



Macter

**WORKING TODAY
FOR A HEALTHIER TOMORROW**

ANNUAL REPORT | 2025

Macter International Limited

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COMPANY INFORMATION

BOARD OF DIRECTORS

1.	Mr. Amanullah Kassim	Chairman	Independent Director
2.	Mr. Asif Misbah	Chief Executive	Executive Director
3.	Mr. Swaleh Misbah Khan		Executive Director
4.	Sheikh Muhammed Waseem		Non-Executive Director
5.	Sheikh Perwez Ahmed		Non-Executive Director
6.	Mr. Jawwad Ahmed Farid		Independent Director
7.	Ms. Masarrat Misbah		Non-Executive Director
8.	Mr. Muhammad Ather Sultan		Non-Executive Director
9.	Shaikh Abdus Sami		Independent Director

BOARD AUDIT COMMITTEE

1.	Shaikh Abdus Sami	Chairman
2.	Sheikh Muhammed Waseem	Member
3.	Mr. Muhammad Ather Sultan	Member

BOARD HUMAN RESOURCE AND REMUNERATION COMMITTEE

1.	Mr. Jawwad Ahmed Farid	Chairman
2.	Mr. Asif Misbah	Member
3.	Mr. Muhammad Ather Sultan	Member

CHIEF FINANCIAL OFFICER

Syed Naveed Rizvi

COMPANY SECRETARY

Mr. Asif Javed

INTERNAL AUDITORS

KPMG Taseer Hadi & Co.
Chartered Accountants

EXTERNAL AUDITORS

A.F. Ferguson & Co
Chartered Accountants

SHARIAH ADVISOR

Mufti Muhammad Najeeb Khan

BANKERS

Al Baraka (Pakistan) Limited
Allied Bank Ltd - Islamic Banking
Askari Bank Limited - Islamic Banking Branch
Bank Alfalah Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking Branch
Bankislami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Pakistan Limited - Islamic Banking Branch
MCB Bank Limited
Meezan Bank Limited
The Bank of Punjab - Taqwa Islamic Banking

SHARE REGISTRAR

F.D. Registrar Services (Pvt) Limited
17th Floor, Saima Trade Tower-A
I. I. Chundrigar Road, Karachi
Telephone: + 92 21 32271905-6
Fax: + 92 21 32621233
Email: fdregistrar@yahoo.com

REGISTERED OFFICE

F-216, SITE, Karachi - 75700
Telephone: +92 21 32591000
Fax: +92 21 32564236
Email: info@macter.com

WEBSITE

www.macter.com

VISION, MISSION AND VALUES

VISION

We see Macter as an integrated global healthcare company serving patients, healthcare professionals and customers with high quality and innovative products and services. We are committed to achieving our vision in an ethical and socially responsible manner.

MISSION

Macter exists to:

- serve humanity by improving health and well-being;
- facilitating all associates to achieve their potential with dignity; and
- providing a means for an ethical and fair livelihood.

VALUES

- Respect
- Integrity
- Innovation
- Collaboration
- Excellence

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting ("AGM") of the Shareholders of **Macter International Limited** (the Company) will be held on Saturday, October 25, 2025 at 10:00 a.m. at Moosa D. Desai Auditorium, the Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi to transact the following business:

1. To receive, consider and adopt the audited consolidated and unconsolidated financial statements of the Company for the year ended June 30, 2025 together with the reports of the directors and auditors thereon.
2. To consider, declare and approve final cash dividend @ 20% i.e. Rs.2.00 per ordinary share for the year ended June 30, 2025, as recommended by the Board of Directors (the Board). This is in addition to interim cash dividend @ 18% i.e. Rs.1.80 per ordinary share, already paid.
3. To appoint auditors and fix their remuneration for the year ending June 30, 2026. The present auditors M/s. A. F. Ferguson & Co., Chartered Accountants, retire and being eligible, have offered themselves for reappointment. The Board of Directors, on recommendation of the Board Audit Committee, has proposed appointment of auditors M/s. A. F. Ferguson & Co., Chartered Accountants for the year ending June 30, 2026.
4. To transact any other business with the permission of the Chair.

By Order of the Board of Directors



Asif Javed
Company Secretary

Karachi: October 3, 2025

Notes:

1. Closure of Shares Transfer Books

The share transfer books of the Company will remain closed from October 18, 2025 to October 25, 2025 (both days inclusive). The transfers received in order at the office of the Company's Share Registrar M/s. F. D. Registrar Services (Pvt.) Limited, 17th Floor, Saima Trade Tower-A, I. I. Chundrigar, Road, Karachi before the close of the business on October 17, 2025 will be treated in time for the entitlement of final cash dividend and to attend and vote at the Meeting.

2. Participation in meeting through Video Link Facility

- (i) Securities and Exchange Commission of Pakistan through its Circular No. 4 dated February 15, 2021 has directed the listed companies to ensure the participation of shareholders in general meeting through electronic means as a regular feature in addition to holding physical meetings.

- (ii) The shareholders who wish to attend the meeting through video link are requested to get themselves registered with the Company Secretary office by providing their particulars as per below table by the close of business hours on October 17, 2025:

Full Name	CNIC No	Folio / CDC Account No.	No. of Shares Held	Cell No.	E-mail Address

- (iii) The webinar link would be provided through email to the registered shareholders / proxies who will provide above information and a copy of valid CNIC.

3. For appointing proxies:

A shareholder entitled to attend and vote at this Annual General Meeting shall be entitled to appoint another shareholder, as a proxy to attend, speak and vote on his/her behalf. Proxies in order to be effective must be received at the Company's Share Registrar's Office not later than 48 hours before the time of the Meeting.

For Attending the Meeting:

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

For Appointing Proxies:

- i) In case of individuals, the account holder or subaccount holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his/her original CNIC or original passport at the time of the Meeting.
- v) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature and attested copy of valid CNIC of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

4. Payment of Cash Dividend Electronically (Mandatory Requirement)

In accordance with the provisions of Section 242 of the Companies Act, 2017 and Companies (Distribution of Dividends) Regulations 2017, a listed company, is required to pay cash dividend to the shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

Those shareholders who have still not provided their International Bank Account Number (IBAN) are once again requested to fill in "Electronic Credit Mandate Form" as reproduced below and send it duly signed along with a copy of valid CNIC to their respective CDC participant/CDC Investor account services (in case of shareholding in Book Entry Form) or to the Company's Share Registrar (in case of shareholding in Physical Form).

(i) Shareholders details:	
Name of the Shareholder(s)	
Folio # / CDS Account No(s)	
CNIC No (Copy attached)	
Mobile / Landline No	
(ii) Shareholders' Bank details:	
Title of Bank Account	
International Bank Account Number (IBAN)	
Bank's Name	
Branch Name and address	

In the absence of IBAN, or in case of incomplete details, the Company will have to withhold the payment of cash dividends under the Companies (Distribution of Dividends) Regulations, 2017.

5. Withholding Tax on Dividend

Dividend income on shares is liable to deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001 and currently, the deduction of withholding tax on the amount of dividend paid by the companies based on 'Active' and 'Non-Active' status of shareholders shall be @ 15% and 30% respectively where 'Active' means a person whose name appears on the Active Taxpayers List available at e-portal of FBR (<http://www.fbr.gov.pk/>) and 'Non-Active' means a person whose name is not being appeared on the Active Taxpayers List.

In case of joint account, each holder is to be treated individually as either 'Active' or 'Non-Active' and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing as follows, to our Share Registrar, or if not so notified, each joint holder shall be assumed to have an equal number of shares.

Company Name	Folio/CDS Account No.	Total No. of Shares	Principal Shareholder		Joint Shareholder	
			Name & CNIC No.	Shareholding Proportion (No. of shares)	Name & CNIC No.	Shareholding Proportion (No. of shares)

The required information must reach the Share Registrar of the Company before the close of the business on October 17, 2025 otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Shareholder(s).

6. Electronic Transmission of Audited Financial Statements & Notices

The Securities and Exchange Commission of Pakistan (SECP) through its Notification S.R.O. 787(I)/2014 dated 8th September 2014 has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its Shareholders through e-mail. Accordingly, Shareholders are hereby requested to convey their consent and e-mail address for receiving Audited Financial Statements and Notice through e-mail.

Please note that giving email address for receiving of Annual Financial Statements instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore this notice. Annual Financial Statements will be sent at your registered address, as per normal practice.

7. Zakat Declaration

Zakat will be deducted from the dividends at source at the rate of 2.5% of the paid-up value of the share (Rs. 10 each) and will be deposited within the prescribed period with the relevant authority. In case of claiming exemption, please submit your Zakat Declaration under Zakat and Ushr Ordinance, 1980 and Rule 4 of Zakat (Deduction and Refund) Rules, 1981, CZ-50 Form with our Share Registrar. Physical shareholders are requested to submit the said declaration to our Share Registrar in the proper manner. The Shareholders must write Macter International Limited's name and their respective CDS A/C # or Folio numbers on Zakat Declarations at relevant place.

8. Deposit of Physical Shares in CDC Accounts

The Securities and Exchange Commission of Pakistan (SECP) through its letter No. CSD/ED/Misc/2016-639-640 dated March 26, 2021 has advised the listed companies to adhere with the provisions of section 72 of the Companies Act, 2017 (the "Act") by replacing shares issued by them in Physical Form with the shares to be issued in the Book-Entry Form. Macter International Limited, being a listed company is also required to comply with aforesaid provisions of Act.

The shareholders having physical shareholding are requested to convert their shares from physical form into Book Entry Form as soon as possible. The shareholders may open CDC sub-account with any of the brokers or investors account directly with CDC to place their physical shares into Book Entry Form.

For any query/information, the investors may contact the Company's Share Registrar.

9. Unclaimed Dividend / Shares

Shareholders, who by any reason, could not claim their dividend or did not collect their physical shares, are advised to immediately contact our Company's Share Registrar, to collect/enquire about their unclaimed dividend or pending shares, if any.

10. Submission of CNIC or Passport

Shareholders are requested to provide photocopy of their CNIC or passport (in case of foreigner), unless it has been provided earlier, enabling the Company to comply with relevant laws.

11. Change of Address

Shareholders are requested to immediately notify the change of address, if any to the Company's Share Registrar.

12. Placement of Audited Financials on the website

In accordance with Section 223 of the Companies Act, 2017 and pursuant to the S.R.O. 389(I)/2023 dated March 21, 2023, Annual Audited Financial Statements of the Company for the year ended June 30, 2025 can be accessed through the following weblink and QR enabled code.

Weblink

<https://macter.com/financial-reports>

QR Code**13. No gift at the meeting**

The shareholders are informed that as per Securities and Exchange Commission of Pakistan's directives, no gift will be distributed at the meeting.

CHAIRMAN'S REVIEW

On behalf of the board of directors, I would like to share the board performance overview of your Company for the year ended June 30, 2025.

BOARD COMPOSITION AND PERFORMANCE

The Board comprises of an appropriate mix of well-known business professionals who add value to the board through their expertise.

The primary objectives of the Board includes providing strategic direction to the Company and supervising the management. During the year under review the board has effectively discharged its responsibilities as required under the Companies Act, 2017 and Listed Companies (Code of Corporate Governance), Regulations 2019. All quarterly, half yearly and annual financial results were reviewed by the board and it extended its guidance to the management. The board also played a key role in monitoring the management performance and focus on major risk areas.

Board members also reviewed and approved Company's annual financial budget for FY 2025-26, capital expenditure requirements and significant investments.

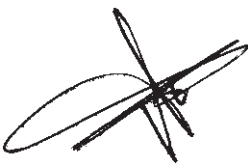
The board met in quarterly meetings to discharge its responsibilities. Board members attendance was at high level during the year. The independent and other non-executive directors were actively involved in all business decisions.

Board Audit Committee and Board Human Resource and Remuneration Committees also played their roles effectively.

Pursuant to the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019, a formal & effective process is in place for an annual evaluation of board's performance, Members of Board & its Sub-Committees. Board's performance review consists of comprehensive Self-Evaluation Questionnaires on performance. Based on the feedback by each Individual Director a consolidated average rating is computed. The performance rating of the Board, Individual Directors & Committees performance was satisfactory and effective. As Chairman of your Company I will continue to be responsible for leading the Board, fostering an inclusive culture of openness and constructive dialogue. I remain committed to ensure that the board and its committees should perform effectively and take timely decisions to create value for all stakeholders.

ACKNOWLEDGEMENTS

I would like to thank all our shareholders, customers, bankers and employees for their support. I would also like to thank the board members, CEO and his team for their dedication and hard-work.



Amanullah Kassim
Chairman

Karachi
September 23, 2025

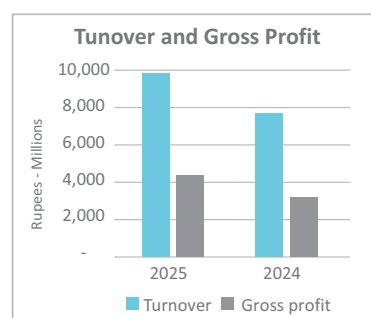
DIRECTORS' REPORT

We are pleased to present the Annual Report together with the Audited Financial Statements of the Company for the year ended June 30, 2025.

FINANCIAL RESULTS

The financial results of the Company are summarized hereunder:

DESCRIPTION	Year ended June 30, 2025			
	Unconsolidated		Consolidated	
	2025	2024	2025	2024
	Rupees Millions			
Turnover - Net	9,914	7,535	10,360	7,975
Gross profit	4,458	3,182	4,727	3,420
Operating Profit	1,234	713	1,276	719
Profit before tax	1,132	612	1,141	593
Profit / (loss) after tax	738	427	787	402



MACRO ECONOMIC PERFORMANCE

Pakistan's economy has shown signs of recovery, recording a 2.7% GDP growth, primarily driven by a rebound in the industrial sector. Inflation has eased significantly, enabling a cumulative interest rate cut of 11% over the past year. The external sector has improved markedly, with the current account posting a surplus of over USD 2 billion. This improvement is largely attributed to a 27% year-on-year increase in remittances, totaling more than USD 38 billion. As a result, the Balance of Payments (BoP) recorded a surplus of USD 3.7 billion in FY25. Reflecting these positive trends, Pakistan's credit rating has been upgraded, with agencies assigning a stable outlook for the country's economic future.

BUSINESS PERFORMANCE

Net turnover for the year ended 30th June 2025 was Rupees 9,914 m with a healthy growth of 32% from last year. Only 5% of this growth is related to price increase rest is attributable to increase in unit sales and new products launched. All revenue categories (prescription, institution and export) registered high double digit growth. Exports grew by 163% which reflects the company's intent to significantly increase export share of total revenues. Profit volumes and profitability have shown significant improvement during the year. This is the result of consistent efforts over the past years to bring Macter's financial performance at par with the best performing pharmaceutical companies in Pakistan.

Macter has a strong pipeline of new products and is committed to introduce high quality and innovative medicines to improve patient health outcomes in Pakistan and across the world. Based on these factors we foresee a stable to rising growth pattern for the company.

We are pleased to inform that we launched a number of innovative new products during the current period such as:

- **Upacnet** (Upadacitinib) indicated for inflammatory conditions such as rheumatoid arthritis, psoriatic arthritis, atopic dermatitis, crohn's diseases and axial spondyloarthritis.
- **Indyco M** (Glycopyrronium + Indacaterol + Mometasone), a triple Dry Powder Inhaler for the treatment of asthma
- **Digebro Syrup** for irritable bowel syndrome, abdominal discomfort, cramps, heartburn, diarrhea and chronic constipation.
- **SEGLUTIDE** (Semaglutide) - Pakistan's first rDNA-based Semaglutide (generic of Ozempic) for diabetes and obesity

We continue to focus on Research and Development, Manufacturing and Commercial Excellence to ensure that we are the first company to launch innovative products in Pakistan and globally and make them commercially successful for company's sustainable growth.

Gross margins have experienced an increase of 2.7% primarily due to better sales mix, higher contribution from profitable Prescription & Export business.

Operating profit for the current fiscal year is RS. 1,234 million, representing a 73% increase compared to the previous year. This notable improvement is attributed to higher sales, increase in gross profit margins and the implementation of efficiency enhancements and cost optimization measures.

Finance cost has marginally increased by 2% during the year, resulting a finance cost of 102 million compared to 101 million in the previous year.

Profit before Tax: Rupees 1,132m is higher by +520m, reflecting a growth of 85% over last year.

Profit after Tax: Rupees 738m is higher +310m over last year, a growth of 73% over last year.

CAPITAL EXPENDITURE

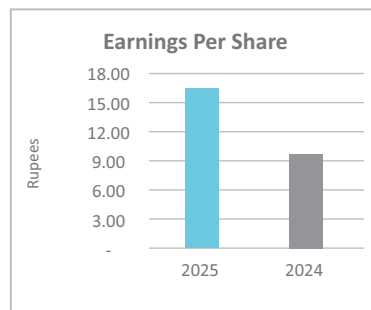
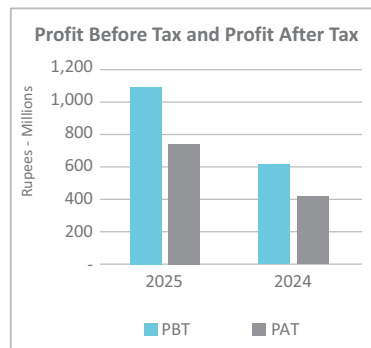
During the year under review, the Company has made capital expenditure of Rupees 870 million in new manufacturing equipment, facility upgrades and developing new production areas to ensure GMP and regulatory compliance, support our innovative product pipeline and focus on increasing our global footprint.

EARNINGS PER SHARE

Earnings per share of the Company for the year ended June 30, 2025 is Rupees 16.10 vs. Rupees 9.32 last year.

DIVIDEND

The board of directors have recommended a final cash dividend of 20% i.e. Rs. 2.00 per share. This is in addition to Interim Cash Dividend of Rs. 1.80 per share i.e. 18%.



RISKS AND UNCERTAINTIES

The Company is exposed to certain inherent business risks and uncertainties. Following key business risks have been identified:

- Cost Inflation and lag in compensatory inflationary price adjustments by DRAP
- Pak Rupee devaluation
- Global API and logistics disruptions
- Increasingly stringent local and international regulatory requirements
- Delays in product registration and pricing
- Recruiting and retaining essential talent
- Increasing threats to data security and data privacy

We are actively working with the internal and external stakeholders to mitigate and reduce aforesaid risks.

DIVERSITY, EQUITY AND INCLUSION (DE&I)

Macter is committed to fostering a culture of diversity, equity and inclusion at all level of the organisation, where people can achieve their ambitions based on their capabilities as opposed to their identity. This creates a corporate culture to achieve operational excellence and everyone feels a sense of belonging and inclusion ensuring sustained engagement.

SUSTAINABILITY

Macter views sustainability as crucial and important to our overall business and growth strategies encompassing all aspect of our business, including supply chain and Health, Safety and Environment (HSE) measures. In context of the country's evolving environmental, regulatory and socio economic landscape these present potential challenges to our operations due to climate change, water scarcity, energy insecurity and possible disruption to our supply chain.

The Company remain committed to integrating sustainability into its core strategy by establishing sustainability committee and through adoption of sustainable practices, reducing carbon footprints and alignment with ESG standards.

Preserving Our Environment

The company treats all hazardous and non-hazardous waste strictly in accordance with the requirements of the Sindh Environmental Protection Agency (SEPA). Regular compliance reports are submitted to SEPA, and a Hazardous Substances Management & Environmental Management License has been obtained to ensure full legal compliance in handling and disposal. Continuous monitoring of air emissions and effluent discharges ensured 100% compliance with SEQs. On a daily basis, the company treats its effluent and reuses up to 4,000 gallons of wastewater for gardening and grey works. Furthermore, annual plantation drives have been included in the company's sustainability targets, helping to improve local air quality, enhance biodiversity, and reduce the company's overall carbon footprint.

Energy Saving

To lower environmental impact, the company installed a 378 kW solar system and upgraded conventional lighting to LED systems, significantly reducing its carbon footprint. A feasibility study for an additional 140 kW solar installation is underway, targeted for completion by 2026, which will further increase reliance on renewable energy. In addition, employee awareness campaigns were conducted to promote energy-saving practices at all levels.

Water Stewardship

Water conservation remains a top priority for the company. A nozzle system was installed to reduce water flow, and plans are in place to implement a solar-powered washing and sprinkling system by 2025-26.

The company also actively observes World Water Day each year, raising awareness among employees and surrounding communities through campaigns, training sessions, and highlighting initiatives such as wastewater reuse and freshwater reduction. These initiatives reinforce the importance of sustainable water use both inside and outside the organization.

Environmental Health & Safety (EHS)

Our Company is committed to complying with all regulatory requirements related to health, safety, and the environment. We hold ISO certifications for our Quality Management System (ISO 9001:2015), Environmental Management System (ISO 14001:2015), and Occupational Health and Safety Management System (OHSAS 18001:2007).

Our manufacturing facilities operate in accordance with industry-standard EHS protocols. An Emergency Response Committee is in place to effectively manage any emergency situations. Throughout our facilities, we have installed smoke detectors, fire alarms, and fire extinguishers, and we conduct regular firefighting training sessions. Employees are equipped with personal protective equipment as necessary, including gowns, goggles, gloves, helmets, earplugs, and gas masks.

We monitor and control noise levels from all equipment to ensure they remain within safe limits. Emissions from generators are regularly assessed, and third-party inspections of our boilers are conducted to maintain safety standards. Solid chemical waste is incinerated, and all effluents undergo treatment.

Macter continued its Zero Accident Vision, reporting zero lost-time injuries during the year. Extensive training sessions were conducted covering fire safety, chemical handling, PPE compliance, and emergency response. Fire detection systems were upgraded in line with national and international standards, while quarterly EHS audits ensured compliance with the Factories Act 2015 & Occupational Health and Safety Act, 2017.

Corporate Social Responsibility (CSR)

Our Company's mission is to serve humanity by improving their health and well-being. The Company has undertaken a number of Corporate Social Responsibility (CSR) initiatives during the year, including:

- a) Provision of free medicines to various charitable organizations / hospitals
- b) Capability-building of doctors and healthcare professionals
- c) Support to various educational institutions and hospitals
- d) Free medical screening camps
- e) Support to poor patients

Under Sustainability, through plantation campaigns, water awareness activities, and employee engagement in sustainability initiatives, the company actively contributes to social and environmental well-being. These efforts not only reduce environmental impact but also strengthen relationships with the wider community.

CONTRIBUTION TO NATIONAL EXCHEQUER

The Company made a total contribution of Rupees 1,079 million to the National Exchequer by way of income tax, custom duties and sales tax.

CREDIT RATING

VIS Credit Rating Company Limited has assigned a credit rating of A/A-1 (Single A / A-One) to Macter International Limited. Outlook assigned to our rating is "Stable".

INTERNAL FINANCIAL CONTROLS

The directors are aware of their responsibility of maintaining adequate internal financial controls. Through review of internal audit reports and discussion with management and auditors (internal and external), we confirm that adequate controls have been implemented by the Company.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

Following are the statements on the corporate and financial reporting framework:

- The financial statements prepared by the management of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of accounts have been maintained by the Company.
- Appropriate accounting policies have been consistently applied in the preparation of Financial Statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of these financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no doubts upon the Company's ability to continue as a going concern.
- Information about taxes and levies is given in the notes and form part of the financial statements.
- There has been no material departure from the best practices of corporate governance, as detailed in the Listing Regulations.
- The value of investments of employees' provident fund based on latest unaudited accounts as of June 30, 2025 is Rupees 421 million.

COMPOSITION OF BOARD

The board consists of nine members, including 1 female and 8 male directors. The composition of the Board is as follows:

Particulars	Number
Independent Non-Executive Directors	3
Other Non-Executive Director	3
Executive Directors	2
Female Non-Executive Director	1
Total	9

The list of existing directors is as under:

S. No.	Name	Category
1	Mr. Amanullah Kassim	Independent Non-Executive
2	Mr. Jawwad Ahmed Farid	Independent Non-Executive
3	Shaikh Abdus Sami	Independent Non-Executive
4	Sheikh Perwez Ahmed	Non-Executive
5	Sheikh Muhammed Waseem	Non-Executive
6	Mr. Muhammed Ather Sultan	Non-Executive
7	Ms. Masarrat Misbah	Female Non-Executive
8	Mr. Asif Misbah	Executive
9	Mr. Swaleh Misbah Khan	Executive

BOARD AUDIT COMMITTEE

Board Audit Committee assists the Board of Directors in discharging their responsibilities in accordance with the Corporate Governance and Financial Reporting framework. The Committee consists of following three members, two of them are non-executive members and Chairman is an independent non-executive director.

S. No.	Name	Category	Position
1	Shaikh Abdus Sami	Independent Non-Executive	Chairman
2	Sheikh Muhammed Waseem	Non-Executive	Member
3	Muhammad Ather Sultan	Non-Executive	Member

BOARD HUMAN RESOURCE AND REMUNERATION COMMITTEE

Board Human Resource and Remuneration Committee assists the Board of Directors in discharging their responsibilities with regard to periodic review of human resource policies and practices within the Company. It also assists the Board in selection, evaluation, compensation and succession planning of key management personnel. The Committee comprises following three members: one non-executive director, one executive director, and the Chairman is an independent non-executive director.

S. No.	Name	Category	Position
1	Mr. Jawwad Ahmed Farid	Independent Non-Executive	Chairman
2	Mr. Muhammad Ather Sultan	Non-Executive	Member
3	Mr. Asif Misbah	Executive	Member

BOARD AND BOARD COMMITTEES ATTENDANCE

S. No.	Name	Board of Directors		Board Audit Committee		Board Human Resource and Remuneration Committee	
		Entitled	Attended	Entitled	Attended	Entitled	Attended
1	Mr. Amanullah Kassim	5	2	NA	NA	NA	NA
2	Mr. Asif Misbah	5	5	NA	NA	1	1
3	Mr. Swaleh Misbah Khan	5	4	NA	NA	NA	NA
4	Sheikh Muhammed Waseem	5	5	4	4	NA	NA
5	Shaikh Abdus Sami	5	3	4	4	NA	NA
6	Sheikh Perwez Ahmad	5	5	NA	NA	NA	NA
7	Mr. Muhammad Ather Sultan	5	4	4	-	1	1
8	Ms. Masarrat Misbah	5	-	NA	NA	NA	NA
9	Mr. Jawwad Ahmed Farid	5	1	NA	NA	1	1

CHANGES IN BOARD OF DIRECTORS

During the year under review, there was no change in the Board of Directors.

DIRECTORS' TRAINING PROGRAM

Six directors are certified under the SECP approved Directors' Training Programs as at June 30, 2025. The remaining three will receive trainings in due course to comply with the code.

REMUNERATION POLICY OF NON EXECUTIVE DIRECTORS

The fees of the non-executive directors (independent and others) to attend the board or board committee meetings is approved by the Board as per the terms of the Articles of Association of the Company.

KEY OPERATING AND FINANCIAL DATA

Key operating and financial data and ratios of last six years are annexed.

PATTERN OF SHAREHOLDING

A statement of the pattern of shareholding as at June 30, 2025 is annexed.

INTERNAL AUDITORS

The Company's internal audit function was managed by the Head of Internal Audit, who was assisted by Internal Auditors M/s. KPMG Taseer Hadi & Co., Chartered Accountants. The Head of Internal Audit reports to the Chairman of Board Audit Committee.

EXTERNAL AUDITORS

The present auditors, M/s A.F. Ferguson & Co. have retired being eligible have offered themselves for reappointment as the statutory auditors of the Company. The Board of Directors of the Company has endorsed the recommendation of the Board Audit Committee for the reappointment of M/s A.F. Ferguson & Co.

SUBSEQUENT EVENT

No events have occurred between the financial year end and the date of this report materially affecting the financial status of the Company.

FUTURE OUTLOOK

The future outlook for the Pakistan pharmaceutical industry remains positive, driven by strong demographic trends, increasing demand from a growing population and improved access to and awareness of healthcare services. Furthermore, regulatory reforms by DRAP aimed at improving transparency and compliance are expected to support industry development. While government's commitment to healthcare infrastructure is also evident through increased allocation to the health care sector highlighting the response to the population's growing needs. There is crucial need for export-friendly strategies, abridged administrative burdens, and strategic development to turn international tariff changes into a sustainable prospect for the country's export growth

However, pharmaceutical industry may continue to face challenges of forex rate fluctuations, the ongoing geopolitical situation, supply chains constraints and expected inflationary pressure's due to recent floods.

Overall, under the guidance of the Board, the management team remains confident in demonstrating sustainable growth both in Pakistan and internationally. We are committed to address environmental challenges by prioritizing research and development, innovation, and quality. This includes upgrading our plants to meet international standards, exploring new export markets, continuing to invest in our people and strategic partnerships, and maintaining a patient-centric approach. As a responsible corporate citizen we will also continue to play our role in community engagement and positively impact to our society and environment.

ACKNOWLEDGEMENTS

The Board of Directors appreciate the commitment, dedication, and devotion of all our employees who have worked to ensure supply of our lifesaving medicines. We also acknowledge the support and cooperation received from our valued shareholders, customers, distributors, suppliers, financial institutions and regulatory authorities.

All praise and gratitude to Allah SWT for His continued blessings.

On behalf of the board



Asif Misbah
Chief Executive



Muhammad Ather Sultan
Director

Karachi
September 23, 2025

ڈائریکٹر رپورٹ

ہم 30 جون، 2025 کو ختم ہونے والے سال کے لئے کمپنی کے آڈٹ شدہ مالیاتی بیانات کے ہمراہ سالانہ رپورٹ پیش کرنے پر مسرت کا اظہار کرتے ہیں۔

مالیاتی نتائج

کمپنی کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:

ختم شدہ سال 30 جون 2025				مندرجات
مدغم شدہ		غیر مدغم شدہ		
2024	2025	2024	2025	
(روپے ملین میں)				
7,975	10,360	7,535	9,914	
3,420	4,727	3,182	4,458	فروخت - خالص
719	1,276	713	1,234	خام منافع
593	1,141	612	1,132	آپریٹنگ منافع
402	787	427	738	قبل از ٹیکس منافع
				بعد از ٹیکس منافع / (خسارہ)

میکرو اکنامک کارکردگی

پاکستان کی معیشت میں بحالی کے آثار نمایاں ہوئے ہیں، جس میں جی ڈی پی کی شرح نمو 2.7% ریکارڈ کی گئی ہے، جو بالخصوص صنعتی شعبے کی بحالی سے منسلک ہے۔ افراط زر میں نمایاں کمی آئی ہے، جس سے پچھلے سال کے دوران سود کی شرح میں 11% کی مجموعی کمی واقع ہوئی ہے۔ بیرونی شعبے میں نمایاں بہتری آئی ہے، کرنٹ اکاؤنٹ میں 2 بلین امریکی ڈالر سے زیادہ کاسرپلس ریکارڈ کیا گیا ہے۔ اس بہتری کی بنیادی وجہ ترسیلات زر میں 27% سال بہ سال اضافہ ہے، جو مجموعی طور پر 38 بلین امریکی ڈالر سے زیادہ ہے۔ اس کے نتیجے میں، ادائیگیوں کے توازن (بی او پی) نے مالی سال 25 میں 3.7 بلین امریکی ڈالر کاسرپلس ریکارڈ کیا۔ ان مثبت رجحانات کے نتیجے میں پاکستان کی کریڈٹ ریٹنگ میں بہتری آئی ہے اور اداروں نے ملکی معیشت کے مستقبل کو ”مستحکم“ قرار دیا ہے۔

کاروباری کارکردگی

جون 2025 کو ختم ہونے والے سال کے لیے مجموعی کاروبار گزشتہ سال کے مقابلے میں 32 فیصد کی صحت مند نمو کے ساتھ 9,914 ملین روپے تھا۔ اس نمو میں سے صرف 5% قیمتوں میں اضافے سے متعلق ہیں جبکہ باقی باقی حصہ یونٹ کی فروخت میں اضافے اور لالچ کی جانے والی نئی مصنوعات کی وجہ سے ہے۔ تمام محصولات کے زمرے (بذریعہ نسخہ فروخت، ادارہ اور برآمدات) میں دو ہندسوں پر مبنی بلند شرح نمو دیکھی گئی۔ برآمدات میں 163% کا اضافہ ہوا جو کمپنی کے اس عزم کی عکاسی کرتا ہے کہ مجموعی آمدنی میں برآمدات کا حصہ نمایاں طور پر بڑھایا جائے۔ سال کے دوران منافع کے حجم اور منافع میں نمایاں بہتری دیکھی گئی ہے جو گزشتہ برسوں میں میکٹر کی مالیاتی کارکردگی کو پاکستان میں بہترین کارکردگی کا مظاہرہ کرنے والی دواساز کمپنیوں کے برابر لانے کی مسلسل کوششوں کا نتیجہ ہے۔

میکٹر کے پاس نئی مصنوعات کی ایک مضبوط پائپ لائن ہے اور وہ پاکستان اور دنیا بھر میں مریضوں کی صحت کے نتائج کو بہتر بنانے کے لئے اعلیٰ معیار اور جدید ادویات متعارف کروانے کے لئے پرعزم ہے۔ ان عوامل کی بنیاد پر ہم کمپنی کے لئے مستحکم سے بڑھتی ہوئی ترقی کے نمونے کی پیش گوئی کرتے ہیں۔

ہمیں یہ بتاتے ہوئے خوشی ہو رہی ہے کہ ہم نے موجودہ مدت کے دوران متعدد جدید نئی مصنوعات کا آغاز کیا جیسے:

- **Upacnet (Upadacitinib)** سوزش کی حالتوں جیسے ریمیٹائڈ گھٹیا، سوریائیکار تھرائٹس، اٹا پک ڈرمیٹائٹس، کرون کی بیماریاں اور محوری اسپونڈیلو آرتھرائٹس کے لئے تجویز کیا گیا ہے۔
- **Indyco M (Glycopyrronium + Indacaterol + Mometasone)**، دمہ کے علاج کے لئے ایک ٹریپل ڈرائی پاؤڈر انہیلر
- **Digebro Syrup** آنسو کی خرابی، سڈروم، پیٹ کی تکلیف، درد، سینے کی جلن، اسہال اور دائمی قبض کے لئے۔
- ذیابیطس اور موٹاپے کے لئے پاکستان کا پہلا آرڈی این اے پر مبنی **SEGLUTIDE (Semaglutide)**۔

ہم تحقیق اور ترقی، مینوفیکچرنگ اور تجارتی فوجیت پر توجہ مرکوز کر رہے ہیں تاکہ یہ یقینی بنایا جاسکے کہ ہم پاکستان اور عالمی سطح پر جدید مصنوعات لانچ کرنے والی پہلی کمپنی ہیں اور کمپنی کی پائیدار نمو کے لئے انہیں تجارتی لحاظ سے کامیاب بناتے ہیں۔

مجموعی مارجن نے بنیادی طور پر بہتر فروخت کے مرکب، منافع بخش نئے اور برآمد کے کاروبار سے زیادہ شراکت کی وجہ سے 2.7% کا اضافہ کیا ہے۔

رواں مالی سال کا آپریٹنگ منافع 1,234 ملین، جو پچھلے سال کے مقابلے میں 73% اضافے کی نمائندگی کرتا ہے۔ اس قابل ذکر بہتری کی وجہ زیادہ فروخت، مجموعی منافع کے مارجن میں اضافہ اور کارکردگی میں اضافے اور لاگت کو بہتر بنانے کے اقدامات پر عمل درآمد ہے۔

مالیاتی لاگت میں سال کے دوران 2 فیصد کا معمولی اضافہ ہوا ہے، جس کے نتیجے میں گزشتہ سال کے 101 ملین کے مقابلے میں 102 ملین کی مالیاتی لاگت آئی۔

قبل از ٹیکس منافع:

1,132 ملین روپے گزشتہ سال کے مقابلے میں 520 ملین روپے زیادہ ہے جو 85% اضافے کو ظاہر کرتا ہے۔

بعد از ٹیکس منافع:

738 ملین روپے گزشتہ سال کے مقابلے میں 310 ملین روپے زیادہ ہے جو 73% کا اضافہ ظاہر کرتا ہے۔

کمپنیل مصارف

زیر جائزہ سال کے دوران، کمپنی نے جی ایم پی اور ریگولیٹری تعمیل کو یقینی بنانے کے لئے جدید مصنوعات، سہولت اپ گریڈ اور نئے پروڈکشن ایریاز میں 870 ملین روپے کا سرمایہ خرچ کیا ہے، ہماری جدید مصنوعات کی پائپ لائن کی حمایت کی ہے اور ہمارے عالمی سطح کے نشان راہ کو بڑھانے پر توجہ دی جارہی ہے۔

فی شیئر آمدنی

30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کی فی حصص آمدنی گزشتہ سال 9.32 روپے کے مقابلے میں 16.10 روپے رہی۔

ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے 20% یعنی 2.00 روپے فی شیئر کے حتمی نقد ڈیویڈنڈ کی سفارش کی ہے۔ یہ رقم 1.80 روپے فی شیئر یعنی 18% کے عبوری نقد ڈیویڈنڈ کے علاوہ ہے۔

خطرات اور غیر یقینی حالات

کمپنی کو کچھ فطری کاروباری خطرات اور غیر یقینی صورتحال کا سامنا ہے۔ مندرجہ ذیل اہم کاروباری خطرات کی نشاندہی کی گئی ہے:

- لاگت افراط زر اور DRAP کی طرف سے معاوضہ افراط زر کی قیمتوں میں ایڈجسٹمنٹ کرنے میں تاخیر۔
- پاکستانی روپے کی قدر میں کمی

- عالمی API اور لاجسٹکس کا وٹس
- مقامی اور بین الاقوامی ریگولیٹری تقاضوں میں تیزی سے اضافہ
- پراڈکٹس کی رجسٹریشن اور قیمت کے تعین میں تاخیر
- ضروری ٹیلنٹ کی بھرتی اور برقرار رکھنا
- ڈیٹا کی حفاظت اور ڈیٹا کی رازداری کے بڑھتے ہوئے خطرات

مندرجہ بالا خطرات کے متوقع اثرات کو قابل قبول سطح تک لانے یا کم سے کم کرنے میں ہم داخلی اور خارجی اسٹیک ہولڈرز کے ساتھ سرگرمی سے مصروف عمل ہیں۔

تنوع، مساوات اور شمولیت (DE&I)

میکٹر تنظیم کی تمام سطحوں پر تنوع، مساوات اور شمولیت کے کلچر کو فروغ دینے کے لئے پرعزم ہے، جہاں لوگ اپنی شناخت کے برعکس اپنی صلاحیتوں کی بنیاد پر اپنے عزم کو حاصل کر سکتے ہیں۔ اس سے آپریشنل برتری حاصل کرنے کے لیے ایک کارپوریٹ کلچر پیدا ہوتا ہے اور ہر کوئی مستقل مصروفیت کو یقینی بناتے ہوئے تعلق اور شمولیت کا احساس محسوس کرتا ہے۔

پائیداری

میکٹر پائیداری کو ہمارے مجموعی کاروبار اور ترقی کی حکمت عملیوں کے لئے اہم اور اہم سمجھتا ہے جس میں سپلائی چین اور صحت، حفاظت اور ماحولیات (ایچ ایس ای) اقدامات شامل ہیں۔ ملک کے ابھرتے ہوئے ماحولیات، ریگولیٹری اور سماجی اقتصادی منظر نامے کے تناظر میں یہ موسمیاتی تبدیلی، پانی کی کمی، توانائی کے عدم تحفظ اور ہماری سپلائی چین میں ممکنہ خلل کی وجہ سے ہمارے آپریشنز کے لیے ممکنہ چیلنجز پیش کرتے ہیں۔

کمپنی پائیداری کمیٹی قائم کر کے اور پائیدار طریقوں کو اپنانے، کاربن فوٹ پرنٹس کو کم کرنے اور ایس جی معیارات کے ساتھ صف بندی کے ذریعے پائیداری کو اپنی بنیادی حکمت عملی میں ضم کرنے کے لیے پرعزم ہے۔

اپنے ماحول کو محفوظ رکھنا

کمپنی سندھ انوائرمینٹل پروٹیکشن ایجنسی (سیپا) کی ضروریات کے مطابق تمام معضروں اور غیر معضرفضلہ کا سختی سے سلوک کرتی ہے۔ ایس ای پی اے کو باقاعدہ تعمیل کی رپورٹیں جمع کرائی جاتی ہیں، اور پینڈنگ اور ٹھکانے لگانے میں مکمل قانونی تعمیل کو یقینی بنانے کے لیے خطرناک مادوں کے انتظام کا ماحولیاتی انتظام لائسنس حاصل کیا گیا ہے۔ ہوا کے اخراج اور فضلہ کے اخراج کی مسلسل نگرانی نے ایس ای کیو کے ساتھ 100 تعمیل کو یقینی بنایا۔ روزانہ کی بنیاد پر، کمپنی اپنے فضلے کو ٹریٹ کرتی ہے اور باغبانی اور گرے کاموں کے لئے 4,000 گیلن تک گندے پانی کو دوبارہ استعمال کرتی ہے۔ مزید برآں، سالانہ شجر کاری مہم کو کمپنی کے پائیداری کے اہداف میں شامل کیا گیا ہے، جس سے مقامی ہوا کے معیار کو بہتر بنانے، حیاتیاتی تنوع کو بڑھانے اور کمپنی کے مجموعی کاربن کے نشانات کو کم کرنے میں مدد ملتی ہے۔

توانائی کی بچت

ماحولیاتی اثرات کو کم کرنے کے لئے، کمپنی نے 378 کلو واٹ شمسی نظام نصب کیا اور روایتی روشنی کو ایل ای ڈی سسٹم میں اپ گریڈ کیا، جس سے اس کے کاربن فوٹ پرنٹ کو نمایاں طور پر کم کیا گیا۔ اضافی 140 کلو واٹ شمسی تنصیب کے لیے ممکن العمل مطالعہ جاری ہے، جسے 2026 تک مکمل کرنے کا ہدف ہے، جس سے قابل تجدید توانائی پر انحصار میں مزید اضافہ ہو گا۔ اس کے علاوہ، ہر سطح پر توانائی کی بچت کے طریقوں کو فروغ دینے کے لیے ملازمین کی آگاہی مہم چلائی گئی۔

پانی کی نگرانی

پانی کا تحفظ کمپنی کی اولین ترجیح ہے۔ پانی کے بہاؤ کو کم کرنے کے لئے ایک نوزل سسٹم نصب کیا گیا تھا، اور 2025-26 تک شمسی توانائی سے چلنے والے واشنگ اور چھڑ کاؤ کے نظام کو نافذ کرنے کے منصوبے موجود ہیں۔

کمپنی ہر سال پانی کا عالمی دن بھی فعال طور پر مناتی ہے، مہمات، تربیتی سیشنوں کے ذریعے ملازمین اور آس پاس کی کمیونٹیز میں بیداری پیدا کرتی ہے، اور گندے پانی کے دوبارہ استعمال اور میٹھے پانی میں کمی جیسے اقدامات کو اجاگر کرتی ہے۔ یہ اقدامات تنظیم کے اندر اور باہر پانی کے پائیدار استعمال کی اہمیت کو تقویت دیتے ہیں۔

ماحولیاتی صحت کی حفاظت (EHS)

ہماری کمپنی صحت، حفاظت، اور ماحول سے متعلق تمام ریگولیٹری ضروریات کی تعمیل کرنے کے لئے پرعزم ہے۔ ہم اپنے کوالٹی مینجمنٹ سسٹم (آئی ایس او، 9001: 2015) ماحولیاتی مینجمنٹ سسٹم (آئی ایس او، 14001: 2015) اور پیشہ ورانہ صحت اور حفاظت کے انتظام کے نظام (اوی ایچ ایس اے ایس 18001: 2007) کے لئے آئی ایس او سرٹیفیکیشن رکھتے ہیں۔

ہماری مینوفیکچرنگ سہولیات صنعت کے معیار کے EHS پروٹوکول کے مطابق کام کرتی ہیں۔ کسی بھی ہنگامی صورتحال کو مؤثر طریقے سے سنبھالنے کے لئے ایک ایمرجنسی رسپانس کمیٹی موجود ہے۔ ہماری پوری سہولیات میں، ہم نے دھواں کا پتہ لگانے والے، فائر الارم، اور آگ بجھانے والے آلات نصب کیے ہیں، اور ہم باقاعدگی سے آگ بجھانے کے تربیتی سیشن منعقد کرتے ہیں۔ ملازمین کو ضرورت کے مطابق ذاتی حفاظتی سامان سے لیس کیا جاتا ہے، جس میں گاؤن، جوتے، دستاں، ہیلمٹ، ایئرپگ، اور گیس ماسک شامل ہیں۔

ہم تمام آلات سے شور کی سطح کی نگرانی اور کنٹرول کرتے ہیں تاکہ یہ یقینی بنایا جاسکے کہ وہ محفوظ حدود میں رہیں۔ جزیئر سے اخراج کا باقاعدگی سے جائزہ لیا جاتا ہے، اور حفاظتی معیار کو برقرار رکھنے کے لئے ہمارے بوائلز کے تیسرے فریق کے معائنے کیے جاتے ہیں۔ ٹھوس کیمیائی فضلہ کو جلایا جاتا ہے، اور تمام فضلہ کو صاف کیا جاتا ہے۔

میکٹر نے اپنے زیر واکسیڈنٹ وژن کو جاری رکھا، سال کے دوران صنعتی حادثات کی تعداد بھی صفر رہی۔

آگ سے حفاظت، کیمیائی ہینڈلنگ، پی پی ای کی تعمیل، اور ہنگامی رد عمل کا احاطہ کرتے ہوئے وسیع تربیتی سیشن منعقد کیے گئے۔ آگ کا پتہ لگانے کے نظام کو قومی اور بین الاقوامی معیارات کے مطابق اپ گریڈ کیا گیا تھا، جبکہ سہ ماہی ای ایچ ایس آڈٹ نے فیکٹریز ایکٹ 2015 پیشہ ورانہ صحت اور حفاظت ایکٹ، 2017 کی تعمیل کو یقینی بنایا

کارپوریٹ سماجی ذمہ داری (CSR)

ہماری کمپنی کا مشن صحت اور بہبود کے شعبے کو بہتر بنا کر انسانیت کی خدمت کرنا ہے۔ کمپنی نے سال کے دوران کارپوریٹ سماجی ذمہ داری (CSR) کے متعدد اقدامات کیے ہیں جن میں بشمول:

(a) مختلف رہنمائی تنظیموں / ہسپتالوں کو مفت ادویات کی فراہمی۔

(b) ڈاکٹروں اور صحت کی دیکھ بھال کرنے والوں کی صلاحیت میں اضافہ کرنا

(c) مختلف تعلیمی اداروں اور ہسپتالوں کی امداد

(d) مفت میڈیکل اسکریننگ کیمپس

(e) غریب مریضوں کے ساتھ تعاون

پائیداری کے تحت، شجر کاری مہمات، پانی سے متعلق آگاہی کی سرگرمیوں، اور پائیداری کے اقدامات میں ملازمین کی شمولیت کے ذریعے، کمپنی سماجی اور ماحولیاتی بہبود میں فعال طور پر حصہ ڈالتی ہے۔ یہ کوششیں نہ صرف ماحولیاتی اثرات کو کم کرتی ہیں بلکہ کمیونٹی کے ساتھ وسیع تر تعلقات کو بھی مضبوط کرتی ہیں۔

قومی خزانے میں حصہ

کمپنی نے انکم ٹیکس، کسٹم ڈیوٹی اور سیلز ٹیکس کی مددات میں مجموعی طور پر 1,079 ملین روپے قومی خزانے میں جمع کرائے۔

کریڈٹ ریٹنگ

VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے میکٹر انٹرنیشنل لمیٹڈ کی ادارہ درجہ بندی کو A-1 / A (سنگل A / A-One) کی کریڈٹ ریٹنگ تفویض کی ہے۔ ہماری درجہ بندی کو تفویض کردہ درجہ بندی پر صورتحال "مستحکم" ہے۔

داخلی مالیاتی کنٹرولز

ڈائریکٹرز مناسب داخلی مالی کنٹرول کو برقرار رکھنے کی اپنی ذمہ داری سے آگاہ ہیں۔ مینجمنٹ اور آڈیٹرز (انٹرنل و ایکسٹرنل) کے ساتھ تبادلہ خیال اور انٹرنل آڈٹ رپورٹ کے جائزے کے ذریعے، ہم اس بات کی تصدیق کرتے ہیں کہ کمپنی میں مناسب کنٹرولز لاگو ہیں۔

کارپوریٹ اور فنانسئل رپورٹنگ فریم ورک

کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک پر بیانات درج ذیل ہیں:

- کمپنی کی مینجمنٹ کی طرف سے تیار کردہ مالیاتی اسٹیٹمنٹ کمپنی کے معاملات، سرگرمیوں کے نتائج، نقدی کے بہاؤ اور ایکویٹی میں تبدیلیوں کا واضح اظہار کرتی ہے۔
- کمپنی کے اکاؤنٹس کی موزوں کتابیں تیار کی گئی ہیں۔
- مالیاتی اسٹیٹمنٹ کی تیاری میں اکاؤنٹنگ کی مخصوص پالیسیوں کا یکساں اور مسلسل اطلاق کیا گیا ہے۔ اکاؤنٹنگ تخمینے موزوں اور محتاط اندازوں پر مبنی ہیں۔
- مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے بین الاقوامی معیارات کی، جہاں تک وہ پاکستان میں قابل اطلاق ہیں، پیروی کی گئی ہے۔
- انٹرنل کنٹرول کا سسٹم ڈیزائن میں مضبوط ہے اور موثر طریقے سے لاگو ہے اور زیر نگرانی بھی ہے۔
- بطور ادارہ کمپنی کے کام جاری رکھنے کی اہلیت پر کسی شک و شبہ کی گنجائش نہیں ہے۔
- مالیاتی گوشواروں کے منسلک نوٹس میں ٹیکسز اور لیویز کی معلومات دی گئی ہیں۔
- سسٹنگ ریگولیشن میں تفصیلی طور پر دیئے گئے کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں کیا گیا ہے۔
- 30 جون 2025 کو تازہ ترین غیر آڈٹ شدہ اکاؤنٹس کے مطابق ملازمین کے پراویڈنٹ فنڈ کی سرمایہ کاری کی مالیت 421 ملین روپے ہے۔

بورڈ کی تشکیل

موجودہ بورڈ نو ممبران پر مشتمل ہے، جن میں ایک خاتون اور آٹھ مرد ڈائریکٹرز شامل ہیں۔ بورڈ کی تشکیل درج ذیل ہے:

مندرجات	تعداد
انڈیپنڈنٹ نان ایگزیکٹو ڈائریکٹرز	3
دیگر نان ایگزیکٹو ڈائریکٹرز	3
ایگزیکٹو ڈائریکٹرز	2
خاتون نان ایگزیکٹو ڈائریکٹر	1
کل	9

موجودہ ڈائریکٹرز کی فہرست درج ذیل ہے:

شمار	نام	درجہ بندی
1	جناب امان اللہ قاسم	انڈیپنڈنٹ نان ایگزیکٹو
2	جناب جواد احمد فرید	انڈیپنڈنٹ نان ایگزیکٹو
3	شیخ عبدالسمیع	انڈیپنڈنٹ نان ایگزیکٹو
4	شیخ پرویز احمد	نان ایگزیکٹو
5	شیخ محمد وسیم	نان ایگزیکٹو
6	جناب محمد اطہر سلطان	نان ایگزیکٹو
7	محترمہ مسرت مصباح	خاتون نان ایگزیکٹو
8	جناب آصف مصباح	ایگزیکٹو
9	جناب صالح مصباح خان	ایگزیکٹو

بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز، کارپوریٹ گورننس اور مالیاتی رپورٹنگ فریم ورک کے مطابق بورڈ آف ڈائریکٹرز کو ان کی ذمہ داریاں سرانجام دینے میں معاونت کرتی ہے۔ کمیٹی مندرجہ ذیل تین ارکان پر مشتمل ہے، ان میں سے دو نان ایگزیکٹو ممبر ہیں اور چیئر مین آزادانہ ایگزیکٹو ڈائریکٹر ہیں۔

نمبر شمار	نام	درجہ بندی	عہدہ
1	شیخ عبدالسمیع	انڈیپنڈنٹ نان ایگزیکٹو	چیئر مین
2	شیخ محمد وسیم	نان ایگزیکٹو	ممبر
3	جناب محمد اطہر سلطان	نان ایگزیکٹو	ممبر

بورڈ ہومن ریسورس اینڈ ریمونریشن کمیٹی

بورڈ ہومن ریسورسز اینڈ ریمونریشن کمیٹی بھی کمپنی کے اندر ہومن ریسورس کی پالیسیوں اور طریقوں پر عمل درآمد کا متواتر جائزہ لینے کے حوالے سے بورڈ آف ڈائریکٹرز کو ان کی ذمہ داریوں کی تکمیل میں معاونت کرتی ہے۔ یہ منجھٹ کے کلیدی عملے کے انتخاب، تشخیص، معاوضے اور جانشینی کی منصوبہ بندی میں بھی بورڈ کو مدد فراہم کرتی ہے۔ کمیٹی مندرجہ ذیل تین ارکان پر مشتمل ہے، ان میں سے ایک نان ایگزیکٹو ڈائریکٹر، ایک ایگزیکٹو ڈائریکٹر اور چیئر مین انڈیپنڈنٹ نان ایگزیکٹو ڈائریکٹر ہیں۔

نمبر شمار	نام	درجہ بندی	عہدہ
1	جناب جواد احمد فرید	انڈیپنڈنٹ نان ایگزیکٹو	چیئر مین
2	جناب محمد اطہر سلطان	نان ایگزیکٹو	ممبر
3	جناب آصف مصباح	ایگزیکٹو	ممبر

بورڈ اور بورڈ کمیٹی کی حاضری

نام	بورڈ آف ڈائریکٹرز		بورڈ آڈٹ کمیٹی		بورڈ ہیومن ریسورس اینڈ ریمونریشن کمیٹی	
	حاضری	استحقاق	حاضری	استحقاق	حاضری	استحقاق
1 جناب امان اللہ قاسم	5	2	NA	NA	NA	NA
2 جناب آصف مصباح	5	5	NA	NA	1	1
3 جناب صالح مصباح خان	5	4	NA	NA	NA	NA
4 شیخ محمد وسیم	5	5	4	4	NA	NA
5 شیخ عبدالسمیع	5	3	4	4	NA	NA
6 شیخ پرویز احمد	5	5	NA	NA	NA	NA
7 جناب محمد اطہر سلطان	5	4	-	4	1	1
8 محترمہ مسرت مصباح	5	-	NA	NA	NA	NA
9 جناب جواد احمد فرید	5	1	NA	NA	1	1

بورڈ آف ڈائریکٹرز میں تبدیلیاں

زیر جائزہ سال کے دوران بورڈ آف ڈائریکٹرز میں کوئی تبدیلی نہیں کی گئی۔

ڈائریکٹرز ٹریننگ پروگرام

30 جون 2025 تک SECP کے منظور شدہ ڈائریکٹرز ٹریننگ پروگرامز کے تحت 6 ڈائریکٹرز سرٹیفائیڈ ہیں۔ باقی تین افراد کو کوڈ کی تعمیل کرنے کے لئے مناسب وقت پر تربیت دی جائے گی۔

نان ایگزیکٹو ڈائریکٹرز کو مالی مراعات دینے کی پالیسی

نان ایگزیکٹو ڈائریکٹرز (انڈیپنڈنٹ و دیگر) کے لیے بورڈ یا بورڈ کمیٹی کے اجلاسوں میں شرکت کی فیس کمپنی کے آرٹیکلز آف ایسوسی ایشن کی شرائط کے تحت بورڈ کی طرف سے منظور کی گئی ہے۔

کلیدی آپریننگ اور مالیاتی ڈیٹا

گزشتہ چھ سالوں کا کلیدی آپریننگ اور مالیاتی ڈیٹا اور تناسب منسلک ہیں۔

شیئر ہولڈنگ کا پیٹرن

30 جون، 2025 تک شیئر ہولڈنگ کے پیٹرن کا اسٹیٹمنٹ منسلک ہے۔

انٹرنل آڈیٹرز

کمپنی کے انٹرنل آڈٹ کی نگرانی بیڈ آف انٹرنل آڈٹ کرتے ہیں جن کی معاونت انٹرنل آڈیٹرز میسرز KPMG تاثیر بادی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کرتے ہیں۔ انٹرنل آڈٹ کے سربراہ بورڈ آڈٹ کمیٹی کے چیئرمین کو رپورٹ کرتے ہیں۔

ایکسٹرل آڈیٹرز

موجودہ آڈیٹرز، میسرز ایف فرگوسن اینڈ کمپنی ریٹائر ہو چکے ہیں اور اہل ہونے کی وجہ سے انہوں نے کمپنی کے قانونی آڈیٹرز کے طور پر دوبارہ تقرری کے لئے خود کو پیش کیا ہے۔ کمپنی کے بورڈ آف ڈائریکٹرز نے اے ایف فرگوسن کمپنی کی دوبارہ تقرری کے لئے بورڈ آڈٹ کمیٹی کی سفارش کی توثیق کی ہے۔

ذیلی واقعات

اس رپورٹ کے اجراء تک مالیاتی سال کے اختتام کے دوران کمپنی کی مالی حیثیت کو متاثر کرنے والے کوئی مادی واقعات پیش نہیں آئے ہیں۔

مستقبل کا جائزہ

پاکستان فارماسیوٹیکل انڈسٹری کا مستقبل کا منظر نامہ مثبت ہے، جس کی وجہ مضبوط آبادیاتی رجحانات، بڑھتی ہوئی آبادی کی بڑھتی ہوئی طلب اور صحت کی دیکھ بھال کی خدمات تک بہتر رسائی اور آگاہی ہے۔ مزید برآں، شفافیت اور تعمیل کو بہتر بنانے کے مقصد سے DRAP کی طرف سے ریگولیٹری اصلاحات سے صنعت کی ترقی میں مدد کی توقع کی جاتی ہے۔

جبکہ صحت کی دیکھ بھال کے بنیادی ڈھانچے کے لیے حکومت کی وابستگی صحت کی دیکھ بھال کے شعبے کے لیے بڑھتی ہوئی مختص رقم کے ذریعے بھی واضح ہے جو آبادی کی بڑھتی ہوئی ضروریات کے رد عمل کو اجاگر کرتی ہے۔ بین الاقوامی ٹیرف تبدیلیوں کو ملک کی برآمدی ترقی کے پائیدار امکان میں تبدیل کرنے کے لیے برآمدات دوست حکمت عملیوں، انتظامی بوجھ کو کم کرنے اور اسٹریٹجک ترقی کی اشد ضرورت ہے۔

تاہم، دوا سازی کی صنعت کو غیر ملکی زرمبادلہ کی شرح میں اتار چڑھاؤ، جاری جغرافیائی سیاسی صورتحال، سپلائی چین کی رکاوٹوں اور حالیہ سیلاب کی وجہ سے متوقع افراط زر کے دباؤ کے چیلنجوں کا سامنا کرنا پڑ سکتا ہے۔

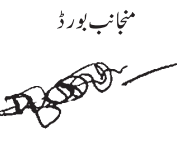
مجموعی طور پر بورڈ کی رہنمائی میں انتظامی ٹیم پاکستان اور بین الاقوامی سطح پر پائیدار ترقی کا مظاہرہ کرنے پر اعتماد ہے۔ ہم تحقیق اور ترقی، جدت طرازی اور معیار کو ترجیح دے کر ماحولیاتی چیلنجوں سے نمٹنے کے لئے پرعزم ہیں۔ اس میں بین الاقوامی معیار پر پورا اترنے کے لیے ہمارے پلانٹس کو اپ گریڈ کرنا، نئی برآمدی منڈیوں کی تلاش، اپنے لوگوں اور اسٹریٹجک شراکت داری میں سرمایہ کاری جاری رکھنا، اور مریض پر مبنی نقطہ نظر کو برقرار رکھنا شامل ہے۔ ایک ذمہ دار کارپوریٹ شہری کے طور پر ہم کمیونٹی کی شمولیت اور اپنے معاشرے اور ماحول پر مثبت اثرات مرتب کرنے میں اپنا کردار ادا کرتے رہیں گے۔

اعتراف

بورڈ آف ڈائریکٹرز اپنے تمام ملازمین کے عزم، لگن اور خلوص کی حوصلہ افزائی کرتے ہیں جنہوں نے جان بچانے والی ادویات کی بلا تعلق فراہمی کو یقینی بنانے کے لئے کام کیا ہے۔ ہم اپنے قابل قدر شیئر ہولڈرز، کسٹمرز، ڈسٹریبیوٹرز، سپلائرز، مالیاتی اداروں اور ریگولیٹری اتھارٹیز سے ملنے والی معاونت اور تعاون کا بھی اعتراف کرتے ہیں۔

اللہ سبحانہ و تعالیٰ کے مسلسل فضل و کرم پر تمام تر تعریفات اور تشکرا اسی کے لیے ہے۔


محمد اسلم سلطان
ڈائریکٹر


آصف مصباح
چیف ایگزیکٹو

کراچی۔

ستمبر 23، 2025ء

GENDER PAY GAP STATEMENT UNDER SECP'S CIRCULAR 10 OF 2024

Following is gender pay gap calculated for the year ended June 30, 2025:

- i) Mean Gender Pay Gap : 26.21%
- ii) Median Gender Pay Gap : -12.50%

The above percentages reflect the gender pay gap of relevant male versus female employees across the organization.



Chief Executive

Date: September 18, 2025

KEY OPERATING AND FINANCIAL DATA

	Unit	2025	2024	2023	2022	2021	2020
Summary of Statement of Financial Position							
Non-Current Assets	Rs. M	2,976	2,401	2,414	2,064	1,867	1,669
Current Assets	Rs. M	3,593	2,955	2,509	2,374	1,852	2,289
Total Assets	Rs. M	6,569	5,356	4,923	4,438	3,719	3,958
Total Equity							
Rs. M		3,805	3,197	2,871	2,575	1,350	1,168
Non-Current Liabilities	Rs. M	894	607	625	474	812	783
Current Liabilities	Rs. M	1,870	1,552	1,427	1,389	1,557	2,007
Total Liabilities	Rs. M	2,764	2,159	2,052	1,863	2,369	2,790
Total Equity and Liabilities	Rs. M	6,569	5,356	4,923	4,438	3,719	3,958
Summary of Profit or Loss							
Turnover - net	Rs. M	9,914	7,535	6,680	5,311	5,142	5,528
Gross profit	Rs. M	4,458	3,182	2,785	2,374	2,115	2,037
Operating profit	Rs. M	1,234	713	618	528	460	295
Profit before taxation	Rs. M	1,132	612	557	490	331	63
Taxation	Rs. M	395	185	164	172	74	48
Net profit	Rs. M	738	427	393	318	257	15
Ratios							
Profitability Ratios							
Gross profit to turnover	%	44.97	42.22	41.69	44.70	41.13	36.85
Operating profit to turnover	%	12.45	9.46	9.25	9.94	8.95	5.34
Profit before tax to turnover	%	11.42	8.12	8.34	9.23	6.44	1.14
Net profit to turnover	%	7.44	5.67	5.88	5.99	5.01	0.27
Return on equity before tax	%	29.75	19.15	19.40	19.03	24.52	5.39
Return on equity after tax	%	19.39	13.36	13.69	12.35	19.06	1.28
Return on capital employed	%	26.26	18.74	17.68	17.32	21.29	15.12
Return on assets	%	11.23	7.97	7.98	7.17	6.92	0.38
Market Ratios							
Market price per share at year end	Rs.	500.72	94.00	97.04	125.00	161.38	93.06
Market capitalization	Rs. M	22,938	4,306	4,445	5,726	6,317	3,643
Price earning ratio	Rs.	31.08	10.07	11.31	17.39	24.54	242.58
Break up value / share	Rs.	83.06	69.79	62.66	56.22	34.46	29.84
Basic / diluted earnings per share	Rs.	16.11	9.32	8.58	7.19	6.57	0.38
Dividend payout ratio*	%	23.59	24.13	12.59	46.23	64.58	-
Dividend cover ratio*	Times	4.24	4.14	7.94	2.16	1.55	-
Liquidity Ratios							
Current ratio	Times	1.92	1.90	1.76	1.71	1.19	1.14
Quick / acid test ratio	Times	0.51	0.56	0.44	0.72	0.49	0.57

* Based on proposed dividend

PATTERN OF SHAREHOLDING AS AT JUNE 30, 2025

Number of Certificate Holders	From	Certificate Holding		To	Certificate Held
1139	1	-		100	25,762
225	101	-		500	58,459
41	501	-		1000	30,905
43	1001	-		5000	85,567
5	5001	-		10000	36,608
2	10001	-		15000	28,400
2	15001	-		20000	33,000
1	20001	-		25000	25,000
1	35001	-		40000	36,572
1	40001	-		45000	40,001
1	50001	-		55000	53,061
1	55001	-		60000	56,500
1	60001	-		65000	64,633
1	70001	-		75000	71,333
1	80001	-		85000	83,511
1	90001	-		95000	94,090
1	280001	-		285000	284,284
3	300001	-		305000	913,770
1	420001	-		425000	424,548
1	570001	-		575000	574,061
1	605001	-		610000	609,180
1	2430001	-		2435000	2,430,303
1	3030001	-		3035000	3,030,303
1	6430001	-		6435000	6,430,868
1	15140001	-		15145000	15,140,059
1	15150001	-		15155000	15,150,240
1478					45,811,018

Shareholder's Category	Number of Shareholders	Number of Shares Held	Percentage
Individuals	1,455	33,157,229	72.38
Joint Stock Companies	17	12,635,379	27.58
Investment Companies	1	1,825	0.00
Modarabas	1	30	0.00
Others	4	16,555	0.04
	1,478	45,811,018	100.00

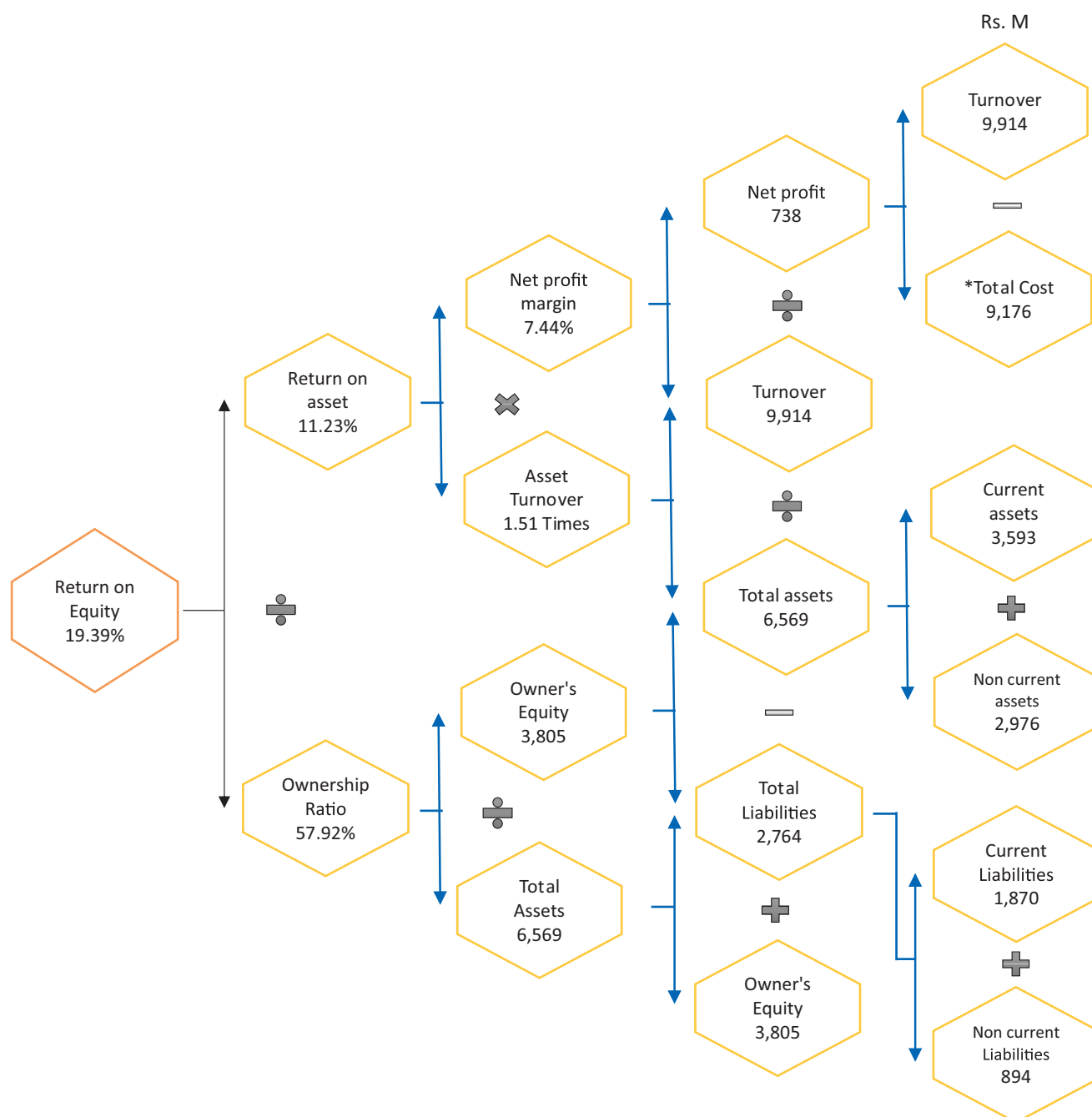
Categories Shareholders as on June 30, 2025

S. No.	Categories Shareholders	Shareholders	Shares Held	Total
1	Directors, Chief Executive office and their spouse(s) and minor children	9		30,595,405
	Asif Misbah		15,140,059	
	Swaleh Misbah Khan		15,150,240	
	Sheikh Perwez Ahmed		500	
	Masarrat Misbah		304,591	
	Jawwad Ahmed Farid		1	
	Sheikh Muhammed Waseem		1	
	Sheikh Abdus Sami		1	
	Amanullah Kassim		1	
	Muhammad Ather Sultan		11	
2	Associated Companies, Undertakings and related parties	NIL		
3	Executives	1		5,783
4	Modarabas and Mutual Funds	1		30
5	NIT and ICP	1		1,825
	Investment Corporation of Paksitan		1,825	
6	Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful and Pension Funds	17		12,635,379
7	Others	4		16,555
8	General Public	1,445		2,556,041
	Total	1,478		45,811,018

Shareholders Holding 10% or More in the Company

	Number of Shares	%
Mr. Asif Misbah	15,140,059	33.05
Mr. Swaleh Misbah Khan	15,150,240	33.07
Saas Enterprises (Pvt.) Limited	6,430,868	14.04

DUPONT ANALYSIS FOR THE YEAR ENDED JUNE 30, 2025

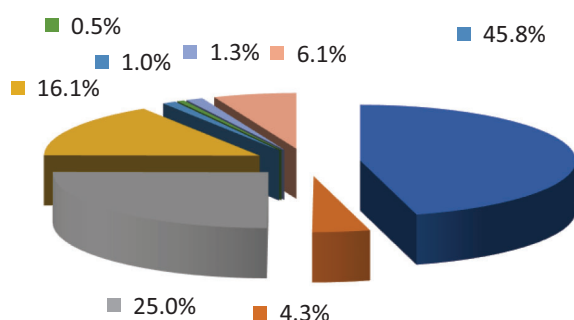


*Total Cost includes COGS, Selling, Admin, Other Expenses (less other income), Financial Charges and Taxation

STATEMENT OF VALUE ADDITION AND ITS DISTRIBUTION

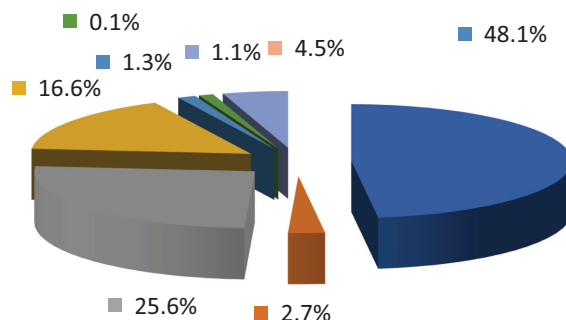
	2025	%	2024	%
	(Rupees in '000)		(Rupees in '000)	
VALUE ADDITION				
Turnover - net	9,914,318	99.3%	7,535,382	99.1%
Other operating income	73,702	0.7%	69,806	0.9%
	<u>9,988,020</u>	<u>100.0%</u>	<u>7,605,188</u>	<u>100.0%</u>
VALUE DISTRIBUTION				
Materials and services	4,574,883	45.8%	3,655,596	48.1%
Government taxes and duties	430,247	4.3%	204,442	2.7%
Employees remuneration, benefits & others	2,496,193	25.0%	1,947,096	25.6%
Operating and other costs	1,593,811	16.1%	1,264,809	16.6%
Financial charges	102,345	1.0%	100,573	1.3%
Donation	53,007	0.5%	5,509	0.1%
Dividends	128,271	1.3%	82,002	1.1%
Retained within the business	609,263	6.1%	345,161	4.5%
	<u>9,988,020</u>	<u>100%</u>	<u>7,605,188</u>	<u>100%</u>

2025



- Materials and services
- Government taxes and duties
- Employees remuneration, benefits & others
- Operating and other costs
- Financial charges
- Donation
- Dividends
- Retained within the business

2024



- Materials and services
- Government taxes and duties
- Employees remuneration, benefits & others
- Operating and other costs
- Financial charges
- Donation
- Dividends
- Retained within the business

PROFILE OF SHARIAH ADVISOR OF THE COMPANY

Mufti Muhammad Najeeb Khan holds a degree of specialization in Islamic Jurisprudence/Islamic Finance "Takhassus" from Jamia Darul Uloom Karachi under supervision of Justice Retd. Mufti Taqi Usmani which is equivalent to PHD.

Mufti Muhammad Najeeb Khan have rendered services to many local and multinational organizations especially in Islamic Banking and Finance, Islamic Assets & Fund Management, Islamic Financial Product Development, Halal Food Area, Slaughtering Rules. He was honored with an award for leading Shariah Advisor in 2015 from Mr. Mamnoon Hussain, President of Pakistan. He also has an extensive experience of management, teaching and training extending over a period of more than 20 years.

Mufti Muhammad Najeeb Khan is serving in the field of Halal Foods. He is a Chairman of Shariah Board of Halal Awareness and Research Council (HARC) and Member of Sindh Food Authority Technical Committee. He also worked as member of Pakistan Standards and Quality Control Authority (PSQCA) and Vice Chariman of Technical Committee on Halal Pharma Standards of PSQCA.

Mufti Muhammad Najeed Khan

Bungalow No. 112/1 25th Street Khayaba-e-Khalid
Phase VIII DHA, Karachi.
+92-321-2026665
mnajeedbkh@gmail.com



THE FACILITATOR

Shariah Review Report

For the year ended June 30, 2025

With the grace of Allah, I have been appointed as Shariah Advisor of **Macter International Limited** under the provisions of Shariah Governance Regulations, 2023 (Regulations). Under the Regulations my role includes:

- Introduction of a mechanism which will strengthen Shariah compliance in letter and spirit and ensure that the systems, procedures and policies adopted are in line with the Shariah principles.
- Ensure that the inflows and outflows of financial resources are free from: Riba (interest, usury or any other form), Qimar (Gambling), Gharar (Uncertainty) and other vices prohibited by Shariah.
- Advise on regular basis that the business, transactions and investments made are in accordance with the principles of Shariah.
- Make recommendations for potential improvements and the formulation of policies in line with Shariah principles.

Issuance of Shariah Compliance Certificate:

I have performed Shariah screening of **Macter International Limited** on the basis of its Financial Statements of June 30, 2025 (un-audited) using the criteria mentioned in the Chapter IV (b) of Shariah Governance Regulations, 2023.

Alhamdulillah, I found **Macter International Limited** as Shariah Compliant as per the said screening criteria and hence I have issued a Shariah Compliance Certificate in favor of MACTER INTERNATIONAL LIMITED.

Review of Operations and my Opinion:

During the period, I reviewed the operations and business activities of **Macter International Limited** with respect to Shariah compliance. For that purpose, I met with the relevant officials of **Macter International Limited**. Accordingly, it has been agreed with management that all legal documents and policies would be executed and implemented in **Macter International Limited** after approval from Shariah Advisor. The Company is carrying on its operations, business affairs and activities according to the principles of Shariah.

Shariah Consultancy Services:

State Bank of Pakistan | Institute of Chartered Accountants of Pakistan | Halal Awareness and Research Council
Bank Makramah | Faysal Bank | UBL Ameen Funds | Macter International | Muawin The Facilitator |
Hira Foundation School

Mufti Muhammad Najeeb Khan

Bungalow No. 112/1 25th Street Khayab-e-Khalid

Phase VIII DHA, Karachi.

+92-321-2026665

mnajeebkhan@hotmail.com



THE FACILITATOR

The company has taken steps to ensure that its pharmaceuticals ingredients used in manufacturing health care products are from Halal sources and has taken Halal certificate for its majority products from an accredited Halal certification body.

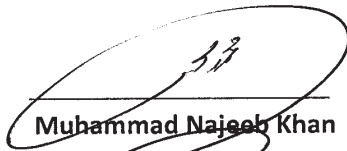
I have conducted the Shariah review of **Macter International Limited** for the financial year ended on June 30, 2025 in accordance with the provisions of Shariah Governance Regulations, 2023 and in my opinion:

- The transactions, the documentations and the procedures adopted have been in accordance with principles of Shariah;
- The business affairs have been carried out in accordance with rules and principles of Shariah;
- No Shariah non-compliant income has been earned by the Company, during the year. Therefore, no purification of income was required during the year

Conclusion:

Based on the Review of Company's operations, transactions, related documentation, processes, policies, legal agreements and management's representation, in my opinion, the affairs of **Macter International Limited** have been carried out in accordance with the rules and principles of Shariah, and therefore, I am of the view that **Macter International Limited** is a Shariah Compliant Company.

In the end; I pray to Allah Almighty to grant us success and help us at every step, keep us away from every hindrance and difficulty, and give financial success to **Macter International Limited**.


Muhammad Najeeb Khan

Karachi

September 15, 2025

Shahriah Consultancy Services:

State Bank of Pakistan | Institute of Chartered Accountants of Pakistan | Halal Awareness and Research Council
Bank Makramah | Faysal Bank | UBL Ameen Funds | Macter International | Muawin The Facilitator |
Hira Foundation School



A.F. FERGUSON & CO.

INDEPENDENT ASSURANCE REPORT ON COMPLIANCE WITH THE SHARIAH GOVERNANCE REGULATIONS, 2023

To the Board of Directors of Macter International Limited

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) – External Shariah Audit of Macter International Limited (the Company) for assessing compliance of the Company's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2025. This engagement was conducted by a multidisciplinary team including assurance practitioner and independent Shariah scholar.

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2025) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under:

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts and transactions having Shariah implications, entered into by the Company with its customers, other financial institutions and stakeholders and related policies and procedures are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for design, implementation and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
 State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
 Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

■ KARACHI ■ LAHORE ■ ISLAMABAD



A.F.FERGUSON & Co.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Company's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2025 based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements other than audits or reviews of historical financial information', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Company's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Company's compliance with the Shariah principles in order to design 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. We have designed and performed necessary verification procedures on various financial arrangements, contracts and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in paragraph 2 above).

We believe that the evidence we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

6. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, the Company's financial arrangements, contracts and transactions for the year ended June 30, 2025 are in compliance with the Shariah principles (criteria specified in the paragraph 2 above), in all material respects.


A. F. Ferguson & Co.
Chartered Accountants
Karachi

Date: October 3, 2025

Name of the Engagement Partner: Azhar Hussain

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company : **MACTER INTERNATIONAL LIMITED**
Year ending : **JUNE 30, 2025**

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

1. The total number of directors is 09 as per the following:
 - a. Male : 08
 - b. Female : 01
2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Amanullah Kassim Shaikh Abdus Sami Mr. Jawwad Ahmed Farid
Non-executive Director	Sheikh Muhammed Waseem Mr. Muhammad Ather Sultan Sheikh Perwez Ahmed
Executive Directors	Mr. Asif Misbah Mr. Swaleh Misbah Khan
Female Non-Executive Director	Ms. Masarrat Misbah

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 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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. Six directors are certified under the SECP approved Directors' Training Programs as at June 30, 2025.
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.
12. The board has formed committees comprising of members given below:

BOARD AUDIT COMMITTEE

S. No.	Name	Category	Position
1	Shaikh Abdus Sami	Independent Non-Executive	Chairman
2	Sheikh Muhammed Waseem	Non-Executive	Member
3	Muhammad Ather Sultan	Non-Executive	Member

BOARD HUMAN RESOURCE AND REMUNERATION COMMITTEE

S. No.	Name	Category	Position
1	Mr. Jawwad Ahmed Farid	Independent Non-Executive	Chairman
2	Mr. Muhammad Ather Sultan	Non-Executive	Member
3	Mr. Asif Misbah	Executive	Member

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	Yearly

15. The board has outsourced the internal audit function to KPMG TASEER HADI & CO, CHARTERED ACCOUNTANTS who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the 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.
19. Explanations pertaining to the regulations other than 3, 6, 7, 8, 27, 32, 33 and 36 are below:

S.No	Requirement	Explanation	Reg. No.
i	The Board may constitute a separate committee designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The responsibilities as prescribed for the Nomination Committee are being taken care of at the Board level as and when needed. Therefore, a separate committee is not currently considered to be necessary.	29
ii	The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances to carry out a review of effectiveness of risk management procedures and present a report to the Board.	The functions of the Risk Management Committee are currently performed by the Board Audit Committee and are included in its terms of reference. Hence, a separate committee is currently not needed.	30



Amanullah Kassim
Chairman

Karachi : September 23, 2025



A.F. FERGUSON & CO.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Macter International 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 Macter International 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 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.

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Date: October 3, 2025

UDIN: CR202510290LXv9Fhdg6

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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■ KARACHI ■ LAHORE ■ ISLAMABAD

**UNCONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**



A.F.FERGUSON & CO.

INDEPENDENT AUDITOR'S REPORT

To the members of Macter International Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Macter International Limited (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2025, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated 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 unconsolidated statement of financial position, unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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 June 30, 2025 and of the profit and other comprehensive loss, 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 unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Following are the Key audit matters:

S.No.	Key audit matters	How the matter was addressed in our audit
(i)	<p>Revenue from contracts with customers</p> <p><i>(Refer notes 3.19 & 24 to the unconsolidated financial statements)</i></p> <p>The Company's revenue is generated from sales of pharmaceutical products. The Company recognised revenue of Rs. 9.87 billion from the sale of goods to domestic as well as export customers during the year ended June 30, 2025.</p> <p>As part of our overall response to the audit risks when identifying and assessing the risks in revenue recognition, we considered that there is an inherent risk that revenue may be overstated as it is a key performance measure, which could create an incentive or pressure on the Company's management to meet targets. Further, we have focused our audit activities over the revenue recognised near to year end as there was a high risk that the revenue may be recorded before the control of goods is transferred to the customer and in an incorrect accounting period. Moreover, revenue recognition includes determination of sales prices in accordance with the regulated price regime of the Government.</p> <p>Based on the above and considering that the revenue recognition is a significant risk area, we considered this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> obtained an understanding of the Company's process with respect to revenue recognition and tested design and operating effectiveness of controls relevant to such process; obtained an understanding of pricing mechanism of Drug Regulatory Authority of Pakistan (DRAP) and tested, on sample basis, selling prices of regulated pharmaceutical products to ensure compliance with the pricing policies of DRAP; inspected contracts on a sample basis to obtain an understanding of contract terms particularly relating to timing of transfer of control of goods and assessing the Company's accounting policies for recognition of revenue with reference to the requirements of the prevailing accounting standards; performed substantive audit procedures over revenue transactions along with related supporting documents, on test basis; performed cut-off procedures to ensure that the revenue is recognised in the correct accounting period; and ensured that presentation and disclosures related to revenue are being addressed appropriately.

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S.No.	Key audit matters	How the matter was addressed in our audit
(ii)	<p>Impairment assessment of investment in subsidiary</p> <p><i>(Refer notes 3.12.2 & 6 to the unconsolidated financial statements)</i></p> <p>As per the requirements of accounting and reporting standards, management assessed whether there is any indication that investment in subsidiary may be impaired.</p> <p>In view of impairment indicators, management performed an impairment assessment to estimate the recoverable amount of the Company's investment in subsidiary [Misbah Cosmetics (Private) Limited]. The assessment involved estimation of future cash flows of the subsidiary and determination of recoverable amount using a number of assumptions and estimates. Based on such assessment, the Company concluded that no impairment was required as at June 30, 2025.</p> <p>As impairment assessment requires management to make projections of cashflows, use judgement and estimates, we considered this a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> considered indicators requiring management to carry out impairment assessment; obtained understanding of the management's process of assessment, including methodology and key assumptions used to estimate recoverable amount of investment in subsidiary; evaluated the reasonableness of key assumptions and estimates used by management to prepare cash flow projections and determined the recoverable amounts. For this purpose, we involved our internal specialists, where required; and assessed the adequacy of disclosures made in the unconsolidated financial statements in accordance with the applicable accounting and financial reporting framework.

Information Other than the Unconsolidated and Consolidated 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 unconsolidated and consolidated financial statements and our auditor's reports thereon.

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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.

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Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated 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 unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



A.F. FERGUSON & Co.

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 unconsolidated 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 unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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 Azhar Hussain.

A handwritten signature in black ink, appearing to read 'A. F. Ferguson & Co.', written over a light blue circular stamp.

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Date: October 3, 2025

UDIN: AR202510290L2rwBvQIC

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025

		2025	2024
		----- (Rupees in '000) -----	
ASSETS	Note		
NON-CURRENT ASSETS			
Property, plant and equipment	4	2,650,686	2,067,234
Intangible assets	5	1,478	2,064
Long-term investment	6	300,000	300,000
Long-term loans	7	7,327	1,829
Long-term deposits	8	16,483	15,906
Deferred taxation - net	9	-	14,052
		2,975,974	2,401,085
CURRENT ASSETS			
Stores and spares		25,051	18,114
Stock-in-trade	10	2,550,058	1,971,962
Trade debts	11	401,020	389,899
Loans and advances	12	215,280	229,886
Trade deposits, prepayments and other receivables	13	65,128	91,205
Refunds due from Government - sales tax		-	9,626
Taxation - net	14	38,952	59,806
Short-term investments	15	16,838	-
Cash and bank balances	16	280,675	184,251
		3,593,002	2,954,749
TOTAL ASSETS		6,568,976	5,355,834
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 65,000,000 (2024: 65,000,000) ordinary shares of Rs 10/- each		650,000	650,000
Issued, subscribed and paid-up capital	17	458,111	458,111
Capital reserve - share premium		1,225,860	1,225,860
Revenue reserve - accumulated profit		2,121,393	1,513,138
		3,805,364	3,197,109
NON-CURRENT LIABILITIES			
Deferred liabilities	18	293,771	256,080
Long-term financing	19	528,500	264,610
Lease liabilities	20	48,347	85,862
Deferred taxation - net	9	22,691	-
		893,309	606,552
CURRENT LIABILITIES			
Trade and other liabilities	22	1,531,054	1,339,338
Current portion of long-term financing	19	196,737	99,247
Current portion of lease liabilities	20	40,071	27,554
Provision for Gas Infrastructure Development Cess	21	85,650	85,484
Sales tax payable		16,159	-
Unclaimed dividend		632	550
		1,870,303	1,552,173
TOTAL LIABILITIES		2,763,612	2,158,725
CONTINGENCIES AND COMMITMENTS	23		
TOTAL EQUITY AND LIABILITIES		6,568,976	5,355,834

The annexed notes 1 to 42 form an integral part of these unconsolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024
Revenue from contracts with customers	24	9,914,318	7,535,382
Cost of sales	25	(5,456,540)	(4,353,751)
Gross profit		4,457,778	3,181,631
Selling and distribution expenses	26	(2,562,840)	(1,966,770)
Administrative expenses	27	(645,581)	(505,089)
Reversal / (charge) on loss allowance on trade debts and trade deposits	11.2 & 13.1	9,561	(13,923)
Other expenses	28	(98,154)	(52,983)
Other income	29	73,702	69,806
Operating profit		1,234,466	712,672
Finance cost	30	(102,345)	(100,573)
Profit before income tax		1,132,121	612,099
Income tax expense	31	(394,587)	(184,936)
Profit after taxation		737,534	427,163
		----- (Rupees) -----	
Earnings per share - basic and diluted	32	16.10	9.32

The annexed notes 1 to 42 form an integral part of these unconsolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

UNCONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Profit after taxation		737,534	427,163
Other comprehensive loss:			
Items that will not be reclassified subsequently to profit or loss			
Actuarial loss on remeasurement of defined benefit plans	18.1.6	(1,652)	(30,730)
Related deferred tax		644	11,985
		(1,008)	(18,745)
Total comprehensive income for the year		736,526	408,418

The annexed notes 1 to 42 form an integral part of these unconsolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid-up share capital	Reserves			Total
		Capital reserves	Revenue reserves	Total reserves	
		Share Premium	Accumulated profit		
----- (Rupees in '000) -----					
Balance as at July 01, 2023	458,111	1,225,860	1,186,722	2,412,582	2,870,693
Profit after taxation	-	-	427,163	427,163	427,163
Other comprehensive loss for the year	-	-	(18,745)	(18,745)	(18,745)
Total comprehensive income for the year	-	-	408,418	408,418	408,418
Transactions with the owners					
Final cash dividend @ Rs. 0.54 per share for the year ended June 30, 2023	-	-	(24,738)	(24,738)	(24,738)
Interim cash dividend @ Rs. 1.25 per share for the year ended June 30, 2024	-	-	(57,264)	(57,264)	(57,264)
Balance as at June 30, 2024	458,111	1,225,860	1,513,138	2,738,998	3,197,109
Balance as at July 01, 2024	458,111	1,225,860	1,513,138	2,738,998	3,197,109
Profit after taxation	-	-	737,534	737,534	737,534
Other comprehensive loss for the year	-	-	(1,008)	(1,008)	(1,008)
Total comprehensive income for the year	-	-	736,526	736,526	736,526
Transactions with the owners					
Final cash dividend @ Rs. 1.00 per share for the year ended June 30, 2024	-	-	(45,811)	(45,811)	(45,811)
Interim cash dividend @ Rs. 1.80 per share for the year ended June 30, 2025	-	-	(82,460)	(82,460)	(82,460)
Balance as at June 30, 2025	458,111	1,225,860	2,121,393	3,347,253	3,805,364

The annexed notes 1 to 42 form an integral part of these unconsolidated financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	33	1,157,153	761,609
Financial charges paid		(78,676)	(91,641)
Income tax paid		(336,346)	(230,079)
Gratuity paid	18.1.4	(8,772)	(32,772)
Long-term loans (extended) / receipt		(5,498)	101
Long-term deposits paid		(1,262)	(15,018)
Advance received against motor vehicles		1,751	245
Net cash generated from operating activities		728,350	392,445
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(869,591)	(295,975)
Proceeds from disposal of operating fixed assets	4.2	68,056	78,091
Additions to intangible assets		-	(1,553)
Short-term investment made		(16,838)	-
Net cash used in investing activities		(818,373)	(219,437)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(128,271)	(82,002)
Long-term financing obtained		574,379	159,514
Long term financing repaid		(212,314)	(90,701)
Principal portion of lease liabilities paid		(47,347)	(29,950)
Net cash generated from / (used in) financing activities		186,447	(43,139)
Net increase in cash and cash equivalent		96,424	129,869
Cash and cash equivalents at the beginning of the year		184,251	54,382
Cash and cash equivalents at the end of the year	16	280,675	184,251

The annexed notes 1 to 42 form an integral part of these unconsolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

1. THE COMPANY AND ITS OPERATIONS

1.1 Macter International Limited (the Company) was incorporated in Pakistan in 1992 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and was converted into a public limited company in 2011. Effective from August 01, 2017 the Company has been listed on Pakistan Stock Exchange Limited.

1.1.1 The geographical locations and addresses of the Company's business units, including plants are as under:

- The Company's manufacturing plants are located at F-216, S.I.T.E., Karachi and E-40/A, S.I.T.E.; Karachi,
- The Company's commercial offices are located at Bungalow No # 44-H, PECHS Block 6, Karachi and House No # NA-300, New Town, Nawaz Sharif Park, Rawalpindi; and
- The warehouses of the Company are situated at Plot No # F-217 & 217-A S.I.T.E., Karachi.

1.2 The principal activity of the Company is to manufacture and market pharmaceutical products. The registered office of the Company is situated at F-216 S.I.T.E., Karachi.

1.3 These unconsolidated financial statements are the separate financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated 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) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Act; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the IFAS and the Act differ from IFRS, the provisions of and directives issued under the IFAS and the Act have been followed.

2.2 Functional and presentation currency

These unconsolidated financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency and figures are rounded off to the nearest thousand of Rupees.

2.3 Changes in accounting standards, interpretations and pronouncements

(a) Standards and amendments to approved accounting standards that are effective

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 reporting except:

Amendment to IAS 1 - Non - current liabilities with covenants:

An amendment to IAS 1 'Presentation of Financial Statements' (IAS-1) was introduced addressing the classification of non-current liabilities subject to covenants. This amendment clarifies that liabilities should be classified as either current or non-current based on the rights available at the end of the reporting period, without consideration of future expectations or events occurring after this date. The amendment also mandates specific disclosures if a liability is classified as non-current but is subject to covenants that must be complied with within twelve months of the reporting date.

(b) Standards and amendments to approved accounting standards that are not yet effective

There are certain other new standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 01, 2025 but are not considered to be relevant or will not have any significant effect on the Company's operations and therefore are not detailed in these financial statements, except for the following:

- Amendments to IFRS 09 and IFRS 7 - Classification and Measurement of Financial Instruments (effective January 1, 2026), which clarify the date of recognition and derecognition of some financial assets and liabilities through banking instruments and channels including electronic transfers. The amendments, when applied may impact the timing of recognition and derecognition of financial liabilities;
- Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued IFRS 18 Presentation and Disclosure in Financial Statements with applicability date of July 01, 2027, which has not been notified locally by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2025.

The management is in the process of assessing the impacts of the new standards and amendments on the financial statements of the Company.

2.4 Critical accounting judgements, estimates and assumptions

The preparation of the unconsolidated financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgement, estimates and assumptions that affect the application of policies and the reported amounts of revenues, expenses, assets and liabilities and accompanying disclosures.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates, assumptions and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

	Notes
- Useful life of property, plant and equipment	3.1 & 3.12
- Net realisable value of stock in trade	3.5
- Impairment of financial & non-financial assets	3.12
- Taxation	3.23
- Valuation of employee retirement benefits	3.13
- Lease Liability and Right-of-use assets	3.2
- Contingencies	3.18
- Assets and liabilities arising from rights of return	3.20

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise disclosed or specified.

3.1 Property, plant and equipment

Operating fixed assets

These are stated at cost less accumulated depreciation and impairment loss, if any, except for leasehold land which are stated at cost less impairment loss, if any.

Depreciation is charged to the statement of profit or loss applying the reducing balance method at the rates specified in note 4.1 to the unconsolidated financial statements. Depreciation on additions is charged from the month asset is available for use and in case of disposal upto the preceding month of disposal.

Maintenance and repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalized when it is probable that respective future economic benefits will flow to the Company and the assets so replaced, if any, are retired.

Gains or losses on disposals of property, plant and equipment, if any, are recognized in unconsolidated statement of profit or loss.

The assets residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, at each financial year end.

Capital work-in-progress

These are stated at cost less impairment, if any, and represent expenditures incurred and advances made in respect of specific assets during the construction / installation year. These are transferred to relevant operating fixed assets as and when assets are available for use.

3.2 Lease liability and Right-of-use assets

The Company, as a lessee, has recognised right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligations to make lease payments.

At inception of a contract, the Company assesses whether a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Company mainly leases properties for its operations. The Company recognises a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the entity's incremental borrowing rate being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Dismantling costs and restoration costs.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of properties that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.3 Investment in subsidiary

Investments in subsidiary company is initially recognised at cost. At subsequent reporting dates, the recoverable amounts are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognised as expense. Where impairment losses subsequently reverse, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments.

A reversal of impairment loss is recognised in consolidated profit or loss and other comprehensive income.

3.4 Stores and spares

These are valued at lower of moving average cost and estimated net realisable value (NRV), less provision for obsolete items (if any), except items in-transit, if any, are valued at cost comprising invoice value plus other charges incurred thereon up to the date of statement of financial position.

Provision, if required is made in the financial statements for slow moving, obsolete and unusable items. Stores and spares are assessed and provision is applied according to degree of ageing based on a specific criteria.

3.5 Stock-in-trade

These are valued at the lower of cost or net realisable value. Cost is determined as follows:

- | | |
|--------------------------------------|---|
| - Raw and packing material | - at moving average cost of purchases and applicable procurement expenses. |
| - Finished goods and work-in-process | - at weighted average cost of purchases and applicable manufacturing expenses. |
| - Stock-in-transit | - Valued at cost comprising invoice value plus other charges paid thereon up to the reporting date. |

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Provision is recorded for slow moving and expired stock where necessary.

3.6 Trade debts

These are classified at amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

3.7 Loans, advances, deposits, prepayments and other receivables

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

Exchange gains or losses arising in respect of deposits, advances and other receivables denominated in foreign currencies are adjusted to their respective carrying amounts and charged to consolidated statement of profit or loss, if any.

3.8 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise of bank balances in current, savings and deposit accounts, other short-term highly liquid investments with original maturities of upto three months, short-term borrowings under running finance and book overdraft which are payable on demand, if any. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

3.9 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.10 Share premium

It represents the difference between the par value of the Company's ordinary shares and the total amount of money a company receives for ordinary shares issued.

3.11 Financial instruments**3.11.1 Initial measurement of financial asset**

The Company classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement**Debt Investments
at FVOCI**

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in the unconsolidated statement of profit or loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the unconsolidated statement of profit or loss.

**Equity Investments
at FVOCI**

These assets are subsequently measured at fair value. Dividends are recognised as income in the unconsolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the unconsolidated statement of profit or loss.

**Financial assets at
FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in the unconsolidated statement of profit or loss.

**Financial assets
measured at
amortised cost**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest / markup income, foreign exchange gains and losses and impairment, if any, are recognised in the unconsolidated statement of profit or loss.

3.11.2 Financial assets

All financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and include trade debts, deposits, advances and cash and cash equivalents. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

3.11.3 Financial liabilities

Financial liabilities are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings, unclaimed / unpaid dividend, accrued mark-up, lease liability and trade and other payables. The Company derecognises the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liabilities other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

3.11.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has currently legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

3.12 Impairment

3.12.1 Financial Assets

The Company recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade debts are always measured at an amount equal to lifetime ECLs.

The expected loss rates are based on the payment profiles of sales over a period of 36 - 48 months before June 30, 2025 or July 1, 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the debts. The Company has identified the Gross Domestic Product (GDP) and the inflation rate of the countries in which it sells its goods to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Company considers a financial asset to be at a risk of default when contractual payments are 90 days past due except for receivables from institutions for which it is considered as 1440 days, unless there are factors that might indicate otherwise. However, in certain cases, the Company may also consider a financial asset to be in default when internal or 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.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience, informed credit assessment and forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovery of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

The adoption of the expected loss approach has not resulted in any material change in impairment provision for any financial asset.

3.12.2 Non-financial assets

The carrying amounts of the Company's non-financial assets, other than stores and spares and stock in trade are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the unconsolidated statement of profit or loss.

3.13 Employee retirement benefits

Defined benefit plan

The Company operates an unfunded gratuity scheme covering all eligible permanent employees. Provision is made on the basis of actuarial recommendations. The latest actuarial valuation is carried out as at June 30, 2025 using the Project Unit Credit Method.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Defined contribution plan

The Company operates a provident fund plan for all permanent management employees. Contribution is made to the fund equally by the Company and the employees at the rate of 8.33% of basic and / or gross salary, as per the respective entitlement grades.

3.14 Trade and Other Payable

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised cost.

3.15 Contract liabilities

A contract liability is the obligation of the Company 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 or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liability are recognised as revenue when the Company performs under the contract.

3.16 Unclaimed dividend

Dividend declared and payable from the unconsolidated statement of financial position date are recognised as unclaimed dividend.

3.17 Provision

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

3.18 Contingencies

Contingencies are disclosed when the Company has a possible obligation that arises from past events and 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 entity or a present obligation that arises from past events but is not recognised because 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.

3.19 Revenue recognition

The Company recognises revenue from sale of goods at a point in time when control of goods is transferred to customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Control, depending on contractual terms, is considered to be transferred either when the product is directly uplifted by customer from factory premises or when it is delivered by the Company at customer premises.

The Company generally enters into an agreement with its customers for supply of its products, including delivery of product. As the transportation of product coincides with actual delivery, sale of product and transportation is considered single performance obligation. The credit limits in contract with customers varies depending on the terms of specific contract.

Income from toll manufacturing is recognised at a point in time when services are rendered.

3.20 Assets and liabilities arising from rights of return**Right of return assets**

Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products. Returns for the Company comprise of expired products or near expiry products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

3.21 Other income

Other income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the income can be measured reliably. Other income is measured on the following basis:

- Return on short-term deposits and investments at amortised cost are accounted for using the effective interest rate method.
- Dividend income is recognised when the right to receive the dividend is established.
- Scrap sales are recognized on accrual basis.

3.22 Foreign currency translations

Transactions in foreign currencies are translated into Pakistani Rupees at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated into Pakistani Rupees at the foreign exchange rate prevailing at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the unconsolidated statement of profit or loss.

3.23 Taxation

Current

The current income tax charge is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred

Deferred tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, while deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, carry forward of unused tax credit and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets are realised or the liabilities are settled, based on tax rates (and tax laws) that have been enacted or subsequently enacted at the reporting date. Deferred tax is charged or credited to statement of profit or loss except to the extent it relates to items recognized in other comprehensive income.

Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the unconsolidated statement of profit or loss as these levies fall under the scope of IFRIC 21 / IAS 37.

Tax on dividend from subsidiaries, associates and joint ventures are not considered as levy as these dividends are specifically covered by IAS 12.

3.24 Dividend and appropriation to reserves

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved. However, if these are approved after the reporting period but before the financial statements are authorised for issue, disclosure is made in the unconsolidated financial statements.

3.25 Earnings per share

The Company presents basic and diluted earning per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.26 Segment reporting

The activities of the Company are organised into one operating segment i.e., manufacturing and marketing of pharmaceutical products. The Company operates in the said reportable operating segment based on nature of the product, risks and returns, organizational and management structure, and internal financial reporting system. Accordingly, the figures reported in the unconsolidated financial statements are related to the Company's only reportable segment.

	Note	2025 ----- (Rupees in '000) -----	2024
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	2,133,915	1,739,779
Capital work-in-progress	4.5	454,183	231,320
Right-of-use assets	4.6	62,588	96,135
		<u>2,650,686</u>	<u>2,067,234</u>

4.1 Operating fixed assets:

	Cost		Accumulated Depreciation				Net book value as at June 30, 2025	Depreciation rate % per annum
	As at July 01, 2024	As at June 30, 2025	Disposals	As at July 01, 2024	Charge for the year	On disposals		
----- (Rupees in '000) -----								
Owned								
Leasehold land (note 4.3)	216,807	-	-	216,807	-	-	-	216,807
Buildings on leasehold land (note 4.3)	466,868	5,846	-	472,714	203,506	13,289	-	255,919
Plant and machinery	856,351	18,519	-	874,870	504,690	35,910	-	334,270
Tools and equipment	287,825	18,433	-	306,258	112,663	18,023	-	175,572
Gas and other installation	442,058	143,896	-	585,954	208,443	32,929	-	344,582
Furniture and fixtures	70,060	15,704	-	85,764	37,249	3,884	-	44,631
Office equipment	45,500	350	-	45,850	23,759	2,194	-	19,897
Computer equipment	43,069	15,702	(277)	58,494	33,063	5,560	(201)	20,072
Motor vehicles	665,908	428,278	(47,884)	1,046,302	231,294	125,763	(32,920)	722,165
	3,094,446	646,728	(48,161)	3,693,013	1,354,667	237,552	(33,121)	2,133,915

Macter International Limited

Operating fixed assets:

	Cost			Accumulated Depreciation			Depreciation rate % per annum
	As at July 01, 2023	Additions / Transfers	Disposals / write offs	As at June 30, 2024	Charge for the year	On disposals	
				As at July 01, 2023			
(Rupees in '000)							
Owned							
Leasehold land (note 4.3)	216,807	-	-	216,807	-	-	-
Buildings on leasehold land (note 4.3)	458,708	8,160	-	466,868	13,601	-	5
Plant and machinery	838,495	17,856	-	856,351	38,666	-	10
Tools and equipment	284,420	3,405	-	287,825	19,211	-	10
Gas and other installation	423,346	25,308	(6,596)	442,058	40,637	(5,732)	10
Furniture and fixtures	65,166	4,894	-	70,060	3,335	-	10
Office equipment	42,662	2,838	-	45,500	2,327	-	10
Computer equipment	39,111	3,958	-	43,069	3,574	-	30
Motor vehicles	621,659	97,737	(53,488)	665,908	93,830	(26,586)	20
	2,990,374	164,156	(60,084)	3,094,446	215,181	(32,318)	1,739,779

4.2 Details of disposals of operating fixed assets having book value of more than Rs. 500,000 during the year are as follows:

Description	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain	Mode of disposal	Particulars of buyers	Relationship with buyers
----- (Rupees in '000) -----								
Motor vehicles								
Glory 580 Pro 1.5 Turbo	5,060	2,034	3,026	4,500	1,474	Negotiation	Asif Khan	Third party
Suzuki Alto	1,733	610	1,123	2,300	1,177	Insurance Claim	EFU Takaful	Insurer
Suzuki Swift	1,905	1,273	632	2,016	1,384	Negotiation	Mughis Ul Hassan	Third party
Honda Civic	1,069	538	531	3,550	3,019	Negotiation	Raja Haroon	Third party
Items having book value of less than Rs. 500,000 each	38,394	28,666	9,728	55,690	45,962			
June 30, 2025	48,161	33,121	15,040	68,056	53,016			
June 30, 2024	60,084	32,318	27,766	78,091	50,325			

4.3 Particulars of immovable fixed assets in the name of Company are as follows:

Location	Particular	Total Area (Square fit)*
F-216, S.I.T.E, Karachi	Production plant *	44,020
E-40/A, S.I.T.E, Karachi	Production plant *	44,226
Neiclass No. 158 of Deh Tore, Tapo Konkhar, Gadap Town, District Malir, Karachi	Land	718,741

* The covered area includes multi storey buildings.

4.4 Depreciation charge for the year on operating fixed assets has been allocated as follows:

		2025	2024
	Note	(Rupees in '000)	
Cost of sales	25	110,655	116,742
Selling and distribution expenses	26	95,331	77,612
Administrative expenses	27	31,566	20,827
		<u>237,552</u>	<u>215,181</u>

4.5 Capital work-in-progress

	2025			
	Building on Leasehold land	Plant and machinery	Others	Total
	(Rupees in '000)			
Opening balance	9,227	141,712	80,381	231,320
Capital expenditure incurred / advances made	151,735	272,837	291,049	715,621
Transfer to operating fixed assets including advances adjusted	(692)	(139,797)	(352,269)	(492,758)
Closing balance	<u>160,270</u>	<u>274,752</u>	<u>19,161</u>	<u>454,183</u>
	2024			
	Building on Leasehold land	Plant and machinery	Others	Total
	(Rupees in '000)			
Opening balance	38,593	807	60,101	99,501
Capital expenditure incurred / advances made	19,396	145,579	157,953	322,928
Advances refunded / reclassified	(3,691)	-	(25,820)	(29,511)
Transfer to operating fixed assets including advances adjusted	(45,071)	(4,674)	(111,853)	(161,598)
Closing balance	<u>9,227</u>	<u>141,712</u>	<u>80,381</u>	<u>231,320</u>

4.6 Right-of-use assets

		2025	2024
	Note	(Rupees in '000)	
As at July 01,			
Cost		211,040	211,040
Accumulated depreciation		(114,905)	(76,641)
Net book value		<u>96,135</u>	<u>134,399</u>
Year ended June 30,			
Balance at the beginning of the year		96,135	134,399
Additions during the year		1,825	-
Reassessment of lease during the year	20.1.1	1,722	-
Depreciation for the year	4.6.1	(37,094)	(38,264)
Closing net book value		<u>62,588</u>	<u>96,135</u>
As at June 30,			
Cost		214,587	211,040
Accumulated depreciation		(151,999)	(114,905)
Net book value		<u>62,588</u>	<u>96,135</u>

	Note	2025 ----- (Rupees in '000) -----	2024 -----
4.6.1 Depreciation charge for the year on right-of-use assets has been allocated as follows:			
Cost of sales	25	7,602	7,444
Selling and distribution expenses	26	29,492	30,820
		37,094	38,264

4.6.2 Right-of-use assets comprise of lease arrangements for premises utilised as office building and warehouse.

4.6.3 The right-of-use assets are depreciated over a life of 3 - 5 years.

5. INTANGIBLE ASSETS

	Cost			Accumulated Amortisation				
	As at July 01, 2024	Additions during the year	As at June 30, 2025	As at July 01, 2024	Charge for the year	As at June 30, 2025	Net book value as at June 30, 2025	Amortisation rate % per annum
	----- (Rupees in '000) -----							
Software licenses	26,277	-	26,277	24,213	586	24,799	1,478	20-33.33%
SAP ERP	41,802	-	41,802	41,802	-	41,802	-	20%
Manufacturing and distribution rights	20,000	-	20,000	20,000	-	20,000	-	20%
2025	88,079	-	88,079	86,015	586	86,601	1,478	

	Cost			Accumulated Amortisation				
	As at July 01, 2023	Additions during the year	As at June 30, 2024	As at July 01, 2023	Charge for the year	As at June 30, 2024	Net book value as at June 30, 2024	Amortization rate % per annum
	----- (Rupees in '000) -----							
Software licenses	24,724	1,553	26,277	23,193	1,020	24,213	2,064	20-33.33%
SAP ERP	41,802	-	41,802	41,802	-	41,802	-	20%
Manufacturing and distribution rights	20,000	-	20,000	20,000	-	20,000	-	20%
2024	86,526	1,553	88,079	84,995	1,020	86,015	2,064	

	Note	2025 ----- (Rupees in '000) -----	2024 -----
5.1 Amortisation charge for the year has been allocated as follows:			
Cost of sales	25	-	577
Administrative expenses	27	586	443
		<u>586</u>	<u>1,020</u>

6. LONG-TERM INVESTMENT**Investment in subsidiary - at cost**

Misbah Cosmetics (Private) Limited

Equity held: 79.84% (2024: 79.84%)

No. of shares: 30,000,000 (2024: 30,000,000)

of Rs.10 each

6.1	<u>300,000</u>	<u>300,000</u>
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6.1 The subsidiary company is engaged in selling and distribution of cosmetics products.

The subsidiary company has incurred significant losses in prior years resulting in net equity position of Rs. 68.68 million which is less than the cost of investment (after adjustment of accumulated losses of Rs. 307.08 million) based on the financial statements for the year ended June 30, 2025. The Company considered this as an indicator of impairment, accordingly, the Company carried out an assessment for the recoverable amount of its investment in subsidiary. The assessment involved estimation of future cash flows of subsidiary and determination of recoverable amount using a number of assumptions and estimates. Based on such assessment, no impairment loss was required as at June 30, 2025.

	Note	2025 ----- (Rupees in '000) -----	2024 -----
7. LONG-TERM LOANS - secured, considered good			
Due from:			
- Executives		9,242	677
- Other employees		4,843	5,051
	7.1	<u>14,085</u>	<u>5,728</u>
Less: Current portion			
- Executives		(3,112)	(133)
- Other employees		(3,646)	(3,766)
	12	<u>(6,758)</u>	<u>(3,899)</u>
		<u>7,327</u>	<u>1,829</u>

7.1 These represent mark-up free loans to executives and employees for purchase of motor cars, motor cycles, house building, umrah and others, in accordance with the Company's policy. These loans are secured against the final settlement of respective employees and are recoverable in monthly installments over a period of one month to one hundred and thirteen months, these loans are secured against retirement benefits of respective employees.

Long-term loans have been carried at cost as the effect of carrying these balances at amortised cost would not be material in the overall context of these unconsolidated financial statements.

	2025	2024
	----- (Rupees in '000) -----	
8. LONG-TERM DEPOSITS		
Utilities	11,601	11,601
Rent	4,882	4,305
	<u>16,483</u>	<u>15,906</u>

9. DEFERRED TAXATION - NET

	Accelerated tax depreciation	Right of use of asset and lease liability	Provision for gratuity payable	Provision for doubtful receivables	Provision for trade deposits	Provision for slow moving and obsolete items	Total
	----- (Rupees in '000) -----						
Balance at July 1, 2024	(190,870)	6,740	98,833	43,945	12,927	42,477	14,052
(Charge) / credit to profit or loss for the year	(46,558)	3,334	13,373	(5,990)	2,260	(3,806)	(37,387)
Credit to other comprehensive income for the year	-	-	644	-	-	-	644
Balance at June 30, 2025	<u>(237,428)</u>	<u>10,074</u>	<u>112,850</u>	<u>37,955</u>	<u>15,187</u>	<u>38,671</u>	<u>(22,691)</u>
Balance at July 1, 2023	(178,125)	3,156	74,000	48,563	8,994	43,769	357
Credit / (charge) to profit or loss for the year	(12,745)	3,584	12,848	(4,618)	3,933	(1,292)	1,710
Credit to other comprehensive income for the year	-	-	11,985	-	-	-	11,985
Balance at June 30, 2024	<u>(190,870)</u>	<u>6,740</u>	<u>98,833</u>	<u>43,945</u>	<u>12,927</u>	<u>42,477</u>	<u>14,052</u>

- 9.1** The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the unconsolidated statement of financial position.
- 9.2** Deferred tax asset has been recognised in full of the total deferred tax liability based on the changes in Finance Act, 2024, according to which export sales will not be treated under Final Tax Regime, instead the export sales will now fall under Minimum Tax Regime.
- 9.3** As per Finance Act, 2023, companies operating in certain sectors, including pharmaceutical, having taxable income above Rs. 500 million are liable to pay super tax at 10% for tax year 2023 and onwards. Consequently, the Company has recorded deferred tax at 39% in accordance with applicable accounting and reporting standards.

		2025	2024
	Note	----- (Rupees in '000) -----	
10. STOCK-IN-TRADE			
In hand			
- raw materials	10.2	1,146,788	881,269
- packing materials	10.2	434,978	264,295
- work-in-process		234,634	214,700
- finished goods	10.3	811,646	583,087
		2,628,046	1,943,351
Less: Provision for slow moving and obsolete items	10.4	(107,655)	(108,916)
		2,520,391	1,834,435
In transit	10.5	29,667	137,527
		2,550,058	1,971,962

10.1 As at June 30, 2025, stock of finished products has been written down by Rs. 7.44 million (2024: Rs. 9.19 million) to arrive at its net realisable value of Rs. 23.45 million (2024: Rs. 37.30 million).

10.2 These include raw material and packaging material held by third party amounting to Rs. 88.74 million (2024: Rs. 48.64 million) and Rs. 21.07 million (2024: Rs. 9.23 million) respectively.

10.3 Finished goods includes right of return assets amounting to Rs. 38.29 million (2024: Rs. 38.29 million).

		2025	2024
	Note	----- (Rupees in '000) -----	
10.4 Provision for slow moving and obsolete items			
Opening balance		108,916	124,383
Charge for the year	25	73,067	49,593
Write off during the year		(74,328)	(65,060)
Closing balance		107,655	108,916

10.5 Stock in transit includes raw material of Rs. 19.90 million (2024: Rs.102.78 million) and packing material of Rs. 8.99 million (2024: Rs. 27.44 million).

		2025	2024
	Note	----- (Rupees in '000) -----	
11. TRADE DEBTS - unsecured			
Considered good	11.1	401,020	389,899
Considered doubtful		97,320	112,680
		498,340	502,579
Allowance for expected credit loss	11.2	(97,320)	(112,680)
		401,020	389,899

11.1 These trade debts include receivable against export sales to Africa and Asia amounting to Rs. 0.61 million (2024: Rs. 0.61 million) and Nil (2024: Rs. 22.15 million) respectively.

	Note	2025 ----- (Rupees in '000) -----	2024 -----
11.2 Allowance for expected credit loss			
The movement in expected credit loss during the year is as follows:			
Balance at beginning of the year		112,680	138,005
Provision (reversed) / recognised during the year		(15,360)	5,843
Write offs during the year		-	(31,168)
		(15,360)	(25,325)
Balance at end of the year		97,320	112,680

11.3 The aging of trade debts at the statement of financial position date was:

	2025					
	Not past due	30 days	31-90 days	90-180 days	181 to 360 days	over 360 days
	----- (Rupees in '000) -----					
Total gross carrying amount	226,806	85,646	17,098	15,534	5,117	148,139
Expected credit loss	4,503	9,168	7,694	6,991	2,303	66,661
	-----	-----	-----	-----	-----	-----
	2024					
	Not past due	30 days	31-90 days	90-180 days	181 to 360 days	over 360 days
	----- (Rupees in '000) -----					
Total gross carrying amount	253,356	5,774	51,150	7,252	31,443	153,604
Expected credit loss	-	124	923	7,061	7,599	96,973
	-----	-----	-----	-----	-----	-----

	Note	2025 ----- (Rupees in '000) -----	2024 -----
12. LOANS AND ADVANCES - considered good			
Raw material loan	12.1	30,839	-
Current portion of long-term loans	7	6,758	3,899
Advances to:			
- employees	12.2	29,909	24,448
- suppliers		147,774	201,539
		177,683	225,987
		215,280	229,886

12.1 This represents raw material issued as a loan to a local vendor on a temporary basis.

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

		2025	2024
	Note	----- (Rupees in '000) -----	
13. TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Deposits			
Margin against bank guarantees		24,972	36,665
Tender deposits		75,712	77,853
Provision for doubtful deposits	13.1	(38,942)	(33,143)
		36,770	44,710
Others		940	380
		62,682	81,755
Prepayments			
Software license		-	90
Takaful		1,657	-
		1,657	90
Other receivables			
Profit on saving accounts		789	1,450
Margin against letter of credits		-	6,575
Others		-	1,335
		789	9,360
		65,128	91,205
13.1 Provision for doubtful deposits			
The movement in provision for doubtful deposits during the year is as follows:			
Balance at beginning of the year		33,143	25,563
Provision recognised during the year		5,799	8,080
Write offs during the year		-	(500)
Balance at end of the year		38,942	33,143
14. TAXATION - NET			
Tax receivable at the start of the year		59,806	16,373
Tax payments / adjustment made during the year		336,346	228,369
		396,152	244,742
Less: provision for tax - current		(357,200)	(184,936)
Tax receivable at the end of the year		38,952	59,806
15. SHORT-TERM INVESTMENTS			
Term deposit Mudaraba Certificates			
- at amortised cost	15.1	16,838	-

15.1 This represents funds placed in Term deposit Mudaraba Certificates (TDRs) ranging from 5.55% to 17% per annum having maturity till August 2025.

		2025	2024
16. CASH AND BANK BALANCES	Note	----- (Rupees in '000) -----	
Cash in hand		2	-
Cash at bank			
Conventional:			
- current account in local currency		3,766	1,902
Islamic:			
- current account		58,992	5,330
- saving accounts in local currency	16.1	217,283	176,469
- dividend accounts in local currency		632	550
		280,673	184,251
		280,675	184,251

16.1 These carry profit at the rates ranging from 2.78% to 17% (2024: 11.01% to 19.00%) per annum.

17. SHARE CAPITAL

Authorized share capital

2025	2024		2025	2024
----- Number of shares -----			----- (Rupees in '000) -----	
65,000,000	65,000,000	Ordinary shares of Rs.10 each	650,000	650,000

Issued, subscribed and paid-up capital

2025	2024		2025	2024
----- Number of shares -----			----- (Rupees in '000) -----	
8,430,868	8,430,868	Fully paid ordinary shares of Rs.10 each Issued for cash	84,309	84,309
30,489,649	30,489,649	Fully paid ordinary shares of Rs.10 each Issued as fully paid bonus shares	304,897	304,897
223,834	223,834	Fully paid ordinary shares of Rs.10 each Issued pursuant to merger with Associated Services Limited	2,238	2,238
6,666,667	6,666,667	Fully paid ordinary shares of Rs.10 each Issues as fully paid right shares	66,667	66,667
45,811,018	45,811,018		458,111	458,111

- 17.1** 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.

		2025	2024
	Note	----- (Rupees in '000) -----	-----
18. DEFERRED LIABILITIES			
Advance against motor vehicles		4,412	2,661
Employees' gratuity payable	18.1	289,359	253,419
		293,771	256,080

18.1 Defined benefit plan - unfunded gratuity scheme

- 18.1.1** In accordance with the requirements of IAS-19 "Employee Benefits", actuarial valuation was carried out as at June 30, 2025, using the "Projected Unit Credit Method". Provision has been made in these unconsolidated financial statements to cover obligation in accordance with the actuarial recommendations.

18.1.2 Risks on account of defined benefit plan

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 increase proportionately also.

Discount rate fluctuation

The plan liabilities are calculated using a discount rate determined by reference to market yields (at the statement of financial position date) on government bond. A decrease in government bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans' bond holdings.

Withdrawal risk

The risk that the actual withdrawal experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and entitled benefits of the beneficiary.

Inflation fluctuation

The salary inflation is the major risk that the funds carry. In a general economic sense and in a longer view, there is a case that if bond yields increase, the change in salary inflation generally offsets the gains from the decrease in discounted benefit obligations. But viewed with the fact that the plan have no asset, the impact of salary inflation might be significant.

Mortality risk

The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service/age distribution and the benefit.

	2025	2024
	--- Number of Employees ---	
The number of employees covered under the defined benefit scheme are:	<u>333</u>	<u>354</u>
The following principal actuarial assumptions were used for the valuation of above mentioned scheme:		
Financial assumptions		
- Discount rate (per annum compounded)	12.00%	14.50%
- Salary increase per annum	12.00%	14.50%
Demographic assumptions		
- Normal retirement	60 years	60 years
- Mortality rate	EFU (61-66)	EFU (61-66)
	2025	2024
Note	----- (Rupees in '000) -----	
18.1.3 Liability in statement of financial position		
Present value of defined benefit obligations	<u>289,359</u>	<u>253,419</u>
18.1.4 Movement in liability during the year		
Balance at the beginning of the year	253,419	219,217
Charged to profit or loss	43,060	36,244
Benefits paid during the year	(8,772)	(32,772)
Actuarial loss recognised in other comprehensive income	1,652	30,730
Balance at the end of the year	<u>289,359</u>	<u>253,419</u>
18.1.5 Reconciliation of the present value of defined benefit obligations		
Present value of defined benefit obligations as at July 01	253,419	219,217
Current service cost	7,878	6,174
Finance cost	35,182	30,070
Benefits paid	(8,772)	(32,772)
Actuarial loss on obligations	1,652	30,730
Present value of defined benefit obligations as at June 30	<u>289,359</u>	<u>253,419</u>

18.1.6 Charge for the defined benefit plan

2025 2024
----- (Rupees in '000) -----

Cost recognised in profit or loss

Current service cost	7,878	6,174
Finance cost	35,182	30,070
	43,060	36,244

Actuarial loss on defined benefit obligations recognised in other comprehensive income

Actuarial loss on defined benefit obligations		
- Loss due to change in experience adjustments	1,652	30,730

18.1.7 Other disclosures

Expected benefit payments to retirees in the following year	8,298	19,199
Weighted average duration of the defined benefit obligations (year)	7.70	8.10

18.1.8 Sensitivity analysis

Sensitivity analysis has been performed by varying one assumption keeping all other assumptions constant and calculating the impact on the present value of the defined benefit obligations on various employee benefit schemes. The increase / (decrease) in the present value of defined benefit obligations as a result of change in each assumption is summarised below:

2025 2024
----- (Rupees in '000) -----

Increase in discount rate by 1%	(17,883)	(16,381)
Decrease in discount rate by 1%	20,083	18,419
Increase in expected future increment in salary by 1%	19,894	18,250
Decrease in expected future increment in salary by 1%	(18,035)	16,517

18.1.9 Maturity Profile

Year 1	27,685	19,199
Year 2	31,940	28,765
Year 3	29,246	30,433
Year 4	39,759	29,251
Year 5	31,255	38,859
Year 6 and onwards	201,174	206,712

18.1.10 As per the recommendation of the actuary, the charge for the year ending June 30, 2026 amounts to Rs. 8.11 million.

18.1.11 Comparison for Five Years

As at June 30	2025	2024	2023	2022	2021
	----- (Rupees in '000) -----				
Defined benefit obligation	289,359	253,419	219,217	207,938	207,028
Experience adjustment loss / (gain) on obligation (as percentage of plan obligations)	0.57%	12.13%	4.40%	-1.52%	0.67%

		2025	2024
	Note	----- (Rupees in '000) -----	-----
19. FINANCING			
19.1 Long-Term Financing			
Diminishing musharakah:			
- vehicles	19.1.1	565,237	363,857
- machine	19.1.1	160,000	-
	19.1.1	725,237	363,857
Less: Current maturity shown under current liabilities		(196,737)	(99,247)
		528,500	264,610

19.1.1 These facilities have been obtained from First Habib Modaraba. These carry mark-up at the rates of 3 Months KIBOR + 1.00% to 1.25% (2024: 3 Months KIBOR + 1.00% to 1.25%) per annum and are having maturity till June 2030 (2024: June 2029). These facilities are secured by way of hypothecation charge over current / fixed assets of the Company.

19.2 Short-term borrowing available

The Company has following short term borrowing facilities available as at year end:

The facilities for running musharakah arrangements with various banks amounted to Rs. 500 million (2024: Rs. 700 million) all of which remained unutilised at the year end. The rate of mark-up applicable on running finance is based on one month KIBOR + 0.8% to 1.5% (2024: one month KIBOR + 0.8% to 1.5%) per annum.

The facilities from Murahaba, Musawamah and Istisna arrangement from various banks amounted to Rs. 2,350 million (2024: Rs. 3,350 million) all of which remained unutilised as at the year end. The rate of markup applicable is based on respective tenor KIBOR + 0.8% to 1.5% (2024: respective tenor KIBOR + 0.8% to 1.5%) per annum.

		2025	2024
	Note	----- (Rupees in '000) -----	-----
20. LEASES			
20.1 LEASE LIABILITIES			
Lease liabilities		88,418	113,416
Current portion of lease liabilities		(40,071)	(27,554)
		48,347	85,862

		2025	2024
	Note	----- (Rupees in '000) -----	
20.1.1 Reconciliation of the carrying amount is as follows:			
Balance at the beginning of the year		113,416	143,366
Additions during the year		1,825	-
Reassessment of lease during the year		1,722	-
Accretion of interest	30	18,802	13,574
Lease rental payments made during the year		(47,347)	(43,524)
Lease liabilities at the end of the year		88,418	113,416
Current portion of lease liabilities		(40,071)	(27,554)
Non current portion of lease liabilities		48,347	85,862

20.1.2 The amount of future payments under the lease arrangement and the period in which these payments will become due are as follows:

	2025	2024
	----- (Rupees in '000) -----	
Gross lease liabilities - minimum lease payments:		
Not later than one year	51,581	46,366
Later than one year but not later than five years	57,192	105,953
	108,773	152,319
Future finance charge	(20,355)	(38,903)
Present value of finance lease liabilities	88,418	113,416

21. PROVISION FOR GAS INFRASTRUCTURE DEVELOPMENT CESS

This represents Gas Infrastructure Development Cess (GIDC) against which the Honourable Supreme Court of Pakistan in its order dated August 13, 2020 held that the same is constitutional. Subsequent to the order, the Sui Southern Gas Company Limited (SSGC) issued GIDC bill under which the total amount would be recovered in forty eight equal monthly installments.

The above demand of the SSGC was not acknowledged as liability by the Company and it filed an appeal before the Honourable High Court of Sindh (the Court) on the grounds that no burden of GIDC had been passed to its customers and thus the Company is not liable to pay GIDC under GIDC Act, 2015. Based on the above appeal, the Court was pleased to grant stay vide order dated September 29, 2020 against the demand raised by the SSGC and restrained them from taking any coercive action.

		2025	2024
	Note	----- (Rupees in '000) -----	
22. TRADE AND OTHER LIABILITIES			
Trade and other creditors		629,403	531,948
Advances from customers - contract liabilities	22.1	417,760	413,646
Refund liability		65,552	65,552
Accrued liabilities		255,678	236,052
Sindh Workers' Welfare Fund	22.2	23,363	12,721
Payable to provident fund	22.3	15,335	12,098
Withholding taxes payable		16,166	15,758
Sindh Workers' Profit Participation Fund	22.4	61,483	8,477
Central Research Fund	22.5	12,297	6,786
Auditors' remuneration		4,633	4,316
Accrued profit		7,172	2,471
Others		22,212	29,513
		1,531,054	1,339,338

- 22.1** The contract liabilities primarily relate to the advance consideration received from customers for future sales as per the Company's policy, for which revenue is recognised at a point in time. Revenue recognised from contract liabilities during the year amounted to Rs. 352.19 million (2024: Rs. 104.55 million).

	2025	2024
	----- (Rupees in '000) -----	
22.2 Sindh Workers' Welfare Fund		
Opening balance	12,721	44,817
Charge for the year	23,363	12,721
	36,084	57,538
Less: Payments made during the year	(12,721)	(44,817)
Closing balance	23,363	12,721

- 22.3** Investments out of provident fund have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

22.4 Sindh Workers' Profit Participation Fund

Opening balance	8,477	30,230
Mark-up thereon	525	3,015
Charge for the year	61,483	33,477
	70,485	66,722
Less: Payments made during the year	(9,002)	(58,245)
Closing balance	61,483	8,477

22.5 Central Research Fund

Opening balance	6,786	6,046
Charge for the year	12,297	6,785
	19,083	12,831
Less: Payments made during the year	(6,786)	(6,045)
Closing balance	12,297	6,786

23. CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

23.1.1	Description of the factual basis of the Name of the Court proceedings and relief sought	Name of court	Principle Party	Date instituted
	Certain cases have been filed against the Company by some employees against their termination / dismissal, having exposure of the Company to the extent of Rs.14.64 million (2024: Rs.18.03 million). Provision has not been made in these unconsolidated financial statements for the said amount as the management of the Company, based on the advice of its legal counsel handling the subject cases, is of the opinion that matters shall be decided in the Company's favour.	National Industrial Relations Commission	Employees vs Macter International Limited	Various dates

23.2 Commitments

Capital expenditure commitments outstanding as at June 30, 2025 amounted to Rs. 52.54 million (2024 Rs. 114.32 million)

The facilities for opening letters of credit and guarantees as well as shipping guarantee from banks as at June 30, 2025 amounted to Rs. 1,925 million (2024: Rs. 2,475 million), Rs. 175 million (2024: Rs. 275 million) and Rs. 500 million (2024: Rs. 700 million) respectively of which unutilized balance at period end amounted to Rs. 1,584 million (2024: Rs. 2,022 million), Rs. 41 million (2024: Rs. 152 million) and Rs. 500 million (2024: Rs. 700 million) respectively.

	Note	2025 ----- (Rupees in '000) -----	2024 -----
24. REVENUE FROM CONTRACTS WITH CUSTOMERS			
Gross Sales			
Local	24.2	10,580,557	8,305,994
Export		978,460	561,369
		11,559,017	8,867,363
Toll manufacturing		47,605	60,076
		11,606,622	8,927,439
Less: Trade discount		1,414,419	1,156,940
Sales return		53,048	68,384
Sales tax		224,837	166,733
		1,692,304	1,392,057
		9,914,318	7,535,382
24.1 Disaggregation of revenue			
Sale of goods and services		9,867,646	7,475,907
Toll manufacturing		46,672	59,475
		9,914,318	7,535,382

24.2 This include sales to government organisations amounting to Rs. 77.58 million (2024: Rs. 10.15 million)

	Note	2025 ----- (Rupees in '000) -----	2024 -----
25. COST OF SALES			
Raw and packing materials consumed	25.1	4,404,606	3,281,518
Manufacturing overheads			
Salaries, wages and benefits	25.2	675,221	532,642
Fuel and power		267,014	256,353
Depreciation on operating fixed assets	4.4	110,655	116,742
Repairs and maintenance		97,261	92,599
Provision for slow moving and obsolete stock-in-trade	10.4	73,067	49,593
Laboratory and factory supplies		40,050	45,879
Research and development cost		65,529	19,418
Stores and spares consumed		12,200	13,332
Rent, rates and taxes		12,290	12,573
Printing and stationery		9,994	9,670
Depreciation on right-of-use assets	4.6.1	7,602	7,444
Travelling, conveyance and entertainment		6,140	6,635
Takaful		7,208	5,263
Postage and communication		1,740	1,998
Amortisation	5.1	-	577
Training and development cost		1,248	542
Legal and professional		33	35
Others		164	956
		1,387,416	1,172,251
		5,792,022	4,453,769
Work-in-process			
Opening		214,700	158,131
Closing		(234,634)	(214,700)
		(19,934)	(56,569)
Cost of goods manufactured		5,772,088	4,397,200
Finished goods			
Opening		583,087	627,565
Closing		(811,646)	(583,087)
		(228,559)	44,478
Physician samples		(86,989)	(87,927)
		5,456,540	4,353,751
25.1 Raw and packing materials consumed			
Opening stock		1,145,564	1,111,181
Purchases		4,840,808	3,315,901
		5,986,372	4,427,082
Closing stock		(1,581,766)	(1,145,564)
		4,404,606	3,281,518
25.2	This includes amount of Rs. 19.57 million (2024: Rs. 16.3 million) and Rs. 30.80 million (2024: Rs. 26.61 million) in respect of defined contribution and defined benefit plan respectively.		

		2025	2024
		----- (Rupees in '000) -----	
26. SELLING AND DISTRIBUTION EXPENSES			
Salaries and benefits	26.1	1,387,296	1,085,001
Sales promotion expenses		511,733	339,471
Training and development cost		63,037	80,688
Freight charges		139,506	79,471
Depreciation on operating fixed assets	4.4	95,331	77,612
Repair and maintenance		80,445	70,362
Traveling, conveyance and entertainment		91,167	95,619
Subscription charges		64,149	35,305
Depreciation on right-to-use assets	4.6.1	29,492	30,820
Fuel and power		28,115	30,430
Takaful		13,784	12,520
Rent, rate and taxes		42,140	11,660
Service charges		7,978	5,481
Postage and communication		4,369	4,545
Legal and professional		1,562	4,467
Printing and stationery		2,736	3,318
		2,562,840	1,966,770

26.1 This includes Rs. 38.88 million (2024: Rs. 32.38 million) and Rs. 11.90 million (2024: Rs. 5.94 million) in respect of defined contribution and defined benefit plan respectively.

27. ADMINISTRATIVE EXPENSES

Salaries and benefits	27.1	371,543	294,451
Repairs and maintenance		73,725	82,146
Fuel and power		31,656	23,950
Legal and professional		21,495	21,621
Donations	27.2	53,007	5,509
Depreciation on operating fixed assets	4.4	31,566	20,827
Rent, rates and taxes		14,417	13,910
Printing and stationery		13,857	13,186
Traveling, conveyance and entertainment		14,524	12,744
Postage and communication		5,024	5,481
Auditors' remuneration	27.3	5,465	4,316
Directors' fee		650	1,525
Takaful		5,290	3,508
Amortisation	5.1	586	443
Training and development cost		1,918	206
Others		858	1,266
		645,581	505,089

27.1 This includes amount of Rs.14.48 million (2024: Rs. 11.88 million) and Rs. 5.64 million (2024: Rs. 3.69 million) in respect of defined contribution and defined benefit plan respectively.

27.2 Donations to single parties exceeding higher of Rs. 1 million or 10% of the total donations are as follows:

	Note	2025 ----- (Rupees in '000) -----	2024 -----
SINA Health Education & Welfare Trust		33,762	-
Majlis-e-Ilmi Society		-	3,060
Khadija Tul Kubra Welfare Trust		-	1,200
		<u>33,762</u>	<u>4,260</u>

27.3 Auditors' remuneration

Annual audit fee of unconsolidated financial statements	2,200	1,600
Half year review of unconsolidated financial statements	700	600
Annual audit fee of consolidated financial statements	600	500
Certifications for free float, CDC, unclaimed dividend, Code of Corporate Governance and Shariah Audit	1,100	900
	<u>4,600</u>	<u>3,600</u>
Out of pocket expenses	460	396
Sales tax	405	320
	<u>5,465</u>	<u>4,316</u>

28. OTHER EXPENSES

Sindh Workers' Profit Participation Fund	61,483	33,477
Workers' Welfare Fund	23,363	12,721
Central Research Fund	12,297	6,785
Exchange loss - net	1,011	-
	<u>98,154</u>	<u>52,983</u>

29. OTHER INCOME

Income from financial assets

Profit on saving accounts - Islamic	10,749	14,272
Income from Term Deposit Mudaraba Certificates	1,394	-
	<u>12,143</u>	<u>14,272</u>

Income from non-financial assets

Gain on disposal of operating fixed assets	4.2	53,016	50,325
Scrap sales		3,805	2,144
Exchange gain - net		-	716
Profit on Bank Margin		111	-
Others	29.1	4,627	2,349
		<u>61,559</u>	<u>55,534</u>
		<u>73,702</u>	<u>69,806</u>

29.1 This includes service income from Enhanced External Counter Pulsation (EECP) amounting to Rs. 4.45 million (2024: Rs. 2.34 million).

		2025	2024
	Note	----- (Rupees in '000) -----	
30. FINANCE COST			
Profit on:			
- Diminishing musharakah		71,861	67,714
- Musharakah running finance		9,224	2,558
Markup on lease liabilities	20.1.1	18,802	13,574
Markup on GIDC		166	12,578
Mark-up on Sindh Workers' Profit Participation Fund		525	3,015
		<u>100,578</u>	<u>99,439</u>
Bank charges and commission		1,767	1,134
		<u>102,345</u>	<u>100,573</u>
31. TAXATION			
Current - for the year		407,608	221,933
- prior year		(50,408)	(35,287)
Deferred	9	37,387	(1,710)
		<u>394,587</u>	<u>184,936</u>

31.1 Income tax assessments of the Company have been finalised up to and including the tax year 2024 under the self assessment scheme.

	2025	2024	2025	2024
	(Effective tax rate%)		----- (Rupees in '000) -----	
31.2 Relationship between income tax expense and accounting profit				
Profit before income tax			1,132,121	612,099
Tax at the enacted tax rate	29.00	29.00	328,315	177,509
Effect of super tax	9.18	9.53	103,907	58,338
Tax effects of:				
Income subject to FTR	-	(2.24)	-	(13,725)
Carried forward turnover tax adjustment	-	(0.65)	-	(4,000)
Prior period adjustment	(4.45)	(5.76)	(50,408)	(35,287)
Others	1.13	0.34	12,773	2,101
Income tax - note 31	<u>34.85</u>	<u>30.21</u>	<u>394,587</u>	<u>184,936</u>

		2025	2024
	Note	----- (Rupees in '000) -----	
32. BASIC AND DILUTED EARNINGS PER SHARE			
Profit after taxation		737,534	427,163
		----- Number of shares -----	
Weighted average number of ordinary shares in issue		45,811,018	45,811,018
Basic earnings per share (Rupees)	32.1	<u>16.10</u>	<u>9.32</u>

32.1 There is no dilutive effect on basic earnings per share of the Company as at June 30, 2025 and June 30, 2024.

		2025	2024
	Note	----- (Rupees in '000) -----	
33. CASH GENERATED FROM OPERATIONS			
Profit before income tax		1,132,121	612,099
Adjustments of non cash and other items:			
Depreciation on operating fixed assets	4.4	237,552	215,181
Depreciation on right-of-use assets	4.6.1	37,094	38,264
Amortisation	5.1	586	1,020
Finance cost	30	83,543	86,999
Mark-up on lease liabilities	30	18,802	13,574
Provision for gratuity	18.1.6	43,060	36,244
Gain on disposal of operating fixed assets	4.2	(53,016)	(50,325)
Provision for slow moving and obsolete stock-in-trade	10.4	73,067	49,593
Allowance for expected credit loss	11.2 & 13.1	(9,561)	13,923
Change in working capital	33.1	(406,095)	(254,963)
		1,157,153	761,609
33.1 Change in working capital			
(Increase) / decrease in current assets			
Stores and spares		(6,937)	698
Stock-in-trade		(651,163)	(245,392)
Trade debts		4,239	(12,880)
Loans and advances		14,606	(89,703)
Trade deposits, prepayments and other receivables		20,278	(17,820)
Sales tax refundable		9,626	29,086
		(609,351)	(336,011)
Increase in current liabilities			
Trade and other payables		187,097	81,048
Sales tax payable		16,159	-
		203,256	81,048
		(406,095)	(254,963)

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Company's financial instruments are credit risk, operational risk, liquidity risk and market risk (including return rate risk, currency risk and price risk). The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

34.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company's management is regularly conducting detailed analysis on sectors.

34.1.1 Exposure to credit risk

The Company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy. The maximum exposure to credit risk at the reporting date is:

		2025	2024
	Note	----- (Rupees in '000) -----	-----
Long-term deposits	8	16,483	15,906
Trade debts	11	401,020	389,899
Loans	7	14,085	5,728
Trade deposits and other receivables	13	63,471	91,115
Short-term investment	15	16,838	-
Cash and bank balances	16	280,675	184,251
		<u>792,572</u>	<u>686,899</u>

The Company does not take into consideration the value of collateral while testing financial assets for impairment. The Company considers the credit worthiness of counterparties as part of its risk management.

Long-term deposits

This represents long term deposits under diminishing musharakah and with utility companies. The Company does not foresee any credit exposure there against as the amounts are paid to counterparty as per agreement and is refundable on termination of the agreement with respective counterparty.

Trade debts

The Company's exposure to credit risk arising from trade debtors is mainly influenced by the individual characteristics of each customer. Majority of the Company's sales are made against receipts in advance from customers. The Company has no major concentration of credit risk with any single customer. The majority of the trade customers have been transacting with the Company for several years. The Company establishes an allowance for impairment where it considers recoveries are not probable.

The information about the credit risk exposure on the Company's trade receivables as at June 30, 2025 and June 30, 2024 is disclosed in note 11.3 of these unconsolidated financial statements.

Loans

Loans to employees are not exposed to any material credit risk and are secured against the retirement benefits of the respective employees.

Trade deposits and other receivables

These represent deposits placed with various suppliers as per the terms of securing availability of services. The management does not expect to incur credit loss there against.

Cash and bank balances

Cash is held only with reputable banks with high quality external credit rating assessed by external rating agencies. Following are the credit ratings of banks with which balances are held or credit lines available:

Banks	Rating agency	Rating	
		Short term	Long term
Al Baraka Bank (Pakistan) Limited	VIS	A-1	AA-
Askari Bank Limited	PACRA	A-1+	AA+
Bank Al Habib Limited	PACRA	A-1+	AAA
Bank Al Falah Limited - Islamic	PACRA	A-1+	AAA
Dubai Islamic Bank Pakistan Limited	VIS	A-1+	AA
Habib Bank Limited	VIS	A-1+	AAA
MCB Bank Limited	PACRA	A-1+	AAA
MCB Islamic Bank Limited	PACRA	A-1	A+
Meezan Bank Limited	VIS	A-1+	AAA
Allied Bank Limited	PACRA	A-1+	AAA
Bankislami Pakistan Limited	PACRA	A-1	AA-
Bank of Punjab	PACRA	A-1+	AA+
Habib Metro Bank Pakistan	PACRA	A-1+	AA+
First Habib Modaraba	PACRA	A-1+	AA+

34.1.2 Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focuses on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at the reporting date.

34.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company applies the prudent risk management policies by maintaining sufficient cash and bank balances and by keeping committed credit lines. The table below summarizes the maturity profile of the Company's financial liabilities at the following reporting dates:

	2025				
	Carrying amount	Contractual cashflows	upto one year	one to five years	More than five years
	----- (Rupees in '000) -----				
Long-term financing	725,237	(920,082)	(279,195)	(640,887)	-
Lease liabilities	88,418	(108,773)	(51,581)	(57,192)	-
Trade and other payables	934,433	(934,433)	(934,433)	-	-
Unclaimed dividend	632	(632)	(632)	-	-
	1,748,720	(1,963,920)	(1,265,841)	(698,079)	-

	2024				
	Carrying amount	Contractual cashflows	upto one year	one to five years	More than five years
	----- (Rupees in '000) -----				
Long-term financing	363,857	(525,471)	(171,224)	(354,247)	-
Lease liabilities	113,416	(152,319)	(46,366)	(105,953)	-
Trade and other payables	580,346	(580,346)	(580,346)	-	-
Unclaimed dividend	550	(550)	(550)	-	-
	1,058,169	(1,258,686)	(798,486)	(460,200)	-

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rate effective as at June 30. The rate of mark-up has been disclosed in respective notes to these financial statements.

	July 01, 2024	Cash Flows	Non cash flow	June 30, 2025
	----- (Rupees in '000) -----			
34.2.1 Changes in liabilities from financing activities				
Long-term financing	363,857	362,065	(685)	725,237
Lease liabilities	113,416	(47,347)	22,349	88,418
Unclaimed dividend	550	82	-	632
	477,823	314,800	21,664	814,287

34.3 Market Risk

Market risk is the risk that fair value of future cash flows will fluctuate because of changes in market prices. Market prices comprise three types of risks which includes interest rate risk, currency risk and other price risk, such as equity risk. There has been no change in the Company's exposure to market risk or the manner in which this risk is managed and measured.

34.3.1 Return rate risk

Return rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in the market return rates. The Company's return rate risk arises from long-term financing and bank deposits obtained with floating rates. All the borrowings of the Company are obtained and investments made in the functional currency.

At the reporting date, the return rate profile of Company's return-bearing financial instruments was:

	Note	2025 ----- (Rupees in '000) -----	2024
Financial asset			
Local currency - saving accounts	16	217,283	176,469
Financial liabilities			
Long-term financing	19	725,237	363,857

The Company analyses its return rate exposure on a regular basis by monitoring existing facilities against prevailing market return rates and taking into account various other financing options available.

The following figures demonstrate the sensitivity to a reasonably possible change in return rate, with all other variables held constant, of the Company's profit before tax:

	Increase / (decrease) in basis points	Effect on profit before tax (Rupees in '000)
2025		
Change in return rate	+100	5,080
Change in return rate	-100	(5,080)
2024		
Change in return rate	+100	1,874
Change in return rate	-100	(1,874)

34.3.2 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.

Exposure to currency risk

The Company is exposed to currency risk on bank balances and trade creditors that are denominated in a currency other than the respective functional currency of the Company, primarily U.S. Dollar. The Company's exposure to foreign currency risk is as follows:

	2025			2024		
	Rupees	US Dollars	Chinese Yuan	Rupees	US Dollars	Chinese Yuan
	(Amounts in '000)					
Financial assets						
Bank Balance	37,115	131	-	26,101	94	-
Financial liabilities						
Trade creditors	(44,051)	(155)	-	(37,951)	(110)	(188)
Net exposure	(6,936)	(24)	-	(11,850)	(16)	(188)

The following significant exchange rates applied during the year:

	Average rates		Reporting date rates	
	2025	2024	2025	2024
	(Rupees in '000)			
US Dollar to PKR	279.98	282.90	283.76	278.34
Chinese Yuan to PKR	39.06	39.16	39.60	38.31

Sensitivity analysis

A 10 percent strengthening / (weakening) of the Pak Rupee against the US Dollar at June 30, 2025 would have increased / (decreased) the profit by Rs. 4.37 million. This analysis assumes that all other variables, in particular return rates, remains constant and the analysis is performed on the same basis as done in prior year.

34.3.3 Equity price risk

The Company is not exposed to any equity price risk.

		2025	2024
	Note	----- (Rupees in '000) -----	-----
34.4 Categories of financial instruments			
34.4.1 Financial assets as per statement of financial position			
At amortised cost			
Trade debts	11	401,020	389,899
Cash and bank balances	16	280,675	184,251
Short-term investments	15	16,838	-
Trade deposits and other receivables	13	63,471	91,115
Long-term deposits	8	16,483	73,183
Loans	7	14,085	5,728
		<u>792,572</u>	<u>744,176</u>
34.4.2 Financial liabilities as per statement of financial position			
At amortised cost			
Long-term financing	19	725,237	421,134
Lease liabilities	20	88,418	113,416
Trade and other payables	22	934,433	580,346
Unclaimed dividend		632	550
		<u>1,748,720</u>	<u>1,115,446</u>

34.4.3 Fair values of financial assets and liabilities

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

The carrying values of all financial assets and liabilities reflected in these unconsolidated financial statements approximate fair values.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Investments, if any, recognised at fair value are analyzed between those whose fair value is based on:

Level 1: Quoted prices in active markets for identical assets or liabilities,

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

There are no investments measured at fair value as at June 30, 2025.

34.5 Capital risk management

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholders value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as total loans and borrowings including any finance charges thereon, less cash and cash equivalents.

The gearing ratios as at June 30, 2025 and 2024 are as follows:

		2025	2024
	Note	----- (Rupees in '000) -----	
Long term financing	19	725,237	421,134
Accrued profit	22	7,172	2,471
Total debt		732,409	423,605
Cash and bank balances	16	(280,675)	(184,251)
Net debt		451,734	239,354
Share capital	17	458,111	458,111
Reserves		3,347,253	2,738,998
Total capital		3,805,364	3,197,109
Capital and net debt		4,257,098	3,436,463
Gearing ratio		10.61%	6.97%

The Company finances its operations through equity, borrowings and management of its working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

35. Capacity and production

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

		2025	2024
	Note	----- (Rupees in '000) -----	
36. SHARIAH COMPLIANCE STATUS DISCLOSURE			
Statement of financial position - Liability side			
i) Long-term financing as per Islamic mode	19	725,237	363,857
ii) Mark up accrued on Islamic loan	22	7,172	2,471
Statement of financial position - Asset side			
i) Shariah-compliant bank balances	16	280,673	184,251
ii) Short-term Investments Term Deposit Mudaraba Certificates	15	16,838	-
Statement of profit or loss			
i) Revenue earned from Shariah-compliant business segment	24	9,914,318	7,535,382
ii) Exchange (loss) / gain	28	(1,011)	716
iv) Profit from saving account - Islamic	29	10,749	14,272
v) Income from Term Deposit Mudaraba Certificates	29	1,394	-
vi) Finance cost on Musharaka Running Finance	30	9,224	2,558
vii) Finance cost on Diminishing Musharaka	30	71,861	67,714
Break-up of Other income excluding profits in bank deposits and TDRs			
Shariah compliant Income			
i) Sale of scrap material	29	3,805	2,144
ii) Gain on disposal of property, plant and equipment	29	53,016	50,325
iii) Others	29	4,738	2,349

36.1 Relationship with Shariah-compliant financial institutions

Islamic banks

The Company has facilities with Al Baraka Pakistan Limited, Bank Islami Pakistan Limited, Bank Al Falah Limited, Habib Metropolitan Limited and Meezan Bank Limited for istisnah, letter of credit, letter of guarantee, murabaha, musawamah, shipping guarantee and running musharakah amounting to 1,000 million, 2,675 million, 125 million, 550 million, 800 million, 300 million and 500 million.

Window Takaful Operators

The Company has facilities with EFU General Insurance Limited for vehicles insurance and Jubilee Life Insurance Company Limited for health insurance.

37. TRANSACTIONS WITH RELATED PARTIES

37.1 Related parties of the Company comprise associates, companies with common directorship, directors, key management personnel, staff provident fund and a subsidiary. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these unconsolidated financial statements are as follows:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, Non-Executive Directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

		2025	2024
		----- (Rupees in '000) -----	
Relationship with the Company	Nature of transactions		
Key Management Personnel	Dividend	85,638	46,423
	Short term benefits	66,038	63,368
	Retirement benefits	3,145	3,064
Non-Executive Directors	Fee for attending meetings	650	1,525
Staff retirement fund	Contribution paid	72,937	60,557
Misbah Cosmetics (Private) Limited - subsidiary company	Purchases	2,850	3,388
	Payments	1,628	3,360
	Payable	1,222	28

37.2 There are no other related parties with whom the Company had entered into transactions or has arrangement / agreement in place.

37.3 The Company carries out transactions with related parties at commercial terms and conditions as per the Company's policy.

38. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Executive Directors		Executive		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	----- (Rupees in '000) -----							
Managerial remuneration	37,242	27,330	21,938	27,330	463,969	411,657	523,149	466,317
Bonus	-	1,658	-	1,658	-	14,706	-	18,022
Perquisites	81	99	1,591	573	1,556	1,317	3,228	1,989
Retirement benefits	2,126	1,532	1,019	1,532	33,988	31,755	37,133	34,819
Other benefits	3,289	2,344	1,897	2,376	61,105	46,593	66,291	51,313
	<u>42,738</u>	<u>32,963</u>	<u>26,445</u>	<u>33,469</u>	<u>560,618</u>	<u>506,028</u>	<u>629,801</u>	<u>572,460</u>
Number of persons	1	1	1	1	105	72	107	74

38.1 The Chief Executive, Directors and Executives are also provided with free use of Company maintained cars as per the terms of their employment.

38.2 The non-executive directors are not entitled to any remuneration except meeting fee as disclosed in note 37.1.

38.3 As per the Act, an executive means an employee, other than the chief executive and director, whose salary exceeds twelve hundred thousand rupees in a financial year.

2025 2024
Note ----- (Rupees in '000) -----

39. NUMBER OF PERSONS EMPLOYED

The detail of number of employees are as follows:

Number of employees as at June 30

- factory
- office

485	464
762	677
<u>1,247</u>	<u>1,141</u>

Average number of employees during the year

- factory
- office

474	437
729	738
<u>1,203</u>	<u>1,175</u>

40. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation, the effect of which is immaterial except for the following:


	Year ended June 30, 2024	
	Long-term deposits	Long-term financing
	----- (Rupees in '000) -----	
Diminishing Musharakah	(57,277)	57,277

41. EVENTS AFTER THE END OF THE REPORTING DATE

The Board of Directors in its meeting held on September 23, 2025 has proposed a final cash dividend of Rs. 2.00 per share (2024: Rs. 1) in respect of the year ended June 30, 2025. The financial statements for the year ended June 30, 2025 do not include the effect of proposed dividend amounting to Rs. 91.622 million (2024: Rs. 45.811 million) which will be accounted for in the financial statements for the year ending June 30, 2026.

42. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on September 23, 2025 by the Board of Directors of the Company.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

**CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**



A.F.FERGUSON & Co.

INDEPENDENT AUDITOR'S REPORT

To the members of Macter International Limited

Opinion

We have audited the annexed consolidated financial statements of Macter International Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at June 30, 2025, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

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 Consolidated Financial Statements section of our report. We are independent of the Group 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 Matter

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

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Following is the Key Audit Matter:

S. No. Key audit matter	How the matter was addressed in our audit
<p>(i) Revenue from contracts with customers</p> <p>(Refer notes 3.20 & 25 to the consolidated financial statements)</p> <p>The Group's revenue is generated from sales of pharmaceutical products. The Group recognised revenue of Rs. 10.31 billion from the sale of goods to domestic as well as export customers during the year ended June 30, 2025.</p> <p>As part of our overall response to the audit risks when identifying and assessing the risks in revenue recognition, we considered that there is an inherent risk that revenue may be overstated as it is a key performance measure, which could create an incentive or pressure on the Group's management to meet targets. Further, we have focused our audit activities over the revenue recognised near to year end as there was a high risk that the revenue may be recorded before the control of goods is transferred to the customer and in an incorrect accounting period. Moreover, revenue recognition includes determination of sales prices in accordance with the regulated price regime of the Government.</p> <p>Based on the above and considering that the revenue recognition is a significant risk area, we considered this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • obtain an understanding of the Group's process with respect to revenue recognition and tested design and operating effectiveness of controls relevant to such process; • obtained an understanding of pricing mechanism of Drug Regulatory Authority of Pakistan (DRAP) and tested, on sample basis, selling prices of regulated pharmaceutical products to ensure compliance with the pricing policies of DRAP; • inspected contracts on a sample basis to obtain an understanding of contract terms particularly relating to timing of transfer of control of goods and assessing the Group's accounting policies for recognition of revenue with reference to the requirements of the prevailing accounting standards; • performed substantive audit procedures over revenue transactions along with related supporting documents, on test basis; • performed cut-off procedures to ensure that the revenue is recognised in the correct accounting period; and • ensured that presentation and disclosures related to revenue are being addressed appropriately.

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Information Other than the Unconsolidated and Consolidated 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 consolidated and unconsolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group's internal control.

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- 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated 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.

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

A. F. Ferguson & Co.
Chartered Accountants
Karachi

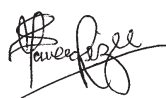
Date: October 3, 2025

UDIN: AR202510290kGY3OHfor

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025

ASSETS		2025	2024
	Note	----- (Rupees in '000) -----	
NON-CURRENT ASSETS			
Property, plant and equipment	4	2,672,819	2,090,217
Intangible assets	5	42,480	46,048
Long-term loans	6	7,327	1,829
Long-term deposits	7	19,415	17,963
Deferred taxation - net	8	29,039	14,052
		2,771,080	2,170,109
CURRENT ASSETS			
Stores and spares		25,051	18,114
Stock-in-trade	9	2,648,835	2,022,439
Trade debts	10	508,617	472,307
Loans and advances	11	260,121	278,126
Trade deposits, prepayments and other receivables	12	65,558	91,205
Sales tax refundable		2,962	9,626
Taxation - net	13	35,671	60,433
Short-term investments	14	16,838	-
Cash and bank balances	15	288,605	187,673
		3,852,258	3,139,923
TOTAL ASSETS		6,623,338	5,310,032
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital	16	458,111	458,111
Capital reserve		1,225,860	1,225,860
Revenue reserve - accumulated profit		1,916,579	1,270,389
Equity attributable to the owner's of the Holding Company		3,600,550	2,954,360
Non controlling interest		13,984	3,723
		3,614,534	2,958,083
NON-CURRENT LIABILITIES			
Deferred liabilities	17	306,283	262,834
Long-term financing	18	563,510	303,810
Lease liabilities	19	48,347	85,862
		918,140	652,506
CURRENT LIABILITIES			
Trade and other liabilities	21	1,593,443	1,377,418
Short-term borrowings	22	169,941	105,000
Current portion of long-term financing	18	200,927	103,437
Current portion of lease liabilities	19	40,071	27,554
Provision for Gas Infrastructure Development Cess	20	85,650	85,484
Unclaimed dividend		632	550
		2,090,664	1,699,443
TOTAL LIABILITIES		3,008,804	2,351,949
CONTINGENCIES AND COMMITMENTS	23		
TOTAL EQUITY AND LIABILITIES		6,623,338	5,310,032

The annexed notes from 1 to 43 form an integral part of these consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Revenue from contracts with customers	25	10,359,936	7,974,520
Cost of sales	26	(5,633,019)	(4,554,527)
Gross profit		4,726,917	3,419,993
Selling and Distribution expenses	27	(2,763,531)	(2,193,146)
Administrative expenses	28	(678,845)	(508,432)
Reversal / (charge) of loss allowance on trade debts and trade deposits	10.2 & 12.1	10,115	(19,761)
Other expenses	29	(98,154)	(52,983)
Other income	30	79,548	73,000
Operating profit		1,276,050	718,671
Finance cost	31	(134,678)	(125,995)
Profit before income tax		1,141,372	592,676
Income tax expense	32	(354,439)	(190,470)
Profit after taxation		786,933	402,206
----- (Rupees) -----			
Earnings per share - basic and diluted	33	16.95	8.88
----- (Rupees in '000) -----			
Attributable to:			
Owners of the Holding Company		776,429	406,692
Non-controlling interest		10,504	(4,486)
		786,933	402,206

The annexed notes from 1 to 43 form an integral part of these consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024 -----
Profit after taxation		786,933	402,206
Other comprehensive loss:			
Items that will not be reclassified subsequently to statement of profit or loss			
Actuarial loss on remeasurement of defined benefit plans	17.1.6	(3,347)	(31,422)
Related deferred tax		1,136	11,985
		(2,211)	(19,437)
Total comprehensive income for the year		784,722	382,769
Attributable to:			
Owners of the Holding Company		774,461	387,395
Non-controlling interest		10,261	(4,626)
		784,722	382,769

The annexed notes from 1 to 43 form an integral part of these consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE




DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid-up share capital	Reserves			Non Controlling Interest	Total
		Capital reserves	Revenue reserves	Total reserves		
		Share Premium	Accumulated profit			
----- (Rupees in '000) -----						
Balance as at July 01, 2023	458,111	1,225,860	965,136	2,190,996	8,209	2,657,316
Profit after taxation	-	-	406,692	406,692	(4,486)	402,206
Other comprehensive loss for the year	-	-	(19,437)	(19,437)	-	(19,437)
Total comprehensive income for the year	-	-	387,255	387,255	(4,486)	382,769
Transactions with owners						
Final cash dividend @ Rs. 0.54 per share for the year ended June 30, 2023	-	-	(24,738)	(24,738)	-	(24,738)
Interim cash dividend @ Rs. 1.25 per share for the year ended June 30, 2024	-	-	(57,264)	(57,264)	-	(57,264)
Balance as at June 30, 2024	<u>458,111</u>	<u>1,225,860</u>	<u>1,270,389</u>	<u>2,496,249</u>	<u>3,723</u>	<u>2,958,083</u>
Balance as at July 01, 2024	458,111	1,225,860	1,270,389	2,496,249	3,723	2,958,083
Profit after taxation	-	-	776,429	776,429	10,504	786,933
Other comprehensive loss for the year	-	-	(1,968)	(1,968)	(243)	(2,211)
Total comprehensive income for the year	-	-	774,461	774,461	10,261	784,722
Transactions with owners						
Final cash dividend @ Rs. 1.00 per share for the year ended June 30, 2024	-	-	(45,811)	(45,811)	-	(45,811)
Interim cash dividend @ Rs. 1.80 per share for the year ended June 30, 2025	-	-	(82,460)	(82,460)	-	(82,460)
Balance as at June 30, 2025	<u>458,111</u>	<u>1,225,860</u>	<u>1,916,579</u>	<u>3,142,439</u>	<u>13,984</u>	<u>3,614,534</u>

The annexed notes from 1 to 43 form an integral part of these consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	34	1,135,054	723,269
Financial charges paid		(106,731)	(112,741)
Income tax and levies paid		(343,528)	(231,045)
Gratuity paid	17.1	(10,216)	(33,808)
Long-term loans (extended) / receipt		(5,498)	101
Long-term deposits paid		(82,215)	(14,838)
Advance received against motor vehicle		1,751	245
		(546,437)	(392,086)
Net cash generated from operating activities		588,617	331,183
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(872,261)	(304,430)
Proceeds from disposal of operating fixed assets	4.2	74,138	80,931
Addition to intangible asset		-	(1,553)
Short-term investment made		(16,838)	-
Net cash used in investing activities		(814,961)	(225,052)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(128,271)	(82,002)
Short-term borrowings obtained		224,887	169,998
Short-term borrowings repaid		(159,946)	(99,164)
Long-term financing obtained		573,873	162,071
Long term financing repaid		(135,920)	(94,385)
Principal portion of lease liabilities paid		(47,347)	(29,950)
Net cash generated from financing activities		327,276	26,568
Net increase in cash and cash equivalents during the year		100,932	132,699
Cash and cash equivalents at the beginning of the year		187,673	54,974
Cash and cash equivalents at the end of the year	15	288,605	187,673

The annexed notes from 1 to 43 form an integral part of these consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

1. THE GROUP AND ITS OPERATIONS

The Group consist of Macter International Limited ("Holding Company") and Misbah Cosmetics (Private) Limited ("Subsidiary Company"). Brief profile of the Holding Company and the Subsidiary Company is given below:

1.1 Macter International Limited

1.1.1 The Holding Company was incorporated in Pakistan in 1992 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and was converted into a public limited company in 2011. Effective from August 01, 2017 the Company has been listed on Pakistan Stock Exchange Limited.

1.1.2 The geographical locations and addresses of the Holding Company's business units, including plants are as under:

- The Holding Company's manufacturing plants are located at F-216, S.I.T.E., Karachi and E-40/A, S.I.T.E., Karachi,
- The Holding Company's commercial offices are located at Bungalow No # 44-H, PECHS Block 6, Karachi and House No # NA-300, New Town, Nawaz Sharif Park, Rawalpindi, and
- The warehouses of the Holding Company are situated at Plot No # F-217 & 217-A, S.I.T.E., Karachi.

1.1.3 The principal activity of the Holding Company is to manufacture and market pharmaceutical products. The registered office of the company is situated at F-216, S.I.T.E., Karachi.

1.2 Misbah Cosmetics (Private) Limited

1.2.1 The Subsidiary Company is a private limited company incorporated in Pakistan on June 09, 2014 under the Companies Ordinance, 1984. The geographical location and registered office of the company is situated at F-216, S.I.T.E., Karachi.

1.2.2 The principal activity of the Subsidiary Company is selling and distribution of cosmetic products in Pakistan.

1.3 These financial statements denote the consolidated financial statements of the Group. Unconsolidated financial statements of the Holding Company and its subsidiary have been presented separately.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated 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) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act);

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Act; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the IFAS and Act differ from IFRS, the provisions of and directives issued under the IFAS and Act have been followed.

2.2 Basis of consolidation

The Subsidiary Company is a entity over which the Group has control. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has ability to affect those returns through its power over the investee. Generally, there is presumption that a majority of voting rights result in control.

The Group re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more elements of control.

The Subsidiary Company is consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Income and expenses of a subsidiary acquired or disposed off during the year are included in profit or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the Subsidiary Company are prepared for the same reporting period as the Holding Company, using consistent accounting policies. The accounting policies of the Subsidiary Company have been changed to conform with accounting policies of the Holding Company, where required.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in profit or loss.

Identifiable assets acquired, liabilities assumed and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of cost of acquisition is recorded as goodwill, however, if the cost of acquisition is less than fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the profit or loss.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill acquired in a business combination is, on the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination. Goodwill is tested annually or whenever there is an indication of impairment exists. Impairment loss in respect of goodwill is recognised in consolidated statement of profit or loss and is not reversed in future periods.

The assets, liabilities, income and expenses of the Subsidiary Company are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the Subsidiary Company's shareholders' equity in the consolidated financial statements.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends within the Group are eliminated in full.

Non-controlling interest (NCI) is that part of the net results of operations and of net assets of subsidiary attributable interest which are not owned by the Group. The Group measures NCI on proportionate basis of the net assets of Subsidiary Company.

When the ownership of a subsidiary is less than hundred percent, a NCI exists. The NCI is allocated its share of the total comprehensive income for the year, even if that results in a deficit balance.

A change in the ownership interest of a Subsidiary Company, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary, carrying amount of any NCI, cumulative translation differences recognised in other comprehensive income, and recognises fair value of consideration received, any investment retained, surplus or deficit in profit and loss, and reclassifies the Holding Company share of components previously recognised in other comprehensive income to profit and loss account or retained earnings, as appropriate.

2.2.1 Non-controlling interest in the Subsidiary Company has been calculated as follows:

	2025	2024
	----- (Rupees in '000) -----	
Non-current assets	77,304	25,824
Current assets	276,638	185,203
Non-current liabilities	(47,522)	(45,954)
Current liabilities	(237,742)	(147,298)
Net assets	68,678	17,775
Share of NCI @ 20.16% (2024: 20.16%)	13,845	3,583

2.3 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupees which is the Group's functional and presentation currency and figures are rounded off to the nearest thousand of Rupees, unless otherwise disclosed.

2.4 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Group's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Group's financial reporting except:

Amendment to IAS 1 - Non - current liabilities with covenants:

An amendment to IAS 1 'Presentation of Financial Statements' (IAS-1) was introduced addressing the classification of non-current liabilities subject to covenants. This amendment clarifies that liabilities should be classified as either current or non-current based on the rights available at the end of the reporting period, without consideration of future expectations or events occurring after this date. The amendment also mandates specific disclosures if a liability is classified as non-current but is subject to covenants that must be complied with within twelve months of the reporting date.

b) Standards and amendments to approved accounting standards that are not yet effective

There are certain other new standards, interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after July 01, 2025 but are not considered to be relevant or will not have any significant effect on the Group's operations and therefore are not detailed in these financial statements, except for the following:

- Amendments to IFRS 09 and IFRS 7 - Classification and Measurement of Financial Instruments (effective January 1, 2026), which clarify the date of recognition and derecognition of some financial assets and liabilities through banking instruments and channels including electronic transfers. The amendments, when applied may impact the timing of recognition and derecognition of financial liabilities;
- Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued IFRS 18 Presentation and Disclosure in Financial Statements with applicability date of July 01, 2027, which has not been notified locally by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2025.

The management is in the process of assessing the impacts of the new standards and amendments on the financial statements of the Company.

2.5 Critical accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgement, estimates and assumptions that affect the application of policies and the reported amounts of revenues, expenses, assets and liabilities and accompanying disclosures.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates, assumptions and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the accounting policies, management has made the following estimates and judgements which are significant to the consolidated financial statements:

	Notes
- Useful life of property, plant and equipment	3.1 & 3.13
- Net realisable value of stock in trade	3.5
- Impairment of financial and non-financial assets	3.13
- Taxation	3.25
- Valuation of employee retirement benefits	3.14
- Lease Liability and Right-of-use assets	3.2
- Contingencies	3.19
- Assets and liabilities arising from rights of return	3.21

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise disclosed or specified.

3.1 Property, plant and equipment

Operating fixed assets

These are stated at cost less accumulated depreciation and impairment loss, if any, except for leasehold land which are stated at cost less impairment loss, if any.

Depreciation is charged to the statement of profit or loss applying the reducing balance method at the rates specified in note 4.1 to the consolidated financial statements. Depreciation on additions is charged from the month asset is available for use and in case of disposal upto the preceding month of disposal.

Maintenance and repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalized when it is probable that respective future economic benefits will flow to the Group and the assets so replaced, if any, are retired.

Gains or losses on disposals of property, plant and equipment, if any, are recognized in consolidated statement of profit or loss.

The assets residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, at each financial year end.

Capital work-in-progress

These are stated at cost less impairment, if any, and represent expenditures incurred and advances made in respect of specific assets during the construction / installation year. These are transferred to relevant operating fixed assets as and when assets are available for use.

3.2 Lease liability and Right-of-use assets

The Group, as a lessee, has recognised right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligations to make lease payments.

At inception of a contract, the Group assesses whether a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Group mainly leases properties for its operations. The Group recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the entity's incremental borrowing rate being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Dismantling costs and restoration costs.

The Group has not elected to recognise right-of-use assets and lease liabilities for short-term leases of properties that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.3 Intangible

These are stated at cost less accumulated amortisation and impairment loss, if any. These are amortised on a straight line method when assets are available for use at the rates specified in note 5.1 to the consolidated financial statements. Amortisation is charged from the month when asset is available for use while no amortisation is charged in the month in which an asset is disposed off.

The useful lives of intangible assets are reviewed at each reporting date. The effect of any adjustment to useful lives is recognised prospectively as a change of accounting estimate.

The gain or loss on disposal or retirement of an intangible asset represented by the difference between the sale proceeds and the carrying amount is recognised in the statement of profit or loss in the period of disposal.

3.4 Stores and spares

These are valued at lower of moving average cost and estimated net realizable value (NRV), less provision for obsolete items (if any), except items in-transit, if any, are valued at cost comprising invoice value plus other charges incurred thereon up to the date of consolidated statement of financial position.

Provision, if required is made in the financial statements for slow moving, obsolete and unusable items. Stores and spares are assessed and provision is applied according to degree of ageing based on a specific criteria.

3.5 Stock-in-trade

These are valued at the lower of cost or net realisable value. Cost is determined as follows:

- | | |
|--------------------------------------|---|
| - Raw and packing material | - at moving average cost of purchases and applicable procurement expenses. |
| - Finished goods and work-in-process | - at weighted average cost of purchases and applicable manufacturing expenses. |
| - Stock-in-transit | - valued at cost comprising invoice value plus other charges paid thereon up to the reporting date. |

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Provision is recorded for slow moving and expired stock where necessary.

3.6 Trade debts

These are classified at amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

3.7 Loans, advances, deposits, and other receivables

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

Exchange gains or losses arising in respect of deposits, advances and other receivables denominated in foreign currency are adjusted to their respective carrying amounts and charged to consolidated statement of profit or loss, if any.

3.8 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise of bank balances in current, savings and deposit accounts, other short-term highly liquid investments with original maturities of upto three months, short-term borrowings under running finance and book overdraft which are payable on demand, if any. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

3.10 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.11 Share premium

It represents the difference between the par value of the Group's ordinary shares and the total amount of money the Group receives for ordinary shares issued.

3.12 Financial instruments

3.12.1 Initial measurement of financial asset

The Group classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at FVOCI	These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in the unconsolidated statement of profit or loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the unconsolidated statement of profit or loss.
Equity Investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the unconsolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the unconsolidated statement of profit or loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in the unconsolidated statement of profit or loss.
Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest / markup income, foreign exchange gains and losses and impairment, if any, are recognised in the unconsolidated statement of profit or loss.

3.12.2 Financial assets

All financial assets are initially recognised on trade date i.e. date on which the Group becomes party to the respective contractual provisions. Financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and include trade debts, deposits, advances and cash and cash equivalents. The Group derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

3.12.3 Financial liabilities

Financial liabilities are initially recognised on trade date i.e. date on which the Group becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings, unclaimed / unpaid dividend, accrued mark-up, lease liability and trade and other payables. The Group derecognises the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liabilities other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

3.12.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Group has currently legally enforceable right to set-off the recognised amounts and the Group intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Group or the counter parties.

3.13 Impairment

3.13.1 Financial Assets

The Group recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade debts are always measured at an amount equal to lifetime ECLs.

The expected loss rates are based on the payment profiles of sales over a period of 36 - 48 months before June 30, 2025 or July 1, 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the debts. The Group has identified the Gross Domestic Product (GDP) and the inflation rate of the countries in which it sells its goods to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Group considers a financial asset to be at a risk of default when contractual payments are 90 - 180 days past due except for receivables from institutions for which it is considered as 1440 days, unless there are factors that might indicate otherwise. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovery of a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

The adoption of the expected loss approach has not resulted in any material change in impairment provision for any financial asset.

3.13.2 Non-financial assets

The carrying amounts of the Group's non-financial assets, other than stores and spares and stock in trade are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the consolidated statement of profit or loss.

3.14 Employee retirement benefits

Defined benefit plan

The Group operates an unfunded gratuity scheme covering all eligible permanent employees. Provision is made on the basis of actuarial recommendations. The latest actuarial valuation is carried out as at June 30, 2025 using the Project Unit Credit Method.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Defined contribution plan

The Group operates a provident fund plan for all permanent management employees. Contribution is made to the fund equally by the Group and the employees at the rate of 8.33% of basic and / or gross salary, as per the respective entitlement grades.

3.15 Trade and Other Payable

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised cost.

3.16 Contract liabilities

A contract liability is the obligation of the Group to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services 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 Group performs under the contract.

3.17 Unclaimed dividend

Dividend declared and payable from the consolidated statement of financial position date are recognised as unclaimed dividend.

3.18 Provisions

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

3.19 Contingencies

Contingencies are disclosed when the Group has a possible obligation that arises from past events and 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 entity or a present obligation that arises from past events but is not recognised because 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.

3.20 Revenue recognition

The Group recognises revenue from sale of goods at a point in time when control of product is transferred to customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. Control, depending on contractual terms, is considered to be transferred either when the product is directly uplifted by customer from factory premises or when it is delivered by the Group at customer premises.

The Group generally enters into an agreement with its customers for supply of its products, including delivery of product. As the transportation of product coincides with actual delivery, sale of product and transportation is considered single performance obligation. The credit limits in contract with customers varies depending on the terms of specific contract.

Income from toll manufacturing is recognised at a point in time when services are rendered.

3.21 Assets and liabilities arising from rights of return

Right of return assets

Right of return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products. Returns for the Group comprise of expired products or near expiry products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

3.22 Other income

Other income is recognised to the extent that it is probable that the economic benefits will flow to the Group and the income can be measured reliably. Other income is measured on the following basis:

- Return on short-term deposits and investments at amortised cost are accounted for using the effective interest rate method.
- Dividend income is recognised when the right to receive the dividend is established.
- Scrap sales are recognised on accrual basis.

3.23 Foreign currency transactions and translations

Transactions in foreign currencies are translated into Pak Rupees at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated into Pak Rupees at the foreign exchange rate prevailing at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss.

3.24 Ijarah lease rentals

Leases under Shariah compliant Ijarah contracts, where significant portion of the risk and reward of ownership is retained by the lesser, are classified as Ijarah. Rentals under these arrangements are charged to consolidated statement of profit or loss on straight line basis over the lease term.

Ijarah rentals directly attributable to the acquisition or construction of an asset are capitalized as part of the cost of the respective assets.

3.25 Taxation

Current

The current income tax charge is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred

Deferred tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, while deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, carry forward of unused tax credit and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets are realized or the liabilities are settled, based on tax rates (and tax laws) that have been enacted or subsequently enacted at the reporting date. Deferred tax is charged or credited to statement of profit or loss except to the extent it relates to items recognized in other comprehensive income.

Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the consolidated statement of profit or loss as these levies fall under the scope of IFRIC 12 / IAS 37.

Tax on dividend from subsidiaries, associates and joint ventures are not considered as levy as these dividends are specifically covered by IAS 12.

3.26 Dividend and appropriation to reserves

Dividend distribution to the Holding Company's shareholders is recognised as a liability in the period in which the dividends are approved. However, if these are approved after the reporting period but before the financial statements are authorised for issue, disclosure is made in the consolidated financial statements.

3.27 Earnings per share

The Group presents basic and diluted earning per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.28 Segment reporting

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses. An operating segment's operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decision about resources allocated to the segment and assess its performance and for which discrete financial information is available.

Segment results that are reported to the Chief Executive include items directly attributable to a segment.

		2025	2024
	Note	----- (Rupees in '000) -----	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	2,156,048	1,762,762
Capital work-in-progress	4.5	454,183	231,320
Right-of-use assets	4.6	62,588	96,135
		<u>2,672,819</u>	<u>2,090,217</u>

Operating fixed assets:

	Cost			Accumulated Depreciation			Net book value as at June 30, 2024	Depreciation rate % per annum
	As at July 01, 2023	Additions / Transfers	Disposals / write offs	As at June 30, 2024	Charge for the year	On disposals / write offs		
----- (Rupees in '000) -----								
Owned								
Leasehold land (note 4.3)	216,807	-	-	216,807	-	-	-	216,807
Buildings on leasehold land (note 4.3)	458,708	8,160	-	466,868	13,601	-	203,506	263,362
Plant and machinery	839,045	18,631	-	857,676	466,052	-	504,810	352,866
Tools and equipment	284,420	3,405	-	287,825	93,452	-	112,663	175,162
Gas and other installation	423,346	25,308	(6,596)	442,058	173,538	(5,732)	208,443	233,615
Furniture and fixture	89,910	7,815	-	97,725	42,797	-	47,920	49,805
Office equipment	43,021	2,906	-	45,927	21,502	-	23,860	22,067
Computer equipment	41,027	4,874	-	45,901	30,571	-	34,517	11,384
Motor vehicles	621,764	101,512	(53,843)	669,433	164,117	(26,586)	231,739	437,694
	3,018,048	172,611	(60,439)	3,130,220	1,181,934	(32,318)	1,367,458	1,762,762

4.2 Details of disposals of operating fixed assets having book value of more than Rs. 500,000 during the year are as follows:

Description	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain	Mode of disposal	Particulars of buyers	Relationship with buyers
----- (Rupees in '000) -----								
Motor vehicles								
Glory 580 Pro 1.5 Turbo	5,060	2,034	3,026	4,500	1,474	Negotiation	Asif Khan	Third party
Suzuki Alto	1,733	610	1,123	2,300	1,177	Insurance Claim	EFU Takaful	Insurer
Suzuki Swift	1,905	1,273	632	2,016	1,384	Negotiation	Mughis Ul Hassan	Employee
Honda Civic	1,069	538	531	3,550	3,019	Negotiation	Raja Haroon	Third party
Items having book value of less than Rs. 500,000 each	38,922	28,816	10,106	61,772	51,666			
June 30, 2025	48,689	33,271	15,418	74,138	58,720			
June 30, 2024	60,439	32,318	28,121	80,931	52,810			

4.3 Particulars of immovable fixed assets in the name of Company are as follows:

Location	Usage	Total Area (Square ft)*
F-216, S.I.T.E, Karachi.	Production plant*	44,020
E-40/A, S.I.T.E, Karachi.	Production plant*	44,226
Neclass no 158 of Deh Tore, Tapo Konkhar, Gadap Town, District Malir, Karachi.	Land	718,741

* The covered area includes multi storey buildings.

4.4 Depreciation charge for the year on operating fixed assets has been allocated as follows:

	Note	2025 ----- (Rupees in '000) -----	2024 -----
Cost of sales	26	110,786	116,742
Selling and distribution expenses	27	98,342	80,273
Administrative expenses	28	31,566	20,827
		<u>240,694</u>	<u>217,842</u>

4.5 Capital work-in-progress

	2025 ----- (Rupees in '000) -----			
	Building on Leasehold land	Plant and machinery	Others	Total
Opening balance	9,227	141,712	80,381	231,320
Capital expenditure incurred / advances made	151,735	272,837	291,049	715,621
Transfer to operating fixed assets including advances adjusted	(692)	(139,797)	(352,269)	(492,758)
Closing balance	<u>160,270</u>	<u>274,752</u>	<u>19,161</u>	<u>454,183</u>

	2024 ----- (Rupees in '000) -----			
	Building on Leasehold land	Plant and machinery	Others	Total
Opening balance	38,593	807	60,101	99,501
Capital expenditure incurred / advances made	19,396	145,579	157,953	322,928
Advances refunded / reclassified	(3,691)	-	(25,820)	(29,511)
Transfer to operating fixed assets including advances adjusted	(45,071)	(4,674)	(111,853)	(161,598)
Closing balance	<u>9,227</u>	<u>141,712</u>	<u>80,381</u>	<u>231,320</u>

4.6 Right-of-use assets

	Note	2025 ----- (Rupees in '000) -----	2024 -----
As at July 01,			
Cost		211,040	211,040
Accumulated depreciation		(114,905)	(76,641)
Net book value		<u>96,135</u>	<u>134,399</u>
Year ended June 30,			
Balance at the beginning of the year		96,135	134,399
Additions during the year		1,825	-
Reassessment of lease during the year		1,722	-
Depreciation for the year	4.6.1	(37,094)	(38,264)
Closing net book value		<u>62,588</u>	<u>96,135</u>
As at June 30,			
Cost		214,587	211,040
Accumulated depreciation		(151,999)	(114,905)
Net book value		<u>62,588</u>	<u>96,135</u>

	Note	2025 ----- (Rupees in '000) -----	2024 -----
4.6.1 Depreciation charge for the year on right-of-use assets has been allocated as follows:			
Cost of sales	26	7,602	7,444
Selling and distribution expenses	27	29,492	30,820
		<u>37,094</u>	<u>38,264</u>

4.6.2 Lease obligations of the Group comprises of lease arrangements giving it the right-of-use over premises utilized as office building and warehouse.

4.6.3 The right-of-use assets are depreciated over a life of 3 - 5 years.

	Note	2025 ----- (Rupees in '000) -----	2024 -----
5. INTANGIBLE ASSETS			
Goodwill	5.3	4,632	4,632
Brand "MMM"		35,861	38,567
Other intangible assets		1,987	2,849
		<u>42,480</u>	<u>46,048</u>

6.1

	Cost			Accumulated Amortisation				
	As at July 01, 2024	Additions during the year	As at June 30, 2025	As at July 01, 2024	Charge for the year	As at June 30, 2025	Net book value as at June 30, 2025	Amortisation rate % per annum
	(Rupees in '000)							
Goodwill - note 5.3	4,632	-	4,632	-	-	-	4,632	
Brand "MMM"	54,127	-	54,127	15,560	2,706	18,266	35,861	5%
Software licenses	28,291	-	28,291	25,442	862	26,304	1,987	20-33.33%
SAP ERP	41,802	-	41,802	41,802	-	41,802	-	20%
Manufacturing and distribution rights	20,000	-	20,000	20,000	-	20,000	-	20%
2025	148,852	-	148,852	102,804	3,568	106,372	42,480	

	Cost			Accumulated Amortisation				
	As at July 01, 2023	Additions during the year	As at June 30, 2024	As at July 01, 2024	Charge for the year	As at June 30, 2024	Net book value as at June 30, 2024	Amortization rate % per annum
	(Rupees in '000)							
Goodwill - note 5.3	4,632	-	4,632	-	-	-	4,632	
Brand "MMM"	54,127	-	54,127	12,854	2,706	15,560	38,567	5%
Software licenses	26,738	1,553	28,291	24,106	1,336	25,442	2,849	20-33.33%
SAP ERP	41,802	-	41,802	41,802	-	41,802	-	20%
Manufacturing and distribution rights	20,000	-	20,000	20,000	-	20,000	-	20%
2024	147,299	1,553	148,852	98,762	4,042	102,804	46,048	

		2025	2024
	Note	----- (Rupees in '000) -----	
5.2 Amortisation charge for the year has been allocated as follows:			
Cost of sales	26	-	577
Selling and distribution expenses	27	2,792	2,832
Administrative expenses	28	776	633
		<u>3,568</u>	<u>4,042</u>

5.3 Impairment testing of goodwill

The Group has performed its annual impairment test on the following cash generating unit as at June 30, 2025:

Misbah Cosmetics (Private) Limited (MCPL)

Goodwill acquired through business combinations have been allocated to the Subsidiary Company and monitored at Group level.

The recoverable amount is determined based on a value-in-use calculation using cash flow projections from financial budgets approved by the senior management covering a five year period and applying the expected value approach. The discount rate applied to cash flow projections is 18.02% for goodwill impairment testing. The growth rate used to extrapolate the cash flows beyond the five year period is 7%. As a result of this analysis, the management did not identify any impairment for the cash generating unit to which goodwill of Rs. 4.63 million is allocated.

		2025	2024
	Note	----- (Rupees in '000) -----	
6. LONG-TERM LOANS - secured, considered good			
Due from:			
- Executives		9,242	667
- Other employees		4,843	5,061
	6.1	<u>14,085</u>	<u>5,728</u>
Less: Current portion			
- Executives		(3,112)	(133)
- Other employees		(3,646)	(3,766)
	11	<u>(6,758)</u>	<u>(3,899)</u>
		<u>7,327</u>	<u>1,829</u>

6.1 These represent mark-up free loans to executives and employees for purchase of motor cars, motor cycles, house building, umrah and others, in accordance with the Group's policy. These loans are secured against the final settlement of respective employees and are recoverable in monthly installments over a period of one month to one hundred and thirteen months, these loans are secured against retirement benefits of respective employees.

Long-term loans have been carried at cost as the effect of carrying these balances at amortised cost would not be material in the overall context of these consolidated financial statements.

	2025	2024
	----- (Rupees in '000) -----	
7. LONG-TERM DEPOSITS		
Ijarah lease rentals	1,472	597
Utilities	12,161	12,161
Rent	5,782	5,205
	<u>19,415</u>	<u>17,963</u>

8. DEFERRED TAXATION - NET

	Accelerated tax depreciation	Right of use of asset and lease liability	Provision for gratuity payable	Provision for doubtful receivables	Provision for trade deposits	Provision for slow moving and obsolete items	Minimum tax	Unabsorbed tax depreciation	Carried forward Losses	Total
	----- (Rupees in '000) -----									
Balance at July 1, 2024	(190,870)	6,740	98,833	43,945	12,927	42,477	-	-	-	14,052
Credit / (charge) to profit or loss for the year	(46,097)	3,334	16,509	(1,764)	2,260	(3,806)	11,140	4,360	27,915	13,851
Credit to other comprehensive income for the year	-	-	1,136	-	-	-	-	-	-	1,136
Balance at June 30, 2025	(236,967)	10,074	116,478	42,181	15,187	38,671	11,140	4,360	27,915	29,039
Balance at July 1, 2023	(178,125)	3,156	74,000	48,563	8,994	43,769	-	-	-	357
Credit / (charge) to profit or loss for the year	(12,745)	3,584	12,848	(4,618)	3,933	(1,292)	-	-	-	1,710
Credit to other comprehensive income for the year	-	-	11,985	-	-	-	-	-	-	11,985
Balance at June 2024	(190,870)	6,740	98,833	43,945	12,927	42,477	-	-	-	14,052

- 8.1** The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the unconsolidated statement of financial position.
- 8.2** The deferred tax asset on unabsorbed depreciation, carry forward tax losses and minimum tax credits are recoverable based on the estimated future taxable income and approved business plans and budgets. However an amount of Rs. 23.85 million and Rs. 3.07 million related to carried forward losses and minimum tax credits respectively, are not recognised as these credits will be expired in tax year 2026.
- 8.3** Deferred tax asset has been recognised as per future financial projections of the Company.
- 8.4** As per Finance Act, 2023, companies having taxable income above Rs. 500 million are liable to pay super tax at 10% for tax year 2023 and onwards. Consequently, the deferred tax has been recorded at 39% by Holding Company and 29% by Subsidiary Company in accordance with applicable accounting and reporting standards.

		2025	2024
9. STOCK-IN-TRADE	Note	----- (Rupees in '000) -----	-----
In hand			
- raw materials	9.3	1,146,788	881,269
- packing materials	9.3	434,978	264,295
- work-in-process		234,634	214,700
- finished goods	9.1 & 9.2	910,423	633,564
		<u>2,726,823</u>	<u>1,993,828</u>
Less: Provision for slow moving and obsolete items	9.5	(107,655)	(108,916)
		<u>2,619,168</u>	<u>1,884,912</u>
In transit	9.6	29,667	137,527
		<u>2,648,835</u>	<u>2,022,439</u>

9.1 As at June 30, 2025, stock of finished products has been written down by Rs. 7.44 million (2024: Rs. 9.19 million) to arrive at its net realisable value of Rs. 23.45 million (2024: Rs. 37.30 million).

9.2 This includes unpacked finished goods amounting to Rs. 52.57 million (2024: Nil).

9.3 These include raw material and packaging material held by third party amounting to Rs. 88.74 million (2024: Rs. 48.64 million) and Rs. 21.07 million (2024: Rs. 9.23 million) respectively.

9.4 Finished goods includes right of return assets amounting to Rs. 38.29 million (2024: Rs. 38.29 million).

		2025	2024
9.5 Provision for slow moving and obsolete items	Note	----- (Rupees in '000) -----	-----
Opening balance		108,916	134,462
Charge for the year	26	73,067	50,076
Reversal for the year		-	-
Write off during the year		(74,328)	(75,622)
Closing balance		<u>107,655</u>	<u>108,916</u>

9.6 Stock in transit includes raw material of Rs. 19.90 million (2024: Rs.102.78 million) and packing material of Rs. 8.99 million (2024: Rs. 27.44 million).

		2025	2024
10. TRADE DEBTS - unsecured	Note	----- (Rupees in '000) -----	-----
Considered good	10.1	508,617	472,307
Considered doubtful		111,894	127,808
		<u>620,511</u>	<u>600,115</u>
Allowance for expected credit loss	10.2	(111,894)	(127,808)
		<u>508,617</u>	<u>472,307</u>

10.1 These trade debts include receivable against export sales to Africa and Asia amounting to Rs. 0.61 million (2024: Rs. 0.61 million) and Nil (2024: Rs. 22.15 million) respectively.

2025 2024
Note ----- (Rupees in '000) -----

10.2 Allowance for expected credit loss

The movement in expected credit loss during the year is as follows:

Balance at beginning of the year	127,808	147,296
Provision recognised during the year	(15,914)	11,681
Write offs during the year	-	(31,169)
	(15,914)	(19,488)
Balance at end of the year	111,894	127,808

10.3 This includes receivable from a related party - Depilex (Private) Limited amounting to Rs. 2.97 million (2024: Rs. 3.10 million). The maximum aggregate amount outstanding during the year was Rs. 5.61 million (2024: Rs. 3.10 million).

10.4 The balance due from related party is mark-up free. The aging analysis of these balances is as follows:

	2025	2024
	----- (Rupees in '000) -----	
1-30 days	510	1,385
31-90 days	594	898
91-180 days	1,598	683
181-360 days	270	136
	2,972	3,102

10.4 The aging of trade debts at the consolidated statement of financial position date was:

	2025					
	Not past due	30 days	31-90 days	90-180 days	181 to 360 days	over 360 days
	----- (Rupees in '000) -----					
Total gross carrying amount	264,660	131,287	37,047	23,092	16,286	148,139
Expected credit loss	5,528	12,436	11,564	8,425	7,280	66,661

	2024					
	Not past due	30 days	31-90 days	90-180 days	181 to 360 days	over 360 days
	----- (Rupees in '000) -----					
Total gross carrying amount	316,694	10,990	65,364	8,187	45,275	153,606
Expected credit loss	280	187	1,515	7,422	21,431	96,973

		2025	2024
	Note	----- (Rupees in '000) -----	
11. LOANS AND ADVANCES - considered good			
Raw material loan	11.1	30,839	-
Current portion of long-term loans	6	6,758	3,899
Advances to:			
- employees	11.2	30,401	24,873
- suppliers		192,123	249,354
		222,524	274,227
		260,121	278,126

11.1 This represents raw material issued as a loan to a local vendor on a temporary basis.

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

		2025	2024
	Note	----- (Rupees in '000) -----	
12. TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Deposits			
Margin against bank guarantees		24,972	36,665
Tender deposits		75,712	77,853
Provision for doubtful deposits	12.1	(38,942)	(33,143)
		36,770	44,710
Others		940	380
		62,682	81,755
Prepayments			
Software license		-	90
Takaful		2,087	-
		2,087	90
Other receivables			
Profit on saving accounts		789	1,450
Letter of credits		-	6,575
Others		-	1,335
		789	9,360
		65,558	91,205

	2025	2024
Note	----- (Rupees in '000) -----	
12.1 Provision for doubtful deposits		
The movement in provision for doubtful deposits during the year is as follows:		
Balance at beginning of the year	33,143	25,563
Provision recognised during the year	5,799	8,080
Write offs during the year	-	(500)
Balance at end of the year	38,942	33,143
13. TAXATION - NET		
Tax receivable at the start of the year	60,433	21,568
Tax payments/ adjustment made during the year	343,528	229,335
	403,961	250,903
Less: provision for tax- current	(368,290)	(190,470)
Tax receivable at the end of the year	35,671	60,433
14. SHORT-TERM INVESTMENTS		
Term deposit Mudaraba Certificates - at amortised cost	14.1 16,838	-

14.1 This represents funds placed in Term deposit Mudaraba Certificates (TDRs) ranging from 5.55% to 17% per annum having maturity till August 2025.

	2025	2024
Note	----- (Rupees in '000) -----	
15. CASH AND BANK BALANCES		
Cash in hand	2	-
Cash at bank		
Conventional:		
- current account in local currency	3,766	5,324
Islamic:		
- current accounts	66,922	5,330
- saving accounts in local currency	217,283	176,469
- dividend accounts in local currency	632	550
	288,603	187,673
	288,605	187,673

15.1 These carry profit at the rates ranging from 2.78% to 17% (2024: 11.01% to 19.00%) per annum.

16. SHARE CAPITAL

Authorized share capital

2025	2024		2025	2024
----- Number of shares -----			----- (Rupees in '000) -----	
<u>65,000,000</u>	<u>65,000,000</u>	Ordinary shares of Rs.10 each	<u>650,000</u>	<u>650,000</u>

Issued, subscribed and paid-up capital

2025	2024		2025	2024
----- Number of shares -----			----- (Rupees in '000) -----	
8,430,868	8,430,868	Fully paid ordinary shares of Rs.10 each Issued for cash	84,309	84,309
30,489,649	30,489,649	Fully paid ordinary shares of Rs.10 each Issued as fully paid bonus shares	304,897	304,897
223,834	223,834	Fully paid ordinary shares of Rs.10 each Issued pursuant to merger with Associated Services Limited	2,238	2,238
6,666,667	6,666,667	Fully paid ordinary shares of Rs.10 each Issues as fully paid right shares	66,667	66,667
<u>45,811,018</u>	<u>45,811,018</u>		<u>458,111</u>	<u>458,111</u>

16.1 All ordinary shares rank equally with regard to the Group'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 Group.

		2025	2024
	Note	----- (Rupees in '000) -----	
17. DEFERRED LIABILITIES			
Advance against motor vehicles		4,412	2,661
Employees' gratuity payable	17.1	<u>301,871</u>	<u>260,173</u>
		<u>306,283</u>	<u>262,834</u>

17.1 Defined benefit plan - unfunded gratuity scheme

17.1.1 In accordance with the requirements of IAS-19 "Employee Benefits", actuarial valuation was carried out as at June 30, 2025, using the "Projected Unit Credit Method". Provision has been made in the consolidated financial statements to cover obligation in accordance with the actuarial recommendations.

17.1.2 Risks on account of defined benefit plan**Final salary risk**

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

Discount rate fluctuation

The plan liabilities are calculated using a discount rate determined by reference to market yields (at the statement of financial position date) on government bond. A decrease in government bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans' bond holdings.

Withdrawal risk

The risk that the actual withdrawal experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and entitled benefits of the beneficiary.

Inflation fluctuation

The salary inflation is the major risk that the funds carry. In a general economic sense and in a longer view, there is a case that if bond yields increase, the change in salary inflation generally offsets the gains from the decrease in discounted benefit obligations. But viewed with the fact that the plan have no asset, the impact of salary inflation might be significant.

Mortality risk

The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service/age distribution and the benefit.

	2025	2024
	--- Number of Employees ---	
The number of employees covered under the defined benefit scheme are:	<u>366</u>	<u>389</u>
The following principal actuarial assumptions were used for the valuation of above mentioned scheme:		
Financial assumptions		
- Discount rate (per annum compounded)	12.00%	14.50%
- Salary increase per annum	12.00%	14.50%
Demographic assumptions		
- Normal retirement	60 years	60 years
- Mortality rate	EFU (61-66)	EFU (61-66)

	2025	2024
17.1.3 Liability in the statement of financial position	Note ----- (Rupees in '000) -----	
Present value of defined benefit obligations	301,871	260,173
17.1.4 Movement in liability during the year		
Balance at the beginning of the year	260,173	222,369
Charged to profit or loss	48,567	40,190
Benefits paid during the year	(10,216)	(33,808)
Actuarial loss recognised in other comprehensive income	3,347	31,422
Balance at the end of the year	301,871	260,173
17.1.5 Reconciliation of the present value of defined benefit obligations		
Present value of defined benefit obligations as at July 01	260,173	222,369
Current service cost	12,433	9,697
Finance cost	36,134	30,493
Benefits paid	(10,216)	(33,808)
Actuarial loss on obligation	3,347	31,422
Present value of defined benefit obligations as at June 30	301,871	260,173
17.1.6 Charge for the defined benefit plan		
Cost recognised in profit or loss		
Current service cost	12,433	9,697
Finance cost	36,134	30,493
	48,567	40,190
Actuarial loss on defined benefit obligation recognised in other comprehensive income		
Actuarial loss on defined benefit obligations		
- Loss due to change in experience adjustments	3,347	31,422
17.1.7 Expected benefit payment		
Expected benefit payments to retirees in the following year	11,088	20,922
17.1.7 Maturity profile of the defined benefit obligation		
Weighted average duration of the defined benefit obligation (years)		
Holding Company	7.70	8.10
Subsidiary Company	3.30	3.60
17.1.8 Sensitivity analysis		

Sensitivity analysis has been performed by varying one assumption keeping all other assumptions constant and calculating the impact on the present value of the defined benefit obligations on various employee benefit schemes. The increase / (decrease) in the present value of defined benefit obligations as a result of change in each assumption is summarized below:

	2025	2024
	----- (Rupees in '000) -----	
Increase in discount rate by 1%	(18,196)	(16,580)
Decrease in discount rate by 1%	20,423	18,634
Increase in expected future increment in salary by 1%	20,231	18,463
Decrease in expected future increment in salary by 1%	(18,351)	16,718

17.1.9 Maturity Profile

Year 1	30,475	20,922
Year 2	39,300	31,408
Year 3	31,654	37,050
Year 4	42,389	31,861
Year 5	34,038	41,818
Year 6 to Year 10	215,950	225,059

17.1.10 As per the recommendation of the actuary, the charge for the year ending June 30, 2026 amounts to Rs. 12.72 million.

17.1.11 Comparison for Five Years

As at June 30	2025	2024	2023	2022	2021
	----- (Rupees in '000) -----				
Defined benefit obligation	301,871	260,173	222,369	207,938	207,028
Experience adjustment loss / (gain) on obligation (as percentage of plan obligations)	1.11%	12.08%	4.34%	-1.52%	0.67%

		2025	2024
	Note	----- (Rupees in '000) -----	
18. LONG-TERM FINANCING			
Loan from a related party	18.1	37,149	40,833
Diminishing musharakah:			
- vehicles	18.2	567,288	366,414
- machine		160,000	-
		764,437	407,247
Less: Current maturity shown under current liabilities		(200,927)	(103,437)
		563,510	303,810

18.1 This represents loan obtained from a director of the Parent Company to meet working capital requirement, under mark-up arrangements. It carries profit at 90 days average of 12 months KIBOR for 3rd calendar Quarter-2024 which was fixed for one year starting from August as 22.32% per annum. Profit rate for the month of July was 20.86%. (2024: 90 days average of 12 months KIBOR for 3rd calendar Quarter-2023 which was fixed for the period as 14.48% per annum). The profit and principle are payable on monthly basis.

- 18.2** These facilities have been obtained from First Habib Modaraba. These carry mark-up at the rates of 3 Months KIBOR + 1.00% to 1.50% (2024: 3 Months KIBOR + 1.00% to 1.25%) per annum and are having maturity till June 2030 (2024: June 2029). These facilities are secured by way of hypothecation charge over current / fixed assets of the Company.

	2025	2024
Note	----- (Rupees in '000) -----	
19. LEASES		
19.1 LEASE LIABILITIES		
Lease liabilities	88,418	113,416
Current portion of lease liabilities	(40,071)	(27,554)
	48,347	85,862

19.1.1 Reconciliation of the carrying amount is as follows:

Balance at the beginning of the year	113,416	143,366
Additions during the year	1,825	-
Reassessment of lease during the year	1,722	-
Accretion of interest	18,802	13,574
Lease rental payments made during the year	(47,347)	(43,524)
Lease liabilities at the end of the year	88,418	113,416
Current portion of lease liabilities	(40,071)	(27,554)
Non current portion of lease liabilities,	48,347	85,862

- 19.1.2** The amount of future payment under the lease arrangement and the period in which these payments will become due are as follows:

	2025	2024
Note	----- (Rupees in '000) -----	
Gross lease liabilities - minimum lease payments:		
Not later than one year	51,581	46,366
Later than one year but not later than five years	57,192	105,953
	108,773	152,319
Future finance charge	(20,355)	(38,903)
Present value of finance lease liabilities	88,418	113,416

20. PROVISION FOR GAS INFRASTRUCTURE DEVELOPMENT CESS

This represents Gas Infrastructure Development Cess (GIDC) against which the Honourable Supreme Court of Pakistan in its order dated August 13, 2020 held that the same is constitutional. Subsequent to the order, the Sui Southern Gas Company Limited (SSGC) issued GIDC bill under which the total amount would be recovered in forty eight equal monthly installments.

The above demand of the SSGC was not acknowledged as liability by the Holding Company and it filed an appeal before the Honourable High Court of Sindh (the Court) on the grounds that no burden of GIDC had been passed to its customers and thus the Holding Company is not liable to pay GIDC under GIDC Act, 2015. Based on the above appeal, the Court was pleased to grant stay vide order dated September 29, 2020 against the demand raised by the SSGC and restrained them from taking any coercive action.

	Note	2025 ----- (Rupees in '000) -----	2024 -----
21. TRADE AND OTHER LIABILITIES			
Trade and other creditors		665,450	546,863
Advances from customers - contract liabilities		418,258	414,160
Refund liability		65,552	65,552
Accrued liabilities		272,065	250,058
Sindh Workers' Welfare Fund	21.2	23,363	12,721
Payable to provident fund	21.3	15,335	12,098
Withholding taxes payable		16,166	-
Sales tax and withholding taxes payable		-	19,247
Sindh Workers' Profit Participation Fund	21.4	61,483	8,477
Central Research Fund	21.5	12,297	6,786
Auditors' remuneration		4,633	4,316
Accrued profit		16,607	7,627
Others		22,234	29,513
		<u>1,593,443</u>	<u>1,377,418</u>

- 21.1** The contract liabilities primarily relate to the advance consideration received from customers for future sales as per the Company's policy, for which revenue is recognised at a point in time. Revenue recognised from contract liabilities during the year amounted to Rs. 352.19 million (2024: Rs. 104.55 million).

	Note	2025 ----- (Rupees in '000) -----	2024 -----
21.2 Sindh Workers' Welfare Fund			
Opening balance		12,721	44,817
Charge for the year		23,363	12,721
		<u>36,084</u>	<u>57,538</u>
Less: Payments made during the year		(12,721)	(44,817)
Closing balance		<u>23,363</u>	<u>12,721</u>

- 21.3** Investments out of provident fund have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

21.4 Sindh Workers' Profit Participation Fund

Opening balance	8,477	30,230
Mark-up thereon	525	3,015
Charge for the year	61,483	33,477
	<u>70,485</u>	<u>66,722</u>
Less: Payments made during the year	(9,002)	(58,245)
Closing balance	<u>61,483</u>	<u>8,477</u>

21.5 Central Research Fund

Opening balance	6,786	6,046
Charge for the year	12,297	6,785
	<u>19,083</u>	<u>12,831</u>
Less: Payments made during the year	(6,786)	(6,045)
Closing balance	<u>12,297</u>	<u>6,786</u>

	Note	2025 ----- (Rupees in '000) -----	2024 -----
22. SHORT-TERM BORROWINGS - secured			
Murabaha - MCB Islamic bank	22.1	24,941	-
Murabaha - Others	22.2	145,000	105,000
		<u>169,941</u>	<u>105,000</u>

22.1 Murabaha facilities were utilised with MCB Islamic Bank for the purpose of purchase of inventory. They carry profit at the rate of 3 months KIBOR plus 2.25% (2024: 3 months KIBOR plus 2%) per annum. These were secured against hypothecation charge of stock in trade and trade debts of the Company.

22.2 This represents outstanding murabaha facilities with the Fuad Abubakar Chundrigar, Asif Misbah, Nighat Misbah and Anis Fatima for the purpose of purchase of inventory. These carry profit at the rates ranging from 13.68% to 21.39% (2024: 16% to 23.79%) per annum and having maturity till December 2025 (2024: November 2024).

22.3 Short-term borrowing available

The Holding Company has following short term borrowing facilities available as at year end:

The facilities for running musharakah arrangements with various banks amounted to Rs. 500 million (2024: Rs. 700 million) all of which remained unutilised at the year end. The rate of mark-up applicable on running finance is based on one month KIBOR + 0.8% to 1.5% (2024: one month KIBOR + 0.8% to 1.5%) per annum.

The facilities from Murahaba, Musawamah and Istisna arrangement from various banks amounted to Rs. 2,350 million (2024: Rs. 3,350 million) all of which remained unutilised as at the year end. The rate of markup applicable is based on respective tenor KIBOR + 0.8% to 1.5% (2024: respective tenor KIBOR + 0.8% to 1.5%) per annum.

23. CONTINGENCIES AND COMMITMENTS

Holding Company

23.1 Contingencies

23.1.1	Description of the factual basis of the Name of the Court proceedings and relief sought	Name of court	Principle Party	Date instituted
	Certain cases have been filed against the Company by some employees against their termination / dismissal, having exposure of the Company to the extent of Rs.14.64 million (2024: Rs.18.03 million). Provision has not been made in these unconsolidated financial statements for the said amount as the management of the Company, based on the advice of its legal counsel handling the subject cases, is of the opinion that matters shall be decided in the Company's favour.	National Industrial Relations Commission	Employees vs Macter International Limited	Various dates

23.2 Commitments

Capital expenditure commitments outstanding as at June 30, 2025 amounted to Rs. 52.54 million (2024 Rs. 114.32 million)

The facilities for opening letters of credit and guarantees as well as shipping guarantee from banks as at June 30, 2025 amounted to Rs. 1,925 million (2024: Rs. 2,475 million), Rs. 175 million (2024: Rs. 275 million) and Rs. 500 million (2024: Rs. 700 million) respectively of which unutilized balance at period end amounted to Rs. 1,584 million (2024: Rs. 2,022 million), Rs. 41 million (2024: Rs. 152 million) and Rs. 500 million (2024: Rs. 700 million) respectively.

Subsidiary Company

23.3 Contingencies

There are no contingencies as at June 30, 2025 (2024: Nil).

23.4 Commitments

Ijarah rental commitment in respect of motor vehicle as at June 30, 2025 amounting to Rs. 13.27 million.

24. OPERATING SEGMENTS

	Pharmaceuticals		Cosmetics and Fragrance		Total	
	2025	2024	2025	2024	2025	2024
	(Rupees in '000) -----					
Local	10,580,557	8,305,994	600,632	581,933	11,181,189	8,887,927
Export	978,460	561,369	-	-	978,460	561,369
Inter segment revenue	-	-	-	-	(2,850)	(3,388)
Toll income	47,605	60,076	-	-	47,605	60,076
Turnover	11,606,622	8,927,439	600,632	581,933	12,204,404	9,505,984
Trade discount	1,414,419	1,156,940	1,698	673	1,416,117	1,157,613
Sales return	53,048	68,384	39,748	28,842	92,796	97,226
Sales tax	224,837	166,733	110,718	109,892	335,555	276,625
Net turnover	9,914,318	7,535,382	448,468	442,526	10,359,936	7,974,520
Cost of sales	(5,456,540)	(4,353,751)	(176,479)	(205,418)	(5,633,019)	(4,559,169)
Gross profit	4,457,778	3,181,631	271,989	237,108	4,726,917	3,415,351
Other income	73,702	69,806	5,846	3,194	79,548	73,000
Distribution costs	(2,562,840)	(1,966,770)	(200,835)	(193,731)	(2,763,675)	(2,160,501)
Administrative expenses	(645,581)	(505,089)	(33,264)	(32,028)	(678,845)	(537,117)
Inter segment expenses	-	-	-	-	2,850	3,388
Charge / (reversal) on loss allowance on trade debts and trade deposits	9,561	(13,923)	554	(5,838)	10,115	(19,761)
Other expenses	(98,154)	(52,983)	-	-	(98,154)	(52,983)
Finance cost	(102,345)	(100,573)	(32,333)	(25,422)	(134,678)	(125,995)
Unallocated expense (brand Amortization)	-	-	-	-	(2,706)	(2,706)
Profit / (loss) before tax	1,132,121	612,099	11,957	(16,717)	1,141,372	592,676

	Pharmaceuticals		Cosmetics and Fragrance		Total	
	2025	2024	2025	2024	2025	2024
	----- (Rupees in '000) -----					
Segments assets	6,367,480	5,113,083	353,942	211,027	6,721,422	5,324,110
Unallocated assets	-	-	-	-	40,493	43,199
Segment liabilities	2,862,117	2,215,974	285,264	193,252	3,147,381	2,409,226
Depreciation and amortisation charge	274,646	254,465	3,418	2,977	278,064	257,442
Capital expenditure	869,591	295,975	2,670	8,455	872,261	304,430

24.1 Out of total net turnover of the Group 91% (2024: 94%) relates to customers in Pakistan. Further, all non-current assets of the Group as at June 30, 2025 are located in Pakistan.

24.2 Out of total net turnover of the Group, 9.37% (2024: 11%) relates to a single major customer located in Pakistan.

	2025	2024
Note	----- (Rupees in '000) -----	-----
24.3 Reconciliation of segments assets and liabilities		
24.4 Assets		
Total assets for reportable segments	6,721,422	5,324,110
Intangibles - goodwill and brands	40,493	43,199
	<u>6,761,915</u>	<u>5,367,309</u>
24.5 Depreciation and amortisation		
Depreciation and amortisation for reportable segments	278,064	257,442
Amortization of brand	2,706	2,706
	<u>280,770</u>	<u>260,148</u>

25. REVENUE FROM CONTRACTS WITH CUSTOMERS

Gross sales			
Local	25.2	11,178,339	8,884,539
Export		978,460	561,369
		<hr/> 12,156,799	<hr/> 9,445,908
Toll manufacturing		47,605	60,076
		<hr/> 12,204,404	<hr/> 9,505,984
Less: Trade discount		1,416,117	1,157,613
Sales return		92,796	97,226
Sales tax		335,555	276,625
		<hr/> 1,844,468	<hr/> 1,531,464
		<hr/> 10,359,936	<hr/> 7,974,520

	2025	2024
Note	----- (Rupees in '000) -----	
25.1 Disaggregation of revenue		
Sale of goods and services	10,313,264	7,915,045
Toll manufacturing	46,672	59,475
	<u>10,359,936</u>	<u>7,974,520</u>

25.2 This include sales to government organisations amounting to Rs. 77.58 million (2024: Rs. 10.15 million)

	2025	2024
Note	----- (Rupees in '000) -----	
26. COST OF SALES		
Raw and packing materials consumed	26.1 4,575,834	3,481,811
Manufacturing overheads		
Salaries, wages and benefits	26.2 680,341	532,642
Fuel and power	267,014	256,353
Depreciation on operating fixed assets	4.4 110,786	116,742
Repairs and maintenance	97,261	92,599
Provision for slow moving and obsolete stock-in-trade	9.5 73,067	50,076
Laboratory and factory supplies	40,050	45,879
Research and development cost	65,529	19,418
Stores and spares consumed	12,200	13,332
Rent, rates and taxes	12,290	12,573
Printing and stationery	9,994	9,670
Depreciation on right-to-use assets	4.6.1 7,602	7,444
Travelling, conveyance and entertainment	6,140	6,635
Takaful	7,208	5,263
Postage and communication	1,740	1,998
Amortisation	5.2 -	577
Training and development cost	1,248	542
Legal and professional	33	35
Others	164	956
	<u>1,392,667</u>	<u>1,172,734</u>
	<u>5,968,501</u>	<u>4,654,545</u>
Work-in-process		
Opening	214,700	158,131
Closing	(234,634)	(214,700)
	<u>(19,934)</u>	<u>(56,569)</u>
Cost of goods manufactured	<u>5,948,567</u>	<u>4,597,976</u>
Finished goods		
Opening	583,087	627,565
Closing	(811,646)	(583,087)
	<u>(228,559)</u>	<u>44,478</u>
Physician samples	(86,989)	(87,927)
	<u>5,633,019</u>	<u>4,554,527</u>

	Note	2025 ----- (Rupees in '000) -----	2024 -----
26.1 Raw and packing materials consumed			
Opening stock		1,196,041	1,161,795
Purchases		5,060,336	3,516,057
		6,256,377	4,677,852
Closing stock		(1,680,543)	(1,196,041)
		4,575,834	3,481,811

26.2 This includes amount of Rs. 19.57 million (2024: Rs. 16.3 million) and Rs. 31.04 million (2024: Rs. 26.61 million) in respect of defined contribution and defined benefit plan respectively.

	Note	2025 ----- (Rupees in '000) -----	2024 -----
27. SELLING AND DISTRIBUTION EXPENSES			
Salaries and benefits	27.1	1,472,102	1,189,900
Sales promotion expenses		605,150	439,838
Training and development cost		65,002	81,534
Freight charges		141,338	80,531
Depreciation on operating fixed assets	4.4	98,342	80,273
Repair and maintenance		81,585	72,016
Traveling, conveyance and entertainment		91,167	95,619
Subscription charges		64,149	35,305
Depreciation on right-of-use assets	4.6.1	29,492	30,820
Fuel and power		35,455	38,947
Takaful		14,164	12,869
Rent, rate and taxes		42,140	11,660
Service charges		7,978	5,481
Postage and communication		6,296	5,963
Legal and professional		1,742	4,628
Printing and stationery		2,736	3,318
Ijarah lease rentals		1,901	1,612
Amortisation	5.2	2,792	2,832
		2,763,531	2,193,146

27.1 This includes Rs. 38.88 million (2024: Rs. 36.23 million) and Rs. 15.84 million (2024:Rs. 5.94 million) in respect of defined contribution and defined benefit plan respectively.

	Note	2025 ----- (Rupees in '000) -----	2024 -----
28. ADMINISTRATIVE EXPENSES			
Salaries and benefits	28.1	400,008	292,826
Repairs and maintenance		76,426	81,663
Fuel and power		31,656	23,950
Legal and professional		22,159	23,636
Donations	28.2	53,007	5,509
Depreciation on operating fixed assets	4.4	31,566	20,827
Rent, rates and taxes		14,711	15,045
Printing and stationery		13,857	13,186
Traveling, conveyance and entertainment		14,524	12,744
Postage and communication		5,024	5,481
Auditors' remuneration	28.3	6,415	4,802
Directors' fee		650	3,150
Takaful		5,290	3,508
Amortisation	5.2	776	633
Training and development cost		1,918	206
Others		858	1,266
		<u>678,845</u>	<u>508,432</u>

28.1 This includes amount of Rs.14.48 million (2024: Rs. 11.88 million) and Rs. 5.64 million (2024: Rs. 3.69 million) in respect of defined contribution and defined benefit plan respectively.

28.2 Donations to single parties exceeding higher of Rs. 1 million or 10% of the total donations are as follows:

	Note	2025 ----- (Rupees in '000) -----	2024 -----
SINA Health Education & Welfare Trust		33,762	-
Majlis - e - Ilmi Society		-	3,060
Khadija Tul Kubra Welfare Trust		-	1,200
		<u>33,762</u>	<u>4,260</u>
28.3 Auditors' remuneration			
Annual audit fee of the Holding Company and a Subsidiary Company		3,000	2,000
Half year review of the Holding Company		700	600
Annual audit fee of consolidated financial statements of the Holding Company		600	500
Certifications for free float, CDC, unclaimed dividend Code of Corporate Governance and Shariah Audit		1,100	900
		<u>5,400</u>	<u>4,000</u>
Out of pocket expenses		540	446
Sales tax		475	356
		<u>6,415</u>	<u>4,802</u>

		2025	2024
	Note	(Rupees in '000)	
29. OTHER EXPENSES			
Sindh Workers' Profit Participation Fund		61,483	33,477
Workers' Welfare Fund		23,363	12,721
Central Research Fund		12,297	6,785
Exchange loss - net		1,011	-
		<u>98,154</u>	<u>52,983</u>
30. OTHER INCOME			
Income from financial assets			
Profit on saving accounts - Islamic		10,749	14,272
Income from Term Deposit Modaraba Certificate		1,394	-
		<u>12,143</u>	<u>14,272</u>
Income from non-financial assets			
Gain on disposal of operating fixed assets	4.2	58,719	52,810
Scrap sales		3,805	2,144
Exchange gain - net		-	716
Profit on Bank Margin		111	-
Others		4,770	3,058
		<u>67,405</u>	<u>58,728</u>
		<u>79,548</u>	<u>73,000</u>
30.1	This includes income from Enhanced External Counter Pulsation (EECP) and master class training amounting to Rs. 4.45 million and Rs. 0.14 million respectively (2024: Rs. 2.34 million and Rs. 0.71 million).		
31. FINANCE COST			
Profit / mark-up on:			
- Loan from a related party		9,439	10,613
- Diminishing musharakah		72,333	67,998
- Murabaha		21,957	14,398
- Musharakah running finance		9,224	2,558
Markup on lease liabilities	19.1.1	18,802	13,574
Markup on GIDC		166	12,578
Mark-up on Sindh Workers' Profit Participation Fund		525	3,015
		<u>132,446</u>	<u>124,734</u>
Bank charges and commission		2,232	1,261
		<u>134,678</u>	<u>125,995</u>
32. TAXATION			
Current - for the year		418,698	227,467
- prior year		(50,408)	(35,287)
Deferred		(13,851)	(1,710)
		<u>354,439</u>	<u>190,470</u>
32.1	Income tax assessments of the Group have been finalised up to and including the tax year 2024 under the self assessment scheme.		

	2025	2024	2025	2024
	(Effective tax rate%)		(Rupees in '000)	
32.2 Relationship between income tax expense and accounting profit				
Accounting profit before taxation			1,141,372	595,382
Tax at the enacted tax rate	29.00	29.00	330,998	172,661
Effect of super tax	9.11	9.80	103,976	58,338
Tax effects of:				
Income subject to minimum tax	-	1.74	-	10,382
Income subject to FTR	-	(2.31)	-	(13,725)
Carried forward turnover tax adjustment	-	(0.67)	-	(4,000)
Prior period adjustment	(3.86)	(5.93)	(44,089)	(35,287)
Others	(3.19)	0.35	(36,446)	2,101
	31.06	31.98	354,439	190,470

32.3 Subsidiary Company

Provision for current taxation has been made on the basis of minimum tax under section 113 of the Income Tax Ordinance, 2001.

	Note	2025	2024
		(Rupees in '000)	
33. BASIC AND DILUTED EARNINGS PER SHARE			
Profit for the year attributable to the owners of the Holding company		776,429	406,692
		Number of shares	
Weighted average number of ordinary shares in issue		45,811,018	45,811,018
Basic earnings per share (Rupees)	33.1	16.95	8.88

33.1 There is no dilutive effect on basic earnings per share of the Group as at June 30, 2025 and June 30, 2024.

		2025	2024
	Note	----- (Rupees in '000) -----	
34. CASH GENERATED FROM OPERATIONS			
Profit before income tax		1,141,372	592,676
Adjustments of non-cash and other items:			
Depreciation on operating fixed assets	4.4	240,694	217,842
Depreciation on right-of-use assets	4.6.1	37,094	38,264
Amortisation	5.2	3,568	4,042
Finance cost	31	115,876	112,421
Mark-up on lease liabilities	31	18,802	13,574
Provision for gratuity	17.1.4	48,567	40,190
Gain on disposal of property, plant and equipment	30	(58,719)	(52,810)
Provision for slow moving and obsolete stock-in-trade	9.5	73,067	50,076
Allowance for expected credit loss		(9,007)	19,761
Change in working capital	34.1	(476,260)	(312,767)
		1,135,054	723,269
34.1 Change in working capital			
(Increase) / decrease in current assets			
Stores and spares		(6,937)	698
Stock-in-trade		(699,463)	(210,693)
Trade debts		(22,697)	(67,528)
Loans and advances		18,005	(132,556)
Trade deposits, prepayments and other receivables		19,848	(17,820)
Sales tax refundable		(9,496)	29,086
		(700,740)	(398,813)
Increase in current liabilities			
Trade and other payables		211,810	86,046
Sales Tax payable		12,670	-
		224,480	86,046
		(476,260)	(312,767)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Group's financial instruments are credit risk, operational risk, liquidity risk and market risk (including return rate risk, currency risk and price risk). The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

35.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. The Group's management is regularly conducting detailed analysis on sectors.

35.1.1 Exposure to credit risk

The Group seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy. The maximum exposure to credit risk at the reporting date is:

		2025	2024
	Note	----- (Rupees in '000) -----	-----
Long-term deposits	7	19,415	17,963
Trade debts	10	508,617	472,307
Loans	6	14,085	5,728
Trade deposits and other receivables	12	63,471	91,115
Short-term investment	14	16,838	-
Cash and Bank balances	15	288,603	187,673
		<u>911,029</u>	<u>774,786</u>

The Group does not take into consideration the value of collateral while testing financial assets for impairment. The Group considers the credit worthiness of counterparties as part of its risk management.

Long-term deposits

This represents long term deposits under diminishing musharakah and with utility companies. The Group does not foresee any credit exposure there against as the amounts are paid to counterparty as per agreement and is refundable on termination of the agreement with respective counterparty.

Trade debts

The Group's exposure to credit risk arising from trade debtors is mainly influenced by the individual characteristics of each customer. Majority of the Group's sales are made against receipts in advance from customers. The Group has no major concentration of credit risk with any single customer. The majority of the trade customers have been transacting with the Group for several years. The Group establishes an allowance for impairment where it considers recoveries are not probable.

The information about the credit risk exposure on the Group's trade receivables as at June 30, 2025 and June 30, 2024 is disclosed in note 10.4 of these consolidated financial statements.

Loans

This represent loan given to executive and other employees as per the policy of the Group, the management does not expect to incur credit loss there against.

Trade deposits and other receivables

These represent deposits placed with various suppliers as per the terms of securing availability of services. The management does not expect to incur credit loss there against.

Cash and bank balances

Cash is held only with reputable banks with high quality external credit rating assessed by external rating agencies. Following are the credit ratings of banks with which balances are held or credit lines available:

Banks	Rating agency	Rating	
		Short term	Long term
Al Baraka Bank (Pakistan) Limited	VIS	A-1	AA-
Askari Bank Limited	PACRA	A-1+	AA+
Bank Al Habib Limited	PACRA	A-1+	AAA
Bank Al Falah Limited - Islamic	PACRA	A-1+	AAA
Dubai Islamic Bank Pakistan Limited	VIS	A-1+	AA
Habib Bank Limited	VIS	A-1+	AAA
MCB Bank Limited	PACRA	A-1+	AAA
MCB Islamic Bank Limited	PACRA	A-1	A+
Meezan Bank Limited	VIS	A-1+	AAA
Allied Bank Limited	PACRA	A-1+	AAA
Bank islami Pakistan Limited	PACRA	A-1	AA-
Bank of Punjab	PACRA	A-1+	AA+
Habib Metro Bank Pakistan Limited	PACRA	A-1+	AA+
First Habib Modaraba	PACRA	A-1+	AA+
UBL Ameen Islamic Banking	VIS	A-1+	AAA

35.1.2 Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focuses on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at the reporting date.

35.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group applies the prudent risk management policies by maintaining sufficient cash and bank balances and by keeping committed credit lines. The table below summarizes the maturity profile of the Group's financial liabilities at the following reporting dates:

	2025				
	Carrying amount	Contractual cashflows	upto one year	one to five years	More than five years
	----- (Rupees in '000) -----				
Long term financing	764,437	(922,566)	(279,911)	(642,655)	-
Lease liabilities	88,418	(108,773)	(51,581)	(57,192)	-
Trade and other payables	997,155	(997,155)	(997,155)	-	-
Short-term borrowings	169,941	(169,941)	169,941	-	-
Unclaimed dividend	632	(632)	(632)	-	-
	2,020,583	(2,199,067)	(1,159,338)	(699,847)	-

	2024				
	Carrying amount	Contractual cashflows	upto one year	one to five years	More than five years
	----- (Rupees in '000) -----				
Long term financing	464,524	(627,531)	(185,806)	(410,747)	(30,978)
Lease liabilities	113,416	(152,319)	(46,366)	(105,953)	-
Trade and other payables	903,929	(903,929)	(903,929)	-	-
Short-term borrowings	105,000	(111,807)	(111,807)	-	-
Unclaimed dividend	550	(550)	(550)	-	-
	1,587,419	(1,796,136)	(1,248,458)	(516,700)	(30,978)

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rate effective as at June 30. The rate of mark-up has been disclosed in respective notes to these financial statements.

	July 01, 2024	Cash Flows	Non cash flow	June 30, 2025
	----- (Rupees in '000) -----			
35.2.1 Changes in liabilities from financing activities				
Long-term financing	407,247	437,953	(80,763)	764,437
Lease liabilities	113,416	(47,347)	22,349	88,418
Short-term borrowings	105,000	64,941	-	169,941
Unclaimed dividend	550	82	-	632
	626,213	455,629	(58,414)	1,023,428

35.3 Market Risk

Market risk is the risk that fair value of future cash flows will fluctuate because of changes in market prices. Market prices comprise three types of risks which includes interest rate risk, currency risk and other price risk, such as equity risk. There has been no change in the Group's exposure to market risk or the manner in which this risk is managed and measured.

35.3.1 Return rate risk

Return rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in the market return rates. The Group's return rate risk arises from long-term financing, short-term borrowings, Murabaha payables and bank deposits obtained with floating rates. All the borrowings of the Group are obtained and investments made in the functional currency.

At the reporting date, the return rate profile of Group's return-bearing financial instruments was:

	Note	2025 ----- (Rupees in '000) -----	2024 -----
Financial asset			
Local currency - savings accounts	15	217,283	176,469
Financial liabilities			
Long-term financing	18	(764,437)	(407,247)
Short-term borrowings	22	(169,941)	(105,000)
		(717,095)	(335,778)

The Group analyses its return rate exposure on a regular basis by monitoring existing facilities against prevailing market return rates and taking into account various other financing options available.

The following figures demonstrate the sensitivity to a reasonably possible change in return rate, with all other variables held constant, of the Group's profit before tax:

	Increase / (decrease) in basis points	Effect on profit before tax (Rupees in '000)
2025		
Change in return rate	+100	(7,171)
Change in return rate	-100	7,171
2024		
Change in return rate	+100	(3,358)
Change in return rate	-100	3,358

35.3.2 Currency Risk

Currency risk is the risk that the value of financial assets or a financial liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currency. As at the reporting date, the Group is not materially exposed to such risk.

Exposure to currency risk

The Company is exposed to currency risk on bank balances and trade creditors that are denominated in a currency other than the respective functional currency of the Company, primarily U.S. Dollar. The Company's exposure to foreign currency risk is as follows:

	2025			2024		
	Rupees	US Dollars	Chinese Yuan	Rupees	US Dollars	Chinese Yuan
	----- (Amounts in '000) -----					
Financial assets						
Bank Balance	37,115	131	-	26,101	94	-
Financial liabilities						
Trade creditors	(44,051)	(155)	-	(37,951)	(110)	(188)
Net exposure	(6,936)	(24)	-	(11,850)	(16)	(188)

The following significant exchange rates applied during the year:

	Average rates		Reporting date rates	
	2025	2024	2025	2024
	----- (Rupees in '000) -----			
US Dollar to PKR	279.98	282.90	283.76	278.34
Chinese Yuan to PKR	39.06	39.16	39.60	38.31

Sensitivity analysis

A 10 percent strengthening / (weakening) of the Pak Rupee against the US Dollar at June 30, 2025 would have decreased the profit by Rs. 4.37 million. This analysis assumes that all other variables, in particular return rates, remains constant and the analysis is performed on the same basis as done in prior year.

35.3.3 Equity price risk

Equity price risk is the risk arising from uncertainties about future value of investment securities. As at reporting date, the Group is not exposed to equity price risk.

		2025	2024
	Note	----- (Rupees in '000) -----	
35.4 Categories of financial instruments			
35.4.1 Financial assets as per statement of financial position			
At amortised cost			
Trade debts	10	508,617	472,307
Short-term investments	14	16,838	-
Cash and bank balances	15	288,603	187,673
Trade deposits and other receivables	12	63,471	91,115
Long-term deposits	7	19,415	17,963
Loans	6	14,085	5,728
		911,029	774,786
35.4.2 Financial liabilities as per statement of financial position			
At amortised cost			
Long-term financing	18	764,437	407,247
Lease liabilities	19.1	88,418	113,416
Trade and other payables	21	1,046,541	903,929
Short-term borrowings	22	169,941	105,000
Unclaimed dividend		632	550
		2,069,969	1,530,142

35.5 Fair values of financial assets and liabilities

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

The carrying values of all financial assets and liabilities reflected in these financial statements approximate fair values.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Investments, if any, recognised at fair value are analyzed between those whose fair value is based on:

Level 1: Quoted prices in active markets for identical assets or liabilities,

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

There are no investments measured at fair value as at June 30, 2025.

35.6 Capital risk management

The primary objective of the Group's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholders value and reduce the cost of capital.

The Group manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as total loans and borrowings including any finance charges thereon, less cash and cash equivalents.

The gearing ratios as at June 30, 2025 and 2024 are as follows:

		2025	2024
	Note	----- (Rupees in '000) -----	
Long-term financing	18	764,437	407,247
Accrued profit	21	16,607	7,627
Total debt		781,044	414,874
Cash and bank balances	15	(288,605)	(187,673)
Net debt		492,439	227,201
Share capital	16	458,111	458,111
Reserves		3,142,439	2,496,249
Total capital		3,600,550	2,954,360
Capital and net debt		4,092,989	3,181,561
Gearing ratio		12.03%	7.14%

The Group finances its operations through equity, borrowings and management of its working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

36. CAPACITY AND PRODUCTION

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

		2025	2024
	Note	----- (Rupees in '000) -----	
37. SHARIAH COMPLIANCE STATUS DISCLOSURE			
Statement of financial position - Liability side			
i) Long-term financing as per islamic mode	18	764,437	407,247
ii) Mark up accrued on Islamic loan	21	16,607	7,627
iii) Short-term borrowing as per islamic mode	22	169,941	105,000
Statement of financial position - Asset side			
i) Shariah-compliant bank balances	15	288,603	187,673
ii) Short-term Investments Term Deposit Mudaraba Certificates	14	16,838	-

	Note	2025 ----- (Rupees in '000) -----	2024 -----
Statement of profit or loss			
i) Revenue earned from Shariah-compliant business segment	25	10,359,936	7,974,520
ii) Exchange (loss) / gain	29	1,011	716
iv) Profit from saving account - Islamic	30	10,749	14,272
v) Income from Term Deposit Mudaraba Certificates	30	1,394	-
vi) Finance cost on Musharaka Running Finance	31	9,224	2,558
vii) Finance cost on Diminishing Musharaka	31	72,333	67,998
viii) Finance cost on Murabaha	31	21,957	14,398
Break-up of Other income excluding profits in bank deposits and TDRs			
Shariah compliant Income			
i) Sale of scrap material	30	3,805	2,144
ii) Gain on disposal of property, plant and equipment	30	58,719	52,810
iii) Others	30	4,770	3,058

37.1 Relationship with Shariah-compliant financial institutions

Islamic banks

The Group has facilities with Al Baraka Pakistan Limited, Bank Islami Pakistan Limited, Bank Al Falah Limited, Habib Metropolitan Limited and Meezan Bank Limited for istisnah, letter of credit, letter of guarantee, murabaha, musawamah, shipping guarantee and running musharakah amounting to 1,000 million, 2,675 million, 125 million, 550 million, 800 million, 300 million and 500 million.

Window Takaful Operators

The Group has facilities with EFU General Insurance Limited for vehicles insurance and Jubilee Life Insurance Company Limited for health insurance.

38. TRANSACTIONS WITH RELATED PARTIES

38.1 Related parties of the Group comprise associates, companies with common directorship, directors, key management personnel, staff provident fund and a subsidiary. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these consolidated financial statements are as follows:

Relationship with the Group	Nature of transactions	2025	2024
		----- (Rupees in '000) -----	
Key Management Personnel	Dividend	85,638	46,423
	Short term benefits	66,038	63,368
	Retirement benefits	3,145	3,064
Executive Director	Loan repaid	3,684	3,684
Non-Executive Directors	Fee for attending meetings	650	1,525
Provident fund	Contribution paid	72,937	60,557
Depilex (Private) Limited (Common directorship)	Sales made by the Subsidiary Company	5,847	5,461
	Payments received	1,628	3,360

38.2 There are no other related parties with whom the Group had entered into transactions or has arrangement / agreement in place.

38.3 The Group carries out transactions with related parties at commercial terms and conditions as per the Group's policy.

39. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Executive Directors		Executive		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
----- (Rupees in '000) -----								
Managerial remuneration	37,242	27,330	21,938	27,330	492,807	432,166	551,987	486,826
Bonus	-	1,658	-	1,658	-	14,706	-	18,022
Perquisites	81	99	1,591	573	1,556	1,317	3,228	1,989
Retirement benefits	2,126	1,532	1,019	1,532	35,692	32,709	38,837	35,773
Other benefits	3,289	2,344	1,897	2,376	73,069	50,773	78,255	55,493
	42,738	32,963	26,445	33,469	603,124	531,671	672,307	598,103
Number of persons	1	1	1	1	110	75	112	77

- 39.1** The Chief Executive, Directors and Executives are also provided with free use of Group maintained cars as per the terms of their employment. The non-executive directors are not entitled to any remuneration except meeting fee as disclosed in note 38.1. As per the Act, an executive means an employee, other than the chief executive and director, whose salary exceeds twelve hundred thousand rupees in a financial year. The corresponding figures for executive remuneration have been updated to reflect the correction of typographical error.

	2025	2024
Note	----- (Rupees in '000)	-----

40. NUMBER OF PERSONS EMPLOYED

The detail of number of employees are as follows:

Number of employees as at June 30

- factory
- office

486	465
796	711
1,282	1,176

Average number of employees during the year

- factory
- office

475	438
762	769
1,237	1,207

41. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation, the effect of which is immaterial except for the following:

	Year ended June 30, 2024	
	Long-term deposits	Long-term financing
	----- (Rupees in '000) -----	
Diminishing Musharakah	(57,277)	57,277

42. EVENTS AFTER THE END OF THE REPORTING DATE

The Board of Directors in its meeting held on September 23, 2025 has proposed a final cash dividend of Rs. 2.00 per share (2024: Rs. 1) in respect of the year ended June 30, 2025. The financial statements for the year ended June 30, 2025 do not include the effect of proposed dividend amounting to Rs. 91.622 million (2024: Rs. 45.811 million) which will be accounted for in the financial statements for the year ending June 30, 2026.

43. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on September 23, 2025 by the Board of Directors of the Group.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

FORM OF PROXY

Annual General Meeting

I / We, _____ of _____ being the member(s) of Macter International Limited and holder of _____ Ordinary Shares as per Share Register Folio/CDC Account No. _____ hereby appoint Mr./Ms. _____ having CNIC No. or Passport No. _____ Folio/CDC Account No. _____ of _____ or failing him/her _____ having CNIC No. or Passport No. _____ Folio/CDC Account No. _____ of _____ who is also a member 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 October 25, 2025 at 10:00 am and/or at any adjournment thereof.

Signed this _____ day of October, 2025

Rupees Five Revenue
Stamp)

Witnesses: 1. Signature: _____
Name: _____
CNIC#: _____
Address: _____
2. Signature: _____
Name: _____
CNIC#: _____
Address: _____

Signature _____
(The signature should agree with the
specimen signature with the Company)

IMPORTANT:

1. This proxy form, duly completed and signed, must be received at the Registered Office of the Company, F-216, SITE, Karachi at least 48 hours before the time fixed for the meeting.
2. This form should be signed by the member or by his/her attorney duly authorized in writing. If the member is a Corporation, its common seal should be affixed to the instrument.

For CDC Account Holders/Corporate Entities

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

- (i) The proxy form shall be witnessed by two persons whose names, addresses and CNIC or Passport 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 proxy form.
- (iii) The proxy shall produce his/her original CNIC or original Passport at the time of the meeting.
- (iv) In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

پراکسی فارم
سالانہ اجلاس عام

[illegible][illegible]

پانچ روپے کارسیدی ٹکٹ

دستخط

(اس دستخط کا کمپنی کے ساتھ رجسٹرڈ دستخط کے نمونے سے مشابہت ہونا لازمی ہے۔)

گواہ نمبر 1۔ دستخط: _____

نام: _____

سی این آئی سی نمبر:



گواہ نمبر 2۔ دستخط:۔

نام: _____

سی این آئی سی نمبر:

— 〃 〃 〃

اہم نکات:

- 1- ہر لحاظ سے مکمل اور دستخط شدہ یہ فارم اجلاس سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس ایف 216، سائٹ، کراچی میں موصول ہو جانا چاہئے۔
- 2- فارم پر ممبر یا اس کا تخریراً مقرر کردہ انارنی دستخط کرے گا۔ ممبر کارپوریشن ہونے کی صورت میں اس کی مہر فارم پر ثبت کرنی ہوگی۔

سی ڈی سی اکاؤنٹ رکھنے والے / کارپوریٹ ادارے کے لئے

مزید برآں درج ذیل شرائط کو پورا کیا جائے گا۔








- (i) پراسی فارم پر دو افراد کی گواہی ہوئی ہے جن کے نام، پتہ اور شناختی کارڈ یا پاسپورٹ نمبر فارم میں درج ہوں۔
(ii) پراسی فارم کے ہمراہ بینیفیشل اوزر کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول بھی دی جائیں گی۔
(iii) پراسی کو اپنا اصل شناختی کارڈ یا پاسپورٹ میٹنگ کے وقت دکھانا ہوگا۔
(iv) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد اور آف انٹارنی مع منتظر کے نمونے (اگر پہلے جمع نہ کر لیا ہو تو) کمپنی میں پراسی فارم کے ساتھ جمع کرانی ہوگی۔





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