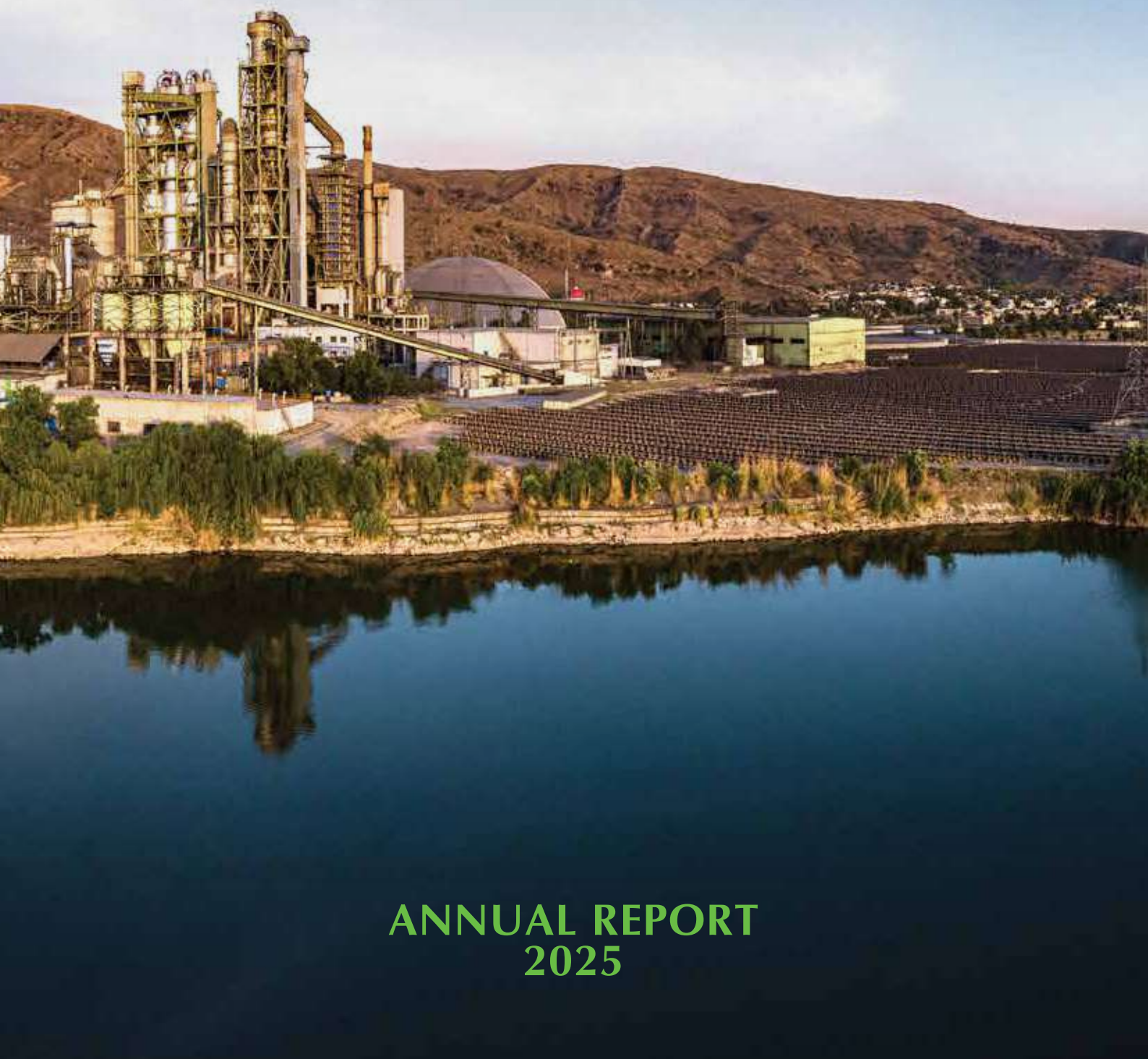




**BESTWAY CEMENT LIMITED**



**ANNUAL REPORT  
2025**



**BESTWAY CEMENT LIMITED**  
BUILDING ON STRENGTH



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# COMPANY INFORMATION

## Board of Directors

Sir Mohammed Anwar Pervez, O.B.E., H. Pk	Chairman
Lord Zameer Choudrey, CBE, SI Pk	Chief Executive
Mr. Mohammed Younus Sheikh	Director
Mr. Dawood Pervez	Director
Mr. Muhammad Irfan A. Sheikh	Managing Director
Syed Asif Shah	Director
Mr. Haider Zameer Choudrey	Director
Mrs. Fauzia Ahmad	Director
Mr. Tariq Rashid	Director

## Audit Committee

Mr. Tariq Rashid	Chairman
Syed Asif Shah	
Mr. Haider Zameer Choudrey	

## Human Resource & Remuneration Committee

Mrs. Fauzia Ahmad	Chairperson
Mr. Muhammad Irfan A. Sheikh	
Lord Zameer Choudrey	

## Nomination Committee

Lord Zameer Choudrey	Chairman
Mr. Muhammad Irfan Anwar Sheikh	
Mr. Haider Zameer Choudrey	

## Risk Management Committee

Lord Zameer Choudrey	Chairman
Mr. Muhammad Irfan Anwar Sheikh	
Mr. Haider Zameer Choudrey	

## Company Secretary

Hassan Niazi

## Chief Financial Officer

Muhammad Danish Khan

## Registered / Head Office

Bestway Building, 19-A, College Road,  
F-7 Markaz, Islamabad.  
Tel: +92 (0) 51 265 4856 – 64  
Fax: +92 (0) 51 265 4865  
Email: management@bestway.com.pk

## Plant Sites

### Hattar

Suraj Gali Road, Village Shadi, Hattar, Distt. Haripur,  
Khyber Pakhtunkhwa, Pakistan.  
Tel: +92 (0) 995 639 261 – 3  
Fax: +92 (0) 995 639 265  
Email: gmworks1@bestway.com.pk

### Farooqia

12 km, Taxila-Haripur Road,  
Farooqia, Tehsil & Distt. Haripur,  
Khyber Pakhtunkhwa, Pakistan.  
Tel: +92 (0) 995 639 501 – 3  
Fax: +92 (0) 995 639 505  
Email: gmworks2@bestway.com.pk

### Chakwal

Village Tatral, Near PSO Petrol Pump,  
22 km Kallar Kahar, Choa Saiden Shah Road,  
Chakwal, Pakistan.  
Tel: +92 (0) 543 584 560 – 62  
Fax: +92 (0) 543 584 274  
Email: gmworks3@bestway.com.pk

## Kallar Kahar

Choie Mallot Road, Tehsil Kallar Kahar,  
Distt. Chakwal, Pakistan.  
Tel: +92 (0) 51 402 0111  
Fax: +92 (0) 51 402 0230  
Email: gmworks4@bestway.com.pk

## Mianwali

Main Kalabagh Road,  
Dhair Umaid Ali Shah Pakka,  
Tehsil & District Mianwali,  
Punjab, Pakistan.  
Email: gmworks5@bestway.com.pk

## Sales Office

House 276, Near Riphah University,  
Opposite Roomi Park, Peshawar Road,  
Rawalpindi.  
Tel: +92 (0) 51 551 3110, 512 5128 – 9  
Fax: +92 (0) 51 551 3109  
Email: bestwaysales@bestway.com.pk

## Statutory Auditors

A. F. Ferguson & Co., Chartered Accountants

## Legal Advisor

Muhammad Umer Khan Vardaq, Advocate High Court

## Shares Department

THK Associates (Pvt.) Ltd.  
Plot No. 32-C, Jami Commercial  
Street 2, D.H.A., VII, Karachi-75500, Pakistan  
Tel: +92 (0) 21 353 101 91-6  
Fax: +92 (0) 21 353 101 90

## Bankers

- Allied Bank Limited
- Askari Bank Limited
- Bank Alfalah Limited
- Bank Islami Pakistan Limited
- Bank of Khyber
- Bank of Punjab
- Dubai Islamic Bank Pakistan Limited
- Faysal Bank Limited
- Habib Bank Limited
- Habib Metropolitan Bank Limited
- MCB Bank Limited
- MCB Islamic Bank Limited
- Meezan Bank Limited
- National Bank of Pakistan
- Soneri Bank Limited
- United Bank Limited



# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 32nd Annual General Meeting (AGM) of Bestway Cement Limited (the Company) will be held at Roomy Signature Hotel, Agha Khan Road, Next to Total Petrol Pump, F-6 Markaz, Islamabad, at 3:00 p.m. on Friday, August 15, 2025 to transact the following business:

1. To receive, consider and adopt the Annual Audited Financial Statements for the year ended June 30, 2025 together with the Directors' and Auditors' Reports thereon.
2. To approve and declare final cash dividend of 100% in addition to the 240% interim dividends already paid for the year ended June 30, 2025, as recommended by the Board of Directors.
3. To appoint Auditors of the Company and fix their remuneration for the year ending June 30, 2026. The retiring auditors M/s A. F. Ferguson & Co., Chartered Accountants have consented to be so appointed and the Board of Directors has recommended their appointment.
4. Any other business with the permission of the chair.

By Order of the Board

July 26, 2025  
Islamabad

**Hassan Niazi**  
Company Secretary

## NOTES

1. The share transfer books of the Company will remain closed from 09-08-2025 to 15-08-2025 (both days inclusive). No transfer will be accepted for registration during this period. Transfers received in order at M/s THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500 upto the close of business on 08-08-2025 will be treated in time for the purpose of the above entitlement and to attend the Annual General Meeting (AGM).
2. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote instead of him/her. Proxies in order to be effective must be received by the Company not later than 48 hours before the meeting.

## For CDC Account Holders/Corporate Entities:

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

3. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
4. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
5. The proxy holder shall produce his original NIC or original passport at the time of meeting.
6. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
7. Shareholders are requested to provide copies of their valid CNICs, and also promptly notify any changes in their addresses.

## Online Participation in AGM:

To facilitate and ensure the safety & health of the shareholders the Company will also be providing the online platform / facility to participate in the AGM in the shape of webinar/webex/zoom.

The shareholders will be able to login and participate in the AGM proceedings through their smartphones or computer devices after completing all the formalities required for the verification and identification of the shareholders.

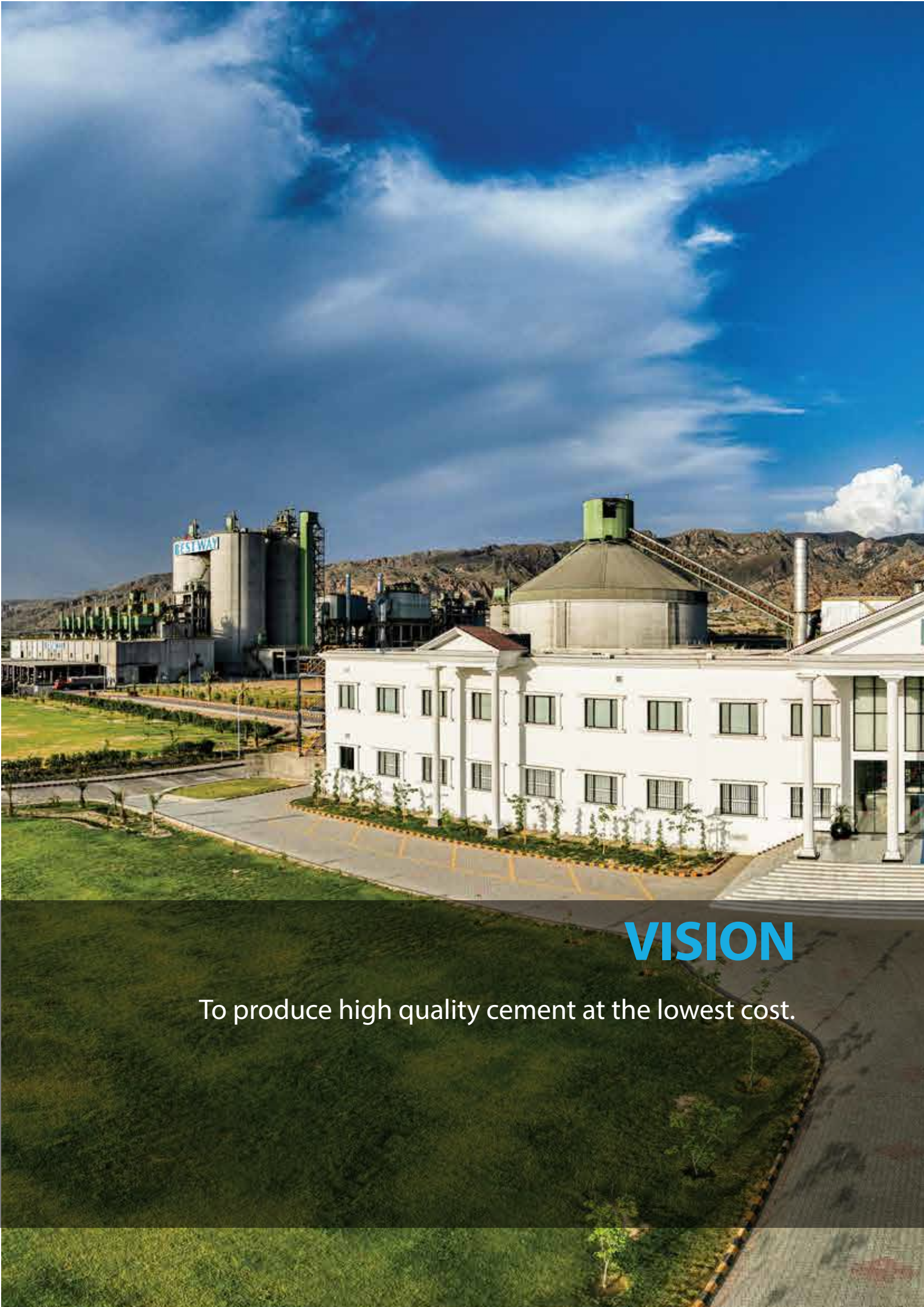
In this regard, shareholders are required to update their valid e-mail addresses with the Share Registrar, latest by August 08, 2025.

The shareholders who have already updated their valid e-mail addresses with the Company or its Share Registrar and are interested to attend AGM electronically, may send their request along with folio number at [ir@bestway.com.pk](mailto:ir@bestway.com.pk). Such request should be sent from their duly registered valid e-mail address for the registration purposes latest by August 13, 2025.

## Deposit of Physical Shares in to CDC Account

As per Section 72 of the Companies Act, 2017 every existing listed company is required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission. The Shareholders having physical shareholding are encouraged to open CDC sub - account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form. This will facilitate them in many ways, including safe custody and sale of shares any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.





## VISION

To produce high quality cement at the lowest cost.





# MISSION

- Consistently produce high quality cement.
- Endeavour to be the lowest cost producer.
- Achieve 25% of the market share of the North Zone in the short term and ultimately 30% in the longer term.
- Consistently maintain a high standard of customer service.
- Continue to invest in human resource through training, development and promotions from within whenever possible in order to meet future expansion needs.
- Continue to set aside adequate funds from the net profits for fulfilling its various social responsibilities, particularly in the field of education and health.

# CHAIRMAN'S REVIEW

Dear Stakeholders

## A Year of Achievements:

The year ended 30 June 2025 (FY-25) witnessed a modest recovery in Pakistan's economy with a 2.7% GDP growth supported by lower inflation and improved remittances. However, the cement industry remained under pressure due to weak construction activity, rising royalties and taxes, leading to lower domestic dispatches and subdued capacity utilisation.

Bestway has always remained focused on innovation and efficiency while maintaining strict financial discipline. In FY 25, we again demonstrated our ability to navigate through extremely challenging times with relative ease. Your Company has grown further in terms of revenues and has improved the profitability. Other performance parameters also followed a positive trajectory. These achievements are commendable given the prevailing environment.

Bestway recorded a growth of 16% in gross turnover from Rs. 145.6 last year to Rs.168.5 billion in the year ended 30 June 2025. Gross profit for the year grew to Rs. 37.3 billion and net profit after tax amounted to Rs. 23.9 billion. In view of the foregoing, the Board has decided to recommend a final dividend of Rs.10 per share with aggregate distribution of Rs. 34 per share for the year.

## Renewable Energy

Your Company has always conducted its business in the most environment friendly manner. Your Company meets a significant part of its energy requirement through green and renewable sources making it the leader in adopting green and renewable energy in Pakistan's industrial sector.

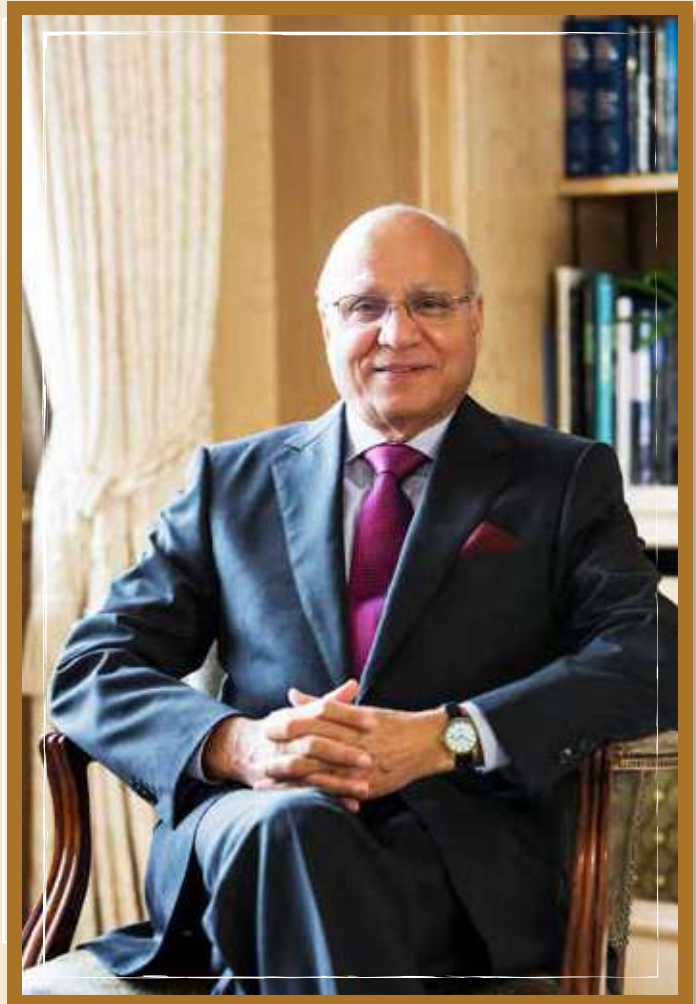
## Sustainability

I firmly believe that our commitment to healthy financial performance needs to be matched by a continued focus on corporate social responsibility. Bestway takes pride in its proactive development and welfare of the under-privileged through activities such as improving access to health services, education, vocational trainings, environmental conservation programmes, and helping create jobs and local employment. Your Company conducts its corporate social responsibility activities mainly through its charitable trust, Bestway Foundation. During the year under review, your Company spent more than Rs. 410 million on various CSR initiatives making it one of largest corporates in the country in terms of CSR spend.

Looking forward, we will continue to pursue initiatives which impact the socio-economic development of our local communities, particularly in the areas of health services and education, taking part in urban development and environmental conservation programs. We take pride in setting ambitious long-term sustainable development goals and reporting on our progress

## Governance

Sound corporate governance is fundamental to corporate success and enhances stakeholders' confidence. We have designed our corporate governance structure to ensure maximum compliance with legal and regulatory framework and meeting the information needs of our stakeholders. The corporate governance framework applied by Bestway is based on Pakistani law, in particular Companies Act 2017, Code of Corporate Governance and other statutory, regulatory and compliance requirements that are applicable to companies listed on the Pakistan Stock Exchange. To ensure the compliance with all relevant laws and regulations, the Company has in place a code of conduct, whistle blowing policy and code of business ethics among others.



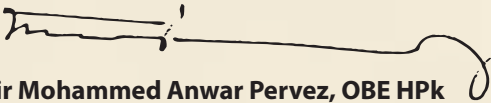


## Outlook

Pakistan continues to face a fragile economic landscape, affected by past instability, global uncertainties, and unresolved structural issues. While recent signs of macroeconomic stabilisation offer some relief, sustainable recovery remains contingent on the implementation of deep-rooted structural reforms. In the near term, economic growth is expected to remain modest, with fiscal pressures, high energy costs, and climate change posing ongoing risks.

Looking ahead, while challenges persist despite a gradually stabilising macroeconomic environment, your Company will remain proactive and strategically focused. With anticipated recovery in construction activity Bestway is well-positioned to seize emerging opportunities and deliver sustainable growth while maintaining the highest standards of quality.

I would like to extend my heartfelt gratitude to the Board of Directors for their steadfast leadership, supported by the unwavering dedication and efforts of our entire workforce. Together, we diligently steer the company towards achieving its objectives and ensuring value creation for our shareholders.



**Sir Mohammed Anwar Pervez, OBE HPk**  
**Chairman**

# DIRECTORS' REPORT

The Board of Directors take pleasure in presenting their report together with audited financial statements for the year ended 30 June 2025 and the Auditor's Report there on.

## Overview of the Economy

Pakistan's economy showed some recovery during the year ended 30 June 2025, with GDP growing by 2.7%, supported by a noticeable reduction in inflation, record remittance inflows, and the monetary policy rate reducing to 11%. Despite this macroeconomic improvement, the cement industry remained under pressure due to reduced demand and increase in taxes and duties, resulting in reduced domestic dispatches and lower capacity utilization. As the economy is projected to grow, albeit at a slow pace, a gradual recovery in domestic cement demand is expected during the next financial year.

## Industry Overview

Domestic cement dispatches decreased by 3% to 37.0 million tonnes from 38.1 million last year. Export volumes grew by 30% from 7.1 million tonnes to 9.2 million tonnes. Overall, dispatches by the industry increased by a modest 2% from 45.3 million tonnes last year to 46.2 million tonnes for the year ended 30 June 2025. The decline in domestic sales volumes is attributable to low PSDP spending, lack of new infrastructure projects and a substantial increase in FED, royalties and other taxes on the cement industry. Increase in exports was enabled by conducive price in the international market and Rupee devaluation.

## Production and Sales Review

	Year ended 30 June 2025	Year ended 30 June 2024	Increase / (Decrease)	Percentage
	Tonnes	Tonnes	Tonnes	%
Clinker production	6,059,600	6,098,513	(38,913)	(1%)
Cement production	6,851,613	6,868,432	(16,819)	0%
Cement and Xtreme Bond sales	6,844,853	6,961,540	(116,687)	(2%)

Your Company's local cement dispatches decreased by 2%, which is better than the industry decline of 3%.

Despite fierce competition, Bestway successfully retained its position as the largest cement producer and the market leader in the country.

## Financial Highlights

The Company recorded gross turnover of Rs. 168.5 billion in the year ended 30 June 2025, 16% higher compared with Rs. 145.6 last year. Net turnover for the year increased by 4% from Rs. 103.9 billion to Rs. 107.7 billion. Higher revenue was mainly driven by the increase in selling prices that were necessitated by exorbitantly high increases in duties, taxes and distribution costs.

Gross profit for the year was reported at Rs. 37.3 billion as compared with Rs. 32.2 billion last year.

Financial charges decreased to Rs. 7.6 billion for the year as against Rs. 11.2 last year due to lower in borrowings and reduction in interest rates.

Profit before tax amounted to Rs. 36.4 billion as compared to Rs. 22.4 billion for the year ended 30 June 2024. Profit after taxation for the year amounted to Rs. 23.9 billion as compared to Rs. 13.8 billion for the last year.

Earnings per share of the Company for the year stood at Rs. 40.02 as against Rs. 23.09 for the last year.

Total Equity of the Company stood at Rs. 128.2 billion as against Rs. 63.1 billion at the year ended 30 June 2024.

Your Company remained prompt with its repayment obligations on all types of loans.

Net current Liabilities on 30 June 2025 stood at Rs. 26.7 billion (2024: Rs. 11.5 billion). This is mainly due to current portion of long term borrowings being included in the current liabilities and the Company preferring short term borrowing over long term loans in order to benefit from the interest rate cuts.



### Contribution to the National Exchequer

Bestway Cement is among the largest taxpayers in the country. During the year under review, your Company's contribution to the exchequer amounted to more than Rs. 71 billion on account of income tax, sales tax, excise duty and royalties. In addition, your Company pays large amounts in the form of various indirect duties and taxes to the federal, provincial and local governments.

### Plants' Performance

During the year under review, all our cement plants and the waste heat recovery plants operated satisfactorily.

### Return to Shareholders

Your Company is mindful of providing a superior return to its shareholders. In view of the reported performance by your Company, the directors feel great pleasure in declaring a final cash dividend of Rs. 10 taking the payout for the year to 340%.

### Quality Assurance and Marketing

Bestway continues to enjoy its status as the market leader due to its consistently superior quality, widest product range, effective marketing strategy, customer care and sheer dedication of its sales and marketing teams. Your Company is the largest cement producer in Pakistan and in addition to the existing ISO certifications of Occupational Health Safety & Security, ISO 9001 Quality Management Systems, ISO 14001 Environment Management System, ISO 17025 Testing & Calibration Laboratories; recently, qualified to be the first one in Pakistan to acquire ISO 14064-1:2018 Green House Gas Emissions from TUV Austria.

Bestway is well recognised for its supreme quality products. Its products continue to be firmly established as premium brands in the domestic market, as well as various international markets.



### Training and Development

Your Company places great importance on the training, development and education of its personnel. In order to keep its workforce abreast with best operational techniques and practices, technical and general managerial training courses are organised for various departments and categories of personnel. Staff members are also sent on courses, workshops and seminars organised externally by other institutions. The Company actively encourages and assists its employees in pursuit of professional development and career enhancement.

As part of its commitment to skills development and grooming of workforce, your Company regularly employs freshly qualified engineers, graduates, professionals and even unskilled human resource. Planned training programmes are carefully conducted to ensure that these personnel are equipped with necessary knowledge, hands-on experience and confidence to become skilled and productive resource.

Bestway regularly employs trainee engineers, management trainees, apprentices and internees who undergo intensive training in their respective fields. Some of those trainees and apprentices are retained in the Company while others move on to other industries where they successfully build upon the foundation provided to them at Bestway Cement through the training imparted to them for the advancement of their careers and contributing towards the development of the country. Currently, nearly 100 trainee engineers, 34 management trainees, 117 apprentices and 24 internees are undergoing training at the Company's various locations.

### Health and Safety

Your Company reposes itself as a responsible corporate citizen and gives highest priority to health and safety for not only its own employees, but also for subcontracted personnel, in respect of effective conduct of our business. Your Company is therefore committed to preventing human injury and property damage at workplace and strives for continuous improvement in its health and safety management and performance.

Initiatives including training on safe system of work such as trainings on various aspects of health & safety, safety meetings, safety reporting, permit to work system coupled with risk assessments, identification and control of hazards, incident reporting, safety audits, safety champions, behaviour based safety, ISO: 45001 for understanding on international safety standards, good housekeeping and hygiene controls are actively and consistently pursued to instil safe behaviour in all personnel.



### Environment

Bestway Cement reposes itself as a responsible corporate citizen and gives highest priority to protecting and creating a healthier environment for not only its own employees, but also for our communities where the Company has established its five plants.

The wellbeing of the social environment in which Bestway operates is considered an integral part of the Company's success. Our plants are ISO 14001:2004 Environmental Management System (EMS) certified.

The Company ensures that its plants continue to comply with established environmental quality standards at all times. Our plants not only meet the stringent environmental quality standards prescribed by the relevant Environmental Protection Agency (EPA) of Pakistan but also voluntary adherence to the more stringent international emission standards of International Finance Corporation (IFC).

Bestway regularly participates in various environment uplift programmes including tree plantation drives and quarry rehabilitation initiatives. Comprehensive quarry rehabilitation plan is being implemented Company-wide to gradually restore the consumed portions of the quarries.

Bestway Cement ardently supports WWF Pakistan. Your Company has been praised and endorsed for its efforts in reducing the carbon footprint while working towards conservation and protection of environment. It is one of the very few companies in Pakistan which has been certified as a Green Office by WWF Pakistan.



### Water Conservation

Your Company is now the leader in water conservation after installation of Air-Cooled Condenser Systems, the first and only one in the Cement industry, instead of the conventional water-cooled system which has enabled reduction of about 80% of industrial water requirements.

Rainwater harvesting has been a key area of focus and your Company has made huge strides in not only improving the existing rainwater harvesting ponds significantly but also setting up new ones. You would be pleased to learn that 100% of industrial water requirement at our Chakwal and Kallar Kahar plants are being fulfilled through rainwater harvesting.



### Alternative Energy Initiatives

Cement manufacturing is an energy-intensive process. Power represents one of the largest costs of production. Persistent power crisis in the country and a desire to shift to green and renewable energy necessitated a shift from conventional fossil fuels to alternate energy solutions. Your Company meets a significant part of its energy requirement through green and renewable sources making it the leader in adopting green and renewable energy in Pakistan's industrial sector.



### Corporate Social Responsibility

Bestway invests in its operations for long term and appreciates that it has a special responsibility towards the local communities. The Company takes pride in its proactive development and welfare of the under-privileged through activities such as improving access to health services, education, vocational trainings, environmental conservation programmes, and helping create jobs and local employment. Your Company conducts its corporate social responsibility activities mainly through its charitable trust, Bestway Foundation.

During the year under review, your Company spent more than Rs. 410 million on various CSR initiatives making it one of largest corporates in the country in terms of CSR spend.



## Education

In line with our commitment to provide quality education to the underprivileged, Bestway has been actively involved in operating schools, catering to the needs of these communities. Bestway is currently operating five schools near its plants and a college for girls in Gujar Khan. As at reporting date, there are 1,899 students (including 955 girls), who are being provided superior education by experienced teachers at its locations at a token fee.

## National & International Scholarships

Higher education is essential for building a strong and vibrant society, whereas many talented and well deserving youth is unable to continue their education due to lack of sufficient financial resources. In keeping with its resolve to support the deserving students, your Company through its philanthropic arm Bestway Foundation has established Scholarship Endowment Funds amounting to Rs.105 million with two leading universities for the benefit of financially challenged students enrolled at the University's undergraduate programs. The scholarships are given to 38 Student Beneficiaries, primarily covering their fee expenses every year.

Apart from the above, numerous other national and international scholarships, including 16 fully funded scholarships in the Oxford University, University of Bradford and University of Kent in the UK, are provided by Bestway to a large number of financially constrained talented students.

## Health

In the areas of basic health, free medical facilities are provided to thousands of patients in the local community through all five medical centres located at Bestway's factory premises. During the year under review nearly 60,478 patients benefitted from those medical centres.

## Financial Assistance

Bestway also provides regular financial assistance to nearly 473 widows and indigents in its local communities in the form of monthly stipends.

## Job Creation for Local Community

Your Company has introduced hundreds of jobs for skilled and unskilled local individuals in and around its factory premises. Employment opportunities have been created in the upstream and downstream activities. Employment generation not only improves the buying power of the local population but also gives them a fair opportunity to improve their standard of living.

## Holding Company

The Company is a subsidiary of Bestway International Holdings Limited (BIHL), which is a wholly owned subsidiary of Bestway Group Limited (BGL). Both BIHL and BGL are incorporated in Guernsey. Therefore, all subsidiaries and associated undertakings of the BGL are related parties of the Company.

## Future Outlook

As the country's economy is showing signs of stabilisation, the outlook for the cement industry in FY 2025–26 remains cautiously optimistic. The anticipated recovery in economic activity—driven by declining interest rates, easing inflation, and improved investor sentiment, is expected to gradually revive the construction sector and infrastructure development. With monetary policy now more accommodative and fiscal space potentially expanding through government-led housing and public sector projects, domestic cement demand is likely to improve.

Unreasonably high taxes, duties, royalties, fuel and power costs will continue to bear down on the industry as cement manufacturers are finding it difficult to pass on any increase in costs, which may impact the profit margins going forward.

Border issues with Afghanistan have massively dented exports of cement from the North and this situation is likely to persist until a long-term solution is agreed.

Despite the above challenges, your Company has maintained the financial and operational resilience. Bestway is one of the lowest cost-producers in the country, which means that it is better placed to face off any headwinds as compared to most of its competitors. Your management is always cognisant of the challenges that might lie ahead and will continue to proactively adapt in order to ensure optimum performance by your Company and superior returns for its shareholders.

## Pattern of Shareholding

A statement of the pattern of shareholding in the Company as at 30 June 2025 is in subsequent pages.



## Composition of the Board

The Board comprises of 09 directors as follows:

- Male 8
- Female 1

The composition of the Board is as follows:

- Independent Directors
  - i) Mrs. Fouzia Ahmad
  - ii) Mr. Syed Asif Shah
  - iii) Mr. Tariq Rashid
- Other Non-executive Directors
  - i) Sir. Mohammed Anwar Pervez - (Chairman)
  - ii) Mr. Mohammed Younus Sheikh
  - iii) Mr. Dawood Pervez
  - iv) Mr. Haider Zameer Choudrey
- Executive Directors
  - i) Lord Zameer Mohammed Choudrey
  - ii) Mr. Muhammad Irfan A. Sheikh

## Committees of the Board

- Audit Committee
  - i) Mr. Tariq Rashid- (Chairman)
  - ii) Mr. Syed Asif Shah
  - iii) Mr. Haider Zameer Choudrey
- HR and Remuneration Committee
  - i) Mrs. Fouzia Ahmed (Chairperson)
  - ii) Lord Zameer Mohammed Choudrey
  - iii) Mr. Muhammad Irfan A. Sheikh
- Nomination Committee
  - i) Lord Zameer Mohammed Choudrey
  - ii) Mr. Muhammad Irfan A. Sheikh
  - iii) Mr. Haider Zameer Choudrey
- Risk Management Committee
  - i) Lord Zameer Choudrey (Chairman)
  - ii) Mr. Muhammad Irfan Anwar Sheikh
  - iii) Mr. Haider Zameer Choudrey

## Auditors

The present auditors, A. F. Ferguson & Co., Chartered Accountants retire at the conclusion of the meeting and being eligible, have offered themselves for reappointment. The Audit Committee of the Company having considered the matter, recommend the retiring auditors for reappointment.

## Acknowledgements

The Directors wish to place on record their appreciation for the continued support, contribution and confidence demonstrated in the Company by its shareholders, members of staff, customers, suppliers, our Bankers particularly, Allied Bank Limited, Habib Bank Limited, Meezan Bank Limited, MCB Bank Limited, United Bank Limited, Askari Bank Limited, Soneri Bank Limited, Bank Alfalah Limited, Bank Islami Pakistan Limited, Faysal Bank Limited, Dubai Islamic Bank Pakistan Limited, MCB Islamic, Habib Metropolitan, National Bank of Pakistan, Bank of Khyber, Bank of Khyber Islamic, Bank of Punjab and various government agencies throughout the year.

For and on behalf of the Board



Lord Zameer M. Choudrey  
Chief Executive



Muhammad Irfan A. Sheikh  
Managing Director

Islamabad  
14 July 2025



# REPORT OF THE AUDIT COMMITTEE

## Composition of the Audit Committee

The Audit Committee of the Company is appointed by the Board, and comprises of three (3) non-executive directors, out of which one is independent, and, is also the Chairperson of the Committee.

All the Committee members are financially literate and the Committee as a whole possesses significant economic, financial and business acumen.

Name of the Audit Committee members are as follows:

- Mr. Tariq Rashid (Chairperson)
- Mr. Haider Zameer Choudrey (Member)
- Mr. Syed Asif Shah (Member)

The Head of Internal Audit, who is also Secretary to the Committee, attends all Audit Committee meetings. The Chief Executive Officer (CEO), Managing Director (MD) and Chief Financial Officer (CFO), attend Audit Committee meetings by invitation. During the year four (4) audit committee meetings were held, out of which two (2) were also attended by the External auditors of the Company

## Terms of References of the Audit Committee

The role of the Audit Committee in the context of the Board's broader governance framework is to oversee:

- The integrity of Company's financial statements;
- The appointment, remuneration, qualification, independence and performance of External Auditors;
- Risk management and internal control arrangements;
- The performance of Internal audit function;
- Compliance with legal and regulatory requirements;
- Compliance by management with constraints imposed by Board;
- Appropriate measures taken by the management to safeguard the Company's assets;

## Financial Statements

The Audit Committee has concluded its review of the conduct and operations of the Company during the year ended June 30, 2025, and reports that:

- The Audit Committee reviewed the quarterly, half yearly and annual financial statements of the Company and recommended them for approval of the Board of Directors. It has also reviewed preliminary announcements of results prior to publication.
- The preparation of Financial Statements is in conformity with International Financial Reporting Standards as applicable in Pakistan and requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments were continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under current circumstances.
- Appropriate accounting policies have been consistently applied. Applicable International Financial Reporting Standards were followed in preparation of financial statements of the Company on a going concern basis, for the financial year ended 30 June, 2025, which present fairly the state of affairs, results of operations, profits, cash flows and changes in equity of the Company for the year under review.
- The CEO and the CFO have endorsed the Financial Statements and Directors' Report. They acknowledge their responsibility for true and fair presentation of the Company's financial condition and results, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the Company.
- Proper and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017, provisions of and directives issued under the Act. The financial statements comply with the requirements of the Fourth Schedule of the Companies Act, 2017 and the external reporting is consistent with management processes and adequate for shareholder needs.
- The Audit Committee has reviewed all related party transactions and recommended the same for approval of the Board of Directors.
- The Company has issued a "Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019", which has also been reviewed and certified by the external auditors of the Company.

- The Company's code of conduct has been appropriately disseminated across the company. Further, understanding and compliance with Company's code and policies has been affirmed by the management and employees of the Company individually.
- All direct or indirect trading and holdings of Company's shares by directors & executives or their spouses were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction which were notified by the Company Secretary to the Board within the stipulated time. All such holdings have been disclosed in the Pattern of Shareholdings. The Annual Secretarial Compliance Certificates are being filed regularly within stipulated time.
- Closed periods were duly determined and announced by the Company, precluding the Directors, the Chief Executive and executives of the Company from dealing in Company shares, prior to each Board meeting involving announcement of interim / final results, distribution to shareholders or any other business decision, which could materially affect the share market price of Company, along with maintenance of confidentiality of all business information.

### Internal Audit

- The internal control framework has been effectively implemented through an independent in-house Internal Audit function established by the Board which is independent of the External Audit function.
- The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy.
- The Internal Audit Department carried out independent audits in accordance with an internal audit plan which was approved by the Board Audit Committee. The Committee has reviewed material Internal Audit findings, taken appropriate action or bringing the matters to the Board's attention where required.
- The Head of Internal Audit has direct access to the Chairman of the Board Audit Committee and the Committee has ensured staffing of personnel with sufficient internal audit acumen and that the function has all necessary access to management and the right to seek information and explanations.
- The progress of Internal audit function was duly discussed during the Board Audit Committee meetings, held during the year, in order to ensure that the Audit Function effectively performed its assigned task.
- Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.
- The Audit Committee has ensured the achievement of operational, compliance, risk management, financial reporting and control objectives, safeguarding of the assets of the Company and the shareholders wealth at all levels within the Company.
- The Committee regularly reviews the mechanism for employees and management to report concerns to the Audit Committee and ensures that any allegations are scrutinized seriously.

### External Audit

- The statutory Auditors of the Company, M/s A.F. Ferguson & Co., Chartered Accountants, have completed their Audit of the Company's Financial Statements and the Statement of Compliance with the Code of Corporate Governance for the financial year ended 30 June, 2025, and shall retire on the conclusion of the 32nd Annual General Meeting.
- The Audit Committee has reviewed and discussed all key audit matters and other issues identified during the external audit with the External Auditors and management, along with the methods used to address the same.
- The Auditors have been allowed direct access to the Committee and the effectiveness, independence and objectivity of the Auditors has thereby been ensured. The Auditors attended the General Meeting of the Company during the year and have indicated their willingness to continue as Auditors.
- The Audit Committee has recommended the reappointment of M/s A.F. Ferguson & Co., Chartered Accountants, as External Auditors of the Company for the year ending 30 June 2026.
- M/s. A.F. Fergusons & Co. Chartered Accountants has been given satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP). The Firm has no financial or other relationship of any kind with the Company except that of External Auditors.

**14 July 2025**  
Islamabad



**Mr. Tariq Rashid**  
Chairperson, Board Audit Committee



# STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

**Name of company:** Bestway Cement Limited  
**Year ended:** June 30, 2025

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

1. The total number of directors are nine (9) as per the following:
  - a) Male: Eight (8)
  - b) Female: One (1)
2. The composition of the Board is as follows:
  - i) Independent directors
    1. Mrs. Fauzia Ahmad
    2. Mr. Tariq Rashid
    3. Syed Asif Shah
  - ii) Non-executive directors
    1. Sir Mohammed Anwar Pervez (Chairman)
    2. Mr. Mohammed Younus Sheikh
    3. Mr. Dawood Pervez
    4. Mr. Haider Zameer Choudrey
  - iii) Executive directors
    1. Lord Zameer Choudrey
    2. Mr. Muhammad Irfan Anwar Sheikh
  - iv) Female directors
    1. Mrs. Fauzia Ahmad
3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Out of nine directors, two directors meet the exemption requirement of the Directors' Training Program and seven directors have obtained the Directors' Training Program certification in prior years;
10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

# STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

12. The Board has formed committees comprising of members given below:-
- a) Audit Committee
    - i) Mr. Tariq Rashid (Chairman)
    - ii) Syed Asif Shah
    - iii) Mr. Haider Zameer Choudrey
  - b) HR and Remuneration Committee
    - i) Mrs. Fauzia Ahmad (Chairperson)
    - ii) Lord Zameer Choudrey
    - iii) Mr. Muhammad Irfan Anwar Sheikh
  - c) Nomination Committee
    - i) Lord Zameer Choudrey (Chairman)
    - ii) Mr. Haider Zameer Choudrey
    - iii) Mr. Muhammad Irfan Anwar Sheikh
  - d) Risk Management Committee
    - i) Lord Zameer Choudrey (Chairman)
    - ii) Mr. Haider Zameer Choudrey
    - iii) Mr. Muhammad Irfan Anwar Sheikh
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:-
- a) Audit Committee – quarterly;
  - b) HR and Remuneration Committee – on required basis;
  - c) Nomination Committee – on required basis
  - d) Risk Management Committee – on required basis
15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with policies and procedures of the company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



# STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr. No.	Requirement	Explanation	Regulation No.
1	Disclosure of significant policies on website	The requirement to disclose significant policies on the website is non-mandatory in regulation no. 35(1), and thus the Company has uploaded limited information in this respect on its website. The Company is however, considering placing key elements of other policies on its website.	35
2	Role of board and its members to address Sustainability Risks and Opportunities	On June 12, 2024, the Securities and Exchange Commission of Pakistan issued certain amendments (in relation to Regulation 10) of the Listed Companies (Code of Corporate Governance) Regulations, 2019. Currently, the management is assessing these amendments and compliance there of. The audit Committee was apprised of the applicability of the Sustainability Disclosure standards on the company in meeting held on February 19, 2025.	10A
3	Human Resource and Remuneration Committee shall comprise a majority of non-executive directors	The committee comprises of independent director Mrs. Fauzia Ahmad and executive directors Lord Zameer Choudrey and Mr. Muhammad Irfan Anwar Sheikh. The Company is considering to re-structure the composition of the committee to ensure compliance with this regulation.	28



Sir Mohammed Anwar Pervez, OBE H Pk  
Chairman

# CSR AND ORGANISATIONAL ACTIVITIES



Plantation during World Earth Day Celebration



Transforming workplace safety with Behavior Based Safety Training. Bestway empowering its employees to proactively identify and address risks, fostering a culture of safety that protects everyone.



Strategic minds, united purpose — the Bestway leadership retreat empowered our senior team to lead with clarity, impact, and renewed direction.





Bestway Hawks, a signature outdoor event designed to energize and empower our dynamic Bestway Trainees. This experience is all about building connections, fostering leadership, and celebrating the spirit of teamwork that drives Bestway forward.



Great teamwork happens when collaboration extends beyond the office walls. Our Finance Department took a break from the desk to connect, recharge, and build stronger bonds during our Outdoor Team-Up Day.



Christmas Celebration



Our "Lead Your Team The Right Way" training empowered participants with the skills to lead with confidence, clarity, & impact



## A Night of Honour: Sir Anwar Pervez's & Bestway Group's Achievements Celebrated at Grand Event

Lord Zameer Choudrey CBE SI Pk hosted a dignified and emotional tribute dinner at Serena Hotel, Islamabad, in honour of the Founder and Chairman Emeritus of Bestway Group, Sir Anwar Pervez OBE HPk, celebrating his remarkable life, values and achievements.

The event was graced by the presence of Jane Marriott, the British High Commissioner and Lord Wajid Khan of Burnley, a UK Minister. The two UK government representatives highlighted the unparalleled business success he has achieved in the UK as well as the invaluable contribution made by Sir Anwar and Bestway Group in forging strong bilateral relations between Pakistan and the UK.

Also present on the occasion were Dr. Maleeha Lodhi, former Ambassador of Pakistan to the UN, US and UK and Dr Ishrat Hussain, renowned economist and former Governor of the State Bank of Pakistan, who shared personal reflections and paid rich tributes to Sir Anwar's and lauded his efforts in the UK as well as the business and charitable contributions he has made in Pakistan through Bestway Group.

The exclusive gathering was attended by Governor State Bank, Mr Jameel Ahmad, amongst other senior dignitaries and prominent members of the business community, government representatives and civil society leaders to pay tribute to a legacy that continues to inspire across generations.

Lord Zameer Choudrey also expressed his deep personal respect and affection for his uncle, acknowledging the profound influence Sir Anwar has had on his life and the lives of many others.

The highlight of the evening was the book launch - a moving biography of Sir Anwar Pervez, capturing the incredible journey from his modest beginnings in Pakistan to becoming one of the most respected business leaders in the United Kingdom. The biography stands as a timeless tribute to the founder, preserving his story for future generations as a source of learning and inspiration.



## UK Parliament Celebrates Sir Anwar's Life & Achievements

Both current and former members of Parliament came together to celebrate the life of Sir Anwar Pervez, OBE HPk as part of his 90th Birthday celebrations. Former ministers Rt Hon Tom Tugendhat MP MBE VR and Rt Hon the Lord Maude thanked Sir Anwar for his considerable contribution to British Society and how he is a living embodiment of everything that is good in British Society.

Rt Hon Sir Brandon Lewis former Lord Chancellor shared with the audience how Sir Anwar and Bestway's helped his family's small business grow and thrive throughout the 1980s – as an example of entrepreneur's support for independent businesses throughout his career. Both Lord Maude and Sir Brandon shared their experiences of visits to Pakistan that Sir Anwar had organised for them as Chairs of the Conservative Party. The High Commissioner for Pakistan to the UK Dr Mohammad Faisal and The Lord Khan of Burnley Minister for Faith, highlighted Sir Anwar's significant contribution in enhancing bilateral relations between UK and Pakistan.

Lord Choudrey CBE SI Pk who hosted the event touched upon Sir Anwar's remarkable life story from humble beginnings from a remote village in rural Pakistan to immigrating to the UK aged 21 in 1956. The cross-party event organised at the historic Churchill Room of the House of Commons was also attended by Nigel Huddleston MP Co-Chair of the Conservative Party; Labour Member of Parliament Afzal Khan CBE; Liberal Democrat Peer Lord Qurban Hussain; former Foreign Office Minister Lord Tariq Ahmed; Lord Dolar Popat & Lord Philip Smith amongst others.



## Sir Anwar's Brithday Tea with the King & Queen!

Sir Anwar Pervez, OBE H Pk was invited to join Their Majesties for Tea at the Royal Box at the Royal Ascot Races. The invitation to join Their gracious Majesties was part of Sir Anwar's 90th Birthday celebrations. By honouring Sir Anwar on his 90th birthday The King has shown his deep appreciation of the significant contribution that the founder of Bestway has made to the British Society over his 60-year career.

The Bestway Foundation – the Charitable Trust Sir Anwar founded in 1987 has a had a long association of working with Royal Charities – the British Asian Trust; the Duke of Edinburgh Awards; Pakistan Recovery Fund and the Princes Trust. To date Bestway Foundation has donated over £44.0 million to charitable causes, schools, universities and hospitals in the UK. Every year Bestway Group hosts its charity race day at the Royal Ascot, this year's main beneficiary charity was the British Asian Trust. The British Asian Trust was founded in 2007 by His Majesty King Charles III. BAT is a diaspora-led international development organisation, delivering high-quality programmes in South Asia and specialises in, and champion the use of, social finance products to drive positive change across the region. The charity seeks to make South Asia that is free from poverty by unlocking the potential of disadvantaged people in South Asia by maximising the impact and support from the South Asian diaspora and beyond.



## Bestway Celebrates 50 Years with Star-Studded Tribute to Founder Sir Anwar Pervez at the Royal Albert Hall

In a glittering celebration befitting a visionary entrepreneur, Bestway Group welcomed 800 distinguished guests to the Royal Albert Hall on Thursday evening to celebrate the 50th anniversary of Bestway's founding and to pay tribute to its revered founder, Sir Anwar Pervez OBE, H Pk. Hosted by Dermot O'Leary, the night paid tribute to one of Britain's most inspiring entrepreneurs, with a line-up of world-class performers and heartfelt speeches that reflected the remarkable journey of a man who arrived in the UK with little more than determination, going on to build a business empire that today employs over 50,000 people worldwide. The Royal Albert Hall was transformed into a stage for celebration, including dignitaries, parliamentarians and friends of the Bestway family, gathered to honour the man behind one of the UK's most successful and socially responsible business groups.

"His is a story of grit, vision and purpose," said Lord Zameer Choudrey CBE SI (Pk), Chairman of Bestway Group and nephew of Sir Anwar, in his welcome speech. "From a remote village in rural Pakistan to the founding of Bestway in 1976, Sir Anwar's journey is not just one of commercial success - but of social upliftment, community investment, and philanthropy. It is our privilege to celebrate him and the 50 years of impact he has inspired."

The evening's programme captured the spirit of the occasion, elegant and emotional. Highlights included a spellbinding performance from Katherine Jenkins OBE, a rousing set from Rahat Fateh Ali Khan, (who flew in from Pakistan specially for the event). The evening also featured the dynamic string quartet Escala, accompanied by the Novello Orchestra, under the baton of David Mahoney as well as high energy finale from classical fusion artist, Okiem. Former Prime Minister, The Rt Hon Lord David Cameron paid tribute to Sir Anwar's lifelong values of enterprise, generosity, and service - calling him "a true British success story whose influence spans continents and generations." Lord Cameron highlighted Sir Anwar's belief in the community and the values that helped rebuild this country with a sense of service that has been one of



the secrets of his success. He reinforced the family values reflecting how Sir Anwar, together with his nephew Zameer, and close friend Yunus Sheikh, created the paragon of the family-run firm, built on trust, respect and shared purpose.

"Tonight is not only about looking back - it's about looking forward," said Lord Choudrey. "Bestway's story is still being written, and it is one built on the legacy of a man who dared to dream bigger than circumstance."



## Bestway Cement receives the 21st Annual Environment Excellence Awards 2024 from the NFEH

Bestway Cement Limited once again recognized for its commitment to environmentally friendly practices, received the prestigious 21st Annual Environment Excellence Awards 2024 from the National Forum for Environment and Health (NFEH). Bestway Cement's five plants located at Hattar, Farooqia, Chakwal, Kallar Kahar and Mianwali were all honored for their vision and consistent implementation of eco-friendly policies.

Renowned as a responsible corporate citizen, Bestway Cement prioritizes the well-being of its employees and the communities surrounding its five plant locations. The company considers the nurturing of a healthy social environment an integral aspect of its overall success.

In line with its environmentally conscious legacy, Bestway Cement has achieved full operational status for solar power plants at all sites, boasting a total capacity of 110 MWs. This distributed captive power generation capacity is the largest in the region, setting a significant milestone not only in Pakistan but across the entire area. By embracing solar energy, the company has notably reduced its reliance on the national grid and significantly decreased its carbon footprint, equivalent to planting approximately 9 million trees and mitigating more than 5.6 million tonnes of CO<sub>2</sub> emissions over the project's lifespan.

The company has also led the way in water conservation by adopting innovative Air Cooled Condenser (ACC) Systems, replacing conventional water-cooled methods. Bestway's commitment to environmental responsibility extends to rain harvesting, with the construction of large rain harvesting reservoirs to minimize dependence on underground water sources.

A true pioneer, Bestway Cement established Pakistan's inaugural Waste Heat Recovery Power Plant (WHRPP) at a cost of US\$47 million. Notably, all of its plants effectively employ WHRPP, reducing reliance on the National Grid and demonstrating the company's dedication to sustainable practices.

Bestway Cement's plants are proudly certified under the ISO 14001:2004 Environmental Management System (EMS), exemplifying the company's unwavering commitment to adhering to rigorous environmental quality standards. These standards set by Pakistan's Environmental Protection Agency (EPA) and international emission norms are not only met but exceeded by Bestway's voluntary adherence. Such achievement is attributed to the integration of environmental considerations into the design of all plant facilities and related infrastructure.



## Bestway Cement Triumphs at the 17th Corporate Social Responsibility Awards 2025

Once again, Bestway Cement has been recognized by National Forum for Environment & Health, for its unwavering commitment to sustainable development, securing two prestigious awards at the esteemed 17th Corporate Social Responsibility Awards 2025.

We proudly clinched top honors in CSR Initiatives and Green Energy Initiatives, reaffirming our dedication to environmental conservation, social responsibility and community welfare.

As one of Pakistan's top ten CSR spenders, Bestway continues to drive meaningful change through its charitable arm, the Bestway Foundation, providing free quality education, healthcare services and employment opportunities to uplift communities nationwide.

This recognition fuels our passion to build a better, more sustainable future for all!



## Bestway Cement acquires ISO 14064-1:2018 certification for Greenhouse Gas Emissions from TUV Austria

Bestway Cement Limited proudly announces its achievement of ISO 14064-1:2018 certification for Greenhouse Gas (GHG) Emissions from TUV Austria Bureau of Inspection and Certification (BIC) in Pakistan. This certification covers all five of our production facilities at Chakwal, Kallar Kahar, Mianwali, Hattar and Farooqia following a rigorous evaluation process.

Bestway Cement has set a benchmark for sustainable development by successfully verifying its Scope 1 and Scope 2 GHG emission inventories. This milestone underscores our unwavering commitment to environmental stewardship and reinforces our leadership in sustainability within Pakistan's cement industry.







# INDEPENDENT AUDITOR'S REVIEW REPORT

**To the members of Bestway Cement Limited**

**Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Bestway Cement Limited (the Company) for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2025.

Chartered Accountants  
Islamabad

Date: July 24, 2025

UDIN: CR202510050aclpOYg2B



# INDEPENDENT AUDITOR'S REPORT

**To the members of Bestway Cement Limited**

## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the annexed financial statements of Bestway Cement United (the Company), which comprise the statement of financial position as at 30 June 2025, and the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy 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, statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

### **Basis for Opinion**

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

### **Key Audit Matters**

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

Following are the Key audit matters:

S. Key audit matters No.	How the matter was addressed in our audit
<p>(i) <b>Revenue recognition</b></p> <p>(Refer notes 4.10 and 29 to the financial statements)</p> <p>The Company is engaged in the production and sale of cement in the local and export market. Revenue is recognised when performance obligation is satisfied by transferring control of promised goods to the customers.</p> <p>We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company, large number of revenue transactions with a large number of customers in various geographical locations, inherent risk of material misstatement.</p>	<p>Our audit procedures in relation to the matter, amongst others, included:</p> <ul style="list-style-type: none"> <li>• Performed testing of sample of revenue transactions with underlying documentation including dispatch documents and sales invoices;</li> <li>• Performed cut-off procedures on sample basis to assess whether revenue was recognised in the correct period;</li> <li>• Checked on a sample basis, approval of sales prices by the appropriate authority;</li> <li>• Performed recalculation of rebates, and discounts as per Company's policy on test basis;</li> <li>• Performed analytical procedures to analyse variation in the price and quantity sold during the year;</li> <li>• Tested journal entries relating to revenue recognised during the year based on identified risk criteria; and</li> <li>• Assessed the adequacy of disclosures made in the financial statements related to revenue in accordance with the applicable accounting and reporting standards.</li> </ul>
<p>(ii) <b>Revaluation of certain classes of property, plant and equipment</b></p> <p>(Refer notes 4.1, 4.6 and 18 to the financial statements)</p> <p>As at 30 June 2025, the Company changed its accounting policy for subsequent measurement of certain classes of property, plant and equipment i.e freehold land, leasehold land,</p>	<p>Our audit procedures in relation to the matter, amongst others, included:</p> <ul style="list-style-type: none"> <li>• Obtained and inspected the valuation reports prepared by external management expert;</li> <li>• Evaluated the professional qualification of management's expert and assessed its</li> </ul>



## S. Key audit matters

### No.

buildings on freehold land, and plant and machinery from cost model to revaluation model.

The Company revalued the certain classes of property, plant and equipment based on the valuation carried out by an independent external expert engaged by the management. Consequent to revaluation, surplus of Rs. 80,942 million has been recognized in the financial statements.

We have identified valuation of certain classes of property, plant and equipment as a key audit matter due to the change in accounting policy during the year having Significant impact on the financial statements, as well as the Significance of judgements and estimations involved in determining the valuation.

## How the matter was addressed in our audit

independence, competence and experience in the field;

- Involved an independent auditor's expert to assess the adequacy of work performed by the management's expert and review the reasonableness of valuation performed in respect of freehold land, leasehold land, buildings on freehold land, and plant and machinery as at 30 June 2025;
- Matched the underlying net book values of the assets with the Company's records and recomputed the revaluation surplus based on the fair values determined by the management's expert;
- Checked that the revaluation surplus has been recorded in the financial statements as per applicable accounting and reporting standards; and
- Checked the adequacy of disclosures made in the financial statements in accordance with the requirements of the applicable accounting and reporting standards.

## Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

### **Responsibilities of Management and Board of Directors for the Financial Statements**

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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



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

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

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

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

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Imtiaz Aslam.

A. F. Ferguson & Co  
Chartered Accountants  
Islamabad

Date: July 25, 2025

UDIN: AR202510050PjSJU8bfT





# FINANCIAL STATEMENTS





## BESTWAY CEMENT LIMITED

# STATEMENT OF FINANCIAL POSITION

## AS AT 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>EQUITY</b>			
<b>Share capital and reserves</b>			
Share capital	6	5,962,528	5,962,528
Capital reserves	7	16,158,065	10,171,967
Surplus on revaluation of property, plant and equipment	8	54,026,198	-
Revenue reserves	9	52,086,942	46,925,483
		<b>128,233,733</b>	<b>63,059,978</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long term financing	10	29,793,869	40,682,768
Deferred income - Government grant	11	1,338,838	1,785,412
Deferred tax liability - net	12	60,488,456	24,058,434
Employee benefit obligations	13	51,421	26,884
		<b>91,672,584</b>	<b>66,553,498</b>
<b>Current liabilities</b>			
Trade and other payables	14	23,705,022	15,718,864
Short-term borrowings	15	19,234,966	12,885,088
Current portion of long term financing	10	9,036,875	8,770,992
Current portion of deferred income - Government grant	11	433,555	445,393
Unclaimed dividend	16	80,166	35,491
Unpaid dividend	16	3,093,797	440,144
		<b>55,584,381</b>	<b>38,295,972</b>
<b>Total liabilities</b>		<b>147,256,965</b>	<b>104,849,470</b>
<b>Total equity and liabilities</b>		<b>275,490,698</b>	<b>167,909,448</b>

**CONTINGENCIES AND COMMITMENTS**

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



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	18	190,365,168	113,482,291
Intangible assets and goodwill	19	7,119,982	7,233,120
Investment property	20	4,267,775	225,601
Long term investments	21	44,684,369	20,025,219
Long term deposits		119,582	115,882
		<b>246,556,876</b>	141,082,113
<b>Current assets</b>			
Stores, spare parts and loose tools	22	12,326,890	12,515,986
Stock in trade	23	7,113,113	5,647,036
Trade debts	24	1,308,246	1,970,886
Advances	25	767,238	883,314
Deposits and prepayments	26	75,517	81,078
Other receivables	27	38,681	61,900
Advance tax - net		6,116,579	4,106,063
Cash and bank balances	28	1,187,558	1,561,072
		<b>28,933,822</b>	26,827,335
<b>Total assets</b>		<b>275,490,698</b>	167,909,448



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE



## BESTWAY CEMENT LIMITED

# STATEMENT OF PROFIT OR LOSS

## FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Gross turnover	29	168,486,554	145,584,979
Less: rebates and discounts		(6,006,662)	(3,588,867)
Less: sales tax and excise duty		(54,721,339)	(38,073,849)
Net turnover		107,758,553	103,922,263
Cost of sales	30	(70,480,291)	(71,695,037)
<b>Gross profit</b>		<b>37,278,262</b>	<b>32,227,226</b>
Selling and distribution expenses	31	(1,602,427)	(1,333,621)
Administrative expenses	32	(2,072,545)	(1,522,064)
Other operating expenses	33	(1,763,748)	(1,147,928)
<b>Operating profit</b>		<b>31,839,542</b>	<b>28,223,613</b>
Other income - net	34	1,490,056	662,682
Finance cost	35	(7,625,366)	(11,212,392)
Share of profit of equity-accounted investees - net of tax	36	10,745,913	4,703,401
<b>Profit before tax</b>		<b>36,450,145</b>	<b>22,377,304</b>
Income tax expense	37	(12,585,777)	(8,608,729)
<b>Profit for the year</b>		<b>23,864,368</b>	<b>13,768,575</b>
<b>Earnings per share - basic and diluted (Rupees)</b>	38	<b>40.02</b>	<b>23.09</b>

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



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

## BESTWAY CEMENT LIMITED

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>Profit for the year</b>		<b>23,864,368</b>	13,768,575
Other comprehensive income / (loss) (OCI):			
<b>Items that will not be subsequently reclassified to profit or loss</b>			
Re-measurement of defined benefit liability	14.6.5	(46,836)	116,953
Related tax		18,266	(45,612)
		(28,570)	71,341
Surplus on revaluation of property, plant and equipment	18.1.1	80,941,876	-
Related tax		(29,684,805)	-
		51,257,071	-
Company's share of equity-accounted investees' OCI			
Re-measurement of defined benefit liability		349,656	75,401
Related tax		(87,414)	(18,850)
		262,242	56,551
Surplus on revaluation of equity investments		554,734	66,992
Related tax		(138,684)	(16,748)
		416,050	50,244
Surplus on revaluation of property, plant and equipment		3,692,169	-
Related tax		(923,042)	-
		2,769,127	-
		54,675,920	178,136
<b>Items that may be reclassified subsequently to profit or loss</b>			
Company's share of equity-accounted investees' OCI			
Effect of translation of net investment in foreign branches and subsidiaries		(493,961)	(232,831)
Gain from window takaful operations		433	63
Surplus on revaluation of debt investment of FVOCI		8,164,600	2,704,073
Gain reclassified to profit or loss on dilution of interest in equity accounted investee			
Exchange translation		(132,961)	-
Revaluation of Investments		(73,081)	-
Related tax		(1,866,257)	(617,826)
		5,598,773	1,853,479
Other comprehensive income - net of tax		60,274,693	2,031,615
<b>Total comprehensive income for the year</b>		<b>84,139,061</b>	15,800,190

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



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

## STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED 30 JUNE 2025

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

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**

## CHIEF EXECUTIVE



# BESTWAY CEMENT LIMITED

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		36,450,145	22,377,304
Adjustments for:			
Loss / (gain) on disposal of property, plant and equipment	34	11,432	(55,155)
Depreciation	18.1.8	5,963,664	5,813,764
Amortisation	19.4	113,138	130,480
Provision for obsolete stores	22.1	84,908	-
Reversal of provision for slow moving stock	23.1	(506)	(1,105)
Rental income	34	(42,876)	(34,362)
Profit on deposit accounts	34	(32,212)	(8,072)
Share of profit of equity-accounted investees, net of tax	36	(10,745,913)	(4,703,401)
Bad debts written off	31	-	3,031
Write off of fixed assets		37,138	-
Fair value gain on investment property	34	(14,898)	(2,631)
Interest expense on land compensation	33	13,683	14,070
Finance cost	35	7,625,366	11,212,392
Income on short term and other investments		(950,662)	(51,565)
Provision for employee retirement benefits		226,465	209,490
		<b>2,288,727</b>	<b>12,526,936</b>
		<b>38,738,872</b>	<b>34,904,240</b>
Changes in working capital:			
Decrease in stores, spare parts, and loose tools		104,188	1,499,068
(Increase) / decrease in stock in trade		(1,465,572)	1,661,178
Decrease / (increase) in trade debts		662,641	(763,081)
Decrease in advances		116,076	1,006,615
Decrease / (increase) in deposits and prepayments		5,560	(30,807)
Decrease in other receivables		23,219	1,114,673
Increase in trade and other payables		8,389,399	1,563,081
		<b>7,835,511</b>	<b>6,050,727</b>
Cash generated from operating activities		<b>46,574,383</b>	<b>40,954,967</b>
Long term deposits		(3,699)	15,085
Finance cost paid		(9,900,845)	(11,321,422)
Contributions paid to gratuity fund	14.6.3	(330,000)	-
Income tax paid		(10,886,299)	(5,249,783)
<b>Net cash generated from operating activities</b>		<b>25,453,540</b>	<b>24,398,847</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment		(2,045,121)	(4,110,727)
Acquisition of investment property	20	(4,027,276)	-
Proceeds from sale of property, plant and equipment		93,249	399,194
Rent received from investment property		41,797	38,228
Acquisition of intangible assets		-	(48,040)
Investment in Pakistan Investment Bonds		(108,260)	-
Short term investments		950,275	4,759,885
Profit received on deposit accounts		32,212	185,411
Increase in investment in associate	21.1.1	(6,550,677)	(1,245,717)
Dividends received		4,964,188	4,236,033
<b>Net cash (used in) / generated from investing activities</b>		<b>(6,649,613)</b>	<b>4,214,267</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayments of financing		(56,365,463)	(9,112,543)
Proceeds from financing		51,094,000	3,095,000
Dividends paid		(16,381,761)	(13,901,930)
Net cash (used in) financing activities		(21,653,224)	(19,919,473)
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(2,849,297)</b>	<b>8,693,641</b>
Cash and cash equivalents at beginning of the year		(8,197,528)	(16,891,169)
<b>Cash and cash equivalents at end of the year</b>	39	<b>(11,046,825)</b>	<b>(8,197,528)</b>

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

CHIEF FINANCIAL OFFICER

DIRECTOR

CHIEF EXECUTIVE

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 1. CORPORATE AND GENERAL INFORMATION

Bestway Cement Limited ("the Company") is a public limited company incorporated in Pakistan on 22 December 1993 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017 on 30 May 2017) and its shares are quoted on the Pakistan Stock Exchange Limited since 09 April 2001. The Company is principally engaged in production and sale of cement.

The Company is a subsidiary of Bestway International Holdings Limited (BIHL), which holds 56.43% shares in the Company. BIHL is a wholly owned subsidiary of Bestway Group Limited (BGL), ("the ultimate parent company"). Both BIHL and BGL are incorporated in Guernsey.

Registered office of the Company is situated at Bestway Building, 19-A, College Road, F-7 Markaz, Islamabad, Pakistan. The Company's cement manufacturing plants are located at Hattar, Farooqia, Chakwal, Kallar Kahar and Mianwali. Its sales head office is located at House 276, near Riphah University, Peshawar Road, Rawalpindi, Pakistan, with its other regional sales offices located in Lahore, Peshawar, Multan and Rawalpindi. The Company's procurement office is located at UBL Building, Jinnah Avenue, Islamabad, Pakistan.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards 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.

The applicable financial reporting framework for equity-accounted investees also include Banking Companies Ordinance, 1962, Insurance Ordinance, 2001, Islamic Financial Accounting Standards (IFAS) and underlying Rules and Directives issued by the Securities and Exchange Commission of Pakistan and State Bank of Pakistan.

#### 2.2 Basis of measurement

The financial statements have been prepared on the historical cost convention except for the following items, which are measured on the following basis annually on each reporting date.

Item	Measurement basis
Investment property	Fair value
Net defined benefit liability	Present value of the defined benefit obligation determined through actuarial valuation
Leasehold land, freehold land, buildings on freehold land, and plant and equipment	Fair value

#### 2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees (PKR or Rupee) which is the Company's functional and presentation currency. All amounts have been rounded off to the nearest thousand, unless otherwise stated.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 2.4 Use of judgements and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

Notes 4.3, 12 and 37	Recognition of deferred tax and estimation of income tax provisions
Notes 4.18 and 14.6	Measurement of defined benefit obligation
Notes 4.4, 4.5 and 17	Estimation of provisions and contingent liabilities
Notes 4.6 and 18.1	Useful lives, residual values and depreciation method of property, plant and equipment
Notes 4.6, 4.20, 18.1, 20 and 43.	Fair value of investment property and certain classes of property, plant and equipment
Notes 4.7 and 19.1	Useful lives, residual values and amortization method of intangible assets
Notes 4.14 and 19.3	Impairment of non-financial assets including goodwill
Notes 4.13 and 42	Impairment of financial assets
Notes 4.8, 4.9, 22 and 23	Provision for stores and spares and stock in trade

### 3. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO THE APPROVED ACCOUNTING STANDARDS

**3.1** There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial statements except as disclosed in note 4 to these financial statements.

**3.2** Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		<b>Effective date (annual reporting periods beginning on or after)</b>
IAS 21	The Effects of Changes in Foreign Exchange Rates (Amendments)	January 1, 2025
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 9	Financial Instruments: Classification and Measurement (Amendments)	January 1, 2026
IFRS 17	Insurance Contracts	January 1, 2026
Annual improvements to IFRS 7, IFRS 9, IFRS 10 (Consolidated Financial Statements) and IAS 7 (Statement of Cash Flows)		January 1, 2026

**3.3** The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

**3.4** Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally by the Securities and Exchange Commission of Pakistan (SECP) as at 30 June 2025;

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRIC 12	Service Concession Arrangement
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements except as mentioned in note 4.1 below.

#### 4.1 Change in accounting policy of certain classes of property, plant and equipment

On 30 June, 2025, the Company changed its accounting policy for subsequent measurement of certain classes of property, plant and equipment i.e freehold land, leasehold land, buildings on freehold land, and plant and machinery from cost model to revaluation model. The change in accounting policy results in presenting the assets at fair value instead of historic cost, thereby improving the reliability and relevance of the financial information. This change in accounting policy has been applied prospectively in accordance with International Accounting Standard 8 (IAS-8) "Accounting policies, Changes in Accounting Estimates and Errors".

#### 4.2 Investments in associates

Associates are those entities in which the Company has significant influence, but not control over the financial and operating policies.

Investments in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investee, until the date on which significant influence ceases. Dividends received / receivable from associate are recognised as a reduction in the carrying amount of the investment.

An increase in investor's interest in an existing associate while retaining significant influence over the associate is accounted for under the cost accumulation approach. Any difference between the cost of the additional interest and its additional share in the net fair value of the associate's identifiable assets and liabilities, at the date of purchasing the additional interest, is recognized as goodwill or bargain purchase. In case of bargain purchase, the previously recognized goodwill will be reduced by the amount of the bargain purchase and if the amount of bargain purchase is higher than the previously recognized goodwill, then the excess would be recognised in the statement of profit or loss. All transaction costs are capitalised.

Where the Company's interest in an existing associate is diluted, but significant influence is retained, the carrying amount of the investment is adjusted to reflect the change in ownership interest, and resultant gain or loss is recognized in profit or loss. If the reduction results in the loss of significant influence, the retained interest is remeasured at fair value, and any resulting gain or loss is recognized in profit or loss.

The Company reviews the carrying amount of the investment and its recoverability to determine whether there is an indication that such investment has suffered an impairment loss. If there is objective evidence of impairment that has an impact on the estimated future cash flow, the carrying amount of the investment is adjusted to the extent of impairment loss. Impairment losses are recognised as an expense in the statement of profit or loss.

#### 4.3 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in OCI.

**Current tax:** Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured on the basis of tax laws enacted or substantially enacted at the reporting date and the decision of appellate authorities on certain cases issued in the past. Current tax also includes any tax arising from dividends received from associates.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

**Deferred tax:** Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for the Company and the timing of reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property and freehold land measured at fair value is presumed to be recovered through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and these relates to the same tax authority. Current tax assets and liabilities are offset as the Company has a legally enforceable right to offset and intends to settle on a net basis or to realize the asset and settle the liability simultaneously. The calculation of deferred tax involves an estimate of future ratio of export and local sales considering the current trends and future expectations.

#### 4.4 Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of 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 the expected future cash flows at a pre-tax discount rate that reflects current market assessment of time value of money and risk specific to the liability. The unwinding of discount is recognised as finance cost.

#### 4.5 Contingent liabilities

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

#### 4.6 Property, plant and equipment

**Recognition and measurement:** Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses except leasehold land, buildings on freehold land and plant and machinery which are stated at revalued amount less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. Freehold land is stated at revalued amount less any subsequent impairment losses. Capital work in progress are stated at cost less any accumulated impairment losses. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of the assets does not differ materially from its fair value. Latest revaluation of freehold land, leasehold land, buildings on freehold land, and plant and machinery was carried out by an independent professional valuer as on 30 June, 2025.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

Increases in the carrying amounts arising on revaluation of freehold land, leasehold land, buildings on freehold land, and plant and machinery are recognised, net of tax, in other comprehensive income and accumulated in surplus on revaluation of fixed assets in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset, while all other decreases are charged to profit or loss. Each year, the difference between the depreciation calculated on the revalued carrying amount of an asset and the depreciation based on its original cost, after tax, is reclassified from the revaluation surplus to unappropriated profit. When the asset is disposed off, any remaining balance in the revaluation surplus related to that asset is transferred to unappropriated profit.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. An item of property, plant and equipment is derecognized upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and its carrying amount and is recognised in profit or loss.

**Subsequent expenditure:** Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**Depreciation:** Depreciation is calculated to write off the cost/revalued amount, as relevant, of items of property, plant and equipment less their residual values using the reducing balance method, except leasehold land, buildings and plant and machinery which are depreciated on a straight-line basis. Depreciation is recognised in profit or loss. Leased assets are depreciated over the shorter of the leased term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated. Rates of depreciation/estimated useful lives are mentioned in note 18.1.1. Depreciation is charged on pro-rate basis from the month in which an asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed off. Days in excess of fifteen days are considered as full month for the purpose of calculation of depreciation. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate as change in accounting estimate in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

### 4.7 Intangible assets and goodwill

#### Recognition and measurement

**Goodwill:** Goodwill arising on acquisition is measured at cost less accumulated impairment losses, if any.

**Other intangible assets:** Other intangible assets having finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses, if any.

**Subsequent expenditure:** Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

**Amortization:** Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss. Goodwill is not amortized. The estimated useful lives of intangible assets are given in note 19.1. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### 4.8 Stores, spare parts and loose tools

Stores, spare parts and loose tools are valued at lower of weighted average cost and net realizable value. Cost is calculated using the weighted average method and comprises of direct material and other overheads. For items which are slow moving and/or identified as surplus to the Company's requirements, adequate provision is made for any excess book value over estimated net realizable value. The Company reviews the carrying amount of stores, spare parts and loose tools on a regular basis and provision is made for obsolescence.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 4.9 Stock in trade

Stock of raw materials, work in process and finished goods are valued at the lower of cost and net realizable value. Cost is calculated using the weighted average method and comprises of direct material, direct labor and appropriate manufacturing overheads. Net realizable value signifies estimated selling price less estimated cost of completion and estimated cost to sell. The Company reviews the carrying amount of stock in trade on a regular basis and provision is made for obsolescence. The closing stock of certain items may require adjustment on the basis of physical count at each period end which involves estimation of volume and density of stock and stores.

### 4.10 Revenue

Revenue is recognised when performance obligation is satisfied by transferring control of promised goods or service to the customer. The control is transferred at the time of dispatch of cement from the plants and / or delivery at a specified location depending on the arrangement with the customers. Revenue is measured at transaction price, excluding discounts, rebates and government levies. The credit term does not include any financing component.

### 4.11 Finance income and finance costs

The Company's finance income and finance costs include interest income, interest expense, foreign currency gain or loss on monetary assets and liabilities. Interest income or expense is recognised using the effective interest method.

General and specific borrowing costs directly attributable to the acquisition, construction and production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

### 4.12 Financial instruments

#### Financial assets

**Classification:** The Company classifies its financial assets in the following measurement categories:

- Amortized cost
- Fair value through profit or loss (FVTPL); and
- Fair value through other comprehensive income (FVTOCI)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**Recognition and derecognition:** Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Further, financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

**Measurement:** At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

**Debt instruments:** Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company can classify its debt instruments:

- **Amortized cost:** Financial assets that are held for collection of contractual cash flows where the contractual terms of the financial assets give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortized cost. Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company's financial assets at amortized cost include deposits, trade debts, advances, short term investments, other receivables and cash and bank balances.
- **FVTOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses or reversals, interest income, and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss.
- **FVTPL:** Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss in the period in which it arises.

**Equity instruments:** All equity instruments at fair value are subsequently measured at FVTPL except where the Company's management has irrevocably elected to present fair value gains and losses on equity investments in OCI. In such case, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

### Financial liabilities

Financial liabilities are classified in the following categories:

- Financial liabilities at fair value through profit or loss; and
- Financial liabilities at amortized cost.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in case of financial liabilities at amortized cost also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

**FVTPL:** Financial liabilities at FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at FVTPL. The Company has not designated any financial liability upon recognition as being at FVTPL.

**Financial liabilities at amortized cost:** After initial recognition, financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognised in profit or loss for the year, when the liabilities are derecognised as well as through effective interest rate amortization process.

The Company derecognizes financial liabilities when and only when the Company's obligations are discharged, cancelled or they expire.

### Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 4.13 Impairment of financial asset

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade debts, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at amortised cost (other than trade debts) and FVTOCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when internal and external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### 4.14 Impairment of non-financial assets

Non-financial assets that have an indefinite useful life are not subject to depreciation / amortization and are tested annually for impairment. Assets that are subject to depreciation / amortization are reviewed for impairment at each statement of financial position date, or wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised for the amount for which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows i.e. Cash Generating Unit (CGU). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each statement of financial position date. Reversals of the impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no new impairment loss had been recognised. An impairment loss or reversal of impairment loss is recognised in profit or loss for the year.

### 4.15 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Short term finance facilities availed by the Company, which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of statement of cash flows.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 4.16 Government grants

Government grants are transfers of resources to the Company by a government entity in return for compliance with certain past or future conditions related to the Company's operating activities.

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

A loan is initially recognized and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g., the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

### 4.17 Contract balances

#### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### Trade debts

A trade debt represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

#### Contract liabilities / Advances from customers

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

### 4.18 Employee benefits

**Short-term employee benefits:** Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**Defined benefit plans:** The Company operates the following defined benefit plans:

- (a) **Gratuity:** A separate Employees' Gratuity Fund, established through a registered trust deed. The calculation of defined benefit obligations in respect of gratuity is performed annually by a qualified actuary using the Projected Unit Credit (PUC) method. The latest actuarial valuation of the plan was carried out as at 30 June 2025. The Company's net liability in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of plan assets.

Re-measurement of the net defined benefit liability, which comprises actuarial gains and losses, are recognised immediately in other comprehensive income (OCI). The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefits payments. Net interest expense and other expenses related to defined benefit plan is recognised in profit or loss. The actuarial assumptions used in the valuation of gratuity plan are disclosed in note 14.6.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

(b) **Un-availed leaves:** The Company recognizes provision for un-availed leaves on an undiscounted basis as the impact of discounting is not material and are expensed as the related services are provided. A liability is recognised for the amount expected to be paid under un-availed leaves if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. The un-availed leaves are payable to employees at the time of retirement/termination of service. The provision is determined on the basis of last drawn salary and accumulated leaves balance at the reporting date.

### 4.19 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair value, both for financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the approved accounting standards as applicable in Pakistan, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### 4.20 Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. The fair value of investment property is determined at the end of each year using current market prices for comparable properties adjusted for any differences in nature, location and condition. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. A property is transferred to, or from, investment property when there is a change in use. Change in use includes commencement of owner-occupation or development with a view to owner occupation, for a transfer from investment property to owner-occupied property. Conversely, end of owner-occupation is accounted for as a transfer from owner-occupied property to investment property.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 5. SUMMARY OF OTHER ACCOUNTING POLICIES

Other than material accounting policies applied in the preparation of these financial statements are set out below for ease of user's understanding of these financial statements. These policies have been applied consistently for all periods presented, unless otherwise stated.

#### 5.1 Business combinations

The Company accounts for business combination using the acquisition method when control is transferred to the Company. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent gain is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

#### 5.2 Foreign currency

Transactions in foreign currency are translated into Pak Rupee at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupee at the exchange rate at the reporting date. Foreign currency differences are recognised in profit or loss.

#### 5.3 Leases

The Company assesses contracts for lease components based on the right to control the use of an asset in exchange for consideration. As a lessee, the Company recognizes right-of-use assets and lease liabilities at lease commencement, unless the lease is short-term (12 months or less) or relates to low value assets, in which case payments are expensed. Lease liabilities are measured at the present value of lease payments using the incremental borrowing rate. As a lessor, leases are classified as finance or operating based on the transfer of risks and rewards.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 5.4 Other income

**Rental income from investment property:** Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as integral part of the total rental income, over the term of the lease.

**Income on investments:** Income on investments at amortized cost and bank deposits are recognised on time proportion basis using the effective yield method.

### 5.5 Share capital and dividend

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any. Dividend distribution to the shareholders is recognised as a liability in the period in which dividends are approved.

## 6. SHARE CAPITAL

### Authorised share capital

			2025 (Rupees '000)	2024 (Rupees '000)
700,000,000 (2024: 700,000,000) ordinary shares of Rs. 10 each			7,000,000	7,000,000
<b>Issued, subscribed and paid up share capital</b>				
2025	2024			
Number of shares				
514,163,552	514,163,552	Ordinary shares of Rs. 10 each issued for cash	5,141,636	5,141,636
64,038,422	64,038,422	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	640,384	640,384
1,182,944	1,182,944	Ordinary shares of Rs. 10 each issued pursuant to amalgamation of Mustehkam Cement Limited	11,829	11,829
16,867,865	16,867,865	Ordinary shares of Rs. 10 each issued pursuant to amalgamation of Pakcem Limited	168,679	168,679
<b>596,252,783</b>	<b>596,252,783</b>		<b>5,962,528</b>	<b>5,962,528</b>

**6.1** All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

**6.2** The Company is a subsidiary of Bestway International Holdings Limited (BIHL), which holds 56.43% shares in the Company. Bestway International Holdings Limited is a wholly owned subsidiary of Bestway Group Limited (BGL), ("the ultimate parent company"). Both BIHL and BGL are incorporated in Guernsey. BIHL holds 336,468,168 i.e. 56.43% shares in the Company as at 30 June 2025 (2024: 336,468,168, 56.43% shares). Directors and associated companies hold 73,419,794 (2024: 102,104,098) and 23,324,913 (2024: 23,324,913) ordinary shares respectively at year end.

### 6.3 Capital management

The Company's policy is to maintain a strong capital base to strengthen investor, creditor and market confidence and to sustain future development of the business. The Board of Directors of the Company monitor the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also determines the level of dividend to ordinary shareholders, which is finally approved in annual general meeting of the shareholders. There were no changes to the Company's approach to capital management during the year.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>7. CAPITAL RESERVES</b>			
Share premium on ordinary shares	7.1	5,381,821	5,381,821
OCI accumulated in reserves:			
- Exchange translation reserve		4,229,668	4,699,860
- Surplus of revaluation of investments		6,546,576	90,286
	7.2	10,776,244	4,790,146
		<b>16,158,065</b>	<b>10,171,967</b>

**7.1** This reserve can be utilised by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

**7.2** This amount represents the Company's share in reserves of equity-accounted investees. This amount is not available for distribution.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>8. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>			
Surplus on revaluation of property, plant and equipment		80,941,876	-
Related tax		(29,684,805)	-
		<b>51,257,071</b>	-
<i>Company's share of equity-accounted investees' OCI</i>			-
Surplus on revaluation of property, plant and equipment		3,692,169	-
Related tax		(923,042)	-
		<b>2,769,127</b>	-
Balance at the end of year		<b>54,026,198</b>	-

### 9. REVENUE RESERVES

Statutory reserve	9.1	4,572,234	3,635,836
Unappropriated profit	9.2	47,514,708	43,289,647
		<b>52,086,942</b>	<b>46,925,483</b>

**9.1** This represents Company's share of statutory reserves carried by United Bank Limited ("UBL"), an equity-accounted investee, under section 21 of the Banking Companies Ordinance, 1962.

**9.2** This represents unappropriated profit and is available for distribution.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>10. LONG TERM FINANCING</b>			
Term Finance Loan	10.1	4,498,308	8,933,550
Long Term Financing Facility / Scheme (LTFF)	10.2	3,737,394	4,210,257
Temporary Economic Refinance Facility (TERF)	10.3	4,812,240	5,338,104
Renewable Energy Financing Scheme	10.4	3,230,104	3,600,513
Demand Finance	10.5	2,931,041	3,474,238
Syndicate Loan	10.6	19,621,657	23,897,098
		<b>38,830,744</b>	49,453,760
Less: Current portion shown under current liabilities		<b>(9,036,875)</b>	(8,770,992)
		<b>29,793,869</b>	40,682,768
<b>10.1</b>	This includes term finance facilities amounting to Rs. 2,137 million (2024: Rs. 5,682.56 million) obtained from Soneri Bank Limited (SBL) (2024: Habib Bank, Allied Bank, Soneri Bank) and an amount of Rs. 65.77 million (2024: Rs. 373.51 million) markup accrued on it. SBL facilities are repayable in 08 equal semi-annual installments which have started from October 2024. Markup is payable on quarterly basis and the applicable interest rate is 3-month KIBOR plus 0.15% per annum.		
	This also includes term finance facility amounting to Rs 2,288 million (2024: Rs. 2,860 million) obtained from ABL and an amount of Rs. 7.65 million (2024: Rs. 17.48 million) markup accrued on it. The facility is repayable in 10 equal semi-annual installments which have started from December 2024. Mark-up is payable on semi annual basis at the rate of 3-month KIBOR minus 0.10%.		
<b>10.2</b>	This represents loan obtained from HBL, ABL, and MCB Islamic Bank Limited (MIB), under the State Bank of Pakistan's (SBP) Long Term Financing Facility / Scheme (LTFF) and also includes an amount of Rs. 32.3 million (2024: Rs. 36.41 million) markup accrued on it. The loan obtained from MIB is repayable in 32 equal quarterly installments, which have started from August 2024. The loans obtained from ABL and HBL are repayable in 16 equal semi-annual installments, which have started from April 2024 and October 2024, respectively. The facilities carry mark-up at SBP rates ranging from 4.75% to 7.75% per annum starting from the date of first disbursement and is payable in arrears on quarterly basis.		
<b>10.3</b>	This represents loan obtained from ABL, MCB Bank Limited (MCB), Bank Alfalah Limited (BAFL) and Askari Bank Limited (AKBL) under the SBP's Temporary Economic Refinance Scheme (TERF) and also includes an amount of Rs. 39.26 million (2024: Rs. 44.87 million) markup accrued on it. The loan obtained from BAFL is repayable in 32 equal quarterly installments, which have started from September 2024 whereas the loans obtained from ABL, MCB and AKBL are repayable in 16 equal semi annual installments which have started from September 2024, March 2024 and September 2024 respectively. The facilities carry mark-up at SBP's rates ranging from 2.25% to 2.90% per annum starting from the date of first disbursement and is payable in arrears on semi-annual basis. The value of benefit of below-market interest rate on the loans has been accounted for as government grant as detailed in note 11.		
<b>10.4</b>	This represents loan obtained from ABL, BAFL and Habib Metropolitan Bank Limited (HMBL) under the SBP's renewable Energy Financing Scheme and also includes an amount of Rs. 26.94 million (2024: Rs. 23.07 million) mark-up accrued on it. The loans obtained from ABL is repayable in 20 equal semi-annual installments which started from July 2023. The loans obtained from HMBL and BAFL are repayable in 40 equal quarterly installments which have started from March 2023 and April 2023 respectively. The facilities carry mark-up at SBP's rate of 3.35% per annum, starting from the date of first disbursement and is payable in arrears on quarterly/semi-annual basis.		
<b>10.5</b>	This represent loan obtained from MCB which includes an amount of Rs. 116.96 million (2024: 258.15 million) markup accrued on it. The loan is repayable in 8 equal semi-annual installments which will start from February 2026. The facility carries mark-up at 3-month KIBOR plus 0.05% per annum.		
<b>10.6</b>	This represents Syndicated Term Finance Facility ("the Facility") of Rs. 19.25 billion (2024: Rs. 22 billion) with ABL as the mandated lead advisor and arranger acting on behalf of the participants. The syndicate is comprised of ABL, HBL, MCB, Bank of Punjab ("BOP"), Bank of Khyber ("BOK"), Bank of Khyber - Islamic ("BOK-I"), Faysal Bank Limited ("FBL") and Meezan Bank Limited ("MEBL"). Out of the total Facility of Rs. 22 billion, Rs. 9 billion are under Musharaka Agreement with MEBL, FBL, BOK-I and BOP. This also includes an amount of Rs. 371.66 million (2024: Rs. 1,897.09 million) markup accrued on it. The Facility is repayable in 8 equal semi-annual installments, which started from February 2025. Mark-up is payable on semi annual basis and the rate is 3-month KIBOR plus 0.05% per annum.		



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

**10.7** The above facilities are secured under hypothecation charge against all present and future, current and fixed assets of the Company (excluding land, buildings and long term investments) for an amount of Rs. 79.5 billion (2024: Rs. 82.70 billion).

**10.8** The unavailed facilities as at year end secured against a ranking hypothecation charge on all present and future current and fixed assets of the Company (excluding land, buildings and long term investments) amount to Rs. 0.14 billion (2024: Rs. 1.14 billion).

### 11. DEFERRED INCOME - GOVERNMENT GRANT

This represents the value of benefit of below-market interest rate on loans obtained under the SBP's financing scheme as disclosed in note 10.3, which has been accounted for as government grant under IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance. The movement in deferred government grant is as follows:

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Opening balance		2,230,805	2,696,905
Government grant recognised in income		(458,412)	(466,100)
		1,772,393	2,230,805
Less: Current portion of deferred income - government grant		(433,555)	(445,393)
		1,338,838	1,785,412

### 12. DEFERRED TAX LIABILITY - NET

Deferred taxation	12.1	60,488,456	24,058,434
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**12.1** Breakup and movement of deferred tax balances is as follows:

	Net balance at 01 July 2024	Recognised in profit or loss	Recognised in OCI	Recognised in SOCE	Balance at 30 June 2025		
					Net	Deferred tax assets	Deferred tax liabilities
	(Rupees '000)						
Property, plant and equipment	20,551,894	629,922	29,684,805	-	50,866,621	-	50,866,621
Intangible assets	(56,678)	17,434	-	-	(39,244)	(39,244)	-
Goodwill	1,652,535	275,422	-	-	1,927,957	-	1,927,957
Alternate Corporate Tax	(1,414,080)	1,414,080	-	-	-	-	-
Remeasurement of equity & debt investments of equity accounted investees	84,469	-	2,161,671	-	2,246,140	-	2,246,140
Share of profit of equity accounted investees	2,884,871	1,445,431	-	-	4,330,302	-	4,330,302
Other differences related to equity accounted investees	336,792	-	(69,317)	38,093	305,568	-	305,568
Share of revaluation reserve of property, plant and equipment of equity accounted investees	-	-	923,042	-	923,042	-	923,042
Other temporary differences	18,631	(72,295)	(18,266)	-	(71,930)	(71,930)	-
Deferred tax liabilities / (assets)	24,058,434	3,709,994	32,681,935	38,093	60,488,456	(111,174)	60,599,630
Set-off of deferred tax asset	-	-	-	-	-	111,174	(111,174)
Net deferred tax liabilities	24,058,434				60,488,456	-	60,488,456
	Net balance at 01 July 2023	Recognised in profit or loss	Recognised in OCI	Recognised in SOCE	Balance at 30 June 2024		
					Net	Deferred tax assets	Deferred tax liabilities
	(Rupees '000)						
Property, plant and equipment	18,582,657	1,969,237	-	-	20,551,894	-	20,551,894
Intangible assets	(55,104)	(1,574)	-	-	(56,678)	(56,678)	-
Goodwill	1,335,799	316,736	-	-	1,652,535	-	1,652,535
Alternate Corporate Tax	(2,218,173)	804,093	-	-	(1,414,080)	(1,414,080)	-
Available for sale investment	(608,313)	-	692,782	-	84,469	-	84,469
Share of profit of equity accounted investees	2,768,029	116,842	-	-	2,884,871	-	2,884,871
Other differences related to equity accounted investees	468,070	-	(39,358)	(91,920)	336,792	-	336,792
Other temporary differences	(133,778)	106,797	45,612	-	18,631	-	18,631
Deferred tax (assets) / liabilities	20,139,187	3,312,131	699,036	(91,920)	24,058,434	(1,470,758)	25,529,192
Set-off of deferred tax asset	-	-	-	-	-	1,470,758	(1,470,758)
Net deferred tax liabilities	20,139,187				24,058,434	-	24,058,434

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

		2025 (Rupees '000)	2024 (Rupees '000)
<b>13. EMPLOYEE BENEFIT OBLIGATIONS</b>			
Provision for un-availed leaves		51,421	26,884

Actuarial valuation of un-availed leaves has not been carried out since management believes that the effect of actuarial valuation would not be material.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>14. TRADE AND OTHER PAYABLES</b>			
Payable to contractors and suppliers	14.1	3,493,795	3,041,373
Accrued liabilities		11,149,983	4,554,546
Advances from customers - contract liability	14.2	669,441	505,211
Security deposits	14.3	298,797	288,032
Retention money		293,210	728,062
Workers' Profit Participation Fund payable	14.4	1,307,160	911,057
Workers' Welfare Fund payable	14.5	455,695	369,933
Sales tax payable		71,266	595,355
Excise duty payable		1,779,317	1,058,761
Advance rent of investment property		16,347	17,425
Donations payable to Bestway Foundation	32.2	1,261,887	1,134,902
Payable to employees' gratuity fund	14.6	451,862	533,098
Withholding taxes payable		336,001	321,489
Other payables	14.7	2,120,261	1,659,620
		<b>23,705,022</b>	<b>15,718,864</b>

**14.1** This includes an amount of Rs. 15.1 million (2024: 58.3 million) payable to Bestway Renewable Technologies Ltd. (BReT), a related party.

**14.2** Advances from customers at the beginning of each year are recognised as revenue in the ordinary course of business.

**14.3** These represent amounts received as security deposits from customers and suppliers of the Company, which are utilisable for the purpose of the business in accordance with their respective agreements.

	2025 (Rupees '000)	2024 (Rupees '000)
<b>14.4 Workers' Profit Participation Fund payable</b>		
Balance at the beginning of the year	911,057	1,090,695
Allocation for the year	1,298,211	907,253
Payments during the year	(902,108)	(1,086,891)
Balance at the end of the year	<b>1,307,160</b>	<b>911,057</b>
<b>14.5 Workers' Welfare Fund payable</b>		
Balance at the beginning of the year	369,933	373,124
Allocation for the year	451,854	226,605
Payments during year	(366,092)	(229,796)
Balance at the end of the year	<b>455,695</b>	<b>369,933</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>14.6 Payable to employees' gratuity fund</b>			
Present value of defined benefit obligation	14.6.1	<b>1,540,038</b>	1,172,739
Fair value of plan assets	14.6.2	<b>(1,088,176)</b>	(639,641)
Payable		<b>451,862</b>	533,098
<b>14.6.1 Movement in defined benefit obligation</b>			
Obligation at the beginning of the year		<b>1,172,739</b>	964,245
Current service cost		<b>148,638</b>	134,433
Interest cost		<b>170,224</b>	148,330
Benefits paid		<b>(100,463)</b>	(93,368)
Re-measurement loss on obligation		<b>148,900</b>	19,099
Obligation at the end of the year		<b>1,540,038</b>	1,172,739
<b>14.6.2 Movement in fair value of plan assets</b>			
Fair value at the beginning of the year		<b>639,641</b>	520,037
Expected return on plan assets		<b>116,934</b>	76,920
Employer contributions		<b>330,000</b>	-
Benefits paid		<b>(100,463)</b>	(93,368)
Re-measurement gain on plan assets		<b>102,064</b>	136,052
Fair value at the end of the year		<b>1,088,176</b>	639,641
<b>14.6.3 Movement in payable to employees' gratuity fund</b>			
Opening liability		<b>533,098</b>	444,208
Employer contributions		<b>(330,000)</b>	-
Expense for the year	14.6.4	<b>201,928</b>	205,843
Re-measurement loss / (gain) recognised in OCI	14.6.5	<b>46,836</b>	(116,953)
Closing liability		<b>451,862</b>	533,098
<b>14.6.4 Expense recognised in profit or loss during the year</b>			
Current service cost		<b>148,638</b>	134,433
Net interest on defined benefit liability		<b>53,290</b>	71,410
		<b>201,928</b>	205,843
<b>14.6.5 Re-measurement loss recognised in OCI during the year</b>			
Re-measurement loss on obligation		<b>148,900</b>	19,099
Re-measurement gain on fair value of plan assets		<b>(102,064)</b>	(136,052)
		<b>46,836</b>	(116,953)
<b>14.6.6 Components of plan assets</b>			
Having quoted market price:			
Listed equity securities		<b>344,618</b>	243,628
Not having quoted market price:			
Cash and bank		<b>9,426</b>	4,389
Market Treasury Bills		<b>734,132</b>	391,624
		<b>743,558</b>	396,013



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 14.6.7 Actuarial assumptions

Following significant actuarial assumptions were used at the reporting date:

	2025	2024
Discount rate per annum	<b>12.50%</b>	15.50%
Salary increase rate (short term)	<b>10% (One year)</b>	15.5% (One year)
Salary increase rate (long term)	<b>12.00%</b>	13.50%
Withdrawal rates	<b>High</b>	Moderate

The discount rate is based on market yield on government bonds having maturity approximating to the term of the gratuity obligation. The salary increase rate takes into account expected inflation and management intentions.

The mortality rates are based on State Life Insurance Corporation (SLIC) 2001-05 ultimate mortality rate (2024: SLIC 2001-05 ultimate mortality rate), rated down by one year.

The effective duration of the future cash flows calculated based on yields available on government bonds works out to be 4.50 years (2024: 5.02 years).

### 14.6.8 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	2025 Increase (Rupees '000)	2025 Decrease (Rupees '000)	2024 Increase (Rupees '000)	2024 Decrease (Rupees '000)
Discount rate (1% movement)	(64,477)	70,863	(55,734)	61,522
Future salary growth (1% movement)	77,799	(71,977)	67,302	(61,877)
Future mortality (1 year change)	94	(94)	391	(393)
Withdrawal rate (10% movement)	1,618	(1,759)	4,219	(4,532)

Although the analysis does not take into account full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

### 14.6.9 Expected gratuity expense

Expected gratuity expense for the next financial year is Rs. 216.5 million (2024: Rs. 210.9 million).

### 14.6.10 Risks associated with defined benefit plan

The gratuity fund is governed under the Trusts Act, Trust Deed and Rules of Fund, Companies Act, 2017, the Income Tax Ordinance, 2001 and the Income Tax Rules, 2002. Responsibility for governance of plan, including investment decisions and contribution schedule lies with Board of Trustees of the Fund. The Company appoints the trustees. All trustees are employees of the Company. The payments to the fund are based on the deficit in the Fund based on actuarial valuations performed at each year end. The plan is exposed to the following risks:

#### Investment risks

The risk arises when the actual performance of the investments is lower than expectation and thus creating a shortfall in the funding objectives. This risk is mitigated by closely monitoring the performance of investments.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### Discount rate fluctuation

The plan liabilities are calculated using a discount rate. A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plan assets.

### Final salary risk

The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

### Withdrawal / Mortality risk

The risk of actual withdrawals / mortality varying with the actuarial assumptions can impose a risk to the benefit obligation. The movement of the liability can go either way.

- 14.7** This includes an amount of Rs. 672.86 million (2024: Rs. 659.88 million) including interest cost payable against compensation to the land owners for land acquired at Hattar plant pursuant to the decision of the Honourable Supreme Court of Pakistan and an amount of Rs. 1,380 million (2024: Rs. 941 million) payable to Bestway International Holdings Limited, parent of the Company.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>15. SHORT-TERM BORROWINGS</b>			
Running finance facilities from banking companies - secured	15.1	<b>12,234,383</b>	9,758,600
Short term loan	15.2	<b>7,000,583</b>	3,126,488
		<b>19,234,966</b>	12,885,088

- 15.1** This includes an amount of Rs. 193.4 million (2024: Rs. 533 million) of markup accrued and represents short term finance facilities obtained from various commercial banks with an aggregate limit of Rs. 32 billion (2024: Rs. 25.45 billion). The short term finance facilities carry mark-up at 3-months KIBOR minus 0.05% to plus 0.05% (2024: 3-months KIBOR minus 0.05% to plus 0.05%) and vary from bank to bank. The facilities are secured by first pari passu hypothecation charge on all present and future, current and fixed assets of the Company (excluding land and buildings and long term investments) for an amount of Rs. 37.33 billion (2024: Rs. 32.95 billion) and ranking hypothecation charge on all present and future, current and fixed assets of the Company (excluding land and buildings and long term investments) for an amount of Rs.5.33 billion (2024: Rs. 4.3 billion).

- 15.2** This represents money market loans for working capital requirements of the Company and includes accrued markup of Rs. 83.5 million (2024: 31.5 million). Markup is payable upon maturity. The facility carries markup at 3-months KIBOR minus 0.05% (2024: 3-month KIBOR minus 0.05%).

- 15.3** The Company has running finance and other short term borrowing facilities aggregating to Rs. 9.37 billion (2024: Rs. 12.77 billion) which remained un-availed at the year end.

### 16. UNPAID DIVIDEND

This represents dividend payable to the holding company and non-resident shareholders amounting to Rs. 3,093 million (2024: Rs. 440 million) awaiting remittance by the authorised bank due to pending regulatory formalities.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 17. CONTINGENCIES AND COMMITMENTS

#### 17.1 Contingencies

##### 17.1.1 Guarantees and claims

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Letters of guarantee issued by banks on behalf of the Company	17.1.1.1	2,679,092	2,231,205
Company's share of guarantees and claims of equity-accounted investees:			
- Guarantees		38,647,487	26,138,924
- Other contingent liabilities		3,308,227	2,772,973

**17.1.1.1** These include bank guarantees issued in the normal course of business to Sui Northern Gas Pipeline Limited for commercial and industrial use of gas for an amount of Rs. 1.4 billion (30 June 2024: Rs. 1.4 billion).

**17.1.1.2** As at 30 June 2025, facilities of letters of guarantee amounting to Rs. 7.80 billion (30 June 2024: Rs. 3.88 billion) were available to the Company out of which Rs. 5.12 billion (30 June 2024: Rs. 1.65 billion) remained unavailed as at period end. Facilities of letters of guarantee are secured by first pari passu charge on present and future current and fixed assets of the Company (excluding land, building and long term investments).

#### 17.1.2 Litigations

**17.1.2.1** The Competition Commission of Pakistan (CCP) issued a showcause notice dated 28 October 2008 under section 30 of the Competition Ordinance, 2007. On 27 August 2009, the CCP imposed a penalty aggregating Rs. 1.04 billion on the Company. The Company challenged the CCP order in the Honourable Sindh High Court which passed an interim order restraining the CCP from taking any adverse action against the parties. During the year, the Honourable Sindh High Court has withdrawn the stay order in writ petitions, so the cases which were adjourned in the CCP tribunal have been restored and are under adjudication.

Appeals against the CCP's orders were also filed as an abundant precaution in the Honourable Supreme Court of Pakistan under Section 42 of the Competition Ordinance, 2007. However, after the enactment of the Competition Act, 2010 in which the Competition Appellate Tribunal ("CAT") had been constituted, the Honourable Supreme Court of Pakistan vide its Order dated 01 July 2017 sent the above appeals to CAT to decide the same in accordance with law.

On 26 October 2020, the Lahore High Court (LHC) decided that Parliament is empowered to legislate the Act but only to the extent of 'Inter Provincial Trade and Commerce', with the result that any anti-competitive measure that affects national trade and commerce (as opposed to provincial trade and commerce) would be governed by the Act and CCP would have jurisdiction in relation thereto. The LHC directed that every notice issued by CCP under the Act should contain the reasons disclosing that the effect of anti-competitive behaviour is spilling over territorial limits of a province. LHC further directed that for the notices already issued, and under challenge, the proceedings shall continue, however, the issue of jurisdiction shall be decided at first instance.

Civil Petitions in the Honourable Supreme Court of Pakistan have been filed by the cement industry among other parties against the judgment of LHC, which are currently pending. The Company and its legal advisor are confident of a favourable outcome of the matter, accordingly no provision has been made in this respect in the financial statements.

**17.1.2.2** In 2002, the State Life Insurance Corporation of Pakistan (an initial shareholder of Pakcem) filed two suits before the Honourable Sindh High Court against Mr. Khawaja Mohammad Jaweed (the then Chairman of the Chakwal Group, the previous parent of Pakcem) for recovery of an aggregate amount of Rs. 461 million plus markup (at rates ranging from 16% to 20%) on account of agreements of sale and repurchase of shares, executed at various times in August 1995, between State Life Insurance Corporation of Pakistan and the then Chairman of the Chakwal Group. Pakcem received a letter dated 03 September 2014 from Chakwal Group stating that Pakcem is also a party to the case and can be held liable to pay the damages by the Honourable Sindh High Court. The legal advisor of the Company is of the opinion that the Company can be extricated from the case, provided that it can be shown to the Court that the then Chairman of the Chakwal Group was not authorised to act in this regard on behalf of Pakcem. No provision has been made against the aforementioned case in these financial statements, as the management and its legal counsel are confident that the matter will be ultimately be decided in favour of the company.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

**17.1.2.3** In respect of the company and its amalgamated entities Mustehkam Cement Limited and Pakcem Limited, the income tax authorities have issued amended assessment orders in respect of income tax for tax years 2013 to 2023, and created additional tax demands resulting in a net tax exposure of Rs. 7.6 billion (2024: Rs. 1.8 billion). Key matters include alleged suppression of sales and disallowances relating to trade discounts, price match adjustments, advertisement, retirement benefits, tax credits, unabsorbed depreciation and other related expenses. The Company has filed appeals against the assessment orders on various dates till June 2025 with the Commissioner Inland Revenue (Appeals) and Appellate Tribunal Inland Revenue, where the matters are currently pending adjudication.

Further, the tax authorities have issued amended assessment orders relating to sales tax and federal excise duty for tax years 2010 to 2025, creating additional tax demands resulting in a net tax exposure of Rs. 2.6 billion (2024: Rs. 1.34 billion). The increase primarily relates to the alleged disallowance of input tax adjustment. The Company has filed appeals against the assessment orders on various dates till June 2025 with the Commissioner Inland Revenue (Appeals) and Appellate Tribunal Inland Revenue, where the matters are currently pending adjudication.

Management is confident that the above disallowances do not hold any merit and the related amounts have been lawfully claimed in the income and sales tax returns as per the applicable tax laws and that these matters will ultimately be decided in favor of the Company. Accordingly no provision has been made in respect of above in the financial statements.

**17.1.2.4** Certain matters other than those disclosed in these financial statements, are pending at various authorities and courts of law. The management is of the view that the outcome of those is expected to be favourable and a liability, if any, arising at the conclusion of those cases is not likely to be material.

	2025 (Rupees '000)	2024 (Rupees '000)
<b>17.2 Commitments</b>		
Outstanding letters of credit including capital expenditure	227,946	598,875
Capital expenditure	561,815	224,406
Rentals for use of land	115,148	116,824
Company's share of commitments of equity-accounted investees:		
- Letters of credit	39,400,169	21,701,789
- Forward foreign exchange contracts	86,778,332	36,530,710
- Forward government securities transactions	627,778	4,448,365
- Forward lending	32,221,042	12,170,550
- Capital expenditure	1,299,611	658,527
- Operating leases	14,155	14,715

**17.2.1** As at 30 June 2025, facilities of letters of credit amounting to Rs. 12.420 billion (30 June 2024: Rs. 13.913 billion) are available to the Company, out of which Rs. 12.19 billion (30 June 2024: Rs. 13.31 billion) remained unavailed as at year end.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>18. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	18.1	189,622,872	112,658,384
Capital work in progress	18.2	742,296	823,907
		<b>190,365,168</b>	<b>113,482,291</b>



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 18.1 Operating fixed assets

#### 18.1.1 Reconciliation of carrying amounts

	Freehold land	Leasehold land	Buildings on freehold land	Plant and machinery	Quarry equipment	Laboratory equipment and other	Furniture and fixture	Vehicles	Office equipment	Total
	(Rupees '000)									
<b>Cost / Revalued Amount</b>										
Balance as at 1 July 2023	3,276,465	2,923,154	33,602,385	93,920,041	3,847,060	1,230,957	185,912	919,742	497,560	140,403,276
Additions	151,321	-	251,807	137,067	-	134,876	8,135	131,481	29,004	843,691
Transfers from CWIP	28,479	-	1,595,655	3,867,127	-	-	6,117	-	-	5,497,378
Disposals	-	-	-	(13,725)	(224,116)	-	-	(37,041)	-	(274,882)
Transfers / write offs	-	-	-	(5,328)	-	-	-	-	-	(5,328)
<b>Balance at 1 July 2024</b>	<b>3,456,265</b>	<b>2,923,154</b>	<b>35,449,847</b>	<b>97,905,182</b>	<b>3,622,944</b>	<b>1,365,833</b>	<b>200,164</b>	<b>1,014,182</b>	<b>526,564</b>	<b>146,464,135</b>
<b>Revaluation surplus</b>	<b>4,826,992</b>	<b>1,241,834</b>	<b>6,935,151</b>	<b>67,937,899</b>	-	-	<b>200,164</b>	<b>1,014,182</b>	<b>526,564</b>	<b>146,464,135</b>
<b>Additions</b>	<b>244,359</b>	-	<b>1,601</b>	<b>73,904</b>	-	<b>140,412</b>	<b>18,918</b>	<b>210,660</b>	<b>25,630</b>	<b>80,941,876</b>
<b>Transfers from CWIP</b>	<b>(702)</b>	<b>702</b>	<b>299,395</b>	<b>1,110,295</b>	-	-	<b>195</b>	-	-	<b>715,484</b>
<b>Reclassification</b>	-	-	<b>(272,650)</b>	<b>271,971</b>	-	-	<b>9,116</b>	-	<b>(8,437)</b>	<b>1,409,885</b>
<b>Disposals</b>	-	-	-	<b>(151,519)</b>	<b>(25,448)</b>	-	-	<b>(32,637)</b>	<b>(290)</b>	<b>(209,894)</b>
<b>Write offs</b>	-	-	<b>(133)</b>	<b>(75,990)</b>	-	-	-	-	-	<b>(76,123)</b>
<b>Balance at 30 June 2025</b>	<b>8,526,914</b>	<b>4,165,690</b>	<b>42,413,211</b>	<b>167,071,742</b>	<b>3,597,496</b>	<b>1,506,245</b>	<b>228,393</b>	<b>1,192,205</b>	<b>543,467</b>	<b>229,245,363</b>
<b>Accumulated depreciation</b>										
Balance at 1 July 2023	-	31,777	5,808,716	18,465,827	2,521,181	688,156	96,170	389,496	255,257	28,256,580
Depreciation	-	66,675	1,285,232	4,034,772	196,122	67,242	9,358	116,279	38,084	5,813,764
Adjustments	-	-	-	(34,315)	-	(564)	-	-	-	(34,879)
Disposals	-	-	-	(1,385)	(201,079)	-	-	(26,596)	-	(229,060)
Transfers / write offs	-	-	-	(654)	-	-	-	-	-	(654)
<b>Balance at 30 June 2024</b>	<b>-</b>	<b>98,452</b>	<b>7,093,948</b>	<b>22,464,245</b>	<b>2,516,224</b>	<b>754,834</b>	<b>105,528</b>	<b>479,179</b>	<b>293,341</b>	<b>33,805,751</b>
<b>Balance at 1 July 2024</b>	<b>-</b>	<b>98,452</b>	<b>7,093,948</b>	<b>22,464,245</b>	<b>2,516,224</b>	<b>754,834</b>	<b>105,528</b>	<b>479,179</b>	<b>293,341</b>	<b>33,805,751</b>
<b>Depreciation</b>	<b>-</b>	<b>33,806</b>	<b>1,317,793</b>	<b>4,205,300</b>	<b>165,919</b>	<b>70,497</b>	<b>10,085</b>	<b>123,267</b>	<b>36,997</b>	<b>5,963,664</b>
<b>Reclassification</b>	<b>-</b>	<b>107</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79</b>	<b>(24,568)</b>	<b>(186)</b>	<b>-</b>
<b>Disposals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(57,448)</b>	<b>(24,355)</b>	<b>-</b>	<b>-</b>	<b>(24,568)</b>	<b>(205)</b>	<b>(106,576)</b>
<b>Transfers / write offs</b>	<b>-</b>	<b>-</b>	<b>(63)</b>	<b>(40,285)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(40,348)</b>
<b>Balance at 30 June 2025</b>	<b>-</b>	<b>132,365</b>	<b>8,411,678</b>	<b>26,571,812</b>	<b>2,657,788</b>	<b>825,331</b>	<b>115,692</b>	<b>577,878</b>	<b>329,947</b>	<b>39,622,491</b>
<b>Carrying amounts</b>										
At 30 June 2024	3,456,265	2,824,702	28,355,899	75,440,937	1,106,720	610,999	94,636	535,003	233,223	112,658,384
<b>At 30 June 2025</b>	<b>8,526,914</b>	<b>4,033,325</b>	<b>34,001,533</b>	<b>140,499,930</b>	<b>939,708</b>	<b>680,914</b>	<b>112,701</b>	<b>614,327</b>	<b>213,520</b>	<b>189,622,872</b>

#### Useful life (years)/rates of depreciation per annum

2024	30 years / 3%	30 years / 10 years / 3-10%	30 years / 10 years / 3-10%	15%	10-15%	10%	20%	15%
2025	30 years / 3%	30 years / 10 years / 3-10%	30 years / 10 years / 3-10%	15%	10-15%	10%	20%	15%

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

**18.1.2** The details of fixed assets sold during the year, having net book value in excess of Rs. 500,000 each are as follows:

Description	Cost	Carrying amount	Sale proceeds	Gain/(loss)	Mode of disposal	Purchaser
ADX-436 Toyota Fortuner	5,300	945	4,625	3,681	As per company policy	Muhammad Irfan A. Sheikh (Employee)
AMV-129 Honda City AMV-129	1,914	566	1,765	1,199	As per company policy	Danish Khan (Employee)
APK-422 Honda Civic	3,992	1,299	2,585	1,286	As per company policy	Syed Kausar Hussain Shah (Employee)
APD-153 Honda City Prosmatac	2,563	818	1,021	202	As per company policy	Tahir Masood (Employee)
APD-152 Honda City Prosmatac	2,567	819	1,549	730	As per company policy	Arshad Sattar (Employee)
AUH-819 Honda City 1.3 i-VTEC Prosmatec	2,692	1,244	945	945	Insurance Claim	UBL Insurers Limited
AKH-256 Shehzore	2,002	558	1,533	975	Auction	Fayyaz Ahmed
Fire Fighting Truck	10,000	6,793	6,793	-	Direct Sale	Bestway Packaging Limited
Plant Closed Circuit Cooling Tower Line-I, 400 m3/	12,477	8,753	7,549	(1,203)	Direct Sale	Flying Cement Company Limited
Plant Closed Circuit Cooling Tower Line-II, 400 m3	12,477	9,150	7,549	945	Direct Sale	Flying Cement Company Limited
WHRPP Closed Circuit Cooling Tower, 300 m3/hr	7,260	5,324	4,393	(931)	Direct Sale	Flying Cement Company Limited
36 Solar Damaged MWL Plant	1,221	1,095	507	(587)	Insurance Claim	UBL Insurers Limited
01 Solar Inverter MWL Plant	1,996	1,896	2,200	304	Insurance Claim	UBL Insurers Limited
22 Solar Panel Damaged FRQ plant	734	614	345	945	Insurance Claim	UBL Insurers Limited
36 Solar Panel Damaged HTR Plant	1,294	1,082	752	(330)	Insurance Claim	UBL Insurers Limited
Compressor 3	5,300	7,331	873	(6,459)	Direct Sale	Saifullah & Company
Compressor 4	10,772	7,331	873	(6,459)	Direct Sale	Saifullah & Company
Compressor 5	10,772	7,331	873	(6,459)	Direct Sale	Saifullah & Company
Compressor 7	10,229	7,022	873	945	Direct Sale	Saifullah & Company
Compressor 8	10,584	7,266	873	(6,393)	Direct Sale	Saifullah & Company
System fan Motor	8,000	3,370	876	(2,495)	Direct Sale	Atta Ullah Scrap Dealer
System fan Motor	8,000	3,370	876	(2,495)	Direct Sale	Atta Ullah Scrap Dealer
System fan Motor	8,000	3,748	876	945	Direct Sale	Atta Ullah Scrap Dealer
Raw Mill Ep Fan	12,000	5,345	3,500	(1,845)	Direct Sale	Saifullah & Company
Raw Mill Ep Fan	12,000	4,934	945	(1,434)	Direct Sale	Saifullah & Company
39 Solar Panel Damaged HTR Plant	1,544	1,238	914	(324)	Insurance Claim	UBL Insurers Limited

**18.1.3** Particulars of immovable property (i.e. land and buildings) in the name of the Company are as follows:

Location	Usage of immovable property	Total area
Suraj Gali Road, Village Shadi, Hattar, District Haripur, KPK.	Production Plant	4593 Kanals
12 km, Taxila-Haripur Road, Farooqia, District Haripur, KPK.	Production Plant	5201 Kanals
Village Tatral, choa saiden shah, 22 km Kallar Kahar, District Chakwal, Punjab.	Production Plant	10775 Kanals
Choie Mallot Road, Tehsil Kallar Kahar, District Chakwal, Punjab.	Production Plant	8710 Kanals
Pai Khel, District Mianwali, Punjab.	Production Plant	4688 Kanals
19-A, College Road, F-7 Markaz, Islamabad.	Head office building	533 Sq. Yards
Plot B2, Sector G9/F9, Blue Area, Islamabad	Head office building	1333 Sq. Yards

**18.1.4** Land measuring 206 kanals and 14 marlas and 241 kanals and 8 marlas located at Farooqia and Hattar plants respectively were purchased with the funds of the Company but are not in the possession of the Company.

**18.1.5** The Company had its freehold land, leasehold land, buildings on freehold land, and plant and machinery revalued by independent valuer not connected with the Company.

**18.1.6** Had there been no revaluation, the written down value of the revalued assets in the balance sheet would have been as follows:

	2025 (Rupees '000)	2024 (Rupees '000)
Freehold land	3,699,922	-
Leasehold land	2,791,491	-
Buildings on freehold land	27,066,382	-
Plant and machinery	72,562,031	-
	<b>106,119,826</b>	<b>-</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

**18.1.7** The valuation of the Company's assets was carried on 30 June 2025. The forced sale value of the assets as at the date is as follows:

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Freehold land		6,922,864	-
Leasehold land		3,629,991	-
Buildings on freehold land		27,219,644	-
Plant and machinery		105,161,919	-
		<u>142,934,418</u>	<u>-</u>

### 18.1.8 Allocation of depreciation charge

Cost of sales	5,838,692	5,705,267
Selling and distribution expenses	9,584	9,077
Administrative expenses	115,388	99,420
	<u>5,963,664</u>	<u>5,813,764</u>

### 18.2 Capital work in progress

Opening balance	18.2.1	823,907	3,382,671
Additions during the year		1,329,637	3,267,036
		<u>2,153,544</u>	<u>6,649,707</u>
Transferred to operating fixed assets:			
Freehold land		-	(28,479)
Buildings on freehold land		(299,395)	(1,595,655)
Plant and machinery		(1,110,295)	(3,867,127)
Furniture and fixtures		(195)	(6,117)
		<u>(1,409,885)</u>	<u>(5,497,378)</u>
Disposals / write offs during the year		(1,363)	(328,422)
Balance at the end of the year	18.2.2	<u>742,296</u>	<u>823,907</u>

**18.2.1** This includes an amount of Rs. 11.21 million (2024: Rs. 56.92 million) sales tax paid on internal consumption.

**18.2.2** Break up of capital work in progress including borrowing cost at the year end is as follows:

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Plant and machinery		381,446	579,971
Civil development works		288,245	187,210
Land		55,409	56,726
Vehicles		17,196	-
		<u>742,296</u>	<u>823,907</u>

### 19. INTANGIBLE ASSETS AND GOODWILL

Computer software		57,871	82,773
Brands	19.2	-	88,236
Goodwill	19.3	7,062,111	7,062,111
		<u>7,119,982</u>	<u>7,233,120</u>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 19.1 Reconciliation of carrying amounts

	Computer software	Brands (note 19.2)	Goodwill (note 19.3)	Total
	(Rupees '000)			
<b>Cost</b>				
Balance at 01 July 2023	211,150	1,091,712	7,062,111	8,364,973
Additions	48,040	-	-	48,040
Balance at 30 June 2024	259,190	1,091,712	7,062,111	8,413,013
<b>Balance at 01 July 2024</b>	<b>259,190</b>	<b>1,091,712</b>	<b>7,062,111</b>	<b>8,413,013</b>
<b>Additions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 30 June 2025</b>	<b>259,190</b>	<b>1,091,712</b>	<b>7,062,111</b>	<b>8,413,013</b>
<b>Accumulated amortisation</b>				
Balance at 01 July 2023	155,108	894,305	-	1,049,413
Amortisation	21,309	109,171	-	130,480
Balance at 30 June 2024	176,417	1,003,476	-	1,179,893
<b>Balance at 01 July 2024</b>	<b>176,417</b>	<b>1,003,476</b>	<b>-</b>	<b>1,179,893</b>
<b>Amortisation</b>	<b>24,902</b>	<b>88,236</b>	<b>-</b>	<b>113,138</b>
<b>Balance at 30 June 2025</b>	<b>201,319</b>	<b>1,091,712</b>	<b>-</b>	<b>1,293,031</b>
<b>Carrying amounts</b>				
At 30 June 2024	82,773	88,236	7,062,111	7,233,120
<b>At 30 June 2025</b>	<b>57,871</b>	<b>-</b>	<b>7,062,111</b>	<b>7,119,982</b>
<b>Useful life (years)/Rates of amortisation</b>				
2024	6.66 years	10 years	-	
<b>2025</b>	<b>6.66 years</b>	<b>10 years</b>	<b>-</b>	

### 19.2 Brands

This represents intangible assets in the form of Brands on acquisition of Pakcem and reflects the expected economic benefits to the Company from the retention differential of those Brands. The value of Brands was determined on the basis of incremental cash flows to be generated from retention of those brands which the Company intends to use. Management had estimated the useful life of the Brands to be ten years starting from the date of acquisition.

### 19.3 Goodwill

This represents excess of the amount paid over fair value of net assets of Pakcem Limited on its acquisition on 22 April 2015. The carrying amount of goodwill is tested for impairment annually based on its value in use, determined by discounting the future cash flows to be generated by cement plant (CGU) acquired from Pakcem Limited. Following are the key assumptions used in impairment testing:

	2025	2024
Discount rate	16.85%	19.45%
Terminal value growth rate	4.00%	4.00%

The discount rate is based on the weighted average cost of capital.

The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate is determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Budgeted growth is based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth. Revenue growth is projected taking into account the average growth levels experienced in the recent years and the estimated sales volume and price growth for the next five years. The operating costs are based on expected future inflation rates.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

The estimated recoverable amount of the CGU exceeds its carrying amount. The Company estimates that reasonably possible changes in these assumptions would not cause the recoverable amount of the CGU to decline below the carrying amount.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>19.4 Allocation of amortisation</b>			
Cost of sales		17,666	16,163
Selling and distribution expenses		93,397	110,647
Administrative expenses		2,075	3,670
		<b>113,138</b>	<b>130,480</b>
<b>20. INVESTMENT PROPERTY</b>			
Balance at 01 July 2024		225,601	222,970
Change in fair value		14,898	2,631
Additions during the year	20.1	240,499	225,601
Balance at 30 June 2025	20.2	4,027,276	-
		<b>4,267,775</b>	<b>225,601</b>

- 20.1** This represents a portion of the Company's head office building in Islamabad held for letting. An independent exercise was carried out to determine the fair value of investment property. To assess the land and building prices, market survey was carried out in the vicinity of the investment property. Fair value of the investment property is based on independent valuer's judgment about average prices and has been prepared on openly available / provided information after making relevant inquiries from the market. Valuation was carried out by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. Forced sale value of the investment property amounts to Rs. 216.45 million (2024: Rs. 203.04 million).

The investment property is placed in level 2 of the fair value hierarchy as the value has been determined by a third party using current market prices for comparable properties adjusted for any differences in nature, location and condition.

- 20.2** During the month of June 2025, the Company acquired land measuring 1,333.33 sq. yards in sector G9/F9, Blue Area, Islamabad, for investment purposes. Fair valuation of the same has not been carried as at 30 June 2025, as the management believes there is no change in value of land since its recent acquisition. The Company has obtained possession of the land and application for transfer of legal title is submitted with the relevant authorities.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>21. LONG TERM INVESTMENTS</b>			
Investment in associates			
- United Bank Limited	21.1	44,222,450	19,720,190
- UBL Insurers Limited	21.2	349,132	305,029
		<b>44,571,582</b>	<b>20,025,219</b>
Pakistan Investment Bonds		112,787	-
		<b>44,684,369</b>	<b>20,025,219</b>

### 21.1 Investment in United Bank Limited - equity accounted investee

As at 30 June 2025, the Company holds 240,765,870 (2024: 99,977,520) ordinary shares in UBL. The Company's shareholding in UBL constitutes 9.614% (2024: 8.17%) of total ordinary shares of UBL. UBL's ordinary shares are listed on Pakistan Stock Exchange Limited. UBL is treated as an 'associate' due to the Company's significant influence over it through directorship.

During the year ended 30 June 2025, United Bank Limited "UBL", subdivided each ordinary share of Rs. 10 into two ordinary shares of Rs. 5 each, with no change in their rights, privileges and entitlements.

Furthermore, Silk Bank Limited was amalgamated with and into UBL through issuance of 27,944,188 new ordinary shares of Rs. 10 each, with an effective date of 11 March 2025. As a result, the shareholding of the Company in UBL was diluted by 0.22%.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 21.1.1 Reconciliation of carrying amount

	2025 (Rupees '000)	2024 (Rupees '000)
Balance at 01 July 2024	19,720,190	15,818,793
Increase in investment in associate	6,550,677	1,245,717
Company's share of associate's profit for the year	10,475,013	4,628,390
Impact of adoption of IFRS 09 - ECL in opening equity	152,373	(367,680)
Company's share of associate's OCI for the year - net of tax:		
- Re-measurement gain on defined benefit liability	349,679	75,108
- Change in exchange translation reserve	(493,961)	(232,831)
- Surplus on revaluation of property, plant and equipment	3,692,169	-
- Re-measurement of debt and equity investments	8,712,322	2,766,467
	12,260,209	2,608,744
Less: Dividends received	(4,936,012)	(4,213,774)
Balance at 30 June 2025	44,222,450	19,720,190

Profit for the year includes gain on dilution of interest in the associate due to amalgamation of Silk Bank with and into UBL amounting to Rs 308.36 million.

**21.1.2** The following table summarises the financial information of UBL as included in its un-audited consolidated condensed interim financial statements for the six months ended 30 June 2025. The information relating to revenue, profit and other comprehensive income also include amounts for the six months ended 31 December 2024. The financial year-end of UBL is 31 December.

	2025 (Rupees '000)	2024 (Rupees '000)
<b>Percentage of ownership (%)</b>	<b>9.614%</b>	<b>8.167%</b>
Total assets	11,095,529,912	7,766,223,616
Total liabilities	(10,663,615,854)	(7,521,692,791)
Net assets	431,914,058	244,530,825
Non-controlling interests	(59,423)	(15,629,943)
Net assets attributable to ordinary shareholders (100%)	431,854,635	228,900,882
Company's share of net assets (9.614%) (2024: 8.167%)	41,518,505	18,694,335
Goodwill	2,703,945	1,025,855
Carrying amount of interest in associate	44,222,450	19,720,190
Mark-up / return / interest earned for the year		
Profit after tax (100%)	1,124,082,253	863,966,012
Company's share of net profit for the year	109,084,781	58,995,550
	10,475,014	4,628,390
Other Comprehensive Income (OCI) - net of tax:		
- Re-measurement gain on defined benefit liability		
- Change in exchange reserve	4,197,565	981,805
- Change in surplus on revaluation of property, plant and equipment	(6,448,325)	(2,977,681)
- Change in surplus on revaluation of debt and equity investment	2,769,127	-
Total OCI (100%)	95,930,315	32,925,174
Company's share of OCI	96,448,682	30,929,298
	12,260,209	2,608,744

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

**21.1.3** In accordance with the resolution approved in the Annual General Meeting (AGM) of the Company on 1 September 2023, the Company was authorized to purchase a further 50 million shares (4%) of United Bank Limited (UBL) over a span of five years at the quoted price of such shares on the Stock Exchange on the date of purchase. During the year, the Company has further purchased 20.4 million shares in United Bank Limited (associate) at a cost of Rs. 6,551 million (30 June 2024: Rs. 1,246 million), thereby increasing its equity interest by 1.447% in the associate to 9.614% (30 June 2024: 8.167%). With the increase in this interest, the Company continues to have significant influence on the associate and has accounted for the increase using a cost accumulation approach. The cost of acquiring the additional stake is added to the carrying value of the associate. The fair value for the additional stake is calculated using fair value information at the date when the additional interest is acquired. The Company has conducted its initial assessment for identification and fair valuation of assets and liabilities of the associate and has identified additional goodwill of Rs. 1,678 million (30 June 2024: Rs. 62 million). The Company can adjust the fair values for identified assets and liabilities determined in its initial assessment within the measurement period which should not exceed 12 months from the acquisition date.

**21.1.4** Cost of investment in UBL amounted to Rs. 9.66 billion (2024: Rs. 3.11 billion). Market value of investment in UBL as at 30 June 2025 was Rs. 66.44 billion (2024: Rs. 25.62 billion). As at year end, 240,765,870 shares (2024: 93,649,774 shares) owned by the Company in UBL are held with Central Depository Company of Pakistan and its sale will require prior approval of SBP. Management believes that there is no objective evidence which may indicate impairment of investment in UBL. The investment in UBL is placed in level 1 of the fair value hierarchy.

### 21.2 Investment in UBL Insurers Limited - equity-accounted investee

As at 30 June 2025, the Company holds 14,088,199 (30 June 2024: 14,088,199) ordinary shares in UBL Insurers Limited 'UIL', an unlisted public company engaged in insurance business with its registered office situated in Karachi, Pakistan. The Company's shareholding in UIL constitutes 12.23% (30 June 2024: 12.23%) of total ordinary shares of UIL. UIL is treated as an 'associate' due to the Company's significant influence over it through directorship.

	2025 (Rupees '000)	2024 (Rupees '000)
<b>21.2.1 Reconciliation of carrying amount</b>		
Balance at the beginning of the year	305,029	247,324
Company's share of associate's profit for the year	64,857	75,011
Company's share of associate's OCI for the year - net of tax:		
- re-measurement of defined benefit liability	(23)	293
- re-measurement of available-for-sale investments	7,445	4,660
	7,422	4,953
Less: Dividends received	(28,176)	(22,259)
Balance at the end of the year	349,132	305,029

**21.2.2** The following table summarises the financial information of UIL as included in its un-audited condensed interim financial information for the six months ended 30 June 2025. The information relating to revenue, profit and other comprehensive income also include amounts for the six months ended 31 December 2024. The financial year-end of UIL is 31 December.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

	2025 (Rupees '000)	2024 (Rupees '000)
<b>Percentage of ownership (%)</b>	<b>12.23%</b>	12.23%
Total assets	13,791,367	11,607,055
Total liabilities	(10,934,907)	(9,112,436)
Net assets	2,856,460	2,494,619
Company's share of net assets (12.23%)	349,273	305,029
Carrying amount of interest in associate	349,132	305,029
Net insurance premium for the year	2,251,148	1,076,801
Profit after tax for the year	530,419	613,461
Company's share of net profit for the year (12.23%)	64,857	75,011
Other Comprehensive Income (OCI) - net of tax:		
- Re-measurement gain on defined benefit liability	(188)	2,396
- Change in surplus on revaluation of available-for-sale investments	60,875	38,103
Total OCI (100%)	60,687	40,499
Company's share of OCI (12.23%)	7,422	4,953

**21.2.3** Cost of investment in UIL amounted to Rs. 106.27 million (2024: Rs. 106.27 million).

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>22. STORES, SPARE PARTS AND LOOSE TOOLS</b>			
Stores, spare parts and loose tools		11,430,796	12,515,986
Stores and spare parts in transit		981,002	-
		12,411,798	12,515,986
Less: Provision for slow moving stock	22.1	(84,908)	-
		12,326,890	12,515,986
<b>22.1 Movement in provision for obsolete stores</b>			
Balance at the beginning of the year		-	-
Provision for the year		-	-
Balance at the end of the year		84,908	-
		84,908	-
<b>23. STOCK IN TRADE</b>			
Raw and packing material		1,935,215	1,152,926
Work in process		3,905,212	3,420,897
Finished goods		1,300,515	1,101,548
		7,140,942	5,675,371
Less: Provision for slow moving stock	23.1	(27,829)	(28,335)
		7,113,113	5,647,036



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>23.1 Movement in provision for slow moving stock</b>			
Balance at the beginning of the year		28,335	29,440
Provision for the year		(506)	(1,105)
Balance at the end of the year		27,829	28,335
<b>24. TRADE DEBTS</b>			
Trade debts - unsecured		1,308,246	1,970,886
- Considered good		5,060	5,060
- Considered doubtful		1,313,306	1,975,946
Less: Provision against doubtful trade debts		(5,060)	(5,060)
		1,308,246	1,970,886
<b>25. ADVANCES</b>			
Advances to employees and executives - secured		12,472	10,768
Advances to suppliers and contractors - secured	25.1	754,766	872,546
		767,238	883,314
<b>25.1</b>	This includes an advance of Rs. 656.70 million (2024: Rs. 668.48 million) paid to Bestway Packaging Limited (BPL), a related party, for procurement of packing materials. Maximum aggregate amount outstanding at the end of any month during the year amounted to Rs. 835.10 million (2024: Rs. 1,411.64 million).		
<b>26. DEPOSITS AND PREPAYMENTS</b>	Note	2025 (Rupees '000)	2024 (Rupees '000)
Deposits		4,761	5,611
Short-term prepayments		70,756	75,467
		75,517	81,078
<b>27. OTHER RECEIVABLES</b>			
Receivable from Lafarge S.A.		8,847	8,847
Cash margin with banks - imports	27.1	11,183	10,732
Others		18,651	42,321
		38,681	61,900
<b>27.1</b>	This represents cash margin held by banks in respect of imports.		

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>28. CASH AND BANK BALANCES</b>			
Cash in hand		53	-
Cash at banks:			
in current accounts	28.1	552,927	1,442,871
in deposit accounts		634,578	118,201
		<b>1,187,505</b>	1,561,072
		<b>1,187,558</b>	1,561,072

**28.1** This includes Rs. 1,104.42 million (2024: Rs. 1,126.23 million) held in current and deposit accounts maintained with UBL, a related party. Maximum aggregate amount outstanding at the end of any month during the year amounted to Rs. 1,104.42 million (2024: Rs. 1,126.23 million).

**28.2** Current accounts include balances amounting to Rs. 348.22 million (2024: Rs. 322.50 million) held in US Dollar accounts.

**28.3** Deposit accounts carried profit rate of 13.6% (2024: 20.5%) per annum during the year.

**28.4** Following completion of acquisition process of Pakcem by the Company, the balances of Pakcem with Lafarge S.A. (previous parent entity of Pakcem) and its affiliates as of 21 April 2015 were agreed between the Company and Lafarge S.A and transferred to an escrow account maintained with Citi Bank N.A, pursuant to the Escrow Agreement dated 21 April 2015 between the Company, Lafarge S.A. and Citi Bank N.A. According to the agreement the transferred funds will be utilised exclusively for payments to Lafarge S.A. from time to time and the Company will be entitled only to the balance left in the escrow account after completion of payments to Lafarge S.A. Accordingly, the amount in escrow account and payable balances aggregating to Rs. 140.89 million (2024: Rs.140.89 million) relating to Lafarge S.A. and its affiliates have been netted off in these financial statements till final settlement of the escrow account.

	2025 (Rupees '000)	2024 (Rupees '000)
<b>29. GROSS TURNOVER</b>		
Gross turnover:		
- Local	166,906,953	144,064,564
- Export	1,579,601	1,520,415
	<b>168,486,554</b>	145,584,979

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>30. COST OF SALES</b>			
Raw and packing materials consumed	30.1	<b>18,201,311</b>	12,034,524
Fuel and power		<b>37,512,321</b>	45,342,021
Stores, spares and loose tools consumed		<b>1,921,061</b>	1,189,834
Repairs and maintenance		<b>946,263</b>	853,812
Salaries, wages and benefits	30.2	<b>3,963,762</b>	3,072,766
Support services		<b>1,331,830</b>	1,011,521
Rent, rates and taxes		<b>12,157</b>	11,606
Insurance		<b>100,902</b>	99,233
Equipment rental		<b>624,992</b>	457,031
Utilities		<b>132,274</b>	86,674
Travelling, conveyance and subsistence		<b>377,427</b>	394,171
Communication		<b>23,547</b>	23,108
Printing and stationery		<b>19,526</b>	15,165
Entertainment		<b>26,246</b>	20,389
Depreciation	18.1.8	<b>5,838,692</b>	5,705,267
Amortisation	19.4	<b>17,666</b>	16,163
Reversal of provision for slow moving stock	23.1	<b>(506)</b>	(1,105)
Legal and professional charges		<b>11,141</b>	9,069
Fees and subscriptions		<b>16,720</b>	11,717
Other manufacturing expenses		<b>86,242</b>	69,712
		<b>71,163,574</b>	70,422,678
Opening work in process		<b>3,420,896</b>	4,339,081
Closing work in process		<b>(3,905,212)</b>	(3,420,896)
Cost of goods manufactured		<b>70,679,258</b>	71,340,863
Opening finished goods stock		<b>1,101,548</b>	1,455,722
Closing finished goods stock		<b>(1,300,515)</b>	(1,101,548)
		<b>70,480,291</b>	71,695,037
<b>30.1 Raw and packing materials consumed</b>			
Opening stock		<b>1,152,926</b>	1,541,746
Purchases / expenditures during the year		<b>18,983,600</b>	11,645,704
Closing stock		<b>(1,935,215)</b>	(1,152,926)
		<b>18,201,311</b>	12,034,524

**30.2** Salaries, wages and benefits include provision for employee retirement benefits amounting to Rs.169.83 million (2024: Rs. 166.60 million).

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>31. SELLING AND DISTRIBUTION EXPENSES</b>			
Salaries, wages and benefits	31.1	246,896	184,934
Support services		6,591	4,765
Freight and handling - local		960,263	743,975
Rent, rates and taxes		29,581	26,691
Repairs and maintenance		7,819	8,450
Utilities		7,905	9,917
Travelling, conveyance and subsistence		43,087	49,996
Communication		4,466	5,163
Printing and stationery		8,355	21,652
Entertainment		30,597	26,482
Advertising and promotion		43,795	23,761
Depreciation	18.1.5	9,584	9,077
Amortisation	19.4	93,397	110,647
Bad debts written off		-	3,031
Fees and subscriptions		108,867	103,949
Others		1,224	1,131
		<b>1,602,427</b>	<b>1,333,621</b>

**31.1** Salaries, wages and benefits include provision for employee retirement benefits amounting to Rs. 13.16 million (2024: Rs. 14.13million).

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>32. ADMINISTRATIVE EXPENSES</b>			
Salaries, wages and benefits	32.1	793,887	603,660
Rent, rates and taxes		37,643	22,327
Repairs and maintenance		35,453	20,177
Insurance		1,044	984
Utilities		35,665	34,876
Travelling, conveyance and subsistence		100,411	88,751
Communication		9,866	10,864
Printing and stationery		18,115	16,765
Entertainment		11,506	12,378
Advertisements		5,094	3,425
Donations		243,527	142,234
Legal and professional charges	32.2	40,226	47,223
Fees and subscriptions		83,428	56,247
Auditors' remuneration	32.3	10,224	6,319
Depreciation	18.1.8	115,388	99,420
Amortisation	19.4	2,075	3,670
Others	32.4	528,993	352,744
		<b>2,072,545</b>	<b>1,522,064</b>

**32.1** Salaries, wages and benefits include provision for employee retirement benefits amounting to Rs. 43.06 million (2024: Rs. 28.76 million).



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

**32.2** This includes charge of Rs. 238.644 million (2024: Rs. 137.68 million) for donation to Bestway Foundation. Following directors are among the trustees of the Foundation:

- Sir Mohammed Anwar Pervez
- Zameer Mohammed Choudrey
- Mohammed Younus Sheikh
- Muhammad Irfan A. Sheikh
- Haider Zameer Choudrey

None of the directors of the Company or their spouses have a beneficial interest in Bestway Foundation.

		<b>2025</b> <b>(Rupees '000)</b>	<b>2024</b> <b>(Rupees '000)</b>
<b>32.3</b>	<b>Auditors' remuneration</b>		
	Statutory audit fee	<b>3,080</b>	2,800
	Half year review	<b>753</b>	685
	Review of statement of code of corporate governance, CDC, free float, dividend certification and post implementation review of system	<b>4,891</b>	2,428
	Out of pocket expenses	<b>1,500</b>	406
		<b>10,224</b>	6,319
<b>32.4</b>	This includes royalty expense amounting to Rs. 439 million (2024: Rs. 285 million) payable to BIHL, the parent company.		
	Note	<b>2025</b> <b>(Rupees '000)</b>	<b>2024</b> <b>(Rupees '000)</b>
<b>33.</b>	<b>OTHER OPERATING EXPENSES</b>		
	Workers' Welfare Fund 14.5	<b>451,854</b>	226,605
	Workers' Profit Participation Fund 14.4	<b>1,298,211</b>	907,253
	Interest expense on land compensation 14.7	<b>13,683</b>	14,070
		<b>1,763,748</b>	1,147,928
<b>34.</b>	<b>OTHER INCOME - NET</b>		
	<b>Income from financial assets</b>		
	Profit on deposit accounts	<b>32,212</b>	8,072
	Income on short term investments	<b>934,455</b>	51,565
	Exchange (loss) / gain	<b>(2,113)</b>	4,661
		<b>964,554</b>	64,298
	<b>Income from non-financial assets</b>		
	(Loss) / Gain on disposal / (write off) of property, plant and equipment	<b>(11,432)</b>	55,155
	Rental income	<b>42,876</b>	34,362
	Change in fair value of investment property 20	<b>14,898</b>	2,631
		<b>46,342</b>	92,148
	<b>Others</b>		
	Deferred income - government grant 11	<b>458,412</b>	466,100
	Others 34.1	<b>20,748</b>	40,136
		<b>479,160</b>	506,236
		<b>1,490,056</b>	662,682

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

**34.1** This includes management fee charged to MAP Rice Mills (Pvt.) Limited, a related party, amounting to Rs. Nil (2024: Rs 30 million).

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>35. FINANCE COST</b>			
Mark-up on long term financing		5,501,502	8,809,673
Mark-up on short term borrowings		2,067,223	2,351,590
Bank charges and commissions		56,641	51,129
		<b>7,625,366</b>	<b>11,212,392</b>
<b>36. SHARE OF PROFIT OF EQUITY-ACCOUNTED INVESTEEES - NET OF TAX</b>			
United Bank Limited	21.1.1	10,475,013	4,628,390
Gain reclassified to profit or loss on dilution of interest in UBL		206,043	-
UBL Insurers Limited	21.2.1	64,857	75,011
		<b>10,745,913</b>	<b>4,703,401</b>
<b>37. INCOME TAX EXPENSE</b>			
<b>37.1 Amounts recognised in profit or loss</b>			
Current tax charge / credit			
- for the year		8,875,783	5,371,327
- for prior year		-	(74,729)
		<b>8,875,783</b>	<b>5,296,598</b>
Deferred tax		3,709,994	3,312,131
<b>Tax expense for the year</b>		<b>12,585,777</b>	<b>8,608,729</b>
<b>Reconciliation of tax expense</b>			
Accounting profit before tax		36,450,145	22,377,304
Tax using the Company's domestic tax rate @ 39% (2024:39%)		14,215,557	8,727,149
Tax effects of:			
Share of profit of equity-accounted investees taxed at reduced rates		(1,504,427)	(658,476)
Other income taxable at reduced rate		(132,861)	(83,870)
Increase in deferred tax due to change in regime for export sales		-	610,831
Others		7,508	13,095
		<b>12,585,777</b>	<b>8,608,729</b>
<b>38. EARNINGS PER SHARE - Basic and diluted</b>			
Profit for the year (Rupees in '000)		23,864,368	13,768,575
Weighted average number of ordinary shares in issue		596,252,783	596,252,783
Earnings per share - basic (Rupees)		<b>40.02</b>	<b>23.09</b>
<b>38.1</b> There is no dilution effect on earnings per share of the Company.			
<b>39. CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		1,187,558	1,561,072
Running finance facilities from banking companies - secured	28	(12,234,383)	(9,758,600)
Cash and cash equivalents for the purpose of statement of cash flows	15.1	<b>(11,046,825)</b>	<b>(8,197,528)</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 39.1 Reconciliation of movements of liabilities to cash flows arising from financing activities

	Short term financing	Long term financing	Unclaimed / unpaid dividend	Total
	(Rupees '000)			
<b>Balance at 01 July 2024</b>	<b>3,126,488</b>	<b>49,453,760</b>	<b>475,635</b>	<b>53,055,883</b>
<b>Changes from financing activities</b>				
Proceeds from financing	51,094,000	-	-	51,094,000
Repayment of long term financing	(47,272,000)	(9,093,463)	-	(56,365,463)
Dividend paid	-	-	(16,381,761)	(16,381,761)
<b>Total changes from financing cash flows</b>	<b>3,822,000</b>	<b>(9,093,463)</b>	<b>(16,381,761)</b>	<b>(21,653,224)</b>
<b>Other changes</b>				
Dividend announced	-	-	19,080,088	19,080,088
Finance cost expensed	2,067,223	5,501,502	-	7,568,725
Deferred income - government grant	-	458,412	-	458,412
Finance cost paid	(2,354,737)	(7,489,468)	-	(9,844,205)
<b>Total liability related changes</b>	<b>(287,514)</b>	<b>(1,529,554)</b>	<b>19,080,088</b>	<b>17,263,020</b>
<b>Balance at 30 June 2025</b>	<b>6,660,974</b>	<b>38,830,743</b>	<b>3,173,962</b>	<b>48,665,676</b>
Balance at 01 July 2023	5,215,310	52,790,931	67,497	58,073,738
Proceeds from financing	3,095,000	-	-	3,095,000
Repayment of financing	(5,000,000)	(4,112,543)	-	(9,112,543)
Dividend paid	-	-	(13,901,930)	(13,901,930)
Total changes from financing cash flows	(1,905,000)	(4,112,543)	(13,901,930)	(19,919,473)
Other changes				
Dividend announced	-	-	14,310,068	14,310,068
Finance cost expensed	88,305	8,809,673	-	8,897,978
Deferred income - government grant	-	466,100	-	466,100
Finance cost paid	(272,127)	(8,500,401)	-	(8,772,528)
Total liability related changes	(183,822)	775,372	14,310,068	14,901,618
Balance at 30 June 2024	3,126,488	49,453,760	475,635	53,055,883

### 40. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements in respect of remuneration including benefits and perquisites of the chief executive, directors and executives of the Company are given below:

	2025			2024		
	Chief Executive	Director	Executives	Chief Executive	Directors	Executives
	(-----Rupees '000-----)			(-----Rupees '000-----)		
Managerial remuneration	60,000	52,658	1,328,277	60,000	41,700	948,591
Bonus	-	11,900	281,505	-	8,000	164,348
Provision for gratuity	-	3,347	80,972	-	2,380	52,620
Unavailed leaves	-	1,240	30,801	-	1,671	16,755
Others	-	428	59,498	-	-	11,647
	<b>60,000</b>	<b>69,573</b>	<b>1,781,053</b>	<b>60,000</b>	<b>53,751</b>	<b>1,193,961</b>
<b>Number of persons</b>	<b>1</b>	<b>1</b>	<b>314</b>	<b>1</b>	<b>1</b>	<b>223</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

- 40.1** The Chairman, Chief Executive, Executive Director, and eligible executives are also provided with vehicle facility while medical facility is provided to Executive Director and eligible executives as per their entitled limits.
- 40.2** Executive means an employee whose basic salary exceeds Rs. 1.2 million (2024: Rs. 1.2 million) during the year.
- 40.3** In addition to the above, meeting fees amounting to Rs. 4.9 million (2024: Rs. 3.3 million) were paid to 9 directors (2024: 9) who attended the Board of Directors meetings during the year.

### 41. RELATED PARTIES

#### 41.1 Parent and ultimate controlling party and related party relationships

The Company is a subsidiary of Bestway International Holdings Limited, Guernsey ("the holding company"). Bestway International Holdings Limited, Guernsey is a wholly owned subsidiary of Bestway Group Limited, Guernsey ("the ultimate parent company"). Therefore, all subsidiaries and associates of the ultimate parent company are related parties of the Company. Other related parties comprise of directors, key management personnel and employee retirement fund. Balances with related parties are shown in notes 14, 24.1, 26.2 and 28 and transactions with related parties are disclosed in notes 18.1.2, 21, 32.2, 32.4, 34.1, and 40. Transactions with related parties other than those disclosed elsewhere in these financial statements are as follows:

	2025 (Rupees '000)	2024 (Rupees '000)
<b>Balances with Bestway International Holdings Limited (holding company)</b>		
Unpaid dividend	2,787,579	440,144
Dividend paid	8,419,546	7,635,092
<b>Transactions with associates under common directorship</b>		
Dividend received	4,964,188	4,236,033
Investment during the year	6,550,609	1,245,717
Sale of cement - gross	30,416	37,535
Purchase of packing material	5,616,054	5,961,284
Insurance claims received	21,967	22,038
Insurance premium paid	68,420	71,108
Dividend paid	746,350	559,762
Service/bank charges paid	9,852	22,103
Services received	265,181	356,830
Interest earned	19,955	2,463
Rent paid	45,108	27,940
Maintenance fee paid	-	10,307
Sales of solar equipment	-	233,182
Purchase of solar equipment	390,047	877,852
Payments on behalf of Company by associated undertakings	55,706	-
Purchases on behalf of associated undertakings	88,094	94,667
<b>Transactions and balances with key management personnel</b>		
Remuneration, allowances and benefits	129,573	113,751
Dividend paid	2,422,724	2,454,950
<b>Other related party transactions</b>		
Dividend paid	2,990,166	1,871,603
Payments made to gratuity fund	330,000	-



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

**41.2** Following are the associates and related parties with whom the Company had entered into transactions during the year:

Associated company/undertakings	Basis of relationship	Number of shares held in the Company	Aggregate %age shareholding in the Company
Bestway International Holdings Limited, Guernsey	Holding Company	336,468,168	56.43%
United Bank Limited	Common directorship	1,481	0.0002%
UBL Insurers Limited	Common directorship	-	-
MAP Rice Mills (Private) Limited	Common directorship	-	-
Bestway Packaging Limited	Common directorship	-	-
Bestway Consultancy Services (Private) Limited	Common directorship	-	-
Bestway Renewable Technologies Limited	Common directorship	-	-
MAP Foods (Private) Limited	Common directorship	-	-

Related party	Basis of relationship	Number of shares held in the Company	Aggregate %age shareholding in the Company
Sir Mohammed Anwar Pervez	Chairman	1	0.00%
Mr. Zameer Mohammed Choudrey	Chief Executive	1	0.00%
Mr. Mohammed Younus Sheikh	Director	1	0.00%
Mr Rizwan Pervez	Relative of Chairman	51,307,417	8.60%
Mr. Dawood Pervez	Director	48,356,614	8.11%
Mr. Haider Zameer Choudrey	Director	24,900,858	4.18%
Mr. Umair Zameer Choudrey	Relative of CEO	24,900,858	4.18%
Mr. Mohammed Zaheer Choudrey	Relative of CEO	18,748,216	3.14%
Ms. Rakhshanda Choudrey	Close family member of CEO	185,425	0.03%
Mr. Muhammad Irfan A. Sheikh	Director	161,983	0.03%
Mr. Tariq Rashid	Director	105	0.00%
Mr. Syed Asif Shah	Director	164	0.00%
Ms. Fauzia Ahmad	Director	67	0.00%
Mr. Salih Muhammad Younus Sheikh	Close family member of CEO	5,855,756	0.98%
Ms. Rabbiah Younus Sheikh Khokhar	Close family member of CEO	5,855,756	0.98%
Employees' Gratuity Fund	Employees' Gratuity Fund	-	0.00%
Bestway Foundation	Common directorship	23,323,432	3.91%

**41.3** Following particulars relate to associated companies incorporated outside Pakistan with whom the Company had entered into transactions during the year:

Particulars	Bestway International Holdings Limited, Guernsey
Registered address	Newport House, 15 The Grange, St Peter Port, Guernsey GY1 2QL
Country of incorporation	Guernsey
Basis of association	Holding Company
Aggregate Percentage of shareholding	56.43%

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 42. FINANCIAL INSTRUMENTS - Fair values and risk management

#### 42.1 Accounting classification

The following table shows the carrying amounts of financial assets and financial liabilities by categories:

Note	30 June 2025			30 June 2024		
	Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
	(-----Rupees - '000-----)			(-----Rupees - '000-----)		
<b>Financial assets</b>						
Deposits	124,343	-	124,343	121,493	-	121,493
Trade debts	1,308,246	-	1,308,246	1,970,886	-	1,970,886
Advances	12,472	-	12,472	10,768	-	10,768
Other receivables	38,681	-	38,681	61,900	-	61,900
Cash and bank balances	1,187,558	-	1,187,558	1,561,072	-	1,561,072
	<b>2,671,300</b>	<b>-</b>	<b>2,671,300</b>	<b>3,726,119</b>	<b>-</b>	<b>3,726,119</b>
<b>Financial liabilities</b>						
Current portion of long term financing	-	9,036,875	9,036,875	-	8,770,992	8,770,992
Long term financing	-	29,793,869	29,793,869	-	40,682,768	40,682,768
Trade and other payables	-	18,617,933	18,617,933	-	11,406,535	11,406,535
Unclaimed dividend	-	80,166	80,166	-	35,491	35,491
Unpaid dividend	-	3,093,797	3,093,797	-	440,144	440,144
Short-term borrowings	-	19,234,966	19,234,966	-	12,885,088	12,885,088
	<b>-</b>	<b>79,857,606</b>	<b>79,857,606</b>	<b>-</b>	<b>74,221,018</b>	<b>74,221,018</b>

#### 42.2 Fair values of financial assets and financial liabilities

The fair value information of current financial assets and liabilities are not disclosed as their carrying values reflected in the financial statements reasonably approximate their fair values. The carrying value of non current financial liabilities also approximate their fair values as these are interest bearing based on market interest rates.

#### 42.3 Financial risk management

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

- 1) Credit risk
- 2) Liquidity risk
- 3) Market risk

##### 42.3.1 Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for development and monitoring of the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 42.3.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and balances with banks. The carrying amount of financial assets represents the maximum credit exposure.

#### Bank balances and short term investments

The Company held balances of Rs. 1,187 million (2024: Rs. 1,572 million) as at June 30, 2025. Management assesses the credit quality of the counter parties as satisfactory. Geographic analysis and credit rating information is given below:

Bank / financial institution	Credit rating agency	Long term credit rating	Short term credit rating	2025 (Rupees '000)	2024 (Rupees '000)
Pakistan:					
Allied Bank Limited	PACRA	AAA	A1+	2,407	350,544
Askari Bank Limited	PACRA	AA+	A1+	3	1
Bank Alfalah Limited	PACRA	AAA	A1+	142	-
Dubai Islamic Bank Pakistan Limited	VIS	AA	A1+	616	-
Faysal Bank Limited	PACRA	AA	A-1+	55	49
Habib Bank Limited	VIS	AAA	A-1+	73,158	78,094
MCB Bank Limited	PACRA	AAA	A1+	5,439	16,236
National Bank of Pakistan	PACRA	AAA	A1+	189	95
Soneri Bank Limited	PACRA	AA-	A1+	21	1
United Bank Limited	VIS	AAA	A-1+	1,104,418	1,126,230
Industrial and Commercial Bank of China Limited	Fitch	A	F1+	-	-
Bank Islami Pakistan Limited	PACRA	AA-	A1	476	133
MCB Islamic Bank Limited	PACRA	A+	A1	145	65
Telenor Microfinance Bank	PACRA	A	A1	229	229
Bank of Punjab	PACRA	AA+	A1+	135	50
Bank of Khyber	VIS	A+	A1	72	76

The Company has also invested in long term government debt security of Rs. 113 million (2024: Rs. Nil) as at 30 June 2025.

#### Trade debts

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the credit risk of its customer base. The Company has established a credit policy under which each new customer is assessed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Sales limits are established for each customer and are reviewed on monthly basis. The Company maintains provision for doubtful debts that represents its estimate of probable losses in respect of trade debts.

	2025 (Rupees '000)	2024 (Rupees '000)
At reporting date, the maximum credit exposure in trade debts by geographic region was as follows:		
Domestic	1,308,246	1,970,886
	<u>1,308,246</u>	<u>1,970,886</u>
At reporting date, the maximum credit exposure in trade debts by type of customer was as follows:		
Dealers	1,238,029	1,870,265
End-user customers	70,217	100,621
	<u>1,308,246</u>	<u>1,970,886</u>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

At reporting date, the aging of trade debts and provision for doubtful debts were as follows:

	Gross amount		Provision for doubtful debts	
	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)
1-30 days	1,203,135	1,928,616	-	-
31-60 days	59,400	26,066	-	-
61-90 days	12,052	11,190	-	-
Over 90 days	38,719	10,074	(5,060)	(5,060)
	<u>1,313,306</u>	<u>1,975,946</u>	<u>(5,060)</u>	<u>(5,060)</u>

The management believes that all unimpaired amounts are collectable in full, based on historical payment behavior and extensive analysis of customer credit risk. There is no movement in provision for doubtful trade debts during the year.

### 42.3.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses different methods which assists it in monitoring cash flow requirements and optimizing its cash return on investments. The Company aims to maintain the level of its cash and cash equivalents, financing facilities and other highly liquid assets at an amount in excess of expected cash outflows on financial liabilities. In addition, the Company maintains lines of credit as mentioned in note 15.

#### Exposure to liquidity risk

The following are the contractual maturities of financial liabilities at the reporting date.

	Carrying amount (Rupees '000)	Contractual maturities					
		Total	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
<b>30 June 2025</b>	<b>(Rupees '000)</b>						
<b>Financial liabilities</b>							
Current portion of long term financing	9,036,875	9,036,875	4,518,438	4,518,438	-	-	-
Long term financing	29,793,901	29,793,901	-	-	8,703,277	17,130,778	3,959,845
Trade and other payables	18,617,933	18,617,933	18,617,933	-	-	-	-
Unclaimed dividend	80,166	80,166	80,166	-	-	-	-
Unpaid dividend	3,093,797	3,093,797	-	-	-	-	-
Short-term borrowings	19,234,966	19,234,966	19,234,966	-	-	-	-
	<u>79,857,638</u>	<u>79,857,638</u>	<u>42,451,503</u>	<u>4,518,438</u>	<u>8,703,277</u>	<u>17,130,778</u>	<u>3,959,845</u>
<b>30 June 2024</b>							
<b>Financial liabilities</b>							
Current portion of long term financing	8,770,992	8,770,992	2,356,005	6,414,987	-	-	-
Long term financing	40,682,768	40,682,768	-	-	8,831,837	20,957,484	10,893,447
Trade and other payables	11,406,535	11,406,535	11,406,535	-	-	-	-
Unclaimed dividend	35,491	35,491	35,491	-	-	-	-
Unpaid dividend	440,144	440,144	-	-	-	-	-
Short-term borrowings	12,885,088	12,885,088	12,885,088	-	-	-	-
	<u>74,221,018</u>	<u>74,221,018</u>	<u>26,683,119</u>	<u>6,414,987</u>	<u>8,831,837</u>	<u>20,957,484</u>	<u>10,893,447</u>



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

The loan facilities of the Company contain loan covenants. A future breach of covenants may require the Company to repay the loan earlier than indicated in the table above. The Company monitors the compliance with covenants on regular basis. The current ratio of the Company and debt service coverage ratio of a facility was in breach of agreed financial covenants with the banks as at 30 June 2025. However, waivers from respective banks were obtained.

### 42.3.4 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity 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. The Company is exposed to currency risk and interest rate risk.

#### (a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly due to changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions of receivables and payables that exist due to transactions in foreign currencies.

#### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk is as follows:

	30 June 2025 (Rupees '000)	30 June 2024 (Rupees '000)
<b>USD</b>		
Cash and bank balances	348,223	322,497
Trade and other payables	(116,924)	(463,464)
<b>Net exposure</b>	<b>231,299</b>	<b>(140,967)</b>
<b>GBP</b>		
Trade and other payables	(1,380,845)	(941,102)

The following significant exchange rates have been applied:

	Average rate		Year-end spot rate	
	2025	2024	2025	2024
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
USD	281.75	283.70	283.60	278.80
GBP	383.30	357.42	389.65	351.85

#### Sensitivity analysis

A reasonably possible strengthening / (weakening) of the USD and GBP against Pak Rupee at 30 June would have affected the measurement of financial instruments denominated in foreign currency and affected the profit or loss and equity by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

	Profit or (loss) before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
	(Rupees '000)	(Rupees '000)	(Rupees '000)	(Rupees '000)
<b>30 June 2025</b>				
USD (10% movement)	23,130	(23,130)	13,404	(13,404)
GBP (10% movement)	(138,085)	138,085	(80,030)	80,030
<b>30 June 2024</b>				
USD (10% movement)	(14,097)	14,097	(8,169)	8,169
GBP (10% movement)	(94,124)	94,124	(54,545)	54,545

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### (b) Interest rate risk

The interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from short and long term borrowings and short term deposits with banks.

#### Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	Nominal amount	
	2025 (Rupees '000)	2024 (Rupees '000)
<b>Fixed-rate instruments</b>		
Financial assets	634,578	118,201
<b>Variable-rate instruments</b>		
Financial liabilities	58,065,710	62,338,848

#### Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

#### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates of variable rate instruments at the reporting date would have increased / (decreased) profit or loss and equity by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or (loss) before tax		Equity, net of tax	
	100 bp Increase (Rupees '000)	100 bp Decrease (Rupees '000)	100 bp Increase (Rupees '000)	100 bp Decrease (Rupees '000)
<b>30 June 2025</b>				
Cash flow sensitivity (net)	(580,657)	580,657	(336,491)	336,491
<b>30 June 2024</b>				
Cash flow sensitivity (net)	(623,388)	623,388	(361,254)	361,254

### 43. FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### Valuation techniques used to determine level 2 and level 3 fair values

On 30 June 2025, the Company obtained independent valuations for its freehold land, leasehold land, buildings on freehold land, and plant and machinery (classified as property, plant and equipment), performed by qualified valuers who are members of the Pakistan Institute of Valuation and Pakistan Engineering Council, and possess relevant experience in valuing similar assets. Management assessed the fair value of each asset based on the most recent valuations, determining values within a reasonable range of estimates. The fair value of freehold and leasehold land was classified as Level 2 and determined using the market comparable approach, with sale prices of similar properties adjusted for differences in location and size - price per square foot being the most significant input. The fair value of buildings on freehold land was classified as Level 3 and determined using the depreciated replacement cost approach, which reflects the current cost of constructing a similar building in a similar location, adjusted for obsolescence and wear and tear using a depreciation factor of approximately 3%. Significant inputs include estimated construction costs, ancillary expenditures, and the applied depreciation rate. A slight increase in the depreciation factor would result in a significant decrease in the fair value of buildings, while a slight increase in estimated construction costs would result in a significant increase in fair value, and vice versa. The fair value of plant and machinery was also classified as Level 3 and determined using the depreciated replacement cost approach, based on the current replacement cost of similar assets of comparable make/origin, capacity, and technology, adjusted for normal wear and tear using a suitable depreciation rate. A slight increase in the depreciation factor would result in a significant decrease in the fair value of plant and machinery, while a slight increase in estimated replacement cost would result in a significant increase in fair value, and vice versa.

Fair value hierarchy details of the Company's freehold land, leasehold land, buildings on freehold land and plant and machinery and information about the fair value hierarchy as at the end of the reporting period are as follows:

Description	Level 2	Level 3	Fair value as at 30 June 2025
	------(Rupees '000)-----		
Freehold land	8,526,914	-	8,526,914
Leasehold Land	4,033,325	-	4,033,325
Buildings on freehold land	-	34,001,533	34,001,533
Plant and machinery	-	140,499,930	140,499,930

#### 44. PLANTS' CAPACITIES AND PRODUCTION - Clinker

	Available Capacity		Actual Production	
	2025	2024	2025	2024
	(Metric Tonnes)		(Metric Tonnes)	
Hattar	3,480,000	3,480,000	1,365,461	1,278,621
Chakwal	3,443,956	3,443,956	1,469,764	1,582,355
Farooqia	3,004,994	3,004,994	1,355,682	1,481,287
Kallar Kahar	2,504,801	2,504,801	1,065,778	1,172,588
Mianwali	2,160,000	2,160,000	802,915	583,662
	<b>14,593,751</b>	<b>14,593,751</b>	<b>6,059,600</b>	<b>6,098,513</b>

44.1 The actual production is generally adjusted in view of existing and expected market conditions.

#### 45. NUMBER OF EMPLOYEES

	2025	2024
Number of employees at year end	<b>1,866</b>	1,979
Average number of employees during the year	<b>1,923</b>	2,054

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 46. DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES

Following information has been disclosed as required under amended part I clause VII of Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278(I)/2024 dated August 15, 2024:

Act, 2017 as amended via S.R.O. 1278(I)/2024 dated August 15, 2024:

	Note	2025	2024
		----- (Rupees '000) -----	
<b>Financing as per Islamic Mode</b>			
Long term financing (including current portion)	10	<b>8,607,911</b>	10,431,660
Short-term borrowings	15	<b>11,669,193</b>	8,320,720
<b>Interest accrued on conventional loans</b>			
Finance Cost	35	<b>571,292</b>	1,988,102
<b>Shariah Compliant bank balances</b>			
Bank Balances	28	<b>841</b>	346,412
<b>Shariah compliant revenue</b>			
Gross Turnover	29	<b>168,486,554</b>	145,584,979
<b>Exchange gain earned from actual currency</b>			
Exchange (loss) / gain	34	<b>(2,113)</b>	4,661
<b>Profit paid on Islamic mode of financing</b>			
Long term financing	10	<b>1,191,108</b>	1,892,508
Short-term borrowings	15	<b>1,098,078</b>	450,317
<b>Interest paid on conventional loans</b>			
Long term financing	10	<b>6,298,360</b>	6,607,893
Short-term borrowings	15	<b>1,256,659</b>	2,319,575
<b>Source and detailed breakup of other income</b>			
<i>Non-Shariah Compliant</i>			
Profit on deposit accounts	34	<b>32,212</b>	8,072
Share of profit of equity-accounted investees - net of tax	36	<b>10,745,913</b>	4,703,401
Income on short term investments	34	<b>934,455</b>	51,565
Others	34	<b>474,619</b>	466,100
<i>Shariah compliant</i>			
Income from Non-Financial Assets	34	<b>46,342</b>	92,148
Others	34	<b>4,541</b>	40,136



BESTWAY CEMENT LIMITED

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### Relationship with Shariah-compliant financial institutions

Name	Relationship
MCB Islamic Limited	Funded Facility & Bank Balance
Bank of Punjab	Funded Facility & Bank Balance
Bank of Khyber	Funded Facility & Bank Balance
Faysal Bank Limited	Funded / Non-funded facility & Bank Balance
Meezan Bank Limited	Funded / Non-funded facility
Dubai Islamic Bank Pakistan Limited	Funded / Non-funded facility
Bank Islami Pakistan Limited	Funded / Non-funded facility & Bank Balance

#### 47. DIVIDEND

The Board of Directors in their meeting held on 14 July 2025 has proposed a final dividend of Rs. 10 per share.

#### 48. DATE OF AUTHORISATION

These financial statements were authorised for issue on 14 July 2025 by the Board of Directors.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

## BESTWAY CEMENT LIMITED

# KEY OPERATIONAL AND FINANCIAL DATA

## FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024	2023	2022	2021	2020
<b>OPERATING RESULTS</b>	<b>(-----Rupees in Million-----)</b>					
Net turnover	<b>107,759</b>	103,922	87,742	72,371	56,864	37,129
Cost of sales	<b>70,480</b>	71,695	60,426	49,377	40,261	36,012
Gross profit	<b>37,278</b>	32,227	27,316	22,993	16,603	1,117
Operating profit / (loss)	<b>31,840</b>	28,224	24,325	19,144	14,691	(26)
Finance cost	<b>7,625</b>	11,212	6,828	1,480	1,071	2,152
Profit / (loss) before tax	<b>36,450</b>	22,377	22,598	19,347	15,538	(506)
Profit for the year	<b>23,864</b>	13,769	11,892	10,239	11,578	49
<b>STATEMENT OF FINANCIAL POSITION</b>	<b>(-----Rupees in Million-----)</b>					
Share capital and reserves	<b>128,234</b>	63,060	61,846	60,758	60,123	54,653
Property, plant and equipment	<b>190,365</b>	113,482	115,529	85,670	55,007	55,789
Long term financing	<b>29,794</b>	40,683	46,338	21,982	11,872	11,542
Net current (liabilities) / assets	<b>(26,651)</b>	(11,469)	(8,698)	(9,811)	6,366	(1,441)
<b>SIGNIFICANT FINANCIAL INDICATORS</b>						
Gross profit (%)	<b>34.59</b>	31.01	31.13	31.77	29.20	3.01
Net profit (%)	<b>22.15</b>	13.25	13.55	14.15	20.36	0.13
Interest coverage ratio	<b>5.78</b>	3.00	4.31	14.07	15.51	0.76
Return on equity (%)	<b>18.61</b>	21.82	19.23	16.85	19.26	0.09
Earnings per share (Rupees)	<b>40.02</b>	23.09	19.94	17.17	19.42	0.08
Dividend (%)	<b>320</b>	240	190	160	100	60
	<b>In thousand metric tonnes</b>					
<b>"Despatches of cement and Xtreme bond"</b>	<b>6,845</b>	6,962	6,573	7,839	8,664	7,311

BESTWAY CEMENT LIMITED

# PATTERN OF SHAREHOLDING

FOR THE YEAR ENDED 30 JUNE 2025

NUMBER OF SHAREHOLDERS	SHAREHOLDING		NUMBER OF SHARES HELD
	FROM	TO	
6578	1	100	195281
1845	101	500	492908
566	501	1000	447758
644	1001	5000	1589610
132	5001	10000	1009039
40	10001	15000	506508
27	15001	20000	481431
24	20001	25000	552999
9	25001	30000	250989
9	30001	35000	291553
7	35001	40000	264033
10	40001	45000	429310
9	45001	50000	438940
3	50001	55000	156605
2	55001	60000	112147
3	60001	65000	184508
5	65001	70000	336200
2	70001	75000	143589
6	75001	80000	465776
1	80001	85000	83484
1	90001	95000	95000
3	95001	100000	294400
1	100001	105000	101000
1	105001	110000	105800
2	115001	120000	235633
1	125001	130000	129904
2	135001	140000	277000
3	150001	155000	463491
2	155001	160000	316541
1	160001	165000	161983
1	170001	175000	171960
1	175001	180000	178500
1	185001	190000	185425
1	210001	215000	212900
4	215001	220000	878460
1	220001	225000	222000
2	230001	235000	465258
1	235001	240000	237000
4	240001	245000	969449
1	255001	260000	257000
2	275001	280000	556358
1	280001	285000	284500
1	285001	290000	289159
1	395001	400000	400000
1	505001	510000	507310
1	605001	610000	607794
1	620001	625000	623664
5	675001	680000	3394400
1	800001	805000	803037
1	895001	900000	899815
1	1060001	1065000	1064812
1	1105001	1110000	1107050
1	1355001	1360000	1357760
1	1570001	1575000	1573445

# PATTERN OF SHAREHOLDING

## FOR THE YEAR ENDED 30 JUNE 2025

NUMBER OF SHAREHOLDERS	SHAREHOLDING FROM	TO	NUMBER OF SHARES HELD
1	1805001	1810000	1808309
1	2200001	2205000	2202894
1	2420001	2425000	2425000
1	2695001	2700000	2698994
1	2965001	2970000	2967236
1	3050001	3055000	3050833
1	3125001	3130000	3128081
1	4045001	4050000	4047447
1	4320001	4325000	4323753
1	5855001	5860000	5855756
2	6005001	6010000	12014147
1	6150001	6155000	6152642
1	6165001	6170000	6169971
1	6205001	6210000	6205541
1	7875001	7880000	7878441
1	17150001	17155000	17153461
1	18695001	18700000	18695317
2	18745001	18750000	37496432
1	42345001	42350000	42349541
1	45300001	45305000	45300343
1	336465001	336470000	336468168
9,998			596,252,783

CATEGORIES OF SHAREHOLDERS	SHARES HELD	%
<b>Directors, Chief Executive, their Spouse and Minor Children</b>	73,605,084	12.34
<b>Associated Companies Undertakings &amp; Related Parties</b>	359,791,600	60.34
<b>NIT/ICP</b>	564	0.00
<b>Banks, Development Finance Institutions and Non Banking Financial Institution</b>	2,438,670	0.41
<b>Insurance Companies</b>	2,982,023	0.50
<b>Modarabas and Mutual Funds</b>	1,732,318	0.29
<b>Shareholders holding 10% *</b>	-	0.00
<b>General Public</b>		
<b>a. Local</b>	154,556,503	25.92
<b>b. Foreign</b>	-	0.00
<b>Others</b>		0.00
i. Joint Stock Companies	1,138,821	0.19
ii. Foreign Companies	7,200	
<b>TOTAL</b>	<b>596,252,783</b>	<b>100.00</b>

\* Bestway International Holdings Limited is holding 56.43% shares of the Company.





## WWF GREEN OFFICE CERTIFICATION

WWF's Green Office is an environmental service for offices. With its help, workplaces are able to reduce their burden on the environment, achieve savings and slow down climate change. Green Office is a practical environmental program that is easy to implement. Its aim is to reduce carbon dioxide emissions and offices' ecological footprint.

Bestway Cement Limited enrolled itself in the program during the year 2016 aiming to reduce its carbon footprint by keeping track of its water, paper and electricity consumption along with food wastage. These four KPIs were thoroughly audited by WWF Team in the previous year ensuring fulfillment of criteria of Green Office program.

WWF validated and awarded Green office certificate to Bestway Cement yet again for the year 2019-2024. Bestway Cement Limited is the second cement company in Pakistan to have the status of a Green Office.

Bestway holds a key position in sustainable solutions for conservation of environment while motivating office staff to act in an ecologically friendly way with regards to everyday tasks, improving conservational awareness and brining cost savings.

موجودہ آڈیٹرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس میٹنگ کے اختتام پر ریٹائر ہو جاتے ہیں اور اہل ہوتے ہیں، نے خود کو دوبارہ تقرری کے لیے پیش کیا ہے۔ کمپنی کی آڈٹ کمیٹی نے اس معاملے پر غور کرنے کے بعد ریٹائر ہونے والے آڈیٹرز کو دوبارہ تقرری کی سفارش کی۔

### اعترافات

ڈائریکٹرز کمپنی میں اس کے شیئر ہولڈرز، عملے کے اراکین، صارفین، سپلائرز، ہمارے بینکرز خصوصاً الائیڈ بینک لمیٹڈ، حبیب بینک لمیٹڈ، میزان بینک لمیٹڈ، ایم سی بی بینک لمیٹڈ، یونائیٹڈ بینک لمیٹڈ، عسکری بینک لمیٹڈ، سونی ری بینک لمیٹڈ، بینک الفلاح لمیٹڈ، بینک اسلامی پاکستان لمیٹڈ، فیصل بینک لمیٹڈ، دہی اسلامک بینک پاکستان لمیٹڈ، ایم سی بی اسلامک، حبیب میٹروپولیٹن، نیشنل بینک آف پاکستان، بینک آف خیبر، بینک آف خیبر اسلامک، بینک آف پنجاب اور مختلف سرکاری ادارے کی جانب سے پورا سال کمپنی کے ساتھ مسلسل تعاون، شراکت اور اعتماد کے مظاہرے کے لئے تعریف و تشکر کے خواہاں ہیں۔

برائے و منجانب بورڈ



محمد عرفان اے شیخ  
منیجنگ ڈائریکٹر



لارڈ ضمیر محمد چوہدری

چیف ایگزیکٹو

لندن

14 جولائی 2025ء

## بورڈ کی تشکیل

بورڈ مندرجہ ذیل 9 ڈائریکٹرز پر مشتمل ہے:

- مرد 8
- خواتین 1

بورڈ کی تشکیل حسب ذیل ہے:

### • آزاد ڈائریکٹرز

- i - محترمہ فوزیہ احمد
- ii - سید آصف شاہ
- iii - جناب طارق رشید

### • دیگر غیر عملی ڈائریکٹرز

- i - سر محمد انور پرویز (چیئر مین)
- ii - جناب محمد یونس شیخ
- iii - مسٹر داؤد پرویز
- iv - جناب حیدر ضمیر چوہدری

### • عملی ڈائریکٹرز

- i - لارڈ ضمیر محمد چوہدری
- ii - جناب محمد عرفان اے شیخ

## بورڈ کی کمیٹیاں

### • آڈٹ کمیٹی

- i - جناب طارق رشید (چیئر مین)
- ii - سید آصف شاہ
- iii - جناب حیدر ضمیر چوہدری

### • HR اور معاوضہ کمیٹی

- i - محترمہ فوزیہ احمد (چیئر پرسن)
- ii - لارڈ ضمیر چوہدری
- iii - جناب محمد عرفان انور شیخ

### • نامزدگی کمیٹی

- i - لارڈ ضمیر چوہدری (چیئر مین)
- ii - جناب محمد عرفان انور شیخ
- iii - جناب حیدر ضمیر چوہدری

### • رسک مینجمنٹ کمیٹی

- i - لارڈ ضمیر چوہدری (چیئر مین)
- ii - جناب محمد عرفان انور شیخ
- iii - جناب حیدر ضمیر چوہدری

## مقامی کمیونٹی کے لیے ملازمت کے مواقع

آپ کی کمپنی نے اپنی فیکٹری کے احاطے میں اور اس کے ارد گرد ہنرمند اور غیر ہنرمند مقامی افراد کے لیے سینکڑوں ملازمتیں متعارف کرائی ہیں۔ آپ اسٹریم اور ڈاون اسٹریم سرگرمیوں میں روزگار کے مواقع پیدا ہوئے ہیں۔ روزگار پیدا کرنے سے نہ صرف مقامی آبادی کی قوت خرید میں بہتری آتی ہے بلکہ انہیں اپنے معیار زندگی کو بہتر بنانے کا ایک مناسب موقع بھی ملتا ہے۔

## ہولڈنگ کمپنی

کمپنی بیسٹ وے انٹرنیشنل ہولڈنگز لمیٹڈ (BIHL) کا ذیلی ادارہ ہے، جو بیسٹ وے گروپ لمیٹڈ (BGL) کا مکمل ملکیتی ماتحت ادارہ ہے۔ BIHL اور BGL دونوں گرنسی میں شامل ہیں۔ لہذا، BGL کے تمام ذیلی ادارے اور متعلقہ ادارے کمپنی کے متعلقہ فریق ہیں۔

## مستقبل کا جائزہ

چونکہ ملک کی معیشت استحکام کے آثار دکھا رہی ہے، مالی سال 2025-26 میں سیمنٹ کی صنعت کا نقطہ نظر محتاط طور پر پر امید ہے۔ شرح سود میں کمی، افراط زر میں کمی، اور سرمایہ کاروں کے جذبات میں بہتری سے اقتصادی سرگرمیوں میں متوقع بحالی سے تعمیراتی شعبے اور بنیادی ڈھانچے کی ترقی کو بتدریج بحال ہونے کی امید ہے۔ مالیاتی پالیسی کے ساتھ اب حکومت کی زیر قیادت ہاؤسنگ اور پبلک سیکٹر پراجیکٹس کے ذریعے ممکنہ طور پر زیادہ مناسب اور مالیاتی جگہ پھیل رہی ہے، گھریلو سیمنٹ کی طلب میں بہتری کا امکان ہے۔

غیر معقول حد تک زیادہ ٹیکس، ڈیوٹی، رائلٹی، ایندھن اور بجلی کی لاگتیں صنعت پر اثر انداز رہیں گی کیونکہ سیمنٹ مینوفیکچررز کو لاگت میں کسی بھی اضافہ کو منتقل کرنا مشکل ہو رہا ہے، جو آگے بڑھ کر منافع کے مارجن کو متاثر کر سکتا ہے۔

افغانستان کے ساتھ سرحدی مسائل نے شمال سے سیمنٹ کی برآمدات کو بڑے پیمانے پر متاثر کیا ہے اور یہ صورتحال اس وقت تک برقرار رہنے کا امکان ہے جب تک کہ طویل مدتی حل پر اتفاق نہیں ہو جاتا۔

مندرجہ بالا چیلنجوں کے باوجود، آپ کی کمپنی نے مالی اور آپریشنل لچک کو برقرار رکھا ہے۔ بیسٹ وے ملک میں سب سے کم لاگت والے پروڈیوسرز میں سے ایک ہے، جس کا مطلب ہے کہ یہ اپنے زیادہ تر حریفوں کے مقابلے میں کسی بھی پریشانی کا سامنا کرنے کے لیے بہتر ہے۔ آپ کی انتظامیہ ان چیلنجوں سے ہمیشہ بخوبی واقف رہتی ہے جو آپ کے سامنے آسکتے ہیں اور آپ کی کمپنی کی بہترین کارکردگی اور اس کے شیئر ہولڈرز کے لیے اعلیٰ منافع کو یقینی بنانے کے لیے فعال طور پر موافقت جاری رکھے گی۔

## شیئر ہولڈنگ کا نمونہ

30 جون 2025 تک کمپنی میں شیئر ہولڈنگ کے پیٹرن کا بیان بعد کے صفحات میں ہے۔

## توانائی کے متبادل اقدامات

سینٹ مینوفیکچرنگ ایک توانائی سے بھرپور عمل ہے۔ بجلی پیداوار کی سب سے بڑی لاگت میں سے ایک کی نمائندگی کرتی ہے۔ ملک میں بجلی کے مسلسل بحران اور سبز اور قابل تجدید توانائی کی طرف منتقل ہونے کی خواہش نے روایتی جیوشم ایندھن سے متبادل توانائی کے حل کی طرف تبدیلی کی ضرورت پیش کی۔ آپ کی کمپنی اپنی توانائی کی ضروریات کا ایک اہم حصہ سبز اور قابل تجدید ذرائع سے پورا کرتی ہے جس سے وہ پاکستان کے صنعتی شعبے میں سبز اور قابل تجدید توانائی کو اپنانے میں سرفہرست ہے۔

## کارپوریٹ سماجی ذمہ داری

بیسٹ وے طویل مدت کے لیے اپنے آپریشنز میں سرمایہ کاری کرتا ہے اور اس بات کی تعریف کرتا ہے کہ اس کی مقامی کمیونٹیز کے لیے خصوصی ذمہ داری ہے۔ کمپنی صحت کی خدمات تک رسائی، تعلیم، پیشہ ورانہ تربیت، ماحولیاتی تحفظ کے پروگراموں، اور روزگار اور مقامی روزگار پیدا کرنے میں مدد کرنے جیسی سرگرمیوں کے ذریعے اپنی فعال ترقی اور پسماندہ افراد کی فلاح و بہبود پر فخر محسوس کرتی ہے۔ آپ کی کمپنی اپنی کارپوریٹ سماجی ذمہ داری کی سرگرمیاں بنیادی طور پر اپنے خیراتی ٹرسٹ، بیسٹ وے فاؤنڈیشن کے ذریعے کرتی ہے۔

زیر جائزہ سال کے دوران، آپ کی کمپنی نے مختلف CSR اقدامات پر 410 ملین روپے سے زیادہ خرچ کیے۔ یہ اخراجات CSR اخراجات کے لحاظ سے بیسٹ وے کو ملک کے سب سے بڑے کارپوریٹس میں سے ایک بناتے ہیں۔

## تعلیم

پسماندہ افراد کو معیاری تعلیم فراہم کرنے کے ہمارے عزم کے مطابق، بیسٹ وے ان کمیونٹیز کی ضروریات کو پورا کرنے والے اسکولوں کو چلانے میں سرگرم عمل ہے۔ بیسٹ وے اس وقت اپنے پلانٹس کے قریب پانچ اسکول اور گوجر خان میں لڑکیوں کے لیے ایک کالج چلا رہا ہے۔ رپورٹنگ کی تاریخ تک، یہاں 1,899 طلباء (بشمول 955 لڑکیاں) ہیں، جنہیں تجربہ کار اساتذہ کے ذریعہ اس کے مقامات پر ٹوکن فیس پر اعلیٰ تعلیم فراہم کی جا رہی ہے۔

## قومی اور بین الاقوامی وظائف

ایک مضبوط اور متحرک معاشرے کی تعمیر کے لیے اعلیٰ تعلیم ضروری ہے، جب کہ بہت سے باصلاحیت اور مستحق نوجوان کافی مالی وسائل کی کمی کی وجہ سے اپنی تعلیم جاری رکھنے سے قاصر ہیں۔ مستحق طلباء کی مدد کرنے کے اپنے عزم کو مد نظر رکھتے ہوئے، آپ کی کمپنی نے اپنی فلاحی تنظیم بیسٹ وے فاؤنڈیشن کے ذریعے یونیورسٹی کے انڈرگریجویٹ پروگراموں میں داخلہ لینے والے مالی طور پر معذور طلباء کے فائدے کے لیے دو معروف یونیورسٹیوں کے ساتھ 105 ملین روپے کے اسکالرشپ انڈومنٹ فنڈز قائم کیے ہیں۔ یہ وظائف 38 طالب علموں کو دیے جاتے ہیں، جو بنیادی طور پر ہر سال ان کی فیس کے اخراجات کو پورا کرتے ہیں۔

مندرجہ بالا کے علاوہ، متعدد دیگر قومی اور بین الاقوامی اسکالرشپس، بشمول آکسفورڈ یونیورسٹی، یونیورسٹی آف بریڈ فورڈ اور یو کے کی کینٹ میں 16 مکمل فنڈڈ اسکالرشپس، بیسٹ وے کی طرف سے مالی طور پر مجبور باصلاحیت طلباء کی ایک بڑی تعداد کو فراہم کی جاتی ہے۔

## صحت

بنیادی صحت کے شعبوں میں، بیسٹ وے کی فیکٹری کے احاطے میں واقع پانچوں طبی مراکز کے ذریعے مقامی کمیونٹی کے ہزاروں مریضوں کو مفت طبی سہولیات فراہم کی جاتی ہیں۔ زیر جائزہ سال کے دوران ان طبی مراکز سے تقریباً 60,478 مریضوں نے فائدہ اٹھایا۔

## مالی معاونت

بیسٹ وے اپنی مقامی کمیونٹیز میں تقریباً 473 بیواؤں اور مسکینوں کو ماہانہ وظیفے کی شکل میں باقاعدہ مالی امداد بھی فراہم کرتا ہے۔



بیسٹ وے باقاعدگی سے ٹرینی انجینئرز، مینجمنٹ ٹرینیز، اپرنٹس اور انٹرنیز کو ملازمت دیتا ہے جو اپنے متعلقہ شعبوں میں گہری تربیت حاصل کرتے ہیں۔ ان میں سے کچھ ٹرینی اور اپرنٹسز کمپنی میں برقرار ہیں جبکہ دیگر دیگر صنعتوں میں چلے جاتے ہیں جہاں وہ بیسٹ وے سیمنٹ میں انہیں فراہم کردہ تربیت کے ذریعے کامیابی سے اپنے کیریئر کی ترقی اور ملک کی ترقی میں اپنا حصہ ڈالنے کے لیے فراہم کی گئی بنیادوں پر کام کرتے ہیں۔ اس وقت کمپنی کے مختلف مقامات پر تقریباً 100 ٹرینی انجینئرز، 34 مینجمنٹ ٹرینیز، 117 اپرنٹس اور 24 انٹرنیز زیر تربیت ہیں۔

#### صحت اور تحفظ

آپ کی کمپنی اپنے آپ کو ایک ذمہ دار کارپوریٹ شہری کے طور پر شہرت دیتی ہے اور ہمارے کاروبار کے موثر طرز عمل کے سلسلے میں نہ صرف اپنے ملازمین بلکہ ذیلی کنٹریکٹڈ اہلکاروں کے لیے صحت اور حفاظت کو سب سے زیادہ ترجیح دیتی ہے۔ اس لیے آپ کی کمپنی کام کی جگہ پر انسانی اور املاک کو پہنچنے والے نقصان کو روکنے کے لیے پرعزم ہے اور اپنے ماحول، صحت اور حفاظت کے انتظام اور کارکردگی میں مسلسل بہتری کے لیے کوشاں ہے۔

کام کے محفوظ نظام کے بارے میں تربیت جیسے اقدامات جیسے صحت اور حفاظت کے مختلف پہلوؤں پر تربیت، حفاظتی میٹنگز، حفاظتی رپورٹنگ، کام کے نظام کی اجازت کے ساتھ خطرے کی تشخیص، خطرات کی شناخت اور کنٹرول، واقعے کی رپورٹنگ، حفاظتی آڈٹ، حفاظتی چیمپین، رویے بین الاقوامی حفاظتی معیارات کو سمجھنے کے لیے آئی ایس او: 45001 پر مبنی حفاظت، اچھی ہاؤس کیپنگ اور حفظان صحت کے کنٹرولز کو فعال اور مستقل طور پر تمام اہلکاروں میں محفوظ رویے کو فروغ دینے کے لیے جاری رکھا گیا ہے۔

#### ماحولیات

بیسٹ وے سیمنٹ خود کو ایک ذمہ دار کارپوریٹ شہری کے طور پر پہچانتا ہے اور نہ صرف اپنے ملازمین کے لیے بلکہ ہماری کمیونیز کے لیے بھی جہاں کمپنی نے اپنے پانچ پلانٹس قائم کیے ہیں، کے تحفظ اور صحت مند ماحول کی تشکیل کو سب سے زیادہ ترجیح دیتا ہے۔ بیسٹ وے جس سماجی ماحول میں کام کرتا ہے اس کی فلاح و بہبود کو کمپنی کی کامیابی کا ایک لازمی حصہ سمجھا جاتا ہے۔ ہمارے پلانٹس ISO 14001:2004 ماحولیاتی مینجمنٹ سسٹم (EMS) سے تصدیق شدہ ہیں۔

کمپنی اس بات کو یقینی بناتی ہے کہ اس کے پلانٹس ہر وقت ماحولیاتی معیار کے قائم کردہ معیارات کی تعمیل کرتے رہیں۔ ہمارے پلانٹس نہ صرف کے تجویز کردہ ماحولیاتی معیار کے سخت معیارات پر پورا اترتے ہیں بلکہ بین الاقوامی مالیاتی کارپوریشن (EPA) پاکستان کی متعلقہ ماحولیاتی تحفظ ایجنسی (IFC) کے زیادہ سخت بین الاقوامی اخراج کے معیارات کی رضاکارانہ پابندی بھی کرتے ہیں۔

بیسٹ وے ماحولیاتی بہتری کے مختلف پروگراموں میں باقاعدگی سے حصہ لیتا ہے جن میں درخت لگانے کی مہم اور کان کی بحالی کے اقدامات شامل ہیں۔ کانوں کے استعمال شدہ حصوں کو بدترتج بحال کرنے کے لیے جامع کان کی بحالی کا منصوبہ کمپنی بھر میں نافذ کیا جا رہا ہے۔

بیسٹ وے سیمنٹ WWF پاکستان کی بھرپور حمایت کرتا ہے۔ ماحول کے تحفظ کے لیے کام کرتے ہوئے کاربن فٹ پرنٹ کو کم کرنے کی کوششوں کے لیے آپ کی کمپنی کی تعریف اور تائید کی گئی ہے۔ یہ پاکستان کی ان چند کمپنیوں میں سے ایک ہے جسے WWF پاکستان نے گرین آفس کے طور پر سرٹیفائیڈ کیا ہے۔

#### پانی کا تحفظ

آپ کی کمپنی ایئر کولڈ کنڈینسر سسٹمز کی تنصیب کے بعد پانی کے تحفظ میں سرفہرست ہے، جو سیمنٹ کی صنعت میں روایتی واٹر کولڈ سسٹم کے بجائے پہلی اور واحد کمپنی ہے جس نے صنعتی پانی کی تقریباً 80 فیصد ضروریات کو کم کرنے کا موقع فراہم کیا ہے۔

بارش کے پانی کی ذخیرہ اندوزی پر توجہ مرکوز کرنے کا ایک اہم شعبہ رہا ہے اور آپ کی کمپنی نے بارش کے پانی کے ذخیرہ کرنے کے موجودہ تالابوں کو نہ صرف نمایاں طور پر بہتر بنانے بلکہ نئے قائم کرنے میں بھی بڑی پیش رفت کی ہے۔ آپ کو یہ جان کر خوشی ہوگی کہ ہمارے چکوال اور کلرہار پلانٹس میں صنعتی پانی کی 100% ضرورت بارش کے پانی کی ذخیرہ اندوزی کے ذریعے پوری کی جا رہی ہے۔

کمپنی کی فی شیئر آمدنی سال کے لیے 40.02 روپے رہی، جو کہ گزشتہ سال 23.09 روپے تھی۔ کمپنی کی کل ایکویٹی 128.2 ارب روپے رہی، جو کہ 30 جون 2024 کو 63.1 ارب روپے تھی۔ آپ کی کمپنی نے تمام اقسام کے قرضوں پر اپنی ادائیگی کی ذمہ داریاں بروقت پوری کیں۔

30 جون 2025 کو نیٹ کرنٹ لائیسیلیٹرز 26.7 ارب روپے (2024: 11.5 ارب روپے) تھیں۔ اس کی بنیادی وجہ طویل مدتی قرضوں کے موجودہ حصے کو موجودہ ذمہ داریوں میں شامل کرنا ہے اور کمپنی نے سود کی شرحوں میں کمی سے فائدہ اٹھانے کے لیے طویل مدتی قرضوں کے بجائے قلیل مدتی قرضوں کو ترجیح دی۔

### قومی خزانے میں شراکت

بیسٹ وے سیمنٹ ملک کے سب سے بڑے ٹیکس دہندگان میں سے ایک ہے۔ زیر جائزہ سال کے دوران، آپ کی کمپنی کی قومی خزانے میں شراکت 71 ارب روپے سے زائد رہی جو انکم ٹیکس، سیلز ٹیکس، ایکسائز ڈیوٹی اور رائلٹی کی مد میں ادا کی گئی۔ اس کے علاوہ، آپ کی کمپنی وفاقی، صوبائی اور مقامی حکومتوں کو مختلف بالواسطہ ڈیوٹیوں اور ٹیکسز کی مد میں بھی بھاری رقم ادا کرتی ہے۔

### پلانٹس کی کارکردگی

زیر جائزہ سال کے دوران، ہماری تمام سیمنٹ فیکٹریاں اور ویسٹ ہیٹ ریکوری پلانٹس تسلی بخش طریقے سے کام کرتے رہے۔

### شیئر ہولڈرز کو منافع کی ادائیگی

آپ کی کمپنی شیئر ہولڈرز کو بہترین منافع کی فراہمی کے عزم پر کاربند ہے۔ کمپنی کی رپورٹ کردہ کارکردگی کو مد نظر رکھتے ہوئے، ڈائریکٹرز کو سال کے لیے 10 روپے فی شیئر کی حتمی نقد ڈیویڈنڈ کا اعلان کرتے ہوئے خوشی محسوس ہو رہی ہے، جس سے سال کا کل ڈیویڈنڈ 340 فیصد بنتا ہے۔

### معیار کی یقین دہانی اور مارکیٹنگ

بیسٹ وے اپنی مسلسل اعلیٰ معیار، وسیع مصنوعات کی رینج، موثر مارکیٹنگ حکمت عملی، کسٹمر کیئر، اور سیلز و مارکیٹنگ ٹیموں کی انتھک محنت کی وجہ سے مارکیٹ لیڈر کا مقام برقرار رکھے ہوئے ہے۔ آپ کی کمپنی پاکستان میں سیمنٹ بنانے والی سب سے بڑی کمپنی ہے اور پیشہ ورانہ ہیلتھ سیفٹی ISO 17025، انوائرمنٹ مینجمنٹ سسٹم ISO 14001، کوالٹی مینجمنٹ سسٹمز ISO 9001، سرٹیفیکیشنز کے علاوہ ISO اور سیکیورٹی کے موجودہ گرین ہاؤس گیس کے اخراج کو حاصل کرنے والے ISO 14064-1:2018 آسٹریا سے TUV، ٹیسٹنگ اور کیلیبریشن لیبارٹریز؛ حال ہی میں پاکستان میں پہلے ہونے کے لیے اہل ہیں۔

بیسٹ وے اپنی اعلیٰ معیار کی مصنوعات کے لیے معروف ہے۔ اس کی مصنوعات ملک میں اور بین الاقوامی منڈیوں میں پریمیم برانڈز کے طور پر جانی جاتی ہیں۔

### تربیت اور ترقی

آپ کی کمپنی اپنے ملازمین کی تربیت، ترقی اور تعلیم کو انتہائی اہمیت دیتی ہے۔ جدید ترین طریقہ کار سے واقفیت کے لیے مختلف شعبہ جات میں تکنیکی اور عمومی انتظامی تربیتی کورسز کا انعقاد کیا جاتا ہے۔ ملازمین کو دیگر اداروں کے زیر اہتمام کورسز، ورکشاپس اور سیمینارز میں بھی بھیجا جاتا ہے۔ کمپنی ملازمین کو پیشہ ورانہ ترقی اور کیریئر کی بہتری میں سرگرمی سے حوصلہ افزائی اور معاونت کرتی ہے۔

مہارتوں کی نشوونما اور افرادی قوت کو تیار کرنے کے اپنے عزم کے ایک حصے کے طور پر، آپ کی کمپنی باقاعدگی سے نئے قابل انجینئرز، گریجویٹس، پیشہ ور افراد اور یہاں تک کہ غیر ہنرمند انسانی وسائل کو بھی ملازمت دیتی ہے۔ منصوبہ بند تربیتی پروگرام احتیاط سے منعقد کیے جاتے ہیں تاکہ یہ یقینی بنایا جاسکے کہ یہ اہلکار ہنرمند اور پیداواری وسیلہ بننے کے لیے ضروری علم، تجربہ اور اعتماد سے لیس ہیں۔

## ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز 30 جون 2025ء کو ختم شدہ سال کیلئے پڑتال شدہ مالیاتی گوشواروں اور آڈیٹرز رپورٹ کے ہمراہ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

### معیشت کا جائزہ

پاکستان کی معیشت نے سال 30 جون 2025 کو ختم ہونے والے عرصے میں کچھ بحالی دکھائی، جی ڈی پی میں 2.7 فیصد اضافہ ہوا، جو افراط زر میں کمی، ترسیلات زر کی ریکارڈ آمد اور مانیٹری پالیسی ریٹ میں 11 فیصد تک کمی کی بدولت ممکن ہوا۔ اس معاشی بہتری کے باوجود، سیمنٹ کی صنعت کو طلب میں کمی اور ٹیکس و ڈیوٹیز میں اضافے کی وجہ سے دباؤ کا سامنا رہا، جس کے باعث مقامی ترسیلات میں کمی اور پیداواری صلاحیت کا کم استعمال دیکھنے میں آیا۔ مستقبل میں معیشت کے بتدریج بڑھنے کی توقع کے ساتھ، اگلے مالی سال میں مقامی سیمنٹ کی طلب میں بتدریج بحالی متوقع ہے۔

### صنعتی جائزہ

مقامی سیمنٹ کی ترسیلات میں 3 فیصد کمی ہوئی جو کہ گزشتہ سال 38.1 ملین ٹن سے کم ہو کر 37.0 ملین ٹن ہو گئیں۔ برآمدات میں 30 فیصد اضافہ ہوا اور وہ 7.1 ملین ٹن سے بڑھ کر 9.2 ملین ٹن ہو گئیں۔ مجموعی طور پر صنعت کی ترسیلات میں 2 فیصد کا معمولی اضافہ ہوا جو کہ گزشتہ سال 45.3 ملین ٹن سے بڑھ کر 46.2 ملین ٹن تک پہنچ گئیں۔ مقامی فروخت میں کمی کی بنیادی وجوہات میں پی ایس ڈی پی پر کم خرچ، نئے انفراسٹرکچر منصوبوں کی عدم موجودگی، اور سیمنٹ انڈسٹری پر فیڈرل ایکسائز ڈیوٹی، رائلٹی اور دیگر ٹیکسز میں نمایاں اضافہ شامل ہے۔ برآمدات میں اضافہ عالمی مارکیٹ میں سازگار قیمتوں اور روپے کی قدر میں کمی کے باعث ممکن ہوا۔

### پیداوار اور فروخت کا جائزہ

فیصد	اضافہ	30 جون 2024ء کو ختم شدہ سال	30 جون 2025ء کو ختم شدہ سال	
%	ٹن	ٹن	ٹن	
(1%)	(38,913)	6,098,513	6,059,600	کلنر کی پیداوار
0%	(16,819)	6,868,432	6,851,613	سیمنٹ کی پیداوار
(2%)	(116,687)	6,961,540	6,844,853	سیمنٹ اور ایکسٹریم بونڈ کی فروخت

آپ کی کمپنی کی مقامی سیمنٹ کی ترسیلات میں 2 فیصد کمی ہوئی، جو کہ صنعت میں 3 فیصد کمی سے بہتر ہے۔

سخت مقابلے کے باوجود، بیسٹ وے نے ملک کی سب سے بڑی سیمنٹ بنانے والی اور مارکیٹ لیڈر کمپنی ہونے کی حیثیت برقرار رکھی۔

### معاشی جھلکیاں

سال 30 جون 2025 کو ختم ہونے والے عرصے میں کمپنی کی مجموعی آمدنی 168.5 ارب روپے رہی، جو کہ گزشتہ سال 145.6 ارب روپے سے 16 فیصد زیادہ ہے۔ سال کی خالص آمدنی 4 فیصد بڑھ کر 103.9 ارب روپے سے 107.7 ارب روپے ہو گئی۔ زیادہ آمدنی بنیادی طور پر سیلز قیمتوں میں اضافے کی وجہ سے ہوئی، جو ڈیوٹیز، ٹیکسز اور تقسیم کے اخراجات میں غیر معمولی اضافے کی وجہ سے ضروری ہو گیا تھا۔

سال کا مجموعی منافع 37.3 ارب روپے رہا جو کہ گزشتہ سال 32.2 ارب روپے تھا۔

مالیاتی اخراجات کم ہو کر 7.6 ارب روپے رہے، جو کہ گزشتہ سال 11.2 ارب روپے تھے، اس کی وجہ قرضوں میں کمی اور سود کی شرحوں میں کمی ہے۔

اس سال کے لئے منافع قبل از ٹیکس 36.4 ارب روپے رہا جبکہ 30 جون 2024ء میں 22.4 ارب روپے تھا۔ بعد از ٹیکس منافع اس سال کے لئے 23.9 ارب روپے رہا جو گزشتہ سال 13.8 ارب روپے تھا۔

# PROXY FORM

The Company Secretary  
Bestway Cement Limited  
Bestway Building, 19-A, College Road,  
F-7 Markaz, Islamabad.

<b>Folio No. / CDC A/C No.</b>	
<b>Shares held</b>	

I/We \_\_\_\_\_ of \_\_\_\_\_  
being a member (s) of Bestway Cement Limited (the 'Company') hereby appoint Mr./Mrs./Miss \_\_\_\_\_ of \_\_\_\_\_ or failing him/her Mr./Mrs./Miss \_\_\_\_\_ of \_\_\_\_\_ (being member(s)) of the Company as my/our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Friday, August 15, 2025 at 3 p.m at Roomy Signature Hotel, Agha Khan Road, Next to Total , Petrol Pump, F-6 Markaz, Islamabad and at every adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

1. Witness: \_\_\_\_\_  
Signature \_\_\_\_\_  
Name \_\_\_\_\_  
CNIC/Passport No. \_\_\_\_\_  
Address \_\_\_\_\_
2. Witness: \_\_\_\_\_  
Signature \_\_\_\_\_  
Name \_\_\_\_\_  
CNIC/Passport No. \_\_\_\_\_  
Address \_\_\_\_\_

**AFFIX  
REVENUE  
STAMP**

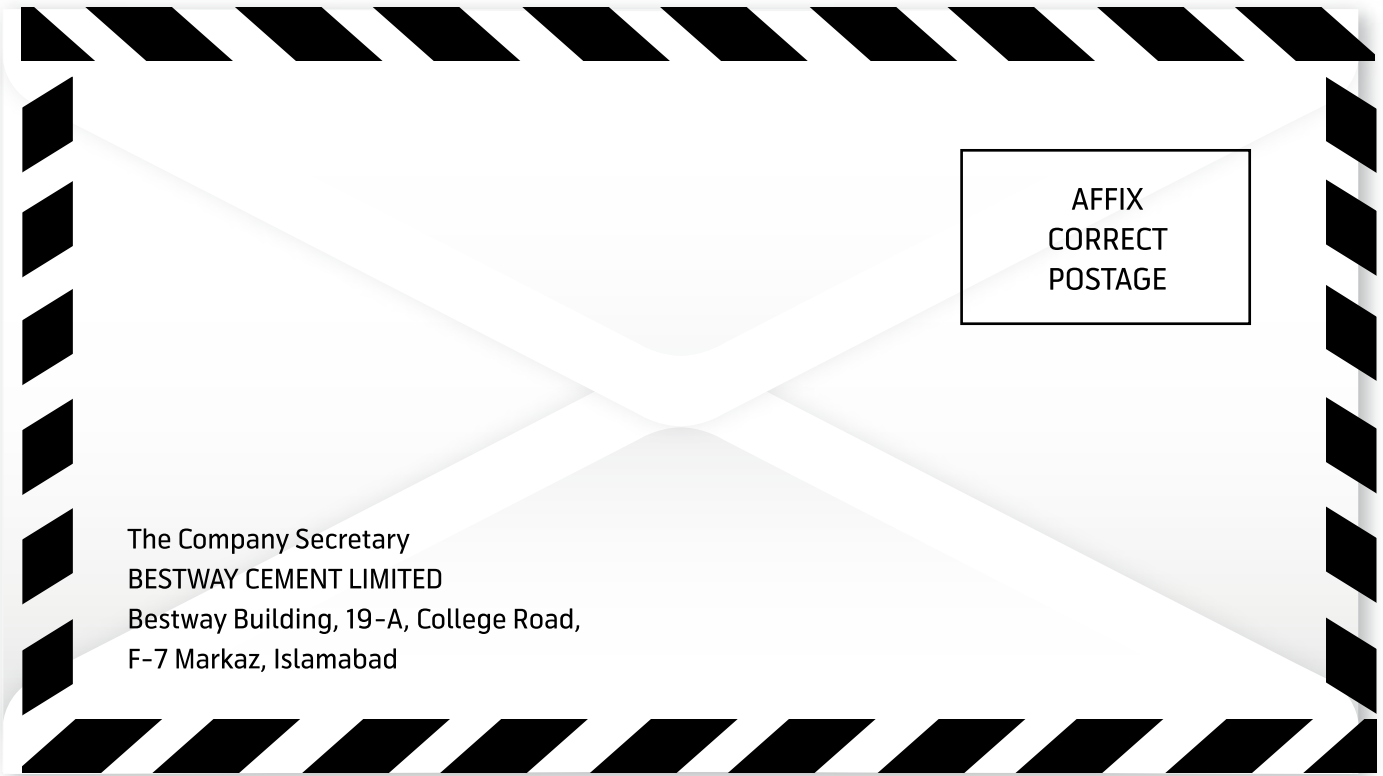
Signature \_\_\_\_\_  
(Signature appended above  
should agree with the specimen  
signatures registered with the  
Company.)

## Important:

1. This form of proxy, duly completed and signed, must be received at the Registered Office of the Company, Bestway Building, 19-A, College Road, F-7 Markaz, Islamabad not less than 48 hours before the time of holding meeting.
2. No person shall act as proxy unless he/she himself/herself is a member of the Company, except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instrument of proxy is deposited by the member with the Company, all such instruments of proxy shall be rendered invalid.

## For CDC Account Holders the following requirements have to be met:

- (i) The form of proxy shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- (ii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the form of proxy.
- (iii) The proxy shall produce his original CNIC or original passport at the time of meeting.
- (iv) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with the form of proxy to the Company.



The Company Secretary  
BESTWAY CEMENT LIMITED  
Bestway Building, 19-A, College Road,  
F-7 Markaz, Islamabad

AFFIX  
CORRECT  
POSTAGE





**BESTWAY CEMENT LIMITED**  
Bestway Building, 19-A, College Road,  
F-7 Markaz, Islamabad 44000, Pakistan  
Tel: +92 (0) 51 265 4856 - 64  
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+92 51 111 111 722 [WWW.BESTWAY.COM.PK](http://WWW.BESTWAY.COM.PK)

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