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

BDO Ebrahim & Co. Chartered Accountants
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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 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).

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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

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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**

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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	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**

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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**

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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			
		Share premium	Surplus on Revaluation of property	Unappropriated profit	Total
	---------- 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**

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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

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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.

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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.

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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.

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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.

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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.

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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).

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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).

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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.

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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.

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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.

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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.

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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.

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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.

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6 PROPERTY, PLANT AND EQUIPMENT

6.1 Operating fixed assets

Description	Lease hold land	Building on lease hold	Vehicles	Sub total
	Leased Assets			
Year ended December 31, 2025				
Net carrying value basis				
Opening book value	775,000,000	93,431,543	63,499,420	931,930,963
Additions	-	-	19,459,540	19,459,540
Deletions - NBV	-	-	(1,579,636)	(1,579,636)
Depreciation charge	-	(2,335,789)	(7,141,286)	(9,477,075)
Closing net book value	775,000,000	91,095,755	74,238,038	940,333,792
Gross carrying value basis				
Cost / revalue	775,000,000	168,951,778	120,178,610	1,064,130,388
Accumulated depreciation	-	(77,856,023)	(45,940,572)	(123,796,596)
Net book value	775,000,000	91,095,755	74,238,038	940,333,792
Year ended June 30, 2025				
Net carrying value basis				
Opening book value	620,000,000	94,762,497	42,929,477	757,691,974
Additions	-	3,586,496	35,218,070	38,804,566
Revaluation surplus	155,000,000	-	-	155,000,000
Transfer from CWIP	-	-	-	-
Deletions - NBV	-	-	(2,938,000)	(2,938,000)
Depreciation charge	-	(4,917,450)	(11,710,127)	(16,627,577)
Closing net book value	775,000,000	93,431,543	63,499,420	931,930,963
Gross carrying value basis				
Cost / revalue	775,000,000	168,951,778	100,719,070	1,044,670,848
Accumulated depreciation	-	(75,520,235)	(37,219,650)	(112,739,885)
Net book value	775,000,000	93,431,543	63,499,420	931,930,963
Depreciation rate (% per annum)	-	5%	20%	

Description	Lahore office	Plant and machinery	Electric and gas installation	Furniture and fixture	Office equipments	Tools and equipments	Vehicles
				Rupees			
Year ended December 31, 2025							
Net carrying value basis							
Opening book value	283,336	518,514,515	678,378	4,202,112	20,924,887	34,942,448	6,721,923
Additions	-	5,022,000	246,681	120,000	880,456	50,000	3,688,344
Deletions - NBV	-	-	-	-	-	-	(4,883,387)
Depreciation charge	(7,083)	(13,064,575)	(46,253)	(215,106)	(1,070,090)	(1,747,539)	(858,368)
Closing net book value	276,252	510,471,939	878,805	4,107,006	20,735,252	33,244,909	4,668,512
Gross carrying value basis							
Cost / revalue	1,138,281	961,528,328	4,655,669	12,398,866	43,498,872	59,535,292	76,751,777
Accumulated depreciation	(862,028)	(451,056,388)	(3,776,863)	(8,291,860)	(22,763,620)	(26,290,383)	(72,083,265)
Net book value	276,252	510,471,940	878,806	4,107,006	20,735,252	33,244,909	4,668,512
Year ended June 30, 2025							
Net carrying value basis							
Opening book value	298,249	530,482,453	715,753	4,319,409	19,506,757	27,742,577	8,439,020
Additions	-	17,175,364	38,000	387,605	4,424,685	11,686,465	1,356,236
Revaluation surplus	-	-	-	-	-	-	-
Transfer from CWIP	-	2,083,486	-	-	-	-	-
Deletions - NBV	-	(3,936,551)	-	(38,000)	(690,457)	(604,100)	(1,647,642)
Depreciation charge	(14,913)	(27,290,237)	(75,375)	(466,902)	(2,316,099)	(3,882,494)	(1,425,691)
Closing net book value	283,336	518,514,515	678,378	4,202,112	20,924,887	34,942,448	6,721,923
Gross carrying value basis							
Cost / revalue	1,138,281	956,506,328	4,408,988	12,278,866	42,618,416	59,485,292	73,063,433
Accumulated depreciation	(854,945)	(437,991,813)	(3,730,610)	(8,076,754)	(21,693,530)	(24,542,844)	(66,341,510)
Net book value	283,336	518,514,515	678,378	4,202,112	20,924,887	34,942,448	6,721,923
Depreciation rate (% per annum)	5%	5%	10%	10%	10%	10%	20%

Description	Lab equipments	Mobile phones	Solar power project-2024	Defence office	Sub total	Total
Year ended December 31, 2025						
Net carrying value basis						
Opening book value	1,514,035	102,400	52,204,589	25,650,000	665,738,622	1,597,669,585
Additions	-	-	-	-	10,007,481	29,467,021
Deletions - NBV	-	-	-	-	(4,883,387)	(6,463,023)
Depreciation charge	(75,702)	(10,240)	(1,305,115)	(641,250)	(19,041,320)	(28,518,395)
Closing net book value	1,438,333	92,160	50,899,474	25,008,750	651,821,393	1,592,155,187
Gross carrying value basis						
Cost / revalue	3,780,120	148,000	54,952,199	27,000,000	1,245,387,404	2,309,517,792
Accumulated depreciation	(2,341,787)	(55,840)	(4,052,725)	(1,991,250)	(593,566,009)	(717,362,605)
Net book value	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	1,489,761	-	-	-	592,993,978	1,350,685,952
Additions	192,500	128,000	54,216,290	27,000,000	116,605,145	155,409,711
Revaluation surplus	-	-	-	-	-	155,000,000
Transfer from CWIP	-	-	735,909	-	2,819,395	2,819,395
Deletions - NBV	-	-	-	-	(6,916,750)	(9,854,750)
Depreciation charge	(168,226)	(25,600)	(2,747,610)	(1,350,000)	(39,763,146)	(56,390,723)
Closing net book value	1,514,035	102,400	52,204,589	25,650,000	665,738,622	1,597,669,585
Gross carrying value basis						
Cost / revalue	3,780,120	148,000	54,952,199	27,000,000	1,235,379,923	2,280,050,771
Accumulated depreciation	(2,266,085)	(45,600)	(2,747,610)	(1,350,000)	(569,641,301)	(682,381,186)
Net book value	1,514,035	102,400	52,204,589	25,650,000	665,738,622	1,597,669,585
Depreciation rate (% per annum)	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

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	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

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
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.

9 LONG TERM DEPOSITS

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
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.

10 DEFERRED TAXATION - NET

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
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:

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	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

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	Note	December 31, 2025 Rupees	June 30, 2025 Rupees

12.2 Movement in provision for expected credit loss

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
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

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
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

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
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

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
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.

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		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

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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

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	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 transferr 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.

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	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

25 STAFF RETIREMENT BENEFITS

	Note	December 31, 2025 Rupees	June 30, 2025 Rupees
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

	December 31, 2025	June 30, 2025
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

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	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

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

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		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.

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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.

31 COST OF SALES

	Note	December 31, 2025 Rupees	December 31, 2024 Rupees
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

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	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 Rupees	December 31, 2024 Rupees
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 Rupees	December 31, 2024 Rupees
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 Rupees	December 31, 2024 Rupees
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

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	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

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	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 Fu		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

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

37.1 Relationship between tax expense and accounting profit

	December 31, 2025	December 31, 2024
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 Rupees	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)

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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

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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.

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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+

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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	76,086,873	49,665,581	5,117,981	5,117,981	10,235,961	18,957,698
Trade and other payables	3,059,238,494	3,037,390,369	3,037,390,369	-	-	-
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	4,999,771,254	5,117,981	10,235,961	18,957,698
June 30, 2025						
Long term loan	70,000,004	70,000,004	20,000,000	20,000,000	30,000,004	-
Lease liabilities	70,462,108	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	-	-	-
	3,773,779,952	3,752,983,425	3,658,435,821	25,117,981	40,235,965	18,957,698

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	December 31, 2025 Rupees	June 30, 2025 Rupees

41 **FINANCIAL INSTRUMENTS BY CATEGORY**

	December 31, 2025 Rupees	June 30, 2025 Rupees
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.

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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.

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	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 28 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**

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