



UNILEVER PAKISTAN FOODS LIMITED

***CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021***



UNILEVER PAKISTAN FOODS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Kamran Y. Mirza

Independent Director
& Chairman of the Board

Mr. Amir R. Paracha

Executive Director & Chief Executive Officer

Mr. Aly Yusuf

Executive Director & Chief Financial Officer

Ms. Asima Haq

Executive Director

Mr. Zulfikar Monnoo

Non-Executive Director

Mr. Muhammad Adil Monnoo

Non-Executive Director

Mr. Kamal Monnoo

Non-Executive Director

Mr. Sarfaraz Ahmed Rehman

Independent Director

Mr. Khalid Mansoor

Independent Director

Mr. Ali Tariq

Non-Executive Director

Company Secretary

Mr. Aman Ghanchi

Audit Committee

Mr. Khalid Mansoor

Chairman & Member

Mr. Zulfikar Monnoo

Member

Mr. Muhammad Adil Monnoo

Member

Mr. Sarfaraz Ahmed Rehman

Member

Mr. Kamran Y. Mirza

Member

Mr. Moiz Idris Rajput

Secretary & Head of Internal Audit

Human Resource & Remuneration Committee

Mr. Kamran Y. Mirza

Chairman & Member

Mr. Zulfikar Monnoo

Member

Mr. Kamal Monnoo

Member

Mr. Sarfaraz Ahmed Rehman

Member

Mr. Amir R. Paracha

Member

Ms. Kanize Fathema Zuberi

Secretary & Head of HR

Auditors

Messrs KPMG Taseer Hadi & Co.

Chartered Accountants

Sheikh Sultan Trust Building No. 2

Beaumont Road, Karachi - 75530

Pakistan

Registered Office

Avani Plaza

Fatima Jinnah Road

Karachi - 75530

Share Registration Office

CDC Share Register Service Limited

CDC House. 99-B. Block "B" S.M.C.H.S.

Main Shahra-e-Faisal Karachi - 74400

Website Address

www.unilever.pk

UNILEVER PAKISTAN FOODS LIMITED

Directors' Review

The directors are pleased to present the financial information for the six months ended June 30, 2021.

Sales grew by 24.9% on the back of strong fundamentals i.e brand equity, wider reach and effective spending on advertisement and promotion. The growth was broad based with both Retail business and Food Solutions delivering strong results as a result of easing lockdowns. Gross Margin increased by 1.34% to 43.76% versus same period last year, through a combination of pricing, better cost absorption and a rigorous savings agenda. Earnings per share (EPS) increased by 40.3% versus the same period last year driven by growth, margin improvement and tax credits pertaining to capital expenditure.

Financial Highlights

	Six Months ended June 30,		Increase %
	2021	2020	
	← Rs '000 →		
Net Sales	9,582,510	7,670,039	24.9%
Profit before Taxation	2,516,349	1,908,833	31.8%
Profit after Taxation	2,421,290	1,726,317	40.3%
Earnings per Share (Rs.)	380.11	271.01	40.3%

Future Outlook

Pakistan's economy has shown resilience in the face of global COVID -19 pandemic, witnessing GDP growth of 3.94% in fiscal year 2021 as a result of timely monetary and fiscal measures. The environment, however, remains volatile in the wake of ongoing fourth wave of COVID -19. In addition, high inflation continues to remain a challenge, further aggravated by rising global commodity prices.

Despite a tough economic and operating environment, the management remains committed to navigate the situation by leveraging its access to Unilever's global expertise, honing the understanding of its consumers, on-going innovation endeavours and by consistently offering an exemplary customer service. The launch of Hellman's mayonnaise is yet another manifestation of company's focus towards innovation and consumers. We are confident that our dedicated and focussed efforts will enable us to meet the ever-evolving needs of our consumers and in delivering a sustained profitable growth benefitting all stakeholders.

Thanking you all.

On behalf of the Board

Amir R. Paracha
Chief Executive Officer

Kamran Y. Mirza
Chairman

Karachi
August 25, 2021

UNILEVER PAKISTAN FOODS LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Unilever Pakistan Foods Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Unilever Pakistan Foods Limited as at June 30, 2021 and the related condensed interim statement of profit or loss account and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.


Other matter

The figures of condensed interim statement of profit or loss account and other comprehensive income for the three months period ended 30 June 2021 and 30 June 2020 in the interim financial statements have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's review report is **Moneeza Usman Butt**.

Date: August 28, 2021

Karachi


KPMG Taseer Hadi & Co.
Chartered Accountants

UNILEVER PAKISTAN FOODS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at June 30, 2021

	Note	Unaudited June 30, 2021	Audited December 31, 2020
← (Rupees in thousand) →			
ASSETS			
Non-current assets			
Property, plant and equipment	4	3,890,147	3,732,128
Right-of-use assets		62,844	12,571
Intangible assets		81,637	81,637
Long term deposits		2,980	2,80
Long term loans and advances		2,650	3,371
		<u>4,040,258</u>	<u>3,832,687</u>
Current assets			
Stores and spares		175,590	164,302
Stock in trade		1,316,920	1,124,124
Trade debts - net		519,762	455,214
Loans and advances		46,809	6,256
Trade deposits and short term prepayments		74,514	77,35
Other receivables		56,072	57,506
Sales tax refundable - net		132,916	213,15
Taxation - net		696,480	648,7
Cash and bank balances		3,050,492	2,85
		<u>6,069,555</u>	<u>3,614,686</u>
Total assets		<u><u>10,109,813</u></u>	<u><u>7,447,373</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		63,699	63,6
Reserves		2,309,576	2,683,5
		<u>2,373,275</u>	<u>2,747,64</u>
LIABILITIES			
Non-current liabilities			
Staff retirement benefits		29,303	25,727
Long term borrowings	5	169,804	23,660
Lease liabilities		19,779	387
Deferred taxation		360,849	361,050
		<u>579,735</u>	<u>410,824</u>
Current liabilities			
Trade and other payables		5,179,541	4,112,34
Unpaid dividend		1,822,948	31,180
Unclaimed dividend		31,117	25,447
Provisions	6	115,587	107,740
Accrued interest mark up		1,356	620
Current portion of lease liabilities		6,254	11,51
		<u>7,156,803</u>	<u>4,288,855</u>
Total liabilities		<u>7,736,538</u>	<u>4,69,67</u>
Total equity and liabilities		<u><u>10,109,813</u></u>	<u><u>7,447,373</u></u>
Contingencies and commitments			
	7		

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

Amir Paracha
Chief Executive

Asima Haq
Director

Aly Yusuf
Director & Chief Financial Officer

UNILEVER PAKISTAN FOODS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

		Three months period ended		Six months period ended	
	Note	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
		(Rupees in thousand)			
Sales - net	8	4,542,316	3,781, 75	9,582,510	7,670,03
Cost of sales		(2,650,584)	2,115,14	(5,389,524)	4,416,308
Gross profit		1,891,732	1,666,826	4,192,986	3,253,731
Distribution cost		(785,963)	547,085	(1,419,224)	1,130,658
Administrative e penses		(97,255)	100,01	(182,381)	152, 35
Other operating e penses		(68,439)	83,521	(172,140)	135,43
Other income		59,576	3 ,122	111,330	8 ,482
		999,651	75,323	2,530,571	1, 24,181
Finance costs		(9,290)	3,165	(14,222)	15,348
Profit before taxation		990,361	72,158	2,516,349	1, 08,833
Ta ation					
- current		(37,659)	54,062	(95,260)	111,03
- deferred		13,939	18,767	201	71,477
		(23,720)	72,82	(95,059)	182,516
Profit after taxation		966,641	8 ,32	2,421,290	1,726,317
Other comprehensive income		-	-	-	-
Total comprehensive income		966,641	8 ,32	2,421,290	1,726,317
		(Rupees in thousand)			
Earnings per share - basic and diluted		151.75	141.18	380.11	271.01

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

Amir Paracha
Chief Executive

Asima Haq
Director

Aly Yusuf
Director & Chief Financial Officer

UNILEVER PAKISTAN FOODS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

		Share Capital	Capital		Reserves		Sub Total	Total
		Issued, subscribed and paid-up capital	Share premium	Special	General	Unappropriated profit		
← (Rupees in thousand) →								
alance as at December 31, 2020	audited	63,6	1,2 6,4	628	138	1,386,730	2,683, 5	2,747,6 4
Transactions with owners of the Company - Distribution								
Final dividend for the year ended								
December 31, 2020	s. 210.8 per share	-	-	-	-	1,343,35	1,343,35	1,343,35
First Interim dividend for the year ending								
December 31, 2021	s. 228 per share	-	-	-	-	1,452,350	1,452,350	1,452,350
Total Comprehensive income for the period ended June 30, 2021								
rofit for the period		-	-	-	-	2,421,2 0	2,421,2 0	2,421,2 0
Other Comprehensive Income		-	-	-	-	-	-	-
		-	-	-	-	2,421,2 0	2,421,2 0	2,421,2 0
alance as at June 30, 2021	unaudited	63,699	1,296,499	628	138	1,012,311	2,309,576	2,373,275
alance as at December 31, 201	audited	63,6	1,2 6,4	628	138	43,233	2,240,4 8	2,304,1 7
Transactions with owners of the Company - Distribution								
Final dividend for the year ended								
December 31, 201	s. 142 per share	-	-	-	-	04,533	04,533	04,533
First Interim dividend for the year ended								
December 31, 2020	s. 130 per share	-	-	-	-	828,0 4	828,0 4	828,0 4
Total Comprehensive income for the period ended June 30, 2020								
rofit for the period		-	-	-	-	1,726,317	1,726,317	1,726,317
Other Comprehensive Income		-	-	-	-	-	-	-
		-	-	-	-	1,726,317	1,726,317	1,726,317
alance as at June 30, 2020	unaudited	63,6	1,2 6,4	628	138	36, 23	2,234,188	2,2 7,887

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

Amir Paracha
Chief Executive

Asima Haq
Director

Aly Yusuf
Director & Chief Financial Officer

UNILEVER PAKISTAN FOODS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

	Note	June 30, 2021 ← (Rupees in thousand) →	June 30, 2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		2,516,349	1,08,833
Adjustment for:			
Depreciation		151,016	13,544
Depreciation on right-of-use asset		14,082	12,453
Capital work in progress written off		-	2,086
Finance cost		1,961	,522
Provision for staff retirement benefits		4,001	4,184
Return on savings accounts		(59,814)	58,236
		111,246	10,603
		2,627,595	2,018,436
Effect on cash flow due to working capital changes			
Decrease / increase in current assets			
Stores and spares		(11,288)	18,133
Stock in trade		(317,796)	532,33
Trade debts		(64,548)	224,073
Loans and advances		22,447	12,161
Trade deposits and short term prepayments		2,881	17,000
Other receivables		1,434	41,750
Sales tax refundable		80,279	110,810
		(286,591)	508,870
Increase / decrease in current liabilities			
Trade and other payables		1,067,192	33,818
Provisions		7,847	,452
		1,075,039	24,366
Cash generated from operations		3,416,043	2,433,32
Work-in-progress paid		(1,225)	43,740
Income tax paid		(142,941)	58,184
Decrease in long term loans and advances		721	544
Staff retirement benefits - contributions paid		(424)	410
Net cash generated from operating activities		3,272,174	2,332,122
CASH FLOWS USED IN INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(309,035)	117,344
Return received on savings accounts		59,814	58,236
Net cash used in investing activities		(249,221)	5,688
CASH FLOWS USED IN FINANCING ACTIVITIES			
Proceeds from long-term borrowing		146,144	-
Debt liability payments		(50,230)	2,400
Dividend paid		(998,270)	1,217,053
Net cash used in financing activities		(902,356)	1,246,453
Net increase in cash and cash equivalents		2,120,597	1,026,041
Cash and cash equivalents at beginning of the period		929,895	68,33
Cash and cash equivalents at end of the period		3,050,492	1,715,380

This includes dividend paid to holding Company during the period amounting to Rs. 321 million June 30, 2020 Rs. 813 million

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

Amir Paracha
Chief Executive

Asima Haq
Director

Aly Yusuf
Director & Chief Financial Officer

UNILEVER PAKISTAN FOODS LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

1. BASIS OF PREPARATION

1.1 Statement of Compliance

These condensed interim financial statements of Unilever Pakistan Foods Limited the Company for the six months ended June 30, 2021 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard IAS 34, Interim Financial Reporting, issued by the International Accounting Standards Board IASB as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

1.2 *These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended December 31, 2020. However, selected explanatory notes are included to explain events and transactions that are significant to understanding of changes in Company's financial position and performance since the last financial statements.*

1.3 Basis of Measurement

These condensed interim financial statements have been prepared under the historical cost convention except as disclosed elsewhere.

1.4 Functional and Presentation Currency

These condensed interim financial statements are presented in Pakistani Rupees which is the functional currency of the Company and figures are rounded off to the nearest thousand of Rupees.

1.5 COVID-19

A novel strain of coronavirus COVID-19 first surfaced in China and due to the nature of its virality, it quickly found its way to other countries due to which the World Health Organization classified it as a pandemic on the 11th of March in 2020. Measures have been taken to contain the spread of the virus including travel bans, quarantines, social distancing and closure of non-essential services and factories, hence triggering disruptions in businesses and allowing for a slowdown in the economy worldwide. After a gruesome few months of strict lockdown in Pakistan, the lockdown has been eased, after critical assessment of active cases, since the second quarter of 2021. Offices, restaurants, recreational areas academic institutions have reopened with strict safety protective guidelines for the public to follow including social distancing, mandatory face masks and sanitation protocols. The beginning of 2021 has restored hope with the introduction of vaccine drives coupled with the necessary protection measures being followed since the past year which have led to avoidance of lockdowns. After observing the demand from the Company's customers, the availability of imports and the support by the Government, the management, upon assessment, believes that COVID-19 has not had a significant impact on the Company.

2. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended December 31, 2020 other than that disclosed below.

2.1 Government grants

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities - e.g. a government subsidy. The definition of government refers to governments, government agencies and similar bodies, whether local, national or international.

UNILEVER PAKISTAN FOODS LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

The Company recognises government grants when there is reasonable assurance that grants will be received and the Company will be able to comply with conditions associated with grants.

Government grants are recognised at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognised on a systematic basis in the income for the year in which the related expenses are recognised. Grants that compensate for the cost of an asset are recognised in income on a systematic basis over the expected useful life of the related asset.

A loan is initially recognised and subsequently measured in accordance with IFRS. IFRS requires loans at below-market rates to be initially measured at their fair value - e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

3 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended December 31, 2020.

The preparation of these condensed interim financial statements, in conformity with 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. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the annual audited financial statements of the Company for the year ended December 31, 2020.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended December 31, 2020.

4. PROPERTY, PLANT AND EQUIPMENT

	Unaudited June 30, 2021	Audited December 31, 2020
	← (Rupees in thousand) →	
Operating assets - at net book value	3,504,152	3,530,582
Capital work in progress - at cost	385,995	201,546
	<u>3,890,147</u>	<u>3,732,128</u>

UNILEVER PAKISTAN FOODS LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

4.1 Additions of operating fixed assets during the period are as follows

	Additions (at cost)	
	Unaudited	
	June 30, 2021	June 30, 2020
	(Rupees in thousand)	
Building on freehold land	42,777	125, 17
Plant and machinery	68,780	22 ,670
Electrical, mechanical and office equipment	9,560	38,541
Furniture and fixtures	3,469	6,147
	124,586	400,275

5. LONG TERM BORROWINGS

	Unaudited June 30, 2021	Audited December 31, 2020
	(Rupees in thousand)	
Secured long-term finances utilised under mark-up arrangements		
Solar renewable energy 5.1	89,840	23,660
Temporary economic finance Facility 5.2	56,741	-
Deferred income - government grant	23,223	-
	169,804	23,660

5.1 During the year 2020 , the Company entered into a long term borrowing arrangement with a commercial bank for installation of solar panels under State bank of Pakistan's refinancing Scheme for renewable energy. The total facility is available for twelve years ending in 2032 and amounts to s. 14 million. The loan carries mark-up at the rate of 3.65 per annum.

5.2 During the period, the Company has also entered into a long term borrowing arrangement with commercial banks under State bank of Pakistan's Temporary economic finance Facility amounting to s. 00 million. This loan carries a concessional mark-up rate of 2.3 and is repayable in 32 quarterly installments with a 2 year grace period commencing from first disbursement.

The scheme qualifies for the recognition criteria of a Government Grant as per IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. As a result, the liability has been broken down into two components.

First one being recognition of a financial liability in accordance with IFRS Financial Instruments which has been measured at Fair value, that is, present value of future cashflows at the prevailing market rate amounting to s. 56.74 million.

Second component is the recognition of deferred income as a long term liability amounting to s. 23.22 million. This is the difference between the fair value of the financing facility and loan proceeds received from the bank.

6. PROVISIONS

	Unaudited June 30, 2021	Audited December 31, 2020
	(Rupees in thousand)	
Sindh Infrastructure Cess 6.1	68,081	62,520
Restructuring	1,829	1,82
Stamp Duty	45,677	43,3 1
	115,587	107,740

UNILEVER PAKISTAN FOODS LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

- 6.1 This represents provision recognised against infrastructure fee levied by the Government of Sindh vide section of the Sindh Finance Act on the goods entering or leaving the province from or for outside the country for services rendered in respect of development and maintenance of infrastructure. Levy is applicable on imported goods and it is charged at the time of custom clearance. Group of importers challenged the levy on the grounds that imposing levy on import and export does not fall within legislative competence of the provincial legislature. In 2011, Sindh High Court S.C through its interim order granted an interim relief to all the petitioners directing that the future imports of the petitioners will be cleared on payment of 50% of the disputed cess while for remaining 50% bank guarantee is to be submitted till the final decision by Court. Similarly, the same is being practiced by the management.

ovement in the balances represents charge for the period.

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

There were no contingencies as on June 30, 2021.

7.2 Commitments

The commitments for capital expenditure outstanding as at June 30, 2021 amounted to Rs. 2 million December 31, 2020 Rs. 5.51 million.

8. SALES - net

Unaudited	
June 30, 2021	June 30, 2020
← (Rupees in thousand) →	

The Company analyses its net revenue by the following product groups

Products used by end consumers	8,440,058	7,015,613
Products used by entities	1,142,452	654,426
	<u>9,582,510</u>	<u>7,670,03</u>

9. RELATED PARTY TRANSACTIONS

Related party transactions during the period other than those disclosed elsewhere in these condensed interim financial statements are as follows

Relationship with the company	Nature of transactions	Unaudited June 30, 2021	audited June 30, 2020
← (Rupees in thousand) →			
holding company	loyalty	2,052	2,307

UNILEVER PAKISTAN FOODS LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

Relationship with the company	Nature of transactions	Unaudited June 30, 2021	audited June 30, 2020
← (Rupees in thousand) →			
ii Associated companies	royalty and technology fee	341,054	318,781
	purchase of goods		
	property,		
	plant equipment	991,456	1,055,028
	Sale of goods	54,193	27,63
	Fee for receiving of services from related parties	449,287	43 , 84
	Fee for providing of services to related parties	28,014	15,402
	Contribution to		
	- Defined Contribution plan	8,156	7, 60
	Settlement on behalf of		
	- Defined Contribution plan	14,519	18,348
iii Management personnel	Salaries and other short-term employee benefits	9,827	8,844

Aggregate amount charged for fee to seven June 30, 2020 seven non-executive directors
during the period amounting to Rs. 2.1 million June 30, 2020 Rs. 1.6 million .

10. FINANCIAL RISK MANAGEMENT

The Company's activities are exposed to a variety of financial risk namely credit risk, foreign exchange risk, interest rate risk and liquidity risk. The Company is not exposed to any price risk as it does not hold any investment exposed to price risk. The Company has established adequate procedures to manage these risks.

These condensed interim financial statements do not include the financial risk management information and disclosures required in the annual financial statements they should be read in conjunction with Company's annual financial statements for the year ended 31 December 2020. There have been no changes in the risk management policies since the year end.

<u>Carrying amount</u>		<u>Carrying amount</u>	
Financial Assets	Financial Liabilities	Financial Assets	Financial liabilities
Unaudited		Audited	
30 June 2021		December 31, 2020	
← (Rupees in thousand) →			

FINANCIAL ASSETS

Derivative financial asset -
measured at fair value

Forward foreign exchange contract	2,238	-	-	-
-----------------------------------	-------	---	---	---

Other financial assets - not
measured at fair value

Loans	4,130	-	6,147	-
Trade debts	519,762	-	455,214	-
Long term deposits	2,980	-	2, 80	-
Trade deposits	35,690	-	48,736	-
Other receivables	53,834	-	57,506	-
Cash and bank balances	3,050,492	-	2 ,8 5	-
	<u>3,669,126</u>	<u>-</u>	<u>1,500,478</u>	<u>-</u>

UNILEVER PAKISTAN FOODS LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

	Carrying amount		Carrying amount	
	Financial	Financial	Financial	Financial
	Assets	Liabilities	Assets	liabilities
	Unaudited		Audited	
	30 June 2021		December 31, 2020	
	(Rupees in thousand)			
FINANCIAL LIABILITIES				
Derivative financial liability - measured at fair value				
Forward foreign exchange contract -		-	-	341
Other financial liabilities - not measured at fair value				
Long term borrowing		169,804		23,660
Trade and other payables	-	4,715,491	-	3,810,000
Unpaid dividend	-	1,822,948	-	31,180
Unclaimed dividend	-	31,117	-	25,447
Accrued interest mark up	-	1,356	-	620
Lease liabilities	-	6,254	-	11,060
	-	6,746,970	-	3,882,244

The carrying value of financial assets and financial liabilities approximate their fair value. For valuation of derivative forward foreign exchange contract at reporting date, the relevant rate has been taken from financial institution and has been classified in to level 2 fair value measurement hierarchy as defined in IFRS 13.

11. NON ADJUSTING EVENT AFTER REPORTING DATE

The Board of Directors in its meeting held on 25 August 2021 declared a second interim cash dividend for the year ending December 31, 2021 of Rs. 151 per share. Second interim dividend for the year ended December 31, 2020 Rs. 141.00 per share amounting to Rs. 62 million. Second interim dividend for the year ended December 31, 2020 Rs. 88 million.

12. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 25 August 2021 by the Board of Directors of the Company.

Amir Paracha
Chief Executive

Asima Haq
Director

Aly Yusuf
Director & Chief Financial Officer

یونی لیور پاکستان فوڈز لمیٹڈ

ڈائریکٹر ان کارجز

ڈائریکٹرز کمپنی کی ششماہی رپورٹ اور مالیاتی گوشوارے برائے ۳۰ جون ۲۰۲۱ء پیش کر رہے ہیں۔

مضبوط بنیادی اصولوں یعنی برانڈ ایکویٹی، وسیع پیمانے پر پہنچ اور شہتہ اور فروغ پر موثر اخراجات کی بدولت فروخت میں ۲۴.۹ فیصد کا اضافہ ہوا۔ یہ اضافہ لاک ڈاؤن میں آسانی کے نتیجے میں ہوا جس کے باعث ریٹیل اور فوڈ سلوشنز نے مضبوط نتائج فراہم کرے۔

قیمتوں کا تعین، بہتر قیمت جذب اور بچت کے سخت ایجنڈا کی بدولت گذشتہ سال اسی مدت کے مقابلہ میں مجموعی مارجن ۳۴.۱ فیصد سے بڑھ کر ۴۳.۷ فیصد ہو گیا۔

گذشتہ سال اسی مدت کے مقابلہ میں فی حصص آمدنی میں ۴۰.۳ فیصد کا اضافہ ہوا جس کی وجوہات میں سیلز، مارجن میں اضافہ اور ٹیکس کی چھوٹ ملنا شامل ہے۔

مالیاتی کارکردگی کا خلاصہ

اضافہ %	۳۰ جون کو ختم شدہ چھ ماہ نتائج	
	2020	2021
	روپے ہزار میں	
24.	7,670,03	,582,510
31.8	1, 08,833	2,516,34
40.3	1,726,317	2,421,2 0
40.3	271.01	380.11

فروخت
ٹیکس سے قبل منافع
ٹیکس کے بعد منافع
فی حصص آمدنی (روپے)

مستقبل پر نظر

پاکستان کی معیشت نے عالمی COVID-19 وبائی امراض کے دوران پکچ دکھائی ہے۔ مالی سال ۲۰۲۱ میں بروقت فیکل اور مونیٹری اقدامات کے نتیجے میں جی ڈی پی میں ۹۴ء ۳ فیصد اضافہ دیکھنے میں آیا۔ البتہ، COVID-19 کی جاری چوتھی لہر کے تناظر میں ماحول غیر مستحکم ہے۔ مزید برآں، مہنگائی ایک بڑا چیلنج ہے، جو اشیاء کی عالمی قیمتوں میں اضافے کی وجہ سے مزید بڑھ رہا ہے۔

سخت معاشی حالات کے باوجود انتظامیہ اپنی عالمی مہارت، اس کے صارف کی تفہیم کا احترام اور جدت طرازیوں کا فائدہ اٹھا کر مستقل طور پر مثالی کسٹمر سروس پیش کرتے ہوئے صورتحال سے نپٹنے کے لیے پر عزم ہے۔ سیکلیم میونیور کا آغاز کمپنی کی جدت اور صارفین کی طرف توجہ کے منشور کے عین مطابق ہے۔ ہمیں اعتماد ہے کہ صارفین کی بدلتی ضروریات پوری کرنے اور تمام متعلقین کے مفاد کے لئے ہماری یہ کوششیں مددگار ثابت ہوگی۔

بوڈ کی جانب سے

آپ سب کا شکریہ

عامر پرچہ

چیف ایگزیکٹو آفیسر

کراچی

کامران مرزا

چیرمین

25 اگست 2021

Unilever Pakistan Foods Limited
Avari Plaza, Fatima Jinnah Road,
Karachi-75530
T: +92 21 35660062-9
F: +92 21 35681705
www.unilever.pk