Advice for Investors

INVESTORS ARE STRONGLY ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THIS PROSPECTUS, **ESPECIALLY THE RISK FACTORS GIVEN AT SECTION 5 AND SEEK PROFESSIONAL ADVICE,** BEFORE MAKING ANY INVESTMENT DECISION.

SUBMISSION OF FALSE & FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.

INVESTMENT IN EQUITY SECURITIES INVOLVES A DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFER UNLESS THEY CAN AFFORD TO TAKE THE RISK OF LOSING THEIR INVESTMENT. INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THE EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED AS DISCLOSED AT SECTION 5 OF THE PROSPECTUS.

ADVICE FOR INSTITUTIONAL INVESTORS AND HIGH NET WORTH INDIVIDUAL INVESTORS

A SINGLE INVESTOR CANNOT SUBMIT MORE THAN ONE BIDDING APPLICATION EXCEPT IN THE CASE OF UPWARD REVISION OF BID. IF AN INVESTOR SUBMITS MORE THAN ONE BIDDING APPLICATION THEN ALL SUCH APPLICATIONS SHALL BE SUBJECT TO REJECTION.

SUBMISSION OF CONSOLIDATED BID IS PROHIBITED UNDER THESE REGULATIONS. A BID APPLICATION WHICH IS BENEFICIALLY OWNED (FULLY OR PARTIALLY) BY PERSONS OTHER THAN THE ONE NAMED THEREIN SHALL BE DEEMED TO BE A CONSOLIDATED BID.

PLEASE NOTE THAT A SUPPLEMENT TO THE PROSPECTUS SHALL BE PUBLISHED WITHIN ONE WORKING DAY OF THE CLOSING OF THE BIDDING PERIOD WHICH SHALL CONTAIN INFORMATION RELATING TO THE STRIKE PRICE, THE OFFER PRICE, NAMES OF THE UNDERWRITERS OF THE RETAIL PORTION OF THE ISSUE IF ANY, UNDERWRITING COMMISSION, BIFURCATING AS TAKE UP COMMISSION OR ANY OTHER, CATEGORY WISE BREAKUP OF THE SUCCESSFUL BIDDERS ALONG WITH NUMBER OF SHARES ALLOCATED TO THEM, DATES OF PUBLIC SUBSCRIPTION AND SUCH OTHER INFORMATION AS SPECIFIED BY THE COMMISSION

THIS PROSPECTUS CONTAINS FORWARD-LOOKING STATEMENTS. ALL STATEMENTS OTHER THAN STATEMENTS OF HISTORICAL FACTS CONTAINED IN THIS PROSPECTUS, INCLUDING STATEMENTS REGARDING FUTURE RESULTS OF OPERATIONS AND FINANCIAL POSITION, BUSINESS STRATEGY AND PLANS AND OBJECTIVES OF MANAGEMENT FOR FUTURE OPERATIONS, TIMELINES RELATING TO IMPLEMENTATION PLAN ARE FORWARD-LOOKING STATEMENTS. THESE STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER IMPORTANT FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY THE FORWARD-LOOKING STATEMENTS.

Agro Processors & Atmospheric Gases Limited

PROSPECTUS FOR INITIAL PUBLIC OFFERING

Date and Place of Incorporation: September 25th, 1980, Karachi, **Incorporation Number:** K-101/6187 of 1980, **Registered & Corporate Office:** 7-C, 21st Commercial Street Phase II Extension, DHA, Office No. FF-3, Karachi, **Contact No:** +92-21-35882182, **Website:** https://apag.com.pk, **Email:** info@apag.com.pk, **Contact Persons:** Mr. Adnan Owais (GM Finance, Operations and Company Secretary) **Phone:** +92-333-3300544, **Email:** adnan.owais@apag.com.pk; Mr. Amyn (Executive Director and Chief Financial Officer), **Phone:** +92-300-8254930, **Email:** amyn.rafiq@apag.com.pk,

Issue Size: The Issue consists of 58,049,541 Ordinary Shares (i.e. 15.00% of the total post-IPO paid up capital of Agro Processors and Atmospheric Gases Limited) of face value of PKR 2.00/- each.

Method Of Offering: Book Building Method

Book Building Method and Floor Price: Seventy five percent (75%) of the Issue size i.e. 43,537,156 shares will be offered through Book Building Method at a Floor Price of PKR 32.00/- per share (including premium of PKR 30.00/- per share) with a maximum price band of up to 40% (PKR 44.80/-). Justification of premium is given under "Valuation section", i.e. Section 4A). The bidders will be allowed to bid through Eligible Participants as per the procedure provided under Section 12.5 of the prospectus. The Strike Price shall be the price at which seventy five percent (75%) of the issue is subscribed however, the successful bidders will be allotted shares upon receipt of response of public subscription under retail portion of the issue

Retail/General Public Portion: Retail Portion of the Issue comprises of 14,512,385 ordinary shares (25% of the total issue) at the Strike Price. The Retail Portion of the Public Offer shall be fully underwritten:

Public Comments: Draft Prospectus was placed on PSX's website for seeking public comments starting from 14th July 2026 to 21st July 2026 and all public comments received were addressed by the Consultant to the Issue

REGISTRATION OF ELIGIBLE INVESTORS: The registration of eligible investors will commence at 9:00 am on August 20th ,2026 and will close at 3:00 pm on August 28th ,2026 BIDDING PERIOD DATES: From August 27th ,2026 to August 28th ,2026, From: 9:00 am to 5:00 pm

DATE OF PUBLIC SUBSCRIPTION: From September 3rd ,2026 to September 4th ,2026 (both days inclusive)

Consultant to the Issue	Corporate Advisor	Eligible Participants for Book Building	Retail Portion is Underwritten By
KASB | KTrade	HBL	Securities Brokers, Mutual Funds, Scheduled Banks and Development Finance Institutions that are clearing members of the NCCPL, and trading only brokers[1]	ISMAIL IQBAL Securities (Pvt.) Ltd.; KASB | KTrade; SHERMAN; DEL

For retail portion/general public portion, investors can submit application(s) through electronic/online mode. Electronic/online applications can be submitted through PSX's e-IPO system (PES) and CDC's Centralized E-PO system (CES). PES and CES can be accessed via the web links https://eipo.psx.com.pk, and www.cdceipo.com. There is no transaction limit on making payment through e- banking channels. 1Link through Memo dated August 22, 2024 has instructed all its member banks to remove the limits on transfer of funds for transactions executed through e - IPO platforms. For details, please refer to Section 13.3 of the Prospectus.

Date of Publication of this Prospectus: August 13th,2026

Prospectus can be downloaded from the following websites: https://apag.com.pk, http://www.psx.com.pk, www.cdceipo.com and http://www.kasb.com

For Further Queries you may Contact

Agro Processors and Atmospheric Gases Limited: Mr. Adnan Owais (GM Finance, Operations and Company Secretary), **Phone:** +92-333-3300544 | **Email:** adnan.owais@apag.com.pk**;** Mr. Amyn (Executive Director and Chief Financial Officer), **Phone:** +92-300-8254930 | **Email:** amyn.rafiq@apag.com.pk | **KTrade Securities Limited:** Mr. Danish Deedar Ali (AVP – Corporate Finance & Advisory), **Phone:** +92-324-8229245, **Email:** danish.ali@kasb.com, | Mr. Syed Mustafa Kamal (Senior Analyst – Corporate Finance & Advisory), **Phone:** +92-323-4747479, **Email:** s.mustafa@kasb.com | Mr. Zain Mevawalla (Analyst – Corporate Finance & Advisory), **Phone:** +92-323-2455551, **Email:** zain@kasb.com | **Habib Bank Limited:** Mr. Badr Siddiqui (Unit Head – Advisory, M&A and Capital Markets), **Phone:** +92-21-33116535, **Email:** Badr.siddiqui@hbl.com | **Underwriters: Dawood Equities Limited:** Mr. Abdul Aziz Habib, **Phone:** +92-322-75200 **Email:** Aziz@dawoodequities.com; Mr. Salman Yaqoob, **Phone:** 0331-8379449, **Email:** salman@dawoodequities.com, | **Ismail Iqbal Securities (Pvt) Limited:** Mr. Ahfaz Mustafa, **Phone:** +92-21-34302121, **Email:** ahfaz.mustafa@ismailiqbal.com; Bilal Ejaz, **Phone:** +92-315-8131834, **Email:** Mohammad.bilal@ismailiqbal.com; | **KTrade Securities Limited:** Mr. Syed Mustafa Kamal, **Phone:** +92-323-4747479, **Email:** s.mustafa@kasb.com; Mr. Danish Deedar Ali, **Phone:** +92-324-8229245, **Email:** danish.ali@kasb.com | **Sherman Securities (Pvt) Limited:** Mr. Sadiq Samin, **Phone:** +92-321-8244838, **Email:** sadiqsamin@shermansecurities.com; Mr. Sumair Samin, **Phone:** +92-308-9040000, **Email:** sumair@shermansecurities.com

The Company is proposed to be listed at the Pakistan Stock Exchange Limited

[1] Provided that Trading Only Securities Broker shall also be eligible to act as Eligible Participant for Book Building. PCM shall create separate accounts for TO brokers. TO brokers shall be allowed to participate in the Book Building from proprietary account and may also on-board its clients.

UNDERTAKING BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

D 072373

SND-5340-695108115557 GoS-KHI-31560C2B28ADC4FF

Non-Judicial **Rs 1,000/-**

Description	: Agreement or Memorandum of an Agreement - 3(a)(i)
Seller	: RAHEEL AHMAD ADV [42301-00000000-0]
Purchaser	: RAHEEL AHMAD ADV [42301-00000000-0]
Applicant	: RAHEEL [42301-00000000-0]
Stamp Duty Paid by	: RAHEEL AHMAD ADV [42301-00000000-0]
Issue Date	: 29-Jan-2026, 01:21:53 PM
Paid Through Challan	: 2026FBFEC2900A8D
Amount in Words	: One Thousand Rupees Only

Please Write Below This Line

You can verify your e-Stamp paper by scanning the QR code or online at www.estamps.gos.pk using the "Verification Through QR Code" option.

Date: 14th April, 2026

UNDERTAKING

We, (1) AHMED AZIZ GHULAMHUSSAIN SON OF AZIZ GHULAM HUSSAIN, HAVING OFFICE AT F-392, SINDH INDUSTRIAL TRADING ESTATE, KARACHI, PAKISTAN, BEARING CNIC NUMBER 42301-1541304-7, BEING THE CHIEF EXECUTIVE OFFICER OF AGRO PROCESSORS & ATMOSPHERIC GASES LIMITED (THE "ISSUER"); AND (2) AMYN SON OF ABDUL AZIZ RAFIQ, HAVING OFFICE AT F-392, SINDH INDUSTRIAL TRADING ESTATE, KARACHI, PAKISTAN, BEARING CNIC NUMBER 42301-7498793-1, BEING THE CHIEF FINANCIAL OFFICER OF THE COMPANY, DO HEREBY CERTIFY THAT;

(1) THE PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE LISTING OF THE SHARES OF THE ISSUER ON THE PAKISTAN STOCK EXCHANGE LIMITED, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;

(2) THE INFORMATION CONTAINED IN THE PROSPECTUS IS TRUE AND CORRECT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF;

(3) THE OPINIONS AND INTENTIONS EXPRESSED THEREIN ARE HONESTLY HELD;

(4) THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THE PROSPECTUS AS A WHOLE OR ANY PART THEREOF MISLEADING; AND

(5) ALL REQUIREMENTS OF THE SECURITIES ACT, 2015; THE DISCLOSURES IN PUBLIC OFFERING REGULATIONS, 2017 FOR PREPARATION OF PROSPECTUS, RELATING TO APPROVAL AND DISCLOSURES HAVE BEEN FULFILLED."

(6) NO CHARGES, FEE, EXPENSES, PAYMENTS ETC. HAVE BEEN COMMITTED TO BE PAID TO ANY PERSON IN RELATION TO THIS PUBLIC OFFERING EXCEPT FOR THOSE AS DISCLOSED IN THIS PROSPECTUS.

FOR AND ON BEHALF OF
AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED

Ahmed Aziz Ghulamhussain CEO Agro Processors and Atmospheric Gases Limited	Amyn CFO Agro Processors and Atmospheric Gases Limited

GHULAM HABIB LLB ADVOCATE HIGH COURT

ATTESTED
GHULAM HABIB
B.A.LL.B. Advocate
OATH COMMISSIONER
Karachi Pakistan

Note: This Supplement shall be published within 1 working day of the close of Bidding Period in at least all those newspapers in which the Prospectus of Agro Processors & Atmospheric Gases Limited is published.

SUPPLEMENT TO THE PROSPECTUS

This Supplement is being published pursuant to The Public Offering Regulations, 2017 and in continuation of the Prospectus of Agro Processors & Atmospheric Gases Limited earlier published on August 13th,2026

Agro Processors & Atmospheric Gases Limited

- FLOOR PRICE: PKR 32.00/- PER SHARE
- STRIKE PRICE: PKR [.]/- PER SHARE
- ISSUE PRICE: PKR [.]/- PER SHARE
- PRICE BAND (40% above the Floor Price): PKR 44.80/- PER SHARE

Underwriters to the retail portion of the issue if any

S.no	Name(s) of Underwriters	Number of Shares Underwritten	Amount Underwritten (PKR Mn) - at Floor Price of PKR 32.00	Amount Underwritten (PKR Mn) - at Cap Price of PKR 44.80	Underwriting Fee (%)	Take-up Commission (%)
1	Dawood Equities Limited	9,375,000	300.00	420.00	1.00%	1.00%
2	Sherman Securities (Pvt) Limited	2,012,385	64.40	90.15		
3	KTrade Securities Limited	1,562,500	50.00	70.00		
4	Ismail Iqbal Securities (Pvt) Limited	1,562,500	50.00	70.00		
5	**Total**	**14,512,385**	**464.40**	**650.15**		

Category Wise Breakup of Successful Bidders

S.no	Category	No. Of Bidders	No. of Shares Provisionally Allocated
	Institutional Investors		
1	Commercial Banks		
2	Development Financial Institutions		
3	Mutual Funds		
4	Insurance Companies		
5	Investment Banks		
6	Employees' Provident / Pension Funds		
7	Leasing Companies		
8	Modarabas		
9	Securities Brokers		
10	Foreign Institutional Investors		
11	Any other Institutional Investors		
	Total Institutional Investors		
	Individual Investors		
12	Foreign Investors		
13	Local		
	Total Individual Investors		
	Grand Total		

Glossary of Technical Terms

ACT	Securities Act, 2015
ACD	Advance Custom Duty
ACERTA	ACERTA Certification and Inspection Pvt Ltd
AI	Artificial Intelligence
AMC	Asset Management Company
APAG	Agro Processors & Atmospheric Gases Limited
Bn	Billion
BVPS	Book Value Per Share
CAGR	Compounded Annual Growth Rate
CAPEX	Capital Expenditure
CD	Custom Duty
CDC / CDCPL	Central Depository Company of Pakistan Limited
CDS	Central Depository System
CES	Centralized e-IPO System
CEO	Chief Executive Officer
Commission/SECP	The Securities and Exchange Commission of Pakistan
Companies Act	Companies Act, 2017
CSR	Corporate Social Responsibility
CTI	Consultant to the Issue
CY	Calendar Year
DFI	Development Finance Institution
EPC	Engineering, Procurement, and Construction
EPS	Earnings Per Share
FSSC	Food Safety System Certification
FY	Financial Year
GDP	Gross Domestic Product
GM	General Manager
GoP	Government of Pakistan
HVAC	Heating, Ventilation & Air Conditioning
HORECA	Hotels, Restaurants, and Catering
IPO	Initial Public Offering
IT	Income Tax
KG	Kilograms
KW	Kilo Watt
LC	Letter of Credit
LG	Letter of Guarantee
Ltr	Liter
Meq O_2/Kg	Milliequivalents of active oxygen per kilogram
Mn	Million
MT	Metric Tonnes
MY	Marketing Year
MW	Mega Watts
NCCPL	National Clearing Company of Pakistan Limited
NCSS	National Clearing & Settlement System
NICOP	National Identity Card for Overseas Pakistani
NOC	No Objection Certificate
OPEX	Operating Expenditure
P.A.	Per Annum
PBS	Pakistan Bureau of Statistics

Pcs	Pieces
PKR or Rs.	Pakistan Rupee(s)
PPE	Property, Plant & Equipment
PPM	Parts Per Million
PSX / Securities Exchange	Pakistan Stock Exchange Limited
QA	Quality Assurance
QC	Quality Control
RBD	Refined, Bleached and Deodorized
SBP	State Bank of Pakistan
SCADA	Supervisory Control and Data Acquisition System
SKU	Stock Keeping Unit
ST	Sales Tax
TO Brokers	Trading Only Brokers
TPD	Tonnes Per Day
TPH	Tonnes Per Hour
UHT	Ultra-High Temperature
UIN	Unique Identification Number
USD	United States Dollar

DEFINITIONS

Application Money	In case of bidding for shares out of the Book Building portion, the total amount of money paid by a Bidder which is equivalent to the product of the Bid Price and the number of shares.
Alfa Laval SCADA based Chemical Refinery	Neutralizes crude edible oil by removing free fatty acids using caustic soda, forming soap stock. The oil is then washed and dried to eliminate residual impurities and moisture. The SCADA system automates and controls the entire process to ensure consistent quality and efficiency.
Banaspati (Vanaspati)	Hydrogenated vegetable oil, often called vegetable ghee, used as a cost-effective, vegetarian alternative to dairy ghee for cooking
Bid	An indication to make an offer during the Bidding Period by a Bidder to subscribe to the Ordinary Shares of Agro Processors & Atmospheric Gases Limited at a price at or above the floor price, including upward revisions thereto. **An Eligible Investor shall not make a bid with price variation of more than 10% of the prevailing indicative strike price subject to a maximum price band of 40% of the Floor Price. Please refer to Section 12.2 for details.**
Bid Amount	The amount equal to the product of the number of shares Bid for and the Bid price.
Bid Price	The price at which bid is made for a specified number of shares.
Bid Revision	The Eligible Investors can revise their bids upward subject to the provision of regulation 10(2)(iii) of the PO Regulations. The bids can be revised with a price variation of not more than 10% from the prevailing indicative Strike Price in compliance with Regulation10(2)(iii) of the PO Regulations **As per regulation 10(2)(vi) of the PO Regulations, the bidder shall not make downward revision both in terms of Bid Price and Bid Volume; Provided that in case of upward revision of the Bid Price, the number of shares Bid for i.e. Bid Volume may be adjusted ensuring that the bid amount or bid money remains the same.** **As per regulation 10(2)(vii) of the PO Regulations, the bidder shall not withdraw their bids.**
Bidder	An Eligible Investor who makes bids for shares in the Book Building process.
Bidding Period	The period during which bids for subscription of shares are received. The bidding shall be of two days, from (August 27th , 2026, to August 28th ,2026) both days inclusive (daily from 9:00 a.m. to 5:00 p.m.)
Book Building	A process undertaken to elicit demand for shares offered through which bids are collected from the Bidders and a book is built which depicts demand for the shares at different price levels.
Book Building Portion	The part of the total Issue allocated for subscription through the Book Building
Book Building System	An online electronic system operated by the Designated Institution (i.e. PSX) for conducting Book Building.
Company	Agro Processors & Atmospheric Gases Limited (the **"Company"** or **"APAG"** or the **"Issuer"**)

Condiments/Table Sauces	Table-ready food products — including ketchup, mayonnaise, and chili garlic sauce — used to enhance the flavor of prepared dishes.
Company's Legal Advisor	Mohsin Tayebaly & Co. ("MTC")
Commission	Securities & Exchange Commission of Pakistan (**"SECP"**)
Consolidated Bids	A bid which is fully or partially beneficially owned by persons other than the one named therein.
Consultant to the Issue	Any person licensed by the Commission to act as Consultant to the Issue. **KTrade Securities Limited** has been appointed as Lead Manager/Consultant to the Issue by the Issuer.
Deodorization	Edible oil deodorization is a high-temperature (220°C–260°C), low-pressure vacuum steam stripping process that removes odoriferous volatiles, free fatty acids (FFAs), and impurities to improve odor, flavor, and stability
Designated Institution	Includes the Securities Exchange, Central Depository and Clearing Company to provide Book Building System for conducting Book Building;
Dutch Auction Method	The method through which Strike Price is determined by arranging all the Bid Prices in descending order along with the number of shares and the cumulative number of shares bid for at each Bid Price. The Strike Price is determined by lowering the price to the extent that the total number of shares Issued under the Book Building Portion are subscribed.
Edible Oil / Cooking Oil	Fat derived from plant sources that is safe for human consumption and typically liquid at room temperature.
E-IPO platform	"E-IPO Platform" means an electronic platform through which investors can submit applications for public subscription of securities electronically with payment through e-banking channels. **Retail investors shall be able to participate in the public subscription through only the E-IPO platforms provided by CDC and PSX.** The Following systems are available for e-IPO: • **PSX's E-IPO System (PES):** To facilitate investors, the Pakistan Stock Exchange Limited ("PSX") has developed an e-IPO System ("PES") through which applications for subscription of securities offered to the General Public/retail portion can be made electronically. PES has been made available in this Issue and can be accessed through the web link (https://eipo.psx.com.pk). Payment of subscription money can be made through 1LINK's member banks available for PES. 1 Link through Memo dated August 22, 2024 has instructed all its member banks to remove the limits on transfer of funds for transactions executed through e - IPO platforms. There is no transaction limit on making payment through e – banking channels. For making application though PES, investors must be registered with PES. The PES registration form is available 24/7, all throughout the year. Registration is free of cost and can be done by: • the investor himself, or • the TREC Holder with whom the investor has a sub-account, or • the Bank with whom the investor has a bank account. Similarly, an e-IPO application can be filed by:

- the investor himself, or
- the TREC Holder with whom the investor has a sub-account, or
- the Bank with whom the investor has a bank account.

In case of queries regarding PES, investors may contact Mr. Farrukh Shahzad, Deputy General Manager - IT Division at phone number: 111- 001-122 or (021)-35274401-10, or email: itss@psx.com.pk.

Investors who are registered with PES can submit their applications through the web link, https://eipo.psx.com.pk, 24 hours a day during the subscription period which will close at 11:59 PM on September 4th ,2026

- **Centralized e-IPO System (CES):** To facilitate investors, the Central Depository Company of Pakistan ("CDC") has developed a Centralized e-IPO System ("CES") through which applications for subscription of securities offered to the General Public/retail portion can be made electronically. CES can be accessed through the web link (www.cdceipo.com). Payment of subscription money can be made through 1LINK's member banks available for CES. There is no transaction limit on making payment through e – banking channels. For making application though CES, investors must be registered with CES. Registration with CES is free of cost and can be done under a self-registration process by filling the CES registration form, which is available 24/7 all throughout the year.

  In addition to the above, sub-account holder(s) can request their respective TREC Holders who are Participants in Central Depository System (CDS) to make electronic subscription on their behalf for subscription of securities of a specific Company by authorizing (adding the details of) their respective Participant(s) in CES. Consequently, authorized Participants can electronically subscribe on behalf of their sub-account holder(s) in securities offered through Initial Public Offerings (IPOs) and can also make payment against such electronic subscriptions through all the available channels mentioned on CES only after receiving the subscription amount from the sub-account holder(s). To enable this feature, the CDS Participant may request CDC to activate his ID on the CES portal. The securities will be credited directly in Investors' subaccount. In case the sub-account of the investor has been blocked or closed, after the subscription, then securities shall be parked into the CDC's IPO Facilitation Account and investor can contact CDC for credit of shares in its respective account

  Investors who do not have CDS account may visit www.cdcpakistan.com for information and details.

  For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone number: 0800 – 23275 (CDCPL) and e-mail: info@cdcpak.com or contact Mr. Farooq Ahmed Butt, Senior Manager – Operations, at Phone 021-34326030 and email: farooq_butt@cdcpak.com.

  Investors who are registered with CES can submit their applications through the web link www.cdceipo.com 24 hours a day during the subscription period which will close at 11:59 PM on September 4th ,2026.

IPO Facilitation Account (IFA):

Investors not having investor account or sub account can subscribe IPO application by opting for the IPO facilitation account. IPO Facilitation Account is an account to

	be maintained by CDC separately for each IPO wherein securities of such successful applicants who do not have CDS Accounts at the time of making subscription application, shall be parked for a certain period of time. Subsequent to parking, all the successful applicants shall be intimated via email to open an Investor Account with CDC or Sub-Account with any of the CDS Participants (i.e. licensed securities brokers or commercial banks). Upon opening of CDS Account, successful applicants shall approach CDC Investor Account Services and securities of such successful applicants shall be moved from the IFA to their respective CDS Accounts.
Eligible Investor	An Individual or Institutional Investor whose Bid Amount is not less than the minimum bid size of PKR 2,000,000 (Two Million Rupees only).
Eligible Participant for Book Building (Eligible Participant)	Eligible Participant shall include securities brokers (Trading and Clearing, Trading and Self-Clearing, and Trading Only), mutual funds, scheduled banks, and development finance institutions (DFIs) that are clearing member of NCCPL. Provided that Trading Only Securities Broker shall also be eligible to act as Eligible Participant for Book Building. PCM shall create separate accounts for TO brokers. TO brokers shall be allowed to participate in the Book Building from proprietary account and may also on-board its clients. Provided further that in case of Trading Only Securities Broker, Professional clearing member shall collect the margin money from the bidders and deposit the same with NCCPL.
Floor Price	In case of book building means the minimum price per share set by the Issuer in consultation with Consultant to the Issue. For this Issue, Floor Price is PKR 32.00/- per share.
Fractionation	Fractionation of edible oil is a physical separation process that divides oil into distinct fractions—liquid (olein) and solid (stearin)—based on their different melting points.
Frying Medium	A frying medium typically includes edible oils and fats such as vegetable oil, canola oil, palm oil, or blended fats, which are selected based on their smoke point, oxidative stability, taste neutrality, and reusability.
GDP	Gross domestic product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.
General Public	All Individual and Institutional Investors including both Pakistani (residents & non-residents) and foreign investors
Industrial Fats / Margarine	Lipids derived from vegetable sources processed for commercial use in food or manufacturing, typically solid or semi-solid at room temperature.
Initial Public Offer (IPO)	Initial Public Offering or IPO means first time offer of securities to the general public.
Institutional Investors	Any of the following entities: (i) A financial institution; (ii) A company as defined in the Companies Act, 2017; (iii) An insurance company established under the Insurance Ordinance, 2000; (iv) A securities broker;

	(v) A fund established as Collective Investment Scheme under the Non-Banking Finance Companies and Notified Entities Regulations, 2008; (vi) A fund established as Voluntary Pension Scheme under the Voluntary Pension System Rules, 2005; (vii) A private fund established under Private Fund Regulations, 2015; (viii) Any employee's fund established for the benefit of employees; (ix) Any other fund established under any special enactment; (x) A foreign company or any other foreign legal person; and (xi) Any other entity as specified by the Commission.
Issue	The Issue comprises 58,049,541 Ordinary Shares representing 15.00% of total post-IPO paid-up capital having a Face Value of PKR 2.00/- each.
Issue Price	The price at which Ordinary Shares of the Company are issued to the General Public/retail portion. The Strike Price will be the Issue Price.
Issuer	Agro Processors & Atmospheric Gases Limited (the "**Company**" or "**APAG**")
Joint Procedures	The procedures notified by the Securities Exchange and NCCPL for Book Building
Key Employees	Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company.
Limit Bid	A bid placed by the bidder at a maximum price that he is willing to pay for shares under the Book Building method
Limit Price	The maximum price (up to 40% of the Floor Price) a prospective Bidder is willing to pay for a share under Book Building. The Limit Price for this Issue is PKR 44.80/- per share.
Listing Regulations	Chapter 5 of the Rule Book of the Pakistan Stock Exchange Limited, titled 'Listing of Companies and Securities Regulation'. The aforementioned regulations can be found at the following link; https://www.psx.com.pk/psx/themes/psx/uploads/PSX-Regulations-February-09-2026.pdf
Margin Money	Eligible participants shall collect the margin money from the bidders and deposit the same with the NCCPL. Individual investors and institutional investors shall pay 100% of bid amount as margin money to the Eligible Participant. Provided that Eligible Participant may accept a lower margin from the bidders based on its own risk assessment. Eligible Participants that are Banks, Development Finance Institutions, and Mutual Funds shall be allowed to participate in the book building with 0% margin money for proprietary trade. Provided that the Banks and Development Finance Institutions shall provide standing instruction to the NCCPL to directly debit the bank account in case of default; and Mutual Funds shall provide irrevocable Undertaking from the Trustee.
Minimum Bid Size	The Bid amount equal to Two Million Rupees (PKR 2,000,000/-).

Ordinary Shares	Ordinary Shares of Agro Processors & Atmospheric Gases Limited having face value of PKR 2/- each.
PO Regulations	The Public Offering Regulations, 2017. https://www.secp.gov.pk/document/public-offering-regulations-2017-updated-august-6-2025/?wpdmdl=61673&refresh=68c2b70f425cc1757591311
Price Band	Floor Price with an upper limit of 40% above the Floor Price, i.e. PKR 32.00/- and PKR 44.80/- allowing Bidder to make Bid at Floor Price or within the Price Band.
Prospectus	Prospectus means any document described or issued as a prospectus and includes any document, notice, circular, material, advertisement, and offer for sale document, publication or other invitation offering to the public (or any section of the public) or inviting offers from the public for the subscription or purchase of any securities of a Company or body corporate or entity, other than deposits invited by a bank and certificate of investments and certificate of deposits issued by non-banking finance companies;
Registration Period	The period during which registration of bidders is carried out. The registration period shall commence three days before the start of the Bidding Period and shall remain open till 3:00 pm on the last day of the Bidding Period. The bidding shall remain open for at least two working days. The bidding shall commence from 09:00 a.m. and close at 05:00 p.m. during the Bidding Period. The bidders can revise the bids till 05:00 p.m. on the last day of the Bidding Period.
Related Employees	Related Employees mean such employees of the Issuer and the Consultant to the Issue, who are involved in the Issue. Please refer to Section 3A (vii) for further details.
Sponsor	A person who has contributed initial capital in the issuing company or has the right to appoint majority of the directors on the board of the issuing company directly or indirectly; A person who replaces the person referred to above; and A person or group of persons who has control of the issuing company whether directly or indirectly.
Step Bid	Step Bid means a series of Limit Bids at increasing prices. In case of a step bid the amount of each step will not be less than Rupees Two Million (PKR 2,000,000/-).
Strike Price	The price per ordinary share of the Issue determined / discovered on the basis of Book Building process in the manner provided in the Public Offering Regulations 2017, at which the shares are Issued to the successful bidders.
Supplement to the Prospectus	The Supplement to the Prospectus shall be published within One (1) working day of the close of the Bidding Period at least in all those newspapers in which the Prospectus was earlier published and disseminated through the Securities Exchange where shares are to be listed.

Interpretation:

ANY CAPITALIZED TERM CONTAINED IN THIS PROSPECTUS, WHICH IS IDENTICAL TO A CAPITALIZED TERM DEFINED HEREIN, SHALL, UNLESS THE CONTEXT EXPRESSLY INDICATES OR REQUIRES OTHERWISE AND TO THE EXTENT AS MAY BE APPLICABLE GIVEN THE CONTEXT, HAVE THE SAME MEANING AS THE CAPITALIZED / DEFINED TERM PROVIDED HEREIN.

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1. APPROVALS, CONSENTS AND LISTING ON SECURITIES EXCHANGE

1.1. APPROVAL OF THE SECURITIES EXCHANGE AND COMMISSION OF PAKISTAN

Approval of the Securities Exchange and Commission (collectively referred to as the **"Regulators"**) under Section 87(2) of the Securities Act, 2015 read with Section 88(1) thereof, has been obtained by Agro Processors & Atmospheric Gases Limited (**"APAG"** or the **"Company"**) for the issue, circulation and publication of this offering document (hereinafter referred to as the **"Prospectus"**) vide their respective letters, bearing Letter No. PSX/GEN-905 dated August 07,2026 and Letter No. SMD/PMADD/IPO/APAGL/91/2026/46 dated August 11th, 2026, respectively.

Disclaimer:

(a) The Securities Exchange and Commission has not evaluated the quality of the issue and its approval should not be construed as any commitment of the same. The public/investors should conduct their own independent investigation and analysis regarding the quality of the issue before subscribing.
(b) The publication of this document does not represent solicitation by the Securities Exchange and Commission.
(c) The contents of this document do not constitute an invitation to invest in shares or subscribe for any securities or other financial instrument by the Securities Exchange and Commission, nor should it or any part of it form the basis of, or be relied upon in any connection with any contract or commitment whatsoever of the Exchange and Commission.
(d) It is clarified that information in this Prospectus should not be construed as advice on any particular matter by the Securities Exchange and Commission and must not be treated as a substitute for specific advice.
(e) The Securities Exchange and Commission disclaim any liability whatsoever for any loss however arising from or in reliance upon this document to any one, arising from any reason, including, but not limited to, inaccuracies, incompleteness and/or mistakes, for decisions and/or actions taken, based on this document.
(f) Securities Exchange and Commission does not take any responsibility for the financial soundness of the Company and any of its schemes stated herein or for the correctness of any of the statements made or opinions expressed with regards to them by the Company in this Prospectus.
(g) Advice from a suitably qualified professional should always be sought by investors in relation to any particular investment.

1.2. FILING OF PROSPECTUS AND OTHER DOCUMENTS WITH REGISTRAR OF COMPANIES

Agro Processors & Atmospheric Gases Limited has filed with the Registrar of Companies as required under Section 57 (1) of the Companies Act, a copy of this Prospectus signed by all the Directors of the Company.

1.3. LISTING ON PSX

Application has been made to PSX for permission to deal in and for quotation of the shares of the Company.

In accordance with Section 69 of the Companies Act, 2017, any allotment made on the basis of this Prospectus shall be void if such permission has not been applied for within seven (7) days after the first issue of this Prospectus or, having been applied for, is not granted within twenty-one (21) days from the closing of the subscription lists (or within such extended period, not exceeding forty-two (42) days, as may within the said twenty-one (21) days be notified by PSX).

If permission to deal in and quote the shares is not granted within the above period, the Company shall forthwith refund, without surcharge, all money received from applicants in pursuance of this Prospectus. If any such money is not repaid within eight (8) days after the Company becomes liable to repay it, the Directors shall be jointly and severally liable to repay that money from the expiration of the eighth day together with a surcharge at the rate of two percent (2%) per month or part thereof and shall, in addition, be liable to a penalty of Level 3 on the standard scale as prescribed under the Act.

All monies received from applicants shall be deposited and kept in a separate bank account in a scheduled bank until the Company is no longer liable to repay such amounts under sub-section (2) of Section 69. In the event of default in complying with this requirement, the Company and every officer who authorizes or permits the default shall be liable to a penalty of Level 2 on the standard scale in accordance with the provisions of the Act.

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2. SUMMARY OF THE PROSPECTUS

2.1. PRIMARY BUSINESS OF AGRO PROCESSORS & ATMOSPHERIC GASES LIMITED & THE INDUSTRY IN WHICH IT OPERATES

Agro Processors & Atmospheric Gases Limited ("APAG" or the "Company") was incorporated in Pakistan in 1980 and is engaged in the manufacturing, processing, packaging, marketing and sale of cooking oils, banaspati (hydrogenated vegetable ghee), and industrial fats / margarine and sauces. The Company operates primarily within Pakistan, with a growing presence in selected international markets through exports to Turkey, UAE, and Afghanistan.

APAG's core business revolves around the refining and processing of edible oils, including soybean oil, canola oil and other vegetable oils, catering to household consumer, bulk and industrial segments. The Company also manufactures and markets a range of value-added food products, including sauces and condiments, under its proprietary brands.

The Company's product portfolio includes:

- Cooking oils
- Banaspati and frying mediums
- Industrial fats / margarine
- Sauces & condiments

APAG markets its products under several well-established brands, including Soya Supreme, Malta, Taqat, Supremo, Champion and Smart, each positioned to serve different consumer segments, price points and end-use requirements. Its flagship brand, Soya Supreme, is one of the longstanding brands in Pakistan's edible oil category. The end users for these brands include retail, institutional, and HORECA segments.

The Company's registered office and production plant is located at F/392, S.I.T.E Area, Karachi with established infrastructure and close proximity to port, logistics, and distribution networks. The plant is capable of processing crude vegetable oils, into a diversified range of products including edible oil, banaspati, industrial fats / margarine, vegetable ghee, fats, and sauces. It is situated on approximately 2.48 acres of freehold industrial land. APAG operates a vegetable oil refinery with an installed refining capacity of approximately 90,000 MT of oils & industrial fats / margarine per annum and 5,000 MT of Sauces per annum. The facility is equipped with modern continuous refining, fractionation, deodorization, and packaging systems, supported by advanced quality control and food safety mechanisms.

The table below depicts the Company's existing and planned post expansion capacities alongwith the historical capacity utilization for the last three (3) years:

S.No	Segment	Production Capacity (Pre-Expansion) (MT)	Production Capacity (Post-Expansion) (MT)
1	Vegetable Oil Refinery	90,000	120,000
2	Sauces Plant	5,000	5,000

**Source: Company*

S.No	Particular	FY23	FY24	FY25
1	Vegetable Oil Refinery – Actual Production (MT)	38,289	38,682	41,299
2	*Vegetable Oil Refinery – Capacity Utilization (%)*	*42.54%*	*42.98%*	*45.89%*
3	Sauces Plant – Actual Production (MT)	308	462	417
4	*Sauces Plant – Capacity Utilization (%)*	*6.17%*	*9.24%*	*8.34%*

**Source: Company*

APAG distributes its products through an extensive nationwide distribution network, serving approximately 300 distributors in the consumer/retail segment, and approximately 270 wholesalers in the bulk and industrial segment. In addition to domestic operations, the Company has commenced exports of selected products, including cooking oils, banaspati and industrial fats, primarily to Turkey, UAE and Afghanistan.

APAG operates within Pakistan's Fast-Moving Consumer Goods (FMCG) sector, specifically the edible oil, industrial fats and food condiments industry, which constitutes a critical segment of the country's food and consumer staples market.

The edible oil and banaspati industry in Pakistan are characterized by high recurring consumer demand, a mix of branded and unbranded products, dependence on imported raw materials and intense competition.

The sauces and condiments segment, in which APAG operates through its Smart brand, is a competitive category dominated by established national brands, with demand driven by urbanization, changing consumer preferences and increasing consumption of packaged foods. Overall, the edible oil and food processing industry remains an essential component of Pakistan's food supply chain, offering opportunities for established manufacturers with strong brands, scalable operations and diversified product portfolios.

2.2. SPONSORS OF AGRO PROCESSORS & ATMOSPHERIC GASES LIMITED

The sponsors of the Company are:

S.No.	Name of Sponsor
1	Mr. Ahmad Aziz Ghulamhussain
2	Mr. Amyn
3	Mrs. Naheed Ahmad Ghulamhussain
4	Mr. Akber Rafiq
5	Mr. Abdul Aziz Rafiq
6	Mrs. Ameena Abdul Aziz
7	Mrs. Rabia Allana

**Source: Company*

***Note:*

- *Mr. Abdul Aziz Rafiq is the father of Mr. Amyn and Mr. Akber Rafiq, and Mrs. Ameena is his spouse.*
- *Mr. Ahmad Aziz Ghulamhussain and Mr. Abdul Aziz Rafiq are paternal cousins.*
- *Mrs. Naheed is the spouse of Mr. Ahmad Aziz Ghulamhussain while Mrs. Rabia Allana is the sister of Mr. Ahmad Aziz Ghulamhussain*
- *Founders of the Company include Mr. Rafiq Ghulamhussain, Mr. Nizar Ghulamhussain, Mr. Aziz Ghulamhussain, Mr. Mohammad Din Siddique, Mr. Abdul Aziz Rafiq.*

2.3. SALIENT FEATURES OF THE ISSUE

The Issue comprises of 58,049,541 ordinary shares of APAG of face value of PKR 2.00/- each, which constitutes 15.00% of the post-IPO paid-up capital of the Company.

Of the 58,049,541 ordinary shares, 75% (seventy-five percent) i.e. 43,537,156 shares will be offered through the book building process at a Floor price of PKR 32.00/- per share with a price band of 40% above the floor price i.e. PKR 44.80/- per share.

The bidders shall be allowed to place bids for seventy-five percent (75%) of the offer size i.e. 43,537,156 shares, and the strike price shall be the price at which 75% of the offer is subscribed. Successful bidders will be allotted 75% of the issue size i.e. 43,537,156 shares, with the remaining 25% i.e. 14,512,385 being offered to retail investors at the strike price determined through the book building process. The retail portion shall be fully underwritten, with Dawood Equities Limited, Sherman Securities (Pvt) Limited, KTrade Securities Limited and Ismail Iqbal Securities (Pvt) Limited acting as the underwriters to the issue.

Provided that allocation to the retail portion shall be increased as follows, in case the retail portion is oversubscribed, and there shall be corresponding decrease in the allocation to book building investors:

Oversubscription of retail portion	Increase in allocation of retail portion
5 times but less than 10 times	5%
10 times and greater	10%

The proceeds from the IPO at Floor Price of PKR 32.00/- per share are expected to raise PKR 1,857,585,312/- however at the cap price of PKR 44.80/- per share the Company is expected to receive PKR 2,600,619,437/-.

2.4. PRE & POST ISSUE SHAREHOLDING

Shareholders	Designation	Pre-Issue Shareholding		Post-Issue Shareholding	
		No. Of Shares	Shareholding (%)	No. Of Shares	Shareholding (%)
Sponsors & Directors:					
Mr. Ahmad Aziz Ghulamhussain	Executive Director/ CEO	60,415,398	18.37%	60,415,398	15.61%
Mr. Amyn	Executive Director/ CFO	55,000,000	16.72%	55,000,000	14.21%
Mrs. Naheed Ahmad Ghulamhussain	Non-Executive Director	45,030,450	13.69%	45,030,450	11.64%
Mr. Akber Rafiq	Sponsor	30,865,200	9.38%	30,865,200	7.98%
Mr. Abdul Aziz Rafiq	Chairman/ Non-Executive Director	13,345,750	4.06%	13,345,750	3.45%
Mrs. Ameena Abdul Aziz	Sponsor	8,333,300	2.53%	8,333,300	2.15%
Mrs. Rabia Allana	Sponsor	1,999,950	0.61%	1,999,950	0.52%
Mrs. Safina Danish Elahi	Non-Executive Director	50	0.00%	50	0.00%
Mr. Fawad Anwar	Independent Director	1	0.00%	1	0.00%
Mrs. Madiha Alam	Independent Director	1	0.00%	1	0.00%
Total (A)		**214,990,100**	**65.36%**	**214,990,100**	**55.55%**
Other Shareholders:					
Mr. Danish Elahi		78,947,450	24.00%	78,947,450	20.40%
Mr. Mohammad Saleheen Siddique		15,799,250	4.80%	15,799,250	4.08%
Mr. Nasir Siddique		9,147,250	2.78%	9,147,250	2.36%
Mr. Sajid Siddique		7,952,750	2.42%	7,952,750	2.05%
Mrs. Sadiqa Saleheen Siddique		1,599,950	0.49%	1,599,950	0.41%
Mr. Muhammad Din Siddique***		500,450	0.15%	500,450	0.13%
Mr. Haji Noor Mohd Yaqoob Vayani		10,000	0.00%	10,000	0.00%
Mr. Rafiq Ghulamhussain***		150	0.00%	150	0.00%
Mr. Sohail Elahi		50	0.00%	50	0.00%
Total (B)		**113,957,300**	**34.64%**	**113,957,300**	**29.45%**
Public Offering (C)		**-**	**0.00%**	**58,049,541**	**15.00%**
Total D=(A+B+C)		**328,947,400**	**100.00%**	**386,996,941**	**100.00%**

**Source: Company*

***Note:*

- *Mr. Rafiq Ghulamhussain is the father of Mr. Abdul Aziz Rafiq. Mr. Amyn and Mr. Akber Rafiq are sons of Mr. Abdul Aziz Rafiq, who is married to Mrs. Ameena Abdul Aziz.*
- *Mr. Abdul Aziz Rafiq and Mr. Ahmad Aziz Ghulamhussain are cousins. While, Mrs. Rabia Allana is the sister of Mr. Ahmad Aziz Ghulamhussain who is married to Mrs. Naheed Ahmad Ghulamhussain.*
- *Mr. Muhammad Din Siddique is the father of Mr. Mohammad Saleheen Siddique, Mr. Sajid Siddique, and Mr. Nasir Siddique, while Mrs. Sadiqa Saleheen Siddique is the wife of Mr. Mohammad Saleheen Siddique.*
- *Mr. Sohail Elahi is the paternal uncle of Mr. Danish Elahi, and Mrs. Safina Danish Elahi is the wife of Mr. Danish Elahi.*
- *Mr. Muhammad Din Siddique, Mr. Haji Noor Mohd Yaqoob Vayani, and Mr. Rafiq Ghulamhussain are deceased. The shares held by them have not yet been transferred to their respective legal heirs/successors.*

****Mr. Muhammad Din Siddique and Mr. Rafiq Ghulam Hussain have been classified under the "Other shareholders" category. Both are deceased since more than a decade, without any claimant for their shares. Furthermore, it is not possible to provide signed undertakings required from sponsors as both are deceased.*

2.5. PRINCIPAL PURPOSE OF THE ISSUE & UTILIZATION OF IPO PROCEEDS

The principal purpose of the Issue is to finance capital expenditure (CAPEX) and infrastructure development at the existing manufacturing facility situated at F/392, S.I.T.E, Karachi. The planned CAPEX is estimated at PKR 1,402.51 million and is expected to improve operational efficiencies, resulting in optimized cost structures and enhanced profitability margins. Furthermore, the planned expansion will also result in the enhancement of Company's installed production capacity by 30,000 MT per annum, increasing total capacity to 120,000 MT per annum.

The remaining proceeds of PKR 455.08 million will be utilized to support working capital requirements and marketing initiatives. Out of this, PKR 187.00 million has been allocated towards the procurement of raw materials, a significant portion of which are imported. These funds will enable the Company to place bulk orders with suppliers and secure more favourable pricing terms, including volume-based discounts, thereby resulting in cost savings.

Furthermore, PKR 268.13 million will be allocated towards advertisement and marketing initiatives aimed at strengthening brand awareness and supporting volumetric growth. Currently, the Company primarily operates in the southern region of Pakistan, particularly Sindh, and intends to expand its footprint into central and northern regions, including Punjab, Khyber Pakhtunkhwa (KPK), and Gilgit-Baltistan.

2.5.1. SOURCES OF FUNDING

The source of funding will be proceeds from the IPO. The Company plans to issue a total of 58,049,541 Ordinary Shares through IPO at a Floor Price of PKR 32.00/- per share to raise PKR 1,857,585,312/-.

Particulars	Amount (PKR)	Percentage (%)
IPO Proceeds	1,857,585,312/-	100.00%

**Source: Company*

2.5.2. UTILIZATION OF IPO PROCEEDS

The proceeds of the Issue will primarily be utilized to finance the Company's capital expenditure, supporting an increase in installed production capacity of oils and fats from 90,000 MT per annum to 120,000 MT per annum. The planned expansion is also expected to enhance operational efficiencies, resulting in cost savings. A portion of the IPO proceeds will further be allocated towards working capital requirements, including the procurement of raw materials, as well as to support expansion into new domestic markets through targeted advertisement and marketing initiatives. The table below shows the breakdown of IPO proceeds:

Particulars	Amount (PKR)	Percentage (%)
Plant & Machinery	767,498,449	41.32%
Civil Works – Infrastructure	305,008,763	16.42%
Utilities – Green Energy	330,000,000	17.76%
Total CAPEX (A)	**1,402,507,212**	**75.50%**
Investment in Procurement of Raw Material – Working Capital (B)	**187,000,000**	**10.07%**
Marketing & Advertisement (C)	**268,078,100**	**14.43%**
Total (A+B+C) = D	**1,857,585,312**	**100.00%**

**Source: Company*

For more details, please visit Section 4 of this prospectus

If the Strike Price is set above the Floor Price of PKR 32.00/- per share, any additional funds raised will be utilized to further support the Company's working capital requirements, including the procurement of raw and packaging materials, maintenance of inventory levels, and funding of trade receivables.

2.6. JUSTIFICATION GIVEN BY THE LEAD MANAGER/CONSULTANT TO THE ISSUE IN FAVOR OF FLOOR PRICE OF PKR 32.00/- PER SHARE MAY BE SEEN AT SECTION 4A OF THE PROSPECTUS, TITLED VALUATION SECTION

Justification given by the Consultant to the Issue in favor of Floor Price of PKR 32.00/- per share may be seen under Section 4A of the Prospectus titled, 'Valuation Section'.

2.7. QUALIFIED OPINION, IF ANY, GIVEN BY THE AUDITOR DURING THE LAST THREE FINANCIAL YEARS

No qualified opinion was given on the financial statements of the Company during the last three financial years, i.e. FY25, FY24 and FY23 by the Company's Auditors, i.e. BDO Ebrahim & Co. Chartered Accountants.

2.8. FINANCIAL INFORMATION – (PLEASE REFER TO SECTION 6.8 FOR FURTHER DETAILS AND RATIO ANALYSIS)

Key Financial Highlights		FY23	FY24	FY25	6MFY26	9MFY26
(PKR)		(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)
1	Share Capital	657,894,800	657,894,800	657,894,800	657,894,800	657,894,800
2	Net Worth[2]	2,850,458,876	3,045,891,261	3,704,859,838[3]	4,039,711,164	4,231,331,239
3	Revenue	17,495,027,578	15,361,376,165[4]	18,072,250,541	10,578,377,878	15,849,608,782
4	Gross Margin[5]	14.00%	14.57%	14.35%	16.61%	15.93%
5	Operating Margin[6]	6.77%	5.59%	6.28%	7.31%	7.10%
6	Profit After Tax	529,870,553	213,133,718[7]	557,163,100	410,010,149	601,630,220
7	Profit After Tax Margin[8]	3.03%	1.39%	3.08%	3.88%	3.80%
8	Earnings Per Share – Corresponding Period[9]	80.54	32.40	84.69	62.32	91.45
9	Earnings Per Share – Adjusted[10]	1.61	0.65	1.69	1.25	1.83
10	BVPS with Revaluation Surplus - Corresponding Period[11]	433.27	462.98	563.14	614.04	643.16
11	BVPS with Revaluation Surplus - Adjusted[12]	8.67	9.26	11.26	12.28	12.86
12	BVPS without Revaluation - Corresponding Period[13]	333.47	363.63	440.68	491.76	520.88
13	BVPS without Revaluation - Adjusted[14]	6.67	7.27	8.81	9.84	10.42
14	Total Borrowings[15]	2,213,754,508	1,339,943,259	1,960,100,579	2,011,482,504	1,892,511,448
15	Total Debt-to-Equity Ratio[16]	77.66%	43.99[17]%	52.91%	49.79%	44.73%
16	Cashflow from Operations	172,077,069	760,431,368	(296,580,263)[18]	72,305,125	290,750,399

**Source: Company Financials*

[2] Net Worth is calculated by Subtracting Total Liabilities from Total Assets.
[3] Net Worth increased primarily due to higher retained earnings arising from strong profitability.
[4] Revenue declined due to decreasing international and retail vegetable ghee prices in FY24
[5] Gross Profit / Net Sales
[6] Operating Profit / Net Sales
[7] Profit After Tax declined in FY24 due to decline in Net Sales mainly attributable to decline in decreasing vegetable ghee prices in FY24.
[8] Profit After Tax / Net Sales
[9] EPS Corresponding period is calculated on No. of Shares outstanding at period end i.e. 6,578,948 shares
[10] EPS Adjusted is calculated on No. of Shares outstanding are based on 15th June, 2026 auditor certificate on Paid Up Capital which is reflective of post share split i.e. 328,947,400 shares
[11] BVPS Corresponding period is calculated on No. of Shares outstanding at period end i.e. 6,578,948 shares
[12] BVPS Adjusted is calculated on No. of Shares outstanding are based on 15th June, 2026 auditor certificate on Paid Up Capital which is reflective of post share split i.e. 328,947,400 shares
[13] BVPS Corresponding period is calculated on No. of Shares outstanding at period end i.e. 6,578,948 shares
[14] BVPS Adjusted is calculated on No. of Shares outstanding are based on 15th June, 2026 auditor certificate on Paid Up Capital which is reflective of post share split i.e. 328,947,400 shares
[15] Total Borrowings include long term loans, lease liabilities, short term borrowings, current portion of long-term loans, and current portion of lease liabilities
[16] Total Debt / Total Equity
[17] Debt to Equity declined in FY24 mainly due to lower short-term borrowings and repayment of long-term loans while equity base improved.
[18] Cash flow from operations is negative primarily due to bulk procurement of raw materials at favorable prices

2.9. OUTSTANDING LEGAL PROCEEDINGS

The following table below provides detail regarding all legal proceedings relating to APAG:

S.No.	Year	Party	Issuing Authority	Brief Case Description	Financial Impact (PKR)	Current Status & Management Stance
1	2025	Minority Shareholder of APAG - Mr. Mohammad Saleheen Siddique	High Court of Sindh (Company Bench)	A petition has been filed by a minority shareholder i.e. Mr. Mohammad Saleheen Siddique challenging the election of Directors of the Company. **Petitioner:** Minority Shareholder - Mr. Mohammad Saleheen Siddique **Respondent:** APAG	N/A	**Status:** The petition is at a preliminary stage and the petitioner is yet to be heard on the maintainability. **Stance:** The Company has good defense and is contesting the matter based on legal advice received. However, the definite outcome of the proceedings cannot be predicted at this stage.
2	2024	OGRA	District Court	Challenging the increase in the rates of gas tariff vide notification dated 15.02.2024 issued by OGRA. **Petitioner:** APAG **Respondent:** OGRA	17,825,283	**Status:** Pending at District Court. **Stance:** The Company does not foresee any other claims / losses that are likely to arise therefrom.
3	2021	Minority Shareholder of APAG - Mr. Mohammad Saleheen Siddique	District Court	This is a suit filed by the Company against the illegal actions of the minority shareholder namely Mr. Mohammad Saleheen Siddique. The honorable court has been pleased to restrain Mr. Mohammad Saleheen Siddique from causing hindrances to the	N/A	**Status:** Pending at District court. Stay Orders operating in favor of the Company. **Stance:** The Company has a good arguable

				operations of the Company. **Petitioner:** APAG **Respondent:** Minority Shareholder - Mr. Mohammad Saleheen Siddique		case; however, the final outcome would depend on the conclusion of evidence led by the parties and material brought on record for support of their case.
4	2021	Minority Shareholder of APAG - Mr. Mohammad Saleheen Siddique	High Court of Sindh (Company Bench)	Defending Petition filed by the minority shareholder i.e. Mr. Mohammad Saleheen Siddique. The petitioner has made certain claims regarding the running and affairs of the Company. Initially a Stay Order was obtained by the minority shareholder which was thereafter vacated and all injunction applications filed by the minority shareholder i.e. Mr. Mohammad Saleheen Siddique were dismissed. The dismissal of injunction application was maintained by the appellate court as well. **Petitioner:** Minority Shareholder - Mr. Mohammad Saleheen Siddique **Respondent:** APAG	N/A	**Status:** Pending at High Court of Sindh. **Stance:** The Company has good defense; however, the final outcome of the matter would depend upon conclusion of hearing by the parties.
5	2019	SSGC	Supreme Court	Defending against the increase in the rates of gas tariff issued by SSGC vide notification 2015-2016 **Petitioner:** SSGC **Respondent:** APAG	35,172,602	**Status:** Pending at Supreme Court **Stance:** The Company has fair case in hand and therefore we can expect an equitable outcome of this case.
6	2019	SSGC	Supreme Court	Challenging against the increase in the rates of gas tariff issued by SSGC	35,172,602	**Status:** Pending at Supreme Court

				vide notification 2015-2016 **Petitioner:** APAG **Respondent:** SSGC		**Stance:** The Company has fair case in hand and therefore we can expect an equitable outcome of this case.
7	2015	Federation of Pakistan through Ministry of Petroleum and Natural Resources	District Court	The Company has filed a law suit against collection of arrears through gas bills of the Company in installments on account of Gas Infrastructure Development Cess (GIDC) for the period 2012-2020, in violation of the proviso to section 8(2) of the GIDC Act, 2015 and the directions of the Honorable Supreme Court of Pakistan in its judgment dated 13.08.2020 r/w Review Order dated 02.11.2020. Initially the matter came up before the Honorable High Court and the Court was pleased to restrain the Defendants including SSGC that not to collect the arrears of GIDC installments from the Company, which is still subsisting. However, the subject matter has now been transferred to the District Court. **Petitioner:** APAG **Respondent:** Federation of Pakistan through Ministry of Petroleum and Natural Resources	109,341,174	**Status:** Pending at District Court **Stance: The** Company has a good arguable case on merits to get a favorable outcome.
8	1997	Excise and Taxation (Taxes - II) Karachi	Supreme Court	Lawsuit filed against the demand raised by the Director of Excise and Taxation against Sindh development and maintenance infrastructure fee. The Company had filed an appeal before the Honorable High Court of	22,127,000	**Status:** Pending at Supreme Court **Stance:** Considering the prolonged nature of the case since 1997, management

				Sindh against this demand. The Court decided the case on the basis of which the net liability computed by management amounts to Rs. 11.298 million. The Company and department have both filed appeals before the Honorable Supreme Court against the order. In the event of adverse decision, the Company will be faced with a maximum liability of Rs. 22.127 million resulting in a charge against profits of the same amount. **Petitioner:** APAG **Respondent:** Excise and Taxation		currently does not anticipate near term impact.
Total Financial Impact (PKR)					**184,466,059**	

**Source: Company*

Please find further details of outstanding legal proceedings against APAG in Section 8 Legal Proceedings & Overdue Loans.

NOTE: THERE ARE NO PENDING LITIGATIONS AGAINST THE COMPANY, SPONSORS, SUBSTANTIAL SHAREHOLDERS AND DIRECTORS OTHER THAN THOSE DISCLOSED ABOVE.

2.10. RISK FACTORS

All key risk factors related to the Company including Business, Operational, Finance, Legal and Other Risks, that may have an impact on the Company, its business operations and the IPO, please refer to Section 5 of the Prospectus.

2.11. SUMMARY OF RELATED PARTY TRANSACTIONS

All the transactions with related parties are entered into at agreed terms in the ordinary course of business as approved by the Board of the Company. All the transactions with related parties are carried out at mutually agreed price on an arm's length basis. The related parties comprise of Sponsors, Promoters, Associated Concerns, Directors and Key Management Personnel of the Company. The Company in the normal course of business carries out transactions with various related parties.

Name	Relationship	Nature of Transaction	FY 23 Audited	FY 24 Audited	FY 25 Audited
Amyn	Executive Director	Sale of property to Company by director	-	-	27,000,000

**Source: Company*

*** There are no transactions with key management personnel other than under their terms of employment.*

3. OVERVIEW, HISTORY & PROSPECTS

3.1. COMPANY HISTORY & OVERVIEW

Particular	Agro Processors & Atmospheric Gases ("APAG")
Incorporation Number	K-101/6187 of 1980
Date of Incorporation & Place	25th September 1980, Karachi, Pakistan
Date of Conversion to Public Limited Company	11th February 2021
Date of Commencement of Business	Not applicable as the Company was incorporated as a Private Limited Company.

Agro Processors & Atmospheric Gases Limited ("APAG" or the "Company") is one of Pakistan's longest-established edible oil businesses, with over four decades of continuous operations in branded cooking oils, banaspati, industrial fats / margarines, and sauces. As per the management, APAG is one of the industrial leaders in industrial fats / margarine manufacturing in Pakistan, the Company also introduced UHT-treated edible oil processing to the domestic market - a technology that remains central to the Soya Supreme product range. The Company operates a diversified brand portfolio led by Soya Supreme, one of the most recognized names in Pakistan's edible oil category, serving consumer and institutional markets from an integrated manufacturing facility in Karachi.

Brand Portfolio

The Company manages a diversified portfolio of brands across household consumer, bulk/institutional, and export segments. The consumer portfolio is anchored by the flagship Soya Supreme Cooking Oil, Banaspati, and Olive Cooking Oil. The portfolio also includes Malta Cooking Oil and Banaspati, and Smart sauces and condiments. The bulk and HORECA segment are served through Supremo and Malta Cooking Oil, and Banaspati. Champion, Taqat, and Agro Aala Margarine brands collectively address the bakery and industrial fats market. Export markets in Turkey, UAE, and Afghanistan are served through a dedicated Taqat & Champion range comprising banaspati, cooking oil, and industrial fats / margarine.

Manufacturing & Infrastructure

APAG operates an integrated manufacturing facility at F-392, Sindh Industrial Trading Estate (SITE), Karachi, on approximately 2.48 acres of freehold industrial land. The site is in close proximity to Karachi port and the Company's primary logistics corridors. Installed refining capacity stands at approximately 90,000 MT per annum for oils and industrial fats, and approximately 5,000 MT per annum for sauces range. The plant is equipped with continuous refining, fractionation, deodorization, and packaging systems.

The table below depicts the Company's existing and planned post expansion capacities alongwith the historical capacity utilization for the last three (3) years:

S.No	Segment	Production Capacity (Pre-Expansion) (MT)	Production Capacity (Post-Expansion) (MT)
1	Vegetable Oil Refinery	90,000	120,000
2	Sauces Plant	5,000	5,000

**Source: Company*

S.No	Particular	FY23	FY24	FY25
1	Vegetable Oil Refinery – Actual Production (MT)	38,289	38,682	41,299
2	*Vegetable Oil Refinery – Capacity Utilization (%)*	*42.54%*	*42.98%*	*45.89%*
3	Sauces Plant – Actual Production (MT)	308	462	417
4	*Sauces Plant – Capacity Utilization (%)*	*6.17%*	*9.24%*	*8.34%*

**Source: Company*

Distribution & Market Reach

The Company distributes its products through a nationwide network serving approximately 300 customers in the consumer segment and approximately 270 in the bulk and industrial segment. Consumer products are available through modern trade retailers, general trade outlets, and institutional channels. The Company's institutional and HORECA clients include Aga Khan University Hospital, Kababjees, BBQ Tonight, Karachi Club, Karachi Gym Khana, Pakistan Army, Serena Hotels, Domino's, Defence Housing Authority Offices, Cocochan and the World Food Programme, among others.

APAG has built a growing export business serving markets in Turkey, UAE, and Afghanistan under the Taqat & Champion brand. Export sales grew from PKR 525.54 million in FY23 to PKR 1,562.18 million in FY25 — a threefold increase over two years — representing approximately 7.31% of gross sales. In a domestic industry where most players remain entirely Pakistan-focused, APAG's export channel provides both revenue diversification and a hedge against local market cyclicality.

S.No	Country	FY23		FY24		FY25		9MFY26	
		Amount (PKR)	% of Total Exports	Amount (PKR)	% of Total Exports	Amount (PKR)	% of Total Exports	Amount (PKR)	% of Total Exports
1	Afghanistan	395.25	75.21%	1,068.32	90.08%	1,429.15	91.48%	241.82	43.22%
2	UAE	-	0.00%	-	0.00%	-	0.00%	215.38	38.49%
3	Turkey	-	0.00%	-	0.00%	90.16	5.77%	29.53	5.28%
4	Export Processing Zone	130.28	24.79%	117.68	9.92%	42.87	2.74%	72.80	13.01%
Total		**525.54**	**100.00%**	**1,186.00**	**100.00%**	**1,562.18**	**100.00%**	**559.53**	**100.00%**

**Source: Company*

*** Sales made to entities operating within Export Processing Zones (EPZs) are treated as exports under the applicable laws and regulations of Pakistan.*

Company Evolution

APAG was incorporated in 1980 and commenced commercial operations in 1980, initially focused on the refining and processing of edible oils and banaspati. The Company progressively expanded its product range, manufacturing capabilities, and geographic reach over the following decades.

Key milestones include the introduction of industrial fats under the Champion and Taqat brands, establishing APAG as one of the industrial leaders in industrial fats / margarine manufacturing in Pakistan (1987), the launch of Soya Supreme Cooking Oil (1991), installation of a fractionation plant (2005), commissioning of an Alfa Laval SCADA-based chemical refinery (2017) and a new deodorizer (2019), launch of the Smart sauces range and commencement of export operations (2020), and FSSC 22000 V6 certification (2024).

3.2. PATTERN OF SHAREHOLDING

The pattern of shareholding (pre and post IPO) of APAG is as follows:

Shareholders	Designation	Pre-Issue Shareholding		Post-Issue Shareholding	
		No. Of Shares	Shareholding (%)	No. Of Shares	Shareholding (%)
Sponsors & Directors:					
Mr. Ahmad Aziz Ghulamhussain	Executive Director/ CEO	60,415,398	18.37%	60,415,398	15.61%
Mr. Amyn	Executive Director/ CFO	55,000,000	16.72%	55,000,000	14.21%
Mrs. Naheed Ahmad Ghulamhussain	Non-Executive Director	45,030,450	13.69%	45,030,450	11.64%
Mr. Akber Rafiq	Sponsor	30,865,200	9.38%	30,865,200	7.98%
Mr. Abdul Aziz Rafiq	Chairman/ Non-	13,345,750	4.06%	13,345,750	3.45%

	Executive Director				
Mrs. Ameena Abdul Aziz	Sponsor	8,333,300	2.53%	8,333,300	2.15%
Mrs. Rabia Allana	Sponsor	1,999,950	0.61%	1,999,950	0.52%
Mrs. Safina Danish Elahi	Non-Executive Director	50	0.00%	50	0.00%
Mr. Fawad Anwar	Independent Director	1	0.00%	1	0.00%
Mrs. Madiha Alam	Independent Director	1	0.00%	1	0.00%
Total (A)		**214,990,100**	**65.36%**	**214,990,100**	**55.55%**
Other Shareholders:					
Mr. Danish Elahi		78,947,450	24.00%	78,947,450	20.40%
Mr. Mohammad Saleheen Siddique		15,799,250	4.80%	15,799,250	4.08%
Mr. Nasir Siddique		9,147,250	2.78%	9,147,250	2.36%
Mr. Sajid Siddique		7,952,750	2.42%	7,952,750	2.05%
Mrs. Sadiqa Saleheen Siddique		1,599,950	0.49%	1,599,950	0.41%
Mr. Muhammad Din Siddique***		500,450	0.15%	500,450	0.13%
Mr. Haji Noor Mohd Yaqoob Vayani		10,000	0.00%	10,000	0.00%
Mr. Rafiq Ghulamhussain***		150	0.00%	150	0.00%
Mr. Sohail Elahi		50	0.00%	50	0.00%
Total (B)		**113,957,300**	**34.64%**	**113,957,300**	**29.45%**
Public Offering (C)		**-**	**0.00%**	**58,049,541**	**15.00%**
Total D=(A+B+C)		**328,947,400**	**100.00%**	**386,996,941**	**100.00%**

**Source: Company*

***Note:*

- *Mr. Rafiq Ghulamhussain is the father of Mr. Abdul Aziz Rafiq. Mr. Amyn and Mr. Akber Rafiq are sons of Mr. Abdul Aziz Rafiq, who is married to Mrs. Ameena Abdul Aziz.*
- *Mr. Abdul Aziz Rafiq and Mr. Ahmad Aziz Ghulamhussain are cousins. While, Mrs. Rabia Allana is the sister of Mr. Ahmad Aziz Ghulamhussain who is married to Mrs. Naheed Ahmad Ghulamhussain.*
- *Mr. Muhammad Din Siddique is the father of Mr. Mohammad Saleheen Siddique, Mr. Sajid Siddique, and Mr. Nasir Siddique, while Mrs. Sadiqa Saleheen Siddique is the wife of Mr. Mohammad Saleheen Siddique.*
- *Mr. Sohail Elahi is the paternal uncle of Mr. Danish Elahi, and Mrs. Safina Danish Elahi is the wife of Mr. Danish Elahi.*
- *Mr. Muhammad Din Siddique, Mr. Haji Noor Mohd Yaqoob Vayani, and Mr. Rafiq Ghulamhussain are deceased. The shares held by them have not yet been transferred to their respective legal heirs/successors.*
- *The cumulative family shareholding is 65.36% (Pre-IPO) and 55.55% (Post-IPO). The family consists of the following members: Mr. Ahmad Aziz Ghulamhussain, Mrs. Naheed Ahmad Ghulamhussain, Mrs. Rabia Allana, Mr. Abdul Aziz Rafiq, Mr. Amynn, Mr. Akber Rafiq, Mrs. Ameena Abdul Aziz*

****Mr. Muhammad Din Siddique and Mr. Rafiq Ghulam Hussain have been classified under the "Other shareholders" category. Both are deceased since more than a decade, without any claimant for their shares. Furthermore, it is not possible to provide signed undertakings required from sponsors as both are deceased.*

3.3. REVENUE DRIVERS

The Company's revenue is generated from the manufacturing and sale of branded cooking oils, banaspati, industrial fats / margarines, and sauces across domestic and export markets. The cooking oils represent the single largest category at approximately (61.36% of net sales in FY25), while banaspati constitutes the second-largest segment (21.91% of net sales), followed by industrial fats / margarine (13.93% of net sales in FY25).

During FY25, net sales of cooking oils, banaspati, industrial fats / margarine and olive cooking oil grew approximately 17.88% year-on-year, driven by higher volumes across consumer, institutional, and HORECA channels.

The Company has also diversified into sauces and condiments under the Smart brand, a segment that remains in an early growth phase and is supported by the Company's planned expansion into northern markets of Pakistan.

The table below illustrates the revenue breakdown for APAG from FY2023 to 9MFY2026:

	FY23	% of Total	FY24	% of Total	FY25	% of Total	6MFY26	% of Total	9MFY26	% of Total
Cooking Oil/Canola Oil	11,661,061,339	66.65%	9,351,828,256	60.88%	11,088,385,005	61.36%	6,809,954,914	64.38%	10,251,402,772	64.68%
Banaspati	3,361,589,778	19.21%	3,685,404,430	23.99%	3,959,431,080	21.91%	2,308,333,188	21.82%	3,408,029,511	21.50%
Industrial Fats / Margarine	1,966,200,421	11.24%	1,935,391,797	12.60%	2,517,187,312	13.93%	1,014,472,144	9.59%	1,480,581,404	9.34%
Olive Cooking Oil	400,431,180	2.29%	232,837,855	1.52%	358,651,319	1.98%	349,822,345	3.31%	556,354,220	3.51%
Sauces	85,532,646	0.49%	135,821,129	0.88%	125,129,837	0.69%	78,315,998	0.74%	128,152,656	0.81%
By-Products	20,212,214	0.12%	20,092,698	0.13%	23,465,988	0.13%	17,479,289	0.17%	25,088,220	0.16%
Total	**17,495,027,578**	**100.00%**	**15,361,376,165**	**100.00%**	**18,072,250,541**	**100.00%**	**10,578,377,878**	**100.00%**	**15,849,608,782**	**100.00%**

**Source: Company*

***By Products include: Oil Dirt & Acid Oil*

The below table depicts category wise sales volume in MT:

	FY23 (MT)	% of Total	FY24 (MT)	% of Total	FY25 (MT)	% of Total
Cooking Oil/Canola Oil	21,988	56.97%	20,498	52.37%	23,121	55.42%
Banaspati	9,684	25.09%	11,310	28.89%	10,421	24.98%
Industrial Fats / Margarine	5,901	15.29%	6,419	16.40%	7,073	16.96%
Olive Cooking Oil	716	1.86%	455	1.16%	684	1.64%
Sauces	308	0.80%	462	1.18%	417	1.00%
Total	**38,597**	**100.00%**	**39,144**	**100.00%**	**41,716**	**100.00%**

**Source: Company*

Export sales grew from PKR 525.54 million in FY23 to PKR 1,562.18 million in FY25, representing approximately 7.31% of gross sales in FY25. A detailed breakdown of domestic and export customer composition is provided in Section 3.10. Some key revenue drivers are listed below:

1. Strong Brand Equity and Consumer Recall

Soya Supreme is one of Pakistan's most recognized and trusted edible oil brands, with a long-standing market presence (4 decades) and high brand recall amongst consumers. Supported by decades of consistent product quality and multiple industry recognitions, the brand enjoys strong consumer loyalty and repeat purchases, providing APAG with a significant competitive advantage and a solid platform for future growth. The Company's brands have received numerous industry accolades, including Superbrands, Brand of the Year, Brands Icon of Pakistan, and the Pakistan Consumer Loyalty Award, reflecting their quality, consumer trust, and strong market presence.

2. Diversified Product Portfolio – Catering to Diverse Consumer Segments

APAG offers a diversified portfolio of edible oils, industrial fats, and condiments under well-established brands including Soya Supreme, Malta, Smart, Supremo, Taqat, and Champion, catering to a wide range of consumer and industrial segments. Its broad product range, multiple price points, and various packaging formats enable the Company to serve both premium and value-conscious customers while diversifying its revenue streams.

3. Well-Established Distribution Network Across Pakistan with a Strong Foothold in Southern Pakistan:

APAG has established a robust nationwide distribution network, comprising approximately 300 distributors in the retail consumer segment and 270 wholesalers in the bulk and industrial segment, with a particularly strong presence in Southern Pakistan. Its diversified customer base, spanning modern retail, institutional customers, and the HORECA segment, provides extensive market reach and supports sustainable revenue growth.

4. Expansion of Geographic Footprint Across Northern and Central Pakistan:

The Company plans to expand its presence across Central and Northern Pakistan, particularly in Punjab, the country's most populous province. This expansion will enable the Company to reach a larger consumer base, increase its market presence and enhance Company's revenue. To support this initiative, PKR 268.06 million from the Issue proceeds has been allocated for marketing and brand-building activities, while the Company also intends to strengthen its distribution network in these regions to improve product availability and drive future growth.

5. Positive Sector Dynamics

Pakistan's edible oil industry is supported by strong long-term demand, driven by population growth, changing consumer preferences, urbanization, and rising per capita consumption. As an essential household staple, edible oil enjoys relatively stable demand across all income segments. Increasing consumer preference for branded, hygienic, and healthier products, coupled with the rapid growth of the HORECA sector, is creating significant growth opportunities for the industry. These favorable trends position companies with strong, established brands to further expand their market presence to other regions both locally and internationally to achieve sustainable growth.

3.4. COST DRIVERS

3.4.1. Material Consumed

Material consumed primarily comprises edible oil inputs, packing materials, and chemicals & additives, which collectively accounted for 95.18% of the total cost of goods manufactured ("COGM") in FY25, compared to 94.76% in FY24.

Edible oil inputs constitute the largest cost component, amounting to PKR 13,930 million in FY25, compared to PKR 11,155 million in FY24, representing 87.62% and 86.11% of total COGM, respectively. These inputs mainly comprise soybean oil, canola oil, RBD palm oil, RBD olein, and olive oil and its variants. A significant portion of these raw materials is imported, primarily from Malaysia, Singapore, and the UAE, with imported purchases accounting for 68.71% of total edible oil purchases in FY25, compared to 57.49% in FY24. Consequently, the Company's cost structure is exposed to fluctuations in international edible oil prices and volatility in the USD/PKR exchange rate. Soyabean and Canola oils are primarily used in the production of cooking oil, while RBD Palm Oil and Palm Olein are utilized in the manufacture of banaspati, margarine, and industrial fats. A major oil input consumed in production is soybean oil.

Packing materials amounted to PKR 997 million in FY25, compared to PKR 871 million in FY24, representing 6.27% and 6.72% of total COGM, respectively. Chemicals and additives amounted to PKR 205 million in FY25, compared to PKR 235 million in FY24, accounting for 1.29% and 1.82% of total COGM, respectively.

3.4.2. Salaries, Wages & Benefits

Salaries, wages, and employee benefits represent the second-largest production expense incurred by the Company. The Company requires a skilled workforce to operate and maintain its manufacturing facilities, ensure quality control, and support production and packaging operations. These costs accounted for 1.52% of total cost of goods manufactured ("COGM") in FY25, compared to 1.56% in FY24.

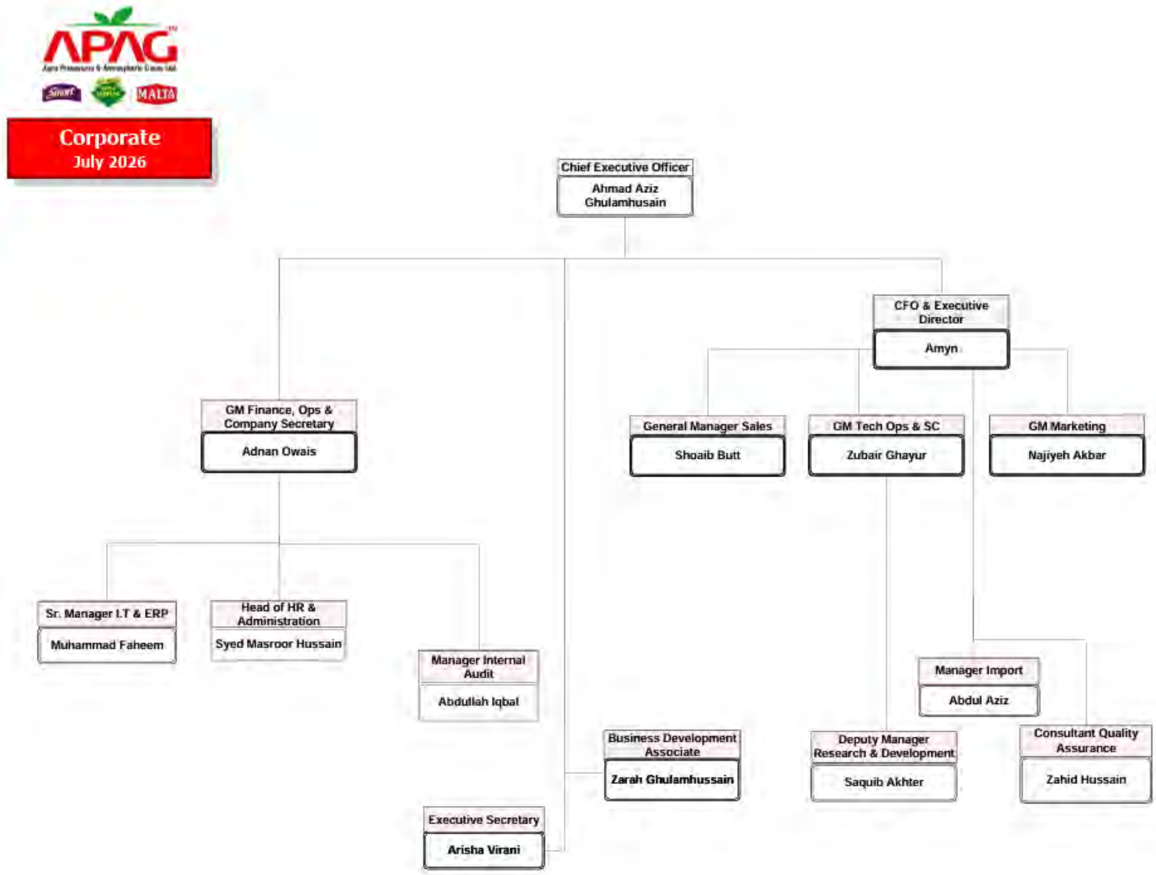
3.4.3. Gas Expense

Gas expense represents one of the Company's major production costs, as natural gas is the primary fuel used to generate the steam and heat required for the edible oil refining process. It is utilized across key manufacturing stages, including refining, deodorization, and other thermal processing operations, making it a significant component of the Company's production cost structure. Gas expense accounted for 1.21% of the total cost of goods manufactured ("COGM") in FY25, compared to 1.33% in FY24.

3.4.4. Advertisement, marketing and Business Promotion Expense

Advertisement, marketing, and business promotion expenses represent a significant component of the Company's operating expenses, reflecting its continued investment in brand building, consumer awareness, and promotional initiatives to strengthen the market position of its brands and support sales growth. These expenses include advertising, trade promotions, digital marketing, and other brand promotion activities aimed at enhancing customer engagement and expanding market reach. Such expenses accounted for 3.62% of net revenue in FY24, which declined to 2.92% in FY25.

3.5. COMPANY ORGANOGRAM



3.6. MAJOR EVENTS IN THE HISTORY OF THE ISSUER

Year	Events
1980	Agro Processors & Atmospheric Gases Limited was incorporated.
1987	Industrial fats/ margarine introduced under the Champion and Taqat brands, targeting industrial and bakery customers.
1990	Achieved ISO 9000 certification, becoming one of the first industrial companies in Pakistan to obtain this quality standard.

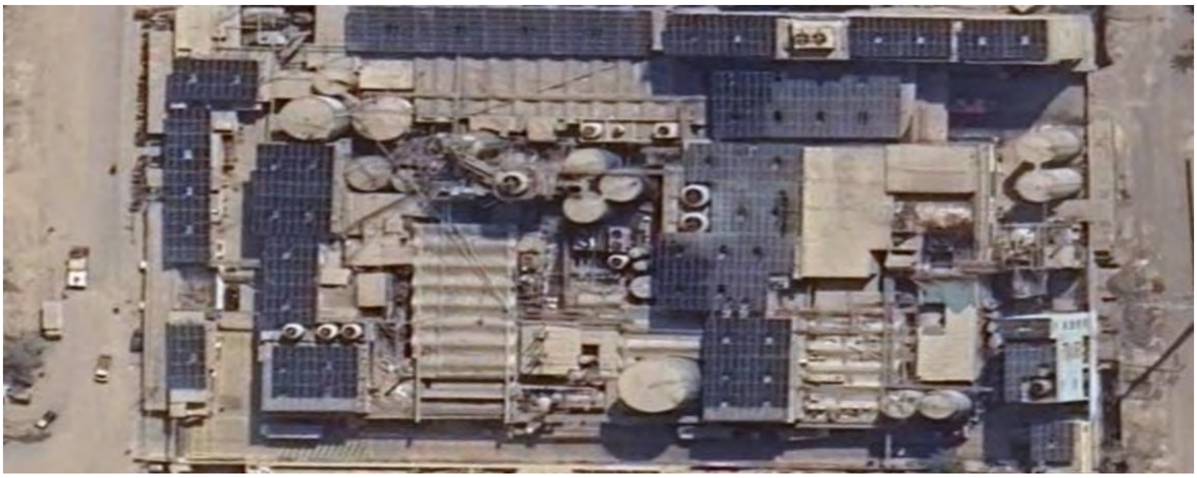
1991	Soya Supreme Cooking Oil was launched.
1993	Supremo brand introduced for premium bulk and HORECA customers.
1994	Soya Supreme Banaspati was launched. Introduced the first UHT-treated edible oil in Pakistan under the Soya Supreme brand.
1996	Soya Supreme cooking oil bottles launched, aligning with the industry shift towards branded and packaged edible oil.
2005	Installed one of the first dry fractionation plants in Pakistan's edible oil sector, with a capacity of 90 TPD. enabling production of specialty fats and diversified oil products.
2007-2011	Received multiple industry recognitions including Superbrands Awards (2007–08, 2008–09), Brand of the Year Awards for Soya Supreme Banaspati, Export Brand of the Year Award, and Helpline Trust CSR Awards across consecutive years.
2015	Commissioned a physical refinery plant with a capacity of 120 TPD. Installed a 15-ton boiler (DDFC).
2016	Malta Banaspati and Cooking Oil launched. Received Brand Icon of Pakistan Award in edible oil category.
2017	Installed an Alfa Laval SCADA-based chemical refinery plant with a capacity of 120 TPD.
2016-2018	Received Brand Icon of Pakistan Award in edible oil category across consecutive years. Received Pakistan's 1st Consumer Loyalty Award in edible oil category (2018).
2019	Alfa Laval refinery upgrade and new deodorizer installed.
2020	Diversified into food category with launch of Smart sauces range. Commenced export operations focusing on canola oil, banaspati, and industrial fats.
2021	Received MALC (Management Association of Pakistan – Leadership & Corporate Excellence) Award in edible oil category.
2022	Soya Supreme Olive Cooking Oil launched.
2024	Became the first and only edible oil company in Pakistan to achieve FSSC 22000 V6 international food safety certification. Commissioned a 0.5 MW solar energy project.
2025	Installed comprehensive fire hydrant system across the production facility. Received Appreciation Award at International Women Summit.

**Source: Company*

3.7. LOCATION OF PLANT & PRODUCTION CAPACITY

The Company operates its sole manufacturing and processing facility located at F-392, Sindh Industrial Trading Estate (SITE), Karachi, a key industrial zone with established infrastructure and close proximity to port, logistics, and distribution networks. The plant is situated on approximately 2.48 acres of freehold industrial land.

The facility has a current installed production capacity of 90,000 MT of oil and fats per annum and 5,000 MT of sauces per annum. The plant processes crude vegetable oils into finished products including cooking oil, banaspati, industrial fats / margarine, and sauces. The facility is equipped with modern continuous refining, fractionation, deodorization, and packaging systems, supported by advanced quality control and food safety mechanisms.



A portion of the IPO proceeds will fund an increase in production capacity. The Company's total installed capacity is expected to increase to 120,000 MT per annum over the medium term, supporting the Company's planned expansion into northern Pakistan and increasing volumes across its core product categories.

3.8. INFRASTRUCTURE OVERVIEW

APAG utilizes a range of modern, imported, and specialized equipment to ensure high productivity, product quality, and operational efficiency. Major installations include:

S.No	Machinery/ Installation	Description	Image
1	Chemical Refinery Alfa Laval, (SCADA-based):	Neutralizes crude edible oil by removing free fatty acids using caustic soda, forming soap stock. The oil is then washed and dried to eliminate residual impurities and moisture. The SCADA system automates and controls the entire process to ensure consistent quality and efficiency.	
2	Physical Refinery (Bleaching & Deodorization)	The physical refining process of edible oil ensures the processing of semi-finished oil while maintaining optimal quality parameters. **Bleaching**: A purification process where activated clay or carbon is used to remove color pigments, impurities, and trace metals from the oil, improving its appearance and stability. **Deodorization**: A high-temperature vacuum steam distillation process that removes odor, taste, and volatile impurities, resulting in neutral, odorless, and bland oil suitable for consumption.	
3	Dry Fractionation Plant	Produces specialty fats and oils with precise melting profiles.	

4	Automatic Refined Oil Bottle Filling Line	Fully automated, ensuring hygiene and consistent filling accuracy.	
5	Industrial Fats / Margarine Production Line	Enables high-capacity margarine manufacturing with uniform quality	
6	Automatic Pouch Filling Line with Conveyor System	Supports end-to-end production, packing, and sealing of pouches	
7	Sauces Production and Filling Area	Facilitates hygienic production and filling of sauces and related products	
8	Tin Filling	Semi-automated, ensuring hygiene and consistent filling accuracy.	
9	Finished Product Storage	Finished goods are stored across a network of six warehouses	

		nationwide, offering a combined capacity of 2,500 MT. Additionally, the on-site warehouse at the manufacturing facility provides further storage capacity of 200 MT.	

*Source: Company

3.8.1. Process Support Facilities

The Company's electricity requirements are met through licensed power distribution companies. The manufacturing facility at F-392, Sindh Industrial Trading Estate (SITE), Karachi, is supplied electricity by K-Electric Limited. In addition, APAG has established comprehensive process support facilities to ensure smooth, efficient, and safe operations across its edible oil and allied product manufacturing plant.

- **Backup Power Generation and Dedicated Transformer:** The plant is supported by two standby generators (635 KVA each) and a dedicated transformer, ensuring uninterrupted power supply for continuous production. In addition, a 0.5 MW solar power system further complements the energy requirements.

- **Water and Fire Safety Systems:** The plant is equipped with a comprehensive RO water system to meet process, cooling, and cleaning requirements. Fire safety is ensured through strategically placed fire hydrants and extinguishers throughout the factory, adhering to industrial safety standards.

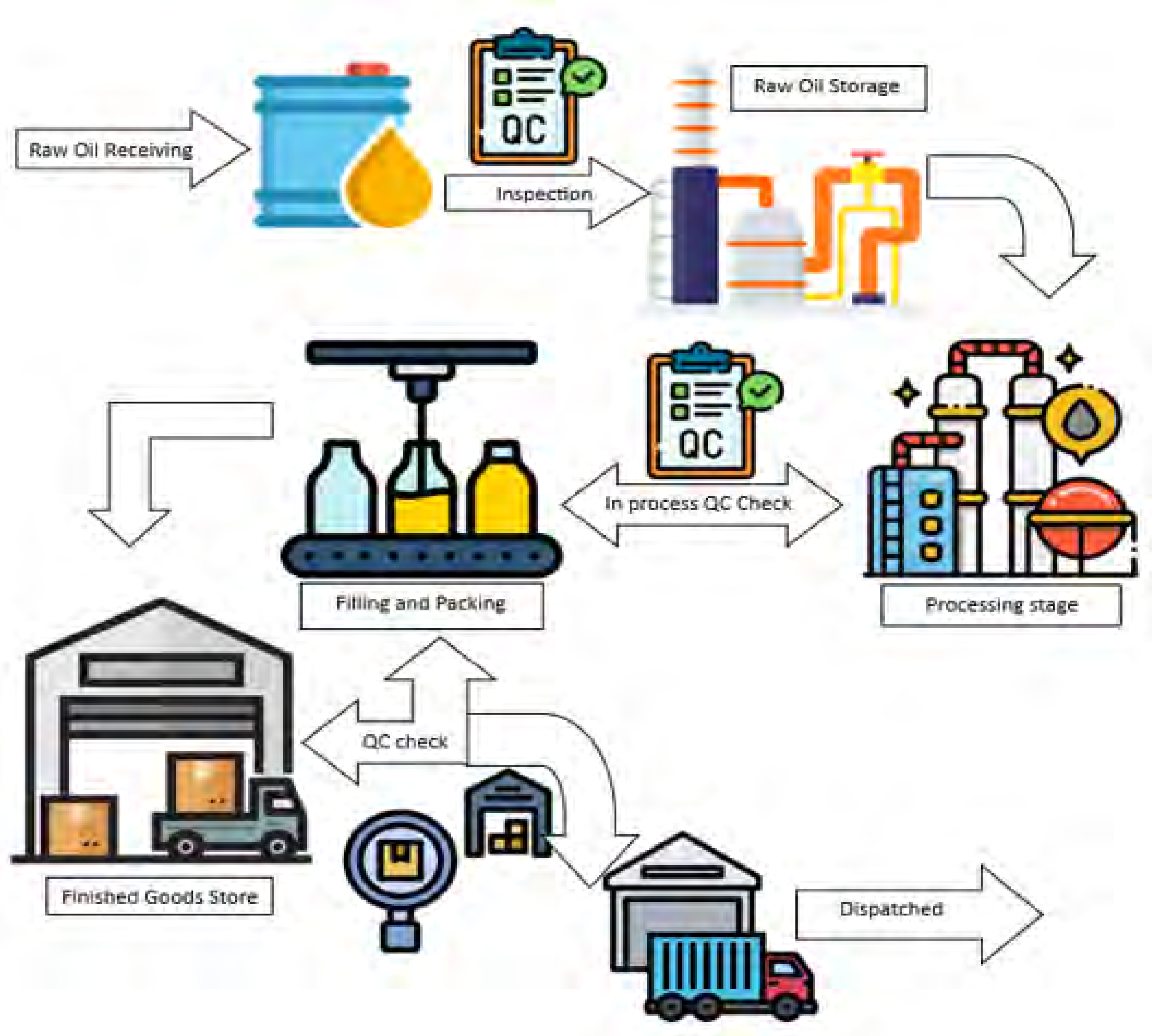
- **Utilities:**

S.No.	Sources	Qty	Capacity
1	K-Electric	01	1,312 KVA
2	Generators (Backup)	02	635 KVA
3	Solar Plant	01	0.5 MW

**Source: Company*

3.8.2. Manufacturing Process Overview

A) Process Flow Cooking Oil / Banaspati/ Industrial Fats and Margarine



Process Flow Description (Oil/ Banaspati/ Industrial Fats and Margarine)

1. Raw Oil Receiving

Crude or refined vegetable oil is received from approved suppliers through tankers or containers. Each batch is checked against FSSC, ISO 9001, Halal, PSQCA and APAG Standards.

2. Inspection (Incoming QC)

The received oil is inspected in the laboratory to verify key quality parameters such as FFA, moisture, color, odor, and impurities. The material is approved or rejected according to defined quality standards before unloading.

3. Raw Oil Storage

Approved oil is transferred to designated storage tanks. Tanks are maintained under controlled conditions to prevent quality deterioration. FIFO (First in First Out) principle is normally followed.

4. Processing Stage

Stored oil is processed according to product requirements. Processing may include blending, refining, hydrogenation, or formulation adjustments to achieve the desired physical and chemical characteristics of cooking oil, banaspati, or industrial fats.

5. In-Process QC Check

During processing, samples are taken and tested to ensure the product meets required specifications such as texture, melting profile, color, and other quality parameters. Adjustments are made if necessary to maintain product consistency.

6. Filling and Packaging

The finished product is filled into approved packaging SKUs such as pouches, bottles, jerry can, tins, etc. using controlled machines. Proper labeling, batch marking, and sealing are ensured to maintain product identity and safety.

7. Finished Good Storage

Approved finished products are transferred to the finished goods warehouse. Products are stored under suitable environmental conditions to maintain quality and prevent damage. Proper stock management systems such as FIFO (First in First Out) or FEFO (First Expiry First Out) are followed to ensure timely utilization and traceability.

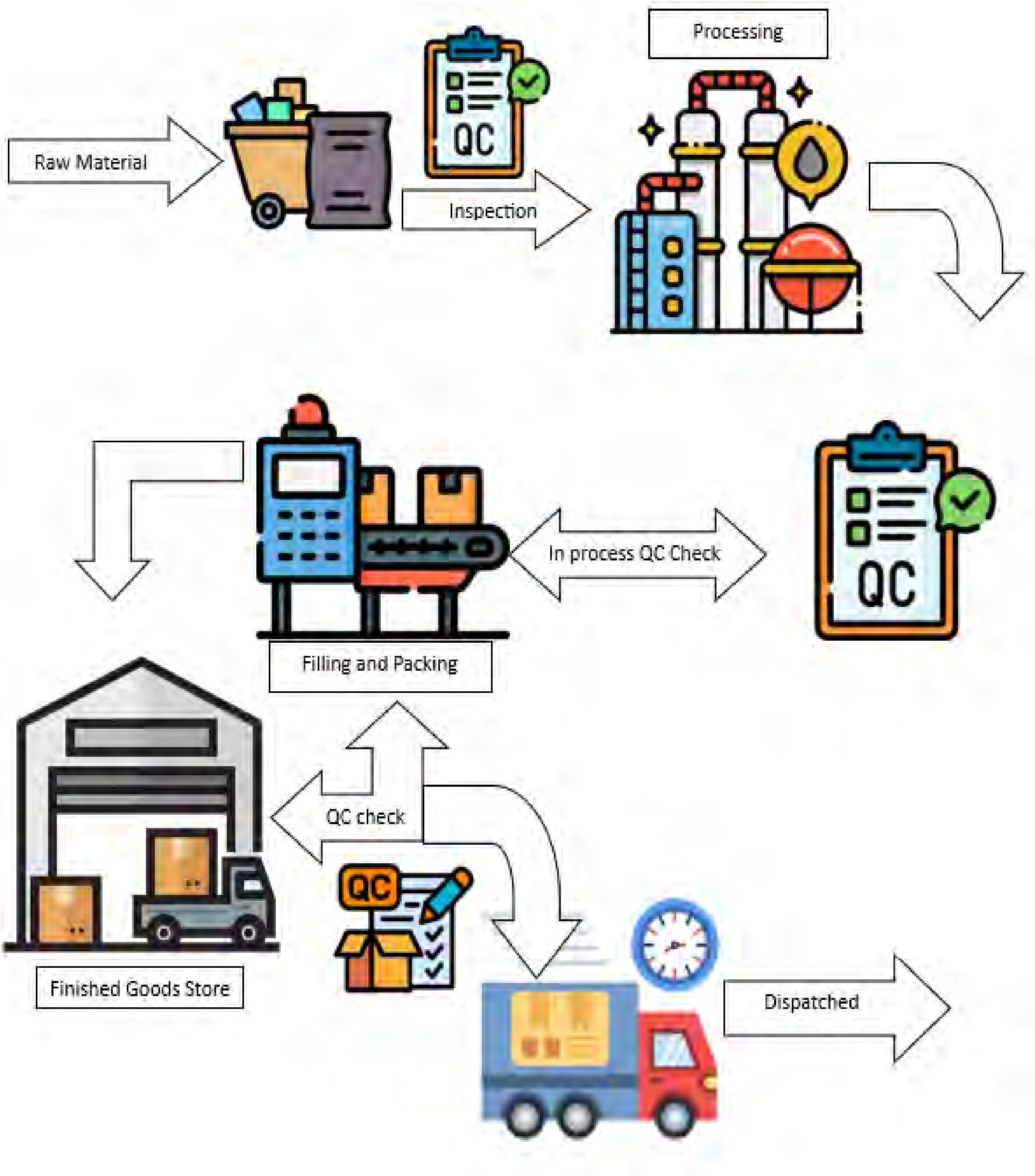
8. QC Check (Pre-Dispatch QC)

Before dispatch, packed units are rechecked to confirm compliance with product specifications. This may include verification of pack integrity, labeling accuracy, batch identification, net weight, and overall product condition to ensure only conforming material is supplied to the market.

9. Dispatch / Transportation

After Quality Assurance, finished goods are dispatched according to delivery plans. Products are loaded using proper handling practices to avoid damage or contamination during transportation. All dispatch details such as batch numbers, quantities, and destination information are recorded for traceability.

B) Process Flow Sauces



Process Flow Description (Sauces)

1. Raw Material

All ingredients required for sauce production such as water, tomato paste, sugar, salt, vinegar, spices, stabilizers, and preservatives are received from approved local suppliers. Packaging materials such as bottles, caps, and pouches are also arranged according to production requirements.

2. Inspection (Incoming QC)

Raw materials and packaging materials are made sure that they comply with Standards of ISO 9001, FSSC, Halal, PSQCA and APAG. Key checks may include appearance, odor, useful life, packaging condition, and relevant quality parameters. Only approved materials are released for production use.

3. Processing

Approved raw materials are issued according to the formulation or recipe. Ingredients are mixed and processed under controlled conditions to achieve the required taste, texture, color, and consistency of the product. The process may include mixing, heating, homogenization, and cooking according to product requirements.

4. In-Process QC Checks

Samples are taken during processing to ensure the product meets required specifications such as brix, pH, viscosity, color, taste, and consistency. Necessary adjustments are made to maintain product quality and uniformity.

5. Filling & Packaging

Finished product is filled into cleaned and approved containers such as bottles and pouches through filling machines. Proper sealing, capping, labeling, and batch coding are ensured to maintain product safety and traceability.

6. Finished Goods Storage

Approved finished products are transferred to the finished goods warehouse. Products are stored under suitable environmental conditions to maintain quality and prevent damage. Proper stock management systems such as FIFO (First in First Out) or FEFO (First Expiry First Out) are followed to ensure timely utilization and traceability.

7. QC Check (Pre-Dispatch QC)

Before dispatch, finished goods are checked to confirm compliance with specifications. Quality assurance is based on pack condition, seal integrity, labeling accuracy, batch marking, to ensure always right product is sent to customers.

8. Dispatch / Transportation

Goods are dispatched according to delivery schedule. Products are handled and loaded carefully to prevent damage during transportation. Dispatch records including batch number, quantity, and destination are maintained for traceability.

3.8.3. Processing and Quality Control

Every oil consignment is tested against international and APAG specifications and quality parameters. The oil undergoes refining steps. The basis of refining is to remove unwanted or excess fatty acids, pro-oxidant metal, oxidative material and finally odoriferous material so that the oil is rendered safe for human consumption and fit for all types of cooking. All quality and process parameters are validated by third party accredited lab.

3.8.4. Research & Development Department

The R&D Department is fully equipped with comprehensive facilities to support product development, testing, and quality evaluation across multiple food categories. The key capabilities are outlined below:

1. Microbiology Testing Facility

The R&D department has a complete in-house microbiology laboratory capable of conducting all types of microbiological tests. The lab is equipped with:

- Four Incubators
- Autoclave

- Water bath
- Laminar flow cabinet

These facilities enable accurate and reliable microbiological analysis to ensure product safety and compliance.

2. Margarine & Shortening Development Facility

The department has in-house capability for margarine and shortening formulation and production, enabling continuous product development and performance improvement.

3. Frying & Cooking Test Facility

R&D has a dedicated frying and cooking test setup where oils and ghee are evaluated under actual cooking and frying conditions to assess performance, stability, and quality.

4. Bakery Laboratory

A fully functional bakery lab is available within R&D, equipped with:

- Oven
- Mixer

This facility allows live baking trials to evaluate industrial fats / margarine performance and behaviour under real bakery conditions.

5. Sauce Development Facility

The R&D department can develop all types of sauces in-house at lab scale, supporting product innovation, reformulation, and customer-specific trials.

3.9. PRIMARY PRODUCTS OF THE ISSUER:

The key products of the Company are discussed below:

S.No.	Product Name	Segment	Packaging	Image
		Soya Supreme Cooking Oil & Banaspati Range		
1	Soya Supreme Cooking Oil Bottle	Household Consumer (Premium Category)	1Ltr, 3Ltr & 5Ltr Bottle	
2	Soya Supreme Cooking Oil Carton	Household Consumer (Premium Category)	1 x 5 Ltr	
3	Soya Supreme Cooking Oil Jerry Can	Household Consumer (Premium Category)	10Ltr & 16Ltr Jerry Can	

				
4	Soya Supreme Cooking Oil Tin	Household Consumer (Premium Category)	2.5,5 & 10 Ltr	
5	Soya Supreme Banaspati Tin	Household Consumer (Premium Category)	2.5,5 & 10 Kg	
6	Soya Supreme Banaspati Carton	Household Consumer (Premium Category)	1 x 5 kg	
Soya Supreme Olive Cooking Oil				
1	Soya Supreme Olive Cooking Oil Bottle	Household Consumer (Premium Category)	1Ltr, 3Ltr & 4.5 Ltr	
2	Soya Supreme Olive Cooking Oil Carton	Household Consumer (Premium Category)	1Ltr Standup Pouch & 1 x 5 Ltr Carton	
Malta Cooking Oil & Banaspati				
1	Malta Cooking Oil Bottle	Household Consumer (Economy Category)	3Ltr & 4.5 Ltr	

				
2	Malta Cooking Oil Jerry Can	Household Consumer (Economy Category)	10Ltr & 16 Ltr	
3	Malta Cooking Oil Carton	Household Consumer (Economy Category)	1 x 5 Ltr	
4	Malta Cooking Oil Tin	Household Consumer (Economy Category)	2.5,5 & 10 Ltr	
5	Malta Banaspati Tin	Household Consumer (Economy Category)	2.5,5 & 10 Kg	
7	Malta Banaspati Bucket	Household Consumer (Economy Category)	16 Kg	
B2B/HORECA Brands				

1	Supremo Cooking Oil	B2B/HORECA (Premium Category)	16 Ltr	
2	Supremo Canola Oil	B2B/HORECA (Premium Category)	16 Ltr	
3	Malta Banaspati Red	B2B/HORECA (Premium Category)	16 Kg	
4	Malta Banaspati Green	B2B/HORECA (Economy Category)	16 Kg	
5	Malta Cooking Oil	B2B/HORECA (Economy Category)	16 Ltr	

6	Malta Cooking Medium	B2B/HORECA (Economy Category)	16 Ltr	
7	Malta Fry	B2B/HORECA (Economy Category)	15.7 Ltr	
Margarine Range				
1	Champion Yellow Margarine	B2B (Premium Category)	16 Kg	
2	Taqat Blue Margarine	B2B (Economy Category)	16 Kg	
3	Agro Aala Margarine	B2B (Economy Category)	16 Kg	
4	Taqat Biscuit Margarine	B2B (Economy Category)	16 Kg	

5	Champion Mawa	B2B (Premium Category)	16 Kg	
Smart Sauces				
1	Smart Tomato Ketchup	Household Consumers/HORECA (Premium Category)	Smart Pack, Value Pack, Family Pack & Bulk Pack.	
2	Smart Chilli Garlic	Household Consumers/HORECA (Premium Category)	Smart Pack, Value Pack, Family Pack & Bulk Pack.	
3	Smart Classic Mayo	Household Consumers/HORECA (Premium Category)	Smart Pack, Value Pack & Family Pack.	
4	Smart Chicken Spread	Household Consumers/HORECA (Premium Category)	Smart Pack & Value Pack	
5	Smart Real Mayo	Household Consumers/HORECA (Premium Category)	Bulk Pack	

6	Smart Mayo Dressing	Household Consumers/HORECA (Premium Category)	Party Pack	

*Source: Company

3.10. END USERS, DEMAND FOR THE PRODUCT, NAMES OF THE COMPETITOR

3.10.1. End Users of the Products

Below is the breakdown of the top customers of the Company:

a) Local Customers

APAG maintains strong and long-standing relationships with large retailers, wholesalers, distributors and HORECA clients. The top domestic customers of the Company are as follows:

S.no	Customer Name	FY23		FY24		FY25		6MFY26		9MFY26	
		Local Sales PKR Mn	% of Total Local Sales	Local Sales PKR Mn	% of Total Local Sales	Local Sales PKR Mn	% of Total Local Sales	Local Sales PKR Mn	% of Total Local Sales	Local Sales PKR Mn	% of Total Local Sales
1	Imtiaz Group (Private) Limited	944.01	5.56%	1,181.50	8.33%	1,649.07	9.99%	1,114.91	10.92%	1,709.86	11.18%
2	Haris Enterprises Bulk & Horeca Group	117.18	0.69%	377.19	2.66%	582.85	3.53%	359.94	3.53%	625.75	4.09%
3	Mahad Enterprises	-	0.00%	-	0.00%	200.16	1.21%	286.29	2.80%	447.76	2.93%
4	Plus Incorporation P.L.C Pvt Ltd	-	0.00%	6.83	0.05%	302.05	1.83%	316.95	3.10%	363.33	2.38%
5	Friends Enterprises	179.35	1.06%	187.78	1.32%	374.14	2.27%	174.25	1.71%	278.30	1.82%
6	Metro Group	343.84	2.03%	266.10	1.88%	403.63	2.44%	186.4	1.83%	275.34	1.80%
7	Gul-E-Mustafa Traders (Consumer Group)	90.32	0.53%	75.91	0.54%	245.15	1.48%	179.49	1.76%	251.99	1.65%
8	Gul-e-Mustafa Traders (Bulk Group)	-	0.00%	193.75	1.37%	221.96	1.34%	141.45	1.39%	231.15	1.51%
9	New Irfan Traders	237.24	1.40%	178.14	1.26%	240.61	1.46%	141.43	1.39%	224.05	1.47%
10	Ali Traders (Hyd) Bulk Group	267.98	1.58%	228.64	1.61%	287.23	1.74%	115.11	1.13%	172.41	1.13%
11	Others	14,789.51	87.15%	11,479.46	80.98%	12,003.16	72.70%	7,193.77	70.46%	10,710.16	70.05%
	Total Local Sales**	**16,969.48**	**100.00%**	**14,175.34**	**100.00%**	**16,510.06**	**100.00%**	**10,209.99**	**100.00%**	**15,290.09**	**100.00%**

*Source: Company

**Excludes Sales Tax and Trade Discounts.

b) International Customers

The top international customers of the Company are as follows:

S.no	Customer Name	Country	FY23		FY24		FY25		6MFY26		9MFY26	
			Export Sales PKR Mn	% of Total Export Sales	Export Sales PKR Mn	% of Total Export Sales	Export Sales PKR Mn	% of Total Export Sales	Export Sales PKR Mn	% of Total Export Sales	Export Sales PKR Mn	% of Total Export Sales
1	Sahibzada General Trading LLC	UAE	-	0.00%	-	0.00%	-	0.00%	50.26	13.64%	215.38	38.49%
2	Rayan Adnan Trading	Afghanistan	193.95	36.91%	966.67	81.51%	1,141.21	73.05%	183.06	49.69%	183.06	32.72%
3	Rafiqullah Rafiqi so Rafiullah Sole Proprietorship	Afghanistan	-	0.00%	-	0.00%	48.55	3.11%	27.98	7.60%	39.58	7.07%
2	Pizza Restaurantlari Incorporation**	Turkey	-	0.00%	-	0.00%	90.16	5.77%	29.53	8.02%	29.53	5.28%
3	Gagar Baba Liwankhail Ltd	Afghanistan	201.30	38.30%	45.89	3.87%	72.96	4.67%	19.18	5.21%	19.18	3.43%
4	Omar Abbas Transit Forwarding & Trading Company	Afghanistan	-	0.00%	-	0.00%	65.76	4.21%	0	0.00%	-	0.00%
5	Gulab Hidar Zai Ltd.	Afghanistan	-	0.00%	55.76	4.70%	58.25	3.73%	0	0.00%	-	0.00%
7	Abdul Tawab Safi Ltd	Afghanistan	-	0.00%	-	0.00%	21.82	1.40%	0	0.00%	-	0.00%
8	New Hussain Khel Zalaand Ltd	Afghanistan	-	0.00%	-	0.00%	20.60	1.32%	0	0.00%	-	0.00%
10	Others***	Mix	130.28	24.79%	117.68	9.92%	42.87	2.74%	58.38	15.85%	72.80	13.01%
	Total Export Sales		**525.54**	**100.00%**	**1,186.03**	**100.00%**	**1,562.18**	**100.00%**	**368.39**	**100.00%**	**559.52******	**100.00%**

**Source: Company*

*** This customer is classified in HORECA segment. While the remaining customers in the above-mentioned table are wholesalers.*

****"Others" category include sales made to companies located in Export Processing Zones.*

***** Export sales declined in 9MFY26 due to geo-political tensions between Pakistan and Afghanistan which has restricted regional trade mobility.*

3.10.2. Marketing Performance & Trade Strategy

Over the past three years, APAG has executed a focused, growth-led marketing strategy to strengthen category leadership while expanding its geographic footprint. The Company consolidated its dominant position in Sindh and accelerated distribution across Central and Northern Pakistan through disciplined trade marketing, enhanced in-store visibility, and deeper channel penetration. This translated into strong performance, with revenue growing 17.65% year-on-year to PKR 18.07 billion in FY25 and exports tripling from PKR 525.54 million in FY23 to PKR 1.56 billion in FY25. In parallel, APAG diversified into higher-value, health-led segments through the launch and scale-up of Soya Supreme Olive Cooking Oil, including consumer-centric formats tailored to evolving household needs.

This growth was underpinned by an integrated marketing approach spanning innovation, brand building and channel execution. APAG strengthened in-store dominance through expanded shelf share, high-impact visibility and executional rigor at key touchpoints, while building consumer trust through insight-led campaigns such as "Soya Supreme preferred by 9/10 women." The brand's wellness positioning was brought to life through immersive on-ground activations across modern trade, events and high-footfall consumer hubs such as Creek Walk, complemented by a targeted digital strategy engaging Gen Z audiences. At the trade level, structured platforms such as Inamaat Ka Khazana enhanced retailer and distributor engagement, supported by culturally relevant campaigns to sustain brand affinity. Together, these initiatives have built a stronger, more premium portfolio, deepened market penetration, and positioned APAG to deliver sustained, high-quality growth.

3.10.3. Key Competitors

APAG operates in a competitive FMCG environment. In edible oils and banaspati, the Company's main competitors are established local manufacturers including Dalda Foods Limited, Mezan Group (Paracha Textile Mills Limited), Sufi Group

(Hamza Vegetable Oil Refinery & Ghee Mills), Habib Oil Mills, Eva Foods, Punjab Oil Mills and United Industries Limited. Competition in this segment is driven by brand strength, distribution reach, pricing and product range across multiple consumer tiers. In the sauces and condiments category, the Company competes primarily with National Foods Limited, Shangrila Foods and Shezan International Limited.

S.No	Products	Competitors
1	Cooking Oil	• Dalda Foods Limited • EVA Foods • Sufi Group (Hamza Vegetable Oil Refinery & Ghee Mills) • United Industries Limited • Mezan Group (Paracha Textile Mills Limited) • Unilever Pakistan Foods Limited
2	Olive Oil	• Mezan Group (Paracha Textile Mills Limited) • Punjab Oil Mills • Dalda Foods Limited
3	Banaspati	• Dalda Foods Limited • EVA Foods • Sufi Group (Hamza Vegetable Oil Refinery & Ghee Mills) • United Industries Limited • Mezan Group (Paracha Textile Mills Limited)
4	Industrial Fats/ Margarine	• IFFCO • Faisalabad Oil Refinery (Pvt) Limited
5	Sauces	• National Foods Limited • Shangrilla Foods Limited • Shezan International Limited • Youngs Pakistan (Pvt) Limited • Shan Foods (Pvt) Limited • ITT Foods (Pvt) Limited • Mitchells Fruit Farm Limited • Unilever Pakistan Foods Limited

**Source: Company*

3.11. INTELLECTUAL PROPERTY RIGHTS

The Company's intellectual property rights are stated below:

S.No.	Trade Mark	W.E.F	Expiry Date	Trademark No.	Awarding body
1.	Soya Supreme	15-Dec-16	15-Dec-26	127935	Intellectual Property Organization of Pakistan
2.	Taqat	07-Dec-20	07-Dec-30	593864	Intellectual Property Organization of Pakistan
3.	Malta Cooking Oil	05-Jun-23	05-Jun-33	709263	Intellectual Property Organization of Pakistan
4.	Malta Banaspati	05-Jun-23	05-Jun-33	709261	Intellectual Property Organization of Pakistan
5.	Soya Supreme Olive Cooking Oil	01-Sep-21	01-Sep-31	629935	Intellectual Property Organization of Pakistan
6.	Champion	02-Jun-20	02-Jun-30	185901	Intellectual Property Organization of Pakistan
7.	APAG	05-Jun-23	05-Jun-33	709267	Intellectual Property Organization of Pakistan
8.	Malta Banaspati	06-Jan-18	06-Jan-28	168376	Intellectual Property Organization of Pakistan
9.	Agro Alaa	04-Aug-23	04-Aug-33	715999	Intellectual Property Organization of Pakistan
10.	Smart	02-Jun-20	02-Jun-30	185903	Intellectual Property Organization of Pakistan
11.	Malta Banaspati	19-Jan-19	19-Jan-29	260742	Intellectual Property Organization of Pakistan
12.	Soya Supreme Banaspati	17-Sep-17	17-Sep-27	131935	Intellectual Property Organization of Pakistan

13.	Smart	14-Jun-18	14-Jun-28	252053	Intellectual Property Organization of Pakistan
14.	Soya Supreme Olive Banaspati	01-Sep-21	01-Sep-31	629934	Intellectual Property Organization of Pakistan
15.	www.soyasupreme.com.pk	29-Apr-24	29-Apr-34	360983	Intellectual Property Organization of Pakistan
16.	www.soyasupreme.com.pk	29-Apr-24	29-Apr-34	360982	Intellectual Property Organization of Pakistan
17.	Supremo Pure Cooking Oil	02-Jun-24	02-Jun-34	196496	Intellectual Property Organization of Pakistan
18.	Malta	08-May-24	08-May-34	195424	Intellectual Property Organization of Pakistan
19.	Malta	08-May-24	08-May-34	195423	Intellectual Property Organization of Pakistan
20.	Smart	02-Jun-20	02-Jun-30	185903	Intellectual Property Organization of Pakistan

Source: Company

3.12. DETAILS OF MATERIAL PROPERTY

Following are the material property of the Company:

S.No.	Particulars	Ownership Status	Date of Acquisition	Expiry of Rental Agreements	Usage	Location	Total Area
1	F-392, Sindh Industrial Trading Estate (SITE)	Owned	18-Feb-1982	NA	Production Plant	Karachi	2.48 Acres
2	7-C, 21st Commercial Street Phase II Extension, DHA, Office No. FF-3**	Owned	28-Oct-2024	NA	Corporate Office	Karachi	0.041 Acres
3	Office# 42, 2nd floor, Landmark Plaza, 5,6 Jail Road, Gulberg II, Lahore.	Owned	28-Oct-1998	NA	Corporate Office	Lahore	0.13 Acres
4	7-C Located on 2nd Floor of CG house, 21st Commercial Street, Phase - II	Rented	01-Jul-2023	30-Jun-2026 (In process of extension/ renewing)	Warehouse	Karachi	N/A
5	Shop # 4, Ground floor, Building No. 14C, 21ST Commercial Street Phase II, Karachi.	Rented	01-Sep-2025	31-Aug-2026 (Renewable)	Warehouse	Karachi	0.041 Acres
6	Survey No. 307/AB & 533 Deh Mirzapur Taluka Qasimabad, District Hyderabad	Rented	01-July-2025	30-Jun-2026 (In process of extension/ renewing)	Warehouse	Hyderabad	0.172 Acres
7	Lal Industries Survey no. 356, Godown # 1, Main Road Ali Wahan Rohri.	Rented	01-Sep-2025	31-July-2026 (Renewable)	Warehouse	Sukkur	0.0918 Acres
8	Plot No. 56/40 & 138/120 Near	Rented	01-Oct-2025	31-Aug-2026 (Renewable)	Warehouse	Multan	0.0639 Acres

	Paracha Daal Factory.						
9	GT Road Turnol Near Police Station Turnol Islamabad	Rented	16-Aug-2025	15-Aug-2028 (Renewable)	Warehouse	Islamabad	0.0262 Acres
10	Rana Concrete System, NHS Shamkay Bhattiyan, Lahore	Rented	01-Aug-2025	30-Jun-2026 (In process of extension/ renewing)	Warehouse	Lahore	0.128 Acres
11	Lal Industries Survey no. 356, Godown # 2, Main Road Ali Wahan Rohri.	Rented	01-Nov-2025	30-Sept-2026 (Renewable)	Warehouse	Sukkur	0.0335 Acres
12	Plot No S-43/A SITE Industrial Area Gulbai Karachi	Rented	20-April-2026	20-March-2027	Warehouse	Karachi	0.812 Acres

**Source: Company*

*** This property has been acquired from the director Mr. Amyn. The same transaction is reflected as Related Party Transaction in the financial statements. Kindly refer to Section 3.18.*

3.13. FUTURE PROSPECTS, DEMAND OUTLOOK

3.13.1. Population Growth as a Structural Demand Driver

Pakistan's rapidly expanding population is a key structural driver of long-term demand for staple food products, including edible oils and fats. According to the 7th Population and Housing Census 2023 conducted by the Pakistan Bureau of Statistics (PBS), Pakistan's population has reached approximately 241.5 million, growing at an annual rate of around 2.5%, making it one of the fastest-growing large economies globally[19].

This demographic expansion directly correlates with rising consumption of essential food commodities. Edible oils and banaspati are staple household items consumed across all income segments, with per capita consumption rising alongside urbanization, income growth, and dietary transitions. Studies and industry analyses indicate that edible oil consumption in Pakistan continues to expand in tandem with population growth, with domestic demand increasingly exceeding local production and necessitating higher imports[20]. A notable demographic characteristic supporting long-term demand is Pakistan's young population profile. Government estimates indicate that over 50% of the population falls within the working-age bracket, implying sustained growth in household formation and consumption levels over the coming decades[21]. The result of this is consumer preference shifting from loose, unbranded oils toward packaged, branded products — a trend that disproportionately favors established manufacturers with recognized brands, quality certifications, and wide distribution networks.

APAG's core product categories sit at the center of this shift and the Company is well-positioned to capitalize on demographic tailwinds. Sustained population growth is expected to translate into higher baseline demand for edible oils and packaged foods, providing long-term volume stability and supporting APAG's future revenue growth trajectory.

3.13.2. Changing Consumer Preferences

The edible oil industry in Pakistan is witnessing a structural shift from loose and unbranded oil towards branded and packaged edible oil products, which is expected to serve as a key demand driver for established players such as APAG. According to industry insights and regulatory discussions, approximately 30% of edible oil consumption in Pakistan still comprises unbranded loose oil, predominantly in semi-urban and rural markets[22].

[19] https://finance.gov.pk/survey/chapter_24/Highlights.pdf
[20] https://www.iiste.org/Journals/index.php/JETP/article/view/35538
[21] https://www.finance.gov.pk/survey/chapter_25/12_Population.pdf
[22] https://profit.pakistantoday.com.pk/2025/11/14/pakistans-edible-oil-imports-set-to-rise-to-3-5m-tonnes-amid-higher-demand-exec-says

However, increasing regulatory focus, rising consumer awareness regarding product quality, and concerns over contamination and adulteration in loose oil are accelerating the transition towards packaged, hygienic, and traceable edible oil products. Branded oils undergo standardized refining, deodorization, and fortification processes, whereas loose oil lacks quality assurance and labeling, exposing consumers to health risks[23]. This evolving preference is expected to gradually formalize the edible oil market, thereby increasing the share of organized, branded manufacturers and directly benefiting companies with established brand portfolios such as APAG.

3.13.3. Growing Health Consciousness Among Consumers

Furthermore, growing health consciousness among consumers is reinforcing this shift towards branded products. With increasing awareness of the adverse health impacts associated with unregulated and contaminated loose oil including cardiovascular and other chronic diseases consumers are increasingly opting for fortified, quality-assured, and nutritionally enhanced edible oils. This trend is reflected in rising demand for healthier product variants such as canola oil, cholesterol-free cooking oil, olive cooking oil and banaspati enriched with Vitamins A & D, all of which form part of the Company's product portfolio. These offerings are aligned with evolving dietary preferences and regulatory emphasis on food fortification and safety standards. As a result, demand is expected to shift towards reputable brands that offer consistency in quality, nutritional benefits, and compliance with food safety requirements. In this context, APAG, through its well-established brands particularly Soya Supreme and its diversified portfolio of health-oriented products, is well-positioned to capitalize on these trends, thereby supporting sustained revenue growth and long-term market expansion.

3.13.4. Expanding Food Sector / HORECA Sector:

The expanding foodservice (HORECA) sector in Pakistan is emerging as a key demand driver for packaged edible oil products. Rapid urbanization, evolving consumer lifestyles, and increasing preference for out-of-home dining have contributed to the steady growth of restaurants, quick-service outlets, and commercial kitchens across major urban centers. According to recent household expenditure data, spending on restaurants and hotels has increased, with its share of total household expenditure rising from approximately 6.35% in 2018-19 to 6.63% in 2024-25[24]. Foodservice operators increasingly rely on standardized, hygienic, and consistent-quality inputs to maintain taste uniformity, operational efficiency, and cost control, driving demand for packaged and branded edible oil products. Collectively, these dynamics present a significant growth opportunity for APAG, which is well-positioned to capitalize on this trend through its standardized, quality-assured product portfolio catering to both retail consumers and the evolving requirements of foodservice and commercial customers.

3.13.5. Capacity Enhancement, Operational Efficiencies & Expansion Strategy

The Company plans to undertake capital expenditure to expand its existing production capacity and enhance operational efficiencies. The current installed capacity of the facility stands at 90,000 MT per annum and is expected to increase by 30,000 MT per annum to 120,000 MT per annum. In addition to capacity expansion, the planned CAPEX is expected to improve process efficiencies across the production cycle, resulting in cost savings at multiple stages of the manufacturing process. This enhanced capacity, coupled with improved efficiencies, will position the Company to effectively cater to the growing demand for edible oil in both local and international markets while strengthening its overall operational performance.

The table below depicts the Company's existing and planned post expansion capacities along with the historical capacity utilization for the last three (3) years:

S.No	Segment	Production Capacity (Pre-Expansion) (MT)	Production Capacity (Post-Expansion) (MT)
1	Vegetable Oil Refinery	90,000	120,000
2	Sauces Plant	5,000	5,000

**Source: Company*

S.No	Particular	FY23	FY24	FY25
1	Vegetable Oil Refinery – Actual Production (MT)	38,289	38,682	41,299

23 https://theheraldtoday.com/health/loose-edible-oil-health-risks-pakistan

24 https://www.pbs.gov.pk/wp-content/uploads/2020/07/HIES-2024-25-Report-Final-1.pdf

2	*Vegetable Oil Refinery – Capacity Utilization (%)*	*42.54%*	*42.98%*	*45.89%*
3	Sauces Plant – Actual Production (MT)	308	462	417
4	*Sauces Plant – Capacity Utilization (%)*	*6.17%*	*9.24%*	*8.34%*

**Source: Company*

Furthermore, the Company intends to expand its geographic footprint beyond its core southern markets into the central and northern regions of Pakistan, including Punjab, Khyber Pakhtunkhwa (KPK), and Gilgit-Baltistan. To support this expansion, the Company plans to invest in marketing and distribution initiatives aimed at improving product availability, strengthening brand presence, and increasing penetration in underserved and high-growth markets. The additional production capacity is expected to complement these efforts by supporting incremental volume growth across both new domestic markets and export channels, thereby enhancing the Company's long-term growth trajectory.

3.13.6. Competitive Positioning

Looking ahead, APAG's marketing strategy will focus on three clear priorities: (1) accelerating premium segment growth through targeted health and wellness positioning, including scaling the Soya Supreme Olive portfolio; (2) unlocking new markets while improving outlet productivity in Central and Northern markets through data-led channel segmentation and focused trade activations; and (3) strengthening consumer pull via integrated campaigns, digital engagement and in-store experience enhancements. Together, these initiatives aim to deepen market penetration, improve mix towards higher-margin products, and reinforce APAG's position as a modern, consumer-centric edible oil leader.

3.14. VENDORS TO THE ISSUER

List of major vendors are listed below:

3.14.1. Edible Oil Vendors

S.No.	Vendor Name	Products	Country	FY23		FY24		FY25		6MFY26		9MFY26	
				Purchases (PKR Mn)	% of Total Purchases	Purchases (PKR Mn)	% of Total Purchases	Purchases (PKR Mn)	% of Total Purchases	Purchases (PKR Mn)	% of Total Purchases	Purchases (PKR Mn)	% of Total Purchases
1	Apical	RBD1 Olein1 Oil	UAE	304.39	2.19%	2,277.70	20.50%	1,628.15	10.96%	1,567.26	19.73%	1,706.68	15.26%
2	Olam Agri	RBD4 Olein3 Oil	Singapore	146.13	1.05%	969.36	8.72%	1,618.01	10.89%	857.25	10.79%	1,265.53	11.31%
3	Cofco Int.	Soya Oil	Switzerland	1,495.98	10.78%	642.14	5.78%	808.46	5.44%	730.64	9.20%	888.03	7.94%
4	FGV	RBD3 Olein2 Oil	Malaysia	330.42	2.38%	613.43	5.52%	837.66	5.64%	475.47	5.99%	873.07	7.80%
5	Al-Ghurair	Canola Oil	UAE	115.98	0.84%	139.92	1.26%	2,158.58	14.53%	386.72	4.87%	582.16	5.20%
6	Pakagro Oil Mills (Private) Limited	Soya Oil	Pakistan	1,264.78	9.12%	566.94	5.10%	764.04	5.14%	457.05	5.75%	576.03	5.15%
7	Mapak Edible Oil (Pvt) Ltd	RBD Oil	Pakistan	629.52	4.54%	122.58	1.10%	794.16	5.34%	139.54	1.76%	231.08	2.07%
8	Golden Agri	RBD2 Olein4 Oil	Singapore	159.97	1.15%	1,348.45	12.14%	1,565.43	10.54%	226.68	2.85%	226.68	2.03%
9	Ar Solvent & Ghee Industries Limited	Canola Oil	Pakistan	657.13	4.74%	751.46	6.76%	373.70	2.51%	39.20	0.49%	84.87	0.76%
10	Others		Misc.	8,767.48	63.20%	3,679.99	33.12%	4,310.89	29.01%	3,064.07	38.57%	4,752.21	42.48%
11	**Total Raw Material Purchases**			**13,871.77**	**100.00%**	**11,111.96**	**100.00%**	**14,859.07**	**100.00%**	**7,943.89**	**100.00%**	**11,186.33**	**100.00%**

**Source: Company*

3.14.2. Packaging Material Vendors

S.No.	Vendor Name	Country	FY23		FY24		FY25		6MFY26		9MFY26	
			Purchases (PKR Mn)	% of Total Purchases	Purchases (PKR Mn)	% of Total Purchases	Purchases (PKR Mn)	% of Total Purchases	Purchases (PKR Mn)	% of Total Purchases	Purchases (PKR Mn)	% of Total Purchases
1	Zamin Containers Industries (Pvt.) Limited	Pakistan	201.13	22.94%	195.28	22.35%	197.75	19.63%	63.54	11.55%	96.70	11.94%
3	Ali Containers (Pvt) Ltd	Pakistan	29.33	3.35%	45.01	5.15%	103.96	10.32%	60.69	11.03%	82.94	10.24%
3	Royal Paper and Plastic Products (Pvt.) Limited	Pakistan	-	0.00%	37.05	4.24%	108.96	10.82%	45.94	8.35%	71.97	8.89%

4	Agar Plastics (Private) Limited	Pakistan	9.03	1.03%	46.08	5.27%	90.53	8.99%	45.92	8.35%	60.82	7.51%
5	Saigal Packages Industries Pvt Ltd	Pakistan	52.31	5.97%	64.00	7.33%	34.02	3.38%	30.36	5.52%	48.47	5.99%
6	Printech Packages (Private) Limited	Pakistan	9.35	1.07%	20.09	2.30%	30.14	2.99%	32.74	5.95%	44.75	5.53%
7	S.H. Plastics Industries	Pakistan	-	0.00%	0.06	0.01%	34.91	3.47%	26.31	4.78%	36.97	4.57%
6	Thermoplas (Pvt) Ltd	Pakistan	61.74	7.04%	47.87	5.48%	37.74	3.75%	22.86	4.16%	32.19	3.98%
5	Kompass Pakistan (Private) Limited	Pakistan	3.86	0.44%	15.16	1.74%	40.35	4.01%	6.14	1.12%	12.93	1.60%
10	Others		509.83	58.16%	403.07	46.14%	329.11	32.67%	215.54	39.19%	321.94	39.76%
11	**Total Packing Material Purchases**		**876.57**	**100.00%**	**873.68**	**100.00%**	**1,007.46**	**100.00%**	**550.05**	**100.00%**	**809.68**	**100.00%**

**Source: Company*

3.15. ALL GOVERNMENT AND OTHER APPROVALS WHICH ARE MATERIAL AND NECESSARY FOR CARRYING ON BUSINESS OF THE ISSUER

APAG is in full compliance with regulations required to conduct the ordinary course of business. All requisites, NOCs (Non-Objection Certificate), consents & approvals of Government and regulatory bodies are met by the Company.

Certification ID / License No.	Issue Date	Date of Expiry	Certification Name	Issuing Authority	Details
20000250012369	17-Dec-2024	16-Dec-2027	ISO 22000:2018, ISO/TS 22002-1: 2009 / FSSC 22000	TUV Austria Hellas	ISO 22000:2018 / FSSC 22000 is an internationally recognized Food Safety Management System (FSMS) standard ensuring organizations in the food chain consistently provide safe products and services. Certified scope includes processing (degumming, refining, bleaching, deodorization) of vegetable cooking oil, banaspati ghee, industrial fat, emulsified & non-emulsified sauces, and packaged edible oils.
TPAK-110181124-QMS	07-Nov-2024	24-Oct-2027	ISO 9001:2015	TUV Austria Bureau of Inspection & Certification (Pvt.) Ltd	ISO 9001:2015 is a globally recognized Quality Management System (QMS) standard that helps organizations improve operational efficiency, meet customer requirements, and demonstrate commitment to continual improvement and quality excellence.
TPAK-110181124-EMS	05-Nov-2024	24-Oct-2027	ISO 14001:2015	TUV Austria Bureau of Inspection & Certification (Pvt.) Ltd	ISO 14001:2015 specifies requirements for an

					Environmental Management System (EMS), enabling organizations to minimize environmental impact, comply with regulatory requirements, and promote sustainable operational practices.
CR/IHC/APAG/01/26/HC	09-Jan-2026	08-Jan-2027	Halal Certification (International Halal Certification)	International Halal Certification (Pvt) Limited	Halal Certification confirms that the production, processing, packaging, and distribution of cooking oil, refined canola oil, refined palm oil, banaspati ghee, industrial fat / margarines, sauces, and related edible products comply with Islamic Shariah laws and applicable Halal standards (OIC/SMIIC & PS-3733).
SFAL 000403-412	11-Nov-2025	09-Nov-2026	Food Business License	Sindh Food Authority – Government of Sindh	To legally manufacture and operate in compliance with food safety and hygiene regulations under the Sindh Food Authority Act, 2016.
CM/L-3253/2015(R)	01-Sep-2024	31-Aug-2026	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Refined Olien Oil “Malta Cooking Medium” Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-5056/2024(R)	01-Mar-2025	28-Feb-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Refined Canola Oil “Soya Supreme” Brand,

					confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-2025/2008(R)	01-Jan-2026	31-Dec-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Refined Canola Oil “Smart” Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-5057/2024(R)	01-Mar-2025	28-Feb-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Refined Canola Oil “Supremo” Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-3555/2017(R)	01-Aug-2025	31-July-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Mayonnaise “Smart” Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-1897/2007(R)	01-Jan-2026	31-Dec-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Industrial Margarine “Taqat” Brand,

					confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-1188/1999(R)	01-Jan-26	31-Dec-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Industrial Margarine “Champion” Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-4742/2022(R)	22-Jun-2025	21-Jun-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Industrial Margarine “Agro Mawa” Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-2317/2009(R)	01-Jan-2026	31-Dec-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Cooking Oil “Supremo” Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-4637/2022(R)	12-Jan-2025	11-Jan-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Cooking Oil “Soya Supreme Olive” Brand, confirming that the

					product complies with the applicable Pakistani quality and safety standards.
CM/L-1242/2000(R)	01-Jan-2026	31-Dec-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Cooking Oil "Soya Supreme" Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-2115/2008(R)	01-Jan-2026	31-Dec-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Cooking Oil "Malta" Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-4772/2022(R)	14-Nov-2025	13-Nov-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Cooking Oil "Champion" Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-4386/2021(R)	30-Sep-2025	29-Sep-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Banaspati "Taqat" Brand, confirming that the product complies with the

					applicable Pakistani quality and safety standards.
CM/L-473/1992(R)	31-July-2025	30-July-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Banaspati “Soya Supreme” Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-1246/2000(R)	31-July-2025	30-July-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Banaspati “Malta” Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.
CM/L-5082/2014(R)	01-Mar-2025	28-Feb-2027	License for the use of Pakistan Standard Mark	Pakistan Standards and Quality Control Authority – GoP	This license is issued by the Pakistan Standards and Quality Control Authority (PSQCA) to authorize the company to use the Pakistan Standard (PS) Mark on Refined Soya Bean Oil “Soya Supreme” Brand, confirming that the product complies with the applicable Pakistani quality and safety standards.

**Source: Company*

3.16. GROUP STRUCTURE OF THE ISSUER SHOWING SHAREHOLDING IN RELATIVE & ABSOLUTE TERMS

There are no other companies of the Issuer.

3.17. DETAILS REGARDING ASSOCIATED COMPANIES OF THE ISSUER

Sr. No	Name of Company	Country of Registration	Nature of Business	Operational Status	Listing Status	Nature of Relation	Common Directors / Substantial Shareholders	Shareholding in APAG	Shareholding of APAG

1	Cordoba Financial Services Limited	Pakistan	Leasing & investment financial services	Operational	Unlisted	By Virtue of Common Directorship	Amyn	Nil	Nil
2	Faran Sugar Mills Limited	Pakistan	Manufacturing and sales of refined sugar	Operational	Listed	By Virtue of Common Directorship	Ahmad Aziz Ghulamhussain	Nil	Nil
3	Telecom NetZero (Pvt) Limited	Pakistan	Electrical appliances	Operational	Unlisted	By Virtue of Common Directorship	Safina Danish Elahi	Nil	Nil
4	Elahi Bus Service (Pvt) Limited	Pakistan	Transportation	Operational	Unlisted	By Virtue of Common Directorship	Safina Danish Elahi	Nil	Nil
5	BlueEx Limited	Pakistan	eCommerce / Logistics	Operational	Listed	By Virtue of Common Directorship	Safina Danish Elahi	Nil	Nil
6	Reverie Publishing SMC Pvt Limited	Pakistan	Publishing / Marketing	Operational	Unlisted	By Virtue of Common Directorship	Safina Danish Elahi	Nil	Nil
7	E.A Property & Developers (Private) Limited	Pakistan	Builders & Developers	Operational	Unlisted	By Virtue of Common Substantial Shareholding	Danish Elahi	Nil	Nil
8	Reliable Quality Developers (Private) Limited	Pakistan	Builders & Developers	Operational	Unlisted	By Virtue of Common Substantial Shareholding	Danish Elahi	Nil	Nil
9	Kiran Builders & Developers (Private) Limited	Pakistan	Builders & Developers	Operational	Unlisted	By Virtue of Common Substantial Shareholding	Danish Elahi	Nil	Nil
10	Elahi Bus Service (Pvt) Limited	Pakistan	Transportation	Operational	Unlisted	By Virtue of Common Substantial Shareholding	Danish Elahi	Nil	Nil
11	Cordoba Logistics & Ventures Limited	Pakistan	Logistics & Other Ventures	Operational	Unlisted	By Virtue of Common Substantial Shareholding	Danish Elahi	Nil	Nil
12	Elahi Highland Resorts (Pvt) Limited	Pakistan	Property & Developers	Operational	Unlisted	By Virtue of Common Substantial Shareholding	Danish Elahi	Nil	Nil
13	BlueEx Limited	Pakistan	eCommerce / Logistics	Operational	Listed	By Virtue of Common Substantial Shareholding	Danish Elahi	Nil	Nil

**Source: Company*

3.18. RELATED PARTY TRANSACTIONS

Name	Relationship	Nature of Transaction	FY 23 Audited	FY 24 Audited	FY 25 Audited
Amyn	Executive Director	Sale of property to Company by director	-	-	27,000,000

**Source: Company*

*** There are no transactions with key management personnel other than under their terms of employment.*

3.19. PERFORMANCE FOR THE LAST THREE YEARS, OF ASSOCIATED LISTED COMPANIES OF THE ISSUER OVER WHICH THE ISSUER HAS CONTROL ALONG WITH THE FOLLOWING INFORMATION.

The Issuer, APAG, does not have any control over any associated listed Company.

3.20. INDUSTRY OVERVIEW

Edible Oil Industry in Pakistan

Pakistan's edible oil sector represents one of the largest and most essential segments within the country's food processing industry, driven by population growth, urbanization, and changing dietary patterns. The industry is characterized by structurally high demand and strong dependence on imports, with local oilseed production insufficient to meet domestic consumption requirements.

Edible oil consumption in Pakistan reached approximately 4.89 million metric tonnes (MT) in FY25, up from 4.16 million MT in FY24, reflecting a strong year-on-year increase of around 17.3%, while per capita consumption rose to an estimated 20.3 kg from 17.6 kg, indicating sustained growth in demand. Despite this upward trend, domestic production continues to lag behind consumption requirements, resulting in a structurally high reliance on imports. In FY25, imports accounted for approximately 72.3% of total consumption, whereas local production, despite growing by around 29.1% YoY, contributed only about 27.2%. Over the FY23 to FY25 period, imports met an average of approximately 75.3% of domestic demand, underscoring Pakistan's persistent dependence on external supply to bridge the demand and supply gap[25].

Particulars	Units	FY23	FY24	FY25
Edible Oil Consumption	(000 MT)	4,179	4,164	4,886
Per Capita Consumption	KG	18.1	17.6	20.3
Edible Oil Imports	(000 MT)	3,064	2,997	3,213
Domestic Production	(000 MT)	887	1,047	1,352
Edible Oil Imports as a percentage (%) of Edible Oil Consumption	%	78.8%	74.9%	72.3%

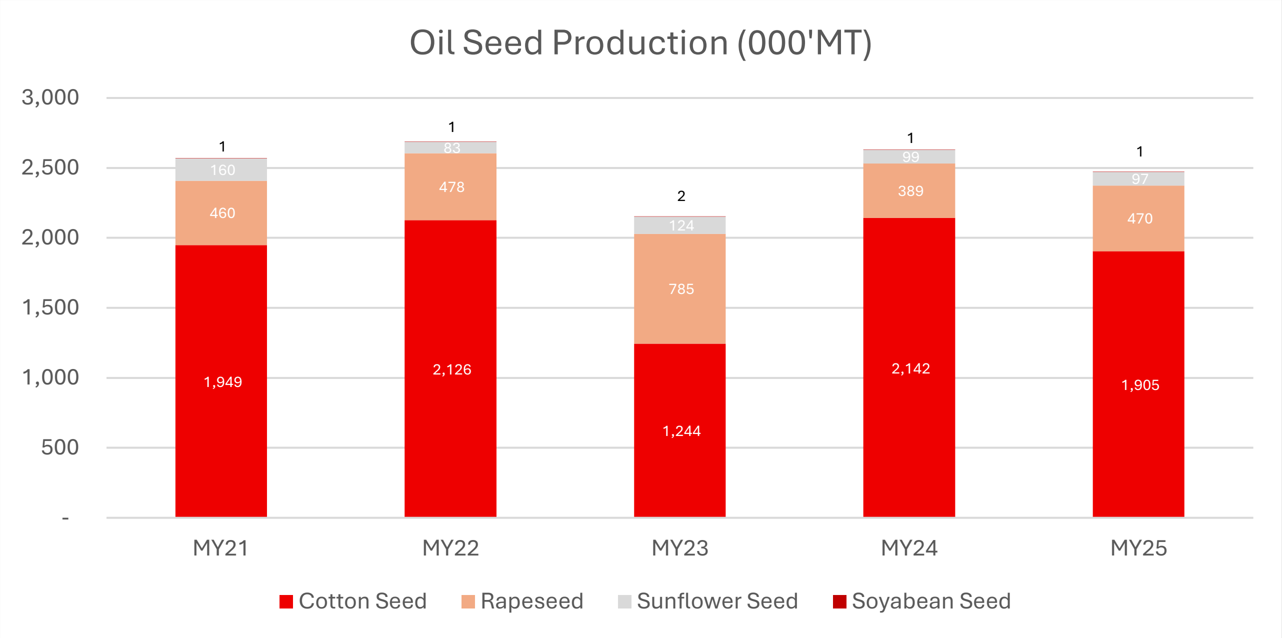
Source: PACRA Sector Study: Edible Oil – 11th March 2026

Palm oil constitutes the dominant share of edible oil consumption and serves as the primary feedstock for refined cooking oils, banaspati ghee, bakery fats, and industrial fats. Pakistan ranked fourth globally in palm oil imports, following India, China and the EU[26], with imports primarily sourced from Indonesia and Malaysia to support domestic refining and food manufacturing activity[27].

Domestic production of edible oils is derived mainly from cottonseed, canola, sunflower, and rapeseed; however, output remains structurally low due to agronomic constraints, limited oilseed productivity, and competing crop economics. Consequently, the domestic refining and value-added edible oil industry has developed into a significant downstream manufacturing segment that imports crude vegetable oils and converts them into branded consumer products[28].

Soybean seeds are imported from countries like USA and Brazil and cottonseed is locally cultivated, whereas, canola and sunflower seeds are both locally cultivated and imported[29]. Cottonseed is the principal oilseed crop grown in Pakistan, accounting for an average of ~74.2% of domestic oilseed production during MY21-25[30].

[25] https://pacra.com/view/storage/app/PACRA%20Research%20-Edible%20Oil%20-%20Mar%2726%201_1773250110.pdf
[26] https://docs.vis.com.pk/SectorUpdate-2025/Edible-Oil-2025.pdf
[27] https://www.pakistantoday.com.pk/2026/01/25/from-commodity-to-strategy
[28] https://www.pbc.org.pk/research/breaking-the-import-trap-a-roadmap-for-pakistans-oilseed-sector
[29] https://docs.vis.com.pk/SectorUpdate-2025/Edible-Oil-2025.pdf
[30] https://pacra.com/view/storage/app/PACRA%20Research%20-Edible%20Oil%20-%20Mar%2726%201_1773250110.pdf



Source: *PACRA Sector Study: Edible Oil – 11th March 2026*

Pakistan is heavily dependent on imports to meet its edible oil consumption, exposing the Sector to fluctuations in global edible oil prices and currency volatility. However, the impact of higher input costs is typically passed on to end-consumers.

From a structural demand perspective, edible oil consumption continues to grow in line with the expansion of Pakistan's food processing industry, which is estimated to grow at mid-to-high single-digit rates annually. Increasing urbanization and the gradual shift toward packaged and branded food products are supporting higher consumption of refined cooking oils and value-added fat products[31].

The industry is also characterized by a strong shift from loose and unbranded oils to branded packaged edible oils, driven by food safety awareness, quality standardization, and regulatory enforcement. This shift has supported growth for established manufacturers with recognized brands, nationwide distribution networks, and quality certifications. Within the edible oil value chain, manufacturers typically operate integrated refining and packaging operations and compete across multiple price tiers, ranging from premium branded oils to value-focused and institutional offerings. The industry includes both listed and unlisted large-scale refiners, regional manufacturers, and multinational-backed brands.

Global Edible Oil Industry

The global edible oil industry forms a critical component of the broader food processing value chain, driven by population growth, urbanization, changing dietary patterns, and rising demand for processed and convenience foods. According to the OECD-FAO Agricultural Outlook, global vegetable oil production is primarily derived from oilseed crushing (approximately 55% of total supply) and palm oil (around 36%), highlighting the dominant role of palm, soybean, rapeseed and sunflower oils in global consumption patterns[32].

Global consumption of vegetable oils has expanded significantly over the past decade, with total consumption exceeding 218 million metric tonnes in 2024, reflecting strong demand across both developed and emerging markets. Palm oil remains the single largest contributor, accounting for roughly a quarter of global consumption, while soybean oil, rapeseed oil and sunflower oil collectively represent a substantial share of the remaining demand[33].

[31] https://www.agrieconomist.com/oil-palm-cultivation-a-strategic-opportunity-for-pakistan
[32] https://www.oecd.org/en/publications/oecd-fao-agricultural-outlook-2024-2033_4c5d2cfb-en/full-report/component-8.html
[33] https://www.sciencedirect.com/science/article/pii/S2772502225004019

From a demand perspective, food usage remains the dominant application, accounting for more than half of total vegetable oil consumption globally. Edible oils is extensively used in cooking, frying, packaged foods, and processed food manufacturing. In addition to food consumption, vegetable oils are increasingly used in industrial applications, including biodiesel production, which accounts for approximately 15–18% of total global vegetable oil utilization and is projected to grow in emerging economies such as Indonesia, Brazil and the United States[34].

Per capita consumption trends indicate continued growth in developing and middle-income economies, driven by income growth and dietary shifts toward higher caloric intake and processed foods. While consumption growth has moderated in high-income countries due to health awareness and saturation, emerging markets continue to demonstrate robust growth potential. For instance, per capita vegetable oil consumption in major developing markets such as China and Brazil is converging toward levels observed in developed economies, underscoring structural demand expansion[35].

Structural demand growth is further supported by evolving consumer preferences, including increasing demand for fortified and premium oils such as olive cooking oil and nutritionally enhanced blends. Additionally, sustainability considerations and certification frameworks are increasingly shaping sourcing decisions across global supply chains, particularly in palm oil production[36].

[34] https://www.oecd.org/en/publications/oecd-fao-agricultural-outlook-2023-2032_08801ab7-en/full-report/oilseeds-and-oilseed-products_5315ee11.html
[35] https://www.oecd.org/en/publications/oecd-fao-agricultural-outlook-2024-2033_4c5d2cfb-en/full-report/component-8.html
[36] https://www.gminsights.com/industry-analysis/edible-oils-and-fats-market

3A. SHARE CAPITAL AND RELATED MATTERS

3A(i). SHARE CAPITAL

The current share capital of APAG is as follows:

Issued & Paid-Up Capital	No. of Shares	Face Value Per Share (PKR)	Total Face Value (PKR)	Premium Per Share (PKR)	Total (PKR)
Authorized Capital					
Ordinary Shares	625,000,000	2	1,250,000,000	-	1,250,000,000
Issued, Subscribed & Paid-Up Share Capital					
Ordinary Shares of PKR 2/- each fully paid	328,947,400	2	657,894,800	-	657,894,800
Total	**328,947,400**	**2**	**657,894,800**	**-**	**657,894,800**
Shares Held by Sponsors, Directors, CEO & Other Shareholders					
Mr. Ahmad Aziz Ghulamhussain	60,415,398	2	120,830,796	-	120,830,796
Mr. Amyn	55,000,000	2	110,000,000	-	110,000,000
Mrs. Naheed Ahmad Ghulamhussain	45,030,450	2	90,060,900	-	90,060,900
Mr. Akber Rafiq	30,865,200	2	61,730,400	-	61,730,400
Mr. Abdul Aziz Rafiq	13,345,750	2	26,691,500	-	26,691,500
Mrs. Ameena Abdul Aziz	8,333,300	2	16,666,600	-	16,666,600
Mrs. Rabia Allana	1,999,950	2	3,999,900	-	3,999,900
Mrs. Safina Danish Elahi	50	2	100	-	100
Mr. Fawad Anwar	1	2	2	-	2
Mrs. Madiha Alam	1	2	2	-	2
Mr. Danish Elahi	78,947,450**	2	157,894,900	6.86	699,474,064
Mr. Mohammad Saleheen Siddique	15,799,250	2	31,598,500	-	31,598,500
Mr. Nasir Siddique	9,147,250	2	18,294,500	-	18,294,500
Mr. Sajid Siddique	7,952,750	2	15,905,500	-	15,905,500
Mrs. Sadiqa Saleheen Siddique	1,599,950	2	3,199,900	-	3,199,900
Mr. Muhammad Din Siddique***	500,450	2	1,000,900	-	1,000,900
Mr. Haji Noor Mohd Yaqoob Vayani	10,000	2	20,000	-	20,000
Mr. Rafiq Ghulamhussain***	150	2	300	-	300
Mr. Sohail Elahi	50	2	100	-	100
Total	**328,947,400**	**2**	**657,894,800**	**-**	**1,199,473,964**
New Issue of Ordinary Shares					
Allocations to institutions / High Net worth individual investors through book building process at Floor Price	43,537,156	2	87,074,312	30	1,393,188,992
General Public Portion	14,512,385	2	29,024,771	30	464,396,320
Total Issue Size	**58,049,541**	**2**	**116,099,082**	**30**	**1,857,585,312**

Total Paid-Up Capital Post IPO					
Total Paid-Up Capital Post IPO	386,996,941	2	773,993,882	-	773,993,882

**Source: Company*

***A total of 1,578,948 ordinary shares were issued to Mr. Danish Elahi in two tranches on 13th April 2021 and 3rd June 2021 at an issue price of PKR 443 per share, comprising a face value of PKR 100 and a share premium of PKR 343 per share. Along with one additional share at face value of PKR 100 per share. Following the subsequent share split, these shares increased to 78,946,450 ordinary shares, with the corresponding adjusted face value and share premium per share reduced to PKR 2.00 and PKR 6.86, respectively.*

****Note:*

- *Mr. Rafiq Ghulamhussain is the father of Mr. Abdul Aziz Rafiq. Mr. Amyn and Mr. Akber Rafiq are sons of Mr. Abdul Aziz Rafiq, who is married to Mrs. Ameena Abdul Aziz.*
- *Mr. Abdul Aziz Rafiq and Mr. Ahmad Aziz Ghulamhussain are cousins. While, Mrs. Rabia Allana is the sister of Mr. Ahmad Aziz Ghulamhussain who is married to Mrs. Naheed Ahmad Ghulamhussain.*
- *Mr. Muhammad Din Siddique is the father of Mr. Mohammad Saleheen Siddique, Mr. Sajid Siddique, and Mr. Nasir Siddique, while Mrs. Sadiqa Saleheen Siddique is the wife of Mr. Mohammad Saleheen Siddique.*
- *Mr. Sohail Elahi is the paternal uncle of Mr. Danish Elahi, and Mrs. Safina Danish Elahi is the wife of Mr. Danish Elahi.*
- *Mr. Muhammad Din Siddique, Mr. Haji Noor Mohd Yaqoob Vayani, and Mr. Rafiq Ghulamhussain are deceased. The shares held by them have not yet been transferred to their respective legal heirs/successors.*

****Mr. Muhammad Din Siddique and Mr. Rafiq Ghulam Hussain have been classified under the "Other shareholders" category. Both are deceased since more than a decade, without any claimant for their shares. Furthermore, it is not possible to provide signed undertakings required from sponsors as both are deceased.*

3A(ii). PATTERN OF SHAREHOLDING

APAG's current shareholding is provided hereunder:

Shareholders	Designation	Pre-Issue Shareholding		Post-Issue Shareholding	
		No. Of Shares	Shareholding (%)	No. Of Shares	Shareholding (%)
Sponsors & Directors:					
Mr. Ahmad Aziz Ghulamhussain	Executive Director/ CEO	60,415,398	18.37%	60,415,398	15.61%
Mr. Amyn	Executive Director/ CFO	55,000,000	16.72%	55,000,000	14.21%
Mrs. Naheed Ahmad Ghulamhussain	Non-Executive Director	45,030,450	13.69%	45,030,450	11.64%
Mr. Akber Rafiq	Sponsor	30,865,200	9.38%	30,865,200	7.98%
Mr. Abdul Aziz Rafiq	Chairman/ Non-Executive Director	13,345,750	4.06%	13,345,750	3.45%
Mrs. Ameena Abdul Aziz	Sponsor	8,333,300	2.53%	8,333,300	2.15%
Mrs. Rabia Allana	Sponsor	1,999,950	0.61%	1,999,950	0.52%
Mrs. Safina Danish Elahi	Non-Executive Director	50	0.00%	50	0.00%
Mr. Fawad Anwar	Independent Director	1	0.00%	1	0.00%
Mrs. Madiha Alam	Independent Director	1	0.00%	1	0.00%
Total (A)		**214,990,100**	**65.36%**	**214,990,100**	**55.55%**
Other Shareholders:					
Mr. Danish Elahi		78,947,450	24.00%	78,947,450	20.40%
Mr. Mohammad Saleheen Siddique		15,799,250	4.80%	15,799,250	4.08%
Mr. Nasir Siddique		9,147,250	2.78%	9,147,250	2.36%
Mr. Sajid Siddique		7,952,750	2.42%	7,952,750	2.05%
Mrs. Sadiqa Saleheen Siddique		1,599,950	0.49%	1,599,950	0.41%

Mr. Muhammad Din Siddique***		500,450	0.15%	500,450	0.13%
Mr. Haji Noor Mohd Yaqoob Vayani		10,000	0.00%	10,000	0.00%
Mr. Rafiq Ghulamhussain***		150	0.00%	150	0.00%
Mr. Sohail Elahi		50	0.00%	50	0.00%
Total (B)		**113,957,300**	**34.64%**	**113,957,300**	**29.45%**
Public Offering (C)		**-**	**0.00%**	**58,049,541**	**15.00%**
Total D=(A+B+C)		**328,947,400**	**100.00%**	**386,996,941**	**100.00%**

**Source: Company*

***Note:*

- *Mr. Rafiq Ghulamhussain is the father of Mr. Abdul Aziz Rafiq. Mr. Amyn and Mr. Akber Rafiq are sons of Mr. Abdul Aziz Rafiq, who is married to Mrs. Ameena Abdul Aziz.*
- *Mr. Abdul Aziz Rafiq and Mr. Ahmad Aziz Ghulamhussain are cousins. While, Mrs. Rabia Allana is the sister of Mr. Ahmad Aziz Ghulamhussain who is married to Mrs. Naheed Ahmad Ghulamhussain.*
- *Mr. Muhammad Din Siddique is the father of Mr. Mohammad Saleheen Siddique, Mr. Sajid Siddique, and Mr. Nasir Siddique, while Mrs. Sadiqa Saleheen Siddique is the wife of Mr. Mohammad Saleheen Siddique.*
- *Mr. Sohail Elahi is the paternal uncle of Mr. Danish Elahi, and Mrs. Safina Danish Elahi is the wife of Mr. Danish Elahi.*
- *Mr. Muhammad Din Siddique, Mr. Haji Noor Mohd Yaqoob Vayani, and Mr. Rafiq Ghulamhussain are deceased. The shares held by them have not yet been transferred to their respective legal heirs/successors.*

****Mr. Muhammad Din Siddique and Mr. Rafiq Ghulam Hussain have been classified under the "Other shareholders" category. Both are deceased since more than a decade, without any claimant for their shares. Furthermore, it is not possible to provide signed undertakings required from sponsors as both are deceased.*

3A(iii). SPONSORS SHARE TO BE KEPT IN BLOCKED FORM

Sponsors	Pre-Issue Shareholding		Post-Issue Shareholding	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Mr. Ahmad Aziz Ghulamhussain	60,415,398	18.37%	60,415,398	15.61%
Mr. Amyn	55,000,000	16.72%	55,000,000	14.21%
Mrs. Naheed Ahmad Ghulamhussain	45,030,450	13.69%	45,030,450	11.64%
Mr. Akber Rafiq	30,865,200	9.38%	30,865,200	7.98%
Mr. Abdul Aziz Rafiq	13,345,750	4.06%	13,345,750	3.45%
Mrs. Ameena Abdul Aziz	8,333,300	2.53%	8,333,300	2.15%
Mrs. Rabia Allana	1,999,950	0.61%	1,999,950	0.52%
Total	**214,990,048**	**65.36%**	**214,990,048**	**55.55%**

**Source: Company*

***Note:*

- *Mr. Abdul Aziz Rafiq is the father of Mr. Amyn and Mr. Akber Rafiq, and Mrs. Ameena is his spouse.*
- *Mr. Ahmad Aziz Ghulamhussain and Mr. Abdul Aziz Rafiq are paternal cousins.*
- *Mrs. Naheed is the spouse of Mr. Ahmad Aziz Ghulamhussain while Mrs. Rabia Allana is the sister of Mr. Ahmad Aziz Ghulamhussain*
- *Founders of the Company include Mr. Rafiq Ghulamhussain, Mr. Nizar Ghulamhussain, Mr. Aziz Ghulamhussain, Mr. Mohammad Din Siddique, Mr. Abdul Aziz Rafiq.*

Note:

1. As per regulation 5(1) of the PO Regulations, the sponsors of the Company shall retain their entire shareholding in the Company for a period of not less than twelve months from the last date for public subscription;
2. As per regulation 5(2) of the PO Regulations, the sponsors of the Company shall retain not less than twenty-five percent of the post issue paid-up capital of the Company for not less than three financial years from the last date for the public subscription;
3. As per regulation 5(3) of the PO Regulations, the shares of the sponsors mentioned at (1) and (2) above shall be kept unencumbered in a blocked account with central depository;

4. As per regulation 5(4) of the PO Regulations, subject to compliance with sub-regulation 1 and 2 of Regulation 5, and with the prior approval of the securities exchange, the Sponsors of the Company may sell their shareholding through block-sale to any other person who shall be deemed Sponsor for the purposes of the PO Regulations. Provided that a sale of at least 5% of the post issue paid up capital or PKR. 50 million, whichever is lower, shall constitute a block sale during the lock-in period.

3A(iv). PRESENT ISSUE

The Issue comprises of 58,049,541 ordinary shares of APAG of face value of PKR 2.00/- each, which constitutes 15.00% of the post-IPO paid-up capital of the Company.

Of the 58,049,541 ordinary shares, 75% (seventy-five percent) i.e. 43,537,156 shares will be offered through the book building process at a Floor price of PKR 32.00/- per share with a price band of 40% above the floor price i.e. PKR 44.80/.

The bidders shall be allowed to place bids for seventy-five percent (75%) of the Issue size i.e. 43,537,156 shares, and the strike price shall be the price at which 75% of the offer is subscribed. Successful bidders will be allotted 75% of the issue size i.e. 43,537,156 shares, with the remaining 25% i.e. 14,512,385 being offered to retail investors at the strike price determined through the book building process. The retail portion shall be fully underwritten, with Dawood Equities Limited, Sherman Securities (Pvt) Limited, KTrade Securities Limited, Ismail Iqbal Securities (Pvt) Limited acting as the underwriters to the issue.

Provided that allocation to the retail portion shall be increased as follows, in case the retail portion is oversubscribed, and there shall be corresponding decrease in the allocation to book building investors:

Oversubscription of retail portion	Increase in allocation to retail portion
5 times but less than 10 times	5%
10 times and greater	10%

The proceeds from the IPO at Floor Price of PKR 32/- per share are expected to raise PKR 1,857,585,312/- however at the cap price of PKR 44.80/- per share the Company is expected to receive PKR 2,600,619,437/-.

3A(v). SHARES ISSUED IN PRECEDING YEARS

S.No.	No. of Shares Issued	Description	Consideration	Face Value (PKR)	Total Value (PKR)	Date of Issuance / Allotment
1	5	Initial Capital	Cash	100	500	25-Sep-1980
2	20,000	Right Issue	Cash	100	2,000,000	14-Mar-1982
3	7,650	Right Issue	Cash	100	765,000	22-Sep-1982
4	5,350	Right Issue	Cash	100	535,000	18-Nov-1982
5	6,200	Right Issue	Cash	100	620,000	28-Feb-1983
6	12,100	Right Issue	Cash	100	1,210,000	06-Jul-1983
7	10,000	Right Issue	Cash	100	1,000,000	04-Aug-1984
8	12,695	Right Issue	Cash	100	1,269,500	29-Jun-1985
9	21,000	Right Issue	Cash	100	2,100,000	22-Feb-1987
10	20,000	Right Issue	Cash	100	2,000,000	20-Nov-1989
11	10,000	Right Issue	Cash	100	1,000,000	03-Feb-1990
12	20,000	Bonus Issue	-	100	2,000,000	30-Jun-1994
13	123,250	Bonus Issue	-	100	12,325,000	28-Jun-1995
14	131,750	Bonus Issue	-	100	13,175,000	31-Oct-1998
15	50,000	Bonus Issue	-	100	5,000,000	15-Feb-1999
16	350,000	Bonus Issue	-	100	35,000,000	05-Mar-2004
17	100,000	Bonus Issue	-	100	10,000,000	18-Feb-2006
18	300,000	Bonus Issue	-	100	30,000,000	12-Feb-2007
19	300,000	Bonus Issue	-	100	30,000,000	22-Feb-2008

20	250,000	Right Issue	Cash	100	25,000,000	12-Jun-2017
21	1,776,932	Right Issue	Cash	100	177,693,200	31-Jan-2018
22	1,473,068	Bonus Issue	-	100	147,306,800	29-Jan-2020
23	789,474***	Right Issue	Cash	100	78,947,400	13-Apr-2021
24	789,474***	Right Issue	Cash	100	78,947,400	03-Jun-2021
Total	**6,578,948**				**657,894,800**	
Total Post-Split Shares****	328,947,400	Stock Split	-	2.00	657,894,800	07-Apr-2026

**Source: Company*

***Note: All the Rights were issued at par value i.e. PKR 100/- per share except for the Right Issue conducted on 13th April 2021 & 03rd June 2021 (for details refer to the point below)*

****These shares were issued to Danish Elahi at a PKR 443/- per share (including a premium of PKR 343/- per share). Following the subsequent share split, these shares increased to 78,946,450 ordinary shares, with the corresponding adjusted face value and share premium per share reduced to PKR 2.00 and PKR 6.86, respectively.*

*****Note: Subsequent to the above, Special Resolution was passed on 07th April 2026 for splitting of shares in a ratio of 1:50, reducing the Face Value from PKR 100 to PKR 2 in order to increase the number of Outstanding Shares of the Company and to enhance its liquidity upon listing.*

3A(vi). EMPLOYEE STOCK OPTION SCHEME

There is no Employee Stock Option Scheme in place by the Company.

3A(vii). RELATED EMPLOYEES

a) Related Employees of the Company, **Agro Processors & Atmospheric Gases Limited** are as follows:

S.No.	Name	Designation
1	Mr. Ahmad Aziz Ghulamhussain	Chief Executive Officer
2	Mr. Amyn	Chief Financial Officer
3	Mr. Adnan Owais	GM Finance, Operations and Company Secretary
4	Mr. Zubair Ghayur	GM Technical Operations & Supply chain
5	Mr. Shoaib Butt	GM Sales
6	Mr. Najiyeh Akbar	GM Marketing

**Source: Company*

b) Related Employees of the Consultant to the Issue, **KTrade Securities Limited** are as follows:

S. No.	Name	Designation
1	Mr. Mahmood Ali Shah Bukhari	Chief Executive Officer
2	Mr. Omar Salah Ahmed	Managing Director, Corporate Finance
3	Mr. Sheikh Zia ur Rehman	Executive Director Equity Sales
4	Mr. Fawad Basir	Head of Research
5	Mr. Ahmed Hanif Lakhani	Vice President
6	Mr. Danish Deedar Ali	Assistant Vice President
7	Mr. Syed Mustafa Kamal	Senior Analyst
8	Mr. Zain Mevawalla	Analyst

**Source: KTrade*

c) Related Employees of the Underwriter, **KTrade Securities Limited** are as follows:

S. No.	Name	Designation
1	Mr. Mahmood Ali Shah Bukhari	Chief Executive Officer
2	Mr. Omar Salah Ahmed	Managing Director, Corporate Finance

3	Mr. Sheikh Zia ur Rehman	Executive Director Equity Sales
4	Mr. Fawad Basir	Head of Research
5	Mr. Ahmed Hanif Lakhani	Vice President
6	Mr. Danish Deedar Ali	Assistant Vice President
7	Mr. Syed Mustafa Kamal	Senior Analyst
8	Mr. Zain Mevawalla	Analyst

**Source: KTrade*

d) Related Employees of the Underwriter, **Dawood Equities Limited** are as follows:

S.No	Name	Designation
1	Abdul Aziz Habib	Chief Executive Officer
2	Salman Yaqoob	Chief Financial Officer
3	Nabeel Arif	Chief Operating Officer

**Source: Dawood Equities Limited*

e) Related Employees of the Underwriter, **Sherman Securities (Pvt) Limited** are as follows:

S.No	Name	Designation
1	Muhammad Samin	Chief Executive Officer
2	Muhammad Umair Ansari	Chief Financial Officer
3	Muhammad Saad	Chief Operating Officer

**Source: Sherman Securities (Pvt) Limited*

f) Related Employees of the Underwriter, **Ismail Iqbal Securities (Pvt) Limited** are as follows:

S.No	Name	Designation
1	Ahfaz Mustafa	Chief Executive Officer
2	Junaid Haroon	Chief Financial Officer
3	Muhammad Zahid	Chief Operating Officer

**Source: Ismail Iqbal Securities (Pvt) Limited*

UNDERTAKING FROM THE SPONSORS OF THE ISSUER REGARDING IPO UTILIZATION

D072384

E-STAMP حکومتِ سندھ

SND-5340-695144115745 GoS-KHI-637D1BFB257C1B53

Non-Judicial **Rs 1,000/-**

Description	: Agreement or Memorandum of an Agreement - 3(a)(i)
Seller	: RAHEEL AHMAD ADV [42301-0000000-0]
Purchaser	: RAHEEL AHMAD ADV [42301-0000000-0]
Applicant	: RAHEEL [42301-0000000-0]
Stamp Duty Paid by	: RAHEEL AHMAD ADV [42301-0000000-0]
Issue Date	: 29-Jan-2026, 01:32:13 PM
Paid Through Challan	: 2026ACFF3B0D0E90
Amount in Words	: One Thousand Rupees Only

GHULAM HABIB LLB ADVOCATE HIGH COURT

Please Write Below This Line

You can verify your e-Stamp paper by scanning the QR code or online at www.estamps.gos.pk using the 'Verification Through Web' option.

Undertaking Sponsors of the Issuer

Dated: 14th April 2026

The Chief Executive
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

We, the undersigned on behalf of Agro Processors & Atmospheric Gases Limited do hereby state on solemn affirmation as under:

1. That we (i) Ahmed Aziz Ghulamhussain s/o Aziz Ghulamhussain bearing CNIC no.42301-1541304-7, resident of House No 15-A/2, Saba Avenue Street No 31, Dha Phase-V Ext, Karachi, Pakistan, (ii) Naheed Ahmed Ghulamhussain, w/o Ahmed Aziz Ghulamhussain bearing CNIC no.42301-1286785-2, resident of House No 15-A/2, Saba Avenue Street No 31, Dha Phase-V Ext, Karachi, Pakistan, (iii) Amyn s/o Abdul Aziz Rafiq bearing CNIC no.42301-7498793-1, resident of Flat No. F-40/7, House No. 6, Esmeralda Society Clifton, Karachi, Pakistan, (iv) Abdul Aziz Rafiq s/o Rafiq

Ghulam Hussain bearing CNIC no. 42301-2339624-9 resident of House No. F-40/7, Block 7, Clifton, Karachi, Pakistan, (v) Ameena Abdul Aziz Rafiq w/o Abdul Aziz Rafiq bearing CNIC no. 42301-1287830-2, resident of Plot 7/40-F, Block 7, Esmerlada Society, Karachi, Pakistan,, are the Sponsors and Major shareholders of M/s Agro Processors and Atmospheric Gases Limited (the "**Issuer**");

2. That the IPO proceeds of the Issuer shall be utilized as per the purpose disclosed in the Prospectus.

Ahmed Aziz Ghulamhussain
Chief Executive Officer

Abdul Aziz Rafiq
Chairman/Director

Naheed Ahmad Ghulamhussain
Director

Amyn
Chief Financial Officer

Ameena Abdul Aziz Rafiq
Sponsor

ATTESTED
GHULAM HABIB
B.A.LL.B., Advocate
OATH COMMISSIONER
Karachi-Pakistan

N057965

TWO HUNDRED RUPEES

200 Rupees

دو سو روپیہ

۲۰۰ روپیہ

Vendor Information:	Sale Register Serial No.:	161715	
Asif Hussain	Date of Issue:	10-07-2026	
42304-9274227-9	Paper Issue To:	Akram Azher Adv (NTN:0000597)	
GoS-KHI-33	Address:	Karachi	
Shop No.05, Brikished Street No 10 Gulistan-e-Johar	Purpose:	Bond	
Karachi	Contact No:	–	
	Challan No.:	20284AAE1BC35336	
	Date:	09-07-2026	

Please write below this line

You can verify your Stamp paper by scanning the QR code or online at www.estamps.gos.pk using "Verification Through Web"

Undertaking by Sponsors of the Issuer

Dated: 23rd July 2026

The Chief Executive
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

We, the undersigned on behalf of Agro Processors & Atmospheric Gases Limited do hereby state on solemn affirmation as under:

1. That we (i) Akber Rafiq s/o Abdul Aziz Rafiq bearing CNIC no. 42301-4218539-1, resident of House# 8-8/1, Khayban e shahbaz, phase 6, DHA, Karachi, Pakistan, (ii) Rabia Allana w/o Ghulamali P. Allana bearing CNIC no. 42301 0785622-2, resident of House# D-43/1, Block-5, Clifton, Karachi, Pakistan are the Sponsors and Major shareholders of M/s Agro Processors & Atmospheric Gases Limited (the "**Issuer**")
2. That the IPO Proceeds of the Issuer shall be utilized as per the purpose disclosed in the prospectus.

Akber Rafiq
Sponsor

Rabia Allana
Rabia Allana
Sponsor

ATTESTED
GHULAM HABIB
B.A., LL.B., Advocate
OATH COMMISSIONER
Karachi Pakistan

4. PRINCIPAL PURPOSE OF THE ISSUE AND FUNDING ARRANGEMENTS

4.1. PRINCIPAL PURPOSE OF THE ISSUE

The principal purpose of the Issue is to finance the following three strategic initiatives:

- capital expenditure on plant, machinery, civil works, and green energy infrastructure to expand the Company's oil and fats refining capacity;
- strengthening working capital to fund inventory procurement and support operations in the Company's targeted expansion markets; and
- investing in marketing and distribution to accelerate premium segment growth, unlock new geographies, and deepen consumer engagement across the brand portfolio

Particulars	Amount (PKR)	Percentage (%)
Plant & Machinery	767,498,449	41.32%
Civil Works – Infrastructure	305,008,763	16.42%
Utilities – Green Energy	330,000,000	17.76%
Total CAPEX (A)	**1,402,507,212**	**75.50%**
Investment in Procurement of Raw Material – Working Capital (B)	**187,000,000**	**10.07%**
Marketing & Advertisement – Opex (C)	**268,078,100**	**14.43%**
Total (A+B+C) = D	**1,857,585,312**	**100.00%**

**Source: Company*

Capital Expenditure:

Plant & Machinery:

The Company intends to allocate PKR 767.50 million towards the procurement and installation of plant and machinery, directed at expanding installed refining capacity, improving operational efficiency, and bringing key packaging formats in-house.

The largest component of this allocation is the upgrade of the existing refining line, including the Alfa Laval chemical refinery, Bleacher, and Deodorizer vacuum systems, to increase installed oil and fats refining capacity from approximately 90,000 MT to approximately 120,000 MT per annum, an increase of approximately 33.33%, supporting the Company's continuing growth and expansion plans.

The table below depicts the Company’s existing and planned post expansion capacities alongwith the historical capacity utilization for the last three (3) years:

S.No	Segment	Production Capacity (Pre-Expansion) (MT)	Production Capacity (Post-Expansion) (MT)
1	Vegetable Oil Refinery	90,000	120,000
2	Sauces Plant	5,000	5,000

**Source: Company*

S.No	Particular	FY23	FY24	FY25
1	Vegetable Oil Refinery – Actual Production (MT)	38,289	38,682	41,299
2	*Vegetable Oil Refinery – Capacity Utilization (%)*	*42.54%*	*42.98%*	*45.89%*
3	Sauces Plant – Actual Production (MT)	308	462	417
4	*Sauces Plant – Capacity Utilization (%)*	*6.17%*	*9.24%*	*8.34%*

**Source: Company*

In addition, through the installation of an Alfa Laval Economizer Heat Exchanger and integration of AI and automation, the Company intends to reduce energy consumption, automate production workflows, and improve quality monitoring across its manufacturing operations.

The Company also plans to bring its two largest and fastest-growing packaging formats, tin and PET bottles, in-house. This initiative is expected to improve packaging quality and reduce per-unit costs.

The entire capital expenditure on plant and machinery will be undertaken at the Company's existing manufacturing facility.

The table below presents the estimated savings resulting from the proposed upgradation and installation of plant and machinery:

Plant & Machinery	Unit	Estimated Savings** (PKR)
Deodorizer Vacuum system – DO3	Per MT	99
Deodorizer Vacuum system – DO2	Per MT	62
Economizer Heat Exchanger	Per MT	2,038
Bleacher	Per MT	675
AI and Automation	Per Annum	38,880,000
Tin Plate Plant	Per MT	1,250
Pet Bottle Plant	Per MT	451

**Source: Company*

***The estimated savings are based on management assumptions and are indicative in nature. Actual results may differ from the estimates.*

Civil works – Infrastructure:

To support its planned growth and expansion, the Company intends to undertake civil works for the development of warehousing facilities and storage tanks at an estimated cost of PKR 305.01 million. By replacing multiple external rented warehouses with consolidated storage, the Company will reduce rental and handling costs, streamline logistics, and increase overall storage capacity to support higher production volumes. The approximate annual savings from warehousing will amount to PKR 89,407,159, which may vary as this savings is based on management estimates. The installation of storage tanks will enable the Company to procure and store edible oil in advance during periods of favorable commodity pricing, while maintaining adequate inventory levels to support projected sales growth.

The capex for the establishment of warehouse and storage tanks will be undertaken at the Company’s existing manufacturing facility. Furthermore, no civil works is required for the upgradation of plant and machinery.

Utilities – Green Energy

The Company intends to invest PKR 330.00 million in green energy initiatives to reduce energy costs and improve operational sustainability. This includes the installation of a Biomass Boiler at the existing manufacturing plant of the Company with an estimated cost of PKR 300.00 million, enabling cost-effective steam generation through the utilization of organic waste generated during edible oil production. In addition, PKR 30 million has been allocated for the expansion of the Company's existing solar power infrastructure at its manufacturing facility from 0.5MW to 0.8MW, further reducing reliance on conventional energy sources. Together, these investments are expected to result in the following savings:

Plant & Machinery	Unit	Estimated Average Savings (PKR)
Enhancement of Solar Plant***	Per Annum	10,656,000
Biomass Boiler	Per MT	1,524

**Source: Company*

***The estimated savings are based on management assumptions and are indicative in nature. Actual results may differ from the estimates.*

****These savings are solely attributable to the increase in the solar plant’s capacity.*

Summary of Cost Savings Due to Planned CAPEX

	Capacity		Cost Per Ton		Savings	
	Pre-IPO	Post-IPO	Pre-IPO	Post-IPO	(PKR)	Unit
DO3	120 TPD	200 TPD	1,254	1,155	99	Per MT
DO2	80 TPD	120 TPD	1,881	1,819	62	Per MT
Economizer	80 TPD	200 TPD	5,539	3,501	2,038	Per MT
Bleacher	200 TPD	300 TPD	835	160	675	Per MT
Biomass Boiler	-	10 TPH	4,137	2,613	1,524	Per MT
Tin Plate	locally procured from third party	180 Tins/ Hr	-	-	1,250	Per MT

Pet Bottle	locally procured from third party	1,000 Pieces/ Hr	-	-	451	Per MT
Warehouse	Rented warehouse with 500 MT capacity	In-house warehouse with 1,000 MT capacity	-	-	89,407,159	Per Annum
AI-Automation	-	-	-	-	38,880,000	Per Annum
Solar	500 KWH	800 KWH	-	-	10,656,000	Per Annum

**Source: Company*

<u>Working Capital and Advertising & Marketing Expense:</u>

The Company plans to utilize PKR 187 million for inventory procurement to ensure product availability and support higher sales volumes as production capacity increases. The remaining PKR 268.08 million will be allocated towards marketing, distribution, and trade activation activities across the Company's target growth markets over the FY27 to FY28 period.

4.2. PROJECT COST AND SOURCES OF FUNDING

4.2.1. SOURCES OF FUNDS

The source of funding will be proceeds from the IPO. The Company plans to issue a total of 58,049,541 Ordinary Shares through IPO at a Floor Price of PKR 32.00/- per share to raise PKR 1,857,585,312/-.

Particular	Amount (PKR)	% of Total
Total Project Cost	**1,857,585,312**	**100%**
IPO Proceeds	**1,857,585,312**	**100%**
Utilization	**100%**	**100%**
Remaining Funds	**-**	**-**

**Source: Company*

4.2.2. PROJECT COST/ UTILIZATION OF IPO PROCEEDS

A detailed breakdown of the project cost along with its financing plan is provided below:

Particulars		Amount (PKR)	Sub Percentage (%)	% of Total Cost
Total Project Cost:				
Plant & Machinery	Deodorizer Vacuum system – DO3	15,000,000	1.95%	0.81%
	Deodorizer Vacuum system – DO2	12,000,000	1.56%	0.65%
	Economizer Heat Exchanger	72,355,554	9.43%	3.90%
	Bleacher	260,027,930	33.88%	14.00%
	AI and Automation	97,200,000	12.66%	5.23%
	Tin Plate Plant	15,000,000	1.95%	0.81%
	Pet Bottle Plant	60,904,018	7.94%	3.28%
	Upgradation of Existing Chemical Refinery	235,010,947	30.62%	12.65%
	Sub Total – Plant & Machinery (A)	**767,498,449**	**100.00%**	**41.32%**
Civil Works – Infrastructure	Warehouse	245,008,763	80.33%	13.19%
	Storage Tank	60,000,000	19.67%	3.23%
	Sub Total – Infrastructure (B)	**305,008,763**	**100.00%**	**16.42%**

Utilities - Green Energy	Enhancement of Existing Solar Plant	30,000,000	9.09%	1.61%
	Biomass Boiler	300,000,000	90.91%	16.15%
	Sub Total – Utilities (C)	**330,000,000**	**100.00%**	**17.76%**
Total – CAPEX	**Sub Total – CAPEX (A+B+C) = D**	**1,402,507,212**	**100.00%**	**75.50%**
Working Capital	Working Capital - Investment in Procurement of Raw Material	187,000,000	100.00%	10.07%
	Sub Total – Working Capital (E)	**187,000,000**	**100.00%**	**10.07%**
OPEX	Opex – Marketing & Advertisement	268,078,100	100.00%	14.43%
	Sub Total – OPEX (F)	**268,078,100**	**100.00%**	**14.43%**
Total Project Cost (D+E+F)		**1,857,585,312**	**100%**	**100%**

**Note: These costs are based on Management's best estimates, supplier quotations, past experiences, and market research. As of yet the Company has not executed any agreement for the above utilization and the cost may vary at the time of placing order.*

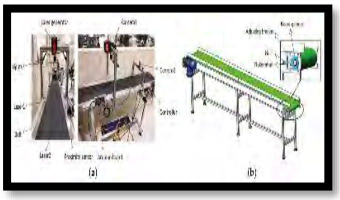
4.3. ADDITIONAL DISCLOSURES RELATING TO THE PURPROSE OF THE ISSUE

4.3.1. Plant & Machinery

Particulars	Qty	Total Amount (PKR)**	Duties, Taxes & Other Charges	Vendor	Expected Order Placement Date (FY)	Expected Date of Completion (FY)	Type	Foreign / Local	Expected Useful Life
Deodorizer Vacuum system – DO3	1	15,000,000	ST: 18% IT: 6% CD & ACD: 26%	To be finalized in due course	Quarter 1, 2027	Quarter 4, 2027	New	Foreign	10 Years
Deodorizer Vacuum system – DO2	1	12,000,000	ST: 18% IT: 6% CD & ACD: 26%	To be finalized in due course	Quarter 1, 2027	Quarter 4, 2027	New	Foreign	10 Years
Economizer Heat Exchanger	1	72,355,554	ST: 18% IT: 6% CD & ACD: 26%	To be finalized in due course	Quarter 1, 2027	Quarter 4, 2027	New	Foreign	10 Years
Bleacher	1	260,027,930	N/A	To be finalized in due course	Quarter 1, 2027	Quarter 4, 2027	New	Local	10 years
AI and Automation	NA	97,200,000	N/A	To be finalized in due course	Quarter 4, 2027	Quarter 2, 2029	New	Local	10 years
Tin Plate Plant	1	15,000,000	N/A	To be finalized in due course	Quarter 2, 2027	Quarter 4, 2027	New	Local	10 years
Pet Bottle Plant	1	60,904,018	ST: 18% IT: 6% CD & ACD: 26%	To be finalized in due course	Quarter 2, 2027	Quarter 4, 2027	New	Foreign	10 years
Upgradation of Existing Chemical Refinery	NA	235,010,947	ST: 18% IT: 6% CD & ACD: 26%	To be finalized in due course	Quarter 1, 2027	Quarter 4, 2029	Components required for the upgradation will be new	Foreign	10 years
Total		**767,498,449**							

**Source: Company*

***Installation and ancillary cost, Duties, Taxes & Other charges are included in amount. Where Prices for imported items are calculated based on an exchange rate of PKR 285 per USD and PKR 340 per EUR.*

Particulars	Specification	Description	Display
Deodorizer Vacuum system – DO3	200 TPD	Optimizes the vacuum system of the deodorizer for efficient odour and volatile removal in edible oil processing.	
Deodorizer Vacuum system – DO2	120 TPD	Optimizes the vacuum system of the deodorizer for efficient odour and volatile removal in edible oil processing.	
Economizer Heat Exchanger	200 TPD	To optimize the recovery of waste heat and improve overall thermal efficiency of the process.	
Bleacher	300 TPD	To optimize the process time, quality and utility consumptions	
AI & Automation	39 Cameras	AI-based solutions to automate workflows, improve decision-making, and enhance overall operational efficiency.	
Tin Plate Plant	180 Tins/hour	Tins manufacturing to produce high quality and food safe packaging for edible oils.	

			 
Pet Bottle Plant	1000 Pcs/hour	PET bottle manufacturing line for edible oils, ensuring high-quality, durable, and food safe packaging.	 
Chemical Refinery	N/A	Upgrading of existing 2-Stage Multi Mix Neutralization Plant from 200 TPD to 300TPD.	

**Source: Company*

4.3.2. Civil Works – Infrastructure

Particulars	Qty	Amount (PKR)	Contractor	Expected Start Date	Expected Date of Completion	Expected Useful Life
Warehouse	1	245,008,763	To be finalized in due course	Quarter 3, 2027	Quarter 4, 2029	10 Years
Storage Tanks	3	60,000,000	To be finalized in due course	Quarter 1, 2029	Quarter 4, 2029	20 Years
Total	**4**	**305,008,763**				

**Source: Company*

*** Cost to build one storage tank is PKR 20 Mn.*

Particulars	Specification	Description	Display

Warehouse	Storage Capacity= 1,000 MT Estimated Covered Area= 15,000 Sq Ft	Ensures efficient storage, material handling, and streamlined inventory control	 
Storage Tanks	1x 400 MT 2x 200 MT Total=800 MT	Storage tanks are used to safely store crude, semi-refined and refined edible oil.	

**Source: Company*

4.3.3. Utilities

Particulars	Amount (PKR)**	Duties, Taxes & Other Charges	Contractor	Expected Start Date	Expected Date of Completion	Type	Foreign/ Local	Expected Useful Life
Solar Plant	30,000,000	N/A	To be finalized in due course	Quarter 3, 2027	Quarter 2, 2028	New	Local	10 years
Biomass Boiler	300,000,000	ST: 18% IT: 6% CD & ACD: 26%	To be finalized in due course	Quarter 1, 2027	Quarter 4, 2028	New	Foreign	10 years
Total	**330,000,000**							

**Source: Company*

***Installation and ancillary cost, Duties, Taxes & Other charges are included in amount. Where Prices for imported items are calculated based on an exchange rate of PKR 285 per USD and PKR 340 per EUR.*

Particulars	Specifications	Description	Display
Solar Plant	0.3 MW	Solar power system to reduce energy costs and enhance renewable energy. The existing plant has a capacity of 0.5 MW which will be enhanced to 0.8 MW.	 
Biomass Boiler	10 TPH	To utilize organic waste for sustainable and cost-effective steam generation.	

**Source: Company*

The Company is currently in the process of obtaining quotations from various vendors and suppliers, and is in the advanced stages of awarding the relevant construction contracts. These arrangements are expected to be finalized in due course, following which the requisite agreements shall be executed with the respective counterparties. The Company confirms that its existing land holdings are adequate to accommodate the planned expansion and associated infrastructure requirements In case of any cost overruns, the Company's internal cash flows will be utilized to fund the cost overruns.

4.3.4. Working Capital – Investment in Procurement of Raw Material (OIL)

The Company plans to allocate PKR 187.00 million towards the procurement of raw materials, primarily edible oil, a significant portion of which is imported. Over the past three financial years, imported oil has accounted for an average of 56.84% of total oil purchases.

PKR	FY23	FY24	FY25
Oil Purchases - Import	6,145,333,389	6,388,491,631	10,210,400,751
Oil Purchases - Local	7,726,439,412	4,723,465,806	4,648,673,103
Total Oil Purchases	13,871,772,801	11,111,957,437	14,859,073,854
Oil Import - % of Total oil Purchases	44.30%	57.49%	68.71%

**Source: Company*

The table below sets out edible oil purchases, expressed in metric tonnes (MT):

(MT)	FY23	FY24	FY25	6MFY26	9MFY26
Canola Oil - Imported	353	342	6,484	1,305	2,542
Canola Oil - Local	4,466	5,830	1,346	60	1,164
Olive Oil Pomace	-	-	16	-	-
RBD Palm Oil - Imported	10,394	18,031	16,290	9,752	12,986
RBD Palm Oil - Local	970	570	512	-	-
RBD Palm Olein Oil - Imported	3,138	1,977	3,327	1,237	2,885
RBD Palm Olein Oil- Local	2,943	362	359	90	180
Soyabean Oil - Imported	5,719	1,990	3,437	2,245	2,245
Soyabean Oil - Local	6,686	9,329	6,145	8,713	12,025
Soyabean Oil Local Import	4,492	-	4,530	1,093	1,334
Total	**39,160**	**38,432**	**42,447**	**24,495**	**35,361**

**Source: Company*

Typically, each shipment or Letter of Credit (LC) covers approximately 250 MT of crude vegetable oil, with an estimated funding requirement of around PKR 80–90 million per shipment, depending on prevailing international oil prices. The proposed allocation will enable the Company to finance approximately two additional shipments at any given time. These funds will be utilized on a revolving basis throughout the year to settle LCs, thereby allowing multiple procurement cycles within a single financial year.

This enhanced procurement capacity will enable the Company to place bulk orders and secure more favorable pricing terms, including volume-based discounts. Based on management's past experience, such discounts are expected to result in savings of approximately 0.85% to 1.00% per cycle, which, when realized across multiple procurement cycles during the year, are anticipated to translate into meaningful cost efficiencies. Given the highly competitive nature of the industry, these savings will provide the Company with a stronger cost advantage, enabling it to improve margins while maintaining competitive pricing in the market.

4.3.5. Advertising & Marketing Expense

The Company plans to allocate the remaining funds amounting to PKR 268.08 million towards advertising and marketing initiatives. These efforts are aimed at strengthening brand awareness, enhancing market visibility, and supporting volumetric growth.

The table below sets out the Company's marketing strategy and related initiatives, together with a breakdown of the marketing and advertising budget.

Region	Strategic Objective	Key Marketing Initiatives	Examples	Budget Allocation	Amount (PKR)
Karachi (Market Leadership)	Sustain market leadership while building affinity with the next generation of consumers.	- Execute Large Modern Trade (LMT) consumer engagement campaigns through experiential activations, seasonal promotions and exclusive in-store programmes. - Launch youth-focused integrated campaigns across digital and social media platforms. - Develop lifestyle-led brand collaborations, influencer partnerships and creator content to enhance wellness relevance. - Build first-party consumer engagement through CRM, loyalty initiatives and data-driven marketing. - E-Commerce portal on the website	- LMT Weekend Offers - Always-on celebrity influencers - Partnerships with GenZ brands like Khaadi, Jazz & FoodPanda etc - Loyalty programs on E-Com - Wellness campaigns featuring nutritionists, fitness experts and chefs. - Soya Supreme Support Service exclusively for Women	30%	80,423,430
Central (Market Penetration)	Accelerate household penetration by increasing awareness, trial and retail visibility.	- Execute high-reach awareness campaigns across television, digital and outdoor media. - Conduct city-level consumer engagement events, food festivals, roadshows and clutter breaking community activations. - Launch large-scale trial generation programmes through product sampling, cooking demonstrations and experiential activations across various touchpoints. - Expand prominent retail branding, merchandising and point-of-sale visibility across general and modern trade.	- Out Of Home (OOH) such a Billboards etc & Bus Branding across major city routes - Geo targeted digital campaigns through conventional mediums like Youtube and Meta and unconventional platforms like Tapmad and Myco - Brand presence at high profile events like Basant & Eat Fests - Schools & Universities festivals - Mega in-store sampling and cooking demos for trial generation at LMTs - Large-scale community activations at key intersections such as	45%	120,635,145

		- Introduce introductory promotional offers, bundled purchases and seasonal consumer promotions to encourage brand switching. - Implement retailer incentive programmes to accelerate product availability and recommendation.	Raya - Consumer promotions at verious touchpoints for generating maximum trial - End-cap displays, branded aisles, checkout activations and category domination in LMT - Content Marketing campaigns like Soya Supreme Kitchen Makeover etc - Old city renovation Corporate Social Responsibility (CSR) campaign - Collaborations with Punjab Horticultural Authority (PHA) for various sponsorships across the region - Collaborations with DHA Lahore for city branding - Club Sponsorships		
North (Market Expansion)	Expand geographic reach and convert consumers from competitor brands by strengthening market coverage.	- Increase penetration into secondary cities, semi-urban markets and territories through targeted regional campaigns. - Strengthen distributor and retailer activation programmes to improve numeric and weighted distribution. - Deploy localized communication campaigns reflecting regional consumer preferences. - Execute competitive conversion programmes through trade incentives, product demonstrations and consumer promotions. - Enhance visibility through high-impact retail branding and regional outdoor media.	- Digital & Conventional OOH campaigns - Mobile cooking experience like Soya Supreme on Wheels - Trade incentive slab activity programs for increasing footprint - Distributor launch campaigns in newly penetrated districts to create immediate market buzz - Housing society and community activations featuring recipe contests, cooking challenges and product trials etc. - Restaurants & Cafe collabs with regional chefs - Retail visibility programme for General Trade including shop signs, counters, branded canopies and Point of Sale Material.	25%	67,019,525
Total				**100.00%**	**268,078,100**

**Source: Company*

4.4. IMPLEMENTATION SCHEDULE

Particulars	Start Date (FY)	Completion Date (FY)
Plant & Machinery		
Deodorizer Vacuum system – DO3	Quarter 1, 2027	Quarter 4, 2027
Deodorizer Vacuum system – DO2	Quarter 1, 2027	Quarter 4, 2027

Economizer Heat Exchanger	Quarter 1, 2027	Quarter 4, 2027
Bleacher	Quarter 1, 2027	Quarter 4, 2027
AI & Automation	Quarter 4, 2027	Quarter 2, 2029
Tin Plate Plant	Quarter 2, 2027	Quarter 4, 2027
Pet Bottle Plant	Quarter 2, 2027	Quarter 4, 2027
Upgradation of Existing Chemical Refinery	Quarter 1, 2027	Quarter 4, 2029
Civil & Works - Infrastructure		
Warehouse	Quarter 3, 2027	Quarter 4, 2029
Storage Tanks	Quarter 1, 2029	Quarter 4, 2029
Utilities		
Solar Plant	Quarter 3, 2027	Quarter 2, 2028
Biomass Boiler	Quarter 1, 2027	Quarter 4, 2028
Working Capital		
Procurement of Raw Material	Quarter 1, 2027	Quarter 4, 2027
OPEX		
Marketing & Advertisements	Quarter 1, 2027	Quarter 4, 2027

**Source: Company*

4.5. UTILIZATION OF EXCESS IPO FUNDS

If the Strike Price is set above the Floor Price of PKR 32.00/- per share, any additional funds raised will be utilized to further support the Company's working capital requirements, including the procurement of raw and packaging materials, maintenance of inventory levels, and funding of trade receivables.

Following below is a sensitivity analysis table for the working capital cycle of APAG.

Working Capital Estimates	FY24(A)	FY25(A)	FY26(F)	FY27(F)
Trade Debts - PKR Mn	2,481	2,256	3,054	3,682
Days in Receivables	56	48	49	47
Stock In Trade - PKR Mn	2,558	3,920	3,675	4,417
Days in Inventory	73	76	69	66
Trade & Other Payables - PKR Mn	2,420	2,787	2,854	3,586
Days in Payables	61	61	53	53

**Source: Company*

4(I). POST ISSUE MATTERS (REPORTING & EXIT OPPORTUNITY)

i. Post Issuance Reporting Requirements as per Regulation 16 of PO Regulations

Upon completion of the public offer the issuer, Agro Processors & Atmospheric Gases Limited shall:

a) Report detailed break-up of the utilization of the proceeds of the issue in its post issue quarterly/half-yearly and annual accounts (till the fulfilments of the commitments mentioned in the prospectus).
b) Submit a half yearly progress report and annual progress report reviewed by the auditor providing the status of the commitments mentioned in the prospectus to PSX till the fulfillment of the commitments mentioned in the prospectus as per the format given in regulation 16 of the PO Regulations.
c) Submit a final report reviewed by the auditor after the fulfillment of the commitments given in the prospectus.

ii. Exit Opportunity Mechanism as per Regulation 16(a) of PO Regulations

a) The Issuer shall not, at any time change the principal purpose of the issue as disclosed in the Prospectus.
b) In exceptional circumstances, the issuer may change the principal purpose of the issue subject to passing of special resolution and offering an exit opportunity to dissenting shareholders who have not agreed to the change in principal purpose of the issue as disclosed in the Prospectus.
c) Offering an exit opportunity shall also be mandatory where the principal purpose of issue was undertaken and thereafter funds were diverted to other purposes, which resulted in noncompletion of principal purpose of issue in a timely manner as disclosed in the prospectus.
d) The mechanism for an exit offer opportunity shall be as under:
   i. EOGM notice in respect of any change in the principal purpose of the issue as disclosed in the prospectus shall be given along with draft special resolution as required under the provisions of Companies Act, 2017.
   ii. Subject to approval of special resolution as defined in the Companies Act, 2017, the shareholders who have dissented against the special resolution and conveyed their dissent to the company secretary under intimation to PSX, shall be provided an opportunity to exit by offering a price per share, by the sponsors of the issuer that shall be highest of the following:
      1. Intrinsic value based on the latest available audited accounts;
      2. Weighted average closing price for last six preceding months
      3. offer price at which the shares were subscribed through IPO

The exit offer shall be executed by the sponsors with in a period of thirty days from the date of passing of special resolution.

4(A). VALUATION SECTION

4(A)(I). JUSTIFICATIONS GIVEN BY THE CONSULTANT TO THE ISSUE, IF ANY OR THE ISSUER IN SUPPORT OF THE OFFER/FLOOR PRICE AND THE PRICE BAND. THE JUSTIFICATION MUST INCLUDE APPROPRIATE VALUATION MODELS, INCLUDING THE DISCOUNTED CASH FLOW (DCF) MODEL, DIVIDEND DISCOUNT MODEL (DDM), AND/OR GORDON GROWTH MODEL (GGM).

Disclaimer:

THE OFFER PRICE/FLOOR PRICE AND PRICE BAND ARE SET BY THE ISSUER AND CONSULTANT TO THE ISSUE USING APPROPRIATE VALUATION MODELS, AND THAT THE COMMISSION AND THE SECURITIES EXCHANGE HAVE NEITHER ASSESSED NOR VALIDATED THE PRICING OR THE UNDERLYING VALUATION MODEL. THE COMMISSION AND THE SECURITIES EXCHANGE DO NOT ASSESS, VALIDATE OR ENDORSE THE PRICE OF A TRANSACTION, AS PRICING IS PURELY A FUNCTION OF MARKET FORCES; WHEREBY MINIMUM PRICE IS DETERMINED BY THE CONSULTANT TO THE ISSUE/ISSUER AND FINAL PRICE IS SET BY THE INVESTORS.

The Ordinary shares of APAG are being issued at Floor Price of PKR 32.00/- per share amounting to a premium of PKR 30.00/- per share to the Face Value of PKR 2.00/- per share. The Consultant to the Issue has reviewed the business performance of the Company and in their opinion the Floor Price of PKR 32.00/- per share is justified based on:

i. Price to Earnings Multiple Valuation

Price to Earnings Multiple – Valuation		
Pre-IPO Paid up Capital	PKR	657,894,800
Pre-IPO No. of Shares (Post Split)	No.	328,947,400
Face Value	PKR	2.00
Profit After Tax[37]	PKR	858,394,335
Earnings Per Share[38]	PKR	2.61
Floor Price	PKR	32.00
Price to Earnings (P/E)[39]	Multiple	12.26
Capital Available to Raise	PKR	1,857,585,312
Shares to be Offered	No.	58,049,541
Post IPO No. of Shares	No.	386,996,941
Post IPO Paid up Capital	PKR	773,993,882
EPS - Post IPO	PKR	2.22
Dilution	%	**15.00%**

ii. Valuation – Discounted Cash Flow (DCF)

Discounted Cashflow - Assumptions	
Risk Free Rate of Return[40]	12.31%
Market Risk Premium[41]	6.00%
Beta[42]	0.69

[37] PAT is based on TTM as at 31st March 2026.
[38] EPS is calculated based on TTM PAT as at 31st March 2026 divided by the post-split number of shares i.e. 328,947,400 shares
[39] P/E calculated based on TTM EPS as at 31st March 2026 and floor price.
[40] Risk Free Rate of Return is taken as 10-year PKRV rate as at 16th March 2026
[41] Market Risk Premium has been derived from the implied equity return over the past 20 years. which has averaged approximately 6.00% above the average long-term Govt bond yield.
[42] The equity beta for APAG has been calculated by using the weighted average five-year asset (deleveraged) beta of companies mentioned in the peer group analysis, and then re-leveraging it using APAG's debt-to-equity ratio.

Cost of Equity[43]	16.45%
Cost of Debt – (Pre-Tax)[44]	12.82%
Weight of Equity	84.11%
Weight of Debt	15.89%
Tax Rate	37.29%
WACC[45]	15.12%
Terminal Growth Rate[46]	3.50%

DCF (PKR Mn)	FY26(P)	FY27(P)	FY28(P)	FY29(P)	FY30(P)	FY31(P)	FY32(P)	Terminal Value
Free Cash Flow to Firm (FCFF)								
EBIT	1,677	2,359	3,248	4,068	5,052	6,155	7,473	
Effective Tax Rate	39%	37%	37%	37%	37%	37%	37%	
NOPAT	1,023	1,486	2,046	2,563	3,183	3,878	4,708	
Add: Depreciation	59	61	101	115	119	115	111	
Less: Capex	(31)	(823)	(373)	(355)	(48)	(50)	(47)	
Less: Change in WC	(535)	(680)	(598)	(628)	(886)	(1,010)	(1,312)	
FCFF	**516**	**44**	**1,176**	**1,695**	**2,368**	**2,932**	**3,460**	**30,829**
Present Value of FCFF	**503**	**37**	**864**	**1,082**	**1,313**	**1,412**	**1,447**	**12,894**
Year	0.19	1.19	2.19	3.19	4.19	5.19	6.19	6.19
Discount Factor	0.97	0.85	0.73	0.64	0.55	0.48	0.42	0.42

IPO Pricing Based on DCF (FCFF Schedule) (PKR Mn)	
Enterprise Value	19,552
Less: Interest Bearing Debt*	(1,885)
Add: Cash & Cash Equivalents*	324
Equity Value	**17,991**
No. of Shares – Post IPO (Mn)	387
Value per Share (PKR)	**46.49**

**As at 30th June 2025*

iii. Valuation – Dividend Discount Model (DDM)

Note: As the Company is currently undertaking significant capital expenditure (CAPEX) and is in a growth phase, available funds are expected to be primarily utilized to support expansion initiatives and enhance operational efficiencies. Accordingly, while the Company may declare modest dividends during the initial years, dividend-based valuation methodologies, including the Dividend Discount Model (DDM) and the Gordon Growth Model (GGM), may not be appropriate at this stage, as they may not accurately reflect the Company's intrinsic value.

[43] Cost of Equity is calculated using Capital Asset Pricing Model (CAPM)
[44] The cost of debt has been estimated using the average effective annual interest rate. The effective annual interest rate is calculated by dividing the annual interest expense by the average interest-bearing debt outstanding during the year
[45] Weighted Average Cost of Capital (WACC)= (cost of equity*weight of equity) + (cost of debt*weight of debt) * (1-tax rate)
[46] The long-term growth rate assumption is aligned with Pakistan's historical economic performance, where Gross Domestic Product (GDP) growth has averaged approximately 3.5% or higher over the past two decades.

4(A)(II). STRONG BRAND IMAGE

A key pillar of the Company's future demand outlook is the continued strength of its flagship brand, Soya Supreme, which has developed significant brand equity over several decades. The brand has maintained a strong presence in Pakistan's edible oil and banaspati market and continues to benefit from high consumer recall and loyalty.

The strength of the Soya Supreme brand is reflected in multiple industry recognitions. The Company has received Superbrands Awards (2007–08 and 2008–09), an internationally recognized branding distinction based on expert and consumer evaluation. Additionally, Soya Supreme Banaspati has received multiple Brand of the Year Awards from 2007 to 2011 consecutively, reflecting sustained consumer preference and product quality recognition. Further reinforcing its brand positioning, the Company has received Brands Icon of Pakistan Awards in the edible oil category across multiple years (from 2016 to 2018), as well as the Pakistan Consumer Loyalty Award (2018), highlighting strong consumer affinity and brand retention. These recognitions indicate enduring brand trust, which is a key driver of repeat purchases in staple food categories.

The Company has also received recognition in export and consumer-focused categories, including Export Brand of the Year (from 2007 to 2011 consecutively) and multiple consumer advocacy and CSR awards, reflecting the brand's broader acceptance across domestic and international markets. Such recognitions support the Company's positioning as a trusted brand within the edible oil category.

4(A)(III). POSITIVE SECTOR DYNAMICS

Pakistan's edible oil industry is underpinned by strong structural demand, driven by rapid population growth and evolving consumption patterns. With a population exceeding 241.5[47] million and expanding at a steady pace, demand for staple food products such as edible oils and banaspati continues to rise. As essential, non-discretionary household items consumed across all income segments, edible oils exhibit relatively inelastic demand. Ongoing urbanization, rising household formation, and improving income levels are further supporting higher per capita consumption, while the country's young demographic profile reinforces long-term demand sustainability.

The industry is also undergoing a gradual shift toward branded and packaged products, supported by increasing consumer awareness of quality, hygiene, and food safety standards. At the same time, growing health consciousness is shaping purchasing behavior, with rising demand for fortified and nutritionally enhanced edible oils, including canola and other healthier variants. These trends are driving product premiumization and favoring established players with strong brand equity, consistent quality, and robust distribution networks.

Additionally, the expanding foodservice (HORECA) sector is driving incremental demand for standardized, high-quality edible oil products, supporting overall industry growth and formalization.

4(A)(IV). CAPACITY ENHANCEMENT, OPERATIONAL EFFICIENCIES & EXPANSION STRATEGY

The Company plans to undertake capital expenditure to expand its existing production capacity and enhance operational efficiencies. The current installed capacity of the facility stands at 90,000 MT per annum and is expected to increase by 30,000 MT per annum to 120,000 MT per annum. In addition to capacity expansion, the planned CAPEX is expected to improve process efficiencies across the production cycle, resulting in cost savings at multiple stages of the manufacturing process. This enhanced capacity, coupled with improved efficiencies, will position the Company to effectively cater to the growing demand for edible oil in both local and international markets while strengthening its overall operational performance. The Company plans to undertake the following capex:

- Upgradation of Chemical Refinery, Bleacher Unit, Deodorizer Vacuum Systems and installation of Economizer Heat Exchanger: These initiatives are expected to enhance the Company's overall production capacity, enabling higher output volumes to support future growth. In addition, the upgrades are anticipated to improve process

[47] https://finance.gov.pk/survey/chapter_24/Highlights.pdf

efficiency by optimizing the consumption of key utilities, including electricity, steam, water, and gas, thereby driving cost efficiencies across the production cycle.

- Installation of Biomass Boiler and Expansion of Solar Plant: These initiatives reinforce the Company's commitment to green energy and sustainability, while generating long-term cost savings.
- Backward Integration of Tin Plate and PET Bottle Manufacturing: Establishing in-house packaging capabilities will strengthen supply chain resilience, reduce dependency on external suppliers, and further enhance cost efficiency.

Furthermore, the Company intends to expand its geographic footprint beyond its core southern markets into the central and northern regions of Pakistan, including Punjab, Khyber Pakhtunkhwa (KPK), and Gilgit-Baltistan. To support this expansion, the Company plans to invest in marketing and distribution initiatives aimed at improving product availability, strengthening brand presence, and increasing penetration in underserved and high-growth markets. The additional production capacity is expected to complement these efforts by supporting incremental volume growth across both new domestic markets and export channels, thereby enhancing the Company's long-term growth trajectory.

4(A)(V). DIVERSIFIED PRODUCT PORTFOLIO & CLIENTELE:

APAG boasts a well-diversified portfolio of edible oils and condiments, complemented by a broad and established customer base across consumer and industrial segments. The Company's edible oil offerings include cooking oils, banaspati, frying mediums, and industrial fats, marketed under prominent brands such as Soya Supreme, Malta, Smart, Supremo, Taqat and Champion, each tailored to different consumer segments, price points, and end-user requirements. To address the growing demand for healthier options, APAG has also introduced canola and olive cooking oil, while its products are available in a variety of packaging sizes to serve premium and value-conscious customers alike. In 2019, the Company expanded into the condiments segment, including ketchup, mayonnaise, and chicken spread, under the brand Smart, further diversifying its revenue streams.

APAG distributes its products through an extensive nationwide distribution network, serving approximately 300 distributors in the consumer/retail segment, and approximately 270 wholesalers in the bulk and industrial segment. Major bulk customers include Aga Khan University Hospital, Kababjees, BBQ Tonight, Karachi Club, Karachi Gym Khana, Pakistan Army, Serena Hotels, Domino's, Defence Housing Authority Offices, Cocochan and the World Food Programme, among others, while key distributors for the consumer segment include Imtiaz Group (Pvt) Limited, Metro Group, and Carrefour. This diversified product portfolio, combined with a well-established and varied customer base, positions APAG to capture growth across multiple channels, consumer tiers, and institutional markets, supporting long-term revenue stability and growth.

4(A)(VI). ROBUST FINANCIAL PERFORMANCE

	Units	FY21	FY22	FY23	FY24	FY25	CAGR
Sales	PKR Mn	10,340	13,751	17,495	15,361	18,072	14.98%
Gross Profit	PKR Mn	926	1,718	2,449	2,239	2,593	29.35%
Profit After Tax	PKR Mn	185	355	530	213	557	31.69%
Gross Margin	%	8.96%	12.49%	14.00%	14.57%	14.35%	-
Net Margin	%	1.79%	2.58%	3.03%	1.39%	3.08%	-
ROE	%	15.32%	17.57%	20.19%	7.23%	16.51%	-
ROA	%	3.62%	5.89%	7.82%	3.01%	7.18%	-

**Source: Company Financials*

The Company has demonstrated strong financial performance over the period, underpinned by consistent revenue growth and improving profitability. Sales increased from PKR 10,340 million in FY21 to PKR 18,072 million in FY25, translating into a CAGR of approximately 14.98%, reflecting sustained business expansion. Concurrently, gross margins expanded significantly from 8.96% in FY21 to above 14% in recent years, indicating improved cost efficiencies and pricing discipline.

At the bottom line, profit after tax grew from PKR 185 million in FY21 to PKR 557 million in FY25, registering a robust CAGR of approximately 31.69%. Net margins also improved materially over the period, reaching 3.08% in FY25, the highest level recorded, highlighting enhanced earnings quality and operational resilience despite interim volatility.

Return ratios further reinforce the Company's strong financial profile. ROE increased from 15.32% in FY21 to a peak of 20.19% in FY23, before moderating and recovering to 16.51% in FY25, while ROA followed a similar trend, reaching 7.18% in FY25. Overall, the Company's performance reflects strong growth momentum, margin expansion, and efficient capital utilization.

4(A)(VII). JUSTIFICATION

The proposed Floor Price of PKR 32.00/- per share, representing a premium of PKR 30.00/- over the face value of PKR 2.00/-, is supported by the Company's strong historical financial performance, established brand equity, and extensive market presence across Pakistan. The Company's growth outlook is underpinned by planned capacity enhancements, expected operational efficiencies, and an expanding customer base in both domestic and export markets, alongside favorable industry dynamics, which collectively support the sustainability of future earnings.

Furthermore, the Floor Price is further supported by the Discounted Cash Flow (DCF) methodology, which derives an equity value of PKR 46.49 per share, implying that the Company is being offered at a discount of approximately 31.17%. On a multiple basis, the Company is being offered at a P/E multiple of 12.26x which is materially lower than the food sector weighted average of 21.51x, indicating attractive entry pricing. Similarly, the Company's P/B multiple of 2.49x is significantly lower than the food sector weighted average of 9.26x, representing a discount of approximately 73.11%.

Applying the peer group average P/E multiple, the implied fair value of the Company is estimated at PKR 56.14 per share. This reflects a potential upside of approximately 25.31% over the maximum price of PKR 44.80 per share (being 40% above the Floor Price), and a potential upside of approximately 75.44% relative to the Floor Price. Accordingly, these valuation outcomes support the appropriateness of a price band of up to 40% above the Floor Price. Based on this, a price band of up to 40% over the Floor Price, resulting in a maximum price of PKR 44.80 per share, has been proposed.

4(A)(VIII). POST IPO FREE FLOAT DISCLOSURE

Post IPO, the share capital of APAG will increase from 328,947,400 Ordinary Shares to 386,996,941 Ordinary Shares. The free float status of APAG post IPO is provided hereunder:

Description	Number of Shares	% Shareholding	Total Free Float
Sponsors & Directors	214,990,100	55.55%	-
Other Shareholders	113,957,300	29.45%	29.45%
Public Offering	58,049,541	15.00%	15.00%
Total	**386,996,941**	**100.00%**	**44.45%**

**Source: Company*

4(A)(IX). PEER GROUP ANALYSIS

Company	Share Price[48] (PKR)	EPS[49] – TTM (PKR)	BVPS[50] (PKR)	P/E[51] (x)	P/B[52] (x)	Free Float (Shares in Mn)[53]	Free Float[54] (%)	ROA[55]	ROE[56]
National Foods Limited*	384.04	34.00	136.20	11.29	2.82	58.28	25.00%	14.50%	24.96%
Frieslandcampina Engro Pakistan Limited	103.03	4.51	24.55	22.85	4.20	76.66	10.00%	7.69%	18.37%

48 Share Price as at 22nd July 2026
49 EPS based on TTM PAT divided by Total No. of Outstanding Shares
50 Equity divided by Total No. of Outstanding Shares
51 P/E calculated based on price as at 22nd July 2026 divided by TTM EPS
52 P/B calculated based on price as at 22nd July 2026 divided by BVPS
53 Source: PSX Website (https://dps.psx.com.pk/)
54 Source: PSX Website (https://dps.psx.com.pk/)
55 ROA is calculated based on TTM PAT divided by Total Assets
56 ROE is calculated based on TTM PAT divided by Total Equity

Rafhan Maize Products Company Limited	9,204.59	715.93	3,377.80	12.86	2.73	1.39	15.00%	13.10%	21.20%
Unilever Pakistan Foods Limited	25,299.00	1,001.90	1,330.62	25.25	19.01	0.52	8.17%	29.88%	75.30%
Nestle Pakistan Limited	7,688.13	393.76	592.72	19.53	12.97	4.53	10.00%	17.16%	66.43%
At Tahur	30.61	2.73	29.91	11.20	1.02	65.59	30.00%	6.47%	9.14%
Big Bird Foods Limited	45.12	3.85	27.36	11.71	1.65	104.62	35.00%	9.15%	14.09%
Bunnys Limited	6.40	0.67	4.39	9.59	1.46	367.43	55.00%	8.56%	15.20%
Fauji Foods Limited	16.52	0.44	4.35	37.16	3.80	503.99	20.00%	5.26%	10.22%
Ismail Industries Limited	1,900.00	59.02	427.25	32.19	4.45	3.32	5.00%	2.99%	13.81%
Matco Foods Limited	41.71	4.34	89.05	9.60	0.47	42.84	35.00%	1.46%	4.88%
Mitchells Fruit Farms Limited	172.59	2.84	30.06	60.67	5.74	3.43	15.00%	2.80%	9.46%
Shezan International Limited	232.03	30.87	170.61	7.52	1.36	3.87	40.00%	6.15%	18.09%
The Organic Meat Company Limited	37.26	1.82	33.47	20.45	1.11	107.99	55.00%	4.80%	5.44%
Barkat Frisian Agro Limited	33.48	2.29	11.53	14.60	2.90	77.50	25.00%	16.02%	19.89%
Ghani Dairies Limited	18.12	1.20	12.39	15.08	1.46	107.30	25.00%	8.52%	9.69%
Wadhat Poultry Farm Limited	16.79	1.03	5.39	16.27	3.12	67.04	20.00%	11.88%	19.14%
Weighted Average Food Sector (x)				21.51	9.26				
Food Sector Median (x)				15.08	2.82				
KSE-100[57]				8.24	1.52				
Agro Processors & Atmospheric Gases Limited (Pre-Issue)	32.00[58]	2.61[59]	12.86[60]	12.26[61]	2.49[62]	-	-	9.64%	20.29%
Agro Processors & Atmospheric Gases Limited (Post-Issue)	32.00	2.22[63]	10.93[64]	14.41[65]	2.93[66]	172.01	44.45%	9.64%	20.29%

Note: Listed companies working in the food sector have been taken as comparable peers.
**PAT from continuing operations only.*

For the purpose of peer comparison, companies operating within the food segment of the Food & Personal Care Products sector of the Pakistan Stock Exchange have been considered as comparable companies. APAG has not been included in the Vanaspati & Allied sector because the Company’s business model is fundamentally different from the companies classified under the given sector. While Vanaspati & Allied companies primarily operate as upstream commodity processors supplying semi-refined edible oil and meal to industrial customers, APAG operates as a branded FMCG food company that creates value through refining, packaging, branding, marketing, and distributing finished consumer products to retail, HORECA, and bulk customers. Accordingly, APAG's financial performance is driven by brand equity, consumer demand, and distribution strength rather than commodity processing economics, making the Vanaspati & Allied sector an inappropriate peer group for comparison. The following company from Food & Personal Care sector have been excluded, due to reasons defined below:

- **Quice Food Industries Limited** — negative earnings on a trailing twelve-month basis.
- **Unity Foods Limited** — non-availability of recent financial information, the latest available accounts being for 1QFY25;
- **Goodluck Industries Limited** — negligible free float of 116 shares;
- **Al Shaheer Corporation Limited** — classified under the Non-Compliant Segment;
- **Clover Pakistan Limited, Colgate-Palmolive (Pakistan) Limited, ZIL Limited and Treet Corporation Limited** — not engaged in the food business;

[57] Source: Bloomberg, Date: 24/06/2026
[58] Agro Processors & Atmospheric Gases Limited Issue Price
[59] EPS based on TTM PAT as at 31st March 2026 and Pre-Issue No. of Shares i.e. 328,947,400
[60] BVPS based on Equity as of 31st March 2026 and Pre-Issue No. of Shares i.e. 328,947,400
[61] P/E based on Issue Price divided by TTM EPS (Pre-Issue)
[62] P/B based on Issue Price divided by BVPS (Pre-Issue)
[63] EPS based on TTM PAT as at 31st March 2026 and Post-Issue No. of Shares i.e. 386,996,941
[64] BVPS based on Equity as of 31st March 2026 and Post-Issue No. of Shares i.e. 386,996,941
[65] P/E based on Issue Price divided by TTM EPS (Post-Issue)
[66] P/B based on Issue Price divided by BVPS (Post-Issue)

5. RISK FACTORS

5.1. INTERNAL RISKS

5.1.1. Raw Material Import Dependency Risk

The Company's operations are dependent on crude vegetable oils as the principal input for its refining and manufacturing processes. During FY25, material consumed (oil, chemical and packaging) amounted to PKR 15.13 billion, representing approximately 95% of total cost of goods manufactured. Oil inputs alone accounted for approximately 87.62% of total cost of goods manufactured during the same period.

The Company's raw material base is fundamentally linked to international commodity and currency markets. All palm oil consumed in Pakistan is imported, whether procured directly by the Company or through local commercial importers. Soybean and canola oil are sourced through a combination of direct imports and local procurement from domestic solvent extraction facilities; however, these local processors themselves rely predominantly on imported oilseeds sourced from markets including the Americas, Canada, Ukraine, and Australia. As a result, virtually the entire raw material cost base is exposed to international commodity pricing and foreign exchange movements, regardless of whether procurement is conducted directly or through local intermediaries.

The Company's raw material procurement is therefore subject to global commodity price movements, international supply chain disruptions, foreign exchange fluctuations, shipping and logistics delays, and changes in trade policies of both exporting and importing countries. Any sustained increase in global vegetable oil or oilseed prices, disruption in the availability of key feedstocks from international sourcing markets, or adverse movement in the PKR against the USD may materially increase the Company's cost base and temporarily squeeze operating margins until pricing adjustments can be implemented across the Company's product portfolio.

5.1.2. Customer Concentration Risk

While the Company maintains a broad distribution network serving approximately 300 customers in the consumer segment and approximately 270 customers in the bulk and industrial segment, a meaningful portion of revenue is derived from a limited number of key accounts, particularly within the modern trade and institutional channels. In the local market, Imtiaz Group (Pvt.) Limited, Haris Enterprises Bulk & HORECA Group, and Metro Group contributed 9.99%, 3.53%, and 2.44%, respectively, to total local sales in FY25. Similarly, in international markets, Rayan Adnan Trading (Afghanistan) accounted for 73.05% of total export sales in FY25.

The loss of, or a material reduction in orders from, any of the Company's major customers, whether due to changes in procurement policy, competitive switching, or commercial disputes, could adversely affect revenue and profitability. For further details on customer composition, please refer to Section 3.10.1 of this Prospectus.

5.1.3. Vendor/Supplier Concentration Risk

In FY25, APAG sourced 52.56% of its total edible oil purchases from its top 5 vendors. Dependence on a limited number of suppliers heightens the Company's exposure to supply chain disruptions, price volatility and reduced bargaining power. Any operational or financial difficulties faced by key vendors could lead to production delays, increased costs and potential financial setbacks for the Company. For further details on vendor composition please refer to Section 3.14.1.

5.1.4. Liquidity and Working Capital Risk

The Company's operations require substantial working capital to support the procurement of imported crude vegetable oils, maintenance of raw material and finished goods inventory, and management of trade receivables. As of FY25, the Company reported a current ratio of 1.46x and a quick ratio of 0.52x[67]. Short-term borrowings stood at PKR 1.86 billion, reflecting the capital-intensive nature of raw material procurement cycles.

[67] Quick Ratio: (Trade Debts + Short Term Investments + Cash & Bank Balances) / Current Liabilities

The Company actively manages its liquidity position through banking facilities; however, any sustained tightening in credit availability, delays in receivable collections, or unfavorable shifts in procurement cycles could place pressure on the Company's short-term liquidity position.

5.1.5. Credit Risk

The Company extends trade credit to a diversified customer base across consumer, bulk, and industrial segments. As of FY25, trade debts stood at PKR 2.26 billion (FY24: PKR 2.48 billion), with receivable turnover at approximately 48 days.

Trade Debts (PKR)	FY23	FY24	FY25
Trade Debts**	2,246,394,523	2,481,125,068	2,256,454,705

**Source: Financial Statements*
***Net Trade Debts*

The concentration of receivables among key accounts and the general credit environment in Pakistan expose the Company to the risk of delayed payments or customer defaults, which could adversely affect cash flows and profitability.

Aging of Trade Receivables - PKR	FY23	FY24	FY25
Not yet due	1,299,680,618	1,541,806,094	1,170,833,452
Past due 1-30 days	449,744,130	596,561,958	880,733,175
Past due 31-60 days	275,433,137	207,554,011	291,731,698
Past due 61-90 days	184,662,506	128,195,749	10,352,157
Past due over 90 days	199,612,479	169,745,603	65,542,570
Gross Trade Debts**	**2,409,132,870**	**2,643,863,415**	**2,419,193,052**

**Source: Financial Statements*
***Gross Trade Debts*

5.1.6. Operational and Production Risk

The Company operates a single manufacturing facility located at F-392, Sindh Industrial Trading Estate (SITE), Karachi. All refining, processing, packaging, and dispatch operations are conducted from this site. Any disruption to operations at this facility, whether due to equipment malfunction, unplanned maintenance, fire, utility outage, natural disaster, or other unforeseen events, could materially impair production continuity and the Company's ability to fulfil customer orders. The Company does not currently maintain a secondary or backup production facility.

5.1.7. Food Safety and Product Liability Risk

The Company operates under internationally recognized food safety and quality management systems, including ISO 9001, ISO 14001, FSSC 22000, and Halal Certification, and maintains rigorous quality control protocols across its refining, processing, and packaging operations. Notwithstanding these controls, the food processing industry is inherently subject to risks associated with product quality incidents, recalls, or adverse regulatory findings. Any such event, whether originating within the Company's operations or from third-party inputs, could result in regulatory action, reputational damage, and financial losses.

5.1.8. Supply Chain and Logistics Risk

The Company depends on the uninterrupted transport of imported crude vegetable oils to its manufacturing facility and the efficient distribution of finished products to customers across Pakistan. Any disruption in port operations, road transport infrastructure, or warehousing logistics, whether due to strikes, fuel shortages, weather events, or other factors, could result in production delays, increased costs, and an inability to meet customer demand.

5.1.9. Pricing & Competitive Risk

APAG's branded edible oil products compete with both established national brands and loose, unbranded alternatives that offer a significant price advantage to consumers. The edible oil market in Pakistan is highly competitive, with participation from well-capitalized manufacturers including Dalda Foods, Mezan Group, Sufi Group, Habib Oil Mills, and others. Fluctuations in raw material costs may require the Company to increase product prices, potentially widening the price gap with unbranded alternatives and intensifying competition. Any inability to maintain competitive pricing while preserving margins could adversely affect demand, market share, and profitability.

5.1.10. Key Personnel Risk

The Company's operations and strategic direction are significantly influenced by its senior management and key personnel, including the founding family members who hold management positions. The loss of, or inability to retain or attract, qualified senior management, technical staff, or skilled labor in food manufacturing could disrupt operations, affect production efficiency, and impact the Company's ability to execute its growth strategy.

5.1.11. Negative Operating Cashflows

Unlike FY23 and FY24, the Company reported negative operating cash flows of PKR 296.58 million in FY25, primarily due to increased working capital requirements driven by higher stock-in-trade. This increase in inventory resulted from favorable procurement deals on raw materials, which allowed the Company to secure better pricing but temporarily raised inventory levels.

5.1.12. Regulatory Compliance Risk

As a company seeking listing on the Main Board of PSX, APAG will be subject to ongoing compliance requirements under the Securities Act 2015, the Companies Act 2017, the Listed Companies (Code of Corporate Governance) Regulations 2019, PSX Listing Regulations, and other applicable laws and regulations. Non-compliance with any applicable requirement may result in penalties, restrictions on trading, placement on the PSX Non-Compliant Segment, or in severe cases, suspension of trading or delisting from the Exchange.

5.1.13. Environment, Social, and Governance (ESG) Risk

Environmental, Social and Governance (ESG) considerations are becoming increasingly important to regulators, investors, customers, and other stakeholders. Evolving ESG-related laws, regulations, and disclosure requirements may require the Company to implement additional policies, systems, controls, and reporting processes, which could result in increased compliance and operating costs. Failure to comply with applicable ESG requirements or to meet stakeholder expectations regarding sustainability, environmental stewardship, social responsibility, and corporate governance could adversely affect the Company's reputation, regulatory standing, business operations, and financial performance.

5.1.14. Auditor’s Qualified Opinion

No qualification has been reported to date; however, any future qualification could affect investor confidence in the financial statements.

5.2. EXTERNAL RISKS

5.2.1. Foreign Exchange Risk

The Company is exposed to foreign exchange risk on both its import procurement and export revenue. Raw material imports, which constitute the majority of the Company's cost base, are denominated primarily in USD. Export revenues amounted to PKR 1.56 billion in FY25 (FY24: PKR 1.19 billion). Adverse movements in the PKR against the USD or other currencies may increase procurement costs, can temporarily compress export margins, and create volatility in cash flows and financial performance.

5.2.2. Commodity Price Volatility

The Company's cost of production is materially influenced by fluctuations in global commodity prices, particularly palm oil, soybean oil, canola oil, and other vegetable oil feedstocks. These prices are determined by international supply-demand dynamics, weather conditions in producing regions, trade policies, and macroeconomic factors. Unfavorable movements in commodity prices may increase the cost of production and, if not fully passed through to customers, could adversely impact gross margins and profitability.

5.2.3. Trade Policy and Tariff risk

The Company's raw material procurement and export operations are subject to prevailing trade policies, customs duties, and tariff structures. Changes in import duties on crude edible oils, export incentives, or trade restrictions imposed by Pakistan or its trading partners could increase input costs, reduce export competitiveness, or disrupt established supply chains. Any material adverse change in trade policy could affect the Company's cost structure and profitability.

5.2.4. Existence of Unbranded/ Loose Cooking Oil

The edible oil industry in Pakistan continues to face competition from unbranded and loose cooking oil, which is often sold at lower prices than branded products. The availability of such products may influence consumer purchasing decisions, particularly in price-sensitive market segments, and may limit the Company's ability to increase market share or pass on higher raw material costs. Although the Company competes by offering quality-assured, branded products, the continued presence of the unbranded segment may adversely affect its sales volumes, margins, and overall financial performance.

5.2.5. Interest Rate Risk

The Company's borrowings are subject to variable interest rates linked to KIBOR. As of FY25, the Company's total debt obligations comprised short-term borrowings of PKR 1.86 billion, long-term financing (including current portion) of PKR 30 million, and lease liabilities (including current portion) of PKR 70.46 million, with corresponding finance costs of PKR 448.55 million. Any increase in benchmark interest rates would raise the Company's borrowing costs and could adversely affect profitability and cash flows.

5.2.6. Macroeconomic and Inflationary Risk

The Company operates within the broader Pakistani macroeconomic environment, which has historically experienced periods of high inflation, currency depreciation, fiscal tightening, and subdued consumer spending. An economic slowdown, sustained inflationary pressure, or decline in consumer purchasing power could reduce demand for the Company's branded products, particularly in price-sensitive consumer segments, and adversely affect revenue, profitability, and growth plans.

5.2.7. Competition from Existing and New Entrants

The edible oil market in Pakistan is characterized by established competition from well-known brands with extensive distribution networks and strong consumer loyalty. The Company may face significant competitive pressure when expanding into new geographic markets, particularly in Punjab and northern regions where competing brands have established presence. Additionally, new entrants or capacity expansion by existing competitors may put pressure on market share, pricing flexibility, and margins.

5.2.8. Energy and Utility Cost Risk

The Company's manufacturing operations are dependent on uninterrupted supply of electricity and natural gas. The plant's electricity is supplied by K-Electric Limited, and natural gas is supplied by SSGC. Power and electricity cost amounted to PKR 98.92 million while gas charges amounted to PKR 193.01 million in FY25. The Company is exposed to the risk of tariff increases, supply disruptions, and load management measures imposed by utility providers. While the Company has installed a 0.5 MW solar power system and maintains backup generators, sustained increases in energy costs or prolonged supply disruptions could impact production efficiency and operating costs.

5.2.9. Global Agricultural and Climate Risk

The Company's raw material base is linked to global agricultural production cycles. Adverse climate events in key producing regions, including droughts or flooding in South America affecting soybean supply, weather disruptions in

Southeast Asia impacting palm oil output, or poor harvests in Canada and Ukraine affecting canola and sunflower seed availability, could reduce global supply, increase feedstock prices, and disrupt procurement timelines. Such events are beyond the Company's control and may materially affect input costs and supply continuity.

5.2.10. Political, Security and Law & Order Risk

The Company's operations, supply chains, and distribution networks may be disrupted by political instability, civil unrest, strikes, transport blockages, or deterioration in law-and-order conditions. Such events are beyond the Company's control and could lead to production interruptions, logistics delays, and reduced sales, potentially impacting revenue and profitability.

5.2.11. Geopolitical Risk

The Company is reliant on the import of key raw materials, primarily crude palm oil and soybean oil, for its manufacturing operations. Accordingly, its business may be affected by geopolitical events such as wars, political instability, trade disputes, international sanctions, and disruptions to global shipping routes. Such events may increase freight, insurance, and energy costs, resulting in higher procurement costs and delays in the supply of imported raw materials. They may also adversely affect the Company's export operations through logistical disruptions, restricted market access, and reduced demand in export markets.

Recent geopolitical tensions in the Middle East have disrupted global supply chains, leading to increased freight, fuel, and insurance costs. If these disruptions persist, they may further increase raw material prices and adversely affect the Company's profitability and export revenues. In addition, periodic border closures and trade disruptions between Pakistan and Afghanistan may hinder the Company's exports to regional markets. Consequently, any prolonged geopolitical instability could have a material adverse effect on the Company's business, financial condition, results of operations, and cash flows.

5.2.12. Pandemic & Force Majeure Risk

The Company's operations may be adversely affected by pandemics, natural disasters, or other force majeure events that disrupt supply chains, reduce workforce availability, or affect overall business activity. Such events are beyond the Company's control and may materially impact financial performance and project timelines.

5.3. PROJECT RELATED RISKS

5.3.1. Project Execution and Implementation Risk

The Company's planned expansion involves procurement and installation of plant and machinery, development of warehousing infrastructure, and establishment of a solar power facility across multiple workstreams. The Company intends to manage project execution internally and has not engaged a single EPC or turnkey contractor. Expansion activities are expected to be completed in phases through FY29.

As with any multi-workstream capital project, execution involves coordination across multiple vendors, contractors, and internal teams. Delays in procurement, installation, commissioning, or obtaining required approvals could extend project timelines and defer the realization of anticipated operational benefits.

5.3.2. Risk Relating to Finalization of Vendors/ Suppliers for the Project

The Company has not yet finalized the contractors for civil works or the vendors for the procurement and installation of plant and machinery for the proposed project. Any delay in the appointment of these contractors and vendors, or failure to finalize arrangements on commercially acceptable terms, may delay project execution, increase project costs, and postpone the commencement of commercial operations.

5.3.3. Project Cost Estimation Risk

The estimated capital cost for the Company's planned expansion has been prepared by management based on vendor quotations, market research, and past experience. Certain components of plant and machinery are to be imported and are therefore exposed to foreign exchange risk. As of the date of this Prospectus, formal agreements have not been executed for all items included in the expansion plan, and costs may vary at the time of order placement.

Any material deviation from current cost estimates, whether due to currency movements, changes in vendor pricing, increases in construction or installation costs, or unforeseen project requirements, could result in cost overruns that may necessitate additional funding.

5.4. CAPITAL MARKET & IPO RISKS

5.4.1. Undersubscription Risk

The Issue may be under-subscribed if investor demand is lower than anticipated. The Book Building process shall be cancelled if bids received are less than the number of shares allocated under the Book Building Portion, or if fewer than 40 bids are received. In such an event, bid money shall be refunded to investors in accordance with applicable regulations.

5.4.2. Share Price Volatility Risk

Post-listing, the market price of the Company's shares will be subject to fluctuations driven by the Company's financial performance, macroeconomic conditions, interest rate movements, commodity prices, regulatory changes, political developments, and general investor sentiment. There can be no assurance that the market price will remain at or above the Issue Price.

5.4.3. Forward Looking Statements

This Prospectus contains forward-looking statements regarding the Company's future financial performance, business plans, strategies, and expectations. These statements are based on management's current assumptions, estimates, and projections and involve known and unknown risks and uncertainties. Actual results may differ materially from those expressed or implied by such statements. Investors should not place undue reliance on forward-looking statements, which speak only as of the date of this Prospectus.

5.5. REGULATORY & TAXATION RISKS

5.5.1. Changes in Duties, Taxes or Regulatory Framework

The Company's operations are subject to prevailing customs duties, sales tax rates, income tax regulations, and other fiscal measures applicable to the edible oil and food processing sector. Any increase in duties on imported crude vegetable oils, changes to sector-specific concessions, or introduction of new levies may increase the Company's cost base. While such increases are generally passed through to consumers over time, there may be a transitional impact on margins. Changes in income tax rates or regulations would affect the Company's profitability in line with the broader corporate sector.

5.5.2. Pending Tax, Regulatory and Legal Proceedings

The Company is party to certain tax, regulatory and legal proceedings as disclosed in Section 8 of this Prospectus. While management believes that adequate provisions have been made where required, adverse outcomes in any pending or future proceedings could result in financial liability, penalties, or operational restrictions.

Note: To the best of our knowledge and belief, all risk factors applicable to the Issuer i.e. APAG have been disclosed.

5.6. CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE ISSUER

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

Date: 14th April 2026

The Chief Executive
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

We, being the Chief Executive Officer and Chief Financial Officer of Agro Processors & Atmospheric Gases Limited (the "**Issuer**") accept absolute responsibility for the disclosures made in this Prospectus. We hereby certify that we have reviewed this Prospectus and that it contains all the necessary information with regard to the listing of the shares of the Issuer on the Pakistan Stock Exchange Limited and constitutes full, true and plain disclosures of all material facts relating to the Company and the shares being offered through this Prospectus and that nothing has been concealed.

The information contained in this Prospectus is true and correct to the best of our knowledge and the opinions and intents expressed herein are honestly held. There are no other facts, the omission of which makes this Prospectus as a whole or any part thereof misleading.

For and on behalf of M/s Agro Processors and Atmospheric Gases Limited

Ahmed Aziz Ghulamhussain Chief Executive Officer Agro Processors and Atmospheric Gases Limited	Amyn Chief Financial Officer Agro Processors and Atmospheric Gases Limited

Registered Office & Factory:
F-392, S.I.T.E, Karachi-75700, Pakistan.
(92-21) 32575791, 32582855 & 32580307
(92-21) 32562487, 32560241
info@apag.com.pk

Sales & Marketing Office:
2nd Floor, C.G. House, 7-C, 21st Commercial Street,
Phase-II Ext., D.H.A., Karachi-75500 Pakistan
(92-21) 35882182, 35882138, 35889046
(92-21) 35803716

5.7. UNDERTAKING BY THE COMPANY AND ITS SPONSORS

M494768

Vendor Information:	Sale Register Serial No.:	42287	
Adnan	Date of Issue:	[illegible]	
42401-[illegible]	Paper Issue To:	SYED MAHMOOD ALI RIZVI ADV	
[illegible]		[illegible]	
Shop No. 19, Ruby Center Talpur Road, Boulton Market, Karachi		[illegible]	
	Address:	KARACHI	
	Purpose:	BOND	
	Contact No:	—	
	Challan No.:	[illegible]	
	Date:	[illegible]	

Please write below this line

You can verify your Stamp paper by scanning the QR code or online at www.estamps.gov.pk using "Verification Through Web"

GHULAM HABIB LLB ADVOCATE HIGH COURT

Date: 14th April 2026

Undertaking by the Company and its Sponsors

Agro Processors & Atmospheric Gases Limited and its sponsors undertake that:

1) Neither Issuer nor its directors, sponsor or substantial shareholder except for Danish Elahi and Fawad Anwar have been holding the office of the directors, or have been sponsors or substantial shareholders in any company:
   a. which had been declared defaulter by the Securities Exchange or futures exchange, or
   b. whose TRE Certificate has been cancelled or forfeited by the Exchange, PMEX or any other registered stock exchange of Pakistan that existed prior to integration of stock exchanges pursuant to Integration Order number 01/2016 dated January 11, 2016 issued by the Commission due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines etc.
2) Which has been delisted by the Exchange due to its non-compliance of any applicable provision of PSX Regulations.
3) None of the Sponsor, Major Shareholder, Directors or Management of the Company as well as the Company itself or its Associated Company / Entity have been found guilty of being engaged in any fraudulent activity. The Company has made full disclosure regarding any / or all cases in relation to involvement of the person named above in any alleged fraudulent activity i.e., pending before any Court of Law / Regulatory Body / Investigation Agency in or outside of the Country

For and on behalf of Agro Processors & Atmospheric Gases Limited and its Sponsors:

Ahmad Aziz Ghulamhussain
Chief Executive Officer/ Sponsor

Abdul Aziz Rafiq
Chairman/ Sponsor

Amyn
Chief Financial Officer/ Sponsor

Naheed Ahmad Ghulamhussain
Sponsor/ Non-Executive Director

Ameena Abdul Aziz
Sponsor

Safina Danish Elahi
Non-Executive Director

Fawad Anwar
Independent Director

Madiha Alam
Independent Director

GHULAM HABIB LLB
ADVOCATE HIGH COURT
Karachi-Pakistan

ATTESTED
GHULAM HABIB
B.A.LL.B. Advocate
OATH COMMISSIONER
Karachi Pakistan

N057963

TWO HUNDRED RUPEES

دو سو روپیہ

200 Rupees

۲۰۰ روپیہ

Vendor Information:

Sale Register Serial No.: 161713
Date of Issue: 10-07-2025
Paper Issue To: Akram Azhar Adv (NTN:0006597)
Address: Karachi
Purpose: Bond
Contact No: -
Challan No.: 2025AAE1BC05338
Date: 09-07-2025

Please write below this line

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Date: 23rd July 2026

Undertaking by the Company and its Sponsors

Agro Processors & Atmospheric Gases Limited and its sponsors undertake that:

1) Neither issuer nor its directors, sponsor or substantial shareholder except for Danish Elahi and Fawad Anwar have been holding the office of the directors, or have been sponsors or substantial shareholders in any company:
   a. which had been declared defaulter by the Securities Exchange or futures exchange, or
   b. whose TRE Certificate has been cancelled or forfeited by the Exchange, PMEX or any other registered stock exchange of Pakistan that existed prior to integration of stock exchanges pursuant to integration Order number 01/2016 dated January 11, 2016 issued by the Commission due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines etc.
2) Which has been delisted by the Exchange due to its non-compliance of any applicable provision of PSX Regulations.
3) None of the Sponsor, Major Shareholder, Directors or Management of the Company as well as the Company itself or its Associated Company / Entity have been found guilty of being engaged in any fraudulent activity. The Company has made full disclosure regarding any / or all cases in relation to involvement of the person named above in any alleged fraudulent activity i.e., pending before any Court of Law / Regulatory Body / Investigation Agency in or outside of the Country

For and on behalf of Agro Processors & Atmospheric Gases Limited and its Sponsors:

ATTESTED
GHULAM HABIB
B.A.LL.B. OATH COMMISSIONER
Karachi Pakistan

Rabia Allana

Akber Rafiq	Rabia Allana
Sponsor	Sponsor

5.8. STATEMENT BY THE ISSUER

Agro Processors & Atmospheric Gases Ltd.

Dated: 14-April-2026

The Chief Executive
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

On behalf of Agro Processors & Atmospheric Gases Limited or (the "Company"), We hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Prospectus and that whatever is stated in Prospectus and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of Agro Processors & Atmospheric Gases Limited

Agro Processors & Atmospheric Gases Ltd F-392, SITE KARACHI

Ahmad Aziz Ghulam Rajjo
Chief Executive Officer

Agro Processors & Atmospheric Gases Ltd F-392, SITE KARACHI

Amyn Rafiq
Chief Financial Officer

Registered Office & Factory:
F-392, S.I.T.E. Karachi-75700, Pakistan.
(92-21) 32575791, 32582855 & 32581307
(92-21) 32562487, 32560241
info@apag.com.pk

Sales & Marketing Office:
2nd Floor, C.G. House, 7-C, 21st Commercial Street, Phase-II Ext., D.H.A., Karachi-75500 Pakistan.
(92-21) 35882182, 35882138, 35889046
(92-21) 35803716

www.apag.com.pk

5.9. STATEMENT BY THE CONSULTANT TO THE ISSUE

KTRADE SECURITIES LIMITED

The Chief Executive
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dated: 20th May, 2026

Being mandated as the Consultant to the Issue to the Initial Public Offering of Agro Processors & Atmospheric Gases Limited through the Book Building mechanism, we hereby state on solemn affirmation that all material information as required under the Companies Act, 2017; the Securities Act, 2015; the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been to the best of our knowledge fully, fairly and plainly disclosed in the Prospectus and that whatever is stated in the Prospectus and the supporting documents is, to the best of our knowledge, true and correct.

We have examined the business model and audited financial statements of the issuer and based on the same, material information including the risks that would enable the investors to make an informed decision has been disclosed in the Prospectus.

For and on behalf of **KTrade Securities Limited**

Omar Salah Ahmed
Managing Director
KTrade Securities Limited

MAIN OFFICE | BRANCH OFFICE | BRANCH OFFICE | BRANCH OFFICE | BRANCH OFFICE | BRANCH OFFICE | BRANCH OFFICE

6. FINANCIAL INFORMATION

6.1. AUDITORS REPORT AS CERTIFICATE ON ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

The Board of Directors
Agro Processors and Atmospheric Gases Limited
F -392, S.I.T.E. Area,
Karachi.

June 15, 2026
AA-1083/26

AUDITOR'S CERTIFICATE ON ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AS REQUIRED UNDER CLAUSE 14 (i) OF SECTION 1 OF THE FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATIONS, 2017

Dear Sirs

We have been requested to provide you with a certificate on the annexed 'Statement of Issued, Subscribed and Paid-up Capital' (the Statement) of Agro Processors and Atmospheric Gases Limited (the Company) as required under clause 14(i) of Section 1 of the First Schedule to the Public Offering Regulations, 2017 (the Regulations) issued by the Securities & Exchange Commission of Pakistan.

Scope of Certificate

We understand that the management intends to issue a prospectus for the proposed public offer to be made by the Company in accordance with the aforementioned Regulations.

In connection with the above, clause 14(i) of Section 1 of the First Schedule to the Regulations prescribes the format of the prospectus for public offering of securities to be made by a Company under which the management is required to include a certificate from the Company's auditor on the issued, subscribed and paid-up capital thereof to be included within the prospectus.

Accordingly, we have been requested by the management to provide them with a certificate on the annexed Statement as at December 31, 2025 prepared by the management to be included in the prospectus for the proposed public offer which we have initialed for identification purposes.

Management Responsibility

It is the management's responsibility to prepare the Statement containing details about the issued, subscribed and paid-up capital of the Company as at December 31, 2025. It is also the responsibility of the management to provide all the details and information to the external auditors for the purposes of this certificate.

Page - 1

BDO

Auditor's Responsibility

Our responsibility is to certify the issued, subscribed and paid-up capital of the Company as at December 31, 2025 as per Clause 14 (i) of section 1 of the First Schedule to the Regulations, in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan.

Our verification was limited to the procedures as mentioned below:

- Traced the issued, subscribed and paid-up capital of the Company from its audited financial statements as at December 31, 2025 and
- Traced the issued, subscribed and paid-up capital of the Company from Form-3 filed with Securities & Exchange Commission of Pakistan (SECP) and share record as per members register as at December 31, 2025.

Restriction on use and distribution

This certificate is being issued as per Clause 14 (i) of section 1 of the First Schedule to the Regulations and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein and should not be construed as our opinion on the compliance with other requirements of the Regulations.

Yours faithfully,

BDO EBRAHIM & CO.
Chartered Accountants

Enclosed as above

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED

STATEMENT OF ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Issued, subscribed and paid-up capital	December 31, 2025 (Rupees)
6,578,948 ordinary shares of Rs. 100 each fully paid in cash	657,894,800
	657,894,800

Name of Shareholders

Name of shareholders	Number of shares	Rupees
Mr. Danish Elahi	1,578,949	157,894,900
Mr. Ahmad Aziz Ghulamhussain	1,208,308	120,830,800
Mr. Amyn	951,023	95,102,300
Mrs. Naheed Ahmad Ghulamhussain	900,609	90,060,900
Mr. Akbar Rafiq	2	200
Mr. Abdul Aziz Rafiq	1,033,194	103,319,400
Mrs. Safinah Danish Elahi	1	100
Mr. Sohail Ilahi	1	100
Mr. Mohammad Saleheen Siddique	315,985	31,598,500
Mr. Nasir Siddique	182,945	18,294,500
Mrs. Ameena Abdul Aziz	166,666	16,666,600
Mr. Sajid Siddique	159,055	15,905,500
Mrs. Rabia Allana	39,999	3,999,900
Mrs. Sadiqa Saleheen Siddique	31,999	3,199,900
Mr. Mohammad Din Siddique	10,009	1,000,900
Mr. Noor Muhammad	200	20,000
Mr. Rafiq Ghulamhussain	3	300
Total	**6,578,948**	**657,894,800**

Subsequent to December 31, 2025, the Company undertook a share split reducing the par value of its ordinary shares from PKR 100 to PKR 2 per share, increasing the number of shares proportionally, bringing the total issued, subscribed and paid-up capital to 328,947,400 shares. Further, share transfers have occurred. The details of the shareholders as at June 15, 2026 are tabulated as follows:

Issued, subscribed and paid-up capital as at June 15, 2026:

Description	Number of shares	Rupees
Ordinary shares of Rs. 2 each fully paid in cash	328,947,400	657,894,800

Shareholders as at June 15, 2026:

Name of shareholders	Number of shares	Rupees
Mr. Danish Elahi	78,947,450	157,894,900
Mr. Ahmad Aziz Ghulamhussain	60,415,398	120,830,796
Mr. Amyn	55,000,000	110,000,000
Mrs. Naheed Ahmad Ghulamhussain	45,030,450	90,060,900
Mr. Akber Rafiq	30,865,200	61,730,400
Mr. Abdul Aziz Rafiq	13,345,750	26,691,500
Mrs. Safinah Danish Elahi	50	100
Mr. Sohail Elahi	50	100
Mr. Fawad Anwar	1	2
Mrs. Madiha Alam	1	2
Mr. Mohammad Saleheen Siddique	15,799,250	31,598,500
Mr. Nasir Siddique	9,147,250	18,294,500
Mrs. Ameena Abdul Aziz	8,333,300	16,666,600
Mr. Sajid Siddique	7,952,750	15,905,500
Mrs. Rabia Allana	1,999,950	3,999,900
Mrs. Sadiqa Saleheen Siddique	1,599,950	3,199,900
Mr. Mohammad Din Siddique	500,450	1,000,900
Mr. Haji Noor Mohd Yaqoob Vayani	10,000	20,000
Mr. Rafiq Ghulamhussain	150	300
Total	328,947,400	657,894,800

Emphasis of Matter Paragraph:

We have included Emphasis of Matter paragraph in our Independent Auditor's Report dated March 30, 2026 on the financial statements of the Company, issued by us, for the period ended December 31 2025, which is reproduced as follows:

> "We draw attention to note 21.1 which provide details regarding legal cases related to issuance of right shares"

The note 21.1 of these financials is as follows:

> "One of the minority shareholders, Mr. Saleheen Siddiqui was creating a hindrance in the issuance of the right shares, so the Company filed a legal suit before the Honorable Sindh High Court.
>
> The Court ordered him to restrain from creating any hindrance in the issuance of the right share hence all the formalities were completed and Form-3 was submitted to SECP on June 03, 2021. The case has since been transferred to District Courts upon enactment of the Civil Courts Amendment Act 2025, however, the injection is still operating against Mr. Saleheen.

Further, Mr. Saleheen Siddique filed an appeal against the cancellation of the new director's appointment and all right shares issued at a premium is mala fide and void ab-initio, against which the Company received an interim Court order on June 04, 2021, to maintain the status quo in this regard because of which certified true copy from SECP was not issued to the Company.

This interim order with all stay applications filed by Mr. Siddiqui have since been dismissed by the Honorable High Court of Sindh vide its order dated August 07, 2025 whereas the interim order received on June 04, 2021 has also been vacated. Mr. Siddiqui challenged the aforesaid order through filing recalling and suspension applications but the same were also dismissed vide order dated August 13, 2025.

The Separate case has been filed on dated November 16, 2025 having case # JCM 50 of 2025 by Mr. Siddiqui. It is pertinent to note that JCM 50 has not yet been listed before the Honorable Court, and therefore, the Court is yet to adjudicate on the maintainability of the same.

All the cases are pending with the District Court and the Honorable Sindh High Court respectively for further hearing."

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6.2. AUDITOR CERTIFICATE ON BREAKUP VALUE PER SHARE

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED AUDITOR'S CERTIFICATE UNDER CLAUSE 14 (ii) OF SECTION 1 OF THE FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATIONS, 2017.

BDO

Tel: [illegible]
Fax: [illegible]
www.bdo.com.pk

[illegible]
Pakistan

The Board of Directors
Agro Processors & Atmospheric Gases Limited
Karachi.

May 19, 2026
AA 0973/26

AUDITORS' CERTIFICATE ON BREAK-UP VALUE PER SHARE AS AT DECEMBER 31, 2025 AS REQUIRED UNDER CLAUSE 14(ii) OF SECTION 1 OF THE FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATIONS, 2017

Dear Sirs

We have been requested to provide you with a certificate on the annexed Statement of Break- up value per share (the Statement) of Agro Processors and Atmospheric Gases Limited (the Company) as at December 31, 2025 as required under clause 14(ii) of Section 1 of the First Schedule to the Public Offering Regulations, 2017 (the Regulations) issued by the Securities & Exchange Commission of Pakistan.

Scope of Certificate

We understand that the management intends to issue a prospectus for the proposed initial public offer of shares to be made by the Company in accordance with the aforementioned Regulations.

In connection with the above, clause 14(ii) of Section 1 of the First Schedule to the Regulations prescribes the format of the prospectus for public offering of securities to be made by a Company under which the management is required to include a certificate from the Company's auditor on the break-up value per share thereof to be included within the prospectus.

Accordingly, we have been requested by the management to provide them with a certificate on the annexed Statement as at December 31, 2025 prepared by the management to be included in the prospectus for the proposed public offer which we have initialled for identification purposes.

Management Responsibility

It is the management's responsibility to compute the break-up value per share of the Company as at December 31, 2025 in accordance with the provisions contained in Technical Release (TR)-22 issued by the Institute of Chartered Accountants of Pakistan (ICAP) and to prepare the aforementioned Statement. It is also the responsibility of the management to provide all the details and information to the external auditors for the purposes of this certificate.

BDO

Auditor's Responsibility

Our responsibility is to provide the auditor's certificate on the accuracy of the break-up value per share of the Company as at December 31, 2025, as appearing in the annexed Statement, in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the ICAP. Our verification was limited to the procedures as mentioned below:

1. Traced the following as appearing in the Statement from the audited financial statements of the Company for the year ended December 31, 2025:

   a. Number of shares in issue as at that date
   b. Issued, subscribed and paid-up capital
   c. Unappropriated profit
   d. Share premium
   e. Surplus on revaluation of property, plant and equipment - net of tax

2. Checked the mathematical accuracy of the break-up value per share of the Company as at December 31, 2025; and

3. Reviewed the guidance provided in the TR-22 issued by the ICAP and ensured that the computations were in accordance therewith.

Certificate

Based on the procedures mentioned above, we certify the accuracy of the break-up value per share of the Company as at December 31, 2025, computed in accordance with the TR-22 issued by the ICAP as appearing in the annexed Statement.

Restriction on use and distribution

This certificate is being issued by us upon the request of the Company's management as required under Clause 14(ii) of Section 1 of the First Schedule to the Regulations for the purpose of inclusion in the prospectus and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein and the annexed Statement.

Yours truly

BDO EBRAHIM & CO.
Chartered Accountants

Page - 2

BDO Ebrahim & Co. Chartered Accountants

BDO

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF BREAK-UP VALUE PER SHARE
AS AT DECEMBER 31, 2025

Description	Ref	Amount (Rupees)
Issued, subscribed and paid-up capital	A	657,894,800
Unappropriated profit	B	2,035,767,477
Revaluation surplus on property, plant and Equipment	C	804,469,723
Share Premium	D	541,579,164
Total Shareholders' equity (including revaluation surplus on property plant and equipment)	E=A+B+C+D	4,039,711,164
Total Shareholders' equity (excluding revaluation surplus on property plant and equipment)	F=E-C	3,235,241,441
		Number of Shares
Number of ordinary shares issued	G	6,578,948
		Rupees
Break-up value per ordinary share of Rs 100/- each (including revaluation surplus on property plant and equipment) - Rupees	H=E/G	614.04
Break-up value per ordinary share of Rs 100/- each (excluding revaluation surplus on property plant and equipment) - Rupees	I = F/G	491.76

BDO

Subsequent to December 31, 2025, the Company undertook a share split reducing the par value of its ordinary shares from PKR 100 to PKR 2 per share bringing the total number of ordinary shares to 328,947,400. Based on the book value as of December 31,2025, the updated break-up value as per share is as follows:

Updated Break-up Value per Share:

Description	Ref	Amount (Rupees)
Issued, subscribed and paid-up capital	A	657,894,800
Unappropriated profit	B	2,035,767,477
Revaluation surplus on property, plant and Equipment	C	804,469,723
Share Premium	D	541,579,164
Total Shareholders' equity (including revaluation surplus on property plant and equipment)	E=A+B+C+D	**4,039,711,164**
Total Shareholders' equity (excluding revaluation surplus on property plant and equipment)	F=E-C	**3,235,241,441**
		Number of Shares
Number of ordinary shares issued	G	328,947,400
		Rupees
Break-up value per ordinary share of Rs 2/- each (including revaluation surplus on property plant and equipment) - Rupees	H=E/G	**12.28**
Break-up value per ordinary share of Rs 2/- each (excluding revaluation surplus on property plant and equipment) - Rupees	I = F/G	**9.84**

The revised break up value per share reflects the impact of the share split. This calculation is based on the book value as at December 31, 2025, adjusted for the updated share capital structure.

6.3. AUDITOR REPORT UNDER CLAUSE I OF SECTION II OF FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATIONS, 2017

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED AUDITOR'S CERTIFICATE UNDER CLAUSE 1 OF SECTION 2 OF THE FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATIONS, 2017.

BDO Ebrahim & Co. Chartered Accountants

BDO

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Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

The Board of Directors
Agro Processors and Atmospheric
Gases limited
Karachi.

May 13, 2026
AA-0831/26

AUDITOR'S CERTIFICATE AS REQUIRED UNDER CLAUSE 1 OF SECTION 2 OF THE FIRST SCHEDULE OF THE PUBLIC OFFERING REGULATIONS, 2017.

Dear Board members,

We have been requested to provide you with a certificate on annexed 'Statement of Financial Information' (the statements) of Agro Processors and Atmospheric Gases limited (the Company) for the six-month period ended December 31, 2025 and for the years ended June 30, 2025, June 30, 2024, June 30, 2023 as per Clause 1 of Section 2 of the First Schedule to the Public Offering Regulation, 2017 (the Regulations) issued by the Securities & Exchange Commission of Pakistan.

Scope of Certificate

Our engagement was undertaken for the purpose of inclusion of information in prospectus to be issued for Initial Public Offering as required under clause 1 of section 2 of the First Schedule of the Public Offering Regulations, 2017.

Management Responsibilities

It is the responsibility of the Company's management to prepare the Statements setting out the information required under the clause 1 of section 2 of the First Schedule to the Regulations and ensure its accuracy and completeness. It is also the responsibility of the management to provide all the details and information in this connection.

Auditor's Responsibilities

Our responsibility is to provide auditor's certificate on the accuracy of the information as appearing in the annexed Statements, in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below:

BDO Ebrahim & Co. Chartered Accountants

- traced the assets and liabilities of the Company as at December 31, 2025, June 30, 2025, June 30, 2024 and June 30, 2023 and the profits or losses of the Company for those years as appearing in the Statements "Annexure 'A' and 'B' respectively" from the audited financial statements of the Company for the respective period and years; and

- traced the details of dividend as appearing in the statement "Annexure 'C' by the Company during the six-month period ended December 31, 2025, and years ended June 30, 2025, years ended June 30, 2024 and June 30, 2023 from the audited financial statements of the Company for the respective period and years.

Certificate

Based on the procedures mentioned above, we state that:

- The financial statements of the Company for the six-month period ended December 31, 2025, years ended June 30, 2025, June 30, 2024 and June 30, 2023 were audited by us.

- In terms of the requirement as per Clause 1 of Section 2 of the First Schedule to the Regulations, and based on the audited financial statements, we certify that the assets and liabilities of the Company as at December 31, 2025, June 30, 2025, June 30, 2024 and June 30, 2023, the profits or losses and dividend as appearing in the Statements "Annexure 'A', 'B' and 'C' respectively" are accurate as per the audited financial statements of the Company for the respective period and years.

Restriction on use and distribution

The certificate is being issued in the capacity of statutory auditor of the Company on specific request of management of the Company for the purpose of inclusion of information in the prospectus to be issued for Initial Public Offering. This certificate is solely for the purpose set forth in the scope mentioned above and is not to be used or distributed for any other purpose without our prior written consent. This certificate is restricted to the facts stated herein.

Yours faithfully,

BDO EBRAHIM & CO.
Enclosed as above

SUMMARY OF ASSETS, LIABILITIES AND SHAREHOLDER'S EQUITY — ANNEXURE "A"

	Six-months period ended December 31,2025	Year ended June 30, 2025	Year ended June 30, 2024	Year ended June 30, 2023
ASSETS				
NON CURRENT ASSETS				
Property, plant and equipment	1,592,155,187	1,597,669,584	1,350,683,952	1,341,372,073
Capital work in progress	20,103,609	18,188,304	-	17,413,466
Long term loans	8,081,217	6,576,241	5,545,576	6,715,657
Long term deposits	18,526,824	16,813,862	14,424,666	13,523,966
Deferred taxation- net	48,861,103	36,883,099	22,066,600	104,521,389
	1,687,727,940	1,676,131,090	1,392,722,794	1,483,546,551
CURRENT ASSETS				
Stores and spares	11,297,189	9,006,603	10,684,424	5,941,478
Stock-in-trade	4,069,228,457	3,919,577,769	2,557,643,646	2,672,019,771
Trade debts	2,907,059,203	2,256,454,705	2,481,125,068	2,246,394,323
Short term investments	78,400,707	58,782,172	64,732,172	135,081,529
Loans and advances	51,925,919	41,231,504	60,339,728	31,222,921
Short term deposits and prepayments	67,201,627	62,260,642	60,720,173	45,014,763
Other receivables	8,796,501	125,059,757	3,212,548	135,189,394
Taxation - net	-	79,202,137	10,007,679	70,058,619
Tax refunds due from government	256,560,820	186,980,379	287,338,945	229,759,000
Cash and bank balances	166,536,385	150,817,468	32,658,895	159,105,259
	7,617,006,808	6,889,373,136	5,568,463,278	5,729,787,257
TOTAL ASSETS	9,304,734,748	8,565,504,226	6,961,186,072	7,213,333,808
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorised share capital				
10,000,000 (2025: 10,000,000) ordinary shares of Rs. 100/- each	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital	657,894,800	657,894,800	657,894,800	657,894,800
Capital reserve				
Share premium	541,579,164	541,579,164	541,579,164	541,579,164
Surplus on revaluation of property	804,469,723	805,632,206	653,601,567	656,593,189
	1,346,048,887	1,347,211,370	1,195,180,731	1,198,172,353
Revenue reserve				
Unappropriated profit	2,035,767,477	1,699,753,668	1,192,815,730	994,391,723
	4,039,711,164	3,704,859,838	3,045,891,261	2,850,458,876
NON - CURRENT LIABILITIES				
Long term loans	-	-	30,000,004	70,000,004
Lease liabilities against assets subject to finance lease	55,794,734	52,433,707	39,429,620	31,425,265
Staff retirement benefits	115,443,353	97,687,840	101,245,062	94,549,717
	171,238,087	150,121,547	170,674,686	195,974,986
CURRENT LIABILITIES				
Trade and other payables	3,059,238,494	2,786,852,144	2,419,759,528	1,938,802,932
Markup accrued	21,867,273	16,003,825	54,346,962	115,767,775
Short term borrowings	1,935,395,631	1,859,638,467	1,220,277,674	2,005,420,849
Current portion of long term loan	-	30,000,004	10,235,961	6,917,661
Current portion of lease liabilities against assets subject to finance lease	20,292,139	18,028,401	40,000,000	99,990,729
Taxation - net	56,991,961	-	-	
	5,093,785,497	4,710,522,841	3,744,620,125	4,166,899,946
TOTAL EQUITY AND LIABILITIES	9,304,734,748	8,565,504,226	6,961,186,072	7,213,333,808

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STATEMENT OF PROFIT OR LOSS

ANNEXURE "B"

	For the Six-months ended December 31, 2025	For the Year ended June 30, 2025	For the Year ended June 30, 2024	For the Year ended June 30, 2023
Sales - net				
Cost of sales	10,578,377,878	18,072,250,541	15,361,376,165	17,495,027,578
Gross profit	(8,820,909,768)	(15,478,990,682)	(13,122,688,540)	(15,045,537,924)
	1,757,468,110	2,593,259,859	2,238,687,625	2,449,489,654
Administrative expenses				
Selling and distribution expenses	(155,738,984)	(243,255,100)	(229,840,976)	(207,040,913)
Other charges	(776,537,665)	(1,143,828,124)	(1,077,308,864)	(994,481,204)
	(52,316,156)	(71,343,156)	(72,880,051)	(64,015,444)
	(984,592,805)	(1,458,426,380)	(1,380,029,891)	(1,265,537,561)
Operating profit	772,875,305	1,134,833,479	858,657,734	1,183,952,093
Finance cost	(117,420,087)	(448,552,906)	(382,787,451)	(396,961,412)
	655,455,218	686,280,573	475,870,283	786,990,681
Other income	17,962,222	239,382,926	29,900,541	63,500,223
Profit before levy and taxation	673,417,440	925,663,499	505,770,824	850,490,904
Levy	-	-	(40,873,867)	-
Profit before taxation	673,417,440	925,663,499	464,896,957	850,490,904
Taxation	(263,407,291)	(368,500,399)	(251,763,239)	(320,620,351)
Profit for the year	410,010,149	557,163,100	213,133,718	529,870,553

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ANNEXURE "C"

Details of Dividend for the Six-months ended December 31, 2025 and years ended June 30, 2025, June 30, 2024 and June 30, 2023

	For the Six-months ended December 31, 2025	For the Year ended June 30, 2025	For the Year ended June 30, 2024	For the Year ended June 30, 2023
	......Rupees......			
Dividend Payment	65,789,480	52,631,584	19,736,845	78,944,929
Dividend Declared	131,578,960	98,684,220	39,473,688	78,947,376

6.4. SHARIAH COMPLIANCE CERTIFICATE

Al-Hilal
Shariah Advisors

December 22, 2025

بسم الله الرحمن الرحيم

الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

SHARIAH COMPLIANCE OF AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED

We, Al-Hilal Shariah Advisors (Pvt.) Limited, have conducted the Shariah Compliance Screening of Agro Processors and Atmospheric Gases Limited, as requested by the Company, based on the audited financial statements for the year ended **June 30, 2025**, along with the unaudited financial statements for the 1st quarter ended **September 30, 2025** of the financial year 2025-2026, as provided by the Company's management.

We have thoroughly analyzed the financial statements in light of the Shariah screening criteria approved by our Shariah Supervisory Council inline with the prescribed thresholds of the Securities and Exchange Commission of Pakistan (SECP). Based on the information made available and our independent evaluation, we hereby certify that investment in the shares of Agro Processors and Atmospheric Gases Limited is Shariah compliant, and no evidence to the contrary has been identified.

Hence, it is resolved that investment in the shares of Agro Processors and Atmospheric Gases Limited is permissible.

Please note that this assessment has been conducted strictly in accordance with the Shariah Screening Criteria adopted by Al Hilal Shariah Advisors which is inline with the criteria prescribed by SECP. This evaluation reflects independent professional judgment of Al-Hilal Shariah Advisors based on the financial information and publicly available disclosures.

والله أعلم بالصواب، وصلى الله على نبينا محمد وعلى آله وصحبه و وبارك وسلم وبارك وسلم عليه

Mufti Irshad Ahmed Aijaz
Chairman
Shariah Supervisory Council

AL-HILAL SHARIAH ADVISORS (PVT) LTD. KARACHI

Faraz Younus Bandukda, CFA
Chief Executive

Al-Hilal Shariah Advisors (Pvt) Limited
[illegible]

6.5. LATEST AUDITED ACCOUNTS AS AT 31st December 2025

BDO

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Lakson Square, Building No. 1
Sarwar Shaheed Road
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Pakistan

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed special purpose financial statements of Agro Processors and Atmospheric Gases Limited (the Company), which comprise the statement of financial position as at December 31, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the six-month period then ended, and notes to the financial statements, including material accounting policies information 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, the statement of profit or loss, the statement of 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, 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, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the six-month period then ended in accordance with the financial reporting frame work as described in note 2.1 to the Special Purpose Financial Statements.

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.

Emphasis of matter

1. We draw attention to note 3.1 to the financial statements which describe the basis for preparation of the financial statements and its intended use. These financial statements have been prepared to meet the requirements of initial public offering. As a result, the financial statement may not be suitable for any other purpose.

2. We draw attention to note 21.1 which provide details regarding legal cases related to issuance of right shares.

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Our opinion is not modified in respect of these matters.

Other matter

The comparative figures in the statement of profit or loss, statement of comprehensive income, statement of changes in equity, and statement of cash flows for the six-month period ended December 31, 2024, and the related explanatory notes are unaudited.

Our opinion is not modified in respect of this matter.

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 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.

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- 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.

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) the statement of financial position, the statement of profit or loss, the statement of 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 six-month period were for the purpose of the Company's business; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: 3 0 MAR 2026

UDIN: AR202510067TPcoiqQ7m

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
SPECIAL PURPOSE STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Note	December 31, 2025 (Audited)	June 30, 2025 (Audited)
		Rupees	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	1,592,155,187	1,597,669,585
Capital work in progress	7	20,103,609	18,188,304
Long term loans	8	8,081,217	6,576,241
Long term deposits	9	18,526,824	16,813,862
Deferred taxation- net	10	48,861,103	36,883,099
		1,687,727,940	1,676,131,091
CURRENT ASSETS			
Stores and spares		11,297,189	9,006,602
Stock-in-trade	11	4,069,228,457	3,919,577,769
Trade debts	12	2,907,059,203	2,256,454,705
Short term investments	13	78,400,707	58,782,172
Loans and advances	14	51,925,919	41,231,504
Short term deposits and prepayments	15	67,201,627	62,260,642
Other receivables	16	8,796,501	125,059,757
Taxation - net	17	-	79,202,137
Tax refunds due from government	18	256,560,820	186,980,379
Cash and bank balances	19	166,536,385	150,817,468
		7,617,006,808	6,889,373,135
TOTAL ASSETS		9,304,734,748	8,565,504,226
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
10,000,000 (2025: 10,000,000) ordinary shares of Rs. 100/- each	20	1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital	21	657,894,800	657,894,800
Capital reserve			
Share premium		541,579,164	541,579,164
Surplus on revaluation of property	22	804,469,723	805,632,206
		1,346,048,887	1,347,211,370
Revenue reserve			
Unappropriated profit		2,035,767,477	1,699,753,668
		4,039,711,164	3,704,859,838
NON - CURRENT LIABILITIES			
Lease liabilities against assets subject to finance lease	24	55,794,734	52,433,707
Staff retirement benefits	25	115,443,353	97,687,840
		171,238,087	150,121,547
CURRENT LIABILITIES			
Trade and other payables	26	3,059,238,494	2,786,852,144
Markup accrued	27	21,867,273	16,003,825
Short term borrowings	28	1,935,395,631	1,859,638,467
Current portion of long term loan	23	-	30,000,004
Current portion of lease liabilities against assets subject to finance lease	24	20,292,139	18,028,401
Taxation - net	17	56,991,961	-
		5,093,785,497	4,710,522,841
TOTAL EQUITY AND LIABILITIES		9,304,734,748	8,565,504,226
CONTINGENCIES AND COMMITMENTS	29		

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

CHIEF EXECUTIVE OFFICER **DIRECTOR**

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
SPECIAL PURPOSE STATEMENT OF PROFIT OR LOSS
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2025

	Note	SIX-MONTH PERIOD ENDED December 31, 2025 (Audited)	2024 (Un-Audited)
		------- Rupees	-------
Sales - net	30	10,578,377,878	8,840,468,372
Cost of sales	31	(8,820,909,768)	(7,555,315,657)
Gross profit		1,757,468,110	1,285,152,715
Administrative expenses	32	(155,738,984)	(120,364,472)
Selling and distribution expenses	33	(776,537,665)	(673,381,175)
Other charges	34	(52,316,156)	(26,792,031)
		(984,592,805)	(820,537,679)
Operating profit		772,875,305	464,615,036
Finance cost	35	(117,420,087)	(272,778,518)
		655,455,218	191,836,518
Other income	36	17,962,222	141,333,575
Profit before taxation		673,417,440	333,170,093
Taxation	37	(263,407,291)	(147,403,070)
Profit for the period		410,010,149	185,767,023

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
SPECIAL PURPOSE STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2025

	Note	2025 (Audited)	2024 (Un-Audited)
		Rupees	
Profit for the period		410,010,149	185,767,023
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Remeasurement (loss) / gain of defined benefit obligation	25.1	(13,196,257)	2,866,918
Impact of deferred tax		3,826,915	(831,406)
		(9,369,342)	2,035,512
Total comprehensive income for the period		400,640,807	187,802,535

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2025

	Issued, subscribed and paid-up capital	Capital Reserve		Unappropriated profit	Total
		Share premium	Surplus on Revaluation of property		
	------	------	Rupees	------	------
Balance as at July 01, 2024 (Audited)	657,894,800	541,579,164	653,601,567	1,192,815,730	3,045,891,261
Total comprehensive income for the year					
Profit for the year	-	-	-	185,767,023	185,767,023
Remeasurement of defined benefit liability - net of deferred tax	-	-	-	2,035,512	2,035,512
Transferred from surplus on revaluation of property on account of incremental depreciation - net of deferred tax	-	-	(2,991,622)	2,991,622	-
Total comprehensive income for the six-month period	-	-	(2,991,622)	5,027,134	2,035,512
Transactions with owner					
Final dividend for the year ended June 30, 2023 at Rs. 3 per share	-	-	-	(19,706,112)	(19,706,112)
Balance as at December 31, 2024 (Un-Audited)	657,894,800	541,579,164	650,609,945	1,363,903,775	3,213,987,684
Balance as at July 01, 2025 (Audited)	657,894,800	541,579,164	805,632,206	1,699,753,668	3,704,859,838
Total comprehensive income for the six-month period					
Profit for the six-month period	-	-	-	410,010,149	410,010,149
Remeasurement of defined benefit liability - net of deferred tax	-	-	-	(9,369,342)	(9,369,342)
Transferred from surplus on revaluation of property on account of incremental depreciation - net of deferred tax	-	-	(1,162,483)	1,162,483	-
	-	-	(1,162,483)	(8,206,860)	(9,369,342)
Transactions with owner					
Final dividend for the year ended June 30, 2024 at Rs. 8 per share	-	-	-	(65,789,480)	(65,789,480)
Balance as at December 31, 2025 (Audited)	657,894,800	541,579,164	804,469,723	2,035,767,477	4,039,711,164

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

CHIEF EXECUTIVE OFFICER **DIRECTOR**

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
SPECIAL PURPOSE STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2025

	Note	2025 (Audited)	2024 (Un-Audited)
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		673,417,440	333,170,093
Adjustment for non cash and other items:			
Gratuity	25	15,840,630	12,517,994
Depreciation	6	28,518,395	28,302,312
Gain on disposal of fixed assets	36	(7,109,082)	(58,342)
Sindh Workers' Profit Participation Fund	34	36,274,167	17,997,511
Sindh Workers' Welfare Fund	34	14,509,667	7,199,004
Bad debt expense		1,282,064	-
Finance costs		117,420,087	272,778,518
		880,153,368	671,907,090
(Increase) / decrease in current assets			
Stores and spares		(2,290,587)	(8,345,208)
Stock in trade		(149,650,688)	(392,130,474)
Trade debts		(650,604,498)	19,742,450
Loan and advances		(10,694,415)	33,400,618
Tax refunds due from government		(69,580,441)	100,358,566
Short term deposits and prepayments		(4,940,985)	(3,542,753)
Other receivables		116,263,256	(128,783,721)
Increase in current liability			
Trade and other payables		291,642,876	388,402,672
Cash generated from operations		400,297,886	681,009,240
Finance costs paid		(111,556,639)	(176,491,077)
Gratuity paid		(11,281,374)	(15,642,584)
Sindh Workers' Profit Participation Fund - paid		(49,850,333)	(28,932,543)
Sindh Workers' Welfare Fund - paid		(19,940,133)	(11,573,018)
Taxes paid		(135,364,282)	(185,933,472)
Net cash generated from operating activities		72,305,125	262,436,546
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure - paid		(10,007,481)	(84,577,256)
Acquisition of intangible - paid	7	(1,915,305)	(14,244,164)
Proceeds from sale of vehicles		9,000,000	2,448,000
Long term loans and deposits		(3,217,938)	(2,766,504)
Purchase of short term investments		(19,618,533)	(12,956,829,740)
Net cash (used in) investing activities		(25,759,257)	(13,055,969,664)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(30,000,004)	(20,000,000)
Repayment of lease liabilities against assets subject to finance lease		(10,896,775)	(6,145,716)
Dividend paid		(65,687,339)	(19,706,112)
Short term borrowings		549,995,149	174,158,670
Net cash inflows from financing activities		443,411,031	128,306,842
Net increase / (decrease) in cash and cash equivalents		489,956,899	(12,665,226,276)
Cash and cash equivalent at beginning of the year		(1,559,395,391)	(862,618,783)
Cash and cash equivalent at end of the year	39	(1,069,438,492)	(13,527,845,059)

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2025

1 STATUS AND NATURE OF BUSINESS

1.1 The Company was incorporated in Pakistan on September 25, 1980 as a private limited company under Companies Act, 2017. On February 11, 2021 the Company changed its status from private company into a public company. The Company is mainly engaged in manufacturing and selling of vegetable ghee, cooking oil, allied items and substances.

1.2 JCR - VIS Credit Rating Company Limited has upgrade A- and A-2 ratings to the Company for long term and short term, respectively on October 20, 2025.

2 GEOGRAPHICAL LOCATION AND ADDRESS OF BUSINESS UNIT

The registered office of the Company is situated at F/392, S.I.T.E., Karachi.

3 BASIS OF PREPARATION

3.1 These special purpose financial statements have been prepared by the management for the initial public offering purpose .

3.2 As these are special purpose financial statements, therefore, these may not contain full disclosure as required under the applicable financial reporting framework.

3.3 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 (IFRS Standards) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.4 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies to the financial statements.

3.5 Functional and presentation currency

These Financial statements are prepared in Pakistani Rupees, which is the Company's functional and presentation currency.

3.6 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make estimates, assumptions and use judgment that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision. Areas where judgments and estimates made by the management that may have a significant effect on the amounts recognized in the financial statements are included in the following notes:

	Note
- Useful lives of property, plant and equipment ;	5.1 & 6
- Valuation of stores and spares and stock-in-trade ;	5.3, 5.4 & 11
- Provision for expected credit loss ;	5.9.2 & 12
- Staff retirement benefit - gratuity scheme ;	5.6 & 25
- Taxation	5.7 & 38
- Contingencies	5.10 & 29

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the six-month period ended December 31, 2025

There are certain amendments to the published accounting and reporting standards that are mandatory for the Company's annual accounting period beginning on July 01, 2025. However, these do not have any material impact on the Company's financial information and, therefore, have not been detailed in this special purpose financial statements.

4.2 New accounting standards, amendments and interpretations that are not yet effective

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's annual accounting periods beginning on or after January 1, 2026, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these special purpose financial statements.

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and

- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities

5 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policy is applied in the presentation of these financial statements are set out below. These policies have been consistently applied for the year presented, unless otherwise stated.

5.1 Property, plant and equipment

a) Owned

Property, plant and equipment except lease hold land, building and plant and machinery are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Land, building and plant and machinery are stated at revalued amount less accumulated depreciation and accumulated impairment loss, if any.

Cost includes expenditure that is directly attributable to the acquisition and bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

All expenditure incurred during installation and construction period are carried under capital work in progress. These will be transferred to operating fixed assets upon commencement of commercial operations.

Depreciation is charged to income applying the reducing balance method at the rates specified in relevant note. Full month's depreciation is charged in the month of addition, whereas, no depreciation is charged in the month of disposal.

Fixed assets' residual values, if significant and their useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Incremental depreciation charged for the year on revalued assets is transferred from surplus on revaluation of property, plant and equipment to retained earnings during the year.

Repair and maintenance costs are charged to the statement of profit or loss as and when incurred. Major renewals and improvements are capitalized if criteria are met, and the assets so replaced, if any, are disposed.

Gains and losses on disposal of property, plant and equipment are taken to the statement of profit or loss, and the related surplus on revaluation is transferred directly to unappropriated profit.

b) Right-of-use asset - Leased

The right of use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

The right of use assets is subsequently depreciated using the reducing balance method from the date of recognition to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as disclosed in note 6 of financial statements.

c) Lease Liability

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate. Subsequently lease liabilities are measured at amortized cost using the effective interest rate method.

Subsequently lease liabilities are measured at amortized cost using the effective interest rate method. It is measured,when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets, or is recorded in profit or loss if the carrying amount of the right-of-use assets has been reduced to zero.

d) Short term leases

Short term leases including Ijarah financing where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to statement of profit or loss on a straight-line basis over the lease/ijarah term unless another systematic basis is representative of the time pattern of the Company's benefit.

e) Capital work in progress

Capital work in progress are stated at cost less accumulated impairment losses (if any) and consist of expenditure incurred and advances made in the course of an asset's reconstruction and installation. Transfers are made to relevant asset categories as and when assets are available for intended use.

f) Surplus on revaluation of property

Any revaluation increase arising on the revaluation of land and building is recognized in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property", except to the extent that it reverses a revaluation decrease for the same asset previously recognized in the statement of profit or loss, in which case the increase is credited to the statement of profit or loss to the extent of the decrease previously charged.

Any decrease in carrying amount arising on the revaluation of Lease hold land and building is charged to the statement of profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

g) Impairment of non financial assets

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indications exist, the assets recoverable amount is estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that is largely independent from other assets and group. Impairment losses are recognized as expense in statement of profit or loss.

The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

5.2 Cash and cash equivalent

Cash and cash equivalents comprises of cash balances and bank deposits. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks, short-term running finance and short-term investments having maturity upto 3 months. Running finances under mark-up arrangements are shown with short term-borrowings in current liabilities on the reporting date.

5.3 Stock in trade

These are valued at lower of cost and net realizable value. Cost is determined as under:

Raw materials	- At cost determined on monthly weighted average basis
Stock in process and finished goods	- Raw and packing material at cost as determined above plus proportionate overheads
Stock of gift items and packing material	- At cost determined on monthly weighted average basis
Raw material in transit	- Invoice value plus other expenses incurred thereon

5.4 Staff retirement benefits

The Company operates an unfunded gratuity scheme for its permanent employees whose period of service is six months. Contributions are made to the fund on the basis of actuarial recommendations. The most recent actuarial valuation was carried out at December 31, 2025 using the projected unit credit method [refer note 25.1]. The Company recognizes expense in accordance with IAS 19 "Employee Benefits".

Actuarial gain or loss (remeasurements) are immediately recognized in Statement of Comprehensive Income' as they occur. The amount recognized in the statement of financial position represents the present value of defined benefit obligations 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.

5.5 Taxation

a) Current

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years and tax credit, if any.

For the current year, the income tax liability is based on the taxable profits of the Company and need not to be bifurcated between the income tax and levy (as per the requirements of IFRIC-21 / IAS-37).

b) Deferred

Deferred tax is recognized using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in financial statements purposes and the amounts used for taxation purposes. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carry-forward of unused tax losses and tax credits to the extent that it is probable that future taxable profits will be available against which deferred tax asset can be utilized, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability that, at the time of transaction, affects neither the accounting nor taxable profits.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax asset and liability is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the rates (and tax laws) that have been enacted or substantively enacted at the date of statement of financial position.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rate that have been enacted or substantively enacted by the reporting date. Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

5.6 Levy

The Institute of Chartered Accountants of Pakistan has issued IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes and defined two approaches for bifurcation of tax between current and minimum taxes. Accordingly, the Company has accounting policy to recognize minimum tax or final tax if any on any amount over the current tax as levy under IAS-37 "Provisions, Contingent liabilities and Contingent assets" which was previously recognized as Income tax liabilities.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

5.7.1 Financial assets

Initial Recognition and Measurement

Financial assets are classified at initial recognition and subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price determined under IFRS 15 "Revenue from Contract with Customers".

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial assets at amortized cost (debt instruments)

- The financial asset is held within a business model with the objective 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 at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in profit or loss when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognized in statement of profit or loss and other comprehensive income.

This category also includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at FVOCI. Dividends on equity investments are also recognized as other income in profit or loss when the right of payment has been established.

The Company has not designated any financial asset at FVPL.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

5.7.2 Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, trade payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at FVPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at FVPL.

After initial recognition, borrowings and payables are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in respect of borrowings in foreign currency are added to the carrying amount of the borrowing.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

5.7.3 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model which requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognized as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.

Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Company's financial assets include mainly trade debts, deposits, short term investments, advances, other receivables, cash and bank balances.

The Company's trade receivables do not contain a significant financing component (as determined in terms of the requirements of IFRS 15 "Revenue from Contracts with Customers"), therefore, the Company is using simplified approach, that does not require the Company to track the changes in credit risk, but, instead, requires to recognize a loss allowance based on lifetime ECLs at each reporting date.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging.

The expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors.

The expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors.

5.8 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

5.9 Borrowings cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year in which they occur. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.10 Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are determined by discounting future cash flows at appropriate discount rate wherever required. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

5.11 Revenue recognition

Revenue is recognized when control of a promised goods passes to a customer. It is measured at the fair value of the consideration received or receivable, sales tax and other duties collected on behalf of third parties are not taken into account. The Company primarily generates revenue from sale of cooking oil and recognized when control passes to the customer at a specific point in time.

Scrap sales are recognized on delivery to customers at realized amounts.

5.12 Deposits, advances, prepayments and other receivables excluding financial assets

These are stated initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

5.13 Share capital

Share capital is classified as equity and recognized at the face value. Incremental costs directly attributable to the issue of new shares are shown as a deduction in equity.

5.14 Related party transactions

Transactions with related parties are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

5.15 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the year in which it is approved by the shareholders.

5.16 Foreign currency translation

Transactions in foreign currencies are translated into rupees at the rates of exchange approximating those prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into rupees at exchange rate prevailing on the reporting date except those covered by forward exchange contracts. Exchange differences on translations during the year are taken to the statement of profit or loss.

6 PROPERTY, PLANT AND EQUIPMENT

6.1 Operating fixed assets

Description	Leased Assets: Lease hold land	Leased Assets: Building on lease hold	Leased Assets: Vehicles	Leased Assets: Sub total	Lahore office	Plant and machinery	Electric and gas installation	Furniture and fixture	Office equipments	Tools and equipments	Vehicles	Lab equipments	Mobile phones	Solar power project-2024	Defence office	Sub total	Total
								Rupees									
Year ended December 31, 2025																	
Net carrying value basis																	
Opening book value	775,000,000	93,431,543	63,499,420	931,930,963	283,336	518,514,515	678,378	4,202,112	20,924,887	34,942,448	6,721,923	1,514,035	102,400	52,204,589	25,650,000	665,738,622	1,597,669,585
Additions	-	-	19,459,540	19,459,540	-	5,022,000	246,681	120,000	880,436	50,000	3,688,344	-	-	-	-	10,007,481	29,467,021
Deletions - NBV	-	-	(1,579,636)	(1,579,636)	-	-	-	-	-	-	(4,883,387)	-	-	-	-	(4,883,387)	(6,463,023)
Depreciation charge	-	(2,335,789)	(7,141,286)	(9,477,075)	(7,083)	(13,064,575)	(46,253)	(215,106)	(1,070,080)	(1,747,539)	(858,368)	(75,702)	(10,240)	(1,305,115)	(641,250)	(19,041,220)	(28,518,395)
Closing net book value	775,000,000	91,095,755	74,238,038	940,333,792	276,252	510,471,939	878,805	4,107,006	20,735,252	33,244,909	4,668,512	1,438,333	92,160	50,899,474	25,008,750	651,821,293	1,592,155,187
Gross carrying value basis																	
Cost / revalue	775,000,000	166,951,778	120,178,610	1,064,130,388	1,138,281	961,528,328	4,655,669	12,398,866	43,498,872	59,535,292	76,751,777	3,780,120	148,000	54,952,199	27,000,000	1,245,387,404	2,309,517,792
Accumulated depreciation	-	(77,856,023)	(45,940,572)	(123,796,595)	(862,028)	(451,056,388)	(3,776,863)	(8,291,860)	(22,763,620)	(26,290,383)	(72,083,265)	(2,341,787)	(55,840)	(4,052,725)	(1,991,250)	(593,566,099)	(717,362,605)
Net book value	775,000,000	91,095,755	74,238,038	940,333,792	276,252	510,471,940	878,806	4,107,006	20,735,252	33,244,909	4,668,512	1,438,333	92,160	50,899,474	25,008,750	651,821,395	1,592,155,187
Year ended June 30, 2025																	
Net carrying value basis																	
Opening book value	620,000,000	94,762,497	42,929,477	757,691,974	298,249	530,482,453	715,753	4,319,409	19,306,751	27,742,377	8,439,020	1,489,761	-	-	-	592,993,978	1,350,685,952
Additions	-	3,586,496	35,218,070	38,804,566	-	17,175,364	38,000	387,605	4,424,085	11,686,465	1,356,236	192,500	128,000	54,216,290	27,000,000	116,605,145	155,409,711
Revaluation surplus	155,000,000	-	-	155,000,000	-	-	-	-	-	-	-	-	-	-	-	-	155,000,000
Transfer from CWIP	-	-	-	-	-	2,083,486	-	-	-	-	-	-	-	735,909	-	2,819,395	2,819,395
Deletions - NBV	-	-	(2,938,000)	(2,938,000)	-	(3,936,551)	-	(38,000)	(690,457)	(604,100)	(1,647,642)	-	-	-	-	(6,916,750)	(9,854,750)
Depreciation charge	-	(4,917,450)	(11,710,127)	(16,627,577)	(14,913)	(27,290,237)	(75,375)	(466,902)	(2,316,099)	(3,882,494)	(1,425,691)	(168,226)	(25,600)	(2,747,610)	(1,350,000)	(39,263,146)	(56,290,723)
Closing net book value	775,000,000	93,431,543	63,499,420	931,930,963	283,336	518,514,515	678,378	4,202,112	20,924,887	34,942,448	6,721,923	1,514,035	102,400	52,204,589	25,650,000	665,738,622	1,597,669,585
Gross carrying value basis																	
Cost / revalue	775,000,000	168,951,778	100,719,070	1,044,670,848	1,138,281	956,506,328	4,408,988	12,278,866	42,618,416	59,485,292	73,063,433	3,780,120	148,000	54,952,199	27,000,000	1,233,379,923	2,280,050,771
Accumulated depreciation	-	(75,520,235)	(37,219,650)	(112,739,885)	(854,945)	(437,991,813)	(3,730,610)	(8,076,754)	(21,693,530)	(24,542,844)	(66,341,510)	(2,266,085)	(45,600)	(2,747,610)	(1,350,000)	(569,641,301)	(682,381,186)
Net book value	775,000,000	93,431,543	63,499,420	931,930,963	283,336	518,514,515	678,378	4,202,112	20,924,887	34,942,448	6,721,923	1,514,035	102,400	52,204,589	25,650,000	665,738,622	1,597,669,585
Depreciation rate (% per annum)	-	5%	20%		5%	5%	10%	10%	10%	10%	20%	10%	20%	5%	5%		

6.2 Depreciation for the period has been allocated as under:

	Note	December 31, 2025 Rupees	December 31, 2024 Rupees
Cost of goods manufactured	31	18,544,239	18,698,115
Administrative expenses	32	9,974,156	9,604,196
		28,518,395	28,302,311

6.3 Had there been no revaluation, the net book value of the land and building would have been as follows:

	December 31, 2025 Rupees	June 30, 2025 Rupees
Leasehold land	778,881	778,881
Buildings on leasehold land	13,271,282	13,969,771
	14,050,163	14,748,652

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
7 CAPITAL WORK IN PROGRESS			
Opening		18,188,304	-
Add: Additions during the period / year		1,915,305	18,188,304
Closing balance		20,103,609	18,188,304
8 LONG TERM LOANS			
Secured - considered good			
Loan to staff	8.1	14,019,477	15,596,132
Less: Current portion shown under current assets	14	(5,938,260)	(9,019,891)
		8,081,217	6,576,241

8.1 The loans are provided to employees of the Company in accordance with the term of employment and are interest free. All loans are secured against salary and gratuity fund of the Company.

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
9 LONG TERM DEPOSITS			
Security deposits			
Rented property		876,506	420,000
Diminishing Musharka	9.1	12,920,152	11,663,696
Others	9.2	4,730,166	4,730,166
		18,526,824	16,813,862

9.1 The Company has diminishing musharakah agreement from First Habib Modaraba. The Company has 10% of cost and accounted for as long term deposit, whereas, rest of 90% is beared by First Habib Modaraba.

9.2 These are non-interest bearing and generally on a term of more than one year. This includes security deposit with K-Electric, Cylinder supply and others.

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
10 DEFERRED TAXATION - NET			
Deferred taxation asset	10.1	48,861,103	36,883,099

10.1 The net balance for deferred taxation is in respect of following temporary differences:

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
Deferred tax liabilities:			
Accelerated tax depreciation allowance		139,705,258	138,522,247
Incremental depreciation leasehold building		474,817	1,212,838
		140,180,075	139,735,085
Deferred tax assets:			
Provision for doubtful debts		51,544,121	47,194,121
Turnover tax		65,207,473	84,818,925
Lease liabilities		1,157,675	2,019,180
Tax depreciation-loss		33,826,423	13,273,580
Remeasurement of defined benefit liability		3,826,914	982,905
Provision for gratuity		33,478,572	28,329,473
		189,041,178	176,618,184
		48,861,103	36,883,099

11 STOCK-IN-TRADE

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
Raw material			
Oil	31.1	3,097,801,097	2,882,682,793
Chemicals	31.2	39,291,458	46,721,602
Packing material	31.3	90,393,435	78,056,355
Finished goods	31	841,742,467	912,117,019
		4,069,228,457	3,919,577,769

12 TRADE DEBTS

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
Unsecured			
Considered good		2,907,059,203	2,256,454,705
Considered doubtful		177,738,347	162,738,347
	12.1	3,084,797,550	2,419,193,052
Expected credit loss allowance	12.2	(177,738,347)	(162,738,347)
		2,907,059,203	2,256,454,705

12.1 The ageing of trade receivables at the reporting date is:

	December 31, 2025 Rupees	June 30, 2025 Rupees
Not yet due	1,823,048,132	1,170,833,452
Past due 1-30 days	710,171,513	880,733,175
Past due 31-60 days	444,880,475	291,731,698
Past due 61-90 days	30,725,733	10,352,157
Past due over 90 days	75,971,697	65,542,570
	3,084,797,550	2,419,193,052

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees

12.2 Movement in provision for expected credit loss

Opening balance		162,738,347	162,738,347
Add: Provision made during the period / year		15,000,000	-
Closing balance		177,738,347	162,738,347

13 SHORT TERM INVESTMENTS

At amortized cost			
Term deposit receipts	13.1	78,400,707	58,782,172

13.1 The investments were of lien with a bank in respect of credit facilities obtained. These carried mark up ranging between 9.6% to 11% (June 30, 2025: 11% to 19.75%) per annum. The maturity date for these term deposit receipts is March 07, 2026.

14 LOANS AND ADVANCES

Secured - considered good			
Loan to staff -current portion		5,938,260	9,019,891
Unsecured - considered good			
Advance			
To staff for expenses		552,187	515,212
Against supply of goods and services		45,435,472	31,696,401
		45,987,659	32,211,613
	14.1	51,925,919	41,231,504

14.1 These are non-interest bearing balances for a period of less then 12 months.

15 SHORT TERM DEPOSITS AND PREPAYMENTS

Prepayment		7,683,009	2,542,024
Short term deposits	15.1	59,518,618	59,718,618
		67,201,627	62,260,642

15.1 This includes deposit amounting to Rs. 52.998 million (June 30, 2025: Rs 52.998 million) paid to Nazir of Sindh High Court against the price difference of Sui Southern Gas Company as a security for levying and collecting Gas additional rate increase from Rs. 488.23 to Rs. 600 per MMBTU and from Rs. 933.45 to Rs. 1350.69 per MMBTU respectively.

		Note	December 31, 2025 Rupees	June 30, 2025 Rupees
16	**OTHER RECEIVABLES**			
	Sales tax		2,390,786	124,752,803
	Miscellaneous		6,405,715	306,954
			8,796,501	125,059,757
17	**TAXATION - NET**			
	Advance tax		214,566,419	447,702,536
	Less: Provision for taxation	37	(271,558,380)	(368,500,399)
			(56,991,961)	79,202,137
18	**TAX REFUND DUE FROM GOVERNMENT**			
	Income tax refundable		256,560,820	186,980,379
19	**CASH AND BANK BALANCES**			
	Cash in hand		5,942,817	7,581,430
	Cash at banks			
	In current accounts		111,166,032	59,615,142
	In saving account	19.1	49,427,536	83,620,896
			160,593,568	143,236,038
		39	166,536,385	150,817,468

19.1 This carries profit rate at ranges from 2.7% to 6.5% (June 30, 2025: average monthly ranges from 2.7% to 13.5%) per annum.

20 AUTHORIZED SHARE CAPITAL

Numbers of ordinary shares of Rs. 100 each December 31, 2025	June 30, 2025		December 31, 2025 Rupees	June 30, 2025 Rupees
10,000,000	10,000,000	Ordinary shares of Rs. 100/- each	1,000,000,000	1,000,000,000

21 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Numbers of ordinary shares of Rs. 100 each December 31, 2025	June 30, 2025		December 31, 2025 Rupees	June 30, 2025 Rupees
6,578,948	6,578,948	Ordinary shares of Rs. 100/- each	657,894,800	657,894,800

21.1 One of the minority shareholders, Mr. Saleheen Siddiqui was creating a hindrance in the issuance of the right shares, so the Company filed a legal suit before the Honorable Sindh High Court.

The Court ordered him to restrain from creating any hindrance in the issuance of the right share hence all the formalities were completed and Form-3 was submitted to SECP on June 03, 2021. The case has since been transferred to District Courts upon enactment of the Civil Courts Amendment Act 2025, however, the injection is still operating against Mr. Saleheen. Further, Mr. Saleheen Siddique filed an appeal against the cancellation of the new director's appointment and all right shares issued at a premium is mala fide and void ab-initio, against which the Company received an interim Court order on June 04, 2021, to maintain the status quo in this regard because of which certified true copy from SECP was not issued to the

This interim order with all stay applications filed by Mr. Siddiqui have since been dismissed by the Honorable High Court of Sindh vide its order dated August 07, 2025 whereas the interim order received on June 04, 2021 has also been vacated. Mr. Siddiqui challenged the aforesaid order through filing recalling and suspension applications but the same were also dismissed vide order dated August 13, 2025.

The Separate case has been filed on dated November 16, 2025 having case # JCM 50 of 2025 by Mr. Siddiqui. It is pertinent to note that JCM 50 has not yet been listed before the Honourable Court, and therefore, the Court is yet to adjudicate on the maintainability of the same.
All the cases are pending with the District Court and the Honourable Sindh High Court respectively for further hearing.

22 SURPLUS ON REVALUATION OF PROPERTY

Revaluation of building and lease-hold land, buildings was carried out on June 30, 2025 by independent valuer M/s KG Traders (Private) Limited on the basis of market value. Revaluation surplus has been credited to surplus on revaluation of property after netting off incremental depreciation and related deferred tax liability.

	December 31, 2025 Rupees	June 30, 2025 Rupees
Surplus on leasehold land	774,221,119	774,221,119
Surplus on building on lease hold land	30,248,604	31,411,087
	804,469,723	805,632,206

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
Balance as at July 01,		818,462,086	667,644,285
Add: Revaluation during the period / year		-	155,000,000
Less: Transfer to unappropriated profit in respect of:			
Incremental depreciation charged during the period / year		1,162,483	2,969,361
Related deferred tax liability on incremental depreciation		474,817	1,212,838
		1,637,300	4,182,199
		816,824,787	818,462,086
Less: Related deferred tax effect:			
Balance as at July 01		12,829,881	14,042,719
Less: Deferred tax on incremental charged during the period / year transfern to the statement of profit or loss		(474,817)	(1,212,838)
		12,355,064	12,829,881
		804,469,723	805,632,206

23 LONG TERM LOANS

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
Secured - Banking Companies Bank Al Falah Limited	23.1	-	70,000,004
Less: Payment made during the period / year		-	(40,000,000)
		-	30,000,004
Less: Current portion		-	(30,000,004)
		-	-

23.1 This represents conventional financing facility obtained by the Company in 2018 amounting to Rs. 200 million from Al Falah Bank for the period of 7 years. The repayment of this loan started after grace period of 2 years from the date of first disbursement i.e. February 23, 2018 and March 05, 2018 respectively , in equal quarterly installments of Rs. 10 million. First repayment has made on May 23, 2020. It carries mark-up at the rate of 6 months KIBOR plus 1 percent per annum and is secured against first pari passu hypothecation and mortgage charge over fixed assets (i.e. plant, machinery, land and building) of the Company amounting to Rs. 267 million inclusive of 25 percent margin.

	December 31, 2025 Rupees	June 30, 2025 Rupees

24 LEASE LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	December 31, 2025 Rupees	June 30, 2025 Rupees
Secured		
Balance as at July 01,	70,462,108	49,665,581
Additions during the period / year	16,521,540	35,218,070
Payments made during the period / year	(10,896,775)	(14,421,543)
	76,086,873	70,462,108
Less: Payable within one year shown under current liabilities	(20,292,139)	(18,028,401)
	55,794,734	52,433,707

The above liabilities represent the unpaid balance of the total of minimum lease payments and the residual value payable at end of lease discounted at a rate of 3 Months Kibor plus 0.9% to 1.25% spread (June 30, 2025: 1% to 1.25%) per annum. These facilities are secured by security deposits and vehicles titles in the name of leasing companies.

	December 31, 2025			June 30, 2025		
	Upto one year	One to five years	Total	Upto one year	One to five years	Total
	Rupees			Rupees		
Minimum lease payments outstanding	28,920,254	65,996,916	94,917,170	27,507,452	63,008,214	90,515,666
Financial charges not due	(8,628,115)	(10,202,182)	(18,830,297)	(9,479,052)	(10,574,507)	(20,053,559)
Present value of minimum lease payments	20,292,139	55,794,734	76,086,873	18,028,400	52,433,707	70,462,107
Payable within one year shown under current liabilities	(20,292,139)	-	(20,292,139)	(18,028,400)	-	(18,028,400)
	-	55,794,734	55,794,734	-	52,433,707	52,433,707

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
25 STAFF RETIREMENT BENEFITS			
Liability recognized in the statement of financial			
Provision for gratuity	25.1	115,443,353	97,687,840

25.1 Defined benefit plan

a) Movement of liability recognized in the statement of financial position

Opening present value of defined benefit obligations	97,687,840	101,245,062
Current service cost for the period / year	10,432,860	17,882,070

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
Interest cost for the period / year		5,407,770	12,060,557
Past service cost		-	2,067,975
Benefits due but not paid		(2,676,290)	(11,240,836)
Benefits paid during the period / year		(8,605,084)	(27,716,315)
Experience adjustments made during the period /		8,804,636	4,125,925
Remeasurement loss / (gain) from changes in		4,391,621	(736,598)
Closing present value of defined benefit obligations		115,443,353	97,687,840

b) Charge for the year

Current service cost	10,432,860	17,882,070
Interest cost	5,407,770	12,060,557
Past service cost	-	2,067,975
Charge for the period	15,840,630	32,010,602

25.2 Sensitivity analysis

Discount rate + 100 bps	106,915,193	91,000,324
Discount rate - 100 bps	125,235,818	105,343,910
Salary increase + 100 bps	125,188,744	105,536,166
Salary increase - 100 bps	106,806,181	90,710,817

The average duration of defined benefit obligation is 8 years.

26 TRADE AND OTHER PAYABLES

Trade creditors		2,074,173,685	2,074,123,033
Accrued expenses	26.1	674,572,775	512,287,350
Advances from customers		196,773,665	75,613,149
Sindh Workers' Profit Participation Fund	26.2	39,748,736	49,850,333
Sindh Workers' Welfare Fund	26.3	35,070,429	40,500,895
Deposits		543,243	1,165,415
Others		38,355,961	33,311,969
		3,059,238,494	2,786,852,144

26.1 This includes GIDC provision amounting to Rs. 109.341 million (June 30, 2025: 109.341 million). The Government promulgated Gas Infrastructure Development Cess (GIDC) Ordinance, 2014 in September 2014 for levying and collecting GIDC. The Company filed a writ petition against the imposition of the GIDC before the Sindh High Court (SHC). The (SHC) through its interim orders, forthwith stopped Federal Government and Sui Southern Gas Company from collecting GIDC. The Government has promulgated the Gas Infrastructure Development Cess Act, 2015 (the Act) in May 2015 for henceforth levying / collecting of GIDC and also validating GIDC payable under the Ordinance (repealed).

The Company has filed a petition against the Act and the Sindh High Court has granted stay order against collecting GIDC under the Act pending the final decision on the writ petition. Accordingly, the Company has neither paid GIDC nor pass the burden to customers for the period from August 01, 2014 to August 30, 2020 amounting to Rs. 109.341 million.

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
26.2 Sindh Workers' Profit Participation Fund			
Opening balance,		49,850,333	28,932,544
Add: Interest credited at prescribed rates		5,790,947	2,893,254
		55,641,280	31,825,798
Less: Amount paid to Fund		(52,166,711)	(31,825,798)
		3,474,569	-
Add: Current period / year's allocation at 5%		36,274,167	49,850,333
	26.2.1	39,748,736	49,850,333

26.2.1 The Company retains the allocation to this Fund for its business operations till the amounts are paid to the Fund together with interest at prescribed rate under the Sindh Companies Profit (Workers' Participation) Act, 2015.

	December 31, 2025 Rupees	June 30, 2025 Rupees
26.3 Sindh Workers' Welfare Fund		
Opening balance,	40,500,895	32,133,780
Less: Amount paid to government	(19,940,133)	(11,573,018)
	20,560,762	20,560,762
Add: Current period / year's allocation at 2%	14,509,667	19,940,133
	35,070,429	40,500,895

27 MARKUP ACCRUED

	December 31, 2025 Rupees	June 30, 2025 Rupees
Short term borrowings	21,569,312	13,382,744
Long term loan	297,961	2,621,081
	21,867,273	16,003,825

		Note	December 31, 2025 Rupees	June 30, 2025 Rupees
28	**SHORT TERM BORROWINGS**			
	Istasna financing	28.1	699,420,754	149,425,607
	Running finance	28.2	1,235,974,877	1,710,212,860
			1,935,395,631	1,859,638,467

28.1 The facility for short-term istasna financing is obtained from a bank amounting to Rs. 699.420 million (June 30, 2025: Rs. 149.425 million) having sanctioned limit of Rs. 2,200 million, (June 30, 2025: Rs. 1,700 million). It carries markup at the rate of 3 to 6 month KIBOR plus 0.15% spread (June 30, 2025: 6 months KIBOR plus 1%) per annum. These are secured by way of first pari passu charge over current assets (stock and receivables) of the Company amounting to Rs. 6,877 million.

28.2 The facilities for short-term running finance are obtained from various commercial banks aggregating to Rs. 1,235 million (June 30, 2025: Rs. 1,710 million), having sanctioned limit of Rs. 5,800 million. These carry markup ranging between 1 to 6 months KIBOR including spread of 0.1% to 1.25% (June 30, 2025: 1 to 6 months KIBOR plus 0.5% to 1.75%) per annum. These are secured by way of first pari passu charge over current assets (stock and receivables) of the Company amounting to Rs. 6,877 million.

29 CONTINGENCIES AND COMMITMENTS

29.1 Contingencies

29.1.1 Guarantee

There is a contingent liability in respect of guarantees issued by bank amounting to Rs. 74.947 million (June 30, 2025: Rs. 55.329 million) in the ordinary course of business.

29.1.2 Sindh development and maintenance infrastructure fee

There is a contingent liability in respect of demand raised by the Director of Excise and Taxation, (Taxes-II) Karachi against Sindh Development and Maintenance Infrastructure fee amounting to Rs. 22.127 million. (June 30, 2025: Rs. 22.127 million.)

The Company had filed an appeal before the Honorable High Court of Sindh against this demand. The Court decided the case on the basis of which the net liability computed by management amounts to Rs. 11.298 million. The Company and department have both filed appeals before the Honorable Supreme Court against the order. In the event of adverse decision, the Company will be faced with a maximum liability of Rs. 22.127 million resulting in a charge against profits of the same amount. The case is still pending in the Honorable Supreme Court of Pakistan.

29.2 Commitments

29.2.1 The commitments of the Company in respect of letters of credit as at December 31, 2025 are amounting to Rs. 1,846 million (June 30, 2025: Rs. 2,090 million).

		Note	For the six month period ended December 31, 2025 Rupees	December 31, 2024 Rupees
30	**SALES - NET**			
	Local sales - Gross		12,354,431,290	9,849,461,783
	Less: Trade discount		(326,117,180)	(323,064,334)
			12,028,314,110	9,526,397,449
	Export sales - Gross	30.1	368,387,493	644,718,593
			12,396,701,604	10,171,116,042
	Less: Sales tax		(1,818,323,726)	(1,330,647,670)
	Net sales		10,578,377,878	8,840,468,372

30.1 This include export sales of banaspati and margarine in consumer boxes and tins made to multiple customers in Afghanistan and UAE.

		Note	December 31, 2025 Rupees	December 31, 2024 Rupees
31	**COST OF SALES**			
	Material consumed			
	Oil consumed	31.1	7,728,767,462	6,692,002,734
	Chemical consumed	31.2	102,787,612	95,343,945
	Packing material consumed	31.3	537,709,340	501,537,604
			8,369,264,414	7,288,884,283
	Salaries, wages and other benefits		123,837,001	112,628,711
	Water		13,488,329	12,091,343
	Gas		87,955,021	99,097,940
	Biomass fuel		1,716,149	-
	Consumable stores		39,302,186	33,931,518
	Insurance		8,796,826	7,673,584
	Power and electricity		40,133,520	59,671,790
	Repairs and maintenance		8,164,441	5,706,998
	Cartage		33,203,741	25,435,111
	Depreciation	6	18,544,239	18,698,115
	Consultancy charges		2,887,571	2,633,166
	Fees and subscription		4,219,462	3,748,838
	Ijara rentals		-	497,397
	Miscellaneous		2,111,507	2,132,465
			8,753,624,408	7,672,876,916

	Note	For the six month period ended December 31, 2025 Rupees	December 31, 2024 Rupees
Less: Insurance claim received		(3,089,192)	(2,841,714)
Cost of goods manufactured		8,750,535,216	7,670,035,202
Finished goods			
Opening stock		912,117,019	493,420,991
Closing stock		(841,742,467)	(608,140,536)
		70,374,552	(114,719,545)
		8,820,909,768	7,555,315,657

31.1 Oil consumed

	Note	December 31, 2025	December 31, 2024
Opening stock		2,882,682,793	1,953,442,053
Purchases -Imports		5,538,359,265	4,867,100,090
Purchases -Locals	31.1.1	2,405,526,501	2,069,229,984
		10,826,568,559	8,889,772,127
Less: Closing stock		(3,097,801,097)	(2,197,769,393)
		7,728,767,462	6,692,002,734

31.1.1 This includes sales tax amounting to Rs. 21.145 million (December 31, 2024: Rs. 121.539 million) in respect of sales made to FATA, PATA and hospital which are exempt from sales tax. Hence the input tax paid on these goods cannot be adjusted against the output tax. Therefore, the Company has charged the input tax in statement of profit or loss account.

31.2 Chemical consumed

	December 31, 2025	December 31, 2024
Opening stock	46,721,602	43,512,828
Purchases	95,357,468	101,721,039
	142,079,070	145,233,867
Less: Closing stock	(39,291,458)	(49,889,922)
	102,787,612	95,343,945

31.3 Packing material consumed

	December 31, 2025	December 31, 2024
Opening stock	78,056,355	67,267,774
Purchases	550,046,420	528,244,099
	628,102,775	595,511,873
Less: Closing stock	(90,393,435)	(93,974,269)
	537,709,340	501,537,604

		Note	For the six month period ended December 31, 2025 Rupees	December 31, 2024 Rupees
32	**ADMINISTRATIVE EXPENSES**			
	Directors' remuneration		14,591,798	13,126,468
	Salaries, wages and other benefits		74,695,229	67,437,540
	Provision for expected credit loss		15,000,000	-
	Insurance		5,537,270	4,629,300
	Depreciation	6.2	9,974,156	9,604,196
	Telephone and telex		1,653,781	2,907,001
	Traveling and conveyance		2,280,751	2,990,479
	Charity and donation		3,292,556	4,175,934
	Legal and professional charges		10,424,415	3,416,231
	Fees and subscription		2,924,144	1,953,645
	Repair and maintenance		6,484,810	2,558,204
	Rent, rates and taxes		870,713	864,305
	Ijarah rentals		-	497,210
	Auditor's remuneration	32.1	780,000	650,000
	Software Running Charges		1,393,086	1,589,135
	Entertainment		932,939	1,000,259
	Postage and telegram		765,407	704,891
	Printing and stationery		138,540	287,700
	Miscellaneous		3,999,389	1,971,973
			155,738,984	120,364,472
32.1	**Auditors' remuneration**			
	Audit fee		656,565	547,138
	Out of pocket		65,657	54,714
	Sindh sales tax		57,778	48,148
			780,000	650,000
33	**SELLING AND DISTRIBUTION EXPENSES**			
	Salaries, wages and other benefits		130,538,711	116,809,022
	Transport charges		206,949,920	177,409,393
	Advertisement and marketing expense		397,831,667	339,823,052
	Travelling		3,127,148	4,449,061
	Rent, rates and taxes		23,369,800	22,215,475
	Ijarah rentals		211,260	333,391
	Electricity		4,023,301	4,701,730
	Repair and maintenance		1,286,039	996,132
	Telephone		1,237,689	1,348,535

	Note	For the six month period ended December 31, 2025 Rupees	December 31, 2024 Rupees
Insurance		2,741,219	2,191,185
Postage and telegram		118,237	64,645
Printing and stationery		260,752	542,682
Utilities		111,590	95,360
Fees and subscription		356,625	93,780
Miscellaneous		4,373,707	2,307,732
		776,537,665	673,381,175

34 OTHER CHARGES

Sindh workers' profit participation fund		36,274,167	17,997,511
Sindh workers' welfare fund		14,509,667	7,199,004
Write off - bad debts		1,282,064	1,552,690
Loss on Foreign exchange		250,258	42,826
		52,316,156	26,792,031

35 FINANCE COSTS

Secured finances and letter of credit		96,765,281	136,565,262
Interest on short term finance		-	118,022,178
Interest on Sindh Workers' Profit Participation Fi		5,790,947	3,279,798
Interest on lease liabilities		3,845,528	4,773,675
Bank charges		11,018,331	10,137,605
		117,420,087	272,778,518

36 OTHER INCOME

Sale of scrap material		3,736,892	4,891,484
Gain on sale of fixed assets		7,109,082	58,342
Interest income on short term investment		6,247,754	2,255,482
Profit on saving accounts		868,494	5,191,658
Income from Al-Meezan Investment		-	128,936,609
		17,962,222	141,333,575

37 TAXATION

Current	37.2	271,558,380	142,095,267
Deferred		(8,151,089)	5,307,803
		263,407,291	147,403,070

	For the six month period ended	
	December 31, 2025	December 31, 2024
	Rupees	Rupees

37.1 Relationship between tax expense and accounting profit

Applicable tax rate	29%	29%
Super tax	10%	8%
Others	3%	3%
Average effective tax rate	36%	34%

37.2 This includes the provision of super tax at the rate of 10%.

38 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the company comprise the directors and key management personnel and staff retirement benefits. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of the Company. The details of transactions with related parties during the period, other than disclosed elsewhere in the financial statements, are as follows:

Name of related party	Nature of Relation	Basis of Relation
Chief Executive Officer	Key executives	Chief Executive Officer
Director	Directorship	Director

Nature of transaction	Nature of relation	Basis of relation	December 31, 2025	June 30, 2025
			Rupees	
Sale of property outside the normal course of business	Director	Director	-	27,000,000

39.1 There are no transactions with key management personnel other than under their terms of employment.

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
39 CASH AND CASH EQUIVALENTS			
Running finance	28	(1,235,974,877)	(1,710,212,860)
Cash and bank balances	19	166,536,385	150,817,467
		(1,069,438,492)	(1,559,395,393)

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICII

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management. The responsibility includes developing and monitoring the Company's risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures. The Company's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarized as follows:

40.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns. Market risk comprise three types of risk: interest rate risk, foreign currency risk and other price risk.

40.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term, short-term financing arrangements, lease arrangements and saving account to meet its business operations and working capital requirements.

Interest rate risk of the Company's financial assets and financial liabilities as at December 31, 2025 can be evaluated from following schedule:

	December 31, 2025 Rupees	June 30, 2025 Rupees
Variable rate instruments		
Long term loans	-	30,000,004
Lease Liability	76,086,873	70,462,108
Short term borrowings	1,935,395,631	1,859,638,467

40.3 Currency risk

Foreign currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company's exposure to foreign currency risk is as follows:

	December 31, 2025 Rupees	June 30, 2025 Rupees
Trade and other payables	1,845,764,205	2,090,476,294

The following significant exchange rates have been applied:

USD to PKR as at December 31 & June 30,	280.12	283.76

At reporting date, if the PKR had strengthened by 10% against the US Dollar with all other variables held constant, post-tax loss / profit for the year would have been lower / higher by the amount shown below, mainly as a result of net foreign exchange gain on net foreign currency exposure at reporting date.

Effect on profit	184,576,421	209,047,629

The weakening of the PKR against US Dollar would have had an equal but opposite impact on the post tax profits. The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets / liabilities of the Company.

40.4 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. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company does not have any significant exposure to customers from any single country or single customer.

Credit risk of the Company arises principally from trade debts, deposits, loans, other receivables and investment, and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	December 31, 2025 Rupees	June 30, 2025 Rupees
Long term loans	8,081,217	6,576,241
Long term deposits	18,526,824	16,813,862
Loans and advances	51,925,919	41,231,504
Short term deposits	59,518,618	59,718,618
Trade debts	3,084,797,550	2,419,193,052
Short term investments	78,400,707	58,782,172
Other receivables	8,796,501	125,059,757
Bank balances	160,593,568	143,236,038
	3,470,640,904	2,870,611,244

The ageing of trade receivables at the reporting date is:

Not yet due	1,823,048,132	1,170,833,452
Past due 1-30 days	710,171,513	880,733,175
Past due 31-60 days	444,880,475	291,731,698
Past due 61-90 days	30,725,733	10,352,157
Past due over 90 days	75,971,697	65,542,570
	3,084,797,550	2,419,193,052

40.5 Investments and bank balances

The exposure to banks and investment is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis. The credit quality of cash at bank (in Current and deposit accounts) as per credit rating agencies is as follows:

Name of Banks	Ratings	
	Rating agency	Short-term
Bank AL-Habib Limited	PACRA	A-1+
Habib Bank Limited	VIS	A-1+
Soneri Bank Limited	PACRA	A-1+
Meezan Bank Limited.	VIS	A-1+
Dubai Islamic Bank	VIS	A-1+
AL-Falah Bank Limited	PACRA	A-1+
Habib Metropolitan Bank Limited	PACRA	A-1+
National Bank of Pakistan	VIS	A-1+
Faysal Bank Limited	PACRA	A-1+
Bank of Punjab	PACRA	A-1+

Concentration of credit risk

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 abilities to meet contractual obligation to be similarly affected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

Impaired assets

During the year no assets have been impaired.

40.6 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining sufficient bank balances, realizable investments and availability of financing through banking arrangements, which includes short-term and long term borrowings.

	Carrying Amount	Contractual Cash Flows	Six months or less	Six to Twelve months	One to two years	Two to five years
	(Rupees)					
December 31, 2025						
Lease liabilities	76,986,873	49,665,581	5,117,981	5,117,981	10,235,961	18,957,698
Trade and other payables	3,059,238,494	3,037,290,389	3,037,290,389	-	-	-
Markup accrued	21,867,273	21,867,273	21,867,273	-	-	-
Short term borrowings	1,935,395,631	1,935,395,631	1,935,395,631	-	-	-
	5,092,588,271	5,044,318,854	4,999,711,254	5,117,981	10,235,961	18,952,698
June 30, 2025						
Long term loan	70,000,004	78,000,004	20,000,000	28,000,000	30,000,004	-
Lease liabilities	70,462,188	49,665,581	5,117,981	5,117,981	10,235,961	18,957,698
Trade and other payables	2,358,693,204	2,358,693,204	2,358,693,204	-	-	-
Markup accrued	54,346,962	54,346,962	54,346,962	-	-	-
Short term borrowings	1,220,277,674	1,220,277,674	1,220,277,674	-	-	-
	3,723,779,932	3,752,983,421	3,658,435,421	33,117,981	40,235,965	18,957,698

	December 31, 2025 Rupees	June 30, 2025 Rupees
41 FINANCIAL INSTRUMENTS BY CATEGORY		
Financial assets at amortized cost		
Long term loans including current maturity	14,019,477	15,596,132
Long term deposits	18,526,824	16,813,862
Trade debts unsecured	2,907,059,203	2,256,454,705
Short term deposits	67,201,627	62,260,642
Loans and advances	45,987,659	32,211,613
Other receivables	8,796,501	125,059,757
Short term investments	78,400,707	58,782,172
Bank balances	160,593,568	143,236,038
	3,300,585,566	2,710,414,920
Financial liabilities at amortized cost		
Lease liabilities	76,086,873	70,462,108
Trade and other payables	2,984,419,329	2,696,500,916
Markup accrued	21,867,273	16,003,825
Short term borrowings	1,935,395,631	1,859,638,467
	5,017,769,106	4,642,605,316

42 CAPACITY AND PRODUCTION

	2025		2025	
	Half year Capacity	Actual Production	Annual Capacity	Actual Production
	Tons			
Vegetable Ghee, Cooking Oil & Margarine	45,000	23,248	90,000	42,766
Sauces	9,000	281	18,000	456

The Company could not achieve installed capacity of its production due to market conditions.

43 CAPITAL MANAGEMENT

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an approximate mix between various sources of finance to minimize risk. The Company is not subject to any externally imposed capital requirements.

The debt-to-adjusted capital ratio at the end of the reporting period were as follows:

	December 31, 2025 Rupees	June 30, 2025 Rupees
Short term borrowings	1,935,395,631	1,859,638,467
Lease liabilities against assets subject to	76,086,873	70,462,108
Markup accrued	21,867,273	16,003,825
Current portion of long term loan	-	30,000,004
	2,033,349,777	1,976,104,404
Less: Cash and bank balance	(166,536,385)	(150,817,468)
Net debt	1,866,813,392	1,825,286,936
Share capital	1,199,473,464	1,199,473,464
Reserves	2,035,767,477	1,699,753,668
Total equity	3,235,240,941	2,899,227,132
Total capital and equity	5,102,054,333	4,724,514,068
Gearing ratio	37%	39%

44 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms' length transaction.

The Company discloses the financial instruments measured in the statement of financial position at fair value 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 either directly that is, derived from prices.
Level 3: Inputs for the asset or liability that are not based on observable market data (that is unadjusted) inputs.

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

As at the reporting date, none of the financial instruments of the Company are classified and measured at fair value. The carrying amount of all financial assets and liabilities reflected in the financial statements approximate their fair values.

		December 31, 2025	December 31, 2024
45	**NUMBER OF EMPLOYEES**		
	Number of employees at head office and factory as at December 31,	212	217
	Average number of employees at head office and factory	200	198

46 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 2 8 MAR 2026 by the Board of Directors of the Company.

47 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and these corresponding figures are un-audited.

48 GENERAL

Figures have been rounded off to the nearest Pakistani rupee, unless otherwise stated.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

6.6. ANNUAL AUDITED FINANCIAL STATEMENTS AS AT JUNE 30, 2025

BDO

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Agro Processors and Atmospheric Gases Limited (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss, the statement of 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 material accounting policies information 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, the statement of profit or loss, the statement of 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, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 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.

Emphasis of matter

We draw attention to Note 21.1 which provide details regarding legal cases related to issuance of right shares. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our auditor's report thereon.

BDO

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 are required to report that fact. 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 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.

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) the statement of financial position, the statement of profit or loss, the statement of 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) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: 30 SEP 2025

UDIN: AR202510067gWZTh260Q

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025	2024
		Rupees	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	1,597,669,584	1,350,685,952
Capital work in progress	7	18,188,304	-
Long term loans	8	6,576,241	5,545,576
Long term deposits	9	16,813,862	14,424,666
Deferred taxation- net	10	36,883,099	22,066,600
		1,676,131,090	1,392,722,794
CURRENT ASSETS			
Stores and spares		9,006,603	10,684,424
Stock-in-trade	11	3,919,577,769	2,557,643,646
Trade debts	12	2,256,454,705	2,481,125,068
Short term investments	13	58,782,172	64,732,172
Loans and advances	14	41,231,504	60,339,728
Short term deposits and prepayments	15	62,260,642	60,720,173
Other receivables	16	125,059,757	3,212,548
Taxation - net	17	79,202,137	10,007,679
Tax refunds due from government	18	186,980,379	287,338,945
Cash and bank balances	19	150,817,468	32,658,895
		6,889,373,136	5,568,463,278
TOTAL ASSETS		8,565,504,226	6,961,186,072
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
10,000,000 (2024: 10,000,000) ordinary shares of Rs. 100/- each	20	1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital	21	657,894,800	657,894,800
Capital reserve			
Share premium		541,579,164	541,579,164
Surplus on revaluation of property	22	805,632,206	653,601,567
		1,347,211,370	1,195,180,731
Revenue reserve			
Unappropriated profit		1,699,753,668	1,192,815,730
		3,704,859,838	3,045,891,261
NON - CURRENT LIABILITIES			
Long term loans	23	-	30,000,004
Lease liabilities against assets subject to finance lease	24	52,433,707	39,429,620
Staff retirement benefits	25	97,687,840	101,245,062
		150,121,547	170,674,686
CURRENT LIABILITIES			
Trade and other payables	26	2,786,852,144	2,419,759,528
Markup accrued	27	16,003,825	54,346,962
Short term borrowings	28	1,859,638,467	1,220,277,674
Current portion of long term loan	23	30,000,004	40,000,000
Current portion of lease liabilities against assets subject to finance lease	24	18,028,401	10,235,961
		4,710,522,841	3,744,620,125
TOTAL EQUITY AND LIABILITIES		8,565,504,226	6,961,186,072
CONTINGENCIES AND COMMITMENTS	29		

The annexed notes from 1 to 51 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		---- Rupees ----	
Sales - net	30	18,072,250,541	15,361,376,165
Cost of sales	31	(15,478,990,682)	(13,122,688,540)
Gross profit		2,593,259,859	2,238,687,625
Administrative expenses	32	(243,255,100)	(229,840,976)
Selling and distribution expenses	33	(1,143,828,124)	(1,077,308,864)
Other charges	34	(71,343,156)	(72,880,051)
		(1,458,426,380)	(1,380,029,891)
Operating profit		1,134,833,479	858,657,734
Finance cost	35	(448,552,906)	(382,787,451)
		686,280,573	475,870,283
Other income	36	239,382,926	29,900,541
Profit before levy and taxation		925,663,499	505,770,824
Levy	37	-	(40,873,867)
Profit before taxation		925,663,499	464,896,957
Taxation	38	(368,500,399)	(251,763,239)
Profit for the year		557,163,100	213,133,718

The annexed notes from 1 to 51 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		Rupees	
Profit for the year		557,163,100	213,133,718
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Remeasurement (loss)/gain of defined benefit obligation	25.1	(3,389,327)	2,866,918
Impact of deferred tax		982,905	(831,406)
Surplus on revaluation of land		155,000,000	-
		152,593,578	2,035,512
Total comprehensive income for the year		709,756,678	215,169,230

The annexed notes from 1 to 51 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid-up capital	Capital Reserve		Unappropriated profit	Total
		Share premium	Surplus on Revaluation of property		
	Rupees				
Balance as at July 01, 2023	657,894,800	541,579,164	656,593,189	994,391,723	2,850,458,876
Total comprehensive income for the year					
Profit for the year	-	-	-	213,133,718	213,133,718
Remeasurement of defined benefit liability - net of deferred tax	-	-	-	2,035,512	2,035,512
Transferred from surplus on revaluation of property on account of incremental depreciation - net of deferred tax	-	-	(2,991,622)	2,991,622	-
Total comprehensive income for the year	-	-	(2,991,622)	5,027,134	2,035,512
Transactions with owner					
Final dividend for the year ended June 30, 2023 at Rs. 3 per share	-	-	-	(19,736,845)	(19,736,845)
Balance as at June 30, 2024	657,894,800	541,579,164	653,601,567	1,192,815,730	3,045,891,261
Total comprehensive income for the year					
Profit for the year	-	-	-	557,163,100	557,163,100
Remeasurement of defined benefit liability - net of deferred tax	-	-	-	2,406,422	2,406,422
Revaluation of land	-	-	155,000,000	-	155,000,000
Transferred from surplus on revaluation of property on account of incremental depreciation - net of deferred tax	-	-	(2,969,361)	-	(2,969,361)
	-	-	152,030,639	2,406,422	154,437,061
Transactions with owner					
Final dividend for the year ended June 30, 2024 at Rs. 8 per share	-	-	-	(52,631,584)	(52,631,584)
Balance as at June 30, 2025	657,894,800	541,579,164	805,632,206	1,699,753,668	3,704,859,838

The annexed notes from 1 to 51 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		925,663,499	464,896,957
Adjustment for non cash and other items:			
Gratuity	25	32,010,602	32,297,638
Depreciation	6	56,390,725	51,107,167
Gain on disposal of fixed assets	36	(4,939,977)	(4,105,638)
Sindh Workers' Profit Participation Fund		49,850,333	28,932,544
Sindh Workers' Welfare Fund		19,940,133	11,573,018
Finance costs		448,552,906	382,787,451
		1,527,468,221	967,489,137
(Increase) / decrease in current assets			
Stores and spares		1,677,821	(4,742,946)
Stock in trade		(1,361,934,123)	114,376,125
Trade debts		224,670,363	(234,730,545)
Loan and advances		19,108,224	(29,116,807)
Tax refunds due from government		100,358,566	(57,579,945)
Short term deposits and prepayments		(1,540,469)	(15,705,410)
Other receivables		(121,847,209)	131,976,846
		(1,139,506,827)	(95,522,682)
Increase in current liability			
Trade and other payables		337,807,712	505,479,515
Cash generated from operations		725,769,106	1,377,445,970
Finance costs paid		(486,896,043)	(444,208,264)
Long term loans and deposits		(17,844,527)	269,381
Gratuity paid		(27,716,315)	(18,924,354)
Sindh Workers' Profit Participation Fund - paid		(31,825,798)	(51,412,187)
Sindh Workers' Welfare Fund - paid		(11,573,018)	(18,290,128)
Taxes paid		(446,493,668)	(84,449,050)
Net cash (used in) / generated from operating activities		(296,580,263)	760,431,368
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure - paid		(120,191,641)	(48,343,222)
Acquisition of intangible - paid	7	(18,188,304)	(2,512,810)
Proceeds from sale of vehicles		14,794,727	5,856,928
Purchase of short term investments		5,950,000	70,349,357
Net cash generated (used in) / generated from investing activities		(117,635,219)	25,350,253
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(40,000,000)	(99,990,839)
Repayment of lease liabilities against assets subject to finance lease		(14,421,543)	(7,389,903)
Dividend paid		(52,565,195)	(19,704,068)
Repayment of short term borrowings		(175,574,394)	(45,000,000)
Net cash used in financing activities		(282,561,132)	(172,084,810)
Net (decrease) / increase in cash and cash equivalents		(696,776,614)	613,696,811
Cash and cash equivalent at beginning of the year		(862,618,778)	(1,476,315,589)
Cash and cash equivalent at end of the year	42	(1,559,395,392)	(862,618,778)

The annexed notes from 1 to 51 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 STATUS AND NATURE OF BUSINESS

1.1 The Company was incorporated in Pakistan on September 25, 1980 as a private limited company under Companies Act, 2017. On February 11, 2021 the Company changed its status from private company into a public company. The Company is mainly engaged in manufacturing and selling of vegetable ghee, cooking oil, allied items and substances.

1.2 Initial Public Offering (IPO)

During the prior year, the company has made public announcement regarding initial public offering to expand its business operations in Middle East and North Africa. However, no official timeline for the IPO announcement has been provided at this time and the board has authorized the management to appoint Habib Bank Limited and KTrade to initiate the process of an IPO.

1.3 JCR - VIS Credit Rating Company Limited has upgrade BBB+ and A-2 ratings to the Company for long term and short term, respectively on September 11, 2024.

2 GEOGRAPHICAL LOCATION AND ADDRESS OF BUSINESS UNIT

The registered office of the Company is situated at F/392, S.I.T.E., Karachi.

3 BASIS OF PREPARATION

3.1 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 (IFRS Standards) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies to the financial statements.

3.3 Functional and presentation currency

These Financial statements are prepared in Pakistani Rupees, which is the Company's functional and presentation currency.

3.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make estimates, assumptions and use judgment that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. Areas where judgments and estimates made by the management that may have a significant effect on the amounts recognised in the financial statements are included in the following notes:

	Note
- Useful lives of property, plant and equipment ;	5.1 & 6
- Valuation of stores and spares and stock-in-trade ;	5.3, 5.4 & 11
- Provision for expected credit loss ;	5.9.2 & 12
- Staff retirement benefit - gratuity scheme ;	5.6 & 25
- Taxation	5.7 & 38
- Contingencies	5.10 & 29

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

4.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts	January 1, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

5 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policy information applied in the presentation of these financial statements are set out below. These policies have been consistently applied for the year presented, unless otherwise stated.

5.1 Property, plant and equipment

a) Owned

Property, plant and equipment except lease hold land, building and plant and machinery are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Land, building and plant and machinery are stated at revalued amount less accumulated depreciation and accumulated impairment loss, if any.

Cost includes expenditure that is directly attributable to the acquisition and bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

All expenditure incurred during installation and construction period are carried under capital work in progress. These will be transferred to operating fixed assets upon commencement of commercial operations.

Depreciation is charged to income applying the reducing balance method at the rates specified in relevant note. Full month's depreciation is charged in the month of addition, whereas, no depreciation is charged in the month of disposal.

Fixed assets' residual values, if significant and their useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Incremental depreciation charged for the year on revalued assets is transferred from surplus on revaluation of property, plant and equipment to retained earnings during the year.

Repair and maintenance costs are charged to the statement of profit or loss as and when incurred. Major renewals and improvements are capitalized if criteria are met, and the assets so replaced, if any, are disposed.

Gains and losses on disposal of property, plant and equipment are taken to the statement of profit or loss, and the related surplus on revaluation is transferred directly to unappropriated profit.

b) Right-of-use asset - Leased

The right of use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

The right of use assets is subsequently depreciated using the reducing balance method from the date of recognition to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as disclosed in note 6 of financial statements.

c) Lease Liability

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate. Subsequently lease liabilities are measured at amortized cost using the effective interest rate method.

Subsequently lease liabilities are measured at amortized cost using the effective interest rate method. It is measured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets, or is recorded in profit or loss if the carrying amount of the right-of-use assets has been reduced to zero.

d) Short term leases

Short term leases including Ijarah financing where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to statement of profit or loss on a straight-line basis over the lease/ijarah term unless another systematic basis is representative of the time pattern of the Company's benefit.

e) Capital work in progress

Capital work in progress are stated at cost less accumulated impairment losses (if any) and consist of expenditure incurred and advances made in the course of an asset's reconstruction and installation. Transfers are made to relevant asset categories as and when assets are available for intended use.

f) Surplus on revaluation of property

Any revaluation increase arising on the revaluation of land and building is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the statement of profit or loss, in which case the increase is credited to the statement of profit or loss to the extent of the decrease previously charged.

Any decrease in carrying amount arising on the revaluation of Lease hold land and building is charged to the statement of profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

g) Impairment of non financial assets

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indications exist, the assets recoverable amount is estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that is largely independent from other assets and group. Impairment losses are recognized as expense in statement of profit or loss.

The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

5.2 Cash and cash equivalent

Cash and cash equivalents comprises of cash balances and bank deposits. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks, short-term running finance and short-term investments having maturity upto 3 months. Running finances under mark-up arrangements are shown with short term-borrowings in current liabilities on the reporting date.

5.3 Stores and spares

Stores and spares are stated at cost less provision for slow moving and obsolete items. Cost is determined by using the first in first out method. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

5.4 Stock in trade

These are valued at lower of cost and net realizable value. Cost is determined as under:

Raw materials	- At cost determined on monthly weighted average basis
Stock in process and finished goods	- Raw and packing material at cost as determined above plus proportionate overheads
Stock of gift items and packing material	- At cost determined on monthly weighted average basis
Raw material in transit	- Invoice value plus other expenses incurred thereon

Net realizable value represents estimated selling prices in the ordinary course of business less expenses incidental to making the sale.

5.5 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for the goods and services received, whether billed or not to the Company.

5.6 Staff retirement benefits

The Company operates an unfunded gratuity scheme for its permanent employees whose period of service is six months. Contributions are made to the fund on the basis of actuarial recommendations. The most recent actuarial valuation was carried out at June 30, 2025 using the projected unit credit method [refer note 25.1]. The Company recognizes expense in accordance with IAS 19 "Employee Benefits".

Actuarial gain or loss (remeasurements) are immediately recognised in Statement of Comprehensive Income' as they occur. The amount recognised in the statement of financial position represents the present value of defined benefit obligations 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.

5.7 **Taxation**

a) **Current**

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years and tax credit, if any.

For the current year, the income tax liability is based on the taxable profits of the Company and need not to be bifurcated between the income tax and levy (as per the requirements of IFRIC-21 / IAS-37).

b) **Deferred**

Deferred tax is recognized using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in financial statements purposes and the amounts used for taxation purposes. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carry-forward of unused tax losses and tax credits to the extent that it is probable that future taxable profits will be available against which deferred tax asset can be utilized, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability that, at the time of transaction, affects neither the accounting nor taxable profits.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax asset and liability is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the rates (and tax laws) that have been enacted or substantively enacted at the date of statement of financial position.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rate that have been enacted or substantively enacted by the reporting date. Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

5.8 Levy

The Institute of Chartered Accountants of Pakistan has issued IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes and defined two approaches for bifurcation of tax between current and minimum taxes. Accordingly, the Company has accounting policy to recognise minimum tax or final tax if any on any amount over the current tax as levy under IAS-37 "Provisions, Contingent liabilities and Contingent assets" which was previously recognised as Income tax liabilities.

5.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

5.9.1 Financial assets

Initial Recognition and Measurement

Financial assets are classified at initial recognition and subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price determined under IFRS 15 "Revenue from Contract with Customers".

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets
- Financial assets at fair value through profit or loss (FVPL)

Financial assets at amortised cost (debt instruments)

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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 at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognised in statement of profit or loss and other comprehensive income.

This category also includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at FVOCI. Dividends on equity investments are also recognised as other income in profit or loss when the right of payment has been established.

The Company has not designated any financial asset at FVPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

5.9.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, trade payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at FVPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at FVPL.

Financial liabilities at amortized cost

After initial recognition, borrowings and payables are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in respect of borrowings in foreign currency are added to the carrying amount of the borrowing.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

5.9.3 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model which requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Company's financial assets include mainly trade debts, deposits, short term investments, advances, other receivables, cash and bank balances.

The Company's trade receivables do not contain a significant financing component (as determined in terms of the requirements of IFRS 15 "Revenue from Contracts with Customers"), therefore, the Company is using simplified approach, that does not require the Company to track the changes in credit risk, but, instead, requires to recognise a loss allowance based on lifetime ECLs at each reporting date.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging.

The expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors.

The expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors.

5.10 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

5.11 Borrowings cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year in which they occur. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.12 Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are determined by discounting future cash flows at appropriate discount rate wherever required. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

5.13 Revenue recognition

Revenue is recognised when control of a promised goods passes to a customer. It is measured at the fair value of the consideration received or receivable, sales tax and other duties collected on behalf of third parties are not taken into account. The Company primarily generates revenue from sale of cooking oil and recognized when control passes to the customer at a specific point in time.

The revenue is recorded on the basis of the consideration defined in the contract with the customer, including variable consideration such as discount, volume rebates or other contractual price reductions; if any.

5.14 Other Income

Interest and other incomes are recognised on accrual basis.

Scrap sales are recognized on delivery to customers at realized amounts.

5.15 Deposits, advances, prepayments and other receivables excluding financial assets

These are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

5.16 Share capital

Share capital is classified as equity and recognized at the face value. Incremental costs directly attributable to the issue of new shares are shown as a deduction in equity.

Transactions with related parties are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Dividend and appropriation to reserves are recognized in the financial statements in the year in which it is approved by the shareholders.

5.17 Foreign currency translation

Transactions in foreign currencies are translated into rupees at the rates of exchange approximating those prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into rupees at exchange rate prevailing on the reporting date except those covered by forward exchange contracts. Exchange differences on translations during the year are taken to the statement of profit or loss.

6 PROPERTY, PLANT AND EQUIPMENT

	Note	2025 Rupees	2024 Rupees
Operating fixed assets	6.1	[illegible]	[illegible]
		[illegible]	[illegible]

6.1 Operating fixed assets

Description	Leased Assets: Lease hold land	Building on lease hold	Vehicles	Sub total	Owned: Godowns	Labour office	Plant and machinery	Electric and gas installation	Furniture and fixture	Office equipments	Tools and equipments	Vehicles	Lab equipments	Mobile phones	Gas cylinders	Solar power project 2024	[illegible]	Sub total	Total
					Rupees														
Year ended June 30, 2025																			
Net carrying value basis																			
Opening book value	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	[illegible]	[illegible]
Additions	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]
Revaluation surplus	[illegible]	-	-	[illegible]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	[illegible]
Transfer from CWIP	-	-	-	-	-	-	[illegible]	-	-	-	-	-	-	-	-	[illegible]	-	[illegible]	[illegible]
Deletions - NBV	-	-	[illegible]	[illegible]	-	-	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	[illegible]	[illegible]
Depreciation charge	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]
Closing net book value	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]
		[illegible]	[illegible]																
Gross carrying value basis																			
Cost / revalue	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]
Accumulated depreciation	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]
Net book value	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]
Year ended June 30, 2024																			
Net carrying value basis																			
Opening book value	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	-	-	[illegible]	[illegible]
Additions	-	-	[illegible]	[illegible]	-	-	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]
Transfer from CWIP	-	-	-	-	-	-	[illegible]	-	-	-	-	-	-	-	-	-	-	[illegible]	[illegible]
Deletions - NBV	-	-	-	-	[illegible]	-	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	-	-	[illegible]	[illegible]
Depreciation charge	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]
Closing net book value	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]
Gross carrying value basis																			
Cost / revalue	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
Accumulated depreciation	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
Net book value	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]
Depreciation rate (% per annum)	-	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		

6.1.1 The leasehold land of [illegible] acre is situated at [illegible], S.I.T.E Karachi.

6.1.2 The Company has professionally revalued their leasehold land on June 30, 2025 as per report submitted by independent valuer [illegible] (Private) Limited on the basis of market value. The balance of revaluation surplus amounting to Rs. [illegible] million is appearing as "[illegible]". Previously the land had been revalued by independent valuer [illegible] (Private) Limited on June 30, [illegible].

6.1.3 Depreciation for the year has been allocated as under:

	Note	2025 Rupees	2024 Rupees
Cost of goods manufactured	31	[illegible]	[illegible]
Administrative expenses	32	[illegible]	[illegible]
		[illegible]	[illegible]

6.1.4 The incremental value of the property, plant and equipment on revaluation is depreciated over the remaining useful life of the respective assets at the date of revaluation.

6.1.5 Had there been no revaluation, the net book value of the land and building would have been as follows:

	2025 Rupees	2024 Rupees
Leasehold land	[illegible]	[illegible]
Buildings on leasehold land	[illegible]	[illegible]
	[illegible]	[illegible]

6.1.6 Forced sale value as per the last revaluation report as of June 30, 2025.

Land	[illegible]

6.1.7 Fair value of property, plant and equipment was based on the valuations carried out by an independent valuer [illegible] (Private) Limited on the basis of market value.

6.1.8 Fair value of leasehold land and building on leasehold land are based on assumptions considered to be level 2 in the fair value hierarchy due to significant observable inputs used in the valuation.

7 CAPITAL WORK IN PROGRESS

7.1 During the year, the Company acquired an intangible i.e SAP software amounting to Rs. 18.188 million. However, the use of SAP has not yet been commenced due its pending licenses.

	Note	2025 Rupees	2024 Rupees
8 LONG TERM LOANS			
Secured - considered good			
Loan to staff	8.1	15,596,132	14,031,415
Less: Current portion shown under current assets	14	(9,019,891)	(8,485,839)
		6,576,241	5,545,576

8.1 The loans are provided to employees of the Company in accordance with the term of employment and are interest free. All loans are secured against salary and gratuity fund of the Company.

9 LONG TERM DEPOSITS

	Note	2025 Rupees	2024 Rupees
Security deposits			
Ijarah deposits	9.1	-	1,567,500
Rented Property		420,000	-
Diminishing Musharka	9.2	11,663,696	8,127,000
Others		4,730,166	4,730,166
	9.3	16,813,862	14,424,666

9.1 The Company has entered into Ijarah agreements with Meezan Bank Limited for the purchase of vehicles for a period of five years, which expired during the year. The annual rentals amounting to Rs. 2.022 million have been paid in November 2024. Taxes and repairs are to be borne by the Company (lessee), however, major repairs and insurance costs are to be borne by the lessors. These payments are secured against promissory notes in favor of the lessor for the entire amount of ijarah rentals and security deposit of Rs. 1.567 million. (2024: 1.567 million).

9.2 The Company has diminishing musharakah agreement from First Habib Modaraba. The Company has 10% of cost and accounted for as long term deposit, whereas, rest of 90% is beared by First Habib Modaraba.

9.3 These are non-interest bearing and generally on a term of more than one year.

10 DEFERRED TAXATION - NET

	Note	2025 Rupees	2024 Rupees
Deferred taxation asset	10.1	36,883,099	22,066,600

10.1 The net balance for deferred taxation is in respect of following temporary differences:

	Note	2025 Rupees	2024 Rupees
Deferred tax liabilities:			
Accelerated tax depreciation allowance		138,522,247	135,987,863
Incremental depreciation leasehold building		1,212,838	(1,221,930)
Remeasurement of defined benefit liability		(982,905)	831,406
		138,752,180	135,597,339
Deferred tax assets:			
Provision for doubtful debts		47,194,121	47,194,121
Turnover tax		84,818,925	79,155,280
Lease liabilities		2,019,180	1,953,470
Tax depreciation-loss		13,273,580	-
Provision for gratuity		28,329,474	29,361,068
		175,635,279	157,663,939
		36,883,099	22,066,600

11 STOCK-IN-TRADE

	Note	2025 Rupees	2024 Rupees
Raw material			
Oil	31.1	2,882,682,793	1,953,442,053
Chemicals	31.2	46,721,602	43,512,828
Packing material	31.3	78,056,355	67,267,774
Finished goods	31	912,117,019	493,420,991
		3,919,577,769	2,557,643,646

12 TRADE DEBTS

	Note	2025 Rupees	2024 Rupees
Unsecured			
Considered good		2,256,454,705	2,481,125,068
Considered doubtful		162,738,347	162,738,347
	12.1	2,419,193,052	2,643,863,415
Expected credit loss allowance	12.2	(162,738,347)	(162,738,347)
		2,256,454,705	2,481,125,068

12.1 The ageing of trade receivables at the reporting date is:

	2025 Rupees	2024 Rupees
Not yet due	1,170,833,452	1,541,806,094
Past due 1-30 days	880,733,175	596,561,958
Past due 31-60 days	291,731,698	207,554,011
Past due 61-90 days	10,352,157	128,195,749
Past due over 90 days	65,542,570	169,745,603
	2,419,193,052	2,643,863,415

		Note	2025 Rupees	2024 Rupees
12.2	**Movement in provision for expected credit loss**			
	Opening balance		162,738,347	162,738,347
	Add: Provision made during the year		-	-
	Closing balance		162,738,347	162,738,347

13 SHORT TERM INVESTMENTS

	Note	2025 Rupees	2024 Rupees
At amortized cost			
Term deposit receipts	13.1	58,782,172	64,732,172

13.1 The investments were of lien with a bank in respect of credit facilities obtained. These carried mark up ranging between 11% to 22% (2024: 19.75% to 24%) per annum. The maturity date for these term deposit receipts is March 07, 2026.

14 LOANS AND ADVANCES

	Note	2025 Rupees	2024 Rupees
Secured - considered good			
Loan to staff -current portion		9,019,891	8,485,839
Unsecured - considered good			
Advance			
To staff for expenses		515,212	716,616
Against supply of goods and services		31,696,401	51,137,273
		32,211,613	51,853,889
	14.1	41,231,504	60,339,728

14.1 These are non-interest bearing balances for a period of less then 12 months.

15 SHORT TERM DEPOSITS AND PREPAYMENTS

	Note	2025 Rupees	2024 Rupees
Prepayment		2,542,024	2,001,555
Short term deposits	15.1	59,718,618	58,718,618
		62,260,642	60,720,173

15.1 This includes deposit amounting to Rs. 52.998 million (2024: Rs 52.998 million) paid to Nazir of Sindh High Court against the price difference of Sui Southern Gas Company as a security for levying and collecting Gas additional rate increase from Rs. 488.23 to Rs. 600 per MMBTU and from Rs. 933.45 to Rs. 1350.69 per MMBTU respectively.

		Note	2025 Rupees	2024 Rupees
16	**OTHER RECEIVABLES**			
	Sales tax and special excise duty		124,752,803	-
	Miscellaneous		306,954	10,126
	Accrued interest on short term investment		-	2,945,707
	Accrued interest on saving account		-	256,715
			125,059,757	3,212,548
17	**TAXATION - NET**			
	Advance tax		447,702,536	180,147,534
	Less: Provision for taxation	38	(368,500,399)	(170,139,855)
			79,202,137	10,007,679
18	**TAX REFUND DUE FROM GOVERNMENT**			
	Income tax refundable		186,980,379	287,338,945
			186,980,379	287,338,945
19	**CASH AND BANK BALANCES**			
	Cash in hand		7,581,430	12,550,381
	Cash at banks			
	In current accounts		59,615,142	20,026,669
	In saving account		83,620,896	81,845
			143,236,038	20,108,514
		42	150,817,468	32,658,895

20 AUTHORIZED SHARE CAPITAL

Numbers of ordinary shares of Rs. 100 each 2025	2024		2025 Rupees	2024 Rupees
10,000,000	10,000,000	Ordinary shares of Rs. 100/- each	1,000,000,000	1,000,000,000

21 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Numbers of ordinary shares of Rs. 100 each 2025	2024		2025 Rupees	2024 Rupees
6,578,948	6,578,948	Ordinary shares of Rs. 100/- each	657,894,800	657,894,800

21.1 One of the minority shareholders, Mr. Saleheen Siddiqui was creating a hindrance in the issuance of the right shares, so the Company filed a legal suit before the Honorable Sindh High Court.

The Court ordered him to restrain from creating any hindrance in the issuance of the right share hence all the formalities were completed and Form-3 was submitted to SECP on June 03, 2021. The case has since been transfered to District Courts upon enactment of the Civil Courts Amendment Act 2025, however, the injuction is still operating agaisnt Mr. Saleheen. Further, Mr. Saleheen Siddique filed an appeal against the cancellation of the new director's appointment and all right shares issued at a premium is mala fide and void ab-initio, against which the Company received an interim Court order on June 04, 2021, to maintain the status quo in this regard because of which certified true copy from SECP was not issued to the Company.

This interim order with all stay applications filed by Mr. Siddiqui have since been dismissed by the Honorable High Court of Sindh vide its order dated 07.08.2025 whereas the interim order received on June 04, 2021 has also been vacated. Mr. Siddiqui challenged the aforesaid order through filing recalling and suspension applications but the same were also dismissed vide order dated 13.08.2025

Both the cases are pending with the District Court and the Honorable Sindh High Court respectively for further hearing.

22 SURPLUS ON REVALUATION OF PROPERTY

Revaluation of building and lease-hold land, buildings was carried out on June 30, 2025 by independent valuer M/s KG Traders (Private) Limited on the basis of market value. Revaluation surplus has been credited to surplus on revaluation of property after netting off incremental depreciation and related deferred tax liability.

	2025 Rupees	2024 Rupees
Surplus on leasehold land	774,221,119	619,221,119
Surplus on building on lease hold land	31,411,087	34,380,448
	805,632,206	653,601,567
Balance as at July 01,	667,644,285	671,857,837
Add: Revaluation during the year	155,000,000	-
Less: Transfer to unappropriated profit in respect of:		
Incremental depreciation charged during the year	2,969,361	2,991,622
Related deferred tax liability on incremental depreciation	1,212,838	1,221,930
	4,182,199	4,213,552
	818,462,086	667,644,285
Less: Related deferred tax effect:		
Balance as at July 01	14,042,719	15,264,649
Less: Deferred tax on incremental charged during the year transferred to the statement of profit or loss	(1,212,838)	(1,221,930)
	12,829,881	14,042,719
	805,632,206	653,601,567

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		Note	2025 Rupees	2024 Rupees
23	**LONG TERM LOANS**			
	Secured - Banking Companies Bank Al Falah Limited	23.1	70,000,004	110,000,004
	Less: Payment made during the year		(40,000,000)	(40,000,000)
			30,000,004	70,000,004
	Less: Current portion		(30,000,004)	(40,000,000)
			-	30,000,004

23.1 This represents conventional financing facility obtained by the Company in 2018 amounting to Rs. 200 million from Al Falah Bank for the period of 7 years. The repayment of this loan started after grace period of 2 years from the date of first disbursement i.e. February 23, 2018 and March 05, 2018 respectively , in equal quarterly installments of Rs. 10 million. First repayment has made on May 23, 2020. It carries mark-up at the rate of 6 months KIBOR plus 1 percent per annum and is secured against first pari passu hypothecation and mortgage charge over fixed assets (i.e. plant, machinery, land and building) of the Company amounting to Rs. 267 million inclusive of 25 percent margin.

24 LEASE LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	2025	2024
Secured		
Balance as at July 01,	49,665,581	38,342,926
Additions during the year	35,218,070	18,712,558
Payments made during the year	(14,421,543)	(7,389,903)
	70,462,108	49,665,581
Less: Payable within one year shown under current liabilities	(18,028,401)	(10,235,961)
	52,433,707	39,429,620

The above liabilities represent the unpaid balance of the total of minimum lease payments and the residual value payable at end of lease discounted at a rate of 11% to 23% (2024: 15.9% to 23.23%) per annum. These facilities are secured by security deposits and vehicles titles in the name of leasing companies.

	2025			2024		
	Upto one year	One to five years	Total	Upto one year	One to five years	Total
	Rupees			Rupees		
Minimum lease payments outstanding	27,507,452	63,008,214	90,515,666	17,949,714	48,493,779	66,443,493
Financial charges not due	(9,479,052)	(10,574,507)	(20,053,559)	(7,713,753)	(9,066,159)	(16,779,912)
Present value of minimum lease payments	18,028,400	52,433,707	70,462,107	10,235,961	39,429,620	49,665,581
Payable within one year shown under current liabilities	(18,028,400)	-	(18,028,400)	(10,235,961)	-	(10,235,961)
	-	52,433,707	52,433,707	-	39,429,620	39,429,620

		Note	2025 Rupees	2024 Rupees
25	**STAFF RETIREMENT BENEFITS**			
	Liability recognised in the statement of financial position			
	Provision for gratuity	25.1	97,687,840	101,245,062

25.1 Defined benefit plan

a) General description

The scheme provides for terminal benefits for all its permanent employees who attain the minimum qualifying period. The value depends on the number of service years with the Company x last drawn gross salary. Annual charge is based on actuarial valuation carried out as at June 30, 2025 using the Projected Unit Credit Method.

The Company faces the following risks on account of gratuity:

Final salary risk - The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Asset volatility - Most assets are invested in risk free investments i.e. Government Bonds / Treasury bills. However, investments in equity instruments is subject to adverse fluctuations as a result of change in the market price.

Discount rate fluctuation - The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans' bond holdings.

Investment risks - The risk of the investment underperforming and not being sufficient to meet the liabilities. This risk is mitigated by closely monitoring the performance of investment.

Risk of insufficiency of assets - This is managed by making regular contribution to the Fund as advised by the actuary.

b) Principal actuarial assumptions

Following are a few important actuarial assumptions used in the valuation:

	2025	2024
Discount rate (%)	14.75	14.75
Expected rate of increase in salary (%)	14.65	13.75
Present value of defined benefit obligation (Rupees)	97,687,840	101,245,062

	Note	2025 Rupees	2024 Rupees
c) Movement of liability recognized in the statement of financial position			
Opening present value of defined benefit obligations		101,245,062	94,549,717
Current service cost for the year		17,882,070	18,780,558
Interest cost for the year		12,060,557	13,517,080
Past service cost		2,067,975	-
Benefits due but not paid		(11,240,836)	(5,496,308)
Benefits paid during the year		(27,716,315)	(17,239,067)
Experience adjustments made during the year		4,125,925	(2,523,484)
Remeasurement losses from changes in		(736,598)	(343,434)
Closing present value of defined benefit obligations		97,687,840	101,245,062
d) Charge for the year			
Current service cost		17,882,070	18,780,558
Interest cost		12,060,557	13,517,080
Past Service Cost		2,067,975	-
Charge for the year		32,010,602	32,297,638

25.2 Sensitivity analysis

	2025	2024
Discount rate + 100 bps	91,000,324	94,942,033
Discount rate - 100 bps	105,343,910	108,401,800
Salary increase + 100 bps	105,536,166	108,580,646
Salary increase - 100 bps	90,710,817	94,673,034

The average duration of defined benefit obligation is 7 years.

		Note	2025 Rupees	2024 Rupees
26	**TRADE AND OTHER PAYABLES**			
	Trade creditors		2,074,123,033	1,780,437,676
	Accrued expenses	26.1	512,287,350	495,109,950
	Advances from customers		75,613,149	34,101,395
	Deposits		1,165,415	2,437,564
	Sales Tax and Special Excise duty		-	21,836,319
	Sindh Workers' Profit Participation Fund	26.2	49,850,333	28,932,544
	Sindh Workers' Welfare Fund	26.3	40,500,895	32,133,780
	Others		33,311,969	24,770,300
			2,786,852,144	2,419,759,528

26.1 This includes GIDC provision amounting to Rs. 109.341 million (2024: 109.341 million). The Government promulgated Gas Infrastructure Development Cess (GIDC) Ordinance, 2014 in September 2014 for levying and collecting (GIDC). The Company filed a writ petition against the imposition of the GIDC before the Sindh High Court (SHC). The (SHC) through its interim orders, forthwith stopped Federal Government and Sui Southern Gas Company from collecting GIDC. Recently, the Government has promulgated the Gas Infrastructure Development Cess Act, 2015 (the Act) in May 2015 for henceforth levying / collecting of GIDC and also validating GIDC payable under the Ordinance (repealed).

The Company has filed a petition against the Act and the Sindh High Court has granted stay order against collecting GIDC under the Act pending the final decision on the writ petition. Accordingly, the Company has neither paid GIDC nor pass the burden to customers for the period from August 01, 2014 to August 30, 2020 amounting to Rs. 109.341 million.

26.2 Sindh Workers' Profit Participation Fund

		2025	2024
Balance as at July 01		28,932,544	46,738,352
Add: Interest credited at prescribed rates		2,893,254	4,673,835
		31,825,798	51,412,187
Less: Amount paid to Fund		(31,825,798)	(51,412,187)
		-	-
Add: Current year's allocation at 5%		49,850,333	28,932,544
	26.2.1	49,850,333	28,932,544

26.2.1 The Company retains the allocation to this Fund for its business operations till the amounts are paid to the Fund together with interest at prescribed rate under the Sindh Companies Profit (Workers' Participation) Act, 2015.

		Note	2025 Rupees	2024 Rupees
26.3	**Sindh Workers' Welfare Fund**			
	Balance as at July 01		32,133,780	38,850,891
	Less: Amount paid to government		(11,573,018)	(18,290,128)
			20,560,762	20,560,763
	Add: Current year's allocation at 2%		19,940,133	11,573,018
			40,500,895	32,133,780
27	**MARKUP ACCRUED**			
	Short term borrowings		13,382,744	48,235,130
	Long term loan		2,621,081	5,692,488
	Markup Accrued on lease term		-	419,344
			16,003,825	54,346,962
28	**SHORT TERM BORROWINGS**			
	Istasna financing	28.1	149,425,607	325,000,001
	Running finance	28.2	1,710,212,860	895,277,673
			1,859,638,467	1,220,277,674

28.1 The facility for short-term istasna financing is obtained from a bank amounting to Rs. 149.425 million (2024: Rs. 325 million) having sanctioned limit of Rs. 2,100 million (2024: Rs. 1,700 million). It carries markup at the rate of 6 month KIBOR plus 1% to 1.25% (2024: 6 months KIBOR plus 1.25%) per annum. These are secured by way of first pari passu charge over current assets (stock and receivables) of the Company amounting to Rs. 2,800 million.

28.2 The facilities for short-term running finance are obtained from various commercial banks aggregating to Rs. 1,710 million (2024: Rs. 895.277 million), having sanctioned limit of Rs. 2,050 million. These carry markup ranging between 1 to 3 months KIBOR plus 0.5% to 1.75% (2024: 1 to 3 months KIBOR plus 0.5% to 1.75%) per annum. These are secured by way of first pari passu charge over current assets (stock and receivables) of the Company amounting to Rs. 2,733 million.

29 CONTINGENCIES AND COMMITMENTS

29.1 Contingencies

29.1.1 Guarantee

There is a contingent liability in respect of guarantees issued by bank amounting to Rs. 55.329 million (2024: Rs. 61.869 million) in the ordinary course of business.

29.1.2 Sindh development and maintenance infrastructure fee

There is a contingent liability in respect of demand raised by the Director of Excise and Taxation, (Taxes-II) Karachi against Sindh Development and Maintenance Infrastructure fee amounting to Rs. 22.127 million. (2024: Rs. 22.127 million.)

The Company had filed an appeal before the Honorable High Court of Sindh against this demand. The Court decided the case on the basis of which the net liability computed by management amounts to Rs. 11.298 million. The Company and department have both filed appeals before the Honorable Supreme Court against the order. In the event of adverse decision, the Company will be faced with a maximum liability of Rs. 22.127 million resulting in a charge against profits of the same amount. The case is still pending in the Honorable Supreme Court of Pakistan.

29.2 Commitments

29.2.1 The commitments of the Company in respect of letters of credit as at June 30, 2025 are amounting to Rs. 2,090 million (2024: Rs. 1,213 million).

	Note	2025 Rupees	2024 Rupees
30 SALES - NET			
Local sales - Gross		19,798,601,135	17,147,485,914
Less: Trade discount		(600,085,207)	(598,654,470)
		19,198,515,928	16,548,831,444
Export sales - Gross	30.1	1,562,180,612	1,186,031,682
		20,760,696,540	17,734,863,126
Less: Sales tax		(2,688,445,999)	(2,373,486,961)
Net sales		18,072,250,541	15,361,376,165

30.1 This include export sales of banaspati and margarine in consumer boxes and tins made to multiple customers in Afghanistan.

31 COST OF SALES

	Note	2025	2024
Material consumed			
Oil consumed	31.1	13,929,833,114	11,154,890,908
Chemical consumed	31.2	205,327,991	234,887,642
Packing material consumed	31.3	996,675,981	870,627,836
Toll manufacturing		-	4,515,000
		15,131,837,086	12,264,921,386

	Note	2025 Rupees	2024 Rupees
Salaries, wages and other benefits	31.4	241,700,680	202,720,970
Water		25,697,353	25,256,171
Gas		193,013,840	172,399,407
Biomass fuel		804,800	-
Consumable stores		77,849,993	48,231,379
Insurance		13,805,781	12,477,616
Power and electricity		98,923,967	118,486,868
Repairs and maintenance		11,150,952	13,066,277
Cartage		50,488,732	55,310,888
Depreciation	6.1.3	35,560,694	36,348,892
Consultancy charges		5,518,852	5,231,461
Fees and subscription		4,675,964	5,053,235
Ijara rentals		621,653	996,846
Miscellaneous		11,480,131	3,691,959
		15,903,130,478	12,964,193,356
Less: Insurance claim received		(5,443,768)	(9,190,503)
Cost of goods manufactured		15,897,686,710	12,955,002,853
Finished goods			
Opening stock		493,420,991	661,106,678
Closing stock		(912,117,019)	(493,420,991)
		(418,696,028)	167,685,687
		15,478,990,682	13,122,688,540

31.1 Oil consumed

	Note	2025 Rupees	2024 Rupees
Opening stock		1,953,442,053	1,861,474,050
Purchases -Imports		10,210,400,751	6,388,491,631
Purchases -Locals	31.1.1	4,648,673,103	4,723,465,806
		16,812,515,907	12,973,431,487
Less: Closing stock		(2,882,682,793)	(1,953,442,053)
		13,929,833,114	11,019,989,434

31.1.1 This includes sales tax amounting to Rs. 217.272 million (2024: Rs. 134.901 million) in respect of sales made to FATA, PATA and hospital which are exempt from sales tax. Hence the input tax paid on these goods cannot be adjusted against the output tax. Therefore, the Company has charged the input tax in profit or loss account.

		Note	2025 Rupees	2024 Rupees
31.2	**Chemical consumed**			
	Opening stock		43,512,828	85,227,101
	Purchases		208,536,765	193,173,369
			252,049,593	278,400,470
	Less: Closing stock		(46,721,602)	(43,512,828)
			205,327,991	234,887,642
31.3	**Packing material consumed**			
	Opening stock		67,267,774	64,211,942
	Purchases		1,007,464,562	873,683,668
			1,074,732,336	937,895,610
	Less: Closing stock		(78,056,355)	(67,267,774)
			996,675,981	870,627,836

31.4 Salaries, wages and other benefits include Rs. 4.071 million in respect of retirement benefits (2024: Rs. 4.029 million).

32 **ADMINISTRATIVE EXPENSES**

	Note	2025 Rupees	2024 Rupees
Directors' remuneration		23,778,504	29,186,408
Salaries, wages and other benefits		135,397,957	127,453,848
Insurance		10,365,155	8,979,241
Depreciation	6.1.3	20,830,031	14,758,275
Telephone and telex		3,501,896	5,190,346
Traveling and conveyance		3,896,367	4,813,007
Charity and donation		7,450,760	7,758,497
Legal and professional charges		10,850,014	8,096,584
Fees and subscription		2,904,554	814,550
Repair and maintenance		6,167,063	5,672,609
Rent, rates and taxes		931,896	2,062,539
Ijarah rentals		580,059	1,046,421
Consultancy charges		-	5,424,000
Auditor's remuneration	32.1	1,223,165	1,111,968
Software Running Charges		5,916,488	1,009,368
Entertainment		2,872,040	1,993,682
Postage and telegram		1,035,418	826,862
Printing and stationery		101,700	95,731
Miscellaneous		5,452,033	3,547,040
		243,255,100	229,840,976

		Note	2025 Rupees	2024 Rupees
32.1	**Auditors' remuneration**			
	Audit fee		1,029,600	936,000
	Out of pocket		102,960	93,600
	Sindh sales tax		90,605	82,368
			1,223,165	1,111,968
33	**SELLING AND DISTRIBUTION EXPENSES**			
	Salaries, wages and other benefits		231,327,837	210,756,422
	Transport charges		315,661,635	243,553,658
	Advertisement and marketing expense		526,819,328	555,330,559
	Travelling		7,103,124	8,933,705
	Rent, rates and taxes		43,006,426	36,610,879
	Ijarah rentals		587,618	2,059,506
	Electricity		6,867,625	7,771,279
	Repair and maintenance		1,840,015	940,210
	Telephone		2,025,141	2,101,882
	Insurance		4,372,591	3,391,539
	Postage and telegram		23,361	619,079
	Printing and stationery		678,767	920,160
	Gas		179,077	141,331
	Entertainment		1,708,510	-
	Fees and subscription		263,128	172,221
	Miscellaneous		1,363,941	4,006,433
			1,143,828,124	1,077,308,864
34	**OTHER CHARGES**			
	Sindh workers' profit participation fund	34.1	49,850,333	28,932,544
	Sindh workers' welfare fund		19,940,133	11,573,017
	Write off - bad debts		1,552,690	21,079,323
	Income tax refund loss		-	11,295,166
			71,343,156	72,880,051
34.1	**Workers' Profit Participation Fund**			
	Balance as at July 01,		28,932,544	46,738,344
	Add: Interest credited at prescribed rates		1,639,511	4,673,835
			30,572,055	51,412,179
	Less: Amount paid to Trust		(30,572,055)	(51,412,179)
			-	-
	Add: Current year's allocation at 5%		49,850,333	28,932,544
			49,850,333	28,932,544

	Note	2025 Rupees	2024 Rupees
35 FINANCE COSTS			
Secured finances and letter of credit		220,553,892	332,856,089
Interest on long term loan		9,138,240	27,227,327
Interest on Investment Funds		188,289,042	-
Interest on Sindh Workers' Profit Participation Fund		1,639,511	4,673,835
Interest on lease liabilities		8,869,036	9,100,991
Bank charges		20,063,185	8,929,209
		448,552,906	382,787,451
36 OTHER INCOME			
Sale of scrap material		7,696,261	5,753,421
Gain on sale of fixed assets		4,939,977	4,105,638
Interest income on short term investment		217,655,672	17,277,406
Gain on foreign exchange		622,579	1,465,173
Profit on saving accounts		8,468,437	458,885
Other income		-	840,018
		239,382,926	29,900,541
37 MINIMUM TAX DIFFERENTIAL			
Income tax levy under IFRIC 21/IAS 37	37.1	-	40,873,867

37.1 This represents portion of minimum tax paid under section 113 of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

	Note	2025 Rupees	2024 Rupees
38 TAXATION			
Current	38.2	379,206,435	170,139,856
Deferred		(17,785,853)	81,623,383
Capital Gain Tax		7,079,817	-
		368,500,399	251,763,239

38.1 Relationship between tax expense and accounting profit

	2025	2024
Applicable tax rate	29%	29%
Super tax	10%	8%
Others	3%	3%
Average effective tax rate	36%	34%

38.2 This includes the provision of super tax at the rate of 10%.

39 TRANSACTIONS WITH RELATED PARTIES

Related parties of the company comprise the directors and key management personnel and staff retirement benefits. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of the Company. The details of transactions with related parties during the year, other than disclosed elsewhere in the financial statements, are as follows:

Name of related party	Nature of Relation	Basis of Relation
Chief Executive Officer	Key executives	Chief Executive Officer
Director	Directorship	Director

Nature of transaction	Nature of relation	Basis of relation	2025	2024
			Rupees	
Sale of property outside the normal course of business	Director	Director	27,000,000	-

39.1 There are no transactions with key management personnel other than under their terms of employment.

40 REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

		2025				2024			
		Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
		Rupees				Rupees			
Managerial remuneration		11,935,872	11,932,193	-	23,868,065	14,595,448	14,590,960	-	29,186,408
Total		11,935,872	11,932,193	-	23,868,065	14,595,448	14,590,960	-	29,186,408
Number of persons	40.1	1	6	-	7	1	6	-	7

40.1 This includes five Non-Executive Directors who have not drawn any remuneration from the Company.

41 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

Description	Liabilities				Total
	Long Term Financing	Short Term Financing	Dividend Payable	Lease Liability	
	Rupees				
Balance as at July 1, 2024	70,000,004	325,000,002	150,760	49,665,581	444,816,347
Addition during the year	-	-	52,631,584	35,218,070	87,849,654
Repayment of short term borrowing	-	(175,574,394)	-	-	(175,574,394)
Repayment of long-term financing	(40,000,000)	-	-	-	(40,000,000)
Repayment of lease liabilities	-	-	-	(14,421,543)	(14,421,543)
Payment of dividend	-	-	(52,565,195)	-	(52,565,195)
Balance as at June 30, 2025	30,000,004	149,425,608	217,149	70,462,108	250,104,869

	Note	2025 Rupees	2024 Rupees
42 CASH AND CASH EQUIVALENTS			
Running finance	28	(1,710,212,860)	(895,277,673)
Cash and bank balances	19	150,817,468	32,658,895
		(1,559,395,392)	(862,618,778)

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management. The responsibility includes developing and monitoring the Company's risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures. The Company's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarised as follows:

43.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising returns. Market risk comprise three types of risk: interest rate risk, foreign currency risk and other price risk.

43.1.1 Other price risk

Other 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 interest rate risk or currency 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 reporting date, the Company has not invested in the equity instruments hence, not exposed to any other price risks.

43.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term, short-term financing arrangements, lease arrangements and saving account to meet its business operations and working capital requirements.

Interest rate risk of the Company's financial assets and financial liabilities as at June 30, 2024 can be evaluated from following schedule:

	Note	2025 Rupees	2024 Rupees
Variable rate instruments			
Long term loans		30,000,004	70,000,004
Lease Liability		70,462,108	49,665,581
Short term borrowings		1,859,638,467	1,220,277,674

a) **Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the Company's profit before tax (through impact on floating rate borrowings). There is no direct impact on Company's equity. This analysis excludes the impact of movement in market variables on the carrying amounts of provisions and on non-financial assets and liabilities of the Company. Further, interest rate sensitivity does not have an asymmetric impact on the Company's result.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the profit before taxation for the year ended would increase / decrease by Rs. 11.63 million (2024: Rs. 5.057 million). This is mainly attributable to the exposure to interest rates on its variable rate and fixed rate borrowings.

43.2.3 **Currency risk**

Foreign currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company's exposure to foreign currency risk is as follows:

Commitments	1,823,201,934	1,213,098,188

The following significant exchange rates have been applied:

USD to PKR as at June 30,	283.76	278.34

At reporting date, if the PKR had strengthened by 10% against the US Dollar with all other variables held constant, post-tax loss / profit for the year would have been lower / higher by the amount shown below, mainly as a result of net foreign exchange gain on net foreign currency exposure at reporting date.

Effect on profit	182,320,193	121,309,819

The weakening of the PKR against US Dollar would have had an equal but opposite impact on the post tax profits. The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets / liabilities of the Company.

43.2.4 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. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company does not have any significant exposure to customers from any single country or single customer.

Credit risk of the Company arises principally from trade debts, deposits, loans, other receivables and investment, and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	2025 Rupees	2024 Rupees
Long term loans	6,576,241	5,545,576
Long term deposits	16,813,862	14,424,666
Loans and advances	41,231,504	60,339,728
Short term deposits	62,260,642	60,720,173
Trade debts	2,256,454,705	2,481,125,068
Short term investments	58,782,172	64,732,172
Other receivables	125,059,757	3,212,548
Bank balances	143,236,038	20,108,514
	2,710,414,921	2,710,208,445

The ageing of trade receivables at the reporting date is:

Not yet due	1,170,833,452	1,541,806,094
Past due 1-30 days	880,733,175	596,561,958
Past due 31-60 days	291,731,698	207,554,011
Past due 61-90 days	10,352,157	128,195,749
Past due over 90 days	65,542,570	169,745,603
	2,419,193,052	2,643,863,415

The ageing has been prepared on first in first out basis by applying receipts to earliest invoices.

The trade debts are due from local customers for sales. At the end of the reporting period, there are past due trade debt balances which in management view are recoverable as disclosed in the notes. To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties. Sales made to export customers are secured through letters of credit. The exposure to banks is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis.

Customer credit risk is managed by each business unit subject to the established policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on past experience with the customer. Outstanding customer receivables are regularly monitored. The Company does not hold collateral as security.

The Company measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. At the end of the reporting period, financial assets are held with counterparties with a good credit rating or are due to be settled in short term or on demand. As at the reporting period, the Company has charged an allowance for expected credit loss amounting to Rs. 162.738 million (2024: Rs. 162.738 million) on outstanding balance.

Investments and bank balances

The exposure to banks and investment is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis. The credit quality of cash at bank (in Current and deposit accounts) as per credit rating agencies is as follows:

Name of Banks	Ratings	
	Rating agency	Short-term
Bank AL-Habib Limited	PACRA	A-1+
Habib Bank Limited	VIS	A-1+
Soneri Bank Limited	PACRA	A-1+
Meezan Bank Limited.	VIS	A-1+
Dubai Islamic Bank	VIS	A-1+
AL-Falah Bank Limited	PACRA	A-1+
Habib Metropolitan Bank Limited	PACRA	A-1+
National Bank of Pakistan	VIS	A-1+
Faysal Bank Limited	PACRA	A-1+
Bank of Punjab	PACRA	A-1+

Concentration of credit risk

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 abilities to meet contractual obligation to be similarly affected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

Impaired assets

During the year no assets have been impaired.

43.2.5 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining sufficient bank balances, realizable investments and availability of financing through banking arrangements, which includes short-term and long term borrowings.

	Carrying Amount	Contractual Cash Flows	Six months or less	Six to Twelve months	One to two years	Two to five years
	(Rupees)					
2025						
Long term loan	30,000,004	30,000,004	15,000,000	15,000,000		-
Lease liabilities	70,462,108	70,462,108	5,117,981	5,117,981	10,235,961	18,957,698
Trade and other payables	2,703,218,026	2,703,218,026	2,703,218,026	-	-	-
Markup accrued	16,003,825	16,003,825	16,003,825	-	-	-
Short term borrowings	1,859,638,467	1,859,638,467	1,859,638,467	-	-	-
	4,679,322,430	4,679,322,430	4,598,978,299	20,117,981	10,235,961	18,957,698
2024						
Long term loan	70,000,004	70,000,004	20,000,000	20,000,000	30,000,004	-
Lease liabilities	49,665,581	49,665,581	5,117,981	5,117,981	10,235,961	18,957,698
Trade and other payables	2,358,693,204	2,358,693,204	2,358,693,204	-	-	-
Markup accrued	54,346,962	54,346,962	54,346,962	-	-	-
Short term borrowings	1,220,277,674	1,220,277,674	1,220,277,674	-	-	-
	3,752,983,425	3,752,983,425	3,658,435,821	25,117,981	40,235,965	18,957,698

		2025 Rupees	2024 Rupees
44	**FINANCIAL INSTRUMENTS BY CATEGORY**		
	Financial assets at amortized cost		
	Long term loans including current maturity	15,596,132	14,031,415
	Long term deposits	16,813,862	14,424,666
	Trade debts unsecured	2,256,454,705	2,481,125,068
	Short term deposits	62,260,642	60,720,173
	Loans and advances	32,211,613	51,853,889
	Other receivables	125,059,757	3,212,548
	Short term	58,782,172	64,732,172
	Bank balances	143,236,038	20,108,514
		2,710,414,921	2,710,208,445
	Financial liabilities at amortized cost		
	Lease liabilities	70,462,108	49,665,581
	Long term loans	30,000,004	70,000,004
	Trade and other	2,703,218,026	2,358,693,204
	Markup accrued	16,003,825	54,346,962
	Short term borrowings	1,859,638,467	1,220,277,674
		4,679,322,430	3,752,983,425

45 **CAPACITY AND PRODUCTION**

	2025		2024	
	Annual Capacity	Actual Production	Annual Capacity	Actual Production
	Tons			
Vegetable Ghee, Cooking Oil & Margarine	90,000	42,766	90,000	38,973
Sauces	18,000	456	18,000	635

The Company could not achieve installed capacity of its production due to market conditions.

46 **CAPITAL MANAGEMENT**

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an approximate mix between various sources of finance to minimize risk. The Company is not subject to any externally imposed capital requirements.

The Company's objectives, policies and processes for managing capital are as follows:

The objective of the Company when managing capital is to safeguard the Company's ability to continue as going concern in order to provide returns for shareholders and benefit for other stake holders and to maintain an optimal capital structure to reduce the cost of capital.

The Company sets the amount of capital in proportion to the risk and manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

Consistently with others in the industry, the Company monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debt (as shown in the statement of financial position) less cash and bank balances. Adjusted capital comprises all components of equity (i.e. issued, subscribed and paid up capital, share premium, general reserve and unappropriated profit).

The debt-to-adjusted capital ratio at the end of the reporting period were as follows:

	2025 Rupees	2024 Rupees
Short term borrowings	1,859,638,467	1,220,277,674
Long term loans	-	30,000,004
Lease liabilities against assets subject to finance lease	52,433,707	39,429,620
Current portion of lease liabilities	18,028,401	10,235,961
Markup accrued	16,003,825	54,346,962
Current portion of loug term loan	30,000,004	40,000,000
	1,976,104,404	1,394,290,221
Less: Cash and bank balance	(150,817,468)	(32,658,895)
Net debt	1,825,286,936	1,361,631,326
Share capital	1,199,473,964	1,199,473,964
Reserves	1,699,753,668	1,192,815,730
Total equity	2,899,227,632	2,392,289,694
Total capital and equity	4,724,514,568	3,753,921,020
Gearing ratio	39%	36%

47 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms' length transaction.

The Company discloses the financial instruments measured in the statement of financial position at fair value 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 either directly that is, derived from prices.
Level 3: Inputs for the asset or liability that are not based on observable market data (that is unadjusted) inputs.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

As at the reporting date, none of the financial instruments of the Company are classified and measured at fair value. The carrying amount of all financial assets and liabilities reflected in the financial statements approximate their fair values.

	2025 Rupees	2024 Rupees
48 NUMBER OF EMPLOYEES		
Number of employees at head office and factory as at June 30	178	178
Average number of employees at head office and factory	185	188

49 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 29 SEP 2025 by the Board of Directors of the Company.

50 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison. However, no reclassification has been made during the year.

51 GENERAL

Figures have been rounded off to the nearest Pakistani rupee, unless otherwise stated.

CHIEF EXECUTIVE OFFICER

DIRECTOR

6.7. LATEST MANAGEMENT ACCOUNT AS AT 31st March, 2026

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	Note	March 31, 2026 (Un-Audited) Rupees	June 30,2025 (Audited) Rupees
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	1,590,714,092	1,597,669,584
Capital Work-in-Progress		28,839,153	18,188,304
		1,619,553,246	1,615,857,888
Long term loans	7	3,809,618	6,576,241
Long term deposits	8	21,203,498	16,813,862
Deferred Assets	22	49,568,000	36,883,099
		1,694,134,362	1,676,131,090
Current Assets			
Stores and Spares		11,156,780	9,006,603
Stock in trade	9	3,347,244,093	3,919,577,769
Trade debts (unsecured - considered good)	10	3,116,037,314	2,256,454,705
Loans and Advances	11	81,902,860	41,231,504
Trade Deposits and Short term prepayments	12	65,898,481	62,260,642
Other receivables	13	5,232,814	125,059,757
Taxation - net	14	-	79,202,137
Tax refund due from Government	15	256,560,820	186,980,379
Short term investments	16	78,400,707	58,782,172
Cash and bank balances	17	245,306,411	150,817,467
		7,207,740,280	6,889,373,136
TOTAL ASSETS		8,901,874,641	8,565,504,226
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
10,000,000 (2025: 10,000,000) ordinaryshares of Rs. 100/- each		1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital	18	657,894,800	657,894,800
Unappropriated Profit		2,227,387,550	1,699,753,668
Capital Reserve			
Share Premium		541,579,164	541,579,164
Surplus on Revaluation		804,469,725	805,632,206
		4,231,331,239	3,704,859,838
NON-CURRENT LIABILITIES			
Liabilities against assets subject to finance leases	21	60,009,656	52,433,707
Provision For Gratuity	22	118,849,328	97,687,840
		178,858,984	150,121,547
CURRENT LIABILITIES			
Trade and other payables	23	2,536,923,829	2,786,852,144
Markup accrued	24	24,485,732	16,003,825
Short term borrowings	25	1,811,380,741	1,859,638,467
Taxation - net	14	97,773,070	-
Current portion of non current liabilities	26	21,121,051	48,028,396
		4,491,684,422	4,710,522,841
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES		8,901,874,641	8,565,504,226

AGRO PROCESSORS & ATMOSPHERIC GASES LTD.
STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED MARCH, 2026

	Note	Nine months period ended March 31, 2026 (Un-Audited) Rupees	March 31,2025 (Un-Audited) Rupees
Net sales	28	15,849,608,782	13,747,601,660
Cost of sales	29	13,324,497,094	11,823,053,552
Gross profit		2,525,111,687	1,924,548,109
Operating expenses			
Selling and distribution expenses	31	1,101,687,235	990,052,456
Administrative expenses	30	222,488,249	179,917,986
Other operating expenses	33	76,117,297	42,683,169
		1,400,292,781	1,212,653,610
		1,124,818,906	711,894,499
Other income	32	28,428,245	24,230,947
Income-Investment Funds		-	210,570,815
Profit from operations		1,153,247,151	946,696,261
Financial charges	34	160,289,697	213,512,126
Financial charges on Short Term Loan		-	188,289,042
Profit before tax		992,957,454	544,895,093
Taxation	35	391,327,234	244,496,108
Current		400,185,220	224,247,109
Capital Gain Tax		-	7,079,817
Deferred		(8,857,986)	13,169,182
Profit after taxation		601,630,220	300,398,985

AGRO PROCESSORS & ATMOSPHERIC GASES LTD.
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED MARCH, 2026

	Nine months period ended March 31, 2026 (Un-Audited) Rupees	March 31, 2025 (Un-Audited) Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation	992,957,454	544,895,093
Adjustments for items non-cash items and other items		
Gratuity	22,534,615	22,322,358
Depreciation	43,523,062	43,308,451
Gain on sale of operating fixed assets	(7,109,082)	(2,995,859)
Financial Charges	160,289,697	401,801,168
Bad debts written off	1,282,064	1,552,690
Operating profit before working capital changes	1,213,477,810	1,010,883,901
(Increase) / Decrease in current assets		
Stores and Spares	(2,150,177)	(4,715,756)
Stock in Trade	572,333,676	(906,934,962)
Trade Debts	(859,582,609)	(83,514,108)
Loan and Advances	(40,671,356)	31,418,999
Trade Deposits and short term prepayments	(3,637,840)	(49,904)
Other receivables	119,826,943	(72,660,121)
Tax Refund due from Government	(69,580,442)	100,358,566
	(283,461,804)	(936,097,286)
Increase / (Decrease) in current liabilities		
Trade and other Payables	(243,306,794)	480,638,080
Cash generated from operations	686,709,212	555,424,695
Financial Charges paid	(151,807,789)	(429,591,387)
Gratuity paid	(20,941,011)	(25,209,854)
Taxes paid	(223,210,013)	(323,870,253)
Cash generated from operating activities	290,750,399	(223,246,798)
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to operating fixed assets	(13,121,171)	(94,336,933)
Additions to capital work in progress	(10,650,849)	(28,788,410)
Proceeds from sale of operating fixed assets	9,000,000	3,750,000
Long term loans and deposits	(1,623,013)	(4,193,895)
Short term investments - net	(19,618,535)	5,950,000
Net Cash (used in) / generated from investing activities	(36,013,568)	(117,619,238)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term financing - net	(30,000,000)	(30,000,000)
Liabilities against assets subject to finance leases	(16,302,823)	(10,099,638)
Dividend paid	(65,687,339)	(52,565,193)
Short term borrowings - net	300,025,239	(25,573,653)
Net Cash used in financing activities	188,035,077	(118,238,484)
Net increase in cash and cash equivalent	442,771,908	(459,104,521)
Cash and cash equivalent at the beginning of the year	(1,559,395,392)	(862,618,783)
Cash and cash equivalent at the end of the year	(1,116,623,484)	(1,321,723,303)

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED MARCH 31, 2026

1 STATUS AND NATURE OF BUSINESS

1.1 The Company was incorporated in Pakistan on September 25, 1980 as a private limited company under Companies Act, 2017. On February 11, 2021 the Company changed its status from private company into a public company. The Company is mainly engaged in manufacturing and selling of vegetable ghee, cooking oil, allied items and substances.

1.2 JCR - VIS Credit Rating Company Limited has upgrade A- and A-2 ratings to the Company for long term and short term, respectively on October 20, 2025.

2 GEOGRAPHICAL LOCATION AND ADDRESS OF BUSINESS UNIT

The registered office of the Company is situated at F/392, S.I.T.E., Karachi.

3 BASIS OF PREPARATION

3.1 These special purpose financial statements have been prepared by the management for the initial public offering purpose .

3.2 As these are special purpose financial statements, therefore, these may not contain full disclosure as required under the applicable financial reporting framework.

3.3 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 (IFRS Standards) 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, 201

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.4 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies to the financial statements.

3.5 Functional and presentation currency

These Financial statements are prepared in Pakistani Rupees, which is the Company's functional and presentation currency.

3.6 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make estimates, assumptions and use judgment that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. Areas where judgments and estimates made by the management that may have a significant effect on the amounts recognised in the financial statements are included in the following notes:

	Note
- Useful lives of property, plant and equipment ;	5.1 & 6
- Valuation of stores and spares and stock-in-trade ;	5.3, 5.4 & 11
- Provision for expected credit loss ;	5.9.2 & 12
- Staff retirement benefit - gratuity scheme ;	5.6 & 25
- Taxation	5.7 & 38
- Contingencies	5.10 & 29

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policy is applied in the presentation of these financial statements are set out below. These policies have been consistently applied for the year presented, unless otherwise stated.

4.1 Property, plant and equipment

a) Owned

Property, plant and equipment except lease hold land, building and plant and machinery are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Land, building and plant and machinery are stated at revalued amount less accumulated depreciation and accumulated impairment loss, if any.

Cost includes expenditure that is directly attributable to the acquisition and bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

All expenditure incurred during installation and construction period are carried under capital work in progress. These will be transferred to operating fixed assets upon commencement of commercial operations.

Depreciation is charged to income applying the reducing balance method at the rates specified in relevant note. Full month's depreciation is charged in the month of addition, whereas, no depreciation is charged in the month of disposal.

Fixed assets' residual values, if significant and their useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Incremental depreciation charged for the year on revalued assets is transferred from surplus on revaluation of property, plant and equipment to retained earnings during the year.

Repair and maintenance costs are charged to the statement of profit or loss as and when incurred. Major renewals and improvements are capitalized if criteria are met, and the assets so replaced, if any, are disposed.

Gains and losses on disposal of property, plant and equipment are taken to the statement of profit or loss, and the related surplus on revaluation is transferred directly to unappropriated profit.

b) Right-of-use asset - Leased

The right of use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

The right of use assets is subsequently depreciated using the reducing balance method from the date of recognition to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as disclosed in note 6 of financial statements.

c) Lease Liability

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate. Subsequently lease liabilities are measured at amortized cost using the effective interest rate method.

Subsequently lease liabilities are measured at amortized cost using the effective interest rate method. It is measured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets, or is recorded in profit or loss if the carrying amount of the right-of-use assets has been reduced to zero.

d) Short term leases

Short term leases including Ijarah financing where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to statement of profit or loss on a straight-line basis over the lease/ijarah term unless another systematic basis is representative of the time pattern of the Company's benefit.

e) Capital work in progress

Capital work in progress are stated at cost less accumulated impairment losses (if any) and consist of expenditure incurred and advances made in the course of an asset's reconstruction and installation. Transfers are made to relevant asset categories as and when assets are available for intended use.

f) Surplus on revaluation of property

Any revaluation increase arising on the revaluation of land and building is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the statement of profit or loss, in which case the increase is credited to the statement of profit or loss to the extent of the decrease previously

Any decrease in carrying amount arising on the revaluation of Lease hold land and building is charged to the statement of profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

g) Impairment of non financial assets

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indications exist, the assets recoverable amount is estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that is largely independent from other assets and group. Impairment losses are recognized as expense in statement of profit or loss.

The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

4.2 Cash and cash equivalent

Cash and cash equivalents comprises of cash balances and bank deposits. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks, short-term running finance and short-term investments having maturity upto 3 months. Running finances under mark-up arrangements are shown with short term-borrowings in current liabilities on the reporting date.

4.3 Stock in trade

These are valued at lower of cost and net realizable value. Cost is determined as under:

Raw materials	-	At cost determined on monthly weighted average basis
Stock in process and finished goods	-	Raw and packing material at cost as determined above plus proportionate overheads
Stock of gift items and packing material	-	At cost determined on monthly weighted average basis
Raw material in transit	-	Invoice value plus other expenses incurred thereon

4.4 Staff retirement benefits

The Company operates an unfunded gratuity scheme for its permanent employees whose period of service is six months. Contributions are made to the fund on the basis of actuarial recommendations. The most recent actuarial valuation was carried out at December 31, 2025 using the projected unit credit method [refer note 25.1]. The Company recognizes expense in accordance with IAS 19 "Employee Benefits".

Actuarial gain or loss (remeasurements) are immediately recognised in Statement of Comprehensive Income' as they occur. The amount recognised in the statement of financial position represents the present value of defined benefit obligations 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.

4.5 Taxation

a) Current

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years and tax credit, if any.

For the current year, the income tax liability is based on the taxable profits of the Company and need not to be bifurcated between the income tax and levy (as per the requirements of IFRIC-21 / IAS-37).

b) Deferred

Deferred tax is recognized using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in financial statements purposes and the amounts used for taxation purposes. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carry-forward of unused tax losses and tax credits to the extent that it is probable that future taxable profits will be available against which deferred tax asset can be utilized, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability that, at the time of transaction, affects neither the accounting nor taxable profits.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax asset and liability is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the rates (and tax laws) that have been enacted or substantively enacted at the date of statement of financial position.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rate that have been enacted or substantively enacted by the reporting date. Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

4.6 Levy

The Institute of Chartered Accountants of Pakistan has issued IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes and defined two approaches for bifurcation of tax between current and minimum taxes. Accordingly, the Company has accounting policy to recognise minimum tax or final tax if any on any amount over the current tax as levy under IAS-37 "Provisions, Contingent liabilities and Contingent assets" which was previously recognised as Income tax liabilities.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.7.1 Financial assets

Initial Recognition and Measurement

Financial assets are classified at initial recognition and subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price determined under IFRS 15 "Revenue from Contract with Customers".

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial assets at amortised cost (debt instruments)

- The financial asset is held within a business model with the objective 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 at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognised in statement of profit or loss and other comprehensive

This category also includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at FVOCI. Dividends on equity investments are also recognised as other income in profit or loss when the right of payment has been established.

The Company has not designated any financial asset at FVPL.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

4.7.2 Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, trade payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at FVPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at FVPL.

After initial recognition, borrowings and payables are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in respect of borrowings in foreign currency are added to the carrying amount of the borrowing.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.7.3 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model which requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two

12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.

Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Company's financial assets include mainly trade debts, deposits, short term investments, advances, other receivables, cash and bank balances.

The Company's trade receivables do not contain a significant financing component (as determined in terms of the requirements of IFRS 15 "Revenue from Contracts with Customers"), therefore, the Company is using simplified approach, that does not require the Company to track the changes in credit risk, but, instead, requires to recognise a loss allowance based on lifetime ECLs at each reporting date.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging.

The expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors.

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4.8 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4.9 Borrowings cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year in which they occur. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.10 Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are determined by discounting future cash flows at appropriate discount rate wherever required. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.11 Revenue recognition

Revenue is recognised when control of a promised goods passes to a customer. It is measured at the fair value of the consideration received or receivable, sales tax and other duties collected on behalf of third parties are not taken into account. The Company primarily generates revenue from sale of cooking oil and recognized when control passes to the customer at a specific point in time.

Scrap sales are recognized on delivery to customers at realized amounts.

4.12 Deposits, advances, prepayments and other receivables excluding financial assets

These are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

4.13 Share capital

Share capital is classified as equity and recognized at the face value. Incremental costs directly attributable to the issue of new shares are shown as a deduction in equity.

4.14 Related party transactions

Transactions with related parties are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

4.15 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the year in which it is approved by the shareholders.

4.16 Foreign currency translation

Transactions in foreign currencies are translated into rupees at the rates of exchange approximating those prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into rupees at exchange rate prevailing on the reporting date except those covered by forward exchange contracts. Exchange differences on translations during the year are taken to the statement of profit or loss.

5 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets

Particulars	Cost				Rate	Depreciation				Written down
	As At 30th June 2025	Additions / *transfer/ **revaluation	Deletions	AS AT March 2026	%	As At 30th June 2025	For the year	Adjustments	AS AT March 2026	value as at 31st March 2026
Owned										
Leasehold land	775,000,000	-	-	775,000,000	0%	-	-	-	-	775,000,000
Buildings on leasehold land	168,951,778	-	-	168,951,778	5%	75,520,232	3,503,683	-	79,023,915	89,927,863
Lahore office	1,138,281	-	-	1,138,281	5%	854,946	10,625	-	865,571	272,710
Plant and machinery	949,922,434	5,472,000	-	955,394,434	5%	431,407,920	19,575,563		450,983,483	504,410,951
Electric and gas installation	4,408,987	246,681	-	4,655,668	10%	3,730,610	69,379	-	3,799,989	855,679
Furniture and fixtures	12,166,164	120,000	-	12,286,164	10%	7,964,053	323,158	-	8,287,211	3,998,953
Office equipment	41,561,928	3,069,146	-	44,631,074	10%	20,717,042	1,630,057	-	22,347,099	22,283,975
Tools and equipment	55,685,593	525,000	-	56,210,593	10%	20,663,145	2,632,025	-	23,295,170	32,915,423
Vehicles	51,475,490	3,688,344	6,096,105	49,067,729	20%	44,753,567	1,378,881	1,212,717	44,919,731	4,147,998
Lab Equipment	3,771,250	-	-	3,771,250	10%	2,257,215	113,553	-	2,370,767	1,400,483
Mobile phone	148,000			148,000	20%	45,600	15,360		60,960	87,040
Solar Power Project-2024	54,952,199	-	-	54,952,199	5%	2,747,610	1,957,672		4,705,282	50,246,917
Defence Office	27,000,000	-	-	27,000,000	5%	1,350,000	961,875		2,311,875	24,688,125
	2,146,182,106	13,121,171	6,096,105	2,153,207,171		612,011,940	32,171,831	1,212,717	642,971,053	1,510,236,118
Leased										
Vehicles	97,781,070	29,909,422	3,962,000	123,728,492	20%	34,281,650	11,351,231	2,382,365	43,250,516	80,477,976
Total Rupees	2,243,963,176	43,030,593	10,058,105	2,276,935,663		646,293,590	43,523,062	3,595,082	686,221,569	1,590,714,094

5.1 Depreciation charged has been allocated as under:

	Note	Mar-26 Rupees	Mar-2025 Rupees
Cost of sales	29	27,862,500	28,375,208
Administrative expenses	30	15,660,562	14,933,243
		43,523,062	43,308,451

		Mar-31 2026 (Un-Audited) Rupees	Jun-30 2025 (Audited) Rupees
7	**LONG TERM LOANS**		
	(Unsecured - considered good)		
	Loan to staff	11,811,165	15,596,132
	Less: Current portion shown under current assets	(8,001,547)	(9,019,891)
		3,809,618	6,576,241
8	**LONG TERM DEPOSITS**		
	Security deposits	21,203,498	16,813,862
9	**STOCK IN TRADE**		
	Raw material		
	Oil	2,432,387,116	2,882,682,793
	Chemicals	43,102,355	46,721,602
	Packing material	80,303,265	78,056,355
	Finished goods	791,451,356	912,117,019
		3,347,244,093	3,919,577,769
10	**TRADE DEBTS**		
	Unsecured		-
	Considered good	3,116,037,314	2,256,454,704
	Considered doubtful	177,738,347	162,738,347
		3,293,775,661	2,419,193,052
	Provision against doubtful debts	(177,738,347)	(162,738,347)
		3,116,037,314	2,256,454,704
10.1	**Movement in provision for doubtful debts**		
	Opening balance	162,738,348	162,738,348
	Provision made during the year	15,000,000	-
	Closing balance	177,738,348	162,738,348
11	**LOANS AND ADVANCES**		
	(Unsecured - considered good)		
	Loan		
	To staff	8,001,547	9,019,891
	Advance		
	To staff for expenses	584,514	515,212
	Against Salary	147,800	-
	Against supply of goods and serv	73,168,999	31,696,401
		73,901,313	32,211,613
		81,902,860	41,231,504

		Mar-31 2026 (Un-Audited) Rupees	Jun-30 2025 (Audited) Rupees
12	**TRADE DEPOSITS AND SHORT TERM PREPAYMENTS**		
	Prepayments	5,804,863	2,542,024
	Security Deposits	60,093,618	59,718,618
		65,898,481	62,260,642
13	**OTHER RECEIVABLES**		
	(Considered good)		
	Sales tax	-	124,752,803
	Others	5,232,814	306,954
		5,232,814	125,059,757
14	**TAXATION - NET**		
	Advance tax	302,412,148	447,702,536
	Less: Provision for taxation	(400,185,218)	(368,500,399)
		(97,773,070)	79,202,137
15	**TAX REFUND DUE FROM GOVERNMENT**		
	Income tax refundable	256,560,820	186,980,379
		256,560,820	186,980,379
16	**SHORT TERM INVESTMENTS**		
	Held to maturity		
	Term deposit receipts	78,400,707	58,782,172
17	**CASH AND BANK BALANCES**		
	Cash in hand	6,642,769	7,581,430
	Cash in banks		
	In current accounts	205,715,740	59,615,141
	In saving account	32,947,902	83,620,896
		238,663,642	143,236,038
		245,306,411	150,817,468
18	**ISSUED, SUBSCRIBED AND PAID UP CAPITAL**		
	Issued for shares - Ordinary shares (Rs. 100/- each)	657,894,800	657,894,800

19 SURPLUS ON REVALUATION OF FIXED ASSETS

Surplus on leasehold land	774,221,119	774,221,119
Surplus on buildingd on leasehold lanc	30,248,606	31,411,087
	804,469,725	805,632,206

20 LONG TERM FINANCING

Secured		
From banking company		
Term finance	-	30,000,004
Less: Current portion shown under current liabilities	-	(30,000,004)
	-	

21 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

Secured		
Balance as July 01	70,462,108	49,665,581
Additions during the year	26,971,422	35,218,070
	97,433,530	84,883,651
Payments/adjustment during the ye:	(16,302,823)	(14,421,543)
	81,130,707	70,462,108
Less: Payable within one year shown under current liabilities	(21,121,051)	(18,028,401)
	60,009,656	52,433,707
	-	

22 DEFERRED LIABILITY - GRATUITY

Deferred taxation	(49,568,000)	(36,883,099)
Provision for gratuity	118,849,328	97,687,840
	69,281,327	60,804,741
	-	

23 TRADE AND OTHER PAYABLES

Trade creditors	1,701,408,412	2,074,123,033
Accrued expenses	644,513,210	512,287,350
Advance from customers	24,312,905	75,613,149
Deposits	492,958	1,165,415
Sales Tax and Special Excise duty	27,819,617	-
Workers' Profit Participation Fund	58,665,591	49,850,333
Workers' Welfare Fund	41,942,257	40,500,895
Others	37,768,879	33,311,969
	2,536,923,829	2,786,852,144
	-	-

23.1 Workers' Profit Participation Fund

Balance as at July 01	49,850,333	28,932,543
Add: Interest credited at prescribed rat	7,528,231	2,893,254
	57,378,564	31,825,798
Less: Amount paid to Trust	(52,166,711)	(31,825,798)
	5,211,853	-
Add: Current year's allocation at 5%	53,453,737	49,850,333
	58,665,591	49,850,333

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		Mar-31 2026 (Un-Audited) Rupees	Jun-30 2025 (Audited) Rupees
24	**MARKUP ACCRUED**		
	Running finance	24,187,771	13,382,743
	Term finance	297,961	2,621,081
		24,485,732	16,003,824
		-	-
25	**SHORT TERM BORROWINGS**		
	Secured - from banking companies		
	Istisna Fiancing	449,450,846	149,425,607
	Running finance - I	1,361,929,895	1,710,212,859
		1,811,380,741	1,859,638,466
26	**CURRENT PORTION OF NON-CURRENT LIABILITIES**		
	Long term financing 20	-	30,000,000
	Liabilities against assets subject 21	21,121,051	18,028,401
		21,121,051	48,028,401
		-	-

27 CONTIGENCIES AND COMMITMENTS

27.1 Contingencies

27.1.1 Guarantee

There is a contingent liability in respect of guarantees issued by bank amounting to Rs. 78.40 million (June 30, 2025: Rs. 55.329 million) in the ordinary course of business.

27.1.2 Sindh development and maintenance infrastructure fee

There is a contingent liability in respect of demand raised by the Director of Excise and Taxation, (Taxes-II) Karachi against Sindh Development and Maintenance Infrastructure fee amounting to Rs. 22.127 million. (June 30, 2025: Rs. 22.127 million.) The Company had filed an appeal before the Honorable High Court of Sindh against this demand. The Court decided the case on the basis of which the net liability computed by management amounts to Rs. 11.298 million. The Company and department have both filed appeals before the Honorable Supreme Court against the order. In the event of adverse decision, the Company will be faced with a maximum

27.2 Commitments

The commitments of the Company in respect of letters of credit as at March 31, 2026 are amounting to Rs. 1,309 million (June 30, 2025: Rs. 2,090 million).

			YTD March 31, 2026 (Un-Audited) Rupees	YTD March 31st, 2025 (Un-Audited) Rupees
28	**SALES - NET**			
	Sales		19,068,317,341	18,263,172,726
	Less: Sales tax		(2,716,710,769)	(4,051,084,397)
	Trade discount		(501,997,791)	(464,486,669)
			15,849,608,782	13,747,601,660
29	**COST OF SALES**			
	Material consumed			
	Oil consumed		11,636,849,405	10,443,276,167
	Sales Tax Charged		43,174,251	189,252,336
	Chemical consumed		160,372,369	157,165,814
	Packing material consumed		807,435,750	760,266,044
			12,647,831,774	11,549,960,360
	Salaries, wages and other benefits		193,156,064	177,230,587
	Water		20,151,455	18,932,648
	Gas		129,383,478	148,743,959
	Biomass fuel		1,716,149	-
	Power and electricity		57,105,218	79,689,970
	Consumable stores		58,852,436	54,638,010
	Insurance		12,012,213	10,869,742
	Repairs and maintenance		11,947,204	6,374,463
	Cartage		43,236,943	37,319,321
	Depreciation	5.2	27,851,873	28,375,208
	Consultancy Charges		4,387,776	3,940,987
	Fees and subcription		6,851,953	5,847,677
	Ijara Rentals		-	621,653
	Miscellaneous		3,426,815	3,676,065
	Legal & Professional Charges		-	1,000,000
			13,217,911,351	12,127,220,650
	Less: Insurance claim received		(14,079,920)	(3,381,719)
	Cost of goods manufactured		13,203,831,431	12,123,838,931
	Finished goods			
	Opening stock		912,117,019	493,420,991
	Closing stock		(791,451,356)	(794,206,366)
			120,665,663	(300,785,375)
	COGS		13,324,497,095	11,823,053,552
	GROSS PROFIT		2,525,111,687	1,924,548,109
29.1	Oil consumed			
	Opening stock		2,882,682,793	1,953,442,053
	Purchases		11,186,333,728	11,035,517,511
			14,069,016,521	12,988,959,564
			-	-
	Less: Closing stock		(2,432,387,116)	(2,548,683,397)
			11,636,629,405	10,440,276,167

			YTD Mar-31st 2026 (Un-Audited) Rupees	YTD Mar-31st 2025 (Un-Audited) Rupees
29.2	Chemical consumed			
	Opening stock		46,721,602	43,512,828
	Purchases		156,753,122	155,758,811
			203,474,724	199,271,639
	Less: Closing stock		(43,102,355)	(42,105,825)
			160,372,369	157,165,814
29.3	Packing material consumed			
	Opening stock		78,056,355	67,267,774
	Purchases		809,682,660	772,581,288
			887,739,015	839,849,062
	Less: Closing stock		(80,303,265)	(79,583,018)
			807,435,750	760,266,044
30	**ADMINISTRATIVE EXPENSES**			
	Director's Remunerartion		22,074,514	17,352,486
	Salaries, wages and other benefits		112,834,695	102,853,639
	Provision for expected credit loss		15,000,000	-
	Printing and stationary		367,350	443,100
	Telephone and telex		2,170,306	2,786,677
	Postage and telegram		553,379	873,788
	Traveling and conveyance		2,918,348	2,918,533
	Legal and professional charges		12,155,637	8,170,611
	Audit fee		1,100,000	940,000
	Fees and subcription		3,924,911	1,679,815
	Rent, rate and taxes		1,027,073	1,356,584
	Ijara Rentals		-	580,059
	IT Expenses		1,893,686	2,347,141
	Entertainment		1,928,224	1,856,895
	Charity and donation		8,001,359	6,797,524
	Repair and maintenance		7,760,415	4,373,524
	Depreciation	5.2	15,671,189	14,933,243
	Insurance		8,549,678	6,789,181
	Miscellaneous expenses		4,557,487	2,865,186
			222,488,249	179,917,986

		YTD Mar-31st 2026 (Un-Audited) Rupees	YTD Mar-31st 2025 (Un-Audited) Rupees
31	**SELLING AND DISTRIBUTION EXPENSI**		
	Salaries, wages and other benefits	194,766,240	175,264,220
	Transport charges	316,291,096	265,280,838
	Business promotion expenses	233,113,683	254,943,694
	Advertisement	301,879,625	239,337,540
	Traveling expenses	5,915,830	6,092,309
	Insurance	3,907,006	3,200,319
	Electricity	5,338,613	6,437,326
	Repair and maintenance	1,908,559	1,467,913

Telephone	1,397,170	1,608,535
Utilities	155,030	176,967
Postage and telegram	159,458	74,582
Printing and stationery	283,251	771,604
Rent, rate and taxes	31,719,198	32,307,230
Ijara Rentals	211,260	460,576
Miscellaneous	3,844,758	2,428,175
Fees and subcription	796,458	200,628
	1,101,687,235	990,052,456

32 OTHER INCOME

Interest on short term investment	13,585,269	7,084,857
Gain on sale of fixed assets	7,109,082	2,995,859
Sale of Scrap	6,845,463	6,309,039
Profit on saving account	1,144,074	7,884,018
Gain/(Loss) on Foreign Exchange	(255,643)	(42,826)
Income from Al-Meezan Investment	-	28,319,396
Income from T-Bills	-	182,251,419
	28,428,245	234,801,762

33 OTHER EXPENSE

Workers' Profit Participation Fund	53,453,737	29,378,913
Workers' Welfare Fund	21,381,495	11,751,565
Bad Debt Written Off	1,282,064	1,552,690
	76,117,297	42,683,169

	YTD Mar-31st 2026 (Un-Audited) Rupees	YTD Mar-31st 2025 (Un-Audited) Rupees
34 FINANCIAL CHARGES		
Secured finances and letter of credit	135,009,739	190,279,977
Short Term Finance	-	188,289,042
Workers' Profit Participation Fund	7,528,231	2,869,144
Finance Leases	5,859,055	6,779,341
	148,397,025	388,217,504
Bank charges	11,892,672	13,583,664
	160,289,697	401,801,168
35 TAXATION		
Current	400,185,220	224,247,109
Deferred	(8,857,986)	13,169,182
Capital Gain tax	-	7,079,817
	391,327,234	244,496,108

6.8. SUMMARY OF FINANCIAL HIGHLIGHTS OF AGRO PROCESSORS & ATMOSPHERIC GASES LIMITED

(PKR)	FY23	FY24	FY25	6MFY26	9MFY26
Income Statement	**(Audited)**	**(Audited)**	**(Audited)**	**(Audited)**	**(Unaudited)**
Net Sales	17,495,027,578	15,361,376,165[68]	18,072,250,541	10,578,377,878	15,849,608,782
Cost of Sales	(15,045,537,924)	(13,122,688,540)	(15,478,990,682)	(8,820,909,768)	(13,324,497,094)
Gross Profit	2,449,489,654	2,238,687,625	2,593,259,859	1,757,468,110	2,525,111,687
Administrative Expenses	(207,040,913)	(229,840,976)	(243,255,100)	(155,738,984)	(222,488,249)
Selling & Distribution Expenses	(994,481,204)	(1,077,308,864)	(1,143,828,124)	(776,537,665)	(1,101,687,235)
Other Charges	(64,015,444)	(72,880,051)	(71,343,156)	(52,316,156)	(76,117,297)
Operating Profit	1,183,952,093	858,657,734	1,134,833,479	772,875,305	1,124,818,906
Financial Charges	(396,961,412)	(382,787,451)	(448,552,906)	(117,420,087)	(160,289,697)
Other Income	63,500,223	29,900,541	239,382,926	17,962,222	28,428,245
Profit/ (Loss) before Taxation	850,490,904	505,770,824	925,663,499	673,417,440	992,957,454
Taxation	(320,620,351)	(292,637,106)	(368,500,399)	(263,407,291)	(391,327,234)
Profit/ (Loss) after Taxation	529,870,553	213,133,718	557,163,100	410,010,149	601,630,220
EBITDA	1,297,392,350	939,665,442	1,430,607,130	819,355,922	1,196,770,213
Depreciation & Amortization	(49,940,034)	(51,107,167)	(56,390,725)	28,518,395	(43,523,062)
Balance Sheet					
Non-Current Assets	1,483,546,551	1,392,722,794	1,676,131,090	1,687,727,940	1,694,134,362
Current Assets	5,729,787,257	5,568,463,278	6,889,373,136	7,617,006,808	7,207,740,280
Total Assets	7,213,333,808	6,961,186,072	8,565,504,226	9,304,734,748	8,901,874,642
Paid-up Capital	657,894,800	657,894,800	657,894,800	657,894,800	657,894,800
Surplus on revaluation of Property	656,593,189	653,601,567	805,632,206	804,469,723	804,469,725
Unappropriated Profit	994,391,723	1,192,815,730	1,699,753,668	2,035,767,477	2,227,387,550
Equity	2,850,458,876	3,045,891,261	3,704,859,838	4,039,711,164	4,231,331,239
Non-Current Liabilities	195,974,986	170,674,686	150,121,547	171,238,087	178,858,984
Current Liabilities	4,166,899,946	3,744,620,125	4,710,522,841	5,093,785,497	4,491,684,422
Stock In Trade	2,672,019,771	2,557,643,646	3,919,577,769	4,069,228,457	3,347,244,093
Trade debts	2,246,394,523	2,481,125,068	2,256,454,705	2,907,059,203	3,116,037,314
Short-Term Borrowings	2,005,420,849	1,220,277,674	1,859,638,467	1,935,395,631	1,811,380,741
Trade and other payables	1,938,802,932	2,419,759,528	2,786,852,144	3,059,238,494	2,536,923,829
Cash Flow Statement					
Operating Activities	172,077,069	760,431,368	(296,580,263)	72,305,125	290,750,399
Investing Activities	267,719,814	25,350,253	(117,635,219)	(25,759,257)	(36,013,568)
Financing Activities	(635,121,267)	(172,084,810)	(282,561,132)	443,411,031	188,035,077
Net increase/(decrease) in Cash	(195,324,384)	613,696,811	(696,776,614)	489,956,899	442,771,908
Cash & Cash Equivalents at the Beginning of year	184,878,613	159,105,259	32,658,895	150,817,468	150,817,468
Cash & Cash Equivalents at the end of year	159,105,259	32,658,895	150,817,468	166,536,385	245,306,411
Capex[69]	(35,337,309)	(50,856,032)	(138,379,945)	(11,922,786)	(23,772,020)
Growth					
Sales Growth[70] (%)	27.23%	(12.20%)	17.65%	N/A	N/A
Operating Profit Growth[71] (%)	70.17%	(27.48%)	32.16%	N/A	N/A

[68] Net sales declined in FY24 due to lower international and retail vegetable ghee prices. EBITDA and PAT declined in line with revenue
[69] Total Capex includes CAPEX-Property, Plant & Equipment, CAPEX-Capital Work In Process & CAPEX-Intangibles.
[70] Calculated as the percentage change in net revenue of the current period compared with the previous period.
[71] Calculated as the percentage change in operating profit of the current period compared with the previous period

EBITDA Growth[72] (%)	72.99%	(27.57%)	52.25%	N/A	N/A
Net Profit Growth[73] (%)	49.12%	(59.78%)	161.41%	N/A	N/A
Margins					
Gross Margin[74] (%)	14.00%	14.57%	14.35%	16.61%	15.93%
Operating Margin[75] (%)	6.77%	5.59%	6.28%	7.31%	7.10%
EBITDA Margin[76] (%)	7.42%	6.12%	7.92%	7.75%	7.55%
Net Margin[77] (%)	3.03%	1.39%	3.08%	3.88%	3.80%
Profitability and Earnings Ratio					
BVPS with revaluation surplus – Corresponding Period[78]	433.27	462.98	563.14	614.04	643.17
BVPS with revaluation surplus – Adjusted[79]	8.67	9.26	11.26	12.28	12.86
BVPS without revaluation surplus – Corresponding Period[80]	333.47	363.63	440.68	491.76	520.89
BVPS without revaluation surplus – Adjusted[81]	6.67	7.27	8.81	9.84	10.42
Earnings per Share – Corresponding Period[82]	80.54	32.40	84.69	62.32	91.46
Earnings per Share – Adjusted[83]	1.61	0.65	1.69	1.25	1.83
Return on Equity[84] (%)	20.19%	7.23%	16.51%	N/A	N/A
Return on Asset[85] (%)	7.82%	3.01%	7.18%	N/A	N/A
Balance Sheet Ratios					
Fixed Asset Turnover[86] (x)	12.87	11.41	12.26	N/A	N/A
Asset Turnover[87] (x)	2.58	2.17	2.33	N/A	N/A
Current Ratio[88] (x)	1.38	1.49	1.46	1.50	1.60
Receivables Turnover[89] (days)	42	56[90]	48	N/A	N/A
Inventory Turnover[91] (days)	57	73	76	N/A	N/A
Trade & Other Payables Turnover[92] (days)	38	61	61	N/A	N/A
Leverage Ratios					
Debt to Equity[93]	77.66%	43.99%	52.91%	49.79%	44.73%

[72] Calculated as the percentage change in earnings before interest, tax, depreciation and amortization of the current period compared with the previous period.
[73] Calculated as the percentage change in profit after tax of the current period compared with the previous period.
[74] Gross Profit/ Net Revenue.
[75] Operating Profit / Net Sales.
[76] EBITDA / Net Sales.
[77] Profit after tax / Net Sales
[78] BVPS Corresponding period is calculated on No. of Shares outstanding at period end i.e. 6,578,948 shares
[79] BVPS Adjusted is calculated on No. of Shares outstanding are based on 15th June, 2026 auditor certificate on Paid Up Capital which is reflective of post share split i.e. 328,947,400 shares
[80] BVPS Corresponding period is calculated on No. of Shares outstanding at period end i.e. 6,578,948 shares
[81] BVPS Adjusted is calculated on No. of Shares outstanding are based on 15th June, 2026 auditor certificate on Paid Up Capital which is reflective of post share split i.e. 328,947,400 shares
[82] EPS Corresponding period is calculated on No. of Shares outstanding at period end i.e. 6,578,948 shares
[83] EPS Adjusted is calculated on No. of Shares outstanding are based on 15th June, 2026 auditor certificate on Paid Up Capital which is reflective of post share split i.e. 328,947,400 shares
[84] Profit after tax / Average Total Equity
[85] Profit after tax / Average Total Assets
[86] Net Sales / Average Fixed Assets
[87] Net Sales / Average Total Assets
[88] Current Assets / Current Liabilities
[89] (Average Trade Receivables / Net Sales) * 365
[90] The higher average sales turnover days in FY24 were primarily attributable to the significant increase in sales during June 2024 compared to the corresponding period of the previous year. As a result, the closing receivable balance at year-end was relatively higher, which consequently impacted the turnover ratio and led to an increase in the average sales turnover days. This increase reflects the timing of year-end sales growth rather than any deterioration in collection performance.
[91] (Average Inventory / Cost of Goods Sold) * 365
[92] (Average Trade & Other Payables / Cost of Goods Sold) * 365
[93] (Total Debt / Total Equity)

Debt to Total Capital[94]	43.71%	30.55%	34.60%	33.24%	30.90%
EBITDA/Interest[95] (x)	3.27	2.45	3.19	6.98	7.47
Interest Coverage[96] (x)	3.14	2.32	3.06	6.74	7.19
(EBITDA - Capex)	1,262,055,041	888,809,410	1,292,227,185	807,433,136	1,172,998,193
(EBITDA - Capex)/Interest (x)	3.18	2.32	2.88	6.88	7.32
Debt / EBITDA	1.71	1.43	1.37	2.45	1.56

**Source: Company Financials*

6.8.1. COMMENTARY ON SELECTED RATIOS

i. Revenue & Profitability

The Company's revenue trajectory remained broadly resilient over the period from FY23 to FY25, notwithstanding a temporary contraction in FY24. Net revenue declined from PKR 17,495.03 Mn in FY23 to PKR 15,361.38 Mn in FY24, primarily due to a reduction in retail vegetable ghee prices. This downturn was largely driven by softer international prices, which averaged USD 857 per MT in FY24 compared to USD 991 per MT in FY23. With a recovery in pricing and volumes, revenue rebounded strongly in FY25, increasing by 17.65% YoY to PKR 18,072.25 Mn. Net Sales showed further improvement in 9MFY26, recorded at PKR 15,849.61 million.

Gross profitability remained stable despite pricing volatility. Gross profit increased from PKR 2,449.49 Mn in FY23 to PKR 2,593.26 Mn in FY25, with a slight dip in FY24. Importantly, gross margins held steady at approximately 14% over the three-year period, underscoring the Company's ability to effectively manage input costs and preserve margins amid fluctuating market conditions. Company's effective cost management can be reflected in the 9MFY26 gross margins and operating margins which improved to 15.93% and 7.10% respectively.

EBITDA showed moderate growth, rising from PKR 1,297.39 Mn in FY23 to PKR 1,430.61 Mn in FY25. EBITDA margins improved to 7.92% in FY25 from 7.42% in FY23, although FY24 saw a temporary compression to 6.12%, primarily reflecting the impact of lower topline.

In FY25, the Company reported Other Income of PKR 239.38 million, compared to PKR 29.90 million in FY24, representing a significant increase. This growth was primarily driven by interest income on short-term investments, which rose substantially from PKR 17.28 million in FY24 to PKR 217.66 million, accounting for approximately 91% of total other income. The increase in interest income is attributable to the Company's ability to obtain short-term borrowings at relatively favorable rates and strategically deploy these funds into high-yield Term Deposit Receipts (TDRs) and mutual funds. This approach allowed the Company to effectively capitalize on arbitrage opportunities, resulting in enhanced returns during the period.

Profit After Tax (PAT) increased from PKR 529.87 Mn in FY23 to PKR 557.16 Mn in FY25, with a decrease recorded in FY24. Overall, the Company's profitability remained stable over the period, supported by consistent margins and recovery in earnings in FY25. The Company's stability in its bottom line can be seen in 9MFY26 which amounted to PKR 601.68 Mn.

ii. Balance Sheet & Efficiency Ratios

Operational efficiency remained strong in FY25. Fixed Asset Turnover and Asset Turnover ratios remained stable over the past three years, standing at 12.26x and 2.33x in FY25, respectively. These ratios experienced a slight dip in FY24 due to a decline in the Company's topline.

The Company's Cash Conversion Cycle slightly increased from 61 days in FY23 to 63 days in FY25. Inventory days rose notably from 57 days to 76 days over the same period, driven by increased procurement of crude vegetable oil at favorable prices. Receivable days increased moderately from 42 days in FY23 to 48 days in FY25. These increases were

[94] (Total Debt / Total Capital)
[95] (EBITDA / finance cost)
[96] (EBIT / finance cost)

largely offset by a significant rise in trade and other payable days, which increased from 38 days in FY23 to 61 days in FY25, thereby mitigating the impact of higher inventory and receivables on the overall cash conversion cycle. The short-term borrowings of the Company increased from PKR 1.22 Bn in FY24 and PKR 1.86 Bn in FY25 as the Company increased the procurement of crude vegetable oil due to favorable prices. Furthermore, increase in short term borrowings is in line with the increase in net sales during the same period.

The Current Ratio remained stable within the range of 1.38x to 1.49x over the last 3 years, indicating adequate short-term liquidity and the Company's ability to meet its short-term obligations.

iii. Leverage Ratios and Returns

The Company demonstrated a notable improvement in its capital structure over the period. The Debt-to-Equity ratio declined from 77.66% in FY23 to 52.91% in FY25, reflecting a stronger equity base supported by increased retained earnings and a reduction in both long-term and short-term debt. Similarly, the Debt-to-Total Capital ratio decreased from 43.71% in FY23 to 34.60% in FY25, underscoring the Company's strengthened financial position.

The Company maintained adequate debt servicing capacity throughout the period. EBITDA-to-Interest stood at 3.27x in FY23, declined to 2.46x in FY24 due to decrease in EBITDA and recovered to 3.19x in FY25. Interest Coverage followed a similar trend, improving to 3.06x in FY25, indicating sufficient ability to meet financing costs.

Return ratios reflected earnings volatility. Return on Equity (ROE) declined from 20.19% in FY23 to 7.23% in FY24 due to decrease in revenue attributable to the fall in international and retail vegetable ghee prices, before recovering to 16.51% in FY25. Return on Assets (ROA) followed a similar pattern, declining to 3.01% in FY24 before increasing to 7.18% in FY25.

iv. Cashflow from Operations

Cash flows from operations amounted to PKR 760.16 Mn in FY24, compared to PKR 172.07 Mn in FY23, despite a decline in the Company's net profit, primarily due to lower inventory levels. However, operating cash flows turned negative in FY25, amounting to PKR 296.58 Mn, as inventory levels increased significantly following the procurement of raw materials at favorable prices.

6.9. SUMMARY OF MAJOR ITEMS OF REVENUE AND EXPENSES

6.9.1. Revenue Breakup

	FY23	% of Total	FY24	% of Total	FY25	% of Total	9MFY26	% of Total
Cooking Oil/Canola Oil	11,661,061,339	66.65%	9,351,828,256	60.88%	11,088,385,005	61.36%	10,251,402,772	64.68%
Banaspati	3,361,589,778	19.21%	3,685,404,430	23.99%	3,959,431,080	21.91%	3,408,029,511	21.50%
Industrial Fats / Margarine	1,966,200,421	11.24%	1,935,391,797	12.60%	2,517,187,312	13.93%	1,480,581,404	9.34%
Olive Cooking Oil	400,431,180	2.29%	232,837,855	1.52%	358,651,319	1.98%	556,354,220	3.51%
Sauces	85,532,646	0.49%	135,821,129	0.88%	125,129,837	0.69%	128,152,656	0.81%
By-Products	20,212,214	0.12%	20,092,698	0.13%	23,465,988	0.13%	25,088,220	0.16%
Total	**17,495,027,578**	**100.00%**	**15,361,376,165**	**100.00%**	**18,072,250,541**	**100.00%**	**15,849,608,782**	**100.00%**

**Source: Company Financials*

***By Products include: Oil Dirt & Acid Oil*

6.9.2. Bifurcation of Revenue with Respect to Local and Export Sales, if applicable.

Revenue (PKR)	FY23	% of Gross Sales	FY24	% of Gross Sales	FY25	% of Gross Sales
Local Sales – Main Products	20,069,850,772	97.45%	17,147,485,914	93.53%	19,798,601,135	92.69%
Export Sales	525,543,956	2.55%	1,186,031,682	6.47%	1,562,180,612	7.31%
Gross Sales	**20,595,394,729**	**100.00%**	**18,333,517,596**	**100.00%**	**21,360,781,747**	**100.00%**
Sales Tax	(2,711,627,578)	-	(2,373,486,961)	-	(2,688,445,999)	-

Sales Discount/Returns	(388,739,573)	-	(598,654,470)	-	(600,085,207)	-
Net Sales	**17,495,027,578**	**-**	**15,361,376,165**	**-**	**18,072,250,541**	**-**

**Source: Company Financials*

6.9.3. Expenses Breakup

In PKR	FY23	% of Total	FY24	% of Total	FY25	% of Total	9MFY26	% of Total
Cost of Sales								
Material Consumed	14,697,546,530	96.23%	12,264,921,386	94.67%	15,131,837,086	95.18%	12,647,831,774	95.79%
Salaries, Wages & Other Benefits	186,448,466	1.22%	202,720,970	1.56%	241,700,680	1.52%	193,156,064	1.46%
Water	19,983,678	0.13%	25,256,171	0.19%	25,697,353	0.16%	20,151,455	0.15%
Gas	113,309,239	0.74%	172,399,407	1.33%	193,013,840	1.21%	129,383,478	0.98%
Biomass Fuel	-	0.00%	-	0.00%	804,800	0.01%	1,716,149	0.01%
Consumable Stores	49,244,585	0.32%	48,231,379	0.37%	77,849,993	0.49%	58,852,436	0.45%
Insurance	9,641,733	0.06%	12,477,616	0.10%	13,805,781	0.09%	12,012,213	0.09%
Power & Electricity	84,723,470	0.55%	118,486,868	0.91%	98,923,967	0.62%	57,105,218	0.43%
Repairs & Maintenance	5,603,015	0.04%	13,066,277	0.10%	11,150,952	0.07%	11,947,204	0.09%
Cartage	55,706,372	0.36%	55,310,888	0.43%	50,488,732	0.32%	43,236,943	0.33%
Depreciation	36,009,216	0.24%	36,348,892	0.28%	35,560,694	0.22%	27,851,873	0.21%
Consultancy Charges	5,045,675	0.03%	5,231,461	0.04%	5,518,852	0.03%	4,387,776	0.03%
Fees & Subscription	5,800,800	0.04%	5,053,235	0.04%	4,675,964	0.03%	6,851,953	0.05%
Ijara Rentals	1,146,676	0.01%	996,846	0.01%	621,653	0.00%	-	0.00%
Legal & Professional	2,089,000	0.01%	-	0.00%	-	0.00%	-	0.00%
Miscellaneous	3,168,704	0.02%	3,691,959	0.03%	11,480,131	0.07%	3,426,815	0.03%
Less: Insurance Claim Received	(2,511,593)	(0.02%)	(9,190,503)	(0.07%)	(5,443,768)	(0.03%)	(14,079,920)	-0.11%
Cost of Goods Manufactured	**15,272,955,566**	**100.00%**	**12,955,002,853**	100.00%	**15,897,686,710**	100.00%	13,203,831,431	100.00%
Finished Goods								
Opening Stock	433,689,036	-	661,106,678	-	493,420,991	-	912,117,019	-
Closing Stock	(661,106,678)	-	(493,420,991)	-	(912,117,019)	-	(791,451,356)	-
Cost of Goods Sold	**15,045,537,924**	**-**	**13,122,688,540**	**-**	**15,478,990,682**	**-**	**13,324,497,095**	-
Selling & Distribution Expenses								
Salaries, Wages & Other Benefits	185,339,503	18.64%	210,756,422	19.56%	231,327,837	20.22%	194,766,240	17.68%
Transport Charges	216,611,838	21.78%	243,553,658	22.61%	315,661,635	27.60%	316,291,096	28.71%
Advertisement & Marketing Expense	537,426,311	54.04%	555,330,559	51.55%	526,819,328	46.06%	534,993,308	48.56%
Travelling	5,388,959	0.54%	8,933,705	0.83%	7,103,124	0.62%	5,915,830	0.54%
Rent, Rates & Taxes	29,908,817	3.01%	36,610,879	3.40%	43,006,426	3.76%	31,719,198	2.88%
Ijarah Rentals	3,610,048	0.36%	2,059,506	0.19%	587,618	0.05%	211,260	0.02%
Electricity	4,933,028	0.50%	7,771,279	0.72%	6,867,625	0.60%	5,338,613	0.48%
Repair & Maintenance	971,726	0.10%	940,210	0.09%	1,840,015	0.16%	1,908,559	0.17%
Telephone	1,430,015	0.14%	2,101,882	0.20%	2,025,141	0.18%	1,397,170	0.13%
Insurance	4,282,029	0.43%	3,391,539	0.31%	4,372,591	0.38%	3,907,006	0.35%
Postage & Telegram	732,651	0.07%	619,079	0.06%	23,361	0.00%	159,458	0.01%
Printing & Stationary	768,424	0.08%	920,160	0.09%	678,767	0.06%	283,251	0.03%
Gas	77,812	0.01%	141,331	0.01%	179,077	0.02%	155,030	0.01%
Entertainment	-	0.00%	-	0.00%	1,708,510	0.15%	-	0.00%
Fees & Subscription	132,853	0.01%	172,221	0.02%	263,128	0.02%	796,458	0.07%
Miscellaneous	2,867,190	0.29%	4,006,433	0.37%	1,363,941	0.12%	3,844,758	0.35%
Total Selling & Distribution Expenses	**994,481,204**	**100.00%**	**1,077,308,864**	**100.00%**	**1,143,828,124**	**100.00%**	**1,101,687,235**	**100.00%**
Administrative Expenses								
Directors Renumeration	27,414,326	13.24%	29,186,408	12.70%	23,778,504	9.78%	22,074,514	9.92%
Salaries, Wages & Other Benefits	111,776,151	53.99%	127,453,848	55.45%	135,397,957	55.66%	112,834,695	50.71%
Insurance	8,317,291	4.02%	8,979,241	3.91%	10,365,155	4.26%	8,549,678	3.84%
Depreciation	13,930,823	6.73%	14,758,275	6.42%	20,830,031	8.56%	15,671,189	7.04%

Telephone & Telex	4,655,642	2.25%	5,190,346	2.26%	3,501,896	1.44%	2,170,306	0.98%
Travelling & Conveyance	1,240,225	0.60%	4,813,007	2.09%	3,896,367	1.60%	2,918,348	1.31%
Charity & Donation	10,037,850	4.85%	7,758,497	3.38%	7,450,760	3.06%	8,001,359	3.60%
Legal & Professional Charges	8,311,461	4.01%	8,096,584	3.52%	10,850,014	4.46%	12,155,637	5.46%
Fees & Subscription	878,811	0.42%	814,550	0.35%	2,904,554	1.19%	3,924,911	1.76%
Repair & Maintenance	5,648,971	2.73%	5,672,609	2.47%	6,167,063	2.54%	7,760,415	3.49%
Rent, Rates & Taxes	1,626,947	0.79%	2,062,539	0.90%	931,896	0.38%	1,027,073	0.46%
Ijarah Rentals	1,676,463	0.81%	1,046,421	0.46%	580,059	0.24%	-	0.00%
Consultancy Charges	-	0.00%	5,424,000	2.36%	-	0.00%	-	0.00%
Auditor's Renumeration	1,196,640	0.58%	1,111,968	0.48%	1,223,165	0.50%	1,100,000	0.49%
Software Running Charges	1,160,559	0.56%	1,009,368	0.44%	5,916,488	2.43%	1,893,686	0.85%
Entertainment	1,245,072	0.60%	1,993,682	0.87%	2,872,040	1.18%	1,928,224	0.87%
Postage & Telegram	486,873	0.24%	826,862	0.36%	1,035,418	0.43%	553,379	0.25%
Printing & Stationary	75,798	0.04%	95,731	0.04%	101,700	0.04%	367,350	0.17%
Miscellaneous	7,361,010	3.56%	3,547,040	1.54%	5,452,033	2.24%	4,557,487	2.05%
Provision for Expected Credit Loss	-	0.00%	-	0.00%	-	0.00%	15,000,000	6.74%
Total – Administrative Expenses	**207,040,913**	**100.00%**	**229,840,976**	**100.00%**	**243,255,100**	**100.00%**	222,488,249	100.00%
Other Charges								
Sindh Workers Profit Participation Fund	45,725,317	71.43%	28,932,544	39.70%	49,850,333	69.87%	53,453,737	70.23%
Sindh Workers Welfare Fund	18,290,127	28.57%	11,573,017	15.88%	19,940,133	27.95%	21,381,495	28.09%
Write Off – Bad Debts	-	0.00%	21,079,323	28.92%	1,552,690	2.18%	1,282,064	1.68%
Income Tax Refund Loss	-	0.00%	11,295,166	15.50%	-	0.00%	-	0.00%
Total – Other Charges	**64,015,444**	**100.00%**	**72,880,051**	**100.00%**	**71,343,156**	**100.00%**	**76,117,297**	**100.00%**

**Source: Company Financials*

6.10. SUMMARY OF OTHER INCOME

	FY23	FY24	FY25
Other Income - PKR	63,500,223	29,900,541	239,382,926
Other Income - % of Operating Profit	5.36%	3.48%	21.09%
Other Income -% of Net Sales	0.36%	0.19%	1.32%

**Source: Company Financials*

The table below shows the breakdown of Other Income:

PKR	FY23	FY24	FY25
Sale of scrap material	5,058,998	5,753,421	7,696,261
Gain on sale of fixed assets	13,601,657	4,105,638	4,939,977
Interest Income on short term investment	16,297,986	17,277,406	217,655,672***
Gain on final settlement of subsidiary**	26,385,020	-	-
Reversal on loan from employees	509,251	-	-
Gain on Foreign Exchange	1,647,311	1,465,173	622,579
Profit on saving accounts	-	458,885	8,468,437
Other Income	-	840,018	-
Total Other Income	**63,500,223**	**29,900,541**	**239,382,926**

**Source: Company Financials*

*** A gain was recognized on the complete divestment of its subsidiary, APAG Oil (Pvt.) Limited, in 2022.*

**** In FY25, the Company reported Other Income of PKR 239.38 million, compared to PKR 29.90 million in FY24, representing a significant increase. This growth was primarily driven by interest income on short-term investments, which rose substantially from PKR 17.28 million in FY24 to PKR 217.66 million, accounting for approximately 91% of total other income. The increase in interest income is attributable to the Company's ability to obtain short-term borrowings at relatively favorable rates and strategically deploy these funds into high-yield Term Deposit Receipts (TDRs) and mutual funds. This approach allowed the Company to effectively capitalize on arbitrage opportunities, resulting in enhanced returns during the period.*

6.11. IF MATERIAL PART OF REVENUE (50%) IS DEPENDANT UPON A SINGLE / FEW CUSTOMERS

In the local market, no material part of revenue (i.e. 50%) is dependent upon a single/ few customers. However, in in international markets, Rayan Adnan Trading (Afghanistan) accounted for 73.05% of total export sales in FY25 whereas in 9MFY26, Rayan Adnan Trading (Afghanistan) and Sahibzada General Trading LLC, cumulatively accounted for 71.21% of total export sales.

For further details please refer to Section 3.10.1.

6.12. IF MATERIAL PART OF PURCHASES (50%) IS DEPENDANT UPON A SINGLE / FEW SUPPLIER

In FY25, APAG sourced 52.56% of its total edible oil purchases from its five largest suppliers, namely Apical, Olam Agri, Al-Ghurair, Golden Agri, and FGV. During 9MFY26, the concentration declined, with the top five suppliers; Apical, Olam Agri, Al-Ghurair, Cofco International, and FGV; accounting for 47.51% of total edible oil purchases.

Similarly, in FY25, 53.77% of APAG's total packaging material purchases were procured from its five largest suppliers, namely Zamin Containers Industries (Pvt.) Limited, Ali Containers (Pvt.) Ltd, Royal Paper and Plastic Products (Pvt.) Limited, Agar Plastics (Private) Limited, and Kompass Pakistan (Private) Limited. During 9MFY26, the top five suppliers; Zamin Containers Industries (Pvt.) Limited, Ali Containers (Pvt.) Ltd, Royal Paper and Plastic Products (Pvt.) Limited, Agar Plastics (Private) Limited, and Saigal Packages Industries Pvt. Ltd., accounted for 44.57% of total packaging material purchases.

Please refer to Section 3.14

6.13. CONTINGENCIES AND COMMITMENTS

6.13.1. Guarantees

As of 30th June 2025, there is a contingent liability in respect of guarantees issued by bank amounting to PKR 55.329 million (2024: PKR 61.869 million) in the ordinary course of business.

6.13.2. Sindh Development and Maintenance Infrastructure Fee

As of 30th June 2025, there is a contingent liability in respect of demand raised by the Director of Excise and Taxation, (Taxes-II) Karachi against Sindh Development and Maintenance Infrastructure fee amounting to Rs. 22.127 million. (2024: Rs. 22.127 million.)

The Company has filed an appeal before the Honorable High Court of Sindh against this demand. The Court decided the case on the basis of which the net liability computed by management amounts to PKR 11.298 million. The Company and department have both filed appeals before the Honorable Supreme Court against the order. In the event of adverse decision, the Company will be faced with a maximum liability of PKR 22.127 million resulting in a charge against profits of the same amount. The case is still pending in the Honorable Supreme Court of Pakistan.

6.13.3. Commitments

As of 30th June 2025, the commitments of the Company in respect of letters of credit as at June 30, 2025 are amounting to Rs. 2,090 million (2024: Rs. 1,213 million).

6.14. COMPARATIVE FINANCIAL ANALYSIS WITH PEER GROUP COMPANIES

Company	Share Price[97] (PKR)	EPS[98] – TTM (PKR)	BVPS[99] (PKR)	P/E[100] (x)	P/B[101] (x)	Free Float (Shares in Mn)[102]	Free Float[103] (%)	ROA[104]	ROE[105]
National Foods Limited*	384.04	34.00	136.20	11.29	2.82	58.28	25.00%	14.50%	24.96%
Frieslandcampina Engro Pakistan Limited	103.03	4.51	24.55	22.85	4.20	76.66	10.00%	7.69%	18.37%
Rafhan Maize Products Company Limited	9,204.59	715.93	3,377.80	12.86	2.73	1.39	15.00%	13.10%	21.20%
Unilever Pakistan Foods Limited	25,299.00	1,001.90	1,330.62	25.25	19.01	0.52	8.17%	29.88%	75.30%
Nestle Pakistan Limited	7,688.13	393.76	592.72	19.53	12.97	4.53	10.00%	17.16%	66.43%
At Tahur	30.61	2.73	29.91	11.20	1.02	65.59	30.00%	6.47%	9.14%
Big Bird Foods Limited	45.12	3.85	27.36	11.71	1.65	104.62	35.00%	9.15%	14.09%
Bunnys Limited	6.40	0.67	4.39	9.59	1.46	367.43	55.00%	8.56%	15.20%
Fauji Foods Limited	16.52	0.44	4.35	37.16	3.80	503.99	20.00%	5.26%	10.22%
Ismail Industries Limited	1,900.00	59.02	427.25	32.19	4.45	3.32	5.00%	2.99%	13.81%
Matco Foods Limited	41.71	4.34	89.05	9.60	0.47	42.84	35.00%	1.46%	4.88%
Mitchells Fruit Farms Limited	172.59	2.84	30.06	60.67	5.74	3.43	15.00%	2.80%	9.46%
Shezan International Limited	232.03	30.87	170.61	7.52	1.36	3.87	40.00%	6.15%	18.09%
The Organic Meat Company Limited	37.26	1.82	33.47	20.45	1.11	107.99	55.00%	4.80%	5.44%
Barkat Frisian Agro Limited	33.48	2.29	11.53	14.60	2.90	77.50	25.00%	16.02%	19.89%
Ghani Dairies Limited	18.12	1.20	12.39	15.08	1.46	107.30	25.00%	8.52%	9.69%
Wadhat Poultry Farm Limited	16.79	1.03	5.39	16.27	3.12	67.04	20.00%	11.88%	19.14%
Weighted Average Food Sector (x)				21.51	9.26				
Food Sector Median (x)				15.08	2.82				
KSE-100[106]				8.24	1.52				
Agro Processors & Atmospheric Gases Limited (Pre-Issue)	32.00[107]	2.61[108]	12.86[109]	12.26[110]	2.49[111]	-	-	9.64%	20.29%
Agro Processors & Atmospheric Gases Limited (Post-Issue)	32.00	2.22[112]	10.93[113]	14.41[114]	2.93[115]	172.01	44.45%	9.64%	20.29%

Note: Listed companies working in the food sector have been taken as comparable peers.

**PAT from continuing operations only*

For the purpose of peer comparison, companies operating within the food segment of the Food & Personal Care Products sector of the Pakistan Stock Exchange have been considered as comparable companies. APAG has not been included in the Vanaspati & Allied sector because the Company's business model is fundamentally different from the companies classified under the given sector. While Vanaspati & Allied companies primarily operate as upstream commodity processors supplying semi-refined edible oil and meal to industrial customers, APAG operates as a branded

97 Share Price as at 22nd July 2026
98 EPS based on TTM PAT divided by Total No. of Outstanding Shares
99 Equity divided by Total No. of Outstanding Shares
100 P/E calculated based on price as at 22nd July 2026 divided by TTM EPS
101 P/B calculated based on price as at 22nd July 2026 divided by BVPS
102 Source: PSX Website (https://dps.psx.com.pk/)
103 Source: PSX Website (https://dps.psx.com.pk/)
104 ROA is calculated based on TTM PAT divided by Total Assets
105 ROE is calculated based on TTM PAT divided by Total Equity
106 Source: Bloomberg, Date: 24/06/2026
107 Agro Processors & Atmospheric Gases Limited Issue Price
108 EPS based on TTM PAT as at 31st March 2026 and Pre-Issue No. of Shares i.e. 328,947,400
109 BVPS based on Equity as of 31st March 2026 and Pre-Issue No. of Shares i.e. 328,947,400
110 P/E based on Issue Price divided by TTM EPS (Pre-Issue)
111 P/B based on Issue Price divided by BVPS (Pre-Issue)
112 EPS based on TTM PAT as at 31st March 2026 and Post-Issue No. of Shares i.e. 386,996,941
113 BVPS based on Equity as of 31st March 2026 and Post-Issue No. of Shares i.e. 386,996,941
114 P/E based on Issue Price divided by TTM EPS (Post-Issue)
115 P/B based on Issue Price divided by BVPS (Post-Issue)

FMCG food company that creates value through refining, packaging, branding, marketing, and distributing finished consumer products to retail, HORECA, and bulk customers. Accordingly, APAG's financial performance is driven by brand equity, consumer demand, and distribution strength rather than commodity processing economics, making the Vanaspati & Allied sector an inappropriate peer group for comparison. The following company from Food & Personal Care sector have been excluded, due to reasons defined below:

- **Quice Food Industries Limited** — negative earnings on a trailing twelve-month basis.
- **Unity Foods Limited** — non-availability of recent financial information, the latest available accounts being for 1QFY25;
- **Goodluck Industries Limited** — negligible free float of 116 shares;
- **Al Shaheer Corporation Limited** — classified under the Non-Compliant Segment;
- **Clover Pakistan Limited, Colgate-Palmolive (Pakistan) Limited, ZIL Limited and Treet Corporation Limited** — not engaged in the food business;

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6.14. SUMMARY OF FINANCIAL PROJECTIONS FOR SEVEN YEARS

6.14.1. Income Statement

PKR Mn	FY26 (F)	FY27 (F)	FY28 (F)	FY29 (F)	FY30 (F)	FY31 (F)	FY32 (F)
Revenue	22,884	28,775	35,111	41,399	49,307	58,730	69,973
Cost of Sales	(19,497)	(24,503)	(29,782)	(35,047)	(41,714)	(49,768)	(59,392)
Gross Profit	**3,387**	**4,272**	**5,329**	**6,352**	**7,593**	**8,962**	**10,581**
Selling & Distribution Expense	(1,368)	(1,567)	(1,761)	(1,997)	(2,305)	(2,665)	(3,088)
Administrative Expense	(269)	(305)	(353)	(407)	(463)	(528)	(604)
Other Expenses	(102)	(150)	(211)	(267)	(336)	(413)	(505)
Other Income	28	110	245	386	562	800	1,089
Earnings before interest & taxes	**1,677**	**2,359**	**3,248**	**4,068**	**5,052**	**6,155**	**7,473**
Finance Cost	(224)	(221)	(239)	(257)	(257)	(256)	(256)
Earnings before taxes	1,453	2,138	3,009	3,810	4,795	5,899	7,218
Taxation Expense	(567)	(791)	(1,113)	(1,410)	(1,774)	(2,183)	(2,671)
Profit after tax	**886**	**1,347**	**1,896**	**2,401**	**3,021**	**3,716**	**4,547**
EBITDA	**1,736**	**2,420**	**3,349**	**4,183**	**5,171**	**6,270**	**7,585**
Sales Growth	26.63%	25.74%	22.02%	17.91%	19.10%	19.11%	19.14%
Gross Margin	14.80%	14.84%	15.18%	15.34%	15.40%	15.26%	15.12%
EBIT Margin	7.33%	8.20%	9.25%	9.83%	10.25%	10.48%	10.68%
Net Margin	3.87%	4.68%	5.40%	5.80%	6.13%	6.33%	6.50%
Effective Tax Rate	*39.00%*	*37.00%*	*37.00%*	*37.00%*	*37.00%*	*37.00%*	*37.00%*

**Source: Company*

	FY26(F)	FY27(F)	FY28(F)	FY29(F)	FY30(F)	FY31(F)	FY32(F)
Quantity(MT)							
Cooking Oil/ Canola Oil	30,622	36,746	42,258	46,484	51,132	56,245	61,870
Olive Oil	805	966	1,111	1,222	1,344	1,478	1,626
Banaspati	11,749	14,099	16,214	17,835	19,619	21,580	23,738
Margarine	7,129	8,555	9,839	10,822	11,905	13,095	14,405
Total	**50,305**	**60,366**	**69,421**	**76,363**	**83,999**	**92,399**	**101,639**
YoY Growth (%)							
Cooking Oil/ Canola Oil	32.44%	20.00%	15.00%	10.00%	10.00%	10.00%	10.00%
Olive Oil	17.69%	20.00%	15.01%	9.99%	9.98%	9.97%	10.01%
Banaspati	12.74%	20.00%	15.00%	10.00%	10.00%	10.00%	10.00%
Margarine	0.79%	20.00%	15.01%	9.99%	10.01%	10.00%	10.00%
Total	**21.81%**	**20.00%**	**15.00%**	**10.00%**	**10.00%**	**10.00%**	**10.00%**
Total Capacity	90,000	90,000	90,000	120,000	120,000	120,000	120,000
Utilization (%)	55.9%	67.1%	77.1%	63.6%	70.0%	77.0%	84.7%

Increase in Price - YoY (%)	2.76%	4.74%	6.07%	7.17%	8.26%	8.27%	8.30%

**Source: Company*

	FY26(F)	FY27(F)	FY28(F)	FY29(F)	FY30(F)	FY31(F)	FY32(F)
Quantity(MT)							
Ketchup	126	151	173	191	210	231	254
Mayonnaise	381	458	526	579	637	701	771
Spread	15	17	20	22	24	27	29
Total	**522**	**626**	**720**	**792**	**871**	**958**	**1,054**
YoY Growth (%)							
Ketchup	25.00%	20.00%	15.00%	10.00%	10.00%	10.00%	10.00%
Mayonnaise	25.00%	20.00%	15.00%	10.00%	10.00%	10.00%	10.00%
Spread	25.00%	20.00%	15.00%	10.00%	10.00%	10.00%	10.00%
Total Capacity	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Utilization (%)	10.4%	12.5%	14.4%	15.8%	17.4%	19.2%	21.1%
Increase in Price - YoY (%)	7.5%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%

**Source: Company*

6.14.2. Balance Sheet

PKR Mn	FY26 (F)	FY27 (F)	FY28 (F)	FY29 (F)	FY30 (F)	FY31 (F)	FY32 (F)
Assets							
Non-Current Assets							
Property, plant and equipment	1,588	2,306	2,532	2,862	2,790	2,726	2,662
Capital Work in Progress	-	44	90	-	-	-	-
Long term investment	-	-	-	-	-	-	-
Long term loans	7	7	7	7	7	7	7
Long term deposits	17	17	17	17	17	17	17
Deferred taxation	37	37	37	37	37	37	37
	1,648	**2,410**	**2,682**	**2,922**	**2,851**	**2,786**	**2,722**
Current Assets							
Stores and spares	8	10	12	14	16	19	22
Stock-in-trade	3,675	4,417	5,124	5,934	6,949	8,154	9,730
Trade debts	3,054	3,682	4,301	4,844	5,635	6,550	7,613
Short term investments	59	59	59	59	59	59	59
Loans and advances	41	41	41	41	41	41	41
Short term deposits and prepayments	62	62	62	62	62	62	62
Other receivables	158	199	243	286	341	406	484
Taxation - net	79	79	79	79	79	79	79

Tax refunds due from Government	187	187	187	187	187	187	187
Cash and bank balances	350	1,967	2,805	4,099	6,007	8,416	11,270
	7,674	**10,705**	**12,913**	**15,606**	**19,375**	**23,974**	**29,548**
Total Assets	**9,322**	**13,114**	**15,596**	**18,528**	**22,226**	**26,760**	**32,270**
Equities and Liabilities							
Share Capital and Reserves							
Issued, subscribed, and paid-up capital	658	774	774	774	774	774	774
Capital Reserves							
Share premium	542	2,283	2,283	2,283	2,283	2,283	2,283
Surplus on revaluation of PPE	803	800	797	794	791	788	785
	1,344	3,083	3,080	3,077	3,074	3,071	3,068
Revenue Reserve							
Unappropriated profit	2,498	3,710	5,416	7,577	10,296	13,640	17,733
Total Equity	**4,500**	**7,567**	**9,270**	**11,428**	**14,143**	**17,485**	**21,575**
Non-Current Liabilities							
Long term loans	-	-	-	-	-	-	-
Long Term Debt - Capex	-	-	-	-	-	-	-
Lease liabilities against assets subject to finance lease	45	39	36	31	28	27	23
Deferred capital grant	-	-	-	-	-	-	-
Deferred Liability	40	48	57	67	79	94	111
	85	**86**	**93**	**99**	**107**	**120**	**134**
Current Liabilities							
Trade and other payables	2,854	3,586	4,359	5,129	6,105	7,284	8,693
Markup accrued	-	-	-	-	-	-	-
Short term borrowings - Including Revolver	1,867	1,860	1,860	1,860	1,860	1,860	1,860
Current portion of lease liabilities against assets subject to finance lease	17	15	14	12	11	10	9

Current portion of long-term loan	-	-	-	-	-	-	-
Taxation - net	-	-	-	-	-	-	-
Current portion of deferred capital grant	-	-	-	-	-	-	-
	4,738	**5,461**	**6,233**	**7,002**	**7,976**	**9,154**	**10,562**
Total Liabilities and Equity	**9,322**	**13,114**	**15,596**	**18,528**	**22,226**	**26,760**	**32,270**

**Source: Company*

6.14.3. Cash Flow Statement

PKR Mn	FY26 (F)	FY27 (F)	FY28 (F)	FY29 (F)	FY30 (F)	FY31 (F)	FY32 (F)
Cash Flow from Operations							
Net Income	886	1,347	1,896	2,401	3,021	3,716	4,547
Add: Depreciation	59	61	101	115	119	115	111
Cash before working capital items	946	1,408	1,997	2,515	3,140	3,832	4,658
Change in Net Working Capital	(535)	(680)	(598)	(628)	(886)	(1,010)	(1,312)
Cashflow from Operations	**411**	**728**	**1,399**	**1,887**	**2,254**	**2,821**	**3,346**
Cash Flow from Investing							
Capital Expenditures	(31)	(823)	(373)	(355)	(48)	(50)	(47)
Other Non-Current Assets	-	-	-	-	-	-	-
Cash Flow from Investing	**(31)**	**(823)**	**(373)**	**(355)**	**(48)**	**(50)**	**(47)**
Cash Flow from Financing							
Long term loans	(30)	-	-	-	-	-	-
Long term debt (Capex)	-	-	-	-	-	-	-
Lease liabilities	(7)	(6)	(2)	(5)	(4)	(1)	(3)
Deferred capital grant	-	-	-	-	-	-	-
Deferred liability	(58)	8	9	10	12	14	17
Short term borrowing - (Incl. revolver)	7	(7)	-	-	-	-	-
Current portion of lease liabilities against	(1)	(2)	(1)	(2)	(1)	(1)	(1)

assets subject to finance lease							
Change in Equities	(3)	1,885	(3)	(3)	(3)	(3)	(3)
Dividends Paid	(89)	(135)	(190)	(240)	(302)	(372)	(455)
Cash Flow from Financing	**(180)**	**1,712**	**(187)**	**(239)**	**(298)**	**(362)**	**(445)**
Net change in Cash	199	1,617	838	1,293	1,908	2,409	2,854
Cash – Beginning	151	350	1,967	2,805	4,099	6,007	8,416
Cash - Ending	**350**	**1,967**	**2,805**	**4,099**	**6,007**	**8,416**	**11,270**

**Source: Company*

6.14.4. Macro-Economic Assumptions

	FY26(F)	FY27(F)	FY28(F)	FY29(F)	FY30(F)	FY31(F)	FY32(F)
Inflation Rate (%)	7.70%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
PKR Devaluation (%)	1.00%	2.25%	3.50%	4.75%	6.00%	6.00%	6.00%
KIBOR	10.50%	10.50%	11.50%	12.50%	12.50%	12.50%	12.50%

**Source: Company*

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6.14.5. CERTIFICATE OF REASONABLENESS OF FINANCIAL PROJECTIONS

KTRADE SECURITIES LIMITED

Date: 20th May, 2026

The Chief Executive
Pakistan Stock Exchange Limited
Stock Exchange Road
Karachi

Chief Listing Officer
Listing Department
Pakistan Stock Exchange Limited
Karachi

Subjects: Certification of Reasonableness of Financial Projections as per Schedule 1.14 (vii); (xii) of the Public Offering Regulations, 2017

Dear Sir(s),

We, KTrade Securities Limited, acting as the Consultant to the Issue in connection with the proposed Initial Public Offering of Agro Processors & Atmospheric Gases Limited, hereby confirm that we have reviewed the financial projections for the seven-year period ending FY2032 included in the draft Prospectus and submitted to the Exchange.

Based on our sector's expertise, market research and discussions with the Company's management regarding the underlying assumptions, we certify that the financial projections have been prepared on reasonable grounds and assumptions. The key assumptions cover, inter alia, sales volume growth, expansion plans, effective tax rate, and relevant macroeconomic factors, are considered reasonable in light of the Company's historical performance, industry outlook, and the prevailing economic environment.

This certification is being provided in accordance with the Public Offering Regulation issued by the Securities and Exchange Commission of Pakistan (SECP).

Disclaimer:

The financial projections are subject to inherent uncertainties and are based on assumptions regarding future events and circumstances which may not occur as expected. Actual results may differ from those projected. This certification should not be construed as a guarantee of the attainment of the projected results. Please read the prospectus to understand the investment policies, risks and tax implications involved.

For and on behalf of **KTrade Securities Limited**

Qamar Salah Ahmed
Managing Director
KTrade Securities Limited

MAIN OFFICE | BRANCH OFFICE | BRANCH OFFICE | BRANCH OFFICE | BRANCH OFFICE | BRANCH OFFICE | BRANCH OFFICE

6.15. REVALUATION OF ASSETS

Revaluation of building and lease-hold land, buildings was carried out on June 30, 2025 by independent valuer M/s KG Traders (Private) Limited on the basis of market value. Revaluation surplus has been credited to surplus on revaluation of property after netting off incremental depreciation and related deferred tax liability.

Breakup of this revaluation is provided below:

Particular	2025	2024
Surplus on Leasehold Land	774,221,119	619,221,119
Surplus on Building on Leasehold Land	31,411,087	34,380,448
	805,632,206	**653,601,567**
Balance as at July 01,	667,644,285	671,857,837
Add: Revaluation During the Year	155,000,000	-
Less: Transfer to unappropriated profit in respect of:		
Incremental Depreciation Charged During the Year	2,969,361	2,991,622
Related Deferred Tax Liability on Incremental Depreciation	1,212,838	1,221,930
	4,182,199	4,213,552
	818,462,086	**667,644,285**
Less: Related Deferred Tax Effect		
Balance as at July 01	14,042,719	15,264,649
Less: Deferred Tax on Incremental Charged during the Year Transferred to the statement of profit or loss	(1,212,838)	(1,221,930)
	12,829,881	**14,042,719**
	805,632,206	**653,601,567**

**Source: Company Financials*

6.16. DIVIDEND POLICY

The following table presents the details of dividends declared and/or bonus shares issued by the Company:

	FY21	FY22	FY23	FY24	FY25	6MFY26
Dividends - PKR	-	-	78,947,376	39,473,688	98,684,220	131,578,960
Payout Ratio			14.90%	18.52%	17.71%	32.09%
Bonus Shares – No.	Nil	Nil	Nil	Nil	Nil	Nil
Bonus Shares - PKR	Nil	Nil	Nil	Nil	Nil	Nil

**Source: Company*

The Company intends to follow a consistent profit distribution policy with a dividend payout ratio in the range of 15%-25% for its shareholders, subject to profitability, future growth, expansion & strategy, availability of adequate cash flows, the Board's recommendation and shareholders' approval, where required.

The rights in respect of bonus and dividends attached to each ordinary share are and will be the same. The Company may declare dividends in its general meeting but no dividend shall exceed the amount recommended by the Directors. Dividend, if declared in the general meeting, shall be paid according to the provisions of the Companies Act, 2017.

The Board of Directors may from time to time declare interim dividends as they deem it justified by the profits of the Company. No dividend shall be paid otherwise than out of the profits of the Company for the year or any other undistributed profits.

No unpaid dividend shall bear interest or mark-up against the Company. The dividends shall be paid within the period laid down in the Companies Act, 2017.

Under Section 242 of the Companies Act, any dividend payable in cash by a listed company, shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Therefore, the applicants must provide "Dividend Mandate" while Subscription of shares of the Company.

Covenants / Restriction on Payment of Dividends

It is stated that there is no restriction on the Company by any regulatory authority, creditor, stakeholder, etc. on the distribution and capitalization of its profits.

Eligibility for Dividend

The ordinary shares issued shall rank pari-passu with the existing shares in all matters of the Company, including the right to such bonus or right issues, and dividend as may be declared by the Company subsequent to the date of issue of such shares.

6.16(B).DIVIDEND PAYOUT OF LISTED ASSOCIATED COMPANIES OVER WHICH THE ISSUER HAS CONTROL

APAG has no listed associated company over which it has control.

7. BOARD & MANAGEMENT OF THE COMPANY

7.1. BOARD OF DIRECTORS

S.No	Name	Designation	Address	CNIC	Current Directorships	Past Directorships	Directorship in APAG since
1	Abdul Aziz Rafiq	Chairman	F/40-7, BLOCK 7, Clifton, Karachi.	4230123396249	Agro Processors & Atmospheric Gases Limited	N/A	1980 – Current
2	Ahmad Aziz Ghulamhussain	Chief Executive Officer	15-A/II, Saba Avenue 31ST Street EXT. Phase V, Clifton, Karachi	4230115413047	1) Agro Processors & Atmospheric Gases Limited 2) Faran Sugar Mills Limited (2018 – To Date)	N/A	2013 – Current
3	Amyn	Executive Director and Chief Financial Officer	NO 6, ESMERA, LDA, C.H.S F40/7, Clifton, Karachi.	4230174987931	1) Agro Processors & Atmospheric Gases Limited 2) Cordoba Financial Services Limited (2025- To Date)		2018 – Current
4	Naheed Ahmad Ghulamhussain	Non-Executive Director	15-a/ii, Saba Avenue 31st Street ext. Phase V, Clifton, Karachi	4230112867852	Agro Processors & Atmospheric Gases Limited	N/A	2025 – Current
5	Safina Danish Elahi	Non-Executive Director	H. No. 143/A III, Khayaban-e-Badar, DHA ,Ph 7, Karachi.	4220146410476	1) Agro Processors & Atmospheric Gases Limited 2) Telecom NetZero (Pvt) Limited (2025 – To Date) 3) Elahi Bus Service (Pvt) Limited (2024 – To Date) 4) BlueEx Limited (2023 – To Date) 5) Reverie Publishing SMC (Pvt) Limited (2020 – To Date)	N/A	2021 – Current
6	Fawad Anwar	Independent Director	House .No. 79/II, street No.9, Khayaban-e-Seher, DHA	4230149225517	1) State Bank of Pakistan (2023 – To Date)	1) TPL Properties (2018 – 2021)	2026 – Current

			,Ph 6, Karachi.		2) Dhabeji Aqua Foods (2023 – To Date) 3) Al Karam Studio (2011 – To Date) 4) Pakistan Textile Council (2020 – To Date) 5) Pakistan Retail Council (2017 – To Date) 6) Al-Karam Textile Mills (Pvt) Ltd (1992 – To Date) 7) Private Practice Premium Clinics (Pvt) Ltd (2023 – To Date) 8) Alkaram Holdings (Pvt) Ltd (2023 – To Date) 9) Dhabeji Salt Works (Pvt) Ltd (2025 – To Date) 10) Premium Cement (Pvt) Ltd (2021 – To Date) 11) Excel Cement (Pvt) Ltd (2021 – To Date) 12) Alkaram Fibers Mills (Pvt) Ltd (2026 – To Date)	2) Pakistan Oxygen Limited (2018 – 2019)	
7	Madiha Alam	Independent Director	92 Oakley Street, London	4230190003742	Agro Processors & Atmospheric Gases Limited	N/A	2026 – Current

**Source: Company*

***Note:*

- *Mr. Abdul Aziz Rafiq is the father of Mr. Amyn*
- *Mrs. Naheed Ghulamhussain is the spouse of Mr. Ahmad Aziz Ghulamhussain*

- *Mr. Abdul Aziz Rafiq and Mr. Ahmad Aziz Ghulamhussain are paternal cousins.*

7.2. NUMBER OF DIRECTORS

Pursuant to Section 154 of the Companies Act, 2017 a listed Company shall not have less than seven (7) directors. At present, the Board consists of 7 directors, including the Chief Executive Officer.

7.3. PROFILE OF DIRECTORS

7.3.1. Mr. Abdul Aziz Rafiq – Chairman

Mr. Aziz holds an Honours Bachelor's degree in Commerce & Business Administration from University of Karachi and an MBA from Institute of Business Administration Karachi. In 1975, he started Malta Enterprises, a trading and engineering company. Later he joined Ligo Industries Pvt. Ltd., a liquid gold manufacturing company specializing in the decoration of ceramics and bangles.

In 1980, he founded Agro Processors and Atmospheric Gases Ltd. (APAG), where he served as Chief Executive Officer. Under his leadership, he laid a strong foundation for the company's growth, and established APAG as one of Pakistan's leading edible oil manufacturing companies.

Throughout his career, he has remained actively involved in community service, and held officer-bearer position in various social institutions. He has also served two terms as an Executive member of the Pakistan Vanaspati Manufacturers Association.

7.3.2. Mr. Ahmad Aziz Ghulamhussain – Chief Executive Officer

Mr. Ahmad Aziz Ghulamhussain has served as Chief Executive Officer of APAG since 2013, bringing over three decades of involvement with the Company. He played a key role in the launch of Soya Supreme in 1991, which has since become one of Pakistan's longstanding brands in the edible oil category. Under his leadership as CEO, the Company has grown revenues from PKR 8 to PKR 18 billion and strengthened gross margins through disciplined cost management and strategic importation of crude oil feedstock. He holds a Bachelor's degree in Economics and a Master's in Public Administration (MPA) from the University of Southern California, USA. Earlier in his career, he worked at the City Economic Development Office under the Mayor of Los Angeles. In addition to his role at APAG, he serves as an Independent Director at Faran Sugar Mills Limited and is Chairman of the Audit Committee and HR & Remuneration Committee.

7.3.3. Mr. Amyn – Executive Director and Chief Financial Officer

Mr. Amyn serves as Chief Financial Officer and Executive Director of the Company. In addition to his financial oversight responsibilities, he oversees Sales, Marketing, Production, QA, R&D, and Supply Chain operations. Since joining APAG in 2013, he has played a central role in professionalizing the Company's operations, including the implementation of enterprise resource planning systems, the development of formal HR systems and operational manuals across departments, and improving cost efficiencies across production and supply chain. He led the development and launch of the SMART sauces brand and Soya Supreme Olive Cooking Oil, expanding the Company's presence into value-added consumer products, and revitalized the export business to approximately 6,000 tons annually. He also serves as a Director of Cordoba Financial Services Limited. He holds a Bachelor of Arts from the University of Notre Dame, a Masters of Arts from the University of New South Wales, and a PhD from the University of Western Sydney.

7.3.4. Mrs. Naheed Ahmad Ghulamhussain – Non-Executive Director

Naheed holds a bachelor's degree from St. Joseph's College, Pakistan. She is an avid reader and is well-versed in political and social affairs. Early in her career, Naheed successfully launched a clothing business, where she led and trained a team of women to design intricate garments for customers. After stepping back from the business, she began teaching English to children at The Learning Tree. Naheed's strong communication abilities and prompt problem-solving skills are evident across her entrepreneurial and educational work.

7.3.5. Mrs. Safina Danish Elahi – Non-Executive Director

Safina Danish Elahi is a lawyer, novelist and a poet. She has earned her MFA in Publishing and Contemporary Fiction from Emerson College, Boston. She has authored three (3) books, one of which has been shortlisted for the Asian Fiction Prize 2023. She is also the founder of an award-winning independent publishing house, Reverie Publishers. Safina is the Co-Founder and Co-CEO of the first and largest indoor Padel Tennis facility in Karachi called Padel verse. She also serves on various boards as a director. She was the official nomination from Pakistan for the prestigious International Writers' Fall Residency 2022 at the University of Iowa where she participated as a fellow. Her forthcoming novel, Chasing Shadows in Borrowed Light has been acquired by the Dreamwork Collective and is set to come out in January 2026.

7.3.6. Mr. Fawad Anwar – Independent Director

Mr. Fawad Anwar is a seasoned business leader with over two decades of experience in the textile, energy, retail and financial sectors. He currently serves as the Managing Director of Al Karam Textile Mills (Private) Limited, one of Pakistan's leading vertically integrated textile enterprises with a significant international and domestic footprint. Over the course of his career, he has held multiple board-level positions across prominent organizations, including serving as a Director on the Board of the State Bank of Pakistan. He has also served on the boards of listed and private entities across diverse sectors, including energy, industrial manufacturing and retail.

Mr. Anwar holds a Master of Business Administration from Drexel University, USA and a Bachelor of Business Administration from Temple University, USA. In addition to his corporate leadership roles, he serves as Chairman of the Fayaz Anwar Foundation and has been an active member of the Young Presidents' Organization (YPO-WPO) Pakistan since 2004. His extensive experience in governance, strategic oversight, financial stewardship and industrial operations provides valuable independent perspective to the Board.

7.3.7. Mrs. Madiha Alam – Independent Director

Mrs. Madiha Alam is a strategic and impact-driven Non-Executive Director with over 20 years of international experience across financial services, fintech, capital markets and education. She has held senior leadership positions within global financial institutions, including Deutsche Bank, Daiwa Capital Markets, Macquarie Group and HSBC, where she specialized in equity sales, institutional investor engagement and emerging markets. She has also served in senior executive roles within the fintech sector, including Chief of Staff and Head of Strategy at a leading investment platform, where she led regulatory transformation initiatives, strategic partnerships and fundraising activities.

Mrs. Alam holds a Bachelor of Science in Economics from University College London (UCL) and has completed the Director Training Programme certified by the Securities and Exchange Commission. She currently serves as Trustee and Board Member of several UK-based charitable and educational organizations, where she provides oversight on governance, risk management and strategic direction. Her expertise in financial markets, regulatory compliance, stakeholder engagement and board governance strengthens the Company's independent oversight framework.

7.4. PROFILE OF MANAGEMENT

7.4.1. Mr. Adnan Owais – General Manager (GM) Finance, Operations and Company Secretary

He currently serves as General Manager – Finance & Operations at Agro Processor & Atmospheric Gases (APAG), where he oversees Finance, HR & Administration, Internal Audit, and IT functions. In this capacity, he drives the organization's financial strategy, reporting, operational finance initiatives, as well as HR, administrative, internal audit, and IT operations, ensuring alignment with organizational goals. Beyond his core finance and operational leadership responsibilities, he plays a pivotal role as SAP (Business One) Project Director, spearheading ERP implementation, process automation, and digital transformation programs to enhance efficiency and drive sustainable growth. Also, he is an associate member of Cost and Management Accountant of Pakistan (ACMA).

Mr. Adnan Owais is also serving as Company Secretary at Agro Processor & Atmospheric Gases (APAG), ensuring compliance with corporate laws, regulatory requirements, and governance best practices, while supporting the Board of Directors in strategic decision-making.

His professional experience spans multiple sectors including manufacturing, textiles, retail, and FMCG, with prior roles at leading organizations such as Soorty Enterprises, Habitt, Habib Oil Mill and Gul Ahmed Textile. His expertise includes financial planning & analysis, cost optimization, ERP implementation (SAP B1), internal controls, compliance, and corporate reporting.

7.4.2. Mr. Shoaib Butt – General Manager (GM) Sales

Shoaib is a dynamic Sales Leader with over two decades of experience across the FMCG, edible oil, and industrial sectors. He currently serves as General Manager Sales at APAG, leading consumer and commercial sales operations, driving business strategy, and ensuring robust return on investment. Shoaib holds certifications as a Sales Trainer and has worked with renowned multinational and national organizations including EVA, IFFCO, Dalda Foods, and Colgate-Palmolive. Throughout his career, he has demonstrated expertise in building high-performance teams, managing large-scale distribution networks, executing trade marketing campaigns, competitive analysis, brand development, and channel management across General Trade, Modern Trade, and OOH channels. Shoaib's strategic vision and hands-on leadership have consistently resulted in market expansion, enhanced brand visibility, and sustainable revenue growth.

7.4.3. Zubair Ghayur – General Manager (GM) Technical Operations & Sales

Zubair Ghayur is the Head of Technical and Supply Chain with 15 years of multifaceted experience in R&D, Production, and Supply Chain management. He holds an MBA in Industrial Management and a Master's in Food Science & Technology, and is also an FSSC 22000 certified Food Safety Professional (IRCA). Zubair leads the Research and Development function, determining the company's product and process innovation, while ensuring seamless production, efficiency optimization, cost control, and delivery of projects. He also oversees end-to-end supply chain processes, maintaining high standards across factory operations and supply chain management. His leadership ensures operational excellence and drives continuous improvement throughout the organization.

7.4.4. Najiyeh Akbar – General Manager (GM) Marketing

Najiyeh Akbar is an accomplished Senior Marketing Specialist with over 19 years of experience in the FMCG, Retail, and Tech sectors. She holds a Master's in Business Administration (Marketing & MIS) from the prestigious Institute of Business Administration. Najiyeh began her professional journey with Philip Morris International and has since held leadership roles at renowned companies including Samsung Electronics and APAG Ltd. She also co-founded the digital startup 24Grey Pvt Ltd, which revolutionized the OOH advertising industry with a B2B SaaS platform. With expertise in advertising, communication, digital marketing, lead generation, and go-to-market strategies, she has consistently driven brand growth, captured market share, and propelled businesses to new heights in competitive industries.

7.5. QUALIFICATIONS OF DIRECTORS

No person shall be appointed as a director of the Company who is ineligible to be appointed as Director on any one or more of the grounds enumerated in Section 153 of the Companies Act or any other law for the time being in force.

7.6. APPOINTMENT AND ELECTION OF DIRECTORS AND CHIEF EXECUTIVE

The Directors of the Company are elected for a term of three years in accordance with the procedure laid down in Section 159 of the Companies Act, 2017.

The Directors shall comply with the provisions of Sections 154 to 159 and Sections 161,162 and 167 of the Companies Act,2017 relating to the election of Directors and matters ancillary thereto.

Any casual vacancy on the board may be filled by the Directors, Subject to the requirement that the appointee shall retire at the same time as if he/ she had become a Director on the date the predecessor was last elected.

Subject to the provisions of the Companies Act, 2017, the Company may from time to time increase or decrease the number of Directors.

As per Article 59, the number of Directors of shall not be less than 7 (seven) or the minimum threshold prescribed under the Act from time to time.

As per Article 62, the qualification of an elected Director, shall be his holding of 1 (one) share at least in his own name, unless such Director is not required to hold a qualification share in accordance with Act.

As per Article 75, any casual vacancy occurring on the Board shall be filled up by the Directors, and the person so appointed shall hold office for the remainder of the term of the Director in whose place he is appointed.

The Company may remove a director in accordance with the provision of Companies Act, 2017.

The last election of Directors was held on 28th October, 2025.

The Company shall have a Chief Executive appointed in accordance with the provisions of the Act. The Chief Executive is a deemed director, with respect to rights and privileges associated with that of a director. Lastly, The Chief Executive may be removed by the Board in accordance with the provisions of section 190 of the Act.

The Company will comply with the Listed Companies (Code of Corporate Governance) Regulations, 2019 when applicable.

7.7. INTEREST OF DIRECTORS AND PROMOTERS

The Directors may have deemed to be interested to the extent of fees payable to them for attending the Board meetings. The Directors performing whole time services in the Company may also be deemed interested to the extent of remuneration payable to them by the Company. The nominee directors have an interest in the Company to the extent of representing the sponsors in the Company

Furthermore, the directors are required to abstain from participating in discussions or voting on matters in which they have a personal interest. Such contracts or arrangements are subject to approval by the Board of Directors. In accordance with Section 207 of the Companies Act, 2017, a director who is directly or indirectly interested in any contract or arrangement with the Company shall not participate in discussions or vote on the matter, and their presence shall not count towards a quorum. In a listed company, a director with a material personal interest shall not be present during consideration of the matter. Where a majority of directors are interested, the matter shall be submitted to the general meeting for approval. All other contracts or arrangements in which Directors or Promoters have an interest are subject to Board approval, ensuring compliance with corporate governance standards and regulatory requirements.

Following directors are holding Ordinary Shares of the Company:

Name of Directors	Designation	No. of Shares	%
Abdul Aziz Rafiq	Executive Director	13,345,750	4.06%
Ahmed Aziz Ghulamhussain	Executive Director	60,415,398	18.37%
Amyn	Executive Director	55,000,000	16.72%
Naheed Ahmad Ghulamhussain	Non-Executive Director	45,030,450	13.69%
Safina Danish Elahi	Non-Executive Director	50	0.00%
Fawad Anwar	Independent Director	1	0.00%
Madiha Alam	Independent Director	1	0.00%
Total		173,791,650	52.83%

7.8. INTEREST OF DIRECTORS AND PROMOTERS IN PROPERTIES/ASSETS AND PROFIT OF THE COMPANY

Directors and Promoters have no interest in the property/ assets and profits of the Company. There is no profit-sharing arrangement with the Company, however, when the Company declares dividends, they will be entitled to receive the payment based on their shareholding in the Company.

7.9. REMUNERATION OF THE DIRECTORS

In accordance with the Article 67, the remuneration of a Director, including for attending meetings of the Board and its sub-committees, shall from time to time be determined by the Board. Any Director who serves on any committee or who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a director, including the holding of the office of the Chairman, may be paid such extra remuneration as the Board may determine from time to time.

As per Article 68, each Director of the Company may, in addition to any remuneration receivable by him, be reimbursed his reasonable travelling and hotel expenses incurred in attending meetings of the Directors or of the Company or otherwise whilst employed on the business of the Company.

Particulars	FY23		FY24		FY25	
	No. of Persons	PKR (Mn)	No. of Persons	PKR (Mn)	No. of Persons	PKR (Mn)
CEO	01	11.42	01	14.60	01	11.94
Directors	06	16.00	06	14.59	06	11.93
Executives	-	-	-	-	-	-
Total	**07**	**27.41**	**07**	**29.19**	**07**	**23.87**

**Source: Company Financials*

7.10. BENEFITS (MONETARY OR OTHERWISE) PROVIDED TO SPONSORS, SUBSTANTIAL SHAREHOLDERS, AND DIRECTORS DURING THE LAST 3 YEARS

No benefit (monetary or otherwise) has been given by the Company to the Sponsors, promoters, substantial shareholders and Directors of the Company other than remuneration for services rendered by them as full-time executives of the Company.

7.11. VOTING RIGHTS

As outlined in Article 48, subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person shall have 1 (one) vote except for election of directors in which case the provisions of Section 159 of the Act shall apply. On a poll every member shall have voting rights as laid down in Section 134 of the Act.

As per Article 50, member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on show of hands or on a poll or through video link, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by through video-link, by proxy or through postal ballot or e-voting in accordance with Applicable proxy.

7.12. AUDIT COMMITTEE

APAG's audit committee reviews, and reports to the board on, financial reporting, internal controls, and risk management process, providing oversight of key internal functions, including the internal audit department, as well as monitoring the external auditor.

The Board of Directors has set up an effective internal audit function managed by suitable qualified and experienced personnel who are well versed with the policies and procedures of the Company and are involved in the internal audit function on a full-time basis.

The internal audit function is under the supervision of the Board Audit Committee, which consists of three (03) members. The chairman of the Committee is an independent director. The Audit Committee comprises of the following members:

S.No	Name of the Member	Category
1	Madiha Alam – Independent Director	Chairman
2	Safina Danish Elahi – Non-Executive Director	Member
3	Abdul Aziz Rafiq – Chairman/ Executive Director	Member

**Source: Company*

7.13. HUMAN RESOURCE AND REMUNERATION COMMITTEE

The Board of Directors has set up an effective Human Resources function managed by suitable and qualified personnel who are conversant with the policies & procedures of the Company and are involved in Human Resources function on a full-time basis.

The human resource and remuneration committee comprises of the following members:

S.No	Name of the Member	Category
1	Fawad Anwar – Independent Director	Chairman
2	Naheed Ahmad Ghulamhussain - Non-Executive Director	Member
3	Amyn - Executive Director and Chief Financial Officer	Member

**Source: Company*

7.14. POWERS OF DIRECTORS INCLUDING ANY BORROWING POWER

As per Article 86, the control of the Company shall be vested in the Board, and the business of the Company shall be managed by the Board, who may exercise all such powers of the Company as are not by the Act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Act or to any regulations of these Articles, and such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

As per Article 88, the Board may exercise all the powers of the Company to raise money, otherwise than by the issue of shares, and to mortgage or charge its undertaking or property or any part thereof and to issue debentures and other securities whether outright or as security for any obligation or liability or debt of the Company or of any third party.

7.15. INDEMNITY AVAILABLE TO DIRECTORS AND OTHER EMPLOYEES OF THE COMPANY

As per Article 134, every Director, Chairman, Chief Executive, manager, agent or officer of the Company shall be indemnified out of the funds of the Company against any liability incurred by such Director, Chairman, Chief Executive, manager, agent or officer in defending any proceedings, whether civil or criminal, arising out of his dealings in relation to the affairs of the Company, except those brought by the Company against him, in which judgment is given in his favor or in which he is acquitted, or in connection with any application under Section 492 of the Act in which relief is granted to him by the court.

7.16. CORPORATE GOVERNANCE

The Company shall comply with all the rules and regulations applicable to the Company with regards to the Listed Companies (Code of Corporate Governance) Regulation, 2019.

8. LEGAL PROCEEDINGS AND OVERDUE LOANS

8.1. OUTSTANDING LEGAL PROCEEDINGS

All outstanding legal proceedings against the issuer (i.e. APAG) at the time of this offering, which could have a material impact on the Company, have been disclosed below:

S.No.	Year	Party	Issuing Authority	Brief Case Description	Financial Impact (PKR)	Current Status & Management Stance
1	2025	Minority Shareholder of APAG - Mr. Mohammad Saleheen Siddique	High Court of Sindh (Company Bench)	A petition has been filed by a minority shareholder i.e. Mr. Mohammad Saleheen Siddique challenging the election of Directors of the Company. **Petitioner:** Minority Shareholder - Mr. Mohammad Saleheen Siddique **Respondent:** APAG	N/A	**Status:** The petition is at a preliminary stage and the petitioner is yet to be heard on the maintainability. **Stance:** The Company has good defense and is contesting the matter based on legal advice received. However, the definite outcome of the proceedings cannot be predicted at this stage.
2	2024	OGRA	District Court	Challenging the increase in the rates of gas tariff vide notification dated 15.02.2024 issued by OGRA. **Petitioner:** APAG **Respondent:** OGRA	17,825,283	**Status:** Pending at District Court. **Stance:** The Company does not foresee any other claims / losses that are likely to arise therefrom.
3	2021	Minority Shareholder of APAG - Mr. Mohammad Saleheen Siddique	District Court	This is a suit filed by the Company against the illegal actions of the minority shareholder namely Mr. Mohammad Saleheen Siddique. The honorable court has been pleased to restrain Mr. Mohammad Saleheen Siddique from causing hindrances to the operations of the Company. **Petitioner:** APAG **Respondent:** Minority Shareholder - Mr. Mohammad Saleheen Siddique	N/A	**Status:** Pending at District court. Stay Orders operating in favor of the Company. **Stance:** The Company has a good arguable case; however, the final outcome would depend on the conclusion of evidence led by the parties and material brought on record for

						support of their case.
4	2021	Minority Shareholder of APAG - Mr. Mohammad Saleheen Siddique	High Court of Sindh (Company Bench)	Defending Petition filed by the minority shareholder i.e. Mr. Mohammad Saleheen Siddique. The petitioner has made certain claims regarding the running and affairs of the Company. Initially a Stay Order was obtained by the minority shareholder which was thereafter vacated and all injunction applications filed by the minority shareholder i.e. Mr. Mohammad Saleheen Siddique were dismissed. The dismissal of injunction application was maintained by the appellate court as well. **Petitioner:** Minority Shareholder - Mr. Mohammad Saleheen Siddique **Respondent:** APAG	N/A	**Status:** Pending at High Court of Sindh. **Stance:** The Company has good defense; however, the final outcome of the matter would depend upon conclusion of hearing by the parties.
5	2019	SSGC	Supreme Court	Defending against the increase in the rates of gas tariff issued by SSGC vide notification 2015-2016 **Petitioner:** SSGC **Respondent:** APAG	35,172,602	**Status:** Pending at Supreme Court **Stance:** The Company has fair case in hand and therefore we can expect an equitable outcome of this case.
6	2019	SSGC	Supreme Court	Challenging against the increase in the rates of gas tariff issued by SSGC vide notification 2015-2016 **Petitioner:** APAG **Respondent:** SSGC	35,172,602	**Status:** Pending at Supreme Court **Stance:** The Company has fair case in hand and therefore we can expect an equitable outcome of this case.
7	2015	Federation of Pakistan through Ministry of Petroleum and Natural Resources	District Court	The Company has filed a law suit against collection of arrears through gas bills of the Company in installments on account of Gas Infrastructure Development Cess (GIDC) for the period 2012-2020, in violation of the proviso to section 8(2) of the GIDC Act, 2015 and the directions of the Honorable Supreme Court of	109,341,174	**Status:** Pending at District Court **Stance: The** Company has a good arguable case on merits to get a favorable outcome.

				Pakistan in its judgment dated 13.08.2020 r/w Review Order dated 02.11.2020. Initially the matter came up before the Honorable High Court and the Court was pleased to restrain the Defendants including SSGC that not to collect the arrears of GIDC installments from the Company, which is still subsisting. However, the subject matter has now been transferred to the District Court. **Petitioner:** APAG **Respondent:** Federation of Pakistan through Ministry of Petroleum and Natural Resources		
8	1997	Excise and Taxation (Taxes - II) Karachi	Supreme Court	Lawsuit filed against the demand raised by the Director of Excise and Taxation against Sindh development and maintenance infrastructure fee. The Company had filed an appeal before the Honorable High Court of Sindh against this demand. The Court decided the case on the basis of which the net liability computed by management amounts to Rs. 11.298 million. The Company and department have both filed appeals before the Honorable Supreme Court against the order. In the event of adverse decision, the Company will be faced with a maximum liability of Rs. 22.127 million resulting in a charge against profits of the same amount. **Petitioner:** APAG **Respondent:** Excise and Taxation	22,127,000	**Status:** Pending at Supreme Court **Stance:** Considering the prolonged nature of the case since 1997, management currently does not anticipate near term impact.
Total Financial Impact (PKR)					**184,466,059**	

**Source: Company*

NOTE: THERE ARE NO PENDING LITIGATIONS AGAINST THE COMPANY, SPONSORS, SUBSTANTIAL SHAREHOLDERS AND DIRECTORS OTHER THAN THOSE DISCLOSED ABOVE.

8.2. OVERDUE LOANS

There are no overdue loans (local or foreign currency) on the Company, its Sponsors and promoters, substantial shareholders, directors and associated group companies (over which the Company has control). The Company, its CEO, its directors and its Sponsors, under the oath, undertake that they have no overdue payment to any financial institutions

8.3. ACTIONS TAKEN BY PSX AND SECP AGAINST THE ISSUER OR ASSOCIATED LISTED COMPANIES OF THE ISSUER DURING THE LAST THREE YEARS DUE TO NON-COMPLIANCE OF ITS REGULATIONS

No action has been taken by the Pakistan Stock Exchange and The Securities Exchange Commission of Pakistan against the issuer or its associated companies over which the issuer has control.

9. UNDERWRITING ARRANGEMENT, COMMISSIONS, BROKERAGE AND OTHER EXPENSES

9.1. UNDERWRITING

The retail portion of IPO comprising of 14,512,385 ordinary shares have been underwritten by the following underwriters, who have undertaken to underwrite the shares at the strike price to be determined through the book building mechanism at the underwriting commission of 1.00% (One Percent) of the amount underwritten.

Underwriters	Number of Shares Underwritten	Amount Underwritten (PKR Mn)
Dawood Equites Limited	9,375,000	300.00 – 420.00
Sherman Securities (Pvt) Limited	2,012,385	64.40 - 90.15
KTrade Securities Limited	1,562,500	50.00 – 70.00
Ismail Iqbal Securities (Pvt) Limited	1,562,500	50.00 – 70.00
Total	**14,512,385**	**464.40 – 650.15**

**Source: Company*

The Underwriters will also charge the take-up commission of 1.00% (One Percent) on the amount of shares take-up by them by virtue of underwriting commitment.

9.2. OPINION OF THE DIRECTORS REGARDING RESOURCES OF THE UNDERWRITERS

In the opinion of the Directors of Agro Processors & Atmospheric Gases Limited, the resources of the Underwriters are sufficient to discharge their underwriting commitments

9.3. STATEMENT ABOUT NON-EXECUTION OF ANY BUY-BACK, OR REPURCHASE AGREEMENT BETWEEN THE UNDERWRITERS OR THEIR ASSOCIATES AND THE ISSUER OR ITS ASSOCIATES

Neither the company or any of its associates have entered into any buy back / re-purchase agreement with the underwriter(s) or its associates. The company and its associates shall not buy back / re-purchase shares from the underwriters taken up by them (if any) by virtue of their respective underwriting commitments.

9.4. FEES AND EXPENSES FOR CENTRALIZED E-IPO SYSTEM (CES)

Commission on applications received through PES and CES will be paid to PSX and CDC, which shall be not more than 0.80% of the total applications. PSX and CDC will share the fee with other participants of the e-IPO system at a ratio agreed amongst them.

9.5. RATE OF BROKERAGE COMMISSION

The Issuer will pay brokerage to the TRE Certificate Holder of PSX at the rate of 1.00% of the value of on successful applications. No brokerage shall be payable in respect of shares taken up by the underwriter by virtue of their underwriting commitment.

9.6. ESTIMATED EXPENSES OF THE ISSUE

Expenses to the Issue are estimated not to exceed PKR 92,950,936. The break-up of these preliminary expenses is given below:

Particulars	Rate	Expense (PKR) at Floor Price
Advisory & Arrangement Fee	2.5% of the Issue Size	46,439,633
TREC Holder Commission	1.00% of the Issue Size	18,575,853
Balloter & Share Registrar Fee		1,000,000
CDC & PSX e-IPO facility charges	0.80% of the retail portion	3,715,171
CDC Annual Fees		600,000
CDC Fresh Issue Fee	0.144% of Capital Raised	2,674,923
PSX Initial Listing Fee	0.1% of Post Issue Paid up Capital	773,994
PSX Software Charges for Book Building		1,250,000
SECP Processing Fee		200,000
SECP Supervisory Fee	10% of PSX Initial Listing Fee	77,399
Marketing Expenses		10,000,000
Underwriting Fee	1.00% of the Retail Portion	4,643,963
Miscellaneous Expenses		3,000,000
Total Expenses		**92,950,936**

10. MISCELLANEOUS INFORMATION

10.1.1. REGISTERED OFFICE / CORPORATE OFFICE

Karachi Office

Office No: Office# FF-3, 1st Floor, Plot No. 7-C, 21 Commercial Street, Phase II, Ext. DHA, Karachi
Contact No: 021-35882182
Email: info@apag.com.pk
Website: https://apag.com.pk/

Lahore Office

Office No: Office# 42, 2nd floor, Landmark Plaza, 5,6 Jail Road, Gulberg II, Lahore.
Contact No: 021-35882182
Email: info@apag.com.pk
Website: https://apag.com.pk/

10.2. BANKERS AND FINANCIAL INSTIUTIONS TO THE COMPANY

S.No.	Name	Address	Contact Person	Contact No.	Email
1	Allied Bank Limited	Bath Island Corporate Branch	Ashish Kumar (SRM)	0312-2246708	Ashish.kumar@abl.com
2	Bank Alfalah Limited	I.I CHUNDRIGAR ROAD, Karachi	Suleman Imran (RM)	0334-2909537	Suleman.imran@bankalfalah.com
3	Bank Of Punjab	DHA Branch	Muhammad Waqas Amjad (SRM)	0344-2545227	Waqas.amjad@bop.com.pk
4	Dubai Islamic Bank Limited	Hassan Chamber Branch	Adnan Zahid (SRM)	0321-2317887	Adnan.zahid@dibpak.com
5	Habib Bank Limited	Main Branch, HBL PLAZA I.I CHUNDRIGAR ROAD, Karachi	Haris Ahsan Hashmi (SRM)	0347-2031868	Haris.hashmi@hbl.com
6	Meezan Bank Limited	I.I CHUNDRIGAR ROAD, Karachi	Asad Hassan (SRM)	0327-2776632	Asad.hassan@meezanbank.com
7	Soneri Bank Limited	Bahria Complex-III Branch	Mansoor Ali Khan (RM)	0343-3310813	Mansoorali.khan@soneribank.com
8	Soneri Bank Limited	Defence Branch	Arif Ullah (OM)	0346-3470554	Arif.ullah@soneribank.com
9	United Bank Limited	BAIT US SALAM BRANCH	Ahsen Farooqui (RM)	0334-8627538	Ahsen.farooqui@ubl.com.pk
10	Bank Al-Habib Limited	SITE BRANCH	Ejaz Zameer Khan (OM)	0321-3652587	Ejaz.khan@bankalhabib.com
11	National Bank Limited	Chappal Plaza	Danyal Khan (GBO)	0344-0951665	Danyal.khan@nbp.com.pk
12	Faysal Bank Limited	Main Branch, Shahrah-e-Faisal	Umer Shahid (SRM)	0333-2227027	Umershahidmunir@faysalbank.com

13	First Habib Modaraba	I.I Chundrigar Road Karachi	Humair Hanif (BM)	0333-1250337	Humair.hanif@habibmodaraba.com

**Source: Company*

10.3. AUDTIOR OF THE COMPANY

Name: BDO Ebrahim & Co. Chartered Accountants
Address: 2nd floor, Block 'C', Lakson Square, Building No.1, Sarwar Shaheed Road, Karachi, Sindh
Contact Person: Nadeem Shahab
Contact No: +92-21-35683030
Email: nshahab@bdo.com.pk

10.4. LEGAL ADVISOR OF THE COMPANY & LEGAL ADVISOR TO THE ISSUE

Name: Mohsin Tayebaley & Co
Address: 1st Floor, DIME CENTER BC-4, Block-9, Kehkshan Clifton, Karachi
Contact Person: Mikael Rahim
Contact No: +92-21-111-682-529
Email: contact@mtclaw.com.pk

10.5. COMPUTER BALLOTERS AND SHARE REGISTRAR

Name: CDC Share Registrar Services Limited
Address: CDC House, 99-B, Block B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi - 74400
Email: info@cdcsrsl.com
Website: https://cdcsrsl.com/
Contact No: 0800-23275

10.6. CONSULTANT TO THE ISSUE

Name: KTrade Securities Limited
Address: Plot # 33-C, Lane 13 Khayaban-e-Bukhari, D.H.A Phase 6 Bukhari Commercial Area Phase 6 Defence Housing Authority, Karachi, 75500
Contact No: +92-323-4747479
Email: s.mustafa@kasb.com
Website: www.kasb.com

10.7. CORPORATE ADVISOR

Name: Habib Bank Limited
Address: 24th Floor, HBL Tower, Plot # G-4, Block 7, Clifton, Karachi
Contact No: 021 33116535
Email: badr.siddiqui@hbl.com
Website: www.hbl.com

10.8. ELIGIBLE PARTICIPANTS

All Eligible participants including securities brokers, mutual funds, scheduled banks, and development finance institutions that are clearing member of NCCPL.

11. MATERIAL CONTRACTS

11.1. DETAILS OF SHORT-TERM FINANCING FACILITIES

S.No.	Bank	Facility	Limit (PKR Mn)	Outstanding (PKR Mn) at 31st March 2026	Mark-up/Commission	Date Sanctioned	Tenor/Review Date
1	Allied Bank Limited	FATR (Sub-limit of LC Sight (Foreign)	300	0.55	3M KIBOR + 0.50% p.a. (to be reset / charged (Quarterly)	08-Jan-2026	31-May-2026
2	Allied Bank Limited	Running Finance (Sub-limit of LC Sight (Foreign)	100		3M KIBOR + 0.50% p.a. (to be reset / charged (Quarterly)	08-Jan-2026	31-May-2026
3	Bank Alfalah Limited	Current Finance (Hypo)	200	200.00	1M KIBOR + 0.75%	19-Nov-2025	30-Jun-2026
4	Bank Alfalah Limited	Term Finance – Money Market	200		As per treasury	19-Nov-2025	30-Jun-2026
5	Bank Alfalah Limited	Finance Against Trust Receipts (FATR)	200		1M KIBOR + 0.75%	19-Nov-2025	30-Jun-2026
6	Bank Alfalah Limited	Finance Against Trust Receipts FATR-FE-25	200		As per treasury	19-Nov-2025	30-Jun-2026
7	Bank Alfalah Limited	Finance Against Trust Receipts FATR-OTT	500		1M KIBOR + 0.75%	19-Nov-2025	30-Jun-2026
8	Bank of Punjab	Running Finance (Sub-Limit of LC – Sight (Foreign) [LC-S])	300	200.00	1M KIBOR + 1.25% p.a.	31-Mar-2026	30-Apr-2026
9	Bank of Punjab	Money Market (Sub-Limit of LC – Sight (Foreign) [LC-S])	300		Relevant tenor of KIBOR + Spread to be decided on case-to-case basis	31-Mar-2026	30-Apr-2026
10	Bank of Punjab	Finance Against Trust Receipts (FATR) (Sub-Limit of LC – Sight (Foreign) [LC-S])	400		Relevant KIBOR + 1.25% p.a.	31-Mar-2026	30-Apr-2026
11	Dubai Islamic Bank	Import Murabaha	900	-	6 Months KIBOR + 1.00%	10-Feb-2026	30-Nov-2026

		(Sub-limit of Letter of Credit – Sight)					
12	Dubai Islamic Bank	Istisna cum Wakala	300		6 Months KIBOR + 1.00%	10-Feb-2026	30-Nov-2026
13	Habib Bank Limited	Running Finance	250	546.26	1M KIBOR + 0.75%	09-Jun-2025	30-Apr-2026
14	Habib Bank Limited	Short Term Advance (Sub-limit of Running Finance)	125		Case to case basis at the time of disbursement	09-Jun-2025	30-Apr-2026
15	Habib Bank Limited	Finance Against Trust Receipt (FATR) (Sub-limit of Letter of Credit – Sight (LC DP) (FCY))	550		3M KIBOR + 0.50%	09-Jun-2025	30-Apr-2026
16	Habib Bank Limited	Foreign Currency Import Finance (FCIF) (Sub-limit of Letter of Credit – Sight (LC DP) (FCY))	550		TERM SOFR for US) as prevailing on the date of disbursement plus agreed spread on case-to-case basis	09-Jun-2025	30-Apr-2026
17	Soneri Bank Limited	Finance Against Trust Receipt (FATR) (Sub-limit of LC-Sight-Foreign)	500	177.90	Matching Tenor KIBOR + 1.00% p.a.	23-May-2025	31-Mar-2026
18	Soneri Bank Limited	FE-25 Import Financing (Sub-limit of LC-Sight-Foreign)	200		Treasury determined on case-to-case basis	23-May-2025	31-Mar-2026
19	Soneri Bank Limited	Running Finance (Sub-limit of LC-Sight-Foreign)	200		3M KIBOR + 1.00%	23-May-2025	31-Mar-2026
20	Soneri Bank Limited	Money Market Financing (Sub-limit of LC-Sight-Foreign)	200		As per arrangement	23-May-2025	31-Mar-2026
21	Meezan Bank Limited	Istisna Renewal	900	686.64	KIBOR (1M/3M/6M) + 1.00%	12-Sep-2025	30-Jun-2026

22	Meezan Bank Limited	Murabaha Renewal (Sub-limit of Istisna Renewal)	900		KIBOR (1M/3M/6M) + 1.00%	12-Sep-2025	30-Jun-2026
23	Meezan Bank Limited	Muswammah Renewal (Sub-limit of Istisna Renewal)	900		KIBOR (1M/3M/6M) + 1.00%	12-Sep-2025	30-Jun-2026
24	Meezan Bank Limited	Istisna OTT (Sub-limit of Sight LC under MSFA OTT)	500		KIBOR (1M/3M/6M) + 1.00%	12-Sep-2025	30-Jun-2026
25	Meezan Bank Limited	Murabaha (Local-Imports) OTT (Sub-limit of Sight LC under MSFA OTT)	500		KIBOR (1M/3M/6M) + 1.00%	12-Sep-2025	30-Jun-2026
26	Meezan Bank Limited	Muswammah OTT (Sub-limit of Sight LC under MSFA OTT)	500		KIBOR (1M/3M/6M) + 1.00%	12-Sep-2025	30-Jun-2026
27	United Bank Limited (Islamic Banking)	Local / Import Murabaha (Sub-limit of Letter of Credit of S/U/ Ameen Shipping Guarantee)	500		Import Murabaha: KIBOR + 1.50% Local Murabaha: Case to case basis	29-May-2025	31-Jan-2026
28	United Bank Limited (Islamic Banking)	FE 25 Under Murabaha (Sub-limit of Letter of Credit of S/U/ Ameen Shipping Guarantee)	500	-	Case to case basis	29-May-2025	31-Jan-2026
29	United Bank Limited (Islamic Banking)	Ameen Istisna (Sub-limit of Letter of Credit of S/U/ Ameen Shipping Guarantee)	500		Relevant KIBOR + 1.50%	29-May-2025	31-Jan-2026

**Source: Company*

***The Company is in the process of renewing and extending FOLs of all those banks whose FOLs are expired.*

11.2. DETAILS OF LONG-TERM FINANCING FACILITIES

As of 31st March 2026, there are no long-term financing facilities availed by the Company

11.3. CUSTOMER AGREEMNTS

S.No	Contracting Parties	Date of signing /Effective Date	Ending Date	Nature of Contract	Brief Details of the Contract
1	MAF Hypermarkets Pakistan (Private) Limited	26-Jun-2025	Until terminated	Service & supply of goods partnership agreement	Agreement between Carrefour and APAG for purchase and sale of APAG's products in different Carrefour outlets (supermarkets)
2	Openport Pakistan (Private) Limited	26-Sep-2025	26-Sep-2026	Service Agreement	Openport Pakistan (Private) Limited is a digital integrator duly authorized and licensed by the Federal Board of Revenue to integrate B2B invoices systems with FBR's system through its software, namely OpenInvoice Middleware, to share the B2B invoice data with FBR, in accordance with Chapter XIV of the Sales Tax Rules, 2006 of Pakistan.
3	Pakistan Navy	14-Jun-2025	30-Jun-2026. It may be extended by 3 months.	Service & supply of goods partnership agreement	This is an agreement between APAG and Pakistan Navy to supply cooking oil to Pakistan Navy.
4	Imtiaz Group (Pvt) Limited	01-Jan-2025	31-Dec-2026	Service & supply of goods partnership agreement	This is an agreement between Imtiaz Group (Pvt) Limited and APAG to supply Smart Sauces to different branches of Imtiaz Group

					(Pvt) Limited's supermarkets.
5	Imtiaz Group (Pvt) Limited	1-Jul-2025	30-Jun-2026	Service & supply of goods partnership agreement	This is an agreement between Imtiaz Group (Pvt) Limited and APAG to supply its product under the brand Soya Supreme Olive to different branches of Imtiaz Group (Pvt) Limited's supermarkets.

**Source: Company*

11.4. LETTER OF CREDITS AND BANK/CORPORATE GUARANTEES

S.No.	Bank	Facility	Limit (PKR Mn)	Mark-up/Commission	Date Sanctioned	Tenor/Review Date
1	Allied Bank Limited**	LC Sight (Foreign/Local)	300	0.05% per Quarter Flat	08-Jan-2026	31-May-2026
2	Allied Bank Limited**	LC Usance (Foreign) [Sub-limit of LC Sight (Foreign)]	300	0.05% per Quarter Flat	08-Jan-2026	31-May-2026
3	Bank Alfalah Limited	LC Sight-1	200	0.04% Flat	19-Nov-2025	30-Jun-2026
4	Bank Alfalah Limited	LC Sight-2	500	0.04% flat	19-Nov-2025	30-Jun-2026
5	Bank of Punjab***	Letter of Credit – Sight (Foreign) [LC-S]	500	0.10% flat	31-Mar-2026	30-Apr-2026
6	Dubai Islamic Bank	Letter of Credit – (Sight)	900	0.05% flat	10-Feb-2026	30-Nov-2026
7	Dubai Islamic Bank	Shipping Guarantee (Sub-limit of Letter of Credit – Sight)	450	As per schedule of charges (PKR 2000)	10-Feb-2026	30-Nov-2026
8	Habib Bank Limited****	Letter of Credit – Sight (LC DP) (FCY)	550	0.20% flat with nil retirement charges	09-Jun-2025	30-Apr-2026
9	Soneri Bank Limited*****	Bank Guarantee	200	1% p.a. / 0.25% p.q	25-May-2025	31-Mar-2026
10	Soneri Bank Limited*****	Shipping Guarantee (Sub-limit of Bank Guarantee)	100	As Per Schedule of Charges	25-May-2025	31-Mar-2026
11	Soneri Bank Limited*****	LC-Sight-Foreign	700	Per Quarter 0.10%	25-May-2025	31-Mar-2026
12	Meezan Bank Limited	Sight LC under MSFA (Sub-limit of Istisna Renewal)	900	KIBOR (1M/3M/6M) + 2.00%	12-Sep-2025	30-Jun-2026

13	Meezan Bank Limited	Sight LC under MSFA OTT	500	KIBOR (1M/3M/6M) + 2.00%	12-Sep-2025	30-Jun-2026
14	United Bank Limited (Islamic Banking) ******	Letter of Credit S/U/ Ameen Shipping Guarantee	500	LC: 0.15% SG: as per SOC	29-May-2025	31-Jan-2026

**Source: Company*

*** Company is in the process of renewing Facility Offer Letter (FOL) of Allied Bank Limited (ABL).*

****Bank of Punjab Facility Offer Letter (FOL) expired on 30-Sep-2025 which has been renewed/extended through addendums. The latest addendum was executed on March 31st 2026 and was valid till April 30th 2026. Company is currently in the process of renewing Facility Offer Letter (FOL).*

***** Company is in the process of renewing Facility Offer Letter (FOL) of Habib Bank Limited (HBL).*

****** Company is in the process of renewing Facility Offer Letter (FOL) of Soneri Bank Limited (SBL).*

******* Company is in the process of renewing Facility Offer Letter (FOL) of United Bank Limited (UBL).*

11.5. DETAILS OF UNDERWRITING AGREEMENTS

S.No	Contracting Parties	Date of signing /Effective Date	Expiry Date	Nature of Contract	Brief Detail of the Contract
1	Dawood Equities Limited	20-May-2026	05 (Five) Business Days from the Last Date for Subscription of Shares by General Public under the Retail Portion.	Underwriting Agreement	The Underwriting Agreement has been executed by and between APAG (Issuer) & Underwriter for underwriting the retail portion of the Issue.
2	Sherman Securities (Pvt) Limited				
3	KTrade Securities Limited				
4	Ismail Iqbal Securities (Pvt) Limited				

**Source: Company*

11.6. INSPECTION OF DOCUMENTS & CONTRACTS

Documents relating to the Issuer (i.e. APAG) and the issue, including copies of all agreements, contracts and reports referred to in the prospectus, will be made available for inspection at the registered office of the company at Office# FF-3, 1st Floor, Plot No. 7-C, 21 Commercial Street, Phase II, Ext. DHA, Karachi during usual business hours from the date of publication of this prospectus till the closing of subscription list.

11.7. MEMORENDUM OF ASSOCIATION

The Memorandum of Association, inter alia, contains the objects for which the Company was incorporated and the business which the Company is authorized to undertake. A copy of the Memorandum of Association is annexed to this Prospectus and with every issue of the Prospectus except the one that is released in newspapers as advertisement.

11.8. FINANCIAL YEAR OF THE COMPANY

The financial year of the Company commences on July 1 and ends on June 30.

12. BOOK BUILDING / INSTRUCTIONS FOR REGISTRATION AND BIDDING

12.1. IN CASE OF ISSUE THROUGH BOOK BUILDING, INFORMATION NEEDED TO BE DISCLOSED I.E. NUMBER OF SHARES ALLOCATED UNDER THE BOOK BUILDING PORTION AND RETAIL PORTION, FLOOR PRICE AND THE PRICE BAND

The Issue comprises of 58,049,541 Ordinary Shares of face value worth PKR 2.00/- each, which constitutes 15.00% of the Post-IPO Paid Up Capital of the Company.

Of the entire Issue of 58,049,541 Ordinary Shares, seventy five percent (75%) of the issue i.e. 43,537,156 shares will be offered through the Book Building process at a Floor Price of PKR 32.00/- per share with a price band of 40% above the floor price i.e. PKR 44.80/-.

The bidders shall be allowed to place bids for seventy five percent (75%) of the Issue size and the Strike Price shall be the price at which the seventy five percent (75%) of the Issue is subscribed. The remaining 25% of the issue i.e. 14,512,385 Ordinary Shares will be offered to retail investors. The retail portion will be fully underwritten, with Dawood Equities Limited, Sherman Securities (Pvt) Limited, KTrade Securities Limited, and Ismail Iqbal Securities (Pvt) Limited acting as the underwriters to the issue.

Unsubscribed shares, if any, of the retail (General Subscription) portion will be taken up by the underwriter to the issue.

Within 1 working days of the closing of the Bidding Period, a Supplement to the Prospectus will be published in at least all those newspapers in which the Prospectus is published. The Supplement will contain information related to the Strike Price, the Offer Price, names of the underwriters of the retail portion, underwriting commission bifurcating as take up commission or any other, dates of the Public Subscription, and category wise break-up of the Successful Bidders. Format of the Supplement is given on page four (04) of this Prospectus.

12.2. TYPES OF BIDS AND PROCEDURE FOR MAKING A BID

Book Building is a process whereby investors bid for a specific number of shares at various prices. The Issuer set a Floor Price, which is the minimum / lowest price a Bidder can bid at. An order book of bids is maintained by the Designated Institution, which is then used to determine the Strike Price through the **"Dutch Auction Method"**.

Under the Dutch Auction Method, the Strike Price is determined by lowering the Bid Price to the extent that the total number of shares issued through the Book Building process are subscribed.

A bid by a Bidder can be a "Limit Bid", or a "Step Bid", each of which are explained below:

Limit Bid: Limit bid is at the Limit Price, which is the maximum price a Bidder is willing to pay for a specified number of shares. The amount of any individual limit bid shall not be less than PKR. 2,000,000.

In such a case, a Bidder explicitly states a price at which he / she / it is willing to subscribe to a specific number of shares. For instance, a Bidder may bid for 1 Mn shares at PKR 32.00/- per share, based on which the total Application Money would amount to PKR 32 Mn. In this case the Bid Amount will be also be PKR 32 Mn. Since the Bidder has placed a Limit Bid of PKR 32.00/- per share, this indicates that he / she / it is willing to subscribe the shares at a price up to PKR 32.00/- per share.

Step Bid: A series of Limit Bids at increasing prices. The amount of any individual step shall not be less than PKR 2,000,000.

Under this bidding strategy, Bidders place a number of Limit Bids at different increasing price levels. A Bidder may, for instance, make a bid for 5 Mn shares at PKR 32.00/- per share, 3 Mn shares at PKR 32.50/- per share and 2 Mn shares at PKR 34.00/- per share. Therefore, in essence the Bidder has placed one Step Bid comprising of three Limit Bids at increasing prices. The Application Money would amount to PKR 325.50 Mn, which is the sum of the products of the number of shares Bid for and the Bid price of each Limit Bid. In such a case, Eligible Participant shall collect advance/margin money against bids based on their own risk assessment criteria and shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts.

Restrictions:

(i) AN ELEGIBLE INVESTOR SHALL NOT:

(a) MAKE BID BELOW THE FLOOR PRICE AND ABOVE THE UPPER LIMIT OF THE PRICE BAND;

(b) MAKE BID FOR MORE THAN 10% OF THE SHARES ALLOCATED UNDER THE BOOK BUILDING PORTION

(c) MAKE A BID WITH A PRICE VARIATION OF MORE THAN 10% OF THE PREVAILING INDICATIVE STRIKE PRICE AS PER REGULATION 10(2)(iii) OF THE PO REGULATIONS

(d) PLACE CONSOLIDATED BID

(e) MAKE MORE THAN ONE BID SEVERALLY OR JOINTLY

(f) MAKE DOWNWARD REVISION BOTH IN TERMS OF BID PRICE AND BID VOLUME; PROVIDED THAT INCASE OF UPWARD REVISION OF THE BID PRICE, THE NUMBER OF SHARES BID FOR I.E. BID VOLUME MAY BE ADJUSTED ENSURING THAT THE BID AMOUNT OR BID MONEY REMAINS THE SAME; AND

(g) WITHDRAW BID

(i) IT IS THE RESPONSIBILITY OF THE CTI TO ENSURE IMPLEMENTATION OF THE FOLLOWING RESTRICTIONS BY INCORPORATING RELEVANT UINS / CUINS IN THE PSX BOOK BUILDING SYSTEM:

a. The associates of the Issuer as disclosed in the Prospectus shall not in aggregate make bids in excess of ten percent of the securities offered though Book Building.

b. The associates of the Consultant to the Issue shall not in aggregate make bids in excess of ten percent of the securities offered through Book Building.

Provided that it shall not apply to such associates of the Consultant to the Issue that are Financial Institutions, Mutual Funds and Insurance Companies.

(ii) RELATED EMPLOYEES (I.E. EMPLOYEES OF THE ISSUER, THE OFFEROR, THE UNDERWRITERS, AND THE CONSULTANTS TO THE ISSUE, WHO ARE INVOLVED IN THE ISSUE) ARE NOT ELIGIBLE TO PARTICIPATE IN THE BIDDING.

(iii) NO PERSON SHALL TAKE PART IN THE BOOK BUILDING PROCESS, DIRECTLY OR INDIRECTLY SEVERALLY OR JOINTLY IN ANY MANNER OR ENGAGE IN ANY ACT OR PRACTICE WHICH CREATE A FALSE AND MISLEADING APPEARANCE OF ACTIVE BIDDING FOR RAISING OR DEPRESSING STRIKE PRICE IN THE BOOK BUILDING PROCESS.

(iv) AS PER REGULATION 7(8) OF THE PO REGULATION, THE ASSOCIATES OF THE ISSUER AS DISCLOSED IN THE PROSPECTUS SHALL NOT IN AGGREGATE MAKE BIDS IN EXCESS OF TEN (10) PER CENT OF THE SHARES OFFERED THROUGH BOOK BUILDING.

(v) AS PER REGULATION 7(9) OF THE PO REGULATIONS, THE ASSOCIATES OF THE CONSULTANT TO THE ISSUE TO THE ISSUE SHALL NOT IN AGGREGATE MAKE BIDS IN EXCESS OF TEN (10) PERCENT OF THE SHARES OFFERED THROUGH BOOK BUILDING. PROVIDED THAT IT SHALL NOT APPLY TO SUCH ASSOCIATES OF THE CONSULTANT TO THE ISSUE THAT ARE FINANCIAL INSTITUTIONS, MUTUAL FUNDS AND INSURANCE COMPANIES.

LIST OF ASSOCIATED COMPANIES AND UNDERTAKINGS OF THE ISSUER, NAMES OF RELATED EMPLOYEES OF THE ISSUER AND LEAD MANAGER ARE PROVIDED IN SECTION 3A.

Once the Bidding Period has lapsed and the book has been built, the, Strike Price shall be determined on the basis of Dutch Auction Method.

Successful Bidders shall be intimated, within one (1) working day of the closing of the Bidding Period, about the Strike Price and the number of shares provisionally allotted to each of them. Upon conclusion of Book Building and determination of successful bidders, NCCPL will commence its pay and collect process one working day after the close of the bidding period, by debiting the settling bank accounts of Eligible Participants. If there is any shortfall in payments due to failure to meet commitments, NCCPL will initiate its shortfall management process as per the Joint Procedures as notified in PSX vide letter dated Nov 07, 2025. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants one working day after the close of the bidding period within banking hours.

As per PO Regulations, the successful bidders shall be issued shares at the time of issuance of shares to the retail investors. Shares to successful bidders shall be issued only in the form of book-entry through credit in their respective CDS accounts (Investors Account or Sub-Account). All the bidders shall, therefore, provide number of their CDS accounts in the bid application.

The Bidders must provide the bank account details in their Bidding form, so that cash dividend can be credited into their respective International Bank Account Number (IBAN).

12.3. TIME FRAME FOR INTIMATION TO THE SUCCESSFUL BIDDERS AND MECHANISM FOR PAYMENT OF THE BALANCE AMOUNT BY THE SUCCESSFUL BIDDERS

At the end of bidding period, successful bidders and their Eligible Participants shall be notified by the Book Building System via their registered email that their bids are accepted and such bidders are required to arrange settlement with NCCPL at B+1 (one day after the end of the bidding) within designated time specified in the Joint Procedures.

Upon conclusion of Book Building and determination of successful bidders, NCCPL will commence its pay and collect process at B+1 by debiting the settling bank accounts of Eligible Participants. If there is any shortfall in payments due to failure to meet commitments, NCCPL will initiate its shortfall management process as per the Joint Procedures.

12.4. NCSS DESIGNATED TIME SCHEDULE FOR BOOK BUILDING

Activity[116]		Start Time:	End Time:
Monday to Friday	Advance/ Collection of Margin Money against bid amount from bidders one day before the start of bidding (B-1)	9:00 AM	16:30 PM
	Increase in the bid amount during bidding period subject to deposit of additional margin money by existing bidder	9:00 AM	16:30 PM
	Margin collection during the bidding period for the registration of new bidders	9:00 AM	16:30 PM
	Final collection from bank account of successful bidders (B+1)	9:00 AM	12:00 PM
	Refund/ Release the advance amount/margin money of Eligible Participants against unsuccessful bids (B+1)	9:00 AM	12:00 PM

12.5. ELIGIBLE PARTICIPANT(S) FOR BOOK BUILDING

All Eligible Participants including securities brokers, mutual funds, scheduled banks, and development finance institutions that are clearing members of NCCPL.

Functions of the Eligible Participant as per PSX and NCCPL Joint Procedures for Book Building:

i. Eligible Participants shall establish bidding accounts in the PSX Book Building System for proprietary participation.
ii. Eligible participants shall register bidders and create accounts for the bidders to participate in the bidding
iii. Eligible Participants that are Banks, Mutual Funds and DFIs can only create bidding account for proprietary participation and cannot on board/register bidders or create bidding account of the bidders for participation in the bidding. A bank and DFI may however onboard/register bidders only in case such bank or DFI is acting as CTI in the public offering transaction. For Trading Only Broker and their clients, the user bidding account must be created through the Professional Clearing Member — PCM (EClear Services Limited).
iv. Eligible Participant shall collect advance amount/margin money against bids from the bidders.

12.6. NAME OF THE DESIGNATED INSTITUTION AND ITS ROLES AND RESPONSIBILITIES

PSX being the Designated Institution, shall ensure that Book Building System shall smoothly perform following functions:

1. record name, Unique Identification Number (UIN), National Tax Number (NTN), postal and email addresses, land line and cell numbers, bank account Number and branch address and Investor Account Number or Sub-Account Number of the bidder with participant account number;

[116]Joint Procedures, Nov 07, 2025, Annexure – A: NCSS Designated Time Schedule (DTS) for book building

2. provide a mechanism for registration of the bidders before commencement of the bidding period till 03:00 p.m. on the last day of the Bidding Period and require the investors to provide at least such information as mentioned in para (i) above;
3. generate bidders' Internet Protocol (IPs) address and keep record of all IP addresses from where the bids are placed;
4. record the number of shares bid for, the Bid Price, type of the bid i.e. Limit Bid or Step Bid, date and time of the entry of the bid;
5. display the bids revised, and date and time of upward revision;
6. neither allow withdrawal of bid, nor accept the bids placed at a Bid Price that is below the Floor Price or above the upper limit of the Price Band;
7. display live the total number of shares offered for sale, the Floor Price, Price Band, total number of bids received, total number of shares bid for and indicative Strike Price;
8. build an order book showing demand for the shares at various price levels in a descending order along with the accumulated number of shares bid for and percentage of total shares offered under the Book Building Portion;
9. discover the strike price at the close of the Bidding Period;
10. generate alerts for the Bidders via Short Message Service through cell phones and emails upon entry of the bid, at the time of upward revision of the bid, and upon discovery of the strike price; and
11. ensure that system must provide the bidders the option to revise their bids during the period permitted under these Regulations;

The Designated Institution shall ensure that:

- identity of the bidder is not displayed; and
- no bid is entered into the System after closing of the Bidding Period.

12.7. ROLES AND RESPONSIBILITIES OF THE ISSUER

The Issuer shall ensure that:

1. The Issuer, its Sponsors, promoters, substantial shareholders, directors and associates shall have no over dues or defaults, irrespective of the amount, appearing in the report obtained from the credit information bureau;
2. The Issuer or its directors, Sponsors or substantial shareholders should not have held the office of the directors, or have not been Sponsors or substantial shareholders in any company:
   I. which had been declared defaulter by the securities exchange or futures exchange; or
   II. whose TRE certificate has been cancelled or forfeited by the securities exchange; or
   III. which has been de-listed by the securities exchange due to non-compliance of its regulations.
3. The Consultant to the Issue, Underwriter, Balloter and Share Registrar, are appointed through separate agreements in writing.
4. It has submitted through its Consultant to the Issue, an application along with draft prospectus for listing of its securities to the PSX.
5. The shares shall be issued in book-entry form only.

12.8. OPENING AND CLOSING OF THE REGISTRATION PERIOD

The Registration period shall be for Five (5) working days as under:

REGISTRATION PERIOD	
August 20th, 2026	9:00am to 5:00pm
August 21st , 2026	9:00am to 5:00pm
August 24th, 2026	9:00am to 5:00pm
August 26th, 2026	9:00am to 5:00pm
August 27th, 2026	9:00am to 5:00pm

August 28th, 2026	9:00am to 3:00pm

12.9. OPENING AND CLOSING OF THE BIDDING PERIOD

The Bidding Period shall be for Two (2) working days as under:

BIDDING PROCESS STARTS ON	August 27th, 2026
BIDDING PROCESS ENDS ON	August 28th, 2026

12.10. ELIGIBILITY TO PARTICIPATE IN BIDDING

Eligible Investors who can place their bids in the Book Building process include local and foreign Individual and Institutional Investors whose Bid Amount is not less than PKR 2,000,000/- (PKR Two Million only).

12.11. INFORMATION FOR BIDDERS

1. The Prospectus for Issue of Shares has been approved by PSX and SECP.
2. The Prospectus can be obtained from the Registered Office of APAG, and KTrade (CTI). Prospectus, Registration Forms and Bidding Forms can also be downloaded from the following websites of the Consultant to the Issue, PSX and the Company i.e. http://www.kasb.com, http://www.psx.com.pk and https://apag.com.pk/
3. Eligible Investors who are interested to participate in bidding for subscribing the Ordinary Shares of the Company should approach the Consultant to the Issue for registration for submitting their Bids.
4. REGISTERED INVESTORS CAN PLACE AND REVISE THEIR BIDS UPWARDS BY ACCESSING THE DESIGNATED INSTITUTIONS ONLINE PORTAL FOR BOOK BUILDING BY USING THE USER ID AND PASSWORD COMMUNICATED TO THEM VIA EMAIL BY PSX.

12.12. PROCEDURE FOR REGISTRATION

1. All Eligible Participants shall be required to get registered with the Designated Institution i.e. PSX.
2. For registration purposes, each Eligible Participant shall submit an Expression of Interest for participation in the Book Building.
3. In order to commence registration, PSX shall issue a public notice regarding the book building at least three (3) working days before the bidding period (B-3). The notice shall cover the Issuer Name, Issue size, Floor Price, Price Band, Registration Dates, Bidding Dates along with the salient features of the Issue.
4. Eligible Participant shall be required to register itself with the NCCPL. In order to register, Eligible Participant shall submit an interest to the NCCPL for participation in the book building being conducted by the Book Building System of PSX. Registration would be a one-time process and would not be required before each new book building transaction.
5. Upon registration, PSX will configure its Book Building System by creating Eligible Participant. Once the Eligible Participant is created, credentials such as participant ID, PIN and password will be transmitted by the Book Building System to the authorized person of Eligible Participants at their registered email addresses and designated mobile numbers.
6. The Designated Institution and NCCPL shall jointly develop and notify the detailed procedures covering the operational and procedural requirements for Book Building, after obtaining prior approval from the Commission.
7. The Issuer shall publish the Prospectus at least one (1) day prior to the commencement of bidder registration.
8. The bidding process shall be conducted electronically through the Book Building System in a fair, efficient, and transparent manner.
9. The registration of bidders by the Eligible Participants shall commence at least three (3) working days prior to the start of the bidding period and shall remain open until 3:00 p.m. on the last day of the bidding period.
10. The bidding period shall remain open for at least two (2) working days.

11. The bidding shall commence from 09:00 a.m. and close at 05:00 p.m. during the Bidding Period.
12. The bidders can revise the bids till 05:00 p.m. on the last day of the Bidding Period.
13. The Eligible Participant shall register bidders, including both individual and institutional investors, and create user bidding accounts for them. The Eligible Participant may also create bidding accounts for proprietary participation.
14. The creation of a user bidding account shall require minimum information such as the bidder's name, bid amount, UIN/CNIC, incorporation number or CUIN (where applicable), contact details, CDC sub-account or investor account number, and IBAN. An IPO Facilitation Account may be used if the bidder does not have a CDC sub-account or investor account. All such details shall be captured by the Eligible Participant at the time of registration.
15. Bidders can opt for disclosed or undisclosed bidding at the time of registration. In the case of disclosed bidding, bids shall be placed by the Eligible Participant, and in the case of undisclosed bidding, bids shall be placed directly by the bidder

    Explanation:
    - In the case of disclosed bidding, the bidder shall convey the bid amount and bid price (profit rate/spread) to the Eligible Participant for entry into the Book Building System.
    - In the case of undisclosed bidding, the bidder shall enter the bid amount and bid price (profit rate/spread) directly into the Book Building System.
16. In case of disclosed bidding, the bidder at the time of registration, shall authorize the Eligible Participant for placing bid on his behalf.
17. In case of undisclosed bidding, for creating user bidding account for bidders, the Eligible Participant shall use the bidder details (email, name, phone number etc.). Book Building System will share the User ID, PIN and password directly with the bidder via registered email and mobile number.
18. Once the user is created and confirmed by the Eligible Participant, bidder shall receive system generated credentials for participation in the bidding process.
19. At the end of the bidding period, successful bidders and their Eligible Participants shall be notified by the Book Building System via registered email that their bids have been accepted. Such bidders shall arrange settlement with NCCPL at B+1 within the time specified in the Joint Procedures.
20. Upon conclusion of the Book Building process and determination of successful bidders, NCCPL shall commence its pay and collect process at B+1 by debiting the settling bank accounts of the Eligible Participants. In the event of any shortfall in payments due to failure to meet commitments, NCCPL shall initiate its shortfall management process in accordance with the Joint Procedures.
21. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants at B+1 within banking hours.
22. The funds in lieu of accepted bids will be credited to the Issuer's bank account(s) by NCCPL after the end of the public subscription period, credit of securities to the successful investors, and issuance of NOC by the Securities Exchange.
23. The Book Building process shall be deemed cancelled if the Issuer fails to receive bids for the total number of shares allocated under the Book Building Portion or if the total number of bids received is less than forty (40). In such an event, the Consultant to the Issue/Issuer shall immediately notify the Commission and the Securities Exchange accordingly.

12.13. PROCEDURE FOR BIDDING

The following procedures shall be followed for bidding:

1. Bids may be placed as either a Limit Bid or a Step Bid. Provided that the minimum size of a Limit Bid, as well as any incremental step in the case of a Step Bid, shall not be less than PKR 2 million.
2. The Issuer shall publish the Prospectus at least one (1) day prior to the commencement of bidder registration by the Eligible Participants and before the issuance of the public notice by the Designated Institution announcing the opening of the Book Building process.

3. The bidding shall commence at 09:00 a.m. and close at 05:00 p.m. during the Bidding Period.
4. PSX shall display live throughout the bidding period an order book in descending order for equity securities and discounted debt securities, and in ascending order for debt instruments quoted on a yield basis showing demand for securities at various prices/yields and the accumulated number of securities bids for along with percentage of the total securities offered. The order book shall also display the revised bids, which shall be accessible only through the PSX website.
5. The Designated Institution shall issue a public notice regarding the Book Building process at least three (3) working days before the commencement of the Bidding Period (B-3). The notice shall include, among other details, the name of the issuer, issue size, floor price, bidding dates, and salient features of the issue.
6. At the time of registration, bidders shall authorize the Eligible Participant to place the bid on their behalf in the case of disclosed bidding.
7. Eligible Participants shall collect the margin money from the bidders and deposit the same with the NCCPL.
8. Individual and institutional investors shall pay 100% of the bid amount as margin money to the Eligible Participant; provided that the Eligible Participant may accept a lower margin from bidders based on its own risk assessment.
9. In the case of undisclosed bidding, for creating user bidding accounts, the Eligible Participants shall use the bidder's details such as name, email address, and phone number. The Book Building System shall share the User ID, URL for the bid screen, PIN, and password directly with the bidder through their registered email and mobile number.
10. Once a user is created and confirmed by the Eligible Participant, the credentials for participation in the bidding process shall be forwarded by the Book Building System to the user — i.e., the investor in the case of undisclosed bidding or their Eligible Participant in the case of disclosed bidding — via their registered email and mobile number.
11. Eligible Participants may limit the amount of bidding by their bidders, depending on the margin money received and their own risk assessment criteria
12. In the event of a Trading Only Broker and their clients, the user bidding account must be created through a Professional Clearing Member (PCM).
13. Eligible Participant shall deposit the advance amount/margin money or standing instruction or irrevocable undertaking from the trustee, where applicable with the NCCPL by 5:00 p.m., one working day before the start of the bidding period. (B-1) Provided that during the bidding period, the Eligible Participants and their clients/investors/bidders can increase the bid amount subject to deposit of additional margin money, if required, with the NCCPL.
14. Based on the information shared by NCCPL, PSX will mark the Eligible Participants who have submitted advance amount/margin money for the bidding purposes.
15. NCCPL shall communicate the confirmation of advance/margin money received against the bid amount of Eligible Participants to the Designated Institution in accordance with the Joint Procedures.
16. Based on the information shared by the NCCPL, the Designated Institution (PSX) shall activate the Eligible Participants who have submitted advance/margin money for bidding purposes
17. NCCPL shall continue to share real-time information with PSX regarding margin money deposited by Eligible Participants during the bidding period, including new bidder registrations or increases in bid amounts, in line with the Joint Procedures.
18. Eligible Participants may bid on behalf of their clients in the case of disclosed bids, whereas users may bid anonymously using their provided credentials during the bidding period, within the maximum participation amount assigned.
19. The Book Building System shall ensure that all bids are submitted within the assigned limits, based on the advance/margin money confirmed by the NCCPL and the resultant maximum participation amount.
20. The eligible participants and their clients/investors/bidders can increase the bid amount subject to deposit of additional margin money, if required with the NCCPL, until 4:30 pm on the last day of the bidding period, as specified in the Designated Time Schedule (DTS) – Annexure A of the Joint Procedures.
21. Bidders may revise their bids upward until 5:00 p.m. on the last day of the bidding period

22. At the close of the bidding period, the Strike Price shall be determined by the Book Building System on the basis of the Dutch Auction Method.
23. At the end of bidding period, successful bidders and their eligible participants shall be notified by the Bidding System via their registered email that their bids have been accepted and such bidders are required to arrange settlement with NCCPL by 12:00 pm, one working day after the end of the bidding period (B+1), as specified in the Designated Time Schedule (DTS) – Annexure A of the Joint Procedures.
24. After the allocation process run by PSX, NCCPL will commence its pay and collect process at B+1 by debiting the settling bank accounts of eligible participants
25. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of eligible participants at B+1 within banking hours. If there is any shortfall in payments due to failure to meet commitments, NCCPL will initiate its Shortfall Management Process.
26. The funds in lieu of accepted bids will be credited to the Issuer's bank account by NCCPL after the end of public subscription, credit of securities to the successful investors and issuance of NOC by the PSX.
27. Bidders who have submitted bids at prices above the Strike Price shall be allotted shares at the Strike Price.
28. In cases where the bids received are sufficient to cover the total number of shares offered under the Book Building Portion, the allotment shall be made based on highest bid priority — that is, bids made at the highest price shall be considered first for share allocation.
29. If all bids above the Strike Price are accommodated and shares are still available for allotment, the remaining shares shall be allotted on a proportionate basis among the bids made at the Strike Price
30. Bidders who have made bids below the Strike Price shall not qualify for allotment of shares.
31. Restrictions:
    a. The bidding period shall not be extended except in extraordinary circumstances like closure of banks, failure of system, etc. In such case, the Issuer or the Consultant to the Issue shall apply to the Commission for extension in the bidding period after obtaining NOC from the Securities Exchange. In case extension is granted, the same shall be disseminated through publication in all those newspapers where the prospectus was published and on the website of the Issuer, Consultant to the Issue, the Designated Institution, and the Securities Exchange.
    b. The bidder shall not:
        - make bid below the Floor Price and above the upper limit of the Price Band;
        - make bid for more than 10% of the shares allocated under the Book Building Portion;
        - subject to the provision of clause (A) above, make bid with price variation of more than 10% of the prevailing indicative strike price or such other percentage as may be specified by the Commission;
        - make consolidated bid;
        - make more than one bid either severally or jointly;
        - make downward revision both in terms of Bid Price and Bid Volume; Provided that in case of upward revision of the Bid Price, the number of shares bid for i.e. Bid Volume may be adjusted ensuring that the bid amount or bid money remains the same; or
        - withdraw the Bid.
    c. No person shall take part in the book building process, directly or indirectly, severally or jointly in any manner, or engage in any act or practice which creates a false or misleading appearance of active bidding for raising or depressing the strike price in the book building process.

12.14. TITLE AND NUMBER OF THE BANK ACCOUNT FOR BOOK BUILDING PORTION OF THE ISSUE AND MECHANISM FOR PAYMENT OF THE MARGIN MONEY INTO THE BOOK BUILDING ACCOUNT

The margin requirements for Eligible Participants shall be as under:

i. Securities Brokers shall be allowed to participate with 100% margin money. Securities Brokers shall collect margin money against bid amount from the investors/clients/bidders based on their own risk assessment criteria.

ii. Individual investors and institutional investors shall pay 100% of bid amount as margin money to the Eligible Participant, provided that Eligible Participant may accept a lower margin from the bidders based on its own risk assessment.

iii. A bank or DFI shall be allowed to onboard/register bidders and create bidding account of the bidders for participation in the bidding, only in such case where bank or DFI is acting as Consultant to the Issue (CTI) in the public offering transaction. In such case individual investors and institutional investors shall pay 100% of bid amount as margin money to the Eligible Participant, provided that Eligible Participant may accept a lower margin from the bidders based on its own risk assessment.

iv. The Eligible Participant such as, Banks, DFIs and Mutual Funds shall be allowed to participate in the bidding process with 0% margin money for proprietary trades only.

v. For participation with 0% margin money for proprietary trades:

a. Banks and DFIs shall provide standing instruction to the NCCPL to directly debit the bank account in case of default, as per the format prescribed by the NCCPL.

b. Mutual Funds shall provide Irrevocable Undertaking from the Trustee, as per the format prescribed by the NCCPL.

c. If the Bank fails to discharge its obligation on time in accordance with the applicable laws, rules and regulations, NCCPL shall be authorized to debit the settlement account of the Bank (maintained with SBP) with the settlement amount against accepted bids of the Bank.

d. The Mutual Fund through its Trustee unconditionally and irrevocably indemnifies through Irrevocable Undertaking any failure of the Fund to settle any bids for the auction which was submitted and subsequently accepted in accordance with the applicable laws, rules and regulations.

vi. Eligible Participant shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts. NCCPL shall communicate the confirmation of advance/margin money against the bid amount of Eligible Participants to Designated Institution as per the Joint Procedures. Based on the information shared by NCCPL, Designated Institution will activate the Eligible Participants who have submitted advance/margin money for the bidding purposes.

PAYMENT PROCEDURES

The payment procedures for a Limit Bid or a Step Bid are explained below:

PAYMENT FOR LIMIT BID

If investors are placing their bids as a Limit Bid, then they shall deposit the Margin Money based on the number of shares they are bidding for at their stated bid price.

For instance, if an investor is applying for 1 Mn shares at a price of PKR 32.00/- per share, then the total Application Money would amount to PKR 32.00 Mn. In such a case, Eligible Participant shall collect advance/margin money against bids based on their own risk assessment criteria and shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts.

PAYMENT FOR STEP BID

If an investor is placing a Step Bid which is a series of Limit Bids at increasing prices, then he/she/it shall deposit the Margin Money / bid money based on the total number of shares he/she/it is bidding for at his/her/its stated bid prices.

For instance, if the investor bids for 5 Mn shares at PKR 32.00/- per share, 3 Mn shares at PKR 32.50/- per share and 2 Mn shares at PKR 34.00/- per share, then in essence the investor has placed one Step Bid comprising three limit bids at increasing prices. The Application Money would amount to PKR 325.50 Mn, which is the sum of the products of the number of shares bid for and the bid price of each limit bid. In such a case, Eligible Participant shall collect advance/margin money against bids based on their own risk assessment criteria and shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts.

12.15. PROCEDURE FOR PAYMENT OF MARGIN MONEY BY FOREIGN INVESTOR

Companies are permitted under paragraph 6 (with specific reference to sub para (B) (I)) of Chapter 20 of the State Bank of Pakistan's ("SBP") Foreign Exchange Manual (the "Manual") to issue shares on repatriation basis to non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual, i.e.

i) A Pakistan national resident outside Pakistan,
ii) A person who holds dual nationality including Pakistan nationality, whether living in or outside Pakistan,
iii) A foreign national, whether living in or outside Pakistan and
iv) A company or firm (including a partnership) or trust or mutual fund or private fund incorporated, registered and functioning outside Pakistan, excluding entities owned or controlled by a foreign government

The issue price of such shares must be paid in foreign exchange through normal banking channels, either by remittance from abroad or from a foreign currency account maintained by the subscriber or purchaser in Pakistan.

Non-resident investors who wish to participate in the book-building process for subscription of shares may do so through the Roshan Digital Account (RDA) — an initiative of the State Bank of Pakistan designed to facilitate Non-Resident Individual Pakistanis (NRIPs) in opening and operating digital bank accounts with designated SBP banks. Through the RDA, NRIPs can conduct banking transactions, make remittances, pay utility bills, and invest in various financial instruments in Pakistan, including the Pakistan Stock Market.

To invest in the Pakistan Stock Market through a Roshan Digital Account, the Non-Resident Individual Pakistani (NRIP) must authorize the respective bank to share the RDA details with the Central Depository Company of Pakistan Limited (CDC) and agree to the Terms and Conditions for Investing in Pakistan's Capital Market. Upon receipt of this information, the CDC forwards the investor's details to the National Clearing Company of Pakistan Limited (NCCPL) for the creation and registration of a Unique Identification Number (UIN). The CDC also facilitates the opening of a trading account by sharing the UIN and related information with the investor's selected broker and opens a CDC Custody Account in the investor's name. Upon completion of these formalities, the NRIP becomes eligible to invest in the Pakistan Stock Market using funds available in the Roshan Digital Account.

For participation in an Initial Public Offering (IPO) through the Roshan Digital Account, investors must ensure that their RDA is linked with an active Investor Account maintained with the CDC. The investor must subscribe through this account only and not through any other custody accounts such as Sub-Accounts, IPO Facilitation Accounts, or other Investor Accounts. The investor is required to register on the CDC e-Services Portal at https://csp.cdcaccess.com.pk and complete the e-IPO Subscription Form by entering the CDC Participant ID (03277) and the Investor Account Number to generate a Subscription ID. After filling the form, the investor should save a PDF copy of the completed form and transfer the exact IPO subscription amount from the RDA bank account to the CDC-designated bank account maintained with the same bank.

It must be ensured that the investor's account holds sufficient funds at the time of subscription; otherwise, the application will not be processed. Once the payment is made, the investor must email the PDF copy of the Subscription Form along with payment details to roshandigital@cdcpak.com. Both the payment and the e-IPO Subscription Form must reach the CDC no later than 12:00 p.m. (PST) on the last day of the subscription period. Any payment or form received after the deadline will not be accepted. Investors are also advised to note that payments made through any method other than the one prescribed above may result in complications, particularly during the refund process, in cases where the application is either partially successful on a pro-rata basis or declared unsuccessful.

12.16. PROCEDURE OF REJECTION OF BIDS

As per Regulation 9(37) & (38) of the PO Regulations:

1. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants at B+1 within banking hours.

2. The funds in lieu of accepted bids will be credited to the Issuer's bank account(s) by NCCPL after the end of the public subscription period, credit of securities to the successful investors, and issuance of NOC by the Securities Exchange.

12.17. TIME FRAME FOR UPWARD REVISION OF BIDS BY THE BIDDER

The registered investors may revise their Bids upwards any time either manually through the Bid Collection Centers or electronically through direct access to the system till 05:00 p.m. on the last day of the Bidding Period.

The Eligible Participants and their clients/investors/bidders can increase the bid amount subject to deposit of additional margin money, if required, with the NCCPL. The bidders can revise their bids upward till 05:00 p.m. on the last day of the Bidding Period. **NO DOWNWARD REVISION BOTH IN TERMS OF BID PRICE AND BID VOLUME IS ALLOWED PROVIDED THAT IN CASE OF UPWARD REVISION OF THE BID PRICE, THE NUMBER OF SHARES BID FOR I.E. BID VOLUME MAY BE ADJUSTED ENSURING THAT THE BID AMOUNT OR BID MONEY REMAINS THE SAME. HOWEVER, NO WITHDRAWAL OF BID IS ALLOWED.**

12.18. TEN PERCENT (10%) PRICE VARIATION

An investor will not be allowed to place or upward revise a bid with a price variation of more than ten percent (10%) of the prevailing Indicative Strike Price subject to Floor Price and Price Band i.e. Bid Price must not be below the Floor Price and must not exceed 40% of the Floor Price which is upper limit of Floor Price. **Please note that the Indicative Strike Price may not be constant and may keep on changing during the bidding period. Therefore, the 10% range will also change with the changing Indicative Strike Price.**

For Example, if the Floor Price is PKR 32.00/- per share and Indicative Strike Price at any given point in time during the bidding period is PKR 32.00/- per share, registered bidders may place or revise their bids at/to any price between PKR 32.00/- per share to PKR 35.20/- per share. If at any given point in time during the bidding period, the Indicative Strike Price changes from PKR 32.00/- per share to PKR 35.20/- per share, the registered bidders may place or upward revise their bids at/to between PKR 35.20/- per share to PKR 38.72/- per share.

Please note that the 10% range on the lower side cannot go below the floor price and cannot exceed the upper cap of 40% of the floor price i.e. PKR 44.80/- per share. The price range of 10% applicable at any given point in time during the bidding period will also be displayed on the bid screen available at the website of PSX.

12.19. PROCEDURE FOR WITHDRAWAL OF ISSUE

1. In accordance with regulation 8(16) of the PO Regulations, the Book Building process shall be considered as cancelled if the Issuer does not receive bids for the number of shares allocated under the Book Building Portion and the same shall be immediately intimated by the Consultant to the Issuer/Issue to the Commission and Securities Exchange.
2. In accordance with regulation 8(17) of the PO Regulation, the Book Building process shall be considered as cancelled if the total number of bids received is less than forty (40).

12.20. MECHANISIM FOR DETERMINATION OF STRIKE PRICE

1. At the close of the bidding period, the Strike Price shall be determined on the basis of Dutch Auction Method by the Designated Institution. Under this methodology, the Strike Price is determined by lowering the price to the extent that the total shares offered under the Book Building Portion are subscribed.
2. Designated Institution shall through the Book Building System display live order book throughout the bidding period in descending order showing demand for shares at various prices and the accumulated number of shares bid for along with percentage of the total shares offered. The order book should also show the revised bids. The order book shall be accessible through websites of the Securities Exchange and Designated Institution.

3. In case the bids received are sufficient to allot the total number of shares offered for sale under the Book Building Portion, the allotment shall be made on the basis of highest bid priority that is the bid made at the highest price shall be considered first for allotment of shares.
4. As per the regulation 9(27) of the PO Regulation, in case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares will be allotted on proportionate basis against the bids made at the Strike Price.

The mechanism for determination of the Strike Price can be understood by the following illustration:

1. Number of shares being Issued through the Book Building: 43,537,156 Ordinary Shares
2. Floor Price: PKR 32.00/- per Ordinary Share with maximum price band of 40.0% i.e. PKR 44.80/-per share
3. Bidding Period: August 27th,2026 to August 28th,2026
4. Bidding Time: 9:00am – 5:00pm
5. Bidding Revision Time (Upward Revision only): 9:00am – 5:00pm on all days

Bidder	Price (PKR/share)	Quantity	Cumulative Number of shares	Category of Order
Institution A	34.31	1,260,000	1,260,000	Limit Price
Institution B	33.93	2,620,000	3,880,000	Limit Price
HNWI A	33.84	5,120,000	9,000,000	Step Bid
Institution C	33.55	3,420,000	12,420,000	Limit Price
Institution D	33.54	1,320,000	13,740,000	Limit Price
Institution E	33.37	4,540,000	18,280,000	Limit Price
HNWI B	32.78	3,780,000	22,060,000	Limit Price
HNWI A	32.63	7,100,000	29,160,000	Step Bid
Institution F	32.55	1,740,000	30,900,000	Limit Price
Institution G	32.45	5,920,000	36,820,000	Limit Price
Institution H	32.36	1,980,000	38,800,000	Limit Price
HNWI C	32.35	600,000	39,400,000	Limit Price
Institution I	32.05	1,320,000	40,720,000	Step Bid
Institution H	~~32.04~~	1,020,000	41,740,000	~~Limit Price~~
Institution J	32.03	1,797,156	43,537,156	Step Bid
HNWI E	32	5,000,000	48,537,156	Limit Price

Strike Price determine through Dutch Auction Method

Bid has been revised upwards and placed at PKR 32.36

Total shares bid at and above the Floor Price

On the basis of the figures provided in the above illustration, according to the Dutch Auction Method, the Strike Price would be set at PKR 32.03 per share to sell the required quantity of 43,537,156 ordinary shares.

At PKR 34.31 per share, investors are willing to buy 1,260,000 shares. Since 42,277,156 shares are still available, the price will be set lower.

At PKR 33.93 per share, investors are willing to buy 2,620,000 shares. Since 39,657,156 shares are still available, the price will be set lower.

At PKR 33.84 per share, investors are willing to buy 5,120,000 shares. Since 34,537,156 shares are still available, the price will be set lower.

At PKR 33.55 per share, investors are willing to buy 3,420,000 shares. Since 31,117,156 shares are still available, the price will be set lower.

At PKR 33.54 per share, investors are willing to buy 1,320,000 shares. Since 29,797,156 shares are still available, the price will be set lower.

At PKR 33.37 per share, investors are willing to buy 4,540,000 shares. Since 25,257,156 shares are still available, the price will be set lower.

At PKR 32.78 per share, investors are willing to buy 3,780,000 shares. Since 21,477,156 shares are still available, the price will be set lower.

At PKR 32.63 per share, investors are willing to buy 7,100,000 shares. Since 14,377,156 shares are still available, the price will be set lower.

At PKR 32.55 per share, investors are willing to buy 1,740,000 shares. Since 12,637,156 shares are still available, the price will be set lower.

At PKR 32.45 per share, investors are willing to buy 5,920,000 shares. Since 6,717,156 shares are still available, the price will be set lower.

At PKR 32.36 per share, investors are willing to buy 1,980,000 shares. Since 4,737,156 shares are still available, the price will be set lower.

At PKR 32.35 per share, investors are willing to buy 600,000 shares. Since 4,137,156 shares are still available, the price will be set lower.

At PKR 32.05 per share, investors are willing to buy 1,320,000 shares. Since 2,817,156 shares are still available, the price will be set lower.

At PKR 32.04 per share, investors are willing to buy 1,020,000 shares. Since 1,797,156 shares are still available, the price will be set lower.

At PKR 32.03 per share, investors are willing to buy 1,797,156 shares. After allotting these shares at PKR 32.03 per share, the total supply of 43,537,156 shares is fully sold. Therefore, the Strike Price is set at PKR 32.03 per share for the entire lot of 43,537,156 shares.

The bidders who have placed bids at prices above the Strike Price (which in this illustration is PKR 32.03 per share), will become entitled for allotment of shares at the Strike Price and the differential would be refunded.

In case all the bids made above the Strike Price are accommodated and shares are still available for allotment; such available shares shall be allotted against the bids made at the Strike Price on proportionate basis as per regulation 9(27) of the PO Regulations.

The Bidders who have made bids below the Strike Price shall not qualify for allotment of shares. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants at B+1 (one day after the end of the bidding period) within banking hours.

12.21. BASIS OF ALLOTMENT OF SHARES

a) In case the bids received are sufficient to allot the total number of shares offered for sale under the Book Building Portion, the allotment shall be made on the basis of highest bid priority that is the bid made at the highest price shall be considered first for allotment of shares.
b) In case all the bids made above the Strike Price are accommodated and shares are still available for allotment; such available shares shall be allotted against the bids made at the Strike Price on proportionate basis.

As per regulation 7(3) of the PO Regulation, 2017, maximum of seventy-five percent (75%) of the offer size i.e. 43,537,156 ordinary shares shall be allocated to the Book Building Portion, while the remaining minimum twenty-five percent (25%) i.e. 14,512,385 ordinary shares shall be reserved for retail investors. The retail portion of the public offer shall be fully underwritten. At the close of the bidding period, Strike Price shall be determined on the basis of Dutch Auction Method by the Book Building System.

As per regulation 11(2) of the PO Regulation, 2017, The Issuer may offer the shares to retail investors at a certain discount to the Strike Price

As per regulation 11(4) of the PO Regulation, 2017, within five (5) working days of the close of the public subscription period, or within such shorter period as may be specified by the Commission from time to time, the shares shall be allotted and issued against the accepted and successful applications, and the subscription money of unsuccessful applicants shall be unblocked/refunded.

As per regulation 11(5) of the PO Regulation, 2017, in case the retail portion of the issue, if any, remains unsubscribed, the unsubscribed shares shall be taken up by the underwriters.

Final allotment of shares out of the Book Building portion shall be made after subscription of the retail portion and receipt of full subscription money from the successful Bidders; however, shares to such Bidders shall be issued simultaneously with issuance of shares to retail investors, in the form of book-entry to be credited in their respective CDS Accounts. All the Bidders shall, therefore, provide number of their respective CDS Accounts in the Bid application as required under regulation 9(16) of the PO Regulations.

12.22. MECHANISM AND MODE FOR REFUNDING / UNBLOCKING OF THE MARGIN MONEY

The Bidders who have made Bids below the Strike Price shall not qualify for allotment of securities. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants within banking hours one day after the bidding period.

The bid money of bidders who have undertaken to subscribe the unsubscribed retail portion shall remain deposited or blocked till allotment of shares of unsubscribed retail portion, if any, to them on pro-rata basis.

12.23. PUBLICATION AND TIME FRAME FOR PUBLICATION OF SUPPLEMENT TO THE PROSPECTUS

In accordance with regulation 11(1) of the PO Regulations of the closing of the Bidding Period, Supplement to the Prospectus shall be published at least in all those newspapers in which the Prospectus was earlier published and also disseminated through PSX within one working day.

The Supplement to the Prospectus would contain information relating to the Strike Price, the Offer Price and Category-wise breakup of the successful Bidders along with the number of shares provisionally allocated to them. Format of the Supplement is given on page 04 (four) of this Prospectus.

Public subscription for the shares shall be held at any date(s) within thirty days (30) of the publication of the Prospectus but not earlier than seven (7) days of such publication.

13. APPLICATION AND ALLOTMENT INSTRUCTION FOR RETAIL PORTION

13.1. ELIGIBLE INVESTORS INSTRUCTIONS FOR SUBMITTING APPLICATION

1. Pakistani citizens resident in or outside Pakistan or Persons holding dual nationalities including a Pakistani nationality;
2. Foreign Nationals whether living in or outside Pakistan
3. Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
4. Mutual Funds, Provident / Pension / Gratuity Funds / Trusts, (subject to the terms of the Trust Deed and existing regulations); and
5. Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

13.2. OPENING AND CLOSING SUBSCRIPTION LIST

The subscription list will open on September 3rd,2026 and will close on September 4th,2026. Please note that online applications can be submitted 24 hours during the subscription period which will close at 11:59 PM on September 4th,2026.

13.3. PROCEDURE FOR PUBLIC SUBSCRIPTION THROUGH PSX'S E-IPO SYSTEM AND CENTRALIZED E-IPO SYSTEM AND OTHER ADDITIONAL ELECTRONIC SYSTEM

I. PSX's e-IPO System (PES):

To facilitate investors, the Pakistan Stock Exchange Limited ("PSX") has developed an e-IPO System ("PES") through which applications for subscription of securities offered to the General Public/retail portion can be made electronically. PES has been made available in this Issue and can be accessed through the web link (https://eipo.psx.com.pk). Payment of subscription money can be made through 1LINK's member banks available for PES.

For making application though PES, investors must be registered with PES. The PES registration form is available 24/7, all throughout the year. Registration is free of cost and can be done by:

- the investor himself, or
- the TREC Holder with whom the investor has a sub-account, or
- the Bank with whom the investor has a bank account.
- Similarly, an e-IPO application can be filed by:
- the investor himself, or
- the TREC Holder with whom the investor has a sub-account, or
- the Bank with whom the investor has a bank account.

In case of queries regarding PES, investors may contact Mr. Farrukh Shahzad, Deputy General Manager - IT Division at phone number: 111-001-122 or (021)-35274401-10, or email: itss@psx.com.pk.

Investors who are registered with PES can submit their applications through the web link, https://eipo.psx.com.pk, 24 hours a day during the subscription period which will close at 11:59 PM on September 4th, 2026.

II. Centralized e-IPO System (CES):

CES can be accessed through the web link (www.cdceipo.com). Payment of subscription money can be made through 1LINK's member banks available for CES.

For making application though CES, investors must be registered with CES. Registration can be done under a self-registration process by filling the CES registration form, which is available 24/7 all throughout the year.

In addition to the above, investors/sub-account holder(s) can request their respective TREC Holders who are Participants in Central Depository System (CDS) to make electronic subscription on their behalf for subscription of securities of a specific company by authorizing (adding the details of) their respective Participant(s) in CES. Consequently, authorized Participants will electronically subscribe on behalf of their sub-account holder(s) in securities offered through Initial Public Offerings and will also be able to make payment against such electronic subscriptions through all the available channels mentioned on CES only after receiving the subscription amount from the sub-account holder(s). To enable this feature, the CDS Participant may request CDC to activate his ID on the CES portal. For queries regarding CES, investors may contact CDC at phone number: 0800 – 23275 (CDCPL) and e-mail: info@cdcpak.com or contact Mr. Owais Anwer at Phone 021-111-111-500 Ext 500 and email: owais_anwer@cdcpak.com.

13.4. FACILITIES AVAILABLE TO LOCAL, NON-RESIDENT PAKISTANIS AND FOREIGN INVESTORS

For each IPO, a prospectus is issued, circulated, and published in newspapers at least 7 days before the start of the public subscription. The issuer also publishes advertisements in newspapers. The prospectus is available on the websites of the Pakistan Stock Exchange (PSX), which provides the PSX's e-IPO System (PES), the consultant to the issue, the Issuer, and the Central Depository Company of Pakistan Limited (CDC), which provides the Centralized e-IPO System (CES). A list of all upcoming IPOs is also available on the PSX website.

13.4.1. APPLICATIONS MADE BY INDIVIDUAL INVESTORS

1. In case of individual investors, one can submit an application for share subscription through electronic/online mode. Electronic/online applications can be submitted through PSX's e-IPO system (PES) and CDC's Centralized e-PO system (CES). PES and CES can be accessed via the web links https://eipo.psx.com.pk, and www.cdceipo.com. Both Pakistani residents and non-residents can avail the e-IPO facility. To register for the CDC and PSX Access e-IPO Service, the applicant must possess a valid CNIC and NICOP
2. Online applications via CDC Access can be submitted 24 hours a day during the subscription period.

13.4.2. APPLICATIONS MADE BY INSTITUTIONAL INVESTORS

1. In case of corporate entities an application for share subscription through electronic/online mode. Electronic/online applications can be submitted through PSX's e-IPO system (PES) and CDC's Centralized e-PO system (CES). PES and CES can be accessed via the web links https://eipo.psx.com.pk, and www.cdceipo.com. The corporate entities can avail the e-IPO facility by registering, if not have already been, for the CDC and PSX Access e-IPO Service, the corporate must possess a valid Registration number and NTN.
2. Online applications via CDC Access can be submitted 24 hours a day during the subscription period.

13.5. MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT OF SHARES OF THE ISSUE

The basis and conditions of transfer of shares to the General Public shall be as follows:

1. Application for shares must be made for 500 shares or in multiples of 500 shares only. Applications which are neither for 500 shares nor for multiples of 500 shares shall be rejected.
2. The minimum amount of application for subscription of 500 shares is the Issue Price x 500 shares.
3. Application for shares below the minimum amount shall not be entertained.
4. SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015
5. If the shares offered to the general public are sufficient to accommodate all applications, all applications shall be accommodated.
6. If the shares applied for by the general public are in excess of the shares allocated to them, the distribution shall be made by computer balloting, in the presence of the representative(s) of PSX in the following manner:

- If all applications for 500 shares can be accommodated, then all such applications shall be accommodated first. If all applications for 500 shares cannot be accommodated, then balloting will be conducted among applications for 500 shares only.

- If all applications for 500 shares have been accommodated and shares are still available for allotment, then all applications for 1,000 shares shall be accommodated. If all applications for 1,000 shares cannot be accommodated, then balloting will be conducted among applications for 1,000 shares only.
- If all applications for 500 shares and 1,000 shares have been accommodated and shares are still available for allotment, then all applications for 1,500 shares shall be accommodated. If all applications for 1,500 shares cannot be accommodated, then balloting will be conducted among applications for 1,500 shares only
- If all applications for 500 shares, 1,000 shares and 1,500 shares have been accommodated and shares are still available for allotment, then all applications for 2,000 shares shall be accommodated. If all applications for 2,000 shares cannot be accommodated, then balloting will be conducted among applications for 2,000 shares only.
- After allotment in the above-mentioned manner, the balance shares, if any, shall be allotted in the following manner:
    - If the remaining shares are sufficient to accommodate each application for over 2,000 shares, then 2,000 shares shall be allotted to each applicant and remaining shares shall be allotted on pro-rata basis.
    - If the remaining shares are not sufficient to accommodate all the remaining applications for over 2,000 shares, then balloting shall be conducted for allocation of 2,000 shares to each successful applicant.

7. If the Issue is over-subscribed in terms of amount only, then allotment of shares shall be made in the following manner:

- First preference will be given to the applicants who applied for 500 shares;
- Next preference will be given to the applicants who applied for 1,000 shares;
- Next preference will be given to the applicants who applied for 1,500 shares;
- Next preference will be given to the applicants who applied for 2,000 shares; and then
- After allotment of the above, the balance shares, if any, shall be allotted on pro rata basis to the applicants who applied for more than 2,000 shares.

8. Allotment of shares will be subject to scrutiny of applications for subscription of shares.
9. Applications, which do not meet the above requirements, or application which are incomplete, will be rejected.

13.6. REFUND/UNBLOCKING OF SUBSCRIPTION MONEY TO UNSUCCESSFUL APPLICANTS

As per the regulation 11(4) of the PO Regulations, within five (5) working days of the close of public subscription period or such shorter period of time as may be specified by the Commission from time to time, the Shares shall be allotted and issued against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/ refunded.

As per sub-section (2) of Section 68 of the Companies Act, if refund as required under sub-section (1) of Section 68 of the Companies Act is not made within the time specified hereinabove, the directors of the company shall be jointly and severally liable to repay that money with surcharge at the rate of two percent (2%) for every month or part thereof from the expiration of the fifteenth day and, in addition, shall be liable to a penalty of level 3 on the standard scale as defined in Section 479 of the Companies Act. Provided that the directors of the Company shall not be liable if it proves that the default in making the refund was not on their own account and was not due to any misconduct or negligence on their part.

In case retail portion of the Issue remains unsubscribed, the unsubscribed shares shall be allotted to the successful bidders at the strike price on pro-rata basis.

13.7. MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT

The basis and conditions of transfer of shares to the General Public shall be as follows:

1. The minimum value of application will be calculated as Issue Price x 500 shares. Application for amount below the minimum value shall not be entertained.

2. Application for shares must be made for 500 shares or in multiple of 500 shares only. Applications which are neither for 500 shares nor for multiples of 500 shares shall be rejected.
3. Allotment / Transfer of shares to successful applicants shall be made in accordance with the allotment criteria / instructions disclosed in the Prospectus.
4. Allotment of shares shall be subject to scrutiny of applications in accordance with the criteria disclosed in the Prospectus and / or the instructions by the Securities & Exchange Commission of Pakistan
5. Applications, which do not meet the above requirements, or applications which are incomplete will be rejected. The applicants are, therefore, required to fill in all data fields in the Online Application Form.
6. The Company will credit shares in the CDS Accounts of the successful applicants

13.8. ISSUE AND CREDIT OF SHARES

Within five (5) working days of the closing of public subscription period, the shares shall be allotted, issued and credited against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/refunded, as required under regulation 11(4) of the PO Regulations. Shares will be issued only in the book-entry form and will be credited into the respective CDS Accounts of the successful applicants. Therefore, the applicants must provide their CDS Account Number in the Shares Subscription Applicant.

If the Company defaults in complying with the above requirements, it shall pay PSX a penalty of PKR 5,000 per day for every day during which the default continues. PSX may also notify the fact of such default and name of the Company by notice and also by publication in its ready-board quotation of the Stock Exchange.

Name of the Company will also be notified to the TRE Certificate Holders of the PSX and placed on the web site of the PSX.

13.9. TRANSFER OF SHARES

The shares shall be transferred in accordance with the provisions of Section 74 of the Companies Act read with Section 75 thereof and the Central Depositories Act, 1997 and the CDCPL Regulations.

13.10. LIST OF E-IPO FACILITIES

S.No	Name of Facility
01	PSX e-IPO System
02	Centralized e-IPO System

13.11. INTEREST OF SHAREHOLDERS

None of the holders of the Issued shares of the Company have any special or other interest in the property or profits of the Company other than their capacity as holder of Ordinary shares except from the shareholders who are also the Director of the company. Directors of the Company have interest in receiving remuneration for their role as Directors.

13.12. ELIGIBILITY FOR DIVIDEND

The ordinary shares issued shall rank pari-passu with the existing shares in all matters of the Company, including the right to such bonus or right issues, and dividend as may be declared by the Company subsequent to the date of issue of such shares.

13.13. DEDUCTION OF ZAKAT

Income distribution will be subject to deduction of Zakat at source, pursuant to the provisions of Zakat and Ushr Ordinance, 1980 (XVIII of 1980) as may be applicable from time to time except where the Ordinance does not apply to any shareholder or where such shareholder is otherwise exempt or has claimed exemption from payment / deduction of Zakat in terms of and as provided in that Ordinance.

13.14. TAXATIONS, LIKE APPLICABILITY OF CAPITAL GAIN TAX, WITHHOLDING TAX ON DIVIDENDS, TAX ON BONUS SHARES, FEDERAL EXCISE DUTY AND CAPITAL VALUE TAX & WITHHOLDING TAX ON SALE/PURCHASE OF SHARES.

13.14.1. Capital Gains Tax

Capital gains derived from the sale of listed securities are taxable in the following manner under section 37A of Income Tax Ordinance, 2001 effective from July 1, 2024:

S.No.	Capital Gains Tax for FY 2026	Investors Appearing in ATL	Investors Not Appearing in ATL
1	Where the securities are acquired before the first day of July, 2013.	0%	0%
2	Where the securities are acquired on or after the first day of July, 2013 but on or before the 30th day of June, 2022.	12.5%	25.0%
3	**Where the securities are acquired on or after the first day of July, 2022 but on or before the 30th day of June, 2024, below reduced rates of tax on capital gain arising on disposal shall apply:**		
	Where holding period does not exceed one year	15.0%	30.0%
	Where holding period exceed one year but does not exceed two years	12.5%	25.0%
	Where holding period exceed two years but does not exceed three years	10.0%	20.0%
	Where holding period exceed three years but does not exceed four years	7.5%	15.0%
	Where holding period exceed four years but does not exceed five years	5.0%	10.0%
	Where holding period exceed five years but does not exceed six years	2.5%	5.0%
	Where holding period exceed six years	0.0%	0.0%
4	**Where the securities are acquired on or after the first day of July, 2024 onwards:**		
	Where the securities are acquired on or after the first day of July, 2024 and onwards.	15.0%	As per rates specified in First Schedule, Part 1, Division 1 for individuals and association of persons and Division II for companies Provided that the rate of tax for individuals and association of persons shall not be less than 15% in any case.

13.14.2. Withholding Tax on Dividends

Dividend distribution to shareholders will be subject to withholding tax under section 150 of the Income Tax Ordinance, 2001 as specified in Part III Division I of the First Schedule of the said ordinance or any time-to-time amendments therein. In terms of the provision of Section 8 of the said ordinance, said deduction at source, shall be deemed to be full and final liability in respect of such profits in case of persons only. Applicable withholding tax rate on dividend is 15% for active tax payers and 30% for inactive tax payers.

13.14.3. Tax on Bonus Shares

As per section 236Z of the Finance Act 2025, shall only be issued to a shareholder, if the company collects from the shareholder, tax equal to ten percent of the value of the bonus shares issued to the shareholder including bonus share withheld, determined on the basis of day-end price on the first day of closure of books in the case of listed company and the value as prescribed in case of other companies.

13.15. TAX ON INCOME OF THE ISSUER, SALES TAX

13.15.1. Income Tax

The income of the Company is subject to Income Tax under the Income Tax Ordinance, 2001.

13.15.2. Sales Tax

General Sales Tax is applicable as per Sales Tax Act, 1990 on supplies and services. Sales tax is applicable on services as per Punjab Sales Tax on Services Act, 2012 by Punjab Revenue Authority. Sales tax is applicable on services as per Sindh Sales Tax on Services Act, 2011 by Sindh Revenue Board.

13.15.3. Sales Tax on Sale / Purchase of Shares

Under the Constitution of Pakistan and Articles 49 of the 7th NFC Award, the Government of Sindh, Government of Punjab, Government of Khyber Pakhtunkhwa and Government of Baluchistan have promulgated the Sindh Sales Tax on Services Act, 2011, Punjab Sales Tax on Services Act, 2012, Khyber Pakhtunkhwa Sales Tax on services through Khyber Pakhtunkhwa Finance Act, 2013 and the Baluchistan Sales Tax on services Act, 2015 respectively. The Sindh Revenue Board, the Punjab Revenue Authority, and the Khyber Pakhtunkhwa Revenue Authority and the Baluchistan Revenue Authority administer and regulate the levy and collection of the Sindh Sales Tax (“SST”), Punjab Sales Tax (“PST”), Khyber Pakhtunkhwa Sales Tax (“KST”) and Baluchistan Sales Tax (“BST”) respectively on the taxable services provided or rendered in Sindh, Punjab or Khyber Pakhtunkhwa provinces respectively.

The value of taxable services for the purpose of levy of sales tax is the gross commission charged from clients in respect of purchase or sale of shares in a Stock Exchange. The above-mentioned Acts levy a sales tax on Brokerage at the rate of 15% in Sindh, 16% in Punjab and in Baluchistan and Khyber Pakhtunkhwa the rate is 15%. Sales tax charged under the aforementioned Acts is withheld at source under statutory requirements.

13.16. Deferred Taxation

Deferred tax is provided using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts, for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forwards of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

14. SIGNATORIES TO THE PROSPECTUS

Agro Processors & Atmospheric Gases Ltd.

Signatories to Prospectus

Abdul Aziz Rafiq
Chairman/Director

Ahmed Aziz Ghulamhussain
Chief Executive Officer

Amyn
Chief Financial Officer

Naheed Ahmad Ghulamhussain
Director

Madiha Alam
Independent Director

Fawad Anwar
Independent Director

Safinah Danish Elahi
Director

Witnessed By:

Adnan Owais
Company Secretary

Registered Office & Factory:
F-392, S.I.T.E. Karachi-75700, Pakistan
(92-21) 32575791, 32582855 & 32581307
(92-21) 32562487, 32560241
info@apag.com.pk

Sales & Marketing Office:
2nd Floor, C.G. House, 7-C, 21st Commercial Street,
Phase-II Ext., D.H.A., Karachi-75500 Pakistan
(92-21) 35882182, 35882138, 35889046
(92-21) 35803716

www.apag.com.pk

15. MEMORANDUM OF ASSOCIATION

1

THE COMPANIES ACT, 2017

(COMPANY LIMITED BY SHARES)

MEMORANDUM OF ASSOCIATION

OF

AGRO PROCESSORS & ATMOSPHERIC GASES LIMITED

1. The name of the Company is **AGRO PROCESSORS & ATMOSPHERIC GASES LIMITED**.

2. The Registered office of the Company will be situated in **Karachi** in the province of **Sindh**.

3. (i) The principal line of business of the Company shall be to carry on the business as manufacturers, refiners, processors, merchants, exporters, importers, agents and dealers in edible and inedible oils, vanaspati ghee, cooking oil, margarine, industrial fats, sauces, mineral water, soaps, glycerin and all allied and by-products thereof; to engage in the import and export of all kinds of seeds including but not limited to soya, canola, sunflower, other edible oil and any other food seeds; to undertake solvent extraction and oil extraction from such seeds; to import, locally procure and manufacture packaging materials either directly or through toll manufacturing arrangements in connection with its existing operations; to manufacture, compress, process and deal in atmospheric and industrial gases, dry ice and chemicals; and to carry on the business of packers, carriers and distributors by land and sea, shippers, lightermen, factors, forwarding agents, storekeepers, warehousemen, wharfingers and general traders in goods, merchandise, produce and other movable property incidental or ancillary to the foregoing objects.

   (ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the company may engage in all the lawful businesses and shall be authorized to take all necessary steps and actions in connection therewith and ancillary thereto.

   (iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Asset Management Services, Leasing, Investment Finance Services, Investment Advisory Services, REIT management Services, Housing Finance Services, Private Equity and Venture Capital Fund Management Services, Discounting Services, Pension Fund Scheme Business, Micro Financing), Corporate Restructuring Company, Insurance Business, Modaraba management company, Stock Brokerage business, forex, Clearing House, Securities and Futures Advisor, Commodity Exchange, managing agency, business of providing the services of security guards or any other business subject to license and restricted under any law for the time being in force or as may be specified by the Commission.

   (iv) It is hereby undertaken that the company shall not:

      (a) engage in any of the business mentioned in sub-clause (iii) above or any unlawful operation;

Agro Processors & Atmospheric Gases Ltd.
Company Secretary

(b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business;

(c) engage in any of the permissible business unless the requisite approval, permission, consent or license is obtained from competent authority as may be required under any law for the time being in force.

4. The liability of the members is limited.

5. The authorized capital of the company is Rs 1,250,000,000 (Rupees One Billion Two Hundred Fifty Million only) divided into 625,000,000 (Six Hundred and Twenty Five Million) shares of Rs 2/- (Rupees Two only) each.

We the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of these Memorandum of Association and we respectively agree to take the number of shares in the capital of this company set opposite to our respective names.

Names and Addresses of the Subscriber Description	No. of Shares Subscribed	Signature	Witnesses
1. RAFIQ GHULAM HUSSAIN, Hussain Manzil, 327/1-B, Off Britto Road, Garden East, Karachi	One		
2. NIZAR GHULAM HUSSAIN, B/9, Street No. 2, Bath Island, Karachi.	One		
3. AZIZ GHULAM HUSSAIN, F/12, Block 9, K.D.A Scheme NO.5, Clifton, Karachi	One		
4. MUHAMMAD DIN SIDDIQUI Bunglalow No B-89, Unit 2, Latifabad, Hyderabad	One		
5. ABDUL AZIZ RAFIQ, Hussain Manzil, 327/1-B, Off Britto Road, Garden East, Karachi	One		

Karachi, Dated 13th day of September 1980