational Safety and Health

With numerous sustainable processes in place, GSK continues a legacy in its ability to fulfil its purpose without compromising the occupational safety of its dedicated employees. To successfully achieve this objective, the following robust programs and measures have either been implemented, or are currently in progress, that aims to strengthen the EHS (Environment, Health, and Safety) system to improve the quality of our working environment:

- Ensuring our employees are aware of operational risks and are fully able to effectively manage these risks when needed.
- Enhancing employee capability that trains them to consider occupational safety as the number one priority under all circumstances.
- Implementing standards of conservation that help minimize our water and energy consumption, thus promoting a greener environment.

GSK Consumer Healthcare aims to further enhance its EHS policies across its supply chain as well as production plants.



Business Ethics and Anti-Corruption Measures

At GSK Consumer Healthcare, we strongly believe in the value of integrity. It lies at the core of everything we do and is the heart of every decision we make, with our

values serving as our guiding principles. Our anti-bribery and anti-corruption (ABAC) program includes risk assessments, standards and practical guidance designed to prevent non-compliance. With this commitment, the Board of Directors of the Company has set acceptable business practices and standards of behavior within our 'Code of Conduct'.

Our core values are:

- Consumer First
- Respect
- Transparency
- Integrity

The Code is disseminated for training and signing by all employees, including the senior management, and is also available on GSK Consumer Healthcare website.



Risk Management, Governance and Classification

GSK Consumer Healthcare recognizes the significance of effective risk management which eventually helps the business to deliver and perform exceptionally. In order to sustain the highest standards within the Company, our risk management structure and internal controls function as a combination to enable our leaders to successfully focus on managing the core and principal risks of the business. Our Risk Management and Compliance Board (RMCB) is responsible to effectively identify, assess, mitigate, monitor and report major risks that the business may encounter.

Both internal and external factors play a part in your Company's risk exposure. The RMCB is responsible

for placing appropriate policies and strategies in place that continuously evaluate the key risks that threaten the objectives of your Company and minimize any potential risks. For this purpose, our risk management framework ensures that the right policies and strategies remain intact and serve to mitigate key risks through an adequate 'identify, record and minimize' strategy.

Furthermore, the Internal Control Framework established by the Company ensures risk mitigation plans, designated accountability plans and the escalation of any significant issues as and when they may arise.

For this purpose, the RMCB has formed a structure whereby designated Risk Owners are responsible for identifying and treating significant risks while the Compliance Officer facilitates in instilling a risk-based approach to establishing internal controls system. This eventually makes risk management an integral part of decision making and business operations.

At GSK Consumer Healthcare, we prioritize compliance in line with legal requirements and therefore, our Risk Management, Corporate Ethics and Compliance teams work in collaboration to ensure protection of shareholder investment and Company assets.

Our risk classification is as follows:

1. **Strategic Risks:** These are the most significant risks the Company faces and usually fall outside our control. At present, the Company faces major strategic risks on economic fronts concerning devaluation and related inflation. In the year 2018 alone, Pakistan Rupee depreciated by over 27% against the US dollar, thereby increasing our cost of goods sold and diluting our margins. The devaluation impact will be partially offset by the price increase approved in 2019.

2. **Operational Risks:** Risks in this category pose challenges to the smooth functioning of the Company's operations. Some of our greatest operational risks include supply constraints and the possibility of employee turnover and fraud. Your Company manages these risks through various strategies such as using alternative suppliers and succession plans.

3. **Commercial Risks:** These are risks that arise due to the commercial nature of the business. At present, GSK Consumer Healthcare faces challenges in three key areas:

- a. Cash flow liquidity risks.
- b. Setting up a pricing policy framework for all brands.
- c. Developing a long-term sourcing strategy



Related Party Transactions

GSK Consumer Healthcare ensures compliance with Code of Corporate Governance for all the related party transactions.

The details of the transactions are provided on pages 112 to 113.

Board of Directors

As required in Code of Corporate Governance, all details related to the Board of Directors, Board committees, training and evaluation of Board are provided in Chairperson's review on pages 16 to 18.

Corporate Information

All necessary details related to names of Board Committees and their respective members are provided in Corporate Information on pages 29.

Directors' Remuneration

As per the requirements of Code of Corporate Governance Director's remuneration is provided on pages 112



Auditors

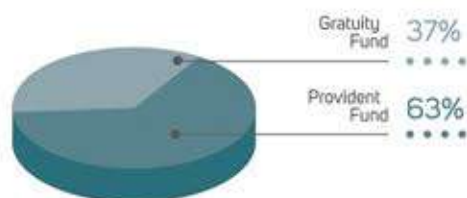
The present auditors, Deloitte Yousuf Adil Chartered Accountants had indicated their consent to continue as auditors. The Board of Directors endorses the recommendation of the Audit Committee for their continuation as the Auditors of the Company for the financial year ending December 31, 2019, at a mutually agreed fee.



Value of Investments of Provident and Gratuity Funds

The Company maintains retirement benefit plans for its employees. The value of investments of provident and gratuity funds as at December 31, 2018 was as follows:

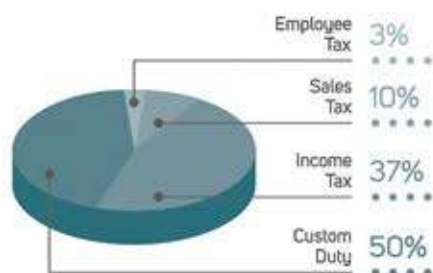
Rs.	2018
Provident fund	Rs. 121.9 Million
Gratuity fund	Rs. 70.4 Million



Contribution to National Exchequer and Economy

Your Company made a total contribution of Rs. 1.98 billion to the National Exchequer by way of custom duties, income tax, sales tax and employees' tax during the year 2018.

Our contribution through Sales Tax totaled Rs. 198 million, contribution through Income Tax totaled Rs. 743.79 million, while Custom Duty contributed Rs. 988 Million. Employee Tax contribution totaled Rs. 57.57 Million.



Corporate and Financial Reporting Framework

As per the Code of Corporate Governance, Directors have carefully reviewed the accounts published and hence conclude that:

- The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent view.

- The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as applicable in Pakistan.
- The Company maintains a internal control system which gives reasonable assurance over the systems. The internal control system is regularly reviewed, and mitigating actions are duly considered as an when flagged by management and/or by internal and external auditors. Oversight is provided by the Board's Audit Committee and the Company's polices are updated as and when needed.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of Corporate Governance as detailed in the listing regulations.
- The key operating and financial data is set out on pages 64 to 73.

By Order of the Board

Sohail Matin
Chief Executive Officer

Talal Javed Ahmed
Executive Director
March 18, 2019



do more
feel better
live longer



Chief Executive Officer's Review

Message from the CEO

Dear Stakeholders,

I am delighted to present before you the Annual Report of GlaxoSmithKline Consumer Healthcare Pakistan Limited for the financial year ended December 31, 2018.

Overview of the Economy & Business

Fiscal year 2018 was a challenging year for the industry due to economic pressures and unprecedented negative impact of foreign exchange. We are proud to state that even in this volatile market, we were able to deliver top line growth. The merger of GSK OTC (Pvt.) Limited with and into GSK Consumer Healthcare Pakistan Limited enhanced our leadership position in the Fast-Moving Consumer Healthcare industry and helped achieve top-line growth. From our Rs. 14.9 billion sales, Rs. 8.8 billion was contributed by GSK Consumer Healthcare Pakistan, Rs. 6.1 billion by GSK OTC (Pvt.) Limited. We now have a broader portfolio with market leader brands in Nutrition, Oral Healthcare and Pain categories.

GSK's Healthcare portfolio in Pakistan continues to gain traction amongst consumers and medical practitioners due to an increased awareness of our trusted and efficacious brands. At GSK Consumer Healthcare we are committed to deliver high quality products with superior value for our consumers. With our strong brand equity and our complete adherence to compliance standards we continue to strengthen trust of our healthcare professionals, regulators, customers and consumers.

With 2018 being a year of consolidation, we strive to deliver solid performance in the upcoming year 2019.



Challenges:

Your company is faced with a number of external challenges on economical, technological, competitive and regulatory fronts.

In the year 2018, the difficult economic conditions, specifically the weakening of currency caused imports

to be more expensive hence increasing the overall cost of goods sold. Since most of our portfolio is regulated and price controlled by the Drug Regulatory Authority of Pakistan (DRAP), maintaining profitability at regulated prices was a huge challenge in 2018 because of currency devaluation of over 27% against the US dollar.

Our business operates in a highly competitive market. We compete against companies across the local and international spectrum based on cost effectiveness, technological innovation, intellectual property rights and pricing. Hence, with all these factors, we need to ensure that we have the best in-class competencies in place with an ability to develop and innovate differentiated products and services that address the evolving healthcare needs of patients and consumers. We leverage the latest consumer insights and trends to drive the right innovations and promotional campaigns. Additionally, a strong retailer partnership is embedded to ensure our consumers have access to our portfolio across the country.

2018 Performance

I would now like to take this opportunity to highlight some of our key achievements for the year 2018.

The merger of GSK OTC with and into GSK Consumer Healthcare was transformational for existing portfolio and business especially because it helped us integrate the manufacturing facility of GSK OTC. With the merger, we also acquired reputable brands like CaC-1000 Plus, Qalsan-D, Voltral Emulgel adding value of Rs. 6.1 billion.

Our flagship brand, 'Panadol' remains an indisputable market leader in the Pain relief category with more innovations planned in 2019.

We have also expanded and customized key brands through additional variants and better reach. Our Skin Health Brands are the most recommended by healthcare professionals. Physiogel, mainly designed for dry and sensitive skin, has recorded a prolific growth of 60%.

Furthermore, within our flagship portfolio of Sensodyne, we re-launched Rapid Action variant this year and maintained a market share of 12.8%. With 9 out of 10 dentists recommending Sensodyne, this brand is on its journey to further drive market share and growth in the Medicated Oral Healthcare Sensitivity segment.



Looking Ahead

Going forward, your Company has set its priority to focus on increased customer value, innovation, better performance and greater trust. Emphasis is placed on increased productivity, reduced cost and improved technology to be able to achieve long-term profitability and fulfil the dynamic needs of our consumers and healthcare professionals.

We anticipate our Sales to grow double digit because of launch of new variants in Nutrition, Medicated Oral Healthcare and Pain category. To achieve our long-term high growth ambition, it is imperative that the Company continues to invest in our established brands to increase consumption and brand equity.

With enhanced Sales structure, and e-commerce activities, we plan to drive exponential growth in key trade channels and display agility to address the challenging business environment.

We welcome the recent price relief extended by DRAP to the industry to address the hardship arising from increasing raw material prices as well as the steep devaluation of Pakistan Rupee in 2018. Looking ahead, the Drug Pricing Policy 2018 carries great significance on the outlook of the Company and the industry. To have a level playing field and to fuel the investment behind the regulated portfolio, it is imperative that the CPI based annual price increases are timely implemented by the government.

Your Company is committed to serve its consumers better, increase value for its shareholders, and exceed the average market growth. We strive to achieve this by being one of the country's most innovative, best performing and trusted healthcare companies.



Acknowledgement

On behalf of the Board of Directors, I want to take this to opportunity to extend appreciation to our employees, suppliers, and partners for their continued support and dedication in the achievement of the Company's results. The professionalism and self-motivation our team has displayed is truly inspirational.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sohail Matin'.

Sohail Matin
Chief Executive Officer
March 18, 2019



OUR PEOPLE

Board of Directors

Mrs. Annelize Roberts
(Chairperson)

Mr. Sohail Matin

Mr. M. Z. Moin Mohajir

Syed Anwar Mahmood

Syed Azeem Abbas Naqvi

Ms. Emine Tasci Kaya

Mr. Talal Javed Ahmed

Audit Committee

Mr. M.Z. Moin Mohajir
(Chairman)

Syed Azeem Abbas Naqvi

Syed Anwar Mahmood

Secretary

Ms. Varisha Shahid

Human Resource and Remuneration Committee

Syed Anwar Mahmood
(Chairman)

Mr. Sohail Matin

Syed Azeem Abbas Naqvi

Secretary

Ms. Tania Zahid

Integration Supply and Network Optimization Committee

Ms. Emine Tasci Kaya
(Chairperson)

Syed Azeem Abbas Naqvi

Mr. Sohail Matin

Mr. Talal Javed Ahmed

Secretary

Mr. Irfan Qureshi

Management Committee

Mr. Sohail Matin

Mr. Talal Javed Ahmed

Mrs. Sadia Nasir

Mr. Ahmed Jamil Baloch

Mr. Shoaib Raza

Mr. Irfan Qureshi

Mr. Mazhar Shams

Company Secretary

Ms. Mashal Mohammad

Chief Financial Officer

Mr. Talal Javed Ahmed

Head of Internal Audit

Ms. Varisha Shahid

Bankers

Citibank N.A

Auditors

Deloitte Yousuf Adil,
Chartered Accountants

Legal Advisors

Hashmi & Hashmi

Registered Office

35 Dockyard Road, West
Wharf, Karachi-74000

Tel:

92-21-111-475-725
(111-GSK-PAK)

Fax:

92-21-323-148-98
92-21-323-111-22

Share Register

Central Depository Company of
Pakistan Limited

Website

www.pk-consumerhealthcare.gsk.com



Directors' Profile

Annelize Roberts recently took on the role of VP Finance -Global Industrial Operations & Quality -GSK Vaccines based in Belgium, following on from her role as VP finance Global Trading Partner Entities and the successful consolidation of entities onto 1 ERP system.

Initially based in Dubai, she was the Finance Director for the Middle East Consumer Business from Jan 2013 till 2015. Thereafter in May 2015, she relocated back to London to take on the Global Finance Integration role for the new GSK Consumer joint venture with Novartis.

Annelize joined GSK in 1999 and has worked across several parts of the organization including roles in the Consumer Healthcare, Corporate, ViiV Healthcare covering finance partnering, supply chain planning, finance support services and project integration roles. She qualified as a Chartered Accountant in South Africa, completing her articles with KPMG and is also a Chartered Management Accountant (ACMA) and holds degrees in Accounting and Information Systems.



Annelize Roberts

Sohail Matin commenced his career with Glaxo Pakistan Limited in Supply Chain in 1986 and then moved to SK&F and Sterling Winthrop. He joined SmithKline Beecham in 1997 and has worked as Director Quality Assurance & Manufacturing Development in Pakistan and Area Regulatory & Business Development Director Middle East & Africa in Dubai. Sohail moved back to Pakistan in 2007, where for the next seven years he served as a GM of Consumer Healthcare (Pakistan), before taking his current role of CEO and GM of GlaxoSmithKline Consumer Healthcare Pakistan Ltd. and GSK OTC (Pvt.) Ltd.

Sohail Matin holds a Master degree in Mechanical Engineering from Stevens Institute of Technology, followed by an MBA in Management from Oklahoma State University.



Sohail Matin

M. Z. Moin Mohajir's business experience spans 40 years. After qualifying as a Chartered Accountant with A.F. Ferguson & Co. he joined Pakistan Security Printing Corporation in 1978, where he was Chief Accountant/Company Secretary. In 1981 he joined Sanofi-Aventis Pakistan Limited (formerly Hoechst Marion Roussel Limited/Hoechst Pakistan Limited) from where he retired as Director Finance and Administration in October 2011.

He joined the Overseas Investors Chamber of Commerce and Industry (OICCI) in October 2011, where he is presently working as the Deputy Secretary General. He also serves as the Independent Member of the Board of Directors and Chairman Audit Committee of Pakistan Oxygen Limited, Archroma Pakistan Limited, Wyeth Pakistan Limited and Loads Limited. He is also a Member of Federal Tax Ombudsman Advisory Committee (South), Member of Advisory Committee set up by Chief Commissioner Inland Revenue, Karachi, to facilitate/resolve issues of trade bodies falling under the Civil Division of Karachi and a Member of the Investigation and Taxation committees of the Institute of Chartered Accountants of Pakistan (ICAP).

His previous other responsibilities include; Member of the Board of Directors and Chairman Audit Committee – Pakistan Industrial Development Corporation (PIDC), Member of the Board of Directors and Audit Committee - Standard Chartered Leasing Limited, Member of the Board of Directors and Audit Committee - Sindh Modaraba Limited, Chairman of the Election Committee - ICAP and Member of the Finance Subcommittees of two major Clubs.



M. Z. Moin Mohajir



Syed Anwar Mahmood

Syed Anwar Mahmood, who retired as a Secretary to the Government of Pakistan in 2008 after heading the Ministry of Health and the Ministry of Information & Broadcasting, now heads his own consultancy, media and government relations firm. He also publishes and edits a monthly magazine titled Health and Pharma.

He graduated with honours in Economics and later obtained a Master's degree also in the same discipline. Mahmood joined the Central Superior Services (CSS) of Pakistan in November in 1971. After training at the Civil Services Academy, he was assigned various positions and responsibilities during which he earned varied experience both in media and management, including hands-on-experience of executing media and communications strategy for the Federal Government at the highest level. He has served for nearly six years, spread over two terms, as the Federal Information Secretary and the government's chief spokesman. He has headed many media organizations as Chief Executive or as the chairman of the Board, including PTV, PBC, SRBC, APP and the Press Information Department.

Talal Javed Ahmed joined GSK Pakistan Limited in 2008 after obtaining audit and assurance experience from A.F. Ferguson & Co. (a member firm of PwC Pakistan).

Initially working with GSK as a Finance Business Partner, he played a pivotal role in the merger & integration of BMS and Stiefel entities; and continued to work on business planning and transformation projects.

In 2012, he took up regional and global roles in GSK to optimize financial systems and deploy improved frameworks and practices for managing our trade channel investments across diverse market archetypes. At the same time, he also served as the Head of Internal Audit for GSK Pakistan Limited. In October 2018, he joined GSK Consumer Healthcare Pakistan Limited as Director Finance.

Talal Javed Ahmed is a Chartered Accountant and Certified Internal Auditor who holds qualifications from ICAP (Pakistan), ACCA (UK) and IIA (US).

Syed Azeem Abbas Naqvi is the Cluster Legal Director for Pakistan, Iran and Bangladesh and the Company Secretary of GlaxoSmithKline Pakistan Limited. He has 22 years' experience as an in-house counsel and practicing lawyer. He is an enrolled Advocate of the High Court and joined GSK in the year 2014 as Head of Legal and Company Secretary. Prior to GSK, he has served as Head of Legal and Company Secretary at Nestle Pakistan Limited for 11 years and as Head of Legal with PTCL, Bank of Punjab and PARCO as well. He has a diversified background and expertise in corporate, constitutional, civil and industrial law. As an expert business lawyer, he has strong insight in business development, regulatory and legal environment in Pakistan, Iran and Bangladesh jurisdictions.

He has significantly contributed to many critical projects at GSK for which he received the General Counsel Award along with several other commendations for his achievements.

Emine Tasci Kaya joined GSK in February 2016 as Customer Supply Chain Director for Middle East markets. In this role Emine oversees end to end supply chain activities for the markets in the Middle East Area and provides single point of contact for the commercial organization on Supply Chain Performance.

Before joining GSK, Emine spent ten years working in regional and global supply chain roles both in Turkey and Asia Pacific in FMCG and Pharmaceutical industries. Emine holds a bachelor's degree in Economics from Yildiz Technical University and has a master's Degree in Logistics and Supply Chain Management from University of South Australia.



**Talal Javed
Ahmed**



**Syed Azeem
Abbas Naqvi**



**Emine
Tasci Kaya**



Board & Management Committees



The Board of Directors

Our Board of Directors is the highest governing body and represents the interest of all our shareholders. We are focused on strategies that we believe are right for the long-term growth and success of the Company with the objective of delivering total shareholders' return, along with staying true to our core values. Keeping the above requirements in mind, we have an extremely capable and dedicated Board of Directors which has the knowledge, proficiency, reliability and strong sense of consciousness required for protecting investors' yield. The Board will ensure that the management of the Company; its financial and other matters are in accordance with legal and regulatory requirements. The Management Committee is responsible for implementation of strategies and policies approved by the Board, review of business, capital expenditure appraisals, investment and divestment of funds, determination and delegation of financial powers and contracts with related parties, etc.

Board's Performance Review and Continuous Professional Development

All members of the Board have been provided with an orientation upon their joining, to apprise them of their roles and responsibilities

Audit Committee

Terms of Reference

The Audit Committee will meet at least four times a year. The Committee will assist the Board in the effective discharge of its responsibilities for corporate governance and financial reporting. It also aims to review the internal control systems including financial and operational controls, accounting systems and reporting structure to ensure that they are adequate and effective. The Head of Internal Audit will have direct access to the Chairman of the Audit Committee.

Report of the Audit Committee

The report of the Audit Committee will be provided to the Board every quarter. The calendar of reviews by the Internal Audit team and the format of the report will be developed during the first Audit Committee meeting during the year.



Human Resource and Remuneration Committee

Terms of Reference

This committee will be responsible for dealing with employee related matters including recruitment, training, remuneration, performance evaluation, succession planning, and measures of effectively utilizing the workforce of the Company. It will also be responsible for making HR policies, recommending and approving salaries of the CEO,

CFO, Company Secretary, Head of Internal Audit and senior management who report directly to the CEO.



Integration and Supply Network Optimization Committee

Terms of Reference

The Committee will be responsible for dealing with the supply planning and network optimization strategy. The Committee will supervise the supply challenges consequent to the entity restructuring and provide recommendations to the Board.



Risk Management & Compliance Board

Members and Terms of Reference

The Risk Management & Compliance Board comprises of the CEO, Functional Heads and the Head of Compliance. It reviews significant risks affecting the business, including strategic, financial, operational and legal compliance risks. It oversees and ensures the identification and implementation of internal controls to mitigate significant risks. The Board monitors the various compliance initiatives and promotes risk management and compliance culture in the Company.

Management Committees

The Management Committee comprises of the CEO, CFO, Brands Director, Sales Director, Head of Medical Detailing, Head of Regulatory Affairs, and Head of Supply Chain.

Composition of the Board

The Board consists of 7 members, including

Independent Directors and those representing minority interests, with the necessary skills, knowledge, experience and competence, so that the Board as a group includes competencies and diversity considered relevant in the context of a listed Company's operations. The Board comprises of the Chairperson and the Chief Executive Officer, which are two separate positions.

Role of the Chief Executive Officer

The CEO is responsible for the management of the Company and for its financial procedures and other matters, subject to the oversight and directions of the Board and in accordance with the Companies Act 2017 and Code of Corporate Governance. His responsibilities include implementation of strategies and policies approved by the Board, making appropriate arrangements to ensure that funds and resources are properly safeguarded and are used economically, efficiently and effectively in accordance with all statutory guidelines.

Role of the Chairperson

In compliance with the Code of Corporate Governance, the role of the Chairperson is separate from the role of the Chief Executive Officer, with there being a clear demarcation between their responsibilities.

The Chairperson is primarily responsible for ensuring that the Board is functioning effectively with respect to implementation of the Company's strategy, and that all issues pertinent to the Company's governance are placed on the agenda of Board meetings, given that the power to set the agenda and sign the minutes of the Board meetings lies with the Chairperson. Moreover, the Chairperson assesses the general effectiveness of the Board, Directors and the committees, looks after issues regarding avoidance of conflicts of interest, and ensures that the Directors are empowered and encouraged to participate in the decisions of the Board. However, the Chairperson is not involved in the day to day operations of the Company.



**CEO & General Manager
Consumer Healthcare
Sohail Ahmed Matin**



**Brands Director
Ahmed Jamil Baloch**



**Finance Director
Talal Javed Ahmed**



**Sales Director
Sadia Nasir**



**Head of Regulatory Affairs
Mazhar Shams**



**Head of Medical Detailing
Shoaib Raza**



**Head of Supply Chain
Irfan Qureshi**



Finance



Finance at GlaxoSmithKline Consumer Healthcare is a strategic function that ensures efficient financial management and financial control. We partner effectively with all areas of the business to optimize the company's financial performance, combining focus and a determined attitude to add value to a range of business finance functions. This includes customer planning, budgeting for our valuable brands, monitoring of business performance, business valuation, mergers and acquisitions and financial risk management.

These decisions and core planning skills directly influence the development, growth and health of our brands. Through them we build a vision for a brighter and healthier future of the world.

Our Finance goals and ambitions, which are aligned with the Company and Global Finance strategy, broadly cover the following areas:

- *Deliver the finance and commercial strategy*
- *Be a world class finance team*
- *Balance risk and opportunity*
- *Protect value for organization*

In 2018, the finance team continued to support business expansion through managing the merger transaction of GSK OTC with and into GSK Consumer Healthcare which

will help enhance company's leadership position in the industry and embed the manufacturing facility of GSK OTC in Jamshoro.

Furthermore, the focus on people development also resulted in talent being exported within the GSK Global network. Farhan M. Haroon moved to GlaxoSmithKline Global office based in UK as Audit Account Director where he would be responsible for Global Consumer Healthcare Commercial Business, Financial Controls and Reporting across the Company. Hassaan Ahmed Siddiqui moved to GlaxoSmithKline Turkey as area Financial Reporting and Analysis Manager where he would be responsible for Middle East Africa Consumer Healthcare Financial Close, Control and Analysis.



**Farhan
M. Haroon**



**Hassaan
Ahmed
Siddiqui**

Finance is constantly focused on strengthening and upholding internal controls to mitigate risk and thereby protect value for shareholders. Moreover, our finance business partners seek to add value for business through their contributions in various initiatives pertaining to product innovations and simplifying the operating model.



In-line with GSK values, the Marketing Team has continued to innovate its science driven brands to evolve with the consumer journey.

The marketing function has been effectively engaged in designing communication of its brands to connect with consumers at all levels; enabling them to relate with and better understand our brands. In 2018, several campaigns were executed successfully across the consumer healthcare portfolio ranging from the Pain Relief to Oral Health categories. These strategies reinforced our existing interactions across channels with retailers, healthcare professionals and shoppers.

The year 2018 saw several leading campaigns, including the "Cinderella Campaign" for Panadol Children Range, which highlighted brand's credentials of high efficacy and safety. This is a prime example of GSK's commitment to help people do more, feel better and live longer. Moreover, the communication for

CaC-1000 PLUS took a step forward in 2018 from calcium deficiency awareness to habit building, recognizing category and consumer trends. Innovation has not only been limited to communication, but we have also brought in global scientific product innovations such as GSK's patented Novamin formulation in Sensodyne Repair and Protect.

Combining innovation in product and communication we aim to strategically invest in our power brands and develop class-leading communication through use of the ever-expanding digital platforms and tools. This pro-active approach will not only enable us to grow but also support in reaching our consumers in a unique and personalized manner.





2018 was a year where GlaxoSmithKline Consumer Healthcare's sales team proved to adhere to transparency and core sales values.

Despite challenging circumstances, our sales team remained highly engaged and delivered impressive results. They demonstrated professionalism and role modelled courage, accountability and teamwork.

Our leading brand Sensodyne, achieved a double-digit growth of 12.8% during 2018, demonstrating the strength of GlaxoSmithKline Consumer Healthcare's sales team, ensuring the availability of all Sensodyne variants across a diverse market: General Trade, Modern Trade Pharmacies, and Outlets.

Moreover, with the support from our dedicated team of distributors coupled with our increased footprint in the government sectors, our institutional business evolved with a growth of 46% in 2018.

The pharmacy channel is the largest contributor to our business, followed by both General and Modern Trade.

Throughout the year 2018, the company's focus has been on developing strategic channels to expand the current business landscape. This not only included expanding our distribution foot print but also included a dedicated service model for our "controlled substances portfolio" keeping in mind transparency, accountability and sales hygiene. E-Commerce was another Route to Market model which GSK Consumer Healthcare developed in 2018, which grew at an unprecedented rate of 66%.

With a strong customer focus and respect for people, we ensure to become the first choice for shoppers and customers alike. Our sales team brings life to GSK values and that is how we will beat the competition and become the first and the largest Fast-Moving Consumer Healthcare Company.



GSK Consumer Healthcare Expert Sales Team strategy is driven by our science, training and development.

With this goal in mind, we strive to be the first-choice for experts in Healthcare Profession. We focus on sharing the research and competitive advantage that brands offer. Being the industry leaders in various categories in Pakistan and globally, backed by science and innovation, the prescription data speaks for itself. The below points will highlight GSK Consumer Healthcare Expert Team efforts which they execute in their day-to-day activities to meet the company expectations and goals.



Informing Health Care Professionals about the benefits of our superior science consumer healthcare products and in turn creating widespread awareness amongst consumers.



GSK Consumer Healthcare products are based on scientific research and highly recommended by Health Care Professionals around the world. Hence, we are proud to promote our brands by conducting scientific engagement activities for these professionals and create brand awareness.



Expert team focuses on the growing number of opinion leaders who will represent and recommend GSK Consumer Healthcare products to other Health Care Professionals in Pakistan resulting in increased brand and company awareness. We retained the Category leadership position on top brands like Panadol, CaC-1000 PLUS, Sensodyne throughout the period.



Information Technology



We use advanced communication tools and technologies to establish a competent, productive and an overall simplified solution with value-added benefits such as increasing efficiency.

Our department oversees the installation and maintenance of computer network systems and focuses on providing well analysed business solutions that would help GSK Consumer Healthcare to grow.

In 2018, Tech took an initiative known as 'Making it Easier (MiE)' in which it identified some processes related to our employees and worked on simplifying them further, one of which was the SFA (Sales Force Automation) - Order Taking Process for our distributors. It proved to be a huge success as it showed improved efficiency of our Sales Representatives and strong and compliant commercial sales. For frequent travelers, we replaced the time-consuming travel expense claim process with an automated one, so it doesn't take much time and increase efficiency. Power BI has also been

introduced which facilitates user generated, agile data analysis with self-service BI analytics managed in the cloud for collaboration and sharing.

In the upcoming year 2019, we aim to automate more processes by identifying our people's needs and coming up with better and effective solutions. Simplifying some of the many time-consuming processes and bringing ease to the users is one of our top priorities. We also plan to explore the latest data visualization tools so that they help users in understanding the data more effectively. We are confident that 2019 will be a great year for us!



2018 comes to an end and undoubtedly it was quite a challenging year for the business considering the market volatility and rapidly changing internal & external environments.

In spite of the tough challenges business was able to supply 85 high quality Healthcare SKUs across the country with an On Time In Full (OTIF) of more than 98%.

The GSK Consumer Healthcare Supply Chain evolved significantly during 2018 with the formation of a new energetic Supply Chain Team and the expansion of Warehousing Network across the country. The Warehouse Network Optimization project was successfully implemented with absolutely no business interruption making our products available closer to our customers.

For the first time GSK Consumer Healthcare started the exports of Parodontax toothpastes to Qatar market

which was a great milestone achieved. It not only supported the Gulf region to resume their supplies but also gave Pakistan entity a first step in the international market.

During the year, Pakistan team was able to sustain the Level 2 maturity in the Demand Management process with the Sales Forecast Accuracy of 72%.

As we enter 2019, the focus would be to support the business with improved infrastructure, extended reach, cost efficiencies and a simplified operating model. The Supply chain team with full zeal and excitement look forward to further improve its contribution in the overall business performance.





Quality Management System (QMS)



Our Quality Management is designed to remain compliant with local regulations, consistently meeting quality standards for consumers and for continuous improvement for Company and shareholders.

'Trust', being one of the core aspects in the healthcare industry forms one of the key pillars of our organization with innovation and performance being next in line.

Ensuring highest level of QMS implementation at each level of our supply chain is our prime objective. The QMS has been focusing on key areas with some of the major accomplishments in the past year.

In 2018, we flourished quality culture in the LOC, implemented new artwork management system and reduced the timeline for artwork approval up to 20 days, which is an achievement. We managed successful GMP audits for two warehouses without a major finding. We continued the legacy of zero recall in the market in year 2018 as well. Level 1 was rigorously monitored in the Local Operating Company (LOC) where respective functions were required to review their performance against benchmarks.



GSK Priorities & Performance System: Innovation, Performance & Trust

In 2018, we continued to build on our GSK Priorities of Innovation, Performance and Trust as part of our commitment to deliver game changing business results. The focus on ensuring that our strategy of 1+3, (1 company and 3 business units), was championed through strong leadership, employee development and our continued focus on being a progressive employer.

Our GSK expectations of Courage, Accountability, Development and Teamwork re-iterated through our global #Let's Talk initiatives across GSK Pakistan, coupled with our values of Patient Focus, Transparency, Respect and Integrity all form the basis of 'Our DNA', guiding us to be one of the world's most innovative, best performing and trusted healthcare companies.

Innovation, coupled with our renewed focus on "Business First" and 'Making it Easier' for our customers, HR aims to focus on optimizing the business' organization design, leveraging the GSK performance system to drive and develop high quality leaders and drive the development of critical business capabilities and skills needed to develop and launch a pipeline of new products that meet the needs of patients and consumers.

Performance, continued to be a focal point for HR, as we focus on enhancing the quality and depth of talent, especially for critical roles along with improving their diversity through which we aim to achieve industry-leading growth by investing effectively in our business, developing our people and

delivering flawlessly when it comes to business results.

Trust, will continue to be a key HR pillar, intertwined across all our performance measures, by supporting our leadership team in inculcating a culture of clear communication, trust and openness. We are committed to building trust through our approach to engagement and excellent customer experience.



Developing Our People

Our continued commitment to developing and sustaining our talent pipeline by attracting and retaining the most talented people is a key success factor in GSK's outstanding results. Building on our approach to leadership development, the focus is on developing our managers to motivating team members to create a High-Performance Culture that leads to game changing business results.

At GSK, we view career development as a bridge towards building experience and capability instead of focusing solely on promotion and advancement. As our global talent network grows stronger and more widespread across countries including UK, Turkey, Belgium, Australia, Saudi Arabia, and Singapore we believe career paths should be flexible and adaptable to meet the future needs of our business and the aspirations of our employees.



Diversity & Inclusion

The year 2018 marked the launch of our Global Women Leadership Initiative (WLI) across GSK Pakistan on the International Women's Day. The CEO of L'OREAL Pakistan was called as a guest speaker to brace the occasion. Our Leadership Team fully supported the initiative and in collaboration with HR selected the Leads and Co-leads for the WLI forum. As a first step, the WLI team conducted diversity and inclusion workshops in the least diverse areas of GSK Pakistan by engaging renowned external facilitators. These workshops were a great success and helped lay the groundwork towards what GSK is trying to achieve in the long run i.e. a gender balance workforce, in line with GSK values. These sessions facilitated in removing the unconscious biases, present in the mindsets of the people related to diversity and inclusion. The WLI team also connects with employees regularly to build engagement and teamwork, creating a positive work culture where both genders feel safe to co-exist.

The initiatives led by WLI were also recognized externally by the Overseas Investors Chamber of Commerce and Industry (OICCI), who awarded GSK Pakistan in the "growing women leaders" category for 2018. We look forward in continuing to create a positive impact about diversity and inclusion, via WLI in 2019 and beyond.



Engagement

At GSK, we see employee engagement, as a means to strengthen ties at all levels of the organization and build on our GSK culture. In 2018, HR and the Leadership Team led the engagement agenda across all GSK locations and sites. These included our Eid Milan Breakfasts, Pakistan Independence Day Celebrations, Annual Milad, as well as various cultural celebrations that are part of our GSK heritage.

In line with our value of Transparency, the Global GSK Engagement Survey was rolled out company wide, allowing employees a chance to put forward their views on a variety of areas, including our GSK Values and Priorities. The 2018 GSK Engagement Survey results reported Employee Engagement levels of 94%, with the highest ever response rate to date, proves that GSK's strength lies in our ability to create a lasting bond with our employees and goes to show that everyone has a role to play in contributing to our culture.



Performance Management & Recognition

Our performance system is designed to make business performance central to what we do,

encourage effective leadership and strategy deployment. Our new performance management system is aligned to our 1+3 operating model, focused on business delivery, employee development and accountability. Furthermore, in 2018, we extensively supported the business to achieve their best, ensuring fairness and rewarding the right people.

In addition, we stressed upon the importance of following our expectations of Courage, Accountability, Development and Teamwork in supporting the performance and development of our workforce and in the implementation of our people processes such as hiring, assessment and training. This means that everyone aligns their objectives with the business and focuses their energy on driving business performance. Moreover, we have embedded the individual performance recognition which will now be based on business performance, connecting employees to the key indicators of business success whereas top performing individuals will be rewarded by the IPT (Innovation, Performance & Trust) award which is based on the most impactful performance against objectives and GSK values and expectations over a prolonged period. The implementation of our New Performance Management System means that we celebrate our business wins together, promoting a 'One Team' concept globally across GSK rather than limiting it to an individual.

Future Leaders Program

The GSK Pakistan's Future Leaders Program is a key driver of our talent pipeline, designed to attract, develop and nurture talented individuals. We aim to enable them to become our Future Leaders through our robust program which provides ambitious individuals with various opportunities to lead GSK in to the future whilst developing their own long-term careers. We place immense focus on our values when we hire future leaders; these are consumer first, integrity, respect for people and transparency.



Employee Health & Well Being

At GSK, our purpose to help people do more, feel better, live longer starts with our employees. In 2018, we launched our Global Challenge initiative which is a 100-day virtual journey around the world, where employees complete a series of fun physical activity challenges. It's a collaborative, fun way to think about our lifestyle choices and develop healthy habits together. Our employees from across GSK participated enthusiastically in the Global Challenge. It motivated and encouraged them to adopt a healthy lifestyle and therefore, developing energy and resilience across the organization.

Moreover, the earlier launch of our Employee Health & Well Being initiative in 2017 was carried through in 2018, focusing on 3 key areas; understanding your own health, how to act to protect against illness and choices you can make to be healthier and enable you to live well. The initiative includes health screening services, preventive exams and vaccinations.

GSK is committed to providing workplaces, programs and facilities that enable employees to understand and protect their health and make healthy choices – to feel healthier, happier and energized.



At GSK Consumer Healthcare, Regulatory Affairs is committed to focus on business goals and drive key strategic projects. We liaise with our stakeholders to create an environment based on trust which can strengthen our expectations.



2018 proved to be a great year for GSK Consumer Healthcare where we were able to receive approvals, and launch innovations like Voltral Emulgel 2% and CaC-1000 PLUS Lemon Flavor. We are proud to say that we are the first Company in history of Pakistan who secured approval to go on air for our pediatric range.

Our existing brands are growing year by year in their respective categories. We at Regulatory Affairs partner in the growth of brands and manage all desired approvals from regulatory bodies in a timely fashion.

We take pride in saying that we play a role in the success of every brand.

For 2019, we plan to deliver key projects which will give the business an added competitive advantage. We are well placed to strengthen our digital presence and articulate our position in regulatory matters. With new product innovations in the pipeline, we are well positioned to become the number one Consumer Healthcare Company in Pakistan.



The GSK Legal team is aligned to operate as effective business partners. Legal is committed to delivering agile and high quality legal and corporate secretarial services to the Company to foster an integrated and competitive business in a complex market and with GSK Values at the heart of each decision.

In 2018, Legal focused on the GSK priorities of Innovation, Performance and Trust. Therefore, simplification, automation of the contracting process,

prioritization & operational efficiencies helped transform Legal's 'must wins' into effective enterprise-oriented solutions.

Going forward, Legal will continue to navigate 2019 as an agile and synergized team focused on digital initiatives, smart risk taking, stakeholder knowledge management, and simplification to truly embody "One Team Many Skills".

Company Secretary

Mashal Mohammad is the Company Secretary of GlaxoSmithKline Consumer Healthcare Pakistan Limited and Senior Legal Manager. She joined GSK in 2015. She graduated from the University of Bristol and was called to the Bar from Lincoln's Inn/the Inns of Court School of Law (City University, London). She is also enrolled as an Advocate of the High Court. She has over 10 years of diversified work experience as an inhouse and practicing lawyer.





Engaging Stakeholders

GSK Consumer Healthcare recognizes and respects the various roles that our stakeholders play in helping people fulfill their objectives by realizing their ideas.

We truly value the relationships that we have established over decades and strive to strengthen them through both periodic and regular engagement. We believe that together we can create a lasting positive impact on the society around us through the work that we do.

Our stakeholders include:

Shareholders

GSK has had a history of delivering strong financial performance year after year. GSK Consumer Healthcare intends to continue on this path and aims to provide its shareholders with adequate returns in the future.

Distributors and suppliers

Our distributors and suppliers are essential partners in guaranteeing that we deliver only the highest levels of product quality. We help our suppliers and vendors grow their standards of quality management through periodically held QMS training sessions. Moreover, our distributors undergo regular QMS audits to ensure that compromises are not made when it comes to consistently delivering quality products.

Employees

Our team is considered one of our greatest strengths and given our strong belief in empowerment and growth, our employees are trained through local and international training, coaching and mentoring programs in order to enable them to reach broader, better avenues both professionally and personally.

Regulators

We place responsible corporate citizenship at the top of our priorities and pledge to respect and adhere to legal requirements and regulations.

Local community

At GSK Consumer Healthcare, we are respectful of and grateful to the environment in which we operate. We understand that the people and community we work with give us the opportunity to achieve our ambition to become Pakistan's first Fast Moving Consumer Healthcare company.



OUR STRUCTURE



Group Structure

● <i>GlaxoSmithKline plc</i>	100%
● <i>GlaxoSmithKline Holdings Limited</i>	100%
● <i>GlaxoSmithKline Finance plc</i>	100%
● <i>SetFirst Limited</i>	100%
● <i>GlaxoSmithKline Consumer Healthcare Holdings Limited</i>	100%
● <i>GlaxoSmithKline Consumer Healthcare (Overseas) Limited</i>	100%
● <i>GlaxoSmithKline Consumer Healthcare B.V.</i>	100%
● <i>GlaxoSmithKline Consumer Healthcare Pakistan Limited</i>	85.79%



GSK Jamshoro plant, serving three markets, Pakistan, Vietnam and Philippines, manufactures and packages consumer healthcare and OTC products.

The site has state of the art facility for manufacturing and packaging of tablets, capsules, syrups / suspension, creams and gel products. The plant also has dedicated sections for Calcium effervescent (CaC-1000 PLUS) and chewable tablets (Qalsan-D). This site also manufactures solids and semi solids for Novartis. All products are manufactured and packed as per cGMP and high standards of Quality systems and assurance as per local and international standards. The plant complies with NEQS (National Environmental Quality Standards) as per EPA (Environmental Protection Agency) and SEPA (Sindh Environmental Protection Agency).

Annual Volume
82
Million Packs

No. of SKUs
manufactured
66

Geographical Presence



AMERICAS

Argentina
Brazil
CariCam
Chile
Colombia
Ecuador

Mexico
Canada
United States of America



EUROPE

Southern Europe
France
Iberia
Italy
Portugal
Ireland

Central and
Eastern Europe
Romania
Russia
Ukraine & CIS
Adriatic
Poland



Norther Europe
Great Britain
Ireland



MIDDLE EAST AND AFRICA

East Africa
Egypt
Gulf and Near East
Pakistan
Saudi Arabia
South Africa
Turkey
West Africa



ASIA PACIFIC

Australia and New Zealand
Greater China
Indian Sub-Continent
Japan and Korea
Southeast Asia



OUR BRANDS



Panadol, GSK Consumer Healthcare’s flagship brand is the first choice for pain and fever relief among doctors and consumers because of its promise of strong commitment towards excellence in scientific research and quality. Panadol has now become a household name in Pakistan, built on a history of trust and credibility spanning over several decades.

In 2018, Panadol maintained its steady progress by sustaining the highest market value share of 46%, in addition of being the most prescribed brand in Pakistan by experts in the Analgesics category¹.

Panadol range includes Pain, Fever and Cold & Flu relief products of various strengths and formats and for all age groups. 2018 was an exciting year for the brand with the launch of the first ever campaign for Panadol Children range as being tough on fever and gentle on the child’s tummy; focusing on the brand’s efficacy as well as safety of use. With this campaign we did not

only focus on further strengthening our expert connections, but the campaign breathed new life into the brand by cross-medium integration, including TV, digital, radio and PR, relating to parents’ experiences of having tough and gentle moments with their children when it comes to their health.

Going forward, Panadol will continue to work towards its promise of delivering pain solutions in the form of innovation and quality, expanding its footprint towards specific pain indications as continuing to cater to a wide range of pain sufferers.



¹ IMS Data Rx Dec'18

CaC-1000 PLUS

No. 1 Prescribed Calcium Supplement in Pakistan

Priority #1 on Expert



CaC-1000 PLUS is the biggest brand in the calcium category with a value share of 36%² in 2018 driven by utmost trust of Consumers and Healthcare Professionals alike. CaC-1000 PLUS is an effervescent tablet, available in 4 flavors; Orange, Cola, Lemon and Mango (the only sugar free offering in the portfolio).

Calcium deficiency is a prevalent issue in Pakistan as 1 in 2 women³ suffer from this condition. GSK Consumer Healthcare, being the market leader in the category, took it as a challenge to build awareness of this problem among the masses and in the process of doing so, the calcium category grew by 12% in Pakistan. 2018 was the second consecutive year of

the Calcium Awareness Campaign. After the award-winning campaign **"Strong Bones, Strong Future"** in 2017, the 2018 campaign talked about building the habit of calcium use in daily life.

CaC-1000 PLUS has strong scientific credentials as it has double calcium in the form of Calcium Carbonate and Calcium Lactate Gluconate in an effervescent formulation. Combined, the quantity of calcium is in line to support the average daily requirements of an adult. These factors along with a pleasant taste are acknowledged by Healthcare Professionals and their confidence in our brand has resulted in CaC-1000 PLUS being the #1 Prescribed Calcium Supplement in Pakistan with a prescription share of 25% in 2018.

² IMS MAT Sales Data, Dec '18

³ National Nutrition Survey, 2011



Sensodyne, our legacy brand, has made its own mark in the toothpaste segment. As a brand Sensodyne has evolved and innovated not only in terms of product but also in the way it engages consumers. Relying on science, research and quality, Sensodyne has gained the trust of Consumers, Shoppers & Experts.



This evolution is evident from our communication which has evolved into a mix of Sensitivity Condition Awareness complemented by the Consumer-Centric campaign, "Faces of Sensitivity". Direct Consumer Connections through Checkup activations & partnerships with food festivals, Expert Engagement, In-Store Visibility, PR and Digital campaigns and Innovations have led to a strong consumer penetration for Sensodyne. This has turned Sensodyne into a Rs. 1.7 billion brand with a market share of 12.8%⁴ in the Toothpaste Category.

Sensodyne understands that sensitivity pain is a hindrance in enjoying small festivities in life and commits to enabling consumers in combatting this condition and ultimately do more, feel better and live longer. The Portfolio includes 7 variants of toothpastes, 4 brushes and a mouthwash – all specially designed to treat sensitivity alongside their own unique propositions



⁴ MAT Dec'18 AC Nielsen Retail Audit

parodontax

Parodontax is a specialist gum health toothpaste and is clinically proven to be 4x more effective at removing the main cause of bleeding gums than a regular toothpaste.

2018, only the second year since Parodontax was re-launched, the brand began local production of two new variants: Original and Extra Fresh.

Gum Health in Pakistan is often neglected by the general population. Parodontax's main objective is to create awareness on Gum Health and Bleeding Gums and build relevance for Parodontax as a solution.

Parodontax continued to be on air, with the 360-degree campaign, creating awareness on gum disease and showing bleeding gums as the first sign of dental concern of weak gums. To support the

communication, the brand was also leveraged on the growing digital platform, including website, Facebook, Google, local publishers and videos on YouTube.

Moreover, having a strong relationship with dentists in the past, GSK leveraged its expert force to re-build expert communication and recommendation – primarily supported with the sampling of extra fresh. On the shopper front, Parodontax tools were placed on shelves, with key message of 'Leave Bleeding Gums Behind with Parodontax', activities in modern trade and general trade outlets including free trial of Parodontax Extra Fresh.

Above mentioned efforts resulted in establishing of 1%⁵ market share through gaining an exponential growth of 150% over the previous year.

LEAVE BLEEDING GUMS BEHIND

parodontax EXTRA FRESH

DAILY FLUORIDE TOOTHPASTE FOR HEALTHY GUMS & STRONG TEETH

4x MORE EFFECTIVE
AT REMOVING THE MAIN CAUSE OF BLEEDING GUMS*

*following a professional clean & twice daily brushing

Helps stop and prevent bleeding gums

⁵ MAT Dec'18 AC Nielsen Retail Audit

PHYSIOGEL

HYPOALLERGENIC

2018 - Building Momentum

In Pakistan, a lot of the consumers feel that they have a skin problem, but only a fraction of the consumers have consulted a Dermatologist for their skin problems!

Physiogel is one of the strongest, most prescribed and recommended clinically proven brand in the Skin Health category, it is hypoallergenic, free from perfumes, preservatives or colorants. Physiogel with its BioMimic technology accelerates dry skin repair by supporting the natural processes of the skin and nourishes and repairs the moisture barrier even for those with sensitive skin, leaving it smoother and visibly healthier. The Portfolio includes 12 variants of skincare products, including cleanser, lotion, cream, and shampoo- all specially designed to treat dry and sensitive skin.

91% agree skin is protected against recurring dryness⁶

In 2018, Physiogel owned and dominated the 'Confidence Platform' with its new Physiogel Confident, multi-channel campaign featuring its celebrity brand ambassador, Ayesha Khan. Apart from focusing on the functional features & benefits of Physiogel's patented BioMimic technology, the campaign connects emotionally with its consumers with Ayesha Khan narrating her own personal story and testifying how Physiogel has not only transformed her skin over the years but has also massively boosted her confidence, greatly empowering her in achieving her dreams and goals. This campaign highlights the notion as to how



⁶ Tested on 150 women after 2 weeks use

'Physiogel gives the confidence to face the world without any fear'. Owing to these digital activations, Physiogel continues to hold its status of being one of the largest Facebook communities in the GSK World. Further building the brand equity, shopper and expert also played a key role. On the shopper front, Physiogel successfully launched 'Project Glam' to enhance its in-store visibility. Keeping in line with the growing digital landscape, Physiogel was also the pioneer brand in GSK Consumer Healthcare Pakistan to own the e-commerce platform and the first market in the EMEA region to launch on this channel.

Physiogel has always been driven by Dermatologists owing to its scientific base, and 2018 was the year where it continued building momentum with our Experts by increased communication, a dedicated team and initiating new platforms of communication such as the SMS activation campaign.

The above reasons led to exponential brand growth of 60% vs. last year, and turned Physiogel into a Rs. 180 million brand, forecasted to grow at 51% in 2019.





For the treatment of oily, pimple, and acne prone skin



A rich, moisturizing cream, suitable for dry skin including skin prone to eczema



Topical Emulgel for neck, back and muscular pain



Chewable calcium tablets for strong bones and teeth



For the treatment of mild acne

Duofilm

For the treatment of warts and corns

SpectraBAN

Non-greasy, water-resistant, hypoallergenic sunblock that controls sebum and provides protection from harmful UV rays

ENO

The only antacid in the market that helps relieve heartburn symptoms by effectively beginning the process in just six seconds

Actifed

For systematic relief of nasal congestion, rhinitis or cough associated with upper respiratory track disorders

IODEX

For topical pain segment to provide relief from head, neck, back and muscular pain

Anti-allergic

T-Day

(Levocetirizine Dihydrochloride)

Anti-allergic treatment for sneezing, blocked nose, itchy skin rash and itchy watery eyes

Horlicks

Nutritional food powder clinically proven to help children become taller, stronger and sharper

Hydrozole

Cream

An anti-fungal cream that targets inflammation and fights the fungi that cause it. Hydrocortisone, the core ingredient in this product, distinguishes it from other antifungal products in the market

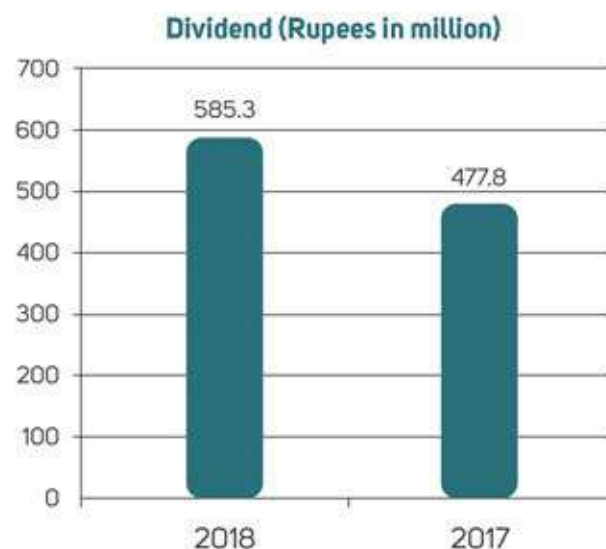
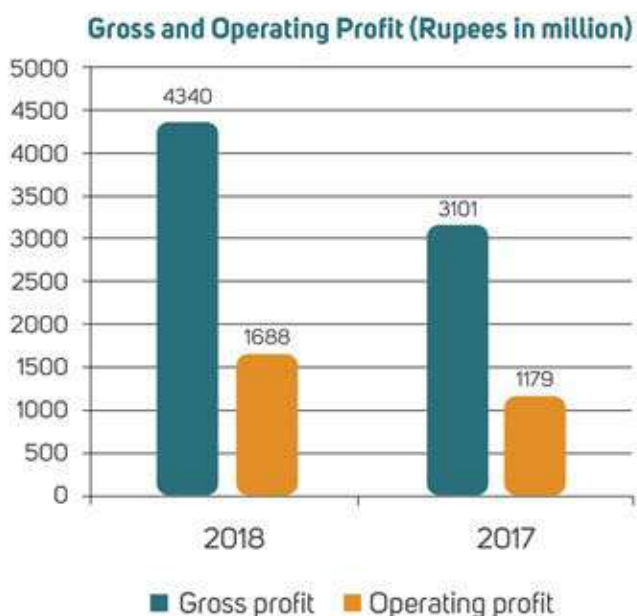


FINANCIAL AND STAKEHOLDERS' INFORMATION

Financial Performance at a glance

Rupees in million

	2018	2017
Net Sales	14,875	8,298
Gross Profit	4,340	3,101
Operating Profit	1,688	1,179
Profit Before Tax	1,463	1,171
Taxation	(388)	(464)
Profit after taxation	1,075	707
Dividend per share Rs.*	5.00	5.00
Paid-up Capital (in million)	1,170.5	955.5



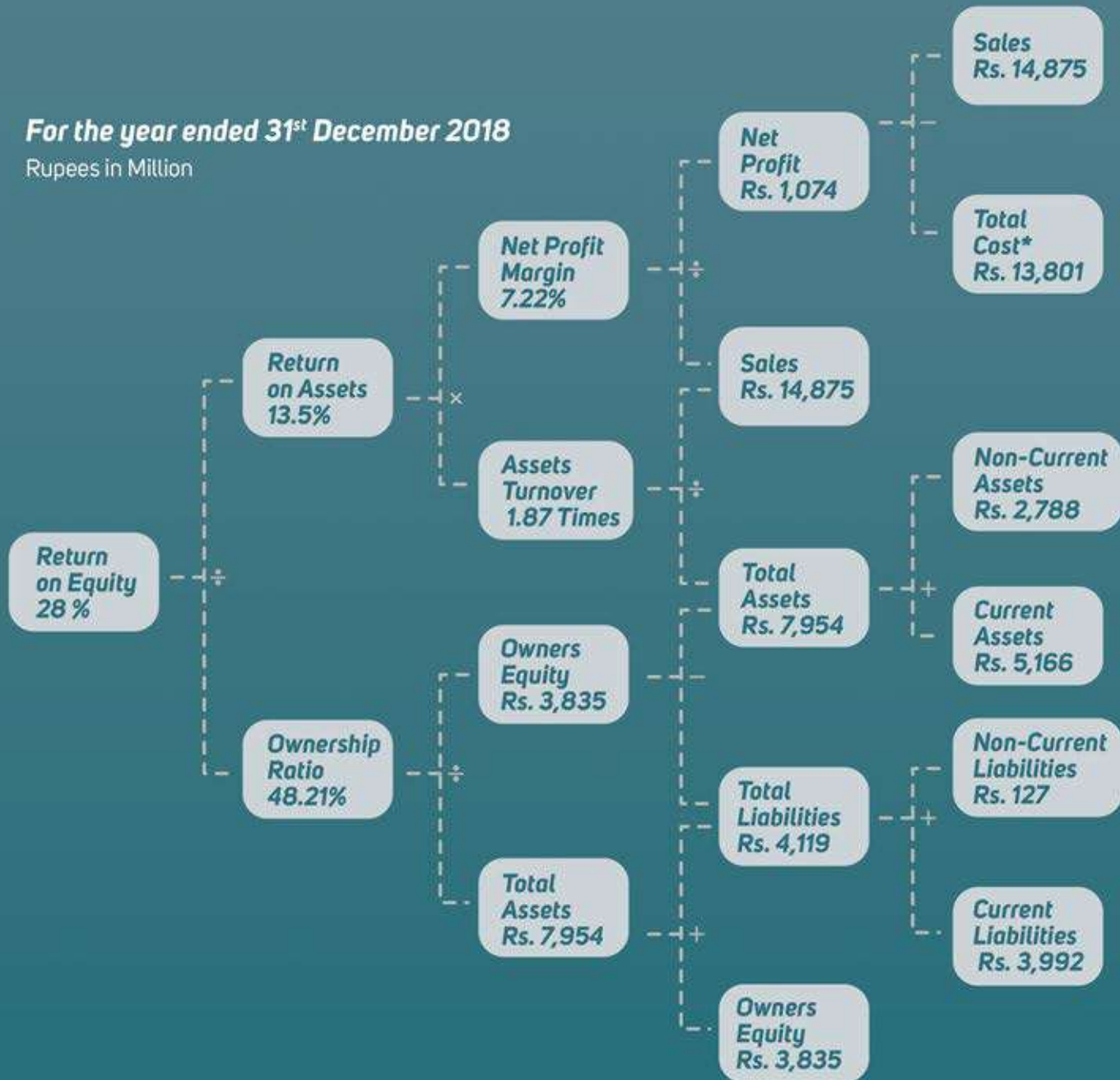
* Represents final cash dividend @ Rs 5 per share proposed by the Board of Directors subsequent to the year end.



Dupont Analysis

For the year ended 31st December 2018

Rupees in Million



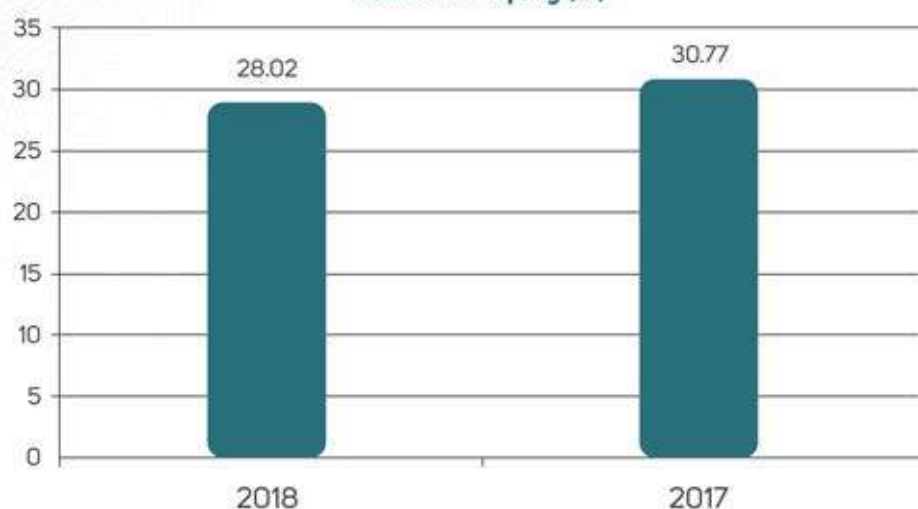
*Total Cost includes COGS, Selling, Admin, Other Expenses, Financial charges, (less: Other income) and Taxation.

Key Performance Indicators (Ratios)

Balance Sheet		2018	2017
Assets employed			
Fixed Assets - tangible			
- property, plant and equipment	Rs. in million	2,650	125
Assets - intangible			
- Goodwill	Rs. in million	128	-
Deferred taxation	Rs. in million	-	8
Long-term loans and deposits	Rs. in million	11	1
Net current assets	Rs. in million	1,174	2,183
	Rs. in million	3,962	2,316
Less: Non-Current Liabilities			
Staff retirement benefits - Staff gratuity	Rs. in million	38	20
Deferred taxation	Rs. in million	90	-
	Rs. in million	127	20
Net assets employed	Rs. in million	3,835	2,297
Financed by			
Issued, subscribed and paid-up capital	Rs. in million	1,171	956
Reserves	Rs. in million	2,664	1,341
Shareholders' Equity	Rs. in million	3,835	2,297
Turnover and profit			
Net sales	Rs. in million	14,875	8,298
Gross profit	Rs. in million	4,340	3,101
Operating profit	Rs. in million	1,688	1,179
Profit before taxation	Rs. in million	1,463	1,171
Taxation	Rs. in million	(388)	(464)
Profit after taxation	Rs. in million	1,075	707
EBTIDA	Rs. in million	1,899	1,202
Cash Dividend including bonus shares	Rs. in million	585	478
Sales per employee	Rs. in thousand	30,990	131,717

Cashflows		2018	2017
Rupees in Millions			
Operating Activities	Rs. in million	(415)	559
Investing Activities	Rs. in million	(234)	72
Financing Activities	Rs. in million	(78)	-
Changes in Cash equivalents	Rs. in million	(727)	631
Cash & equivalents - Year end	Rs. in million	(884)	1,302
Financial Highlights			
		2018	2017
Cash dividend per share	Rupees	5.0	5.0
Bonus shares	%	-	-
Market value per share - year end	Rupees	266.39	324.29
Market value per share - high	Rupees	529.00	365.00
Market value per share - low	Rupees	258.00	100.63
Market price to Book value with surplus	Times	8.41	13.49
Market capitalization	Rs. in million	31,182	30,986
Profitability Ratios			
		2018	2017
Profit before tax ratio	%	9.83	14.11
Gross Yield on Earning Assets	%	7.64	4.60
Gross Spread ratio	Times	0.25	0.23
Cost / Income ratio	Times	0.62	0.64
Return on Equity	%	28.02	30.77
Return on Capital employed	%	42.61	50.90
Gross Profit ratio	%	29.18	37.37
Net Profit to Sales	%	7.22	8.52
EBITDA Margin to Sales	%	12.77	14.48
Operating leverage ratio	Times	0.7	0.7

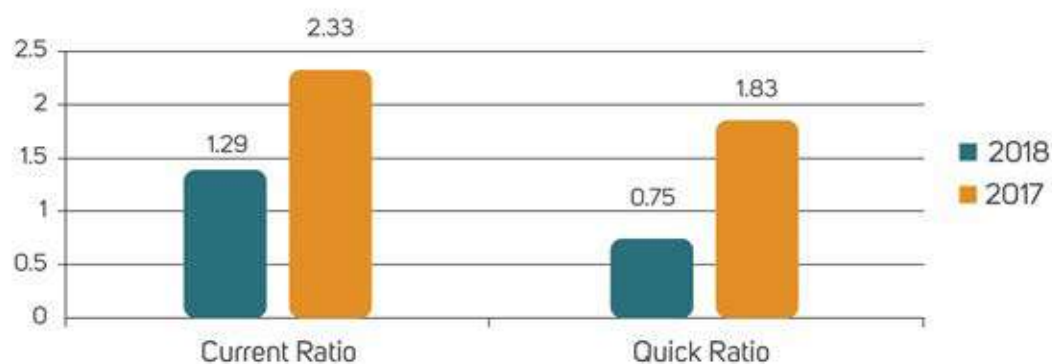
Return on Equity (%)



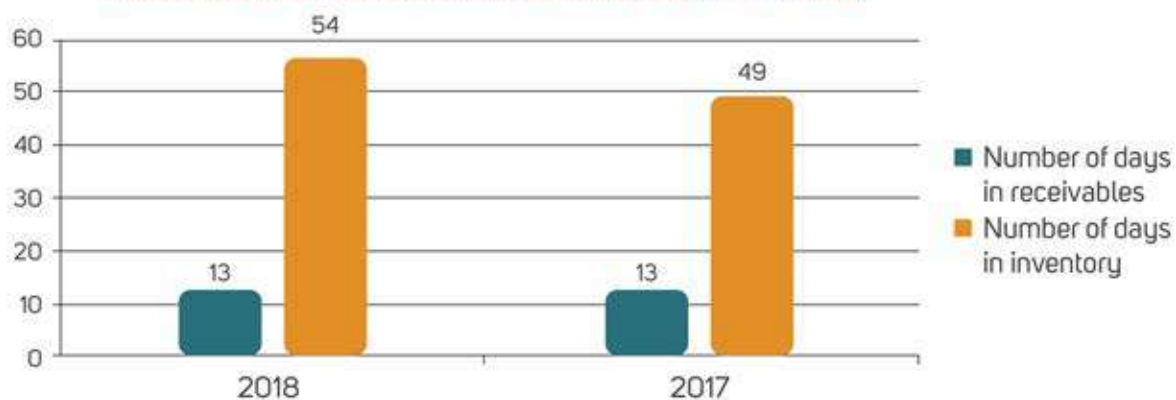
<i>Investment/Market Ratios</i>		2018	2017
Earnings per share (EPS)	Rupees	9.18	7.39
Price Earnings ratio	Times	29.02	43.88
Price to Book ratio	Times	8.41	13.49
Dividend Yield ratio	%	1.88	1.54
Dividend Payout ratio	Times	0.54	0.68
Dividend Cover ratio	Times	1.84	1.48
Break-up Value per share	Rupees	32.76	24.04
<i>Capital Structure Ratios</i>		2018	2017
Earning assets to total assets ratio	%	8.89	58.21
Net assets per share	Times	32.76	24.04
Debt to Equity ratio	Times	0.42	-
Interest Cover ratio	Times	11.16	271.03
<i>Liquidity Ratios</i>		2018	2017
Current ratio	Times	1.29	2.33
Quick / Acid test ratio	Times	0.72	1.83
Cash to Current Liabilities	Times	0.18	0.79
Cash flow from Operations to Sales	%	(2.79)	6.74

<i>Activity / Turnover Ratios</i>		2018	2017
Inventory turnover ratio	Times	6.8	7.5
No. of Days in inventory	Days	54	49
Debtor turnover ratio	Times	29.0	28.3
No. of Days in receivables	Days	13	13
Creditor turnover ratio	Times	17.2	14.3
No. of Days in Creditors	Days	22	26
Total Assets turnover ratio	Times	1.87	2.10
Fixed Assets turnover ratio	Times	5.6	66.5
Operating Cycle	Days	46	36

Current and Quick Ratio (Number of Times)



Number of Days in Receivables and Number of Days in Inventory



Direct Cash Flow Statement

FOR THE YEAR ENDED DECEMBER 31, 2018

	2018	2017
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	14,764,941,373	8,316,824,935
Cash paid to suppliers / service providers	(12,981,215,609)	(7,203,676,714)
Cash paid to employees	(1,052,079,619)	(225,853,203)
Payment of indirect taxes and other statutory duties	(239,089,563)	(51,643,157)
Financial charges paid	(139,780,490)	(154,139)
Staff retirement benefits paid	(23,960,160)	(7,492,213)
Income taxes paid	(743,788,903)	(268,655,682)
Net cash (used in) / generated from operating activities	(414,972,971)	559,349,827
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(314,785,896)	(28,387,509)
Proceeds from sale of operating assets	8,556,401	13,220,906
Return received	72,036,125	87,028,840
Net cash (used in) / generated from investing activities	(234,193,370)	71,862,237
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(77,903,044)	-
Net (decrease) / increase in cash and cash equivalents	(727,069,385)	631,212,064
Cash and cash equivalents at beginning of the year	1,301,554,423	670,342,359
Net cash and cash equivalents transferred from GSK OTC	(1,458,822,362)	-
Cash and cash equivalents at end of the year	(884,337,324)	1,301,554,423

Horizontal Analysis

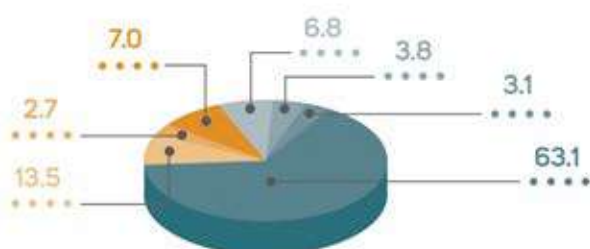
Vertical Analysis

<i>Balance Sheet Analysis</i>	<i>2018</i>	<i>2017</i>	<i>Balance Sheet Analysis</i>	<i>2018</i>	<i>2017</i>
Share Capital and Reserves	67.0	43.9	Share Capital and Reserves	48.2	58.1
Non Current Liabilities	552.0	128.5	Non Current Liabilities	1.6	0.5
Current Liabilities	143.8	30.3	Current Liabilities	50.2	41.4
Total Equity and Liabilities	101.2	38.2	Total Equity and Liabilities	100.0	100.0
Non Current Assets	1,983.7	(10.6)	Non Current Assets	35.1	3.4
Current Assets	35.2	40.9	Current Assets	64.9	96.6
Total Assets	101.2	38.2	Total Assets	100.0	100.0
<hr/>					
<i>Profit and Loss Analysis</i>	<i>2018</i>	<i>2017</i>	<i>Profit and Loss Analysis</i>	<i>2018</i>	<i>2017</i>
Net sales	79.3	54.4	Net sales	100.0	100.0
Cost of sales	102.7	34.4	Cost of sales	(70.8)	(62.6)
Gross profit	39.9	105.6	Gross profit	29.2	37.4
Selling, marketing and distribution expenses	30.5	85.1	Selling, marketing and distribution expenses	(16.0)	(22.0)
Administrative expenses	49.7	46.2	Administrative expenses	(1.9)	(2.3)
Other operating expenses	43.8	35.8	Other operating expenses	(0.9)	(1.1)
Other operating income	(22.0)	(65.8)	Other operating income	1.0	2.2
Operating profit	43.2	37.5	Operating profit	11.4	14.2
Financial charges	2,676.1	423.2	Financial charges	(1.5)	(0.1)
Profit before taxation	24.9	36.8	Profit before taxation	9.8	14.1
Taxation	(16.4)	49.4	Taxation	(2.6)	(5.6)
Profit after taxation	52.0	29.6	Profit after taxation	7.2	8.5

Statement of Value Added and its Distribution

	2018		2017	
	Rs. 000	%	Rs. 000	%
Revenue Generated				
Total revenue	15,592,219	100.0	8,964,312	100.0
Revenue distributed				
Bought-in -materials and Services	9,842,389	63.1	5,191,856	57.9
Selling, Marketing and Distribution Expenses	2,104,925	13.5	1,682,861	18.8
Administrative Expenses and Financial Charges	414,601	2.7	109,104	1.2
Income tax	388,140	2.5	464,023	5.2
Worker's funds and Central research fund	127,198	0.8	88,464	1.0
Sales tax	575,589	3.7	484,964	5.4
To Government	1,090,927	7.0	1,037,451	11.6
Salaries,Wages and other benefits	1,064,825	6.8	236,224	2.6
To Employees	1,064,825	6.8	236,224	2.6
Donations	-	-	-	-
To Society	-	-	-	-
Cash dividend per share	585,273	3.8	477,751	5.3
To Shareholders	585,273	3.8	477,751	5.3
Retained in the Business	489,279	3.1	229,065	2.6
	15,592,219	100.0	8,964,312	100.0

* Represents final cash dividend @ Rs 5 per share proposed by the Board of Directors subsequent to the year end.



- Bought-in-material and services
- Selling, Marketing and distribution Expenses
- Administrative expenses and Financial charges
- To Government
- To Employees
- To Society
- To Shareholders
- Retained in the business



Financial Highlights

● Revenue	Rs. 14,875 million
● Profit After Tax	Rs. 1,075 million
● Basic Earnings per share	Rs. 9.18
● Return on Equity	28.02%
● Owners Equity	Rs. 3,835 million
● Net assets per share	Rs. 32.76
● Debt to Equity Ratio	0.42
● Current Ratio	1.29 Times
● Asset Turnover	1.87 Times

Statement of Compliance

with Listed Companies (Code of Corporate Governance) Regulations, 2017

GlaxoSmithKline Consumer Healthcare Pakistan Limited
Year ending December 31, 2018

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are seven (7) as per the following:

a)	Male:	5
b)	Female:	2

2. The composition of the Board is as follows:

Category	Name
Independent Directors	<ul style="list-style-type: none">• Mr. Muhammad Zindah Moin Mohajir• Syed Anwar Mahmood
Executive Directors	<ul style="list-style-type: none">• Mr. Sohail Matin• Mr. Talal Javed Ahmed
Non-Executive Directors	<ul style="list-style-type: none">• Ms. Annelize Roberts• Ms. Emine Tasci Kaya• Syed Azeem Abbas Naqvi

3. The Directors have confirmed that none of them is serving as a Director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and in her absence, by a Director elected by the Board for the purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the Meetings of the Board.
8. The Board of Directors have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.
9. The Board has arranged Directors' Training Program for the following:
 - a) Talal Javed Ahmed - Chief Financial Officer
10. The Board has approved the appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. The CFO and CEO duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

- a) Audit Committee
- | | | |
|------|------------------------|-----------|
| i. | Mr. Moin Mohajir - | Chairman |
| ii. | Syed Anwar Mahmood | |
| iii. | Syed Azeem Abbas Naqvi | |
| iv. | Ms. Varisha Shahid - | Secretary |
- b) HR and Remuneration Committee
- | | | |
|------|--|----------|
| i. | Syed Anwar Mahmood - | Chairman |
| ii. | Mr. Sohail Matin | |
| iii. | Syed Azeem Abbas Naqvi | |
| iv. | Mr. Ahmad Ali Zia (2018) replaced by Ms. Tania Zahid (Secretary) | |
- c) Risk Management Committee
- | | | |
|----|---|--|
| i. | All members of the RMCB – Leadership Team of GSK CHC Pakistan | |
|----|---|--|

13. The Terms of Reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of the meetings (quarterly/half yearly/yearly) of the committees were as per following:

- | | | |
|----|-------------------------------|-----------------------------|
| a) | Audit Committee | Quarterly |
| b) | HR and Remuneration Committee | 1st Quarter and 4th Quarter |
| c) | Risk Management Committee | Quarterly |

15. The Board has outsourced the internal audit function to Ernst & Young Ford Rhodes, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of the Regulations have been complied with.

Karachi
March 18, 2019



Annelize Roberts
ChairPerson

REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

To the members of GlaxoSmithKline Consumer Healthcare Pakistan Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

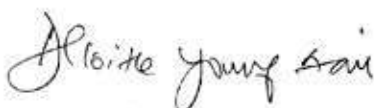
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of GlaxoSmithKline Consumer Healthcare Pakistan Limited (the Company) for the year ended December 31, 2018 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2018.



Chartered Accountants

Place: Karachi

Date: March 30, 2019

AUDITORS' REPORT TO THE MEMBERS

To the members of GlaxoSmithKline Consumer Healthcare Pakistan Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of GlaxoSmithKline Consumer Healthcare Pakistan Limited (the Company), which comprise the statement of financial position as at December 31, 2018, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2018 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S. No	Key audit matters	How our audit addressed the key audit matter
1.	<p>Scheme of arrangement for merger</p> <p>As disclosed in note 1.3 to the financial statements, an associated undertaking namely GlaxoSmithKline OTC (Private) Limited (GSK OTC) was, during the year, merged with and into the Company after the shareholders and the Sindh High Court (the Court) approved and sanctioned the scheme respectively.</p> <p>The Company had obtained the services of consultants and decided share swap ratio of 2.1:10 shares (i.e., 2.1 shares of the Company were issued for every 10 shares of GSK OTC). Management applied the predecessor accounting to account for the merger and, as a result, merger reserve of Rs. 728.73 million was recognized in the books of the Company.</p> <p>We considered the merger as a key audit matter considering its significant impact on the operations and financial statements of the Company.</p>	<p>In response to this matter, we performed the following procedures:</p> <ul style="list-style-type: none"> - Obtained an understanding of the merger process; - Obtained and reviewed minutes of meetings of the Board of Directors (the Board) and the shareholders' whereby scheme of merger was approved together with supporting documents; - Obtained and reviewed the approved scheme filed with the Court and the order issued by the Court approving the scheme; - Obtained confirmation from the legal counsel of the Company in respect of effectiveness of the scheme, which was also reviewed by our legal expert; and - Checked appropriateness of disclosures made in the financial statements.
2.	<p>Impairment assessment of intangible asset - goodwill</p> <p>As disclosed in note 5 to the financial statements, the Company has an intangible asset in the form of goodwill having carrying value of Rs. 127.67 million at the year-end.</p> <p>The goodwill was recorded as result of an acquisition of business from Novartis Pakistan Private Limited (NPPL) by the merged entity (GSK OTC) in year 2016.</p> <p>As per the approved accounting and reporting standards as applicable in Pakistan, the Company is required to, at least annually, perform impairment assessment of goodwill.</p> <p>For performing impairment assessment, management has allocated goodwill to appropriate cash generating units ("CGUs"). The recoverable amount of the underlying CGUs is supported by value-in-use calculations, which are based on future discounted cash flows. Management</p>	<p>In response to this matter, we performed the following procedures:</p> <ul style="list-style-type: none"> - Obtained understanding of management's process over the impairment assessment of goodwill; - Obtained management's future cash flow forecasts and tested arithmetical accuracy of underlying value-in-use calculations; - Assessed the reasonableness of key assumptions used in the calculations, comprising sales growth rates, gross profit margin, net profit margin, terminal growth rate and discount rates. When assessing these key assumptions, we discussed them with management to understand and evaluate management's basis for determining the assumptions, and compared them to economic growth forecasts from available external sources. We also engaged our internal expert to assist us in assessing the reasonableness of the key assumptions used by management; and

S. No	Key audit matters	How our audit addressed the key audit matter
	<p>concluded that goodwill was not impaired as of December 31, 2018.</p> <p>We focused on this area as the assessments made by management involved significant estimates and judgements, including sales growth rates, net profit margin and terminal growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows of the underlying CGUs. These estimates and judgements may be affected by unexpected changes in future market or economic conditions or discount rates applied.</p>	<ul style="list-style-type: none"> - Performed sensitivity analysis around some assumptions, to ascertain that selected adverse changes to discount rate would not cause the carrying amount of goodwill to exceed the recoverable amount.
3.	<p>Valuation of inventories</p> <p>Refer to note 7 to the financial statements.</p> <p>As at December 31, 2018, the Company's carrying amount of inventories amounts to Rs. 2,231.36 million.</p> <p>We identified valuation of inventories as a key audit matter as it involves significant management judgement with respect to actualization of standard costs, determination of net realizable values, and determination of obsolescence of stock.</p>	<p>In this respect, we performed the following audit procedures:</p> <ul style="list-style-type: none"> - Obtained an understanding of procedures followed by the Company with respect to valuation of inventories; - Assessed appropriateness of the Company's valuation policy as per the requirements of the accounting and reporting standards as applicable in Pakistan; - On a sample basis, verified supporting documents for purchases of inventory and the production cost; - Obtained working of variances recorded by management and tested the amounts, which were incurred and retained to actualize the standard cost of inventory at the year-end. While performing such procedures, we identified certain differences, which were communicated to management and management accordingly incorporated impacts in the financial statements. - Obtained an understanding and assessed reasonableness of the management's process for the determination of net realizable value (NRV) and the key estimates adopted, including future selling prices, future costs to complete and costs necessary to make the sales and their basis; - Compared the NRV, on a sample basis, to the carrying value of inventory to assess whether any adjustments were required to the carrying values of inventories in accordance with the policy; and - Tested provision recorded for obsolete stock to ensure that whether it was as per the policy of the Company.

Information Other than the financial statements and the Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report of the Company for the year ended December 31, 2018, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

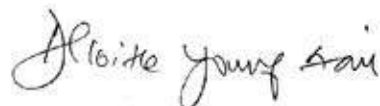
Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under the Zakat and Usher Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Other matter

The financial statements of the Company for the year ended December 31, 2017 were audited by another firm of chartered accountants who issued an unmodified opinion dated February 23, 2018 thereon.

The engagement partner on the audit resulting in this independent auditor's report is Naresh Kumar.



Chartered Accountants

Place: Karachi

Date: March 30, 2019

Statement Of Financial Position


AS AT DECEMBER 31, 2018

	Note	2018 Rupees	2017
ASSETS			
Non-current assets			
Property, plant and equipment	4	2,649,778,094	124,719,671
Intangible	5	127,674,000	-
Deferred taxation	18	-	8,236,058
Long-term loans to employees	6	7,360,796	854,322
Long-term deposits		3,390,000	-
		2,788,202,890	133,810,051
Current assets			
Stores and spares		48,000,000	-
Inventories	7	2,231,361,076	821,918,549
Trade debts	8	754,862,976	271,293,332
Loans and advances	9	261,832,746	1,224,927,742
Trade deposits and prepayments	10	77,485,540	52,132,311
Interest accrued		-	20,843,727
Refunds due from Government	11	107,339,973	100,970,552
Other receivables	12	614,158,713	26,316,205
Taxation - payments less provision		363,570,251	-
Investment at amortised cost	13	-	198,542,857
Bank balances	14	707,442,531	1,103,011,566
		5,166,053,806	3,819,956,841
Total assets		7,954,256,696	3,953,766,892
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	15	1,170,545,080	955,501,830
Reserves	16	2,664,440,057	1,341,331,243
		3,834,985,137	2,296,833,073
Liabilities			
Non-current liabilities			
Staff retirement benefits	17	37,635,450	19,531,078
Deferred taxation	18	89,705,256	-
Current liabilities			
Trade and other payables	19	1,956,690,220	1,461,982,884
Running finance under mark-up arrangement	20	1,591,779,855	-
Accrued mark-up		43,612,907	-
Provision for severance	21	-	-
Unpaid dividend	22	399,847,871	-
Taxation - provision less payments		-	175,419,857
		3,991,930,853	1,637,402,741
Total liabilities		4,119,271,559	1,656,933,819
Total equity and liabilities		7,954,256,696	3,953,766,892
Contingencies and commitments	23		

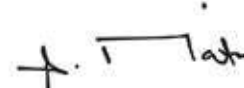
The annexed notes 1 to 48 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

Statement Of Profit Or Loss And Other Comprehensive Income

FOR THE YEAR ENDED DECEMBER 31, 2018

	Note	2018 Rupees	2017
Net sales	24	14,875,267,507	8,298,142,426
Cost of sales	25	(10,535,195,394)	(5,196,905,515)
Gross profit		4,340,072,113	3,101,236,911
Selling, marketing and distribution expenses	26	(2,376,943,429)	(1,822,036,673)
Administrative expenses	27	(288,796,048)	(192,969,307)
Other operating expenses	28	(127,197,769)	(88,463,777)
Other income	29	141,362,334	181,205,422
Operating profit		1,688,497,201	1,178,972,576
Financial charges	30	(225,804,849)	(8,133,963)
Profit before taxation		1,462,692,352	1,170,838,613
Taxation	31	(388,140,409)	(464,022,840)
Profit after taxation		1,074,551,943	706,815,773
Other comprehensive loss			
Items that will not be reclassified to profit or loss:			
Remeasurement of staff retirement benefits		(3,359,141)	(9,370,132)
Impact of deferred tax		940,958	2,811,040
Other comprehensive loss for the year		(2,418,183)	(6,559,092)
Total comprehensive income		1,072,133,760	700,256,681
Earnings per share	32	Rs. 9.18	Rs. 7.39

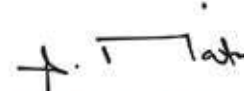
The annexed notes 1 to 48 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

Statement Of Changes In Equity

FOR THE YEAR ENDED DECEMBER 31, 2018

	Rupees				
	Share capital	Capital Reserves		Revenue Reserve	Total
		Reserve arising under the Scheme of Arrangement - note 1.1	Reserve arising on amalgamation under the Scheme of Merger - note 1.3	Unappropriated profit	
Balance as at January 01, 2017	955,501,830	101,913,533	-	539,161,029	1,596,576,392
Total comprehensive income for the year ended December 31, 2017					
Profit after taxation for the year ended December 31, 2017	-	-	-	706,815,773	706,815,773
Other comprehensive loss for the year ended December 31, 2017	-	-	-	(6,559,092)	(6,559,092)
	-	-	-	700,256,681	700,256,681
Balance as at December 31, 2017	955,501,830	101,913,533	-	1,239,417,710	2,296,833,073
Transactions with owners					
Final dividend for the year ended December 31, 2017 @ Rs. 5 per share	-	-	-	(477,750,915)	(477,750,915)
Issue of shares pursuant to amalgamation under the Scheme of Merger (note 15)	215,043,250	-	-	-	215,043,250
Reserve arising on amalgamation under the Scheme of Merger (note 1.3)	-	-	728,725,969	-	728,725,969
	215,043,250	-	728,725,969	(477,750,915)	466,018,304
Total comprehensive income for the year ended December 31, 2018					
Profit after taxation for the year ended December 31, 2018	-	-	-	1,074,551,943	1,074,551,943
Other comprehensive loss for the year ended December 31, 2018	-	-	-	(2,418,183)	(2,418,183)
	-	-	-	1,072,133,760	1,072,133,760
Balance as at December 31, 2018	1,170,545,080	101,913,533	728,725,969	1,833,800,555	3,834,985,137

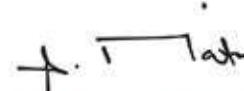
The annexed notes 1 to 48 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

Statement Of Cash Flows

FOR THE YEAR ENDED DECEMBER 31, 2018

	Note	2018 Rupees	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	33	494,397,436	835,713,297
Staff retirement benefits paid		(23,960,160)	(7,492,213)
Interest paid		(139,780,490)	-
Income taxes paid		(743,788,903)	(268,655,682)
Increase in long-term loans to employees		(1,840,854)	(215,575)
Net cash (used in) / generated from operating activities		(414,972,971)	559,349,827
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(314,785,896)	(28,387,509)
Proceeds from sale of operating assets		8,556,401	13,220,906
Return received		72,036,125	87,028,840
Net cash (used in) / generated from investing activities		(234,193,370)	71,862,237
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid	35	(77,903,044)	-
Net (decrease) / increase in cash and cash equivalents		(727,069,385)	631,212,064
Cash and cash equivalents at beginning of the year		1,301,554,423	670,342,359
Net cash and cash equivalents transferred from GSK OTC	1.3	(1,458,822,362)	-
Cash and cash equivalents at end of the year	34	(884,337,324)	1,301,554,423

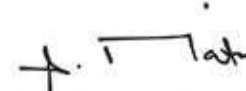
The annexed notes 1 to 48 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

1. THE COMPANY AND ITS OPERATIONS

1.1 GlaxoSmithKline Consumer Healthcare Pakistan Limited (the Company) was incorporated in Pakistan as a public unlisted company under the provisions of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) on March 31, 2015 principally to effect the demerger of Consumer Healthcare business of GlaxoSmithKline Pakistan Limited (GSK Pakistan) under a Scheme of Arrangement (the Scheme) which was approved by the Honourable High Court of Sindh (SHC) and its order was submitted to the Registrar of Companies on April 01, 2016. The Company is a subsidiary of GlaxoSmithKline Consumer Healthcare B.V. The ultimate parent of the Company is GlaxoSmithKline plc, UK. The Company is engaged in manufacturing, marketing and sale of consumer healthcare products. The Company was listed at the Pakistan Stock Exchange Limited since March 22, 2017. The registered office of the Company is situated at 35-Dockyard Road, West Wharf, Karachi.

1.2 Due to the pending transfer of marketing authorisations and certain permissions for Over the Counter (OTC) products of the Company with Drug Regulatory Authority of Pakistan (DRAP), GSK Pakistan, for and on behalf of the Company is engaged in the procurement, manufacturing, marketing and managing the related inventory and receivable balances pertaining to such products against a service fee charged by GSK Pakistan.

1.3 Merger of GlaxoSmithKline OTC (Private) Limited with and into the Company

1.3.1 The Board of Directors (the Board) of the Company in its meeting held on June 05, 2018, approved the scheme of arrangement for merger by way of amalgamation (the Scheme of Merger), prepared under the provisions of section 279 to 283 of the Companies Act, 2017, of GlaxoSmithKline OTC (Private) Limited (GSK OTC), a wholly owned subsidiary of GlaxoSmithKline Consumer Healthcare B.V., with and into the Company. The Scheme of Merger was approved through a special resolution passed by shareholders in the extra-ordinary general meeting of the Company held on October 19, 2018. The Scheme of Merger was sanctioned by SHC vide its order dated December 12, 2018. Drug Regulatory Authority of Pakistan (DRAP) vide its letter no. F.2-4/88-Lic (Vol-IV) dated March 07, 2019 has also communicated to the Company that the Central Licensing Board in its 269th meeting held on February 26, 2019 has considered and endorsed the change of title of GlaxoSmithKline OTC (Private) Limited to GlaxoSmithKline Consumer Healthcare Pakistan Limited.

Pursuant to this sanction, the entire business of GSK OTC including its properties, assets, liabilities, licenses and the rights and obligations have been transferred and vested into the Company with effect from the effective date, as mentioned in the Scheme of Merger, i.e., January 01, 2018. Hence, GSK OTC stood merged with and into the Company with effect from January 01, 2018. Further, as per the Scheme of Merger, the Company also issued 21,504,325 fully paid ordinary shares of Rs. 10 each to the shareholders of GSK OTC having aggregate face value of Rs. 215.04 million. These shares rank pari passu with the existing shares of the Company. The Company had obtained the services of consultants and decided on share swap ratio of 2.1:10 shares (i.e., 2.1 shares of the Company were issued for every 10 shares of GSK OTC). The valuations of the Company and GSK OTC were carried out under discounted cash flow method and market value approach based on earning multiples at cut-off date of December 31, 2017, and share swap ratio was calculated based on average of values arrived at under both the valuation techniques.

The merger has been accounted for in the books of the Company using predecessor's accounting method as it was a business combination of entities under common control and therefore scoped out of IFRS-3 'Business Combinations'. The net assets of GSK OTC have been incorporated at their net carrying amount in the books of the Company as on January 1, 2018 and the difference between value of the net assets acquired and shares as issued above has been carried in the equity under the head "Reserve arising on amalgamation under the Scheme of Merger". Further, the merged entities' results and statement of financial position have been incorporated prospectively from the date on which the merger occurred. Consequently, these financial statements do not reflect the results of the merged entities for the period before the transaction occurred and the corresponding amounts for the previous year presented have not been restated, and, therefore, are not comparable. However, a break-up of current year results of GSK OTC and the Company has been given in note 1.3.4 for understanding purposes. Further, the transaction has been considered as non-cash for the purpose of preparation of statement of cash flows.

1.3.2 As detailed in note 1.3.1, following are the carrying amounts of assets and liabilities transferred from GSK OTC pursuant to the Scheme of Merger.

GSK OTC
As at December
31, 2017
Rupees

	Note	
ASSETS		
Fixed assets		2,427,050,804
Intangible		127,674,000
Long-term loans		4,665,620
Long-term deposits		3,390,000
Stores and spares		28,468,973
Inventories		1,116,522,166
Trade debts		339,249,565
Loans and advances		69,251,275
Trade deposits and prepayments		12,826,956
Taxation - payments less provision		146,953,620
Bank balance*		3,350,794
Total Asset - A		4,279,403,773
LIABILITIES		
Staff retirement benefits		10,437,139
Deferred taxation		62,494,278
Trade and other payables		755,689,775
Accrued mark-up		39,397,172
Loan from GlaxoSmithKline Consumer Healthcare Pakistan Limited		1,000,000,000
Running finance under mark-up arrangement*		1,462,173,156
Provisions		5,443,034
Total Liabilities - B		3,335,634,554
NET ASSET ACQUIRED (A - B)		943,769,219
LESS: ISSUE OF SHARES PURSUANT TO AMALGAMATION UNDER THE SCHEME OF MERGER		
Ordinary shares issued	2,401,548	
Ordinary shares required to be issued against subscription money against right issue**	100,000,000	
Total number of shares of GSK OTC	102,401,548	
Ordinary shares of the Company to be issued pursuant to amalgamation	21,504,325	
** This represents advance given by GlaxoSmithKline Consumer Healthcare B.V. to GSK OTC against issue of shares, which were pending as at December 31, 2017 and at the date of the order of SHC.		
Issue of shares pursuant to amalgamation under the Scheme of Merger	1.3.3	215,043,250
Reserve arising on amalgamation under the Scheme of Merger		728,725,969

* These have been considered as cash and cash equivalents transferred from GSK OTC in statement of cash flows.

1.3.3 This represents the amount of share capital issued as a consideration for net asset acquired due to amalgamation.

1.3.4 As detailed in note 1.3.1, the following are the individual current year results of operations of the Company and GSK OTC:

	For the year ended December 31, 2018		
	The Company	GSK OTC Rupees	Total
Net sales	8,799,695,644	6,075,571,863	14,875,267,507
Cost of sales	(5,739,564,363)	(4,795,631,031)	(10,535,195,394)
Gross profit	3,060,131,281	1,279,940,832	4,340,072,113
Selling, marketing and distribution expenses	(1,909,893,178)	(467,050,251)	(2,376,943,429)
Administrative expenses	(245,317,223)	(43,478,825)	(288,796,048)
Other operating expenses	(87,651,038)	(39,546,731)	(127,197,769)
Other income	127,753,147	13,609,187	141,362,334
Operating profit	945,022,989	743,474,212	1,688,497,201
Financial charges	(23,406,291)	(202,398,558)	(225,804,849)
Profit before taxation*	921,616,698	541,075,654	1,462,692,352

* Intra-company transactions have been eliminated.

1.4 Summary of significant transactions and events occurred during the year

The Company's financial position and performance was particularly affected by below significant transaction and event occurred during the year;

- Merger of GSK OTC with and into the Company with effect from January 01, 2018 under the Scheme of Merger (refer note 1.3)

2. BASIS OF PREPARATION

2.1 Statement of compliance

These 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 the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan (ICAP), as notified under the 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 with the requirements of IFRSs, the provisions of and directives issued under the Act have been followed.

The Act was enacted on May 30, 2017, and came into force at once. Subsequently, the Securities and Exchange Commission of Pakistan (the SECP) notified through Circular no. 23 of 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Therefore, the Company has considered the requirements of the Act in the preparation of these financial statements in the current year.

The Act has also brought certain changes with regard to the preparation and presentation of these financial statements. These changes, amongst others, included change in nomenclature of primary statements. Further, the disclosure requirements contained in the fourth schedule of the Act have been revised, resulting in elimination of duplicative disclosure with the IFRSs disclosure requirements and incorporation of additional amended disclosures including, but not limited to, particulars of immovable assets of the Company, management assessment of sufficiency of tax provision in the financial statements, change in threshold for identification of executives, additional disclosure requirements for related parties etc.

2.2 Basis of measurement

These financial statements have been prepared under the 'historical cost convention', except as otherwise disclosed in the accounting policies below.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency. All financial information presented in Pakistani Rupees has been rounded off to the nearest rupee.

2.4 Critical accounting estimates and judgements

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The matters involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant which have been disclosed in the relevant notes to the financial statements are:

- i) Intangibles (note 3.2 & 5)
- ii) Provision for retirement benefits (note 3.9 & 17)
- iii) Depreciation and impairment of non-current assets (note 3.1 & 3.16)
- iv) Provision for obsolete and slow moving stock (note 3.4 & 7)
- v) Allowance for impairment of trade debts (note 3.5 & 8)
- vi) Taxation (note 3.19 & 31)

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

2.5 Amendments to published approved accounting standards that are effective for / early adopted during the year ended December 31, 2018

2.5.1 Changes in accounting policies due to early adoption of certain standards

The Company early adopted IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from contracts with customers' from January 01, 2018. Consequently, the following changes in accounting policies have taken place effective from January 01, 2018:

(a) IFRS 9 - Financial Instruments

IFRS 9 - Financial Instruments (IFRS 9) replaced the majority of requirement of IAS 39 - Financial Instruments: Recognition and Measurement (IAS 39) and covers the classification, measurement and de-recognition of financial assets and financial liabilities. It requires all fair value movements on equity investments to be recognised either in the profit or loss or in other comprehensive income, on a case-by-case basis, and also introduced a new impairment model for financial assets based on expected losses rather than incurred losses and provides a new hedge accounting model.

In respect of retrospective application of IFRS 9, the Company has adopted modified retrospective approach as permitted by this standard, according to which the Company is not required to restate the prior year results. There is no material impact of adoption of IFRS 9 on opening equity of the Company.

The impact of the adoption of IFRS 9 has been in the following areas:

(i) Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements of IAS 39 for the classification and measurement of financial liabilities. However, it replaces the previous IAS 39 categories for financial assets i.e. loans and receivables, fair value through profit or loss (FVTPL), available for sale and held to maturity with the categories such as amortised cost, fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVTOCI).

There is no significant impact of IFRS 9 on the classification and measurement of financial assets for the year ended December 31, 2018 other than that loans and receivables and held to maturity investments are classified under the category of amortised cost. Under IFRS 9, the classification of financial assets is based on the objective of the entity's business model that is the Company's objective is to hold assets only to collect cash flows, or to collect cash flows and to sell ("the Business Model test") and the contractual cash flows of an asset give rise to payments on specified dates that are solely payments of principal and interest ("SPPI") on the principal amount outstanding ("the SPPI test").

(ii) Hedge accounting

IFRS 9 requires that hedge accounting relationships are aligned with its risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness.

There is no impact of the said change on these financial statements as there is no hedge activity carried on by the Company during the years ended December 31, 2017 and December 31, 2018.

(iii) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model of IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVTOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

Under IFRS 9, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Company has elected to measure provision against financial assets on the basis of lifetime ECLs.

Life time ECL is only recognised if the credit risk at the reporting date has increased significantly relative to the credit risk at initial recognition. Further, the Company considers the impact of forward looking information (such Company's internal factors and economic environment of the country of customers) on ECLs.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity and the cash flows that the Company expects to receive).

Presentation of impairment

Provision against financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Impact of the new impairment model

For assets within the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. The Company has determined that the application of IFRS 9's impairment requirements at January 01, 2018 does not have a material impact on provision for doubtful debts measured under IAS 39.

(b) IFRS 15 - Revenue from contracts with customers

IFRS 15 - Revenue from contracts with customers (IFRS 15) replaced IAS 18 - Revenue, IAS 11 - Construction Contracts, IFRIC 13 - Customer Loyalty Programmes, IFRIC 15 - Agreements for the Construction of Real Estate, IFRIC 18 - Transfers of Assets from Customers and SIC 31 - Revenue - Barter Transactions involving Advertising Services. IFRS 15 provides a single, principle-based approach to the recognition of revenue from all contracts with customers and focuses on the identification of performance obligations in a contract and requires revenue to be recognised when or as those performance obligations in a contract are satisfied. The Company has early adopted IFRS 15 by applying the modified retrospective approach according to which the Company is not required to restate the prior year results. However, the adoption of IFRS 15 does not have any impact on the reported revenue of the Company for the years ended December 31, 2017 and December 31, 2018.

2.5.2 Standards, interpretations and amendments to published approved accounting standards that became effective during the year

Certain amendments and interpretations became effective that are mandatory for accounting periods beginning on or after January 01, 2018. However, these are not relevant for the Company's financial statements except for the following amendments which have not materially impacted the financial reporting of the Company:

- Amendments to IFRS 2 'Share-based Payment': Clarification of the classification and measurement of share-based payment transactions.

Certain annual improvements have also been made to a number of IFRSs, which do not have significant impact on the financial reporting of the Company, and therefore, have not been detailed here.

The Companies Act, 2017 has also brought certain changes with regard to preparation and presentation of financial statements which have been disclosed in note 2.1 of these financial statements.

2.5.3 New accounting standards and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations are effective for accounting periods, beginning on or after the date mentioned against each of them, and are relevant to the Company. Management is in the process of assessing their impact on the financial reporting of the Company:

	<i>Effective from accounting period beginning on or after</i>
- IFRS 16 'Leases'	January 01, 2019
- Amendments to IFRS 9 'Financial Instruments' Prepayment features with negative compensation	January 01, 2019
- Amendments to IAS 19 'Employee Benefits'. Plan amendment, curtailment or settlement	January 01, 2019
- IFRIC 23 'Uncertainty over Income Tax Treatments' clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'.	January 01, 2019
- Annual Improvements to IFRS Standards 2015-2017 Cycle amendments to: i) IFRS 3 Business Combinations; ii) IFRS 11 Joint Arrangements; iii) IAS 12 Income Taxes; and iv) IAS 23 Borrowing Costs	January 01, 2019
- Amendments to References to the Conceptual Framework in IFRS Standards	January 01, 2020
- Amendments to IFRS 3 'Business Combinations' Amendment in the definition of business'	January 01, 2020
- Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', clarify the definition of 'Material' and align the definition used in the Conceptual Framework and the Standards	January 01, 2020

2.5.4 Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 14 – Regulatory Deferral Accounts
- IFRS 17 – Insurance Contracts

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, except as disclosed in note 2.5.1.

3.1 Property, plant and equipment

(i) Operating assets

Operating assets are stated at cost less accumulated depreciation / amortisation and accumulated impairment, if any.

Depreciation is charged using the straight line method whereby the carrying value of an asset less estimated residual value, if not insignificant, is written off over its estimated remaining useful life. Depreciation / amortisation on assets is charged from the month of addition to the month of disposal. Cost of leasehold land is amortised over the period of the lease.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of profit or loss during the year in which they are incurred.

Gains and losses on disposal of operating assets are included in profit or loss currently.

Depreciation methods, useful lives and residual values of each item of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed and adjusted, if appropriate annually.

(ii) Capital work-in-progress

Capital work-in-progress is stated at cost less impairment in value, if any. It consists of expenditure incurred and advances made in respect of tangible fixed assets in the course of their construction and installation.

3.2 Intangibles

In a business combination, goodwill is recognised at the acquisition date and measured at the fair value of consideration paid less the fair value of net assets acquired. After initial recognition, it is carried at cost less accumulated impairment, if any. Goodwill is assessed annually for impairment.

3.3 Stores and spares

These are valued at lower of cost, determined using weighted average method, and net realisable value, less provision for obsolete items, if any. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon upto the reporting date. Provision is made for items which are obsolete and slow moving and is determined based on management estimate regarding their future usability.

3.4 Inventories

These are valued at the lower of cost and net realisable value. Cost is determined using first-in first-out method.

Cost of raw and packing materials comprise of purchase price including directly related expenses less trade discounts. Cost of work-in-process and finished goods include cost of raw and packing materials, direct labour and related production overheads.

Net realisable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred to make the sale. Provision is made for slow moving and expired inventory where considered necessary.

3.5 Trade debts, loans and other receivables

Trade debts, loans and other receivables are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method. Provision is made on the basis of lifetime ECLs that result from all possible default events over the expected life of the trade debts, loans, and other receivables. Bad debts are written off when considered irrecoverable.

Exchange gains or losses arising in respect of trade debts, loans and other receivables in foreign currency are added to their respective carrying amounts.

3.6 Investments at amortised cost

These are investments which meet the following criteria:

- These are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These are initially recognised at fair value which is equal to amount of consideration paid at the time of acquisition and subsequently carried at amortised cost.

3.7 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost / amortised cost. For the purpose of the cash flow statement, cash and cash equivalents comprise of cash and cheques in hand, balances with banks on current, savings and deposit accounts, short-term investments and short-term borrowings under running finance, having maturity of upto three months.

3.8 Share Capital

Ordinary shares are classified as equity and are recorded at their face value. Incremental costs directly attributable to the issue of shares are shown in equity as a deduction (net of tax) from the proceeds.

3.9 Staff retirement benefits

3.9.1 Defined benefit plan

The Company operates an approved funded gratuity plan (the Plan) for its permanent employees.

Gratuity is based on employees' last drawn salary. Provisions are made to cover the obligations under the scheme on the basis of actuarial recommendations. The actuarial valuations are carried out using the Projected Unit Credit Method. Actuarial gain or loss (remeasurements) are immediately recognised in 'Other Comprehensive Income' as they occur. The amount recognised in the statement of financial position represents the present value of defined benefit obligation as reduced by the fair value of the plan assets. Current service costs and any past service costs together with net interest cost are charged to profit or loss.

Retirement benefits are payable to employees on completion of prescribed qualifying period of service under the Plan.

3.9.2 The Company also operates approved contributory provident fund for all its permanent employees.

3.10 Compensated absences

The Company provides for compensated absences of its non-management employees on unavailed balance of leave in the period in which the leave is earned.

3.11 Trade and other payables

These are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method. Exchange gains and losses arising in respect of liabilities in foreign currency are added to the carrying amount of the respective liability.

3.12 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

The amount recognised as provision is the best estimate of consideration required to settle the present obligation at the end of reporting period, taking into account the risk and uncertainties surrounding the obligation.

3.13 Share based payments

Cash settled share based payments provided to employees are recorded as liability in the financial statements at fair value over the period the services are received.

3.14 Financial assets and liabilities

a) Initial Recognition

All financial assets and financial liabilities are initially measured at their fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. These are subsequently measured at fair value or amortised cost as the case may be.

b (i) Classification of financial assets

The Company classifies its financial assets in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortised cost.

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

b (ii) Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"), or
- at amortised cost.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL or the Company has opted to measure them at FVTPL.

c) Subsequent measurement

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognised at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognised in other comprehensive (loss) income.

Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value plus transaction costs, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise. Where management has opted to recognise a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognised in other comprehensive (loss) income. Currently, there are no financial liabilities designated at FVTPL.

d) Impairment of financial assets at amortised cost

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost as more fully explained in note 2.5.1.

e) Derecognition

i. Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

ii. Financial liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss and other comprehensive income.

3.15 Off-setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.16 Impairment of non-financial assets

Carrying values of assets are reviewed for impairment when events or changes in circumstances indicate that the carrying

value may not be recoverable. If any such indication exists, assets or cash-generating units are tested for impairment. Cash-generating units to which goodwill is allocated are tested for impairment annually. Where the carrying values of assets or cash-generating units exceed the estimated recoverable amount, these are written down to their recoverable amount and the resulting impairment is charged to statement of profit or loss and other comprehensive income.

Impairment is reversed only if there has been a change in estimates used to determine recoverable amounts and only to the extent that the revised carrying value does not exceed the carrying value that would have existed, had no impairment been recognised, except impairment of goodwill which is not reversed.

3.17 Revenue recognition

Revenue is recognised at amounts that reflect the consideration that the Company expects to be entitled to in exchange for transferring goods or services to a customer. Revenue is measured at the fair value of the consideration received or receivable, and is recognised on the following basis:

- Revenue from sale of goods, scrap sales or service fee is recognised when or as control of goods or services have been transferred to a customer either over time or at a point in time, when the performance obligations are met.
- Returns on saving accounts, deposit accounts and investments at amortised cost are recognised using effective interest rate method.
- Insurance commission is recognised when performance obligation is met.
- Promotional allowance is recognised when the right to receive the allowance is established.

3.18 Ijarah

In ijarah transactions, significant portion of the risks and rewards of ownership are retained by the lessor. Islamic Financial Accounting Standard 2 - 'Ijarah' requires the recognition of 'Ujrah payments' (lease rentals) against ijarah financing as an expense in the profit or loss account on a straight line basis over the ijarah term.

3.19 Taxation

3.19.1 Current

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, and taxes paid under the final tax regime.

3.19.2 Deferred

Deferred tax is accounted for using the balance sheet liability method on all temporary differences arising between tax bases of assets and liabilities and their carrying amounts. Deferred tax liability is recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is charged or credited in the statement of profit or loss except for deferred tax arising on remeasurements of retirement benefits obligations which is recognised in other comprehensive income.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on the tax rates enacted or substantively enacted at the reporting date.

3.20 Foreign currency transactions and translation

Foreign currency transactions are recorded into Pakistani Rupee using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currency are translated into Pakistani Rupee at the rates of exchange prevailing at the statement of financial position date. Exchange gains and losses are included in income currently.

The financial statements are presented in Pakistani Rupee, which is the Company's functional and presentation currency.

3.21 Dividend

Dividend distribution to the Company's shareholders and appropriations to / from reserves is recognised in the period in which these are approved.

3.22 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

3.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM) who is responsible for allocating resources and assessing performance of the operating segments. The management has determined that the Company has a single reportable segment as the CODM views the Company's operations as one reportable segment.

	Note	2018	Rupees	2017
4. PROPERTY, PLANT AND EQUIPMENT				
Operating assets	4.1	2,098,217,111		99,754,799
Capital work-in-progress	4.5	551,560,983		24,964,872
		<u>2,649,778,094</u>		<u>124,719,671</u>

4.1 Operating assets

	Leasehold land (note 4.4)	Building and improvements on Leasehold land	Plant and machinery	Furniture & fixtures	Vehicles	Office equipment	Total
	Rupees						
Net carrying value basis							
Year ended December 31, 2018							
Opening net book value							
Transferred from GSK OTC (note 1.3)	-	10,802,886	-	1,059,836	59,523,777	28,368,300	99,754,799
- Cost	7,646,000	685,639,939	1,520,533,845	35,121,090	22,170,500	74,556,831	2,345,668,205
- Accumulated depreciation / amortisation	(606,464)	(32,110,827)	(165,476,346)	(9,842,074)	(1,665,069)	(32,901,116)	(242,601,896)
	7,039,536	653,529,112	1,355,057,499	25,279,016	20,505,431	41,655,715	2,103,066,309
Additions (at cost)	-	-	-	12,645,545	97,599,845	1,928,890	112,174,280
Disposals							
- Cost	-	-	-	-	(10,228,503)	-	(10,228,503)
- Accumulated depreciation	-	-	-	-	4,085,679	-	4,085,679
	-	-	-	-	(6,142,824)	-	(6,142,824)
Depreciation / amortisation charge	(300,621)	(21,754,773)	(123,644,709)	(7,975,786)	(37,406,670)	(19,552,894)	(210,635,453)
Closing net book value	6,738,915	642,577,225	1,231,412,790	31,008,611	134,079,559	52,400,011	2,098,217,111
Gross carrying value basis							
At December 31, 2018							
Cost	7,646,000	697,891,028	1,520,533,845	49,928,188	204,979,410	117,719,893	2,598,698,364
Accumulated depreciation / amortisation	(907,085)	(55,313,803)	(289,121,055)	(18,919,577)	(70,899,851)	(65,319,882)	(500,481,253)
Net book value	6,738,915	642,577,225	1,231,412,790	31,008,611	134,079,559	52,400,011	2,098,217,111
Depreciation rate % per annum	4	2.5 and 5	6.67 and 15	10	25	10 to 33.33	
Net carrying value basis							
Year ended December 31, 2017							
Opening net book value							
Additions (at cost)	-	11,109,511	-	1,270,389	53,727,090	8,809,231	74,916,221
Disposals	-	-	-	-	(14,872,103)	(748,627)	(15,620,730)
- Cost	-	-	-	-	4,621,500	288,894	4,910,394
- Accumulated depreciation	-	-	-	-	(10,250,603)	(459,733)	(10,710,336)
Write offs - net book value	-	-	-	-	-	(1,641,963)	(1,641,963)
Depreciation charge	-	(306,625)	-	(210,553)	(17,089,210)	(5,358,243)	(22,964,631)
Closing net book value	-	10,802,886	-	1,059,836	59,523,777	28,368,300	99,754,799
Gross carrying value basis							
At December 31, 2017							
Cost	-	12,251,089	-	2,161,553	95,437,568	41,234,172	151,084,382
Accumulated depreciation	-	(1,448,203)	-	(1,101,717)	(35,913,791)	(12,865,872)	(51,329,583)
Net book value	-	10,802,886	-	1,059,836	59,523,777	28,368,300	99,754,799
Depreciation rate % per annum	4	2.5 and 5	6.67 and 15	10	25	10 to 33.33	

4.2 Details of assets sold, having net book value in excess of Rs. 500,000 are as follows:

Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain	Made of disposal	Relationship of Purchaser with the Company	Particulars of purchaser
Rupees								
Motor vehicle	1,889,000	144,462	1,744,538	1,755,000	10,462	Company policy	Ex Executive	Mr. Dilawar Meghani
Motor vehicle	2,428,594	1,133,344	1,295,250	1,295,250	-	Company policy	Chief Executive Officer	Mr. Sohail Matin
Motor vehicle	1,099,000	526,604	572,396	981,900	409,504	Tender	Third party	Mr. Malik Muhammad Jawaid - New M.A. Jinnah Road, Karim Apartments, Flat No. 204-A, Karachi
Motor vehicle*	-	-	594,250	611,750	17,500	Company policy	Ex Director	Mr. Farhan Haroon
Motor vehicle	1,215,703	682,500	533,203	798,000	264,797	Company policy	Employee	Ms. Saira Bano
Motor vehicle	974,000	466,708	507,292	981,000	473,708	Company policy	Third party	Mr. Jawaid - Flat No. 9, Al Muslim Society, Garden East, Karachi
Total	8,200,547	2,953,618	5,246,929	6,422,900	1,175,971			

* This vehicle was transferred at book value from GSK Pakistan.

4.3 Particulars of immovable assets of the Company are as follows:

Location	Address	Usage of immovable property	Total area
Jamshoro	Sandoz Nagar, Petaro Road, Jamshoro	Factory	94 acres and 25 ghuntas

4.4 Leasehold land consists of land located at Jamshoro Taluka Kotri, District Dadu. The Company is the beneficial owner of the land, however, the title and lease is yet to be transferred in the name of the Company. The land is currently in the name of Novartis Pharma (Pakistan) Limited.

	Note	2018 Rupees	2017
4.5 Capital work-in-progress			
Opening balance		24,964,872	56,732,871
Transferred from GSK OTC	1.3	323,984,495	-
Additions during the year		314,785,896	28,387,509
Transfers during the year		(112,174,280)	(60,155,508)
Closing balance	4.5.1	551,560,983	24,964,872
4.5.1 As at December 31, capital work-in-progress represents:			
- Civil works		31,875,289	7,170,610
- Plant and machinery		374,228,564	-
- Furniture and fixtures		14,146,418	2,252,685
- Office equipments		109,248,467	7,414,577
- Advances to suppliers		22,062,245	8,127,000
		551,560,983	24,964,872

4.5.2 The advances to supplier do not carry any interest or markup.

5. INTANGIBLE

This represents intangible acquired by the Company under the Scheme of Merger (note 1.3) which comprise of goodwill arisen on the business acquisition of Novartis Pharma (Pakistan) Limited (NPPL) by GSK OTC which is the difference between the purchase consideration and the fair value of assets acquired.

The recoverable amount of goodwill is the higher of value in use and fair value less cost to sell. Value in use is calculated as the net present value of the projected cash flows of the Cash Generating Unit (CGU) to which the asset belongs, discounted at risk-adjusted discount rate.

Details relating to the discounted cash flow model used in the impairment test are as follows:

Valuation basis	Value in use
Key assumptions	Sales growth rates
Determination of assumptions	Growth rates are internal forecasts based on both internal and external market information and past performance. Cost reflects past experience, adjusted for inflation and expected changes. Discount rate is primarily based on weighted average cost of capital.
Terminal growth rate	5.0%
Period of specific projected cash flows	5 years
Discount rate	17%

The valuation indicates sufficient headroom such that a 1% change in the terminal growth and discount rate has not resulted in an impairment of the intangible.

	Note	2018	Rupees	2017
6. LONG-TERM LOANS TO EMPLOYEES				
Secured - considered good	6.1	10,495,280		1,298,098
Recoverable within one year	9	(3,134,484)		(443,776)
		7,360,796		854,322

6.1 These loans have been given in accordance with the terms of employment for purchase of motor car, motor cycle, computer and for the purpose of house relocation and are repayable in 18 to 60 equal monthly installments. These loans are interest free. All loans are secured against the retirement fund balances.

	Note	2018	Rupees	2017
7. INVENTORIES				
Raw and packing materials [including in transit Rs. 70.07 million (2017: Rs. 105.57 million)]		931,347,660		219,860,556
Work-in-process		18,643,062		14,850,762
Finished goods [including in transit Rs. 147.71 million (2017: Rs. 114.58 million)]		1,366,678,049		639,760,309
	7.1	2,316,668,771		874,471,627
Less: Provision for slow moving, obsolete and damaged stock	7.2	(85,307,695)		(52,553,078)
		2,231,361,076		821,918,549

	Note	2018	Rupees	2017
7.1 Details of inventories held with the third parties is as follows:				
For use in third party manufacturing				
- Roomi Enterprises (Private) Limited		112,902,974		12,476,508
Stock held at third party warehouse				
- DHL Global Forwarding Pakistan (Private) Limited		99,956,437		627,283,801
- Emirates Supply Chain Services (Private) Limited		191,575,980		-
- Connect Logistics (Private) Limited		385,538,399		-
- Parazelsus Pakistan (Private) Limited		409,960,345		-

7.2 During the year, inventories of Rs. 51.34 million (2017: Rs. 37.14 million) have been written off against provision.

7.3 Inventories includes items costing Rs. 72.6 million (2017: Rs. Nil) valued at net realisable value of Rs. 62.7 million (2017: Rs. Nil million).

	Note	2018	Rupees	2017
8. TRADE DEBTS				
Trade debts	8.1	758,079,713		274,486,767
Less: Allowance for impairment of trade debts		(3,216,737)		(3,193,435)
		754,862,976		271,293,332

8.1 These include Rs. 376 million receivable from NPPL against toll manufacturing and sale of goods.

8.2 The ageing analysis of trade debts past due but not impaired is as follows:

	Note	2018	Rupees	2017
- Up to 3 months		39,410,443		19,414,182
- 3 to 6 months		2,699,074		177,608
- 6 to 12 months		49,407,944		-
		91,517,461		19,591,790
9. LOANS AND ADVANCES - considered good				
Loan to GlaxoSmithKline OTC (Private) Limited (GSK OTC)	9.1	-		1,000,000,000
Current portion of long-term loans to employees	6	3,134,484		443,776
Advances to:				
- employees	9.2	5,912,823		1,427,935
- suppliers		22,934,524		37,926,796
- against letter of credit		229,850,915		185,129,235
		261,832,746		1,224,927,742

9.1 The Company gave a loan to GSK OTC, an associated company, on December 22, 2016 for the purchase of land, building and manufacturing facility from NPPL. The tenure of the loan was eleven months. The loan was further extended for a tenure of eleven months on November 20, 2017. Interest was receivable quarterly at the rate quoted by a designated bank for advances / loan in Pak Rupee for the respective interest period. After the amalgamation (refer note 1.3), the loan has been settled off.

9.2 Advances to employees are provided to meet business expenses and are settled as and when the expenses are incurred.

	2018	Rupees	2017
10. TRADE DEPOSITS AND PREPAYMENTS			
Container deposits - considered good	14,642,301		29,457,039
Prepayments	62,843,239		22,675,272
	77,485,540		52,132,311

11. REFUNDS DUE FROM GOVERNMENT

These represent sales tax refundable due from Government which are considered good.

	Note	2018	2017
		Rupees	
12. OTHER RECEIVABLES			
Due from associated companies	12.1	519,026,698	23,760,000
Workers' Profits Participation Fund	12.3	10,501,694	-
Others		84,630,321	2,556,205
		<u>614,158,713</u>	<u>26,316,205</u>
12.1 Due from associated companies - considered good			
GlaxoSmithKline Pakistan Limited		511,456,053	-
GlaxoSmithKline Services Unlimited		5,748,285	-
GlaxoSmithKline Export Limited, UK		1,822,360	-
GlaxoSmithKline OTC (Private) Limited		-	23,760,000
		<u>519,026,698</u>	<u>23,760,000</u>

12.2 The maximum aggregate amount due from related parties at the end of any month during the year was Rs. 519.03 million (2017: Rs. 284.52 million).

As at December 31, 2018, the age analysis of these related parties receivables are:

	Note	2018	2017
		Rupees	
Not yet due		-	-
Upto 3 months		519,026,698	23,760,000
3 to 6 months		-	-
		<u>519,026,698</u>	<u>23,760,000</u>
12.3 Workers' Profits Participation Fund			
Opening balance liability		113,620,690	46,473,000
Transferred from GSK OTC		4,549,700	-
Allocation for the year	1.3	79,498,606	62,965,120
Interest charge for the year		-	4,182,570
Payment to the fund		(208,170,690)	-
Closing balance (asset) / liability		<u>(10,501,694)</u>	<u>113,620,690</u>

13. INVESTMENT AT AMORTISED COST

This represents a treasury bill which was held with Company's banker for safe custody. The yield on treasury bill was 5.99% per annum. The treasury bill has been matured in February 2018.

	Note	2018	2017
		Rupees	
14. BANK BALANCES			
With banks			
- on deposit accounts	14.1	400,000,000	1,000,000,000
- on PLS savings account	14.1	270,103,653	103,011,566
- on current account		37,338,878	-
		<u>707,442,531</u>	<u>1,103,011,566</u>

14.1 At December 31, 2018 the rates of mark-up on term deposit accounts and on PLS savings account were 5.10% to 9% (2017: 5% to 5.3%) per annum and 7% to 8% (2017: 3.75%) per annum respectively.

15. SHARE CAPITAL

Authorised share capital

2018 (Number of shares)	2017 (Number of shares)		2018 Rupees	2017 Rupees
200,000,000	200,000,000	Ordinary shares of Rs. 10 each	2,000,000,000	2,000,000,000

Issued, subscribed and paid-up capital

Ordinary shares of Rs. 10

2018 (Number of shares)	2017 (Number of shares)		Note	2018 Rupees	2017 Rupees
10,000	10,000	Shares allotted for consideration paid in cash		100,000	100,000
95,540,183	95,540,183	Shares allotted for consideration other than cash under the Scheme	1.1	955,401,830	955,401,830
21,504,325	-	Shares allotted for consideration other than cash under the Scheme of Merger	1.3	215,043,250	-
117,054,508	95,550,183			1,170,545,080	955,501,830

15.1 As at December 31, 2018, GlaxoSmithKline Consumer Healthcare B.V. and its nominees held 100,423,259 shares (2017: 78,918,934 shares).

15.2 The Company has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company's residual assets.

	Note	2018 Rupees	2017 Rupees
16. RESERVES			
Capital reserves			
- Reserve arising under the Scheme of Arrangement	1.1	101,913,533	101,913,533
- Reserve arising on amalgamation under the Scheme of Merger	1.3	728,725,969	-
Revenue reserve - unappropriated profit		1,833,800,555	1,239,417,710
		2,664,440,057	1,341,331,243

17. STAFF RETIREMENT BENEFITS

17.1 Staff retirement benefit

17.1.1 The Company operates an approved funded gratuity scheme for all its eligible employees. Actuarial valuation of the Plan is carried out every year and the latest actuarial valuation was carried out as of December 31, 2018 using the Projected Unit Credit Method.

17.1.2 Plan assets held in trust are governed by local regulations which mainly include Trust Act, 1882; the Companies Act, 2017; Income Tax Rules, 2002 and the Rules under the trust deeds. Responsibility for governance of the Plans, including investment decisions and contribution schedules, rests with the Board of Trustees. The Company appoints the trustees and all trustees are employees of the Company.

17.1.3 Details of the Plan as per the actuarial valuation are as follows:

	Note	2018	2017
		Rupees	
17.1.4 Statement of financial position reconciliation			
Present value of defined benefit obligation at December 31	17.1.5	108,057,269	70,373,254
Fair value of plan assets at December 31	17.1.6	(70,421,819)	(50,842,176)
Deficit		37,635,450	19,531,078
17.1.5 Movement in the present value of defined benefit obligation			
Balance at January 1		70,373,254	54,520,074
Balance transferred from GSK OTC	1.3	31,704,013	-
Benefits paid by the Plan		(33,945,870)	(5,441,214)
Current service cost		25,253,155	8,291,079
Interest cost		8,036,441	4,273,301
Remeasurement (gain) / loss on obligation		(1,164,998)	8,273,854
Balance transferred from GSK Pakistan	17.1.14	7,801,274	456,160
Balance at December 31		108,057,269	70,373,254
17.1.6 Movement in the fair value of plan assets			
Balance at January 1		50,842,176	45,973,630
Balance transferred from GSK OTC	1.3	21,266,874	-
Contributions made to the Plan		23,960,160	7,492,213
Benefits paid by the Plan		(33,945,870)	(5,441,214)
Interest income		5,021,344	3,457,665
Remeasurement loss on plan assets		(4,524,139)	(1,096,278)
Balance transferred from GSK Pakistan	17.1.14	7,801,274	456,160
Balance at December 31		70,421,819	50,842,176
17.1.7 Expense recognised in statement of profit or loss			
Current service cost		25,253,155	8,291,079
Net interest cost		3,015,097	815,636
Expense recognised in statement of profit or loss		28,268,252	9,106,715
17.1.8 Remeasurements recognised in other comprehensive income			
Experience (gain) / loss		(1,164,998)	8,273,854
Remeasurement of fair value of plan assets		4,524,139	1,096,278
Remeasurements recognised in other comprehensive income		3,359,141	9,370,132
17.1.9 Net recognised liability			
Net liability at beginning of the year		19,531,078	8,546,444
Net liability transferred from GSK OTC	1.3	10,437,139	-
Expense recognised in statement of profit or loss		28,268,252	9,106,715
Contribution made to the Plan during the year		(23,960,160)	(7,492,213)
Remeasurements recognised in other comprehensive income		3,359,141	9,370,132
Recognised liability as at December 31		37,635,450	19,531,078

17.1.10 Plan assets of the Company comprise of the following:

	2018		2017	
	Rupees	%	Rupees	%
- Treasury bills	-	0%	9,845,650	19%
- Pakistan Investment Bonds	52,870,284	75%	34,783,405	68%
- Bank balances	9,750,261	14%	5,756,961	12%
- Others	7,801,274	11%	456,160	1%
	70,421,819	100%	50,842,176	100%

	2018	2017
	%	%
17.1.11 Significant actuarial assumptions		
Discount rate at December 31	13.75	8.25
Future salary increases	13.75	8.25

17.1.12 Mortality was assumed to be based on SLIC (2001-05) Ultimate mortality tables rated down one year.

17.1.13 In case of the funded plans, investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the retirement benefit plan. Within this framework, the ALM objective is to match assets to the retirement benefit obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due.

The Company's gratuity expense for the year ending December 31, 2019 is expected to be Rs. 35.48 million.

17.1.14 During the current and previous years, certain employees were transferred from GlaxoSmithKline Pakistan Limited to the Company. Accordingly, their defined benefit obligations and related assets are transferred to the Company's gratuity fund.

17.2 Sensitivity analysis of the Company for actuarial assumptions

The Gratuity scheme exposes the entity to the following risks:

- Mortality risks:
The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service/age distribution and the benefit.
- Investment risks:
The risk of the investment underperforming and not being sufficient to meet the liabilities.
- Final salary risks:
The risk that the final salary at the time of cessation of service is higher than what we assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.
- Withdrawal risks:
The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service/age distribution and the benefit.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
		Rupees	
Discount rate at December 31	1%	(10,175,985)	11,972,341
Future salary increases	1%	7,847,919	(6,937,703)

If longevity increases by 1 year, the resultant increase in obligation is insignificant.

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the gratuity liability recognised within the statement of financial position.

	2018	2017
17.3 Experience adjustments		
(Gain) / loss on obligation (as percentage of plan obligation)	-1.08%	11.76%
Loss on plan assets (as percentage of plan assets)	6.42%	2.16%

17.4 The weighted average duration of approved funded gratuity scheme for its permanent employees is 9.42 years.

17.5 Expected maturity analysis of undiscounted retirement benefit plan of the Company:

	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Between 5 - 10 years	Total
	Rupees				
At December 31, 2018	7,908,934	14,508,407	43,087,864	173,491,845	238,997,050
At December 31, 2017	33,284,608	2,367,958	18,162,863	31,749,646	85,565,075

17.6 Figures in this note are based on the latest actuarial valuation carried out as at December 31, 2018.

18. DEFERRED TAXATION

	December 31, 2018				December 31, 2017		
	Opening liability / (asset)	Transferred from GSK OTC (Note 1.3)	Charge / (reversal)	Closing liability / (asset)	Opening liability / (asset)	Charge / (reversal)	Closing liability / (asset)
	Rupees						
Deferred tax liability on taxable temporary differences							
Accelerated tax depreciation and amortisation	4,786,318	121,748,010	(3,685,970)	122,848,358	5,609,730	(823,412)	4,786,318
Deferred tax asset on deductible temporary differences							
- allowance for impairment of trade debts	(866,007)	-	41,254	(824,753)	(1,871,663)	1,005,656	(866,007)
- unabsorbed depreciation and amortisation	-	(59,253,732)	59,253,732	-	-	-	-
- provision for slow moving, obsolete and damaged stock	(6,859,863)	-	(15,066,806)	(21,926,669)	(18,688,450)	11,828,587	(6,859,863)
- staff retirement benefits	(5,296,506)	-	(5,095,174)	(10,391,680)	(2,362,630)	(2,933,876)	(5,296,506)
	(13,022,376)	(59,253,732)	39,133,006	(33,143,102)	(22,922,743)	9,900,367	(13,022,376)
	(8,236,058)	62,494,278	35,447,036	89,705,256	(17,313,013)	9,076,955	(8,236,058)

18.1 Charge / (reversal) of deferred tax has been allocated to the profit or loss and other comprehensive income as follows:

	Note	2018	2017
		Rupees	
- taken to profit or loss for the year		36,387,994	11,887,995
- taken to other comprehensive income being tax impact of remeasurement gain or loss on staff retirement benefits		(940,958)	(2,811,040)
		35,447,036	9,076,955

19. TRADE AND OTHER PAYABLES

Creditors

- Associated companies	19.1	311,040,880	308,906,662
- Others		143,661,843	82,524,470

Bills payable

- Associated companies	19.2	199,603,508	56,706,082
- Others		116,338,706	9,144,311

Accrued liabilities	19.3	953,560,759	758,658,451
Advances from customers		73,651,356	32,097,004
Taxes deducted at source and payable to statutory authorities		31,518,086	53,093,706
Workers' Profits Participation Fund	12.3	-	113,620,690
Workers' Welfare Fund		76,369,551	44,181,657
Sindh Services Sales tax		1,279,975	-
Central Research Fund		15,899,721	-
Others		33,765,835	3,049,851
		1,956,690,220	1,461,982,884

19.1 Creditors include payable to the following associated companies:

GlaxoSmithKline Pakistan Limited	-	308,906,662
GlaxoSmithKline Export Limited, UK	3,305,129	-
Novartis Consumer Health S.A.	307,735,751	-
	311,040,880	308,906,662

19.2 Bills payable include payable to the following associated companies:

GlaxoSmithKline Consumer Trading Services Limited	75,278,178	29,525,769
GlaxoSmithKline Consumer Health Care Trading Limited	26,199,103	2,241,990
GlaxoSmithKline Consumer Health Care, Singapore	-	1,504,183
GlaxoSmithKline Limited, India	32,048,282	8,317,624
GlaxoSmithKline Consumer Health Care UK Limited	60,788,853	5,277,725
GlaxoSmithKline Export Limited, UK	-	9,838,791
GlaxoSmithKline Services Unlimited, UK	5,289,092	-
	199,603,508	56,706,082

19.3 This includes liability for share based compensation amounting to Rs. 8.32 million (2017: Rs. 18.29 million).

20. RUNNING FINANCE UNDER MARK-UP ARRANGEMENT

As at December 31, 2018, the facility for running finance available from a bank amounted to Rs. 1.84 billion (2017: Rs. 1.84 billion). Rate of mark-up is one month KIBOR plus 1% (2017: one month KIBOR plus 1%) per annum. The arrangement is secured by a Stand-by Letter of Credit issued by the Company's parent.

	Note	2018	Rupees	2017
21. PROVISION FOR SEVERANCE				
Balance as at January 1		-		-
Transferred from GSK OTC	1.3	5,443,034		-
Charge / (reversal) for the year		(5,443,034)		-
Payments made during the year		-		-
Balance as at December 31		-		-

21.1 This represents provision made against severance cost.

22. UNPAID DIVIDEND

This includes part of final dividend for the year ended December 31, 2017 which remained unpaid to the Company's shareholders. Out of total amount of unpaid dividend Rs. 394.59 million pertains to the Company's foreign shareholder GlaxoSmithKline Consumer Healthcare B.V. The dividend repatriation requires approval from the State Bank of Pakistan which is in process.

23. CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

(a) Income tax

Tax Year 2017 (Financial Year 2016) was selected for audit under section 177 of the Income Tax Ordinance, 2001. The Company challenged such selection and filed civil suit before Sindh High Court [SHC]. However, pursuant the Supreme Court's judgment dated June 27, 2018, the Honourable High Court of Sindh required to pay 50% of the demand for maintainability of suit. Consequently, the company considered to withdraw the suit. After such withdrawal, the department has re-initiated audit proceedings. The said proceedings are in process.

During the year, GlaxoSmithKline OTC (Private) Limited received a notice issued under section 161(1A) / 205 of the Income Tax Ordinance, 2001 whereby the authorities alleged that the Company has not deducted / withheld / collected tax on certain expenses and intended to recover Rs. 19,345,630 along with default surcharge of Rs. 2,321,475. Subsequent to the show cause notice, the authorities passed the order on January 30, 2019, raising demand of Rs. 4,434,856. Against the order, the Company has filed appeal before Commissioner Inland Revenue (Appeals) which is pending for hearing.

The management is confident that the ultimate decisions in the above cases will be in favour of the Company, hence, no provision has been made in respect of the aforementioned tax demands.

(b) Sales tax

The Deputy Commissioner Inland Revenue (DCIR), LTI-II, Karachi, passed the Order-in-Original, dated November 28, 2018, to establish sales tax demand aggregating to Rs. 27,526,485 on various issues mainly on the admissibility of input tax covering the tax periods from July 2016 to June 2018. The Company made under protest payment of the principal amount of sales tax at Rs. 21,886,548 which included default surcharge amounting Rs. 4,244,700. Further, the Company preferred the appeal before the Commissioner Inland Revenue (Appeals), challenging the input tax claims as treated inadmissible and levies of the default surcharge and penalty.

The management is confident that the ultimate decisions in the above cases will be in favour of the Company, hence, no provision has been made in respect of the aforementioned tax demands.

23.2 Commitments

23.2.1 The facilities for opening letters of credit and guarantees as at December 31, 2018, amounted to Rs. 1,168 million and Rs. 110 million respectively of which the amount remaining unutilised at year end was Rs. 903 million and Rs. 109 million respectively.

23.2.2 Commitments for capital expenditure outstanding as at December 31, 2018, amount to Rs. 180.15 million (2017: Rs. 9.88 million).

23.2.3 As at December 31, 2018, commitments for rentals under ijarah arrangements amounted to Rs. 14.27 million (2017: Rs. Nil) payable as follows:

	2018	2017
	Rupees	
Not later than 1 year	8,186,967	-
Later than 1 year but not later than 5 years	6,081,967	-
	14,268,934	-
24. NET SALES		
Gross sales		
- Local	15,370,243,846	9,162,363,044
- Export	442,225,670	-
Less:		
Commissions, returns and discounts	(361,613,210)	(379,256,536)
Sales tax	(575,588,799)	(484,964,082)
	(937,202,009)	(864,220,618)
	14,875,267,507	8,298,142,426

24.1 With regards to the previously reported hardship cases, as per orders passed by the Supreme Court of Pakistan, the company was advised to re-submit their hardship applications under new Drug Pricing Policy 2018 (DPP 2018) to Drug Regulatory Authority of Pakistan (DRAP).

These hardship cases concluded favorably in the light of DPP 2018 and formal notification of revised prices has also been issued by DRAP dated December 31, 2018.

24.2 This includes sales amounting to Rs. 6.27 billion (2017: Rs. 6.22 billion) made by GSK Pakistan on behalf of the Company (refer note 1.2).

24.3 This includes sales amounting to Rs. 2.14 billion (2017: Nil) to NPPL.

	2018	2017
	Rupees	
	2018	2017
	Rupees	
	Note	
25. COST OF SALES		
Raw and packing materials consumed	3,951,962,077	635,144,648
Manufacturing costs charged by third parties	206,206,078	198,972,468
Stores and spares consumed	78,353,407	-
Salaries, wages and other benefits	692,805,993	5,049,576
Fuel and power	146,863,681	-
Rent, rates and taxes	75,253,556	-
Insurance	38,815,485	19,511,014
Repairs and maintenance	174,026,130	-
Travelling and entertainment	29,760,291	1,220,939
Vehicle running	7,774,013	405,272
Ujrah payments	27,557,049	-
Canteen expenses	59,864,222	-
Security expenses	14,118,138	-
Printing and stationery	7,326,818	-
Communication and entertainment	4,267,113	-
Depreciation	185,120,185	675,000
Handling, freight and transportation	42,413,203	8,238,280
Stock written off	29,930,764	-
Provision for slow moving, obsolete and damaged stock	84,094,122	4,340,498
Others	58,847,765	578,593
	5,915,360,090	874,136,288

	Note	2018 Rupees	2017
Add: Opening stock of work-in-process		14,850,762	16,207,828
Add: Work-in-process transferred from GSK OTC	1.3	7,719,375	-
Less: Closing stock of work-in-process		(18,643,062)	(14,850,762)
Cost of goods manufactured		5,919,287,165	875,493,354
Add: Opening stock of finished goods		639,760,309	509,488,194
Add: Finished goods transferred from GSK OTC	1.3	295,357,383	-
Add: Purchase of finished goods		5,047,468,586	4,451,684,276
		11,901,873,443	5,836,665,824
Less: Closing stock of finished goods		(1,366,678,049)	(639,760,309)
		10,535,195,394	5,196,905,515

25.1 Salaries, wages and other benefits include Rs. 17.79 million (2017: Rs. 0.11 million) and Rs. 17.03 (2017: Rs. 0.14 million) in respect of defined benefit plans and contributory provident fund respectively.

	Note	2018 Rupees	2017
26. SELLING, MARKETING AND DISTRIBUTION EXPENSES			
Salaries, wages and other benefits	26.1	272,018,619	139,175,230
Sales promotion		836,073,598	519,472,058
Advertising		752,097,473	793,996,880
Handling, freight and transportation		340,813,256	221,697,617
Travelling and entertainment		44,206,393	30,524,914
Depreciation		20,947,409	19,386,525
Vehicle running		14,732,778	6,366,798
Allowance for impairment of trade debts		23,302	158,196
Repairs and maintenance		3,982,706	3,213,609
Insurance		997,032	940,752
Printing and stationery		2,626,245	2,454,636
Security expenses		3,456,189	3,033,107
Shared services cost	26.2	78,175,200	78,175,200
Other expenses		6,793,229	3,441,151
		2,376,943,429	1,822,036,673

26.1 Salaries, wages and other benefits include Rs. 7.09 million (2017: Rs. 5.68 million) and Rs. 7.45 million (2017: Rs. 6.29 million) in respect of defined benefit plan and contributory provident fund respectively.

26.2 These represent cost reimbursements to GSK Pakistan in respect of costs of various functions / services provided to the Company under a cost sharing agreement.

	Note	2018	2017
		Rupees	
27. ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits	27.1	100,000,335	91,999,495
Depreciation		4,567,859	2,903,106
Legal and professional charges		65,459,421	50,863,646
Travelling and entertainment		9,097,979	5,330,483
Training and seminars		188,899	-
Repairs and maintenance		12,475,836	4,631,220
Auditors' remuneration	27.3	6,531,900	5,324,102
Vehicle running		4,428,889	2,694,963
Publication and subscriptions		6,825,168	1,142,687
Insurance		194,079	18,144
Printing and stationery		3,827,200	1,417,935
Service fees	1.2	12,000,000	12,000,000
Ujrah payments		5,178,701	-
Shared services cost	26.2	46,514,163	35,546,232
Others		11,505,619	2,857,294
		288,796,048	216,729,307
Less: Recovery of expenses	27.2	-	(23,760,000)
		288,796,048	192,969,307

27.1 Salaries, wages and other benefits include Rs. 3.39 million (2017: Rs. 3.32 million) and Rs. 3.50 million (2017: Rs. 3.12 million) in respect of defined benefit plan and contributory provident fund respectively.

27.2 These represented cost reimbursements to the Company against cost of services provided to GSK OTC under a cost sharing agreement.

	Note	2018	2017
		Rupees	
27.3 Auditors' remuneration			
Audit fee		3,892,900	1,000,000
Fee for limited review of half yearly financial statements and other certifications		2,045,000	3,831,102
Out-of-pocket expenses		594,000	493,000
		6,531,900	5,324,102
28. OTHER OPERATING EXPENSES			
Workers' Profits Participation Fund	12.3	79,498,606	62,965,120
Workers' Welfare Fund		31,799,442	25,498,657
Central Research Fund		15,899,721	-
		127,197,769	88,463,777
29. OTHER INCOME			
Income from financial assets			
Return on treasury bill		10,792,542	1,262,857
Income on savings and deposit accounts		51,192,398	34,197,224
Interest income on loan to GSK OTC		-	71,773,151
Income from non-financial asset			
Gain on disposal of operating assets		2,413,577	2,510,570
Others			
Insurance claim recovery		62,202,693	68,073,343
Insurance commission		6,057,135	3,388,277
Scrap sales		8,703,989	-
		141,362,334	181,205,422

	Note	2018	2017
		Rupees	
30. FINANCIAL CHARGES			
Interest on running finance		143,719,414	-
Exchange loss - net		81,808,624	3,797,254
Bank charges		276,811	154,139
Interest on Workers' Profits Participation Fund	12.3	-	4,182,570
		225,804,849	8,133,963
31. TAXATION			
Current			
- for the year		315,337,094	361,812,776
- for prior year	31.1	36,415,321	90,322,069
Deferred		36,387,994	11,887,995
		388,140,409	464,022,840

31.1 This includes prior year charge of super tax amounting to Rs. 36.42 million imposed under section 4B of the Income Tax Ordinance, 2001 respectively.

31.2 In view of management, sufficient tax provision has been made in the Company's financial statements. Comparison of tax provision as per the financial statements viz-a-viz tax assessment for the last three years is as follows:

	2017	2016	2015
	Rupees		
Tax assessed as per most recent tax assessment	350,153,926	301,177,448	360,000
Provision in accounts for income tax	384,332,776	423,585,350	3,500,000

	2018	2017
	Rupees	
31.3 Relationship between tax expense and accounting profit		
Profit before taxation	1,462,692,352	1,170,838,613
Applicable tax rate	29%	30%
Tax calculated at applicable tax rate	424,180,782	351,251,584
Impact of taxability at Final Tax Regime	46,844,803	103,543,834
Effect of prior year tax	36,415,321	90,322,069
Effect of tax credits	(33,602,075)	(86,583,959)
Effect of change in tax rate	(4,646,408)	-
Effect of permanent difference	-	6,320,290
Tax effect of other than temporary differences	(81,052,014)	(830,978)
	388,140,409	464,022,840
32. EARNINGS PER SHARE		
Profit after taxation	1,074,551,943	706,815,773
Weighted average number of outstanding shares	117,054,508	95,550,183
Earnings per share	Rs. 9.18	Rs. 7.39

32.1 Weighted average number of shares includes the shares issued pursuant to amalgamation under the Scheme of Merger (note 1.3).

32.2 A diluted earnings per share has not been presented as the Company did not have any convertible instruments in issue as at December 31, 2018 and 2017 which would have any effect on the earnings per share if the option to convert is exercised.

	Note	2018 Rupees	2017
33. CASH GENERATED FROM OPERATIONS			
Profit before taxation		1,462,692,352	1,170,838,613
Add / (less): Adjustments for non-cash charges and other items			
Depreciation		210,635,453	22,964,631
Operating assets written off		-	1,641,963
Interest expense		143,996,225	-
Gain on disposal of operating assets		(2,413,577)	(2,510,570)
Interest income		(51,192,398)	(105,970,375)
Provision for slow moving, obsolete and damaged stock - net of stock written off		114,024,886	4,340,498
Allowance for impairment of trade debts		23,302	158,196
Provision for staff retirement benefits		28,268,252	9,106,715
		443,342,143	(70,268,942)
Profit before working capital changes		1,906,034,495	1,100,569,671
Effect on cash flow due to working capital changes			
(Increase) / decrease in current assets			
Stores and spares		(19,531,027)	-
Inventories		(406,945,247)	(271,420,297)
Trade debts		(144,343,381)	44,490,059
Loans and advances		32,346,271	(201,863,304)
Trade deposits and prepayments		(12,526,273)	(52,132,311)
Refunds due from Government		(6,369,421)	(83,728,112)
Other receivables		(587,842,508)	94,058,423
		(1,145,211,586)	(470,595,542)
(Decrease) / increase in current liabilities			
Trade and other payables		(260,982,439)	205,739,168
Provisions		(5,443,034)	-
		(266,425,473)	205,739,168
		(1,411,637,059)	(264,856,374)
		494,397,436	835,713,297
34. CASH AND CASH EQUIVALENTS			
Bank balances	14	707,442,531	1,103,011,566
Investment at amortised cost	13	-	198,542,857
Running finance under mark-up arrangement	20	(1,591,779,855)	-
		(884,337,324)	1,301,554,423
35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES			
		Unpaid dividend	
		2018	2017
		Rupees	
Balance as at January 01		-	-
Non cash changes - dividend declared		477,750,915	-
Financing cash outflows		(77,903,044)	-
Balance as on December 31		399,847,871	-

36. SEGMENT INFORMATION

36.1 For management purposes, the activities of the Company are organised into one operating segment i.e. Consumer healthcare segment. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organisational and management structure and internal financial reporting systems. Accordingly, the figures reported in these financial statements are related to the Company's only reportable segment.

37. REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

The amounts charged in these financial statements for remuneration of the Chief Executive, Director and Executives are as follows:

	Chief Executive		Director		Executives***	
	2018	2017	2018	2017	2018	2017
	Rupees					
Managerial remuneration	20,016,799	10,823,609	7,012,203	4,888,674	132,976,485	51,541,698
Bonus - note 37.2	7,765,066	7,403,821	5,507,566	2,921,276	52,422,469	24,151,695
Retirement benefits*	3,923,293	2,178,251	1,374,391	983,846	126,675,999	9,871,049
House rent	4,675,438	4,870,133	3,155,493	2,199,906	56,660,620	22,071,907
Utilities	1,038,983	1,082,246	701,220	488,871	12,590,993	4,904,860
Medical expenses	62,913	104,379	111,204	131,367	3,036,781	1,293,428
Others	2,967,709	873,702	1,579,135	1,297,990	28,881,886	13,199,013
	40,450,201	27,336,141	19,441,212	12,911,930	413,245,233	127,033,650
Number of person	1	1	2**	1	54	21

* Retirement benefits represent amount contributed towards various retirement benefit plans.

** During the year, Mr. Farhan Haroon resigned on October 05, 2018 and Mr. Talal Ahmed was appointed as finance director on October 05, 2018.

*** Comparative figures have been restated to reflect changes in the definition of executive as per the Companies Act, 2017.

37.1 In addition to the above, fee paid to 2 (2017: 2) non-executive directors for attending Board of Directors meetings during the year amounted to Rs. 0.85 million (2017: Rs. 1.2 million).

37.2 Bonus includes share based payments as Share Appreciation Rights (SARs) given to the Chief Executive and Executive Director amounting to Rs. 28.97 million (2017: Rs. 9.59 million). These are granted every year and are payable upon completion of three years of qualifying period of service. These are linked with the share value of ultimate parent company, GlaxoSmithKline plc, UK.

Chief Executive and Executive Director are also provided with free use of Company maintained cars in accordance with the Company policy.

38. TRANSACTIONS WITH RELATED PARTIES

The related parties include associated companies, directors and key management personnel of the Company. The transactions with related parties are carried out in the normal course of business at contracted rates. The receivables and payables are mainly unsecured in nature. Details of transactions with related parties and balances with them at period end, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Relationship	Nature of transactions	2018	2017
		Rupees	
Associated companies:	a. Purchase of goods	5,377,180,960	4,451,684,276
	b. Service fees charged by GlaxoSmithKline Pakistan Limited	12,000,000	12,000,000
	c. Expenses cross charged by GlaxoSmithKline Pakistan Limited	126,790,180	113,721,432
	d. Recovery of expenses from GSK OTC	-	23,760,000
	e. Interest income on loan to GSK OTC	-	71,773,151
	f. Sales by GlaxoSmithKline Pakistan Limited as an agent of the Company	6,268,666,657	6,221,358,628

		2018	2017
		Rupees	
Relationship	Nature of transactions		
Staff retirement funds:	a. Expense charged for retirement benefit plans	57,046,698	18,651,044
	b. Payments to retirement benefit plans	52,530,877	17,036,542
Key management personnel:	a. Salaries and other employee benefits	136,670,028	81,021,708
	b. Post employment benefits	11,994,932	7,220,090
	c. Sale of assets - sales proceeds	1,907,000	3,010,200

38.1 Balances of related parties as at December 31, 2018 are included in the respective notes to the financial statements. These are settled in the ordinary course of business. The receivables and payables are mainly unsecured in nature and bear no interest.

38.2 Details of related parties

S. No	Company Name	Country of Incorporation	Registered address	Basis of association	Aggregate % of shareholding	Name of CEO/ Principal officer
1	GlaxoSmithKline Consumer Healthcare B.V.	Netherlands	Huis ter Heideweg 62, 3705 LZ, Zeist	Holding Company	85.79%	Chantal Meertens
2	GlaxoSmithKline Consumer HealthCare (UK) Trading Limited	England	980 Great West Road, Brentford, Middlesex, TW8 9GS	Associated company	N/A	Melanie Foster Hawes
3	GlaxoSmithKline Consumer Health Care Limited	India	Patiala Road, Nabha 147201, Dist Patiala, Punjab, India	Associated company	N/A	Navneet Saluja
4	GlaxoSmithKline Export Limited	England	980 Great West Road, Brentford, Middlesex, TW8 9GS	Associated company	N/A	Adam Walker
5	GlaxoSmithKline Consumer Trading Services Limited	England	980 Great West Road, Brentford, Middlesex, TW8 9GS	Associated company	N/A	Melanie Foster Hawes
6	Glaxo Consumer HealthCare, S.A	Switzerland	Route de l'Etraz, Case Postale 1279, 1260 Nyon 1	Associated company	N/A	Erick Reinartz
7	GlaxoSmithKline Services Unlimited	England	980 Great West Road, Brentford, Middlesex, TW8 9GS	Associated company	N/A	Adam Walker
8	GlaxoSmithKline Consumer Healthcare Philippines Inc	Philippines	2266 Don Chino Roces Avenue, Makati City, Philippines	Associated company	N/A	Lucienne Avelino
9	GlaxoSmithKline Consumer Healthcare Pte Limited	Singapore	23, Roshester Park, Singapore	Associated company	N/A	Debjit Rudra
10	GlaxoSmithKline Pakistan Limited	Pakistan	35 - Dockyard Road, West Wharf, Karachi	Associated company	N/A	M. Azizul Haq

All above entities are operational and further, the independent auditor of the above entities has issued an unqualified opinion on the latest available financial statements.

39. PLANT CAPACITY AND ACTUAL PRODUCTION

The capacity and production of the Company's plants are indeterminable as these are multi-product and involve varying processes of manufacture.

2018

Rupees

2017

40. FINANCIAL INSTRUMENTS BY CATEGORY**40.1 Financial assets as per statement of financial position****Financial assets measured at amortised cost**

- Loans to employees	10,495,280	1,298,098
- Advances and deposits	18,032,301	29,457,039
- Trade debts	754,862,976	271,293,332
- Loan to GSK OTC	-	1,000,000,000
- Interest accrued	-	20,843,727
- Other receivables	603,657,019	26,316,205
- Investments - at amortised cost	-	198,542,857
- Cash and bank balances	707,442,531	1,103,011,566
	2,094,490,107	2,650,762,824

40.2 Financial liabilities as per statement of financial position**Financial liabilities measured at amortised cost**

- Trade and other payables	1,592,136,761	1,146,511,091
- Running finance under mark-up arrangement	1,591,779,855	-
- Accrued mark-up	43,612,907	-
- Unpaid dividend	399,847,871	-
	3,627,377,394	1,146,511,091

40.3 Fair values of financial assets and liabilities

(a) Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate to their fair values.

(b) Fair value estimation

The Company discloses the financial instruments carried at fair value in the statement of financial position in accordance with the following fair value hierarchy:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at December 31, 2018, the Company does not have any financial instruments carried at fair value.

41. Financial Risk Management**41.1 Financial risk factors****Introduction and overview**

The Company has exposure to the following risks from financial instruments:

- market risk
- credit risk
- liquidity risk

This note presents information about the Company's exposure to each of the above risks, Company's objectives, policies and processes for measuring and managing risk, fair value of financial instruments and the Company's management of capital.

Financial risk factors and risk management framework

The Company's overall risk management programme focuses on having cost effective funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

The Company's objective in managing risk is the creation and protection of shareholders' value. Risk is inherent in Company's activities but it is managed through monitoring and controlling activities which are based on limits established by the internal controls set on different activities of the Company by the Board of Directors. These controls and limits reflect the business strategy and market environment of the Company as well as the level of the risk that the Company is willing to accept.

The Company's finance and treasury department oversees the management of the financial risk reflecting changes in the market conditions and also the Company's risk taking activities, and provide assurance that these activities are governed by appropriate policies and procedures and that the financial risks are identified, measured and managed in accordance with the Company's policies and risk appetite.

(a) Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates, foreign exchange rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. There has been no change in the Company's exposure to market risk or the manner in which this risk is managed and measured.

Under market risk the Company is exposed to currency risk, interest rate risk and other price risk (equity price risk).

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The liability is mainly denominated in US Dollars. Net payables exposed to foreign currency risk as at December 31, 2018 amount to Rs. 622.17 million (2017: 65.8 million).

At December 31, 2018, if the Pakistan Rupee had weakened / strengthened by 5% against the US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 31.11 million (2017: Rs. 3.29 million), mainly as a result of foreign exchange losses / gains on translation of US Dollar-denominated trade payables and trade debts.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises primarily from balances held in savings account with banks. These are benchmarked to variable rates which exposes the Company to cash flow interest rate risk only.

	Carrying amount	
	2018	2017
	Rupees	
Fixed rate instruments		
Financial assets		
- bank balance on deposit accounts	400,000,000	1,000,000,000
Variable rate instruments		
Financial assets		
- bank balance on PLS savings account	270,103,653	103,011,566
Financial liabilities		
- running finance under mark-up arrangement	1,591,779,855	-

Cash flow sensitivity analysis for variable rate instrument

A change of 100 basis points in interest rates at the year end would have increased or decreased the profit for the year and shareholder's equity by Rs. 13.22 million (2017: Rs. 1.03 million). This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as for 2017.

(iii) Equity price risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

As at December 31, 2018, there are no equity investments of the Company measured at fair value, hence no equity price risk exists.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk arises from balances with banks and financial institutions, trade debts, loans, advances, deposits and other receivables. The credit risk on liquid fund is limited because the counter parties are banks with reasonably high credit rating.

	2018	2017
	Rupees	
Loans to employees, interest accrued and other receivables	614,152,299	48,458,030
Trade debts	754,862,976	271,293,332
Loan to GSK OTC	-	1,000,000,000
Advances and deposits	18,032,301	29,457,039
Investments - at amortised cost	-	198,542,857
Bank balances	707,442,531	1,103,011,566
	2,094,490,107	2,650,762,824

As at December 31, 2018, the Company's greatest concentration of credit risk was Rs. 511.46 million, Rs. 458.48 million, Rs. 276.65 million and Rs. 651.45 million with GSK Pakistan, NPPL, Premier Agencies and Citibank respectively.

Trade debts of the Company are not exposed to significant credit risk as the Company trades with credit worthy third parties. Trade debts of Rs. 94.74 million (2017: Rs. 22.79 million) are past due of which Rs. 3.22 million (2017: Rs. 3.19 million) have been impaired. Past due but not impaired balances include Rs. 52.11 million (2017: Rs. 0.18 million) outstanding for more than three months. Trade debts are written off when the company do not have realistic prospect of recovery.

Loans to employees are secured against their retirement benefits.

Investments represent Treasury bill. The Treasury bill is of short term nature and therefore has a low credit risk.

The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

Bank	Date of rating	Rating agency	Rating	
			Short term	Long term
Citibank N.A.	March, 2018	Moody's	P-1	A1
Standard Chartered Bank (Pakistan) Limited	December, 2018	PACRA	A1+	AAA

Trade receivables are grouped into customer segments that have similar loss patterns to access credit risk while other financial assets are accessed individually. Historical and forward - looking information is considered to determine the appropriate expected credit loss allowance, the Company believes that there is no further credit risk provision required in excess of the allowance for expected credit losses already recognised.

Settlement risk

Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash or other assets as contractually agreed on sale. The risk is addressed more or less in accordance with the parameters set out in the credit risk management above.

(c) Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to dynamic nature of the business the Company maintains flexibility in funding by maintaining committed credit lines available.

The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet the monitoring of liquidity ratios and maintaining debt financing plans.

42. PROVIDENT FUND RELATED DISCLOSURE

The investments out of the Funds have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

	2018	2017
	Number	
43. NUMBER OF EMPLOYEES		
Number of employees including contractual employees at the end of year	480	63
Average number of employees including contractual employees during the year	434	59
Employees working in the Company factory at the year end	356	-
Average employees working in the Company's factory during the year	312	-

44. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern so that it can continue to provide adequate returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Pre merger, the capital structure of the Company was equity based with no financing through borrowing. Post merger, the Company finances its operations through equity, borrowings and management of working capital with a view to maintain appropriate mix between various sources of finance to minimise risk. The Company calculates debt to capital ratio by dividing borrowings net of bank balance with equity as at year end.

The debt to capital ratio as at December 31, 2018 is 0.19 (2017: Nil).

45. BUSINESS UNITS - GEOGRAPHICAL LOCATION AND ADDRESSES

Business units	Addresses
Factory	Petaro Road, Jamshoro, Pakistan
Distribution / Sales offices	- North Sales Office - Aleem House, Plot no. 409, Sector I-9, Industrial Area, Islamabad – 54000 - Central Sales Office - 880-B, Faisal Town, Lahore – 54700
Warehouses and storage facilities	- Connect Logistics (Private) Limited - Plot no. 73 B,C,D, Main Mauripur Road, Hawksbay Phase 2, Karachi, Pakistan - Emirates Supply Chain Services (Private) Limited - 46 KM, Multan Road, Nathy Khalsa, Manga Mandi, Lahore Pakistan - Emirates Supply Chain Services (Private) Limited - Plot no. 409, Sector I-9, Industrial Area, Islamabad, Pakistan

Business units

Warehouses and storage facilities

Addresses

- DHL Global Forwarding Pakistan (Private) Limited - D22/A, Manghopir Road, S.I.T.E, Karachi
- Parazelsus Pakistan (Private) Limited - Plot no.31, Street no. 3, Sector-I-10/3, Islamabad
- Parazelsus Pakistan (Private) Limited - Shed no. F9, Plot No. S-1, Survey no. 230, Sector no. 02, Road 4000, Korangi Industrial Area, Karachi
- Parazelsus Pakistan (Private) Limited - Plot no. A-8 Block-E, Main Airport Road, Latifabad No. 8, Hyderabad
- Parazelsus Pakistan (Private) Limited - Sultana mansion, Vehari, Multan road, Joseph Street
- Parazelsus Pakistan (Private) Limited - P-247/II, Inside Al-Jannat Complex, Main Samundari Road, Faisalabad
- Jamshoro - Petaro Road, Jamshoro, Pakistan
- Plot B-3, SITE, Kotri

46. SUBSEQUENT EVENTS

The Board of Directors in its meeting held on March 18, 2019 proposed a cash dividend of Rs. 5 per share (2017: Rs. 5 per share) amounting to Rs. 585.27 (2017: Rs. 477.75 million) subject to the approval of the members in the forthcoming annual general meeting of the Company.

47. CORRESPONDING FIGURES

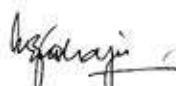
Corresponding figures have been reclassified in these financial statements, wherever necessary to facilitate the comparison and to conform with changes and presentation in the current year. However, no significant reclassifications were made in the financial statements.

48. DATE OF AUTHORISATION FOR ISSUE

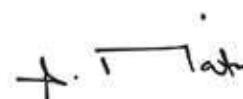
These financial statements were approved and authorised for issue by the Board of Directors of the Company on March 18, 2019.



Chief Financial Officer



Director



Chief Executive Officer

Stakeholders' Information

OWNERSHIP

On December 31, 2018 there were 5,060 members on the record of the company's ordinary shares.

DIVIDEND PAYMENT

The Board of Directors of the company has recommended 50% final dividend for the year ended 2018. The proposal shall be placed before the shareholders of the company in the Annual General Meeting for their consideration and approval on April 23, 2019. The dividend, if approved by the shareholders, shall be directly credited to their designated bank accounts to the shareholders listed in the company's share register at the close of business on April 16, 2019 and shall be subject to the Zakat and Tax deductions as per law.

FINANCIAL CALENDAR		
RESULTS		
First quarter ended March 31, 2018	Approved and Announced on	27-04-2018
Half year ended June 30, 2018	Approved and Announced on	24-08-2018
Third quarter ended September 30, 2018	Approved and Announced on	30-10-2018
Year ended December 31, 2018	Approved and Announced on	18-03-2019
DIVIDEND		
Final – Cash (2017)	Approved on	29-03-2018
	Entitlement date	22-03-2018
	Statutory limit upto which payable	18-04-2018
	Paid on	17-04-2018
4TH ANNUAL GENERAL MEETING TO BE HELD ON		23-04-2019

Shareholding Position / Free Float Shares

	<i>No. of Shareholders</i>	<i>No. of Shares Held</i>	<i>Percentage</i>
Shares in Physical Register	1673	101,584,380	86.80
Shares Deposited in Central Depository System	3387	15,470,128	13.20
TOTAL	5,060	117,054,508	100.00

Free Float Shares of the Company 15,469,798 i.e (13.22 %) Shares out of total 117,054,508 Shares as on December 31, 2018.

Pattern of Shareholding

As at December 31, 2018

No. of Shareholders	Having shares		Shares Held	percentage
	From	To		
1826	1	100	64,991	0.06
1689	101	500	432,163	0.37
513	501	1000	391,125	0.33
753	1001	5000	1,688,022	1.44
134	5001	10000	938,057	0.80
46	10001	15000	566,796	0.48
27	15001	20000	461,470	0.39
17	20001	25000	383,447	0.33
10	25001	30000	276,323	0.24
8	30001	35000	256,145	0.22
6	35001	40000	226,711	0.19
2	40001	45000	85,906	0.07
2	45001	50000	95,255	0.08
7	50001	55000	368,760	0.32
3	55001	60000	177,513	0.15
1	65001	70000	68,000	0.06
1	70001	75000	73,359	0.06
1	90001	95000	90,774	0.08
2	95001	100000	193,327	0.17
1	160001	165000	160,400	0.14
1	200001	205000	203,800	0.17
1	245001	250000	249,900	0.21
1	250001	255000	254,043	0.22
1	305001	310000	308,656	0.26
1	365001	370000	367,100	0.31
1	385001	390000	389,040	0.33
1	2490001	2495000	2,493,557	2.13
1	2610001	2615000	2,613,605	2.23
1	2750001	2755000	2,753,004	2.35
2	21500001	78920000	100,423,259	85.79
5,060			117,054,508	100.00

Categories of Shareholders

As at December 31, 2018

Particulars	No. of Shareholders	No. of Shares Held	Percentage
CEO, Directors and their spouse(s) & minor children	3	332	0.00
Associated companies, undertakings and related parties	2	100,423,259	85.79
Banks, DFI, non-banking finance companies, and pension funds	19	395,818	0.34
Insurance companies & Takaful	4	55,206	0.05
Public sector companies and corporations	6	3,144,411	2.69
Mutual Funds & Modarabas	14	3,668,192	3.13
Foreign Companies	4	2,563,057	2.19
Companies, Trust & Others	98	716,787	0.61
General Public / Individuals - Local	4,906	6,024,933	5.15
General Public / Individuals - Foreign	4	62,513	0.05
TOTAL	5,060	117,054,508	100.00

Key Shareholding

As at December 31, 2018

	No. of Shareholders	No. of Shares Held	Percentage
CEO & Directors			
MR. SOHAIL AHMED	1	1	0.00
SYED AZEEM ABBAS NAQVI	1	1	0.00
MR. MUHAMMAD ZINDAH MOIN MOHAJIR	1	330	0.00
Associated Companies			
GLAXOSMITHKLINE CONSUMER HEALTHCARE B.V.	1	100,423,259	85.79
Public Sector Companies and Corporations			
IDBL (ICP UNIT)	1	24	0.00
NATIONAL BANK OF PAKISTAN	1	1,557	0.00
NATIONAL BANK OF PAKISTAN	1	389,040	0.33
STATE LIFE INSURANCE CORP. OF PAKISTAN	1	2,753,004	2.35
NATIONAL BANK OF PAKISTAN	1	6	0.00
PAK-LIBYA HOLDING CO(PVT)LTD.	1	780	0.00

	No. of Shareholders	No. of Shares Held	Percentage
Mutual Funds & Modarabas			
CDC - TRUSTEE MEEZAN BALANCED FUND	1	203,800	0.17
CDC - TRUSTEE FIRST DAWOOD MUTUAL FUND	1	49,755	0.04
CDC - TRUSTEE AL MEEZAN MUTUAL FUND	1	249,900	0.21
CDC - TRUSTEE MEEZAN ISLAMIC FUND	1	308,656	0.26
CDC - TRUSTEE NAFA STOCK FUND	1	15,600	0.01
CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	1	11,000	0.01
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1	2,613,605	2.23
CDC-TRUSTEE NITIPF EQUITY SUB-FUND	1	1,500	0.00
CDC - TRUSTEE NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND	1	12,200	0.01
CDC - TRUSTEE MEEZAN ASSET ALLOCATION FUND	1	97,000	0.08
CDC TRUSTEE - MEEZAN DEDICATED EQUITY FUND	1	22,900	0.02
CDC - TRUSTEE NIT ISLAMIC EQUITY FUND	1	35,370	0.03
CDC - TRUSTEE AKD INDEX TRACKER FUND	1	3,000	0.00
B.R.R. GUARDIAN MODARABA	1	43,906	0.04
Foreign Companies			
HABIB BANK AG ZURICH ,SWITZERLAND	1	3,000	0.00
HABIB BANK AG ZURICH, DEIRA DUBAI	1	52,700	0.05
MATTHEWS EMERGING ASIA FUND	1	2,493,557	2.13
LAERERNES PENSION FORSIKRINGSAKTIESELSKAB	1	13,800	0.01

Members Having 5% or More of Voting Rights

Name of Shareholder(s)	No. of Shares Held	Percentage
GLAXOSMITHKLINE CONSUMER HEALTHCARE B.V.	100,423,259	85.79

Shares Traded by Directors / Executives

No shares of GSKCH Limited, were traded by Directors and Executives during the financial year from 1 January 2018 to 31 December 2018.

Notice Of Annual General Meeting

Notice is hereby given to the members that the 4th Annual General Meeting of GlaxoSmithKline Consumer Healthcare Pakistan Limited will be held on Tuesday, 23 April 2019 at 11:30 a.m. at Ramada Karachi Creek Hotel, Zulfiqar Street 1, DHA Phase 8, Karachi to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements together with the Directors and Auditors' Report thereon for the year ended 31 December 2018.
2. To consider, approve and declare the dividend on the ordinary shares of the Company. The Directors have recommended a final cash dividend of 50% (Rs.5.00 per ordinary share of Rs. 10 each), for the year ended 31 December 2018.
3. To appoint External Auditors of the Company for the ensuing year, and to fix their remuneration. The Board of Directors, on the recommendation of Audit Committee of the Company, has proposed re-appointment of M/s Deloitte Yousuf Adil Chartered Accountants as external auditors, for the year ending 31 December 2019.
4. To elect seven (7) Directors, as fixed by the Board, in accordance with the provision of Section 159 of the Companies Act, 2017, for a term of three (3) years commencing from 23 June 2019. The names of the retiring directors of the Company, also eligible to offer themselves for re-election, are as follows:
 - 1) Ms. Annelize Roberts
 - 2) Mr. Sohail Ahmed Matin
 - 3) Syed Anwar Mehmood
 - 4) Ms. Emine Tasci Kaya
 - 5) Syed Azeem Abbas Naqvi
 - 6) Mr. M.Z. Moin Mohajir
 - 7) Mr. Talal Javed Ahmed

ANY OTHER BUSINESS:

1. To transact any other business with the permission of the Chair.

Karachi
2 April 2019

By Order of the Board



MASHAL MOHAMMAD
Company Secretary

1. The Share Transfer Books of the Company will be closed for determining the entitlement for the payment of Final Dividend from 17 April 2019 to 23 April 2019 (both days inclusive). Transfer requests received at the Office of the Share Registrar of the Company at Central Depository Company of Pakistan Limited, CDC House, 99-B, Block – B, S.M.C.H. Society, Main Shahrah-e-Faisal, Karachi at the close of business on 16 April 2019 (Tuesday) will be treated in time for the purposes of entitlement to the transferees.
2. A member entitled to attend and vote at the Meeting may appoint another member as his/her Proxy to attend, speak and vote at the Meeting on his/her behalf. Instrument appointing Proxy must be deposited at the Office of the Share Registrar of the Company at Central Depository Company of Pakistan Limited, CDC House, 99-B, Block – B, S.M.C.H.S., Main Shahr-e-Faisal, Karachi not less than 48 hours before the time of the Meeting.
3. Shareholders are requested to notify the Company's Share Registrar if there is any change in their registered postal addresses.
4. Any person who seeks to contest the election of Directors shall file with the Company at its registered office, not later than fourteen (14) days before the above said meeting his/her intention to offer himself/herself for the election of the Directors in terms of Section 159(3) of the Companies Act, 2017 together with:

- Consent to act as director under Section 167(1) of the Act on a duly filled and signed Form 28.
 - Declaration for eligibility to act as director of listed company and awareness of duties and powers of directors under the Companies Act, 2017, Memorandum and Articles of Association of the Company, Rule Book of Pakistan Stock Exchange Limited and the Listed Companies (Code of Corporate Governance) Regulations, 2017 and other relevant laws and regulations.
 - Declaration of independence in terms of Section 166(2) of the Companies Act, 2017 as required under Listed Companies (Code of Corporate Governance) Regulations, 2017 (applicable only for person filing consent to act as an independent director of the Company).
 - A detailed profile along with office address for placement on the Company's website.
 - Detail of other directorship and offices held.
 - Copy of valid CNIC (in case of Pakistan national) / Passport (in case of foreign national), and NTN & Folio No./CDC Investors Account No./CDC Sub-Account No (applicable for person filing consent for the first time).
5. CDC Account Holders will further have to follow the under mentioned guidelines as specified by the Securities and Exchange Commission of Pakistan (SECP).

A. For Attending the Meeting:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account \ and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For Appointing Proxies:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv) The proxy shall produce his/her original CNIC or original passport at the time of the Meeting.
 - v) In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
6. Shareholders holding physical shares are also required to bring their original CNIC and/or copy of CNIC of shareholder(s) of whom he/she/they hold Proxy(ies). Such shareholder(s) shall not be allowed to attend and/or sign the Register of Shareholders/Members at the AGM without such CNIC(s).

7. Submission of Copy of CNIC/NTN (MANDATORY):

Further to SECP's directives, including SRO 831(1)/2012 and other relevant rules, the electronic dividend should also bear CNIC number of the registered shareholder or the authorized person, except in the case of minor(s) and corporate shareholders.

As per Regulation No. 6 of the Companies (Distribution of Dividend) Regulations, 2017 and Section 243(2) of the Companies Act, 2017, the Company will be constrained to withhold payment of dividend to shareholders, in case of non-availability of identification number of the shareholder or authorized person (CNIC or NTN).

Accordingly, the individual members who have not yet submitted a copy of their valid CNIC to the Company/Share Registrar are once again requested to send their CNIC copy at the earliest directly to the Company's Share Registrar at Central Depository Company of Pakistan Limited, CDC House, 99-B, Block – B, S.M.C.H.S., Main Shakra-e-Faisal, Karachi. Corporate entities are requested to provide their National Tax Number (NTN) and Folio Number along with the authorized representative's CNIC copy.

8. Payment of Cash Dividend Through Electronic Mode (Mandatory):

In accordance with Section 242 of the Companies Act, 2017 and Regulation No. 4 of the Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive dividend directly into their bank account, shareholders are requested to fill in "E-Dividend Mandate Form" available on Company's website i.e. www.pk-consumerhealthcare.gsk.com and send it duly signed along with a copy of CNIC to the Registrar of the Company i.e. Central Depository Company of Pakistan Limited, Shares Registrar Department, CDC House 99-B, Block 'B' S.M.C.H.S, Main Shahra-e-Faisal Karachi in case of physical shares.

In case shares are held in CDC then "E-Dividend Mandate Form" must be submitted directly to shareholder's broker/participant/CDC account services.

9. Circulation of Annual Audited Accounts via CD/DVD/USB or Any Other Media

SECP through its SRO 470(1)/2016, dated 31 May 2016, has allowed companies to circulate the annual balance sheet, profit and loss account, auditors' report and Directors' report etc ("annual audited accounts") to its members through CD/DVD/USB at their registered addresses. In view of the above, The Company has obtained shareholders' approval in its Extra Ordinary General Meeting held on 20 November 2017 in this regard, the Company has sent its Annual Report 2017 to its shareholders in the form of CD. Any member requiring printed copy or electronic format through email of Annual Report 2018 may send a request using a Standard Request Form as annexed and placed on Company's website as well: www.pk-consumerhealthcare.gsk.com.

Members are hereby informed that pursuant to SECP SRO 787(1)/2014 dated 8 September 2014, and under Section 223(6) of the Companies Act 2017, circulation of Audited Financial Statements and Notice of Annual General Meeting has been allowed to be circulated in electronic format through email.

Members can request a hard copy of the same, which shall be provided free of cost within seven (7) days from receipt of requisition.

10. Revision of Withholding Tax on Dividend Income:

Please further note that under Section 150 of the Income Tax Ordinance, 2001 and pursuant to Finance Act 2017 withholding tax on dividend income will be deducted for 'Filer' and 'Non-Filer' shareholders @ 15% and 20% respectively. According to clarification received from Federal Board of Revenue (FBR) withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as Joint Holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold shares with joint shareholders are requested to provide shareholding proportions of Principal shareholder and Joint Holder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Folio / CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

Notes:

- The required information must be reached to our Share Registrar by 16 April 2019; otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s) and tax will be deducted accordingly.
- Shareholders are therefore requested to please check and ensure filer status from Active Taxpayers List (ATL) available at FBR website <http://www.fbr.gov.pk/> as well as ensure that their CNIC / Passport number has been recorded by the Participant / Investor Account Services or by Share Registrar (in case of physical shareholding). Corporate bodies (non-Individual shareholders) should ensure that their names and National Tax Numbers (NTN) are available in ATL at FBR website and recorded by respective Participant / Investor Account Services or in case of physical shareholding by Company's Share Registrar.
- Withholding tax exemption from dividend income, shall only be allowed if a copy of valid tax exemption certificate is made available to the Company's Share Registrar by 16 April 2019.

11. UNCLAIMED DIVIDEND / SHARES:

Pursuant to Section 244 of the Companies Act, 2017, any shares issued, or dividend declared by the Company, which remain unclaimed or unpaid for a period of three years from the date it become due payable shall vest with the Federal Government after compliance of procedures prescribed under the Company Act, 2017. Section 244(l)(a) of the ACT requires the Company to give a 90 days' notice to the members to file their claims with the Company. Further SECP vide Direction No. 16 of 2017 issued on July 07, 2017 directed all listed Companies issued such notice to the members and submit statement of unclaimed shares or dividend or any other instruments which remain unclaimed or unpaid for a period of three (3) years from the date it is due and payable as of May 30, 2017.

12. Postal Ballot/E-Voting

In accordance with the Companies (Postal Ballot) Regulations, 2018, for the purpose of election of Directors and for any other agenda item subject to the requirements of section 143 and 144 of the Companies Act, 2017, members holding in aggregate 10% or more shareholding as per law, will be allowed to exercise their right of vote through postal ballot i.e. by post or e-voting, in the manner and subject to conditions contained in aforesaid Regulations.

13. Consent for Video Conference Facility:

In accordance with Section 132(2) of the Companies Act, 2017, Members can also avail video conference facility.

If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location other the city of the Meeting, to participate in the meeting through video conference at least 7 days prior to the date of the Annual General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. In this regard, please fill the following form and submit the same to the registered address of the Company 7 days before holding of the Annual General Meeting.

The Company will intimate to Members regarding the venue of video conference facility at least 5 days before the date of the Annual General Meeting along with complete information necessary to enable them to access such facility.

I/We, _____ of _____, being a member of
GlaxoSmithKline Consumer Healthcare Pakistan Limited, holder of _____ ordinary share (s) as per
Registered Folio/CDC Account No. _____ hereby opt for video
conference facility at _____.

Signature of Shareholder

GLAXOSMITHKLINE CONSUMER HEALTHCARE PAKISTAN LIMITED PROXY FORM

I/We _____ of _____, being a Member of GlaxoSmithKline Consumer Healthcare Pakistan Limited holding _____ ordinary shares, HEREBY APPOINT _____ of _____, another Member of the Company, failing him/her _____ of _____ as my/our proxy in my/our absence to attend and to vote and act for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at the Ramada Karachi Creek Hotel, Zulfiqar Street 1, DHA Phase 8, Karachi at 11:30 a.m. on Tuesday, 23 April 2019 and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2019.
Signed in the presence of:

Rs. 5/-
Revenue
Stamps

(Signature of Witness 1)

Name of Witness:

CNIC No:

				-								-				
--	--	--	--	---	--	--	--	--	--	--	--	---	--	--	--	--

Address:

(Name in Block letters)

Folio No.

(Signature of Witness 2)

Name of Witness:

CNIC No:

				-								-				
--	--	--	--	---	--	--	--	--	--	--	--	---	--	--	--	--

Address:

Signature of the Shareholder

Notes:

- The Member is requested:
 - to affix Revenue Stamp of Rs. 5/- at the place indicated above;
 - to sign in the same style of signature as is registered with the Company;
 - to write down his/her Folio Number.
- For the appointment of the above Proxy to be valid, this instrument of proxy must be received at the Office of the Share Registrar of the Company at Share Registrar Department, Central Depository Company of Pakistan Limited, 99-B, Block - B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi, at least 48 hours before the time fixed for the Meeting.
- Any alteration made in this instrument of proxy should be initialled by the person who signs it.
- In the case of joint holders, the vote of the senior who tenders a vote whether in person or by Proxy will be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority will be determined by the order in which the names stand in the Register of Members.

For CDC Account Holders / Corporate Entities:

In addition to the above, the following requirements have to be met:

- The proxy form must be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Attested copies of CNIC or the passport of the beneficial owners and of the Proxy must be furnished with the proxy form.
- The Proxy must produce his original CNIC or original passport at the time of the Meeting.
- In case of corporate entities, the Board of Directors' resolution/power of attorney and specimen signature must be submitted (unless it has been provided earlier) alongwith proxy forms to the Share Registrars.

E-Dividend Mandate Form

To: _____

Date: _____

Subject: BANK ACCOUNT DETAILS FOR PAYMENT OF DIVIDEND THROUGH ELECTRONIC MODE

Dear Sir,

I/We/Messrs. _____, being a/the shareholder(s) of GlaxoSmithKline Consumer Healthcare Pakistan Limited (the "Company"), hereby, authorize the Company, to directly credit cash dividends declared by it, in my bank account as detailed below:

(i) Shareholder's details:	
Name of the Shareholder	
Folio No./CDC Participant ID & Sub-Account No. /CDC IAS	
CNIC/NICOP/Passport/NTN No. (please attach copy)	
Contact Number (Landline & Cell Nos.)	
Shareholder's Address	
(ii) Shareholder's Bank account details:	
Title of Bank Account	
International Bank Account Number (IBAN)	
Bank's Name	
Branch Name & Code No.	
Branch Address	

It is stated that the above particulars given by me are correct and I shall keep the Company, informed in case of any changes in the said particulars in future.

Yours truly,

Signature of Shareholder
(Please affix company stamp in case of corporate entity)

Notes:

Please note that:

1. The shareholders who hold shares in Book-Entry Form are requested to fill the above-mentioned E-Dividend Mandate Form and send it to the relevant Broker/Participants/Investor Account Services of the Central Depository Company of Pakistan Limited where the shareholders' CDC account is being dealt.
2. The shareholders who hold shares in physical form are requested to fill the above-mentioned E-Dividend Mandate Form and send it to the Company's Share Registrar address; i.e.; Central Depository Company of Pakistan Limited, Share Registrar Department, CDC House, 99-B, Block B, Main Shahrah-e-Faisal, Karachi-74400, Pakistan. Tel: 0800-23275 (CDCPL).
3. In case of non-receipt of IBAN with bank details, as requested above, future cash dividend, if any, could be withheld according to the directives of Securities and Exchange Commission of Pakistan.
GlaxoSmithKline Consumer Healthcare Pakistan Limited and CDC shall not be responsible for any loss, damage, liability or claim arising, directly or indirectly, from any error, or failure in performance of any of its obligations whatsoever, caused due to incorrect payment instructions provided by the shareholder and/or due to any event beyond the control of the Bank.

ای-ڈیویڈنڈ مینڈیٹ فارم

بنام: _____

بتاریخ: _____

عنوان: منافع منقسمہ کی الیکٹرانک طریقے سے ادائیگی کے لیے بینک اکاؤنٹ کی تفصیلات

جناب اعلیٰ

میں /میسرز /..... گلیکسو اسمتھ کلائن کنزیومر ہیلتھ کیئر پاکستان لمیٹڈ (کمپنی) کے شیئر ہولڈرز ہونے کے ناطے کمپنی کو اختیار دیتے ہیں کہ وہ اعلان کردہ منافع منقسمہ براہ راست میرے ذیل میں دیے گئے اکاؤنٹ میں جمع کروادے۔

(ا) شیئر ہولڈر کی تفصیلات	
شیئر ہولڈر کا نام	
فولیو نمبر/سی ڈی سی شرکت کنندہ کی ID سب اکاؤنٹ نمبر/ CDC IAS	
شناختی کارڈ/ NICOP/ پاسپورٹ/ NTN نمبر (برائے مہربانی کاپی منسلک کریں)	
رابطہ نمبر (لینڈ لائن یا موبائل)	
شیئر ہولڈر کا پتہ	
(ب) شیئر ہولڈر کے بینک کی تفصیلات	
بینک اکاؤنٹ کا عنوان	
انٹرنیشنل بینک اکاؤنٹ نمبر	
بینک کا نام	
برانچ کا نام اور کوڈ نمبر	
برانچ کا ایڈریس	

یہ بیان کیا جاتا ہے میری طرف سے فراہم کردہ درج بالا معلومات درست ہیں اور میں کمپنی کو مستقبل میں ان میں ہونے والی کسی بھی تبدیلی سے آگاہ رکھوں گا۔

آپ کا خیر خواہ

دستخط شیئر ہولڈر

(برائے مہربانی کارپوریٹ ادارے کی صورت میں کمپنی کی اسٹیپ لگائیں۔)

نوٹس

برائے مہربانی نوٹ فرمائیں

- شیئر ہولڈر جو بک اینٹری فارم رکھتے ہیں، سے درخواست کی جاتی ہے کہ وہ درج بالا ای ڈیویڈنڈ مینڈیٹ فارم پر کریں اور اسے سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ کے متعلقہ بروکر/شرکت کنندہ/ انویسٹر اکاؤنٹ سروسز کو بھجوائیں، جہاں سی ڈی سی اکاؤنٹ ڈیل کیا جا رہا ہو۔
 - شیئر ہولڈرز جو فزیکل صورت میں شیئرز رکھتے ہوں، سے درخواست کی جاتی ہے کہ وہ درج بالا ای ڈیویڈنڈ مینڈیٹ فارم پر کریں اور اسے کمپنی کے شیئر رجسٹرار ایڈریس، سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ، شیئر رجسٹرار ڈپارٹمنٹ، سی ڈی سی ہاؤس، 99B، بلاک B، مین شاہراہ فیصل، کراچی 74400، پاکستان پر بھجوائیں۔ فون 0800 23275
 - بینک تفصیلات کے ساتھ IBAN موصول نہ ہونے کی صورت میں، جیسا کہ اوپر درخواست کی گئی ہے، مستقبل کے کیش ڈیویڈنڈ، اگر کوئی ہوں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی ہدایات کے مطابق روک لیے جائیں گے۔
- گلیکسو اسمتھ کلائن کنزیومر ہیلتھ کیئر پاکستان لمیٹڈ اور سی ڈی سی کسی بھی نقصان، ٹوٹ پھوٹ، لائبلٹی، یا کلیم کی صورت میں ذمہ دار نہیں ہوگی، جو کہ براہ راست یا بالواسطہ طور پر کسی غلطی، یا اس کی کسی بھی ذمہ داری کو پورا نہ کرنے میں ناکامی کی بناء پر ہو، جو بھی شیئر ہولڈر کی طرف سے ادائیگی کی غلط ہدایات کی فراہمی اور/یا کسی ایسے واقعے کی وجہ سے ہو جو بینک کے کنٹرول سے باہر ہو۔

Request Form for Transmission of Annual Report /AGM Notice

The Share Registrar Services
GlaxoSmithKline Consumer Healthcare Pakistan Limited
Central Depository Company of Pakistan Limited
99-B, Block 'B', SMCHS,
Main Shakra-e-Faisal,
Karachi - 74400

Subject: Request for transmission of Annual Reports and Notice of AGM through Email or in Hard copy

I/we hereby request to receive the Annual Report and Notice of AGM through email or in hard copy instead of receiving the same through CD/DVD/USB as mentioned below;

Name of the Shareholder(s)	
Folio No. / CDC Participants ID A/C No.	
CNIC No.	
Land Line Phone Number	
Mobile Number	
Passport No. (incase of foreign shareholder)	
Valid Email Address	
Valid Postal Address	

MODE OF RECEIVING ALL FUTURE ANNUAL REPORTS ALONG WITH NOTICE OF AGM THROUGH EMAIL OR IN HARD COPY UNDER SECTION 223 (6) OF THE COMPANIES ACT, 2017, INSTEAD OF RECEIVING THEM THROUGH CD/DVD/USB

(Please select any one option)

OPTION 1: Through email on the valid email address provided above

OPTION 2: Hard copies on my registered postal address

It is stated that the above-mentioned information is correct and that I/We will intimate the changes in the abovementioned information to the Company and / or the concerned Share Registrar as soon as these occur.

I/we hereby further authorize the Company to update my/our particulars mentioned above in the member register of the Company along with email address mentioned.

I/we undertake that by sending the Audited Financial Statements and Notices through e-mail by the Company, the Company shall be considered compliant with the relevant requirements of section 223(6) of the Companies Act, 2017. In case a hard copy of Audited Financial Statements and/or Notice of AGM of the Company is desired, a specific request for the same will be made.

Signature of the Shareholder(s)

Notes:

- Please attach attested photocopy of the valid CNIC / valid Passport
- This Request Form is optional and not compulsory

درخواست فارم برائے ترسیل سالانہ رپورٹ/اجلاس عام کا نوٹس

شیئر رجسٹرار سروسز
کلیکسو اسمتھ کلائن کنزیومر ہیلتھ کیئر پاکستان لمیٹڈ
سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ
99B، بلاک B، ایس ایم سی ایچ ایس
سی ڈی سی ہاؤس، مین شاہراہ فیصل
کراچی 74400

عنوان: درخواست برائے ترسیل سالانہ رپورٹ اور نوٹس برائے اسے جی ایم بذریعہ ای میل یا ہارڈ کاپی

میں/ہم درخواست کرتے ہیں کہ سالانہ رپورٹ اور نوٹس برائے اسے جی ایم CD/DVD/USB کے بجائے، بذریعہ ای میل یا ہارڈ کاپی کے ذریعے فراہم کیا جائے، جیسا کہ ذیل میں دیا گیا ہے۔

شیئر ہولڈر کا نام	
فولیو نمبر/سی ڈی سی شرکت کنندہ کے ID اکاؤنٹ نمبر	
شناختی کارڈ نمبر	
فون نمبر (لینڈ لائن)	
موبائل نمبر	
پاسپورٹ نمبر (غیر ملکی ہونے کی صورت میں)	
مؤثر ای میل ایڈریس	
مؤثر پوسٹل ایڈریس	

سی ڈی/یو ایس بی/ ڈی وی ڈی کے ذریعے وصول کرنے کے بجائے، کمپنیز ایکٹ کے سیکشن (6) 223 کے تحت ای میل کے ذریعے یا ہارڈ کاپی کی مستقبل میں تمام سالانہ رپورٹس معہ سالانہ اجلاس عام کے نوٹس وصول کرنے کا طریقہ:
براہ مہربانی کسی ایک کا انتخاب کریں:

آپشن 1: درج بالا مؤثر ای میل ایڈریس پر ای میل کے ذریعے

آپشن 2: میرے رجسٹرڈ پوسٹل پتے پر ہارڈ کاپیز کے ذریعے

یہ بیان کیا جاتا ہے کہ متذکرہ بالا معلومات درست ہے اور میں/ہم اس میں کسی تبدیلی کی بابت کمپنی اور/یا متعلقہ شیئر رجسٹرار کو آگاہ کریں گے اور میں/ہم کمپنی کو مزید اختیار دیتے ہیں کہ اوپر دیے گئے میری/ہماری تفصیلات کمپنی کے شیئر رجسٹر میں، معہ ای میل ایڈریس اپ ڈیٹ کر لیں۔

میں/ہم اقرار کرتے ہیں کہ آڈٹ شدہ فائنانشل اسٹیٹمنٹس اور نوٹس بذریعہ ای میل بھیجنے سے کمپنی کو کمپنیز ایکٹ 2017 کے سیکشن (6) 223 کی متعلقہ ضرورت کے مطابق عمل پیرا تصور کیا جائے گا۔ اگر آڈٹ شدہ فائنانشل اسٹیٹمنٹس یا کمپنی کے نوٹس برائے اسے جی ایم کی ہارڈ کاپی درکار ہوگی، تو اس کے لیے مخصوص درخواست دی جائے گی۔

دستخط شیئر ہولڈر

نوٹس

- برائے مہربانی اپنے مؤثر قومی شناختی کارڈ/مؤثر پاسپورٹ کی تصدیق شدہ کاپی منسلک کریں۔
- یہ درخواست فارم اختیاری ہے، اور لازمی نہیں ہے۔

13. ویڈیو کانفرنس کی سہولت

کمپنیز ایکٹ 2017 کے سیکشن (2) 132 کے مطابق، ممبران ویڈیو کانفرنس کی سہولت حاصل کرسکتے ہیں۔

SECP کے سرکلر نمبر 10 بتاریخ 21 مئی 2014 اور کمپنیز ایکٹ 2017 کے مطابق کمپنی کسی خاص جغرافیائی مقام پر رہنے والے 10 فیصد یا اس سے زائد شیئر ہولڈنگ کے حامل ممبر سے اجلاس سے 7 دن قبل اجلاس میں ویڈیو کانفرنس کے ذریعے شرکت کی رضامندی حاصل کرتی ہے تو کمپنی اس شہر میں ایسی سہولت کی دستیابی کی صورت میں ویڈیو کانفرنس کی سہولت فراہم کرے گی۔ اس حوالے سے براہ مہربانی درج ذیل فارم پر کریں اور کمپنی کے رجسٹرڈ پتے پر سالانہ اجلاس عام سے 7 روز قبل جمع کروائیں۔ کمپنی تمام تر ضروری معلومات کے ساتھ ممبرز کو سالانہ اجلاس عام سے کم از کم 5 روز قبل ویڈیو کانفرنس کی سہولت کے مقام سے آگاہ کرے گی تاکہ وہ اس سہولت تک رسائی حاصل کر سکیں۔

میں/ہم ----- کے ----- گلیکسو اسمتھ کلان کنزیومر ہیلتھ کیئر پاکستان لمیٹڈ کے ممبر اور رجسٹرڈ فولیو نمبر /سی ڈی سی اکاؤنٹ نمبر ----- کے مطابق ----- عمومی شئرز کے حامل ہونے کے ناطے ----- پر ویڈیو کانفرنس سہولت کا انتخاب کرتے ہیں۔

دستخط شیئر ہولڈر

کے تناسب سے علیحدہ علیحدہ کیا جائے گا۔

اس حوالے سے تمام شیئر ہولڈرز، جو جوائنٹ شیئر ہولڈرز کے ساتھ شیئرز کے حامل ہیں، سے درخواست کی جاتی ہے کہ پرنسپل شیئر ہولڈرز اور جوائنٹ شیئر ہولڈرز کی شیئر ہولڈنگ کا تناسب اپنے پاس موجود شیئرز کے مطابق ہمارے شیئر رجسٹرار کو فراہم کریں۔

جوائنٹ شیئر ہولڈر		پرنسپل شیئر ہولڈر		کل شیئرز	فولیو سی ڈی ایس اکاؤنٹ #
شیئر ہولڈنگ تناسب شیئرز کی تعداد	نام اور شناختی کارڈ نمبر	شیئر ہولڈنگ تناسب شیئرز کی تعداد	نام اور شناختی کارڈ نمبر		

نوٹس

(ا) درکار معلومات ہمارے شیئر رجسٹرار کے پاس 16 اپریل 2019 تک پہنچ جانی چاہیے، بصورت دیگر یہ تصور کیا جائے گا کہ شیئرز پرنسپل شیئر ہولڈر اور جوائنٹ ہولڈر کے درمیان مساوی طور پر موجود ہیں، اور اسی لحاظ سے ٹیکس منہا کیا جائے گا۔

(ب) لہذا شیئر ہولڈرز سے درخواست کی جاتی ہے کہ براہ مہربانی ایف بی آر کی ویب سائٹ <http://www.fbr.gov.pk> پر موجود پر موجود ایکٹو ٹیکس پیئر لسٹ (ATL) سے اپنا فائلر اسٹیٹس چیک کریں اور یقینی بنائیں کہ ان کا کمپیوٹرائزڈ شناختی کارڈ / پاسپورٹ نمبر / شرکت کنندہ / انویسٹر اکاؤنٹ سروسز یا شیئر رجسٹرار (فزیکل شیئر ہولڈنگ کی صورت میں) کے پاس ان کا نمبر ریکارڈ ہے۔ کارپوریٹ باڈیز (غیر انفرادی شیئر ہولڈرز) کو چاہیے کہ یقینی بنائیں کہ ان کے نام اور نیشنل ٹیکس نمبر (NTN) ایف بی آر کی ویب سائٹ پر موجود ATL میں موجود ہیں متعلقہ شرکت کنندہ، انویسٹر اکاؤنٹ سروسز یا فزیکل شیئرز کی صورت میں کمپنی کے شیئر رجسٹرار کے پاس ریکارڈ ہیں۔

(ج) ڈیوڈینڈ کی آمدنی پر ود ہولڈنگ ٹیکس سے استثنیٰ، صرف اسی صورت میں دیا جائے گا جب موثر ٹیکس ایگزیمپشن سرٹیفکیٹ کمپنی کے شیئر رجسٹرار کو 16 اپریل 2019 تک مہیا کر دیا جائے۔

11. غیر کلیم شدہ منافع منقسمہ / شیئرز

کپنیز ایکٹ 2017 کے سیکشن 244 کے مطابق جاری کردہ کوئی بھی شیئر یا کمپنی کی طرف سے اعلان کردہ کوئی بھی منافع منقسمہ، جو واجب الادا ہونے کے بعد تین سال کے عرصے تک غیر کلیم شدہ یا ناقابل ادا ہیں وہ کمپنیز ایکٹ 2017 میں بیان کردہ طریقہ کار کو پورا کرنے کے بعد فیڈرل گورنمنٹ کے پاس جمع ہوں گے۔ ایکٹ کے سیکشن (1) 244 کے مطابق کمپنی ممبرز کو 90 دن کا نوٹس دینے کی پابندی ہے کہ کمپنی کے ساتھ اپنے کلیم داخل کر سکیں۔ مزید SECP کی ہدایت نمبر (16) 2017 تمام لسٹڈ کمپنیز کو ہدایت دیتا ہے کہ وہ ایسا نوٹس اپنے ممبرز کو جاری کریں اور 30 مئی 2017 تک واجب الادا ہونے کے بعد سے تین سال کے عرصے تک غیر کلیم شدہ یا غیر ادا شدہ رہنے والے شیئرز یا منافع منقسمہ کی یا کسی بھی دوسرے انسٹرومنٹ کی اسٹیٹمنٹ جمع کروائیں۔

12. بیلٹ / ای ووٹنگ

پہلے بیان کردہ ریگولیشنز میں درج شرائط سے مشروط، کمپنیز کے (پوسٹل بیلٹ) ریگولیشن 2018 کے مطابق، ڈائریکٹرز کے الیکشن کی غرض سے یا دیگر کسی ایجنڈے آئٹم، کمپنیز ایکٹ 2017 کے سیکشن 143 اور 144 کی ضرورت کے لحاظ سے قانونی طور پر، 10 فیصد یا اس سے زیادہ شیئر ہولڈنگ رکھنے والے ممبران، بذریعہ ڈاک اور ای ووٹنگ پوسٹل بیلٹ کے ذریعے اپنا حق رائے دہی استعمال کر سکتے ہیں، یعنی ڈاک کے ذریعے یا ای ووٹنگ کے ذریعے

6. فزیکل شیئرز کے حامل شیئر ہولڈرز لازماً اپنے اصل کمپیوٹرائزڈ شناختی کارڈ اور/یا شیئر ہولڈر/شیئر ہولڈرز، جن کے وہ پراکسی ہیں، کے کمپیوٹرائزڈ شناختی کارڈ کی کاپی ہمراہ لائیں، بغیر کمپیوٹرائزڈ شناختی کارڈ کے ایسے شیئر ہولڈر/ہولڈرز کو سالانہ اجلاس عام میں شرکت اور/یا شیئر ہولڈرز/ممبرز کے رجسٹر میں دستخط کرنے کی اجازت نہیں دی جائے گی۔

7. CNIC/NTN (لازمی) کی کاپی جمع کروانا

ایس ای سی پی کی ہدایات کے مطابق، بشمول SRO 831 (1)/2012 اور دیگر متعلقہ قوانین، الیکٹرانک ڈیوڈنڈ پر لازمی طور پر رجسٹرڈ شیئر ہولڈر یا مختار شخص کا CNIC نمبر ہونا چاہئے (سوائے نابالغ اور کارپوریٹ شیئر ہولڈر کے)۔

کمپنیز ریگولیشنز 2017 کے ریگولیشن 6 (ڈیوڈنڈ کی تقسیم) اور سیکشن 243 (2) کے مطابق کمپنی شیئر ہولڈر یا مجاز شخص کے شناختی کارڈ نمبر سی این آئی سی یا این ٹی این کی عدم دستیابی کی صورت میں شیئر ہولڈرز کو ڈیوڈنڈ کی ادائیگی روکنے کی پابند ہو گی۔

اسی طرح، انفرادی ممبرز جنہوں نے اب تک اپنے مؤثر قومی شناختی کارڈ کی کاپی کمپنی رجسٹرار کے پاس جمع نہیں کروائی ہے ان سے ایک بار پھر درخواست کی جاتی ہے کہ اپنے قومی شناختی کارڈ کی کاپی جلد از جلد براہ راست کمپنی شیئر رجسٹرار کو سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ، سی ڈی سی ہاؤس، 99B بلاک B ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی کو بھجوادیں۔ کارپوریٹ اداروں سے درخواست ہے کہ وہ اپنے نیشنل ٹیکس نمبر (NTN) اور فولیو نمبر معہ مجاز نمائندے کے قومی شناختی کارڈ کی کاپی، فراہم کریں۔

8. الیکٹرونک موڈ کے ذریعے کیش ڈیوڈنڈ کی ادائیگی (لازمی)

کمپنیز ایکٹ 2017 کے سیکشن 242 اور کمپنیز ریگولیشنز 2017 (ڈیوڈنڈ کی تقسیم) کے مطابق لسٹڈ کمپنی کے لیے ضروری ہے کہ وہ اپنے شیئر ہولڈرز کو صرف الیکٹرانک طریقے سے کیش ڈیوڈنڈ کی ادائیگی براہ راست شیئر ہولڈر کی طرف سے تجویز کردہ بینک اکاؤنٹ میں کرے۔ کیش ڈیوڈنڈ براہ راست بینک اکاؤنٹ میں حاصل کرنے کے لیے، شیئر ہولڈرز سے درخواست کی جاتی ہے کہ فزیکل شیئرز ہونے کی صورت میں وہ کمپنی کی ویب سائٹ www.pk.consumerhealthcare.gsk.com پر موجود ای ڈیوڈنڈ مینڈیٹ فارم پر کریں اور اس پر اپنے دستخط کرنے کے بعد کمپیوٹرائزڈ قومی شناختی کارڈ کی کاپی کے ساتھ کمپنی کے رجسٹرار کو سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ، شیئر رجسٹرار ڈپارٹمنٹ، سی ڈی سی ہاؤس، 99B بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل کراچی، پر ارسال کریں۔ شیئرز سی ڈی سی میں ہونے کی صورت میں تب ای ڈیوڈنڈ مینڈیٹ فارم لازمی طور پر براہ راست شیئر ہولڈر کے بروکر/شرکت کنندہ/سی ڈی سی اکاؤنٹ سروسز میں جمع کروائیں۔

9. ترسیل سالانہ آڈٹ شدہ اکاؤنٹس کی بذریعہ سی ڈی/ڈی وی ڈی/یو ایس بی یا کسی بھی دیگر ذریعے سے

ایس ای سی پی نے اپنے SRO 470(1)2016 بتاریخ 31 مئی 2016 کے ذریعے کمپنیز کو اجازت دی ہے کہ وہ سالانہ بیلنس شیٹ، پرافٹ اینڈ لاس اکاؤنٹ، آڈیٹرز کی رپورٹ اور ڈائریکٹرز رپورٹ وغیرہ (سالانہ آڈٹ شدہ اکاؤنٹس) اپنے اراکین کو سی ڈی/ڈی وی ڈی/یو ایس بی کے ذریعے ان کے رجسٹرڈ پتوں پر ارسال کریں۔ متذکرہ بالا کی روشنی میں، کمپنی نے غیر معمولی اجلاس عام منعقدہ 20 نومبر 2017 میں اس حوالے سے شیئر ہولڈرز سے منظوری حاصل کر لی ہے، کمپنی نے اپنی سالانہ رپورٹ 2017 اپنے شیئر ہولڈرز کو سی ڈی کی شکل میں بھجوا دی ہے۔ کوئی بھی ممبر جو سالانہ رپورٹ 2018 پر پٹ شدہ یا الیکٹرانک فارمیٹ پر بذریعہ ای میل حاصل کرنے کا خواہشمند ہو، اپنی درخواست کمپنی کی ویب سائٹ www.pk-consumerhealthcare.gsk.com پر منسلک اسٹینڈرڈ درخواست فارم کو استعمال کرتے ہوئے ارسال کریں۔ ممبرز کو مطلع کیا جاتا ہے کہ SECP SRO 787(1)/2014 مورخہ 8 ستمبر 2014 اور کمپنیز ایکٹ 2017 کے سیکشن (6) 223 کے مطابق، آڈٹ شدہ مالیاتی اسٹیٹمنٹس اور سالانہ اجلاس عام کا نوٹس الیکٹرانک فارمیٹ پر بذریعہ ای میل ارسال کرنے کی اجازت دی گئی ہے۔

ممبرز اس کی بارڈ کاپی کے لیے درخواست دے سکتے ہیں، جو بلا معاوضہ درخواست کی وصولی کے سات یوم کے اندر فراہم کی جائے گی۔

10. منافع منقسمہ پر ود ہولڈنگ ٹیکس میں نظرثانی

برائے مہربانی یاد رکھیں کہ انکم ٹیکس آرڈیننس 2001 کے سیکشن 150 اور فائننس ایکٹ 2017 کے تحت منافع منقسمہ پر ود ہولڈنگ ٹیکس فائلر اور نان فائلر کے لیے بالترتیب 15 فیصد اور 20 فیصد کے حساب سے منہا کیا جائے گا۔ فیڈرل بورڈ آف ریونیو (FBR) کی طرف سے موصول ہونے والی وضاحت کے مطابق جوائنٹ اکاؤنٹ کی صورت میں ود ہولڈنگ ٹیکس کا حساب فائلر/نان فائلر کے لیے پرنسپل شیئر ہولڈر اور جوائنٹ ہولڈرز کے لیے ان کی شیئر ہولڈنگ

1. کمپنی کی شیئر ٹرانسفر بکس 17 اپریل 2019 سے 23 اپریل 2019 تک (بشمول دونوں ایام) بند رہیں گی اور شیئر کی منتقلی کی کوئی بھی درخواست رجسٹریشن کے لیے قبول نہیں کی جائے گی۔ کمپنی کے شیئر رجسٹرار سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ، شیئر رجسٹرار ڈپارٹمنٹ، سی ڈی سی ہاؤس 99B، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی 74400 کے پاس 16 اپریل 2019 کو کاروبار کے خاتمے تک موصول ہونے والی منتقلی کی درخواستوں کو منافع منقسمہ کی ادائیگی کے لیے بروقت تسلیم کیا جائے گا۔
2. اجلاس میں شرکت اور ووٹ دینے کا اہل کوئی بھی ممبر اپنی جگہ کسی دوسرے کو اجلاس میں اپنی ایماہ پر شرکت، اظہار رائے اور ووٹ دینے کے لیے پراکسی نامزد کر سکتا ہے۔ پراکسی کی نامزدگی کی دستاویز سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ، سی ڈی سی ہاؤس، 99-B، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی پر کمپنی کے شیئر رجسٹرار کے آفس میں اجلاس کے وقت سے کم از کم 48 گھنٹے قبل جمع کروائی جا سکتی ہے۔
3. شیئر ہولڈرز سے درخواست ہے کہ پتے میں کسی بھی تبدیلی کی صورت میں کمپنی کو مطلع کریں۔
4. کوئی بھی شخص جو ڈائریکٹرز الیکشن میں حصہ لینا چاہتا ہے اس کے لیے لازمی ہے کہ وہ کمپنی سے اپنی وابستگی کو دکھاتے ہوئے ڈائریکٹرز کے الیکشن کے لیے سیکشن (3) 159 کمپنیز ایکٹ 2017 کے تحت ان شرائط پر رضامندی دکھاتے ہوئے بیان کردہ میٹنگ سے پہلے اپنی کاغذات کمپنی کے رجسٹرڈ آفس کو حد سے حد 14 دن کے اندر بھیج دے۔
 - ایکٹ کے سیکشن 167(1) کے تحت باقاعدہ پر شدہ اور دستخط شدہ فارم 28 پر ڈائریکٹر کے طور پر کام کرنے کے لیے رضامندی
 - کمپنیز ایکٹ 2017 کے مطابق کمپنی کے میمورینڈم اور آرٹیکل آف ایسوسی ایشن، پاکستان اسٹاک ایکسچینج لمیٹڈ کی رول بک اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2017 اور دیگر متعلقہ قوانین اور ضوابط اور لسٹڈ کمپنیز کے ڈائریکٹر کے طور پر کام کرنے کی اہلیت اور ذمہ داریوں اور اختیارات سے آگہی کا ڈکلیریشن
 - لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2017 کے تحت درکار کمپنیز ایکٹ 2017 کے سیکشن 166(2) کی شرط کے مطابق آزادی کا ڈکلیریشن (صرف اس شخص کے لیے کمپنی کے خود مختار ڈائریکٹر کے طور پر رضامندی فائل کر رہا ہو)
 - کمپنی کی ویب سائٹ پر فراہم کرنے کے لیے دفتر کے پتے سمیت ایک تفصیلی پروفائل۔
 - دیگر ڈائریکٹرشپ اور دفاتر کی تفصیلات
 - مؤثر کمپیوٹرائزڈ شناختی کارڈ کی کاپی (پاکستانی شہری ہونے کی صورت میں)/پاسپورٹ (غیر ملکی ہونے کی صورت میں، اور این ٹی این اور فولیو نمبر/سی ڈی سی انویسٹرز اکاؤنٹ نمبر/سی ڈی سی سب اکاؤنٹ نمبر) پہلی مرتبہ رضامندی کا فارم داخل کرنے والے شخص کے لیے)
5. سی ڈی سی اکاؤنٹ ہولڈرز کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے بیان کردہ ذیل میں دی گئی ہدایات پر عمل کرنا ہو گا۔

ا۔ اجلاس میں شرکت کے لیے

- (i) فرد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور /یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات قوانین کے مطابق ہیں، اپنے اصلی کمپیوٹرائزڈ شناختی کارڈ (CNIC) یا اصلی پاسپورٹ کے ذریعے اجلاس میں شرکت کے وقت اپنی شناخت کروائیں گے۔
- (ii) کارپوریٹ ادارے کی صورت میں، نامزد کردہ شخص کے دستخط کے نمونے کے ساتھ (اگر پہلے فراہم نہ کی گئی ہو) بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی اجلاس میں شرکت کے وقت فراہم کی جائیں گی۔

ب۔ پراکسی کی نامزدگی کے لیے

- (i) فرد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور /یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہوں اور جن کی رجسٹریشن کی تفصیلات قوانین کے مطابق اپ لوڈڈ ہوں، درج بالا ضرورت کے مطابق پراکسی فارم جمع کروائیں گے۔
- (ii) پراکسی فارم پر دو افراد کی گواہی موجود ہو، جن کے نام، پتے، شناختی کارڈ نمبرز فارم میں موجود ہوں۔
- (iii) بینیفیشل اونر کی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں، پراکسی فارم کے ساتھ موجود ہوں۔
- (iv) پراکسی کو اجلاس میں شرکت کے وقت اپنا اصلی کمپیوٹرائزڈ شناختی کارڈ یا اصلی پاسپورٹ ظاہر کرنا ہوگا۔
- (v) کارپوریٹ ادارے کی صورت میں کمپنی کو، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی دستخط کے نمونے کے ساتھ (اگر پہلے جمع نہ کروایا گیا ہو) پراکسی فارم کے ساتھ جمع کرانا ہو گا۔

نوٹس برائے سالانہ اجلاس عام



نوٹس ہذا کے ذریعے مطلع کیا جاتا ہے کہ گلیکسو اسمتھ کلانن کنزیومر ہیلتھ کیئر پاکستان لمیٹڈ کا چوتھا سالانہ اجلاس عام جو 23 اپریل 2019 صبح 11:30 بجے رمادا کراچی کریک ہوٹل، ذوالفقار اسٹریٹ 1، ڈی ایچ اے فیز 8 کراچی میں درج ذیل امور کی انجام دہی کے لیے منعقد ہوگا۔

عمومی امور

- 1- کمپنی کے آڈٹ شدہ اکاؤنٹس ہمہ ڈائریکٹرز اور آڈیٹرز رپورٹ برائے سال مختتمہ 31 دسمبر 2018 کی وصولی، غور و خوض اور منظوری دینا۔
- 2- کمپنی کے عمومی شیئرز پر ڈیویڈنڈ کی ادائیگی کے لیے غور و خوض، اس کی منظوری اور اعلان۔ ڈائریکٹرز نے سال مختتمہ 31 دسمبر 2018 کے لیے 50 فیصد حتمی کیش ڈیویڈنڈ تجویز کیا ہے (10 روپے والے ہر عمومی شیئر پر 5.00 روپے)۔
- 3- آئندہ سال کے لیے کمپنی کے آڈیٹرز کا تقرر اور ان کے مشاہرہ کا تعین۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کے مشورے پر ایم ایس ڈیلوائٹ یوسف عادل چارٹرڈ اکاؤنٹنٹس کو 31 دسمبر 2019 کو ختم ہونے والے مالی سال کے لیے بیرونی آڈیٹر کے طور پر تجویز کیا ہے۔
- 4- بورڈ کی جانب سے منظور کمپنیز ایکٹ 2017 کے سیکشن 159 کے مطابق 7 ڈائریکٹرز کو 3 سالہ مدت کے لیے منتخب کرنا، جس کا آغاز 23 جون 2019 ہوگا، کمپنی میں اپنی مدت پوری کرنے والے ڈائریکٹرز جو کہ دوبارہ منتخب ہونے کے بھی اہل ہیں ان کے نام درج ذیل ہیں:

- 1- محترمہ انیلیز رابرٹس
- 2- جناب سپیل احمد
- 3- سید انور محمود
- 4- محترمہ ایمنی ٹاسکی کایا
- 5- سید عظیم عباس نقوی
- 6- جناب ایم زیڈ معین مہاجر
- 7- جناب طلال جاوید احمد

دیگر کاروباری امور

- 1- صدر اجلاس کی اجازت سے دیگر امور پر کارروائی عمل میں لانا

بحکم بورڈ

مشعل محمد
کمپنی سیکرٹری

کراچی
2 اپریل 2019

ان کی کھپت اور برانڈ ایکویٹی میں اضافہ کیا جائے۔

ہم نے سیلز کی ساخت اور ای کامرس سرگرمیوں میں اضافہ کیا ہے، ہم اہم ٹریڈ چینلز میں اپنی متوقع ترقی کو تیزی سے آگے بڑھانے اور چینلنگ کاروباری ماحول سے کی ضروریات پورا کرنے کے لیے سبک رفتاری کا مظاہرہ کرنے کے لیے پر عزم ہیں۔

ہم خام مال کی بڑھتی ہوئی قیمتوں اور 2018 میں پاکستان کی کرنسی کی قدر میں اچانک کمی کی بدولت پیدا ہونے والی مشکلات سے ٹھننے کے لیے DRAP کی جانب سے دیے گئے حالیہ پرائس ریلیف کو خوش آمدید کہتے ہیں۔ آگے کی طرف دیکھتے ہوئے، 2018 ڈرگ پرائسنگ پالیسی کمپنی اور انڈسٹری کی صورتحال کے لیے بے حد اہمیت کی حامل ہے۔ مسابقت کے یکساں مواقع کی فراہمی کے اور ریگولیٹڈ پورٹ فولیو کے پیچھے کی گئی سرمایہ کاری کو ایندھن فراہم کرنے کے لیے، ضروری ہے کہ CPI کی بنیاد پر قیمتوں میں سالانہ اضافہ پر حکومت کی طرف سے بروقت عمل درآمد کروایا جائے۔ آپ کی کمپنی صارفین کی بہتر انداز میں خدمت، شیئر ہولڈرز کے لیے قدر میں اضافے اور اوسط مارکیٹ ترقی میں اضافے کے لیے پر عزم ہے۔ ہم اس کے حصول کے لیے ملک کی سب سے جدید، بہترین کارکردگی کی حامل اور قابل بھروسہ ہیلتھ کیئر کمپنیز میں سے ایک ہونے کے ناطے کوشاں ہیں۔



اعتراف

میں بورڈ آف ڈائریکٹرز کی جانب سے اس موقع پر اپنے ملازمین، سپلائرز، اور شراکت داروں کو کمپنی کے بہترین نتائج کے لیے، ان کے مستقل تعاون اور لگن پر سراہنا چاہوں گا۔ جس پیشہ ورانہ مہارت اور عزم و حوصلے کا مظاہرہ ہماری ٹیم نے کیا ہے وہ واقعی متاثر کن ہے۔

خیر خواہ

(Handwritten signature)

سہیل متین

چیف ایگزیکٹو آفیسر
18 مارچ، 2019

صارفین کے لیے ہماری پراڈکٹس تک رسائی کو آسان اور ممکن بنانے کے لیے ہمیں ایک مضبوط ریٹیلر شراکت داری کا ساتھ بھی حاصل ہے۔

2018 میں کارکردگی

میں اب اس موقع پر سال 2018 کے دوران ہماری چند اہم کامیابیوں پر روشنی ڈالنا چاہوں گا۔ GSK او ٹی سی کا GSK کنزیومر ہیلتھ کیئر کے ساتھ انضمام ہمارے موجودہ پورٹ فولیو کے لیے ایک بڑی تبدیلی تھا کیونکہ اس کے ذریعے ہمیں GSK او ٹی سی کی مینوفیکچرنگ کی سہولت کو ضم کرنے کا موقع ملا۔ اس انضمام کے ساتھ، ہم نے بہت سے معروف برانڈز جیسے CaC-1000 PLUS, Qalsan-D VoltralEmulgel حاصل کیے جس سے ہماری قدر میں 6.1 بلین روپے کا اضافہ ہوا۔

2019 کے منصوبوں میں شامل مزید اختراعات کے ساتھ، ہمارا فلیگ شپ برانڈ 'ہینڈول' بلاشک و شبہ پین ریلیف کیٹگری میں مارکیٹ لیڈر کی حیثیت سے برقرار رہا۔ ہم نے اپنے اہم برانڈز کو اضافی ویرینٹس اور بہتر رسائی کے ذریعے بھی مرضی کے مطابق ڈھالا اور وسعت دی۔ ہیلتھ کیئر پروفیشنلز کی جانب سے ہمارے اسکن ہیلتھ برانڈز سب سے زیادہ تجویز کیے جاتے ہیں۔ خاص طور پر خشک اور حساس جلد کے لیے تیار کردہ فزیوجیل میں 60 فیصد سے زیادہ کا زبردست اضافہ ریکارڈ کیا گیا۔

مزید یہ کہ ہمارے Sensodyne کے فلیگ شپ پورٹ فولیو میں ہم نے ریپڈ ایکشن ویرینٹ کو اس سال ری لانچ کیا اور 12.8 فیصد مارکیٹ شیئر حاصل کرنے میں کامیاب رہے۔ 10 میں سے 9 ڈینٹسٹ کے Sensodyne تجویز کرنے کے ساتھ، یہ برانڈ مارکیٹ میں مزید شیئر حاصل کرنے اور میڈیکینڈ اورل ہیلتھ کیئر سینسٹوٹی شعبے میں مزید ترقی حاصل کرنے کے سفر پر گامزن ہے۔



آگے کی طرف نظر!

آگے بڑھتے ہوئے، آپ کی کمپنی نے اپنی ترجیحات کو کسٹمر کی قدر، اختراعات، بہتر کارکردگی اور زبردست بھروسہ پر مرکوز کر رکھا ہے۔ پیداواری صلاحیت میں اضافے، اخراجات میں کمی اور بہتر ٹیکنالوجی پر خاص توجہ دی جارہی ہے تاکہ طویل مدتی منفعت اور اپنے صارفین اور ہیلتھ کیئر پروفیشنلز کی ڈائننامک ضروریات کو پورا کیا جا سکے۔

ہم نیوٹریشن، میڈیکینڈ اورل ہیلتھ کیئر اور پین کیٹگری میں نئے ویرینٹس کی لانچ کی بدولت اپنی سیلز کو ڈبل ڈجٹ میں آگے بڑھتا دیکھنے کے لیے پر امید ہیں۔ اپنے طویل مدتی ترقی کے عزم کو پورا کرنے کے لیے، ضروری ہے کہ کمپنی مستحکم برانڈز میں سرمایہ کاری جاری رکھے تاکہ

چیف ایگزیکٹو آفیسر کا جائزہ



چیف ایگزیکٹو آفیسر کا پیغام

عزیز اسٹیک ہولڈرز

میں آپ کے سامنے گلیکسو اسمتھ کلان کنزیومر بیلٹھ کیئر پاکستان لمیٹڈ کی 31 دسمبر 2018 کو ختم ہونے والے مالی سال کی سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہا ہوں۔



چیلنجز

آپ کی کمپنی معاشی، تکنیکی، مسابقتی اور قانونی محاذ پر بہت سے بیرونی چیلنجز کا سامنا کر رہی ہے۔

سال 2018 میں مشکل معاشی صورتحال، بالخصوص کرنسی کی گرتی ہوئی قدر نے درآمدات کو مزید مہنگا کر دیا جس کی بدولت فروخت ہونے والی اشیاء کی مجموعی لاگت میں بھی اضافہ ہوا۔ کیونکہ ہمارا زیادہ تر پورٹ فولیو قانون کے دائرہ کار میں اور ڈرگ ریگولیٹری اتھارٹی آف پاکستان (DRAP) کے پرائس کنٹرول کے زیر اثر ہوتا ہے، اس لیے یو ایس ڈالر کے مقابلے میں کرنسی کی قدر میں 27 فیصد کمی کی بناء پر 2018 میں ریگولیٹڈ پرائس پر نفع کو برقرار رکھنا ایک بڑا چیلنج تھا۔

ہمارا کاروبار انتہائی مسابقتی مارکیٹ میں کام انجام دیتا ہے۔ ہم مؤثر لاگت، تکنیکی اختراعات، انٹلیکچوئل پراپرٹی رائٹس اور قیمتوں کے تعین کی بنیاد پر مقامی اور بین الاقوامی کمپنیز کا مقابلہ کرتے ہیں۔ لہذا ان تمام عوامل کے ساتھ، ہمیں اس امر کو یقینی بنانا ہوتا ہے کہ ہمارے پاس دوسروں سے مختلف اور نئی پراڈکٹس اور خدمات متعارف کرانے کے لیے مارکیٹ میں سب سے بہتر صلاحیت ہے، جو مریضوں اور صارفین کی بیلٹھ کیئر کے حوالے سے مریضوں اور صارفین سامنے آنے والی نئی ضروریات کو پورا کرتی ہے۔ ہم صارفین کے متعلق جدید ترین معلومات اور رجحانات کو مد نظر رکھتے ہوئے نئی پراڈکٹس اور پروموشنل مہم تیار کرتے ہیں۔ اس کے ساتھ ساتھ، ملک بھر میں

معیشت اور کاروبار کا جائزہ

مالی سال 2018 معاشی دباؤ اور زر مبادلہ کے غیر متوقع منفی اثرات کی بناء پر انڈسٹری کے لیے ایک انتہائی چیلنجنگ سال تھا۔ ہم یہ بتاتے ہوئے فخر محسوس کرتے ہیں کہ اس غیر مستحکم مارکیٹ میں بھی، ہم صف اول میں رہتے ہوئے ترقی کے سفر کو برقرار رکھنے میں کامیاب رہے۔ جی ایس کے او ٹی سی (پرائیویٹ) لمیٹڈ کا جی ایس کے کنزیومر بیلٹھ کیئر پاکستان لمیٹڈ کے ساتھ انضمام نے فاسٹ موونگ کنزیومر بیلٹھ کیئر انڈسٹری میں ہماری لیڈر شپ پوزیشن کو مزید مستحکم کیا اور بہترین انداز میں آگے بڑھنے میں ہمارے لیے مددگار ثابت ہوا۔ ہماری 14.9 بلین روپے سیلز میں سے 8.8 بلین روپے جی ایس کے کنزیومر بیلٹھ کیئر اور 6.1 بلین روپے جی ایس کے او ٹی سی کے ہیں۔ اب نیوٹریشن، اورل بیلٹھ کیئر اور پین کے شعبوں میں مارکیٹ لیڈر برانڈز کے ساتھ ہمارا پورٹ فولیو کافی وسیع ہے۔

ہمارے قابل بھروسہ اور افادیت سے بھرپور برانڈز کے حوالے سے بڑھتی ہوئی آگہی کی بدولت پاکستان میں جی ایس کے بیلٹھ کیئر پورٹ فولیو صارفین اور طبی ماہرین میں بدستور مقبولیت حاصل کر رہا ہے۔ GSK کنزیومر بیلٹھ کیئر میں ہم ضوابط کے تمام تر معیارات پر عمل درآمد کو یقینی بناتے ہوئے اپنے صارفین کو مضبوط برانڈ ایکوٹی اور بہتر قدر کے ساتھ، بہترین کوالٹی کی حامل پراڈکٹس کی فراہمی کے لیے پُر عزم ہیں اور صحت کے شعبے سے وابستہ پروفیشنلز، ریگولیٹرز، کسٹمرز اور کنزیومرز کے ساتھ اعتماد کے رشتے کو مزید مضبوط کر تے ہوئے آگے بڑھ رہے ہیں۔ سال 2018 کے ہمارے لیے استحکام کا سال ہونے کے ساتھ، ہم آئندہ سال 2019 میں بہترین کارکردگی کے مظاہرے کے لیے کوشاں ہیں۔



کارپوریٹ اور فائنانشل رپورٹنگ فریم ورک

- فائنانشل اسٹیٹمنٹس، کمپنی کی مینجمنٹ کی جانب سے تیار کی گئی ہیں اور واضح طور پر معاملات کی صورتحال، آپریشنز کے نتائج، کیش فلو، اور ایکوٹی میں تبدیلی کا احاطہ کرتی ہیں۔
- کمپنی کی باقاعدہ پک آف اکاؤنٹس مینٹین کی گئی ہیں۔
- فائنانشل اسٹیٹمنٹس کی تیاری کے لیے مستقل طور پر موزوں اکاؤنٹنگ پالیسیز اختیار کی گئی ہیں اور اکاؤنٹنگ تخمینوں کا دارومدار محتاط فیصلے پر ہے۔
- فائنانشل اسٹیٹمنٹس، پاکستان میں لاگو انٹرنیشنل فائنانشل رپورٹنگ اسٹینڈرڈز کے مطابق تیار کی گئی ہیں۔
- کمپنی داخلی کنٹرول کا جامع سسٹم رکھتی ہے جو سسٹمز پر تسلی بخش یقین دہانی فراہم کرتا ہے۔ داخلی کنٹرول سسٹم کا باقاعدگی سے جائزہ لیا جاتا ہے اور اس میں تخفیف کے لیے اندرونی اور بیرونی آڈیٹرز اور/یا مینجمنٹ کی جانب سے نشاندہی پر ضروری اقدامات اٹھائے جاتے ہیں۔ بورڈ کی آڈٹ کمیٹی کے ذریعے اس کی نگرانی کی جاتی ہے اور جب اور جہاں ضرورت ہو کمپنی کی پالیسیوں کو اپ ڈیٹ کیا جاتا ہے۔
- اس بات میں کوئی شبہ نہیں کہ کمپنی ایک گونگ کٹسرن کے طور پر آگے چل سکتی ہے۔
- لسٹنگ ریگولیشنز میں درج کارپوریٹ گورننس کی بہترین مشقوں سے کوئی مادی انحراف نہیں پایا گیا۔
- اہم آپریشنگ اور فائنانشل ڈیٹا صفحہ نمبر 64 سے 73 تک درج کیا گیا ہے۔

بحکم بورڈ

سہیل متین

چیف ایگزیکٹو آفیسر

طلال جاوید احمد

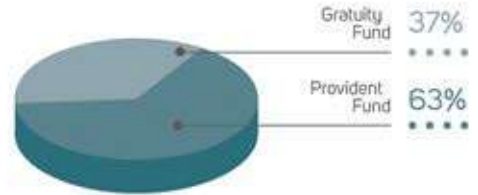
ایگزیکٹو ڈائریکٹر

18 مارچ 2019

پراویڈنٹ اور گریجویٹی فنڈ کی سرمایہ کاری کی قدر

کمپنی اپنے ملازمین کے ریٹائرمنٹ بینیفٹ پلانز برقرار رکھتی ہے۔
31 دسمبر 2018 کو پراویڈنٹ اور گریجویٹی فنڈز کی سرمایہ کاری کی قدر درج ذیل ہے۔

مد	2018
پراویڈنٹ فنڈ	Rs. 121.9 million
گریجویٹی	Rs. 70.4 million



معیشت اور نیشنل ایکس چیکر میں شراکت

آپ کی کمپنی نے کسٹم ڈیویٹیز، انکم ٹیکس، سیلز ٹیکس اور ملازمین کے ٹیکس کی مد میں سال 2018 میں نیشنل ایکس چیکر میں 1.98 بلین روپے شامل کیے ہیں، ہماری شراکت بذریعہ سیلز ٹیکس 198 ملین روپے ہے، انکم ٹیکس کے ذریعے 743.79 ملین روپے، جبکہ کسٹم ڈیویٹی کی مد میں 988 ملین روپے، ملازمین کے ٹیکس کی مد میں 57.57 ملین روپے ہے۔





متعلقہ پارٹی کی ٹرانزیکشنز

GSK کنزیومر ہیلتھ کیئر تمام متعلقہ پارٹی ٹرانزیکشنز میں کوڈ آف کارپوریٹ گورننس پر عمل درآمد کو یقینی بناتا ہے۔ ٹرانزیکشنز کی تفصیلات صفحہ نمبر 112 سے 113 تک فراہم کی گئی ہیں۔

بورڈ آف ڈائریکٹرز

کوڈ آف کارپوریٹ گورننس میں درکار، بورڈ آف ڈائریکٹرز، بورڈ کمیٹیز، بورڈ کی تربیت اور جانچ کے حوالے سے تمام تر تفصیلات، چئیر پرسن کے جائزے میں صفحہ نمبر 16 سے 18 تک فراہم کی گئی ہیں۔

کارپوریٹ معلومات

بورڈ کمیٹیز کے نام اور متعلقہ اراکین کی ذمہ داریوں کے حوالے سے تمام تر تفصیلات، کارپوریٹ معلومات میں صفحہ نمبر 29 پر فراہم کی گئی ہیں۔

ڈائریکٹرز کا مشاہرہ

کوڈ آف کارپوریٹ گورننس میں درکار، ڈائریکٹرز کا مشاہرہ صفحہ نمبر 112 پر فراہم کیا گیا ہے۔



آڈیٹرز

موجودہ آڈیٹرز، ڈیلوٹ یوسف عادل چارٹرڈ اکاؤنٹنٹس نے آڈیٹرز کے طور پر کام جاری رکھنے کا ارادہ ظاہر کیا ہے۔ بورڈ آف ڈائریکٹرز ان کے 31 دسمبر 2019 کو ختم ہونے والے مالی سال کے لیے آڈیٹرز کے طور پر ایک باہم طے شدہ فیس پر کام جاری رکھنے کے لیے آڈٹ کمیٹی کی تجویز کی توثیق کرتا ہے۔

نشانہہی اور اس کا علاج کریں جبکہ کمپلائنس آفیسر اندرونی کنٹرول سسٹمز کو تشکیل دینے کے لیے رسک کی بنیاد پر وضع کردہ طریقہ کار کو بروئے کار لانے میں ہر ممکن معاونت کا ذمہ دار ہے۔ اس کے نتیجے میں، کاروباری آپریشنز کا حصہ اور فیصلہ سازی میں رسک مینجمنٹ کو کلیدی جزو بن جاتا ہے۔

GSK کنزیومر ہیلتھ کیئر میں، ہم قانونی تقاضوں کے مطابق کمپلائنس کو ترجیح دیتے ہیں، یہی وجہ ہے کہ ہماری رسک مینجمنٹ اور کارپوریٹ اخلاقیات ٹیم اور کمپلائنس ٹیم مل کر کام کرتی ہیں تاکہ حصص یافتگان کی سرمایہ کاری اور کمپنی کے اثاثہ جات کی حفاظت کو یقینی بنایا جا سکے۔

ہماری رسک (خطرات) کی درجہ بندی درج ذیل ہے:

1- حکمت عملی کے خطرات (خداشات)
یہ سب سے اہم خطرات ہوتے ہیں جن کا سامنا کمپنی کو کرنا پڑتا ہے اور عمومی طور پر یہ ہمرے کنٹرول سے باہر واقع ہوتے ہیں۔ اس وقت، ہمارا سب سے بڑا رسک مارکیٹ پر مبنی ریگولیٹری اور پرائسنگ پالیسی کی کمی ہے۔ جبکہ حکومت نے مارچ 2015 میں ڈرگ پرائسنگ پالیسی کی نشانہہی کی ہے جس کے مطابق پراڈکٹس کی بڑھتی ہوئی قیمتوں کو مہنگائی سے متعلق جزوی ایڈجسٹمنٹ کی اجازت دی جائے گی۔ ایک طویل عرصے سے تعطل کا شکار ان پراڈکٹس کا مسئلہ جن کی قیمتوں کو منجمد کر دیا گیا ہے، اس حوالے سے کوئی بات نہیں کی گئی۔ جس کے نتیجے میں گو کہ نئی پالیسی صحیح سمت میں ایک قدم ہے، مگر ابھی بھی اس میں تعطل کا شکار مسائل کو حل کرنے شدید کمی ہے جس کے لیے ہم امید رکھتے ہیں کہ ریگولیٹرز کی جانب سے ہنگامی بنیادوں پر شنوائی ہو گی۔

2- آپریشنل خطرات
اس شعبے میں خطرات کا تعلق کمپنی کے آپریشنز کی ہموار فنکشننگ سے ہے۔ ہمارے کچھ اہم ترین آپریشنل خطرات میں سے چند مہنگائی، سپلائی کے معاملات، اور ملازمین کے ٹرن اوور کے امکانات اور فراڈ ہیں۔ آپ کی کمپنی ان خطرات سے اور مختلف حکمت عملی کی مدد سے نمٹتی ہے جیسا کہ متبادل سپلائرز کا استعمال اور سکسیشن پلانز۔

3- کمرشل خطرات
یہ وہ خطرات ہیں جو کاروبار کی کمرشل نوعیت کے باعث جنم لیتے ہیں۔ اس وقت GSK کنزیومر ہیلتھ کیئر کو درج ذیل تین اہم شعبوں میں چیلنجز کا سامنا ہے:

ا- کیش فلو لیکونڈٹی کے حوالے سے رسک
ب- تمام برانڈز کے لیے ایک پرائسنگ پالیسی فریم ورک کی تشکیل
ج- ذرائع سے متعلق طویل مدتی حکمت عملی

اس عزم کے ساتھ، کمپنی کے بورڈ آف ڈائریکٹرز نے ہمارے ضابطہ اخلاق میں رہتے ہوئے قابل قبول کاروباری پریکٹس اور رویے کے معیارات طے کیے ہیں۔ ہماری اقدار درج ذیل ہیں:

صارف اولین ترجیح (سب سے پہلے صارف)

عزت

شفافیت

ایمانداری/ساکھ

اس ضابطے پر عمل درآمد کے لیے ہر ملازم بشمول سینئر مینجمنٹ کے لیے اس پر دستخط لازم قرار دیا گیا ہے اور یہ GSK کنزیومر ہیلتھ کیئر کی ویب سائٹ پر موجود ہے۔



رسک مینجمنٹ، انتظامی صلاحیت اور درجہ بندی

GSK کنزیومر ہیلتھ کیئر موثر رسک مینجمنٹ کی اہمیت کو بخوبی سمجھتا ہے جو بالآخر کاروبار کو بہترین انداز میں کارکردگی کا مظاہرہ کرنے میں مدد فراہم کرتا ہے۔ کمپنی کے اندر اعلیٰ ترین معیارات کو برقرار رکھنے کے لیے ہمارے رسک مینجمنٹ کی ساخت اور اندرونی کنٹرول کا نظام باہم مل کر ہمارے لیڈرز کو کاروبار کے اصل اور بنیادی رسک (خطرات) سے کامیابی سے نمٹنے کے قابل بناتا ہے۔ ہمارا رسک مینجمنٹ اینڈ کمپلائنس بورڈ (RMCB) کاروبار کو پیش آنے والے ممکنہ رسک (خطرات) کی موثر طور پر نشاندہی، ان کے جائزے، اس پر نظر رکھنے، ان سے نمٹنے اور ان کی رپورٹ کرنے کا ذمہ دار ہے۔

اندرونی اور بیرونی دونوں عوامل کمپنی کے رسک ایکسپوزر (خطرے کے خدشات) میں کردار ادا کرتے ہیں۔ رسک مینجمنٹ اینڈ کمپلائنس بورڈ مناسب پالیسی بنانے اور حکمت عملی وضع کرنے کا ذمہ دار ہے جو مستقل بنیادوں پر کمپنی کے مقاصد کو درپیش اہم خطرات کا اندازہ لگا سکیں اور ایسے کسی بھی خدشات کو کم سے کم کر سکیں۔ اس مقصد کے لیے ہمارا رسک مینجمنٹ فریم ورک درست پالیسیز اور حکمت عملی پر عمل درآمد کو یقینی بناتا ہے جو اہم خطرات کو پہچاننے، ریکارڈ کرنے اور کم سے کم کرنے کی حکمت عملی کے تحت خطرات کو کم سے کم کرنے کا کام سرانجام دیتا ہے۔

مزید یہ کہ، کمپنی کا وضع کردہ اندرونی کنٹرول فریم ورک رسک سے نمٹنے کی منصوبہ بندی، تفویض کردہ احتساب کی منصوبہ بندی اور کسی بھی اہم مسئلے، جو جب اور جہاں نمودار ہو کی اوپری سطح پر کمیونی کیشن کو یقینی بناتا ہے۔

اس مقصد کے لیے RMCB نے ایک اسٹریکچر تشکیل دیا ہے تفویض کردہ رسک اونرز اس بات کے ذمہ دار ہیں کہ وہ اہم خطرات کی

جس میں ہمارے ملازمین کام کرتے ہیں۔ مزید یہ کہ، توانائی کے موثر ترین استعمال کے لیے سرگرم رہنے کے لیے ایک مخصوص طے کردہ آپریشنل طریقہ کار، پالیسیز، حکمت عملی، اور سخت ترین ماحولیاتی مانیٹورنگ سسٹم کے تحت کام کرتے ہیں۔



پیشہ وارانہ حفاظت اور صحت

بہت سے موثر طریقہ ہائے کار کی بدولت، GSK کنزیومر ہیلتھ کیئر اپنے ملازمین کی پیشہ وارانہ حفاظت پر کسی بھی قسم کا کمپرومائز کیے بنا اپنا کام جاری رکھنے کی روایت پر کاربند ہے۔ اوراسی طریقہ کار کو GSK کنزیومر ہیلتھ کیئر کی روایت کا بھی حصہ بنایا گیا ہے۔ اس مقصد کو کامیابی سے پورا کرنے کے لیے زبردست پروگرامز اور طریقہ کار اپنانے گئے ہیں اور اس وقت ان پر عمل درآمد کیا جاتا ہے جو EHS سسٹم کو مضبوط کرتے ہیں اور ہمارے کام کے ماحول کے معیار کو درج ذیل انداز سے بہتر بناتے ہیں:

- اس بات کو یقینی بنانا کہ ہمارے ملازمین کسی بھی کام کی انجام دہی کے دوران اس کے مخفی رسک سے پوری طرح آگاہ ہیں اور ضرورت پڑنے پر اس سے موثر انداز میں نمٹنے کی پوری صلاحیت رکھتے ہیں۔
- ملازمین کی صلاحیتوں میں اضافہ جو انہیں اس بات کی تربیت دے سکے کہ وہ ہر طرح کے حالات میں پیشہ وارانہ حفاظت کو اپنی پہلی ترجیح سمجھیں۔
- توانائی کے موثر انداز سے استعمال کے معیارات پر عمل کر سکیں تاکہ ہمارے پانی اور توانائی کے استعمال کو کم سے کم کرتے ہوئے ایک سبز ماحول کو فروغ دیا جا سکے۔

GSK کنزیومر ہیلتھ کیئر اپنی پوری سپلائی چین اور اس کے ساتھ ساتھ پروڈکشن پلانٹس پر اپنی EHS پالیسیز کو مزید بہتر بنانے کے لیے پُر عزم ہے۔ ہم کارکردگی کا جائزہ لیتے ہوئے اور نئے چیلنجز اور اہداف کا تعین کرتے ہوئے ماحولیاتی صحت اور حفاظت کے اعلیٰ ترین معیار کے لیے مستقل طور پر کوشاں رہتے ہیں۔



کاروباری اخلاقیات اور کرپشن کے تدارک کے اقدامات

GSK کنزیومر ہیلتھ کیئر میں ہم بہتر ساکھ کی قدر پر کامل یقین رکھتے ہیں۔ یہ قدر ہمارے ہر فعل میں بدرجہ اتم موجود ہے ہمارے ہر فیصلے کی اساس ہے جس کے لیے ہماری اقدار رہنما اصول کا کام کرتی ہیں۔ ہمارے رشوت اور کرپشن کے تدارک کے پروگرام میں رسک کا جائزہ، معیارات اور عملی رہنمائی شامل ہیں جنہیں اصولوں پر عمل درآمد نہ کرنے کی روک تھام کے لیے وضع کیا گیا ہے۔

فی شیئر بنیادی آمدنی

بعد از ٹیکس فی شیئر بنیادی آمدنی 9.18 روپے تھی جس کے مقابلے میں 2017 میں فی شیئر آمدنی 7.39 تھی۔



کارپوریٹ سماجی ذمہ داری

GSK کنزیومر ہیلتھ کیئر کے افراد اس بات پر یقین رکھتے ہیں کہ ماحول اور افراد کے لیے عزت کسی بھی کاروبار کے لیے کلیدی حیثیت کے حامل ہیں، جس کا نتیجہ کامیابی اور صارفین کی برانڈ کے ساتھ بنتے تعلق میں جھلکتا دکھائی دیتا ہے۔ ایک ہیلتھ کیئر کمپنی ہونے کے ناطے، ہم صحت صفائی تغذیہ اور پاکستان میں دیگر کمیونٹی پروگرامز آؤٹ ریچ کی اصل ضرورت کو بخوبی سمجھتے ہیں۔

ماحولیاتی استحکام ایک اور اہم شعبہ ہے۔ اس بات کو مدنظر رکھتے ہوئے کہ 2019 کمپنی کے آپریشنز کا دوسرا مکمل سال تھا، جس میں کمپنی نے اپنی بنیادی توجہ پیداوار اور جدت پر مرکوز رکھی، اور کارپوریٹ سماجی ذمہ داری سے متعلق کوئی اہم سرگرمی انجام نہ دی گئی۔ بہر حال، مستقبل میں کمپنی سیلائی چین پروسس میں وسائل کے استعمال کو مزید مؤثر بنانے اور اس میں بہتری کے طریقوں کو بروئے کار لانے کے حوالے سے اپنے حصے کا کام انجام دینے کا ارادہ رکھتی ہے تاکہ ماحولیاتی استحکام کو بہتر بنایا جا سکے جس کے ذریعے صارفین کی ہیلتھ کیئر فوائد کے حامل معیاری برانڈز تک رسائی کو بہتر بنایا جا سکتا ہے۔



بیومن ریسورس ڈویلپمنٹ اور سکسیشن پلاننگ

گلیکسو اسمتھ کلان کنزیومر ہیلتھ کیئر ایک ایسی کمپنی ہونے پر فخر محسوس کرتی ہے جو نہ صرف اپنے لوگوں کو اپنا اہم ترین اثاثہ سمجھتی ہے بلکہ اس بات کو بھی یقینی بناتی ہے کہ اس کا یہ نصب العین ایک ایسے کام کے ماحول کو جنم دے جو آگے بڑھنے کے مواقع، عزت، اختیار اور ہر قدم پر رہنمائی فراہم کرے۔ ایک ایسی کمپنی ہونے کے ناطے جو لوگوں میں "مزید کام کی لگن، ایک بہتر احساس اور طویل عرصہ جینے" میں مدد فراہم کرتی ہے، ہم اس بات کو یقینی بناتے ہیں کہ ہمارے ملازمین نہ صرف اس وژن کے لیے اپنے تمام تر جذبہ اور اخلاص کے ساتھ پوری طرح تیار ہوں بلکہ اپنی تمام تر صلاحیتوں کو بروئے کار لانے اور بہترین انداز میں کارکردگی کا مظاہرہ کرنے کے لیے تمام تر ضروریات کو پورا کرتے ہوں۔

اس مقصد کو ذہن میں رکھتے ہوئے ہماری بیومن ریسورس ڈویلپمنٹ ٹیم اپنے آپ کو بیومن ریسورس پالیسیز بشمول تربیت، مشاہرہ، کارکردگی کی

جانچ اور ترقی کی منصوبہ بندی جیسے معاملات میں خود کو سرگرم رکھتی ہے۔ اس میں مواقع کی ایک وسیع رینج اور بین الاقوامی اسائنمنٹس تک رسائی بھی شامل ہے۔ اس میں انٹرنل ٹیلنٹ ڈویلپمنٹ سسٹم پر عمل درآمد کے ذریعے معاونت فراہم کی جاتی ہے جو جدید ترین ٹیکنالوجی کے استعمال کے ذریعے لیڈرز کو حکمت عملی وضع کرنے اور بہتر فیصلہ سازی کے لیے درکار ضروری معلومات فراہم کرتا ہے۔ اس کے ساتھ ساتھ، اس میں مستقل فیڈ بیک، کارکردگی کے جائزے اور کمیونٹی کیشن پروگرامز شامل ہیں جن کے ذریعے ہم اس امر کو یقینی بناتے ہیں کہ ہمارے ملازمین صارفین پر توجہ مرکوز رکھنے، لوگوں کو عزت دینے، ایمانداری سے فرائض کی انجام دہی اور شفافیت کے ساتھ احسن انداز میں معاملات انجام دینے کی ہماری بنیادی اقدار سے ہم آہنگ ہوں۔

اس کے ساتھ ساتھ ہم انفرادی احتساب کے اعلیٰ ترین معیار کو ترجیح دیتے ہیں اور دل جمعی اور اخلاص کے بہترین امتزاج کا مظاہرہ کرنے والے حقدار افراد کو پہچاننے اور ان کے لیے انعام و اکرام کا تعین کے حوالے سے اپنی صلاحیتوں میں اضافے کے لیے مستقل طور پر سرگرم عمل رہتے ہیں۔

اس بات کو مد نظر رکھتے ہوئے کہ ہم فاسٹ موونگ کنزیومر ہیلتھ کیئر بزنس سے وابستہ ہیں اور صرف اپنے صارفین کو صحت کے متعلق فوائد کے حامل معیار زندگی کو بہتر بنانے والے ورلڈ کلاس برانڈز تک رسائی فراہم کرنے کے حوالے سے اپنا وجود رکھتے ہیں، ہم اس کام کے لیے صحیح ٹیم کے انتخاب کی اہمیت کو بخوبی سمجھتے ہیں۔ ملازمت کے لیے زبردست صلاحیتوں کے حامل افراد کو منتخب کرنے کے ہمارے طریقہ کار مؤثر انداز سے وضع کیے گئے ہیں تاکہ بہترین یونیورسٹیز پر توجہ مرکوز کرتے ہوئے ایسے افراد کا انتخاب کیا جا سکے جو بہت آگے آنے والے چیلنجز کا ادراک کرتے ہوئے ان کا مؤثر انداز میں سامنا کرنے اور انہیں حل کرنے کی بھرپور صلاحیت رکھتے ہوں۔

اپنے بجا طور پر بہترین کارکردگی کے حامل کلچر کے ساتھ، ہم مستقل طور پر جانچ کرتے ہوئے ایک ایسی ٹیم تیار کر رہے ہیں جو اپنے آپ کو بجا طور پر GSK کنزیومر ہیلتھ کیئر کی بنیاد سمجھ سکے اور اس بات کو اپنی طاقت بناتے ہوئے ایک ایسی کمپنی کے ارتقاء کے لیے اپنی تمام تر کاوشوں کو بروئے کار لا سکے جو انڈسٹری میں بہترین کارکردگی کی حامل اولین کنزیومر ہیلتھ کیئر گڈز کمپنی ہے۔



ماحول، صحت اور حفاظت (EHS)

ماحولیاتی تحفظ اور پیشہ ورانہ صحت اور حفاظت کے لیے اپنی تمام تر لگن پر فخر کرتے ہوئے، GSK کنزیومر ہیلتھ کیئر پُر عزم ہے کہ مستقل طور پر ان عوامل کو بہتر سے بہتر کیا جاتا رہے جو اس بات کو یقینی بناتے ہیں کہ ہمارے ملازمین کی ایک محفوظ، زخمی ہونے کے خدشے سے پاک ماحول میں کام کریں اور اس ماحول کے لیے بہت پُر جوش ہیں

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز



ہم آپ کی کمپنی کی سالانہ رپورٹ ہمہ آڈٹ شدہ فائنانشل اسٹیٹمنٹس برائے سال مختتمہ 31 دسمبر 2018 پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

ڈائریکٹرز رپورٹ، دیگر چیزوں کے درمیان، کمپنیز ایکٹ 2017 کے سیکشن 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2017 کے مطابق تیار کی گئی ہے۔

آپریٹنگ نتائج

شیئر ہولڈنگ کا طریقہ کار

کمپنی کے شیئرز پاکستان اسٹاک ایکسچینج لمیٹڈ میں ٹریڈ کیے جاتے ہیں۔ شیئر ہولڈنگ کی معلومات 31 دسمبر 2018 تک، اور دیگر معلومات صفحہ نمبر 120 پر دیا گیا ہے۔

چیئر پرسن کا تجزیہ

- چیئر پرسن کا پیغام برائے شیئر ہولڈرز صفحہ نمبر 16 سے 18 تک ہمہ بورڈ کی تشخیص، سال کے دورا ن بورڈ کی تبدیلی اور بورڈ آف ڈائریکٹرز میٹنگ اور اس کی حاضری
- بورڈ کمیٹی جس میں آڈٹ کمیٹی، بیومن ریسورس اینڈ رینیومریشن کمیٹی، انٹگریشن اینڈ سپلائی نیٹ ورک آپٹمائزیشن کمیٹی شامل ہیں
- کمپنی کی ثقافت

کمپنی کے ڈائریکٹرز اس متن کی توثیق کرتے ہیں

چیف ایگزیکٹو کا تجزیہ

- چیف ایگزیکٹو کا تمام حصص یافتگان کے لیے پیغام صفحہ نمبر، 25 سے 27 پر ہے جو درج ذیل امور کا احاطہ کرتا ہے:
- معاشی جائزہ اور بیلٹھ کیئر انڈسٹری میں ہونے والی جدید تبدیلیوں کے ساتھ کاروباری کارکردگی
- گزشتہ سال کی ظاہری ترقی پر روشنی ڈالتے ہوئے، وجوہات کے ساتھ سال کے دوران کمپنی کی کارکردگی کا جائزہ
- پاکستان میں بیلٹھ کیئر انڈسٹری میں کام کے حوالے سے حالیہ اور مستقبل میں آنے والے ممکنہ چیلنجز
- کمپنی کی کارکردگی اور پیداوار میں مزید اضافے کے لیے مستقبل کی صورتحال اور امکانات
- کمپنی کے ڈائریکٹرز مذکورہ امور کے مواد کی توثیق کرتے ہیں۔

کمپنی کے غیر معمولی اجلاس عام منعقدہ 19 اکتوبر 2018 میں شیئر ہولڈرز کی منظوری، اور سندھ ہائیکورٹ منظور کردہ اسکیم آف مرجر بذریعہ آرڈر بتاریخ 12 دسمبر 2018 کے مطابق، گلیکسو اسمتھ کلانن او ٹی سی (پرائیویٹ) لمیٹڈ (GSK OTC) کلی طور پر گلیکسو اسمتھ کلانن کنزیومر بیلٹھ کیئر بی۔وی، کا ملکیتی ذیلی ادارہ آپ کی کمپنی کے ساتھ اور اس میں یکم جنوری 2018 کو ضم ہو گیا۔ لہذا کمپنی کے پرافٹ اینڈ لاس اکاؤنٹ برائے سال مختتمہ 31 دسمبر 2018 انضمام شدہ ادارے کے نتائج کی نشاندہی کرتے ہیں۔ جبکہ اسی عرصے مختتمہ 31 دسمبر 2017 کے مالیاتی نتائج صرف گلیکسو اسمتھ کلانن کنزیومر بیلٹھ کیئر پاکستان لمیٹڈ کی کارکردگی واضح کرتے ہیں، جیسا کہ انضمام شدہ اداروں کی ٹرانزیکشن ہونے سے پہلے کے عرصے کی رقوم کو بحال نہیں کیا گیا ہے۔

بورڈ آف ڈائریکٹرز 23 اپریل 2019 کو منعقدہ سالانہ اجلاس عام میں شیئر ہولڈرز کی منظوری سے مشروط، 5 روپے فی شیئر کے حساب سے 585,272,540 روپے کے حتمی منافع منقسمہ کا اعلان کرتے ہوئے خوشی محسوس کرتا ہے۔

سال رواں کے دوران کمپنی کی مجموعی سیلز 14,875 ملین روپے اور بعد از ٹیکس منافع 1,074.5 ملین روپے رہا، گذشتہ سال کے مقابلے میں بالترتیب اضافے کے ساتھ 8,298 ملین روپے اور 707 ملین روپے رہا، جبکہ صرف GSK کنزیومر بیلٹھ کیئر کے نمبرز ریکارڈ کیے گئے جس میں GSK او ٹی سی شامل نہیں ہے۔

ہولڈنگ کمپنی

31 دسمبر 2018 تک گلیکسو اسمتھ کلانن کنزیومر بیلٹھ کیئر بی وی، کے 10 روپے فی شیئر کے حساب سے 100,423,259 شیئرز ہیں، جو گلیکسو اسمتھ کلانن کنزیومر بیلٹھ کیئر پاکستان لمیٹڈ کے کل شیئرز کے 85.79 فیصد کو ظاہر کرتا ہے۔

سے ہم اپنے ملازمین کی حوصلہ افزائی کرتے ہیں - ہم چاہتے ہیں کہ جی ایس کے کنزیومر ہیلتھ کیئر میں ہر شخص کو اپنے کام، اپنی کمپنی اور اس کے لیے اپنی ان خدمات پر فخر ہو جو انہیں دوسروں سے ممتاز کرتی ہیں۔

اعتراف

میں بورڈ آف ڈائریکٹرز کی قابل قدر معاونت اور عزم پر انہیں خراج تحسین پیش کرتی ہوں۔ میں ان کی تمام تر کاوشوں پر اپنے ملازمین اور اپنے صارفین اور سپلائرز کی بھی شکرگزار ہوں جنہوں نے ہم پر بھروسہ کیا۔ یہ آپ ہی کے تعاون کی بدولت ہے کہ ہم تیزی سے ترقی کرتے ہوئے سال بہ سال وسعت کی طرف کامزن ہیں۔

خیر خواہ



انیلیز رابرتس

چیئر پرسن

18 مارچ 2019

اجلاس میں حاضری	درجہ بندی	نام
4	نان ایگزیکٹو (خاتون ڈائریکٹر)	محترمہ اینیلیز رابرٹس
5	ایگزیکٹو ڈائریکٹر	جناب سہیل متین
3	انڈیپنڈنٹ ڈائریکٹر	جناب ایم۔ زیڈ۔ معین مہاجر*
4	انڈیپنڈنٹ ڈائریکٹر	سید انور محمود
4	نان ایگزیکٹو ڈائریکٹر	سید عظیم عباس نقوی
2	نان ایگزیکٹو (خاتون ڈائریکٹر)	محترمہ ایمنی ٹاسی کایا
4	ایگزیکٹو ڈائریکٹر	جناب فرحان محمد ہارون**
1	ایگزیکٹو ڈائریکٹر	جناب طلال جاوید احمد

بیومن ریسورس اینڈ ریمونریشن کمیٹی (کمیٹی برائے انسانی وسائل و معاوضہ)

بیومن ریسورس اینڈ ریمونریشن کمیٹی تین اراکین پر مشتمل ہوتی ہے جن کی اکثریت نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے۔ یہ کمیٹی انسانی وسائل کی پالیسیوں کے جائزے، تشکیل، تجاویز، اور عمل درآمد، اور سی ای او، سی ایف او، کمپنی سیکرٹری، چیف انٹرنل آڈیٹر کے تقرر اور معاوضے کے حوالے سے بورڈ کو اپنی ذمہ داریاں پوری کرنے کے لیے معاونت فراہم کرتی ہے۔

یہ اہم مینجمنٹ پوزیشنز پر آئندہ تقریروں کی منصوبہ بندی کے حوالے سے سی ای او کی تجاویز پر غور و خوض اور اس کی منظوری، اور جی ایس کے کے ملازمین کو مناسب معاوضے کی ادائیگی کو یقینی بناتی ہے۔ اس کمیٹی کا ضابطہ کار صفحہ نمبر 33 سے 34 تک تفصیل سے بیان کیا گیا ہے۔

انٹگریشن اینڈ سپلائی نیٹ ورک آپٹمائزیشن کمیٹی (کمیٹی برائے اصلاح و انضمام سپلائی نیٹ ورک)

انٹگریشن اینڈ سپلائی نیٹ ورک آپٹمائزیشن کمیٹی بورڈ کے 4 اراکین پر مشتمل ہے۔ اس کمیٹی کا مقصد سپلائی نیٹ ورک کے اہم مواقع کی تلاش اور ایک ہموار جوائنٹ وینچر انٹگریشن پراسس کے لیے سہولت فراہم کرنا ہے۔ یہ کمیٹی اس وقت جی ایس کے او ٹی سی اور جی ایس کے کنزیومر پیلٹھ کیئر کے بعد از انضمام منظرنامے پر پوری طرح مرتکز ہے۔

کمپنی کا کلچر (ثقافت)

ہماری ثقافت اور اقدار ہمارے تمام تر افعال کے لیے مشعل راہ کی حیثیت رکھتے ہیں۔ ہم اپنے ملازمین سے توقع رکھتے ہیں کہ وہ بھی شفافیت اور پورے وقار کے ساتھ اپنے کام سرانجام دینے کے لیے ان اقدار کو اپنائیں، ہم مضبوط قیادت، اور انفرادی ترقی کے مواقع فراہم کرتے اور اس بات پر انہیں نوازتے ہوئے کہ وہ کس طرح کام کرتے ہیں اور کیا کامیابی حاصل کرتے ہیں، ہر فیصلے کی بنیاد میں ہماری اقدار کو مدنظر رکھنے کے حوالے

* جناب ایم زیڈ معین مہاجر نے 26 اپریل 2018 کو بورڈ کی عمومی خالی جگہ پر کی۔

** جناب فرحان ہارون دوران سال، 5 اکتوبر 2018 کو مستعفی ہو گئے۔

*** جناب طلال جاوید احمد نے 5 اکتوبر 2018 کو بورڈ کی عمومی خالی جگہ پر کی۔

بورڈ کی کمیٹیاں

بورڈ کی بہترین کارکردگی کی غرض سے اور اس کی معاونت کے لیے جی ایس کے کنزیومر پیلٹھ کیئر نے تین کمیٹیاں تشکیل دی ہیں جو درج ذیل ہیں:

آڈٹ کمیٹی

آڈٹ کمیٹی تین اراکین پر مشتمل ہے جن میں سے کمیٹی کا چیئرمین خود مختار ڈائریکٹر ہے جبکہ دوسرا رکن نان ایگزیکٹو ڈائریکٹر ہے۔

کمیٹی معاشی امور اور وسائل کے مناسب ہونے، کارپوریٹ اکاؤنٹنگ اور فائنانشل رپورٹنگ پراسس، داخلی کنٹرول کی افادیت اور اس کے وافر ہونے، رسک کی مینجمنٹ اور اندرونی اور بیرونی آڈٹ طریقہ کار کا سالانہ جائزہ لیتی ہے۔ اندرونی آڈٹ کا سربراہ، آڈٹ کمیٹی کو رپورٹ کرتا ہے اور کمیٹی کے سیکرٹری کے طور پر خدمات سر انجام دیتا ہے۔

اندرونی آڈٹ فنکشن، فائنانشل رپورٹنگ کے شفاف طریقہ کار کو ممکن بنانے، لاگو ہونے والے قوانین کی پاسداری، اندرونی کنٹرول سسٹمز کے مطابق ہونے کو یقینی بنانے اور کمپنی کے ریکارڈز اور آپریشنز کے مسلسل جائزے کے لیے ایک خود مختار آڈٹ فرم کی خدمات استعمال کرتا ہے۔

اس کمیٹی کے ضابطہ کار کا تعین لسٹنگ ریگولیشنز میں فراہم کردہ اور کمیٹی کو عمل درآمد کے لیے فراہم کردہ رہنما ہدایات کی روشنی میں کیا جاتا ہے۔ (حوالہ صفحہ نمبر 33)

چیئرپرسن کا جائزہ



چیئرپرسن کا پیغام

مجھے بے حد خوشی ہے کہ اس سال بھی میں مزید اہم سنگ میل عبور کرنے کی بابت بیان کر رہی ہوں۔ مجھے یہ کہنے میں فخر ہے کہ معاشی سست روی، قانونی رکاوٹوں اور بزنس کے لیے چیلنجنگ حالات کے باوجود آپ کی کمپنی اپنے مقاصد کے حصول میں کامیاب رہی ہے۔

ہم اپنے آپ کو ملک کے کونے کونے تک وسعت دینے اور معیاری ہیلتھ کیئر پراڈکٹس تک آسان رسائی فراہم کرنے کے اپنے وعدے میں ثابت قدم رہے ہیں۔
اپنی کارکردگی کو بہتر بنانا اور نئی پراڈکٹس کے حوالے سے اختراعات ہماری اولین ترجیح ہیں تاکہ بہترین انداز میں آگے بڑھتے ہوئے صارفین کی بہتر طور پر خدمت کے سلسلے کو جاری رکھیں۔

آپ کی کمپنی شیئر ہولڈرز کی ویلیو کو بڑھانے اور نئی پیلنٹھ کیئر پراڈکٹس کی تیاری کے سلسلے کو جاری رکھنے کے لیے پرعزم ہے، جو ملک بھر کے طول و عرض میں واقع لوگوں کو ہر روز صحت مند اور بھرپور زندگی کا موقع فراہم کر سکیں۔

بورڈ کی تشخیص

ہے۔ جناب طلال جاوید احمد جو اکتوبر 2018 میں ہمارے ساتھ بحیثیت چیف فنانسئل آفیسر منسلک ہوئے اور انہیں ایگزیکٹو ڈائریکٹر کے عہدے کے لیے بھی نامزد کیا گیا، انہوں نے اسی سال پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس ٹریننگ میں شرکت کی اور اسے کامیابی سے مکمل کیا۔

اس سال بورڈ میں تبدیلیاں

سال 2018 کے دوران، ہم نے جناب طلال جاوید احمد کو بورڈ پر بطور ایگزیکٹو ڈائریکٹر اور مینجمنٹ کمیٹی میں چیف فنانسئل آفیسر/فنانس ڈائریکٹر کے عہدے پر خوش آمدید کہا۔ انہوں نے جناب فرحان محمد ہارون کی جگہ چارج سنبھالا، جو اکتوبر 2018 میں سبکدوش ہوئے تھے۔

بورڈ کی کارکردگی کے حوالے سے ہمارے داخلی جائزے کے طریقہ کار کے طور پر، ہم نے بورڈ کا ان کی کاروباری معلومات، انڈسٹری کی معلومات، اجلاسوں میں شرکت اور شراکت، قانون کی پاسداری، اور خودمختار باڈی کے طور پر کاروبار کی نگرانی کے حوالے سے جائزہ لیا۔ اس سے حاصل ہونے والے اہم نکات اور سبق پر کافی غور کیا گیا اور اس حوالے سے بورڈ کی اجتماعی کاروباری معلومات میں اضافے کے لیے اہم اقدامات اٹھائے جا رہے ہیں۔ نتائج سے، ہم یہ بات اخذ کر سکتے ہیں کہ ہمارے ڈائریکٹرز اپنی اہم ذمہ داریوں کے حوالے سے پوری طرح آگاہ ہیں تاکہ کمپنی کی حکمت عملی اور بورڈ کی کارکردگی کو فروغ دے سکیں۔

بورڈ کی ٹریننگ

ڈائریکٹرز کارپوریٹ گورننس کو برقرار رکھنے اور کمپنی کی حکمت عملی کا رخ متعین کرنے کے ذمہ دار ہیں۔ بورڈ کی افادیت کو زیادہ سے زیادہ کرنے کے لیے ضروری ہے کہ نئے اراکین کمپنی کے آپریشنز اور طریقہ کار کو سیکھیں۔ آپ کی کمپنی بے شمار تربیتی پروگرامز منعقد کرتی ہے تاکہ اس امر کو یقینی بنایا جا سکے کہ بورڈ آرگنائزیشن کے مشن اور کارپوریٹ گورننس سے پوری طرح ہم آہنگ

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بورڈ آف ڈائریکٹرز کے سال 2018 میں پانچ اجلاس ہوئے۔ تمام تر اجلاس پاکستان میں منعقد کیے گئے اور ان اجلاسوں میں تمام ڈائریکٹرز کی حاضری کی تفصیل درج ذیل ہے۔

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